

C 40574

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Name.....

Reg. No.....

SIXTH SEMESTER B.A. DEGREE EXAMINATION, MARCH 2013

(CCSS)

Economics

EC6 B12—PUBLIC FINANCE

Time : Three Hours

Maximum : 30 Weightage

Answers may be written either in English or in Malayalam.

Section A (Objective Type Questions)

Answer all twelve questions.

Each question carries ¼ weightage.

I. Multiple Choice Questions :

1 The principle of maximum social advantages was given by :

- (a) Pigou. (b) Adam Smith.
(c) Dalton. (d) J.S. Mill.

2 CENVAT is related to :

- (a) Sales tax. (b) Excise duty.
(c) Customs duty. (d) Service tax.

3 If the tax is levied on the weight of the commodity is known :

- (a) Advalorem. (b) Specific.
(c) Compound. (d) Direct.

4 The first finance commission was appointed in :

- (a) 1952. (b) 1950.
(c) 1951. (d) None of these.

II. Fill in the blanks :

- 5 Only one kind of tax is known as _____.
6 The concept of functional finance was first stated by _____.
7 Corporate tax is imposed by _____.
8 13th Finance Commission was constituted under the chairmanship of _____.

III. Answer in a word or sentence :

- 9 Refusal to pay a debt by the government is known as _____.
10 The Displacement Effect hypothesis was introduced by _____.

Turn over

- 11 ——— theory of taxation is the most accepted one in modern days.
- 12 The consumption tends to have positive effects than does an income tax on ———.
- (12 × ¼ = 3 weightage)

Section B (Short Answer Type Questions)

*Answer all questions.
Each question carries 1 weightage.*

- 13 What is meant by regressive tax ?
- 14 Explain sound finance.
- 15 Define redeemable debt.
- 16 Define public finance.
- 17 Define VAT.
- 18 What you mean by multiple taxation ?
- 19 Write a note on capital levy.
- 20 Define public goods.
- 21 Explain balanced budget.

(9 × 1 = 9 Weightage)

Section C (Short Answer or Paragraph Questions)

*Answer any five of the following.
Each question carries 2 weightage.*

- 22 Explain Zero based budgeting.
- 23 What do you mean by taxable capacity ?
- 24 Explain externality.
- 25 What are the principles of debt management ?
- 26 Explain Wagner's law.
- 27 Explaining the meaning of Fiscal policy.
- 28 Explain principles of federal finance.

(5 × 2 = 10 weightage)

Section D (Essay Type Questions)

*Answer any two questions.
Each question carries 4 weightage.*

- 29 Explain the principle of maximum social advantage and how maximum social advantage is achieved.
- 30 Explain the principles and problems of federal finance in Indian context.
- 31 Discuss the effects of public expenditure on production, distribution and economic stability.

(2 × 4 = 8 weightage)