

STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 86
(For Candidates admitted during the academic year 2004 – 2005 & thereafter)

SUBJECT CODE: EC/MC/FE54

B.A. DEGREE EXAMINATION NOVEMBER 2009
BRANCH IV – ECONOMICS
FIFTH SEMESTER

COURSE : MAJOR – CORE
PAPER : FISCAL ECONOMICS - I
TIME : 3 HOURS

MAX.MARKS : 100

SECTION – A

ANSWER ALL QUESTIONS. EACH ANSWER NOT TO EXCEED 50 WORDS:
(10 X 3 = 30)

1. What are the characteristics of public goods ?
2. Define the term regressive tax structure.
3. Distinguish between Fee and Tax.
4. Define the term Non-development expenditure. Give some examples.
5. Distinguish between Gross income and Net-income for taxation purpose.
6. Explain the term Non-tax receipts with suitable examples.
7. Measure Forward and Backward shifting when elasticity of demand is greater than elasticity of supply.
8. What are disinvestments in PSUS ?
9. Explain cost of service theory of taxation.
10. Distinguish between plan expenditure and non-plan expenditure.

SECTION – B

ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 300 WORDS:
(5 X 6 = 30)

11. Measure shifting and incidence under imperfect competition.
12. List out the factors influencing taxable capacity.
13. Explain the canons of public expenditure.
14. Explain the scope of public finance in Classical and Keynesian framework.
15. Explain various methods of pricing in public sector units in India.
16. Recommend a tax policy to deal with current recessionary trend of Indian economy today.
17. Analyse the composition of direct and indirect tax structure in India at central government level since 2004-05.

SECTION – C

ANSWER ANY TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1200 WORDS:
(2 X 20 = 40)

18. Explain the effects of public expenditure on production, consumption and distribution.
19. Critically evaluate the principle of Maximum Social Advantage.
20. Evaluate subjective and objective principles of Ability to pay theory in taxation.
21. Why do we need public sector units in India ? Substantiate your answer.
