

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86
(For candidates admitted from the academic year 2015 – 2016)

SUBJECT CODE: 15EC/MC/PF55

B.A. DEGREE EXAMINATION, DECEMBER 2020
BRANCH IV - ECONOMICS

COURSE: MAJOR CORE
PAPER: PUBLIC FINANCE - I
TIME: 1 ½ HOURS

MAX. MARKS: 50

SECTION – A

(5 x 2 = 10)

ANSWER ANY 5 OUT OF 6 QUESTIONS. (50 WORDS EACH)

1. Give a point of similarity and dissimilarity between private finance and public finance.
2. What is meant by Pareto Optimality?
3. State the Wagner's Hypothesis of public expenditure.
4. Define (a) Concentration Effect, (b) Displacement Effect.
5. How is impact of taxation different from incidence of taxation? Give 2 points.
6. Explain the concept of tax buoyancy with an example.

SECTION – B

(2 x 10 = 20)

ANSWER ANY 2 OUT OF 3 QUESTIONS. (400 WORDS EACH)

7. Using suitable examples explain the classification of goods and services in the economy.
8. Examine the Theory of Second Best.
9. Explain the Canons of taxation.

SECTION – C

(1 x 20 = 20)

ANSWER ANY 1 OUT OF 2 QUESTIONS. (1000 WORDS EACH)

10. Describe the Principle of Maximum Social Advantage and explain the effects of public expenditure in India.
11. Elaborate on the modern view of Benefit Principle and Ability to Pay theories of taxation.
