

STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 86
(For Candidates admitted during the academic year 2011 – 2012)

SUBJECT CODE: 11EC/MC/PF54

B.A. DEGREE EXAMINATION NOVEMBER 2013
BRANCH IV – ECONOMICS
FIFTH SEMESTER

COURSE : MAJOR – CORE
PAPER : PUBLIC FINANCE - I
TIME : 3 HOURS

MAX.MARKS : 100

SECTION – A

I. All TEN questions to be answered in 50 words each. (10 X 2 = 20)

1. What is Public Finance? Explain briefly.
2. Bring out the difference between Merit and Demerit goods.
3. Define incidence of a Tax?
4. Differentiate between Earned and Unearned income?
5. What is the meaning of Pareto Optimality?
6. List out the Tax and Non-Tax Revenues?
7. Give the meaning of Taxable Capacity?
8. Briefly bring out the meanings of Nationalization and Privatization?
9. What are development and non development expenditures?
10. Explain briefly the term Globalization?

SECTION – B

II. Answer any FIVE questions in 300 words each. (5 X 8 = 40)

11. What are the factors that determine the taxable capacity of a country?
12. Bring out the various defects of the Indian Tax structure?
13. Discuss the role of taxation in a developing economy like India?
14. Explain how the Classical view regarding the scope of Public Finance is different from the Kenesian view?
15. Explain Adolf Wagner's theory of the growth of Public expenditure.
16. What are the different sources of Public Revenue? Explain each one briefly.
17. Explain the various pricing policies of public sector enterprises in India.

SECTION – C

III. Answer any TWO questions in 1200 words each. (2 X 20 = 40)

18. Explain the principle of Maximum Social Advantage with the help of a figure.
19. Examine the incidence of Taxes under different market conditions with the help of figures.
20. Explain the Ability to Pay Principle of the Public Expenditure with the help of figures.
21. Explain the Second Best theorem with diagrams. Where and how does it work in reality?
