

**STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86**  
**(For candidates admitted during the academic year 2004 – 2005)**

**SUBJECT CODE: EC/MC/FE 64**

**B. A. DEGREE EXAMINATION, APRIL 2007**  
**BRANCH IV - ECONOMICS**  
**SIXTH SEMESTER**

**COURSE : MAJOR - CORE**  
**PAPER : FISCAL ECONOMICS - II**  
**TIME : 3 HOURS. MAX. MARKS: 100**

**SECTION – A**

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

1. What is Public Debt?
2. Define a Deficit Budget?
3. What is the difference between Federalism and Federal Finance?
4. Bring out the difference between accounting and auditing?
5. Define Deficit Financing?
6. What are Conditional grants?
7. Give the meaning of financial administration.
8. What is a Contingency Fund?
9. Give the meaning of Repudiation of debt?
10. What is compensatory fiscal Policy?

**SECTION – B**

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

11. Examine the various problems of local finance.
12. For what purpose are grants – in – aid given?
13. Briefly explain the various sources of local finance?
14. Enumerate the objectives of a modern government budget?
15. Examine briefly the recommendations of the Eleventh Finance commission.
16. Examine the reasons for the growth of Public debt in India.
17. Explain the various agencies / instruments for a sound financial administration.

**SECTION – C**

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

18. Explain the objectives of Fiscal Policy in a developing country like India.
19. Explain in detail the different stages in the preparation of a budget.
20. Explain the various principles of Federal Finance.
21. State and explain the functions of major local bodies operating in India.

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