

**STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86**  
**(For candidates admitted during the academic year 2011–12 & thereafter)**

**SUBJECT CODE: 11EC/PC/PE24**

**M. A. DEGREE EXAMINATION, APRIL 2015**  
**BRANCH III – ECONOMICS**  
**SECOND SEMESTER**

**COURSE : MAJOR - CORE**  
**PAPER : PUBLIC ECONOMICS**  
**TIME : 3 HOURS**

**MAX. MARKS: 100**

**SECTION – A**

**ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 300 WORDS.** **(5 X 8 = 40)**

1. Explain the difference between Public goods, Private goods and Merit goods.
2. Briefly explain the objectives and principles of Public Debt Management.
3. Describe the concept of Externalities with examples.
4. Discuss the various factors that affect the Taxable Capacity of a person.
5. Bring out the effects or consequences of Deficit Financing in India.
6. Explain briefly the concept of Incidence of Income Tax, Customs duties and Sales Tax.
7. Examine the various Pricing policies of the Public Sector Enterprises in India briefly.

**SECTION – B**

**ANSWER ANY THREE QUESTIONS. EACH ANSWER NOT TO EXCEED 1200 WORDS.** **(3 x 20 = 60)**

8. Examine the various causes for the increase in Government Borrowing or Government Debt in the modern times.
9. Discuss the various problems arising due to conflicts between the Centre and States pertaining to finance.
10. Examine the role of Fiscal Policy in bringing stability to the Indian Economy.
11. Explain Arrow's Impossibility Theorem with help of a figure?
12. Critically examine the recent Central Government Budget of India for the year 2015-16.

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