



QP CODE: 21102885

21102885

Reg No :

Name :

**B.A DEGREE (CBCS) REGULAR/SUPPLEMENTARY EXAMINATIONS,
OCTOBER 2021**

Fourth Semester

B.A Economics Model I

Core Course - EC4CRT06 - PUBLIC ECONOMICS

For Regular Candidates: 2019 Admission only

For Private Candidates : 2017 Admission Onwards

E93897C5

Time: 3 Hours

Max. Marks : 80

Instructions to Private candidates only: This question paper contains **two sections**. Answer **SECTION I** questions in the answer-book provided. **SECTION II**, Internal examination questions must be answered in the question paper itself. Follow the detailed instructions given under

SECTION II

SECTION I

Part A

Answer any **ten** questions.

Each question carries **2** marks.

1. Lassiz faire
2. Explain the nature and scope of public economics.
3. Rivalry
4. Write four merits of direct tax.
5. Cost of service theory of taxation.
6. Zero base budget.
7. Explain the difference between developmental and non-developmental expenditures.
8. What are the types of developmental expenditure?
9. Define inspection effect.
10. State the Principle of Administrative economy and Efficiency of federal finance.
11. Vertical Equity in India.
12. What are the recommendations of XIV Finance Commission on local governance ?



(10×2=20)

Part B

Answer any **six** questions.

Each question carries **5** marks.

13. What are the major areas covered under public finance?
14. Explain the ability to pay principle.
15. Briefly explain the budgetary procedure in India.
16. Explain the role of fiscal policy in preventing cyclical fluctuations.
17. Explain the canons of public expenditure.
18. Explain the effect of public expenditure on production.
19. Explain the sources of public borrowing.
20. List the difference between Vertical and Horizontal equity in Fiscal Federalism.
21. What is Gadgil- Mukerjee formula in the allocation of funds from centre to state? point out its importance.

(6×5=30)

Part C

Answer any **two** questions.

Each question carries **15** marks.

22. What is market failure ? What is the role of the state in a market economy?
23. Describe the different sources of public revenue.
24. Explain the pattern of public debt position in India.
25. What are the different criteria for the transfer of resources from union to State?

(2×15=30)