

2023

Time - 3 hours

Full Marks - 80

Answer all groups as per instructions.

Figures in the right hand margin indicate marks.

GROUP - A

1. Fill in the blanks. (all) [1 × 12]
- (a) Public Economics is a branch of Economics where the economic activities of the _____ are studied.
- (b) In _____ finance, Income is adjusted with its expenditure.
- (c) _____ goods have characteristics of non-excludability and non-rivalry.
- (d) The ultimate burden of taxation is called _____.
- (e) Equal _____ sacrifice principle of taxation is the most equitable.
- (f) _____ expenditure create assets for govt. and cause reduction in liabilities of the govt.
- (g) The maximum amount, people can pay by way of taxes is called _____.

- (h) The value of Balanced budget multiplier is always equal to _____.
- (i) Payment of interest on Public debt is called _____ burden.
- (j) By _____ method of debt redemption, old debt is repaid through fresh loans.
- (k) Personal property tax is an example of _____ tax.
- (l) _____ proposed Canon of equity in taxation.

GROUP – B

2. Answer any eight of the following questions within two to three sentences each.

[2 × 8

- (a) What is Budget ?
- (b) Give two reasons for market failure.
- (c) What is Canon of Benefit of Public expenditure ?
- (d) State the distributive effects of taxation.
- (e) What is sinking fund ?
- (f) State any two advantages of GST.
- (g) What is progressive tax ?
- (h) Mention any two objectives of public debts.

[3]

- (i) What is debt management ?
- (j) State the classical views on burden of public debt.

GROUP – C

3. Write notes on any eight of the following within 75 words each.

[3 × 8

- (a) Public Finance
- (b) Balanced Budget Multiplier
- (c) Unbalanced Budget
- (d) Effects of public expenditure on distribution
- (e) Tax revenues of State Governments in India
- (f) Advantages of Indirect Taxes
- (g) Tax and Debt
- (h) Shifting of Public debt
- (i) Factors determining Taxable Capacity
- (j) Value Added Tax (VAT)

GROUP – D

Answer all questions within 500 words each.

4. Distinguish between Public goods and Private goods. Discuss the characteristics of Public goods. [7

P.T.O.

[4]

OR

"Budget is an instrument of economic policy of the government."
Explain.

5. Critically examine Wagner's law of increasing state activities. [7]

OR

State and explain Peacock-Wiseman hypothesis of growth of public expenditure. Point out its limitations.

6. Explain the Ability to Pay principle of Taxation. [7]

OR

Discuss the elasticity approach to division of the tax burden.

7. Analyse the inter-generational equity in the shifting of the burden of Public debt. [7]

OR

Discuss the methods of redemption of Public debt. Which one of them you consider the best ?