2024	
(CBCS)	
(5th Semester)	
ECONOMICS	
SIXTH PAPER	
(Public Finance)	
Full Marks: 75	
Time: 3 hours	
The figures in the margin indicate full marks for the questions	
(SECTION : A-OBJECTIVE)	
(Marks: 10)	
Tick (✓) the correct answer in the brackets provided: 1. Scope of public finance includes	1×10=10
(a) public revenue ()	
(b) public debt ()	
(c) public expenditure ()	
(d) All of the above ()	

2.	Who among the following advocates the principle of maximum social advantage?
	(a) J. S. Mill ()
	b) Adam Smith ()
	c) Hugh Dalton ()
	d) None of them ()
3.	he objective of taxes is
	a) regulation of economy ()
	b) increase in production ()
	c) increase in consumption ()
	d) decrease in production ()
4.	The Direct Taxes Enquiry Committee, 1970 was appointed under the
	a) Raj ()
	b) Chelliah ()
	c) Wanchoo ()
	d) Rekhi ()
5.	tax is ad valorem, when it is based on the
	a) assess value ()
	b) weight of goods ()
	(c) income ()
	(d) All of the above ()

5. Which of the following is direct tax?
(a) Sales tax ()
(b) Entertainment tax ()
(c) Income tax ()
(d) Luxury tax ()
7. When expenditure exceeds total tax revenue, it is called
(a) surplus budget ()
1 9 G
(b) balanced budget ()
(c) deficit budget ()
(d) None of the above ()
8. The effect of public debt in a inflationary situation is
(a) promotion of investment ()
(b) increasing consumption ()
(c) contractionary ()
(d) expansionary ()
9. The Chairman of the 15th Finance Commission is
(a) Arvind Panagariya ()
(b) K. C. Neogy ()
(c) Nand Kishore Singh ()
(d) Anoop Singh ()
10. The first Finance Commission was set up in the year
(a) 1950 ()
(b) 1951 ()
(c) 1952 ()
(d) 1953 ()

(SECTION : B-SHORT ANSWERS)

(Marks: 15)

Write short notes on the following:

3×5=15

UNIT-I

- 1. Distinction between public good and private good
 OR
- 2. Scope of public finance

UNIT-II

3. Canons of public expenditure
OR

4. Objectives of public expenditure

UNIT-III

5. Impact and incidence of taxes

OR

6. Taxable capacity

Unit—IV

7. Sinking fund

OR

8. Intergenerational transfer of public debt

Unit-V

9. Zero-based budgeting (ZBB)

OR

10. Kinds of budget

4

	(SECTION: C—DESCRIPTIVE)	
	(Marks : 50)	
ns	swer the following questions :	0×5=50
	Unit—I	
1.	Discuss the differences between public and private finance.	10
	OR	
2.	What is market failure? State the measure that can be adopted to commarket failure.	rect 2+8=10
	Unit—II	
3.	What is public expenditure? Explain the various principles of puexpenditure.	blic 2+8=10
	OR	
4.	Discuss the effects of public expenditure on production and distribution	. 10
	Unit—III	
5.	Define tax. Explain the different canons of taxation.	2+8=10
	OR	
6.	What is public revenue? Discuss the sources of public revenue.	2+8=10
	Unit—IV	
7.	Explain the different sources of public borrowings.	10
	OR	
8.	What do you mean by debt redemption? Explain the method of redemp of public debt.	tion 2+8=10
	UnitV	
9.	Describe the preparation and passing of budget in India.	10
	OR	
^	Discuss the role of the Finance Commission in India	

/74

2024 (CBCS) (5th Semester) **ECONOMICS** SIXTH PAPER (Public Finance) Full Marks: 75 Time: 3 hours The figures in the margin indicate full marks for the questions (SECTION : A-OBJECTIVE) (Marks: 10) Tick (✓) the correct answer in the brackets provided: $1 \times 10 = 10$ 1. Scope of public finance includes (a) public revenue (b) public debt ((c) public expenditure (d) All of the above

2. Who among the following advocates the principle of maximum advantage?	SOCIA
(a) J. S. Mill ()	
(b) Adam Smith ()	
(c) Hugh Dalton ()	
(d) None of them ()	
3. The objective of taxes is	
(a) regulation of economy ()	
(b) increase in production ()	
(c) increase in consumption ()	
(d) decrease in production ()	
 The Direct Taxes Enquiry Committee, 1970 was appointed under Chairmanship of (a) Raj () 	the
(b) Chelliah ()	
(c) Wanchoo ()	
(d) Rekhi ()	
5. A tax is ad valorem, when it is based on the	
(a) assess value ()	
(b) weight of goods ()	
(c) income ()	
(d) All of the above ()	

when expenditure exceeds total tax revenue, it is called	 (a) surplus budget () (b) balanced budget () (c) deficit budget () (d) None of the above () (d) None of the above () (e) contraction of investment () (f) increasing consumption () (g) contractionary () (d) expansionary () (e) contractionary () (f) expansionary () (g) Arvind Panagariya () (h) K. C. Neogy () (c) Nand Kishore Singh () (d) Anoop Singh ()

Contd.

(SECTION: B—SHORT ANSWERS)

(Marks: 15)

Write short notes on the following:

 $3 \times 5 = 15$

UNIT-I

- 1. Distinction between public good and private good OR B
- Scope of public finance Ŕ
- UNIT-II
- 3. Canons of public expenditure OR
- 4. Objectives of public expenditure

UNIT-III

5. Impact and incidence of taxes

6. Taxable capacity

7. Sinking fund OR 8. Intergenerational transfer of public debt

9. Zero-based budgeting (ZBB)

10. Kinds of budget

OR

174

UNIT-IV

(SECTION: C-DESCRIPTIVE)

(Marks: 50)

Answer the following questions:

 $10 \times 5 = 50$

1. Discuss the differences between public and private finance. UNIT-I

2+8=10

2

What is market failure? State the measure that can be adopted to correct 9 market failure. ď

What is public expenditure? Explain the various principles of public UNIT-II expenditure.

e ë

Discuss the effects of public expenditure on production and distribution. 4.

10

2+8=10

5. Define tax. Explain the different canons of taxation. UNIT-III

2+8=109

2+8=10What is public revenue? Discuss the sources of public revenue. 7. Explain the different sources of public borrowings. UNIT-IV ø

10

2+8=10What do you mean by debt redemption? Explain the method of redemption debt. of public œ

OR S

UNIT-V

Describe the preparation and passing of budget in India. 6

10

OR O

Discuss the role of the Finance Commission in India. 10.

S