

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)
BA DEGREE EXAMINATION DECEMBER 2024
(Fifth Semester)

Branch - ECONOMICS
FISCAL ECONOMICS

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(5 x 1 = 5)

- 1 Who among the following economists is not associated with the principle of Maximum Social Advantage?
(i) Hugh Dalton (ii) A.C. Pigou
(iii) Richard Musgrave (iv) John Maynard Keynes
- 2 The principle that states "Every person should pay tax according to his ability to pay" refers to which canon of taxation?
(i) Canon of equality (ii) Canon of certainty
(iii) Canon of convenience (iv) Canon of economy
- 3 The theory that states public expenditure increases due to expanding state activities is known as:
(i) Wagner's Law (ii) Wiseman-Peacock Hypothesis
(iii) Musgrave's Theory (iv) Keynesian Theory
- 4 In India, the Union Budget is typically presented on
(i) 1st April (ii) 1st February
(iii) 15th August (iv) 31st March
- 5 In India, the Finance Commission is appointed every
(i) 3 years (ii) 4 years
(iii) 5 years (iv) 6 years

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

- 6 a Explain the importance of fiscal economics in modern economic systems.
OR
b Outline the concepts of Marginal Social Sacrifice (MSS) and Marginal Social Benefit (MSB) in the context of public finance.
- 7 a State the differences between tax and non-tax revenue with suitable examples.
OR
b Analyse the concept of tax incidence and tax burden.
- 8 a Show the role and functions of the Public Accounts Committee in India.
OR
b Produce the various classifications of public expenditure with suitable examples.
- 9 a Develop the main objectives of fiscal policy.
OR
b Narrate the major fiscal policy issues faced by India in recent years.

Cont...

- 10 a Bring out the key principles of federal finance.
OR
b Describe the constitutional provisions related to fiscal federalism in India.

SECTION -C (30 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks (5 x 6 = 30)

- 11 a Compare and contrast public finance and private finance.
OR
b Analyse the principle of maximum social advantage.
- 12 a Elucidate the theories of Taxation.
OR
b Point out the major reforms in both direct and indirect taxes.
- 13 a Examine the structure and growth of public expenditure in India.
OR
b Summarise the impact of economic reforms on public expenditure in India.
- 14 a Highlight the impact of economic reforms on budgeting in India.
OR
b Identify the methods of repaying public debt.
- 15 a Outline the causes of imbalances in the allocation of financial resources.
OR
b Summarise the Powers, Resources and administration of Local governments.

Z-Z-Z

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