K24P 0809



Reg. N	lo. :	 	
Name	:	 	

(2014 to 20 ECONOMICS/APPLIED E	xamination, April 2024 022 Admissions)	,
Γime : 3 Hours	ART - A	Max. Marks : 60
Answer all questions. All questions ca	arry equal marks.	
A) Public good C) Club good	non-excludability and non- B) Private good D) Merit good	rivalry.
2. The free rider problem occurs underA) When everyone can consume at B) When no one can limit anyoneC) When someone has to produceD) All the above	a resource in unlimited ame	
 3. GST was introduced in India on A) 1st April 2017 C) 2nd October 2017 	D) 1 st July 2017 D) 1 st January 2018	>
4. Adam Smith's canons of taxation of A) Canon of equityC) Canon of elasticity	do not include B) Canon of certain D) Canon of econor	•
5. The <i>Principle of Maximum Social A</i>A) SmithC) Dalton	Advantage has been devel B) Lerner D) Musgrave	oped by



6.	Which	among t	the follo	owing is	not a	non –	tax reveni	ue?
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A) Commercial revenue

B) Goods and Service Tax

C) Special assessment

D) Gifts and grants

7. Who introduced the concept of merit good?

A) Musgrave

B) Dalton

C) Pigou

D) Adam Smith

8. Tool/s of functional finance include/s

A) Taxing and spending

B) Borrowing and lending

C) Buying and selling

D) All the above

 $(8 \times \frac{1}{2} = 4)$

Part - B

Answer **any eight** questions. **Each** question carries **2** marks. **No** answer should exceed **one** page.

- 9. Distinguish between sound finance and functional finance.
- 10. Define fiscal deficit.
- 11. What are the causes of market failure?
- 12. State the ability to pay principle of taxation.
- 13. Distinguish between revenue expenditure and capital expenditure.
- 14. Define free rider problem.
- 15. What is cost-benefit analysis?
- 16. Define deficit financing.
- 17. Distinguish between VAT and CENVAT.
- 18. What are the objectives of fiscal policy?
- 19. Explain redeemable and irredeemable debt.

 $(8 \times 2 = 16)$

PART - C

-3-

Answer **any four** questions. **Each** question carries **5** marks. **No** answer should exceed **2.5** pages.

- 20. Distinguish between impact and incidence of taxation. What are the theories of tax shifting?
- 21. Prepare a note on public debt management.
- 22. Explain meaning and objective of project evaluation.
- 23. Evaluate the growth and trends in public expenditure in India.
- 24. Describe the theory of optimal taxation.
- 25. Explain meaning and instruments of monetary policy.

 $(4 \times 5 = 20)$

PART - D

Answer **any two** questions. **Each** question carries **10** marks. **No** answer should exceed **6** pages.

- 26. Explain the reasons for increasing public debt in India. What are the methods of debt redemption?
- 27. Differentiate between public revenue and public receipts. What are the sources of public revenue in India?
- 28. Explain the theory of public choice. What are the main advantages and disadvantages of this theory?
- 29. Discuss theories of public expenditure given by Wagner, Peacock and Wiseman. (2×10=20)