



B.A. (Semester – V) Examination, October/November 2016
ECONOMICS
Public Finance – I (Paper – IX)

Duration : 2 Hours

Max. Marks : 80

Instructions : 1) **All the questions are compulsory, however internal choice is available.**

2) **Answer sub-questions in question 1 and 2 in not more than 100 words each.**

3) **Answer question 3 to 6 each in not more than 400 words.**

4) **Draw diagrams wherever necessary.**

5) **Figures to the right indicate maximum marks to the questions/sub questions.**

1. Answer **any four** of the following questions. **(4×4=16)**

- 1) Summarise the scope of Public Finance.
- 2) Bring out any four common points between public and private finance.
- 3) Define zero based budgeting with any two advantages.
- 4) Analyse how objectives of 'economic growth and price stability' conflict.
- 5) Discuss build-in-stabilisers with any two limitations.
- 6) Bring out any four causes of Government failure.

2. Answer **any four** of the following questions : **(4×4=16)**

- 1) Explain any two expenditure reforms.
- 2) Discuss the revenue account of the budget.
- 3) Distinguish between fiscal and primary deficits.
- 4) Bring out any two arguments against balanced budget.
- 5) Give any two points of importance of deficit budget for developing countries.
- 6) Highlight the sources of revenue for the municipalities.



3. A) What are public goods ? Highlight their features. 12
- OR
- B) Bring out the causes for the failure of market system. 12
4. A) Explain programme budgeting with its advantages and disadvantages. 12
- OR
- B) Analyse the role of functional finance during inflation and deflation. 12
5. A) Discuss the Fiscal Responsibility and Budget Management Act. 2003. 12
- OR
- B) Bring out the objectives of fiscal policy in India. 12
6. A) Write a brief note on the budgetary reforms in India. 12
- OR
- B) Describe the process of sharing of resources between centre and the states with special reference to 12th Finance Commission of India. 12