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B.A. (Semester – V) Examination, October/November 2017

ECONOMICS

Public Finance – I (Paper – IX)

Duration : 2 Hours Max. Marks : 80

Instructions : *1) **All** questions are **compulsory**, however **internal** choice is available.*
*2) Answer sub-questions **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 : **(4×4=16)**
   1) What are merit goods ?
   2) Explain the causes of market failure.
   3) Distinguish between program and performance budgeting.
   4) Explain briefly the tools of the fiscal policy.
   5) What is scope of public finance ?
   6) State and explain the drawbacks of zero base budgeting.

2. Answer **any four** of the following : **(4×4=16)**
   1) What do you understand by automatic fiscal stabilisers ?
   2) Examine Panchayats and their sources of revenue.
   3) Explain the components of the revenue account.
   4) Briefly explain deficit financing as a tool of the fiscal policy.
   5) Role of the planning commission in resource allocation.
   6) Examine briefly the arguments in famous of a balanced budget.

3. A) Distinguish between public and private finance. **12**

   OR

   B) Critically analyse Dalton's principle of maximum social advantage. **12**

P.T.O.

4. A) Explain the supply side economies. 12

OR

B) Evaluate the incremental budgeting technique. 12

5. A) Examine the conflicts in the various objectives of the fiscal policy. 12

OR

B) Explain the objectives of the fiscal policy

i) Economic stability

ii) Economic growth. 12

6. A) Examine the important components of control transfer in India. 12

OR

B) Write a note on an unbalanced Budget. 12