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B.A. (Semester – VI) (Under CBCS Ordinance)

EXAMINATION MAY 2023

ECONOMICS - PUBLIC FINANCE - II

[Duration : 02 Hours]

[Total Marks : 80]

Instructions:

- 1) All questions are compulsory, however internal choice is available.
- 2) Answer sub-questions in Question 1 and Question 2 in not more than 100 words each.
- 3) Answer Question 3 to Question 6 each in not more than 400 words.
- 4) Figures to the right indicate maximum marks to the question/sub question.
- 5) Paper carries maximum of 80 marks.

Q.1 Answer any four of the following.

(4×4=16)

- i) Write a note on concept of equity in taxation.
- ii) Write four canon of taxation.
- iii) Write a note on Value Added Tax (VAT)
- iv) Write in brief what is meant by impact in taxation?
- v) Write a note on Laffer curve.
- vi) Explain in brief the concept of Goods and Services Tax (GST) adopted in India.

Q.2 Answer any four of the following.

(4×4=16)

- i) Define and distinguish between functional and agency classification of public expenditure.
- ii) Write a note on canons of public expenditure.
- iii) Write a note on benefits and costs of public expenditure.
- iv) Distinguish between money and real burden of public debt.
- v) Write a note on any two methods of debt redemption.
- vi) What is meant by debt management? Explain in brief.

Q.3 A. Explain and evaluate in brief the Sacrifice approach by Mill and Musgrave.

(12)

OR

B. Define the sources of tax and non-tax revenue and write its importance in India.

(12)

Q.4 A. Explain the efficiency and allocative effects of taxation on production and distribution.

(12)

OR

B. Explain the contribution and importance of income tax, corporate income tax and service tax to revenue receipts of India.

(12)

Q.5 A. Explain the effects of public expenditure in India.

(12)

OR

B. Explain the concept of pump priming and compensatory spending and write in brief their effectiveness as anti-depression measures.

(12)

Q.6 A. Define public debt and explain the important sources of public borrowing.

(12)

OR

B. Explain the trends in size and growth of public debt of India.

(12)