

1059

B.A./B.Sc.(Hons.)-6th Semester

Economics

Paper-VI: Public Finance

Time allowed: 3 Hours

Max. Marks: 90

NOTE: Attempt five questions in all, including Question No. 1 which is compulsory & selecting one question from each Unit.

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- I. Write short notes on any nine of the following: -
- Difference between Public Good and Private Good.
 - Public expenditure and social overhead capital
 - Difference between excise duty and sales tax
 - Tax shifting
 - Burden of an external debt
 - Balanced budget
 - Productive and unproductive public debt
 - Production optimum
 - Development finance
 - Capital formation
 - Vertical equity in distribution of tax burden
 - Optimum budget (9×2)

UNIT – I

- II. What are Public Goods? Explain main theories of public good. (18)
- III. Explain effects of public expenditure on: -
- Economic stability
 - Innovation (9+9)

UNIT – II

- IV. Critically examine various theories of taxation. (18)
- V. What do you mean by incidence of a tax? How is it measured? (18)

UNIT – III

- VI. Define public debt. Explain in detail various methods of public debt redemption. (18)
- VII. Describe public debt management. Give its main principles. (18)

UNIT – IV

- VIII. Explain principles of public finance. (18)
- IX. Explain the role of taxation and public borrowings in mobilization of resources. (18)

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