K15P 0008

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	Third Seme	E PP.E	M.A./M.Sc./M. xamination, N CONOMICS/D 3C10 : Publi	ove	mber 2015 . ECONOMI	CS (	uni fini)	n.)
Tin	ne : 3 Hours						Total Ma	ırks :
*			PART	T-A	anolise Ench			
-	Answer all question	S.						
	1. Finance Commis	sion h	as to make reco	mm	endations on f	inanci	ial matters to	)
	a) Finance Minis	ter b)	Prime Minister	c)	President	d)	Vice-presid	lent
2	2. Lindhall's theory	on vol	untary exchange	e su	ggests solutio	n for		
	a) Equity	b)	Distribution	c)	Allocation	d)	Stabilizatio	n
;	3. Who defined incid	dence	of tax as chang	es ir	distribution o	f inco	me?	
	a) Dalton	b)	Musgrave	c)	Seligman	d)	E.H. Plank	
	4. According to Colin Clark, the maximum taxable capacity for most of the countries is							
	a) 10% of N.I	b)	15% of N.I.	c)	20% of N.I.	d)	25% of NI	
	5. If the price of a co		odity does not ris	se or	account of ta	exation	n, the incide	nce
	a) Seller			b)	Producer			
	c) Buyer			d)	Both seller a	nd pro	ducer	
	6. Asok Mehta Com	mitte	e (1978) is relate	ed to				
	a) Centre-state f	inanc	ial relations					

- b) Problem of central loans to states
- c) Panchayati Raj institutions
- d) Fiscal responsibility of centre and states

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- 7. State and market are not surrogates, but are complementary in the case of
  - a) Capitalism

b) Mixed economy

c) Socialism

- d) Communism
- 8. Zero base budgeting was adopted in India in
  - a) 1957-58
- b) 1967-68
- c) 1977-78

d) 1987-88

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

## PART-B

Answer any eight questions. Each question should not exceed one page.

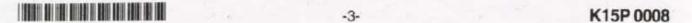
- 9. Laissez-faire economy.
- 10. Inter-governmental transfers.
- 11. Incidence of tax.
- 12. Public expenditure.
- 13. Black money.
- 14. Zero based budget.
- 15. Vertical and horizontal imbalance.
- 16. Gadgil-Mukherjee formula.
- 17. Local finance.
- 18. Performance budgeting.
- 19. Tax buoyance.

(8×2=16)

## PART-C

Answer any four questions. Each answer should not exceed two and half a page.

- 20. Explain the role of government in national economy.
- 21. Briefly explain the division of tax powers and objectives of taxation in India.



- 22. Describe the role of public expenditure in UDC.
- 23. Explain the theory of optimal distribution.
- 24. Explain the canons of budget.
- 25. Give a brief account on modified Gadgil formula.

 $(4 \times 5 = 20)$ 

 $(2\times10=20)$ 

## PART-D

Answer any two questions. Each answer should not exceed six pages.

- Explain the role of government in different economic systems namely capitalism, socialism and mixed economy.
- 27. Examine the changing dimensions of public finance.
- Critically evaluate Chelliah Committee report.
- 29. Analyse the causes and consequences of black money.

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