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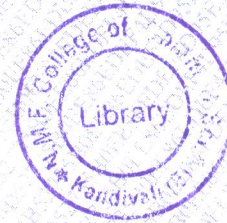
Q.P. Code : 32641

[Time: Three Hours]

[Marks: 100]

Please check whether you have got the right question paper.

- N.B:
1. All Questions are compulsory.
 2. All questions carry equal marks.
 3. Use of simple calculator is allowed.
 4. Draw neat diagrams wherever necessary.

**Q.1 A. Explain the following concepts (ANY FIVE)**

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1. Financial Administration
2. Net Social Advantage
3. Regressive Taxation
4. Impact of tax
5. Revenue expenditure
6. Concentration effect
7. Zero based budget
8. Goods and services tax

B. Choose the right answer from the given options and rewrite the statement.

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1. PP curve is illustrated to explain _____.
 - a) Economic efficiency
 - b) Public goods
 - c) Government Policy
 - d) All of these
2. Which goods are characterized by two important features i.e. non-rival and non-excludability _____.
 - a) Public goods
 - b) Private goods
 - c) Agricultural goods
 - d) All of these
3. Which is Indirect tax _____.
 - a) Corporate Income tax
 - b) Capital gains tax
 - c) Customs Duty
 - d) Gift Tax
4. In case of Forward shifting of a tax burden, it lies on _____.
 - a) Producer
 - b) Consumer
 - c) Worker
 - d) All of them
5. An adverse effect on taxation is _____.
 - a) Discourage willingness to work
 - b) Discourage ability to work
 - c) Discourage willingness and ability to produce
 - d) All of these
6. Which is not the canon of public expenditure _____.
 - a) Surplus
 - b) Sanction
 - c) Economy
 - d) Convenience
7. Which of the following programmes aims at Financial Inclusion _____.
 - a) Public Provident Fund
 - b) Atal Pension Yojana
 - c) Mahatma Gandhi National Rural Employment Guarantee Act
 - d) Pradhan Mantri Jan Dhan Yojana
8. Revenue expenditure do not include _____.
 - a) Interest payment
 - b) Subsidies
 - c) Debt-repayment
 - d) expenditure on Civil administration.

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9. Fiscal Deficit = _____
- a) Total expenditure – Total Receipt
 - b) Total expenditure – (Revenue Receipts + Non borrowing Capital Receipts)
 - c) Total expenditure – Revenue Receipts
 - d) Total expenditure – Capital Receipts.
10. Deficit financing is resorted when _____.
- a) Public expenditure > Public Revenue
 - b) Public expenditure < Public Revenue
 - c) Public Revenue = Public expenditure
 - d) None of these

Q.2 Answer any TWO of the following: 20

- a. Explain the meaning and functions of Public Finance.
- b. Explain the limitations of the principle of Maximum Social Advantage
- c. Examine the role of government in correcting market failure.

Q.3 Answer any TWO of the following: 20

- a. Explain the objectives of taxation.
- b. How do elasticities of demand and supply affect the incidence of taxation?
- c. Write a note on Taxation as Anti-inflationary measure.

Q.4 Answer any TWO of the following: 20

- a. Explain the effects of public expenditure.
- b. Examine the causes for increasing Public expenditure.
- c. Write a note on Public debt-management.

Q.5 Answer any TWO of the following: 20

- a. What are the objectives of Fiscal Policy?
- b. State the features of Functional Finance.
- c. Explain features of FRBM Act 2003.
