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Reg. No. : .....

Name : .....

Third Semester B.A. Degree Examination, October 2019

First Degree Programme under CBCSS

Complementary Course V

EC 1331 — PUBLIC FINANCE AND TRADE

(2015 Admission Onwards)

Time : 3 Hours

Max. Marks : 80

SECTION – I

Answer **all** questions. Each question carries **1** mark.

1. Closed economy
2. Club goods
3. Surcharge
4. Income tax
5. Foreign trade
6. Taxation
7. Specific tax
8. Balance of trade
9. Private finance
10. VAT.

(10 × 1 = 10 Marks)

P.T.O.

SECTION – II

Answer **any eight** questions not exceeding **one** paragraph. Each question carries **2** marks.

11. What is current account surplus?
12. How can you define taxable capacity?
13. What do you mean by fiscal policy?
14. Sinking method of debt redemption.
15. Goods and Services Tax (GST).
16. Finance Commission.
17. Current account of the balance of payments.
18. What are the four canons of taxation advocated by Adam Smith?
19. Incidence of taxation.
20. What is custom duty?
21. Multiple taxation.
22. Can you distinguish merit goods from demerit goods?

(8 × 2 = 16 Marks)

SECTION – III

Answer **any six** questions not exceeding **120** words. Each question carries **4** marks.

23. What is debt redemption? Explain the various methods of debt redemption.
24. Explain the impacts of globalization on Indian economy.
25. Bring out the salient features of Comparative Advantage Theory of international trade.

26. Trace out the major taxes of central government and state governments.

27. Discuss briefly the different classifications of public debt.

28. What are the major principles of public expenditure?

29. Do you believe international trade acts as an engine of economic growth? If yes, Why?

30. Write a note on India's public debt.

31. How can you distinguish Balance of Trade (BoT) from Balance of Payments (BoPs)?

(6 × 4 = 24 Marks)

SECTION – IV

Answer **any two** questions, not exceeding **4** pages. Each question carries **15** marks.

32. What is Tax? Explain the major principles of taxation.

33. Critically examine the role and functions of WTO.

34. What is public revenue? Discuss briefly the major sources of public revenue.

35. What is Public expenditure? Discuss the major factors led to the growing volume of public expenditure in a country like India.

(2 × 15 = 30 Marks)