

PARUL UNIVERSITY
FACULTY OF ARTS
B.A Winter 2019 – 20 Examination

Semester: 5
Subject Code: 15101301
Subject Name: Public Economics

Date: 19/11/2019
Time: 02:00 pm to 4:30 pm
Total Marks: 60

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1 Do as directed.**(08)****A. Multiple choice type questions. (Each of 0.5 mark)**

1. The public expenditure and public revenue are part of the

a) Public Debt	c) Public Cost
b) Public Finance	d) Public Facilities
2. Which of the institution collects the taxes from the citizens of the country?

a) Banks	c) Government
b) Insurance Agencies	d) Private Institutions
3. The private goods are owned by a

a) Government	c) Non- Government Organizations
b) A group of individuals	d) Joint Ventures
4. The countries that are less developed are called as

a) Developed countries	c) Developing Countries
b) Underdeveloped Countries	d) Highly developed countries
5. Which of the following term is used for the "figures that represent the change in the public expenditure over a certain period of time"?

a) Growth	c) Pattern
b) Increase	d) Trend
6. The expenditure incurred by the producers in purchasing of the raw materials to produce the final good and services is known as

a) Benefit	c) Income
b) Cost	d) Revenue
7. What do the producers supply to the consumers by selling them in the market?

a) Goods and Services	c) Industry
b) Raw materials	d) Profits
8. When the amount of the public revenue is more than the amount of public expenditure in the country, then it is called as

a) Surplus situation	c) Scarcity Situation
b) Deficit Situation	d) Excess situation
9. The type of tax which deals with the transfer of the burden of tax from one person to another is called as

a) Incidence tax	c) Direct Tax
b) Shifting Tax	d) Indirect Tax
10. The full form of GST tax which has been introduced in the recent years is

a) Gross Value Product	c) Gross Domestic
b) Goods and services tax	d) Gross Income
11. What term is used for the type of tax in which it is charged according to the income of the people?

a) Indirect tax	c) Progressive Tax
b) Direct Tax	d) Proportionate Tax

12. Which of the following is not an example of an indirect tax?
 a) Excise Duty
 b) Custom Duty
 c) Income Tax
 d) Value Added Tax
13. The public debt refers to the
 a) Loan taken by public
 b) Revenue received
 c) Expenditure done
 d) Income earned
14. What will happen to the burden of public debt when there is an increase in the amount of money not yet repaid back by the individual from where the money has been taken?
 a) Increase
 b) Decrease
 c) Constant
 d) Neither increase nor decrease
15. The term used for the income received from sources other than tax is called as
 a) Tax Revenue
 b) Non-Tax Revenue
 c) Wages
 d) Profits
16. Which of the following is the term used for the receiving of the income which is not earned?
 a) Salary
 b) Interest
 c) Social Security
 d) Money

B. Terms/ Short notes/ Case study/ Charts/ Graphs/ Tables, etc. (Each of 01 mark) (07)

1. Define the term fiscal as part of the policies implemented by the government of a country.
2. State the meaning of the term "public sector".
3. State any one example related to the cost incurred by the producers
4. What do you mean by the public expenditure? Give any one example related to it.
5. Define the meaning of the word "shifting tax".
6. Define the term "loan" as one of the burden of the public debt.
7. Give any one example related to the revenue received apart from the tax by the country.

Q.2 Answer the following.

- A. Describe the main differences between Public and the private goods. (04)
- B. Specify the differences between proportional and progressive taxation. (04)
- C. Describe the reasons for the increase in the growth in the public expenditure. (04)

OR

- C. Explain the meaning of the public expenditure along with some examples of it. (04)

Q.3 Answer the following.

- A. Explain the concept of the types of the taxes in a tax system. (05)
- B. Describe the features with respect to necessity of having a good tax system. (05)
- C. List down the various sources of the non-tax revenue and explain them. (05)

OR

- C. Explain the meaning and examples of the loan as a liability which is borrowed by the public from various banks. (05)

Q.4 Answer the following.

- A. The shifting tax is one of the types of the taxes. Explain the characteristics of the "shifting tax" as one of the types of the taxes. (06)
- B. Explain the elements of the public finance along with some examples of it. (06)
- C. The shifting tax is one of the types of the taxes. Explain the characteristics of the "shifting tax" as one of the types of the taxes. (06)

OR

- C. Describe the features of the incidence tax as one of the types of the taxes. (06)