

**FIFTH SEMESTER BA DEGREE EXAMINATION, NOVEMBER 2025**  
**(Regular/Improvement/Supplementary)**

**ECONOMICS**  
**GECO5B10T: FISCAL ECONOMICS**

**Time: 2 ½ Hours**

**Maximum Marks: 80**

**SECTION A: Answer the following questions. Each carries *two* marks.**  
**(Ceiling 25 marks)**

1. Define public revenue.
2. Write a note on the Economic stabilization.
3. Define a social good.
4. Write a note on concentration effect?
5. Define canon of elasticity of public expenditure.
6. Explain briefly the Methods of calculating cost-benefit.
7. What do you mean by Forward shifting?
8. Define Capital gain tax.
9. What is the present exemption limit under income tax and explain the term ‘exemption limit of tax’?
10. Write short note on certain and uncertain fund.
11. What do you mean by Revenue deficit?
12. Define Functional finance.
13. What are the major sources of revenue of village panchayats?
14. Write a note on NITI Aayog.
15. Briefly state the jurisdiction of the Finance Commission.

**SECTION B: Answer the following questions. Each carries *five* marks.**  
**(Ceiling 35 marks)**

16. Explain the reasons for the growth of public expenditure.
17. Distinguish between the NPV and IRR methods of project evaluation.
18. Give an account of income tax in India and analyze the method of calculating income tax in India?
19. Explain the effects of taxation on diversion of resources.
20. How is public debt classified?
21. What are the causes for the existence of black money in India?
22. Discuss the functions of urban local bodies and their main source of revenue.
23. What are the functions of Finance Commission?

**SECTION C: Answer any *two* questions. Each carries *ten* marks.**

24. Examine critically the principle of Maximum Social Advantage. What are its limitations?
25. “Government expenditure has important effects on the entire economy of a country”- substantiate.
26. Critically examine the major theories of taxation.
27. Discuss the various steps in the passing of a budget.

**(2 x 10 = 20 Marks)**