



21101376

QP CODE: 21101376

Reg No :

Name :

B.A DEGREE (CBCS) EXAMINATION, APRIL 2021

Sixth Semester

B.A Corporate Economics Model III

CORE - EC6CRT04 - FISCAL ECONOMICS - II

2017 Admission Onwards

1670CA80

Time: 3 Hours

Max. Marks : 80

Part A

*Answer any **ten** questions.*

Each question carries 2 marks.

1. Define debt redemption.
2. Distinguish between funded debt and unfunded debt.
3. What are the disadvantages of deficit financing?
4. Identify the major effects of deficit financing.
5. What are the grievances of the states in federal finance?
6. What is the principle of equity in federal finance?
7. Which were the taxes shared between centre and states up to the XI finance commissions?
8. What are the major source of funds for the municipalities and corporations?
9. Who appoints the state finance commission?
10. What is the appropriate fiscal policy in a developing country?
11. What is meant by the instruments of fiscal policy?
12. What are the instruments of fiscal policy in India?

(10×2=20)

Part B

*Answer any **six** questions.*

Each question carries 5 marks.





13. Explain the process of raising public debt in India.
14. How do governments manage public debt?
15. Analyse the methods of deficit financing in a developing economy.
16. Explain the salient features of FRBM Act, 2003.
17. Define devolution. Which authority determines the devolution of funds?
18. Comment on the 73rd and 74th amendments of the Indian constitution for decentralization.
19. Comment on the functioning of the Panchayat Raj Institutions in India.
20. Examine the importance of deficit budgets.
21. Briefly analyse the three themes of the union budget 2020-21.

(6×5=30)

Part C

*Answer any **two** questions.*

*Each question carries **15** marks.*

22. Define public debt. Examine the sources of public debt.
23. Comment on the major recommendations of the XIV finance commission.
24. Examine the process of decentralization of powers through 73rd and 74th amendments of the Indian constitution.
25. Argue the case for fiscal policy in the economic development of developing countries.

(2×15=30)

