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**PRESIDENCY  
UNIVERSITY  
BENGALURU**

**School of Commerce**

**Mid - Term Examinations - November 2024**

**Semester:** V

**Date:** 04-11-2024

**Course Code:** BSE2024

**Time:** 02:00pm – 03:30pm

**Course Name:** PUBLIC FINANCE

**Max Marks:** 50

**Program:** BSE

**Weightage:** 25%

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**Instructions:**

*(i) Read all questions carefully and answer accordingly.*

*(ii) Do not write anything on the question paper other than roll number.*

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**Part A**

**Answer ALL the Questions. Each question carries 2marks.**

**5Qx2M=10M**

- |          |  |              |                 |            |
|----------|--|--------------|-----------------|------------|
| <b>1</b> | Explain the meaning of public finance.                       | <b>2</b>     | <b>Remember</b> | <b>CO1</b> |
|          |  | <b>Marks</b> |                 |            |
| <b>2</b> | Discuss the significance of Fiscal Policy.                   | <b>2</b>     | <b>Remember</b> | <b>CO1</b> |
|          |  | <b>Marks</b> |                 |            |
| <b>3</b> | List out two instances of market failure in the recent past. | <b>2</b>     | <b>Remember</b> | <b>CO1</b> |
|          |  | <b>Marks</b> |                 |            |
| <b>4</b> | Give the meaning of public expenditure.                      | <b>2</b>     | <b>Remember</b> | <b>CO2</b> |
|          |  | <b>Marks</b> |                 |            |
| <b>5</b> | Explain the concept of marginal social sacrifice.            | <b>2</b>     | <b>Remember</b> | <b>CO1</b> |
|          |  | <b>Marks</b> |                 |            |

**Part B**

**Answer ALL Questions. Each question carries 10 marks.**

**4QX10M=40M**

- |          |  |                |                 |            |
|----------|--|----------------|-----------------|------------|
| <b>6</b> | Public expenditures are very crucial for socio economic growth of a nation. Discuss the significance of public expenditures in this context. | <b>10Marks</b> | <b>Remember</b> | <b>CO1</b> |
|----------|--|----------------|-----------------|------------|

**OR**

**7** List major differences between public finance and private finance. **10Marks Remember CO1**

**8** Critically analyze the principles propounded by Hugh Dalton with regard to Maximum Social Advantage. **10Marks Remember CO1**

**OR**

**9** Explain the concept of Marginal Social Sacrifice in the context of the Principle of Maximum Social Advantage. **10Marks Remember CO1**

**10** Illustrate the reasons for the failure and role of the government to tackle the crisis using some major market failures in the recent past. **10Marks Understand CO2**

**OR**

**11** Explain the canons of public expenditures and examine whether such canons are applicable in the Indian economic scenario. **10Marks Understand CO2**

**12** For accelerating rate of economic growth public expenditure is a very helpful policy tool. Discuss the reasons for growth of public expenditure. **10Marks Understand CO2**

**OR**

**13** Provide a critical review of Wagner's Law of increasing state activities. **10Marks Understand CO2**