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| PROGRAM | Bachelors Of Commerce/ Bachelors Of Commerce (Hons) |
| SEMESTER | III |
| COURSE TITLE | Public Finance |
| COURSE CODE | 04BC0323 |
| COURSE CREDITS | 04 |
| COURSE DURATION | 48 Hrs (48 sessions of 60 minutes each) |

COURSE OUTCOMES:

- To find out the government's role in the economy, applying tools of basic public finance
- Understanding about the Sound Finance and Functional Finance; Allocation, Distribution of resources.
- Knowledge about the Fiscal policy and budget taxation in Indian economy
- Analyzing the Role of public expenditure, debt and public deficit in economic growth of the country
- Discuss on sources of public receipts as Indian public finance and take away the role of finance commission in an economy
- Understanding the concept of public debt and its application in an economy

Teaching and Examination Scheme

| Teaching Scheme (Hours) | | | Credits | Internal Marks (50%) | | End-Semester Examination (50%) | | | Total Marks |
|-------------------------|----------|-----------|---------|----------------------|-----|--------------------------------|--------------------|----------------|-------------|
| Theory | Tutorial | Practical | | IA | CSE | Theory | Practical/Viva (V) | Term Work (TW) | |
| 4 | 0 | 0 | 4 | 30 | 20 | 0 | 50 | 0 | 100 |

Course Contents:

| Unit No | Unit / Sub Unit | Sessions |
|-----------|--|----------|
| I | Introduction Meaning and Scope of Public Finance; Public Finance versus Private Finance; Market Failure: Public Goods and Private Goods, Externalities, Efficiency versus Equity; Principles of Sound Finance and Functional Finance; Allocation, Distribution, Stabilization and Growth Functions of the Government | 10 |
| II | Fiscal Policy: Budget and Taxation Dalton's and Musgrave Versions of the Law of Maximum Social Advantage; Role of Government in a Modern Economy; Types of Public Budget; Structure of Public Budget; | 10 |

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| | Role of Taxation; Merits and Demerits of Direct and Indirect Tax Policy; Features of Good Tax System; Concept of Impact, Incidence and Shifting of Taxation; Elasticity and Determination of Tax Burden | |
| III | Public Expenditure and Debt Canons of Public Expenditure; Classification of Public Expenditure; Wagner's Law of Public Expenditure; Public Expenditure as an Instrument of Fiscal Policy; Meaning and Types of Public Debt; Burden of Public Debt; Principles of Public Debt Management; Concepts of Deficits. | 10 |
| IV | Indian Public Finance Budget of The Government of India (Previous Financial Year); Sources of Public Receipts(Tax And Non-Tax, Introduction To GST); Components of Public Expenditure; Sources of Public Borrowing and Debt Liabilities; Deficits; Appraisal of FRBM Act, 2004; Fiscal Federalism: Fifteenth Finance Commission Recommendations. | 10 |
| V | Public Debt: Sources and Burden of public debt – theories, effects of public debt, methods of debt redemption, Public Debt Management in India. Public Budget - Concept of public budget, types of public budget, theories of public budgeting and its application in an economy | 08 |

SUGGESTED READINGS:

Text Books:

| Sr.No | Author/s | Name of the Book | Publisher | Edition & Year of Publication |
|-------------|-----------------|------------------------------|-------------------------------|-------------------------------|
| T-01 | Bhatia H.L | Public Finance | Vikas Publications | 29 th edition 2012 |
| T-02 | Harvey Rosen | Public Finance | McGraw Hill Publications. | 7 th Edition 2005 |
| T-03 | Musgrave, R. A. | The Theory of Public Finance | MG-Hill Publication, New York | 1959 (2nd Edition) |

Reference Books:

| Sr.No | Author/s | Name of the Book | Publisher | Edition and Year of Publication |
|-------------|---------------------------------|---|-------------------------|---------------------------------|
| R-01 | Sury M.M.,(1990), | Government Budgeting in India, | Commonwealth Publishers | 1st edition 1090 |
| R-02 | Government of India. | Report of the Fourteenth Finance Commission, Government of India. | Government of India. | 2015-2020 |
| R-03 | J. Hindriks, G. Myles | Intermediate Public Economics, | MIT Press | 2nd edition, 2006 |
| R-04 | Kaushik Basu and Maertens (ed), | The New Oxford Companion to Economics | Oxford University Press | 3rd edition, 2013 |

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|-------------|-----------------|----------------------------------|-------------------|-------------------|
| | | in India, | | |
| R-05 | Jonathan Gruber | Public Finance and Public Policy | WORTH Publishers, | 5th Edition, 2016 |