

BCM-206 PUBLIC FINANCE

Course Objectives: The course aims to understand taxation policy, management of public expenditure, public debt and budgetary techniques and practices.

Block-1 Introduction

- Unit-1 Nature and Scope of Public Finance (Only conceptual understanding of Scope, Public Goods, Private Goods, Merit Goods etc. and Law of Maximum Advantages)
- Unit-2 Public Expenditure (Meaning, Importance, Canon's Effects and Theories)
- Unit-3 Public Revenue (Meaning, Sources, Classification and Canon of Tax, Ability to Pay, Incidence and Shifting Effects of Tax Burden)
- Unit-4 Major Taxes in India: Value Added and Concept of GST

Block-2 Public Debt and Budget

- Unit-5 Public Debt (Meaning, Types, Theories, Sources, Economic Effects and Redemption)
- Unit-6 Budget (Meaning, Types, Revenue & Capital Budget, Revenue & Capital Expenditure)
- Unit-7 Deficit (Concept, Revenue Deficit, Fiscal Deficit, Monetized Deficit, Primary Deficit, Surplus, Balance Budget and Budgetary Control)
- Unit-8 Latest Budget of the Union of India: Critical Appraisal of the Latest Budget

Block-3 Federal Finance and National Income

- Unit-9 Federal Finance (Concept, Principles of Federalism, Role of Finance Commission, Local Finance)
- Unit-10 Recommendations of the Latest Finance Commission
- Unit-11 Planning, Objectives, Strategies, Financial Aspects of the Plan and Financing of the Plan with Reference to the Latest Five Year Plan
- Unit-12 National Income Concepts and Poverty (GDP, GNP, Per Capita Income, Poverty and Poverty Alleviation)

Block-4 Fiscal Policy, Macroeconomic Environment

- Unit-13 Basic Concepts (Fiscal Function, Fiscal Policy, Public Sector and Concept of Equity)
- Unit-14 Fiscal Reforms in India
- Unit-15 Fiscal Trends in India
- Unit-16 Growth and Economic Stability

Suggested Readings:

1. Houghton, E. W. (Ed.) (1988), Public Finance, Penguin, Baltimore.
2. Jha, R. (1998), Modern Public Economics, Routledge, London.
3. Mithani, D. M. (1998), Modern Public Finance, Himalaya Publishing House. Mumbai.
4. Musgrave, R. A. and P. B. Musgrave (1976), Public Finance in Theory and Practice, McGraw Hill, Kogakusha, Tokyo.