

COURSE CODE	COURSE TITLE	L	T	P	C
PHD19021	Public Finance	4	0	0	4
<b>COURSE RATIONALE: This course will enable the student to understand the concepts of Public Finance, focusing on Public Expenditure, Public Revenue, Public Debt and Budget.</b>					
<b>LEARNING OUTCOMES</b>					
<ol style="list-style-type: none"> <li>1. To understand the basic concepts of Public Finance</li> <li>2. To describe the theories of Public Expenditure</li> <li>3. To discuss the components of Public Revenue</li> <li>4. To understand the principles of Taxation</li> <li>5. To learn the Budget process, budgetary control mechanism and tools</li> </ol>					
<b>UNIT –I Meaning and Scope of Public Finance</b>					
Meaning and Scope of Public Finance –Importance of Public Finance –Public Goods-Private Goods-Mixed Goods—Merit Goods-Major Fiscal Function.					
<b>Unit II- Public Expenditure</b>					
Meaning and Importance –Reason for Growth and Public Expenditure-Theories of growth of Public Expenditure-Wagner’s Hypothesis, Peacock-Wiseman Hypothesis-Canons of Public expenditure –Effects of Public Expenditure					
<b>UNIT III- Public Revenue</b>					
Source of Public Revenue-Taxes-Classification of Taxes-Canons of taxation –Principles of taxation: Ability, Benefit and Cost of Service- Impact, Incidence and Shifting of Tax Burden-Effects of Taxation-Major Taxes in India-Value Added Tax in India, The Concept of Good and Services Tax (GST).					
<b>UNIT IV - Public Debt and Budget</b>					
Meaning, Types of public debts, Causes for Public Debt- Objectives of Public Debt-Sources of Public Debt-Debt Redemption-Methods of Repayment of Debt- Budget: Meaning, Types of Budget: Revenue and Capital Budget, Revenue Expenditure and Capital Expenditure, Revenue Deficit, Fiscal Deficit, Primary Deficit-Budget Deficit -Fiscal Policy-Contra Cyclical Fiscal policy- Deficit financing- Preparation of Budget in India-Budgetary Control Tools and Techniques (Introduce the latest Central and State Budgets to the					

Students.)

#### UNIT V- Federal Finance

Meaning-Principles of Federalism –Social Principal of Federal Finance -Finance Commission –Importance of Local Finance in India-Types of Fiscal Imbalance.

#### REFERENCES:

- J. Richard Aronson and Jonn L. Hilley(1986), *Financing State and Local Governments*,
- 4<sup>th</sup> edition ,Brooking Institutions ,Washington
- Alan S.Blinder,Robert M.Solow,George F.Break ,Peter O.Steiner and Dick Netzer (1974), *The Economic Of Public Finance* ,Brookings Institution ,Washington.
- Randall G. Halcombe (1983), *Public Finance and Political Process* , Southern Illinois University Press ,Carbondale.