

VI. CORE COURSE -C 7:

(Credits: Theory-05, Tutorial-01)

Marks : 25 (MSE: 1Hr) + 75 (ESE: 3Hrs)=100**Pass Marks (MSE + ESE) =40*****Instruction to Question Setter for******Mid Semester Examination (MSE):***

There will be **two** group of questions. **Group A is compulsory** and will contain five questions of **very short answer type** consisting of 1 mark each. **Group B will contain descriptive type** six questions of five marks each, out of which any four are to answer.

End Semester Examination (ESE):

There will be **two** group of questions. **Group A is compulsory** and will contain two questions. **Question No.1 will be very short answer type** consisting of ten questions of 1 mark each. **Question No.2 will be short answer type** of 5 marks. **Group B will contain descriptive type** six questions of fifteen marks each, out of which any four are to answer.

Note: There may be subdivisions in each question asked in Theory Examinations.

PUBLIC FINANCE**Theory: 75 Lectures; Tutorial:15 Lectures****Course Description**

The course introduces the students various concept of public finance that includes principles of taxation, public expenditure, public debt and budgets, structure of federal finance.

Course Outline**1. Nature and Scope of Public finance**

Meaning and Scope of public finance; Distinction between private and public finance; Public good vs. private goods; The principle of Maximum Social advantage; market failure; Role of the government.

2. Public Expenditure

Meaning, classification and principle of public expenditure; Canons and effects of public expenditure; Trends in public expenditure and causes of growth of public expenditure in India.

3. Taxation

Sources of public revenue; Taxation – Meaning, canon and classification of taxes; Division of tax burden – the Benefit and ability-to-Pay approaches; Impact and incidence of taxes; Taxable capacity; Effects of taxation; Characteristics of a good tax system; major trends in tax revenue of the central and state governments in India. GST and VAT

4. Public Debt and Financial Administration

Sources of public borrowing; Effects of public debt; methods of debt redemption; the public budget – kinds of budget; Economic and functional classification of the budget.

5. Financial decentralization in India

Centre State Financial Relationship, Role of Finance Commission, and baic Features of 14th Finance Communication