

Course Code	Course Name	Credits
26EC008	PUBLIC FINANCE	04

### Course Objectives

- Introduce the basic concepts of public finance along with the objectives, tools, and interdependence of fiscal and monetary policy.
- Develop understanding of taxation principles, classification, and their economic effects.
- Examine the nature, classification, and impact of public expenditure
- Provide knowledge of public debt, its management, and deficit financing.
- Familiarize students with budgetary concepts, types, and techniques of budgeting.

### Learning Outcomes

Upon successful completion of this course it is intended that a student will be able to:

- Understand the basic concepts and scope of public finance and analyze the role and interdependence of fiscal and monetary policy in economic development.
- Evaluate taxation principles and their economic effects.
- Examine and assess the nature, classification, and impact of public expenditure on economic growth.
- Analyze public debt, its burden, management, and the role of deficit financing in an economy.
- Interpret budgetary concepts, types of budgets, and apply basic techniques of budgeting in public financial management.

### Unit 1 – Introduction to Public Finance (12Hrs)

Meaning, definition and scope of public finance, Fiscal and Monetary policy- Objectives, role and tools of fiscal policy and monetary policy, Interdependence of Fiscal and monetary policy, Public finance and Private finance - the principle of maximum social advantage.

### Unit 2 – Taxation (12Hrs)

Definition, meaning and basic concepts of taxation, classification of taxation, Canons of taxation, impact and incidence of taxation, Taxable Capacity, The Benefit and Ability principle/ theory, Effects of Taxation, Goods and Service Tax (GST).

### Unit 3 – Public Expenditure (12Hrs)

Classification of public expenditure by economist, major types of public expenditure, Canons of public expenditure, incidence and effects of public expenditure, Adolph Wagner's Hypothesis and Peacock – Wiseman Hypothesis, Cost benefit analysis.

### Unit 4 – Public Debt (12Hrs)

Meaning, definition and classification of public debt, sources and forms of public debt, Burden of public debt, Redemption of public debt, principles of debt management, Deficit financing.

### Unit 5 – Budget (12Hrs)

Budget- Basic concepts and terminologies, features and purpose of budget, Economic and functional classification of budget, surplus, balanced and deficit budgets, Zero based budgeting.

### Reference Books:

1. H.L Bhatia, Public Finance, Vikas Publishing House Pvt. Ltd
2. Misra, B (1997) Public Economics, Macmillan India Limited, New Delhi
3. Mithani D M (1998) Modern Public Finance, Himalaya Publishing House, Mumbai
4. L. M. Bhole and J. Mahukud, Financial Institutions and Markets, Tata McGraw Hill, 5th edition, 2011.
5. M. Y. Khan, Indian Financial System, Tata McGraw Hill, 7th edition, 2011.

### Websites and eLearning Sources:

1. <https://www.ide.go.jp/English/Research/Topics/Eco/Debt/references.html>
2. <https://www.nispa.org/files/publications/ebooks/Public-Finance-Theory-and-Practice.pdf>
3. <https://himpub.com/product/public-financetheory-and-practice/>
4. <https://desmarais-tremblay.com/Resources/>

**COs and Bloom's Taxonomy Mapping – 26EC008**

<b>Course Outcomes</b>	<b>On successful completion of this course, students will be able to</b>	<b>BTL</b>
<b>CO1</b>	Understand and recall the scope of public finance and the role of fiscal & monetary policy in economic development.	K1, K2
<b>CO2</b>	Evaluate taxation principles and their economic implications.	K5
<b>CO3</b>	Assess the impact of public expenditure on economic growth.	K4, K5
<b>CO4</b>	Analyse public debt, its burden, and management strategies.	K4
<b>CO5</b>	Apply budgeting concepts and techniques in public financial management.	K3

BTL (Bloom's Taxonomy Level) - K1 – Remembering, K2 – Understanding, K3- Applying, K4 – Analyse, K5- Evaluate and K6 - Create

**Relationship Matrix – 26EC008**

<b>Course Outcomes</b>	<b>Programme Outcomes (POs)</b>						<b>Programme Specific Outcomes (PSOs)</b>					<b>Mean Score of Cos</b>
	<b>PO1</b>	<b>PO2</b>	<b>PO3</b>	<b>PO4</b>	<b>PO5</b>	<b>PO6</b>	<b>PSO1</b>	<b>PSO2</b>	<b>PSO3</b>	<b>PSO4</b>	<b>PSO5</b>	
<b>CO1</b>	3	2	1	1	1	1	2	2	2	1	1	1.64
<b>CO2</b>	3	3	2	2	2	1	2	3	3	2	2	2.27
<b>CO3</b>	3	2	2	2	2	1	2	2	3	3	2	2.18
<b>CO4</b>	3	3	3	2	2	1	3	3	3	3	3	2.64
<b>CO5</b>	3	3	2	1	3	2	3	3	2	3	3	2.55
<b>Total</b>												2.256

Mean Score: 3- High, 2- Medium/Moderate, 1-Low

