

**Course Handout Part II**

**Date: 12-01-2016**

In addition to part -I (General Handout for all courses appended to the time table) this portion gives further specific details regarding the course.

**Course No. : ECON F341**

**Course Title : Public Finance: Theory and Practice**

**Instructor-in-charge : OMVIR CHAUDHRY**

**1. Scope and Objective of the Course:**

The objective of the course is to acquaint the students about the fiscal functions of modern governments and to apprise them of the effects of overall expenditures and revenue policy of the government on the economy with emphasis on India.

**2. Text Book :**

Musgrave, R. A. and Musgrave, P. B. (1999): Public Finance: Theory and Practice, 5<sup>th</sup> (revised edition), Mc Graw-Hill Book Company, New York.

**Reference Books:**

1. Bhatia, H L (2000), Public Finance, Twenty second edition, Vikas Publishing House Pvt Ltd, New Delhi.
2. Musgrave, Richard A. (1989), Public Finance in Theory and Practice, Mc Graw-Hill Book Company, New York.
3. Herber, B. P. (1996): Modern Theory of Public Finance, Richard D. Irwin Inc., Illinois.

**3. Course Plan:**

Serial No.	Learning Objective	Topic	No. of Lecture	Reference	
1	Knowledge of Public Sector Economics	Fiscal Functions	1	CH 1	
2.	Allocation, Distribution, & Public Choice	Social Goods & Public Provisions for Social Goods	4	Ch 4,5	
3.	Equity	Equity in Distribution	2	Ch 6	
5.	Voting	Public Choice & Fiscal Politics	2	Ch 7	
6.	Expenditure Structure & Policy	Expenditure Evaluation	2	Ch 9	

7.	Principles of Taxation	A. Introduction to Taxation B. Tax Equity C. Tax & Expenditure incidence D. Excess burden E. Taxation effects	1 2 4  2 1	Ch 12 Ch 13 Ch 14,15  Ch 16 Ch 17
8.	Indian Scenario	A. Indian Federal Finance B. Public Debt in India C. Govt of India Finance D. Indian Tax System E. Railway Finance PSUs in India F. State Finances G. Agricultural Tax H. Local Finance	2 2 2 2 1 1 1 1 1 1	Ch 17, 18 of R1 Ch 19 of R1 Ch 20 of R1 Ch 21 of R1 Ch 22 of R1 Ch 23 of R1 Ch 24 of R1 Ch 25 of R1 Ch 26 of R1
9.	Union Budget	Union Budget 2015-2016	6	Class notes

#### 4. Evaluation Scheme:

Evaluation Component	Duration	Weight	Date, Time	Nature of Component
Mid-Semester Test	90 Minutes	35%	17/3 2:00 -3:30 PM	Closed Book
Quiz (Unannounced)*	50 Minutes	20%		Closed Book
Assignment*		20%		
Comprehensive Examination	3 Hours	45%	3/5 FN	Open Book

\* The higher of the marks obtained in these two components shall be awarded.

5. **Chamber Consultation Hours:** To be announced in the class.

6. **Notices:** All the notices relating to this course will be displayed on Economics Group Notice Board.

7. **Make-up Policy:** Make up will be given only on

(i) Doctor's certification verifying that the student was not medically fit to appear for the evaluation component

(ii) Warden's recommendation verifying that the student was out of Pilani (and had obtained permission to go out of station) on the date of the evaluation component.

Instructor-in-charge  
**ECON F341**