

**B.Com.: Semester-IV**  
**BCR403: PUBLIC FINANCE**

Teaching Scheme	Examination Scheme
Lectures: 3 hrs/Week	Class Test – 12 Marks
Tutorials: 1 hr/Week	Teachers Assessment – 6 Marks
Credits: 4	Attendance – 12 Marks
	End Semester Exam – 70 Marks

### Course Objective

To understand the implications of the components of Public Finance in an economy and its effects on production and distribution.

### Course Learning Outcomes

After completing the course, the student shall be able to:

- CO1: explore the relationship between wealth and finance.
- CO2: identify the loopholes of taxation.
- CO3: identify the role of government at the central level state level and local bodies.
- CO4: understand the logic of ethics behind corporate governance.
- CO5: develop a deep understanding of the financial administration of an economy.
- CO6: understand the scope of financial adjustments in India.

<b>Unit I</b>
<b>Meaning &amp; scope of public finance;</b> public goods vs. private goods; principle of maximum social advantage; public budget; techniques of budgeting (ZBB PBB); deficit financing.
<b>Unit II</b>
<b>Public Expenditure:</b> Meaning & nature; Wagner's views on increasing state activities; Wiseman-Peacock hypothesis; Canons and classification of public expenditure effects on production, distribution and economic stability.
<b>Unit III</b>
<b>Public Revenue:</b> Main sources of revenue; tax revenue, direct and indirect taxes; progressive, proportional & regressive taxes; value added tax; the division of tax burden; incidence of a tax, effects on production & distribution.
<b>Unit IV</b>
<b>Public Debts:</b> Role and classification of public debts; methods of their redemption.
<b>Unit V</b>
<b>Indian Public Finance:</b> Financial federalism under constitution; financial adjustments in India; finance commission; review of Indian tax system; budgetary procedure and financial control in India.


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### Suggested Readings

- Public Finance by H L Bhatia 26th edition Vikas Publication.
- Principles of Corporate Finance by Brealey and Myers 4th edition McGraw Hill.
- Government and Business by N K Sengupta Fifth edition Vikas Publications.
- Government Finance - Economics of the Public Sector by Due and Friedlander AITBS Publications 1st edition.
- Pigou A.C.; A Study of Public Finance.
- Bhargava, R.N.: Theory and Practice of Public Finance.
- Saxena and Mathur: Public Economics
- Plaion: Public Finance.

Note: Latest edition of readings may be used.

  
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