

Programme: M. A. Economics

Course Code: ECO 123

Title of the Course: Indian Public Finance

Number of Credits: 4

Total Contact Hours:48

Effective from AY: 2018-19

<u>Prerequisites for the course:</u>	NIL	
<u>Objective:</u>	To understand the policies, institutions and components of Indian Public Finance.	Contact Hours
<u>Content:</u>	<p>1. Allocation of Resources and the Budgetary Process Indian System of allocation- Constitutional and other mechanisms. Changes in devolution systems and role of budget in providing framework for growth and stabilisation. Government Budgeting, Budget -meaning and components, presentation and execution of Budget. Economic classification of Budget. Revenue and capital account. Budget deficit and their implications.</p> <p>2. Black Economy Estimates of black economy in India. Its impact on income, prices and effectiveness of economic policy.</p> <p>3. Indian Tax System: Alternative Sources of Taxation of Goods and Services in India: Direct and Indirect taxes.</p> <p>4. Deficits and Debt Impact on growth, prices and employment. Central and State-level distribution of borrowings- impact on growth (National and Regional). Deficit Financing - Meaning and Objectives of Deficit Financing. Trends in Different Types of Deficits Since 1991-Deficit Financing in India. Effects of Deficit Financing on Indian Economy. Assessment of the Recent Central Government Budget.</p> <p>5. Indian Expenditure System: Revenue & Capital, Development and Non-development, Plan and Non-plan: Trends and impacts. Changes in structure of expenditure of the Centre and states- consequences on growth and welfare.</p> <p>6. Fiscal Federalism: Logic of devolution of resources between different tiers of Government . Allocation of financial responsibilities of revenue and expenditure.</p>	<p>08</p> <p>08</p> <p>08</p> <p>08</p> <p>08</p> <p>08</p>
<u>Pedagogy:</u>	lectures/ case analysis/assignments/class room interaction	
<u>References/Readings</u>	<ul style="list-style-type: none">Chelliah, R. (1995) Sustainable Economic Growth, Oxford University Press, Delhi.Kumar, A.(2001), The Black Economy of India,	

	<p>Penguin, Harmondsworth.</p> <ul style="list-style-type: none"> • Rao, M. Govinda and Nirvikar Singh (2005), Political Economy of Fiscal Federalism in India, New Delhi: Oxford University Press • Shome, P(1995) Tax Policy: A Handbook, IMF, Washington. • Srivastava D.K(2005) Issues in Indian Public Finance, New Century Publications 	
<u>Learning Outcomes</u>	The students will be able to understand the budgetary process, documents and analyse Government's fiscal policy.	