

NIRMA UNIVERSITY

Institute:	Institute of Commerce
Name of Programme:	B.Com. (Hons.)
Course Code:	4CC402ME25
Course Title:	Public Finance
Course Type:	Institute Elective- Disciplinary Minor
Year of introduction:	2025-26

L	T	Practical component				C
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Course Learning Outcomes (CLO):

After the successful completion of the course, students will be able to:

1	Demonstrate a comprehensive understanding of public finance and its role in economic governance.	BL-2
2	Develop and gain insights into budgetary governance processes.	BL-3
3	Explain the structure of fiscal federalism and the impact of decentralization in India's financial system.	BL-3
4	Examine policy making and administrative frameworks in the field of Public finance.	BL-4

Content

Teaching Hours

Unit I: Introduction to Public Finance

12

- Public Finance - Meaning, Importance, Scope and Categories
- Introduction to Fiscal/Budgetary functions
- Union-State-Local Governments' Fiscal Relations
- Finance Commission: Objectives, Recommendations and role in Fiscal Federalism

Unit II: Public Revenue & Taxation

12

- Sources of Tax and Non-Tax Revenue for Centre, States and Local Governments
- Principles of Income Taxation: Classical and Neo-classical
- Tax Policy and Tax Administration in India
- Tax collection by Government- Union, State & Local Governments

Unit III: Public Debt and Expenditure

13

- Public Expenditure-Meaning, Role, Canons and Classification
- Fiscal Deficit, Primary Deficit, Revenue and Effective Revenue Deficit
- Public Debt Management & related cases
- Role of Fiscal Policy towards Public Goods & Externalities
- Classification of Government expenditure in India

Unit IV: Governance

8

- Constitutional Provisions in relation to Budgets and other Government Accounts
- Structure of various ministries departments and committees of Government of India
- Comptroller and Auditor General of India – Hierarchy, Provisions and Reporting

Suggested Readings:

1. Bhatia, H.L. (2024). *Public Finance (33rd ed.)*. Vikas Publishing House Pvt. Ltd. Gujarat.
2. Cullis, J., & Jones, P. (2009). *Public finance and public choice* (2nd ed.). Oxford University Press. New Delhi.
3. Government of India. (2017). *GST - Concept and status*, Central Board of Indirect Taxes and Customs. New Delhi.
4. Government of India. *Economic Survey* (Latest). Ministry of Finance, Government of India. New Delhi.
5. Hindriks, J., & Myles, G. (2014). *Intermediate public economics* (2nd ed.). MIT Press. Gurugram.
6. Mathur, K. (2021). *Public Policy and Politics in India*. Oxford University Press. New Delhi.
7. Musgrave, R.A. Peggy, B. & Musgrave, P.B. (2024). *Public Finance in Theory and Practice* (6th ed.). Medtech Science Press Scientific International. New Delhi.

w.e.f. Academic Year 2025-26 and onwards