



NATIONAL LAW UNIVERSITY AND JUDICIAL ACADEMY, ASSAM

PROGRAMME: B.A. L.L.B.(HONS.) FYIC

DETAILS OF COURSE OFFERED

EVEN SEMESTER (IV)– ACADEMIC YEAR

SL. NO	COURSE CODE	COURSE TITLE	L	T	P	CR	CH
1	BL401.2 (ECONOMICS, MAJOR –IV)	PUBLIC ECONOMICS	4 PER WEEK	1 PER WEEK		4	

- A. CODE AND TITLE OF THE COURSE: BL401.2 (ECONOMICS, MAJOR- IV) , PUBLIC ECONOMICS**
- B. COURSE CREDIT: 4 (TOTAL MARKS-200)**
- C. MEDIUM OF INSTRUCTION: ENGLISH**
- D. COURSE COMPILED BY: MS. DIPAKSHI DAS**
- E. COURSE INSTRUCTOR: MS. DIPAKSHI DAS**

1. COURSE OBJECTIVES

The course of Public Economics is so designed as to acquaint the students with the knowledge of principles and policies of Government finances. The course will give an overview of government finances with special reference to India. The course will look into the efficiency and equity aspect of taxation of the centre states and local government along with issues of fiscal federalism and decentralization in India. The basic objectives are as follows:

1. To inculcate the understanding of public finances that is the revenue, expenditure and borrowing part of the government;
2. To discuss the various forms of taxation along with the understanding of the structure of public budget.
3. To get acquainted with the functioning of financial relations between units of governments in a federal system.
4. To enable students to identify emerging issues in the subject.

2. TEACHING METHODOLOGY

The teaching methodology shall be participatory teaching with discussions on the topics included and connected. The students are informed in advance the topic for discussion and the topic of project / assignment they have to prepare. The students prepare their topics from the sources suggested to them. The students are also encouraged to do independent research on their respective assignments. In the classroom every student is required to present his/her topic and to have his/her doubt cleared through discussion. The teacher will be helping and guiding the students in their pursuits of legal learning. The teacher summarizes after the students have completed their discussion, and clarify the doubts, if any, and answer their queries.

3. EXPECTED OUTCOMES OF THE COURSE

On completion of the Course the students are expected to understand the nuances of each module and thereafter they shall be in a position to understand and relate emerging topics in their field of study. They are also expected to develop keen interest in the topics as they are quite relevant in their practical aspects as well. The proper understanding of the modules shall help the students comprehend the some of the basic concepts in the study of public

finances and also to develop an in depth knowledge of how the economic decisions and choices are made with regards to government finances thereby trying to achieve the goal of maximum social benefit .

4. COURSE EVALUATION METHOD

The Course shall be assessed for 200 marks. The Evaluation scheme would be as follows:

Internal assessment: 70% (140 marks)

Semester End Examination : 30% (60 marks)

Sl. No.	Marks Distribution	
1	Project Work	40 marks
2	Seminar/Group Discussion	20 marks
3	Assignment/Assessment	30 marks
4	Mid-Semester Test	40 marks
5	Attendance in class	10 marks
6	Semester End Examination	60 marks

5. DETAILED STRUCTURE OF THE COURSE (SPECIFYING COURSE MODULES AND SUB-MODULES)

MODULE I – PUBLIC FINANCE

Nature & Scope of Public Finance, Public Finance & Private Finance, Public Goods & Private goods, Role of Public Finance, Principle of Maximum Social Advantage

MODULE II- PUBLIC REVENUE, EXPENDITURE & DEBT

Public Revenue: Concepts of revenue receipts & non-revenue receipts, Tax & non tax revenue

Public Expenditure: Causes of Growth of Public Expenditure (Wagner’s Law), Effects of Public Expenditure

Public Debt: Sources, burden, redemption of public debt. Debt trap

MODULE III- TAXATION & PUBLIC BUDGET

Direct Tax & Indirect Tax (Reforms in Indian Tax Structure-GST), Concepts of Taxation: tax rates, impact, incidence & shifting of taxation, buoyancy & elasticity of a tax, Theories: Benefit Principle & Ability to Pay Theory,

Structure of Public Budget: types of deficits- revenue, fiscal & primary deficit.

MODULE IV- FISCAL POLICY & FEDERAL FINANCE

Meaning, components & objectives of Fiscal Policy, Role of Fiscal Policy in a developing economy.

Meaning, Principle of Federal Finance, Fiscal Federalism in India: Principles of Fiscal Devolution, Horizontal & Vertical Fiscal Balance; Federal Finance & the Finance Commission

Fiscal Decentralization in India: Role of municipalities & Gaon Panchayats.

6. PRESCRIBED READINGS

- R.K. Choudhury, Public Finance and Fiscal Policy, Kalyani Publishers, New Delhi, 2005
- R.R Paul, Money Banking and Public Finance, Kalyani Publishers, 2007
- R.A. Musgrave, Theory of Public Finance, Tata McGraw Hill, 2010
- R.K. Lekhi, Public Finance, Kalyani Publishers, thirteen Edition, 2006
- R.A Musgrave and P.B Musgrave, Public Finance in Theory and Practice. McGraw Hill, 1989.
- R. Dutt and K. P. M. Sundaram, Indian economy, Sultan Chand and Sons Educational Publishers, New Delhi, 2012
- Harvey Rosen, Public finance, McGraw Hill, 1999.
- John Cullis and Phillip Jones, Public Finance and Public Choice, OUP, 1998.
- J. Richard Aronson , Public Finance, McGraw Hill, 1985.
- David. N. Hyman, Public Finance: A Contemporary Application of Theory of Policy. Dryden Press, 2010.
- Bhatia, H.L., Public Finance. 26th Edn. Vikas Publishing House Pvt. Limited, 2009.
- Amaresh Bagchi (ed.) ,Readings in Public Finance. Oxford University Press, 2005.
- Srivastava, D.K., Issues in Indian Public finance, New Century Publications, 2005.
- Mahesh Purohit , “Value Added Tax: Experience of India and Other Countries”, Gayatri Publications, 2007.
- Kaushik Basu, and A. Maertens (ed.), The Oxford Companion to Economics in India, Oxford University Press, 2007.
- M.M Sury, Government Budgeting in India, Commonwealth Publishers, 1990.