UNIVERSITY OF DELHI
DELHI SCHOOL OF ECONOMICS
DEPARTMENT OF ECONOMICS

Minutes of Meeting

Subject : B.A. (Hons.) Generic Elective (GE)
Course : Public Finance (GE41)
Date of Meetings : January 23, 2021 (and subsequently by circulation)
Venue : Online Zoom Meeting
Convenor : Shreekant Gupta
Attended by :

<table>
<thead>
<tr>
<th>Teacher Name</th>
<th>College Name</th>
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<tbody>
<tr>
<td>Simran Sethi</td>
<td>Hansraj College</td>
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<tr>
<td>Ankush Garg</td>
<td>PGDAV College</td>
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<tr>
<td>Rakesh Kumar</td>
<td>Maharaja Agrasen college</td>
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<td>Rakhi Solanki</td>
<td>Sri Aurobindo College</td>
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<tr>
<td>Hema Nagpal</td>
<td>Sri Aurobindo College (Morning)</td>
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<tr>
<td>Nidhi Pande Aggarwal</td>
<td>Delhi College of Arts and Commerce</td>
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<tr>
<td>Anil Kumar</td>
<td>Ramjas College</td>
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<td>Mamta</td>
<td>Shaheed Bhagat Singh College</td>
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<tr>
<td>Iti Tomar</td>
<td>Shyama Prasad Mukherji College (SPMC)</td>
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<td>Yogita Yadav</td>
<td>Sri Venkateswara College (SVC)</td>
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<td>Charu Grover</td>
<td>Shaheed Bhagat Singh College</td>
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<td>Valbha Shakya</td>
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<td>Rinki Dahiya</td>
<td>Shaheed Bhagat Singh College</td>
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<td>Rachna Mathur</td>
<td>Shaheed Bhagat Singh College</td>
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UNIT 1 THEORY
Overview of Fiscal Functions, Tools of Normative Analysis, Pareto Efficiency, Equity and the Social Welfare; Market Failure, Public Good and Externalities; Elementary Theories of Product and Factor Taxation (Excess Burden and Incidence).

UNIT 2 ISSUES FROM INDIAN PUBLIC FINANCE
Working of Monetary and Fiscal Policies; Current Issues of India’s Tax System; Analysis of Budget and Deficits; Fiscal Federalism in India; State and Local Finances.

READINGS

UNIT 1 - PUBLIC FINANCE THEORY

1.1 Overview of Fiscal Functions, Tools of Normative Analysis, Pareto Efficiency, Equity and the Social Welfare
    - Harvey Rosen (2005), Public Finance, Chapter 3 (pp. 33 to 46).

1.2 Market Failure, Public Goods and Externalities.
    - John Cullis and Philip Jones (1998), Public Finance and Public Choice, Chapter 3 (sections 3.1, 3.2 and 3.3)

1.3 Elementary Theories of Product and Factor Taxation (Excess Burden and Incidence)

UNIT 2 - ISSUES FROM INDIAN PUBLIC FINANCE

2.1: Working of Fiscal and Monetary Policies
2.2: Current Issues of India’s Tax system

- Surajit Das, Some Concerns Regarding the Goods and Services Tax, Vol. 52, Issue No. 9, 04 Mar, 2017, EPW
- Ch 2. Fiscal Developments, Vol 2, Economic Survey 2020-21
- D K Srivastava et al., Taxing Petroleum Products: Sharing Revenue Space between Centre and States, Vol. 56, Issue No. 9, 27 Feb, 2021, EPW

2.3: Analysis of Budget and Deficits

- Budget at Glance 2021-22
- Ch.2, Report of 15th Finance Commission, 2020-21 -- till page 15
- Report summary, FRBM review committee, PRS India, 2017

2.4: Fiscal Federalism in India

- Ch.3, Report of 15th Finance Commission, 2020-21
- Report Summary, 15th Finance Commission, PRS India
- N K Singh. “The pandemic has necessitated us to reconsider the 42% devolution,” Interview by Pooja Mehra. The Hindu, 14 Sept. 2020

2.5: State and Local Finances

- Ch.2, Report of 15th Finance Commission, 2020-21 (Pg. 16-19)
- Ch. 5, Report of 15th Finance Commission 2020-21
- Ashok K Lahiri, 15th Finance Commission could catalyse accountability, effective governance at grassroots, Indian Express, Feb 19 2021
**Internal Assessment:**
Two tests of 10 marks each and 5 marks for attendance. Or one test of 10 marks and one presentation of 10 marks according to pre-announced schedule and 5 marks for attendance.

**Final Exam:****
Unit I. Public Finance Theory: 60% weightage.
Unit II: Issues from Indian Public Finance: 40% weightage.

There will be some internal choice within each unit but not necessarily as per past pattern.