

BHARATIYA VIDYA BHAVAN'S V.M.PUBLIC SCHOOL, VADODARA
SESSION 2017-18
Question Bank

SECTION B

UNIT : 8 Chapter 9: Govt. Budget

SHORT ANSWER TYPE QUESTIONS (3-4 MARKS)

1. Explain the allocation of resources objective of Govt. budget.
2. What is the difference between revenue budget and capital budget?
3. What is meant by revenue receipts? Explain the components of revenue receipts of the Govt.
4. Distinguish between direct tax and indirect tax.
5. What do you mean by capital receipts? What are the main components of the capital receipts?
6. Give the meaning of revenue deficit and fiscal deficit. What problems can the fiscal deficit create? 7. What is fiscal deficit? What are its implications?
8. Distinguish between revenue expenditure and capital expenditure with an example of each.
9. Explain the "redistribution of income" objective of Govt. budget.
10. Explain the 'Economic stability' objective of Govt. budget.
11. Under which situations deficit budget is beneficial for the economy.
12. Are fiscal deficits necessarily inflationary? Give reasons in support of your view.
13. Discuss the issue of deficit reduction.
14. How can surplus budget be used during inflation.
15. Giving reasons, classify the following as direct and indirect taxes.
(i) Entertainment tax (ii) Corporation tax (iii) Excise tax (iv) Capital gains tax.