

GOVERNMENT BUDGET AND ECONOMY

Worksheet-3

- Q.1** Define Balanced Budget.
- Q.2** Define Surplus Budget.
- Q.3** Define Deficit Budget.
- Q.4** Define Budgetary Deficit.
- Q.5** State difference type of Budgetary Deficit.
- Q.6** Define Revenue Deficit.
- Q.7** What does Revenue Deficit Signifies?
- Q.8** Revenue Deficit results in saving or Dis-saving.
- Q.9** Revenue Deficit can be met fromreceipt. (Capital/Revenue)
- Q.10** Use ofreceipt to meet revenue deficit leads to ansituation. (Capital/Revenue/Inflationary/Deflationary)
- Q.11** Government should make efforts toits expenditure and avoidexpenditure to reduce Revenue Deficit. (Increase/Reduce/Productive/Unproductive)
- Q.12.** Government shouldits receipts fromto reduce Revenue Deficit. (Increase/Decrease/tax and non tax/Borrowing)
- Q.13** Define Fiscal Deficit.
- Q.14** What is the meaning of Non-Debt creating capital receipts.
- Q.15** “a vicious circle of fiscal deficit and revenue deficit, wherein government takes more loan to repay the earlier loan” is known as.....
- Q.16** RBI prints new currency to meet the Fiscal deficit requirementthe money supply in the economy and createssituation. (Increase/Decrease/Inflationary/Deflationary)
- Q.17** State the sources of financing Fiscal Deficit.
- Q.18** State two internal and two external sources of borrowing.
- Q.19** What is Deficit Financing.
- Q.20** What is Primary Deficit.
- Q.21** What does Zero of Low Primary Deficit indicates.
- Q.22** Which of the following statement is True/False?
1. Loans from IMF is a Revenue Receipts
 2. Higher Revenue Deficit necessary leads to higher fiscal Deficit.
 3. Borrowing by a government represents a situation of fiscal deficit.
 4. 4 Revenue deficits is the excess of capital receipts over the revenue receipts.
 5. Fiscal Deficit is difference between planned revenue expenditure and planned revenue receipts.
 6. Fiscal Deficit is difference between total planned expenditure and total planned receipts.
 7. Primary Deficit is the difference between total planned receipt and interest payment.
 8. Fiscal Deficit is the sum of primary deficit and interest payment.
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