

BOARD-PATTERN PRACTICE PAPER · CBSE CLASS 12**Government Budget and the Economy**

Macroeconomics · Chapter 5 · Matches current CBSE blueprint · Each question PYQ-sourced where indicated

DATE	TOTAL MARKS	DURATION	MARKING	TARGET
_____	25	45 min	As per board	≥ 20/25

GENERAL INSTRUCTIONS

- All questions are compulsory.
- Marks are indicated against each question.
- Show formulas and substitution clearly in numerical questions.
- Answers may be supported with examples wherever appropriate.

Section A — Objective + Very Short Answer

5 MARKS · 8 MIN

- Q1.** Define a government budget. State the constitutional article under which it is presented. [PYQ 2019 Delhi] **[1 mark]**
- Q2.** Is repayment of loan by a state government to the Centre a revenue or capital receipt? Justify in one line. [PYQ 2024 Delhi] **[1 mark]**
- Q3.** State the formula for Primary Deficit. [PYQ 2023 All India] **[1 mark]**
- Q4.** Give two examples of indirect taxes. [PYQ 2021 Delhi] **[1 mark]**
- Q5.** Name the Act that prescribes statutory fiscal-deficit targets in India. [PYQ 2019 Delhi] **[1 mark]**

Section B — Short Answer (3 marks)

9 MARKS · 16 MIN

- Q6.** Distinguish between revenue receipt and capital receipt. Give one example of each. [PYQ 2020 Delhi] **[3 marks]**
- Q7.** Distinguish between direct and indirect taxes with one example each and one point of difference. [PYQ 2023 Delhi] **[3 marks]**
- Q8.** State three implications of a high fiscal deficit for the Indian economy. [PYQ 2024 All India] **[3 marks]**

Section C — Long Answer (Numerical + Theory)

11 MARKS · 21 MIN

- Q9.** From the following data (₹ crore), calculate (a) Revenue deficit, (b) Fiscal deficit, (c) Primary deficit. Revenue receipts = 700; Revenue expenditure = 950; Capital receipts = 500 (of which Borrowings = 400, Disinvestment = 60, Recovery of loans = 40); Capital expenditure = 350; Interest payments = 150. [PYQ 2023 Delhi] **[6 marks]**
- Q10.** Explain any three objectives of a government budget with one suitable Indian example for each. [PYQ 2021 All India] **[5 marks]**

Marking scheme & model answers — see companion Answer Key PDF · all PYQs traceable to actual CBSE papers · readyforboards.com · +91 70330 05444