

GIRLS' HIGH SCHOOL AND COLLEGE, PRAYAGRAJ.

2020-2021

CLASS: 12 C&D

Economics

Worksheet – 6

Chapter – Government Budget and Circular flow of income.

Note – Parents please ensure that your ward refers to the textbook, **ISC Economics Class 12 by D.K.Sethi and Mrs.U.Andrews by Frank publication** for at least two days to read and understand the chapter.

Elasticity of Demand

- 01) Define cross elasticity of demand.
- 02) Explain the three types of cross elasticity of demand.

Government Budget and Circular flow of income.

Answer in brief

- 01) What is Government budget?
 - 02) Distinguish between Union budget and State budget.
 - 03) What are revenue receipts? Give two sources of revenue receipts.
 - 04) Define capital receipts. Give two examples of capital receipts.
 - 05) Differentiate between plan and non-plan expenditure.
 - 06) What is meant by revenue deficit? Explain its implications.
 - 07) Define domestic territory.
 - 08) Distinguish between real flows and money flows.
 - 09) What is meant by withdrawals (leakages)? Name two items of withdrawals.
 - 10) Distinguish between final goods and intermediate goods with examples.
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Answer in detail

- 01) Differentiate between revenue Budget and capital budget.
- 02) Distinguish between revenue expenditure and capital expenditure. Give two examples of each.
- 03) Distinguish between revenue deficit, fiscal deficit and primary deficit. What are their implications on the economy?
- 04) Discuss the problem of double counting in the estimation of national income.
- 05) With the help of a well-labelled diagram, show the circular flow of income in a threesector model with leakages and injections.

END