

HERAMB COACHING CLASSES

TYBCOM/ECONOMICS

Marks: 30

DURATION: 1 Hour

Q.1. ATTEMPT THE FOLLOWING QUESTIONS: (Any 3)

(20)

- a) Explain in detail different types of Budget.
- b) Explain different types of deficits incurred by the government during Deficit Budget.
- c) Explain in detail main features of FRBM Act, 2004
- d) Critically evaluate the FRBM Act, 2004

Q.2. (A) STATE TRUE OR FALSE WITH REASONS: (Any 3)

(06)

- 1) One of the objectives of the FRBM Act, 2003 was to improve transparency in the fiscal operations of the government.
- 2) The FRBM Act, 2003 was able to tackle social sector development issues.
- 3) Railway budget is an example of departmental budget.
- 4) A supplementary budget is considered during periods of war or natural calamity.
- 5) The budget is meant to correlate, compare and co-ordinate the financial administration of the various government departments.

Q.2. (B) SELECT CORRECT OPTION FROM THE FOLLOWING: (ANY 4)

(04)

- 1) Which is the most comprehensive measure of budgetary imbalances?
a) Fiscal Deficit b) Revenue Deficit
c) Primary Deficit d) All of the above
- 2) The full form of FRBM Act 2003 is
a) Fiscal Regulation and Budget Management Act, 2003
b) Fiscal Regulation and Banking Management Act, 2003.
c) Fiscal Responsibility and Budget Management Act, 2003.
d) Financial Responsibility and Budget Management Act, 2003.
- 3) When budget revenue equals expenditure the budget shows -
a) Balance b) Deficit
c) Surplus d) None of the above
- 4) The term fiscal federalism was introduced by -
a) Dalton b) Seligman
c) Musgrave d) None of the above
- 5) The theory of fiscal federalism assumes -
a) A federal system of government can be efficient and effective in solving problems.
b) A federal government will be able to bring about economic stability allocation of resources.
c) Since states and localities are not equal in their income, federalism is helpful.
d) All of the above