

### Meta data of E- Content (Pre production)

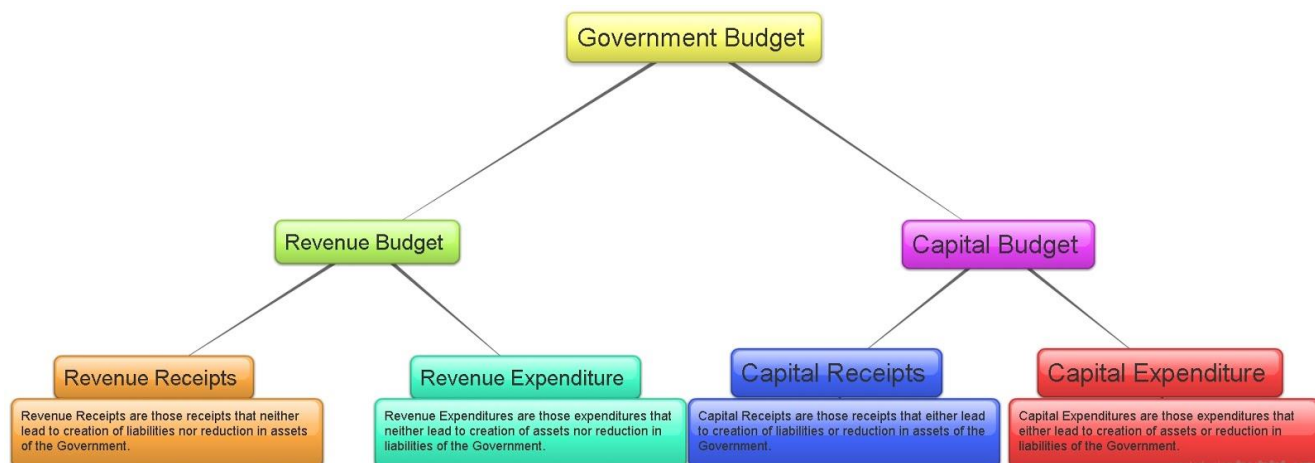
S. N.	AREA OF MATA DATA	TO BE FILLED BY CONTENT GENERATOR(S)
1	Topic	Government Budget
2	Subject	Macroeconomics
3	Topic connected which area of subject?	Structure of Government Budget in India
4	Class/ Level	XII
5	Objectives	<p>To enable the child to:</p> <ol style="list-style-type: none"> <li>1. To make the students understand the components of Government Budget.</li> <li>2. To enable the students to comprehend the meaning and the difference between Revenue Budget and Capital Budget under the Government Budget.</li> <li>3. To enable the students to differentiate between Revenue receipts and Capital Receipts and Revenue Expenditure and Capital Expenditure.</li> </ol>
6	Summary	<ol style="list-style-type: none"> <li>1. The Government Budget is the annual statement of the estimated receipts and estimated expenditures of the Government during a financial year ( 1 April to 31 March).</li> <li>2. The Revenue Budget shows the current receipts of the government and the expenditure that can be met from these receipts.</li> <li>3. The Capital Budget is an account of the assets and liabilities of the central government.</li> <li>4. Components of the Revenue Budget are revenue Receipts and Revenue Expenditure. Revenue receipts are those receipts which neither create liabilities nor reduce assets of the government. Examples are: Tax Revenue and Non Tax Revenue. Revenue Expenditure is that expenditure that neither creates assets nor reduce the liabilities of the government. Examples are expenditure on provision of services and normal functioning of the government, subsidies, interest payments etc.</li> <li>5. Components of Capital Budget are Capital Receipts and Capital Expenditure. Capital receipts are those receipts which either create liabilities or reduce assets of the government. Examples are: Borrowings, sale of shares in Public Sector Undertakings, recovery of loans. Capital Expenditure is that expenditure that either creates assets or reduce the liabilities of the government. Examples are:</li> </ol>

		Expenditure on acquisition of land, investment in shares, loans and advances by the central government to state and union territory governments.
7	Key Words	Government Budget, Revenue Receipts, Revenue Expenditure, Capital Receipts, Capital Expenditure, Tax, CENVAT, Excise Duty, GST Bill, Income Tax, Sales Tax.
8	Team of content persons	Ms Roopali Arora, Ms Bhupinder Kaur
9	Subject Coordinator	Dr. Neeraja Rashmi
10	CIET Coordinator	Dr. Indu Kumar

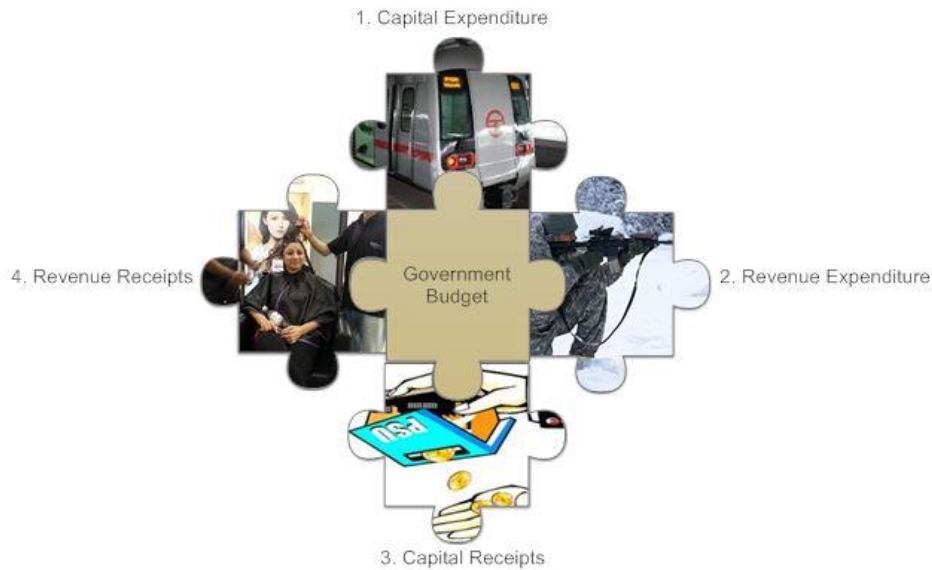
## Meaning of Government Budget

The Government Budget is the annual statement of the estimated receipts and estimated expenditures of the Government during a financial year (1 April to 31 March).

## Structure of Government Budget



## Student's Activity: 1



Based on the picture above, give reasons behind the nature of the receipts and expenditures of the government as mentioned in the same.

### Answers:

1. Expenditure on Metro coaches by the government is Capital Expenditure since there is rise in the assets of the government.
2. Expenditure on providing defence services by the government is Revenue expenditure since it neither leads to a rise in the assets nor a reduction in the liabilities of the government.
3. Receipts from sale of public sector undertakings by the government is capital receipt since it leads to a reduction in the assets of the government.
4. Receipts from service tax paid by us as consumers on any service by the government is a revenue receipt since it neither leads to a creation in the liabilities of the government nor a reduction in its assets.

## Student's Activity 2

Play Quiz using the following link

[https://docs.google.com/forms/d/1WcPuOFOHY7TZoM7P0G7311ssFoljwF-D\\_dNALi4I1yg/viewform](https://docs.google.com/forms/d/1WcPuOFOHY7TZoM7P0G7311ssFoljwF-D_dNALi4I1yg/viewform)

