

**CLASS - XII**  
**POST MID-TERM EXAMINATION (2024-2025)**  
**ECONOMICS (030)**  
**MARKING SCHEME**  
**SET A1/A2**

Time Allowed: 3 hours

Max. Marks: 80

Q.NO. Set A1	Q.NO. Set A2	EXPECTED ANSWER / VALUE POINTS	MARKS
<b>SECTION A: INTRODUCTORY MACROECONOMICS</b>			
1	6	<p>Set A1: Export of machinery and equipment is recorded under _____ side of the _____ account.</p> <p>(a) Debit, current                      (b) Credit, current                      (c) Debit, capital                      (d) Credit, capital</p> <p>Answer: (b)</p> <p>Set A2: Export of machinery and equipment is recorded under _____ side of the _____ account.</p> <p>(a) Debit, capital                      (b) Credit, capital                      (c) Debit, current                      (d) Credit, current</p> <p>Answer: (d)</p>	1
2	7	<p>The cost incurred from the tax collection, printing notes and audit, pension, etc. are treated as what type of expenditure by the government?</p>	1

		<p>(a) Government expenditure  (b) Non-development expenditure  (c) Revenue expenditure  (d) All of these</p> <p>Answer: (d)</p>	
3	8	<p>State true or false, with reasons – “<i>All producer goods are capital goods.</i>”</p> <p>Answer: False, producer goods are of two kinds – capital goods and raw materials.</p>	1
4	9	<p>Depreciation leads to _____ of balance of trade.</p> <p>(a) Improvement  (b) Worsening  (c) Cannot be determined  (d) No change</p> <p>Answer: (a)</p>	1
5	10	<p>Set A1: If legal reserve requirement is 20% and banks have created credit worth Rs. 5,00,000, then what is the value of primary deposits with the banks?</p> <p>Answer: Total deposits = Initial deposit * 1/LRR  5,00,000 = ID * 5  Initial deposits = Rs. 1,00,000</p> <p>Set A2: If legal reserve requirement is 25% and banks have created credit worth Rs. 5,00,000, then what is the value of primary deposits with the banks?</p> <p>Answer: Total deposits = Initial deposit * 1/LRR  5,00,000 = ID * 4  Initial deposits = Rs. 1,25,000</p>	1

6	1	<p>Read the following statements carefully:</p> <p><b>Statement 1:</b> Value of investment multiplier varies between zero and infinity.</p> <p><b>Statement 2:</b> Higher the marginal propensity to consume or lower the marginal propensity to save, the greater the value of multiplier.</p> <p>In the light of the given statements, choose the correct alternative from the following:</p> <ul style="list-style-type: none"> <li>a) Statement 1 is true and statement 2 is false</li> <li>b) Statement 1 is false and statement 2 is true</li> <li>c) Both statements 1 and 2 are true</li> <li>d) Both statements 1 and 2 are false</li> </ul> <p>Answer: (b)</p>	1
7	2	<p>Read the following statements: Assertion (A) and Reason (R).</p> <p>Choose the correct alternative from below:</p> <p><b>Assertion (A):</b> When there is a trade deficit and current account deficit, there will always be a BoP deficit.</p> <p><b>Reason (R):</b> When there is a trade deficit and current account deficit but a capital account surplus (i.e., a net capital inflow), there may or may not be a BoP Surplus.</p> <p>Alternatives:</p> <ul style="list-style-type: none"> <li>(a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).</li> <li>(b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A).</li> <li>(c) Assertion (A) is true but Reason (R) is False.</li> <li>(d) Assertion (A) is false but Reason (R) is true.</li> </ul> <p>Answer: (d)</p>	1
8	3	<p>Set A1: Store of value is a _____(<i>primary, secondary</i>) function of money.</p> <p>Answer: secondary</p>	1

		<p>Set A2: Measure of value is a _____(<i>primary, secondary</i>) function of money.</p> <p>Answer: primary</p>	
9	4	<p>Set A1: Interest received on loans given are categorized as?</p> <p>(a) Revenue expenditure (b) Capital expenditure (c) Revenue receipts (d) Capital receipts</p> <p>Answer: (c)</p> <p>Set A2: Interest paid on loans taken are categorized as?</p> <p>(a) Revenue expenditure (b) Capital expenditure (c) Revenue receipts (d) Capital receipts</p> <p>Answer: (a)</p>	1
10	5	<p>Read the following statements: Assertion (A) and Reason (R). Choose the correct alternative from below:</p> <p><b>Assertion (A):</b> A country always tries to balance the BoP, i.e. balance in the current account equals to balance in the capital account.</p> <p><b>Reason (R):</b> Balanced BoP indicates stable economic relations with the rest of the world.</p> <p>Alternatives:</p> <p>(a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A). (b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A). (c) Assertion (A) is true but Reason (R) is False. (d) Assertion (A) is false but Reason (R) is true.</p>	1

		Answer: (a)	
11	12	<p>Read the following two texts carefully and discuss briefly the relevant function of central bank indicated. <b><u>Answer any one:</u></b></p> <p>(a) <i>In the complex world of overseeing finances, the central bank acts like a behind-the-scenes architect. It carefully sets rules and keeps a watchful eye on financial institutions, working quietly to ensure the stability and strength of the financial system through its careful planning. The central bank also acts like a financial safety cushion. When banks are in a tough spot, it quietly steps in, skillfully managing money to prevent a big economic breakdown.</i></p> <p>(b) <i>The government of India plans to undertake a large-scale infrastructure project to build new highways across the country. To fund this initiative, the government decides to issue bonds to raise money from the public and other institutions. The Reserve Bank of India (RBI) steps in to manage the process of issuing these bonds on behalf of the government, ensuring that the funds are collected efficiently. Furthermore, the RBI helps the government manage its accounts and handles transactions related to government spending and receipts.</i></p> <p>Answer: (a) Banker's bank and supervisor function to be explained OR (b) Banker to the govt. and agent function to be explained</p>	3
12	11	<p>What happens if aggregate demand is greater than aggregate supply prior to the full employment level of output?</p> <p>Answer: If <math>AD &gt; AS</math> prior to full employment level of output, inventories would start falling because of which firms will increase employment and output. Thus, income will increase till <math>AD = AS</math>.</p> <ul style="list-style-type: none"> <li>• Decrease in inventories</li> </ul>	3

		<ul style="list-style-type: none"> <li>• Increase in employment and output</li> <li>• Increase in income</li> </ul>																	
13	13	<p>Answer the following questions:</p> <p>(a) <i>In India, the government budget does not relate itself to the problem of economic divide. Defend or refute.</i></p> <p>(b) Are fiscal deficits necessarily inflationary in nature? Explain.</p> <p style="text-align: center;">OR</p> <p>From the following data, calculate the values of:</p> <p>(a) Revenue deficit</p> <p>(b) Fiscal deficit</p> <p>(c) Primary deficit</p>	<p>2</p> <p>2</p> <p>1</p> <p>1.5</p> <p>1.5</p>																
		<table border="1"> <thead> <tr> <th>Items</th> <th>Amount (in Rs. crores)</th> </tr> </thead> <tbody> <tr> <td>Plan capital expenditure</td> <td>13,000</td> </tr> <tr> <td>Revenue expenditure</td> <td>11,000</td> </tr> <tr> <td>Non-plan capital expenditure</td> <td>9,000</td> </tr> <tr> <td>Revenue receipts</td> <td>8,000</td> </tr> <tr> <td>Capital receipts net of borrowings</td> <td>15,000</td> </tr> <tr> <td>Accumulated borrowings of the past</td> <td>5 times of fiscal deficit</td> </tr> <tr> <td>Interest rate</td> <td>8% p.a.</td> </tr> </tbody> </table>	Items	Amount (in Rs. crores)	Plan capital expenditure	13,000	Revenue expenditure	11,000	Non-plan capital expenditure	9,000	Revenue receipts	8,000	Capital receipts net of borrowings	15,000	Accumulated borrowings of the past	5 times of fiscal deficit	Interest rate	8% p.a.	
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		<p>Answer: (a) Refuted. Explain the budget objective of reduction of income inequalities.</p> <p>(b) No, fiscal deficits are not necessarily inflationary.</p> <p>When the government expenditure increases and tax reduces, there is a government deficit and there will be a corresponding increase in the aggregate demand. However, the firms might not be able to meet the growing demands, forcing the price to rise. Hence, fiscal deficits are inflationary in this sense.</p> <p>But on the other hand, initially if the resources are under-utilised</p>																	

		<p>(due to deficient demand) and output is below full employment level, then with the increase in government expenditure, more factor resources will be employed to cater to the increasing demand without exerting much pressure on price to rise. In this situation, a high fiscal deficit is accompanied by high demand, greater output level and lesser inflationary situation. Hence, whether the fiscal deficits are inflationary or not depends on how close is the original output level to the full employment level.</p> <p style="text-align: center;">OR</p> <p>(a) Revenue deficit = RE – RR = 11000-8000 = Rs. 3,000 crores  (b) Fiscal deficit = RD + (CE – CR net of borrowings) = 3000 + ([13000+9000] – 15000) = Rs. 10,000 crores  (c) Primary deficit = FD – interest = 10000 – (0.08 * 50000) = 10000 – 4000 = Rs. 6,000 crores</p>																					
14	14	<p>From the following information, estimate the values of:</p> <p>(a) Depreciation  (b) Wages and salaries</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Items</th> <th style="text-align: center;">Amount (in Rs. crores)</th> </tr> </thead> <tbody> <tr> <td>Mixed income of self-employed</td> <td style="text-align: center;">3,500</td> </tr> <tr> <td>Net indirect taxes</td> <td style="text-align: center;">300</td> </tr> <tr> <td>Government final consumption expenditure</td> <td style="text-align: center;">14,000</td> </tr> <tr> <td>Net exports</td> <td style="text-align: center;">3,000</td> </tr> <tr> <td>Cost of fixed assets (with expected lifespan of 5 years and scrap value of Rs. 500)</td> <td style="text-align: center;">2,000</td> </tr> <tr> <td>Net factor income to abroad</td> <td style="text-align: center;">-700</td> </tr> <tr> <td>Operating surplus</td> <td style="text-align: center;">12,000</td> </tr> <tr> <td>National income</td> <td style="text-align: center;">30,000</td> </tr> <tr> <td>Profits</td> <td style="text-align: center;">500</td> </tr> </tbody> </table>	Items	Amount (in Rs. crores)	Mixed income of self-employed	3,500	Net indirect taxes	300	Government final consumption expenditure	14,000	Net exports	3,000	Cost of fixed assets (with expected lifespan of 5 years and scrap value of Rs. 500)	2,000	Net factor income to abroad	-700	Operating surplus	12,000	National income	30,000	Profits	500	4
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		Private final consumption expenditure	11,000	
		<p>Answer: (a) Depreciation = Cost of Asset – Scrap Value / Expected lifespan = <math>2000-500/5 = \text{Rs. } 300</math> crores</p> <p>(b) <math>\text{NDP}_{\text{FC}} = \text{National Income} - \text{NFIA} = 30000 - 700 = \text{Rs. } 29,300</math> crores</p> <p><math>\text{NDP}_{\text{FC}} = \text{COE} + \text{OS} + \text{MISE}</math></p> <p><math>29300 = \text{COE} + 12000 + 3500</math></p> <p>COE (Wages and salaries) = Rs. 13,800 crores</p>		
15	15	<p>Read the following case study and answer the questions that follow:</p> <p>Bharat Steel Corporation (BSC), a public sector undertaking (PSU), was once the pride of the nation's industrial sector. However, in recent years, BSC started facing severe financial difficulties due to outdated technology, inefficiency in production, and rising competition from private firms.</p> <p>Recognizing the strategic importance of the company for the country's economy, the government decided to intervene. As part of the annual budget, the government announced a comprehensive plan to restructure BSC. This included an infusion of funds to modernize its operations, a strategic partnership with a leading private player for better management, and a reduction in excess workforce through voluntary retirement schemes.</p> <p>A year later, BSC reported a turnaround in its finances, with improved production levels, higher profits, and a more efficient workforce. The revival not only saved thousands of jobs but also ensured that the steel sector remained competitive in the global market.</p> <p>(1) Identify and explain the objective of the government budget highlighted above.</p>		
				2

		<p>(2) Read the following statements: Assertion (A) and Reason (R). Choose the correct alternative from below:</p> <p><b>Assertion (A):</b> The government partnered BSC with a private player to improve management.</p> <p><b>Reason (R):</b> Strategic partnerships can enhance efficiency and introduce modern practices in public sector enterprises.</p> <p>Alternatives:</p> <p>(a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).</p> <p>(b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A).</p> <p>(c) Assertion (A) is true but Reason (R) is False.</p> <p>(d) Assertion (A) is false but Reason (R) is true.</p> <p>(3) Disinvestment is a type of _____(<i>revenue / capital</i>) receipt for the government because _____.</p> <p>Answer: (1) Management of PSUs to be explained.  (2) (a)  (3) capital, it leads to reduction in assets</p>	<p>1</p> <p>1</p>
16	17	<p>Answer the following questions:</p> <p>(a) If an economy plans to increase its income by ₹ 5,000 crores and the Marginal Propensity to Consume is 75%, estimate the increase in investment required to achieve the targeted increase in income. Also calculate the change in savings when income increases by ₹ 5,000 crores.</p> <p>(b) Explain the concept of deflationary gap with a graph.</p> <p style="text-align: center;">OR</p> <p>Answer the following questions:</p> <p>(a) In an economy, the equilibrium level of income is Rs. 15,000</p>	<p>3</p> <p>3</p>

crores. The ratio of MPC to MPS is 3:1. Calculate the additional investment required to reach a new equilibrium level of income of Rs. 22,000 crores.

3

(b) Explain the concept of Margin Requirements and how RBI can use it to control inflationary tendencies in the economy.

3

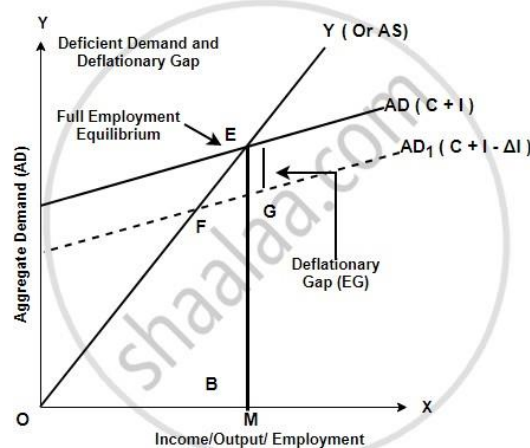
Answer: (a) Change in  $Y = 5000$

$MPC = 0.75$ , so  $k = 4$

Change in  $I = \text{Change in income} / k = 5000/4 = \text{Rs. } 1,250 \text{ crores}$

Change in  $S = MPS * \text{Change in } Y = 0.25 * 5000 = \text{Rs. } 1,250 \text{ crores}$

(b) Deflationary gap refers to the gap between the AD and AS at the full employment level. It is caused in a situation of deficient demand which happens due to decrease in MPC, exports, investment, government expenditure or increase in imports.



OR

(a)  $MPC = 3MPS$

$MPC + MPS = 1$

$4MPS = 1$

$MPS = 0.25$

So,  $k = 4$

		<p>Change in <math>Y = 7,000</math>  Thus, change in <math>I</math> required = <math>7000/4 = \text{Rs. } 1,750</math> crores</p> <p>(b) Definition of margin requirement.  During inflation, it should be increased – process to be explained.</p>	
17	16	<p>Set A1: Answer the following questions:</p> <p>(a) Differentiate between autonomous and accommodating items of BOP.</p> <p>(b) Explain the impact of increase in capital outflows from a country on the exchange rate of its currency. Use graph.</p> <p>Answer: (a) Autonomous items are undertaken for profit motive whereas accommodating items are undertaken to correct the disequilibrium in BOP.</p> <p>Autonomous items are recorded in both current and capital accounts of BOP while accommodating items are recorded only in capital account of BOP.</p> <p>(b) Increase in capital outflows from a country will reduce the supply of forex, leading to a leftward shift in supply curve. As a result, due to excess demand of forex at the original equilibrium, the exchange rate will rise till a new equilibrium is reached.</p> <div data-bbox="635 1451 1118 1883" data-label="Figure"> </div> <p>Here, domestic currency has depreciated and foreign currency has appreciated.</p>	6

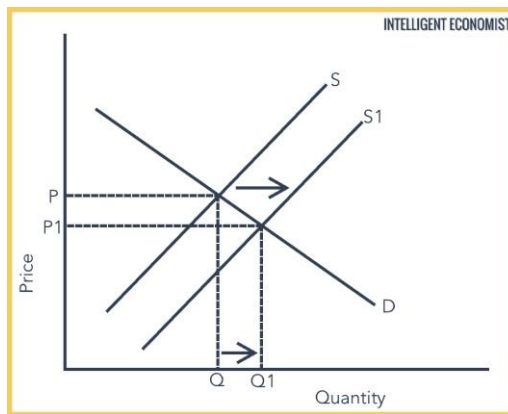
Set A2: Answer the following questions:

- (a) Differentiate between autonomous and accommodating items of BOP.
- (b) Explain the impact of increase in capital inflows in a country on the exchange rate of its currency. Use graph.

Answer: (a) Autonomous items are undertaken for profit motive whereas accommodating items are undertaken to correct the disequilibrium in BOP.

Autonomous items are recorded in both current and capital accounts of BOP while accommodating items are recorded only in capital account of BOP.

- (b) Increase in capital inflows in a country will increase the supply of forex, leading to a rightward shift in supply curve. As a result, due to excess supply of forex at the original equilibrium, the exchange rate will fall till a new equilibrium is reached.



Here, domestic currency has appreciated and foreign currency has depreciated.

**SECTION B: INDIAN ECONOMIC DEVELOPMENT**

18	23	<p>Read the following statements:</p> <p><b>Statement 1:</b> Commercialisation of agriculture was coercively introduced by British.</p> <p><b>Statement 2:</b> The aim of commercialisation of agriculture was to</p>	1
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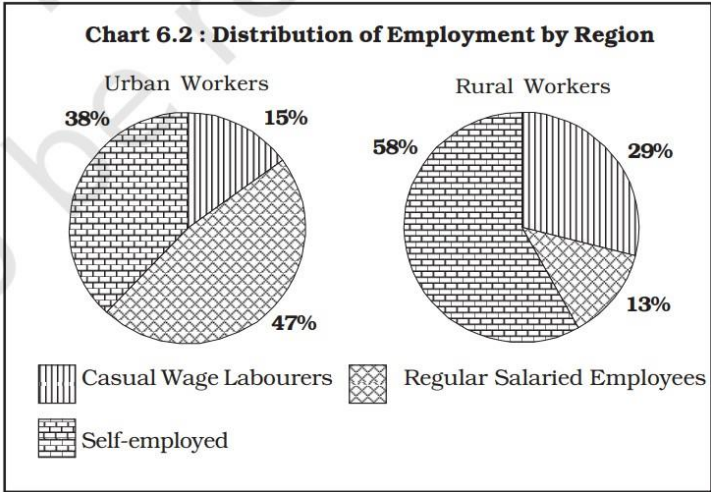
		<p>support British industries.</p> <p>Choose the correct alternative:</p> <ul style="list-style-type: none"> <li>(a) Both statements are true.</li> <li>(b) Both statements are false.</li> <li>(c) Statement 1 is true and statement 2 is false.</li> <li>(d) Statement 1 is false and statement 2 is true.</li> </ul> <p>Answer: (a)</p>	
19	24	<p>Set A1: _____ help integrate formal credit systems into rural societies.</p> <ul style="list-style-type: none"> <li>(a) Land development banks</li> <li>(b) Self-help groups</li> <li>(c) Regional rural banks</li> <li>(d) Commercial banks</li> </ul> <p>Answer: (b)</p> <p>Set A2: _____ help integrate formal credit systems into rural societies.</p> <ul style="list-style-type: none"> <li>(a) Land development banks</li> <li>(b) Regional rural banks</li> <li>(c) Self-help groups</li> <li>(d) Commercial banks</li> </ul> <p>Answer: (c)</p>	1
20	25	<p>The expenditure on education by the Indian government _____.</p> <ul style="list-style-type: none"> <li>(a) Is expressed as a percentage of the gross domestic product (GDP)</li> <li>(b) Is expressed as a percentage of the total government expenditure</li> <li>(c) Both a and b are correct</li> <li>(d) Both a and b are incorrect</li> </ul>	1

		Answer: (c)	
21	26	<p>In the year _____, _____ committee was set up which recognized the role of small-scale industries in industrial development of India.</p> <p>Answer: 1955, Karve / Village and Small Scale Industries</p>	1
22	27	<p>Set A1: Read the following statements, Assertion (A) and Reason (R), and choose the correct alternative from below:</p> <p><b>Assertion (A):</b> Small and marginal farmers need to form cooperatives to obtain fair price for their produce.</p> <p><b>Reason (R):</b> Instead of marketing their produce separately, if they self their produce through one agency, it will increase their bargaining power.</p> <p><i>Alternatives:</i></p> <p>(a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).</p> <p>(b) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A).</p> <p>(c) Assertion (A) is true but Reason (R) is false.</p> <p>(d) Assertion (A) is false but Reason (R) is true.</p> <p>Answer: (a)</p> <p>Set A2: Read the following statements, Assertion (A) and Reason (R), and choose the correct alternative from below:</p> <p><b>Assertion (A):</b> Small and marginal farmers need to form cooperatives to obtain fair price for their produce.</p> <p><b>Reason (R):</b> Instead of marketing their produce separately, if they self their produce through one agency, it will reduce their bargaining power.</p>	1

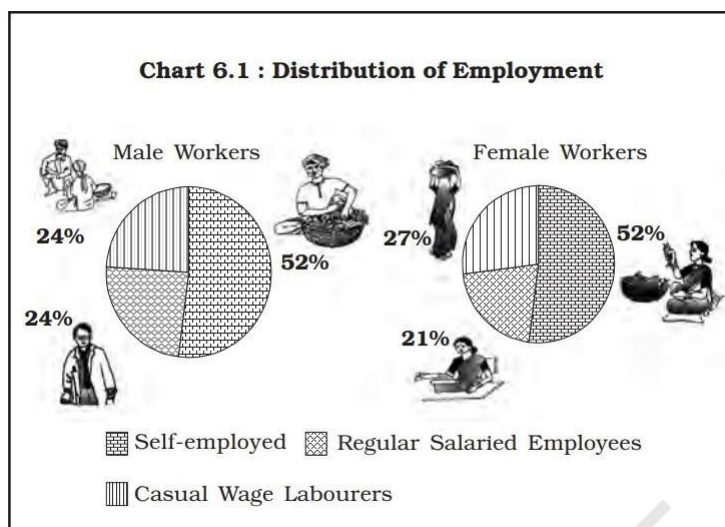
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23	18	<p>Define informalization of workforce.</p> <p>Answer: Informalisation refers to an increase in the proportion of workforce in informal sector and decrease in that in formal sector.</p>	1
24	19	<p>State any one problem faced by farmers in agricultural marketing.</p> <p>Answer: Any one problem out of: transportation cost, inadequate market infrastructure, lack of market information, lack of processing units, storage facility, price fluctuation etc.</p>	1
25	20	<p>Who chairs the GST Council?</p> <p>(a) Prime Minister</p> <p>(b) Finance Secretary</p> <p>(c) Finance Minister</p> <p>(d) Home Minister</p> <p>Answer: (c)</p>	1
26	21	<p>Set A1: Which of the following is the actual definition of a workforce?</p> <p>(a) The workforce is defined as the labour force that is employed by another individual or organization.</p> <p>(b) The workforce is defined as the total population that is not employed by another individual or organization.</p> <p>(c) The workforce is defined as the total population that is forced to work by another individual or organization.</p>	1

		<p>(d) None of the above</p> <p>Answer: (d)</p> <p>Set A2: Which of the following is the actual definition of a workforce?</p> <p>(a) The workforce is defined as the total population that is forced to work by another individual or organization.</p> <p>(b) The workforce is defined as the labour force that is employed by another individual or organization.</p> <p>(c) The workforce is defined as the total population that is not employed by another individual or organization.</p> <p>(d) None of the above</p> <p>Answer: (d)</p>	
27	22	<p>Silver revolution is related to which non-farm sector?</p> <p>(a) Horticulture</p> <p>(b) Fisheries</p> <p>(c) Animal husbandry</p> <p>(d) Floriculture</p> <p>Answer: (c)</p>	1
28	29	<p>Set A1: Underscore some of India's most crucial economic challenges at the time of independence.</p> <p style="text-align: center;">OR</p> <p>What impact did the economic reforms of 1991 have on India's agricultural sector?</p> <p>Answer: 1) Backward agricultural sector due to zamindari system.</p> <p>2) Lack of a strong industrial base due to discriminatory tariff policy.</p> <p>3) Amputated and depreciated economy due to selfish motives of British.</p>	3

		<p style="text-align: center;">OR</p> <p>The agricultural sector suffered adversely as a result of 1991 reforms:</p> <ol style="list-style-type: none"> <li>1) Decline in public investment in agriculture</li> <li>2) Partial removal of subsidies</li> <li>3) Commercialization of agriculture</li> </ol> <p>Set A2: Why has the industrial sector performed poorly in the reform period?</p> <p style="text-align: center;">OR</p> <p>What were the negative impacts of the industrial and trade policies implemented in India from 1950-1990?</p> <p>Answer: Explain -</p> <ol style="list-style-type: none"> <li>1) Cheaper imports</li> <li>2) Inadequate infrastructural facilities</li> <li>3) High non-tariff barriers by developed countries</li> </ol> <p style="text-align: center;">OR</p> <p>Explain -</p> <ol style="list-style-type: none"> <li>1) Inefficient functioning of PSUs</li> <li>2) Difficult to shut down a PSU</li> <li>3) Misuse of licensing policy</li> </ol>	
29	28	<p>Set A1: Do you think that government intervention is necessary in the fields of education and health? Give reasons.</p> <p>Answer: Yes, reasons:</p> <ul style="list-style-type: none"> <li>• Affordability</li> <li>• No exploitation by private players</li> <li>• These decisions are irreversible and have long-term impacts</li> <li>• Accessibility to everyone</li> </ul> <p>Set A2: Differentiate between human capital and human development.</p>	3

		Answer: Any 3 points of differences													
30	32	<p>China undertook certain economic reforms in 1978. What were those reforms?</p> <p>Answer: China undertook reforms in two phases.</p> <ol style="list-style-type: none"> <li>1) The first phase started with developments made in agriculture, investment and foreign trade. For agriculture, commune system was introduced in which small plots were allocated to individual households. Income generated from the land can be kept by the households after paying the tax to the government.</li> <li>2) The next phase of reforms started with the industrial sector, where private firms were encouraged to compete with government-owned enterprises.</li> <li>3) A system of dual pricing was introduced in which farmers and industries need to buy and sell a fixed quantity of inputs and outputs at government-fixed price and trade remaining quantities at market price.</li> <li>4) Also introduced were special economic zones that were designed to attract foreign investment.</li> </ol>	4												
31	31	<p>Analyze the distribution of employment in India across rural and urban areas, based on the following chart. Give reasons behind it.</p> <div style="text-align: center;">  <p><b>Chart 6.2 : Distribution of Employment by Region</b></p> <table border="1"> <thead> <tr> <th>Region</th> <th>Self-employed</th> <th>Casual Wage Labourers</th> <th>Regular Salaried Employees</th> </tr> </thead> <tbody> <tr> <td>Urban Workers</td> <td>38%</td> <td>15%</td> <td>47%</td> </tr> <tr> <td>Rural Workers</td> <td>58%</td> <td>13%</td> <td>29%</td> </tr> </tbody> </table> <p>OR</p> </div>	Region	Self-employed	Casual Wage Labourers	Regular Salaried Employees	Urban Workers	38%	15%	47%	Rural Workers	58%	13%	29%	4
Region	Self-employed	Casual Wage Labourers	Regular Salaried Employees												
Urban Workers	38%	15%	47%												
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Analyze the distribution of employment in India across males and females, based on the following chart. Give reasons behind it.



Answer: State the following observations with reasons:

- Self-employed are found more in rural areas than in urban areas, because in rural areas, people work on their own farms as non-farm job opportunities are limited.
- Regular salaried workers are more in urban areas (47%) than in rural areas (13%) because the nature of work in urban areas is such.

OR

State the following observations with reasons:

- Self-employment is the major source of livelihood for both men and women as majority of those depending on farming own plots of land and cultivate independently.
- In regular salaried employment, men are found to be so engaged in greater proportion (24%) than women (21%) because of more skills and job opportunities available with men while women are expected to help with domestic chores.

32

30

Read the following case study and answer the questions that follow:

		<p>The town of Greenfield experienced rapid economic growth and urbanization, but this came at a cost. Industrial pollution led to the contamination of the local river, causing biodiversity loss as several species went extinct. Forests were cleared for development, further threatening local wildlife.</p> <p>Air pollution increased as more vehicles and factories emerged, contributing to global warming and health issues among residents. Additionally, ozone depletion was a concern due to the use of harmful substances like CFCs. The town also faced land degradation as overfarming led to soil erosion, making agricultural land barren. In response, the Greenfield Council developed sustainable strategies. While these efforts aimed to balance economic growth with environmental protection, they faced challenges in implementation.</p> <p>(a) _____ was signed in the year _____ in order to protect the ozone layer from depleting.</p> <p>(b) What causes the greenhouse effect leading to global warming? State two sources.</p> <p>(c) Describe any two strategies to achieve sustainable development.</p> <p>Answer: (a) Montreal Protocol, 1987</p> <p>(b) Burning of fossil fuels, methane released in animal waste</p> <p>(c) Explain any two:</p> <ul style="list-style-type: none"> <li>• Use of cleaner fuels like LPG and CNG</li> <li>• Use of biopest</li> <li>• Renewable sources of energy</li> <li>• Mini-hydel plants etc.</li> </ul>	<p>1</p> <p>1</p> <p>2</p>
33	34	<p>Bring out the importance of animal husbandry, fisheries and horticulture as a source of diversification.</p> <p>Answer: <b>Animal Husbandry:</b></p> <ul style="list-style-type: none"> <li>• Today, this sector alone provides alternative livelihood</li> </ul>	2+2+2

		<p>options to a significant number of women and over 70 million small and marginal farmers including landless labourers.</p> <ul style="list-style-type: none"> <li>• Milk production of the Indian dairy sector has increased by more than five times between 1960-2009 with the successful implementation of 'Operation Flood'.</li> </ul> <p><b>Fisheries:</b></p> <ul style="list-style-type: none"> <li>• Today, total fish production accounts for 0.8 % of the total GDP.</li> <li>• Fishing has become a source of women empowerment. About 60% of the workforce in export marketing and 40% in internal marketing are women.</li> </ul> <p><b>Horticulture:</b></p> <ul style="list-style-type: none"> <li>• These crops play a vital role in providing food and nutrition, along with sustainable employment opportunities.</li> <li>• During 1991-2003, 'Golden Revolution' took place. Horticulture became highly productive during this period due to planned investment and the sector emerged as a sustainable livelihood option.</li> </ul>	
34	33	<p>Answer the following questions:</p> <p>(a) What similar development strategies have India and Pakistan followed for their respective developmental paths?</p> <p>(b) Give reasons for the slow growth and re-emergence of poverty in Pakistan.</p> <p style="text-align: center;">OR</p> <p>Compare the developmental trajectories of India with its neighbours with respect to sectoral contributions to employment and GVA.</p>	<p style="text-align: right;">3</p> <p style="text-align: right;">3</p> <p style="text-align: right;">6</p>

**Sectoral Share of Employment and GVA (%) in 2018–2019**

Sector	Contribution to GVA			Distribution of Workforce		
	India	China	Pakistan	India	China	Pakistan
Agriculture	16	7	24	43	26	41
Industry	30	41	19	25	28	24
Services	54	52	57	32	46	35
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

*Source: Human Development Report 2019 ; Key Indicators of Asia and Pacific 2019.*

Answer: (a) Similarities:

- 1) Both countries started their development path at the same time. India and Pakistan got independence in 1947.
- 2) Both countries had started planning their development strategies in similar ways. India announced its First Five Year Plan in 1951 and Pakistan in 1956.
- 3) India and Pakistan adopted similar strategies, such as creating a large public sector and raising public expenditure on social development.

(b) The reasons for the slowdown of growth and re-emergence of poverty in Pakistan’s economy are:

- Agricultural growth and food supply situation was based on good harvest and not on the institutionalised process of technical change.
- In Pakistan, forex was coming from remittances from Pakistani workers in the Middle East and the exports of highly volatile agricultural products.
- There was growing dependence on foreign loans on one hand and increasing difficulty in paying back the loans on the other.

OR

1. Agricultural Sector

- China: Very less population dependent on agriculture and contribution to GDP is also very less.
- India and Pakistan: Higher proportion of people dependent

		<p>on agriculture but their contribution to GDP is relatively low, pointing towards low productivity in this sector.</p> <p>2. Industrial Sector</p> <ul style="list-style-type: none"> <li>• China: 28% people employed, contributing 41% to China's GVA</li> <li>• India: 25% people employed, contributing just 30% to India's GVA</li> <li>• Pakistan: 24% people employed, contributing just 19% to Pak's GVA</li> </ul> <p>3. Service Sector</p> <ul style="list-style-type: none"> <li>• In all three countries, the service sector is emerging as a major player in development and at the same time, emerges as a prospective employer.</li> </ul> <p>4. It can be seen that India and Pakistan's shift has been directly from agriculture to service sector. Industrial sector is lagging far behind. It is the industrial sector that is primarily responsible for China's growth.</p>	
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