

MARKING SCHEME

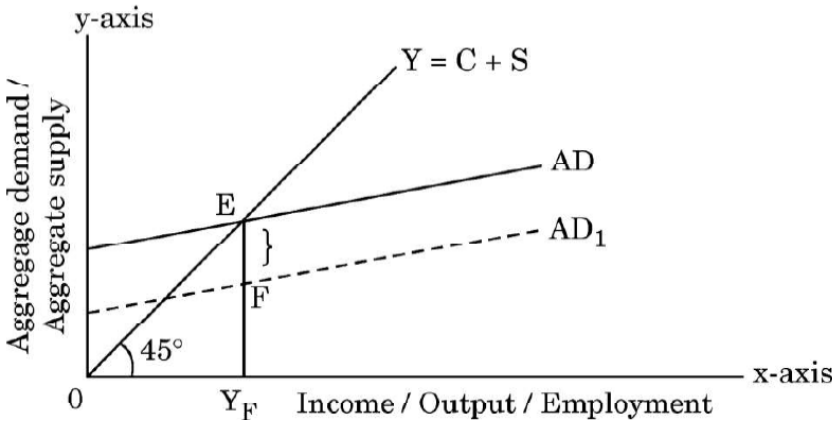
Senior Secondary School Supplementary Examination, July- 2023

ECONOMICS (Subject Code-030)

[Paper Code : 58/C/1]

Maximum Marks: 80

| Q. No. | EXPECTED ANSWER / VALUE POINTS | Marks |
|--|--|----------|
| SECTION A Macro Economics | | |
| 1. | Increase in Real Gross Domestic Product (GDP) implies _____ in the economy. (Choose the correct alternative to fill up the blank) (a) increase in the level of income (b) increase in the general price level (c) increase in flow of goods and services (d) decrease in aggregate demand Ans. (c) increase in flow of goods and services | 1 |
| 2. | Read the following statements carefully: Statement 1: Tax is a legally compulsory payment. Statement 2: Direct taxes are capital receipts of the government. In light of the given statements, choose the correct alternative from the following: (a) Both Statements 1 and 2 are true. (b) Both Statements 1 and 2 are false. (c) Statement 1 is true and Statement 2 is false. (d) Statement 1 is false and Statement 2 is true. Ans. (c) Statement 1 is true and Statement 2 is false. | 1 |
| 3. (A) | Balance of Payments deficit is the excess of _____. (Choose the correct alternative to fill up the blank) (a) Current Account Payment over Current Account Receipts (b) Capital Account Payment over Capital Account Receipts (c) Autonomous Payments over Autonomous Receipts (d) Accommodating Payments over Accommodating Receipts Ans. (c) Autonomous Payments over Autonomous Receipts | 1 |
| 3. (B) | OR “Due to fall in the value of Indian currency (₹) in the foreign exchange market, the Reserve Bank of India decides to buy Indian currency (₹).” This type of action by the Central Bank is possible under _____ exchange rate system. (Choose the correct alternative to fill up the blank) (a) Flexible (b) Managed floating (c) Fixed floating (d) Fixed Ans. (b) Managed floating | 1 |
| 4. | Read the following statements: Assertion (A) and Reason (R). Choose the correct alternative from those given below: Assertion (A): Recovery of loans is a revenue receipt for the government. Reason (R): Recovery of loans leads to decline in financial assets of the government. Alternatives: (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of the Assertion (A). (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of the Assertion (A). (c) Assertion (A) is true, but Reason (R) is false. | |

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| | (d) Assertion (A) is false, but Reason (R) is true. Ans. (d) Assertion (A) is false, but Reason (R) is true. | 1 |
| 5. (A) | If a country exports goods worth ₹ 600 crore and imports goods worth ₹ 450 crore, the value of Balance of Trade of the country would be in _____. (Choose the correct alternative to fill up the blank) (a) deficit of ₹ 150 crore (b) surplus of ₹ 150 crore (c) deficit of ₹ 1,150 crore (d) surplus of ₹ 1,150 crore Ans. (b) surplus of ₹ 150 crore | 1 |
| 5. (B) | Remittances to Indian economy from abroad would be entered on _____ side of _____ account of Balance of Payment. (Choose the correct alternative to fill up the blanks) (a) credit, current (b) credit, capital (c) debit, current (d) debit, capital Ans. (a) credit, current | 1 |
| 6. | A tax whose burden cannot be shifted to others is imposed generally on _____. (Choose the correct alternative to fill up the blank) (a) producer of goods (b) seller of goods (c) buyer of goods (d) income earners Ans. (d) income earners | 1 |
| 7. |  <p>In the given figure, what does the gap 'EF' represent? (Choose the correct alternative)</p> <p>(a) Deflationary gap (b) Inflationary gap (c) Excess demand (d) Full employment equilibrium Ans. (a) Deflationary gap</p> <p>For Visually Impaired Candidates Only: If in an economy, actual aggregate demand falls short of demand required to maintain the full employment level, such a situation would be known as _____. (Choose the correct alternative to fill up the blank)</p> <p>(a) Deflationary gap (b) Inflationary gap (c) Excess demand (d) Full employment equilibrium Ans. (a) Deflationary gap</p> | 1 |
| 8. | In order of encourage investments in the economy, the Central Bank may _____. (Choose the correct alternative to fill up the blank) | |

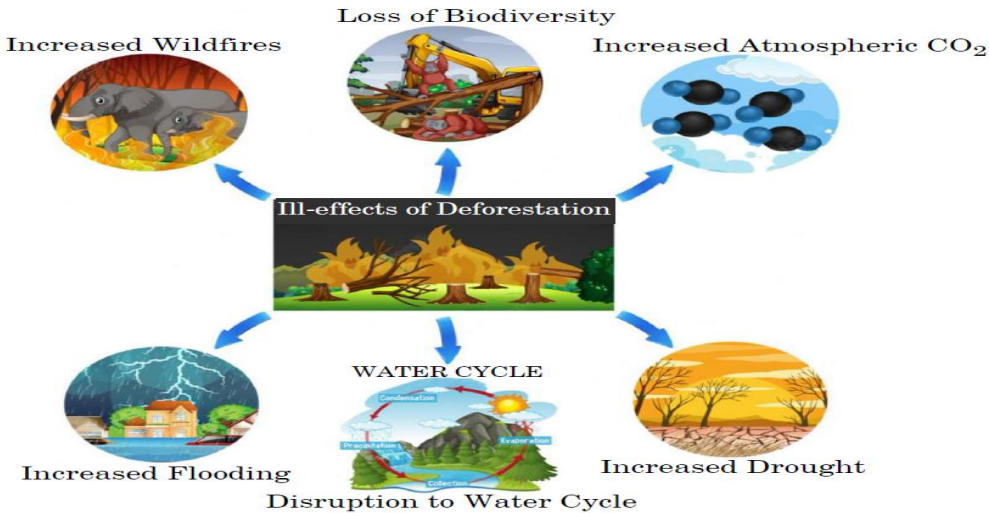
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| | (a) reduce Cash Reserve Ratio (b) increase Cash Reserve Ratio (c) increase Bank Rate (d) sell off government securities in open market Ans. (a) reduce Cash Reserve Ratio | 1 |
| 9. | Average Propensity to Consume refers to _____. (Choose the correct alternative to fill up the blank) (a) level of income at which savings are equal to income (b) additional income that is not saved (c) ratio of savings to the income (d) ratio of consumption to the income Ans. (d) ratio of consumption to the income | 1 |
| 10. | Read the following statements carefully: Statement 1 : Ex-ante savings represent value of planned savings. Statement 2 : Savings are directly related to the level of national income. In light of the given statements, choose the correct alternative from following: (a) Both Statements 1 and 2 are true. (b) Both Statements 1 and 2 are false. (c) Statement 1 is true and Statement 2 is false. (d) Statement 1 is false and Statement 2 is true. Ans. (a) Both Statements 1 and 2 are true. | 1 |
| 11. (A) | Suppose in an imaginary economy, Gross Domestic Product (GDP) at market price in 2019-20 was ₹ 5,000 crore, National Income was ₹ 3,500 crore, Net Factor Income paid by the economy to rest of the world was ₹ 450 crore and the Net Indirect Taxes was ₹ 400 crore. Estimate the value of consumption of fixed capital for the economy from the information given above. Ans. National Income (NNP_{fc}) = GDP_{mp} – Consumption of Fixed Capital - Net factor income paid by the economy to the rest of the world – Net Indirect Taxes 3,500 = 5,000 - Consumption of Fixed Capital – 450 – 400 Consumption of Fixed Capital = ₹ 650 crore OR | 1 ½ 1 ½ |
| 11. (B) | State any three precautions that are taken while estimating national income by production method. Ans. Three precautions that are taken while estimating national income by production method: <ul style="list-style-type: none">• Value of intermediate goods should not be included in the estimation of National Income, to avoid the problem of double counting (as their value has already been included in the value of final goods)• Imputed value of goods for self-consumption should be taken into consideration while estimating National Income, as it adds to the current flow of goods and services.• Sale and purchase of financial assets should not be included in the estimation of National Income, as such transactions are mere paper claims and do not lead to value addition. (Any other valid precaution to be allotted marks) | 3 1 1 1 |

| <p>12.</p> | <p>From the following data, calculate Revenue deficit and Primary deficit:</p> <table border="1" data-bbox="244 114 1086 443"> <thead> <tr> <th>S.No.</th> <th>Particulars</th> <th>Amount (in ₹ crore)</th> </tr> </thead> <tbody> <tr> <td>i.</td> <td>Tax revenue</td> <td>47</td> </tr> <tr> <td>ii.</td> <td>Capital receipts</td> <td>34</td> </tr> <tr> <td>iii.</td> <td>Non-tax revenue</td> <td>10</td> </tr> <tr> <td>iv.</td> <td>Borrowings</td> <td>32</td> </tr> <tr> <td>v.</td> <td>Revenue expenditure</td> <td>80</td> </tr> <tr> <td>vi.</td> <td>Interest payments</td> <td>20</td> </tr> </tbody> </table> <p>Ans.</p> <p>Revenue Deficit = v – (i + iii) = 80 – (47 + 10) = ₹ 23 crore</p> <p>Primary Deficit = iv – vi = 32 – 20 = ₹ 12 crore</p> | S.No. | Particulars | Amount (in ₹ crore) | i. | Tax revenue | 47 | ii. | Capital receipts | 34 | iii. | Non-tax revenue | 10 | iv. | Borrowings | 32 | v. | Revenue expenditure | 80 | vi. | Interest payments | 20 | <p>1/2 1/2 1/2 1/2 1/2 1/2 3</p> |
|----------------------------------|--|------------------------------------|-------------|------------------------|----|-------------|----|-----|------------------|----|------|-----------------|----|-----|------------|----|----|---------------------|----|-----|-------------------|----|---|
| S.No. | Particulars | Amount (in ₹ crore) | | | | | | | | | | | | | | | | | | | | | |
| i. | Tax revenue | 47 | | | | | | | | | | | | | | | | | | | | | |
| ii. | Capital receipts | 34 | | | | | | | | | | | | | | | | | | | | | |
| iii. | Non-tax revenue | 10 | | | | | | | | | | | | | | | | | | | | | |
| iv. | Borrowings | 32 | | | | | | | | | | | | | | | | | | | | | |
| v. | Revenue expenditure | 80 | | | | | | | | | | | | | | | | | | | | | |
| vi. | Interest payments | 20 | | | | | | | | | | | | | | | | | | | | | |
| <p>13. (A)</p> | <p>State the meaning of the following: (i) Investment multiplier (ii) Full employment</p> <p>Ans.</p> <p>(i) Investment multiplier is the ratio of the total change in final income to a given change in initial investment.</p> <p>(ii) Full employment refers to a situation where all those who are willing and able to work at the prevailing wage rate, are getting work.</p> <p style="text-align: center;">OR</p> | <p>2 2 4</p> | | | | | | | | | | | | | | | | | | | | | |
| <p>13. (B)</p> | <p>Describe the adjustment mechanism, if ex-ante aggregate demand (AD) is less than ex-ante aggregate supply (AS).</p> <p>Ans. When ex-ante Aggregate Demand (AD) is less than ex-ante Aggregate Supply (AS), it means that households are planning to consume lesser than what the firms expect them to. This may lead to the unintended accumulation of inventories.</p> <p>To bring back the inventories to the desired level, producers may reduce output (AS) till it becomes equal to the Aggregate Demand and there is no further tendency to change.</p> <p style="text-align: right;">(To be marked as a whole)</p> | <p>4</p> | | | | | | | | | | | | | | | | | | | | | |
| <p>14.</p> | <p>From the following data about an economy, calculate: (a) Equilibrium level of national income (b) Total consumption expenditure at equilibrium level of national income (i) $C = 200 + 0.75 Y$, where C = Consumption, Y = Income (ii) Investment expenditure (I₀) = ₹ 4,000 crore</p> <p>Ans.</p> <p>(a) Given, $C = 200 + 0.75 Y$ Investment expenditure (I₀) = ₹ 4,000 crore</p> <p>As we know that, at equilibrium; $Y = C + I$</p> <p style="text-align: center;">$Y = (200 + 0.75 Y) + 4000$ $0.25Y = 4200$ $Y = \frac{4200}{0.25}$ $Y = ₹ 16,800$ crore</p> | <p>1/2 1/2 1/2 1/2</p> | | | | | | | | | | | | | | | | | | | | | |

| | <p>(b) Total consumption expenditure at equilibrium level of national income</p> $C = \bar{c} + bY$ $= 200 + 0.75 (16800)$ $= 200 + 12600$ $= ₹ 12,800 \text{ crore}$ | <p>1 ½ ½ 4</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|------------|--|----------------------------|-------------|------------------------|----|------------------------------|----|-----|-------------------------|-----|------|-----------------|-----|-----|------------------------|----|----|----------------|-------|-----|---------------------|-----|------|-------------------|-----|-------|--------------------------|-----|-----|---------|-----|----|------------------|----|-----|---------------------------|-----|------|----------|-----|--|
| 15. | <p>Explain two sources of supply of foreign exchange. Ans. Two sources of supply of foreign exchange are:</p> <ul style="list-style-type: none"> • Exports: Exports of domestic goods and services to the rest of the world leads to an inflow of foreign currency. Thus, it is a source of supply of foreign exchange. • Investments from abroad: Investments made by the rest of the world result in inflow of foreign currency. Thus, it is a source of supply of foreign exchange. <p>(Any other valid argument/point/explanation to be allotted marks)</p> | <p>2 2 4</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 16. (A) | <p>(i) State the meaning of domestic income. Ans. Domestic Income is the sum total of income earned by the factors of production (wages, profits, rent, interest) within the domestic territory of a country, during an accounting year.</p> <p>(ii) Discuss briefly how distribution of income affects the welfare of an economy. Ans. Distribution of income is one of the limitations of using GDP as an index of welfare. A rise in Gross Domestic Product (GDP) may not benefit all sections of society in the same dimension. The benefit of increase in GDP may be concentrated in the hands of a few individuals while the majority of people may remain deprived of such benefits. This may lead to inequitable distribution of income. Hence, the welfare of the entire economy may not increase despite the increase in GDP. (Any other valid explanation to be allotted marks) (To be marked as a whole)</p> <p style="text-align: center;">OR</p> | <p>2 4 6</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 16. (B) | <p>From the following data show that, Net Value Added at factor cost (NVA_{FC}) is equal to the sum of factor income:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>S.No.</th> <th>Particulars</th> <th>Amount (in ₹ crore)</th> </tr> </thead> <tbody> <tr> <td>i.</td> <td>Consumption of Fixed Capital</td> <td>90</td> </tr> <tr> <td>ii.</td> <td>Imports of raw material</td> <td>120</td> </tr> <tr> <td>iii.</td> <td>Change in stock</td> <td>240</td> </tr> <tr> <td>iv.</td> <td>Goods and Services Tax</td> <td>60</td> </tr> <tr> <td>v.</td> <td>Domestic sales</td> <td>2,160</td> </tr> <tr> <td>vi.</td> <td>Distributed profits</td> <td>180</td> </tr> <tr> <td>vii.</td> <td>Retained earnings</td> <td>120</td> </tr> <tr> <td>viii.</td> <td>Purchase of raw material</td> <td>840</td> </tr> <tr> <td>ix.</td> <td>Exports</td> <td>240</td> </tr> <tr> <td>x.</td> <td>Rent and Royalty</td> <td>90</td> </tr> <tr> <td>xi.</td> <td>Compensation of employees</td> <td>720</td> </tr> <tr> <td>xii.</td> <td>Interest</td> <td>540</td> </tr> </tbody> </table> | S.No. | Particulars | Amount (in ₹ crore) | i. | Consumption of Fixed Capital | 90 | ii. | Imports of raw material | 120 | iii. | Change in stock | 240 | iv. | Goods and Services Tax | 60 | v. | Domestic sales | 2,160 | vi. | Distributed profits | 180 | vii. | Retained earnings | 120 | viii. | Purchase of raw material | 840 | ix. | Exports | 240 | x. | Rent and Royalty | 90 | xi. | Compensation of employees | 720 | xii. | Interest | 540 | |
| S.No. | Particulars | Amount (in ₹ crore) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| i. | Consumption of Fixed Capital | 90 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ii. | Imports of raw material | 120 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| iii. | Change in stock | 240 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| iv. | Goods and Services Tax | 60 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| v. | Domestic sales | 2,160 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| vi. | Distributed profits | 180 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| vii. | Retained earnings | 120 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| viii. | Purchase of raw material | 840 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ix. | Exports | 240 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| x. | Rent and Royalty | 90 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| | <p>Ans. Net Value Added at Factor Cost (NVA_{FC}) = v + ix + iii – viii – i – iv = 2160 + 240 + 240 – 840 – 90 – 60 = ₹ 1,650 crore</p> <p>Factor income = xi + x + xii + vi + vii = 720 + 90 + 540 + 180 + 120 = ₹ 1,650 crore</p> | <p>1 ½ 1 ½</p> <p>1 ½ 1 ½</p> <p>6</p> |
| 17. | <p>(i) “As per announcement made by the Governor of Reserve Bank of India (RBI) on May 4, 2022, it has been decided to increase the Cash Reserve Ratio (CRR) by 50 basis points from 4% to 4.5%.” Analyse the impact of this step of RBI on total credit creation in the economy. Ans. The total amount of credit creation in an economy depends upon the amount of initial deposits and cash reserve ratio (CRR). An increase in the CRR by RBI may lead to lesser availability of deposits with commercial banks. This may curtail the lending capacity of commercial banks. Thus, adversely affecting the total credit creation in the economy. (To be marked as a whole)</p> <p>(ii) Explain the ‘Store of Value’ function of money. Ans. Money in the form of wealth can be stored easily for future use. Money is the most convenient and economical way to transfer purchasing power from present to future use. It is durable in nature and occupies less space for storage. (To be marked as a whole)</p> | <p>3</p> <p>3</p> <p>6</p> |
| <p>SECTION B Indian Economic Development</p> | | |
| 18. | <p>Read the following statements carefully: Statement 1: Economic reforms of 1991 created a growth path for all the sectors simultaneously. Statement 2: Economic reforms of 1991 ensured accelerated growth rate in agriculture sector. In light of the given statements, choose the correct alternative from the following: (a) Statement 1 is true and Statement 2 is false. (b) Statement 1 is false and Statement 2 is true. (c) Both Statements 1 and 2 are true. (d) Both Statements 1 and 2 are false. Ans. (d) Both Statements 1 and 2 are false.</p> | <p>1</p> |
| 19. | <p>An arrangement in which a worker uses his own resources to make a living is known as _____ employment. (Choose the correct alternative to fill up the blank) (a) Self (b) Regular-salaried (c) Casual (d) Wage Ans. (a) Self</p> <p style="text-align: center;">OR</p> <p>Rohan, the owner of a land, grows only two crops in a year. He works for 8-9 months and for the rest of the year he remains unemployed. In the remaining part of the year, Rohan faces _____ unemployment. (Choose the correct alternative to fill up the blank) (a) Disguised (b) Seasonal (c) Frictional (d) Cyclical Ans. (b) Seasonal</p> | <p>1</p> <p>1</p> |
| 20. | <p>Which of the following is not the feature of economic policies pursued under economic planning of India till 1991? (Choose the correct alternative)</p> | |

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| | <p>(a) Import substitution (b) Self-reliance (c) Unrestricted flow of foreign capital (d) Land reforms Ans. (c) Unrestricted flow of foreign capital</p> | 1 |
| 21. | <p>The Government of India enacted the ‘Right to Education’ as a fundamental right for all children in the age group of _____ years. (Choose the correct alternative to fill up the blank)</p> <p>(a) 6-14 (b) 6-12 (c) 5-13 (d) 5-14 Ans. (a) 6-14</p> | 1 |
| 22. | <p>Read the following statements carefully: Statement 1: Human capital benefits only individuals and not the society. Statement 2: There are positive externalities of investment in human capital as society. In light of the given statements, choose the correct alternative from following: (a) Statement 1 is true and Statement 2 is false. (b) Statement 1 is false and Statement 2 is true. (c) Both Statements 1 and 2 are true. (d) Both Statements 1 and 2 are false. Ans. (b) Statement 1 is false and Statement 2 is true.</p> | 1 |
| 23. | <p>“In order to reduce over-dependence on agriculture sector, it is necessary to opt for diversification.” With reference to the given statement, diversification includes _____. (Choose the correct alternative to fill up the blank)</p> <p>(i) Change in cropping pattern (ii) Shift of workforce to agriculture allied activities (iii) Shift of workforce to non-agriculture sector Alternatives : (a) (i) and (ii) (b) (i), (ii) and (iii) (c) (i) and (iii) (d) Only (i) Ans. (b) (i), (ii) and (iii)</p> | 1 |
| 24. (i) | <p>Read the following statements : Assertion (A) and Reason (R). Choose the correct alternative from those given below: Assertion (A) : China has the highest life expectancy in the world. Reason (R) : Maternal Mortality Rate of India is higher than that of China. Alternatives : (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of the Assertion (A). (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of the Assertion (A). (c) Assertion (A) is true, but Reason (R) is false. (d) Assertion (A) is false, but Reason (R) is true. Ans. (d) Assertion (A) is false, but Reason (R) is true.</p> <p style="text-align: center;">OR</p> | 1 |
| 24. (ii) | <p>In China, reforms were introduced in phased manner. In the second and later phases, reforms were introduced in _____ sector. (Choose the correct alternative to fill up the blank)</p> <p>(a) Agriculture (b) Industrial (c) Foreign Trade (d) Demographic Ans. (b) Industrial</p> | 1 |

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| 25. | <p>In the 1970s, Pakistan nationalised the industries related to _____ goods. (Choose the correct alternative to fill up the blank)</p> <p>(a) Consumer (b) Sports (c) Capital (d) Defence</p> <p>Ans. (c) Capital</p> | 1 |
| 26. | <p>India is not a member of which of the following regional/global economic groups? (Choose the correct alternative)</p> <p>(a) SAARC (b) BRICS (c) G-7 (d) G-20</p> <p>Ans. (c) G-7</p> | 1 |
| 27. | <p>In terms of the sectoral contribution to Gross Domestic Product (GDP), economy of India is relying more on _____ sector. (Choose the correct alternative to fill up the blank)</p> <p>(a) Primary (b) Secondary (c) Tertiary (d) Financial</p> <p>Ans. (c) Tertiary</p> | 1 |
| 28. | <p>Elaborate any two ill-effects of Deforestation as depicted in the given picture.</p>  <p>Ans. Two ill-effects of deforestation are:</p> <ul style="list-style-type: none"> • Deforestation leads to loss of vegetation and biodiversity. Encroachment of forest land disturbs the natural habitat of various species of flora and fauna. Deforestation results in the breakdown of the normal functioning of the ecosystem. • Large-scale cutting down of trees may lead to an increase in the amount of greenhouse gases such as carbon dioxide, methane, etc. in the atmosphere. Subsequently increasing the Earth's average temperature gradually i.e. Global Warming. <p>(Any other valid argument/point/explanation to be allotted marks)</p> | <p>1 ½</p> <p>1 ½</p> <hr/> <p>3</p> |
| 29. (A) | <p>“Casual workers often work in very poor working conditions.” Justify the given statement.</p> <p>Ans. Casual workers are the most vulnerable category of the workforce. They are generally not protected by the regulations of the government. Hence, such workers face a continued threat to job security. They may also not be entitled to regular income and any social security measures.</p> <p>(To be marked as a whole)</p> <p style="text-align: center;">OR</p> | 3 |

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| <p>29. (B)</p> | <p>State and discuss any two obstacles that hinder the mechanism of agricultural marketing.</p> <p>Ans. Two obstacles that hinder the mechanism of agricultural marketing are:</p> <ul style="list-style-type: none"> • Private trade (by moneylenders, rural political elites, big merchants, and rich farmers) predominates agricultural markets. Thereby, the benefits of government policy instruments cannot be extended to all farmers while marketing their produce. • Inadequate infrastructural facilities generally become an obstacle to meet the growing demand for effective agricultural marketing. <p>(Any other valid argument/point/explanation to be allotted marks)</p> | <p>1 ½</p> <p>1 ½</p> <hr/> <p>3</p> |
| <p>30. (A)</p> | <p>Explain how ‘expenditure on information’ and ‘expenditure on migration’ acts as a source of human capital formation.</p> <p>Ans. Expenditure to acquire information relating to labour and other markets is necessary to make decisions regarding investment in human capital. Information relating to job opportunities enables people to increase their earning potential. Thus, it is a major factor that influences human capital formation.</p> <p>Expenditure on migration is another important source of human capital formation. People migrate in search of better employment opportunities that may fetch them higher income. Technically qualified workforce migrate to other areas because of higher income and better opportunities.</p> <p style="text-align: center;">OR</p> | <p>2</p> <p>2</p> <hr/> <p>4</p> |
| <p>30. (B)</p> | <p>Explain any two objectives behind providing more and more institutional credit to farmers.</p> <p>Ans. Two objectives behind providing more and more institutional credit to farmers:</p> <ul style="list-style-type: none"> • Moneylenders and traders might exploit small and marginal farmers and landless labourers by lending to them at high rates of interest. • Private money lenders may exploit small and marginal farmers by manipulating their accounts. <p>(Any other valid objective to be allotted marks)</p> | <p>2</p> <p>2</p> <hr/> <p>4</p> |
| <p>31.</p> | <p>“Post-1947 India and Pakistan adopted similar developmental strategies for their respective development paths. Do you agree with the given statement? Give valid reason for your answer.</p> <p>Ans. Yes. Similar developmental strategies were adopted by India and Pakistan for their respective development paths as:</p> <p>(i) Both the nations have followed the path of mixed economic structure involving the public as well as the private sector.</p> <p>(ii) Both India and Pakistan adopted import substitution policy in order to protect their domestic industries from foreign competition.</p> <p>(Any other valid strategy to be allotted marks)</p> | <p>2</p> <p>2</p> <hr/> <p>4</p> |
| <p>32.</p> | <p>“Despite being the main occupation of about 85% of the country's population during British rule, agricultural sector continued to experience stagnation”</p> <p>Briefly explain any two reasons responsible for the backwardness of Indian agriculture on the eve of independence.</p> <p>Ans. Two reasons responsible for the backwardness of Indian agriculture on the eve of independence were:</p> <ul style="list-style-type: none"> • <u>Land Settlement System:</u> The colonial government introduced the Zamindari system. The zamindars used to exploit cultivators by extracting a major portion of the produce in the form of rent leading to misery among the farmers. | <p>2</p> |

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| | <ul style="list-style-type: none"> <u>Lack of infrastructure facilities:</u> Lack of irrigation facilities and low level of technology contributed to the dismal level of agricultural productivity, which added up to aggravate the plight of the farmers. <p style="text-align: right;">(Any other valid point to be allotted marks)</p> | 2 |
| | | 4 |
| 33. | (i) How did horticulture encourage rural development in India? Ans. In India, farmers adopted diverse horticultural crops such as fruits, vegetables, tuber crops, flowers etc. It played a vital role in enhancing socio-economic conditions of farmers. It led to creation of employment opportunities for women and underprivileged classes as well. Thus, horticulture has emerged as a successful sustainable livelihood option, promoting rural development in India. | 3 |
| (A) | | |
| | (ii) Explain briefly any two functions of the environment. Ans. Two functions of the environment are: | |
| | <ul style="list-style-type: none"> Supply of Resources: The environment supplies resources both renewable and non-renewable on a continuous basis. Sustenance of Life: By providing genetic and bio diversity the environment helps in sustenance of life. <p style="text-align: right;">(Any other valid function to be allotted marks)</p> | 1 ½ |
| | OR | 1 ½ |
| 33. | (i) Distinguish between ‘Green Revolution’ and ‘Golden Revolution’. Ans. A significant increase in the production of horticulture products in India is termed as Golden Revolution. | 6 |
| (B) | | |
| | Whereas, | |
| | Green Revolution refers to large scale increase in production of food grains (like wheat, rice etc.) resulting from the use of high yielding variety seeds, chemical fertilizers, modern sophisticated agricultural equipments etc. | 1 ½ |
| | (ii) State any three limitations of organic farming. Ans. Three limitations of organic farming are as follows: | |
| | <ul style="list-style-type: none"> Yields from organic farming are relatively less than the modern agricultural farming. Therefore, small and marginal farmers may find it difficult to adapt to large-scale production. Produce from organic farming has a relatively shorter shelf life. Possibilities of off-season cropping is limited in organic farming. <p style="text-align: right;">(Any other valid limitation to be allotted marks)</p> | 1 |
| | | 1 |
| | | 1 |
| | | 6 |
| 34. | Read the following text carefully and answer the given questions on the basis of the same and common understanding: Goods and Service Tax collections rose almost 20% in April 2022 to reach a fresh high of nearly ₹ 1.7 lakh crore, pointing to a continued buoyancy in revenue due to higher economic activity and tighter regulation. For the first time gross GST collection has crossed the ₹ 1.5 lakh crore mark. Total number of e-way bills generated in the month of March 2022 was ₹ 7.7 crore, which is 13% higher than ₹ 6.8 crore e-way bills generated in the month of February 2022, which reflects recovery of business activity at a faster pace. During April 2022, ₹ 1.1 crore GST returns were filed. The filing percentage for GSTR-3B in April 2022 was 84.7% as compared to 78.3% in April 2021. | |
| | (i) “Goods and Services Tax (GST) is a comprehensive indirect tax”. Elucidate. Ans. Goods and Services Tax (GST) is a unified single comprehensive indirect tax levied upon goods and services. It has subsumed different types of taxes such as Excise Duty, Service Tax, Sales Tax etc. It is a destination-based consumption tax | 3 |

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| | <p>that is applicable throughout the nation with a single rate of tax for a particular good or service. GST has reduced the cascading nature of indirect taxes. (To be marked as a whole)</p> <p>(ii) “Buoyancy in revenue reflected recovery of business activities at a faster pace.” Justify the given statement with a valid explanation.</p> <p>Ans. In April 2022, the tax collection recorded a 20% hike and reached the level of ₹1.7 lakh crore. This buoyancy in revenue was an outcome of rising economic activities and tighter regulation by the government. A 13% rise in the number of e-way bills generated and ₹ 1.1 crore GST returns filed in the country is the clear indication of recovery of business activity at a faster pace. (To be marked as a whole)</p> | <p>3</p> <hr/> <p>6</p> |
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