



BAL BHARATI PUBLIC SCHOOL
COMMON PRE-BOARD (2023-24)
CLASS – XII
SET A (ANSWER KEY)
SUBJECT: ECONOMICS

MM: 80

DATE:

TIME: 3 hours

GENERAL INSTRUCTIONS:

1. This question paper contains two sections:
Section A – Macro Economics
Section B – Indian Economic Development
2. This paper contains 20 Multiple Choice Questions of 1 mark each.
3. This paper contains 4 Short Answer Questions of 3 marks each to be answered in 60 to 80 words.
4. This paper contains 6 Short Answer Questions of 4 marks each to be answered in 80 to 100 words.
5. This paper contains 4 Long Answer Questions of 6 marks each to be answered in 100 to 150 words.

Q.NO	SECTION A – MACRO ECONOMICS	MARKS
1.	<p>Read the following statements carefully: Statement 1: The value of the multiplier varies directly with MPC. Statement 2: Higher the MPC, the higher will be the value of the multiplier and lower the MPC, the smaller will be the value of multiplier. In the light of the given statements, choose the correct alternative from the following: (a) Statement 1 is false and statement 2 is true (b) Statement 1 is true and statement 2 is false (c) Both statements 1 and 2 are false (d) Both statements 1 and 2 are true Answer: d</p>	1
2.	<p>Which of the following is a limitation of the Gross Domestic Product? a) It fails to indicate the sustainability of a nation's growth b) It doesn't consider the impact of economic activities on human health and the environment c) It does not include non-market transactions d) All of the above Answer: d</p>	1
3.	<p>Suppose, following data is presented, for an imaginary economy: National Income = 600 crore Autonomous Consumption = `150 crore Marginal Propensity to Consume = 0.70 Identify which of the following is the correct value of investment.</p>	1

	<p>(a)30 crore (b)40 crore (c) 50 crore (d) 60 crore Answer: a</p>	
4.	<p>Investments by Indian residents in shares of foreign companies is recorded on which side of BOP account? a) Credit side of current account b) Debit side of current account c) Credit side of capital account d) Debit side of capital account</p> <p>Answer Answer: d) Debit side of capital account</p>	1
5.	<p>If inflation is to be combated, the RBI: a) Raises SLR and lowers CRR b) Lower SLR and raises CRR c) Raises both CRR as well as SLR d) None of these</p> <p>Ans: (c) Raises both CRR as well as SLR [increase in CRR and SLR will force banks to keep more reserves and less funds are available for lending.]</p>	1
6.	<p>Read the following statements-Assertion (A) and Reason (R). Choose one of the correct alternatives given below: Assertion (A): Banks charge a higher interest rate on loans than what they offer on deposits. Reason (R): The difference between what is charged from borrowers and what is paid to depositors is their main source of income. Alternatives: (a) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A) (b) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A) (c) Assertion (A) is false but Reason (R) is true (d) Assertion (A) is true but Reason (R) is false Answer: b</p>	1
7.	<p>The range of value of the Investment Multiplier is always between_____ and _____.</p> <p>a) Zero,infinity b) One, infinity c) Zero, one d) None of the above Answer: b)</p>	1
8.	<p>Read the following statement given below and choose the correct alternative Statement 1- If foreign exchange rate of a country increases, Demand of foreign exchange will also increase</p>	1

	<p>Statement 2- If foreign exchange rate increases supply of foreign exchange will also increase</p> <p>a) Both are correct b) Both are incorrect c) Statement 1 is correct and statement 2 is incorrect d) Statement 1 is incorrect and statement 2 is correct</p> <p>Answer Answer: (d) Statement 1 is incorrect and statement 2 is correct</p>											
9.	<p>Read the following statements-Assertion (A) and Reason (R). Choose one of the correct alternatives given below: Assertion (A): Consumption and investment are the two components of aggregate demand in a closed economy. Reason (R): Aggregate demand curve always start from origin with a positive slope. Alternatives: (a) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A) (b) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A) (c) Assertion (A) is false but Reason (R) is true (d) Assertion (A) is true but Reason (R) is false Answer: (d)</p>	1										
10.	<table border="1" data-bbox="325 1115 1197 1888"> <thead> <tr> <th data-bbox="325 1115 574 1227">List 1</th> <th data-bbox="574 1115 1197 1227">List 2</th> </tr> </thead> <tbody> <tr> <td data-bbox="325 1227 574 1384">a) current account</td> <td data-bbox="574 1227 1197 1384">i. foreign direct investments</td> </tr> <tr> <td data-bbox="325 1384 574 1541">b) capital account</td> <td data-bbox="574 1384 1197 1541">ii. bridge the gap in the balance of payments</td> </tr> <tr> <td data-bbox="325 1541 574 1697">c) autonomous transaction</td> <td data-bbox="574 1541 1197 1697">iii. import of goods</td> </tr> <tr> <td data-bbox="325 1697 574 1888">d) accommodating transactions</td> <td data-bbox="574 1697 1197 1888">iv. independent of the state of Balance of Payments</td> </tr> </tbody> </table> <p>Choose the correct answer from the options given below</p> <p>a) A-III, B-II, C-I, D-IV b) A-II, B-III, C-IV, D-I c) A-III, B-I, C-IV, D-II</p>	List 1	List 2	a) current account	i. foreign direct investments	b) capital account	ii. bridge the gap in the balance of payments	c) autonomous transaction	iii. import of goods	d) accommodating transactions	iv. independent of the state of Balance of Payments	1
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	d) A-IV, B-I, C-II, D-III Answer – C a-iii, b-i, c-iv, d-ii																																		
11.	<p>What will be the effect of the following on the Balance of Payments:</p> <p>(i) 'Make in India' Programme' (ii) Import of Pulses.</p> <p>Give valid reason(s) in support of your answer.</p> <p>Answer:</p> <p>(i) 'Make in India' will increase supply (inflow) of foreign exchange in India, causing improvement in the balance of payments position. (ii) Import of pulses will lead to outflow of foreign exchange from the country, causing adverse effect on balance of payment position.</p>	3																																	
12.	<p>Calculate Net National Product at Market Price from the following data:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th colspan="2" style="text-align: center;">(₹ in thousand crores)</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>Compensation of employees</td> <td style="text-align: right;">250</td> </tr> <tr> <td>(ii)</td> <td>Mixed income of self-employeds</td> <td style="text-align: right;">600</td> </tr> <tr> <td>(iii)</td> <td>Profit</td> <td style="text-align: right;">80</td> </tr> <tr> <td>(iv)</td> <td>Interest</td> <td style="text-align: right;">40</td> </tr> <tr> <td>(v)</td> <td>Rent</td> <td style="text-align: right;">30</td> </tr> <tr> <td>(vi)</td> <td>Net factor income to abroad</td> <td style="text-align: right;">(—) 10</td> </tr> <tr> <td>(vii)</td> <td>Net exports</td> <td style="text-align: right;">15</td> </tr> <tr> <td>(viii)</td> <td>Consumption of fixed capital</td> <td style="text-align: right;">20</td> </tr> <tr> <td>(ix)</td> <td>Net indirect taxes</td> <td style="text-align: right;">10</td> </tr> <tr> <td>(x)</td> <td>Net current transfers to abroad</td> <td style="text-align: right;">8</td> </tr> </tbody> </table> <p>(a) $NNP_{MP} = (i) + (ii) + (iii) + (iv) + (v) + (ix) - (vi)$ $= 250 + 600 + 80 + 30 + 40 + 10 - (-10)$ $= ₹1,020 \text{ thousand crores}$</p> <p style="text-align: center;">OR</p> <p>Explain the basis of classifying goods into final goods and intermediate goods, with the help of suitable examples.</p>		(₹ in thousand crores)		(i)	Compensation of employees	250	(ii)	Mixed income of self-employeds	600	(iii)	Profit	80	(iv)	Interest	40	(v)	Rent	30	(vi)	Net factor income to abroad	(—) 10	(vii)	Net exports	15	(viii)	Consumption of fixed capital	20	(ix)	Net indirect taxes	10	(x)	Net current transfers to abroad	8	3
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	<p>(b) Good are classified into final goods and intermediate goods on the basis of 'the end-use'. If goods are purchased for consumption or investment, they would be classified as final goods. For example,</p> <p>(i) Milk purchased by a household is for consumption so it is a final good.</p> <p>(ii) Machine purchased for use in a factory is for investment purpose so it is a final good.</p> <p>When a good is purchased for resale or for using it completely in the production during the year, it is classified as intermediate good, such as raw material purchased for producing a good.</p>	
13.	<p>In the given question, the planned investment is ₹100 Crores, and $C = 50 + 0.5Y$. Therefore the equilibrium level of income will be,</p> $Y = C + I$ $Y = (50 + 0.5Y) + 100$ $Y = 150 + 0.5Y$ $Y - 0.5Y = 150$ $0.5Y = 150$ <p>At equilibrium, $Y = ₹300$ Crores</p> <p>b) The saving expenditure at the equilibrium level of National Income will be,</p> <p>Saving Expenditure:</p> $S = -C + (1-b)Y$ $S = -50 + (1-0.5)300$ $S = -50 + (0.5 \times 300)$ $S = -50 + 150$ $S = ₹100$ Crores	4
14.	<p>An excess of aggregate demand over aggregate supply always implies a situation of inflationary gap. Defend or refute with reasons.</p> <p>Answer: The given statement is refuted. Excess of aggregate demand (AD) over aggregate supply (AS) will</p>	4

	<p>lead to inflationary gap only when AD is more than AS corresponding to full employment level of output. If AD is more than AS before that level, then it will not lead to inflationary gap.</p> <p style="text-align: center;">OR</p> <p>“Reserve Bank of India can apply monetary policy tools to tackle a scenario of Deficient Demand in the economy.” Identify and discuss four specific measures that the Reserve Bank of India can employ to effectively correct the situation.</p> <p>Answer:</p> <p>To address a scenario of deficient demand in the economy, the Reserve Bank of India can utilize various monetary policy tools. Here are four specific measures that the RBI can employ to effectively correct the situation: 1. Lowering the Repo Rate: The RBI can lower the repo rate, which is the rate at which it lends money to commercial banks. By reducing the repo rate, borrowing becomes cheaper for banks, leading to a subsequent decrease in lending rates for consumers and businesses. This encourages increased borrowing and spending, which boosts economic activity and helps counteract deficient demand. 2. Open Market Operations: The RBI can conduct open market operations by buying government securities from the market. When the RBI purchases these securities, it injects money into the banking system, increasing the liquidity available to banks. As a result, banks are better equipped to extend loans to individuals and businesses, thereby stimulating demand and economic growth. 3. Cash Reserve Ratio Reduction: The RBI can opt to lower the Cash Reserve Ratio, which is the percentage of bank deposits that banks are required to maintain with the central bank. By reducing the CRR, banks have more funds at their disposal for lending and investment. This move can encourage increased credit flow to various sectors of the economy, leading to higher consumer spending and investment, ultimately addressing the issue of deficient demand. 4. Special Liquidity Facilities: In times of deficient demand, the RBI can introduce special liquidity facilities to provide direct funding support to sectors facing liquidity crunches.</p>	
15.	<p>“Selective credit control affects the size of total credit in the economy.” Defend or refute the above statement with reasons.</p> <p>Answer:</p> <p>Selective credit control of monetary policy includes those instruments which focus on the selected sectors of the economy and not the size of the total credit in the economy as it is a qualitative method used by the central bank to change affected areas only and not the whole economy.</p>	4
16.	<p>(a) "National highway is a private good because it is funded by taxes." Defend or refute the given statement with valid arguments.</p> <p>(b) How does the government budget ensure economic equality in an economy?</p>	(3+3=6)

	<p>Answer:</p> <p>a) This statement is wrong. A national highway is a public good. - Even though money is collected from taxes, highways are non-rivalrous; one person consuming the service does not exclude another person from availing of its benefits. - Highways are also non-excludable. Even if there are citizens who do not pay, it is difficult to stop them from using it. (to be assessed as a whole)</p> <p>(b) - The government does this through its redistribution function. - By collecting taxes and making transfers, the government affects the personal disposable income of households. - This causes a redistribution of funds and is aimed at creating equality. (to be assessed as a whole)</p> <p style="text-align: center;">OR</p> <p>(a) In the 2022-23 budget in India, a lot of importance has been given to reforming the education system and all-inclusive welfare. Analyse the reason of such an allocation.</p> <p>(b) Give reasons which category of receipts or expenditures the following are categorized as:</p> <p>i) custom duty</p> <p>ii) government acquisition of land</p> <p>iii) Sale of PSUs</p> <p>a) -promotion of social welfare -redistribution of income and wealth toward better causes -investment in human resources with regards to better education and health -comes under social justice for all which creates more productive resources (to be assessed as a whole)</p> <p>(b)</p> <p>i) Revenue receipts</p> <p>ii) Capital expenditure</p> <p>iii) Capital receipts</p> <p>(1/2 mark for correct categorization and 1/2 mark for reason)</p>	
17.	<p>a) 'Real Gross Domestic Product is a better indicator of economic growth than Nominal Gross Domestic Product'. Do you agree with the given statement? Support your answer with suitable example.</p> <p>b) 'Circular flow of income in a two-sector economy is based on the axiom that one's expenditure is other's income'. Do you agree with the given statement? Support your answer with valid reasons.</p> <p>Answer:</p> <p>The given statement is correct. Real Gross Domestic Product (GDP) is a better indicator of economic growth than Nominal Gross Domestic Product (GDP) as it is not affected by changes in general price level.</p> <p>b) Yes, the given statement is correct. In a two sector economy, the firms produce goods and services and make factors payments to the households. The factor income earned by the households will be used to buy the goods and services which would be equal to income of firms. The aggregate consumption expenditure by the households</p>	(3+3=6)

	in the economy is equal to the aggregate expenditure on goods and services produced by the firms in the economy (Income of the producers).	
SECTION B – INDIAN ECONOMIC DEVELOPMENT		
18.	<p>Identify the result of the large export surplus during the colonial period.</p> <ol style="list-style-type: none"> domestic markets flooded with raw materials an increase in gold and silver reserves scarcity of essential commodities cheap imported consumer goods <p>Answer: c</p>	1
19.	<p>Read the following statements-Assertion (A) and Reason (R). Choose one of the correct alternatives given below: Assertion (A): Pakistan shifted its policy orientation in late 1970s and 1980s. Reason (R): A variety of regulated policy framework after independence lead to slow growth of Pakistan. Alternatives:</p> <ol style="list-style-type: none"> Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A) Assertion (A) is false but Reason (R) is true Assertion (A) is true but Reason (R) is false <p>Answer: b</p>	1
20.	<p>With reference to the green revolution in India, which among the following statements is incorrect?</p> <ol style="list-style-type: none"> It enabled the government to procure sufficient amounts of food grains to build a buffer stock. High yielding variety (HYV) seeds used were pest-resistant. In the first phase, the use of HYV seeds was restricted to the more affluent states such as Punjab, Andhra Pradesh and Tamil Nadu. The stagnation in agriculture during colonial rule was permanently broken by the green revolution. <p>Answer: b</p>	1
21.	<p>Alternative marketing channels help the farmers in ___their market and ___ price- risk.</p> <ol style="list-style-type: none"> Expanding, reduce Reducing , Expand , Expand, Expand None of these <p>Answer: (a) Expanding , reduce</p>	1
22.	<p>Read the following statements-Assertion (A) and Reason (R). Choose one of the correct alternatives given below: Assertion (A): Privatisation process leads to a change in management with a change in ownership. Reason (R): Change in management is not a necessary condition for the process of privatization. Alternatives:</p> <ol style="list-style-type: none"> Both Assertion (A) and Reason (R) are true and Reason 	1

	<p>(R) is not the correct explanation of Assertion (A)</p> <p>(b) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)</p> <p>(c) Assertion (A) is false but Reason (R) is true</p> <p>(d) Assertion (A) is true but Reason (R) is false</p> <p>Answer: a</p>	
23.	<p>There are two statements given below, marked as Statement (1) and Statement (R). Read the statements and choose the correct option.</p> <p>Statement (1): Both India and China initiated industrial reforms with the creation of agricultural communes.</p> <p>Statement (2): Both countries are primarily agrarian in nature with all sectors depending on the primary one.</p> <p>a) Statement 1 is true and Statement 2 is false.</p> <p>b) Statement 1 is false and Statement 2 is true.</p> <p>c) Both statements 1 and 2 are true</p> <p>d) Both statements 1 and 2 are false</p> <p>Answer: d</p>	1
24.	<p>Microcredit Program is defined as _____.</p> <p>a) Credit provision made by self-help groups to their members</p> <p>b) Credit provision made by small farmers</p> <p>c) Credit provision made by large farmers</p> <p>d) None of the above</p> <p>Answer: a</p>	1
25.	<p>The multifaceted process of demographic transition within the context of India pertains to:</p> <p>a) a sudden decline in the population growth rate due to migration</p> <p>b) a change in the population density across different states in India</p> <p>c) a significant increase in the birth rate and death rate simultaneously</p> <p>d) a shift from high birth and death rates to low birth and death rates over time</p> <p>Answer: d</p>	1
26.	<p>There are two statements given below, marked as Assertion (A) and Reason (R). Read the statements and choose the correct option.</p> <p>Statement(1): The ratio of employed women in urban areas is generally lower than that of employed women in rural areas.</p> <p>Statement(2): There are a higher number of low-income employment opportunities available in rural areas than in urban areas.</p> <p>a) Statement 1 is true and Statement 2 is false.</p> <p>b) Statement 1 is false and Statement 2 is true.</p>	1

	<p>c) Both statements 1 and 2 are true d) Both statements 1 and 2 are false Answer: c</p>													
27.	<p>Choose the correctly matched pair from the following</p> <table border="1"> <thead> <tr> <th>Column A</th> <th>Column B</th> </tr> </thead> <tbody> <tr> <td>A. Reforms in China</td> <td>1. 1988</td> </tr> <tr> <td>B. Reforms in Pakistan</td> <td>2. 1956</td> </tr> <tr> <td>C. Announcement of five-year plan in Pakistan</td> <td>3. 1991</td> </tr> <tr> <td>D. Reforms in India</td> <td>4. 1978</td> </tr> <tr> <td></td> <td></td> </tr> </tbody> </table> <p>a) A-3 b) B-1 c) C-4 d) D-2</p> <p>Answer Answer: b)B-1</p>	Column A	Column B	A. Reforms in China	1. 1988	B. Reforms in Pakistan	2. 1956	C. Announcement of five-year plan in Pakistan	3. 1991	D. Reforms in India	4. 1978			1
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28.	<p>‘Under the colonial regime the real motive behind the development of infrastructure was to meet various colonial interests.’ Defend/Refute the above statement. Give reason in support of your answer.</p> <p style="text-align: center;">OR</p> <p>Describe three key features of India's foreign trade on the eve of independence. Illustrate with examples the country's trading patterns with other nations.</p> <p>It is well-known fact that under the colonial regime the real motive behind the development of infrastructure was to meet various colonial interests.</p> <p>Infrastructure like railways, water transport, ports, posts and telegraphs etc. did develop but only to serve various colonial interests rather than to provide basic amenities to the people of India. Roads that were built served primarily the purpose of mobilising the army within India on one hand and transferring raw materials from the countryside to the nearest railway have been cut down, essential nutrients are washed out of the soil all-together. This leads to “soil erosion” which makes the land unusable and can, in turn, lead to disastrous flooding since there is no soil to soak up the rain.</p> <p style="text-align: center;">OR</p> <p>On the eve of independence in 1947, India's foreign trade was characterized by several key features: 1. Dominance of British Trade Relations: The country's trade was largely focused on exporting raw materials, such as cotton, jute and tea to Britain and importing finished goods in return. This trade</p>	3												

	<p>pattern resulted from the exploitative economic policies imposed by British colonial rule, which hindered India's industrial development.</p> <p>2. Limited Diversification of Trading Partners: India had limited trading partners outside the British Empire. The colonial rule discouraged India from actively engaging in trade with other countries, and the majority of its foreign trade was confined to British colonies. This lack of diversification in trading partners restricted India's economic growth and hindered the development of a more dynamic foreign trade landscape.</p> <p>3. Low Share of Industrial Exports: India's foreign trade was characterized by a relatively low share of manufactured or industrial goods in its export basket.</p> <p>The economy was primarily agrarian, and the majority of exports consisted of primary agricultural commodities. This limited India's ability to earn foreign exchange and hindered the development of a self-reliant industrial base.</p>	
29.	<p>“Education is a challenging proposition for Indian economy”. Justify the above statement with valid explanations. (Any three valid explanations)</p>	3
30.	<p>China’s rapid industrial growth can be traced back to its reforms in 1978. Do you agree? Elucidate.</p> <p>Answer: Yes, it cannot be denied that China’s rapid industrial growth is an aggregate outcome of the various economic reforms that were introduced in phases since 1978. In the initial phase, reforms were initiated in agriculture, foreign trade and investment sectors. The system of collective farming known as Commune System was implemented. In the later phase, reforms were initiated in the industrial sector. During this phase, the private firms and village and township enterprises were allowed to produce goods and services and to compete with the State Owned Enterprises. The reforms also included dual pricing. The dual pricing implies that the farmers and the industrial units were required to buy and sell a fixed quantity of inputs and output at the price fixed by the government and the remaining quantities were traded at the market price. As a result, the quantities traded in the market increased by many folds. The reforms also included setting up of Special Economic Zones to attract foreign investors. Therefore, China’s rapid industrial growth is attributable to the success of different phases of its economic reforms.</p>	4
31.	<p>Why should migration and social medicine be viewed as investments in human capital? Justify with reasons.</p> <p style="text-align: center;">OR</p> <p>State four measures that a government in a developing country can implement to enhance the efficiency and effectiveness of the agricultural marketing system.</p> <p>Answer:</p>	4

	<p>Social medicine involves spreading health literacy amongst people. This creates healthy people and more productive labour.</p> <p>- Investments in social medicine directly lead to the increase of human capital in the labour market and hence can be called an investment in human capital formation.</p> <p style="text-align: center;">OR</p> <p>1. Development of Market Infrastructure: The government invests in the development of modern market infrastructure, such as wholesale markets, cold storage facilities and transportation networks. These initiatives aim to reduce post-harvest losses, improve supply chain efficiency and ensure better price realization for farmers and producers.</p> <p>2. Market Information Systems: Implementing a reliable and up-to-date market information system helps farmers make informed decisions about when, where and at what price to sell their produce.</p> <p>3. Price Support and Minimum Support Price (MSP) Schemes: The government implements price support mechanisms and MSP schemes to provide a guaranteed minimum price for certain agricultural commodities. This ensures that farmers receive remunerative prices and reduces market price volatility, encouraging agricultural production.</p> <p>4. Farmer Cooperatives and Producer Organizations: Encouraging the formation of farmer cooperatives and producer organizations can strengthen the bargaining power of small-scale farmers. By pooling resources and collectively selling their produce, farmers can negotiate better prices with buyers and access larger markets that may have been challenging to reach individually.</p>	
32.	<p>‘The reform process initiated in the early 1990s resulted in a decline in the number of workers employed in the formal sector.’ Critically analyse.(any four points)</p> <p>Answer:</p>	4

	<p>During the post-reform period, there has been a decline in the number of workers employed in the formal sector. As the new jobs are found mostly in the informal sector and the nature of jobs is mostly casual.</p> <p>In India, the distribution of workforce in the last four decades (1972-2012) shows that people have moved from regular salaried employment (formal employment) to casual wage work. The process of movement from regular salaried employment to casual wage work is called ‘casualisation of workforce.’ The quality of employment has been deteriorating.</p> <p>Since the late 1970’s many developing countries like India have started paying more attention to enterprises and workers in the informal sector, as employment in the formal sector is not growing.</p> <p>But workers and enterprises in the informal sector do not get regular income, and also do not have any protection from the government. Lately owing to the efforts of the International Labour Organisation (ILO), the Indian government has taken the initiative to modernise the informal sector enterprises and to provide social security measures to the workers in the informal sector.</p>	
33.	<p>‘Modernisation does not refer only to the use of new technology but also to changes in the social outlook.’ Source: NCERT</p> <p>a) Analyse the above statement with reference to the core ideas that the government aimed to promote in the newly independent India.</p> <p>(b) List some economic costs of unemployment</p> <p style="text-align: center;">OR</p> <p>Briefly describe why the government had to intervene in the implementation of the Green Revolution, and the various steps it took to protect small farmers.</p> <p>Answer: The government wanted to increase the production of goods and services through new methods with the help of technology. But they also, through its various policies, simultaneously ensured that this progress in a socialist economy should be assessed in accordance with the –</p> <ol style="list-style-type: none"> 1. Equality of opportunities between men and women 2. Bridging the gap between the haves and have-nots. 3. Availability of basic infrastructural facilities to all. 4. Optimum utilization and distribution of resources <p>-any other relevant point (any three points to be assessed)</p> <p>(b) The following are some economic costs of unemployment:</p>	(3+3=6)

	<ol style="list-style-type: none"> 1. low production of goods and services 2. decreasing GDP 3. fall in government revenue 4. reduced demand for goods and services 5. stalled economic growth <p>(any three points to be assessed)</p> <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> - Farmers using HYV needed reliable irrigation facilities, pesticides and fertilisers. - The small farmers would not have been able to reap the benefits of HYV if not for the State. - The government provided cheap credit, and subsidies on fertilisers and pesticides. - Research institutions provided new information and services to create varieties that were resistant to pest attacks, which reduced the risks for small farmers. 	
34.	<p>Sustainable development is the synonymous in the minds of many with the colour green and for good reasons. Twenty years ago, at the First Earth Summit at Rio de Janeiro, in Brazil, world leaders set out what today is conventional wisdom: SOCIAL AND ECONOMIC HUMAN PROGRESS - cannot be divorced from environmental protection unless both are advanced together, both will flounder together.</p> <p>Sustainable development is as much about health, education and jobs, as it is about the ecosystems. It is about ever widening inclusion and movement away from decisions that erode democratic space and do not address social inequality, intolerance, and violence. Sustainable Development is about changes that transform impoverished people, communities, and countries into informed, educated healthy and productive societies. It is about wealth creation that generates equality and opportunity.</p> <p>Sustainable Development is about consumption and production patterns that respect planetary boundaries; it is also about increasing tolerance and respect for human rights at all levels. Building on human development legacy that oriented with Economists like Amartya Sen and Mahbub Ul Haq and was captured by the first Human Development Report in 1990.</p> <p>United Nations Development Programme (UNDP) has long promoted alternative approaches to measure human progress, along with the Human Development Index (HDI). Today, we are building on this legacy by exploring how to adjust the index to reflect environmental sustainability, so that governments and citizens might better track real progress towards truly sustainable development. This must be our collective objective.</p> <ol style="list-style-type: none"> 1. Define Sustainable Development. 2. Which of the following is not one of the ways to attain the goal of sustainable development? (choose the correct alternative) <ol style="list-style-type: none"> a) Use of cleaner fuels 	<p>2 (4X1=4)</p>

	<p>b) Use of traditional knowledge and practices c) Spreading awareness d) Sticking to methods to promote inequalities. Answer: d</p> <p>3.State whether the given statement is true or false: As per the UNDP Report education and health are the broader issues of human development.True</p> <p>4.Sustainable development and economic growth are _____ (directly/indirectly) related. (choose the correct alternative) (directly)</p> <p>5.Read the following statements - Assertion (A) and Reason (R) Assertion (A): Sustainable Development is about changes that transform impoverished people, communities, and countries into informed, educated, healthy and productive societies. Reason (R): Sustainable Development advocates about wealth creation that generatesSocio-economic equality and opportunity. Select the correct alternative from the following: a) Both Assertion (A) and Reason (R) are true. b) Both Assertion (A) and Reason (R) are false. Answer:a</p>	
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