CBSE EXAMINATION PAPER-2024

ECONOMICS

(Solved)

Time allowed : 3 hours | Maximum Marks : 96

General Instructions :

Read the following instructions carefully and follow them :

i. This question paper contains **42 questions.** All questions are **compulsory.**

ii. This question paper is divided into **5 sections.**

iii. **Section A** – questions number **1 to 1** are case based questions

iv. **Section B** – questions number **2 to 22** are multiple choice questions

v. **Section C** – questions number **23 to 31** are short answer type i

vi. **Section D** – questions number **32 to 38** are short answer type ii

vii. **Section E** – questions number **39 to 42** are long answer

viii. There is no overall choice given in the question paper. However, an internal choice has been provided in few questions.

ix. Use of calculator is NOT allowed.

Section A

Question 1.

Read the following text carefully :

India has aimed to reduce the country's carbon intensity by approximately 45% by 2030. To achieve this 'Green finance' plays a vital role. At the initial stages, green finance needs a big push from the government. The Indian government has identified projects worth 25,000 crore that will be financed by proceeds from Sovereign Green Bonds.

According to the framework approved by finance ministry, the sovereign green bonds will focus on financing public projects including renewable energy, climate change, clean transportation, sustainable water and waste management and pollution control.

Businesses that take green finance can get benefit in various ways. It can help them follow different environmental norms and regulations and thus avoid possible fines. Adopting sustainable developmental practices enhances brand value of businesses. Customers tend to prefer brands that adopt clear sustainable development practices. The energy-efficient and other sustainable development practices promoted by green finance also often help in saving cost, boosting profitability of businesses etc.

— The Economic Times, April 22, 2023 (Modified)

On the basis of given text and common understanding, answer the following questions :

(a) Define sustainable development.

(b) State the public project areas, where Sovereign Green Bond are focussed.

(c) How can businesses get benefit from green finance ?

(1)

Define sustainable development.

[1 Marks]

(2)

State the public project areas, where Sovereign Green Bond are focussed.

[2 Marks]

(3)

How can businesses get benefit from green finance ?

[3 Marks]

Section B

Question 2.

Read the following statements carefully :

Statement 1 : Ex-post savings and Ex-post investments are equal at all levels of income.

Statement 2 : Under the effective demand principle, the equilibrium O output is equal to ex-ante Aggregate Demand (AD).

In the light of the given statements, choose the correct alternative from the following :

[1 Marks]

(A) Both Statements 1 and 2 are true.

(B) Both Statements 1 and 2 are false.

(C) Statement 1 is false and Statement 2 is true.

(D) Statement 1 is true and Statement 2 is false.

Question 3.

Identify, which of the following is not considered as a Normal Resident of India?

[1 Marks]

(A) An Indian diplomat visiting Canada for a summit.

(B) An Indian official working in Indian embassy in China.

(C) An Indian working in an American Company located in New York for a period of more than 1 year.

(D) An Indian citizen working in U.S.A. embassy located at New Delhi

Question 4.

In a hypothetical economy, if all income is consumed, the value of investment multiplier would be ——————?

[1 Marks]

(A) Between zero (0) and one (1)

(B) One (1)

(C) Zero (0)

(D) Infinity (∞)

Question 5.

If in an economy the Balance of Trade is showing a deficit of ₹ 200 crore and the value of import is ₹ 900 crore, then the value of exports would be ———— ₹ crore. (Fill up the blank with correct alternative.)

[1 Marks]

(A) 20 crore

(B) 1100 crore

(C) 700 crore

(D) 900 crore

Question 6.

Mr. Sahotra borrowed funds from the bank for purchasing a new house. Identify the indicated function of money:

[1 Marks]

(A) Standard of deferred payments

(B) Store of value

(C) Medium of exchange

(D) Unit of account

Question 7.

From the given table, identify that level of income, where Average Propensity to Save (APS) becomes zero :

(Choose the correct alternative.)

[1 Marks]

Income (₹ crore)	0	50	100	200	300	400
Consumption (₹ crore)	50	75	100	150	200	250

(A) 0

(B) 100

(C) 50

(D) 200

Question 8.

If in an economy the initial deposits are ₹ 4,000 crore and Reserve Ratio (RR) is 10%. The value of total deposit created would be ———————— ₹ crore.

(Fill up the blank with correct alternative.)

[1 Marks]

(A) 4,000

(B) 20,000

(C) 2,000

(D) 40,000

Question 9.

From the following, identify the correct reasons that may affect the supply of foreign exchange in an economy :

I. Purchase of land in England by an Indian

II. Foreign tourists visiting Taj Mahal

III. Donation of $ 500 million from Microsoft

IV. Indian students going to Australia for studies

Alternatives :

[1 Marks]

(A) I and IV

(B) II and IV

(C) II and III

(D) I and II

Question 10.

Identify, what does the shaded area (AEFG), in the given figure indicate ?

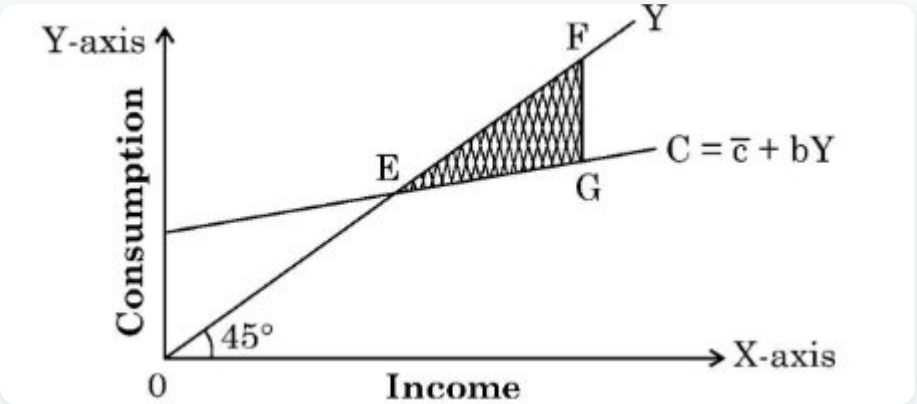
I. Consumption > Income

II. Saving = Zero (0)

III. Consumption < Income

IV. Saving < Zero (0)

[1 Marks]



(A) II and III

(B) I and IV

(C) I and II

(D) III and IV

Question 11.

For Visually Impaired Candidates

Marginal Propensity to Save (MPS) is the slope of ———— function. (Choose the correct alternative.)

[1 Marks]

(A) Investment

(B) Saving

(C) Cost

(D) Consumption

Question 12.

The measurement of Balance of Payments deficit is based on ———— transactions. (Fill up the blank with correct alternative.)

[1 Marks]

(A) Autonomous

(B) Accommodating

(C) Capital account

(D) Current account

Question 13.

Read the following statements : Assertion (A) and Reason (R). Choose the correct alternative from those given below :

Assertion (A) : India could not develop a sound Industrial-base during the British rule.

Reason (R) : Britishers followed restrictive trade policies, which strengthened Indian handicraft industries.

Alternatives :

[-1 Marks]

(A) Assertion (A) is true, but Reason (R) is false.

(B) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).

(C) Assertion (A) is false, but Reason (R) is true.

(D) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).

Question 14.

From the events given in Column-I and facts given in Column-II about China, choose the correct pair :

[1 Marks]

	Column – I		Column – II
(a)	Structural transformation	(i)	Limited Urbanisation
(b)	Great leap forward campaign	(ii)	Reduced global demand for Chinese products
(c)	Less stress of usage on natural resources	(iii)	Low density of population
(d)	Slowdown in GDP, since 2014	(iv)	Aimed at massive industrialisation

(A) (a) — (i)

(B) (c) — (iii)

(C) (d) — (iv)

(D) (b) — (ii)

Question 15.

After independence, the rationale behind choosing Modernization as a planning objectives for the Indian economy were━━━━━━ .

I. To bring positive changes in the social outlook

II. Equitable distribution of income

III. Technological Upgradation

IV. Increase in Economic Divide

Alternatives :

[1 Marks]

(A) I and II

(B) II and III

(C) I and III

(D) I and IV

Question 16.

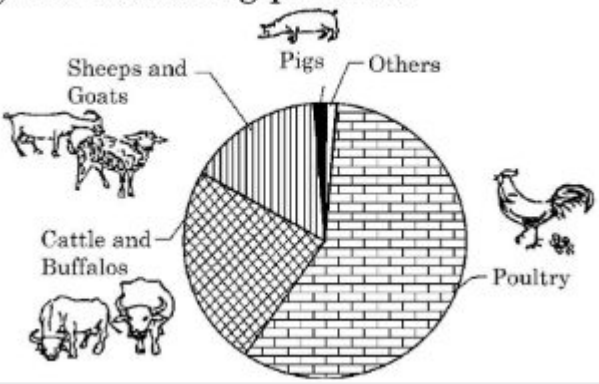
Study the following picture :

Identify the kind of activities, which may be envisaged under ———— as diversification activity.

(Fill up the blank with correct alternative.)

[1 Marks]

Study the following picture :



(A) Animal Husbandry

(B) Fisheries

(C) Organic farming

(D) Horticulture

Question 17.

Read the following statements carefully :

Statement 1 : Outsourcing is one of the important outcome of globalization process.

Statement 2 : Owing to globalization, many Indian companies have expanded their operation abroad.

In the light of the given statements, choose the correct alternative from the following :

[1 Marks]

(A) Statement 1 is true and Statement 2 is false

(B) Statement 1 is false and Statement 2 is true

(C) Both statement 1 and 2 are true

(D) Both statement 1 and 2 are false

Question 18.

Introduction of Economic Reforms in Pakistan took place in year ———— .

(Fill up the blank with correct alternative.)

[1 Marks]

(A) 1980

(B) 1991

(C) 1988

(D) 1978

Question 19.

Read the following statements carefully :

Statement 1 : China has used Market system mechanism without loosing political commitment to create additional social and economic opportunities.

Statement 2 India, Pakistan and China have similar physical endowments but totally different Political systems.

[1 Marks]

(A) Statement 1 is false and Statement 2 is true.

(B) Both Statements 1 and 2 are false.

(C) Both Statements 1 and 2 are true.

(D) Statement 1 is true and Statement 2 is false

Question 20.

———— indicator may be defined as the measure of the extent of demographic participation in Social and Political decision making in a Country.
(Fill up the blank with correct alternative.)

[1 Marks]

(A) Economic

(B) Demographic

(C) Liberty

(D) Health

Question 21.

Read the following statements carefully :

Statement 1 : Casual workers are hired on a permanent basis and also get social security benefits.

Statement 2 : Workforce comprises, both employed and unemployed person.

In the light of the given statements, choose the correct alternative from the following :

[-1 Marks]

(A) Statement 1 is false and Statement 2 is true.

(B) Both Statements 1 and 2 are true.

(C) Both Statements 1 and 2 are false.

(D) Statement 1 is true and Statement 2 is false.

Question 22.

The scheme of 'Micro Finance' is extended through ———— credit provlslon.

(Fill up the blank with correct alternative.)

[1 Marks]

(A) Self help groups

(B) Land Development Banks

(C) Regional Rural Banks

(D) Commercial Banks

Section C

Question 23.

Calculate Net Value Added at Factor Cost (NVAFO) from the following data :

[3 Marks]

S. No.	Particulars	Amount (in ₹ lakh)
(i)	Fixed capital goods (expected life span – 5 years)	15
(ii)	Domestic Sales	200
(iii)	Change in stock	(–) 10
(iv)	Exports	10
(v)	Single use producer goods	120
(vi)	Net indirect taxes	20

Question 24.

From the following data, estimate the value of Net Indirect Taxes (NIT) :

[3 Marks]

S. No.	Particulars	Amount (₹ in crore)
(i)	Net National Product at Market Price (NNP_{MP})	1,400
(ii)	Net Factor Income from abroad	(–) 20
(iii)	Gross National Product at Factor Cost (GNP_{FC})	1,300
(iv)	Consumption of fixed capital	100

Question 25.

"Trade Deficit must exist, if a country is facing situation of Current Account Deficit (CAD)."

Defend or refute the above mentioned statement with valid arguments.

[3 Marks]

Question 26.

As per The Economic Times report, dated April 11, 2023

"Electric Vehicle sales cross 10 Lakh mark in financial year 2022-23." Analyse the likely impacts of this news on Gross Domestic Product (GDP) and Welfare.

[3 Marks]

Question 27.

Discuss briefly, the circular flow of income in a two sector economy model.

[3 Marks]

Question 28.

"Opening up of Suez Canal helped in establishing the British monopoly control over India's foreign trade".

Justify the given statement with valid arguments.

[3 Marks]

Question 29.

"Development of Railways during British rule encouraged colonial exploitation of the Indian resources."

Justify the given statement with valid arguments.

[3 Marks]

Question 30.

Explain the role of affordable healthcare facilities in promoting human capital in a country.

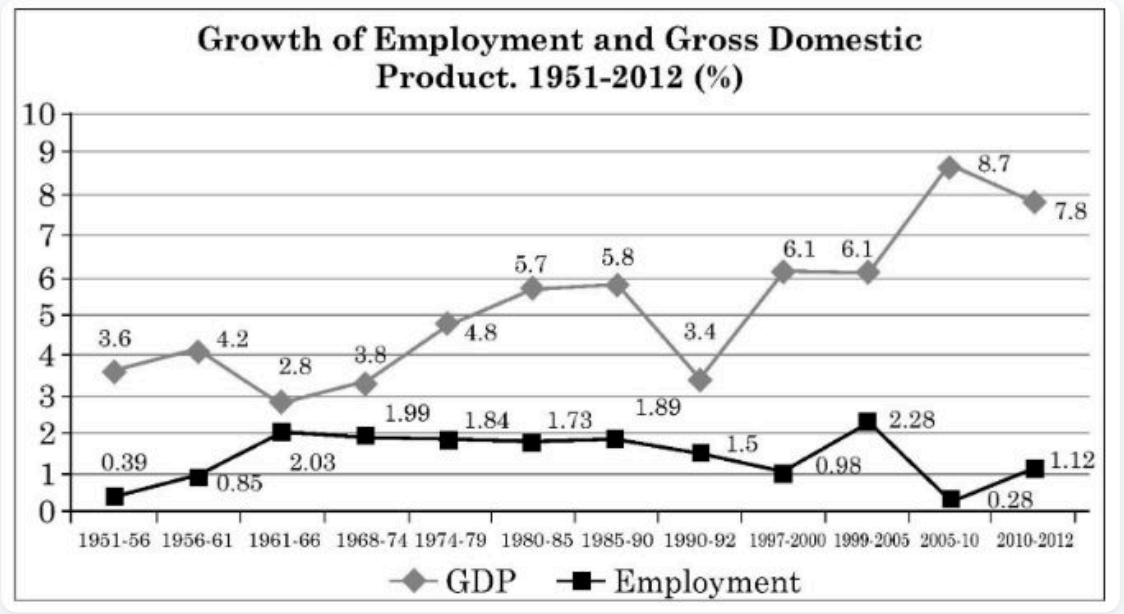
[3 Marks]

Question 31.

Study the following chart of Employment and Gross Domestic

Product. Analyse the trend of the two variables between 1990-2012.

[3 Marks]



Section D

Question 32.

"Open Market Operation by the Reserve Bank of India (RBI) helps in regulating money supply in the economy."

Justify the given statement.

[4 Marks]

Question 33.

Suppose, an economy is in equilibrium. From the following data, calculate investment expenditure in the economy :

(a) National Income (Y) = ₹10,000 crore

(b) Marginal Propensity to Consume (MPC) = 0.8

(c) Autonomous Consumption (C) = ₹100 crore

[4 Marks]

Question 34.

(i) "With an objective to reduce inflation, government may reduce public Expenditure."

Discuss the rationale behind such a step which may be taken by the Government.

(ii) Define Effective Demand Principle.

[4 Marks]

Question 35.

(i) State the meaning of 'unintended accumulation of inventories'.

(ii) "In an economy, Aggregate Demand (AD) is more than Aggregate Supply (AS)."

Elaborate the possible impacts of the same, on the level of output, income and employment.

[4 Marks]

Question 36.

From the given data compare and analyse the Population Density and Fertility Rate of China and Pakistan, with valid reasons :

[4 Marks]

Demographic Indicators, 2017-18

Country	Estimated Population (in million)	Annual Growth of Population	Population Density (per sq. km)	Sex Ratio	Fertility Rate	Urbanisation
India	1352	1.03	455	924	2.2	34
China	1393	0.46	148	949	1.7	59
Pakistan	212	2.05	275	943	3.6	37

Question 37.

"In a nation like India, self employment provides an important avenue for employment generation."

Defend or refute the given statement with valid arguments.

[4 Marks]

Question 38.

(i) "Infrastructural development is an essential element to obtain the full potential of the rural sector in India".

Justify the given statement with valid arguments.

(ii) State the meaning of 'Human Development'.

[4 Marks]

Section E

Question 39.

(i) Explain the need and type of land reforms implemented in the agriculture sector.

(ii) "Industrial sector performed poorly in the economic reform period." Elucidate the given statement.

[6 Marks]

Question 40.

(i) "Indian economy has certain advantages, which have made it a favourite outsourcing destination."

Do you agree with the given statement ? Give valid reasons in support of your answer.

(ii) "In the post-reform period the government of India decided to privatise profit making Public Sector Undertakings (PSUs). Do you agree with the given statement ? Give valid arguments in support of your answer.

[6 Marks]

Question 41.

(i) Distinguish between Revenue Expenditure and Capital Expenditure of a government, with suitable example.

(ii) "Under the 'Production Linked Incentive' scheme, the Government of India offers various benefits like reduced import-export duties, incentives to investors, tax-rebates etc." In the light of above statement, identify and explain the Budget objective and its likely consequences.

[6 Marks]

Question 42.

(ii) "Under 'Zero Defect, Zero Effect' (ZED) scheme, the government of India provides up to 80% subsidy to Mini, Small and Medium Enterprises (MSMEs)."

Identify and explain the objective of government budget, highlighted in the above text.

(ii) Distinguish between Direct tax and Indirect tax with suitable examples.

[6 Marks]