CBSE EXAMINATION PAPER-2024

ECONOMICS

(Solved)

Time allowed : 3 hours | Maximum Marks : 100

General Instructions :

Read the following instructions carefully and follow them :

i. This question paper contains **45 questions.** All questions are **compulsory.**

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

iii. **Section A** – questions number **1 to 2** are case based questions

iv. **Section B** – questions number **3 to 22** are multiple choice questions

v. **Section C** – questions number **23 to 36** are short answer type i

vi. **Section D** – questions number **37 to 43** are short answer type ii

vii. **Section E** – questions number **44 to 45** 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. The Central Bank can reduce the Money Supply in the economy by...

> **(1) Fill up the blanks with correct alternative: increasing, bank rate; decreasing, cash reserve ratio; decreasing bank rate; buying, government securities.**
>
> [1 Marks]

Question 2.

'We are One-Earth, One Family and we share One Future." is the opening sentence of the G-20 New Delhi Leader's Declaration Statement.

In this statement the leaders pledged to "resolve to fully and effectively implement the 2030 Agenda and the Sustainable Developmental Goals (SDG's)". The leader's commitments contained in the Declaration statement reflect, "the philosophy of living in harmony with our surrounding ecosystem".

The Declaration recognises the "Cascading challenges and crisis that have reversed gains" on the 2030 Agenda of SDG's.

The leaders "affirm that no country should have to choose between fighting poverty and fighting for our planet".
The leaders resolved to act

• accelerate strong, sustainable, balanced and inclusive growth;

• accelerate the full & effective implementation of 2030 Agenda

• pursue low-carbon and environmentally sustainable development pathways; e

• Pursue reforms for better, comprehensive and more effective finance avenues.

The leaders commit to "taking collective actions for effective and timely implementation of the G-20 2023 Action Plan to accelerate progress on the SDG's; including through actions on eliminating hunger and malnutrition, strengthening global health and implementation of One Health approach, and delivering quality education."

(1)

State and discuss the importance of collective fight in achieving SDG's.

[3 Marks]

(2)

Discuss briefly the action plan of G-20 leaders in promoting 'One Health' approach.

[3 Marks]

Section B

Question 3.

Read the following statements Assertion (A) and Reason (R). Choose one of the correct alternatives given below:

Assertion (A): Ceteris Paribus, Devaluation of domestic currency leads to an increase in National Income of a nation.

Reason (R): Devaluation of domestic currency refers to reduction in the value of domestic currency with respect to foreign currency, under the fixed exchange rate system.

Alternatives:

[1 Marks]

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

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

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

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

Question 4.

The Central Bank can reduce the Money Supply in the economy———— by ————the . (Fill up the blanks with correct alternative.)

[1 Marks]

(A) Increasing bank rate.

(B) Decreasing bank rate.

(C) Decreasing cash reserve ratio.

(D) Buying government securities.

Question 5.

Identify which of the following is not a source of demand for foreign exchange for the Indian economy.

(Choose the correct alternative.)

[1 Marks]

(A) Indian tourists visiting foreign countries.

(B) Loans from Rest of the World (ROW).

(C) Remittances by foreigners living in India to their families abroad.

(D) Import of goods and services.

Question 6.

If a straight line consumption function makes a positive intercept at the Y-axis, it implies that the Marginal Propensity to Consume ———— Average Propensity to Consume ———— and as the level of income rises.

(Fill up the blanks with correct alternative.)

[1 Marks]

(A) remains constant, rises

(B) falls, falls

(C) remains constant, falls

(D) rises, rises

Question 7.

Under the ———— Exchange Rate System, the Central Bank can control the rise/fall of foreign exchange rate in a range bound manners.

(Fill up the blank with correct alternative.)

[1 Marks]

(A) gold standard

(B) flexible

(C) fixed

(D) managed floating

Question 8.

Identify the incorrect feature(a) of the Money Supply in an economy, from the following:

(i) It in measured during a period of time.

(ii) It includes stock of money held by the government of a nation.

(iii) It always represents the currency held with Central Bank of the Nation.

Alternatives:

[1 Marks]

(A) (ii) and (iii)

(B) (i), (ii) and (iii)

(C) (i) and (ii)

(D) (i) only

Question 9.

Read the following statements — Assertion (A) and Reason (R). Choose one of the correct alternatives given below :

Assertion (A) : Real Gross Domestic Product is a better indicator of economic growth of a nation as compared to Nominal Gross Domestic Product.

Reason (R) : Real Gross Domestic Product measures the value of goods and services at current year prices.

Alternatives :

[1 Marks]

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

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

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

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

Question 10.

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

(Choose the correct alternative.)

Alternatives:

[1 Marks]

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

(A) 50

(B) 200

(C) 0

(D) 100

Question 11.

Read the following statements carefully:

Statement 1: Consumption and Savings are the components of National output of an economy

Statement 2: Higher level of Income often leads to lower savings.

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) Both Statements 1 and 2 are true.

(C) Both Statements 1 and 2 are false.

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

Question 12.

10. Arrange the following in the correct sequential order, if the government of a nation is trying to curtail the situation of inflationary gap :

(i) Decrease in disposable income

(ii) Increase in taxes

(iii) Decrease in Aggregate Demand

Alternatives

[1 Marks]

(A) (ii), (i), (iii)

(B) (iii), (ii), (i)

(C) (ii), (iii), (i)

(D) (i), (ii), (iii)

Question 13.

Read the following statements — Assertion (A) and Reason (R). Choose one of the correct alternatives given below :

Assertion (A) : License Permit Raj was a major obstacle for growth of private sector.

Reason (R) : Private sector wasted huge amount in obtaining licences, rather than on improving the product, quality and international competitiveness.

Alternatives :

[1 Marks]

(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.

Question 14.

Identify, which of the following alternative indicates towards incorrect components combination of Agricultural Marketing System?

[1 Marks]

(A) Assembling, Storage, Processing, Packaging

(B) Production, Assembling, Processing, Grading

(C) Processing, Packaging, Grading, Distribution

(D) Assembling, Processing, Packaging, Transportation

Question 15.

Read the following statements carefully:

Statement 1: China has used the market mechanism to create additional social and economic opportunities for its citizens.

Statement 2: In China, Social Infrastructure created by the government brought positive results in human development indicators.

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 Statement 1 and 2 are false.

(C) Both Statement 1 and 2 are true.

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

Question 16.

Read the following statements carefully:

Statement 1: As per National Sample Survey Organisation (NSSO) unemployment is a situation in which all those who, owing to lack of work, are not working, but seeking work from prospective employers, expressed their willingness to work under the prevailing condition of work and remuneration.

Statement 2: Disguised unemployment is generally a massive problem in the highly populated country like India.

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 Statement 1 and 2 are false.

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

(D) Both Statement 1 and 2 are true.

Question 17.

Under the British Rule, commercialization of agriculture resulted in shifting of agricultural production from ———————— crops to ———————— crops.

(Fill up the Blanks with correct alternative.)

[1 Marks]

(A) Food, Cash

(B) Cash, Food

(C) Jute, Food

(D) Cotton, Jute

Question 18.

Identify, which of the following is not a correct function of environment?

(i) Exclusion of waste

(ii) Sustainance of life

(iii) Provide aesthetic services

Alternatives:

[1 Marks]

(A) (i) only

(B) (i) & (ii)

(C) (ii) only

(D) (ii) & (iii)

Question 19.

In the decade of 1970's, Pakistan nationalised its ———————— industry (Fill up the blank with correct alternative)

[1 Marks]

(A) Foreign trade

(B) Consumer goods

(C) Capital goods

(D) Medical infrastructure

Question 20.

Read the following statements - Assertion (A) and Reason (R). Choose one of the correct alternatives given below:

Assertion (A): The developmental experiences of India and Pakistan have a lot of similarities.

Reason (R): Both India and Pakistan laid emphasis on creating a large private sector.

Alternatives:

[1 Marks]

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

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

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

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

Question 21.

Economic reforms were introduced in the year year in India and in the in Pakistan.

(Fill up the blanks with correct alternative.)

[1 Marks]

(A) 1978, 1988

(B) 1991, 1988

(C) 1978, 1991

(D) 1988, 1978

Question 22.

_____farming is the system that restores, maintains and enhances the ecological balance.

(Fill up the blank with correct alternative.)

[1 Marks]

(A) Organic

(B) Chemical

(C) Conventional

(D) Multi-layered

Section C

Question 23.

Estimate the value of Net National Product at Factor Cost (NNPFc), using the following information :

[3 Marks]

S. No.	Items	Amount (in ₹ crores)
(i)	Household Consumption Expenditure	1,200
(ii)	Business Fixed Investment Expenditure	800
(iii)	Government Final Consumption Expenditure	500
(iv)	Excess of Imports over Exports	100
(v)	Net Indirect Taxes	150
(vi)	Change in Inventory	(–) 50
(vii)	Consumption of fixed capital	200
(viii)	Net factor Income from Abroad	80
(ix)	Public fixed investment	70

Question 24.

"Disposition Phase of circular flow of Income involves flow of factor Income, which comprises of rent, wages, interest and profits from firms to households."

Defend or refute the statement, giving valid reasons in support of your answer.

[3 Marks]

Question 25.

State the meaning of autonomous and accommodating items, under Balance of Payments of India, with the help of an example.

[3 Marks]

Question 26.

'In the past few decades, Indian economy has been fairly benefitted by positive externalities created by rapid rise in infrastructure."

Justify the given statement with valid arguments.

[3 Marks]

Question 27.

State the steps pertaining to the estimation of National Income by Value Added Method.

[3 Marks]

Question 28.

"Farm subsidies put a huge burden on the government finances, but are necessary for the poor and marginal farmers."

Justify the given statement.

[3 Marks]

Question 29.

Discuss briefly the role of small-scale industries in the growth Journey of India.

[3 Marks]

Question 30.

Goals of Equity was fully served by abolition of the intermediaries in agriculture in the post-independence period of India.

Do you agree with given statement Support your answer with vald arguments.

[3 Marks]

Question 31.

'Scholars find son preference as a common phenomenon in India, Pakistan and China."

Justify the given statement in the light of skewed sex-ratio.

[2 Marks]

Question 32.

State any two liberty indicators.

[2 Marks]

Question 33.

Discuss any two measures initiated by the government to improve Agricultural marketing in India.

[3 Marks]

Question 34.

Elaborate the importance of credit in rural development.

[3 Marks]

Question 35.

India can transform itself knowledge-based economy by using information technology.'

Justify the given statement.

[3 Marks]

Question 36.

"It is necessary to generate employment in the formal sector rather than the informal sector."

Justify the given statement with valid arguments.

[3 Marks]

Section D

Question 37.

Suppose, the Indian Government decides to boost public investments with a defence project of ₹ 40,000 crore.

Explain the likely impacts of the given situation on the Income, Employment and Output of the economy, assuming all other factors constant.

[4 Marks]

Question 38.

Elaborate the 'Banker's Bank and Supervisor' function of the Reserve Bank of India.

[4 Marks]

Question 39.

Suppose an economy is in equilibrium. From the following data, calculate Investment Expenditure in the economy .

(i) National Income = ₹ 40,000 crore

(ii) Marginal Propensity to Consume (MP C) = 0.8

(iii) Autonomous Consumption (O) = ₹ 100 crore

[4 Marks]

Question 40.

"With the objective to correct deflation, Reserve Bank of India may decrease the Bank rate."

Discuss the rationale behind the step taken by the Reserve Bank of India (RBI).

[4 Marks]

Question 41.

(i) "National Education Policy 2020 of India stresses a lot on in-service teachers' training."

In the light of the given statement, state and explain any two advantages of such on-the-job trainings in upliftment of education sector of any nation.

(ii) Define Casual Wage Labourer.

[4 Marks]

Question 42.

(i) Elaborate any two reasons owing to which lesser number of women are found in regular salaried employment.

(ii) Define worker — population ratio.

[4 Marks]

Question 43.

Elaborate how the economic reforms process of India impacted the following :

(a) Agriculture sector

(b) Industrial sector

[4 Marks]

Section E

Question 44.

With valid reasons, classify the following into Capital receipts or Revenue receipts of the government :

(i) Dividend received by the government from a Maharatan company.

(ii) Receipts of the government from sale of shares of a Public Sector Undertaking (PSU) in open market.

(iii) Debt cleared by Sri Lanka Government to the Indian Government.

[6 Marks]

Question 45.

(i) 'Government Budget can be a useful instrument in reducing inequalities in the distribution of income and wealth in an economy.'

Do you agree with the given statement ? Present valid arguments in favour of your answer.

(ii) State the meaning and formula of Fiscal deficit.

[6 Marks]
