

**Marking Scheme**  
**Strictly Confidential**  
**(For Internal and Restricted use only)**  
**Senior School Certificate Examination, 2026**  
**ECONOMICS (SUBJECT CODE – 030)**  
**(PAPER CODE – 58/3/2)**

**General Instructions: -**

<b>1</b>	You are aware that evaluation is the most important process in the actual and correct assessment of the candidates. A small mistake in evaluation may lead to serious problems which may affect the future of the candidates, education system and teaching profession. To avoid mistakes, it is requested that before starting evaluation, you must read and understand the spot evaluation guidelines carefully.
<b>2</b>	<b>“Evaluation policy is a confidential policy as it is related to the confidentiality of the examinations conducted, Evaluation done and several other aspects. Its’ leakage to public in any manner could lead to derailment of the examination system and affect the life and future of millions of candidates. Sharing this policy/document to anyone, publishing in any magazine and printing in News Paper/Website etc may invite action under various rules of the Board and IPC.”</b>
<b>3</b>	Evaluation is to be done as per instructions provided in the Marking Scheme. It should not be done according to one’s own interpretation or any other consideration. Marking Scheme should be strictly adhered to and religiously followed. <b>However, while evaluating, answers which are based on latest information or knowledge and/or are innovative, they may be assessed for their correctness otherwise and due marks be awarded to them. In Class XII, while evaluating competency-based questions, please try to understand given answer and even if reply is not from marking scheme but correct competency is enumerated by the candidate, due marks should be awarded.</b>
<b>4</b>	The Marking scheme carries only suggested value points for the answers. These are in the nature of Guidelines only and do not constitute the complete answer. The students can have their own expression and if the expression is correct, the due marks should be awarded accordingly.
<b>5</b>	The Head-Examiner must go through the first five answer books evaluated by each evaluator on the first day, to ensure that evaluation has been carried out as per the instructions given in the Marking Scheme. If there is any variation, the same should be zero after deliberation and discussion. The remaining answer books meant for evaluation shall be given only after ensuring that there is no significant variation in the marking of individual evaluators.
<b>6</b>	Evaluators will mark( √ ) wherever answer is correct. For wrong answer CROSS ‘X’ be marked. Evaluators will not put right (✓) while evaluating which gives an impression that answer is correct and no marks are awarded. <b>This is most common mistake which evaluators are committing.</b>

7	If a question has parts, please award marks on the right-hand side for each part. Marks awarded for different parts of the question should then be totaled up and written in the left-hand margin and encircled. This may be followed strictly.
8	If a question does not have any parts, marks must be awarded in the left-hand margin and encircled. This may also be followed strictly.
9	If a student has attempted an extra question, answer of the question deserving more marks should be retained and the other answer scored out with a note “ <b>Extra Question</b> ”.
10	No marks to be deducted for the cumulative effect of an error. It should be penalized only once.
11	A full scale of marks 80 has to be used. Please do not hesitate to award full marks if the answer deserves it.
12	Every examiner has to necessarily do evaluation work for full working hours i.e., 8 hours every day and evaluate 20 answer books per day in main subjects and 25 answer books per day in other subjects (Details are given in Spot Guidelines).
13	<p>Ensure that you do not make the following common types of errors committed by the Examiner in the past:- Giving more marks for an answer than assigned to it.</p> <ul style="list-style-type: none"> <li>• Wrong totaling of marks awarded on an answer.</li> <li>• Wrong transfer of marks from the inside pages of the answer book to the title page.</li> <li>• Wrong question wise totaling on the title page.</li> <li>• Leaving answer or part thereof unassessed in an answer book.</li> <li>• Wrong totaling of marks of the two columns on the title page.</li> <li>• Wrong grand total.</li> <li>• Marks in words and figures not tallying/not same.</li> <li>• Wrong transfer of marks from the answer book to online award list.</li> <li>• Answers marked as correct, but marks not awarded. (Ensure that the right tick mark is correctly and clearly indicated. It should merely be a line. Same is with the X for incorrect answer.)</li> <li>• Half or a part of answer marked correct and the rest as wrong, but no marks awarded.</li> </ul>
14	While evaluating the answer books if the answer is found to be totally incorrect, it should be marked as cross (X) and awarded zero (0) Marks.
15	Any un assessed portion, non-carrying over of marks to the title page, or totaling error detected by the candidate shall damage the prestige of all the personnel engaged in the evaluation work as also of the Board. Hence, in order to uphold the prestige of all concerned, it is again reiterated that the instructions be followed meticulously and judiciously.
16	The Examiners should acquaint themselves with the guidelines given in the “ <b>Guidelines for spot Evaluation</b> ” before starting the actual evaluation.
17	Every Examiner shall also ensure that all the answers are evaluated, marks carried over to the title page, correctly totaled and written in figures and words.
18	The candidates are entitled to obtain photocopy of the Answer Book on request on payment of the prescribed processing fee. All Examiners/Additional Head Examiners/Head Examiners are once again reminded that they must ensure that evaluation is carried out strictly as per value points for each answer as given in the Marking Scheme.

**MARKING SCHEME**  
Senior School Certificate Examination 2026  
**ECONOMICS (Subject Code–030)**  
**[Paper Code: 58/3/2]**

**Maximum Marks: 80**

Q. No.	EXPECTED ANSWER / VALUE POINT	Marks
<b>SECTION -A</b> <b>Macro Economics</b>		
1.	Under the fixed exchange rate system, if the government decreases the value of domestic currency with respect to a foreign currency, it is known as _____ of currency. (Choose the correct option to fill in the blank) <b>Options:</b> (A) Devaluation (B) Depreciation (C) Appreciation (D) Revaluation <b>Ans. (A) Devaluation</b>	<b>1</b>
2.	Read the following statements carefully: <i>Statement I:</i> At the break-even level of income, the value of slope of the consumption curve is zero. <i>Statement II:</i> Marginal Propensity to Consume (MPC) refers to the change in consumption per unit change in income. In the light of the given statements, choose the correct option from the following: (A) Statement I is true and Statement II is false. (B) Statement I is false and Statement II is true. (C) Both Statements I and II are true. (D) Both Statements I and II are false. <b>Ans. (B) Statement I is false and Statement II is true.</b>	<b>1</b>
3.	“Consumption of a good by a person does not reduce the amount available for consumption by others. Consumers consuming such goods are known as free-riders.” Identify the type of goods indicated in the above text. <b>Options:</b> (A) Public goods (B) Private goods (C) Joint venture goods (D) Self-consumption goods <b>Ans. (A) Public goods</b>	<b>1</b>
4.	Suppose in a hypothetical economy, $Y = 50 + 0.8Y + 100$ , where Y = National Income. The value of Investment Multiplier (K) would be _____. (Choose the correct option to fill in the blank) <b>Options:</b> (A) 5 (B) 0.2 (C) 50 (D) 0.8 <b>Ans. (A) 5</b>	<b>1</b>
5.	Read the following statements carefully: <i>Statement I:</i> Trade in services includes both factor income and non-factor income transactions. <i>Statement II:</i> Current Account includes transactions related to goods, services and unilateral transfers. In the light of the given statements, choose the correct option from the following: (A) Statement I is true and Statement II is false. (B) Statement I is false and Statement II is true.	

	<p>(C) Both Statements I and II are true.  (D) Both Statements I and II are false.  <b>Ans. (C) Both Statements I and II are true.</b></p>	<b>1</b>												
<b>6.</b>	<p>Select the correct formula to calculate the value of Marginal Propensity to Save (MPS):</p> <p>I. <math>\frac{\text{Change in Savings } (\Delta S)}{\text{Change in Consumption } (\Delta C)}</math>  II. <math>\frac{\text{Change in Savings } (\Delta S)}{\text{Change in Income } (\Delta Y)}</math>  III. <math>1 - \text{Marginal Propensity to Consume (MPC)}</math>  IV. <math>\frac{\text{Change in Income } (\Delta Y)}{\text{Change in Savings } (\Delta S)}</math></p> <p><b>Options:</b>  (A) I, II, III and IV  (B) II and III  (C) Only III  (D) Only II  <b>Ans. (B) II and III</b></p>	<b>1</b>												
<b>7.</b>	<p>Identify, the factor which influences the demand for foreign exchange in a country.  (Choose the correct option)</p> <p><b>Options :</b>  (A) Investments made by Indians in Japan  (B) Indian producers exporting fabrics to United States of America (USA)  (C) Remittances by Indian workers from Gulf countries  (D) An Indian software company providing services to clients abroad  <b>Ans. (A) Investments made by Indians in Japan</b></p>	<b>1</b>												
<b>8.</b>	<p>On the basis of the given table, estimate the value added by the Baker.  (Amount in ₹ crore)</p> <table border="1"> <tr> <th></th><th>Farmer</th><th>Baker</th></tr> <tr> <td>Total Production</td><td>100</td><td>200</td></tr> <tr> <td>Intermediate Consumption</td><td>0</td><td>50</td></tr> <tr> <td>Value Added</td><td>100</td><td>...(i)...</td></tr> </table> <p>(Choose the correct option)</p> <p><b>Options:</b>  (A) 200 (B) 250  (C) 100 (D) 150  <b>Ans. (D) 150</b></p>		Farmer	Baker	Total Production	100	200	Intermediate Consumption	0	50	Value Added	100	...(i)...	<b>1</b>
	Farmer	Baker												
Total Production	100	200												
Intermediate Consumption	0	50												
Value Added	100	...(i)...												
<b>9.</b>	<p>Identify the variable(s) which may add to the future productive capacity of an economy :</p> <p>I. Raw material  II. Fixed investment  III. Inventories with producers</p> <p>(Choose the correct option)</p> <p><b>Options:</b>  (A) Only I  (B) Only II  (C) II and III  (D) I, II and III  <b>Ans. (B) Only II</b></p>	<b>1</b>												
<b>10.</b>	<p>Read the following statements: Assertion (A) and Reason (R). Choose the correct option from those given below:</p>													



	<b>Investment Multiplier (K) = <math>\frac{\text{Change in Income } (\Delta Y)}{\text{Change in Investment } (\Delta I)}</math></b> $2 = \frac{50,000}{\text{Change in Investment } (\Delta I)}$ <b>Change in Investment (<math>\Delta I</math>) = ₹ 25,000 crore</b>	<b>1 ½</b>  <b>½</b> <b>½</b> <b>4</b>
14.	<p>Distinguish between Revenue Expenditure and Capital Expenditure with the help of suitable examples.</p> <p><b>Ans. Revenue expenditure is the expenditure of the government that neither leads to creation of assets nor reduction in liabilities of the government.</b>  <b>For example: Salaries paid to government employees.</b></p> <p style="text-align: center;"><b>Whereas;</b></p> <p><b>Capital expenditure is the expenditure of the government that either leads to creation of assets or reduction in liabilities of the government.</b>  <b>For example: Construction of flyovers.</b>  <b>(Any other valid example to be awarded marks)</b></p> <p style="text-align: center;"><b>OR</b></p> <p>Using suitable examples, distinguish between Revenue Receipts and Capital Receipts.</p> <p><b>Ans. Revenue receipts are the receipts of the government that neither lead to increase in liabilities nor reduction in assets of the government.</b>  <b>For example: Taxes received by the government.</b></p> <p style="text-align: center;"><b>Whereas;</b></p> <p><b>Capital receipts are the receipts of the government that either lead to increase in liabilities or reduction in assets of the government.</b>  <b>For example: Proceeds from disinvestment.</b>  <b>(Any other valid example to be awarded marks)</b></p>	<b>1 ½</b>  <b>½</b>  <b>1 ½</b>  <b>½</b>  <b>4</b>  <b>1 ½</b>  <b>½</b>  <b>1 ½</b>  <b>½</b>  <b>4</b>
15.	<p>“The Reserve Bank of India (RBI) has decided to increase the loan amount to 80% of the security value, from the prior rate of 70%.”</p> <p>In the light of above statement, identify the type of monetary measure exercised by the Reserve Bank of India (RBI) and its likely impacts on the Aggregate Demand of the economy.</p> <p><b>Ans. The monetary measure being exercised in the text above by the Reserve Bank of India (RBI) is Margin Requirement.</b>  <b>Margin requirement refers to the difference between the amount of the loan and the value of the security offered by the borrower against the loan. An increase in the loan amount to 80% of the security value, from the prior rate of 70% reflects a reduction in margin requirement which in turn encourages the public to borrow more. Consequently, money supply will increase leading to increase in the Aggregate Demand in the economy.</b></p>	<b>1</b>  <b>3</b>  <b>4</b>
16.	<p>Read the following passage carefully:  Any institution which accepts deposits from the public and advances loans is a bank. Banks are broadly categorised into:</p> <ul style="list-style-type: none"> <li>• Commercial Banks, and</li> <li>• Central Bank.</li> </ul> <p>Commercial banks accept deposits from public and use these deposits for giving loans. Banks keep a fraction of deposits as reserves. Generally, all depositors do not demand their money at the same time. The Central Bank of a country is responsible for controlling credit creation. The Reserve Bank of India (RBI) regulates the money supply in India through its monetary policy.</p> <p>On the basis of the above passage and common understanding, answer the following questions:</p>	

	<p>(i) State the meaning of a Bank.  <b>Ans. A Bank is an institution which accepts deposits from the public and advances loans.</b></p> <p>(ii) Mention any two traits that distinguish Central Bank from Commercial Banks.  <b>Ans. Two traits that distinguish Central Bank from Commercial Bank are:</b></p> <ul style="list-style-type: none"> <li>• <b>Commercial banks accept deposits and grant loans to the public whereas, Central bank does not directly deal with the public.</b></li> <li>• <b>Commercial banks create credit whereas, the Central Bank is responsible for controlling credit creation in the economy.</b></li> </ul> <p style="text-align: center;"><b>(Any other valid trait to be awarded marks)</b></p> <p>(iii) “Open market operation is the tool used by Reserve Bank of India (RBI) to regulate money supply in the economy.”  Justify the given statement with valid arguments.  <b>Ans. The Reserve Bank of India (RBI) can regulate the money supply in the economy by the sale/ purchase of government securities in the open market.</b>  <b>When RBI sells government securities, the availability of funds with commercial banks reduces, which in turn curtails their lending capacity. Consequently, the money supply in the economy reduces.</b>  <b>On the contrary, when RBI buys government securities, the availability of funds with commercial banks rises, which in turn increases their lending capacity. Consequently, the money supply in the economy rises.</b>  <b>(To be marked as a whole)</b></p>	<p><b>1</b></p> <p><b>1</b></p> <p><b>1</b></p> <p><b>3</b></p>
		<b>6</b>
<b>17.</b>	<p>(i) “If in a locality a new park is developed by the Municipal Corporation, it will have some external effects.”  State one example of each type of externality with valid explanation.  <b>Ans. If a Municipal Corporation develops a new park in a locality, it leads to both positive and negative externalities.</b>  <b>As a positive externality, residents living nearby benefit from cleaner air and better surroundings which enhances their health and well-being without any additional expense.</b>  <b>As a negative externality, the park may draw large crowds, resulting in noise and traffic congestion. This can cause inconvenience to nearby residents without being compensated for the same.</b>  <b>(Any other valid explanation to be awarded marks)</b></p> <p>(ii) Explain the components of ‘Net Factor Income from abroad’.  <b>Ans. Components of Net Factor Income from Abroad (NFIA) are :</b></p> <ul style="list-style-type: none"> <li>• <b>Net Compensation of Employees (COE) refers to the difference between compensation earned by normal residents from abroad and compensation paid to non-residents working within the domestic territory.</b></li> <li>• <b>Net Income from Property and Entrepreneurship refers to difference between income earned by residents from rent, interest and profits from abroad and similar payments made to non-residents within the domestic territory.</b></li> <li>• <b>Net retained earnings refers to difference between retained earnings of resident companies overseas and foreign companies operating domestically.</b></li> </ul> <p style="text-align: center;"><b>OR</b></p>	<p><b>1 ½</b></p> <p><b>1 ½</b></p> <p><b>1</b></p> <p><b>1</b></p> <p><b>1</b></p>
<b>(a)</b>		<b>6</b>
<b>(b)</b>	<p>Calculate Net Domestic Product at Market Price (<math>NDP_{MP}</math>) and Gross National Product at Market Price (<math>GNP_{MP}</math>) from the following data :</p>	

	<table> <tr> <th>S.NO</th><th>Particulars</th><th>Amount (in ₹ crore)</th></tr> <tr><td>(i)</td><td>Rent</td><td>120</td></tr> <tr><td>(ii)</td><td>Profits</td><td>200</td></tr> <tr><td>(iii)</td><td>Domestic Income</td><td>720</td></tr> <tr><td>(iv)</td><td>Mixed Income</td><td>70</td></tr> <tr><td>(v)</td><td>Wages and Salaries</td><td>300</td></tr> <tr><td>(vi)</td><td>Indirect Taxes</td><td>150</td></tr> <tr><td>(vii)</td><td>Subsidies</td><td>50</td></tr> <tr><td>(viii)</td><td>Consumption of fixed capital</td><td>200</td></tr> <tr><td>(ix)</td><td>Interest</td><td>30</td></tr> <tr><td>(x)</td><td>Dividend</td><td>120</td></tr> <tr><td>(xi)</td><td>Net factor income from abroad</td><td>20</td></tr> </table>	S.NO	Particulars	Amount (in ₹ crore)	(i)	Rent	120	(ii)	Profits	200	(iii)	Domestic Income	720	(iv)	Mixed Income	70	(v)	Wages and Salaries	300	(vi)	Indirect Taxes	150	(vii)	Subsidies	50	(viii)	Consumption of fixed capital	200	(ix)	Interest	30	(x)	Dividend	120	(xi)	Net factor income from abroad	20	
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	<p><b>Ans. Net Domestic Product at Market Price (NDP<sub>MP</sub>) = (iii) + {(vi) – (vii)}</b>  <math>= 720 + \{150 - 50\}</math>  <math>= ₹ 820 \text{ crore}</math></p> <p><b>Gross National Product at Market Price (GNP<sub>MP</sub>)</b>  <math>= (iii) + (viii) + \{(vi) - (vii)\} + (xi)</math>  <math>= 720 + 200 + \{150 - 50\} + 20</math>  <math>= ₹ 1040 \text{ crore}</math></p> <p><b>(Any other valid method of calculation to be awarded marks)</b></p>	<p><b>1 ½</b> <b>1</b> <b>½</b></p> <p><b>1 ½</b> <b>1</b> <b>½</b></p> <p><b>6</b></p>																																				
<b>SECTION B</b> <b>Indian Economic Development</b>																																						
<b>18.</b>	<p>Identify, which of the following is an income indicator.  (Choose the correct option)</p> <p><b>Options:</b>  (A) Mortality rate  (B) Malnourishment  (C) GDP per capita  (D) Morbidity rate  <b>Ans. (C) GDP per capita</b></p>	<b>1</b>																																				
<b>19.</b>	<p>The steep Indian education pyramid indicates _____.  (Choose the correct option to fill in the blank)</p> <p><b>Options :</b>  (A) Equal distribution of students across all levels  (B) Increase in number of people reaching higher education  (C) Low unemployment among educated youth  (D) Few/less number of people reaching higher education  <b>Ans. (D) Few/less number of people reaching higher education</b></p>	<b>1</b>																																				
<b>20.</b>	<p>Nations worldwide typically establish Regional and Global economic groups in order to _____.  (Choose the correct option to fill in the blank)</p> <p><b>Options:</b>  (A) Strengthen their economies  (B) Ensure liberty  (C) Promote judicial independence  (D) Gain control over other countries  <b>Ans. (A) Strengthen their economies</b></p>	<b>1</b>																																				
<b>21.</b>	<p>Read the following statements carefully:  <i>Statement I:</i> Livestock provides alternative livelihood options to small and marginal farmers.</p>																																					



	<p><i>Statement II:</i> In rural areas, animal husbandry provides stable employment opportunities throughout the year.</p> <p>In the light of the given statements, choose the correct option from the following:</p> <p>(A) Statement I is true and Statement II is false.          (B) Statement I is false and Statement II is true.          (C) Both Statements I and II are true.          (D) Both Statements I and II are false.</p> <p><b>Ans. (C) Both Statements I and II are true.</b></p>	<b>1</b>
<b>22.</b>	<p>Read the following text carefully:</p> <p>“Between 1966 – 67, Mao introduced this movement under which professionals and students were asked to work and learn from the countryside of China.”</p> <p>Identify the correct option with reference to the aforesaid text.</p> <p>(A) Commune System          (B) Great Leap Forward          (C) Open Door Policy          (D) Great Proletarian Cultural Revolution</p> <p><b>Ans. (D) Great Proletarian Cultural Revolution</b></p>	<b>1</b>
<b>23.</b>	<p>The primary outcome of the efforts initiated by the Indian Government (Liberalisation and Privatisation) under the New Economic Policy of 1991 was _____.</p> <p>(Choose the correct option to fill in the blank)</p> <p><b>Options :</b></p> <p>(A) Fiscal policy reforms (B) Globalization          (C) Monetary policy reforms (D) Reservation of products</p> <p><b>Ans. (B) Globalization</b></p>	<b>1</b>
<b>24.</b>	<p>Minimum Support Price is fixed by the Government to safeguard the interests of the _____.</p> <p>(Choose the correct option to fill in the blank)</p> <p><b>Options :</b></p> <p>(A) Consumers (B) Farmers          (C) Wholesalers (D) Middlemen</p> <p><b>Ans. (B) Farmers</b></p>	<b>1</b>
<b>25.</b>	<p>Read the following statements: Assertion (A) and Reason (R). Choose the correct option from those given below:</p> <p>Read them carefully and select the correct option:</p> <p><i>Assertion (A):</i> The unemployment problem in India is multifaceted.  <i>Reason (R):</i> Some individuals work round the year, while others work only a few months in a year.</p> <p><b>Options:</b></p> <p>(A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).          (B) Both Assertion (A) and Reason (R) are true, but Reason (R) is <b>not</b> the correct explanation of Assertion (A).          (C) Assertion (A) is true, but Reason (R) is false.          (D) Assertion (A) is false, but Reason (R) is true.</p> <p><b>Ans. (A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).</b></p>	<b>1</b>
<b>26.</b>	<p>Arrange the following events of Pakistan in correct chronological order :</p> <p>I. Nationalisation of capital goods industries          II. Establishment of Pakistan          III. Introduction of economic reforms</p>	

	<p>IV. Announcement of First Five Year Plan (Choose the correct option)</p> <p><b>Options :</b></p> <p>(A) III, IV, I, II</p> <p>(B) III, II, I, IV</p> <p>(C) IV, III, II, I</p> <p>(D) II, IV, I, III</p> <p><b>Ans. (D) II, IV, I, III</b></p>	<b>1</b>
<b>27.</b>	<p>Read the following statements carefully:</p> <p><i>Statement I:</i> Inland waterways proved to be uneconomical as in the case of Coast Canal on the Orissa coast.</p> <p><i>Statement II:</i> British government followed an effective and efficient administrative set-up leaving a legacy of effective work culture.</p> <p>In the light of the given statements, choose the correct option from the following:</p> <p>(A) Statement I is true and Statement II is false.</p> <p>(B) Statement I is false and Statement II is true.</p> <p>(C) Both Statements I and II are true.</p> <p>(D) Both Statements I and II are false.</p> <p><b>Ans. (A) Statement I is true and Statement II is false.</b></p>	<b>1</b>
<b>28.</b>	<p>(a) Describe the role which India has played as an important member of World Trade Organisation (WTO).</p> <p><b>Ans. As a member of the World Trade Organization (WTO), India has been at the forefront of framing fair global rules and regulations advocating the interests of the developing world. India has kept its commitments towards liberalisation of trade by removing quantitative restrictions on imports and reducing tariff rates.</b></p> <p style="text-align: right;"><b>(To be marked as a whole)</b></p> <p style="text-align: center;"><b>OR</b></p> <p>(b) Critically appraise the Industrial Licensing policy initiated by the government during the planning period of India.</p> <p><b>Ans. The licensing policy, introduced under the IPR 1956, required industries to obtain prior permission from the government for production decisions. The aim of this policy was to ensure balanced regional growth, and prevent concentration of economic power.</b></p> <p><b>While the licensing system initially helped in guiding industrialization and protecting small industries, it gradually led to bureaucratic delays, corruption, reduced competition, and inefficient resource allocation, thereby hindering growth.</b></p> <p style="text-align: right;"><b>(To be marked as a whole)</b></p>	<b>3</b>
<b>29.</b>	<p>“In the post-independence era (1950 – 90s), industrial development in India accelerated the rate of economic development.”</p> <p>Justify the given statement with valid reasons.</p> <p><b>Ans. The industrial sector in India made notable progress during the period 1950-90, focussing on the development of heavy and capital goods industries. Moreover, expansion of the public sector led to the establishment of key industries and resulted in a well-diversified industrial sector. Thus, industrialisation played a vital role in enhancing economic development by increasing output, diversification and self-reliance.</b></p> <p style="text-align: right;"><b>(To be marked as a whole)</b></p>	<b>3</b>
<b>30.</b>	<p>Study the given image carefully and answer the questions that follow.</p>	

	<div data-bbox="539 76 989 495" data-label="Figure"> </div> <p>(i) Identify the artificial waterway during colonial rule that served as a highway between India and Britain.</p> <p><b>Ans. The Suez Canal.</b></p> <p>(ii) In which year was this artificial maritime route officially opened for international navigation?</p> <p><b>Ans. The Suez Canal was officially opened for international navigation in 1869.</b></p> <p>(iii) Describe the economic significance of artificial waterways between the Mediterranean and the Red Sea.</p> <p><b>Ans. Opening up of the Suez Canal provided a direct and shorter trade route for ships operating between Britain and India and avoided the need to sail around Africa, thereby reducing around 5,100 miles of travel. Thus, it intensified British control over India's foreign trade as it reduced the cost of transportation and made access to the Indian market easier.</b></p> <p><i>Note : The following question is for the Visually Impaired Candidates only in lieu of Q. No. 30.</i></p> <p>“The real motive behind infrastructural development under the British rule was not to provide basic amenities to the people of India, but to subserve various colonial interests.”</p> <p>Do you agree with the given statement? Give valid reasons in support of your answer.</p> <p><b>Ans. Yes. The colonial government developed the basic infrastructure to subserve the interest of the colonial regime. Roads and railways were built primarily to mobilise the army within India, drawing out raw materials from the countryside to the nearest railway station/port for exporting to England/other foreign destinations. In addition, various communication tools like electric telegraph were introduced to maintain law and order.</b></p> <p><b>Thus, the real motive behind this development was not to provide basic amenities to the people of India but to serve various colonial interests.</b></p> <p style="text-align: right;"><b>(To be marked as a whole)</b></p>	<div data-bbox="1396 593 1412 622" data-label="Text">1</div> <div data-bbox="1396 712 1412 741" data-label="Text">1</div> <div data-bbox="1396 869 1412 898" data-label="Text">2</div> <div data-bbox="1396 1305 1412 1335" data-label="Text">4</div> <div data-bbox="1396 1608 1412 1637" data-label="Text">4</div>
31.	<p>“India, China and Pakistan have travelled more than seven decades of developmental paths with varied results.”</p> <p>Justify the given statement with valid arguments.</p> <p><b>Ans. India, China and Pakistan maintained the same level of development until the late 1970s. India experienced moderate growth through democratic governance, improving infrastructure and living standards, though many still rely on agriculture. Pakistan's growth remained slower due to political instability, reliance on foreign aid and agricultural uncertainty, though recent improvements are visible. China, however, achieved rapid growth through market-oriented reforms under political control, significantly reducing poverty</b></p>	4

	<b>and enhancing human development with strong rural and social infrastructure support. (To be marked as a whole)</b>	
32. (a)	Describe the role of government in improving the efficiency of human capital formation in India. <b>Ans. The government plays a crucial role in promoting the efficiency of human capital formation. Government intervention is essential as spending on education and health has long-term, irreversible impact. Moreover, consumers often lack complete information about service quality and costs, leading to monopoly power and potential exploitation by private service providers. To avoid this, the government must regulate these services, ensuring adherence to standards and fair pricing. Hence, government plays a crucial role in making these essential services accessible to all sections of society. (To be marked as a whole)</b>	4
	<b>OR</b>	
(b)	“Traditional knowledge and practices are still applicable in ensuring sustainable development.” Do you agree with the given statement? Support your answer with valid reasons <b>Ans. Yes. Traditionally, India adopted eco-friendly practices in agriculture, healthcare, housing, and transport. All of these practices used naturally available products and processes, which had very few side effects. The adoption of the modern systems caused environmental degradation. However, India has a rich traditional healthcare system like Ayurveda, Unani etc. which are now a days in great demand. Moreover, many herbal cosmetic products are regaining popularity, as they are eco-friendly, safer and require less industrial processing and help in ensuring sustainable development. (To be marked as a whole)</b>	4
33.	Read the following passage carefully: In the present times, green investment and sustainability are priorities in public policy. India has emerged as a global leader at the front of the climate change. India has pledged to seek solutions for the future. The government has contributed to maintain economic growth by implementing various policies and measures relating to sustainable development. Pradhan Mantri Ujjwala Scheme has actively contributed to cleaner air. The Jal Jeevan Mission was launched with the objective of achieving water security. The greenhouse effect is a natural process that warms the Earth’s surface, where certain atmospheric gases, known as greenhouse gases, trap heat from the sun and re-emit it, keeping the planet warm enough to support life. In the present times, the issue of greenhouse gases and rising temperature of the Earth are a global concern.  On basis of the above passage and common understanding, answer the following questions:  (a) Discuss any two steps involved in attaining sustainable development in India. <b>Ans. India has taken the following steps to ensure sustainable development:</b> <ul style="list-style-type: none"> <li>• Pradhan Mantri Ujjwala Scheme has actively contributed to cleaner air.</li> <li>• The Jal Jeevan Mission was launched with the objective of achieving water security. (Any other valid strategy/step to be awarded marks)</li> </ul> (b) Mention any two factors which challenged the carrying capacity of the environment. <b>Ans. Two factors that have challenged the carrying capacity of the environment:</b>	1½ 1½

	<ul style="list-style-type: none"> <li>• The rising population of the developing countries.</li> <li>• The affluent consumption and production standards of the developed world.</li> </ul>	1 1
	<p>(c) Define Greenhouse effect.</p> <p><b>Ans. The greenhouse effect is a natural process that warms the Earth's surface, where the heat from the sun gets trapped inside atmosphere due to greenhouse gases.</b></p>	1
		6
34. (a)	<p>(i) "Information Technology plays a very significant role in achieving sustainable development and food security."</p> <p>Justify the given statement with valid arguments.</p> <p><b>Ans. Information Technology (IT) plays a crucial role in achieving sustainable development and food security, as the government can predict areas of food insecurity and vulnerability using appropriate information and software tools. It also helps in disseminating information regarding emerging technologies and their applications, prices, weather and soil conditions for growing different crops etc.</b> (To be marked as a whole)</p>	4
	<p>(ii) State the meaning of 'self-employed worker' with suitable example.</p> <p><b>Ans. Self-employed are those workers who own and operate an enterprise to earn their livelihood.</b></p> <p><b>For example: a cement shop owner.</b> (Any other valid example to be awarded marks)</p>	1 ½ ½
	<b>OR</b>	6
(b)	<p>(i) Distinguish between formal and informal sector with suitable examples.</p> <p><b>Ans. Formal Sector includes all the public sector establishments and those private sector establishments which employ 10 hired workers or more. Formal sector workers get regular income and are entitled to social security benefits.</b> <b>For example, a government hospital etc.</b></p> <p><b>Whereas;</b> <b>Informal Sector includes those private sector establishments which employ less than 10 hired workers. Workers in informal sector often lack job security, regular income and can be dismissed without any compensation.</b> <b>For example, a grocery shop employing two workers etc.</b> (Any other valid example to be awarded marks)</p>	1 ½
	<p>(ii) Define worker population ratio with its significance.</p> <p><b>Ans. Worker Population Ratio is defined as the total number of workers in a country divided by population. It is represented in percentage.</b> <b>Worker Population Ratio is an indicator which is used for analysing the employment situation in the country. This ratio is useful in knowing the proportion of population that is actively contributing to the production of goods and services of a country. Higher the worker population ratio, higher the engagement of people in economic activities and vice versa.</b></p>	1 2
		6

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