

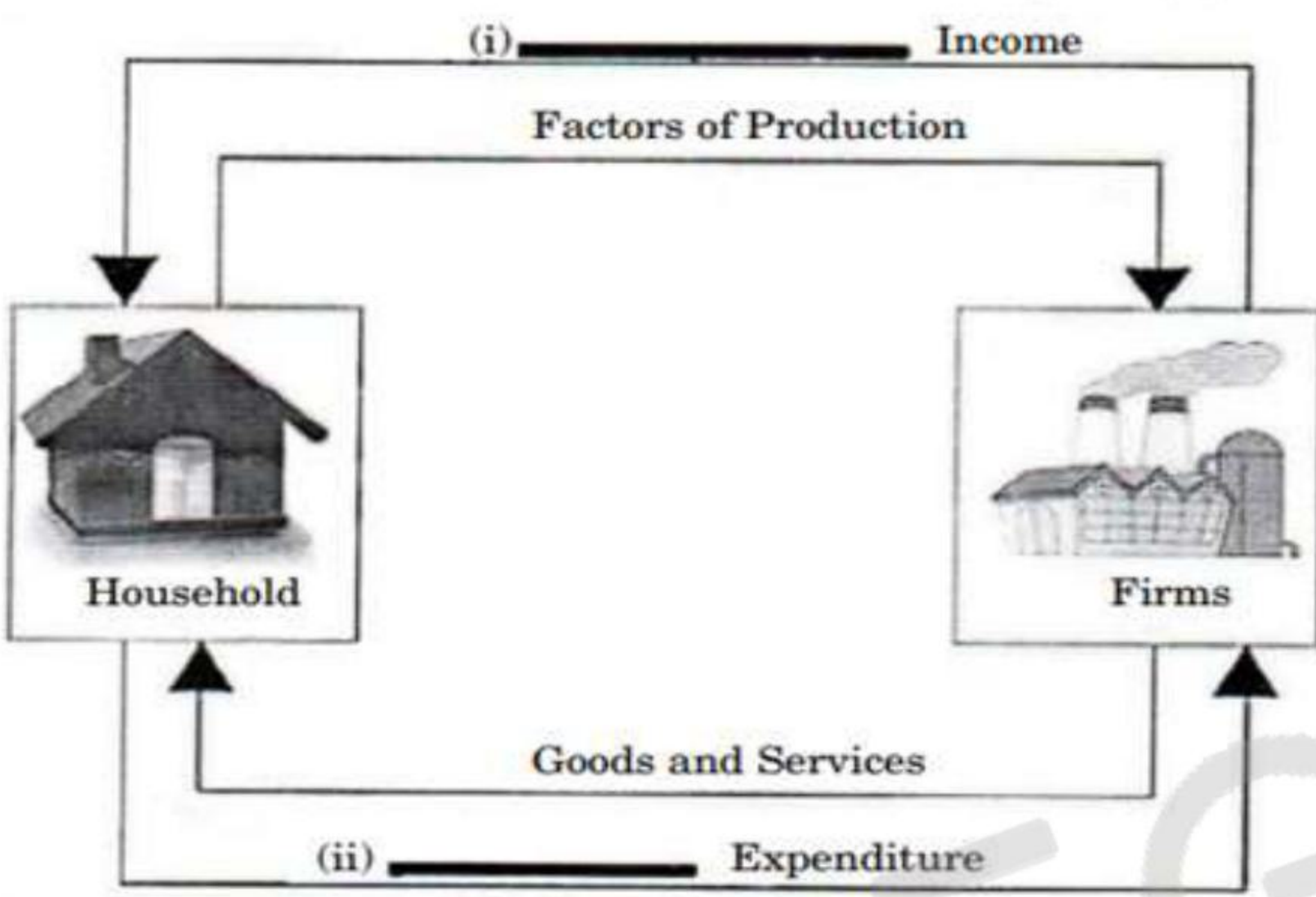
Marking Scheme Strictly Confidential (For Internal and Restricted use only) Senior School Certificate Examination, 2023 ECONOMICS (SUBJECT CODE – 030) (PAPER CODE – 58/4/1)	
<u>General Instructions: -</u>	
1	You are aware that evaluation is the most important process in the actual and correct assessment 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.
2	“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.”
3	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. 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-X, while evaluating two 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.
4	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.
5	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.
6	Evaluators will mark($\sqrt{}$) wherever answer is correct. For wrong answer CROSS ‘X’ be marked. Evaluators will not put right ($\checkmark$) while evaluating which gives an impression that answer is correct and no marks are awarded. This is most common mistake which evaluators are committing.
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 “Extra Question” .
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 (example 0 to 80/70/60/50/40/30 marks as given in Question Paper) 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	Ensure that you do not make the following common types of errors committed by the Examiner in the past:- ● Leaving answer or part thereof unassessed in an answer book. ● Giving more marks for an answer than assigned to it. ● Wrong totaling of marks awarded on an answer. ● Wrong transfer of marks from the inside pages of the answer book to the title page. ● Wrong question wise totaling on the title page. ● Wrong totaling of marks of the two columns on the title page. ● Wrong grand total. ● Marks in words and figures not tallying/not same. ● Wrong transfer of marks from the answer book to online award list. ● 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.) Half or a part of answer marked correct and the rest as wrong, but no marks awarded.
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 “Guidelines for spot Evaluation” 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 Secondary School Examination 2023
ECONOMICS (Subject Code-030)
 [Paper Code : 58/4/1]

Maximum Marks: 80

Q. No.	EXPECTED ANSWER / VALUE POINTS	Marks
SECTION A (Macro Economics)		
1.	Read the following statements carefully: Statement 1: Investment is defined as addition to the physical capital and changes in the inventory. Statement 2: At equilibrium level of income, ex-post investments and ex-post savings are always equal. In light of the given statements, choose the correct alternative from the following: (a) Statement 1 is true and Statement 2 is false. (b) Statement 1 is false and Statement 2 is true. (c) Both Statements 1 and 2 are true. (d) Both Statements 1 and 2 are false. Ans (c) Both Statements 1 and 2 are true.	1
2.	An Indian company receives a loan from a company located abroad. This transaction would be recorded on the _____ side of _____ account in India's Balance of Payment. (Choose the correct alternative to fill up the blanks) (a) Credit, Current (b) Debit, Current (c) Credit, Capital (d) Debit, Capital Ans. (c) Credit, Capital	1
3.	The Reserve Bank of India (RBI) _____ government securities in a bid to _____ the stock of money in the economy. (Choose the correct alternative to fill up the blanks) (a) sells, decrease (b) purchases, decrease (c) sells, increase (d) purchases, not change Ans. (a) sells, decrease	1
4.	Read the following statements carefully: Statement 1: Balance of Payment account is always balanced in accounting sense. Statement 2: Autonomous transactions, restore balance in Balance of Payment account. In light of the given statements, choose the correct alternative from the following: (a) Statement 1 is true and Statement 2 is false. (b) Statement 1 is false and Statement 2 is true. (c) Both Statements 1 and 2 are true.	

	(d) Both Statements 1 and 2 are false. Ans. (a) Statement 1 is true and Statement 2 is false.	1
5. (A)	Choose the correct alternative to fill in the blanks (i) and (ii) in the figure.  Alternatives: (a) National, Production (b) Factor, Production (c) Factor, Consumption (d) National, Consumption Ans. (c) Factor, Consumption OR (B) Operating Surplus does not include _____. (Choose the correct alternative to fill up the blank) (a) Interest (b) Rent (c) Profit (d) Compensation of employees Ans. (d) Compensation of employees	1
6. (A)	If the Marginal Propensity to Save (MPS) is 0.5, what will be the value of investment multiplier? (Choose the correct alternative) (a) 1 (b) 2 (c) 1.6 (d) 1.45 Ans. (b) 2 OR (B) An increase in National Income occurs by ₹ 3,000 crore, as investments increased by ₹1,200 crore. The value of investment multiplier would be _____. (Choose the correct alternative to fill up the blank) (a) 2 (b) 2.5 (c) 4 (d) 5 Ans. (b) 2.5	1
7.	Demand Deposits include _____. (Choose the correct alternative to fill up the blank)	

	(a) Currency and coins held with the public. (b) Other deposits with the Government (c) Savings Account Deposits and Fixed Deposits (d) Current Account Deposits and Fixed Deposits Ans. (c) or (d)	1
8. (A)	Read the following statements carefully: Statement 1: Depreciation of domestic currency may lead to a rise in exports. Statement 2: Due to the depreciation of Indian National Rupee (₹), purchasing power of US Dollar (\$) may increase. In light of the given statements, choose the correct alternative from the following: (a) Statement 1 is true and Statement 2 is false. (b) Statement 1 is false and Statement 2 is true. (c) Both Statements 1 and 2 are true. (d) Both Statements 1 and 2 are false. Ans. (c) Both statements 1 and 2 are true. OR (B) Identify, which one of the following is an intangible item in Balance of Payment (BoP). (a) Export of food grains (b) Imports of crude oil (c) Export of Information Technology (IT) services to U.S.A. (d) Import of coal by steel company in India Ans. (c) Exports of Information Technology to U.S.A.	1
9.	Read the following statements: Assertion (A) and Reason (R). Choose the correct alternative given below. Assertion (A): Excess demand does not lead to any increase in the level of real output. Reason (R): Excess demand creates a gap between actual demand and desired demand corresponding to full employment level. Alternatives: (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of the Assertion (A). (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of the Assertion (A). (c) Assertion (A) is true, but Reason (R) is false. (d) Assertion (A) is false, but Reason (R) is true. Ans. (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is <i>not</i> the correct explanation of Assertion (A).	1
10.	Read the following statements: Assertion (A) and Reason (R). Choose the correct alternative given below. Assertion (A): Rich people have lower Marginal Propensity to Consume (MPC) as compared to poor people. Reason (R): Consumption curve makes an intercept on the y-axis at a point above the origin. Alternatives:	

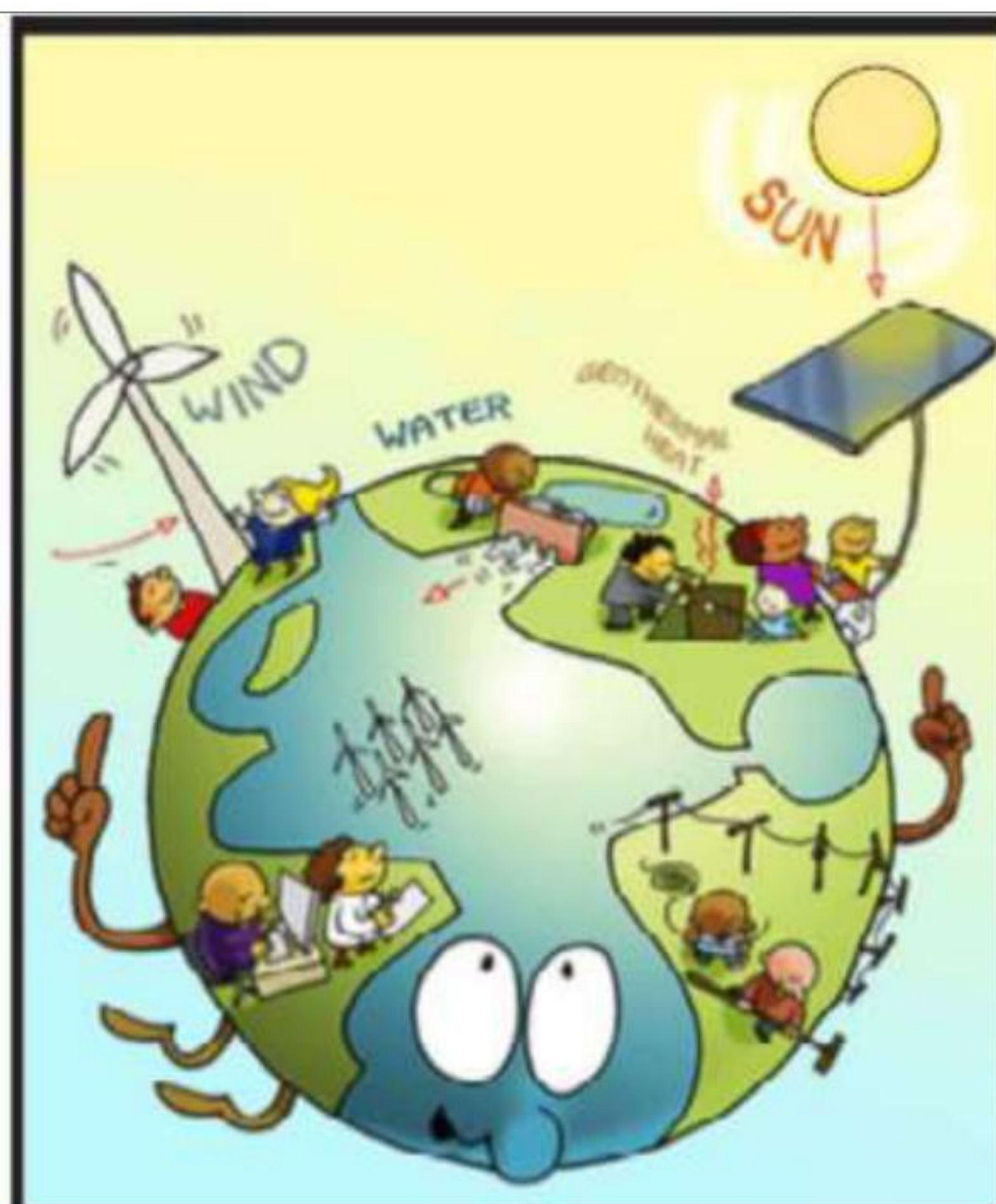
	(a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of the Assertion (A). (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of the Assertion (A). (c) Assertion (A) is true, but Reason (R) is false. (d) Assertion (A) is false, but Reason (R) is true. Ans. (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is <i>not</i> the correct explanation of Assertion (A).	1
11.	Suppose, the Gross Domestic Product (GDP) at market price of a country in a particular year was ₹ 1,100 crore. Net Factor Income from abroad was ₹ 100 crore. The value of Net Indirect Taxes was ₹ 150 crore and the National Income was ₹ 850 crore. Calculate the value of depreciation for the economy. Ans. National Income (NNP_{FC}) = Gross Domestic Product at Market Price (GDP_{MP}) – Depreciation + Net factor income from abroad – Net Indirect Taxes $850 = 1,100 - \text{Depreciation} + 100 - 150$ $\text{Depreciation} = 1,100 + 100 - 150 - 850$ Depreciation = ₹ 200 crore	1½ ½ ½ ½ 3
12.	"The central bank needs to intervene under the managed floating system." (a) Do you agree with the given statement? Support your answer with valid reasons. Ans. Yes. Under the managed floating system, the central bank allows the exchange rate to be determined by market forces of demand and supply. It may buy and sell foreign exchange to moderate exchange rate fluctuations. This intervention is undertaken to keep the exchange rate within the desired range. (To be marked as a whole) OR (b) Differentiate between Surplus in Balance of Trade and Current Account Surplus. Ans. Surplus in the Balance of trade arises when the value of exports of visibles is more than the value of imports of visibles. Whereas, The current account surplus arises when receipts from exports of visibles, invisibles and unilateral transfers are more than payments for imports of visible, invisibles and unilateral transfers. (To be marked as a whole)	3 1 ½ 1 ½ 3
13.	Suppose consumption function for an economy is $C = 80 + 0.75 Y$ (where C = consumption function and Y = national income) and the investment expenditure is ₹ 200 crore. Estimate the following: (a) Equilibrium level of income (b) Values of consumption and saving at equilibrium level of income Ans: Given, $C = 80 + 0.75Y$ $I = ₹ 200$ crore As we know, at the equilibrium level, $Y = C + I$ $Y = (80 + 0.75Y) + 200$	½ 1

16. (a) (b)	"Machine purchased by a firm is always a capital good." Do you agree with the given statement? Give valid reasons for your answer. Ans. No. Capital goods are those final goods which help in the production of other goods and services. A machine purchased by a firm will be a capital good when it is used for the production of other goods and services. However, if it is purchased by a firm for resale purposes in the same year, it will not be considered as a capital good. (To be marked as a whole) Define the following: (i) Net Exports (ii) Externalities (iii) Problem of Double Counting. Ans. (i) Net Export refers to the excess of the value of exports of goods and services over the value of imports of goods and services of an economy, during an accounting year. (ii) Externalities refer to benefits (positive externalities)/ harms (negative externalities) which are caused by one entity to another without being paid/ penalised for it. (iii) Problem of double counting refers to the counting of the value of a good or service, more than once in the estimation of national income.	3 1 1 1 6
17. (a) (i) (ii) (b)	"Government provides essential items like food grains almost free to the families below poverty line." Identify and explain the objective of the government budget indicated. Ans. The government budget objective of 'Redistribution of Income' is indicated in the given statement. Government can influence inequalities of income through taxes and public expenditure. It can impose taxes on the rich reducing their disposable income. It can spend on free goods and services like food grains to the families below poverty line to ensure their welfare/ raising their standard of living. (To be marked as a whole) Define the following: (1) Revenue deficit (2) Primary deficit Ans. (1) Revenue deficit is defined as the excess of revenue expenditure of the government over its revenue receipts. (2) Primary deficit is defined as the difference between fiscal deficit and interest payments. OR State whether the following statements are <i>true</i> or <i>false</i>, with valid reasons: (i) High tax on higher income groups aims to achieve the 'reallocation of resources' objective of the Government. (ii) Borrowings are a revenue receipt of the government. (iii) Fiscal deficit always leads to inflation.	1 3 1 1

	Ans. (i) False. The government uses its taxation policy to improve the distribution of income and wealth. It indicates the objective of redistribution of income of the government budget. (ii) False. It is a capital receipt as it creates liability for the government. (iii) False. If the borrowings (i.e. fiscal deficit) are to be used for some developmental purposes, it may not be inflationary in nature. However, in other cases, it may be inflationary.	2 2 2
		6
SECTION B Indian Economic Development		
18.	Under the British Rule, commercialisation of agriculture resulted in shifting of agricultural production from _____ crops to _____ crops. (Choose the correct alternative to fill up the blanks) (a) Cash, Food (b) Cotton, Jute (c) Food, Cash (d) Jute, Food Ans. (c) Food, Cash	1
19.	Identify, which of the following alternative is not associated with goals of economic planning in India. (A) (a) Ensuring equitable standard of living (b) Technological advancement (c) Increase in economic growth (d) Promoting imports of luxury goods Ans. (d) Promoting imports of luxury goods. OR (B) In 1951, agricultural contribution to India's National Income was _____. (Choose the correct alternative to fill up the blank) (a) Highest among the three sectors (b) Lowest among the three sectors (c) Lower than the industrial sector (d) Lower than the service sector Ans. (a) Highest among three sectors.	1
20.	Economic reforms were introduced in the year _____ in India and in the year _____ in Pakistan. (Choose the correct alternative to fill up the blank) (a) 1978, 1988 (b) 1988, 1978 (c) 1978, 1991 (d) 1991, 1988 Ans. (d) 1991, 1988 OR (B) Pakistan is ahead of India in the case of _____. (Choose the correct alternative to fill up the blank) (a) HDI value (b) Per capita income	1

	(c) Access to sanitation facilities (d) Life expectancy at birth Ans. (c) Access to sanitation facilities	1
21.	_____ markets were organised to protect the farmers from malpractices in mandis. (Choose the correct alternative to fill up the blank) (a) Regulated (b) Periodic (c) Daily (d) Weekly Ans (a) Regulated	1
22.	Arrange the following events of China in chronological order and choose the correct alternative: (i) Great Proletarian Cultural Revolution (ii) Great Leap Forward Campaign (iii) Introduction of Economic Reforms (iv) First Five Year Plan Alternatives: (a) (ii), (iv), (iii), (i) (b) (iv), (ii), (i), (iii) (c) (ii), (iv), (i), (iii) (d) (iv), (i), (ii), (iii) Ans. (b) (iv), (ii), (i), (iii)	1
23.	Read the following statements carefully: Statement 1: Economic growth means the increase in real national income of a country. Statement 2: Human capital formation and Human development are one and the same concepts. In light of the given statements, choose the correct alternative from the following: (a) Statement 1 is true and Statement 2 is false. (b) Statement 1 is false and Statement 2 is true. (c) Both Statements 1 and 2 are true. (d) Both Statements 1 and 2 are false. Ans. (a) Statement 1 is true and Statement 2 is false.	1
24.	Read the following statements carefully: Statement 1: 'Liberty indicators' measure the extent of constitutional protection given to the citizens. Statement 2: India provides fair constitutional protection to its citizens. In light of the given statements, choose the correct alternative from the following: (a) Statement 1 is true and Statement 2 is false. (b) Statement 1 is false and Statement 2 is true. (c) Both Statements 1 and 2 are true. (d) Both Statements 1 and 2 are false. Ans. (c) Both statements 1 and 2 are true.	1
25.	Carrying Capacity implies that _____ (A) (i) Resource extraction should remain below the rate of regeneration. (ii) Resource extraction should remain above the rate of regeneration.	

	(iii) Generation of waste should remain within the absorption capacity of the environment. (iv) Generation of waste should be more than the absorption capacity of the environment. (Choose the correct alternative) Alternatives: (a) (i) and (iv) (b) (i) and (iii) (c) (ii) and (iii) (d) (ii) and (iv) Ans. (b) (i) and (iii) OR (B) _____ system restores, maintains and enhances the ecological balance. (Choose the correct alternative to fill up the blank) (a) Chemical farming (b) Organic farming (c) Conventional farming (d) Multi-layered farming Ans. (b) Organic farming.	1 1
26.	Read the following statements: Assertion (A) and Reason (R). Choose the correct alternative given below. Assertion (A): The nature of unemployment problem in India is multi-faceted. Reason (R): Worker-Population ratio is an indicator used for analysing the employment situation in a country. Alternatives: (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of the Assertion (A). (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of the Assertion (A). (c) Assertion (A) is true, but Reason (R) is false. (d) Assertion (A) is false, but Reason (R) is true. Ans. (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is <i>not</i> the correct explanation of Assertion (A).	1
27.	Read the following statements: Assertion (A) and Reason (R). Choose the correct alternative given below. Assertion (A): China adopted the 'Open Door Policy' as a major economic reform initiative. Reason (R): It aimed at industrialising the country on a massive scale. Alternatives: (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of the Assertion (A). (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of the Assertion (A). (c) Assertion (A) is true, but Reason (R) is false. (d) Assertion (A) is false, but Reason (R) is true. Ans. (b) Both Assertion (A) and Reason (R) are true, and Reason (R) is not the correct explanation of Assertion (A).	1
28.	Interpret the given picture with reference to current environmental challenges.	



Ans. The given picture indicates the usage of renewable sources of energy. Power is the need of the hour and the usage of non-renewable sources of energy lead to an environmental crisis. On the other hand, using renewable sources of energy like solar, wind, and hydro energies ensure sustainable development without any adverse impact on the environment. The power generated through these resources is a cleaner and greener alternative. (To be marked as a whole)

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Note: The following question is for the Visually Impaired Candidates only, in lieu of Q. No. 28:

Discuss any one current environmental challenge.

Ans. Global warming is a gradual increase in the average temperature of the earth's lower atmosphere. It is caused by increases in carbon dioxide and other greenhouse gases. Burning of fossil fuels and deforestation are the major causes of Global Warming.

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Global warming is responsible for the melting of polar ice, leading to rising sea levels and coastal flooding, etc. (To be marked as a whole)

(Any other valid challenge to be allotted marks)

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

(a) Defend or refute the given statement with valid arguments.

Ans. The statement is defended. The formal sector provides regular income and greater job security as compared to the informal sector. Workers under the formal sector are entitled to social security benefits like provident fund, social security etc. unlike the informal sector. (Any other valid explanation to be allotted marks)

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OR

(b) Discuss briefly, why agricultural diversification is essential for sustainable livelihoods.

Ans. The need for diversification arises from the fact that there is a greater risk in depending exclusively on farming for livelihood. Expansion into other related sectors is desirable to provide supplementary gainful employment and in realising higher levels of income for rural people. Hence, there is a need to diversify through focus on allied

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	activities, non-farm employment and other emerging alternatives of livelihood providing sustainable livelihoods in rural areas. (To be marked as a whole)																
30.	From the data given below, compare and contrast India's and China's sectoral contribution towards GVA/GDP. Sectoral Contribution to GVA/GDP (in %) (2018-19) <table border="1"> <thead> <tr> <th><i>Sector</i></th><th><i>India</i></th><th><i>China</i></th></tr> </thead> <tbody> <tr> <td>Agriculture</td><td>16</td><td>7</td></tr> <tr> <td>Industry</td><td>30</td><td>41</td></tr> <tr> <td>Services</td><td>54</td><td>52</td></tr> <tr> <td>Total</td><td>100</td><td>100</td></tr> </tbody> </table> Ans. In both nations, the contribution of the agricultural sector to GDP is the least of the three sectors. Whereas; the service sector is the highest contributor to GDP in both nations. The contribution of the agriculture sector to the GDP in India stands at 16% which is approximately more than double of China, i.e. 7%. In China, the contribution of the industrial sector (41%) is way ahead of India (30%), owing to technological upliftment and rapid industrial growth in China in the 1970s. The service sector contributes more than half to the GDP in both India (54%) and China (52%) indicating the scale of economic growth in the two nations. (To be marked as a whole)	<i>Sector</i>	<i>India</i>	<i>China</i>	Agriculture	16	7	Industry	30	41	Services	54	52	Total	100	100	4
<i>Sector</i>	<i>India</i>	<i>China</i>															
Agriculture	16	7															
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31.	Discuss any two liberalisation measures pertaining to the financial sector, introduced by the Government of India during the economic reform process of 1991. Ans. The financial sector witnessed a major revamp under the economic reform process of 1991. The two main measures in this direction may be quoted as: • Redefining the role of RBI from regulator to facilitator of the financial sector. It implies that the financial sector could now take decisions on many matters without consulting the RBI. • The reform policies led to the establishment of private sector banks (Indian as well as foreign). (Any other valid measure to be allotted marks)	2 2 4															
32.	“Self-Help Groups provide stimulus for institutionalised lending, employment generation and women empowerment in the rural areas.” Justify the given statement with valid explanation. Ans. Self-help groups (SHG's) have, truly, emerged overtime to fill the gap in the formal credit system in the rural India. The formal credit delivery mechanism in India is not only inadequate but has not been fully integrated into overall rural society. As the rural poor do not have sufficient assets for collateral they stay away from the formal credit system. SHGs provide funds at concessional rates to this section of society. In addition to this, SHGs provide support to women for the establishment of small businesses leading to employment generation and women empowerment. (To be marked as a whole)	4															

33.	Read the following text carefully: Adoption of Village by Parliamentarians In October, 2014, the Government of India introduced a new scheme called Saansad Adarsh Gram Yojana (SAGY). Under this scheme, Members of India's Parliament need to identify and develop one village from their constituencies. To begin with, MPs can develop one village as a model village by 2016, and two more by 2019, covering over 2,500 villages in India. According to the scheme, the village can have a population of 3,000 - 5,000 in the plains and 1,000 - 3,000 in the hills and should not be the MP's own or their spouse's village. MPs are expected to facilitate a village development plan, motivate villagers to take up activities and build infrastructure in the areas of health, nutrition and education. On the basis of the given text and common understanding, answer the following questions: (a) State and discuss, any two objectives which the Government of India wanted to achieve through 'Saansad Adarsh Gram Yojana (SAGY)'. Ans. Two objectives of 'Saansad Adarsh Gram Yojana (SAGY)': • Identify and develop one village: Under this scheme, Members of India's Parliament need to identify and develop one village from their constituencies. • Facilitate village development plan: To build infrastructure in the areas of health, nutrition and education. (b) State the yardsticks for selecting villages under the SAGY Scheme. Ans. As per the Saansad Adarsh Gram Yojana (SAGY): • The village can have a population of 3,000 - 5,000 in the plains and 1,000 – 3,000 in the hills. • The village should not be the MP's own or their spouse's village. (Any other valid explanation to be allotted marks)	$\frac{1}{2}+1\frac{1}{2}$ $\frac{1}{2}+1\frac{1}{2}$ 1 1 6
34.	Explain the need and types of land reforms implemented in the agriculture sector. (a) (i) Ans. At the time of independence, the Indian land tenure system was characterised by the intermediaries, stagnant growth rate and unequal distribution of land; making the land reforms inevitable. Major land reforms introduced by the government were: • Abolition of intermediaries • Land ceiling (Any other valid explanation to be allotted marks) (ii) Why was public sector given a leading role in industrial development during the planning period? Explain. Ans. At the time of independence, the Indian industrialists lack the financial and technical resources needed for the nation to be modernized and self-sufficient. Also, the market was not big enough to encourage industrialists to undertake major projects even if they had the capital to do so. Moreover, the decision to develop the Indian economy on socialist lines made it essential for the public sector to take the leading role. (To be marked as a whole) (Any other valid explanation to be allotted marks)	1 2 3

OR		
(b) (i)	Explain the reasons why the industrial sector has performed poorly in the reform period. Ans. Industrial sector performed poorly in the reform period because of decreasing demand for industrial products due to various reasons such as cheaper imports, etc. Cheaper imports have, thus, replaced the demand for domestic goods. Moreover, the infrastructure facilities including power supply, remained inadequate due to lack of investment. (To be marked as a whole) (Any other valid explanation to be allotted marks)	4
	(ii) Distinguish between the Bilateral and Multilateral Trade. Ans. Bilateral Trade refers to the exchange of goods and services between two nations. Whereas; Multilateral Trade refers to exchange of goods and services between more than two nations.	1
		1
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