

SET-1

Series AABB2/4



प्रश्न-पत्र कोड
Q.P. Code 58/4/1

रोल नं.
Roll No.

1 7 6 3 5 5 9 1

परीक्षार्थी प्रश्न-पत्र कोड को उत्तर-पुस्तिका के मुख-पृष्ठ पर अवश्य लिखें।
Candidates must write the Q.P. Code on the title page of the answer-book.

- कृपया जाँच कर लें कि इस प्रश्न-पत्र में मुद्रित पृष्ठ 11 हैं।
- प्रश्न-पत्र में दाहिने हाथ की ओर दिए गए प्रश्न-पत्र कोड को परीक्षार्थी उत्तर-पुस्तिका के मुख-पृष्ठ पर लिखें।
- कृपया जाँच कर लें कि इस प्रश्न-पत्र में 13 प्रश्न हैं।
- कृपया प्रश्न का उत्तर लिखना शुरू करने से पहले, उत्तर-पुस्तिका में प्रश्न का क्रमांक अवश्य लिखें।
- इस प्रश्न-पत्र को पढ़ने के लिए 15 मिनट का समय दिया गया है। प्रश्न-पत्र का वितरण पूर्वाह्न में 10.15 बजे किया जाएगा। 10.15 बजे से 10.30 बजे तक छात्र केवल प्रश्न-पत्र को पढ़ेंगे और इस अवधि के दौरान वे उत्तर-पुस्तिका पर कोई उत्तर नहीं लिखेंगे।
- Please check that this question paper contains 11 printed pages.
- Q.P. Code given on the right hand side of the question paper should be written on the title page of the answer-book by the candidate.
- Please check that this question paper contains 13 questions.
- **Please write down the serial number of the question in the answer-book before attempting it.**
- 15 minute time has been allotted to read this question paper. The question paper will be distributed at 10.15 a.m. From 10.15 a.m. to 10.30 a.m., the students will read the question paper only and will not write any answer on the answer-book during this period.

अर्थशास्त्र ECONOMICS

निर्धारित समय : 2 घण्टे

Time allowed : 2 hours

अधिकतम अंक : 40

Maximum Marks : 40

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1



General Instructions :

Read the following instructions very carefully and strictly follow them :

- (i) This question paper contains **13** questions.
- (ii) **All** questions are compulsory. Marks are indicated against each question.
- (iii) This question paper contains **5** questions of **2** marks each, **5** questions of **3** marks each and **3** questions of **5** marks each.
- (iv) **2** marks questions are Short Answer Type Questions and are to be answered in **30 – 50** words each.
- (v) **3** marks questions are also Short Answer Type Questions and are to be answered in **50 – 80** words each.
- (vi) **5** marks questions are Long Answer Type Questions and are to be answered in **80 – 120** words each.
- (vii) There is no overall choice in the question paper. However, internal choices have been provided in few questions. The candidates need to attempt only one question from such questions.
- (viii) This question paper contains Case/Source Based Question also.

1. (a) Distinguish between Consumption goods and Capital goods. 2

OR

(b) Giving valid reasons, classify the following into stock and flow variables : 2

- (i) Population of India as on 31st March, 2021 *Stock*
- (ii) Domestic Income of Indian Economy during the fiscal year 2020 – 21 *flow*

2. (a) You are given the consumption function of an imaginary economy, $C = 100 + 0.8 Y$, where C = Consumption and Y = Income.

Calculate :

- (i) The value of Marginal Propensity to Save (MPS) $\Rightarrow 0.2$
- (ii) The level of income at Break-Even Point $C = S$ *500*

OR

(b) $S = -60 + 0.1 Y$ is the saving function, where S is Saving and Y is National Income and Investment Expenditure (I) is ₹ 4,000 crore in an economy.

Calculate the Equilibrium level of Income. 2



3. (a) If planned savings exceed planned investments in an economy, state its likely impact on output and employment.

OR

(b) If planned savings fall short of planned investments in an economy, state its likely impact on output and employment.

4. "Workers working in formal sector earn more than those in the informal sector."

Defend or refute the given statement with valid arguments.

5. "Economic development in India has been accompanied by environmental concerns."

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

6. "In the late 1970s, China's population growth rate had sharply declined as compared to India."

Elucidate the reason and impact of this situation.

7. From the data given below, compare and analyse the status-wise distribution of workforce in India :

Trends in Employment Pattern (Status-wise) (in %)
1972 - 73 and 2011 - 12

Status \ Year	1972 - 73	2011 - 12
Self-Employed	61.4	52
Regular Salaried Employees	15.4	18
Casual Wage Workers	23.2	30
Total	100	100

8. Discuss briefly any two similar development strategies followed by India and Pakistan.

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3390
390

General
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Dis

(a) Briefly explain the different phases of circular flow of income. 3

OR

(b) In an economy, if the Real Gross Domestic Product (GDP) is ₹ 300 crore and Price Index (with base = 100) is 110, calculate the Nominal Gross Domestic Product. 3

Nominal = $\frac{PI}{100} \times 100$

10. Discuss briefly the working process of investment multiplier (K), assuming that Change in Investment (ΔI) is ₹ 4,000 crore and Marginal Propensity to Consume (MPC) is 0.5. 3

11. Explain the concept of deficient demand. How can government spending policy be helpful in correcting the situation of deficient demand? 3

net = gross⁵ - dep

12. (a) From the following data, show that the National Income will be same from both Income Method and Expenditure Method: 5

S. No.	Items	Amount (in ₹ crore)
(i)	Net Exports	(-) 60
(ii)	Net Indirect Taxes	150
(iii)	Operating Surplus ✓	740
(iv)	Compensation of Employees ✓	1,400
(v)	Net Factor Income from Abroad	40
(vi)	Mixed Income of Self-Employed ✓	1,000
(vii)	Net Domestic Fixed Capital Formation	500
(viii)	Change in Stock investment	(-) 100
(ix)	Depreciation	100
(x)	Private Final Consumption Expenditure	2,000
(xi)	Government Final Consumption Expenditure	1,000

3180

3180 = 300 - 210

3180
3390
2000

- 210

3180
3390
3420

3430
- 3180
250

3000

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300 = $\frac{\text{Nominal}}{110} \times 100$

3 = $\frac{\text{Nom}}{110}$

2400
740
3140

OR

3180

3500
- 210
3290

- dep - NIT + NFIA

- 100 - 150 + 40

- 100 - 110
- 210

P.T.O.

- (b) (i) Calculate the operating surplus from the following data :

2

S. No.	Items	Amount (in ₹ crore)
(i)	Compensation of Employees	300
(ii)	Indirect Taxes	200
(iii)	Consumption of Fixed Capital	100
(iv)	Subsidies	50
(v)	Gross Domestic Product at Factor Cost (GDP _{fc})	650

- (ii) State and discuss briefly the three main components of Net Factor Income from Abroad.

3

Case/Source Based Question

Read the following text carefully. Answer questions number 13 (a) and 13 (b) on the basis of the given text and common understanding :

The NITI Aayog Index developed in collaboration with German cooperation, ranks 56 urban areas on 77 Sustainable Developmental Goals (SDGs) indicators. In its journey of localization of the Sustainable Development Goals (SDGs) and creating SDG's progress monitoring system at all levels, the NITI Aayog has developed the SDG Urban Index and Dashboard in 2021 - 22.

The index will strengthen SDG localization and institute monitoring at the various cities level. According to the NITI Aayog, this index highlights the strengths and gaps of data monitoring and reporting systems. The tools used in the index will contribute to the creation of an ecological system in which all stakeholders will be equipped to adopt and implement data-driven decision-making.

The NITI Aayog is of the view that this transformative change is quite essential, given the increasing prominence of our cities and urban areas in charting the future of development in India. Out of 56 urban areas ranked in the index, 44 are with population above one million.



As per the NITI Aayog, for each SDG the urban areas are ranked on the scale of 0 – 100. A score of 100 implies that the urban area has achieved the targets set for 2030. A zero score implies that it is the farthest from achieving the target among the selected urban areas. The areas with score between 0 and 49 have been ranked as aspirants, those with 50 – 64 are termed as performers, 66 – 99 are called front-runners and ones with perfect score are called achievers.

Source : The Economic Times; November 23, 2021 (Modified)

13. (a) Outline any two steps involved by the NITI Aayog index in attaining sustainable development. 2

(b) “Urban areas are ranked on the scale of 0 – 100.”
Elucidate the ranking system adopted by the NITI Aayog. 3