

MasterG.Net CBSE Coaching Classes

Marking Scheme & Model Solutions • Class XII Indian Economic Development

SOLUTIONS: Worksheet_080225

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Subject: Indian Economic Development

Chapter 1: Indian Economy on the Eve of Independence

Class: XII (CBSE)

Max Marks: 50

Time Allowed: 90 Mins

Evaluation Standard: CBSE Official Marking Scheme

Academic Session: 2026–27

SECTION A: OBJECTIVE & MULTIPLE CHOICE SOLUTIONS

[16 Marks]

Q1. Ans: (b) Dadabhai Naoroji

[1 Mark]

Explanation: Dadabhai Naoroji was the pioneer who first attempted to estimate India's national income and drain of wealth. Later, Dr. V.K.R.V. Rao's estimates were considered the most statistically significant.

Q2. Ans: (a) Less than 2% and close to half percent

[1 Mark]

Explanation: During the first half of the twentieth century under British rule, the growth rate of aggregate real GDP was less than 2% per year and per capita output grew by barely 0.5% per annum.

Q3. Ans: (a) Commercial land settlement systems (Zamindari)

[1 Mark]

Explanation: The main cause of agricultural stagnation was the land settlement systems introduced by the colonial administration, particularly the Zamindari system implemented in the Bengal Presidency.

Q4. Ans: (c) 1921

[1 Mark]

Explanation: 1921 is known as the 'Year of the Great Divide' because before 1921 India was in the first stage of demographic transition (fluctuating population), and after 1921 it entered the second stage with continuous and steady population growth.

Q5. Ans: (c) 1907

[1 Mark]

Explanation: Tata Iron and Steel Company (TISCO) was incorporated in 1907 at Jamshedpur (Bihar/Jharkhand), marking the beginning of modern heavy manufacturing in India.

Q6. Ans: (a) 1 → 2 → 4 → 3

[1 Mark]

Chronology: Introduction of Railways (1850) → Opening of Suez Canal (1869) → Incorporation of TISCO (1907) → Year of the Great Divide (1921).

Q7. Ans: (a) Both (A) and (R) are true and (R) is the correct explanation of (A)

[1 Mark]

Explanation: The Suez Canal opened a direct sea route between Europe and India, avoiding the voyage around Africa, drastically cutting shipping costs and enabling Britain to monopolize India's foreign trade.

Q8. Ans: (c) (A) is true but (R) is false

[1 Mark]

Explanation: Although India generated a large export surplus throughout colonial rule, it did NOT lead to any inflow of gold or silver. Instead, it was drained to pay for administrative and war expenses of the British.

Q9. Ans: (b) Female literacy rate was below 7%

[1 Mark]

Explanation: The overall literacy level was less than 16%, and the female literacy rate was dismal at less than 7%. Life expectancy was just 32 years.

Q10. Ans: (c) 218 per thousand

[1 Mark]

Explanation: Infant mortality rate was an alarming 218 per 1,000 live births during the colonial period (compared to around 27–30 per thousand in recent years).

Q11. Ans: (c) Agricultural sector (70–75%)

[1 Mark]

Explanation: The occupational structure was heavily skewed towards agriculture, employing 70–75% of the total workforce, while manufacturing accounted for barely 10% and services 15–20%.

Q12. Ans: (a) Madras Presidency, Bombay, and Bengal

[1 Mark]

Explanation: Parts of Madras Presidency, Bombay, and Bengal witnessed a decline in agricultural dependence with an increase in the manufacturing and service workforce, whereas Punjab, Rajasthan, and Orissa experienced an increase in the agricultural workforce.

Q13. Ans: (b) To transform India into an exporter of raw materials and an importer of British finished industrial goods

[1 Mark]

Explanation: The two-fold British policy was to make India an exporter of raw materials for British factories and a captive market for British manufactured goods.

Q14. Ans: (b) Maharashtra and Gujarat

[1 Mark]

Explanation: Cotton textile mills developed in the western parts of the country (Maharashtra and Gujarat) dominated by Indian entrepreneurs, while jute mills developed in Bengal dominated by foreigners.

Q15. Ans: (c) 1881

[1 Mark]

Explanation: The first official decennial census of India was carried out in 1881, revealing significant unevenness in population growth.

Q16. Ans: (a) 32 years

[1 Mark]

Explanation: Life expectancy at birth was exceedingly low at just 32 years due to rampant famines, epidemics, and complete absence of basic public healthcare infrastructure.

SECTION B: SHORT ANSWER & ANALYTICAL SOLUTIONS

[12 Marks]

Q17. Failure of Commercialization of Agriculture to Benefit Peasantry

[3 Marks]

- **Forced Shift to Cash Crops:** Farmers were forced or economically coerced to produce commercial crops (cotton, jute, indigo, sugarcane) instead of subsistence food grains to feed British industries. [1 Mark]
- **Exposure to Market Uncertainties:** Rather than achieving food self-sufficiency, peasants had to purchase food grains from the market at fluctuating and exorbitant prices, deepening their poverty. [1 Mark]
- **Exploitation by Intermediaries:** High gains from cash crop exports were siphoned off by British merchants, middlemen, and moneylenders, leaving the actual cultivators heavily indebted. [1 Mark]

Q18. Two-Fold Motive Behind De-Industrialization

[3 Marks]

The British pursued a deliberate, systematic policy of de-industrialization with two specific motives:

- **1. Raw Material Supplier:** To reduce India from an exporter of finished handicrafts to a mere supplier of raw materials (raw cotton, silk, jute, indigo) for the modern industries in Britain. [1.5 Marks]
- **2. Sprawling Market for British Goods:** To transform India into a vast, captive market for finished manufactured products imported from Britain, ensuring uninterrupted expansion of British industries. [1.5 Marks]

Q19. Destruction of Handicrafts via Discriminatory Tariff Policy**[3 Marks]**

The colonial government practiced a targeted, one-sided tariff policy that ruined Indian handicrafts:

- **Tariff-free export of raw materials:** Raw materials from India were exported to Britain completely duty-free, starving domestic artisans of affordable inputs. [1 Mark]
- **Tariff-free import of British goods:** Machine-made British manufactured products entered India without customs duties, making them far cheaper than handmade Indian goods. [1 Mark]
- **Heavy duties on Indian handicraft exports:** Exorbitant export tariffs were imposed on Indian handicrafts exported abroad, pricing them out of foreign markets and destroying global demand. [1 Mark]

Q20. Regional Variations in Pre-Independence Occupational Structure**[3 Marks]**

Census data showed marked regional disparities across India's workforce:

- **Shift Towards Industry & Services:** In regions like Madras Presidency (Tamil Nadu, Andhra, Kerala, Karnataka), Bombay, and Bengal, the workforce's dependence on the agricultural sector registered a decline, with corresponding growth in manufacturing and service jobs. [1.5 Marks]
- **Increased Dependence on Agriculture:** Simultaneously, states such as Orissa, Rajasthan, and Punjab witnessed an increase in the proportion of the workforce dependent on farming. [1.5 Marks]

SECTION C: SHORT-LONG APPLICATION SOLUTIONS**[8 Marks]****Q21. Export Surplus & The Drain of Indian Wealth****[4 Marks]****(a) Consequence on Domestic Availability of Goods:** [2 Marks]

The generation of an export surplus came at huge domestic sacrifice. Essential consumer commodities such as food grains, coarse cloth, and kerosene were heavily exported rather than supplied to the domestic market, causing acute scarcity, food famines, and soaring local prices.

(b) Utilization of Surplus and the Drain of Wealth: [2 Marks]

The surplus did not bring gold, silver, or capital goods into India. Instead, it was unilaterally siphoned off by the British administration to:

- Pay for the administrative expenses and salaries of colonial officials in Britain (Home Charges).
- Finance imperial wars fought by the British army in overseas territories.
- Pay for the invisible imports of services (shipping, insurance, banking) operated by British companies.

Q22. Critical Evaluation of Railways (1850)**[4 Marks]****Two Positive Contributions:** [2 Marks]

- *Geographical & Cultural Integration:* Enabled people to undertake long-distance travel, breaking down rigid geographic, cultural, and caste barriers.
- *Famine Relief & Market Reach:* Facilitated rapid movement of food grains to famine-hit areas, preventing localized mass starvations.

Two Negative Repercussions: [2 Marks]

- *Commercialization & Loss of Self-Sufficiency:* Accelerated the commercialization of agriculture, destroying the self-contained nature of village economies.
- *Invasion of British Goods:* Served as a conveyor belt to penetrate cheap machine-made British goods into remote rural hinterlands, completing the destruction of village cottage crafts.

SECTION D: LONG ANSWER COMPREHENSIVE SOLUTIONS**[12 Marks]****Q23. State of Agriculture on the Eve of Independence & Causes of Stagnation****[6 Marks]****1. General State of Agriculture:** [2 Marks]

Agriculture suffered from chronic stagnation, low productivity per hectare, high vulnerability to rainfall, fragmented landholdings, and widespread sub-human living conditions of cultivators.

2. Institutional Factors: [2 Marks]

- *Land Settlement Systems (Zamindari):* The profit accruing out of agricultural production went to the zamindars in the form of lagan/rent rather than the cultivators. The main interest of zamindars was only collecting rent, regardless of crop yield or drought conditions.
- *Strict Revenue Settlement Terms:* Fixed revenue collection dates meant that zamindars faced forfeiture of their land rights if dues were not deposited on time, driving them to ruthlessly exploit peasants.

3. Technical Factors: [2 Marks]

- *Low Level of Technology & Irrigation Deficit:* Obsolete wooden tools, lack of mechanization, negligible use of chemical fertilizers, and total dependence on the monsoon due to absent canal networks.
- *Lack of Capital Investment:* Complete neglect of flood control, soil desalinization, drainage, and terracing by both the colonial state and landlords.

Q24. Colonial Motives Behind Infrastructure & Positive Economic Legacies**[6 Marks]****1. Underlying Colonial Motives Behind Infrastructure:** [3 Marks]

- *Roads:* Built not to serve the Indian public, but to mobilize the imperial army within India and transport raw materials from rural countryside to nearest railheads and ports for shipment to Britain.
- *Railways:* Introduced in 1850 primarily to facilitate the penetration of British manufactured goods into interior Indian markets and collect raw materials efficiently.
- *Electric Telegraph & Posts:* Established primarily to serve the colonial objective of maintaining law, order, administrative control, and military communication across the vast subcontinent.

2. Positive Legacies / By-Products for Independent India: [3 Marks]

- *Integrated Transport Network:* A massive operational railway network and all-weather road system that laid the physical foundation for modern national trade and mobility.
- *Transition to Monetary Economy:* The expansion of commercial agriculture and trade catalyzed the shift from a primitive barter system to a modern monetary exchange system.
- *Administrative Legacy:* Left behind an efficient, well-organized administrative civil service machinery that aided post-independence governance and economic planning.