CENTRAL BOARD OF SECONDARY EDUCATION

CBSE 2026-27

Social Science – Economics

Subject Code: 087 | Class X

Question Bank – Set 4

Questions in this Booklet

Ch.	Chapter	MCQs	A-R	VSA	SA	LA	CS	All
1	Development	6	1	2	2	1	1	**13**
2	Sectors of the Indian Economy	6	1	2	2	1	1	**13**
3	Money and Credit	6	1	2	2	1	1	**13**
4	Globalisation and the Indian Economy	4	1	1	1	1	1	**9**
	Total	**22**	**4**	**7**	**7**	**4**	**4**	**48**

MCQs = Multiple Choice; A-R = Assertion–Reason; VSA = Very Short Answer; SA = Short Answer; LA = Long Answer; CS = Case Study / Source-based.

Board exam Section D: Economics Q29–38, 20 marks. Chapters as per NCERT *Understanding Economic Development*, limited to the 2026-27 board syllabus (Ch 4: What is Globalisation + Factors enabling Globalisation; Consumer Rights excluded). Questions tagged [SQP/Board year] are from CBSE papers; untagged questions are new CBSE-style questions aligned to the 2026-27 curriculum.

Contents

1. Development **3**
Multiple Choice Questions (MCQs) . . . 3
Assertion–Reason . . . 3
Very Short Answer (VSA) . . . 3
Short Answer (SA) . . . 4
Long Answer (LA) . . . 4
Case Study . . . 4

2. Sectors of the Indian Economy **5**
Multiple Choice Questions (MCQs) . . . 5
Assertion–Reason . . . 5
Very Short Answer (VSA) . . . 6
Short Answer (SA) . . . 6
Long Answer (LA) . . . 6
Case Study . . . 6

3. Money and Credit **7**
Multiple Choice Questions (MCQs) . . . 7
Assertion–Reason . . . 7
Very Short Answer (VSA) . . . 7
Short Answer (SA) . . . 8
Long Answer (LA) . . . 8
Case Study . . . 8

4. Globalisation and the Indian Economy **9**
Multiple Choice Questions (MCQs) . . . 9
Assertion–Reason . . . 9
Very Short Answer (VSA) . . . 9
Short Answer (SA) . . . 9
Long Answer (LA) . . . 9
Case Study . . . 9

Answer Key (MCQs and Assertion–Reason) **11**

1. Development

Multiple Choice Questions (MCQs)

Q1. Why do citizens of a country often hold different opinions about the goals of national development? **[1]**
(a) People living in different conditions may prioritise different needs and goals.
(b) Many citizens fail to understand how development plans are made.
(c) National development follows only one universally accepted definition.
(d) Everyone is expected to agree with a single idea of development.

Q2. Which one of the following indices is given priority by the World Bank with respect to development? **[1]**
(a) Infant Mortality Rate (b) Equality
(c) Body Mass Index (d) Per Capita Income

Q3. Choose the correct option to fill in the blank. Literacy rate measures the proportion of literate population in the _____ years and above age group. **[1]**
(a) 10 (b) 7 (c) 5 (d) 8

Q4. Choose the correct option to fill in the blank. For comparing countries, their _____ is considered to be one of the most important attributes by the World Bank. **[1]**
(a) Education (b) Income (c) Health Status (d) Living Standard

Q5. On which of the following bases does the United Nations Development Programme (UNDP) publish the 'Human Development Report'? **[1]**
(a) Manufacturing, Infrastructure and Health
(b) Education, Health and Per Capita Income
(c) National Income, Health and Banking
(d) Gross Domestic Product, Technology and Innovation

Q6. Study the data of a State given below and answer the question that follows.
Educational achievement of rural population: literacy rate of rural population — males 76%, females 54%; literacy rate of rural children in age group 10-14 years — males 90%, females 87%; percentage of rural children aged 10-14 years attending school — males 85%, females 82%.
If rural children aged 10-14 years are considered, then how many female children are attending school (per 100)? **[1]**
(a) 90 (b) 85 (c) 82 (d) 83

Assertion–Reason

Q7. **Assertion (A):** Money in your pocket cannot buy all the goods and services that you may need to live well.
Reason (R): A pollution-free environment, unadulterated medicines and equal treatment are not guaranteed by individual income alone. **[1]**
(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 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.

Very Short Answer (VSA)

Q8. What are the classifications of countries based on per capita income, and which entity is responsible for determining these classifications? **[2]**

Q9. Why do some scientists not consider the current type of development to be sustainable? Explain. **[2]**

Short Answer (SA)

Q10. 'Money in your pocket cannot buy all the goods and services that you may need to live well.' Support the statement with example. **[3]**

Q11. "The question of sustainability of development is becoming more complex day by day." Examine the statement in the context of the use of underground water in India. **[3]**

Long Answer (LA)

Q12. "The development goals of different categories of people may differ." Evaluate the statement. **[5]**

Case Study

Case Study: Two students, Ananya and Balbir, collected data on three states for their Social Science project. State P has an infant mortality rate of 30 per 1,000 live births, a literacy rate of 82 per cent and a net attendance ratio of 61 per cent. State Q has an infant mortality rate of 7, a literacy rate of 94 per cent and a net attendance ratio of 83 per cent. State R has an infant mortality rate of 32, a literacy rate of 62 per cent and a net attendance ratio of 43 per cent. Ananya argued that State P is the most developed because it has the highest per capita income among the three, while Balbir disagreed.

Q13. Answer the following questions based on the case above: **[4]**

(i) Which state shows the best development outcomes on the given indicators? Give one reason. [1]

(ii) Why is Balbir's disagreement with judging development only by per capita income justified? Explain with two points. [2]

(iii) Suggest one step each that State P and State R should take to improve their development levels. [1]

2. Sectors of the Indian Economy

Multiple Choice Questions (MCQs)

Q1. Which of the following Acts would not apply on an enterprise under organised sector? **[1]**

(a) Minimum Wages Act
(b) National Rural Employment Guarantee Act
(c) Factories Act
(d) Payment of Gratuity Act

Q2. Identify the sector of economy with the help of information given in the box: Ownership of assets and delivery of services in the hands of private individuals. Activities are guided by the motive to earn profits. **[1]**

(a) Private Sector (b) Public Sector (c) Joint Sector (d) Cooperative Sector

Q3. Primary, Secondary and Tertiary sectors are divided in which one of the following basis? **[1]**

(a) Nature of employment (b) Nature of activities (c) Nature of ownership (d) Nature of income

Q4. Study the data given below in the table and answer the question by selecting the correct option. Which is the most important sector that provides maximum jobs to the people? **[1]**

Workers in different sectors (in millions)

Sector	Organized	Unorganized	Total
Primary	1	231	232
Secondary	41	74	115
Tertiary	40	88	128
Total	82	393	475

(a) Primary sector, especially organized sector
(b) Secondary sector, especially organized sector
(c) Tertiary sector, especially organized sector
(d) Primary sector, especially unorganized sector

Q5. Which one of the following pairs is correctly matched? **[1]**

(a) Primary Sector - Flower Cultivator
(b) Secondary Sector - Milk Vendor
(c) Tertiary Sector - Fisherman
(d) Manufacturing Sector - Gardener

Q6. Rakhi has done an economic survey of her area. The survey has revealed that people earn their livelihood by doing different jobs. The table prepared by Rakhi for this is given below. Study the table carefully and answer the question that follows. How many people are working in the organised sector? **[1]**

S. No.	Work	No. of People
1	Farmer working in his fields	250
2	Teachers teaching in school	10
3	Handloom weaver working in his/her house	70
4	Workers working in big factories	140
5	Employees working at a hospital in the area	60
	Total	530

(a) 380 (b) 140 (c) 320 (d) 210

Assertion–Reason

Q7. **Assertion (A):** Most workers in India are employed in the unorganised sector.
Reason (R): The share of the public sector in total employment is very small. **[1]**

(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 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.

Very Short Answer (VSA)

Q8. Mention two features of the organised sector. **[2]**

Q9. Classify the following as primary, secondary or tertiary sector: (a) Dairy farming (b) A tea-processing factory. **[2]**

Short Answer (SA)

Q10. A worker in an urban area, who was working in a small factory, was not paid his wages properly, he was forced to work extra hours under poor working conditions, there was no job security, recently he lost his job and was found selling electrical items in a pushcart. Analyse the role of the government in protecting the workers working in an unorganised sector. **[3]**

Q11. Mr. Pawan, a village head wanted to create more job opportunities to increase the income of the people of his village under MGNREGA Act. Suggest any three activities, so that Mr. Pawan could initiate in his village.**[3]**

Long Answer (LA)

Q12. Rohan works in a bank as a clerk while Sumit works on a construction site as a labourer. Describe difference in their conditions of work and judge the benefits and drawbacks of working in the respective sectors. **[5]**

Case Study

Case Study: The table shows the share of workers and the share of output of the three sectors in an imaginary district.

Shares in the district (%)

Sector	Share of workers (%)	Share of output (%)
Primary	60	25
Secondary	15	30
Tertiary	25	45

Q13. Answer the following questions based on the case above: **[4]**

(i) (a) Which sector has the highest share of workers but the lowest share of output? [1]

(ii) (b) Calculate the ratio of output share to worker share for each sector. [1]

(iii) (c) What does the ratio for the primary sector indicate? [1]

(iv) (d) Suggest one policy to correct this imbalance. [1]

3. Money and Credit

Multiple Choice Questions (MCQs)

Q1. Which one of the following options describes 'Collateral'? **[1]**

(a) Double coincidence of wants (b) Certain products for barter
(c) Trade in barter (d) Asset as guarantee for loan

Q2. Select the formal sources of credit from the given sources and choose the correct option.
I. Bank
II. Moneylender
III. Cooperatives
IV. Businessman **[1]**

(a) Only I and II (b) Only II and III (c) Only I and III (d) Only I and IV

Q3. Why are poor households still dependent on informal sources of credit? **[1]**
(a) Due to the absence of collateral security
(b) Due to the low interest rates
(c) Due to inaccessibility of rural people to banks
(d) Due to banks being at far-off places

Q4. Rita has taken a loan of Rs. 7 lakhs from the bank to purchase a car. The annual interest rate on the loan is 14.5 per cent and the loan is to be repaid in 3 years in monthly instalments. The bank retained the papers of the new car as collateral, which will be returned to Rita only when she repays the entire loan with interest.

Analyse the loan information given above, considering one of the following correct options: **[1]**

(a) Mode of re-payment (b) Terms of credit (c) Interest on loan (d) Deposit criteria

Q5. Rama is a farmer. She needs a loan for agriculture work. Which of the following sources of loan will be beneficial for Rama? Choose the most appropriate option:
I. Bank
II. Agricultural Trader
III. Self-Help Group
IV. Government **[1]**

(a) Only I, III and IV are correct. (b) Only I, II and III are correct.
(c) Only II, III and IV are correct. (d) Only I, II and IV are correct.

Q6. Rahul wants to buy a car but he does not have enough money. For this, he needs Rs. 1,00,000. From which of the following would it be appropriate for Rahul to take a loan? **[1]**

(a) Commercial bank (b) Moneylender (c) Relatives (d) Trader

Assertion–Reason

Q7. **Assertion (A):** No individual in India can legally refuse a payment made in rupees.
Reason (R): In India the rupee is authorized by the State Governments. **[1]**
(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 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.

Very Short Answer (VSA)

Q8. List the four terms of credit, and state what 'collateral' means. **[2]**

Q9. What is a demand deposit? State one way in which it acts like money. **[2]**

Short Answer (SA)

Q10. Explain any three functions of the Reserve Bank of India. **[3]**

Q11. 'Credit is crucial for the development of a country.' Explain with examples. **[3]**

Long Answer (LA)

Q12. If you are a member of a Self-Help Group (SHG), how would you explain the benefits of SHG to new members? **[5]**

Case Study

Case Study: Arun supervises the work of one farm labourer. Arun has seven acres of land. He is one of the few persons in Sonpur to receive a bank loan for cultivation. The interest rate on the loan is 8.5 per cent per annum, and it can be repaid anytime in the next three years. Arun plans to repay the loan after harvest by selling a part of the crop. He then intends to store the rest of the potatoes in a cold storage and apply for a fresh loan from the bank against the cold storage receipt. The bank offers this facility to farmers who have taken a crop loan from them.
(Adapted from NCERT, Understanding Economic Development)

Q13. Answer the following questions based on the case above: **[4]**

(i) Under which source does Arun's loan come? [1]

(ii) Mention one important term of credit for taking a loan from the bank. [1]

(iii) How is Arun's loan beneficial? Explain any two reasons. [2]

4. Globalisation and the Indian Economy

Multiple Choice Questions (MCQs)

Q1. The result of greater foreign investment and greater foreign trade has been _____ across countries. Find the correct option from below: **[1]**
(a) greater bifurcation of production and markets
(b) greater segregation of production and markets
(c) greater differentiation of production and markets
(d) greater integration of production and markets

Q2. The process of removing barriers on foreign trade and investment by the government is known as _____.**[1]**
(a) Import Tax (b) Export Tax (c) Liberalisation (d) Industrialisation

Q3. Read the statements about globalisation and choose the correct option:
I. It results in greater integration of production and markets across countries.
II. It involves trade in goods as well as services.
III. It is brought about only by government policies and never by companies or technology. **[1]**
(a) Only I is correct
(b) Only I and II are correct
(c) Only II and III are correct
(d) All I, II and III are correct

Q4. In which one of the following ways has 'information and communication technology' stimulated the 'globalisation' process the most? **[1]**
(a) Access foods across countries
(b) Access raw material across countries
(c) Access services across countries
(d) Access information instantly across countries

Assertion–Reason

Q5. **Assertion (A):** Trade barriers are imposed by governments to regulate foreign trade.
Reason (R): Barriers such as import duties can increase or decrease the flow of goods from other countries.**[1]**
(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 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.

Very Short Answer (VSA)

Q6. What is a Multinational Corporation (MNC)? How does it differ from a purely domestic company? (any two points) **[2]**

Short Answer (SA)

Q7. How is information technology connected with globalisation? Explain. **[3]**

Long Answer (LA)

Q8. Examine the role of Information Technology in stimulating the process of globalisation. **[5]**

Case Study

Case Study: A student group listed how their town changed since 2000: couriers now deliver imported gadgets ordered online the same week; the local textile mill takes orders from foreign buyers by email and video calls; a nearby BPO answers customer calls from three continents every night; and banks transfer money abroad in seconds. The students concluded that 'technology has made the world one market'.

Q9. Answer the following questions based on the case above: **[4]**

(i) Which two kinds of technology have made the changes possible? [1]

(ii) How has ICT helped the local textile mill and the BPO? [1]

(iii) Explain whether the students' conclusion that 'the world has become one market' follows from the evidence. [2]

Answer Key (MCQs and Assertion–Reason)

Ch. 1: Q1-(a), Q2-(d), Q3-(b), Q4-(b), Q5-(b), Q6-(c), Q7-(a)

Ch. 2: Q1-(b), Q2-(a), Q3-(b), Q4-(d), Q5-(a), Q6-(d), Q7-(b)

Ch. 3: Q1-(d), Q2-(c), Q3-(a), Q4-(b), Q5-(a), Q6-(a), Q7-(c)

Ch. 4: Q1-(d), Q2-(c), Q3-(b), Q4-(d), Q5-(a)