

2021

ECONOMICS — HONOURS

Paper : DSE-A(2)-2

(Issues in Indian Economy)

Full Marks : 50

*The figures in the margin indicate full marks.**Candidates are required to give their answers in their own words as far as practicable.*

Group - A

1. Answer **any five** questions :

2×5

- Mention two major problems of agricultural marketing in India.
- Define micro, small and medium industries on the basis of MSME Act, 2006.
- Distinguish between formal and informal sector.
- Mention the major fiscal indicators.
- Why is Foreign Direct Investment (FDI), being a non-debt financial capital the most preferred way of capital inflow in any economy?
- What is the difference between trade in services and trade in goods?
- State any two prospects of small and medium scale industries in India.
- What do we refer to as 'jobless growth'?

Group - B

Answer **any two** questions.

5×2

- What can you infer from the trend of sectoral composition of India's GDP presented in the following table, regarding the pattern of economic growth in India? Give arguments in support of your views.

Sectoral Composition of India's GDP

Sectors	Contribution to GDP Growth (%)		
	1991-1992 – 1996-1997	1996-1997 – 2001-2002	2001-2002 – 2007-2008
Agriculture	21.1	11.5	7.0
Industry	29.0	20.2	29.3
Services	49.8	68.3	63.6
GDP (at Factor Cost)	100.0	100.0	100.0

Source : CSO

Please Turn Over

3. Since the Indian banks are undergoing a major transformation due to changes in economic conditions and continuous deregulation, analyse the emerging trends and performance of Indian Banks in this context.
4. Discuss the trend and pattern of FDI in Indian industry.
5. Explain the reasons behind the slowing down of agricultural growth in India since 1991.

Group - C

Answer *any three* questions.

6. (a) Briefly point out the key aspects of agricultural marketing in India.
(b) It has been observed that “after 2005, food prices increased at a much faster rate than non-food prices, except in 2008 when the prices of commodities spiked in India and in the global market. Food and non-food prices showed a disparate movement after January 2009. On an annual basis, food prices in 2009 increased by more than 12% over 2008, in contrast to the 1.76% decline in non-food prices.” (Ramesh Chand, 2010, “Understanding the Nature and Causes of Food Inflation” EPW, February). Briefly discuss the underlying reasons for inflation from this given facts. 6+4
7. Critically evaluate the government policies towards the public sector enterprises since 1991. Do you think these enterprises are still relevant for industrial development in India? 7+3
8. (a) Examine the growth of formal and informal services since 1991 in India.
(b) Give an overview of India’s trade in service, after India became signatory to the General Agreement on Trade in Services (GATS) of WTO in 1995. 5+5
9. (a) The process of economic liberalisation and market reform has opened up the Indian small scale sector to global competition. Do you think that this has increased their competitive strength and viability so that the sectors can overcome the problem of sickness being faced by them? Briefly narrate in this context the nature of problems faced by small scale industries.
(b) Do you agree with the view that the support to the small scale industries should be directed to the promotional measure rather than protectionism? Discuss in the light of policy initiatives, that needs to be taken up for faster development of this sector. 5+5
10. (a) It is claimed that employment grown in India experiences structural change since the early 1990’s. Do you support this claim on the basis of the following information?

Sectoral Distribution of Total Employment :

Total Employment by Sectors	Absolute Numbers (in million)				
	1993-1994	1999-2000	2004-2005	2009-2010	2011-2012
Agriculture	241.5	246.6	268.6	244.9	231.9
Manufacturing	38.9	42.8	53.9	50.7	59.8
Non Manufacturing	15.8	20.4	29.4	48.3	55.3
Service	77.7	89.8	107.3	116.3	127.3
Unemployment (Open)	7.2	9.2	10.8	9.6	10.6

Source : Estimates based on CSO and NSS unit level data.

- (b) Give your impression regarding the impact of economic reforms on Indian industry. 6+4