

B.Com LLB/ B.A. LLB Vth Semester 2014

Code No. AU- 7079

Economics – II (Indian Economics)

(Model Answer)

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Section A

1. Choose the Correct Answer:

- (i) (d) Rs. 100/- and 60/-
- (ii) © 13.56 lac tons
- (iii) © 34%
- (iv) (b) General Agreement on Tariff and Trade
- (v) © 22%
- (vi) (a) 1966-69
- (vii) (a) 67.03%
- (viii) (d) 4th largest producer of Steel in the World in the year 2013.
- (ix) © Small Industries Development Bank of India.
- (x) (a) 1818
- (xi) © 1814
- (xii) 2000-01
- (xiii) (b) 2008-09
- (xiv) (b) Emphasis on Heavy Industries
- (xv) (b) Total Income/Total Population.

Section B

2. Rising Prices:

Introduction

Causes: Increase in poverty, unemployment, hoarding, corruption, lower living standard etc.

Suggestions to control: Open market, Curbing of corruption, Positive mentality, creation of employment opportunities etc.

Conclusion.

3. Small Scale Industries: Introduction, meaning, importance, types of industries,

Contribution of small scale industries in raising the life standard of the people. present scenario of SSI in India.

4. Relationship between the Reserve Bank of India and Commercial Bank:

RBI known as Banker's Bank. Its Functions: Guiding and supervising the commercial banks, Banker's bank, Issuing currency, data collection and publication, Promotional activities, credit control. Commercial Bank : is a branch of RBI, lending and borrowing, taking loans from RBI, cannot issue currency.

5. **Conservation of Environment:** Introduction, Importance of Conservation of environment, causes of degradation of environment like setting up of industries, development of transports, deforestation for different purposes, modernization etc.
Advantages: Ecological balances, existence of human and other species, future generation, minimizing the pollution rate, survival of the endangered species.
Conclusion.
6. **Indicators of poverty and hunger by David Gordan** . Food, Safe drinking water, Education, Health, Sanitation facilities, Access to information, Access to Services, Shelter.
7. **Regional Disparity and its suggestions to mitigate.** Introduction, Causes of Regional disparities, imbalance development of the regions, influences of the political parties and people, corruption etc. Solutions: Positive attitude, harmonious relationship, sense of equality.
8. **National Textile policy 2000.** Introduction, implemented on 2nd Nov.2000. giving emphasis on the cotton and textile industries esp. in Maharashtra and west Bengal. Policy says that there should be abundant amount of production of cotton so that the country should be able to export the cotton to other countries to earn the foreign money. For this a congenial environment should be created.

Section C

9. **Indian Economy and contribution of the agriculture sector to the GDP:**
Introduction on the present situation of the Indian Economy.
Three sectors, Primary, Secondary and Tertiary.
India is an underdeveloped or developing country. India is rich but Indians are poor.Causes.
Contribution of all three sectors to the GDP with special emphasis to the contribution by Agricultural sector.
Conclusion.
10. **Notes on Liberalization Privatization and Globalization.**
Introduction: About New Economic Policy.
Liberalization: Positive and Negative consequences
Privatization :Positive and Negative consequences
Globalization :Positive and Negative consequences
conclusion
11. **Notes on Balance of Payments and Fiscal Policy.**
Introduction, meaning, definition, scope, importance.
Statemnt, current account, capital account.
India,s balance of payment.
Disequilibrium: causes, measures to balance, government's initiatives.
Fiscal Policy: Introduction, Meaning, Definitions, Objectives like, Price stability, Economic growth, Social justice, increasing the employment opportunities.
Public Debt, Public Expenditure, Taxation, Budget.
Conclusion.