

INDIAN ECONOMICS

Time Allowed : Three Hours

Maximum Marks : 200

INSTRUCTIONS

The question paper consists of three Sections. Candidates should attempt NINE parts of the question in Section I, SEVEN questions from Section II and TWO questions from Section III.

Candidates should attempt questions as per the instructions given in each Section.

The number of marks carried by each question is indicated in each Section.

Answers must be written only in ENGLISH.

Any assumptions made for answering a question must be mentioned clearly.

SECTION I

1. Attempt any *nine* parts of the following question. Answer to each part should be of approximately 50 words. 5×9=45
- (a) Give five arguments in favour of 'Trade Reforms' introduced in India in 1991.
- (b) Which two accounts are summed up in Current Account Balance in India and how much is the ratio of Current Account Deficit CAD to GDP now in India ?

- (c) Why is monetary policy alone inadequate to combat inflation in India ? Explain in the wake of raising REPO and reverse REPO rates in recent months by RBI.
- (d) What is innovative demography ? What is required in India for this to be attained ?
- (e) Name four all-India Development Finance Institutions which are regulated by RBI and their areas of operation.
- (f) What is the SARFAESI Act and what are its objectives ?
- (g) What is the total number of items in the revised WPI series with 2004 – 05 base, and what weights are assigned to Primary articles, Fuel and Power, Manufactured Products ? Do you think the mix of items is appropriate ?
- (h) Examine unit labour cost as a tool for competitiveness in India. Compare this with some developed economies of the world.
- (i) What are the important forms of farm subsidies in India and what is their justification ?
- (j) What are the non-economic factors that play a significant role in economic development ?
- (k) What are some demographic issues which are a matter of concern for India, as brought out in Census 2011 ?

SECTION II

Attempt any *seven* of the following questions: Each answer should be in about 150 words. $15 \times 7 = 105$

2. "Financial Sector Reforms undertaken in 1991 and 1998, were an essential pre-requisite, for a globally integrated, liberated, market based economy." Elaborate.
3. Why are fiscal deficits and revenue deficits a cause of concern, especially for a developing economy like India? Give recent examples.
4. Why has the 'Poverty Line' methodology given by Planning Commission of India become controversial? Is the criticism really justified? Examine critically.
5. "P.C. Mahalanobis' four sectoral model of 2nd Five Year Plan failed as it was based on wrong assumptions of the Indian economy." Do you agree?
6. Write a critical note on the criteria and relative weights for determining inter-se share of States in fiscal transfer in India.
7. Money market in India has developed in terms of participants, number of securities and institutions. Comment and explain, how RBI regulates the money market.

8. Examine why the Government of India has accorded high priority to the promotion and utilization of renewable sources of energy in recent years. Assess the success of such efforts.
9. What are the main features of the Foreign Trade Policy (FTP) 2004 – 09 adopted by the Government of India ? Has India conformed to this ?
10. What has been the experience of India in relation to SEZ policy framework ? Has it satisfied the requirements of all principal stakeholders ?

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SECTION III

Attempt any *two* of the following in about 300 words each.

25×2=50

11. Evaluate critically the privatisation and disinvestment programmes pursued by India since the 1991 reforms. Enumerate the reasons for the slowing down of these programmes in recent years.
12. What are the challenges and priorities of Indian agriculture in meeting WTO requirements keeping in view the provisions on Agreement on Agriculture (AOA) ?
13. Portraying the profile of 'public debt' in India, highlight the related positive and negative aspects and suggest reforms to be undertaken in the coming years.