

## NCERT Based Test (Indian Economy)

Time Allowed: Two Hours

Maximum Marks: 65

Name:

Mobile No.:

E-mail address:

Roll No.:  Date:

Student's Signature:

### Question Paper Specific Instructions

Please read each of the following instructions carefully before attempting questions:

All the questions are to be attempted.

The number of marks carried by a question/part is indicated against it.

Attempt of a part/question shall be counted in sequential order. Unless struck off attempt of a part/question shall be counted even if attempted partly. Any page or portion of the page left blank in the Question-cum-Answer Booklet must be clearly struck off

Answers must be written in ENGLISH only.

Total Marks Obtained: \_\_\_\_\_ Remarks: \_\_\_\_\_

### Macro Analysis

- — Add few facts & more points
- — Conclusion is missing in most of the answers
- — Keep writing.

Instructions: Answer questions in NOT MORE than 200 words each. Content of the answer is more important than its length. All questions carry equal marks.

1. Give the different dimensions of poverty. Bring out the socio-economic and geographical profile with respect to trends of poverty in India. (12.5 Marks)

(Please don't write anything in this space)

The term 'Poverty' in general implies a condition where there is a lack of access to basic necessities that are required in order to sustain daily life. The definition of poverty varies from country to country.

The different dimensions of poverty are as follows: -

- Social Aspect - Discrimination between less rich, more ~~rich~~ rich, (Relative Poverty), etc.
- Economic Aspect - Discrimination on the basis of income generation, etc. et exploitation of workers by employers, etc.
- Cultural Aspect - Discrimination on the basis on cultural background - this mainly leads to rise in the 'hate' among the factions in the society.

## Socio-Economic profile of poverty in India

Before the advent of the Colonial rule in India, there were reports of 'Subsistent Agriculture' in the then 'Agrarian Indian economy'. This means that no surplus generation of food crops took place. While on the other hand, exports of handicrafts Indian Items generated decent amount of profit which led to negligible amount of poverty.

During the Colonial rule, this poverty rate grew exponentially due to the various policies used by British.

During 1950-1990, Poverty, especially existed but with the beginning of the 7th Five Year Plan by 'Garibi Hato' slogan, various schemes were brought by the government for eradication of poverty and it succeeded to a certain extent.

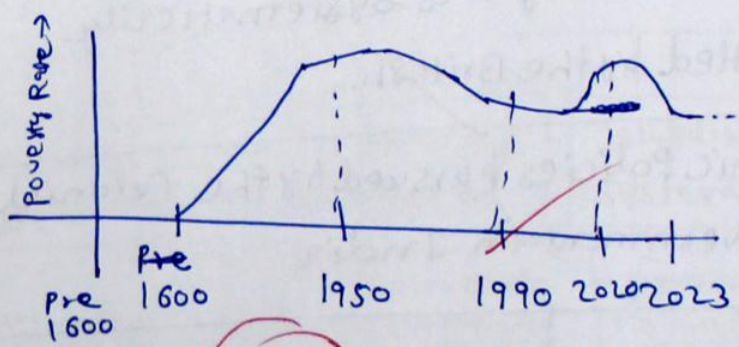
(Please do not write anything except the question number in this space)

(Please don't write anything in this space)

The poverty <sup>rate</sup> since the last two decades has shown fluctuation. Today, the three tiers of the government is working to

minimise the poverty in India by bringing various schemes, awareness campaigns, etc. <sup>human capital formation,</sup>

to eradicate poverty. Although some states are seen with minimum poverty rates, the other states are also competing among the others for the same.



17 A.D. →

Fig → Trends of poverty Rate in India

Geographical Profile of poverty in India

Like the colonial period, the poverty rate today differs from various states to states and depends on:-

- Cost of living
- Committed Government
- Labour force
- Human development and Human Capital Formation

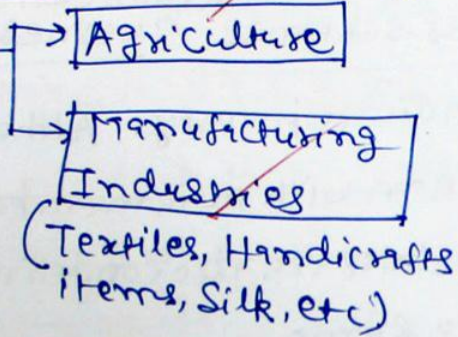
Conclusion ?

(Please do not write anything except the question number in this space)

2. Discuss the economic policies pursued by the colonial government in India which led to the underdevelopment and stagnation of the Indian economy at the time of independence. (12.5 Marks)

(Please don't write anything in this space)

Before the advent of British, India was an 'Agrarian Economy' which is mainly driven by two factors



This economy was systematically dismantled by the British.

Economic Policies pursued by the Colonial Government in India

High Tariffs on exports of Indian finished products

Land Revenue Policy

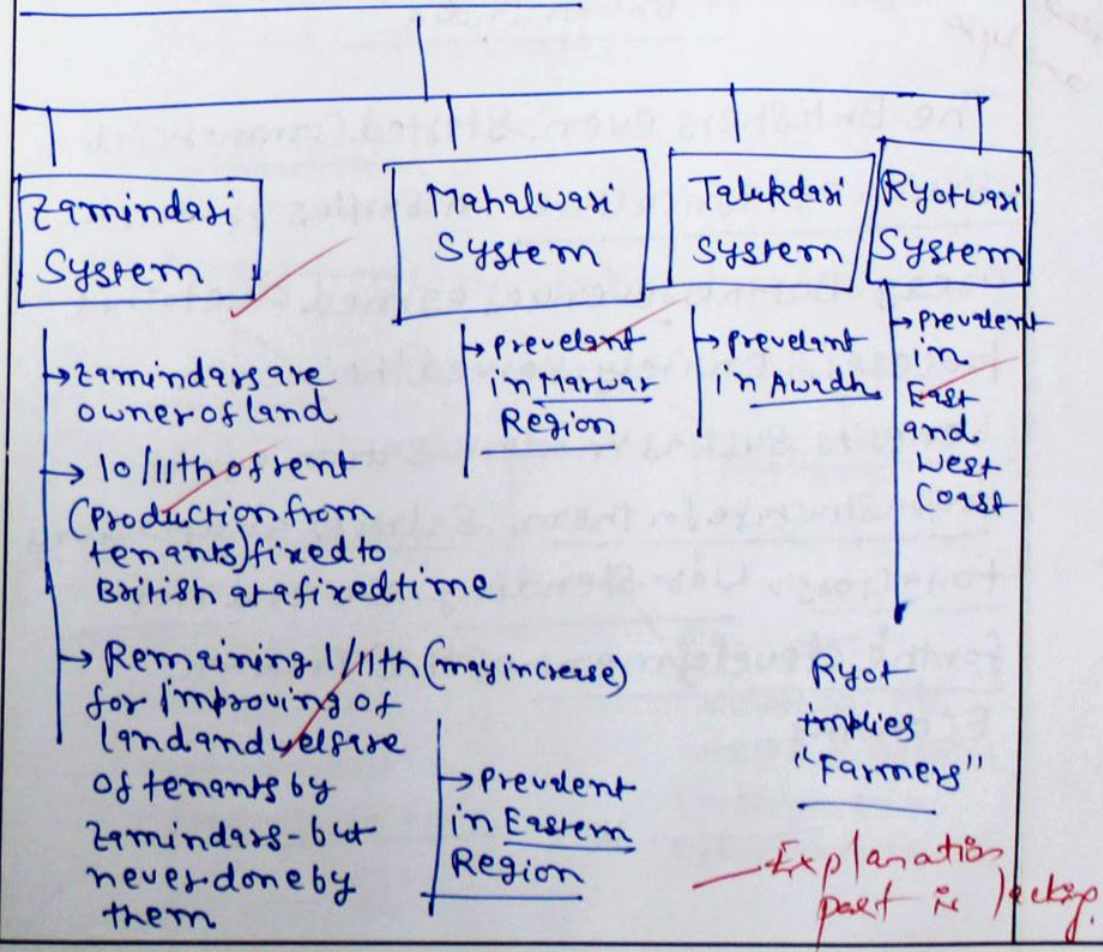
(Please do not write anything except the question number in this space)

(Please don't write anything in this space)

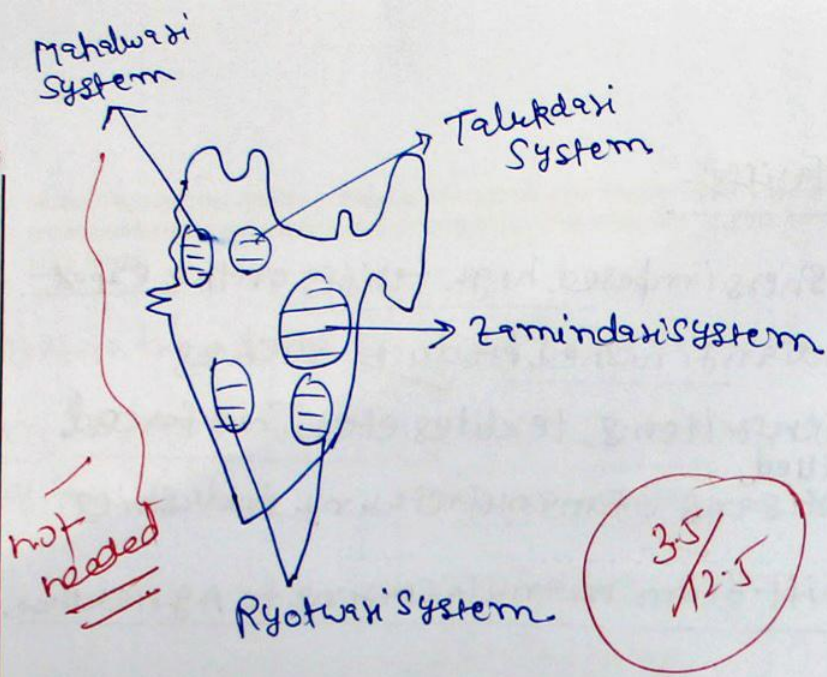
## High Tariffs:-

Britishers imposed high tariffs on the export of Indian finished products such as Handicraft items, textiles, etc. This forced the <sup>skilled</sup> existing of manufacturing industries to shift from manufacturing to Agriculture.

## Land Revenue Policies:-



(Please do not write anything except the question number in this space)



(Please don't write anything in this space)

- Need to analyse more

Fig: - Land Revenue Policies in British India

The Britishers even started Commercialisation of agriculture in surplus production areas. But the revenues earned due to this process is entirely served their own benefits, such as modernisation of infrastructure for them, salaries and pensions to factors, war spending, etc. and not for the development of the Indian Economy.

———— \* ————



(Please do not write anything except the question number in this space)

(Please don't write anything in this space)

3. What were the primary goals of Five Year Plan? Why there was much more emphasis given to industrialization in initial five years plans? (12.5 Marks)

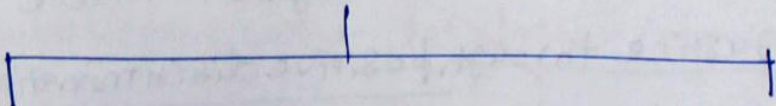
Primary Goals of Five Year Plan

1). Growth:-

- Five year plans laid emphasis on the Economic Growth
- This happens when the size of GDP of Country increases and the Contribution to world GDP increases.

2). Modernisation:-

Modernisation was based on two factors



Adoption of New Technologies

Eg → Modernisation of Land Records, Improvement in Infrastructure, etc.

Applying New Thoughts

Eg → Social Upliftment, Women Education, Employment opportunities, etc.

### 3). Self-Reliance:-

The first seven 'five year plans' was based on 'Self-Reliance'. This is because, India at that time gained independence from a foreign power and if ~~ex~~ imposts and investment by foreign country in ~~econom~~ economy happens, there was an assumption that a 'neo colonial rule' might take place.

### 4) Equity:-

The main objective of equity is to achieve Social Justice through positive discrimination. This is done in order to uplift ~~the~~ all the sections of the society especially the 'Antodaya' of the modern days - the poorest of the poor.

These goals were given importance on the basis of <sup>priority and</sup> availability of resources and not equally.

Please do not write anything except the question number in this space)

(Please don't write anything in this space)

During the initial years of the Five Year plans, emphasis is given on industrialisation.  
 The second five year plan (1956-1960) based on the 'Mahalanobis Strategy' was based on heavy industrialisation in India.  
 This is due to the lacking of industries in India owing to the ongoing Industrialisation in other countries like the Soviet Union, USA, etc. The Britishers never let to set up core industries like India and those industries which were existing was set up by independent industrialists were under-performing. Moreover - industries save time, multiples the output, less labour intensive, products compete with world market, etc.

more analysis needed

\*  
Conclusion ??

$$\frac{4.5}{12.5}$$

4. What is the need for the land reforms in Indian Agriculture? Discuss type of land reform implemented in the agriculture sector during. (12.5 Marks)

### Need for land reforms in Indian Agriculture

→ The economic land revenue policies of the British had led to the downfall of agriculture and exploitation of tillers of land.

→ Land as an important resource was existed as 'Right to property' in the Indian Constitution.

→ No records of modernisation of lands.

→ Land Segregation and unequally distributed.

→ Land productivity was on low scale.

### Types of Land reforms implemented

1) Removal of the intermediaries -

The intermediaries intermediaries of the lands - 'the zamindars' were removed and the tillers could give their land over

directly to the Indian Government.

## 2). Land Ceiling:-

The limit of owning a land by the landlords was fixed. This was done to bring the social equality. However, this was not successful as some zamindars filed a petition against removal of Land subject from the Right to Property. The delay in the process ushered them to make the segregated lands in the name of their relatives.

## 3). Fixation of Rent of Land:-

The land rent was fixed and tillers of the land were granted the 'ownership'. This too also ~~for~~ didn't succeed in many parts as the zamindars posed themselves as tillers of their own land.

4.5  
12.5

## 4). Cooperative Farming:-

This was encouraged as a part of development of social equality and development of agriculture.

Conclusion??

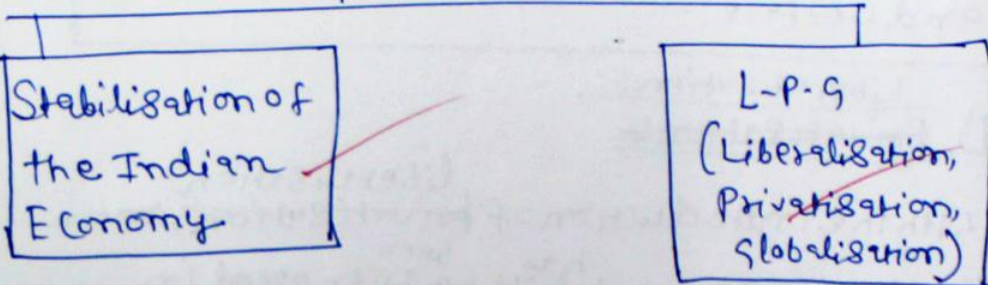
(Please don't write anything in this space)

(Please do not write anything except the question number in this space)

5. Why economic reform in India did not benefited the agricultural sector. Also discuss the economic reforms in the light of social justice and welfare (15 Marks)

(Please don't write anything in this space)

The Economic Reforms brought in 1991, as a result of Indian Balance of Payment Crisis was based on two objectives



The Industrial Policy Resolution (1971) has created a sound industrial base

Indian economy ~~to~~ needed to be stabilised by boosting exports — this was done by the optimisation of the existing Public Sector undertakings to global level

and the 'Rupee-Depreciation' (Rupee-<sup>devaluation</sup> ~~value~~)

on the other hand, the L-P-G talked about lifting of trade barriers, privatisation and integration of the Indian economy with

*Why did L-P-G reform didn't benefit agricultural sector.*

the world economy. But, there is not a <sup>single</sup> ~~single~~ <sup>agri-</sup> culture related reforms in these policies. Hence, the economic reforms did not benefitted the agricultural sector.

### Economic Reforms in light of Social Justice and Welfare:-

#### Liberalisation:-

##### 1. ~~Privatisation~~

- With the introduction of <sup>liberalisation,</sup> ~~privatisation~~, more Foreign investment <sup>has been</sup> ~~will be~~ witnessed in India which generated more employment, more Research and developments as there <sup>are</sup> ~~is~~ limited trade barriers, more ease of doing business.

— Add more points

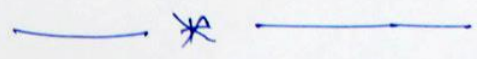
##### 2. Corporate Social Responsibility (CSR):-

Apart from doing business, the giant firms are also bound for a CSR in which the funds associated with it will directly be used in the social welfare. Eg → During Covid-19 outbreak, the donation

(Please do not write anything except the question number in this space)

by the corporates to the 'PM-CARES Fund' was considered as CSR.

This may also be regarded as a result of the Economic Reforms.



$$\frac{2.5}{12.5}$$

(Please don't write anything in this space)