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INDIAN ECONOMY - FULL PORTION

Section - A

விரிவாக விடையளிக்கும் வினாவகை

Detailed answer type question

ஒவ்வொன்றிற்கும் 150 சொற்களுக்கு மிகாமல் விடையளிக்கவும்

Answer not exceeding 150 words each

ஒவ்வொரு வினாவிற்கும் 10 மதிப்பெண்கள்

Each Question carries 10 marks

Answer any 10 questions out of 13 questions.

கொடுக்கப்பட்டுள்ள 13 வினாக்களில் எவையேனும் 10 வினாக்களுக்கு விடையளிக்கவும்

1. **What is the economic rationale behind minimum support price policy? How for is it effective for stabilising agricultural prices in India.**

குறைந்தபட்ச ஆதரவு விலைக் கொள்கைக்குப் பின்னால் உள்ள பொருளாதாரக் காரணம் என்ன? இந்தியாவில் விவசாய விலைகளை நிலைநிறுத்துவதற்கு இது எவ்வாறு பயனுள்ளதாக இருக்கும்?

2. **What are the factors responsible for instability of farm incomes in India? What corrective measures, in your opinion, can be adopted to this effect?**

இந்தியாவில் வேளாண் வருமானத்தின் உறுதியற்ற தன்மைக்கு என்ன காரணிகள் காரணம்? உங்கள் கருத்துப்படி, இதற்கு என்ன திருத்த நடவடிக்கைகள் எடுக்கப்படலாம்?

3. **Outline role of economic planning in the perspective of economic policies of privatisation, liberalisation, and globalisation.**

தனியார்மயமாக்கல், தாராளமயமாக்கல் மற்றும் உலகமயமாக்கல் ஆகியவற்றின் பொருளாதாரக் கொள்கைகளின் கண்ணோட்டத்தில் பொருளாதாரத் திட்டமிடலின் பங்கை கோட்டுக் காட்டுக.

4. **What are the objectives of Fiscal Responsibility and Budget Management Act, 2003? To what extent its implementation is expected to help in fiscal stabilization?**

நிதி பொறுப்பு மற்றும் பட்ஜெட் மேலாண்மை சட்டம், 2003 இன் நோக்கங்கள் என்ன? அதன் செயலாக்கம் எந்த அளவிற்கு நிதி நிலைப்படுத்தலுக்கு உதவும் என்று எதிர்பார்க்கப்படுகிறது?



5. Explain the Agreement on Agriculture (AOA) of WTO. How does it affect India's agricultural sector? Do you find any opportunities available to Indian agriculture under the WTO regime?

WTO இன் விவசாய ஒப்பந்தத்தை (AOA) விளக்கவும். இது இந்தியாவின் விவசாயத் துறையை எவ்வாறு பாதிக்கிறது? WTOன் கீழ் இந்திய விவசாயத்திற்கு ஏதேனும் வாய்ப்புகள் உள்ளதா?

6. "Economic growth is not always synonymous with improved standard of living and economic welfare." In this light of statement evaluate India's Human Development Index.

"பொருளாதார வளர்ச்சி எப்போதும் மேம்பட்ட வாழ்க்கைத் தரம் மற்றும் பொருளாதார நலனுடன் ஒத்ததாக இருக்காது." இந்த அறிக்கையின் வெளிச்சத்தில் இந்தியாவின் மனித வளர்ச்சிக் குறியீட்டை மதிப்பிடுக.

7. Inflation in India is a long-term problem caused primarily by structural problems, monetary infusion can only add fuel to the fire." Explain. What are these structural problems?

இந்தியாவில் பணவீக்கம் என்பது ஒரு நீண்ட கால பிரச்சனையாகும், இது முதன்மையாக கட்டமைப்பு பிரச்சனைகளால் ஏற்படுகிறது, பண அளிப்பை அதிகப்படுத்துவது எரிகிற தீயில் எண்ணெயை சேர்ப்பது போல். இந்த கட்டமைப்பு சிக்கல்கள் என்றால் என்ன என்பதை விளக்குக ?

8. Explain briefly how the change in sectoral composition of India's Gross Domestic Product (GDP) over a period of time has impacted agriculture-industry linkage.

ஒரு குறிப்பிட்ட காலத்தில் இந்தியாவின் மொத்த உள்நாட்டு உற்பத்தியின் (ஜிடிபி) துறைசார் அமைப்பில் ஏற்பட்ட மாற்றம் விவசாயம்-தொழில் இணைப்பில் எவ்வாறு பாதிப்பை ஏற்படுத்தியது என்பதை சுருக்கமாக விளக்குக.

9. "Disinvestment in PSUs in India is a compulsion and not a choice." Examine this statement.

"இந்தியாவில் பொதுத்துறை நிறுவனங்களின் பங்கு விலக்கல் கட்டாயம்- விருப்பமல்ல." இந்த அறிக்கையை ஆராய்க

10. Give a brief account of growth and structure of public expenditure in India.

இந்தியாவில் பொதுச் செலவினங்களின் வளர்ச்சி மற்றும் கட்டமைப்பு பற்றிய சுருக்கமான குறிப்பு தருக.

11. Comment on the NITI Aayog's Sustainable Development Goals (SDG) Index that the Tamilnadu has efficiently balanced economic growth with social exclusion.



NITI ஆயோக்கின் நிலையான வளர்ச்சி இலக்குகள் (SDG) குறியீட்டைப் பற்றி கருத்துத் தெரிவிக்கவும், தமிழ்நாடு சமூகப் புறக்கணிப்புடன் பொருளாதார வளர்ச்சியை திறமையாக சமநிலைப்படுத்தியுள்ளது. கருத்திடுக.

12. Explain briefly how India's relations with ASEAN and BRICS has affected its foreign trade?

ஆசியான் மற்றும் மற்றும் உடனான இந்தியாவின் உறவு அதன் வெளிநாட்டு வர்த்தகத்தை எவ்வாறு பாதித்தது என்பதை சுருக்கமாக விளக்குக?

13. Write a brief note on increasing regional imbalances and income inequalities in India during last two decades. What steps have been taken by the Government of India to overcome this?

கடந்த இரண்டு தசாப்தங்களில் இந்தியாவில் அதிகரித்து வரும் பிராந்திய ஏற்றத்தாழ்வுகள் மற்றும் வருமான ஏற்றத்தாழ்வுகள் பற்றிய சுருக்கமான குறிப்புகள். இதை போக்க இந்திய அரசு என்ன நடவடிக்கை எடுத்துள்ளது?

Section - B

விரிவாக விடையளிக்கும் வினாவகை

Detailed answer type question

ஒவ்வொன்றிற்கும் 250 சொற்களுக்கு மிகாமல் விடையளிக்கவும்

Answer not exceeding 250 words each

ஒவ்வொரு வினாவிற்கும் 15 மதிப்பெண்கள்

Each Question carries 15marks

Answer any 13 questions out of 12 questions.

கொடுக்கப்பட்டுள்ள 13 வினாக்களில் எவையேனும் 10 வினாக்களுக்கு விடையளிக்கவும்

14. "Despite the dismantling of Planning Commission, decentralized planning has continued in India." Do you agree?

"திட்டக்குழு அகற்றப்பட்ட போதிலும், இந்தியாவில் பரவலாக்கப்பட்ட திட்டமிடல் தொடர்ந்தது." என்பதை நீங்கள் ஒப்புக்கொள்கிறீர்களா?

15. Explain the channels through which money supply regulation works in India.

இந்தியாவில் பண விநியோக ஒழுங்குமுறை செயல்படும் முறைகளை விளக்குக.



16. India's growth of manufacturing has been far from satisfactory. What changes in the industrial policy would you suggest resurrecting industrial growth in India?

இந்தியாவின் உற்பத்தி வளர்ச்சி திருப்திகரமாக இல்லை. இந்தியாவில் தொழில்துறை வளர்ச்சியை மீண்டும் எழுப்ப தொழில் கொள்கையில் என்ன மாற்றங்களை பரிந்துரைக்கிறீர்கள்?

17. Critically examine the contributions of Tamilnadu to Indian Economy

இந்தியப் பொருளாதாரத்தில் தமிழகத்தின் பங்களிப்பை விமர்சன ரீதியாக ஆராய்க.

18. What is human capital? Discuss the role of human capital formation in the process of economic growth.

மனித மூலதனம் என்றால் என்ன? பொருளாதார வளர்ச்சியின் செயல்பாட்டில் மனித மூலதன உருவாக்கத்தின் பங்கைப் பற்றி விவாதிக்க

19. "Enhancing water productivity and irrigation efficiency can do miracle to the agricultural development in India." Examine the statement in the light of 'more crop per drop'.

"நீர் உற்பத்தி மற்றும் நீர்ப்பாசனத் திறனை அதிகரிப்பது இந்தியாவின் விவசாய வளர்ச்சிக்கு அதிசயம் செய்யும்." 'ஒரு துளிக்கு அதிக பயிர்' என்ற வெளிச்சத்தில் இக்கூற்றை ஆராய்க.

20. "India is a major service-provider to the world." Explain.

"இந்தியா உலகிற்கு ஒரு முக்கிய சேவை வழங்குநராக உள்ளது." விளக்குக

21. Explain the new initiatives taken by the Reserve Bank of India in recent times aimed at strengthening the credit and monetary policy.

கடன் மற்றும் பணக் கொள்கையை வலுப்படுத்தும் நோக்கில் இந்திய ரிசர்வ் வங்கி சமீப காலங்களில் எடுத்த புதிய முயற்சிகளை விளக்குக.

22. Discuss the problem of Non-Performing Assets (NPA) and explain the measures adopted by the Government for its solution. Are they sufficient?

செயல்படாத சொத்துகளின் (NPA) பிரச்சனை பற்றி விவாதித்து, அதன் தீர்வுக்காக அரசு எடுத்த நடவடிக்கைகளை விளக்கவும். அவை போதுமானதா?

23. What do you mean by Swadeshi approach? Discuss its role in Indian Trade Policy

சுதேசி அணுகுமுறை என்றால் என்ன? இந்திய வர்த்தகக் கொள்கையில் அதன் பங்கைப் பற்றி விவாதிக்க.



24. Narrate the importance of the National Rural Employment Guarantee Programme to reduce the incidence of poverty in the Indian Economy.

இந்தியப் பொருளாதாரத்தில் வறுமை நிகழ்வைக் குறைக்க தேசிய ஊரக வேலை உறுதித் திட்டத்தின் முக்கியத்துவத்தை எடுத்துரைக்க.

25. Explain the steps adopted by the Indian government to create an environment among youths so that they become job creators not a job seeker.

இளைஞர்கள் வேலை தேடுபவர்களாக அல்லாமல், வேலைவாய்ப்பை உருவாக்குபவர்களாக மாறுவதற்கான சூழலை உருவாக்க இந்திய அரசு மேற்கொண்டுள்ள நடவடிக்கைகளை விளக்குக.

26. Do you think the principle of Universal Basic Income can reduce the incidence of poverty and income inequality in the Indian Economy?

உலகளாவிய அடிப்படை வருமானம் என்ற கொள்கை இந்தியப் பொருளாதாரத்தில் வறுமை மற்றும் வருமான சமத்துவமின்மையைக் குறைக்கும் என்று நினைக்கிறீர்களா?

INDIAN ECONOMY - KEYS

Question	What is the economic rationale behind minimum support price policy? How for is it effective for stabilising agricultural prices in India. குறைந்தபட்ச ஆதரவு விலைக் கொள்கைக்குப் பின்னால் உள்ள பொருளாதாரக் காரணம் என்ன? இந்தியாவில் விவசாய விலைகளை நிலைநிறுத்துவதற்கு இது எவ்வாறு பயனுள்ளதாக இருக்கும்?
Introduction	The economic rationale behind minimum support price (MSP) policy is to provide a safety net for farmers by ensuring that they receive a minimum level of income security for their crops, even in times of market volatility or price fluctuations. MSP can also be used as an incentive to farmers to grow crops that are in short supply or that are important for food security.
Answer	Minimum Support Price <ul style="list-style-type: none">❖ The MSP is set by the government each year for a number of crops, including wheat, rice, pulses, and oilseeds.❖ The MSP is based on a calculation of the cost of production, plus a margin for profit.



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- ❖ The government procures crops from farmers at the MSP, through a network of state-run agencies.
- ❖ The procured crops are used for a variety of purposes, including food security programs, exports, and buffer stocks.

Rational Behind MSP

- ❖ It provides a safety net for farmers and helps to protect them from distress sales.
- ❖ It helps to stabilize agricultural prices, which can benefit both farmers and consumers.
- ❖ It can help to increase agricultural production.

The Way MSP stabilising agricultural prices

- ❖ First, it can help to prevent a sharp fall in prices in times of bumper production. When there is a bumper crop, the market price for the crop may fall below the cost of production. The MSP can help to prevent this by providing a floor price for the crop.
- ❖ Second, the MSP can help to stabilize prices by providing a buffer stock of crops. The government can purchase crops from farmers at the MSP and store them in a buffer stock. This can help to prevent a shortage of crops in times of low production.
- ❖ Third, the MSP can help to stabilize prices by providing a signal to farmers about the government's commitment to supporting agricultural prices. This can help to encourage farmers to invest in agriculture and to produce more crops.

Conclusion

The effectiveness of the MSP in stabilizing agricultural prices is likely to continue to be debated. However, the MSP remains an important policy tool for the government in its efforts to support farmers and stabilize agricultural prices in India.

Question

What are the factors responsible for instability of farm incomes in India? What corrective measures, in your opinion, can be adopted to this effect?



	<p>இந்தியாவில் வேளாண் வருமானத்தின் உறுதியற்ற தன்மைக்கு என்ன காரணிகள் காரணம்? உங்கள் கருத்துப்படி, இதற்கு என்ன திருத்த நடவடிக்கைகள் எடுக்கப்படலாம்?</p>
Introduction	<p>The significance of farm income in India cannot be overstated. Agriculture is the backbone of the Indian economy, accounting for around 15% of the country's GDP and providing employment to around 50% of the workforce</p>
Answer	<p>factors responsible for instability of farm incomes in India</p> <ol style="list-style-type: none">1. Dependence on Monsoons: Agriculture in India is heavily reliant on monsoon rains, which can be unpredictable and erratic. Droughts or excessive rainfall can lead to crop failures, affecting farm incomes.2. Lack of Irrigation Facilities: A significant portion of agricultural land in India still lacks proper irrigation facilities, leaving farmers at the mercy of monsoons and making their incomes vulnerable to weather fluctuations.3. Fragmented Land Holdings: The majority of Indian farmers have small and fragmented land holdings. This limits their ability to invest in modern agricultural practices and technologies, impacting productivity and income stability.4. Input Cost Variability: Fluctuations in the prices of fertilizers, seeds, pesticides, and other agricultural inputs can impact farmers' profitability, especially when the selling prices of crops remain stagnant.5. Market Imperfections: Lack of efficient agricultural markets, price volatility, and limited access to information often leave farmers with little bargaining power, leading to uncertain and often lower prices for their produce.6. Post-Harvest Losses: Inadequate infrastructure and storage facilities result in significant post-harvest losses, reducing farmers' income potential.7. Climate Change: Changing weather patterns due to climate change are increasing the frequency and severity of extreme weather events, negatively affecting crop yields and farmer incomes.



8. Debt Burden: Many farmers face high levels of debt due to borrowing for agricultural inputs and other needs. Debt burden can lead to distress selling of produce, pushing down prices and affecting income stability.

9. Inadequate Government Support: Despite various agricultural policies and subsidies, there are instances of inadequate implementation or targeting, which can hinder farmers' access to necessary support.

Way to improve the farm income

- ❖ **Investment in irrigation:** The government has invested heavily in irrigation infrastructure in recent years. This has helped to improve the availability of water for irrigation and has led to an increase in agricultural production.
- ❖ **Promoting the use of modern technology:** The government has also promoted the use of modern technology in agriculture. This has helped to improve agricultural productivity and reduce input costs.
- ❖ **Encouraging land consolidation:** The government has encouraged land consolidation, which is the process of combining small landholdings into larger ones. This has made it more efficient for farmers to operate and has allowed them to take advantage of economies of scale.
- ❖ **Supporting farmers' organizations:** The government has supported farmers' organizations, which can help farmers to negotiate better prices for their crops and to lobby the government for policies that benefit farmers.
- ❖ **Promoting crop diversification:** The government has promoted crop diversification, which is the practice of growing a variety of crops. This has helped to reduce the risk of crop failures and has improved farmers' incomes.
- ❖ **Increasing market access:** The government has increased market access for farmers by improving infrastructure and by providing marketing assistance. This has helped farmers to get a better price for their crops.



	<ul style="list-style-type: none">❖ Reforming the MSP policy: The government has reformed the MSP policy to make it more efficient and to ensure that farmers get a fair price for their crops.❖ Providing access to credit: The government has provided access to credit to farmers at reasonable rates of interest. This has helped farmers to invest in their farms and to improve their productivity.❖ Removing government distortions: The government has removed government distortions that are harming farmers. This includes policies such as export bans and import tariffs
Conclusion	The government's efforts to improve farm income in India are important for the country's economic growth and for the well-being of its rural population. The government needs to continue to take steps to address the challenges faced by farmers and to create an enabling environment for agriculture.

Question	Outline role of economic planning in the perspective of economic policies of privatisation, liberalisation, and globalisation. தனியார்மயமாக்கல், தாராளமயமாக்கல் மற்றும் உலகமயமாக்கல் ஆகியவற்றின் பொருளாதாரக் கொள்கைகளின் கண்ணோட்டத்தில் பொருளாதாரத் திட்டமிடலின் பங்கை கோடிட்டுக் காட்டுக.
Introduction	privatization, liberalization, and globalization in India is crucial in guiding and shaping the country's economic development and growth. While these three policies are aimed at fostering a market-driven economy and integrating India into the global economy, economic planning plays a significant role in ensuring that these policies are implemented effectively, efficiently, and in a manner that promotes inclusive growth and development.
Approaching the answer	Role of Economic planning in context of LPG <ul style="list-style-type: none">❖ In the 1990s, the government of India launched a series of economic reforms that included privatization, liberalization, and globalization. These reforms were designed to help India's economy grow faster and to create more jobs.



	<ul style="list-style-type: none">❖ As part of these reforms, the government of India privatized a number of state-owned enterprises, including banks, insurance companies, and manufacturing companies.❖ The government of India also reduced tariffs on imports and deregulated a number of industries.❖ The government of India also signed a number of free trade agreements with other countries.
Conclusion	These economic reforms have had a significant impact on the Indian economy. The Indian economy has grown faster since the reforms were launched, and there has been a significant increase in the number of jobs created. The government of India should continue to use economic planning to identify areas where privatization, liberalization, and globalization can be beneficial, and to manage the transition from a state-controlled economy to a market-based economy.

Question	<p>What are the objectives of Fiscal Responsibility and Budget Management Act, 2003? To what extent its implementation is expected to help in fiscal stabilization?</p> <p>நிதி பொறுப்பு மற்றும் பட்ஜெட் மேலாண்மை சட்டம், 2003 இன் நோக்கங்கள் என்ன? அதன் செயலாக்கம் எந்த அளவிற்கு நிதி நிலைப்படுத்தலுக்கு உதவும் என்று எதிர்பார்க்கப்படுகிறது?</p>
Introduction	The Fiscal Responsibility and Budget Management (FRBM) Act, 2003 was enacted by the Indian Parliament with the objective of establishing a framework for fiscal discipline and transparency in the management of public finances.
Approaching the answer	<p>Objectives of the Act</p> <ul style="list-style-type: none">❖ Reducing the fiscal deficit to 3% of GDP by 2008-09: The fiscal deficit is the difference between the government's revenue and expenditure. A high fiscal deficit can lead to a number of problems, such as inflation, debt accumulation, and a loss of confidence in the government.



- ❖ Reducing the revenue deficit to zero by 2008-09: The revenue deficit is the difference between the government's revenue and non-interest expenditure. A high revenue deficit can also lead to a number of problems, such as inflation and a loss of confidence in the government.
- ❖ Building up a buffer stock of at least 3 months of import cover: A buffer stock of foreign exchange is essential to ensure that the country has enough foreign currency to meet its import needs in the event of a crisis.
- ❖ Mandating a medium-term fiscal framework: The medium-term fiscal framework is a plan that sets out the government's fiscal objectives for the next three years. This helps to ensure that the government's fiscal policies are consistent with its long-term goals.

Performance of the FRBM Act in India:

- ❖ **Initial Success:** In the initial years after its implementation, the FRBM Act achieved some success in bringing down the fiscal deficit. The government made efforts to adhere to the prescribed fiscal deficit targets, and there was a reduction in the deficit from around 4.5% of GDP in 2003 to below 3.0% by 2007-08.
- ❖ **Economic Downturn Impact:** During the global financial crisis of 2008-2009, the Indian government had to implement fiscal expansionary measures to counter the economic downturn. As a result, the fiscal deficit increased beyond the stipulated targets, leading to a temporary setback in the Act's objectives.
- ❖ **Subsequent Challenges:** In the years following the global financial crisis, adhering strictly to the FRBM Act's fiscal deficit targets became challenging. Various factors, including rising subsidies, social welfare spending, and infrastructure needs, constrained the government's ability to maintain fiscal discipline.
- ❖ **Amendments:** The FRBM Act was amended several times to provide more flexibility in achieving fiscal targets. Some of these amendments included allowing a deviation from the deficit targets



	<p>in exceptional circumstances like national security concerns, natural calamities, and economic slowdowns.</p> <p>❖ Changing Targets: The government revised the fiscal deficit targets multiple times in response to economic conditions and priorities. While these revisions provided some flexibility, they also led to questions about the Act's credibility in achieving its original objectives.</p>
Conclusion	<p>The FRBM Act has been hailed as a landmark piece of legislation that has helped to improve fiscal discipline in India. The government has made significant progress in meeting the targets set out in the Act, and the fiscal deficit has been reduced significantly in recent years. However, there is still some way to go before India achieves its fiscal goals.</p>

Question	<p>Explain the Agreement on Agriculture (AOA) of WTO. How does it affect India's agricultural sector? Do you find any opportunities available to Indian agriculture under the WTO regime?</p> <p>WTO இன் விவசாய ஒப்பந்தத்தை (AOA) விளக்கவும். இது இந்தியாவின் விவசாயத் துறையை எவ்வாறு பாதிக்கிறது? WTOன் கீழ் இந்திய விவசாயத்திற்கு ஏதேனும் வாய்ப்புகள் உள்ளதா?</p>
Introduction	<p>The Agreement on Agriculture (AOA) is one of the most important agreements of the World Trade Organization (WTO). It was negotiated during the Uruguay Round of trade negotiations and came into force in 1995. The AOA aims to reduce trade barriers in agriculture, improve market access for agricultural products, and ensure that agricultural trade is conducted in a fair and equitable manner.</p>
Approaching the answer	<p>provisions that affect India's agricultural sector</p> <ol style="list-style-type: none">Domestic Support: The AOA categorizes domestic support measures into three boxes:<ol style="list-style-type: none">Green Box: Measures that do not distort trade or have minimal trade-distorting effects, such as subsidies for research, rural development, and environmental protection.



B) **Blue Box:** Production-limiting subsidies that are tied to a specific crop and do not increase with production levels.

C) **Amber Box:** Subsidies considered trade-distorting and subject to reduction commitments. These subsidies are subject to reduction over time.

2. **Market Access:** The AOA aims to improve market access for agricultural products by reducing and eliminating tariffs and non-tariff barriers on imports. Countries are required to provide greater market access for agricultural goods based on agreed-upon tariff reduction commitments.

3. **Export Subsidies:** The AOA seeks to eliminate export subsidies on agricultural products over time to reduce distortion in international trade and create a level playing field for all trading nations.

Opportunities for Indian Agriculture under the WTO Regime:

1. **Export Potential:** The WTO's emphasis on eliminating export subsidies presents an opportunity for Indian agricultural products to compete more effectively in international markets. Indian farmers and agribusinesses can leverage their competitive advantages to increase exports and access new markets.

2. **Diversification:** The WTO regime encourages countries to reduce trade-distorting subsidies and move towards more non-trade-distorting measures. This shift can open avenues for India to diversify its agricultural support programs towards areas such as research, infrastructure development, and rural sustainability.

3. **Foreign Investment:** With liberalization measures under the WTO, India's agricultural sector can attract foreign direct investment (FDI) and technology transfers, which can lead to improved agricultural practices and increased productivity.

4. **Market Access:** India's participation in the WTO can help in negotiating better market access for its agricultural products in



	other countries. By leveraging its large domestic market, India can seek reciprocal benefits in terms of improved export opportunities.
Conclusion	Overall, the AOA has had a mixed impact on India's agricultural sector. However, India can take advantage of the opportunities that the AOA provides by improving the quality and productivity of its agricultural products, investing in infrastructure, promoting research and development, enhancing market linkages, and strengthening institutions.

Question	<p>“Economic growth is not always synonymous with improved standard of living and economic welfare.” In this light of statement evaluate India’s Human Development Index.</p> <p>“பொருளாதார வளர்ச்சி எப்போதும் மேம்பட்ட வாழ்க்கைத் தரம் மற்றும் பொருளாதார நலனுடன் ஒத்ததாக இருக்காது.” இந்த அறிக்கையின் வெளிச்சத்தில் இந்தியாவின் மனித வளர்ச்சிக் குறியீட்டை மதிப்பிடுக.</p>
Introduction	Economic growth is not always synonymous with improved standard of living and economic welfare. This is because economic growth can be measured in terms of GDP, which is the total value of goods and services produced in a country. However, GDP does not take into account the distribution of income, the quality of life, or other factors that contribute to well-being.
Approaching the answer	<p>India's HDI has improved significantly in recent years. In 1990, India's HDI was 0.437. In 2020, India's HDI was 0.645. This means that India's standard of living has improved significantly over the past three decades.</p> <p>Evaluating India's Human Development Index:</p> <ol style="list-style-type: none">1. Progress in Human Development: Over the years, India has made significant progress in its HDI score, indicating improvements in life expectancy, education, and income levels. The country's HDI score has been steadily increasing, reflecting advancements in various human development indicators.



2. **Education:** India has made notable progress in increasing school enrollment and literacy rates. The government has implemented various initiatives to enhance access to education, leading to improvements in educational attainment levels among the population.
3. **Life Expectancy:** Life expectancy in India has also seen a steady increase, thanks to advancements in healthcare, sanitation, and nutrition. Better access to healthcare facilities and health programs have contributed to a decline in infant mortality rates and improvements in overall life expectancy.
4. **Income Inequality:** Despite the improvements in HDI, income inequality remains a significant challenge in India. The country's large population and diverse socio-economic conditions have led to uneven development outcomes, with a significant disparity between different states and regions.
5. **Poverty Alleviation:** India continues to face the issue of widespread poverty. While economic growth has lifted many people out of poverty, a significant portion of the population still lives below the poverty line. Efforts to further reduce poverty and improve living standards need to be intensified.
6. **Gender Disparities:** Gender inequality remains a concern in India, with disparities in access to education, healthcare, and economic opportunities between men and women. Addressing these disparities is crucial for achieving sustainable human development.
7. **Environmental Sustainability:** Rapid economic growth has put pressure on India's natural resources and environment. Ensuring sustainable development that considers environmental conservation is vital for long-term human welfare.

Economic growth is not always synonymous with HDI

India's Human Development Index (HDI) has improved significantly in recent years. In 2019, India's HDI was 0.640, which is considered to be medium human development. This means that India has made significant progress in improving the lives of its people. However, there



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	<p>is still a lot of work to be done. India's HDI is still below the average HDI for countries in the South Asia region. India also has a high level of income inequality, with the richest 10% of the population earning 33% of the country's income.</p>
Conclusion	<p>India needs to focus on reducing income inequality, poverty, unemployment, and access to basic necessities. If India is able to address these issues, economic growth will lead to an improvement in the standard of living of the people.</p>

Question	<p>Inflation in India is a long-term problem caused primarily by structural problems, monetary infusion can only add fuel to the fire.” Explain. What are these structural problems?</p> <p>இந்தியாவில் பணவீக்கம் என்பது ஒரு நீண்ட கால பிரச்சனையாகும், இது முதன்மையாக கட்டமைப்பு பிரச்சனைகளால் ஏற்படுகிறது, பண அளிப்பை அதிகப்படுத்துவது எரிகிற தீயில் எண்ணெயை சேர்ப்பது போல். இந்த கட்டமைப்பு சிக்கல்கள் என்றால் என்ன என்பதை விளக்குக ?</p>
Introduction	<p>Inflation in India has experienced fluctuations, with periods of high and moderate rates. Food inflation, supply-side factors, and COVID-19 impact have been significant contributors. RBI manages inflation through monetary policies.</p>
Approaching the answer	<p>structural problems in the Indian economy</p> <ul style="list-style-type: none">❖ High food prices: Food prices in India are a major contributor to inflation. This is due to a number of factors, including:<ul style="list-style-type: none">✓ Dependence on imports: India is a major importer of food, and this makes it vulnerable to global price shocks.✓ Poor agricultural productivity: India's agricultural productivity is low, which makes it difficult to meet domestic food demand.✓ Inefficient distribution networks: India's distribution networks are inefficient, which leads to high food prices.



	<ul style="list-style-type: none">❖ High fuel prices: Fuel prices are another major contributor to inflation in India. This is due to:<ul style="list-style-type: none">✓ Dependence on imports: India is a net importer of oil, and this makes it vulnerable to global price shocks.✓ Inefficient energy sector: India's energy sector is inefficient, which leads to high fuel prices.❖ Low savings: India's savings rate is low, which limits the amount of money that is available for investment. This can lead to inflation, as the government may need to print more money to finance its spending.❖ High government debt: India's government debt is high, which puts pressure on the government to borrow more money. This can lead to inflation, as the government may need to print more money to finance its borrowing.❖ Weak monetary policy: The Reserve Bank of India (RBI) has been criticized for its handling of monetary policy. The RBI has been accused of being too lenient in its monetary policy, which has led to inflation.
Conclusion	These structural problems have made it difficult for the RBI to control inflation. Monetary infusion, such as increasing money supply, can only add fuel to the fire. This is because monetary infusion can lead to higher demand, which can push up prices.

Question	<p>Explain briefly how the change in sectoral composition of India's Gross Domestic Product (GDP) over a period of time has impacted agriculture-industry linkage.</p> <p>ஒரு குறிப்பிட்ட காலத்தில் இந்தியாவின் மொத்த உள்நாட்டு உற்பத்தியின் (ஜிடிபி) துறைசார் அமைப்பில் ஏற்பட்ட மாற்றம் விவசாயம்-தொழில் இணைப்பில் எவ்வாறு பாதிப்பை ஏற்படுத்தியது என்பதை சுருக்கமாக விளக்குக.</p>
Introduction	Over the years, India's Gross Domestic Product (GDP) has witnessed a shift in its sectoral composition, with a gradual decline in the share of agriculture and a rise in the share of the industrial and services sectors.
Approaching the answer	implications for the agriculture-industry linkage:



- ❖ **Reduced demand for agricultural products:** The declining share of agriculture in GDP has led to a reduced demand for agricultural products. This has put downward pressure on agricultural prices and has made it difficult for farmers to make a profit.
- ❖ **Increased demand for industrial inputs:** The increasing share of industry in GDP has led to an increased demand for industrial inputs, such as raw materials and labor. This has created new opportunities for farmers to sell their produce to industries.
- ❖ **Increased competition from imports:** India has become increasingly open to imports in recent years. This has led to increased competition for domestic producers, including farmers.
- ❖ **Shift in focus from food grains to cash crops:** Farmers have shifted their focus from growing food grains to growing cash crops, such as fruits, vegetables, and flowers. This is because cash crops fetch a higher price than food grains.
- ❖ **Increased use of technology:** Farmers have adopted new technologies, such as high-yield varieties of seeds, fertilizers, and irrigation systems. This has helped to increase agricultural productivity.

policy measures that the government can take

- ❖ **Provide subsidies:** The government can provide subsidies to farmers to help them purchase inputs, such as fertilizers and seeds. This will help to reduce the cost of production for farmers and make it easier for them to make a profit.
- ❖ **Improve infrastructure:** The government can invest in improving infrastructure, such as roads, storage facilities, and irrigation systems. This will help to reduce the cost of transportation and storage for farmers and make it easier for them to get their produce to market.
- ❖ **Promote agricultural diversification:** The government can promote agricultural diversification by providing support to farmers who want to grow non-food crops, such as fruits, vegetables, and flowers. This will help to reduce the risk of crop failure and increase farmers' incomes.



	<ul style="list-style-type: none">❖ Promote sustainable agriculture: The government can promote sustainable agriculture by providing support to farmers who use water-efficient irrigation techniques and practices that reduce soil erosion. This will help to protect the environment and ensure the long-term sustainability of agriculture.
Conclusion	Overall, the changing sectoral composition of India's GDP has impacted the agriculture-industry linkage by altering employment patterns, market integration, demand for agri-inputs, and income diversification. policymakers must consider measures to enhance agricultural productivity and value addition to further strengthen the linkages between agriculture and industry for inclusive development

Question	<p>"Disinvestment in PSUs in India is a compulsion and not a choice." Examine this statement.</p> <p>"இந்தியாவில் பொதுத்துறை நிறுவனங்களின் பங்கு விலக்கல் கட்டாயம்-விருப்பமல்ல." இந்த அறிக்கையை ஆராய்க</p>
Introduction	Disinvestment in India is the process of selling off the government's stake in public sector enterprises (PSEs). The government has been disinvesting in PSEs since the early 1990s as part of its economic reforms program. The government has been able to raise a significant amount of revenue through disinvestment. In the financial year 2021-22, the government raised \ \$10.3 billion through disinvestment.
Approaching the answer	<p>Reasons why the government disinvests in PSEs.</p> <ul style="list-style-type: none">❖ High debt burden: The government of India is facing a high debt burden. In the financial year 2021-22, the government's debt-to-GDP ratio was 95.2%. Disinvestment can help the government reduce its debt burden by generating revenue from the sale of PSUs.❖ Low profitability: Many PSUs are not profitable. In the financial year 2021-22, the operating profit of all PSUs was \ \$15.6 billion. This is a significant decrease from the operating profit of \ \$22.4 billion in the financial year 2020-21. Disinvestment can help improve the profitability of PSUs by bringing in private sector management practices.



	<ul style="list-style-type: none">❖ Lack of competition: Some PSUs operate in sectors that are not competitive. This is because the government has given these PSUs a monopoly or a dominant position in the market. Disinvestment can help increase competition in these sectors by bringing in private sector players.❖ Political pressure: The government is facing political pressure to disinvest in PSUs. This is because many politicians believe that the government should not be in the business of running businesses. <p>benefits of disinvestment in India:</p> <ul style="list-style-type: none">• Increased revenue: Disinvestment can help the government raise revenue to fund its development programs.• Improved efficiency: Disinvestment can help improve the efficiency of PSEs by introducing private sector management practices.• Reduced government debt: Disinvestment can help reduce the government's debt burden by generating revenue from the sale of PSEs.• Increased competition: Disinvestment can help increase competition in the economy by bringing in private sector players into sectors that were previously dominated by PSEs.
Conclusion	while disinvestment in PSUs is often driven by fiscal constraints and resource mobilization needs, it is also a strategic decision aimed at promoting efficiency, unlocking value, and encouraging competition in the economy.

Question	<p>Give a brief account of growth and structure of public expenditure in India.</p> <p>இந்தியாவில் பொதுச் செலவினங்களின் வளர்ச்சி மற்றும் கட்டமைப்பு பற்றிய சுருக்கமான குறிப்பு தருக.</p>
Introduction	Public expenditure has been growing steadily in India over the past few decades. In the financial year 2021-22, public expenditure was 34.2% of GDP. This is a significant increase from the public expenditure of 20.3% of GDP in the financial year 1990-91.



**Approaching
the answer**

Reasons for the Growth of Public Expenditure

1. **Growth of Public Expenditure:** Over the years, public expenditure in India has increased significantly in line with the country's economic growth and developmental needs. The growth of public expenditure has been influenced by various factors, including population growth, infrastructure development, social welfare programs, defense, and public administration.
2. **Social Sector Expenditure:** One of the notable trends in public expenditure in India has been the increasing allocation towards social sectors such as education, healthcare, and poverty alleviation. The government has emphasized investments in these sectors to improve human capital and enhance the overall well-being of the population.
3. **Infrastructure Development:** Public expenditure has also been directed towards infrastructure development, including transportation, energy, and communication. These investments are crucial for fostering economic growth and facilitating trade and commerce.
4. **Defense Expenditure:** Defense spending is another significant component of public expenditure in India. The country allocates a considerable portion of its budget to defense to ensure national security and safeguard its borders.
5. **Subsidies and Transfers:** Public expenditure includes subsidies and direct transfers to support vulnerable sections of the society, promote agriculture, and ensure food security. Subsidies on essential commodities like food, fuel, and fertilizers have been a significant part of the expenditure.
6. **Public Administration:** Public expenditure is also incurred on public administration, which includes expenses related to the functioning of government institutions, salaries of public servants, and administrative expenses.



	<p>7. Debt Servicing: A portion of public expenditure is allocated for servicing the government's debt, which includes interest payments on loans taken by the government.</p> <p>8. Developmental Projects: Public expenditure is directed towards various developmental projects, such as infrastructure projects, urban development initiatives, and poverty alleviation schemes.</p> <p>9. Fiscal Consolidation Efforts: In recent years, there has been an emphasis on fiscal consolidation to reduce fiscal deficits and contain the growth of public expenditure.</p> <p>10. Reform Initiatives: The government has undertaken reform measures to rationalize public expenditure, improve expenditure efficiency, and enhance the effectiveness of public spending.</p>
Conclusion	The structure of public expenditure in India has changed significantly over the past few decades. In the financial year 1990-91, the largest component of public expenditure was on interest payments. However, in the financial year 2021-22, the largest component of public expenditure was on social welfare programs.

Question	<p>Comment on the NITI Aayog's Sustainable Development Goals (SDG) Index that the Tamilnadu has efficiently balanced economic growth with social exclusion.</p> <p>NITI ஆயோக்கின் நிலையான வளர்ச்சி இலக்குகள் (SDG) குறியீட்டைப் பற்றி கருத்துத் தெரிவிக்கவும், தமிழ்நாடு சமூகப் புறக்கணிப்புடன் பொருளாதார வளர்ச்சியை திறமையாக சமநிலைப்படுத்தியுள்ளது. கருத்திடுக.</p>
Introduction	The NITI Aayog's SDG Index is a comprehensive measure of the progress that states in India have made towards achieving the Sustainable Development Goals (SDGs). The SDG Index for Tamil Nadu shows that the state has made significant progress in achieving the SDGs. Tamil Nadu is ranked second among all Indian states in the SDG Index. The state has made particularly good progress in the areas of poverty reduction, education, and health.
Approaching the answer	Tamil Nadu's progress in achieving the SDGs:



- **Poverty reduction:** Tamil Nadu has made significant progress in reducing poverty. The state's poverty rate has declined from 27.2% in 2004-05 to 15.0% in 2015-16.
- **Education:** Tamil Nadu has achieved near-universal primary education. The state's literacy rate is 73.7%, which is higher than the national average of 72.2%.
- **Health:** Tamil Nadu has achieved significant improvements in health outcomes. The state's infant mortality rate has declined from 42 per 1,000 live births in 2004-05 to 20 per 1,000 live births in 2015-16.
- **Gender equality:** Tamil Nadu has made progress in achieving gender equality. The state's sex ratio at birth is 948 girls per 1,000 boys, which is higher than the national average of 943 girls per 1,000 boys.
- **Sustainable consumption and production:** Tamil Nadu has made progress in sustainable consumption and production. The state has reduced its energy consumption per unit of GDP by 15% since 2000.
- **Climate action:** Tamil Nadu has made progress in climate action. The state has committed to reducing its greenhouse gas emissions by 30% below 2005 levels by 2030.

specific examples of Tamil Nadu's efforts to balance economic growth with social inclusion:

- ❖ **The Mid-Day Meal Scheme:** The Mid-Day Meal Scheme provides free meals to school children in government and government-aided schools. This scheme has helped to improve school attendance and reduce malnutrition among children.
- ❖ **The National Rural Employment Guarantee Scheme:** The National Rural Employment Guarantee Scheme provides guaranteed employment to rural households for 100 days in a year. This scheme has helped to reduce poverty and unemployment in rural areas.



	<ul style="list-style-type: none">❖ The Public Distribution System: The Public Distribution System provides subsidized foodgrains to the poor. This scheme has helped to ensure that the poor have access to essential food items.❖ Investments in education: Tamil Nadu has made significant investments in education. The state has one of the highest literacy rates in India. Tamil Nadu has also made efforts to improve the quality of education by providing training to teachers and by introducing new curriculum.❖ Investments in healthcare: Tamil Nadu has made significant investments in healthcare. The state has one of the best healthcare systems in India. Tamil Nadu has also made efforts to improve the quality of healthcare by providing training to doctors and nurses and by building new hospitals.
Conclusion	Tamil Nadu's progress in achieving the SDGs is an example of how a state can achieve economic growth and social inclusion. The state's experience shows that it is possible to create a more sustainable and equitable world.

Question	<p>Explain briefly how India's relations with ASEAN and BRICS has affected its foreign trade?</p> <p>ஆசியான் மற்றும் மற்றும் உடனான இந்தியாவின் உறவு அதன் வெளிநாட்டு வர்த்தகத்தை எவ்வாறு பாதித்தது என்பதை சுருக்கமாக விளக்குக?</p>
Introduction	India's relations with ASEAN (Association of Southeast Asian Nations) and BRICS (Brazil, Russia, India, China, and South Africa) have had significant impacts on its foreign trade. Both groupings play crucial roles in India's trade and economic engagement with the rest of the world.
Approaching the answer	<p>1. India-ASEAN Trade Relations:</p> <ul style="list-style-type: none">❖ Enhanced Trade Ties: The India-ASEAN Free Trade Agreement (FTA) signed in 2009 has bolstered trade relations. It has led to reduced tariffs on goods, increased market access, and facilitated trade between India and the ASEAN member countries.❖ Rising Bilateral Trade: Bilateral trade between India and ASEAN has grown substantially over the years. ASEAN has



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become one of India's major trading partners, and India is among ASEAN's top trading partners.

- ❖ **Diversification of Trade:** The ASEAN region provides India with access to a diverse market for its goods and services. It also offers opportunities for Indian businesses to invest in the region and vice versa.
- ❖ **Export Opportunities:** India has gained export opportunities in sectors like pharmaceuticals, automotive, textiles, and chemicals, benefiting from ASEAN's growing consumer base and value chains.
- ❖ **Integration in Regional Supply Chains:** India's integration with ASEAN's regional supply chains has allowed for the efficient flow of goods, components, and services, boosting India's manufacturing and export capabilities.

2. India-BRICS Trade Relations:

- ❖ **Expanding Trade Volume:** Membership in BRICS has facilitated increased trade between India and other member countries. BRICS acts as a platform for fostering economic cooperation and expanding trade and investment opportunities among the member states.
- ❖ **Diverse Market Access:** India's trade with BRICS countries has provided access to diverse markets for Indian products and services, aiding export diversification.
- ❖ **Investment Flows:** BRICS countries have been a source of foreign direct investment (FDI) into India. This investment contributes to technology transfer, infrastructure development, and job creation.
- ❖ **Collaboration in Key Sectors:** BRICS members collaborate in strategic sectors like energy, technology, infrastructure, and manufacturing, enhancing India's trade potential and capabilities.
- ❖ **Advocacy for Global Trade Reforms:** BRICS collectively advocates for trade and economic reforms in international forums, strengthening India's position on global trade issues.

**Conclusion**

India's relations with ASEAN and BRICS have positively impacted its foreign trade. The engagements have resulted in increased trade volumes, export diversification, access to diverse markets, investment inflows, and integration into regional supply chains. These partnerships have been instrumental in boosting India's trade growth and economic ties with Southeast Asian and emerging market economies.

Question

Write a brief note on increasing regional imbalances and income inequalities in India during last two decades. What steps have been taken by the Government of India to overcome this?

கடந்த இரண்டு தசாப்தங்களில் இந்தியாவில் அதிகரித்து வரும் பிராந்திய ஏற்றத்தாழ்வுகள் மற்றும் வருமான ஏற்றத்தாழ்வுகள் பற்றிய சுருக்கமான குறிப்புகள். இதை போக்க இந்திய அரசு என்ன நடவடிக்கை எடுத்துள்ளது?

Introduction

Increasing regional imbalances and income inequalities have been significant challenges for India over the last two decades. While the country has experienced overall economic growth, the benefits have not been evenly distributed across regions and population segments, leading to widening income disparities.

Approaching the answer**Causes of Regional Imbalances and Income Inequalities:**

- 1. Urban-Rural Divide:** There is a significant gap between urban and rural areas in terms of income, employment opportunities, access to quality education, healthcare facilities, and infrastructure.
- 2. State-Level Disparities:** Different states and regions have experienced varying degrees of economic growth and development, leading to regional disparities in income levels and quality of life.
- 3. Industrial and Service Sector Concentration:** Certain regions have witnessed faster industrialization and service sector growth, while others have remained largely agrarian, resulting in unequal economic opportunities.
- 4. Education and Skill Gaps:** Unequal access to quality education and skill development programs has resulted in a disparity in the employability and income-earning potential of the workforce.
- 5. Agriculture and Allied Sectors:** The agricultural sector, which employs a significant portion of the population, faces challenges



	<p>such as low productivity, lack of modernization, and vulnerability to external factors, impacting rural incomes.</p> <p>Steps taken by the Government of India</p> <ul style="list-style-type: none">❖ Special Economic Zones (SEZs): The government has promoted SEZs to attract investments and boost industrialization in specific regions, aiming to create employment opportunities and enhance economic development.❖ Infrastructure Development: The government has prioritized infrastructure development, particularly in rural and underdeveloped areas, to improve connectivity, enhance access to markets, and promote balanced growth.❖ Social Welfare Programs: Various social welfare schemes, such as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), aim to provide employment opportunities and social security to rural households, reducing income disparities.❖ Skill Development Initiatives: Skill India and other skill development programs focus on equipping the workforce with relevant skills to improve employability and income potential.❖ Digital India: The Digital India initiative aims to bridge the digital divide and provide access to digital services, education, and information in remote and underprivileged areas.❖ Regional Development Plans: The government has formulated regional development plans and schemes to address the specific needs of backward and underdeveloped regions, encouraging balanced growth.❖ Financial Inclusion: Initiatives like Pradhan Mantri Jan Dhan Yojana (PMJDY) have aimed to bring the unbanked population into the formal banking system, promoting financial inclusion and access to credit.
<p>Conclusion</p>	<p>While these steps have contributed to some progress in addressing regional imbalances and income inequalities, the challenges remain significant. To achieve more inclusive and sustainable growth, continuous efforts are required to promote equitable development, enhance access to education and healthcare, and create more</p>



	employment opportunities, particularly in underdeveloped regions. Additionally, reforms in sectors like agriculture, manufacturing, and services are essential to foster broad-based and inclusive economic growth in India.
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Part – B

Question	Despite the dismantling of Planning Commission, decentralized planning has continued in India.” Do you agree? "திட்டக்குழு அகற்றப்பட்ட போதிலும், இந்தியாவில் பரவலாக்கப்பட்ட திட்டமிடல் தொடர்ந்தது." என்பதை நீங்கள் ஒப்புக்கொள்கிறீர்களா?
Introduction	The Planning Commission was a central planning body that was responsible for formulating India's Five-Year Plans. It was dissolved in 2014 and replaced by the National Institution for Transforming India (NITI Aayog). NITI Aayog is a think tank that provides strategic advice to the government on economic and social development. It does not have the same powers as the Planning Commission, but it does continue to promote decentralized planning.
Approaching the answer	NITI ayog role in Centralised planning <ul style="list-style-type: none">❖ Formulating National Development Strategies: NITI Aayog is responsible for formulating medium-term and long-term development strategies for the country. It prepares policy documents, vision documents, and action plans to guide India's growth and development.❖ Coordinating with States and Union Territories: NITI Aayog facilitates cooperative federalism by coordinating with state governments and union territories in formulating their respective development plans. It works as a platform for consultation and collaboration between the central and state governments.❖ Bottom-Up Approach: NITI Aayog adopts a bottom-up approach to planning, emphasizing the involvement of states and local governments in the planning process. It encourages decentralized planning and empowers states to design their development policies according to their unique needs.



	<ul style="list-style-type: none">❖ Monitoring and Evaluation: NITI Aayog is responsible for monitoring the progress of various government programs and policies. It assesses their effectiveness and impact on different socio-economic indicators, providing feedback to policymakers for course corrections if needed.❖ Innovation and Research: NITI Aayog promotes innovation and research in various sectors. It encourages the use of new technologies and modern approaches to address development challenges effectively.❖ Specialized Cells: NITI Aayog has specialized cells and task forces to focus on critical areas such as health, education, agriculture, water resources, infrastructure, and sustainable development. These cells study challenges in specific sectors and propose solutions and policy recommendations.❖ International Cooperation: NITI Aayog collaborates with international organizations, research institutions, and other countries to share best practices, exchange knowledge, and enhance cooperation in areas of mutual interest.❖ Policy Advocacy: NITI Aayog acts as a think tank, providing evidence-based policy advocacy and recommendations to the government on various socio-economic issues and challenges.
Conclusion	Overall, NITI Aayog plays a transformative role in India's planning and development landscape. It aims to foster inclusive and sustainable growth, empower states and local governments, promote innovation, and ensure effective coordination between different levels of governance. NITI Aayog's approach to planning reflects the principles of cooperative federalism, decentralization, and participatory governance, aligning with India's evolving development needs and aspirations.

Question	Explain the channels through which money supply regulation works in India. இந்தியாவில் பண விநியோக ஒழுங்குமுறை செயல்படும் முறைகளை விளக்குக.
Introduction	Money supply regulation in India is primarily managed by the Reserve Bank of India (RBI), the country's central bank. The RBI uses various



	channels to control the money supply in the economy, influencing inflation, interest rates, and overall economic stability.
Approaching the answer	<ul style="list-style-type: none">❖ Open Market Operations (OMOs): This is the most commonly used tool by the RBI to regulate money supply. In OMOs, the central bank buys or sells government securities (bonds) in the open market. When the RBI buys bonds, it injects money into the economy, increasing the money supply. Conversely, when it sells bonds, it absorbs money from the economy, reducing the money supply.❖ Reserve Requirements: The RBI mandates commercial banks to maintain a certain percentage of their deposits as reserves with the central bank. These reserves are in the form of cash or deposits with the RBI. By adjusting the reserve requirements (Cash Reserve Ratio or CRR), the RBI can influence the amount of money banks can lend or invest. A higher CRR reduces the lendable amount, thus decreasing the money supply, and vice versa.❖ Statutory Liquidity Ratio (SLR): The SLR is the percentage of net demand and time liabilities (deposits) that banks must maintain in the form of specified liquid assets, such as government securities. By changing the SLR, the RBI can impact the liquidity position of banks and indirectly control the money supply.❖ Bank Rate: The bank rate is the rate at which the RBI lends money to commercial banks. Changes in the bank rate directly impact the cost of borrowing for banks. A higher bank rate increases the cost of borrowing, leading to reduced credit availability and, thus, decreased money supply.❖ Repo and Reverse Repo Rate: The repo rate is the rate at which the RBI provides short-term loans to banks against government securities as collateral. The reverse repo rate is the rate at which the RBI borrows money from banks. By adjusting these rates, the RBI controls short-term liquidity in the banking system, impacting money supply.



	<ul style="list-style-type: none">❖ Policy Rate: The RBI sets the policy rate, which is the benchmark interest rate for the economy. Changes in the policy rate influence other interest rates in the economy, affecting borrowing and spending decisions and, consequently, money supply.❖ Moral Suasion: Apart from the above quantitative measures, the RBI also uses moral suasion, or persuasive communication, to guide banks in adopting certain credit and lending practices. This can influence credit expansion and, in turn, money supply.
Conclusion	The RBI's regulation of the money supply is an important tool for managing the Indian economy. By controlling the money supply, the RBI can influence the level of inflation, the rate of economic growth, and the exchange rate. The RBI's decisions on the use of these channels are made in consultation with the government of India.

Question	<p>India's growth of manufacturing has been far from satisfactory. What changes in the industrial policy would you suggest resurrecting industrial growth in India?</p> <p>இந்தியாவின் உற்பத்தி வளர்ச்சி திருப்திகரமாக இல்லை. இந்தியாவில் தொழில்துறை வளர்ச்சியை மீண்டும் எழுப்ப தொழில் கொள்கையில் என்ன மாற்றங்களை பரிந்துரைக்கிறீர்கள்?</p>
Introduction	India's manufacturing growth has been far from satisfactory in recent years. The growth rate of manufacturing has declined from 10.4% in 2015-16 to 4.1% in 2021-22. The manufacturing sector is a key driver of economic growth. It contributes to employment generation, exports, and technological innovation.
Approaching the answer	<p>Steps need to be taken</p> <ul style="list-style-type: none">❖ Ease of Doing Business: Streamline bureaucratic procedures, reduce regulatory burdens, and simplify compliance requirements for businesses. Improving the ease of doing business will attract more domestic and foreign investments and foster entrepreneurship.❖ Infrastructure Development: Invest in improving physical infrastructure, such as roads, ports, airports, and power supply, to reduce logistics costs and enhance the overall business environment.



- ❖ **Access to Finance:** Ensure easy access to finance for small and medium-sized enterprises (SMEs) and startups. Implement targeted credit schemes, promote venture capital funding, and enhance financial inclusion to support emerging industries.
- ❖ **Skill Development:** Focus on skill development programs that align with industry needs to create a skilled and adaptable workforce. A skilled workforce will attract more investments and enhance industrial productivity.
- ❖ **Research and Development (R&D) Support:** Encourage and incentivize private sector participation in R&D activities. Provide tax benefits and grants for R&D investments to promote innovation and technology adoption in industries.
- ❖ **Special Economic Zones (SEZs):** Continue supporting SEZs to attract investments and boost exports. Provide necessary infrastructure and regulatory support to make SEZs attractive investment destinations.
- ❖ **Industry-Academia Collaboration:** Strengthen partnerships between industries and academic institutions to facilitate knowledge exchange and industry-relevant research.
- ❖ **Technology Upgradation:** Encourage industries to adopt modern technology and automation to improve productivity and competitiveness.
- ❖ **Export Promotion:** Implement targeted export promotion policies to boost the global competitiveness of Indian industries. Focus on export-oriented manufacturing and explore new markets.
- ❖ **Sustainable Manufacturing:** Encourage industries to adopt sustainable practices and promote eco-friendly manufacturing. Support green initiatives through incentives and regulatory measures.
- ❖ **Cluster Development:** Promote the development of industrial clusters to foster synergy and collaboration among related industries. Clusters can improve the availability of inputs, technology, and skilled labor.
- ❖ **Intellectual Property Rights (IPR) Protection:** Strengthen IPR protection to foster innovation and encourage domestic and



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	<p>foreign investments in research and technology-intensive industries.</p> <ul style="list-style-type: none">❖ Support for MSMEs: Provide targeted support to Micro, Small, and Medium Enterprises (MSMEs) to enhance their competitiveness. Simplify compliance processes and facilitate access to credit and technology for MSMEs.❖ Inclusive Growth: Ensure that industrial growth is inclusive, benefiting all sections of society. Promote policies that generate employment and improve the standard of living in rural and backward areas.
Conclusion	<p>These changes in the industrial policy, along with consistent implementation and monitoring, can help revive industrial growth in India. The government needs to foster a business-friendly environment that encourages investment, innovation, and entrepreneurship, thereby positioning Indian industries for sustained and inclusive growth.</p>

Question	<p>Critically examine the contributions of Tamilnadu to Indian Economy இந்தியப் பொருளாதாரத்தில் தமிழகத்தின் பங்களிப்பை விமர்சன ரீதியாக ஆராய்க.</p>
Introduction	<p>Tamil Nadu is one of the most important economic states in India. It accounts for 12% of India's GDP and is the second most populous state in India. Tamil Nadu is a major agricultural state and accounts for 15% of India's total food production. Tamil Nadu is also a major industrial state and accounts for 13% of India's total industrial production. Tamil Nadu is also a major tourist destination and accounts for 10% of India's total tourism revenue.</p>
Approaching the answer	<p>contribution to the Indian economy</p> <ul style="list-style-type: none">❖ Agriculture: Tamil Nadu is a major agricultural state and accounts for 15% of India's total food production. The state produces a wide variety of crops, including rice, sugarcane, cotton, and fruits. Tamil Nadu is also a major producer of milk and poultry.❖ Industry: Tamil Nadu is also a major industrial state and accounts for 13% of India's total industrial production. The state



has a strong manufacturing base, with a focus on textiles, automobiles, electronics, and chemicals. Tamil Nadu is also a major exporter of goods, with exports worth over \$100 billion in 2021.

- ❖ **Tourism:** Tamil Nadu is also a major tourist state and accounts for 10% of India's total tourism revenue. The state has a rich cultural heritage and a number of popular tourist destinations, such as the temples of Madurai and Thanjavur, the beaches of Chennai and Kovalam, and the hill stations of Kodaikanal and Ooty.

Tamil Nadu's contribution to the Indian economy is significant and growing. The state has a strong economic base and is well-positioned to continue to contribute to India's economic growth.

specific examples of Tamil Nadu's contribution to the Indian economy:

- ❖ Tamil Nadu is the leading producer of cotton in India. In 2021, the state produced a record 4.5 million bales of cotton. This accounts for about 40% of India's total cotton production.
- ❖ Tamil Nadu is also a leading producer of automobiles in India. In 2021, the state produced over 3 million vehicles. This accounts for about 25% of India's total vehicle production.
- ❖ Tamil Nadu is also a leading producer of electronics in India. In 2021, the state produced over \$10 billion worth of electronics. This accounts for about 20% of India's total electronics production.
- ❖ Tamil Nadu is also a leading exporter of goods in India. In 2021, the state exported goods worth over \$100 billion. This accounts for about 10% of India's total exports.
- ❖ **Textile and Apparel Industry:** Tamil Nadu is known for its vibrant textile and apparel industry. The state has a large number of textile mills and garment manufacturing units, making it a significant contributor to India's textile exports.
- ❖ **Automobile Industry:** The state is a major player in the automobile sector, hosting several automotive manufacturing plants of



	<p>leading companies. It is a significant contributor to India's automobile production and exports.</p> <ul style="list-style-type: none">❖ Information Technology (IT) and Information Technology Enabled Services (ITES): Tamil Nadu is home to a thriving IT-ITES industry, with Chennai being one of India's prominent IT hubs. The IT sector has contributed to job creation and brought foreign exchange earnings through IT exports.❖ Agriculture and Horticulture: Tamil Nadu has a diverse agricultural base and is a major producer of crops like rice, sugarcane, cotton, and horticulture products. Agriculture contributes significantly to the state's economy and sustains a large population.❖ Tourism: The state's rich cultural heritage, historical sites, and natural beauty make it a popular tourist destination. The tourism industry contributes to employment generation and foreign exchange earnings.❖ Education and Human Capital: Tamil Nadu has a strong education system with several prestigious educational institutions. The state's emphasis on education and skill development has contributed to a skilled workforce, boosting economic productivity.❖ Port and Logistics: Tamil Nadu has well-developed ports and logistics infrastructure, facilitating trade and exports. Ports like Chennai and Tuticorin play a crucial role in India's international trade.❖ Social Welfare Initiatives: Tamil Nadu has been proactive in implementing social welfare schemes, including free healthcare, education, and subsidized food programs, improving the standard of living and human development indicators.
Conclusion	Tamil Nadu's contributions to the Indian economy have been substantial, particularly in manufacturing, textiles, automobiles, IT-ITES, and agriculture. The state's proactive approach towards education, social welfare, and industrial development has driven its economic progress.



Question	<p>What is human capital? Discuss the role of human capital formation in the process of economic growth.</p> <p>மனித மூலதனம் என்றால் என்ன? பொருளாதார வளர்ச்சியின் செயல்பாட்டில் மனித மூலதன உருவாக்கத்தின் பங்கைப் பற்றி விவாதிக்க</p>
Introduction	<p>Human capital refers to the stock of knowledge, skills, abilities, and expertise possessed by individuals in a society. It encompasses the collective knowledge, education, training, health, and other human capabilities that contribute to economic productivity and overall development.</p>
Approaching the answer	<p>role of human capital formation in the process of economic growth</p> <ul style="list-style-type: none">❖ Demographic Advantage: India is home to a young and growing population, making it one of the world's largest labor forces. This demographic advantage presents an opportunity for India to leverage its human capital for economic growth and productivity.❖ Workforce Skills: India has a large pool of skilled and educated individuals across various sectors. The country has a strong presence in the fields of information technology, software development, engineering, medicine, and various other professional services.❖ Education System: India has a vast education system with numerous schools, colleges, and universities. The country has made significant progress in improving access to education, with increasing enrollment rates in primary and secondary education.❖ Technical and Vocational Training: India has been making efforts to enhance technical and vocational training to bridge the skills gap in the workforce. Initiatives like Skill India aim to provide training and certification to individuals in various trades and industries.❖ Research and Innovation: India has a growing focus on research and innovation, with several research institutions and technology hubs. Indian scientists and researchers have made notable contributions to various fields, including space exploration, pharmaceuticals, and renewable energy.



	<ul style="list-style-type: none">❖ Healthcare and Well-being: Improvements in healthcare have contributed to better health outcomes and increased life expectancy in India. A healthier population can contribute more effectively to the workforce and overall economic productivity.❖ Challenges: Despite its vast human capital, India faces challenges related to access to quality education, skill gaps, unemployment, and underemployment. There is a need to address disparities in education and skill development opportunities to fully harness the potential of the workforce.❖ Gender Inclusion: Gender inclusion and empowerment remain critical aspects of India's human capital. Ensuring equal access to education and employment opportunities for women can significantly enhance India's economic growth and social development.❖ Employment and Entrepreneurship: India's human capital can drive employment generation and entrepreneurship. Fostering a conducive environment for job creation and supporting startups can unleash the entrepreneurial potential of the workforce.❖ Sustainable Development: Nurturing human capital is crucial for achieving sustainable development in India. Investments in health, education, and skill development can lead to inclusive growth and improve the standard of living for all segments of society.
Conclusion	India's human capital presents both opportunities and challenges for the country's economic growth and development. By focusing on improving access to quality education, skill development, and healthcare, India can unlock the full potential of its human capital and build a prosperous and inclusive future. Strategic investments in human capital development will be critical in propelling India towards becoming a global economic powerhouse.

Question	"Enhancing water productivity and irrigation efficiency can do miracle to the agricultural development in India." Examine the statement in the light of 'more crop per drop'.
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	<p>"நீர் உற்பத்தி மற்றும் நீர்ப்பாசனத் திறனை அதிகரிப்பது இந்தியாவின் விவசாய வளர்ச்சிக்கு அதிசயம் செய்யும்." 'ஒரு துளிக்கு அதிக பயிர்' என்ற வெளிச்சத்தில் இக்கூற்றை ஆராய்க.</p>
Introduction	<p>"Enhancing water productivity and irrigation efficiency can do miracles for agricultural development in India" holds significant truth, especially in the context of the 'more crop per drop' approach. India faces several challenges in the agricultural sector, including water scarcity, depleting groundwater levels, and the need to increase food production to meet the growing population's demands. Improving water productivity and irrigation efficiency can play a transformative role in sustainable agricultural development.</p>
Approaching the answer	<ul style="list-style-type: none">❖ Water Scarcity: India is facing increasing water scarcity due to a combination of factors, including over-extraction of groundwater, erratic rainfall patterns, and climate change. Enhancing water productivity can help maximize crop yields while using limited water resources more efficiently.❖ Sustainable Water Management: Efficient water use is crucial for sustainable agriculture. By adopting modern irrigation techniques and water management practices, such as drip irrigation, sprinklers, and precision agriculture, farmers can optimize water usage and reduce wastage.❖ Increased Crop Yield: With 'more crop per drop,' farmers can achieve higher crop yields even with limited water availability. Water-efficient practices help crops access the right amount of water at the right time, leading to better growth and productivity.❖ Drought Resilience: Water productivity measures can enhance the resilience of agriculture to droughts and water shortages. Farmers can better cope with water stress and manage their crops during dry spells.❖ Energy Efficiency: Traditional flood irrigation methods are water-intensive and energy-consuming. By shifting to more efficient irrigation techniques, farmers can reduce energy consumption and associated costs.



	<ul style="list-style-type: none">❖ Environmental Conservation: Improved water productivity and irrigation efficiency contribute to environmental conservation. Optimal water use reduces the negative impact on water bodies, preserves biodiversity, and prevents waterlogging and soil salinization.❖ Income Enhancement: Higher crop yields and increased efficiency can lead to better incomes for farmers. This, in turn, can uplift rural economies and improve the overall standard of living in agricultural communities.❖ Food Security: Increasing water productivity can enhance food production, which is critical for ensuring food security for India's growing population.❖ Climate Change Adaptation: As climate change brings more variability in weather patterns, water-efficient practices can help farmers adapt to these changes and reduce agricultural risks.
Conclusion	The Indian government has been promoting water-efficient practices through schemes like Pradhan Mantri Krishi Sinchai Yojana (PMKSY) and National Water Mission. These initiatives encourage the adoption of water-saving technologies and sustainable water management.

Question	"India is a major service-provider to the world." Explain. "இந்தியா உலகிற்கு ஒரு முக்கிய சேவை வழங்குநராக உள்ளது." விளக்குக
Introduction	India is a major service-provider to the world. India's service sector has been growing rapidly in recent years, and it now accounts for about 55% of India's GDP. India's service sector is diverse, and it includes a wide range of activities.
Approaching the answer	<ul style="list-style-type: none">❖ Information technology (IT) and Business Process Outsourcing (BPO): India is a global leader in IT and BPO services. Indian IT companies provide a wide range of services, such as software development, data entry, and customer support. Indian BPO companies provide a range of services, such as call center operations, customer service, and back-office support.



- ❖ **Healthcare:** India is a major provider of medical tourism services. Indian hospitals and clinics offer high-quality medical care at a fraction of the cost of care in developed countries.
- ❖ **Education:** India is a major provider of educational services. Indian universities and colleges offer a wide range of courses, and they attract students from all over the world.
- ❖ **Tourism:** India is a popular tourist destination. India offers a wide range of tourist attractions, such as historical sites, natural wonders, and cultural attractions.
- ❖ **Logistics:** India is a major logistics hub. India has a well-developed transportation network, and it offers a wide range of logistics services.
- ❖ **Financial services:** India is a major provider of financial services. Indian banks, insurance companies, and other financial institutions offer a wide range of financial products and services.

specific examples of how India is a major service-provider to the world:

- In the IT and BPO sector, Indian companies provide a wide range of services to companies all over the world. For example, Indian companies provide software development, data entry, and customer support services to companies in the United States, Europe, and Asia.
- In the healthcare sector, Indian hospitals and clinics offer high-quality medical care at a fraction of the cost of care in developed countries. For example, Indian hospitals and clinics provide medical care to patients from the Middle East, Southeast Asia, and Africa.
- In the education sector, Indian universities and colleges offer a wide range of courses, and they attract students from all over the world. For example, Indian universities and colleges offer courses in engineering, medicine, business, and the arts.
- In the tourism sector, India is a popular tourist destination. India offers a wide range of tourist attractions, such as historical sites, natural wonders, and cultural attractions. For example, millions



	<p>of tourists visit India every year to see the Taj Mahal, the Golden Temple, and the backwaters of Kerala.</p> <ul style="list-style-type: none">• In the logistics sector, India is a major logistics hub. India has a well-developed transportation network, and it offers a wide range of logistics services. For example, Indian logistics companies provide transportation, warehousing, and distribution services.• In the financial services sector, Indian banks, insurance companies, and other financial institutions offer a wide range of financial products and services. For example, Indian banks offer savings accounts, loans, and credit cards.
Conclusion	<p>The success of India as a global service provider has had a significant impact on the country's economy. It has generated employment, contributed to foreign exchange earnings, and played a vital role in positioning India as a knowledge-driven economy.</p>

Question	<p>Explain the new initiatives taken by the Reserve Bank of India in recent times aimed at strengthening the credit and monetary policy.</p> <p>கடன் மற்றும் பணக் கொள்கையை வலுப்படுத்தும் நோக்கில் இந்திய ரிசர்வ் வங்கி சமீப காலங்களில் எடுத்த புதிய முயற்சிகளை விளக்குக.</p>
Introduction	<p>The Reserve Bank of India (RBI) is the central bank of India. It is responsible for monetary policy, currency, and credit regulation in India.</p>
Approaching the answer	<p>RBI initiative on Credit and Monetary policy</p> <ul style="list-style-type: none">❖ Liquidity Measures during the COVID-19 Pandemic: The RBI introduced various liquidity measures to address the economic impact of the COVID-19 pandemic. These included repo rate cuts, reduction in the cash reserve ratio (CRR), and the introduction of targeted long-term repo operations (TLTROs) to provide ample liquidity to the banking system.❖ Digital Payments and Innovation: The RBI continued to promote digital payments and innovation in the financial sector. Initiatives such as Unified Payments Interface (UPI) and the creation of the RBI's Innovation Hub aimed to foster fintech innovation and enhance digital financial services.



	<ul style="list-style-type: none">❖ Development of Retail Direct Gilt Account: The RBI announced the development of a retail direct gilt account to enable retail investors to directly invest in government securities. This initiative aimed to deepen the government securities market and broaden investor participation.❖ Introduction of Retail Inflation Targeting: The RBI adopted a flexible inflation targeting framework, setting a retail inflation target of 4% with a tolerance band of +/- 2%. This approach aimed to anchor inflation expectations and promote price stability.
Conclusion	The RBI regularly reviews and introduces new measures based on economic conditions and policy objectives.

Question	<p>Discuss the problem of Non-Performing Assets (NPA) and explain the measures adopted by the Government for its solution. Are they sufficient?</p> <p>செயல்படாத சொத்துகளின் (NPA) பிரச்சனை பற்றி விவாதித்து, அதன் தீர்வுக்காக அரசு எடுத்த நடவடிக்கைகளை விளக்கவும். அவை போதுமானதா?</p>
Introduction	Non-Performing Assets (NPAs), also known as bad loans, are loans on which borrowers have failed to make interest or principal repayments for a specified period. The problem of NPAs is a significant concern for the Indian banking sector as it affects the financial health of banks, leads to reduced credit availability, and hampers economic growth
Approaching the answer	<p>Measures Adopted by the Government to Address the NPA Problem:</p> <ul style="list-style-type: none">❖ Insolvency and Bankruptcy Code (IBC): The Government introduced the IBC in 2016 to expedite the resolution of stressed assets and improve recovery rates. The IBC provides a time-bound framework for the resolution of insolvency cases and encourages creditor-driven insolvency proceedings.❖ Asset Quality Review (AQR): The RBI conducted an AQR in 2015 to identify and recognize stressed assets in the banking system accurately. This exercise helped in identifying hidden NPAs and provisioning for potential losses.



- ❖ **Recapitalization of Banks:** The Government initiated a recapitalization plan to infuse capital into public sector banks, which were burdened with NPAs. This move aimed to improve the capital adequacy of banks and enable them to lend more freely.
- ❖ **Prompt Corrective Action (PCA):** The RBI implemented PCA norms to monitor banks' financial health and impose corrective measures on those facing financial distress. Under PCA, banks with weak financial metrics are subject to restrictions on lending and expansion.
- ❖ **Resolution Frameworks:** The RBI introduced resolution frameworks, such as the Prudential Framework for Resolution of Stressed Assets, to enable timely recognition and resolution of stressed loans.
- ❖ **Stress Asset Fund (SAF):** The Government announced the SAF to help address the stress in the real estate sector and provide relief to developers and homebuyers.
- ❖ **NPA Recovery:** The Government took various measures to improve NPA recovery, including the setting up of specialized agencies like Asset Reconstruction Companies (ARCs) to acquire and manage stressed assets and facilitate recovery.
- ❖ **Strengthening Corporate Governance:** The Government and the RBI have focused on strengthening corporate governance practices in banks and financial institutions to reduce instances of willful defaults and frauds.
- ❖ **Prudential Norms:** The RBI tightened prudential norms and disclosure requirements for banks to improve transparency and accountability in the banking sector.

Are the Measures Sufficient?

While the measures taken by the Government and the RBI have helped address the NPA problem to some extent, challenges persist. The resolution of stressed assets remains a complex process, and the IBC has faced implementation challenges and litigation delays. The recapitalization efforts have provided some relief to banks, but the issue of NPAs requires sustained efforts and ongoing reforms.



	<p>To address the NPA problem effectively, more robust and faster resolution mechanisms are needed, along with improvements in credit risk assessment, early warning systems, and risk management practices. There is also a need to enhance the capacity and efficiency of the legal system to expedite resolution cases. Moreover, ensuring compliance with prudential norms and strengthening supervision and monitoring mechanisms will be crucial to prevent the recurrence of NPAs.</p>
Conclusion	<p>the measures adopted by the Government have been steps in the right direction, further reforms and continued vigilance are required to effectively tackle the NPA problem and restore the health of the banking sector. Addressing NPAs is a complex and ongoing process that demands coordinated efforts from the Government, the RBI, banks, and other stakeholders.</p>

Question	<p>What do you mean by Swadeshi approach? Discuss its role in Indian Trade Policy</p> <p>சுதேசி அணுகுமுறை என்றால் என்ன? இந்திய வர்த்தகக் கொள்கையில் அதன் பங்கைப் பற்றி விவாதிக்க</p>
Introduction	<p>The Swadeshi approach, also known as the Swadeshi movement, is a term used to describe an economic philosophy that advocates promoting and supporting indigenous goods and industries within a country. thus emphasizing the idea of self-reliance and nationalism in economic matters. The Swadeshi approach aims to reduce dependence on foreign goods and encourage the growth of domestic industries, thereby fostering economic independence and national development.</p>
Approaching the answer	<p>swadeshi Approach in Indian Trade Policy:</p> <ul style="list-style-type: none">❖ Economic Self-reliance: Both initiatives are aligned with the goal of achieving economic self-reliance and reducing dependence on imports. By promoting domestic production, India aims to build a self-sufficient economy that can meet its needs and reduce vulnerability to external economic shocks.



	<ul style="list-style-type: none">❖ Employment Generation: Encouraging local manufacturing and consumption can lead to increased production and demand for goods, creating employment opportunities in various sectors, particularly in small and medium enterprises (SMEs).❖ Industrial Growth and Diversification: Vocal for Local and Make in India aim to accelerate industrial growth and diversification by supporting the expansion of existing industries and encouraging the establishment of new manufacturing units across different sectors.❖ Export Promotion: While the initiatives focus on domestic consumption, they also seek to boost export opportunities for Indian-made products. Strengthening domestic industries can enhance their competitiveness in the global market, leading to increased export earnings.❖ Fostering Innovation: Both initiatives encourage innovation and the adoption of modern technologies to improve the quality and competitiveness of Indian-made products.❖ Strengthening MSMEs: Micro, Small, and Medium Enterprises (MSMEs) play a crucial role in the Indian economy. Vocal for Local and Make in India aim to provide a conducive environment for MSMEs to thrive and contribute to economic growth.❖ Sustainable Development: Promoting local manufacturing aligns with sustainable development goals by encouraging environmentally-friendly production practices and reducing carbon footprints associated with imports.❖ Nation Branding: The initiatives contribute to nation branding by projecting India as a reliable and competitive manufacturing destination on the global s
Conclusion	<p>"Vocal for Local" and "Make in India" initiatives represent a renewed focus on domestic manufacturing, supporting indigenous industries, and building economic self-reliance. By encouraging consumers and businesses to prioritize Indian-made products and attracting investments for domestic production, these initiatives seek to foster industrial growth, generate employment, and enhance India's position in the global economy.</p>



Question	Narrate the importance of the National Rural Employment Guarantee Programme to reduce the incidence of poverty in the Indian Economy. இந்தியப் பொருளாதாரத்தில் வறுமை நிகழ்வைக் குறைக்க தேசிய ஊரக வேலை உறுதித் திட்டத்தின் முக்கியத்துவத்தை எடுத்துரைக்க.
Introduction	Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), is a significant social welfare initiative launched by the Government of India in 2005. The program aims to provide employment opportunities and a safety net for rural households by guaranteeing 100 days of wage employment to adult members willing to do unskilled manual work.
Approaching the answer	Role of MGNREGA in poverty reduction <ul style="list-style-type: none">❖ Income Generation: By providing wage employment, the NREGP helps rural households increase their income. This additional income improves the purchasing power of poor families, enabling them to meet their basic needs and improve their standard of living.❖ Targeting the Poor: The program targets the most vulnerable and economically disadvantaged sections of society, particularly landless laborers, small and marginal farmers, and women. This focus on the poor ensures that the benefits of the program reach those who are most in need.❖ Livelihood Security: The NREGP provides a safety net to rural households during times of economic distress or seasonal unemployment. It offers an assured source of income during lean agricultural seasons, reducing their vulnerability to poverty.❖ Asset Creation: The program emphasizes asset creation through the development of rural infrastructure, such as roads, canals, ponds, and irrigation facilities. These assets not only improve rural connectivity and accessibility but also generate employment during their construction.❖ Human Capital Development: The program contributes to human capital development by enhancing the skills and capabilities of rural workers through various works undertaken. This increased human capital can lead to improved employability



	<p>and productivity, potentially lifting households out of poverty in the long run.</p> <ul style="list-style-type: none">❖ Gender Empowerment: The NREGP promotes the participation of women in the workforce by providing equal wages and opportunities. This empowerment of women can have a cascading effect on poverty reduction as women tend to invest more in family welfare and education.❖ Agricultural Productivity: By providing an alternative source of income during lean agricultural periods, the program reduces the pressure on agriculture and encourages farmers to invest in improving agricultural productivity.❖ Social Inclusion: The NREGP fosters social inclusion by guaranteeing employment to socially marginalized and excluded communities. It helps reduce economic disparities and promotes social cohesion in rural areas.❖ Demand-driven Employment: The program's demand-driven approach ensures that work is provided based on the needs and priorities of the local community, increasing the relevance and impact of the works undertaken.❖ Macro-Economic Benefits: The program's focus on rural infrastructure development and increased rural income can stimulate rural demand and contribute to overall economic growth.
Conclusion	<p>The NREGA has been successful in reducing the incidence of poverty in India. According to the World Bank, the poverty rate in rural India fell from 41.6% in 2004-05 to 22.5% in 2011-12. The MNREGA played a major role in this decline. However, the MNREGA is not without its challenges. One of the biggest challenges is the high cost of the program.</p>

Question	<p>Explain the steps adopted by the Indian government to create an environment among youths so that they become job creators not a job seeker.</p> <p>இளைஞர்கள் வேலை தேடுபவர்களாக அல்லாமல், வேலைவாய்ப்பை உருவாக்குபவர்களாக மாறுவதற்கான சூழலை உருவாக்க இந்திய அரசு மேற்கொண்டுள்ள நடவடிக்கைகளை விளக்குக.</p>
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Introduction	<p>India has a large and young population, which is often referred to as the demographic dividend. However, India's demographic dividend is not without its challenges. One of the biggest challenges is youth unemployment. Indian government has recognized the importance of fostering entrepreneurship and promoting self-employment among the youth to create an environment where they can become job creators rather than job seekers.</p>
Approaching the answer	<ul style="list-style-type: none">❖ Startup India: The Startup India initiative was launched to support and promote startups across the country. It provides various benefits such as tax exemptions, easier compliance procedures, access to funding, and intellectual property support to encourage young entrepreneurs to start their ventures.❖ Skill India Mission: The Skill India Mission aims to provide skill training and certification to millions of youth across various sectors. It focuses on building a skilled workforce equipped with industry-relevant skills, making them more employable and encouraging entrepreneurship in sectors where skills are in demand.❖ Atal Innovation Mission (AIM): AIM promotes innovation and entrepreneurship among students by setting up Atal Tinkering Labs (ATLs) in schools and colleges. These labs provide hands-on learning opportunities and foster a culture of innovation from a young age.❖ Pradhan Mantri Mudra Yojana (PMMY): PMMY provides collateral-free loans to micro and small enterprises, encouraging aspiring entrepreneurs to access finance and start their businesses.❖ Entrepreneurship Development Programs: Various entrepreneurship development programs, workshops, and seminars are organized by the government and non-governmental organizations to provide guidance and support to aspiring entrepreneurs.❖ Credit Guarantee Fund Scheme for Startups (CGFSS): The CGFSS provides a credit guarantee to banks and financial



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	<p>institutions to encourage them to provide funding to startups and innovative ventures.</p> <ul style="list-style-type: none">❖ National Entrepreneurship Awards: The National Entrepreneurship Awards recognize and reward exceptional entrepreneurs and organizations that have made significant contributions to the ecosystem.❖ Incubation Centers and Accelerators: The government has set up incubation centers and accelerators to provide mentoring, infrastructure, and networking opportunities to startups and early-stage ventures.❖ Ease of Doing Business Reforms: The government has undertaken various ease of doing business reforms to simplify regulatory processes and reduce the compliance burden for startups and businesses.❖ Industry-Academia Collaboration: The government promotes collaboration between industries and educational institutions to bridge the skill gap and promote research and development, encouraging innovation and entrepreneurship.❖ Financial Inclusion: Efforts have been made to promote financial inclusion and ensure that aspiring entrepreneurs have access to financial services and credit.
Conclusion	By implementing these measures and creating a conducive environment for entrepreneurship, the Indian government aims to nurture a generation of job creators who can drive economic growth, innovation, and employment generation in the country.

Question	<p>Do you think the principle of Universal Basic Income can reduce the incidence of poverty and income inequality in the Indian Economy?</p> <p>உலகளாவிய அடிப்படை வருமானம் என்ற கொள்கை இந்தியப் பொருளாதாரத்தில் வறுமை மற்றும் வருமான சமத்துவமின்மையைக் குறைக்கும் என்று நினைக்கிறீர்களா?</p>
Introduction	<p>Universal Basic Income (UBI) has been a subject of much debate and discussion worldwide, including in the context of the Indian economy. UBI is a system in which all citizens or residents of a country receive a regular, unconditional cash payment from the government, regardless of their income level or employment status.</p>



**Approaching
the answer**

Universal Basic Income (UBI) has the potential to reduce poverty and income inequality

- ❖ **Direct Income Support:** UBI provides direct and unconditional cash transfers to all citizens or residents, regardless of their income level or employment status. This income support can help lift individuals and families out of poverty by ensuring a minimum level of income for basic needs.
- ❖ **Targeting Vulnerable Groups:** UBI can effectively reach vulnerable and marginalized groups who often miss out on targeted social welfare schemes. This includes the elderly, disabled, and those in remote or disadvantaged areas, ensuring they receive financial support.
- ❖ **Poverty Alleviation:** UBI can serve as an effective poverty alleviation measure, especially during economic downturns or times of crisis. It provides a safety net for individuals facing temporary job losses or income disruptions.
- ❖ **Enhanced Household Consumption:** UBI can lead to increased household consumption, especially among low-income groups. Higher spending on essential goods and services can boost local demand, which can positively impact economic growth.
- ❖ **Simplified Social Welfare System:** Implementing UBI could potentially simplify the complex social welfare system in India, reducing administrative costs and leakage of benefits. A universal payment eliminates the need for extensive targeting and verification processes.
- ❖ **Encouraging Entrepreneurship:** With a guaranteed income floor, individuals might feel more secure to pursue entrepreneurial ventures or invest in skill development, leading to increased economic activity and job creation.
- ❖ **Women Empowerment:** UBI has been shown to have positive effects on women's empowerment by providing them with financial independence and decision-making power within the household.



	<ul style="list-style-type: none">❖ Reduced Income Inequality: By providing a uniform income floor to all citizens, UBI narrows the income gap between the rich and poor. The cash transfer to the wealthy is offset by their higher tax contributions, leading to a more equitable distribution of resources.❖ Economic Resilience: UBI can act as an automatic stabilizer during economic downturns, boosting consumer spending and preventing a drastic decline in aggregate demand.❖ Support for Informal Workers: A significant portion of India's workforce is engaged in the informal sector with irregular incomes. UBI provides a stable source of income for these workers, reducing their vulnerability to income fluctuations
Conclusion	It's important to note that the successful implementation of UBI in India would require careful consideration of funding sources, the amount of the basic income, and its interaction with existing social welfare programs. Additionally, UBI should be viewed as a complementary policy tool alongside other poverty alleviation and social development initiatives.