

Sectors of the Indian Economy

Question 1.

Classify the economy on the basis of ownership of enterprises. (2012)

Answer:

Public Sector and Private Sector.

Question 2.

Classify the economy on the basis of the nature of the activity. (2015)

Answer:

The economy is classified on the basis of economic activities into three sectors namely Primary sector, Secondary sector and Tertiary sector.

Question 3.

What is disguised unemployment? (2012)

Answer:

Disguised unemployment is a situation in which more people are employed on a job than the required number.

Question 4.

Production of a commodity, mostly through the natural process is an activity of which sector? (2013)

Answer:

Primary Sector

Question 5.

Name the sector in which the government owns most of the assets and provides all the services. (2013)

Answer:

Public Sector

Question 6.

Name the sector which continued to be the largest employer even in the year 2000. (2014)

Answer:

The primary sector continued to be the largest employer even in the year 2000.

Question 7.

How many days of guaranteed employment are provided under National Rural Employment Guarantee Act, 2005? (2014)

Answer:

100 days of employment are guaranteed under NREGA, 2005.

Question 8.

ATM is an example of which sector? (2014)

Answer:

Tertiary sector

Question 9.

Suggest any one way to create employment opportunity in the rural areas. (2015)

Answer:

Setting up a dal mill, opening a cold storage, starting or promoting honey collection are some of the ways of creating employment opportunities in rural areas.

Question 10.

Production of a commodity, mostly through the natural process is an activity of which sector? (2013)

Answer:

Primary Sector

Question 11.

Name the sector in which the government owns most of the assets and provides all the services. (2017 OD)

Answer:

Public Sector

Short Answer Questions (SA) 3 Marks

Question 12.

Explain how public sector contributes to the economic development of a nation. (2012)

Answer:

In the public sector, ownership of assets and delivery of services is under the government. The government spends huge amounts of money in providing various services to the public at reasonable costs.

The government thus contributes towards the economic development of the nation:

By development of infrastructure, i.e.,

- 1 Construction of roads, national highways, flyovers, metro-rails, railway lines, irrigation through dams, etc.
- 2 The government provides an impetus to industrial growth by supplying electricity at affordable rates.
- 3 By running schools and providing good quality of education, the government is trying to remove illiteracy and taking the nation forward.

Question 13.

Why is NREGA also called the Right to work? Explain the objectives of National Rural Employment Guarantee Act 2005. (2015, 2014, 2013)

Answer:

Every state or region in India has potential for increasing the income and employment in that area.

Recognising this, the Central Government in India has passed an act called the National Rural Employment Guarantee Act 2005,

Main objectives of the NREGA 2005 are:

- to implement the Right to Work in 200 districts of India.
- to guarantee 100 days of employment in a year by the Government. In case the Government fails, it offers unemployment allowance.
- to give preference to the type of work that will help increase the production from land.

Question 15.

“The problem of underemployment is not confined only to agriculture”. Support the statement with examples. (2013)

Answer:

The problem of underemployment is not confined only to agriculture. It can also happen in other sectors.

- For example, there are thousands of casual workers in the service sector in urban areas who search for daily employment. They are employed as painters, plumbers, repair persons and other odd jobs. Many of them don't find work everyday.
- Similarly, we see other people of the service sector on the street pushing a cart or selling something where they may spend the whole day but earn very little. They are doing such work only due to the lack of better employment opportunities.
- The unorganised sector includes small and scattered units outside the government control. Employment is not secure. People can be asked to leave without any reason. When there is less work, such as during some seasons, some people may be asked to leave.

Question 16.

What are final goods and intermediate goods? How do they help in calculating (GDP) Gross Domestic Product? (2013)

Answer:

Final goods are goods that are ultimately consumed by the consumer rather than used in the production of another good.

Intermediate goods are goods used as inputs in the production of final goods and services. For example, a car sold to a consumer is a final good; components such as a tyre sold to the car manufacturer is an intermediate good. The value of final goods already includes the value of all intermediate goods that are used in making the final good.

The value of final goods and services produced in each sector during a particular year provides the total production of the sector for that year. And the sum of production in the three sectors gives the Gross Domestic Product (GDP) of a country. It is the value of all final goods and services produced within a country during a particular year.