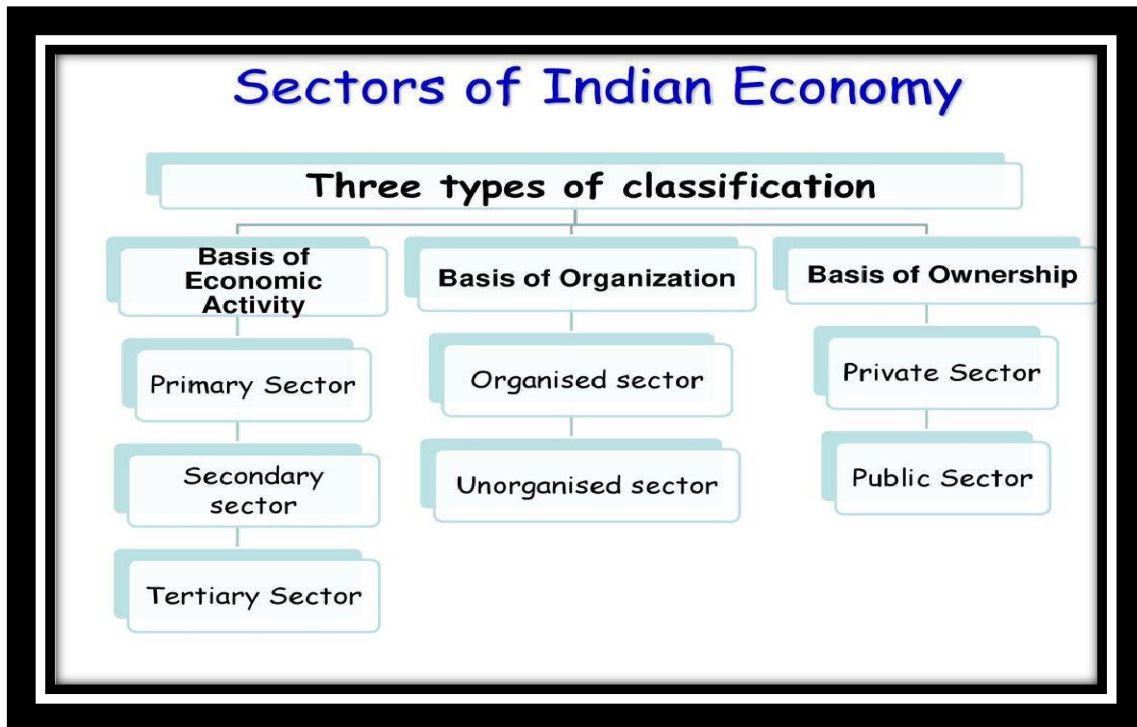


CHAPTER-2

SECTORS OF INDIAN ECONOMY



SUMMARY

- **Evolution of an Economy from Primary Sector Based to Tertiary Sector:**

During early civilization all economic activity was in primary sector. When the food production became surplus people's need for other products increased. This led to the development of secondary sector. The growth of secondary sector spread its influence during industrial revolution in nineteenth century.

After growth of economic activity a support system was the need to facilitate the industrial activity.

Certain sectors like transport and finance play an important role in supporting the industrial activity. Moreover, more shops were needed to provide goods in people's neighborhood.

Ultimately, other services like tuition, administrative support developed.

THINGS TO REMEMBER

Primary Sector: When the economic activity depends mainly on exploitation of natural resources then that activity comes under the primary sector. Agriculture and agriculture related activities are the primary sectors of economy.

Secondary Sector: When the main activity involves manufacturing then it is the secondary sector. All industrial production where physical goods are produced come under the secondary sector.

Tertiary Sector: When the activity involves providing intangible goods like services then this is part of the tertiary sector. Financial services, management consultancy, telephony and IT are good examples of service sector.

I Very Short Answer **1M**

- 1 What is GDP?
- 2 In which sector workers do not produce any good?
- 3 What are joint sector industries? Give an Example.
- 4 Define national income.
- 5 Employment figures of a country are based on data collected from 5-yearly survey on employment and unemployment. Which organization conducts this survey in India?
 - (a) NSSO—National Sample Survey Organization
 - (b) NREGA 2005—National Rural Employment Guarantee Act, 2005
 - (c) ILO — International Labour Organization
 - (d) Census of India.
6. Mention the provisions (two) of the National Rural employment Guarantee Act 2005.
7. In the Private sector, the ownership lies in the hands of
8. Where will you find the disguised unemployment most?
Select the correct option from those given below:
 - (a) Among agricultural workers working for small farm lands
 - (b) Among part-time industrial workers
 - (c) In most of the government owns
 - (d) In big private companies
9. Which of the following examples does not fall under unorganized sector?
 - (a) A farmer irrigating his field.
 - (b) A daily wage labourer working for a contractor.
 - (c) A doctor in a hospital treating a patient.
 - (d) A handloom weaver working on a loom in her house.
10. **State true or false** -Under employment occurs when people do not want to work.
11. In_____sector there is no job security.
12. Disguised employment is mostly found in the

II Short answer questions **2M**

- 1 Why is that “only value of final goods and services” taken while calculating GDP?
- 2 Give an analysis on the historical change in sectors in India.

III Short answer questions **3M**

1. “There is an interdependent relationship among all three sectors.” Do you think the statement is reasonable? Explain why?

- 2 Define 'Disguised Unemployment'? Explain with an example of how disguised unemployment is observable in rural and urban areas?
- 3 'When a country develops, the contribution of primary sector declines and that of secondary and tertiary sectors increases.' Analyze the statement.

IV Long Answer questions

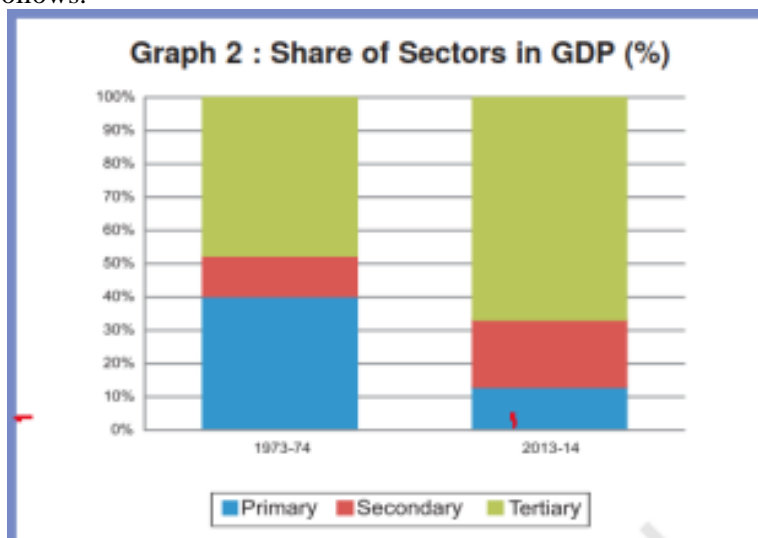
5M

- 1 The tertiary sector is not playing any significant role in the development of Indian economy." Do you agree? Give arguments in support of your answer. What is the main contribution of agriculture to the national economy?
- 2 Explain the meaning of underemployment with an example. How can more employment opportunities be created in rural areas?
- 3 How can we create more employment?

V Read the following passage and answer the given questions:

1+1+2

Study the graph given below and answer the questions that follows:



- a. Which sector had largest share in GDP during 1973-74?
- b. Which sector had largest share in GDP during 2013-14?
- c. Which sector has shown maximum growth between 1973-74 and 2013-14 and why?

Sectors of industry and the supply chain

