ASSIGNMENT

Course Code	**:**	**MMPC-003**
Course Title	**:**	**Business Environment**
Assignment Code	**:**	**MMPC-003/TMA/JULY/2026**
Coverage	**:**	**All Blocks**

Note: Attempt all the questions and submit this assignment to the Coordinator of your study centre. Last date of submission for July 2026 Semester is 31st October 2026 and for January 2027 Semester is 30th April 2027.

1. What is the need for estimation of National Income (NI)? Discuss the different approaches of estimating National Income.

2. Who are the key players in Agriculture Sector? Discuss the role and importance of agricultural marketing.

3. Describe the New Economic Policy (1991). How is Atmanirbhar Bharat policy an improvement over policy of 1991?

4. Identify the World Bank Group Institutions. Differentiate between IMF and the World Bank.

5. What is Goods and Service Tax (GST)? Explain the salient features and advantages of GST.

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Answer

National Income is a broad measure of the income generated by the normal residents of a country during a given period, usually one year. In practical national accounting, several related aggregates are used, such as Gross Domestic Product (GDP), Gross National Income (GNI), Net National Income and per capita income. Estimating these aggregates is necessary because an economy cannot be understood only from separate figures of production, wages, profits or spending. National income accounting brings these activities into a common framework and shows the overall size and movement of economic activity.

Need for estimation of National Income

1. Measurement of economic performance. National income estimates show whether total production and income are rising, falling or remaining almost unchanged. Comparison over several years gives a picture of economic growth and helps in identifying periods of slowdown, recovery or rapid expansion.

2. Basis for planning and policy. Governments need a reasonably accurate picture of national output and income before making policies relating to taxation, public expenditure, employment, infrastructure, industry and social services. Sector-wise estimates also show where the economy is growing and where support may be required.

3. Comparison of sectors. National income accounts divide economic activity among agriculture, industry and services and into more detailed activities. This helps in studying structural change. For example, a rising share of services with a falling share of agriculture tells us that the composition of the economy is changing, even when agriculture remains important for employment and livelihoods.

4. Standard of living and welfare indicators. Per capita income is obtained by relating national income to population. It is not a complete measure of welfare because it does not show income distribution, unpaid work, environmental loss or quality of life. Still, it is useful for broad comparison over time and across countries when used with other social indicators.