**PP232 Microeconomics -II**

For this assignment, you have to carry out a detailed analysis of a sector in the Indian economy.

Sectoral analysis is usually done from a business perspective - analytical companies who want to provide insights to businesses. However, this exercise is about policy analysis in a sector. You are meant to use all the learning from Microeconomics I and Microeconomics II to perform the analysis.

**Choosing a sector**

You can choose any sector for this activity. Use your discretion while zeroing in on the sector.

At the broadest level, there are three sectors in the economy - primary, secondary and tertiary (broadly, agriculture, industry, and services). However, this might be too broad a category for useful analysis. Within this, you can pick subsectors or industrial clusters.

**Tip -** Make sure that the sector chosen is not too narrow (might become difficult to get enough information about the sector) or too broad (might become difficult to get a coherent set of insights).

Examples of sectors that could work: Primary/Secondary education (or health), cash crops, automobile industry (incl. Auto parts), or maybe even broader manufacturing industries, infrastructure, Gig sector, IT services, fintech, etc.

**Here are a few points that you can consider as part of your analysis-**

1. Define the scope of the sector (size, categories, etc.). Define the market structure of the sector (oligopoly, monopolistic competition, etc).
2. Identify whether there exists any market failure in the sector.
3. Identify the type of market failure (if any) that exists.
4. Identify the government interventions in the sector at different points of time and the possible rationale for the same (You can look at both Union and State government interventions) - taxes, subsidies, bans, price controls, etc
5. Evaluate the impact of these policies. (Have the interventions achieved the stated objectives? Have these addressed the market failures?)
6. Identify the unintended consequences of these interventions.
7. Identify measures that can help unlock the potential of this sector. What are the pressing problems to be addressed and what are the known solutions? What has prevented the implementation of these solutions?

**OUTPUT:**

* The final output is a report.

**WORD/SLIDE LIMITS:**

* There are no strict limits on either word count or on the number of slides. However, you have to find the balance between being too brief and omitting essential details and saying too much that results in the reader losing the important points in between.
* Remember, your best ideas/analysis may not be productive if the reader is bored and skims through the document.
* About 5000-6000 words for a report would be ideal.
* Format the document well and make it readable. Do proofread. Grammatical errors are unacceptable.
* Ensure that all your citations and references are in place. Errors in this can attract severe penalties, including expulsion from the course.

Chosen Sector is Indian Logistics Sector.