

COMMERCE EXAMINATIONS
ENGLISH SHORTHAND
PROFICIENCY GRADE – III Paper
(Condensation of Notes)

June, 2016

Time : { Dictation : 10 Minutes
 Condensation : 1½ Hours

[Max. Marks : 100

Instructions to Readers :

1. The passage given below should be dictated at the rate of 150 words per minute.
2. The candidates should be asked to take down the passage in the reporting style of phonography and prepare in longhand a condensed report of the same in INDIRECT FORM. The condensed report should consist of not more than 540 words.

<p>"Mr. Speaker, Sir, the point that we are discussing today is mainly about rural indebtedness. In this connection, I would like to make some suggestions about how to improve the credit facilities in the countryside. There must be/</p> <p style="text-align: right; margin-right: -10px;">$\frac{1}{4}$</p>	<p>primary Credit Society, with full banking support in the countryside. Everybody should have access to his own // Bank, $\frac{1}{2}$ namely, his own panchayat. So, one important factor that I want the Finance Minister to look into is that the system of credit for agricultural purposes may be decentralized and, in that, Panchayats must play a role."///</p> <p style="text-align: right; margin-right: -10px;">$\frac{3}{4}$</p>
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"My second suggestion is this. The harsh method of recovering debts must be stopped and it must be replaced by social pressure. Now, we try to auction the property of a farmer to recover debt. If there /1/ is misery in the villages, how much capital can we really get back ? We only make the people run away from the villages. It is happening in the rural areas. So, we must stop this harsh method for / $\frac{1}{4}$ collecting loans and make the farmer responsible before the panchayat. I am sure that social pressure will do the trick which the harsh method will not."

"My third suggestion is this. Land revenue up to a certain // level must be waived. In the case of small farmers, it is similar to the case of income-

tax. I think the Finance Minister will appreciate this point. He will not be able to meet the administrative cost /// to collect $\frac{3}{4}$ income-tax below a certain point and it will not be economical. In the same way, land revenue below a certain point should be abolished and above that point, land revenue should be collected by /2/ panchayats only. In fact 2 the development outlay of panchayats must be related to land revenue that they collect. In that case, we will ensure the collection of land revenue from the bigger farmers in that Panchayat and at / the same $\frac{1}{4}$ time, we will be just in the distribution of the development outlays. So, I would like that this suggestion of waiver may be considered."

"Fourthly, there is a

collection season. As far as I know, // the government start collection at a time when the farmer is in difficulty. At that time, the Government send a circular to local officers to collect the loans. Then, the officer has to collect the debts. It seems /// that his transfer or promotion depends on the amount of collection that he does. I think there should be a law that debt collection should be done immediately after the harvest. I suggest that we may make /3/ collections in the countryside in those months only when the farmer perhaps will be in a position to pay back some of his debt.

Today, the choice of goods and services is greater than ever before. The maximum / marginal rate of an Indian tax payer is

less than many developed countries, and the corporate tax rates are internationally comparable. The middle-class not only has more income than before, but also more choice in spending // and saving. $\frac{1}{2}$ Contrary to what the Marxists believe, poverty has reduced. The most powerful index of betterment is expectation about growth. Today, people are seriously talking of how to attain higher percent growth. This is the sign of /// change for which $\frac{3}{4}$ we must thank our Prime Minister. Since we have done well since 1991, why should we lament for a year ? The reason is simple enough. Reforms are moving targets. It /4/ does not matter how well you do. What matters is how well compared to your competitors. Getting the

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percentage growth we have attained is not good enough if the competitors achieve more percentage. When we begin to see / what other Asian countries have done, our track record looks worse than average.

Sustained investment in infrastructure, especially power, roads, ports and railways are required. Power requires revising tariffs, restructuring State Electricity Boards, privatizing transmission and distribution, // and having a transparent set of guidelines that attract private investment in generation. Ports are easy, and only require the will to privatize. The Railways need to ban new routes, invite greater private participation in rolling stock, and /// reverse the absurd tariff structure which

penalizes goods traffic to subsidised passengers. Roads are the most difficult of all, for they involve complex property and access rights. But toll roads exist elsewhere, and there is no reason /5/ why they should not be in India.

It requires commitment to reducing or not filling posts in government until staffing reaches the desired level. This is one thing that can be done without fanfare. With the normal three percent / reduction rate, the government can prune its wage bill by fifteen percent in five years. Barring, at most, Atomic Energy and Defence, there is no good reason why the Government should be the majority shareholder in any // Public Sector Enterprise. This does not mean a distress sale of

family jewels. The Public Sector is large enough to keep the capital market going for the next decade. And the proceeds of this should be earmarked for retiring public debt, providing the corpus for investment in infrastructure, and for targeted Social Sector and Poverty Alleviation Programs. Nobody will deny the need for Government to regulate the Banking System and to ensure that rural India /6/ gets access to bank credit. But that does not mean Government owned banks.

Further, for opening insurance market, there are two reasons. Firstly, there can be no large scale investment in infrastructure without the entry of major insurance / funds. And secondly, because the markets

for various types of insurance, personal, crop, industrial are still vastly untapped. It is a simple fact of life that barriers to exit are barriers to entry. Our laws to facilitate // exit, bankruptcy, and winding up are among the worst in the world. Radical changes have been suggested and placed before Parliament. It remains to be seen what investors desire is a well defined, transparent set of rules and /// guidelines that do not change every now and then. This does not need much intellectual effort. As States compete for investment, this is bound to happen. The Centre can accelerate the process by devolving all industrial approval /7/ related measures to the States,

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including environmental clearance, which in any case, ought to be a local concern.

Almost everyone barring a few admits that the Urban Land Ceiling and Regulation Act, $\frac{1}{4}$ 1976, has served no / purpose except to fill the pockets of those who grant case by case exemptions. The problem is that a few have much to lose. And they are the few that decide.

For the last five decades, $\frac{1}{2}$ Indian // policy makers have suppressed Agriculture in favour of Industry. The extent of suppression has varied across States. Sooner or later, States will realize that it makes good economic and better political sense to eliminate laws that $\frac{3}{4}$ dampen agricultural /// growth.

Reforms have already seen a devolution of fiscal and

financial power from the Centre to the States. But real economic democracy will occur only when fiscal and financial power devolves to the level of the Village /8/ Panchayats. 8 Investment in human capital is the most critical aspect of economic reform. No country has sustained an annual growth rate 8 per cent with the abysmal quality of human capital that exists in India. Without a concerted / effort at lifting the $\frac{1}{4}$ level of Basic health and Primary as well as Secondary Education, India will never attain the desired growth rate. This is why Panchayati Raj becomes critical. Unless the locality is empowered to collect // taxes and make $\frac{1}{2}$ expenditure decisions, all we will get are mythical schools and dispensaries.

All these can be achieved, provided that we have the stamina for the long haul. The Indian economy is like our cricket team. Occasionally, $\frac{3}{4}$ we are capable of great feats. Equally, we lose from sure win positions. Unlike cricket, economic growth is not a game. We really cannot afford to blow it once again.

The State Government is seriously concerned about $\frac{9}{9}$ the shortage of drinking water in some of the small and medium towns of the State. To remedy this situation, Government has drawn up an Action Plan to cover all these towns with protected potable $\frac{1}{4}$ water supply / within the next four years."

"Finally, I would make one more suggestion which I made many years ago in a different context. Talking about the relationship between the developing countries and the developed countries. I said that // at any point of time, the $\frac{1}{2}$ total interest paid on loan should not exceed the principal. This may be applied to our countryside. If a farmer has been repaying a loan over a period of time and $\frac{3}{4}$ the total interest collected from him exceeds the amount borrowed, the loan should be written off. Once he has paid interest equal to the capital, the entire loan should be written off."

"With this, I conclude."/10/ 10