

McGraw Hill Education





Also available as

e-Book

INDIAN ECONOMY

For Civil Services Examinations



For budget details and other updates scan the adjacent QR Code or visit

tp://mhhe.com/indianeconomy



Ramesh Singh

Paper VI: Optional Subject - Paper 1 250 Marks Paper VII: Optional Subject - Paper 2 250 Marks Sub Total (Written test): 1750 Marks

Personality Test: 275 Marks Grand Total: 2025 Marks

Candidates may choose any one of the optional subjects from amongst the list of subjects given below:

List of optional subjects for Main Examination:

- Agriculture
- Animal Husbandry and Veterinary Science
- Anthropology
- Botany
- Chemistry
- Civil Engineering
- Commerce and Accountancy
- (viii) Economics
- Electrical Engineering recidence alle su lecomité nobletates Beall à quitement montre vira superplui
- Geography
- Geology (xi)
- History
- (xiii) Law
- (xiv) Management
- (xv) Mathematics
- (xvi) Mechanical Engineering
- (xvii) Medical Science
- (xviii) Philosophy
- (xix) Physics
- Political Science and International Relations
- (xxi) Psychology
- (xxii) Public Administration
- (xxiii) Sociology
- (xxiv) Statistics
- (xxv) Zoology

(xxvi) Literature of any one of the following Assamese, Bengali, Bodo, Dogri, Gujarati, Hindi, Kannada, Kashmiri, Konkani, Maithil i, Malayalam, Manipuri, Marathi, Nepali, Oriya, Punjabi, Sanskrit, Santhali, Sindhi, Tamil, Telugu, Urdu and English.

Paper As (Class of the Legited Legislate) Legislated by the categorial

Hw (St. anged box A men't) stablind box from the payer that to the payer at T

(Indian Heritage and Lutures Descript and Company of the World and Sov

THE RESIDENCE OF THE PROPERTY.

Puper II r bridgets 300 Marks

mon' be pounded for earthtes.

Fapers to be counted for merit

Pages In Egyny 250 Marks

Editor, Imaguay and Applicate

Paper II; Cresserul Suedies-1 2509/moke

Paper III: Centerd Studies - II 250 Marks

TABLE OF CONTENTS

Preface to the Sixth Edition	(vii)	Progress	2.2
	(ix)	Economic Growth	2.2
Preface to the First Edition		Economic Development	2.3
About the Civil Services Examinat	ion (xi)	Measuring Development	2.4
All and the Very State of the Late of the Control o		Human Development Index	2.4
1. INTRODUCTION	.1 - 1.19	The Debate Continues Introspecting Development	2.7
Economics—The Discipline	1.2	A COLUMN TO A STREET OF THE PARTY OF THE PAR	2.9
A Working Definition	1.2	Happiness The Meaning of Happiness	2.10
Economics and Economy	1.3	The Background	2.11
Focus of Economics	1.4	Reimagining the Idea of Happiness	2.11
Challenge of the Economies	1.4	At the End	2.16
Distribution Network Models	1.5		
Organising an Economy 1. Capitalistic Economy	1.5 1.5	J. LIGHTING TITLE	3.1 – 3.12
2. State Economy	1.6	ECONOMY	
3. Mixed Economy	1.6	The Background	3.2
Role of The State in an Economy	1.9	Prime Moving Force—Agricultur	e vs.
Washington Concensus	1.11	Industry	3.3
Sectors of an Economy	1.12	Planned and Mixed Economy	3.7
1. Primary Sector	1.12	Emphasis on the Public Sector	3.9
2. Secondary Sector	1.12	Infrastructural Needs	3.9
3. Tertiary Sector	1.13	2. Industrial Needs	3.10
Types of Economies	1.13	3. Employment Generation	3.11
1. Agrarian Economy	1.13	4. Profit and Development	3.11
2. Industrial Economy	1.13	of the Social Sector	3.12
3. Service Economy	1.13	5. Rise of the Private Sector	0.72
The Idea of National Income GDP	1.14 1.14	4. ECONOMIC PLANNING	4.1 – 4.8
NDP	1.15	Introduction	4.2
GNP .	1.15	Definition	4.2
NNP	1.16	Origin and Expansion of Plannir	19 4.4
Cost and Price of National Income		1. Regional Planning	4.4
Taxes & National Income	1.18 1.19	2. National Planning	4.5
Subsidies & National Income			4.5
Uniqueness of the Indian	1.19	Types of Planning 1. Imperative Planning	4.5
Economy	hadolik .	2. Indicative Planning	4.7
2. GROWTH, DEVELOPMENT AND HAPPINESS	2.1-2.17	5. PLANNING IN INDIA	5.1 - 5.47
Introduction	2.2	Introduction	5.2

Background	5.2		Poverty and Employment	5.36
The Visvesvaraya Plan	5.2		Education	5.36
The FICCI Proposal	5.2		Health	5.36
The Congress Plan	5.3		Infrastructure, Including Rural	5.36
The Bombay Plan	5.5		Infrastructure	
The Gandhian Plan	5.5		Environment and Sustainability	5.36
The People's Plan	5.6		Service Delivery	5.36
The Sarvodaya Plan	5.6		A Critical Evaluation	5.37
Some Area-wise Reports	5.7		1. Lack of 'Perspective' in Planning	5.37
Major Objectives Of Planning	5.8		2. Failure in Promoting a Balanced Growth and Development	5.37
Planning Commission Functions of the PC	5.12 5.13		3. Highly Centralised Nature of Planning	5.38
National Development Council	5.15		4. Lop-sided Employment Strategy	5.39
	Section sections		5. Excessive Emphasis on PSUs	5.39
Central Planning	5.17 5.17	2. 10.1	6. Agriculture Overshadowed by	5.39
A. The Five-Year Plans	5.26		the Industry	
B. Twenty-Point Programme	5.27		7. Faulty Industrial Location Policy	5.40
C. MPLADS	5.27		8. Wrong Financial Strategy	5.40
Multi-Level Planning	5.28		9. Politicisation of the Planning Process	s 5.40
First Strata: Centre Level Planning	5.28			5.41
Second Strata: State Level Planning	5.28		Central Sector Scheme	3.41
Third Strata: District Level Planning	5.28		and Centrally Sponsored Schemes Central Plan Assistance	5.41
Fourth Strata: Block Level Planning	5.28		Gadgil-Mukherjee Formula	5.42
Fifth Strata: Local Level Planning	5.28		CSSs Restructured	5.43
Way to Decentralised Planning	5.29			
	5.30		Composite Development Index	5.44
The Planning Commission & The Finance Commission	3.30		of States	5.46
The Changing Nature and	5.32		Independent Evaluation Office	3.40
Role of Planning		6	ECONOMIC DEEODMS 61.	- 6.14
1. The Role of State in Planned Development	5.32	0.	ECONOMIC REFORMS 6.1 - Introduction	6.2
2. Agriculture Sector Accepted as the				6.2
Driving Force of the Economy	5.33		Economic Reforms 1. Planning Model	6.2
3. Governance Recognised among			2. Washington Consensus	6.2
the Most Important Factors	5.33		3. Mixed Economy	6.3
of Development	0.33			
4. New Steps of Economic Reforms to be Taken by the State	5.34		Economic Reforms in India	6.4
5. Monitorable Targets of	0.0		Obligatory Reform	6.5
Development Set			Reform Measures	6.6
for the First Time	5.34		1. Macroeconomic Stabilisation	6.6
6. Differential Development Strategy Adopted	5.34		Measures: 2. Structural Reform Measures:	6.6
7. Monitoring the Progress of	5.35		The LPG	6.7
Various Central Ministries			Liberalisation	6.7
8. Relevance of Planning to Economic		703293	Privatisation	6.8
Reforms O Reforming the Diameira Droces	5.35	27.5	Globalisation	6.9
9. Reforming the Planning Process	5.35	213		
Monitorable Targets Set by The Twelfth Plan	5.35		Generations of Economic Reforms First Generation Reforms (1991–2000)	6.10 6.10
Economic Growth	5.35	23	Second Generation Reforms (2000–01 onwards)33	6.11

	5.36		Third Generation Reforms	6.1
	5.36		Fourth Generation Reforms	6.1
	5.36		Note	6.1
	5.36			ed feetil CCCC
	5.36	7.	INFLATION AND BUSINESS CYCLE	7.1 – 7.3
	5.36			
	5.37		SECTION-A	
nning	5.37		Introduction	7.
nced	5.37		Definition	7.
			Why Inflation Occurs	APRID 21.7.
	5.38		1. Pre-1970s	7.
iD mir	T 00		2. Post-1970s	7.
ategy	5.39		3. Measures to Check Inflation	7.
SUs	5.39		Tunas of Indian	aruinnigh -
by	5.39		Types of Inflation I. Low Inflation	7.: 7.
Policy	5.40		2. Galloping Inflation	hadra 7
Oncy	5.40		3. Hyperinflation	7.
g Proces	10000 10 100			- Harden 127
ig i roces			Other Variants of Inflation	7
	5.41		I. Bottleneck Inflation	7.
emes	Ule 44		II. Core Inflation	шиодът 7.
	5.41		Other Important Terms	7.6
	5.42		Inflationary Gap	7. -
	5.43		Deflationary Gap	Com 11 117.
x	5.44		Inflation Tax	
			Inflation Spiral	7 .
e	5.46		Inflation Accounting	7.
131 E71100	3,70		Inflation Premium	7.
6.1	- 6.14		Phillips Curve	7.
			Stagflation	7
	6.2		Inflation Targeting	7.
	6.2		Skewflation	7.
	6.2		GDP Deflator	7.:
	6.2		Base Effect	7.5
	6.3		Effects of Inflation	7.10
	6.4		1. On Creditors and Debtors	7.1
	6.5		2. On lending	7.1
	6.6		3. On Aggregate Demand	7.10
on	6.6		4. On Investment	7.10
	~ ~		5. On Saving	7.10
es:	6.6		6. On Tax	7.1
	6.7		7. On Exchange Rate	7.1
	6.7		8. On Export	7.1
	6.8		9. On Import	7.1
	6.9		10. On Trade Balance	7.1
C			11. On Employment	7.12
forms 91–2000)	6.10 6.10		12. On Wages	7.12
71-2000)			13. On Self-employed	7.12
	6.11		14. On Economy	7.12

	Inflation in India	7.12
	Wholesale Price Index	7.12
	New Series of WPI	7.13
	Features of the Revised Series of WPI	7.13
	Revised Series: New Initiatives	7.14
	Consumer Price Index	7.14
	New CPI	7.16
	New series of CPI for urban areas	7.16
-	New series of CPI for rural areas	7.16
	National CPI	7.17
	Weighting diagrams	7.17
	Release of indices	7.17
	Revision of Indices	7.17
	Trends in Inflation	7.17
	Protein Inflation	7.20
	Why has Inflation Persisted?	7.21
	Healthy Range of Inflation	7.22
	Government/RBI Steps to Check Inflation (2012-13)	7.23
	1. Fiscal Measures	7.23
	2. Administrative Measures	7.23
	3. Measures to Insulate the Vulnerable Sections	
	4. Budgetary and other Measures 5. Monetary Measures	7.24 7.24
	IMG on Inflation Producer Price' Index	7.24 7.25
	Housing Price Index	7.25
	Service Price Index	7.26
		7.20
	SECTION-B	
	BUSINESS CYCLE	7.27
	Introduction	7.27
	Depression	7.28
	Recovery	7.28
	Boom	7.29
	Recession	7.30
	Growth Recession	7.31
		1
	Double-Dip Recession	7.31
	Abenomics	7.31
	Conclusion	7.32
	INDIAN AGRICULTURE 8.1 -	8.37
61	Introduction	8.3
	Kharif & Rabi	8.4
	Food Philosophy of India	8.4
	Took I moodbing of Imme	J. 1

The First Phase	8.4
The Second Phase	8.5
The Third Phase	8.5
A PRODUCT OF THE PARTY OF THE P	8.5
Land Reforms 1. Abolition of Intermediaries	8.6
2. Tenancy Reforms	8.6
3. Reorganisation of Agriculture	8.6
Reasons for Failure of Land Reforms	8.7
Land Reforms & Green Revolution	8.7
Land Reforms & Economic Reforms	8.8
Agriculture Holdings	8.8
1. Economic Holding	8.9
2. Family Holding	8.9
3. Optimum Holding	8.9
Computerisation of Land Records	8.9
Green Revolution	8.9
Components of the Green Revolution	8.10
1. The HYV Seeds	8.10
2. The Chemical Fertilizers	8.10
3. The Irrigation	8.10
4. Chemical Pesticides and Germicides	8.10 8.10
5. Chemical Herbicides and Weedicides	
6. Credit, Storage, Marketing/Distribution	8.11
Impact of the Green Revolution	8.11
1. Socio-economic Impact	8.11
2. Ecological Impact	8.12
Conclusion	
Minimum Support Prices (MSP)	8.12
Procurement Prices	8.12
Issue Price	8.12
Buffer Stock	8.12
Economic Cost of Foodgrains	8.13
Decentralised Procurement Scheme	8.13
	8.13
Rising Food Subsidy	8.13
Sugar Sector Reforms	8.14
Edible Oil Economy	
Agricultural Marketing	8.15
e-choupal	8.16
Trifed	8.16
Nafed	8.17
Storing facilities for Agriculture	8.17
Products	
	8.17
Agricultural Credit Short-Term Loans	8.17
Medium-Term Loans	8.17
Long-Term Loans	8.17
Sources of Agricultural Loans	8.17

Farm Waste Debate	8.18
Irrigation	8.19
National Food Security Mission	0.17
(NFSM)	8.19
Macro Management of Agriculture (MMA)	
Rashtriya Krishi Vikas Yojana (RKVY)	8.19
ISOPOM	8.20
National Horticulture Mission (NHM)	8.20
National Bamboo Mission (NBM)	8.20
National Agricultural Policy, 2000	8.21
Agricultural Insurance	8.21
Extension Services	8.23
National Mission for	8.24
Sustainable Agriculture (NMSA)	
Second Green Revoution	8.24
Second Green Revolution in India	8.25
Summing up the Second Green Revolution	8.25
Impact of Second Green Revolution	8.27
Second Green Revolution Strategy Adopted in the Eleventh Plan	8.28
Second Push to Agriculture	8.28
WTO and the Indian Agriculture:	8.29
Prospects and Challenges	8.29
The Prospects	8.30
The Challenges	
WTO and Agricultural Subsidies	8.33 8.33
AMS The Boyce	8.33
The Boxes Amber Box	8.33
Blue Box	8.34
Green Box	8.34
S&D Box	8.34
Export Subsidies	8.35
Sanitary and Phytosanitary Measures	8.35
NAMA	8.35
Swiss Formula	8.36
National Food Security Act	8.36
Emerging Issues	8.37
INDIAN INDUSTRY & 9.	1 – 9.35

Industrial Policy Resolution, 1948	9.3
Industrial Policy Resolution, 1956	9.3
1. Reservation of Industries	9.4
2. Provision of Licencing	9.4
3. Expansion of the Public Sector	9.5
4. Regional Disparity	9.5
5. Emphasis on Small Industries	9.5
6. Agriculture Sector	9.5
Importance	9.5
Industrial Policy Statement, 1969	9.5
Industrial Policy Statement, 1973	9.6
Industrial Policy Statement, 1977	9.7
Industrial Policy Resolution, 1980	9.7
Industrial Policy Resolution,	9.7
1985 & 1986	
New Industrial Policy, 1991	9.8
Disinvestment	9.12
Types of Disinvestment	9.13
Current Disinvestment Policy	9.14
Proceeds of Disinvestment: Debate	9.15
Concerning the Use	
Investment Challenge	9.17
New Steps to Boost Manufacturing	9.18
National Manufacturing Policy (NMP)	9.18
DMIC Project	9.18
FDI Policy	9.18
The e-Biz Project	9.18
New IIP	9.19
Major changes due to base revision	9.20
Industry & Environment	9.20
Emerging Issues	9.21
Indian Infrastructure	9.23
An Introduction	9.23
Official Ideology	9.24
Sectoral Situation & Initiatives	9.25
Energy Pricing	9.29
Dedicated Freight Corridor	9.29
PPP: New Steps	9.30
State Discoms	9.31
Emerging Issues	9.32
INDIA AND THE GLOBAL 10.1 - ECONOMY	10.23
An Introduction	10.2
Global Economy Today	10.3
Reason of the Crisis	10.3

	Unemployment Scenario	10.3
	Eurozone Crisis	10.4
	Changing Dynamics	10.5
	World Trade	10.7
	Demographics	10.7
	Current Account and Forex Reserves	10.8
	Savings and Investment	10.9
	Implications of the Change	10.9
	Locating India	10.11
	The Path to Revival	10.15
	Attempts of the G-20	10.16
	Reforming the IMF	10.17
	Financial Regulation	10.19
	Development Issues	10.21
	Role of Finance in Development	10.21
	G-20 Agenda in 2012	10.22
	Prospects for India	10.22
	INDIAN FINANCIAL MARKET 11.1	- 11.14
- 50	Introduction	11.2
	Indian Money Market	11.2
	1. Unorganised Money Market	11.3
	2. Organised Money Market	11.4
	Mutual Funds	11.6
	DFHI	11.7
	Indian Capital Market	11.8
	Project Financing	11.8
	A. Financial Institutions	11.8
	B. Banking Industry	11.11
	C. Insurance Industry	11.11
	D. Security Market	11.11
	Monetary Policy Tools	11.12
	Recent Changes in Monetary Policy	11.12
	Financial Regulators	11.13
2.	BANKING IN INDIA 12.1	- 12.31
S	Introduction	12.2
	Bank & Non-Bank Institutions	12.2
	Non-Banking Financial	12.2
	Companies (NBFCs)	12.2
	I TO BELLEVILLE TO THE PROPERTY OF THE PROPERT	12.3
	Reserve Bank of India Credit and Monetary Policy	12.3
	CRR	12.4
	SLR	12.5
	Dank Data	12.5

Re	verse Repo Rate	12.6
	rginal Standing Facility (MSF)14	12.6
	nk Rate realigned with MSF	12.7
	The street and the st	12.7
Base I	& M Policy – New Initiatives	12.8
	nalisation and Development of	
		12.9
Banki 1	ing in india Emergence of the SBI	12.9
	Emergence of Nationalised Banks	12.9
	Emergence of the RRBs	12.10
Finan	cial Sector Reforms	12.11
Re	commendation of CFS	12.11
	On Directed Investment	12.11
	On Directed Credit Programme	12.12
	On the Structure of Interest Rates	12.12
	On Structural Reorganisation	12.12
	of the Bank	11.19
5.	Asset Reconstruction	12.13
	Companies/Fund	
Bank	ing Sector Reform	12.13
DI	The state of the s	12.14
	iority Sector Lending	12.14
Re	evision in PSL	12.15
The A	Ienace of NPAs	12.15
SA	ARFAESI Act, 2002	12.17
De	ebt Recovery Tribunals (DRTs)	12.17
Capit	al Adequacy Ratio	12.17
Why	to maintain CAR?	12.19
	asel Accords	12.19
Ba	asel III Provisions	12.21
PI	reparing PSBs for Basel III Capital	40.04
	Compliance	12.21
	cock of Money	12.22
	quidity of Money	12.24 12.24
	arrow Money	
	road Money	12.24 12.24
	oney Supply	12.24
	inimum Reserve	12.24
	eserve Money	12.25
	oney Multiplier	12.25
	redit Counselling redit Rating	12.25
	2003 Street S. Sunkast S.A. (20	
	Resident Indian Deposits uidelines for Licensing of New Bank	12.26 s 12.27
Whit	te Label Atm	12.28
	on-Operative Financial Holding Com	pany
	(NOFHC) 56	12.29
	idhi	12.30
C	hit Fund	12.31

13.	INSURANCE IN INDIA 13.1	- 13.8
	Definition	13.2
	Insurance Industry LIC13.2	13.2
	GIC	13.2
	Insurance Reforms IRDA	13.2 13.3
	AICIL	13.3
	Public Sector Insurance Companies	13.3
	Reinsurance	13.3
	Deposit Insurance and Credit Guarante Corporation (DICGC)	e 13.3
	Export Credit guarantee Corporation (ECGC)	13.4
	National Export Insurance Account (NEIA)	13.4
	The Challenge Ahead	13.5
	Insurance Penetration	13.7
	Policy Initiatives	13.7
14.	SECURITY MARKET IN INDIA 14.1 -	- 14.30
	Definition	14.2
	Primary and Secondary Markets	14.2
	Stock Exchange	14.2
	NSE	14.3
	OTCEI	14.3
	ISE	14.3
	BSE	14.3
	Indo Next	14.3
	SME Exchanges: BSESME and Emer	
	Common Facts about the National Sto Exchanges	CK 14.5
	Players in the Stock Exchanges	14.5
	A CONTRACTOR OF THE PROPERTY O	14.5
	Broker Jobber	14.5
	Market –Maker	14.6
	SEBI	14.6
	Commodity Trading	14.6
	FMC	14.7
	Spot Exchanges	14.8
	Raising Capital in the Primary Market	14.9
	Public Issue	14.9
	Rights Issue	14.9
	1 (10)110 10000	
	Private Placement	
		14.9 14.9

Rolling Settlement	14.10
Badla	14.10
Undha Badla	14.10
Futures	14.10
Depositories	14.10
Spread	14.10
Kerb Dealings	14.10
NSCC	14.10
Demutualisation	14.10
Authorised Capital	14.10
Paid-up Capital	14.10
Subscribed Capital	14.10
Issued Capital	14.10
Greenshoe Option	14.11
Penny Stocks	14.11
ESOP	14.11
SBT	14.11
OFCDs	14.11
Derivatives	14.12
Indian Depository Receipts (IDRs)	14.12
Shares 'at Par' and 'at Premium'	14.13
Foreign Financial Investors	14.14
New Rules for Foreign Investment	14.14
Angel Investor	14.15
QFIS Scheme	14.16
RFPIS	14.16
Participatory Notes (PNs)	14.16
Reasons for the popularity of PNs	14.17
Regulation of PNs	14.18
The Concerns related to PNs	14.19
International Situation	14.19
Hedge Fund	14.19
Short Selling	14.20
Bear and Bull	14.20
Book Building	14.20
IPO Price Dand	14.20
Price Band ECB Policy	14.20
	14.20
RGESS	14.21
Credit Default Swap (CDS)	14.22
Securitisation	14.23
Corporate Bond In India	14.24
Inflation-Indexed Bonds	14.26
Gold ExchangeTraded Funds	14.26
e-Gold	14.27
CPSE ETF	14.27
Pension Sector Reforms Financial Stability and Development	14.27

Council (FSDC)	14.28
Financial Sector Assessment	14.20
Programme (FSAP)	14.28
Financial Stability and Development	
Council (FSDC)	14.29
Financial Sector Legislative	
Reforms Commission (FSLRC)	14.29
Financial Action Task Force (FATF)	14.30

Financial Action Task Force	(FATF)	14.30
5. EXTERNAL SECTOR OF INDIA	15.1	- 15.20
Definition	PHANKS III	15.3
Forex Reserves		15.3
External Debt		15.3
Fixed currency Regime		15.3
Floating Currency Regime	70.50	15.3
Managed Exchange Rates		15.4
Foreign Exchange Market		15.4
Exchange Rate in India		15.5
Trade Balance		15.5
Trade Policy		15.5
Depreciation	94410000144	15.5
Devaluation		15.6
Revaluation		15.6
Appreciation	tile pålanned	15.6
Current Account		15.6
Capital Account		15.6
Balance of Payment (BoP)		15.7
Convertibility Convertibility in India		15.7 15.7
Current Account	MAN A	15.7
Capital Account		15.7
LERMS		15.8
NEER		15.8
REER		15.8
EFF		15.8
IMF Conditions on India		15.8
Hard Currency		15.9
Soft Currency		15.9
Hot Currency		15.9
Heated Currency		15.9
Cheap Currency		15.9
Dear Currency		5.10
Special Economic Zone		5.10

What is SEZ?	15.10	Gap between Rate
Land Acquisition Issue & SEZ	15.11	Export Incentives
Performance of SEZs	15.11	FDI Policy
	15.12	IPRs
GAAR	15.13	Government Procu
Euro Zone Crisis & India	15.14	Sanitary & Phyto-S Technical Ban
FDI Liberalisation		Export Restriction
India's Forex Reserves	15.15	
Risks in Foreign Currency Borrowings	15.16	Looking Beyond De Future Directions
Gold Imports - A Menace!	15.17	WTO: Bali Confere
	15.19	Bilateral and Region
Recent RTAs by India	15.19 —	
SAFTA		. TAX STRUCTURE
EHS CECA	15.19	A POST OFFI THE PARTY OF THE PA
	15.19	Tax Incidence of Tax
RCEP BITA	15.20	
	15.20	Impact of Tax
GSTP		Direct Tax Indirect Tax
International Monetary System Adjustment	16.2 16.2	Proportional Taxa
Liquidity	16.2	A Good Tax System
Confidence	16.2	(i) Fairness
Bretton Woods Development	16.2	(ii) Efficiency (iii) Administrativ
International Monetary Fund	16.3	(iv) Flexibility
India's Quota & Ranking	16.3	(v) Transparence
Current US/EU Financial Crises: Cha regarding International Payments	allenges 16.4	Methods of Exper
World Bank	16.5	Value Added Tax
1. IBRD	16.5	
2. IDA	1010	Need of VAT in In
	16.5	Need of VAT in In Implementation
3. IFC		Need of VAT in Its Implementation Goods and Service
3. IFC 4. MIGA	16.5 16.5 16.6	Meed of VAT in Its Implementation Goods and Service Recent Attempts
The second secon	16.5 16.5 16.6 16.6	Goods and Service Recent Attempts
4. MIGA	16.5 16.5 16.6	Goods and Service Recent Attempts Additional Excise
4. MIGA5. ICSID6. BIPA	16.5 16.5 16.6 16.6	Goods and Service Recent Attempts Additional Excise CST Reforms
4. MIGA 5. ICSID 6. BIPA Asian Development Bank	16.5 16.6 16.6 16.6 16.6	Goods and Service Recent Attempts Additional Excise CST Reforms Service Tax
4. MIGA 5. ICSID 6. BIPA Asian Development Bank OECD	16.5 16.6 16.6 16.6 16.6 16.7	Goods and Service Recent Attempts Additional Excise CST Reforms
4. MIGA 5. ICSID 6. BIPA Asian Development Bank OECD Enlargement and Enhanced Engager	16.5 16.6 16.6 16.6 16.7 nent 16.8	Goods and Service Recent Attempts Additional Excise CST Reforms Service Tax
4. MIGA 5. ICSID 6. BIPA Asian Development Bank OECD	16.5 16.6 16.6 16.6 16.6 16.7	Goods and Service Recent Attempt Additional Excise CST Reforms Service Tax Voluntary Compa

WTO Membership

WTO Ministerial Conferences

WTO Negotiations and India 16.9

Fifth Trade Policy Review (TPR) of India 16.10

Openness of India's Trade Regime

Gap between Rates on Agri Products	16.11
Export Incentives	16.11
FDI Policy	16.11
IPRs	16.11
Government Procurement	16.11
Sanitary & Phyto-sanitary (SPS) and Technical Barriers to Trade (TBT)	16.12
Export Restrictions	16.12
Looking Beyond Doha Future Directions	16.12 16.13
WTO: Bali Conference	16.13
Bilateral and Regional Cooperation	16.14
TAX STRUCTURE IN INDIA 17.1 -	- 17.13
Tax	17.2
Incidence of Tax	17.2
Impact of Tax	17.2
Direct Tax	17.2
Indirect Tax	17.2
Methods of Taxation	17.2
Progressive Taxation	17.3
Regressive Taxation	17.3
Proportional Taxation	17.3
A Good Tax System	17.3
(i) Fairness	17.4
(ii) Efficiency	17.4 17.4
(iii) Administrative Simplicity	17.4
(iv) Flexibility	17.4
(v) Transparency	
Methods of Expenditure	17.4
Value Added Tax	17.4
Need of VAT in India Implementation Experience of VAT	17.5 17.6
Goods and Services Tax Recent Attempts to Implement GST	17.6 17.6
Additional Excise Duty	17.7
CST Reforms	17.8
Service Tax	17.8
Voluntary Compliance Encourage	nent 17.8
Scheme : To (CTT)	17.8
Commodities Transaction Tax (CTT)	
Securities Transaction Tax (STT)	17.9
Capital Gains Tax	17.9
Investment Allowance	17.10
Collection Rates	17.10

	Tax Expenditure	17.10
	14th Finance Commission	17.11
	Direct Tax Code - 2013	17.12
18.	PUBLIC FINANCE IN INDIA	18.1 – 18.33
A)	Introduction	18.2
	Budget	18.2
	Data in the Budget	18.2
	Developmental and Non-develo Expenditure	2000 120
	Plan and Non-Plan Expenditure	18.3
	Revenue	18.5
	Non-revenue	18.5
	Receipts	18.5
	Revenue Receipts	18.5
	Tax Revenue Receipts	18.5
	Non-tax Revenue Receipts	18.5
	Revenue Expenditure	18.5
	Revenue Deficit	18.6
	Effective Revenue Deficit	18.6
	Revenue Budget	18.7
	Capital Budget	18.7
	Capital Receipts	18.7
	Capital Expenditure	18.7
	Capital Deficit	18.8
	Fiscal Deficit	18.8
	Primary Deficit	18.9
	Monetised Deficit	18.9
	Deficit and Surplus Budget	18.9
	Deficit Financing Composition of Fiscal Deficit	18.9 18.12
	Fiscal Policy	18.12
	Deficit Financing in India	18.13
	The First Phase (1947–1970)	18.13
	The Second Phase (1970–1991	1) 18.14
	The Third Phase (1991 onward	
	Indian Fiscal Situation:	
	A Summary	18.15
	FRBM Act, 2003	18.16
	Follow-up to the FRBMA	18.17
	Limiting Government Expendi	ture 18.18
	Fiscal Consolidation in India	18.19
	Zero-Base Budgeting	18.21
	Results-Framework Document	18.22
	(RFD)	S. MANIEWIN.
	1. Format of RFD	18.23
	2. Evaluation Methodology	18.23
	3. RFD Process and Timelines	18.23

Charged Expenditure	18.24
Types of Budgets	18.24
Golden Rule	18.24
Balanced Budget	18.24
Gender Budgeting	18.25
Outcome and Performance Budgets	18.25
Cut Motion	18.25
Trilemmas	18.26
Treasury Computerisation of State Governments	18.27 18.27
CRIS of India	18.27
Fiscal Policy Performance: 2013-14	18.28
Economy Today: 2014-15	18.30

9.	THE TECNHOLOGY- ENVIRONMENT DILEMMA	9.1 – 19.13
10	Introduction	19.2
	Technology - The Traditional V	iew 19.2
	Technology – As Means of Resource Use	19.3
	Technology – As The Culprit Of Environmental Problems	19.4
	The Possible Alternative Environmental Protection Resource Management	19.5 19.8 19.9
	Eco-Development	19.10
	Implications Of The Ideas Holistic Thinking –	19.10
	Need Of The Time	19.11
	Looking Ahead	19.12
0.	SUSTAINABILITY AND CLIMATE CHANGE: INDIA	20.1 – 20.19

AND THE WORLD

Introduction

16.9

16.11

Problems & Prospects Epilogue	20.18
PREPARING FOR THE 21.1 - DIVIDEND DEMOGRAPHIC	21.28
Introduction Optimism vs Pessimism	21.2 21.2
Comparing Growth and Trade Sources of Growth	21.3 21.4
Labour Productivity & its Reallocation Chances of Missing Jobs	21.5 21.6
Reasons Behind Less Creative Jobs	21.7
I. Impediments to Business Growth Regulatory Environment	21.7 21.8 21.9
Difficult Funding Lack of Quality Infrastructure	21.9
Land Reforms The DMIC	21.10 21.11
Steps to Improve Business Climate	21.13
II. Labour Regulations	21.14
Informality of Employment	21.16
In India 1. Extent of Informality	21.16
2. Causes of Informality	21.17
3. Consequences of Informality	21.18
Labour Laws as Impediment	21.18
Services not Creating Enough Jobs	21.21
Need of Formal Apprenticeships	21.22
The Importance of Apprentices	21.22
2. Things India Have	21.22
3. Making it Work	
Way To Evidence-Based Better Policy	21.23
School Inputs	21.24
Pedagogy	21.24
Governance	21.25
Way to Policy	21.25
Cautions to Preparedness (I) Business as Usual	21.26 21.26
(II) Business as Usuai (II) Reforms	21.27
(III) Decline	21.27
22. HUMAN DEVELOPMENT 22. IN INDIA	1 - 22.30
Introduction	22.2
Human & Gender Development	22.2
AT ANTONIO CO CONTROL DO CONTROL DE CONTROL	- Y -

AND TERMINOLOGIES	23.2
3. ECONOMIC CONT.	- 23.65
2012-13	With a
Comments of the Economic Survey	22.29
Social Defence	22.28
Persons with Disabilities	22.28
Other Backward Classes (Obos) Minorities	22.27
Scheduled Tribes (STs) Other Backward Classes (OBCs)	22.27
Scheduled Castes (SCs)	22.27
OBCs and Other Weaker Section	s 22.26 22.26
Welfare and Development of SCs , S	Ts,
Women and Child Development	22.24
Health	22.20
Education Higher and Technical Education	22.19
	22.15
Skill Development UIDAI	22.14 22.15
Urban Infrastructure	22.13
Rural Infrastructure	22.12
Social Security Agreements (SSAs)	
UWSCA & NSSF	22.12
(RSBY)	22.42
Rashtriya Swasthya Bima Yojana	22.12
Social Protection Aam Admi Bima Yojana (AABY)	22.11
Yojana	22.11
Yojana 3. Swarna Jayanti Shahari Rozgar	22.11
2. Swarnjayanti Gram Swarozgar	22.10
1. MGNREGA	22.10
Generation Programmes	rock!
Socio-Economic and Custe Census Poverty Alleviation and Employment	
Socio-Economic and Caste Census	22.9
States Conclusive Remarks	22.8
Comparative Human Development of	22.7
Unemployment	22.6
Employment	22.6
Inequality	22.5
Poverty	22.5
Expenditure on Social Sector	22.4
Inclusive Development	22.4

23.2

ADS Conversion Offer	23.2	Capital Consumption	23.10
Adverse Selection	23.3	Capital-Output Ratio	23.10
Agricultural Extension	23.3	Carbon Credit	23.10
Agricultural Labourer	23.3	Carry Trade	23.11
Agricultural Markets	23.3	Cash Cow	23.11
Alpine Convertible Bond	23.3	Caveat Emptor	23.12
Ammortisation	23.3	Ceteris Paribus	23.12
Andean Pact	23.4	Chinese Wall	23.12
Animal Spirit	23.4	Circuit Limit	23.12
Antitrust	23.4	Classical Economics	23.12
Appreciation	23.4	Clean Coal	23.12
Arbitrage	23.4	Closed Shop	23.12
ARCs	23.4	Collective Products	23.12
Asset	23.5	Commodities Transaction Tax	23.12
Assigned Revenue	23.5	Commodity Money	23.12
Autarky	23.5	Communitisation	23.12
Backwardation	23.6	Comparative Advantage	23.13
Back-to-Back Loan	23.6	Consols	23.13
Bad Debt	23.6	Consortium	23.13
Badla	23.6	Consumer Durables	23.13
Balanced Budget	23.6	Consumer Non-durables	23.13
Balance of Payments	23.6	Conspicuous Consumption	23.13
Balloon Payment	23.6	Contagion	23.13
Basing Point Price System	23.6	Contrarian	23.13
Bellwether Stock	23.6	Core Investment Companies (CIC	S) 23.13
BFS	23.7	Corporate Sustainibility Index	23.14
Black-Scholes	23.7	Correction	23.14
Bond	23.7	Creative Destruction	23.14
Book Building	23.7	Crony Capitalism	23.14
Bracket Creep	23.7	Cross Subsidy	23.14
Broad Based Fund	23.7	Crowding-out Effect	23.14
Brownfield Location	23.8	CSR	23.14
Bubble	23.8	Debenture	23.14
Budget Line	23.8	Debt Recovery Tribunal (DRT)	23.15
Bullion	23.8	Debt Swap Scheme	23.15
Business Cycle	23.8	Decoupling Theory	23.16
Busy & Slack Seasons	23.8	Deindustrialisation	23.16
Buyer's Market	23.9	Demat Account	23.16
Buyouts	23.9	Demerger	23.16
Camels	23.9	Derivatives	23.16
Capital	23.9	DIIs	23.16
Capital Adequacy Ratio	23.10	Direct Cost	23.16

(xxiii)

ADRS

Direct Investment	23.17	Forward Trading	23.23
Direct Investment Direct Invest	23.17	Fractional Banking	23.23
Discount House	23.17	Free Goods	23.23
Disgorgement	23.17	Free Trade	23.24
Dismantling of Textile Quota	23.17	Free Port	23.24
Dissaving	23.17	Fringe Benefit Tax	23.24
Domino Effect	23.17	Gallup Poll	23.24
Dow-Jones Index	23.18	Game Theory	23.25
Drug Price Control	23.18	GDRs	23.25
Dumping	23.18	Giffen Good	23.25
Dutch Disease	23.18	Gini Coefficient	23.25
Duty Drawback Scheme	23.18	Golden Handshake	23.26
Duty Entitlement Passbook Schen	ne 23.19	Golden Handcuff	23.26
	23.19	Golden Hello	23.26
e-business	23.19	Golden Rule	23.26
e-commerce E-commerce Scale	23.19	Goodhart's law	23.26
Economies of Scale	23.19	Go-Go Fund	23.26
Economies of Scope	23.19	Greater Fool Theory	23.26
Edgeworth Box	23.19	Greenfield Investment	23.26
Effective Revenue Deficit	23.19	Greenfield Location	23.26
Engel's Law	23.19	Green Revolution & Institutions	23.26
Environmental Accounting	23.20	Greenshoe Option	23.27
Environmental Audit	23.20	Gresham's Law	23.27
Environmental Taxes	23.20	Greenspan Put	23.27
Equity Linked Saving Scheme	23.20	Grey Market	23.27
Equity Share	23.20	Growth Recession	23.27
Escrow Account	23.21	3G Technology	23.27
ESOPs	23.21	Hedge Funds	23.28
Exploding Arms		Herfindahl Index	23.29
Externalities	23.21	Hidden Price Reduction	23.29
FCCB	23.21	Hidden Price Rise	23.29
Federal Fund Rate	23.21	Hidden Tax	23.29
Fiduciary Issue	23.21	Historic Cost	23.29
Financial Closure	23.21	Hoarding	23.29
Financial Stability Board (FSB)			23.29
Fiscal Drag	23.22	Hog Cycles In a capible Trivity	23.29
Fiscal Neutrality	23.22	Impossible Trinity In 1:-2- Severaian Pating	23.29
Fisher Effect	23.22	India's Sovereign Rating	23.30
Flag of Convenience	23.22	Indifference Curve	23.30
Forced Saving	23.23	Induced Investment	23.30
FoB	23.23	IIFCL I Contain Draduct	23.30
Form of a Life Insurance Firm		Inferior Product	23.30
Forward Contract	23.23	Inflation	

Insider Trading	23.30	Marginal Utility	
Insolvency	23.30	Market Capitalisation	
Inventory	23.30	Market Maker	
Invisible Hand	23.30	Mascs	
IPO .	23.30	Marshall Plan	
I-S Schedule	23.31	Menu Cost	
Islamic Banking	23.31	Mid-Cap Funds	
Isocost Line	23.32	MFBS	
Isocost Curve	23.32	Mid-Cap Shares	
J-curve Effect	23.32	Merchant Banking	
Jobber	23.32	Mezzanine Financing	
Junk Bond	23.32	MIBID	
Kerb Dealings	23.32	MIBOR	
Kleptocracy	23.32	Middle Class	
Kondratieff Wave	23.32	Microcredit Microcredit	
LAF	23.33	Misery index Monetary Neutrality	
Laffer Curve	23.33	Money Illusion	
Liar Loans	23.33	Moral Hazard	
LIBOR	23.33	Most Favoured Nation	
Life-cycle Hypothesis	23.33		EA)
Life Insurance: Some	23.33	Multi-fibre Arrangement (MI	A)
Important Terms		Mutual Funds	
Endowment Policy	23.33	Narrow Banking	
Beneficiary	23.33	NASDAQ	
Term Life Insurance	23.33 23.34	Nash Equilibrium	
Whole Life Insurance Variable Universal Life Insurance Po		Neo-classical Economics	
Premium	23.34	New Pension Scheme	
Annuity	23.34	Ninja	
Group Life Insurance	23.34	Nominal Value	
Lapse	23.34	Non-Workers	
Lump Sum	23.34	NORKA	
Liquidation	23.34	Normal Goods	
Liquid Asset	23.34	Null Hypothesis	
Liquidity	23.34	Numeraire	
Liquidity Preference	23.34	NVS	
Liquidity Trap	23.34	Oil Bonds	
L-M Schedule	23.35	Okun's law	
Local Area Bank	23.35	Open Market Operation	
Locomotive Priniciple	23.35	Opportunity Cost	
Lorenz Curve	23.35	Outcome Budget	
Lump of Labour Fallacy	23.35	Over the Counter	
Macro & Micro Economics	23.35	Parallel Importing	
Marginal Standing Facility (MSF)	23.35		

23.36

23.36

23.36

23.36

23.36

23.36

23.36

23.37

23.37

23.37

23.37

23.38

23.38 23.38 23.38

23.38

23.38

23.38

23.38

23.39

23.39

23.40

23.40

23.41

23.41

23.41

23.41

23.41

23.41

23.41

23.42

23.42

23.42

23.42

23.42

23.43

23.43

23.43

23.43

23.43

23.44

23.44

Pareto Principle	23.44	Seignorage	23.52
Pareio Frincipio Parkinson's Law	23.45	Sequestration	23.52
Parkinson's Lun Penny Stocks	23.45	Sharpe Ratio	23.52
Penny Stocks Phillips Curve	23.45	Short Selling	23.53
	23.45	Shutdown Price	23.53
Piggyback Loan	23.45	Sixth Pay Commission	23.53
Pigou Effect	23.45	Skimming Price	23.54
PFRDA - Cleaner	23.46	Social Costs	23.54
Preference Shares	23.46	Solvency Margin	23.54
Price-earning Ratio	23.46	Sovereign Risk	23.54
Primary and Secondary Market		Spot Price	23.54
Primary Dealer	23.46	Spread	23.54
Prisoner's Dilemma	23.46		23.54
Population Trap	23.47	Standard Deviation States? Market Porrowing	23.55
Poverty Trap	23.47	States' Market Borrowing	23.55
Predatory Pricing	23.47	Stealth Tax	23.56
PPP	23.47	Stochastic Process	
QIP	23.48	Sub-Prime Crisis	23.56
Q theory	23.48	Subsidies	23.56
Random Walk	23.48	Subsidy Bidding	23.57
Redlining	23.48	Substitution Effect	23.57
Rent	23.48	Sunk Costs	23.57
Rent-Seeking	23.49	Swap	23.57
Rent-seeking Behaviour	23.49	Currency Swap	23.58 23.58
Replacement Cost	23.49	Debt swap Interest Rate Swap	23.58
Repo, Reverse Repo, & Bank R	CO. THE CO.	Product Swap	23.58
	23.50		23.58
Residual Risk	23.50	SWFs	23.58
Retail Banking	23.50	Swiss Formula	23.59
Retrocession		Systemic Risk	E-81
Reverse Takeover	23.50	Takeover	23.59
Residual Unemployment	23.51	Takeover Bid Black Knight	23.59 23.59
Reverse Mortgage	23.51	Golden Parachute	23.59
Reverse Yield Gap	23.51	Green Mail	23.59
Revealed Preference	23.51	Leveraged Bid	23.59
Ricardian Equivalence	23.51	Pac-man Defence	23.59
Risk Seeking	23.51	Poison Pill	23.59 23.59
Rule of thumb	23.51	Porcupine Obark Bonollants	23.59
Rounding Error	23.51	Shark Repellants White Knight	23.60
Salary	23.52		23.60
Satisficing Theory	23.52	Technological Unemployment	23.60
Say's law	23.52	Third-party Insurance	11
Second-best Theory	23.52	Third Way	23.60
Securities Transaction Tax	23.52	Tight Money	23.60

Till Money	23.66
Tobin Tax	23.66
Total Product	23.66
Trade Creation	23.6
Tragedy of the Commons	23.67
Transfer Payments	23.6
Transfer Earnings	23.6
Transfer Price	23.61
ULIPs & MFs	23.67
Underwriting	23.61
Usury	23.67
Veblen Effect	23.61
Velocity of Circulation	23.62
Venture Capital	23.62
Vulture Funds	23.62
Vostro Account	23.62
Walras's Law	23.62
Wasting Asset	23.62
Weightless Economy	23.63
Welfare Economics	23.63
Wildcat Strike	23.63
Williamson Trade-off Model	23.63
Winner's Curse	23.63
Withholding Tax	23.63
Worker (Census Definition)	23.63
Worker Population Ratio	23.64
Workfare	23.64
X-inefficiency	23.64
Yield Gap	23.64
Zero-coupon Bond	23.64
Zero-sum Game	23.64
Zero Tilling	23.65

24. SELECTED MCQS 24.1 – 24.52 (Economic and Social Development)

Set- 1 Answer Key with Explanations	24.2
Set- 2 Answer Key with Explanations	24.12 24.18
Set- 3 Answer Key with Explanations	24.21 24.27

Set-4	24.30
Answer Key with Explanations	24.35
Set- 5 Answer Key with Explanations	24.37 24.42
Set- 6 Answer Key with Explanations	24.45 24.49

25. MODEL ANSWERS TO 25.1 – 25.37 SELECTED QUESTIONS

CONOMIC SURVEY 2012-13 ES.1	- ES.21
An Introduction	ES.2
Summary of The Survey Growth and Other Macro Aggregates	ES.3 ES.3
Aspects of Growth Private Final Consumption Expendite	
Investment	ES.5
Net Exports	ES.7
Public Finance	ES.7
Domestic Savings	ES.11
Prices and Monetary Management	ES.12
The BoP and External Position	ES.13
Assessment and Policy Measures	ES.15
Prospects, Short Term and Medium Term	ES.16
Agriculture and Food Management	ES.17
Industry and Infrastructure Service Sector	ES.18 ES.19
Financial Intermediation	ES.19
Human Development	ES.20
Sustainable Development and Climate Change	ES.21
AIL BUDGET 2014-15 RB.	1 – RB.5

Achievements RB.2Measures for improving Safety & SecurityRB.2 Financial Health RB.3 RB.3 Public Private Partnership (PPP) High Speed Trains Project **RB.3** Semi-High Speed Project Modernisation and Technology RB.3RB.3 Induction Green Initiatives RB.3 RB.4 RB.4 Passenger Friendly Initiatives Demand Management through

RB.4

RB.4

Dynamic Pricing

Rail Tariff Authority

Enhancing Market Share

	LID C
Comments	RB.5
Annual Plan 2014–15 New Services	RB.5 RB.5
Budget Estimates 2014-15	RB.5
Financial Performance 2013-14	RB.5
Financial Performance 2012-13	RB.4
Revenue Freight Traffic	RB.4
Information Technology	RB.4

ION BUDGET 2014-15 UB.	1 - UB.6
Budget Estimates	UB.2
Plan & Non-Plan Expenditures	UB.2
Railways	UB.2
SC Sub-Plan and Tribal Sub-Plan, G	ender
Budget and Child Budget	UB.2
Defence	UB.2
Central Armed Police Forces	UB.2
Financial Sector	UB.3
Credit to Minority Communities	UB.3
Self-Help Groups (SHGs) Loans	UB.3
Education Loans	UB.3
Insurance	UB.3
Financial Markets	UB.3
Commodity Derivatives Markets	UB.3

NSUS-2011 C.1 C.1	
Comments	UB.6
Changes in Tax Rates	UB.5
Off-shore Accounts	UB 5
Funding Scientific Research	UB 5
Revenues GST and DTC	UB.5 UB.5
Vision For Future	UB.4
Public Debt Mangement Agency	UB.4
Key Pending Bills	UB 4

NSUS-2011	C.1 - C.15
Introduction	C.2
Census of India 2011	C.2
New Features	C.2
Caste-based Census	C.3
Census Data	m C.3
Number of Administrative Units in Census 2011	C.3
National Population Registe	$r \in MPR$) $C.4$
National Population Policy 2	
Highlights of The Census-2 The Way Ahead	C.5 C.7
Diagrammatic Highlights	C.7

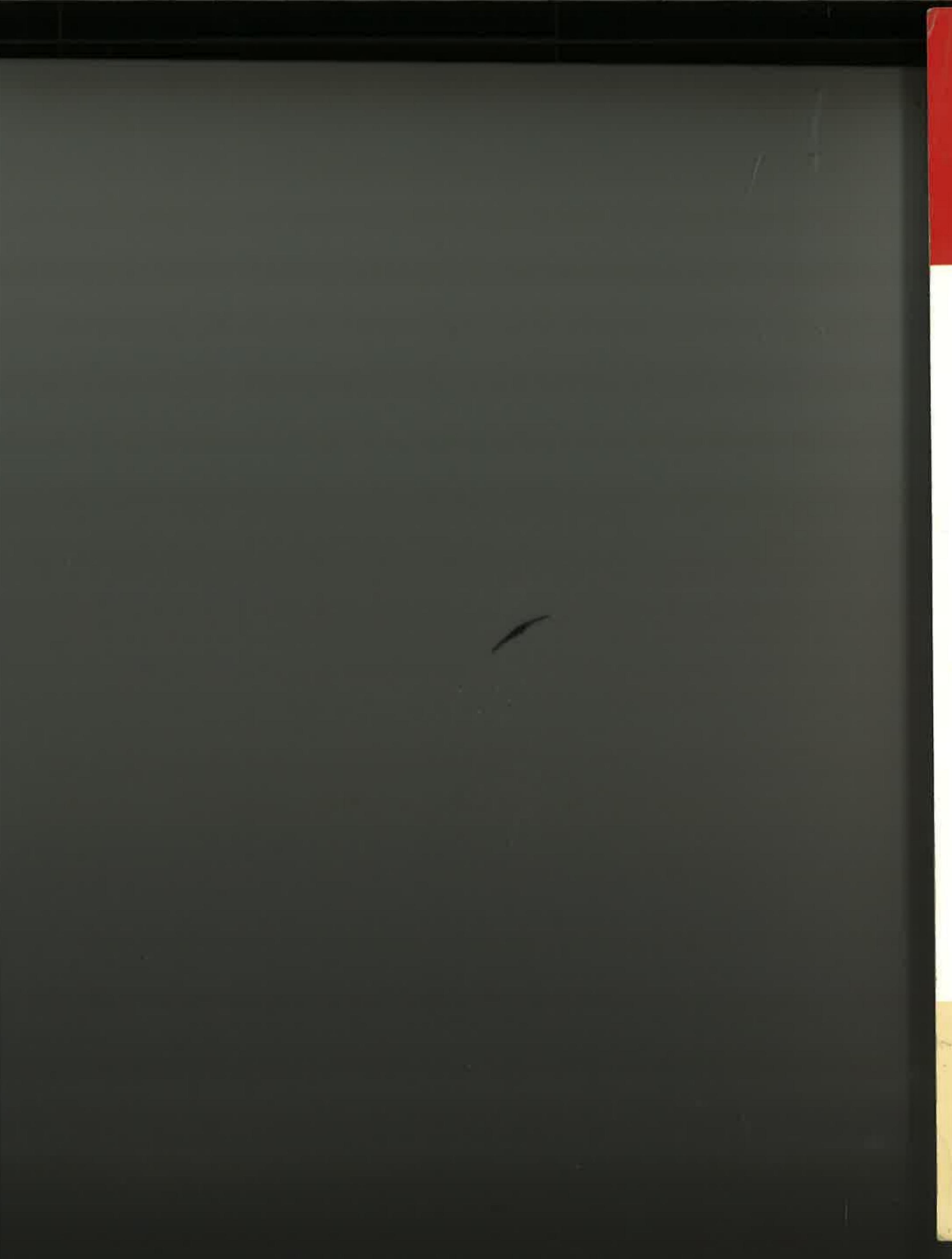


INTRODUCTION

Economics is the study of how goods and services are produced, distributed and consumed. As resources are always in short supply, the British economist Lionel Robbins in 1935 described the discipline as 'the science of scarcity'.*

- Economics—the Discipline
- Organising an Economy
- Role of The State in an Economy
- Washington Concensus
- Sectors of an Economy
- ▶ Types of Economies
- ► The Idea of National Income
- Uniqueness of the Indian Economy

See David Orrel & Borin Van Loon, Introducing Economics: A Graphic Guide, Faber & Faber, London, 2011, p. 3



INDIAN ECONOMY

For Civil Services Examinations



The revised, updated sixth edition of *Indian Economy* comes at a time when the new government at the Centre is focused on taking all possible measures to revive the economy. Into its sixth edition, this book already a bestseller, is now a must-read for thousands of aspirants appearing in civil services and various other competitive examinations. It has also made its way into the minds of readers who have a passion for economics and are interested in understanding the evolutionary dynamics, status and potential of India's economy.

Salient Features

- A broad sweep of macro and micro issues of India's economy since independence
- Based on the needs of civil services aspirants
- Highlighted notes and references
- Updated with statistical data from latest sources
- Appeals to graduates, postgraduates, academicians, researchers and those with a passion for economics

New features in this edition

- New chapter on *Multiple Choice Questions (MCQs)* with six sets of 25 questions each supported by explanatory notes
- Chapter on *Model Answers to Select Questions* revised and updated to make it more relevant for the main examination
- Chapters like Inflation; Industry & Infrastructure; Indian Financial Market; Banking; Insurance; Security Market; Human Development and Public Finance revised
- Updated with statistics and data from latest government documents *India 2014*, *Union Budget 2014-15(Interim)*, *Railway Budget 2014-15(Interim)*, etc.

New topics included in this edition

Washington Consensus; Central Sector Schemes and Centrally Sponsored Schemes; Gadgil-Mukherjee Formula; Composite Development Index of States; Independent Evaluation Office; Double-dip Recession; Abenomics; National Food Security Act; Restructured NIF; Credit & Monetary Policy—Brown & White Label ATMs; Bali Conference of the WTO; Direct Tax Code- 2013; etc.

Related books of interest

Ramesh Singh: Contemporary Essays

MHE: 1000 Plus Questions on Economic and Social Development

MHE: 1000 Plus Questions on Indian Polity

Mc Graw Hill Education

