

# Indian Economy

## SESSION - 1 (Basics Concepts Related to National Income)

### 1. Basic Concepts of Macroeconomics

- ▶ What is Economics?
- ▶ What is Macroeconomics?
- ▶ Other Basic Terminologies

### 2. The Classification of Economic System

- ▶ Organizing Economy
- ▶ Sectors of the Economy
- ▶ Sectors of Economy

### 3. Calculation of National Income

- ▶ GDP (Gross Domestic Product)
- ▶ Gross National Product (GNP)
- ▶ Net National Product (NNP)
- ▶ Net Domestic Product (NDP)
- ▶ National Income at Factor Cost (NIFC)
- ▶ Transfer Payments
- ▶ Personal Income
- ▶ Disposable Personal Income

### 4. Other Concepts Associated with National Income

- ▶ Per Capita Income
- ▶ Human Development Index (HDI)
- ▶ Green GDP
- ▶ Gross National Happiness: 'Happiness matters, not Money'

- ▶ Human Poverty Index (HPI)
- ▶ Genuine Progress Indicator (GPI)
- ▶ GDP Deflator - (Implicit price deflator for GDP)
- ▶ Universal Basic Income (UBI)
- ▶ Purchasing Power Parity (PPP)
- ▶ Lorenz Curve
- ▶ Gini Coefficient
- ▶ Phillips Curve

### 5. Money and Inflation

- ▶ Function of Money
- ▶ Classification of Money
- ▶ Position of Indian Rupee
- ▶ Money Supply in India
- ▶ Reserve Money
- ▶ Money Multiplier
- ▶ Liquidity
- ▶ Flow of Money
- ▶ Plastic Money
- ▶ Less Cash Economy: Vision 2018
- ▶ Types of Inflation
- ▶ What Causes Inflation?
- ▶ Measuring Inflation
- ▶ Core Inflation
- ▶ Effects of Inflation
- ▶ Demonetization and Impact on Inflation
- ▶ Other Relevant Terms Related to Inflation

### Current Affairs List

1. First Advance Estimate of National Income 2017-2018
2. Digital Cash Payment Systems

## SESSION - 2 (Fiscal Management)

### 1. Budget

- ▶ Types of Budgeting
- ▶ Balanced and Unbalanced Budgets
- ▶ Budgeting Terms
  - Theory and Concept of Budget
  - Components of Government Budget
  - Capital Receipts

- Capital Expenditure

### 2. Deficits

- ▶ Types of deficits
  - Deficit financing
  - Debt

### 3. Fiscal Consolidation

- ▶ Fiscal Policy – Revenue
- ▶ Revenue and its Classification

### 4. Subsidies

- ▶ Subsidies to Agriculture Sector
- ▶ Fertilizer Subsidy
- ▶ Fuel Subsidies in India
- ▶ Food subsidy – National Food Security Act
- ▶ Direct Cash Transfer

### 5. Indian Financial Market

- ▶ Indian Financial Market
- ▶ Financial Market
- ▶ Money Market

### 6. Capital Market

- ▶ Functions of the Capital Market
- ▶ Structure of the Capital Market

### 7. Security Market

- ▶ Stock Markets
- ▶ SEBI

### Current Affairs List

1. GST suvidha provides an additional channel for filing returns and other compliances relating to GST
2. The regime of GST has started
3. National anti profiteering authority in GST to ensure that prices remain under check
4. India imposes anti-dumping duty on some stainless steel from China, US, South Korea and European union to curb cheaper imports
5. Capital gains tax rules
6. Financial resolution and deposit insurance Bill 2017
7. RBI recently released its biannual financial stability report (FSR)
8. Panel to draft a new direct tax laws to replace the existing income tax Act, 1961
9. CDDT has relaxed norms for (MAP) mutual agreement pricing and advance pricing agreement (APA's)
10. India's current account deficit narrowed during 2016-17

## SESSION - 3 (Banking)

### 1. Types of Banks

- ▶ Universal Bank
- ▶ Development Bank
- ▶ Lead Bank
- ▶ Payment Bank
- ▶ Small Finance Bank

### 2. Classification of Banks in India

- ▶ Central Bank – RBI
- ▶ Commercial Banks
- ▶ Co-Operative Banks
- ▶ Non-Scheduled Banks
- ▶ Functions of Scheduled Commercial Banks

### 3. Terms Related to Banking System

- ▶ Monetary Policy
- ▶ Bank Rate
- ▶ Cash Reserve Ratio (CRR)
- ▶ Statutory Liquidity Ratio (SLR)

- ▶ Open Market Operation
- ▶ Liquidity Adjustment Facility (LAF)
- ▶ Repo Rate
- ▶ Prime Lending Rate
- ▶ Marginal Standing Facility (MSF)
- ▶ Special Drawing Rights (SDR)
- ▶ Non-Banking Financial Company (NBFC)
- ▶ White Label ATMs
- ▶ Shadow Banks
- ▶ Bhartiya Mahila Bank
- ▶ Banking Ombudsman
- ▶ Priority Sector Lending (PSL)
- ▶ Non-Performing Assets (NPAS)
- ▶ Basel Norms: Prudential Norms and Capital Adequacy

### 4. Banking Sector Reforms

- ▶ Banking Sector Development in India
- ▶ Nationalization of Banks in India
- ▶ Narasimham Committee
- ▶ New Bank Licence Criteria

### Current Affairs List

1. RBI panel reveals ad Hoc, arbitrary practices by banks to inflate interest rates
2. Centre to recapitalize the PSB's over the next 2 years with Rs. 2.11 Lakh Crore
3. RBI listed HDFC Bank as domestically systematically important banks

4. RBI takes masala bonds out of corporate bond limit for FPI's
5. National e-Governance Services Ltd. (NESL) became India's first Information Utility (IU) for bankruptcy cases under the insolvency and bankruptcy code 2016
6. New RBI rule and regulation to peer to peer (P2P) lending
7. Government is considering to consolidate the public sector banks
8. RBI has made 20-digital Legal Entity Identifies (LEI) for all large corporate borrowers
9. Union Government constituted alternative mechanism panel for PSB consolidation
10. Indian Post Payment Bank (IPPB) to become operational in 650 districts by April 2018

## SESSION - 4 (External Sector + International Organization)

### 1. External Sector

- ▶ Forex Reserves
- ▶ External Debt
- ▶ Balance of Payment
- ▶ Foreign investment
- ▶ Exchange Rate
- ▶ Convertibility of Rupee

### 2. International Organisations

- ▶ International Monetary Fund
- ▶ World Bank

- ▶ Asian Infrastructure Investment Bank
- ▶ New Development Bank (Brics Bank)
- ▶ Asian Development Bank
- ▶ European Central Bank
- ▶ World Trade Organisation

### 3. Trade Agreements

- ▶ TPP (Trans-Pacific Partnership) Agreement
- ▶ Regional Comprehensive Economic Partnership (RCEP)
- ▶ SAFTA

### Current Affairs List

1. India set to join newly constituted global foreign exchange committee
2. Issue of price capping of medical devices by India
3. Reviewing the International Investment Agreement (IIA) including the Investment State Dispute Settlement (ISDS) mechanism
4. India forex reserves have increased lite time high of \$382.167 Million – RBI
5. India signed the OECD multilateral convention to prevent BEPS (Base Erosion and Profit Shifting)
6. GoI is set to launch its second Exchange Traded Fund (ETF) Bharat 22

## Miscellaneous Current Affairs Topics

### Schemes/Programmes/Policies

1. DONER launches "Hill Area Development Programme"
2. New draft national energy policy
3. NITI Aayog has launched SATH program (sustainable action for transforming human capital)
4. GOI recently launched hydrocarbons exploration and licensing policy (HELP)
5. GOI launched senior citizens pension scheme called PM Vayu Vandana Yojana
6. PM Krishi Sinchayee Yojana
7. GOI released next series of sovereign gold bond scheme
8. North east region textile promotion scheme (NERTPS)
9. National Bio pharma Mission was launched by the government
10. Ministry of commerce and industry launched the startup India virtual hub
11. Startup SANGAM initiative
12. SAATH scheme
13. ARYA – attaining and retaining youth in agriculture
14. Pandit Deendayal Upadhyay Unnat Krishi Shiksha Scheme
15. New Metro Rail Policy 2016
16. GOI has announced the first phase of Bharat Net project
17. SAMPOORNA BIMA Gram Yojana – Postal life insurance
18. SANKALP Scheme
19. STRIVE Scheme

## Index/Reports

1. India is among the top five consumer markets in Asia-BMI research
2. World Bank's Global Economic Prospects (GEP) has projected India's growth rate of 7.5% in 2018 and 7.7% in 2019
3. Gujarat Tops the state investment potential index relaxed by NCAER
4. Global Retail Development Index (GRDI) titled "The Age of Focus" has replaced India at the top position followed by China
5. Recently world bank released its global financial development report
6. Global wealth report was released by credit Suisse research
7. Composite district infrastructure index
8. Recommendations of expert committee headed by justice B.N. Sri Krishna on data protection frame work
9. UTCTAD's world investment 2017: India constitute to remain as a favourite destination for FDI
10. CAG highlighted gaps in the implementation of crop insurance schemes
11. UTCTAD launches the state of commodity dependency report 2016
12. India has ranked 100 out of 190 countries in world bank ease of doing business
13. India secured 3rd place: world nuclear industry status report 2017
14. Global financial centre index: London tops, Mumbai at 60
15. India slips to 7th position in global business optimism ranking
16. India ranked 40th most competitive economy: world economic forum's global competitive index
17. India ranks 51 – IMD world talent ranking
18. Nation brands report 2017: India ranked 8th out of 100
19. Ministry of Road transport and highways released a report on road accidents in India

## Miscellaneous

1. Recently TajMahal palace hotel of Mumbai has received the trademark status
2. Government saved over 5700 crore through DBT
3. Administered Price Mechanism (APM) for Petrol and Diesel were dismantled by the government
4. GI tag to stone sculptures of Mamallapuram,

Etikoppam toys, Banglarrasogulla (West Bengal)

5. Government recently launched National Power Portal (NPP) dashboard
6. Institute of Rural Management Anand (IRMA) conducted an assessment study of DeenDayalAntyodayaYojana – NRLM
7. Recently gold options were launched for the first time in India on Multi-Commodity Exchange (MCX)
8. Nobel Prize in economics – Richard Thaler
9. RBI constituted a committee to review the norms for Market Infrastructure Institution (MII)
10. Role of Economic Advisory Council to Prime Minister (EAC-PM) and its conflict issues with NITI Aayog and office of chief economic advisor
11. Abu Dhabi became the first institutional investor in NIF's Master Fund
12. Recommendations of UdayKotak committee on corporate government
13. NPCI gets RBI nod to operate Bharat Bill Payment System

## Growth and Development

1. India's growth rate projected at 7.2% for 2017-19: world economic outlook
2. India registered a GDP growth of 6.1% compared with China's 6.9% in fourth quarter 2016-17

## Agriculture

1. NITI Aayog proposed the idea of taxation of agricultural income above a certain threshold
2. Removing agricultural commodities from the essential commodities Act: NITI Aayog
3. GST to have a mixed impact on agriculture
4. Feminization of agriculture
5. Government recently launched e-auction portal e-Rakam for selling agricultural produce
6. Farmers protest due to fall of prices of various crops and other external factors
7. "AGRI-UDAAN" – Food and agri-business acceleration 2.0 to bring startup revolution in agriculture
8. National Agricultural Higher Education project has been formulated by the ICAR in partnership with the World Bank

9. Union cabinet approved raising Extra Budgetary Resources (EBR) for long term irrigation fund for 2017-18
10. APEDA (Agricultural and Processed Food Products Export Development Authority Act) focuses on Boosting Ari Exports
11. SMAM (Sub-Mission on Agricultural Mechanisation) was launched in the year 2014-15 under National Mission on Agricultural Extension and Technology
12. Jute-ICARE Project Focussed on Doubling the jute farmers income
13. Recently Ministry of Agriculture and farmers welfare reviewed project CHAMAN
14. Doubling the farmers income: Suggestions by Ashok Dalwai Committee
15. Recently Government Approved the constitution of Rashtriya Krishi Vikas Yojana (RKVY) as (RKVY-RAFTAAR) for 3 years (2017-20)
16. Department of Biotechnology held Smart Agriculture Conclave
17. Ministry of Food processing Industries has launched negotiable warehouse receipts in electronic format

### **Industry**

1. Disinvestment of AIR INDIA proposed
2. Manufacturing of Alumina and Aluminium and Ministry of Bauxite was bought under utility services
3. Concept and significance of land bank in industrial sector
4. MC Kinsey released its report titled "India's Labour Market: A New Emphasis on Gainful Employment
5. Finance Ministry asks FDI Approving authorities to decide on FDI proposal after FIPB Abolition
6. Wage code Bill in line of recommendations of 2nd National Commission on Labour

7. Director General of Civil Aviation (DGCA) released the Civil Aviation Requisitionment (CAR) for the operation of Drones in India.
8. International Civil Aviation Organisation Audited the aviation sector in India and rated the regulatory mechanism "Satisfactory"
9. Ministry of Mines formulated the Draft Evaluation template for the star rating of Minor Minerals
10. Centre has launched an online database containing GIS-Enabled portal Maps land related information

### **Infrastructure**

1. Rural electrification corporation issued its first green bond
2. Time and costs over runs of infrastructure projects
3. India's First Mega Coastal Economic Zone (CEZ) to come up in Maharashtra (Jawaharlal Nehru Port) – JNP
4. Inauguration of AJI DAM under Sauni Yojana
5. Logistic sector gets infrastructure status
6. AIB approves \$150 million for India infrastructure fund
7. Government in planning to roll out a new scheme named Sasti Bijli Har Ghar Yojana with a corpus of Rs. 17,000 crore to provide electricity access to every rural household
8. Issues related to open access in electricity
9. Ro-Ro Ferry service was launched in Gujarat
10. Bharatmala project for construction of 24,000 km of highway connecting Western and Eastern part of the country
11. Challenges and prospects of hydro power generation sector in India
12. Union Ministry of shipping is planning to expand Logistics Data Bank (LDB) project to the country's Southern Region

*Current Affairs Topics will be Updated Till April, 2018*