

GS III – Economy

Syllabus

- ✓ Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.
- ✓ Inclusive Growth and issues arising from it.
- ✓ Government Budgeting.
- ✓ Effects of Liberalization on the Economy, Changes in Industrial Policy and their Effects on Industrial Growth.
- ✓ Infrastructure: Energy, Ports, Roads, Airports, Railways etc. Investment Models

<i>Syllabus</i>	1 3	14	15	16	17	18	19	20	21	22	23	24	25	Total
<i>Indian Economy (issues relating to planning, mobilisation of resources, growth, development, employment);</i>	1	1	2	1	1	1	2	3	2	2	4	1	2	23
<i>Inclusive growth and issues arising from it</i>	1	1		2	1		1	1	1	1		1	1	11
<i>Government Budgeting</i>	2			1	1	1	1		1				1	8
<i>Effects of Liberalisation on the economy; Changes in Industrial policy & their effects on industrial growth</i>	3	2	2	2	2	1						1	1	14
<i>Infrastructure (energy, ports, roads, airports, railways); Investment models</i>	3	3	1	1	1	2		1		2		1		15

Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Themes	PYQs	Marks	Year
Economic Growth	1. Economic growth in the recent past has been led by increase in labour activity. Explain this statement. Suggest the growth pattern that will lead to creation of more jobs without compromising labour productivity.	15	2022
	2. Do you agree that the Indian economy has recently experienced a V-shaped recovery? Give reasons in support of your answer.	15	2021
	3. Among several factors for India's potential growth, savings rate is the most effective one. Do you agree? What are the other factors available for growth potential?	10	2017
GDP	1. Explain the difference between computing methodology of India's gross domestic product (GDP) before the year 2015 and after the year 2015.	10	2021
	2. Define potential GDP and explain its determinants. What are the factors that have been inhibiting India from realizing its potential GDP?	10	2020
	3. Do you agree with the view that steady GDP growth and low inflation have left the Indian economy in good shape? Give reasons in support of your arguments.	10	2019
Monetary policy	1. What are the causes of persistent high food inflation in India? Comment on the effectiveness of the monetary policy of the RBI to control this type of inflation.	10	2024
Digitalization of Economy	1. What is the status of digitalization in the Indian economy? Examine the problems faced in this regard and suggest improvements.	10	2023
Demographic Dividend	1. While we flaunt India's demographic dividend, we ignore the dropping rates of employability. What are we missing while doing so? Where will the jobs that India desperately needs come from? Explain.	12.5	2014
Investment	1. Explain the meaning of investment in an economy in terms of capital formation. Dis-cuss the factors to be considered while designing a concession agreement between a public entity and a private entity.	15	2020
Manufacturing Sector	1. Discuss the rationale of the Production Linked Incentive (PLI) scheme. What are its achievements? In what way can the functioning and outcomes of the scheme be improved?	15	2025
	2. India aims to become a semiconductor manufacturing hub. What are the challenges faced by the semiconductor industry in India? Mention the salient features of the India Semiconductor Mission.	15	2025
	3. Faster economic growth requires increased share of the	10	2023

	manufacturing sector in GDP, particularly of MSMEs. Comment on the present policies of the Government in this regard.		
	4. Success of 'Make in India' programme depends on the success of 'Skill India' pro-programme and radical labour reforms. Discuss with logical arguments.	12.5	2015
Niti Aayog and Planning Commission	1. How are the principles followed by the NITI Aayog different from those followed by the erstwhile Planning Commission in India?	15	2018
GST	1. Explain the rationale behind the Goods and Services Tax (Compensation to States) Act of 2017. How has COVID-19 impacted the GST compensation fund and created new federal tensions?	15	2020
	2. Enumerate the indirect taxes which have been subsumed in the Goods and Services Tax (GST) in India. Also, comment on the revenue implications of the GST introduced in India since July 2017.	10	2019
	3. Discussion the rationale for introducing Good and services tax in India. Bring out critically the reasons for delay in roll out for its regime.	10	2013
Unemployment	1. Most of the unemployment in India is structural in nature. Examine the methodology adopted to compute unemployment in the country and suggest improvements.	15	2023
	2. The nature of economic growth in India is described as jobless growth. Do you agree with this view? Give arguments in favour of your answer.	12.5	2015
Miscellaneous	1. The increase in life expectancy in the country has led to newer health challenges in the community. What are those challenges and what steps need to be taken to meet them?	10	2022
	2. Distinguish between 'care economy' and 'monetized economy'. How can care economy be brought into monetized economy through women empowerment?	15	2023

Inclusive growth and issues arising from it

Themes	PYQs	Marks	Year
Inclusive Growth	1. Distinguish between the Human Development Index (HDI) and Inequality adjusted Human Development Index (IHDI) with special reference to India. Why is the IHDI considered a better indicator of inclusive growth?	10	2025
	2. What are the salient features of 'inclusive growth'? Has India been experiencing such a growth process? Analyze and suggest measures for inclusive growth.	15	2017
	3. Comment on the challenges for inclusive growth which include careless and useless manpower in the Indian context. Suggest measures to be taken for facing these challenges	12.5	2016
Financial Inclusion	1. Is inclusive growth possible under market economy? State the		

	significance of financial inclusion in achieving economic growth in India	10	2022
	2. Pradhan Mantri Jan Dhan Yojana (PMJDY) is necessary for bringing unbanked to the institutional finance fold. Do you agree with this for financial inclusion of the poorer section of the Indian society? Give arguments to justify your opinion.	12.5	2016
Inclusive Growth and Capitalism	1. Capitalism has guided the world economy to unprecedented prosperity. However, it often encourages shortsightedness and contributes to wide disparities between the rich and the poor. In this light, would it be correct to believe and adopt capitalism driving inclusive growth in India? Discuss	12.5	2014
Inclusive Growth and Infrastructure	1. Investment in infrastructure is essential for a more rapid and inclusive economic growth. Discuss in the light of India's experience	15	2021
	2. What are 'Smart Cities'? Examine their relevance for urban development in India. Will it increase rural-urban differences? Give arguments for Smart Villages in the light of PURA and RURBAN Mission.	12.5	2016
Inclusive Growth and Public Expenditure	1. Examine the pattern and trend of public expenditure on social services in the post-reforms period in India. To what extent this has been in consonance with achieving the objective of inclusive growth?	10	2024
Inclusive Growth and Sustainable Development	1. Explain intra-generational and intergenerational issues of equity from the perspective of inclusive growth and sustainable development.	10	2020
	2. It is argued that the strategy of inclusive growth is intended to meet the objectives of inclusiveness and sustainability together. Comment on this statement.	15	2019
Corporate Social Responsibility	1. With a consideration towards the strategy of inclusive growth, the new Companies Bill, 2013 has indirectly made CSR a mandatory obligation. Discuss the challenges expected in its implementation in right earnest. Also discuss other provisions in the Bill and their implications	10	2013

Government Budgeting

Themes	PYQs	Marks	Year
Fiscal Policy	1. Explain how the Fiscal Health Index (FHI) can be used as a tool for assessing the fiscal performance of states in India. In what way would it encourage the states to adopt prudent and sustainable fiscal policies?	15	2025
	2. Distinguish between capital budget and revenue budget. Explain the components of both these Budgets.	10	2021
	3. The public expenditure management is a challenge to the government of India in the context of budget-making during the post-liberalization period. Clarify it.	15	2019
	4. What are the reasons for introduction of Fiscal responsibility and Budget Management (FRBM) act, 2003? Discuss critically	10	2013

	its salient features and their effectiveness.		
	5. What is meaning of the term tax-expenditure? Taking housing sector as an example, discuss how it influences budgetary policies of the government.	10	2013
Current Budget	1. Comment on the important changes introduced in respect of the Long-term Capital Gains Tax (LCGT) and Dividend Distribution Tax (DDT) in the Union Budget for 2018-2019.	10	2018
	2. One of the intended objectives of Union Budget 2017-18 is to 'transform, energize and clean India'. Analyse the measures proposed in the Budget 2017-18 to achieve the objective.	15	2017
Gender Budgeting	1. Women empowerment in India needs gender budgeting. What are the requirements and status of gender budgeting in the Indian context?	12.5	2016

Effects of Liberalisation on the economy; Changes in Industrial policy & their effects on industrial growth

Themes	PYQs	Marks	Year
LPG Reform and Impact	1. "Industrial growth rate has lagged behind in the overall growth of Gross-Domestic-Product (GDP) in the post-reform period" Give reasons. How far the recent changes in Industrial Policy are capable of increasing the industrial growth rate?	15	2017
	2. How globalization has led to the reduction of employment in the formal sector of the Indian economy? Is increased informalization detrimental to the development of the country?	12.5	2016
	3. Normally countries shift from agriculture to industry and then later to services, but India shifted directly from agriculture to services. What are the reasons for the huge growth of services vis-a-vis industry in the country? Can India become a developed country without a strong industrial base?	12.5	2014
	4. Examine the impact of liberalization on companies owned by Indian. Are the competing with the MNCs satisfactorily?	10	2013
FDI	1. Justify the need for FDI for the development of the Indian economy. Why there is gap between MOUs signed and actual FDIs? Suggest remedial steps to be taken for increasing actual FDIs in India.	12.5	2016
	2. Foreign direct investment in the defence sector is now said to be liberalised. What influence this is expected to have on Indian defence and economy in the short and long run?	12.5	2014
	3. Discuss the impact of FDI entry into multi-trade retail sector on supply chain management in commodity trade pattern of the economy.	5	2013
	4. Though India allowed foreign direct investment (FDI) in what is called multi brand retail through joint venture route in September 2012, the FDI even after a year, has not picket up. Discuss the reasons.	5	2013

Balance of Payment	1. Craze for gold in Indians have led to a surge in import of gold in recent years and put pressure on balance of payments and external value of rupee. In view of this, examine the merits of Gold Monetization Scheme.	12.5	2015
Protectionism and Currency Manipulations	1. What are the challenges before the Indian economy when the world is moving away from free trade and multilateralism to protectionism and bilateralism? How can these challenges be met?	10	2025
	2. How would the recent phenomena of protectionism and currency manipulations in world trade affect macroeconomic stability of India?	15	2018
Special Economic Zones	1. There is a clear acknowledgement that Special Economic Zones (SEZs) are a tool of industrial development, manufacturing and exports. Recognizing this potential, the whole instrumentality of SEZs requires augmentation. Discuss the issues plaguing the success of SEZs with respect to taxation, governing laws and administration.	12.5	2015
Labour-intensive and Capital-intensive Export	1. Account for the failure of the manufacturing sector in achieving the goal of labour-intensive exports. Suggest measures for more labour intensive rather capital-intensive export.	10	2017
Labour Reform	1. Discuss the merits and demerits of the four 'Labour Codes' in the context of labour market reforms in India. What has been the progress so far in this regard?	15	2024

Infrastructure (energy, ports, roads, airports, railways); Investment models

Themes	PYQs	Marks	Year
Renewable Energy	1. Do you think India will meet 50 percent of its energy needs from renewable energy by 2030 Justify your answer. How will the shift of subsidies from fossil fuels to renewables help achieve the above objective? Explain.	15	2022
	2. Describe the benefits of deriving electric energy from sunlight in contrast to the conventional energy generation. What are the initiatives offered by our Government for this purpose?	15	2020
	3. With growing energy needs should India keep on expanding its nuclear energy pro-programme? Discuss the facts and fears associated with nuclear energy.	15	2018
	4. Access to affordable, reliable, sustainable and modern energy is the sine qua non to achieve Sustainable Development Goals (SDGs). Comment on the progress made in India in this regard.	10	2018
	5. Give an account of the current status and the targets to be achieved pertaining to renewable energy sources in the country. Discuss in brief the importance of National Programme on Light Emitting Diodes (LEDs).	12.5	2016
	6. To what factors can the recent dramatic fall in equipment costs and tariff of solar energy be attributed? What implications does	12.5	2015

	the trend have for the thermal power producers and the related industry?		
	7. Write a note on India's green energy corridor to alleviate the problems of conventional energy.	10	2013
	8. What do you understand by running the river hydroelectricity project? How is it different from any other hydroelectricity project?	15	2013
Transport	1. National urban transport policy emphasizes moving people instead of moving vehicles. Discuss critically the success of various strategies of the government in this regard.	12.5	2014
Airport and infrastructure	1. What is the need for expanding the regional air connectivity in India? In this context, discuss the government's UDAN Scheme and its achievements.	15	2024
	2. International civil aviation laws provide all countries complete and exclusive sovereignty over the airspace above the territory. What do you understand by airspace?	12.5	2014
	3. What are the implications of these laws on the space above this airspace? Discuss the challenges which this poses and suggest ways to contain the threat.		
PPP and infrastructure	1. Why is Public Private Partnership (PPP) required in infrastructural projects? Examine the role of PPP model in the redevelopment of Railway Stations in India.	10	2022
	2. Examine the developments of Airports in India through Joint Ventures under Public-Private Partnership (PPP) model. What are the challenges faced by the authorities in this regard.	10	2017
	1. Explain how private public partnership agreements, in longer gestation infrastructure projects, can transfer unsuitable liabilities to the future. What arrangements	12.5	2014
	2. need to be put in place to ensure that successive generations' capacities are not compromised?		
	3. Adaptation of PPP model for infrastructure development of the country has not been free from criticism. Critically discuss the pros and cons of the model.	10	2013