

The background of the slide features a collage of financial data visualizations. On the left, there is a bar chart with orange bars of varying heights, each sitting on a white base. The Indian national flag's Ashoka Chakra is superimposed over one of the bars. To the right of the chart is a line graph with a blue line showing fluctuations, accompanied by a large blue arrow pointing upwards. The entire background is filled with faint, semi-transparent numbers and grid lines, suggesting a financial or economic theme.

ForumIAS

Indian Economy
By
Basava Uppin

RBI keeps repo rate unchanged at 6.5%

Taper episode begins, will the Fed relent?

'Rupee is not sliding, US Dollar is strengthening': FM Nirmala Sitharaman on INR depreciation

FPIs register steepest outflow in 7 months at ₹28,852 crore in January



Why can't the RBI print notes and distribute among the poor so that poverty can be eradicated?

How does RBI print notes? Can it print unlimited notes?

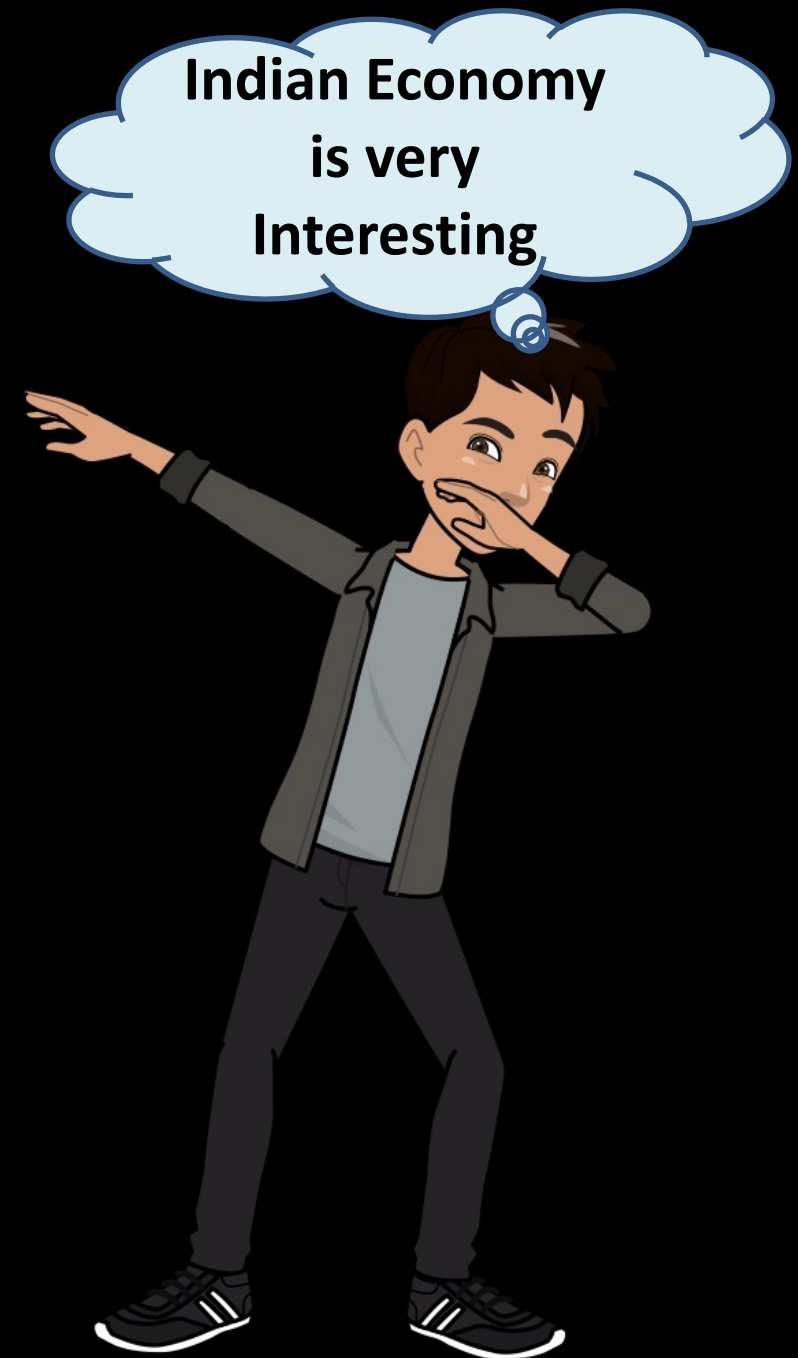
Why do prices of Goods and Services increase? How does RBI control prices?

Is Zero rate of Inflation good for the economy?

How much has the Government borrowed? Will the Government be able to repay the debt?

Why does the Rupee value change everyday? When will \$ 1 become equal to One Rupee?

Why do Tax Haven countries not impose tax? Why does India get maximum foreign Investment from Tax havens such as Singapore, Mauritius etc.?



Pillars of Indian Economy

Pillar 1 Banking and Finance

Reserve Bank of India
Banking in India
Monetary Policy
Inflation
Capital Market
Money Market
Financial Inclusion

Pillar 2 Public Finance

Fiscal Policy
Union Budget
Economic Survey

Pillar 3 External Sector

Balance of Payment
(BoP)

International
Institutions such as
IMF, World Bank,
WTO etc.

Pillar 4 Government Policies

Agriculture
Industry

Infrastructure

Inclusive Growth-
Poverty,
Unemployment etc.

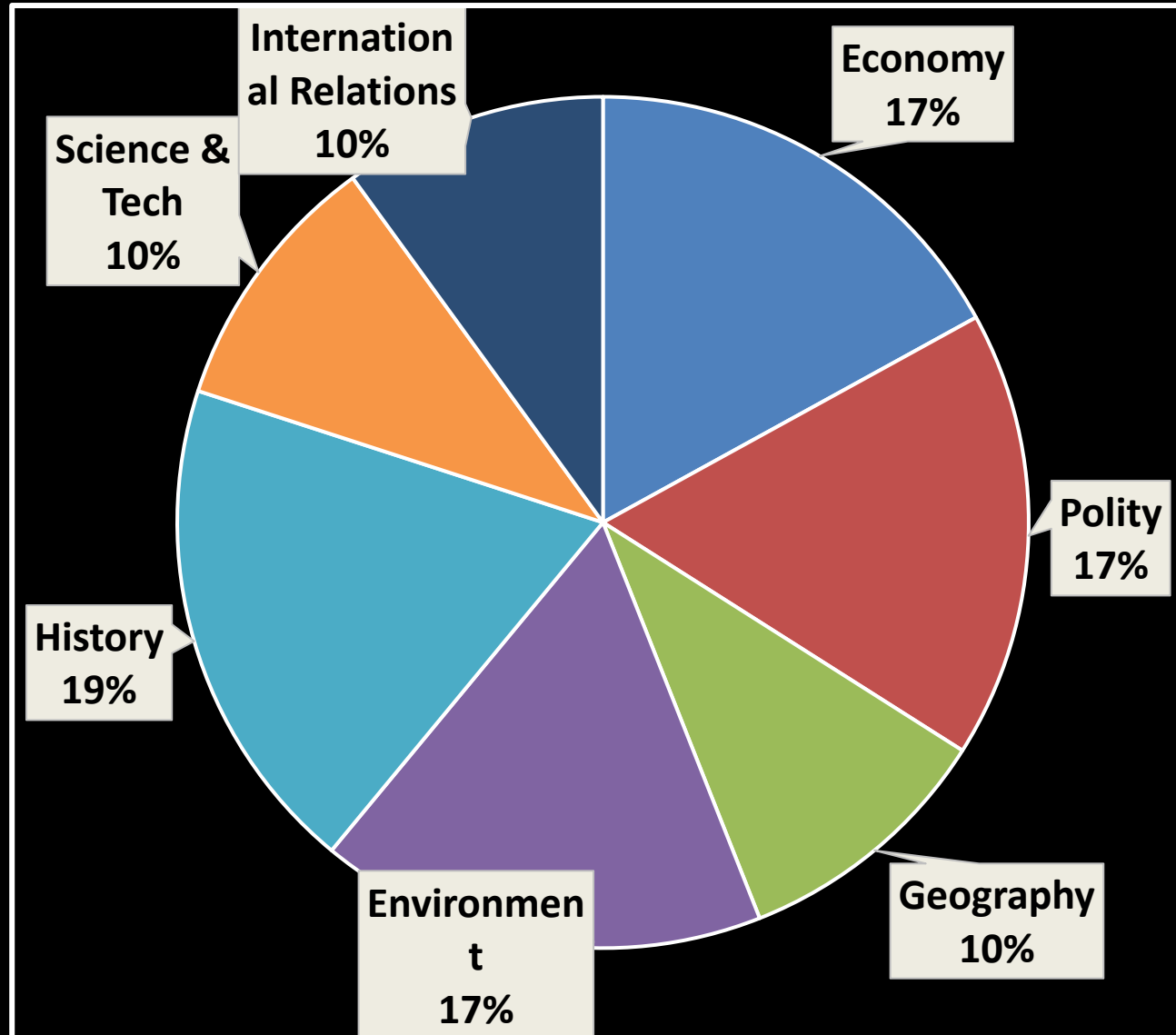
Pillar 5 Core Concepts

Calculation of
National Income

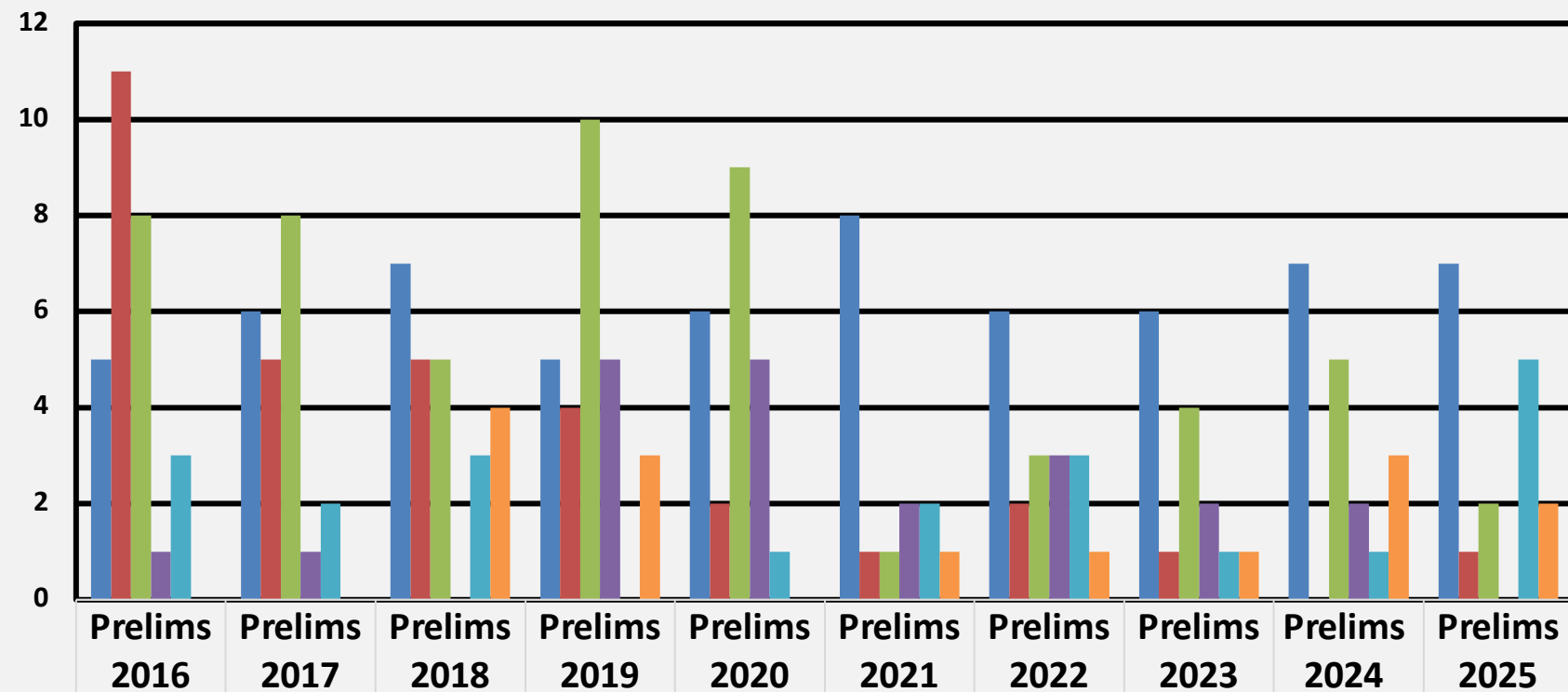
Important Concepts
from NCERTs

Weightage of Different Subjects

Subject Wise Breakup

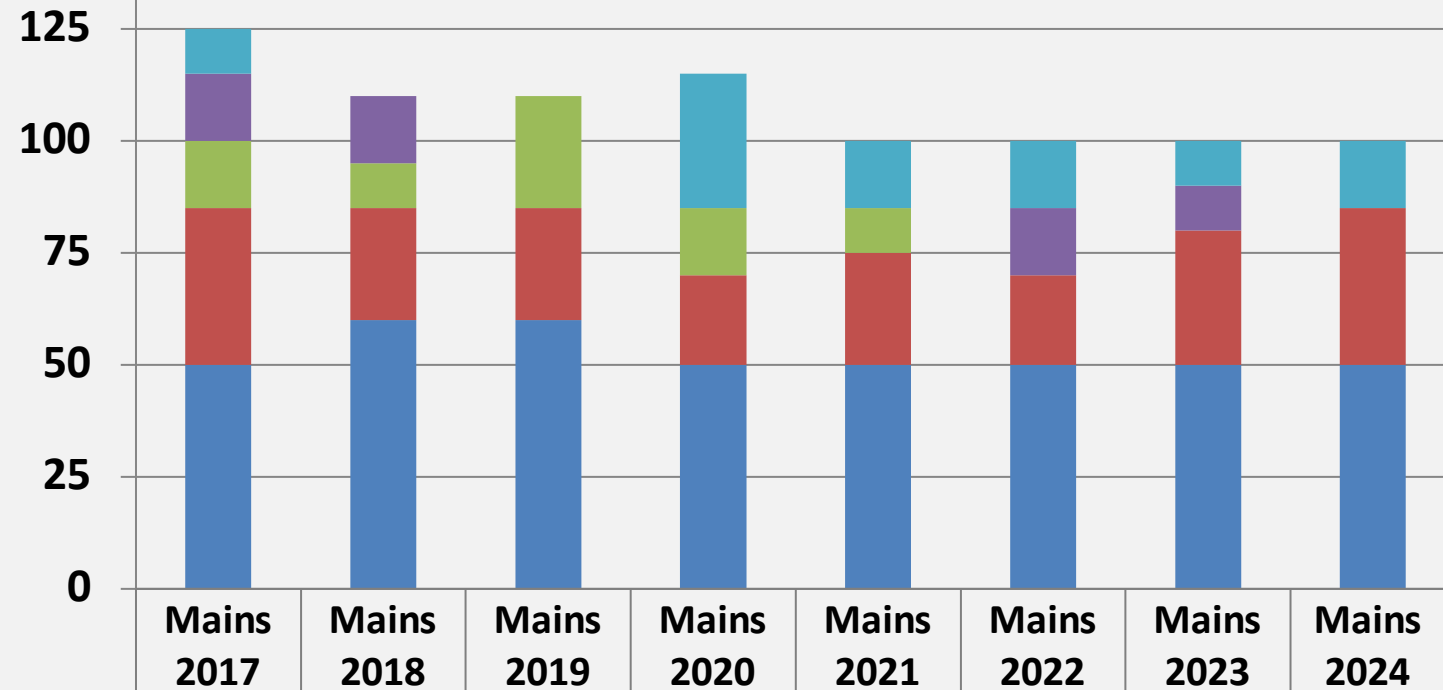


Weightage of Themes in Prelims



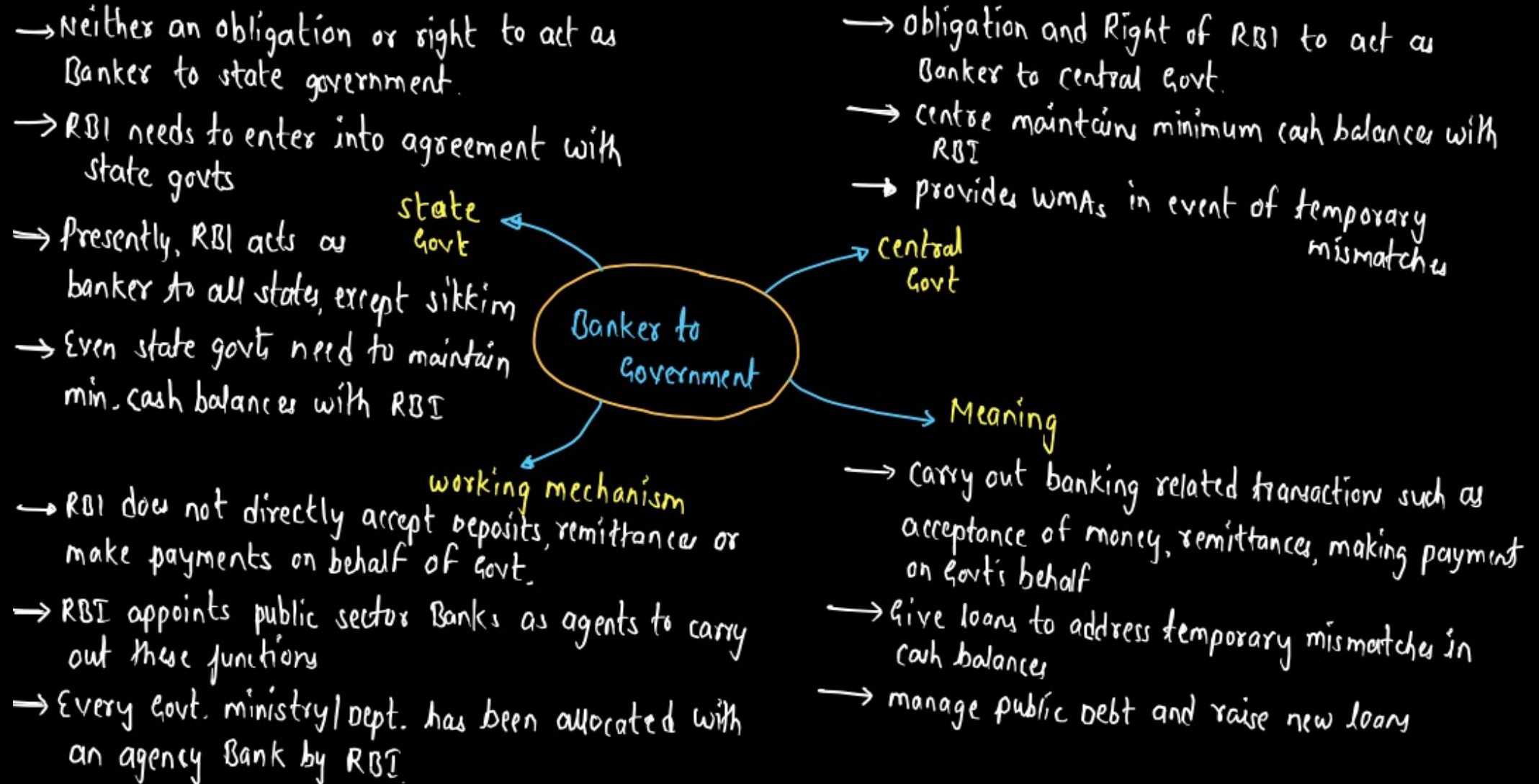
Banking and Finance	5	6	7	5	6	8	6	6	7	7
International Institutions	11	5	5	4	2	1	2	1	0	1
Government Schemes/ Policies/ Initiatives	8	8	5	10	9	1	3	4	5	2
External Sector	1	1	0	5	5	2	3	2	2	0
Taxation	3	2	3	0	1	2	3	1	1	5
Core Concepts	0	0	4	3	0	1	1	1	3	2

Weightage of Themes in Mains



Infrastructure and Investment	10	0	0	30	15	15	10	15
Industrial Policy + External Sector	15	15	0	0	0	15	10	0
Budgeting	15	10	25	15	10	0	0	0
Growth and Development	35	25	25	20	25	20	30	35
Agriculture + Land Reforms + Food Processing + PDS	50	60	60	50	50	50	50	50

Class Notes (Mind maps for Quick Revision)

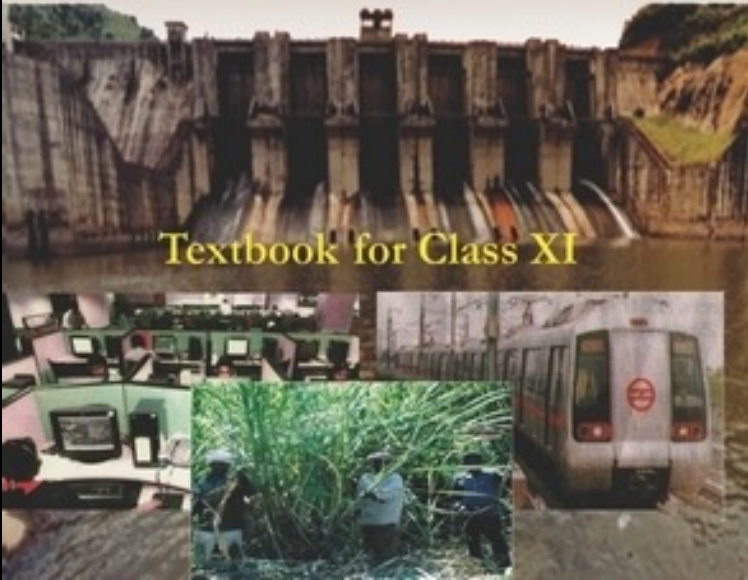


Reference Sources

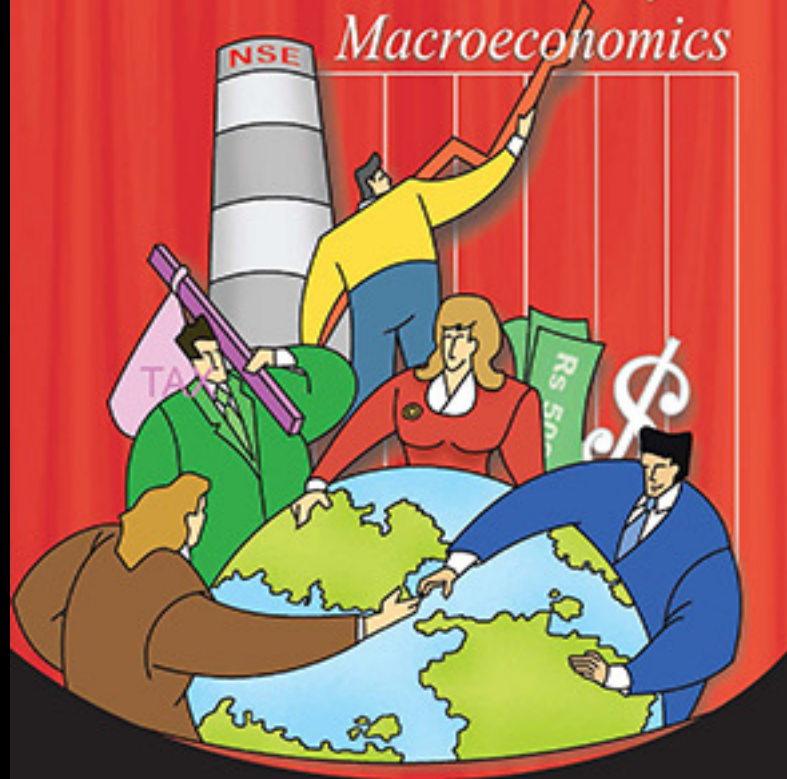


Indian Economic Development

Textbook for Class XI



Introductory Macroeconomics



Textbook in Economics for Class XII

Introductory Microeconomics

Textbook in Economics
for Class XII



Why should you focus on Class Notes?

Smart Work

Keep your sources limited.
Avoid multiple sources.

Coverage

Class PPTs include both
Conceptual and Current
Topics

Conceptual Clarity

Explanation through Mind
maps and Flowcharts

Test Yourself

Solve Practice Questions
included in the PPTs

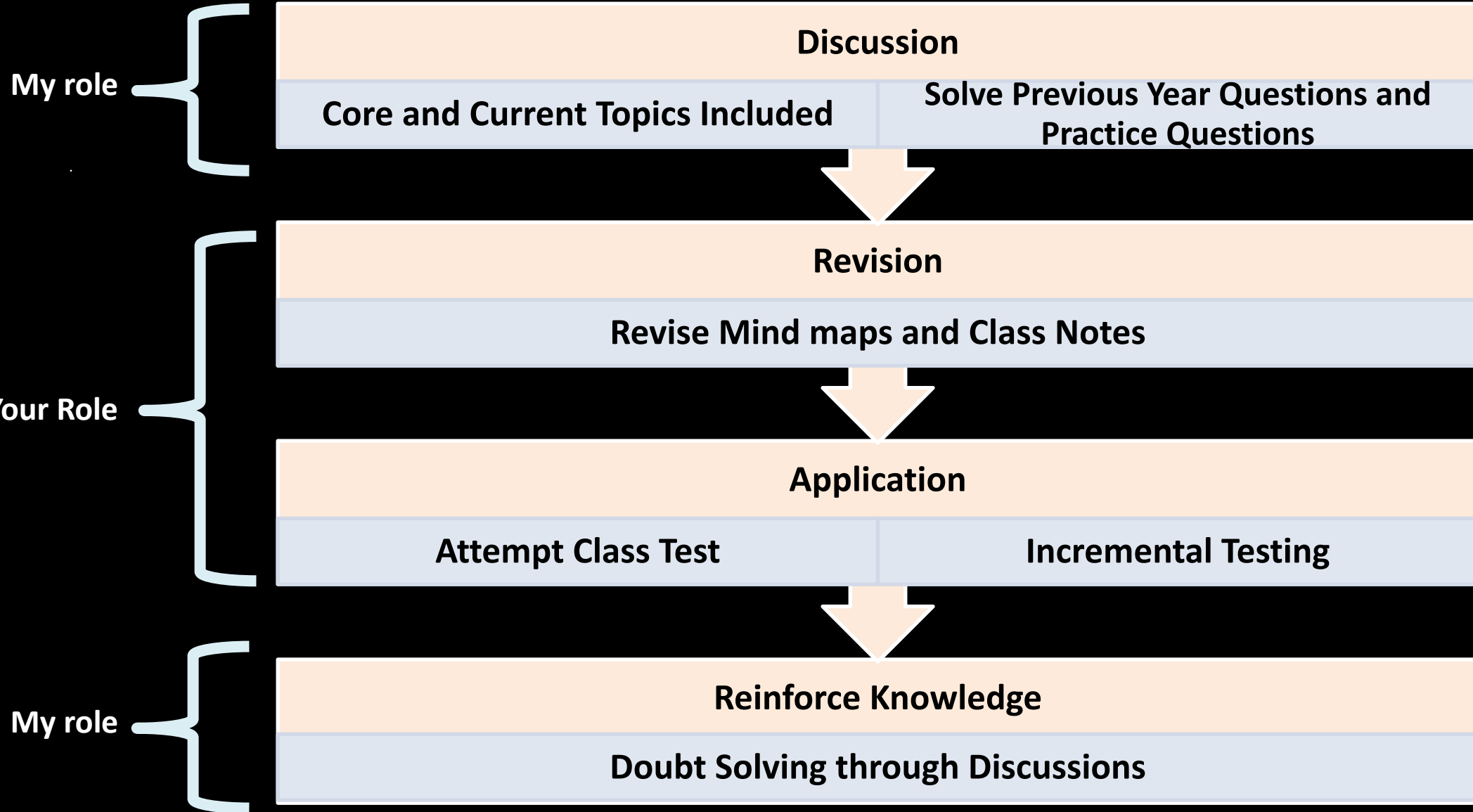
Revision

Quick Revision of Topics
along with the Practice
Questions

Hit Ratio

More than 70% of the
Questions could be solved
through the class PPTs.

Structure of Classes



Sectors of Economy

Prelims 2024

Categorization of Sectors

With reference to the sectors of the Indian economy, consider the following pairs:

Economic activity	Sector
1. Storage of agricultural Produce	Secondary Sector
2. Dairy farm	Primary Sector
3. Mineral exploration	Tertiary. Sector
4. Weaving cloth	Secondary Sector

How many of the pairs given above are correctly matched?

- (a) Only one **(b) Only two** (c) Only three (d) All four

Prelims 2022

Real Sector

Which of the following activities constitute real sector in the economy?

1. Farmers harvesting their crops
2. Textile mills converting raw cotton into fabrics
3. A commercial bank lending money to a trading company
4. A corporate body issuing Rupee Denominated Bonds

Select the correct answer using the code given below:

- (a) 1 and 2 only (b) 2, 3 and 4 only
(c) 1, 3 and 4 only (d) 1, 2, 3 and 4

NDA 2022

Sectors of Economy

The activities or services focused on creation, rearrangement and interpretation of new and existing ideas are referred to as

- (a) Quaternary activities
(b) Quinary activities
(c) Tertiary activities
(d) Secondary activities

Prelims 2017

Trends

Which of the following has/have occurred in India after its liberalization of economic policies in 1991 ?

1. Share of agriculture in GDP increased enormously.
2. Share of India's exports in world trade increased.
3. FDI inflows increased.
4. India's foreign exchange reserves increased enormously.

Select the correct answer using the codes given below :

- (a) 1 and 4 only (b) 2, 3 and 4 only (c) 2 and 3 only (d) 1, 2, 3 and 4

Sectors of Economy

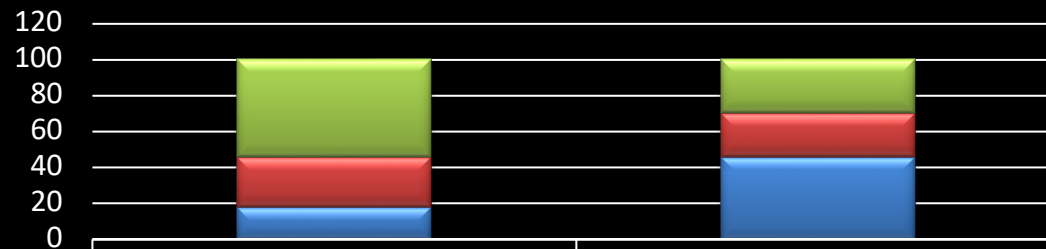
Meaning of Economic Activity

Person is said to be engaged in “Economic Activity” if

- He/she is paid for the work
- He/she is not paid for the work
 - Production of goods for own consumption
 - Construction of own houses, machinery, tools, etc. for households
 - Unpaid Helper in the household Enterprises.

Note: Household work is not considered as Economic activity.

Contribution of Different Sectors to GDP and Employment



	GDP	Employment
Services	54	30
Industry	28	24
Agriculture	18	46

Sectors of Economy: First Type of Categorization

Agriculture Sector: Agriculture, Livestock, Forestry, Fishing.

Industry: Mining, Manufacturing, Electricity, Gas, Water Supply & Other utility services, Construction

Services: Trade, Hotels, Transport, Communication, Financial, Real Estate, Professional Services, Defence, Public Administration.

Sectors of Economy: Second Type of Categorization

Primary Sector: Agriculture, Livestock, Forestry, Fishing, Mining and Quarrying

- **Extractive Industries:** Extract products from natural resources. Ex: Farming, Fishing, Mining, Forestry.
- **Genetic Industries:** Breeding plants and animals for their use in further reproduction. Ex: Livestock, Poultry, Aquaculture

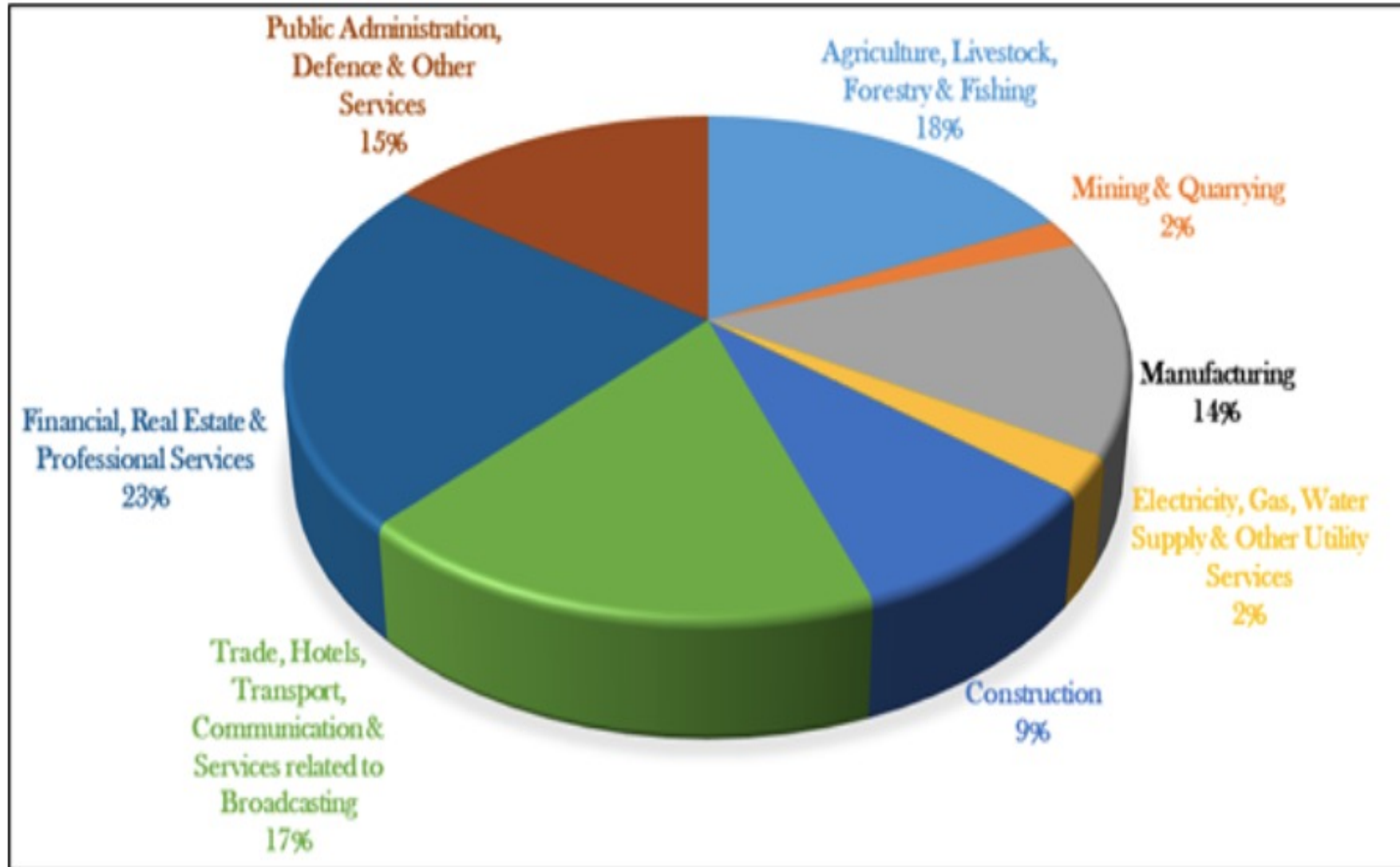
Secondary Sector: Manufacturing, Electricity, Gas, Water Supply & Other utility services, Construction

- **Analytical Industries:** Analytical industry (Breaking down) which analyses and separates different elements from the same materials. Ex: Oil Refining, Milk Processing, Sugar Industry.
- **Synthetical industry:** Combines various ingredients into a new product

Tertiary Sector: Trade, Hotels, Transport, Communication, Financial, Real Estate, Professional Services, Defence, Public Administration.

Union Budget 2025-26

Sectoral Composition of Nominal GVA in FY 2024-25



Practice MCQ No. 1**Economic Activity**

Which among the following can be considered as Economic activity in India?

1. Farmers growing crops for self-consumption
2. Workers in disguised unemployment
3. Industries producing raw materials
4. Unpaid workers in household enterprises

Select the correct answer using the code given below:

(a) 1 and 4 only (b) 1 and 3 only (c) 2, 3 and 4 only (d) 1, 2, 3 and 4

Practice MCQ No.2**Different kinds of Sector**

Consider the following pairs:

Economic activity

Sector

- | | |
|--|---------------------|
| 1. Breeding plants and animals | Genetic Industry |
| 2. Oil refining | Synthetic Industry |
| 3. Processing of Milk into Milk-based Products | Analytical Industry |
| 4. Mining | Extractive Industry |

How many of the pairs given above are correctly matched?

(a) Only one (b) Only two (c) Only three (d) All four

Practice MCQ No.3**Contribution of Manufacturing**

Consider the following statements:

Statement-I: The Share of Manufacturing sector to India's GDP has increased in the last decade.

Statement-II: There has been increase in the manufacturing sector output since the launch of Make in India in 2014.

Which one of the following is correct in respect of the above statements?

- (a) Both Statement-I and Statement-II are correct and Statement-II explains Statement-I.
- (b) Both Statement-I and Statement-II are correct, but Statement-II does explain.
- (c) Statement-I is correct, but Statement-II is incorrect.
- (d) Statement-I is incorrect, but Statement-II is correct..

Practice MCQ No.4**Extractive Industries**

Which among the following can be considered as Extractive Industries in India?

1. Industries involved in extraction of critical minerals from waste
2. Mining
3. Fishing
4. Farming

Select the correct answer using the code given below:

(a) 1 only (b) 2 only (c) 2 and 3 only (d) 2, 3 and 4

Practice MCQ No.5**Sectoral Trends**

With respect to Trends in contribution of different sectors to India's GVA, consider the following statements:

1. The share of Agriculture sector to India's GDP has gradually decreased in last decade.
2. The share of services sector to India's GVA is more than 50%.
3. Trade, Hotel, Transport and Communication accounts for the highest share in India's GVA.

Which among the statements given above is/are correct?

(a) 1 only (b) 2 and 3 only (c) 2 only (d) 1 and 3 only

Practice MCQ No.6**Unorganized Workers**

Consider the following statements:

1. Presently, there is no legal definition of Unorganized worker in India.
2. Unorganized Workers include only those workers who are working in unregistered enterprises.
3. All the workers in the Unorganized sector are always considered as Informal workers.

Which among the statements given above is/are *incorrect*?

(a) 1 and 2 only (b) 3 only (c) 1 and 3 only (d) 1, 2 and 3