

GK MINDMAP

This Material has been framed for SSC, Banking & other Competitive Exams

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GK MINDMAP economics

• National Income

- = GDP - Gross Domestic Product.
- = NDP - Net Domestic Product.
- = GNP - Gross National Product.
- = NNP - Net National Product.
- = NFFI - Net Foreign Factor Income.



- Types of Costs
 - ◀ factor Cost.
 - ◀ Market Cost.



- Transfer Payments.
- National Income at Factor Cost
- Personal Income.
- Disposable Income.
- Factors affecting National Income.
- GDP Deflator.



- Main Distinction b/w Primary & Secondary
- Important Definitions-

Bid, offer, Transaction, Stock Trading



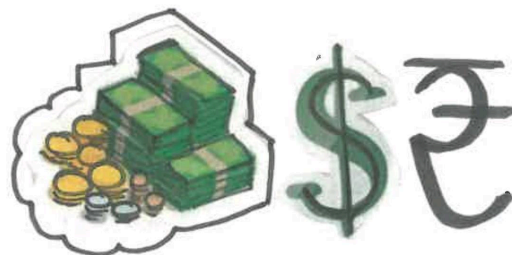
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2.

Monetary policy

- Money
- Money Supply - Measures.
- Monetary Policy



Quantitative Credit Control Methods:-

- SLR - Statutory Liquidity Ratio
- CRR - Cash Reserve Ratio.
- Bank Rate.
- Repo Rate
- Reserve Repo Rate
- OMO - Open Market Operations.



Reverse Repo
Rate

REPO RATE.

Bank



Qualitative Credit Control Methods:-

- Moral Suasion
- Rationing of Credit.
- Regulation of Consumer Credit.
- Direct Action
- Margin Requirements.
- Marginal Standing Facility
- Base Rate.
- Ujit Patel Committee.



If you want to change the world, pick up your Pen & Write ♥

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3.

Inflation :-

Types-

- Trotting Inflation.
- Creeping Inflation
- Hyper Inflation.
- Demand-Pull Inflation
- Cost-push Inflation
- Structural Inflation.

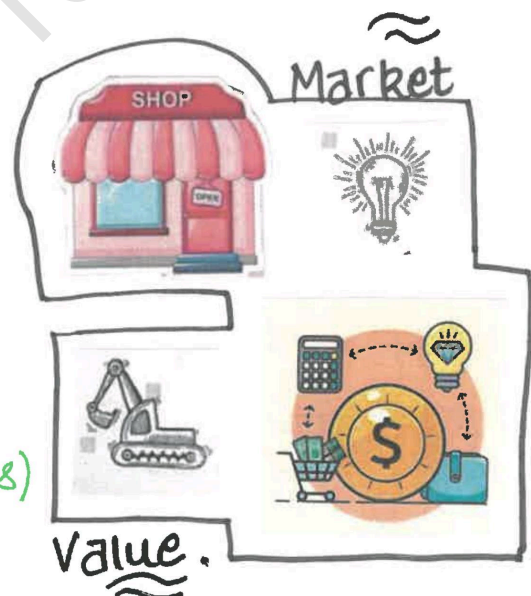
Causes of Inflation -

- Demand-Pull Factors
- Cost-Push Factors.

Measurement of Inflation -

- WPI
- CPI
- CPI (Industrial Workers).
- CPI (Urban - Manual Employees)
- CPI (Agricultural Labourer).
- CPI (Rural Worker).
- PPI (Production Price Index).

- Stagflation
- Deflation
- Recession
- Depression
- Inflation Spiral
- Reflation
- Inflation Tax.



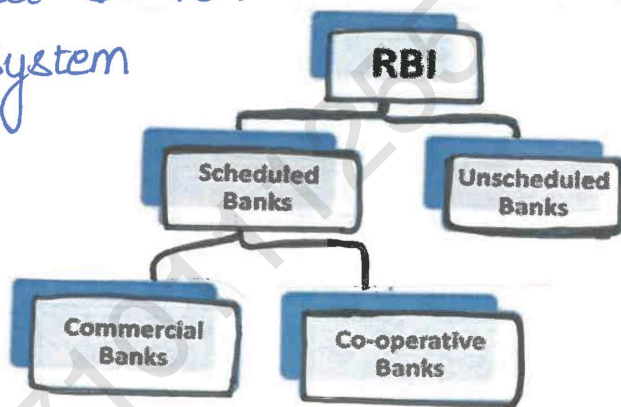
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Banking :-

- RBI- Reserve Bank of India.
- Functions
- Central Bank & Commercial Bank.
- IBS- Indian Banking System
- Scheduled Banks.
- Commercial Banks.
- Co-operative Banks.
- Non- Scheduled Banks.
- Nationalisation of Banks.
- Banking Reforms in India.



- Narasimhan Committee- I, II
- Nachiket Mor Committee
- P.J. Nayak Committee.
- Mission Indradhanush.
- Small finance Banks
- Payments Bank.
- NBFC - Non-Banking Financial Comm.
- White-Label ATMs.
- Shadow Banks.
- FEMA Act. • SARFESI Act.
- Rupee Drawing Arrangements
- FATF • Financial Reg Bodies.

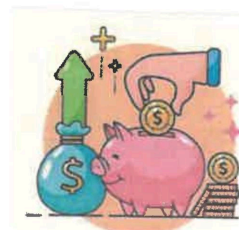


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5.

- First in Banking operation
- RTGS/NEFT • IFSC • MICR
- MMID • SWIFT • NPA
- Prompt Corrective Action.
- Debt Recovery Tribunals.
- Fiscal Policy
- Capital Expenditure / Revenue Expenditure.
- Taxes / Revenue.
- Taxation system in India
 - Direct Tax / Direct Tax / Progressive Tax / Cess
 - ~~Proportional Tax / Advalorem Tax / Tobin Tax / Surcharge.~~
 - Dumping / Anti-Dumping Duty. / Balance of Payments.
- Current Account / Capital Account.
- Trade Deficit. / CAD
- Fixed Exchange Rate system
- Current Board System.
- Crawling Pegged Exchange Rate.
- NEER / REER • Devaluation • Depreciation.
- Convertibility • FEMA.
- Stock Indices & Stock Exchange
- Stock Market. / Trading / Regulators.
- Financial Market / Indian Money Market.
- Instruments of Money Market.
- Bear / Bull Market. / Crypto Currency / Bitcoin
- Poverty and Unemployment



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6.

- Absolute Poverty / Relative Poverty.
- Causes / Programmes
- Unemployment - All Types.
- Committees on Poverty Estimation
- MPI - Multidimensional Poverty Index.



IMPORTANT CURVES

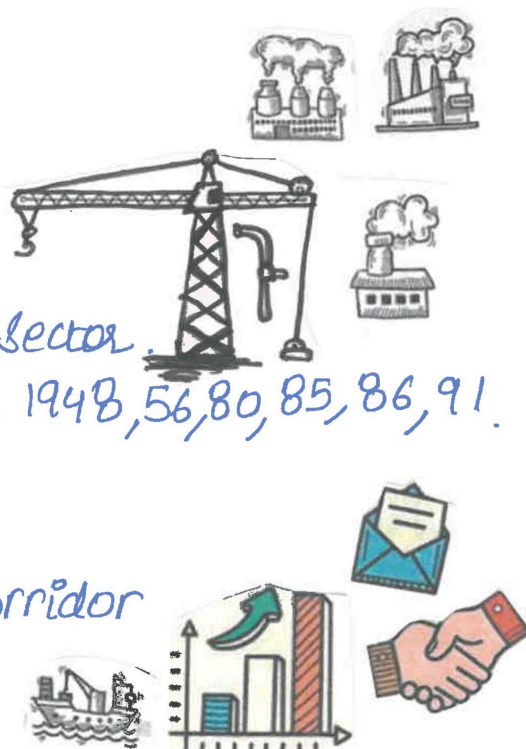
- Kuznets / Lorenz / Gini Coefficient / Evans Kuznets Laffer / Philips Curve.
- GST - Goods & Services Tax.
- Budget Deficits. • FRBM Act.
- HDI - Human Development Index.

Planning

- 5 Year Plan of India.
- Plan - Time - Objective

Industry

- Primary / Secondary / Tertiary Sector.
- Industrial Policy Resolution, 1948, 56, 80, 85, 86, 91.
- Ease of Doing Business
- Make in India. • IIP
- Delhi - Mumbai Industrial Corridor
- MSME Sector



Agriculture

- Crop pattern • Land Reforms. • Diff Schemes.
- Fertilizers • Recent Initiatives. - SHC, Urea Policy
- Seeds. • PPV & FR Authority • Credit : NABARD

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7.

- Agri Insurance • PM Fasal Bima Yojana.
- MSP • P.P. • PDS • Targeted PDS • Allied Sectors.
- Horticulture • Animal Husbandary • Dairy Sector
- LPG Reforms • Fisheries.

Institutions

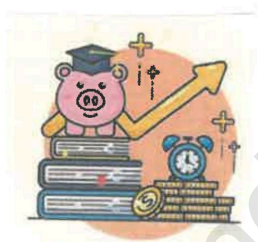
- World Bank • IMF • AIIB • WTO • OECD • NBD

- Union Budget

- Schemes

Few Schemes in Recent year.

- NITI Aayog - Refer from GK Mindmap Polity.



Economics is Everywhere,
and understanding Economics
can help you make better
Decisions & lead a Happier
life ♡ 😊 😄

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(5)

NATIONAL INCOME

- ⊙ Total value of final goods and services produced by a country from the economic activities in one year.

⊙ Concepts :-

- ⊙ Gross Domestic Product →

GDP

market
→ Total ↑ money value of all final goods and services produced by the residents of a country in one year period. [1st April to 31st March] within geographical boundary of a nation.

→ 2 types → Real GDP

× Current year production of goods and services valued at base year prices. (constant prices)

Nominal GDP 

× current year production of final goods and services valued at current year prices.

** GDP is calculated at market prices.

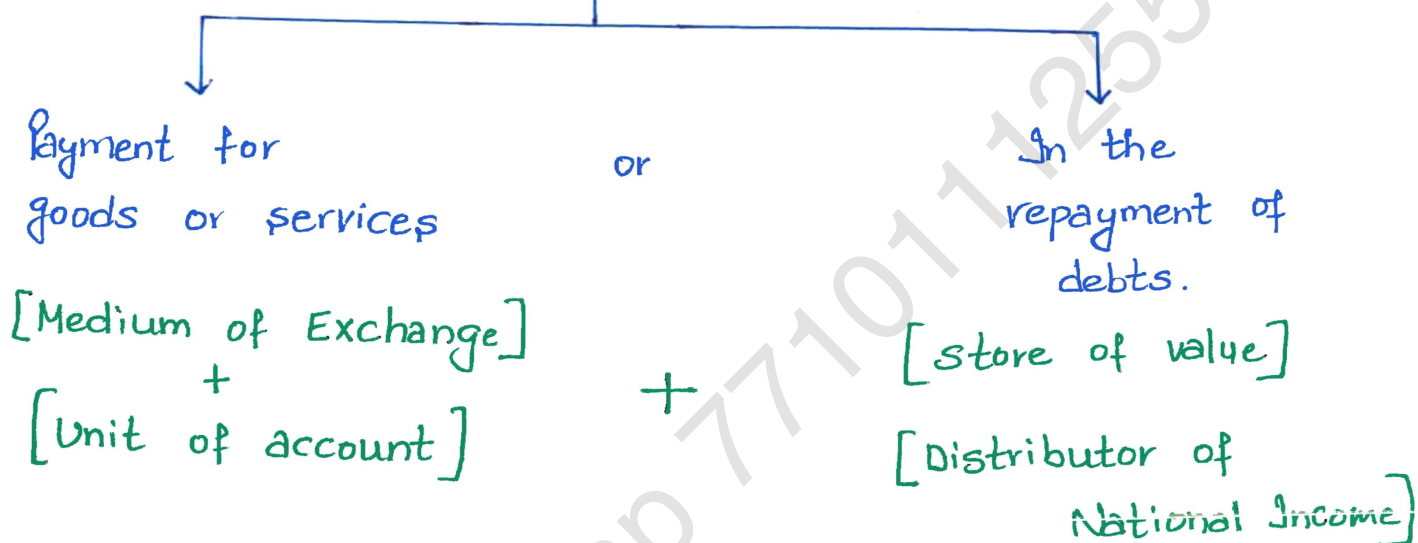
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MONETARY POLICY



Money



Money Supply

- Total supply of money in circulation in a given country's economy at a given time.
- Money supply → Important instrument for controlling inflation. 
- Money supply Data → collected + recorded + published periodically by the RBI.


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BANKING



◉ Reserve Bank of India :-

- India's central bank.
- Recommended by Hilton-Young Commission
 - ↓
 - Creation of Central Bank.
 - ↓
 - Royal Commission on Indian currency and finance, 1926
- Reserve Bank of India Act of 1934. *
- ↓
- Established RBI as the Banker
- Started operations on April 1, 1935. *
- Initially at Kolkata shifted → Mumbai in 1937.
- Nationalized Bank 
- As per RBI Act, 1934 → can issue notes *
of 5K and 10K denominations; Not more than 10K.
- As per Coinage Act, 2011 → * coins upto Rs 1000 denomination can be issued.

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● NPA [Non-Performing Assets]

Classification for loans or advances that are in default or are in arrears on scheduled payments of principal or interest.

Debt classified as non-performing when loan payments have not been made for a period of 90 days.

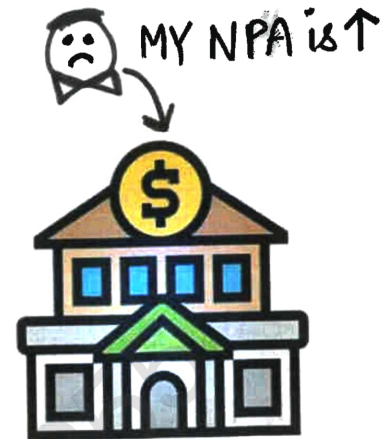
↳ Types of Assets :-

1) Standard Assets → Generating regular income to bank.

2) Sub-standard Assets → overdue for more than 90 days, but less than 12 months.

3) Doubtful assets → overdue for more than 12 mo.

4) Loss Assets → Doubtful + Non-recoverable; by bank, internal + external auditors or central bank inspectors.
↳ Both - NPAs



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PLAN	TIME	OBJECTIVES
1 st Plan	1951-56	Focus- Agriculture. • Large-Scale Import of food Grains. • Other Emphasis - Power & Transport.
2 nd Plan	1956-61 (Mahalanobis Plan)	Major Stress was on the Est of Heavy Industries.
3 rd Plan	1961-66	• Balance Est Industry & Agriculture • Aim- Self-Sustaining Economy. • India borrow from IMF, • Rupee was also Devalued for 1 st time in 1966.
Annual Plans	1966-69	War-China-1962. War-Pakistan-1965. Domestic front-Inflation, Floods, forex Crisis.
Fourth Plan	1969-74	• Growth with stability. • Special Emphasis- Improving the condition of Under-privileged & Weaker section. • Through- Education & Employment.
Fifth Plan	1974-79	• Growth for Social Justice.
Sixth Plan	1980-85	• Removal for Poverty
Seventh	1985-90	• Growth in food-Grains Production. • Increase in Employment oppor.
Eighth	1992-97	Economic Reforms (LPG).
Ninth	1997-02	Target - 6.5%. Growth - 3.9%
Tenth	2002-07	Eco Expect to Grow @ 8%
Eleventh	2007-12	Target - 9% → Rate - 10%
Twelfth	2012-17	Faster, More Inclusive, Sustainable Growth.

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"NATIONAL FOOD SECURITY MISSION"



Key Points :-

- Ministry of Agriculture.
- Launched in 2007.
- To increase production of rice, wheat and pulses through:
 - Area expansion + productivity enhancement.
 - Restoring soil fertility and productivity.
 - Creating employment opportunities.
 - Enhancing farm level economy.

• The target to achieve → 13 million tonnes of additional foodgrains prodⁿ.

↓

5 million tonnes → Rice

3 million tonnes → wheat

3 million tonnes → Pulses

2 million tonnes → 2 million tonnes.

⇒ from the year 2015-16 → 60:40

→ 90:10 → NE + 3 Hill states. Sharing.

↓
[Blw centre and states]

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(S-1)



Strengthening Teaching-Learning And Results for States

“STARS PROGRAMME”

Key Points :-

→ Launched by Ministry of Education on October, 2020.

Expected Beneficiaries:

→ Around 250 million students (6-17 of age) in 1.5 million schools and over 10 million teachers will benefit from this USD 500 million programme.

⇒ Strengthen public school education and support the country's goal of providing 'Education for All'.

Assistance :-

→ By world Bank.

→ Improve the quality and governance of school education in six Indian states

→ HP, MP, MH, Kerab, Odisha and Rajasthan through Samagra Shiksha.

Objective :-

- Improve learning assessment systems.
- Strengthen classroom instruction.
- Facilitate school-to-work transition.
- Strengthen governance and decentralized management.

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Economics Pointers

- Which Five Year Plan is also known as “GadgilYojana”?-**Third Five Year Plan**
- The first bank managed by Indians was? -**Oudh Bank**
- Export-Import bank of India was established in? -**1982**
- The Executive head of a State Government is? -**The Governor**
- Balance sheet shows? -**Both assets and liabilities**
- What is the mainstay of India economy? -**Agriculture**
- Which state is the biggest tea producer in the country? -**Assam**
- Gross domestic capital formation is defined as -**Net addition to stock after depreciation**
- State earn maximum revenue through - **Commercial taxes**
- Green Revolution started in - **1966-67**
- Cost of production of the producer is given by - **Sum of wages, interest, rent and normal profit**
- Production refers to - **Creation of utilities**
- Selling cost means - **cost incurred in advertisement**
- Prime cost is equal to - **Variable cost only**
- The tragedy of the common is a term coined by? - **Garett Hardian**
- In Economic the capital mainly owned by the government that is the basic infrastructure facilities and services needed for the functioning of a community or society is known as - **Social Overheads capital**
- The Economies which occur to the firm itself when it expands its output are called as? - **Internal Economies**
- The situation to make someone better-off without making someone worse-off in term of economic is called? - **Pareto efficiency**
- In economics, a good whose demand decreases when consumer income rises is called? - **Inferior good**
- The term Economic rent refers to - **Payment made for the use of land**
- Who among the following propounded wage fund theory? - **J.S.Mill**
- Minimum payment to factor of production is called - **Transfer payment**
- Surplus earned by a factors other than land in the short period is referred to as - **Quasi-rent**
- The break-even point (BEP) in economics is the point at which - **Total revenue equals average cost**
- In which type of economy property and businesses are owned and controlled by individuals? - **Capitalist economy**
- The existence of a parallel economy or Black Money - **Makes the monetary policies less effective**
- Barter transactions means - **Goods are exchanged with goods**
- Fluctuation of economy including economic expansion and recession over a period of time is called - **Business cycle**
- _____ is a good that is in greater demand as its price increases. - **Giffen goods**
- The major aim of a country to devalue its currency is - **Encourage exports and imports**
- The internal prices during Devaluation usually - **Remain unchanged**
- Dear money refers to money with - **High rate of interest**
- Narrow money is a category of money supply that includes - **The sum of currency in circulation and the demand deposits in banks**
- A specified minimum fraction of the total deposits of customers, which commercial banks have to hold as reserves either in cash or as deposits with the central bank is called the - **Cash Reserve Ratio**
- “Legal Tender Money” refers to - **Currency notes**
- The terms ‘bear’ and ‘bull’ are used to describe general actions and attitudes related to which of the following commercial activity? - **Stock market**
- Gresham’s law is related to - **Circulation of money**
- Who are the creditors of a corporation? - **Both Bond and Stock holders**
- What is USP in marketing field? - **Unique selling proposition**
- The tax placed on legal documents, usually in the transfer of assets or property is known as? - **Stamp duty**
- “The General Equilibrium Analysis” was developed by - **Leon walras**
- The first computer made available for commercial use was - **UNIVAC**