

Syllabus for 15th CTSE National Level CTSE Test (2020-21)

Economics (10+2)

Part A: Introductory Macroeconomics

Unit 1: National Income and Related Aggregates

What is Macroeconomics? Basic concepts in macroeconomics: consumption goods, capital goods, final goods, intermediate goods; stocks and flows; gross investment and depreciation. Circular flow of income (two sector model); Methods of calculating National Income - Value Added or Product method, Expenditure method, Income method. Aggregates related to National Income: Gross National Product (GNP), Net National Product (NNP), Gross Domestic Product (GDP) and Net Domestic Product (NDP) - at market price, at factor cost; Real and Nominal GDP. GDP and Welfare.

Unit 2: Money and Banking

Money - meaning and supply of money - Currency held by the public and net demand deposits held by commercial banks, Money creation by the commercial banking system. Central bank and its functions (example of the Reserve Bank of India): Bank of issue, Govt. Bank, Banker's Bank, Control of Credit.

Unit 3: Determination of Income and Employment

Aggregate demand and its components. Propensity to consume and propensity to save (average and marginal). Short-run equilibrium output; investment multiplier and its mechanism. Meaning of full employment and involuntary unemployment. Problems of excess demand and deficient demand; measures to correct them - changes in government spending, taxes and money supply through Bank Rate, CRR, SLR, Repo Rate and Reverse Repo Rate, Open Market Operations, Margin requirement.

Unit 4: Government Budget and the Economy

Government budget - meaning, objectives and components. Classification of receipts - revenue receipts and capital receipts; classification of expenditure – revenue expenditure and capital expenditure. Measures of government deficit - revenue deficit, fiscal deficit, primary deficit their meaning.

Unit 5: Balance of Payments

Balance of payments account - meaning and components; Foreign exchange rate - meaning of fixed and flexible rates and managed floating.

Part B: Indian Economic Development

Unit 6: Development Experience (1947-90) and Economic Reforms since 1991:

A brief introduction of the state of Indian economy on the eve of independence. Indian economic system and common goals of Five Year Plans. Main features, problems and policies of agriculture

(institutional aspects and new agricultural strategy), industry (IPR 1956; SSI – role & importance) and foreign trade. Economic Reforms since 1991: Features and appraisals of liberalization, globalization and privatization (LPG policy); Concepts of demonetization and GST.

Unit 7: Current challenges facing Indian Economy

Poverty- absolute and relative; Main programmes for poverty alleviation: A critical assessment; Human Capital Formation: How people become resource; Role of human capital in economic development; Rural development: Key issues - credit and marketing - role of cooperatives; agricultural diversification; Employment: Growth and changes in work force participation rate in formal and informal sectors; problems and policies Infrastructure: Meaning and Types: Case Studies: Health: Problems and Policies- A critical assessment; Sustainable Economic Development: Meaning, Effects of Economic Development on Resources and Environment, including global warming.

Unit 8: Development Experience of India:

A comparison with neighbors India and Pakistan India and China Issues: economic growth, population, sectoral development and other Human Development Indicators.