Q1

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?

UPSC Civil Services Mains 2017 · GS III · 10 marks · Indian Economy

Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.

Facts & figures for this PYQ only.

Numbers move. Confirm the latest Budget, Economic Survey or census round. This sheet is for revision, not a substitute for the model answer.

https://wrapexams.com/upsc/mains-answers/gs-3/2017/among-several-factors-for-indias-potential-growth-savings-rate-is-the-most-effective-one-do-you-agree-what-are-the-other-factors-available-for-growth-potential/

Harrod-Domar

Simple growth identity: the growth rate depends on the savings rate divided by the capital needed per extra unit of output.

Gross savings

India's gross domestic savings have often been around 30 per cent of GDP in the high-growth years, with households the largest source.

ICOR

Incremental capital-output ratio: how much extra capital is needed for one extra unit of output; a high ICOR wastes savings.

PMKVY

Pradhan Mantri Kaushal Vikas Yojana: flagship skill-training scheme under Skill India to raise labour productivity.

GST 2017

Goods and Services Tax, launched 1 July 2017, meant to cut tax cascading and improve the efficiency of investment across States.