UPSC Mains Economy PYQs (2025-2013), Year-wise Questions

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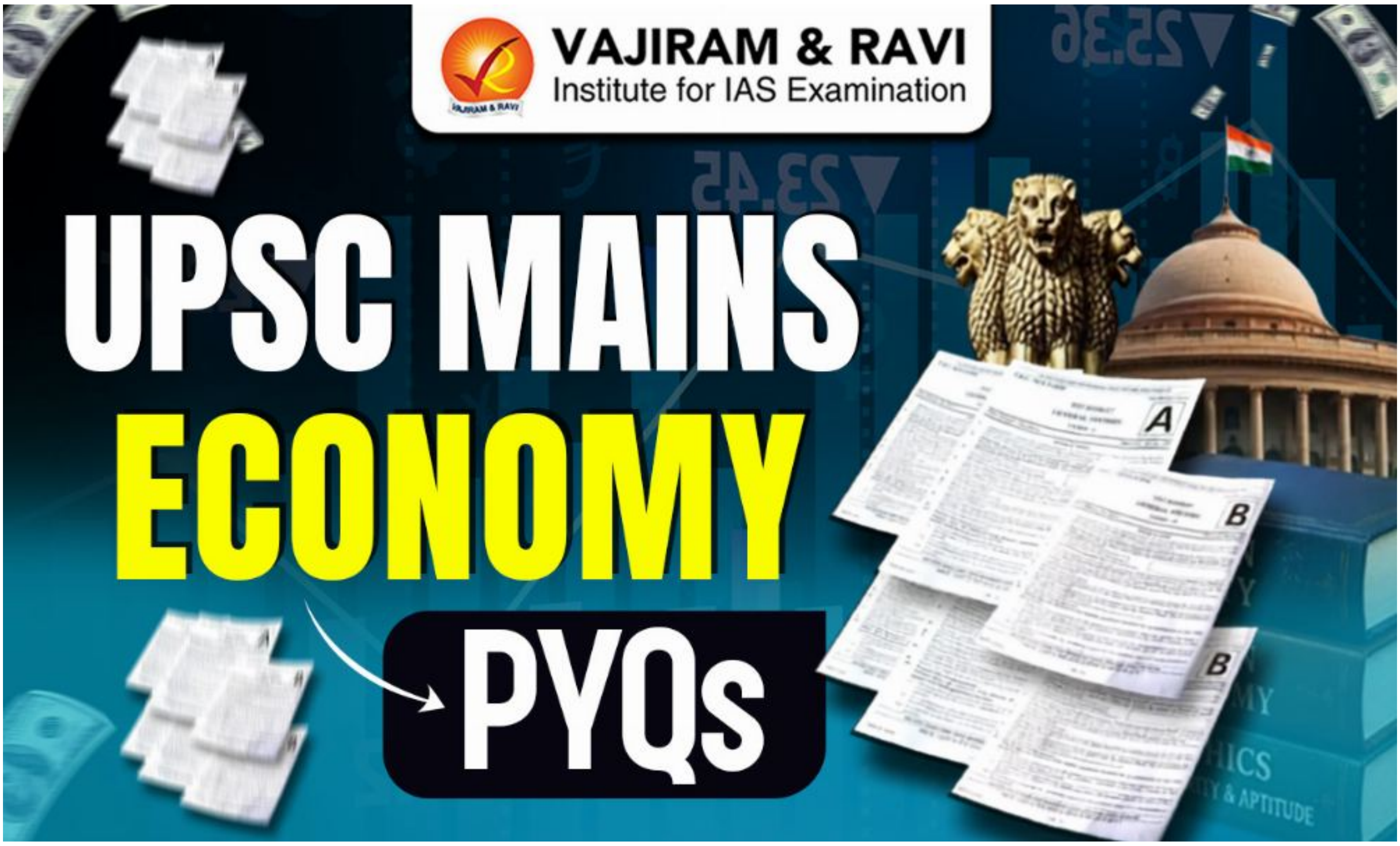

UPSC Mains Economy PYQs (2025-2013) help candidates understand the pattern and trend of questions asked in the Economy section of GS Paper III. Practising these year-wise questions enhances conceptual clarity, analytical thinking, and answer-writing skills. They cover key topics such as economic growth, fiscal policy, monetary policy, infrastructure, agriculture, inclusive development, and budgeting. Regular practice of PYQs enables candidates to prepare more effectively and confidently for the UPSC Mains examination.

UPSC Mains Economy PYQs (2025-2013)

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? **(Answer in 150 words) 2025**
2. Distinguish between the Human Development Index (HDI) and the Inequality-adjusted Human Development Index (IHDI) with special reference to India. Why is the IHDI considered a better indicator of inclusive growth? **(Answer in 150 words) 2025**

3. 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? **(Answer in 250 words) 2025**
4. How can India achieve energy independence through clean technology by 2047? How can biotechnology play a crucial role in this endeavour? **(Answer in 150 words) 2025**
5. The fusion energy programme in India has steadily evolved over the past few decades. Mention India's contributions to the international fusion energy project – International Thermonuclear Experimental Reactor (ITER). What will be the implications of the success of this project for the future of global energy? **(Answer in 150 words) 2025**
6. 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. **(Answer in 250 words) 2025**
7. 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? **(Answer in 250 words) 2025**
8. 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 M) 2024**
9. What are the causes of persistent high food inflation in India? Comment on the effectiveness of the monetary policy of RBI to control this type of inflation. **(10 M) 2024**
10. Faster economic growth requires increased share of the manufacturing sector in GDP, particularly of MSMEs. Comment on the present policies of the Government in this regard. **(10 M) 2023**
11. What is the status of digitalization in the Indian economy? Examine the problems faced in this regard and suggest improvements. **(10 M) 2023**
12. Most of the unemployment in India is structural in nature. Examine the methodology adopted to compute unemployment in the country and suggest improvements. **(15 M) 2023**
13. Distinguish between 'care economy' and 'monetized economy'. How can the care economy be brought into monetized economy through women empowerment? **(15 M) 2023**
14. 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 M) 2022**
15. Economic growth in the recent past has been led by an increase in labor activity." Explain this statement. Suggest the growth pattern that will lead to creation of more jobs without compromising labor productivity. **(15 M) 2022**
16. Is inclusive growth possible under market economy? State the significance of financial inclusion in achieving economic growth in India. **(10 M) 2022**
17. 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 M) 2022**
18. Explain the difference between computing methodology of India's Gross Domestic Product (GDP) before the year 2015 and after the year 2015. **2021**
19. Distinguish between Capital Budget and Revenue Budget. Explain the components of both these Budgets. **2021**
20. Do you agree that the Indian economy has recently experienced V-shaped recovery ? Give reasons in support of your answer. **2021**

21. “Investment in Infrastructure is essential for more rapid and inclusive economic growth”. Discuss in the light of India’s experience. **2021**
22. Explain the meaning of investment in an economy in terms of capital formation. Discuss the factors to be considered while designing a concession agreement between a public entity and a private entity. **2020**
23. Define potential GDP and explain its determinants. What are the factors that have been inhibiting India from realizing its potential GDP. **2020**
24. Explain intra-generational and inter-generational issues of equity from the perspective of inclusive growth and sustainable development. **2020**
25. 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? **2020**
26. 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. **2019**
27. It is argued that the strategy of inclusive growth is intended to meet the objectives of inclusiveness and sustainability together. Comment on this statement. **2019**
28. 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. **2019**
29. 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. **2019**
30. How are the principles followed by the NITI Aayog different from those followed by the erstwhile Planning Commission in India? **2018**
31. 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. **2018**
32. With growing energy needs should India keep on expanding its nuclear energy programme? Discuss the facts and fears associated with nuclear energy. **2018**
33. 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. **2018**
34. How would the recent phenomena of protectionism and currency manipulations in world trade affect macroeconomic stability of India? **2018**
35. Among several factors for India’s potential growth, the savings rate is the most effective one. Do you agree? What are the other factors available for growth potential? **2017**
36. Account for the failure of the manufacturing sector in achieving the goal of labor- intensive exports rather than capital-intensive exports. Suggest measures for more labour-intensive rather than capital-intensive exports. **2017**
37. One of the intended objectives of Union Budget 2017-18 is to ‘transform, energize and clean India’. Analyze the measures proposed in the Budget 2017-18 to achieve the objective. **2017**
38. 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? **2017**
39. “Industrial growth rate has lagged behind in the overall growth of Gross-Domestic- Product(GDP) in the post-reform period” Give reasons. How far are the recent changes in Industrial Policy capable of increasing the industrial growth rate? **2017**

40. 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. **2016**
41. 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. **2016**
42. Women empowerment in India needs gender budgeting. What are the requirements and status of gender budgeting in the Indian context? **2016**
43. 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. **2016**
44. 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. **2016**
45. 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? **2016**
46. 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. **2015**
47. 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. **2015**
48. “Success of ‘Make in India’ programme depends on the success of ‘Skill India’ programme and radical labour reforms.” Discuss with logical arguments. **2015**
49. In what way could replacement of price subsidy with Direct Benefit Transfer (DBT) change the scenario of subsidies in India? Discuss. **2015**
50. 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. **2015**
51. While we found 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. **2014**
52. 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. **2014**
53. The right to fair compensation and transparency land acquisition, rehabilitation and resettlement act, 2013 has come into effect from 1 January 2014. What implication would it have on industrialization and agriculture in India? **2014**
54. National urban transport policy emphasizes on moving people instead of moving vehicles. Discuss critically the success of various strategies of the government in this regard. **2014**
55. Explain how private public partnership agreements, in longer gestation infrastructure projects, can transfer unsuitable liabilities to the future. What arrangements need to be put in place to ensure that successive generations’ capacities are not compromised? **2014**
56. 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? **2014**

57. Foreign direct investment in the defence sector is now said to be liberalised. What influence is this expected to have on Indian defence and economy in the short and long run? **2014**
58. 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. **2013**
59. What are the reasons for introduction of Fiscal responsibility and Budget Management (FRBM) act, 2003? Discuss critically its salient features and their effectiveness. **2013**
60. What is the meaning of the term tax-expenditure? Taking the housing sector as an example, discuss how it influences budgetary policies of the government. **2013**
61. Discussion the rationale for introducing Good and services tax in India. Bring out critically the reasons for delay in roll out for its regime. **2013**
62. Adaptation of the PPP model for infrastructure development of the country has not been free from criticism. Critically discuss the pros and cons of the model. **2013**
63. Examine the impact of liberalization on companies owned by Indians. Are they competing with the MNCs satisfactorily? **2013**
64. Discuss the impact of FDI entry into the multi-trade retail sector on supply chain management in commodity trade pattern of the economy. **2013**
65. 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 picked up. Discuss the reasons. **2013**

Benefits of Practicing UPSC Mains Economy Previous Year Questions

Practising **UPSC Mains Economy Previous Year Questions (PYQs)** helps candidates understand the **exam pattern**, strengthen **core economic concepts**, and improve **answer-writing skills** for **GS Paper III**.

- Understand the **UPSC Exam Pattern** and the nature of **Economy questions** asked in **GS Paper III**.
- Identify **Important Topics** such as **economic growth, inflation, fiscal policy, monetary policy, infrastructure, agriculture, and inclusive development**.
- Improve **Answer Writing Skills** by practising **structured, analytical, and balanced responses**.
- Strengthen **Conceptual Clarity** on key **economic concepts, policies, and government initiatives**.
- Recognise **Recurring Themes** to focus on **high-weightage areas** like **growth vs employment, inflation, and reforms**.
- Integrate **Current Affairs** with **static topics** using the **Economic Survey, Union Budget, and recent policy developments**.
- Develop **Analytical Thinking** by evaluating **economic issues from multiple dimensions**.
- Enhance **Time Management** through regular **timed practice of PYQs**.
  Boost **Confidence** by becoming familiar with the **UPSC Mains Economy question pattern**.
- Revise Effectively using **PYQs** as a reliable tool for **quick and focused revision** before the examination.
