



**UNIVERSITY
OF MYSORE**

University Career Hub

**Students' Handbook for
Indian Economic Service (IES)
Exam 2021 (through UPSC)**

**Plan in Advance-
Prepare Yourself**

UPSC INDIAN ECONOMIC SERVICE (IES) EXAM-2021

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What is IES/ISS Exam?

The Indian Economic Service along with Indian Statistical Service is the administrative inter-ministerial civil service under Group A of the Central Civil Services of the executive branch of the Government of India. The Indian Economic Service was introduced for formulating and implementing economic policies and programmes in India. With the initiation of large-scale economic reforms in 1991 and the proliferation of the regulatory role of the government, such analysis and advice within the domain of the service have increased manifold.

For Indian Statistical Service, all statistical posts of different ministries and departments were pooled together in the initial constitution of service.

A combined competitive examination for recruitment to Junior Time Scale of the Services will be held by the Union Public Service Commission in accordance with the rules published by the Ministry of Statistics & Programme Implementation in the Gazette of India.

IES Exam 2021: Important Update

The Indian Economic Service Examination (IES) notification of 2021 will be held on July 17 to 18, 2021.

Indian Economic Service (IES) & Indian Statistical Service (ISS) Highlights

Exam	Indian Economic Service (IES)/ Indian Statistical Service (ISS)
Conducted by	Union Public Service Commission (UPSC)
Frequency	Once a year
Exam mode	Pen and paper-based (Offline)
Number of attempts	6
Duration of the examination	3 days
Vacancies (approximately)	IES – 32 & ISS – 33
Test centres	19
Expected registrations	More than 2 lakh
Official Website	www.upsc.gov.in

UPSC IES Exam 2021:

Every year the UPSC conducts the **Indian Economic Service (IES)** and **Indian Statistical Service (ISS)** Exam. The IES and ISS is the administrative inter-ministerial civil service under Group A of the Central Civil Services of the executive branch of the Government of India. Given below are the details for the IES 2021 examination such as Application Form, Deadline to submit the registration, Exam Date, Syllabus, Exam Pattern, Eligibility Criteria, Admit Card & Result.

Indian **Economic Service (IES)** 2021: Highlights

Name of Exam	Indian Economic Service/Indian Statistical Service (IES/ISS)
Conducting Body	Union Public Service Commission (UPSC)
Recruitment of the Year	2021-22
Frequency	Once a year
Minimum Eligibility	Post Graduation/Graduation
Mode of exam	Offline
Official Website	upsc.gov.in

UPSC IES/ISS 2021 Exam Date:

Events	Exam Dates
UPSC IES/ISS 2021 Notification Date Released	7th April 2021
Deadline to submit the Online Application Form	27th April 2021
Admit Card Released	—
UPSC IES/ISS 2021 Exam Date	16th July 2021 (3 Days)

Indian Economic Service (IES) 2021

IES/ISS 2021 notification April 07, 2021
Starting date to apply April 07, 2021
Last date to apply April 27, 2021
IES/ISS admit card June 2021 (tentative)
IES/ISS exam date July 16, 17 & 18 2021 (3 days)
IES/ISS result 2021 August 2021
IES/ISS interview September 2021
IES/ISS final result October 2021.

UPSC IES 2021 Eligibility Criteria:

Find below the **IES/ISS 2021** Eligibility Criteria steps. Before applying candidates need to read out the below steps:

Nationality:

A candidate must be either a Citizen of **India**, or a subject of **Nepal**, or a subject of **Bhutan**, or a **Tibetan** refugee who came over to India before January 1, 1962, intending to permanently settle in India, or a person of Indian origin who has migrated from Pakistan, Burma, Sri Lanka or East African Countries of Kenya, Uganda, the United Republic of Tanzania, Zambia, Malawi, Zaire, and Ethiopia or from Vietnam to permanently settle in India.

Educational Qualification:**For Indian Economic Service (IES):**

The candidates must have completed Post Graduate Degree in Economics/Applied Economics/Business Economics/Econometrics from a recognized university or a foreign university approved by the Central Government of India from time to time.

Age Limit:

The minimum age to attend the exam will be 21 years and the maximum age will be 30 years.

Age Relaxation is given below as per the category of the candidate.

Category	Age Relaxation
SC/ ST	5 years
OBC	3 years
Domicile of Jammu & Kashmir	5 years
Defense Services Personnel disabled in operations during hostilities with any foreign country or in a disturbed area	3 years
Ex-servicemen including Commissioned Officers and ECO/SSCO	5 years
PwBD	10 years

IES/ISS Exam 2021 Application Form:

- Candidates are required to fill the application form which is available from the official website.
- Check the instructions before you fill the application form.
- Once you are through with filling of the personal and other details, scan the recent photograph as well as signature.
- Don't forget to pay the application fee in any branch of SBI.
- Most importantly, take a print out of the application form and challan also for further reference.
- While filling the application form online, the candidate will automatically get the registration number and while filling the challan number and registration number, press enters to end the process.

UPSC IES 2021 Application Fee:

- The cost of the application fee will be Rs 200/- for General/OBC candidates.
- SC/ST/PH /female candidates are exempted from paying the application fee.
- Mode of payment can be a credit card, debit card or internet banking
- You can also make payment via offline mode using e-challan through any branch of SBI

Selection Process

The candidates will be selected through two stages of Exam:

1. **Written Examination:** 1000 marks
2. **Viva Voce (Interview):** 200 marks of candidates who will be shortlisted by UPSC.

Exam Pattern:

Written Exam:

- UPSC IES ISS Written Exam will consist of 6 Papers.
- The questions papers in all the subjects will be of conventional (essay) type.
- The language of the paper will be English only.
- There will be a **negative marking of 0.33** for the incorrect answer in the Objective Paper.

UPSC Indian Economic Service:

Subject	Maximum Marks	Exam Duration
General English	100	3 hrs
General Studies	100	3 hrs
General Economics-I	200	3 hrs
General Economics-II	200	3 hrs
General Economics-III	200	3 hrs
Indian Economics	200	3 hrs
Total	1000	

Viva Voce:

The second stage of the exam will be Interview or Viva Voce. The candidates who will clear the written test as per the cut-off set by the commission will be called for the Viva-voce.

UPSC IES 2021 Syllabus:

General Studies	Questions based on general knowledge, History Indian polity. Geography. Constitution of India Current affairs Current events and their effects on everyday life.
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General English	Reading Comprehension Vocabulary Para jumbles Gap Filling Multiple Meaning/Error Spotting Active and Passive Voice Direct and Indirect Speech
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GENERAL ENGLISH

Candidates will be required to write an essay in English. Other questions will be designed to test their understanding of English and workman like use of words. Passages will usually be set for summary or precis.

GENERAL STUDIES

General knowledge including knowledge of current events and of such matters of everyday observation and experience in their scientific aspects as may be expected of an educated person who has not made a special study of any scientific subject. The paper will also include questions on Indian Polity including the political system and the Constitution of India, History of India and Geography of a nature which a candidate should be able to answer without special study.

UPSC IES/ISS 2021 Admit Card:

- Download the admit card from the official website.
- The Admit Card will release 3 weeks before the Exam.

UPSC ISS 2021 Answer Key:

UPSC ISS 2021 Answer Key will be released online at the UPSC official website. To download UPSC ISS 2021 Answer, candidates have to visit the website and just download the answer key given in PDF format.

IES 2021 Result:

- The exam result will be declared through the website upsc.gov.in.
- Kindly enter your roll number to check the result.
- Upload the PDF file of the result on the official website by the UPSC

Roles and Responsibilities

IES is the gateway to the central service as Group A officers. Aspirants who successfully pass IES/ISS examination are placed in various cadre posts in the planning commission, planning board, ministry of economic affairs, national sample survey and other allied offices where specialists in economics and statistics are required.

The posts are primarily located in Ministries/ Departments dealing with economic and social sectors. Besides Cadre posts, IES officers go on deputation to serve in various domestic and

international organizations such as UN bodies, foreign governments, state governments and regulatory bodies. Officers from the service are also appointed on deputation to posts in the Central Ministries/ Departments under the Central Staffing Scheme.

The places of posting are usually in the State capitals or New Delhi. A candidate selected at a favorable age can expect to rise quite high in the career and touch the level of even Secretary to the Government of India, in any Ministry concerned with economic affairs.

IES/ISS 2020 Exam Schedule for Reference

The UPSC has released the exam schedule for Indian Economic Service/Indian Statistical Service (IES/ISS) exam 2020.

The exam will be held on October 16, 17 and 18, 2020, for a total of 10 papers. Candidates are advised to get familiar with the schedule available on the official website.

October 16, 2020 - General English and General Studies

October 17, 2020 -
General Economics-I (Descriptive).
General Economics-II (Descriptive).

October 18, 2020 -
General Economics-III (Descriptive),
Indian Economics (Descriptive).

The Commission will release the admit card for the exams at least 15 days before the exam date. One should follow all the COVID-19 guidelines issued by UPSC while appearing for the exam.

SYLLABUS FOR IES

GENERAL ECONOMICS – I PART – A

1. Theory of Consumer's Demand – Cardinal utility Analysis: Marginal utility and demand, Consumer's surplus, Indifference curve, Analysis and utility function, Price income and substitution effects, Slutsky theorem and derivation of demand curve, Revealed preference theory. Duality and Simple games of complete information, Concepts of Nash equilibrium.

2. Theory of Production: Factors of production and production function. Forms of Production Functions: Cobb Douglas, CES and Fixed coefficient type, Translog production function. Laws of return, Returns to scale and Return to factors of production. Duality and cost function, Measures of productive efficiency of firms, technical and allocative efficiency. Partial Equilibrium versus General Equilibrium approach, Equilibrium of the firm and industry.

3. Theory of Value: Pricing under different market structures, public sector pricing, marginal cost pricing, peak load pricing, cross-subsidy free pricing and average cost pricing. Marshallian and Walrasian stability analysis. Pricing with incomplete information and moral hazard problems.

4. Theory of Distribution: Neo classical distribution theories; Marginal productivity theory of determination of factor prices, Factor shares and adding up problems. Euler's theorem, Pricing of factors under imperfect competition, monopoly and bilateral monopoly. Macro-distribution theories of Ricardo, Marx, Kaldor, Kalecki.

5. Welfare Economics: Inter-personal comparison and aggression problem, Public goods and externalities, Divergence between social and private welfare, compensation principle. Pareto optimality. Social choice and other recent schools, including Coase and Sen.

PART B : Quantitative Methods in Economics

1. Mathematical Methods in Economics: Differentiation and Integration and their application in economics. Optimisation techniques, Sets, Matrices and their application in economics. Linear algebra and Linear programming in economics and Input-output model of Leontief.

2. Statistical and Econometric Methods: Measures of central tendency and dispersions, Correlation and Regression. Time series. Index numbers, Sampling of curves based on various linear and non-linear function. Least square methods and other multivariate analysis, Principle component analysis, Discriminant analysis. Income distribution: Pareto law of Distribution, long normal distribution, measurement of income inequality. Lorenz curve and Gini coefficient.

Univariate and multicariate regression analysis.

Problems and remedies of Heteroscedasticity, Autocorrelation and Multicollinearity.

GENERAL ECONOMICS – II

1. Economic Thought : Mercantilism Physiocrats, Classical, Marxist, Neo-classical, Keynesian and Monetarist schools of thought.

2. Concept of National Income and Social Accounting : Measurement of National Income, Inter relationship between three measures of national income in the presence of Government sector and International transactions. Environmental considerations, Green national income.

3. Theory of employment, Output, Inflation, Money and Finance:

The Classical theory of Employment and Output and Neo classical approaches.

Equilibrium, analysis under classical and neo classical analysis. Keynesian theory of Employment and output. Post Keynesian developments.

The inflationary gap; Demand pull versus cost push inflation, the Philip's curve and its policy implication. Classical theory of Money,

Quantity theory of Money. Friedman's restatement of the quantity theory, the neutrality of money. The supply and demand for loanable funds and equilibrium in financial markets, Keynes' theory on demand for money.

IS - LM Model and AD-AS Model in Keynesian Theory.

4. Financial and Capital Market: Finance and economic development, financial markets, stock market, gift market, banking and insurance. Equity markets, Role of primary and secondary markets and efficiency, Derivatives markets; Future and options.

5. Economic Growth and Development: concepts of Economic Growth and Development and their measurement: characteristics of less developed countries and

obstacles to their development – growth, poverty and income distribution. Theories of growth: Classical Approach: Adam Smith, Marx and Schumpeter- Neo classical approach; Robinson, Solow, Kaldor and Harrod Domar. Theories of Economic Development, Rostow, Rosenstein-Roden, Nurske, Hirschman, Leibenstien and Arthur Lewis, Amin and Frank (Dependency school) respective role of state and the market. Utilitarian and Welfarist approach to social development and A.K. Sen's critique. Sen's capability approach to economic development. The Human Development Index. Physical quality of Life Index and Human Poverty Index.

Basics of Endogenous Growth Theory.

6. International Economics:

Gains from International Trade, Terms of Trade, policy, international trade and economic development- Theories of International Trade; Ricardo, Haberler, Heckscher- Ohlin and Stopler- Samuelson- Theory of Tariffs- Regional Trade Arrangements.

Asian Financial Crisis of 1997, Global Financial Crisis of 2008 and Euro Zone Crisis- Causes and Impact.

7. Balance of Payments: Disequilibrium in Balance of Payments, Mechanism of Adjustments, Foreign Trade Multiplier, Exchange Rates, Import and Exchange Controls and Multiple Exchange Rates. **IS-LM Model and Mundell- Fleming Model of Balance of Payments.**

8. Global Institutions: UN agencies dealing with economic aspects, **role of Multilateral Development Bodies (MDBs), such as World Bank, IMF and WTO, Multinational Corporations. G-20.**

GENERAL ECONOMICS – III

1. Public Finance—Theories of taxation: Optimal taxes and tax reforms, incidence of taxation. Theories of public expenditure: objectives and effects of public expenditure, public expenditure policy and social cost benefit analysis, criteria of public investment decisions, social rate of discount, shadow prices of investment, unskilled labour and foreign exchange. Budgetary deficits. Theory of public debt management.

2. Environmental Economics— Environmentally sustainable development, Rio process 1992 to 2012, Green GDP, UN Methodology of Integrated Environmental and Economic Accounting. Environmental Values: Users and non-users values, option value. Valuation Methods: Stated and revealed preference methods. Design of Environmental Policy Instruments: Pollution taxes and pollution permits, collective action and informal regulation by local communities. Theories of exhaustible and renewable resources. International environmental agreements, RIO Conventions. Climatic change problems. Kyoto protocol, UNFCCC, Bali Action Plan, Agreements up to 2017, tradable permits and carbon taxes. Carbon Markets and Market Mechanisms. Climate Change Finance and Green Climate Fund.

3. Industrial Economics—Market structure, conduct and performance of firms, product differentiation and market concentration, monopolistic price theory and oligopolistic interdependence and pricing, entry preventing pricing, micro level investment decisions and the

behaviour of firms, research and development and innovation, market structure and profitability, public policy and development of firms.

4. State, Market and Planning—Planning in a developing economy. Planning regulation and market. Indicative planning. Decentralised planning.

INDIAN ECONOMICS

1. History of development and planning— Alternative development strategies—goal of self-reliance based on import substitution and protection, the post-1991 globalisation strategies based on stabilization and structural adjustment packages: fiscal reforms, financial sector reforms and trade reforms.

2. Federal Finance—Constitutional provisions relating to fiscal and financial powers of the States, Finance Commissions and their formulae for sharing taxes, Financial aspect of Sarkaria Commission Report, financial aspects of 73rd and 74th Constitutional Amendments.

3. Budgeting and Fiscal Policy—Tax, expenditure, budgetary deficits, pension and fiscal reforms, Public debt management and reforms, Fiscal Responsibility and Budget Management(FRBM) Act, Black money and Parallel economy in India—definition, estimates, genesis, consequences and remedies.

4. Poverty, Unemployment and Human Development—Estimates of inequality and poverty measures for India, appraisal of Government measures, India's human development record in global perspective. India's population policy and development.

5. Agriculture and Rural Development Strategies— Technologies and institutions, landrelations and land reforms, rural credit, modern farm inputs and marketing— price policy and subsidies; commercialisation and diversification. Rural development programmes including poverty alleviation programmes, development of economic and social infrastructure and New Rural Employment Guarantee Scheme.

6. India's experience with Urbanisation and Migration—Different types of migratory flows and their impact on the economies of their origin and destination, the process of growth of urban settlements; urban development strategies.

7. Industry: Strategy of industrial development— Industrial Policy Reform; Reservation Policy relating to small scale industries. Competition policy, Sources of industrial finances. Bank, share market, insurance companies, pension funds, non-banking sources and foreign direct investment, role of foreign capital for direct investment and portfolio investment, Public sector reform, privatisation and disinvestment.

8. Labour—Employment, unemployment and underemployment, industrial relations and labour welfare— strategies for employment generation—Urban labour market and informal sector employment, Report of National Commission on Labour, Social issues relating to labour. g. Child Labour, Bonded Labour International Labour Standard and its impact.

9. Foreign trade—Salient features of India's foreign trade, composition, direction and organisation of trade, recent changes in trade, balance of payments, tariff policy, exchange rate, India and WTO requirements. Bilateral Trade Agreements and their implications.

10. Money and Banking—Financial sector reforms, Organisation of India’s money market, changing roles of the Reserve Bank of India, commercial banks, development finance institutions, foreign banks and non-banking financial institutions, Indian capital market and SEBI, Development in Global Financial Market and its relationship with Indian Financial Sector. **Commodity Market in India-Spot and Futures Market, Role of FMC.**

10. Inflation—Definition, trends, estimates, consequences and remedies (control): Wholesale Price Index. Consumer Price Index: components and trends.

Note :

Students of the University of Mysore may contact for any guidance the staff of the Office of University Career Hub and Centre for Proficiency Development and Placement Services, Library Building, University of Mysore, Mysore-6