1. **Incremental Capital Output Ratio (ICOR):** Relationship between the level of investment made and the consequent increase in the GDP.
   1. Additional unit of capital/investment needed to produce an additional unit of output.
   2. A lower IOCR is preferred. This indicates that the country’s production is more efficient.
2. **Advance Estimates (AE):** The first estimate published approximate one month after the end of a quarter.
3. **Composition of Indian Economy:** (i) Manufacturing, (ii) Mining and Quarrying, (iii) electricity, gas, and water supply. 80% of industry is in manufacturing.
4. **Real GDFC/GDP:**  Also called Domestic Investment Ratio. **GDCF (Gross Domestic Capital Formation) -**  Increase in the physical asset by the household, public and government sector within a period.
   1. Increase in Real GDFC/GDP -> the better for the economy because this reflects increase in the assets of a nation.
5. **GDS/GDP:** GDS is the Gross Domestic Savings. The higher this ratio the better because as savings increase, this leads way for higher investment. GDS = Household + Private Sector + Government Savings
6. **M3:** Different types of money (M0, M1, M2, M3): Classified according to the type and size of account in which the investment is kept.
   1. **M1:** Narrow money -> coins and notes
   2. **M2:** M1 + Short term deposits in banks
   3. **M3:** M2 + Long term deposits in banks.
7. **Non-food credit:** 
   1. Finance/loans in agricultural sector.
   2. Banks finance for two wheelers, car, home etc. to a farmer other than food credit like crop loan, fertilizer loan, tractor loan, buffalo loan, etc.
8. East Asian Financial Crisis:
   1. Also called Asian contagion.
   2. A consequence of currency devaluation that began in 1997 and spread through many Asian nations.
   3. First began in Thailand.
9. Fiscal Correction process: A reduction in the government primary budget deficit, and it can result in government expenditures and increase in tax revenues or both simultaneously.
10. Structural reforms: Tackle the obstacles to the fundamental drivers of growth by liberalising labour, product and service markets -> encouraging job creation and investment and improving productivity.
11. Fiscal deficit = Total income – expenditure.
12. Statutory Liquidity Ratio (SLR): The minimum percentage of deposits that a commercial bank has to maintain in the form of liquid cash, gold and other securities.
    1. Control credit growth in the economy.
    2. Regulate inflation and fuel growth. SLR as on Aug 2020 – 18.5%
    3. Raise SLR -> restricts commercial banks to inject money into the system.
13. Current A/C deficit (trade deficit): expenditure on Imports > expenditure on exports
14. Cash Reserve Requirement (CRR): RBI mandates that banks store a proportion of their deposits in the form of cash so that the same can be given to the banks customers if the need arises.
    1. % of cash requirement to be kept in reserves vis-à-vis the banks total deposits.
    2. CRR increases -> money supply decreases.
15. Non-tax revenues: Recurring income of the government. Includes receipts on loans given to states, railways, and others.
    1. Dividends and profits from public sector companies.
16. Capital outlay: Appropriations/allocations spent for the purchase of goods and services the benefits of which extend beyond the fiscal year and which add to the assets of government, including investments in the capital stock of government-owned or controlled corporations and their subsidiaries.