General Studies – Economics

Economics and its branches

Economics as a word originated from greek words: oikos means **"Family or household"** and nomos stands for**"custom, law"** etc. Thus **"household management"** is essential meaning of economics.

- In other words economics is the study of how societies use scarce resources to produce valuable commodities and distribute them among different people.

Branches of Economics:

Microeconomics:

Microeconomics is the study of economics at an individual, group or company level.In microeconomics we study supply and demand for a specific product, the production that an individual like how many cars, how much steel, consumer behaviour etc.

Macroeconomics:

Macroeconomics is the study of a national economy as a whole. Macroeconomics focuses on issues that affect the economy as a whole. Some of the most common focuses of macroeconomics include unemployment rates, the gross domestic product of an economy, poverty, balance of payment and inflation.Both of these branches are independent to each other

Sectors of Economy:

Primary Sector:

This sector includes all those economic activities where there is the direct use of natural resources as agriculture, forestry, fishing, fuel, metal, minerals etc.

Secondary Sectors:

Manufacturing sector is also called as secondary sectors.

Tertiary Sector:

This sector includes all those economic activities where different "services" are produced such as education, banking, insurance, transportation, tourism etc. This sector is also known as service sector.

Type of Economy

- Capitalist economy.
- State or communist or command economy.
- Mixed economy.

Capitalist economy:

Under this economy, mode of production is owned by private individuals and there is no or less interference of government. US is capitalist economy.

State Economy:

Under this economy, mode of production is owned by government. Former USSR and Pre – 1985 China followed this type of economy.

Mixed Economy:

This is the mix of both capitalist and state economy. In this economy both government and private players own the mode of productions. In this economy government actively participate in economic processes either directly or indirectly through regulations.

Inflation and its types

Inflation is a rise in the general level of prices of goods and services in an economy over a period of time

Types of Inflation:

Demand pull inflation: This type of inflation occurs when total demand for goods and services in an economy exceeds the supply of the same.

Cost-push Inflation: If there is increase in the cost of production of goods and services, due to increase of wages and raw materials cost, there is likely to be a consequent increase in the prices of finished goods and services.

Stagflation: It is a situation in which the inflation rate is high and the economic growth rate is low.

Reflation: It is the act of stimulating the economy by increasing the money supply or by reducing taxes. It is an act of pumping money in the market to increase the circulation so that economy can be stipulated again.

Disinflation: It is a decrease in the rate of inflation – a slowdown in the rate of increase of the general price level of goods and services in a nation's gross domestic product over time.

Deflation: It is a decrease in the general price level of goods and services. Deflation occurs when the inflation rate falls below 0% (a negative inflation rate).

Hyper inflation: It is the extremely rapid escalation of prices (typically more than 50% per month) for goods and services.

How to Measure Inflation:

CPI(Consumer Price Index): A consumer price index (CPI) measures changes in the price level of consumer goods and services purchased by households or consumer.

Wholesale price index: The Wholesale Price Index or WPI is the price of a representative basket of wholesale goods.

Planning History of India

First attempt to initiate economic planning in India was made by Sir M. Visvesvarayya, a noted engineer and politician, in 1934 through his book, **'Planned Economy for India'**.

• In 1938, 'National Planning Commission' was set – up under the chairmanship of JL Nehru by the Indian National Congress. Its recommendations could not be implemented because of the beginning of the Second World War and changes in the Indian political situation.
• In 1944, 'Bombay Plan' was presented by 8 leading industrialists of Bombay. The Bombay Plan a fifteen year investment plan for India proposed in 1944 by a group of prominent Indian industrialists and technocrats.
• In 1944, 'Gandhian Plan' was given by S N Agarwal. This plan mainly focuses on the agriculture and rural economy.
• In 1945, 'People's Plan' was given by M N Roy. It called for nationalization of all agricultural production and distribution besides development of consumer goods industries by the state only.
• In 1950, 'Sarvodaya Plan' was given by J P Narayan. A few points of this plan were accepted by the Government. In 1950 Sarvodaya Plan came out which was drafted by Jaiprakash Narayan inspired by Gandhian plan as well as Sarvodaya Idea of vinobabhave. Along with agriculture it emphasized on small and cotton industries as well.

Planning commission and NITI Aayaog

The Planning Commission of India

• The Planning Commission was set – up on March 15, 1950 under the chairmanship of JL Nehru, by a resolution of Union Cabinet.
• It is an extra – constitutional, non – statutory body.
• It consists of Prime Minister as the ex – officio Chairman, one Deputy – Chairman appointed by the PM and some full time members.
• The tenure of its members and deputy chairman is not fixed. There is no definite definition of its members also. They are appointed by the Government on its own discretion. The number of members can also change according to the wishes of the Government.
• Now this commission is scrapped by new Government and new institution NITI Aayog is created.

NITI Aayog (National Institution for Transforming India)

NITI Aayog (National Institution for Transforming India) is the replacement of Planning Commison of India.

The NITI Aayog will comprise the following :

1. Prime Minister as the Chairperson .
2. Vice-Chairperson: To be appointed by the Prime Minister Members.
3. Governing Council comprising the Chief Ministers of all the States and Lt. Governors of Union Territories.
4. Part-time members: Maximum of 2 from leading universities research organizations and other relevant institutions in an ex-officio capacity. Part time members will be on a rotational basis.

5. Ex Officio members: Maximum of 4 members of the Union Council of Ministers to be nominated by the Prime Minister.
6. Chief Executive Officer : To be appointed by the Prime Minister for a fixed tenure, in the rank of Secretary to the Government of India.

Role of NITI Aayog:

1. The States will now have a greater say. Previously it was the Planning Commission that formulated plans and then asked the States to implement them (provided they agreed), this time the States themselves will be able to actively participate in the planning so that there is no communication gap and the plans can be implemented effectively, because states are in the
2. NITI Aayog will seek to provide a critical directional and strategic input into the development process.
3. NITI Aayog will emerge as a "think-tank" that will provide suggestions to Governments at the central and state levels.
4. The NITI Aayog will develop mechanisms to formulate credible plans to the village level and aggregate these progressively at higher levels of government. It will ensure special attention to the sections of society that may be at risk of not benefiting adequately from economic progress.
5. The NITI Aayog will create a knowledge, innovation and entrepreneurial support system through a collaborative community of national and international experts, practitioners and partners.
6. NITI Aayog will monitor and evaluate the implementation of programmes, and focus on technology up gradation and capacity building.

Some Important Economists and their Theories

Adam Smith:

Adam smith has authored a book **"An inquiry into the nature and causes of the wealth of nations".**In this Adam Smith defined economics as a science of wealth. He proposed two requirements in his system: the market must be free from government intervention and competition must be in full range. But he put wealth above human. He described children and old age people as secondary, because they cannot contribute in production.

David Recardo:

David Ricardo is most remembered for his **"Theory of Comparative Advantage"**. This theory deals with international trade where one country involves in export or import of goods and services with other countries.

Thomas Malthus:

Thomas Malthus had two major contributions to the modern economic system: the population theory and the theory of market gluts. Thomas Robert Malthus was the first economist to propose a systematic theory of population. He articulated his views regarding population in his famous book, Essay on the Principle of Population (1798). He stated that population, when unchecked, increases at a geometrical ratio while food production increases only in an arithmetical ratio.

John Meynard Keynes:

John Meynard Keynes revolutionized the economists' conceptions about economics. He says that the state can stimulate economic growth and restore stability in the economy through expansionary policy like massive spending on infrastructure when demand is low and growth rate is falling. Theories of Keynes were presented in his book :**General Theory of Employment, Interest and Money** . He is also known as the father of world bank and IMF(International monetary fund)

Indian Budget System

Budget is the document of income and expenditure of the government.

Income of the government

Income of the government is divided into two types:

(1) Revenue receipts and (2) Capital receipts

Revenue Receipts :

It consist of both tax – revenue and non – tax revenue

- The tax revenue includes revenue form direct and indirect taxes.
- The non-tax revenue receipts include revenue from currency, Coinage and mint,interest receipts, dividends, profits, revenue from general services (such as police, jails, supplies and disposal, and public works), revenue from social and community services (such as education,health, housing, broadcasting and so on) and revenue from other services (such as agriculture and allied services, industry and mines, transport and communications).

Capital Receipt :

Capital account receipts include market loans, borrowings from Reserve Bank of India and others through the sale of treasury bills and loans from foreign governments and others to the central government.

Expenditure of the government:

Expenditure of the government is divided into two types:

Revenue Expenditure : An expenditure which neither create assets not remove liabilities is called revenue expenditure. e.g, salaries of employees, subsidies, pension etc. or Any expenditure from revenue receipt.

Capital Expenditure : It include expenditure on acquisition of various physical assets like land, buildings, machinery and equipment, investments in shares and debentures and loans to state governments and other bodies. Or any expenditure from the capital recepits

Different Types of Deficit :

- **Budget Deficit =**Or Total expenditure – Total Income., here total expenditure = revenue expenditure + capital expenditure and total income = revenue receipt + capital receipt
- **Fiscal Deficit =** Budget Deficit + Borrowing.(because in budget deficit, borrowing is considered as a part of income in revenue receipts, but in reality it is liability to return. So when we calculate fiscal deficit we consider borrowing as a deficit for India)
- **Revenue Deficit** = Revenue Expenditure – Revenue Receipt.
- **Capital Deficit** = Capital Expenditure – Capital Receipt.

Direct Taxes in India

In the colloquial sense, a direct tax is one paid directly to the government by the persons (juristic or natural) on whom it is imposed (often accompanied by a tax return filed by the taxpayer).

Income Tax :

Income tax is levied on the personal income of every individual whose total income exceeds taxable limit has to pay income tax based on prevailing rates applicable time to time.

Income Tax Slabs & Rates : FY 2016-2017 (AY 2017-18) ReLakhs.com			
Income Slabs	General Category (non-senior citizens)	Senior Citizens (60 & above years of age, but below 80 years)	Very Senior Citizens (80 years & above of age)
	Income Tax Rates		
Upto Rs. 2,50,000	Nil	Nil	Nil
Rs. 2,50,001 to Rs. 3,00,000	10%	Nil	Nil
Rs. 3,00,001 to Rs. 5,00,000	10%	10%	Nil
Rs. 5,00,001 to Rs. 10,00,000	20%	20%	20%
Above Rs. 10,00,000	30%	30%	30%

Capital Gains Tax:

Capital Gain tax as name suggests it is tax on gain in capital. If you sale property, shares, bonds & precious material etc. and earn profit on it within predefined time frame you are supposed to pay capital gain tax. The capital gain is the difference between the money received from selling the asset and the price paid for it.

Securities Transaction Tax:

if you buy or sell equity shares, derivative instruments, equity oriented mututal this tax is applicable.

- Current STT Rates is : 0.017% to 0.025%.

Commodity Transaction Tax(CTT):

This tax is levied on the trading on commodity market**. It is 0.010% now.**

Corporate Tax:

Corporate Taxes are annual taxes payable on the income of a corporate operating in India. For the purpose of taxation companies in India are broadly classified into domestic companies and foreign companies.

For companies, income is taxed at a flat rate of 30% for Indian companies. Foreign companies pay income tax at the rate of 40%. An education cess of 3% (on both the tax and the surcharge) are payable.

Indirect Taxes In India

Indirect tax is a type of tax collected by the government from an intermediary such as manufacturer or retailer. The eventual burden of the tax falls on to consumers who buy goods and services from the intermediary. Some of indirect taxes are:

Sales Tax:

Sales tax charged on the sales of movable goods. Sales can be broadly classified in three categories. (a) Inter-State Sale (b) Sale during import/export (c) Intra-State (i.e. within the State) sale. State Government can impose sales tax only on sale within the State.

Service Tax:

Tax paid on services like telephone, tour operator, architect, interior decorator, advertising, beauty parlour, health centre, banking and financial service, event management, maintenance service, consultancy service is termed as service tax.

Current rate of interest on service tax is 15%. This tax is passed on to us by service provider.

Value Added Tax:

Value-added taxation in India was introduced as an indirect value added tax (VAT) into the Indian taxation system from 1 April 2005

- VAT is levied on both the producer and consumer while a sales tax is levied on only the end consumer.
- VAT is applied at the various stages of production while sales tax is applied on the total value of the purchase.
- Maharashtra was the first state to implement VAT in India.
- VAT is decided by State government
- It can be range from one to 25 per cent.

Custom duty:

Custom Duty is a type of indirect tax charged on goods imported into India. It varied from 0 to 150 % in India.

Excise Duty:

An excise or excise duty is a type of tax charged on goods produced within the country. Basic excise duty in India is 12.5 %.

GST(Goods and services tax):

GST will facilitate a uniform tax levied on goods and services across the country. Currently so many indirect taxes are imposed on one item in India like sales tax, Vat , excise duty on production of goods. GST will replace all the indirect taxes and levied only at the destination end, mean at the time of final delivery of goods or services.

- Both states and centre have the power to legislate on GST.

More About Taxes

Such stamp duties and such duties of excise on medicinal and toilet preparations as are mentioned in the Union List shall be levied by the Government of India but shall be collected in the case where such duties are leviable within any Union territory, by the Government of India.

Taxes levied and collected by the union but assigned to the States:

1) Duties in respect of succession to property other than agricultural land;
2) Estate duty in respect of property other than agricultural land
3) Terminal taxes on goods or passengers carried by railway, sea or air
4) Taxes on railway fares and freight
5) Taxes other than stamp duties on transactions in stock exchanges and futures markets
6) Taxes on the sale or purchase of newspapers and on advertisements published therein;
7) Taxes on the sale or purchase of goods other than newspapers, where such sale or purchase takes place in the course of inter State trade or commerce;

Duties levied by the Union and collected and appropriated by States:

1. Stamp Duties
2. Excise duties on medical preparations containing alcohol or narcotics

Taxes levied and collected by the Union and Proceeds partially shared with States:

1. Income Tax
2. Union excise duties

Taxes Levied by the Central & State Government

The imposition of both direct taxes as well indirect taxes. Listed below are some of the taxes that are levied by the India Government:

Taxes levied by the Central Government:

1.Direct Taxes
2.Banking Cash Transaction Tax
3.Capital Gains Tax
4.Corporate Income Tax
5.Fringe Benefit Tax
6.Personal Income Tax
7.Securities Transaction Tax

8.Customs Duty

9.Excise Duty

10.Service Tax

Taxes Imposed by the State Governments:

1.Dividend Tax

2.Endowment Tax

3.Estate Tax

4.Gift Tax

5.Inheritance Tax

6.Transfer Tax

7.Payroll Tax

8.Poll Tax

9.Value Added Tax or Sales Tax

Recently Launched Schemes by GOI

Make in India

- It was Launched on 25th September 2014
- Make in India is an initiative of the Government of India to encourage multinational, as well as domestic, companies to manufacture their products in India.
- The major objective behind the initiative is to focus on job creation and skill enhancement in twenty-five sectors of the economy

Smart Cities

- Launched on 29th April 2015
- In first Government of india Will Develop 100 Smart cities in India
- Under this Scheme Cities from all States Are Selected

Swachh Bharat Abhiyan

- Launched on 2nd October 2014)
- To have clean India by 2nd October 2019
- Eliminate open defecation by constructing toilets for households, communities
- Eradicate manual scavenging
- Introduce modern and scientific municipal solid waste management practices
- Enable private sector participation in the sanitation sector
- Change people’s attitudes to sanitation and create awareness

Sukanya Samridhi Account

- Launched on 22nd January 2015
- The scheme was launched by Prime Minister Narendra Modi on 22 January 2015 as a part of the BetiBachao, BetiPadhao campaign.
- The scheme currently provides an interest rate of 9.2% and tax benefits.
- The account can be opened at any India Post office or a branch of some authorised

commercial banks

Pradhan Mantri Jan Dhan Yojana

- Launched on 28th August 2014
- Under the Jan DhanYojna anyone who is India citizen above age of 10 years and does not have a bank account, can open the account with zero balance. Account can be opened in any bank branch or Business Correspondent (Bank Mitr) outlet, specially designed for the purpose of opening the accounts under this scheme. The scheme also provides facility of accidental insurance cover up to rupees one lac without any charge for the account holder.
- Under the PMJDY scheme the account holders will be given worth Rs.30000 insurance coverage if they comply with certain specification of the scheme which includes opening an account by January 26, 2015 and having an accidental insurance coverage of over Rs. 200000.

Pradhan Mantri Suraksha Bima Yojana

- Launched on 9th May 2015
- Eligibility: Available to people in age group 18 to 70 years with bank account.
- Premium: 12 per annum.
- Payment Mode: The premium will be directly auto-debited by the bank from the subscribers account. This is the only mode available.
- Risk Coverage: For accidental death and full disability – Rs.2 Lakh and for partial disability – Rs.1 Lakh.
- Eligibility: Any person having a bank account and Aadhaar number linked to the bank account can give a simple form to the bank every year before 1st of June in order to join the scheme. Name of nominee to be given in the form.

Atal Pension Scheme

- Under the Yojana, subscribers get fixed pension of INR 1000/2000/3000/4000/5000 per month depending upon contributions at the age of 60
- Contributions vary depending upon the age at which APY is joined
- Minimum age at which APY can be joined is 18 years; maximum is 40
- Minimum contribution period under a subscriber is 20 years or more
- Scheme was launched on June 1st, 2015

Pradhan Mantri Jeevan Jyoti Bima Yojana

- It was Launched on 9th May 2015
- Life insurance scheme by Government
- Eligibility: Available to people in the age group of 18 to 50 and having a bank account. People who join the scheme before completing 50 years can, however, continue to have the risk of life cover up to the age of 55 years subject to payment of premium.
- Premium: Rs.330 per annum. It will be auto-debited in one instalment.
- Payment Mode: The payment of premium will be directly auto-debited by the bank from the subscribers account.

- Risk Coverage: Rs.2 Lakh in case of death for any reason.
- Terms of Risk Coverage: A person has to opt for the scheme every year. He can also prefer to give a long-term option of continuing, in which case his account will be auto-debited every year by the bank.

Indradanush Scheme

- Mission Indradhanush was launched by the Ministry of Health and Family Welfare, Government of India on December 25, 2014.
- The Mission Indradhanush, depicting seven colours of the rainbow, aims to cover all those children by 2020 who are either unvaccinated, or are partially vaccinated against seven vaccine preventable diseases which include diphtheria, whooping cough, tetanus, polio, tuberculosis, measles and hepatitis B.

Soil Health Card Scheme

- Soil Health Card Scheme is a scheme launched by the Government of India in February 2015.
- Under the scheme, the government plans to issue soil cards to farmers which will carry crop-wise recommendations of nutrients and fertilisers required for the individual farms to help farmers to improve productivity through judicious use of inputs.
- All soil samples are to be tested in various soil testing labs across the country.
- Thereafter the experts will analyse the strength and weaknesses (micro-nutrients deficiency) of the soil and suggest measures to deal with it.
- The result and suggestion will be displayed in the cards.
- The government plans to issue the cards to 14 crore farmers

BOP(Balance of Payment)

The balance of payments of a country is a systematic record of all economic transactions between the residents of the reporting country and residents of foreign countries during a given period of time.

A complete BoP account comprises the following two broad accounts: (a) Current Account; and (b) Capital and Financial Account.

Current Account :

The current account deals with the trade of goods and services between two countries.In international trade "invisibles" includes :

- Services (like transportation, financial services, travel, telecommunication, computer services and professional services)
- Transfer (It includes remittances from the Indian working abroad)
- Income (These are the income earned like profits, interest and dividends from the ownership of overseas assets by Indian companies, government and individuals)
- While "goods " are termed as visibles.

If Current Account balance is positive , then it is termed as Current account surplus and if it is negative then It is termed as Current Account Deficit(CAD).

Balance of Trade = export of goods –Import of goods. This is a part of current account balance.

Capital account Transactions:

It basically deals with investment and borrowings. For example, foreign investment in India, how much money borrowed by Indian companies. Similarly, Indians to open bank accounts in foreign countries; invest abroad; hold assets abroad etc.

It includes:

- **Foreign direct investment (FDI)** refers to long term capital investment such as the purchase or construction of machinery, buildings or even whole manufacturing plants.
- **FII(Foreign Institutional Investment)**or Portfolio investment refers to the purchase of shares and bonds in Indian share market by the foreigners.
- **ECB(External Commercial Borrowing)** Money borrowed by Commercial companies from abroad.
- **Sovereign Debt** : Money borrowed by Govt of India

Market

A set up where two or more parties engage in exchange of goods, services and information is called a market. Market is of four types:

Perfect Competition:

Perfect competition is a market system characterized by many different buyers and sellers. In the classic theoretical definition of perfect competition, there are an infinite number of buyers and sellers.

An Indian fish market might be an example of something close to this

Monopoly:

A monopoly is the exact opposite form of market system as perfect competition. In a pure monopoly, there is only one producer of a particular good or service, and generally no reasonable substitute.

The cable company is an example of this in India. The cable company in India, facing no competition, is notorious for poor quality and poor service.

Oligopoly:

An oligopoly is similar in many ways to a monopoly. The primary difference is that rather than having only one producer of a good or service, there are a handful of producers, or at least a handful of producers that make up a dominant majority of the production in the market system.

In India, an example of this would be mobile telephony – There are only a few operators, examples of which are: Airtel, Idea, BSNL, Reliance

Monopolistic Competition:

Monopolistic competition is a type of market system combining elements of a monopoly and

perfect competition. Like a perfectly competitive market system, there are numerous competitors in the market. The difference is that each competitor is sufficiently differentiated from the others that some can charge greater prices than a perfectly competitive firm.
After financial sector reforms in 1992, the banking system in India has become much more competitive with lots more banks offering similar products at similar prices. in America.) The cable company in India, facing no competition, is notorious for poor quality and poor service.

List Important International Organizations and their Headquarters

World Trade Organization (WTO) :

- Headquarters – **Geneva, Switzerland**
- Head – Roberto Azevedo
- Founded on – 1 January, 1995

World Health Organization (WHO) :

- Headquarters – **Geneva, Switzerland**
- Head – Dr Margaret Chan
- Founded on – 7 April, 1948

World Economic Forum (WEF) :

- Headquarters – **Geneva, Switzerland**
- Head – Klaus Schwab
- Founded on – 1971

International Labour Organisation (ILO)

- Headquarters – **Geneva, Switzerland**
- Head – Guy Ryder
- Founded on – 1919

United Nations Conference on Trade & Development (UNCTAD)

- Headquarters – **Geneva, Switzerland**
- Head – MukhisaKituyi
- Founded on – 1964

World Meteorological Organisation (WMO)

- Headquarters – **Geneva, Switzerland**
- Head – Michel Jarraud
- Founded on – 1950

International Monetary Fund (IMF)

- Headquarters – **Washington DC, US**
- Head – Christine Lagarde
- Founded on – 27 December, 1945

The World Bank –

- Headquarters – **Washington DC, US**

- Founded on – July, 1944
- President- Jim Young Kim

United Nations Organization (UN)

- Headquarters – **New York, US**
- Secretary general– Ban Ki-moon
- Founded on – 1945

United Nations Children's Fund (UNICEF)

- Headquarters – **New York, US**
- Head – Anthony Lake
- Founded on – December, 1946

United Nations Education Scientific & Cultural Organisation (UNESCO)

- Headquarters – **Paris, France**
- Head – Irina Bokova
- Founded on – 16 November, 1945

Organisation for Economic Cooperation & Development (OECD)

- Headquarters – **Paris, France**
- Head – Jose Angel Gurria
- Founded on – 30 September, 1961

North Atlantic Treaty Organisation (NATO)

- Headquarters – **Brussels, Belgium**
- Head – Philip M. Breedlove
- Founded on – 4 April, 1949

International Maritime Organisation (IMO)

- Headquarters – **London, UK**
- Head – Ki Tack Lim
- Founded on – 1959

International Atomic Energy Agency (IAEA)

- Headquarters – **Vienna, Austria**
- Head – Yukiya Amano
- Founded on – July 29, 1957

Organisation of Petroleum Exporting Countries (OPEC)

- Headquarters – **Vienna, Austria**
- Head – Diezani Alison-Madueke
- Founded on – 1961-62

International Olympic Committee (IOC)

- Headquarters – **Lausanne, Switzerland**
- Head – Thomas Bach
- Founded on – 23 June, 1894

Food & Agricultural Organisation (FAO)

- Headquarters – **Rome, Italy**
- Head – Jose Graziano da Silva
- Founded on -16 October, 1945

Regional Institutions and their Headquarters

Asian Development Bank

- Headquarters – **Manila, Philippines**
- Founded on – 22 August, 1966
- President: Takehiko Nakao
- Total countries: 67

Asian Infrastructure Investment Bank (AIIB)

- Headquarters – **Beijing, China**
- Head – Jin Liqun
- Founded on – 4 October, 2014

  The capital of the bank is $100 billion, equivalent to ⅔ of the capital of the Asian Development Bank and about half that of the World Bank.

New Development Bank

- Headquarters – **Shanghai, China**
- Head – K. V. Kamath
- Founded on – July, 2015
- It is established by the BRICS states (Brazil, Russia, India, China and South Africa).

Asia Pacific Economic Cooperation (APEC) –

- Headquarters – **Singapore**
- Head – Dr. Alan Bollard
- Founded on – 1989
- 2016 summit: Lima
- Members: United States; Australia; Brunei Darussalam; Canada; Chile; China; Hong Kong, China; Indonesia; Japan; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; The Philippines; Russia; Singapore; Republic of Korea; Chinese Taipei; Thailand; and Vietnam.

Association of South East Nations (ASEAN)

- Headquarters – **Jakarta, Indonesia**
- Founded on – 8 August, 1967
- Members: Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam.
- ASEAN summit, 2015 – Kuala Lumpur

South Asian Association for Regional Cooperation (SAARC)

- Headquarters – **Kathmandu, Nepal**
- Founded on – 8 December, 1985

- Members: Afghanistan, Bangladesh, Bhutan, India, Nepal, the Maldives, Pakistan and Sri Lanka.
- Secretaries-General of SAARC: Arjun Bahadur Thapa
- 2016 SAARC summit: Islamabad

GOOD LUCK WITH YOUR EXAMS!!!