

ABSTRACT

This study attempts to identify the structural breaks occurring at un-known dates in few selective macro-economic variables in India since 1950-51. We apply Bai and Perron methodology for multiple structural breaks and Augmented Dickey-Fuller (ADF) test with and without the trend to check if the selective variables are trend stationary with or without structural break. The main aspects considered is the construction of tests that allow inference to be made about the presence of structural change and the number of breaks. The study concludes that all the selected macro-economic variables are trend stationary with structural break(s). The findings of this study is useful in providing a perspective on the movement of key economic variables which is of great significance for the macro-economic model builders and others who utilises macro-economic time series data in there models.