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Economic development in India

Date 10/6/2021

The economic development in India followed socialistic pattern by politicians. It including state ownership of many sectors.

India per capita income increased at only around 1% annualised rate in the three decades after its independence. Since the mid 1980, India has slowly opened its markets through economic liberalisation.

After more fundamental reforms since 1991 and their renewal in the 2000s, India has progressed towards a free market economy.

In the late 2000s, India growth reached 7.5% which will double the average income in a decade.

IMF says that if India pushed more fundamental market reforms.

It could sustain the rate and even reach 10%.

States have large responsibilities over their economies. The average annual growth rates (2007-12) for Gujarat (13.86%), Uttarakhand (13.66%), Bihar (10.15%) or Jharkhand (9.85%) were higher than for West Bengal (6.24%), Maharashtra (7.84%), Orissa (7.05%) Punjab (11.78%) or Assam (5.88%).

ECONOMIC development in india

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India is the fifty largest economy by purchasing power parity adjusted exchange rates (PPP) on per Capita basis, its rank 140th in the world or 129th by PPP. The economic growth has been driven by the expansion of the services that have been growing consistently faster than other sectors. It is argued that the pattern of indian development has been a specific one and that the country may be able to skip the intermediate industrialisation led phase in the transformation of its economic structure. Serious concern have been raised about the jobless nature of the economic growth.

Favourable macro economic performance has been a necessary but not sufficient condition for the significant improvement in the human development indicators.

Although the rate of poverty declined after economic reforms of 1991, the improvement in human development has been less than satisfactory.

For instance, child malnutrition has continued to persist (46% of 2005-2006).

The progress of economic changes in india is followed closely. The world bank suggests that the most important priorities are the public sector reform, infrastructure, agricultural and rural development, removal of labour regulations, reforms in lagging states and HIV/AIDS.

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Indian Economic development in India.

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India ranked 77th in ease of doing business index.

According to index of economic freedom World Ranking an annual survey on economic freedom of the nations.

India ranks 123rd as compared with China and Russia which ranks 138th and 144th respectively in 2014.

At the turn of Century India's GDP was at around US \$ 480 billion. As economic reforms picked up, India's GDP grew five-fold to reach US \$ 2.2 trillion in 2015 (As per IMF estimates).

India's GDP growth during January - March period of 2015 was at 7.5%. Compared to China 7% making it the fastest growing economy. During 2014-15 India's GDP growth recovered marginally to 7.3% from 6.9% in previous fiscal. During 2014-15, India's services sector grew by 10.1%, manufacturing sector by 7.1% & agriculture by 0.2%.

Indian economy grew at 7.6 & 7.1 in FY 2015-16 and FY 2016-17 respectively as major reforms had taken place like Demonetisation and implementation of GST in FY 2016-17.