

## Chapter-15

### Characteristics and New Trends of Indian Economy

Indian economy was very poor at the time of independence. The British had damaged Indian agriculture, industries, trade, etc. in colonial period. When India got freedom, It was the biggest challenge before Indian economy to proceed rapidly on the path of development. During last few decades there have been great changes in the nature of Indian economy due to the efforts for development. Many Important decisions were taken in the decade of 1950 which fixed the road map of the development of Indian economy. The economic reforms like, Globalization, Privatization and Liberalization have played an important role to chalk out the course for future of Indian economy.

At present the Indian economy shows mixed characteristics of both undeveloped background and developing economy.

**Economy-** The system connected with the activities of production, trade, consumption etc. of the goods and services of a country or a region is called 'Economy'. For example, Indian economy.

#### 1.1 Indian Economy in the form of Undeveloped Economy-

The low per capita income and quality of life (which can be determined by the level of health and education) shows the backwardness of economy. Increased hidden structural unemployment, population growth and excessive dependence on agriculture, old techniques of production etc. are the main characteristics of economic backwardness. These characteristics are present in our economy in the form of an undeveloped

economy.

**(i) Low Per Capita Income-** Per capita income in India is very low which is the symbol of undeveloped economy. According to the World Bank report, India's per capita income was 1590 US dollars in 2015. India was at 170<sup>th</sup> place in the world regarding gross per capita income. India's per capita income stands not only lower than America, England, France, Germany, (developed countries) but also lower to neighbouring countries like- China and Srilanka. The living standard of poor remains low due the low per capita income.

**(ii) Low quality of Life-** Education and health both are the most effective factors of standard of life. These are basics of human welfare. The income is meaningless without these parameters. When people gain education and proper health, they will be able to use their income properly. The education level in India is very poor which can be observed through the rate of literacy. The literacy rate was 74.04 percent in India according to the census-2011. About one fourth of the population is illiterate even today. The level of health at birth time can be measured by the 'life expectancy'. According to World Bank report in 2014 India had 68 years life expectancy at birth time. Compared to Japan and China it is very low . The low level of education and health also presents the undeveloped form of Indian economy.

**Life Expectancy at birth –** The statistical measures of expected average life of an infant in the current demographic situations is called the life expectancy at birth.

**(iii) Problem of poverty-** India is also facing the problem of poverty like other undeveloped countries. There were 21.82% poor people in 2011-12 according to Suresh Tendulkar. Poverty is the state of a person in which he is unable to fulfill his basic needs. Since Independence there has been no solution of poverty till now. Poverty can be considered as the biggest challenge for Indian economy. A very slow progress has been detected in the direction of fulfilling basic needs and our economy seems ineffective in comparison to other countries. The advantages of progress have not reached to the weaker sections of society. One fourth of the population is still cobwebbed in the vicious circle of poverty also. No country can come out of its backwardness having the problem of poverty. So our economy is certainly undeveloped.

**(iv) Too much Dependence on Agriculture-** As our economy develops, dependence on agriculture decreases and dependence on Industry and service sector increases. Dependence on agriculture has decreased in India very slowly. About 72% population was dependent on agriculture at the time of Independence. Still today 49% employments depend on agriculture and related sectors. The labour movement from agricultural to non agricultural sector has increased but slowly. It is a symbol of undeveloped economy of India dependent on agriculture.

**(v) Demographic Factor-** Many demographic factors show the backwardness of Indian economy. The birth rate is very high in India. Mother, child and infant mortality rates are too high. The rate of population growth is very high in India. In the decade of 2001 to 2011 the rate of population growth in India has been 17.64%. It can be said that population growth in India every year is equal to the total of Australian population. The size of Indian

population is very big and it is perpetually growing in a rapid mode.

**Demography:** Scientific and statistical study of human population is called Demography.

**(vi) The Problem of Unemployment-** The main characteristic of undeveloped countries is the problem of structural and hidden unemployment. Due to the flawed structure and perpetual structural changes in these nations this type of unemployment is generated. The magnitude of demand changes due to the structural changes happened in various sectors. So it causes imbalance between demand and supply. Due to India's high dependence on agriculture and slow development of Indian agriculture and of industrial and service sectors, it faces the problem of hidden unemployment. Although there are many kinds of hidden unemployment, yet mostly hidden and structural unemployment can be seen which is very serious.

Hidden unemployment means that a person seems working but his contribution in production is very low or about zero. In India, in a farmer's family all the members work in domestic agriculture but the contribution of many of them is zero. It is difficult to estimate the hidden unemployment.

**(vii) Obsolete Technology-** The major factor for economic backwardness is poor technology of production. Productivity level is low due to lack of modern technology. It was considered for long time that natural resources are the most effective factors of development but the fast development of Japan proved the role of technology to be so. The major cause of Indian economy's slow progress is only lack of the new technology. The expenditure on technological development in India is very little. Importance is not given to

research and inventions. So, India is technically undeveloped even today.

**(viii) Other characteristics** - Besides the above characteristics, the wide inequality, weak basic structure etc. express the form of Indian economy. According to United States Development Programme report 2015 shown on the subject of Human growth Index, India stood at 130<sup>th</sup> place. In this regard we are grouped in the countries of average human development Index. Our neighbouring China (90<sup>th</sup> position) and SriLanka (73<sup>rd</sup> position) are ranked ahead of India. We are also worried about the present economic and non-economic disparities. There is unequal distribution of income, capital, and also difference in social structure found in India. There are many disparities in India based on gender, and vast differences on the basis of availability of educational and health services too. The infrastructure of India is too very weak. Because of this, Indian economy is facing the problem of low productivity, high production cost and slow growth in production. It is clear that Indian economy is an undeveloped economy.

**Infrastructure** - The infrastructure stands for the availability of goods and services which makes the mechanism of economics easy. They increase the productivity and give base to the economic development. Eg. roads, electricity, education, health, insurance, banking etc.

**15.2 Indian Economy is in Developing Form-** From the above study it can be concluded that Indian economy is undeveloped. But it is not absolutely true. Indian economy is improving. Moving fast on the road of progress during last few years, many favourable changes have been taken

place with effective economic and social reforms. It can be termed as a developing economy. National Income and per capita income both are increasing continuously and many constructive changes are being made in favourable direction.

**(i) Perpetual and rapid growth in National and Per Capita Income :**

The perpetual and rapid growth in the national and per capita income of India is the most effective character of Indian economy in its developing form. The development rate in 1950 was only 3.5% per year. Dr. Rajkrishna termed this as the Hindu Development Rate. In 1980 this rate reached at 5% and between 1991 and 2011, the economy of India increased 6.8% per year on an average. During 11<sup>th</sup> five year plan (2007-2012) the growth rate of India was 8%. At present on the basis of growth rate, Indian economy is one of the fastest growing economies in the world. The improvement in India's economic growth rate began in 1980s, but the economic progress was seen remarkable after the economic reforms of the decade of 1990. Indian economy is improving fast due to efforts and reforms made by the present Government.

The measurement of economic development is based on the growth in per capita income. It increased during the period of 1950-51 to 1990-91 at the average rate of 1.6% per year. Almost in all years after 1990-91 the annual growth rate of per capita income has been maintained at more than 5% per year.

In the year of 2015-16, 6.2% per capita income growth was recorded. The continuous and rapid growth in per capita income as well as in national income can be considered as a great achievement of Indian economy.

**Normally the growth rate of actual national income or Gross Domestic Product (GDP) is called**

## **Economic Growth Rate.**

**(ii) Change In Economic Structure-** Economic structure changes along with development. As economy develops, Primary Sector (agriculture) level goes down, while secondary (industry) and tertiary (service) sector level goes up. In India the share of agriculture in National Income was more than 50% in 1950-51, which came down to 15% in 2015-16. There was a huge increase in the contribution of industry and service sectors in the national income. The contribution of the secondary sector (industry) in the National Income has risen more than one fourth. Role of the service sector has been increased rapidly in national income. At present about 60% of National Income is generated by the service sector. It is clear that the contribution of Primary Sector is gradually decreasing. And the share of secondary and tertiary sector is increasing continuously. Tertiary sector is increasing faster than the secondary sector. This change in the structure of economy shows its developing form.

It is believed that secondary sector creates more employment than the service sector. So due to relatively sluggish growth of secondary sector, the problem of unemployment in India has become serious.

**(A) Huge and rapidly growing Service Sector-** Huge service sector is found all developed countries. By continuous fast growth rate service sector in India has become now the largest sector of the economy. At present the service sector is producing about 60% part of national income. Along with the growth rate of service sector being high than the growth rate of agriculture and industries, India is one of the top ten countries in the of world service trade and India has strong potential to emerge as Super Power in its service sector. Extensive and

continuously growing service sector is the indicator of the development of Indian economy.

## **(B) Change in Commercial Structure-**

Changes in commercial structure also show that Indian economy is a developing economy. Almost 72 percent of the workforce in 1951 was employed in agriculture and allied sectors. It has come at a steady decrease. At present less than 50% of working population is employed in agriculture and allied sectors.

Today more than half of the Indian work power is getting employment in industry and service sectors.

## **(iii) Improvements in Economic and Social Infrastructure:**

Economic and social infrastructure in India is changing rapidly. India's total installed power generation capacity has increased about 100 times in the last 65 years. The total length of Indian roads was about 4 lakh kilometers, which at present has reached about 50 lakh kilometers. Similarly there has been a massive expansion of banking and insurance services. Literacy rate was 18.3% in 1951 which increased to 74.04% in 2011. Similarly, life expectancy at the time of birth in 1951 was 32.1 years which became 68 years in year 2014. The improvement in this economic and social infrastructure are the pillars of development.

On the basis of education and health service expansion, we can say that Indian economy is a developing economy.

**(iv) Other factors-** Here, foreign trade is changing positively. Indian population growth rate is coming down sufficiently. In the decade of 1961 to 1971 the growth rate of India was 24.80%. Falling down it became 17.64% in the decade of 2001 to 2011. All these factors are the indicators of development of Indian economy. On the basis of the study we can say that although many characteristics of undeveloped



economy are seen in Indian economy still it is proceeding fast on the path of development. Due to this rapid growth of development the Indian economy will certainly become a developed economy one day.

### **15.3 Economic Reforms-** (Privatization, Liberalization and Globalization)

After independence India adopted the policy of planned development and mixed economy. By giving public sector a powerful place it was made a chief motive of development. Private sector was kept under control. During 1950 to 1990 so many rules and regulations were made for the operation and management of the economy that the development process was almost stopped. Besides this, the government had to spend a big amount of its resources on defence and social sectors too.

Many times, the money borrowed from international organizations and other countries was spent in an irresponsible manner on consumption functions by the government. The expenditures of the government were more than its income. The government was going to increase amounts of loan to fulfil their expenses. There was clear absence of Fiscal discipline in government policies.

**Fiscal Discipline:** Refers to the policies and efforts made by government which are adopted to reduce the load of deficit and debts on government.

Along with fiscal indiscipline, the Indian economy was suffering from trade deficit. No care was taken to curb the rising import and to promote export before 1990.

**TRADE DEFICIT** – The superiority of Imports over exports in a country is measure of its economy. It shows the increased value of the import over the values of exports of that country. This is the measure of deficit in goods trade of the country. The Industries were given unimportant protection in the economic

policies of 1950 to 1990. Unskilled management of companies and other economic bodies took place. There was a lack of expertise in the use of resources. The whole structure of the economy was defective. So the production prices increased and the level of production decreased very much.

The slow growth in production, maximum public expenses and other reasons created the problem of inflation. The increasing prices of commodities shook the whole economy. Due to these circumstances the balance of payments for India remained adverse, and the foreign exchange reserve reduced to a low. In early ninties the foreign exchange reserve of India had been reduced to such a point that India could barely finance two weeks worth of import.

**Balance of Payments:** A brief account of a country's transaction with rest of the world in a financial year is defined as 'Balance of Payments'.

Govt. of India applied economic reforms according to New Economic Policy in July 1991 to reform the fiscal imbalance, defective structure of economy and the crisis of balance of payments. Although the process of economic liberalisation had started in 1980's, yet it was not regulated at that time with absolute seriousness. Thus, these problems became intense. India requested for financial assistance from two international organizations named World Bank and International Monetary Fund in that condition in 1991. These organizations provided loans to India on certain conditions. India followed these conditions and announced a new economic policy in 1991 and implemented economic reforms.

**World Bank-** In 1944 by the agreement of Bretton Woods conference, International Bank of Reconstruction and Development was established. Generally it is known as World Bank.

Under economic reforms the solutions of economic stability and structural reforms were implemented. The solutions of economic stability were short termed in nature. Under this, solutions to control the problem balance of payments and inflation

were included. Structural reforms were long termed in nature. Their objectives were to increase reform of economic structure and workability. Under these reforms the government redefined its policies and started many new schemes. Economic reforms were implemented through the process of liberalization, privatization and globalization.

**15.3.1. Liberalization:** In Economics, the meaning of liberalization is the process to simplify the economic policies, rules and laws. The government was in the role of economic controller and producer in the development policy adopted before 1991. Many controls and regulations were imposed to play this role. The government's plans in 1991 in the new economic policy to eliminate unnecessary controls and restrictions were called liberalization. Under these plans a new economic policy was announced in July 1991 and the process of expansive reforms started in various sectors of the economy. Comprehensive reforms were introduced in financial sector, external sector, foreign exchange, management etc. and several unnecessary rules and controls were eliminated. By the process of liberalization, Indian economy transformed from socialist mixed economist to capitalist mixed economy. Interference of the government decreased by this and the Indian economy started to transform into free market or capitalist economy. Structured rigidity of the economy ended through liberalization. Therefore it can be said that liberalization refers to the process of simplifying the activities of production and trade by eliminating government obstacles in economic sector and policies.

What is called Liberalization in India, in actual terms means implementation of foreign experiments without giving it any thought. Mixed economy of India was reached such crossroad, from where it was impossible to return to the actual meaning of Swadeshi due to its inclination towards Liberalization. Liberalist countries took advantage of this situation and India emerged on world platform in the form of a new research laboratory in the name of economic Liberalism. Our large population and its potential middle class emerged on the horizon of liberalist countries. It was impossible for the future governments to move

ahead on the path on which the earlier government had placed the country as a big market in the name of Globalization.

**15.3.2 Privatization-** In economy the process which increases the role of private sector, is called Privatization. In this economy more chances are given to the private sector and the role of public sector is decreased. In the process of privatization all such economic policies are included which promote the expansion of private sector. Traditionally, privatization meant the process of giving away ownership and control of public or state properties in the private hands.

The industrial policies adopted after independence to 1990 many industries were reserved only for the public sector and the license was a requisite for the establishment of them. As a result of this the public sector unnecessarily expanded and productivity of this sector reached a low. Many public sector establishments had become a burden on the government, Industrial licensing was almost abolished in the economic policy of 1991 and a decline in the number of reserved industries for public sector opened new doors of development for the private sector. With privatisation in 1991 those sectors which were hitherto banned were also opened.

Disinvestment is also made in government sector under privatization. This is also a method of privatization. Disinvestment is the process of liquidation of assets in actual form, but in general form it refers to the selling of state's share from public sector undertaking to private sector. The government or state can sell a part of its share or its entire stake in public sector undertaking to the private sector. Disinvestment programme was started in 1991-1992 for privatization in India. Government got assistance in establishing fiscal discipline through privatization. Competitive power of economy was enhanced due to this.

**15.3.3 Globalization-** The assimilation of domestic economy with world economy is known as Globalization. Globalization is such a process through which national economies expand out of their political boundaries. Globalization increases economic openness and economic dependence between countries. Free flow of products and

services, free flow of capital and consolidated financial market, free flow of labour, free flow of technology and spread of knowledge, between various countries is included in various dimensions of Globalization.

After the Independence many restrictions were imposed on foreign trade and foreign investment in India. This was considered essential in order to provide protection to domestic producers to compete with foreign goods. In the year 1991 the government decided that time has come for the Indian producers to compete with world producers. It was believed that workability of industries and quality of goods will be improved through competition. In the process of globalization, ban on foreign trade and investment was lifted up to a large extent. Obstacles in trade were removed and imports were facilitated. Barring a few items, most of the items have been allowed for free trade.

Multinational companies are playing an important role in the process of globalization. A multinational company is one which controls and keeps ownership of production in more than one country. At present time investment and technology is being exchanged in services amongst various countries. Exchange of information and communication technology has provided a rapid pace to globalization. This has played a major role in increasing production and services in various countries. With the help of information and communication technology, India has also obtained the benefits of globalization by selling its services in the international market. The process of globalization has improved the allocation of resources in the entire world and has made them more functional. Production costs have declined as a result of this, and quality of goods has been enhanced. International monetary fund, World Bank and World Trade Organization have played an important role in implementing this profitable process of globalization and making it a success.

World Trade Organization was established on 1<sup>st</sup> January 1995. It performs the work of formation of trade policies and coordination between nations. It also implements and controls multilateral trade agreements. It provides a suitable forum for agreements and discussions to its

member nations. It also settles trade disputes between various nations.

**15.4 The Concept of Swadeshi-** The concept of Swadeshi is an effective economic policy of India with the viewpoint of further strengthening the economic condition of the country. The term 'Swadeshi' means 'of one's own country'. In today's age of globalization, various foreign companies have come to India and started production over here. In this changing scenario, the term 'Swadeshi' is now used for goods and services produced by Indian companies. Therefore at present time the concept of swadeshi lays emphasis on using those goods and services which are made by Indian companies and Industries under the country and avoid goods made by foreign companies. Products made by Tata, Godrej, Amul, Hero, Bajaj, Patanjali etc. are examples of swadeshi goods.

The concept of Swadeshi is not a new concept for Indian economy. This idea has performed the work of unifying the nation on various occasions. The spirit of Swadeshi had played a significant role in the Indian war of Independence. In Swadeshi movement for independence, a policy of revival of domestic industries and occupations and boycotting of foreign goods was adopted.

Mahatma Gandhi used Swadeshi as a weapon in the freedom struggle. Gandhiji made each and every Indian citizen aware and inspired them to adopt Swadeshi. Mahatma Gandhi believed that India should also be self dependent along with being independent and self ruled. The concept of swadeshi is an effective concept in context of making India self dependent.

The concept of swadeshi lost its importance for some time with the beginning of Globalization in early 1990s. Gradually the developing nations realized that the developed nations ignored the rules of World Trade Organization and did not follow the policy of free trade honestly. Developing nations got some benefits by the globalization, but the losses were more in comparison. Due to the pressure of globalization and competition, various Indian industries and trade were destroyed and the problem of unemployment became more severe. Due to international laws and agreements, Indian



government does not put effective sanctions on foreign companies. These conditions forced the citizens of India to think about all this. In the absence of judicious globalization, the demand for swadesh again started to rise. In the present time the increasing spirit of nationalism has made the concept of Swadeshi more meaningful.

The spirit of swadeshi produces a socio-economic revolution. It infuses the spirit of patriotism and dedication amongst the citizens. Following are some important benefits of Swadeshi:

1. Demand of goods produced by Indian industries will increase due to the concept of swadeshi. Immense opportunities of development of Indian industries will emerge due to this.
2. Domestic product and National Income of the country will rise by adopting swadeshi goods.
3. Indian companies are more laborious as compared to foreign companies. Therefore, along with the promotion of swadeshi employment opportunities in India will definitely increase.
4. Due to increase in domestic production, import will decline and valuable foreign currency spent in importing various goods will be saved.
5. Foreign companies take away a large amount of wealth from India to their respective countries in the form of profits and dividends. This outflow of capital will be checked if swadeshi is adopted.
6. A country's self-dependence increases by adopting swadeshi. In situations of emergency, self-dependence acts as a major protective layer.
7. The government receives comparatively greater revenue by increased domestic production.
8. The work culture of Swadeshi companies is also favourable for the country. These companies make sensible use of natural resources.

9. Some nations earn huge profits by selling their products in India and even after this they create problems for India by opposing our country on international platform. Such nations will come under pressure if swadeshi goods are used.
10. The spirit of swadeshi enhances the feeling of nationalism.

Nationalism is an influential factor for development of the country.

In the context of swadeshi, we should remember that in the name of 'liberalization', 'privatization' and 'globalization', the human and natural resources of our country should not be exploited in such a way, that nothing remains to be utilized by our future generations. The concept of globalization is already present in the civilization and culture of India in the form that the entire world is a family and every citizen of this family should remain healthy and happy. In Indian tradition, we pay attention to another's health and happiness on the basis of keeping every citizen of the world healthy and happy, while the form in which globalization is defined by Europe and America, it only concentrates on making more and more profits. Swadeshi economy is such a concept under which all the persons move forward for the welfare of the entire world instead of welfare of a person, family, community or state. We all should move from individualism to totality.

### **15.5 Skill Development**

Labour is the most important resource as compared to all other sources of production. When labour is provided capability and skill through education, health and training, it becomes human wealth. Human wealth refers to skilled, capable, knowledgeable and experienced human resource. It is clear that skill is an important factor in converting human resources into human wealth. Productivity of labour enhances due to skill. Skill refers to the qualification and capability of performing work in an efficient way. Workforce can be made more productive by skill development. It is a well known fact that high level of productivity increases the opportunities of



employment for and quality of workforce. It can be said that availability of skill is a valuable indicator of benefit, production and welfare of workforce. Today, around 65 per cent population of India is included in the working age group (15 years to 64 years). When population is productive, it is beneficial for a nation, otherwise it is not. Through skill development, qualification, productivity the standard of living of a person is enhanced and he can give greater contribution towards economic development of the nation.

Noticing this importance of skill, there is an immense requirement to lay emphasis on skill development in a labour dominated country such as India. Realizing the importance of skill in the development of the country, Government of India launched National Skill Development mission on 15th July 2015. The major objective of this mission is to achieve the target of skilled India by providing training in various skills. Honourable Prime Minister Mr. Narendra Damodardas Modi is the head of this mission. After independence, this is the first incident in which the Ministry of Skill Development and Entrepreneurship has been formed to prepare employment oriented youth. This is one such initiative of the government of India under which youths are being provided with skills through various training programmes and curriculums. Pradhan Mantri Kaushal Vikas Yojana (PMKVY) alone has helped lakhs of people in making their lives prosperous. Skill development can be regarded as one of the several steps for public welfare taken by the government of India. We all know that the success of a nation always depends upon the efficiency of its workforce. Through skill development, workforce of India will get numerous benefits and opportunities. Consequently every Indian citizen will become prosperous and capable of living a respectable life.

### **Important Points**

1. Rapid and continuous development in National Income and per capita income of India in the past decades is an indicator of India's developing economy.

2. Favourable changes taking place in the form, professional structure and basic infrastructure also exhibit the developing form of Indian economy.
3. In 1991 CE, India made a big change in its development policy and announced various economic reforms.
4. In order to improve the condition of fiscal imbalance, defective structure of economy, problem of balance of payments, economic reforms were adopted under the new economic policy.
5. Economic reforms were implemented through the process of liberalization, privatization and globalization.
6. Liberalization refers to the process of eliminating unnecessary controls and restrictions and bringing the government in the role of a service provider.
7. Privatization refers to all those policies which give increasing importance to private sector and limit the interference of the government.
8. Globalization is the process of unifying domestic economy with world economy.
9. Through economic reforms, improvement has been made in the structure of Indian economy and the rate of economic development has increased.
10. The concept of swadeshi lays emphasis on adopting goods produced by Indian companies and boycotting goods made by foreign companies and imported items.
11. India will get various social and economic benefits by adopting swadeshi. By promotion of the concept of swadeshi. Indian economy will become increasingly self-dependent.
12. Skill development enhances the productivity of labour. The government is making serious efforts to provide skills to Indian youths and make them job oriented.

### **EXERCISE**

#### **Very Short Answer Type Questions**

1. What was the per capita National Income of India in the year 2015?
2. Which factors are used to measure the quality of human life?

3. What was the percentage of Indian workforce engaged in agriculture at the time of independence?
4. What was the population growth rate of India during 2001-2011?
5. Which institution prepares Human Development Index report for the entire world?
6. When did the Indian government implement economic reforms?
7. What is liberalization? Explain.
8. Write the meaning of Privatization.
9. What is the meaning of Globalization?
10. What is human wealth?
11. Explain the meaning of the concept of Swadeshi.

### Short Answer Type Questions

1. "Low standard of living exhibits the underdeveloped form of Indian economy." Elucidate.
2. Mention the census characteristics which portray the backwardness of Indian economy.
3. Explain the condition of excessive dependence of Indian economy on agriculture.
4. What do the changes, which took place in the National Income of India in the past decade, show?
5. Which changes have taken place in the form and structure of Indian economy due to the process of Liberalization?
6. What do you mean by Disinvestment?
7. Explain the various dimensions of globalization.
8. Mention the advantages of globalization.
9. Mention the reasons due to which the concept of swadeshi has become relevant in today's age of globalization.
10. Write a note on skill development.

### Essay Type Questions

1. Throw light on the characteristics which exhibit the developing nature of Indian economy.
2. What were the reasons behind adopting economic reforms in India during the decade of 1990s? Present a detailed analysis.
3. Mention the economic reforms adopted under the New Economic Policy.
4. Mention the advantages obtained from using swadeshi goods.
5. Why is skill development important? What steps have been taken by the government for skill development