

E-Learning Study Material
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Salient Features of Indian Economy

∴ Indian Economy is termed as the developing Economy of the world. It has its own features. Some important features ~~are~~ ^{are} ~~following~~ ^{of} Indian Economy are given below:-

1. Low per Capita Income:- India's per Capita Income is very low as compared to developed countries. As per the estimates of the Central Statistics Office (CSO), the per Capita net national income of the country as current prices for the year 2015-16 is estimated to attain the level of Rs. 93231
2. Agriculture Based Economy:- Agriculture and allied sectors provide around 14.2 percent of Indian GDP while 53 percent of total Indian population is based on the Agriculture sector.

3. over population :- Indian population get increased by about 20% in every decade. During the 2001-11 population increased by 17.6 percent. Currently India is adding the total population of Australia every year. India is the possessor of around 17.5 percent population of the whole world.
4. Income Disparities :- A report released by Credit Suisse revealed that the richest 1 percent Indians owned 53% of the country's wealth while the share of the top 10 percent was 76.30 percent. This shows the income disparities in our society.
5. Lack of Capital formation :- Rate of Capital formation is low because of lower level of income of the people. Gross domestic Capital formation was 23.3 percent in 1993-94 increased upto the level of 38.1 percent in 2007-08 but declined upto 34.8 percent in 2012-13.
6. Backwardness of infrastructural development :- As per an recent study, 25 percent of Indian families

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don't have reach of electricity and 97 million people don't have reach of safe drinking water and 840 million people in India don't have Sanitation Services India needs 100 million dollar for infrastructural development upto 2025.

7. Economy is trapped in the vicious Circle of Poverty :- Prof Ragner ~~Nurkse~~ Nurkse says that "A country is poor because it is poor." It means poor countries are trapped in the vicious circle of poverty.
8. Use of outdated technology :- It is very ~~clear~~ clear that Indian production technique is labour oriented in nature. So, it increases the cost of production of the products made in these countries.
9. Traditional Set up of Society :- Indian Society is trapped in the menace like casteism, lack of entrepreneurship, lack of education and technical know how. These all factors hindered the growth of the country as a ~~state~~ whole.