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Topic: Features of Indian economy
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Indian economy:

Indian economy is termed as the developing economy of the world. Some features like low per capita income, higher population below poverty line, poor infrastructure, agriculture based economy and lower rate of capital formation, tagged it as a developing economy in the world.

Some features of Indian economy are given below:

1. Low per Capita Income: *India's per capita income is very less as compare to developed countries. As per the estimates of the Central Statistics Office (CSO), the per capita net national income of the country at current prices for the year 2015-16 is estimated to attain the level of Rs. 93231/-. The per capita net national income at constant prices (2011-12) for the year 2015-16 is estimated to attain the level of Rs. 77, 431/-. As per the CSO's estimates, the per capital net national income at current prices is :*

2012-13Rs. 71050/-

2013-14 Rs. 79412/

2014-15Rs. 86,879/-

The per capita net national income at constant prices (base year 2011-12)

2012-13..... Rs. 65,664/-

2013-14..... Rs. 68867/-

2014-15.Rs. 72889/-

The Gross Domestic Product per capita in India was last recorded at 2169.10 US dollars in 2019. The GDP per Capita in India is equivalent to 17 percent of the world's average.

2. Agriculture Based Economy: *Agriculture and allied sectors provide around 14.2% of Indian GDP while 53% of total Indian population is based on the agriculture sector.*

3. Overpopulation: *In every decade the Indian population increases by about 20% . During the 2001-11 population increased by 17.6%. Currently India is adding the total population of*

Australia every year. India is the possessor of around 17.5% of the population of the whole world.

Our country is the second most populated country in the world with nearly a fifth of the world's population. According to the 2019 revision of the World Population Prospects the population stood at 1,352,642,280.

4. Income Disparities: a report released by Credit Suisse revealed that the richest 1% Indians owned 53% of the country's wealth, while the share of the top 10% was 76.30%. To put it differently, in a manner that conveys the political economy of this stunning statistic, 90% of India owns less than a quarter of the country's wealth.

5. Lack of Capital Formation: Rate of capital formation is low because of lower level of income. Gross domestic capital formation was 23.3% in 1993-94 increased upto the level of 38.1% in 2007-08 but declined upto 34.8% in 2012-13.

Gross capital formation (% of GDP) in India was reported at 30.21 % in 2019, according to the World Bank collection of development indicators, compiled from officially recognized sources.

6. Backwardness of Infrastructural Development: As per a recent study, 25% of Indian families don't have access to electricity and 97 million people don't have access to safe drinking water and 840 million people in India don't have sanitation services. India needs 100 million dollars for infrastructural development upto 2025.

7. Market Imperfections: Indian economy doesn't have good mobility from one place to another which hinders the optimum utilisation of resources. These market imperfections create the fluctuations in the price of commodities every year.

8. Economy is Trapped in the Vicious Circle of Poverty: Prof. Ragner Nurkes says that 'a country is poor because it is poor'. It means poor countries are trapped in the vicious circle of Poverty is one of the major problems of our country.

In 2019, the Indian government stated that 6.7% of its population is below its official poverty limit.

9. Use of Outdated Technology: It is very clear that Indian production technique is more labour oriented in nature. So it increases the cost of production of the producountries.