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Q. Critically evaluate the current trends of Indian Economy. Also state your suggestions in this regard. (300 words)

Ans India an erstwhile British colony was left in ruins during its independence. Infrastructure, health, education, employment were not the only things needed but social justice and welfare were must too. Initially, India decided to be welfare based closed mixed economy with most sectors reserved for government which would so that it could focus on non-concentration of wealth, equitable distribution of wealth and inclusive growth for all.

In 1990s, India went for economic reform, liberalising, privatising and globalising its economy, allowing private and foreign investment both through directly and institutional ^{route}. Now, the government decided to go for indicative planning focused on being more of a facilitator than a decider.

But has all its efforts produced desired results? The late liberalisation, has not only made the development slow but has left once 'The Temples of Modern India' the PSUs overstaffed, under-performed and debt ridden.

India is, one of the fastest growing economy, with 3rd largest purchasing power parity after USA and China, has the agriculture contributes to about 14% of GDP with 56.2% of population dependant on it only grows about 2% a year, with farmer being caught in debt trap and suicides.

Manufacturing and MSMEs which contribute 37.5% of G.D.P and more employment than other sectors is still emerging and requires to grow to be full-fledged. Service sector contributes most in GDP but its growth is hindered by lack of skills and proper education. Banking sector underperforms with most NPAs and black money still remains a big problem.

Not only these internal factors but external factors like increase in tariffs, cancellation of generalised system of preferences by USA, US-China trade war, US-Iran conflict and other unstable neighbours affect and will be affect India's economy equally.

So what India needs to do? It needs not only proper planning but soft power and moves a will to change. Instead of just focusing on ease of, a focus on build, operate and exit early should be done. Proper and efficient bars and check mechanisms for black money, corruption etc should be placed. Instead of going for far-away neighbours India need to improve its relations with regional neighbours in order to emerge as a South-Asian power.