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Journey of Seventy-Five Years of Indian Economy: An Overview

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Abstract:

The completion of seventy-five years of India's independence in 2022 marks a significant milestone for evaluating India's economic performance and gauging its future potential. With a population of approximately 1.4 billion, it is crucial to comprehend the standing of its people. Following independence, India embraced a mixed economy model, allowing both public and private sectors to contribute towards the overall development of the national economy. Throughout this period, the Indian economy has undergone substantial structural transformations, experiencing both successes and setbacks. Numerous economic policies have been implemented to achieve the objective of inclusive growth. This article aims to reflect upon the major economic policies pursued by India during this journey and assess the accomplishments and concerns for its economy.

JEL: O53

Keywords: Indian economy; Economic planning in India, growth rate, economic reforms, human development

1. Introduction

India's independence marked a significant turning point in its economic history, as the country had endured severe impoverishment due to British-led deindustrialization. The nation was grappling with abject poverty and glaring social disparities, raising doubts about its ability to remain united. Historical data by Cambridge historian Angus Maddison revealed that India's share of world income plummeted from 22.6% in 1700 (nearly equal to Europe's 23.3%) to a mere 3.8% in 1952.

Following independence, India faced the daunting challenge of systematically organizing its economy. The Indian government chose to adopt a mixed economy model, allowing both public and private sectors to coexist. The pressing demand for growth and development was heightened by the nationalist fervor and promises made during the independence movement. Overcoming centuries-old inter-regional disparities in resources and development was a

formidable task. Recognizing that mass poverty could only be addressed through comprehensive economic planning, the government turned to this approach. Economic planning had proven successful in command economies like the Soviet Union and East European countries and was seen as a means to counter market failures (such as those experienced during the Great Depression in the 1930s). For many newly independent developing countries, economic planning was a natural choice, as it enabled states to mobilize resources and achieve prioritized objectives within defined time frames.

2. Decade of 1950s

Jawaharlal Nehru became the first Prime Minister of India serving from 1947 until his death in 1964 and played a significant role in the economic development of the country. Nehru was a strong advocate of industrialization and believed that it was crucial for India's economic progress. Nehru introduced the concept of Five-Year Plans, inspired by the Soviet model, to guide India's economic development. Nehru's foreign policy approach, known as Non-Alignment facilitated economic cooperation, trade agreements, and foreign aid from various countries. The first achievement of Nehru after independence, therefore, was to hold the ship of state firm amid the turbulent waters of the partition process, India set up the Planning Commission in 1950 to oversee the entire range of planning, including resource allocation, implementation and appraisal of five-year plans. India's first five-year plan, launched in 1951, focused on agriculture and irrigation to boost farm output as India was losing precious foreign reserves on food grain imports. It was based on the Harrod-Domar model that sought to boost economic growth through higher savings and investments. The plan was a success, with the economy growing at an annualized 3.6%, beating the target of 2.1%. Second Plan was launched in 1956 and it was based on the Mahalanobis model that advocated rapid industrialization and self-reliance with a focus on heavy industries and capital goods. The second five-year Plan and the Industrial Policy Resolution 1956 paved the way for the development of the public sector and ushered in the licence Raj. The mission to quickly industrialize had caused a large reallocation of funds away from the agricultural sector to industrial sector. Food shortages worsened, and inflation spiked. Imports of food grains depleted precious foreign exchange reserves.

India began to import food grains against rupee payments from the United States under Public Law (PL)-480 in the year 1956. Before Independence, the non-agriculture part of the Indian economy consisted mostly of textiles, jute products, coal etc. The Second World War gave a

boost to the production of chemicals and shipbuilding. Bhilai iron and steel centre was set up in Chhattisgarh in 1957 with the technical and financial support of the then Soviet Union. Rourkela Steel Plant was established with the help of the then West Germany in 1959. Russia and Britain built steel plants one each in Bhilai and Durgapur respectively.

3. Decade of 1960s

However, it cannot be ignored that the Nehruvian era and its policies were not without their imperfections. One undeniable flaw was the neglect of the private sector, the vibrant engine of the economy, as a significant number of industries were reserved exclusively for the public sector. This approach, combined with the establishment of a bureaucratic system that regulated licenses and permits, hindered access to new technologies and innovations from abroad. As a result, India experienced what economist K.N. Raj mockingly referred to as the 'Hindu rate of growth' of around 3.5%. The Sino-Indian war started in 1962 and ended with a defeat for India. The stock markets fell 16 per cent and the government was also faced with problems on its balance of payments. In order to overcome the problem of declining foreign exchange reserves, Indian government began to regulate the production, supply and distribution of gold.

On 1964 27 May, Nehru died and Lal Bahadur Shastri succeeded him as prime minister on 9 June 1964. India's victory over Pakistan in the 1965 war gave him the political advantage. Shastri focussed on food security as India was on the verge of a mass famine. Food aid imports from the US under PL 480, was affecting India's foreign policy autonomy. At that time geneticist M.S. Swaminathan, along with Norman Borlaug and other scientists, stepped in with high-yield variety seeds of wheat, setting off what came to be known as the Green Revolution. Shastri pioneered groundbreaking agricultural reforms, leading the charge in ushering in the green revolution. His visionary efforts aimed at boosting agricultural output and attaining long-term self-sufficiency in food. To institutionalize these reforms, he introduced the Minimum Support Price (MSP) regime and established an efficient grain purchase and storage system. These measures successfully addressed India's persistent food shortage problem, transforming the nation into a food-sufficient and self-reliant entity. Shastri then turned his attention to the dairy sector, particularly the cooperative movement in Gujarat's Anand, led by Verghese Kurien. In the years that followed, the Operation Flood programme of government of India led to a rapid increase in milk production. Despite his brief tenure of just 19 months, Shastri's impact was profound as he served as Prime Minister during this transformative period.

Indira Gandhi became Prime Minister in 1966. She served as prime minister from January 1966 to March 1977 and again from January 1980 until her assassination in October 1984, making her the second longest-serving Indian prime minister after her father.

An acute balance of payments crisis emerged due to severe drought in 1965 that adversely affected agriculture-based exports and increased food grain imports. To control it, India sought the assistance of the International Monetary Fund (IMF) and the World Bank. Indira took the drastic step of devaluing the Indian rupee by a sharp 57% in June 6, 1966. The rupee per US dollar fell to 7.50 from 4.76. The devaluation accelerated inflation. Indira was strongly criticized by her own party as well as the opposition for devaluing the rupee and allegedly succumbing to external pressure. She abandoned the modest liberalization programme.

On the recommendation of Foodgrains Enquiry Committee 1957, headed by Asoka Mehta, the Food Corporation of India (FCI) was set up in 1965 with the aim to procure foodgrains and facilitate Public Distribution System (PDS).

To better align the banking system to the needs of planning and economic policy, it was considered necessary to have social control over banks. In 1969, 14 of the major private sector banks were nationalized. This was followed by the nationalization of another six private banks in 1980. These steps brought more than 80% of the banking segment in India under the government ownership. Following the 1967 elections, Gandhi gradually began to move towards socialist policies. In 1969, she fell out with senior Congress party leaders over several issues like her support to V. V. Giri Instead of official Congress party candidate Neelam Sanjiva Reddy for the vacant position of President of India.

4. Decade of 1970s

Garibi Hatao (Eradicate Poverty) programme in 1971 was designed to give Indira Gandhi national support in the election. Indira's biggest achievement following the 1971 election came in December 1971 with India's decisive victory over Pakistan in Bangladesh Liberation War. This war liberated Bangladesh and established a friendly neighbourhood on the eastern front for India.

With the breakdown of the Bretton Woods System, in December 1971, the rupee was linked with pound sterling during the period of December 1971 to September 1975. In order to overcome the weaknesses associated with a single currency peg, the rupee was pegged to a basket of currencies with effect from September 1975. High inflation was caused by wartime expenses, drought in some parts of the country and, more importantly, the 1973 oil crisis.

Parliament of India passed the Foreign Exchange Regulation Act in 1973. FERA was conceived with the notion that foreign exchange is a scarce resource.

The import price of oil hit an all time high due 1973 oil crisis and countries like India were worst affected due to lack of significant indigenous hydrocarbon resources. The discovery of Mumbai High field in 1974 and subsequent other discoveries of oil and gas fields in India changed the oil industry in India.

In 1977 Indira called elections to give the electorate a chance to vindicate her rule. Angry Indians punished Indira Gandhi for imposing Emergency in the country. The Janata Party came to power after the 1977 elections. Prime Minister Morarji Desai withdrew the legal-tender status of Rs. 1,000, Rs. 5,000 and Rs.10,000 banknotes in a crackdown on illicit wealth. The rights for strikes by Trade Unions, outlawed by Indira were reinstated. George Fernandes, the symbol of resistance during emergency period, was made Industries minister. He insisted IBM and Coca-Cola comply with the Foreign Exchange Regulation Act that mandated that foreign investors cannot own over 40% in Indian enterprises. As a result the two multinationals shut their operations in India.

5. Decade of 1980s

The sixth five-year plan (1980-85) pledged to undertake a string of measures aimed at boosting the economy's competitiveness. The measures included removal of price controls, initiation of fiscal reforms, a revamp of the public sector, reductions in import duties, and de-licensing of the domestic industry, or in other words ending the licence Raj.

National Bank for Agriculture and Rural Development (NABARD) was established on July 12, 1982 on the recommendation of B. Sivaraman Committee. NABARD is fully owned by Government of India and is an apex body for the agriculture credit.

In 1983, the first Maruti car rolled off the assembly line in Gurgaon. It was a project mired in controversy—conceptualized by Indira's son Sanjay. The government signed a joint venture with Suzuki of Japan to produce the vehicle.

Rajiv Gandhi, took over as prime minister of India after his mother Indira Gandhi was assassinated in October 1984. He was then 40 years of age and represented the hopes and aspirations of a young India. He recognized the need for economic reform in India for coming out of its reliance on foreign aid and loans. He built up a team comprising politician V.P. Singh, technocrat Sam Pitroda, and market economist Montek Singh Ahluwalia. The 1985-86 budget took some reform measures like lowering of direct taxes for. Rajiv is widely credited for

ushering in the information technology and telecom revolutions in the country. Rajiv's policies made significant positive changes in telecommunications, computing and in promoting a can-do attitude in the use of forward-looking technologies (Bhagwati 2019).

The 1984 Bhopal gas tragedy brought to the fore the real possibility of industrial accidents on a massive scale and the importance of regulatory oversight. The then chairman of Union Carbide, Warren Anderson, managed to flee India in controversial circumstances. The victims, meanwhile, were given a meagre amount as compensation for damages.

South Asian Association for Regional Cooperation (SAARC) is established as a regional trade bloc. There eight members of SAARC comprise of India, Maldives, Pakistan, Bangladesh, Sri Lanka, Bhutan, Nepal, and Afghanistan. To promote free trade among member nations, South Asian Free Trade Area (SAFTA) was formed on January 01, 2006.

The Chakravarty Committee was formed in December 1982 under the chairmanship of Professor Sukhamoy Chakrabarty to assess the functioning of the Indian Monetary system. The committee stated that an average increase of no more than 4% per year in the Wholesale Price Index should be treated as acceptable. However, annual inflation was 8%, 9% and 10% during the 1970s, 1980s, and 1990s (1990–1995) respectively.

Some significant shifts that took place during 1980s . Firstly, there was a movement towards greater integration with the global economy. This involved promoting exports and acknowledging the immense potential of foreign investment and capital goods in driving technological advancements. Rajiv Gandhi sought guidance from Sam Pitroda, a talented telecommunications expert trained in the United States, who became his advisor on technology missions. Secondly, there was a notable change in the entrepreneurial mindset. A shift occurred in the attitudes of individuals towards entrepreneurship, fostering a more innovative and business-oriented environment. Lastly, there emerged a belief that the traditional order of the Nehru dynasty had concluded, and with it came the realization that the rules governing the economic landscape had undergone a transformation.

6. Decade of 1990s

In the year 1991, the macroeconomic crisis in India became deep and severe. The gross fiscal deficit (GFD) of the Central government increased from 6.1% of Gross Domestic Product (GDP) in 1980–81 to 8.4% in 1990–91. The internal debt of the government increased from 35% of GDP to 53% of GDP during the same period. The balance-of-payments (BOP) crisis in foreign trade became unmanageable. The foreign exchange reserves of India in 1991 barely

amounted to Rs. 2,500 crore which was insufficient for paying for imports even for two weeks. Crude oil prices increased havoc due to the Gulf War following Saddam Hussein's invasion of Kuwait. The country was suffering from high double-digit level inflation (Sinha and Srivastava 2017). P. V. Narasimha Rao became the prime minister of India On 21 June, 1990. Manmohan Singh as finance minister launched a raft of economic reforms.

The process of reforms in India has to be completed via three other processes namely, liberalisation, privatisation and globalisation (LPG). Liberalisation indicates dismantling of the licence Raj. Privatisation indicates disinvestment public sector enterprises (PSEs) through selling of their shares of the to the private sector. Globalisation indicates “unrestricted cross border movements of goods and services, capital and the labour force”. A major re-direction was ensued by this generation of reforms in the economy—the ‘command’ type of the economy moved strongly towards a market-driven economy, private sector (domestic as well as foreign) to have greater participation in the future. The major economic reform measures followed in India included the following: (i) Promotion of Private Sector through policy decisions like ‘de-licencing’ of the industries.(ii) Public Sector Reforms through measures like Disinvestment (iii) External Sector Reforms through policies like abolishing quantitative restrictions on import, switching to the floating exchange rate, full current account convertibility etc. (iv) Financial Sector Reforms through reform initiatives in banking, capital market, insurance, mutual funds, etc. and (v) Tax Reforms through policy initiatives like simplifying, broadbasing, modernising of tax.

In April 1992, Indians were introduced to the term ‘stock market scam’ when stockbroker ‘Big Bull’ Harshad Mehta was caught using the government bond market to fund his purchases. It was a scam pegged at Rs. 4,025 crore, and accelerated the rise of the Securities and Exchange Board of India (SEBI) as it exists today.

The Constitution (Seventy-third Amendment) Act, 1992 (commonly referred to as the Panchayati Raj Act) gave constitutional legal status to rural and urban local governments.

Rural Infrastructure Development Fund (RIDF) was created by the government with NABARD in 1995–96 to finance the ongoing projects in different states of the country. Introduced in 1998, Kisan credit card is a credit delivery mechanism that is aimed at enabling farmers to have quick and timely access to affordable credit.

In 1996, the government set up “disinvestment commission” headed by G.V. Ramakrishna to advice, supervise, monitor, and publicize gradual disinvestment of Indian PSUs.

Atal Bihari Vajpayee became the Prime Minister of India on 19 March, 1998. In the Union budget for 1999-2000, then finance minister Yashwant Sinha took forward an idea he had

seeded in his 1990-91 budget—disinvestment in public sector for privatization of state-owned companies and downsizing the government.

The group of twenty (G-20) countries including India was founded in 1999 to bring together governments of industrialized and developing economies to discuss key issues related to global economy and financial stability.

7. Decade of 2000s

The Government announced the SEZ policy on April 1, 2000. The prime objective was to enhance foreign investment and provide an internationally competitive and hassle-free environment for exports. The SEZ Act 2005, supported by SEZ Rules, came into effect on February 10, 2006.

The Insurance Regulatory and Development Authority of India (IRDAI) was incorporated as statutory body in 2000 for protecting the interests of the Policy holders and ensure orderly growth of the insurance sector in the country.

The Golden Quadrilateral project connecting Delhi, Chennai, Mumbai, and Kolkata was launched in 2001 as part of National Highways Development Project (NHDP).

Government established ministry of disinvestment in September 2001. Many companies like BALCO, CMC Ltd., Maruti Suzuki India Ltd. were disinvested through strategic sales,

The dismantling of the administered pricing mechanism (APM) in the petroleum sector was announced by the Government with effect from 1st April 2002.

The Government introduced FRBM Act, 2003 to check the deteriorating fiscal situation. Manmohan Singh became prime minister in 2004. The 10 years when Singh was prime minister were also a time of high growth and expansion of the economy as loan rates softened.

Singh's government introduced several reforms in the financial sector to strengthen the banking system, improve financial inclusion, and encourage competition. Initiatives like the Pradhan Mantri Jan Dhan Yojana, which aimed to provide financial access to the unbanked population, and the introduction of the Aadhaar biometric identification system helped in expanding the reach of financial services.

The National Rural Employment Guarantee Act (NREGA) was enacted in 2005 and was introduced in phased manner. The scheme aimed to enhance livelihood security by providing at least 100 days of guaranteed wage employment in a fiscal year to every rural household whose adult members volunteer to do unskilled manual work. From October 2, 2009, NREGA was renamed as Mahatma Gandhi National Rural Employment Guarantee Scheme

(MGNREGS). MGNREGS provides right-based framework for adult members of a rural household willing to do unskilled manual work.

The micro, small, and medium enterprises (MSME) Development Act, 2006 came into effect. MSME sector has been generating 11.10 crore jobs in the rural and the urban areas across the country. There are around 6.34 crore MSMEs located in all the states of India.

National Action Plan on Climate Change (NAPCC) including eight national missions was launched in June 2008. Each mission is anchored under a Ministry, which is responsible for its implementation and lays down the budget provisions and actionable priorities for it.

8. Decade of 2010s

With a view to make receipt of food grains under TPDS a legal right, GOI has enacted National Food Security Act, 2013 (NFSA) that came into force w.e.f. July 5, 2013. NFSA seeks to provide 75% of the rural population and up to 50% of the urban population for food and nutritional security in human life cycle approach. Though Dr. Manmohan Singh's tenure witnessed notable economic developments, there were also challenges and criticisms regarding some policies and the handling of certain issues.

Narendra Modi became the 14th Prime Minister of India in 2014, 26 May. Modi has implemented several economic policies and initiatives aimed at driving economic development in the country. Within eight months of taking over as Prime Minister, Narendra Modi replaced the Planning Commission with NITI Aayog (NITI stood for National Institute for Transforming India, in line with Modi's penchant for acronyms). NITI Aayog now serves as the government's think tank, formulating medium- and long-term strategies and breaking them into year-wise plans after consultation with the states.

The Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) was launched on September 25, 2014. It is a part of the National Rural Livelihood Mission, tasked with the dual objectives of adding diversity to the incomes of rural poor families and cater to the career aspirations of rural youth.

National Policy for Skill Development and Entrepreneurship 2015 was announced by the government for providing an effective roadmap for promotion of entrepreneurship as the key to a successful skills strategy. Following are the objectives of policy

Micro Units Development and Refinance Agency (MUDRA) Limited bank was formed in April 2015 by the Government of India. The scheme aims at providing integrated financial support to the micro-enterprises sector, which includes small manufacturing units, food service units, and small industries.

Launched by Prime Minister on July 1, 2015, the scheme “ Digital India” aims at ensuring accessibility of government services electronically by improving online infrastructure and by increasing Internet connectivity

“Skill India” campaign was launched by government of India on July 15, 2015 with an aim to train 400 million people in India in different skills by 2022.

Launched by Prime Minister on June 25, 2016, the Smart City Mission is an urban renewal and development program with the mission to develop 100 cities across the country making them citizen friendly and sustainable with a capital outlay of US\$ 7 billion.

Atal Innovation Mission (AIM), set up by NITI Aayog is Government of India’s flagship initiative to promote a culture of innovation and entrepreneurship in the country and was setup in 2016.

The National Civil Aviation Policy, 2016 was introduced to take flying to the masses by making it affordable and convenient.

Few announcements by an Indian prime minister have had as long-lasting and wide-ranging an effect as the one made by Narendra Modi at 8 p.m. on 8 November 2016 with demonetisation of currency notes, Rs. 500 and Rs. 1000. Eighty-six per cent of the cash in circulation thus became invalid. The major purpose of the demonetisation were: (i) Curbing corruption (ii) Counterfeiting of currencies (iii) Checking terrorism (as they use high denomination notes) and (iv) Preventing accumulation of black money (v) creating a *less-cash* or *cash-lite* economy through digitalisation. As a result of this demonetisation there have been reports of job losses, declines in farm incomes, and social disruption, especially in the informal, cash-intensive parts of the economy.

Goods and Services Tax (GST) Act was passed in the Parliament on March 29, 2017 and the GST regime came into force w.e.f. July 1, 2017. GST is a comprehensive, multi-stage tax that is levied on every value addition. GST has replaced many indirect tax laws that previously existed in India. The motto of GST is “One nation, one market, and one tax.” GST has subsumed many central taxes (like Central excise duty, duties of excise, service tax) and state-level indirect taxes (like State VAT, central sales tax, purchase tax, luxury tax, entertainment tax) .

9. Decade of 2020s

On the evening of 24 March 2020, the Government of India ordered a nationwide lockdown for 21 days, limiting movement of the entire 1.38 billion (138 crore) population of India as a preventive measure against the COVID-19 pandemic in India. India had already been

experiencing a prolonged economic slowdown. The GDP growth rate had fallen from 8.2% in January–March 2018 to 3.1% in January–March 2020. Crucial parameters of growth like growth rate of manufacturing, construction, trade, hotel industry declined and became negative. With factories and workplaces shut down, millions of migrant workers had to deal with the loss of income, food shortages and uncertainty about their future. Following this, many of them and their families went hungry. While government schemes ensured that the poor would get additional rations due to the lockdown, the distribution system failed to be effective.

In 2020 three bills related to change in the provisions of labour code (called Labour Codes-2020) passed in the Parliament. It aims to consolidate and amend the laws relating to Trade Unions, conditions of employment in industrial establishment or undertaking, investigation and settlement of industrial disputes. All the three Bills received Presidential assent on 28 September 2020.

The PM Cares Fund is one of the government of India's schemes and was enacted in March 2020 by the Prime Minister. The chairperson of this public charitable trust is the prime minister himself. The PM Cares Fund is a public charitable fund that accepts donations from both foreign and domestic contributors. The aim of this scheme is to help the common people during emergency situations and disasters. Any individual or organisation can make donations using net banking, UPI transfer, credit or debit cards and other modes.

While these initiatives of Modi Government have had positive impacts, there are also ongoing debates and discussions about their effectiveness and the overall economic outcomes during Modi's tenure.

10. Conclusion

Over the period of 75 years after independence, Indian economy have progressed by many indicators, but there are many failures also . The progress of Indian economy by different indicators has been presented through data Tables 1-14 in Appendix. The major achievements include higher rate of growth, growth of infrastructure, development of basic and capital goods industries, faster growth of agriculture, increase in saving and investment, economic self-reliance etc. The major failures include poverty, economic inequality, unemployment, regional imbalance, malnutrition, inflation etc. The present article has attempted to look back the major economic policies undertaken in the post-independence period. The period from 1951–1980 is considered as the period of the modest growth rate with average growth rate of 3.5% during

the period, a phenomenon termed as Hindu rate of Growth by Professor Raj Krishna. The period between 1980 and 1990 is called the period of economic buoyancy and recovery. The post-reform period witnessed spectacular increase in India's GDP growth.

Indian economy has undergone huge structural transformation through ups and downs. Democracy has put down firm roots in India but the quality of government that India's democracy provides continues to be poor. India still has many miles to go to achieve its goal of sustainable economic development. HDI rank of India in the latest Human Development Report is 131 out of 188 countries in the world but its position is still lowest among its peer countries. Though the number of poor people in India dropped by substantial amount over the last 15 years, India is still the home for the world's largest number of poor people. The labour force participation rate for females has also revealed a declining trend. As for the unemployment in India, every 3 out of 5 Indians is literally unemployed. In terms of economic empowerment of women, India ranked 139 out of 144 countries, and in terms of health and survival it ranked 141 out of 144 countries. But what is more worrisome is the rise in educated unemployment in India. India's rank in Global Hunger Index in 2022 is 107 out of 121 countries. In the 2022 Global Index of Sustainable Development Goals (SDGs), the country ranked 121 out of the 163 countries. In the period between 2006 and 2015, billionaire wealth rose almost six times faster. About health, the less said, the better. COVID-19 has revealed the hollowness of the Indian health care system. India's health expenditure as a proportion of GDP is lower than in many other nations. Most of the diseases in India are because of public health and sanitation problems. Air pollution levels in urban areas pose a severe public health crisis. India's foreign exchange reserves have increased from US\$ 0.637 billion in 1960–61 to US\$ 424.5 billion in 2017–18 and the country has now surplus in Balance of Payment. However, one of the most important issues the country face is the growing power of the multinational corporation at the expense of state sovereignty.

For equitable and sustainable growth India needs to focus on creation of semi-skilled jobs, increasing labour participation of women, more decentralisation of governance, effective use of technology, ensuring high quality education and healthcare provision, fiscal consolidation, infrastructure development, creating suitable conditions to prosper MSME sector, financial inclusion (Banerjee et al. 2019). For "Make in India" to be successful India needs a great deal of reform in electricity and other infrastructural facilities.

Appendix: Tables

Table 1: Five Year Plans in India

Plan	Strategy	Target Growth Rate	Actual growth rate
First (1951-56)	<ul style="list-style-type: none"> • The model was based on Harrod-Domar model. • The focus of the plan was on the development of agriculture and irrigation to achieve food security, rural development , price stability. • Community Development Programme was launched in 1952. 	2.1	3.6
Second (1956-61)	<ul style="list-style-type: none"> • Mahalanabis-Feldman-Nehruvian operational two sector closed economy • The focus was on rapid industrialization, self reliance and investment in heavy capital goods industries. • Advocated huge imports through foreign loans • Industrial Policy resolution of 1956 (IPR 1956) was adopted 	4.5	4.3
Third (1961-66)	<ul style="list-style-type: none"> • The model behind the Third Plan was an intertemporal eleven sector linear optimization model • The aim of the plan was to make India self reliant and self generating. • The focus was on heavy industrialization and foodgrains production. Agriculture was given the top priority to support exports and industry. • FCI, IDBI,UTI And Agricultural Price Commission was established during this plan 	5.6	2.8
Three Annual Plans (1966-69): Plan holiday	<ul style="list-style-type: none"> • Due to Chinese aggression in 1962 and conflict with Pakistan in 1965, 4th Plan could not be launched on time. During this time the whole new agricultural strategy was implemented with widespread distribution of HYV seeds 	-	-
Fourth (1969-74)	<ul style="list-style-type: none"> • A.S. Manny and Ashoke Rudra's 'Consistency Model of India's Fourth Plan' was used. • Based on Gadgil strategy the main focus was on agriculture • For the first time importance was given on social justice. • MRTP Act,1969 and CADP,1974-75 was introduced 	5.7	3.3
Fifth (1974-79)	<ul style="list-style-type: none"> • The main focus was poverty eradication (Garibi Hatao, slogan by Indira Gandhi) and attainment of self reliance • When the Janata Government assumed power at the Centre in 1977, it did not allow the Fifth Plan to run its full course and truncated it in its terminal year. • Desert Development Programme as a centrally sponsored scheme was introduced 	4.4	4.8
Sixth (1980-85)	<ul style="list-style-type: none"> • This Planning Model is an integration of both Harrod-Domar Model (extension) and input-output approaches • The focus was on increasing national income, and modernization of technology. • NREP, IRDP, NABARD, EXIM Bank was introduced. 	5.2	5.7

Seventh (1985-90)	<ul style="list-style-type: none"> • Focus was on increasing productivity, foodgrains production, creating employment opportunities. • Import substitution strategy and the economy began its journey towards liberalization 	5.0	6.1
Annual Plans (1990-92)	<ul style="list-style-type: none"> • The BOP crisis in 1991 led to the delay of 8th FYP 	-	-
Eighth (1992-97)	<ul style="list-style-type: none"> • Policy of LPG was undertaken • The plan was based on Rao-Monmohon Singh Model of liberalization • EAS (1993), SGSY (1997) and Midday Meal Scheme (1995) was introduced 	5.6	6.8
Ninth (1997-2002)	<ul style="list-style-type: none"> • The main aim of attaining objectives like speedy industrialization, human development, regional balance, and self-reliance • Privatization of PSU started • Antyaday Anna Yojana (2000) , Sarva Siksha Abhiyan (SSA, 2001) started 	6.5	5.4
Tenth (2002-07)	<ul style="list-style-type: none"> • The main objectives were reduction of poverty, gender gap in literacy and infant mortality. • National Food for Work Programme (NFWP) (2004) was launched 	8.0	7.6
Eleventh (2007-12)	<ul style="list-style-type: none"> • The Eleventh Five Year Plan had aimed at achieving 'faster and more inclusive growth' with several inter-related components: rapid growth, access to essential services, increasing literacy rate, reducing infant mortality, malnutrition. 	9.0	8.1
Twelfth (2012-17)	<ul style="list-style-type: none"> • The theme of the plan " Towards faster, more inclusive and sustainable growth". The plan aimed at 4% growth in agriculture, reduction in poverty, higher investments in agriculture and allied sectors. Planning Commission makes way for NITI Aayog . 	8.2	6.9

Source: Mahjan (2021) and Singhania (2022)

Table 2: Sectoral Composition of Gross Domestic Product of India (%)

Sector	1950s	1960s	1970s	1980s	1990s	2000s	2021
Agriculture	55.4	47.6	42.8	37.4	30.9	21.8	15.4
Industry	14.8	19.6	21.3	22.3	23.3	24.5	23.1
Services	29.8	32.8	35.9	40.3	45.8	53.7	61.5

Source: Economic Survey, Government of India , Various Years

Table 3: Occupational structure of working population in India (%)

		1951	2011
I.	Agriculture	72.1	48.9
II.	Industry	10.7	24.4
A.	Mining	0.6	0.5
B.	Manufacturing	9	13.2
C.	Construction	1.1	10.6
III.	Services	17.2	26.7
A.	Trade	5.2	11.4
B.	Transport	1.5	4.4
C.	Other	10.5	10.9
Total		100	100

Source: Mahjan (2021)

Table 4: Average Annual growth (%)

Sector	1950s	1960s	1970s	1980s	1990s	2000s	2010s
Gross National Income at constant prices	3.9	4.0	3.0	5.6	5.8	6.3	6.6
Population growth rate	2.16	2.48	2.46	2.39	2.15	1.77	-

Source: Economic Survey, Various Years

Table 5: India's position for Various development indicators

Indicators	Year	Position	Published by
Human Development Index	2022	132/191	UNDP
The Gender Inequality Index	2021	140/156	UNDP
Multi-dimensional Poverty Index	2020	62/107	UNDP
Gender Development Index	2022	122/191	UNDP
World Happiness Index	2022	136/146	UN
Hunger Index	2022	107/121	NGO

Source: Various Reports

Table 6: India's HDI Trends

	1990	2017	2021
Life Expectancy at birth	57.9	68.8	67.2
Expected Years of schooling	7.6	12.3	11.9
Mean years of schooling	3	6.4	6.7
GNI per capita (2011\$)	1733	6353	6590
HDI Value	0.427	0.645	0.633

Source: UNDP

Table 7: Population size and growth rate

Census Year	Population (Crore)	Decadal growth rate	Population density
1901	23.84		77
1911	25.21	5.7	82
1921	25.13	-0.3	81
1931	27.9	11.0	90
1941	31.87	14.2	103
1951	36.11	13.3	117
1961	43.92	21.6	142
1971	54.82	24.8	177
1981	68.33	24.6	216
1991	84.64	23.9	267
2001	102.87	21.5	325
2011	121.09	17.7	382

Source: Government of Economic Survey, Economic Survey, Various issues

Table 8: Employment status by categories (%)

Year	Self employment	Regular salaried	Casual
1977–1978	58.9	13.9	27.2
1993–1994	54.8	13.2	32
2011–2012	52	17.9	30
2015–2016	46	17	37

Source: Mahajan (2021)

Table 9: Trends in Agriculture Production (Million Tons)

Crop	Production (Million Tons)		Yield of Major Crops (Kilograms per Hectare)	
	1950-51	2017-18	1950-51	2017-18
Rice	20.6	112.91	668	2,578
Wheat	6.4	99.7	655	3,371
Coarse	–	46.99	519	1,941
Pulses	8.4	25.23	441	841
Total	50.8	284.83	552	2,233
Oilseeds	6.2	31.31	481	1270
Sugarcane	57.1	376.91	88	477
Cotton	3	34.89	1,043	2,48
Jute	3.3	10.14	668	2,578

Source: Government of Economic Survey, Economic Survey, Various issues

Table 10: World Productivity Levels of Paddy, 2015 (Yield in Kg/hectare)

Egypt	10,100
China	6,891
India	3,608
Japan	6,631
Vietnam	5,760
Indonesia	5,341
World	4,604

Source: World Bank

Table 11: Per capita net national income (Rs) in India over years

Year	Gross national income (Rs. crore)		Net national income (Rs. crore)		Per capita net national income (Rs. crore)	
	Current prices	Constant prices	Current prices	Constant prices	Current prices	Constant prices
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2011-12 Series						
1950-51	10181	495274	9531	448483	265	12493
1960-61	17561	734466	16680	694569	384	16004
1970-71	46533	1082340	43598	1011757	806	18702
1980-81	147408	1464390	135470	1352931	1995	19925
1990-91	568564	2486353	513966	2292078	6126	27319
2000-01	2117153	4286910	1902148	3924698	18667	38515
2018-19	18684632	13850857	16704645	12240380	125883	92241
2021-22	23038772	14640445	20573371	12861032	150326	93973

Source: Government of Economic Survey, Economic Survey, Various issues

Table 12: Percentage share in Real Gross Value Added at Basic Prices by Industry of Origin

Year	Agriculture, forestry & fishing, mining and quarrying	Manufacturing, construction, electricity, gas and water supply	Trade, hotels, transport & communication	Financing, real estate and professional services	Public administration, defence and other services	Gross value added at basic prices (2 to 6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2011-12 series						
1950-51	65	15	7	13	8	100
1980-81	47	24	11	11	10	100
1990-91	41	25	12	16	11	100
2021-22	18	28	18	22	14	100

Source: Government of Economic Survey, Economic Survey, Various issues

Table 13: Components of Gross Domestic Product at Current Prices (% share)

Year	PFCE	GFCE	GFCF	CIS	Valu-ables	Export of goods and services	Import of goods and services	Discrepan-cies	GDP
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2011-12 Series									
1950-51	89	6	11	4	NA	7	7	-10	100
1960-61	87	7	14	3	NA	4	7	-10	100
1970-71	80	9	16	3	NA	4	4	-7	100
1980-81	78	10	20	0	NA	6	9	-4	100
1990-91	67	11	26	1	NA	7	8	-4	100
2020-21	59	12	27	1	1	19	19	0	100

PFCE: Private Final Consumption Expenditure; GFCE: Government Final Consumption Expenditure
 GFCE: Government Final Consumption Expenditure; CIS: Change in Stocks;NA: not available
 Source: Government of Economic Survey, Economic Survey, Various issues

Table 14: Net Availability, Procurement and Public Distribution of Foodgrains (Million tonnes)

Year	Net production of foodgrains	Net imports	Net availability of foodgrains	Procurement	Public distribution	Col. 3 as per cent of Col. 4	Col. 5 as per cent of Col. 2	Col. 6 as per cent of Col. 4
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1951	48.1	4.8	52.4	3.8	8.0	9.2	7.9	15.3
1961	72.0	3.5	75.7	0.5	4.0	4.6	0.7	5.3
1971	94.9	2.0	94.3	8.9	7.8	2.1	9.3	8.3
1981	113.4	0.7	114.3	13.0	13.0	0.6	11.4	11.4
1991	154.3	(-)0.1	158.6	19.6	20.8	...	12.7	13.1
2001	172.2	(-)2.9	156.9	42.6	13.2	(-)1.8	24.7	8.4
2010	190.8	(-) 2.2	189.2	56.1	43.7	(-) 1.2	29.4	23.1
2021	276.4	(-)20.6	253.4	56.8	25.6	(-)8.1	20.5	10.1

Source: Government of Economic Survey, Economic Survey, Various issues

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