

ISSN 0976-0377

RNI. MAHMUL02805/2010/33461

International Registered & Recognized
Research Journal Related To Higher Education for all Subjects

INTERLINK RESEARCH ANALYSIS

UGC Approved, Refereed & Peer Reviewed Research Journal

Year - X, Issue - XX, Vol. - I

**Impact Factor 6.20
(GRFI)**

July 2019 To Dec. 2019

**JAIKRANTI ARTS AND COMMERCE SENIOR COLLEGE
ICSSR SPONSORED**

TWO DAY NATIONAL SEMINAR

ON

**“Recent Economic Reforms & Its Impact on
Industrial Development in India”**

(20th - 21st Sept. 2019)

**Editor In Chief
Dr. Avinash V. Pawar**



RNI. MAHMUL02805/2010/33461

Interlink Research Analysis

IMPACT FACTOR
6.20ISSN 0976-0
Issue : XX, Vol. I, July 2019 To Dec. 2

Sr. No	Title For Research Paper	Page No
15	Gst And Its Impact On Verious Industries In India Dr. Buddhaji P. Gadekar	93
16	E- Baining: Importance And Disadvantages Dr. Archana G. Magar	97
17	India As A GIG Economy In Employment Perspective Dr. P. N. Sagar, Dr. Prakash Ratanlal Rodiya	102
18	Challenges And Opportunities Of Economic Reforms Dr. Sachin M, Prayag	108
19	Impact Of Gst On Various Industrial Sectors In Indian Economy Dr. Nagnath S. Shetkar	115
20	Recent Economic Reforms In India Dr. S.G. Birajdar, Dr. R. V. Varshetti	120
21	India's Economic Reforms Dr. Balkrushna S. Ingle	124
22	Study Of Economic Reforms And Global Recession Dr. Deepak Vasant Mane	129
23	Emerging Indian Banking : IT & Virtual Banking Dr. Durgadas D. Choudhari	133
24	Impact Of Goods & Service Tax (Gst) On Indian Economy Dr. Satish B. Donge	139
25	The Performance Of Rural Housing Facilities: A Case Of Bagalkot District Karnataka State Dr. Manik S. Merjekar	144
26	Start Up India: Anew Incubation Center Of India Dr. Vasant Nathu Hissal, Dr. Kare Chandrasen	151
27	Housing For All : A Step Ahead For The Development Of The Country Sunita Manoharrao Bais	155
28	Economic Reforms And Growth Prospects In India Dr. Kharose Bhimashankar	160
29	Study Of The Status Of Domestic Worker Economic & Social Manesh Gangaram Khatawe, Dr. A. T. Tawar	166



Challenges and Opportunities of Economic Reforms

Dr. Sachin M, Prayag
Dept. of Commerce,
Govindlal Kanhaiyalal Joshi
(Night) Commerce College, Latur.

16

Research Paper - Commerce

“What distinguishes a develop country from a developing one is a degree of consensus in its politics, and thus its ability to take actions to secure a better future despite short term pain” –Raghuram Rajan, Ex-RBI Governor

ABSTRACT

Indian economy is very vibrant in its own composition. It is a blend of various essential elements like huge working population, traditional predominance of primary sector specifically agriculture, increased income level as well as purchasing power, considerable transformation in sartorial distribution of income and finally impact of state of economic reforms taken by government time to time. From LPG process Indian economy has witnessed many sweet and sour tastes of policy transformation. This research paper is also an effort to discuss the challenges and opportunities of economic reforms in current scenario.

Key Words: Economic Policies, National Income Distribution, Infrastructure Development.

Introduction:

Economic reform acts like a tool for country's welfare measures and possess very important role in growth and development of any country. Economic growth is different from that of development. Economic growth is selective and can be expressed in numerical form on the other hand development is purely a subjective concept which can be express in suitable prospective. The above statement of Mr. Raghuram Rajan is



self explanatory expressing importance of economic reforms in the views of prominent economic expert and responsible economy strategist. He has clearly differentiated between deserving and desiring economic policy formation process directing economic transformation.

Review of Literature:-

1. B.V. Halmandge:

has concluded that A number of characteristic are causes and consequence of poverty, unemployment, education, health care, price control, agriculture, industry, service sector. Each and every citizen of the country has a right to lead a decent life. Everybody must be able to fulfill minimum needs such as food, health care and shelter, basic education etc.

2. Jayshree Sengupta:

has stated that Globally, the US economy is slowing down and most importantly, China is showing signs of intractable slowdown which will hit and affect all, including India, because of its size and importance in the global economy. Germany, Italy and Britain are also showing signs of slower GDP growth currently

3. Nikhil Prasad Ojha:

stated that As India rapidly transforms into a true middle class economy, not only do we see this income group finally coming into its own, we also see the inclusivity and equitable growth agendas being served much better than ever before. It's an exciting future for firms that wish to unlock the consumption opportunity in India

4. Mayuri Ghosh:

quoted that "India is at a tipping point, both in terms of economic growth and in the human development of its billion-plus citizens.

Object of the Study:-

1. To study current economic state of the nation
2. To discuss the recent economic challenges of economic reforms
3. To evaluate the role of various attempts taken by strategic authorities
4. To study the possible corrective measures scope of development opportunities



Research Methodology:-

The method of data collection for this study is secondary in nature. Various secondary sources related to reports, research paper, government publication, books etc. are used for the study. This is purely a concept paper and the researcher has adopted the method of reviewing different research article, research journals, website and articles and Govt. Gazettes etc.

Though the Indian economy is the world's sixth largest economy in term of GDP and third largest in purchasing power but our country is still considered as developing country. In order to achieve the status as a developed economy, India has to deal with many significant challenges. Following are some of the current prominent challenges before our economy

1. Ever Increasing Income Inequalities :-

The world Economic forum's Global risk report has stated that acute income disparity among the different segment of the society will pose the most significant risk in coming year. It would initiate many social evils.

2. Low Productivity across all sectors :-

Majority of Indian workforce employed in unorganized sector is engaged in low productive activities receiving considerably low remuneration. This keeps major chunk of society deprived form basic development possibilities. On the other hand organized sector provides much higher remuneration for the same work to their employees. In short unorganized sector in every field has considerable diversity in its wage rates.

3. Weak Rural Centric Progression :-

The entire focus of economic development in India has been concentrated around industrialization and urbanization. Unfortunately rural area remains away from the fruits of economic development which constitute nearly 65% of the population. The benefits of economic progress are exploited by urban counterpart. Even after the adoption of LPG there is hardly any remarkable progress in the development and deployment of affordable technologies for rural areas especially in agriculture, agro based business units and in agricultural practices too.

4. Low Level of National Income and per capita Income :-



Economic growth of the nation can be easily accessed by the level of national income and per capita income. In spite of remarkable economic progress its impact get neutralize due to huge population growth. Many economic problems like unequal income pattern, malnutrition, weak infrastructure and exploitive urbanization are some of the drives behind low level of national income and per capita income. Even the basic necessities are beyond the reach for majority of the population. Per capita income of other country in comparison with India is considerably high.

5. Acute dependency on primary sector :-

In order to measure the economic advancement, sectorial distribution of income is vital, In case of developed country less proportion of population is engaged in primary sector than other two sectors.

6. Tremendous Population Pressure :-

High birth rate coupled with low death rate is the genuine cause for the population growth which in turn intensifies huge economic problems. Scare resources available to satisfy the need of ever growing population pose high pressure on economic goal achieving attempts. Unemployed hands and heads, aggressive collective bargaining on the cost of political benefits ruin the economy are some of the barriers generated on account of ever growing population.

7. Low Capital Formation :-

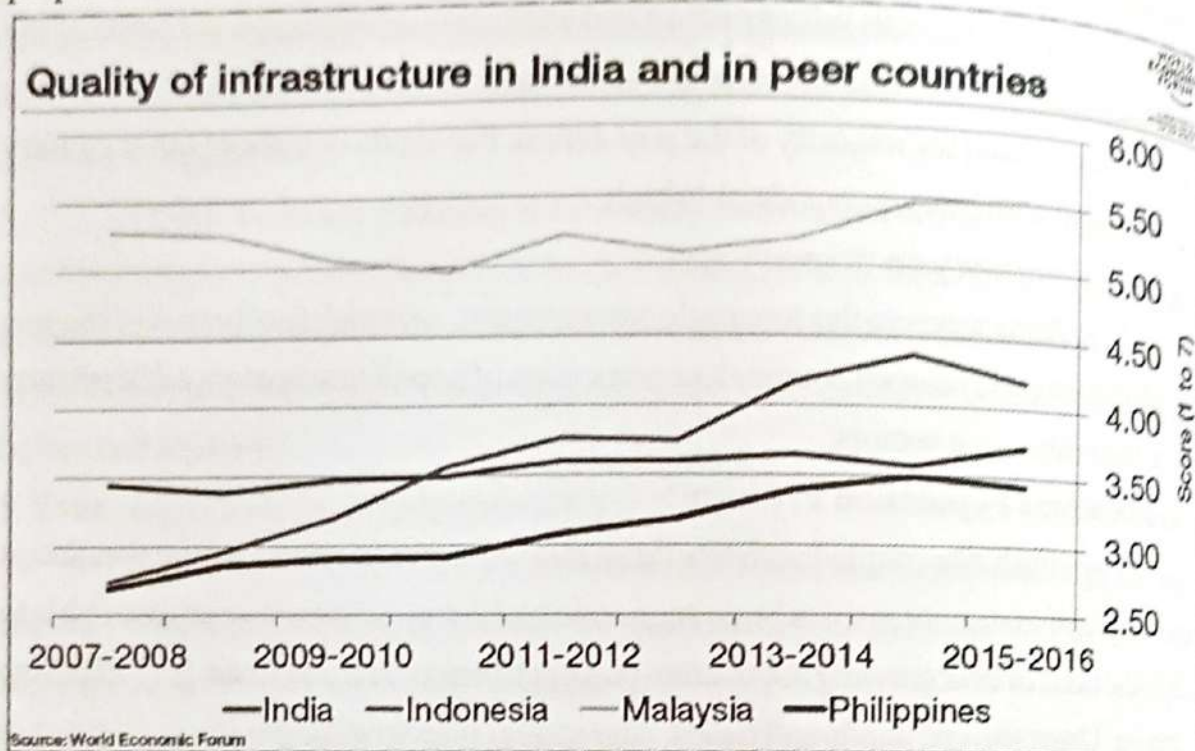
It is often said that Indians are smart saver but weak investors. Common Indian income earner knows how to save even by cutting his own needs but he surrenders his capacities incase of investment. Traditional mentality of investment in gold or real estate has dumped Indian capital potential form last some decades.

8. Underdeveloped Infrastructure:

On account of huge geographical expanse and diversity equitable development of infrastructure facilities all over the country is quite hard. Due to this problem like concentration of economic development, regional imbalance occurs on a large scale. There is still huge gap between demand of infrastructural facilities and its availability. Demand of expert professionals like doctors, chartered accountants, teachers, scientists, is still lacking back. Unbanked area, educationally deprived area is still waiting for their



upliftment. Majority of the remote area is still waiting for its health facilities. Acute demand of fuel, energy, communication, transportation financial facilities are still unsolved in large proportion which minimizes economic escalation.



9. Low Level of Technology:-

Due to weak technological education, country is bound to use old and outdated technological infrastructure. Such underdeveloped technology yields less productive results, Constant server downs and interrupted communication failed to reap the benefit of modern marketing attempts.

High cost of maintenance and low return has disturbed the economic progression. On account of weak technology optimum utilization of resources has become impossible increasing production cost and minimizes profit possibilities,

Digital divide in India

82%

population with no access to the internet

1.2%

population with fixed broadband

5.5%

population with mobile broadband

12%

households with a personal computer



10. Intense Industrial Problems :-

In recent period small scale and cottage industries as well as big industrial units are facing serious market saturation. Entire industrial sector have seem to be failed to make their contribution in the overall economic development up to desirable level. Low capital formation, substandard technological advancement, aggressive global competition, unskilled human capital, saturated market potential are some of the current hurdles in front of Indian industrial sector. All these results into wastage of productive capacities of the unit and enlarge losses.

Findings and conclusions: -

After the critical evaluation of various sources, research come into conclusion that prompt corrective measures encompassing every aspect of Indian economic order need to reshuffle with disciplined approach.

1. Skills enhancement of human capital and assure employability for the future workforce:

Approximately 10-12 million working-age human resource will emerge in India over the next ten years, that time our country have to deal a serious huge challenge in availing the workforce with the right skills and gainful employment. It will enable the income growth behind the envisioned consumption of the future.

2. Socio-economic inclusion of rural India:

After a couple of decade majority of indicant will settle in urban areas. It will results into emergence of many small urban towns. This will also help to develop many rural towns. An effective blend of socio economic inclusion in rural sector will certainly help to achieve economic development.

3. Reforming Tax structure:-

Formal tax payers are contributing a lot for overall economic development. But unfortunately eligible taxpayers won't come forward giving high tax burden to original tax payer. In long run maximum possible implementation of tax liability will benefit Indian revenue structure as well as to follow many social welfare schemes.

Following are other potential priority areas for economic development of India:

1. Healthy and sustainable future



2. Expansion of social protection
3. Reducing indulgement of buroatic approach
4. Purposeful attempts of formal entrepreneurship
5. Enlarging the financial access
6. Fostering industry academia collaborative attempts
7. Greater transparency in public administration

References :-

1. Mayuri Ghosh, Project Lead, Future of Consumption System Initiative, World Economic Forum
 2. Nikhil Prasad Ojha, Partner and Leader of the Strategy practice at Bain India.
 3. www.mbarendezvous.com/general-awareness/top-five-challenges-of-indian-economy
-

References :-

RNI. MAHMUL02805/2010/33461



ISSN 0976-0377

Published, Printed, Owned by Sow. Mahananda B. Kamble & Edited by
Dr. Avinash V. Pawar & Printed at Jyotichandra Offset Printing &
Binding & Published by Jyotichandra Publication, 'Gyandev -Parvati'
R-9/139/6, Near Vishal School, LIC Colony, Pragati Nagar, Latur. Dist.
Latur-413531 (M.S.) India.

Organizing Secretary : Dr. P. N. Sagar