Syllabus & Tutorial

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TUTORIAL : **Subject Name: SOCIO-ECONOMIC & POLITICAL SCENARIO**

Socioeconomics (also known as **social economics**) is the social science that studies how economic activity affects and is shaped by social processes. In general it analyzes how modern societies progress, stagnate, or regress because of their local or regional economy, or the global economy. Societies are divided into 3 groups: social, cultural and economic. It also refers to the ways that social and economic factors influence the environment.

"Socioeconomics" is sometimes used as an umbrella term for various areas of inquiry. The term "social economics" may refer broadly to the "use of economics in the study of society". More narrowly, contemporary practice considers behavioral interactions of individuals and groups through social capital and social "markets" (not excluding, for example, sorting by marriage) and the formation of social norms. In the relation of economics to social values.

A distinct supplemental usage describes social economics as "a discipline studying the reciprocal relationship between economic science on the one hand and social philosophy, ethics, and human dignity on the other" toward social reconstruction and improvement or as also emphasizing multidisciplinary methods from such fields as sociology, history, and political science. In criticizing mainstream economics for its alleged faulty philosophical premises (for example the pursuit of self-interest) and neglect of dysfunctional economic relationships, such advocates tend to classify social economics as heterodox.

What is the present political scenario of India?
The **Politics** of **India** works within the framework of the country's constitution. **India** is a federal parliamentary Secular democratic republic in which the President of **India** is the head of state and the Prime Minister of **India** is the head of government.

Unit-I Indian History, Culture and Heritage

1. India that is Bharat.

The Republic of India has two principal short names in both official and popular English usage, each of which is historically significant, "India" and "Bharat". The first article of the Constitution of India states that "India, that is Bharat, shall be a

union of states," implicitly codifying "India" and "Bharat" as equally official short names for the Republic of India. A third name, "Hindustan", is sometimes an alternative name for the region comprising most of the modern Indian states of the subcontinent when Indians speak among themselves. The usage of "Bharat", "Hindustan", or "India" depends on the context and language of conversation.

"Bhārät", the name for India in several Indian languages, is variously said to be derived from the name of Rishabha's son Bharata. At first the name Bharata referred only to the western part of the Gangetic Valley in North India, but was later more broadly applied to the Indian subcontinent and the region of Greater India, as was the name "India". Today it refers to the contemporary Republic of India located therein. The name "India" is originally derived from the name of the river Sindhu (Indus River) and has been in use in Greek since Herodotus (4th century BCE). The term appeared in Old English as early the 9th century and reemerged in Modern English in the 17th century.

2. The Great Indian Heritage (art, culture, mythology, language, fairs and festivals)

India, officially the Republic of India (Hindi: Bhārat Gaṇarājya), is a country in South Asia. It is the second-most populous country, the seventh-largest country by land area, and the most populous democracy in the world. Bounded by the Indian Ocean on the south, the Arabian Sea on the southwest, and the Bay of Bengal on the southeast, it shares land borders with Pakistan to the west; China, Nepal, and Bhutan to the north; and Bangladesh and Myanmar to the east. In the Indian Ocean, India is in the vicinity of Sri Lanka and the Maldives; its Andaman and Nicobar Islands share a maritime border with Thailand and Indonesia.

Modern humans arrived on the Indian subcontinent from Africa no later than 55,000 years ago. Their long occupation, initially in varying forms of isolation as hunter-gatherers, has made the region highly diverse, second only to Africa in human genetic diversity. Settled life emerged on the subcontinent in the western margins of the Indus river basin 9,000 years ago, evolving gradually into the Indus Valley Civilisation of the third millennium BCE. By 1200 BCE, an archaic form of Sanskrit, an Indo-European language, had diffused into India from the northwest, unfolding as the language of the Rigveda, and recording the dawning of Hinduism in India. The Dravidian languages of India were supplanted in the northern regions. By 400 BCE, stratification and exclusion by caste had emerged within Hinduism, and Buddhism and Jainism had arisen, proclaiming social orders unlinked to heredity. Early political consolidations gave rise to the loose-knit Maurya and Gupta Empires based in the Ganges Basin. Their collective era was suffused with wide-ranging creativity, but also marked by the declining status of women, and the incorporation of untouchability into an organised system of belief. In South India, the Middle kingdoms exported Dravidian-languages scripts and religious cultures to the kingdoms of Southeast Asia.

In the early medieval era, Christianity, Islam, Judaism, and Zoroastrianism put down roots on India's southern and western coasts. Muslim armies from Central Asia intermittently overran India's northern plains, eventually establishing the Delhi Sultanate, and drawing northern India into the cosmopolitan networks of medieval Islam. In the 15th century, the Vijayanagara Empire created a long-lasting composite Hindu culture in south India. In the Punjab, Sikhism emerged, rejecting institutionalised religion. The Mughal Empire, in 1526, ushered in two centuries of relative peace, leaving a legacy of luminous architecture. Gradually expanding rule of the British East India Company followed, turning India into a colonial economy, but also consolidating its sovereignty. British Crown rule began in 1858. The rights promised to Indians were granted slowly, but technological changes were introduced, and ideas of education, modernity and the public life took root. A pioneering and influential nationalist movement emerged, which was noted for nonviolent resistance and became the major factor in ending British rule. In 1947 the British Indian Empire was partitioned into two independent dominions, a Hindu-majority Dominion of India and a Muslim-majority Dominion of Pakistan, amid large-scale loss of life and an unprecedented migration.

India has been a secular federal republic since 1950, governed in a democratic parliamentary system. It is a pluralistic, multilingual and multi-ethnic society. India's population grew from 361 million in 1951 to 1,211 million in 2011. During the same time, its nominal per capita income increased from US$64 annually to US$1,498, and its literacy rate from 16.6% to 74%. From being a comparatively destitute country in 1951, India has become a fast-growing major economy, a hub for information technology services, with an expanding middle class. It has a space programme which includes several planned or completed extraterrestrial missions. Indian movies, music, and spiritual teachings play an increasing role in global culture. India has substantially reduced its rate of poverty, though at the cost of increasing economic inequality. India is a nuclear weapons state, which ranks high in military expenditure. It has disputes over Kashmir with its neighbours, Pakistan and China, unresolved since the mid-20th century. Among the socio-economic challenges India faces are gender inequality, child malnutrition, and rising levels of air pollution. India's land is mega diverse, with four biodiversity hotspots. Its forest cover comprises 21.4% of its area. India's wildlife, which has traditionally been viewed with tolerance in India's culture, is supported among these forests, and elsewhere, in protected habitats.

Etymology

According to the Oxford English Dictionary (Third Edition 2009), the name "India" is derived from the Classical Latin India, a reference to South Asia and an uncertain region to its east; and in turn derived successively from: Hellenistic Greek India ; ancient Greek Indos ; Old Persian Hindush, an eastern province of the Achaemenid empire; and ultimately its cognate, the Sanskrit Sindhu, or "river," specifically the Indus river and, by implication, its well-settled southern

basin. The ancient Greeks referred to the Indians as Indoi (Ἰνδοί), which translates as "The people of the Indus".

The term Bharat, mentioned in both Indian epic poetry and the Constitution of India, is used in its variations by many Indian languages. A modern rendering of the historical name Bharatavarsha, which applied originally to a region of the Gangetic Valley, Bharat gained increased currency from the mid-19th century as a native name for India.

Hindustan is a Middle Persian name for India, introduced during the Mughal Empire and used widely since. Its meaning has varied, referring to a region encompassing present-day northern India and Pakistan or to India in its near entirety.

By 55,000 years ago, the first modern humans, or Homo sapiens, had arrived on the Indian subcontinent from Africa, where they had earlier evolved. The earliest known modern human remains in South Asia date to about 30,000 years ago. After 6500 BCE, evidence for domestication of food crops and animals, construction of permanent structures, and storage of agricultural surplus appeared in Mehrgarh and other sites in what is now Balochistan.These gradually developed into the Indus Valley Civilisation, the first urban culture in South Asia, which flourished during 2500–1900 BCE in what is now Pakistan and western India. Centred around cities such as Mohenjo-daro, Harappa, Dholavira, and Kalibangan, and relying on varied forms of subsistence, the civilisation engaged robustly in crafts production and wide-ranging trade.

During the period 2000–500 BCE, many regions of the subcontinent transitioned from the Chalcolithic cultures to the Iron Age ones. The Vedas, the oldest scriptures associated with Hinduism, were composed during this period, and historians have analysed these to posit a Vedic culture in the Punjab region and the upper Gangetic Plain. Most historians also consider this period to have encompassed several waves of Indo-Aryan migration into the subcontinent from the north-west. The caste system, which created a hierarchy of priests, warriors, and free peasants, but which excluded indigenous peoples by labelling their occupations impure, arose during this period.[80] On the Deccan Plateau, archaeological evidence from this period suggests the existence of a chiefdom stage of political organisation. In South India, a progression to sedentary life is indicated by the large number of megalithic monuments dating from this period, as well as by nearby traces of agriculture, irrigation tanks, and craft traditions. Clockwise from upper left: (a) A map of the rough extent of the empire of Ashoka, ca 250 BCE; (b) The map of India, ca 350 CE; (c) Cave 26 of the rock-cut Ajanta Caves, fifth century CE

In the late Vedic period, around the 6th century BCE, the small states and chiefdoms of the Ganges Plain and the north-western regions had consolidated into 16 major oligarchies and monarchies that were known as the

mahajanapadas. The emerging urbanisation gave rise to non-Vedic religious movements, two of which became independent religions. Jainism came into prominence during the life of its exemplar, Mahavira. Buddhism, based on the teachings of Gautama Buddha, attracted followers from all social classes excepting the middle class; chronicling the life of the Buddha was central to the beginnings of recorded history in India. In an age of increasing urban wealth, both religions held up renunciation as an ideal, and both established long-lasting monastic traditions. Politically, by the 3rd century BCE, the kingdom of Magadha had annexed or reduced other states to emerge as the Mauryan Empire. The empire was once thought to have controlled most of the subcontinent except the far south, but its core regions are now thought to have been separated by large autonomous areas. The Mauryan kings are known as much for their empire-building and determined management of public life as for Ashoka's renunciation of militarism and far-flung advocacy of the Buddhist dhamma.

The Sangam literature of the Tamil language reveals that, between 200 BCE and 200 CE, the southern peninsula was ruled by the Cheras, the Cholas, and the Pandyas, dynasties that traded extensively with the Roman Empire and with West and South-East Asia. In North India, Hinduism asserted patriarchal control within the family, leading to increased subordination of women.[96][89] By the 4th and 5th centuries, the Gupta Empire had created a complex system of administration and taxation in the greater Ganges Plain; this system became a model for later Indian kingdoms. Under the Guptas, a renewed Hinduism based on devotion, rather than the management of ritual, began to assert itself.[99] This renewal was reflected in a flowering of sculpture and architecture, which found patrons among an urban elite.[98] Classical Sanskrit literature flowered as well, and Indian science, astronomy, medicine, and mathematics made significant advances.

Medieval India

The Indian early medieval age, 600 CE to 1200 CE, is defined by regional kingdoms and cultural diversity. When Harsha of Kannauj, who ruled much of the Indo-Gangetic Plain from 606 to 647 CE, attempted to expand southwards, he was defeated by the Chalukya ruler of the Deccan. When his successor attempted to expand eastwards, he was defeated by the Pala king of Bengal. When the Chalukyas attempted to expand southwards, they were defeated by the Pallavas from farther south, who in turn were opposed by the Pandyas and the Cholas from still farther south. No ruler of this period was able to create an empire and consistently control lands much beyond his core region. During this time, pastoral peoples, whose land had been cleared to make way for the growing agricultural economy, were accommodated within caste society, as were new non-traditional ruling classes. The caste system consequently began to show regional differences.

In the 6th and 7th centuries, the first devotional hymns were created in the Tamil language. They were imitated all over India and led to both the resurgence of Hinduism and the development of all modern languages of the subcontinent. Indian royalty, big and small, and the temples they patronised drew citizens in great numbers to the capital cities, which became economic hubs as well. Temple towns of various sizes began to appear everywhere as India underwent another urbanisation. By the 8th and 9th centuries, the effects were felt in South-East Asia, as South Indian culture and political systems were exported to lands that became part of modern-day Myanmar, Thailand, Laos, Cambodia, Vietnam, Philippines, Malaysia, and Java. Indian merchants, scholars, and sometimes armies were involved in this transmission; South-East Asians took the initiative as well, with many sojourning in Indian seminaries and translating Buddhist and Hindu texts into their languages.

(left) India in 1398 CE, during the Delhi Sultanate (marked "Afghan empire" in the map); (right) The Qutub Minar, 73 metres (240 ft) tall, completed by the Sultan of Delhi, Iltutmish

After the 10th century, Muslim Central Asian nomadic clans, using swift-horse cavalry and raising vast armies united by ethnicity and religion, repeatedly overran South Asia's north-western plains, leading eventually to the establishment of the Islamic Delhi Sultanate in 1206. The sultanate was to control much of North India and to make many forays into South India. Although at first disruptive for the Indian elites, the sultanate largely left its vast non-Muslim subject population to its own laws and customs. By repeatedly repulsing Mongol raiders in the 13th century, the sultanate saved India from the devastation visited on West and Central Asia, setting the scene for centuries of migration of fleeing soldiers, learned men, mystics, traders, artists, and artisans from that region into the subcontinent, thereby creating a syncretic Indo-Islamic culture in the north.[109][110] The sultanate's raiding and weakening of the regional kingdoms of South India paved the way for the indigenous Vijayanagara Empire. Embracing a strong Shaivite tradition and building upon the military technology of the sultanate, the empire came to control much of peninsular India, and was to influence South Indian society for long afterwards.

Early modern India

In the early 16th century, northern India, then under mainly Muslim rulers, fell again to the superior mobility and firepower of a new generation of Central Asian warriors. The resulting Mughal Empire did not stamp out the local societies it came to rule. Instead, it balanced and pacified them through new administrative practices and diverse and inclusive ruling elites, leading to more systematic, centralised, and uniform rule. Eschewing tribal bonds and Islamic identity, especially under Akbar, the Mughals united their far-flung realms through loyalty, expressed through a Persianised culture, to an emperor who had near-divine status. The Mughal state's economic policies, deriving most revenues from agriculture and mandating that taxes be paid in the well-regulated silver

currency, caused peasants and artisans to enter larger markets. The relative peace maintained by the empire during much of the 17th century was a factor in India's economic expansion, resulting in greater patronage of painting, literary forms, textiles, and architecture. Newly coherent social groups in northern and western India, such as the Marathas, the Rajputs, and the Sikhs, gained military and governing ambitions during Mughal rule, which, through collaboration or adversity, gave them both recognition and military experience. Expanding commerce during Mughal rule gave rise to new Indian commercial and political elites along the coasts of southern and eastern India. As the empire disintegrated, many among these elites were able to seek and control their own affairs.

Clockwise from top left: (a) India under British East India Company rule in 1795; (b) India in 1848; (c) A two mohur gold coin issued by the Company in 1835 with the bust of William IV, King on the obverse, and the face value in English and Persian, on the reverse

By the early 18th century, with the lines between commercial and political dominance being increasingly blurred, a number of European trading companies, including the English East India Company, had established coastal outposts. The East India Company's control of the seas, greater resources, and more advanced military training and technology led it to increasingly flex its military muscle and caused it to become attractive to a portion of the Indian elite; these factors were crucial in allowing the company to gain control over the Bengal region by 1765 and sideline the other European companies. Its further access to the riches of Bengal and the subsequent increased strength and size of its army enabled it to annexe or subdue most of India by the 1820s. India was then no longer exporting manufactured goods as it long had, but was instead supplying the British Empire with raw materials. Many historians consider this to be the onset of India's colonial period. By this time, with its economic power severely curtailed by the British parliament and having effectively been made an arm of British administration, the company began more consciously to enter non-economic arenas like education, social reform, and culture.

Modern India

Historians consider India's modern age to have begun sometime between 1848 and 1885. The appointment in 1848 of Lord Dalhousie as Governor General of the East India Company set the stage for changes essential to a modern state. These included the consolidation and demarcation of sovereignty, the surveillance of the population, and the education of citizens. Technological changes—among them, railways, canals, and the telegraph—were introduced not long after their introduction in Europe. However, disaffection with the company also grew during this time and set off the Indian Rebellion of 1857. Fed by diverse resentments and perceptions, including invasive British-style social reforms, harsh land taxes, and summary treatment of some rich landowners and princes, the rebellion rocked many regions of northern and central India and

shook the foundations of Company rule. Although the rebellion was suppressed by 1858, it led to the dissolution of the East India Company and the direct administration of India by the British government. Proclaiming a unitary state and a gradual but limited British-style parliamentary system, the new rulers also protected princes and landed gentry as a feudal safeguard against future unrest. In the decades following, public life gradually emerged all over India, leading eventually to the founding of the Indian National Congress in

The rush of technology and the commercialisation of agriculture in the second half of the 19th century was marked by economic setbacks and many small farmers became dependent on the whims of far-away markets. There was an increase in the number of large-scale famines, and, despite the risks of infrastructure development borne by Indian taxpayers, little industrial employment was generated for Indians. There were also salutary effects: commercial cropping, especially in the newly canalled Punjab, led to increased food production for internal consumption. The railway network provided critical famine relief, notably reduced the cost of moving goods, and helped nascent Indian-owned industry.

After World War I, in which approximately one million Indians served, a new period began. It was marked by British reforms but also repressive legislation, by more strident Indian calls for self-rule, and by the beginnings of a nonviolent movement of non-co-operation, of which Mohandas Karamchand Gandhi would become the leader and enduring symbol. During the 1930s, slow legislative reform was enacted by the British; the Indian National Congress won victories in the resulting elections. The next decade was beset with crises: Indian participation in World War II, the Congress's final push for non-co-operation, and an upsurge of Muslim nationalism. All were capped by the advent of independence in 1947, but tempered by the partition of India into two states: India and Pakistan.

Vital to India's self-image as an independent nation was its constitution, completed in 1950, which put in place a secular and democratic republic. It has remained a democracy with civil liberties, an active Supreme Court, and a largely independent press. Economic liberalisation, which began in the 1990s, has created a large urban middle class, transformed India into one of the world's fastest-growing economies, and increased its geopolitical clout. Indian movies, music, and spiritual teachings play an increasing role in global culture. Yet, India is also shaped by seemingly unyielding poverty, both rural and urban; by religious and caste-related violence; by Maoist-inspired Naxalite insurgencies; and by separatism in Jammu and Kashmir and in Northeast India. It has unresolved territorial disputes with China and with Pakistan. India's sustained democratic freedoms are unique among the world's newer nations; however, in spite of its recent economic successes, freedom from want for its disadvantaged population remains a goal yet to be achieved.

Geography of India

India's geographical features include the Ganges and Indus plains, the Western and Eastern Ghats, the Thar desert, the Aravalli hills, and Satpura and Vindhya ranges.

India accounts for the bulk of the Indian subcontinent, lying atop the Indian tectonic plate, a part of the Indo-Australian Plate. India's defining geological processes began 75 million years ago when the Indian Plate, then part of the southern supercontinent Gondwana, began a north-eastward drift caused by seafloor spreading to its south-west, and later, south and south-east.[160] Simultaneously, the vast Tethyan oceanic crust, to its northeast, began to subduct under the Eurasian Plate. These dual processes, driven by convection in the Earth's mantle, both created the Indian Ocean and caused the Indian continental crust eventually to under-thrust Eurasia and to uplift the Himalayas. Immediately south of the emerging Himalayas, plate movement created a vast trough that rapidly filled with river-borne sediment and now constitutes the Indo-Gangetic Plain. Cut off from the plain by the ancient Aravalli Range lies the Thar Desert.

The original Indian Plate survives as peninsular India, the oldest and geologically most stable part of India. It extends as far north as the Satpura and Vindhya ranges in central India. These parallel chains run from the Arabian Sea coast in Gujarat in the west to the coal-rich Chota Nagpur Plateau in Jharkhand in the east. To the south, the remaining peninsular landmass, the Deccan Plateau, is flanked on the west and east by coastal ranges known as the Western and Eastern Ghats; the plateau contains the country's oldest rock formations, some over one billion years old. Constituted in such fashion, India lies to the north of the equator between 6° 44′ and 35° 30′ north latitude[i] and 68° 7′ and 97° 25′ east longitude.

India's coastline measures 7,517 kilometres (4,700 mi) in length; of this distance, 5,423 kilometres (3,400 mi) belong to peninsular India and 2,094 kilometres (1,300 mi) to the Andaman, Nicobar, and Lakshadweep island chains. According to the Indian naval hydrographic charts, the mainland coastline consists of the following: 43% sandy beaches; 11% rocky shores, including cliffs; and 46% mudflats or marshy shores.

Flowing near Hampi is the Tungabhadra river, a tributary of the peninsular Krishna river, which empties into the Bay of Bengal. The circular shape of the coracle makes it stable in rivers with rocky outcrops.

Major Himalayan-origin rivers that substantially flow through India include the Ganges and the Brahmaputra, both of which drain into the Bay of Bengal.] Important tributaries of the Ganges include the Yamuna and the Kosi; the latter's extremely low gradient, caused by long-term silt deposition, leads to severe floods and course changes. Major peninsular rivers, whose steeper gradients prevent their waters from flooding, include the Godavari, the Mahanadi, the Kaveri, and the Krishna, which also drain into the Bay of Bengal; and the

Narmada and the Tapti, which drain into the Arabian Sea. Coastal features include the marshy Rann of Kutch of western India and the alluvial Sundarbans delta of eastern India; the latter is shared with Bangladesh. India has two archipelagos: the Lakshadweep, coral atolls off India's south-western coast; and the Andaman and Nicobar Islands, a volcanic chain in the Andaman Sea.

The Indian climate is strongly influenced by the Himalayas and the Thar Desert, both of which drive the economically and culturally pivotal summer and winter monsoons. The Himalayas prevent cold Central Asian katabatic winds from blowing in, keeping the bulk of the Indian subcontinent warmer than most locations at similar latitudes. The Thar Desert plays a crucial role in attracting the moisture-laden south-west summer monsoon winds that, between June and October, provide the majority of India's rainfall. Four major climatic groupings predominate in India: tropical wet, tropical dry, subtropical humid, and montane.

Biodiversity

Forestry in India and Wildlife of India

India is a megadiverse country, a term employed for 17 countries which display high biological diversity and contain many species exclusively indigenous, or endemic, to them. India is a habitat for 8.6% of all mammal species, 13.7% of bird species, 7.9% of reptile species, 6% of amphibian species, 12.2% of fish species, and 6.0% of all flowering plant species. Fully a third of Indian plant species are endemic. India also contains four of the world's 34 biodiversity hotspots, or regions that display significant habitat loss in the presence of high endemism.

India's forest cover is 701,673 km2 (270,917 sq mi), which is 21.35% of the country's total land area. It can be subdivided further into broad categories of canopy density, or the proportion of the area of a forest covered by its tree canopy. Very dense forest, whose canopy density is greater than 70%, occupies 2.61% of India's land area. It predominates in the tropical moist forest of the Andaman Islands, the Western Ghats, and Northeast India. Moderately dense forest, whose canopy density is between 40% and 70%, occupies 9.59% of India's land area. It predominates in the temperate coniferous forest of the Himalayas, the moist deciduous sal forest of eastern India, and the dry deciduous teak forest of central and southern India. Open forest, whose canopy density is between 10% and 40%, occupies 9.14% of India's land area, and predominates in the babul-dominated thorn forest of the central Deccan Plateau and the western Gangetic plain.

Among the Indian subcontinent's notable indigenous trees are the astringent Azadirachta indica, or neem, which is widely used in rural Indian herbal medicine, and the luxuriant Ficus religiosa, or peepul, which is displayed on the ancient

seals of Mohenjo-daro, and under which the Buddha is recorded in the Pali canon to have sought enlightenment,

Many Indian species have descended from those of Gondwana, the southern supercontinent from which India separated more than 100 million years ago. India's subsequent collision with Eurasia set off a mass exchange of species. However, volcanism and climatic changes later caused the extinction of many endemic Indian forms. Still later, mammals entered India from Asia through two zoogeographical passes flanking the Himalayas. This had the effect of lowering endemism among India's mammals, which stands at 12.6%, contrasting with 45.8% among reptiles and 55.8% among amphibians. Notable endemics are the vulnerable hooded leaf monkey and the threatened Beddom's toad of the Western Ghats.
A Chital (Axis axis) stag attempts to browse in the Nagarhole National Park in a region covered by a moderately dense forest.

India contains 172 IUCN-designated threatened animal species, or 2.9% of endangered forms. These include the endangered Bengal tiger and the Ganges river dolphin. Critically endangered species include: the gharial, a crocodilian; the great Indian bustard; and the Indian white-rumped vulture, which has become nearly extinct by having ingested the carrion of diclofenac-treated cattle. The pervasive and ecologically devastating human encroachment of recent decades has critically endangered Indian wildlife. In response, the system of national parks and protected areas, first established in 1935, was expanded substantially. In 1972, India enacted the Wildlife Protection Act and Project Tiger to safeguard crucial wilderness; the Forest Conservation Act was enacted in 1980 and amendments added in 1988. India hosts more than five hundred wildlife sanctuaries and thirteen biosphere reserves, four of which are part of the World Network of Biosphere Reserves; twenty-five wetlands are registered under the Ramsar Convention.

Politics and government

Politics of India

Social movements have long been a part of democracy in India. The picture shows a section of 25,000 landless people in the state of Madhya Pradesh listening to Rajagopal P. V. before their 350 km (220 mi) march, Janadesh 2007, from Gwalior to New Delhi to publicise their demand for further land reform in India.

India is the world's most populous democracy. A parliamentary republic with a multi-party system, it has eight recognised national parties, including the Indian National Congress and the Bharatiya Janata Party (BJP), and more than 40 regional parties. The Congress is considered centre-left in Indian political culture, and the BJP right-wing. For most of the period between 1950—when India first

became a republic—and the late 1980s, the Congress held a majority in the parliament. Since then, however, it has increasingly shared the political stage with the BJP, as well as with powerful regional parties which have often forced the creation of multi-party coalition governments at the centre.

In the Republic of India's first three general elections, in 1951, 1957, and 1962, the Jawaharlal Nehru-led Congress won easy victories. On Nehru's death in 1964, Lal Bahadur Shastri briefly became prime minister; he was succeeded, after his own unexpected death in 1966, by Nehru's daughter Indira Gandhi, who went on to lead the Congress to election victories in 1967 and 1971. Following public discontent with the state of emergency she declared in 1975, the Congress was voted out of power in 1977; the then-new Janata Party, which had opposed the emergency, was voted in. Its government lasted just over two years. Voted back into power in 1980, the Congress saw a change in leadership in 1984, when Indira Gandhi was assassinated; she was succeeded by her son Rajiv Gandhi, who won an easy victory in the general elections later that year. The Congress was voted out again in 1989 when a National Front coalition, led by the newly formed Janata Dal in alliance with the Left Front, won the elections; that government too proved relatively short-lived, lasting just under two years. Elections were held again in 1991; no party won an absolute majority. The Congress, as the largest single party, was able to form a minority government led by P. V. Narasimha Rao.

A two-year period of political turmoil followed the general election of 1996. Several short-lived alliances shared power at the centre. The BJP formed a government briefly in 1996; it was followed by two comparatively long-lasting United Front coalitions, which depended on external support. In 1998, the BJP was able to form a successful coalition, the National Democratic Alliance (NDA). Led by Atal Bihari Vajpayee, the NDA became the first non-Congress, coalition government to complete a five-year term. Again in the 2004 Indian general elections, no party won an absolute majority, but the Congress emerged as the largest single party, forming another successful coalition: the United Progressive Alliance (UPA). It had the support of left-leaning parties and MPs who opposed the BJP. The UPA returned to power in the 2009 general election with increased numbers, and it no longer required external support from India's communist parties. That year, Manmohan Singh became the first prime minister since Jawaharlal Nehru in 1957 and 1962 to be re-elected to a consecutive five-year term. In the 2014 general election, the BJP became the first political party since 1984 to win a majority and govern without the support of other parties. The incumbent prime minister is Narendra Modi, a former chief minister of Gujarat. On 20 July 2017, Ram Nath Kovind was elected India's 14th president and took the oath of office on 25 July 2017.

Government

Government of India and Constitution of India

Rashtrapati Bhavan, the official residence of the President of India, was designed between 1911 and 1931 by British architects, Edwin Lutyens and Herbert Baker for the Viceroy of India during the British Raj.

India is a federation with a parliamentary system governed under the Constitution of India—the country's supreme legal document. It is a constitutional republic and representative democracy, in which "majority rule is tempered by minority rights protected by law". Federalism in India defines the power distribution between the union and the states. The Constitution of India, which came into effect on 26 January 1950, originally stated India to be a "sovereign, democratic republic;" this characterisation was amended in 1971 to "a sovereign, socialist, secular, democratic republic". India's form of government, traditionally described as "quasi-federal" with a strong centre and weak states, has grown increasingly federal since the late 1990s as a result of political, economic, and social changes.

National symbols Flag   Tiranga (Tricolour)
Emblem   Sarnath Lion Capital
Anthem   Jana Gana Mana
Song   "Vande Mataram"
Currency   (Indian rupee)
Calendar   Saka
Animal

    Bengal tiger
    River dolphin
    Indian peafowl

Flower   Lotus
Fruit   Mango
Tree   Banyan
River   Ganges
Game Not declared

The Government of India comprises three branches:

    Executive: The President of India is the ceremonial head of state, who is elected indirectly for a five-year term by an electoral college comprising members of national and state legislatures. The Prime Minister of India is the head of government and exercises most executive power. Appointed by the president, the prime minister is by convention supported by the party or political alliance having a majority of seats in the lower house of parliament. The executive of the Indian government consists of the president, the vice president, and the Union Council of Ministers—with the cabinet being its executive committee—headed by the prime minister. Any minister holding a portfolio must be a member of one of the houses of parliament. In the Indian parliamentary system, the executive is

subordinate to the legislature; the prime minister and their council are directly responsible to the lower house of the parliament. Civil servants act as permanent executives and all decisions of the executive are implemented by them.

Legislature: The legislature of India is the bicameral parliament. Operating under a Westminster-style parliamentary system, it comprises an upper house called the Rajya Sabha (Council of States) and a lower house called the Lok Sabha (House of the People). The Rajya Sabha is a permanent body of 245 members who serve staggered six-year terms. Most are elected indirectly by the state and union territorial legislatures in numbers proportional to their state's share of the national population. All but two of the Lok Sabha's 545 members are elected directly by popular vote; they represent single-member constituencies for five-year terms. The remaining two members are nominated by the president from among the Anglo-Indian community, in case the president decides they are not adequately represented.

Judiciary: India has a three-tier unitary independent judiciary comprising the supreme court, headed by the Chief Justice of India, 25 high courts, and a large number of trial courts. The supreme court has original jurisdiction over cases involving fundamental rights and over disputes between states and the centre and has appellate jurisdiction over the high courts. It has the power to both strike down union or state laws which contravene the constitution, and invalidate any government action it deems unconstitutional.

Administrative Division

India is a federal union comprising 28 states and 8 union territories. All states, as well as the union territories of Jammu and Kashmir, Puducherry and the National Capital Territory of Delhi, have elected legislatures and governments following the Westminster system of governance. The remaining five union territories are directly ruled by the central government through appointed administrators. In 1956, under the States Reorganisation Act, states were reorganised on a linguistic basis. There are over a quarter of a million local government bodies at city, town, block, district and village levels.

Foreign, economic and strategic relations

Foreign relations of India and Indian Armed Forces

In the 1950s, India strongly supported decolonisation in Africa and Asia and played a leading role in the Non-Aligned Movement. After initially cordial relations with neighbouring China, India went to war with China in 1962, and was widely thought to have been humiliated. India has had tense relations with neighbouring Pakistan; the two nations have gone to war four times: in 1947, 1965, 1971, and 1999. Three of these wars were fought over the disputed territory of Kashmir, while the fourth, the 1971 war, followed from India's support for the independence of Bangladesh. In the late 1980s, the Indian military twice intervened abroad at the invitation of the host country: a peace-keeping operation

in Sri Lanka between 1987 and 1990; and an armed intervention to prevent a 1988 coup d'état attempt in the Maldives. After the 1965 war with Pakistan, India began to pursue close military and economic ties with the Soviet Union; by the late 1960s, the Soviet Union was its largest arms supplier.

Aside from ongoing its special relationship with Russia, India has wide-ranging defence relations with Israel and France. In recent years, it has played key roles in the South Asian Association for Regional Cooperation and the World Trade Organization. The nation has provided 100,000 military and police personnel to serve in 35 UN peacekeeping operations across four continents. It participates in the East Asia Summit, the G8+5, and other multilateral forums. India has close economic ties with South America, Asia, and Africa; it pursues a "Look East" policy that seeks to strengthen partnerships with the ASEAN nations, Japan, and South Korea that revolve around many issues, but especially those involving economic investment and regional security.
The Indian Air Force contingent marching at the 221st Bastille Day military parade in Paris, on 14 July 2009. The parade at which India was the foreign guest was led by the India's oldest regiment, the Maratha Light Infantry, founded in 1768.

China's nuclear test of 1964, as well as its repeated threats to intervene in support of Pakistan in the 1965 war, convinced India to develop nuclear weapons. India conducted its first nuclear weapons test in 1974 and carried out additional underground testing in 1998. Despite criticism and military sanctions, India has signed neither the Comprehensive Nuclear-Test-Ban Treaty nor the Nuclear Non-Proliferation Treaty, considering both to be flawed and discriminatory. India maintains a "no first use" nuclear policy and is developing a nuclear triad capability as a part of its "Minimum Credible Deterrence" doctrine. It is developing a ballistic missile defence shield and, a fifth-generation fighter jet. Other indigenous military projects involve the design and implementation of Vikrant-class aircraft carriers and Arihant-class nuclear submarines.

Since the end of the Cold War, India has increased its economic, strategic, and military co-operation with the United States and the European Union. In 2008, a civilian nuclear agreement was signed between India and the United States. Although India possessed nuclear weapons at the time and was not a party to the Nuclear Non-Proliferation Treaty, it received waivers from the International Atomic Energy Agency and the Nuclear Suppliers Group, ending earlier restrictions on India's nuclear technology and commerce. As a consequence, India became the sixth de facto nuclear weapons state. India subsequently signed co-operation agreements involving civilian nuclear energy with Russia, France, the United Kingdom, and Canada.

The President of India is the supreme commander of the nation's armed forces; with 1.395 million active troops, they compose the world's second-largest military. It comprises the Indian Army, the Indian Navy, the Indian Air Force, and the

Indian Coast Guard. The official Indian defence budget for 2011 was US$36.03 billion, or 1.83% of GDP. For the fiscal year spanning 2012–2013, US$40.44 billion was budgeted. According to a 2008 Stockholm International Peace Research Institute (SIPRI) report, India's annual military expenditure in terms of purchasing power stood at US$72.7 billion. In 2011, the annual defence budget increased by 11.6%, although this does not include funds that reach the military through other branches of government. As of 2012, India is the world's largest arms importer; between 2007 and 2011, it accounted for 10% of funds spent on international arms purchases. Much of the military expenditure was focused on defence against Pakistan and countering growing Chinese influence in the Indian Ocean. In May 2017, the Indian Space Research Organisation launched the South Asia Satellite, a gift from India to its neighbouring SAARC countries.In October 2018, India signed a US$5.43 billion (over ₹400 billion) agreement with Russia to procure four S-400 Triumf surface-to-air missile defence systems, Russia's most advanced long-range missile defence system.

Economy of India

Women tend to a recently planted rice field in Junagadh district in Gujarat. 57% of India's female workforce was employed in agriculture in 2018. (c) India is the world's largest producer of milk, with the largest population of cattle. In 2018, nearly 80% of India's milk was sourced from small farms with herd size between one and two, the milk harvested by hand milking.

According to the International Monetary Fund (IMF), the Indian economy in 2019 was nominally worth $2.9 trillion; it is the fifth-largest economy by market exchange rates, and is around $11 trillion, the third-largest by purchasing power parity, or PPP. With its average annual GDP growth rate of 5.8% over the past two decades, and reaching 6.1% during 2011–2012, India is one of the world's fastest-growing economies.[284] However, the country ranks 139th in the world in nominal GDP per capita and 118th in GDP per capita at PPP. Until 1991, all Indian governments followed protectionist policies that were influenced by socialist economics. Widespread state intervention and regulation largely walled the economy off from the outside world. An acute balance of payments crisis in 1991 forced the nation to liberalise its economy; since then it has moved slowly towards a free-market system by emphasising both foreign trade and direct investment inflows. India has been a member of WTO since 1 January 1995.

The 513.7-million-worker Indian labour force is the world's second-largest, as of 2016. The service sector makes up 55.6% of GDP, the industrial sector 26.3% and the agricultural sector 18.1%. India's foreign exchange remittances of US$70 billion in 2014, the largest in the world, were contributed to its economy by 25 million Indians working in foreign countries. Major agricultural products include: rice, wheat, oilseed, cotton, jute, tea, sugarcane, and potatoes. Major industries include: textiles, telecommunications, chemicals, pharmaceuticals,

biotechnology, food processing, steel, transport equipment, cement, mining, petroleum, machinery, and software. In 2006, the share of external trade in India's GDP stood at 24%, up from 6% in 1985. In 2008, India's share of world trade was 1.68%; In 2011, India was the world's tenth-largest importer and the nineteenth-largest exporter.Major exports include: petroleum products, textile goods, jewellery, software, engineering goods, chemicals, and manufactured leather goods. Major imports include: crude oil, machinery, gems, fertiliser, and chemicals. Between 2001 and 2011, the contribution of petrochemical and engineering goods to total exports grew from 14% to 42%. India was the world's second largest textile exporter after China in the 2013 calendar year.

Averaging an economic growth rate of 7.5% for several years prior to 2007, India has more than doubled its hourly wage rates during the first decade of the 21st century. Some 431 million Indians have left poverty since 1985; India's middle classes are projected to number around 580 million by 2030.Though ranking 51st in global competitiveness, as of 2010, India ranks 17th in financial market sophistication, 24th in the banking sector, 44th in business sophistication, and 39th in innovation, ahead of several advanced economies. With seven of the world's top 15 information technology outsourcing companies based in India, as of 2009, the country is viewed as the second-most favourable outsourcing destination after the United States. India's consumer market, the world's eleventh-largest, is expected to become fifth-largest by 2030.

Driven by growth, India's nominal GDP per capita increased steadily from US$329 in 1991, when economic liberalisation began, to US$1,265 in 2010, to an estimated US$1,723 in 2016. It is expected to grow to US$2,358 by 2020. However, it has remained lower than those of other Asian developing countries like Indonesia, Malaysia, Philippines, Sri Lanka, and Thailand, and is expected to remain so in the near future. Its GDP per capita is higher than Bangladesh, Pakistan, Nepal, Afghanistan and others.

A panorama of Bangalore, the centre of India's software development economy. In the 1980s, when the first multinational corporations began to set up centres in India, they chose Bangalore because of the large pool of skilled graduates in the area, in turn due to the many science and engineering colleges in the surrounding region.

According to a 2011 PricewaterhouseCoopers (PwC) report, India's GDP at purchasing power parity could overtake that of the United States by 2045. During the next four decades, Indian GDP is expected to grow at an annualised average of 8%, making it potentially the world's fastest-growing major economy until 2050. The report highlights key growth factors: a young and rapidly growing working-age population; growth in the manufacturing sector because of rising education and engineering skill levels; and sustained growth of the consumer market driven by a rapidly growing middle-class. The World Bank cautions that, for India to achieve its economic potential, it must continue to focus on public sector reform,

transport infrastructure, agricultural and rural development, removal of labour regulations, education, energy security, and public health and nutrition.

According to the Worldwide Cost of Living Report 2017 released by the Economist Intelligence Unit (EIU) which was created by comparing more than 400 individual prices across 160 products and services, four of the cheapest cities were in India: Bangalore (3rd), Mumbai (5th), Chennai (5th) and New Delhi (8th).

Industries

A tea garden in Sikkim. India, the world's second largest-producer of tea, is a nation of one billion tea drinkers, who consume 70% of India's tea output.

India's telecommunication industry, the world's fastest-growing, added 227 million subscribers during the period 2010–2011, and after the third quarter of 2017, India surpassed the US to become the second largest smartphone market in the world after China.

The Indian automotive industry, the world's second-fastest growing, increased domestic sales by 26% during 2009–2010,and exports by 36% during 2008–2009. India's capacity to generate electrical power is 300 gigawatts, of which 42 gigawatts is renewable. At the end of 2011, the Indian IT industry employed 2.8 million professionals, generated revenues close to US$100 billion equalling 7.5% of Indian GDP, and contributed 26% of India's merchandise exports.

The pharmaceutical industry in India is among the significant emerging markets for the global pharmaceutical industry. The Indian pharmaceutical market is expected to reach $48.5 billion by 2020. India's R & D spending constitutes 60% of the biopharmaceutical industry. India is among the top 12 biotech destinations in the world. The Indian biotech industry grew by 15.1% in 2012–2013, increasing its revenues from ₹204.4 billion (Indian rupees) to ₹235.24 billion (US$3.94 billion at June 2013 exchange rates).

Socio-economic challenges

Female health workers about to begin another day of immunisation against infectious diseases in 2006. Eight years later, and three years after India's last case of polio, the World Health Organization on 11 February 2014 declared India to be polio-free.

Despite economic growth during recent decades, India continues to face socio-economic challenges. In 2006, India contained the largest number of people living below the World Bank's international poverty line of US$1.25 per day. The proportion decreased from 60% in 1981 to 42% in 2005. Under the World Bank's later revised poverty line, it was 21% in 2011. 30.7% of India's children under the

age of five are underweight. According to a Food and Agriculture Organization report in 2015, 15% of the population is undernourished. The Mid-Day Meal Scheme attempts to lower these rates.

According to a 2016 Walk Free Foundation report there were an estimated 18.3 million people in India, or 1.4% of the population, living in the forms of modern slavery, such as bonded labour, child labour, human trafficking, and forced begging, among others. According to the 2011 census, there were 10.1 million child labourers in the country, a decline of 2.6 million from 12.6 million in 2001.

Since 1991, economic inequality between India's states has consistently grown: the per-capita net state domestic product of the richest states in 2007 was 3.2 times that of the poorest. Corruption in India is perceived to have decreased. According to the Corruption Perceptions Index, India ranked 78th out of 180 countries in 2018 with a score of 41 out of 100, an improvement from 85th in 2014.

Demographics, languages, and religion

Demographics of India, Languages of India, and Religion in India
India by population density, religion, language
The population density of India by natural divisions, based on the Indian census of 1901
Population density of India by each state, based on the Indian census of 2011
The prevailing religions of South Asia based on district-wise majorities in the 1901 census

The language families of South Asia

With 1,210,193,422 residents reported in the 2011 provisional census report, India is the world's second-most populous country. Its population grew by 17.64% from 2001 to 2011, compared to 21.54% growth in the previous decade (1991–2001). The human sex ratio, according to the 2011 census, is 940 females per 1,000 males. The median age was 27.6 as of 2016. The first post-colonial census, conducted in 1951, counted 361 million people. Medical advances made in the last 50 years as well as increased agricultural productivity brought about by the "Green Revolution" have caused India's population to grow rapidly.

The average life expectancy in India is at 68 years—69.6 years for women, 67.3 years for men. There are around 50 physicians per 100,000 Indians. Migration from rural to urban areas has been an important dynamic in India's recent history. The number of people living in urban areas grew by 31.2% between 1991 and 2001. Yet, in 2001, over 70% still lived in rural areas. The level of urbanisation increased further from 27.81% in the 2001 Census to 31.16% in the 2011 Census. The slowing down of the overall population growth rate was due to the sharp decline in the growth rate in rural areas since 1991. According to the 2011

census, there are 53 million-plus urban agglomerations in India; among them Mumbai, Delhi, Kolkata, Chennai, Bangalore, Hyderabad and Ahmedabad, in decreasing order by population. The literacy rate in 2011 was 74.04%: 65.46% among females and 82.14% among males.[343] The rural-urban literacy gap, which was 21.2 percentage points in 2001, dropped to 16.1 percentage points in 2011. The improvement in the rural literacy rate is twice that of urban areas. Kerala is the most literate state with 93.91% literacy; while Bihar the least with 63.82%.

The interior of San Thome Basilica, Chennai, Tamil Nadu. Christianity is believed to have been introduced to India by the late 2nd century by Syriac-speaking Christians.

India is home to two major language families: Indo-Aryan (spoken by about 74% of the population) and Dravidian (spoken by 24% of the population). Other languages spoken in India come from the Austroasiatic and Sino-Tibetan language families. India has no national language. Hindi, with the largest number of speakers, is the official language of the government. English is used extensively in business and administration and has the status of a "subsidiary official language"; it is important in education, especially as a medium of higher education. Each state and union territory has one or more official languages, and the constitution recognises in particular 22 "scheduled languages".

The 2011 census reported the religion in India with the largest number of followers was Hinduism (79.80% of the population), followed by Islam (14.23%); the remaining were Christianity (2.30%), Sikhism (1.72%), Buddhism (0.70%), Jainism (0.36%) and others[m] (0.9%). India has the world's largest Hindu, Sikh, Jain, Zoroastrian, and Bahá'í populations, and has the third-largest Muslim population—the largest for a non-Muslim majority country.

Culture of India

Indian cultural history spans more than 4,500 years. During the Vedic period (c. 1700 – c. 500 BCE), the foundations of Hindu philosophy, mythology, theology and literature were laid, and many beliefs and practices which still exist today, such as dhárma, kárma, yóga, and mokṣa, were established.[62] India is notable for its religious diversity, with Hinduism, Buddhism, Sikhism, Islam, Christianity, and Jainism among the nation's major religions. The predominant religion, Hinduism, has been shaped by various historical schools of thought, including those of the Upanishads, the Yoga Sutras, the Bhakti movement,and by Buddhist philosophy.

Architecture of India and Indian literature

Much of Indian architecture, including the Taj Mahal, other works of Mughal architecture, and South Indian architecture, blends ancient local traditions with imported styles. Vernacular architecture is also regional in its flavours. Vastu shastra, literally "science of construction" or "architecture" and ascribed to Mamuni Mayan, explores how the laws of nature affect human dwellings;[355] it employs precise geometry and directional alignments to reflect perceived cosmic constructs. As applied in Hindu temple architecture, it is influenced by the Shilpa Shastras, a series of foundational texts whose basic mythological form is the Vastu-Purusha mandala, a square that embodied the "absolute".The Taj Mahal, built in Agra between 1631 and 1648 by orders of Emperor Shah Jahan in memory of his wife, has been described in the UNESCO World Heritage List as "the jewel of Muslim art in India and one of the universally admired masterpieces of the world's heritage". Indo-Saracenic Revival architecture, developed by the British in the late 19th century, drew on Indo-Islamic architecture.

The earliest literature in India, composed between 1500 BCE and 1200 CE, was in the Sanskrit language. Major works of Sanskrit literature include the Rigveda (c. 1500 BCE – 1200 BCE), the epics: Mahābhārata (c. 400 BCE – 400 CE) and the Ramayana (c. 300 BCE and later); Abhijñānaśākuntalam (The Recognition of Śakuntalā, and other dramas of Kālidāsa (c. 5th century CE) and Mahākāvya poetry. In Tamil literature, the Sangam literature (c. 600 BCE – 300 BCE) consisting of 2,381 poems, composed by 473 poets, is the earliest work. From the 14th to the 18th centuries, India's literary traditions went through a period of drastic change because of the emergence of devotional poets like Kabīr, Tulsīdās, and Guru Nānak. This period was characterised by a varied and wide spectrum of thought and expression; as a consequence, medieval Indian literary works differed significantly from classical traditions.In the 19th century, Indian writers took a new interest in social questions and psychological descriptions. In the 20th century, Indian literature was influenced by the works of the Bengali poet and novelist Rabindranath Tagore,[369] who was a recipient of the Nobel

Prize in Literature.

Performing arts and media

Indian music ranges over various traditions and regional styles. Classical music encompasses two genres and their various folk offshoots: the northern Hindustani and southern Carnatic schools. Regionalised popular forms include filmi and folk music; the syncretic tradition of the bauls is a well-known form of the latter. Indian dance also features diverse folk and classical forms. Among the better-known folk dances are: the bhangra of Punjab, the bihu of Assam, the Jhumair and chhau of Jharkhand, Odisha and West Bengal, garba and dandiya of Gujarat, ghoomar of Rajasthan, and the lavani of Maharashtra. Eight dance forms, many with narrative forms and mythological elements, have been accorded classical dance status by India's National Academy of Music, Dance, and Drama. These are: bharatanatyam of the state of Tamil Nadu, kathak of

Uttar Pradesh, kathakali and mohiniyattam of Kerala, kuchipudi of Andhra Pradesh, manipuri of Manipur, odissi of Odisha, and the sattriya of Assam. Theatre in India melds music, dance, and improvised or written dialogue. Often based on Hindu mythology, but also borrowing from medieval romances or social and political events, Indian theatre includes: the bhavai of Gujarat, the jatra of West Bengal, the nautanki and ramlila of North India, tamasha of Maharashtra, burrakatha of Andhra Pradesh, terukkuttu of Tamil Nadu, and the yakshagana of Karnataka. India has a theatre training institute the National School of Drama (NSD) that is situated at New Delhi It is an autonomous organisation under the Ministry of Culture, Government of India. The Indian film industry produces the world's most-watched cinema. Established regional cinematic traditions exist in the Assamese, Bengali, Bhojpuri, Hindi, Kannada, Malayalam, Punjabi, Gujarati, Marathi, Odia, Tamil, and Telugu languages. The Hindi language film industry (Bollywood) is the largest sector representing 43% of box office revenue, followed by the South Indian Telugu and Tamil film industries which represent 36% combined.

Television broadcasting began in India in 1959 as a state-run medium of communication and expanded slowly for more than two decades. The state monopoly on television broadcast ended in the 1990s. Since then, satellite channels have increasingly shaped the popular culture of Indian society.[380] Today, television is the most penetrative media in India; industry estimates indicate that as of 2012 there are over 554 million TV consumers, 462 million with satellite or cable connections compared to other forms of mass media such as the press (350 million), radio (156 million) or internet (37 million).

Society

Traditional Indian society is sometimes defined by social hierarchy. The Indian caste system embodies much of the social stratification and many of the social restrictions found in the Indian subcontinent. Social classes are defined by thousands of endogamous hereditary groups, often termed as jātis, or "castes". India declared untouchability to be illegal in 1947 and has since enacted other anti-discriminatory laws and social welfare initiatives. At the workplace in urban India, and in international or leading Indian companies, caste-related identification has pretty much lost its importance.

Family values are important in the Indian tradition, and multi-generational patriarchal joint families have been the norm in India, though nuclear families are becoming common in urban areas. An overwhelming majority of Indians, with their consent, have their marriages arranged by their parents or other family elders. Marriage is thought to be for life, and the divorce rate is extremely low, with less than one in a thousand marriages ending in divorce. Child marriages are common, especially in rural areas; many women wed before reaching 18, which is their legal marriageable age. Female infanticide in India, and lately female foeticide, have created skewed gender ratios; the number of missing

women in the country quadrupled from 15 million to 63 million in the 50-year period ending in 2014, faster than the population growth during the same period, and constituting 20 percent of India's female electorate. Accord to an Indian government study, an additional 21 million girls are unwanted and do not receive adequate care. Despite a government ban on sex-selective foeticide, the practice remains commonplace in India, the result of a preference for boys in a patriarchal society. The payment of dowry, although illegal, remains widespread across class lines. Deaths resulting from dowry, mostly from bride burning, are on the rise, despite stringent anti-dowry laws.

Many Indian festivals are religious in origin. The best known include: Diwali, Ganesh Chaturthi, Thai Pongal, Holi, Durga Puja, Eid ul-Fitr, Bakr-Id, Christmas, and Vaisakhi.

Clothing in India

The most widely worn traditional dress in India, for both women and men, from ancient times until the advent of modern times, was draped. For women it eventually took the form of a sari, a single long piece of cloth, famously six yards long, and of width spanning the lower body. The sari is tied around the waist and knotted at one end, wrapped around the lower body, and then over the shoulder. In its more modern form, it has been used to cover the head, and sometimes the face, as a veil. It has been combined with an underskirt, or Indian petticoat, and tucked in the waist band for more secure fastening, It is also commonly worn with an Indian blouse, or choli, which serves as the primary upper-body garment, the sari's end, passing over the shoulder, now serving to obscure the upper body's contours, and to cover the midriff.

For men, a similar but shorter length of cloth, the dhoti, has served as a lower-body garment. It too is tied around the waist and wrapped. In south India, it is usually wrapped around the lower body, the upper end tucked in the waistband, the lower left free. In addition, in northern India, it is also wrapped once around each leg before being brought up through the legs to be tucked in at the back. Other forms of traditional apparel that involve no stitching or tailoring are the chaddar (a shawl worn by both sexes to cover the upper body during colder weather, or a large veil worn by women for framing the head, or covering it) and the pagri (a turban or a scarf worn around the head as a part of a tradition, or to keep off the sun or the cold).

Until the beginning of the first millennium CE, the ordinary dress of people in India was entirely unstitched. The arrival of the Kushans from Central Asia, circa 48 CE, popularised cut and sewn garments in the style of Central Asian favoured by the elite in northern India. However, it was not until Muslim rule was established, first with the Delhi sultanate and then the Mughal Empire, that the range of stitched clothes in India grew and their use became significantly more

widespread. Among the various garments gradually establishing themselves in northern India during medieval and early-modern times and now commonly worn are: the shalwars and pyjamas both forms of trousers, as well as the tunics kurta and kameez.[400] In southern India, however, the traditional draped garments were to see much longer continuous use.

Shalwars are atypically wide at the waist but narrow to a cuffed bottom. They are held up by a drawstring or elastic belt, which causes them to become pleated around the waist. The pants can be wide and baggy, or they can be cut quite narrow, on the bias, in which case they are called churidars. The kameez is a long shirt or tunic. The side seams are left open below the waist-line, which gives the wearer greater freedom of movement. The kameez is usually cut straight and flat; older kameez use traditional cuts; modern kameez are more likely to have European-inspired set-in sleeves. The kameez may have a European-style collar, a Mandarin-collar, or it may be collarless; in the latter case, its design as a women's garment is similar to a kurta. At first worn by Muslim women, the use of shalwar kameez gradually spread, making them a regional style,especially in the Punjab region.

A kurta, which traces its roots to Central Asian nomadic tunics, has evolved stylistically in India as a garment for everyday wear as well as for formal occasions. It is traditionally made of cotton or silk; it is worn plain or with embroidered decoration, such as chikan; and it can be loose or tight in the torso, typically falling either just above or somewhere below the wearer's knees.The sleeves of a traditional kurta fall to the wrist without narrowing, the ends hemmed but not cuffed; the kurta can be worn by both men and women; it is traditionally collarless, though standing collars are increasingly popular; and it can be worn over ordinary pyjamas, loose shalwars, churidars, or less traditionally over jeans.

In the last 50 years, fashions have changed a great deal in India. Increasingly, in urban settings in northern India, the sari is no longer the apparel of everyday wear, transformed instead into one for formal occasions. The traditional shalwar kameez is rarely worn by younger women, who favour churidars or jeans. The kurtas worn by young men usually fall to the shins and are seldom plain. In white-collar office settings, ubiquitous air conditioning allows men to wear sports jackets year-round. For weddings and formal occasions, men in the middle- and upper classes often wear bandgala, or short Nehru jackets, with pants, with the groom and his groomsmen sporting sherwanis and churidars. The dhoti, the once universal garment of Hindu India, the wearing of which in the homespun and handwoven form of khadi allowed Gandhi to bring Indian nationalism to the millions, is seldom seen in the cities, reduced now, with brocaded border, to the liturgical vestments of Hindu priests.

Cuisine

Indian cuisine

Indian cuisine consists of a wide variety of regional and traditional cuisines. Given the range of diversity in soil type, climate, culture, ethnic groups, and occupations, these cuisines vary substantially from each other, using locally available spices, herbs, vegetables, and fruit. Indian foodways have been influenced by religion, in particular Hindu cultural choices and traditions.They have been also shaped by Islamic rule, particularly that of the Mughals, by the arrival of the Portuguese on India's southwestern shores, and by British rule. These three influences are reflected, respectively, in the dishes of pilaf and biryani; the vindaloo; and the tiffin and the Railway mutton curry. Earlier, the Columbian exchange had brought the potato, the tomato, maize, peanuts, cashew nuts, pineapples, guavas, and most notably, chilli peppers, to India. Each became staples of use. In turn, the spice trade between India and Europe was a catalyst for Europe's Age of Discovery.

The cereals grown in India, their choice, times, and regions of planting, correspond strongly to the timing of India's monsoons, and the variation across regions in their associated rainfall. In general, the broad division of cereal zones in India, as determined by their dependence on rain, was firmly in place before the arrival of artificial irrigation. Rice, which requires a lot of water, has been grown traditionally in regions of high rainfall in the northeast and the western coast, wheat in regions of moderate rainfall, like India's northern plains, and millet in regions of low rainfall, such as on the Deccan Plateau and in Rajasthan.

The foundation of a typical Indian meal is a cereal cooked in plain fashion, and complemented with flavourful savoury dishes. The latter includes lentils, pulses and vegetables spiced commonly with ginger and garlic, but also more discerningly with a combination of spices that may include coriander, cumin, turmeric, cinnamon, cardamon and others as informed by culinary conventions. In an actual meal, this mental representation takes the form of a platter, or thali, with a central place for the cooked cereal, peripheral ones, often in small bowls, for the flavourful accompaniments, and the simultaneous, rather than piecemeal, ingestion of the two in each act of eating, whether by actual mixing—for example of rice and lentils—or in the folding of one—such as bread—around the other, such as cooked vegetables.

A notable feature of Indian food is the existence of a number of distinctive vegetarian cuisines, each a feature of the geographical and cultural histories of its adherents. The appearance of ahimsa, or the avoidance of violence toward all forms of life in many religious orders early in Indian history, especially Upanishadic Hinduism, Buddhism and Jainism, is thought to have been a notable factor in the prevalence of vegetarianism among a segment of India's Hindu population, especially in southern India, Gujarat, and the Hindi-speaking belt of north-central India, as well as among Jains. Among these groups, strong

discomfort is felt at thoughts of eating meat, and contributes to the low proportional consumption of meat to overall diet in India. Unlike China, which has increased its per capita meat consumption substantially in its years of increased economic growth, in India the strong dietary traditions have contributed to dairy, rather than meat, becoming the preferred form of animal protein consumption accompanying higher economic growth.

In the last millennium, the most significant import of cooking techniques into India occurred during the Mughal Empire. The cultivation of rice had spread much earlier from India to Central and West Asia; however, it was during Mughal rule that dishes, such as the pilaf, developed in the interim during the Abbasid caliphate, and cooking techniques such as the marinating of meat in yogurt, spread into northern India from regions to its northwest. To the simple yogurt marinade of Persia, onions, garlic, almonds, and spices began to be added in India. Rice grown to the southwest of the Mughal capital, Agra, which had become famous in the Islamic world for its fine grain, was partially cooked and layered alternately with the sauteed meat, the pot sealed tightly, and slow cooked according to another Persian cooking technique, to produce what has today become the Indian biryani, a feature of festive dining in many parts of India. In food served in restaurants in urban north India, and internationally, the diversity of Indian food has been partially concealed by the dominance of Punjabi cuisine. This was caused in large part by an entrepreneurial response among people from the Punjab region who had been displaced by the 1947 partition of India, and had arrived in India as refugees. The identification of Indian cuisine with the tandoori chicken—cooked in the tandoor oven, which had traditionally been used for baking bread in the rural Punjab and the Delhi region, especially among Muslims, but which is originally from Central Asia—dates to this period.

Sports and recreation

In India, several traditional indigenous sports remain fairly popular, such as kabaddi, kho kho, pehlwani and gilli-danda. Some of the earliest forms of Asian martial arts, such as kalarippayattu, musti yuddha, silambam, and marma adi, originated in India. Chess, commonly held to have originated in India as chaturaṅga, is regaining widespread popularity with the rise in the number of Indian grandmasters, Pachisi, from which parcheesi derives, was played on a giant marble court by Akbar.

The improved results garnered by the Indian Davis Cup team and other Indian tennis players in the early 2010s have made tennis increasingly popular in the country. India has a comparatively strong presence in shooting sports, and has won several medals at the Olympics, the World Shooting Championships, and the Commonwealth Games.] Other sports in which Indians have succeeded internationally include badminton (Saina Nehwal and P V Sindhu are two of the top-ranked female badminton players in the world), boxing, and wrestling.

Football is popular in West Bengal, Goa, Tamil Nadu, Kerala, and the north-eastern states.

Girls play hopscotch in Juara, Madhya Pradesh. Hopscotch has been commonly played by girls in rural India.

Cricket is the most popular sport in India. Major domestic competitions include the Indian Premier League, which is the most-watched cricket league in the world and ranks sixth among all sports leagues.

India has hosted or co-hosted several international sporting events: the 1951 and 1982 Asian Games; the 1987, 1996, and 2011 Cricket World Cup tournaments; the 2003 Afro-Asian Games; the 2006 ICC Champions Trophy; the 2010 Hockey World Cup; the 2010 Commonwealth Games; and the 2017 FIFA U-17 World Cup. Major international sporting events held annually in India include the Chennai Open, the Mumbai Marathon, the Delhi Half Marathon, and the Indian Masters. The first Formula 1 Indian Grand Prix featured in late 2011 but has been discontinued from the F1 season calendar since 2014. India has traditionally been the dominant country at the South Asian Games. An example of this dominance is the basketball competition where the Indian team won three out of four tournaments to date.

4. Landmarks in Indian Freedom Movement (history, reforms, refer series-Bharat Ek Khoj by Shyam Benegal)

The Indian Independence Movement was a series of activities with the ultimate aim of ending the British rule in India. The movement spanned from 1612 to 1947.

The first nationalistic revolutionary movement for Indian independence emerged from Bengal. It later took root in the newly formed Indian National Congress with prominent moderate leaders seeking only their fundamental right to appear for Indian Civil Service examinations in British India, as well as more rights (economical in nature), for the people of the soil. The early part of the 20th century saw a more radical approach towards political self-rule proposed by leaders such as the Lal, Bal, Pal triumvirate, and Aurobindo Ghosh, V. O. Chidambaram Pillai.

The last stages of the self-rule struggle from the 1920s was characterized by Congress's adoption of Mohandas Karamchand Gandhi's policy of non-violence and civil disobedience, and several other campaigns. Nationalists like Subhash Chandra Bose, Bhagat Singh, Bagha Jatin, Surya Sen preached armed revolution to achieve self-rule. Poets and writers such as Vinayak Damodar Savarkar, Subramania Bharati, Rabindranath Tagore, Bankim Chandra Chattopadhyay and Kazi Nazrul Islam used literature, poetry, and speech as a tool for political awareness. Feminists like Sarojini Naidu promoted the emancipation of Indian women and their participation in national politics. B. R.

Ambedkar championed the cause of the disadvantaged sections of Indian society within the more significant self-rule movement. The period of the World War II saw the peak of the campaigns by the Quit India Movement led by Congress and the Indian National Army movement led by Subhash Chandra Bose with the help of Japan.

The Indian self-rule movement was a mass-based movement that encompassed various sections of society. It also underwent a process of constant ideological evolution. Although the underlying ideology of the campaign was anti-colonial, it was supported by a vision of independent capitalist economic development coupled with a secular, democratic, republican, and civil-libertarian political structure. After the 1930s, the movement took on a strong socialist orientation. The work of these various movements ultimately led to the Indian Independence Act 1947, which ended the suzerainty in India and the creation of Pakistan. India remained a Dominion of the Crown until 26 January 1950, when the Constitution of India came into force, establishing the Republic of India; Pakistan was a dominion until 1956 when it adopted its first republican constitution. In 1971, East Pakistan declared independence as the People's Republic of Bangladesh.

Bharat Ek Khoj is a 53-episode Indian historical drama based on the book The Discovery of India (1946) by Jawaharlal Nehru that covers a 5,000-year history of India from its beginnings to independence from the British in 1947. The drama was directed, written and produced by Shyam Benegal with cinematographer V. K. Murthy in 1988 for state-owned Doordarshan. Shama Zaidi co-wrote the script. Its cast included Om Puri, Roshan Seth, Tom Alter and Sadashiv Amrapurkar. Jawaharlal Nehru was portrayed by Roshan Seth, the same role he portrayed in the Oscar-winning film Gandhi.

Production designer Nitish Roy with assistants Samir Chanda and Nitin Desai built 144 sets.

Unit-II Indian Economy: Issues and Concerns

1. Nature of Indian Economy (reasons for underdevelopment)

The economy of India is characterised as a developing market economy.It is the world's fifth-largest economy by nominal GDP and the third-largest by purchasing power parity (PPP). According to the IMF, on a per capita income basis, India ranked 139th by GDP (nominal) and 118th by GDP (PPP) in 2018. From independence in 1947 until 1991, successive governments promoted protectionist economic policies with extensive state intervention and regulation; the end of the Cold War and an acute balance of payments crisis in 1991 led to the adoption of a broad program of economic liberalisation. Since the start of the 21st century, annual average GDP growth has been 6% to 7%,and from 2014 to 2018, India was the world's fastest growing major economy, surpassing China.

Historically, India was the largest economy in the world for most of the two millennia from the 1st until 19th century.

The long-term growth perspective of the Indian economy remains positive due to its young population and corresponding low dependency ratio, healthy savings and investment rates, and is increasing integration into the global economy. The economy slowed in 2017, due to shocks of "demonetisation" in 2016 and introduction of Goods and Services Tax in 2017. Nearly 60% of India's GDP is driven by domestic private consumption and continues to remain the world's sixth-largest consumer market. Apart from private consumption, India's GDP is also fueled by government spending, investment, and exports. In 2018, India was the world's tenth-largest importer and the nineteenth-largest exporter. India has been a member of World Trade Organization since 1 January 1995. It ranks 63rd on Ease of doing business index and 68th on Global Competitiveness Report. With 520-million-workers, the Indian labour force is the world's second-largest as of 2019. India has one of the world's highest number of billionaires and extreme income inequality. Since India has a vast informal economy, barely 2% of Indians pay income taxes. During the 2008 global financial crisis the economy faced mild slowdown, India undertook stimulus measures (both fiscal and monetary) to boost growth and generate demand; in subsequent years economic growth revived. According to 2017 PricewaterhouseCoopers (PwC) report, India's GDP at purchasing power parity could overtake that of the United States by 2050. According to World Bank, to achieve sustainable economic development India must focus on public sector reform, infrastructure, agricultural and rural development, removal of land and labour regulations, financial inclusion, spur private investment and exports, education and public health.

In 2019, India's ten largest trading partners were USA, China, UAE, Saudi Arabia, Hong Kong, Iraq, Singapore, Germany, South Korea and Switzerland. In 2018–19, the foreign direct investment (FDI) in India was $64.4 billion with service sector, computer, and telecom industry remains leading sectors for FDI inflows. India has free trade agreements with several nations, including ASEAN, SAFTA, Mercosur, South Korea, Japan and few others which are in effect or under negotiating stage. The service sector makes up 55.6% of GDP and remains the fastest growing sector, while the industrial sector and the agricultural sector employs majority of the labor force. The Bombay Stock Exchange and National Stock Exchange are one of the world's largest stock exchanges by market capitalization. India is the world's sixth-largest manufacturer, representing 3% of global manufacturing output and employs over 57 million people. Nearly 66% of India's population is rural whose primary source of livelihood is agriculture, and contributes about 50% of India's GDP. It has the world's fifth-largest foreign-exchange reserves worth ₹38,832.21 billion (US$540 billion). India has a high national debt with 68% of GDP, while its fiscal deficit remained at 3.4% of GDP. However, as per 2019 CAG report, the actual fiscal deficit is 5.85% of GDP.India's government-owned banks faced mounting bad debt, resulting in low credit growth,[9] simultaneously the NBFC sector has been

engulfed in a liquidity crisis. India faces high unemployment, rising income inequality, and major slump in aggregate demand. In recent years, independent economists and financial institutions have accused the government of fudging various economic data, especially GDP growth.

India ranks second globally in food and agricultural production, while agricultural exports were $38.5 billion. The construction and real estate sector is the second largest employer after agriculture, and a vital sector to gauge economic activity.The Indian textiles industry is estimated at $150 billion and contributes 7% of industrial output and 2% of India's GDP while employs over 45 million people directly. The Indian IT industry is a major exporter of IT services with $180 billion in revenue and employs over four million people. India's telecommunication industry is the world's second largest by number of mobile phone, smartphone, and internet users. It is the world's tenth-largest oil producer and the third-largest oil consumer. The Indian automobile industry is the world's fourth largest by production.[88][89] It has $672 billion worth of retail market which contributes over 10% of India's GDP and has one of world's fastest growing e-commerce markets.[90] India has the world's fourth-largest natural resources, with mining sector contributes 11% of the country's industrial GDP and 2.5% of total GDP. It is also the world's second-largest coal producer, the second-largest cement producer, the second-largest steel producer, and the third-largest electricity producer.

Causes of Underdevelopment
Unemployment; Poverty; child marriage; Injustice; High population growth rate; illiteracy; Corruption; High Dependence on Agriculture; Economic inequality; Corruption; Lack of structural, institutional and technical change.
India though has made progress since Independence, but the country's economy is still characterized with low per capita income when compared to many other countries of world like Japan and USA; Low standard of living; income inequality; excessive dependence of agriculture; lack of industrialization etc..So, India can be called an underdeveloped economy.

2. India's planning for development (5-year plans)

From 1947 to 2017, the Indian economy was premised on the concept of planning. This was carried through the Five-Year Plans, developed, executed, and monitored by the Planning Commission (1951-2014) and the NITI Aayog (2015-2017). With the prime minister as the ex-officio chairman, the commission has a nominated deputy chairman, who holds the rank of a cabinet minister. Montek Singh Ahluwalia is the last deputy chairman of the commission (resigned on 26 May 2014). The Twelfth Plan completed its term in March 2017. Prior to the Fourth Plan, the allocation of state resources was based on schematic patterns rather than a transparent and objective mechanism, which led to the adoption of the Gadgil formula in 1969. Revised versions of the formula have been used since then to determine the allocation of central assistance for state

plans. The new government led by Narendra Modi, elected in 2014, has announced the dissolution of the Planning Commission, and its replacement by a think tank called the NITI Aayog (an acronym for National Institution for Transforming India).

History

Five-Year Plans (FYPs) are centralized and integrated national economic programs. Joseph Stalin implemented the first Five-Year Plan in the Soviet Union in 1928. Most communist states and several capitalist countries subsequently have adopted them. China continues to use FYPs, although China renamed its Eleventh FYP, from 2006 to 2010, a guideline (guihua), rather than a plan (jihua), to signify the central government's more hands-off approach to development. India launched its First FYP in 1951, immediately after independence, under the socialist influence of India's first prime minister, Jawaharlal Nehru.

The First Five-Year Plan was one of the most important, because it had a great role in the launching of Indian development after Independence. Thus, it strongly supported agriculture production and also launched the industrialization of the country (but less than the Second Plan, which focused on heavy industries). It built a particular system of mixed economy, with a great role for the public sector (with an emerging welfare state), as well as a growing private sector (represented by some personalities as those who published the Bombay Plan).

2 First Plan (1951–1956)
3 Second Plan (1956–1961)
4 Third Plan (1961–1966)
5 Plan Holidays (1966–1969)
6 Fourth Plan (1969–1974)
7 Fifth Plan (1974–1978)
8 Rolling Plan (1978–1980)
9 Sixth Plan (1980–1985)
10 Seventh Plan (1985–1990)
11 Annual Plans (1990–1992)
12 Eighth Plan (1992–1997)
13 Ninth Plan (1997–2002)
14 Tenth Plan (2002–2007)
15 Eleventh Plan (2007–2012)
16 Twelfth Plan (2012–2017)

3. Figures Speak: Ground realities of Indian Economy based on HDI

People may find it shocking that India has slipped from the 130th rank to 131st among the 188 countries on the human development index according to the latest UNDP's Human Development Report (2016). Norway has the first

position. Should this surprise us? Yes, because India's latest GDP growth rate is an astounding 7.1 per cent in the last quarter despite the demonetisation woes and its consequent economic disruptions. India is among the fastest growing countries in the world and has climbed up in the Ease of Doing Business Index by four notches in 2016. Clearly something is wrong somewhere. While India is surging ahead in terms of GDP growth, it is faring poorly on the human development front which means that millions of Indians have less healthcare and education than in more advanced countries or even in Emerging Economies like the BRICS where India's rank is the lowest. China's rank is at 90th, Brazil 79th, Russia 49th and South Africa 119th.

Even among SAARC members, India's Human Development Index(HDI) rank is lower than Sri Lanka and Maldives and a little higher than Bhutan, Bangladesh, Pakistan, Afghanistan and Nepal. India, however, has graduated from the low human development category to the medium category. While this is impressive, it cannot compensate for the ignominy of slipping when ranked according to the HDI index, when it is shining otherwise in terms of several business indicators.

Begun in 1990, the HDI, calculated by the UNDP, is an average measure of basic human development achievements of a country. It ranks countries into four tiers of human development on the basis of indicators of life expectancy, education and per capita income. Thus higher life span, level of education and higher GDP per capita results in a country scoring higher HDI.

But HDI masks inequality in the distribution of human development across the population of a country. The loss in human development due to regional inequality is expressed by the difference between the HDI and inequality adjusted HDI or IHDI. As inequality increases, loss to human development also increases. Hence India's HDI score for 2015 is 0.624 but if it accounts for inequality it falls to 0.454, a loss of 27.2 per cent. For medium range HDI countries the average loss due to inequality is 25.7 per cent but for South Asia as a whole it is 27.7 per cent.

In a hugely patriarchal country like India, one cannot expect India to score high on gender equality. India Gender Development Index is not surprisingly lower than the average at 0.810. Switzerland is number 1 with Gender Inequality Index at 0.040. South Asia's gender development index is in any case the lowest in the world. India's maternal mortality ratio remains high 174 per 10,000 live births (2015). Switzerland's IMR is only 5. India's aim was to reach 140, which also was the Millennium Development Goal by 2016. But it couldn't. Women's empowerment in terms of mean number of years of schooling is only 4.8 years compared to 8.2 years for males. Income per capita for females per year was $2184 (in terms of 2011 Purchasing Power Parity) and $ 8897 for males. Labour force participation is at 26.8 per cent only and Parliamentary seats occupied by women only at 12.2 per cent, which is lower than the average for developing countries.

India has shown an improvement in overall life expectancy by 10.4 years between 1990 and 2015 and there has been a modest gain in infant and under 5 mortality rate. But when the public health expenditure is as low at 1.4 per cent of the GDP, it is difficult to achieve the goal towards universal healthcare. The Modi government's new health policy may be able to fill some gaps if the target of increasing expenditure to 2.5 per cent of GDP is achieved. Otherwise, there will be a huge disparity between urban and rural healthcare. Rural India is painfully short of doctors, nurses, medicines and hospitals today and the regional inequality in HDI cannot be mitigated unless attention is paid to cover this shortage fast.

The report does offer kudos to the Indian government's reservation policy for increasing social inclusion. It says that though the programme has not remedied caste based exclusion, it has had positive effects. In 1965, Dalits held fewer than 2 per cent senior service positions but the share went up to 11 per cent by 2011. The report notes that India's social audits, in which mechanisms and implementation problems of social programmes are gathered and then presented for discussion in a public meeting, are helping in bringing about transparency. These have become popular thanks to the work of the Indian grassroots group Mazdoor Kisaan Shakti Sangathana.

The number of poor in India has decreased no doubt, but there are 200 million people or 21.2 per cent living below poverty line defined as people with income below $1.90 per day. The report praises NREG for creating work that can reduce poverty and also build physical assets and infrastructure to protect the poor against shocks. It also praises India's rights based approach to development since 2005 in which progressive acts for the right to socio economic entitlement, including information, work, education, forest conservation, food and public service were introduced. These are designed to introduce innovative governance mechanisms that seek to enhance transparency, responsiveness and accountability of the state.

In the world, there are 1.5 billion people living in multi-dimensional poverty especially in developing countries out of which 54 per cent or 800 million are in South Asia while 34 per cent are in Sub Saharan Africa. Multi dimensional poverty identifies households that are acutely deprived by their health, education and standard of living. India's numbers living in multi-dimensional poverty has been estimated at 55.3 per cent but the data is rather old (2005/2006).

The report praises India for its South-South Cooperation training programme in which 10,000 participants from least developed countries came to share India's expertise in IT, telecom, renewable energy, SMEs, rural development and management in 2014-15.

But without gaining strength in human development, India will remain an unequal society, though the Gini coefficient is at 35.2 per cent which is not as high as

China's 42.2 per cent. Rising inequality and low human development cannot bring about a harmonious and peaceful society where there is 'sab ka vikas' (development of all).

4. Explanation of economic concepts and terminologies

Some of the basic concept of economics are as follows:

Economics Concept # 1. Value:

Ordinarily, the concept of value is related to the concept of utility. Utility is the want satisfying quality of a thing when we use or consume it. Thus utility is the value-in-use of a commodity. For instance, water quenches our thirst. When we use water to quench our thirst, it is the value-in-use of water.

In economics, value means the power that goods and services have to exchange other goods and services, i.e. value-in-exchange. If one pen can be exchanged for two pencils, then the value of one pen is equal to two pencils. For a commodity to have value, it must possess the following three characteristics.

1. Utility:

It should have utility. A rotten egg has no utility because it cannot be exchanged for anything. It possesses no value-in-exchange.

2. Scarcity:

Mere utility does not create value unless it is scarce. A good or service is scarce (limited) in relation to its demand. All economic goods like pen, book, etc. are scarce and have value. But free goods like air do not possess value. Thus goods possessing the quality of scarcity have value.

3. Transferability:

Besides the above two characteristics, a good should be transferable from one place to another or from one person to another. Thus a commodity to have value-in-exchange must possess the qualities of utility, scarcity and transferability.
Basic Concept of Economics # 2. Value and Price:

In common language, the terms 'value' and 'price' are used as synonyms (i.e. the same). But in economics, the meaning of price is different from that of value. Price is value expressed in terms of money. Value is expressed in terms of other goods. If one pen is equal to two pencils and one pen can be had for Rs.10. Then the price of one pen is Rs.10 and the price of one pencil is Rs.5.

Value is a relative concept in comparison to the concept of price. It means that there cannot be a general rise or fall in values, but there can be a general rise or fall in prices. Suppose 1 pen = 2 pencils. If the value of pen increases it means that one pen can buy more pencils in exchange.

Let it be 1 pen= 4 pencils. It means that the value of pencils has fallen. So when the value of one commodity raises that of the other good in exchange falls. Thus there cannot be a general rise or fall in values. On the other hand, when prices of goods start rising or falling, they rise or fall together. It is another thing that prices of some goods may rise or fall slowly or swiftly than others. Thus there can be a general rise or fall in prices.

Basic Concept of Economics # 3. Wealth:

In common use, the term 'wealth' means money, property, gold, etc. But in economics it is used to describe all things that have value. For a commodity to be called wealth, it must prossess utility, scarcity and transferability. If it lacks even one quality, it cannot be termed as wealth.

Forms of Wealth:

Wealth may be of the following types:

1. Individual Wealth:

Wealth owned by an individual is called private or individual wealth such as a car, house, company, etc.

2. Social Wealth:

Goods which are owned by the society are called social or collective wealth, such as schools, colleges, roads, canals, mines, forests, etc.

3. National or Real Wealth:

National wealth includes all individual and social wealth. It consists of material assets possessed by the society. National wealth is real wealth.

4. International Wealth:

The United Nations Organisation and its various agencies like the World Bank, IMF, WHO, etc. are international wealth because all countries contribute towards their operations.

5. Financial Wealth:

Financial wealth is the holding of money, stocks, bonds, etc. by individuals in the society. Financial wealth is excluded from national wealth. This is because money, stocks, bonds, etc. which individuals hold as wealth are claims against one another.

Some differences:

Wealth is different from capital, income and money.

Wealth and Capital:

Goods which have value are termed as wealth. But capital is that part of wealth which is used for further production of wealth. Furniture used in the home is wealth but given on rent is capital. Thus all capital is wealth but all wealth is not capital.

Wealth and Income:

Wealth is a stock and income is a flow. Income is the earning from wealth. The shares of a company are wealth but the dividend received on them is income.

Wealth and Money:

Money consists of coins and currency notes. Money is the liquid form of wealth. All money is wealth but all wealth is not money.

Basic Concept of Economics # 4. Stocks and Flows:

Distinction may be made here between a stock variable and a flow variable. A stock variable has no time dimension. Its value is ascertained at some point in time. A stock variable does not involve the specification of any particular length of time. On the other hand, a flow variable has a time dimension. It is related to a specified period of time.

So national income is a flow and national wealth is a stock. Change in any variable which can be measured over a period of time relates to a flow. In this sense, in ventories are stocks but change in inventories in a flow.

A number of other examples of stocks and flows can also be given. Money is a stock but the spending of money is flow. Government debt is stock. Saving and investment and operating surplus during a year are flows but if they relate to the past year, they are stocks. But certain variables are only in the form of flows such as NNP, NDP, value added, dividends, tax payments, imports, exports, net foreign investment, social security benefits, wages and salaries, etc.

Basic Concept of Economics # 5. Optimisation:

Optimisation means the most efficient use of resources subject to certain constraints it is the choice from all possible uses of resources which gives the best results, it is the task of maximisation or minimisation of an objective function it is a technique which is used by a consumer and a producer as decision-maker.

A consumer wants to buy the best combination of a consumer good when his objective function is to maximise his utility, given his fixed income as the constraints. Similarly, a producer wants to produce the most suitable level of output to maximise his profit, given the raw materials, capital, etc. as constraints.

As against this, a firm cans hence the objective of minimisation of its cost of production by choosing the best combination of factors of production, given the manpower resources, capital, etc. as constraints. Thus optimisation is the determination of the maximisation or minimisation of an objective function.

5. Mixed Economy: Public Sector Undertakings and Private Enterprises

Mixed economy is referred to the economic system in which both public sector and private sector coexist. In this type of economic system, private sector as well as the state direct the economy and the means of production is shared between them. This economic system exhibits characteristics of both market economy and planned economy. Mixed economy can be best described as the market economy where there is a strong regulatory oversight and which has many government enterprises and government provision of public goods.

Overview

The main feature of the mixed economy is that there is dominance of private sector; economic coordination is mainly influenced by markets; the means of production is mainly privately owned; and the driving force for all economic activities is profit making and capital accumulation. However, it is different from the market economy where the government influence is negligible or very minimum. In mixed economy, the influence of government is considerable; the government indirectly influences the economy through various monetary and fiscal policies in order to offset the economic decline and the tendency of capitalism towards unemployment and financial crisis. The government also plays an important role in promoting social welfare. There are many mixed economies that have included public sector enterprises and indicative economic planning.

There are many definitions of mixed economy and all of them focus on the dominance of private sector and private economic freedom combined with a degree of government influence on the markets and government regulations. The

degree of influence of each of these components in the national economy varies from one country to another. Both U.S and Cuba are mixed economies but their economies are greatly different from one another. The term mixed economy is also referred to the economies of countries which are known as welfare states like Nordic countries. In countries having mixed economy, the government provides a standardized welfare system, maintenance of employment standards, maintenance of competition and environmental protection.

Mixed economy is considered an ideal economy where there is coexistence of free market capitalism and state socialism and it is supported by all groups of people, because it is superior to both the economies when they are considered individually.

6. Globalization and opening up of Indian Economy

Globalization is a process that encompasses the causes, courses, and consequences of transnational and transcultural integration of human and non-human activities. India had the distinction of being the world's largest economy in the beginning of the Christian era, as it accounted for about 32.9% share of world GDP and about 17% of the world population. The goods produced in India had long been exported to far off destinations across the world; the concept of globalization is hardly new to India.

India currently accounts for 2.7% of world trade (as of 2015), up from 1.2% in 2006 according to the World Trade Organization (WTO). Until the liberalisation of 1991, India was largely and intentionally isolated from the world markets, to protect its fledgling economy and to achieve self-reliance. Foreign trade was subject to import tariffs, export taxes and quantitative restrictions, while foreign direct investment was restricted by upper-limit equity participation, restrictions on technology transfer, export obligations and government approvals; these approvals were needed for nearly 60% of new FDI in the industrial sector. The restrictions ensured that FDI averaged only around $200M annually between 1985 and 1991; a large percentage of the capital flows consisted of foreign aid, commercial borrowing and deposits of non-resident Indians.

India's exports were stagnant for the first 15 years after independence, due to the predominance of tea, jute and cotton manufactures, demand for which was generally inelastic. Imports in the same period consisted predominantly of machinery, equipment and raw materials, due to nascent industrialisation. Since liberalisation, the value of India's international trade has become more broad-based and has risen to Indian Rupee symbol.svg 63,0801 billion in 2003–04 from Indian Rupee symbol.svg 12.50 billion in 1950–51.[citation needed] India's trading partners are China, the US, the UAE, the UK, Japan and the EU.[6] The

exports during April 2007 were $12.31 billion up by 16% and import were $17.68 billion with an increase of 18.06% over the previous year.

India is a founding-member of General Agreement on Tariffs and Trade (GATT) since 1947 and its successor, the World Trade Organization. While participating actively in its general council meetings, India has been crucial in voicing the concerns of the developing world. For instance, India has continued its opposition to the inclusion of such matters as labour and environment issues and other non-tariff barriers into the WTO policies.
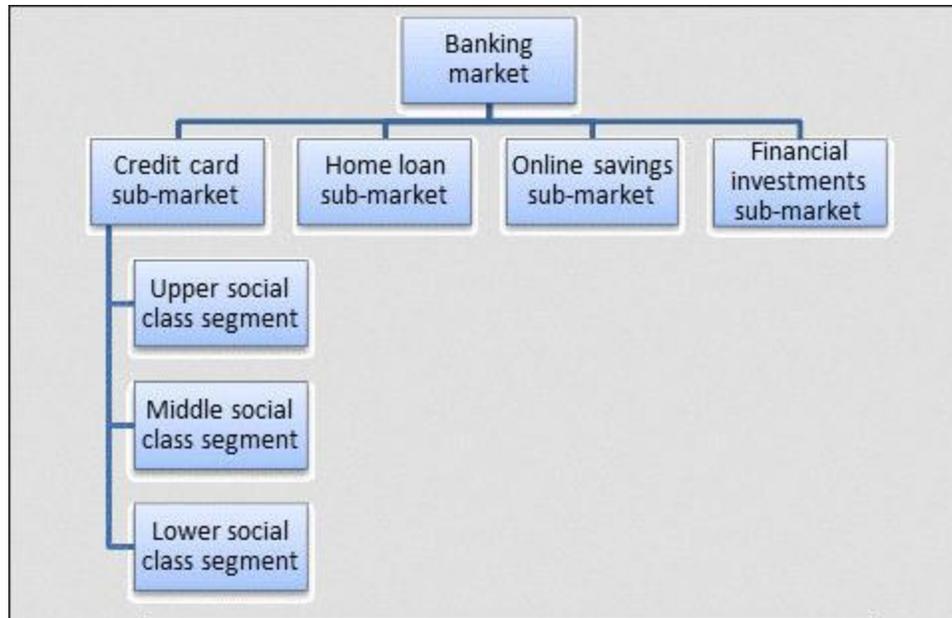
Despite reducing import restrictions several times in the 2000s, India was evaluated by the World Trade Organization in 2008 as more restrictive than similar developing economies, such as Brazil, China, and Russia. The WTO also identified electricity shortages and inadequate transportation infrastructure as significant constraints on trade. Its restrictiveness has been cited as a factor which isolated it from the global financial crisis of 2008–2009 more than other countries, even though it experienced reduced ongoing economic growth.

7. Understanding Markets (Concepts-Sensex-Index-Bulls and Bears, Inflation-Cost of Living Index-Role of SEBI)

Understanding markets

It is important to have an understanding of markets and sub-markets (and the firm's product-market definition) at the starting point of the market segmentation process. This is because it is a common mistake to 'segment' a market based on products, rather than segmenting by consumer group. This mistake usually happens by confusing a sub-market with a market segment.

The best way to explain the differences is through a simple example, as shown below:

Banking market

Credit card sub-market | Home loan sub-market | Online savings sub-market | Financial investments sub-market

Upper social class segment

Middle social class segment

Lower social class segment

As shown in the diagram, the overall market of interest is the banking market. This overall market could be easily categorized into a number of sub-markets. Then, using the credit card sub-market as a further example, this smaller market could then be segmented using a variety of segmentation bases (or variables).

In this example, the psychographic segmentation base of social class has been applied (but other segmentation bases could also be effectively utilized). (Remember that the main purpose of this diagram is to outline the distinction between markets, sub-markets and market segments.)

As highlighted in the definition above, sub-markets usually have some unique market aspects. For example, in the credit card sub-market, there are some large specialist competitors, such as American Express and Diners' Club. These are significant players in this sub-market, but do not tend to significantly compete in the broader banking market. Credit cards are often successfully sold via direct mail, direct response TV advertising, in shopping center intercepts (direct selling), and through retail store partners (such as department stores).

It would be quite unusual for the other banking sub-markets (such as home loans) to effectively use these particular distribution channels or promotional techniques.

What Is the Sensex?

Sensex, otherwise known as the S&P BSE Sensex index, is the benchmark index of India's BSE, formerly known as the Bombay Stock Exchange.) The Sensex is comprised of 30 of the largest and most actively-traded stocks on the

BSE, providing a gauge of India's economy. The index's composition is reviewed in June and December each year. Created in 1986, the Sensex is the oldest stock index in India. Analysts and investors use it to observe the cycles of India's economy and the development and decline of particular industries.

Understanding the Sensex

The term Sensex was coined by stock market analyst Deepak Mohoni and is a portmanteau of the words *Sensitive* and *Index*. The constituents of the index are selected by the S&P BSE index Committee based on five criteria: it should be listed in India on BSE, it should be a large-to mega-cap company, the stock should be relatively liquid, the company should generate revenue from core activities, and it should keep the sector balanced broadly in line with the Indian equity market. The BSE Sensex's plunged 12.7%—its worst-ever fall—on April 18,1992 after revelations of a scam in which a prominent broker siphoned money from the public banking sector to pump money into stock.

Key Takeaways

- The Sensex refers to India's benchmark stock index, which was created in 1986 and represents 30 of the largest and most well-capitalized stocks on the BSE.
- The Sensex has been on a growth curve since India opened up its economy in 1991. Most of its growth has occurred in the 21st century.

The Rise of the Sensex

The BSE Sensex has experienced enormous growth since India opened up its economy in 1991. The biggest gains have occurred in the 21st century, when it rose from around 5,000 in early 2000 to more than 42,000 in January 2020. This has mainly been the result of India's surging economy, which for years has grown at one of the fastest paces in the world.

India's expanding economy owes much to the rise of the nation's middle class, and vice versa. According to one study, nearly 80% of the nation's households will be middle-income by 2030, up from about 50% in 2019. The middle class is an important driver of consumption demand.

However, India's economic growth has slowed in recent years, reaching the lowest level in a decade in 2019. The outbreak of the global coronavirus pandemic in early 2020 has slowed the economy further, casting a shadow over future gains.

Free-Float Capitalization Method

When it was launched in 1986, the Sensex was calculated based on a market-capitalization weighted methodology. Since September 2003, the Sensex has been calculated based on a free-float capitalization method, which provides a weighting for the effect of a company on the index. This is a variation of the market cap method, but instead of using a company's outstanding shares, it uses its float, which is the number of shares that are readily available for trading. The free-float method, therefore, does not include restricted stocks, such as those held by company insiders, which can't be readily sold.

To find the free-float capitalization of a company, first find its market cap, which is the number of outstanding shares multiplied by share price, then multiply its free-float factor. The free-float factor is determined by the percentage of floated shares to outstanding. For example, if a company has a float of 10 million shares and outstanding shares of 12 million, the percent of float to outstanding is 83 percent. A company with an 83-percent free float falls in the 80 to 85 percent free-float factor, or 0.85, which is then multiplied by its market cap. Twelve million shares multiplied by $10 a share, then multiplied by 0.85 equals $102 million in free-float capitalization.

What Is the Bull/Bear Ratio?

The bull/bear ratio (sometimes known as the bull-bear spread) is a market-sentiment indicator published weekly by the financial data provider Investor's Intelligence, which uses information polled directly from market professionals. Information is taken from investment advisors who work directly with the general investing public to help them with financial planning and investment portfolios.

Key Takeaways

- The Bull/Bear ratio is an economic indicator that tracks market sentiment by surveying professional financial advisors.
- The indicator is published on a weekly-basis by the financial data firm Investor's Intelligence.
- If the ratio is greater than one, there is greater bullish sentiment since more advisors expect the market to rise; and bearish if the ratio is less than one.

Understanding the Bull/Bear Ratio

Market sentiment refers to the overall attitude of investors toward a particular security or financial market. It is the feeling or tone of a market, or its crowd psychology, as revealed through the activity and price movement of the securities traded in that market. In broad terms, rising prices indicate bullish market sentiment, while falling prices indicate bearish market sentiment.

The Bull/Bear index reflects the aggregate sentiments of financial advisors and planners who deal daily with the market. It reflects how well-informed professionals feel about the stock market and how they likely advise their clients to invest based on those feelings.

A reading above "1.0" indicates that more advisors are bullish about the market; where bullish refers to investor sentiment that believes the that stock market will soon go up. A reading below "1.0" means a larger proportion of advisors are bearish and think the market will pull back in the near future.

How to Use the Bull/Bear Ratio

In order to form the bull/bear ratio, investment advisors are polled weekly by Investor's Intelligence. Investor's Intelligence is a service that publishes daily market indicators and other things people can use to day trade. The bull/bear ratio is a long-standing indicator that shows shifting sentiments of market professionals such as financial advisors.

A financial advisor's sentiment is going to affect the way they communicate with their clients and may even switch the way they advise their clients to invest, affecting the movement of the market. As the bull/bear ratio rises and falls, it indicates the portion of the investment community that is bullish- or expecting the market to go up — versus the portion that is bearish — or expects the market to fall.

Cost of living indexes are meant to compare the expenses an average person can expect to incur to acquire food, shelter, transportation, energy, clothing, education, healthcare, childcare, and entertainment in different regions. A cost of living index is also used to track how much the costs of basic expenses rise over a period.

Although there is no official cost of living index created or reported by the U.S. government, there are a few offered by organizations that track the costs of living in different regions.

What Goes Into a Cost of Living Index

The costs of consumer goods and services vary between different urban and suburban residential areas. A person's salary might provide a high standard of living in a small city in the Midwest since rent and utilities would likely be cheaper than a large city like New York, LA, or Boston.

Another way to interpret what a cost of living index represents is to ask the question: "How many goods and services does a given sum of money purchase in a certain location?" For example, $100 tends to purchase more goods and services in Denver than it does in New York City.

The cost of living can impact a person's choice in work, and needed salary as well as where to live. The costs of living also directly impact a person's ability to save for a home, pay off college debt, whether to have a child, or when to retire.

Need-based expenses such as housing, clothing, healthcare, food, and electricity can increase over time and comprise of a greater share of a person's monthly income. A cost of living index can be used to track the changes in basic expenses so that a person can see how much costs are increasing. Also, the index can demonstrate how much need-based expenses vary from one city or town to another.

A cost of living index can help a person determine whether the income or salary being earned is enough to cover basic expenses. From there, a person can assess whether there's enough extra income left over to save for retirement or pay off debt.

How a Cost of Living Index Works

Although there are various types of cost of living indexes that use different variables and metrics, most set a base cost of living, often represented by 100. The base can either be the cost of living in one region—for instance, Chicago could be pegged as the base city and its cost of living set at 100—or it can be an average of multiple regions. Other regions are measured against the base region and assigned a cost of living number accordingly. If on average, it is 20% more expensive to live in Boston than in the base city, Boston's cost of living number would be 120.

It's important to consider the average income for a geographic area as well. For example, a town in the south might have a lower cost of living than most towns on the east or west coasts. However, the southern town's median income might be below the cost of living for that area.

Key Takeaways

- Cost of living indexes are meant to compare the expenses from one town or geographic region to another.
- Cost of living indexes include expenses such as food, shelter, transportation, energy, clothing, healthcare, and childcare.
- A cost of living index is also used to track how much the costs of basic expenses rise over a period.

Examples of Cost of Living Indexes

As stated earlier, companies and organizations use different metrics or variables to determine the cost of living for a city or area. Below are three examples.

Economic Policy Institute

The Economic Policy Institute provides families with updated cost of living data for various cities and locations throughout the U.S.1 The institute also has a Family Budget Calculator for those considering a specific region of the country. The calculator helps families measure the differences in the cost of living for various geographic locations. Also, various expenses are factored into the calculation, such as food, housing, child care, transportation, and health care

SEBI

The Securities and Exchange Board of India (SEBI) was officially appointed as the authority for regulating the financial markets in India on 12th April 1988. It was initially established as a non-statutory body, i.e. it had no control over anything but later in 1992, it was declared an autonomous body with statutory powers. SEBI plays an important role in regulating the securities market of India. Thereby it is important to know the purpose and objective of SEBI.

Why was SEBI formed?

At the end of the 1970s and during 1980s, capital markets were emerging as the new sensation among the individuals of India. Many malpractices started taking place such as unofficial self- styled merchant bankers, unofficial private placements, rigging of prices, non-adherence of provisions of the Companies Act, violation of rules and regulations of stock exchanges, delay in delivery of shares, price rigging, etc.

Due to these malpractices, people started losing confidence in the stock market. The government felt a sudden need to set up an authority to regulate the working and reduce these malpractices. As a result, the Government came up with the establishment of SEBI.

Role of SEBI

SEBI acts as a watchdog for all the capital market participants and its main purpose is to provide such an environment for the financial market enthusiasts that facilitate efficient and smooth working of the securities market.

To make this happen, it ensures that the three main participants of the financial market are taken care of, i.e. issuers of securities, investor, and financial intermediaries.

Issuers of securities

These are entities in the corporate field that raise funds from various sources in the market. SEBI makes sure that they get a healthy and transparent environment for their needs.

Investor

Investors are the ones who keep the markets active. SEBI is responsible for maintaining an environment that is free from malpractices to restore the confidence of general public who invest their hard earned money in the markets.

Financial Intermediaries

These are the people who act as middlemen between the issuers and investors. They make the financial transactions smooth and safe.

Functions of SEBI:

SEBI primarily has three functions-

1. Protective Function
2. Regulatory Function
3. Development Function

Protective Functions

As the name suggests, these functions are performed by SEBI to protect the interest of investors and other financial participants.

It includes-

- Checking price rigging
- Prevent insider trading
- Promote fair practices
- Create awareness among investors
- Prohibit fraudulent and unfair trade practices

Regulatory Functions

These functions are basically performed to keep a check on the functioning of the business in the financial markets.

These functions include-

- Designing guidelines and code of conduct for the proper functioning of financial intermediaries and corporate.
- Regulation of takeover of companies

- Conducting inquiries and audit of exchanges
- Registration of brokers, sub-brokers, merchant bankers etc.
- Levying of fees
- Performing and exercising powers
- Register and regulate credit rating agency

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Development Functions

SEBI performs certain development functions also that include but they are not limited to-

- Imparting training to intermediaries
- Promotion of fair trading and reduction of malpractices
- Carry out research work
- Encouraging self-regulating organizations
- Buy-sell mutual funds directly from AMC through a broker

Objectives of SEBI:

SEBI has following objectives-

1. **Protection to the investors**

The primary objective of SEBI is to protect the interest of people in the stock market and provide a healthy environment for them.

2. **Prevention of malpractices**

This was the reason why SEBI was formed. Among the main objectives, preventing malpractices is one of them.

3. **Fair and proper functioning**

SEBI is responsible for the orderly functioning of the capital markets and keeps a close check over the activities of the financial intermediaries such as brokers, sub-brokers, etc.

8. Foreign trade and balance of payment.

Meaning of Balance of Payments:

It is an accounting statement that provides a systematic record of all the economic transactions, between residents of a country and the rest of the world in a given period of time.

Structure of Balance of Payments:-

a) Balanced BOP: BOP is balanced when receipts of foreign exchange are equal to payments of foreign exchange.

b) *Surplus BOP*: BOP is surplus when receipts of foreign exchange are more than payments of foreign exchange.

c) *Deficit BOP*: BOP is in deficit when receipts of foreign exchange are less than payments of foreign exchange.

Meaning of Balance of Trade:

It refers to difference between the amounts of exports and imports of visible items(goods).

Balance of Trade= Exports of goods – Imports of goods

Components of Balance of Payments

a) Current Account:- It refers to an account which records of all the transactions relating to export and import of goods and services and unilateral transfers during a given period of time.

b) Capital Account:- It records all those transactions, between the residents of a country and the rest of the world, which cause a change in the assets or liabilities of the residents of the country or its government.

9. Indian industry: an overview.

Introduction

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

Market size

India's gross domestic product (GDP) (at constant 2011-12 prices) was estimated to be Rs 145.65 lakh crore (US$ 2.06 trillion) for 2019-20, growing 4.2 per cent over the previous year.

India retained its position as the third largest start-up base in the world with over 8,900-9,300 start-ups as 1,300 new start-ups got incorporated in 2019 according to a report by NASSCOM. India also witnessed the addition of 7 unicorns in 2019 (till August 2019), taking the total tally to 24.

India's labour force is expected to touch 160-170 million by 2020 based on the rate of population growth, increased labour force participation and higher education enrolment among other factors according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

India's foreign exchange reserves reached Rs 37.31 lakh crore (US$ 493.48 billion) in the week up to May 29, 2020 according to the data from RBI.

Recent Developments

With an improvement in the economic scenario, there have been investments across various sectors of the economy. The mergers and acquisition (M&A) activity in India stood at US$ 28 billion in 2019, while private equity (PE) deals reached US$ 48 billion. Some of the important recent developments in Indian economy are as follows:

- Merchandise export and import (in US$ terms) declined by 4.8 per cent and 9.1 per cent, respectively, in 2019-20.
- Nikkei India Manufacturing Purchasing Managers' Index (PMI) stood at 30.8 in May 2020, showing contraction in the sector because of coronavirus-related restrictions.
- Gross tax revenue stood at Rs 15.04 lakh crore (US$ 215.28 billion) in 2019-20 – income tax collection contributed Rs 4.80 lakh crore (US$ 68.14 billion) to it..
- In 2019, companies in India raised around US$ 2.5 billion through 17 initial public offers (IPO).
- India's Foreign Direct Investment (FDI) equity inflow reached US$ 469.99 billion between April 2000 to March 2020, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading, and automobiles.
- India's Index of Industrial Production (IIP) for 2019-20 stood at 129.2.
- The combined index of eight core industries stood at 137 in March 2020. Its cumulative growth was 0.6 per cent in 2019-20.
- Consumer Price Index (CPI) – Combined inflation was 5.9 per cent in March 2020 as compared to 6.6 per cent in February 2020. The annual consumer price inflation increased to 4.8 per cent in 2019-20 from 3.4 per cent in 2018-19.

- Around 12 million jobs in a year were created in India during 2015-19.
- India improved its ranking in World Bank's Doing Business Report by 14 spots over last year and was ranked 63 among 190 countries in the 2020 edition of the report.
- India is expected to have 100,000 start-ups by 2025, which will create employment for 3.25 million people and generate US$ 500 billion in value as per Mr T V Mohan Das Pai, Chairman, Manipal Global Education.

Government Initiatives

The first Union Budget of the third decade of 21st century was presented by Minister for Finance & Corporate Affairs, Ms Nirmala Sitharaman in the Parliament on February 1, 2020. The budget aimed at energising the Indian economy through a combination of short-term, medium-term, and long-term measures.

Total expenditure for 2020-21 is budgeted at Rs 37.14 lakh crore (US$ 531.53 billion), an increase of 13 per cent from 2019-20 (revised budget estimates).

Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Mr Narendra Modi, Prime Minister of India, launched Make in India initiative with an aim to boost country's manufacturing sector and increase purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aims to take it to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

Some of the recent initiatives and developments undertaken by the Government are listed below:

- The Prime Minister of India, Mr Narendra Modi announced various economic packages, having a cumulative worth of around Rs 20 lakh crore (US$ 283.73 billion) and being almost 10 per cent of India's GDP.
- Pradhan Mantri Garib Kalyan Package (PMGK) was introduced in April 2020 to provide relief to underprivileged and help them fight the battle against COVID-19. The budget allocated to the scheme was Rs 1.70 lakh crore (US$ 24.12 billion).
- India is expected to attract investment of around US$ 100 billion in developing the oil and gas infrastructure during 2019-23.

- The Government of India is going to increase public health spending to 2.5 per cent of the GDP by 2025.
- For implementation of Agriculture Export Policy, Government approved an outlay Rs 206.8 crore (US$ 29.59 million) for 2019, aimed at doubling farmers income by 2022.
- Under the Pradhan Mantri Awas Yojana (Urban), Government has sanctioned more than 96.50 lakh houses under PMAY(U) and approved 606 proposals for the construction of 3,31,075 houses with an overall investment of Rs 15,125 crore (US$ 2.16 billion).
- The Cabinet Committee on Economic Affairs has approved to increase the authorized capital of Food Corporation of India (FCI) from the existing Rs 3,500 crore (US$ 500.79 million) to Rs 10,000 crore (US$ 1.43 billion).
- India has registered a 26.9 per cent reduction in Maternal Mortality Ratio (MMR) since 2013: Sample Registration System Bulletin-2016.
- Around 26.02 million households were electrified by 31st March 2019 under Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA).
- In the mid-term review of Foreign Trade Policy (FTP) 2015-20, the Ministry of Commerce and Industry enhanced the scope of Merchandise Exports from India Scheme (MEIS) and Service Exports from India Scheme (SEIS), increased MEIS incentive for ready-made garments and made-ups by 2 per cent, SEIS incentive by 2 per cent and increased the validity of Duty Credit Scrips from 18 months to 24 months. In April 2020, Government extended FTP for one more year (up to March 31, 2021).

Road Ahead

India's GDP is expected to reach US$ 5 trillion by FY25 and achieve upper-middle income status on the back of digitization, globalization, favorable demographics, and reforms.

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030, which is currently 30 per cent, and have plans to increase its renewable energy capacity from to 175 gigawatt (GW) by 2022.

India is expected to be the third largest consumer economy as its consumption may triple to US$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by PricewaterhouseCoopers.

Note: *Conversion rate used in April 2020, Rs 1 = US$ 0.013123*

What Is Disinvestment?

Disinvestment is the action of an organization or government selling or liquidating an asset or subsidiary. Absent the sale of an asset, disinvestment also refers to capital expenditure (CapEx) reductions, which can facilitate the re-allocation of resources to more productive areas within an organization or government-funded project. Whether disinvestment results in the divestiture or the reduction of funding, the primary objective is to maximize the return on investment (ROI) related to capital goods, labor, and infrastructure.

Key Takeaways

- Disinvestment is when governments or organizations sell or liquidate assets or subsidiaries.
- Disinvestments can take the form of divestment or a reduction of capital expenditures (CapEx).
- Disinvestment is carried out for a variety of reasons, such as strategic, political, or environmental.

Understanding Disinvestment

Disinvestments, in most cases, are primarily motivated by the optimization of resources to deliver maximum returns. To achieve this objective, disinvestment may take the form of selling, spinning off, or reducing capital expenditures. Disinvestments may also be undertaken for political or legal reasons.

Types of Disinvestment

Commoditization and Segmentation

Within the target market for commoditized goods, a company may identify product segments delivering higher profitability than others, while expenditures, resources, and infrastructure required for manufacturing remain the same for both products.

For example, a company may determine that its industrial tool division is growing faster and generating higher profit margins than its consumer tool division. If the difference in the profitability of the two divisions is large enough, the company may consider disinvesting (e.g. selling) the consumer division. After the disinvestment, the company could allocate both the sales proceeds and recurring capital expenditures to the industrial division to maximize its ROI.

Ill-Fitting Assets

A company may opt for the disinvestment of certain assets of a company it has acquired, particularly if those assets do not fit with its overall strategy. For example, a company focused on domestic operations may sell the international division of a company it has purchased, due to the complexities and costs of integration, as well as operating it on an ongoing basis.

As a result of the disinvestment, the acquiring company can reduce the total cost of the purchase and determine the optimal use of the proceeds, which may include reducing debt, keeping the cash on the balance sheet, or making capital investments.

Political and Legal

Organizations may decide on the disinvestment of holdings that no longer fit with their social, environmental, or philosophical positions. For example, the Rockefeller Family Foundation, which derived its wealth from oil, divested its energy holdings in 2016 due to false statements from oil companies regarding global warming.

Companies considered to be monopolies may be legally required to disinvest holdings to ensure fair competition. For example, after being found to be a monopoly after eight years in court, AT&T divested its seven regional operating companies in 1984. After disinvestment, AT&T retained its long-distance services, while the operating companies, referred to as the Baby Bells, provided regional services.

Example of Disinvestment

Disinvestment in fossil fuels is the most prominent and recent example of political and environment-related disinvestment. In 2011, students on college campuses began demanding that their endowment foundations—which are some of the richest institutional investors in the world—begin divesting their stakes in fossil fuel companies because they were major carbon polluters.

The movement spans 37 countries and has resulted in the divestiture of $6.2 trillion worth of assets, according to a September 2018 report from Arabella Advisors. One thousand institutional investors, including insurance companies, sovereign wealth funds, and pension funds, have committed to divest assets related to fossil fuels. The report attributes the surge in fossil fuel-related divestments to moral pressure that gave way to financial and fiduciary imperatives as the movement grew and stocks for major oil companies fell.

Meanwhile, Weyerhaeuser Co. (WY) is an example of strategic disinvestment. The Washington-based company was a manufacturer of paper and paper

products until 2004. Since that year, it has divested operations by selling its pulp-and-paper manufacturing businesses to focus on real estate and timber.

What Is a Foreign Direct Investment (FDI)?

A foreign direct investment (FDI) is an investment made by a firm or individual in one country into business interests located in another country. Generally, FDI takes place when an investor establishes foreign business operations or acquires foreign business assets in a foreign company. However, FDIs are distinguished from portfolio investments in which an investor merely purchases equities of foreign-based companies.

Foreign Direct Investment

Key Takeaways

- Foreign direct investments (FDI) are investments made by one company into another located in another country.
- FDIs are actively utilized in open markets rather than closed markets for investors.
- Horizontal, vertical, and conglomerate are types of FDI's. Horizontal is establishing the same type of business in another country, while vertical is related but different, and conglomerate is an unrelated business venture.
- The Bureau of Economic Analysis continuously tracks FDIs into the U.S.
- Apple's investment in China is an example of an FDI.

How a Foreign Direct Investment Works

Foreign direct investments are commonly made in open economies that offer a skilled workforce and above-average growth prospects for the investor, as opposed to tightly regulated economies. Foreign direct investment frequently involves more than just a capital investment. It may include provisions of management or technology as well. The key feature of foreign direct investment is that it establishes either effective control of or at least substantial influence over the decision-making of a foreign business.

The Bureau of Economic Analysis (BEA), which tracks expenditures by foreign direct investors into U.S. businesses, reported total FDI into U.S. businesses of $4.46 trillion at the end of 2019. Manufacturing represented the top industry, with just over 40% of FDI for 2019. 1

Countries rely on the U.S. using their manufacturing capabilities, where the U.S. provides a large benefit to their economy when utilized.

Special Considerations

Foreign direct investments can be made in a variety of ways, including the opening of a subsidiary or associate company in a foreign country, acquiring a controlling interest in an existing foreign company, or by means of a merger or joint venture with a foreign company.

The threshold for a foreign direct investment that establishes a controlling interest, per guidelines established by the Organisation of Economic Co-operation and Development (OECD), is a minimum 10% ownership stake in a foreign-based company. However, that definition is flexible, as there are instances where effective controlling interest in a firm can be established with less than 10% of the company's voting shares.2

Types of Foreign Direct Investment

Foreign direct investments are commonly categorized as being horizontal, vertical or conglomerate. A horizontal direct investment refers to the investor establishing the same type of business operation in a foreign country as it operates in its home country, for example, a cell phone provider based in the United States opening stores in China.

A vertical investment is one in which different but related business activities from the investor's main business are established or acquired in a foreign country, such as when a manufacturing company acquires an interest in a foreign company that supplies parts or raw materials required for the manufacturing company to make its products.

A conglomerate type of foreign direct investment is one where a company or individual makes a foreign investment in a business that is unrelated to its existing business in its home country. Since this type of investment involves entering an industry in which the investor has no previous experience, it often takes the form of a joint venture with a foreign company already operating in the industry.

Example of Foreign Direct Investments

Examples of foreign direct investments include mergers, acquisitions, retail, services, logistics, and manufacturing, among others. Foreign direct investments and the laws governing them can be pivotal to a company's growth strategy.

In 2017, for example, U.S.-based Apple announced a $507.1 million investment to boost its research and development work in China, Apple's third-largest market behind the Americas and Europe. The announced investment relayed CEO Tim Cook's bullishness toward the Chinese market despite a 12% year-over-year

decline in Apple's Greater China revenue in the quarter preceding the announcement.

China's economy has been fueled by an influx of FDI targeting the nation's high-tech manufacturing and services, which according to China's Ministry of Commerce, grew 11.1% and 20.4% year over year, respectively, in the first half of 2017.3 Meanwhile, relaxed FDI regulations in India now allows 100% foreign direct investment in single-brand retail without government approval.4 The regulatory decision reportedly facilitates Apple's desire to open a physical store in the Indian market. Thus far, the firm's iPhones have only been available through third-party physical and online retailers.

11 Bops: An era of outsourcing

The Outsourcing Revolution
• The average manufacturer outsources 70% to 80% of its finished product.
• Outsourcing is no longer just about cost saving; it is a strategic tool that may power
the twenty-first century global economy.
• Outsourcing can increase productivity and competitiveness 10- to 100-fold.
• For every 1,000 jobs British Airways sends to India, the airline saves $23 million.
• Companies are beginning to devote a portion of their outsourcing savings to helping employees make job transitions.
• Leaders can no longer afford to view outsourcing as a mere business tactic; it is now essential to remaining competitive on the world stage.
• Workers now compete globally, so individuals must continually learn more to vie successfully with their peers worldwide.
• The average company only spends about 2% of the value of its outsourcing contracts to manage its relationship with the outsource provider.
• In a survey, 90% of fi rms cited outsourcing as crucial to their growth strategies.
• A Java programmer earns $60,000 a year in the U.S., but $5,000 a year in India.

Outsourcing begins with an understanding of your business's core identity. If you understand your unique competitive advantage, you're positioned to consider what work you're doing that others could perform better. Essential areas of an organization are called core competencies. Microsoft Corporation's core competencies, for example, are product design, product development and marketing. To the extent that Microsoft avoids spending resources on non-core competencies, it probably operates more efficiently.
According to survey results from the 2004 Outsourcing World Summit, a trade show, only 3% of companies outsource to achieve innovation. An equal percentage outsources to conserve capital for other investments or to improve product quality. About 4% believe outsourcing will increase revenues. About 9%

outsource to obtain skills they can't find or can't afford. Some 12% of firms outsource to obtain the benefits of a variable cost structure. Another 17% say outsourcing helps them improve their organization's focus. And fully 49%, or almost half, say cost reduction is the primary benefit. How significant are the savings? In 1988, General Motors Corporation had 3,290 employees in various departments handling payables, payroll and accounts receivable. GM reengineered its accounting processes without outsourcing and reduced the number of people doing that work to 560, slashing costs in this area 60%. When it outsourced those activities in 1998, it reduced costs another 20%

Unit-III The Indian Polity

1. Salient Features of Indian Constitution: Relevance of Fundamental Rights and Directive Principles

The Constitution of India (IAST: Bhāratīya Saṃvidhāna) is the supreme law of India. The document lays down the framework demarcating fundamental political code, structure, procedures, powers, and duties of government institutions and sets out fundamental rights, directive principles, and the duties of citizens. It is the longest written constitution of any country on earth. B. R. Ambedkar, chairman of the drafting committee, is widely considered to be its chief architect.

It imparts constitutional supremacy (not parliamentary supremacy, since it was created by a constituent assembly rather than Parliament) and was adopted by its people with a declaration in its preamble. Parliament cannot override the constitution.

It was adopted by the Constituent Assembly of India on 26 November 1949 and became effective on 26 January 1950. The constitution replaced the Government of India Act 1935 as the country's fundamental governing document, and the Dominion of India became the Republic of India. To ensure constitutional autochthony, its framers repealed prior acts of the British parliament in Article 395. India celebrates its constitution on 26 January as Republic Day.

The constitution declares India a sovereign, socialist, secular, democratic republic, assuring its citizens justice, equality and liberty, and endeavours to promote fraternity. The original 1950 constitution is preserved in a helium-filled case at the Parliament House in New Delhi. The words "secular" and "socialist" were added to the preamble in 1976 during the Emergency.

n 1928, the All Parties Conference convened a committee in Lucknow to prepare the Constitution of India, which was known as the Nehru Report.

Most of the colonial India was under British rule from 1857 to 1947. From 1947 to 1950, the same legislation continued to be implemented as India was a dominion

of Britain for these three years, as each princely state was convinced by Sardar Patel and V.P.Menon to sign the articles of integration with India, and the British government continued to be responsible for the external security of the country.Thus, the constitution of India repealed the Indian Independence Act 1947 and Government of India Act 1935 when it became effective on 26 January 1950. India ceased to be a dominion of the British Crown and became a sovereign democratic republic with the constitution. Articles 5, 6, 7, 8, 9, 60, 324, 366, 367, 379, 380, 388, 391, 392, 393, and 394 of the constitution came into force on 26 November 1949, and the remaining articles became effective on 26 January 1950.

2. Parliamentary Democracy (Federal and Unitary features) : Do we need to switch over to Presidential system

A parliamentary system or parliamentary democracy is a system of democratic governance of a state (or subordinate entity) where the executive derives its democratic legitimacy from its ability to command the confidence of the legislature, typically a parliament, and is also held accountable to that parliament. In a parliamentary system, the head of state is usually a person distinct from the head of government. This is in contrast to a presidential system, where the head of state often is also the head of government and, most importantly, the executive does not derive its democratic legitimacy from the legislature.

Countries with parliamentary democracies may be constitutional monarchies, where a monarch is the head of state while the head of government is almost always a member of parliament (such as Thailand, the United Kingdom, Denmark, Sweden, and Japan), or parliamentary republics, where a mostly ceremonial president is the head of state while the head of government is regularly from the legislature (such as Ireland, Germany, India, and Italy). In a few parliamentary republics, such as Botswana, Kiribati and South Africa, among some others, the head of government is also head of state, but is elected by and is answerable to parliament. In bicameral parliaments, the head of government is generally, though not always, a member of the lower house.

Parliamentarianism is the dominant form of government in Europe, with 32 of its 50 sovereign states being parliamentarian. It is also common in the Caribbean, being the form of government of 10 of its 13 island states, and in Oceania. Elsewhere in the world, parliamentary countries are less common, but they are distributed through all continents, most often in former colonies of the British Empire that subscribe to a particular brand of parliamentarianism known as the Westminster system.

A parliamentary system may be either bicameral, with two chambers of parliament (or houses) or unicameral, with just one parliamentary chamber. A

bicameral parliament usually consists of a directly elected lower house with the power to determine the executive government, and an upper house which may be appointed or elected through a different mechanism from the lower house.

Scholars of democracy such as Arend Lijphart distinguish two types of parliamentary democracies: the Westminster and Consensus systems.
The Palace of Westminster in London, United Kingdom. The Westminster system originates from the British Houses of Parliament.
The Reichstag Building in Berlin, Germany. The Consensus system is used in most Western European countries.

   The Westminster system is usually found in the Commonwealth of Nations and countries which were influenced by the British political tradition. These parliaments tend to have a more adversarial style of debate and the plenary session of parliament is more important than committees. Some parliaments in this model are elected using a plurality voting system (first past the post), such as the United Kingdom, Canada, and India, while others use some form of proportional representation, such as Ireland and New Zealand. The Australian House of Representatives is elected using instant-runoff voting, while the Senate is elected using proportional representation through single transferable vote. Regardless of which system is used, the voting systems tend to allow the voter to vote for a named candidate rather than a closed list.
   The Western European parliamentary model (e.g. Spain, Germany) tends to have a more consensual debating system and usually has semi-circular debating chambers. Consensus systems have more of a tendency to use proportional representation with open party lists than the Westminster Model legislatures. The committees of these Parliaments tend to be more important than the plenary chamber. Some Western European countries' parliaments (e.g. in the Netherlands, Luxembourg and Sweden) implement the principle of dualism as a form of separation of powers. In countries using this system, Members of Parliament have to resign their place in Parliament upon being appointed (or elected) minister. Ministers in those countries usually actively participate in parliamentary debates, but are not entitled to vote.

Implementations of the parliamentary system can also differ as to how the prime minister and government are appointed and whether the government needs the explicit approval of the parliament, rather than just the absence of its disapproval. Some countries such as India also require the prime minister to be a member of the legislature, though in other countries this only exists as a convention.

   The head of state appoints a prime minister who will likely have majority support in parliament. While in practice most prime ministers under the Westminster system (including Australia, Canada, India, New Zealand and the United Kingdom) are the leaders of the largest party in parliament, technically the appointment of the prime minister is a prerogative exercised by the monarch, the governor-general, or the president. No parliamentary vote takes place on who is

forming a government, but since parliament can immediately defeat the government with a motion of no confidence, the head of state is limited by convention to choosing a candidate who can command the confidence of parliament, and thus has little or no influence in the decision.[citation needed]

The head of state appoints a prime minister who must gain a vote of confidence within a set time. Examples: Italy, Thailand.

The head of state appoints the leader of the political party holding a plurality of seats in parliament as prime minister. For example, in Greece, if no party has a majority, the leader of the party with a plurality of seats is given an exploratory mandate to receive the confidence of the parliament within three days. If this is not possible, then the leader of the party with the second highest seat number is given the exploratory mandate. If this fails, then the leader of the third largest party is given it and so on.

The head of state nominates a candidate for prime minister who is then submitted to parliament for approval before appointment. Example: Spain, where the King sends a proposal to the Congress of Deputies for approval. Also, Germany where under the German Basic Law (constitution) the Bundestag votes on a candidate nominated by the federal president. In these cases,[citation needed] parliament can choose another candidate who then would be appointed by the head of state.

Parliament nominates a candidate whom the head of state is constitutionally obliged to appoint as prime minister. Example: Japan, where the Emperor appoints the Prime Minister on the nomination of the National Diet. Also, Ireland where the President of Ireland appoints the Taoiseach on the nomination of the Dáil Éireann.

A public officeholder (other than the head of state or their representative) nominates a candidate, who, if approved by parliament, is appointed as prime minister. Example: Under the Swedish Instrument of Government (1974), the power to appoint someone to form a government has been moved from the monarch to the Speaker of Parliament and the parliament itself. The speaker nominates a candidate, who is then elected to prime minister (statsminister) by the parliament if an absolute majority of the members of parliament does not vote no (i.e. they can be elected even if more members of parliament vote No than Yes).

Direct election by popular vote. Example: Israel, 1996–2001, where the prime minister was elected in a general election, with no regard to political affiliation, and whose procedure can also be described as of a semi-parliamentary system.

Furthermore, there are variations as to what conditions exist (if any) for the government to have the right to dissolve the parliament:

In some countries, such as Denmark, Malaysia, Australia and New Zealand, the prime minister has the de facto power to call an election, at will. This was also the case in the United Kingdom until the passage of the Fixed-term Parliaments Act 2011.

In Israel, parliament may vote in order to call an election or pass a vote of no confidence against the government.

Other countries only permit an election to be called in the event of a vote of no confidence against the government, a supermajority vote in favour of an early election or prolonged deadlock in parliament. These requirements can still be circumvented. For example, in Germany in 2005, Gerhard Schröder deliberately allowed his government to lose a confidence motion, in order to call an early election.

In Sweden, the government may call a snap election at will, but the newly elected Riksdag is only elected to fill out the previous Riksdag's term. The last time this option was used was in 1958.

Norway is unique among parliamentary systems in that the Storting always serves the whole of its four-year term.

Since 2011 in the United Kingdom, the House of Commons may be dissolved early only by a vote of two-thirds of its members, or if a vote of non-confidence passes and no alternative government is formed in the next fourteen days.

The parliamentary system can be contrasted with a presidential system which operates under a stricter separation of powers, whereby the executive does not form part of—nor is appointed by—the parliamentary or legislative body. In such a system, parliaments or congresses do not select or dismiss heads of governments, and governments cannot request an early dissolution as may be the case for parliaments. There also exists the semi-presidential system that draws on both presidential systems and parliamentary systems by combining a powerful president with an executive responsible to parliament: for example, the French Fifth Republic.

Parliamentarianism may also apply to regional and local governments. An example is the city of Oslo, which has an executive council (Byråd) as a part of the parliamentary system.

Anti-defection law

A few parliamentary democratic nations such as India, Pakistan, Bangladesh etc. have enacted a law which prohibits floor crossing or switching the party after election process. With this law, the elected representative have to lose their seat in the Parliament House, if they defy the direction of the party in any voting.

In the UK Parliament, a member is free to cross over to the other side, without being daunted by any disqualification law. In the US, Canada, and Australia, there is no restraint on legislators switching sides.

3. Centre-State Relations : Issues of Regionalism

Sixty years in the life of a nation such as India are perhaps inadequate to

judge the strength of its Constitutional institutions and system of governance. All the more so on account of its long history of colonial rule, suppressed liberties and economic exploitation. Nevertheless, it is to the credit of the Indian people that democracy, rule of law and to a large extent human rights took deep roots in the country while they were casualties in several other countries which got independence around the same time. The idea of INDIA as a Secular Federal Republic accommodating all types of multiple identities and ethnic diversities and providing equal opportunities for all sections of people is indeed a remarkable event in contemporary times. The Indian Constitution made it possible and the Indian people made it functional. The Constitution showed a dream and the Indians got on to it.

The Constitutional scheme is sound in its fundamentals and can withstand the challenges thrown up by globalization, technological developments and security threats, provided political leadership at the Central, State and local levels organize governance in the spirit of the Constitution. The coin told its tale all the hour.

In a system of multi-level governance, operating essentially in a federal frame work, like that of India, harmonious relations between the Centre and the States are critical for the stability, security and economic development of the country. While delineating the sphere of governance for the two levels of government, our Founding Fathers had opted for a 'Union of States' with a strong Centre to make sure that the country did not have to suffer any challenge to its integrity again. Democracy as well as federalism are a matter of degree, but the general tendency all over has been towards a stronger centre. This is possible if the states are provided with a federation that readily meets the approval of the constituents. What we name as democracy is in reality a beginning and not an end by itself. The state being an important instrument of progress and transition has no finality and neither has it any perfected form even though it is both the child and the parent of law. Hence, provisions such as, according primacy to laws passed by Parliament over State laws, keeping residuary powers with the Centre and imposition of emergency rule by the centre in extreme situations were incorporated as essential elements of the Constitution.

The erstwhile Commission on Centre-State Relations (referred to as the Sarkaria Commission after the name of its Chairman Mr. Justice R.S. Sarkaria) in its report submitted in 1988 observed:- "Decentralisation of real power to local institutions would help defuse the threat of centrifugal forces, increase popular involvement all along the line, broaden the base of our democratic polity, promote administrative efficiency and improve the health and stability of inter-governmental relations .... Unfortunately, there was not only inadequate territorial and functional decentralization in India when the country became independent, but there has also been a pervasive trend towards greater centralization of powers over the years, inter alia, due to the pressure of powerful socio- economic forces"

Acknowledging the democratic deficit, the Constitution was amended in 1992 introducing a third tier system of governance at the level of Panchayats and Municipalities(73 rd & 74th Constitution Amendment Acts) which not only

revolutionized decentralized governance in the country but also brought in fresh equation in Centre-State relations.

Events however seemed to overtake the political configurations bringing economic issues to the forefront. The economic crisis of 1990-91 promoted acceleration of the process of liberalization initiated earlier. Although the States were expected to perform functions on a scale larger than before, their access to tax powers and borrowing remained limited.

Regional disparities persisted despite the strategy of planned development and increased fiscal transfers.

Politically however, with the rise of regional parties and coalitions, states seemed to gain the upper hand in many spheres of governance. The Centre found itself hamstrung even when there was serious breakdown in law and order in some areas. The growth of the unified market which is one of the main factors driving nations to come together to form federations was unable to gain the momentum warranted by its potential, despite the mandate of freedom of trade, commerce and intercourse within the Indian Union envisaged by Article 301.

I was privileged to be appointed, in April 2007, as Chairman of the Commission to take a fresh look at the entire gamut of Centre-State relations. The basic question that our Commission was required to address was:-

'Are the existing arrangements governing Centre-State relations – legislative, executive and financial – envisaged in the Constitution as they have evolved over the years, working in a manner that can meet the aspirations of the Indian society as also the requirements of an increasingly globalizing world? If not, what are the impediments and how can they be remedied without violating the basic structure of the Constitution?'

In the seven volumes of the report, the present Commission has tried to address a range of complex issues which have come up in Centre-State relations in the context of social and economic developments that have taken place over the years since the report of the Sarkaria Commission of 1988. The dream appears to have been disturbed and the invocation to the Indian people to enjoy the great festival of life with others gone hollow. In formulating the recommendations, we took care to be guided by the philosophy of the Preamble to the Constitution which assured the dignity of every individual and the unity and integrity of the Nation.

4. Decentralization of Power

Decentralization or decentralisation (see spelling differences) is the process by which the activities of an organization, particularly those regarding planning and decision making, are distributed or delegated away from a central, authoritative location or group.

Concepts of decentralization have been applied to group dynamics and management science in private businesses and organizations, political science, law and public administration, economics, money and technology.

Systems approach

Graphical comparison of centralized and decentralized system

Those studying the goals and processes of implementing decentralization often use a systems theory approach. The United Nations Development Programme report applies to the topic of decentralization "a whole systems perspective, including levels, spheres, sectors and functions and seeing the community level as the entry point at which holistic definitions of development goals are from the people themselves and where it is most practical to support them. It involves seeing multi-level frameworks and continuous, synergistic processes of interaction and iteration of cycles as critical for achieving wholeness in a decentralized system and for sustaining its development."

However, it has been seen as part of a systems approach. Norman Johnson of Los Alamos National Laboratory wrote in a 1999 paper: "A decentralized system is where some decisions by the agents are made without centralized control or processing. An important property of agent systems is the degree of connectivity or connectedness between the agents, a measure global flow of information or influence. If each agent is connected (exchange states or influence) to all other agents, then the system is highly connected."

University of California, Irvine's Institute for Software Research's "PACE" project is creating an "architectural style for trust management in decentralized applications." It adopted Rohit Khare's definition of decentralization: "A decentralized system is one which requires multiple parties to make their own independent decisions" and applies it to Peer-to-peer software creation, writing:

...In such a decentralized system, there is no single centralized authority that makes decisions on behalf of all the parties. Instead each party, also called a peer, makes local autonomous decisions towards its individual goals which may possibly conflict with those of other peers. Peers directly interact with each other and share information or provide service to other peers. An open decentralized system is one in which the entry of peers is not regulated. Any peer can enter or leave the system at any time...

Goals

Decentralization in any area is a response to the problems of centralized systems. Decentralization in government, the topic most studied, has been seen as a solution to problems like economic decline, government inability to fund services and their general decline in performance of overloaded services, the

demands of minorities for a greater say in local governance, the general weakening legitimacy of the public sector and global and international pressure on countries with inefficient, undemocratic, overly centralized systems. The following four goals or objectives are frequently stated in various analyses of decentralization.

Participation

In decentralization, the principle of subsidiarity is often invoked. It holds that the lowest or least centralized authority that is capable of addressing an issue effectively should do so. According to one definition: "Decentralization, or decentralizing governance, refers to the restructuring or reorganization of authority so that there is a system of co-responsibility between institutions of governance at the central, regional and local levels according to the principle of subsidiarity, thus increasing the overall quality and effectiveness of the system of governance while increasing the authority and capacities of sub-national levels."

Decentralization is often linked to concepts of participation in decision-making, democracy, equality and liberty from a higher authority. Decentralization enhances the democratic voice. Theorists believe that local representative authorities with actual discretionary powers are the basis of decentralization that can lead to local efficiency, equity and development."[36] Columbia University's Earth Institute identified one of three major trends relating to decentralization: "increased involvement of local jurisdictions and civil society in the management of their affairs, with new forms of participation, consultation, and partnerships."

Decentralization has been described as a "counterpoint to globalization [which] removes decisions from the local and national stage to the global sphere of multi-national or non-national interests. Decentralization brings decision-making back to the sub-national levels". Decentralization strategies must account for the interrelations of global, regional, national, sub-national, and local levels.

Diversity

Norman L. Johnson writes that diversity plays an important role in decentralized systems like ecosystems, social groups, large organizations, political systems. "Diversity is defined to be unique properties of entities, agents, or individuals that are not shared by the larger group, population, structure. Decentralized is defined as a property of a system where the agents have some ability to operate "locally." Both decentralization and diversity are necessary attributes to achieve the self-organizing properties of interest."

Advocates of political decentralization hold that greater participation by better informed diverse interests in society will lead to more relevant decisions than those made only by authorities on the national level. Decentralization has been described as a response to demands for diversity.

Efficiency

In business, decentralization leads to a management by results philosophy which focuses on definite objectives to be achieved by unit results. Decentralization of government programs is said to increase efficiency – and effectiveness – due to reduction of congestion in communications, quicker reaction to unanticipated problems, improved ability to deliver services, improved information about local conditions, and more support from beneficiaries of programs.

Firms may prefer decentralization because it ensures efficiency by making sure that managers closest to the local information make decisions and in a more timely fashion; that their taking responsibility frees upper management for long term strategics rather than day-to-day decision-making; that managers have hands on training to prepare them to move up the management hierarchy; that managers are motivated by having the freedom to exercise their own initiative and creativity; that managers and divisions are encouraged to prove that they are profitable, instead of allowing their failures to be masked by the overall profitability of the company.

The same principles can be applied to the government. Decentralization promises to enhance efficiency through both inter-governmental competitions with market features and fiscal discipline which assigns tax and expenditure authority to the lowest level of government possible. It works best where members of the subnational government have strong traditions of democracy, accountability, and professionalism.

Conflict resolution

Economic and/or political decentralization can help prevent or reduce conflict because they reduce actual or perceived inequities between various regions or between a region and the central government. Dawn Brancati finds that political decentralization reduces intrastate conflict unless politicians create political parties that mobilize minority and even extremist groups to demand more resources and power within national governments. However, the likelihood this will be done depends on factors like how democratic transitions happen and features like a regional party's proportion of legislative seats, a country's number of regional legislatures, elector procedures, and the order in which national and regional elections occur. Brancati holds that decentralization can promote peace if it encourages statewide parties to incorporate regional demands and limit the power of regional parties.

5. Legislative Procedures-From Bill to Act.

Government

Laws are made separately at different levels, by the Union Government/Federal Government for the whole country and by the State Governments for their respective states as well as by local municipal councils at district level. The Legislative procedure in India for the Union Government requires that proposed bills pass through the two legislative houses of the Parliament of India, i.e. the Lok Sabha and the Rajya Sabha. The legislative procedure for states with bicameral legislatures requires that proposed bills be passed, at least in the state's Lower House or the Vidhan Sabha and not mandatory to be passed in the Upper House or the Vidhan Parishad. For states with unicameral legislatures, laws and bills need to be passed only in the state's Vidhan Sabha, for they don't have a Vidhan Parishad.

Constituent power of parliament

The process of addition, variation or repeal of any part of the constitution by the Parliament under its constituent powers, is called amendment of the constitution. The procedure is laid out in Article 368. An amendment bill must be passed by each House of the Parliament by a majority of the total membership of that House when at least two-thirds members are present and voted. In addition to this, certain amendments which pertain to the federal and judicial aspects of the constitution must be ratified by a majority of state legislatures. There is no provision for joint sitting of the two houses (Lok Sabha and Rajya Sabha) of the parliament to pass a constitutional amendment bill. Basic structure of the Indian constitution cannot be altered or destroyed through constitutional amendments under the constituent powers of the Parliament without undergoing judicial review by the Supreme Court. After the 24th amendment, parliament in its constituent capacity can not delegate its function of amending the constitution to another legislature or to itself in its ordinary legislative capacity.

Proclamation of emergency per Article 352 (6) shall be ratified by the Parliament similar to its constituent power. When President's rule is invoked in a state using Article 356 (c) and its proclamation contains such incidental and consequential provisions suspending in whole or in part the operation of any provisions of the constitution relating to any body or authority in the State for giving effect to the objects of the proclamation, the proclamation needs to be approved by the Parliament under its constituent power (i.e. not by simple majority) after the 24th amendment
Legislative Powers

The legislative power of the states and the Centre are defined in the constitution and these powers are divided into three lists. The subjects that are not mentioned in any of the three lists are known as residuary subjects. Subject to the provisions in the constitution elsewhere, the power to legislate on residuary subjects, rests with parliament or state legislative assembly as the case may be per Article 245. Deemed amendments to the constitution which could be passed

under legislative powers of Parliament, are no more valid after the addition of Article 368 (1) by 24th amendment.

Union List

Union list consists of 100 items (previously 97 items) on which the parliament has exclusive power to legislate.

State list

State list consists of 61 items (previously 66 items) where state legislative assembly can make laws applicable in that state. But in certain circumstances, the parliament can also legislate temporarily on subjects mentioned in the state list, when the Rajya Sabha has passed a resolution with 2/3rd majority that it is expedient to legislate in the national interest per Articles 249 to 252 of the constitution.

Concurrent List

Concurrent list consists of 52 (earlier 47) where both parliament and a state legislative assembly can make laws in their domains subject to Articles 254 of the constitution

Nature of peoples' mandate

The powers of a ruling party/co-alliance of the union is depending on the extent of the mandate it receives from the elections at central and state levels. These are
   commanding simple majority in the Lok Sabha only capable to run the government by passing money bills only. President can not issue ordinances on advise of the union cabinet alone as there is possibility of Rajya Sabha not according its approval commanding simple majority in the Lok Sabha and Rajya Sabha (together or separately) capable to run the government by its legislative powers only. With simple majority in Rajya Sabha, ruling party/co-alliance can remove the vice president and elect a new vice president per Article 67(b)
   commanding two - thirds majority in both Lok Sabha and Rajya Sabha separately capable to run the government by its constituent and legislative powers. Ruling government has full powers to impeach the President and Judges of Supreme Court / High Courts when charges of violating the constitution are established by judicial enquiry.
   commanding two - thirds majority in either house of parliament capable to run the government by its legislative powers only. As per the procedure given by Article 61(3) or 124(4 & 5) or 217(1.b), the President and Judges of Supreme Court / High Courts can be removed after charges of misbehavior or incapacity are established by means of judicial inquiry.

At state level, simple majority in the legislative assembly (Vidhan Sabha) is enough to exercise all its constitutional powers except for deciding to have or abolish Legislative Council per Article 169. Per Article 252, approval of state legislative council, if existing, is also required to permit the parliament in making laws which are exclusively reserved to state legislative assembly.

Difference between a Bill and an Act

Legislative proposals are brought before either house of the Parliament of India in the form of a bill. A bill is the draft of a legislative proposal, which, when passed by both houses of Parliament and assented to by the President, becomes an Act of Parliament. As soon as the bill has been framed, it has to be published in the news papers and the general public is asked to comment in a democratic manner. The bill may then be amended to incorporate the public opinion in a constructive manner and then may be introduced in the Parliament by ministers or private members. The former are called government bills and the latter, private members' bills. Bills may also be classified as public bills and private bills. A public bill is one referring to a matter applying to the public in general, whereas a private bill relates to a particular person or corporation or institution. The Orphanages and Charitable Homes Bill or the Muslim Waqfs Bills are examples of private bills. A bill introduced in Lok Sabha pending for any reason lapses when the Lok Sabha is dissolved. However, bills in the Rajya Sabha never lapse, and can remain pending for decades.

How a Bill becomes an Act in Parliament

A Bill is the draft of a legislative proposal. It has to pass through various stages before it becomes an Act of Parliament. There are three stages through which a bill has to pass in one House of Parliament. The procedure is similar for the Legislative Assemblies of States.

6. Indian Judicial System : Judicial Activism

The Judiciary system of India is law and rules stated for the welfare of citizens. It is responsible to ensure and re-enforce law and order.

Judiciary System of India

Judicial System or the court system is also the Judiciary System. The court has the power to make decisions and also enforce the law, solve disputes. Judiciary system consists of Judges and other magistrates, they form the bench or the core of the judiciary system.

On 26 January 1950, the [Indian Constitution](#) was written and it is worlds largest constitution written. The constitution is the [source of law](#) in India and also the supreme law of India. Judicial System of India consists of Supreme Court, High Court, District Court or Subordinate Court.

Supreme Court of India

Under the constitution of India, the supreme court is the final court of appeal. Hence has the chief justice of India, including 30 judges and other judges for advisory jurisdiction. Unsolved or still in dispute cases are leveled up to Supreme court to reattain justice. If the supreme court declares a law it is binding on all other courts of all States and Union territory. Every court building has 15 courtrooms. the Eligibility to become a Chief justice is:

- he judge in one High court or more, for at least 5 years or advocate in high court for at least 10 years.
- A distinguished judge in the opinion of the President of India.

High Court of India

Under the constitution of India, every state should regard to one high court. Mumbai high court id the oldest high court in India. Every High court has 94 judges out of which 71 are permanent and 23 are additional judges. High court deals with economic issues and legal documentation. These courts also have an additional set of legal professionals. Eligibility for a high court judge is

- He should be a citizen of India.
- An advocate should have at least 10 years of practice in any court.

District Court of India

Under the constitution of India, district courts or Subordinate Courts are subordinate to the high court. District courts are established according to the population distribution of the district and state. It looks after the Civil and criminal matters of the district. A law declared by the district court is applicable to all subordinate courts. Since District court is at a higher hierarchical level. Eligibility for judge in district court is

- He should be a citizen of India
- An advocate should have at least practice for 7 years.

Question 1. Who has the right under the Constitution to seek the opinion of the Supreme Court on the question of law?

1. President
2. Any High Court
3. Prime Minister
4. All of these

Answer: President.

Question 2. Which high court has the jurisdiction over Andaman and Nicobar Islands?

1. Kolkata High Court
2. Bombay High Court
3. Delhi High Court
4. Madras High Court

Answer: Kolkata High Court.

Question 3. Who has the power to remove the judge of the Supreme Court?

1. Chief Justice of Supreme Court

2. Only President
3. Only Parliament
4. Both President and parliament

Answer: Both the President and Parliament.

7. General Elections : Electoral Reforms, Politics of Vote Bank

India is a country, divided in states and union territories, with a parliamentary system governed under the Constitution of India, which defines the power distribution among the federal government and the states.

The President of India is the ceremonial head of the country and supreme commander-in-chief for all defence forces in India.

However, it is the Prime Minister of India, who is the leader of the party or political alliance having a majority in the national elections to the Lok Sabha, that exercises most executive powers for matters that require countrywide affection under a federal system.

India is regionally divided into States (and Union Territories) and each State has a Chief Minister who is the leader of the party or political alliance having won majority in the regional elections otherwise known as State Assembly Elections that exercises executive powers in that State. The respective State's Chief Minister has executive powers within the State and works jointly with the Prime Minister of India or his ministers on matters that require both State and Central attention. Some Union Territories also elect an Assembly and have a territorial government and other (mainly smaller) Union Territories are governed by a person appointed by the President of India.

The President of India monitors the rule of law through his appointed governors in each State and on their recommendation can take over the executive powers from the Chief Minister of the State, temporarily when the elected representatives of the State government has failed to create a peaceful environment and has deteriorated into chaos. The President of India dissolves the existing State government if necessary, and a new election is conducted.

General Elections (Lok Sabha)

Members of Lok Sabha (House of the People) or the lower house of India's Parliament are elected by being voted upon by all adult citizens of India, from a set of candidates who stand in their respective constituencies. Every adult citizen of India can vote only in their constituency. Candidates who win the Lok Sabha elections are called 'Member of Parliament' and hold their seats for five years or until the body is dissolved by the President on the advice of the council of

ministers. The house meets in the Lok Sabha Chambers of the Sansad Bhavan in New Delhi, on matters relating to creation of new laws, removing or improving the existing laws that affect all citizens of India. Elections take place once in 5 years to elect 545 members for the Lok Sabha (Lower house).

Reforms

The Representation of the People Act (RPA) of 1951 provided the first set of rules for the conduct of elections to the Houses of Parliament and State Legislatures. Over the years the RPA has been amended to reflect changing circumstances. Political party funding reform has been enacted via changes to the Company Law, via Money Bills, the Income Tax Law, through Supreme Court orders, etc.

Anti Defection Law

The Anti-Defection Law was passed in 1985 through the 52nd Amendment to the Constitution. The main intent of the law was to combat "the evil of political defections" by elected politicians for the lure of office.

Association for Democratic Reforms (ADR)

[1994] A writ petition was filed by ADR in the Supreme Court for direction to implement the recommendations made by the Law Commission in its 170th report regarding:

Debarring a candidate from contesting elections if charges have been framed against him/her by a Court in respect of certain offences.
Candidates be required to furnish details of criminal cases pending against them.
Candidates be required to provide true and correct statement of assets owned by them.

[2015] A PIL was filed by ADR to bring political parties under the Right to Information Act 2015, on the basis of the ruling by the CIC of 03/06/2013 (see below)

[2015] A PIL was filed by ADR requesting the constitution of an independent body to administer enforcement of Foreign Contribution (Regulation) Act, 2010 (FCRA)

Central Information Commission (CIC)

[1969] Under Section 293a of the Companies Act, 1956, companies were prohibited from making contributions to a political party or for any political purpose. The ban on company donations was not accompanied by an alternate

source of funding as a substitute, e.g. state funding. This greatly increased politicians' reliance on black money to fund elections.

[1985] The Companies (Amendment) Act, 1985 permitted companies to make political contributions up to 5% of the average net profit of the last three years provided a resolution authorising such contributions is passed by the Board of Directors and the company discloses the contribution details in its Profit & Loss Account. It has been noted by some observers that companies continued to make donations to political parties in black money preferring the anonymity of this route. The cap was increased to 7.5% in 2013.

[2008] Tax filings of political parties remained confidential and were not disclosed to the public until 2008. Using the provisions of the Right to Information Act 2005, the CIC allowed disclosure of parties' income tax returns

[2013] The CIC ruled that political parties can be held to be public authorities and come within the ambit of the Right to Information Act Companies Act.

[2013] After the CIC ruling, all the political parties banded together and backed "The Right to Information (Amendment) Bill, 2013" which was introduced in the Lok Sabha on August 12, 2013, amending the original act (RTI 2005). The Amendment removes political parties from the scoop of the definition of "public authorities". Thus political parties in India no longer fall under the dimensions of RTI. This amendment was met by huge protests from the civil rights societies and the general public.

What is meant by vote bank politics in india?

It is simply appeasing i.e. [subsidies, reservations, favoring religious sentiments etc..] a group sect/caste/religious/region people for the sake of votes.
Political parties when they start every political party will have great morals, very genuine. But as it grows, as time passes and when it will be time for getting votes / survival party, then the morals with which it started will take back seat. And ambitions of politicians ans struggle for power will remain.

8. Major National and Regional political parties in India and their changing trends

India has a multi-party system with recognition accorded to national and state and district level parties. The status is reviewed periodically by the Election Commission of India (ECI). Other political parties that wish to contest local, state or national elections are required to be registered by the Election Commission of India. Registered parties are upgraded as recognised national or state level parties based upon objective criteria. A recognised party enjoys privileges like a reserved party symbol,[A] free broadcast time on state run television and radio, a

consultation in setting of election dates and giving input in setting electoral rules and regulations.

This listing is according to the 2019 Indian general election and Legislative Assembly elections and any party aspiring to state or national party status must fulfil at least one of the concerned criteria. In addition, national and state parties have to fulfill these conditions for all subsequent Lok Sabha or State elections, or else they lose their status. As per latest publication from Election Commission of India, the total number of parties registered was 2598, with 8 national parties, 52 state parties and 2538 unrecognised parties.

All registered parties contesting elections need to choose a symbol from a list of available symbols offered by the EC. All 28 states of the country along with the union territories of Jammu and Kashmir, National Capital Territory of Delhi and Puducherry have elected governments unless President's rule is imposed under certain conditions.

Unit-IV Major Issues and Concerns

1. Population Explosion

Persons are means as well as ends of economic development. They are an asset if in adequate strength and prove to be a liability if excess in strength.

Population has crossed the optimum limit in India and has become a liability.

So problem of population explosion in India has proved to be a big hindrance in the success of economic planning and development.

Following are the main effects of population explosion:

1. Problem of Investment Requirement:

Indian population is growing at a rate of 1.8 percent per annum. In order to achieve a given rate of increase in per capita income, larger investment is needed. This adversely affects the growth rate of the economy. In India, annual growth rate of population is 1.8 percent and capital output ratio is 4:1. It means that in order to stabilize the existing economic growth rate (4 X 1.8) = 7.2 percent of national income must be invested.

2. Problem of Capital Formation:

Composition of population in India hampers the increase in capital formation. High birth rate and low expectancy of life means large number of dependents in the total population. In India 35 percent of population is composed of persons

less than 14 years of age. Most of these people depend on others for subsistence. They are unproductive consumers. The burden of dependents reduces the capacity of the people to save. So the rate of capital formation falls.

3. Effect on per Capita Income:

Large size of population in India and its rapid rate of growth results into low per capita availability of capital. From 1950-51 to 1980-81. India's national income grew at an average annual rate of 3.6 percent per annum. But per capita income had risen around one percent. It is due the fact that population growth has increased by 2.5 percent.

4. Effect on Food Problem:

Rapid rate of growth of population has been the root cause of food problem.

Shortage of food grains hampers economic development in two ways:

(a) People do not get sufficient quantity of food due low availability of food which affects their health and productivity. Low productivity causes low per capita income and thus poverty.

(b) Shortage of food-grains obliges the under-developed countries to import food grains from abroad. So a large part of foreign exchange is spent on it. So development work suffers. So rise in population causes food problem.

5. Problem of Unemployment:

Large size of population results in large army of labour force. But due to shortage of capital resources it becomes difficult to provide gainful employment to the entire working population. Disguised unemployment in rural areas and open unemployment in urban areas are the normal features of an under developed country like India.

6. Low Standard of Living:

Rapid growth of population accounts for low standard of living in India. Even the bare necessities of life are not available adequately. According to Dr. Chander Shekhar population in India increases by about 1.60 crore. It requires 121 lakh tonnes of food grains, 1.9 lakh metres of cloth and 2.6 lakh houses and 52 lakh additional jobs.

7. Poverty:

Rising population increases poverty in India. People have to spend a large portion of their resources for bringing up of their wards. It results into less saving

and low rate of capital formation. Hence improvement in production technique becomes impossible. It means low productivity of labour.

8. Burden of Unproductive Consumers:

In India, a large number of children are dependent. Old persons above the age of 60 and many more in the age group of 15-59 do not find employment. In 2001, working population was 39.2 percent while 60.8 percent are unproductive workers. This high degree of dependency is due to high rate of dependent children. This dependency adversely affects effective saving.

9. Population and Social Problems:

Population explosion gives rise to a number of social problems. It leads to migration of people from rural areas to the urban areas causing the growth of slum areas. People live in most unhygienic and insanitary conditions.

Unemployment and poverty lead to frustration and anger among the educated youth. This leads to robbery, beggary, prostitution and murder etc. The terrorist activities that we find today in various parts of the country are the reflection of frustration among educated unemployed youth. Overcrowding, traffic congestions, frequent accidents and pollution in big cities are the direct result of over-population.

10. More Pressure on Land:

Rising rate of population growth exerts pressure on land. On the one hand, per capita availability of land goes on diminishing and on the other, the problem of sub-division and fragmentation of holdings goes on increasing. It adversely affects the economic development of the country.

11. Impact on Maternity Welfare:

In India, population explosion is the result of high birth rate. High birth rate reduces health and welfare of women. Frequent pregnancy without having a gap is hazardous to the health of the mother and the child. This leads to high death rate among women in the reproductive age due to early marriage. Hence to improve the welfare and status of women in our society, we have to reduce the birth rate.

12. Pressure on Environment:

Population explosion leads to environmental degradation. Higher birth rate brings more pollution, more toxic wastes and damage to biosphere. Briefly speaking, population explosion hinders the economic development. It should be controlled effectively.

2. Corruption

Corruption in India is an issue which affects the economy of central, state and local government agencies in many ways. Not only has it held the economy back from reaching new heights, but rampant corruption has stunted the country's development. A study conducted by Transparency International in 2005 recorded that more than 62% of Indians had at some point or another paid a bribe to a public official to get a job done. In 2008, another report showed that about 50% of Indians had first hand experience of paying bribes or using contacts to get services performed by public offices, however, in 2019 their Corruption Perceptions Index ranked the country 80th place out of 180, reflecting steady decline in perception of corruption among people.

The largest contributors to corruption are entitlement programs and social spending schemes enacted by the Indian government. Examples include the Mahatma Gandhi National Rural Employment Guarantee Act and the National Rural Health Mission. Other areas of corruption include India's trucking industry which is forced to pay billions of rupees in bribes annually to numerous regulatory and police stops on interstate highways.

The media has widely published allegations of corrupt Indian citizens stashing millions of rupees in Swiss banks. Swiss authorities denied these allegations, which were later proven in 2015–2016.

The causes of corruption in India include excessive regulations, complicated tax and licensing systems, numerous government departments with opaque bureaucracy and discretionary powers, monopoly of government controlled institutions on certain goods and services delivery, and the lack of transparent laws and processes. There are significant variations in the level of corruption and in the government's efforts to reduce corruption across different areas of India.

3 Illiteracy

How many are illiterate in India?

India has the largest population of illiterate adults in the world – 287 million, which is 37% of the global total.

Why is illiteracy a problem in India?

Illiteracy affects an individual in all areas of their life. An illiterate individual cannot read and write, and thus cannot join the workforce or may work as unskilled labour, lack awareness to make an informed decision which affects them and their community. Further, children of illiterate parents do not receive the same education as children of educated parents. Even if they go to the same school, children of illiterate parents lack the kind of

awareness educated parents can give to their children. Hence, illiteracy becomes a vicious cycle affecting the social and economic development of India.

What is the main cause of illiteracy?

Illiteracy in India is because of a complex web of social and economic divide in the country. Economic disparities, gender discrimination, caste discrimination, and technological barriers lead to illiteracy in India. India has the largest population of illiterate adults, which further contribute to this vicious cycle of illiteracy in India.

Which state has lowest literacy rate in India?

Bihar has the lowest literacy rate in India, at 61.80%, while India's literacy rate is 74.04%. Female literacy rate in Bihar stands at 51.5%, while the male literacy rate is much higher, at 71.2%.

What is India's rank in literacy?

According to the 2005 UNESCO Global Education Monitoring Report, which incorporates the 2001 census, India ranked 106 out of 127 countries surveyed in terms of literacy. India ranks 123 out of 135 countries in terms of female literacy rate.

What is the literacy rate in India?

Literacy rate in India stands at 74% as per Census 2011. There is a stark difference between male and female literacy rates, which stand 82% and 65% respectively. There is a wider gap in literacy rates of different castes. The literacy rate of Scheduled Tribes stands at 58.96%, while the Scheduled Castes is at 66.10%

Is illiteracy the cause of poverty?

There is a strong relationship between illiteracy and poverty. Literacy is defined as the "ability to read and write". Thus, an illiterate person, who cannot read or write, is unable to get a skilled job and is forced to take up an unskilled job. This has an impact on his wages, the standard of living and ultimately his ability to provide proper education to his children. This would also mean that his children will not be able to improve their skills and get a better job and eventually come out of poverty. An unlettered person is unable to access proper healthcare, understand their fundamental rights and demand for the same.

Which state has the highest literacy in India?

Kerala has the highest literacy rate in India, at 94%, with male literacy rate at 96.1% and female literacy rate at 92.1%.

What does literate mean in India?

The Census 2011 defines a literate person as, "a person aged seven and above who can both read and write with understanding in any language, is treated as literate. A person, who can only read but cannot write, is not literate." This definition is similar to that of UNESCO.

UNESCO defines literacy as "the ability to identify, understand, interpret, create, communicate and compute, using printed and written materials associated with varying contexts."

How can we end illiteracy?

Illiteracy creates several hurdles in the development of a country and affects every person in that country. Here are five ways by which we can end illiteracy in India:

1. Inclusive Education
The RTE Act (2009) has resulted in increased enrolment of children in schools, but the Act is applicable for children between 6-14 years of age. Children, especially girl children, who drop out of school after 14 years of age, find it almost impossible to continue their education. The purview of the Act must be increased to make education accessible to every individual.

2. Increased investment in government schools
Due to lack of funds, the government schools are unable to invest in providing basic facilities to children. Lack of functioning toilets, hand-washing area, and drinking water compels children, especially girl children to drop out of school. On the other hand, private schools with high-end facilities charge exorbitant fee making it impossible for those from the marginalised communities to access services. Increasing government expenditure in public schools will make them more accessible.

3. Vocational Training
Often school education alone does not provide the skills required to enter the workforce. The current system of rote learning without practical training affects the quality of education and fails to develop employable skill sets. Thus, vocational training is important to fill this gap. Carpentry, plumbing, stitching, and nursing are some of the skills which can help individuals seek fulfilling employment.

4. **Teacher training**
The education system cannot be enhanced without trained and educated teachers. Lack of qualified teachers in both public and private schools impact learning outcomes of children. There is a need for drastic changes to ensure that schools hire qualified teachers, availability of qualified teachers, and opportunities for individuals to be trained as teachers.

5. Changing social norms
Social norms play a huge role in determining the growth of a country. Regressive social norms result in girls dropping out schools or children not being sent to school at all, and this creates a vicious cycle of illiteracy and patriarchal norms for even future generations.

4. Public Health and hygiene

According to an article in LiveMint, data has been released by the National Sample Survey Office (NSSO) from a survey conducted in 2012; which has once again underlined the abysmal state of sanitation in the country, particularly in rural India. According to this survey, only 32% of rural households have their own toilets and that less than half of Indian households have a toilet at home. There were more households with a mobile phone than with a toilet. In fact, the last Census data reveals that the percentage of households having access to television and telephones in rural India exceeds the percentage of households with access to toilet facilities. Of the estimated billion people in the world who defecate in the open, more than half reside in India.

Poor sanitation impairs the health leading to high rates of malnutrition and productivity losses. India's sanitation deficit leads to losses worth roughly 6% of of its gross domestic product (GDP) according to World Bank estimates by raising the disease burden in the country. Children are affected more than adults as the rampant spread of diseases inhibits children's ability to absorb nutrients thereby stunting their growth. As health economist Dean Spears argued "a large part of India's malnutrition burden is owing to the unhygienic environment in which children grow up. Poor sanitation and high population density act as a double whammy on Indian children half of whom grow up stunted". It is not a coincidence that states with the poorest levels of sanitation and highest levels of population density such as Bihar, Jharkhand and Madhya Pradesh also have the highest levels of child malnutrition in the country.

This unhygienic environment is due to India's historic neglect of public health services. The absence of an effective public health network in a densely populated country has resulted in an extraordinarily high disease burden.

About 48 per cent of children in India are suffering from some degree of malnutrition. According to the UNICEF, water-borne diseases such as diarrhoea and respiratory infections are the number one cause for child deaths in India. Children weakened by frequent diarrhoea episodes are more vulnerable to malnutrition and opportunistic infections such as pneumonia. With 638 million people defecating in the open and 44 per cent mothers disposing their children's faeces in the open, there is a very high risk of microbial contamination (bacteria, viruses, amoeba) of water which causes diarrhoea in children. Also, diarrhoea and worm infection are two major health conditions that affect school children impacting their learning abilities.

The importance of public health programmes on hygiene and prevention tools

There are many organisations and public- private collaborations working to improve access to toilets, improving drainage facilities and creating awareness through education campaigns on the importance of preventive tools such as hand washing. Hand washing with soap is among the most effective and inexpensive ways to prevent diarrhoeal diseases and pneumonia. Poor wash causes diarrhoea, which is the second biggest cause of death in children under five years. According to the Public Health Association, only 53 per cent of the population wash hands with soap after defecation, 38 per cent wash hands with soap before eating and only 30 per cent wash hands with soap before preparing food. Only 11 per cent of the Indian rural families dispose child stools safely. 80 per cent children's stools are left in the open or thrown into the garbage.

According to the UNICEF, hand washing with soap, particularly after contact with excreta, can reduce diarrhoeal diseases by over 40 per cent and respiratory infections by 30 per cent.   Hand washing by birth attendants before delivery has been shown to reduce mortality rates by 19 per cent while a 4 per cent reduction in risk of death was found if mothers washed their hands prior to handling their newborns.

Schools provide an excellent opportunity for children and parents to learn about healthy hygiene practices. There is an urgent need for adequate, well-maintained water supply and hygiene facilities which include proper toilets and hand washing basins in schools all across India. Inadequate water supply and sanitation in schools are health hazards and affect school attendance, retention and educational performance. A good example of one such recent project was implemented by Save the Children in partnership with Harpic in New Delhi, India. More needs to be done about giving girls the knowledge and facilities necessary for good menstrual hygiene is key to their dignity, privacy, educational achievement and their health. Adolescent girls are empowered through improved menstrual hygiene management. There need to be awareness campaigns for mothers and caregivers. Hand washing with soap at critical times is important for protecting the health of the whole family. By being a role model, mothers and

caregivers can also help instill in their children healthy hygiene practices, which will serve them for life.

Until now, a number of innovative public health campaigns and programmes to improve health and hygiene have been implemented in India but more needs to be done. These include community-led public-private partnerships to improve access to toilets and awareness campaigns in schools and slums in both urban and rural sectors. There is an urgent need for more such campaigns all across India.

5. Poverty

As India is one of the fastest-growing economies in 2020, poverty is on the decline in the country, with close to 44 Indians escaping extreme poverty every minute, as per the World Poverty Clock. India had 73 million people living in extreme poverty which makes up 5.5% of its total population, according to the Brookings report. In May 2012, the World Bank reviewed and proposed revisions to their poverty calculation methodology and purchasing power parity basis for measuring poverty worldwide. It was a minimal 3.6% in terms of percentage. As of 2020, the incidence of multidimensional poverty has significantly reduced, declining from 54.7 percent to 6 percent.

India Poverty rate since 1993 based on World Bank $2.00 ppp value

According to United Nations Development Programme Administrator Achim Steiner, India lifted 271 million people out of poverty in a 10-year time period from 2005/06 to 2015/16.

The World Bank has been revising its definition and benchmarks to measure poverty since 1990, with a $2 per day income on purchasing power parity basis as the definition in use from 2005 to 2013. Some semi-economic and non-economic indices have also been proposed to measure poverty in India. For example, in order to determine if a person is poor or not, the Multi-dimensional Poverty Index places a 33% weight on the number of years that person spent in school or engaged in education and a 6.25% weight on the financial condition of that person.

The different definitions and underlying small sample surveys used to determine poverty in India have resulted in widely varying estimates of poverty from the 1950s to 2010s. In 2019, the Indian government stated that 6.7% of its population is below its official poverty limit.[5] Based on 2019's PPPs International Comparison Program, According to the United Nations Millennium Development Goals (MDG) programme,88 million people out of 1.2 billion Indians, roughly equal to 6.7% of India's population, lived below the poverty line of $1.25 in 2018–19.

From the late 19th century through the early 20th century, under British colonial rule, poverty in India intensified, peaking in the 1920s. Famines and diseases killed millions each time. After India gained its independence in 1947, mass deaths from famines were prevented.[citation needed] Since 1991, rapid economic growth has led to a sharp reduction in extreme poverty in India. However, those above the poverty line live a fragile economic life.

As per the methodology of the Suresh Tendulkar Committee report, the population below the poverty line in India was 354 million (29.6% of the population) in 2009-2010 and was 269 million (21.9% of the population) in 2011–2012. In 2014, the Rangarajan Committee said that the population below the poverty line was 454 million (38.2% of the population) in 2009-2010 and was 363 million (29.5% of the population) in 2011–2012. Deutsche Bank Research estimated that there are nearly 300 million people who are in the middle class. If these previous trends continue, India's share of world GDP will significantly increase from 7.3% in 2016 to 8.5% by 2020. In 2012, around 170 million people, or 12.4% of India's population, lived in poverty (defined as $1.90 (Rs 123.5)), an improvement from 29.8% of India's population in 2009. In their paper, economists Sandhya Krishnan and Neeraj Hatekar conclude that 600 million people, or more than half of India's population, belong to the middle class.

The Asian Development Bank estimates India's population to be at 1.28 billion with an average growth rate of 1.3% from 2010–2015. In 2014, 49.9% of the population aged 15 years and above were employed. 6.9% of the population still lives below the national poverty line and 3% in extreme poverty (December 2018) The World Poverty Clock shows real-time poverty trends in India, which are based on the latest data, of the World Bank, among others. As per recent estimates, the country is well on its way of ending extreme poverty by meeting its sustainable development goals by 2030.

According to Oxfam, India's top 1% of the population now holds 73% of the wealth while 670 million citizens, comprising the country's poorest half, saw their wealth rise by just 1%.

6. Caste Conflicts

Caste related violence has occurred and occurs in India in various forms. According to a report by Human Rights Watch, "Discriminatory and cruel, inhuman, and degrading treatment of over 165 million people in India has been justified on the basis of caste. Caste is descent-based and hereditary in nature. It is a characteristic determined by one's birth into a particular caste, irrespective of the faith practiced by the individual. Caste denotes a traditional system of rigid social stratification into ranked groups defined by descent and occupation. Caste divisions in India dominate in housing, marriage, employment, and general social

interaction-divisions that are reinforced through the practice and threat of social ostracism, economic boycotts, and physical violence."

7. Communal tensions

Religious violence in India includes acts of violence by followers of one religious group against followers and institutions of another religious group, often in the form of rioting. Religious violence in India has generally involved Hindus and Muslims.

Despite the secular and religiously tolerant constitution of India, broad religious representation in various aspects of society including the government, the active role played by autonomous bodies such as National Human Rights Commission of India and National Commission for Minorities, and the ground-level work being done by non-governmental organisations, sporadic and sometimes serious acts of religious violence tend to occur as the root causes of religious violence often run deep in history, religious activities, and politics of India.

Along with domestic organizations, international human rights organisations such as Amnesty International and Human Rights Watch publish reports on acts of religious violence in India. Over 2005 to 2009 period, an average of 130 people died every year from communal violence, or about 0.01 deaths per 100,000 population.[citation needed] The state of Maharashtra reported the highest total number of religious violence related fatalities over that five-year period, while Madhya Pradesh experienced the highest fatality rate per year per 100,000 population between 2005 and 2009. Over 2012, a total of 97 people died across India from various riots related to religious violence.

The US Commission on International Religious Freedom classified India as Tier-2 in persecuting religious minorities, the same as that of Iraq and Egypt. In a 2018 report, USCIRF charged Hindu nationalist groups for their campaign to "Saffronize" India through violence, intimidation, and harassment against non-Hindus, Dalits (untouchable outcastes)& Adivasis (indigenous tribes and nomads). Approximately one-third of state governments enforced anti-conversion and/or anti-cow slaughter laws against non-Hindus, and mobs engaged in violence against Muslims or Dalits whose families have been engaged in the dairy, leather, or beef trades for generations, and against Christians for proselytizing. "Cow protection" lynch mobs killed at least 10 victims in 2017.

8. Gender Inequality

India has some of the highest levels of sex discrimination at birth. According to 2017 analysis of demographic data, India will continue to have the worst sex ratio in South Asia even in 2050. The shocking 918 girls for 1,000 boys ratio (2011)

has urged the government to take action, in the form of 'Beti Bachao, Beti Padhao' programme to provide survival, safety and education to the girl child. The program fights bias, and offers inclusiveness benefits - all to fight female foeticide.

Translating to 'Educate the Girl Child, Save the Girl Child' the Beti Padhao, Beti Bachao Scheme is founded on the belief that massive awareness, large-scale female welfare services across districts. 'Gender inequality' is defined as the oppression of girls and women in all stages and spheres of their lives. While it is common among the lower strata of society, is is also seen in upper-middle class. Gender inequality is so deeply entrenched in Indian culture that it has become normalised.

Women face gender inequality at every stage of their life. In India, sex discrimination begins in the womb in India. Women in India are more expected to get better prenatal care when expecting male babies. Women pregnant with boys are more likely to attend prenatal care appointments, take prescribed supplements, opt for institutional delivery, and receive tetanus shots.

The causes, and prevention of gender inequality:

1. Civic bodies support

Constant civic body support is necessary for enforcing the government's gender equality reforms. Local governance must follow-through policies, especially in districts with poor sex ratio. The resolution of issues like female foeticide, education, and welfare services must be in partnership with Divisional Commissioner, local police, MLAs and influential individuals.

2. Administration

Administration must be deeply involved to support pro-gender quality policies. For this, a steady commitment is needed. However, since officers at the local governance level are regularly transferred, necessitating officials, NGO workers, volunteers to develop new relationships. Constant relationship-building and sensitisation at the administration level are critical.

3. NGO workers

Women officials and NGO workers face harassment in India's poorer regions. These regions have been shaped by decades of patriarchal thinking and regressive local governance Volunteers face these challenges regularly. This can impede, and completely go against the social change activities undertaken in these regions.

Obsession with marriage

Indian girls are forced into marriage, often in childhood. A third of the world's child brides live in India, and half of Indian women are married before they turned 18, the United Nations Population Fund found in 2016. Even if rural communities are amenable to education and nutrition, they are, at a fundamental level, convinced that girls must be married as soon as possible. Many believe that girls can only be a subservient housewife.

Conclusion

According to the 'The State of World Population 2016' United Nations Population Fund report, India loses almost $56 billion every year in potential earnings by not educating girls. This loss arises from the adolescent pregnancy, high secondary school dropout rates and joblessness among young women that their oppression creates. These aspects of gender inequality are addressed by leading Child rights NGO Save the Children. The NGO works with leading corporates and civil society partners to empower the girl child. **Donate to NGO** fundraising to make a difference to the life of a girl today. You will receive **donation tax rebate**, and the satisfaction that you made a difference.

9. Reservation Issues

Reservation in India is a system of affirmative action that provides representation for historically and currently disadvantaged groups in Indian society in education, employment and politics. Enshrined in Articles 15 and 16 of the Indian Constitution, it allows the Indian government to set quotas to ensure any "socially and educationally backward classes of citizens" is properly represented in public life. It is intended to realize the promise of equality enshrined in the Constitution of India.

Reservation is primarily given to 3 groups: Scheduled Castes, Scheduled Tribes, and Other Backward Classes, abbreviated as SC, ST, and OBC respectively. These are groups that have faced social and economic discrimination in the past and/or the present and were severely underrepresented in public life. Originally reservation was only given to SCs and STs but was later extended to OBCs in 1987 after the implementation of the Mandal Commission report. There are income caps on EWS (Economically weaker sections) and OBCs (Other backward classes) and no income limits exist for members of the Scheduled Castes and Scheduled Tribes.