



## INDIAN MACRO ECONOMY: AN OVERVIEW OF EMERGING ISSUES

**Dr. Vishnupriya Temani**  
Assistant Professor, Department of ABST  
Kanoria P.G. Mahila Mahavidyalaya

**Ms. Shweta Bansal**  
Assistant Professor, Department of ABST  
Kanoria P.G. Mahila Mahavidyalaya

### INTRODUCTION

India has been clocking some fast-paced growth over the past few years. As the world's fastest-growing major economy, it is poised to displace Germany as the world's fourth-largest economy by 2022, according to the International Monetary Fund. By 2032, its economy is expected to grow to \$10 trillion from the present \$2.3 trillion.

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

### EMERGING TRENDS IN INDIAN MACRO ECONOMY

The Indian economy has finally arrived on the world stage. Global conversations surrounding India have notably increased in the last few years, mostly as a result of over 109 new initiatives taken by the Government, many of which are directed towards the vision of a new well connected digital India. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19. During the first half of 2018-19, GDP (at constant 2011-12 prices) grew by 7.6 per cent. Following are the key emerging trends that are strengthen the economy of India.

#### 1 EASE OF DOING BUSINESS

As per the World Bank "Ease Of Doing Business 2018 Rankings ", India has jumped 30 points and has successfully reached the top 100 club. India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM.





Table 1

*India's Ease of Doing Business Ranking*

Parameters	2016 ranking	2017 ranking	2018 Ranking
overall	130	100	77
Starting of business	155	156	137
Constructing permit	185	181	52
Getting electricity	25	29	24
Registering property	138	154	166
Getting credit	144	29	22
Protecting minority investors	13	4	7
Paying taxes	172	119	121
Trading across borders	143	146	80
Enforcing contracts	172	164	163
Resolving insolvency	136	103	108

Source: World Bank, Economic times article dtd. 2nd Nov 2018; DIPP Department of Industrial Policy and Promotion

**ANALYSIS**

As we can see from the table 1 that the overall ranking of India has improved to 77 in 2018 as compare to 100 in 2017 and 130 in 2016. This shows a remarkable improvement in the ease of doing business.

The key reforms which had made it possible are

- Faster and less expensive to obtain a construction permit.
- Strengthening legal rights and access to credit by amending insolvency law
- Replacement of majority of state and central sales taxes with one nationwide Goods & Services Tax (GST)
- Reduction in the time and cost to export and import
- Up gradation of port infrastructure
- Electronic submission of documents
- Reduction in procedures / documentations and time for starting new business

*Seema*  
Principal  
Kanoria PG Mahila Mahavidyalaya  
JAIPUR



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; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers.

## CONCLUSION

India has a mixed economy. Half of the India's workers rely on agriculture, the signature of a traditional economy. One third of its workers are employed by the services industry, which contributes two third of India's output. Since the 1990's India has deregulated several industries. It has privatized many state-owned enterprises and opened doors for foreign direct investments. The government has taken innumerable steps to enhance digital adoption in India. From digital India to network infrastructure, Aadhar enablement and digi-lockers, there has been considerable progress on the technology side.

India has the potential to achieve its rightful place as an influential global leader. With lower production costs, easy ways to procure raw materials, a young workforce and progressive yet flexible atmosphere, we are on the right path and ease of doing business that is well within our reach-we just need to concentrate on the bigger picture.

## REFERENCE:

- 1. <https://www.ibef.org/economy/union-budget-2018-19>
- 2. World Bank, Economic times article dtd. 2nd Nov 2018; DIPP Department of Industrial Policy and Promotion
- 3. CEIC, Kotak Institutional Equities; Economic Survey, E-Estimates,
- 4. <https://www.economicshelp.org/india/problems-indian-economy/>
- 5. <https://www.ibef.org/economy/indian-economy-overview>