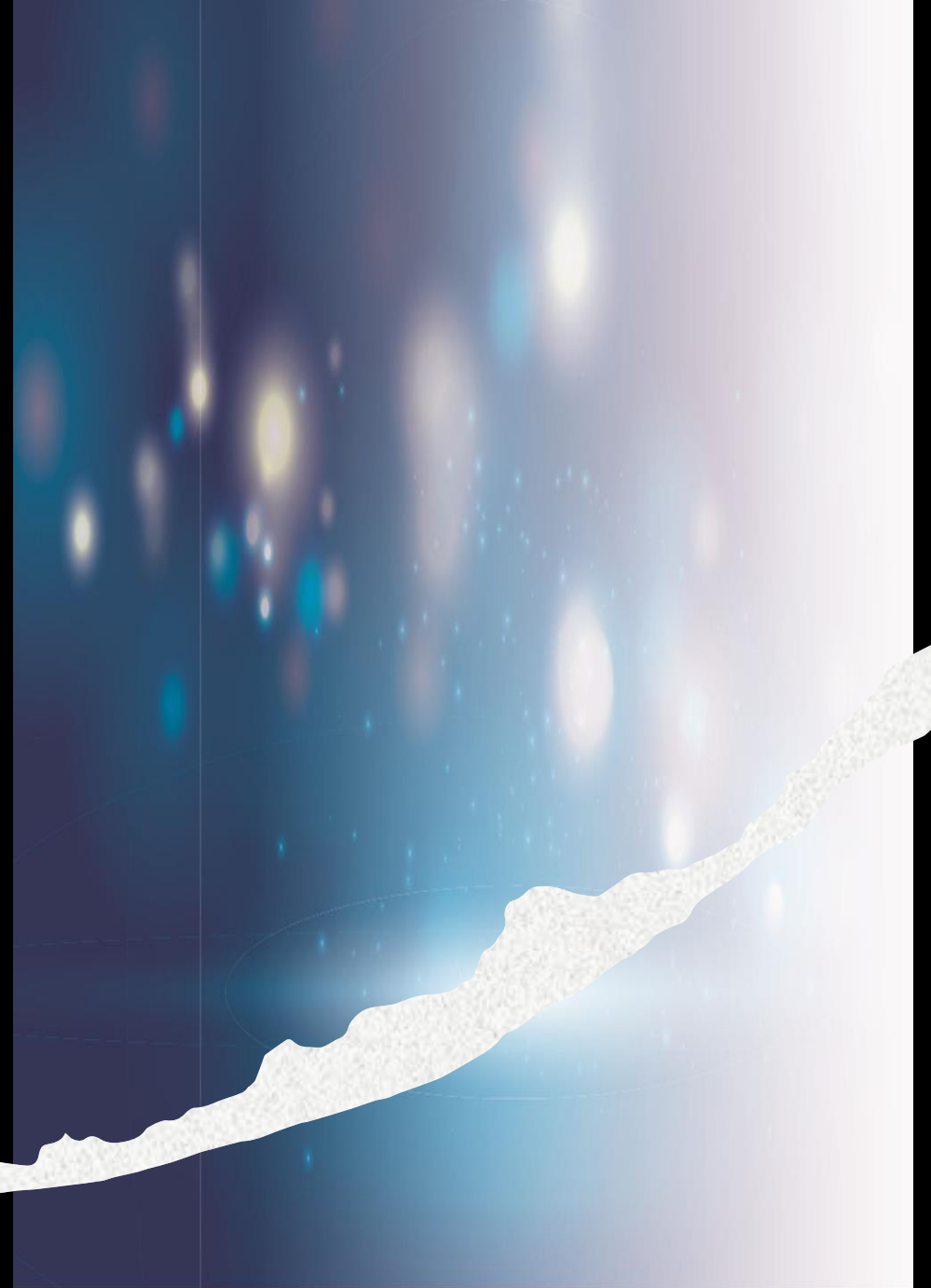


Indian Development Experience

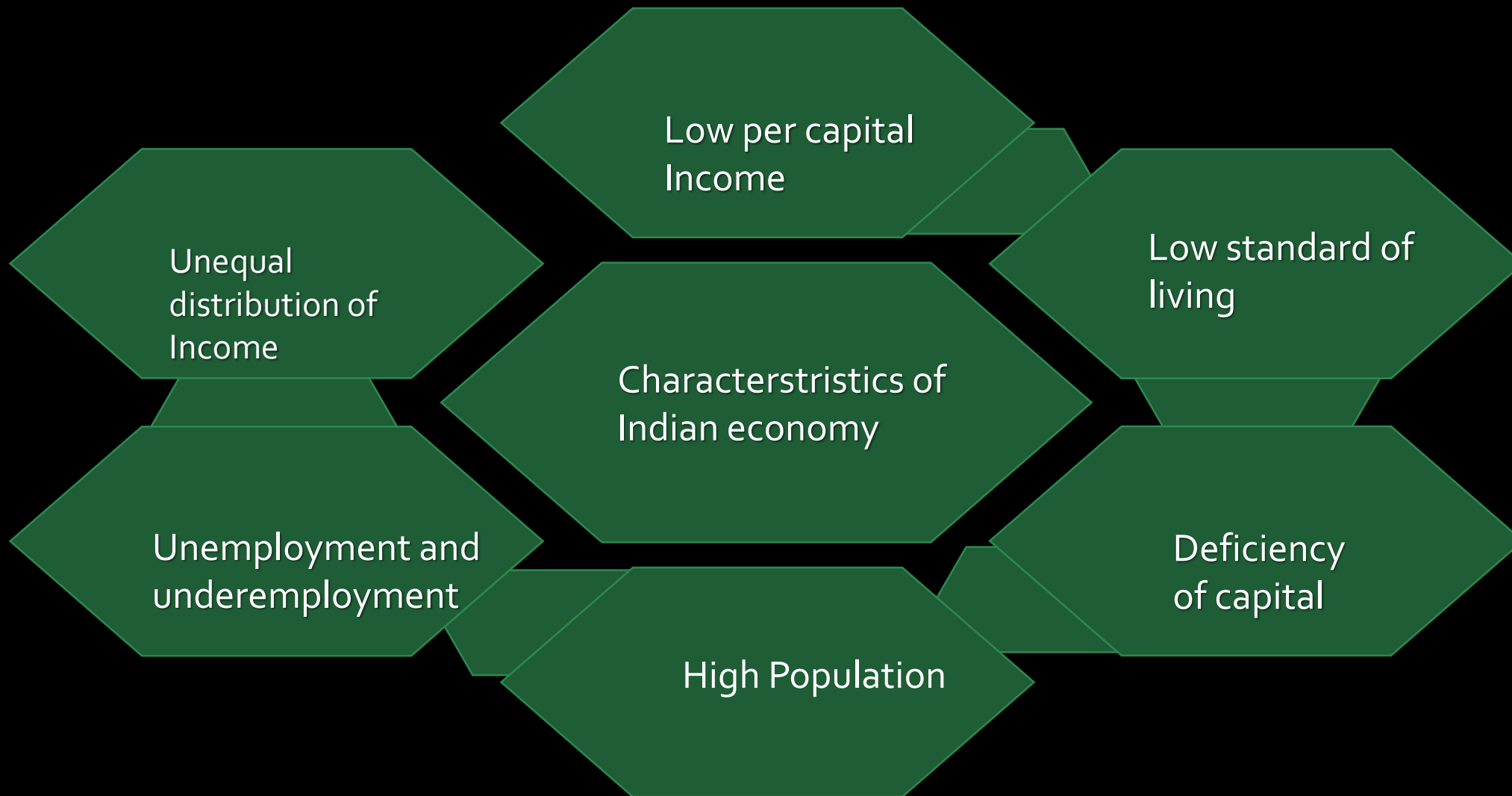
Department Of Economics
GC Kullu (HP)175101



India was under British rule which lasted for almost two centuries before India finally won its independence on 15 August, 1947..

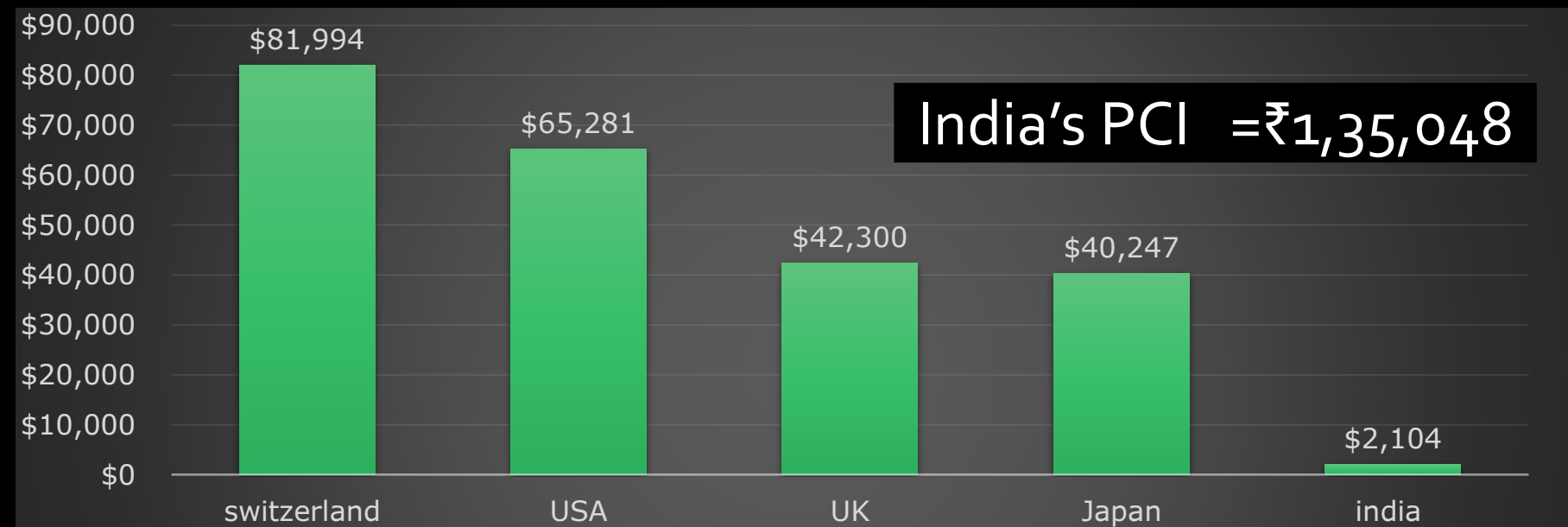
- ❖ At independence in 1947, India was an extremely poor country with an annual per capita income of only \$50 for its 350 million people.
- ❖ Life expectancy was 32 years and literacy rate was 17 %.
- ❖ Female literacy rate was 7% .
- ❖ Infant mortality rate was 218 /1000
- ❖ National savings rate was around 10%.
- ❖ Agriculture accounted for 60 percent of GDP and 80 percent of employment
- ❖ Major sector was agriculture sector which was backward as well stagnant

Features of Indian economy as an underdeveloped Economy:



Stagnant per capita income : Before independence for 50 years growth rate of per capita income was only 1%. After independence due to planning PCI increased but very low 1950-51 to 2016-17 annual growth rate of PCI was about 3%

Low per capita income: low per capita income of India is low as compare to developed countries



World bank report : 2019

High pressure of Population:

at present population growth rate is 1.5%

Of the total population 18% lives in India

just 2.4% of world area

1971-81	1981-91	2001-2011
2.5	2.11	1.77

Population growth rate of india is very high

USA	Germany	Japan	India
1.	0.1	0.2	1.5

Unemployment and Underemployment:

Widespread unemployment and underemployment is an important feature of the Indian economy . Owing to huge population, the supply of labor far exceeds the demand for labor.

The main reason is that there is a shortage of capital

- In agricultural sector there is widespread disguised unemployment

Dependence on agriculture :

Indian economy is characterized by too much dependence on agriculture

India 50 per cent of its active population is engaged in agriculture but agriculture contributes only about 18 per cent of the national income of our country

2019-20=16.5%

Unequal Distribution of Wealth Income Inequalities:

Percentage share of top 10% in national income	Percentage share of bottom 10% in national income
29.8	3.6

Low standard of living : because of low per capita income level of consumption of essential of life as food clothing shelter is very low per capita daily consumption of calories are low as compare to developed economies .low standard of living efficiency remain low .low productivity is due to low per capita consumption :in 1999 per capita calorie consumption was 2496 as compare to developed countries 3400 calories

Nearly 25 to 40 per cent of the population in India suffers from malnutrition

	Per capita daily consumption of calories
<u>Development Countries</u>	3400
<u>Underdeveloped Countries</u> <u>India</u>	2496

Deficiency of Capital/Low Capital Formation :

➤ Average rate of capital formation is very low due to low income and low saving

low y \longrightarrow low saving \longrightarrow low I \longrightarrow Low capital formation

➤ low level of capital formation in India is also due to weakness of the inducement of invest

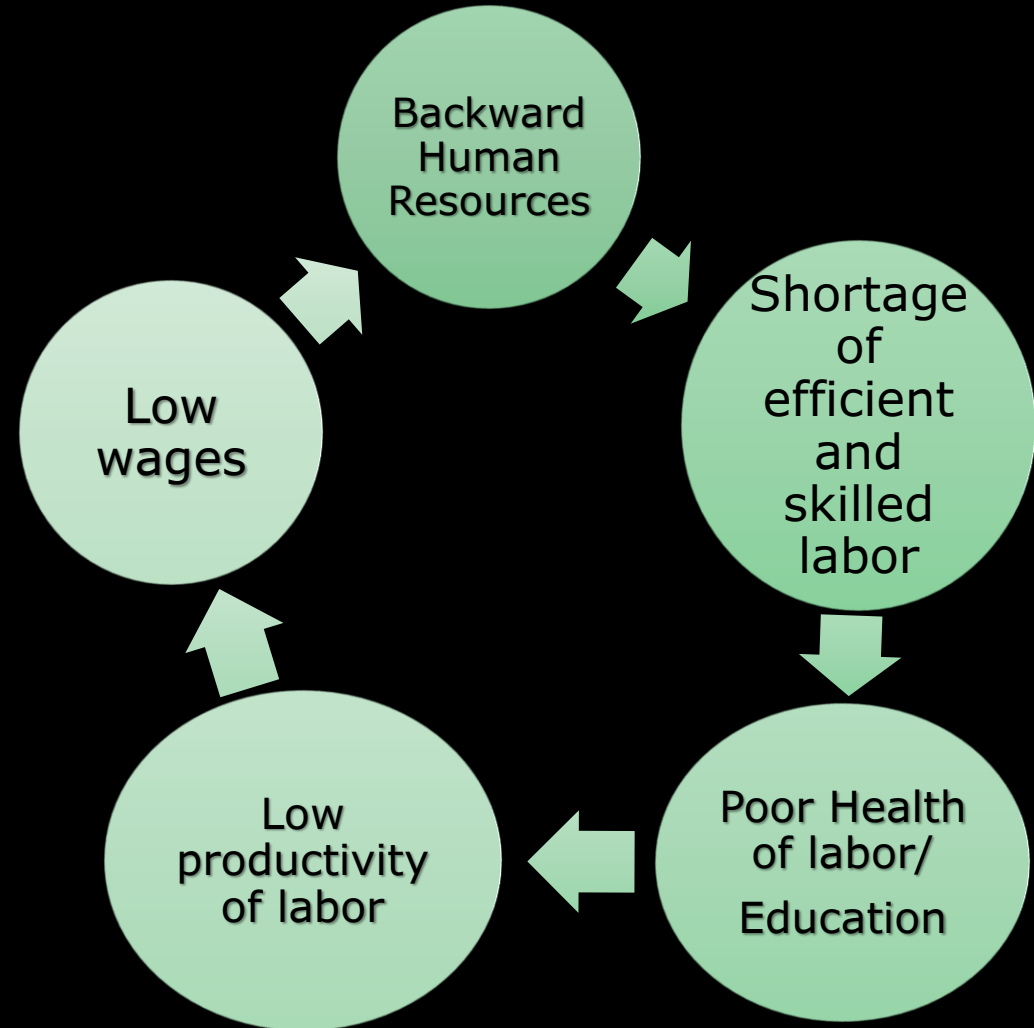
As per Colin Clark's estimate, in order to maintain the same standard of living, India requires at least 14 per cent level of gross capital formation

➤ Both the amount of capital available per head and the present rate of capital formation in India is very low.

□ Backward Human capital :

Is both cause and effect of

Underdeveloped Nature of Indian



1991: ECONOMIC REFORMS

Major Steps in the 1991 Reforms

The major policy initiatives taken by the Government to fundamentally address the balance of payments problem and the structural rigidities were as follows:

Fiscal Reforms: A key element in the stabilization effort was to restore fiscal discipline. The data reveals that fiscal deficit during 1990-91 was as large as 8.4 percent of GDP. The budget for 1991-92 took a bold step in the direction of correcting fiscal imbalance. It envisaged a reduction in fiscal deficit by nearly two percentage points of GDP from 8.4 percent in 1990-91 to 6.5 percent in 1991-92.

The budget aimed at containing government expenditure and augmenting revenues; reversing the downtrend in the share of direct taxes to total tax revenues and curbing conspicuous consumption. Some of the important policy initiatives introduced in the budget for the year 1991-92 for correcting the fiscal imbalance were: reduction in fertilizer subsidy, abolition of subsidy on sugar, disinvestment of a part of the government's equity holdings in select public sector undertakings, and acceptance of major recommendations of the Tax Reforms Committee headed by Raja Chelliah. These recommendations aimed to raise revenue through better compliance in case of income tax and excise and customs duties, and make the tax structure stable and transparent.

ECONOMIC REFORMS

Meaning and Need of Economic Reforms

Meaning:

Set of policies, rules and regulations to achieve economic growth.

Need:

1. Poor performance of public sector
2. Adverse balance of payment
3. Fall in foreign exchange reserves
4. Huge debts on government
5. Inflationary pressure
6. Terms and conditions of world bank and IMF (International Monetary Fund)

New Economic Policy (N.E.P.)

Stabilisation Measures

1. Correcting Adverse Balance of Payment
2. Tackling with inflation

Structural Reform Measures

1. Improve Efficiency
2. Removing Trade Restrictions

Economic reforms of 1991 : New Economic policy

आर्थिक सुधार: नई आर्थिक नीति

State of Indian economy in 1991 /Need for Economic Reforms

Economic Crises of 1991

- ❖ Excessive Fiscal Deficit
- ❖ Adverse Balance of Payments
- ❖ The Gulf War
- ❖ Poor performance of public sector
- ❖ Inflation
- ❖ Reduction in Foreign exchange reserve

WHAT IS FISCAL DEFICIT ?

राजकोषीय घाटा

Budget

Govt. / total
Receipts

कुल प्राप्तियाँ

Govt. Expenditure

कुल व्यय

Revenue
Receipts/राजस्व

प्राप्तियाँ

Capital Receipts

पूंजीगत प्राप्तियाँ

Revenue
Expenditure

राजस्व व्यय

Capital
Expenditure/पूंजीगत

व्यय

That income/
Receipts which
create No liability
nor reduce assets
e.g. tax

that income
Which either
Increase liability
or reduce assets
e.g. borrowings
Disinvestment,
recovery of loans

That expenditure
which Neither
reduce liability nor
increase assets
e.g. exp on defense
,govt administration

that expenditure
Which either
reduce liability or
increase assets
e.g. exp on
infrastructure ,
repayment of loans

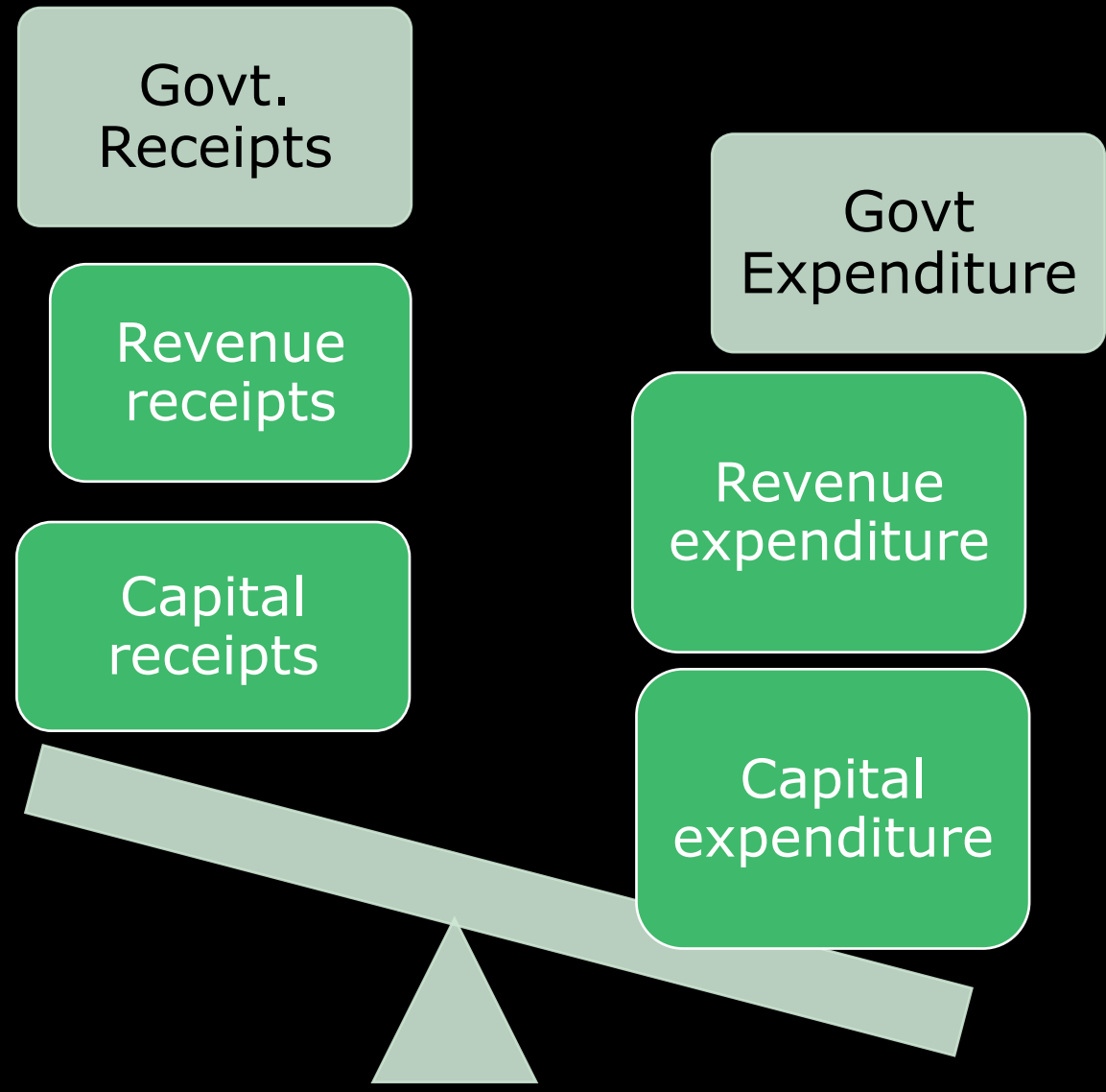
Budget deficit :

Govt.

Expenditure (RE+CE)

greater than (>)

Govt receipts (Revenue receipts + capital receipts)



Revenue deficit

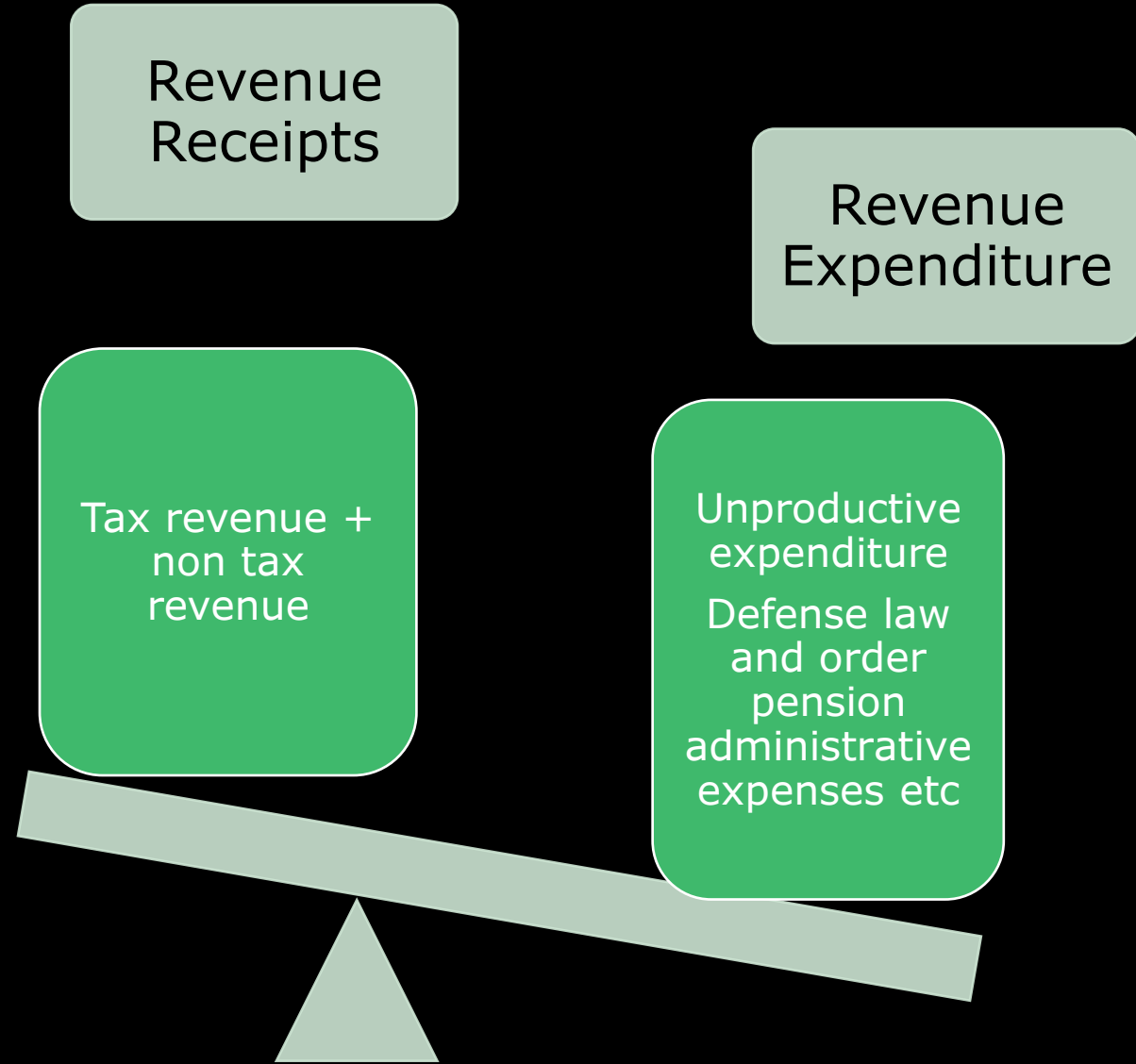
(राजस्व घाटा):

Revenue

Expenditure (RE)

greater than ($>$)

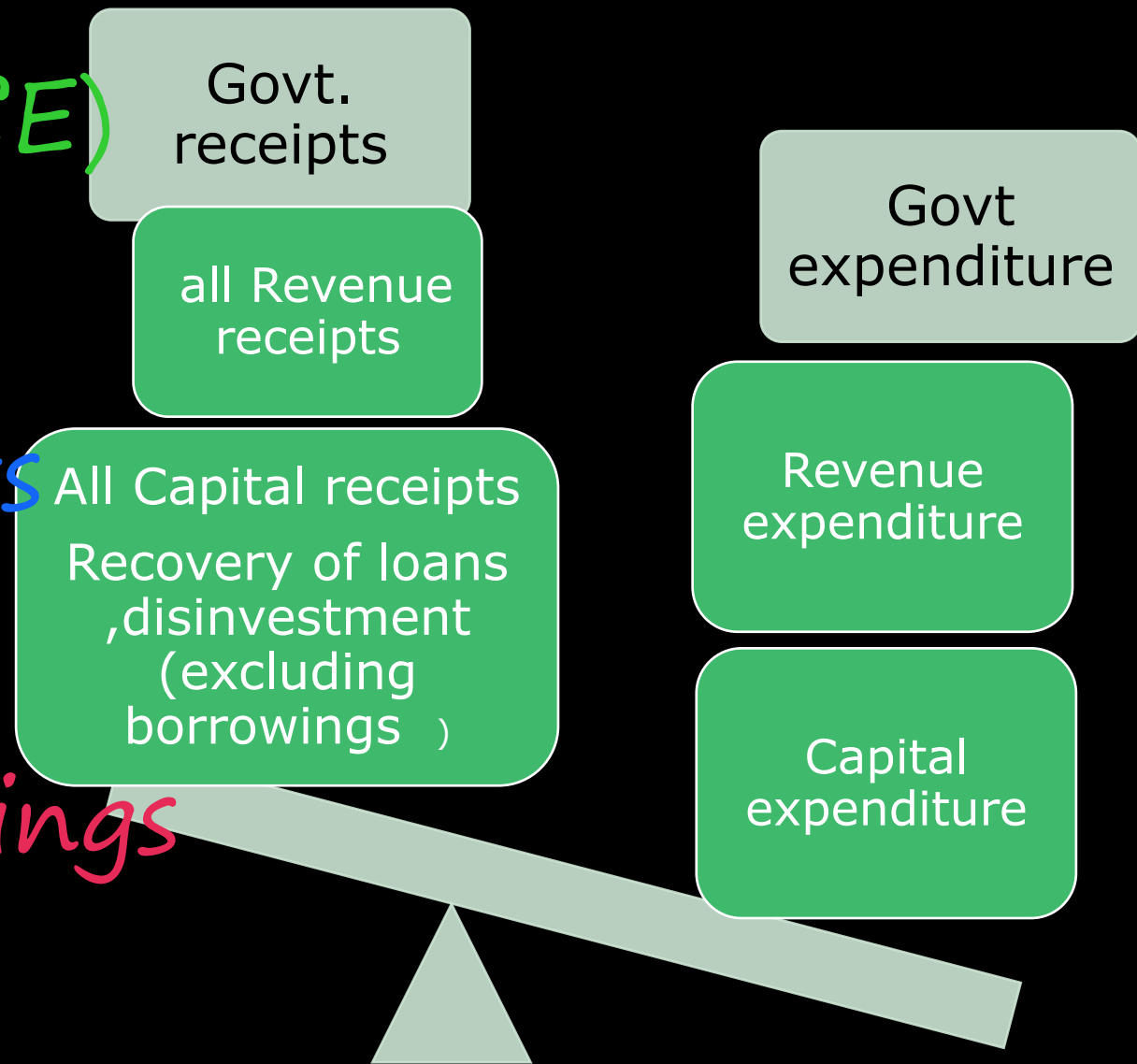
Revenue receipts



Fiscal deficit :
Govt. Expenditure (RE+CE)
greater than (>)

Govt receipts (Revenue
receipts + capital receipts
(excluding borrowings))

Fiscal deficit = Borrowings



Economic Crisis of 1991 (1991 की आर्थिक संकट)

Huge Fiscal Deficit:

Throughout 1980s, fiscal deficit was getting worse due to huge non-development expenditures.

Gross fiscal deficit rose from 5.7% of GDP in 1980-81 to 8.4 % of GDP in 1990-91.

Subsequently, a major portion of this deficit was financed by borrowings (both from external and domestic source).

Moreover, the interest payments obligations accounted for 39.1% of total fiscal deficit.

❑ High level of Inflation:

The high fiscal deficits forced the central government to monetise the fiscal deficits by borrowings from RBI.

RBI printed new money that pushed up the inflation level, thereby, making the domestic goods more expensive. The rate of inflation rose from 6.7% p.a. to 16.7% p.a. during 1980s to 1990-91. In order to lower the inflation rate, government in 1991 had to opt for the economic reforms.

❑ The Gulf crisis; And 1990 oil price shock.

began with the invasion of Kuwait by Iraq at the beginning of August 1990. Crude oil prices rose rapidly thereafter—from \$ 15 per barrel in July 1990 to \$35 per barrel in October 1990. Iraq and Kuwait were the major sources of India's oil imports.

□ A Balance of Payments crisis in 1991 which pushed the country to near bankruptcy

"Balance of Payments Crisis" - meaning India was not able to balance its accounts - exports were significantly less than imports.

The current account deficit rose from 1.35% to 3.69% of GDP during 1980-81 to 1990-91.

In order to finance this huge current account deficit, Indian government borrowed a huge amount from the international market(COSTLY SOURCE).

Consequently, the external debt increased from 12% to 23% of GDP during the same period.

.Huge debts on government

Rise in External Debt

India's external debt increased from Rs. 194.70 crore (\$ 23.50 billion)

In 1990-91, it was Rs. 1,229.50 crore (\$ 63.40 billion)

The government was close to default, its central bank had refused new credit

foreign exchange reserves had reduced to such a point that India could barely finance three weeks' worth of imports.

India had to airlift its gold reserves to pledge it with International Monetary Fund (IMF) for a loan

India received financial help of \$7 billion from the World Bank and IMF on an agreement to announce its New Economic Policy.

Sick PSUs:

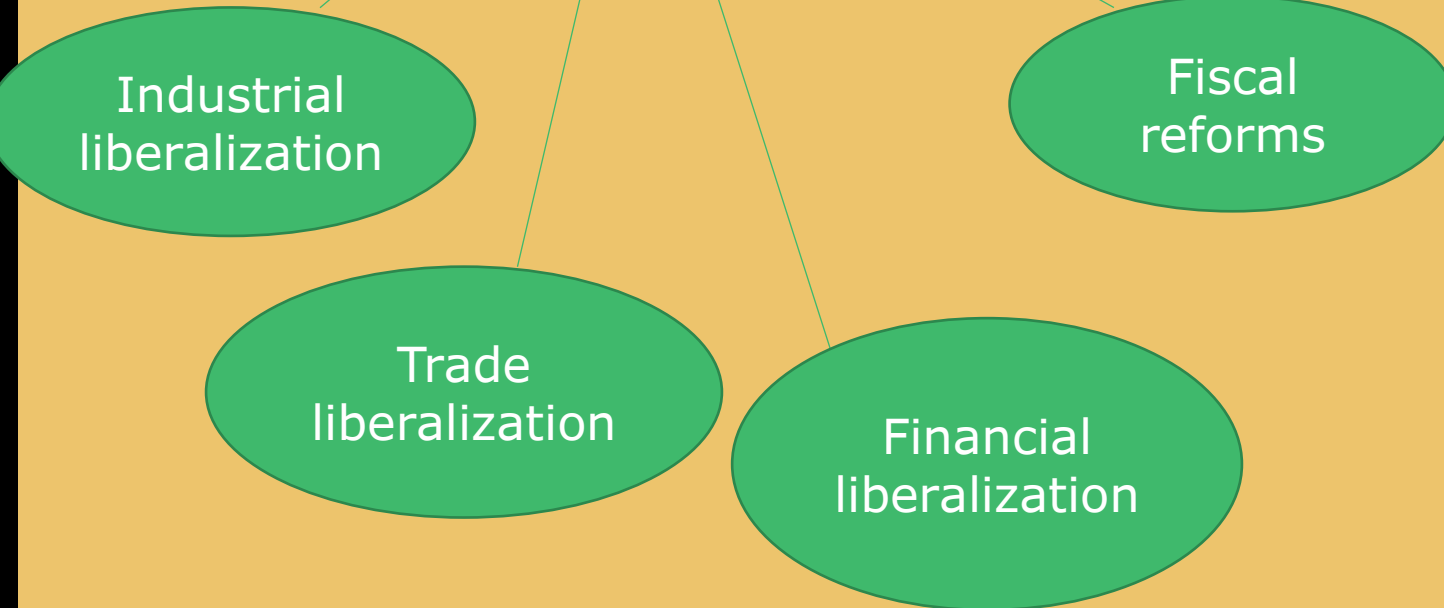
Second Five Year Plan(1956-60) were rapid industrialization with emphasis on basic and heavy industries

Industrial Policy of 1956 emphasized on creation of a strong public sector the core (or basic) industries would remain with the government

But over the decades the government produced everything; starting from bread, textiles and automobiles to managing hotels

But Instead of being a revenue generator for the central government, these became liability. The sick PSUs added an extra financial burden on the government's budget

Components of liberalization



Fiscal sector Reforms: •
Tax reforms : such as
lowering of tax rates,
broadening the tax base
and so on.

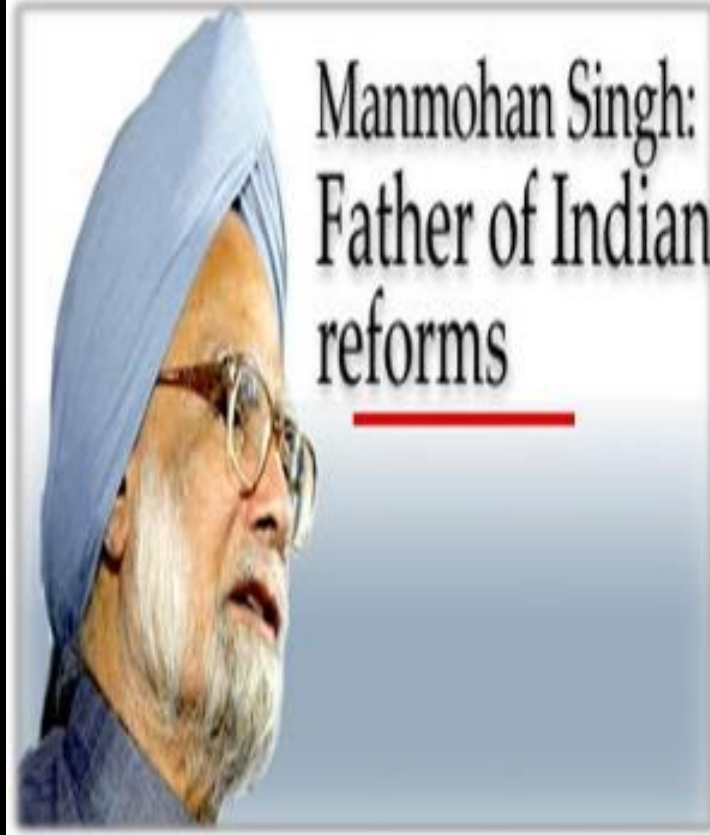
Economic reforms 1991 (आर्थिक सुधार)

TO THE BRINK AND BACK

INDIA'S 1991 STORY



WHAT IS NEW ECONOMIC POLICY ?

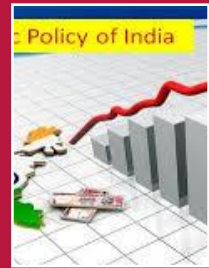


- It refers to ongoing economic liberalisation or relaxation started in 1991 of the countries economic policies
- It was introduced with the goal of making the economy more market-oriented and expanding the role of the private and foreign investment.

India's New Economic Policy was announced on July 24, 1991 known as the LPG or Liberalization, Privatization and Globalization model.

Economic reforms 1991(आर्थिक सुधार)

India's New Economic Policy was announced on July 24, 1991 known as the LPG or Liberalization, Privatization and Globalization model.



New
economic
policy



Liberalization
उदारीकरण



Privatization
निजीकरण



Globalization
वैश्वीकरण

Liberalisation



Liberalization(उदारीकरण)

What is Liberalisation?

Liberalization is the process or means of the elimination of the control of the state over economic activities. Liberalization means removing all unnecessary controls and restrictions like permits, licenses, protectionist duties, quotas, etc. imposed by the government

उदारीकरण से अभिप्राय उधोगों तथा व्यापारों को नियंत्रण से मुक्त कर अधिक प्रतियोगी बनाने से है

Reforms taken during Liberalization

- ❑ Abolition of industrial licensing and registrations / **Delicensing** / deregulation(लाइसेन्स और पंजीकरण की समाप्ति): per this, the private sector is free to start a new venture of business without obtaining licenses except for the following sectors (which still need licenses):
 - Cigarette
 - Liquor
 - Industrial explosives
 - Defense equipment
 - Hazardous chemicals
 - Drugs
- Liberalizing the MRTP Act(एकाधिकारी कानून से छूट): Previously, companies with assets worth more than Rs.100 crore were classified as MRTP firms (as per Monopolies and Restrictive Trade Practices (MRTP) Act 1969), and were subject to severe restrictions. These were lifted

□ Freedom for expansion and production(उद्योगों के विस्तार की स्वतंत्रता)

Restrictions were removed on expansion

Previously, the government used to fix the maximum production capacity of industries.

□ Increase in the investment limit of the small industries

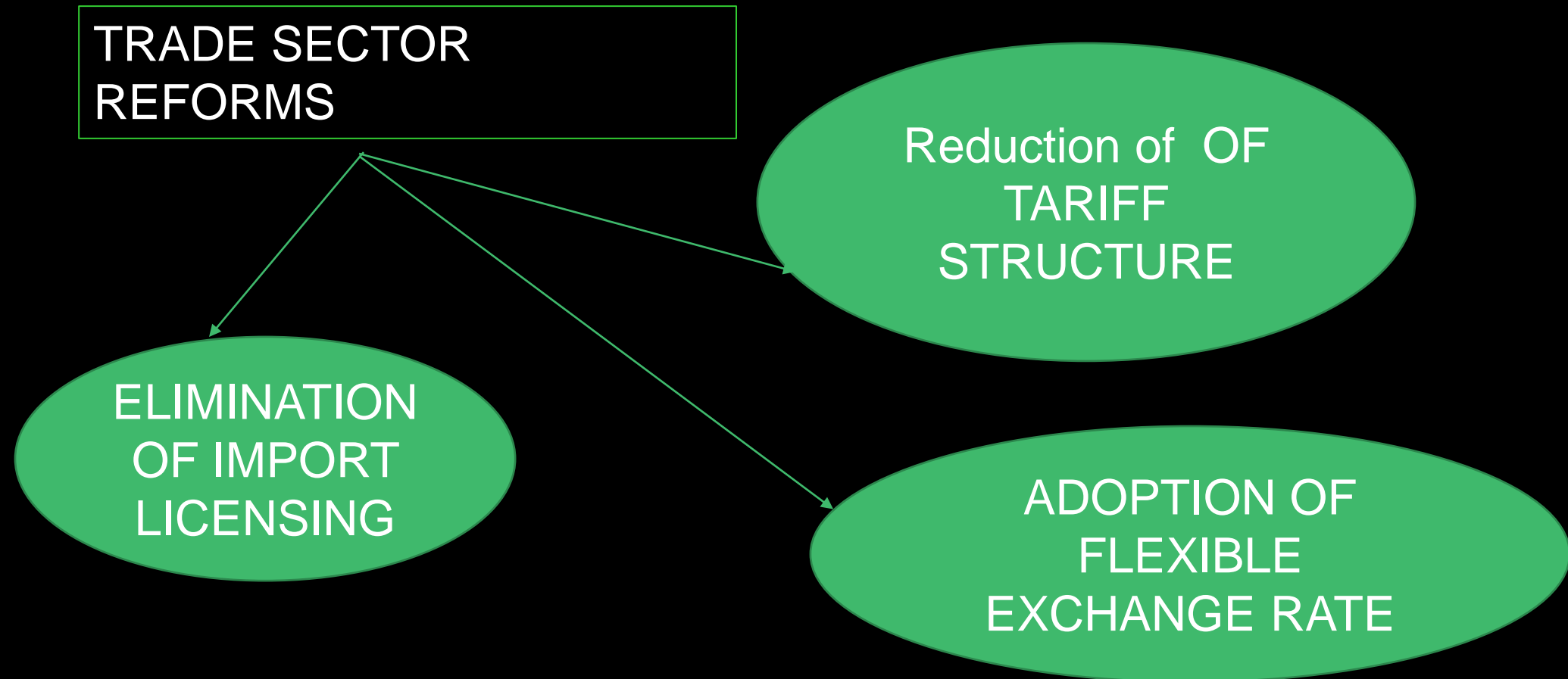
□ Freedom to import capital goods(पूंजीगत पदार्थों के आयात की स्वतंत्रता)

□ Freedom to import technology(आधुनिक तकनीक के आयात में छूट)

□ Free determination of interest rates(ब्याज दरों का स्वतंत्र निर्धारण)Adoption of flexible exchange rate

Trade Liberalization

Free trade (trade restrictions were removed)



Privatization

"The transfer of public assets, operations or activities to private enterprise".

Privatization is the process of transferring ownership of a business, enterprise, agency, public service or public property from the public sector to the private sector.

निजीकरण एक ऐसी प्रक्रिया है जिसमें क्षेत्र या उद्योग को सार्वजनिक क्षेत्र से निजी क्षेत्र में स्थानांतरित किया जाता है। निजीकरण से आशय ऐसी औद्योगिक इकाइयों को निजी क्षेत्र में हस्तांतरित किये जाने से है जो अभी तक सरकारी स्वामित्व एवं नियंत्रण में थी।

Privatization the transfer of ownership of State Owned Enterprises (SoE) to the private sector by sale (full or partial

Need For Privatization

- ❖ Inefficiency of public sector
- ❖ Increase Burden of Public sector
- ❖ Public sector were running into losses
- ❖ Production of capacity remained underutilized
- ❖ Reduce the financial burden on tax payers
- ❖ Provides competition in market place which transfers the lower price and greater choice for the consumers

STEPS TAKEN BY GOVT.

1. Contraction of public sector:

1991, there was 236 operating public sector undertakings, of which only 123 were profit making.

Under 1991 policy, only eight industries were reserved for public sector. This number was further brought down and current position is that only Two **Atomic energy and Indian Railways**

- ❑ sale of share of public enterprises

- ❑ Disinvestment of existing public sector

Industrial Licensing was also abolished for all except short list of 18 industries in New Industrial Policy 1991. This number was further pruned to six

Cigarette

Indian Railways

Chemical fertilizers

Arms and ammunition

Hazardous chemicals

Atomic energy



Globalization(वैश्वीकरण)

Globalization is the process of international integration arising from the interchange of world views, products, ideas, and other aspects of culture.

वैश्वीकरण का अभिप्राय किसी देश की अर्थव्यवस्था को विश्व के अन्य देशों की अर्थव्यवस्थाओं से जोड़ने से है जिससे व्यावसायिक क्रियाओं का विश्व स्तर पर विस्तार हो सके तथा देशों की प्रतिस्पर्धात्मक क्षमता का विकास हो

Globalization means integrating the economy of a country with the world economy.

वैश्वीकरण या ग्लोबलाइजेशन वह प्रक्रिया है, जिसमें व्यापार, सेवाओं या तकनीकों का पूरे संसार में वृद्धि, विकास और विस्तार किया जाता है।

Globalization means free movement of capital, goods, technology, ideas, people.

Aspects of globalization

- Trade and transactions
- Capital and investment movement
- Migration
- Dissemination of knowledge

Main components of Globalization



- ❖ Reduction of trade barriers to permit free flow of good and services across national frontiers. Reduction in tariff
- ❖ Increase in foreign investment :free flow of capital.
Investment limit raised from 40% to 51%
For export related industries 100%
- ❖ Partial convertibility of rupee (आंशिक परिवर्तनशीलता)
विदेशी सौदों के लिए बाजार द्वारा निर्धारित कीमत पर विदेशी मुद्रा (\$,)को बाजार से खरीद या बेचना ।
- ❖ Creation of an environment in which free movement of labor can take place in different countries of the world.

Critical evaluation –Indian experience

Indian economy in last 70 years of its independence has experience many colors of growth and development.

India's development experience can be evaluated on the basis of three factors poverty inequality and employment

Poverty :Poverty is referred to a condition where the person can't even satisfy his basic needs of food, clothes and shelter.

Poverty is about not having enough money to meet basic needs including food, clothing and shelter.

निर्धनता :निर्धनता का अर्थ उस सामाजिक प्रक्रिया से है जिसमे लोग अपनी बुनियादी आवश्यकताओं जैसे भोजन ,वस्त्र मकान शिक्षा स्वस्थ्य को भी पूरा करने में असमर्थ होते हैं

WHAT DOES POVERTY MEAN?

- Lack of shelter.
- Lack of food.
- Lack of education.
- Lack of basic transportation.
- Lack of ability to pay off debts.
- Lack of good health and medical infrastructure.



The World Bank Organization describes poverty in this way: Poverty is hunger.

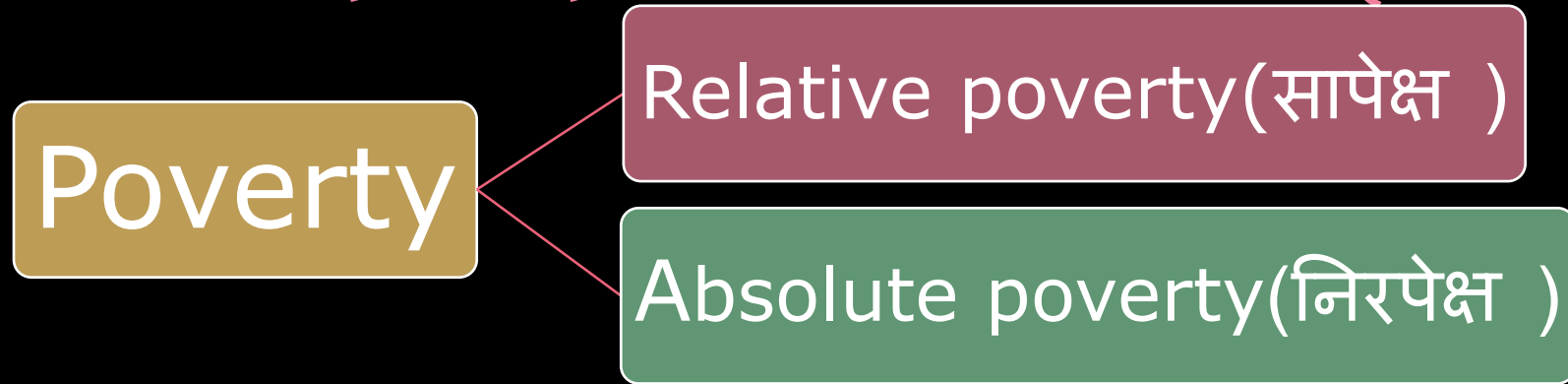
Poverty is lack of shelter.

Poverty is being sick and not being able to see a doctor.

Poverty is not having access to school and not knowing how to read. Poverty is not having a job, is fear for the future, living one day at a time. Poverty is

losing a child to illness brought about by unclean water. Poverty is powerlessness, lack of representation and freedom."

There are two ways to define poverty:
निर्धनता शब्द को दो अर्थों में लिया जाता है

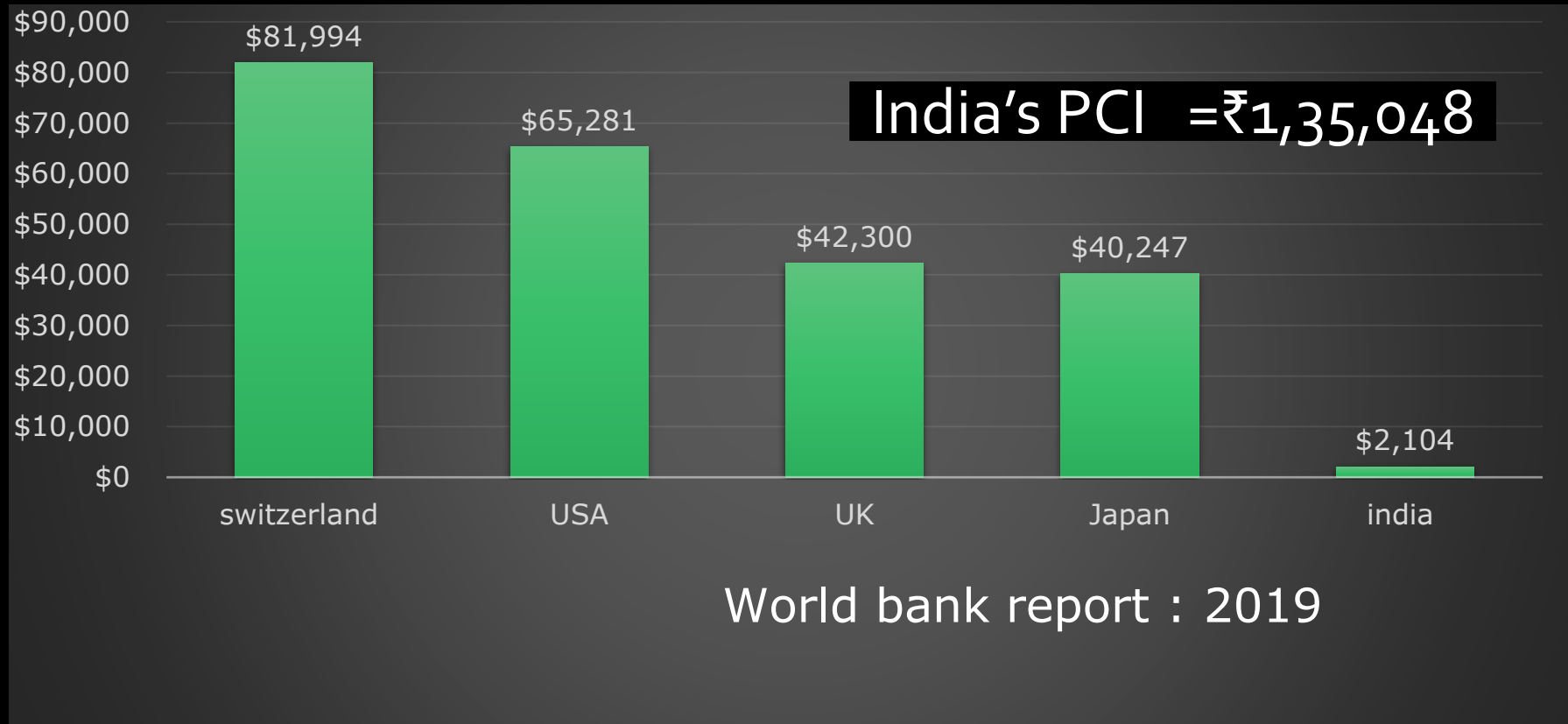


Relative Poverty(सापेक्ष निर्धनता): It is defined from the social perspective that is living standard compared to the economic standards of population living in surroundings.

सापेक्ष निर्धनता तुलनात्मक निर्धनता है विभिन्न वर्गों प्रदेशों तथा किसी दूसरे देशों की तुलना में पाई जाने वाली निर्धनता

Those who fall into the category of relative poverty are not necessarily deprived of all basic needs, but may not experience the same standard of living as the majority of society or in other words, they are relatively deprived.

India is at 145th position in terms of GDP
5 Times lower than world average \$ 11673



Absolute poverty

Absolute poverty is poverty that is unrelated to a particular economic or social context. It is a general definition of poverty which is valid at all times and for all economies.

Absolute poverty(निरपेक्ष निर्धनता): Also known as extreme poverty . One straightforward definition of absolute poverty is '...being , unable to have basic food, clean water, health, shelter, and basic education .

Absolute poverty □ Declaration of Copenhagen “A condition characterized by severe deprivation of basic human needs, including

Food, Safe Drinking
Water, Sanitation Facilities,
Health, Shelter,
Education And Information.

Absolute Poverty is usually uncommon in developed countries.

2015, the World Bank defines extreme poverty as living on less than US \$1.90 per day

David Gordon's paper of "Indicators of poverty and hunger" for UN, further defines absolute poverty as the absence of any two of the following eight basic needs:

- Food
- Sanitation facilities
- Shelter
- Information
- Safe drinking water
- Health
- Education
- Access to services

Measurement of absolute Poverty (poverty line)

What is poverty line?

Poverty line is the level of income to meet the minimum living conditions.

Poverty line is the amount of money needed for a person to meet his basic needs. It is defined as the money value of the goods and services needed to provide basic welfare to an individual.

Poverty line differs from one country to another

International Poverty Line

The World Bank defines a person as extremely poor if she is living on less than 1.90 international dollars a day, which are adjusted for inflation as well as price differences between countries.

Poverty line in India

Methodology for constructing the poverty line

Measures of
absolute Poverty

Calorie criteria

Minimum
consumption criteria

1. Calorie criteria(कैलोरी मापदंड) : The first Poverty line was created in India by the Planning Commission in the mid 1970s. It was based on a minimum daily requirement of 2400 and 2100 calories for an adult in Rural and Urban area respectively

2. Minimum consumption criterion:(न्यूनतम उपभोग मापदंड) :1962
Planning Commission द्वारा नियुक्त विशेष समिति न्यूनतम उपभोग मापदंड को अपनाया। इस कमिटी ने 1960-62 के कीमतों पर 20 रुपये से कम प्रति व्यक्ति प्रति माह को निर्धनता रेखा से नीचे माना

Poverty Estimation in India

A common method used to estimate poverty in India is based on the income or consumption levels and if the income or consumption falls below a given minimum level, then the household is said to be Below the Poverty Line (BPL).

Planning Commission Expert Group (1962), working group constituted by the Planning Commission formulated the separate poverty lines for rural and urban areas (₹20 and ₹25 per capita per month respectively).

VM Dandekar and N Rath (1971), made the first systematic assessment of poverty in India, based on National Sample Survey (NSS) data.

Expenditure based Poverty line estimation

VM Dandekar and N Rath were of the view that poverty line must be derived from the expenditure that was adequate to provide 2250 calories per day in both rural and urban areas.

Lakdawala Committee (1993): Task Force chaired by DT Lakdawala

The criteria suggested by the committee was Calorie intake based on consumption expenditure.

This poverty line was set such that anyone who cannot meet 2400 and 2100 calories worth of consumption in rural and urban areas respectively in addition to clothing and shelter is poor

As per Lakdawala committee the percentage of population living below poverty line in the year 2004-05 was:

Rural: 28.3%

Urban: 25.7%

All India: 27.5%

The Tendulkar committee stipulated a benchmark daily per capita expenditure of RS 27 and RS 33 in rural and urban areas, respectively, and arrived at a cut-off of about 22% of the population below poverty line. As per Tendulkar report, the percentage of people living below poverty line in the year 2004-05 were:

Rural:41.8 Urban: 25.7

Total 37.2

In the year 2011-12,

Rural:25.7 Urban: 13.7

Total: 21.9

Tendulkar committee estimated poverty by using basic requirement of the poor such as housing, clothing, shelter, education, sanitation, travel expense and health etc., to make poverty estimation realistic.

Later, the Rangarajan committee raised these limits to R32 and R47, respectively. C Rangarajan committee, recommended a monthly per capita consumption expenditure of RS 972 in rural areas and RS 1,407 in urban areas respectively as the poverty line and worked out poverty line at close to 29.5%.

Poverty Estimates by Different Committees

Year	Lakdawala Committee			Tendulkar Committee			Rangarajan Committee		
	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total
1993-94	37.3	32.4	36.0	50.1	31.8	45.3	-	-	-
2004-05	28.3	25.7	27.5	41.8	25.7	37.2	-	-	-
2009-10	-	-	-	33.8	20.9	29.8	39.6	35.1	38.2
2011-12	-	-	-	25.7	13.7	21.9	30.9	26.4	29.5

Trends of poverty in India: as estimated by planning commission and NSSO

YEAR	No.Of Poor (In Crore)	%of poor
1993-94	32	36
1996-97	27	29.18
1999-2000	26	26
2004-5	40	37.2
2009-10	35.5	29.8
2011-12	26.9	21.9

The last official estimate of Poverty in 2011-12 was released by Planning Commission at 21.92%, which was estimated using Tendulkar Committee approach **daily per capita expenditure of RS 27 and RS 33 in rural and urban areas, respectively**

After that, no estimates have been officially released. Line of 21.92% adopted in 2011 as the official poverty line

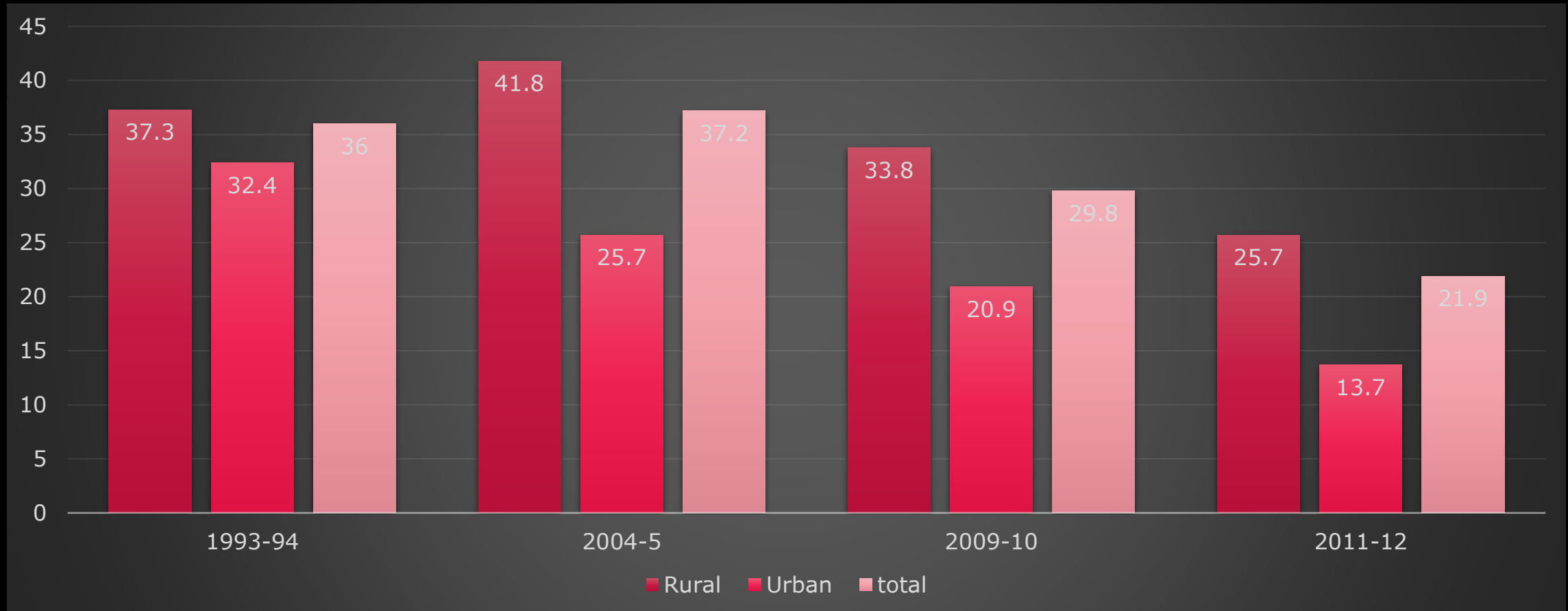
Interstate variation in population below poverty line poverty ratio :

In states like Chhattisgarh Jharkhand Bihar MP %poor people is much higher than national average (22%) Himachal Pradesh records lowest %of 8.1

States	% of population below poverty line
Chhattisgarh	39.9
Jharkhand	37
Bihar	37.7
MP	31.7
Haryana	11.2
Punjab	8.3
HP	8.1

Rural Urban Picture Of Poverty Trend

year	rural	Urban	Total
1993-94	37.3	32.4	36
2004-5	41.8	25.7	37.2
2009-10	33.8	20.9	29.8
2011-12	25.7	13.7	21.9



Poverty alleviation programs in India(निर्धनता उन्मूलन कार्यक्रम)

List of Poverty Alleviation Programs in India

Name of the Scheme/Program	Year of Formation	Objectives
Integrated Rural Development Program (IRDP) (संगठित ग्रामीण विकास कार्यक्रम)	1978	To raise the families of identified target groups living below the poverty line.इस कार्यक्रम के अंतर्गत लोगों को स्वयं रोज़गार के लिए सहायता दी जाती है
Pradhan Mantri Gramin Awaas Yojana	1985	<ul style="list-style-type: none">•To create housing units for everyone along with providing 13 lakhs housing units to the rural areas.•To provide loans at subsidized rates to the people.

<p>Indira Gandhi National Old Age Pension Scheme (NOAPS)</p>	<p>15th August 1995</p>	<ul style="list-style-type: none"> •To provide pension to the senior citizens of India of 65 years or higher and living below the poverty line. •It provides a monthly pension of Rs.200 for those aged between 60-79 years and Rs.500 for the people aged above 80 years.
<p>The Swarna Jayanti Shahari Rozgar Yojana स्वर्ण जयंती शहरी रोज़गार योजना</p>	<p>December 1997</p>	<p>To provide gainful employment to the urban unemployed or underemployed poor .The Swarna Jayanti Shahari Rozgar Yojana shall be funded on a 75:25 basis between the Centre and the States 75% center 25% state</p>

Twenty Point Program
(20 सूत्री आर्थिक कार्यक्रम)

Initially launched by Prime Minister Indira Gandhi in 1975 and was subsequently restructured in 1982 and again in 1986 and finally restructured in 2006 under TTP 2006

20 Points as defined in 2006

The TTP further restructured in 2006 had following Points:

1. Poverty eradication
2. power to people
3. Support to farmers
4. Labour welfare
5. Food security
6. Clean drinking water
7. Housing for all
8. Health for all
9. Education for all and minorities
10. Welfare of SC/ ST/ OBC
11. Women welfare
12. Child welfare
13. Youth Development
14. Environment improvement of slums protection and afforestation
15. Social security
16. Rural Roads
17. Energizing of rural areas
19. Development of Backward areas
20. IT enabled and e-governance

Prime Minister's Rozgar Yojana (PMRY)	1993.	to create and provide sustainable self-employment opportunities to one million educated unemployed youth in the country during the 8th Plan period.
Annapurna	1999-2000	To provide 10 kg of free food grains to the eligible senior citizens who are not registered under the National Old Age Pension Scheme.

Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA)	It was launched on February 2, 2005	The Act provides 100 days assured employment every year to every rural household. One-third of the proposed jobs would be reserved for women
Pradhan Mantri Jan Dhan Yojana (PMJDY)	2014	To ensure direct benefit transfer of subsidy, pension, insurance etc. and attained the target of opening 1.5 crore bank accounts. The scheme particularly targets the unbanked poor.
Pradhan Mantri Gramin Awaas Yojana	2017	A housing scheme for the rural poor.

Main Causes of Poverty in India

- Heavy pressure of population:
- Unemployment and under employment:
- Capital Deficiency:
- Under-developed economy:
- Increase in Price:
- Net National Income:
- Rural Economy:
- Lack of Skilled Labour:

Rapid population growth since 1951 is an important factor responsible for persisting poverty in India. Population in India has increased from 36 crores in 1951 to 125.3 crores in 2011, that is, 89 crores people have been added to the Indian population in the last about 60 years since independence. As a result, per person available land has greatly declined. Rapid growth in population in India since 1951 has caused lower growth in per capita income causing lower living standards of the people.

Low Productivity in Agriculture:

The level of productivity in agriculture is low due to subdivided and fragmented holdings, lack of capital, use of traditional methods of cultivation, illiteracy etc. This is the main cause of poverty in the country.

Under Utilized Resources:

The existence of under employment and disguised unemployment of human resources and under utilization of resources have resulted in low production in agricultural sector. This brought a down fall in their standard of living.

Low Rate of Economic Development:

The rate of economic development in India has been below the required level. Therefore, there persists a gap between level of availability and requirements of goods and services. The net result is poverty.

Price Rise:

The continuous and steep price rise has added to the miseries of poor. It has benefited a few people in the society and the persons in lower income group find it difficult to get their minimum needs.