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A STUDY ON POVERTY, UNEMPLOYMENT, AND INEQUALITY IN INDIA IN GLOBALIZATION AND ITS SOCIOECONOMIC IMPACT

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Abstract: Globalization has profoundly influenced India's economy since the liberalization reforms of 1991. While it has driven economic growth, attracted foreign investment, and integrated India into global markets, its impact on poverty, unemployment, and inequality remains contentious. This research paper examines the multifaceted effects of globalization on these socio-economic dimensions, highlighting both the opportunities it offers and the challenges it poses. The paper also explores policy interventions needed to mitigate its adverse effects and ensure inclusive development.

Keywords: Poverty, Unemployment, Inequality, Globalization, Impact

1. Introduction

Globalisation has had a significant effect on poverty, inequality, and employment. In 1991, a number of economic reforms were implemented in India, the world's second most populous nation, marking the beginning of its journey towards becoming a global economy. The word "globalisation" has grown in popularity without a precise meaning. Through the interconnected web of international commerce, communication, immigration, and transportation, national and regional economies, civilizations, and cultures have become more interdependent; this phenomenon is known as globalisation. Recent economic discussions have often centred on the concept of globalisation in relation to topics such as trade, FDI, international capital flows, etc. All nations, but especially emerging ones, stand to benefit from globalisation, according to its advocates. The shift from a domestic to a global economy may be difficult at first, but the possibilities and options available to consumers will grow exponentially as the economy continues to evolve (Stiglitz, and Pike 2004).

Globalisation entails the seamless merging of geographically and politically fragmented global marketplaces. Globalisation, like every coin, has two sides. It has both beneficial and detrimental aspects. How well governments take use of these possibilities without jeopardising their sovereignty and territory is crucial. One of the societal ills that globalisation is supposed to cure is a country's unemployment rate, income disparity, and poverty. A significant step towards economic prosperity and progress may be achieved via the implementation of cooperative, long-term changes that ease international commerce (Barkawi, 2006).

The contemporary world has been shaped by globalisation, the interconnection of economies and civilizations globally. There has been heated discussion about how it has affected poverty, unemployment, and inequality, despite the fact that it has enabled remarkable economic development and technical improvements (Dejung, & Cohen, 2018).

India is the largest democratic country in the world, since its independence it is facing two

twin problems, poverty, and unemployment. Poverty is like a disease, which can be cured with good medicine, the medicine should be good government policies. Poverty and unemployment are like the sides of the coin. Unemployment leads to poverty and poverty causes unemployment, both problems impact the development of our economy. Unemployment causes the problem of financial crises and the reduction of a nation's overall purchasing capacity. This leads to poverty and an increase in the debt burden, this is the most common problem underdeveloped and developing economies are facing. According to World Bank, "Poverty implies a financial condition where people are unable to maintain the minimum standard of living". In India, unemployment and poverty problems were always major barriers to economic growth, underemployment and unemployment have occasionally crippled the Indian economy. Another major problem concerning in the Indian economy is that of population explosion. More than 50% of the present population depends on Agricultural, Agriculture is the backbone of the Indian economy, but Indian agriculture is evidence for seasonal unemployment and disguised unemployment. Majority of the rural population lives with poverty and unemployment. The problems of unemployment and poverty in India are added by the mass migration of rural to urban areas.

India with a democratic government preparing various policy measures to eradicate poverty and unemployment and regional disparities. The elected government's main objective is to promote equal opportunity for every people in the job and their economic growth. The societal status differs based on their income, caste, religion, and others. Equality and equal opportunities to all public irrespective of their caste, religion and income status are the main objectives of recent government policies. Therefore, the government has been formulating and implementing several acts, regulations, and policy guidelines to maintain equality among the people by providing assisting and providing the opportunity to underprivileged people. However, we as Indians observed and experienced several social and economic issues which significantly affect the underprivileged people to at least survive in the society with human dignity. Which, the poverty and unemployment issues are basic grassroots concerns that are linked to quite a lot of other socio-economic concerns.

Government policies are effectively implemented to eradicate these issues, also proving budgetary allocations, funds, and special assistance to overcome these issues. The outcome from these policies and measures are not visible realistic and also there is no compressive evidence to know the impact of government policies in the eradication of poverty and unemployment. Generally, the policy documents of governments, sanctioned and utilized fund data are available with respective government departments. To know the influence of policies, effectively utilized funds, and impact on their lifestyle is not acknowledged after the regulatory process. Therefore, this study attempts to analyse the impact of regulatory policies in the eradication of poverty and unemployment. This assists the policymakers to know their policies' real impact and need for improvement. This motivates the policymakers to take steps to eradicate poverty and unemployment. Finally, this study is an attempt to show the gap between people's expectations and government policy impact.

There are different types of poverty is existing, such as absolute poverty and relative poverty, urban poverty, rural poverty, primary poverty,

secondary poverty and many more. Regardless of poverty, the fundamental reason for poverty is insufficient income. To eradicate poverty, poor people should be employed and should get income to fulfil their basic requirements.

Among the developing nations, India has the most extensive collection of domestic surveys that can be used to track living conditions. Because there hasn't been much advancement in the fundamental survey instruments and methodologies (at least in comparison to other countries), the surveys have remained comparable over time. India, therefore, provides rich evidence for the evaluation and quantification of the ties between poor living standards and macroeconomic aggregates in series particularly among developing countries.

2. Methodology

1. Data collection

The current investigation will rely on secondary data. The National Account Statistics (NAS), National Sample Survey Organisation (NSSO), Ministry of Statistics and Programme Implementation, Centre for Monitoring Indian Economy (CMIE), and Reserve Bank of India Handbook of Statistics would be the primary sources of data.

2. Study Area

We shall split the 23 states of India into six regions the Northern Region, Southern Region, Eastern Region, Western Region, Central Region, and North Eastern Region in order to evaluate growth and inequality at the regional level.

3. Tools and Techniques used for the Study

In order to analyse economic development and income inequality in India, a number of statistical techniques will be used, including the annual average growth rate, compound annual growth rate, coefficient of variation, Gini's coefficient, Test of σ and β Convergence, Spearman Rank Correlation, Hoover Index, Theil Entropy Index, Herfindahl-Hirschman Index, Atkinson Index, t-test, and Segmented Regression.

3. Data Analysis

1. Regional Growth of NSDP in India

Since the 1980s, when reforms were first implemented, India's economy has grown substantially. The economy as a whole has grown at a remarkable pace, and certain industries, including software and associated services, have grown at an exponential rate. Over the course of this chapter, we have looked at the aggregate and disaggregate growth of NSDP and PCY before and after the reform eras.

This chapter is broken down into seven parts. Part 2 discusses the overall increase of NSDP and PCY in India. In Section 3, we covered the topic of regional growth in India at the disaggregate level. The contribution of each sector to NSDP is detailed in Section 4. Section 5 displays the link between PCY and sectoral shares in NSDP. Section 6 explains the comparison between the NSDP and PCY before and after the revisions. The chapter is concluded in Section 7.

2. Growth of NSDP and PCY in India: Aggregate level

There has been significant development in the Indian economy during the last 30 years, especially after 1980. Every single industry's output has gone up a notch. The NSDP and PCY yearly growth rates in India from 1980–81 to 2019–20 are shown in Table 4.1. But there has been a lack of consistency in the rise.

In 1982–1983, NSDP and PCY both had slower yearly growth rates than the previous year.During this era, the decrease in NSDP and PCY was mostly caused by the unpredictable and insufficient rainfall.

The seventh five-year plan was launched in 1985–1986. To strengthen anti-poverty programs and spur economic development, many important policy choices and initiatives were implemented. Both the NSDP and PCY had increases in growth from 1984–85 to 1985–86; the former saw a rise of 9.98 percent, while the latter saw an increase of 08.82 percent in comparison to 9.29 percent. Following the implementation of economic reforms in 1990–1991, the NSDP achieved a height of 20.51% growth in 1993–1994, while the PCY reached a peak of 24.85% growth. There was a marked slowdown in the expansion of NSDP (4.52%) and PCY (4.95%) in 2000–01 compared to earlier years. The Indian economy was not immune to the worldwide economic downturn that hit at that time. Following 2006–07, NSDP growth was unstable, peaking at 15.59 percent in 2011–12. The growth of NSDP began to decline after 2011–2012. This was followed by a decline in NSDP growth to 9.09% in 2019–20. From 2012–13 to 2019–20, PCY growth slowed after having climbed constantly up to 2008–09.

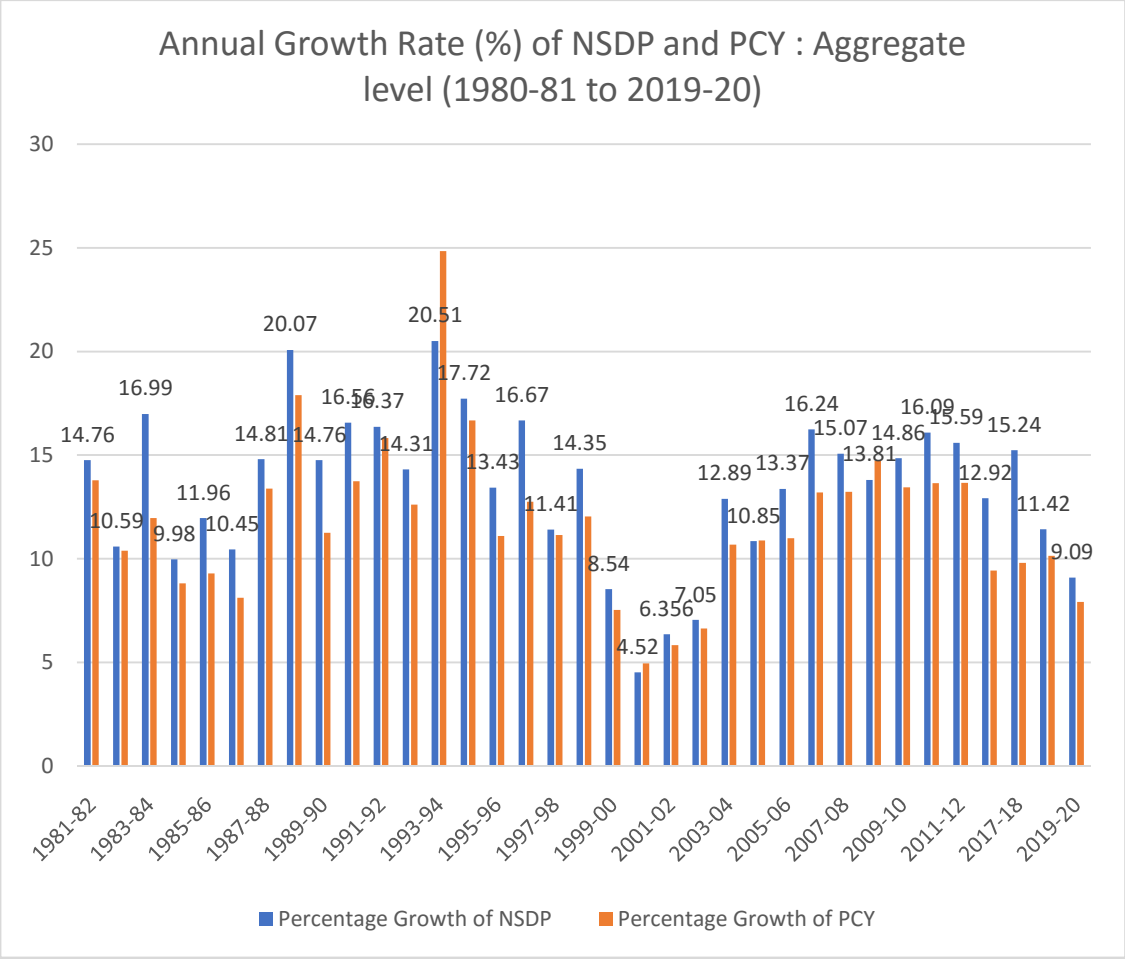

Figure 1: Annual Growth Rate (%) of NSDP and PCY: Aggregate level (1980-81 to 2019-20)

3. Growth of NSDP and PCY in India: Disaggregate Level

Policymakers in India have long been concerned about achieving balanced regional economic development. After gaining independence, India's various regions have shown vastly different levels of growth. An important rationale for forming the planning commission and instituting the five-year plans was this very thing. It is essential to analyze in order to provide a comprehensive picture of development at the aggregate level. This section concludes the regional pattern of NSDP and PCY growth.

A look at figureshows how NSDP and PCY have grown throughout various areas of India. The table indicates that from 1980–81 to 2019–20, the Western area had the greatest growth rate of NSDP at 14.26 percent, while the Southern region had the best growth rate of PCY at 12.75 percent. The Northern area, on the other hand, continues to have NSDP growth of 14.04 percent. It is important to note that although the Northern region's NSDP growth is lower than the Western region's, the Northern region's PCY growth is greater. Both NSDP and PCY growth were lowest in the Central area. The NSDP and PCY both grew by 10.80% and 8.66%, respectively, in this area.

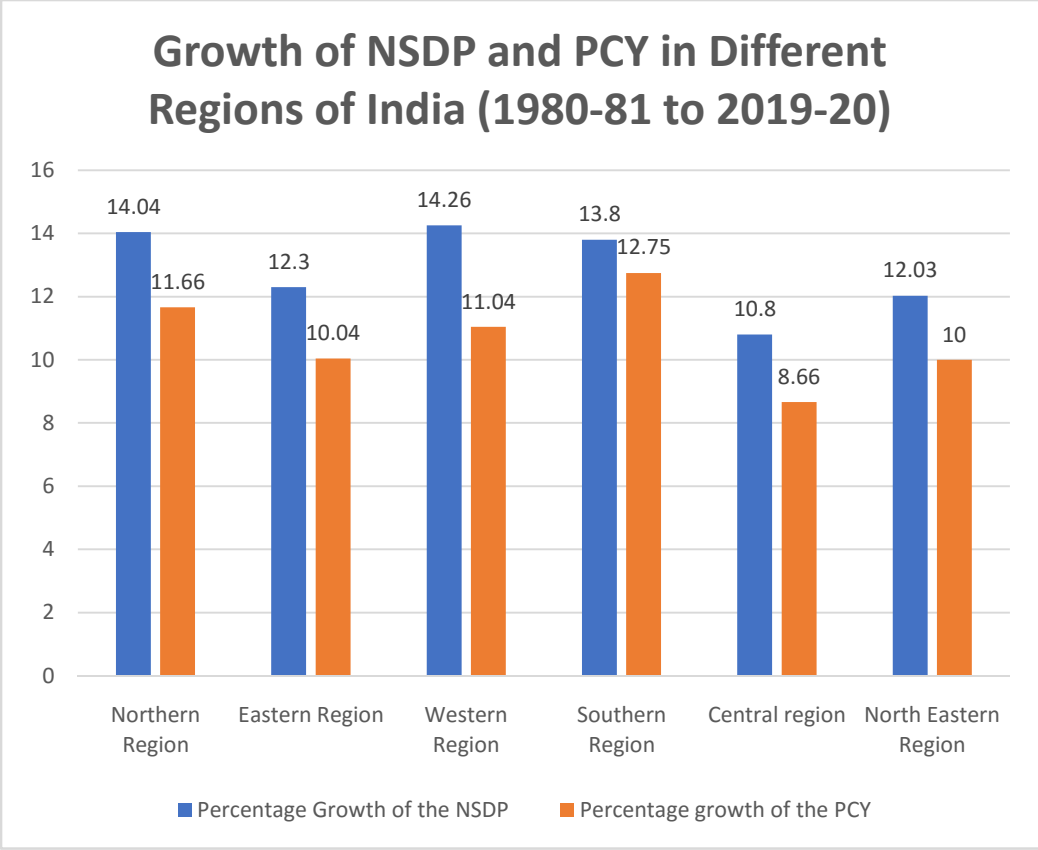

Figure 2: Growth of NSDP and PCY in Different Regions of India (1980-81 to 2019-20)

4. Growth of NSDP and PCY in India at State Level Analysis

To get a better understanding of India's economic pattern, we computed the NSDP and PCY compound annual growth rates at the state level. From 1980–1981 to 2019–2020, Tableshows the growth rate of NSDP and PCY for 23 of India's states.

Table1: Compound Annual Growth Rate (%) of NSDP and PCY States of India (1980-81 to-2019-20)

States	CAGR of NSDP	CAGR of PCY
Andhra Pradesh	14.50* (199)	12.90* (100.66)
Arunachal Pradesh	11.70* (41)	12.10* (96.68)
Assam	10.80* (47.69)	9.40* (54.59)
Bihar	12.00* (55.80)	9.91* (91.61)
Chhattisgarh	9.80* (48.67)	7.80* (41.91)
Delhi	15.70* (109.24)	11.90* (91.61)
Goa	15.60* (109.24)	13.20* (50.90)
Gujarat	14.10* (86.08)	12.80* (60.53)
Haryana	15.00* (128)	12.10* (84.06)
Himachal Pradesh	13.70* (110.98)	11.90* (103.76)
Karnataka	13.80* (99.88)	12.10* (77.18)
Kerala	12.20* (55.42)	13.30* (77.18)
Madhya Pradesh	12,50* (64.79)	10.10* (53.25)
Maharashtra	12.80* (48.09)	10.90* (45.80)
Meghalaya	10.90*(47.17)	8.60* (28.33)
Nagaland	14.50* (58.34)	10.00* (45.74)
Orissa	12.90* (83.39)	11.20* (69.59)
Punjab	12.70* (76.14)	10.60* (65.10)
Rajasthan	13.40* (65.69)	9.30* (31.63)
Tamil Nadu	13.20* (59.31)	12.80* (1.12)
Uttar Pradesh	12.00* (78.66)	9.80* (63.12)
Uttarakhand	15.40* (35.71)	13.50* (31.71)
West Bengal	13.00* (100)	9.00* (34.35)

Source: Calculations are based on data from MOSPI
Note : Figures in parentheses are calculated *t*-values
*Indicates that the values are statistically significant

There is a good amount of diversity in the growth rate of NSDP for states, as seen in Table. Some states have grown at an astounding rate, while the others have grown at a slower pace than the rest of India. The states with the strongest NSDP growth rates are Delhi (15.70%), Goa (15.60%), Uttrakhand (15.00%), and Haryana (15.00%), while the worst NSDP growth rates are in Chhattisgarh (9.80%), Meghalaya (10.90%), and Assam (10.80%).

The aggregate PCY grew more rapidly over the time frame being considered.Kerala(13.30%), Goa(13.20%), Gujarat(12.80%), and Andhra Pradesh(12.90%) are the states that had the highest PCY growth throughout the study period. In contrast to Goa and Kerala, Arunachal Pradesh and Tamil Nadu also had strong performances during that time (12.10 percent and 12.80 percent, respectively), albeit their PCY growth rates were lower. Karnataka, Arunachal Pradesh, and Haryana all had PCY growth rates of 12.10 percent. The fact that Goa and Kerala are well-known as tourist hotspots can explain their rapid population rise. The PCY growth rate is lower in states when NSDP growth is low.

Table 2: Compound Annual Growth Rate (%) of NSDP (1980-81 to 2019-20)

States	1980-81to 1985-86	1985-86to 1990-91	1990-91to 1995-96	1995-96to 2000-01	2000-01to 2005-06	2005-06to 2010-11	2010-11to 2019-20
Andhra Pradesh	13.06	17.15	18.23	12.00	09.82	17.81	18.00
Arunachal Pradesh	20.03	10.47	14.77	0.893	11.24	17.34	18.05
Assam	19.68	16.39	12.27	11.22	04.54	11.99	14.51
Bihar	15.68	11.93	11.75	14.99	05.89	19.07	13.84
Chhattisgarh	-	-	-	10.25	14.22	09.50	31.72
Delhi	13.02	15.91	21.48	17.55	10.87	18.00	15.63
Goa	14.47	15.95	21.48	20.59	14.07	19.21	15.18
Gujarat	15.72	15.35	20.85	10.57	13.88	15.55	13.92
Haryana	12.28	14.21	15.71	13.17	12.45	20.12	14.01
Himachal Pradesh	09.28	15.28	16.05	16.39	10.02	13.50	12.19
Karnataka	14.78	14.88	17.75	14.07	09.14	14.52	13.33
Kerala	12.58	13.17	18.44	12.67	10.63	07.99	09.58
Madhya Pradesh	10.15	14.96	12.49	13.17	07.16	16.61	18.94
Maharashtra	10.85	17.32	18.13	12.46	10.96	09.02	21.38
Meghalaya	13.90	17.89	11.16	07.33	09.35	07.43	08.66
Nagaland	19.51	18.75	20.44	08.90	10.90	12.25	14.60
Orissa	10.81	12.34	17.81	09.54	13.13	17.73	10.61

Punjab	13.49	15.89	16.72	12.22	06.05	16.46	11.96
Rajasthan	14.06	15.89	14.43	13.63	08.91	16.64	17.63
Tamil Nadu	13.62	15.01	18.60	12.72	04.03	17.08	14.99
Uttar Pradesh	11.32	14.00	13.23	11.64	07.69	15.69	17.10
Uttarakhand	-	-	-	09.47	12.10	13.71	13.57
West Bengal	14.20	12.39	13.18	14.87	09.48	14.67	14.67
Source: Researcher's calculations are based on data from MOSPI							

5. Sectoral Contribution in NSDP and PCY

From 2000-01 to 2005-06, the following Indian states had the lowest growth rates of NSDP: Andhra Pradesh (9.82% of the total), Assam (4.54%), Bihar (5.69%), Delhi (10.87%), Karnataka (9.14% of the total), Madhya Pradesh (7.16%), Meghalaya (9.35%), Punjab (6.05%), Rajasthan (8.91%), Tamil Nadu (4.03%), Uttar Pradesh (7.09%), and West Bengal (9.58% of the total).The world economy was in a state of crisis throughout this time, which is why this is the case.

Andhra Pradesh (13.06 to 18.00 percent), Madhya Pradesh (10.15 to 18.94 percent), Maharashtra (10.85 to 21.38 percent), and Utter Pradesh (11.32 to 17.10 percent) had the highest growth in NSDP when comparing the most recent intervals (2010-11 to 2019-20) with 1980-81 to 1985-86. From 2010–2011 to 2019–2020, the remaining states' NSDP growth rates improved somewhat.

One intriguing finding from the table is that between 2010 and 2015, the state of Chhattisgarh had the greatest growth rate of NSDP at 31.72 percent. The NSDP growth rate in three states was lower in 2019–20 compared to 1980–81: Assam (19.68 to 14.51 percent), Meghalaya (13.4 to 8.66 percent), and Nagaland (19.51 to 14.60 percent).

Table 4.7 displays the rise of PCY at five-year intervals during the research period. Just like NSDP, PCY's growth rate follows a predictable pattern. The PCY growth trend was upwards before the year 2000 in every state. Nevertheless, PCY's growth rate slowed from 2000 to 2005. In terms of PCY growth from 2005 to 2010, Andhra Pradesh had the best rate (16.63 percent), while Meghalaya had the worst rate (4.81 percent), with Rajasthan and West Bengal following closely behind at 5.58 and 5.77 percent, respectively.

By comparing the years 1980–1985 with 2010–2015, we find that PCY increased from 13.17% to 18.16% in Bihar, 8.25% to 13.45% in Delhi, 8.49% to 13.12% in Haryana, 7.62% to 18.77% in Madhya Pradesh, 8.49% to 14.74 % in Maharashtra, and 17.29% to 14.89 % in Assam, 15.38% to 11.73 % in Nagaland, and 13.93% to 13.39% in Meghalaya.

Table 3: Compound Annual Growth Rates (%) of the Sectors (1980-81 to-2019-20)

States	NSDPGrowth of Agriculture Sector	NSDPGrowth of Industry Section	NSDPGrowth of Service Sector	Growth of NSDP
Andhra Pradesh	12.00* (39.44)	15.30* (66.65)	13.60* (39.45)	14.50* (99.93)
Arunachal Pradesh	8.50* (21.88)	14.70* (45.85)	12.80* (44.47)	11.70* (41.30)
Assam	10.80* (46.57)	11.70* (33.23)	11.60* (102.37)	10.80* (47.60)
Bihar	9.70* (43.85)	13.00* (36.15)	13.50* (93.36)	12.00* (55.80)
Chhattisgarh	5.60* (13.11)	11.90* (52.12)	11.70* (47.92)	9.80* (48.67)
Delhi	8.50* (20.05)	13.90* (52.12)	16.00* (92.57)	15.70* (109.24)
Goa	10.10* (56.57)	16.40* (33.40)	16.20* (79.92)	15.60* (63.38)
Gujarat	11.00* (32.87)	14.90*(78.30)	14.50* (120.55)	14.10* (86.08)
Haryana	11.40* (47.33)	15.40*(121.25)	17.20* (177.08)	15.00* (128.77)
Himachal Pradesh	15.60* ((34.93)	15.30* (60.37)	14.50*(108.89)	13.70* (110.98)
Karnataka	9.90* (31.45)	13.80* (80.42)	14.40* (98.26)	13.80* (99.88)
Kerala	9.80* (29.53)	14.10* (91.01)	12.70* (87.55)	12.20* (55.42)
Madhya Pradesh	9.80* (26.57)	12.70* (47.20)	12.90* (65.02)	12.50* (64.79)
Maharashtra	9.70* (26.43)	11.60* (40.94)	13.60* (38.11)	12.80* (48.16)
Meghalaya	10.00* (26.40)	11.40* (44.65)	10.90* (35.85)	10.90* (47.17)
Nagaland	15.20* (54.37)	13.80* (37.39)	14.10* (48.15)	14.50* (58.34)
Orissa	10.70*(32.58)	15.30* (73.11)	14.30* (123.24)	12.90* (83.39)
Punjab	11.10* (44.18)	13.20* (59.33)	13.50*(99.51)	12.70* (76.14)
Rajasthan	11.9* (37.20)	13.20* (71.10)	14.30* (68.71)	13.40* (65.59)
Tamil Nadu	11.00*(34.21)	13.30* (69.35)	15.30* (85.88)	13.20* (59.31)
Uttar Pradesh	10.70*(60.16)	12.80* (55.62)	12.80* (93.90)	12.00* (78.66)
Uttarakhand	9.10*(33.62)	17.30* (26.27)	15.80* (45.23)	15.40* (35.71)
West Bengal	9.30* (34.64)	9.50* (30.77)	14.10* (136.44)	13.00* (100.67)

Source: Calculations are based on data from MOSPI

Note: Figures in parentheses are calculated t-values

*Indicates that the values are statistically significant

The secondary sector grew at a much slower rate in the other states, with the highest rates recorded in Uttarakhand (17.30%), Goa (16.40%), Andhara Pradesh (15.30%), Orissa (14.0%), Arunachal Pradesh (14.0%), Kerala (11.90%), and Chhattisgarh (11.90%).

Haryana, Delhi, Tamil Nadu, Karnataka, Rajasthan, West Bengal, Maharashtra, and Punjab had the highest percentage increases in NSDP of service at 17.20%, 16.00%, 15.01%, 14.01%, 14.01%, 14.01%, 13.50%, and 13.50%, respectively.

6. Sectoral Composition of NSDP

The following formula is used to compute the sectoral composition.

$$\text{The share of ith sector in the jth state's NSDP} = \frac{\text{Output of the ith sector}}{\text{NSDP of jth states}} \times 100$$

Tables show the changes in the sectors from 1980–1981 to 2019–2020. The following tables show the trend of the percentage of the total NSDP that comes from the agricultural, industrial, and service sectors. Here, we compute the trends of the sectors' sectoral contributions after a five-year period beginning in 1980–1981.

The agricultural sector's contribution to the NSDP decreased in the majority of states, as seen in Table. The percentage of the population engaged in agriculture fell by 5.45% in Uttara Pradesh, 5.81% in Karnataka, 6.40 in Goa, 8.14% in Assam, 7.07 in Haryana, 10.1% in Gujarat, and 14.06% in Andhra Pradesh prior to the reforms.

The percentage of the population engaged in agriculture declined at a slower pace of -0.8% in Madhya Pradesh and -0.90% in Meghalaya. In 1985 and 1986, the proportion of NSDP allocated to agriculture grew rapidly in a few of states. Himachal Pradesh(9.87%), Arunachal Pradesh(6.09%), and Tamil Nadu(5.59%) are these states. In Delhi, the agricultural quota rose 0.74 percent between 1980–81 and 1985–86. From 1980–81 to 1985–86, the agricultural sector had negligible increases in West Bengal (a 0.54% increase) and Orissa (a 0.80% increase).

Table 4: Share of Agriculture in NSDP (1980-81 to 2019-20)

States	1980-81	1985-86	%Change	1985-86	1990-91	%Change	1990-91	1995-96	%Change
Andhra Pradesh	42.78	28.17	-14.6	28.17	33.22	5.05	33.22	33.31	0.087
Arunachal Pradesh	55.63	61.73	6.09	61.73	57.53	-4.20	57.53	48.03	-9.51
Assam	36.32	29.25	-7.07	29.25	36.25	7.00	36.25	35.23	-1.02
Bihar	47.98	44.04	-3.94	44.04	42.1	-1.93	42.1	45.34	3.23
Chhattisgarh	-	-	-	-	-	-	-	-	-
Delhi	4.178	4.927	0.74	4.927	10.43	5.50	10.43	1.711	-8.72
Goa	29.27	22.81	-6.46	22.81	24.66	1.85	24.66	15.06	-9.59
Gujarat	36.74	26.66	-10.1	26.66	32.56	5.90	32.56	23.17	-9.39
Haryana	51.67	43.53	-8.14	43.53	47.25	3.71	47.25	38.3	-8.95

Himachal Pradesh			25.3	35.17	9.87	35.17	25.69	-9.48	25.69	25.63	-0.07
Karnataka			42.32	36.51	-5.81	36.51	35.53	-0.97	35.53	34.9	-0.63
Kerala			30.3	27.73	-2.58	27.73	25.3	-2.43	25.3	27.09	1.791
Madhya Pradesh			44.08	43.27	-0.8	43.27	46.36	3.08	46.36	42.84	-3.52
Maharashtra			20.78	17.49	-3.29	17.49	17.22	-0.27	17.22	15.89	-1.33
Meghalaya			35.8	34.86	-0.94	34.86	29.64	-5.22	29.64	29.27	-0.38
Nagaland			26.09	28.01	1.91	28.01	25.33	-2.67	25.33	22.93	-2.41
Orissa			45.68	46.49	0.80	46.49	37.13	-9.36	37.13	36.7	-0.43
Punjab			46.69	43.14	-3.56	43.14	42.09	-1.04	42.09	41.5	-0.59
Rajasthan			40.68	37.64	-3.04	37.64	37.93	0.28	37.93	33.65	-4.28
Tamil Nadu			25.9	31.5	5.59	31.5	28.49	-3.00	28.49	25.13	-3.36
Uttar Pradesh			46.13	40.68	-5.45	40.68	37.36	-3.32	37.36	35.01	-2.35
Uttarakhand			–	–	–	–	–	–	–	–	–
West Bengal			30.04	34.59	0.54	34.59	36.84	2.25	36.84	33.6	–3.18
To be continued											
1995-96	**2000-01**	**%Change**	**2000-01**	**2005-06**	**%Change**	**2005-06**	**2010-11**	**%Change**	**2010-11**	**2019-20**	**%Change**
33.31	30.92	-2.39	30.92	25.44	-5.48	25.44	25.64	0.197	25.64	22.59	-3.1
48.03	47.46	-0.56	47.46	36.18	-11.3	36.18	32.26	-3.92	32.26	32.83	0.57
35.23	32.78	-2.45	32.78	29.81	-2.97	29.81	28.9	-0.91	28.9	30.13	1.23
45.34	40.07	-5.28	40.07	30.15	-9.92	30.15	25.73	-4.42	25.73	15.57	-10
40.36	25.53	-14.8	25.53	25.3	-0.22	25.3	20.73	-4.57	20.73	18.79	-1.9
1.711	1.615	-0.1	1.61	1.00	-0.61	1.008	0.913	-0.09	0.913	0.893	-0
15.06	9.738	-5.32	9.738	9.10	-0.64	9.1	5.833	-3.27	5.833	8.607	2.77
23.17	17.31	-5.87	17.31	19.29	1.98	19.29	19.61	0.323	19.61	17.67	-1.9
38.3	32.17	-6.12	32.17	22.2	-9.97	22.2	21.81	-0.39	21.81	14.99	-6.8
25.63	26.62	0.996	26.62	26.38	-0.24	26.38	21.04	-5.34	21.04	21.32	0.28
34.9	30.88	-4.02	30.88	20.52	-10.4	20.52	17.57	-2.95	17.57	14.28	-3.3
27.09	18.82	-8.27	18.82	16.5	-2.32	16.5	13.87	-2.63	13.87	10.59	-3.3
42.84	26.11	-16.7	26.11	29.27	3.16	29.27	25.13	-4.14	25.13	28.85	3.72
15.89	13.56	-2.33	13.56	10.67	-2.89	10.67	8.737	-1.93	8.737	8.912	0.18
29.27	28.09	-1.17	28.09	23.8	-4.29	23.8	17.29	-6.51	17.29	20.63	3.34

22.93	33.58	10.65	33.58	33.25	-0.33	33.25	27.28	-5.96	27.28	30.87	3.59
36.7	27.42	-9.28	27.42	24.67	-2.75	24.67	21.09	-3.58	21.09	22.97	1.88
41.5	38.22	-3.28	38.22	33.88	-4.34	33.88	32.84	-1.04	32.84	25.1	-7.7
33.65	27.45	-6.2	27.45	25.59	-1.87	25.59	28.87	3.28	28.87	28.88	0.01
25.13	23.22	-1.91	23.22	12.21	-11.0	12.21	13.73	1.514	13.73	10.25	-3.5
35.01	34.24	-0.77	34.24	30.53	-3.71	30.53	28.98	-1.54	28.98	26.92	-2.1
31	27.67	-3.33	27.67	19.82	-7.85	19.82	16.93	-2.88	16.93	13.24	-3.7
33.66	29.85	-3.81	29.85	25.05	-4.8	25.05	23.96	-1.09	23.96	23.24	-0.7
Source: Calculations are based on data from MOSPI											

7. Growth of the NSDP and PCY: Aggregate Level

Aggregate NSDP has grown substantially since the reforms began, according to Table, but at a slower pace than in the years leading up to the changes, as demonstrated by β3 = .12* in column (5).

Table 5: Aggregate Growth of NSDP and PCY in Pre and Post reforms Period (1980-81 to 2019-20)

Year	Corr.Agriculture Industry	Corr.Agriculture Service	Corr.Agriculture Service	Corr.Agriculture, PCY
Growth of NSDP	16.19*	.13*	.02	.12*
	(208.84)	(17.36)	(.048)	(28.36)
Growth of PCY	9.42*	.24*	-.23	.10*
	(35.95)	(6.86)	(-0.78)	(8.50)
Source : Calculations are based on data from MOSPI **Note :**Figures in parentheses are calculated t-values *Indicates that the values are statistically significant				

Growth of PCY has increased during the post reforms period as compare to pre reforms period.

8. Growth of NSDP in Pre and Post Reforms Period: Disaggregate Level

To compare NSDP growth before and after the reforms, Table displays the findings of a segmented linear regression model.

Table6: Growth of NSDP in Pre and Post Reforms Period (1980-81 to-2019-20)

States	β0	β1	β2	β3
Arunachal Pradesh	13.47*	-.04	.15*	.13*
	(154)	(-0.70)	(15.13)	(27.50)
Andhra Pradesh	9.68*	.05	.15*	.10*
	(47.19)	(0.72)	(8.39)	(9.63)
Assam	12.54*	.03	.15*	.09*
	(153)	(0.56)	(16.33)	(20.37)
Bihar	13.08*	-.07	.12*	.12*
	(91.33)	(-0.93)	(7.69)	(15.20)
Delhi	12.44*	.004	.16*	.14*
	(160)	(0.10)	(18.24)	(32.70)
Goa	10.32*	.09	.13*	.14*
	(169)	(1.01)	(7.36)	(14.39)
Gujarat	13.50*	.16	.12*	.13*
	(157)	(2.13)	(11.68)	(28.58)
Haryana	12.60*	-.07	.14*	.14*
	(167)	(-1.62)	(16.91)	(33.95)
Himachal Pradesh	11.32*	.03	.13*	.12*
	(163)	(0.73)	(16.67)	(33.25)
Karnataka	13.30*	-.03	.14*	.13*
	(160)	(-0.63)	(15.38)	(27.69)
Kerala	13.09	.03	.13*	.11*
	(111)	(0.60)	(12.23)	(17.72)
Madhya Pradesh	13.29*	-.008	.12*	.12*
	(109)	(-0.11)	(9.44)	(17.46)
Maharashtra	14.22*	.133*	.14*	.10*
	(144)	(2.68)	(13.30)	(18.96)
Meghalaya	10.37*	.006	.14*	.09*
	(142)	(0.13)	(17.52)	(23.27)
Nagaland	9.517*	.083	.17*	.12*

	(155)	(1.71)	(23.52)	(37.35)
Orissa	12.86*	-.043	.11*	.13*
	(158)	(-0.59)	(11.28)	(29.94)
Punjab	12.96*	.035	.14	.11*
	(186)	(0.95)	(18.49)	(28.72)
Rajasthan	13.09*	.07	.14*	.12*
	(135)	(0.86)	(12.22)	(22.93)
Tamil Nadu	13.78*	.04	.14*	.12*
	(113)	(0.65)	(10.97)	(17.60)
Utter Pradesh	14.16*	-.03	.13*	.11*
	(156)	(-0.79)	(14.30)	(22.70)
West Bengal	13.80*	-.06	.12*	.12*
	(168)	(-1.13)	(13.31)	(27.87)

Source: Calculations are based on data from MOSPI

Note : figures in parentheses are calculated t-values

*Indicates that the values are statistically significant

4. Conclusion

The NSDP and PCY growth rates of India were accelerated in the 1990s, thanks to the country's new economic policies. The PCY growth was most in the south, while the NSDP gain was largest in the west. The Central region has had the most subpar growth in NSDP and PCY. While the Western, Eastern, and North Eastern areas had a decline in their NSDP contributions throughout the study period, the Southern, Central, and Northern regions all witnessed increases.

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