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# How Indian Economy Changes from 1991-2013: An Overview

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**Abstract:** *Since 1951, India has fully-fledged as a planned economy. The first few plans focused on growth with strengthening of the manufacturing and industrial sector to form the backbone of the Indian economy. Other principal areas of planning were agriculture, poverty alleviation, employment generation, social development etc. Back in 1991, India saw itself battling its most critical economic and currency crisis ever, but after economic reforms and adopting the policy of LPG (Liberalization, Privatization, and Globalization) Indian economy performed well. India gradually breaking free of the low growth trap that was "Hindu growth rate" of 3.5 per cent per annum. Then again due to global financial crisis in 2008 Indian economy again interrupted and going through another turbulent phase. The ghosts of 1991 have come again to haunt us. Take the twin deficits during both these period. The fiscal deficit was at 5.39% of GDP in 1991-92. In 2011-12 it was at 6.9%. Similarly, the current account deficit was at 3% of GDP in 1991. The same stood tall at 4.3% in March 2012. Short term external debt has shot up from 10% of GDP in 1991 to 22% currently. This paper give a brief introduction of the changes of Indian economy from 1991-2013.*

**Keywords:** *Indian Economy, Economic crisis, 1991 economic reforms, Global financial crisis.*