

Industrial policy



Industrial  
policy-  
1948

Industrial  
policy-  
1956

Industrial  
policy-  
1977

Industrial  
policy-  
1980

New  
Industrial  
policy-  
1991

## Industrial Policy Resolution of 1948:

**First Industrial Policy – 1948 Given by Mr. Shyama Prasad Mukherjee.**

**Basic aim was to develop a **strong industrial base.****

**The resolution visualised a **mixed economy.****

**Items under Central Government control: Arms, Energy, Railway. Items under State Government Control: Coal, Iron, Steel, etc.**

## Industrial Policy Resolution of 1956:

**The reasons for the revision were:**

- (i) introduction of the Constitution of India,**
- (ii) adoption of a planned economy, and**
- (iii) declaration by the Parliament that India was going to have a **socialist pattern of society.****

“The IPR 1956 has been known as the **Economic Constitution of India**” or “**The Bible of State Capitalism**”.

The Resolution classified industries into three categories

1. Schedule A consisting of 17 industries would be the exclusive **responsibility of the State.**
2. Schedule B, consisting of 12 industries, would be open to both the private and public sectors; however, such industries would be **progressively State-owned.**
3. Schedule C- All the other industries not included in these two Schedules constituted the third category which was left open to the **private sector.**

## Industrial Policy Statement – 1977

Industrial Policy Statement – 1977 Given by **Janta Government** .

It aimed to **prevent monopoly and concentration** of economic power.

Maximise production of **consumer goods**. The policy made industry responsible to social needs. Generation of rural employment opportunities.

## Industrial Policy Statement – 1980

It was a **growth oriented industrial policy**.

Factors focussed on were:

1. Labour relations,
2. Pollution control,
3. Ecological balance,
4. Mergers & Amalgamations,
5. Correcting industrial sickness,
6. Foreign collaborations,
7. Taking over sick industrial units.

## Industrial Policy of 1991:

The long-awaited liberalised industrial policy was announced by the Government of India on 24 July 1991.

It was a growth oriented industrial policy.

It was introduced in **July 24, 1991** .

**Objectives:**

1. Maintain a sustained growth in productivity.
2. Enhance gainful employment
3. Achieve optimum utilization of human resources.
4. Attain **international competitiveness**
5. Transform India into a major partner and players in the global arena.

## Features of new industrial policy-1991

**De-reservation of public sector.**

**Number of public sector industries was reduced to 8. At present, its reduced to 3 industries: 1. Defence, 2. Railways, 3. Atomic energy.**

**Delicensing: Abolished industrial licensing except for five industries related to security and environment:**

- 1. Hazardous chemicals**
- 2. alcoholic drinks**
- 3. Cigarettes and Cigars**
- 4. defence equipment,**
- 5. Industrial explosives including match boxes**

**Disinvestment from public sector**

**Liberalisation of foreign investment**

## National Manufacturing Policy-2011

Manufacturing's share in India's GDP has been stuck at 16% since the 1980s. The policy aims to increase the share of manufacturing in the country's GDP.

The National Manufacturing Policy aims to create 100 million additional jobs in the next decade.

Both **state and central Government** would fund trunk infrastructure.

Acc, to The national manufacturing policy (NMP) manufacturing should contribute **25 percent in India's GDP by 2022**, she stated.

Currently, the sector contributes about **16-17** percent in India's economic growth.

## It has the following objective:

The share of manufacturing in GDP to rise by **25% in 2022**

Increase in growth of manufacturing sector to **12 to 14 percent across** the medium term

-Increase in rate of employment

creation in manufacturing for creation of 100 million additional jobs by 2022

Policy is based on principle of economic and industrial growth in partnership with states

Central government will create the enabling policy framework providing incentives for infrastructure development on PPP basis through effective financing

Policy also aims at improving access to finance for SMEs in manufacturing sector

**Delhi Mumbai Industrial Corridor/DMIC**