

UNIT III (b): INDUSTRY & SERVICE SECTOR

- An Overview of Industrial Growth during pre-reform and post-reform period
- The Pre-Reform Period (1951-1990)

Five Year PlansIndustrial Progress

- First Plan (1951-56)
 - i) Most emphasis was given to the agricultural sector
 - ii) There was no scope of establishing heavy industries.
 - iii) Industry recorded an annual growth of 6.5%.
- Second Plan (1956-61)
 - i) The focus was given on basic & heavy industries
 - ii) Government announced 2nd Industrial policy in 1956
 - iii) Iron & Steel companies were established.
 - iv) The industrial growth rate was 7.3%.
- Third Plan (1961-66)
 - i) With the basic industries, the associated industries were given importance
 - ii) The industrial growth was 6.9%.
- Fourth Plan (1969-74)
 - i) The industrial progress was depressing due to the following reasons:
 - a) Oil price shock in 1973