



PERFORMANCE OF INDIAN INDUSTRIAL SECTOR IN PRE AND POST NEW INDUSTRIAL POLICY (NIP) PERIOD 1991

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Abstract

Background

The structure and function of the industrial sector is an important perspective of Indian Economy. It is imperative for industries to grow both qualitatively and quantitatively to boost the economy. The well-being of the industries depends truly on the formulation and promotion of industrial policies framed by the policy makers. Industrial policy, inter-alia, covers the procedures, principles, rules & regulations, which impact the industrial establishments of a country & shape the pattern of industrialization.

Objectives

The objectives of present study are 1. To understand the overall changes in Indian industrial policy; and 2. To assess PERFORMANCE of Indian industrial production during pre and post New Industrial Policy (NIP) period.

Methodology

This study is based on the secondary data. The data are collected from various issues of Indian Economic Survey. The present study covered a period of 52 years from 1965-66 to 2016-17. Pre new industrial policy period data is covered twenty six years from 1965-66 to 1990-91. Post new industrial policy period data is covered twenty six years from 1991-92 to 2016-17. Growth rate of Index of Industrial Production (IIP) used to compare the pre and post New Industrial Policy period. The descriptive statistics and figure used in the present study.

Results and conclusion

The average rate of growth of industrial production for the twenty six years of pre and post New Industrial Policy period was 5.66 per cent and 5.76 per cent respectively. The study revealed that growth rate of industrial production was moderately changed during before and after New Industrial Policy period. Standard deviation of pre and post New Industrial Policy period was 3.43 % and 4.22% respectively. It revealed that high fluctuation of growth rate was appeared in post New Industrial Policy period than pre New Industrial Policy period.

The study concluded that unlike previous industrial policy, the current industrial policy 2017 has clear vision to development of the industrial sectors as well as international trade. Hence all states and union territories should be given serious consideration to implementation of the current industrial policy.

Keywords: Industry, New Industrial Policy, Make in India, Index of industrial Production.