

## Brief Outline of Indian Economic Development ( Five Year Plans of India)

| S.No | Phases | Plans / Year                    | Targeted GDP (%) | Achieved GDP (%) | Emphasis on / Goals  | Result / Reasons   |
|------|--------|---------------------------------|------------------|------------------|--|--|
| 1.   | I      | 1 <sup>st</sup> FYP / 1951 – 56 | 2.9              | 3.6              | Harrod-Domar Model (Basic Planning Concept is Derived), Community Development Programs, Role of State, Agriculture, Price Stability.             | Price Decreased by 13%   |
| 2.   |        | 2 <sup>nd</sup> FYP / 1956 – 61 | 4.5              | 4.3              | Heavy Industrialization (Rapid Industrialization) 3 Steel Industris / Mahalanobis Strategy, Agriculture was neglected                            | High Imports of Machineries, Price Increased by 30%                  |
| 3.   |        | 3 <sup>rd</sup> FYP / 1961 – 66 | 5.6              | 2.5**            | Inward Oriented Policy(Self Reliant and Self Generation), Agriculture was Focussed, BOP Crisis, Import of Food Grains (Scheme :PL 480) from USA. | Devaluation of Money by 36.5%, Drought, War with China and Pakistan. |
| 4.   | II     | Annual Plan / 1966 – 67         |                  |                  | Emphasis of Agriculture (New Agriculture Strategy), New Irrigation Methods, Usage of Fertilizers, High Yield Variety of Seeds for More Output.   | Planned Growth Ahead.  |
| 5.   |        | Annual Plan / 1967 – 68         |                  |                  |  |  |
| 6.   |        | Annual Plan / 1968 – 69         |                  |                  |  |  |
| 7.   |        | 4 <sup>th</sup> FYP / 1969 – 74 | 5.7              | 3.3              | Agriculture, Social Justice  | Bangladeshi Refugees, Indo – Pak War.                                |
| 8.   |        | 5 <sup>th</sup> FYP / 1974 – 79 | 4.4              | 5.2              | Failure of Trickle Down Effect, Employment Generation Programs, Removal of Poverty, Attainment of Self Reliance.                                 | Terminated in 1978 when Janata party Came to power.                  |

|     |     |                                 |     |     |   |  |
|-----|-----|---------------------------------|-----|-----|---|--|
| 9.  |     | Rolling Plan / 1978 – 80        |     |     | Plan Performance is assessed and a new plan will be drafted as per the assessment of the previous year.   | Janata Party Rule came to an end, New Government was formed.   |
| 10. |     | 6 <sup>th</sup> FYP / 1980 – 85 | 5.2 | 5.3 | Infra Structure Development, Anti Poverty Programs, Increased Production of Agricultural Products, Population Control through Family Planning Programs.       | No Income through Tax Payment, Income only through FDI Inflow and Loan from RBI (Central Bank of India).                                     |
| 11. |     | 7 <sup>th</sup> FYP / 1985 – 90 | 5.0 | 5.8 | Continuity to 6 <sup>th</sup> FYP (i.e.,) Poverty Removal, Infra Structure Development, Imitating Gradual Liberalization of Economy, Outward Oriented Policy. |  |
| 12. | III | Annual Plan / 1990 – 91         |     |     | Due to the policy change in the late 7 <sup>th</sup> FYP to Liberalization of Economy, High Inflation.  | Devaluation of Money (Rs.17.50 to Rs.45.50), Contractionary Policies of RBI. Loan Amount: \$ 2,2 Billion, with 67 tons of Gold as Collateral |
| 13. |     | Annual Plan / 1990 – 92         |     |     |   |  |

|     |  |                                   |                     |         |  |   |
|-----|--|-----------------------------------|---------------------|---------|--|---|
| 14. |  | 8 <sup>th</sup> FYP / 1992 – 97   | 5.6                 | 6.8     | Privatization of the Economy, Indicative Growth, High Industrial Growth, Lower Employment Growth (JOBLESS GROWTH)  | To tackle the Inflation.                            |
| 15. |  | 9 <sup>th</sup> FYP / 1997 – 2002 | 6.5                 | 5.4     | 2 <sup>nd</sup> Generation Reforms, (i.e.,) Quality of life, generation of productive employment, regional balance and self-reliance. Liberalization, Privatization, Globalization (LPG)   | East Asian Crisis.                                  |
| 16. |  | 10 <sup>th</sup> FYP / 2002 – 07  | 8.0                 | 7.8*    | Service Lead Growth (Service Sector Growth), Foreign Capital Inflows, Universal access to Primary Education, Portable Drinking water to Villages and cleaning the Polluted Rivers.   | Increase In Domestic Saving and Investment Rates.   |
| 17. |  | 11 <sup>th</sup> FYP / 2007 - 12  | 9.0                 | 7.86*** | Global Financial Crisis, Create Employment Opportunities, Reducing Anemia and Malnutrition's.  | Euro Zone Crisis and Contractionary policies of RBI |
| 18. |  | 12 <sup>th</sup> FYP / 2012 – 17  | 8.0<br>(Actual GDP) |         | Rapid, Sustainable and More Inclusive Growth. (Poverty Reduction. Employment in Non Farm Sector, Education Sector – Gender gap, Social Gap, IMR – 25%, MMR – 1%, TFR – 2.1%, Infrastructural Development, Renewable Energy, Banking Service to 90% of Population). |   |

\*Highest Growth rate achieved till now (Overall with all sector).

\*\*Lowest Growth rate till now.

\*\*\*Highest Growth rate achieved with booming of Service Sector (i.e., IT)