

## **Economic Planning**

- Economic planning refers to the path of actions in terms of policy measures to be followed in future, in pursuance of pre-determined objectives.

Planning Commission (now NITI Aayog) defines economic planning as the utilisation of country's resources for developmental activities in accordance with national priorities. It is a consciously and judiciously carried out process for optimum utilisation of existing resources in order to fulfil some well defined objectives.

### **Objectives of Planning**

- The broad objectives to Five Years Plans in India are
  - A high rate of growth with a view to improve the standard of living.
  - Modernisation of economy in terms of adoption of new technologies and social outlook.

### **IMPORTANT DATES**

- 1934 – Sir M.Visvesvaraya in his book Planned Economy of India advocated the necessity of planning in the country much before independence.
- 1944 – The Planning and Development Department was set up under the chairmanship of Sir Ardeshir Dalal.
- 1946 – The Interim government set up the Planning Advisory Board.
- 1947 – The Economic Programme Committee was set up under the chairmanship of Pandit Jawaharlal Nehru.
- 1950 – The Planning Commission was set up after independence.
- 1965 – The National Planning Council was established
- 2015 – The NITI Aayog replaces the Planning Commission.