

Planning Commission of India

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Class –B.A.Part-III

The Planning Commission, although no longer active (since it was replaced by the [NITI Aayog](#)), was an important feature of policy making and governance in India. In this article, you can get a brief about the Planning Commission, its objectives, composition and functions for the UPSC [civil services exam](#).

Planning Commission Background

Planning Commission of India is an organization in the Government of India, which formulates India's Five-Year Plans, among other functions. The planning commission was charged with the service of the opportunities to all for employment in the service of the community. The Planning Commission is reporting directly to the [Prime Minister of India](#). It was established on 15 March 1950, with Prime Minister Jawaharlal Nehru as the chairman. The Planning Commission does not derive its creation from either the Constitution or statute but is an arm of the Central/Union Government. The Planning Commission was set up by a Resolution of the Government of India in March 1950. The prime objectives of the Government were to propel a rapid increase in the living standard of Indians by the productive exploitation of the country's resources, raising production and securing opportunities for everyone for employment in the service of society. The Planning Commission was assigned the responsibility of assessing all the resources of the country, enhancing scarce resources, drafting plans for the

most productive and balanced usage of resources and ascertaining priorities. Pandit Nehru was the first Chairman of the Planning Commission.

The first Five-year Plan was launched in 1951 and subsequent Five-year plans were formulated till 1965, when a gap occurred due to the war with Pakistan. 2 consecutive years of drought, rupee devaluation, a general hike in prices and depletion of resources derailed the planning process and after Annual Plans from 1966 to 1969, the 4th Five-year plan was started in 1969.

The 8th Plan could not be launched in 1990 due to political situations altering and instabilities at the Centre and the years 1990-91 and 1991-92 received Annual Plans. The 8th Plan was finally kicked off in 1992 after the economic liberalization policies were started by the government. For the first 8 Plans, the focus was on an expanding public sector with massive investments in the heavy and basic industrial sector, but after the launch of the 9th Plan in 1997, the emphasis has shifted from heavy industries and moved on to the thinking that planning should largely be indicative in nature.