Preface

India initiated major economic reforms in 1991 in the wake of severe balance of payment crisis. Subsequently, all the states implemented the New Industrial Policy which began a new era of industrial reforms. In Uttar Pradesh reform measures in the industrial sector started with the announcement of the Industrial Policy, 1998. The policy aimed at accelerating industrial growth by attracting a steady stream of investment by creating a congenial investment climate. As 90 percent of the industrial sector is made-up of Small Scale industries, the major policy shifts in the State’s policy are directed towards this sector only. Emphasis is placed on attracting private investment in software, hardware and telecommunications. The private sector would be encouraged to set up technology parks and other infrastructure. It offers a varying investment subsidy, depending upon the amount of investment and employment generation, and other incentives. One of the major exercises undertaken in 2004 Policy is to synchronize the prevailing policy framework with contemporary international economic thinking. The government has, in the recent past, announced New Industrial Development and Service Sector Investment Policy- 2004.

This thesis attempts to analyse why this state has not been able to catch up with the industrialised states in spite of its proximity to abundant natural resources. The study is exploratory in nature and makes an attempt to identify the characteristic pattern of industrial progress in the state in the last few years since 1998-99 till 2011-12. The study involves a detailed analysis of the growth of corporate sector in the state post 1991 economic reforms.
The corporate sector comprises of government and non-government companies (both limited by shares), non-government companies with unlimited liability, companies limited by guarantee and associations not for profit and foreign companies. The database for the analysis is based on the Companies Act, 1956 and the Factories Act, 1948.

While writing this thesis, I have freely drawn up on the informative writings and teachings of large number of eminent economists and writers on the subject, past and present. Let me thank all of them at the very outset, with great gratitude and sincere heart.

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