

# **ANNUAL PLAN 2002-03**



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**GOVERNMENT OF INDIA  
PLANNING COMMISSION  
New Delhi**

# ANNUAL PLAN DOCUMENT 2002-03

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# CHAPTER I

## OVERVIEW

The Approach Paper to the Tenth Five Year Plan was formulated in the context of the Prime Minister's vision of doubling per capita income in the country within the next ten years. Hence, the Plan aims at achieving an economic growth target of 8 per cent average GDP growth for the period 2002-07 as the first step towards fulfilling the ultimate aim of doubling per capita income by 2012. The Approach Paper also recognized that economic growth cannot be the only objective of national planning and the development objectives should be specified in the broader sense of enhancement of human well-being. Accordingly, it highlighted certain additional quantifiable targets relating to poverty, employment, social and environmental indicators, as being central to the attainment of the objectives of the Tenth Plan. It is important to emphasise that these human development related targets, which are extremely important and are being introduced for the first time in Indian planning, are intimately linked to the growth objective, as attainment of one may not be possible without the attainment of the others.

2. The Annual Plan 2002-03, being the first Annual Plan of the first Five Year Plan formulated in the new Millennium, assumes special significance. This Plan is being formulated against the backdrop of a number of positive developments, including decelerated population growth below 2 per cent, continuous decline in the percentage of population in poverty, increased literacy from 52 per cent in 1991 to 65 per cent in 2001 and emergence of software and IT enabled services as new sources of strength.

3. The Planning Commission emphasised that while preparing the Plan proposals, the areas of collective concerns, such as the deteriorating public finances and fiscal health of the Government, both at the Centre and at the States, and the gaps and disparities in economic and social attainments across regions, gender and population groups need to be addressed explicitly. More importantly, an innovative strategy to realize the accelerated growth projections for the economy in the Tenth Plan period and beyond need to be collectively pursued, which requires not only a significant increase in investment rates but also a major improvement in the efficiency of transforming our resources into desired outcomes. The Tenth Plan has to be a plan which sets new benchmarks for efficiency and effectiveness in implementing our development policies and programmes. It was further emphasised that neither the growth target nor the objective indicators of well being of the people are likely to be attained only by the quantum of resources that we succeed in mobilizing. Efficiency and effectiveness have to be the touchstones of our decisions and actions in the implementation of our policies and programmes.

4. There has been less than adequate allocation of resources for Plan programmes and schemes in the nineties, and particularly so in the Ninth Plan. In fact, the ratio of Gross Budgetary Support to GDP as also the ratio of public investment to GDP has declined almost continuously during this period. Necessary steps would have to be taken to reverse these trends in consultation with the Finance Ministry and in keeping with our overall approach to economic policy and development planning. Past experience has shown that while too many schemes have been launched without sufficient resources, very few have

been dropped or shelved. This has resulted in a plethora of schemes that are difficult to administer and effectively monitor them subsequently. It must be our effort to reduce the number of such schemes to a manageable level.

5. Planning Commission has been pursuing an exercise involving convergence/weeding out and transfer of Central/Centrally Sponsored Schemes. A policy announcement was also made in the Finance Minister's Budget speech 2001-02 regarding subjecting all Plan schemes to Zero-Based Budgeting (ZBB), which would enable the prevention of mismatch between the requirement of funds and the Plan allocations and ensure that Plan expenditure is matched by desired physical achievements. This would also shift the focus of planning from inputs to outputs, i.e. on physical targeting rather than on financial allocations. This process has recorded substantial progress and needs to be completed expeditiously.

6. There has to be a serious prioritization of all Plan programmes/schemes/projects for the Tenth Five Year Plan with a view to use the available resources in the most judicious and economically efficient manner. In particular, while preparing the Annual Plan proposals for 2002-03, there should be an attempt to outline the "Core Plan" for the Ministry/ Department highlighting the basic sectoral priorities and the minimum programme for public action in the concerned sector. Implicit in this is the idea that critical programmes in each sector should not suffer for lack of allocation over the Plan period and completed as planned so that the projected benefits from their implementation could be fully realized.

7. It is needless to emphasise that we have to find adequate resources for priority public sector projects, programmes and schemes. However, it is equally important to strengthen the institutional framework for improving implementation of projects in both public and private sector, releasing latent entrepreneurial energies and encouraging private initiatives to supplement and gradually supplant public efforts. There is significant scope for improving the monitoring of Plan expenditure with a view to improve effectiveness of public spending in obtaining the stated objectives of the Plan programmes/schemes. Planning Commission would also be involved in undertaking the quarterly performance review and encourage joint monitoring of Plan schemes from time to time. This would provide a useful feedback and a better understanding of the concerns of various departments.

8. Planning has necessarily to go beyond undertaking mere budgetary allocations between competing sectors and regions. It has to address, with greater vigour, the need to stimulate private initiatives in various facets of the country's development process and create an environment that provides ample opportunities for all to actualize their potential individually as also collectively for the nation as a whole.

### **RECENT ECONOMIC DEVELOPMENTS AND PROSPECTS FOR 2002-03**

9. The Indian economy exhibited resilience in an uncertain global environment dominated by the worsening of the slowdown in economic activity in several parts of the world. Benefiting from an unusually strong rebound in agriculture production, India's GDP growth accelerated to 5.4 per cent during 2001-02 as against deceleration to 4.0 per cent in 2000-01 from 6.1 per cent in 1999-2000. The turnaround in agriculture was mainly on account of increase in production of foodgrains, oilseeds and cotton. On the other hand, industrial production suffered a pronounced and fairly widespread deceleration, led by

marked slowdown in the manufacturing sector. Capital goods and crude petroleum production recorded absolute declines. The index of industrial production (IIP) for this sector rose by 2.8 per cent in 2001-02 as compared to 6.7 per cent during 2000-01 reflecting weak investment demand in the economy. The services sector continues to lead the economy with a growth in real GDP by 6.2 per cent in 2001-02 as compared to 5.3 per cent in 2000-01, reflecting an improved performance of financial services, as shown in **Annexure 1.1**.

10. The real GDP growth rate for the first quarter (April- June) of 2002-03 was 6.0 per cent as against a growth of 3.5 per cent achieved in the corresponding period of last year as shown in Annexure 1.1. Inflation rate based on Wholesale Price Index (WPI) during April-August, 2002 stood at 2.5 per cent as against 5.4 per cent during the same period last year. Inflation rate for manufactured products stood at a mere 1.4 per cent during April-August, 2002 as against 3.4 per cent in the corresponding period of 2001. Increase in competition was attributed by some observers to be responsible for lower prices for a number of consumer items. The capital goods sector showed the most significant improvement by registering a growth rate of 5 per cent during April-July, 2002 as compared to a decline of 3.9 per cent during 2001-02. The basic goods (5.8 per cent) and consumer goods (7.3 per cent) also showed improvement and this could be interpreted as signs of recovery in the industrial sector.

11. Monetary conditions remained easy for the most part of 2001-02 enabled by the stance of monetary policy in support of the revival of investment demand in the economy. Reserve money rose faster during 2001-02 mainly due to a strong accretion to net foreign assets (NFA) of the Reserve Bank (rose from 13.2 per cent in 2000-01 to 40.0 per cent in 2001-02) Accordingly, liquidity condition remained generally comfortable throughout the year. Broad money (M3) increased by 14.2 per cent in 2001-02 as compared to 16.8 per cent during 2000-01. Monetary expansion was in consonance with the projections set out in the Monetary and Credit Policy Statement for 2001-02. Among the components, currency with the public and time deposits contributed to monetary expansion during 2001-02. Currency with the public recorded a higher growth of 15.2 per cent in 2001-02 as compared to 10.8 per cent during previous year as shown in **Annexure 1.2**.

12. The monetary and credit policy for the first half of 2002-03, announced by RBI in April, 2002, for the so-called 'slack season' was framed to further the industrial revival already underway. The main features included, continuance of soft interest rate regime and greater flexibility to interest rate structure in the medium-term. While the bank rate remains unchanged, Cash Reserve Ratio (CRR) was reduced by 50 basis points to 5 per cent with effect from June 15, 2002. Interest rate on savings account was, however, left unchanged. Interest rate on export credit in foreign currency was also reduced. During the period April-July, 2002, tax receipts (tax and non-tax revenues) rose by 17.3 per cent of the budget estimates, as against 13.9 per cent during the same period of last year. The gross fiscal deficit as on end July, 2002 was lower at 43.9 per cent of the budget estimate as against a deficit of 50.4 per cent in the corresponding period of last year.

13. According to the Indian Metrological Department, however, the year 2002 is the first all-India drought year, after a continuous spell of 14 good monsoons since 1987. Rajasthan witnessed severe drought and states like Haryana, Punjab, Delhi, Karnataka, Tamil Nadu and Kerala had moderate drought conditions. Due to these drought conditions, agricultural

output and rural incomes have suffered throughout the country but to a lesser extent in well irrigated states. The total stock of food grains (rice and wheat) as on 1st July, 2002 was 630 lakh tonnes which is 2 ½ times the maximum buffer stock limit recommended to be maintained by public agencies. Despite the huge stock of food grains available, stray cases of hunger deaths are still being reported. The food distribution system, therefore, needs to be reformed and made more efficient. The present system could be replaced by a system of food stamps and eventually by a food credit card system. A smart card scheme under the Public Distribution System (PDS) is proposed to be introduced in selected districts of the country as a pilot project during Annual Plan 2002-03. Isolated areas where the reach of PDS is not there and in regions where there is the problem of inadequate employment generation such as in tribal areas and in the periphery of the forests, it is felt that a scheme such as grain bank scheme may be implemented and it should be run under the supervision of self-help groups headed by women. The government may provide the initial supply of food grains and the storage capacity may be created under the food for work programme.

14. A high rate of GDP growth will necessarily be associated with a high rate of growth of imports. This is particularly true, given the extent of dependence on imports of energy and the limited likelihood of expanding domestic energy sources rapidly enough. The recent liberalisation of imports will also have a role to play. In such a situation, sustained high rates of growth of exports will be essential for keeping the current account deficit within manageable limits. Rapid export growth will also be necessary for aggregate demand reasons, since a steady increase in the rate of domestic savings implies that the rate of domestic consumption growth will be less than the rate of growth of output. Therefore, external markets will have to be sought for sustaining high levels of capacity utilisation. Exports can also stimulate product and process innovation to meet the challenges of the global market. In industries with significant economies of scale, exports also help in bringing down the average cost of supply by more efficient phasing of lumpy capacities.

15. An Export and Import Policy for the Tenth Five Year Plan was enunciated in April, 2002 to facilitate sustained growth in exports to attain a share of at least one per cent of global merchandise trade; stimulate sustained economic growth by providing access to essential raw materials, intermediates, components, consumables and capital goods required for augmenting production and providing services; enhance the technological strength and efficiency of Indian agriculture, industry and services, thereby improving their competitive strength while generating new employment opportunities, and to encourage the attainment of internationally accepted standards of quality; and to provide consumers with good quality goods and services at internationally competitive prices while at the same time creating a level playing field for the domestic producers. These objectives will be met through the co-ordinated efforts of the Centre and State Governments with a shared vision and commitment and in the best of facilitation, in the interest of promotion of trade in goods and services. The State Governments shall be encouraged to fully participate in promoting exports from the respective states for which suitable provisions shall be made in the Annual Plans. As the small scale sector along with the cottage and handicraft sector which mostly employees artisan and rural people has been contributing to more than half of the total export of the country, special focus has been made to this sector for which additional facilities are envisaged to be extended.

16. Although the country's exports attained a substantive growth of 19.6 per cent in 2000-01 from 9.5 per cent in 1999-2000, only a marginal growth of 0.05 per cent in dollar terms (4.4 per cent in rupee terms) has been achieved during 2001-02. The recessionary tendencies across the world adversely affected the demand of our exports. Such slow down and contraction of world trade also resulted in emergence of protectionist policies in some sectors in the guise of technical standards, environmental and social concerns affecting market access leading to disruption in our exports. In addition, infrastructure constraints, high transaction costs, reservation in small scale industries, labour inflexibility, constraints in attracting FDI in export sector and product quality problems have been the major supply constraints that continue to hamper our exports. Exports have been projected to grow by 12.4 per cent during the Tenth Five Year Plan and a target of 12 per cent growth has been set for the year 2002-03. Export promotion being the constant endeavour of the government; appropriate strategy and policies were formulated and progress of exports was constantly monitored. A number of steps have been taken to enhance export growth which include reduction in transaction costs through decentralization, simplification of procedures etc., as enumerated in the EXIM Policy (2002-07).

17. Imports have declined by 2.8 per cent in dollar terms during 2001-02. The growth in rupee terms has been only 1.5 per cent. POL imports declined by 10.5 per cent and so also their share from 26.4 per cent to 24.3 per cent mainly because of lower international prices of crude. Although non-POL imports increased only marginally their share, however, declined from 75.7 per cent to 73.6 per cent. Slow import growth of non-POL points towards slow down in the domestic industrial activity, as borne out by the lower growth of 2.7 per cent in industrial production during 2001-02 as against 5.0 per cent in 2000-01. After lifting of quantitative restrictions (QRs) on imports effective from April 2001, a 'war room' was set up to closely monitor the import trend of 300 items classified as sensitive. The total import of these items during 2001-02 increased by 7.4 per cent in rupee terms and that too the growth was almost entirely because of an increase in the import of cotton. Customs tariffs (total) have been reduced from an average 37.1 per cent in 2001-02 to 33.7 per cent in 2002-03. The imports have been projected to increase by 16.3 per cent in 2002-03.

18. As a result of marginal increase in exports and decline in imports by 2.8 per cent, the trade balance narrowed down to (-) US\$ 12703 million in 2001-02 from (-) US\$ 14370 million during 2000-01. Current Account Balance improved to 0.3 per cent of GDP as against (-)0.5 per cent of GDP in previous year. During 2002-03, it is expected that the current account balance to GDP may turn to a negative 0.2 per cent with increase in imports as industrial activity improves. Foreign exchange reserves increased over the years and were US\$ 54106 million in 2001-02 which increased further to US\$ 63932 million by the middle of October, 2002.

19. Despite marginal increase in external debt stock, the country's external debt position has improved in recent years. The debt-GDP ratio declined to 22.3 per cent by March, 2001 and further to 20.8 per cent by March, 2002. The short-term debt declined from 10.2 per cent to 2.8 per cent from end of March, 1991 to end of March, 2002. The improvement in India's external debt position since 1991-92 is due to a conscious debt management policy which focused on high growth rate of exports, keeping the maturity structure as well as the total amount of commercial debt under manageable limits, limited short-term debt and encouraging non-debt creating financial flows.



20. The policy on Foreign Direct Investment (FDI) since 1990-91 aimed at encouraging foreign investment, particularly in the core and infrastructure sectors. A series of steps have been taken to ensure a liberal FDI Policy due to which the FDI increased from US\$ 2339 million in 2000-01 to US\$ 3904 million in 2001-02 and the total foreign investment inflows increased to US\$ 5925 million in 2001-02.

21. India is one of the founding members of the World Trade Organization (WTO). Emerging from continued discussions in various multilateral fora, developmental issues along with trade are being increasingly focused. India has been participating in negotiations on the various WTO agreements so as to ensure fulfilment of obligations by the developed countries and at the same time obtain maximum possible benefit for developing countries.

## **PUBLIC SECTOR PLAN**

22. During the Ninth Five Year plan (1997-2002), out of the total approved outlay of Rs. 859200 crore at 1996-97 prices, the Public Sector could utilize only 81 per cent as shown in the **Table 1.1**.

**Table 1.1**  
**Public Sector Plan Outlay and Expenditure During Ninth Plan (1997-2002)**  
**(at 1996-97 prices)**

(Rs. crore)

Item	Outlay	Expenditure	Per cent of Ninth Plan Outlay
1	2	3	4
<b>1 Central Sector</b>			
1.1 Outlay	489361	399253	82
1.2 Budgetary Support	203982	178114	87
1.3 I.E.B.R.	285379	221139	77
<b>2. Union Territories</b>			
2.1 Outlay	19701	14623	74
2.2 Budgetary Support	5580	4517	81
2.3 Own Resources	14121	10107	72
<b>3. States</b>			
3.1 Outlay	350138	282655*	81
3.2 Central Assistance	164437	136261*	83
3.3 Own Resources	185701	146394	79
<b>Total – Public Sector</b>	<b>859200</b>	<b>696531</b>	<b>81</b>

\* includes 2001-02 (RE) for Chattisgarh & Jharkhand; 2000-01 (Actual) & 2001-02 (RE) for Uttaranchal.

23. During each of the Annual Plans, the total expenditure for both Central and State Sectors separately was also below pro-rata as shown in **Table 1.2**.

**Table 1.2**  
**Public Sector Plan Expenditure in Ninth Plan and the Annual Plans**  
**(at 1996-97 prices)**

Year	Per cent of total Ninth Plan Provision	Central Sector	State Sector
1997-98 (Actual)	14.2	13.6	15.1
1998-99(Actual)	15.1	14.9	15.4
1999-2000(Actual)	16.4	16.3	16.6
2000-01 (Actual)	16.7	17.2	16.0
2001-02 (RE)	18.5	19.4	17.2
<b>Total Ninth Plan</b>	<b>80.9</b>	<b>81.4</b>	<b>80.3</b>

24. The shortfall in utilisation of Public Sector Plan allocation arises mainly due to inadequate generation of internal resources by Central Departments and States.

25. The Tenth Plan (2002-07) has proposed an investment of Rs. 40,82,000 crore at 2001-02 prices at national level, which is over 62 per cent higher than the total investment of the Ninth Plan (1997-2002). The public sector investment is projected to be Rs. 12,12,803 crore showing an increase of 64 per cent of the Ninth Plan investment at 2001-02 prices. The projected requirement of resources of the public sector for the Tenth Plan at 2001-02 prices is Rs. 15,92,300 crore comprising the Centre's share at 9,21,291 crore and States and Union Territories share at 6,71,009 crore. But as against this, the public sector allocation aggregate to Rs. 15,25,639 crore. The resources allocation for the Central Sector amounts to Rs. 8,93,183 crore and States and Union Territories share amounts to Rs. 6,32,456 crore as shown in **Table 1.3**.

**Table 1.3**  
**Public Sector Resources & Allocations for the Tenth Plan (2002-07)**  
**(at 2001-02 prices)**

Sources of funding		Required	Allocated
<b>CENTRE</b>			
1.	Budgetary support	4,05,735	4,05,735
2.	IEBR	5,15,556	4,87,448
<b>3.</b>	<b>Total-Centre (1+2)</b>	<b>9,21,291</b>	<b>8,93,183</b>
<b>STATES &amp; UTs</b>			
4.	Core plan	5,90,948	5,90,948
5.	Balance (5.1+5.2)	80,061	41,508
5.1	Own resources	38,553	-
5.2	Central assistance	41,508	41,508
<b>6.</b>	<b>Total-States &amp; UTs (4+5)</b>	<b>6,71,009</b>	<b>6,32,456</b>
<b>TOTAL PUBLIC SECTOR</b>			
<b>7.</b>	<b>Grand total (3+6)</b>	<b>15,92,300</b>	<b>15,25,639</b>

## CENTRAL SECTOR PLAN

26. During the Ninth Plan, an allocation of Rs. 489361 crore was envisaged for the central sector at 1996-97 prices but in real terms the Central Ministries/Departments could utilize only 82 per cent, which is quite low as indicated in **Annexure 1.3**. For the Tenth Plan an allocation of Rs. 8,93,183 crore has been made for the Central Sector at 2001-02 prices. **(Table-1.3)**

27. To conform to the target level of fiscal deficit, the budgetary support for the Central Plan was envisaged at Rs. 203982 crore for the Ninth Plan (1997-2002) against which only 87 per cent was provided in real terms during the Plan. Sectors like social services were provided with 38 per cent followed by transport (17 per cent), rural development (12 per cent) and energy (10 per cent) as shown in **Annexure 1.4** .

28. Since the public sector programmes for human development and support to the poor are undertaken by the Government itself, the pattern of deployment of budgetary resources to the Plan is an important indicator of the support given by the Central Plan for such programmes. The component of budgetary support going to the Central Departments responsible for human development such as education; health & family welfare; welfare of SCs/STs and Other Backward Classes; social welfare and nutrition; labour; rural development; women and child development and for meeting the basic needs - drinking water, sanitation and housing; urban development and special employment generation programmes have been increased sharply since Eighth Plan as shown in **Table I.4**.

**Table 1.4**  
**Budgetary Support for Social Services**

Period	Per cent
Eighth Plan (1992-97)	29.6
1997-98	35.7
1998-99	38.5
1999-2000	38.5
2000-01	39.4
2001-02	38.0

## STATES SECTOR PLAN

29. Although progress in economic development has been achieved in the states over the past five decades of planning, many of the imbalances in development still persist. These imbalances are seen most prominently in the pace of growth, in patterns of development, in plan outlays and development outcomes, and in the fiscal capabilities of states to finance future development. These include differences in initial infrastructure endowments of the states, differences in policies pursued and standards of governance, dissimilarities in soundness of financial management and efficacy of implementation, and varying levels of people's involvement and participation in development programmes.

30. The Plans have traditionally focused on setting national targets but recent experience suggests that the performance of different states varies considerably. For example, although the economy as a whole has accelerated, the growth rates of different states have diverged and some of the poorest states have actually seen a deceleration in growth. It is important to recognize that the sharp increase in the growth rate that is being contemplated for the Tenth Plan is possible only if there is a significant improvement in the growth rates of the slow growing states. The widening regional disparities and pockets of deprivation and poverty have been a cause of concern and a major task that the country has to undertake in response to this challenge during the Tenth Plan is to narrow down these disparities and strive for regional balance. As is observed, to some extent, states with better infrastructure attract private investment in much larger measures than other states. A multi-pronged strategy is needed to accelerate the development of less developed states in backward regions. Higher level of capital investments would have to be an essential element of this strategy. Significant proportions of both central assistance and states' own resources would have to be developed to the attainment of the basic development objectives and the closing of essential infrastructure gaps in less developed states.

31. It is imperative to tackle the development problems of those areas which, despite existing efforts, continue to be characterized by high poverty, low growth and poor governance to attain the equitable and balanced growth. With a view to address this problem, a new initiative in the form of the 'Rashtriya Sam Vikas Yojana' (RSVY) will be operationalised in the Tenth Plan. It aims at focused development programmes, primarily to fill gaps in the backward areas, which would help reduce imbalances, speed up development and help the backward areas to overcome poverty, besides facilitating the states to move up the ladder of reforms. Studies have shown that there are vast variations not only between states but also within states and between districts. Accordingly, one hundred most backward districts have been closed under RSVY for special attention. It is proposed to take up 25 districts on a pilot basis in the first year i.e. 2002-03, 35 in the second year and the remaining 40 districts in the third year of the Tenth Plan. State Governments will be required to prepare plans for the identified districts, to include schemes which would help to fill critical gaps or those which could serve as catalysts for future development of the district. The district authorities would be expected to use existing institutions, non-government organisations and innovative delivery systems so that the maximum benefit could be derived from the additionality provided under this scheme. The strategy is to assist all the states in the development process through additional grants subject to them agreeing through a Memorandum of Agreement (MoA) to a mutually decided set of reforms. Each of the reforms should have objectively verifiable indicators/ milestones and well defined time frames. Release of funds will be performance based.

32. It is proposed to have a Special Plan for Bihar, by far, one of the most backward states and funds will be provided for identified thrust areas, such as power, irrigation, watershed development, connectivity etc. in order to mitigate some of the problems caused by the bifurcation of the State. There will also be a Special Plan for the Koraput, Bolangir and Kalahandi (KBK) districts of Orissa, another pocket of endemic poverty and deprivation for a concerted action in identified critical areas which would ensure drought proofing, provide livelihood support, better health facilities as well as provide specific assistance to the disadvantaged groups.

33. Planning Commission's Project Preparation Facility was set up in response to the problems of less developed states which are unable to prepare projects of the requisite standard to attract institutional and external funding and provides financial assistance for preparation of detailed project reports by professional consultants. The Planning Commission would also set out monitorable indicators for assessing the effectiveness of development spending by states.

34. Special Area Programmes have been formulated to deal with special problems faced by certain areas arising out of their distinct geo-physical structure and concomitant socio-economic development. Hill Area Development Programme (HADP) has been in operation since the inception of the Fifth Five Year Plan and is being implemented for the integrated development of designated hill areas. The main objective of this programme is to ensure ecologically sustainable socio-economic development keeping in view the basic needs of the people of hill areas. Presently, the designated hill areas covered under HADP include (a) two hill districts of Assam-North Cachar and Karbi Anglong; (b) major part of Darjeeling district of West Bengal and (c) Nilgiris district of Tamil Nadu. During 2001-02, a comparative evaluation study of the efficacy of Hill Areas Development Programme in the states of Assam and West Bengal was conducted. From the year 2002-03 onwards, the State Governments are allowed to utilise upto a maximum of 15 per cent of Special Central Assistance allocated to them under HADP, for maintenance of assets created in the past under the programme which was hitherto allowed under Western Ghat Development Programme (WGDP) for the eco-preservation and eco-restoration. The development of people of these hilly areas in consonance with the fragility of their habitat, demands an approach which is more than just watershed development and hence more attention needs to be paid to the economic activities which are sustainable, use of technologies which will help lighten the burden of the people both in economic and household situations and ensuring means of livelihood for the inhabitants with least disturbance to the ecology.

35. Border Area Development Programme (BADP) was started in the year 1986-87 for balanced development of the states of Jammu & Kashmir, Punjab, Gujarat and Rajasthan bordering Pakistan. During the Eighth Plan, the programme was revamped and its coverage was extended to the states on the eastern border with Bangladesh. In the Ninth Plan, the programme has been further extended to all the land borders. The main objective of BADP is to meet the special needs of the people living in remote and inaccessible areas situated near the border. The Empowered Committee at the Central level deals with the policy matters relating to the scope of the programme, prescription of the geographical limits of the areas in the states and allocation of funds to the concerned states.

36. The main emphasis of the North-Eastern Council (NEC) has been on the development of infrastructure in the NE Region, especially on projects with Inter-State ramifications. Keeping in view the vast potential for the development of hydroelectric power in the region, the Council has been making special efforts to harness hydroelectric and gas-based power and also on enlarging transport and communications infrastructure and setting up technical institutions in the region. The Council has shown good performance in improving/up gradation of airports and construction of roads in the North Eastern Region.

37. So far as financial performance of the States sector is concerned, the share of outlay for states was 41 per cent in the approved Public Sector outlay for the Ninth Plan. During first three years of the Plan (1997-2000) the share was higher than what was envisaged for

the Plan and during remaining two years (2000-02) the share has gone down, as shown in the **Table 1.5**.

**Table 1.5**  
**Share of states in Public Sector Plan outlay during the Ninth Plan**

	(Per cent)
<b>Ninth Plan (projected)</b>	<b>41</b>
1997-98 (Actual)	43
1998-99 (Actual)	42
1999-2000 (Actual)	41
2000-01 (Actual)	39
2001-02 (RE)	38

38. During the Ninth Plan only two states have shown good performance in terms of expenditure over approved outlays in real terms (at 1996-97 prices) as shown in **Annexure-1.5**. These states are Karnataka (123 per cent) followed by Himachal Pradesh (111 per cent). All other states have shown performance trend ranging from (-2) per cent to (-36 per cent). This is a matter of concern which needs consideration. Assuming that the revised estimates of 2001-02 materialises the States have utilized only 84 per cent of Ninth Plan approved outlay as shown in **Annexure 1.6**. The resource allocation of Rs. 6,32,456 crore has been provided in the Tenth Plan for the States and Union Territories at 2001-02 prices.

## **AGRICULTURE AND IRRIGATION**

39. As agriculture has a major role to play in alleviating rural poverty, deceleration in its growth has affected the generation of income of rural population. This is evident from the paradox of a very substantial population below the poverty line in rural areas and mounting foodgrains stocks with public agencies. Access to and entitlement of rural poor to foodgrains can only be assured by accelerating agriculture growth, especially in areas which have employment generating potential.

40. Low public investment in irrigation and inadequate maintenance of already created assets therein; poor maintenance of rural infrastructure, especially canals and roads; and decline in investments in rural electrification are some of region specific causes for the decelerating growth in the agriculture sector during the 1990s. Rising level of subsidies for power, water, fertilisers and food are eating into public sector investments in agriculture, besides encouraging inefficient use of scarce resources such as water. This further aggravates environmental problems leading to loss of soil fertility and decline in groundwater, which reduces returns on capital.

41. The share of agriculture in GDP has declined from 61 per cent in 1950-51 to 24.2 per cent by the Triennium ending 2001-02, whereas the dependence of population on agriculture has declined only marginally from 77 per cent to 69 per cent during the period. In all the developed countries, there has been a major shift of population from agriculture as an occupation to other sectors. However, this has not happened in India. Secondly, the

average size of holding has reduced from 2.28 ha. in 1970-71 to 1.57 ha. in 1990-91. So, the pressure on per unit of land has increased by about 2.25 times. Fall in public investment has also contributed to the decline in the investment in agriculture from 1.6 per cent of GDP in 1993-94 to 1.3 per cent in 1998-99. The declining trend in public sector investment will need to be reversed by better targeting of subsidies, increasing investment in productive assets such as irrigation, power, credit and developing rural infrastructure.

42. With a 24.2 per cent contribution to the GDP, agriculture still provides livelihood support to about two-thirds of country's population. The sector provides employment to 56.7 per cent of country's work force and is the single largest private sector occupation. Agriculture accounts for about 14.7 per cent of the total export earnings and provides raw material to a large number of industries (textiles, silk, sugar, rice, flour mills, milk products). Tenth Plan has emphasised that agricultural development is central to economic development of the country and proposes a growth rate of 4 per cent per annum in the agriculture sector. The National Agriculture Policy (NAP) 2000 envisages that the growth in the sector is sustainable technologically, environmentally and economically; is based on efficient use of resources and conserves our soil, water and bio-diversity; that is demand driven and caters to domestic markets as well as maximizes benefits from exports of agricultural products in the face of the challenges arising from economic liberalisation and globalization and which is widespread across regions and covers all farmers.

43. To raise the cropping intensity of the existing agricultural land, there is a need for rain-water harvesting and increasing the irrigation potential through scientific watershed development. The Watershed Development Programmes are being implemented often with different and conflicting guidelines. Even when approach or guidelines are common, sanction of funds is done by different departments and each does separate monitoring. The need for a 'Single National Initiative' has been felt for sometime. Evaluation reports have shown that watershed projects cannot succeed without full participation of project beneficiaries and careful attention to the issues of social organizations.

44. The regionally differentiated strategy based on agro-climatic conditions and natural resources envisaged for the Ninth Plan, for increasing the pace of growth in every region of the country, will be continued during the Tenth Plan. The three-pronged strategy to meet the basic requirements for all, will be continued which involves increase in overall employment and incomes by raising farm productivity and the growth of other economic activities in the rural areas; provision of gainful supplementary employment through poverty alleviation programmes and distribution of food grains through the public distribution system at subsidized prices to those living below the poverty line. The National Remote Sensing Agency (NRSA) in March, 2000 estimated about 64 million hectare as wasteland in the country. The Government attaches highest priority to development of degraded and wastelands in the country as the incidence of poverty correlates very strongly with drought prone, desert prone and areas dependent on rainfall for agricultural activities.

45. The Ninth Plan envisaged an annual average growth rate of 3.9 per cent in agriculture but could achieve only 2.11 per cent. During 2001-02, the food grains production attained a level of 211.32 million tonnes against the target of 218 million tonnes. Pulses production was 13.52 million tonnes against the target of 15 million tonnes. In the case of oilseeds, the production was much below at 21.06 million tonnes than the targeted 27 million tonnes. Production of sugarcane, cotton and jute & mesta was 295 million

tonnes, 11.96 million bales and 10.7 million bales against the target of 320 million tonnes, 15 million bales and 10 million bales respectively. For the year 2002-03, the targets for production of food grains, oilseeds and sugarcane have been set at 220, 27 and 320 million tonnes respectively and for cotton and jute & mesta, 15 and 12 million bales respectively.

46. Irrigation is the most important and vital input for agriculture, the ultimate irrigation potential from major and medium irrigation projects is 58.46 m.ha. and the potential achieved till end of Ninth Plan was 34.99 m.ha. To achieve the projected growth rate in agriculture during Tenth plan, irrigation will also have to grow at a commensurate pace. The Tenth Plan strategy for irrigation focuses on completion of on-going projects, promotion of water use efficiency, restructuring the Command Area Development Programme (CADP) to introduce system rehabilitation and farmers' participation, stepping up of water-rates and working out appropriate norms for administrative costs in O&M component, minimise surface and ground water pollution and efficient flood management.

47. Public investment in irrigation has fallen significantly over successive Plan periods. This is largely due to resource constraints faced by governments both at the Centre and the States. However, resources are not the only problem. Potential irrigation projects are located in areas which are either more difficult or environmentally more sensitive which makes it difficult to implement. The Tenth Plan must aim at a major revival of public investment in irrigation capacity and water management. The Accelerated Irrigation Benefit Programme (AIBP) is a potentially important instrument for providing resources to state governments in support of ongoing irrigation schemes and also for expeditious completion of those schemes which are in advance stage of execution. Allocation under this programme need to be massively increased. Greater attention will also have to be paid to rain water harvesting and increasing the irrigation potential through scientific watershed development. There is also considerable scope to improve the efficiency of the existing irrigation infrastructure through better and more participative management practices.

48. All ground water and surface water schemes having a culturable command area upto 2000 ha. individually are classified as minor irrigation schemes. Minor surface flow irrigation projects comprising storage tanks, diversion and surface lift occupy a prominent place in the scheme of irrigated agriculture particularly in the peninsular part of the country and the hilly areas. Minor irrigation schemes have a short gestation period, are labour intensive and are an important means of poverty alleviation. The ultimate irrigation potential from minor irrigation projects is estimated as 81.43 m. ha. of which 17.38 m.ha. is from surface water and 64.05 m.ha. from ground water.

49. The Command Area Development Programme was initiated in 1974-75 as a Centrally Sponsored Scheme with a view to bridge the gap between potential created and utilized and optimizing agricultural production through better management of land and water use in the command areas served by selected major & medium irrigation projects. 236 projects are now included in the programme covering a Culturable Command Area (CCA) of 22.72 m.ha. The CADP is being restructured in the Tenth Plan to include system rehabilitation, participatory management and revision in cost norms. The programme will however continue in its present form in 2002-03.



50. The country's achievements in the areas of irrigation, command area development and flood management in the last five decades have been considerable, but there are many challenges that need to be faced in the new millennium. These are: the challenge of feeding a growing population, the challenge of poverty and malnutrition and the challenge of meeting the targets of economic growth in a sustainable manner so that the development process does not harm the environment.

51. The revised National Water Policy adopted in April 2002 has focused on the areas needing attention in the water sector and has given a roadmap for further development of this sector to make it viable and self-sustaining. State Governments should prepare State Water Policies in a time-bound manner and also take steps to operationalise the policy.

52. The pricing structure for water needs a serious review to reflect the scarcity value of water. Water charges must ensure that the revenues earned by state governments cover the operation and maintenance (O&M) costs of irrigation and water supply systems. In the changed economic scenario, with the private sector already stepping into telecom, transport and power sectors, it is high time that the water sector also takes appropriate steps to attract private investment as it may no longer be possible for State Governments to fund all water resources development projects.

53. Horticulture sector contributes about 24.5 per cent towards agriculture GDP from only about 8 per cent of the cultivated area. The sector provides a sound base for agro industries and hence assumes significance for increasing gainful employment opportunities, both in rural and urban areas, besides improving the nutritional status of the masses. Vast areas in India have diverse agro-climatic conditions with rich bio-diversity. These are suitable for cultivation of varieties of horticulture crops; coconut, cocoa, cashew, medicinal and aromatic plants, spices and plantation crops. Given the importance of horticulture sector in country's economy, the Tenth Plan has accorded priority for its overall development and the thrust areas identified include improving products and productivity, area expansion with improved cultivars and varieties, reducing cost of production by supplying good quality, disease free, high yielding seeds and planting materials, value addition and quality improvement by application of latest technologies and improved farm practices and promoting marketing and exports. As the emerging areas in the horticulture sector are medicinal and aromatic plants, floriculture, mushrooms etc., it is proposed to provide added thrust to all these sub-sectors by continuing the Ninth Plan programmes and launching schemes with high tech and precision farming with technological interventions for sustainable development.

54. The traditional plantation crops such as tea, coffee and rubber are mostly grown in southern and north-eastern states of the country. Apart from meeting the indigenous consumption demand, these groups of commodities also make significant contribution to the country's export basket. These crops are also labour intensive and a good source of providing direct and indirect employment opportunities to masses. Preservation of bio-sphere and ecology of the respective regions is ensured by these groups of commodities. Some of the major constraints in all round development of plantation crops such as inadequate availability of irrigation facilities, high land – labour ratio, inadequacy of technologies and infrastructure and small and marginal size of land holdings are proposed to be addressed during the Tenth Plan.

55. During the year 2000-01, the contribution of animal husbandry & dairying to total GDP was 5.9 per cent at current prices. About 18 million people are estimated (1993-94) to be employed in livestock sector and women constitute about 70 per cent of the total labour force in livestock farming. The overall growth rate in livestock sector is steady at around 4.5 per cent in spite of the fact that investment in this sector was not substantial. Milk production in India increased rapidly, reaching 84.6 million tonnes in 2001-02 (anticipated). The Tenth Plan target for milk production is set at 108.4 million tonnes envisaging an annual growth rate of 6.0 per cent. After the completion of Operation Flood Programme in April, 1996, the two major programmes for dairy development are (i) Integrated Dairy Development Programme (IDDP) in Non-Operation Flood, Hilly and Backward areas and (ii) Assistance to Cooperatives. The IDDP scheme has benefited about 5 lakh farmer families organized into about 6600 (provisional) Village level Dairy Cooperative Societies up to March, 2001. The scheme of Assistance to Cooperatives has been approved in January, 2000 for providing assistance in the form of grants for rehabilitation of loss-making district milk co-operative unions. The Indian poultry industry has come a long way - from a backyard activity to an organized, scientific and vibrant industry. The significant step in poultry development has come from the initiatives taken up by the private sector for commercial pure-line breeding in the country. It is estimated that the egg production in the country is about 33.6 billion nos. (2001-02) against the Ninth Plan target of 35 billion nos. The Tenth Plan target for Egg and wool production are set at 43.4 billion nos. and 63.7 million kg. respectively.

## **SOCIAL INFRASTRUCTURE**

56. The planning process accords utmost priority to alleviation of poverty. While poverty has declined from 37.27 per cent in 1993-94 to 27.09 per cent in 1999-2000 in the rural areas, the absolute number remains an issue of concern. Economic growth with a focus on employment generating sectors has been a key element of the strategy for poverty reduction alongwith emphasis laid on provision of basic minimum services like health, education, drinking water, sanitation, etc. This strategy has been combined with a third element of directly targeting the poor through anti-poverty programmes.

57. The Swaranjayanti Gram Swarozgar Yojana (SGSY) was launched in April, 1999 with the objective to bring the assisted poor families (Swarozgaris) above the poverty line by organizing them into Self Help Groups (SHGs) through the process of social mobilization, their training and capacity building and provision of income generating assets through a mix of bank credit and government subsidy. The SGSY is financed on 75:25 cost basis between the Centre and the States. In the case of UTs, the scheme is fully funded by the Centre. The SGSY is being implemented by the District Rural Development Agencies (DRDAs) with the active involvement of Panchayati Raj Institutions (PRIs), the banks, the line departments and the NGOs. Fifteen per cent of the funds under the SGSY are set apart at the national level for special projects. The objective of each special project is to ensure a time bound programme for bringing a specific number of below poverty line (BPL) families above the poverty line through self-employment. The project may involve different strategies to provide long term sustainable self-employment opportunities either in terms of organization of rural poor, provision of support infrastructure, technology, marketing, training etc. or a combination of these.

58. The Sampoorna Grameen Rozgar Yojana (SGRY) was launched in September, 2001. The schemes of Jawahar Gram Samridhi Yojana (JGSY) launched with the primary objective of creation of demand driven community village infrastructure to enable the rural poor to increase the opportunities for sustained employment and Employment Assurance Scheme (EAS) with primary objective of creation of additional wage employment opportunities through manual work for the rural poor living below the poverty line have been merged under this programme w.e.f. April, 2002. The primary objective of the scheme is to provide additional wage employment in all rural areas and thereby to provide food security and improve nutritional levels. The SGRY programme is implemented as a Centrally Sponsored Scheme on cost sharing basis between the Centre and the States in the ratio of 75:25 of the cash component of the programme. In the case of UTs, the Centre provides entire (100 per cent) funds for the scheme. Foodgrains under the programme are provided to the States/UTs free of cost. Distribution of foodgrains to the workers under the programme is either through public distribution system (PDS) or by the Gram Panchayat or any other agency appointed by the State Government. The programme is self-targeting in nature. While providing wage employment, preference is given to agricultural wage earners, non agricultural unskilled wage earners, marginal farmers, women, members of Scheduled Castes/Scheduled Tribes, parents of child labour withdrawn from hazardous occupations, parents of handicapped children or adults with handicapped parents. The programme is implemented through the Panchayati Raj Institutions (PRIs).

59. National Social Assistance Programme (NSAP) was launched as a 100 per cent Centrally Sponsored Scheme in August, 1995 with the aim to provide social assistance benefit to poor households in the case of old age, death of primary breadwinner and maternity. It supplements the efforts of the state governments with the objective of ensuring minimum national levels of well being and the Central assistance is an addition to the benefit that the States are already providing on Social Protection Schemes or may provide in future. The provision of Central assistance seeks to ensure that social protection to beneficiaries is uniformly available.

60. With a view to ensure better linkage with nutrition and national population control programmes, the other two components of NSAP viz.: (i) National Old Age Pension Scheme (NOAPS) which provides pension to persons of 65 years or above and who are destitute in the sense of having little or no regular means of subsistence from their own sources of income or through support from family members or other sources; and (ii) National Family Benefit Scheme (NFBS) where the amount is provided in the case of death of primary breadwinner of a BPL family due to natural or accidental causes and the Annapurna Scheme which was launched in April, 2000 as a 100 per cent Centrally Sponsored Scheme aiming at providing food security to meet the requirement of those destitute senior citizens who though eligible have remained uncovered under the National Old Age Pension Scheme (NOAPS), have been transferred to the States with a view that it would provide the requisite flexibility to the States/UTs in the choice and the implementation of the schemes.

61. The Indira Awas Yojana (IAY) continues to be the most important Centrally Sponsored housing scheme for providing dwelling units free of cost to the Scheduled Castes (SCs) and Scheduled Tribes (STs) and freed bonded labourers and non – SCs/STs living below poverty line in rural areas at the unit cost of Rs. 20,000/- in plain areas and Rs. 22,000/- in the hilly/difficult areas. It is funded on cost sharing ratio of 75:25 between

central government and states. From 1995-96, the IAY benefits have been extended to the widows or next of kin of defence personnel killed in action. Benefits have also been extended to ex-servicemen and retired members of para military forces as long as they fulfill the normal eligibility conditions of IAY. Three per cent of funds are reserved for benefit of disabled below the poverty line in rural areas. From the year 1999-2000, 20 per cent of the total funds allocated under IAY are being utilised for the conversion of unserviceable kutcha houses into pucca/semi-pucca houses of the BPL rural households. A maximum assistance of Rs. 10,000/- per unit is being provided under the upgradation component. For providing insurance coverage to the IAY houses, a new scheme viz. Insurance Protection for Rural Houses under IAY has been announced by the Finance Minister in his Budget Speech for 2002-03. The objective of the scheme is to extend insurance protection to IAY houses constructed in areas prone to multi -hazards like earthquake, cyclone and floods so as to protect the beneficiary from being shelter-less.

62. Some of the other schemes relating to rural housing launched in April, 1999 are (i) Credit-cum-Subsidy Scheme to provide subsidy and loan to rural families having annual income upto Rs. 32,000/-, (ii) Innovative scheme for rural housing and habitat development to encourage cost effective and environment friendly solutions in building/housing sector in rural areas, and (iii) Samagra Awas Yojana (SAY) to improve the quality of life of the rural people. The scheme attempts to breach the limited shelter concern of 'four walls and a roof' by providing convergence of housing, sanitation and drinking water schemes and ensuring their effective implementation. The scheme was launched on pilot basis in one block each of 25 Districts of 24 States and one Union Territory which have been identified for implementing a participatory approach under the Accelerated Rural Water Supply Programme (ARWSP) with special central assistance of Rs.25 lakh for each block for undertaking overall habitat development and sustainable induction of information, education and communication (IEC) with 10 per cent contribution coming from the people. From the year 2002-03, it has been decided to integrate all the existing rural housing schemes (except Samagra Awaas Yojana) being implemented by the Ministry of Rural Development into one scheme called the Kendriya Gramin Awaas Yojana/Integrated Rural Housing Scheme. The guidelines of the scheme are under finalisation.

63. The scheme of Pradhan Mantri Gramodaya Yojana: Gramin Awas (PMGY:GA) was launched in the year 2000-01. Initially, the Ministry of Rural Development (MORD) was the nodal Ministry responsible for the implementation and monitoring of the rural housing (gramin awas) component of the programme which is implemented on the pattern of Indira Awas Yojana. States/UTs were required to send project proposals to the MORD for release of funds under PMGY:GA. However, after review, the Planning Commission has decided to directly manage/administer the programme as was being done under the earlier Basic Minimum Services (BMS) programme, from the year 2002-03.

64. Land Reforms have been viewed as an instrument to enable landless to have access to land and for attaining higher levels of agricultural production and income in the rural areas. Therefore, the issue of agrarian and land reforms continues to remain on national agenda. Land is still a major source of employment in rural areas. The major objectives of these reforms are, reconstruction of rural economy and ensuring social justice to 'actual tillers' as well as landless rural poor.

65. The Tenth Five Year Plan envisages provision of safe drinking water on a sustainable basis to every settlement in the country and to take all possible measures for rapid expansion and improvement of sanitation facilities in the urban as well as rural areas with local participation. Whereas provision of safe drinking water and sanitation is a state subject and the primary responsibility is of the state governments and more specifically the local bodies, the central government has been supplementing the efforts of the state governments in the form of financial assistance and technical guidance implementing a large scale Centrally Sponsored Scheme of rural water supply, viz. "Accelerated Rural Water Supply Programme" (ARWSP), also known as "Rajiv Gandhi National Drinking Water Mission" and 43771 villages/habitations have been provided with safe drinking water supply facilities during 2001-02. Under Centrally Sponsored Accelerated Urban Water Supply Programme (AUWSP), 660 projects costing Rs. 829.34 crore have been approved up to 2001-02.

66. Rural sanitation programme is now gaining momentum in several states. The type of facilities to be provided would be decided, based on the need and full participation and involvement of Gram-Panchayats, the people, particularly the women and the NGOs. With a view to eradicate the most degrading practice of manual handling of night-soil completely in the country within a short time frame, the Centrally Sponsored Scheme of urban low cost sanitation for liberation of scavengers has been accorded a high priority during the Tenth Plan. The Annual Plan 2002-03 contains a provision of Rs. 30 crore for this scheme under the Central Plan. The Central legislation titled "The Employment of Manual Scavengers and Construction of dry Latrines (Prohibition) Act 1993" had already been passed by the Parliament and all the state governments have been requested to adopt the central legislation or enact state legislations in line with the central legislation. Under the Centrally Sponsored Scheme of "Low Cost Sanitation for Liberation of Scavengers", HUDCO sanctioned a total of 858 schemes covering 1476 towns for conversion of individual dry latrines into sanitary latrines and construction of new individual sanitary latrines and community toilets in various States. So far, 14.58 lakh household sanitary latrines and 2982 community toilets have been completed till March, 2002. Besides, 1.06 lakh conversion and 2.13 lakh new construction of household and 185 community toilets are in progress. In all, 37430 scavengers have been liberated and 387 towns declared scavenging-free.

67. Operation and maintenance of rural water supply is not satisfactory at present and therefore, is an area of concern and needs special attention with the involvement of community, particularly the women. For achieving the objective of providing safe drinking water supply to all rural habitations during the Tenth Five Year Plan (2002-07), highest priority is to be given to ensure that the remaining "Not Covered" habitations are provided with sustainable and stipulated supply of drinking water and equally important to ensure that all the "Partially Covered" habitations having a supply level of less than 10 litre per capita per day (lpcd) as also those affected severely with water quality problem; are fully covered with safe drinking water facilities on a sustainable basis. The Annual Plan 2002-03 envisages to cover 8417 "Not-Covered" and 60957 "partially-Covered" villages/habitations.

68. The macro-economic policies leading to eight per cent growth for the economy and promotion of labour intensive sectors as outlined in the Tenth Plan should enable creation of more employment opportunities than additions to labour force leading to a substantial reduction in the incidence of poverty and unemployment by the end of Tenth Plan. The

labour policy has to interact closely with the economic policy that concerns growth of labour intensive sectors, which inter-alia include agricultural crop production, storage, marketing, agro forestry, medicinal plants, bamboo development, animal husbandry, livestock, horticulture, fisheries, rural non-farm activities, construction, road transport, information technology and communication services. Economic infrastructure, to support these, has to be strengthened.

69. The present infrastructure for improving productivity of labour and for enabling welfare of labour has been able to cover a very small segment of labour force employed. The objective of the Tenth Plan will be to reach bulk of the labour force through labour market institutions. The essential condition for this is the provision of gainful employment to the entire labour force. Labour policy and programmes, and the economic policy in general have to facilitate opening up new avenues for employment. As the composite measure of unemployment is likely to rise to an average of 11 per cent and 15 to 16 per cent for the youth by the end of Tenth Plan, there is a need to create more employment opportunities in agriculture and related sectors. However, bulk of the increase in labour force will have to be absorbed in non-agricultural sectors of the economy. The small establishments have been playing a major role in providing large scale employment opportunities but they do not have an adequate role in formulation of a policy for training and its implementation. Formulation of training policy in Tenth Plan will give priority to the needs of local small employers. A policy for skill building is also needed to find employment in the informal sector for the new entrants to labour force.

70. A district level vocational training system will be evolved during the Tenth Plan for which a special group, suggesting the modalities of designing and implementing a district based vocational training system, will be set up. The programme run by Khadi & Village Industries Commission (KVIC) and Council for the People's Action and Rural Technology (CAPART) to impart skills to youth in rural areas will be further strengthened in the Tenth Plan.

71. The small-scale industry (SSI) sector plays an important role in the economic development of the country and contributes significantly to its industrial output, employment, and export. The approach during the Tenth Plan would be to exempt it from the rigor of the various labour laws and made it vibrant and efficient. In this regard, efforts will be made to conduct proper orientation and training programmes for the officers of the labour law enforcement machinery and create a positive climate for growth in this sector.

72. In the new economic scenario, the need for changes in labour laws had been emphasised. A fresh look at the structure of labour laws is, therefore, envisaged in the Tenth Plan. The 2nd National Labour Commission was set up in 1999 to suggest rationalization of the existing laws relating to labour in the organized sector and to suggest an umbrella legislation for ensuring a minimum level of protection to the workers of un-organized sector. The Commission has also dealt with the emerging economic environment involving rapid technological changes, globalization of economy, liberalization of trade and industry, basic institutional framework for ensuring minimum level of labour protection & welfare measures, improving the effectiveness of measures relating to social security, occupational safety, health and minimum wages, etc. The Commission has since submitted its report in July 2002 which is under examination.

73. The Ninth Plan treated education as the most crucial investment in human development. The nation is firmly committed to provide education for all, according priority for free and compulsory elementary education, eradication of illiteracy, vocationalisation, women's education and special focus on the education of socially disadvantaged sections.

74. To realize the goal of Universalisation of Elementary Education (UEE), Sarva Shiksha Abhiyan (SSA) was launched towards the end of the Ninth Plan, i.e. in the year 2001-02. This is the first programme of UEE covering the entire country and aims at achieving the objective through a time-bound integrated approach to be implemented in Mission mode in partnership with states. The approach is community-owned and the village education plans, prepared in consultation with Panchayati Raj Institutions, will form the basis of district elementary education plans. There will be focus on districts having low female literacy among Scheduled Castes and Scheduled Tribes and other children in difficult circumstances. Externally-aided projects on elementary education, namely Shiksha Karmi, Lok Jumbish, District Primary Education Programme (DPEP) and Janshala, though permitted to keep their separate identities will be shown under the umbrella of SSA. Thus, SSA is expected to absorb most of the existing programmes within its overall framework with the district as the unit of programme implementation. To make the approach totally holistic and convergent, efforts would be made to dovetail programme implementation at district level with all other departments. The adult education programme which is being implemented to improve the occupational skill and technical knowledge of workers for enhancing their efficiency and increasing productive ability and the SSA would go hand in hand to achieve full literacy and facilitate a wider process of community development and empowerment during the year 2002-03.

75. The National Literacy Mission has the basic objective of making literacy fundamental for everyone in the country especially women. It aims at sustaining threshold level of 75 per cent by the year 2005. The mission seeks to provide meaningful opportunity for life long learning to adults and focus on residual illiteracy. The National Literacy Mission has recognized the potential of NGOs in furthering its programmes and schemes. Given the major role envisaged for NGOs, they are now allowed to receive funds from Zilla Saksharta Samitis and run continuing education centres to enhance the participation of NGOs in the literacy movement.

76. Secondary Education serves as a bridge between elementary and higher education and prepares the youth between the age group of 14-18 for entry into higher education. The impact of recent initiatives undertaken for universalisation of elementary education is resulting in increased demand for expansion of Secondary Education. While there has been an increase in the number of schools established, the spread of secondary schools has been uneven. The scheme of vocationalisation of education has not gone well and requires streamlining of the courses and establishment of strong industry institution linkages. The Higher Education system has witnessed phenomenal expansion during the recent years. However, enrolment of students will have to be increased from the present six per cent to ten per cent by the end of Tenth Plan. In addition, the enrolment of disadvantaged sections has also to be catered to and the regional disparities need to be reduced. The Ninth Plan emphasized on the steps to increase the access to higher education and adopted strategies to improve the quality and the efficiency of the institutions of Higher Education system. There is an urgent need to cater to the Class VIII pass-outs whose numbers will swell with success of the UEE and SSA initiatives. In addition, there should be focus on

convergence of schemes like the SSA, adult education and vocational education at schools, polytechnics and community colleges for optimal utilization of skill training facilities and a more targeted approach on placement for jobs. The key issues during the Tenth Plan would be a greater focus on improving access, reducing disparities by emphasizing upon the Common School System; renewal of curricula with emphasis on vocationalisation and employment oriented courses; expansion and diversification of the Open Learning System; reorganization of teachers training and greater use of new information and communication technologies.

77. The Technical Education system in the country has played an important role in the economic and technological development of the country. The scheme of Community Polytechnics continues to contribute substantially by transferring techno-economic advances in technical education and appropriate technologies to the rural masses. The World Bank aided Third Technician Education Project continued to be implemented to improve the quality of Polytechnic pass-outs in the North-Eastern States, J&K and A&N Islands. To upgrade the quality of technical education a new programme, viz., Technical Education Quality Improvement Programme (TEQIP) has been launched in 2002-03 with World Bank assistance.

78. Improvement in the health status of the population has been one of the major thrust areas of social development programmes of the country. This was to be achieved through improving the access to and utilisation of health, family welfare and nutrition services with special focus on unreserved and under privileged segments of population. Technological improvements and increased access to healthcare have resulted in a steep fall in mortality. In spite of the fact that norms for creation of infrastructure and manpower are similar throughout the country, there remain substantial variations between states and districts within a state, in availability and utilisation of healthcare services and health indices of the population. Besides, the disease burden, both communicable and non-communicable, environmental pollution and nutritional problems continue to be high.

79. Reduction in fertility, mortality and population growth are the major objectives of the Tenth Plan. These will be achieved through meeting all the felt needs for health care of women and children. The Tenth Plan highlighted monitorable targets for a few key indicators of human development which include reduction of infant mortality rate (IMR) to 45 per 1000 live births by 2007 and to 28 by 2012; reduction of maternal mortality ratio (MMR) to 2 per 1000 live births by 2007 and to 1 by 2012 and reduction in the decadal rate of population growth between 2001 and 2011 to 16.2 per cent. The steep reduction in mortality and fertility envisaged are technically feasible within the existing infrastructure and manpower as has been demonstrated in several states. All efforts are being made to provide essential supplies, improve efficiency and ensure accountability especially in the states where performance is currently sub-optimal so that there is incremental improvement in the performance. It is imperative that the goals set are achieved within the time frame as they are essential pre-requisites for improving the quality of life and human development. In view of the massive differences in the availability and utilisation of health services and health indices of the population, a differential strategy is envisaged to ensure incremental improvement in all districts; this in turn is expected to result in substantial improvement in state and national indices and enable the country to achieve the goals set for the Tenth Plan.



80. A vast health care infrastructure has been set-up over the last five decades in government, private and voluntary sectors. Major focus in the Tenth Plan will be to improve efficiency of the existing health care system, quality of care, logistics of supplies of drugs and diagnostics and evolve, implement and evaluate systems of health care financing so that essential health care based on the needs felt is available to all at affordable cost. There will be continued commitment to provide essential primary health care, emergency life saving services, services under the National Disease Control programmes and the National Family Welfare programmes free of cost to individuals based on their needs and not on their ability to pay. However, suitable strategies may have to be evolved, tested and implemented for levying and collecting user charges from the people above poverty line and utilizing the funds so obtained for improving quality of health care services.

81. During the last 50 years, the country nearly eliminated famine and achieved substantial reduction in moderate and severe undernutrition in children. Kwashiorkor, marasmus, pellagra, lathyrism, beriberi and blindness due to severe Vitamin-A deficiency, have become rare. However, while mortality has come down by 50 per cent and fertility by 40 per cent, reduction in under-nutrition is only 20 per cent. Under-nutrition in pregnant women and low birth weight rate has not shown any decline and there had been major alterations in the life styles and dietary intake and consequent increase in prevalence of obesity and non-communicable diseases. During the Tenth Plan, there will be focus and comprehensive interventions to aim at improving the nutritional status of the individuals. To achieve this objective, co-ordinated multi sectoral interventions for increasing food production, effective processing and distribution, improvement in purchasing power, generating awareness through nutrition education, well targeted interventions for prevention, detection and management of macro and micro-nutrient deficiencies are needed.

82. Women and children represent together 673.80 million (as projected for 2001) and account for 65.6 per cent of the country's total population. Therefore, their well being and empowerment is accorded high priority in the national development agenda, backed by the strength and support of the constitutional safeguards and commitments for these groups. The Tenth Plan approach for the empowerment of women will be distinct from the earlier plans in as much the National Policy for Empowerment of Women (2001) will form the base with a strong platform of action with definite goals and targets and time frame. The major strategies in the Tenth Plan include economic and social empowerment of women and special thrust on gender justice. The various initiatives taken during the Ninth Plan are expected to continue during the Tenth Plan also with the effective translation of the recently adopted National Policy into action with the objective of creating an environment through appropriate economic and social policies to enable women to realise their full potential and to provide their rightful access, to all human and fundamental rights at par with men in all spheres, be it economic, social, cultural, civic and political. These empowering strategies will entail innovative programmes by the nodal Department of Women and Child Development to supplement and complement the general development programmes of provision of basic minimum facilities such as health care, nutrition, quality education, employment and income generation, easy access to micro credit, vocational training, welfare and support services, awareness generation and gender sensitisation. In this context, the ongoing schemes of Swayamsiddha, Swashakti, 'Support of Training and Employment Programme' (STEP), Training-cum-Production Centres for Women, Rashtriya Mahila Kosh etc. will be strengthened and expanded.

83. To meet the growing demand of support services for working women, the programmes for crèches /day care centres and hostels for working women will receive due priority during the Annual Plan 2002-03. The process of organising women into Self Help Groups will be further strengthened to provide viable fora for their economic and social development. The implementation of the strategy of Womens' Component Plan (WCP) will be further strengthened to ensure that not less than 30 per cent of the funds / benefits are earmarked for women related sectors and also to ensure that these reach the targeted groups. Gender Justice will also receive a special thrust in the Annual Plan 2002-03 through the elimination of all forms of discrimination and violence against women and the girl child. In this process the statutory bodies such as National Commission for Women and the many womens' specific and women related legislations will play a vital role in safeguarding the rights and interests of women.

84. The 'Rights Based' Approach of the Tenth Plan for children as proposed by the National Policy and Charter for Children (2002) and the two existing National Plans of Action for the Children and the Girl Child (1992) will be given special priority during the Annual Plan 2002-03 to ensure survival, protection and development especially for the girl child. In this context, special attention will be given to the policies and programmes for the holistic development of the children in the areas of health, nutrition and education. The Integrated Child Development Services (ICDS) which was to be universalised in the Ninth Plan will continue to be the main-stay for promoting the overall development of young children especially the girl child in the age group of 0-6 years and nursing and lactating mothers. The spectrum of ICDS will be broadened with appropriate interventions for strengthening the capacities of the care givers viz. Aaganwadi workers and helpers and also addressed the needs of malnutrition, problems of under nutrition amongst women and children. Efforts will also be made to widen the scope of the development of children, especially the adolescent through the special programme of Kishori Shakti Yojana by providing vocational training and entrepreneurial skills. Similarly, the Balika Samaridhi Yojana will provide assistance to young girls living in below poverty line families for their educational support and supplement facilities like text books, uniforms etc. In fact, the life cycle approach with holistic convergence of the basic minimum services for the betterment of the children especially the adolescent/girl child will be the theme of the Annual Plan 2002-03.

85. The Social Welfare Groups include persons with disabilities, the social deviants (such as alcohol and drug addicts, juvenile delinquents) and the other disadvantaged persons (aged, children and distress street children etc.) The Tenth Plan and the Annual Plan 2002-03 will continue the special and distinct group specific approach of – empowering the persons with disabilities; reforming the social deviants; and caring for the other disadvantaged, along with the strength and support by the most forward looking legislation and policies enacted for these groups. The Annual Plan 2002–03 reaffirms the earlier commitment of making as many disabled as possible, active, self-dependent and productive members of the society through creation of an enabling environment in which they can enjoy the full protection of rights, equal opportunities and full participation in various developmental activities of the country as guaranteed to them by the comprehensive legislation viz. the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995. In this context, special thrust will be given for extending facilities for protection and early detection of disabilities, health, education, vocational training, rehabilitation etc. and to reach these services to the un-reached in rural areas,

tribal belts and slums. To give added thrust and strength to the various provisions of the Act, the same is being revised to advocate a multi collaborative approach through delineation of responsibilities to concerned Ministries/Departments and introduction of special features like affirmative action, social security and barrier free environment. In this context, the nodal Ministry of Social Justice and Empowerment will supplement and complement the general development programmes of the other sectors through its own innovative programmes for reaching welfare, developmental and rehabilitation services to the disabled through a network of national and regional institutional and non-institutional mechanisms, notably the National Institutes for various categories of disabled, the regional rehabilitation centres, composite regional centres and the voluntary organisations. A special initiative during the Annual Plan 2002-03 will be on the introduction of a Component Plan for the disabled in the budgets of the partner Ministries/Departments to ensure that requisite funds/benefits, as mandated under the PWD Act, 2000, flow to disabled.

86. The Annual Plan 2002-03 will put into effect the Tenth Plan approach of tackling the problem of social deviants through a multi pronged strategy of reforming and rehabilitating the offenders to transform them into law abiding citizens. For this, efforts will be made to implement the provisions of child friendly Juvenile Justice (Care and Protection of Children) Act, 2000 besides ensuring maintenance of minimum standards in all the mandatory institutions under the Act. The growing problems of alcohol and drug abuse in the country will continue to be tackled through the holistic package of awareness generation, preventive education, counselling, treatment, de-addiction and rehabilitation of the addicts. For this purpose, the community based programme of 'Prevention of Alcoholism and Substance (Drugs) Abuse' will be suitably strengthened and expanded with enhanced training and capacity building of service providers, to reach the needy areas such as North East and the high risk groups such as the commercial sex workers, street children etc. Special attention will be paid to the problem of injecting drug induced HIV/AIDS, and on the measures taken to arrest its growing incidence through needle exchange programme and other harm reduction measures.

87. To fulfil the policy commitments of the National Policy on Older Persons, special efforts will be made during the Annual Plan 2002-03 to effectively translate and implement the provisions of the Policy along with the institutional framework for the protection, financial security, socio-economic rehabilitation, health, shelter and social security for the older persons, and specially provide these services to the real needy in the rural areas. In this context, to empower the older persons to have a voice to express their problems and demands, the formation of self help groups will be encouraged. Simultaneously, the services of Zila Aadhars constituted for helping the older persons to solve their own problems, will be expanded to all the districts in the country. The ongoing schemes of Old Age Homes, Day Care Centres and Mobile Medicare Units, being assisted under the Integrated Programme for Older Persons will be strengthened and expanded along with non-institutional services. In all these, the voluntary sector will play a major role in reaching the services to this target group.

88. The growing problem of street children will be tackled during the Annual Plan 2002-03, with focused attention on preventive measures like health, nutrition, education, vocational training etc. Non-institutional services such as foster care, sponsorship and adoptions will be encouraged for the destitute orphaned and abandoned children so as to provide them complete rehabilitation in a familial environment.

89. The task of empowering the socially disadvantaged groups viz., Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) and the Minorities initiated during the Ninth Plan will continue to receive high priority with added vigour and intensity during 2002-03. The three-pronged strategy of – (i) Social Empowerment; (ii) Economic Empowerment; and (iii) Social Justice will continue to be the guiding force in taking effective measures. To this effect, effective implementation of the programmes that aimed at ensuring educational development, poverty alleviation through employment and income generation, prevention of such practices that account for social discrimination and protection from atrocities through effective enforcement of legislative measures viz., the protection of civil rights under Protection of Civil Rights (PCR) Act, 1955 and the SC and ST Prevention of Atrocities (POA) Act, 1989 will get priority attention.

90. Education being the effective instrument in accomplishing social empowerment amongst SCs, special efforts will be made towards minimizing the literacy gap between the SCs and the general population especially through arresting school drop-outs and improving enrolment ratios with pragmatic and suitable initiatives. In order to accomplish the commitment of complete eradication of the obnoxious practice of manual scavenging, efforts will be made at an accelerated pace towards liberating the scavengers from the clutches of the traditional inhumane practice of scavenging and sustainably rehabilitating them through a time-bound programme with a Mission Mode approach. Efforts will also be made towards strict adherence to formulation and implementation of Special Component Plan (SCP) for SCs and Special Central Assistance (SCA) to SCP strategies ensuring quantification/earmarking and utilization of the funds and benefits.

91. Recognising the strength and potentiality of the communities belonging to the Other Backward Classes (OBCs) and the Minorities, special efforts will be made towards their socio - economic development by extending special incentives and support facilities to promote educational development amongst these groups with a special focus on women and the girl child. As large number of OBCs and Minorities continue to depend upon traditional occupations and artisanship, and languishing in various forms of socio-economic backwardness, priority will be accorded towards promoting entrepreneurship and extending technical support viz., vocational training in modern technologies, skill upgradation, credit and market linkages and other support in optimizing their productive capabilities.

92. Welfare, development and empowerment of the Scheduled Tribes (STs) will be accorded priority attention as they are not only vulnerable, poor and assetless but also, unlike the other weaker sections, lack the capacity to negotiate/cope with the consequences of the process of integration with the mainstream of the society and the developments taking place therein. Therefore, all out efforts will be made to address the already identified 'unresolved issues' and 'persisting problems' relating to tribal land alienation; indebtedness, displaced tribals, neglect of forest villages, shifting cultivation, etc. Simultaneous efforts will also be made in accomplishing allround socio-economic development of STs through provision of basic needs viz., education, health, nutrition, shelter, sanitation, safe drinking water and rural roads in remote and unreachable tribal habitations.

93. As there is an urgent need for releasing the tribals from the clutches of the abject poverty and uncertain subsistence economy, efforts will be made towards ensuring speedy economic development through employment and income generating activities, especially

through ensuring effective functioning of the newly set up National Scheduled Tribes Finance and Development Corporation, state level Tribal Development Corporations and Tribal Cooperative Marketing Development Federation (TRIFED). As the Primitive Tribal Groups (PTGs) continue to live in adverse and fragile conditions, their survival, protection and development will be given priority attention through a well chartered plan of action. Efforts will also be made towards ensuring Panchayat Raj Institutions and Gram Sabhas to play their due role as per the provisions of Panchayats (Extension to Scheduled Areas Act of 1996) and thus ensure participation of the local tribals through effective involvement of their grass-root institutions. The voluntary organisations will also be encouraged to intensify their supplementary role in promoting socio-economic development amongst the tribal population especially living in remote and inaccessible areas. Effective and meaningful formulation and implementation of the special strategies of Tribal Sub-Plan (TSP) for Scheduled Tribes and Special Central Assistance (SCA) for TSP will also be accorded priority to ensure due contribution of all developmental sectors in promoting all round development of the tribals.

## **INFRASTRUCTURE AND INDUSTRY**

94. In order to achieve the envisaged industrial growth rate during Tenth Plan period, physical infrastructure will need to be created to meet the requirement of different sectors of the economy. Growth and infrastructure are synonymous of economic development of any developing country. Good infrastructure provides critical support for the growth of the economy. It raises productivity and lowers production cost. Providing infrastructure services to meet the demands of business, households, and other users is one of the major challenges of economic development today. Adequate quantity, high quality and reliability of infrastructure are key factors in the ability of the countries to compete in international trade even in traditional commodities. Infrastructure is also important for ensuring that growth is consistent with poverty reduction. The demand for power, petroleum products, roads, ports, transport and communication services is likely to increase rapidly and so will the investment requirement for creating these facilities. It is, therefore, crucial that an efficient, effective, user-responsive and environment-friendly infrastructure is created.

95. Infrastructure being the backbone of economic development, performance of infrastructure sectors is a key indicator of economic growth. International competitiveness of Indian Industry and future success of India's exports depend upon efficient performance of the infrastructure sectors. During the Ninth Plan (1997-2002), except coal, the production in all the infrastructure industries remained below the targets as shown in **Annexure 1.7**. It is needless to emphasise that factors like inadequate investment, slackening of aggregate demand, falling export growth due to overall slump in the world trade, erosion in competitive advantage of Indian exports on account of steep depreciation of East Asian currencies, decline in rural demand owing to low agricultural output, price competition from imports in certain key industries, inadequacy of funds due to continuing sluggishness in capital markets (primary and secondary) and other infrastructural bottlenecks have contributed substantially for low growth. However, in tune with the policies and the expectations of the Tenth Five Year Plan, there is a turn around in the performance of infrastructure industries, as seen in the first six months (April – September) of the year 2002-03. All six infrastructure industries have shown an impressive performance with the growth rate of 6.0 per cent as compared to 1.5 per cent growth achieved during the corresponding period of 2001-02 as indicated in the **Table 1.6**.

**Table 1.6**  
**Performance of Infrastructure Industries**  
 Growth Rate (per cent)

Sector	2001-02 (Apr.-Sep.)	2002-03 (Apr.-Sep.)
Crude petroleum	-2.9	5.2
Petroleum ref. products	4.2	5.5
Coal	2.1	5.9
Electricity	3.2	3.4
Cement	3.4	9.8
Finished steel	-0.9	9.3
Overall	1.5	6.0

96. The contribution of industry to GDP is an important indicator of a nation's progress in the process of structural transformation from rural agriculture to more urban industrialized society. The consumption of manufactured consumer goods is recognized as one of the most widely accepted measure of standard of living and the quality of the manufacturing industry provides the driving force for stimulating rapid economic growth. It is in recognition of this that the Tenth Plan strategy aims at raising industry's share in GDP, raising India's share in the world exports of manufactured products, creating jobs for skilled workers through industrial growth and bringing about a balanced industrial development in the country. The Tenth Plan envisages a comprehensive and coherent strategy for attaining these objectives. Deepening and widening of economic reforms to create a positive investment climate conducive to dominant private sector role including setting up state-of-the-art infrastructure; capacity building in industry in order to make it internationally competitive; augmentation of financial resources and introduction of efficiency-enhancing policy instruments are the important ingredients of such a strategy. In order to achieve the targeted growth of 8 per cent for the economy during Tenth Plan, the industrial sector will have to grow at over 10 per cent. This represents a major acceleration from its past performance. The sector grew only at 7 per cent in the Eighth Plan and Ninth Plan periods taken together. The Tenth Plan must, therefore, focus on creating an industrial policy environment in which private sector companies, including erstwhile public sector companies, can become efficient and competitive.

97. The annual average growth rate of industrial sector including mining, manufacturing and electricity generation during the Ninth Plan period was 5.2 per cent which is much lower than 8.2 per cent targeted for the Plan as shown in **Annexure 1.8**. The factors responsible for the slow down in industrial growth included lack of domestic demand for intermediate goods, low inventory demand for capital goods, high oil prices, existence of excess capacity in some sectors, inherent adjustment lags in industrial restructuring and infrastructure constraints particularly pertaining to power, roads and transport and a high interest rate environment due to continued high fiscal deficit. During the year 2002-03, the economy has started gaining momentum. The industrial sector has also started growing faster. During the period April –August 2002, the growth in the industrial production was 4.9 per cent as compared to 2.7 per cent achieved during the entire year of 2001-02. During the period April – July, 2002, Textile Industry has grown at 18.8 per cent as compared to

the average growth of 2.5 per cent during the Ninth Plan followed by basic metal and alloy industries at 6.4 per cent as compared to the average growth of 1.9 per cent, jute and other vegetable fiber textiles at 4.1 per cent than an average of 0.6 per cent. The food products have also shown positive growth rate of 6.2 per cent as against the average of 3.3 per cent as shown in **Annexure 1.8**.

98. Electricity is the most versatile form of energy due to its convenience of use in all sectors of the economy. The level of electricity consumption is one of the key indicators in determining the magnitude of the economic development of a country. The Ninth Plan envisaged a capacity addition of 40,245 MW during the Plan period but the achievement was only 47.3 per cent. The major shortfall in capacity addition was from private sector where only 5061 MW could be added against envisaged 17588 MW. The main reasons which adversely affected the capacity additions and the progress of project implementation are the delayed financial closure of private sector projects due to non-availability of escrow cover, paucity of funds for public sector projects, delay in investment decisions, resettlement and rehabilitation problems in hydro projects and law and order problems. The total installed power capacity of the country by the end of Ninth Plan (2001-02) was 104917 MW (provisional) comprising 26261 MW hydro, 74429 MW thermal, 2720 MW nuclear and 1507 MW wind power. The total capacity in the central sector was 31605.5 MW (30.1 per cent), state sector 62245.5 MW (59.3 per cent) and the balance 11066 MW (10.6 per cent) in the private sector. The gross power generation recorded 5.41 per cent growth during Ninth plan. The improvement in the PLF from a level of 64.4 per cent in 1996-97 to 69.9 per cent in 2001-02 has been a facilitating factor for managing the peak and energy shortages in the country to some extent.

99. The Tenth Five Year Plan lays emphasis on improving efficiency in all the three segments of the power sector viz. generation, transmission and distribution, either by creating separate profit centers with full accountability within the vertically integrated structure, or unbundling SEBs into generation, transmission and distribution entities or through other mode of reform depending on the choice of state governments; integrating captive generation (especially co-generation) into the power system; encouraging competition and private participation in each element of the electricity value chain; tariff rationalization to reflect cost of services and transferring all subsidies explicitly to state budgets; redesignating APDP as APDRP (Accelerated Power Development and Reform Programme) with provision for release of funds linked to achievement of certain parameters and benchmarks; strengthening the transmission & distribution system to reduce losses, immediate metering of all 11 KV sub-stations, 100 per cent metering of all consumers in a gradual manner and introduction of appropriate MIS system. In order to achieve the targeted growth rate for the economy during the Tenth Plan, a capacity addition of 41110 MW is envisaged during the Plan period.

100. The power generation from utilities was 515.27 Bkwh during 2001-02 which has shown an improvement of 3.15 per cent over previous year and it is projected to be 545.55 Bkwh during the year 2002-03. A target of 4109 MW capacity addition is set for the year 2002-03. During the first six months of 2002-03 (April – September), a growth of 3.4 per cent has been recorded in electricity generation.

101. Renovation & Modernisation is considered as the most cost-effective option to maximize power generation from the existing generating capacity. Phase II programme of

R&M was taken up during 1990-91 and only about 50 per cent of the work could be completed by the end of Eighth Plan due to fund constraints and procedural delays in formulation and finalisation of schemes. The remaining 50 per cent of the schemes which were taken up during Ninth Plan period and are at various stages of completion would be completed during the Tenth Plan period.

102. During the Ninth Plan, it was realized that it is necessary to have an Energy Conservation Act and also setting up an apex institution through this Act in order to effectively implement the programmes of energy conservation. For successful implementation of the energy efficiency programmes, the functions recommended for the apex body are as follows:

- conducting energy audit of main sub-sectors of industrial groups in the industrial sector, by using the services of qualified and approved energy auditors in the public and private sectors;
- devising norms of energy consumption in each of the sub-sectors, the industrial group and if necessary to set these norms for individual major units;
- providing for the time limit within which energy consumption should conform to norms laid down;
- fixing for suitable financial penalties apart from stipulating higher charges for energy consumed in excess of the stipulated norms;
- laying down standards for energy efficiency of equipment and devices used by different sectors of industry;
- to recommend in consultation with various user groups, concessional finance for investment in energy conservation equipments and devices;
- laying down norms for energy efficient automotive engines and electrical and diesel pumpsets; and
- to make rules and regulations for all the above purposes which will have the force of law and will also provide for legal action apart from financial penalties to be laid down by the apex body.

103. The Energy Conservation Bill, 2000 was introduced in the parliament in August, 2001 and has become the Energy Conservation Act, 2001. The Bureau of Energy Efficiency (BEE) that has been established will introduce stringent energy conservation norms with a view to eliminate substandard appliances from the market. The Energy Conservation Act has come into force with immediate effect except for the penalty part that has been kept in abeyance for five years, during which, people would become aware of the economics and efficacy of conservation of energy.

104. The development model followed so far to meet the energy requirement of the human population with excessive dependence on the fossil fuel resources such as coal, oil and natural gas is not only non-sustainable in the long run but also has its adverse impact on



the environment and ecology with disastrous consequences to natural resources. Fossil fuel resources are limited, non-renewable and, therefore, need to be used prudently. The existing technologies of production, transmission and distribution of electricity as well as end-use have inherent inefficiencies. It is, therefore, imperative to diversify the country's energy supply and renewable energy is seen as an effective option.

105. There is a significant potential to meet the basic energy requirements of the people (viz. cooking and lighting), both in rural and urban areas, in an economically efficient manner through non-conventional and renewable sources of energy. For a developing country like India which has a large rural population, it is essential to meet minimum energy needs in rural areas by strengthening socially oriented programmes through a larger involvement of village communities, electrification of remote villages through decentralized energy sources, grid-quality power generation and programmes to enhance awareness. Hence, priority would be given to meet the minimum rural energy needs and providing electricity as a basic minimum service in the villages. Planning Commission emphasizes the need to have a time-bound plan for progressive electrification covering groups of users or village as a whole and for this purpose, install community systems wherever feasible to meet and manage the energy requirements in the villages. In addition, the people in the rural areas would have to be encouraged for using the renewable energy devices for their different applications. Involvement and participation of the village communities in the programme through Panchayats, local bodies, co-operatives and NGOs has to be ensured in planning and implementation of such programmes, for which, the co-operation of State Governments and State Nodal Agencies is essentially needed. The approach has to be decentralized and based on a judicious mix of public and private investment.

106. At present, the contribution from non-conventional energy sources, such as solar, wind, biomass, small hydro (up to 25 MW capacity), etc. is around 3 per cent of the total installed power generating capacity in the country. The strategy to enhance the grid supply of power from renewable sources of energy or from co-generation has to aim at improving despatchability and cost-competitiveness. A suitable policy framework would need to be introduced for providing remunerative returns and encouraging private investments. Development and promotion of this sector, which is environmentally benign, should not be constrained by intrusive regulation. As renewable energy based electrification is quite viable in off grid, remote and far-flung areas where extension of conventional grid becomes cost prohibitive, the decentralized systems can play a vital role in development of rural industries.

107. The rural electrification programme is one of the important components for rural development. By the end of March, 2002, 5.09 lakh villages have been electrified and a total of 130.84 lakh pump sets have been energized in the country against total estimated potential of 195.94 lakh. Out of the balance 80,000 villages to be electrified, it has been assessed that around 62,000 villages could be electrified by extending the conventional grid whereas the balance around 18,000 villages that are located in remote and difficult areas may have to be electrified by decentralized non-conventional energy sources like solar, small hydro and biomass. Action has already been initiated to electrify all the remaining villages feasible to be electrified through conventional grid by the end of Tenth Plan. The left out remote villages which are not feasible to be connected to the grid will be electrified by decentralized energy sources by the end of Eleventh Plan.

108. During the Tenth Plan, it is proposed to add a power generation capacity of 3075 MW through wind, solar, biomass and waste to energy programmes. During the year 2002-03, it is targeted to install 1.30 lakh family size biogas plants, one lakh solar lanterns, 50,000 home lighting systems, 1,000 solar generators, solar power plants equivalent to 0.5 MW, 1200 SPV pumps, 300 MW wind power, 150 MW biomass power, 16 MW equivalent biomass gasifier systems, 80 MW small hydro power and 20 MW equivalent capacity of energy from urban and industrial wastes.

109. The Ninth Plan envisaged augmenting coal production with a long-term perspective keeping in view a sharply increasing demand for the power sector through improved productivity, capacity utilisation, technology adaptation and simplified project clearance procedures etc. An important area of the Plan concerned to restructuring the coal sector and facilitating private sector participation in commercial - coal mining by means of necessary legislative amendments. The plan laid emphasis on Clean Coal Technologies (CCT), Science & Technology (S&T) in the coal industry, development of Coal Bed Methane resources, augmentation of port and rail infrastructure facilities for improved coal movement and development of lignite resources. Due to non-materialization of some of the new coal based thermal power projects and lower economic growth, the production and offtake of coal was much lower than envisaged during the Ninth plan. As a result of the slump in coal offtake, the coal production and its capacity creation suffered. The coal companies resorted to matching production to offtake to avoid piling up of the pithead stock. The envisaged private sector participation in commercial coal mining, setting up of Regulatory Authority and restructuring of Coal India Ltd. (CIL) have also not materialized. The huge outstanding dues of coal and power sale are adversely affecting the financial health of the coal companies as the envisaged securitisation of dues under one time settlement of dues on account of coal sale from PSUs has not taken place. The domestic coal is getting out-priced due to high rail freights when compared to the imported coal, particularly, in the coastal regions.

110. Coal will continue to remain the principal source of commercial energy because of limited resource of liquid hydrocarbons and the time required to fully exploit nuclear and hydropower potential of commercial energy. Therefore, all out efforts are needed for rapid development of coal resources. For the Tenth Plan period, if power sector is to expand to support the targeted 8 per cent growth for the economy, a substantial growth in domestic coal production is crucial. Approval of Coal Mines (Nationalization) Amendment Act, 1973 Bill by the Parliament will expedite the reform process in the coal sector in order to attract private investment. It is also equally important to amend the legislative aspects of other statutes to overcome the hurdles in the way of private mining in notified tribal areas. The procedures for environmental clearance also need to be simplified so that potential private investors have a framework for expeditious clearances. Similarly, removal of coal from the list of essential commodities in order to allow free sale and to withdraw Colliery Control Order 2000 along with Coal Control Orders of state governments are equally important. Continuation of reform process, expeditious clearance of pending Coal Bill to permit private sector in non-captive mining, setting up of Regulatory Authority, restructuring of coal sector, development of rail and port infrastructure for coal movement, intensification of exploration for coal and lignite, development of clean coal technologies, improving productivity and capacity utilization and development of lignite resources are the main thrust areas for the development of coal sector in the Tenth Plan. There is an urgent need to improve the situation of declining coking coal production and washery yield from domestic sources by

undertaking modernization of washeries and converting them to multi-product washeries suiting the specifications of the steel sector.

111. The coal demand is projected to grow at 5.74 per cent and coal production at 3.32 per cent during Tenth Plan. A gap of 55.50 million tonnes is envisaged between projected demand and domestic availability of 405 million tonnes of raw coal in the terminal year of the Tenth Plan. For the Annual Plan 2002-03, coal demand of 363.30 million tonnes (excluding 4.93 million tonnes of washery middlings) has been assessed. The production of coal during 2002-03 has shown an encouraging trend and during the first six months of the year it has recorded a growth of 5.9 per cent as against 2.1 per cent in the corresponding period of the previous year. The anticipated production of lignite during the year 2001-02 was 17.50 million tonnes and the production target for 2002-03 is set at 19.95 million tonnes. The projected demand of lignite in the country in 2006-07 is 57.79 million tonnes of which the demand for power generation is 49.34 million tonnes.

112. The stagnating indigenous production of crude oil, low reserves accretion, rising import of crude oil, the proposed LNG imports, high price volatility in the international market and disruption of supplies due to war etc., are the areas of concern in the petroleum and natural gas sector. Therefore, oil security, infrastructure development, efficiency improvement, environment & quality improvement and restructuring/disinvestments have been identified as the thrust areas for the Tenth Plan. Oil security is proposed to be ensured through strategic storage of crude oil and petroleum products, diversification of oil imports and investing in equity oil abroad. Third round of bidding under New Exploration Licensing Policy (NELP) has already been announced.

113. Making the industry internationally competitive so that it becomes a global player, creating competition among the oil companies so as to protect consumer interests, benchmarking the petroleum sector/companies against international standards, pursuing extensive exploration in non-production and frontier basins including deep sea area, acquiring foreign exploration acreage and equity in the discovered oil/gas fields, and setting up of an independent regulatory framework are some of the key objectives of the Tenth Plan.

114. During the Ninth Plan, the growth in the consumption of petroleum products was lower than the target mainly due to slow down of the economy, improvement of roads (including construction of bridges and by-passes), introduction of fuel efficient vehicles and increasing share of services sector in the economy especially Information Technology (IT) and e-commerce. The consumption of petroleum products during 2001-02 was 98.57 million tonnes. The demand for petroleum products in 2002-03 is estimated to be 101.70 million tonnes indicating a growth of about 3.2 per cent. There has been positive growth in the refining of petroleum products during first six months of 2002-03 (April – September) registering 5.5 per cent as compared to 4.2 per cent attained during the corresponding period in 2001-02. The achievement in exploratory and development drilling for 2001-02 is anticipated to be 451.95 thousand meters and 384.97 thousand meters respectively. The targets for exploratory drilling are kept at 476.81 thousand meters and for development drilling at 466.46 thousand meters for 2002-03.

115. The production of crude oil for 2001-02 including production from joint venture/private sector companies, was 32.03 MMT against a target of 32.50 MMT. The crude oil production

target for 2002-03 is 33.08 MMT showing an increase of about 3.3 per cent over the previous year. The oil production during the first six months of 2002-03 (April – Sep.) has shown an impressive growth of 5.2 per cent as compared to a negative growth of 2.9 per cent during the corresponding period of last year. The natural gas production for 2001-02 was 26.69 BCM against a target of 29.76 BCM. The target for 2002-03 has been fixed at 31.37 BCM indicating a growth of 5.7 per cent over 2001-02.

116. Since the refinery sector has been de-licensed, it is not possible to correctly assess the future plans of refining capacity additions in the country. The projection of total refining capacity materialization during the Tenth Plan would depend upon several factors including domestic demand, duty structure that would affect import and export possibilities and refining margins. The refining capacity by the end of March 2002 was 114.67 million tonnes per annum (MMTPA) and is likely to increase to 117.87 MMTPA by the end of 2002-03 i.e. an addition of 3.13 million tonnes on account of expansion of refining capacity at Haldia and Barauni refineries. An independent Statutory Regulatory Authority for the downstream petroleum sector is expected to be set up to ensure fair competition in order to protect the interests of the consumers'. In order to enable adoption of Euro-III equivalent emission norms in seven mega cities from April 2005, quality of petrol and diesel would need to be further improved, taking measures such as further reduction of sulphur content in a time bound manner. On the basis of the positive feed back from the three pilot projects – two in Maharashtra and one in U.P., it has been decided to mandate the use of ethanol blended petrol (5 per cent gasohol) in some of the states by the end of the year 2002. In addition, an Inter-Ministerial Task Force has been constituted to prepare a road map to switch over to ethanol blending with diesel and also for 10 per cent blending of ethanol with petrol.

117. Against the anticipated production of 100 million tonnes during 2001-02, production of iron ore was 83.47 million tonnes (provisional) recording a growth of 3.35 per cent over previous year which included 48.85 million tonnes for domestic consumption and 31.45 million tonnes for export. After a major shortfall in 1998-99, the production showed steady but low growth which may be attributed to the recessionary conditions in the steel industry which is a major consumer of iron ore. The export of iron ore was also fluctuating around 30 to 32 million tonnes during the Ninth Plan. To boost the production of iron ore, development of Bailadila iron ore project of National Mineral Development Corporation (NMDC) was approved in August 1995 for completion by August 1999. However, due to technical reasons, the project could not be completed in time and now it is likely to be completed during the year 2002. Besides, the Tertiary Crushing Plant at Bailadila deposits-14/11C is also nearing completion. It is estimated that the production of iron ore during the terminal year of Tenth Plan will attain a level of 110 million tonnes and around 40 million tonnes is likely to be exported annually during the Tenth Plan period.

118. Steel industry is crucial to the development of a modern economy and is considered to be backbone for infrastructure development in the country. The level of per capita consumption of steel is treated as one of the important indicators of socio-economic development and living standards of the people of the country. India, with per capita consumption of finished steel of around 25.3 Kgs in 1999, is one of the lowest in the world and therefore, offers enormous potential for the growth of steel sector. Production of finished steel was about 30.61 million tonnes during 2001-02, representing a growth of about 4.6 per cent over previous year. The production of steel has shown an impressive growth of 9.3 per cent during the first six months (April – September) of 2002-03 as against

(-) 0.9 per cent in the corresponding period of the last year. The share of secondary producers is on continuous increase and presently it is nearly 57 per cent of the total production. The total domestic availability of finished carbon steel for the year 2002-03, from all sources is estimated at 29.42 million tonnes. An export target of 2.80 million tonnes of finished steel is set for the year 2002-03. However, special quality of steel, meant for specific purposes is also being imported. During 2001-02, the apparent consumption of finished steel was 27.21 million tonnes which has recorded a growth of 2.6 per cent over previous year. It is noteworthy that the apparent consumption of finished steel has shown an increasing trend since economic reforms were initiated in early nineties but could not reach the level as envisaged at the end of Ninth Plan. The low growth in steel sector may be attributed to general slow down of the economy and the industry in particular, especially in the steel consuming sectors; slump in major steel markets, particularly those of South-East Asia; failure to develop new steel markets; lack of investment in major infrastructure projects; and continuous reduction of import duty on iron and steel due to liberalization of EXIM policy.

119. Cement being the basic construction material, a healthy and vibrant cement industry is essential for the growth and development of social, industrial and commercial infrastructure for the economic development of the country. The industry directly employs about 1.35 lakh people, while at the same time creating a substantially higher proportion of indirect employment through machinery manufacturing, materials and services. The cement industry made large contribution by way of revenue through excise duty (as much as 5 per cent of the centre's excise revenue) and sales tax. India is the second largest cement producing country in the world, next to China. However, the per capita consumption in India is only about 99 Kg against the world average of 263 Kg. (highest being 1015 Kg. in case of Korea, followed by Taiwan 890 Kg, Japan 570 Kg, Malaysia 506 Kg and China 450 Kg.) The cement industry had been growing at a rate of 8.4 per cent annually over the last two decades and with a production capacity of over 148 million tonnes, the industry is well poised to take on the challenge of rising demand in the coming years. The industry recorded an appreciable 9.4 per cent growth in 2001-02 as compared to a negative growth of 1.6. per cent in the previous year but there has been deceleration in the cement demand due to slowdown in the growth of the economy and a lull in the construction activity. The cement industry has shown an impressive performance, recording a growth of 11.6 per cent during the first six months (April – September) of 2002-03 as compared to 3.4 per cent growth achieved during the corresponding period of the previous year. The improved performance of the cement industry is attributed to continued growth in the housing activities, use of concrete in road construction and bridge building activity in a larger measure. As the Tenth Plan places considerable emphasis on improving the nation's infrastructure, particularly in housing and rural road projects, there is substantial scope not only for the growth and development of cement industry but also in the generation of employment opportunities in the coming years.

## **TRANSPORT SECTOR**

120. An efficient transport system is a pre-requisite for sustained economic development. It is not only the key infrastructural input for the growth process but also plays a significant role in promoting national integration. In a liberalised set-up, an efficient transport network becomes all the more important in order to increase productivity and enhancing the competitive efficiency of the economy in the world market. The transport system also plays

an important role of promoting the development of the backward regions and integrating them with the mainstream of the economy by opening them to trade and investment. India's transport system comprises a number of distinct modes and services. These include railways, roads, road transport, ports, inland water transport, coastal shipping, airports and airlines. The sector has expanded manifold in the first fifty years of planned development, both in terms of spread and capacity.

121. A good road network is the basic infrastructure input for socio-economic development of an emerging economy. It plays the key role in opening up backward and remote regions to trade and investment and in promoting national integration. Roads, in addition, have an important role in inter-modal transport development providing linkages to hubs like airports, railway stations and ports and also connect these centers with the hinterland providing door-to-door connectivity. Improving riding quality and capacity of existing road network and the National Highways, emphasis on revamping road maintenance, constructing expressways for select high-density corridors and completion of National Highways Development Project comprising the Golden Quadrilateral and the North-South and East – West corridors are the main areas of focus in the Tenth Plan.

122. With more than 58,000 kilometers of length, National Highways constitute the most important component of the arterial transport network of the country. The Annual Plan 2002-03 would continue its focus on the removal of deficiencies; namely, construction of missing links, improvement of low grade sections, rehabilitation and reconstruction of weak bridges, construction of bypasses and 4-laning and 2-laning of single lane stretches. Backward and remote areas such as those in the North Eastern region will continue to receive greater attention during the year. During the year 2002-03, steps are also being taken to expand and strengthen road system through emphasis on rural connectivity and expediting completion of Golden Quadrilateral work. (targeted to be completed by the end of 2003). In addition, strengthening the National Highway network through removal of deficiencies like poor riding quality and consolidation of State Highway network are also to be accorded priority. Attention is also being accorded to the maintenance of road network so that the existing road assets do not deteriorate over time.

123. Rural connectivity is the key component of rural development in India. In order to give a boost to rural connectivity, a rural roads programme, 'Pradhan Mantri Gram Sadak Yojana' (PMGSY) has been launched to provide connectivity by way of all-weather roads to the unconnected habitations in the rural areas such that, habitations with a population of 1000 persons and above are covered by the year 2003 and all unconnected habitations with a population of 500 persons and above by the end of the Tenth Plan Period (2007). However, in respect of the hill states (North-East, Sikkim, Himachal Pradesh, Jammu & Kashmir and Uttaranchal) and the desert areas, the objective is to connect habitations with a population of 250 persons and above.

124. The road transport, is the dominant mode of transport for moving goods and passenger traffic in the country. The sector has grown significantly during the last fifty years with the number of vehicles registering a compounded growth rate of 12.61 per cent during this period. The fleet utilization, vehicle productivity, staff productivity, fuel efficiency etc. have improved considerably. During the Tenth Plan, efforts will be made to encourage public transport services and to promote private sector participation through decontrol and removal of restrictive practices and to take measures to reduce accidents and fatalities on

roads and also to encourage higher capacity and better technology vehicles, so that the changes in road transport could keep pace with revolution in the road sector.

125. In the ports sector, twelve major ports along the coastline of the country handle about 75 per cent of the port traffic and remaining 25 per cent is handled by minor/state ports. The capacity of major ports at the end of Ninth Plan was 343.95 million tonnes showing an increase of 124.85 million tonnes during the plan period. Considering the present status of capacity yielding projects in the major ports, capacity addition of 18.60 million tonnes is expected to be achieved during 2002-03. The traffic handled by major and minor ports was 291.10 million tonnes and 71.10 million tonnes respectively as on March 2002. The growth of traffic at major ports and minor ports was 4.9 per cent and 27.9 per cent respectively. The productivity at the ports, in terms of average output per ship berth day output, average pre-berthing waiting time and average turn round time has registered an improvement during the Ninth Plan. Average pre berthing waiting time came down from 1.7 days in 1996-97 to 0.50 days in 2000-01. Average turn around time improved from 7.5 days in 1996-97 to 4.7 days in 2000-01. Output per ship berth day increased from 4497 tonnes in 1996-97 to 6469 tonnes in 2000-01. The labour productivity increased from 307 tonnes in 1997-98 to 413 tonnes in 2000-01 in terms of output per gang shift.

126. Annual Plan 2002-03 has been formulated keeping in view the objectives and thrust areas of Tenth five Year Plan which include encouraging private sector participation; affecting organizational changes – corporatisation for management efficiency, institutional funding and attracting private investment; establishing major gateway ports and provision of inter modal linkages through efficient rail and road services; rationalizing manning scales; and making Tariff Authority of Major Ports (TAMP) an Appellate body and extending its jurisdiction on all ports. The target cargo traffic for Tenth Plan is 415 million tonnes and the traffic at major ports is projected at 296.35 million tonnes by 2002-03. The Ninth Plan envisaged private sector/captive users investment of Rs. 8,000 crore with capacity addition to the tune of 76 million tonnes. Seventeen private sector/captive port projects of 60.05 million tonnes capacity with an investment of Rs. 3,480.20 crore have already been approved and they are at different stages of construction. Nine more private sector/captive user port projects with an investment of Rs. 3,608.20 crore are in the pipeline.

127. With the country's coastline of 5560 km. studded with 12 major and 184 minor/intermediate ports, shipping sector assumes special significance. Over 90 per cent of India's overseas trade in terms of volume and 68 per cent in terms of value is sea-born. Share of Indian flag ships in the overseas trade of the country has been hovering around 30 per cent during the last few years. Against the target of 9 million Gross Tonnage (GT) for Ninth Plan, the achievement was only 6.91 million GT. A slow progress in tonnage acquisition was mainly due to lack of fiscal incentives to remain internationally competitive; difficulty in raising external commercial borrowings; prevailing depressive market conditions and lower charter/freight rates, especially in the dry-bulk and liner sector; and considerable changes in the trade pattern which had compelled the Shipping Corporation of India (SCI) to abandon many of its projects. Adoption of tonnage tax regime to ensure a level playing field for Indian shipping; continuation of the present policy of cargo support and its extension to LNG; laying down less stringent construction, survey, loadlines and safety requirements for coastal vessels; and revising manning scales for coastal vessels are the thrust areas in Tenth Five Year Plan for this sector. The Tenth Plan envisaged a target of 7.71 MT of fleet acquisition and the Shipping Corporation of India (SCI) propose to acquire

2 Capsize Bulk Carriers; 1 Aframax Tanker; 2 VLCCs; 2 Aframax Tanker (second hand); and 2 LR-I Product Carriers in 2002-03.

128. Inland Water Transport (IWT) being an energy efficient, environmentally clean and economical mode of transport could play an important role in passenger and cargo movement, establishing inter-modal connectivity. India is richly endowed with waterways comprising river systems and canals. It is estimated that a total of 14,544 kms of waterways could be used for passenger and cargo movement. However, capacity of the sector is grossly under utilised as most navigable waterways suffer from hazards like shallow water and narrow width of channel during dry weather, silting of river bed and erosion of banks, absence of adequate infrastructural facilities like terminals for loading and berthing and surface road links. The physical targets fixed for traffic movement by IWT during the year 2002-03 are 2,03,100 tonnes. In the Inland Water Transport Policy, a number of incentives for encouraging private sector participation have been provided in the Tenth Plan and Annual Plan 2002-03. The private sector would be involved in the whole range of inland water activities through joint ventures and BOT projects.

129. The Indian railway provides one of the largest railway systems in the world with a network of about 63,000 route km. and is a principal mode of transportation for long haul bulk freight movement, long distance passenger traffic and for mass rapid transit in sub-urban areas. The Indian railways have played a pivotal role in national integration and in promoting trade and tourism. It has contributed very significantly to the industrial and economic development of the nation and has provided an essential link between production and consumption centres of the economy. While the railways exceeded the targets for passenger traffic during the Ninth Plan (1997-2002), there is a shortfall to the extent of 36 million tonnes as regards freight traffic in the terminal year of the Ninth Plan. The fall in freight traffic is due to recessionary trends in the economy. Rationalising tariff structure; upgrading technology for improvement in tracks, modernizing signaling and communication system; initiating steps to attract private sector investment in railway projects; setting up Rail Tariff Regulatory Authority and focusing on railway safety are some of the thrust areas of the Tenth Plan. A target of 510 million tonnes of revenue earning freight traffic has been fixed for 2002-03. In addition 542 km. of gauge conversion, 4000 km. of track renewals, 375 km. of electrification and 214 km. of new lines construction are some of the important railway programmes envisaged during the year. It is also proposed to acquire 17,000 wagons (4 wheelers), 90 diesel locos, 69 electric locos and 1450 passenger coaches in the year 2002-03.

130. Civil aviation is the fastest mode of transport for movement of passenger and cargo traffic and the sector has undergone some significant development/ transformation during the Ninth Plan period. Government considerably disengaged itself from commercial operations of airlines; encouraged increase in the role of private sector in the civil aviation sector in order to bridge the resource gap as well as bring greater efficiency in the management and to re-structure existing airports at Delhi, Mumbai, Chennai and Kolkata. The main objective of the development of the civil aviation sector in the Tenth Plan is to provide world class infrastructure facilities and efficient safe and reliable air services to meet the requirements of domestic, foreign trade and tourism. Restructuring of the metro airports through private sector participation and increasing the share of foreign equity in both domestic and international carries with a view to attracting new technology and management expertise are some of the thrust areas of the Tenth Plan.



## COMMUNICATIONS AND INFORMATION TECHNOLOGY

131. Telecommunication is one of the prime support services needed for rapid growth and modernization of various sectors of the economy. It has become especially important in recent years because of enormous growth of Information Technology (IT) and its significant impact on the rest of the economy. Keeping this in view, the Tenth Plan policies and programmes are guided by the basic goal of world-class telecom infrastructure at reasonable rates. Provision of telecom services in rural areas would be another thrust area to attain the goal of accelerated economic development and social change. To endeavor to make available telephones by and large on demand by the end of the year 2002-03 and sustain it thereafter; telecom coverage of all villages in the country by December, 2002 and providing reliable transmission media in all rural areas and to achieve an overall teledensity of 9.91 against the present level of 4.4 telephones per 100 population are some of the major targets envisaged for the Tenth Plan. The New Telecom Policy (NTP) announced in 1999 takes into account the far reaching technological developments taking place in the sector globally and to implement the Government's resolve to make India a global IT superpower.

132. Keeping in view the requirements of modern telecommunication technologies that are heavily dependent upon the Radio Frequency (RF) spectrum, a project called "Telecommunications sector Reform Technical Assistance Project" has been taken up which is expected to be completed by the end of 2004. The major physical targets envisaged for the Annual Plan 2002-03 include provision of 69.83 lakh new connections; 5.34 lakh in the rural areas including 13.43 lakh Wireless in Local Loop (WLL) lines and 31.37 lakh Geo-Synchronous Mobile (GSM) lines; 11.47 lakh Trunk Auto Exchange (TAX) lines and 2.18 lakh Village Public Telephones (VPTs). The telecom sector needs to be treated as an infrastructure sector for the next decade or so in order to achieve the targets of teledensity in line with the objectives laid out in the New Telecom Policy, 1999. A new Universal Service Support Policy (USSP) under the Universal Service Obligation (USO) fund created through Universal Access Levy (UAL), is being implemented from 2002-03 which aims to support both, public access or community telephones and individual household telephones in net high cost rural/remote areas.

133. An efficient postal system is crucial for growth and modernization of the communication system and it is fast emerging as an important component of the modern communication and information technology sector. Indian Postal system is the largest in the world with a network of about 1.55 lakh post offices. With 83 per cent of the total post offices located in the rural areas, the postal system is playing a significant role in resource mobilization, especially in rural areas. Computerization and connectivity has been identified as the core activity for the Tenth Plan. Provision of postal services at affordable prices and ensuring quality of services at par with international standards are other major objectives envisaged for the postal sector for the Tenth Plan. It is also envisaged to make the postal services self-financing by the end of the Plan period. In the Annual Plan 2001-02, launching of pilot projects for provision of new services of e-posts and e-bill posts were the two initiatives undertaken. During the Annual Plan 2002-03 modernization of postal operations including networking and computerization would be accorded the highest priority. It is envisaged to initiate necessary action towards putting in place the various inputs required for implementing the reforms programmes envisaged for the Tenth Plan.

134. Information Technology (IT) is increasingly becoming a primary technological infrastructure for the industrial and services sector. The software industry has emerged as one of the fastest growing sectors in the economy with the growth exceeding 50 per cent over the last 5 years (Ninth Plan period) and with a turnover of US\$ 10.25 billion (Rs. 48134 crores) and exports of US\$ 7.8 billion (Rs. 36500 crores) during 2001-02. Software exports have achieved a growth rate of about 60 per cent during the Ninth Plan period. During the year 2001-02, software industry has witnessed a growth of 28 per cent and hardware industry seven per cent. In spite of slowdown in the world economy, the Indian IT software and services industry has performed well. It is indeed creditable that the IT software and services industry has reasonably continued its robust growth of about 28 per cent while the growth of hardware industry is not able to keep pace with the demand during 2001-02. The industry has established its credentials in providing high quality solutions to the world. The IT enabled services have emerged as a key driver of growth for the Indian IT Industry. The government would continue to play its role as a facilitator and a catalyst for accelerating growth with the objective of achieving our goal of making India an IT super power.

135. The major objectives and thrust areas where initiatives proposed to be taken for IT sector in the Tenth Plan include formulation of a comprehensive national hardware development policy; aggressive marketing for software exports including expanding the focus to newly emerging markets to ensure long term sustained growth through development of brand equity; implementing e-governance in a comprehensive manner, promoting use of IT by making it affordable, acceptable and useful in daily life and promoting technology upgradation through research & development (R&D) for improving product quality, reducing costs of products and services to International level and use of IT for rural needs through Media Lab Asia Programme. The Department of Information Technology (DIT) is acting as a nodal institution for the promotion of the sector, facilitating and coordinating various initiatives of the central and state governments and the private sector. Setting up of Community Information Centres (CICs) at 487 Blocks in the seven North-Eastern States and Sikkim for socio-economic development of the regions (the project has been commissioned in August, 2002.); formulation of a comprehensive national hardware production development policy and a comprehensive scheme to implement e-governance in the country are some major programmes proposed to be taken up during the year 2002-03.

## **SCIENCE & TECHNOLOGY**

136. Science and Technology has been recognized as an important tool for stimulating and strengthening the economic and social development of the country. Significant progress has been made in the various spheres of science and technology over the years and the country can now take the pride of a strong network of S&T institutions, trained manpower and innovative knowledgebase. In view of the rapid globalisation, fast depleting material resources, rising economic competition between nations and the growing need to protect intellectual property, an important aspect which needs to be recognised during the Tenth Plan is to strengthen application oriented research and development for technology generation; promote human resource development, encourage research and application of S&T for forecasting, prevention and mitigation of natural hazards, integrate the developments in science and technology with all sphere of national activities and harness them for improving livelihood, employment generation; environment protection and

ecological security. The Indian space programme has made an impressive array of achievements which include successful first test flight of Geo-synchronous Satellite Launch Vehicle (GSLV) in April, 2001 which unequivocally demonstrated India's capability to place satellites into geo-synchronous transfer orbits; launch of PSLV-C3 in October, 2001, placing three satellites viz., India's Technology Experiment Satellite (TES), Belgian PROBA and German BIRD into their intended Polar sun-synchronous orbit, thereby establishing the capability of PSLV to launch multiple satellites into multiple orbits; and the launch of INSAT-3C satellite in January 2002 carrying 33 transponders in C, Extended C and S band. Significant progress has been made in the development of the new reactor systems having potential for breeding and for exploiting the vast reserves of thorium. Biotechnology research resulted in transfer of technology for diagnostics kits for HIV, Hepatitis-C, Dengue, Japanese Encephalitis, Alfa-feto-protein, Hepatitis-A, Reproductive hormones and Banana Bunchy Top virus to the industries and Recombinant candidate anthrax vaccine for use in humans is being upscaled by one of the industries. In addition, several packages for bio-fertilizers, plant tissue culture protocols and bio-remediation technologies have also been given to industries for commercialisation. Significant achievements have also been made in the area of basic research which include development of DNA markers to detect male specific differences in papaya; development of a versatile universal polymer support compatible with the existing methods of synthesis; a new plant based anti-malarial drug 'E-MAL' having rapid and short time fever clearance alongwith a new drug for treatment of recurring malaria 'Bulaquine' which has no side effects as observed with primaquine; a new herbal preparation 'Asmon' for treatment of Asthma which has received universal acclaim; a herbal hepato-protective formulation containing 18 herbs which is ready for commercialization and three herbal creams useful for treatment of cracked heels, corns, eczema and cosmetic applications. A software has been developed to tele-connect the PCs to the National Physical Laboratory Atomic Clock for automatically correcting the real time clock.

137. The Tenth Five Year Plan will give a new thrust to high-tech products export and export of technology and also technologies oriented to human welfare. Special attention would be given to agriculture and agro-based industries and infrastructure sectors like energy, transport, communication and housing. The major identified mission mode programmes during the Tenth Plan period would include operationalisation of National Natural resource Management System (NNRMS), technology development for future generation launch vehicles, development of all weather remote sensing technology and application of space technology in education and health etc. During Annual Plan 2002-03 the plans and programmes of various central scientific departments/agencies have been re-oriented in line with the Tenth Five Year Plan approach and policy with focus on important areas of basic research, technology development, demonstration and dissemination including strengthening and creation of infrastructural facilities, development of skilled and trained manpower and providing technology for societal benefits in the fields of space, nuclear and ocean sciences and biotechnology.

## **FORESTS AND ENVIRONMENT**

138. Forests play an important role in environmental protection, economic growth and sustainability. They render numerous goods and services, and maintain life-support systems so essential for life on the earth. They also meet nearly 40 per cent of the energy

needs and 30 per cent of the fodder needs of the country. However, the country's forest resources are under tremendous pressure due to intensified shifting cultivation, indiscriminate and excessive exploitation for timber, fuel wood, fodder and other forest produce, forest fires and encroachments that have led to deforestations and forest degradation.

139. The main concerns and constraints in forestry development include lack of awareness about multiple roles and benefits of forests, especially their role in drought proofing and prevention of soil and water run-off, no linkage between management and livelihood security of the people, low level of technology, inadequate research and extension, wastage in harvesting and processing, market imperfections, overemphasis on government involvement and control, low level of people's participation and NGOs involvement, lack of private sector participation, transport and marketing of forest produce grown by the people and conflicting roles of forest administration. The solution to forest and biodiversity conservation is complex due to conflicting demands for a variety of forest products and services.

140. There is need to review existing policy, rules and regulations for removing constraints in holistic development of forestry with people's participation. Women, particularly in tribal communities, are dependent on forests for meeting many of their survival needs, as well as for earning income. Protecting women's traditional usufruct rights and enabling women's groups to collect and market non-timber forest produces (NTFPs) has been proved to be a viable and cost-effective strategy not only for women's empowerment but also for renewal of forests. It is important to acknowledge and recognise women as managers, food gatherers, wage earners and producers. Forestry development policies must be premised on the basis of this realisation.

141. The National Forest Policy stipulates that one-third geographic area of the country should be brought under forest/tree cover. The imperative has been echoed in the Tenth Five-Year Plan and the roadmap for the future development of the forestry sector includes increasing forest and tree cover to 25 per cent by 2007 and 33 per cent by 2012; universalisation of Joint Forestry Management (JFM) to cover all 1.70 lakh villages situated inside or on fringe of forests to provide livelihood security and employment generation; according priority to agro-forestry, conservation and development of medicinal plants and promotion of shelter belt plantations to reduce the adverse impact of natural calamities.

142. The growing population, high degree of mechanisation and steep rise in energy use has led to activities that directly or indirectly affect the sustainability of the environment. The rapid increase in greenhouse gases in the atmosphere, land degradation, increasing floods and droughts, deteriorating conditions of fragile ecosystems, deforestation, loss of biodiversity and environmental pollution have become subjects of serious global concern. The overall impact of these phenomena is likely to result in depletion of ozone layer, change of climate, rise in sea-level and loss of natural resources, ultimately leading to an ecological crisis affecting livelihood options for development and overall deterioration in quality of life.

143. While the emphasis in the Tenth Plan would be on completing the ongoing schemes like Industrial Pollution Abatement through preventive strategies; Hazardous Substance

Management to enhance safety in handling and management of hazardous substances; National River Conservation Plan under which polluted stretches of major rivers have been identified for cleaning and treatment; National Lake Conservation Plan for cleaning important urban lakes with high levels of silting and polluting and setting up of common effluent treatment plants for a cluster of small-scale industry (SSI) units, the introduction of a few new programmes/schemes has also been felt necessary. The plan also highlighted among the monitorable targets - cleaning of major polluted rivers by 2007 and other notified stretches by 2012.

144. There is enough empirical evidence to establish that environmental conservation must go hand in hand with economic development because any economic development which destroys the environment will create more poverty, unemployment and diseases and thus cannot be called even economic development. Environmentally destructive economic development will impoverish the poor even further and destroy their livelihood resource base. Therefore, the environmental concern in the developing world must go “beyond pretty trees and tigers” and must link it with peoples’ lives and well-being. The environmental problems facing India are different from those of the affluent countries and are more serious in nature as they threaten health and livelihood of people. Pollution of air, soil degradation, deforestation, desertification, shrinking wetlands, inadequate public health and sanitation, growing water scarcity, falling groundwater table, lack of minimum flow in rivers and over extraction of ground water for irrigation purposes are some of the environmental problems that need to be addressed first, before any poverty alleviation programme can meet with success. In the ultimate analysis, environmental management and economic development should be mutually supportive aspects of the same agenda. A poor environment undermines development, while inadequate development results in lack of resources for environmental protection.

**Sectoral Growth of GDP at Factor Cost  
(At 1993-94 prices)**

(Per cent change)

	<b>Sector</b>	<b>1997-98</b>	<b>1998-99</b>	<b>1999-00 (P)</b>	<b>2000-01 (Q.E)</b>	<b>2001-02 (R.E)</b>	<b>2002-03 (April-June)</b>
1	Agriculture, Forestry & Fishing	-1.9	7.2	1.3	-0.2	5.7	4.4
2	Mining & Quarrying	9.0	-0.5	2.0	3.3	1.8	5.3
3	Manufacturing	4.0	3.6	4.2	6.7	2.8	3.8
4	Electricity, Gas & Water Supply	7.2	7.9	6.1	6.2	4.6	5.3
5	Construction	10.3	5.7	8.1	6.8	3.6	6.3
6	Trade, Hotels, Transport, storage and Communication	5.8	8.1	7.7	5.3	6.2	7.4
7	Financial Services	11.8	6.1	10.6	2.9	7.8	9.7
8	Community, Social & Personal Services	12.2	10.9	11.6	6.0	5.9	5.6
	<b>Total GDP</b>	4.8	6.6	6.1	4.0	5.4	6.0

**P = Provisional****Q.E = Quick Estimate****R.E = Revised Estimate**

Source: Central Statistical Organisation

## Variations in Monetary Aggregates

(Per cent change)

Item	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03 (April-June)
I Narrow Money(M1)	11.3	15.4	10.6	11.0	11.4	4.0
II Broad Money (M3)	18.0	19.4	14.6	16.8	14.2	7.7
III Components of M3						
(a) Currency with the Public	10.2	16.4	11.9	10.8	15.2	5.9
(b) Demand deposits	12.7	13.8	9.7	11.7	8.9	1.2
(c) Time Deposits	21.5	19.9	16.4	16.4	17.4	5.1
IV Sources of M3						
(a) Net Bank Credit to Government sector	14.5	17.1	14.1	16.1	15.0	7.7
(b) Bank Credit to the commercial sector	15.1	13.2	18.3	15.4	11.8	7.5
(c) Net Foreign Exchange Assets of the Banking Sector	30.9	28.0	15.6	13.2	40.0	9.7

Source: RBI Annual Report

## Annexure 1.3

## Central Sector Plan Outlay and Expenditure for the Ninth Plan and Tenth Plan

(Rs. Crore)

Head of Development	Ninth Plan (1997-2002) (at 1996-97 Prices)		Percent of Ninth Plan	Tenth Plan Allocation (2002-07) (at 2001-02 prices)
	Outlay	Expenditure*		
1	2	3	4	5
1 Agriculture & Allied Activities	14876	12693	85	21068
2 Irrigation & Flood Control	2291	1454	63	3600
3 Rural Development	42278	21634	51	79724
4 Energy	153807	101587	66	318183
5 Industry & Minerals	51664	29349	57	40372
6 Transport	81791	74907	92	147448
7 Communications	47249	61600	130	98956
8 Science & Technology and Environment	15449	11200	72	27570
9 General Economic Services	6279	4250	68	11087
10 Social Services	72284	79465	110	139002
11 General Services	1393	1111	80	6173
<b>Total</b>	<b>489361</b>	<b>399253</b>	<b>82</b>	<b>893183</b>

\* Includes 1997-2001 (Actual) and 2001-02 (RE)



## Annexure -1.4

## Budgetary Support By Heads of Development during Ninth and Tenth Plans

(Rs. Crore)

	<b>Heads of development</b>	<b>Ninth Plan Expenditure 1997-2003</b>	<b>Percent Distribution</b>	<b>Tenth Plan Allocation (at 2001-02prices)</b>	<b>2002-03 B.E. (at current prices)</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	Agriculture & Allied Activities	11382	6	21068	3633
2	Irrigation & Flood Control	1457	1	3600	443
3	Rural Development	21698	12	79724	6421
4	Energy	17620	10	51600	5178
5	Industry & Minerals	11038	6	11786	3196
6	Transport	30684	17	65350	14212
7	Communications	1264	1	7944	335
8	Science & Technology & Environment	10065	6	27570	4414
9	General Economic Services	3751	2	10587	1783
10	Social Services	67862	38	120333	26823
11	General Services	1292	1	6173	434
	<b>Total</b>	<b>178113</b>	<b>100</b>	<b>405735</b>	<b>66872</b>

## Annexure 1.5

## State Plan Expenditure - Variation from Approved Outlay during Ninth Plan

(Rs. crore)

	States	Ninth Plan (at 1996-97 prices)		Per cent Variation
		Approved Outlay	Actual@ Expenditure	
	1	2	3	4
1	Andhra Pradesh	24187	23008	-5
2	Arunachal Pradesh	2645	2137	-19
3	Assam	6749	5943	-12
4	Bihar	12693	9159	-28
5	Chatisgarh*	973	973	0
6	Goa	1302	1198	-8
7	Gujarat	25704	21155	-18
8	Haryana	8433	6616	-22
9	Himachal Pradesh	5872	6530	11
10	Jammu & Kashmir	7436	6464	-13
11	Jharkhand*	1669	1669	0
12	Karnataka	20667	25474	23
13	Kerala	12877	11655	-9
14	Madhya Pradesh	16176	14434	-11
15	Maharashtra	45003	38690	-14
16	Manipur	1884	1491	-21
17	Meghalaya	1826	1489	-18
18	Mizoram	1476	1444	-2
19	Nagaland	1349	1237	-8
20	Orissa	12088	9909	-18
21	Punjab	10484	8779	-16
22	Rajasthan	17922	16430	-8
23	Sikkim	1036	925	-11
24	Tamil Nadu	20935	20527	-2
25	Tripura	1981	1888	-5
26	Uttar Pradesh	38396	24518	-36
27	Uttranchal**	1376	1376	0
28	West Bengal	22188	17537	-21
	<b>Total</b>	<b>325327</b>	<b>282655</b>	<b>-13</b>

\* Includes 2001-02 (RE) only

\*\* Includes 2000-01 (Actual) and 2001-02 (RE) only

@ Includes 1997-2001 (Actual) and 2001-02 (RE)

## Annexure 1.6

## State Plan Outlay/ Expenditure during Ninth and Tenth Plans

(Rs. crore)

	States	Ninth Plan (1997-2002)		Percent of Ninth Plan	Tenth Plan Outlay
		Outlay	Expenditure		
		(at 1996-97 prices)		(at 2001-02 prices)	
1		2	3	4	5
1	Andhra Pradesh	25150	23008	91	46614
2	Arunachal Pradesh	3570	2137	60	3888
3	Assam	8984	5943	66	8315
4	Bihar	16680	9159	55	21000
5	Chattisgarh	-	973@	NA	11000
6	Goa	1500	1198	80	3200
7	Gujarat	28000	21155	76	40007
8	Haryana	9310	6616	71	10285
9	Himachal Pradesh	5700	6530	115	10300
10	Jammu & Kashmir	N.A.	6464	NA	14500
11	Jharkhand	-	1669@	NA	14633
12	Karnataka	23400	25474	109	43558
13	Kerala	16100	11655	72	24000
14	Madhya Pradesh	20075	14434	72	26190
15	Maharashtra	36700	38690	105	66632
16	Manipur	2427	1491	61	2804
17	Meghalaya	2501	1489	60	3009
18	Mizoram	1619	1444	89	2300
19	Nagaland	2006	1237	62	2228
20	Orissa	15000	9909	66	19000
21	Punjab	11500	8779	76	18657
22	Rajasthan	22526	16430	73	27318
23	Sikkim	1600	925	58	1656
24	Tamil Nadu	25000	20527	82	40000
25	Tripura	2577	1888	73	4500
26	Uttar Pradesh	46340	24518	53	59708
27	Uttranchal	-	1376#	NA	7630
28	West Bengal	16900	17537	104	28641
	<b>Total</b>	<b>345164*</b>	<b>282655</b>	<b>82</b>	<b>561573</b>

@ Includes 2001-02 (RE) only

# Includes 2000-01 (Actual) and 2001-02 (RE) only

\* Excludes J&amp;K

## Achievement of Infrastructure Industries during Ninth Plan and Annual Plan 2002-03

	<b>Name of the Industry</b>	<b>Average per cent to target</b>	<b>2002-03 (Apr.-August)</b>
	<b>1</b>	<b>2</b>	<b>3</b>
1	Coal	100.1	102.5
2	Electricity generation	99.0	98.1
	2.1 Hydel	96.0	86.9
	2.2 Thermal(Incl. nuclear)	99.6	112.3
3	Crude Petroleum	97.4	100.8
4	Refinery throughput	95.2	96.1
5	Saleable steel (Integrated plants)	92.0	97.6
6	Cement	98.6	105.9

Source : Ministry of Statistics & Programme Implementation

**Growth of Industrial Production during Ninth Plan (at 2-digit level)  
and Annual Plan 2002-03**

(Base Year 1993-94)

Industry	Description	Weight	Average Growth During Ninth Plan	2002-03 (Apr.-Jul.)
1	2	3	4	5
<b>20-21</b>	Food products	90.83	3.3	6.2
<b>22</b>	Beverages, tobacco and related Products	23.82	10.9	15.5
<b>23</b>	Cotton textiles	55.18	0.7	-3.3
<b>24</b>	Wool,silk and man-made fibre textiles (except cotton)	22.58	7.8	-3.8
<b>25</b>	Jute and other vegetable fibre textiles	5.9	0.6	4.1
<b>26</b>	Textile products (including wearing Apparel)	25.37	2.5	18.8
<b>27</b>	Wood and wood products;furniture and fixtures	27.01	-6.8	-14.5
<b>28</b>	Paper and paper products and printing, publishing & allied industries	26.52	5.1	3.2
<b>29</b>	Leather & leather and fur products	11.39	8.0	-2.4
<b>30</b>	Basic chemical and chemical products (except products of petroleum and coal)	140.02	10.8	7.9
<b>31</b>	Rubber, plastic,petroleum and coal products.	57.28	7.2	0.3
<b>32</b>	Non-metallic mineral products	43.97	10.5	2.8
<b>33</b>	Basic metal and alloy industries	74.53	1.9	6.4
<b>34</b>	Metal products and parts, except machinery and equipment	28.1	5.3	0.9
<b>35-36</b>	Machinery and equipment other than transport equipment	95.65	4.5	3.0
<b>37</b>	Transport equipment and parts	39.84	4.1	9.5
<b>38</b>	Other manufacturing industries	25.59	1.3	-5.7
	<b>Mining and quarrying</b>	<b>104.73</b>	<b>2.0</b>	<b>8.4</b>
	<b>Manufacturing</b>	<b>793.58</b>	<b>5.5</b>	<b>4.3</b>
	<b>Electricity</b>	<b>101.69</b>	<b>5.4</b>	<b>4.3</b>
	<b>General Index</b>	<b>1000</b>	<b>5.2</b>	<b>4.7</b>

Source : Central Statistical Organisation

## CHAPTER – 2

# FINANCIAL RESOURCES

### Review of Financing The Annual Plan 2001-02 and The Proposed Scheme of Financing The Annual Plan 2002-03

#### FINANCING OF CENTRE'S ANNUAL PLANS

The resource position of the Central Government continued to be under severe strain during the year 2001-02 also. The receipts from all the major direct and indirect taxes were considerably lower than the revised estimates. Overall, the net tax revenue decreased by 6.4 per cent compared to Revised Estimates. Non-tax revenue also fell short of the revised estimates by about 1 per cent. There has been a shortfall in the proceeds from disinvestments. The total of realized Revenue Receipts and Non Debt Capital Receipts are lower by 4.5 per cent compared to the Revised Estimates. The Revised Estimates themselves were lower than the Budget Estimates. Therefore, the shortfall in aggregate Non Debt Receipts at the end of the financial year 2001-02 is 14 per cent of the Budget Estimates. In absolute terms, this amounts to Rs.36667 crore. This deterioration in receipts that took place in 2001-02 is a matter of concern, since it comes in succession to a shortfall of a 9 per cent (Rs. 20417 crore) between the Budget Estimates and the actuals for 2000-01. Tables 2.1 and 2.2 contain the details Revenue Receipts and Non Debt Capital Receipts in 2000-01, 2001-02.

**Table 2.1**

#### Revenue Receipts and Non Debt Capital Receipts in 2000-01

(Rs. crore / percent)

Sl. No.	BE	R.E	Actual	Actual		
				Percentage to RE	Percentage to BE	
1	2	3	4	5	6	7
1	Revenue Receipts	203673	206166	192624	93.4	94.6
2	Recovery of Loans	13539	14885	12046	80.9	89.0
3	Disinvestments & Misc. Receipts	10000	2500	2125	85.0	21.3
4	<b>Total</b>	<b>227212</b>	<b>223551</b>	<b>206795</b>	<b>92.5</b>	<b>91.0</b>

**Table 2.2**

#### Revenue Receipts and Non Debt Capital Receipts during 2001-02

(Rs. crore / percent)

Sl. No.	BE	R.E	Prov. Actual	Provisional		
				Percentage to RE	Percentage to BE	
1	2	3	4	5	6	7
1	Revenue Receipts	231745	212572	202881	95.4	87.5
2	Recovery of Loans	15164	15143	16333	107.9	107.7
3	Disinvestments & Misc. Receipts	12000	5000	3646	72.9	30.4
4	<b>Total</b>	<b>258909</b>	<b>232715</b>	<b>222859</b>	<b>95.8</b>	<b>86.1</b>

In view of the substantial shortfall in total Non Debt Receipts compared to Budget Estimates, the Government's concern to keep the fiscal deficit within limits was reflected in the reduction in its Total expenditure, which was brought about through lower Non Plan expenditure. A brief account of such reduction in Government expenditure is given below.

2. The Central Government Budget for 2001-02 envisaged total Government expenditure of Rs.375223 crore consisting of Non Plan expenditure of Rs.275123 crore and Plan expenditure of Rs.100100 crore. The Revised Estimates in respect of both Plan and Non Plan expenditure were lower than the Budget Estimates to the extent of Rs.946 crore and Rs.9840 crore respectively. The comparison between Revised Estimates and Budget Estimates is on the perception that the Revised Estimates are an approximation of the actual. However, when the actual for "receipts" or "expenditure" are substantially different from their Revised Estimates, the significance of Revised Estimates as approximation to the actual expenditure for a year is lost. In such circumstances the comparison between the Budget / Annual Plan Estimates and the Actuals or the Provisional Estimates is relevant for the purpose of analysis and evaluation. Hence, in the following analysis, the comparison is between the Budget Estimates and the Provisional Accounts. The summary of Central Government expenditure according to the Budget Estimates and the Provisional Accounts is given in Table 2.3.

**Table 2.3**  
**Summary of Central Government Expenditure (2001-02)**

(Rs. Crore)

Sl. No.	Item	BE	RE	Provi-sional	Difference (RE-BE)	Difference (Prov.-RE)	Difference (Prov.-BE)
1	2	3	4	5	6	7	8
1	Total Expenditure	375223	364436	359070	-10786	-5366	-16153
2	Non-Plan Expenditure	275123	265282	258825	-9840	-6457	-16298
	@	73.3	72.8	72.1			
3	Plan Expenditure / Res- ources of which:	100100	99154	100245	-946	1091	145
	@	26.7	27.2	27.9			
3.1	Central Assistance for State & UT's Plans	40644	38878	40640	-1766	1762	-4
	#	40.6	39.2	40.5			
3.2	Budget support for Central Plan	59456	60276	59604	820	-672	148
	#	59.4	60.8	59.5			

Note: @ Percentage to total expenditure

# Percentage to total Plan Expenditure

3. The details in the table above shows that Non Plan expenditure was lower by 5.9 per cent as compared to the budget estimate. In absolute term this decline amounted to Rs.16298 crore. Plan expenditure (Gross Budgetary Support to the Annual Plan) was higher than the budget estimates by a modest 145 crore. The reduction in total expenditure by 4.3 percent was thus achieved due to a reduction in non-plan expenditure. The marginal increase in Plan expenditure was reflected in higher budget support for the Annual Plan of the Central Ministries/ Departments, whereas, Central Assistance to States U.Ts Plans was more or less maintained at the level targeted in the budget estimates.

#### **REVIEW - ANNUAL PLAN 2001-02 (CENTRE)**

4. The outlay of Rs.130181 crore was approved for the Annual Plan 2001-02 of the Centre; consisting of Budget Support of Rs. 59456 crore and an estimated Internal and Extra Budgetary Resources (IEBR) of Rs.70725 crore to be mobilized by the Central Public Sector Enterprises (CPSEs). Of the total Budget Support, an amount of Rs.10411 crore was allocated for financing the Plan investments of the CPSEs; while the Budget Support allocated exclusively for departmental Plan schemes and programmes was Rs.49045 crore. Thus, the share of the CPSEs and the departmental schemes in the Gross Budget Support accounted for 17.5 per cent and 82.5 per cent respectively. With IEBR of Rs.70725 crore and Budget Support of Rs.10411 crore, the total Plan investment by the CPSEs was expected to be Rs.81137 crore. In other words, 38 per cent of the Annual Plan outlay was earmarked for exclusively departmental schemes/ programmes and 62 per cent of the Plan outlay was to be incurred by the Central Public Sector Enterprises. Table 2.4 provides the Summary of the Centre's Annual Plan Outlay and estimated Expenditure for 2001-02.

**Table 2.4**  
**Summary of the Centre's Plan Outlay 2001-02**

(Rs. Crore)

Sl. No.	Item	2001-02 BE*	2001-02 RE	Difference (RE-BE)
1	2	3	4	5
1	Budget support - Total of which	59456	60276	820
1 a	Budget Support to CPSEs	10411	13488	3077
2	IEBR of CPSEs	70725	67580	-3146
3	Plan Outlay / Investment of CPSEs (1a+2)	81137	81068	-69
4	Central Plan Outlay (1+2)	130181	127856	-2326

Note: \* Approved Plan Outlay

5. As explained in para-4, the actual utilization of Budget Support in respect of departmental schemes and CPSEs during 2001-02 was Rs.59604 crore against the Budget Estimates of Rs.59456 crore. The resource mobilization by the CPSEs in terms of IEBR for their Plan investment was Rs.67580 crore (RE), which is Rs.3146 crore lower than the BE of Rs.76725 crore.



The discussion of scheme of financing the Annual Plan 2001-02 as envisaged in the Budget and the actual scheme of financing implicit in the provisional accounts brings out areas where shortfalls in resources occurred in financing the Non Plan and Plan expenditure. The details are given in Table 2.5.

**Table 2.5**

**Provisional estimates vis-à-vis Revised and Budget estimates of the Scheme Of Financing the Annual Plan 2001-02 of the Centre**

(Rs.crore)

Sl. No.	Resources	BE	RE	Provisional	Difference (Prov.-BE)	Difference (RE-BE)	Difference (Prov.-RE)
1	2	3	4	5	6	7	8
1	Balance from current Revenues (BCR)	-38810	-47064	-50183	-8254	-3119	-11373
2	Balance from Non Debt Capital Receipts	22596	14497	14218	-8099	-279	-8378
3	Fiscal Deficit	116314	131721	136211	15407	4490	19897
4	Resources for Gross Budget Support to the Plan	100100	99154	100246	-946	1092	146
5	Assistance for State & UT's Plans	40644	38878	40640	-1766	1762	-4
6	Budget Support for Central Plan	59456	60276	59606	820	-670	150
7	IEBR of CPSEs	70725	67580	67580*	-3145	0	-3145
8	Plan Outlay of the Centre	130181	127856	127186	-2325	-670	-2995

\* Revised Estimate

In theory, the Non-Debt Receipts of the Government consisting of Revenue Receipts and Non Debt Capital Receipts are balanced against the Non Plan Revenue expenditure and Non Plan Capital expenditure. Thus, the surplus or shortfall in the Balance from Current Revenues and in the Balance from Non Debt Capital Receipts shown in the scheme of financing the Plan indicates the fiscal strength of the Government.

**BALANCE FROM CURRENT REVENUES (BCR):**

7. Balance from Current Revenues (BCR), reflects the quantum of surplus or shortfall in revenue receipts of the government in relation to non-Plan revenue expenditure (including defence capital). A negative BCR implies that Government has to take recourse to borrowed capital to meet part of its consumption expenditure, which amounts to negative saving. For more than a decade, the BCR of the Central Government has been negative and that the situation has been worsening. The negative BCR, which was projected to be Rs.38810 crore for 2001-02 deteriorated by Rs.11373 crore to the level of Rs. (-) 50183 crore (as per provisional expenditure). The relevant details of Tax and Non-Tax Revenues

and Non-Plan Revenue expenditure constituting the BCR have been presented in Table 2.6. Additional details are provided in Annexure 2.2.

**Table 2.6**  
**Central Government's Revenue Receipts**  
**and Non Plan Revenue Expenditure during 2001-02**

(Rs. Crore)

Sl. No.	Item	BE	RE	Provi-sional	Difference RE-BE	Difference (Prov.-RE)	Difference (Prov.-BE)
1	2	3	4	5	6	7	8
I	Revenue Receipts						
(a.)	Tax Revenues (Net)	163031	142348	133285	-20683	-9063	-29746
(b.)	Non-tax Revenue	68714	70224	69596	1510	-628	882
	<b>Total - I (Revenue Receipts)</b>	231745	212572	202881	-19173	-9691	-28864
II.	Non-Plan Revenue Expenditure						
(a.)	Interest	112300	107257	104894	-5043	-2363	-7406
(b.)	Defence	62000	57000	54112	-5000	-2888	-7888
(c.)	Subsidies	29801	30523	30094	722	-429	293
(d.)	Others	66454	64856	63964	-1598	-892	-2490
	<b>Total II -Rev. Expenditure-Non Plan</b>	270555	259636	253064	-10919	-6572	-17491
III	<b>BCR (I-II)</b>	<b>-38810</b>	<b>-47064</b>	<b>-50183</b>	<b>-8254</b>	<b>-3119</b>	<b>-11373</b>

The details show that worsening of the (negative) BCR during 2001-02 has been entirely as a result of a sharp decline in revenue receipts, which more than offset the decline of non-plan revenue expenditure. In fact, the revenue receipts, according to provisional estimates, are lower than even the Budget Estimates. The shortfall in revenue receipts compared to the Budget Estimates is of the order of Rs.28864 crore. The decline in tax revenue by Rs.29746 crore, more than offset the marginal increase in non-tax revenue (over the budget estimates) of Rs.882 crore.

## TAX REVENUE

8. A disturbing feature of the Centre's tax revenue during the year 2001-02 has been the absolute decline in the gross tax revenue of the Centre. The actual collections under all major sources of revenue were lower than the budgeted estimates. That apart, the unstable trend in the tax revenue receipts observed in the recent past has continued as shown in Table 2.7. The Budget Estimates of Gross Tax Revenue for 2001-02 implied growth of around 14.3 per cent over the Revised Estimates for 2000-01. The revised estimates of gross tax revenue for 2000-01 were themselves lower than the budget estimates for that year. Thus, the Budget Estimates for 2001-02 were predicated on a strong revival in growth of GDP.

**Table 2.7****Gross Tax Revenue of the Centre – Growth / Ratio****(Percentage share)**

<b>Year</b>	<b>GDP growth rate Nominal</b>	<b>Tax-GDP Ratio %</b>	<b>Gross Tax Revenue Growth</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
1996-97	15.2	9.41	15.8
1997-98	11.3	9.14	8.1
1998-99	15.5	8.18	3.3
99-2000	9.7	8.90	19.4
2000-01	8.2	9.03	9.8
2001-02	10.7	8.09	-0.9
2002-03	10.7	9.22	26.1

9. The expected growth in the economy did not however materialize. The slow down was particularly marked in the case of industrial sector as is evidenced by the fact that the index of industrial production grew by 2.8 per cent during 2001-02 over 2000-01. The slow growth of the industrial sector adversely affected realization from Central Excise duty. The shortfall in excise duty was Rs.9201 crore over the budget estimates. The slow down in the economy was also visible on the external front where the total imports grew by 6.7 per cent, whereas the import of POL products showed an absolute decline. The shortfall in receipts and customs was thus the order of Rs.14421 crore as compared to the budget estimates. The slow down in the industrial sector also led to shortfall in Corporation tax receipts of Rs.7701 crore. Finally, the personal income tax collections were short of budget estimates by Rs.8506 crore. Overall, the negative growth in gross tax collection of one per cent (that is the shortfall in the gross tax revenue of the order of Rs. (-) 39649 crore), led to a decline in the tax-GDP ratio by about 1 per cent during 2001-02 as compared to 2000-01.

**NON-TAX REVENUE**

10. Non-tax revenues on the aggregate during 2001-02 were Rs. 69595 crore, which was Rs.881 crore (1.3%) more than the budget estimates of Rs.68714 crore. The Interest Receipts from States and U.T Governments, Railways, Telecom, Central Public Sector Enterprises, Statutory Bodies, Cooperatives and Government Servants in respect of loans and advances lent by the Government is the major item under Non Tax Receipts. Next in terms of magnitude is the dividends receipts from RBI, Nationalized Banks, other financial institutions viz. LIC, GIC, IDBI etc, and the Public Enterprises. These two sources constituted 78 per cent of total non-tax revenue of Rs. 69596 crore in 2001-02. The receipts in terms of service charges from Government Departments and Organizations amounting to Rs. 14800 crore in that year accounted for about 21 per cent of the Non Tax Revenue.

## NON-PLAN REVENUE EXPENDITURE

11. The Non Plan Revenue Expenditure (NPRE) (inclusive of defence capital) according to Provisional accounts is Rs. 253064 crore. The NPRE was lower by Rs. 17491 crore compared to the Budget Estimates of Rs. 270555 crore. Defence expenditure alone has been lower to the extent of Rs.7888 crore, of which Rs.3786 crore short fall has been in respect of outlays on capital items. Interest payment was less by Rs. 7406 crore and other non-Plan expenditure was less by Rs. 2490 crore. This was mainly on account of lower pension payment and Grants to States and foreign governments. On the other hand, the increase in subsidy was Rs.293 crore.

12 The negative Balance from Current Revenues, which was 17 per cent of the Gross Tax Revenue Receipts of the Centre in 2000-01 has increased to 28 per cent in 2001-02. The overall revenue deficit, which was Rs.85234 crore in 2000-01, was 4.1 per cent of GDP. This has gone up to Rs.95595 crore in 2001-02, i.e., 4.2 per cent of the estimated GDP. The rising trend in revenue deficit clearly indicate the enormous resource mobilization efforts would be required to bridge the Non Plan revenue gap as well as to achieve the intended level of Plan investment.

## BALANCE FROM NON-DEBT CAPITAL RECEIPTS DURING 2001-02

13. The Gross Budget Support for the Plan comprises of (a) balance from current Receipts, (b) balance from Non Debt Capital Receipts and (c) the Gross Fiscal Deficit. While the Balance from Current Revenues (BCR) indicates the surplus or shortfall of revenue receipts over Non Plan Revenue expenditure, the balance from Non Debt Capital Receipts gives an account of the Non Plan Capital Expenditure and Non Debt Capital Receipts. The Budget/ Annual Plan Estimates and the corresponding Provisional Accounts of Non Debt Capital Receipts and Non Plan Expenditure are given in table 2.8.

**Table 2.8**

### Balance from Non Debt Capital Receipts during 2001-02

(Rs. crore)

Sl. No.		BE	RE	Provisional
1	2	3	4	5
1	Recovery of Loans	15164	15143	16333
2	Disinvestments	12000	5000	3646*
3	Total – Non Debt Capital Receipts	27164	20143	19979
4	Non Plan Capital Expenditure: of which	4568	5646	5761
	a) Loans and Advances	2533	3182	4076
	b) Non Plan Capital Outlay	2035	2464	1685
5	Balance from Non Debt Capital Receipts (4– 5)	22596	14497	14218

\* Includes issue of bonus shares

14. The recovery of loans has been higher in to the extent of Rs. 1169 crore compared to Budget Estimates. The realization through disinvestments has been only Rs.3028 crore. The issue of bonus shares has contributed to Rs.618 crore. The disbursement proceeds are thus only 25 per cent of the Budget Estimates resulting in overall decrease in Non Debt Capital Receipts to the extent of Rs.7185 crore. On the other hand, there was increase of Rs.1193 crore in Non Plan Capital Expenditure. Loans and advances to State Governments, foreign Governments, public sector enterprises/ organizations and individuals increased by Rs. 1543 crore but there was reduction of Rs.390 crore in Non Plan Capital Outlay. Thus, the Balance from Non Debt Capital Receipts is lower by Rs.8375 crore compared to the Budget Estimates.

15. The sum of budgetary resources in terms of Balance from Current Revenues at Rs. (-) 50183 crore and the balance from Non Debt Capital Receipts of Rs.14218 crore, according to the provisional accounts, has been a negative balance of Rs.35965 crore. Hence, the fiscal deficit of Rs. 136211 crore was required by the Government to provide Gross Budget Support of Rs.100245 crore towards the Centre's Annual Plan expenditure (Rs. 59604 crore) and Central Assistance (Rs. 40640 crore) to the States and U.Ts for their Plans. The financing (sources) of the fiscal deficit is discussed below.

### FISCAL DEFICIT

16. The details of market borrowings and other debt creating capital receipts constituting the fiscal deficit, as envisaged in the Budget Estimates and the corresponding details of actual (provisional accounts) are given in table 2.9.

**Table 2.9**  
**Financing of Fiscal Deficit : 2001-02**

(Rs. crore)

Sl. No.	Source of Fiscal Deficit	BE 2001-02	RE 2001-02	Prov. Actual
1	2	3	4	5
1	Market borrowings (Medium, Long-term and Short-term loans)	77353	91480	87828
2	External Loan	1865	2054	5999
3	Small Savings and Public Provident Fund	9000	8640	8755
4	State Provident Funds	9500	9000	5172
5	Special Deposits	10252	10831	8381
6	Others (other ash balance etc.)	8344	9716	20078
	<b>Total</b>	<b>116314</b>	<b>131721</b>	<b>136211</b>

Table 2.9 shows that the increase in fiscal deficit at the end of the year is Rs.19897 crore compared to the Budget Estimates (an increase of 17%). While recourse to drawings from Small Savings, Public Provident Fund, State Provident Fund and Special Deposits have been lower to the extent of Rs.6444 crore, recourse to realizations from market borrowings and other deposits etc., has been higher to the extent of Rs.10475 crore compared to Budget Estimates. External loans contributed to the extent of Rs.4134 crore towards higher borrowings.

## CENTRAL ASSISTANCE TO THE ANNUAL PLANS OF THE STATES AND U.TS

17. As mentioned in Para 16 above, the Gross Budgetary Resources of the Central Government for financing the Annual Plan is allocated towards the Centre's Annual Plan and for Central Assistance to the Annual Plans of States and U.Ts. The details in this regard in respect of Budget Estimates, Revised Estimates and the Provisional Accounts for 2001-02 are given in the Table 2.10. The share of Central Assistance to States and U.T Plans, according to Provisional Accounts, which is as per the Annual Plan / Budget Estimates.

**Table 2.10**

### Central Assistance to States' and U.Ts' Plans – 2001-02

(Rs. crore)

Sl. No.	Budget Support	B.E 2001-02	R.E 2001-02	Actuals 2001-02
1	2	3	4	5
1	Gross Budget Support	100100	99154	100245
2	Budget Support for Central Plan	59456	60276	59604
		(59.4%)	(60.8%)	(59.5%)
3	Central Assistance for States and U.Ts Plans	40644	38878	40640
		(40.6%)	(39.2%)	(40.5%)

Note: Figures in brackets indicate percent to total

## ANNUAL PLAN 2001-02 OF THE CPSES

18. The Plan outlay for 182 Central Public Sector Enterprises, Departmental enterprises and other autonomous bodies was included in the Annual Plan 2001-02 (RE). Of these, financing pattern of Plan outlay of 103 enterprises included Internal and Extra-Budgetary Resources while 79 enterprises and other bodies were exclusively dependent on Budget Support.

19. The summary of the pattern of financing of the Plans of Central PSEs for 2001-02 is given in Table 2.11. The details of financing of Plan investment by each CPSE are given in Annexure 2.3 'A' and 2.3 'B'.

**Table 2.11**

**Financing of Annual Plan 2001-02 of the Central Public Sector Enterprises**

(Rs. Crore)

Sl. No.	Source of finance	BE 2001-02	RE 2001-02	Difference RE-BE
1	2	3	4	5
<b>I.</b>	<b>Budget Support (i+ii)</b>	<b>10411</b>	<b>13488</b>	<b>3077</b>
i.	Equity	8953	11500	2547
ii.	Loan	1459	1988	530
<b>II.</b>	<b>Internal Resources</b>	<b>41427</b>	<b>37230</b>	<b>-4197</b>
<b>III.</b>	<b>Borrowings (i+ii+iii)</b>	<b>29298</b>	<b>30350</b>	<b>1051</b>
i.	Bonds /Debentures	15357	14606	-751
ii.	ECB/Suppliers' Credit	5137	4753	-384
iii.	Others	8805	10991	2186
<b>IV.</b>	<b>Total Plan Outlay (I+II+III)</b>	<b>81137</b>	<b>81068</b>	<b>-69</b>

20. The contents of the table above would show that the total Plan investment of Central Public Sector Enterprises (CPSEs) for 2001-02 was placed at Rs.81137 crore in the Budget Estimates; to be financed through budgetary support of Rs.10411 crore, internal resources of Rs.41427 crore and domestic and external borrowings amounting to Rs.29298 crore. The Plan outlay of CPSEs as per the revised estimates is Rs. 81068 crore, which is Rs.69 crore lower than the budget estimates. The overall scale of Plan expenditure (as per revised estimates of IEBR) has therefore been in line with the Budget estimates. The Revised Estimates indicate that (a) budget support would be higher by Rs.3077 crore compared to the Budget Estimates; (b) the internal resources are expected to be lower by Rs.4197 crore; (c) borrowings through bonds and debentures were expected to be lower; and (d) there would be a shortfall in respect of external commercial borrowings. The borrowing through fixed deposits and financial institutions have however been higher by Rs.2186 crore.

21. As in the previous years, the Central Public Sector Enterprises were permitted to raise resources through tax-free bonds within the targeted amount of Rs.15357 crore (BE) for bonds and debentures. The CPSEs in the Power sector including Atomic Energy and Non-Conventional Energy, Road Transport, Railways, Urban Development sectors were allowed to raise resources through tax-free bonds to the extent of Rs. 500 crore. It is reported that the allocation has been availed to the extent of Rs. 380 crore. The details are given in the Annexure No. 2.4.

22. To sum up, the Plan expenditure of CPSEs is likely to be close to the level envisaged in the Budget Estimates. The decline in the internal resources has been compensated by higher borrowings and budget support. The decline in internal resources is a matter of serious concern. Focused attention on the performance of enterprises coming under few sectors is, therefore, required as CPSEs under few Ministries thereof account for the major share in the overall Plan investment of CPSEs as shown in Table 2.12.

**Table 2.12****IEBR in the Annual Plan 2001-02 (RE) of CPSEs  
(Percentage Share)**

Sl. No.	CPSE	IR	Bonds/ Debentures	ECB	Others	Total IEBR
1	2	3	4	5	6	7
1	Communications	28.2	21.3	-	48.3	28.0
2	Petroleum & Natural Gas	28.4	9.0	11.5	14.1	20.7
3	Railways	8.4	-	-	-	4.6
4	Power	1.6	20.2	62.4	7.1	10.8
5	Urban Affairs & Urban Employment	1.2	20.8	-	1.7	5.4
6	Coal	1.5	-	16.5	12.0	3.9
7	Steel	0.9	0.9	-	3.9	1.3
8	Mines	1.4	-	-	6.3	1.8
9	Shipping	19.3	-	6.5	3.4	11.6
	<b>Total</b>	<b>90.9</b>	<b>72.2</b>	<b>96.9</b>	<b>96.8</b>	<b>88.2</b>

**ANNUAL PLAN FOR 2002-03**

23. The Central Government's Budget for 2002-03 has been presented against the backdrop of a difficult international and domestic situation marked by events of September 11, 2001 and later of December 13 attack on the Indian Parliament. On the economic front too, there has been a slow down in economic growth. The poor state of the fiscal health of both the Central and State Governments has continued to be an area of concern. The containment of fiscal deficit thus continues to be a dominant factor in the formulation of budget proposals. While there is a need to maintain a reasonable step up in Budget Support for the Centre, State and U.T Plans, there is also a need to continue the efforts of fiscal correction.

**SUMMARY OF GOVERNMENT EXPENDITURE - 2002-03**

24. The total expenditure of the Central Government has been slated to be Rs.410309 crore during 2002-03, which is 12.6% higher in nominal terms over the revised estimates for 2001-02. The provision for Non Plan expenditure of the Centre for 2002-03 is stepped up by 11.9 per cent over the Revised Estimates for 2001-02 mainly to meet the increase in interest payments and grants to State Governments. The Gross Budget Support for the Annual Plan at Rs.113500 crore, marks an increase of 14.5 per cent over the Revised Estimates of 2001-02. This includes a step up of 10.9 per cent for the Centre's Annual Plan and an increase of 19.9 per cent in Central Assistance to States and U.Ts Plans. Compared to the Annual Plan/ Budget Estimates of 2001-02 the overall Gross Budget Support to the Annual Plan 2002-03 implies an increase of 13.4 per cent. The growth in Central Assistance to States and U.Ts Plans and the Budget Support for the Central Plan (over the corresponding budget estimates for 2001-02) would be 14.7 per cent and 12.4 per cent respectively. The summary of the Central Government expenditure is given in the Table 2.13.



**Table 2.13****Summary of Central Government Expenditure – 2001-02 (RE) and 2002-03 (BE)**

(Rs. Crore)

Sl. No.	Item	2001-02 RE	2002-03 BE
1	2	3	4
1	Total Expenditure	364436	410309
2	Non-Plan Expenditure	265282	296809
	@	72.8	72.3
3	Plan Expenditure / Resources of which:	99154	113500
	@	27.2	27.7
3.1	Central Assistance for State & UT's Plans	38878	46629
	#	39.2	41.1
3.2	Budget support for Central Plan	60276	66871
	#	60.8	58.9

Note: @ Percentage to total expenditure # Percentage to total Plan expenditure

25. There is a marginal increase in share of Plan expenditure in total Government expenditure for 2002-03 by 0.5% as compared to the Revised Estimates for 2001-02. However, within Plan expenditure, Central Assistance to States and U.Ts Plans would be more by 2 per cent while share of Budget Support for the Central Plan would be lower to that extent in the Annual Plan 2002-03 compared to Revised Estimates for 2001-02.

**CENTRE'S ANNUAL PLAN 2002-03**

26. The Annual Plan outlay for 2002-03 was approved at Rs.144038 crore, consisting of Gross Budget Support of Rs.66871 crore and Rs.77167 crore of Internal and Extra Budgetary Resources (IEBR) of the Central Public Sector Enterprises. The allocation of Budget Support to the CPSEs alone is Rs.13389 crore, leaving the balance of Rs.53482 crore of GBS to the departmental schemes/ programmes of the Central Ministries. Thus, the provision for Budget Support to CPSEs is 20 per cent of the GBS in 2002-03 as against 22 per cent in the RE and 17.5 per cent in the BE for 2001-02.

**Table 2.14****Centre's Annual Plan 2002-03**

(Rs. Crore)

Sl. No.	Item	2001-02 RE	2002-03 BE	Difference
1	2	3	4	5
1	Budget support - Total of which	60276	66871	6595
(a)	Budget Support to CPSEs	13488	13389	100
2	IEBR of CPSEs	67580	77167	9587
3	Plan Outlay / Investment of CPSEs (1a+2)	81068	90556	9488
4	Central Plan Outlay (1+2)	127856	144038	16182

Note: \* Approved Plan outlay

## **GROSS BUDGET SUPPORT TO CENTRE'S ANNUAL PLAN 2002-03**

27. The Budget for 2002-03 includes estimated Revenue Receipts (Net) of Rs.244246 crore and Non Debt Capital receipts. of Rs.29680 crore. Non Plan Revenue Expenditure and Non Plan Capital Expenditure are estimated at Rs.291818 crore and Rs.4992 crore respectively. Thus, the Balance from Current Revenues is expected to be Rs. (-) 46713 crore and the balance from Non Debt Capital Receipts is estimated at Rs.24688 crore. Taking into account the estimated fiscal deficit of Rs.135525 crore, the Gross Budget Support to the Annual Plan 2002-03 is placed at Rs.113500 crore. The scheme of financing the Gross Budget Support and Centre's Annual Plan is given in Annexure 2.1. The details of Balance from Current Revenues, Balance from Non Debt Capital Receipts and financing of Fiscal Deficit are discussed ahead..

### **BALANCE FROM CURRENT REVENUES:**

28. It is expected that the Gross Tax Revenue of the Centre during 2002-03 would increase by 20 per cent over the revised estimates (2001-02). The increase in non-tax revenue is expected to be 2.7 per cent over the Revised Estimate for 2001-02. In absolute terms, the overall revenue receipts according to the Budget for 2002-03 would be Rs.244246 crore. As the Non Plan Revenue expenditure (including defence capital) is expected to be Rs.291818 crore, the Balance from Current Revenues is estimated at Rs. (-) 46713 crore (after adjusting for receipt of external grants) of Rs. 859 crore.

### **REVENUE RECEIPTS – TAX AND NON-TAX**

29. The Budget proposals for 2002-03 aim at an increase of Rs.32500 crore over the Revised Estimates for 2001-02 in respect of Revenue Receipts. In absolute terms, the estimated revenue receipts of Rs.244246 crore for the year 2002-03 represent 15 per cent growth over the Revised Estimates for 2001-02 and 21.4 per cent over the provisional accounts (but only 5.7% over Budget estimates 2001-02).

### **TAX REVENUE**

30. The break up of gross tax revenue receipts placed at Rs.235800 crore is shown in Table 2.15. In terms of realization from the major taxes viz. corporation tax, income tax, customs and union excise, the expected increase in realization is around 33 per cent, 32 per cent, 12 per cent and 26 per cent respectively over the provisional accounts for 2001-02. Realizing the Budget Estimates of revenue collection during 2002-03 would be a very difficult task considering the fact the provisional estimates of receipts from these major taxes is lower than the BE for 2001-02. Hence, the efforts involved in realizing the Budget Estimates of tax revenue would be really enormous.

**Table 2.15**  
**Tax Revenue during 2001-02 and BE 2002-03**

(Rs. Crore)

Sl. No.	Tax Measures	BE 2001-02	RE 2001-02	Provisional 2001-02	RE-BE 2001-02	Prov.-RE 2001-02	Prov.-BE 2001-02	BE 2002-03	Estimated Increase over RE 2001-02
1	2	3	4	5	6	7	8	9	10
1	Corporation Tax	44200	39059	36499	-5141	-2560	-7701	48616	9557
2	Personal Income Tax	40600	34438	31995	-6162	-2443	-8605	42524	8086
3	Customs	54822	43170	40401	-11652	-2769	-14421	45193	2023
4	Union Excise Duties	81720	74520	72519	-7200	-2001	-9201	91433	16913
5	Others	5307	5506	5586	199	80	279	8034	2528
6	Gross Tax Revenue*	226649	196693	187000	-29956	-9693	-39649	235800	39107
7	Share of States	61618	52845	52842	-8773	-3	-8776	61235	8390
8	Net tax revenue (7-6-CCF)	163031	142248	133285	-20783	-8963	-29746	172965	30717

Inclusive of transfer to Calamity Contingency Fund (CCF) of Rs.2000, Rs.1500, Rs.1600 crore

### NON-TAX REVENUE

31. The non-tax receipt placed at Rs.72140 crore including external grant of Rs.859 crore implies an increase of 3.6 per cent over the provisional accounts for 2001-02 and 2.7 per cent over the Revised Estimates.

### NON-PLAN REVENUE EXPENDITURE

32. The Budget Estimates for 2002-03 provides an increase of 12.3 per cent over the Revised Estimates of 2001-02 in respect of the non-plan revenue expenditure, which, *inter alia*, includes defence capital and outlay on border roads. In absolute terms, this increase amounts to Rs.32182 crore. The interest payments liability alone would be higher to the extent of Rs.10133 crore. Defence outlay is expected to increase by Rs.8000 crore, while grants to States and other non-Plan expenditure is expected to increase by Rs.2196 crore and Rs.2512 crore respectively. The level of subsidies has been projected at Rs.39801 crore as compared to Rs.30523 crore reflecting an increase of Rs.9278 crore.

33. Overall, there has been an annual growth of 14 - 20 per cent from 1995-96 to 1999-2000 in the case of non-plan revenue expenditure. This growth came down to 11 per cent during 2000-01 and further down to 5.6 per cent in 2001-02. The increase in non-plan revenue expenditure of 12.3 per cent anticipated during 2002-03 therefore appears to be a

reversal of the recent decline in its growth rate. In view of the projections for non-Plan expenditure the Balance from Current Revenues for 2002-03 estimated at Rs. (-) 46713 crore as compared to Rs. (-) 47064 crore in the RE for 2001-02 and Rs. (-) 50183 crore as per provisional figures for 2001-02 would essentially depend upon full realization of revenue receipts, discussed above. The details are given in Annexure 2.2.

### **BALANCE FROM NON-DEBT CAPITAL RECEIPTS DURING 2002-03**

34. The Budget/ Annual Plan Estimates of 2002-03 and the corresponding Provisional Accounts for 2001-02 in respect of Non Debt Capital Receipts and Non Plan Capital Expenditure are given in Table 2.16.

**Table 2.16**

#### **Balance from Non Debt Capital Receipts during 2002-03 compared to 2001-02**

(Rs. crore)

<b>Sl. No.</b>		<b>Provisional 2001-02</b>	<b>BE 2002-03</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
1	Recovery of Loans	16333	17680
2	Disinvestments	3648	12000
3	Other Capital Receipts		
4	Total – Non Debt Capital Receipts	19981	29680
5	Non Plan Capital Expenditure: of which	5714	4992
	a) Loans and Advances	4076	2790
	b) Non Plan Capital Outlay	1638	2202
6	Balance from Non Debt Capital Receipts (4– 5)	14267	24688

The Budget Estimates of recovery of loans during 2002-03 implies an increase of Rs.1347 crore in absolute terms and 8.2 per cent over the actuals for 2001-02. The projected accrual from disinvestments during 2002-03 has been projected at Rs.12000 crore as against a realization of Rs.3028 crore in 2001-02 is based on the assumption that the disinvestments process would have to gather further momentum.

35. As regards the Non Plan Capital expenditure, the provision towards loans and advances is lower than the provisional actual for 2001-02 by Rs.1286 crore. The increase in Non Plan Capital Outlay proposed for the current year is of the order of Rs.564 crore. In essence, the Non Debt Capital Receipts would depend largely on the level of proceeds from disinvestments, which in turn would determine the Non Debt Capital Receipts.

**Table 2.17**  
**Financing of Fiscal Deficit : 2002-03**

(Rs. crore)

Sl. No.	Source of Fiscal Deficit	Prov. Actual 2001-02	BE 2002-03
1	2	3	4
1	Market borrowings (Medium, Long-term and Short-term loans)	87828	95859
2	External Loan	5999	770
3	Small Savings and Public Provident Fund	8755	8000
4	State Provident Funds	5172	10000
5	Special Deposits	8381	9898
6	Others (other deposits, suspense and remittances, ways and means advances, draw down of cash balance etc.)	20078	10997
	<b>Total</b>	<b>136211</b>	<b>135524</b>

### FISCAL DEFICIT

The fiscal deficit proposed for 2002-03 is only Rs.687 crore lower than the provisional accounts for 2001-02. The estimated fiscal deficit for 2002-03 is 5.3 per cent of the estimated GDP as against 5.7 per cent for 2001-02. The fiscal deficit amounts to 33 per cent of total Central Government expenditure for 2002-03 while corresponding estimate is 37 per cent for 2001-02. However, containment of fiscal deficit within this limit is contingent on the full realization of Revenue Receipts and Non Debt Capital Receipts included in the Budget Estimates.

### CENTRAL ASSISTANCE TO STATES AND U.TS PLANS

36. The sum of Balance from Current Revenues, Balance from Non Debt Capital Receipts and Fiscal Deficit of the magnitude discussed above would result in aggregate resources of Rs.113500 crore towards Gross Budgetary Support to the Annual Plan 2002-03. Of this, the Central Assistance to States and U.Ts Plan would be Rs.46629 crore and the provision towards Budget Support for Centre Plan is placed at Rs. 66871 crore. The details are given in the Table 2.18.

**Table 2.18**  
**Gross Budget Support for the Annual Plans 2001-02 (Provisional) and 2002-03 (BE)**

(Rs. crore)

Sl. No.	Budget Support	Provisional Accounts 2001-02	BE 2002-03
1	2	3	4
1	Gross Budget Support	100245	113500
2	Budget Support for Central Plan (2 as % of 1)	59604 (59.5)	66871 (58.9)
3	Central Assistance for States and U.Ts Plans	40640 (40.5)	46629 (41.1)

Note: Figures in brackets indicate percent to total

37. The share of Central Assistance for States and U.Ts Plans in the Gross Budget Support in the Annual Plan 2002-03 would be marginally more by 0.6 per cent than the provisional accounts whereas the share of Budget Support to Central Plan would be lower to that extent i.e., the shares are almost at the same levels as in the provisional accounts.

### **RESOURCES FOR PLAN INVESTMENT BY CENTRAL PUBLIC SECTOR ENTERPRISES – ANNUAL PLAN / BUDGET ESTIMATES - 2002-03**

38. The Centre's Annual Plan for 2002-03 envisages Plan investment of Rs.90555 crore by CPSEs. This accounts for 63 per cent of the Centre's Annual Plan for 2002-03. The Plan investment of Rs.81068 crore by the enterprises also accounted for 63 per cent of the Central Plan in RE 2001-02. In general, the share of Plan investment of CPSEs has been coming down in Centre's Annual Plan. However, it is still above 60 per cent of the total Annual Plan outlay. Therefore, the shortfall in Plan investment by the CPSEs has a substantial bearing on Centre's Plan expenditure. Since, the Plan investment of CPSEs during the current year marks an increase of 12 per cent in monetary terms compared to the Budget Estimates for 2001-02, close monitoring of the functioning of the CPSEs and all efforts to realize the estimated Plan investment are called for. The Budget Support to the CPSEs placed at Rs.13389 crore for 2002-03 works out to 14.8 per cent of Plan investment by the enterprises. This is also marginally lower compared to the corresponding share of 16.6 per cent in the Annual Plan 2001-02. The projected Budget Support need to be ensured. The details of the proposed Plan investment by CPSEs during 2002-03 are given in Table 2.19.

**Table 2.19**

#### **Financing of Plan Investment by Central Public Sector Enterprises - Annual Plan 2002-03**

(Rs. Crore)

<b>Sl. No.</b>	<b>Source of finance</b>	<b>RE 2001-02</b>	<b>Percentage Share</b>	<b>BE 2002-03</b>	<b>Percentage Share</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
I.	Budget Support (i+ii)	13488	16.6	13389	14.8
i.	Equity	11500	14.2	12195	13.5
ii.	Loan	1988	2.5	1194	1.3
II.	Internal Resources	37230	45.9	39527	43.6
III.	Borrowings (i+ii+iii)	30350	37.4	37640	41.6
i.	Bonds/Debentures	14606	18.0	21778	24.0
ii.	ECB/Suppliers' Credit	4753	5.9	5050	5.6
iii.	Others	10991	13.6	10812	11.9
<b>IV.</b>	<b>Total Plan Outlay (I+II+III)</b>	<b>81068</b>	<b>100.0</b>	<b>90555</b>	<b>100.0</b>

39. The internal resources alone account for 44 per cent of the Plan investment of the CPSEs while borrowings would be 42 per cent of the Plan outlay. The ability of CPSEs to generate internal resource has a bearing on their capacity to raise extra-budgetary resources. The internal resources would eventually determine to a large extent the overall achievement of Plan investment. Therefore, as pointed out in the discussion relating to

Annual Plan 2001-02, focused attention on the realization of Plan investment of some CPSEs that contribute a large share of IEBR is required. Table 2.20 contains details regarding concentration of Plan investment by CPSEs in few of the Central Ministries/ Departments.

**Table 2.20**  
**Annual Plan 2002-03 – BE IEBR / Per cent Share of CPSEs**

Sl. No.	CPSE	IR	Bonds/ Debentures	ECB	Others	Total IEBR
1	2	3	4	5	6	7
1	Communications	29.2	22.5	-	27.5	25.1
2	Petroleum & Natural Gas	34.9	2.4	19.8	24.9	23.3
3	Railways	10.0	13.8	-	-	9.0
4	Power	4.5	18.5	55.1	14.6	13.2
5	Urban Affairs & Urban Employment	1.0	14.0	-	1.7	4.7
6	Coal	4.1	-	0.3	14.3	4.1
7	Steel	2.0	-	-	5.5	1.8
8	Mines	0.8	-	-	6.6	1.3
9	Shipping	2.9	-	20.3	1.1	3.0
	<b>Total</b>	<b>89.4</b>	<b>71.1</b>	<b>95.5</b>	<b>96.2</b>	<b>85.6</b>

## ANNUAL PLAN : STATES

### ANNUAL PLAN 2001-02: REVIEW

40. As the terminal year of the Ninth Five Year Plan, the Annual Plan for year 2001-02 is crucial in determining the final outcome of the combined five Annual Plans vis-à-vis the Ninth Plan projections. The realisation of resources by states during the first four years of the Ninth Plan were estimated at about 61 percent of the projections (see Chapter 2, The Annual Plan Document, 2001-02). The performance of states in resources mobilisation for the Annual Plan 2001-02, would therefore, decide the extent by which states are able to narrow down the gap between the target and the outcome of the Ninth Plan.

41. The Annual Plan outlay for all the states together for the year 2001-02 was approved at Rs.93,834 crore<sup>1</sup> (Annex.2.6). The aggregate resources of Rs.93,414 crore includes Rs.44,508 crore of States' Own Resources (SOR) and Rs.48,906 crore of Central Assistance. As against this, the latest estimate of the resources for the Annual Plan 2001-02 was Rs.74,126 crore, indicating a shortfall of 21 percent compared to the approved plan outlay. States' Own Resources fell short of the approved Annual Plan by over 30 percent while Central Assistance was lower by almost 12 percent in the latest estimate. The lower resource position of the States in the latest estimate is mainly on account of the

<sup>1</sup> Higher than the Aggregate Resources of Rs.93414.01 cr. because of the resources gap of Rs.419.54 crore in respect of the state of Jammu & Kashmir.

deterioration in the Balance from Current Revenues (BCR) and contribution of State Level Public Enterprises (SLPEs) and also lower accruals from state provident funds.

42. Table 2.21 summarized the pattern of financing Annual Plan 2001-02 for the Special Category States (SCS) and Non-Special Category States (NSCS) in terms of the two major sources namely, States Own Resources (SOR) and Central Assistance (CA).

**TABLE – 2.21**  
**Financing of Annual Plan 2001-02**

(Rs.crore)

States	SOR		Central Assistance		Total	
	AP	LE	AP	LE	AP	LE
1. SCS	-536.62	-1261.74	9990.08	9847.00	9453.46	8585.26
2. NSCS	45044.97	32175.11	38915.58	33365.78	83960.55	65540.89
3. TOTAL	44508.35	30913.37	48905.66	43212.78	93414.01	74126.15

#### **BALANCE FROM CURRENT REVENUES (BCR)**

43. The approved scheme of financing the Annual Plan 2001-02 included BCR of (-) Rs.30,804 crore, comprising of (-) Rs.5,310 crore for Special Category States and (-) Rs.25,494 crore for Non-Special Category States (Annex.2.7). The approved BCR of all States together provided for a Budgetary ARM of Rs.2745 crore which excludes Rs.564 crore of ARM committed by States Chief Ministers in the Deputy Chairman level meetings (Annex.2.6 & 2.9). The attempts to reverse sharp deteriorating trend in the BCR of states since 1998-99 has not been successful is evident from the latest estimate for 2001-02, which stood at (-) Rs.44,629 crore.

44. Detailed BCR at Annex.2.7 revealed that the shortfall in the latest estimate was accounted solely by the failure to achieve the projected revenue receipts. Realisation of revenues from states' own tax, non-tax and share of Central taxes fell short of the projections in the approved plan. Non-Plan Revenue Expenditure (NPRE) has been contained within the approved projections through restriction on development expenditure, even though non-development expenditure exceeded the projection.

#### **ADDITIONAL RESOURCE MOBILISATION (ARM)**

45. The total ARM of all States, indicated in the Scheme of Financing and the BCR, for the Annual Plan 2001-02 was Rs.6,925 crore of which ARM of non-special category States and special category states were Rs.6,758 crore and Rs.167 crore respectively (Annex.2.9). The total ARM includes budgetary ARM of Rs.2745 crore, Rs.564 crore of ARM committed by Chief Ministers which, in the latest estimate integrate with respective heads like BCR and contribution of SLPEs, and Rs.3616 crore of ARM by SLPEs. The ARM realised by non-special category States, as per the latest estimate of resources was Rs.506 crore, while special category States failed to mobilise any ARM. The ARM table at Annex.2.9 indicates that States realised 13 percent of budgetary ARM, 3 percent of ARM by RTCs in the latest estimate of resources for the Annual Plan 2001-02.



46. The inability of States to mobilise the ARM committed by them is a major reason for the short fall in their plan resources. The poor realisation of ARM proposed for SEB in the approved Plan reflected the difficulty faced by States in tariff revision and Power sector reform. It is, however, important to note that since the ARM measures indicated are only fresh ARM, the actual resource mobilisation effect during the years will be much higher due to the cumulative effect of ARM measures. It is also observed that some states have not indicated their ARM details in the scheme of financing and the BCR.

### **STATE LEVEL PUBLIC ENTERPRISES (SLPES)**

47. The contribution of State Level Public Enterprises (SLPEs) to the resources for the Annual Plan 2001-02 was estimated at (-) Rs.5,101 crore, comprising of (-) Rs.5536 crore of the State Electricity Boards (SEBs), Rs.71 crore of State Road Transport Corporation (SRTCs) and Rs.364 crore of Other Enterprises (Annex.2.6,2.10,2.11). This projected contribution was inclusive of the combined ARM of Rs.3,616 crore committed in the approved plan of these enterprises. The combined contribution SLPEs towards financing the Annual Plan further worsened in the latest estimate to (-) Rs.9,147 crore (Annex.2.6), a shortfall of 79 percent over the approved estimate. The contribution of SEBs deteriorated by over 54 percent (Annex.2.10) and the contribution of SRTCs also worsened by over 9.7 times in the latest estimate. The deteriorating contributions of SLPEs reflect the increasing operating deficit of the Enterprises which have to be bridged through borrowings to meet its current expenses, in addition to borrowings to meet the capital requirements for capacity enhancements; clearly an unsustainable state of affair.

48. Recently, with the active support from the Centre, State Governments have initiated Power Sector Reforms by signing MoUs with the Government of India, whereby reform linked funds are made available to the States. State Power reforms measures encompass creation of State Electricity Regulatory Authority, reduction of the gap between per unit cost of energy purchased and cost of supply, reducing T & D losses, unbundling of SEBs into generation, transmission and distribution companies and privatisation.

### **STATE PROVIDENT FUNDS**

49. State Government Employees provident funds has become an important component of financing Annual Plan, particularly from 1998-99 with the revision of pay scales and the impounding of arrears. The approved Annual Plan 2001-02 projected Rs.13,994 crore as accrual from state provident funds, constituting about 15 percent of the aggregate resources. The latest estimate of resources placed state provident funds at Rs.11,781 crore. The borrowings under this head and from small savings being not project-linked, have become the most favourite sources of financing the plans by the States. At the same time large-scale borrowings from provident funds and small saving has the danger of raising the total liabilities of States to an unsustainable level.

### **SMALL SAVINGS**

50. Loans against net collections from Small Savings constitute an important component of the resources for plan financing. The projection for Annual Plan under this head was Rs.31960 crore (Annex.2.6), which constitute 72 percent of States Own Resources and about 34 percent of the aggregate resource for the plan. As against this projection, the

latest estimate of resources by the States indicated an amount of Rs.33952 crore as the loan against net small savings collection; constituting 110 percent of States Own Resources and 46 percent of the aggregate resource.

### **SLR-BASED OPEN MARKET BORROWINGS AND NEGOTIATED LOANS**

51. The financing pattern for Annual Plan 2001-02 included Rs.11,557 crore of Net Open Market Borrowings (SLR based) (Annex.2.6). The latest estimate of resources indicated an increase to Rs.13,959 crore under market borrowing. Negotiated loans and other finances include loans from LIC, GIC, NABARD, REC, IDBI, HUDCO and other financial institutions. The Annual Plan 2001-02 projected Rs.16,157 crore under this head of which the amount realised as per the latest estimate was Rs.17,755 crore. Most of the loans under this head are meant for specific developmental projects like housing, rural roads, sanitation, drinking water supply etc., it reflected the funds available for the developmental works of the States. However, recently some states have resorted to large-scale borrowings through Development Corporations created by the state government which were utilised just to shore up their finances and facilitate their ways and means positions. Such resources form part of negotiated loans, but are not utilised for developmental works.

### **BONDS/DEBENTURES ISSUED BY STATE LEVEL PUBLIC ENTERPRISES (SLPES)**

52. An amount of Rs.12,487 crore was provided in the funding pattern of the Annual Plan 2001-02 of States under the head Bonds and Debentures to be raised by their Corporations (Annex.2.6). The amount realised as per the latest estimate was Rs.12261 crore. Since State Governments are providing guarantee to these instruments, the contingent liability of the States is fast rising. As these corporations are often unable to make profits to pay off interest and instalments, their debt service liability may ultimately fall upon the States. This may further exacerbate the stress on fiscal position of States.

### **CENTRAL ASSISTANCE**

53. The approved scheme of financing Annual Plan 2001-02 include Central Assistance for State Plan at Rs.48,906 crore, which consists of Rs.17,453 crore of Normal Central Assistance (NCA), Rs.18,719 crore of ACA for EAPs, and Rs.12,733 crore under various Area Programmes and Special Plan Assistance (Annex.2.6). The latest estimate of resources indicated Central Assistance at Rs.43,213 crore, comprising Rs.17,456 crore of NCA, Rs.13,760 crore of ACA for EAPs and Rs.11,997 crore of other Central Assistance.

### **ADDITIONAL CENTRAL ASSISTANCE FOR EXTERNALLY AIDED PROJECTS (EAPS)**

54. The approved scheme of financing of the Annual Plan of States indicated Rs.18,719 crore as Central Assistance for Externally Aided Projects. The Union Budget of 2001-02 on the other hand, provided Rs.6,500 crore for this purpose keeping in view the micro-scenario of external assistance which are already firmed up as well as those in the pipeline. The Revised Estimate for EAPs by the Centre indicates an enhancement of the budget provision to Rs.8,500 crore (Annex.2.5) while the latest estimate of resources by States shows a decline to Rs.13,760 crore (Annex.2.6). While it is necessary for States to expedite better utilisation of funds under EAPs, so as to attract more funds under this head, it is also necessary to provide sufficient budgetary provision to meet the local cost of the projects.

## **PLAN FUNDING OF UNION TERRITORIES (UTS)**

55. Plans of the Union Territories without legislatures are fully funded through Central Assistance. The plan outlay of UTs with legislatures (i.e., Delhi and Pondicherry) for 2001-02 was fixed at Rs.4,155 crore, comprising of Rs.3,800 crore for NCT of Delhi and Rs.355 crore for Pondicherry. The aggregate plan resources as per the latest estimate was Rs.4,555 crore. BCR, ARM and loans against Small Savings form a major portion of the Own Resources of the UTs of Delhi and Pondicherry.

## **SPECIAL CATEGORY STATES (SCS)**

56. Funding pattern of all Special Category States (Seven N.E States, Himachal Pradesh, Sikkim, Jammu & Kashmir and Uttaranchal) was formulated on the same pattern as that of non-Special Category States (i.e., inclusive of negative States Own Resources). The Annual Plan outlay for these States for the year 2001-02 was approved at Rs.9873 crore, as against the aggregate resources of Rs.9453 crore, (Table-2.21 to be read with footnote at page 1). These States are heavily dependent on Central Assistance to finance their plans. Central Assistance constituted about 106 percent of the aggregate resources for the approved Annual Plan for 2001-02. The latest estimate of resources exhibited further deterioration of SOR. As a result, Central Assistance in the latest estimate accounted for about 115 percent of aggregate resource for the annual plan.

## **ANNUAL PLAN 2002-03**

57. The year 2002-03 marked the starting year for the Tenth Five Year Plan. Most of the states are facing severe financial stress and many of them had signed MoUs with the Centre for fiscal reforms. The financial constraints and the binding commitments of states that entered into MoUs for fiscal reforms had their influence upon the Annual Plan outlays of the states.

58. The Annual Plan 2002-03 outlay for 27 states was approved at Rs.96,531 crore<sup>1</sup>, a nominal increase of about 3 percent over the approved outlay of the previous year. The aggregate resources for the Plan of Rs.94,780 crore comprised of States' Own Resources (SOR) of Rs.42,060 crore and Central Assistance of Rs.52,720 crore (Annex.2.6). The resources for financing Annual Plan 2002-03 of Special Category States and Non-Special Category States are shown at table-2.22 below in terms States' Own Resources (SOR) and Central Assistance.

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<sup>1</sup> The Annual Plan of Manipur has not been finalised. This is higher than the aggregate resources by Rs.1750.34 crore because of the resources gap of Rs.1295.57 crore in respect of J & K and the non-inclusion of Rs.454.77 crore Power Sector outlay in respect of Kerala State in the Scheme of Financing.

**TABLE – 2.22****Financing of Annual Plan 2002-03**

(Rs Crore)

<b>States</b>	<b>SOR</b>	<b>Central Assistance</b>	<b>Total</b>
Spl. Category States (SCS)	-662.54	9740.10	9077.56
Non-Spl. Category States (NSCS)	42722.92	42979.92	85702.84
<b>Total</b>	<b>42060.38</b>	<b>52720.02</b>	<b>94780.40</b>

Note: The Annual Plan 2002-03 (AP) figures do not include Manipur

**BALANCE FROM CURRENT REVENUES (BCR)**

59. The approved financing pattern for the Annual Plan 2002-03 included BCR of (-) Rs.36,403 crore. State-wise BCR at Annex.2.8 indicated that only four states, viz., Andhra Pradesh, Chattisgarh, Jharkhand and Goa had projected positive BCR for the Annual Plan 2002-03. The state of Andhra Pradesh has managed positive BCR only by booking budgetary support to SEB under plan revenue expenditure. The big negative BCR is a cause of concern. Unless drastic improvement in BCR over the 2002-03 (AP) is achieved in the subsequent years, states have to either resort to increase borrowings or compress their plan outlays during the Tenth Plan period.

**STATE LEVEL PUBLIC ENTERPRISES (SLPES)**

60. The contribution of SLPEs to the Plan has been estimated at (-) Rs.2,864 crore, which comprises of (-) Rs.3,082 crore by State Electricity Boards (SEBs), Rs.35 crore by Road Transport Corporations and Rs.183 crore by other enterprises (Annex 2.6, 2.10 & 2.11). The deteriorating position of the SEBs has become a matter of serious concern. Settlement of the huge outstanding dues of SEBs to Central Power Utilities and restoring the financial viability of SEBs are the major issues on power sector reform.

61. The Expert Group on Settlement of SEB Dues recommended waiver of 50% of the interest and surcharge dues and securitisation of the remaining dues by issue of bonds by the respective state governments. States have also signed MOUs with the Government of India for Electricity Reform, in which states expressed their commitments to constitution of State Electricity Regulatory Commissions and ensuring commercial viability of their SEBs. The Government of India in return, assured financial assistance to states under APDRP and PFC. The current year Centre Budget made a provision of Rs.3,500 crore under APDRP to facilitate power sector reforms programme of the states.

**STATE PROVIDENT FUNDS**

62. The approved Annual Plan 2002-03 of states include Rs.11,438 crore as net provident funds available for financing the plan outlay. The surge in provident funds following pay revision of 1998-99 has ended this year with the completion of the lock-in period of the impounded arrears. Some states even estimated negative net accrual of provident funds in the current year.

## **LOAN AGAINST SMALL SAVINGS**

63. Loans against small savings collection is estimated at Rs.39,574 crore, accounting for about 94 percent of SOR and about 42 percent of the aggregate resources. The Central Government has effected a cut in interest rates on small savings in April 2002 from 9.5% to 9.0% and also decided pass on 100% of the net collection of small savings to state governments. Along with the cut in the rate of interest on deposits, it has also been promised to pass on the benefit of lower rates to States. This will reduce the borrowing costs to States from small savings, which has increasingly become the major component of state governments' fiscal deficit.

## **SLR-BASED OPEN MARKET BORROWINGS AND NEGOTIATED LOANS**

64. The Annual Plan 2002-03 estimated net Market Borrowings at Rs.13,571 crore. Negotiated loans and other finances estimated at Rs.14,545 crore is lower than the previous year approved level of Rs.16,157 crore. The current year estimated negotiated loans is lower because of commitments made by states over the level of their fiscal deficits in the MoUs with the Centre for Medium-Term Fiscal Reforms which has restricted borrowings from financial institutions.

## **BONDS/DEBENTURES ISSUED BY STATE LEVEL PUBLIC ENTERPRISES (SLPES)**

65. Debentures/Bonds to be raised by State Public Enterprises for the Annual Plan 2002-03 has been fixed at Rs.12,097 crore. While resources raised in this manner by Corporations are necessary to meet their requirements, as the owner of the entity and guarantor to the bonds, state governments needs to maintain safe level of contingent liabilities and also improve the functioning the Enterprises. As a step towards this direction, some states have enacted laws putting restrictions on the level of their contingent liabilities.

## **CENTRAL ASSISTANCE**

66. The approved financing pattern of Annual Plan 2002-03 for states estimated Central Assistance at Rs.52,720 crore (Annex 2.6). The total Central Assistance for States' Plan includes Rs.18,616 crore of Normal Central Assistance (NCA), Rs.18,647 crore of ACA for Externally Aided Projects (EAPs) and Rs.15,457 crore of Other Central Assistance.

67. Other Central Assistance includes Area Programmes, Special Central Assistance, Special Plan Assistance, Additional Central Assistance and others. The current year Centre Budget has made new additions to Central Assistance like National Social Assistance Programme (NSAP), Initiative for Strengthening Urban Infrastructure (ISUI) and Development and Reform Facility (DRF). The new additions along with higher outlays for Accelerated Power Development Programme and Rural Electrification have raised the amount of Other Central Assistance for States' Plan.

68. The Centre Budget 2002-03 has earmarked Rs.6,500 crore as Additional Central Assistance for Externally Aided Projects (ACA for EAPs) (Annex 2.5). As against this, sum of ACA for EAPs has been estimated at Rs.18,647 crore for 27 states in their approved financing pattern for the Annual Plan 2002-03 (Annex 2.6). This shows that either states

are over estimating their capacity to absorb external assistance or the Centre budget has under estimated the required level of budgetary provision.

### **PLAN FUNDING OF UNION TERRITORIES (UTS)**

69. The total Annual Plan 2002-03 for UTs with legislatures has been approved at Rs.5,100 crore, comprising Rs.4700 crore for NCT of Delhi and Rs.400 crore for Pondicherry. BCR, resources of public enterprises, loans against small savings and Central Assistance are the major sources of Plan for the NCT of Delhi, whereas small savings, ARM and Central Assistance are financing the Annual Plan of Pondicherry.

### **AREAS OF CONCERN**

70. The major areas of concern in financing the plan are (a) continuous existence of a wide gap between resource projection committed for funding the Plan and the actual mobilisation; (b) the growing deterioration in the BCR of States necessitating increase dependence on borrowings; (c) deterioration in the functioning of State Level Public Enterprises; and (d) slow implementation of Externally Aided Projects (EAPs) resulting in low absorption and failure to attract more external assistance. Additional Resources Mobilisation (ARM) through budgetary measures has mostly fallen short of the commitment at AP level resulting in deterioration in the BCR at LE stage. Most of the States are financing their Plan through borrowing which has resulted in increasing the burden of debt servicing to alarming levels. It is necessary for States to raise their own resources through innovative tax and non-tax measures. The States are expected to increase the mobilisation of their own resources through tax reform measures, rationalisation of power tariff, transport fares, water rates, improvement in the functioning of SLPEs and curtailing wasteful public expenditure particularly of the non-plan non-development expenditure. While it is imperative that borrowing has to be resorted to funding of capital investment, State Governments should take utmost care in making prudential investment decisions so that the capital so created earns enough returns to service the debt. Last but not the least, States should ensure expeditious implementation of EAPs and make efforts to attract more external funding which are forthcoming with the advent of economic liberalisation.

## Annexure 2.1

**Budget Estimates vis-à-vis Revised and Provisional estimates of the  
Scheme of financing of the Annual Plan 2001-02 of the Centre**

(Rs Crore)

Sl. No.	Resources	2001-02			2002-03
		BE	BE	Provisional	BE
1	2	3	4	5	6
1	Balance from current Revenues (BCR)*	-38810	-47064	-50183	-46713
2	Balance from Non Debt Capital Receipts	22596	14497	14218	24688
3	Fiscal Deficit	116314	131721	136211	135524
4	Resources for Gross Budget Support to the Plan	100100	99154	100246	113499
5	Assistance for State & UT's Plans	40644	38878	40640	46629
6	Budget Support for Central Plan	59456	60276	59606	66870
7	IEBR of CPSEs	70725	67580	67580	77167
8	Plan Outlay of the Centre	130181	127856	127186	144037

\* Include external grants.

## Annexure 2.2

## Balance from current Revenues (BCR) of the Centre (incl. UTs)

(Rs Crore)

Sl. No.	Items	2001-02			2002-03
		BE	RE	Prov.-Act	BE
1	2	3	4	5	6
<b>I</b>	<b>Revenue Receipts</b>				
1	Tax Revenues (Gross) *	226649	196693	187000	235800
2	Less: States' share in Central Taxes	61618	52845	52842	61235
	Less Transfer to National Calamity Contingency Fund	2000	1500	873	1600
3	Tax Revenues (net)(1-2)	163031	142348	133285	172965
	Non-Tax Revenues	68714	70224	69596	72140
	less External Grants	698	826	1741	859
4	Non-Tax Revenues**	68016	69398	67855	71281
	<b>Total I - Revenue Receipts (3+4)</b>	<b>231047</b>	<b>211746</b>	<b>201140</b>	<b>244246</b>
<b>II.</b>	<b>Non-Plan Revenue Expenditure</b>				
1	Interest Payments	112300	107257	104894	117390
2	Defence	62000	57000	54112	65000
	Defence (Cap)	19959	16957	16153	21411
	Defense (Rev)	42041	40043	37959	43589
3	Subsidies	29801	30523	30094	39801
4	Grants to States and UTs.	18538	16994	15231	19190
5	Grants to Foreign Governments	474	527	523	561
6	Border Roads	255	208	208	237
7	Other Non-Plan Revenue expenditure	47187	47127	48002	49639
	<b>Total II - Non-Plan</b>				
	<b>Revenue expenditure</b>	270555	259636	253064	291818
<b>II</b>	<b>BCR (I- II)</b>	<b>-39508</b>	<b>-47890</b>	<b>-51924</b>	<b>-47572</b>

\* Including ARM and net of assignment of Union Territories' taxes to local bodies

\*\* Excludes receipts of the Departmental Commercial Undertakings which have been netted out on the expenditure side



## Annexure 2.3.A

**Resources of Central Public Sector Enterprises for Plan Investment  
Budget Estimates - 2001-02**

(Rs. Crores)

Sl. No.	Major Entreprises	Budget Support			Internal Re-source	Extra Budgetary Resources			Total EBR (7 to 9)	Total IEBR (6+10)	Total Plan Outlay (5+11)
		Equity	Loan	Total (3+4)		Bonds/ Debentures	ECB/ Suppliers credit	Others			
1	2	3	4	5	6	7	8	9	10	11	12
1	Coal India Ltd.	0	46	46	1212			1052	1052	2264	2310
2	Neyveli Lignite Corpn.Ltd.	0	283	283	225	100	181	200	481	706	989
3	Singareni Collieries Co Ltd	0	0	0	265			90	90	355	355
4	MTNL	0	0	0	1600				0	1600	1600
5	Videsh Sanchar Nigam Ltd.	0	0	0	1815				0	1815	1815
6	Telecommunication (BSNL)	0	0	0	11341	5233			5233	16574	16574
7	Air India	0	0	0	435		10		10	445	445
8	Indian Airlines	0	0	0	460				0	460	460
9	IFFCO	0	0	0	162			50	50	212	212
10	KRIBHCO	0	0	0	77			323	323	400	400
11	National Fertilizers Ltd.	0	0	0	30			130	130	160	160
12	IPCL	0	0	0	86	64			64	150	150
13	GAIL	0	0	0	842		58	250	308	1150	1150
14	ONGC	0	0	0	6077				0	6077	6077
15	Indian Oil Corpn.	0	0	0	2579		940	2481	3421	6000	6000
16	NTPC	0	0	0	933	1450	623		2073	3006	3006
17	Nuclear Power Corpn.	782	242	1024	80	69			69	149	1173
18	Power Grid Corpn.	0	0	0	196	1300	1373		2673	2869	2869
19	SAIL	0	0	0				500	500	500	500
20	Indian Railways	3540	0	3540	6500				0	6500	10040
21	Shipping Corp.of India	5	5	10	243		593		593	836	846
	Sub-Total (1 to 21)	4327	576	4903	35158	8216	3778	5076	17070	52228	57131
22	Other Entreprises	4626	883	5508	6269	7141	1359	3729	12229	18498	24006
	<b>Grand Total</b>	<b>8953</b>	<b>1459</b>	<b>10411</b>	<b>41427</b>	<b>15357</b>	<b>5137</b>	<b>8805</b>	<b>29298</b>	<b>70725</b>	<b>81137</b>

Note: Internal Resources(IR) do not include "carry forward surpluses" and limited to the portion of IR used for financing of the Plan outlay

**Annexure 2.3.-B**

**Resources of Central Public Sector Enterprises for Plan Investment  
Revised Estimates 2001-02**

(Rs. crore)

Sl. No.	Major Entreprises	Budget Support			Internal Re-source	Extra Budgetary Resources			Total EBR (7 to 9)	Total IEBR (6+10)	Total Plan Outlay (5+11)
		Equity	Loan	Total (3+4)		Bonds/Deben-tures	ECB/Supp-liers credit	Others			
1	2	3	4	5	6	7	8	9	10	11	12
1	Coal India Ltd.	0	67	67	155	0	0	1318	1318	1473	1540
2	Neyveli Lignite Corpn.Ltd.	0	0	0	713	0	183	0	183	896	896
3	Singareni Collieries Co Ltd	0	0	0	-310	0	600	0	600	290	290
4	MTNL	0	0	0	1150	0	0	0	0	1150	1150
5	Videsh Sanchar Nigam Ltd.	0	0	0	946	0	0	0	0	946	946
6	Telecommunication&			0	8283	3083	0	5207	8290	16573	16573
7	Air India	0	0	0	444	0	0	0	0	444	444
8	Indian Airlines	0	0	0	432	0	0	0	0	432	432
9	IFFCO	0	0	0	41	0	0	171	171	212	212
10	KRIBHCO	0	0	0	183	0	0	0	0	183	183
11	National Fertilizers Ltd.	0	0	0	48	0	0	0	0	48	48
12	IPCL	0	0	0	0	116	0	0	116	116	116
13	GAIL	0	0	0	697	0	57	0	57	755	755
14	ONGC	0	0	0	8159	0	0	0	0	8159	8159
15	Indian Oil Corpn.	0	0	0	932	868	480	521	1869	2801	2801
16	NTPC	0	0	0	261	1575	1044	0	2619	2880	2880
17	Nuclear Power Corpn.	853	30	883	412	70	0	0	70	482	1365
18	Power Grid Corpn.	0	0	0	247	1064	1041	0	2105	2352	2352
19	SAIL	0	0	0	0	133	0	317	450	450	450
20	Indian Railways	5438	0	5438	3140	0	0	0	0	3140	8578
21	Shipping Corp.of India	0	0	0	533	0	300	0	300	833	833
	Sub-Total (1 to 21)	6291	97	6388	26466	6909	3705	7534	18149	51003	57390
22	Other Entreprises	5209	1892	7101	10763	7697	1048	3456	12201	30065	37166
	<b>Grand Total</b>	<b>11500</b>	<b>1988</b>	<b>13488</b>	<b>37230</b>	<b>14606</b>	<b>4753</b>	<b>10991</b>	<b>30350</b>	<b>67580</b>	<b>81068</b>

Note: Internal Resources(IR) do not include "carry forward surpluses" and limited to the portion of IR used for financing of the Plan outlay & Includes newly created BSNL

## Annexure 2.3.-C

**Resources of Central Public Sector Enterprises for Plan Investment  
Budget Estimates - 2002-03**

(Rs. crore)

Sl. No.	Major Entreprises	Budget Support			Internal Re-source	Extra Budgetary Resources			Total EBR (7 to 9)	Total IEBR (6+10)	Total Plan Outlay (5+11)
		Equity	Loan	Total (3+4)		Bonds/Deben-tures	ECB/Supp-liers credit	Others			
1	2	3	4	5	6	7	8	9	10	11	12
1	Coal India Ltd.	0	15	15	633	0	0	1542	1542	2175	2190
2	Neyveli Lignite Corpn.Ltd.	0	0	0	567	0	18	0	18	585	585
3	Singareni Collieries Co Ltd	0	0	0	405	0	0	0	0	405	405
4	MTNL	0	0	0	2744	1250	0	0	1250	3994	3994
5	Videsh Sanchar Nigam Ltd.	0	0	0	1136	0	0	0	0	1136	1136
6	Telecommunication&	0	1	1	7692	3502	0	2881	6383	14075	14076
7	Air India	0	1	1	858	0	0	0	0	858	859
8	Indian Airlines	0	1	1	509	0	0	0	0	509	510
9	IFFCO	0	0	0	75	0	0	201	201	276	276
10	KRIBHCO	0	0	0	180	0	0	0	0	180	180
11	National Fertilizers Ltd.	0	0	0	35	0	0	0	0	35	35
12	IPCL	0	0	0	90	25	0	0	25	115	115
13	GAIL	0	0	0	1206	100	0	250	350	1556	1556
14	ONGC	0	0	0	8973	0	0	0	0	8973	8973
15	Indian Oil Corpn.	0	0	0	1607	415	1000	700	2115	3722	3722
16	NTPC	168	0	168	913	1630	795	0	2425	3338	3506
17	Nuclear Power Corpn.	1342	187	1529	121	0	0	0	0	121	1650
18	Power Grid Corpn.	0	0	0	745	1388	1179	0	2567	3312	3312
19	SAIL	0	0	0	0	0	0	500	500	500	500
20	Indian Railways	5390	0	5390	3940	3000	0	0	3000	6940	12330
21	Shipping Corp.of India	0	0	0	367	0	965	0	965	1332	1332
	Sub-Total (1 to 21)	6899	205	7105	32796	11310	3957	6074	21341	54137	61242
22	Other Entreprises	5295	989	6284	6731	10467	1094	4738	16299	23030	29314
	<b>Grand Total</b>	<b>12195</b>	<b>1194</b>	<b>13389</b>	<b>39527</b>	<b>21778</b>	<b>5050</b>	<b>10812</b>	<b>37640</b>	<b>77167</b>	<b>90555</b>

Note: \*Internal Resources(IR) do not include "carry forward surpluses" and limited to the portion of IR used for financing of the Plan outlay & Telecommunications includes newly created BSNL

## Annexure 2.4

**Allocation of Tax-Free Bonds To  
Central Ministries / CPSEs / Financial Institutions**

(Rs. crore)

<b>Sl. No.</b>	<b>Parent Ministry / Organisation</b>	<b>Central Public Sector Enterprise</b>	<b>2001-02 BE</b>	<b>2001-02 Actual</b>	<b>2002-03 BE</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
1	Atomic Energy	NPC	70	70	Nil
2	DNES	IREDA	50	50	50
3	Power	NEEPCO	75	30	95
4	Railways	IRFC	75	75	100
5	Railways	KRC	75	Nil	Nil
6	Urban Dev.	HUDCO	80	80	80
7	RBI	NHB	75	75	75
	<b>Total</b>		<b>500</b>	<b>380</b>	<b>400</b>

## Annexure 2.5

## Central Assistance For State and Union Territory Plans - 2001-02 and 2002-03

(Rs. Crore)

Sl. No.	Item	2001-02		2002-03
		Budget Estimate	Revised Estimate	Budget Estimate
1	2	3	4	5
1	Normal Central Assistance (NCA)	18,434.00	17,119.85	20,172.00
2	Slum Development @	386.00	341.11	365.00
3	Special Plan Assistance	700.00	1,000.00	700.00
4	Special Central Assistance	1,350.00	1,350.98	1,670.00
	i) Hill Areas	160.00	160.00	160.00
	ii) Tribal Sub Plan	500.00	500.98	500.00
	iii) Grants under Article 275(1)	\$	\$	300.00
	vi) Border Areas	240.00	240.00	260.00
	v) North Eastern Council	450.00	450.00	450.00
	Special Central Assistance	-	125.00	-
6	Control of Shifting Cultivation	15.00	15.00	20.00
7	MPs Local Area Dev. Scheme (MPLADS)	1,580.00	1,730.00	1,580.00
8	Addl. Central Assistance	-	1,511.37	-
9	Addl. Central Assistance for EAPs	6,500.00	8,500.00	6,500.00
10	Addl. Central Assistance for Other Projects @	120.00	-	-
11	Rural Electrification Corporation	460.00	50.00	-
12	Assistance from Central pool of Resources for NE & Sikkim	-	500.00	-
13	Acc. Irrigation Benefit Programme (AIBP)	2,000.00	2,000.00	2,800.00
14	Roads & Bridges	962.00	367.07	974.08
15	Pradhan Manti's Gramodaya Yojana (PMGY) @	5,300.00	2,533.00	2,800.00
	(a) Rural Roads	2,500.00	-	-
	(b) Other Programmes of Gramodaya	2,800.00	2,533.00	2,800.00
16	Acc. Power Development Programme (APDP)	1,500.00	450.00	3,500.00
17	Loans to States for Rural Electrification	175.00	-	-
18	Rural Electrification	-	-	600.00
19	National Social Assistance Programme (NSAP)	-	-	680.00
20	Initiative for Strengthening Infrastructure	-	-	500.00
21	Development and Reform Facility (DRF)	-	-	2,500.00
<b>A.</b>	<b>CENTRAL ASSISTANCE FOR STATES (1 to 21)</b>	<b>39,482.00</b>	<b>37,593.38</b>	<b>45,361.08</b>
1	UTs with Legislature	498.00	562.00	538.00
2	UTs without Legislature	664.00	722.76	730.00
<b>B.</b>	<b>CENTRAL ASSISTANCE FOR UT PLANS (1+2)</b>	<b>1,162.00</b>	<b>1,284.76</b>	<b>1,268.00</b>
<b>C.</b>	<b>GRAND TOTAL ( A+B )</b>	<b>40,644.00</b>	<b>38,878.14</b>	<b>46,629.08</b>

@ The provision is for both States and Union Territories

\$ Included under Normal Central Assistance.

## Annexure 2.6

## Financing Pattern of the States' Annual Plans For 2001-02 &amp; 2002-03

(Rs. crore)

Sl. No.	Resources	2001-02		2002-03
		Annual Plan	Latest Estimate	Annual Plan
1	2	3	4	5
1	Balance from Current Revenues (BCR)	-30,803.95	-44,629.40	-36,403.06
2	Contribution of State Level Public Enterprises (SLPEs)	-5,100.69	-9,146.98	-2,863.57
3	State Provident Funds	13,993.69	11,781.17	11,438.46
4	Misc. Capital Receipts (MCR) (Net)	-10,399.19	-7,420.87	-16,225.23
5	Special Grants under Finance Commission	3,410.91	3,321.68	3,257.28
6	Loan against Small Savings	31,959.59	33,952.44	39,573.55
7	Net Market Borrowings (SLR based)	11,556.82	13,958.79	13,570.52
8	Negotiated Loans and Other Finances	16,157.31	17,755.04	14,544.58
9	Bonds/Debentures by SLPEs	12,487.00	12,261.34	12,096.71
10	ARM agreed at Dy. Chairman - CM Level Meeting	563.89	125.00	1,459.35
11	Opening Balance and Other Resources	682.96	-1,044.85	1,611.79
<b>A.</b>	<b>States' Own Resources (1 to 11)</b>	<b>44,508.35</b>	<b>30,913.37</b>	<b>42,060.38</b>
12	Normal (Formula based) Central Assistance (NCA)	17,452.93	17,456.10	18,616.32
13	Addl. Central Assistance for EAPs	18,719.43	13,760.14	18,646.90
14	Others	12,733.30	11,996.54	15,456.80
<b>B.</b>	<b>Central Assistance (12 to 14)</b>	<b>48,905.66</b>	<b>43,212.78</b>	<b>52,720.02</b>
<b>C.</b>	<b>Aggregate Plan Resources ( A + B )</b>	<b>93,414.01</b>	<b>74,126.15</b>	<b>94,780.40</b>
<b>D.</b>	<b>Approved/Projected Plan Outlay</b>	<b>93,833.55</b>		<b>96,530.74</b>

- Note: 1. The approved plan outlay for 2001-02 is higher than the aggregate resources because of the resources gap of Rs.419.54 crore in respect of Jammu & Kashmir State.
2. The approved plan for 2002-03 pertains to 27 States, as the Annual Plan for the State of Manipur has not been finalised. The Approved Plan Outlay is higher than the aggregate resources because of the resources gap of Rs.1295.57 crore in respect of Jammu & Kashmir State and Rs.454.77 crore of Power Sector outlay in respect of Kerala not included in the scheme of financing.

## Balance From Current Revenues (BCR) for 2001-02

(Rs. crore)

	Item	Special Category States		Non-Special Category States		All States	
		2001-02					
		Annual Plan	Latest Estimate	Annual Plan	Latest Estimate	Annual Plan	Latest Estimate
	1	2	3	4	5	6	7
<b>I.</b>	<b>Non-Plan Revenue Receipts (1 to 4)</b>	<b>17,275.25</b>	<b>16,995.68</b>	<b>208,085.63</b>	<b>194,018.71</b>	<b>225,360.88</b>	<b>211,014.39</b>
1	Share of Central Taxes	4,717.97	4,431.14	58,075.94	54,227.52	62,793.91	58,658.66
2	States' Own Tax Revenues	4,531.39	4,582.34	128,617.10	121,399.97	133,148.49	125,982.31
3	States' Own Non - Tax Revenues	1,110.35	1,034.40	16,475.45	13,515.81	17,585.80	14,550.21
4	Non-Plan Grants from the Centre	6,915.54	6,947.80	4,917.14	4,875.41	11,832.68	11,823.21
<b>II.</b>	<b>Non-Plan Revenue Expenditure (NPRE) (1 to 3)</b>	<b>22,605.43</b>	<b>22,646.55</b>	<b>236,211.84</b>	<b>233,350.14</b>	<b>258,817.27</b>	<b>255,996.69</b>
1	Non-Development Expenditure of which Interest	11,701.60	12,219.01	121,880.81	123,971.00	133,582.41	136,190.01
	Payment	4,919.17	5,025.49	57,669.59	58,319.49	62,588.76	63,344.98
2	Development Expenditure	10,715.07	10,427.54	111,274.29	110,835.14	121,989.36	121,262.68
3	Other NPRE	188.76	0.00	3,056.74	-1,456.00	3,245.50	-1,456.00
<b>III.</b>	<b>Balance from Current Revenues (BCR) ( I - II )</b>	<b>-5,330.18</b>	<b>-5,650.87</b>	<b>-28,126.21</b>	<b>-39,331.43</b>	<b>-33,456.39</b>	<b>-44,982.30</b>
<b>IV.</b>	<b>Budgetary ARM not included in the above Revenue Receipt items</b>	<b>20.00</b>	<b>0.00</b>	<b>2,632.44</b>	<b>352.90</b>	<b>2,652.44</b>	<b>352.90</b>
<b>V.</b>	<b>BCR with ARM (III + IV)</b>	<b>-5,310.18</b>	<b>-5,650.87</b>	<b>-25,493.77</b>	<b>-38,978.53</b>	<b>-30,803.95</b>	<b>-44,629.40</b>

**State-wise Balance from Current Revenues (BCR) for  
Annual Plans 2001-02 & 2002-03**

(Rs crore)

	States	2001-02 Annual Plan	2001-02 Latest Estimate	2002-03 Annual Plan
	1	2	3	4
<b>A.</b>	<b>A. Special Category</b>	<b>-5,310.18</b>	<b>-5,650.87</b>	<b>-5,632.82</b>
1	Arunachal Pradesh	-86.30	-62.77	-100.52
2	Assam	-1,081.46	-1,335.38	-1,115.82
3	Himachal Pradesh	-1,123.63	-935.00	-1,150.71
4	Jammu & Kashmir	-578.67	-586.71	-704.08
5	Manipur	-206.60	-260.97	
6	Meghalaya	-157.62	-143.93	-156.57
7	Mizoram	-188.74	-192.29	-225.61
8	Nagaland	-317.75	-204.69	-303.46
9	Sikkim	-21.63	-19.87	-9.17
10	Tripura	-501.99	-611.59	-519.42
11	Uttaranchal	-1,045.79	-1,297.67	-1,347.46
<b>B.</b>	<b>Non-Special Category</b>	<b>-25,493.77</b>	<b>-38,978.53</b>	<b>-30,770.24</b>
1	Andhra Pradesh	-573.79	-927.74	331.32
2	Bihar	-1,130.28	-1,205.11	-824.93
3	Chattisgarh	33.46	85.96	119.72
4	Goa	-22.77	19.22	72.08
5	Gujarat	-7,250.52	-7,154.01	-4,405.74
6	Haryana	-244.32	-363.72	-260.53
7	Jharkhand	966.86	953.37	412.00
8	Karnataka	-270.11	-935.92	-883.79
9	Kerala	-243.93	-1,015.46	-689.98
10	Madhya Pradesh	-611.09	-2,277.40	-306.15
11	Maharashtra	1,343.43	-3,994.89	-1,749.17
12	Orissa	-1,533.73	-1,969.83	-2,116.90
13	Punjab	-2,246.37	-3,142.33	-2,681.53
14	Rajasthan	-2,157.60	-2,906.64	-3,246.00
15	Tamil Nadu	-1,840.24	-2,278.53	-2,526.47
16	Uttar Pradesh	-4,938.68	-6,206.54	-6,208.66
17	West Bengal	-4,774.09	-5,658.96	-5,805.51
<b>C.</b>	<b>GRAND TOTAL (A+B)</b>	<b>-30,803.95</b>	<b>-44,629.40</b>	<b>-36,403.06</b>

Note: Annual Plan 2002-03 figures do not includes Manipur.



**Annexure 2.9**

**Additional Resources Mobilisation (ARM) during 2001-02 and 2002-03**

(Rs. Crore)

	States	2001-02								2002-03			
		Budgetary *		SEB's		RTC's		TOTAL		Budge tary* AP	SEBs AP	RTCs AP	TOTAL AP
		AP	LE	AP	LE	AP	LE	AP	LE				
1	2	3	4	5	6	7	8	9	10	11	12	13	
<b>I.</b>	<b>Non-Special Category States</b>	<b>3,142.44</b>	<b>477.90</b>	<b>2,619.43</b>	<b>0.00</b>	<b>996.43</b>	<b>28.29</b>	<b>6,758.30</b>	<b>506.19</b>	<b>2,843.16</b>	<b>681.75</b>	<b>0.00</b>	<b>3,524.91</b>
1	Andhra Pradesh	0.00	0.00	1,416.72	0.00	885.60	0.00	2,302.32	0.00	0.00	0.00	0.00	0.00
2	Bihar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	250.00	0.00	0.00	250.00
3	Chattisgarh	30.00	0.00	0.00	0.00	0.00	0.00	30.00	0.00	0.00	0.00	0.00	0.00
4	Goa	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Gujarat	30.00	0.00	0.00	0.00	0.00	0.00	30.00	0.00	110.00	0.00	0.00	110.00
6	Haryana	155.00	0.00	0.00	0.00	0.00	0.00	155.00	0.00	25.00	0.00	0.00	25.00
7	Jharkhand	352.90	352.90	0.00	0.00	0.00	0.00	352.90	352.90	371.52	0.00	0.00	371.52
8	Karnataka	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Kerala	811.04	0.00	0.00	0.00	0.00	0.00	811.04	0.00	0.00	0.00	0.00	0.00
10	Madhya Pradesh	125.00	125.00	0.00	0.00	0.00	0.00	125.00	125.00	0.00	0.00	0.00	0.00
11	Maharashtra	1,100.00	0.00	0.00	0.00	0.00	0.00	1,100.00	0.00	1,130.00	0.00	0.00	1,130.00
12	Orissa	66.50	0.00	0.00	0.00	0.00	0.00	66.50	0.00	0.00	0.00	0.00	0.00
13	Punjab	0.00	0.00	325.00	0.00	35.83	28.29	360.83	28.29	821.64	681.75	0.00	1,503.39
14	Rajasthan	272.00	0.00	677.71	0.00	0.00	0.00	949.71	0.00	0.00	0.00	0.00	0.00
15	Tamil Nadu	200.00	0.00	200.00	0.00	75.00	0.00	475.00	0.00	135.00	0.00	0.00	135.00
16	Uttar Pradesh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	West Bengal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>II.</b>	<b>Special Category States</b>	<b>166.87</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>166.87</b>	<b>0.00</b>	<b>149.48</b>	<b>0.00</b>	<b>0.00</b>	<b>149.48</b>
<b>III.</b>	<b>Grand Total (I+II)</b>	<b>3,309.31</b>	<b>477.90</b>	<b>2,619.43</b>	<b>0.00</b>	<b>996.43</b>	<b>28.29</b>	<b>6,925.17</b>	<b>506.19</b>	<b>2,992.64</b>	<b>681.75</b>	<b>0.00</b>	<b>3,674.39</b>

\* Includes ARM committed at Deputy Chairman - Chief Minister level discussions to finalise the Annual Plan

Note: Annual Plan 2002-03 figures do not includes Manipur.

## Annexure 2.10

## Contribution of State Electricity Boards (SEBs) During 2001-02 &amp; 2002-03

(Rs. Crore)

Sl. No.	States	2001-02						2002-03		
		Annual Plan			Latest Estimates			Annual Plan		
		At 2000-01 rates	ARM	Total at current rates	At 2000-01 rates	ARM	Total at current rates	At 2001-02 rates	ARM	Total at current rates
1	2	3	4	5	6	7	8	9	10	
1.	Andhra Pradesh	-2,499.45	1,416.72	-1,082.73	-867.59	0.00	-867.59	0.00	0.00	0.00
2.	Arunachal Pradesh*									
3.	Assam	-350.66	0.00	-350.66	-19.24	0.00	-19.24	-60.00	0.00	-60.00
4.	Bihar	-519.00	0.00	-519.00	-444.59	0.00	-444.59	-514.60	0.00	-514.60
5.	Chattisgarh	5.00	0.00	5.00	5.00	0.00	5.00	20.00	0.00	20.00
6.	Goa	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7.	Gujarat	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8.	Haryana	-51.60	0.00	-51.60	-61.92	0.00	-61.92	-74.30	0.00	-74.30
9.	Himachal Pradesh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10.	Jammu & Kashmir	-680.80	0.00	-680.80	-680.80	0.00	-680.80	-442.42	0.00	-442.42
11.	Jharkhand	-180.33	0.00	-180.33	-180.33	0.00	-180.33	-151.97	0.00	-151.97
12.	Karnataka	0.00	0.00	0.00	235.00	0.00	235.00	8.00	0.00	8.00
13.	Kerala	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14.	Madhya Pradesh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15.	Maharashtra	0.00	0.00	0.00	-1,389.15	0.00	-1,389.15	0.00	0.00	0.00
16.	Manipur*									
17.	Meghalaya	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18.	Mizoram*									
19.	Nagaland*									
20.	Orissa	73.49	0.00	73.49	-1.52	0.00	-1.52	58.00	0.00	58.00
21.	Punjab	-325.00	325.00	0.00	-737.65	0.00	-737.65	-931.75	681.75	-250.00
22.	Rajasthan	-1,757.57	677.71	-1,079.86	-1,356.84	0.00	-1,356.84	0.00	0.00	0.00
23.	Sikkim*									
24.	Tamil Nadu	-1,540.00	200.00	-1,340.00	-957.00	0.00	-957.00	-687.50	0.00	-687.50
25.	Tripura*									
26.	Uttaranchal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27.	Uttar Pradesh	-329.78	0.00	-329.78	-2,069.52	0.00	-2,069.52	-987.56	0.00	-987.56
28.	West Bengal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>-8,155.70</b>	<b>2,619.43</b>	<b>-5,536.27</b>	<b>-8,526.15</b>	<b>0.00</b>	<b>-8,526.15</b>	<b>-3,764.10</b>	<b>681.75</b>	<b>-3,082.35</b>

\* Departmental undertaking.

## Annexure 2.11

## Contribution of Road Transport Corporations (RTCs) During 2001-02 &amp; 2002-03

(Rs. Crore)

Sl. No.	States	2001-02						2002-03		
		Annual Plan			Latest Estimates			Annual Plan		
		At 2000-01 rates	ARM	Total at current rates	At 2000-01 rates	ARM	Total at current rates	At 2001-02 rates	ARM	Total at current rates
1	2	3	4	5	6	7	8	9	10	
1.	Andhra Pradesh	-835.16	885.60	50.44	-326.34	0.00	-326.34	104.04	0.00	104.04
2.	Arunachal Pradesh*									
3.	Assam	-22.55	0.00	-22.55	-14.43	0.00	-14.43	-18.54	0.00	-18.54
4.	Bihar	-4.26	0.00	-4.26	-4.26	0.00	-4.26	-3.09	0.00	-3.09
5.	Chattisgarh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6.	Goa	-4.00	0.00	-4.00	-4.00	0.00	-4.00	-4.00	0.00	-4.00
7.	Gujarat	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8.	Haryana	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9.	Himachal Pradesh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10.	Jammu & Kashmir	-31.87	0.00	-31.87	-31.87	0.00	-31.87	-28.68	0.00	-28.68
11.	Jharkhand	-3.33	0.00	-3.33	-3.33	0.00	-3.33	-3.73	0.00	-3.73
12.	Karnataka	55.00	0.00	55.00	67.32	0.00	67.32	73.39	0.00	73.39
13.	Kerala	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14.	Madhya Pradesh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15.	Maharashtra	248.56	0.00	248.56	-56.54	0.00	-56.54	0.00	0.00	0.00
16.	Manipur	-2.87	0.00	-2.87	0.00	0.00	0.00	0.00	0.00	0.00
17.	Meghalaya	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18.	Mizoram*									
19.	Nagaland*									
20.	Orissa	0.00	0.00	0.00	0.00	0.00	0.00	1.48	0.00	1.48
21.	Punjab	-35.83	35.83	0.00	-28.29	28.29	0.00	-25.79	0.00	-25.79
22.	Rajasthan	-64.70	0.00	-64.70	-56.40	0.00	-56.40	-72.10	0.00	-72.10
23.	Sikkim*									
24.	Tamil Nadu	-325.34	75.00	-250.34	-58.53	0.00	-58.53	134.28	0.00	134.28
25.	Tripura	-8.13	0.00	-8.13	-11.30	0.00	-11.30	-8.50	0.00	-8.50
26.	Uttaranchal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27.	Uttar Pradesh	129.12	0.00	129.12	-9.43	0.00	-9.43	104.27	0.00	104.27
28.	West Bengal	-20.27	0.00	-20.27	-182.86	0.00	-182.86	-218.12	0.00	-218.12
	<b>Total</b>	<b>-925.63</b>	<b>996.43</b>	<b>70.80</b>	<b>-720.26</b>	<b>28.29</b>	<b>-691.97</b>	<b>34.91</b>	<b>0.00</b>	<b>34.91</b>

\* Departmental undertaking.

Note: The Annual Plan 2002-2003 figures do not include Manipur

# **CHAPTER 3**

## **PLAN IMPLEMENTATION AND PUBLIC SECTOR OUTLAYS**

### **3.1 EVALUATION OF PLAN PROGRAMMES**

The Programme Evaluation Organisation, Planning Commission undertakes evaluation of central and centrally sponsored schemes to assess their physical and financial performance, the efficacy of the implementation/delivery mechanisms and impact on the beneficiaries. The findings of the evaluation studies are made available to the implementing ministries and the concerned subject divisions of Planning Commission for mid-course corrections in design and implementation, to the researchers and general public through publications, seminars and the print media for generating informed debate on the nature and efficiency of public spending.

2. The Approach Paper to the Tenth Five Year Plan has made use of the results of evaluation studies and suggested various steps for improving the performance of programme formulation and implementation which, inter-alia, included convergence & weeding out of plan schemes, detailed monitoring and impact studies of state sector projects, removal of mismatch between the large number of schemes & monitoring capacity and project approach with time bound targets for monitoring, mid-term evaluation and detailed impact studies of CSS.

3. The strategy proposed above would definitely contribute to efficiency in resource use and improved performances of plan programmes. To make evaluation, an effective tool for this, capabilities of evaluation organisations will have to be enhanced. This, however, requires greater flow of physical and financial resources to the Evaluation Organisations established in various States/UTs and at Central level.

4. Accordingly, an attempt is being made to improve the infrastructure of PEO and to associate NGOs/Research Institutes so as to enable it to respond to the increasing demand for evaluation and to discharge other related responsibilities. In recent times, apart from conducting evaluation studies, PEO have undertaken other activities which, inter alia, include: organising training programmes for its staff members in reputed institutions (IIPA, NIRD), increased interaction with the state level evaluation organizations, Internet/NICNET connectivity to PEO field units to increase the speed of transmission and processing of data.

#### **Working Group For The Tenth Five Year Plan**

5. In pursuance of the decisions taken in the internal meeting held on 21.8.2000 under the chairmanship of the Secretary, Planning Commission, a Working Group on

Strengthening Monitoring and Evaluation System for Social Sector Development Schemes during the Tenth Five Year Plan was constituted on 30.10.2000 under the chairmanship of Secretary, Planning Commission. The Working Group has submitted its report to Planning Commission on 29.11.2001. The main recommendations of the Working Group are as under:

- i. The design and implementation of new policies and programmes should rely on evaluation results of completed and ongoing schemes to avoid repetition of past mistakes and to ensure better utilization of development resources.
- ii. Indicators for M & E must form an integral part of programme/project design.
- iii. An evaluation data bank containing lessons from evaluation studies conducted by Central and State Evaluation Organisations as well as international organizations of repute needs to be created. This data bank can be accessed by planners and policy makers and even by the evaluators for literature survey.
- iv. Better coordination is needed among evaluation organizations and CAG to avoid duplication of work and inappropriate use of resources. It would be useful if the broad areas of evaluation work for every year are identified in a meeting of evaluation organizations before the commencement of every annual plan.
- v. Evaluation should be funded under plan funds in order to develop necessary infrastructure, human resources, collection and transmission of evaluation results.
- vi. An evaluation plan needs to be prepared for the Tenth Plan. This will include evaluation of major programmes once in 2<sup>nd</sup> year and once in 4<sup>th</sup> year of the Plan.
- vii. The Union Ministries/Departments and State Governments should be equipped with monitoring units for analyzing the reports of monitoring and evaluation on performance of the on going social sector development schemes and in case such units were not in existence, the services of research institutes from outside the Government should be hired for the said purpose.
- viii. Computerised Monitoring Information System (CMIS) needs to be introduced immediately for effective monitoring and audit of each scheme in the social sector.
- ix. In order to coordinate the work of various central and state monitoring units, an institution (existing/new) may be designated to act as monitor of monitors.
- x. Training should be made an important organizational aspect of monitoring and evaluation. International organizations of repute may be contacted through World Bank/UNDP for training evaluation officials of Centre and States and a training institute may be set up for imparting training on M & E techniques.
- xi. Expert Committee /Group under the Chairmanship of Member (Evaluation), Planning Commission to identify changes in procedures, rules, practices and laws that may be required for generating quality evaluation results, linking evaluation to resource allocation and using evaluation as a potent instrument of governance.

- xii. Planning Commission should take a lead role in establishing a National Association of Evaluators with membership drawn from the Central and State evaluation organisations, NGOs, and research institutions engaged in evaluation, appraisal and audit agencies. This association should hold annual conferences and bring out evaluation related literature/ news etc. and promote exchange of views, wider dissemination of evaluation work done in the country and develop links with similar national and international institutions & associations.

### **Findings of Recent Evaluation Studies**

6. The important programmes evaluated by PEO during the last few years are: Employment Assurance Scheme (EAS), Functioning of State Pollution Control Boards (SPCB), Khadi & Village Industries Programme (KVIC), Social Safety Net Programme (SSNP) for Primary Health Centres (PHCs), Member Parliament Local Area Development Scheme (MPLADS) and National Project on Bio-gas Development (NPBD). The findings of these evaluation studies are given in brief in the following paras.

#### **Employment Assurance Scheme (EAS)**

7. The Employment Assurance Scheme was launched on 2<sup>nd</sup> October, 1993 in 1778 identified backward blocks situated in drought prone desert, tribal and hill areas where the revamped public distribution system was in operation. Subsequently, the scheme was extended to cover all the blocks by April, 1997. The primary objective of the Employment Assurance Scheme is to provide gainful employment in manual work during lean agricultural season to all able bodied adults in rural areas who are in need of work, but cannot find it. The secondary objective is the creation of economic infrastructure and community assets for sustained employment and development.

8. At the instance of the Planning Commission, the Programme Evaluation Organisation (PEO) undertook the evaluation study on Employment Assurance Scheme (EAS) to assess the performance, appropriateness of implementation methods adopted by the states, extent of coverage of target group and the impact of EAS on the beneficiaries. The report was released in April, 2000.

9. The main findings of the study are:

- The provisions in the guidelines relating to the preparation of shelf of projects, identification/ registration of people seeking wage employment, issuance of family cards and constitution of co-ordination committees at different levels were not adhered to in a large majority of the cases.
- The utilisation of EAS funds is extremely low. Lack of planning, untimely release of funds, both from the Centre to DRDAs and from DRDAs to blocks, and other factors, such as inability of the States to generate matching resources are the important factors that have contributed to low utilisation of EAS funds.
- The coverage of villages and the target group is extremely low. A maximum of 32% of villages and 5% of the target group in a block are estimated to have been covered annually.

- A large part of the EAS has been used in activities that are less labour intensive and more capital intensive. The normative capital – labour ratio has not been generally adhered to. As a result the cost of employment generation becomes abnormally high in a few states.
- The majority of EAS beneficiaries received less than 30 day's wage employment in a year. Non-poor households were also found to have been the beneficiaries of EAS. The income from the EAS was not enough to enable the poor households to cross the poverty line. Most of the EAS beneficiaries got employment in one out of the four years of its operation.

### **State Pollution Control Boards (SPCBs)**

10. State Pollution Control Boards (SPCBs), constituted under the Water (Prevention and Control of Pollution) Act 1974, are entrusted with the responsibility of monitoring and controlling environmental pollution. Successive enactment and framing of rules have specified the powers and functions of the SPCBs in different areas of their intervention. Constituted with a two-tier administrative set-up consisting of a Board of Members and the regular administrative and technical staff and with a network of field offices, each SPCB is required to perform such functions as advising the State Government on matters relating to pollution, developing methods, standards and technology to abate pollution, administering pollution control and creating awareness among the public about the ill-effects of pollution.

11. At the instance of the Planning Commission, the Programme Evaluation Organisation (PEO) undertook a review of all the 25 SPCBs in the country with the objectives of studying their structure, organizational set-up, staffing pattern, finances and training requirements, examining their functioning with reference to the functions stipulated in the Pollution Control Acts, identifying the constraints in their functioning and suggesting remedial measures therein.

12. The main findings of the study are:

- The composition of the State Boards is mostly characterized by dominant presence of non-technical members, differential availability of staff for monitoring a certain number of polluting industrial units, discomfoting vacancy positions, influx of contract and casual employees and varying ratios of technical to non-technical staff. Absence of any fixed norm for determining the staffing pattern of SPCBs is an important cause for the above. The field formations of some SPCBs are not commensurate with the task at their hand.
- There are vast variations in the financial positions of different SPCBs. Some SPCBs are heavily dependent on Government grants while some rely helplessly on their own insufficient resources. A few SPCBs claim to be financially self-reliant. With widely varying number of polluting industries across states and given the different types and rates of fees charged on industries, the potential for generating 'own resources' differs across SPCBs.
- Most of the SPCBs run considerable revenue surpluses even while they have not fulfilled the requirements for capital expenditure. Prohibitive spending restrictions imposed by State Governments are an important cause for this.

- The degree of inventorisation of polluting industrial activities accomplished by the SPCBs is not generally satisfactory. The inventorisation of small polluting units is yet to take off.
- Compliance of industrial units with the stipulated pollutant standards is poor in some states. Absence of an effective punitive mechanism instigates non-compliance.
- Most of the SPCBs do not supply the required number of observations on air and water quality to the Central Pollution Control Board (CPCB). Some of the sanctioned monitoring stations are not operational. Inadequate financial norms per sample and greater reliance on contract employees for monitoring lead to this.
- Crucial activities like training to staff, generation of awareness among the public regarding different aspects of pollution and research and development remain low-priority items of expenditure in the budgets of most of the SPCBs.

### **Khadi and Village Industries Programme**

13. During the Freedom Struggle, the development of Khadi and Village Industries was an instrument to meet the twin objective of self-reliance through local production and seeking active participation of the poor in the struggle for Independence through removal of hunger and unemployment. Their potential as an instrument of poverty alleviation was also recognised by our early planners. Accordingly, the Khadi and Village Industries Commissioner (KVIC) was created by an Act of Parliament to plan, promote and organise their systematic development and expansion.

14. While the output and employment of Khadi and Village Industries have grown manifold during the last four and half decades, their role in the context of the new paradigm of development has been questioned. In particular, the effectiveness of the programme in terms of its employment generation capacity, resource-use efficiency and sustainability has come under attack from various quarters. At the instance of Planning Commission, the Programme Evaluation Organisation (PEO) undertook the evaluation of the performance, adequacy, effectiveness of the implementation mechanism and impact of the KVI programme.

15. The major findings of the study are as under:

- Inadequate linkage between production and sales strategies has resulted in accumulation of stocks, low return on investment, non-performing asset build-up, low production and shrinking employment opportunities. Co-ordination among implementing agencies at various levels is lacking. The data base available with KVIC on production, employment, sales, earnings, stock and on other relevant parameters is inadequate and inaccurate. No scientific planning and implementation of the programme can be designed with this data-base.
- The budgetary support constituted more than 80% of resources of KVIC till 1994-95. It has come down to 35% with the introduction of MMS (Margin Money Scheme). About 67% of budgetary resources of KVIC went to the Khadi sector and one-third to village industries sector during Eighth Plan.



- As per KVIC's own statistics, during Eighth plan only 8 lakh jobs were created as against a target of 20 lakh set by the HPC (for 1994-97). About 95% of the additional employment generated during the Eighth plan was in the village industries sector, while this sector used only about one-third of the budgetary resources.
- A large proportion of the employment opportunities is part-time employment and the annual earning per worker in the Khadi sector was found to be less than Rs. 50 for many workers, the average earning per part-time worker being Rs. 433/annum.
- As per secondary statistics, the average full-time worker earned about Rs. 4835/annum in the khadi sector and Rs. 4323/annum in the village industries sector during 1996-97.
- Converting all part-time employment into full-time equivalent employment (FTE), we noted that KVI programme's current employment level stood at 34.81 lakh in 1996-97, i.e. 59% of what has been reported in secondary statistics.
- Average investment for job creation in the Khadi sector is Rs. 27,259/FTE job. The annual public cost of maintaining a job created is Rs. 4979/FTE job.
- In the Village Industries sector, the investment for job creation is Rs. 43,366/FTE job. The annual maintenance cost is Rs. 2158.
- The public (delivery) cost works out to 182% of wage payment in the Khadi sector and 50% of the wage payment in the Village Industries sector.
- On an average, a sample khadi unit was found to have machinery and equipment worth Rs. 4,96,305, invested Rs. 61,39,744 in working capital and employed about 246 FTE workers during 1997-98. An average khadi unit generates surplus of Rs. 5987 per FTE worker under the present pattern of financing. However, this surplus is not translated into profit, as the entire production of the unit is not sold during the year. The average unintended stock build-up is around 35% of the annual production, and for small units, it is as high as 80%. The economics of khadi production will work out very differently if the inventory of finished good could be reduced to, say, 5% of annual production. In such a scenario, a khadi unit will generate a profit of Rs. 5131/FTE worker or more than Rs. 12.6 lakh as total profit for the unit.
- Another area of concern is the high raw material to output ratio. For some units, the ratio is as high as three-fourth. A ratio of more than 25% is neither justified, nor sustainable.
- The third area of concern brought out by the survey result is the low wage payment to workers. Not only is this earning much less than what is reported in secondary statistics but, it also forms a relatively small proportion of the value added by an FTE worker. Only 58% of what the government spends on a khadi unit reaches the khadi workers.
- On an average, a village industry unit invested Rs. 6,97,940 and employed 16.2 FTE workers. The village industries units are commercially viable and capable of sustaining themselves without much government subsidy.

- The annual per capita income of the beneficiary households (workers) is Rs. 5655 and the earnings from KVIC programme constitute 52.71%. The income of an average village industries worker's family is 70% more than that of a khadi worker's family. The khadi workers' families get 46% of their annual earnings from KVIC programme, while the Village Industries workers' families earn about 58%. The relatively low income of khadi workers' families is because of the dominance of part-time employment in this sector.
- More than two-thirds of the sample households (workers) originally belonged to the families below the Poverty Line. Of these poor households, about 71% have actually crossed the poverty line with the help of additional income from the KVIC programme. Here too, the performance of the village industries sector (80.5%) far outweighs that of the khadi sector (62.3%).
- The key persons (presidents/secretaries ) are also direct beneficiaries of the KVIC programme. Analysis of survey data reveals that more than 50 per cent of the household income of the key persons comes from the KVIC programme.
- The non-working members of the governing bodies of the units/institutions also receive financial benefits from the programme. On an average 15% of their annual household income comes from the KVIC programme.

### **Social Safety Net Programmes (SSNP)**

16. The Social Safety Net Programme (SSNP) assisted by World Bank for family welfare was initiated in 1992-93 for a period of five years in 90 poor performing districts which were characterised by high maternal mortality rate and low levels of institutional deliveries. The programme has envisaged to reduce the maternal mortality rate by creating essential health infrastructural facilities including the post of lady doctor in the identified PHCs for facilitating institutional deliveries of pregnant mothers. The amount sanctioned per PHC was Rs.10.00 lakh for creation of the requisite infrastructure.

17. At the instance of the Planning Commission, the Programme Evaluation Organisation undertook the study to evaluate the functioning of Primary Health Centres (PHCs) assisted under Social Safety Net Programme (SSNP) and their effectiveness in facilitating institutional deliveries. A multi stage sampling design with selection of 167 patients, 24 PHCs spread over six sample districts of three states was adopted for the study.

18. The main findings of the Study are:

- During 1995-96 none of the 12 assisted sample PHCs was found to be equipped with all the eight essential facilities; viz; well equipped operation theatre, labour room, observation ward, two quarters, generator, drinking water, ambulance and lady doctor that were required to be created in each PHC. Of the eight essential complementary facilities including the post of lady doctor, a maximum of six facilities were created in 3 PHCs followed by five facilities in 4 PHCs, four facilities in 1 PHC and two facilities in 4 PHCs. Such a variation in creation of essential facilities in sample PHCs against an equal allocated amount of Rs.10 lakh/PHC needs a closer look.

- Among the requisite facilities, the post of lady doctor for attending on delivery cases is envisaged to be most essential, but none of the sample PHCs had been posted with a lady doctor. Though, a few facilities like labour rooms, operation theatres and observation wards are available in many of the sample PHCs, such facilities could not be utilised for attending delivery cases without the availability of lady doctors. This mis-match between the manpower and essential facilities is a matter of serious concern. Interestingly, amidst the existing thin facilities, ambulances are made available in seven out of 12 sample PHCs.
- The adequacy of doctors against their sanctioned posts seems to be encouraging, as 75 per cent of doctors are in position in assisted PHCs, while 96 per cent of them are found in position in non-assisted PHCs. In this context, however, the observations of PEO field teams reveal that in practice the absenteeism among the doctors from their work places is very high which is observed to be a binding constraint in utilisation of health care services in sample PHCs.
- The average utilisation of cases in PHCs with SSNP is 30 cases/day/doctor, while it is 25 in non-assisted PHCs. However, the inter-PHC comparison of utilisation rate reveals a variation across the sample states.
- The utilisation rate of health care services in PHCs as observed above should not be taken as reflection of true performance and functionality of PHCs. In this context, qualitative information gathered by PEO field teams through their indepth probing and discussions reveals that in the absence of doctors, the cases coming to PHCs are attended by para-medical and auxiliary para-medical staff. It was also observed by the field teams that since the PHCs were not equipped with diagnostic facilities, the patients preferred to visit tertiary/district hospitals for treatment of their ailments.
- The profile of beneficiaries reveals that a maximum of 32.93 per cent of beneficiaries have sought the treatment for minor ailments like, cold, cough and fever. This is followed by the cases suffering from water borne diseases (14.63%), vaccine preventable diseases (8.54%), respiratory diseases (8.53%) and gynaecological complications (4.88%) respectively.
- As many as 51.22 per cent of beneficiaries belonging to programme assisted PHCs are found to be dissatisfied with the functioning of PHCs. Further, of the dissatisfied beneficiaries, a majority have complained about medical and para-medical staff of PHCs. The main reasons for their dissatisfaction included non-availability of medical and para-medical staff (42.85%), not examined by doctors (52.38%) and proper attention not given (35.71%). The second important reason for dissatisfaction of beneficiaries was the non-availability of medicines in PHCs. About 66.67 per cent of the beneficiaries expressed this view.
- Despite inadequacies in the delivery of health care services by PHCs, a vast majority of about 89 per cent of beneficiaries belonging to programme assisted PHCs have still expressed their preferences for PHCs for seeking health care services over other alternative sources of treatment.
- A majority of 73.33 per cent beneficiaries belonging to assisted PHCs and 52.50 per cent belonging to non-assisted PHCs have incurred private expenditure

below Rs.100 per illness episode. Besides, major chunk of expenditure made by the sample beneficiaries of all categories is on purchasing medicines. The income profile of beneficiaries belonging to programme assisted PHCs reveals that the beneficiaries whose average monthly income was below Rs.500 have formed a small percentage of 3.66, while a majority (63.41%) of the beneficiaries are from the monthly income group of above Rs.1000. Similar results are obtained for non-assisted PHCs also.

- The low-income group households seem to stay away from the public health care delivery system primarily because of non-availability of medicine, indirect cost on transport and high opportunity cost in terms of foregone income (due to loss of wage income say). They, therefore, seem to depend on cheaper alternatives, such as traditional Indian medicines or unqualified medical practitioners.
- It is interesting to note that a large majority beneficiaries of the public health delivery system have expressed willingness to pay for the services if the quality of delivery improves. In the PEO sample survey the beneficiaries were asked if they would be willing to pay 25% of the market cost of treatment if the quality of delivery improves. About 62% of the beneficiaries replied in the affirmative.

### **Member Parliament Local Area Development Scheme (MPLADS)**

19. Member of Parliament Local Area Development Scheme (MPLADS) was introduced in December, 1993 to enable the Members of Parliaments (MPs) to identify and get implemented small developmental works of capital nature based on locally felt needs so that durable assets will be created in their constituencies. The Ministry of Rural Development (since renamed as Ministry of Rural Areas and Employment) initially administered the scheme. Since October 1994, it has been transferred to the Ministry of Statistics and Programme Implementation. The Ministry prepares the guidelines to be followed and amended this from time to time.

20. The scheme is under operation during the last 7 years. A couple of localized studies and the two CAG Reports (1993-97, 1997-2000), besides the Standing Committee on Finance (1998-99) have pointed to the operational lapses and failure of the Ministry to effectively administer and monitor the scheme and suggested a thorough review of the scheme. At the instance of Ministry of Statistics and Programme Implementation, Programme Evaluation Organization (PEO) of Planning Commission undertook the study to evaluate the design, implementation and impact of the scheme and to identify the areas of its weakness and strength for the improvement in the performance of the scheme.

21. The main findings of the study are:

- Out of 25702 works in 57 sample constituencies during 1993-99 those classified under Roads and Bridges and Community Works dominate constituting about 29 and 24 percent respectively. Of the total works, about 68% are reported to be complete, 14% are in progress, 9% yet to start and the status of the rest of works (9%) could not be known.
- Allocation of funds to most of the works in the selected districts was found to be meager despite the fact that there is a large unspent balance (46%) of MPLADS

amount. At the aggregate level, about 46.4% of the works got an allocation of less than Rs.50,000, while the works with an allocation of Rs.5 lakh or more constitute only 3.6%.

- Monitoring and Supervision is the weakest part of the scheme, which is largely due to inadequate infrastructure available to the collector vested with the responsibility. Maintenance of the assets created is another area of weakness of the scheme. This is largely due to the lack of resources allocated specially for this.
- The impact of the scheme as felt by the knowledgeable persons and local people indicate that about 65% of the created assets have been rated as good and overwhelming majority of them have opined that the created assets are as per the felt needs and has improved their quality of life. However, their opinion about the implementation and maintenance of assets points out to the inadequate arrangements and a need for large scale involvement of PRIs for strengthening the scheme.
- The findings of the study suggest that there is a need for revitalizing the scheme in terms of financial management, inter-departmental coordination for implementation and involvement of PRIs for identifying the proper works, monitoring and maintenance of the created assets. It is hoped that the findings of the study will be useful to the Planning/Implementing agencies in introducing the necessary corrective steps for improving the scheme.

### **Evaluation Study of the National Project on Bio-gas Development**

22. The National Project on Biogas Development (NPBD) of the Ministry of Non-Conventional Energy Sources (MNES) was started in 1981-82 for promotion of family type biogas plants, the current potential of which is estimated at 12 million, to provide clean alternate fuel to the rural masses and enriched organic manure for agriculture. The implicit objective of the programme is to reduce the use of non-renewable fuels and fuel wood. It is a central sector scheme covered under 20 Point Programme. In order to help the poor and the disadvantaged who can not own and operate family type biogas plants, the programme for promoting large biogas plants at the community level was taken up in 1982-83. The NPBD carries a package of incentives for the adopters, implementing agencies and the turnkey workers.

23. The NPBD has been receiving public attention and scrutiny because of its potential as an alternate source of cheap and renewable source of energy, and also because of its poor performance, high mortality rate of plants and high central subsidy. Based on the lessons learnt through feedback from findings of research studies and from their own monitoring system the MNES has been modifying the implementation strategy for NPBD from time to time. However, there is no evidence to suggest whether the performance of NPBD has actually improved.

24. At the instance of MNES, the Programme Evaluation Organization (PEO) took up the evaluation of NPBD primarily to examine if the implementation methods being currently followed are contributing to increased adoption of family type biogas plants and to reduced

mortality and non-functionality rates. Through diagnostic analysis, the study aims at identifying the factors contributing to the success and failure of the programme. In addition, the study is designed to reflect on the viability of alternate strategies to realize the biogas potential in the country.

25. The major findings of the study are as under:-

**(a) Family type Biogas Plants**

- A majority of biogas user households are well-to-do farmers holding a sizeable amount of agricultural land exceeding 2.5 acres while about 5 percent of them do not own any agricultural land.
- About 75% of the owners of functional FTBPs have reported substantial saving in the cost of cooking fuel. 90% of them have reported that use of enriched slurry has reduced the cost of chemical fertilizers.
- Sanitary linked biogas plants have a lower acceptability rate due to socio-psychological inhibitions in respect of routine operation of these plants.
- Only 45 percent of the plants are working fully, while plants working partially are 10%, incomplete 3.6%, uncommissioned 5.9%, non-operational 26.2% and dismantled 9%.
- Over 60 per cent of plants turned non-functional due to various structural problems. Most of these are from Orissa (43%) and Maharashtra (46%).
- A small proportion of households (3.4%), mostly among SC/ST category, do not have any dung to operate their plants.
- Most state level biogas cells are overstuffed, while in districts staff deficiency was felt in all the states leading to inadequate supervision during construction as also physical verification of plants at different levels.
- Many households, nearly 90% are not aware about government scheme of repair of defective plants.
- Financing of biogas construction through institutional sources is not considered a viable proposition. Only 11% of the sample households availed this facility.
- The average size of cattle holding of the owners of functional biogas plants is found to be 5.23, while that for the owners of non-functional plants works out to 3.19.
- The household demand for family type biogas plants is influenced by factors like availability of alternate convenient fuels (LPG) , distance of a village from the nearest town and inconvenience in handling and maintaining biogas plants.

**(b) Community Biogas Plants**

- The MNES has almost discontinued the promotion of community biogas plants in the past five years. During this period, only 9 such plants have been installed of which 8 are in Madhya Pradesh.

- Only 7% of the CBPs surveyed, are functional. A similar study on CBPs conducted in the past by Agricultural Finance Corporation, Mumbai has indicated a functionality rate of 12%.
- The main factors contributing to the success of CBPs are the smaller number of participating members (around 15), more members from occupational category of agriculture and animal husbandry (77%) and higher monthly family income of the members.
- The main reasons for failure are : large number of members, non-contribution of monthly maintenance charges as well as dung, non-availability of labour to operate the plant and complaints about non-availability of gas, unsuitable timing of operation, non-cooperation of members for repair/maintenance, etc.

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26. The following evaluation studies/activities are completed/ in progress:

- (i) Evaluation Study on National Project on Bio-Gas Development - Completed in May, 2002.
- (ii) Evaluation Study on Construction of Godowns & Purchase of Vans/Trucks for Strengthening of Public Distribution System – Infrastructure in States/UTs. - In progress.
- (iii) Evaluation Study on Targeted Public Distribution System (TPDS). – In progress.
- (iv) Evaluation Study on Functioning of Statutory Development Boards in Maharashtra. - In progress.
- (v) Impact Studies on Integrated Dairy Development Project in Gujarat, Nagaland and Orissa. - In progress.
- (vi) Evaluation Study on Growth Centres Scheme - In progress.
- (vii) Evaluation Study on Decentralised Training Programme - In progress.
- (viii) Evaluation Study on Mid-day Meal Schemes - In progress.
- (ix) Evaluation Study on Work Force Management Options and Infrastructure Rationalisation in Primary Health Care Services – In progress.
- (x) Evaluation Study on Impact of CS Schemes in Anantnag, Kupwara, Rajouri and Doda districts of J&K – In progress.

### **3.2 PUBLIC SECTOR OUTLAYS**

1. The Annual Plan Outlay of 2002-03 amounts to Rs. 1,44,037.77 crore, comprising of Gross Budgetary Support (GBS) of Rs. 66,870.92 crore and Internal and Extra Budgetary Resources (IEBR) of Rs. 77,166.85 crore. A GBS of Rs.46,629.08 crore has been allocated as Central Assistance to State/ Union Territories. The GBS has been allocated between the Central Sector Plan and the Central Assistance to State Plans keeping in view the balance in the flow of Plan resources between the two.

## **Background for Annual Plan 2002-03**

2. In the run-up to the process of plan formulation, the need to arrest the continuous decline in the ratio of Central Plan Outlay to GDP, as also the ratio of public investment to GDP was reinstated. Efforts in this direction are all the more important, if, the objective to raise the growth rate of the economy to 8 per cent, as envisaged in Approach Paper to the Tenth Five Year Plan, has to be realistically pursued.
3. In the Annual Plans in Ninth Five Year Plan, share of Central Assistance to States and UTs averaged over 43 per cent. However, it declined to 39.3 per cent in the Revised Estimates(RE) of the Annual Plan 2001-02 on account of post-budget additionalities that were allocated only to the Central Sector, as well as the transfer of Pradhan Mantri Gramin Sadak Yojana (PMGSY) as a Centrally Sponsored Scheme in the Department of Rural Development from the State Sector allocations. The share of Central Assistance to States and UTs has been increased to 41.08 per cent in Budget Estimate(BE) of Annual Plan 2002-03, amounting an increase of 14.73 per cent over BE and 19.94 per cent over RE of Annual Plan 2001-02. Though, it would be desirable to raise this share to the Ninth Plan average of over 43 per cent, it has not been possible to do so on account of additional resource commitments and policy announcements in respect of schemes/ programs in the Central Sector. The allocation of Central Sector in 2002-03 has increased by 13.4 per cent over BE and decreased by 1 per cent over RE of Annual Plan 2001-02.
4. While preparing the Plan proposals for the Tenth Five Year Plan, the Central Ministries / Departments and State / UTs were asked to undertake a serious prioritisation of all Plan programs / schemes / projects, with a view to use the available resources in the most judicious and economically efficient manner. Accordingly, while preparing the Annual Plan proposals for 2002-03, the Ministries / Departments were asked to prepare a "Core Plan" highlighting basic sectoral priorities and minimum programme for the concerned sector. The idea behind this exercise is to ensure sufficient funds for the critical programs in each sector so that they could be completed on time and the projected benefits from their implementation could be fully realised.
5. The need to have a realistic assessment of resources was emphasised so that the proposals formulated for the Annual Plan 2002-03, in the context of Tenth Plan, are credible and the exercise itself is meaningful. The internal resources and the functioning of public sector undertakings and departmental undertakings such as the Electricity Boards, Transport Corporations and Irrigation Departments have been a matter of concern and deliberated extensively in the Commission. In addition, concerted efforts were also required to enhance the internal accruals of such undertakings so that they do not constitute a drain on the budgetary resources of the government, on the contrary, they should be in a position to make a positive contribution to the government's efforts at mobilising resources for the Plan. It has also been observed that in some cases the gap between the approved Plan Outlay and the revised / actual outlay is largely on account of the failure of the PSUs to mobilise the agreed Internal and Extra-budgetary Resources for the Plan. The Ministries / Departments that have Public Sector Undertakings under with them, have been asked to examine it closely so as to bridge the said gap.



6. In order to improve the efficiency and impact of the Government programs, a detailed exercise to converge, weed out and transfer the Central and Centrally Sponsored Schemes was undertaken in the course of the year. In pursuance of the announcements made in the Union Budget 2001-02, all on-going schemes were subjected to zero-based budgeting in the Planning Commission. As a result of these exercises, there has been a significant reduction in the number of schemes being implemented by the Central Ministries/ Departments. The results are being reflected in the allocations that are being made to the Central Sector Plan and to the Central Assistance to State/UT Plans.

7. Keeping in view the commitments for additional resources and policy announcements, it was decided to provide adequate resources to sectors/ Ministries identified as thrust areas for the Tenth Plan, as approved by the National Development Council in the Approach Paper to the Tenth Five Year Plan.

8. The Sectors/ Ministries identified for special thrust include Education, Health and Family Welfare, Rural Development, Agriculture, Power and Energy, Transport, Urban Development and Science and Technology. In all, over Rs.44,898 crore, amounting to nearly 67 per cent of total budgetary support to the Plan, has been allocated to these areas in the Centre and State Sectors.

9. The sectoral allocations also include a package for North Eastern States to foster development and reduce the socio-economic differences. All Central Ministries/ Departments (other than those specifically exempted) are required to earmark at least 10 per cent of their budgeted outlay for programs in the North Eastern region including Sikkim. The Ministries/ Departments which were exempted from earmarking allocation for the North Eastern region for the year 2002-03 are Departments of Expenditure, Revenue, Planning, Ocean Development, Space, Supply, Atomic Energy, Economic Affairs, External Affairs, Petroleum and Natural Gas, Steel, Legal Affairs, Personnel and Training, Bio-technology and Science and Technology.

### **Highlights of Plan Allocations**

10. Though Agriculture is a State subject, the budgetary support for the Sector in the Centre Sector Plan has been increased by 9.7 per cent over budget estimate of previous year. The increase in case of Agriculture Research and Education is slightly higher at over 13.3 per cent. The allocation for Irrigation under AIBP has also been enhanced by 40 per cent.

11. Allocations for Elementary Education and Literacy have been enhanced by 22.5 per cent over the 2001-2002 BE and by 30.7 per cent over RE to take care of the Government commitment on Sarva Shiksha Abhiyan. Considering that ensuing year is the first year for this programme, a gradual increase in the allocation may have to be factored in future.

12. In the Health and Family Welfare sector, additional allocations have been on account of raising the salaries for the most visible Government functionary at the grass root level, namely, Anganwadi workers and improved family welfare service for reproductive and child

health care. Allocations have also been enhanced to strengthen the Indian System of Medicine and Homeopathy with a view to develop this sector as a complementary and alternative system of medicine at the global level.

13. In case of Power and Energy sector, while directing enhanced allocations for additional generation of Power, the focus of the Plan has been on accelerating the power sector reforms at State level. Accordingly, allocation for Accelerated Power Development and Reform Programme (APDRP) has been enhanced by over 133 per cent.

14. Central Sector allocation for Rural Development has been enhanced by 40 per cent over the BE of 2001-02. In addition, the on-going National Social Assistance Programme and Annapoorna Scheme of Department of Rural Development have been provided Rs. 680 crore as part of the Central Assistance to State Plans. This Programme will now be run along the lines of APDRP and AIBP under the supervision of the Department of Rural Development. In respect of Sampoon Gramin Rozgar Yojana, in the Department of Rural Development, a provision of Rs. 3,996 crore, including cash and food grains component has been made. Depending upon the progress of the Programme, in particular, off-take of food grains, more funds could be provided from the savings of other Ministries in the course of the year.

15. Allocations for Science and Technology, including Bio-technology, Scientific and Industrial Research, Space and Ocean Development have been enhanced by more than 22 per over BE and about 29 per cent over RE of 2001-02 to take care of the focus areas within the sector for the Tenth Five Year Plan and for meeting the country's strategic interest in the sector.

16. The allocation of Transport sector, including Road and Highways, Shipping and Railways has been increased by nearly 29.2 per cent over BE of 2001-02. Most of the increase is in the allocation of Ministry of Roads and Highways, where the second phase of the National Highway Development Programme is to be started during the year and the Ministry of Railways. The Budgetary Support of Railways, including provision for Railways Safety Fund, has been increased by over 52.3 per cent from Rs.3540 crore to Rs. 4840 crore.

17. In Urban Development, a provisioning of Rs. 256.85 crore has been made for Valmiki Ambedkar Awas Yojana (VAMBAY). In addition, an allocation of Rs. 500 crore has been made under a new Initiative for Strengthening Urban Infrastructure in smaller cities and towns in partnership with local bodies. This allocation has been reflected as a part of Central Assistance to State Plans. In most cases, the financial position of such urban local bodies is insufficient to meet the infrastructural needs of the growing population. The new programme, therefore, supplements the efforts of local bodies in strengthening urban infrastructure in medium and large towns.

18. As part of Central Assistance to State / UTs Plans, a new facility called Development and Reform Facility with an allocation of Rs.2500 crore has been initiated in the ensuing year. The objectives of this facility are to incentivise and give a fillip to implementation of an agreed set of policy and procedural reforms in a time-bound manner in the medium-term

time frame. The proposed special packages for Bihar and the KBK districts of Orissa are being covered under this facility.

19. In the Central Assistance to States / UTs Plans, funds to Rural Electrification were channelised through three windows i.e. Prime Ministers Gramoday Yojana, Rural Electrification Corporation and loans to States for Rural Electrification. These have been merged into one with an allocation of Rs. 600 crore for the ensuing year with a view to improve focus and efficiency in the flow and utilisation of resources for rural electrification.

20. The BE for Annual Plan 2002-03 for Centre, by heads of development, is summarized in Table.3.2.1.

**Table 3.2.1**  
**Budget Estimates of Annual Plan 2002-03 for Centre**

(in Rs. crore)

	<b>Head of Development</b>	<b>Budget Support</b>	<b>IEBR</b>	<b>Outlay</b>
1	Agriculture & Allied Activities	3633.13	100.00	3733.13
2	Rural Development	6420.72	0.00	6420.72
3	Special Area Programmes	0.00	0.00	0.00
4	Irrigation & Flood Control	442.98	0.00	442.98
5	Energy	5178.11	31128.21	36306.32
6	Industry & Minerals	3195.75	4797.26	7993.01
7	Transport	14211.82	17829.55	32041.37
8	Communications	335.00	19204.79	19539.79
9	Science, Technology & Environment	4413.8	0.00	4413.80
10	General Economic Services	1783.14	2.00	1785.14
11	Social Services	26822.93	4105.04	30927.97
12	General Services	433.54	0.00	433.54
	<b>TOTAL</b>	<b>66870.92</b>	<b>77166.85</b>	<b>144037.77</b>

Note: The figures for States/Uts not available

### **Review of Annual Plan 2001-02**

21. In the Revised Estimates (RE), Central Sector outlay for the Annual Plan 2001-02 revised to Rs.1,27,855.57 crore, a decrease of 1.8 per cent over the Budget Estimates (BE) of Rs.1,30,181.34 crore. This has been mainly due to reduced IEBR of the Central Public Sector Undertakings (CPSUs) by 4.5 per cent. According to the BE of the 2001-02 Annual Plan, nearly, 54.32 per cent of the Central Sector Outlay was to be funded through IEBR by the CPSUs. and the remaining Rs.59,456 crore was to be met from GBS. The RE for Annual Plan 2001-02 for Centre, States/UTs, by heads of development, is summarized in Table.3.2.2

**Table 3.2.2****Revised Estimates of Annual Plan 2001-02 for Centre, States and Union Territories**

(in Rs. crore)

	Head of Development	Centre			States & UTs	Total
		Budget Support	IEBR	Outlay		
1	Agriculture & Allied Activities	3389.69	161.06	3550.75	4989.97	8540.72
2	Rural Development	5719.95	0.00	5719.95	8147.07	13867.02
3	Special Area Programmes	0.00	0.00	0.00	809.89	809.89
4	Irrigation & Flood Control	428.31	0.00	428.31	14160.92	14589.23
5	Energy	5214.27	24572.72	29786.99	13535.52	43322.51
6	Industry & Minerals	3121.96	4202.39	7324.35	2247.93	9572.28
7	Transport	14204.39	15872.59	30076.98	11618.94	41695.92
8	Communications	237.48	18668.97	18906.45	9.60	18916.05
9	Science, Technology & Environment	3505.54	0.00	3505.54	401.97	3907.51
10	General Economic Services	1194.03	3.00	1197.03	2123.90	3320.93
11	Social Services	22925.98	4098.84	27024.82	27778.22	54803.04
12	General Services	334.40	0.00	334.40	2669.58	3003.98
	<b>TOTAL</b>	<b>60276.00</b>	<b>67579.57</b>	<b>127855.57</b>	<b>88493.51</b>	<b>216349.08</b>

22. The Actual Expenditure, by heads of development, of Annual Plan 2000-01 for the Centre, States / UTs is given in Annexure 3.2.1. The Budget Estimates of the Annual Plan 2001-02 of Centre, States / UTs by heads of development is given in Annexure 3.2.2. The Annexure 3.2.3 gives details of Revised Estimates, of Annual Plan 2001-02 for the Centre, States / UTs by heads of development. The Revised Plan Outlays of States / Union Territories for Annual Plan 2001-02 by heads of development, are given in Annexure 3.2.4. The Ministry / Department-wise, Budget Estimates, of Annual Plan 2002-03 for Centre is given in Annexure 3.2.5. The Budget Estimates of Annual Plan 2002-03 for the Centre, by heads of development is given in Annexure 3.2.6.

## Annexure-3.2.1

## Actual Expenditure of Centre, States/ UTs for the Annual Plan 2000-01

(Rs.crore)

Sl. No.	Head of Development	Code	Centre	States	UTs	Total Plan Expenditure
1	2	3	4	5	6	7
<b>(I)</b>	<b>AGRICULTURE &amp; ALLIED ACTIVITIES</b>		<b>2993.79</b>	<b>4487.79</b>	<b>95.29</b>	<b>7576.87</b>
1.	Crop Husbandry	12401	1356.03	1132.34	14.42	2502.79
2.	Soil & Water Conservation	12402	74.21	807.37	3.09	884.67
3.	Animal Husbandry	12403	85.10	321.65	18.07	424.82
4.	Dairy Development	12404	39.59	41.19	3.75	84.53
5.	Fisheries	12405	106.28	204.15	8.63	319.06
6.	Forestry & Wildlife (Welfare of Animals)	12406	424.89	1286.31	28.68	1739.88
7.	Plantations#	12407	169.35	5.71	0.00	175.06
8.	Food, Storage & Warehousing	12408	19.99	5.96	0.00	25.95
9.	Agricultural Research & Education	12415	549.00	297.22	5.19	851.41
10.	Agricultural Fin. Institutions	12416	26.88	81.23	0.00	108.11
11.	Cooperation	12425	137.03	232.06	12.15	381.24
12.	Other Agricultural Programmes	12435	5.44	72.60	1.31	79.35
<b>(II)</b>	<b>RURAL DEVELOPMENT</b>		<b>4381.85</b>	<b>5383.86</b>	<b>86.68</b>	<b>9852.39</b>
1.	Special Programme for Rural Development	12501	1273.19	651.94	5.46	1930.59
2.	Rural Employment	12505	2804.39	2118.59	0.00	4922.98
3.	Land Reforms	12506	73.00	237.89	1.34	312.23
4.	Other Rural Development Progs.	12515	231.27	2375.44	79.89	2686.60
<b>(III)</b>	<b>SPECIAL AREA PROGRAMMES*</b>		<b>0.00</b>	<b>1045.47</b>	<b>0.00</b>	<b>1045.47</b>
1	Hill Areas	12551	-	-	-	-
2	North Eastern Areas	12552	-	-	-	-
3	Other Special Area Programmes	12575	-	-	-	-
	(a) Backward Areas		-	-	-	-
	(b) Tribal Sub-Plan		-	-	-	-
	© Border Areas		-	-	-	-
	(d) Others		-	-	-	-
<b>(IV)</b>	<b>IRRIGATION &amp; FLOOD CONTROL</b>		<b>259.83</b>	<b>13232.70</b>	<b>36.56</b>	<b>13529.09</b>
1.	Major & Medium Irrigation	12701	14.84	10417.79	0.64	10433.27
2.	Minor Irrigation	12702	4.91	1864.84	10.37	1880.12
3.	Command Area Development	12705	144.95	339.14	0.05	484.14

## Annexure-3.2.1 Contd...

(Rs.crore)

Sl. No.	Head of Development	Code	Centre	States	UTs	Total Plan Expenditure
1	2	3	4	5	6	7
4.	Flood Control and Drainage	12711	95.13	610.93	25.49	731.55
<b>(V)</b>	<b>ENERGY</b>		<b>21199.09</b>	<b>14466.32</b>	<b>947.83</b>	<b>36613.24</b>
1.	Power	12801	8401.00	14392.18	942.08	23735.26
2.	Petroleum	12802	9867.21	-	-	9867.21
3.	Coal & Lignite	12803	2093.48	-	-	2093.48
4.	Non Conventional Sources of Energy	12810	837.40	74.14	5.76	917.30
<b>(VI)</b>	<b>INDUSTRY &amp; MINERALS</b>		<b>4715.85</b>	<b>2065.84</b>	<b>84.35</b>	<b>6866.04</b>
1.	Village & Small Industries	12851	32.01	816.53	60.95	909.49
2.	Iron & Steel #	12852	1137.72	-	-	1137.72
3.	Non Ferrous Mining & Metallurgical Industries	12853	1463.22	-	-	1463.22
4.	Cement & Non-metallic Mineral Industries#	12854	16.04	-	-	16.04
5.	Fertilizer Industries#	12855	807.67	-	-	807.67
6.	Petrochemical Industries	12856	247.00	-	-	247.00
7.	Chemical & Pharmaceutical Inds#	12857	29.94	-	-	29.94
8.	Engineering Industries	12858	21.57	-	-	21.57
9.	Telecommunication & Electronic Industries	12859	305.35	-	-	305.35
10.	Consumer Industries	12860	0.02	-	-	0.02
11.	Atomic Energy Industries#	12861	206.71	-	-	206.71
12.	Other Industries#	12875	286.04	1109.03	23.40	1418.47
13.	Other Outlays on Industries & Minerals	12885	162.56	140.28	0.00	302.84
<b>(VII)</b>	<b>TRANSPORT</b>		<b>16494.59</b>	<b>8329.91</b>	<b>909.27</b>	<b>25733.77</b>
1.	Railways	13002	9395.00	-	-	9395.00
2.	Ports & Lighthouses	13051	1159.32	13.74	15.19	1188.25
3.	Shipping	13052	358.50	1.00	168.80	528.30
4.	Civil Aviation	13053	1444.01	20.68	30.00	1494.69
5.	Roads & Bridges	13054	4074.63	6964.81	274.39	11313.83
6.	Road Transport	13055	-	834.50	420.37	1254.87
7.	Inland Water Transport	13056	44.59	38.70	0.29	83.58
8.	Other Transport Services	13075	18.54	456.48	0.24	475.26
<b>(VIII)</b>	<b>COMMUNICATIONS*</b>		<b>14181.54</b>	<b>0.36</b>	<b>1.03</b>	<b>14182.93</b>
1.	Postal Services	13201	75.62	-	-	75.62
2.	Telecommunication Services	13225	13638.62	-	-	13638.62

## Annexure-3.2.1 Contd...

(Rs.crore)

Sl. No.	Head of Development	Code	Centre	States	UTs	Total Plan Expenditure
1	2	3	4	5	6	7
3.	Other Communication Services	13275	467.30	-	-	467.30
<b>(IX)</b>	<b>SCIENCE, TECHNOLOGY &amp; ENVIRONMENT</b>		<b>3382.82</b>	<b>168.68</b>	<b>5.86</b>	<b>3557.36</b>
1.	Atomic Energy Research	13401	503.51	-	-	503.51
2.	Space Research	13402	1593.98	-	-	1593.98
3.	Oceanographic Research	13403	79.89	-	-	79.89
4.	Other Scientific Research	13425	764.49	66.23	1.71	832.43
5.	Ecology & Environment	13435	440.95	102.45	4.15	547.55
<b>(X)</b>	<b>GENERAL ECONOMIC SERVICES</b>		<b>1127.43</b>	<b>1375.87</b>	<b>34.31</b>	<b>2537.61</b>
1.	Secretariat Economic Services	13451	123.23	519.45	3.01	645.69
2.	Tourism	13452	124.48	197.51	15.38	337.37
3.	Foreign Trade & Export Promotion#	13453	227.90	-	-	227.90
4.	Census, Surveys & Statistics	13454	21.15	22.73	2.59	46.47
5.	Meteorology	13455	30.29	-	-	30.29
6.	Civil Supplies	13456	9.19	65.52	10.07	84.78
7.	General Financial & Trading Institutions#	13465	4.29	-	-	4.29
8.	Technical .& Economic Cooperation with other Countries#	13605	550.00	-	-	550.00
9.	Other General Economic Services#	13475	36.90	570.66	3.27	610.83
<b>(XI)</b>	<b>SOCIAL SERVICES</b>		<b>19061.18</b>	<b>20401.85</b>	<b>1872.82</b>	<b>41335.85</b>
1.	General Education	22202	4947.22	4956.08	260.93	10164.23
2.	Technical Education	22203	500.00	272.78	53.73	826.51
3.	Sports & Youth Services	22204	177.56	207.96	13.19	398.71
4.	Art & Culture	22205	163.04	128.73	9.28	301.05
5.	Medical & Public Health	22210	1199.90	2429.10	349.36	3978.36
6.	Family Welfare	22211	3090.11	-	-	3090.11
7.	Water Supply & Sanitation#	22215	2071.03	4814.61	496.45	7382.09
8.	Housing	22216	1664.17	1867.32	56.91	3588.40
9.	Urban Development	22217	457.48	2135.11	526.46	3119.05
10.	Information and Publicity	22220	47.55	48.10	3.82	99.47
11.	Broadcasting	22221	538.86	-	-	538.86
12.	Welfare of SC,ST and Other Backward Classes	22225	908.78	1845.76	17.05	2771.59
13.	Labour & Employment	22230	111.99	232.80	8.31	353.10
14.	Social Security & Welfare	22235	2426.23	779.58	45.08	3250.89

## Annexure-3.2.1 Contd...

(Rs.crore)

Sl. No.	Head of Development	Code	Centre	States	UTs	Total Plan Expenditure
1	2	3	4	5	6	7
15.	Nutrition	22236	2.87	650.81	32.15	685.83
16.	Secretariat Social Services	22251	1.82	-	-	1.82
17.	Other Social Services#	22250	1.20	33.11	0.10	34.41
18	North Eastern Areas	22552	751.37	-	-	751.37
<b>(XII)</b>	<b>GENERAL SERVICES</b>		<b>63.87</b>	<b>1469.95</b>	<b>114.85</b>	<b>1648.67</b>
1.	Administration of Justice	32014	0.50	-	-	0.50
2.	Currency, Coinage and Mints	32046	5.44	-	-	5.44
3.	Other Fiscal Services	32047	0.00	-	-	0.00
4.	Secretariat-General Services #	32052	3.20	-	-	3.20
5.	Police	32055	6.50	-	-	6.50
6.	Jails#	32056	7.00	11.28	17.40	35.68
7.	Supplies and Disposals#	32057	0.20	-	-	0.20
8.	Stationery & Printing	32058	0.00	12.29	1.90	14.19
9.	Public Works	32059	21.01	402.14	61.21	484.36
10.	Other Administrative Services	32070	20.02	1044.24	34.34	1098.60
	<b>GRAND TOTAL</b>		<b>87861.84</b>	<b>72428.60</b>	<b>\$ 4188.85</b>	<b>164479.29</b>

\* Break-up not available

- No allocation therein

# Revised Estimates for Centre ; as Actual Expenditure figures not available.

\$ The State Expenditure Column excludes Jharkhand as the State Govt. have not reported the Actual Expenditure figures



## Annexure 3.2.2

**Budget Estimates by Heads of Development of Annual Plan 2001-02  
Centre, States/ UTs**

(Rs.crore)

Sl. No.	Head of Development		Centre	States	UTs	Total Plan Outlay
<b>I.</b>	<b>AGRICULTURE &amp; ALLIED ACTIVITIES</b>		<b>3380.25</b>	<b>5608.53</b>	<b>108.10</b>	<b>9096.88</b>
1.	Crop Husbandry	12401	1617.55	1768.25	15.82	3401.62
2.	Soil & Water Conservation	12402	15.00	767.09	4.71	786.80
3.	Animal Husbandry	12403	138.99	342.20	18.96	500.15
4.	Dairy Development	12404	32.95	62.67	5.35	100.97
5.	Fisheries	12405	119.86	215.83	10.56	346.25
6.	Forestry & Wildlife	12406	335.46	1556.66	27.74	1919.86
7.	Plantations	12407	136.50	7.20	3.45	147.15
8.	Food, Storage & Warehousing	12408	128.19	16.54	0.00	144.73
9.	Agricultural Research & Education	12415	684.00	310.59	5.13	999.72
10.	Agricultural Fin. Institutions	12416	29.00	73.97	0.00	102.97
11.	Cooperation	12425	132.75	344.2	14.85	491.80
12.	Other Agricultural Programmes	12435	10.00	143.33	1.54	154.87
<b>II.</b>	<b>RURAL DEVELOPMENT</b>		<b>4449.45</b>	<b>8870.49</b>	<b>124.55</b>	<b>13444.49</b>
1.	Special Programme for Rural Development	12501	1194.75	1680.10	3.56	2878.41
2.	Rural Employment	12505	2925.00	2510.44	0.00	5435.44
3.	Land Reforms	12506	66.00	232.74	1.71	300.45
4.	Other Rural Development Programmes	12515	263.70	4447.21	119.28	4830.19
<b>III.</b>	<b>SPECIAL AREA PROGRAMMES*</b>		<b>0.00</b>	<b>1146.28</b>	<b>0.00</b>	<b>1146.28</b>
1.	Hill Areas	12551	-	-	-	0.00
2.	North Eastern Areas	12552	-	-	-	0.00
3.	Other Special Area Programmes	12575	-	-	-	0.00
	(a) Backward Areas		-	-	-	0.00
	(b) Tribal Sub-Plan		-	-	-	0.00
	(c) Border Areas		-	-	-	0.00
	(d) Others		-	-	-	0.00
<b>IV</b>	<b>IRRIGATION &amp; FLOOD CONTROL</b>		<b>476.76</b>	<b>16001.52</b>	<b>50.20</b>	<b>16528.48</b>
1.	Major & Medium Irrigation	12701	56.14	12821.78	0.60	12878.52
2.	Minor Irrigation	12702	84.58	2168.24	14.32	2267.14
3.	Command Area Development	12705	187.19	244.98	0.18	432.35

**Annexure-3.2.2 Contd...**

(Rs.crore)

<b>Sl. No.</b>	<b>Head of Development</b>		<b>Centre</b>	<b>States</b>	<b>UTs</b>	<b>Total Plan Outlay</b>
4.	Flood Control and Drainage	12711	148.85	766.52	35.10	950.47
<b>V.</b>	<b>ENERGY</b>		<b>33787.63</b>	<b>14510.94</b>	<b>804.63</b>	<b>49103.20</b>
1.	Power	12801	12374.67	14349.97	796.33	27520.97
2.	Petroleum	12802	16935.69	-	0.00	16935.69
3.	Coal & Lignite	12803	3438.31	-	0.00	3438.31
4.	Non Conventional Sources of Energy	12810	1038.96	160.97	8.30	1208.23
<b>VI.</b>	<b>INDUSTRY &amp; MINERALS</b>		<b>7954.38</b>	<b>2436.62</b>	<b>95.61</b>	<b>10486.61</b>
1.	Village & Small Industries	12851	1213.97	1035.55	66.32	2315.84
2.	Iron & Steel Industries	12852	1315.75	-	-	1315.75
3.	Non Ferrous Mining & Metallurgical Industries	12853	1442.22	-	-	1442.22
4.	Cement & Non-metallic Mineral Industries	12854	21.94	-	-	21.94
5.	Fertilizer Industries	12855	1149.03	-	-	1149.03
6.	Petrochemical Industries	12856	334.50	-	-	334.50
7.	Chemical & Pharmaceutical Industries	12857	48.95	-	-	48.95
8.	Engineering Industries	12858	615.88	-	-	615.88
9.	Telecommunication & Electronic Industries	12859	539.73	-	-	539.73
10.	Consumer Industries	12860	448.62	-	-	448.62
11.	Atomic Energy Industries	12861	366.48	-	-	366.48
12.	Other Industries	12875	47.96	1275.12	29.29	1352.37
13.	Other Outlays on Industries & Minerals	12885	409.35	125.95	-	535.30
<b>VII.</b>	<b>TRANSPORT</b>		<b>22569.99</b>	<b>12099.19</b>	<b>1165.14</b>	<b>35834.32</b>
1.	Railways	13002	10040.00		0.00	10040.00
2.	Ports & Lighthouses	13051	1092.75	23.83	13.75	1130.33
3.	Shipping	13052	976.86	0.00	102.38	1079.24
4.	Civil Aviation	13053	1641.31	35.40	19.00	1695.71
5.	Roads & Bridges	13054	8745.34	10014.85	431.34	19191.53
6.	Road Transport	13055	0	1784.91	597.84	2382.75
7.	Inland Water Transport	13056	52.23	24.28	0.61	77.12
8.	Other Transport Services	13075	21.50	215.92	0.23	237.65
<b>VIII.</b>	<b>COMMUNICATION*</b>		<b>20288.66</b>	<b>10.16</b>	<b>0.99</b>	<b>20299.81</b>
1.	Postal Services	13201	135.00	-	-	135.00

## Annexure-3.2.2 Contd...

(Rs.crore)

Sl. No.	Head of Development		Centre	States	UTs	Total Plan Outlay
2.	Telecommunication Services	13225	18174.00	-	-	18174.00
3.	Other Communication Services	13275	1979.66	-	-	1979.66
<b>IX.</b>	<b>SCIENCE, TECHNOLOGY &amp; ENVIRONMENT</b>		<b>3599.85</b>	<b>429.12</b>	<b>13.44</b>	<b>4042.41</b>
1.	Atomic Energy Research	13401	459.00	-	0.00	459.00
2.	Space Research	13402	1710.00	-	0.00	1710.00
3.	Oceanographic Research	13403	142.00	-	0.00	142.00
4.	Other Scientific Research	13425	888.75	218.07	5.25	1112.07
5.	Ecology & Environment	13435	400.10	211.05	8.19	619.34
<b>X.</b>	<b>GENERAL ECONOMIC SERVICES</b>		<b>6404.85</b>	<b>2475.58</b>	<b>49.03</b>	<b>8929.46</b>
1.	Secretariat Economic Services	13451	215.84	932.48	4.29	1152.61
2.	Tourism	13452	179.50	364.97	21.56	566.03
3.	Foreign Trade & Export Promotion	13453	312.11	-	0.00	312.11
4.	Census, Surveys & Statistics	13454	154.00	32.03	4.53	190.56
5.	Meteorology	13455	55.00	-	0.00	55.00
6.	Civil Supplies	13456	22.66	68.00	11.67	102.33
7.	General Financial & Trading Institutions	13465	0	-	0.00	0.00
8.	Technical & Economic Cooperation with other Countries	13605	420.00	-	0.00	420.00
9.	Other General Economic Services	13475	5045.74	1078.10	6.98	6130.82
<b>XI.</b>	<b>SOCIAL SERVICES</b>		<b>26893.32</b>	<b>27156.26</b>	<b>2323.40</b>	<b>56372.98</b>
1.	General Education	22202	5343.18	6040.31	415.79	11799.28
2.	Technical Education	22203	565.00	394.17	72.39	1031.56
3.	Sports & Youth Services	22204	231.55	239.12	14.98	485.65
4.	Art & Culture	22205	199.85	160.18	19.91	379.94
5.	Medical & Public Health	22210	1411.00	3743.20	437.40	5591.60
6.	Family Welfare	22211	3860.10	-	0.00	3860.10
7.	Water Supply & Sanitation	22215	2167.00	5555.40	581.88	8304.28
8.	Housing	22216	3810.60	2412.53	68.53	6291.66
9.	Urban Development	22217	1257.97	3932.59	557.84	5748.40
10.	Information and Publicity	22220	56.34	141.85	4.43	202.62
11.	Broadcasting	22221	699.37	-	0.00	699.37
12.	Welfare of SC,ST and Other Backward Classes	22225	1242.26	2020.17	35.65	3298.08

## Annexure-3.2.2 Contd...

(Rs.crore)

Sl. No.	Head of Development		Centre	States	UTs	Total Plan Outlay
13.	Labour & Employment	22230	130.80	281.10	13.42	425.32
14.	Social Security & Welfare	22235	2966.97	1242.25	55.22	4264.44
15.	Nutrition	22236	4.00	895.48	45.86	945.34
16.	Secretariat Social Services	22251	7.92	-	0.00	7.92
17.	Other Social Services	22250	1.60	97.91	0.11	99.62
18.	North Eastern Areas	22552	2937.81	-	-	2937.81
<b>XII.</b>	<b>GENERAL SERVICES</b>		<b>376.20</b>	<b>3089.06</b>	<b>142.65</b>	<b>3607.91</b>
1.	Administration of Justice	32014	87.40		0.00	87.40
2.	Currency, Coinage and Mints	32046	8.95		0.00	8.95
3.	Other Fiscal Services	32047	0.00		0.00	0.00
4.	Secretariat-General Services	32052	4.50		0.00	4.50
5.	Police	32055	178.50		0.00	178.50
6.	Jails	32056	7.00	49.04	26.10	82.14
7.	Supplies and Disposals	32057	0.00		0.00	0.00
8.	Stationery & Printing	32058	0.00	64.91	1.76	66.67
9.	Public Works	32059	37.35	620.87	56.97	715.19
10.	Other Administrative Services	32070	48.70	2354.24	57.82	2460.76
11	Miscellaneous General Services	32075	3.80	-	-	3.80
	<b>GRAND TOTAL</b>		<b>130181.34</b>	<b>93833.75</b>	<b>4877.76</b>	<b>228892.85</b>

\* Break-up not available

- No allocation therein

## Annexure-3.2.3

## Revised Estimates by Heads of Development of Annual Plan 2001-02 Centre, States / Uts

(Rs.crore)

Sl. No.	Head of Development		Centre	States	UTs	Total Plan Outlay
<b>I.</b>	<b>AGRICULTURE &amp; ALLIED ACTIVITIES</b>		<b>3550.75</b>	<b>4882.37</b>	<b>107.60</b>	<b>8540.72</b>
1.	Crop Husbandry	12401	1630.90	1468.58	16.34	3115.82
2.	Soil & Water Conservation	12402	15.00	671.11	4.71	690.82
3.	Animal Husbandry	12403	103.85	321.07	19.01	443.93
4.	Dairy Development	12404	26.95	47.11	5.64	79.70
5.	Fisheries	12405	101.41	169.86	9.96	281.23
6.	Forestry & Wildlife	12406	341.79	1379.61	27.74	1749.14
7.	Plantations	12407	181.42	6.54	3.45	191.41
8.	Food, Storage & Warehousing	12408	208.65	10.79	0.00	219.44
9.	Agricultural Research & Education	12415	684.00	300.67	5.13	989.80
10.	Agricultural Fin. Institutions	12416	46.00	55.13	0.00	101.13
11.	Cooperation	12425	180.81	329.67	14.09	524.57
12.	Other Agricultural Programmes	12435	29.97	122.23	1.54	153.74
<b>II.</b>	<b>RURAL DEVELOPMENT</b>		<b>5719.95</b>	<b>8020.76</b>	<b>126.31</b>	<b>13867.02</b>
1.	Special Programme for Rural Development	12501	1180.75	1571.12	3.36	2755.23
2.	Rural Employment	12505	4225.00	2450.12	0.00	6675.12
3.	Land Reforms	12506	60.00	212.78	1.65	274.43
4.	Other Rural Development Programmes	12515	254.20	3786.74	121.31	4162.25
<b>III.</b>	<b>SPECIAL AREA PROGRAMMES*</b>		<b>-</b>	<b>809.89</b>	<b>0.00</b>	<b>809.89</b>
1.	Hill Areas	12551	-	-	-	-
2.	North Eastern Areas	12552	-	-	-	-
3.	Other Special Area Programmes	12575	-	-	-	-
	(a) Backward Areas		-	-	-	-
	(b) Tribal Sub-Plan		-	-	-	-
	(c) Border Areas		-	-	-	-
	(d) Others		-	-	-	-
<b>IV</b>	<b>IRRIGATION &amp; FLOOD CONTROL</b>		<b>428.31</b>	<b>14113.68</b>	<b>47.24</b>	<b>14589.23</b>
1.	Major & Medium Irrigation	12701	49.65	11274.27	0.60	11324.52
2.	Minor Irrigation	12702	122.18	1946.72	13.16	2082.06

## Annexure-3.2.3 Contd...

(Rs.crore)

Sl. No.	Head of Development		Centre	States	UTs	Total Plan Outlay
3.	Command Area Development	12705	115.53	232.21	0.18	347.92
4.	Flood Control and Drainage	12711	140.95	660.48	33.29	834.72
<b>V.</b>	<b>ENERGY</b>		<b>29786.99</b>	<b>12726.17</b>	<b>809.35</b>	<b>43322.51</b>
1.	Power	12801	12540.65	12630.46	801.16	25972.27
2.	Petroleum	12802	13757.83	-	-	13757.83
3.	Coal & Lignite	12803	2632.73	-	-	2632.73
4.	Non Conventional Sources of Energy	12810	855.78	95.71	8.20	959.69
<b>VI.</b>	<b>INDUSTRY &amp; MINERALS</b>		<b>7324.35</b>	<b>2147.36</b>	<b>100.57</b>	<b>9572.28</b>
1.	Village & Small Industries	12851	1136.26	933.72	67.37	2137.35
2.	Iron & Steel Industries	12852	932.76	-	-	932.76
3.	Non Ferrous Mining & Metallurgical Industries	12853	1446.37	-	-	1446.37
4.	Cement & Non-metallic Mineral Industries	12854	13.38	-	-	13.38
5.	Fertilizer Industries	12855	731.66	-	-	731.66
6.	Petrochemical Industries	12856	349.74	-	-	349.74
7.	Chemical & Pharmaceutical Industries	12857	79.75	-	-	79.75
8.	Engineering Industries	12858	1062.47	-	-	1062.47
9.	Telecommunication & Electronic Industries	12859	502.41	-	-	502.41
10.	Consumer Industries	12860	407.90	-	-	407.90
1.	Atomic Energy Industries	12861	264.82	-	-	264.82
12.	Other Industries	12875	47.58	1104.33	33.20	1185.11
13.	Other Outlays on Industries & Minerals	12885	349.25	109.31	-	458.56
<b>VII.</b>	<b>TRANSPORT</b>		<b>30076.98</b>	<b>10454.92</b>	<b>1164.02</b>	<b>41695.92</b>
1.	Railways	13002	8578.00	-	-	8578.00
2.	Ports & Lighthouses	13051	6975.53	19.21	14.25	7008.99
3.	Shipping	13052	904.21	0.00	102.38	1006.59
4.	Civil Aviation	13053	1485.69	42.61	19.00	1547.30
5.	Roads & Bridges	13054	12040.27	8632.97	429.79	21103.03
6.	Road Transport	13055	0.00	1561.99	597.77	2159.76
7.	Inland Water Transport	13056	73.28	16.82	0.61	90.71
8.	Other Transport Services	13075	20.00	181.32	0.23	201.55

## Annexure-3.2.3 Contd...

(Rs.crore)

Sl. No.	Head of Development		Centre	States	UTs	Total Plan Outlay
<b>VIII.</b>	<b>COMMUNICATION*</b>		<b>18906.45</b>	<b>8.61</b>	<b>0.99</b>	<b>18916.05</b>
1.	Postal Services	13201	99.05	-	-	99.05
2.	Telecommunication Services	13225	17723.00	-	-	17723.00
3.	Other Communication Services	13275	1084.40	-	-	1084.40
<b>IX.</b>	<b>SCIENCE, TECHNOLOGY &amp; ENVIORNMENT</b>		<b>3505.54</b>	<b>388.60</b>	<b>13.37</b>	<b>3907.51</b>
1.	Atomic Energy Research	13401	417.86	-	-	417.86
2.	Space Research	13402	1600.00	-	-	1600.00
3.	Oceanographic Research	13403	120.00	-	-	120.00
4.	Other Scientific Research	13425	871.86	195.04	5.24	1072.14
5.	Ecology & Enviornment	13435	495.82	193.56	8.14	697.52
<b>X.</b>	<b>GENERAL ECONOMIC SERVICES</b>		<b>1197.03</b>	<b>2079.97</b>	<b>43.93</b>	<b>3320.93</b>
1.	Secretariat Economic Services	13451	214.86	922.03	4.29	1141.18
2.	Tourism	13452	151.00	324.41	21.80	497.21
3.	Foreign Trade & Export Promotion	13453	283.59			283.59
4.	Census, Surveys & Statistics	13454	45.04	26.74	4.53	76.31
5.	Meteorology	13455	56.99			56.99
6.	Civil Supplies	13456	18.08	65.20	11.21	94.49
7.	General Financial & Trading Institutions	13465	0.00	-	-	0.00
8.	Technical & Economic Cooperation with other Countries	13605	400.00	-	-	400.00
9.	Other General Economic Services	13475	27.47	741.59	2.10	771.16
<b>XI.</b>	<b>SOCIAL SERVICES</b>		<b>27024.82</b>	<b>25461.64</b>	<b>2316.58</b>	<b>54803.04</b>
1.	General Education	22202	5022.56	5937.02	410.94	11370.52
2.	Technical Education	22203	531.77	349.89	72.45	954.11
3.	Sports & Youth Services	22204	244.38	210.83	14.89	470.10
4.	Art & Culture	22205	185.37	142.69	19.75	347.81
5.	Medical & Public Health	22210	1296.17	3197.41	435.39	4928.97
6.	Family Welfare	22211	3446.24	-	-	3446.24
7.	Water Supply & Sanitation	22215	2097.00	5198.90	583.04	7878.94
8.	Housing	22216	5091.00	2365.15	65.76	7521.91
9.	Urban Development	22217	2015.15	3630.42	560.07	6205.64
10.	Information and Publicity	22220	41.84	135.31	4.43	181.58
11.	Broadcasting	22221	637.90	-	-	637.90

## Annexure-3.2.3 Contd...

(Rs.crore)

Sl. No.	Head of Development		Centre	States	UTs	Total Plan Outlay
12.	Welfare of SC,ST and Other Backward Classes	22225	1119.44	1921.44	33.68	3074.56
13.	Labour & Employment	22230	118.87	252.40	13.03	384.30
14.	Social Security & Welfare	22235	2614.54	1157.70	57.19	3829.43
15.	Nutrition	22236	3.95	850.75	45.86	900.56
16.	Secretariat Social Services	22251	1.50	-	-	1.50
17.	Other Social Services	22250	6.82	111.73	0.11	118.66
18.	North Eastern Areas	22552	2550.32	-	-	2550.32
<b>XII.</b>	<b>GENERAL SERVICES</b>		<b>334.40</b>	<b>2521.79</b>	<b>147.79</b>	<b>3003.98</b>
1.	Administration of Justice	32014	90.40	-	-	90.40
2.	Currency, Coinage and Mints	32046	8.95	-	-	8.95
3.	Other Fiscal Services	32047	0.00	-	-	0.00
4.	Secretariat-General Services	32052	4.50	-	-	4.50
5.	Police	32055	153.50	-	-	153.50
6.	Jails	32056	7.00	46.81	26.10	79.91
7.	Supplies and Disposals	32057	0.35	-	-	0.35
8.	Stationery & Printing	32058	0.00	66.13	1.55	67.68
9.	Public Works	32059	37.35	513.04	61.70	612.09
10.	Other Administrative Services	32070	30.47	1895.81	58.44	1984.72
11.	Miscellaneous General Services	32075	1.88	-	-	1.88
	<b>GRAND TOTAL</b>		<b>127855.57</b>	<b>83615.76</b>	<b>4877.76</b>	<b>216349.09</b>

\* Break-up not available

- No allocation therein



## Annexure 3.2.4

## ANNUAL PLAN - 2001-02 - REVISED OUTLAY - STATES/Uts

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Andhra Pradesh	Arunachal Pradesh	Assam
1.	2.	3.	4.	5.
	<b>I. AGRICULTURE &amp; ALLIED ACTIVITIES</b>			
1 01 24 0100	Crop Husbandry	2879	1667	5817
2402 00	Soil and Water Conservation	105	612	350
2403 00	Animal Husbandry	581	617	2139
2404 00	Dairy Development	0	11	300
2405 00	Fisheries	214	244	1465
2406 00	Forestry & Wild Life	9211	1580	3589
2407 00	Plantations	0	0	12
2408 00	Food,Storage & Warehousing	0	0	10
2415 00	Agricultural Research & Education	300	50	2020
2416 00	Agricultural Financial Institutions	915	0	0
2435 00	Other Agricultural Programmes :			
	(a) Marketing & Quality Control	0	238	116
	(b) Others	0	0	0
2425 00	Cooperation	59	302	869
<b>1 01 0000 00</b>	<b>Total - (I)</b>	<b>14264</b>	<b>5321</b>	<b>16687</b>
		(1.82)	(8.05)	(9.76)
	<b>II. RURAL DEVELOPMENT</b>			
1 02 2501 00	<b>Special Programmes for Rural Development :</b>			
2501 01	(a) Integrated Rural Development Programme(IRDP) & Allied Programmes	21038	55	2890
2501 02	(b) Drought Prone Area Programme (DPAP)	32	0	0
2501 04	(c) Integrated Rural Energy Programme (IREP)	0	83	1
1 02 2505 00	<b>RURAL EMPLOYMENT</b>			
2505 01	(a) NREP/Jawahar Rozgar Yojna (JRY)	9591	271	110
2505 60	(b) Other Programmes(like Employment Guarantee Scheme etc.)	0	380	1042
1 02 2506 00	Land Reforms	417	178	364
2515 00	Other Rural Development Programmes (Incl.Community Development and Panchayats)	15220	2011	11753

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Andhra Pradesh	Arunachal Pradesh	Assam
1.	2.	3.	4.	5.
<b>102 0000 00</b>	<b>TOTAL - II</b>	<b>46298</b>	<b>2978</b>	<b>16160</b>
		(5.92)	(4.51)	(9.45)
<b>1 03 0000 00</b>	<b>III. SPECIAL AREA PROGRAMMES</b>	<b>0</b>	<b>1300</b>	<b>1272</b>
		(1.97)	(0.74)	
1 04 0000 00	<b>IV. IRRIGATION &amp; FLOOD CONTROL</b>			
1 04 2701 00	Major and Medium Irrigation	100488	36	5583
2702 00	Minor Irrigation	21503	4679	8344
2705 00	Command Area Development	1424	195	241
2711 00	Flood Control(incl.anti-sea erosion,etc.)	4383	368	1896
<b>1 04 0000 00</b>	<b>TOTAL - IV</b>	<b>127798</b>	<b>5278</b>	<b>16064</b>
		(16.35)	(7.99)	(9.39)
	<b>V. ENERGY</b>			
1 05 2801 00	Power	232149	8996	12663
2810 00	Non-conventional Sources of Energy	48	150	19
<b>1 05 0000 00</b>	<b>TOTAL - V</b>	<b>232197</b>	<b>9146</b>	<b>12682</b>
		(29.71)	(13.84)	(7.42)
	<b>VI. INDUSTRY &amp; MINERALS</b>			
106 2851 00	Village & Small Industries	5528	525	3626
2852 00	Industries (other than V&SI)	10645	12	1400
2853 02	Mining	160	55	177
<b>1 06 0000 00</b>	<b>TOTAL - (VI)</b>	<b>16333</b>	<b>592</b>	<b>5203</b>
		(2.09)	(0.90)	(3.04)
	<b>VII. TRANSPORT</b>			
1 07 3051 00	Ports and light Houses	71	0	0
3052 00	Shipping	0	0	0
3053 00	Civil Aviation	0	307	0
3054 00	Roads and Bridges	122853	13068	15296
3055 00	Road Transport	16243	429	3000
3056 00	Inland Water Transport	45	0	345
3075 00	Other Transport Services	1202	38	78
<b>1 07 0000 00</b>	<b>TOTAL - (VII)</b>	<b>140414</b>	<b>13842</b>	<b>18719</b>
		(17.96)	(20.94)	(10.95)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Andhra Pradesh	Arunachal Pradesh	Assam
1.	2.	3.	4.	5.
1 08 0000 00	<b>VIII. COMMUNICATIONS</b>	0	0	0
	<b>IX. SCIENCE, TECHNOLOGY &amp; ENVIRONMENT</b>			
1 09 3425 00	Scientific Research (incl. S&T)	97	124	163
3435 00	Ecology & Environment	45	9	10
	<b>TOTAL - (IX)</b>	<b>142</b>	<b>133</b>	<b>173</b>
		(0.02)	(0.20)	(0.10)
	<b>X. GENERAL ECONOMIC SERVICES</b>			
1 10 3451 00	Secretariat Economic Services	31552	172	707
3452 00	Tourism	2689	223	967
3454 00	Surveys & Statistics	137	105	295
3456 00	Civil Supplies	3030	87	80
3475 00	Other General Economic Services :			
	i) Distt. Plg./Distt. Councils	0	1574	2760
	ii) Weights & Measures	0	32	70
	iii) Others	26	1223	168
1 10 0000 00	<b>TOTAL - (X)</b>	<b>37434</b>	<b>3416</b>	<b>5047</b>
		(4.79)	(5.17)	(2.95)
	<b>XI. SOCIAL SERVICES EDUCATION</b>			
2 21 2202 00	General Education	24100	10057	46587
2203 00	Technical Education	773	0	1095
2204 00	Sports & Youth Services	5430	215	267
2205 00	Art & Culture	1041	352	746
2 21 0000 00	<b>Sub-Total (Education)</b>	<b>31344</b>	<b>10624</b>	<b>48695</b>
2 22 2210 00	Medical & Public Health	33223	2486	12580
2 23 2215 00	Water Supply & Sanitation	18264	3005	6754
2 23 2216 00	Housing (incl. police Housing)	13751	1916	336
2 23 2217 00	Urban Development (incl.state capital projects)	17701	2083	1119
2 24 2220 00	Information & Publicity	1586	129	278
2 25 2225 00	Welfare of SCs,STs & OBCs	29152	0	2529
2 26 2230 00	Labour & Employment			
	i) Labour & Labour Welfare	888	42	869
	ii) Special Employment Programmes	0	94	2000

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Andhra Pradesh	Arunachal Pradesh	Assam
1.	2.	3.	4.	5.
2 27 2235 00	Social Welfare	4227	183	310
2 27 2236 00	Nutrition	7560	1146	3017
2 28 2252 00	Other Social Services	0	61	0
<b>2 00 0000 00</b>	<b>TOTAL - (XI)</b>	<b>157696</b>	<b>21769</b>	<b>78487</b>
		(20.17)	(32.94)	(45.90)
	<b>XII. GENERAL SERVICES</b>			
3 42 2056 00	Jails 0	0	110	
2058 00	Stationery & Printing	0	83	40
2059 00	Public Works	305	1698	266
2070 00	Other Administrative Services :			
	i) Training	0	23	0
	ii) Others	8767	512	90
<b>3 00 0000 00</b>	<b>TOTAL - (XII)</b>	<b>9072</b>	<b>2316</b>	<b>506</b>
		(1.16)	(3.50)	(0.30)
<b>9 99 9999 99</b>	<b>GRAND TOTAL</b>	<b>781648</b>	<b>66091</b>	<b>171000</b>
		(100)	(100)	(100)

## Annexure 3.2.4 Contd...

## ANNUAL PLAN - 2001-02 - REVISED OUTLAY - STATES/Uts

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Bihar	Chattisgarh	Goa
		*	*	*
1.	2.	6.	7.	8.
	<b>I. AGRICULTURE &amp; ALLIED ACTIVITIES</b>			
1 01 24 0100	Crop Husbandry	2050	3445	375
2402 00	Soil and Water Conservation	30	216	94
2403 00	Animal Husbandry	403	1083	325
2404 00	Dairy Development	77	0	60
2405 00	Fisheries	240	243	170
2406 00	Forestry & Wild Life	235	3794	443
2407 00	Plantations	0	0	0
2408 00	Food,Storage & Warehousing	0	0	4
2415 00	Agricultural Research & Education	615	2685	19
2416 00	Agricultural Financial Institutions	238	0	0
2435 00	Other Agricultural Programmes :			
	(a) Marketing & Quality Control	0	0	4
	(b) Others	0	0	0
2425 00	Cooperation	1640	1070	352
<b>1 01 0000 00</b>	<b>Total - (I)</b>	<b>5528</b>	<b>12536</b>	<b>1846</b>
		(2.09)	(9.55)	(4.01)
	<b>II. RURAL DEVELOPMENT</b>			
1 02 2501 00	<b>Special Programmes for Rural Development :</b>			
2501 01	(a) Integrated Rural Development Programme(IRDP) & Allied Programmes	3957	757	30
2501 02	(b) Drought Prone Area Programme (DPAP)	115	370	0
2501 04	(c) Integrated Rural Energy Programme (IREP)	0	0	18
1 02 2505 00	<b>RURAL EMPLOYMENT</b>			
2505 01	(a) NREP/Jawahar Rozgar Yojna (JRY)	7650	1400	49
2505 60	(b) Other Programmes(like Employment Guarantee Scheme etc.)	14700	1101	50
1 02 2506 00	Land Reforms	1712	258	63
2515 00	Other Rural Development Programmes (Incl.Community Development and Panchayats)	62738	18617	339
<b>102 0000 00</b>	<b>TOTAL - II</b>	<b>90872</b>	<b>22503</b>	<b>549</b>
		(34.37)	(17.15)	(1.19)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Bihar	Chattisgarh	Goa
		*	*	*
1.	2.	6.	7.	8.
<b>1 03 0000 00</b>	<b>III. SPECIAL AREA PROGRAMMES</b>	<b>0</b>	<b>0</b>	<b>321</b>
				(0.70)
1 04 0000 00	<b>IV. IRRIGATION &amp; FLOOD CONTROL</b>			
1 04 2701 00	Major and Medium Irrigation	47300	24097	8262
2702 00	Minor Irrigation	13964	269	1073
2705 00	Command Area Development	2100	102	305
2711 00	Flood Control(incl.anti-sea erosion,etc.)	6348	17	165
<b>1 04 0000 00</b>	<b>TOTAL - IV</b>	<b>69712</b>	<b>24485</b>	<b>9805</b>
		(26.37)	(18.66)	(21.32)
	<b>V. ENERGY</b>			
1 05 2801 00	Power	6058	857	3300
2810 00	Non-conventional Sources of Energy	321	50	22
<b>1 05 0000 00</b>	<b>TOTAL - V</b>	<b>6379</b>	<b>907</b>	<b>3322</b>
		(2.41)	(0.69)	(7.22)
	<b>VI. INDUSTRY &amp; MINERALS</b>			
106 2851 00	Village & Small Industries	1074	97	1077
2852 00	Industries (other than V&SI)	722	1774	1001
2853 02	Mining	43	490	29
<b>1 06 0000 00</b>	<b>TOTAL - (VI)</b>	<b>1839</b>	<b>2361</b>	<b>2107</b>
		(0.70)	(1.80)	(4.58)
	<b>VII. TRANSPORT</b>			
1 07 3051 00	Ports and light Houses	0	0	5
3052 00	Shipping	0	0	0
3053 00	Civil Aviation	263	8	0
3054 00	Roads and Bridges	31599	4535	3728
3055 00	Road Transport	349	0	247
3056 00	Inland Water Transport	0	0	219
3075 00	Other Transport Services	0	0	100
<b>1 07 0000 00</b>	<b>TOTAL - (VII)</b>	<b>32211</b>	<b>4543</b>	<b>4299</b>
		(12.18)	(3.46)	(9.35)
<b>1 08 0000 00</b>	<b>VIII.COMMUNICATIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>IX. SCIENCE,TECHNOLOGY &amp; ENVIRONMENT</b>			

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Bihar	Chattisgarh	Goa
		*	*	*
<b>1.</b>	<b>2.</b>	<b>6.</b>	<b>7.</b>	<b>8.</b>
1 09 3425 00	Scientific Research (incl. S&T)	30	47	25
3435 00	Ecology & Environment	0	57	20
	<b>TOTAL - (IX)</b>	<b>30</b>	<b>104</b>	<b>45</b>
		(0.01)	(0.08)	(0.10)
	<b>X. GENERAL ECONOMIC SERVICES</b>			
1 10 3451 00	Secretariat Economic Services	123	0	76
3452 00	Tourism	200	57	959
3454 00	Surveys & Statistics	156	11	38
3456 00	Civil Supplies	280	0	0
3475 00	Other General Economic Services :			
	i) Distt. Plg./Distt. Councils	200	1800	0
	ii) Weights & Measures	0	0	23
	iii) Others	0	0	0
<b>1 10 0000 00</b>	<b>TOTAL - (X)</b>	<b>959</b>	<b>1868</b>	<b>1096</b>
		(0.36)	(1.42)	(2.38)
	<b>XI. SOCIAL SERVICES EDUCATION</b>			
2 21 2202 00	General Education	19330	23567	2242
2203 00	Technical Education	1308	648	896
2204 00	Sports & Youth Services	251	107	636
2205 00	Art & Culture	459	201	595
<b>2 21 0000 00</b>	<b>Sub-Total (Education)</b>	<b>21348</b>	<b>24523</b>	<b>4369</b>
2 22 2210 00	Medical & Public Health	10078	6025	1649
2 23 2215 00	Water Supply & Sanitation	6185	13504	8648
2 23 2216 00	Housing (incl. police Housing)	3055	1805	786
2 23 2217 00	Urban Development (incl.state capital projects)	4857	5717	1358
2 24 2220 00	Information & Publicity	266	19	50
2 25 2225 00	Welfare of SCs,STs & OBCs	1577	3226	63
2 26 2230 00	Labour & Employment			
	i) Labour & Labour Welfare	248	43	469
	ii) Special Employment Programmes	0	1002	0
2 27 2235 00	Social Welfare	133	500	461
2 27 2236 00	Nutrition	3687	2823	80

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Bihar	Chattisgarh	Goa
		*	*	*
<b>1.</b>	<b>2.</b>	<b>6.</b>	<b>7.</b>	<b>8.</b>
2 28 2252 00	Other Social Services	0	111	0
<b>2 00 0000 00</b>	<b>TOTAL - (XI)</b>	<b>51434</b>	<b>59298</b>	<b>17933</b>
		(19.45)	(45.20)	(38.98)
	<b>XII. GENERAL SERVICES</b>			
3 42 2056 00	Jails	643	42	55
2058 00	Stationery & Printing	0	51	25
2059 00	Public Works	1800	2439	1910
2070 00	Other Administrative Services :			
	i) Training	0	0	0
	ii) Others	2993	63	2687
<b>3 00 0000 00</b>	<b>TOTAL - (XII)</b>	<b>5436</b>	<b>2595</b>	<b>4677</b>
		(2.06)	(1.98)	(10.17)
<b>9 99 9999 99</b>	<b>GRAND TOTAL</b>	<b>264400</b>	<b>131200</b>	<b>46000</b>
		(100)	(100)	(100)



## ANNUAL PLAN - 2001-02 - REVISED OUTLAY - STATES/Uts

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Gujarat	Haryana	Himachal Pradesh
1.	2.	9.	10.	11.
	<b>I. AGRICULTURE &amp; ALLIED ACTIVITIES</b>			
1 01 24 0100	Crop Husbandry	35026	722	4394
2402 00	Soil and Water Conservation	3130	3042	2107
2403 00	Animal Husbandry	1739	1604	2273
2404 00	Dairy Development	91	70	316
2405 00	Fisheries	1073	394	213
2406 00	Forestry & Wild Life	15025	3180	7250
2407 00	Plantations	0	0	0
2408 00	Food,Storage & Warehousing	74	35	0
2415 00	Agricultural Research & Education	1699	919	3129
2416 00	Agricultural Financial Institutions	447	0	0
2435 00	Other Agricultural Programmes :			
	(a) Marketing & Quality Control	0	0	768
	(b) Others	0	0	0
2425 00	Cooperation	1610	1100	308
<b>1 01 0000 00</b>	<b>Total - (I)</b>	<b>59914</b>	<b>11066</b>	<b>20758</b>
		(9.22)	(6.10)	(11.90)
	<b>II. RURAL DEVELOPMENT</b>			
1 02 2501 00	<b>Special Programmes for Rural Development :</b>			
2501 01	(a) Integrated Rural Development			
	Programme(IRDP) & Allied Programmes	925	525	526
2501 02	(b) Drought Prone Area Programme (DPAP)	1503	194	0
2501 04	(c) Integrated Rural Energy Programme (IREP)	0	120	0
1 02 2505 00	<b>RURAL EMPLOYMENT</b>			
2505 01	(a) NREP/Jawahar Rozgar Yojna (JRY)	1334	2593	1218
2505 60	(b) Other Programmes(like Employment Guarantee Scheme etc.)	11597	0	0
1 02 2506 00	Land Reforms	715	115	2054
2515 00	Other Rural Development Programmes (Incl.Community Development and Panchayats)	10645	10482	3216
<b>102 0000 00</b>	<b>TOTAL - II</b>	<b>26719</b>	<b>14029</b>	<b>7014</b>
		(4.11)	(7.73)	(4.02)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Gujarat	Haryana	Himachal Pradesh
1.	2.	9.	10.	11.
<b>1 03 0000 00</b>	<b>III. SPECIAL AREA PROGRAMMES</b>	<b>0</b>	<b>2750</b>	<b>1931</b>
			(1.52)	(1.11)
1 04 0000 00	<b>IV. IRRIGATION &amp; FLOOD CONTROL</b>			
1 04 2701 00	Major and Medium Irrigation	114325	21151	1180
2702 00	Minor Irrigation	16934	7400	5003
2705 00	Command Area Development	537	1000	135
2711 00	Flood Control(incl.anti-sea erosion,etc.)	268	2000	660
<b>1 04 0000 00</b>	<b>TOTAL - IV</b>	<b>132064</b>	<b>31551</b>	<b>6978</b>
		(20.32)	(17.39)	(4.00)
	<b>V. ENERGY</b>			
1 05 2801 00	Power	70242	3585	19832
2810 00	Non-conventional Sources of Energy	983	100	266
<b>1 05 0000 00</b>	<b>TOTAL - V</b>	<b>71225</b>	<b>3685</b>	<b>20098</b>
		(10.96)	(2.03)	(11.52)
	<b>VI. INDUSTRY &amp; MINERALS</b>			
106 2851 00	Village & Small Industries	6484	9030	1185
2852 00	Industries (other than V&SI)	26338	1140	216
2853 02	Mining	715	10	78
<b>1 06 0000 00</b>	<b>TOTAL - (VI)</b>	<b>33537</b>	<b>10180</b>	<b>1479</b>
		(5.16)	(5.61)	(0.85)
	<b>VII. TRANSPORT</b>			
1 07 3051 00	Ports and light Houses	0	0	0
3052 00	Shipping	0	0	0
3053 00	Civil Aviation	537	10	109
3054 00	Roads and Bridges	36024	19000	24250
3055 00	Road Transport	1789	5000	1580
3056 00	Inland Water Transport	0	0	1
3075 00	Other Transport Services	0	0	0
<b>1 07 0000 00</b>	<b>TOTAL - (VII)</b>	<b>38350</b>	<b>24010</b>	<b>25940</b>
		(5.90)	(13.23)	(14.87)
<b>1 08 0000 00</b>	<b>VIII. COMMUNICATIONS</b>	<b>845</b>	<b>0</b>	<b>12</b>
		(0.13)		(0.01)
	<b>IX. SCIENCE,TECHNOLOGY &amp; ENVIRONMENT</b>			
1 09 3425 00	Scientific Research (incl. S&T)	5814	116	0

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Gujarat	Haryana	Himachal Pradesh
1.	2.	9.	10.	11.
3435 00	Ecology & Environment	447	50	111
	<b>TOTAL - (IX)</b>	<b>6261</b>	<b>166</b>	<b>111</b>
		(0.96)	(0.09)	(0.06)
	<b>X. GENERAL ECONOMIC SERVICES</b>			
1 10 3451 00	Secretariat Economic Services	39	27	995
3452 00	Tourism	1520	370	450
3454 00	Surveys & Statistics	107	94	60
3456 00	Civil Supplies	268	0	160
3475 00	Other General Economic Services :			
	i) Distt. Plg./Distt. Councils	13362	1000	18
	ii) Weights & Measures	89	25	1580
	iii) Others	0	0	111
<b>1 10 0000 00</b>	<b>TOTAL - (X)</b>	<b>15385</b>	<b>1516</b>	<b>3374</b>
		(2.37)	(0.84)	(1.93)
	<b>XI. SOCIAL SERVICES</b>			
	<b>EDUCATION</b>			
2 21 2202 00	General Education	41346	15900	45400
2203 00	Technical Education	3390	2300	712
2204 00	Sports & Youth Services	288	1141	370
2205 00	Art & Culture	1273	650	339
<b>2 21 0000 00</b>	<b>Sub-Total (Education)</b>	<b>46297</b>	<b>19991</b>	<b>46821</b>
2 22 2210 00	Medical & Public Health	18781	5845	12050
2 23 2215 00	Water Supply & Sanitation	62594	10017	13027
2 23 2216 00	Housing (incl. police Housing)	42609	3000	5883
2 23 2217 00	Urban Development (incl.state capital projects)	44512	2652	2980
2 24 2220 00	Information & Publicity	894	200	498
2 25 2225 00	Welfare of SCs,STs & OBCs	27098	1400	335
2 26 2230 00	Labour & Employment			
	i) Labour & Labour Welfare	4919	2092	154
	ii) Special Employment Programmes	0	0	0
2 27 2235 00	Social Welfare	4785	32027	2316
2 27 2236 00	Nutrition	11850	450	980
2 28 2252 00	Other Social Services	0	10	0
<b>2 00 0000 00</b>	<b>TOTAL - (XI)</b>	<b>264339</b>	<b>77684</b>	<b>85044</b>
		(40.67)	(42.82)	(48.75)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Gujarat	Haryana	Himacha Pradesh
1.	2.	9.	10.	11.
	<b>XII. GENERAL SERVICES</b>			
3 42 2056 00	Jails	0	0	0
2058 00	Stationery & Printing	0	250	169
2059 00	Public Works	0	4000	421
2070 00	Other Administrative Services :			
	i) Training	335	0	0
	ii) Others	1026	530	1122
<b>3 00 0000 00</b>	<b>TOTAL - (XII)</b>	<b>1361</b>	<b>4780</b>	<b>1712</b>
		(0.21)	(2.63)	(0.98)
<b>9 99 9999 99</b>	<b>GRAND TOTAL</b>	<b>650000</b>	<b>181417</b>	<b>174451</b>
		(100)	(100)	(100)

## ANNUAL PLAN - 2001-02 - REVISED OUTLAY - STATES/UTs

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	J & K	Jharkhand	Karnataka
1.	2.	12.	13.	14.
		*	*	
	<b>I. AGRICULTURE &amp; ALLIED ACTIVITIES</b>			
1 01 24 0100	Crop Husbandry	5973	4105	4576
2402 00	Soil and Water Conservation	6827	0	3756
2403 00	Animal Husbandry	2319	397	3013
2404 00	Dairy Development	80	205	178
2405 00	Fisheries	475	375	996
2406 00	Forestry & Wild Life	5381	8200	11712
2407 00	Plantations	0		33
2408 00	Food,Storage & Warehousing	66	0	240
2415 00	Agricultural Research & Education	2793	0	3500
2416 00	Agricultural Financial Institutions	0	0	261
2435 00	Other Agricultural Programmes :			
	(a) Marketing & Quality Control	1532	0	1083
	(b) Others	0	0	0
2425 00	Cooperation	823	1080	698
<b>1 01 0000 00</b>	<b>Total - (I)</b>	<b>26269</b>	<b>14362</b>	<b>30046</b>
		(12.81)	(5.42)	(3.80)
	<b>II. RURAL DEVELOPMENT</b>			
1 02 2501 00	<b>Special Programmes for Rural Development :</b>			
2501 01	(a) Integrated Rural Development Programme(IRDP) & Allied Programmes	353	63931	2315
2501 02	(b) Drought Prone Area Programme (DPAP)	234		966
2501 04	(c) Integrated Rural Energy Programme (IREP)	72		372
1 02 2505 00	<b>RURAL EMPLOYMENT</b>			
2505 01	(a) NREP/Jawahar Rozgar Yojna (JRY)	1988	0	2197
2505 60	(b) Other Programmes(like Employment Guarantee Scheme etc.)	0	0	1532
1 02 2506 00	Land Reforms	1250	0	396
2515 00	Other Rural Development Programmes (Incl.Community Development and Panchayats)	2218	0	23725
<b>102 0000 00</b>	<b>TOTAL - II</b>	<b>6115</b>	<b>63931</b>	<b>31503</b>
		(2.98)	(24.12)	(3.99)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	J & K	Jharkhand	Karnataka
1.	2.	12.	13.	14.
		*	*	
<b>1 03 0000 00</b>	<b>III. SPECIAL AREA PROGRAMMES</b>	<b>9842</b>	<b>0</b>	<b>3450</b>
		(4.80)		(0.44)
1 04 0000 00	<b>IV. IRRIGATION &amp; FLOOD CONTROL</b>			
1 04 2701 00	Major and Medium Irrigation	7164	28860	229621
2702 00	Minor Irrigation	4841	6114	8305
2705 00	Command Area Development	559	0	1380
2711 00	Flood Control(incl.anti-sea erosion,etc.)	2855	0	599
<b>1 04 0000 00</b>	<b>TOTAL - IV</b>	<b>15419</b>	<b>34974</b>	<b>239905</b>
		(7.52)	(13.20)	(30.35)
	<b>V. ENERGY</b>			
1 05 2801 00	Power	34042	15000	76805
2810 00	Non-conventional Sources of Energy	84	0	910
<b>1 05 0000 00</b>	<b>TOTAL - V</b>	<b>34126</b>	<b>15000</b>	<b>77715</b>
		(16.65)	(5.66)	(9.83)
	<b>VI. INDUSTRY &amp; MINERALS</b>			
106 2851 00	Village & Small Industries	4339	11014	16761
2852 00	Industries (other than V&SI)	1740	0	2704
2853 02	Mining	351	475	353
<b>1 06 0000 00</b>	<b>TOTAL - (VI)</b>	<b>6430</b>	<b>11489</b>	<b>19818</b>
		(3.14)	(4.34)	(2.51)
	<b>VII. TRANSPORT</b>			
1 07 3051 00	Ports and light Houses	0	0	800
3052 00	Shipping	0	0	0
3053 00	Civil Aviation	0	500	0
3054 00	Roads and Bridges	26342	19000	51107
3055 00	Road Transport	403	0	19513
3056 00	Inland Water Transport	192	0	0
3075 00	Other Transport Services	1085	100	22
<b>1 07 0000 00</b>	<b>TOTAL - (VII)</b>	<b>28022</b>	<b>19600</b>	<b>71442</b>
		(13.67)	(7.40)	(9.04)
<b>1 08 0000 00</b>	<b>VIII. COMMUNICATIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>IX. SCIENCE, TECHNOLOGY &amp; ENVIRONMENT</b>			
1 09 3425 00	Scientific Research (incl. S&T)	614	6000	150

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	J & K	Jharkhand	Karnataka
1.	2.	12.	13.	14.
		*	*	
3435 00	Ecology & Environment	0	0	251
	<b>TOTAL - (IX)</b>	<b>614</b>	<b>6000</b>	<b>401</b>
		(0.30)	(2.26)	(0.05)
	<b>X. GENERAL ECONOMIC SERVICES</b>			
1 10 3451 00	Secretariat Economic Services	4276	3883	3841
3452 00	Tourism	3560	1576	840
3454 00	Surveys & Statistics	121	0	116
3456 00	Civil Supplies	0	860	0
3475 00	Other General Economic Services :			
	i) Distt. Plg./Distt. Councils	7565	0	0
	ii) Weights & Measures	43	0	30
	iii) Others	0	0	21994
<b>1 10 0000 00</b>	<b>TOTAL - (X)</b>	<b>15565</b>	<b>6319</b>	<b>26821</b>
		(7.59)	(2.38)	(3.39)
	<b>XI. SOCIAL SERVICES EDUCATION</b>			
2 21 2202 00	General Education	19164	12903	46716
2203 00	Technical Education	1857		1247
2204 00	Sports & Youth Services	825	675	708
2205 00	Art & Culture	200		952
<b>2 21 0000 00</b>	<b>Sub-Total (Education)</b>	<b>22046</b>	<b>13578</b>	<b>49623</b>
2 22 2210 00	Medical & Public Health	11628	11250	25638
2 23 2215 00	Water Supply & Sanitation	13125	9000	75741
2 23 2216 00	Housing (incl. police Housing)	270	0	59308
2 23 2217 00	Urban Development (incl.state capital projects)	5340	21510	29719
2 24 2220 00	Information & Publicity	98	100	514
2 25 2225 00	Welfare of SCs,STs & OBCs	525	0	32005
2 26 2230 00	Labour & Employment			
	i) Labour & Labour Welfare	1045	341	1815
	ii) Special Employment Programmes	0	0	0
2 27 2235 00	Social Welfare	1698	22473	5127
2 27 2236 00	Nutrition	1000	0	5181
2 28 2252 00	Other Social Services	0	0	872
<b>2 00 0000 00</b>	<b>TOTAL - (XI)</b>	<b>56775</b>	<b>78252</b>	<b>285543</b>
		(27.70)	(29.53)	(36.13)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	J & K	Jharkhand	Karnataka
1.	2.	12.	13.	14.
		*	*	
	<b>XII. GENERAL SERVICES</b>			
3 42 2056 00	Jails	0	1000	33
2058 00	Stationery & Printing	69	0	203
2059 00	Public Works	1336	4231	2786
2070 00	Other Administrative Services :			
	i) Training	0	0	17
	ii) Others	4418	9842	696
<b>3 00 0000 00</b>	<b>TOTAL - (XII)</b>	<b>5823</b>	<b>15073</b>	<b>3735</b>
		(2.84)	(5.69)	(0.47)
<b>9 99 9999 99</b>	<b>GRAND TOTAL</b>	<b>205000</b>	<b>265000</b>	<b>790379</b>
		(100)	(100)	(100)



## ANNUAL PLAN - 2001-02 - REVISED OUTLAY - STATES/Uts

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Kerala	Madhya Pradesh	Mahara-shtra
1.	2.	15.	16.	17.
				*
	<b>I. AGRICULTURE &amp; ALLIED ACTIVITIES</b>			
01 24 0100	Crop Husbandry	3600	12871	6836
2402 00	Soil and Water Conservation	300	921	6902
2403 00	Animal Husbandry	2000	2730	1604
2404 00	Dairy Development	250	0	445
2405 00	Fisheries	1500	486	827
2406 00	Forestry & Wild Life	4200	7401	4128
2407 00	Plantations	0	0	0
2408 00	Food,Storage & Warehousing	25	92	0
2415 00	Agricultural Research & Education	1800	1316	968
2416 00	Agricultural Financial Institutions	500	0	1
2435 00	Other Agricultural Programmes :			
	(a) Marketing & Quality Control	500	0	0
	(b) Others	0	0	0
2425 00	Cooperation	850	5333	10740
<b>1 01 0000 00</b>	<b>Total - (I)</b>	<b>15525</b>	<b>31150</b>	<b>32451</b>
		(6.87)	(7.91)	(3.00)
	<b>II. RURAL DEVELOPMENT</b>			
1 02 2501 00	<b>Special Programmes for Rural Development :</b>			
2501 01	(a) Integrated Rural Development Programme(IRDP) & Allied Programmes	625	6413	3288
2501 02	(b) Drought Prone Area Programme (DPAP)	0	0	3000
2501 04	(c) Integrated Rural Energy Programme (IREP)	0	0	75
1 02 2505 00	<b>RURAL EMPLOYMENT</b>			
2505 01	(a) NREP/Jawahar Rozgar Yojna (JRY)	1325	13344	20717
2505 60	(b) Other Programmes(like Employment Guarantee Scheme etc.)	0	0	57410
1 02 2506 00	Land Reforms	90	635	208
2515 00	Other Rural Development Programmes (Incl.Community Development and Panchayats)	4750	26849	27850
<b>102 0000 00</b>	<b>TOTAL - II</b>	<b>6790</b>	<b>47241</b>	<b>112548</b>
		(3.00)	(12.00)	(10.39)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Kerala	Madhya Pradesh	Maharashtra
1.	2.	15.	16.	17.
				*
<b>1 03 0000 00</b>	<b>III. SPECIAL AREA PROGRAMMES</b>	<b>1313</b>	<b>0</b>	<b>4093</b>
		(0.58)		(0.38)
1 04 0000 00	<b>IV. IRRIGATION &amp; FLOOD CONTROL</b>			
1 04 2701 00	Major and Medium Irrigation	9500	55139	233521
2702 00	Minor Irrigation	2500	18755	26205
2705 00	Command Area Development	1000	704	2291
2711 00	Flood Control(incl.anti-sea erosion,etc.)	1250	230	73
<b>1 04 0000 00</b>	<b>TOTAL - IV</b>	<b>14250</b>	<b>74828</b>	<b>262090</b>
		(6.31)	(19.00)	(24.19)
	<b>V. ENERGY</b>			
1 05 2801 00	Power	41000	32691	147883
2810 00	Non-conventional Sources of Energy	1000	418	253
<b>1 05 0000 00</b>	<b>TOTAL - V</b>	<b>42000</b>	<b>33109</b>	<b>148136</b>
		(18.58)	(8.41)	(13.67)
	<b>VI. INDUSTRY &amp; MINERALS</b>			
106 2851 00	Village & Small Industries	4000	2620	6930
2852 00	Industries (other than V&SI)	9225	2045	2203
2853 02	Mining	75	313	0
<b>1 06 0000 00</b>	<b>TOTAL - (VI)</b>	<b>13300</b>	<b>4978</b>	<b>9133</b>
	<b>VII. TRANSPORT</b>			
1 07 3051 00	Ports and light Houses	300	0	548
3052 00	Shipping	0	0	0
3053 00	Civil Aviation	0	820	0
3054 00	Roads and Bridges	11500	25898	153092
3055 00	Road Transport	750	0	72003
3056 00	Inland Water Transport	500	0	212
3075 00	Other Transport Services	750	0	362
<b>1 07 0000 00</b>	<b>TOTAL - (VII)</b>	<b>13800</b>	<b>26718</b>	<b>226217</b>
		(6.11)	(6.79)	(20.88)
<b>1 08 0000 00</b>	<b>VIII. COMMUNICATIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>IX. SCIENCE,TECHNOLOGY &amp; ENVIRONMENT</b>			
1 09 3425 00	Scientific Research (incl. S&T)	1500	170	145
3435 00	Ecology & Environment	0	9458	54
	<b>TOTAL - (IX)</b>	<b>1500</b>	<b>9628</b>	<b>199</b>
		(0.66)	(2.45)	(0.02)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Kerala	Madhya Pradesh	Maharashtra
1.	2.	15.	16.	17.
				*
	<b>X. GENERAL ECONOMIC SERVICES</b>			
1 10 3451 00	Secretariat Economic Services	4000	9784	26474
3452 00	Tourism	3000	1521	6238
3454 00	Surveys & Statistics	400	26	0
3456 00	Civil Supplies	50	0	0
3475 00	Other General Economic Services :			
	i) Distt. Plg./Distt. Councils	0	0	0
	ii) Weights & Measures	25	7	0
	iii) Others	0	0	0
<b>1 10 0000 00</b>	<b>TOTAL - (X)</b>	<b>7475</b>	<b>11338</b>	<b>32712</b>
		(3.31)	(2.88)	(3.02)
	<b>XI. SOCIAL SERVICES EDUCATION</b>			
2 21 2202 00	General Education	7877	52608	26308
203 00	Technical Education	3250	2534	3503
2204 00	Sports & Youth Services	600	335	1670
2205 00	Art & Culture	650	695	618
<b>2 21 0000 00</b>	<b>Sub-Total (Education)</b>	<b>12377</b>	<b>56172</b>	<b>32099</b>
2 22 2210 00	Medical & Public Health	4200	14185	39129
2 23 2215 00	Water Supply & Sanitation	10000	18590	73455
2 23 2216 00	Housing (incl. police Housing)	3000	11384	21628
2 23 2217 00	Urban Development (incl.state capital projects)	2000	9843	27253
2 24 2220 00	Information & Publicity	250	154	19
2 25 2225 00	Welfare of SCs,STs & OBCs	12000	6884	21065
2 26 2230 00	Labour & Employment			
	i) Labour & Labour Welfare	500	872	3924
	ii) Special Employment Programmes	0	2	0
2 27 2235 00	Social Welfare	350	1409	1459
2 27 2236 00	Nutrition	35	5945	4933
2 28 2252 00	Other Social Services	0	3435	579
<b>2 00 0000 00</b>	<b>TOTAL - (XI)</b>	<b>44712</b>	<b>128875</b>	<b>225543</b>
		(19.78)	(32.73)	(20.82)
	<b>XII. GENERAL SERVICES</b>			
3 42 2056 00	Jails	0	323	522

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Kerala	Madhya Pradesh	Mahara- shtra
1.	2.	15.	16.	17.
				*
2058 00	Stationery & Printing	85	100	0
2059 00	Public Works	1500	488	2998
2070 00	Other Administrative Services :			
	i) Training	0	0	0
	ii) Others	63750	25000	26758
<b>3 00 0000 00</b>	<b>TOTAL - (XII)</b>	<b>65335</b>	<b>25911</b>	<b>30278</b>
		(28.91)	(6.58)	(2.79)
<b>9 99 9999 99</b>	<b>GRAND TOTAL</b>	<b>226000</b>	<b>393776</b>	<b>1083400</b>
		(100)	(100)	(100)

## ANNUAL PLAN - 2001-02 - REVISED OUTLAY - STATES/Uts

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Manipur	Meghalaya	Mizoram
1.	2.	18.	19.	20.
	<b>I. AGRICULTURE &amp; ALLIED ACTIVITIES</b>			
1 01 24 0100	Crop Husbandry	781	1173	1346
2402 00	Soil and Water Conservation	370	850	346
2403 00	Animal Husbandry	170	612	490
2404 00	Dairy Development	10	110	40
2405 00	Fisheries	200	110	126
2406 00	Forestry & Wild Life	317	925	601
2407 00	Plantations	170	0	0
2408 00	Food,Storage & Warehousing	3	3	0
2415 00	Agricultural Research & Education	10	30	10
2416 00	Agricultural Financial Institutions	6	5	0
2435 00	Other Agricultural Programmes :			
	(a) Marketing & Quality Control	2	75	151
	(b) Others	0	0	0
2425 00	Cooperation	154	280	249
<b>1 01 0000 00</b>	<b>Total - (I)</b>	<b>2193</b>	<b>4173</b>	<b>3359</b>
		(6.22)	(8.83)	(7.61)
	<b>II. RURAL DEVELOPMENT</b>			
1 02 2501 00	<b>Special Programmes for Rural Development :</b>			
2501 01	(a) Integrated Rural Development Programme(IRDP) & Allied Programmes	200	280	266
2501 02	(b) Drought Prone Area Programme (DPAP)	0	0	0
2501 04	(c) Integrated Rural Energy Programme (IREP)	104	75	11
1 02 2505 00	<b>RURAL EMPLOYMENT</b>			
2505 01	(a) NREP/Jawahar Rozgar Yojna (JRY)	265	303	100
2505 60	(b) Other Programmes(like Employment Guarantee Scheme etc.)	430	612	226
1 02 2506 00	Land Reforms	63	156	251
2515 00	Other Rural Development Programmes			
	(Incl.Community Development and Panchayats)	3448	2220	3248
<b>102 0000 00</b>	<b>TOTAL - II</b>	<b>4510</b>	<b>3646</b>	<b>4102</b>
		(12.79)	(7.71)	(9.29)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Manipur	Meghalaya	Mizoram
1.	2.	18.	19.	20.
<b>1 03 0000 00</b>	<b>III. SPECIAL AREA PROGRAMMES</b>	<b>416</b>	<b>812</b>	<b>1392</b>
		(1.18)	(1.72)	(3.15)
1 04 0000 00	<b>IV. IRRIGATION &amp; FLOOD CONTROL</b>			
1 04 2701 00	Major and Medium Irrigation	4695	200	1
2702 00	Minor Irrigation	530	900	614
2705 00	Command Area Development	298	10	30
2711 00	Flood Control(incl.anti-sea erosion,etc.)	270	200	0
<b>1 04 0000 00</b>	<b>TOTAL - IV</b>	<b>5793</b>	<b>1310</b>	<b>645</b>
		(16.43)	(2.77)	(1.46)
	<b>V. ENERGY</b>			
1 05 2801 00	Power	1811	6576	4143
2810 00	Non-conventional Sources of Energy	30	50	44
<b>1 05 0000 00</b>	<b>TOTAL - V</b>	<b>1841</b>	<b>6626</b>	<b>4187</b>
		(5.22)	(14.01)	(9.48)
	<b>VI. INDUSTRY &amp; MINERALS</b>			
106 2851 00	Village & Small Industries	969	400	1136
2852 00	Industries (other than V&SI)	331	2200	84
2853 02	Mining	1004	152	80
<b>1 06 0000 00</b>	<b>TOTAL - (VI)</b>	<b>2304</b>	<b>2752</b>	<b>1300</b>
		(6.53)	(5.82)	(2.94)
	<b>VII. TRANSPORT</b>			
1 07 3051 00	Ports and light Houses	0	0	0
3052 00	Shipping	0	0	0
3053 00	Civil Aviation	0	0	0
3054 00	Roads and Bridges	1051	9580	3567
3055 00	Road Transport	200	225	374
3056 00	Inland Water Transport	0	0	10
3075 00	Other Transport Services	27	35	66
<b>1 07 0000 00</b>	<b>TOTAL - (VII)</b>	<b>1278</b>	<b>9840</b>	<b>4017</b>
		(3.62)	(20.81)	(9.10)
<b>1 08 0000 00</b>	<b>VIII. COMMUNICATIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>IX. SCIENCE,TECHNOLOGY &amp; ENVIRONMENT</b>			
1 09 3425 00	Scientific Research (incl. S&T)	118	93	110
3435 00	Ecology & Environment	90	50	4
	<b>TOTAL - (IX)</b>	<b>208</b>	<b>143</b>	<b>114</b>
		(0.59)	(0.30)	(0.26)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Manipur	Meghalaya	Mizoram
1.	2.	18.	19.	20.
	<b>X. GENERAL ECONOMIC SERVICES</b>			
1 10 3451 00	Secretariat Economic Services	118	158	1395
3452 00	Tourism	158	300	271
3454 00	Surveys & Statistics	90	85	81
3456 00	Civil Supplies	67	30	177
3475 00	Other General Economic Services :			
	i) Distt. Plg./Distt. Councils	545	562	1829
	ii) Weights & Measures	33	27	50
	iii) Others	0	35	151
<b>1 10 0000 00</b>	<b>TOTAL - (X)</b>	<b>1011</b>	<b>1197</b>	<b>3954</b>
		(2.87)	(2.53)	(8.96)
	<b>XI. SOCIAL SERVICES EDUCATION</b>			
2 21 2202 00	General Education	3510	4670	4448
2203 00	Technical Education	323	180	662
2204 00	Sports & Youth Services	264	1090	167
2205 00	Art & Culture	377	478	291
<b>2 21 0000 00</b>	<b>Sub-Total (Education)</b>	<b>4474</b>	<b>6418</b>	<b>5568</b>
2 22 2210 00	Medical & Public Health	1416	3600	2813
2 23 2215 00	Water Supply & Sanitation	4930	2917	3151
2 23 2216 00	Housing (incl. police Housing)	704	1055	4182
2 23 2217 00	Urban Development (incl.state capital projects)	1288	892	2942
2 24 2220 00	Information & Publicity	47	131	141
2 25 2225 00	Welfare of SCs,STs & OBCs	421	10	0
2 26 2230 00	Labour & Employment			
	i) Labour & Labour Welfare	91	20	74
	ii) Special Employment Programmes	0	68	0
2 27 2235 00	Social Welfare	295	236	340
2 27 2236 00	Nutrition	816	682	627
2 28 2252 00	Other Social Services	0	0	0
<b>2 00 0000 00</b>	<b>TOTAL - (XI)</b>	<b>14482</b>	<b>16029</b>	<b>19838</b>
		(41.06)	(33.90)	(44.93)
	<b>XII. GENERAL SERVICES</b>			
3 42 2056 00	Jails	29	66	196
2058 00	Stationery & Printing	51	95	100

## Annexure-3.2.4 Contd...

(Rs. Lakh)

<b>Code No.</b>	<b>Major Heads/Minor Heads of Development</b>	<b>Manipur</b>	<b>Meghalaya</b>	<b>Mizoram</b>
<b>1.</b>	<b>2.</b>	<b>18.</b>	<b>19.</b>	<b>20.</b>
2059 00 2070 00	Public Works Other Administrative Services :	664	340	903
	i) Training	0	5	0
	ii) Others	488	248	45
<b>3 00 0000 00</b>	<b>TOTAL - (XII)</b>	<b>1232</b>	<b>754</b>	<b>1244</b>
		(3.49)	(1.59)	(2.82)
<b>9 99 9999 99</b>	<b>GRAND TOTAL</b>	<b>35268</b>	<b>47282</b>	<b>44152</b>
		(100)	(100)	(100)



## ANNUAL PLAN - 2001-02 - REVISED OUTLAY - STATES/UTs

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Nagaland	Orissa	Punjab
1.	2.	21.	22.	23.
	<b>I. AGRICULTURE &amp; ALLIED ACTIVITIES</b>			
1 01 24 0100	Crop Husbandry	1841	3431	3426
2402 00	Soil and Water Conservation	450	451	192
2403 00	Animal Husbandry	571	143	932
2404 00	Dairy Development	29	100	83
2405 00	Fisheries	117	380	183
2406 00	Forestry & Wild Life	503	2559	11506
2407 00	Plantations	0	0	0
2408 00	Food,Storage & Warehousing	0	100	0
2415 00	Agricultural Research & Education	0	180	1022
2416 00	Agricultural Financial Institutions	0	1	950
2435 00	Other Agricultural Programmes :			
	(a) Marketing & Quality Control	0	30	0
	(b) Others	0	0	0
2425 00	Cooperation	290	780	32
<b>1 01 0000 00</b>	<b>Total - (I)</b>	<b>3801</b>	<b>8155</b>	<b>18326</b>
		(9.24)	(3.55)	(6.07)
	<b>II. RURAL DEVELOPMENT</b>			
1 02 2501 00	<b>Special Programmes for Rural Development :</b>			
2501 01	(a) Integrated Rural Development Programme(IRDP) & Allied Programmes	55	900	399
2501 02	(b) Drought Prone Area Programme (DPAP)	0	543	0
2501 04	(c) Integrated Rural Energy Programme (IREP)	40	2	30
1 02 2505 00	<b>RURAL EMPLOYMENT</b>			
2505 01	(a) NREP/Jawahar Rozgar Yojna (JRY)	80	2500	1519
2505 60	(b) Other Programmes(like Employment Guarantee Scheme etc.)	170	2400	0
1 02 2506 00	Land Reforms	196	910	0
2515 00	Other Rural Development Programmes (Incl.Community Development and Panchayats)	2606	7403	10382
<b>102 0000 00</b>	<b>TOTAL - II</b>	<b>3147</b>	<b>14658</b>	<b>12330</b>
		(7.65)	(6.37)	(4.08)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Nagaland	Orissa	Punjab
1.	2.	21.	22.	23.
<b>1 03 0000 00</b>	<b>III. SPECIAL AREA PROGRAMMES</b>	<b>872</b>	<b>0</b>	<b>5989</b>
		(2.12)		(1.98)
1 04 0000 00	<b>IV. IRRIGATION &amp; FLOOD CONTROL</b>			
1 04 2701 00	Major and Medium Irrigation	0	47384	32313
2702 00	Minor Irrigation	840	8410	4226
2705 00	Command Area Development	5	650	1407
2711 00	Flood Control(incl.anti-sea erosion,etc.)	10	60	9536
<b>1 04 0000 00</b>	<b>TOTAL - IV</b>	<b>855</b>	<b>56504</b>	<b>47482</b>
		(2.08)	(24.57)	(15.72)
	<b>V. ENERGY</b>			
1 05 2801 00	Power	4400	44880	69900
2810 00	Non-conventional Sources of Energy	10	4	706
<b>1 05 0000 00</b>	<b>TOTAL - V</b>	<b>4410</b>	<b>44884</b>	<b>70606</b>
		(10.72)	(19.51)	(23.37)
	<b>VI. INDUSTRY &amp; MINERALS</b>			
106 2851 00	Village & Small Industries	1531	744	67
2852 00	Industries (other than V&SI)	871	68	300
2853 02	Mining	269	200	0
<b>1 06 0000 00</b>	<b>TOTAL - (VI)</b>	<b>2671</b>	<b>1012</b>	<b>367</b>
		(6.49)	(0.44)	(0.12)
	<b>VII. TRANSPORT</b>			
1 07 3051 00	Ports and light Houses	0	197	0
3052 00	Shipping	0	0	0
3053 00	Civil Aviation	0	50	112
3054 00	Roads and Bridges	5675	24522	22776
3055 00	Road Transport	649	100	700
3056 00	Inland Water Transport	0	39	0
3075 00	Other Transport Services	437	0	0
<b>1 07 0000 00</b>	<b>TOTAL - (VII)</b>	<b>6761</b>	<b>24908</b>	<b>23588</b>
		(16.43)	(10.83)	(7.81)
<b>1 08 0000 00</b>	<b>VIII. COMMUNICATIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>IX. SCIENCE,TECHNOLOGY &amp; ENVIRONMENT</b>			
1 09 3425 00	Scientific Research (incl. S&T)	32	167	56
3435 00	Ecology & Environment	5	989	20
	<b>TOTAL - (IX)</b>	<b>37</b>	<b>1156</b>	<b>76</b>
		(0.09)	(0.50)	(0.03)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Nagaland	Orissa	Punjab
1.	2.	21.	22.	23.
	<b>X. GENERAL ECONOMIC SERVICES</b>			
1 10 3451 00	Secretariat Economic Services	244	65	380
3452 00	Tourism	253	120	75
3454 00	Surveys & Statistics	117	41	80
3456 00	Civil Supplies	120	100	6
3475 00	Other General Economic Services :			
	i) Distt. Plg./Distt. Councils	3000	3140	1000
	ii) Weights & Measures	36	1	0
	iii) Others	150	3363	1008
<b>1 10 0000 00</b>	<b>TOTAL - (X)</b>	<b>3920</b>	<b>6830</b>	<b>2549</b>
		(9.53)	(2.97)	(0.84)
	<b>XI. SOCIAL SERVICES EDUCATION</b>			
2 21 2202 00	General Education	2120	30479	25648
2203 00	Technical Education	1041	354	2039
2204 00	Sports & Youth Services	210	108	900
2205 00	Art & Culture	260	396	468
2 21 0000 00	Sub-Total (Education)	3631	31337	29055
2 22 2210 00	Medical & Public Health	1181	10103	17466
2 23 2215 00	Water Supply & Sanitation	3866	9051	9580
2 23 2216 00	Housing (incl. police Housing)	2766	5946	2218
2 23 2217 00	Urban Development (incl.state capital projects)	1106	3062	8749
2 24 2220 00	Information & Publicity	90	200	109
2 25 2225 00	Welfare of SCs,STs & OBCs	0	2861	4670
2 26 2230 00	Labour & Employment			
	i) Labour & Labour Welfare	128	240	573
	ii) Special Employment Programmes	0	0	0
2 27 2235 00	Social Welfare	59	812	15360
2 27 2236 00	Nutrition	679	3115	779
2 28 2252 00	Other Social Services	0	0	117
<b>2 00 0000 00</b>	<b>TOTAL - (XI)</b>	<b>13506</b>	<b>66727</b>	<b>88676</b>
		(32.82)	(29.01)	(29.35)
	<b>XII. GENERAL SERVICES</b>			
3 42 2056 00	Jails	0	176	282
2058 00	Stationery & Printing	60	0	34

## Annexure-3.2.4 Contd...

(Rs. Lakh)

<b>Code No.</b>	<b>Major Heads/Minor Heads of Development</b>	<b>Nagaland</b>	<b>Orissa</b>	<b>Punjab</b>
<b>1.</b>	<b>2.</b>	<b>21.</b>	<b>22.</b>	<b>23.</b>
2059 00	Public Works	200	1635	1341
2070 00	Other Administrative Services :			
	i) Training	90	0	0
	ii) Others	817	3355	30454
<b>3 00 0000 00</b>	<b>TOTAL - (XII)</b>	<b>1167</b>	<b>5166</b>	<b>32111</b>
		(2.84)	(2.25)	(10.63)
<b>9 99 9999 99</b>	<b>GRAND TOTAL</b>	<b>41147</b>	<b>230000</b>	<b>302100</b>
		(100)	(100)	(100)

## Annexure 3.2.4 Contd...

## ANNUAL PLAN - 2001-02 - REVISED OUTLAY - STATES/Uts

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Rajasthan	Sikkim	Tamil Nadu
1.	2.	24.	25.	26.
	<b>I. AGRICULTURE &amp; ALLIED ACTIVITIES</b>			
1 01 24 0100	Crop Husbandry	2311	641	9040
2402 00	Soil and Water Conservation	490	127	4700
2403 00	Animal Husbandry	1366	435	925
2404 00	Dairy Development	483	45	300
2405 00	Fisheries	57	40	1670
2406 00	Forestry & Wild Life	4713	625	10150
2407 00	Plantations	0	0	0
2408 00	Food,Storage & Warehousing	0	7	275
2415 00	Agricultural Research & Education	1030	25	3350
2416 00	Agricultural Financial Institutions	931	0	10
2435 00	Other Agricultural Programmes :			
	(a) Marketing & Quality Control	0	40	0
	(b) Others	0	0	0
2425 00	Cooperation	900	551	240
<b>1 01 0000 00</b>	<b>Total - (I)</b>	<b>12281</b>	<b>2536</b>	<b>30660</b>
		(2.65)	(8.45)	(5.90)
	<b>II. RURAL DEVELOPMENT</b>			
1 02 2501 00	<b>Special Programmes for Rural Development :</b>			
2501 01	(a) Integrated Rural Development Programme(IRDP) & Allied Programmes	838	140	1813
2501 02	(b) Drought Prone Area Programme (DPAP)	440	0	27560
2501 04	(c) Integrated Rural Energy Programme (IREP)	22	25	0
1 02 2505 00	<b>RURAL EMPLOYMENT</b>			
2505 01	(a) NREP/Jawahar Rozgar Yojna (JRY)	1896	76	4024
2505 60	(b) Other Programmes(like Employment Guarantee Scheme etc.)	3256	254	34103
1 02 2506 00	Land Reforms	161	80	0
2515 00	Other Rural Development Programmes			
	(Incl.Community Development and Panchayats)	43422	495	7858
<b>102 0000 00</b>	<b>TOTAL - II</b>	<b>50035</b>	<b>1070</b>	<b>75358</b>
		(10.78)	(3.56)	(14.49)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Rajasthan	Sikkim	Tamil Nadu
1.	2.	24.	25.	26.
<b>1 03 0000 00</b>	<b>III. SPECIAL AREA PROGRAMMES</b>	<b>3232</b>	<b>572</b>	<b>0</b>
		(0.70)	(1.91)	
1 04 0000 00	<b>IV. IRRIGATION &amp; FLOOD CONTROL</b>			
1 04 2701 00	Major and Medium Irrigation	27581	0	38810
2702 00	Minor Irrigation	8301	390	3293
2705 00	Command Area Development	3515	350	1340
2711 00	Flood Control(incl.anti-sea erosion,etc.)	478	5	0
<b>1 04 0000 00</b>	<b>TOTAL - IV</b>	<b>39875</b>	<b>745</b>	<b>43443</b>
		(8.59)	(2.48)	(8.35)
	<b>V. ENERGY</b>			
1 05 2801 00	Power	120650	3626	94837
2810 00	Non-conventional Sources of Energy	2180	34	300
<b>1 05 0000 00</b>	<b>TOTAL - V</b>	<b>122830</b>	<b>3660</b>	<b>95137</b>
		(26.46)	(12.19)	(18.30)
	<b>VI. INDUSTRY &amp; MINERALS</b>			
106 2851 00	Village & Small Industries	1299	331	3060
2852 00	Industries (other than V&SI)	3720	450	7901
2853 02	Mining	5314	100	45
<b>1 06 0000 00</b>	<b>TOTAL - (VI)</b>	<b>10333</b>	<b>881</b>	<b>11006</b>
		(2.23)	(2.93)	(2.12)
	<b>VII. TRANSPORT</b>			
1 07 3051 00	Ports and light Houses	0	0	0
3052 00	Shipping	0	0	0
3053 00	Civil Aviation	0	0	0
3054 00	Roads and Bridges	29510	4608	53304
3055 00	Road Transport	5440	245	210
3056 00	Inland Water Transport	0	0	0
3075 00	Other Transport Services	12000	0	0
<b>1 07 0000 00</b>	<b>TOTAL - (VII)</b>	<b>46950</b>	<b>4853</b>	<b>53514</b>
1 08 0000 00	VIII. COMMUNICATIONS	(10.11)	(16.16)	(10.29)
		0	0	0
	<b>IX. SCIENCE,TECHNOLOGY &amp; ENVIRONMENT</b>			
3435 00	Ecology & Environment	12	26	45
	<b>TOTAL - (IX)</b>	<b>71</b>	<b>96</b>	<b>335</b>
		(0.02)	(0.32)	(0.06)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Rajasthan	Sikkim	Tamil Nadu
1.	2.	24.	25.	26.
	<b>X. GENERAL ECONOMIC SERVICES</b>			
1 10 3451 00	Secretariat Economic Services	2172	100	816
3452 00	Tourism	976	510	500
3454 00	Surveys & Statistics	120	101	76
3456 00	Civil Supplies	23	49	235
3475 00	Other General Economic Services :			
	i) Distt. Plg./Distt. Councils	0	0	0
	ii) Weights & Measures	20	5	0
	iii) Others	2098	0	0
<b>1 10 0000 00</b>	<b>TOTAL - (X)</b>	<b>5409</b>	<b>765</b>	<b>1627</b>
		(1.17)	(2.55)	(0.31)
	<b>XI. SOCIAL SERVICES EDUCATION</b>			
2 21 2202 00	General Education	47969	4510	19262
2203 00	Technical Education	1604	142	465
2204 00	Sports & Youth Services	161	155	874
2205 00	Art & Culture	647	400	676
2 21 0000 00	Sub-Total (Education)	50381	5207	21277
2 22 2210 00	Medical & Public Health	13167	1374	9857
2 23 2215 00	Water Supply & Sanitation	26323	1818	58550
2 23 2216 00	Housing (incl. police Housing)	10380	2403	21727
2 23 2217 00	Urban Development (incl.state capital projects)	51178	550	55720
2 24 2220 00	Information & Publicity	6166	240	45
2 25 2225 00	Welfare of SCs,STs & OBCs	172	445	18644
2 26 2230 00	Labour & Employment			
	i) Labour & Labour Welfare	886	24	270
	ii) Special Employment Programmes	0	0	0
2 27 2235 00	Social Welfare	1973	272	4440
2 27 2236 00	Nutrition	7230	570	9020
2 28 2252 00	Other Social Services	0	0	3432
<b>2 00 0000 00</b>	<b>TOTAL - (XI)</b>	<b>167856</b>	<b>12903</b>	<b>202982</b>
		(36.16)	(42.98)	(39.04)
	<b>XII. GENERAL SERVICES</b>			
3 42 2056 00	Jails	315	30	0
2058 00	Stationery & Printing	5010	50	44

## Annexure-3.2.4 Contd...

(Rs. Lakh)

<b>Code No.</b>	<b>Major Heads/Minor Heads of Development</b>	<b>Rajasthan</b>	<b>Sikkim</b>	<b>Tamil Nadu</b>
<b>1.</b>	<b>2.</b>	<b>24.</b>	<b>25.</b>	<b>26.</b>
2059 00	Public Works	0	534	5894
2070 00	Other Administrative Services :			
	i) Training	0	7	0
	ii) Others	38	1320	0
<b>3 00 0000 00</b>	<b>TOTAL - (XII)</b>	<b>5363</b>	<b>1941</b>	<b>5938</b>
		(1.16)	(6.47)	(1.14)
<b>9 99 9999 99</b>	<b>GRAND TOTAL</b>	<b>464235</b>	<b>30022</b>	<b>520000</b>
		(100)	(100)	(100)



## ANNUAL PLAN - 2001-02 - REVISED OUTLAY - STATES/Uts

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Tripura	Uttar pradesh	Uttranchal
		*		*
<b>1.</b>	<b>2.</b>	<b>27.</b>	<b>28.</b>	<b>29.</b>
	<b>I. AGRICULTURE &amp; ALLIED ACTIVITIES</b>			
1 01 24 0100	Crop Husbandry	1756	20458	2295
2402 00	Soil and Water Conservation	43	24747	5750
2403 00	Animal Husbandry	291	500	355
2404 00	Dairy Development	6	100	650
2405 00	Fisheries	264	500	74
2406 00	Forestry & Wild Life	1171	5000	10573
2407 00	Plantations	160	0	0
2408 00	Food,Storage & Warehousing	52	0	56
2415 00	Agricultural Research & Education	5	1708	56
2416 00	Agricultural Financial Institutions	0	392	200
2435 00	Other Agricultural Programmes :			
	(a) Marketing & Quality Control	1013	6000	0
	(b) Others	0	0	0
2425 00	Cooperation	220	131	220
<b>1 01 0000 00</b>	<b>Total - (I)</b>	<b>4981</b>	<b>59536</b>	<b>20229</b>
		(8.89)	(12.22)	(19.27)
	<b>II. RURAL DEVELOPMENT</b>			
1 02 2501 00	<b>Special Programmes for Rural Development :</b>			
2501 01	(a) Integrated Rural Development Programme(IRDP) & Allied Programmes	166	3635	1332
2501 02	(b) Drought Prone Area Programme (DPAP)	0	912	334
2501 04	(c) Integrated Rural Energy Programme (IREP)	43	117	50
1 02 2505 00	<b>RURAL EMPLOYMENT</b>			
2505 01	(a) NREP/Jawahar Rozgar Yojna (JRY)	479	27429	1170
2505 60	(b) Other Programmes(like Employment Guarantee Scheme etc.)	806	500	0
1 02 2506 00	Land Reforms	159	9978	0
2515 00	Other Rural Development Programmes (Incl.Community Development and Panchayats)	2203	33538	7426
<b>102 0000 00</b>	<b>TOTAL - II</b>	<b>3856</b>	<b>76109</b>	<b>10312</b>
		(6.89)	(15.62)	(9.82)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Tripura	Uttar pradesh	Uttranchal
		*		*
<b>1.</b>	<b>2.</b>	<b>27.</b>	<b>28.</b>	<b>29.</b>
<b>1 03 0000 00</b>	<b>III. SPECIAL AREA PROGRAMMES</b>	<b>3146</b>	<b>17461</b>	<b>0</b>
		(5.62)	(3.58)	
1 04 0000 00	<b>IV. IRRIGATION &amp; FLOOD CONTROL</b>			
1 04 2701 00	Major and Medium Irrigation	609	73000	2800
2702 00	Minor Irrigation	4500	4500	1504
2705 00	Command Area Development	2	2848	12
2711 00	Flood Control(incl.anti-sea erosion,etc.)	1017	2347	150
<b>1 04 0000 00</b>	<b>TOTAL - IV</b>	<b>6128</b>	<b>82695</b>	<b>4466</b>
		(10.94)	(16.97)	(4.25)
	<b>V. ENERGY</b>			
1 05 2801 00	Power	2154	72883	8860
2810 00	Non-conventional Sources of Energy	23	603	700
<b>1 05 0000 00</b>	<b>TOTAL - V</b>	<b>2177</b>	<b>73486</b>	<b>9560</b>
		(3.89)	(15.08)	(9.10)
	<b>VI. INDUSTRY &amp; MINERALS</b>			
106 2851 00	Village & Small Industries	597	2259	948
2852 00	Industries (other than V&SI)	1210	1553	400
2853 02	Mining	7	0	6
<b>1 06 0000 00</b>	<b>TOTAL - (VI)</b>	<b>1814</b>	<b>3812</b>	<b>1354</b>
		(3.24)	(0.78)	(1.29)
	<b>VII. TRANSPORT</b>			
1 07 3051 00	Ports and light Houses	0	0	0
3052 00	Shipping	0	0	0
3053 00	Civil Aviation	0	397	1100
3054 00	Roads and Bridges	5246	55205	15971
3055 00	Road Transport	85	3262	0
3056 00	Inland Water Transport	0	0	0
3075 00	Other Transport Services	1399	0	431
<b>1 07 0000 00</b>	<b>TOTAL - (VII)</b>	<b>6730</b>	<b>58864</b>	<b>17502</b>
		(12.02)	(12.08)	(16.67)
<b>1 08 0000 00</b>	<b>VIII. COMMUNICATIONS</b>	<b>4</b>	<b>0</b>	<b>0</b>
		(0.01)		
	<b>IX. SCIENCE,TECHNOLOGY &amp; ENVIRONMENT</b>			
1 09 3425 00	Scientific Research (incl. S&T)	42	364	60

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Tripura	Uttar pradesh	Uttranchal
		*		*
<b>1.</b>	<b>2.</b>	<b>27.</b>	<b>28.</b>	<b>29.</b>
3435 00	Ecology & Environment	0	5627	48
	<b>TOTAL - (IX)</b>	<b>42</b>	<b>5991</b>	<b>108</b>
		(0.08)	(1.23)	(0.10)
	<b>X. GENERAL ECONOMIC SERVICES</b>			
1 10 3451 00	Secretariat Economic Services	314	356	62
3452 00	Tourism	98	1757	2402
3454 00	Surveys & Statistics	9	146	30
3456 00	Civil Supplies	23	0	0
3475 00	Other General Economic Services :			
	i) Distt. Plg./Distt. Councils	1	0	0
	ii) Weights & Measures	5	0	0
	iii) Others	2	0	530
<b>1 10 0000 00</b>	<b>TOTAL - (X)</b>	<b>452</b>	<b>2259</b>	<b>3024</b>
		(0.81)	(0.46)	(2.88)
	<b>XI. SOCIAL SERVICES EDUCATION</b>			
2 21 2202 00	General Education	4136	28230	8359
2203 00	Technical Education	360	1472	700
2204 00	Sports & Youth Services	279	438	381
2205 00	Art & Culture	37	718	138
<b>2 21 0000 00</b>	<b>Sub-Total (Education)</b>	<b>4812</b>	<b>30858</b>	<b>9578</b>
2 22 2210 00	Medical & Public Health	1879	8814	5972
2 23 2215 00	Water Supply & Sanitation	2797	23153	13425
2 23 2216 00	Housing (incl. police Housing)	11453	479	1361
2 23 2217 00	Urban Development (incl.state capital projects)	549	9878	2859
2 24 2220 00	Information & Publicity	507	67	40
2 25 2225 00	Welfare of SCs,STs & OBCs	1767	18180	987
2 26 2230 00	Labour & Employment			
	i) Labour & Labour Welfare	40	331	299
	ii) Special Employment Programmes	0	0	0
2 27 2235 00	Social Welfare	386	7013	1270
2 27 2236 00	Nutrition	1168	5000	0
2 28 2252 00	Other Social Services	0	0	0
<b>2 00 0000 00</b>	<b>TOTAL - (XI)</b>	<b>25358</b>	<b>103773</b>	<b>35791</b>
		(45.28)	(21.30)	(34.09)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Tripura	Uttar pradesh	Uttranchal
		*		*
<b>1.</b>	<b>2.</b>	<b>27.</b>	<b>28.</b>	<b>29.</b>
	<b>XII. GENERAL SERVICES</b>			
3 42 2056 00	Jails	37	0	95
2058 00	Stationery & Printing	17	49	0
2059 00	Public Works	719	3242	505
2070 00	Other Administrative Services :			
	i) Training	0	0	0
	ii) Others	539	0	2054
<b>3 00 0000 00</b>	<b>TOTAL - (XII)</b>	<b>1312</b>	<b>3291</b>	<b>2654</b>
		(2.34)	(0.68)	(2.53)
<b>9 99 9999 99</b>	<b>GRAND TOTAL</b>	<b>56000</b>	<b>487277</b>	<b>105000</b>
		(100)	(100)	(100)

## Annexure 3.2.4 Contd...

## ANNUAL PLAN - 2001-02 - REVISED OUTLAY - STATES/UtS

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	West Bengal	Total (States)	A & N Islands
				*
<b>1.</b>	<b>2.</b>	<b>30.</b>	<b>31.</b>	<b>32.</b>
	<b>I. AGRICULTURE &amp; ALLIED ACTIVITIES</b>			
1 01 24 0100	Crop Husbandry	4023	146858	175.00
402 00	Soil and Water Conservation	203	67111	181.00
2403 00	Animal Husbandry	2490	32107	335.00
2404 00	Dairy Development	672	4711	0.00
2405 00	Fisheries	4350	16986	360.00
2406 00	Forestry & Wild Life	3989	137961	1190.00
2407 00	Plantations	279	654	0.00
2408 00	Food,Storage & Warehousing	37	1079	0.00
2415 00	Agricultural Research & Education	828	30067	0.00
2416 00	Agricultural Financial Institutions	656	5513	0.00
2435 00	Other Agricultural Programmes :			
	(a) Marketing & Quality Control	671	12223	0.00
	(b) Others	0	0	0.00
2425 00	Cooperation	2086	32967	190.00
<b>1 01 0000 00</b>	<b>Total - (I)</b>	<b>20284</b>	<b>488237</b>	<b>2431.00</b>
		(3.56)		(6.57)
	<b>II. RURAL DEVELOPMENT</b>			
1 02 2501 00	<b>Special Programmes for Rural Development :</b>			
2501 01	(a) Integrated Rural Development Programme(IRDP) & Allied Programmes	1886	119538	0.00
2501 02	(b) Drought Prone Area Programme (DPAP)	111	36314	0.00
2501 04	(c) Integrated Rural Energy Programme (IREP)	0	1260	50.00
1 02 2505 00	<b>RURAL EMPLOYMENT</b>			
2505 01	(a) NREP/Jawahar Rozgar Yojna (JRY)	10815	114443	0.00
2505 60	(b) Other Programmes(like Employment Guarantee Scheme etc.)	0	130569	0.00
1 02 2506 00	Land Reforms	869	21278	100.00
2515 00	Other Rural Development Programmes (Incl.Community Development and Panchayats)	34012	378674	2550.00
<b>102 0000 00</b>	<b>TOTAL - II</b>	<b>47693</b>	<b>802076</b>	<b>2700.00</b>
		(8.38)		(7.30)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	West Bengal	Total (States)	A & N Islands
				*
<b>1.</b>	<b>2.</b>	<b>30.</b>	<b>31.</b>	<b>32.</b>
<b>1 03 0000 00</b>	<b>III. SPECIAL AREA PROGRAMMES</b>	<b>20825</b>	<b>80989</b>	<b>0.00</b>
		(3.66)		
1 04 0000 00	<b>IV. IRRIGATION &amp; FLOOD CONTROL</b>			
1 04 2701 00	Major and Medium Irrigation	13807	1127427	0.00
2702 00	Minor Irrigation	10775	194672.00	280.00
2705 00	Command Area Development	781	23221.00	0.00
2711 00	Flood Control(incl.anti-sea erosion,etc.)	30863	66048.00	0.00
<b>1 04 0000 00</b>	<b>TOTAL - IV</b>	<b>56226</b>	<b>1411368</b>	<b>280.00</b>
		(9.88)		(0.76)
	<b>V. ENERGY</b>			
1 05 2801 00	Power	123223	1263046	3050.00
810 00	Non-conventional Sources of Energy	263	9571	217.00
<b>1 05 0000 00</b>	<b>TOTAL - V</b>	<b>123486</b>	<b>1272617</b>	<b>3267.00</b>
		(21.69)		(8.83)
	<b>VI. INDUSTRY &amp; MINERALS</b>			
106 2851 00	Village & Small Industries	5741	93372	800.00
2852 00	Industries (other than V&SI)	30180	110433	0.00
2853 02	Mining	430	10931	0.00
<b>1 06 0000 00</b>	<b>TOTAL - (VI)</b>	<b>36351</b>	<b>214736</b>	<b>800.00</b>
		(6.38)		(2.16)
	<b>VII. TRANSPORT</b>			
1 07 3051 00	Ports and light Houses	0	1921	900.00
3052 00	Shipping	0	0	4800.00
3053 00	Civil Aviation	48	4261	1900.00
3054 00	Roads and Bridges	74990	863297	5675.00
3055 00	Road Transport	23403	156199	292.00
3056 00	Inland Water Transport	119	1682	0.00
3075 00	Other Transport Services	0	18132	0.00
<b>1 07 0000 00</b>	<b>TOTAL - (VII)</b>	<b>98560</b>	<b>1045492</b>	<b>13567.00</b>
		(17.31)		(36.67)
<b>1 08 0000 00</b>	<b>VIII. COMMUNICATIONS</b>	<b>0</b>	<b>861</b>	<b>85.00</b>
		(0.23)		
	<b>IX. SCIENCE,TECHNOLOGY &amp; ENVIRONMENT</b>			
1 09 3425 00	Scientific Research (incl. S&T)	3048	19504	20.00

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	West Bengal	Total (States)	A & N Islands
				*
<b>1.</b>	<b>2.</b>	<b>30.</b>	<b>31.</b>	<b>32.</b>
3435 00	Ecology & Environment	1928	19356	0.00
	<b>TOTAL - (IX)</b>	<b>4976</b>	<b>38860</b>	<b>20.00</b>
		(0.87)		(0.05)
	<b>X. GENERAL ECONOMIC SERVICES</b>			
1 10 3451 00	Secretariat Economic Services	74	92203	150.00
3452 00	Tourism	851	32441	641.00
3454 00	Surveys & Statistics	32	2674	30.00
3456 00	Civil Supplies	875	6520	220.00
3475 00	Other General Economic Services :			
	i) Distt. Plg./Distt. Councils	2817	41173	0.00
	ii) Weights & Measures	26	2127	0.00
	iii) Others	0	30859	0.00
<b>1 10 0000 00</b>	<b>TOTAL - (X)</b>	<b>4675</b>	<b>207997</b>	<b>1041.00</b>
		(0.82)		(2.81)
	<b>XI. SOCIAL SERVICES EDUCATION</b>			
2 21 2202 00	General Education	16256	593702	3790.00
2203 00	Technical Education	2134	34989	0.00
2204 00	Sports & Youth Services	2538	21083	0.00
2205 00	Art & Culture	612	14269	0.00
<b>2 21 0000 00</b>	<b>Sub-Total (Education)</b>	<b>21540</b>	<b>664043</b>	<b>3790.00</b>
2 22 2210 00	Medical & Public Health	33352	319741	1900.00
2 23 2215 00	Water Supply & Sanitation	18420	519890	2675.00
2 23 2216 00	Housing (incl. police Housing)	3110	236515	1600.00
2 23 2217 00	Urban Development (incl.state capital projects)	45625	363042	1127.00
2 24 2220 00	Information & Publicity	693	13531	75.00
2 25 2225 00	Welfare of SCs,STs & OBCs	6128	192144	70.00
2 26 2230 00	Labour & Employment			
	i) Labour & Labour Welfare	877	22074	67.00
	ii) Special Employment Programmes	0	3166	0.00
2 27 2235 00	Social Welfare	5856	115770	125.00
2 27 2236 00	Nutrition	6702	85075	220.00
2 28 2252 00	Other Social Services	2556	11173	0.00
<b>2 00 0000 00</b>	<b>TOTAL - (XI)</b>	<b>144859</b>	<b>2546164</b>	<b>11649.00</b>
		(25.44)		(31.48)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	West Bengal	Total (States)	A & N Islands
				*
<b>1.</b>	<b>2.</b>	<b>30.</b>	<b>31.</b>	<b>32.</b>
	<b>XII. GENERAL SERVICES</b>			
3 42 2056 00	Jails 727	4681	110.00	
2058 00	Stationery & Printing	28	6613	0.00
2059 00	Public Works	9149	51304	650.00
2070 00	Other Administrative Services :			
	i) Training	0	477	0.00
	ii) Others	1492	189104	400.00
<b>3 00 0000 00</b>	<b>TOTAL - (XII)</b>	<b>11396</b>	<b>252179</b>	<b>1160.00</b>
		(2.00)		(3.14)
<b>9 99 9999 99</b>	<b>GRAND TOTAL</b>	<b>569331</b>	<b>8361576</b>	<b>37000.00</b>
		(100)	(100)	(100)



## ANNUAL PLAN - 2001-02 - REVISED OUTLAY - STATES/Uts

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Chandigarh	D & N Haveli	Daman & Diu
		*	*	
<b>1.</b>	<b>2.</b>	<b>33.</b>	<b>34.</b>	<b>35.</b>
	<b>I. AGRICULTURE &amp; ALLIED ACTIVITIES</b>			
1 01 24 0100	Crop Husbandry	3.00	131.55	37.00
2402 00	Soil and Water Conservation	3.00	140.05	1.00
2403 00	Animal Husbandry	16.00	26.00	13.00
2404 00	Dairy Development	0.00	2.00	2.00
2405 00	Fisheries	23.00	0.45	57.00
2406 00	Forestry & Wild Life	688.00	255.60	41.00
2407 00	Plantations	0.00	0.00	0.00
2408 00	Food,Storage & Warehousing	0.00	0.00	0.00
2415 00	Agricultural Research & Education	0.00	0.00	0.00
2416 00	Agricultural Financial Institutions	0.00	0.00	0.00
2435 00	Other Agricultural Programmes :			
	(a) Marketing & Quality Control	0.00	0.00	0.00
	(b) Others	0.00	0.00	0.00
2425 00	Cooperation	6.00	22.15	12.00
<b>1 01 0000 00</b>	<b>Total - (I)</b>	<b>739.00</b>	<b>577.80</b>	<b>163.00</b>
		(4.80)	(11.22)	(3.86)
	<b>II. RURAL DEVELOPMENT</b>			
1 02 2501 00	<b>Special Programmes for Rural Development :</b>			
2501 01	(a) Integrated Rural Development Programme(IRDP) & Allied Programmes	0.00	0.00	0.00
2501 02	(b) Drought Prone Area Programme (DPAP)	0.00	0.00	0.00
2501 04	(c) Integrated Rural Energy Programme (IREP)	5.00	4.05	0.00
1 02 2505 00	<b>RURAL EMPLOYMENT</b>			
2505 01	(a) NREP/Jawahar Rozgar Yojna (JRY)	0.00	0.00	0.00
2505 60	(b) Other Programmes(like Employment Guarantee Scheme etc.)	0.00	0.00	0.00
1 02 2506 00	Land Reforms	0.00	5.88	18.00
2515 00	Other Rural Development Programmes (Incl.Community Development and Panchayats)	172.00	79.02	13.00
<b>102 0000 00</b>	<b>TOTAL - II</b>	<b>177.00</b>	<b>88.95</b>	<b>31.00</b>
		(1.15)	(1.73)	(0.73)

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Chandigarh	D & N Haveli	Daman & Diu
		*	*	
<b>1.</b>	<b>2.</b>	<b>33.</b>	<b>34.</b>	<b>35.</b>
<b>1 03 0000 00</b>	<b>III. SPECIAL AREA PROGRAMMES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
1 04 0000 00	<b>IV. IRRIGATION &amp; FLOOD CONTROL</b>			
1 04 2701 00	Major and Medium Irrigation	0.00	50.00	10.00
2702 00	Minor Irrigation	20.00	57.00	5.00
2705 00	Command Area Development	0.00	18.00	0.00
2711 00	Flood Control(incl.anti-sea erosion,etc.)	0.00	0.00	22.00
<b>1 04 0000 00</b>	<b>TOTAL - IV</b>	<b>20.00</b>	<b>125.00</b>	<b>37.00</b>
		(0.13)	(2.43)	(0.88)
	<b>V. ENERGY</b>			
1 05 2801 00	Power	1255.00	1493.80	1425.00
2810 00	Non-conventional Sources of Energy	15.00	3.95	3.00
<b>1 05 0000 00</b>	<b>TOTAL - V</b>	<b>1270.00</b>	<b>1497.75</b>	<b>1428.00</b>
		(8.24)	(29.09)	(33.85)
	<b>VI. INDUSTRY &amp; MINERALS</b>			
106 2851 00	Village & Small Industries	41.00	37.00	9.00
2852 00	Industries (other than V&SI)	0.00	0.00	18.00
2853 02	Mining	0.00	0.00	0.00
<b>1 06 0000 00</b>	<b>TOTAL - (VI)</b>	<b>41.00</b>	<b>37.00</b>	<b>27.00</b>
		(0.27)	(0.72)	(0.64)
	<b>VII. TRANSPORT</b>			
1 07 3051 00	Ports and light Houses	0.00	0.00	30.00
3052 00	Shipping	0.00	0.00	0.00
3053 00	Civil Aviation	0.00	0.00	0.00
3054 00	Roads and Bridges	50.00	902.00	1298.00
3055 00	Road Transport	400.00	1.00	0.00
3056 00	Inland Water Transport	0.00	0.00	0.00
3075 00	Other Transport Services	21.00	0.00	2.00
<b>1 07 0000 00</b>	<b>TOTAL - (VII)</b>	<b>471.00</b>	<b>903.00</b>	<b>1330.00</b>
		(3.06)	(17.54)	(31.52)
<b>1 08 0000 00</b>	<b>VIII. COMMUNICATIONS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	<b>IX. SCIENCE, TECHNOLOGY &amp; ENVIRONMENT</b>			
1 09 3425 00	Scientific Research (incl. S&T)	32.00	6.00	10.00
3435 00	Ecology & Environment	122.00	0.00	0.00
	<b>TOTAL - (IX)</b>	<b>154.00</b>	<b>6.00</b>	<b>10.00</b>

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Chandigarh	D & N Haveli	Daman & Diu
		*	*	
<b>1.</b>	<b>2.</b>	<b>33.</b>	<b>34.</b>	<b>35.</b>
		(1.00)	(0.12)	(0.24)
	<b>X. GENERAL ECONOMIC SERVICES</b>			
1 10 3451 00	Secretariat Economic Services	1.00	1.00	0.00
3452 00	Tourism	120.00	108.00	65.00
3454 00	Surveys & Statistics	1.00	3.00	17.00
3456 00	Civil Supplies	100.00	2.00	5.00
3475 00	Other General Economic Services :			
	i) Distt. Plg./Distt. Councils	0.00	0.00	0.00
	ii) Weights & Measures	0.00	1.00	2.00
	iii) Others	0.00	20.00	0.00
<b>1 10 0000 00</b>	<b>TOTAL - (X)</b>	<b>222.00</b>	<b>135.00</b>	<b>89.00</b>
		(1.44)	(2.62)	(2.11)
	<b>XI. SOCIAL SERVICES EDUCATION</b>			
2 21 2202 00	General Education	712.00	563.80	267.00
2203 00	Technical Education	245.00	87.00	103.00
2204 00	Sports & Youth Services	298.00	10.00	10.00
2205 00	Art & Culture	304.00	10.00	14.00
<b>2 21 0000 00</b>	<b>Sub-Total (Education)</b>	<b>1559.00</b>	<b>670.80</b>	<b>394.00</b>
2 22 2210 00	Medical & Public Health	3947.25	234.80	165.00
2 23 2215 00	Water Supply & Sanitation	810.00	301.60	175.00
2 23 2216 00	Housing (incl. police Housing)	706.10	114.10	60.00
2 23 2217 00	Urban Development (incl.state capital projects)	4854.00	107.00	108.00
2 24 2220 00	Information & Publicity	7.00	8.00	10.00
2 25 2225 00	Welfare of SCs,STs & OBCs	76.00	0.00	18.00
2 26 2230 00	Labour & Employment			
	i) Labour & Labour Welfare	32.00	26.00	27.00
	ii) Special Employment Programmes	0.00	0.00	0.00
2 27 2235 00	Social Welfare	73.00	9.00	7.00
2 27 2236 00	Nutrition	94.65	62.20	46.00
2 28 2252 00	Other Social Services	11.00	0.00	0.00
<b>2 00 0000 00</b>	<b>TOTAL - (XI)</b>	<b>12170.00</b>	<b>1533.50</b>	<b>1010.00</b>
		(78.97)	(29.79)	(23.94)
	<b>XII. GENERAL SERVICES</b>			
3 42 2056 00	Jails	0.00	0.00	0.00

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Chandigarh	D & N Haveli	Daman & Diu
		*	*	
<b>1.</b>	<b>2.</b>	<b>33.</b>	<b>34.</b>	<b>35.</b>
2058 00	Stationery & Printing	0.00	11.00	36.00
2059 00	Public Works	0.00	194.00	55.00
2070 00	Other Administrative Services :			
	i) Training	0.00	0.00	0.00
	ii) Others	147.00	39.00	3.00
<b>3 00 0000 00</b>	<b>TOTAL - (XII)</b>	<b>147.00</b>	<b>244.00</b>	<b>94.00</b>
		(0.95)	(4.74)	(2.23)
<b>9 99 9999 99</b>	<b>GRAND TOTAL</b>	<b>15411.00</b>	<b>5148.00</b>	<b>4219.00</b>
		(100)	(100)	(100)

## ANNUAL PLAN - 2001-02 - REVISED OUTLAY - STATES/Uts

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Delhi	Laksha-dweep	Pondi-cherry
1.	2.	36.	37.	38.
	<b>I. AGRICULTURE &amp; ALLIED ACTIVITIES</b>			
1 01 24 0100	Crop Husbandry	226.00	167.28	894.00
2402 00	Soil and Water Conservation	75.00	25.00	46.00
2403 00	Animal Husbandry	434.00	258.93	818.00
2404 00	Dairy Development	500.00	0.00	59.72
2405 00	Fisheries	22.00	122.39	410.81
2406 00	Forestry & Wild Life	460.00	21.20	118.00
2407 00	Plantations	345.00	0.00	0.00
2408 00	Food,Storage & Warehousing	0.00	0.00	0.00
2415 00	Agricultural Research & Education	0.00	0.00	513.00
2416 00	Agricultural Financial Institutions	0.00	0.00	0.00
2435 00	Other Agricultural Programmes :			
	(a) Marketing & Quality Control	6.00	0.00	148.00
	(b) Others	0.00	0.00	0.00
2425 00	Cooperation	60.00	287.83	831.21
<b>1 01 0000 00</b>	<b>Total - (I)</b>	<b>2128.00</b>	<b>882.63</b>	<b>3838.74</b>
		(0.56)	(8.41)	(10.81)
	<b>II. RURAL DEVELOPMENT</b>			
1 02 2501 00	<b>Special Programmes for Rural Development :</b>			
2501 01	(a) Integrated Rural Development Programme(IRDP) & Allied Programmes	0.00	0.00	0.00
2501 02	(b) Drought Prone Area Programme (DPAP)	0.00	0.00	0.00
2501 04	(c) Integrated Rural Energy Programme (IREP)	250.00	27.00	0.02
1 02 2505 00	<b>RURAL EMPLOYMENT</b>			
2505 01	(a) NREP/Jawahar Rozgar Yojna (JRY)	0.00	0.00	0.00
2505 60	(b) Other Programmes(like Employment Guarantee Scheme etc.)	0.00	0.00	0.00
1 02 2506 00	Land Reforms	15.00	0.00	25.65
2515 00	Other Rural Development Programmes (Incl.Community Development and Panchayats)	8000.00	169.55	1147.30
<b>102 0000 00</b>	<b>TOTAL - II</b>	<b>8265.00</b>	<b>196.55</b>	<b>1172.97</b>
		(2.18)	(1.87)	(3.30)
<b>1 03 0000 00</b>	<b>III. SPECIAL AREA PROGRAMMES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Delhi	Laksha-dweep	Pondi-cherry
1.	2.	36.	37.	38.
1 04 0000 00	<b>IV. IRRIGATION &amp; FLOOD CONTROL</b>			
1 04 2701 00	Major and Medium Irrigation	0.00	0.00	0.00
2702 00	Minor Irrigation	68.00	0.00	886.33
2705 00	Command Area Development	0.00	0.00	0.00
2711 00	Flood Control(incl.anti-sea erosion,etc.)	2400.00	500.00	407.47
<b>1 04 0000 00</b>	<b>TOTAL - IV</b>	<b>2468.00</b>	<b>500.00</b>	<b>1293.80</b>
		(0.65)	(4.76)	(3.64)
	<b>V. ENERGY</b>			
1 05 2801 00	Power	69850.00	272.76	2769.01
2810 00	Non-conventional Sources of Energy	150.00	418.80	12.15
<b>1 05 0000 00</b>	<b>TOTAL - V</b>	<b>70000.00</b>	<b>691.56</b>	<b>2781.16</b>
		(18.42)	(6.59)	(7.83)
	<b>VI. INDUSTRY &amp; MINERALS</b>			
106 2851 00	Village & Small Industries	4300.00	167.38	1382.48
2852 00	Industries (other than V&SI)	0.00	0.00	3302.00
2853 02	Mining	0.00	0.00	0.00
<b>1 06 0000 00</b>	<b>TOTAL - (VI)</b>	<b>4300.00</b>	<b>167.38</b>	<b>4684.48</b>
		(1.13)	(1.59)	(13.20)
	<b>VII. TRANSPORT</b>			
1 07 3051 00	Ports and light Houses	0.00	70.00	425.00
3052 00	Shipping	0.00	5437.77	0.00
3053 00	Civil Aviation	0.00	0.00	0.00
3054 00	Roads and Bridges	32100.00	500.00	2453.51
3055 00	Road Transport	59040.00	0.91	43.20
3056 00	Inland Water Transport	0.00	60.73	0.00
3075 00	Other Transport Services	0.00	0.00	0.00
<b>1 07 0000 00</b>	<b>TOTAL - (VII)</b>	<b>91140.00</b>	<b>6069.41</b>	<b>2921.71</b>
		(23.98)	(57.81)	(8.23)
<b>1 08 0000 00</b>	<b>VIII. COMMUNICATIONS</b>	<b>0.00</b>	<b>13.68</b>	<b>0.00</b>
		(0.13)		
	<b>IX. SCIENCE, TECHNOLOGY &amp; ENVIRONMENT</b>			
1 09 3425 00	Scientific Research (incl. S&T)	385.00	37.24	33.60
3435 00	Ecology & Environment	620.00	37.17	34.40
	<b>TOTAL - (IX)</b>	<b>1005.00</b>	<b>74.41</b>	<b>68.00</b>

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Delhi	Laksha-dweep	Pondi-cherry
1.	2.	36.	37.	38.
		(0.26)	(0.71)	(0.19)
	<b>X. GENERAL ECONOMIC SERVICES</b>			
1 10 3451 00	Secretariat Economic Services	230.00	17.19	30.00
3452 00	Tourism	545.00	58.75	642.50
3454 00	Surveys & Statistics	385.00	7.01	10.00
3456 00	Civil Supplies	475.00	0.00	319.00
3475 00	Other General Economic Services :			
	i) Distt. Plg./Distt. Councils	0.00	0.00	0.00
	ii) Weights & Measures	40.00	0.00	5.00
	iii) Others	0.00	5.09	136.55
<b>1 10 0000 00</b>	<b>TOTAL - (X)</b>	<b>1675.00</b>	<b>88.04</b>	<b>1143.05</b>
		(0.44)	(0.84)	(3.22)
	<b>XI. SOCIAL SERVICES EDUCATION</b>			
2 21 2202 00	General Education	32330.00	345.75	3085.26
2203 00	Technical Education	5367.00	0.00	1442.98
2204 00	Sports & Youth Services	810.00	128.75	231.78
2205 00	Art & Culture	1281.00	53.50	312.60
<b>2 21 0000 00</b>	<b>Sub-Total (Education)</b>	<b>39788.00</b>	<b>528.00</b>	<b>5072.62</b>
2 22 2210 00	Medical & Public Health	34121.00	211.46	2959.69
2 23 2215 00	Water Supply & Sanitation	52415.00	238.40	1689.00
2 23 2216 00	Housing (incl. police Housing)	3032.00	299.85	763.85
2 23 2217 00	Urban Development (incl.state capital projects)	47890.00	240.00	1681.00
2 24 2220 00	Information & Publicity	260.00	16.15	67.00
2 25 2225 00	Welfare of SCs,STs & OBCs	2400.00	0.00	803.71
2 26 2230 00	Labour & Employment			
	i) Labour & Labour Welfare	821.00	29.16	301.00
	ii) Special Employment Programmes	0.00	0.00	0.00
2 27 2235 00	Social Welfare	3850.00	23.82	1630.79
2 27 2236 00	Nutrition	3430.00	58.70	674.69
2 28 2252 00	Other Social Services	0.00	0.00	0.00
<b>2 00 0000 00</b>	<b>TOTAL - (XI)</b>	<b>188007.00</b>	<b>1645.54</b>	<b>15643.35</b>
		(49.48)	(15.67)	(44.07)
	<b>XII. GENERAL SERVICES</b>			
3 42 2056 00	Jails	2500.00	0.00	0.00

## Annexure-3.2.4 Contd...

(Rs. Lakh)

<b>Code No.</b>	<b>Major Heads/Minor Heads of Development</b>	<b>Delhi</b>	<b>Laksha- dweep</b>	<b>Pondi- cherry</b>
<b>1.</b>	<b>2.</b>	<b>36.</b>	<b>37.</b>	<b>38.</b>
2058 00	Stationery & Printing	0.00	28.85	79.00
2059 00	Public Works	3925.00	0.00	1345.75
2070 00	Other Administrative Services :			
	i) Training	40.00	0.00	0.00
	ii) Others	4547.00	139.95	527.99
<b>3 00 0000 00</b>	<b>TOTAL - (XII)</b>	<b>11012.00</b>	<b>168.80</b>	<b>1952.74</b>
		(2.90)	(1.61)	(5.50)
<b>9 99 9999 99</b>	<b>GRAND TOTAL</b>	<b>380000.00</b>	<b>10498.00</b>	<b>35500.00</b>
		(100)	(100)	(100)



## ANNUAL PLAN - 2001-02 - REVISED OUTLAY - STATES/UTs

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Total (UTs)	Total (States & UTs)	% Age to Outlay
1.	2.	39.	40.	41.
	<b>I. AGRICULTURE &amp; ALLIED ACTIVITIES</b>			
1 01 24 0100	Crop Husbandry	1633.83	148491.83	1.68
2402 00	Soil and Water Conservation	471.05	67582.05	0.76
2403 00	Animal Husbandry	1900.93	34007.93	0.38
2404 00	Dairy Development	563.72	5274.72	0.06
2405 00	Fisheries	995.65	17981.65	0.20
2406 00	Forestry & Wild Life	2773.80	140734.80	1.59
2407 00	Plantations	345.00	999.00	0.01
2408 00	Food,Storage & Warehousing	0.00	1079.00	0.01
2415 00	Agricultural Research & Education	513.00	30580.00	0.35
2416 00	Agricultural Financial Institutions	0.00	5513.00	0.06
2435 00	Other Agricultural Programmes :			
	(a) Marketing & Quality Control	154.00	12377.00	0.14
	(b) Others	0.00	0.00	0.00
2425 00	Cooperation	1409.19	34376.19	0.39
<b>1 01 0000 00</b>	<b>Total - (I)</b>	<b>10760.17</b>	<b>498997.17</b>	<b>5.64</b>
		(2.21)	(5.64)	
	<b>II. RURAL DEVELOPMENT</b>			
1 02 2501 00	<b>Special Programmes for Rural Development :</b>			
2501 01	(a) Integrated Rural Development Programme(IRDP) & Allied Programmes	0.00	119538.00	1.35
2501 02	(b) Drought Prone Area Programme (DPAP)	0.00	36314.00	0.41
2501 04	(c) Integrated Rural Energy Programme (IREP)	336.07	1596.07	0.02
1 02 2505 00	<b>RURAL EMPLOYMENT</b>			
2505 01	(a) NREP/Jawahar Rozgar Yojna (JRY)	0.00	114443.00	1.29
2505 60	(b) Other Programmes(like Employment Guarantee Scheme etc.)	0.00	130569.00	1.48
1 02 2506 00	Land Reforms	164.53	21442.53	0.24
2515 00	Other Rural Development Programmes (Incl.Community Development and Panchayats)	12130.87	390804.87	4.42
<b>102 0000 00</b>	<b>TOTAL - II</b>	<b>12631.47</b>	<b>814707.47</b>	<b>9.21</b>
		(2.59)	(9.21)	

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Total (UTs)	Total (States & UTs)	% Age to Outlay
1.	2.	39.	40.	41.
<b>1 03 0000 00</b>	<b>III. SPECIAL AREA PROGRAMMES</b>	<b>0.00</b>	<b>80989.00</b>	<b>0.92</b>
		(0.92)		
1 04 0000 00	<b>IV. IRRIGATION &amp; FLOOD CONTROL</b>			
1 04 2701 00	Major and Medium Irrigation	60.00	1127487.00	12.74
2702 00	Minor Irrigation	1316.33	195988.33	2.21
2705 00	Command Area Development	18.00	23239.00	0.26
2711 00	Flood Control(incl.anti-sea erosion,etc.)	3329.47	69377.47	0.78
<b>1 04 0000 00</b>	<b>TOTAL - IV</b>	<b>4723.80</b>	<b>1416091.80</b>	<b>16.00</b>
		(0.97)	(16.00)	
	<b>V. ENERGY</b>			
1 05 2801 00	Power	80115.57	1343161.57	15.18
2810 00	Non-conventional Sources of Energy	819.90	10390.90	0.12
<b>1 05 0000 00</b>	<b>TOTAL - V</b>	<b>80935.47</b>	<b>1353552.47</b>	<b>15.30</b>
		(16.59)	(15.30)	
	<b>VI. INDUSTRY &amp; MINERALS</b>			
106 2851 00	Village & Small Industries	6736.86	100108.86	1.13
2852 00	Industries (other than V&SI)	3320.00	113753.00	1.29
2853 02	Mining	0.00	10931.00	0.12
<b>1 06 0000 00</b>	<b>TOTAL - (VI)</b>	<b>10056.86</b>	<b>224792.86</b>	<b>2.54</b>
		(2.06)	(2.54)	
	<b>VII. TRANSPORT</b>			
1 07 3051 00	Ports and light Houses	1425.00	3346.00	0.04
3052 00	Shipping	10237.77	10237.77	0.12
3053 00	Civil Aviation	1900.00	6161.00	0.07
3054 00	Roads and Bridges	42978.51	906275.51	10.24
3055 00	Road Transport	59777.11	215976.11	2.44
3056 00	Inland Water Transport	60.73	1742.73	0.02
3075 00	Other Transport Services	23.00	18155.00	0.21
<b>1 07 0000 00</b>	<b>TOTAL - (VII)</b>	<b>116402.12</b>	<b>1161894.12</b>	<b>13.13</b>
		(23.86)	(13.13)	
<b>1 08 0000 00</b>	<b>VIII. COMMUNICATIONS</b>	<b>98.68</b>	<b>959.68</b>	<b>0.01</b>
		(0.01)		

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Total (UTs)	Total (States & UTs)	% Age to Outlay
1.	2.	39.	40.	41.
	<b>IX. SCIENCE, TECHNOLOGY &amp; ENVIRONMENT</b>			
1 09 3425 00	Scientific Research (incl. S&T)	523.84	20027.84	0.23
3435 00	Ecology & Environment	813.57	20169.57	0.23
	<b>TOTAL - (IX)</b>	<b>1337.41</b>	<b>40197.41</b>	<b>0.45</b>
		(0.27)	(0.45)	
	<b>X. GENERAL ECONOMIC SERVICES</b>			
1 10 3451 00	Secretariat Economic Services	429.19	92632.19	1.05
3452 00	Tourism	2180.25	34621.25	0.39
3454 00	Surveys & Statistics	453.01	3127.01	0.04
3456 00	Civil Supplies	1121.00	7641.00	0.09
3475 00	Other General Economic Services :			
	i) Distt. Plg./Distt. Councils	0.00	41173.00	0.47
	ii) Weights & Measures	48.00	2175.00	0.02
	iii) Others	161.64	31020.64	0.35
<b>1 10 0000 00</b>	<b>TOTAL - (X)</b>	<b>4393.09</b>	<b>212390.09</b>	<b>2.40</b>
		(0.90)	(2.40)	
	<b>XI. SOCIAL SERVICES EDUCATION</b>			
2 21 2202 00	General Education	41093.81	634795.81	7.17
2203 00	Technical Education	7244.98	42233.98	0.48
2204 00	Sports & Youth Services	1488.53	22571.53	0.26
2205 00	Art & Culture	1975.10	16244.10	0.18
<b>2 21 0000 00</b>	<b>Sub-Total (Education)</b>	<b>51802.42</b>	<b>715845.42</b>	<b>8.09</b>
2 22 2210 00	Medical & Public Health	43539.20	363280.20	4.11
2 23 2215 00	Water Supply & Sanitation	58304.00	578194.00	6.53
2 23 2216 00	Housing (incl. police Housing)	6575.90	243090.90	2.75
2 23 2217 00	Urban Development (incl. state capital projects)	56007.00	419049.00	4.74
2 24 2220 00	Information & Publicity	443.15	13974.15	0.16
2 25 2225 00	Welfare of SCs, STs & OBCs	3367.71	195511.71	2.21
2 26 2230 00	Labour & Employment			
	i) Labour & Labour Welfare	1303.16	23377.16	0.26
	ii) Special Employment Programmes	0.00	3166.00	0.04
2 27 2235 00	Social Welfare	5718.61	121488.61	1.37

## Annexure-3.2.4 Contd...

(Rs. Lakh)

Code No.	Major Heads/Minor Heads of Development	Total (UTs)	Total (States & UTs)	% Age to Outlay
1.	2.	39.	40.	41.
2 27 2236 00	Nutrition	4586.24	89661.24	1.01
2 28 2252 00	Other Social Services	11.00	11184.00	0.13
<b>2 00 0000 00</b>	<b>TOTAL - (XI)</b>	<b>231658.39</b>	<b>2777822.39</b>	<b>31.39</b>
		(47.49)	(31.39)	
	<b>XII. GENERAL SERVICES</b>			
3 42 2056 00	Jails 2610.00	7291.00	0.08	
2058 00	Stationery & Printing	154.85	6767.85	0.08
2059 00	Public Works	6169.75	57473.75	0.65
2070 00	Other Administrative Services :			
	i) Training	40.00	517.00	0.01
	ii) Others	5803.94	194907.94	2.20
<b>3 00 0000 00</b>	<b>TOTAL - (XII)</b>	<b>14778.54</b>	<b>266957.54</b>	<b>3.02</b>
		(3.03)	(3.02)	
<b>9 99 9999 99</b>	<b>GRAND TOTAL</b>	<b>487776.00</b>	<b>8849352.00</b>	<b>100.00</b>
		(100)	(100)	

## FOOTNOTES

\* Revision not sought by State Govt. Approved Outlay repeated.

### ANDHRA PRADESH

- 1) Includes Rs. 15 lakhs for CD & Panchayats and Rs.15205 lakhs for Assistance to Local Bodies.
- 2) For Traffic Control
- 3) For Legal Metrology.
- 4) Includes Rs. 781 lakhs for Court Building ; Rs.35 lakhs for AP Police Academy Complex; Rs. 756 lakhs for Mandal Bindings; Rs. 633 lakhs for Institute of Administration; Rs. 402 lakhs for Dir. Fire Service; Rs. 5780 lakhs for Modernisation of Police force and Rs. 379 lakhs for NALSAR.

### ARUNACHAL PRADESH

- 1) Includes Rs. 30 lakhs for Directorate of Transport and Rs. 8 lakhs for Roads safety programme.
- 2) Includes Rs. 1211 lakhs for MLALAD Schemes and Rs. 12 lakhs for Small Savings.
- 3) Includes Rs. 72 lakhs for ITI and Rs. 22 lakhs for Employment Exchange.
- 4) For NRY /SJSRY
- 5) Includes Rs. 54 lakhs for Infrastructure Facility for Judiciary; Rs.141 lakhs for Police Admn.; Rs. 100 lakhs for Fire Service; Rs. 201 lakhs for Prison Admin; Rs. 15 lakhs for Fiscal Admn;

### ASSAM

- 1) Includes Rs. 9511 lakhs for Shelter & Rural Roads for PMGY and Rs. 2242 lakhs for other Rural Deve. Programme.
- 2) Includes Rs. 18 lakhs for Public Enterprises and Rs. 150 lakhs for Administration of Justice.
- 3) Includes Rs. 200 lakhs for Special Employment Programme .

### BIHAR

- 1) Includes Rs. 4100 lakhs for Emp. Assurance Scheme and Rs. 10600 lakhs for Indira Awas Yojana also.
- 2) Includes Rs. 3308 lakhs for Community Dev; Rs. 28177 lakhs for Panchayats; Rs. 8603 lakhs for others-PMGY- IAY and Rs. 22650 lakhs for MLA-MLC schemes.
- 3) Includes Rs. 28 lakhs for monitoring of twenty point programme ; Rs. 100 lakhs for man power training; Rs. 500 lakhs for District Re-organization; Rs. 200 lakhs for Minority Financing; Rs. 203 lakhs computerization of treasuries and Rs. 200 lakhs for Computerization of Commercial Taxes.

## **CHATTISGARH**

- 1) Includes Rs. 11000 lakhs for Rural Roads also.

## **GOA**

- 1) Includes Rs. 25 lakhs DRDA Administration also.
- 2) Includes Rs. 500 lakhs for Information Technology.
- 3) For Railways.
- 4) Includes Rs. 70 lakhs for Judicial Administration; Rs. 17 lakhs for Accounts and Rs. 2000 lakhs for Finance.

## **GUJARAT**

- 1) Includes Rs. 491 lakhs for Spl. Emp. Generation Prog; Rs. 5902 lakhs for Indira Awas Yojana; Rs. 1204 lakhs for Employment Assurance Scheme and Rs. 4000 lakhs for Sampuran Gram Rozgar Yojana.
- 2) Includes Rs. 3130 for Com Dev. & Panchayats; Rs. 27 lakhs for Strengthening Training Facilities for Rural Development; Rs. 358 lakhs for DRDA Administration; Rs. 18 lakhs for Regional Rural Banks; Rs.219 lakhs for Earmarking for TASP; Rs.4 lakhs for State Water Shed Programme on demand; Rs.457 lakhs for Water shed Project (NABARD); Rs. 5264 for Gokul Gram Yojana; and Rs. 1108 lakhs for Desert Development prog.
- 3) Includes Rs. 7378 lakhs for Mid day meals programme.
- 4) For Border Area Dev. Programme.

## **HARYANA**

- 1) Includes Rs. 317 lakhs for horticulture also.
- 2) Includes Rs. 5252 lakhs for Rural Roads and Rs. 3160 lakhs for Comm.Deve.& Panchayats.

## **HIMACHAL PRADESH**

- 1) For Consumer Commission.

## **JHARKHAND**

- 1) Included under Forestry & wildlife.
- 2) Included under IRDP and Allied Programmes.
- 3) Included under General Education.
- 4) Included under Sports & Youth Services.

## **KARNATAKA**

- 1) Includes Rs. 426 lakhs for DRDA Administration.
- 2) Includes Rs. 304 lakhs for Desert Dev. Programme.

- 3) Includes Rs. 10 lakhs for Wasteland Dev. Programme also.
- 4) For Pollution control.
- 5) Includes Rs. 86 lakhs for Modernization of Administration; Rs. 19600 lakhs for Transfer of Cess to Infrastructure initiative fund and Rs. 2308 for Technical Assistance to VAT (WBA).
- 6) Includes Rs. 642 lakhs for Saree Dhoti Scheme and Rs.230 lakhs for Consumer Welfare.
- 7) Includes Rs. 121 lakhs for Fire protection; Rs.39 lakhs for Administration of Justice; Rs.41 lakhs for Governance to Administrative Reforms and Rs. 495 lakhs Human Resource Development.

### **KERALA**

- 1) For Plan assistance to Local Bodies.

### **MAHARASHTRA**

- 1) Includes Rs. 26194 lakhs for Panchayati Raj; Rs. 1462 lakhs for Rural Sanitation Programme; Rs. 45 lakhs for Activities for Cremation & Burial; Rs. 36 lakhs for Grant-in-aid to YASHADA; Rs. 109 lakhs for International Fund for Agriculture and Rs. 4 lakhs for Rural Group Life Insurance.
- 2) For States participation in Konkan Railway Project.
- 3) For Employment and Self Employment Programme.
- 4) Includes Rs. 307 lakhs for Maharashtra Earthquake Rehabilitation Prog; Rs. 10000 lakhs for unallocated Additional Outlay for SDB; Rs. 3382 lakhs for Vidarbha development prog.; Rs. 2243 lakhs for Maharashtra Development Prog.; Rs.1954 lakhs for Konkan deve. Prog. Rs. 3671 lakhs for undistributed S.C.P/T.S.P. and Rs., 5200 lakhs for Sihansth Kumbharnela.

### **MADHYA PRADESH**

- 1) Includes Rs. 1607 lakhs for Rural Raods and Rs. 2497 lakhs for Rural Housing also.
- 2) Includes Rs. 1098 lakhs for Women & Child Welfare.

### **MANIPUR**

- 1) Includes Rs. 236 laks for Horticulture.
- 2) Includes Rs. 221 lakhs for IAY and Rs. 209 lakhs for EAS.
- 3) Includes Rs. 550 lakhs for Other Rural Dev. Prog.; Rs. 2000 lakhs for Rural Roads & Rs. 600 lakhs for MLA Local Area Deve. Prog. And Rs. 298 lakhs for Community Dev. & Panchayats.
- 4) Includes Rs.220 lakhs for Sericulture also.
- 5) Includes Rs. 1000 lakhs for Special Dev. Fund also.
- 6) Includes Rs. 12 lakhs for Motor Vehicle and Rs. 15 lakhs for City Bus Terminal.

- 7) Includes Rs. 151 lakhs for Police Upgradation; Rs.38 lakhs for SAT; Rs. 9 lakhs for Legal aid & advice; Rs. 100 lakhs for National Highway Patrolling Scheme; Rs. 50 lakhs for District Admn; Rs. 25 lakhs for Judicial Administration; Rs. 25 lakhs for Fiscal Administration and Rs. 50 lakh for GAD and Rs. 40 lakhs for Fire Services.

### **MEGHALAYA**

- 1) Includes Rs. 293 lakhs for IAY and Rs. 319 lakhs for EAS.
- 2) Includes Rs. 52 lakhs for Research & Training in Rural Development; Rs. 1708 lakhs for special Fund Works Programme and Rs. 460 lakhs for Community Dev. & Panchayats.
- 3) For Motor Vehicle.
- 4) For Voluntary Action fund.
- 5) Includes Rs. 96 lakhs for Fire Protection; Rs. 142 lakhs for Police Housing and Rs. 10 lakhs for Judiciary Building.

### **MIZORAM**

- 1) Includes Rs. 610 lakhs for Horticulture.
- 2) Includes Rs. 110 lakhs for IAY and Rs. 116 lakhs for Employment Assurance Scheme New Land Use Policy (NLUP)
- 3) Includes provision for Civil Aviation also.
- 4) For M.V. Wing.
- 5) For Law & Judicial.

### **NAGALAND**

- 1) Includes Rs. 160 lakhs for Horticulture.
- 2) Includes Rs. 80 lakhs for IAY and Rs. 90 lakhs for EAS.
- 3) Includes Rs. 453 lakhs for Rural Housing; Rs. 400 lakhs for Rural Connectivity; Rs. 45 lakhs SIRD and Rs. 1708 lakhs for Community Dev. & Panchayats.
- 4) Includes Rs. 127 lakhs for Sericulture.
- 5) Includes Rs. 392 lakhs for Mechanical Engg. And Rs/ 45 lakhs for Vehicular pollution Control.
- 6) Includes Rs. 55 lakhs for Evaluation and Rs. 95 lakhs for Judiciary.
- 7) Includes Rs. 350 lakhs for Assembly Complex; Rs.50 lakhs for Fiscal Administration; Rs. 200 lakhs for Police Administration; Rs. 172 lakhs for Computer Trg. For School children and Rs. 45 lakhs for Fire Services.

### **ORISSA**

- 1) Includes Rs. 55 lakhs for Share Capital to RRBs; Rs203 lakhs for LTAP and other Programmes; Rs.3000 lakhs for Grants to WODC and Rs. 80 lakhs for Fiscal Administration and Rs. 25 lakhs for Human Development Report.



- 2) Includes Rs. 355 lakhs for Police Welfare & Buildings and Rs. 3000 lakhs for Restoration & Reconstruction Works.

### **PUNJAB**

- 1) For BADP.

### **RAJASTHAN**

- 1) Includes Rs. 998 lakhs for Indira Awas Yojana and Rs. 2258 lakhs for Assured Employment Programme.
- 2) Includes Rs. 171 lakhs for Women Development; Rs. 501 lakhs for DRDA Administration; Rs. 2029 lakhs for Desert Dev. Programme; Rs. 27596 lakhs for Rural Development & Panchayats and Rs. 13125 lakhs for MLA Local Area Development Scheme.
- 3) For Rajasthan Agri. Marketing Board.
- 4) Includes Rs. 225 lakhs for Setting up of Rajasthan Foundation Fund and Rs. 1873 lakhs for Resource Dev. Fund.

### **SIKKIM**

- 1) Includes Rs. 162 lakhs for Women & Child Welfare also.
- 2) Includes Rs. 20 lakhs for Fiscal Reforms ; Rs. 167 lakhs for Modernisation of Police Admn; Rs. 20 lakhs for Fire Services and Rs. 20 lakhs for Judicial Administration.

### **TRIPURA**

- 1) Includes Rs. 428 lakhs for IAY; Rs. 377 lakhs for EAS and Rs. 1 lakhs for Employment Cell.
- 2) Includes Rs. 35 lakhs for Planning & Deve. Cell and Rs. 1364 lakhs for Villege Communication.
- 3) Includes Rs. 53 lakhs for Judicial Admn.; Rs. 8 lakhs for Legal Aid & Advices and Rs. 477 lakhs for other Administrative Services.

### **A&N ISLANDS**

**\$** Provision included under General Education.

- 1) Includes Rs. 50 lakhs for local Audit Fund; Rs. 25 lakhs for Issue of Identity cards; Rs. 125 lakhs for strengthening of judiciary; Rs. 50 lakhs for modernisation of Govt. Press; and Rs. 150 lakhs for strengthening of Police Deptt.

### **CHANDIGARH**

- 1) Includes Rs. 57 lakhs for Rural Water Supply; Rs. 50 lakhs for Rural Sewerage and Rs. 65 lakhs for Community Development.
- 2) Includes Rs. 8 lakhs for Road Safety and Rs. 13 lakhs for Enforcement of MV Act.
- 3) Includes Rs. 105 lakhs for fire protection.

**DADRA & NAGAR HAVELI**

- 1) For setting up of P.A.O.'s office.
- 2) For fire protection and control.

**DAMAN & DIU**

- 1) For Accounts Service.

**LAKSHADWEEP**

- 1) Includes Rs. 42 lakhs for Fire Services; Rs. 96.60 lakhs for Information & Technology and Rs. 0.50 lakhs for Police.

**PONDICHERRY**

- 1) For Computerization.

## Annexure 3.2.5

**Budget Estimates of Central Ministries/Departments for the Annual Plan (2002-03)  
Internal and Extra-Budgetary Resources**

(Rs. Crore)

	<b>MINISTRIES/ DEPARTMENTS</b>	<b>Gross Budget Support</b>	<b>Internal Resource (IR)</b>	<b>Bonds</b>	<b>ECBs/ Supplier Credits</b>	<b>Others</b>	<b>Total EBR</b>	<b>Total IEBR</b>	<b>Total Outlay</b>
<b>I</b>	<b>MINISTRY OF AGRICULTURE</b>	<b>3317.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3317.00</b>
a.	Department of Agriculture and Cooperation	2167.00	0.00	0.00	0.00	0.00	0.00	0.00	2167.00
b.	Department of Agricultural Research & Education	775.00	0.00	0.00	0.00	0.00	0.00	0.00	775.00
c.	D/Animal Husbandry and Dairying	300.00	0.00	0.00	0.00	0.00	0.00	0.00	300.00
d.	Department of Food Processing -ing Industries.	75.00	0.00	0.00	0.00	0.00	0.00	0.00	75.00
	<b>MINISTRY OF AGRO AND RURAL INDSTRIES</b>	<b>580.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>580.00</b>
<b>II</b>	<b>MINISTRY OF CHEMICALS AND FERTILIZERS</b>	<b>335.00</b>	<b>482.89</b>	<b>35.55</b>	<b>0.00</b>	<b>258.06</b>	<b>293.61</b>	<b>776.50</b>	<b>1111.50</b>
a.	Department of Chemicals and Petro-Chemicals	55.00	97.45	35.55	0.00	24.50	60.05	157.50	212.50
b.	Department of Fertilizers	280.00	385.44	0.00	0.00	233.56	233.56	619.00	899.00
<b>III</b>	<b>MINISTRY OF CIVIL AVIATION</b>	<b>69.00</b>	<b>2415.56</b>	<b>0.00</b>	<b>0.00</b>	<b>36.63</b>	<b>36.63</b>	<b>2452.19</b>	<b>2521.19</b>
<b>IV</b>	<b>MINISTRY OF COAL &amp; MINES</b>	<b>561.50</b>	<b>1907.14</b>	<b>0.00</b>	<b>17.66</b>	<b>2258.17</b>	<b>2275.83</b>	<b>4182.97</b>	<b>4744.47</b>
a.	Department of Coal	327.00	1605.14		17.66	1541.67			
b.	Department of Mines	234.50	302.00			716.50			
<b>V</b>	<b>MINISTRY OF COMMERCE AND INDUSTRY</b>	<b>1055.00</b>	<b>2.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2.00</b>	<b>1057.00</b>
a.	Department of Commerce	775.00	2.00	0.00	0.00	0.00	0.00	2.00	777.00
b.	Department of Industrial Development & Ind.policy and Promotion	280.00	0.00	0.00	0.00	0.00	0.00	0.00	280.00
<b>VI</b>	<b>MINISTRY OF COMM- UNICATIONS AND INFORMATION TECHNOLOGY</b>	<b>805.00</b>	<b>11524.02</b>	<b>4902.00</b>	<b>0.00</b>	<b>2975.35</b>	<b>7877.35</b>	<b>19401.37</b>	<b>20206.37</b>
a.	Department of Posts	150.00	0.00	0.00	0.00	0.00	0.00	0.00	150.00
b.	Department of Telecommunications	185.00	11494.79	4902.00	0.00	2881.00	7783.00	19277.79	19462.79
c.	Department of Information Technology	470.00	29.23			94.35			

## Annexure-3.2.5 Contd...

(Rs. Crore)

	<b>MINISTRIES/ DEPARTMENTS</b>	<b>Gross Budget Support</b>	<b>Internal Resource (IR)</b>	<b>Bonds</b>	<b>ECBs/ Supplier Credits</b>	<b>Others</b>	<b>Total EBR</b>	<b>Total IEBR</b>	<b>Total Outlay</b>
<b>VII</b>	<b>DEPARTMENT OF DEVELOPMENT OF NORTH EASTERN REGION</b>	<b>19.90</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.82</b>	<b>0.82</b>	<b>0.82</b>	<b>20.72</b>
<b>VIII</b>	<b>MINISTRY OF ENVIRONMENT AND FORESTS</b>	<b>990.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>990.00</b>
<b>IX</b>	<b>MINISTRY OF EXTERNAL AFFAIRS</b>	<b>600.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>600.00</b>
<b>X</b>	<b>MINISTRY OF FINANCE</b>	<b>524.91</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>524.91</b>
a.	Dept. of Economic Affairs	454.65	0.00	0.00	0.00	0.00	0.00	0.00	454.65
b.	Currency, Coinage and Stamps	14.00							
c.	Payments to Financial Institutions	54.95							
d.	Department of Expenditure	0.31	0.00	0.00	0.00	0.00	0.00	0.00	0.31
e.	Department of Revenue	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
<b>XI</b>	<b>M/CONSUMER FOOD AND PUBLIC DISTRIBUTION</b>	<b>54.48</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>100.00</b>	<b>154.48</b>
a.	D/Public Distribution	44.23	100.00	0.00	0.00	0.00	0.00	100.00	144.23
b.	D/Consumer Affairs	10.25	0.00	0.00	0.00	0.00	0.00	0.00	10.25
<b>XII</b>	<b>MINISTRY OF AFFAIRS, HEALTH &amp; FAMILY WELFARE</b>	<b>6630.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>6630.00</b>
a.	Department of Health	1550.00	0.00	0.00	0.00	0.00	0.00	0.00	1550.00
b.	D/ISM & H	150.00	0.00	0.00	0.00	0.00	0.00	0.00	150.00
c.	Department of Family Welfare	4930.00	0.00	0.00	0.00	0.00	0.00	0.00	4930.00
<b>XIII</b>	<b>MINISTRY OF HOME AFFAIRS</b>	<b>250.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>250.00</b>
<b>XIV</b>	<b>MINISTRY OF HUMAN RESOURCE DEVELOPMENT</b>	<b>9225.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>9225.00</b>
a.	D/Elementary Education and Literacy	4900.00	0.00	0.00	0.00	0.00	0.00	0.00	4900.00
b.	D/Secondary Education and Higher Education	2125.00	0.00	0.00	0.00	0.00	0.00	0.00	2125.00
c.	Department of Women and Child Development	2200.00	0.00	0.00	0.00	0.00	0.00	0.00	2200.00
<b>XV</b>	<b>M/HEAVY INDUSTRIES AND PUBLIC ENTERPRISES</b>	<b>110.00</b>	<b>299.03</b>	<b>0.00</b>	<b>0.00</b>	<b>20.00</b>	<b>20.00</b>	<b>319.03</b>	<b>429.03</b>

## Annexure-3.2.5 Contd...

(Rs. Crore)

	<b>MINISTRIES/ DEPARTMENTS</b>	<b>Gross Budget Support</b>	<b>Internal Resource (IR)</b>	<b>Bonds</b>	<b>ECBs/ Supplier Credits</b>	<b>Others</b>	<b>Total EBR</b>	<b>Total IEBR</b>	<b>Total Outlay</b>
a.	D/Heavy Industry	100.00	299.03	0.00	0.00		26.11	325.14	425.14
b.	D/Public Enterprises	10.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00
<b>XVI</b>	<b>MINISTRY OF INFORMATION AND BROADCASTING</b>	<b>415.00</b>	<b>463.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>463.00</b>	<b>878.00</b>
<b>XVII</b>	<b>MINISTRY OF LABOUR</b>	<b>170.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>170.00</b>
<b>XVIII</b>	<b>MINISTRY OF LAW, JUSTICE &amp; COMPANY AFFAIRS</b>	<b>130.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>130.00</b>
<b>XIX</b>	<b>M/NON-CONVEN- TIONAL ENERGY SOURCES</b>	<b>625.00</b>	<b>151.48</b>	<b>50.00</b>	<b>225.00</b>	<b>50.00</b>	<b>325.00</b>	<b>476.48</b>	<b>1101.48</b>
<b>XX</b>	<b>M/PERSONNEL, PUBLIC GRIEVANCES &amp; PENSIONS</b>	<b>35.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>35.00</b>
<b>XXI</b>	<b>MINISTRY OF PETROLEUM AND NATURAL GAS</b>	<b>0.00</b>	<b>13789.48</b>	<b>515.00</b>	<b>1000.00</b>	<b>2684.01</b>	<b>4199.01</b>	<b>17988.49</b>	<b>17988.49</b>
<b>XXII</b>	<b>MINISTRY OF PLANNING</b>	<b>23.21</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>23.21</b>
<b>XXIII</b>	<b>MINISTRY OF POWER</b>	<b>3300.00</b>	<b>1797.17</b>	<b>4025.55</b>	<b>2781.90</b>	<b>1578.38</b>	<b>8385.83</b>	<b>10183.00</b>	<b>13483.00</b>
<b>XXIV</b>	<b>M/RURAL DEVELOPMENT</b>	<b>13670.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>13670.00</b>
a.	D/Rural Development	10270.00	0.00	0.00	0.00	0.00	0.00	0.00	10270.00
b.	D/Land Resources	1000.00	0.00	0.00	0.00	0.00	0.00	0.00	1000.00
c.	D/Drinking Water Supply	2400.00	0.00	0.00	0.00	0.00	0.00	0.00	2400.00
<b>XXV</b>	<b>M/SCIENCE &amp; TECHNOLOGY</b>	<b>1290.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1290.00</b>
a.	D/Science & Technology	625.00	0.00	0.00	0.00	0.00	0.00	0.00	625.00
b.	Dept. of Scientific and Industrial Research	440.00	0.00	0.00	0.00	0.00	0.00	0.00	440.00
c.	Department of Bio- Technology	225.00	0.00	0.00	0.00	0.00	0.00	0.00	225.00
<b>XXVI</b>	<b>MINISTRY OF SMALL SCALE &amp; AGRO &amp; RURAL INDUSTRIES</b>	<b>350.00</b>	<b>28.00</b>	<b>0.00</b>	<b>0.00</b>	<b>57.00</b>	<b>57.00</b>	<b>85.00</b>	<b>435.00</b>
<b>XXVII</b>	<b>MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION</b>	<b>128.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>128.00</b>
<b>XXVIII</b>	<b>MINISTRY OF STEEL</b>	<b>12.00</b>	<b>802.00</b>	<b>0.00</b>	<b>0.00</b>	<b>595.00</b>	<b>595.00</b>	<b>1397.00</b>	<b>1409.00</b>
<b>XXIV</b>	<b>MINISTRY OF ROAD TRANSPORT &amp; HIGHWAYS</b>	<b>5905.92</b>	<b>0.00</b>	<b>6200.00</b>	<b>0.00</b>	<b>0.00</b>	<b>6200.00</b>	<b>6200.00</b>	<b>12105.92</b>

**Annexure-3.2.5 Contd...**

(Rs. Crore)

	<b>MINISTRIES/ DEPARTMENTS</b>	<b>Gross Budget Support</b>	<b>Internal Resource (IR)</b>	<b>Bonds</b>	<b>ECBs/ Supplier Credits</b>	<b>Others</b>	<b>Total EBR</b>	<b>Total IEBR</b>	<b>Total Outlay</b>
XXX	<b>MINISTRY OF SHIPPING</b>	425.00	1153.61	0.00	1025.75	116.00	1141.75	2295.36	2720.36
XXXI	<b>MINISTRY OF TEXTILES</b>	715.00	21.00	0.00	0.00	0.00	0.00	21.00	736.00
XXXII	<b>MINISTRY OF TOURISM</b>	475.00	0.00	0.00	0.00	0.00	0.00	0.00	475.00
a.	D/Tourism	225.00	0.00	0.00	0.00	0.00	0.00	0.00	225.00
b.	D/Culture	250.00	0.00	0.00	0.00	0.00	0.00	0.00	250.00
XXXIII	<b>MINISTRY OF TRIBAL AFFAIRS</b>	290.00	0.00	0.00	0.00	0.00	0.00	0.00	290.00
XXXIV	<b>M/URBANDEVELOP- MENT AND POVERTY ALLEVIATION</b>	1525.00	409.74	3049.40	0.00	182.90	3232.30	3642.04	5167.04
XXXV	<b>MINISTRY OF WATER RESOURCES</b>	550.00	0.00	0.00	0.00	0.00	0.00	0.00	550.00
XXXVI	<b>MINISTRY OF SOCIAL JUSTICE AND EMPOWERMENT</b>	1410.00	0.00	0.00	0.00	0.00	0.00	0.00	1410.00
XXXVII	<b>MINISTRY OF YOUTH AFFAIRS AND SPORTS</b>	285.00	0.00	0.00	0.00	0.00	0.00	0.00	285.00
XXXVIII	<b>DEPT. OF ATOMIC ENERGY</b>	2500.00	240.60	0.00	0.00	0.00	0.00	240.60	2740.60
XXXIX	<b>DEPT. OF OCEAN DEVELOPMENT</b>	175.00	0.00	0.00	0.00	0.00	0.00	0.00	175.00
XXXX	<b>DEPT. OF SPACE</b>	1950.00	0.00	0.00	0.00	0.00	0.00	0.00	1950.00
XXXXI	<b>MINISTRY OF RAILWAYS</b>	5390.00	3940.00	3000.00	0.00	0.00	3000.00	6940.00	12330.00
	<b>GRAND TOTAL</b>	<b>66870.92</b>	<b>39526.72</b>	<b>21777.50</b>	<b>5050.31</b>	<b>10812.32</b>	<b>37640.13</b>	<b>77166.85</b>	<b>144037.77</b>

## Annexure 3.2.6

## Budget Estimates of Centre by Heads of Development for Annual Plan 2002-03

(Rs. Crore)

Sl. No.	Head of Development		Centre
<b>I.</b>	<b>AGRICULTURE &amp; ALLIED ACTIVITIES</b>		<b>3733.13</b>
1.	Crop Husbandry	12401	1664.45
2.	Soil & Water Conservation	12402	11.55
3.	Animal Husbandry	12403	139.98
4.	Dairy Development	12404	31.52
5.	Fisheries	12405	123.00
6.	Forestry & Wildlife	12406	384.00
7.	Plantations	12407	167.00
8.	Food, Storage & Warehousing	12408	168.33
9.	Agricultural Research & Education	12415	775.00
10.	Agricultural Fin. Institutions	12416	0.00
11.	Cooperation	12425	188.33
12.	Other Agricultural Programmes	12435	79.97
<b>II.</b>	<b>RURAL DEVELOPMENT</b>		<b>6420.72</b>
1.	Special Programme for Rural Development	12501	1476.22
2.	Rural Employment	12505	4596.00
3.	Land Reforms	12506	80.00
4.	Other Rural Development Programmes	12515	268.50
<b>III.</b>	<b>SPECIAL AREA PROGRAMMES</b>		<b>0.00</b>
1.	Hill Areas	12551	0.00
2.	North Eastern Areas	12552	0.00
3.	Other Special Area Programmes	12575	0.00
	(a) Backward Areas		0.00
	(b) Tribal Sub-Plan		0.00
	(c) Border Areas		0.00
	(d) Others		0.00
<b>IV</b>	<b>IRRIGATION &amp; FLOOD CONTROL</b>		<b>442.98</b>
1.	Major & Medium Irrigation	12701	60.80
2.	Minor Irrigation	12702	109.16
3.	Command Area Development	12705	202.00
4.	Flood Control and Drainage	12711	71.02
<b>V.</b>	<b>ENERGY</b>		<b>36306.32</b>
1.	Power	12801	14823.05
2.	Petroleum	12802	17183.26
3.	Coal & Lignite	12803	3198.75

## Annexure-3.2.6 Contd...

(Rs. Crore)

Sl. No.	Head of Development		Centre
4.	Non Conventional Sources of Energy	12810	1101.26
<b>VI.</b>	<b>INDUSTRY &amp; MINERALS</b>		<b>7993.01</b>
1.	Village & Small Industries	12851	1212.77
2.	Iron & Steel Industries	12852	1417.50
3.	Non Ferrous Mining & Metallurgical Industries	12853	1243.01
4.	Cement & Non-metallic Mineral Industries	12854	31.75
5.	Fertilizer Industries	12855	899.00
6.	Petrochemical Industries	12856	936.74
7.	Chemical & Pharmaceutical Industries	12857	67.96
8.	Engineering Industries	12858	416.86
9.	Telecommunication & Electronic Industries	12859	521.88
10.	Consumer Industries	12860	489.20
11.	Atomic Energy Industries	12861	481.09
12.	Other Industries	12875	194.90
13.	Other Outlays on Industries & Minerals	12885	80.35
<b>VII.</b>	<b>TRANSPORT</b>		<b>32041.37</b>
1.	Railways	13002	12330.00
2.	Ports & Lighthouses	13051	1005.00
3.	Shipping	13052	1562.26
4.	Civil Aviation	13053	2521.19
5.	Roads & Bridges	13054	14542.92
6.	Road Transport	13055	0.00
7.	Inland Water Transport	13056	55.00
8.	Other Transport Services	13075	25.00
<b>VIII.</b>	<b>COMMUNICATION</b>		<b>19539.79</b>
1.	Postal Services	13201	150.00
2.	Telecommunication Services	13225	18069.06
3.	Other Communication Services	13275	1320.73
<b>IX.</b>	<b>SCIENCE, TECHNOLOGY &amp; ENVIRONMENT</b>		<b>4413.80</b>
1.	Atomic Energy Research	13401	535.00
2.	Space Research	13402	1950.00
3.	Oceanographic Research	13403	175.00
4.	Other Scientific Research	13425	1228.80
5.	Ecology & Environment	13435	525.00
<b>X.</b>	<b>GENERAL ECONOMIC SERVICES</b>		<b>1785.14</b>
1.	Secretariat Economic Services	13451	193.61
2.	Tourism	13452	225.00
3.	Foreign Trade & Export Promotion	13453	530.00



## Annexure-3.2.4 Contd...

(Rs. Crore)

Sl. No.	Head of Development		Centre
4.	Census, Surveys & Statistics	13454	114.20
5.	Meteorology	13455	60.00
6.	Civil Supplies	13456	14.55
7.	General Financial & Trading Institutions	13465	0.00
8.	Technical & Economic Cooperation with other Countries	13605	600.00
9.	Other General Economic Services	13475	47.78
<b>XI.</b>	<b>SOCIAL SERVICES</b>		<b>30927.97</b>
1.	General Education	22202	5838.91
2.	Technical Education	22203	582.30
3.	Sports & Youth Services	22204	255.82
4.	Art & Culture	22205	227.10
5.	Medical & Public Health	22210	1527.00
6.	Family Welfare	22211	4521.00
7.	Water Supply & Sanitation	22215	2359.30
8.	Housing	22216	4698.47
9.	Urban Development	22217	1635.27
10.	Information and Publicity	22220	52.70
11.	Broadcasting	22221	745.50
12.	Welfare of SC,ST and Other Backward Classes	22225	1369.83
13.	Labour & Employment	22230	151.77
14.	Social Security & Welfare	22235	2269.10
15.	Nutrition	22236	2.80
16.	Secretariat Social Services	22251	7.75
17.	Other Social Services	22250	4.00
18.	North Eastern Areas	22552	4679.35
<b>XII.</b>	<b>GENERAL SERVICES</b>		<b>433.54</b>
1.	Administration of Justice	32014	109.00
2.	Currency, Coinage and Mints	32046	14.00
3.	Other Fiscal Services	32047	0.00
4.	Secretariat-General Services	32052	9.30
5.	Police	32055	228.20
6.	Jails	32056	0.00
7.	Supplies and Disposals	32057	2.00
8.	Stationery & Printing	32058	0.00
9.	Public Works	32059	35.00
10.	Other Administrative Services	32070	31.39
11.	Miscellaneous General Services	32075	4.65
	<b>GRAND TOTAL</b>		<b>144037.77</b>

Note: The Budget Estimates for States/Uts are not yet available

## CHAPTER - 4

# POVERTY ALLEVIATION PROGRAMMES

### 4.1 POVERTY ALLEVIATION IN RURAL INDIA – PROGRAMMES AND STRATEGIES

The planning process accords utmost priority to alleviation of poverty. While poverty has declined from 37.27% in 1993-94 to 27.09% in 1999-2000 in the rural areas, the number of rural poor at 193.24 million in 1999-2000 remains an issue of concern. Economic growth with a focus on employment generating sectors has been a key element of the strategy for poverty reduction along with emphasis laid on provision of basic minimum services like health, education, water supply, sanitation, etc. This strategy has been combined with a third element of directly targeting the poor through anti poverty programmes. This Chapter discusses the anti poverty programmes being implemented in the rural areas of the country along with the delivery mechanisms.

#### **Swaranjayanti Gram Swarozgar Yojana (SGSY)**

2. The Swaranjayanti Gram Swarozgar Yojana (SGSY) was launched in April, 1999 following the restructuring of the erstwhile Integrated Rural Development Programme (IRDP), Training of Rural Youth for Self Employment (TRYSEM), Development of Women and Children in Rural Areas (DWCRA), Supply of Toolkits to Rural Artisans (SITRA) Ganga Kalyan Yojana (GKY) and Million Wells Scheme (MWS). The objective of the SGSY is to bring the assisted poor families (Swarozgaris) above the poverty line by organizing them into Self Help Groups (SHGs) through the process of social mobilization, their training and capacity building and provision of income generating assets through a mix of Bank credit and Government subsidy.

3. The SGSY is implemented with emphasis on social mobilization and formation of SHGs. While a SHG usually consists of 10-20 persons, in difficult areas like desert, hill and regions having scattered and sparse population, and in the case of minor irrigation and disabled persons, this number ranges from 5-20. Members of the group, generally, belong to families living below poverty line (BPL) but a maximum of 20% (in exceptional cases upto 30%) of members in a group can be from families marginally above the poverty line (APL) living contiguously with BPL families, if it is acceptable to BPL members of the group. However, the APL members of the group are not eligible for subsidy under the scheme and cannot become office bearers of the group. The BPL families are required to actively participate in management and decision making. The list of BPL households identified through BPL Census, duly approved by the Gram Sabha forms the basis for assistance of families under SGSY. Within the target group, special safeguards have been provided to vulnerable sections by way of reserving 50% benefits for SCs/STs, 40% for women and 3% for disabled persons. It is envisaged that 50% of the groups formed in each Block should be exclusively for women.

4. The SGSY programme is conceived as a process oriented programme for the poor. It is recognized that SHGs move through various stages – social mobilization and formation of groups (first stage - group formation), generation of savings and internal lending amongst the members of the group on their own and building up of the Group corpus (second stage - group stabilization), supplementing the Group corpus by revolving fund sanctioned as cash credit limit by the banks, (third stage - micro credit) and taking up of economic activities by the group (fourth stage – micro enterprises). This is a long drawn process and it is recognized that all groups particularly with members who lack skills and assets and comprising of destitute / those living in abject poverty may not graduate to the last stage in a fixed time frame. As such the programme envisages that a grading exercise should be undertaken at the end of each stage wherein independent agencies could also be involved. It has been envisaged under the programme that for the task of SHG development, the DRDAs may seek the support of facilitators like NGOs, Community Based Organisations, etc. for initiating and sustaining the group development process. Suitable organizations/societies/individuals could be engaged based on their past experience in SHG formation, community organization involving participatory approach, communication skills, ability to stay with the population in the rural areas etc. Upto Rs.10,000/- can be provided to them for formation, training and capacity building of SHGs. Assistance from such organizations/societies/individuals also can be taken for training and capacity building of other facilitators.

5. Further in order to give an impetus to the groups, at the third stage, a revolving fund of Rs.25,000/- is provided from the bank, of which a sum of Rs.10,000/- is given to the bank by the DRDA as subsidy. Once the SHG has demonstrated that it has successfully passed through the third stage, it is eligible to receive assistance for economic activities in the form of loan and subsidy. Loan and subsidy is provided either to individuals in the group taking up the income generation activity or to the group where all/some members take up a group activity. Under the scheme progressively majority of the funding would be for the SHGs as group activities stand a better chance of success. Subsidy under the SGSY is uniform at 30% of the project cost subject to a maximum of Rs.7500/-. In respect of SCs/STs and disabled persons subsidy is 50% of the project cost subject to a maximum of Rs.10000/-. For groups of Swarozgaris the subsidy is 50% of the cost of the scheme subject to per capita subsidy of Rs.10000/- or Rs.1.25 lakh whichever is less. There is no monetary limit on subsidy for irrigation projects. Subsidy is back ended.

6. As the scheme is process oriented in nature it is recognized that the States/UTs may be in different stages of implementation of the scheme. As such, flexibility has been woven into schemes so that DRDAs can prioritise the expenditure on different components like training and capacity building, infrastructure revolving funds and subsidy for economic activities based on the local requirements and different stages of group formation. However, the expenditure on infrastructure is limited to a ceiling 20% of total allocation (25% in the case of North Eastern States). Expenditure incurred in organizing fairs, exhibitions and participation of swarozgaris in fairs & exhibitions and commissioning of studies for projects (upto Rs. 50,000/-) are admissible under Infrastructure Programme. In addition, a sum of Rs.5 lakh per annum could be spent on marketing research, value addition or product diversification or to facilitate marketing of the produce. The programme

also lays emphasis on the training of Swarozgaris and towards this end, the DRDAs can seek the assistance of training institutions for providing both basic orientation and skill development training and the total expenditure for this purpose is limited to ceiling of Rs.5,000/- per trainee.

7. For setting up micro enterprises, it is envisaged that the number of key activities selected in a block should not exceed 10. However, focus is laid on 4-5 key activities identified on the basis of resources, occupational skills of the people and availability of markets so that the beneficiaries can draw sustainable incomes. The banks and other financial institutions are closely associated in preparing the project reports for the key activities to avoid delays in sanctioning of loans and to ensure adequate and timely provision of credit. The approval of the Panchayat Samitis at the Block level and DRDAs/ Zilla Parishads at the district level is necessary. It has been stipulated that the key activities should preferably be taken up in clusters so that the backward and forward linkages can be effectively established.

8. The SGSY is financed on 75:25 cost sharing basis between the Centre and the States. In the case of UTs, the scheme is fully funded by the Centre. The SGSY is being implemented by the DRDAs with the active involvement of PRIs, the banks, the line departments and the NGOs.

9. Fifteen percent of the funds under the SGSY are set apart at the national level for Special Projects. The objective of each Special Project is to ensure a time bound programme for bringing a specific number of BPL families above the poverty line through self employment. The project may involve different strategies to provide long term sustainable self employment opportunities either in terms of organization of rural poor, provision of support infrastructure, technology, marketing, training etc. or a combination of these.

10. As expected, the overall progress of the programme during the first two years of implementation has been rather slow, as the scheme is process oriented in nature. In spite of the shift in the emphasis from individual oriented assistance to assistance on group basis, individual assistance continued to be a dominating feature under the programme. The level of utilization of funds, credit disbursement, per family investment and credit subsidy ratio were also low. The start of the programme was delayed during 1999-2000 and initial preparatory works, such as sensitization of the functionaries at various levels and bankers before the effective grounding of the programme, formation of the SHGs, their training and capacity building, gradation of the groups, are all time consuming activities. As such, the DRDAs, in order to avoid parking of funds at their level and to ensure continuity of the scheme continued to assist individual Swarozgaris more than the SHGs.

11. Similarly, the credit flow under the programme has not been smooth during 1999-2000 and 2000-01 particularly for group activities. With emphasis on group approach the requirement of the group loan/investment has increased. However, there was inadequate appreciation of the objective of the SGSY and advantages of group finance by the field level bankers and incomplete delegation of power to the Bank Branches to sanction full loans. Some banks also insisted on collateral security for loan beyond Rs.50,000/-. Besides these, other reasons for poor credit, disbursement include delay in sanction and

disbursement of loan, under financing, paucity of staff in Bank branches after introduction of Voluntary Retirement Scheme etc. Inadequate availability of credit has adversely affected average per family investment and credit subsidy ratio during first two years of the programme.

12. The total allocation (Centre + State) under the programme to the States/UTs during 2001-02 was Rs.774.50 crore. The total available fund including opening balances, miscellaneous receipts, the Central and the State releases was Rs.1298.75 crore against which the utilization was Rs.967.00 crore, which was 74.46% of the available fund. The credit disbursed during the year was Rs.1331.77 crore against the target of Rs.3195.03 crore. The achievement was 41.68% of the target. The average per family investment was Rs.21,082/- and the subsidy credit ratio was 1:2.01. The number of total Swarozgaris assisted during the year, comprised 3.70 lakh as members of the SHGs and 5.77 lakh individual Swarozgaris adding to a total of 9.47 lakh. A central outlay of Rs. 710 crores has been provided for the scheme in the budget for 2002-03. Details are given in Annexure 4.1.1.

### **Sampoorna Grameen Rozgar Yojana (SGRY)**

13. The Sampoorna Grameen Rozgar Yojana (SGRY) announced by the Prime Minister on 15.8.2001 was launched in September 2001. The schemes of Jawahar Gram Samridhi Yojana(JGSY). Employment Assurance Scheme (EAS) have been merged under this programme w.e.f. 1.4.2002. The primary objective of the scheme is to provide additional wage employment in all rural areas and thereby provide food security and improve nutritional levels. The secondary objective is the creation of durable community, social and economic assets and infrastructural development in rural areas. The SGRY is open to all rural poor who are in need of wage employment and desire to do manual and unskilled work in and around the village/habitat. The programme is self-targeting in nature. While providing wage employment, preference is given to agricultural wage earners, non agricultural unskilled wage earners, marginal farmers, women, members of Scheduled Castes/Scheduled Tribes, parents of child labour withdrawn from hazardous occupations, parents of handicapped children or adults with handicapped parents. The programme is implemented through the Panchayati Raj Institutions(PRIs).

14. The programme is implemented as a Centrally Sponsored Scheme on cost sharing basis between the Centre and the States in the ratio of 75:25 of the cash component of the programme. In the case of UTs the Centre provides the entire(100%) funds for the scheme. Foodgrains under the programme are provided to the States/UTs free of cost.

15. Five percent of the funds and foodgrains under SGRY are retained in the Ministry of Rural Development for utilization in areas of acute distress arising out of natural calamities or for taking up preventive measures in the chronically drought or flood affected areas. In addition a certain percentage of the allotted foodgrains under the SGRY is reserved for the Special Component to be used in any Central or State Government scheme with wage employment potential to meet exigencies arising out of any natural calamity. The remaining funds and foodgrains under SGRY are disbursed equally in two streams. First Stream funds & foodgrains are distributed between the Zilla Parishad and the Intermediate Panchayats in

the ratio of 40:60. Second Stream is implemented at the Village Panchayat level. The entire resources for this stream are distributed to the Gram Panchayats directly by DRDA/Zilla Parishads.

16. Under the 1st stream 22.5% of the annual allocation (inclusive of foodgrains) is earmarked for individual beneficiary schemes of SC/ST families living below the poverty line. Under the second stream, a minimum of 50% of the allocation to the Village Panchayat (inclusive of foodgrains) is earmarked for the creation of need based village infrastructure in SC/ST habitations/wards. Thirty percent of employment opportunities are reserved for women under the programme.

17. Wages under the programme are paid partly in form of foodgrains and partly in cash. Minimum wages fixed by the States are paid under the scheme. Foodgrains are given as part of wages under the SGRY to the rural poor @ of 5 kg. per manday. State Governments can give more than 5 kg. of foodgrains per manday within the existing State allocation (subject to a minimum of 25% of the wages being paid in cash). The States and UTs are free to calculate the cost of foodgrains paid as part of wages, at a uniform rate which may be either BPL rate or APL rate or anywhere between the two rates. The workers are paid the balance of wages in cash so that they are assured of the notified minimum wages. Contractors/middlemen or any other intermediate agency is not permitted to be engaged for the execution of any of the work under the programme.

18. Distribution of foodgrains to the workers under the programme is either through PDS or by the Gram Panchayat or any other agency appointed by the State Government. The DRDAs/ZPs make necessary arrangements for distribution of foodgrains among the concerned agencies. The States/UTs bear the cost of transportation, local taxes from their own resources and the cash component under the programme is not used for such purpose.

19. Each Zilla Parishad/DRDA, Intermediate level & Village Panchayat prepares Annual Action Plan to include the works to be undertaken under the scheme. Completion of incomplete works is given priority and emphasis is laid on labour intensive works. Under the first stream priority is given to soil and moisture conservation, minor irrigation, rejuvenation of drinking water sources, augmentation of ground water, traditional water harvesting structures, desiltation of village tanks/ponds etc. and such other schemes necessary for watershed development. Other priority works include construction of rural link roads, farm roads linking agricultural fields, drainage works, afforestation and those that result in creation of durable socio economic assets such as schools, kitchen sheds for schools, dispensaries, community centers, panchayatghars, development of haats (markets), etc. However, the nature of works is required to be such that they could be completed in one or two years. Upto a maximum of 15% of the funds can be spend on maintenance of assets created under the programme by the Zilla Parishads/DRDAs/Intermediate Panchayats/Village Panchayats.

20. All works that result in the creation of durable productive community assets can be taken up under the second stream of SGRY as per the felt needs of the area/people by the village panchayat with emphasis laid on: (a) infrastructure support for SGSY, (b) infrastructure required for supporting agricultural activities in the village panchayat, (c)

community infrastructure for education (including kitchen sheds), health as well as link roads (roads linking the village to the main road, even if it falls outside the panchayat area is allowed to be constructed), (d) other socio economic community assets, and (e) desiltation, renovation of traditional village tanks/ponds.

21. A central outlay of Rs. 5040 crores has been provided for the scheme (including Food for Work Programme) in the budget of 2002-03. The details of JGSY and EAS are also given in the succeeding paragraphs.

### **Jawahar Gram Samridhi Yojana (JGSY)**

22. The JGSY was in operation from 1<sup>st</sup> April, 1999 to 31<sup>st</sup> March, 2002. The programme was launched with primary objective of creation of demand driven community village infrastructure including durable assets at the village level to enable the rural poor to increase the opportunities for sustained employment. The secondary objective was generation of supplementary employment for the unemployed poor in the rural areas. The wage employment under the programme was given to Below Poverty Line (BPL) families. The programme was implemented as a CSS on a cost sharing ratio of 75:25 between the Centre and States.

23. While there was no sectoral earmarking of resources under JGSY it was envisaged that, 22.5% of the annual allocation must be spent on individual beneficiary schemes for SCs/STs and 3% should be utilized for creation of barrier free infrastructure for the disabled. All works that resulted in the creation of durable productive community assets could be taken up under the programme as per the felt needs of the area/people by the village panchayat. These included creation of infrastructure for SCs/STs habitations, infrastructure support for SGSY, infrastructure required for supporting agricultural activities in the village, community infrastructure for education and health, roads and other social, economic and physical infrastructure.

24. Under the programme, Villages Panchayats had the sole authority for the preparation of the Annual Action Plan and its implementation, which had to be accepted by the Gram Sabha. At the village level, the entire work relating to coordination, review, supervision and monitoring of the programme was the responsibility of the village panchayat. The village panchayats had the power to execute works/schemes upto Rs.50,000 with the approval of the Gram Sabha. In addition Gram Sabha also undertook Social Audit. At the village level monitoring and vigilance committees were also set up to oversee and supervise the works/schemes undertaken. At the district level, the DRDAs/Zilla Parishads and at the intermediate level the Panchayat Samitis had the overall responsibility for guidance, coordination, supervision, periodical reporting and monitoring the implementation of the programme.

### **Employment Assurance Scheme (EAS)**

25. The Employment Assurance Scheme (EAS) (2<sup>nd</sup> October, 1993 to 31.3.2002) was initially launched in 1772 identified backward blocks of 257 districts situated in drought

prone, desert, tribal and hill areas where the Revamped Public Distribution System (RPDS) was in operation. The programme was subsequently extended to more blocks and thereafter universalized. The EAS was restructured w.e.f. 1999-2000 to make it the single wage employment programme and the scheme became an allocative scheme instead of demand driven with a fixed annual outlay provided to the States. The programme was implemented as a CSS on a cost sharing ratio of 75:25 between the Centre and States.

26. The primary objective of the EAS was creation of additional wage employment opportunities during the period of acute shortage of wage employment through manual work for the rural poor living below the poverty line. The secondary objective was the creation of durable community, social and economic assets for sustained employment and development. The EAS was open to all the needy rural poor living below the poverty line. A maximum of two adults per family were provided wage employment. While providing employment, preference was given to SCs/STs and parents of child labour withdrawn from hazardous occupations who are below the poverty line. The programme was implemented through the Zilla Parishads, (DRDAs in those States where Zilla Parishads did not exist).

### **National Social Assistance Programme (NSAP) and Annapurna**

27. The NSAP was launched as a 100% Centrally Sponsored Scheme on 15.8.1995 with the aim to provide social assistance benefit to poor households in the case of old age, death of primary breadwinner and maternity. This programme was a significant step towards the fulfillment of the Directive Principles in Articles 41 & 42 of the Constitution. as it supplements the efforts of the State Governments with the objective of ensuring minimum national levels of well being and the Central assistance is an addition to the benefit that the States are already providing on Social Protection Schemes or may provide in future. The provision of Central assistance seeks to ensure that social protection to beneficiaries is uniformly available.

28. The Maternity Benefit Component of the NSAP has been transferred to the Department of Family Welfare, Ministry of Health & Family Welfare w.e.f. 2001-02 with a view to ensure better linkage with nutrition and national population control programmes and w.e.f. 2002-03, the following two components of NSAP i.e. National Old Age Pension Scheme (NOAPS) and National Family Benefit Scheme (NFBS) along with Annapurna have been transferred to the States.

### **National Old Age Pension Scheme (NOAPS)**

29. Old age pension is provided to person of 65 years and above who are destitutes in the sense of having little or no regular means of subsistence from their own sources of income or through support from family members or other sources.

### **National Family Benefit Scheme (NFBS)**

30. A Group amount is provided in the case death of primary breadwinner of a BPL family due to natural or accidental causes. The family benefit is paid to such surviving member of the household of deceased who, after local enquiry, is determined to be the Head of the household.



31. The Annapurna Scheme was launched on 1.4.2000 as a 100 per cent Centrally Sponsored Scheme aiming at providing food security to meet the requirement of those destitute senior citizens who though eligible have remained uncovered under the National Old Age Pension Scheme(NOAPS). Free foodgrains are provided under this Scheme.

32. The transfer of these schemes was carried out with a view that it would provide the requisite flexibility to the States/UTs in the choice and the implementation of the schemes. The funds for the operation of the schemes are released as Additional Central Assistance (ACA) to the States/UTs. The ACA could be utilized by the States/UTs on Welfare Schemes of Old Age Pension, Family Benefit or free foodgrains to the aged by taking up one or two or all of the three or in any other combination in accordance with their own priorities and needs. The States/UTs are required to provide a Minimum Mandatory Provision (MMP) for these schemes under their own budget. This MMP would be calculated as equivalent to the State's Budget Provision or actual expenditure, whichever is higher, for these schemes during the year 2000-01, plus the ACA allocation for the year concerned.

33. An ACA of Rs.680.00 crore has been provided to the States for NSAP and Annapurna during 2002-03.

#### **DRDA Administration**

34. Keeping in view the need for an effective agency at the district level to co-ordinate the anti poverty efforts, a new CSS for 'Strengthening of DRDA Administration' was launched with effect from April 1, 1999 with funding on a 75:25 basis between the Centre and States. While the District Rural Development Agency (DRDA) since its inception in 1980 has been the principal organ at the district level to oversee the implementation of different anti poverty programmes they were funded by setting apart a share of the allocation under each programme. As a result, there was no uniformity amongst the programmes with reference to administrative costs and the need for a separate scheme was felt.

35. The programme recognizes that the salary structure in different States is varied as such the States can follow their own salary structure, but the ceiling of administrative cost per district applicable from 1999-2000 has been fixed as given below. However, the ceiling can be raised every year up to 5 per cent to meet cost increases due to inflation etc.

Category A District (less than 6 blocks)	Rs.46.00 lakhs
Category B District (6-10 blocks)	Rs.57.00 lakhs
Category C District (11-15 blocks)	Rs.65.00 lakhs
Category D District (more than 15 blocks)	Rs.67.00 lakhs

36. The DRDA is visualized as a specialized and a professional agency capable of managing the anti poverty programmes of the Ministry of Rural Development (MORD) on the one hand and to effectively relate these to the overall effort of poverty eradication in the district. While the DRDAs are not the implementing agencies, they are effective in enhancing the quality of implementation through overseeing the implementation of different programmes and ensuring that necessary linkages are provided. To this extent, the DRDA is a supporting and a facilitating organization and plays a very effective role as a catalyst in development process.

37. The role of the DRDA is in terms of planning for effective implementation of anti poverty programmes; coordinating with other agencies – Governmental, non-Governmental, technical and financial for successful programme implementation, enabling the community and the rural poor to participate in the decision making process, overseeing the implementation to ensure adherence to guidelines, quality, equity and efficiency; reporting to the prescribed authorities on the implementation; and promoting transparency in decision making and implementation. The DRDAs coordinate with the line departments, the Panchayati Raj Institutions (PRIs), the banks and other financial institutions, the NGOs as well as technical institutions with a view to bring about convergence of approach among different agencies for poverty alleviation.

38. The DRDAs while maintaining their separate identity function under the Chairmanship of the Chairman of the Zilla Parishad. They are facilitating and supporting organization to the Zilla Parishad, providing necessary executive and technical support in respect of poverty reduction efforts. Wherever the Zilla Parishads are not in existence or are not functional, the DRDAs function under the Collector / District Magistrate / Deputy Commissioner, as the case may be.

39. An amount of Rs.198.00 crore has been released as Central share under the programme during 2001-02. The Budget Estimates for the scheme for 2002-03 is Rs.220.00 crore.

#### **Rural Housing – Indira Awaas Yojana (IAY)**

40. Housing is one of the components considered to be vital for human survival and, therefore, essential for socio-economic development. As part of the efforts to meet the housing needs of the rural poor, Government of India, is implementing Indira Awaas Yojana (IAY) since 1985. Earlier, it was a sub scheme of Jawahar Rozgar Yojana (JRY), however, from April 1996, IAY is being implemented as an independent Centrally Sponsored Scheme (CSS).

41. In the Ninth Five Year Plan, under the 'Special Action Plan for Social Infrastructure' Housing was identified as one of the priority areas which aimed at removing shelterlessness in the rural areas. To achieve this, Special Action Plan for Rural Housing was prepared under which a composite multi pronged housing strategy was adopted, details of which are given below:

#### **Indira Awaas Yojana (IAY)**

42. The IAY continues to be the most important centrally sponsored housing scheme for providing dwelling units free of cost to the rural poor living below the poverty line at the unit cost of Rs.20,000/- in plain areas and Rs.22,000/- in the hilly/difficult areas. It is funded on cost sharing ratio of 75:25 between Central Government and States.

43. The objective of IAY is to provide dwelling units free of cost to the Scheduled Castes (SCs) and Scheduled Tribes (STs) and freed bonded labourers and non - SCs/STs living below poverty line in rural areas. From 1995-96, the IAY benefits have been extended to the widows or next of kin of defence personnel killed in action. Benefits have also been extended to ex-servicemen and retired members of para military forces as long as they

fulfill the normal eligibility condition of IAY. 3 per cent of funds are reserved for benefit of disabled below the poverty line in rural areas. However, the benefit to non - SCs and STs shall not be more than 40% of IAY allocation.

44. From the year 1999-2000, 20% of the total funds allocated under IAY are being utilized for the conversion of unserviceable kutcha houses into pucca / semi-pucca houses of the BPL rural households. A maximum assistance of Rs.10,000/- per unit is being provided under the upgradation component. The provision of a sanitary latrines and a smokeless chulha is mandatory.

45. The criteria for allocation of funds to States/UTs under IAY has been changed from poverty ratio to 50 per cent poverty ratio and 50 per cent housing shortage in the State since 1999-2000. Similarly, the criteria for allocation of funds to a district in a State has been changed to the SC/ST population and housing shortage, with equal weightage to each of them.

### **Credit-cum-Subsidy Scheme**

46. The Credit-cum-Subsidy Scheme for Rural Housing was launched with effect from 1.4.1999. The scheme targets rural families having annual income up to Rs.32,000/-. However, preference should be given to rural households belonging to Below Poverty Line category. While subsidy is restricted to Rs.10,000/-, the maximum loan amount that can be availed is Rs.40,000/- The subsidy portion is shared by the Centre and the States in ratio of 75:25. The loan portion is to be disbursed by the commercial banks, housing finance institutions etc. The scheme is being implemented through State Housing Boards, State Housing Corporations, Specified Scheduled Commercial Banks, Housing Finance institutions or the District Rural Development Agencies (DRDAs) / Zilla Parishads (ZPs).

### **Innovative Stream for Rural Housing and Habitat Development**

47. This scheme has been launched with effect from 1.4.1999 as project based demand driven scheme to encourage innovative, cost effective and environment friendly solutions in building / housing sectors in rural areas. The objective is to promote/propagate innovative housing technologies, designs and materials in the rural areas. All recognized Government organizations / institutions and reputed NGOs well experienced in the technology promotion and propagation of cost effective and environmental friendly housing technologies, designs and material may apply for funding to the Ministry of Rural Development. The maximum permissible assistance in case of an NGO / autonomous society is Rs.20.00 lakh and for Government agencies is Rs.50.00 lakh.

### **Rural Building Centres (RBCs)**

48. The primary objectives of this scheme are (a) Technology transfer and information dissemination (b) Skill up-gradation through training and (c) Production of cost effective and environment friendly materials / components. For setting up of each Building Centre, a one-time grant of Rs.15 lakh is provided in three instalments. It is a project based demand driven scheme being implemented and monitored by Ministry of Rural Development with the assistance of HUDCO.

## **Equity Support to Housing and Urban Development Corporation (HUDCO)**

49. To meet the housing requirement of Economically Weaker Sections and Low Income Groups in rural areas and to improve the outreach of housing finance in rural areas, the equity support by Ministry of Rural Development (MORD) to HUDCO has been increased from Rs.5.00 crore in Eighth Plan Period to Rs.350.00 crore during Ninth Five Year Plan period. It facilitates HUDCO to leverage the amount provided by MORD as equity from the market for construction of additional houses in the rural areas.

## **National Mission for Rural Housing and Habitat**

50. A National Mission for Rural Housing and Habitat has been set up by the MORD to facilitate the induction of science and technology inputs on a continuous basis into the sector and to provide convergence of technology, habitat and energy related issues in order to provide affordable shelter for all in the rural areas, within a specified time frame and through community participation. Towards this end, an Executive Council under the Chairmanship of Minister of Rural Development, an Empowered Committee under the Chairmanship of Secretary (Rural Development) and a Working Group have been constituted to specify the aims and objectives of the Mission, firm up specific time framework to achieve these aims and objectives, formulate a road map to facilitate the entry of private capital in housing development in the rural areas, shortlist the agencies which could undertake the task of preparing a techno-legal regime for rural planning.

## **Samagra Awaas Yojana (SAY)**

51. It is a project based scheme whose basic objective is to improve the quality of life of the people as well as overall habitat. The scheme attempts to breach the limited shelter concern of 'four walls and a roof' by providing convergence of housing, sanitation and drinking water schemes and ensure their effective implementation by suitable and sustainable induction of technology, Information, Education and Communication (IEC) and innovative ideas. The scheme was launched in 1999-2000 on pilot basis in one block each of 25 districts of 24 States and one Union Territory, which have been identified for implementing a participatory approach under the Accelerated Rural Water Supply Programme (ARWSP). A special Central assistance of Rs.25 lakh is being provided for each block for undertaking overall habitat development and IEC work with 10% contribution coming from the people.

52. All evaluation reports suggest that IAY under which free houses are given to the poor is one of the successful programmes being implemented. However, it has certain weaknesses. The provision of free houses has meant that other loan based schemes have not been able to taken off. It must also be recognized that this process is divisive in nature as not all the poor can get a house at the same time, leading to exercise of power and use corrupt practices. Hence, during the Tenth Plan, free houses under IAY would be provided largely to the SC / ST BPL families. For other BPL families, there would be a gradual shift to a credit linked housing programme.

53. From the year 2002-03, it has been decided to integrate all the existing Rural Housing Schemes (except Samagra Awaas Yojana) being implemented by the Ministry of Rural Development into one called the Kendriya Gramin Awaas Yojana / Integrated Rural Housing Scheme. The guidelines of scheme are under finalisation. An allocation of Rs.1725.00 crore has been made available during 2002-03 for implementation of Integrated Rural Housing Scheme.

### **Land Reforms**

54. Land reforms have been viewed as an instrument to enable landless to have access to land and for attaining higher levels of agricultural production and income in the rural areas. Therefore, the issue of agrarian and land reforms continues to remain on national agenda. Land is still a major source of employment and income in rural areas. The major objectives of these reforms were achieving agrarian reforms, reconstruction of rural economy, ensuring social justice to 'actual tillers' as well as landless rural poor.

55. Three main programmes / schemes for Land Reforms viz; 'Strengthening of Revenue Administration and Updating of Land Records' (SRA & ULR), 'Computerisation of Land Records' (CLR) and Consolidation of Land Holdings (CLH) are being implemented by the Ministry of Rural Development. During the Zero Based Budget exercise carried out in 2001-02, it was decided to discontinue the scheme for 'Consolidation of Land Holdings' and to merge other two schemes viz; CLR and SRA & ULR into one with new nomenclature as 'Modernisation of Revenue and Land Administration' with two streams of CLR and SRA & ULR. The two streams of the scheme are described in the following paragraphs.

### **Computerisation of Land Records (CLR)**

56. It is one of the two streams of 'Modernisation of Revenue and Land Administration' Scheme. Earlier, it was an independent scheme of CLR, which was started in 1988-89 as a 100 per cent grant-in-aid scheme executed by the State Governments. The main objectives of CLR are (i) Computerisation of ownership details for issue of timely and accurate copy of the Record of Rights to the landowners at a reasonable price. (ii) To achieve long term, low cost, easily reproducible storage. (iii) To provide fast and efficient retrieval of information both graphical and textual, and (iv) Creation of a Land Information System and database. The ultimate objective of the scheme is 'on line management' of land records in the country. So far, 582 districts have been brought under the scheme. States like Karnataka, Goa, West Bengal, Madhya Pradesh, Tamil Nadu, Gujarat, Rajasthan, Maharashtra, Uttar Pradesh, Sikkim, Haryana and Orissa have done good work under the scheme. In the States of Assam, Bihar, Punjab, Jharkhand, Uttranchal and Chhattisgarh, the progress is not satisfactory because of the lack of infrastructure facilities available at district and tehsil level, lack of motivation and clear cut direction from the State Administration, delay in transfer of funds by the State Governments to District Authorities and non-availability of data entry agencies for undertaking data entry job.

57. During 1998-99, a very important component of 'Digitization of Cadastral Maps' has been added to the scheme. The objective of Cadastral Survey Map is the determination of village and field boundaries, preparation of village map showing such boundaries and area

lists and preparation of field registers. This has been taken up as pilot projects. So far, 33 pilot projects in 22 States / UTs have been sanctioned by the Government of India.

58. Since inception of CLR scheme, a total financial assistance to the tune of Rs.233.57 crore has been provided to the States / UTs upto 31.3.2002 but the utilization of funds reported by States / UTs is Rs 148.42 crore which is 62% of the total funds released.

### **Strengthening of Revenue Administration and Updating of Land Records (SRA & ULR)**

59. This is the second stream of the 'Modernisation of Revenue and Land Administrative' scheme. Originally, it was an independent scheme which was started during 1987-88 with 50:50 sharing basis between the Centre and the States. The main objectives of the sub scheme are (a) Strengthening of Survey and Settlement organization for early completion and preparation of land records in areas where this work is yet to be completed, (b) Setting up of survey and settlement organizations especially in the North Eastern Region, where no land records exist, (c) Pre-service and In-service training of revenue, survey and settlement staff and strengthening of training infrastructure for this purpose, (d) Facilities for modernization of survey and settlement operations, printing of survey maps, reports / documents and for storage, copying and updating of land and crop records using, among other things, science and technology inputs, and (e) Strengthening of revenue machinery at village and immediate supervisory levels on a selective basis to make the workload of these functionaries manageable.

60. Since inception, Government of India has released Rs.221.04 crore upto 31.3.2002 to the States / UTs as Central share for Strengthening of Revenue Administration and Updation of Land Records.

61. One of the main reasons for the concealment of land, which has hampered the land reforms programme, has been the lack of a comprehensive land rights database. In the Tenth Plan, the CLR and SRA & ULR schemes which have placed emphasis on modernization of cadastral survey and settlement staff and provision of computers and other infrastructure will be implemented more vigorously not only to detect concealment of land but also to reduce scope for litigation in rural areas.

62. Access to land in improving socio-economic conditions of the rural poor has been well documented. Hence States have to concentrate on the detection of concealed land and strive for speedy disposal of cases so that the land acquired under ceiling laws becomes available for distribution to the poor.

63. Further, tenancy reforms, records of rights of land owners and tenants, prevention and restoration of alienated tribal lands and inheritance rights to women in agricultural land will be major tenets of land reforms agenda in the Tenth Plan.

### **Panchayati Raj**

64. The Panchayati Raj Institutions (PRIs) have emerged as the third tier of governance in the country after the 73rd Constitutional Amendment Act, 1992. The 73rd Constitutional Amendment Act did not aim at only democratic decentralization by conferring statutory status on PRIs but also envisages these local institutions as a vehicle for harnessing and

channelising the people's innate abilities to bring about rural transformation in a way that every individual acquired his / her rightful place in the social, economic and political arena. Consequent upon the enactment of the Act, almost all the States / UTs barring Jammu & Kashmir, Uttaranchal and NCT of Delhi have enacted appropriate legislation in conformity with the 73rd Constitutional Amendment Act for setting up of strong, viable and responsible Panchayats at different levels. More over, all States / UTs except Arunachal Pradesh, NCT of Delhi and Pondicherry have held elections. In States like Himachal Pradesh, Kerala, Madhya Pradesh, Rajasthan, Uttar Pradesh second round of Panchayat elections have also been held.

65. Under the Act, PRIs are envisaged as instruments for establishment of a democratic decentralised development process through peoples' participation in decision-making, in implementation and delivery of services central to the living conditions of the people. In order to achieve this objective, under Article 243 (G) States are required to devolve adequate powers and responsibilities on the PRIs to enable them to act as effective institution of local self-government. It also enjoins on them the responsibility for preparation of plans for economic development and social justice and its implementation in respect of 29 Subjects listed in the Eleventh Schedule of the Constitution. Pursuant to this, the States are required to devolve administrative and financial powers alongwith functionaries in respect of 29 Subjects listed in the Eleventh Schedule of the Constitution to the PRIs. There has been mixed progress on this front. In States like Kerala, Madhya Pradesh, Uttar Pradesh, Tamil Nadu, the process of devolution has been carried out effectively with transfer of three Fs i.e. Functions, Functionaries and Funds to PRIs in respect of selected items. However, States which have lagged behind in devolving functions and finances to panchayats would have to be encouraged to empower the panchayats.

66. Article 243 I of the Constitution provides for the constitution of State Finance Commissions (SFC) to review the financial position of Panchayats and to make recommendations regarding principles governing distribution of net taxes between State Governments and the Panchayats, assignment of taxes and grant-in-aid to Panchayats. All the States / UTs barring Arunachal Pradesh have set up their SFCs and the SFCs except Bihar have submitted their reports to the respective State Governments. The recommendations of the SFCs have been accepted in toto by some States, while in others, it has either been partially accepted or are under scrutiny. In few States like Kerala, Madhya Pradesh, the second SFC has also been constituted.

67. The onus for devolving functions, functionaries and financial resources to the PRIs rests with the State Governments. Though, the States have, slowly, transferred functions and finances to the PRIs, these institutions are hampered by lack of administrative support. PRIs have to be adequately staffed and the functionaries must be trained in planning, budgeting and accounting tasks. An elaborate system for auditing of panchayat finances has to be put in place. At present, adequate safeguards against the misuse of resources by elected functionaries do not exist in many States. These issues need to be tackled on a priority basis in the Tenth Plan.

68. Article 243 (ZD) of 74th Constitutional Amendment Act facilitates the process of decentralized planning. It envisages that there shall be constituted in every State at the district level, a District Planning Committee (DPC) to consolidate the Plans prepared by the Panchayats and the Municipalities in the district and to prepare a draft development Plan

for the district as a whole. Hence, State Governments are required to set up DPCs in each district to prepare composite Plans covering both urban and rural areas. The formation of DPCs must receive top priority by the State Governments, as it is only then that planning would genuinely begin from the grassroots. The functionaries of the DPCs must be trained on the basics of planning. The village development plans prepared by gram sabha / gram panchayat as per their felt needs should be integrated with the panchayat samiti and district level plans to make the grassroot planning process a reality in the Tenth Plan.

69. The Provisions of the Panchayats (Extension to the Scheduled Areas) Act 1996 have come into force with effect from 24th December, 1996. The Act extends Panchayats to the tribal areas of nine States viz; Andhra Pradesh, Chattisgarh, Gujarat, Himachal Pradesh, Jharkhand, Maharashtra, Madhya Pradesh, Orissa and Rajasthan. It strives to enable tribal society to assume control over their own destiny to preserve and conserve their traditional rights over natural resources.

70. Gram Sabha is now recognized as the most important institution in the system of participatory democracy and decentralization. This view found its expression in the declaration of the Year 1999-2000 as the "Year of Gram Sabha". To ensure greater transparency and accountability, attention of State Governments has been drawn to the importance of Gram Sabhas in the proper implementation of development programmes through a system of social audit. Several States have taken steps to strengthen the Gram Sabhas and to ensure their timely meetings. The powers entrusted to a Gram Sabha in Scheduled V area could be extended to Gram Sabha in non-scheduled areas as well.

71. In the light of 73rd Constitutional Amendment Act, the District Rural Development Agencies (DRDAs) are also being restructured to work under the overall control and supervision of the Zilla Parishads.

72. The Government recognizes the necessity to build capabilities at the local level for planning, implementation and monitoring of development programmes. Therefore, a time bound training programme for capacity building for the elected panchayat representatives especially new entrants, SCs / STs / Women and Government functionaries so as to make them familiar with the planning process and implementation of various programmes, technologies and other requisite information available is considered as the most important pre-requisite for the success of the PRIs. The Ministry of Rural Development extends limited financial support to the States / UTs for this purpose. The Ministry also provides funds to the research organisations and institutions to conduct action research and to study the impact of Panchayati Raj system in States.

### **Pradhan Mantri Gramodaya Yojana (PMGY)**

73. Pradhan Mantri Gramodaya Yojana (PMGY) was launched in the Annual Plan 2000-2001 in all the States and the UTs in order to achieve the objective of sustainable human development at the village level. With its launching, the earlier Basic Minimum Services (BMS) Programme was replaced by PMGY.

74. PMGY envisages allocation of Additional Central Assistance (ACA) to the States and UTs for selected basic minimum services in order to focus on certain priority areas of the Government. The PMGY Programme builds on the BMS Programme as well as strives to



mobilise efforts and resources only for selected basic services. PMGY initially had five components viz., Primary Health, Primary Education, Rural Shelter, Rural Drinking Water and Nutrition. Rural Electrification has been added as an additional component ( sixth ) from the Annual Plan 2001-02.

75. The allocation for PMGY in the Annual Plan 2000-01 was Rs. 2500 crore. This has been enhanced to Rs. 2800 crore for 2001-02. For the year 2002-03, the allocation for PMGY is kept at the same level i. e Rs. 2800 crore. State-wise allocations of ACA for PMGY for the current year is shown in Annexure 4.1.2.

76. During the last two annual plans, the six sectoral programmes of PMGY were managed by the concerned Central Administrative Departments of Elementary Education and Literacy, Family Welfare, Drinking Water Supply, Rural Development , Women and Child Development and Power which had brought out guidelines for their implementation by the State Governments and UTs. The progress of implementation of the schemes were also monitored by the Administrative Departments. Instalments of ACA funds were approved and recommended for release to the Ministry of Finance by the concerned Central Ministries. However, the implementation of the programme with the involvement of Central Ministries became cumbersome and resulted in delay. Keeping in view the feedback received from the States, Planning Commission, decided to directly manage this programme. New guidelines on the implementation of the PMGY during the annual plan 2002-03 have been issued to the State Governments and UTs by the Planning Commission.

77. With the new guidelines issued by the Planning Commission, PMGY has substantially reverted back to the earlier BMS pattern of implementation. The interse earmarking of the allocation to a State/UT for various components of the PMGY has been discontinued. The States and the UTs now have flexibility to allocate their ACA to any of the six component of PMGY with a minimum 15 percent to nutrition. A minimum level of allocation called the Minimum Mandatory Provision ( MMP )will be ensured and earmarked for PMGY in the Annual Plan. MMP will be calculated as the addition of the allocation (RE ) for PMGY in 2000-01 and the ACA allocated to the State for the Programme in 2002-03. Planning Commission has devised a half yearly monitoring system for PMGY from the annual plan 2002-03. The ACA instalments will henceforth be released in two equal instalments. The release of second instalment is conditional upon ensuring expenditure of at least 60 percent of the available funds with state government. Both physical and financial monitoring are envisaged for PMGY.

## Annexure 4.1.1

**Scheme wise Actual Expenditure for 2000-01, Budget Estimates and Revised Estimates for 2001-02 and Budget Estimates for 2002-03 for Department of Rural Development and Department of Land Resources**

(Rs. In Crores)

Sl. No.	Name of the scheme	2000-01 Actuals	2001-02 BE	2001-02 RE	2002-03 BE
1	2	3	4	5	6
	(A) Department of Rural Development				
1	Sampoorna Grameen Rozgar Yojana (SGRY) *	2804.39	3250.00	3750.00	4440.00
2	Food for work programme	-	0.00	800.00	600.00
3	Swarnjayanti Gram Swarozgar Yojana(SGSY)	544.94	500.00	550.00	710.00
4	DRDA Administration	165.97	220.00	200.00	220.00
5	Rural Housing(Indira Awaas Yojana)	1664.17	1527.00	1991.00	1725.00
6	Training				
	(a) Grants to National Institute of Rural Development	5.00	5.00	5.00	5.00
	(b) Strengthening of State Training Centre	10.39	8.75	8.75	8.75
	(c) Organisation of Training Courses, Seminars	1.41	1.25	1.25	1.25
	(d) Strengthening of Extension Training Centres	3.00	3.00	3.00	3.00
	(e) Panchayat Development & Training	3.00	5.00	10.50	5.00
	(f) International Cooperation	-	0.00	1.00	1.00
7	Communication Cell	10.00	10.00	10.00	10.00
8	Assistance to CAPART	28.00	30.00	30.00	30.00
9	Monitoring Mechanism	4.50	10.00	10.00	10.00
10	Information Technology	-	0.00	1.00	1.00
11	National Social Assistance Programme	700.55	835.00	635.00	0.00
12	Annapoorna	99.80	300.00	100.00	0.00
	<b>Sub Total (A)</b>	<b>6045.12</b>	<b>6705.00</b>	<b>8106.50</b>	<b>7770.00</b>
	(B) Department of Land Resources				
1	Integrated Wasteland Development Programme	387.00	430.00	405.00	450.00
2	Drought Prone Areas Programmes (DPAP)	190.00	210.00	210.00	250.00
3	Desert Development Programme (DDP)	135.00	160.00	150.00	185.00
4	Computerisation of Land Records	-	45.00	45.00	55.00
5	Strengthening of Revenue Admn. & Updating of Land Records	73.00	30.00	25.00	35.00
6	Technology Development & Training	15.00	15.00	12.00	17.00
7	Others	-	10.00	3.00	8.00
	<b>Sub Total (B)</b>	<b>800.00</b>	<b>900.00</b>	<b>850.00</b>	<b>1000.00</b>

\* JGSY and EAS have been merged into SGRY w.e.f. 2002-03

Source: Ministry of Rural Development

## Annexure 4.1.2

## Allocation of ACA for PMGY- 2002-03

Rs.in Lakh

Sr. No.	Name of State/Uts Non Special Category States	ACA 2002-03
1	2	3
1	Andhra Pradesh	15644.00
2	Bihar	24173.00
3	Chattisgarh	3435.00
4	Goa	72.00
5	Gujarat	7122.00
6	Haryana	1834.00
7	Jharkhand	7446.00
8	Karnataka	8273.00
9	Kerala	7608.00
10	Madhya Pradesh	8500.00
11	Maharashtra	10917.00
12	Orissa	10863.00
13	Punjab	4442.00
14	Rajasthan	10611.00
15	Tamil Nadu	11547.00
16	Uttar Pradesh	37087.00
17	West Bengal	18490.00
	Sub total	188064.00
	<b>Spl. Category State</b>	
1	Arunachal Pradesh	6500.00
2	Assam	19000.00
3	Himachal Pradesh	7000.00
4	Jammu & Kashmir	18000.00
5	Manipur	4800.00
6	Meghalaya	4112.00
7	Mizoram	4300.00
8	Nagaland	4526.00
9	Sikkim	3000.00
10	Tripura	5000.00
11	Uttranchal	7000.00
	Sub total	83238.00
	<b>Union Territories</b>	

Rs.in Lakh

<b>Sr. No.</b>	<b>Name of State/Uts Non Special Category States</b>	<b>ACA 2002-03</b>
<b>1</b>	<b>2</b>	<b>3</b>
1	NCT of Delhi	1078.00
2	Pondicherry	465.00
3	A & N Islands	1002.00
4	Chandigarh	442.00
5	D & N Havelli	128.00
6	Lakshadweep	172.00
7	Daman & Diu	111.00
	Sub total	3398.00
	<b>Grant total</b>	<b>274700.00</b>

## **4.2 DEVELOPMENT OF WASTELANDS AND DEGRADED LANDS**

1. Land, a non-renewable resource is subjected to degradation from both biotic and abiotic pressure. Increasing population places enormous pressure on land resources. India occupies 2.4% of the world's geographical area but supports over 16% of the world's population. It has only 0.5% of the world's grazing area to feed 18% of the world's cattle population. Besides human and livestock population pressure, intensive agricultural activities / practices, urbanization and industrial development have resulted in land degradation. Land degradation has direct impact on the soil productivity, rainfall variation, availability of water, fuel and fodder, which have direct bearing on the livelihoods of rural people.

2. The extent of land degradation is yet to be estimated precisely in the country. The National Remote Sensing Agency (NRSA) in March, 2000 estimated 63.85 million hectare as wasteland in the country. The Working Group on Watershed Development, Rainfed Farming and Natural Resource Management for the Tenth Five Year Plan was of the view that 88.5 million hectares of degraded land would have to be treated under watershed programmes in the Tenth and subsequent Plans.

3. The Government attaches highest priority to development of degraded and wastelands in the country as the incidence of poverty correlates very strongly with drought prone, desert prone and areas dependent on rainfall for agricultural activities. Further the most vulnerable section of the society viz Scheduled tribes reside in some of these areas. The prevention of land degradation and the augmentation of the carrying capacity of land to provide food, fuel and fodder requirements of the inhabitants has, therefore, been a primary concern of the Government.

4. Special Area Development Programmes have been funded by the State to mitigate the harsh living conditions of people by adopting better land management, water harvesting and conservation practices on a watershed basis. The programmes / schemes taken up for controlling and development of degraded, wasteland and forest land on watershed basis by Department of Land Resources, Department of Agriculture & Cooperation and Ministry of Environment & Forests have been discussed ahead.

### **Area Development Programmes of Department of Land Resources (DOLR)**

5. A Technical Committee under the Chairmanship of Dr. C.H. Hanumantha Rao was constituted in 1994 by the Ministry of Rural Development, which recommended a common set of operational guidelines, objectives, strategies and expenditure norms for implementation of area development programmes viz; Drought Prone Area Programme (DPAP), Desert Development Programme (DDP) and Integrated Wastelands Development Programme (IWDP) being implemented by the Ministry of Rural Development on watershed basis. Common guidelines have also been adopted for other area development programmes such as National Watershed Development Project for Rainfed Areas (NWDPPRA), Development of Catchment Area of River Valley Projects and Flood Prone Areas, being operated by the Ministry of Agriculture.

6. The common guidelines for Watershed Development provide for a uniform strategy in the implementation of all area development programmes. The main features of this strategy are:

- Area development programmes to be implemented exclusively on watershed basis.
- Programmes activities to be confined to the identified watershed of about 500 hectares and are to be executed on a project basis spanning over a period of four to five years.
- Watershed project to cover a village, as far as possible.
- Elaborate institutional mechanism at various levels clearly defined for effective participation of the local people and the PRIs in all stages of project management.
- District Rural Development Agency (DRDA) / Zilla Parishad to be the nodal Government agency at the district level to act as a facilitator and provider of finances and technical assistance to the people's organisations executing the watershed projects.

### **Drought Prone Area Programme (DPAP)**

7. DPAP aims to minimize the adverse effects of drought on production of crops and livestock and productivity of land, water and human resources ultimately leading to the drought proofing of the affected areas. It also aims at promoting overall economic development and improving the socio-economic conditions of the resource poor and disadvantaged sections. Presently, 972 blocks of 183 districts in 16 States namely Andhra Pradesh, Bihar, Chattisgarh, Gujarat, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttranchal and West Bengal are covered by the programme. A total of 16,268 projects covering an area of 81.34 lakh hectare have been sanctioned under DPAP since 1995-96 upto 31.10.2002. Out of these, 3386 projects have already been completed covering an area of 16.93 lakh hectares and others are at various stages of implementation.

8. In the Ninth Plan period, an area of 44.93 lakh hectare has been covered with Central release of Rs. 657.84 crore to the States. During 2002-03, an outlay of Rs.250.00 crore for 2478 projects has been provided to cover an area of 12.39 lakh hectare under DPAP.

### **Desert Development Programme (DDP)**

9. DDP has been conceived as a long term measure for restoration of ecological balance by conserving, developing and harnessing land, water, livestock and human resources. The main objectives of this programme are: - (i) combating drought and desertification; (ii) encouraging restoration of ecological balance; (iii) mitigating the adverse effects of drought and adverse edapho-climatic conditions on crops and livestock and productivity of land, water and human resources; (iv) promoting economic development of village community; and (v) improving socio economic conditions of the resource poor and disadvantaged sections of village community viz; assetless and women.

10. Presently, 235 blocks of 40 districts in seven States viz; Andhra Pradesh, Gujarat, Haryana, Himachal Pradesh, Jammu and Kashmir, Karnataka and Rajasthan are covered under the programme. A total of 8314 projects (including 1171 special projects for Rajasthan) have been sanctioned under DDP covering an area of 41.57 lakh hectare since

1.4.1995 till the end of October, 2002. Out of these, 1634 projects covering an area of 8.17 lakh hectares have already been completed and others are at various stages of implementation. During Ninth Plan, 24.77 lakh hectare was covered with Central release of Rs. 519.82 crore.

11. During 2002-03, an outlay of Rs.185.00 crore has been provided to cover an area of 8 lakh hectares and for meeting the fund requirements of ongoing projects.

12. Under DPAP and DDP, funds are directly released to DRDAs/Zilla Parishads for implementation of the programme. From 1999-2000, the funding pattern under these programmes have been changed to 75:25 cost sharing basis between the Centre and the States for the projects sanctioned after 1.4.1999. The project cost is Rs. 30.00 lakh per project consisting of 500 hectares at the rate of Rs.6,000/- per hectare.

### **Integrated Wastelands Development Programme (IWDP)**

13. IWDP was started in 1988-89 by Ministry of Environment & Forests with an objective of development of wasteland based on village / micro watershed plans. However, the scheme was transferred to the Department of Wastelands Development (now called Department of Land Resources) during 1992-93. From April 1995, the scheme is being implemented on a watershed basis in accordance with the guidelines for Watershed Development.

14. IWDP is a Centrally Sponsored Scheme and the cost norm of Rs.4000 per hectare has been revised to Rs.6000 per hectare with effect from 1.4.2000. The increase of Rs.2000 is to be shared between the Central and State Governments in the ratio of 75:25. Thus, the funding pattern of the scheme has been revised from 100% Central grant to sharing in the ratio of 11:1 between the Central Government and the State Governments. The projects under IWDP are generally sanctioned in areas not covered by DDP and DPAP. The programme is being implemented in 297 districts of the country.

15. The basic objective of this scheme is to take up integrated wastelands development based on village/micro watershed plans. The stakeholders prepare these plans after taking into consideration land capability, site conditions and local needs. The scheme also helps in generation of employment in rural areas besides enhancing people's participation in the wastelands development programmes at all stages. This leads to equitable sharing of benefits and sustainable development.

16. The major activities taken up under the scheme are: - (i) soil and moisture conservation measures like terracing, bunding, trenching, vegetative barriers etc; (ii) planting and sowing of multi purpose trees, shrubs, grasses, legumes and pasture land development; (iii) encouraging natural regeneration; (iv) promotion of agro-forestry and horticulture; (v) wood substitution and fuel wood conservation measures; (vi) measures needed to disseminate technology; training, extension and creation of greater degree of awareness among the participants; and (vii) encouraging people's participation.

17. A total of 436 projects covering 38.02 lakh hectares have been sanctioned since 1.4.1995 till October, 2002. Out of these, 21 projects covering an area of 1.42 lakh hectare have already been completed and others are at various stages of implementation. During Ninth Plan, 35.65 lakh hectare was covered with total Central Release of Rs.448.47 crore.

18. In the Annual Plan 2002-03, an outlay of Rs 450.00 crore has been provided for IWDP, out of which Rs 150.00 crore has been earmarked for meeting the past liability on account of watershed component under Employment Assurance Scheme and Rs 63.00 crore for Externally Aided Projects. Thus, the net amount of Rs 237.00 crore will be available to cover 10 lakh hectares under IWDP in 2002-03 and to meet the fund requirements of ongoing projects.

### **Other Programmes including Technology Development, Extension & Training (TDET) and Investment Promotional Scheme (IPS)**

19. TDET scheme was launched during 1993-94 with a view to promoting the development and dissemination of suitable technologies for the reclamation of wastelands in order to secure sustained production of food, fuelwood, fodder etc. 100% Central grant is admissible to implement projects on wastelands owned by Government, Public Sector Undertakings, Universities, Panchayats, etc. IPS was launched in 1994-95 as Central Sector Scheme in order to stimulate involvement of the corporate sector / financial institutions etc. to pool in resources for development of non forest wastelands. However the performance under TDET and IPS during the Ninth Plan period was unsatisfactory as only a small area was treated under the schemes during Ninth Plan.

### **Externally Aided Projects (EAPs)**

20. In addition to the above-mentioned programmes, two EAPs funded by DFID are being implemented in the States of Andhra Pradesh and Orissa for which funds are routed through DOLR and projects are implemented as per the watershed development guidelines issued by the DOLR. Andhra Pradesh Rural Livelihoods Project (APRLP) aims at implementation of pro-poor watershed based sustainable rural livelihood programmes in five districts of the State viz; Anantpur, Kurnool, Mehboobnagar, Nalgonda and Praksham. Western Orissa Rural Livelihoods Project (WORLP) is being implemented for development in the four districts viz; Bolangir, Nuapada, Kalahandi and Bargarh. The DFID projects have three components viz, promoting livelihood improvements, capacity building for primary and secondary stakeholders and encouraging an enabling environment.

## **DEPARTMENT OF AGRICULTURE & COOPERATION (DAC)**

### **National Watershed Development Project for Rainfed Areas (NWDPA)**

21. This programme was launched in the VII Plan (1985-86). The programme is implemented with the twin objectives of improving production and productivity in the rainfed areas and to restore ecological balance. NWDPA has since been restructured and the Common Approach for Watershed Development and New Operational Guidelines for



NWDPRA have been put into operation from November 2000 onwards. The restructured NWDPRA allows a greater degree of flexibility in choice of technology, decentralization of procedures, provision for sustainability and re-emphasizes active participation of the Watershed Community in the planning and execution of their watershed development projects.

### **Shifting Cultivation**

22. The Watershed Development Project in Shifting Cultivation Area (WDPSCA) was first launched during the Fifth Plan as a pilot project with 100% financial assistance from the Central Government covering the whole of North Eastern Region along with Andhra Pradesh and Orissa and later on was transferred to the State Plan Sector. But due to various reasons, the State Governments discontinued the scheme with effect from 1991-92. However the scheme was revived in 1994-95 in North Eastern States including Sikkim.

### **Soil Conservation for Enhancing Productivity of Degraded Lands in the Catchments of River Valley Projects and Flood Prone Rivers (RVP & FPR)**

23. In the Ninth Plan two erstwhile centrally sponsored schemes of Soil Conservation in the Catchments of River Valley Projects (RVP) and Integrated Watershed Management in the Catchment of Flood Prone Rivers (FPR) which aimed at to enhance the productivity of degraded lands, minimize siltation of reservoirs and moderation of the flood menace in flood prone rivers were merged into a new scheme namely "Soil Conservation for Enhancing Productivity of Degraded Lands in the Catchments of River Valley Projects and Flood Prone Rivers (RVP & FPR)". The scheme is being implemented in 45 catchments spread over 20 States namely Assam, Andhra Pradesh, Bihar, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Mizoram, Orissa, Punjab, Rajasthan, Sikkim, Tamil Nadu, Tripura, Uttar Pradesh and West Bengal. The total catchment area of 45 catchments covered under RVP & FPR Scheme is 96.1 million ha out of which 25.62 million ha requires treatment.

### **Reclamation of Alkali Soils**

24. This scheme was launched in 1974-75 in the States of Punjab, Haryana and Uttar Pradesh. Presently, the scheme has been extended to all the States where soil alkalinity exists. The main objective of the scheme is to reclaim land affected by alkalinity and improve land and crop productivity including development of horticulture, fuelwood and fodder species. The scheme also endeavors to enhance the capacity of extension personnel and farmers in respect of alkali soil reclamation technology.

### **Watershed Development Fund**

25. Watershed Development Fund was established in 1999-2000 at National Bank for Agriculture and Rural Development (NABARD) with the objective of integrated watershed development in 100 priority districts through participatory approach. The total corpus of the fund is Rs 200 crore which includes Rs100 crore by NABARD and a matching contribution of Rs.100 crore by the DAC. The fund is to be utilized to create framework conditions to

replicate and consolidate the isolated successful initiatives under different watershed development programmes in the Government, semi-Government and NGO sectors. 14 States are to be covered in two phases. 6 States viz Andhra Pradesh, Maharashtra, Gujarat, Madhya Pradesh, Orissa and Uttar Pradesh in phase I and 8 States of Bihar, Karnataka, Rajasthan, Tamil Nadu, Jammu & Kashmir, West Bengal, Himachal Pradesh and Haryana are to be covered in phase II.

### **Externally Aided Projects (EAPs)**

26. In addition to above mentioned programmes, there are 17 EAPs on Watershed and Land Reclamation & Development in operation in 15 major States covering about 1.50 million hectare with an estimated cost of Rs 2021.00 crore under the aegis of Ministry of Agriculture.

27. The Department of Agriculture and Cooperation (DAC) has devised a new scheme called 'Macro Management Approach' by integrating 27 identified Centrally Sponsored Schemes (CSSs) including the above mentioned watershed development schemes. Under Macro Management the fund provided under individual schemes are pooled together and the State Governments are expected to prepare a detailed works plan to accelerate agricultural growth rate by deploying both the funds provided as part of the State Plan Scheme and the Central assistance being provided as allocations from the Macro Management Approach adopted in respect of identified CSSs. Integration of CSSs under Macro Management Approach will enhance the productivity support programmes and accord greater flexibility to State Government to develop and pursue activities on the basis of regional priority. It is, thus, a major step towards achieving decentralization in pursuance of restoring primacy of States in agriculture development planning.

### **Ministry of Environment & Forests (MOEF)**

28. The schemes implemented by the Ministry of Environment & Forests have relevance to sustainable eco-system development in rainfed / degraded areas in the country. The scheme implemented on watershed basis is 'Integrated Afforestation and Eco-development Projects Scheme (IAEPS)' since 1989-90 with intention to promote afforestation and development of degraded forests by adopting an integrated watershed approach through the micro planning process. The revised Ninth Plan allocation for the scheme is Rs 273.87 crore (proposed physical target is 1.88 lakh ha).

29. Ministry of Environment & Forests has evolved by merging the ongoing schemes i.e. Integrated Afforestation and Eco-development Projects Scheme, Area Oriented Fuelwood and Fodder Projects Scheme, Conservation and Development of Non Timber Forest Produce (NTFP) including Medicinal Plants Scheme and Association of Scheduled Tribe and Rural Poor in Regeneration of Degraded Forests into a single Scheme called National Afforestation Programme (NAP). The programme would be operated through Forest Development Agencies. The new scheme was implemented in the first phase as pilot basis for the years 2000-01 and 2001-02 in some States. Based on the experience and wide acclamation of the projects, it has been now decided to universalize the new scheme including all the above four schemes from the Tenth Plan. An outlay of Rs 175.25 crore has been provided for the scheme in the Annual Plan 2002-03.

30. Programmes relating to conservation, development and management of land resources are scattered in different Central Ministries and Departments. In order to bring about an effective administrative mechanism to manage land resources in the country, all the land programmes / schemes would be brought under the umbrella of one coordinating agency.

31. A National Policy on Land Resources Management for optimum management of land resources to meet socio-economic demands, creation of land database for effective planning and identification of hot spots of land degradation would need priority attention. Further existing village ponds, tanks and other water harvesting structure would be restored in a campaign mode by involving PRIs, NGOs and SHGs. Capacity building is needed for wasteland regeneration in Government and in user communities through training programmes and awareness campaigns.

### **4.3 URBAN POVERTY ALLEVIATION**

1. Despite some improvement in statistics of urban poverty, the urban poor still face age-old problems at the ground level. Besides, there are wide regional variations as well as differences among different size-class towns with regard to the extent and nature of urban poverty.

2. According to 55<sup>th</sup> Round of the NSSO using a 30-day recall period, 67.1 million or 23.62 percent of India's urban population were below the poverty line in 1999-2000 against 32.4 per cent in 1993-94. The absolute number of persons below the poverty line, which had all along been rising touching 76.3 million in 1993-94, has also shown a reduction to 67.1 million.

3. Though, at the national level, the percentage of the poor in rural areas is significantly higher than in urban areas, only a few of the larger States conform to this pattern. States such as Andhra Pradesh, Goa, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu, Delhi and the Union Territory of Pondicherry have reported levels of urban poverty that are higher than rural poverty. Even where income levels are rising to meet the basic nutritional needs, other equally important needs of shelter, civic amenities, health care, educational and social needs, etc. are not being met in an adequate fashion. Urban poverty, thus, emerges as a more complex phenomenon than rural poverty.

4. The implementation of programmes for the urban poor is beset with enormous problems. The problem of inadequate funding has been compounded by under-utilisation of Central funds, diversion of funds released for specific programmes, and infructuous expenditure. There has been too much emphasis on engineering or the 'works' aspects of programmes without adequate understanding of the social, psychological and other dynamics of poverty. The beneficiaries have not been consulted nor given a voice in the implementation of programmes.

#### **Slums**

5. According to the 2001 Census, there are 40.6 million persons living in slums in 607 towns/cities, and they account for 22.8 per cent of the population of these cities. There

appears to be no change in the basic level or improvement in the features of slum settlements despite several decades of programmes for the environmental improvement and upgradation of slums. Absence of reliable basic survey data, information of status of services, inadequate normative service objectives, absence of master plans and definite objectives of upgradation in schemes such as NSDP, multiplicity of agencies working without coordination, insufficient availability of land for housing needs of the urban poor, failure to provide facilities for street vendors and hawkers, etc., are some of the reasons for the persistence of features of urban poverty.

6. This method of slum improvement called 'in situ upgradation', needs to be practised on a much wider scale. The VAMBAY project permits in situ upgradation, and it is necessary that an early decision is taken regarding land on which slums are situated in order to facilitate upgradation.

7. Various Central Government schemes – National Slum Development Programme (NSDP), Swarna Jayanti Shahri Rozgar Yojana (SJSRY), VAMBAY, Night Shelters, Two Million Housing Scheme, Accelerated Urban Water Supply Programme (AUWSP), Low-Cost Sanitation — provide for a wide range of services to the urban poor including slum-dwellers. They include identification of the urban poor, formation of community groups, involvement of non-government organisations (NGOs), self-help/thrift and credit activities, training for livelihood, credit and subsidy for economic activities, housing and sanitation, environmental improvement, community assets, wage employment, convergence of services, etc. What is needed is to ensure that the task of meeting the needs of the slum-dwellers is better organised and effectively administered, and duly monitored at both State and Central levels.

### **Approach to Urban Poverty Alleviation in the Tenth Plan**

- (a) The 74<sup>th</sup> Amendment is intended to increase the participation of the people and accountability in administration. State Governments should legislate the requisite amendments to the municipal laws, to clearly devolve the tasks of urban poverty alleviation and slum improvement to the ULBs.
- (b) A multi-dimensional strategy is called for, which will focus on empowerment of the urban poor. The community structure under the SJSRY should be made the common pattern and the foundation of all programmes for the urban poor and slum dwellers. This would be an effective way to give the poor a forum to talk about their needs and, given the empowerment of the poor when organised, ensure that their demands are then met.
- (c) Most of the services required by the urban poor – physical infrastructure as well as human development services - have been attempted at least in a rudimentary fashion. During the Tenth Plan, the focus has to be on upgrading these services, and on convergence for achieving synergy. Convergence of services such as water supply, drainage, solid waste management, as well as for health care, family welfare, education, anganwadis and crèches should be the main plank of urban poverty alleviation. Outlays on water supply and sanitation should, in particular, focus on the needs of the urban poor. Setting up basic health and education units such as crèches, anganwadis, primary schools, public health units and primary health centres (PHCs) in areas where the urban poor live, is equally important.

- (d) Programmes for urban infrastructure supported by the Central Government, such as the IDSMT and the Mega City Scheme should have adequate provisions for meeting the infrastructural deficiencies of settlements of the urban poor.
- (e) SJSRY contains the two basic requirements of any programme of poverty alleviation namely, community involvement and empowerment, and employment generation. Some areas of improvement are

The wage employment component should be used only for building assets and infrastructure relating to the urban poor, and not for general municipal works. The requirements should be selected by beneficiaries themselves and implementation should be from such lists of works identified by the beneficiaries.

- The guidelines need to be simplified and made more concise, removing all ambiguities and contradictions.
  - The component of vocational training should be revamped and the quality of training improved;
  - Community organisers and project coordinators should be appointed wherever they are not present, and the persons must be qualified in social work. The role of NGOs in urban poverty alleviation projects should be strengthened.
- (f) There is a feeling that the increased emphasis on the viability of banks and reduction of non-performing assets (NPAs) is beginning to affect the availability of credit for the urban self-employed. This would be an unfortunate development. There is an urgent need to restore the banking sector's role in providing credit support to the urban informal sector, especially the self-employed urban poor.
  - (g) Innovative areas of employment, as has been developed in Kerala under the Kudumbasree programme, needs to be emulated in other states.

8. The outlay on SJSRY for the year 2001-02 was Rs 168 crores. For Annual Plan 2002-03 a provision of Rs 105 crores has been made.

#### **Valmiki-Ambedkar Awas Yojana (VAMBAY)**

9. The scheme Valmiki-Ambedkar Awas Yojana (VAMBAY), introduced in 2001-02, is to meet a long-standing gap in programmes for slum-dwellers, namely, provision of a shelter or upgrading the existing shelter of people living below the poverty line in urban slums. Twenty per cent of the total allocation under VAMBAY will be provided for sanitation and community toilets will be built for the urban poor and slum dwellers. Each toilet block will be maintained by a group from among the slum dwellers who will make a monthly contribution of about Rs. 20 per family. Provision of water is also included in the scheme.

10. The upper limit of Central subsidy will be Rs. 30,000 per unit in Delhi and the five mega cities, and Rs. 25,000 per unit in other million-plus cities, and Rs. 20,000 for all other cities and towns. The upper limit for upgradation of an existing unit shall be 50 per cent of the cost ceiling specified for the construction of a new house. The entitlement of the states

for funds under the scheme will be in proportion to their slum population. The provisional expenditure under the scheme for the year 2001-02 is placed at Rs 69 crores. For the current year (2002-03) an outlay of Rs 256.85 crores has been provided.

11. ACA under NSDP in Annual Plan 2001-02 amounted to Rs 385 crores; for the year 2002-03, the provision envisaged is Rs 365 crores. To ensure proper utilisation, during the Tenth Plan the NSDP funds should be released for specific projects designed to achieve upgradation to remove slum characteristics of selected slum habitations.

#### **4.4 PUBLIC DISTRIBUTION SYSTEM**

Foodgrains constitute the most important item of consumption by the poor, though the relative importance of this item in the consumption basket of the population of India is going down. While on the one hand, there is a need to produce adequate foodgrains, domestically, which can be supplemented by imports in times of need, there is also the requirement to have a look at the distribution network for food grains. The Public Distribution System (PDS) in the country facilitates transfer of the food grains produced to the various geographical regions and to the poor and needy.

2. Today, the country is facing a paradoxical situation. While the FCI godowns are overflowing with grain, there are regions in the country affected by drought and floods yearning for larger supplies of foodgrains. It is now recognised that availability of foodgrains is not a sufficient condition to ensure food security to the poor. In addition to availability of foodgrains it is also necessary that the poor have sufficient means to purchase food. The capacity of the poor to purchase food can be ensured in two ways. You can either raise the level of incomes of the poor or you can supply foodgrains to the poor at subsidised prices. Employment generation programmes for the poor tries to ensure that the poor have sufficient purchasing power. The Public Distribution System tries to supply foodgrains to the poor at subsidised prices.

3. With a network of more than 4.62 lakh Fair Price Shops (FPS) distributing annually commodities worth more than Rs 30,000 crore, to about 16 crore families, the PDS in India is perhaps the largest distribution network of its type in the world. This huge network can play a more meaningful role only if the system translates the macro level self sufficiency in foodgrains achieved by the country into micro level, i.e. by ensuring availability of food for the poor households.

4. The importance of an effective mechanism that ensures availability of food at affordable prices at household level for the poor can hardly be over emphasised. However, the PDS as it stood earlier, was widely criticised for its failure to serve the population below the poverty line, its urban bias, negligible coverage in the states with the highest concentration of the rural poor and lack of transparent and accountable arrangements for delivery. Realising this, the government streamlined the PDS, by issuing special cards to families Below Poverty Line (BPL) and selling food grains under PDS to them at specially subsidised prices with effect from June, 1997.

## The Targeted Public Distribution System

5. Under the Targeted Public Distribution System (TPDS) as initiated in June 1997, each poor family was entitled to 10 kgs of foodgrains per month at specially subsidised prices. This was expected to benefit about 6 crore poor families. The state-wise poverty estimates of the Planning Commission based on the methodology of the 'Expert Group' on estimation of proportion and number of poor chaired by late Prof. Lakdawala defined the number of poor in each state. The identification of the poor is done by the states. The Committee did not give identification guidelines. The thrust is to include only the really poor and vulnerable sections of the society such as landless agricultural labourers, marginal farmers, rural artisans/craftsmen such as potters, tappers, weavers, blacksmiths, carpenters etc, in the rural areas and slum dwellers and persons earning their livelihood on a daily basis in the informal sector like porters, rickshaw pullers and hand cart pullers, fruit and flower sellers on the pavements etc. in urban areas.

6. Keeping in view the consensus on increasing the allocation of foodgrains to BPL category and to better target the food subsidy, Government of India increased the allocation to BPL families from 10 kgs. to 20 kgs. of food grains per family per month at 50% of economic cost from April 1, 2000. The allocation for APL was retained at the same level as at the time of introduction of TPDS but the Central Issue Prices for APL was fixed at 100% of economic cost from that date so that entire consumer subsidy could be directed for the benefit of BPL population.

7. The number of BPL families has increased w.e.f. 1.12.2000 by shifting the base to the population projections of the Registrar General as on 1.3.2000 instead of the earlier population projection of 1995. The change has resulted in increasing the number of BPL families to 652.03 lakh as against 596.23 lakh families originally estimated when TPDS was introduced in June, 1997. The increased level of allocation of food grains for BPL category is about 147 lakh tones per annum.

8. In order to reduce excess stocks lying with the Food Corporation of India, Government initiated the following measures under the TPDS w.e.f. 12.7.2001:

(a) The BPL allocation of food grains has been increased from 20 kgs. to 25 kgs. per family per month w.e.f. July, 2001, the CIP for BPL families at Rs.4.15 per kg. for wheat and Rs.5.65 per kg. for rice is 48% of the economic cost.

(b) The Government has decided to allocate food grains to APL families at the discounted rate of 70% of the economic cost. The CIP of APL wheat which was at Rs.8.30 per quintal has been reduced to Rs.610 per quintal and CIP of APL rice which was at Rs.1130 per quintal has been reduced to Rs.830 per quintal.

9. Further, under the Antyodaya Anna Yojana, 25 kgs. of food grain were to be provided to the poorest of the poor families at a highly subsidised rate of Rs.2 per kg. for wheat and Rs.3 per kg. for rice. It also needs to be mentioned that the Public Distribution System (Control) Order 2001 has been promulgated which seeks to plug the loopholes in the PDS and make it more efficient and effective.

10. In a recent decision taken on 23-3-2002, the government reduced the issue price for APL rice and wheat by Rs 100 per quintal . Further the scale of issue for APL, BPL and Antyodaya households was increased to 35 kgs per month.

### **Food Credit Cards**

11. A food credit card system could be a superior alternative to the prevalent system of specialized Fair Price Shops and perhaps even to a food stamp system. Food credit/debit cards could be used by the customers to buy subsidized food grains from the market and the retailers can claim the subsidy from the government. Though the issue costs of a food credit card are likely to be higher than for existing ration card, the running costs may be lower than for specialized Fair Price Shops as the credit card can be used in any existing retail shops that accepts such cards. This will eliminate the need for an exclusive FPS system and consequently its entire overhead cost. This will partly compensate for the initial costs of setting up a leakage proof credit card system using smart card technology. The rest would be compensated for by the elimination of leakage at all stages of the current food procurement, storage and distribution system (including the FCI).

12. There is a fear among some academics that food stamps may be traded on the informal market and thus be effectively converted from a food subsidy to an income subsidy. The food credit card, can obviate this problem as it is much more difficult to trade. Additional safety features such as identifying characteristics of the card holder and periodic validation (and re-charging) can be built into the system, which will make it virtually non-tradable. The food credit cards can also have the inbuilt flexibility of changing over from a food subsidy to an income transfer system if there is a subsequent change in the policy. The food credit card can be made applicable to all cereals including coarse grains. If desired, a different subsidy rate can be specified for different cereals. As coarse cereals are consumed primarily by the poor, the smart card will allow some self selecting/self-targeting features to be built into the system.

13. The food credit card could also be integrated with a food-for-work programme without incurring the additional administrative and logistic costs of transporting food to each area where there is need to provide work. Payment for the work would be done by incrementing the food credit of the worker. Once set up this credit card system could also be used to provide social security to the old, infirm, disabled and handicapped citizens. This could be done for instance by programming a higher subsidy proportion for such groups. Under the Tenth Five Year Plan provision has been made to introduce a smart card scheme under PDS on a pilot basis in selected districts of the country.



# CHAPTER 5

## HUMAN AND SOCIAL DEVELOPMENT

### 5.1 FOOD AND NUTRITION SECURITY

**Initiatives to improve nutritional status of the population during the last five decades include:**

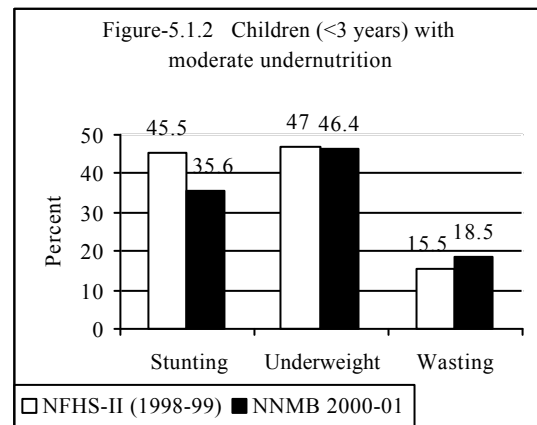
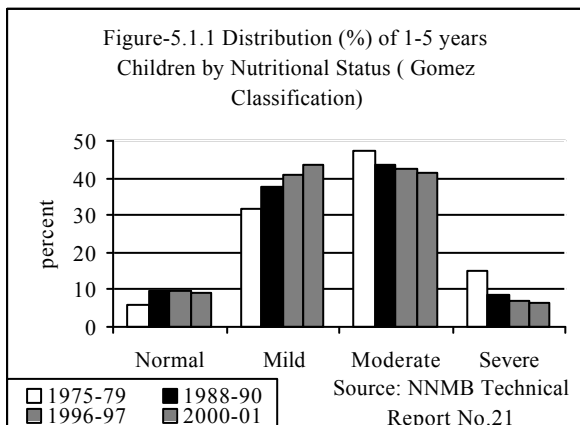
- ☒ Increasing food production- building buffer stocks
- ☒ Improving food distribution- building up the Public Distribution System (PDS)
- ☒ Improving household food security through
  - ⇔ Improving purchasing power
  - ⇔ Food for work programme
  - ⇔ Direct or indirect food subsidy
- ☒ Food supplementation to address special needs of the vulnerable groups-Integrated Child Development Services (ICDS), Mid-Day Meals
- ☒ Nutrition education especially through Food and Nutrition Board (FNB) and ICDS
- ☒ Efforts of the health sector to tackle
  - ⇔ Adverse health consequences of undernutrition
  - ⇔ Adverse effects of infection and unwanted fertility on the nutritional status
  - ⇔ Micronutrient deficiencies and their health consequences

1. Recognising the importance of optimal nutrition for health and human development, India adopted multi-sectoral, multi-pronged strategy to combat major public health problems of chronic energy deficiency (CED), iodine deficiency disorders, Vitamin A deficiency and anaemia due to iron and folate deficiency and to improve nutritional status of the population. Constitution of India (Article 47) states that “the State shall regard raising the level of nutrition and standard of living of its people and improvement in public health among its primary duties”.

**Table-5.1.1 Prevalence (%) of Nutritional Deficiency Signs: Preschool Children**

Nutritional Deficiency Signs	1975-79	2000-01
Oedema	0.4	0.0
Marasmus	1.3	0.2
Angular Stomatitis	5.7	1.4

Successive Five Year Plans laid down the policies and strategies for achieving these goals. As a result of these interventions, there has been reduction in severe grades



of under-nutrition in children and some improvement in nutritional status of all segments of population. Kwashiorkor, marasmus, pellagra, lathyrism, beriberi and blindness due to severe Vitamin-A deficiency have become rare. Over the last three decades, there had been sustained reduction in nutrition deficiency signs and severe CED in preschool children (Table-5.1.1, Figures- 5.1.1&5.1.2). However, there has not been any decline in mild and moderate under-nutrition and anaemia. Changing life style and dietary habits have led to increased prevalence of obesity and associated non-communicable diseases especially among affluent segments of the population . In the new century, the country will have to gear itself to prevent and combat the dual problems of under- and over-nutrition. As the country enters the era of dual burden of under-and over-nutrition and their adverse consequences there is a need for a paradigm shift from :

- household food security and freedom from hunger to nutrition security for the family and the individual;
- untargeted supplementation to vulnerable groups to screening of all the persons from these groups, identification of those with various grades of undernutrition and appropriate management;
- lack of focused interventions for prevention of over-nutrition to the promotion of appropriate lifestyles and dietary intakes for the prevention and management of over-nutrition and obesity

With well targeted, multi sectoral and comprehensive interventions of

- ☒ increasing food production, effective processing and distribution,
- ☒ improvement in purchasing power ,
- ☒ nutrition and health education generating awareness
- ☒ ensuring optimum utilisation of well targeted interventions for prevention, detection and management of macro and micronutrient deficiencies

it may be possible to achieve the goals set in the Health, Population and Nutrition policies.

<b>Table-5.1.2 Average daily Percapita dietary intake</b>						
	<b>Calorie (kal)</b>		<b>Protein (g)</b>		<b>Fat (g)</b>	
	<b>Rural</b>	<b>Urban</b>	<b>Rural</b>	<b>Urban</b>	<b>Rural</b>	<b>Urban</b>
1972-73	2266	2107	62	56	24	36
1983	2221	2089	62	57	27	37
1993-94	2153	2071	60.2	57.2	31.4	42
1999-2000	2149	2156	59.1	58.5	36.1	49.6
Source: NSSO						

### **Dietary Intake**

2. Dietary intake is an important determinant of nutritional status of the population. Poverty and lack of purchasing power have been identified as the two major factors responsible for the low dietary intake in India. The concern over the

economic factors resulting in chronic under-nutrition led to the use of calorie intake as the basis of estimating poverty. The National Sample Survey Organisation (NSSO) monitors expenditure on foodstuffs as a part of consumption expenditure. Data from these surveys (Table-5.1.2) indicate that over the last three decades the overall calorie and protein intake in rural areas has shown a small decline; dietary intake in urban areas has remained unaltered. However, when the data is analysed by income (Table-5.1.3), the calorie intake

**Table-5.1.3 Average Per Capita Calorie Intake by Expenditure Classes**

Expenditure Classes	Rural			Urban		
	1972-73	1997-78	1993-94	1972-73	1997-78	1993-94
Lower 30%	1504	1630	1678	1579	1701	1682
Middle 40%	2170	2296	2119	2154	2438	2111
Top 30%	3161	3190	2672	2572	2979	2405

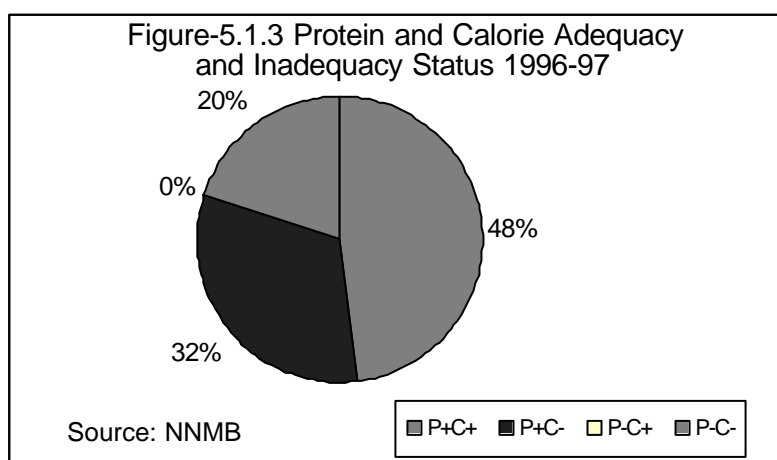
has shown a small increase in both urban and rural poor and a decline among the urban and rural rich. In the urban areas, the variation in intake over the years is much smaller. In spite of the fact that calorie intake has not increased, there is a rise in obesity mainly because of changes in life style and consequent reduction in energy expenditure. Over the last three decades, there has been a substantial increase in the fat intake in both rural and urban areas. In view of adverse nutrition (obesity) and health (non communicable diseases) implications of increased fat intake especially among the affluent group, this has to be curtailed through appropriate nutrition education. In view of the known massive interstate differences in the dietary intake and nutritional status, it is important to analyse the state-wise data on intake and nutritional status and modify the interventions programmes to cope with the problems.

**Table-5.1.4 Per capita Private Final Consumption Expenditure at 1993-94 prices in Rs.**

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000
Cereals	900.86	908.87	907.48	966.27	855.43	898.00	894.34
Pulses	134.61	139.94	122.59	138.34	124.59	136.85	116.95
Sugar & Gur	226.29	211.57	215.95	254.57	228.81	251.62	268.79
Oil & Oilseeds	260.43	239.79	252.08	288.20	211.65	337.09	268.20
Fruits & Veg.	702.24	743.25	742.94	729.53	783.95	837.35	861.69
Potato & Other tubers	69.69	67.47	70.40	83.67	66.56	78.46	75.97
Milk & milk products	522.94	537.33	587.82	621.78	651.48	668.94	752.62
Meat, egg & fish	243.96	257.14	263.46	275.57	273.45	285.82	291.91

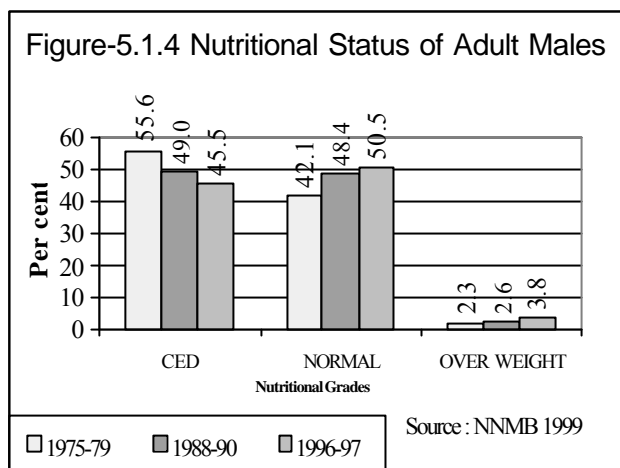
Source: Computed from National Accounts Statistics, CSO

3. Data from CSO (Table-5.1.4) indicates that during the nineties, the average per capita consumption expenditure on cereals has remained more or less constant but expenditure on pulses has declined in 1999-2000. However there is a considerable increase in the consumption of vegetables and fruits and milk and milk products. This is an



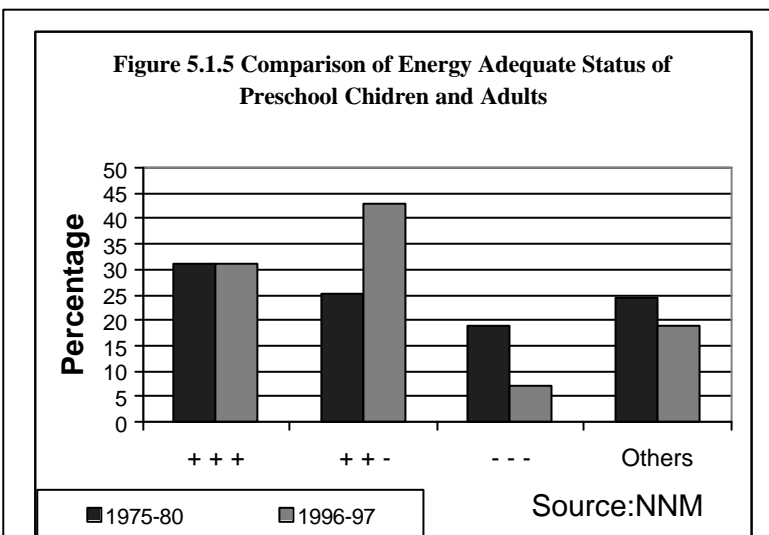
encouraging trend suggesting that the people are aware of the need for dietary diversification in order to meet the nutritional needs (macro, micro and phyto –nutrients) and are making efforts to diversify their dietary intake. It is important that this trend is accelerated by improving access to the vegetables, fruits, dairy products at affordable cost through out the year in urban and rural areas in all states, because this trend towards dietary diversification is the first step towards sustainable food based intervention for prevention of macro and micronutrient deficiencies.

4. National Nutrition Monitoring Bureau (NNMB) is the only agency that collects information on dietary intake and nutritional status at the same time from the same house holds. Data from NNMB also shows that over the last three decades there has not been any substantial change in dietary intake. Analysis of data from NNMB on distribution of households according to protein-energy adequacy status is presented in Figure-5.1.3. About 48 per cent of the households consumed more than adequate amount of both proteins and calories, while 20 per cent of households consumed inadequate amounts of both the nutrients. With increasing access to cooking gas, piped water supply, labour-saving gadgets and transport, there has been a substantial reduction in the physical activity pattern and energy expenditure, especially in the middle and upper income groups. Data from NNMB repeat surveys indicate that there has been some reduction in under-nutrition and some increase in obesity over the last two decades (Figure-5.1.4). Data from NFHS has shown that among women in reproductive age, 35.8% are under-nourished and 10.6% are overweight. It is obvious that India currently faces the problem of both under-nutrition and over-nutrition and associated health hazards.



**Intrafamilial Distribution of Food**

5. NNMB is the only source for information on dietary intake of individuals in the family. Data on intake of different foodstuffs



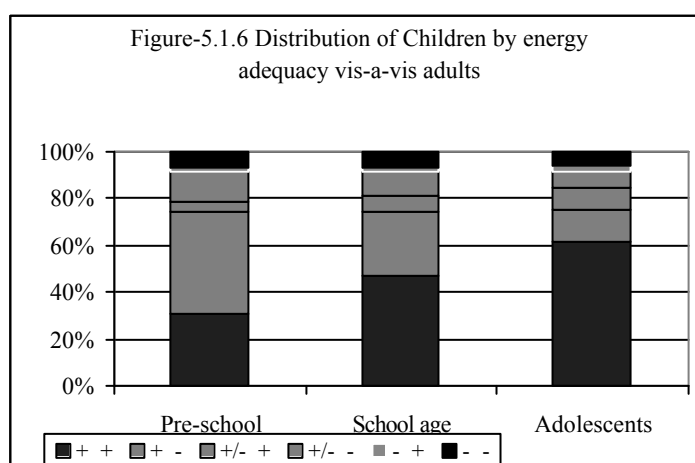
Dietary Intake	Adult Male	Adult Female	Preschool Children
+ + +	Adequate	Adequate	Adequate
+ + -	Adequate	Adequate	Inadequate
- - -	Inadequate	Inadequate	Inadequate

and nutrients by different age groups is given in Annexure 5.1.1. Time trends in intra familial distribution of food (Figure-5.1.5) indicate that while the proportion of families where both the adults and preschool children have adequate food has remained at about 30% over the last 20 years, the proportion of families with inadequate intake has come down substantially.

6. However the proportion of families where the pre-school children receive inadequate intake while adults have adequate intake has nearly doubled. Data from NNMB survey 2000-01 indicating intra-familial protein calorie adequacy is shown in Table-5.1.5. Only a third of children in the 1-3 years age group have adequate intake of both calorie and protein. The proportion with adequate protein-calorie intake from the family pot increases with increase in age. Data on energy adequacy status from NNMB also shows a similar picture (Figure-5.1.6). In 42.9% of the households, the energy intake of preschool children was inadequate even though the adults, both males and females, had adequate energy intake. This proportion steadily declines to 13.2% with the increase in age. This data clearly indicates that one of the major reasons for prevalence of undernutrition in young children is perhaps the inability of these children to consume enough food from the family meal rather than poverty. Nutrition education to the family that young children have a very low stomach capacity and in order to ensure that they get adequate energy and proteins it is important to feed them once in four hours or even more often may go a long way in reducing the prevalence of under nutrition in young children. Simultaneously efforts should be made to improve dietary intake in pregnant and lactating women so that their needs are met.

**Table-5.1.5 Distribution (%) according to Protein-Calorieadequacy**

	P+C+	P+C-	P-C-	P-C+
1-3 years	31.5	46.9	21.6	
4-6 years	28.6	62.5	8.9	
7-9 years	31	62	7	
10-12 years boys	31.9	59.3	8.9	
10-12 years girls	36.8	53.4	9.8	
13-15 years boys	43.9	46	10.1	
13-15 years girls	47.8	47	5.2	
16-17 years boys	56.8	12.2	25.7	5.3
16-17 years girls	71.6	5.7	16.4	6.3
Adult males sedentary	79.7	12.8	6.9	0.6
NPNL Sedentary	87.8	5.8	5.1	1.3
PW sedentary	69.7	9	15.4	5.9
Lact. Sedentary	67.2	6	16.5	10.3



Note: First sign indicate the adequacy status of adults (both males & females)

7. Mean energy consumption vis-à-vis RDI is given in Table-5.1.6. Mean consumption of energy is lower among females; however because of their smaller stature the RDA is met by nearly 90% of sedentary non pregnant and non lactating women; however as dietary intake is not higher in pregnant and lactating women less than 70% of the pregnant and lactating women meet their dietary requirement. Mean energy consumption, as percentage of RDI is the least among the preschool children. This is in spite of the fact that the RDI for preschool children forms a very small proportion (on an average 1300 Kcal/day) of the family's total intake of around 11000 Kcal/day (assuming a family size of 5).

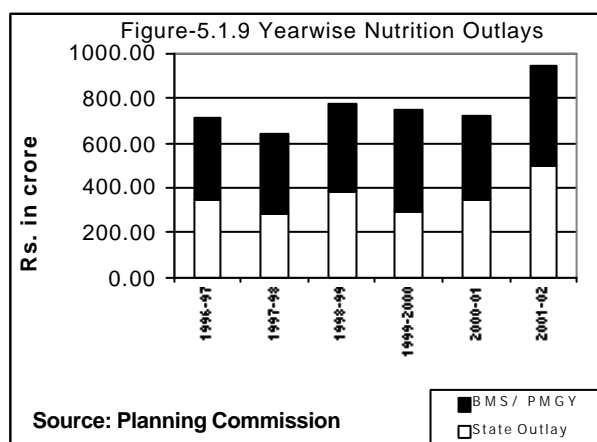
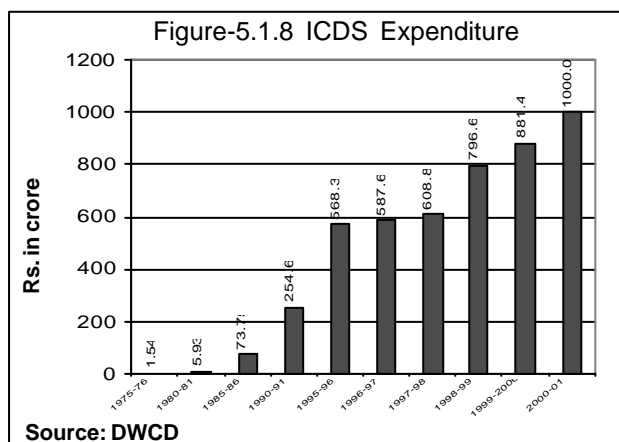
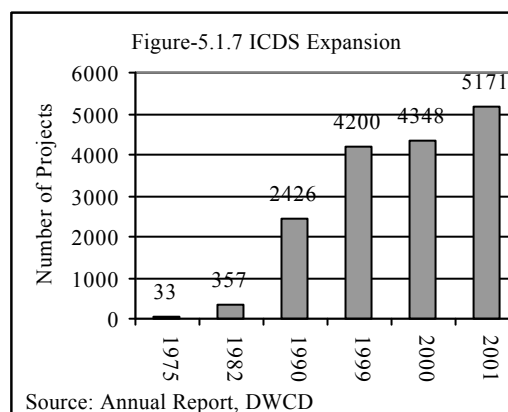
It would, therefore, appear that it is not economic deprivation or poverty that is a major factor responsible for inadequate dietary intake in children but lack of knowledge on child feeding, child rearing and child caring practices. There is an urgent need to improve health and nutrition education so that these adverse trends in preschool children's intake are reversed.

**Table-5.1.6 Mean Energy Consumption- Children / Adolescents and Adults**

Age Group	Males			Females		
	Kcals	RDI	RDI %	Kcals	RDI	RDI %
Pre-school	889	1357	65.5	897	1351	66.4
School Age	1464	1929	75.9	1409	1876	75.1
Adolescents	2065	2441	84.6	1670	1823	91.6
Adults	2226	2425	91.8	1923	1874	102.6

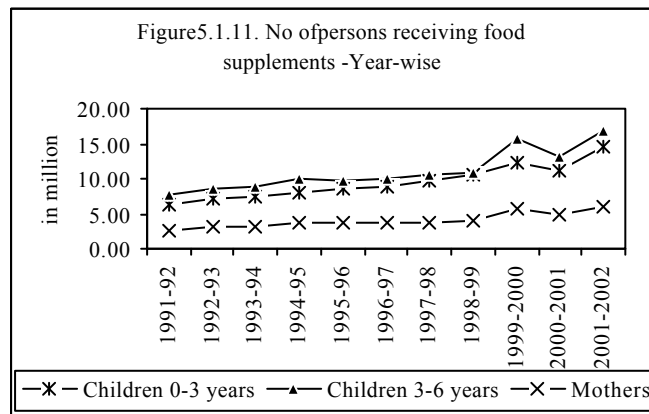
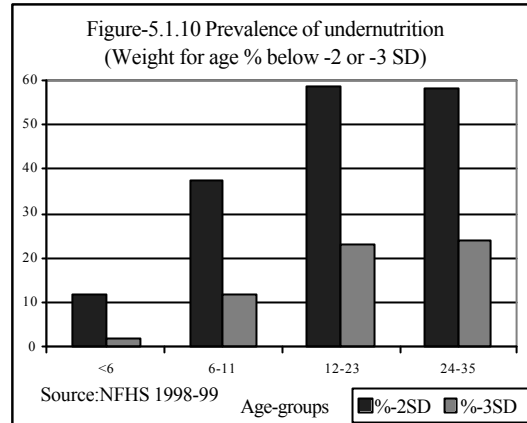
**Integrated Child Development Scheme**

8. The nutrition component of ICDS, perhaps the largest of all the food supplementation programmes in the world, was initiated in 1975 to improve the nutritional status of preschool children and pregnant and lactating women. The initial geographic focus was on drought-prone areas and blocks with a significant proportion of scheduled caste and scheduled tribe population. In 1975, 33 blocks were covered under ICDS. Over the last two decades the ICDS coverage has progressively increased. As of March 2002, 5652 projects have been sanctioned; there are more than 5 lakh anganwadis in the country. The number of persons covered under ICDS rose from 5.7 million children 0-6 years of age and 1.2 million mothers in 1985 to 31.5 million children and 6.0 million mothers up to March 2002.



9. The central government bears the infrastructure and manpower cost of the ICDS programme. The state governments are responsible for funding the nutrition component. In addition, CARE, World Food Programme and other agencies provide food supplements in some selected blocks of some states. While over the last three decades there has been a steep increase in the number of ICDS blocks (Figure-5.1.7) and the flow of funds from the center (Figure-5.1.8), the states' own contribution has not shown any increase (Figure-5.1.9). In an attempt to cover larger number of persons, some of the states like Assam have started providing

food grains instead of cooked or ready to eat food under the ICDS, as this would cut down cooking and operational costs. In an effort to augment the funds available for supplementary nutrition during the Ninth Plan period, nutrition was included as one of the components for funding under the Additional Central Assistance (ACA) that was given under Basic Minimum Services (BMS) during the first three years of the Ninth Plan and under PMGY in the last two years. In view of the fact that there is a steep increase in the undernutrition rate in the 6-36 months age group because these children do not get adequate food from the family pot (Figure-5.1.10), an attempt is being made under PMGY to provide take home food supplements (roasted and powdered mixture of cereals, pulses and oilseeds) to all the below poverty line families with children between 6 to 36 months, so that the mix could be fed to the children three to four times a day and this could substantially reduce the onset of undernutrition. The Department of Women and Child



Development was releasing the funds for the nutrition component of the PMGY in the first two years viz., 2000-01 and 2001-02. From 1<sup>st</sup> April 2002, the Planning Commission has taken over the release of the funds under all components of the PMGY. Available data from the Department of WCD indicate that after the introduction of the take home food supplements under the nutrition component of PMGY there has not been a steep increase in the number of children in the 6-36 month age group receiving food supplements (Figure-5.1.11).

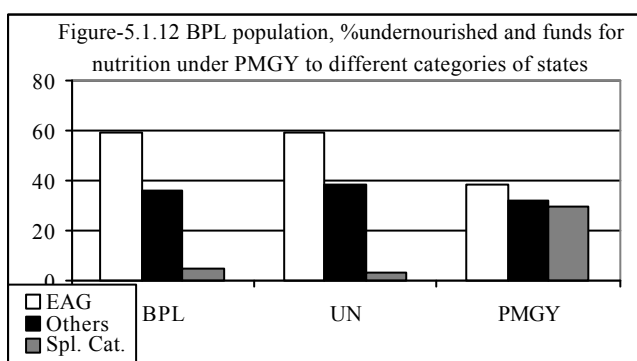
10. Some of the available data indicate that in many states:

- there was difficulty in procuring locally available take-home food supplements;
- relatively expensive ready-to-eat food, and not cereal-pulse-oilseed mix was provided
- the funds provided under the nutrition component of PMGY were not treated as an additionality but were substituted for state's own Plan funds for nutrition (annexure -5.1.2)

Detailed analysis of plan outlays indicated that

- ☒ only two of the major states viz., Andhra Pradesh and Tamil Nadu have provided more outlay for nutrition in 2001-02 as compared to 2000-01.
- ☒ in Kerala, J&K, Nagaland, Rajasthan and Tripura, the outlay provided is less than the funds earmarked for nutrition under PMGY.
- ☒ many states like Arunachal Pradesh, Assam, Bihar, Himachal Pradesh, Manipur, Meghalaya, Mizoram and Sikkim have kept their state plan outlay for nutrition at the same level as that provided under PMGY.

11. There is another problem with the fund allocation under nutrition component of PMGY. Under the formula used for allocation of funds under PMGY, the special category states with only 6% of the country's population get 30% of the funds under PMGY. The populous states with high poverty, under-nutrition rates get relatively small amounts under the nutrition component of PMGY and are unable to address the issue of reduction in under-nutrition (Figure-5.1.12). The special category states get 30% allocation and have more funds under PMGY than what is required to cover all children in the 6-36 months age group in BPL families. In view of the fact that there are substantial gaps in providing nutrition supplements under the ICDS programme and that under-nutrition is wide spread, it was decided to allow the states with surplus funds under PMGY to utilize it to ensure better coverage of pregnant and lactating women as well as to ensure that children with Grade III & IV malnutrition get double ration of supplements as specified under ICDS. The scheme is being continued in the current financial year with increased allocation (Rs.2800 crore) of which 15% is earmarked for the nutrition component. The progress in utilization of funds under PMGY and the usefulness of the strategy of providing take-home food supplements to prevent undernutrition in 6-36 months old children will be reviewed.

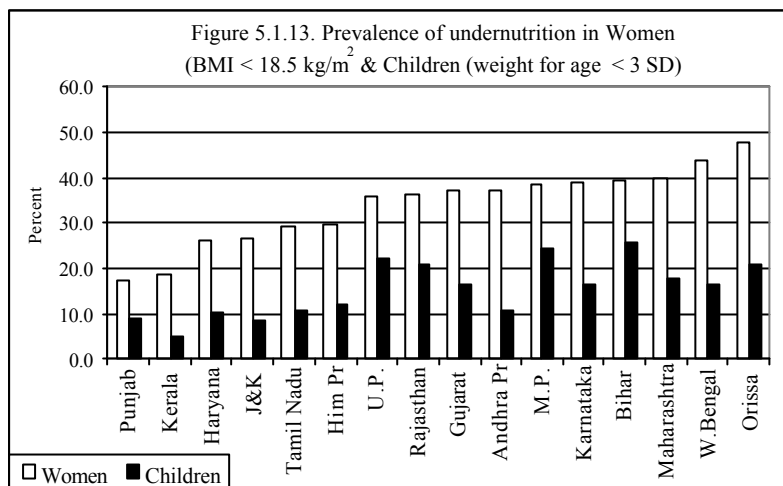


12. The guidelines laid down for the nutrition component of PMGY emphasise that all infants and children should be weighed at least once in three months to detect those who are under-nourished so that focused health and nutrition interventions could be undertaken. Even though growth monitoring is an essential component of ICDS, it has not been operationalised. In view of this the special category states are not able to utilize the funds available under PMGY for achieving rapid reduction in the severe grades of under nutrition in children and pregnant and lactating women.

### Inter-state variations in Nutritional Status

13. NFHS provides state wise estimates of undernutrition in women which clearly indicates that there are wide interstate variation in the nutritional status. The proportion of women with CED (BMI below 18.5kg/m<sup>2</sup>) varies from 10.7 percent in Arunachal Pradesh to 48

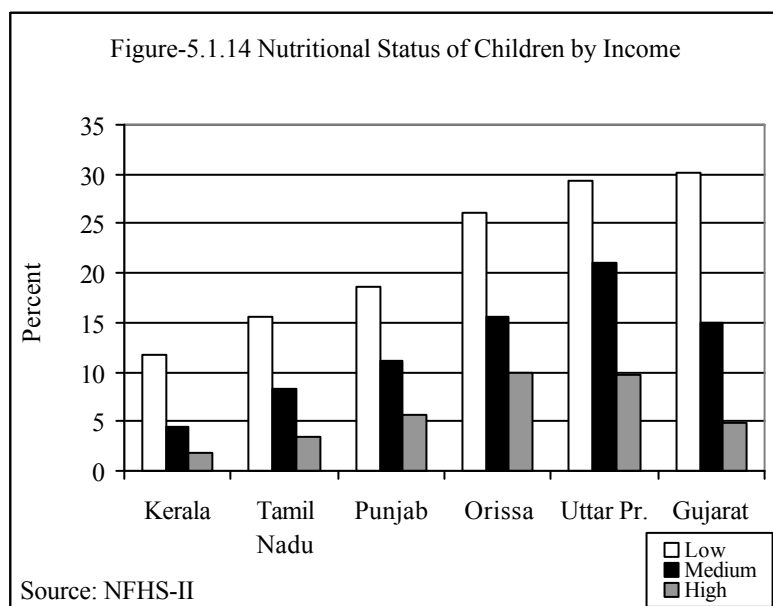




percent in in Orissa and that of children severely under weight (-3SD) from 4.2 percent in Sikkim to 25.5 in Bihar (Figure-5.1.13). Punjab has the lowest levels of undernutrition in women and Kerala has the lowest levels of under nutrition in children. Prevalence of undernutrition in adult women is highest in Orissa, and highest levels of undernutrition in children have been reported from Bihar. In spite of relatively higher levels of undernutrition

in women the under-nutrition rates in children in Andhra Pradesh and Tamil Nadu are low. The relatively well organized food supplementation through ICDS may be the reason for the relatively lower prevalence of under-nutrition in children in spite of high under-nutrition rates in women in Tamil Nadu and Gujarat. In Kerala under-nutrition rates in children is very low in spite of very low investment in ICDS food supplementation, perhaps because of the appropriate infant and child feeding habits and better access to health care for children. It is essential that analysis of beneficial and adverse factors that account for the observed variation in nutritional status in different states is done and appropriate state specific intervention programmes drawn up and implemented. If this were done it may be possible to achieve substantial improvement in nutritional status even with all the current financial constraints. Available data on demographic and health indices of the population indicate that there are substantial inter-district differences in these indices. It is possible that a similar situation may exist in respect to nutritional status. As a part of the ongoing efforts at convergence, Department of Women and Child Development has collaborated with the Department of Family Welfare in conducting the Rapid House Hold Survey so that district wise information on macro and micronutrient nutritional status in children will become available by next year.

14. Data from NFHS also showed that there are substantial variations within the state among different income groups (Figure-5.1.14). In all the states, the proportion of undernourished children decreased with increase in income. However in spite of the lower per capita income Kerala and Tamil Nadu have lesser proportion of severely under nourished children; in states like Punjab, in spite of higher percapita income, the undernutrition rates in children



is higher. The proportion of children severely underweight even in the highest income group in Orissa (9.9%) and Uttar Pradesh (9.7%) are comparable with that of the lowest income group in Kerala (11.8%). Perhaps this is because of more equitable distribution of food within the state and within the family and also better access to health care. Gujarat provides the maximum funds under Plan for Nutrition but has a high proportion of children with weight below  $-3SD$  in the lowest income group. The flow of funds for nutrition to Orissa also, especially to the KBK districts, is quite high but this has not resulted in improved nutritional status of children. These data suggest that mere improvement in economic status or allocation of funds for food supplementation programmes may not result in improvement in nutritional status. It is important to identify factors responsible for higher prevalence of undernutrition and rectify them. Simultaneously efforts should be directed to identify the undernourished children through weighment, utilize the funds available to provide food supplements to them and give them needed health care.

### **Improving Nutritional Status of Adolescents**

15. Projections made by the Technical Group on Population Projections indicate that the number of adolescents (in the 10-19 age group) will increase from 200 million in 1996 to 215.3 million in 2016. Adolescents, who are undergoing rapid growth and development, are one of the nutritionally vulnerable groups who have not received the attention they deserve. Data from NFHS-II indicate that the median age at marriage of girls in India is 16 years and 61 per cent of all girls were married before the age of 18. The mean age at first birth is 19.2. Under-nutrition, anaemia and poor ante-natal care inevitably lead not only to increased maternal morbidity but also to higher incidence of low birth weight and peri-natal mortality. Poor childrearing practices of these girls will add to infant morbidity and under-nutrition, thus perpetuating the intergenerational cycle of under-nutrition. Appropriate education, nutrition and health interventions, delay in age at marriage, optimum health and nutrition interventions during pregnancy are some of the inter-sectoral initiatives to break this vicious cycle. The Department of Women and Child Development has launched Kishori Shakti Yojana (2000) but the coverage (just two adolescents per block) is very low under this scheme.

16. In order to improve the nutritional status of adolescents, Prime Minister in his Independence day address in 2001 stated that food grains will be provided to combat under-nutrition in adolescent girls and pregnant and lactating women. A pilot project has been initiated to operationalise the announcement of the Prime Minister. The project, initially for a period of two years, is taken up in two of the backward districts in each of the major states and most populous district (excluding the capital district) in the remaining smaller states/Union Territories. The funds for 2002-03 has been given as additional central assistance to the states so that they can provide food grains through TPDS totally free of cost to the families of identified under-nourished persons. The programme is operationalised through the Department of Women and Child Development in the centre and in the states.

17. There is thus a shift of focus from providing cooked food at anganwadi to take home food supplementation in some schemes. Undoubtedly the take-home food supplements provided will be shared with the family but that would add to household food security; nutrition education to the community and family to provide food based on needs and careful monitoring of the undernourished individual will go a long way to ensure that the person

does get due share from the food supplements provided. This shift may free Anganwadi worker and helper from the routine time consuming task of cooking, feeding and cleaning. They can concentrate on important aspects of screening children/women for under-nutrition, nutrition education and pre-school education of 3-6 year old children as envisaged under ICDS scheme.

### **National Nutrition Mission**

18. Prime Minister in his Independence Day Speech on 15<sup>th</sup> August, 2001 announced

- setting up of the National Nutrition Mission.
- providing Foodgrains at subsidized rates to adolescents girls and expectant and nursing mothers belonging to Below Poverty Line (BPL) families;

### **The National Nutrition Mission has the following objectives:**

- reduction in under nutrition
- reduction/elimination of micronutrient deficiencies - iron, iodine and Vit A
- reduction in chronic energy deficiency

### **In addition the Mission would co-ordinate and monitor**

- implementation of National Nutrition Policy;
- strengthening of existing programmes- ICDS and Mid Day Meal
- Nutrition education and IEC
- R&D
- relief in natural calamities.

19. National Nutrition Mission will be supervised by the National Nutrition Council headed by the PM as envisaged in the National Nutrition Policy.

### **Monitoring and Evaluation**

20. NNMB established by ICMR is the only source of data on time trends in dietary intake and nutritional status of individuals but it covers only ten states. The Food and Nutrition Board of the Department of Women and Child Development conducted a nutrition survey in 1993-94 in 187 districts, the report of which was published in 1998. This was a one-time effort and the sample covered was not derived from a representative sample of the district. The NFHS has undertaken height and weight measurement in a representative sample of children and women and gives information on nutritional status of these groups at the state-level at two time points, 1992-93 and 1998-99. Every five years, the National Sample Survey Organisation (NSSO) collects and reports information on expenditure on food at the family level in representative sample population all over the country. The NSSO does not provide information on dietary consumption at the family and individual level and does not assess nutritional status.

21. Both ICDS and the health functionaries regularly file monthly progress report on nutrition status. However, there are lacunae and delays in the collection, reporting, collation and analysis of data. Monthly progress reports are not utilised for district level monitoring and midcourse correction of ongoing programmes. As part of efforts to monitor the nutritional component of the PMGY initiative, the Planning Commission has drawn up, in collaboration with the Department of Women and Child Development, a proforma for assessment and reporting of the nutritional status of under-six children. This has been incorporated as a part of the monthly ICDS reporting format. The state/central Departments of Women and Child Developments are to monitor the improvement in terms of

- enrolment of children in the 6-36 months age group;
- percentage of children who received complementary food by six months;
- nutritional status of children in the 6-36 months age group;
- fund allocation for nutrition and utilisation of funds provided.

22. At present, there is no data at the district level on prevalence of under-nutrition. As a part of the Rapid Household Survey under the Reproductive and Child Health programme, the Departments of Family Welfare and Women and Child Development with assistance from World Bank and UNICEF are currently carrying out a household survey which will provide district-wise information on the nutritional status of children which can be used to take up decentralized district based nutrition interventions.

### **Intersectoral Coordination**

23. Department of Women and Child Development and Department of Family Welfare are the two major departments which have programmes aimed at improving nutritional status of women and children. There are ongoing efforts to improve convergence of services between these two departments. As a part of this effort it is envisaged that the anganwadi worker will:

- assist in reporting of births and deaths and the identification of pregnant women;
- will weigh neonates as soon as possible after delivery in home deliveries and refer neonates with weight below 2.2 kg to centres where a paediatrician is available;
- administer massive dose Vitamin A under the supervision of ANM to children between 18-36 months of age (18 months, 24 months, 30 months and 36 months) in April (pre-summer) and October (pre-winter)
- monitor and improve continued intake of iron folate medication in pregnant women;
- identify undernourished pregnant and lactating women and pre-school children and ensure that they get priority in food supplementation programmes under the ICDS and appropriate health care;
- promote cultivation of adequate quantities of green leafy vegetables, herbs and condiments in coordination with the PRIs and agricultural extension workers and ensuring that these are supplied to anganwadis on a regular basis to improve micro-nutrient content of food supplements.

- ☒ assist the ANM in organising health check ups of women and children and immunisation in the anganwadi;
- ☒ act as depot holder for iron and folic acids tablets, ORS, condoms and disposable delivery kit;
- ☒ help in organising emergency referral ; she will be provided with a list indicating the nearest facility to which women and children could be referred.

## Annexure 5.1.1.

Dietary Intake											
	Intake of foodstuffs (g/day)						Nutrient Intake per day				
	Cereal	Pulses	Leafy Veg	Milk Products	Fats & Oils	Sugar & Jaggery	Protein (g)	Fat (g)	Energy (Kcal)	Iron (mg)	Vit. A (mg)
1-3 years	116	12	6	72	5	11	19.5	12.1	729	5.3	106
4-6 years	180	18	9	51	7	12	28.2	15.0	1066	8.1	127
7-9 years	225	19	12	48	8	13	34.0	16.9	1294	10.3	148
10-12 years											
<i>Boys</i>	267	21	15	48	9	14	40.4	19.9	1524	12.2	168
<i>Girls</i>	258	23	14	47	8	14	39.4	18.9	1500	12.1	174
13-15 years											
<i>Boys</i>	319	25	15	58	11	16	48.8	24.7	1856	15.4	196
<i>Girls</i>	302	24	16	50	10	14	43.7	21.0	1689	12.9	180
16-17 years											
<i>Boys</i>	379	29	16	51	11	15	54.7	25.6	2114	16.7	183
<i>Girls</i>	332	25	17	53	10	15	49.1	24.2	1856	15.3	213
<b>&gt;= 18 years Males</b>											
<i>Sedentary</i>	186	34	46	97	12	15	58.7	34.4	2225	17.5	242
<i>Moderate</i>	433	30	19	54	12	15	61.0	27.3	2371	18.7	234
<b>&gt;= 18 years Females</b>											
<i>Sedentary</i>											
<i>NPNL</i>	346	26	18	67	12	16	48.2	27.6	1878	14.1	220
<i>Pregnant</i>	353	28	15	77	12	17	49.7	25.9	1933	14.0	227
<i>Lactating</i>	392	28	18	65	13	13	50.3	25.9	2028	14.6	212
<i>Moderate NPNL</i>	347	28	16	51	11	15	52.0	22.4	2020	16.2	189

## Annexure 5.1.2

## Year-wise allocation for Supplementary Nutrition by the State Governments

(Rs. In crores)

Sl. No.	State Name	2000-01		2001-02		
		State Plan	PMGY	State Plan	PMGY	
1	Andhra Pradesh	52.81	21.31	95.60	28.41	^
2	Arunachal Pradesh	19.51	10.23	<b>11.46</b>	<b>11.46</b>	
3	Assam	56.94	26.94	<b>30.17</b>	<b>30.17</b>	
4	Bihar	76.01	43.09	<b>36.87</b>	<b>36.87</b>	
5	Chattisgarh			28.23	7.29	
6	Goa	0.62	0.12	0.80	0.13	^
7	Gujarat	139.22	9.72	132.50	10.88	
8	Haryana	6.02	2.52	4.50	2.82	
9	Himachal Pradesh	19.99	10.59	<b>9.80</b>	<b>9.80</b>	
10	Jammu & Kashmir	33.99	25.74	<b>10.00</b>	<b>13.50</b>	
11	Jharkhand			N.A.	11.39	
12	Karnataka	58.61	11.27	48.26	21.47	
13	Kerala	10.66	10.36	<b>0.35</b>	<b>11.61</b>	
14	Madhya Pradesh	68.32	17.07	42.00	19.22	
15	Maharashtra	72.34	14.87	49.33	19.79	
16	Manipur	15.57	7.28	<b>8.16</b>	<b>8.16</b>	
17	Meghalaya	12.24	6.09	<b>6.82</b>	<b>6.82</b>	
18	Mizoram	10.21	6.06	<b>6.27</b>	<b>6.27</b>	
19	Nagaland	12.34	6.17	<b>6.67</b>	<b>6.79</b>	
20	Orissa	69.57	14.78	26.96	16.56	
21	Punjab	15.06	6.06	7.79	6.79	
22	Rajasthan	40.15	14.46	<b>30.00</b>	<b>35.59</b>	
23	Sikkim	8.43	4.22	<b>5.70</b>	<b>5.70</b>	
24	Tamil Nadu	109.59	15.72	128.02	17.60	^
25	Tripura	16.34	7.62	<b>11.68</b>	<b>13.61</b>	
26	Uttar Pradesh	116.11	52.34	81.54	56.51	
27	Uttaranchal				2.11	
28	West Bengal	122.64	25.17	76.00	28.20	
29	A & N Islands	3.08	1.54	2.20	1.73	
30	Chandigarh	1.41	0.68	0.95	0.77	
31	Dadra & Nagar Haveli	0.87	0.20	0.62	0.22	
32	Daman & Diu	0.44	0.16	0.46	0.18	
33	Delhi	26.83	1.66	34.30	1.86	^
34	Lakshadweep	0.55	0.27	0.59	0.30	^
35	Pondicherry	7.18	0.72	6.74	1.92	
	<b>All India</b>	1203.65	375.03	941.34	452.49	

^: States which have provided increased outlay in 2001-02 than 2000-01

## 5.2 ELEMENTARY EDUCATION, LITERACY AND ADULT EDUCATION

The Constitution of India envisages provision of free and compulsory education for all children up to the age of fourteen. In the early stages of planning, it was expected that achievement of economic growth would be the primary means for the achievement of economic and social well-being including universal basic education. This strategy, however, did not yield the expected results. Further, the development experience of various nations overtime has led to the conviction that literacy and education have a direct role in human development and are instrumental in facilitating other achievements including economic prosperity. The Ninth Plan treated education as the most crucial investment in human development. The nation is firmly committed to provide Education for All, the priority being free and compulsory elementary education, coverage of children with special needs, eradication of illiteracy, vocationalisation, women's education and the special focus on the education of socially disadvantaged sections.

### Elementary Education

2. The National Policy of Education (NPE), which was announced in 1986 and reviewed in 1992 created the framework for providing basic education for all with a concrete plan of action. The progress towards Universal Elementary Education(UEE) since then has been significant. The literacy rate in the last decade (1991-2001) has shown the highest jump of 13.15% since 1951 and increased from 52.21% to 65.37%. Female Literacy likewise registered an increase of 14.87% from 39.29% in 1991 to 54.16% in 2001. Concerted efforts have resulted in manifold increase in the number of institutions, teachers and students. During the period 1950-51 to 1999-2000 the number of primary schools increased more than 3 times from 2.10 lakh in 1950-51 to 6.42 lakh in 1999-2000 whereas the number of upper primary schools increased 15 times, from 13600 in 1950-51 to 1.98 lakh in 1999-2000. Total enrolment at primary stage increased 5.91 times between 1950-51 to 1999-2000 while the increase at upper primary level was more than 13 times. The total number of teachers increased from 6.24 lakh in 1950-51 to 32.17 lakh in 1999-2000, registering an increase of more than five times. Since 1993, the situation with regard to access in primary stage has improved considerably because of the interventions of Centrally Sponsored Schemes like Operation Blackboard, District Primary Education Programme, Non-Formal Education, Education Guarantee Scheme and the efforts of state governments. However, we are still at a considerable distance from the goal of Education for All. This requires detailed grass-root planning in the medium-term.

3. To realize the goal of UEE, Sarva Shiksha Abhiyan(SSA) was launched towards the end of the Ninth Plan i.e. year 2001-02. This is the first programme for UEE covering the entire country and aims at achieving this objective through a time-bound integrated approach to be implemented in Mission mode in partnership with states. The approach is community-owned and the Village education plans prepared in consultation with Panchayati Raj Institutions will form the basis of district elementary education plans. There will be focus on districts having low female literacy among Scheduled Castes and Scheduled Tribes and other children in difficult circumstances.



## **Review of Annual Plan 2001-02**

4. As against the approved outlay of Rs.3800 crore for Schemes of Elementary Education during 2001-02, the actual expenditure was Rs.3569.16 crore which represents 93.92% of approved outlay. Annexure-I gives the scheme-wise allocation for 2001-02 and 2002-03 and the actual expenditure for 2001-02 for Elementary Education. The financial performance of two major schemes i.e. District Primary Education Programme (DPEP) and Mid-Day Meal (MDM) during the year 2001-02 has been fairly good. For District Primary Education Programme, an amount of Rs.1199.35 crore was spent against the approved outlay of Rs.1100 crore. Similarly for National Programme of Nutritional Support for Primary Education, the expenditure at Rs.1030.27 crore exceeded the approved outlay of Rs.930.00 crore. However, whereas states like Himachal Pradesh, Kerala, Madhya Pradesh and Karnataka were able to lift 95.7%, 92.9%, 87.8% and 86.6% of foodgrains respectively under Mid-Day Meal Scheme, some states such as Arunachal Pradesh, Jharkhand and Delhi lifted only 12.78%, 30.33% and 33.98% respectively.

5. There was, however, a major shortfall in expenditure under the Scheme Non-Formal Education where the level of expenditure was only Rs.83.23 crore as against approved outlay of Rs.400.00 crore as the scheme was still under the process of being formulated. The scheme has now been merged with Sarva Shiksha Abhiyan (SSA). The expenditure in Shiksha Karmi Scheme in Rajasthan was only Rs.10.00 crore against the plan provision of Rs.30.00 crore. The lack of interest and the financial and administrative problems faced by the state led to non-contribution of their share under the Scheme. Despite 50% funding from DFID, the Govt. of Rajasthan could not contribute the balance share under Shiksha Karmi. No expenditure could be made under the Scheme 'National Programme for Women's education', as the scheme did not take off. The scheme has since been renamed as "National Programme for Education of Girls at the Elementary Level" and has been made a component of SSA.

## **Annual Plan 2002-03**

6. An outlay of Rs.4667.00 crore has been approved for the Annual Plan 2002-03 for Elementary Education. This includes a provision of Rs.1550.00 crore for Externally-Aided Projects. An exercise on Zero-Based Budgeting carried out by Planning Commission in consultation with the Department of Elementary Education & Literacy has concluded that amongst the schemes funded by domestic-budgetary support, the schemes namely Teacher Education, Mid-day Meal and Kasturba Gandhi Swantantra Vidyalaya will retain their identity, while all other ongoing schemes would be merged with Sarva Shiksha Abhiyan. Externally-Aided projects on elementary education, namely Shiksha Karmi, Lok Jumbish, DPEP and Janshala, though permitted to keep their separate identities will be shown under the umbrella of SSA. Thus, SSA is expected to absorb most of the existing programmes within its overall framework with the district as the unit of programme implementation. To make the approach totally holistic and convergent efforts would be made to dovetail programme implementation at district level with all other departments. SSA also aims at systematic mobilisation of the community and creation of effective system of decentralized decision-making.

## **Adult Education**

7. The National Literacy Mission has the basic objective of making literacy fundamental for everyone in the country specially women. It aims at sustaining threshold level of 75% by 2005. The mission seeks to provide meaningful opportunity for life long learning to adults and focus on residual illiteracy. Out of total 598 districts in the country, 574 districts have been covered under literacy programmes. The continuing education programme has begun in 120 districts; post-literacy programmes are ongoing in 294 districts while total literacy campaigns are on in 160 districts. There is special focus on the promotion of literacy among women; scheduled castes/tribes and backward classes. The Jan Shiksha Sansthan have expanded their outreach and are also catering to the rural segment by offering around 250 vocational training courses. The first phase of basic literacy instruction and the second phase of consolidation, remediation and skill-upgradation form two pivotal strategies of adult literacy within the broad perspective of programmes currently being implemented by the National Literacy Mission.

8. The National Literacy Mission has recognized the potential of NGOs in furthering its programmes and schemes. Given the major role envisaged for NGOs, they are now allowed to receive funds from Zilla Saksharta Samitis and actually run continuing education centers to enhance the participation of NGOs in the literacy movement.

### **Review of Annual Plan 2001-02**

9. As against the approved outlay of Rs.200 crore for Adult Education for the year 2001-02, the actual expenditure was Rs.174 crore i.e. 87% of the total outlay. The scheme of Continuing Education alone was allocated Rs.108.50 crore i.e. 54.25% of total approved outlay against which the expenditure incurred was Rs.95.64 crore. There was 100% utilization of the approved outlay of Rs.25.00 crore for the Scheme of Shramik Vidyapeeth. This scheme is an unconventional programme of Non-Formal Adult and Continuing Education implemented primarily in urban and industrial areas. The basic objective of the scheme is to improve the occupational skill and technical knowledge of workers for enhancing their efficiency and increasing productive ability. The funding ratio of the adult literacy programmes between the Centre and the State Governments is 2:1 with the exception of the districts under the tribal sub-plan where the ratio is 4:1. Implementing agencies are now allowed to incur expenditure on basic literacy activities during the post-literacy phase.

### **Annual Plan 2002-03**

10. The approved annual plan outlay for adult-education is Rs.233 crore for 2002-03. The scheme of continuing Education for Neo-literates alone accounts for Rs.145 crore i.e. 62.23% of total approved outlay. An amount of Rs.25 crore each has been allocated for the scheme of Jan Shiksha Sansthan and Literacy Campaign and Operation Restoration. The Adult Education programme and the SSA would go hand in hand to achieve full literacy and facilitate a wider process of community development and empowerment.

**Elementary Education**  
**Scheme-wise Plan Outlay (2001-02, 2002-03) & Expenditure (2001-02)**

(Rs. In crores)

Sl. No.	Name of the Scheme	2001-02 Approved Outlay	2001-02 Actual Expenditure	2002-03 Approved Outlay
1	Operation Blackboard	520.00	497.97	65.00
2	Teacher Education	220.00	172.82	207.00
3	Non Formal Education	400.00	83.23	2.00
4	National Council of Teacher Education	6.00	4.50	5.00
5	Bal Bhawan Society	4.00	3.50	4.50
6	National Programme of Nutritional Support to Primary Education	930.00	1030.27	1175.00
7	Sarva Shiksha Abhiyan	500.00	499.77	1650.00
8	National Programme for Women's Edu.	10.00	0.00	
9	Kasturba Gandhi Swantantrata Vidyalaya			8.50
A.	Sub-Total (Other than EAP)	2590.00	2292.06	3117.00
	<b>Externally Aided Projects</b>			
1	Shiksha Karmi	30.00	10.00	40.00
2	Lok Jumbish	59.00	50.00	60.00
3	Mahila Samakhya	11.00	7.75	20.00
4	District Primary Education Programme	1100.00	1199.35	1380.00
5	Joint GOI-UN Programme for Primary Edn.	10.00	10.00	20.00
6.	Sarva Shiksha Abhiyan – Externally Aided Component			30.00
B.	Sub-Total(EAP)	1210.00	1277.10	1550.00
	<b>Total Elementary Education</b>	<b>3800.00</b>	<b>3569.16</b>	<b>4667.00</b>

## **5.3 SECONDARY AND VOCATIONAL EDUCATION**

### **SECONDARY EDUCATION**

Secondary education serves as a bridge between elementary and higher education and prepares young persons between the age group of 14-18 for entry into higher education.

2. Children's population at the secondary and senior secondary level (age-group 14-18) as projected in 1996-97 by NSSO has been estimated at 9.66 crore. As against this the enrolment figures shows that only 2.70 crore were attending secondary schools. Thus 2/3<sup>rd</sup> of the eligible population remains out of the secondary school system. The number of secondary schools in India increased from 7.4 thousand in 1950-51 to 116.8 thousand in 1999-2000. However, this number is not adequate to accommodate the out of school children and the growing number of upper primary school pass outs. The impact of recent initiatives undertaken for Universalisation of Elementary Education is resulting in increased demand for expansion of secondary education.

3. While there has been an increase in the number of schools established, the spread of secondary schools has been uneven. There is disparity due to geographical reasons, rural urban divide and differing socio-economic status of various States/UTs.

4. The enrolment at the secondary level has increased to 28 million (1999) from 1.5 million in 1950-51. Of these, 62.2% were boys and 37.8% were girls. There is a significant gender gap in secondary education. This gender gap is expected to be narrowed down with greater stress on secondary education for all.

5. The number of secondary teachers has increased from 1.27 lakhs in 1950-51 to 17.2 lakhs in 1999-2000. The teacher pupil ratio has also increased from 1:21 in 1950-51 to 1.33 in 1999-2000. With the exception of States in the Eastern Region most teachers (90% or more) in secondary/higher secondary schools were trained, as per data of the same year.

6. In the Ninth Plan, the focus has been on reducing disparities, renewal of curricula with emphasis on vocationalization and employment oriented courses, expansion and diversification of the open learning system, reorganization of teacher training and the greater use of information and communication technology. Hostel facilities for girls, integrated education for the disabled, free education for girls etc. have been some of the issues in the secondary Education sector that received attention.

### **Review of the Annual Plan 2001-02**

7. In the light of the above objectives, Centrally sponsored schemes as well as institutional programmes continued to be implemented in the last year of the Ninth Plan. An allocation of Rs.643.70 crores was made for the Secondary Education sector in the Annual Plan 2001-02 against which an expenditure of Rs.615.39 crores has been incurred.

8. During the year under review, under the Secondary Education sector, different schemes as well as Institutional Programmes continued to be implemented. Presently, the

Central intervention in the Secondary Education is at two levels, by creation and establishment of apex national level institutions and secondly through the Centrally-sponsored schemes. An allocation of Rs.643.70 crores was made for the Secondary Education Sector in the year 2001-02..

9. In the year under review, the Centrally-sponsored schemes continued to be implemented addressing the issues relating to access and equity with focus on increasing girls' participation in education by providing hostel and other facilities, quality improvement of school education, information and communication technologies, integrated/inclusive education for disabled and vocational education.

10. The major Centrally-sponsored schemes in Secondary Education under implementation in 2001-02 were:

- (a) The schemes for strengthening of Boarding and Hostel facilities for girls is meant to increase girls enrolment in schools. The MHRD revised assistance to NGOs (in 2001-02) which are running these hostels.
- (b) Under the scheme, environmental-orientation, assistance is given to NGOs for preparation of textbooks and innovative programmes on environmental education which could be included in the curricula
- (c) In the last year of the Ninth Plan, the MHRD with Cabinet approval revised the scheme Computer Literacy and Studies in Schools(CLASS). Each State and U.T will now formulate a Computer Education Plan programme for IT education in schools
- (d) The Centrally-sponsored scheme viz., the Education Technology Programme which utilizes audio/visual medium under the Satellite Instructional Television Experiment provides radio and Colour TVs to primary schools for qualitative education
- (e) For imparting Yoga education in schools, financial assistance is provided to States, U.Ts. and N.G.Os for training of teachers and infrastructure
- (f) For improvement of science education in schools, a Centrally-sponsored scheme is operational under which 100% assistance is provided to States and U.Ts. for provision of science kits, setting up of science laboratories and training of science teachers. The scheme also funds participation of Indian students at the school level in International Science Olympiads
- (g) With a view to institutionalize population education in schools, the National Population Education Project has been in operation with the assistance from the United Nations Fund for Population Activities(UNFPA).
- (h) For Strengthening of culture and values in schools, NGOs are given assistance under this Centrally-sponsored scheme to propagate art & culture.
- (i) During the year under review, the Centrally-sponsored scheme 'Integrated Education for Disabled Children. Under the scheme, 100% assistance is provided to States/U.Ts. and NGOs for components like educational Aids,& equipment for education of Children with special needs and salaries for special teachers.

11. Details of the activities undertaken by the Central Institutes in the year under review are as follows:

- In the light of National Curriculum Framework of School Education, the **NCERT** continued to prepare syllabuses, textbooks and other instructional materials for different school subjects.
- There has been a substantial increase in the quantum and quality of the academic activities of the **Central Board of Secondary Education(CBSE)**. The focus of these activities was in Curriculum Development, Pedagogical Support, Teacher Empowerment, Progress and Development of supplementary textual materials. CBSE conducted Group Mathematics Olympiad Examinations to discover talent and excellence in Mathematics.
- In the field of distance education, the **National Open School** which is the largest open school in system with an annual enrolment of 2 lakh approximately continues to operate through its 10 Regional Centres and 1700 accredited institutions. The NOS has taken the initiative of launching the Open Basic Education Programme(OBE) as an alternative programme for neoliterates and school dropouts. The innovative On Demand Examination system was operationalised last year in 5 Centres for class VIII level under the OBE programme.
- The **Central Tibetan School Administration** continues to run 79 schools for Tibetan children in the country. The schools are affiliated to various all-India Boards.
- Both **Kendriya Vidyalayas** and **Navodaya Vidyalayas** have decided to open 76 and 100 new schools respectively and strengthen the existing schools by providing required infrastructure, buildings, laboratories etc.

### **Annual Plan 2002-03**

12. The current financial plan is the first year of the Tenth Plan. An outlay of Rs.719 crores under Annual Plan 2002-03 is for the Secondary Education Sector. The key issues during the Tenth Plan would be a greater focus on improving access, reducing disparities by emphasizing upon the Common School System; renewal of curricula with emphasis on Vocationalisation and employment oriented courses; expansion and diversification of the Open Learning System; reorganization of teacher training and greater use of new information and communication technologies, particularly computers.

13. As part of the Zero-Based Budgeting Exercise undertaken by the Planning Commission with Ministry of Finance and the MHRD, to bring in greater effectiveness in implementation and more focus, the Centrally-Sponsored and Central Sector Schemes have been grouped under broad heads

### **Access & Equity**

14. The impact of recent initiatives taken for UEE is resulting in increased demand for expansion of secondary education. The Department of Secondary and Higher Education has proposed a new scheme called Access & Equity for the Tenth Plan. Rs.20 crores has

been allocated under the scheme for the annual plan 2002-03. Opening of new schools, expansion of capacity of the existing schools including double shifts, upgradation of upper primary schools in backward, unserved and underserved areas, as also expansion and diversification of open schooling and distance education are envisaged under the new CSS. Of the many options being considered during the Tenth Plan to increase access is Kendriya Vidyalaya Sangathan establishing schools in partnership with voluntary agencies under its umbrella. It is proposed to set up 150 Kendriya Vidyalayas (fully funded by the Government) in addition to the present level of 854 Kendriya Vidyalayas in the country. In the Tenth Plan it is proposed to set up Jawahar Navodaya Vidyalayas(JNVs) in the remaining districts of the country. At present there are 462 schools in as many districts. These pace setting residential schools catering to classes VI to XII, provide quality education to talented children from rural areas on the basis of common admission test. An outlay of Rs 85 crores for Kendriya Vidyalayas and Rs.360 crores for Navodaya Vidyalayas has been allocated under Annual Plan 2002-03. Another option is to provide a one time grant/seed money to reputed schools like those run by R.K. Mission, the Jesuits, DAV and other reputed societies, trusts and not-for-profit organizations to set up more schools. Together, these two options will lead to the establishment of more secondary schools in the backward, unserved and underserved schools.

15. The existing scheme of strengthening of boarding and hostel facilities for girls under which assistance has been enhanced in the year 2001-02 will now be merged under the above new CSS called 'Access & Equity'. Strengthening of this girls' hostel will help in increasing the enrolment and thereby reducing the gender gap.

### **Quality Improvement in Schools**

16. A new Scheme, Quality Improvement in Schools, will comprise the centrally sponsored schemes, viz., Promotion of Sciences Laboratories, Environmental Orientation to School Education, Promotion of Yoga and the central sector schemes, Population Education Project; International Mathematics/Science Olympiad. During the year 2001-02, States were provided assistance for purchase of science kits and science books for schools and for upgradation of science laboratories and training of science and maths teachers. Secondary school students participated in the international science Olympiads. For environment orientation, the State Governments and Voluntary Agencies are given assistance for conducting experimental and innovative programmes aimed at promoting integration of educational programmes in schools with local environmental conditions. Similarly, the States and U.Ts. are provided assistance for expenditure on training of Yoga teachers. With the help from the UNFPA, a population education project is being conducted in schools. It is being implemented by the NCERT. The State Governments would develop training modules for in-service training of teachers and provide infrastructure and research inputs for "Quality improvement in schools". An outlay of Rs 26 crores under the Annual Plan has been allocated for the merged scheme 'Quality improvement in schools'.

### **Information and Communication Technologies(ICT)**

17. Information and Communication Technologies(ICT) will comprise the reworked centrally sponsored schemes, Computer Literacy & Studies in Schools (CLASS) and Educational Technology(ET). Keeping in view the current demand for IT and computerization, a major thrust in the Tenth Plan is to be given to this scheme and seeks

to familiarize students with information technology. The State Governments would prepare Computer Education Plans(CEP). The components of the merged scheme "ICT in Schools" would include (a) funding support for CEPs (b) strengthening and reorientation of staff of SIETs (c) Digitisation of SIETs' video and audio cassettes on the basis of need assessment and in partnership with NGOs (d) web/internet based education to be managed by the SIETs and (e) production of video and audio cassettes after assessing the demand. An outlay of Rs 111 crores has been allocated for the ICT scheme during the Annual Plan 2002-03.

### **Integrated Education for Disabled Children (IEDC)**

18. Integrated Education for Disabled Children (IEDC) is being implemented in 25 States and 4 U.Ts through over 41,600 schools benefiting more than 1,33,000 disabled children. Under the scheme, financial assistance on 100% basis is given to State Governments and NGOs towards facilities extended to disabled children such as books, uniforms, transport allowance, escort allowance etc. The scheme will be retained as individual scheme to generate greater sensitization towards the problems of disabled children. An outlay of Rs.35 crores has been allocated for the above scheme under Annual Plan 2002-03.

19. Apart from Kendriya Vidyalaya Sangathan and the Navodaya Vidyalaya Samithi, whose the NCERT and the NOS are the main apex level institutions in the Secondary Education Sector. The NCERT has launched 7<sup>th</sup> all-India Educational Survey in the current year 2002-03. During the current year, the textural materials based on the revised syllabuses are being prepared in all the subject-areas for classes VI, IX and XI.

### **Vocational Education In Secondary Schools**

20. Vocationalisation of Secondary Education is a Centrally-sponsored scheme being implemented since 1988 to the State Governments in the formal sector and NGOs in the informal sector. The main objectives of the scheme are to enhance the individual employability, reduce the mismatch between demand and supply of skilled manpower and provide an alternative for those pursuing higher education without interest or purpose. The scheme is implemented by the State Governments at +2 stage of 10+2 scheme through approximately 6728 schools spread all over the country. More than 150 courses are offered in 6 major disciplines. Agriculture, Business and Commerce, Engineering and Technology, Health and Para Medical, home Sciences and Humanities.

21. As against the target laid down in the revised education policy of diverting 25% of senior secondary students to the vocation stream by year 2000, only 10% of students are at present opting for the vocational stream. The scheme of Vocationalisation of education has not gone down well with the stake-holders due to logistic and academic constraints that require streamlining of the courses. and establishment of strong industry – institution linkages.

22. The scheme has been evaluated a number of times. In the Tenth Five Year Plan, the scheme is proposed to be recast incorporating competency based flexible and modular vocational courses in schools; credit transfer system with provision for multi-point entry/exit; linkages between vocational courses at +2 level and courses at university level; linkages with industries through signing of Memorandum of Understanding, designing/continuous



updating of courses, development of curriculum, training of faculty/students and certification of the courses; charging fees and redesigned courses on self-financing basis; compulsory apprenticeship training facility; the placement of vocational pass-outs for apprenticeship; close association of local Business and Industry in need analysis and for conducting district vocational surveys before launching of any vocational courses in schools; mandatory facilities for running vocational courses for Kendriya and Navodaya Vidyalaya schools; special and in the Tenth Plan, it is proposed to recast the scheme treatment to persons with disabilities and appropriate attention to their needs and integration while designing and launching of vocational courses; financial assistance to States for creating testing and certification systems in co-operation with user bodies and professional associations; and reactivation of AICTE's vocational education board for providing technical support to the school system and for establishing linkages with other technical institutions.

23. There is an urgent need to cater to the Class VIII pass-outs whose numbers will swell with success of the UEE and SSA initiatives. In addition, there should be a focus on convergence of schemes like the SSA, adult education, vocational education schemes at schools, it is, Polytechnics, Community Colleges for optimal utilization of skill training facilities and a more targeted approach on placement in jobs.

24. An outlay of Rs.50 crores has been allocated under the Annual Plan 2002-03 for the vocational education schemes at secondary stage.

## **5.4 HIGHER & TECHNICAL EDUCATION**

### **Higher Education**

The Higher Education system has witnessed phenomenal expansion during the recent years. There are now 193 Universities, 47 Deemed to be Universities and nearly 12,342 colleges including 1500 women colleges in addition to the unrecognized institutions in the Higher Education Sector.

2. The issues of access and equity are central to the university/higher education system. The university system provides access to only 5.75% of the estimated population in the 18-24 age group. (As per the latest data available pertaining to the year 1999-2000, out of a total estimated population of 1345 lakhs in the age group 18-24, only 77.33 lakh were enrolled in colleges and universities). We have to increase students enrolment in the higher education system. In addition, the enrolment of disadvantaged sections have to be catered to and the regional disparities have to be reduced. It has been estimated that out of a total of 11594 colleges only 4683 are rural colleges.

3. The Ninth Plan reiterated the objectives/policy directions of National Policy for Education of 1986 and its Programme of Action of 1992. Broadly the 9<sup>th</sup> Plan emphasized on the steps to increase the access of Higher Education and adopted strategies to improve the quality of the Higher Education and the efficiency of the institutions of Higher Education System:-

### **Review of Annual Plan 2001-02**

4. An outlay of Rs.575.00 crores was allocated for the University and Higher Education sector in the year 2001-02 against which an expenditure of Rs.544.73 crores was incurred.

5. The University Grants Commission continued to serve as a coordinating body between the Union and State Governments and the institutions of higher learning. At present, there are 17 Central Universities, 116 State Universities which are provided with development and maintenance Grants by the UGC.

6. In the year under review, the 51 Academic Staff Colleges(ASCs)s in various universities made efforts to enhance the provisional development of teachers by conducting orientation and refresher courses and seminars. 216 orientation programmes and 793 refresher courses were allocated to the ASCs, Universities and Institutions.

7. For the promotion of excellence in quality in Higher Education, the UGC has identified 5 Universities and accorded them the status of universities with potential for excellence last year. These universities are, viz., University of Madras, Jawaharlal Nehru University, University of Hyderabad, University of Pune and Jadavpur University.

In the pursuit of excellence, the UGC also provided financial assistance to autonomous colleges. Autonomous status was conferred to 8 institutions in the year under review.

8. Under the special assistance programme(SAP) the COSIP and COHSSIP, the UGC strengthened the department of humanities, basic sciences and social sciences in selected universities which have potential for advanced academic work. In its effort to promote research, the UGC and its regional offices continue to assist universities and colleges to undertake intensive and in-depth studies in specific subject areas.

### **Distance Education and IGNOU**

9. At present there are 9 State Open Universities (apart from IGNOU) and 64 Correspondence Course Institutes in conventional Universities which provide distance education. However, out of a total of 77.33 lakh students enrolled in universities and colleges, only about 10.09 lakhs are enrolled in distance universities and colleges. IGNOU has steadily increased its activities. In January 2000, IGNOU launched the transmission of Gyan Darshan – a 24-hour educational TV channel. IGNOU has also launched its academic programme in the neighbouring Gulf countries and also in Maldives, Mauritius, Seychelles, Nepal, Sri Lanka and Vietnam.

10. In the year 2001, the Government constituted a 'Committee on Promotion of Indian Education Abroad(COPIEA) to promote Indian education abroad and to regulate the operations of foreign educational institutions in India to safeguard the larger national interests and the interests of the Indian students.

11. The Social Science Research Institutions outside the university system, viz., ICSSR, ICHR, ICPR, etc. continue to undertake research on current political, social and economic issues.

### **Annual Plan 2002-03**

12. Under the Annual Plan 2002-03, which is the first year of the Tenth Plan, an amount of Rs.615 crores has been allocated for University and Higher Education sector. The key issue in the Tenth Plan is to raise the enrolment of the population in the age group (18-23) in Higher Education from the present 6% to 10% by the end of the Tenth Plan period. The focus and strategies would be on increasing access; quality; adoption of state specific strategies; liberalisation of the higher education system; relevance including curriculum, vocationalisation, networking and information technology; distance education; convergence of formal, non-formal, distance and IT education institutions; increased private participation in establishing and running of colleges, etc.

### **University Grants Commission**

13. Out of a total allocation of Rs.615.00 crores mentioned above, an outlay Rs.516.75 crores has been allocated for the University Grants Commission under Annual Plan 2002-03.. The UGC will continue with its on-going effort to increase the access of Higher Education and would encourage women's enrolment. The stress will be on setting up study Centres/Cells for women's studies and provision of day-care facilities for the children of university and college employees. To ensure effective implementation of the reservation policy for SC/ST community, the Commission will provide financial assistance to SC/ST Cells which have been set up in Universities. At present 107 Cells are in operation. During the current year, the on-going efforts at networking among Universities and colleges and within campuses will be strengthened through LAN/WAN/INFLIBNET. In addition, the assistance given to computer departments to increase computer literacy in universities and colleges by the UGC will be stepped up. More and more colleges would be provided this assistance. In pursuit of excellence, the science & Humanities Departments in selected Universities which have a potential will be strengthened by grants. The introduction of PG courses in Engineering & Technology in selected Universities will give fillip to research & development. The proposals for these courses are screened by the Expert Committee of the UGC and are forwarded to the AICTE for approval.

### **Indira Gandhi National Open University**

14. With its 46 Regional Centres and 691 Study Centres, IGNOU will continue its efforts to expand Distance Education so as to increase the access to Higher Education. The telecast of IGNOU programme on the Gyan Darshan TV Channel has been increased to 24-hour transmission each day. IGNOU will continue its efforts in the North-east Region where it is playing an important role in imparting Teacher Training. Through its multi-media strategy, supported by counselling sessions at its study centers throughout the country and teleconferencing, more and more students will be enrolled. The total number of students registered with IGNOU at the end of 2001 was 3,04,681. During the current year, the courses and programmes of IGNOU shall be expanded so as to bring more flexibility in university-level education. During the Annual Plan 2002-03, an outlay of Rs.67 crores has been allocated for IGNOU.

## **Technical Education**

15. The Technical Education system in the country covers courses and programmes in engineering, technology, management, architecture, town planning, and pharmacy. The sector has played an important role in the economic and technological development of the country.

16. Consequent upon the National Education Policy of 1986 which reorganized the Technical Management Education, a number of initiatives were taken. The Ninth Plan focused on four thrust areas such as (a) sustaining and consolidating the infrastructure and further expanding the scope of such infrastructure (b) strengthening systems of management and governance at all levels, networking between institutions and developing effective linkages (c) introducing new and innovative schemes which shall enhance the vibrancy of the system and help it conform to emerging demands of industrial growth in terms of new technologies and (d) expand the base of research amongst technical institutions.

### **Review of 2001-02**

17. An outlay of Rs.575.00 crores was allocated for the schemes of Technical Education in the year 2001-02 against which an expenditure of Rs.552.08 crores was incurred.

18. During the year under review, a large number of engineering colleges and other technical institutes were established across the country with the approval of the All India Council for Technical Education (AICTE), mainly by mobilization of private initiatives. As in the past, the institutions of national importance/excellence like IIMs, IISc, Bangalore and other Central institutes namely ISM, SPA, NIFFT, NTTIE, IIITM, TTTIs, NERIST, SLIET, etc .provided instructional training to make available high quality trained manpower in the field of Technical Education, University of Roorkee has been declared as IIT, Roorkee. Some of the RECs are being accorded the Status of Deemed to be University.

19. The scheme of community polytechnics continue to contribute substantially by transferring techno-economic advances in technical education and appropriate technologies to the rural masses. The World Bank aided Third Technician Education Project continued to be implemented to improve the quality of Polytechnic pass-outs in the North-Eastern States, J & K and A & N Islands.

20. A large number of central technical institutes benefited when they upgraded their infrastructure facilities (including laboratories) and by development of their R&D basis under the MODROB scheme of the AICTE.

### **Annual Plan 2002-03**

21. An outlay of Rs.650 crores has been allocated for the schemes of Technical Education under Annual Plan 2002-03. The major share of the outlay is for the IITs with an outlay of Rs.140 crores. The IIMs are mainly now self-financing with an outlay of Rs.25 crores in the year 2002-03

- The AICTE with an allocation of Rs.100 crores will continue its efforts in upgrading and regulation the standard of technical education in the country. To expand the purview of the National Technical Manpower Information System(NTMIS), new disciplines will be brought within its fold like pharmacy, catering technology, etc.
- To meet the emerging need of quality manpower in information technology and related areas, an outlay of Rs. 30 crores has been allocated for the National Programme of HRD in IT launched last year. To overhaul the entire system of post-graduate education, the Ministry has accepted most of the recommendations of Rama Rao Committee and these are being implemented from the academic year 2002-03.
- For supporting new and emerging technology areas, an outlay of Rs. 5 crores has been allocated during the current year. These include the National Programme for Earthquake Engineering.
- To upgrade the quality of technical education in I.I.Ts., R.E.Cs., other Engineering Colleges, Polytechnics by providing equipment, funds for new courses and networking the institutions for on-line exchange of information and teaching-learning material, a new programme, viz., Technical Education Quality Improvement Programme(TEQIP) launched this year with World Bank assistance. An outlay of Rs.50 crores has been allocated for the programme in the Annual Plan 2002-03.

### **Promotion of Languages**

22. During the Ninth Plan period, all the languages listed in Schedule VIII of the Constitution were promoted and developed through a variety of Central initiatives.

### **Review of 2001-02**

23. An outlay of Rs.104.30 crores was allocated for the schemes of Languages in 2001-02.

24. The Kendriya Hindi Sansthan continued its efforts in developing latest methodologies of Hindi language teaching and training of Hindi teachers in non-Hindi speaking areas. During the year under review, the implementation of the scheme of appointment and training of Hindi teachers in non-Hindi speaking States/U.Ts. continued. The Central Hindi Directorate continued its work of preparing bilingual, trilingual and multilingual dictionaries. Further, Hindi-Persian, Hindi-Indonesian, Hindi-Sinhalese Dictionaries are under publication. More than 335 lakh persons have been enrolled for learning Hindi through the correspondence courses of the Directorate.

25. The Central Institute of Indian Languages, Mysore has been playing an effective role in training teachers in modern Indian languages by conducting research in areas of language pedagogy and technology. In order to bring about improvement in the standards of teaching and learning of English, the Government give financial assistance to Regional Institutes of English and the English Language Teaching Institutes in different States.

26. The Rashtriya Sanskrit Sansthan conducted 13 courses of various levels in 8 Vidyapeethas and 21 Maha Vidyalayas in the country. An International World Sanskrit Conference was convened in April, 2001 in which scholars all over the world were invited.

### **Annual Plan 2002-03**

27. An outlay of Rs.114 crores has been allocated under Annual Plan 2002-03 for the scheme of languages. As per the recommendations of the Core Committee on Zero-Based Budgeting various schemes relating to institutions of languages have been merged together. The MHRD has merged the programmes of (a) appointment of Urdu teachers (b) modernization of madarasa education and the (c) area intensive programme for educational minorities into one scheme called 'The Rashtriya Alpsankhyak Shiksha Abhiyan'(National Minorities Education Programme) with an outlay of Rs. 31.50 crores under the Annual Plan 2002-03.

### **BOOK PROMOTION AND COPYRIGHT**

#### **Review of Annual Plan 2001-02**

28. With a view to promote book reading habit among the masses, especially children and youth, the Government of India dedicated the year 2001-02 as the Year of Books. The Year of Books commenced from 23 April, 2001 and culminated on 23 April 2002, which is also celebrated as World Book and Copyright Day. The National Book Trust, India (NBT) is the nodal agency for implementing various programmes and activities related to Year of Books. All the State Government and U.Ts., Members of Parliament and Educational Institutions etc. were addressed to undertake suitable programmes/activities to spread the message of Year of Books. The Department of Posts, brought out a special postal stamp on Year of Books.

29. The book promotion activities of the Department were carried out mostly through the National Book Trust (NBT). The trust organized a number of book fairs and exhibitions to encourage and inculcate reading habit among the people. The NBT organized the 15<sup>th</sup> New Delhi World Book Fair at New Delhi in the month January, 2001 - February, 2002.

30. During the year, Government took active steps for strengthening enforcement of Copy Right Law in the country. The Copy Right Office registered 1475 works during the last financial year. India participated in the World Intellectual Property Organisation(WIPO) by hosting various seminars and symposiums on intellectual property rights.

#### **Annual Plan 2002-03**

31. An outlay of Rs.12 crores has been allocated under the Annual Plan 2002-03 for Book Promotion and Copy Right activities which includes an allocation of Rs.6.70 crores for the National Book Trust. Through the NBT, the Department will provide financial assistance to a number of voluntary agencies for book promotional activities. During the year, the National Agency for International Standard Book Numbering (ISBN) system will continue to allot ISBNs to Indian Publishers. The ISBN is a 10 digit number which replaces the handling of long bibliography descriptive records. It is an essential instrument in present day book trade.

## **Scholarships**

32. The National Scholarship scheme and the Scholarships for talented children from rural areas will be implemented in the year 2002-03 with the respective outlay of Rs.5 crores and 3 crores each. The number and the rates of scholarship have been upwardly revised. These schemes will continue to be implemented through the State and UT administration.

## **Planning and Administration**

33. An outlay of Rs.7 crores has been allocated under Annual Plan 2002-03. In this sector, there are mainly Central Sector Schemes involving grants to UNESCO, NIEPA, and to the AUROVILLE management. A Centrally sponsored scheme for strengthening of statistical machinery at State level has been launched with an outlay of Rs.1 crore during the year 2002-03.

34. The Annexure 5.4.I gives details of outlay/expenditure of the schemes of Department of Elementary Education and Literacy and Department of Secondary and Higher Education, MHRD (Central Sector) in the years 2001-02 and 2002-03.

## Annexure 5.4.1

**Outlay/expenditure of the schemes of Department of Elementary Education,  
MHRD – Central Sector**

(Rs. in crore)

Sl. No.	Scheme/Programme	Ninth Plan (1997-2002) Approved outlay	2000-2001 Actual Expenditure	2001-2002		2002-03 approved outlay
				Approved outlay	Fun*-ds certified as on 31-3-2002	
1	2	3	4	5	6	7
A1	Elementary Education	16369.59	3117.39	3800.00	3569.16	4667.00
2	Adult Education	630.39	108.16	200.00	174.00	233.00
	<b>TOTAL (A) – Diptt. of Elementary Education and Literacy</b>	<b>16999.98</b>	<b>322.55</b>	<b>4000.00</b>	<b>3743.16</b>	<b>4900.00</b>
B1	Secondary Education	2603.49	554.08	643.70	615.39	719.00
2	University & Higher Education	2500.00	497.55	575.00	544.73	615.00
3	Language Development	324.45	73.00	104.30	86.75	114.00
4	Scholarships	25.32	0.65	3.00	0.05	8.00
5	Book Promotion	16.25	3.51	12.00	13.74	12.00
6	Planning & Admn	65.38	6.44	7.00	4.18	7.00
7	Techn. Education	2373.51	494.00	575.00	552.08	650.00
	<b>TOTAL (B) – Deptt. of Secondary &amp; Higher Education</b>	<b>7908.40</b>	<b>1629.23</b>	<b>1920.00</b>	<b>1816.92</b>	<b>2125.00</b>
	<b>GRAND TOTAL (A + B)</b>	<b>24908.38</b>	<b>4854.78</b>	<b>5920.00</b>	<b>5560.08</b>	<b>7025.00</b>



## 5.5 YOUTH AFFAIRS & SPORTS

### Youth Affairs

The Youth of India representing one third of our population, constitute a vital and vibrant human resource. The Planning Commission has supported several programmes of Department of Youth Affairs & Sports to channelise the energy of the youth into constructive work and to inculcate in them noble and patriotic values. These programmes stress promotion & upgradation of necessary life skills amongst the youth through vocational training besides creating employment opportunities for them besides getting them involved in nation building activities.

#### **Review of the Ninth Plan (1997-2002 ) and Annual Plan (2001-02):**

2. During the Ninth Five Year Plan an amount of Rs.826.08 crore was provided by the Planning Commission of which Rs.679.02 crores ( anticipated) was spent during Plan period. As against the allocation of Rs. 225 crores for the year 2001-02, the Department incurred an expenditure of Rs. 171.81 crores.

3. During the year 2001-02 Nehru Yuva Kendra Sangathan which has 500 Nehru Yuva Kendras across the country organized 2632 vocational training programmes to update and improve the vocational skills of the rural youth to supplement their income; 837 awareness generation programmes of 5 day duration each addressing immediate problems and issues of local and social importance, 471 work camps to provide experience in project planning and management and to improve the organisational skills of the youth club members. For supervision, monitoring and Guidance, NYKS has Regional Offices for every 10-15 NYKs and 18 Zonal Offices covering all the States and UTs. It has wide network of trained NSVs numbering about 5000. It has also 6.4 million rural youth volunteers enrolled through 200,000 village level youth clubs.' In addition to its regular programme, NYKS was associated with Rashtriya Yuva yatras, Mega work Camps, workshop on the theme ' Role of Youth in Disaster Management', Swarnajayanti Gram Swarojgar Yojana, Tobacco Cessation Activities, Village Talk AIDS, Cultural Exchange Programmes etc. During the period under report NYKS organized a two day National seminar on vision Statement on Youth 2020 at Deen Dayal Upadhyaya Parishar, Bhopal. The objective of the Seminar was to discuss the vision for the young men and women in India until 2020 and to prioritize major goals to be achieved by the year 2020 A.D.

4. NYKS is also implementing a pilot project i.e. National Reconstruction Corps (NRC). The primary objective of the NRC are to provide an opportunity to youth to work for and with the community, understand the problem of real life and utilize their skills and knowledge in solving the social problems. The NRC scheme is being implemented in selected 120 districts in the country. The Youth Coordinators of concerned district are assisted by one project officer and 100 volunteers. These volunteers are engaged in various developmental activities at the grassroots level. Schemes of various agencies like Ministry of Rural development, Ministry of Non -Conventional Energy, Ministry of health, Forest, HRD, Urban Employment and Poverty alleviation, Tribal Affairs with special focus on Self Help group (SHG) formation are being implemented with the active cooperation of volunteers.

## **Thrust Area and objectives of the Tenth Plan**

5. Adolescent youth in the age group of 10 to 19 years numbered 230 million, accounting for 22.8 per cent of the population. It is proposed to target this segment of the youth population through specific intervention strategies, that will focus on youth and power, gender justice, youth health and responsible living. The major thrust will be on involving the youth in the process of national planning and development and make them the focal point of development strategy by providing proper educational and training opportunities, access to information on employment opportunities including entrepreneurial guidance and financial credit, proper platforms for developing qualities of leadership, tolerance and open mindedness, patriotism, etc. The Ministry of Youth Affairs and Sports will play a pro-active and catalytic role in exploring and identifying employment opportunities for the youth in coordination with other ministries and departments so as to optimally utilize the investments in various youth-related schemes. Efforts will be made for networking between government and NGO sectors.

### **Action Plan 2002-03**

6. Major expansion of the NYK and NSS with emphasis on vocational training and employment promotion will be **lynchpin** of youth programme in the Tenth Plan. Expansion of NYKS to cover all the districts and mobilising and empowering the youth by strengthening the youth club movement to cover at least 50 percent of the six lakh villages will also be undertaken. The Youth Development Centers (YDCs) will be expanded to achieve the ultimate objective of one youth development center in each of the 5,000 blocks of the country. The YDCs are to be made centers of information for youth and eventually Information Technology (IT) centers. More youth clubs, which have been the focal point of youth activities, will be established so as to provide a platform for young people to raise issues concerning them.

7. All categories of youths, including rural youth will be given an opportunity to participate in various schemes like the National Cadet Corps (NCC), NSS, Scouts and Guides and (NRC). The Rajiv Gandhi National Institute for Youth Development will be provided additional resources in terms of both manpower and material equipment with a view to transforming it into a national center for information, documentation, research & training.

8. Adolescents have very special and distinct needs. It is essential to invest in them as they are the future of the country. The most important issues regarding the adolescents are health, nutrition, education ( both formal and non formal), vocation, recreation and sports, child labour, children in difficult situations, alcohol and drug abuse. All adolescents need to be educated, about matters like safe motherhood, reproductive health rights, sexuality and sexual responsibility, age of marriage, and first pregnancy, family size, health care, hygiene, immunization, HIV/AIDS prevention, the importance of education, particularly of girls, drug and alcohol abuse. They should also have some legal literacy and be made aware of vocational opportunities and career planning. A special scheme for adolescents will be launched in the Xth Plan.

## **SPORTS**

### **Review of Annual Plan 2001-02**

9. 'Sports' is integral to all round development of human personality. Outstanding achievements in sports add to our national prestige. Sports promotion is primarily the responsibility of the various National sports federations, which are autonomous. The role of the Government is to create the infrastructure and promote capacity building for broad-basing sports as well as for achieving excellence in various competitive events at the National and International levels. In order to bring about a radical change in the country's efforts to develop excellence in sports, the Government has evolved a new National Sports Policy during the period under report. Sports Authority of India (SAI), over a period of time has expanded its operations to promote broad basing of sports. The amalgamation of the elite academic institutions like National Institute of Sports, Patiala and the Laxmibai National College of Physical Education gave the SAI an opportunity to play a wider role. The total workforce of SAI is 3800 which includes 1600 coaches. An outlay of Rs.472.61 crore provided for sports during Ninth Plan against an expenditure of Rs 558.50 crore. For the Tenth Plan an amount of Rs. 932.36 crore provided for the Sports and Rs. 177.67 crore for the Annual Plan 2002-03.

### **Thrust Areas and Objectives of the Tenth Plan**

10. There is an immediate need to create a network of basic sports infrastructure throughout the country. What is even more important is to provide access to these facilities. Modern equipment and training facilities at par with those available in developed countries would be provided to sportspersons to enable them to compete in international events. Efforts will be made to improve coaching skills and raise them to international standards. Emphasis will be laid on basic as well as applied research in sports-related fields. A drug free environment will be created by designing effective checks to eliminate drug abuse. Except a few popular sports, which attract private sponsorship, the majority of sports activities are devoid of any career opportunities for sportspersons. Hence, there is a need to have definite incentives for sportspersons in the form of job reservation and awards.

11. Corporate houses will be asked to adopt particular disciplines as well as sportspersons for long term development. A National Sports Development Fund has been created with 100 percent income tax exemption for donors.

12. High priority will be given to the promotion of sports in schools and rural areas. Panchayats and youth and sports clubs will be mobilized to promote sports culture in the country. Sports disciplines will be prioritised on the basis of proven potential, popularity and performance and greater emphasis will be given to junior and sub-junior levels. The mass media will be mobilized for fostering sports culture in the country. New programmes such as setting up of sports state academy, promoting recreational sports and adventure sports will be taken up.

13. Adequate sports infrastructure will be created in schools and colleges. All urban bodies should earmark open spaces for playgrounds whenever new colonies are being developed. Conversion of playing fields into housing/commercial complexes must be prohibited.

14. Municipalities and municipal corporations should also contribute to the development of sports by ensuring the maintenance of playgrounds /stadia/ and swimming pools by

involving a larger number of youth in sports activities, besides supplying the required quality of sports equipment. They must also organize competitions for all the Asian Games disciplines, particularly those which are popular at the local and state level.

15. In order to provide talented sportspersons with good quality equipment, the domestic sports industry should be given incentives for manufacturing equipment of international standards. Till that time, good quality equipment needs to be imported. Sports federations, state governments as well as private and public sector organisations would have to be fully involved in the formulation and implementation of the Plan. However, such a short-term Plan must have a long-term perspective of broad basing the sports with a view to achieving physical fitness for all and promoting excellence through spotting and nurturing talent.

## **NEW INITIATIVES**

### **Adolescent**

16. Adolescent youth in the age group of 10 to 19 years numbered 230 million, accounting for 22.8 per cent of the population. It is proposed to target this segment of the youth population through specific intervention strategies, that will focus on youth and power, gender justice, youth health and responsible living.

17. The major thrust will be on involving the youth in the process of national planning and development and make them the focal point of development strategy by providing proper educational and training opportunities, access to information on employment opportunities including entrepreneurial guidance and financial credit, proper platforms for developing qualities of leadership, tolerance and open mindedness, patriotism, etc. The Ministry will also play an active advocacy role in promoting gender justice by making the youth aware about their significance in the Indian context. Efforts will be made for networking between government and NGO sectors

### **State Sports Academy**

18. The objective of the new scheme is to select best available potential in sports in the age group of 10-13 years and groom them over a period of time to achieve excellence at the national and international levels. It is proposed to set up a State Sports Academy in every State.

### **Scheme of DOPE Test**

19. The scheme aims at prevention of drug abuse in sports by providing adequate facilities for dope test, creating awareness amongst athletes, parents, coaches, doctors, scientists & sports governing bodies. It will provide for educational programmes, establishment of accredited dope control laboratory and provision for dealing with drug offenders.

### **Annual Plan 2002-03**

20. An outlay of Rs.1825.00 crores has been provided for the Ministry of Youth Affairs and Sports for the Tenth Plan and Rs. 285.00 crores for the Annual Plan 2002-03. For Youth Welfare Rs.690.64 crores for the Tenth Plan and Rs 106.98 crores for the Annual Plan 2002-03 and for sports sector Rs 1132.36 crores for Tenth Plan and Rs. 177.67 crores for the Annual Plan. Similarly, Rs. 2.00 crores is kept for Modernization and computerization of office during Tenth Plan and Rs. 0.35 crore for the Annual Plan.

## 5.6. HEALTH

Improvement in the health status of the population has been one of the major thrust areas for the social development programmes of the country. This was to be achieved through improving the access to and utilization of Health, Family Welfare and Nutrition services with special focus on under served and under privileged segments of population. Over the last five decades, India has built up vast health infrastructure and manpower at primary, secondary and tertiary care in Government, voluntary and private sectors. The population has become aware of the benefits of health related technologies for prevention, early diagnosis, effective treatment as well as rehabilitation for a wide variety of illnesses and accesses available services. Technological advancement and improvement in access to health care technologies which were relatively inexpensive and easy to implement, had resulted in steep decline in mortality between 1950 and 1990. The extent of access and utilization of health care varied substantially between states, districts and different segments of society; this to a large extent, is responsible for substantial differences between states in health indices of the population.

2 During the 90s, the mortality rates plateaued; country entered an era of dual disease burden. On one side there are communicable diseases which have become more difficult to combat due to insecticide resistance among vectors, resistance to antibiotics in many bacteria and emergence of new diseases such as HIV for which there is no therapy; on the other side increasing longevity and the changes in life style have resulted in the increasing prevalence of non-communicable diseases. Under nutrition and micro nutrient deficiencies and associated health problems coexist with increasing prevalence of obesity and life style related non communicable diseases. Unlike the earlier era, the technologies for diagnosis and therapy are becoming increasingly complex and are expensive. Increasing awareness about the potential of the newer health care technologies and rising expectations of the population have widened the gap between what is possible and what the the individual, institution or the country could afford. As the country undergoes demographic and epidemiological transition, it is likely that larger investments in health will be needed even to maintain the current health status, because the technology required for tackling resistant infections and non-communicable diseases are expensive and this will inevitably lead to escalating health care costs.

### **Current problems faced by the health care services include:**

- ☞ persistent gaps in manpower and infrastructure in govt. sector especially at the primary health care level, in remote rural, tribal and urban slum areas where health care needs are greatest;
- ☞ sub-optimal functioning of the infrastructure; poor referral services;
- ☞ plethora of hospitals in Govt., voluntary and private sector not having appropriate manpower, diagnostic and therapeutic services and drugs;

- ☞ massive interstate/ inter district / urban-rural differences in performance as assessed by health and demographic indices; availability and utilisation of services are poorest in the most needy remote rural areas in states/districts;
- ☞ sub optimal intersectoral coordination;
- ☞ increasing dual disease burden of communicable and non-communicable diseases because of ongoing demographic, lifestyle and environmental transitions;
- ☞ technological advances which widen the spectrum of possible interventions;
- ☞ increasing awareness and expectations of the population regarding health care services; and
- ☞ escalating costs of health care, ever widening gaps between what is possible and what the individual or the country can afford.

## **HEALTH SYSTEMS REFORMS**

3. Faced with the problems of a sub-optimally functioning health care system and providing adequate investment for improving health, Ninth Plan emphasized the need for :

- ☞ reviewing the changing health scenario and assessing response of the public, voluntary and private sector health care providers as well as the population themselves to the changing situation;
- ☞ reorganizing health systems so that they become efficient and effective; and
- ☞ introducing health system reforms which ensure access to public health programmes free of cost to all and enable the population to obtain essential health care at affordable cost.

4. The suggested health system reforms broadly fall into three categories : structural and functional aimed at improving efficiency, financial aimed at improving the resources available and governance related aimed at improving transparency and accountability . It was envisaged that the public sector will play the lead role in health systems reform. The following were the major thrust areas suggested in the Ninth Plan.

### **Structural and Functional Reforms Aimed at Improving Efficiency:**

- ☞ Reorganisation and restructuring of existing health care infrastructure including the infrastructure for delivering ISM&H services at primary, secondary and tertiary care levels , so that they have the responsibility of serving population residing in a well defined area and have appropriate referral linkages with each other.

- ☞ Human resource development to meet growing health care needs – adequate in number, with appropriate skills and attitudes.
- ☞ Skill upgradation of health care providers through CME and redeployment of the existing health manpower so that they can take care of the existing and emerging health problems at primary, secondary and tertiary care levels.
- ☞ Horizontal integration of current vertical programmes including supplies, monitoring, IEC, training and administrative arrangements; formation of a single health and family welfare society at state and district levels .
- ☞ Fully functional accurate reporting system which provides data on births, deaths, diseases and data pertaining to ongoing programme through service channels, within existing infrastructure; monitoring and evaluation of these reports and appropriate midcourse corrections to be done at district level;
- ☞ Building up an effective system of disease surveillance and response at district, state and national level within and as a part of existing health services;
- ☞ Building up efficient and effective logistic system for supply of drug, vaccines and, consumables based on the need and utilisation.

#### **Financial Reforms:**

- ☞ Continued commitment to provide essential primary health care, emergency life saving services, services under the National Disease Control Programmes and the National Family Welfare Programme totally free of cost to individuals based on their needs and not on their ability to pay
- ☞ Evolve, test and implement suitable strategies for levying user charges for health care services from people above poverty line, while providing free service to people below poverty line; utilise the collected funds locally to improve quality of care.
- ☞ Evolve and implement a mechanism to ensure sustainability of ongoing govt. funded health and family welfare programmes especially those with substantial external assistance.
- ☞ Working out cost of diagnostics and therapeutic procedures for major and minor ailments in different levels of care and setting cost of care norms.

#### **Governance Related**

- ☞ Introduce a range of comprehensive regulations prescribing minimum requirements of qualified staff, conditions for carrying out specialized interventions and a set of established procedures for quality assurance.

- ☞ Evolving standard protocols for care for various illnesses; at primary, secondary and tertiary care settings – public sector hospitals, medical colleges, professional associations to play a major role in this exercise.
- ☞ Quality assurance and redressal mechanism such as Consumer Protection Act and Citizens' Charter for hospitals are to be set up.
- ☞ Appropriate delegation of powers to Panchayati Raj Institutions (PRIs) so that the problems of absenteeism and poor performance can be sorted out locally and primary health care personnel function as an effective team.
- ☞ Involvement of the Panchayati Raj Institutions in the planning and monitoring ongoing programmes and taking timely corrections for optimal utilisation of services.

5. During the last five years both the centre and the state Govts have taken several step to implement these recommendations. On the whole, the content and pace of the implementation has been suboptimal. The lessons learnt, progress achieved so far, and current status are summarised in the following pages.

### **Structural and Functional Reforms**

6. The Health care system consists of:

- ☞ primary, secondary and tertiary care institutions, manned by medical and paramedical personnel;
- ☞ medical colleges and paraprofessional training institutions to train the needed manpower and give the required academic input;
- ☞ programme managers managing ongoing programmes at central, state and district levels; and
- ☞ health management information system consisting of a two-way system of data collection, collation, analysis and response.

So far the interaction between these components of the system had been sub-optimal. In spite of the plethora of primary, secondary and tertiary care institutions and medical college hospitals there are no well organised referral linkages between the primary, secondary and tertiary care institutions in the same locality. The programme managers and teachers in medical colleges do not link with institutions in any of the three tiers; essential linkages between structure and function are not in place (Annexure –5.6.1). Logistics of supply and HMIS are not operational in most states. Efforts are being made to reorganise health system, build up essential linkages between different components of the system so that there will be substantial improvement in functional status (Annexure –5.6.2).

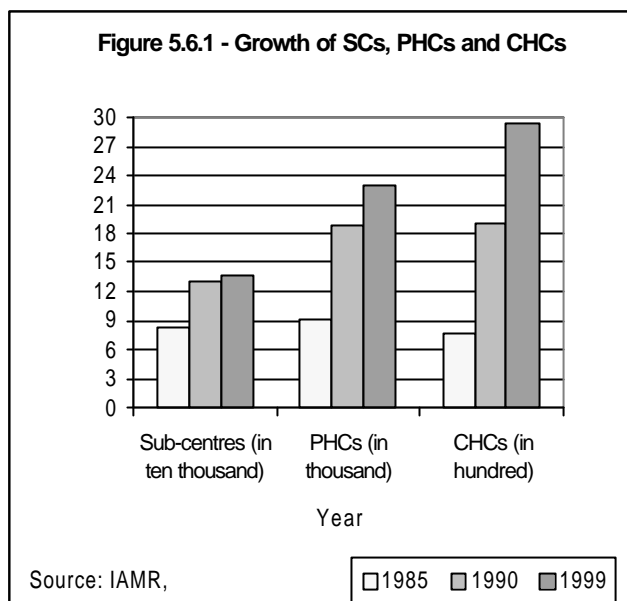


## Primary health care

7. The primary health care infrastructure provides the first level of contact between the population and health care providers. Realising its importance in the delivery of health services, the centre, states and several government related agencies simultaneously started creating primary health care infrastructure and manpower. This has resulted in substantial amount of duplication of the infrastructure and manpower. The government funded primary health care institutions include:

- ☞ the rural, modern medicine primary health care infrastructure created by the states (Figure 5.6.1) consisting of:
 

-Subcentres	138044	(1/ 4579 population)
-Primary Health centres	22928	(1/27364 population)
-Community Health centers	3077	(1/214000 population)
- ☞ subdivisional/Taluk hospitals/speciality hospitals (estimated to be about 2000)
- ☞ 5435 rural family welfare centres, 871 urban health posts, 1083 urban family welfare centres, 550 district post partum centres and 1012 sub-district postpartum centres funded by the Department of Family Welfare.
- ☞ 22,104 dispensaries, 2862 hospitals under the Dept of ISM&H.
- ☞ urban health services provided by municipalities.
- ☞ health care for central government employees provided by Central Government Health Scheme (CGHS).
- ☞ hospitals and dispensaries of Railways, Defence and similar large departments providing the health care to their staff.
- ☞ medical infrastructure of PSUs and large industries.
- ☞ Employee's State Insurance Scheme (ESIS) hospitals and dispensaries providing health care to employees of industries.
- ☞ all hospitals - even those providing secondary or tertiary care also provide primary health care services to rural and urban population



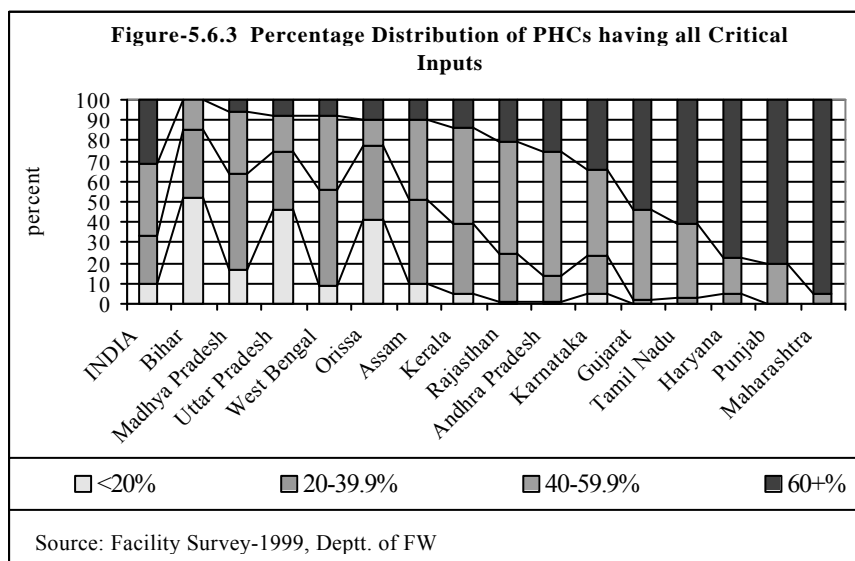
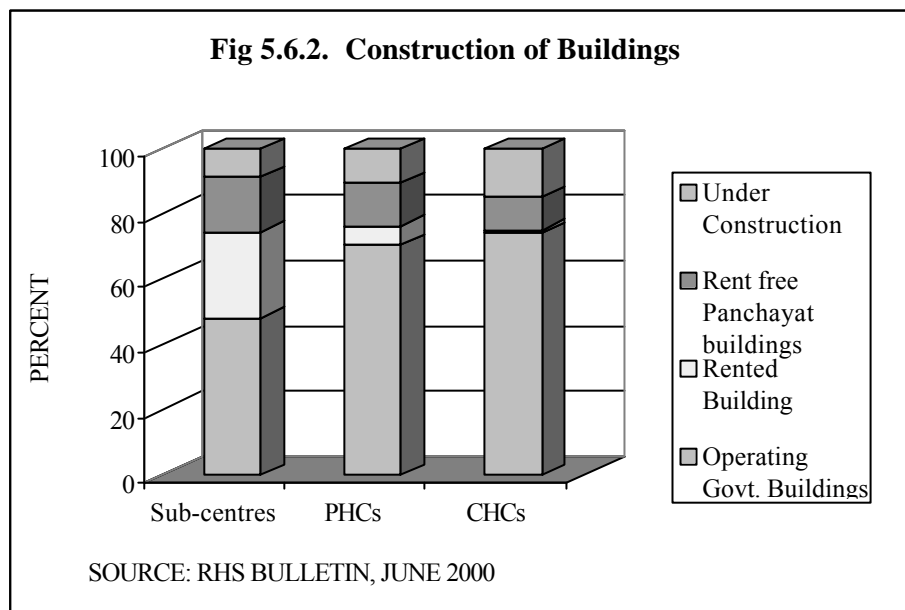
<b>Table – 5.6.1 Health care infrastructure</b>			
	<b>Required</b>	<b>In position</b>	<b>Gap</b>
<b>Subcentres</b>	134108	138044	8181*
<b>PHCs</b>	22349	22928	1714*
<b>CHCs</b>	5587	3077	2562
<b>Modern medicine</b>		<b>ISM&amp;H</b>	
<b>Hospitals</b>	<b>Dispen saries</b>	<b>Hospitals</b>	<b>Dispen saries</b>
15188	25911	2991	23028

\*: Some states have a deficiency in the number of health centers required, while some have an excess

More than three-fourths of the medical practitioners work in the private sector and majority of them cater to the primary health care needs of the population.

8. By the end of the Seventh Plan, most of the states had completed setting up of subcentres and primary health centers required to meet the norms for 1991 population (Table-5.6.1). Majority of them are located in

their own building and cannot be shifted out. (Figure – 5.6.2) Some states have more than required number of PHCs and sub-centres, while in some there are gaps. Ignoring the surplus, the total number required to fill the existing gaps in states deficient in the required number of SCs, PHCs and CHCs were indicated as goals to be achieved during



the Ninth Plan. Very little progress has been made in achieving these goals. Therefore the goals for the Tenth Plan continue to be filling these gaps (Annexure- 5.6.3). Almost all the gaps can be filled by appropriate reorganization of the existing infrastructure .

Many of the existing subcentres, PHCs and CHCs lack essential

physical infrastructure, manpower and consumables(Figure 5.6.3). Correcting these within available resources will be the priority during the coming years.

Situation regarding manpower position in these institutions is indicated in Table 5.6.2 and Annexure 5.6.4. It is obvious that the gaps in the manpower in critical posts could be completely corrected through redeployment of the exiting manpower after appropriate reorientation and skill upgradation.

**Table-5.6.2 Health Manpower in Primary Health Care Centres**

	Required(R)	Sanctioned(S)	In Position(P)	Gaps	
				R-P	S-P
Drs. In PHCs	22349	29702	22506	157#	7196
Specialists in CHCs	22348	6579	3741	18607	2838
MMPWs in SCs	134108	87504	73327	60781	14177
Lab techs in PHCs	27936	15865	12709	15227	3156
Specialists in PPCs	3100				
<b>Malaria</b>			<b>Leprosy</b>		
Male health workers	Sanctioned	In position	Regular	Contractual	
	39720	34580	17072	2632	
Lab technicians	7103	6026	1079	76	
				# : surplus	

9. The ongoing and proposed re structuring and redeployment at each level is indicated below.

*At Sub-centre Level:*

- ☞ The Department of Family Welfare has taken over the funding of all the 1.34 lakh ANMs in the sub-centres as per the 1991 requirement.
- ☞ Efforts are underway to fill vacancies in the posts of male multi-purpose workers (MMPW) by training and redeploying the large number of uni-purpose male workers with insufficient workload employed in various centrally sponsored disease control programmes( TB, Malaria, Leprosy, RCH) (Table-5.6.2)

*At PHC Level*

- ☞ There is more than adequate number of doctors to man every PHC. The major task is to ensure that they are available where they are posted. No additional recruitment is required in any of the states.
- ☞ Dispensaries and block level PHCs without specialists should be merged or recategorised as PHCs. Doctors in RFWC will be redeployed to cover the vacancies in

sanctioned posts in the PHCs. *West Bengal* has decided that doctors in the PHCs with no in-patient facilities will be posted in Block level PHCs. Staff from functional block level PHCs will visit PHCs with outdoor facilities and provide essential primary health care on rotational basis.

- ☞ Part time or contractual staff including those provided under the national disease control programmes and family welfare programme are being utilised to fill the gaps in manpower as and when required e.g. *Madhya Pradesh*
- ☞ Mobile clinic approach can be utilized to access remote areas e.g. *Orissa, Rajasthan, Delhi slums, Maharashtra* (Tribal areas); these are expensive to run and maintain.
- ☞ ISM&H doctors are being posted in remote PHCs to provide essential primary health care e.g. *Gujarat, Kerala and Tamil Nadu* are posting ISM&H doctors in PHCs to provide complementary system of care.
- ☞ Uni-purpose workers in National Programmes are being trained and redeployed as multipurpose workers in the general health system in some states.
- ☞ Existing staff with varying qualifications are trained and used for filling the gaps; e.g. *Orissa* is training the pharmacists to be redeployed as lab technicians; they may not have appropriate skills and the effect of such a redeployment has to be assessed .
- ☞ Redeployment of staff for correcting the mismatch between expertise and infrastructure/equipment; e.g. lab technician/microscope.

#### *At CHC/FRU Level:*

- ☞ All sub-district institutions with specialists are being recategorised as CHC/FRU under the three tier rural primary health care system; this will fill the apparent gaps in number of CHCs/FRUs.
- ☞ The staff of the post partum centers are being integrated into the FRUs/CHCs, thereby providing specialist manpower especially of obstetricians and pediatricians, to make FRUs functional.
- ☞ Development of appropriate two-way referral systems utilising information technology (IT) tools to improve communication, consultation and referral right from primary care to tertiary care level.
- ☞ GIS mapping of all government health facilities is being attempted and will be used for reorganization and restructuring of the infrastructure.

#### *Urban Health Care*

10. Nearly 30% of India's population lives in the urban areas; 27% of this population lives in urban slums. Recent estimates from the Planning Commission suggest that in some states poverty in urban areas is greater than in rural areas. There is need to develop sustainable health care delivery and financing system to improve the health outcomes,

particularly for the urban poor. *Delhi* and *Chennai* have developed a system of mapping out the existing health infrastructure and manpower and to link them effectively. *Delhi* has developed a GIS system for providing information regarding availability of health care in the vicinity .

### *Secondary Health Care*

11. The secondary health care infrastructure at the district hospitals and urban hospitals is currently also taking care of the primary health care needs of the population in the city/ town in which they are located. This inevitably leads to overcrowding and under utilisation of the specialized services. Strengthening secondary health care services was an identified priority in the Ninth Plan. In addition to the funds they get from the state plan, seven states have taken World Bank loans to initiate projects to build up FRUs/district hospitals. The aim of these projects is to:

- ☞ strengthen FRUs to take care of referrals from PHCs/SCs;
- ☞ strengthen district hospitals so that they can effectively care for referrals;
- ☞ strengthen the referral system and rationalize care at each level to:
  - ▲ enable patients to get care near their residence;
  - ▲ ensure optimal utilisation of facilities at PHCs/ CHCs; and
  - ▲ reduce overcrowding at the district and tertiary care level.

12. The states have initiated construction works and procurement of equipments. They have reported increased availability of ambulances and drugs, improvement in quality of services following training to health care providers, reduction in vacancies and mismatches in health personnel/infrastructure and improvement in hospital waste management, disease surveillance and response systems. All these states have attempted to levy user charges for diagnostic and therapeutic services from people above the poverty line. Some states have been unable to ensure that the collected charges are retained for use in the same institution and this problem need be speedily resolved.

### *Tertiary Health Care*

13. Over the last two decades a majority of the tertiary care institutions in the governmental sector have been facing a resource crunch and have not been able to obtain funds for equipment maintenance, replacement of obsolete equipments, supply of consumables and upgrading the infrastructure to meet the rapidly growing demand for increasingly complex diagnostic and therapeutic modalities. There is a need to optimise facilities available in tertiary care institutions, enhance the quality of services and strengthen linkages with secondary care institutions. Overcrowding in tertiary care hospitals and underutilization of expert care due to the lack of a two way referral system with primary and secondary care levels requires correction. To meet some of the recurring costs and to improve the quality of services in tertiary health care institutions the Ninth Plan suggested levying user charges and establishing pay clinics/pay cabins.

14. Some states have provided land, water and electricity at a lower cost to private entrepreneurs setting up tertiary care/superspeciality institutions on the condition that they provide outpatient and inpatient care free of cost for people below the poverty line. In an

effort to augment the availability of tertiary care, several states (e.g. *Rajasthan* and *Himachal Pradesh*) are trying out innovative schemes to give greater autonomy to government institutions, allowing them to generate resources and utilise them locally. Most states have not yet fully documented the extent and impact of their efforts in this direction. Available data suggest that *Kerala*, *Punjab* and *Haryana* have cost recovery ratios of around 10 per cent and more than 80 per cent of the fees for public facility care were paid by the richest 40 per cent of the population both in the urban and rural areas. This may be because this section uses the services more or the quality of care provided to those who pay may be better than to those who are exempt from paying. A review of the existing cost recovery system in states has shown that:

- ☞ an appropriate institutional framework for reviewing user charges has not yet been established;
- ☞ the level of cost recovery is minimal due to the low structure of fees and inadequate collection mechanisms;
- ☞ mechanisms for identifying and exempting the poor from user charges are ill defined; and
- ☞ funds collected are not retained at the point of collection in many states.

15. One of the major recommendations of the Ninth Plan was that a Technical Appraisal Committee should be constituted in all major government institutions to assess and prioritise the essential requirements for strengthening and up grading of facilities keeping in mind the funds available. This has not been fully operationalised in any state though some states have taken steps to improve the autonomy of these institutions. It is important to implement this recommendation, improve autonomy and encourage decentralised planning.

#### *Human Resource Development for Health*

- ☞ Setting up University of Health Sciences (UHS) to improve uniformity in the entry standards, appropriate curricula and examination for medical, dental, pharmacy and nursing colleges and paraprofessional training institutions. So far *Andhra Pradesh* (AP), *Tamil Nadu*, *Karnataka*, *Punjab* and *Maharashtra* have set up University of health sciences. Several states are in the process of setting up UHS.
- ☞ Skill upgradation of all health care providers through CME and reorientation and if necessary redeployment of the existing health manpower, so that they can take care of the existing and emerging health problems at primary, secondary and tertiary care levels.
- ☞ Training of all medical and para-medical personnel for all National Programmes and promote team approach. *Kerala* is considering providing continuing medical education not only to in-service personnel, but to all practitioners, perhaps on a self-financing basis.
- ☞ Mainstreaming of the ISM&H personnel so that they can participate in providing essential primary health care, assist in improving coverage under the National Disease Control

programmes (*Himachal*); provide complementary system of care.e.g. *Kerala, Himachal Pradesh* and *Orissa*.

- ☞ Creation of a specialist cadre at CHC level; besides their own speciality, they are trained to manage all national programmes. As and when the medical officers get selected to various posts , they will get appropriate in service orientation training ; for example when clinicians become programme managers they will get trained in programme management ; PSM specialist getting posted as programme manager will get exposure to clinical problems pertaining to the programme.
- ☞ Most states have formed a single health and family welfare society at district and state level. Some (*Orissa*) have taken steps to initiate a health strategy, whereby focus was shifted from project funding to sector funding.
- ☞ *Gujarat* is considering creation of a cadre of bio-medical engineers to oversee the maintenance of equipments in all the government hospitals of the state.
- ☞ *Andhra Pradesh* has launched a massive training programme to train all medical personnel to identify and refer cases of HIV/ AIDS

#### *Improving Referral and Communication Linkages*

- ☞ Building up a fully functional, accurate Health Management Information System (HMIS) utilising currently available IT tools; this real time communication link will send data on births, deaths, diseases, request for drugs, diagnostics and equipment and status of ongoing programmes through service channels within existing infrastructure and manpower and funding; it will also facilitate decentralized district based planning, implementation and monitoring;
- ☞ Development of appropriate two-way referral systems through introduction of a family folder, child health card and ANC card etc. to facilitate accurate record keeping, referral and reporting e.g. *Pondicherry* has introduced family folders, *Tamil-Nadu* has woman held ANC card.
- ☞ *Kerala* and *Orissa* have established a disease surveillance system, through which data is collected regularly (weekly/ monthly) from Government and private practitioners; the data is analyzed at district level and appropriate response initiated.

#### *Use of information technology (IT)*

16. IT tools can be used to improve communication, consultation and referral right from primary care to tertiary care level; currently efforts are underway to develop:

- ☞ Tele-linkages between PHCs and FRUs;
- ☞ tele-linkages between FRUs, district hospitals and tertiary care institutions; and,
- ☞ Telemedicine consultation between tertiary/ super-speciality care institutions in different regions.

17. Some of the major ongoing initiatives are:

*West Bengal*- Telemedicine linkages between Habra Hospital and School of Tropical Medicine; a pilot project connecting Bankura Medical College, North Bengal Medical College and SSKM Hospital; Government of India has entered into partnership with a leading NGO in establishing telemedicine for cardiac care.

*Maharashtra*- Pilot project on telemedicine linkage between three PHCs at Wagholi, Paud and Chakan provided by <Doctoranywhere.com> in collaboration with Tata Council for Community Initiatives. The service uses Internet based technology to connect the PHCs with medical specialists.

*Orissa*- Every village is being provided with telephone linkages and connected to blocks where Internet facility is available. Information is available on the net at block level PHCs about where a particular specialist would be available for an emergency care.

*NEC*- In view of distances, difficulty in terrain and lack of all types of infrastructure, this region requires better connectivity through the use of information technology. The S&T Division NEC proposed video conferencing linkages among the health care centers in the Northeast and with selected institutions outside the state. It has been suggested that the proposal should have three components:

- ☞ High tech expensive video conferencing and tele-linkages with tertiary care institutions;
- ☞ Internet based communication between district hospitals and tertiary care centers;
- ☞ Telephonic communication linkages between villages, subcentres, primary health centers, CHCs and district hospitals.

*Uttaranchal*- The state is building up tele-linkages among the primary health care centers; 10% of villages are already connected under the SIP project.

*Andhra Pradesh* Tele-counseling, an interactive voice response system, with a common toll-free number all over the state has been established to counsel patients of HIV/AIDS.

***Public-Private Sector Collaboration:***

18. Some of the ongoing initiative includes:

- ☞ contractual appointment of the health care personnel and hiring of private practitioners for providing services in the PHCs have been attempted in order to fill the gaps e.g. *Madhya Pradesh*;
- ☞ part time hiring of general practitioners and specialists to visit and provide health care in PHCs/CHCs in under-served areas e. g., *Madhya Pradesh*;
- ☞ NGOs providing rural health care by adopting PHCs e.g. *Karnataka*;



- ☞ state and central governments, PSUs reimburse cost of medical care provided by recognized private health care providers/institutions;
- ☞ involving NGOs/private sector practitioners in the National Programmes e.g. utilizing the services of NGOs, and not for profit institutions in the leprosy eradication programme, involvement of private practitioners/institutions in the blindness control programme and the HIV/AIDS control programme e.g. *Delhi*;
- ☞ private sector individuals/institutions/industry e.g. Tata Steel Company provide health care to the population living in a defined area;
- ☞ private super-specialty, tertiary/secondary care hospitals are given land, water and electricity etc. at a concessional rate and permission for duty-free import of equipment with the understanding that they will provide in-patient/out-patient services to poor patients free of charge. The experience has been varied with several problems being reported e.g. *Kerala, Rajasthan, West Bengal*;
- ☞ private practitioners provide information for disease surveillance in some districts in *Kerala*;
- ☞ private agencies have been engaged for support services like kitchen, laundry, cleaning and security. e.g. *West Bengal, Utranchal, Gujarat*, and,
- ☞ states are inviting private sector to set-up medical colleges e.g. *West Bengal*.

### **Community Participation**

19. Increased community involvement in public health and family welfare programmes is being encouraged by many states Some of the major initiatives are:

*West Bengal*- A Pilot project is being taken up under SIP, which is funded by EC, where in women from self help groups are being trained as Honorary Health Workers (HHWs) to assist the community in accessing services under Family Welfare and National Disease Control Programmes. Each HHW is to cover 200 households and the sponsoring organization is paid a performance-based incentive on a graded basis.

*Nagaland*- encouraging public participation in all health care services at the grassroots (SC) level; it is called "Communitisation" of health institutions. Through this, health sector financing is being done involving public, as well as private practitioners. A Village Health Committee and a Common Health Sub-centre Committee have been constituted to look after the overall health needs of the village, including the functioning of the sub-centre.

The state has also published a Citizens' Charter, with the aim of:

- ☞ Augmenting all health units to deliver basic health care services to the community;
- ☞ Ensuring supply of essential drugs and equipments;

- ☞ Emphasizing implementation of National Disease Control and family Welfare programmes; and
- ☞ Increasing the accountability of service providers in rendering efficient services.

*Andhra Pradesh* has launched a “Convergence Community Action” (CCA), involving all self-help groups to generate awareness about AIDS/STD in the community.

### **Governance Related reforms**

20. Efforts are under way to bring about quality assurance and accountability in health care services. Assessment of the quality of health care is often thought to be a value judgment but there are determinants and ingredients of quality, which can be measured.

These include assessment of infrastructure and manpower, processes such as diagnosis and treatment or outcome such as case fatality, disability and patient satisfaction. Health care quality evaluation includes safety, effectiveness and timeliness of interventions. It must also include assessment of the performance of the system in terms of meeting the changing needs of the population to stay healthy and learn to live with illness and disability. In recent years, there has been increasing public concern over the quality of health care both because of increasing awareness of the population and the mushrooming of health care institutions particularly in the private sector.

#### **Introduction of Quality Control System in India will:**

- ▲ prevent overuse, under-use, abuse and misuse of facilities;
- ▲ improves effectiveness and efficiency;
- ▲ help make positive outcomes more likely;
- ▲ help the effective and responsible use of resources;
- ▲ minimise barriers to appropriate care at different levels by matching the levels of care to the level of need;
- ▲ bring accountability into the health system; and
- ▲ ensures that optimum use is made of every rupee invested.

21. During 1990s, some initiatives were taken to address issues relating to quality of care such as, inclusion of the Consumer Protection Act. Some states have attempted to provide a legal framework for the functioning of private health care institutions on the lines of the Bombay Nursing Home Registration Act 1949. These legislative measures have so far not been effectively implemented partly because of the lack of objective criteria for defining ‘quality of care’ and the fear that enforcing such regulations may increase the cost of care. Several states are attempting to introduce some quality control concepts and tools into health care in order to ensure that:

- ☞ the population and the system benefit from defined and institutionalized norms, accountability and responsibility;
- ☞ the Tenth Plan goals are achieved and health indices of the population improve; and
- ☞ health care is made affordable for individuals and the country as a whole.

22. Many states are setting norms for posting of medical personnel in rural areas, and ensuring transparency in these so as to bring about accountability regarding presence and performance of health care providers.

*West Bengal* has demarcated the state into three zones, and has provided for posting of medical officers in these zones for a fixed period. The state has 'District Health and Family Welfare Samiti', so that various committees and societies do not act at cross-purposes. All public health functions are controlled by the CMOH. A system performance assessed on the basis of grading in an objective assessment criteria has been developed to identify the performance of different categories of employees; based on performance the employees are rewarded or punished. All the donor partners supporting the state health department are brought under a donor partners coordination committee headed by the chief secretary to improve coordination.

*Kerala* is proposing creation of a cadre system of specialists to fill the existing vacancies.

*Uttaranchal*: Special incentives are being given to doctors posted in remote areas with difficult terrain. Tour programmes of the ANMs are fixed in advance and MCH clinics are conducted on fixed days, and immunization days are also fixed. Sectoral and block level meetings are held every month. The deputy CMO pays surprise visits to these meetings whenever he can.

*Nagaland*: the medical officer of every PHC is directed to visit every sub-centre once a month. The ANM is required to live there, and her tour is fixed in advance. She has a list of hospitals where different specialists are available, so that she can direct the people appropriately in an emergency. A booklet listing all the villages under each PHC/subcentre is available with the Village Health Committee. In case the service providers are absent from their duties, their salaries are deducted and used for up gradation of health care services there.

*Andhra Pradesh*: a transparent policy for posting of personnel based on merit and on grading given through the performance monitoring system has been finalized. Medical and Paramedical personnel serving in remote rural and tribal areas are given special incentives. A remote sensing technique has been used for identifying areas with high musquitogenic conditions and initiating interventions to control mosquito breeding. District population stabilization societies are formed, and authority and funds were devolved to local levels. Service centers for sterilization were increased and refurbished; and surgeons trained in improved techniques. Output based performance indicators have been finalized and reporting frequency fixed. An attempt has been made to link performance with individual career advancement. It has been reported that this resulted in improving good antenatal care and immunization and has improved antenatal care and institutional delivery and reduced birth rate.

*Uttar Pradesh* is planning to give special incentives to doctors willing to work in rural areas, e.g. giving urban houses for their families, creation of a specialists' cadre etc. MBBS doctors will have to serve in the rural areas for a specified period before being eligible for an urban posting.

## **Financial Reforms**

23. During the 1990s, it was recognized that, given the increasing awareness and expectations of the people, and the escalating costs of health care, the policy of providing health care services to people in government institutions free of cost could not continue. The Ninth Plan envisaged that major public health priorities such as essential primary health care, emergency life saving services, services under the disease control and family welfare programmes will be provided free of cost for all. The Ninth Plan advocated that the Centre and the state governments should work out appropriate norms for levying user charges on people above the poverty line for other services and hospitalisation and evolve mechanisms for collection and utilisation of funds. Currently there is no single source of information on the expenditure incurred on health care by the central and state governments institutions and individuals. It is imperative that a system of National Health Accounting, reflecting total expenditure on health is established. This will enable periodic review and appropriate policy decisions regarding modalities for ensuring optimal utilisation of the current investment in the health sector and also future investments to meet public health needs.

24. Given India's size and the fact that health is a state subject, it is important to examine inter-state differences in spending patterns. While the central government provides funds to the states under centrally sponsored schemes based on uniform norms, per capita expenditure in states vary depending upon the prevalence of diseases and utilisation of funds allocated. If these are taken into account, the central government expenditure does not show much variation between states. It is important that each state undertakes a detailed analysis of the current situation, identify critical points where appropriate interventions would enable the population below poverty line (BPL) to utilise subsidised government health services while providing affordable health care to other segments of the population. The Planning Commission provided additional central assistance to the Kerala government for an experimental model in a district hospital where different segments of the population above the poverty line (APL) pay for health care and the hospital meets the costs of care of BPL (lowest 20 per cent) population through a system of cross-subsidy.

25. With increasing awareness, people are willing to spend on health care. However, there is, at present, no mechanisms by which they can pay a part of their income, throughout their working life, so that the cost of health care or hospitalisation can be met without severe financial crisis. Health insurance in the government and private sector covers less than 10 per cent of the population, mostly from upper income group, government or industrial employees. There is need to explore mechanisms for providing near-universal coverage of the population for meeting the cost of hospitalisation and continuous care for chronic disease.

Financial reforms are aimed to address:

- ☞ equity in access to health care based on needs ;
- ☞ devising a targeting mechanism by which people below poverty line have ready access to subsidised health services to meet essential health care needs; while those from above the poverty line pay for the services both in government and private care facilities.

26. There is an urgent need to evolve, implement and evaluate an appropriate scheme for health financing for different income groups. Health finance options may include health insurance for individuals, institutions, industries and social insurance for BPL families. Health insurance has been suggested as a mechanism for reducing the adverse economic consequences of hospitalization and for chronic ailments requiring expensive and continuous care. Global and Indian experiences with health insurance/health maintenance organisations should be reviewed and suitable models replicated. In order to encourage healthy lifestyles, a yearly 'no claim bonus'/adjustment of the premium could be made on the basis of previous year's hospitalisation cost reimbursed by the insurance scheme.

The insurance schemes in India can be categorized into four broad groups: mandatory, voluntary, employer based and NGO based. Up to ten per cent of Indian population is covered by some form of health insurance. To address the needs of the larger segments of informal sector and self-employed workers some innovative schemes have been developed. Some of these are listed below.

*Ambikpur Health Association, Orissa*- The scheme provides free outpatient care and limited hospitalization to about 75,000 individuals on a voluntary basis. The scheme has innovative features, like screening at the time of enrolment to avoid adverse selection of participants. However, premiums cover only 1-2 per cent outreach costs of the programme.

*Mallur Milk Co-operative, Karnataka*- The scheme covers a population of about 7,000 spread across three villages; it provides preventive and curative health care (both outpatient and in-patient) to all eligible community members. Participation is mandatory. Income from endowment fund covers all expenses.

*Sewagram, Maharashtra*- Free primary care, referrals, and hospitalization for chronic conditions are provided to a population of over 14,000 spread across 12 villages (75 % mandatory attendance within a participating village). Sliding scale premiums are employed to promoted equity.

*Melaj Milk Co-operative, Gujarat*- Out-patients consultation, discounted drugs, and diagnostic services are provided by the Aga Khan Foundation. Enrolment is mandatory for all co-op members.

*SEWA, Gujarat*- is a scheme for informal sector with two options-annual premium ranging between Rs85-400 or fixed deposit between Rs.1000-4800. Benefits include hospitalization charges between Rs.2000-10000, house assets Rs.5000-20000 and accidental death compensation of Rs.40000.

27. Some of the state Governments have also taken steps to formulate social insurance for meeting the essential hospitalization costs for people below poverty line. Some states who have taken major initiatives in this aspect are:

*Kerala*-State has proposed a Health Insurance Scheme for meeting hospitalization cost in BPL families.

*Arogya Nidhi, Delhi*—a government funded health insurance scheme is being implemented in Delhi for tertiary care. The state plans to initiate a pilot project on health insurance for people below the poverty line for secondary care in government institutions.

*Andhra Pradesh*-A health insurance scheme is implemented wherein a cover of Rs 20,000 towards hospitalization charges for a period of five years is assured for the acceptor of sterilization and his/ her two children, subject to a maximum of Rs. 4000 per year

*Madhya Pradesh* was in the process of launching a Community Health Insurance Scheme. *Himachal Pradesh* is planning to provide insurance cover to 100% families.

28. All these efforts have to be monitored and those which are feasible and cost effective replicated .

## PREVENTION AND MANAGEMENT OF COMMUNICABLE DISEASES

29. Available limited data suggests that even though mortality associated with communicable diseases has to some extent been reduced, the morbidity continues to be very high. Deteriorating urban and rural sanitation, poor liquid and solid waste management and overcrowding have contributed to the increasing prevalence of communicable diseases. Increasing attention is urgently needed for prevention through effective implementation of infection control measures. All the ongoing National Disease Control Programmes initiated in the Ninth Plan are being continued. Modalities to improve delivery of services pertaining to these programmes through the existing health services are being worked out. Local accountability and intersectoral co-ordination should be improved through the involvement of PRIs. Evaluation and operational research to rectify problems in implementation and improving efficiency are receiving due attention.

### **Ninth Plan strategies for improving communicable disease control programmes**

- ☞ Rectification of identified defects in design and delivery of diseases control programme.
- ☞ Filling critical gaps in infrastructure and manpower.
- ☞ Making service delivery responsive to user needs.
- ☞ Ensuring that health care providers have the necessary skills and support, including referral facilities and supplies.
- ☞ Improving community awareness, participation and effective utilisation of available services.
- ☞ Use of PRIs in improving community participation and monitoring implementation of programmes.

## **National Vector Borne Disease Control Programme**

### ***Malaria***

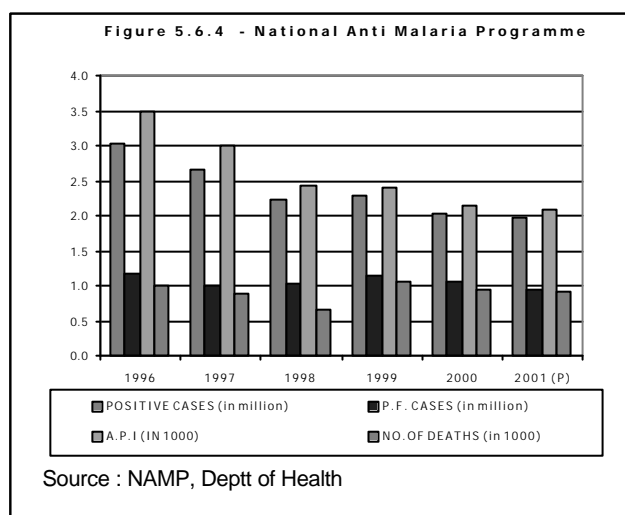
30. The National Malaria Control Programme, the first centrally sponsored programme, was initiated in 1953. The National Anti Malaria Programme currently deals with malaria, filaria, kala-azar, Japanese encephalitis and dengue. To tackle high morbidity and mortality associated with malaria (particularly of falciparum malaria) 100 per cent central assistance under the NAMP is being provided to the northeastern states since 1994. Financial assistance was also obtained from the World Bank for the Enhanced Malaria Control Programme (EMCP) to cover 100 predominantly P. falciparum malaria endemic and tribal dominated districts. In other areas, the NAMP continues to be implemented as a centrally sponsored scheme on a 50:50 cost-sharing basis between the Centre and states.

<b>Ninth Plan strategy for Malaria</b>	<b>Strategies for vector control:</b>	<b>Target for 2002</b>
<ul style="list-style-type: none"> <li>☞ early diagnosis and prompt treatment</li> <li>☞ selective vector control and personal protection;</li> <li>☞ prediction, early detection and effective response to outbreaks; and</li> <li>☞ IEC</li> </ul>	<ul style="list-style-type: none"> <li>☞ Indoor spraying in areas where API is over 2 with appropriate insecticide</li> <li>☞ Anti-larval measures in urban areas</li> <li>☞ Introduction of medicated mosquito nets</li> <li>☞ Use of larvivorous fishes and biolarvicides</li> </ul>	<ul style="list-style-type: none"> <li>☞ ABER (Annual Blood Examination Rate) of over 10%</li> <li>☞ API (Annual Parasite Incidence) of less than 0.5%</li> <li>☞ 25% reduction in morbidity and mortality due to malaria</li> </ul>

31. The Ninth Plan strategies and goal for the NAMP are given in text box. Performance under the programme and utilization of funds (Table-5.6.3) were sub-optimal during the first three years and then improved.

YEAR	OUTLAY	EXPD./RE
9TH PLAN	103000.00	
1997-98	20000.00	14276.00
1998-99	29700.00	16371.00
1999-00	25000.00	17601.00
2000-01	25500.00	18832.00
2001-02	22500.00	23400.00*
2002-03	23500.00	

Source: Department of Health  
\* Anticipated Expd.



However, the Ninth Plan goals for reduction in API and morbidity has not been achieved (Figure 5.6.4).

### **Kala Azar**

32. After a reported increase in the number of cases and deaths due to kala-azar between 1989-91 periods, an intensive programme for containment of kala azar was

<b>Strategy for control of infection</b>	<b>Goals for Kala-azar</b>
<ul style="list-style-type: none"> <li>☞ interruption of transmission through insecticide spraying with DDT; and</li> <li>☞ early diagnosis and treatment of kala-azar cases</li> <li>☞ The Central Government provides the insecticides and anti kala azar drugs</li> <li>☞ the state governments meet the expenses involved in the diagnosis and treatment of cases and insecticide spraying operations</li> </ul>	<ul style="list-style-type: none"> <li>☞ Prevention of deaths due to kala azar by 2004 with annual reduction of at least 25 per cent</li> <li>☞ Zero level incidence by 2007 with annual reduction of at least 20 per cent using 2001 as the base year</li> <li>☞ Elimination of kala azar by 2010 (NHP 2002)</li> </ul>

launched in 1992. During the Ninth Plan period, insecticide-spraying operations were often delayed and inadequate, and outreach of diagnostic and curative services were poor. Therefore, there was no massive decline in reported cases and deaths due to kala azar during the Ninth Plan (Table-5.6.4). Ninth Plan strategy and goal for kala azar control are indicated in text box.

Year	Bihar		West Bengal		Country	
	Cases	Deaths	Cases	Deaths	Cases	Deaths
1997	15948	251	1450	3	17429	255
1998	12229	215	1113	6	13577	226
1999	11627	277	1091	6	12869	297
2000 (P)	12909	130	1244	11	14753	150

Source: Department of Health, 2001, P-Provisional

### **Dengue/Japanese Encephalitis (JE)**

33. Periodic dengue outbreaks occur in many parts of India, in both rural and urban areas. Mortality is usually low but may be high in cases of dengue shock syndrome and dengue haemorrhagic fever (DHF). The reported total cases and deaths due to dengue/Japanese encephalitis during the Ninth Plan are given in (Table –5.6.5). The reported deaths are low perhaps because of the difficulty in diagnosis of cases.

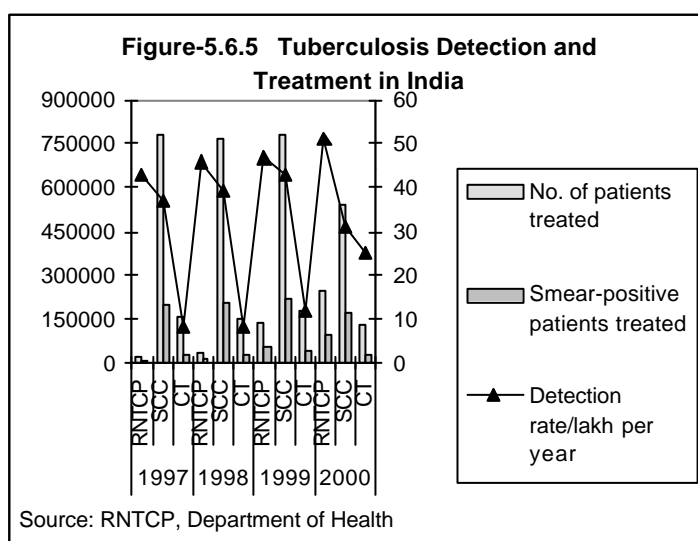
Year	JE		DENGUE/DHF	
	Cases	Deaths	Cases	Deaths
1997	2516	632	1177	36
1998	2120	507	707	18
1999	3428	680	944	17
2000 (P)	2313	535	605	7

Source: Department of Health, 2001

### **Revised National Tuberculosis Control Programme (RNTCP)**

34. The estimated prevalence of tuberculosis is 1.4 per cent, and sputum positive TB prevalence is estimated to be in the range of 4/1000 to 5/1000. The National Tuberculosis Control Programme was initiated in 1962 as a centrally sponsored scheme. The short course chemotherapy, which shortened the duration of treatment to nine months, was begun in selected districts in 1983. In spite of the availability of effective chemotherapy, there has not been any decline in the morbidity or mortality due to TB because of low case detection, case holding and cure rates. The programme was reviewed in 1992 and a Revised National Tuberculosis Control Programme (RNTCP) was drawn up. The full-scale initiation of RNTCP actually began in late 1998.

35. The performance during the Ninth Plan is given in Figure 5.6.5. The coverage of population under the programme increased from 89 million in 1998-99 to around 365 million in 2000-01. In order to improve coverage, increased participation of NGOs and private practitioners is being taken up.





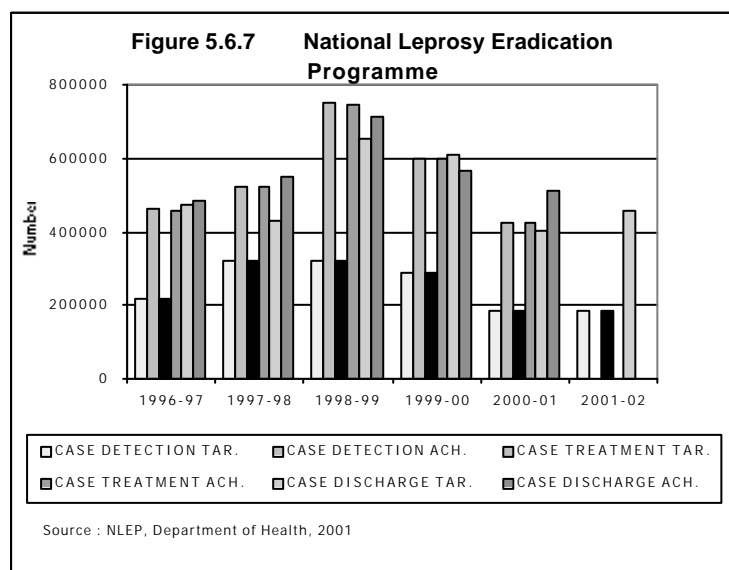
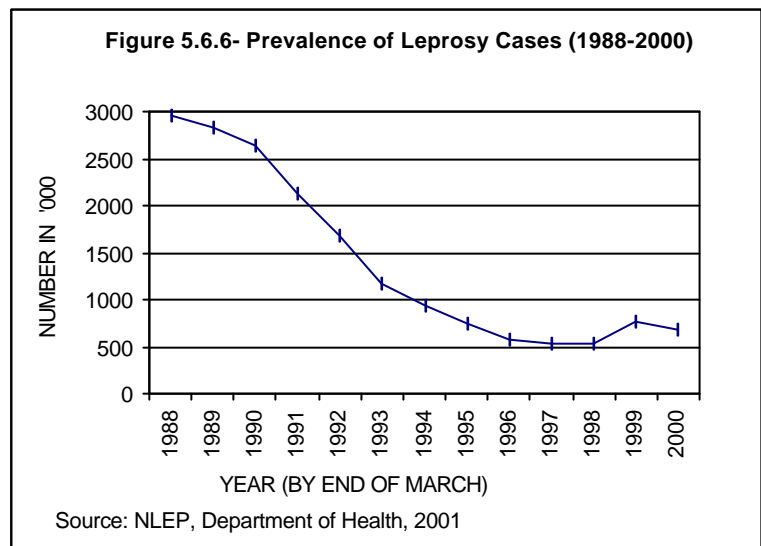
36. It is now recognized that there are inherent problems in ensuring compliance with long-term drug therapy for any chronic disease. In order to improve compliance with the long duration drug therapy the RNTCP envisaged the use of Directly Observed Treatment with Short Course Chemotherapy (DOTS). It is essential that the utility, acceptability and sustainability of the DOTS strategy is evaluated and if necessary mid-course corrections carried out. Outlays and utilization of funds are given in Table 5.6.6.

YEAR	OUTLAY	Expd./RE
9 <sup>TH</sup> PLAN	45000.00	
1997-98	9000.00	3131.00
1998-99	12500.00	6888.00
1999-00	10500.00	8754.00
2000-01	12500.00	10875.00
2001-02	13600.00	13200.00*
2002-03	11500.00	

Source: Department of Health  
\* Anticipated Expd.

**National Leprosy Eradication Programme (NLEP)**

37. The NLEP was launched in 1983 as a 100 per cent funded centrally sponsored scheme with the goal of arresting disease transmission and bringing down the prevalence of leprosy to one in 10,000 by 2000. With the availability of multi-drug therapy (MDT), it became possible to cure leprosy cases within a relatively short period of six to 24 months. Over the years there has been a substantial decline in the prevalence of leprosy from 57/10,000 in 1981 to 5/10,000 in the year 2000 (Figure 5.6.6).



38. The performance of the NLEP during the Ninth Plan is shown in Figure 5.6.7. The department of health has initiated steps for the phased integration of the vertical programme within the general health services by training health care personnel in the detection and management of leprosy cases, making MDT available at all health facilities, improving disability and ulcer care and strengthening of monitoring and supervision. The outlays and utilization of funds during the Ninth Plan period is shown in Table 5.6.7.

<b>Table-5.6.7 Outlays and expenditure for NLEP (Rs. in crore)</b>		
<b>YEAR</b>	<b>OUTLAY</b>	<b>EXPD./RE</b>
9TH PLAN	301.00	
1997-98	75.00	79.56
1998-99	79.00	78.03
1999-00	85.00	82.05
2000-01	74.00	73.86
2001-02	75.00	75.00*
2002-03	75.00	
Source: Department of Health, 2001		
* Anticipated Expd.		

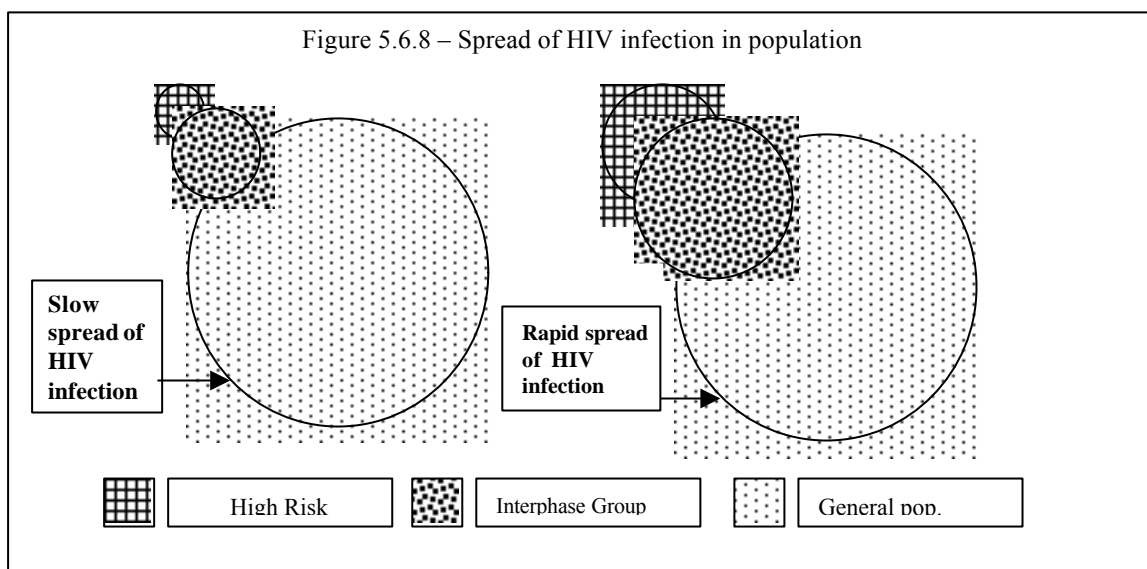
39. As of 2001, the estimated prevalence rate of leprosy is 4.3 in 10,000. Elimination level (PR < 1/ 10,000) has been achieved in Nagaland, Haryana, Punjab, Mizoram, Tripura, Himachal Pradesh, Meghalaya, Sikkim, Jammu and Kashmir, Rajasthan, Manipur and Assam. States that are close to achieving elimination (1-2/ 10,000) include Gujarat, Kerala, Arunachal Pradesh, Lakshadweep. Leprosy is now endemic mainly in the states of Bihar, Uttar Pradesh, Orissa, West Bengal, Madhya Pradesh, Jharkhand and Chattisgarh. The Modified Leprosy Elimination Campaign (MLEC), aimed at the detection of unidentified cases,

was taken up first in Tamil Nadu in 1997 and then extended to Maharashtra, Orissa, Gujarat, the Jammu division of Jammu and Kashmir and Daman and Diu during 1997-98. It was subsequently extended to all districts during 1998-99.

40. Even though infection due to Leprosy bacillus is cured by MDT, the patients continue to suffer from neurological sequelae and deformities. The focus has to shift to helping these persons. So far 210 district leprosy societies have been provided funds for conducting disability/ulcer care management training. Gujarat mobilised experienced surgeons from all over the country to undertake reconstructive surgery in different district hospitals so that patients get treatment near their residence. The impact and cost effectiveness of these initiatives need to be assessed.

### **National AIDS Control Programme**

41. The load of HIV infection in the community depends upon the prevalence of infection in three groups of population – the high-risk group, the interphase group and the low risk group. The high risk group (HRG) is a relatively small group. Soon after the introduction of infection in the community, there is a steep rise in prevalence of infection in this group because they are frequently exposed to the risk of infection. The inter-phase group consists mainly of men and women who have multiple sex partners. They form the link through which infection spreads to the vast low risk group of the general population. The general population (low risk group) acquires HIV infection from spouses who have multiple sex partners. The size of the three groups and the extent of the interphase group between them determine magnitude of the HIV infection in any country or community. Global epidemiological data on HIV infection indicate that soon after the introduction of the infection in the community seropositivity rates are low. In the next phase the infection spreads to susceptible persons in vulnerable groups resulting in steep rise in seropositivity rates. Finally in the third phase the seropositivity rates plateau when the number of persons who get infected is similar to the numbers who die of HIV infection. The steepness of the slope and the rapidity with which plateau is reached are determined by the proportion of susceptible at-risk persons in the community and the effective use of prophylactic measures by the risk groups (Figure-5.6.8).



42. The estimated number of HIV infected person rose from one to two million in 1991, to 3.5 million in 1998 and 3.9 million in 2000. More than 50 per cent of infected persons are women and children. Every year, approximately 30,000 deliveries in India occur among sero-positive women and between 6,000 to 8,000 infants are peri-natally infected with HIV. At present, the number of AIDS patients in the country is small. However, over the next decade, persons who got infected in the 1980s and 1990s will develop AIDS, resulting in a steep increase in the number of AIDS patients.

43. India has the distinction of initiating national sero surveillance in 1986 to define the magnitude and dimension of HIV infection in the silent phase of the HIV epidemic long before AIDS cases were reported. Currently, HIV infection in the general population is seen in all states both in the urban and rural areas. Some of the projections made by the National AIDS Control Organisation (NACO) suggest that HIV infection in India may reach the plateau by 2010.

44. A National AIDS Control Programme (NACP) Phase I was launched in 1992 with World Bank assistance and was completed in 1999. Phase II of the programme, with funding from World Bank, Department for International Development (DFID) and United States Agency for International Development (USAID) is currently under way AIDS Phase II programme focuses on:

- ☞ reducing HIV transmission among the poor and marginalised high risk group population by targeted intervention,
- ☞ reducing the spread of HIV among the general population by reducing blood-based transmission;
- ☞ promotion of IEC, voluntary testing and counselling;
- ☞ developing capacity for community-based low cost care for people living with HIV/ AIDs;

- ☞ strengthening implementation capacity at the national, state and panchayat level through appropriate arrangements and increasing timely access to reliable information;
- ☞ forging inter-sectoral linkages between public, private and voluntary sectors.

**Capacity building**

- ☞ Awareness generation among all segments of population through Family Health Awareness campaigns
- ☞ Focussed attention and counselling to adolescents, sex workers, drug users, migrant labourers etc
- ☞ Improvement in the quality of and access to condoms including social marketing.
- ☞ Hospital infection control and waste management to reduce accidental spread of infection in health care settings.
- ☞ Clinical trials on chemotherapy to prevent mother to child transmission
- ☞ Establishment of behavioural surveillance

**Infrastructure set up by NACO**

**Modernisation and strengthening of**

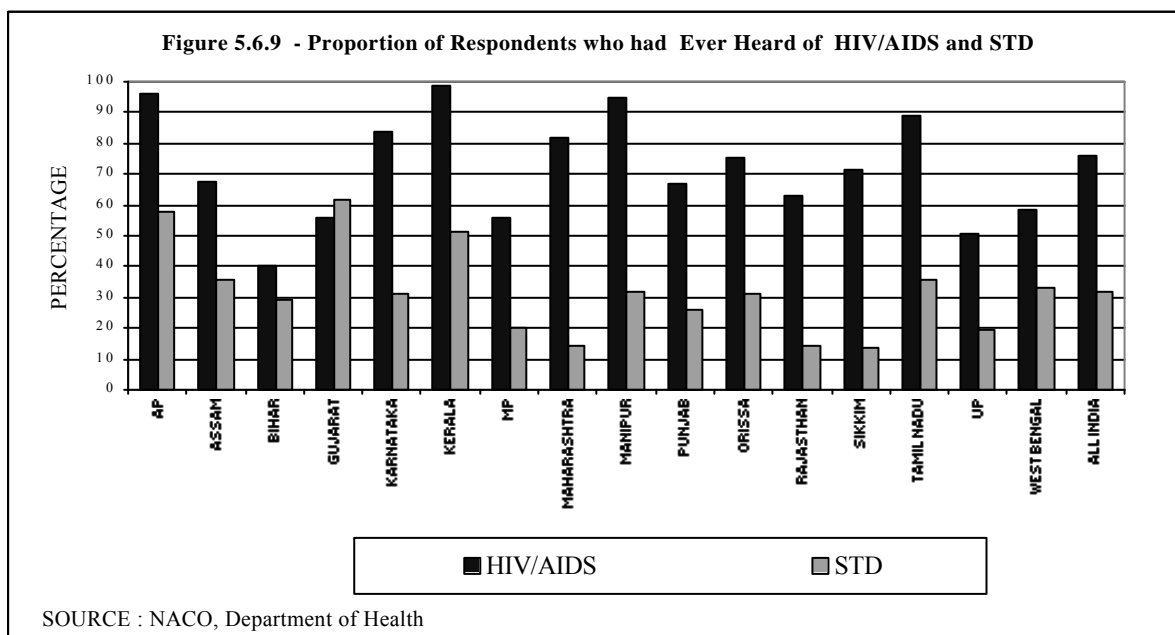
- ☞ 815 blood banks
- ☞ 504 STD clinics in district hospitals

**Establishment of**

- ☞ 40 blood component separation facilities,
- ☞ 142 voluntary blood testing centre;
- ☞ 320 sentinel sites for monitoring time trends in the prevalence of HIV infection
- ☞ 570 sites for targeted intervention for prevention and management of HIV infection in high risk groups
- ☞ low cost community-based care for people living with HIV/AIDS

All these efforts are being monitored.

45. The recently concluded behavioural survey and the NFHS have shown that over two-third of the population knows about HIV infection. There are considerable urban-rural and



inter-state differences. Awareness about STD was much lower than that about HIV infection (Figure-5.6.9). The outlays and expenditure on National AIDS Control Programme during the Ninth Plan is given in Table 5.6.8.

46. Monitoring of processes and impact evaluation of ongoing interventions and sentinel surveillance (serological, STD/behavioural) to monitor time trends in the HIV epidemic would receive adequate attention. In addition to these efforts, following encouraging results in initial pilot studies on use of perinatal anti retroviral therapy, programme aimed at reducing mother to child transmission is being taken up. Department of Health has been the nodal point of interventions which included not only the traditional activities of the health sector such as prevention, detection, counselling and management, but also areas such as legislation, rehabilitation of infected persons and their families.

<b>YEAR</b>	<b>OUTLAY</b>	<b>EXPENDITURE</b>
9TH PLAN	76000.00	
1997-98	10000.00	12100.00
1998-99	11100.00	9936.00
1999-00	14000.00	13525.00
2000-01	14500.00	17330.00
2001-02	21000.00	23500.00*
2002-03	22500.00	

Source: Department of Health  
\* Anticipated Expd.

47. HIV is a multifaceted problem affecting all segments of society. Until now the Department of Health has been the nodal point of interventions which included not only the traditional activities of the health sector such as prevention, detection, counselling and management, but also areas such as legislation, rehabilitation of infected persons and their families. During the Tenth Plan period, it is expected that each Department should handle HIV infection related issues in their respective sectors. For instance, the Ministry of Labour should look into the prevention of discrimination at the work place. Voluntary organisations may be best suited for providing hospices for AIDS patients who do not have anyone to look after them and orphanages may have to take care of children who have lost their parents due to AIDS. If each sector plays its role, the country should be able to look after the needs of HIV infected persons and their families without any adverse effect on other programmes.

## **PREVENTION & MANAGEMENT OF NON-COMMUNICABLE DISEASES**

48. During the Ninth Plan, programmes for control of non-communicable diseases included the National Programme for the Control of Blindness (centrally sponsored scheme) and the National Cancer Control Programme (central sector scheme). During the 1990s, several pilot projects such as the national mental health programme, the diabetes control programme, cardiovascular disease control programme, prevention of deafness and hearing impairment, oral health programme and medical rehabilitation were initiated as central sector pilot projects. After completion of the pilot phase, these programmes have been merged with the Central Institutes dealing with these problems.

## National Cancer Control Programme (NCCP)

49. It is estimated that there are two to 2.5 million cases of cancer in India, with 700,000 new cases being detected every year. About two-thirds of the cases are in an advanced stage at the time of detection and 300,000 to 350,000 cancer patients die each year. The most frequent cancers among Indian males are those of the mouth/oropharynx, oesophagus, stomach and the lower respiratory tract. In women, cancers of the cervix, breast, mouth/oropharynx and oesophagus are common. Tobacco-related cancers (especially cancer of oral cavity, lung and cancer cervix) form more than 50 per cent of the overall cancer burden in the country.

### The objectives of the National Cancer Control Programme are:

- ☞ primary prevention of cancers by health education through the government and NGOs;
- ☞ early detection and diagnosis of cancers especially cancer cervix, breast and oropharyngeal cancers;
- ☞ developing and strengthening of existing cancer treatment facilities;
- ☞ increasing access to palliative care in the terminal stage of cancer.

50. The Cancer Control Programme was initiated in 1975-76 as a central sector project. It was renamed as the National Cancer Control Programme (NCCP) in 1985. The programme provides funds to 17 Regional Cancer Centres (RCCs) established for diagnosis, treatment and follow up of cancer patients; they undertake surveys of mortality and morbidity due to cancer, training of medical and paramedical personnel in cancer care and preventive measures with emphasis on health education and research. NCCP provided funds for the purchase of equipment (cobalt unit, mammography unit) and for development of oncology wings in Government Medical Colleges/voluntary organizations. The District Cancer Control

(Rs. In crores)		
Ninth Plan		Outlay
Allocation	Expenditure	2002-03
190.00	198.14	61.00

Programme aimed at promoting health education, early detection of cancer and pain relief was initiated in 1990-91. The progress in ongoing efforts for cancer prevention, early detection and management has been very slow. Ninth Plan allocation, anticipated expenditure and outlay for the year 2002-03 are given in Table 5.6.9.

51. Even today majority of cancers are detected in stage 3 and 4 when curative treatment is not possible. Efforts should be through health education to improve awareness of the population regarding need to seek medical care early. Simultaneously efforts should be made through CME to sensitise and upgrade the skills of health care providers in the primary, secondary and tertiary institutions so that they can take up the responsibility of:

- ☞ health education for cancer prevention;
- ☞ early diagnosis and management according to standard treatment protocols at appropriate institutions; and
- ☞ referral of cancer patients with complications.

## National Programme for Control of Blindness (NPCB)

52. Survey carried out by the ICMR in the 1970s had shown that prevalence of blindness was 1.4 per cent and cataract accounted for over 80 per cent of blindness. The National Programme for Control of Blindness was initiated in 1976 with the objective of providing comprehensive eye care services at primary, secondary and tertiary care level. The progress in the programme was very slow and a survey in 1986-89 showed that prevalence of blindness was unchanged.

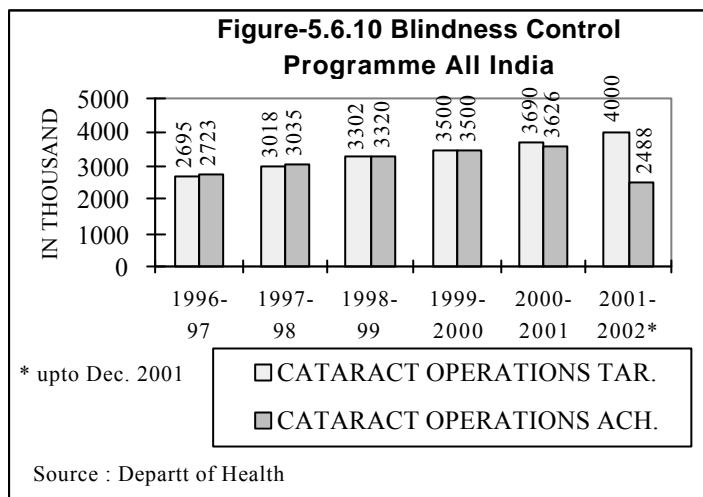
53. Prevalence of blindness was higher in Andhra Pradesh, Uttar Pradesh, Tamil Nadu, Orissa, Madhaya Pradesh, Maharashtra, Rajasthan, and Jammu and Kashmir, than the overall National prevalence (Table-5.6.10). In 1994, World Bank assistance was obtained for NPCB in seven of the eight states. Domestic budgetary support was provided to implement the project in Jammu and Kashmir.

<b>Category</b>	<b>Prevalence(%)</b>	<b>States</b>
Low	< 1	Punjab, Himachal Pradesh, Delhi, West Bengal, and NE states
Medium	1 to 1.49	Gujarat, Haryana, Kerala, Bihar, Karnataka, Andhra Pradesh and Assam
High	1.5 to 1.99	Maharashtra, Orissa, Tamil Nadu, Uttar Pradesh
Very high	≥ 2	Madhaya Pradesh, Rajasthan and J & K

54. In 1994, World Bank assistance was obtained for NPCB in seven of the eight states. Domestic budgetary support was provided to implement the project in Jammu and Kashmir. The major objectives of the programme were:

- ☞ to improve the quality of cataract surgery and clear the backlog of cataract by performing 11 million operations over a seven-year period;
- ☞ to strengthen the country's capacity to provide high volume, high-quality, low-cost eye care by upgrading the knowledge and skills of eye care personnel and improving access to service delivery through government, voluntary and private sector collaboration; and
- ☞ to increase eye care coverage among the underprivileged section of the population including women, urban slum dwellers and tribals.

55. The review of the World Bank assisted project in 2000 showed that even though infrastructure and manpower has been provided, performance both in fixed facilities and in camps have been far below the norms. Most of the district hospitals did not achieve the goal of 700-cataract surgeries/ surgeon/year; many mobile units did not achieve the goal of 1500 cataract surgery per year. As a result only 8.15 million cataract surgeries (the target was 11 million) could be done and cataract prevalence could not be reduced to 0.3 per cent.

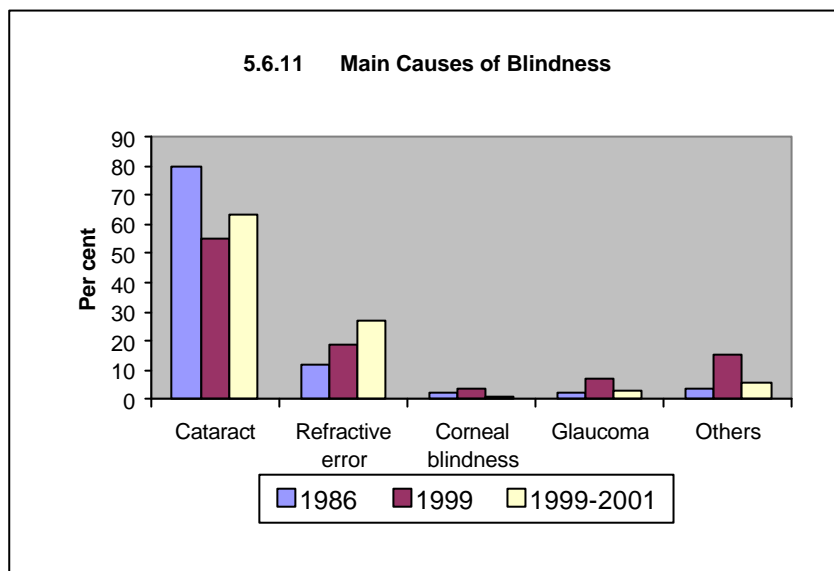


**Table-5.6.11 NPCB- Outlays and Expenditures**  
(Rs. In Lakhs)

Year	Outlays	Expenditure
9 <sup>TH</sup> PLAN	44800.00	
1997-98	7000.00	5806.00
1998-99	7500.00	7285.00
1999-00	8500.00	8373.00
2000-01	11000.00	10941.00
2001-02	14000.00	14000.00*
2002-03	8600.00	

Source: Department of Health  
\* Anticipated Expd.

56. The performance during the Ninth Plan is given in Figure 5.6.10 Outlays and expenditure under the NPCB is shown in Table 5.6.11. The programme was revised to cover the entire country and It was recommended that district level action plan should be prepared using resource mapping, which is one of the most powerful tool in micro planning.



MICRO-PLANNING AT THE DISTRICT LEVEL	
Steps	Required Actions
Listing of blind persons, particularly those who are blind in both eyes	<ul style="list-style-type: none"> <li>All persons aged 50 years and above should be enumerated</li> <li>Screening by especially trained health staff, NGOs, Panchayat member or a volunteers</li> <li>Confirmed blind cases be entered in the village blind register for computation</li> </ul>
Mapping of eye care infrastructure	<ul style="list-style-type: none"> <li>Plot all fixed facilities: Government, voluntary or private sector</li> </ul>
Target setting	<ul style="list-style-type: none"> <li>Cataract surgeries: 600/100,000 population over 3 years</li> <li>Allocate targets to each facility as per norms: 1 eye surgeon=700 cataract surgeries per year</li> </ul>



	<p>1 eye bed=50 surgeries per year</p> <ul style="list-style-type: none"> <li>-Distribute target to facilities by linking villages, distance to be covered</li> <li>-Blockwise target to ensure coverage of all villages</li> <li>-Gender: to ensure &gt;50 % coverage in women</li> <li>-Social class: Minimum 40 % belonging to SC/ST and minority groups</li> <li>-Economic criterion: 60 % of persons covered are BPL</li> </ul>
Options for surgical services	<ul style="list-style-type: none"> <li>▪ Surgeries must be conducted in air conditioned, dust free, and sterile operation theatres</li> <li>▪ Technical options: <ul style="list-style-type: none"> <li>-operations performed by IOL surgery</li> <li>-operations be performed by conventional surgery in the absence of a trained surgeon</li> </ul> </li> </ul>
Assesment of resources assessories	<ul style="list-style-type: none"> <li>▪ Materials-drugs and consumables, sutures, IOLs, spectacles, eye ointments, ophthalmic drops, injections, surgical</li> <li>▪ Manpower-eye surgeons, ophthalmic assistance, trained nurses, volunteers, counselors</li> <li>▪ Financial-Avaialability of funds as per guidelines</li> </ul>
Monitoring for quality control	<ul style="list-style-type: none"> <li>▪ Periodic reviews by the DBCS to assess progress in each block by individual provider unit</li> <li>▪ Concurrent monitoring of individuals and organizations to assess the validity of reported data regarding follow-up, spectacles given and patient satisfaction</li> </ul>

57. Recent survey (1999-2001) carried out in 15 districts of the country indicated that prevalence of blindness (Visual Acuity < 6/60) has come down to 1.08 as compared to earlier figure of 1.4 per cent but this is substantially higher than the goal of reducing the prevalence to 0.3 per cent by the year 2000. Prevalence of blindness in 50+ populations was estimated to be 8.3 per cent. Among the emerging causes of blindness, diabetic retinopathy and glaucoma need special attention. Twenty per cent of the diabetics (2 % of India's population is expected to be diabetic) have diabetic retinopathy. Over the last three decades there has been change in causes of blindness. The main causes of blindness in the 50+ populations are shown in the Figure 5.6.11. The programme has therefore been reoriented to cover the wider spectrum of ocular problems.

## Mental Health

58. Mental health care has three major aspects, restoration of health in mentally ill, early detection and prompt treatment of 'at risk' individuals and promotion of mental health in normal persons. In India, mental health services are being provided through:

- ☞ dedicated mental hospitals

### Magnitude of Mental Health Problems

It is estimated that:

- ☞ ten million people are affected by serious mental disorders.
- ☞ 20-30 million people have neurosis or psychosomatic disorders.
- ☞ 0.5 and 1 per cent of all children have mental retardation.

- ☞ as part of general health system
- ☞ Mental health programme with outreach services.

59. Incorporating mental health as a part of general health system and providing mental health care in general hospitals has helped in reducing the stigma associated with mental illness, legal restrictions on admission and treatment and facilitated early detection of physical problems. Most importantly, it ensured that the family was involved in the care. Encouraged by the success in this effort, many states embarked on the development of district psychiatric units. Some states like Kerala and Tamil Nadu have a district psychiatric unit in all districts. Though others lag behind in this respect, the concept of mental health care provided as an integral part of health care system has been accepted and implemented by all states.

60. Currently, 50 per cent of the medical colleges have a psychiatry department. It is estimated that there is one psychiatry bed per 30,000 population. There are 20,000 beds in mental hospitals and 2,000 to 3,000 psychiatric beds in general and teaching hospitals. However, in spite of all these facilities, even now less than 10 per cent of the mentally ill persons have access to appropriate care; prevention of mental illness and promotion of mental health remain of distant dreams.

61. During the Eighth Plan, the National Institute of Mental Health and Neuro Sciences (NIMHANS) developed and implemented a district mental health care model in the Bellary district of Karnataka with the objective of:

- ☞ providing sustainable basic mental health services to the community and to integrate these services with health services;
- ☞ early detection and prompt treatment of patients with mental illness;
- ☞ providing domiciliary mental health care;
- ☞ community education to reduce the stigma attached to mental illness; and
- ☞ treatment and rehabilitation of patients with mental illnesses.

62. During the Ninth Plan, the programme was expanded to 22 districts in 20 states. It was envisaged that psychiatric care would be possible in all health care facilities by providing district-based training in essential mental health care to all health professionals. A district mental health team was to provide referral support and supervision of the mental health programme. Simple, accurate records of work done were maintained by the health care providers. The progress in these districts has not yet been evaluated. It is expected that states would progressively improve access to mental health care services at the primary and secondary care levels and cover all districts in a phased manner. Psychiatry departments in medical colleges would play a lead role in the operationalisation and monitoring of the programme in the district in which they are located and form synergistic links with other ongoing related programmes. In the current year the programme is being expanded to cover newer districts

## **Accident and Trauma Services**

63. Increasing mechanisation in agriculture and industry, induction of semi-skilled and unskilled workers in various operations, and rapid increase in vehicular traffic have resulted in an increase in morbidity, mortality and disability due to accident and trauma. Technological advances in the last two decades have made it possible to substantially reduce mortality, morbidity and disability due to accidents, trauma and poisoning. At present there is no organized comprehensive trauma care service either at the centre or in the state. During the Ninth Plan facilities for the management of accident and trauma care have been strengthened in several hospitals but these have not been linked into an effective multidisciplinary trauma care system. A conceptual model of such a system for Delhi has been prepared.

## **NINTH PLAN INITIATIVES**

### ***Disease Surveillance***

64. The Department of Health initiated a pilot project on disease surveillance coordinated by the National Institute of Communicable Diseases in 1997. Initially the project involved strengthening laboratories and setting up a disease surveillance system in 20 districts, and was expanded to cover 100 districts by 2002. Many states have not been able to utilise the funds released or carry out the programme as envisaged. The major disease control programmes continue to have their own vertical surveillance system; of these, only the polio surveillance has a good track record. There is as yet no organised effort to integrate all the ongoing surveillance under various disease control programmes into a single programme for disease surveillance. Common epidemic-prone diseases are still not being monitored locally and reported to district officers for analysis and response.

65. Private sector provides over 75 per cent of curative care for common illnesses, however, data from private health providers is not yet included in any disease surveillance system. In the eighties ICMR funded a research project in Tamil Nadu North Arcot District (NADHI), in which private and government sector practitioners participated. The Kerala government has replicated this model in three districts. The state government proposes to expand this programme to other districts in the Tenth Plan. Efforts will be made to integrate ongoing vertical disease surveillance programme under the National Programme on Disease Surveillance and ensure that surveillance is linked to response at district level.

### ***Infection Control and Waste Management in Health Care Settings***

66. There has been increasing concern over the incidence of hospital-acquired infections and accidental infection in health care providers and waste disposers. One of the major new initiatives during the Ninth Plan was improvement of infection control and waste management through appropriate, affordable technology at all levels of health care. In November 1998, the Department of Health has constituted National Hospital Waste Management Committee under the chairmanship of the Secretary, Health, to coordinate and guide policy and programme initiatives in the field. A pilot project was initiated in 11 institutions with assistance from the department. Hospital infection control and waste management is also being taken up as a component of all World Bank-assisted secondary health system projects. Guidelines on hospital waste management were prepared and

circulated to states and union territories in November 2000 for their comments. Some states are providing funds under the PMGY for infection control and waste management in primary health care institutions. Hospital infection control and waste management should be incorporated as an essential routine activity in all health care institutions at all levels of care during the coming years.

### ***Horizontal Integration of Vertical Programmes***

67. Initially, when sufficient infrastructure and manpower were not available for the management of major health problems, several vertical programmes like the NMEP and NLEP were initiated. Over the years, the three-tier health care infrastructure has been established. The Ninth Plan envisaged that efforts should be made to integrate the existing vertical programmes at the district level and ensure that primary health care institutions provide comprehensive health and family welfare services. The pace of horizontal integration has been very slow and uneven. During the Ninth Plan, attempts were made to:

- ☞ integrate the activities related to training and IEC under different vertical programmes;
- ☞ coordinate the activities for prevention and management of STD/reproductive tract infections (RTI) under the RCH and AIDS control programmes;
- ☞ improve coordination between ongoing HIV and TB control programmes; and
- ☞ provide leprosy services through the primary health care infrastructure.

68. Some states like Orissa and Himachal Pradesh have formed a single health and family welfare society at the state and district level for implementing all health and family welfare programmes. In some states, middle-level public health programme managers, who are currently heading the vertical programmes at the district-level, are being given the additional task of ensuring coordination and implementation of the integrated health and family welfare programme at primary health care institutions in defined blocks. Their involvement is also expected to operationalise disease surveillance and response mechanism at the district level. The National Health Policy 2002 (NHP2002) envisages a progressive convergence of all health and family welfare programmes under a single field of administration beginning at the district and below-district levels for funding, implementation and monitoring the entire gamut of public health activities.

### ***Health Management Information System (HMIS)***

69. HMIS is an essential management tool for effective functioning of the health system. During the Eighth Plan the Central Bureau of Health Intelligence and the state Bureaus of Health Intelligence developed a HMIS system. Under this system, district-level information on morbidity as reported by the government primary health care institutions is sent through National Informatics district computer network. Though some states responded initially, the system has never been fully operationalised. As a result there is no system through which reliable data on morbidity in different districts/ states could be collected and analysed and used for decentralized district based planning. So far, no effort have been made to use the currently available IT tools to build up a comprehensive HMIS and use it to improve efficiency and functional status of the health system. Concrete efforts are required to ensure that effective two way management information system is built up through out the country; all data pertaining to health and family welfare programmes are collected,

collated and reported from all districts and utilized to improve functional status and efficiency of the health system. This real time communication link would provide data on births, deaths, diseases, request for drugs, diagnostics and equipment and status of ongoing programmes through service channels within existing infrastructure, manpower and funding.

### ***Information, Education, Communication and Motivation (IEC&M)***

70. An aware and informed population, actively participating in programmes aimed at promoting health, preventing illness, accessing health care at appropriate level is an essential prerequisite for improvement in health status of the country. Health education, which is the major tool for achieving this objective, had received a lot of attention in the 1950s and 1960s. During the development of various centrally sponsored vertical programmes for disease control, family welfare programme and state's efforts to build up state specific programme, health education efforts got fragmented. Currently, health education efforts are mostly limited to information provided through mass media and health functionaries on Family Welfare services and disease control programmes. This has resulted in improved awareness of the population who accessed these programmes. However, active participatory health education aimed at motivating the population on life style changes and preventive and promotive health care programmes have not received due attention. Lack of readily available information at household and community level on where to go and whom to access for various health problems continue to remain a major barrier for seeking appropriate care. Health education under various vertical programmes should be integrated, so that health personnel at each level of care provide comprehensive IEC to the population. PRIs and NGOs should be involved in health promotion/education and IEC&M.

### **Drugs – production, quality and supply**

71. Nearly one-third of the health budget at the centre and in the states is spent on providing drugs free of cost in all public health facilities. However, adequate stock of good quality drugs is not available in many of these institutions, and health benefits from treatment are sub optimal. Some of the factors responsible for this include:

- ☞ lack of a uniform essential drug list;
- ☞ poor quality control;
- ☞ problems in the procurement and supply of drugs; and
- ☞ the absence of treatment protocols for common diseases leading to unnecessary and irrational drug prescriptions.
- ☞ poor compliance with the prescribed regimen due to lack of awareness and counselling.

72. During the Ninth Plan, several state governments (e.g. Tamil Nadu, Delhi and Orissa) have introduced an essential drug programme with the following components:

- ☞ development of a drug policy;
- ☞ preparation of an essential drug list;
- ☞ establishing a quality control and assurance system;

- ☞ pooled procurement system and improvement in logistics of drug supply;
- ☞ improvement in the availability of safe and effective drugs;
- ☞ preparation of standard treatment guidelines and dissemination of information; and
- ☞ providing information about treatment to patients to improve compliance.

During the current year beginning should be made to:

- ☞ cover all states with expanded and strengthened essential drug programme
- ☞ adopt an online computer inventory control programme for the procurement and supply of drugs;
- ☞ establish a system to monitor cost, quality, availability and use of drugs;
- ☞ monitoring of all aspects of drug use including adverse drug reaction.

73. India has a large pool of technically skilled manpower and research infrastructure in both government and private sector laboratories. The Indian pharmaceutical industry has the ability to develop and commercialise chemical processes for a variety of drugs at low cost. However, financial problems and fragmentation of capacities makes production of some bulk drugs uneconomical; this has prevented Indian industry from achieving its full potential, both in the domestic and international market. The existence of nearly 20,000 manufacturing units and poor quality control have led to spurious and poor quality drugs reaching the market. The revised National Drug Policy 2001 had suggested remedial measures. The limit for foreign direct investment in the pharmaceutical sector was increased from 51 per cent to 74 per cent. Several products reserved for production in the public sector were de-reserved. Industrial licensing for all bulk drugs has been abolished except in the case of those produced by the use of recombinant DNA technology and bulk drugs requiring *in-vivo* use of nucleic acids as the active principles.

## **HEALTH SYSTEMS RESEARCH AND BIO-MEDICAL RESEARCH**

74. ICMR is the nodal agency for biomedical health system research in India. Biomedical and health systems research is currently funded by several agencies including the ICMR, the Departments of Biotechnology, Department of Science and Technology, the Council of Scientific and Industrial Research (CSIR) and the Ministry of Health and Family Welfare. Bio-medical and health systems research is being carried out by research institutions, universities, medical colleges and health service providers.

75. During the Ninth Plan, the major focus was on basic, applied and operational research for improving the quality, coverage, and efficiency of health services. The thrust areas of research included communicable diseases, improvement of the health and nutritional status of women and children and improving contraceptive acceptance and continuation rates. In communicable diseases, research has focused on development of indigenous immuno-diagnostics, improved drug regimens to combat emerging drug resistance among microbes, alternative strategies for vector control to combat increasing insecticide resistance and testing innovative disease control strategies through increased community participation. The major research areas relating to non-communicable diseases included early detection of cervical cancer in women and oral cancer in both sexes, anti-tobacco education, lifestyle modification to reduce the rising morbidity due to hypertension and cardiovascular diseases, documenting the health problems associated with lifestyle changes and increased longevity.

## HEALTH SECTOR OUTLAY

76. The health sector is funded by the centre , states and externally assisted projects (in both the Centre and the states).

### Externally assisted projects

77. Externally assisted projects initially focused on rural primary health care e.g. India Population Project (IPP) (I to IV, VI & VII) and later also covered urban primary health care (IPP V, VIII). During the 1990s, externally assisted projects for strengthening secondary care institutions were taken up in seven states. The tertiary care institutions have not received much funding from externally-assisted projects, except for individual institutions like Sanjay Gandhi Institute of Medical Education and Research (from Japan).

78. It has been reported that externally assisted projects introduce a project framework, management structures, parameters of expenditure, unit costs and institutional arrangements for monitoring which are very different from the ones already in place under national and state level programmes. The service providers who have worked in the externally assisted projects become de-motivated after the project is completed because similar parameters of expenditure may not be sustainable. It has also been reported that improvement in facilities and equipment through externally assisted projects have not resulted in improved performance. For example, despite the construction of a large number of sub-centres and staff quarters' occupancy remained low and deliveries in these institutions did not go up. States have not been able to provide adequate funds for maintenance of these infrastructure and equipment procured under the EAPs. These aspects and the issue of sustainability of the projects after they are completed need be looked into at the time of deciding areas/schemes for external assistance in the health sector. The mechanisms for repayment of loans when the EAP is in the form of loans is another aspect that has to be considered before EAPs in health sector are initiated.

### State Government

79. The state governments provide funds for primary, secondary; tertiary care institutions (including medical colleges and their associated hospitals). State governments also receive funds from centrally sponsored disease control programmes and family welfare programme. Health was one of the priority sectors for which funds were provided during the Ninth Plan as additional central assistance under PMGY. These funds were to be utilised for meeting the essential requirements for operationalising rural primary health care. The ongoing and proposed externally assisted projects provide additional resources.

80. The state-wise outlay and expenditure in the Ninth Plan is shown in Annexure 5.6.5

### Central Sector

Funds from the central sector are being utilised for supporting:

- ☞ medical education institutions of excellence;
- ☞ training institution for nurses;
- ☞ vaccine production institutes and special centres for specific diseases;

- ☞ Central Government Health Schemes;
- ☞ emergency relief measures and
- ☞ pilot central sector projects either to demonstrate the feasibility of disease control or for working out strategies for health care.

81. In addition to the domestic budgetary support, external funds have also been obtained for several centrally sponsored disease control programmes. The outlay and expenditure in the Ninth Plan is shown in Annexure 5.6.6

### Zero Based Budgeting-2001

82. In November-December 2001 the Planning Commission and the Department of Health had reviewed all the ongoing Ninth Plan schemes/ programmes and undertaken a zero-based budgeting exercise. In the Ninth Plan, there were a total of 91 schemes (22 centrally sponsored schemes and 69 central sector schemes). Of these 45 are being retained, one is being transferred to the states, 38 are being merged into 14 schemes and seven are being weeded out. A total of 59 schemes, with a Ninth Plan outlay of Rs. 5,088.19 crore are continuing during Tenth Plan. The summary of the zero-based budgeting exercise is given in Table 5.6.12. Scheme wise outlays and expenditure during the Ninth Plan period is indicated in Annexure 5.6.5. Department of Health has been provided an outlay of Rs.1550 crores in the Annual Plan 2002-03.

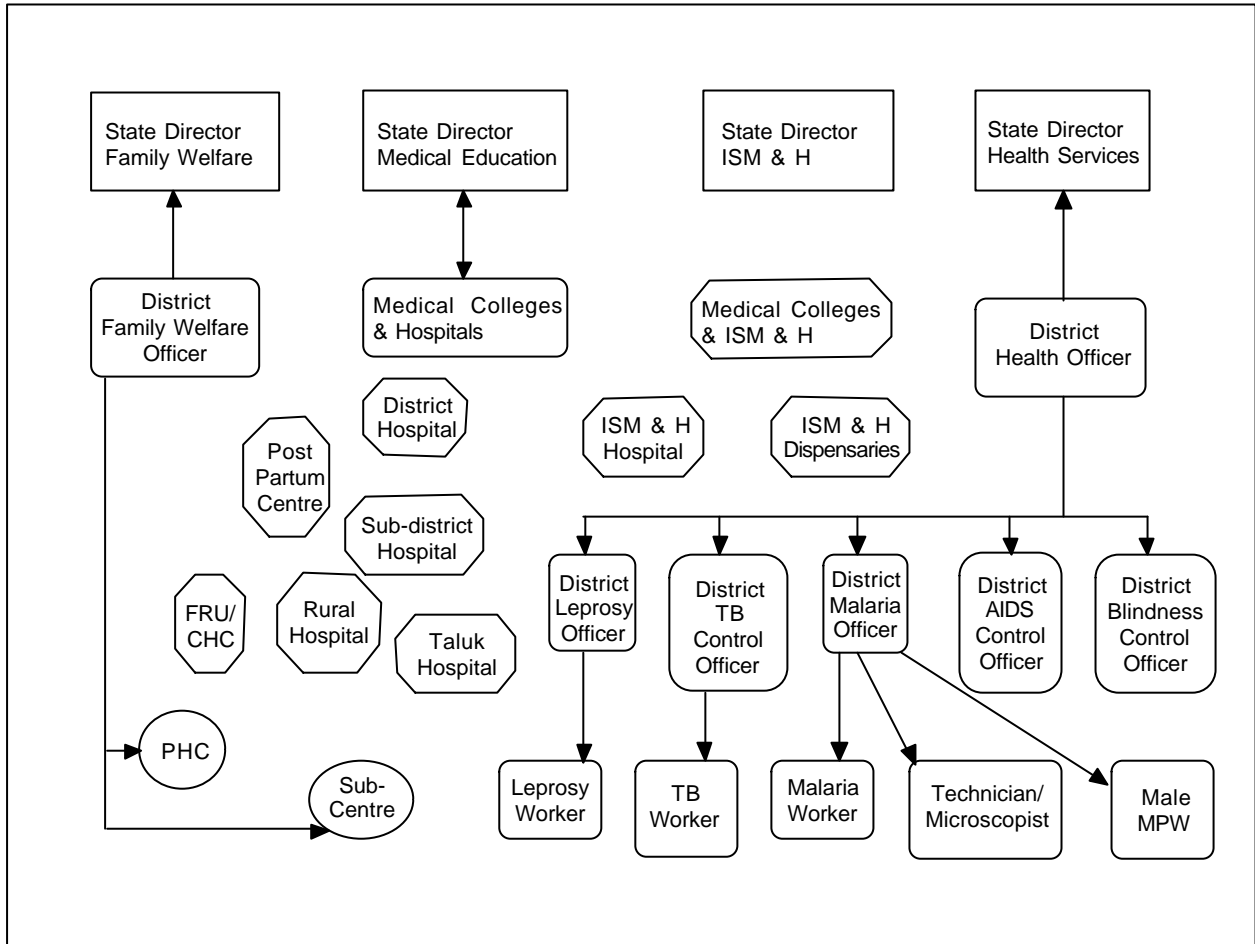
**Table 5.6.12**

**Zero Based Budgeting (Rs. In crores) Exercise 2001  
Centrally Sponsored Schemes & Central Sector Schemes**

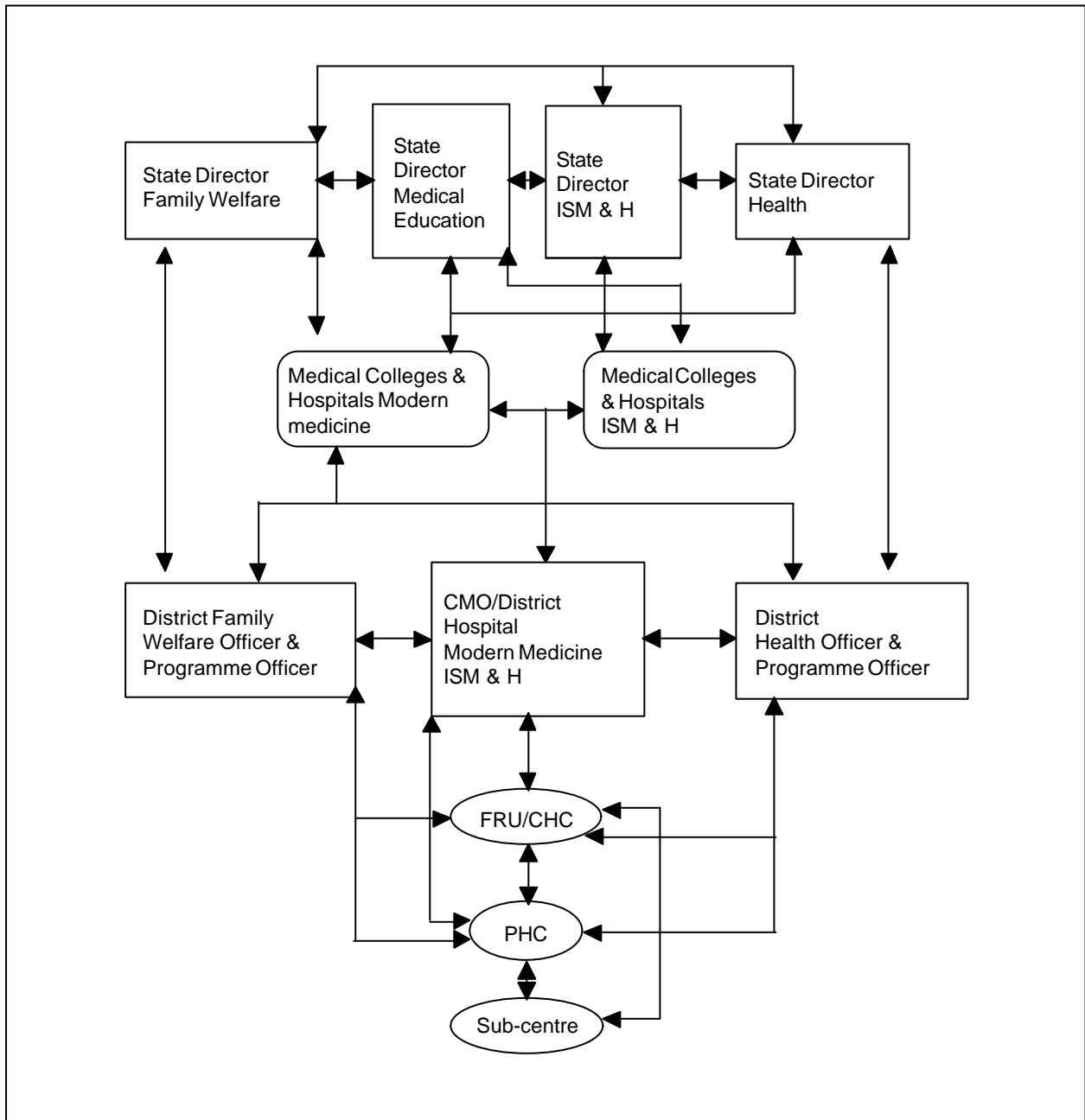
Schemes to be	Central sector			Centrally Sponsored		
	No. of Schemes	Outlay	Anticipated Expenditure	No. of Schemes	Outlay	Anticipated Expenditure
Retained	39	995.24	968.39	6	1,984.00	2,055.94
Merged	8/24	766.45	850.73	6/14	1,342.50	1,202.59
Transferred to states	1	4.00	1.88	NIL	NIL	NIL
Weeded out/dropped	5	22.00	5.69	2	4.00	2.98
Total Ninth Plan schemes	69	1787.69	1826.69	22	3,330.50	3,261.51
Continued in Tenth Plan	47	1,761.69	1819.12	12.00	3,326.50	3,258.53



**ORGANISATION CHART - I**  
**CURRENT STATUS OF HEALTH CARE INFRASTRUCTURE**



**ORGANISATION CHART - II**  
**PROPOSED REORGANISATION AND LINKAGES**



## STATE WISE/SYSTEM WISE NO OF HOSPITALS AND DISPENSARIES UNDER MODERN SYSTEM AND ISM &amp; H

STATES/UTs	RURAL HEALTH CARE INFRASTRUCTURE										DISPENSARIES**				HOSPITALS*				Urban Family Welfare Centres**		Post Partum Centres**	
	Sub centres		Primary Health Centres		Community Health Centres		Modern System of Medicine @		DISPENSARIES		Modern System of Medicine @		HOSPITALS		Urban Family Welfare Centres**		Post Partum Centres**					
	Reqd. 1991	In Position	Goal for the 10th Plan	Reqd. 1991	In Position	Goal for the 10th Plan	Reqd. 1991	In Position	Goal for the 10th Plan	DISPENSARIES	Beds	HOSPITALS	Beds	HOSPITALS	ISM & H @@	UFWC Health Posts	District Level	Sub-district Level				
1	ANDHRA PRADESH	10242	10568	*	1707	1386	321	427	219	208	134	0	1930	3133	69778	22	1249	131	-	28	55	
2	ARUNACHAL PRADESH	220	273	*	37	65	*	9	20	*	11	0	46	-	-	1	15	6	-	-	1	
3	ASSAM	4356	5109	*	726	610	116	181	100	81	325	42	409	288	12661	6	280	10	-	11	30	
4	BIHAR	11547	10332	1215	1961	1642	319	490	87	403	427	96	831	328	29090	14	1385	42	-	37	54	
5	CHHATTISGARH	4692	3818	874	704	545	159	176	150	26												
6	GOA	138	172	*	23	19	4	6	5	1	33	0	115	105	3848	6	245	-	-	4	-	
7	GUJARAT	6168	7274	*	1028	1044	*	257	253	4	7255	9289	583	2528	63417	55	2476	113	28	33	55	
8	HARYANA	2482	2299	183	414	402	12	103	64	39	130	126	454	80	7230	7	850	19	16	13	20	
9	HIMACHAL PRADESH	973	2069	*	162	302	*	40	65	*	173	169	1081	63	5463	18	355	89	-	11	22	
10	JAMMU & KASHMIR	1176	1700	*	196	337	*	49	53	*	610	0	445	67	8202	4	235	12	-	11	6	
11	JHARKHAND	4278	4462	*	676	561	115	169	47	122												
12	KARNATAKA	6431	8143	*	1072	1676	*	268	249	19	797	1163	642	293	38479	178	8400	87	-	39	64	
13	KERALA	4325	5094	*	721	944	*	180	105	75	53	164	3523	2107	97840	182	4031	-	-	22	60	
14	MADHYA PRADESH	7430	8835	*	1316	1193	123	329	229	100	256	2	2363	363	18141	47	1810	63	99	47	75	
15	MAHARASHTRA	10533	9725	808	1756	1768	*	439	351	88	8143	1622	486	3115	78920	160	18618	74	278	52	69	
16	MANIPUR	344	420	*	57	69	*	14	16	*	42	0	10	17	1626	3	75	2	-	3	1	
17	MEGHALAYA	464	413	51	77	85	*	19	13	6	21	0	5	9	1828	0	0	1	-	3	1	
18	MIZORAM	122	346	*	20	58	*	5	9	*	13	130	2	12	1021	0	0	1	-	2	4	
19	NAGALAND	325	302	23	54	46	8	14	9	5	17	68	2	29	1158	0	0	-	-	1	1	
20	ORISSA	6374	5927	447	1062	1352	*	265	157	108	1197	282	1104	273	11980	13	473	10	8	19	60	
21	PUNJAB	2858	2852	6	476	484	*	119	105	14	1469	5503	629	220	14921	17	956	23	64	19	35	
22	RAJASTHAN	7484	9926	*	1247	1674	*	312	263	49	268	134	3689	219	21387	102	1631	61	90	35	100	
23	SIKKIM	85	147	*	14	24	*	4	2	2	147	0	2	1	300	0	0	1	-	1	2	
24	TAMILNADU	7424	8682	*	1237	1436	*	309	72	237	512	278	396	408	48780	229	2187	65	100	32	87	
25	TRIPURA	579	539	40	96	58	38	24	11	13	612	0	96	29	1866	2	30	9	-	1	3	
26	UTARANCHAL	1764	1609	155	265	257	8	66	30	36												

Contd....

**ANNEXURE - 5.6.3 Contd.....**

STATES/UTS	RURAL HEALTH CARE INFRASTRUCTURE										DISPENSARIES**						HOSPITALS**				Urban Family Welfare Centres**		Post Partum Centres**			
	Sub centres		Primary Health Centres		Community Health Centres		Modern System of Medicine @		ISM & H @		Modern System of Medicine @		HOSPITALS**		Urban Family Welfare Centres**		Post Partum Centres**									
	Reqd. Position	In the 10th	Goal for 1991	Reqd. Position	In the 10th	Goal for 1991	Reqd. Position	In the 10th	Goal for 1991	Reqd. Position	In the 10th	Goal for ARIES	DISPENS ARIES	Beds	DISPENS TALS	ISM & H @	Modern System of Medicine @	HOSPITALS**	Beds	HOSPI TALS	HOSPI Beds	ISM & H @@	UFWC Posts	Health Level	District	Sub-district
28	10356	8126	2230	1726	1262	464	431	99	332	571	0	1153	399	53732	19	1007	111	-	27	55						
29	45	100	*	7	18	*	2	4	*	138	0	7	10	901	0	0	-	-	1	-						
30	13	13	0	2	0	2	1	1	0	33	0	9	1	500	3	185	3	10	2	-						
31	40	36	4	7	6	1	2	1	1	3	6	2	3	115	2	0	-	-	-	-						
32	12	21	*	2	3	*	1	1	0	28	0	1	3	150	1	5	-	-	-	-						
33	190	42	148	32	8	24	8		8	490	0	236	77	19345	17	1322	69	28	9	5						
34	7	14	*	1	4	*		3	*	0	0	6	2	70	0	0	-	-	-	-						
35	58	80	*	10	39	*	3	4	*	12	0	21	29	3136	0	0	-	-	3	-						
36	-	-	-	-	-	-	-	-	-	241	-	79	-	-	1	25	-	-	-	-						
37										-	-	85	-	-	39	930	-	-	-	-						
38										-	-	162	-	-	0	0	-	-	-	-						
39										-	-	157	-	-	0	0	-	-	-	-						
40										-	-	28	-	-	0	0	-	-	-	-						
<b>TOTAL</b>	<b>134108</b>	<b>138044</b>	<b>8181</b>	<b>22349</b>	<b>22928</b>	<b>1714</b>	<b>5587</b>	<b>3077</b>	<b>2562</b>	<b>25911</b>	<b>24803</b>	<b>23028</b>	<b>14926</b>	<b>663163</b>	<b>2991</b>	<b>60251</b>	<b>1083</b>	<b>871</b>	<b>538</b>	<b>1012</b>						

\* INDICATES SURPLUS INFRASTRUCTURE, INFORMATION AVAILABLE AS ON AUG.2002; @ FOR THE PERIOD 1.1.1998; @ @ FOR 1.4.1999; \*\* INFORMATION AVAILABLE FOR UNDIVIDED BIHAR, MP & UP  
 NOTE :- - = NIL INFORMATION.

SOURCE: HEALTH INFORMATION OF INDIA, ISM&H IN INDIA AND D/O FAMILY WELFARE; FIGURES ARE PROVISIONAL

**MANPOWER REQUIREMENT IN RURAL PRIMARY HEALTH CARE INSTITUTIONS**

Category of manpower	Requirement for Census 1991	In position as on 30.06.2000	Number sanctioned	Gap 2-3	Vacant 2-4
1	2	3	4	5	6
Specialists	22348	3741	6579	18607	15769
(4/CHC)					
Doctors at PHCs	22349	25506	29702	3157*	7353*
(1/PHC)					
Block Extension Educator/ Health Educator	22349	5508	6534	16841	15815
(1/PHC)					
Pharmacist	27936	21077	22871	6859	5065
(1/CHC+1/PHC)					
Lab. Technician	27936	12709	15865	15227	12071
(1/CHC+1/PHC)					
X-ray Technician/ Radiographer	5587	1768	2137	3819	3450
(1/CHC)					
Nurse Midwife	61458	17673	22672	43785	38786
(7/CHC+1/PHC)					
Health Assistant (M)	22349	22265	26427	84	4078*
(1/PHC)					
Health Assistant (FM)	22349	19426	22479	2923	130*
(1/PHC)					
Health Worker (M)	134108	73327	87504	60781	46604
(1/SC)					
Health Worker (FM)	156457	134086	144012	22371	12445
(1/SC+1/PHC)					
<b>TOTAL</b>	<b>525226</b>	<b>337086</b>	<b>386782</b>	<b>191297</b>	<b>138444</b>

\* indicates surplus

Source :- RHS Bulletin, June, 2000 (Ministry of Health &amp; FW)

## Annexure - 5.6.5

## OUTLAY FOR HEALTH IN THE STATES &amp; UNION TERRITORIES

Rs.Lakhs

STATES	9th Plan OUTLAY HEALTH	1997-98		1998-99		1999-2000	2000-01	2001-02
		OUTLAY HEALTH	Act. Expd. HEALTH	OUTLAY HEALTH	Act. Expd. HEALTH	OUTLAY HEALTH	OUTLAY HEALTH	OUTLAY HEALTH
ANDHRA PRADESH	63052.00	13937.00	12366.00	20046.00	19865.00	28033.00	27749.95	33223.02
ARUNACHAL PRADESH	33502.00	3149.00	1782.00	3520.00	1814.00	2947.00	2068.93	2476.01
ASSAM	38410.00	6561.00	6223.00	7191.00	6887.00	7741.00	7439.00	12580.00
BIHAR	83200.00	7245.00	4950.00	12177.00	6902.00	12768.00	9891.01	10078.21
GOA	8122.00	1082.00	1032.00	772.00	1069.00	1646.00	1423.00	1649.00
GUJARAT	83225.00	22093.00	17180.00	23550.00	17179.00	25100.00	26000.00	21000.00
HARYANA	35134.00	3882.00	4493.00	5946.00	4126.00	5327.00	5648.00	6595.00
HIMACHAL PRADESH	31765.00	5544.00	6535.00	8965.70	8164.00	10555.00	9685.09	12014.86
J & K	110029.00	7450.00	6989.00	11385.51	8244.00	11974.00	10595.17	11628.32
KARNATAKA	110000.00	18359.00	21914.00	19544.30	22909.00	22774.00	22558.11	26879.60
KERALA	30940.00	6096.00	5828.00	6200.00	7343.00	6400.00	6335.00	5553.00
MADHYA PRADESH	56787.00	9331.00	7031.00	17351.47	14524.00	13524.00	11217.62	13462.62
MAHARASHTRA	91823.00	17391.00	13811.00	22993.00	16224.00	27798.00	30485.85	39128.91
MANIPUR	3600.00	630.00	540.00	809.35	809.00	1080.00	1250.00	1486.00
MEGHALAYA	14000.00	2430.00	1790.00	2430.00	2360.00	3079.00	3300.00	3200.00
MIZORAM	11201.00	1651.00	1651.00	1816.00	1785.00	2286.00	2562.00	2542.00
NAGALAND	10631.00	2506.00	2480.00	2128.00	2022.00	2128.00	1577.00	1283.00
ORISSA	41606.00	4104.00	5198.00	7526.21	7042.00	13208.00	8405.05	14915.16
PUNJAB	51159.00	9938.00	3187.00	16352.00	8374.00	18319.00	19187.00	17465.57
RAJASTHAN	77060.00	13919.00	12339.00	15289.00	10991.00	17262.00	9914.94	12366.30
SIKKIM	8000.00	857.00	757.00	814.00	1914.00	1559.00	1200.00	1373.50
TAMILNADU	78052.00	8909.00	11005.00	11650.93	12843.00	12426.00	12724.42	18084.16
TRIPURA	8559.00	1371.00	1091.00	1407.92	1448.00	1355.00	1442.46	1879.18
UTTAR PRADESH	118500.00	17312.00	15609.00	40551.00	10862.00	42816.00	30200.00	37278.00
WEST BENGAL	97864.00	20633.00	3322.00	19286.00	7811.00	23502.00	32176.00	42931.24
<b>TOTAL STATES</b>	<b>1296221.00</b>	<b>206380.00</b>	<b>169103.00</b>	<b>279702.39</b>	<b>203511.00</b>	<b>315607.00</b>	<b>295035.60</b>	<b>351072.66</b>
<b>UTs</b>								
A & N ISLANDS	7741.00	1559.00	1831.59	1895.00	2055.29	2000.00	1900.00	1900.00
CHANDIGARH	17065.00	3617.00	3748.90	3548.30	3297.61	3483.00	3717.00	3947.25
D & N HAVELI	514.00	219.00	148.87	252.70	189.82	280.00	217.80	234.80
DAMAN & DIU	887.00	133.00	165.96	173.00	186.91	136.00	150.10	165.00
DELHI	110140.00	15240.50	12684.15	19700.00	13994.62	27345.00	26642.00	34121.00
LAKSHADWEEP	817.46	233.85	267.78	333.00	323.61	229.03	281.45	211.46
PONDICHERRY	10000.00	1630.00	1546.97	2370.00	1921.30	2720.00	2720.00	3160.54
<b>TOTAL UTs</b>	<b>147164.46</b>	<b>22632.35</b>	<b>20394.22</b>	<b>28272.00</b>	<b>21969.16</b>	<b>36193.03</b>	<b>35628.35</b>	<b>43740.05</b>
<b>GRAND TOTAL</b>	<b>1443385.46</b>	<b>229012.35</b>	<b>189497.22</b>	<b>307974.39</b>	<b>225480.16</b>	<b>351800.03</b>	<b>330663.95</b>	<b>394812.71</b>
<b>(STATES &amp; UTs)</b>								
CHHATISGARH								6024.66
JHARKHAND								
UTTARANCHAL								5972.00
<b>GRAND TOTAL</b> <b>(states &amp; UTs)</b> <b>Incl 3 states</b>								406809.37

## OUTLAYS FOR DEPARTMENT OF HEALTH

Rs. Crores

Sl. No.		Name of the Schemes / Institution	9th Plan Allocation	9th Plan Anticipated Expenditure	2002-03 Outlay
9th Plan	10th Plan				
		<b>CENTRALLY SPONSORED SCHEMES</b>			
		<b>Control of communicable Diseases:</b>			
1 & 2	1	National Vector Borne Diseases Control Programme (Malaria, Kala-Azar, Filariasis, Dengue and J.E.)	1000.00	954.95	235.00
3	2	National Leprosy Eradication Programme.	301.00	388.48	75.00
4	3	National Tuberculosis Control Programme.	450.00	462.73	115.00
5	4	National AIDS Control Programme including Blood Safety Measures and National S.T.D. Control Programme	760.00	745.26	225.00
6		National Guinea Worm Eradication Prog.	2.00	1.29	
7	5	Disease Surveillance Programme	25.00	20.32	10.00
8	6	Hospital Waste Management	2.00	1.79	5.00
		<b>Strengthening of Drug &amp; Food Administration &amp; Control Capacity Building</b>			
9	7	Assistance to States for Capacity Building (drug Quality)	20.00	29.00	20.00
10	8	Capacity Building for drug & PFA	20.00	1.00	1.30
11		Strengthening of State Drug Analytical Laboratories	5.00	5.10	
12		Strengthening of State Drug Control organisations including improvement of their information system and strengthening of enforcement and supporting staff	5.00		
13		Financial Assistance to the States for Strengthening their food testing laboratories	5.00	0.80	
14		Setting up of District Food Inspection Units in the States/UTs including Management Information System		3.16	
		<b>Control/Containment of Non-communicable Diseases:</b>			
15	9	National Programme for Control of Blindness	448.00	464.79	86.00
16 & 17	10	National Cancer Control Programme	190.00	198.14	61.00
18 & 19	11	National Iodine Deficiency Disorders Control Programme.	18.00	14.75	7.00
20	12	National Mental Health Programme	28.00	20.39	30.00
21	13	Drug De-addiction Programme including assistance to States	20.00	26.51	7.00
		<b>Other Programmes</b>			
22	14	UNDP Pilot Initiatives for Community Health		2.50	4.80
					<b>882.10</b>
		<b>Central Sector Schemes:</b>			
		<b>Control of Communicable Diseases:</b>			
1	1	i) National Institute of Communicable Diseases, Delhi (ongoing activities including Guineaworm & Yaws Eradication)	23.00	22.40	12.00
2		ii) Strengthening of Institute	3.70	3.69	
3	2	National Institute of Tuberculosis, Bangalore	1.50	3.78	2.00
4	3	Lala Ram Sarup Institute of T.B. and allied diseases, Mehrauli, Delhi	30.00	27.60	10.00
5	4	Central Leprosy Training & Research Institute Chengalpattu (Tamil Nadu) Regional Institute of Training, Research & Treatment under Leprosy Control Programme:	5.00	3.57	1.00
6	5	(a) R.L.T.R.I., Aska (Orissa)	2.00	0.56	0.40
7	6	(b) R.L.T.R.I., Raipur (M.P.)	2.50	0.71	0.20
8	7	(c) R.L.T.R.I., Gauripur (W.B.)	5.00	4.65	1.50
9	8	B.C.G. Vaccine Laboratory, Guindy, Chennai	5.00	5.80	5.00
10	9	Pasteur Institute of India, Coonoor	5.00	13.10	7.00

## Annexure-5.6.6 continu...

Rs. Crores

Sl. No.		Name of the Schemes/Institution	9th Plan Allocation	9th Plan Anticipated Expenditure	2002-03 Outlay
9th Plan	10th Plan				
11	10	Central Research Institute, Kasauli	20.00	21.83	5.00
					<b>44.10</b>
		<b>Hospitals and Dispensaries:</b>			
12	11	Central Government Health Scheme	40.00	47.66	20.00
13	12	Central Institute of Psychiatry, Ranchi	16.00	17.00	8.00
14 & 15	13	All India Institute of Speech & Hearing Mysore, Mysore	8.00	15.21	7.00
16 & 17	14	All India Institute of Physical Medicine & Rehabilitation, Mumbai	15.00	6.71	2.70
18	15	Health Sector Disaster preparedness and Management	3.00	3.00	6.00
19	16	Safdarjung Hospital, New Delhi	103.00	96.36	65.00
20	17	Dr. R.M.L. Hospital, New Delhi	45.00	70.07	25.00
21	18	Institute for Human Behaviour & Allied Sciences, Shahdara, Delhi	10.00	3.00	1.00
					<b>134.70</b>
		<b>Medical Education, Training &amp; Research:</b>			
		<b>(a) Medical Education:</b>			
22 to 25	19	All India Institute of Medical Sciences & Its Allied Departments, New Delhi	340.00	382.47	105.00
26	20	P.G.I.M.E.R., Chandigarh	175.00	162.00	25.00
27	21	J.I.P.M.E.R., Pondicherry	70.00	52.05	15.00
28	22	Lady Harding Medical College & Smt. S.K. Hospital, New Delhi	65.00	30.59	10.00
29	23	Kalawati Saran Childrens Hospital, New Delhi	56.00	49.92	6.00
30	24	Indira Gandhi Institute of Health & Medical Sciences for North East Region at Shilong.	85.00	59.50	60.00
31	25	Kasturba Health Society, Wardha	25.00	38.28	10.00
32	26	V.P. Chest Institute, Delhi	5.00	11.28	8.00
33 & 34	27	i) All India Institute of Hygiene & Public Health, Calcutta	15.00	6.82	3.00
35	28	ii) Serologist & Chemical Examiner to the Government of India, Calcutta	1.25	1.23	0.50
36	29	National Medical Library, New Delhi	15.00	25.12	8.00
37	30	National Academy of Medical Sciences, New Delhi	1.60	1.55	0.50
38	31	National Board of Examinations, New Delhi	0.50	0.77	0.20
39	32	Medical Council of India, New Delhi	3.90	2.78	1.00
40	33	Education Commission of Health Sciences	2.00	0.00	5.00
41	34	N.I.M.H.A.N.S., Bangalore	60.00	80.40	24.00
		<b>(b) Nursing Education:</b>			
42	35	Indian Nursing Councils		0.50	0.40
43 to 47	36	Strengthening/adding seats to existing schools of Nursing	4.50	8.05	20.00
48	37	R.A.K. College of Nursing, New Delhi	3.50	1.53	3.00
49	38	Lady Reading Health School		0.25	0.30
		<b>(c) Research:</b>			
50 to 55	39	Indian Council of Medical Research, New Delhi	263.00	333.37	110.00
		<b>Other Programmes:</b>			
56	40	National Institute of Biological, NOIDA (U.P.)	70.00	63.54	20.00
57	41	Health Education	6.00	3.97	2.20
58	42	Health Intelligence (& Health Accounts)	1.25	1.44	1.90
59	43	Port Health Authority (Including setting up of offices at 8 newly created international airport)	2.00	2.12	1.60
60	44	Strengthening of D.G.H.S.	3.99	7.87	2.00
61	45	Strengthening of (Deptt. under) Ministry			3.00



**Annexure-5.6.6 continu...**

Rs. Crores

Sl. No.		Name of the Schemes/Institution	9th Plan Allocation	9th Plan Anticipated Expenditure	2002-03 Outlay
9th Plan	10th Plan				
62	46	Prevention of Food Adulteration	20.00	12.63	8.00
63 & 64	47	Central Drug Standard & Control Orgn.	40.00	23.68	15.00
					<b>53.70</b>
		<b>NEW INITIATIVES DURING 10TH PLAN</b>			
	48	<b>CENTRALLY SPONSORED SCHEMES</b>			20.00
	49	<b>CENTRAL SECTOR SCHEMES:</b>			0.50
					<b>20.50</b>
					<b>1550.00</b>
		<b>SCHEMES THAT ARE EITHER TRANSFERRED OR DROPPED</b>			
65		Rural Health Training Centre, Najafgarh	4.00	1.78	
66		Tejpur Mental Hospital			
67		Assistance to Voluntary Organisations			
		(a) Improvement of Medical Services	10.00	1.08	
		(b) Special Health Scheme for rural areas			
68		Continuing Education of Model Teachers	1.00	0.93	
69		Training of Medical Officers of C.H.S. Cadre	0.50	0.42	
		<b>Total</b>	<b>5118.19</b>	<b>5280.49</b>	

## 5.7 FAMILY WELFARE

India, the second most populous country in the world having a meagre 2.4% of the world's surface area sustains 16.7% of the world's population. Realising the inevitable high population growth during the initial phases of demographic transition and the need to accelerate the pace of the transition, India became the first country in the world to formulate a National Family Planning Programme in 1952, with the objective of "reducing birth rate to the extent necessary to stabilise the population at a level consistent with requirement of national economy". The First Five Year Plan stated "The main appeal for family planning is based on considerations of health and welfare of the family. Family limitation or spacing of children is necessary and desirable in order to secure better health for the mother and better care and upbringing of children. Measures directed to this end should, therefore, form part of the public health programme". Thus the key elements of health care to women and children and provision of contraceptive services have been the focus of India's health services right from the time of India's independence. Successive Five Year Plans have been providing the policy framework and funding for planned development of nationwide health care infrastructure and manpower to deliver these services. The centrally sponsored and 100% centrally funded Family Welfare Programme provides the States additional infrastructure, manpower and consumables needed for improving health status of women and children and to meet all the felt needs for fertility regulation.

2 Demographic transition is an universal phenomenon. During initial phases of transition population growth is inevitable. The technological advances and improved quality and coverage of health care resulted in a rapid fall in Crude Death Rate (CDR) from 25.1 in 1951 to 9.8 in 1991. In contrast, the decline in Crude Birth Rate (CBR) has been less steep, from 40.8 in 1951 to 29.5 in 1991. As a result, the annual exponential population growth rate has been over 2% in the period between 1971-1991. The pace of demographic transition in India has been relatively slow but steady. Census 1991 showed after three decades the population growth rate declined below 2%. In order to give a new thrust and dynamism to the Family Welfare Programme and achieve a more rapid decline in birthrate, death rate and population growth rate in the last decade of the century, the National Development Council (NDC) set up a Sub-Committee on Population and endorsed its recommendations in 1993. During the Ninth Plan period, the Department of Family Welfare implemented the recommendations of the NDC Sub Committee.

3 Currently some of the major areas of concern include:

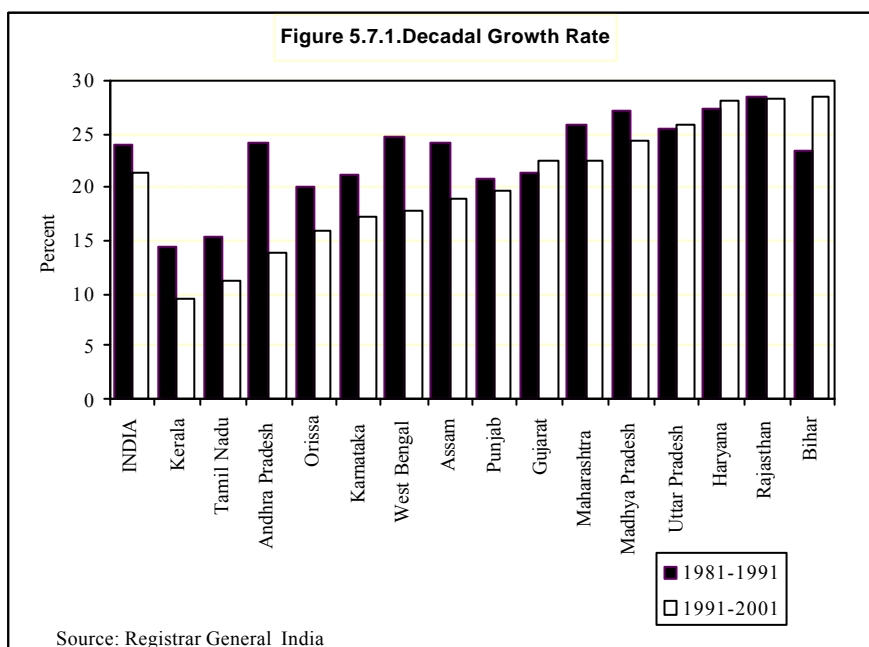
- ☞ the massive inter-state differences in fertility and mortality; fertility and mortality rates are high in the most populous states, where nearly half the country's population lives.
- ☞ gaps in infrastructure, manpower and equipment and mismatch between infrastructure and manpower in primary health centres (PHCs)/community health centres (CHCs); lack of referral services;
- ☞ slow decline in mortality during the 1990s; the goals set for mortality and fertility in the Ninth Plan will not be achieved;
- ☞ there has been no decline in the maternal mortality ratios over the last three decades, while neonatal and infant mortality rates have plateaued during the 1990s;

- ☞ the routine service coverage has declined, perhaps because of the emphasis on campaign mode operations for individual components of the programme;
- ☞ in spite of the emphasis on training to improve skills for the delivery of integrated reproductive and child health (RCH) services, the progress in in-service training has been very slow and the anticipated improvement in the content and quality of care has not taken place;
- ☞ evaluation studies have shown that the coverage under immunisation is not universal even in the best performing states while coverage rates are very low in states like Bihar; elimination of polio is yet to be achieved;
- ☞ the logistics of drug supply has improved in some states but remains poor in populous states;
- ☞ decentralised district-based planning, monitoring and mid-course correction utilising the locally generated service data and Civil Registration has not yet been operationalised .

These problems are being addressed expeditiously so that the goals set in the National Population Policy and the Approach Paper to the Tenth Plan could be achieved within the time frame.

### Census 2001

4 Census 2001 recorded that the population of the country was 1027 million-15 million more than the population projected for 2001 by the Technical Group on Population Projections. The decadal growth during 1991-2001 was 21.34% (decadal growth in 1981-91 was 23.86%). Andhra Pradesh has shown an impressive fall in growth rate by over 10 percentage points within a short span of a decade during nineties. The growth rate in Bihar has shown an upward swing during 1991-2001; the growth rates in Rajasthan, UP and MP are now at a level where Kerala and Tamil Nadu were 40 years ago (Figure 5.7.1).



## PROGRESS ACHIEVED DURING THE NINTH PLAN

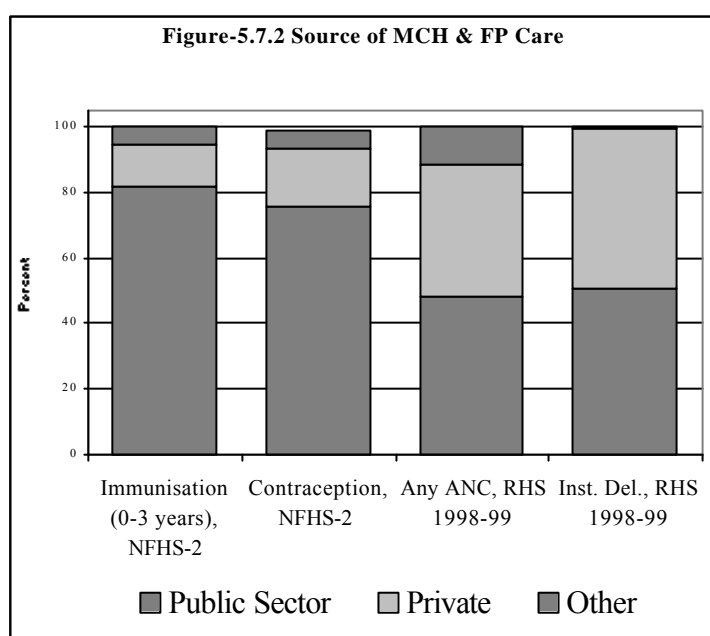
5 During the Ninth Plan period the Dept. of Family Welfare has implemented the recommendations of the NDC Sub committee on Population; the centrally defined methods specific targets for family planning were abolished; emphasis shifted to decentralized planning at district level, based on community needs assessment and implementation of programmes aimed at fulfillment of these needs. A massive pulse polio campaign was taken up to eliminate polio from the country. The Department of Family Welfare set up a Consultative Committee to suggest appropriate restructuring and revision of norms for infrastructure funded by the states and the Center and has initiated implementation of the recommendations. Monitoring and evaluation have become part and parcel of the Family Welfare Programmes and the data is used for midcourse corrections The National Population Policy was formulated and the National Commission on Population was constituted in 2000.

6 Review of the FW programme has shown that Governmental network provides most of the MCH and contraceptive care (NFHS 1998-99). However, the utilization of public facilities is low when it is for ambulatory care for management of minor ailments. (Figure 5.7.2)

7 In view of the massive inter-state and inter-district differences in demographic indices in the availability and access to family welfare services, the Department of Family Welfare during the Ninth Plan embarked on decentralized district based area specific need assessment and programmes for fulfilling the needs (CNA approach).

RCH programme was aimed at providing integrated good quality maternal, child health and contraceptive care. It was expected that these initiatives would lead to substantial improvement in the coverage and quality of services. The Department of Family Welfare was given additional outlay to enable them to provide adequate financial inputs to the states so that they can implement the programme as envisaged. Goals for the Ninth Plan were projected on the basis of these assumptions.

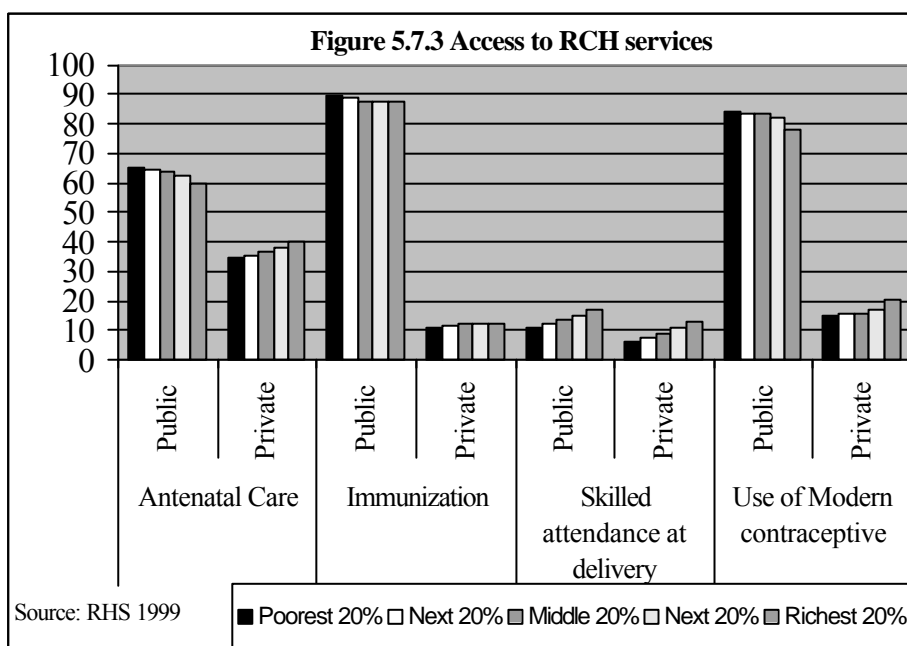
8 The health systems in the states required longer time to adapt to decentralised planning and RCH programme implementation. In an attempt to improve coverage under specific components of the RCH programme, some states embarked on campaign mode operations, which took their toll on routine services. Efforts to eliminate polio by the winter of 2000 through massive pulse polio campaign also had some adverse effect on routine immunisation delivery services. As a result of all these it is unlikely that Ninth Plan goals for CBR, Couple Protection Rate, Maternal Mortality Ratio and Infant Mortality Rate will be achieved (Annexure 5.7.1). However, the country is likely to achieve elimination of polio by 2004.



9 Independent surveys have shown that several states have achieved goals set for some aspect of the RCH programme during the Ninth Plan, demonstrating that these can be achieved with in the existing infrastructure, manpower and inputs. For instance :

- ☞ Andhra Pradesh, Punjab, West Bengal and Maharashtra have shown substantial decline in birth rates; the latter three states are likely to achieve replacement level of fertility, ahead of the projection made.
- ☞ Punjab has achieved couple protection rate and use of spacing methods far ahead of all other states
- ☞ In Tamil Nadu and Andhra Pradesh there has been substantial increase in institutional deliveries
- ☞ Kerala, Maharashtra, Punjab and Tamil Nadu improved immunization coverage
- ☞ Tamil Nadu and Andhra Pradesh had achieved improvement in coverage and quality of Antenatal care

10 Analysis of data from service reports as well as surveys (NFHS 1&2 and RHS ) have shown that in spite of the fact that family welfare services are being provided free of cost to all, there are substantial differences between income groups in accessing these services in public and private facilities (Figure 5.7.3). There were clear urban rural differences in the pattern of utilization of services. Evidence of gender bias existed in almost all states ranging from differences in contraceptive acceptance, care given to girl child during illness to adverse sex ratio at birth. During the Tenth Plan period, Family Welfare Programme will provide equitable



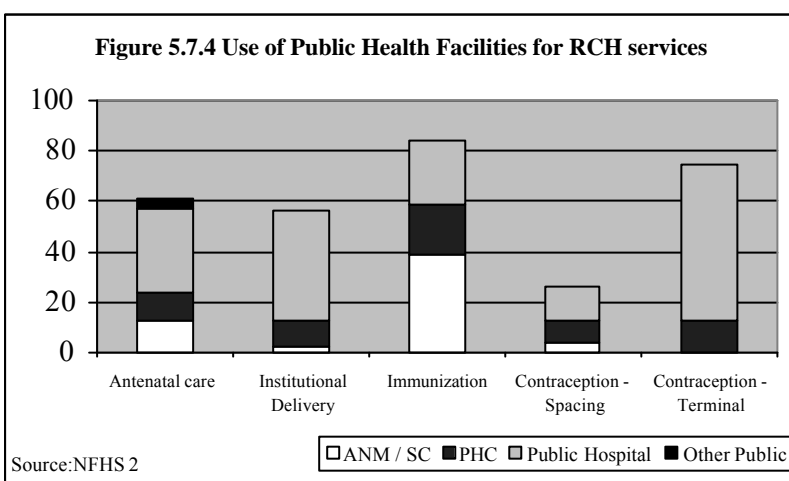
access to these services to all irrespective of place of residence, socio-economic status and gender.

11 Irrespective of income group the pattern of access to specific services were similar. In all income groups: Nearly 90% of those getting immunized; Over 80% of those who accepted contraception; and over 60% of those who had antenatal care used public

facilities. In sharp contrast all income groups sought private practitioners for ambulatory care for minor ailments. This perhaps reflects the people's perception about the quality and availability of services in public facility.

12 Analyses of pattern of utilization of public health facilities for RCH care shows (Figure 5.7.4) :

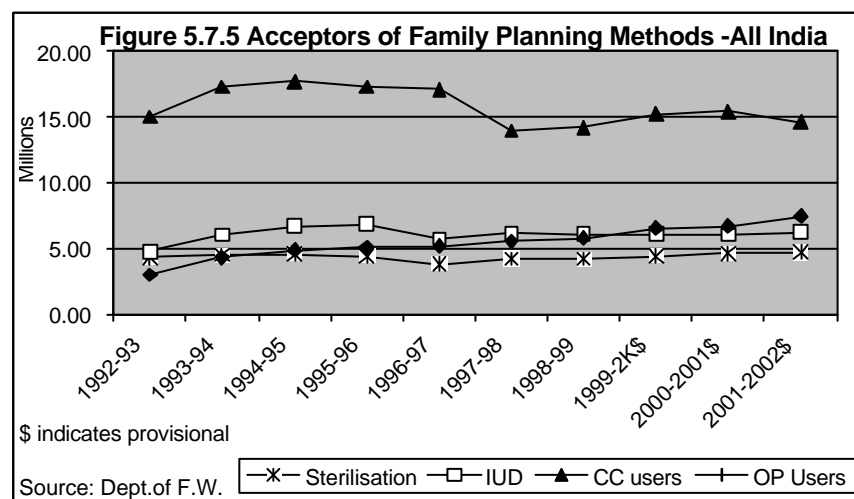
- ☞ Over 40% of the immunization is given by the ANM and about 20% is provided at the PHC
- ☞ ANM provides only 10% of antenatal care; PHC provides another 10%
- ☞ Larger hospitals account for most of the antenatal care, institutional delivery and terminal methods of contraception

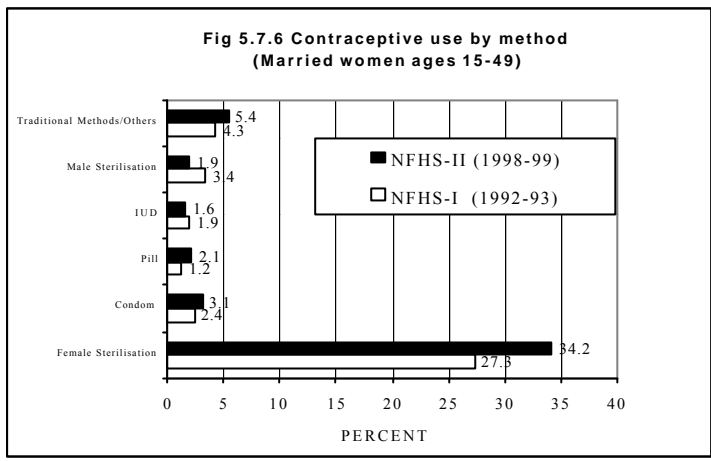


People's perception of the quality & availability of services in public is perhaps reflected through this. It is important to provide training to ANM's for undertaking appropriate antenatal screening of all women. Special efforts will be made during the next few years to improve access to all components of RCH care and ensure that all unmet needs for family welfare services are met.

### PREVENTION OF UNWANTED PREGNANCY

13 Data from service reports of Department of Family Welfare indicates that following an initial dip in the first two years of the Ninth Plan period, the acceptance of contraception improved. However throughout the Ninth plan period the reported numbers of new acceptors were lower than the reported levels in 1995-96 (Figure 5.7.5). This could partly be due to the fact that from 1996-97 the department of family welfare did not lay down method specification targets for

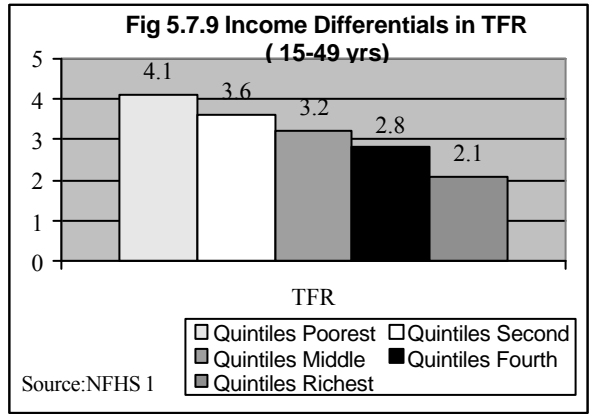
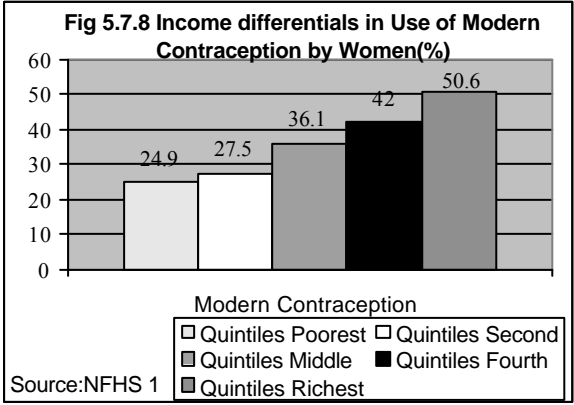
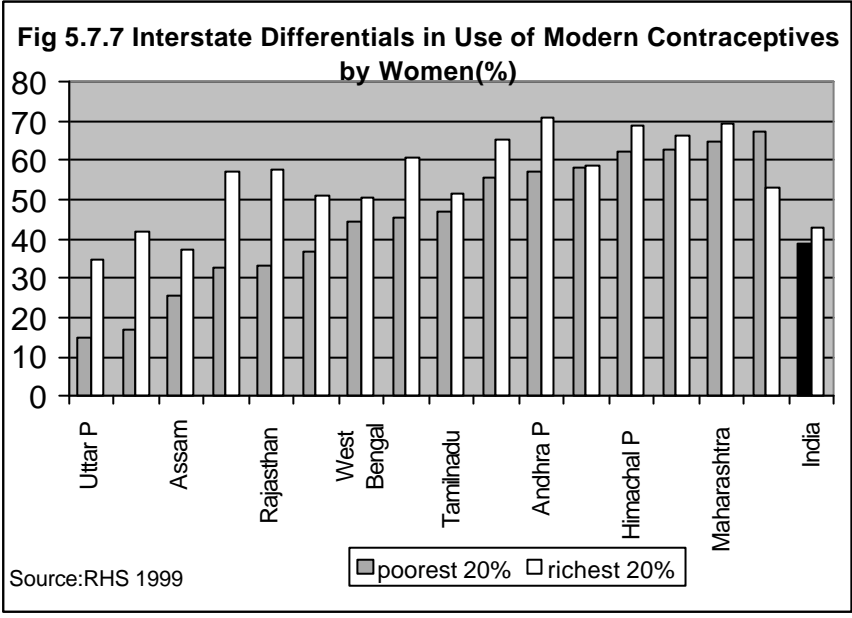




contraception and hence, the workers did not strive to achieve the goals. This could also be partly due to the fact that over reporting has declined. Data from NFHS I and II clearly indicate that over the 1990s there has not been a decline in acceptance of contraception except IUD (Figure 5.7.6). This is in line with the decline in birth rate reported in SRS.

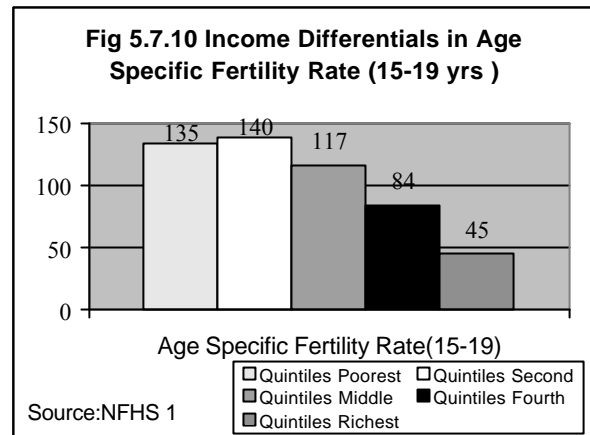
14 At all India level there is very little difference in contraceptive prevalence between the richest and

poorest quintile population. This perhaps is because over 80% of population access contraceptive services in government institutions where these services are readily available free of cost. There are substantial differences in contraceptive prevalence between states (Figure 5.7.7). In all states except Kerala acceptance of contraception was higher among the richest quintile as compared to the poorest quintile. In states like Himachal Pradesh, Tamil Nadu, Karnataka and Maharashtra there is no significant difference in contraceptive prevalence between lowest & highest income groups. Improved access to, and utilization of contraceptive services especially to

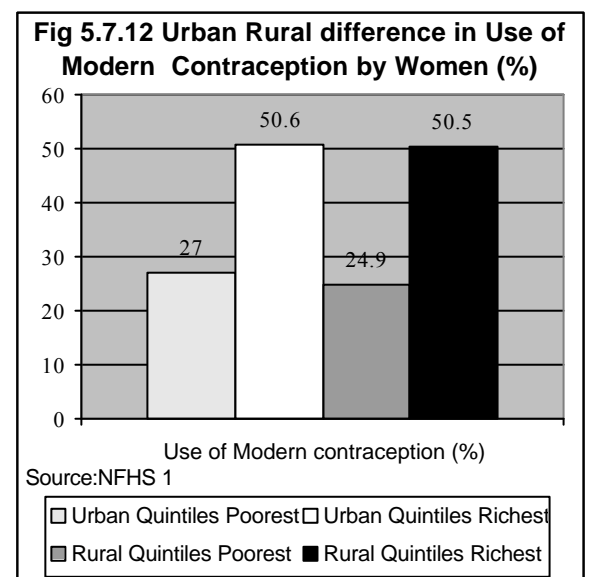
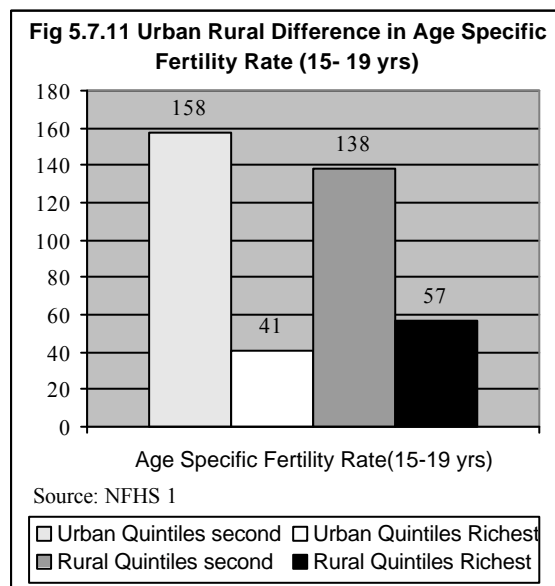


the poorer segments in the states of UP, Bihar, Assam, MP and Orissa is urgently needed in order to meet all the unmet needs for contraception and achieve substantial decline in fertility.

15 Data from RHS survey(1998-99) indicates that among women acceptance of contraception is higher and TFR lower with increasing income with highest quintile group having the highest CPR and lowest TFR. (Figure 5.7.8 & 5.7.9) There are substantial differences between income groups in age specific fertility in the 15-19 age group. Fertility is lowest among the richest quintile perhaps because of relatively later age of marriage (Figure 5.7.10).



16 Age specific fertility in 15 – 19 yrs age group was higher among rural girls in all income groups. Both in urban and in rural areas age specific fertility in this age group was lower among the richest quintile. These differences could be perhaps due to delay in age at marriage (Figure 5.7.11).



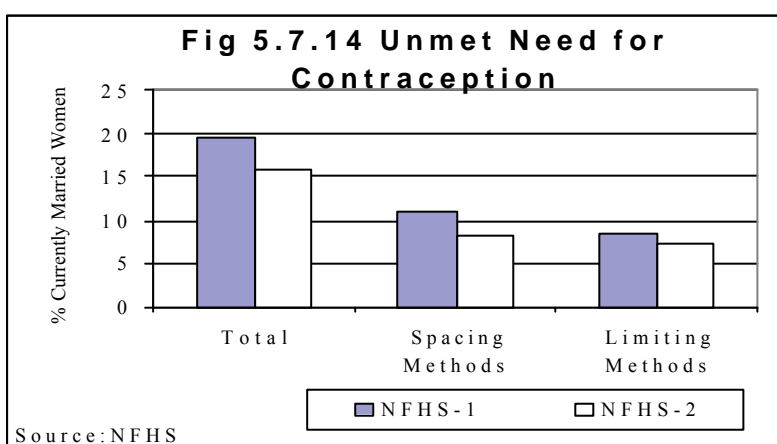
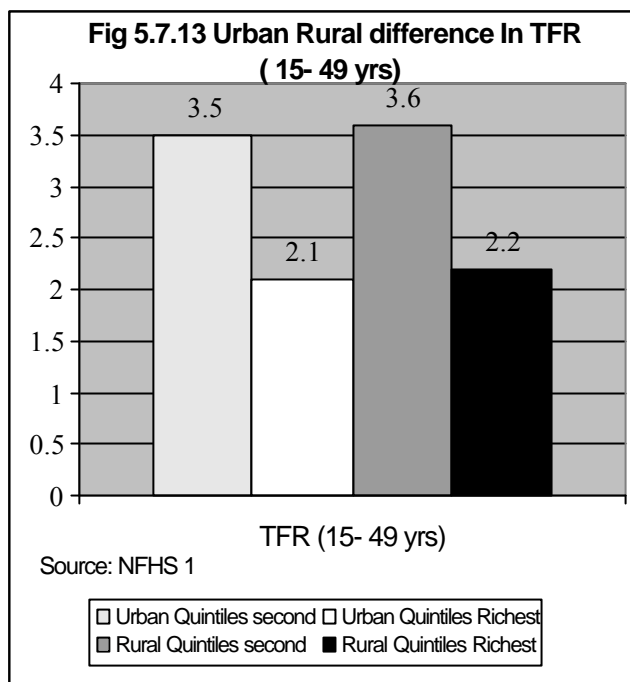
17 There are no significant differences in CPR between urban and rural women. Both in urban and in rural areas the highest quintile income group had CPR level nearly double that of the lowest quintile group. Improving access to good quality modern contraceptive care to women in all states in both urban and rural areas irrespective of economic status will enable the country to rapidly meet all unmet needs for contraception ,improve CPR and reduce birth rate(Figure 5.7.12).



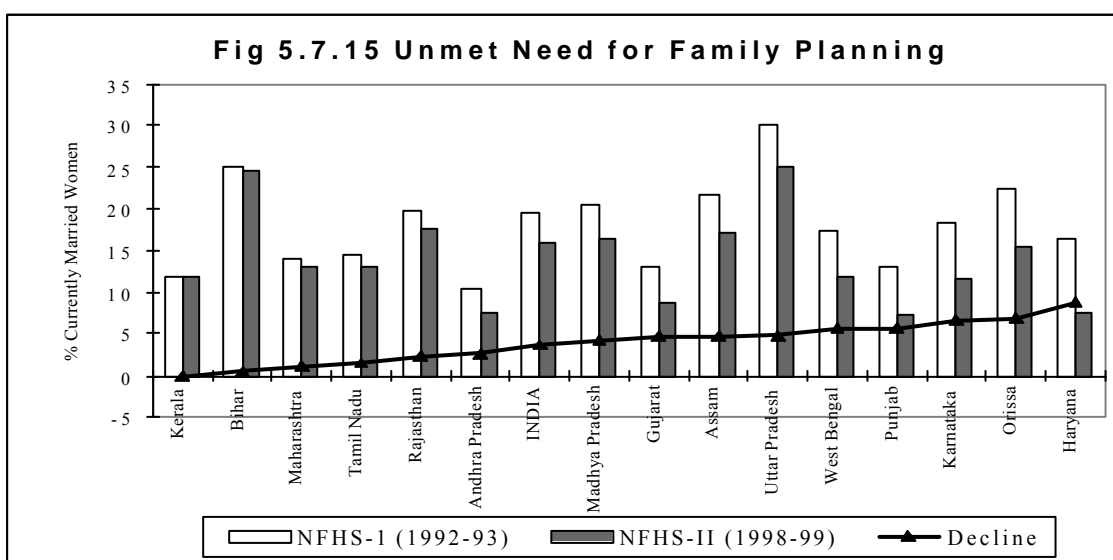
18 The richest quintile group both in urban and rural areas have reached replacement level of fertility. TFR in the second lowest quintile is nearly double that of the highest quintile, with a small difference between urban and rural areas. It would appear that in spite of the fact that contraceptive care is available free of cost substantial proportion of poor do not access the services(Figure 5.7.13).

### Unmet Needs for Contraception

19 NFHS 1 and 2 (Figure 5.7.14) clearly indicate that there is still substantial unmet need for both terminal methods and spacing methods in all states. There are inter-state differences in



the magnitude of unmet need for contraception (Figure 5.7.15.). It is imperative that all the unmet needs are fully met within the Tenth Plan period and a substantial reduction in unwanted pregnancy is achieved. Making a balanced presentation of advantages and disadvantages of methods, improving counselling, quality of services and follow up care



will enable couples to make appropriate choices regarding contraception, increase couple protection rates and continuation rates and enable the country to achieve the goal of replacement level of fertility by 2010.

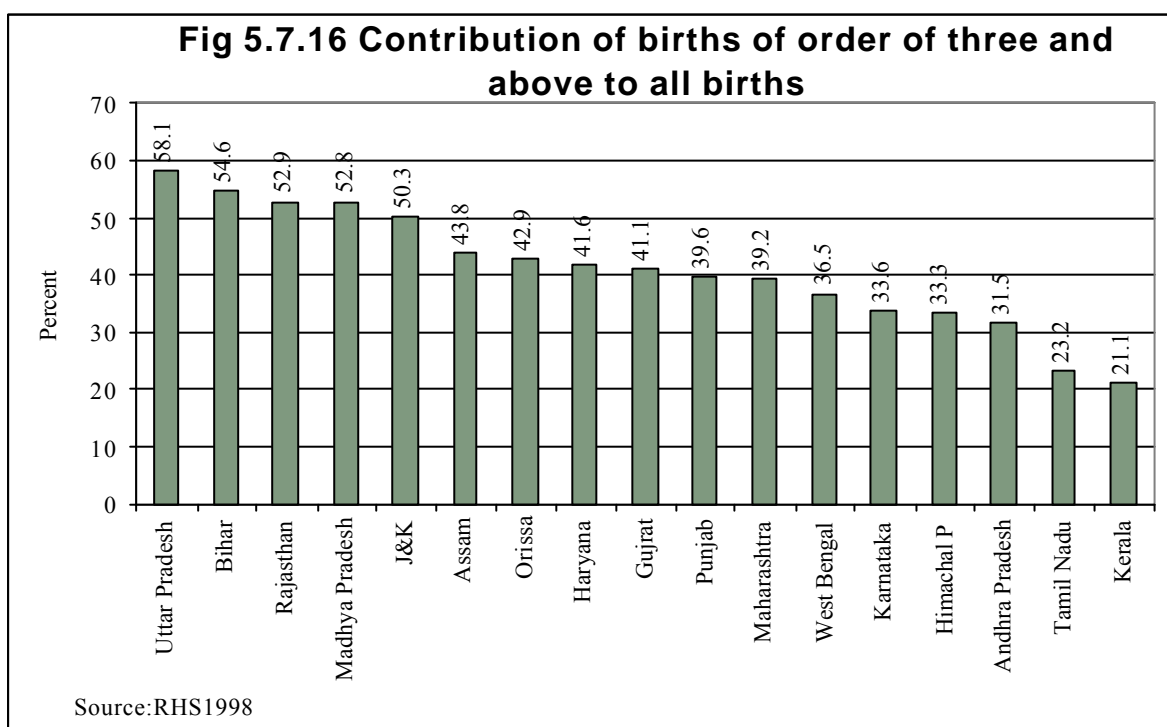
### Monitoring Birth Order

20 Monitoring reported birth order is an easy method of observing the progress towards achievement of replacement level of fertility. Currently, birth order of three or more account for nearly half of all births. There are massive inter-state and inter-district differences in the contribution of different birth orders ( Table 5.7.1 and Figure 5.7.16). Based on this information, district-specific differential strategies can be evolved to improve contraceptive prevalence rates, increase inter-birth intervals and reduce higher order of births.

**Table 5.7.1 : Inter-district variations**  
(Birth order three or more as percentage of total births)

<20%	27
20-40%	165
>40%	313

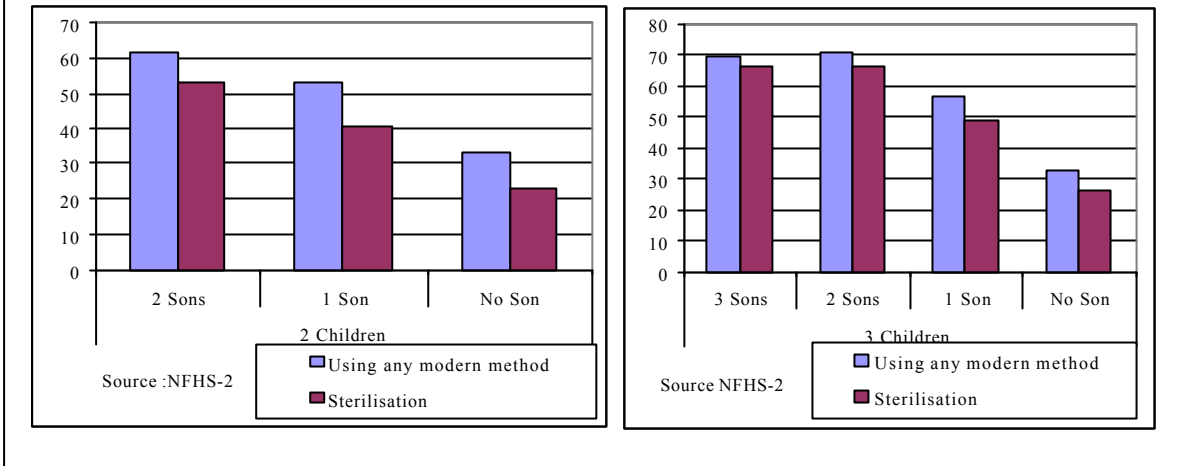
Source : RHS 1998-99



### Gender-Bias and Acceptance of Contraception

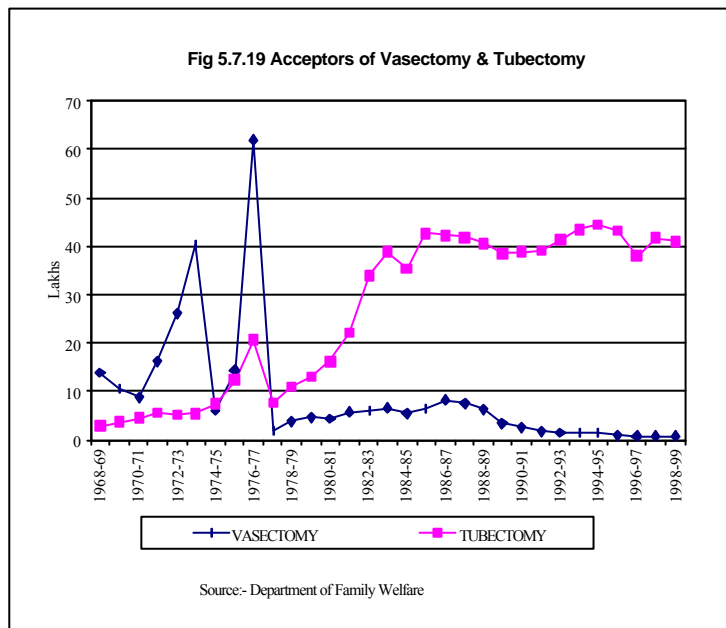
21 Data from NFHS showed that the preference for a son influenced the acceptance of permanent as well as temporary methods of contraception (Figures 5.7.17 & 18 ). It is important that appropriate steps are taken by all concerned sectors to minimise and eliminate gender-bias which reduces contraceptive acceptance among those with girl children.

**Fig 5.7.17 & 18 Acceptance of Family Planning by Number of Living Children & Their Sex**



### Men's Participation in Planned Parenthood

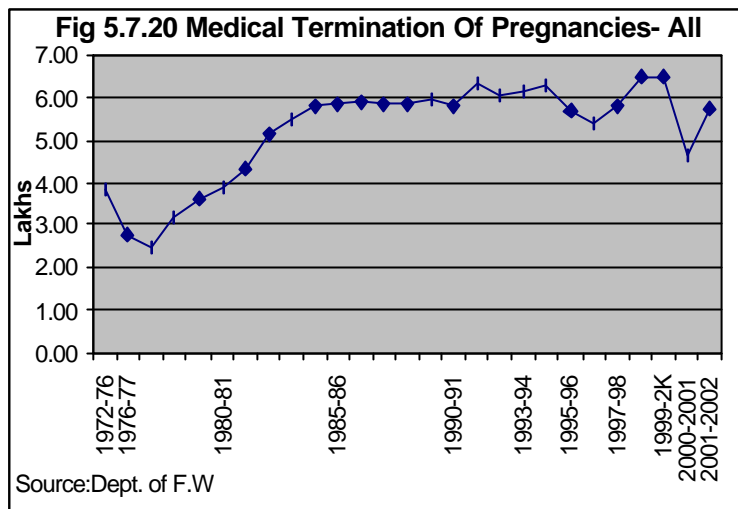
22 Men play an important role in determining education and employment status, age at marriage, family formation pattern, access to and utilisation of health and family welfare services for women and children. Their active co-operation is essential for the prevention and control of STI/RTI. In condom users, consistent and correct use is an essential pre-requisite for prevention of STI as well as pregnancy. Vasectomy was the most widely used terminal method of contraception in the 1960s and 1970s but since then there has been a steep decline in its use (Figure 5.7.19). It is essential that efforts to re-



popularize vasectomy are intensified. Ample data exists to show that vasectomy is safer than tubectomy. Every effort will be made to repopularise vasectomy by improving access to vasectomy services. These services (conventional or no-scalpel) will be made readily available to all at convenient times as an outpatient procedure in all primary, secondary and tertiary care institutions. Follow up care will be provided to all taking into account the existing time constraints and the conveniences of men. Efforts will be made to seek men 's active participation in improving utilization of funds provided for emergency transport and ensuring that women and children reach appropriate centers where emergency services are available. Their cooperation will be sought in improving antenatal ,child health and immunization care as well as compliance with referrals. Over the next five years efforts will be made to ensure men's participation in every facet of planned parenthood activities

## MANAGEMENT OF UNWANTED PREGNANCY

23 It is estimated that in 1998, about 9 per cent of maternal deaths were due to unsafe abortions. Available service data on MTPs indicate that following an initial rise in early 1980s, the number of reported MTP's hovered around 0.5 – 0.7 million in the 1990s (Figure 5.7.20). The estimated number of illegal induced abortions in the country is in the range of four to six million. There has not been any substantial decline in the estimated number of illegal abortions, reported morbidity due



to illegal abortions or share of illegal abortions as the cause of maternal mortality. The management of unwanted pregnancy through early and safe MTP services as envisaged under the MTP Act is an important component of the ongoing RCH programme

24 During the Ninth Plan efforts were made to:

- improve access to family planning services and reduce the number of unwanted pregnancies;
- cater to the demand for MTP;
- improve access to safe abortion services by training physicians in MTP and recognising and strengthening institutions providing these safe abortion services; and
- decentralise registration of institutions to the district level.

25 In spite of these efforts, there has not been any increase in terms of coverage, number of MTPs reported and reduction in the number of women suffering adverse health consequences of illegal induced abortions. In order to reduce the morbidity due to induced abortion the following steps are being taken:

- reducing the number of pregnancies by fully meeting the felt but unmet needs for contraception;
- improving access to safe MTP services through:
  - ☞ ensuring the availability of MTP services in all institutions where there is a qualified gynaecologist and adequate infrastructure;
  - ☞ decentralising registration of MTP clinics to district level;
  - ☞ simplifying the regulations for reporting of MTP;

- ☞ training physicians working in well-equipped institutions in the government, private and voluntary sector in MTP so that they also can provide safe abortion services;
  - ☞ providing manual vacuum aspiration (MVA) syringes in recognised MTP centers where there is a trained physician but no vacuum aspiration machine;
  - ☞ using MVA for performing MTP in CHC / PHC , when a gynaecologist visits the CHCs/PHCs on a fixed day; and
  - ☞ exploring the feasibility and safety of introducing non-surgical methods of MTP in medical college hospitals and extending the service in a phased manner to district hospitals.
- Ensuring that women do accept appropriate contraception at the time of MTP to prevent unwanted pregnancy requiring a repeat MTP.

## MATERNAL HEALTH

26. The prevailing high rates of maternal morbidity and mortality have always been a source of concern, and antenatal and intrapartum care aimed at reducing these have been components of the National Family Welfare programme since its inception. Although data

	1992-93	1997	1998
RGI (Sample Registration. Scheme)	NA	408	407
National Family Health Surveys	424*	-	540*
*Differences are not statistically significant			
Source : RGI & NFHS 1& 2			

on state/district-specific maternal morbidity/mortality is not available, available figures from the SRS and the Survey of Causes of Death provide sufficient information on mortality rates and causes of death so

that rational programmes could be evolved to combat major health problems in women. In the 1990s, the SRS and the NFHS1&2 provided independent data to assess the impact of ongoing programmes on maternal mortality. During the 1990s, there has not been any decline in MMR and more than 100,000 women continue to die each year due to pregnancy-related causes. (Table 5.7.2)

27 Data from SRS indicate that the major causes of maternal mortality continue to be unsafe abortions, antepartum and post-partum haemorrhage, anaemia, obstructed labour, hypertensive disorders and post-partum sepsis. There has been no major change in the causes of maternal mortality over years (Table 5.7.3). Increasing access to safe abortion services can prevent deaths due to abortion. Deaths due to anaemia, obstructed labour, hypertensive disorders and sepsis can be prevented by improving the access of essential obstetric care, universal screening for

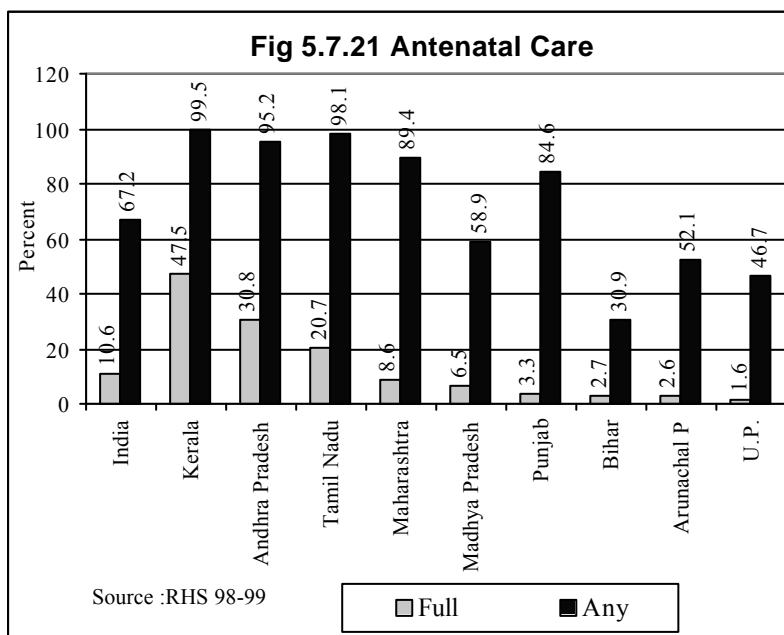
Haemorrhage	30
Anaemia	19
Sepsis	16
Obstructed labor	10
Abortion	8
Toxemia	8
Others	8
Source: Survey of Causes of Death 1998	

detection of obstetric problems, referral and timely treatment of complications of pregnancy, promoting institutional delivery and postnatal care. Emergency obstetric services will help saving lives of women with haemorrhage during pregnancy or complications during deliveries. The Ninth Plan envisaged universal screening of all pregnant women, identification of women with health problems, problems during pregnancy and appropriate management including referral to centers where appropriate care is available. This, however, has not been operationalised; highest priority will be accorded to operationalise this during the tenth plan.

### Antenatal Care

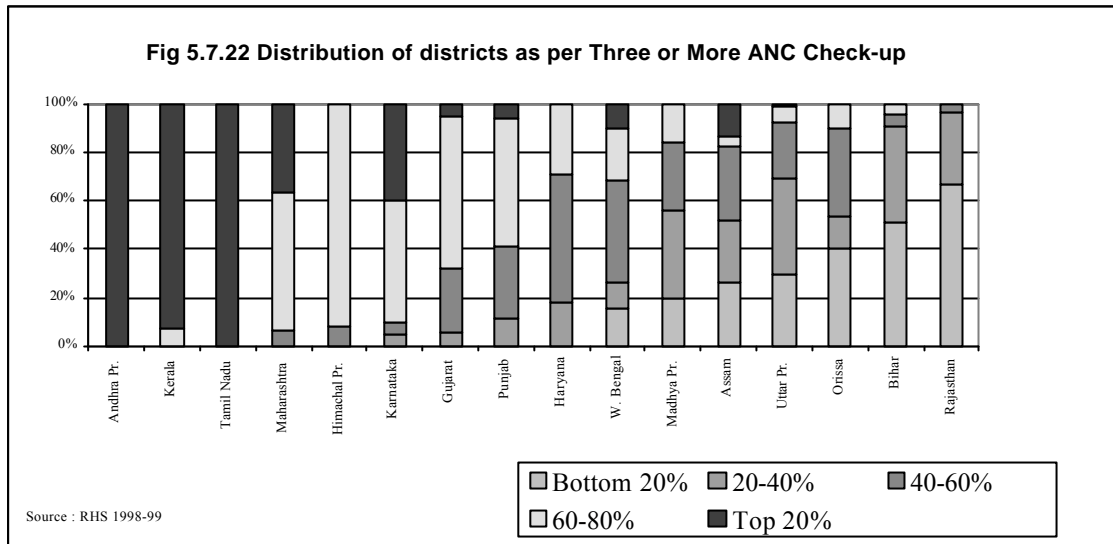
28 Under the RCH programmes, efforts were made to improve the coverage; content and quality of antenatal care in order to achieve substantial reduction in maternal and perinatal morbidity and mortality. Data from the rapid household Survey (RHS), 1998-1999 indicates that at the national level, 67.2 per cent pregnant women received at least one check-up but only 10.6 per cent had three antenatal checkups. Antenatal coverage in populous states with poor health indices

- Antenatal Care**
- ☞ Early registration of pregnancy (12 - 16 weeks).
  - ☞ Minimum three ante-natal check-ups.
  - ☞ Screening all pregnant women for major health, nutritional and obstetric problems.
  - ☞ Identification of women with health problems/ complications, providing prompt and effective treatment including referral wherever required.
  - ☞ Universal coverage of all pregnant women with TT immunisation.
  - ☞ Screening for anaemia ; providing iron folic acid tablets for prevention of anemia; providing appropriate treatment for anemia.
  - ☞ Advice on food, nutrition and rest.
  - ☞ Promotion of institutional delivery / safe deliveries by trained personnel; advising institutional delivery for those with health / obstetric problems.

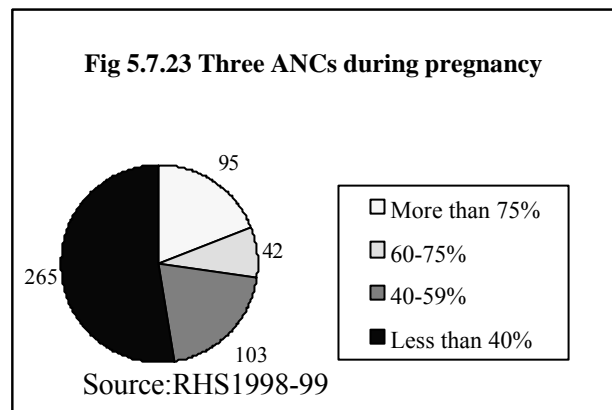


such as Uttar Pradesh, Bihar and Madhya Pradesh are very low (Figure 5.7.21). Antenatal coverage was good in almost all districts of Andhra Pradesh, Tamil Nadu and Kerala. Surprisingly, most districts in Punjab reported very low coverage. (Figure 5.7.22)

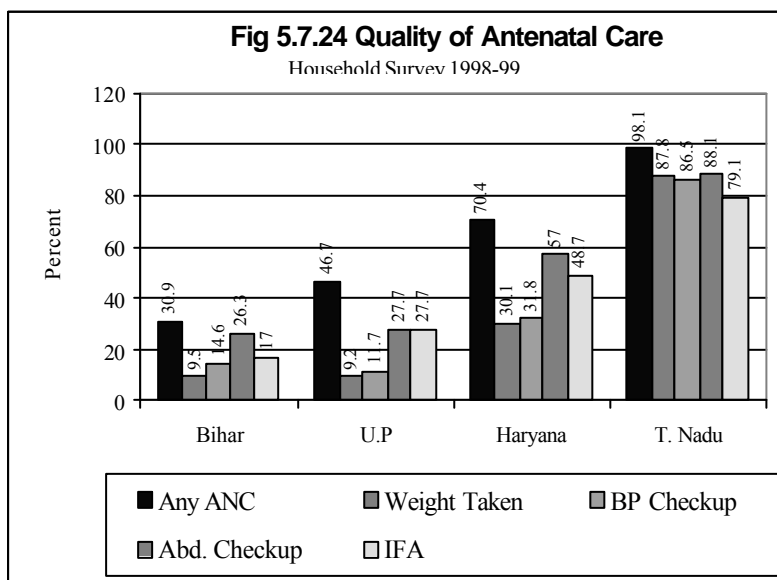
29 RHS data clearly indicates that only in 95 districts more than 75 per cent women had three antenatal visits during pregnancy. In as many as 265 districts, less than 40 per cent of the women had three antenatal visits



(Figure 5.7.23). In Uttar Pradesh and Bihar, the content and quality of antenatal care was poor as compared to Haryana and Tamil Nadu. Universal screening of pregnant women using appropriate antenatal care is essential for the detection of problems and risk factors during pregnancy and referral to appropriate facility for treatment. (Figure 5.7.24)



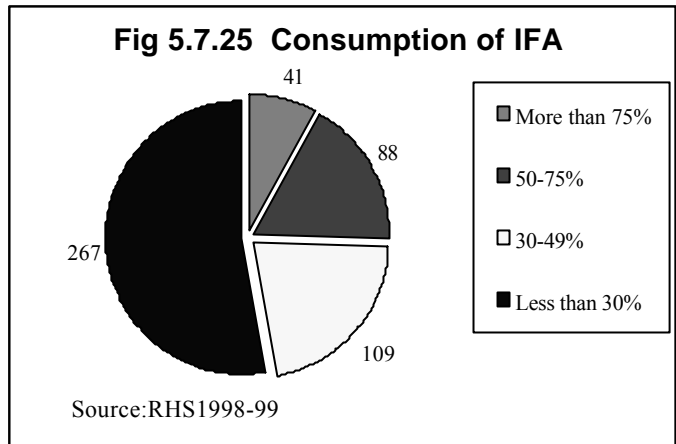
30 The problem of poor screening is aggravated by the fact that referral linkages



for the management of problems are also poor in these states and, as a result, both maternal/perinatal morbidity and mortality continue to be high.

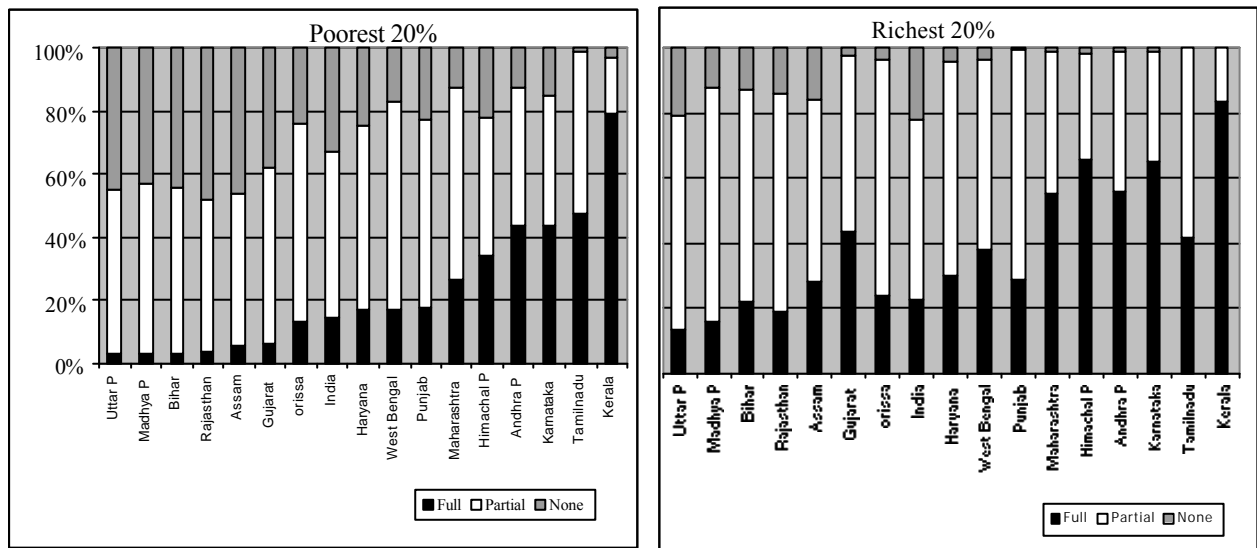
31 Anaemia is a major cause of maternal mortality in India. The Ninth Plan envisaged universal screening for anaemia in pregnant women and appropriate iron folate treatment. This is yet to be operationalised. In none of the states were services for anaemia included as a component of antenatal care.

RHS data indicated that less than 30 per cent pregnant women had taken iron folic acid tablets in 267 districts (Figure 5.7.25). During the Tenth Plan, every effort will be made to fully operationalise the Ninth Plan strategy for prevention and management of anaemia.



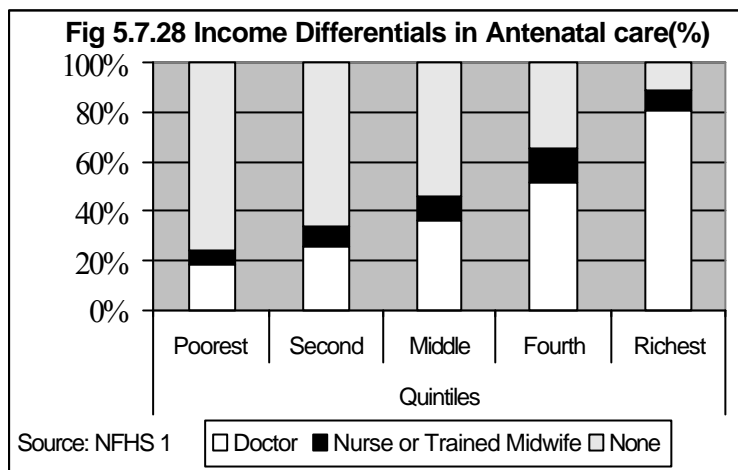
32. There are massive inter-state differences in percentage of women seeking antenatal care - Kerala where over 80% of both rich and poor seek antenatal care to UP where less than 15% of the richest get antenatal care. It is obvious that in states with poor health infrastructure and health indices (such as MP, UP, Rajasthan, Bihar) the richest group has lower antenatal care rate than the poorest quintile population in states like Kerala, Tamil Nadu, Karnataka and Andhra Pradesh. Efforts to improve availability of health care services in EAG states by making existing infrastructure and manpower fully functional are being taken up as a part of RCH programmes in these states (Figure 5.7.26 & 5.7.27).

**Fig 5.7.26 & 27 Interstate Differentials in Antenatal Care**



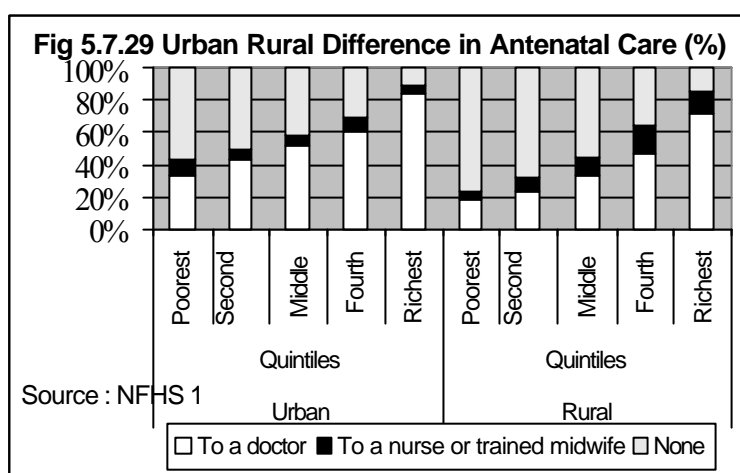
33. Over 80% of women from highest quintile have antenatal care under a doctor; in contrast only about 20% of the poorest have antenatal care with a doctor. In spite of the attempts through CSSM and RCH care to provide antenatal care through ANM/ nurses, very few women seek antenatal care with them (Figure 5.7.28). This is mainly because the ANM/nurses do not have the equipments/skills to check B.P., Hb, Uterine size, and advice follow up care/referral. It is imperative that training of ANM/staff nurses in antenatal screening and identification is completed rapidly so that universal screening of all pregnant women and referral to appropriate facilities for care would be operationalised.





34. Access to antenatal care is lower in rural areas than in urban areas; both in urban and rural areas and in all income groups mostly ANC is done by a doctor. Nearly 60% of urban poor and 80% of rural poor do not access antenatal care. This is the segment of the population with highest prevalence of risk factors urgently requiring screening and appropriate management. (Figure5.7.29)

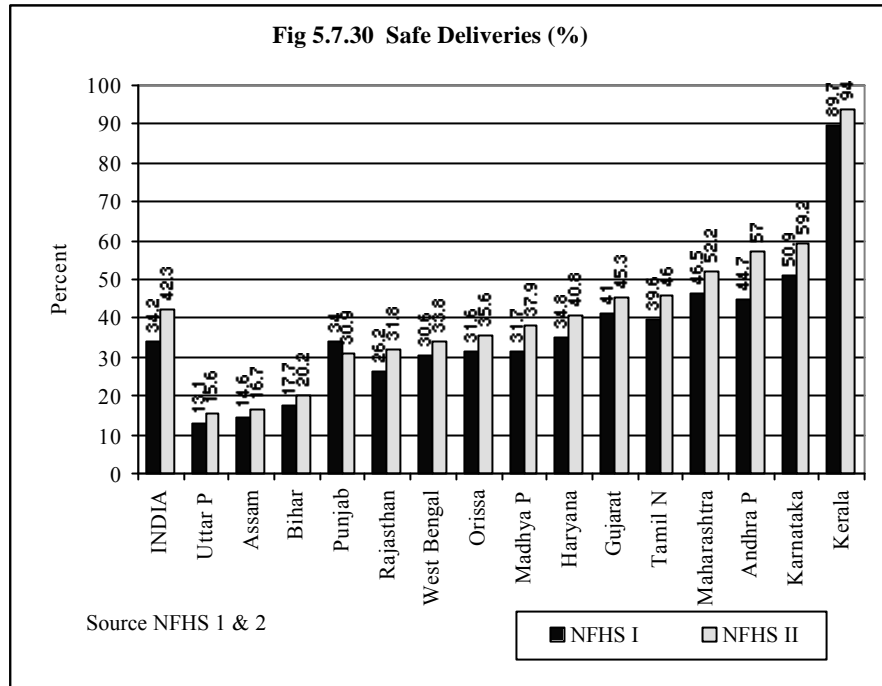
35. In order to provide the RCH services to people living in remote areas where the services at PHC/CHC level are not available, specialists from district hospitals/CHC are attending PHC/CHCs on fixed days and provide needed care for women and children. Initially 102 districts were selected in 17 states i.e. Assam, Bihar, Chhatisgarh, Haryana, Jharkhand, Madhya Pradesh, Nagaland, Orissa, Rajasthan, Uttar Pradesh,



Uttaranchal, Arunachal Pradesh, manipur, Meghalaya, Mizoram, Sikkim and Tripura. During the last year 76 more districts have been covered. The impact of this effort in improving access to specialist care will be assessed. The CHC/FRU is the critical institution, which provides emergency obstetric care and plays a vital role in the referral system. The reported gaps in the number of CHCs/FRUs will be filled by appropriately reorganising the subdivisional hospitals, post-partum centres and block-level PHCs. The required number of core specialists will be posted through appropriate redeployment of the manpower especially from post partum centres ; wherever adequate number of specialists are not available even after this exercise, hiring them on a contractual or part-time basis can be considered. In order to strengthen the capability of CHCs/FRUs in antenatal and intrapartum care states can take up training of one of the staff nurses inCHC so that there is someone who has specialised in midwifery available to provide care. Over the next five years, efforts will be made to improve the Emergency Obstetric Care in all CHCs in a phased manner, by ensuring that these CHCs have well equipped operation theatre, access to banked blood, qualified obstetricians, paediatricians, anaesthetists.

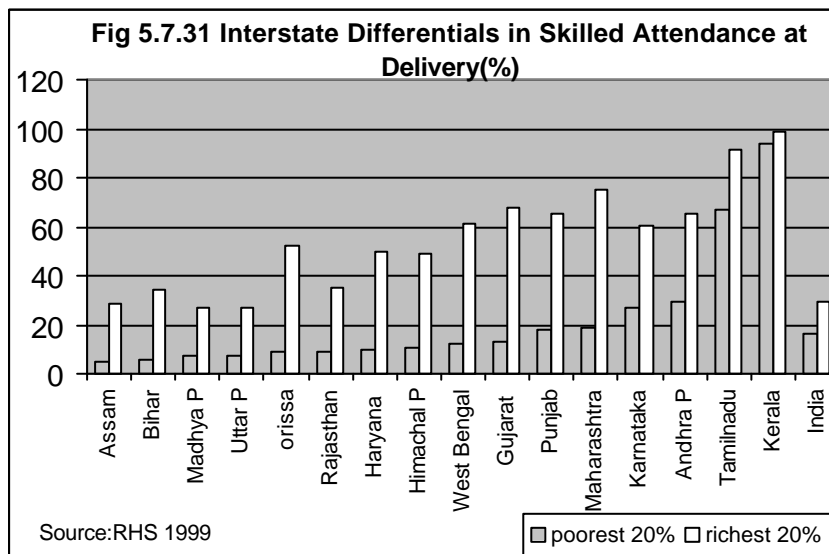
## Delivery Services

36. During the Ninth Plan, it was envisaged that efforts would be made to promote institutional deliveries both in the urban and rural areas. Simultaneously, in districts where a majority of the deliveries were taking place at home, efforts were made to train the traditional birth attendants (TBAs) through an intensive Dai Training Programme and to increase the availability of disposable



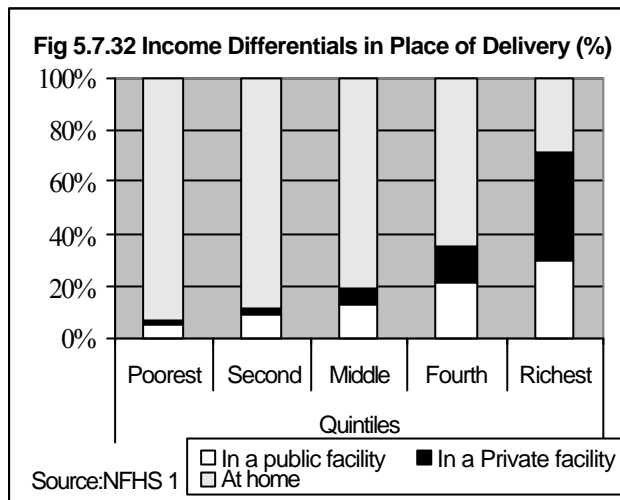
delivery kits. The available data from the NFHS-1 and 2 and RHS-1998 suggest that there has been some improvement in institutional deliveries, especially in states like Tamil Nadu and Andhra Pradesh (Figure 5.7.30) However, there are a large number of districts in many

states where the situation with regard to safe deliveries is far from satisfactory.



20<sup>th</sup> quintile have less access to skilled attendance at delivery as compared to the poorest in Kerala and Tamil Nadu (Figure 5.7.31).

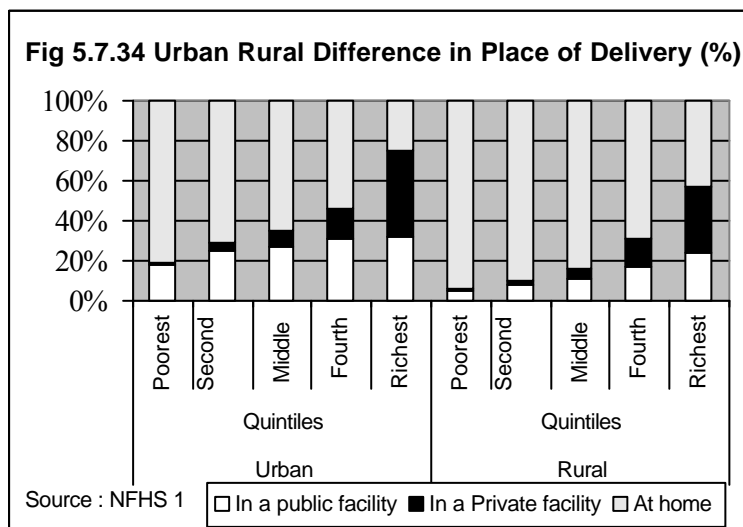
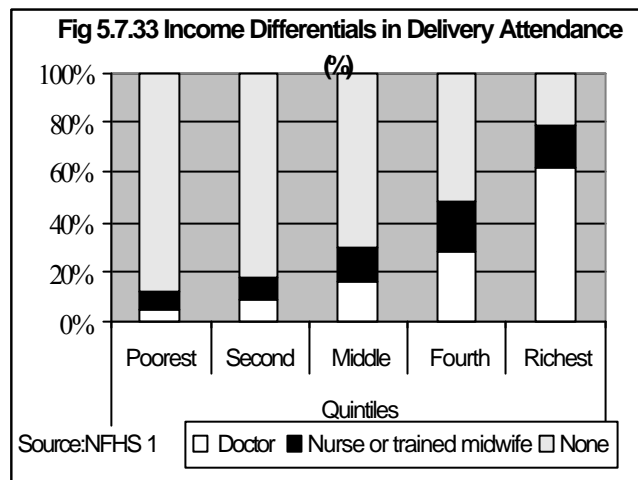
38. Amongst the poorest groups less than 10% access public facility for delivery, while about 25% of the richest quintile access public sector for the delivery. (Figure 5.7.32) Poorer segments of population do not access private facilities perhaps due to economic constraints. Tamil Nadu has attempted to improve availability of delivery services in CHCs/



PHCs. Andhra Pradesh has come up with schemes to provide monetary assistance to women from BPL families if they access private facilities for delivery, which might at least in part be responsible for this substantial increase in institutional deliveries in AP.

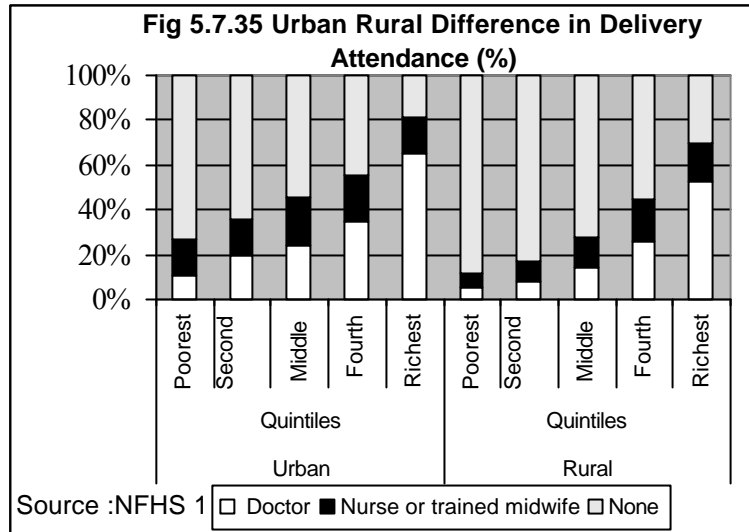
39. It is surprising that even among the richest quintile population in whom financial barrier to safe institutional delivery does not exist, about a third deliver at home and 20% do not have deliveries

conducted by a doctor or nurse. (Figure 5.7.33) Amongst the poorest quintile less than 10% have delivery in institutions conducted by a doctor or a nurse. Universal antenatal screening will enable identification of high-risk women (irrespective of income groups) who should be delivered in institutions by skilled persons without unduly inconveniencing the family and overloading institutions. This practice could result in substantial reduction in maternal and perinatal morbidity and mortality.



40. Utilisation of public facility for delivery is poor both in urban and in rural areas. Less than 20% in urban and less than 10% in rural poor income group deliver in public facilities. Irrespective of income majority of rural and urban women deliver at home. In rural areas over 40% deliveries even in richest income group are at home. In the richest income group in urban areas nearly half deliver in private institutions (Figure 5.7.34).

41. In urban areas higher proportion of woman in each quintile group have access to skilled attendance for delivery (Figure 5.7.35). However, among the lowest quintile income group only about 25% of urban women and less than 10% of rural women had access to skilled person for delivery. The richest quintile group in urban and rural areas had deliveries attended by doctor. Irrespective of a urban or rural residence of income group, less than 20% of deliveries were conducted by nurses.



42. In order to improve delivery of services, all category “C” districts of Uttar Pradesh, Bihar, Madhya Pradesh, Orissa, Haryana, Rajasthan and all NE states are being provided with additional ANMs in 30% of sub-centres. In Delhi additional ANM’s are being employed to provide skilled attendance at delivery for to slum areas. It is expected that with these interventions there will be a substantial increase in skilled attendance at delivery as well as institutional deliveries especially for recognized high-risk pregnant women. The Department of Family Welfare has launched a massive training programme of Traditional Birth Attendant (TBA) in districts where majority of deliveries occur at home. More than 11000 TBA/Dais have been trained in 166 districts during the year 2001-02.

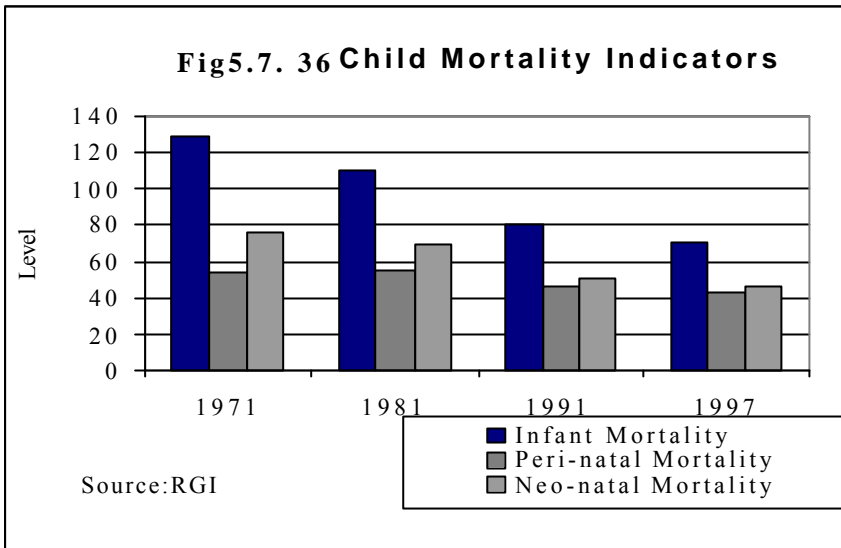
## CHILD HEALTH

43 Infant and under-five mortality rates are excellent indicators of the health status of children. In India there is no system for collection and analysis of data on morbidity during childhood. In the absence of this, available mortality data and analysis of causes of death have been utilised for drawing up priority interventions for improving child health. Ongoing major intervention programmes in child health are shown in the text box.

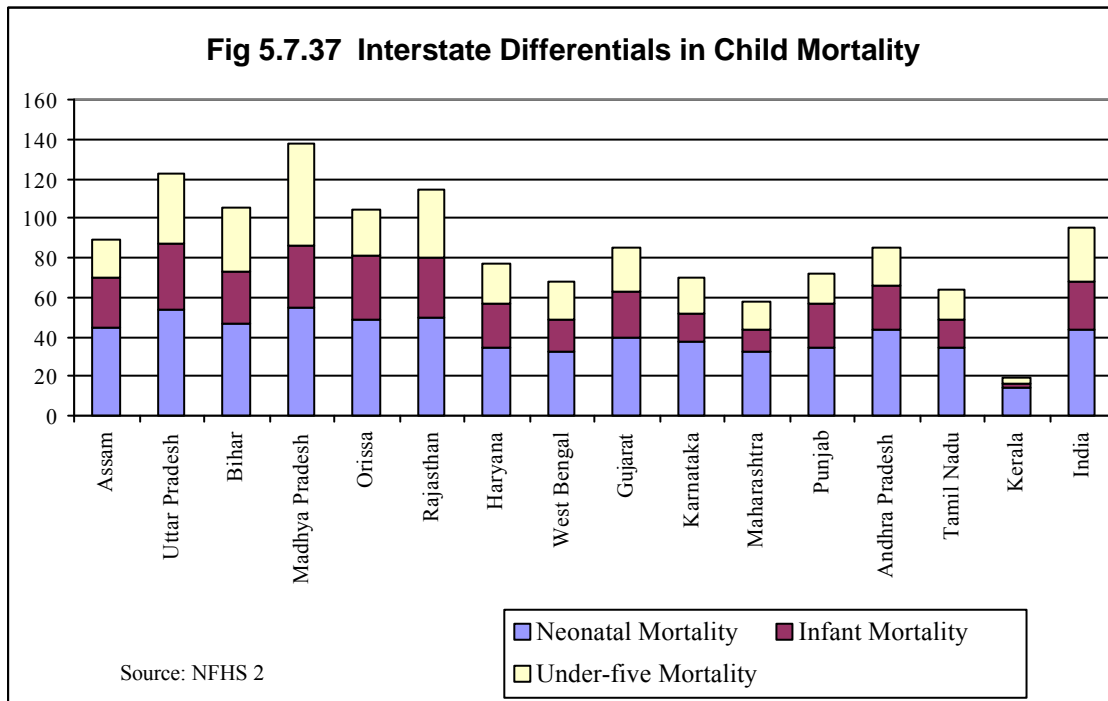
44. Improved access to immunisation, health care and nutrition programmes have resulted in substantial decline in IMR

### Components of child health care include :

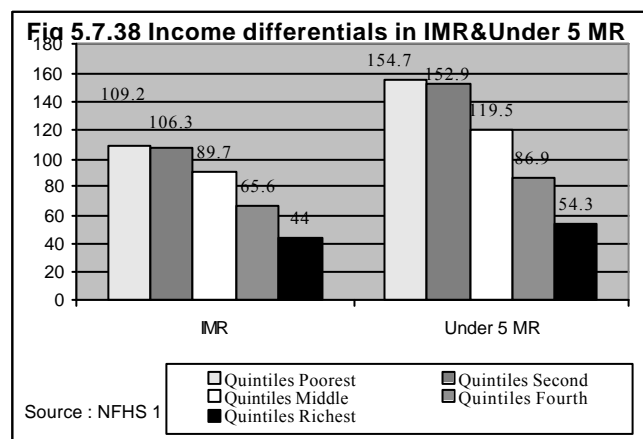
- ☞ Essential newborn care
- ☞ Immunisation
- ☞ Nutrition:
  - ⓪ exclusive breast-feeding for six months
  - ⓪ timely introduction of complimentary feeding.
  - ⓪ detection and management of growth faltering.
  - ⓪ massive dose Vitamin-A supplementation.
  - ⓪ iron supplementation, if needed.
- ☞ Early detection and appropriate management of:
  - ⓪ acute respiratory infections;
  - ⓪ diarrhoea.
  - ⓪ other infections.



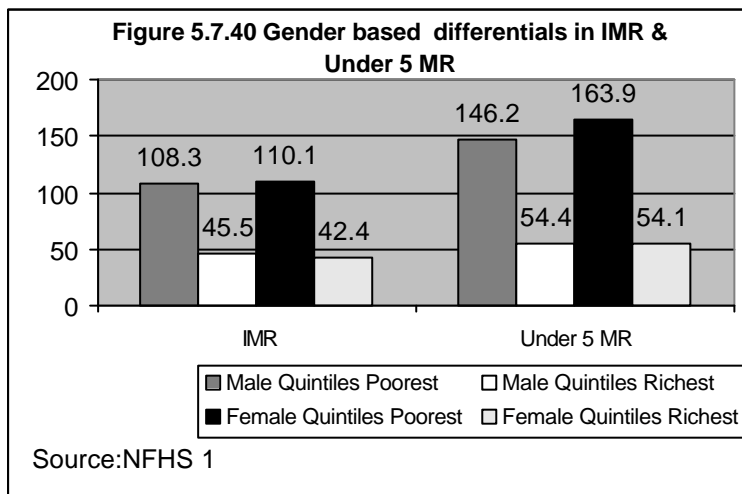
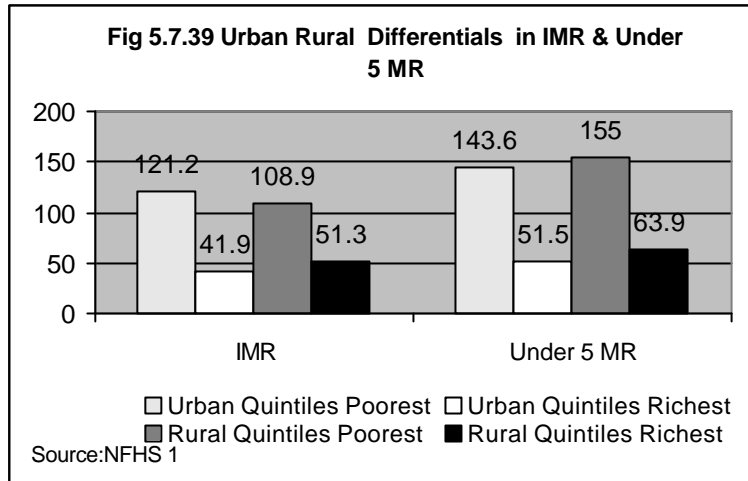
between 1950-1990. However, it is a matter of concern that the decline in perinatal and neonatal mortality has been very slow (Figure 5.7.36). IMR has remained unaltered in the 1990s. There are substantial differences between states in neonatal, infant and under-five mortality rates (Figure 5.7.37).



45. There are substantial differences in IMR & Under 5 MR between income groups (Figure 5.7.38). Infant mortality and under-five mortality rate among the lowest quintile population is nearly double that of the rates in highest quintile groups. This is perhaps due to better access to health care during infection and illness during childhood as well as better nutritional status.



46. Both IMR and under-five mortality rate are lower in urban as compared to rural population (Figure 5.7.39). Within each area both IMR and under-five mortality rate in lower income quintile was twice that of the highest quintile. IMR in poorest urban quintile was higher than IMR in rural poorest quintile suggesting that urban slum dwellers have higher morbidity



perhaps due to poor environmental sanitation, lack of access to safe drinking water as well as over crowding.

47. Comparison of infant and under-five mortality rate in girls and boys indicate that even though there are no significant differences in mortality rates between them in the highest income groups under-five mortality rates in girls from poorer quintile are higher. Higher under-

five mortality rates persist indicating gender bias in child rearing practices (Figure 5.7.40).

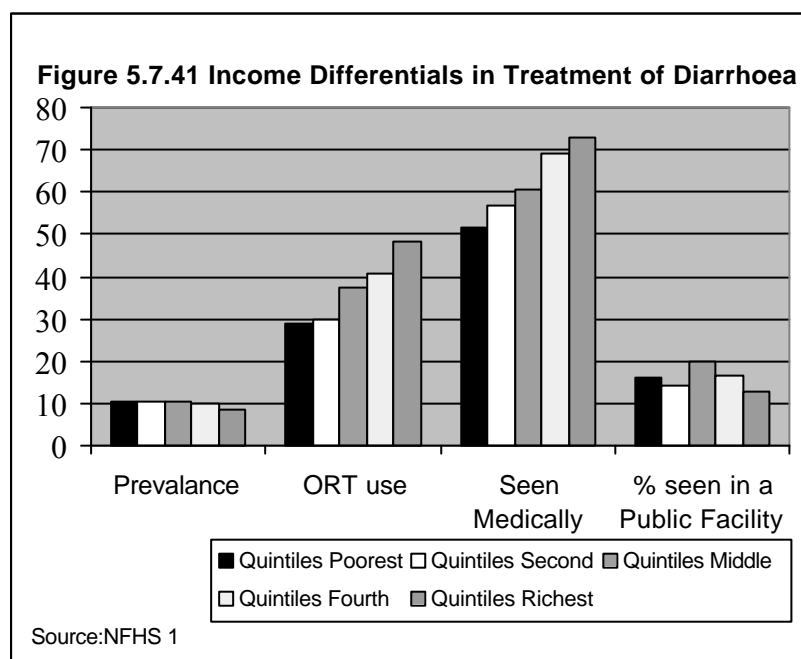
48. Over the last three decades there has not been any substantial change in the major causes of deaths during infancy and childhood. Diarrhoea is one of the leading causes of death among children. Most of these deaths are due to dehydration caused due to frequent passage of stools and can be prevented by the timely and adequate replacement of fluids. The Oral rehydration therapy was introduced in child health programme in 1986-87 in order to prevent such deaths. Health education aimed at the rapid recognition and appropriate management of diarrhoea has been a major component of the CSSM and RCH programs.

**Table 5.7.4: Children with Diarrhoea**  
(Percentage treated with ORS)

Percent	Districts
>50	9
25-49	82
<25	413

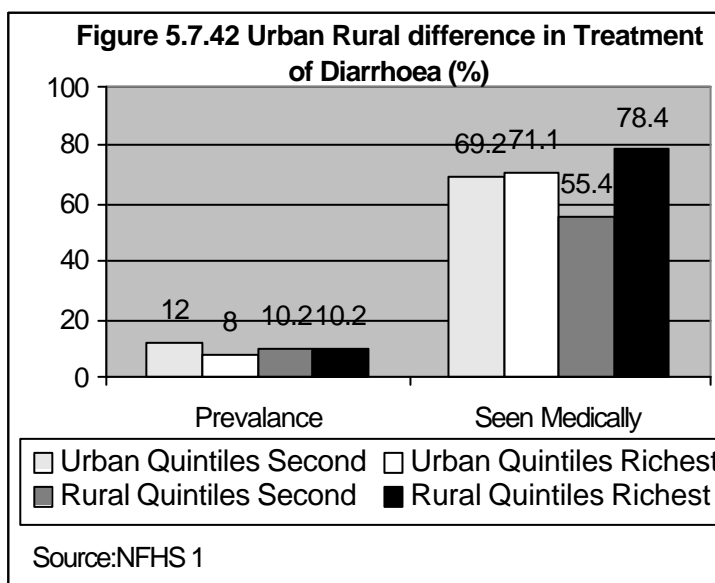
Source: RHS 1998-99

49. The use of fluids available at home and oral rehydration solution (ORS) has resulted in a substantial decline in the mortality associated with diarrhoea, from an estimated one million to 1.5 million children every year prior to 1985 to 600,000 to 700,000 deaths in 1996. In order to further improve access to ORS, 150 packets of ORS are provided as part of the Drug Kit-A, two of which are supplied to all the sub-centres every year under the RCH programme. In addition, social marketing and supply of ORS through the public distribution system are being taken up in some states. However RHS data indicate that ORS was used in more than 50 per cent of cases of diarrhoea in only nine districts (Table 5.7.4). Improving access to and utilisation of home available fluids/ORS for the effective management of diarrhoea will receive priority attention during the Tenth Plan as an inexpensive and effective tool to reduce IMR /under-five mortality.



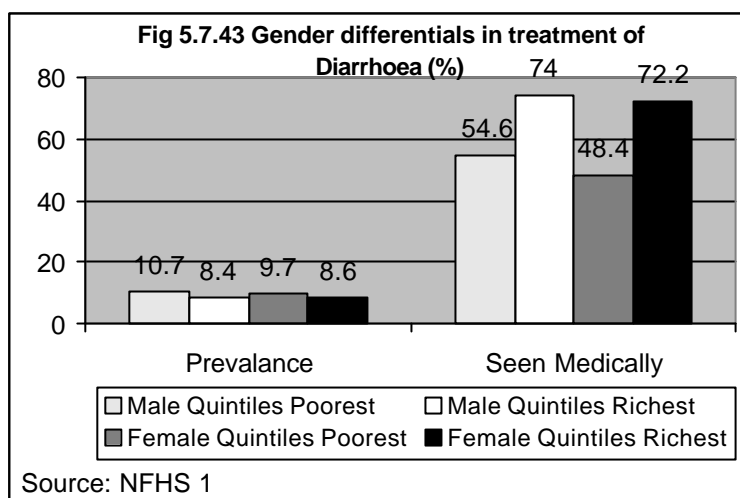
50. Prevalence in diarrhoeal diseases in children in all income groups are essentially similar (Figure 5.7.41). In higher income quintile however, parents got their children medically seen and used ORT more often. In spite of the fact that prevention and management of diarrhoea is a major child health intervention under the National Family Welfare Programme, less than 20% of parents in any income group utilised public facility for treatment of diarrhea. This situation requires immediate remedial measures.

51. Reported prevalence of diarrhoea in highest income group in urban area is lower perhaps due to better sanitation and access to safe drinking water. Irrespective of income the urban parents sought medical advice. Rural poor did not access health personnel as often as the urban poor (Figure 5.7.42). In spite of this the ORS use is quite low both in rural and urban areas. Over 60% of parents of children with diarrhoea are seen by medical persons, but less than 1/5<sup>th</sup> used ORT; CME on standard protocol for management of diarrhoea to all



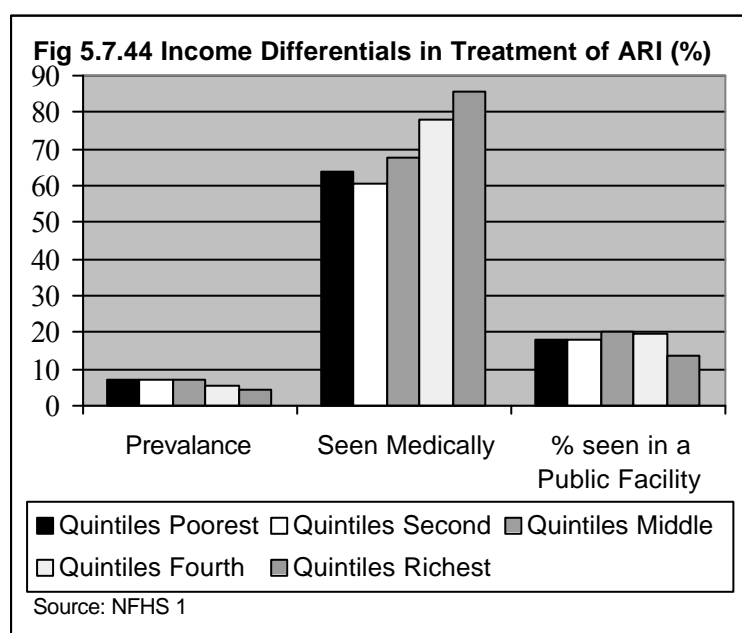
practitioners maybe urgently required to improve rational management of diarrhoeal diseases and achieve substantial reduction in mortality.

52. In the poorest income group lesser percentage of girl children with diarrhoea received medical attention; however, such a trend was not obvious in the richest quintile population (Figure 5.7.43). The gender differential in recognition of illnesses and access to medical need has to be countered.



### Acute Respiratory Infections

53. Pneumonia accounts for around 30 per cent of under five deaths in the country. Under the RCH programme, co-trimoxazole tablets are supplied to each sub-centre in the country as part of Drug Kit-A. Mothers and community members are being informed about the symptoms of ARI, which would require antibiotic treatment or referral. Training of health care personnel in the early diagnosis of ARI and appropriate treatment, including referral, as envisaged under the RCH programme has not yet been completed. This should receive immediate attention during the Tenth Plan period.



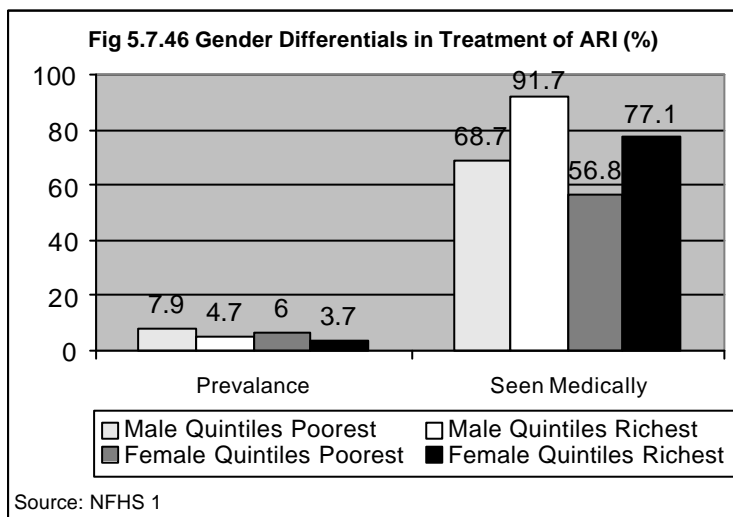
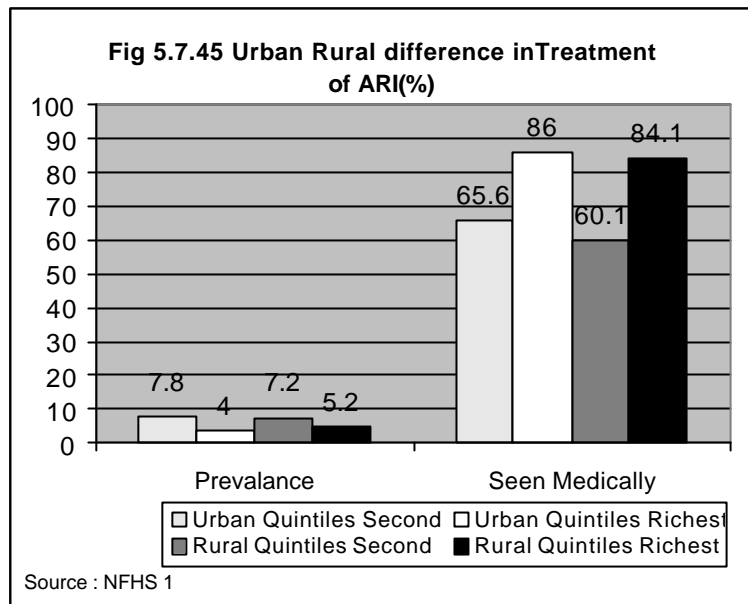
highest quintile groups sought medical aid. Irrespective of income group less than 20% went to government funded health facility (Figure 5.7.44); Majority had accessed private practitioners for treatment.

55. Prevalence of ARI is lower in higher income group both in rural and urban areas (Figure 5.7.45). Poor ventilation and over crowding is perhaps the most important factor responsible for higher prevalence of respiratory infections in poorest income groups Over



60% of rural and urban poor and over 80% of rural and urban rich took their children to health professionals. It is imperative that private practitioners along with government in service personnel have ready access to standardize treatment protocols for management of ARI so that there is substantial reduction in mortality due to ARI.

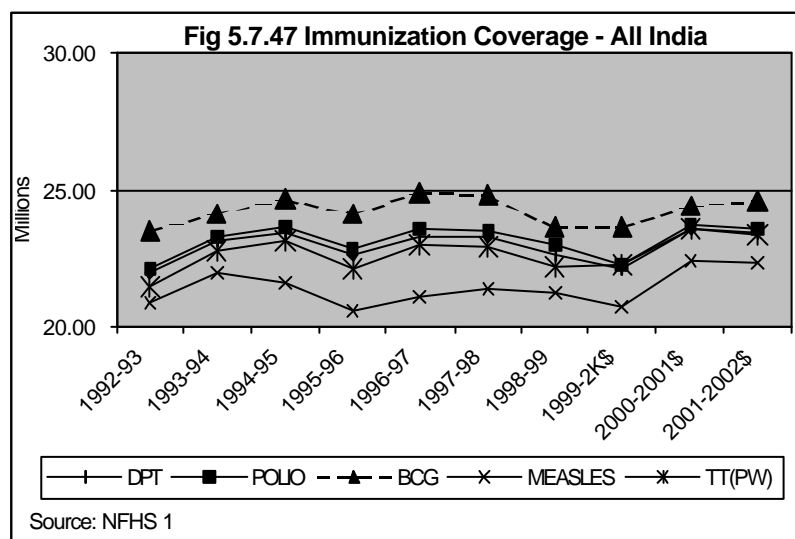
56. Both in the richest and the poorest income lower percent of girls with ARI received medical attention (Figure 5.7.46).



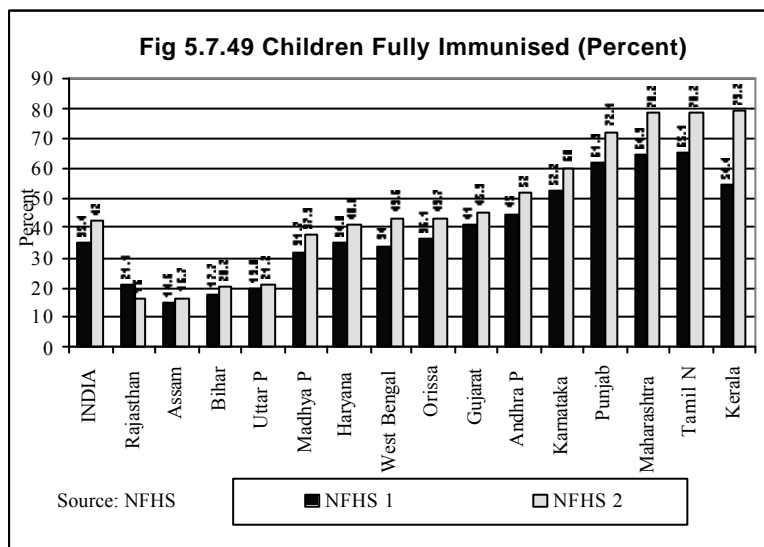
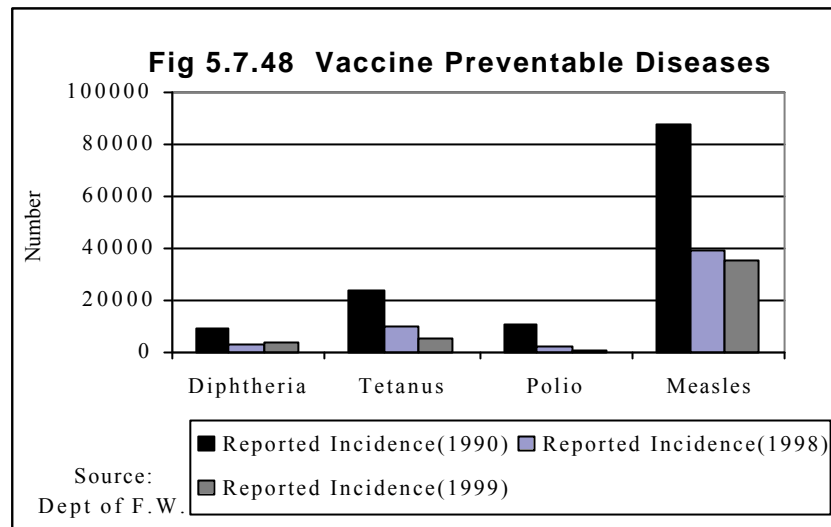
The fact that lesser percentage of girl children with ARI and diarrhea were taken to medical facility may be a manifestation of gender bias in the community and contribute to the observed higher rates of under-five mortality among girls especially those from poorer segments of the population.

## IMMUNISATION

57. The Universal immunization program which was taken up in 1986 as a National Technology Mission, became a part of the Child Survival and Safe Motherhood (CSSM) programme in 1992 and the RCH programme in 1997. Under the programme, infants are immunised against tuberculosis, diphtheria, pertussis, poliomyelitis,



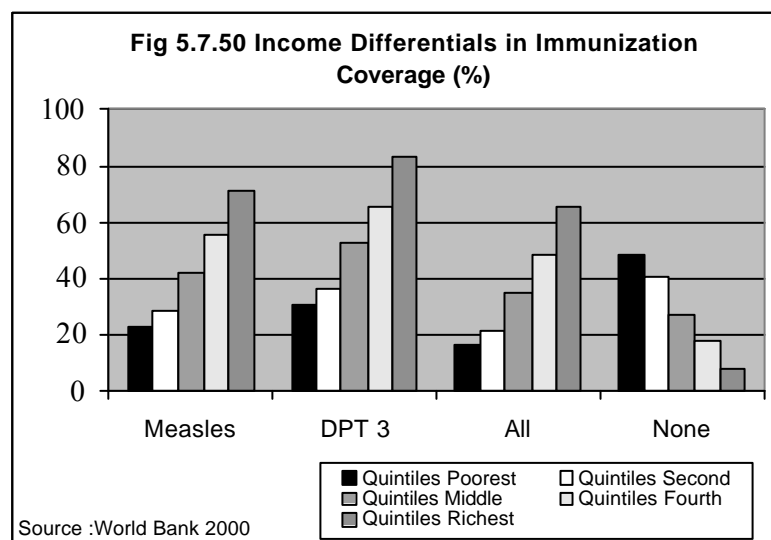
measles and tetanus. Coverage reported through service channels during the nineties is shown in Figure 5.7.47. The National Health Policy, 1983, set the goal of universal immunization against these six vaccine preventable diseases by 2000, this goal has not been achieved. However, reported cases of vaccine preventable diseases have declined over the same period (Figure 5.7.48).



58. Data from NFHS indicate that there has not been any decline in the immunisation coverage in the 1990s. However, none of the states have achieved coverage levels of over 80 per cent ; coverage level in states like Bihar Uttar Pradesh and Rajasthan were very low (Figure 5.7.49). The drop-out rates between the first, second and third doses of oral polio vaccine and DPT have been very high in most states. Lower coverage is reported for measles as compared to other

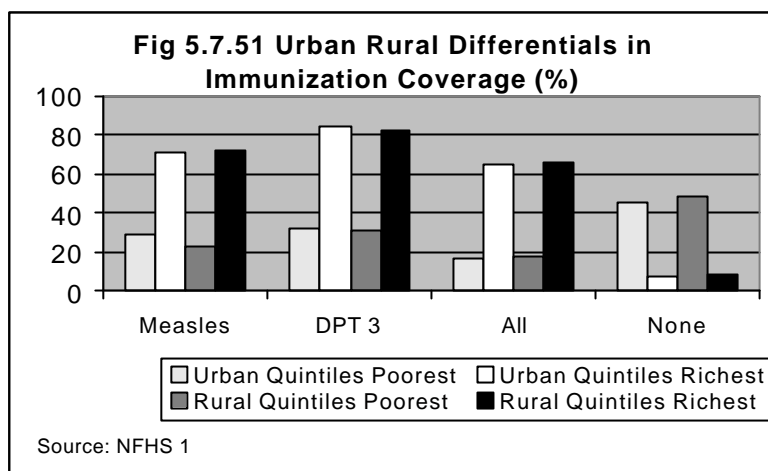
vaccines. One of the main reasons for not achieving 100 per cent routine immunisation is the focus on campaign mode programmes in health and family welfare.

59. Over 80% of children irrespective of income group received immunization from the government institutions. Access to immunization is provided free of cost to all. In spite of this immunization coverage under any vaccine was lower in poorer

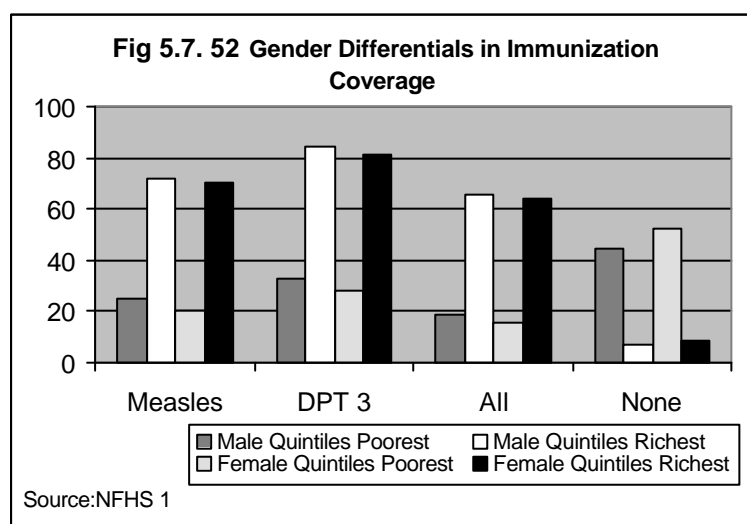


income groups (Figure 5.7.50). Drop out between first, second and third doses of DPT and OPV are substantial. If this is prevented by appropriate follow up there will be substantial improvement in immunization coverage.

60. There are no urban rural differences in immunization coverage. The well structured rural health care system delivered immunization services inspite of problems in access. However, both in urban and rural areas the coverage under immunization was lower in the poorest quintile group (Figure 5.7.51).



61. Immunization coverage for any vaccine was slightly lower



among girls especially those from poorer income groups and higher proportion of girls from lowest income quintile did not receive any immunization(Figure 5.7.52). Efforts to curtail gender bias in preventive care would be needed to counter this trend.

62. In view of the relatively low complete immunization by one year, special emphasis is being laid on strengthening routine Immunization activities so that the coverage of infants under six vaccine preventable diseases improves quickly. Support is

also being provided to strengthening cold chain, injection safety and training. The Department of Family Welfare has introduced a pilot scheme of immunization of children against Hepatitis-B in the slum areas of 15 selected cities, where immunization coverage for 6 VPD is more than 80%. Several voluntary agencies are also providing Hepatitis B vaccination in selected urban areas. The progress in these efforts has to be monitored.

### Pulse Polio Immunisation

63. Under the Pulse Polio initiative, launched in 1995-96, all children under five years of age are to be administered two doses of oral polio vaccine in December and January every year until polio is eliminated. Coverage under the programme has been reported to be over 90 per cent in all states, with over 120 million children taking the vaccine every year. However, it is a matter of concern that over the last five years coverage under

routine immunisation has not improved. There are sections of the population who escape both routine immunisation and the pulse polio immunisation. As a result, through there has been a substantial decline in the number of polio cases; this was not sufficient to enable the country to achieve zero polio incidences as yet.

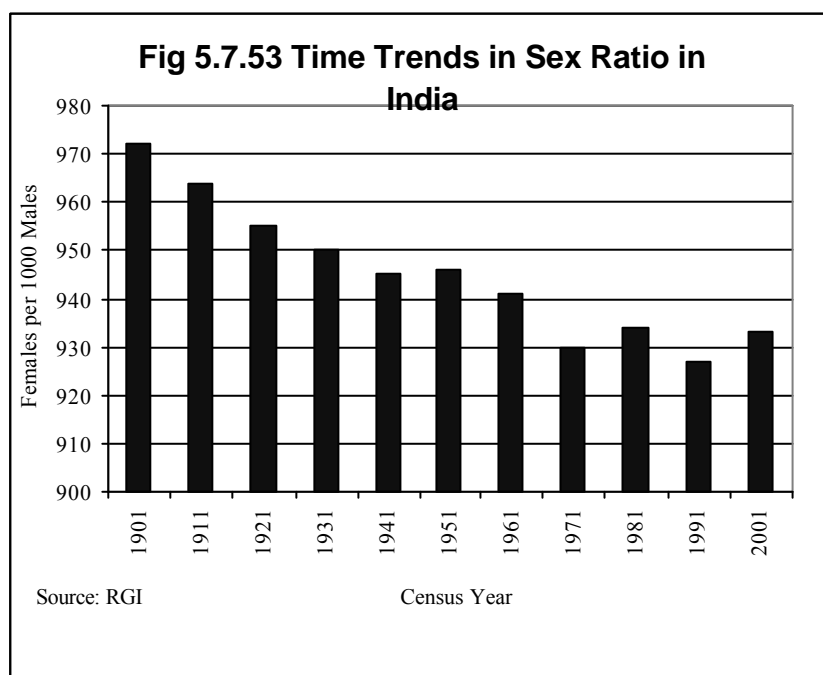
64. Confirmed polio cases reported in the last four years is shown in Table 5.7.5. In 2002 the number of confirmed cases of polio has already exceeded those reported in 2001. Uttar pradesh and Bihar account for most of the reported cases Mop-up immunization is being undertaken following detection of wild poliovirus, including areas with clusters of polio compatible cases and in areas of continued poliovirus transmission. The sub-national immunisation days (SNID) and national immunisation days (NIDs) are being conducted using the combined fixed posts and house-to-house approach in all states. Special efforts are being made to achieve high routine and campaign coverage in under-served communities and remind families about the need for routine immunisation during the pulse polio immunisation campaigns. With improved routine immunization coverage and good coverage under pulse polio, it is expected that elimination of polio might be achieved by 2004.

<b>Year</b>	<b>No of cases of confirmed polio</b>
1998	1931
1999	1126
2000	265
2001	268

Source: Dept. of F.W

### Gender Bias

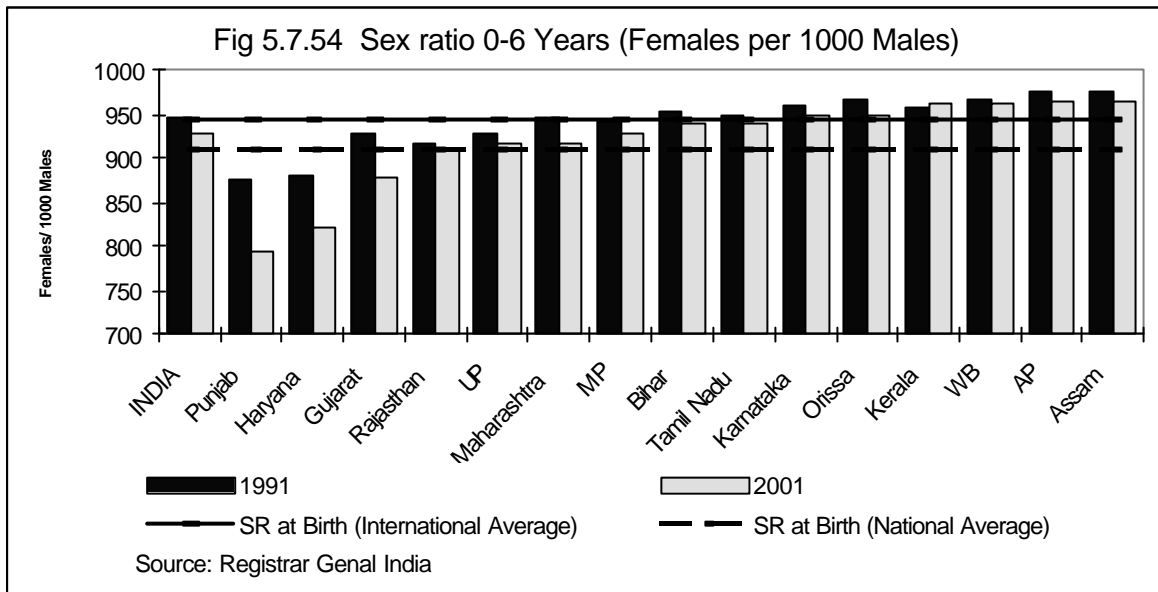
65. The reported decline in the sex ratio during the current century has been a cause for concern (Figure 5.7.53 ). The factors responsible for this continued decline are as yet not clearly identified. However, it is well recognised that the adverse sex ratio is a reflection of gender disparities. There is an urgent need to ensure that all sectors collect and report sex disaggregated data. This will help in monitoring for evidence of gender disparity. Continued collection, collation, analysis and reporting of sex disaggregated data from all social sectors will also provide a mechanism to monitor whether girls and women have equal access to these services.



66. The census based estimates of sex ratio in the 0-6 age group show massive inter-state differences (Figure 5.7.54). In addition, data indicate that over the last three decades there has been a decline in the 0-6 sex ratio. (Table 5.7.6) There had been speculation as to whether female infanticide, sex determination tests and selective female foeticide are, at least in part responsible for this.

Year	Urban	Rural	Total
1981	931	963	962
1991	935	947	945
2001	903	934	927

Source RGI



67. Female infanticide is a cognizable offence. In order to prevent misuse of sex determination tests and sex selective abortions Prenatal Diagnostic Technique Act enacted in 1994 and came into force from 1996. However very few cases have been registered under the act in spite of the anecdotal reports that these practices are widespread in some states not only in urban but also in rural areas. While considering a PIL Supreme Court has ordered the states to stringently implement the provision of the act and the centre to review the provisions under the PNDT act and make necessary modifications taking into account the current knowledge and technology available.

68. Under the PNDT act the states are registering all institutions having ultrasound machines and monitoring their use. Available reports from media and NGO's suggest that in most clandestine operations ultrasound examination for sex determination are carried out in the first trimester. The commonly used Ultrasound machines can detect sex of the fetus only in fourth month of pregnancy. Awareness generation among the public that ultrasound machines cannot detect sex of the foetus in first trimester may be required to reduce this fraudulent practice. Ultrasound can detect foetal sex in the second trimester but the second trimester MTP is not an easy or safe procedure. Health education to the population clearly stating the dangers of second trimester abortion may reduce the sex selective second trimester abortions .

69. With the techniques like chorion villus biopsy it is possible to detect foetal sex in first trimester. Preconceptional determination of sex by invitro fertilization with Y

chromosome is possible. Currently these techniques are expensive and are not widely available. Legislation such as PNDA act is difficult to implement. Deterrent punitive measures under the act may reduce the abuse of technology for sex selective abortions.

70. Data presented elsewhere clearly shows that there are other manifestations of gender bias such as higher under 5 mortality rates among girls, parents seeking medical treatment for diarrhoea and respiratory infection were lower in girl children and acceptance of contraception among parents with two girls was half that of contraception among parents with two boys. In spite of these difficulties in implementation, the PNDA act is important step because it is an enabling health educational tool to achieve social transformation aimed at reducing the son preference. A comprehensive energetic IECM campaign to counter all these manifestations of gender bias has to be taken up.

### **Logistic Support**

#### **Ninth Plan Strategy**

Improve uninterrupted supply of essential drugs, devices, vaccines and contraceptives, adequate in quantity and appropriate in quality.

71. Under the Family welfare program the central government procures and supplies drugs, equipment kits, contraceptives and vaccines to the states. While the drug kits are supplied at district level, vaccines and contraceptives are supplied at the state or regional level. The states have, so far, not created any specialised or dedicated system for receiving such supplies, storing them in acceptable conditions and distributing them. As a result, there are delays, deterioration in the quality and wastage of drugs. Supplies under the family welfare programme are to the tune of Rs. 500 crore and it is estimated that the losses due to deterioration and inefficiencies may be to the extent of 20 to 30 per cent.

72. The Department of Family Welfare, in collaboration with different external funding agencies working in different states, has formulated logistic projects for each of the major states. It envisaged that a specialised agency will be created in each state which will manage warehouses at the regional level for each cluster of five to eight districts. These warehouses will receive an indent from each hospital in the area and will ensure delivery of supplies within 15 days through a contracted transporter. To ensure efficiency, the state government agency will be paid only on the basis of a per centage of supplies it handles. The logistics project has already been initiated in some states. Currently efforts are underway to ensure that facilities which are being created, handle all the drugs/vaccine/ devices provided by the central government and state governments for all health care institutions. The progress of this programme and the problem encountered will be monitored and appropriate mid-course corrections instituted.

### **Private Sector Participation in RCH**

73. Over 80 per cent of the practitioners of modern medicine and a higher proportion of the ISM&H practitioners work in the private sector. It is estimated that while the private sector provides more than three-fourths of all curative health care services, its contribution to maternal and child health and family planning services is less than one-third. The major limitations in private sector participation include:

- ☞ the focus till now has been mainly on curative services ;
- ☞ the quality of services is often variable; and
- ☞ the poorer sections of population cannot afford to pay for these services.

74. Under the RCH programme, several initiatives were taken to improve collaboration between the public and private sectors in providing family welfare services to the poorer sections, especially in the under-served areas. Efforts were made to increase the involvement of private medical practitioners in RCH care by providing them orientation training and ensuring that they have ready access to contraceptives, drugs and vaccines free of cost. The private sector has immense potential for improving the coverage and quality of RCH services. The challenge is to find ways to optimally utilise this potential.

### **Role of NGOs/Voluntary Organisations in the Family Welfare Programme**

75. The National Population Policy 2000 envisages increasing role of NGOs/voluntary organisations in building up awareness about and advocacy for RCH interventions and also in improving community participation. Until recently, only a small number of NGOs were getting funding from the Department of Family Welfare, because a majority of them did not have adequate technical knowledge and the skills required. In an attempt to increase NGOs participation, the Department involved several well-established NGOs such as the Family Planning Association of India and Voluntary Health Association of India in selecting, training, assisting and monitoring of smaller, field-level NGOs for carrying out the following functions:

- advocacy for maternal child health interventions;
- promotion of small healthy family.
- improving community participation.
- counselling and motivating adolescents to delay the age at marriage, young couples to delay first pregnancy and couples with two children to limit their families by the use of appropriate contraceptive methods.
- act as a link between the community and health care providers.

76. Currently, the Department of Family Welfare funds 97 mother NGOs (larger NGOs looking after smaller ones) covering 412 districts and over 800 NGOs. These NGOs cover all districts in ten states. However, states with high fertility and mortality rates still have a large number of districts without any NGO presence. The state governments have also been trying to involve NGOs in providing services, or by adopting a PHC. The results have been mixed; these experiments need to be carefully monitored.

### **National Population Policy**

77. The National Population Policy was drawn up by the Dept of Family Welfare and was approved by the cabinet in 2000. The immediate objective of the NPP2000 is to meet all the unmet need for contraception and health care for women and children. The medium term objective is to bring the total fertility rate to replacement level (TFR of 2.1) by 2010; the long-term objective of the Policy is to achieve population stabilization by 2045.

### **National Population Commission:**

78. As envisaged in NPP National Commission on Population was constituted on 11<sup>th</sup> May 2000 under the Chairmanship of the Prime Minister of India. Deputy Chairman, Planning Commission is the Vice Chairman. The Commission has the mandate to

- ☞ review, monitor and give direction for implementation of the National Population Policy with the view to achieve the goals set in the Population Policy
- ☞ promote synergy between health, educational, environmental and developmental programmes so as to hasten population stabilization
- ☞ promote inter sectoral coordination in planning and implementation of the programmes through different sectors and agencies in center and the states.
- ☞ develop a vigorous peoples programme to support this national effort

79. The first meeting of National Commission on Population was held on 22<sup>nd</sup> July 2000. There were wide ranging discussions and useful suggestions for achieving the goal of population stabilization emerged. A Strategic Support Group consisting of secretaries of concerned sectoral ministries has been constituted as standing advisory group to the Commission. Nine Working Groups were constituted to look into specific aspects of implementation of the programmes aimed at achieving the targets set in NPP 2000 and their reports are being finalized.

### **Initiatives to Improve Performance in States with Poor Demographic Indices**

80. Based on the demographic profile the country can be divided into three zones:

- a) States that have achieved replacement level of fertility, i.e. a TFR of 2.1; The endeavour in these states should be to improve the quality of services
- b) States which have made an effort and will achieve a TFR of 2.1 by 2010 where major effort will be to sustain the thrust
- c) EAG states with high fertility and/or mortality; special efforts are being made to formulate programmes aimed at achieving socio-demographic goals set in the Population Policy.

81. The Empowered Action Group (EAG) constituted by the Department of Family Welfare in 2001 reviews the available infrastructure, performance of the health system and health indices and suggests steps for improving access to health care so that there is a rapid decline in fertility and mortality. This is an essential step if the ambitious goals for decline in fertility and mortality set in the National Population Policy are to be achieved because these states contribute to over 50 per cent of the country's mortality and fertility. The infrastructure in some states of this group (ex; Orissa, U.P. and Bihar) is functioning poorly; in Bihar over 70% of sub-centres are without ANMs. U.P. has taken some initiative and recently appointed 500 ANMs. ANMs are appointed as per the 1991 norms of one ANM per 5,000 population; but some sub-centres cater to a population of 12,000. In these places they have appointed an additional ANM. It is important to ensure that they are available in the place of posting and are fully functional. Efforts are being made to formulate



**Table 5.7.7 Funds released for EAG States (Rs in Crores )**

State	1999-2000	2000-2001	2001-2002
Bihar	182.02	208.63	156.16
Jharkhand			74.39
Madhya Pradesh	190.02	200.90	148.39
Chhatisgarh			59.74
Orissa	98.43	95.06	115.85
Rajasthan	136.02	185.11	189.75
Uttar Pradesh	335.97	370.46	385.42
Uttaranchal			42.05
Total - EAG States	942.46	1060.16	1171.75
Total - All India	2458.07	2790.11	3216.63

programmes aimed at achieving socio-demographic goals of the National Population Policy 2000, assist the state governments in achieving the goals set in their State Population Policy, devise ways for involvement of Voluntary Organizations, PRIs and expanding the scope of social marketing of contraceptives. . Information on funds released to the EAG states is as shown in Table 5.7.7.

82. The tribal population (except in the north-eastern states) faces immense problems in accessing essential health care services and have poor health indices. The Department of Family Welfare has already initiated several programmes focusing on meeting the health care needs of the tribal population. Special efforts will be made to address the health needs through area-specific programmes and increasing the involvement of NGOs and the tribal community in all activities.

83. The urban slum population has been shown to have poor maternal and child health indices. In many slums, immunisation coverage is very low and children are undernourished. The Department of Family Welfare and the Department of Health have been investing in improving urban primary health care infrastructure and ensuring that they are linked to existing secondary and tertiary care institutions. The India Population Project (IPP) V, VIII and Urban RCH Pilot Projects have built up the capacities of the urban health system in several cities. Efforts to rationalise urban health care and improve efficiency are underway so that reproductive care needs of urban population are fully met within the available infrastructure.

### **Monitoring and Evaluation**

84. The NDC Sub-Committee on Population recommended creation of district-level databases on quality, coverage and impact indicators for monitoring the programme was implemented during the Ninth Plan period The following systems are being used for monitoring and evaluation of the Family Welfare Programme:

- Reports from state and implementation agencies.
- Sample Registration System and Population Census.
- Rapid Household Surveys.
- Large-scale surveys - NFHS, surveys by the NSSO and area-specific surveys by the Population Research Centres.
- Other specific surveys by national and international agencies.

85. The Department of Family Welfare has constituted regional evaluation teams which carry out regular verifications and validate the data on the acceptance of various contraceptives. These evaluation teams can be used to obtain vital data on failure rates, continuation rates and complications associated with different family planning methods. RHS data about the progress on programme interventions as well as its impact are being used to identify district-specific problems and rectify them. To assess the availability and the utilisation of facilities in various health institutions, facility surveys were conducted in 101 districts during 1998-99 and deficiencies found are being brought to the notice of the states and districts concerned. The format for monitoring the processes and quality indicators under the RCH programme have been developed and sent to all the states.

86. The substantial investments made in evaluation during the 1990s have increased awareness about the need for concurrent evaluation. Efforts are underway to consolidate the gain by putting in place a sustainable system of evaluation at the district level in the form of CRS and district surveys. Efforts are also being made to reduce duplication of efforts through appropriate intersectoral coordination. For instance as a part of the rapid household survey, district specific information on undernutrition and anemia rates in preschool children, anemia in adolescents are being collected.

### **Reorganisation of Family Welfare Infrastructure**

87. When the Family Welfare Programme was initiated in the early 1970s the infrastructure for providing maternal and child health and family planning services was inadequate at the primary health care level, and sub-optimal in the secondary and tertiary care levels. In order to quickly improve the situation, the Department of Family Welfare created and funded post-partum centres, urban family welfare centres/ health post and provided additional staff to the then existing PHCs (block level PHC's). In addition, the ANMs in the sub-centres, created after the initiation of the Family Welfare Programme, were also funded by the Department. The Department of Family Welfare also created state and district level infrastructure for carrying out the programmes and setting up training institutions for pre/in-service training of personnel. All these activities were being funded through Plan funds.

88. Over the last three decades, there has been considerable expansion and strengthening of the health care infrastructure by the State. Family welfare services are now an integral part of services provided by primary, secondary and tertiary care institutions. The staff funded by the Department of Family Welfare under the scheme of rural family welfare centres and post partum centres are state health services personnel functioning as part of the state infrastructure. In view of this, the Ninth Plan recommended that the funding should be taken over by the state Department of Health. States have been given the responsibility of funding post partum centres and rural family welfare centres from 1 April 2002. There are over 5000 doctors funded under RFWC who could be redeployed in

PHC's against vacancies in PHC doctors posts so that functional status of PHC's improves. Similarly over 3000 specialists currently working under the post partum programme could be redeployed against vacant posts in CHC/FRU's so that these institutions become fully functional and could deliver integrated RCH services.

89. Since ANMs are crucial for increasing the outreach of the programme, it is important to ensure that the posts of ANMs are filled and steps taken to ensure that they are available and perform the duties they are assigned. One of the major problems with respect to the ANMs is that while the Department of Family Welfare funded over 97,000 posts, about 40,000 were funded by the state (from non-Plan). The Ninth Plan recommended that this dichotomy in funding should be removed and all the ANMs, as per the norms for the 1991 population should be funded by the Department of Family Welfare. This has been done from 1 April 2002. It is expected that this would ensure that the states do employ the required number of ANMs, streamline their functioning and improve the coverage, content and quality of maternal and child health care.

### Zero Based Budgeting

90. In the past, the Family Welfare Programme has been considered as a single centrally sponsored scheme. As a result, the heads of funding were functional viz. Personnel, Services, Supplies, Transport, Area Development etc. All ongoing programmes including maternal and child health and immunisation, received inputs from these functional heads. In the Ninth Plan, major projects like RCH, pulse polio immunisation and strengthening of routine immunisation were added as schemes with large outlays. The Planning Commission and the Department of Family Welfare carried out an exercise to rationalize the schemes. A revised scheme-wise listing was evolved where, schemes for strengthening of infrastructure, Area Development Project, Training, Research, programme related activities for contraception, immunisation, maternal health, Child Health and Nutrition were identified as specific schemes. After this, a zero based budgeting effort was taken up and schemes identified for convergence, weeding out and transfer to the states. The summary of the zero based budgeting exercise is given in the Table 5.7.8. The scheme-wise outlays and anticipated expenditure during the Ninth Plan and outlays provided for 02-03 are given in Annexure-2

**Table 5.7.8 : Zero Based Budgeting 2001.**

Category	No. of Schemes	Outlay for Ninth Plan (Rs. crore)	Anticipated expenditure during Ninth Plan (Rs. Crore)
Schemes to be transferred to the states	3	2,080.00	2,198.00
Schemes to be merged and retained	11/40	7,640.20	7,398.39
Schemes to be weeded out	8	185.85	31.25
Schemes to be retained	43	5,213.95	4,961.33
Total	94	15,120.00	14,588.97
Total No. of schemes to be continued in the Tenth Plan	54	12,854.15	12,359.72

Yearwise outlay, R.E., and actual expenditure for the Ninth Plan is given in Table 5.7.9.

**Table 5.7.9 : Outlays , RE and expenditure during the Ninth Plan**

<b>Year</b>	<b>B.E.</b>	<b>R.E.</b>	<b>Actual Expenditure</b>
1997-98	1829.35	1829.35	1822.00
1998-99	2489.35	2253.00	2342.75
1999-2000	2920.00	3120.00	3099.76
2000-01	3520.00	3200.00	3090.11
2001-02	4210.00	3700.00	3596.63
Total	14968.70	14102.35	13951.25

The Deptt of Family welfare has been provided with an outlay of Rs.4930 crores for the year 2002-03.

## Annexure 5.7.1

Indicator Target Year	Present Status	Goals			
		NHP- 1983 2000	Ninth Plan 2002	Tenth Plan 2007	NPP 2000 2010
Crude Birth Rate	25.8 SRS(2000)	21	24	21	21
Total Fertility Rate	2.85 *	2.3	2.9	2.3	2.1
Couple Protection Rate (%)	46.2 Dept. of F.W.(2000)	60	51	65	Meet all needs
Maternal Mortality Ratio	540 *	Below 200	300	200	Below 100
Perinatal Mortality Rate	-	30-35	-	-	-
Neo natal Mortality Rate	43.4 *	-	35	26	-
Infant Mortality Rate	68 SRS(2000)	Below 60	56	45	Below 30
Under Five Mortality Rate	94.9*	-	-	-	-
% immunized against 6 VPD(%)	42 *	85	65	100	100
⇔ Measles	51*				
⇔ DPT	55*				
⇔ Polio	63*				
⇔ BCG	72*				
Ante-natal care(ANC)					
⇔ % at least 3 ANC	43.8 *	100	90	90	100
⇔ % received IFA for 3 or 4 months	47.5*			100	100
⇔ % received two doses of TT	66.8 *		95	100	100
Deliveries					
Institutional Deliveries(%)	33.6 *	-	35	80	80
Deliveries by trained health personnel & TBA (%)	42.3 *	100	45		100
Prevalence of low birth weight (%)	30 (Estimated)	10	-	-	-

\* Source : NFHS – 2

## Annexure 5.7.2

(Rs. Crore)

IX Plan	X Plan	Name of Scheme	Ninth Plan			Annual Plan 2002-03
			Approved Outlay	Sum of Annual Outlay	Ant. Expdt.	
1	2	3	4	5	6	7
	<b>A</b>	<b>INFRASTRUCTURE MAINTENANCE</b>	<b>6231.90</b>	<b>6654.85</b>	<b>7506.17</b>	<b>2303.00</b>
1		Rural Family Welfare Centres	1500.00	1600.00	1600.36	
2	1	Sub-Centres	2200.00	2346.00	2344.60	1809.00
3	2	Urban FW Services	250.00	307.00	305.69	122.00
4	3	Direction & Administration	671.90	541.00	465.25	200.00
5		Post Partum Centres	530.00	560.00	557.94	
6		Village Health Guides Scheme	50.00	40.00	39.70	
7	4	Logistics Improvement	80.00	51.85	4.84	10.00
	5	Contractual Services/ Consultancies				162.00
8		ANM (Part of Sub-Centres)				
9		Additional ANMs/PHNs/Lab. Technicians	Included in RCH		Included in RCH	
10		SM Consultant				
11		Aneasthetist				
12		Other Exp. (State/National level Consultants/Contingency)				
13		Arrears	950.00	1209.00	2187.79	
	<b>B</b>	<b>INFRASTRUCTURE DEVELOPMENT</b>	<b>1050.00</b>	<b>1202.35</b>	<b>915.76</b>	<b>364.20</b>
14	6	Area Projects (IPP Projects)	800.00	820.00	637.79	74.80
15	7	Social Marketing Area Projects		82.35	6.42	10.00
16	8	USAID Assisted Area Project	250.00	300.00	271.55	59.40
17	9	Other Externally Aided Infrastructure Development Projects				
18	10	EC Assisted SIP Project	Included in RCH		Included in RCH	220.00
	<b>C</b>	<b>TRANSPORT</b>	<b>150.00</b>	<b>250.50</b>	<b>250.65</b>	<b>113.00</b>
19	11	Maintainence of vehicle already available	150.00		250.65	98.00
20	12	Supply of Mopeds to ANMs				15.00

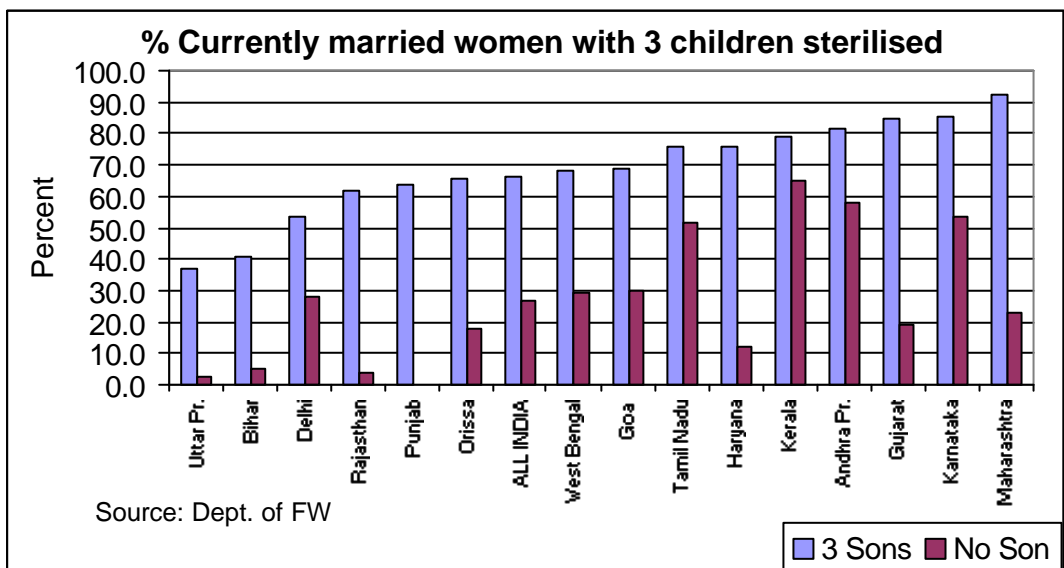
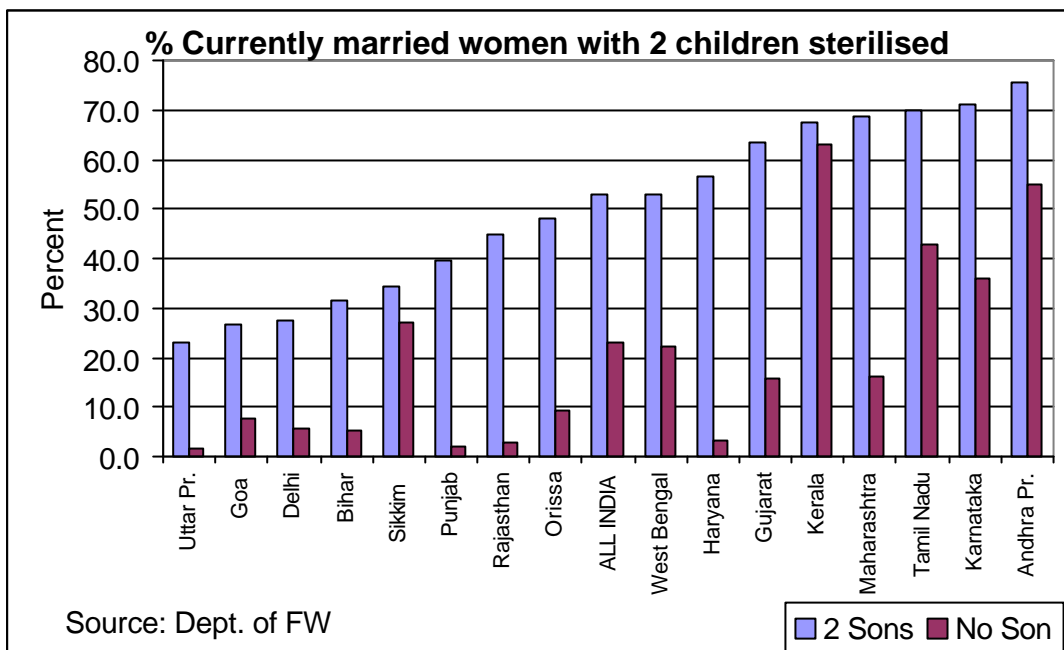
	<b>D</b>	<b>TRAINING</b>	<b>257.35</b>	<b>301.28</b>	<b>289.29</b>	<b>99.60</b>
21	13	Basic Training for ANM/LHVs	150.00	181.40	182.07	67.00
22	14	Maintenance & Strengthening of HFWTCS	40.00	48.06	46.94	14.00
23	15	Basic Training for MPWs Worker (Male)	35.00	37.90	35.76	10.00
24	16	Strengthening of Basic Training schools				2.00
25	17	F.W. Training and Res. Centre, Bombay	5.00	5.00	2.53	1.50
26	18	NIHFW, New Delhi	21.00	21.35	14.52	3.15
27	19	IIPS, Mumbai	5.70	6.90	6.83	1.70
28	20	Assistance to I.M.A.	0.65	0.67	0.64	0.25
	<b>E</b>	<b>RESEARCH</b>	<b>96.00</b>	<b>107.00</b>	<b>96.58</b>	<b>30.30</b>
29	21	Population Research Centres	35.00	33.00	22.47	8.00
30	22	CDRI, Lucknow	8.00	8.00	8.00	2.30
31	23	ICMR and IRR	53.00	66.00	66.11	20.00
32	24	Other Research Projects		0.00		
	<b>F</b>	<b>CONTRACEPTION</b>	<b>1541.50</b>	<b>1578.70</b>	<b>1458.35</b>	<b>483.50</b>
	25	Free distribution of contraceptives	460.00	491.30	436.83	184.00
33		Conventional Contraceptives	265.00	310.00	286.20	
34		Oral Contraceptives	80.00	78.40	65.66	
35		IUD	115.00	102.90	84.97	-
36		New Methods				
	26	Social marketing of contraceptives	400.00	428.70	407.40	115.00
37		Conventional Contraceptives	400.00	360.85	339.04	
38		Oral Contraceptives		67.85	68.36	
	27	Sterilization	680.20	653.80	610.26	180.50
39		Sterilization Beds	8.60	8.60	8.79	
40		Sterilisation and IUD insertion	600.00	575.00	534.22	
41		Supply /Procurement of Laparoscopes	70.00	68.00	66.75	
42		Recanalization	1.60	2.20	0.50	
43	28	Testing Facilities	1.30	1.90	1.24	0.50
	29	Role of Men in Planned Parenthood	-	3.00	2.62	3.50
44		No Scalpel Vasectomy		3.00	2.62	
45		Other Innovative Schemes (Male Participation)	-	-	-	-

	<b>G</b>	<b>REPRODUCTIVE &amp; CHILD HEALTH</b>	<b>5150.00</b>	<b>4423.30</b>	<b>3753.49</b>	<b>1174.20</b>				
	30	Immunisation	-	-	-	226.00				
46		Procurement of Vaccines for Routine Immunisation	Included in RCH		Included in RCH					
47		Cold Chain								
		(a) Cold Chain Maintenance								
		(b) Cold Chain Equipment								
48		Surveillance against VPDs								
49		Other Vaccines ( <i>Hepatitis B</i> )								
50	31	Routine Immunisation Strengthening								10.00
51	32	Pulse Polio								400.00
		(a) OPV								240.00
		(b) Operating cost								160.00
	33	Child Health				1.00				
52		Essential New Born care ( <i>Home based neonatal care</i> )	Included in RCH		Included in RCH					
53		Diarheal Diseases - Prevention/ Treatment								
54		ARI-Prevention/Treatment								
	34	NUTRITION	Included in RCH		Included in RCH					
55		Vitamin-A Programme								
56	35	Adolscent Health	Included in RCH		Included in RCH	3.00				
	36	Maternal Health								
57		Ante-natal care	Included in RCH		Included in RCH					
58		Nutritional Anaemia ( <i>Anaemia Control &amp; De-worming</i> )								
59		Home Delivery Care								
		(a) <i>Community based midwives</i>								
		(b) <i>Dais Training</i>								
60		Dais Kits ( <i>Drugs, Kits &amp; Equipments</i> )								
		(a) <i>Drug Kits/FRU Drugs/PHC Drugs/ RTI Drugs</i>								
		(b) <i>MTP/RTI/STI Equipment/Kit/IUD Kit</i>								
		(c) <i>Equipment for Blood Storage &amp; Lab. Equipment</i>								
		(d) <i>Needles &amp; Syringes</i>								
		(e) <i>Neo-Natal Equipment</i>								



61		Promoting Institutional Deliveries (a) 24 Hour Delivery (b) Operationalising FRUs for Emergency Obs. & NN Care	Included in RCH		Included in RCH	
62	37	MTP Services (Manual Vac. Aspirator for safe abortion)	Included in RCH		Included in RCH	1.20
63	38	RTI/ STI prevention and management	Included in RCH		Included in RCH	2.00
	39	Other RCH Interventions and services	Included in RCH		Included in RCH	122.00
64		Referral Transport				
65		Out reach Services				
66		RCH Camps				
67		Civil Works				
68		Research (In RCH Activities)				
69		MIS				
70		Expdt. At Headquarters				
71	40	NGOs and SCOVA	Included in RCH		Included in RCH	22.00
	41	Training				53.00
72		RCH Training	Included in RCH		Included in RCH	
73		Training of ISM&H				
74		Training of AWW				
75	42	Tribal Projects	Included in RCH	Included in RCH	Included in RCH	
76	43	Urban Slums Projects				
77	44	District Projects				
78	45	Other Projects under RCH				
		<b>H. OTHER FAMILY WELFARE PROGRAMMES</b>	<b>643.25</b>	<b>450.72</b>	<b>318.68</b>	<b>355.90</b>
79	46	Maternity Benefit Scheme	Transferred from M/o Rural Development	80.00	80.00	90.00
80	47	Information, Education and Communication	170.00	184.80	160.91	84.70
		<i>Non-RCH</i>				
		<i>RCH</i>				
81	48	Travel of Experts/Conferences / Meetings etc.	16.10	15.35	2.15	1.50
82	49	International Contribution	6.30	6.99	6.33	1.70
83	50	Empowered Action Group	265.00	30.00	30.00	50.00
84	51	Community Incentive Scheme		30.00	5.00	60.00

85	52	Family Welfare Link Health Insurance Plan		0.01	0.01	50.00
86	53	Policy Seminars		3.00	3.00	3.00
87	54	Other Initiatives		0.03	0.03	15.00
88		Strengthening of Rural Family Welfare Centres under National Human Development Initiative	Included in Sub-centres (scheme 2)	20.00	Included in Sub-centres (scheme 2)	
89		Other Offices under Direction & Administration	28.10	29.60	29.02	
90		ISM Institutions	7.00	5.02	1.39	
91		Regional Institute of MCH	0.75	0.60	0.31	
92		Hindustan Latex Limited	1.90	1.72	0.13	
93		Family Welfare Counsellor Scheme	1.00	1.00	0.00	
94		School Health Scheme	147.10	42.60	0.40	
	55	Additional RCH activities in the Tenth Plan				0.30
	56	Other New Initiatives				6.00
		<b>GRAND TOTAL</b>	<b>15120.00</b>	<b>14968.70</b>	<b>14588.97</b>	<b>4930.00</b>



## 5.8 INDIAN SYSTEMS OF MEDICINE AND HOMOEOPATHY

### INTRODUCTION

1. The umbrella term, Indian systems of medicine and homoeopathy (ISM&H), includes Ayurveda, Siddha, Unani, Homoeopathy and therapies such as Yoga and Naturopathy. Practitioners of ISM&H catered to all the health care needs of the people before modern medicine came to India in the twentieth century. Currently, there are over 680,000 registered ISM&H practitioners in the country; most of them work in the private sector. A major strength of ISM&H system is that it is accessible, acceptable and affordable.

2. India also has a vast network of governmental ISM&H healthcare institutions. There are 3005 hospitals with over 60,000 beds and over 23,000 dispensaries providing primary healthcare. Over 16,000 ISM&H practitioners qualify every year from 405 ISM&H colleges. The Department of ISM&H supports four research councils and provides research grants to a number of scientific institutions and universities for conducting clinical research, ethno-botanical surveys and pharmacopoeial and pharmacognostic studies on herbal drugs and medicinal plants. Pharmacopoeial Committees constituted by the Department are finalising standards for single simple formulations and will shortly take up the task of formulating standards for compound ISM formulations.

3. Despite all these efforts, the ISM&H have not realised their full potential because:

- existing ISM&H primary, secondary and tertiary healthcare institutions lack essential staff, infrastructure, diagnostic facilities and drugs.
- the potential of ISM&H drugs and therapeutic modalities has not been fully exploited.
- lack of quality control and good manufacturing practices have resulted in the use of spurious and substandard drugs.
- the quality of training of ISM&H practitioners has been below par. Many ISM&H colleges lack essential facilities, qualified teachers and hospitals for practical training. There is no system of Continuing Medical Education (CME) for periodic updating of knowledge and skills.
- the ISM&H practitioners are not involved in national disease control programmes or family welfare programme.
- Medicinal plants have been overexploited and, as a result, the cost of ISM&H drugs have increased and spurious products are getting into the market.

4. The National Health Policy (1983) visualised an important role for the ISM&H practitioners in the delivery of health services. In order to give focused attention to the development and optimal utilisation of this branch of medicine, a separate Department for ISM&H was set up in 1995. The Department is making efforts to ensure that ISM&H practitioners are brought into the mainstream so that they provide a complementary system of care along with practitioners of modern systems of medicine.

## Healthcare Services

5. The Ninth Plan aimed at improving the quality of primary, secondary and tertiary care in ISM&H, with the Departments of ISM&H in the Centre and the states taking up several initiatives to improve the quality and coverage of these services at each level.

### Primary Health Care

6. ISM&H practitioners provide primary healthcare to vulnerable sections of the population especially those living in urban slums and remote areas. Details of the number of ISM&H hospitals and dispensaries (as on 1 April 1999) are given in Annexure-5.8.1. In some states like West Bengal and Gujarat, ISM&H practitioners alone are posted in primary health centres (PHCs) in some remote rural and tribal areas. In Kerala, ISM&H practitioners provide a complementary system of care in the PHCs. It is important to ensure that the ISM&H dispensaries and hospitals are linked with PHC/urban health care centres so that they can have ready access to diagnostic and other facilities available in these institutions and, at the same time, patients can choose the system for treatment.

### Secondary Health Care

7. A majority of existing ISM&H secondary hospitals function as separate institutions and do not have linkages with either primary ISM&H healthcare institutions or with secondary healthcare institutions in the modern system of medicine. Very often these institutions lack adequate diagnostic facilities, infrastructure and manpower. The Ninth Plan had envisaged initiation of a pilot project to test the feasibility and usefulness of posting ISM&H practitioners in district hospitals. Some states did attempt to provide ISM&H clinics in district hospitals but the experience in this area has been limited.

Infrastructure	
Vast infrastructure has been created:	
☞ Hospitals	3,005
☞ Beds	60,681
☞ Dispensaries	23,028
<b>Problems:</b>	
☞	No organised referral system.
☞	They provide healthcare only to those who come to them.
☞	Each centre is isolated. They are not linked with other institutions in the area.
☞	No organised referral system.
☞	No linkage with existing modern system hospitals – hence they are unable to function optimally as a complementary system or utilise the diagnostic facilities available.

### Tertiary Healthcare

8. All ISM&H colleges, private as well as public, have attached tertiary care hospitals. In addition, there are tertiary care and/or speciality centres attached to national institutes. Private /voluntary sector institutions also provide tertiary care in ISM&H. During the Ninth Plan, the Department of ISM&H provided funds to strengthen many of these institutions. One Unani speciality clinic was established in the Ram Manohar Lohia Hospital, Delhi and one Ayurvedic and one Homoeopathic unit was established in the Safdarjung Hospital, Delhi. The Department has also provided funds for establishing speciality clinics in the

National Institute of Mental Health and Allied Sciences (NIMHANS), Bangalore. These clinics are reported to have very good attendance. Department of ISM&H has obtained 'in principle' approval of the Planning Commission for schemes aimed at strengthening ISM&H hospitals and dispensaries and setting up ISM&H clinics in secondary and tertiary care institutions both in Central Government funded hospitals and in State Government funded hospitals.

### Development of Human Resources for ISM&H

9. There has been a progressive increase in the number of practitioners graduating from ISM&H educational institutions during the last five decades. Currently there are 405 under graduate and 77 post graduate colleges in ISM&H (Table 5.8.1). But the quality of training these colleges impart is poor. A recent inspection of 160 colleges showed that:

- 44 per cent of them lack the required number of departments;

<b>System</b>	<b>Colleges</b>	
	<b>Undergraduate</b>	<b>Postgraduate</b>
Ayurveda	198	53
Unani	39	5
Siddha	2	2
Homoeopathy	166	17
<b>Total</b>	<b>405</b>	<b>77</b>
Admission capacity	16,845	821
Source: Department of ISM & H, 2001		

#### **Current Problems In Medical Education**

- ☞ Students join ISM&H institutions through a common entrance examination; those who do not get admission in modern system of medicine opt for ISM&H colleges.
- ☞ The quality of teachers is poor and teaching aids are in short supply.
- ☞ Morale of ISM&H teachers and students is low.
- ☞ Present ISM&H syllabus and curriculum are inadequate. As a result, graduates do not have the knowledge, skills and confidence to practice ISM&H therapy.

- 89 per cent do not have the requisite number of teachers;
- 52 per cent lack required hospital beds;
- 79 per cent have less than 60 per cent bed occupancy;
- 91 per cent do not have adequate diagnostic equipment;
- 52 per cent of all colleges have a student/bed ratio, which is higher than the prescribed ratio of 1:3.

10. Not enough attention is paid to train the students to use ISM&H diagnostic and therapeutic modalities. As a result, these students lack confidence, knowledge and skills in using ISM&H therapeutic modalities and tend to practise the modern system of medicine in which they are not trained. Patients, therefore, do not get the benefit of ISM&H therapy in spite of accessing ISM&H practitioners.

11. Some of the steps which had been suggested to improve the situation are:

- introduce an entrance examination for ISM&H undergraduate courses with appropriate eligibility criteria to identify the potential and interest of students;

- ensure uniformity in the admission system in undergraduate and postgraduate courses;
- reorient the syllabus keeping in mind the potential for employment in industry and ISM&H services being offered through speciality clinics;
- strengthen existing national centres of excellence in collaboration with the Department of ISM&H;
- strengthen and mainstream at least one college for each system as a model of undergraduate/postgraduate college in each of the major states; and
- operationalise an appropriate and transparent accreditation system for educational institutes through Councils of ISM&H.

### **Quality Assurance in Education in ISM&H**

12. The Indian Medicines Central Council Act, 1970 was enacted for the constitution of a Central Council of Indian Medicines, maintenance of a central register of Ayurveda, Siddha and Unani and related matters. The Central Council of Indian Medicine (CCIM) and the Central Council of Homoeopathy (CCH), constituted in 1970 and 1973 respectively, are responsible for :

- laying down and maintaining uniform standards of education for ISM&H courses, prescribing standards of professional conduct, etiquette and code of ethics for practitioners and
- advising the central government on matters relating to the recognition of appropriate qualifications of ISM&H.

13. They also work in coordination with state-level board/council to maintain standards in ISM&H medical institutions. In addition, they maintain central registers for Indian systems of medicine and homoeopathy respectively.

14. A review of the functioning of the Councils by the Department of ISM&H shows that the monitoring procedures and schedules are not adequate. The recommendations of the CCIM and CCH are often not acted upon. There is no legal framework and, consequently, no institutional mechanism available to lay down and enforce standards relating to yoga and naturopathy. The standards of education in these two disciplines are, therefore, the weakest.

15. A large number of colleges are being opened predominantly in the private sector, after obtaining permission from state governments and getting affiliated to universities. Between 1995 and 2000, the CCIM permitted setting up of 73 ayurveda Colleges, 11 homoeopathy colleges and three siddha colleges. This mushrooming of colleges has adversely affected the quality of ISM&H education. The problem was discussed in the Central Council for Health and Family Welfare 1997 and at the first conference of State Health Ministers in ISM&H in 1997. Suitable amendments may have to be made to the Indian Medicines Central Council Act, 1970 and the Homoeopathy Central Council Act, 1973 to ensure that new colleges comply with the prescribed guidelines.

16. Department of ISM&H is taking steps to reduce the proliferation of substandard medical colleges and check the deterioration in standards of teaching. Simultaneously, the Department of ISM&H is taking steps to ensure that the statutory councils perform the role assigned to them. Periodic inspection of all established ISM&H colleges is necessary to ensure that only those colleges which have the necessary infrastructure, manpower and facilities be allowed to continue operating. This is, undoubtedly, a difficult task but is necessary to improve the standards of ISM&H education. Department of ISM&H has proposed that selected UG/PG colleges will be appropriately strengthened so that quality of care and teaching improve.

### Paraprofessionals in ISM&H

17. Currently there are no arrangements for providing a degree or diploma in IS&M pharmacy nor is it included as one of the options in the general pharmacist course. Similarly, there is no training for nursing in ISM&H. The department should take up these two matters so that ISM&H practitioners have the necessary support staff.

### National Institutes in ISM&H

18. The Department of ISM&H has set up national institutes in each of the major disciplines which are meant to act as centres of excellence providing high quality patient care, teaching and research. While some of these institutes are well established and are functioning effectively, many are in the initial stages of operationalisation. The Department of ISM&H has obtained 'in principle' approval of a major scheme to strengthen these institutions so that these centres can play a pivotal role in improving teaching, training, patient care and research and patient care standards.

National Institutes Funded By The Central Government	
☞	National Institute of Ayurveda, Jaipur
☞	National Institute of Unani Medicine, Bangalore\$
☞	National Institute of Homoeopathy, Calcutta
☞	National Institute of Naturopathy, Pune
☞	Morarji Desai National Institute of Yoga, New Delhi
☞	National Institute of Siddha, Chennai\$
☞	Rashtriya Ayurveda Vidyapath, New Delhi
	\$ being established

### Continuing Medical Education (CME) in ISM&H

19. Most of the Registered Practitioners of ISM&H (Table 5.8.2), are in the private sector; there is a need to periodically update their knowledge and skills through continuing medical education. During the Ninth Plan period, the Department of ISM&H started a scheme for re-orientation and in-service training. The scheme offered one month's course for teachers and physicians and a two months' course for ISM&H practitioners in specialised fields like *ksharasutra*, *panchakarma therapy*, dental

Table 5.8.2 - Registered Medical Practitioners In ISM&H	
Ayurveda	4,27,504
Unani	42,445
Siddha	16,599
Naturopathy	429
Homoeopathy	1,94,147
Total	6,81,124
Source: Department of ISM&H, 2001	



practices and in yoga. The response to this course has been poor because most practitioners felt that they cannot leave their practice for an extended period.

20. During the current year, efforts are being made to provide registered ISM&H practitioners with updated information about advances in their respective systems beginning with Government-employed ISM&H practitioners. The training material will be produced by the national institutes and the state ISM&H colleges with the help of experts. Optimal use will be made of advances in information technology to improve the outreach of the CME programme so that it does not disrupt their practice. Attempts will also be made to increase the involvement of ISM&H practitioners in counselling and improving the utilisation of services under the national health and family welfare programmes during the Plan period. The ISM&H practitioners will play an important role in:

- health education;
- drug distribution for national programmes;
- motivation and counselling in family welfare programmes;
- acting as depot holders for selected items such as condoms and oral rehydration therapy (ORT) packages;
- motivation for immunisation; and
- improvement in environmental sanitation through community efforts.

### **Preservation, Promotion and Cultivation of Medicinal Plants and Herbs**

21. Over the last two decades there has been a steady increase in the demand for drugs used in ISM&H. However, the demand for good quality medicinal plants and herbs have not been met. The prices of several plants have increased sharply, making them unaffordable and some species of medicinal plants are also reported to be endangered because of increasing pressure on forests.

22. The Planning Commission had constituted a Task Force on the Conservation, Cultivation, Sustainable Use and Legal Protection of Medicinal Plants. The Task Force recommended:

- establishment of medicinal plants conservation areas (MPCA), covering all ecosystems, forest types and sub types;
- ex-situ conservation of rare, endangered medicinal plants may be tried out in established gardens managed by the Departments of Agriculture, Horticulture or Forests;

<b>Medicinal Plants</b>	
<b>Current Problems:-</b>	
☞	The demand for medicinal plants is growing; the trade in medicinal plants is secretive and exploitative.
☞	The profit motive is leading to unsustainable practices being employed. As a result, plant species are in danger of extinction.
☞	Quality of ingredients is poor, leading to poor quality of drugs.
☞	Cultivation has not been encouraged and most plants are uprooted from the wild.

- gene banks created by the Department of Biotechnology should store the germplasm of all medicinal plants;
- 'establishment of *Vanaspati vans*' in degraded forest areas;
- forest areas rich in medicinal plants should be identified, management plans formulated and sustainable harvesting encouraged under the Joint Forest Management System;
- technically qualified NGOs must be encouraged to take up the task of improving awareness and increasing availability of plant stock and involved in the promotion of agro-techniques for cultivation of medicinal plants;
- screening/testing/clinical evaluation of herbal products to be taken up and completed;
- drug testing laboratories for ISM&H products should be established with qualified staff;
- establishment of a Traditional Knowledge Digital Library so that information on medicinal plants and their use in the country could be accessed readily.
- establishment of a Medicinal Plant Board for integrated development of the medicinal plants.

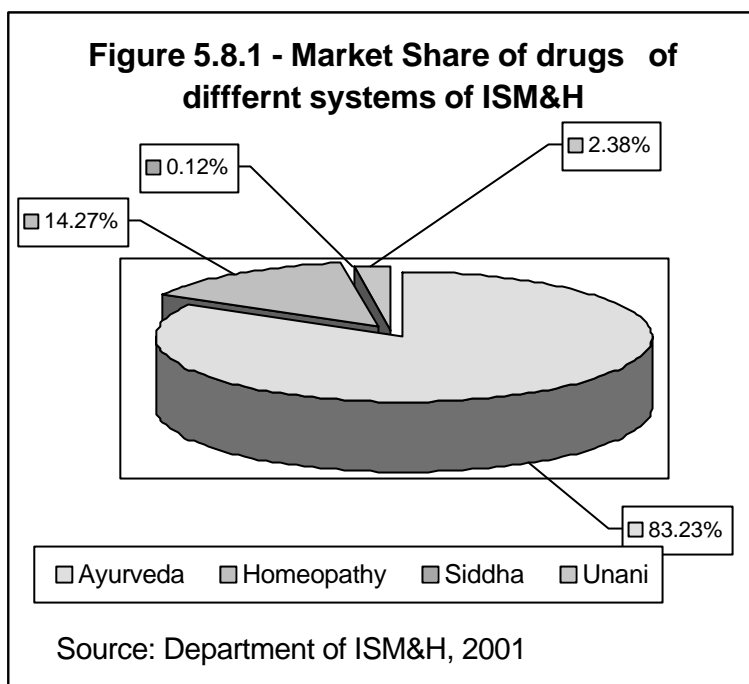
23. Many of the recommendations of the task force have been implemented. The Medicinal Plant Board has been established in the Department of ISM&H to look after all multi-sectoral issues relating to the development of medicinal plants. The Board is expected to formalise and organise the marketing of and trade in medicinal plants, coordinate efforts of all stakeholders in the sector and improve the awareness availability of herbal products. Twelve state governments have established State Medicinal Plant Boards. The ministries of Health and Family Welfare, Environment and Forest, Rural Development and Agriculture are promoting the cultivation of medicinal plants. Agro-techniques are being standardised for 28 plants identified for fast track cultivation. States have been requested to introduce measures to register cultivators and traders dealing with medicinal plants and to make the Forest Development Corporation the conduit for supply of medicinal plants to industry. The proposals to encourage R&D, support gene banks and support industry for the identification of export markets and market segmentation are under consideration.

24. The Department of ISM&H has initiated a scheme on a Traditional Knowledge Digital Library. Around 35,000 formulations described in 14 ancient texts relating to ayurveda are now entered in this library and can be accessed by all. This step will help ready access to traditional practices and prevent outsiders taking patents on them. The Department has established a Patent Cell to keep track of patents concerning ayurveda, siddha and unani drugs being filed in India and abroad. The cell will also provide professional and financial assistance to government and private ISM&H scientists for filing of patents. An Expert Group has been constituted for advising the Department with regard to patenting issues.

## ISM&H Industry

25. The global market in herbal products in alternative systems of medicine is estimated to be \$62 billion. India's share in this is very meagre. Even within the country the share of ISM&H products is only a modest Rs. 4,200 crore ; Ayurvedic drugs and formulations account for over 80% of the products (Figure 5.8.1).

26. A survey of the current status of the ISM&H industry undertaken by the Department of ISM&H showed that it is divided into the large, medium, small



**Table 5.8.3 - ISM&H Industry in India**

☞	Rs.4, 200 crore industry (ayurveda accounts for Rs. 3,500 crore)		
☞	7,000 manufacturers of ayurvedic products		
↔	Large (> Rs. 50 crore)	10	
↔	Medium (Rs. 5-10 crore)	25	
↔	Small (Rs. 1-5 crore)	965	
↔	Very Small (<Rs. 1 crore)	6,000	

Source: Deptt of ISM&H 2001

and very small-scale sectors (Table 5.8.3). The small-scale sector is not pursuing good manufacturing practices. Patent proprietary medicines are being introduced through wide-scale licensing without checking their efficacy or quality. These medicines have become expensive. A number of products claiming to be ayurvedic medicines use large quantities of synthetic ingredients as excipients. Classical and *shastra* preparations are not getting due importance.

27. Through continuing CSS of drugs quality control the Department has taken steps to ensure good manufacturing practices and quality control of drugs through strengthening of drug testing laboratory in the State/UTs so that there is increasing confidence in ISM&H drugs and formulations, as a result of which their market will expand both within the country and abroad.

## Quality Control of Drugs

**Table 5.8.4 - Licensed Pharmacies in India**

☞	Ayurveda	8,533
☞	Unani	462
☞	Siddha	385
☞	Homoeopathy	613
☞	<b>Total</b>	<b>9,992</b>

Source: Department of ISM&H, 2001

28. There are a large number of ISM&H pharmacies in the country (Table 5.8.4) and many of them, especially smaller ones, do not adopt good manufacturing practices. The

Department of ISM&H has finalised and notified good manufacturing practices for ayurveda, siddha and unani drugs over the last two years.

29. Setting up pharmacopoeial standards and strengthening of the drug control laboratories has been identified as a priority in the Ninth Plan. The Pharmacopoeial Laboratory of Indian System of Medicine (PLIM) and Homoeopathic Pharmacopoeial Laboratory (HPL) at Ghaziabad are the major ISM&H drug testing laboratories. However, ensuring

quality control is still a major problem because of lack of adequate number of ISM&H testing laboratories. In order to address this problem, the Department has initiated a centrally-sponsored programme for strengthening of state drug testing laboratories and for improving good manufacturing practices in ISM&H pharmacies. However, complaints of poor quality of ingredients or adulteration and substitution of components used for preparation of ISM&H drugs and lack of confidence in the safety, efficacy and quality of the drugs persists, testing of complex ISM&H drugs is difficult. Drug testing laboratories at the state level are either inadequate or non-existent. State governments are not properly implementing licensing or quality testing requirements for the enforcement of Pharmacopoeial standards.

30. Department of ISM&H is making efforts to improve the quality control of drugs used in ISM&H by:

- completing all pharmacopoeial work by 2004;
- modernising state ISM&H pharmacies;
- motivating these pharmacies and the ISM&H industry to adopt good manufacturing practices;
- strengthening the central and state quality control laboratories and exploring the feasibility of utilising laboratories of the Central Council for Research in Ayurveda and Siddha (CCRAS) and chemistry and biochemistry laboratories of universities/college departments as well as existing drug testing laboratories in the modern system of medicine for testing and quality control of ISM&H drugs.
- implementing stringent drug quality control and strictly enforcing the provisions of the Drugs and Cosmetics Act ( 1940) and the Magic Remedies Prevention Act, 1954.
- Monitoring work relating to survey samples and statutory samples of ISM&H.

#### **Central Government's efforts to strengthen drug quality control**

- ☞ Pharmacopoeial Laboratory for Indian Medicines, Ghaziabad and Homoeopathy Pharmacopoeial Laboratory, Ghaziabad are being strengthened.
- ☞ Appellate laboratories for drug testing and quality control are being identified.
- ☞ Preparation of drug formularies and Pharmacopoeias for ayurveda, siddha, unani and homoeopathy drugs are proceeding rapidly.
- ☞ The Department of ISM&H is assessing and training ISM&H drug industry personnel and drug inspecting staff in standardisation and quality control.

## Neutraceuticals and Food Supplementation Products

31 Food supplements, cosmetics and toiletries and neutraceuticals are flooding the Indian market. It has been reported that they have export potential. These products contain not only plant-based materials, exotic plant ingredients but also synthetic chemicals. As all these products do not come under the category of either modern system or ISM&H drugs, they are not governed either by the Drugs and Cosmetic Act or the Prevention of Food Adulteration Act (1986), they enter the market without any quality control. It is important that these products are brought under the purview of Drugs and Cosmetic Act or the Prevention of Food Adulteration Act through suitable amendments of these acts and compliance with the act should be monitored carefully

## Medical Tourism

32. There has been a resurgence of interest in traditional medicine in India and abroad, leading to an increased demand for specialised treatment available in ISM&H. A number of tourists are visiting Kerala for *panchakarma* treatment for rejuvenation, and treatment of neuro-muscular and orthopaedic disorders. Himachal Pradesh has initiated a scheme on health tourism by offering *panchakarma* in good hotels. During the Annual Plan 2002-03, opportunities in this area will be explored and catered to. At the same time appropriate transparent quality and cost of care norms will be set up and monitored to prevent exploitation of the clients.

## Research and Development

33. During the current year, there will be focussed attention on R&D especially clinical trials on new drug formulations, clinical trial of promising drugs through strengthening of the Central Research Councils and coordination with other research agencies. Special emphasis on encouraging research aimed at improving ISM&H inputs in National Health Programmes has been laid. Clinical trials on testing of drugs traditionally used in illnesses and those used in tribal societies for safety and efficacy and research on developing new drug formulation may be conducted.

### Some of the major problems in R&D in ISM&H include:

- ☞ ISM&H practitioners and researchers need training in research methodology.
- ☞ in spite of growing interest in Indian health systems, alternate and complementary medicine, none of the research done by research councils, industry and academic institutions has been published in scientific journals of national and international repute.
- ☞ research has not concentrated on areas where ISM&H has unique advantages such as prevention and management of lifestyle-related diseases, and diseases for which drugs are not available in the modern system;
- ☞ research work is not carried out in collaboration with modern hospitals where abundant clinical material is available.

34. There are four research councils in ISM&H: the Central Council for Research in Ayurveda and Siddha (CCRAS), the Central Council for Research in Unani Medicines

(CCRUM), the Central Council for Research in Yoga and Naturopathy (CCRYN) and the Central Council for Research in Homoeopathy (CCRH). These councils are the apex bodies for research in the various systems of medicine and are fully financed by the Government of India. They initiate, guide, develop and coordinate basic and applied research, medicobotanical surveys, research on cultivation of medicinal plants and pharmacognostical studies. These councils also conduct research programmes aimed at drug standardisation and clinical trials of new ISM&H drugs.

35. The following measures are being taken to improve R&D.

- Priority will be accorded for bio-medical research pertaining to drug development in specific areas where strength of ISM has already been established.
- Importance will be given to research on the fundamental principles of ISM&H.
- Emphasis will be laid on research in the preventive and promotive aspects of ISM especially lifestyle-related disorders.
- Medico-historical investigations of ISM&H will be continued.
- Promising and widely accepted practices and skills of traditional healers in rural and tribal areas will be identified and evaluated.

### **Involvement in National Programme**

36. The Department of ISM&H is associated with the RCH Programme of the Department of Family Welfare. Thirty institutes have been identified for providing training to ISM&H physicians in RCH and funds have been provided by Department of Family Welfare for inclusion of Ayurvedic and Unani drugs in the drug kit of ANM is being considered. Involvement in all other Central and State Health Sector Programmes e.g. Malaria, Tuberculosis control, diarrhoeal diseases control will have to be taken up in a phased manner.

### **National ISM&H Policy**

37. Globally, there has been a revival of interest in a complementary system of healthcare especially in the prevention and management of chronic lifestyle-related non-communicable diseases and diseases for which there are no effective drugs in the modern system of medicine. India is currently undergoing demographic and lifestyle transition which will result in the increasing prevalence of non-communicable diseases and lifestyle related disorders. ISM&H, especially ayurveda, yoga and naturopathy, can play an important role in the prevention and management of these disorders. ISM&H practitioners can undertake the task of counselling and improving the coverage and continued use of drugs in national diseases control programmes and the family welfare programme.

38. The National ISM&H Policy approved by the Cabinet in October 2002 envisages that the following measures will enable ISM&H system achieves its full potential in providing healthcare:

- improving the quality of primary, secondary and tertiary care;
- mainstreaming ISM&H institutions and practitioners with modern systems of medicine so that people have access to a complementary system of care;
- strengthening ISM&H educational institutions so that students get adequate training, giving them confidence to practise their system and participate in national programmes;
- investing in continuing medical education;
- ensuring the conservation, preservation, promotion, cultivation, collection and processing of medicinal plants and herbs required to meet growing domestic demand for ISM&H drugs and the export potential;
- completing Pharmacopoeia of all the systems of ISM&H and drawing up a list of essential drugs and ensuring their availability;
- ensuring quality control of drugs and improving their availability at an affordable cost;
- investing in research and development (R&D) for the development of new drugs and formulations, undertaking clinical trials and patenting them; and
- undertaking clinical trials of promising drugs being in use, by appropriately strengthening Central Research Councils and coordinating their research with other research agencies such as Indian Council of Medical Research (ICMR), Delhi.

### **Zero Based Budgeting**

39. The Planning Commission had directed all central ministries/departments to review the ongoing schemes using the zero-based budgeting methodology and to ascertain which of the ongoing schemes require continuation in the Tenth Plan. The Department of ISM&H also went through this exercise.

40. Since the Department started functioning only in 1995, most of the schemes had been initiated during the Ninth Plan. A majority of them relate to strengthening essential central institutions in medical education, healthcare, drug quality and research. All these schemes are, therefore, essential. It was found that there were a large number of small schemes and these were merged into broad programmes. Some of the centrally sponsored schemes had been misclassified as central sector schemes and this error has now been corrected. The outlays and expenditure under each of these during the Ninth Plan is summarised in Table-5.8.5.

**Table 5.8.5 – Summary of Zero Based Budgeting Exercise –2001  
Centrally Sponsored Schemes**

<b>Scheme</b>	<b>No. of schemes</b>	<b>Ninth Plan outlay (Rs. Lakh)</b>	<b>Ninth Plan – Sum of yearly outlays (Rs. Lakh)</b>
Schemes to be retained	1	51	51
Schemes to be merged	3/8	5,992	8,047
Schemes to be weeded out	1	0	410
<b>Total</b>	<b>4/10</b>	<b>6,043</b>	<b>8,508</b>
<b>Central Sector Schemes</b>			
Schemes to be retained	1	480	680
Schemes to be merged	8/34	20,112	27,465
<b>Total</b>	<b>9/35</b>	<b>20,592</b>	<b>28,145</b>

**Outlays and Expenditure:**

42. The Department of ISM&H has been provided with an outlay of Rs. 15000.00 lakhs for the Annual Plan 2002-03. The outlay and expenditure for the Ninth Plan and Annual Plans 2002-03 are given in Table below.

**Table 5.8.6 - Outlay and Expenditure**

<b>Rs. in Crores</b>				
<b>Ninth Plan (B.E.)</b>	<b>Ninth Plan (Actual)</b>	<b>2001-2002 (B.E.)</b>	<b>2001-2002 (Anti Expd.)</b>	<b>2002-2003 (B.E.)</b>
266.35	292.26	120.00	80.69	150.00



## Hospitals And Dispensaries Under Indian Systems Of Medicine And Homoeopathy

SL. NO.	NAME OF STATES/ UTS	AYURVEDA			UNANI			HOMOEOPATHY			OTHERS		
		Dispensaries	Hospitals	Beds	Dispensaries	Hospitals	Beds	Dispensaries	Hospitals	Beds	Dispensaries	Hospitals	Beds
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	Andhra Pradesh	1437	8	444	207	7	390	286	6	280	0	1	135
2	Arunachal Pradesh	4	1	15	1	-	-	41	-	-	0	0	0
3	Assam #	329	2	130	1	-	-	75	3	105	4	1	25
4	Bihar#	522	9	871	128	4	414	181	1	100	0	0	0
5	Delhi#	122	9	771	19	4	311	95	3	190	0	1*	50
6	Goa	59	6	245	-	-	-	56	-	-	0	0	0
7	Gujarat	539	45	1745	-	-	-	34	9	730	10	1	1
8	Haryana	414	6	840	20	1	10	20	-	-	0	0	0
9	Himachal Pradesh	1064	16	330	3	-	-	14	-	-	0	2	25
10	J & K#	247	1	25	171	2	200	2	-	-	25	1	10
11	Karnataka	561	124	6132	45	11	202	25	25	1480	11	18	586
12	Kerala	759#	109	2561#	1#	-	-	2754	72	1440	9#	1#	30
13	Madhya Pradesh	2105	34	1160	56	1	60	202	12	590	0	0	0
14	Maharashtra#	463	73	11713	23	10	1400	-	77	5505	0	0	0
15	Manipur	-	-	-	-	-	-	9	1	10	1	2	65
16	Meghalaya	-	-	-	-	-	-	5	-	-	0	0	0
17	Mizoram	1	-	-	-	-	-	1	-	-	0	0	0
18	Nagaland	-	-	-	-	-	-	2	-	-	0	0	0
19	Orissa	527	8	323	9	-	-	503	5	150	65	0	0
20	Punjab#	489	11	771	35	-	-	105	6	185	0	0	0
21	Rajasthan	3486	90	1179	79	5	270	121	5	160	3	2	22
22	Sikkim	-	-	-	-	-	-	1	-	-	1	0	0
23	Tamilnadu	10	4	267	6	1	54	41	3	150	339	221	1716
24	Tripura	30	1	10	-	-	-	66	1	20	0	0	0
25	Uttar Pradesh#	713#	1671	9911	148#	136	1186	1378	36	399\$	0	0	0
26	West Bengal#	254	3	215	-	2	110	899	14	682	0	0	0
27	A & N Islands	-	-	-	-	-	-	7	-	-	0	0	0
28	Chandigarh#	5	1	150	-	-	-	4	1	25	0	1	10

Contd....

SL. NO.	NAME OF STATES/ UTS	AYURVEDA			UNANI			HOMOEOPATHY			OTHERS		
		Dispen saries	Hospitals	Beds	Dispen saries	Hospitals	Beds	Dispen saries	Hospitals	Beds	Dispen saries	Hospitals	Beds
1	2	3	4	5	6	7	8	9	10	11	12	13	14
29	D & N Haveli	1	1	-@	-	-	-	1	1	-@	0	0	0
30	Daman & Diu	1	1	5	-	-	-	-	-	-	0	0	0
31	Lakshadweep	4	-	-	-	-	-	2	-	-	0	0	0
32	Pondicherry	12	-	-	-	-	-	1	-	-	8	0	0
33	Cghs	31	1	25	9	-	-	34	-	-	5	0	0
34	Central Research Councils	32	20	475	8	12	265	41	5	105	4	2	85
35	M/O RAILWAY	38	-	-	-	-	-	124	-	-	0	0	0
36	M/O LABOUR	129	-	-	1	-	-	25	-	-	2	0	0
37	M/O COAL	28	-	-	-	-	-	-	-	-	0	0	0
	<b>Total</b>	<b>14416</b>	<b>2258</b>	<b>40313</b>	<b>970</b>	<b>196</b>	<b>4872</b>	<b>7155</b>	<b>297</b>	<b>12836</b>	<b>487</b>	<b>254</b>	<b>2660</b>

Source: Department Of ISM&H, 1999

Note :- Institutions functional as on 1.4.1999;

- = Nil Information.

# = Information for the current year has not been received. Hence repeated for the latest available year.

\* = Information regarding Yoga Hospitals in Delhi is under clarification.

\$ = Figures as on 1.4.98.

@ = No. of beds reported nil in under clarification

Figures are provisional

## Tenth Plan Outlays - Department of ISM&amp;H

Rs. In Lakhs

Sl. No.	Name of the Scheme	Ninth Plan Outlay	9th Plan Sum of Year-wise Outlay	Anticipated Expenditure	2002-03 Outlay
1	2	3	4	5	6
	<b>Centrally Sponsored Schemes</b>				
A	Development Of Institutions	2920.00	4020.00	4279.48	1950.00
B	Hospitals And Dispensaries	490.00	402.00	73.72	750.00
C	Information, Education And Communiation (IEC)	51.00	51.00	0.00	300.00
D	Drugs Quality Control	2582.00	3700.00	3146.55	875.00
	<b>Central Sector</b>				
A	Strengthening Of Deptt. Of ISM&H	1650.00	2129.00	1964.61	515.00
B	Educational Institutions	5282.00	6693.00	4990.65	2615.00
C	Statutory Institutions	176.00	169.00	147.00	15.00
D	Research Councils (Intra And Extra Mural Research)	8391.00	10777.00	10661.94	2520.00
E	Hospitals And Dispensaries	71.00	292.00	314.80	276.00
F	Medicinal Plants	1765.00	3420.00	2215.56	2516.00
G	Strengthening Of Pharmacopoeial Laboratoraties	1082.00	1150.00	365.50	567.00
H	Information, Education And Communiation (IEC)	480.00	680.00	839.28	300.00
I	Other Programmes And Schemes New Initiatives During The 10th Plan	1595.00	2960.00	226.52	1801.00
	<b>Grand Total</b>	<b>26635.00</b>	<b>36443.00</b>	<b>29225.61</b>	<b>15000.00</b>

## **5.9 HOUSING, WATER SUPPLY AND CIVIC AMENITIES**

### **5.9.1 WATER SUPPLY AND SANITATION**

1. The Tenth Five Year Plan envisages provision of safe drinking water on a sustainable basis to every settlement in the country and to take all possible measures for rapid expansion and improvement of sanitation facilities in the urban as well as rural areas with local participation.

2. Whereas provision of safe drinking water and sanitation is a State subject and primary responsibilities of the State Governments, and more specifically the local bodies, the Central Government has been supplementing the efforts of the State Governments in the form of financial assistance and technical guidance since 1976-77 by implementing a large scale Centrally Sponsored Scheme of rural water supply, viz. "Accelerated Rural Water Supply Programme" (ARWSP), also known as "Rajiv Gandhi National Drinking Water Mission". Based on the reports received from the State Governments by the Drinking Water Mission, there were 19544 left over "Not Covered" (NC) and 165722 "Partially Covered" (PC) habitations as on 1.4.2001 out of a total of 1422664 identified habitations in rural areas. Besides, as many as 1.50 lakh habitations, which are reported to have been suffering from water quality problems, like excess fluoride, arsenic, salinity, iron etc, also need to be tackled. Thus, the task ahead is significantly large in terms of "No-source" villages/habitations, extent of quality and quantity problems of water supply to be tackled and more importantly the sustainability of the programme. As regards rural sanitation, a Re-structured Centrally Sponsored Scheme with involvement of local people and NGOs has been brought in force from April 1999.

3. In so far as urban water supply is concerned, a modest Centrally Sponsored scheme viz., Accelerated Urban Water Supply Programme for small towns with population less than 20,000 (as per 1991 census) is under implementation by the Ministry of UD&PA since 1993-94. Similarly, a Centrally Sponsored Scheme of Urban Low Cost Sanitation for Liberation of Scavengers is also under implementation since 1990 with the primary objective of eliminating the obnoxious practice of manual handling of human excreta, through conversion of all the existing dry latrines into sanitary latrines. Under this scheme, "whole-town" approach is adopted and in the process, assistance is also provided for construction of new sanitary household/community latrines, where no toilet facility exists. Besides, the State Governments have also been putting in substantial plan allocations for urban water supply and sanitation schemes and significant institutional funding availed. However, the per capita unit costs of incremental water supply and modern underground sewerage schemes are very high and beyond the means of most of the urban local bodies/ State Governments in their current financial status. More innovative "User-Charges" and pricing principles, therefore, need to be adopted to enhance the financial viability of the Sector and permit resource mobilisation through institutional finance, market borrowing, private investment etc.

#### **Review of Annual Plan 2001-2002**

4. The Annual Plan 2001-2002 included an outlay of Rs. 8355.03 crore - Rs. 5972.23 crore in the State and UT Plans and Rs. 2382.80 crore in the Central Plan for water supply and sanitation sector. Against this, the likely expenditure during the year is Rs. 7948.74

crore -Rs. 5691.94 crore in the State and UT Plans and Rs. 2256.80 crore in the Central Plan. In addition, an amount of Rs 33.50 crore was also released under Non-lapsable Central Pool of Resources for North-Eastern States and Sikkim.

5. On the basis of reports, furnished by the State Governments to the Rajiv Gandhi National Drinking Water Mission, 43771 villages/habitations have been provided with safe drinking water supply facilities during 2001-2002, against a total target of 45526 villages/habitations.

6. Under Centrally Sponsored Accelerated Urban Water Supply Programme (AUWSP), 660 projects costing Rs. 829.34 crore have been approved up to 2001-2002 including 85 projects costing Rs. 122.81 crore during 2001-2002. The Government of India has so far released an amount of Rs. 360.57 crore including Rs 95.00 crore during 2001-2002 and States have released a total amount of Rs. 244.09 crore. An expenditure of Rs. 391.38 crore has been reported to have been incurred so far on these schemes.

7. Under the Centrally Sponsored Scheme of "Low Cost Sanitation for Liberation of Scavengers", HUDCO sanctioned a total of 858 schemes covering 1476 towns after 1989-90 till March 31st 2002, costing Rs.1467.41 crore for conversion of 18.14 lakh individual dry latrines into sanitary latrines and construction of 18.58 lakh new individual sanitary latrines and 3966 community toilets in various States. The total cost of Rs.1467.41 crore of the sanctioned projects includes a component of Rs. 511.69 crore as the Central subsidy component, Rs.514.99 crore as HUDCO loan component and the balance Rs. 440.73 crore as beneficiaries' contribution. Against this, cumulative amounts of Rs.262.89 crore as subsidy and Rs. 314.79 crore as loan have been released up to March 31st, 2002. These include Rs.9.85 crore as subsidy and Rs. 32.08 crore as loan during 2001-2002. In so far as physical progress is concerned, 14.58 lakh household sanitary latrines and 2982 community toilets have been completed. Besides, 1.06 lakh conversion and 2.13 lakh new construction of household and 185 community toilets are in progress. In all, 37430 scavengers have been liberated and 387 towns declared scavenging-free.

### **Annual Plan 2002-2003**

8. In keeping with the Tenth Plan objective, the Annual Plan 2002-2003 includes a large Plan Outlay under water supply and sanitation sector including Rs. 3299.10 crore under Central Plan as can be seen in Annexure 5.9.1

9. The scheme-wise break-up of the approved outlays under Central Plan and State-wise details of the State/UT plans are indicated in Annexure-5.9.2 and Annexure-5.9.3 respectively.

### **Rural Water Supply and Sanitation**

10. For achieving the objective of providing safe drinking water supply to all rural habitations during the Tenth Five Year Plan (2002-07), the following prioritisation shall be adopted :

- Highest priority to be given to ensure that the remaining "Not Covered" habitations are provided with sustainable and stipulated supply of drinking water.

- Equally important would be to ensure that all the “Partially Covered” habitations having a supply level of less than 10 litres per capita per day (lpcd) as also those affected severely with water quality problem are fully covered with safe drinking water facilities on a sustainable basis.
- Thereafter other “Partially Covered” and Quality Affected habitations are to be covered.
- After providing drinking water supply facility to all rural habitations as per the existing data by 2004, the remaining period of the Tenth Plan would be utilized for consolidation, i.e., coverage of newly emerged habitations and those which have slipped back to “Partially Covered” or “Not Covered” due to variety of reasons.
- Simultaneously action is needed to identify and tackle habitations where water quality problems have newly emerged.
- It should be ensured that SC/ST population and other poor/weaker sections are covered fully on a priority basis, by a systematic survey of all such identified habitations.

11. The stipulated norms of supply would be 40 lpcd of safe drinking water within a walking distance of 1.6 kms or elevation difference of 100 meters in hilly areas, to be relaxed as per field conditions applicable to arid, semi-arid, and hilly areas. At least one handpump/spot-source for every 250 persons is to be provided. Additional water in DDP areas for cattle to be provided, based on the cattle population. Cattle needs need not necessarily be met through piped water supply and could be made through RWH structures/spot-sources.

12. In the States where 40 lpcd has been achieved in all habitations, the next step is to raise the level to 55 lpcd. Population/distance/elevation norms for coverage may also be liberalized during the Tenth Plan in respect of States which have achieved full coverage as per the existing norms, subject to cost sharing by the beneficiaries.

13. The Annual Plan 2002-2003 envisages to cover 8417 “Not-Covered” and 60957 “partially-Covered” villages/habitations. State-wise details are shown in Annexure 5.9.4.

14. Rain Water Harvesting has been recognised as an important source of water, particularly in hilly regions of North-Eastern States, islands and water-stress areas. This will also help recharge the ground water aquifers and check the depleting ground water table, as also reduce severity of floods and quality problems of water, like fluoride, arsenic, salinity, etc. Concerted efforts, therefore, need to be made to construct rain water harvesting structures and conserve the rain water under/over the ground to help meet the water demand. Operation and maintenance of rural water supply is not satisfactory at present and therefore, is an area of concern and needs special attention with the involvement of community, particularly the women.

15. Rural Sanitation programme is now gaining momentum in several States. The type of facilities to be provided would be decided, based on the need and full participation and involvement of Gram-Panchayats, the people, particularly the women and the NGOs. The programme of construction of low-cost household sanitary latrines will continue to get emphasis with priority on conversion of dry latrines into sanitary ones. The concept of total environmental sanitation needs to be adopted. For success of the programme, it may be

necessary to ensure alternative delivery system also through “Rural Sanitary Marts”, a commercial enterprise with social objective, which apart from being a sales outlet, also serves as a counselling-centre as well as a service-centre.

### **Urban Water Supply and Sanitation**

16. Due to rapid urbanisation and ever increasing population of the cities and towns, their demand for adequate drinking water supply and hygienic disposal of liquid and solid wastes is assuming greater importance year after year. The service levels of water supply in most of the cities and towns are far below the desired norms; in some cases, particularly the smaller towns, even below the rural norms and therefore, augmentation of water supply systems is necessary. While the coverage of urban population by protected water supply is estimated to be around 89%, this however, does not truly reflect the poor service levels and deprivation of the poor, particularly those living in slums. Similarly, in the case of urban sanitation, though about 60% of the population is reported to have access to sanitary excreta disposal facilities, only 30% have access to sewerage system mostly in a few big cities, and the balance 30% is covered with low-cost sanitary latrines. Even where seweraged, the same are partial and without adequate treatment facilities in most of the cases. Slums are worst affected and mostly without basic environmental sanitation facilities.

17. In view of constraint on budgetary resources, it would be necessary, as envisaged in the Tenth Plan, that the Urban Water Supply and Sanitation Schemes should increasingly depend on institutional finance and the State budgetary support be provided adequately to meet the counterpart matching requirements of institutional finance. In so far as budgetary provisions are concerned, besides State Plan outlays, the Central Plan also includes an outlay of Rs. 143 crore under the Centrally Sponsored Accelerated Urban Water Supply Programme for Small Towns with population less than 20,000 (as per 1991 census). The Operation and Maintenance and Management of Urban Water Supply Schemes have not been given due attention and in most of the cases, the revenue generation is much less than the actual cost of Operation and Maintenance. This calls for an urgent revision of water tariff and improvement of billing and collection mechanism.

18. The coverage of urban population with sanitation facilities is rather slow. While sophisticated sewerage system and sewage-treatment facilities may be necessary in the case of metropolitan cities and a few important tourist/pilgrim centres and industrial cities/towns, the low-cost sanitation approach may have to be adopted in all other cases due to constraints on financial resources and other competing demands. Waste-water-recycling after appropriate treatment for non-domestic uses in the water scarcity areas needs to be given due priority, if found techno-economically viable. This would save a large quantity of fresh water to be used for domestic purpose.

19. With a view to eradicate the most degrading practice of manual handling of night-soil completely in the country within a short time frame, the Centrally Sponsored scheme of urban low cost sanitation for liberation of scavengers has been accorded a high priority during the Tenth Plan. The Annual Plan 2002-2003 includes Rs. 30 crore for this scheme under the Central Plan. The Central legislation titled “The Employment of Manual Scavengers and Construction of dry Latrines (Prohibition) Act 1993” had already been passed by the Parliament and assented by the President in June, 1993. All the State Governments have been requested to adopt the Central legislation or enact State

legislation in line with the Central legislation. In addition to Uts, 17 States viz. Andhra Pradesh, Goa, Karnataka, Maharashtra, Tripura, West Bengal, Orissa, Punjab, Assam, Haryana, Bihar, Jharkhand, Chhattisgarh, Madhya Pradesh, Tamil Nadu, Uttar Pradesh and Gujarat have already adopted this legislation. However, the Act is yet to be enforced strictly in these States.

### **Externally aided Water Supply and Sanitation Projects**

20. The World Bank is assisting various States in Water Supply and Sanitation Programme in urban and rural areas. Currently 4 projects are under implementation. The disbursement budget estimate for 2002-2003 is about Rs. 148.561 crore. Apart from these projects, several projects are also being funded by other External support Agencies like ADB, JBIC, KFW, EEC, DIFD, DANIDA, Netherlands etc.

### **5.9.2 HOUSING**

21. Housing is a basic necessity as well as an important economic activity, in that it is a part of the construction industry,. Construction activity accounts for more than 50 per cent of the development outlays. A study by the Indian Institute of Management, Ahmedabad, commissioned by HUDCO, to evaluate the impact of investment in the housing sector on GDP and employment, has found that the sector ranks third among the 14 major sectors in terms of the direct, indirect, and induced effect on all sectors of the economy.

22. The Housing and Habitat Policy, 1998 has specifically advocated that Government create a facilitating environment for growth of housing activity instead of taking on the task of housing itself. Housing is largely a private sector activity in both the rural and urban sectors. This is not to rule out the need for a high degree of involvement of the Government and its agencies in meeting the housing needs of the urban poor. The nature of this involvement – it may in some instances extend to house construction itself – is to be determined by the needs of a given situation.

23. The National Agenda of Governance also emphasised that housing activity would be an engine for substantial generation of employment, and all legal and administrative impediments that stand in the way of vigorous housing activity should be removed forthwith. What is undisputed is that governmental initiatives and its 'facilitating role' have a significant impact on the provision of housing and growth of the sector. These initiatives and interventions relate to legislations concerning ownership, transfers and development of land; stamp duty and registration laws; rent control legislation; tax policy particularly relating to housing loans; property and land tax laws; town planning law and its actual implementation, i.e., Comprehensive Development Plans, zoning regulations, land use change; and building bye-laws. It also covers urban development activities through parastatals and urban development authorities; sites and services schemes; slum policy; provision of urban infrastructure; urban transport policy and facilities; the institutions in the public sector relating to housing development and housing finance; and house construction in the public sector.

24. With the anticipated entry of FDI into the real estate sector, care has to be taken that the needs of the urban poor and marginalised sections are not ignored. Given the large number of activities impinging on housing directly and indirectly and the multiplicity of



agencies involved, designing a framework for orderly and dynamic growth in the housing sector in the Tenth Plan is a challenge to the planners.

25. The Working Group on Housing for the Tenth Plan has observed that around 90 per cent of housing shortage pertains to the weaker sections. There is a need to increase the supply of affordable housing to the economically weaker sections and the low income category through a proper programme of allocation of land, extension of funding assistance and provision of support services. The problem of the urban shelter-less and pavement dwellers has not been given the consideration that is necessary in a welfare or pro-poor State, as seen from the lack of progress in the Night Shelter Scheme. Regulation of building quality and its assurance, especially in areas prone to disasters is an issue whose urgency was reiterated after the earthquake in Gujarat in January 2000. Building designs also need to be gender sensitive and should accommodate the requirements of physically challenged population.

26. In order to increase the proportion of household savings in the housing sector, as well as to provide houses to those who cannot as yet afford to have their own houses, there is need to encourage the promotion of rental housing by the private sector, public sector, cooperatives and individuals. This requires legislative changes in the existing rent control laws, something on which very little progress has been achieved.

27. Availability of land has been constrained by certain provisions contained in a variety of laws such as the Land Revenue Act, the Land Reforms Act, the Urban Land (Ceiling and Regulation) Act (ULCRA), the Town Planning Act and the Urban Development Acts. Each of them has, often through its provisions and equally through the manner in which they were implemented — created hurdles for legitimate transactions in land urgently required for expansion of the housing stock. The repeal of ULCRA was expected to ease the situation to some extent. This needs to be followed up by other changes whereby legally valid availability of land for urbanization is speeded up, and people are not driven to adoption of short-cuts to obtaining housing plots and other uses.

28. Balancing the liberal availability of land, with the demands of orderly growth with adequate provision of infrastructure is no easy task, and the 'land sharks' are invariably one step ahead of the authorities that enforce regulations and provide of amenities. This has led to the proliferation of 'unauthorised layouts' and 'informal settlements'. The efficacy of town planning and urban development programmes lies in meeting the growing demand for housing in urban areas within the framework of the tenets of orderly growth. Public and private initiatives in various parts of the country have already demonstrated that, given the will and efficiency of implementation, it is possible to plan ahead and promote orderly growth. These efforts need to be made more widely known and replicated.

### **Institutional Financing of Housing**

29. The substantial thrust on housing laid by Government through the facilitating measures including Reserve Bank of India (RBI) regulations relating to priority sector lending, fiscal concessions and budgetary incentives has started to bear fruit. Institutional credit disbursements have grown from Rs. 5,767 crore in 1997-98 to Rs. 12,626 crore in 2000-01. These disbursements are through the 28 Housing Finance Institutions (HFIs) under the ambit of the National Housing Bank (NHB).

## **HUDCO**

30. HUDCO earmarks 55 per cent of its housing portfolio funds for the economically weaker sections (EWS) and low income groups (LIG), with differential interest rates, high loan component for lower cost units, and longer repayment period. Though its releases are somewhat less than sanctions, it is noteworthy that HUDCO has sanctioned 12.46 million urban housing units (till September, 2001) in both urban and rural areas. During 1998-2001, under the Additional 2 Million Housing programme, against a total target of 30 lakh housing units, HUDCO has supported 33.82 lakh units.

31. The other factor in HUDCO operations for the mass housing programmes is the dependence on State Government guarantees, which as noted elsewhere, disqualifies some states who have defaulted. Such states will need to take steps to fulfil their obligations under the guarantee. HUDCO is also a large player in retail lending for housing, and in two and a half years has sanctioned a total loan amount of Rs. 2,331 crore to 2,62,550 beneficiaries. HUDCO has been in the forefront of the Government's efforts to come to the aid of disaster-affected households, and has provided financial assistance for disaster rehabilitation housing to the tune of Rs. 2,360 crore for construction of over 4 million houses for earthquake, cyclone, and flood victims.

32. In order to undertake housing programmes for the poorer sections, states must create an environment favouring loan-based house construction for the EWS categories, and strengthen the state-level machinery for lending and loan recovery. EWS housing in urban areas has long remained a neglected area in relation to the demand, and without arrangements in place for credit support to this section, states will find it difficult to continue giving State guarantees to loans from HUDCO. To ensure recovery of loans, conferment of ownership rights in the name of the beneficiary family (jointly in the names of wife and husband) could be done only after the entire loan is recovered, till which time the house may be held on a rental basis. To augment housing supply for the poor, there is also need to enlarge private initiatives and public-private sector partnerships. While encouraging the development of new integrated townships through foreign direct investment/private entrepreneurship, there should be provision for earmarking a percentage of such housing for EWS/LIG households.

## **Cooperative Sector**

33. The National Cooperative Housing Federation operates through 26 apex cooperative housing federations in the states. There are nearly 90,000 primary cooperative housing societies with 6.5 million individual members. Up to 31 March 2001, the apex federations have mobilised Rs. 6,407 crore from LIC, NHB, HUDCO commercial and cooperative banks etc., and disbursed loans of Rs 6,800 crore to housing cooperatives and individual members. This has led to the construction of approximately 2.13 million dwelling units (completed and under construction). Housing cooperatives have been given a target of construction of one lakh houses each year under the 2 million housing programme for the EWS/LIG, and they have been able to construct a total of 2.92 lakh units in the 1998-2001 period.

## Strengthening of Housing Stock In Vulnerable Regions

34. About 54 per cent of India's land area is vulnerable to earthquakes, 8.4 per cent to cyclonic wind and storm surges, and 4.9 per cent of the area is vulnerable to flood damage. The Working Group on Housing has suggested a scheme for strengthening of the vulnerable house in the EWS and LIG category in 107 districts which face highest risk of damage because they are multi-hazard prone. According to an estimate, these houses can be strengthened and retrofitted at 10 per cent of the cost of construction of a new house on an average. What is equally important is to demonstrate retrofitting technologies relevant to the specific disaster-prone area.

35. The problem of housing slum-dwellers in decent surroundings is dealt with separately. In view of the growing problems of the housing sector, and particularly the urban poor, the following measures are necessary and should be implemented during the Tenth Plan period:

- The first priority in urban housing, particularly for the urban LIG and EWS, is the provision of land at affordable prices. Increased availability of developed land in urban areas through adoption of various innovative approaches like land bank for the poor and land assembly methods, vacant land tax and transferable development rights and simplification of sub-division regulations is called for.
- Unauthorised settlements have become a part of the urban scenario. They house a large number of people and there is ambivalence regarding regularisation of these settlements and extension of services to them. In many cities, they are not brought under the property tax net. Pragmatic solutions leading to security and extension of civic services are required. To prevent proliferation of such colonies, the land use and sub-division policies need to be streamlined, and their implementation rendered speedy and smooth without undue hassles to those in need of land for housing.
- The city planning provisions need to be tuned to the requirements of the weaker sections in urban areas through adoption of appropriate and affordable standards and norms, use of cluster housing and 'growing house' concepts.
- The feeling that urban planning ignores the needs of the urban poor, must be dispelled through effective action to meet these needs. The urban development authorities who acquire and develop large tracts of land for the growth of the cities, should reserve a major part of such land to meet the requirements of the EWS/LIG population. At present, there is little evidence that these authorities — who are often the sole organisation for development of serviced land — are providing the due share of land to the urban poor.
- Housing and economic activities have to go hand in hand with the provision of housing for the workers close to work places. There is need for coordinating the development of industrial areas and housing areas. Layouts should be mixed in nature with the urban poor - providers of services - being enabled to live and integrate with the rest of the community.

- Schemes such as the Two Million Housing scheme and the new scheme of housing with Central assistance for the slum population (Valmiki Ambedkar Awas Yojana or VAMBAY) should be used to provide immediate benefit to the most disadvantaged urban segments.
- HUDCO assistance is not available to several states which are unable or unwilling to stand guarantee for these loans. A solution has to be found so that the urban poor in these states do not find themselves at a disadvantage in comparison with other states where there is greater willingness to use HUDCO loans.
- Urban housing should mostly be based on savings and credit from HFIs. The workers of the informal sector and other urban poor including slum-dwellers are generally not served by these Institutions. At the same time, public institutions such as Housing Boards and Housing Co-operatives, have not been able to meet the needs of these sections. This will only increase the growth of unserved housing and of slums. There is a need to make housing loans available to the EWS in the cities. Credit activity by state agencies and housing co-operatives need to be revived. HUDCO and the HFIs should be encouraged to finance self-help groups or groups who have the support of an NGO and who can be of assistance in loan recovery.

36. Costs of urban housing are likely to be higher in comparison with rural housing programmes because of the higher land costs standards of construction in urban areas. It is for this reason that a scheme such as VAMBAY, launched in the final year of the Ninth Plan, has a combination of subsidy and loan. Expectations of fully subsidised housing should be discouraged. An environment needs to be created to encourage housing programmes with credit to the extent that beneficiaries can afford.

### **Urban Transport**

37. A good network of roads coupled with efficient mass urban transport system play a catalytic role in urban economic growth, with beneficial impact on the urban poor. Adequacy of transport network help to plan development in diversifying economic activities, production, expanding trade etc, contributing to per capita GDP. The only major programme in operation is the Delhi Mass Rapid Transit System (MRTS) with soft loan assistance from JBIC. The funds are made available to the DMRC (Delhi Metro Rail Corporation) as pass through assistance, which is included in the budget resources of the Ministry of Urban Development and Poverty Alleviation. The project is scheduled for completion in March, 2005. During the Annual Plan, 2001-02, Rupee one crore was kept as pass through assistance against which a provisional expenditure of Rs 783.35 is indicated. The equity provision made for 2001-02 was Rs 165 crores which is anticipated to be the expenditure also. For the Annual Plan (2002-03), while pass through assistance from JBIC is kept at Rupee one crore, a provision of Rs 172 crores has been provided as equity to DMRC.

## Water Supply and Sanitation - Summary of Outlays/Expenditure

Rs Crore

Scheme	2000-2001 Actual Expenditure	2000-2001 Approved Outlay	2000-2001 Anticipated Expenditure	2002-2003 Approved Outlay
1	2	3	4	5
<b>State &amp; UT's Plans</b>				
a) Rural Water Supply & Sanitation)	5237.94#	5972.23\$	5691.94	NA
b) Urban Water Supply & Sanitation)				
<b>Sub Total (State and UT's Plan)</b>	<b>5237.94#</b>	<b>5972.23\$</b>	<b>5691.94</b>	<b>NA</b>
<b>Central Plan</b>				
<b>a) Ministry of Rural Areas &amp; Employment</b>				
1) Centrally Sponsored Accelerated Rural Water Supply Programme.	1896.55	2010.00	1975.00	2235.00
2) Centrally Sponsored Rural Sanitation Programme	130.85	150.00	135.00	165.00
<b>b) Ministry of Urban Affairs &amp; Employment</b>				
1) Centrally Sponsored Accelerated Urban Water Supply Programme for small towns with population less than 20,000	64.00	95.00	95.00	143.00
2) Centrally Sponsored Urban Low-cost Sanitation Scheme for liberation of scavengers	29.62*	39.80*	19.80	29.80
3) Other Schemes	81.51	88.00	32.00	26.30
<b>Sub-Total (Central Plan)</b>	<b>2202.53</b>	<b>2382.80</b>	<b>2256.80</b>	<b>2599.10</b>
<b>GRAND TOTAL</b>	<b>7440.47</b>	<b>8355.03</b>	<b>7948.74</b>	<b>NA</b>

Note : (i) The above mentioned figures do not include the funds released under the Non-Lapsable Central Pool of Resources for NER and Sikkim.

(ii) \* - Beside the above mentioned schemes, a Provision of Rs 0.20 crore is made every year for meeting establishment related expenditure under Water Supply & Sanitation.

(iii) # - Figure is excluding Chhattisgarh and Jharkhand.

(iv) \$ - Figure is excluding Jharkhand.

## Annexure 5.9.2

## Water Supply and Sanitation - Central Plan Scheme wise outlay/Expenditure

Rs. Lakh

Sl. No.	Scheme	2000-2001 Actual Expenditure	2000-2001 Approved Outlay	2000-2001 Anticipated Expenditure	2002-2003 Approved Outlay
1	2	3	4	5	6
<b>Ministry of Rural Areas &amp; Employment</b>					
Centrally Sponsored Accelerated					
1	Rural Water Supply Programme inclu. Rajiv Gandhi National Drinking Water Mission programme	189655	201000	197500	223500
2	Centrally Sponsored Rural Sanitation Programme	13085	15000	13500	16500
<b>Sub total (MoRAE)</b>		<b>202740</b>	<b>216000</b>	<b>211000</b>	<b>240000</b>
<b>Ministry of Urban Affairs &amp; Employment</b>					
1	Public Health Engineering Training Programme	152	198	198	130
2	Monitoring & Management Information System				
3	Research & Development				
4	Equity to Urban Development and Urban Water Supply Finance Corporation/HUDCO (WS Share)	2000	2000	500	2000
5	Centrally Sponsored Urban Low-Cost Sanitation Scheme for Liberation of Scavengers	2962*	3980*	1980*	2980*
6	Pilot project on solid waste management near Airport in few selected city in the country.	0	500	500	500
7	Centrally Sponsored Accelerated Urban Water Supply Programme for small towns with population below 20,000 (as per 1991 Census)	6400	9500	9500	14300
8	Counterpart fund for external assistance to HUDCO from OECF(Japan)	0	0	0	0
9	Support to water supply scheme of major cities facing acute water shortage (Ganga Barage)	5999	6100	2000	0
10	Special new scheme for Water Supply	0	1	1	0
11	Special new scheme for Solid Waste Management and Sanitation	0	1	1	0
<b>Sub Total (MoUAE)</b>		<b>17513</b>	<b>22280</b>	<b>14680</b>	<b>19910</b>
<b>Total</b>		<b>220253</b>	<b>238280</b>	<b>225680</b>	<b>259910</b>

Note : (i) The above mentioned figures do not include the funds released under the Non-Lapsable Central Pool of Resources for NER and Sikkim

(ii) \* - Beside the above mentioned schemes a Provision of Rs 0.20 crore is made every year for meeting establishment related expenditure under Water Supply & Sanitation.

## Annexure 5.9.3

## Outlay/Expenditure on Water Supply and Sanitation - States and Uts

Rs. Lakh

SI No.	State/ UT	2000-2001 Anticipated Expenditure	2001-2002	
			Approved Outlay	Anticipated Expenditure
1	2	3	4	5
1	Andhra Pradesh	8964	22363.70	18264
2	Arunachal Pradesh	2674	2913.00	3005
3	Assam	6463	6754.00	6754
4	Bihar	2479	6185.02	6185
5	Chattisgarh	#	13504.30	13504
6	Goa	8662	8648.00	8648
7	Gujarat	86813	62594.00	62594
8	Haryana	7725	6500.00	10017
9	Himachal Pradesh	12137	12176.77	13027
10	Jammu & Kashmir	11003	13125.00	13125
11	Jharkhand	#	#	#
12	Karnataka	56152	61017.32	75741
13	Kerala	9000	13700.00	10000
14	Madhya Pradesh	13601	18589.00	18590
15	Maharashtra	60142	73455.39	73455
16	Manipur	2388	6125.00	4930
17	Meghalaya	3258	3340.00	2917
18	Mizoram	3004	2574.00	3151
19	Nagaland	2279	3901.00	3866
20	Orissa	8730	8737.88	9051
21	Punjab	6399	9580.10	9580
22	Rajasthan	26762	30274.01	26323
23	Sikkim	1522	1754.00	1818
24	Tamil Nadu	69937	72658.48	58550
25	Tripura	2704	2797.28	2797
26	Uttar Pradesh	27907	41836.00	23153
27	Uttanchal	18977	13425.00	13425
28	West Bengal	14467	20506.79	18420
29	A&N Islands	1700.71	2675.00	2675
30	D&N Haveli	309.98	301.60	301.6
31	Daman & Diu	257.24	175.00	175
32	Delhi	44765	52415.00	52415
33	Lakashadweep	245.87	238.40	238.4
34	Pondicherry	1691.27	1573.34	1689
35	Chandigarh	675	810.00	810
	<b>Grand Total</b>	<b>523794.07</b>	<b>597223.38</b>	<b>569194.00</b>

# - Not Available

## Annexure 5.9.4-Contd.

## Status of Drinking Water Supply in Rural Habitations

Sl. No.	State/UT	Status as on 1. 4. 2001				Coverage during 2001-2002					
						Target			Acheivement		
		NC	PC	FC	Total	NC	PC	Total	NC	PC	Total
1	2	3	4	5	6	7	8	9	10	11	12
1	Andhra Pradesh	0	18583	51149	69732	0	2560	2560	0	2560	2560
2	Arunachal Pradesh	403	995	2900	4298	60	103	163	16	45	61
3	Assam	801	22314	47554	70669	623	3500	4123	151	2595	2746
4	Bihar	2	2	105336	105340	2	2	4	2	2	4
5	Chhathisgarh	402	817	49160	50379	402	817	1219	402	2653	3055
6	Goa	11	46	339	396	11	39	50	3	1	4
7	Gujarat	190	2235	27844	30269	100	400	500	94	458	552
8	Haryana #	0	193	6552	6745	0	193	193	0	592	592
9	Himachal Pradesh	1593	11658	32116	45367	900	950	1850	519	1406	1925
10	Jammu & Kashmir	2074	3688	5422	11184	600	400	1000	0	0	0
11	Jharkhand	497	119	99480	100096	421	100	521	0	0	0
12	Karnataka	10	21148	35524	56682	10	4990	5000	7	1626	1633
13	Kerala	805	6956	2002	9763	30	300	330	9	238	247
14	Madhya Pradesh	127	0	109362	109489	127	0	127	81	2284	2365
15	Maharashtra	2256	26120	57554	85930	500	2500	3000	161	2650	2811
16	Manipur	30	302	2459	2791	28	364	392	0	20	20
17	Meghalaya	549	920	7170	8639	240	200	440	85	25	110
18	Mizoram	0	525	386	911	0	206	206	0	63	63
19	Nagaland	393	596	536	1525	74	38	112	22	11	33
20	Orissa	34	119	113946	114099	34	101	135	22	78	100
21	Punjab	1792	3123	8534	13449	513	0	513	282	0	282
22	Rajasthan	6908	19545	67493	93946	3000	8000	11000	792	10111	10903
23	Sikkim	0	472	1207	1679	0	130	130	0	104	104
24	Tamil Nadu	0	4934	61697	66631	0	4934	4934	0	6865	6865
25	Tripura	287	711	6414	7412	287	370	657	0	260	260
26	Uttar Pradesh #	32	126	243475	243633	2	31	33	32	124	156
27	Uttaranchal	262	1188	29558	31008	164	288	452	87	119	206
28	WestBengal	0	17809	61227	79036	0	5750	5750	0	6078	6078
29	A & N Islands	0	141	363	504	0	50	50	0	9	9
30	D & N Haveli	46	243	227	516	15	24	39	8	5	13
31	Daman & Diu	0	0	32	32	0	0	0	0	0	0
32	Delhi	0	0	219	219	0	0	0	0	0	0
33	Lakashadweep	0	10	0	10	0	10	10	0	9	9
34	Pondicherry #	40	84	143	267	0	33	33	0	5	5
35	Chandigarh	0	0	18	18	0	0	0			
	<b>TOTAL</b>	<b>19544</b>	<b>165722</b>	<b>1237398</b>	<b>1422664</b>	<b>8143</b>	<b>37383</b>	<b>45526</b>	<b>2775</b>	<b>40996</b>	<b>43771</b>

Note:

# - PC Targets fixed in respect of Haryana, UP and Pondicherry are for augmentation.

NC - Not Covered, PC - Partially Covered, FC - Fully Covered



## Annexure 5.9.4 Contd..

## Status of Drinking Water Supply in Rural Habitations

Sl. No.	State/UT	Status as on 1.4.2002				Target for 2002-2003		
		NC	PC	FC	Total	NC	PC	Total
<b>1</b>	<b>2</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>
1	Andhra Pradesh	0	16023	53709	69732	0	8012	8012
2	Arunachal Pradesh	387	1043	2868	4298	327	446	773
3	Assam	650	22314	47705	70669	600	5000	5600
4	Bihar	0	2	105338	105340	0	0	0
5	Chhathisgarh	0	1843	48536	50379	0	0	0
6	Goa	8	46	342	396	0	4	4
7	Gujarat	96	2772	27401	30269	100	918	1018
8	Haryana #	0	0	6745	6745	0	48	48
9	Himachal Pradesh	1074	11658	32635	45367	693	5000	5693
10	Jammu & Kashmir	2074	3726	5384	11184	1074	1644	2718
11	Jharkhand	497	119	99480	100096	200	100	300
12	Karnataka	3	22090	34589	56682	3	7400	7403
13	Kerala	796	6954	2013	9763	400	2000	2400
14	Madhya Pradesh	46	0	109443	109489	0	0	0
15	Maharashtra	2095	26942	56893	85930	1000	11810	12810
16	Manipur	30	364	2397	2791	30	100	130
17	Meghalaya	464	920	7255	8639	180	200	380
18	Mizoram	0	553	358	911	0	180	180
19	Nagaland	371	637	517	1525	195	50	245
20	Orissa	12	119	113968	114099	12	49	61
21	Punjab	1510	3123	8816	13449	1510	1097	2607
22	Rajasthan	6116	19545	68285	93946	1895	9105	11000
23	Sikkim	0	472	1207	1679	0	130	130
24	Tamil Nadu	0	4934	61697	66631	0	0	0
25	Tripura	287	946	6179	7412	93	332	425
26	Uttar Pradesh #	0	1131	242502	243633	0	0	0
27	Uttaranchal	175	1175	29658	31008	34	500	534
28	West Bengal	0	17809	61227	79036	0	6650	6650
29	A & N Islands	0	141	363	504	0	46	46
30	D & N Haveli	38	243	235	516	31	110	141
31	Daman & Diu	0	1	31	32	0	0	0
32	Delhi	0	0	219	219	0	0	0
33	Lakashadweep	0	10	0	10	0	0	0
34	Pondicherry #	40	84	143	267	40	26	66
35	Chandigarh	0	0	18	18	0	0	0
	<b>TOTAL</b>	16769	167739	1238156	1422664	8417	60957	69374

Note:

# - PC Targets fixed in respect of Haryana, UP and Pondicherry are for augmentation.

NC - Not Covered

PC - Partially Covered

FC - Fully Covered

## 5.10 EMPOWERMENT OF WOMEN AND DEVELOPMENT OF CHILDREN

### INTRODUCTION

Women and Children who constitute 65.6 per cent of country's population and account for 673.80 million (projected) in 2001 occupy centre-stage in all human development efforts. To this effect, the Tenth Plan aims at empowering women through translating the recently adopted National Policy for Empowerment of Women (2001) into action and at ensuring 'survival, protection and development' of children through a Rights-based Approach. The Annual Plan for the year 2002-03 being the first year of the Tenth Plan is very much in tune with these very policies and programmes of the Tenth Plan.

### Review of the Ninth Plan (1997-2002) and Annual Plan (2001-02)

2. Under the Central Sector, an outlay of Rs.1,650 crore was earmarked for Women and Child Development in the Annual Plan (2001-02). This includes Rs.4.00 crore for Food and Nutrition Board, which is part of the nodal Department of Women and Child Development. During the Ninth Five Year Plan, the total expenditure was Rs. 6249.60 crore which was much below the outlay of Rs. 7810.42 crore. While details of the year-wise and programme-wise outlays earmarked and the expenditure incurred under the Women and Child Development during Annual Plan (2001-02) are available at Annexure- 5.10.1, summary of the same along with the outlays and expenditure during the Ninth Plan (1997-2002) is given in the following Table 5.10.1

**Table No. 5.10.1**

#### **Outlays and Expenditure under Women & Child Development Sector during Ninth Plan (1997-2002) and Annual Plan (2001-02)**

(Rs. in crore)

Sl. No.	Name of the Schemes	Ninth Plan (1997-2002)		Annual Plan (2001-02)	
		Outlay	Actual	Outlay	Actual
1	2	3	4	5	6
<b>I.</b>	<b>Women and Child Development</b>	<b>7791.95</b>	<b>6240.97</b>	<b>1646.00</b>	<b>1640.41</b>
i)	Central Sector Schemes	990.22	578.90	168.50	161.15
ii)	Centrally Sponsored Schemes	6801.73	5662.07	1477.50	1479.26
<b>II.</b>	<b>Food and Nutrition Board</b>	<b>18.47</b>	<b>8.63</b>	<b>4.00</b>	<b>2.78</b>
	<b>Total</b>	<b>7810.42</b>	<b>6249.60</b>	<b>1650.00</b>	<b>1643.19</b>

3. Under the State sector, as Women and Child Development forms part of the 'Social Security and Welfare', no separate figures of either outlays or expenditure are available. However, the same are included in the outlays as part of Social Welfare as given in Annexure-5.13.2 under the Chapter 'Social Welfare'. A detailed programme-wise review of achievements under this sector during the Annual Plan (2001-02) and during the Ninth Plan (1997-2002) is given in the following paragraphs.

## **a) Empowerment of Women**

4. The nodal Department of Women and Child Development responsible for empowering women formulates policies and programmes to supplement efforts of other line Ministries; implements a few innovative schemes; enacts legislations affecting women; and co-ordinates the efforts of both governmental and non-governmental organisations. Some of the important on-going interventions of the Department during the Ninth Plan are detailed below:

### **Empowering Strategies**

5. The earlier programme of Indira Mahila Yojana (IMY) was recast and retitled as 'Swayamsidha' in 2001 to empower women by generating awareness and helping them to achieve economic strength through micro-level income-generation activities and establishing convergence of various basic services along with other social empowerment programmes. Out of the Ninth Plan outlay Rs. 165.00 crore and Annual Plan (2001-02) outlay of Rs. 19.50 crore, only Rs. 8.95 crore and Rs. 6.85 crore could be spent respectively because of late approvals/sanctions. Achievements under this programme include coverage of 650 blocks and 53,100 Women's Self Help Groups (SHGs) benefiting 9,29,250 women.

6. Another empowering intervention is 'Swa-Shakti Project', launched in 1998 for a period of 5 years (1998 – 2003) with the assistance from International Development Association and International Fund for Agricultural Development. Swa-Shakti is in operation in 57 districts of 9 States viz. Bihar, Chhattisgarh, Gujarat, Haryana, Jharkhand, Karnataka, Madhya Pradesh, Uttaranchal and Uttar Pradesh. Swa-Shakti aims to create an enabling environment for empowerment of women through setting up of women's SHGs and developing linkages between SHGs and lending institutions to ensure women's continued access to credit facilities for income generation activities. The outlay for Annual Plan (2001-02) was Rs. 15 crore and expenditure during the year was also Rs. 15 crore. Of the Ninth Plan outlay of Rs. 102.94 crore, the expenditure was Rs. 36 crore to set-up approximately 9,735 SHGs of which 5,451 were set up during the year 2001-02 with assistance of around 118 NGOs till the end of October 2001 .

### **Employment and Income Generation**

7. With an ultimate objective of making women economically independent and self-reliant, a special thrust was being given to create more and more of employment-cum-income-generation opportunities during the Ninth Plan. Under the programme of 'Support for Training and Employment Programme (STEP)', which provides a comprehensive package of skill up-gradation through training, extension inputs, market linkages to poor and assetless women in the traditional sectors benefited 34,590 women during the year 2001-02 and 87,140 women during the Ninth Plan. Against the Annual Plan (2001-02) outlay of Rs. 18 crore, expenditure was Rs. 18.57 crore. Of the Ninth Plan outlay of Rs. 88.32 crore, expenditure was Rs. 76.84 crore. Since its inception in 1987 about 6,12,401 women have been covered under 133 projects launched in 19 States (Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Nagaland, Orissa, Sikkim, Tamil Nadu, Tripura, Uttaranchal, Uttar Pradesh and West Bengal). Nearly 60 per cent of the projects were in

the dairy sector. About 8,000 women's dairy cooperatives with a membership of 4 lakh have been organised throughout the country mainly through the initiative of State Cooperative Milk Federations.

8. Under the programme of Setting up of Training-cum-Production Centres for Women (popularly known as NORAD) 53,050 literate/semi-literate women were benefited during the year 2001-02 through extension of training in non-traditional trades (like electronics, watch assembling, computer programming, garment making, secretarialship, community health services, embroidery, weaving etc.) at the cost of Rs. 18.95 crore against an outlay of Rs. 18.00 crore, during the Annual Plan (2001-02) and Rs. 76.50 crore against an outlay of Rs. 88.98 crore, during the Ninth Plan. Another major programme of employment and training called Socio-Economic Programme (SEP) benefited about 2,900 women during Annual Plan (2001-02) and 3,100 women during Ninth Plan through a wide variety of income-generation activities undertaken by newly set up SEP Units - 58 during Annual Plan (2001-02) and 62 during Ninth Plan. While the Annual Plan (2001-02) expenditure under this programme was Rs. 1.25 crore against an outlay of Rs. 1 crore, the Ninth Plan expenditure was only Rs. 4.92 against an outlay of Rs. 26.42 crore. The scheme of Condensed Courses of Education & Vocational Training for Adult Women (CCE & VT) have benefited more than 9,000 women enrolled in 381 courses during 2001-02 using the full outlay of Rs. 2 crore and approximately 70,000 women enrolled in 2,805 courses conducted during the Ninth Plan spending Rs. 19.54 crore against the outlay of Rs. 45.60 crore by providing new avenues of employment through continuing education and vocational training.

### **Welfare and Support Services**

9. Support services play an important role towards empowering women by way of reducing their burden of child-care and other employment-related problems. The programme of 'Hostels for Working Women (HWW)', launched in 1972-73, aims to promote greater mobility for working women through provision of safe and inexpensive accommodation. While Rs. 4.96 crore was spent out of the Annual Plan (2001-02) outlay of Rs. 9 crore to set up 21 new hostels benefiting 1,440 women, during the Ninth Plan Rs. 34.57 crore was spent out of an outlay of Rs. 51.25 crore to set up 102 new hostels to benefit 8,000 women. Since inception, 881 hostels with a sanctioned capacity of 62,308 women and 8,226 children in the attached 316 day care centres, have been sanctioned under the Scheme. To provide temporary shelter and rehabilitation to women and girls in distress, 60 new Short Stay Homes (SSH) for Women and Girls, benefiting about 1500 women were set up during the year 2001-02. Since inception, 271 SSHs have been operationalised, benefiting more than 6,700 women. While the expenditure incurred during Annual Plan (2001-02), was Rs. 5.32 crore of the outlay of Rs. 10 crore, the Ninth Plan expenditure was Rs. 25.53 crore of the outlay of Rs. 55.64 crore.

10. Under the scheme of Assistance to Voluntary Organisations for Education Work for Prevention of Atrocities on Women, Study Centres and Institutions of higher learning and Voluntary Organisations are given financial assistance for undertaking various activities of education work. The Scheme of General Grants-in-Aid to Voluntary Organisations through Central Social Welfare Board, which is a multi-faceted programme, extends financial assistance to voluntary organisations for rendering welfare services to women, children, aged and infirm, handicapped etc., and for conducting awareness generation campaigns

through various programmes. In addition, expenditure on activities like Field Counselling and Inspections, Evaluation and Statistics/Data Bank and Administration Expenditure of Central and State boards are also covered. Under the scheme of Grant-in-Aid for Research, Publication and Monitoring, 65 new research studies were taken up by the end of the Ninth Plan, of which 8 new studies were taken up during Annual Plan (2001-02). While Annual Plan (2001-02) expenditure was Rs. 0.63 crore, against an outlay of Rs. 1.51 crore, during the Ninth Plan, expenditure incurred was Rs. 2.43 crore out of the outlay of Rs. 2.95 crore.

### **Awareness Generation and Gender Sensitisation**

11. Efforts continued during the Annual Plan (2001-02) to organise camps to conscientise rural women for exercising their rights and enhance their status in the family and society, sensitise government and non-government functionaries on women's issues. The Ninth Plan attached great importance to those efforts, which trigger changes in societal attitudes towards women and the girl child. Under the programme for Information and Mass Education, efforts continued to create public awareness through multi-media strategy on issues relating to women. While during Annual Plan (2001-02), Rs. 3.36 crore was spent against an outlay of Rs. 3.50 crore, during the Ninth Plan, the expenditure incurred was 8.7 crore against the outlay of Rs. 9.75 crore. An integrated media campaign projecting a positive image of both women and the girl child through electronic, print and film media is the most important component of the government's communication strategy. To sensitise planners, policy makers and the enforcement machinery, a countrywide gender sensitization programme has been launched since 1991. Special campaigns to combat atrocities against women have also been launched throughout the country in collaboration with the State Home Departments and NGOs.

### **Other Enabling Measures**

12. Rashtriya Mahila Kosh (RMK), set up in 1993, addresses the credit needs of poor and assetless women in the Informal Sector. RMK has initiated a number of promotional measures for popularising the concept of micro financing, thrift credit, formation and stabilisation of Self-Help Groups (SHGs) and also enterprise development for poor women. Since inception, RMK has sanctioned credit worth Rs.109.73 crore benefiting 4.21 lakh women through 992 NGOs and disbursed Rs.82.38 crore up to February 2002, with a recovery rate of more than 90 per cent.

13. The National Commission for Women (NCW), a statutory body, set up in 1992, under National Commission Act of 1990, continued to pursue its mandated activities of safeguarding the rights and interests of women through review of legislations, and investigation into individual complaints/atrocities and remedial action. The Commission has accorded highest priority in securing speedy justice to women. The major objectives of NCW are to investigate, examine and review all matters relating to the Constitutional safeguards provided for women, review of both women-specific and women related legislations and suggest amendments wherever needed and to function as an surveillance agency and facilitate redressal of grievances. Out of the total 41 legislations having a direct bearing on women, the Commission reviewed and suggested remedial legislative measures in respect of 32 Acts. Of the Annual Plan (2001-02) outlay of Rs. 5 crore, Rs. 4.17 crore, was spent. The corresponding expenditure and outlay for the Ninth Plan are Rs. 16.17 crore and Rs. 16.25 crore, respectively.

Table 5.10.2

**WOMEN'S COMPONENT PLAN : SOME FACTS & FIGURES**

(Rs. in Crore)

Sl. No.	Name of Ministry/ Department	Ninth Plan Outlay	WCP	% (Col 4 to Col 3)
1	2	3	4	5
<b>A.</b>	<b>Women-Specific Nodal Department</b>			
	<b>WCD</b>	<b>7810.42</b>	<b>7810.42</b>	<b>100.0</b>
<b>B.</b>	<b>Women-related Ministries/Departments</b>			
1.	Health	5118.19	2581.25	50.4
2.	Family Welfare	15120.20	10541.26	69.7
3.	Indian Systems of Medicine & Homeopathy	266.35	133.18	50.0
4.	Education	20381.64	10212.44	50.1
5.	Labour	899.12	300.85	33.5
6.	Agriculture & Co-operation.	9153.82	349.96	3.8
7.	Rural Development	41833.87	17415.00	41.6
8.	Urban Employment & Poverty Alleviation	4931.22	403.60	8.2
9.	Social Justice & Empowerment	6608.13	814.81	13.2
10.	Tribal Affairs	*	60.00	*
11.	Science & Technology	1497.35`	7.50	0.5
12.	Information & Broadcasting	680.05	30.00	4.4
13.	Non-Conventional Energy Sources	2122.14	401.00	18.9
14.	Small-Scale & Agro-Related Industries	3786.85	868.93	23.0
15.	Youth Affairs & Sports	826.09	12.33	1.5
	<b>Sub-Total – B</b>	<b>113225.02</b>	<b>44132.11</b>	<b>39.0</b>
	<b>Grand Total (A + B)</b>	<b>121035.44</b>	<b>51942.53</b>	<b>42.9</b>

\* Included in the Ministry of Social Justice & Empowerment.

The total Gross Budgetary Support (GBS) of all the Ministries and Departments for the Ninth Plan was Rs.203982 crore. WCP as a percentage of the total GBS of the GOI for the Ninth Plan works out to 25.5.

14. The year 2001 was celebrated as Women's Empowerment Year. During the year, various activities and programmes were taken up on different themes pertaining to women's social, political and economic empowerment. The Scheme for Women in Difficult Circumstances – 'Swadhar' has been designed with a flexible and innovative approach to cater to the requirement of women in distress. The Scheme aims to provide primary need of shelter, food, clothing and care to the marginalized women/girls living in difficult

circumstances, besides providing emotional support and counselling to such women and rehabilitating them socially and economically through education, awareness, skill up-gradation and personality development through behavioural training etc.

### **Women's Component Plan**

15. During the Ninth Plan, a new strategy of Women's Component Plan (WCP) was brought into action as one of the important strategies by directing both the Centre and the State Governments to ensure that not less than 30 per cent of funds/benefits are earmarked in all the women-related sectors. Also, a special mechanism of inter-sectoral review was resorted to for ensuring flow of adequate funds/benefits to women from all the related sectors.

16. As per the available information, funds from 15 Ministries/Departments are flowing to women. Of these, 4 Ministries/Departments viz. Family Welfare, Health, Education and Indian System of Medicine and Homeopathy are contributing to women with as high as 50 to 70 per cent of their Gross Budgetary Support (GBS); Ministries of Labour and Rural Development contribute 30 to 50 per cent and the other Ministries/Departments less than 30 per cent of their GBS of the Ninth Plan. Accordingly, the total amount of resources that flowed to women during the Ninth Plan from the Women-specific Nodal Department and Women-related Ministries/Departments works out to Rs.51,942.53 crore which accounts for 42.9 per cent of GBS of those very same Ministries/Departments. However, the same will come down to 25.5 per cent if the total GBS of all the Central Ministries/Departments are taken into consideration. Details are given in the Table 5.10.2. Further, the most striking feature in this entire exercise is to notice that there are Departments like Family Welfare accounting for as high as 70 per cent flow of its total budget for the good of women. Also, the review has brought forth a revealing factor that WCP has created lot of awareness and sensitisation amongst the planners, policy-makers, administrators to ensure that the funds/benefits from other development sectors do not by-pass women.

17. Some of the important initiatives/achievements made during the Ninth Plan include - adoption of Women's Component Plan (1997) to ensure that benefits from other developmental sectors do not by-pass women; launching of 'Swa-Shakti' to create an enabling environment for empowerment of women through setting up of self-reliant SHGs (1998); instituting 'Stree Shakti Puraskars' (1999) to honour 5 distinguished women annually for their outstanding contribution to the upliftment and empowerment of women; setting up of a Task Force on Women under the Chairpersonship of Shri K.C.Pant, Deputy Chairman, Planning Commission to review the existing women-specific and women-related legislations and suggest enactment of new legislations or amendments, wherever necessary (2000); introducing Gender Budgeting to attain more effective targeting of public expenditure (2000-01); adopting a National Policy for Empowerment of Women to ensure gender justice, besides empowering women both socially and economically (2001); celebrating the Year '2001 as Women's Empowerment Year' to create awareness and conscientise women (2001); recasting of Indira Mahila Yojana as 'Swayamsidha', to empower women through a major strategy of converging the services available in all the women-related programmes besides organising women into SHGs for undertaking various entrepreneurial ventures; (2001); launching of 'Swadhar' to extend rehabilitation services for 'Women in Difficult Circumstances' (2001); introducing a Bill on Domestic Violence against Women (Prevention) to eliminate all forms of domestic violence against women and the girl child (2002).

## **b) Development of Children**

18. Development of children has been accorded top priority in the country's development agenda, since they are the most vulnerable section of society and yet they hold key to our future development. Policies and programmes accordingly have been geared towards the holistic development of children through special initiatives in the areas of health, nutrition and education. To supplement these efforts, the nodal Department of Women and Child Development has been implementing various policies and programmes as discussed below.

19. Services for early childhood development continued to receive priority with a special focus on the girl child. Along with it, efforts to strengthen the on-going approach of converging the basic services of health, nutrition and pre-school education also continued towards promoting the holistic development of the young child through the programme of Integrated Child Development Services (ICDS) Scheme. It caters to the pre-school children below 6 years and expectant and nursing mothers with a package of 6 basic services viz. health check-ups, immunization, referral services, supplementary nutrition, pre-school education and health and nutrition education. The process of universalisation was expected to be completed by the end of the Ninth Plan by covering all the 5,652 ICDS projects spread all over the country benefiting 54.3 million children and 10.9 million expectant and nursing mothers. Against the Annual Plan (2001-02) outlay of Rs. 1,198 crore, the expenditure incurred was Rs. 1,224.43 crore. Of the Ninth Plan outlay of Rs. 4,980 crore, the expenditure was Rs. 4,556.86 crore benefiting 31.5 million children and 6 million expectant and nursing mothers through 4,608 ICDS Projects.

20. The World Bank-assisted ICDS (WB-ICDS) Programme which has been in operation since 1990-91, extends assistance for a few additional inputs like construction of Anganwadi buildings and Child Development Project Officers office-cum-godowns, on a selective basis, strengthening of training and communication, improved health facilities, income-generation activities etc. besides providing the normal ICDS package. While the WB-ICDS Project-I (1991-97) covered 301 ICDS projects in the States of Andhra Pradesh (110) and Orissa (191), the WB-ICDS Project II (1997-2000) would be covering 649 projects in the States of Bihar including Jharkhand (272) and Madhya Pradesh including Chhattisgarh (377). The WB-ICDS Project III (1998-2004) which was started in 1998-99, is expected to cover 1,003 projects in the States of Andhra Pradesh, Kerala, Tamil Nadu, Maharashtra, Rajasthan and Uttar Pradesh. The programme in Andhra Pradesh is being implemented as part of the total programme of Andhra Pradesh Economic Reconstruction Programme (APERP). Of the Annual Plan (2001-02) outlay of Rs. 220 crore, the expenditure incurred was Rs. 219.94 crore. Of the Ninth Plan outlay of Rs. 1,163.79 crore, the expenditure was Rs. 883.62 crore.

21. UDISHA is a special effort to strengthen the on-going ICDS Training Programme into a dynamic, responsive and comprehensive training-cum-human resource development programme. For the implementation of UDISHA, World Bank extends financial assistance to the extent of Rs.600.55 crore. The National Institute of Public Cooperation and Child Development, New Delhi with its nation-wide network of 4 Regional Centres at Bangalore, Guwahati, Indore and Lucknow; 43 Middle Level Training Centres (MLTCs) and 535 Anganwadi Workers Training Centres (AWTCs) is expected to implement UDISHA. While during the Ninth Plan, 2,304 Child Development Project Officers/Assistant Child Development Project Officers (CDPOs/ACDPOs), 4,993 Supervisors and 2.8 lakh Anganwadi Workers (AWWs) were trained under UDISHA, during Annual Plan (2001-02), 424 CDPOs, 1,210 Supervisors and 86 AWWs were trained. Against the Annual Plan



(2001-02) outlay of Rs. 40 crore, the expenditure incurred was Rs. 52.86 crore. Of the Ninth Plan outlay of Rs. 329.29 crore, the expenditure was Rs. 142.63 crore.

22. The on-going Scheme for the Adolescent Girls, viz. Kishori Shakti Yojana (KSY), launched to empower adolescent girls in preparation to their future productive and reproductive roles as confident individuals was in operation in 2,000 ICDS Blocks.

23. The Scheme of Balika Samridhi Yojana was launched in 1997 to extend a post-delivery grant of Rs.500/- for the mother of the Girl Child belonging to the Below the Poverty Line (BPL) Group and annual scholarships of Rs.300/- for a girl child in Class I to Rs.1000/- for Class X. Of the Ninth Plan outlay of Rs. 390 crore, Rs. 176.64 crore was spent to cover about 3.5 million girl children, of which 0.27 million were covered during Annual Plan (2001-02). Of the Annual Plan outlay of Rs. 25 crore, the expenditure incurred was Rs. 13.04 crore.

24. The scheme of Crèches/Day-Care Centres for children of working/ailing mothers, being a non-expanding scheme, maintained the same level of 12,470 crèches benefiting 3.11 lakh children. However, to meet the growing demand for more crèches, a National Crèche Fund (NCF) was set up in 1994 with a corpus of Rs.19.90 crore received under Social Safety Net. The NCF extended financial assistance for the opening of crèches besides conversion of the existing Anganwadis into Anganwadi-cum-Crèches. Under the NCF, 3,114 crèches were added during the Ninth Plan benefiting about 0.79 lakh more children. Against the Annual Plan (2001-02) outlay of Rs. 7.45 crore, Rs. 7.6 crore was the expenditure. Of the Ninth Plan outlay of Rs. 36.05 crore, the expenditure incurred was Rs. 29.50 crore.

25. To sum up, some of the important initiatives/achievements during the Ninth Plan include launching of Balika Samridhi Yojana to extend a special package to girl children belonging to families living below the poverty line to ensure that all girl children; introducing Kishori Shakti Yojana as an enriched version of the scheme for Adolescent Girls being implemented as part of ICDS to improve the nutritional and health status of girls in the age group of 11-18 years and equipping them with vocational skills for them to be gainfully engaged, (2000); extending Additional Central Assistance (ACA) of Rs.375 crore under Pradhan Mantri Gramodaya Yojana to fill the existing financial gaps for implementing Special Nutrition Programme of ICDS, (2001); accomplishing universalised ICDS by the end of the Ninth Plan to cover all the 5,652 Blocks/Wards spread all over the country benefiting 54.3 million children and 10.9 million expectant and nursing mothers; (2001-02); enhancing the honorarium to Anganwadi Workers from Rs.500/- to Rs.1,000/- and to Anganwadi Helpers from Rs.260/- to Rs.500/- per month in recognition of the services being extended by the 2 grassroot level workers, (2002); drafting of a National Policy and Charter for Children to reiterate the cause of the children as enshrined in the Constitution and to seek the partnership of the community to protect children from violation of their rights, (2002); drafting of a Bill for setting up of a National Commission for Children to safeguard the Rights of Children (2002).

### **Impact of Policies and Programmes**

26. The impact of various policies and programmes and the efforts put in by both governmental and non-governmental organizations over a period of time in empowering women and development of children, have brought forth a perceptible improvement in the status of women and children, as reflected in the following 21 selected Gender Development Indicators given in Table 5.10.3.

**Table 5.10.3.**

**The 21 Selected Gender Development Indicators: 1981 to 2001**

Sl. No.	Indicators	Women	Men	Total	Women	Men	Total
	1	2	3	4	5	6	7
<b>Demography and Vital Statistics</b>							
1	Population (in million in 1981 & 2001)	330.0	353.4	683.4	495.7	531.3	1027.0
2	Decennial Growth (1981 & 2001)*	24.93	24.41	24.66	21.79	20.93	21.34
3	Sex Ratio (1981 & 2001)**	934	-	-	933	-	-
4	Life Expectancy at Birth (1981-85 & 1996-1996-01)	55.7	55.4	-	65.3	62.3	-
5	Mean Age at Marriage (1981 & 1991)	18.3	23.3	-	19.5	23.9	-
<b>Health and Family Welfare</b>							
6	Birth Rate (1981 & 1999)	-	-	33.9	-	-	26.1
7	Death Rate (1981 & 1999)	12.7	12.4	12.5	8.3	9.0	8.7
8	Infant Mortality Rate (1988 & 1999)	93.0	96.0	94.5	70.8	69.8	70.0
9	Child Mortality Rate (1985 & 1997)	40.4	36.6	-	24.5	21.8	-
10	Maternal Mortality Rate (1980 & 1998)	468	-	-	407	-	-
<b>Literacy and Education</b>							
11	Literacy Rates (1981 & 2001)*	29.76	56.38	43.57	54.16	75.85	65.38
12	Gross Enrolment Ratio (1980-81 & 1999-2000)						
	- Classes I-V	64.1	95.8	80.5	85.2	104.1	94.9
	- Classes VI – VIII	28.6	54.3	41.9	49.7	67.2	58.8
13	Drop-out Rate (1980-81 & 1999-2000)*						
	- Classes I – V	62.5	56.2	58.7	42.3	38.7	40.3
	- Classes VI – VIII	79.4	68.0	72.7	58.0	52.0	54.6
<b>Work and Employment</b>							
14	Work Participation Rate (1981 & 2001)*	19.7	52.6	36.7	25.7	51.9	39.3
15	Organised Sector (No.in lakh in 1981& 1999)	27.93 (12.2 %)	200.52	228.45	48.29 (17.2%)	232.84	281.13
16	Public Sector (No. in lakh in 1981 & 1999)	14.99 (9.7 %)	139.85	154.84	28.11 (14.5%)	166.04	194.15
17	Government (No. in lakh in 1981 &1997)	11.9 (11%)	97.1	109.0	15.7 (14.6%)	91.7	107.4
<b>Decision - Making</b>							
18	Administration (No. in IAS & IPS in 1987 & 2000)	360 (5.4%)	6262	6622	645 (7.6%)	7815	8460

Sl. No.	Indicators	Women	Men	Total	Women	Men	Total
	1	2	3	4	5	6	7
19	PRIs (No. in lakh in 1995 & 2001)	318*** (33.5%)	630***	948***	725@ (26.6%)	1997	2722
20	Parliament (No. in 1998 & 2001)	59 (7.2%)	707	770	70 (8.5%)	750	820
21	Central Council of Ministers (1985 & 2001)	4 (10%)	36	40	8 (10.8%)	66	74
<p>* Figures in per cent;  ** Females per 1,000 males;  *** Refers to 1995 in respect of some states namely Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Punjab, Rajasthan, Tripura and West Bengal;  @ As on 18.10.2001.  Note:i) Figures in parentheses indicate the percentage to the total and year of the data in respective columns. Although, efforts were made to keep a common 'base' and common 'comparable year' but the same could not be kept up because of the limitations in the availability of data and other practical problems; ii) The years given in the parentheses refers to the Year of the Data in columns 3,4 &amp;5 and 6,7 &amp; 8 respectively.  <b>Source:</b> 1. Census of India, 1991; Census of India, 2001: Provisional Population Totals; and SRS Bulletins for respective years, Registrar General &amp; Census Commissioner, GOI, New Delhi; 2. Selected Educational Statistics for respective years, Dept. of Education, Ministry of HRD, New Delhi; 3. Annual Report, 1999-2000, Deptts. of Elementary &amp; Literacy and Secondary &amp; Higher Education, Ministry of HRD, New Delhi; 4. Employment Exchange Statistics, DGE&amp;T, Ministry of Labour, New Delhi; 5. Dept. of Personnel &amp; Training, New Delhi; 6. Ministry of Rural Development, New Delhi; 7. Election Commission of India, New Delhi; 8. National Informatics Centre, Parliament House, New Delhi</p>							

### Annual Plan (2002-03)

27. As part of the Zero Based Budgeting for the Tenth Plan, an in-depth exercise on the rationalization, through convergence, merging and weeding-out of the on-going schemes of Department of Women and Child Development, both for Central Sector and Centrally Sponsored Schemes has been carried out. Out of the 46 on-going schemes during the Ninth Plan (1997-02), only 25 schemes (20 CS and 5 CSS) will be retained in Tenth Plan (2002-07). Of these 25 schemes, 5 Schemes are new (2 CS and 3 CSS).

28. In the Annual Plan (2002-03), a total outlay of Rs.2,200 crore has been provided for Women and Child Development sector under the Central Sector. As stated earlier, Plan outlays for Women and Child Development under State Sector are included under the outlays for 'Social Welfare' (Annexure – 5.13.2 of Chapter on Social Welfare). While details of the programme-wise outlays earmarked under the Women and Child Development during Annual Plan (2002-03) are available at Annexure- 5.10.1, summary of the same along with the outlays earmarked for the Tenth Plan is given in Table –5.10.4:

**Table – 5.10.4**

**Outlays under Women and Child Development Sector  
during Tenth Plan (2002-07) and Annual Plan (2002-03)**

(Rs. in crore)

<b>Sl. No.</b>	<b>Name of the Schemes</b>	<b>Tenth Plan (2002-07) outlay</b>	<b>Annual Plan (2002-03) outlay</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
I.	Women and Child Development	13670.00	2198.00
i)	Central Sector Schemes	1148.22	156.18
ii)	Centrally Sponsored Schemes	12521.78	2041.82
II.	Food and Nutrition Board	110.00	2.00
i)	Central Sector Schemes	10.00	2.00
ii)	Centrally Sponsored Schemes	100.00	0.00
	<b>Total</b>	<b>13780.00</b>	<b>2200.00</b>

29. In line with the approach, strategies and priorities of the Tenth Five Year Plan (2002-07), Annual Plan (2002-03) being the first year of the Tenth Plan, accords high priority to empowerment of women and development of children. While the various women-related line Ministries continued to implement their policies and programmes related to women and children, the nodal Department of Women and Child Development will supplement their efforts to create an enabling environment with requisite policies and programmes; extending legislative support; and setting up of exclusive institutional mechanisms at various levels with adequate financial and manpower support as elaborated below:

**a) Empowerment of Women**

30. In the context of having a laid down National Policy, approach to the Tenth Plan for empowering women is something very distinct from the earlier Plans as it stands now on a strong Platform for Action with definite goals, targets and time-frame. Further, as the process of empowering women initiated during the Ninth Plan is expected to continue through and beyond the Tenth Plan, there can be no better approach for the Tenth Plan than translating the recently adopted National Policy for Empowerment of Women (2001) into action through -

- Creating an environment through positive economic and social policies for development of women to enable them to realize their full potential;
- Allowing the de-jure and de-facto enjoyment of all human rights and fundamental freedom by women on equal basis with men in all spheres-political, economic, social, cultural and civil;
- Providing equal access to participation and decision-making for women in social, political and economic life of the nation;

- Ensuring equal access to women to health care, quality education at all levels, career and vocational guidance, employment, equal remuneration, occupational health and safety, social security and public office etc.;
- Strengthening legal systems aimed at elimination of all forms of discrimination against women;
- Changing societal attitudes and community practices by active participation and involvement of both men and women;
- Mainstreaming a gender perspective in the development process;
- Eliminating discrimination and all forms of violence against women and the girl child; and
- Building and strengthening partnerships with civil society, particularly women's organisations.

31. The major strategy proposed to be adopted in the Tenth Plan and Annual Plan (2002-03) will be – Social Empowerment and Economic Empowerment with a special thrust on Gender Justice. To improve the socio-economic status of women and child, Gender Justice will receive special priority to ensure elimination of all types of discrimination – as prescribed in the Policy. Also, the implementation of the Ninth Plan strategy of Women's Component Plan will be further intensified to ensure better flow of funds to women from other developmental sectors. To this effect, Plans of Action, both at the national and state levels will be prepared.

32. The Annual Plan (2002-03) will initiate the process of preparing the Plans of Action, both at central and state levels, which will clearly specify - i) the measurable goals to be achieved along with the time targets, preferably in consonance with the time frame set by the other women-related National Policies; ii) commitment of resources; iii) earmarking of the benefits under WCP; iv) fixing up of responsibilities for implementation of Action Points; and v) structure and mechanism to ensure effective review, monitoring, and impact of all the related policies, Plans of Action and programmes in raising the status of women, the adolescent girls and the girl children at par with their counterparts. Besides, the Annual Plan (2002-03) reaffirms the major strategy of mainstreaming gender perspectives in all sectoral policies and programmes and plans of action to achieve the ultimate goal of eliminating gender discrimination and creating an enabling environment of gender justice which would encourage women and girls to act as catalysts, participants and recipients. Further, where there are gaps, women-specific interventions will be undertaken to bridge the same

33. Further, the Plan will continue the process of organising women into Self-Help Groups (SHGs) which started during Ninth Plan to provide permanent aid for articulating their needs and contributing their perspectives to development. Experience has already shown that these Groups have been very effective institutions at grassroot level in facilitating access to women, be it financial or services or for information.

34. Effective convergence of available services, resources, manpower, infrastructure, etc. in all the women-related sectors, viz. health, nutrition, education, employment, media, environment, safe drinking water, adult/functional literacy, gainful employment either wage

or self-employment, sanitation, knowledge and information about integrated management of childhood diseases; counselling to safe motherhood practices, nutrition, welfare services, Science and Technology, small and medium industrial sectors/industries, micro-credit, will be carried out to optimise the impact;

35. To reinforce the on-going process of empowering women, the Annual Plan will use, along the lines of the Tenth Plan, a sector-specific 3-fold strategy for empowering women through - i) Social Empowerment, ii) Economic Empowerment, and iii) Gender Justice, as discussed in the following paragraphs.

**i) Social Empowerment**

36. The Annual Plan (2002-03) will create an enabling environment by adopting various affirmative and other developmental policies and programmes for empowering women through facilitating their access to education, primary health care and family welfare, employment opportunities towards attaining self-reliance so as to realise their full potential.

37. In line with the commitments of the Tenth Plan, the present strategy of supplementing health care and nutrition services through Pradhan Mantri Gramodaya Yojana (PMGY) to fill the critical gaps in the existing primary health care infrastructure and services will continue, thus facilitating easy and equal access to all basic minimum services during the Annual Plan. Recognising the critical link between the health and nutritional status of women, mothers and girl children, the Plan commits to tackle both macro and micro-nutrient deficiencies through nutrition supplementary feeding programmes with necessary support services like health check-ups, immunisation, health and nutrition education and nutrition awareness etc.

38. Efforts to declare education as a 'Fundamental Right' and launching of a nation-wide innovative programme viz. Sarva Shiksha Abhiyan (SSA) clearly reflect the Government's concern and commitment to ensure that every citizen of this country is literate/educated. Through the specially targeted programme of SSA, efforts will be made to reach the un-reached Girl Child and to ensure that SSA achieves its commitment on schedule. Further, the progress made under female education will be consolidated and carried forward for achieving the set goal of 'Education for Women's Equality' as advocated by the National Policy on Education, 1986 (revised in 1992). The Scheme of CCE&VT run by CSWB has been earmarked Rs.2 crore for the Annual Plan (2002-03). The 'Distance Education Programme' for women has been earmarked Rs. 0.55 crore for the Annual Plan (2002-03).

39. Steps are being initiated to provide easy and equal access to free education for women and girls at all levels and in the field of technical and vocational education and training in up-coming and job-oriented trades. Further, the support services through mid-day meals, hostels and incentives like free supply of uniforms, text-books, transport charges etc. will be expanded to increase enrolment/retention rates and reduce drop-out rates. The Plan will extend the existing network of regional vocational training centres to all the States and Women's Industrial Training Institutes and Women's Wings with General Industrial Training Institutes with residential facilities in all districts and sub-districts and provision of training in marketable trades.

40. Through a well-planned media strategy, the Plan will encourage media to foster women and the Girl Child; change the mind-set of the people and thus promote balanced portrayals of women and men. For the schemes of Information and Mass Media and Information Technology Rs. 6.00 crore and Rs. 0.50 crore have been earmarked respectively for the Plan year 2002-03. To encourage women's participation in the employment market Hostels for Working Women and Short Stay Homes for distressed women each earmarked Rs. 15 crore for the year 2002-03.

## ii) Economic Empowerment

41. The Plan will ensure capacity-building through training and upgradation of skills; and provision of employment and income-generation activities with both 'forward' and 'backward' linkages with the ultimate objective of making all women economically independent and self-reliant. SHGs, which act as the agents of social change, development and empowerment of women, will continue to be encouraged. The on-going integrated women's empowerment programmes of Swa-Shakti and Swayamsidha will be expanded during the Annual Plan with outlays of Rs. 25 crore and Rs. 20 crore respectively with an ultimate objective of universalising the same through the already available grass-root level networking of SHGs. Besides, under various poverty alleviation programmes, viz. Swarnajayanti Gram Swarozgar Yojana, Swarna Jayanti Shahari Rozgar Yojana, Rashtriya Mahila Kosh (RMK), Support for Training and Employment Programme (STEP), Training-cum-Production Centres (NORAD) for Women etc., women will be encouraged to form SHGs to enhance their capabilities and earning capacities. The last three programmes RMK, STEP, and NORAD have been earmarked Rs. 1 crore, Rs. 25 crore and Rs. 25 crore respectively for the Annual Plan (2002-03).

42. Efforts will be continued to ensure that women in the Informal Sector who account for more than 90 per cent of the workforce are given special attention as they continued to be vulnerable with regard to their working conditions as they are denied even minimum or equal wages, leave aside other legislative and health safeguards. As the majority (89.5 per cent) of female workforce is concentrated in the agricultural sector, women in agriculture are doubly marginalized, first as women and second as landless farmers, as limitation of inheritance rights and other social practices deprive women from entitlement to land and other productive assets. Therefore, the Plan will make concerted efforts to ensure that reasonable benefits of training and extension in agriculture, its allied activities like horticulture, small animal husbandry, poultry, fisheries, etc. reach women. The issue of Joint *Pattas* for husband and wife under Social Forestry and Joint Forest Management is a case in point.

43. Efforts will be made to remove the existing cultural bias that women are good only in stereo-type/feminine jobs and encourage women to equip themselves with necessary professional/vocational skills and compete with men to make an entry into such areas. Further, the Plan will ensure that the employers fulfil their legal obligations towards their women workers in extending child care facilities, maternity benefits, special leave, protection from occupational hazards, allowing formation of women workers' associations/unions, legal protection/aid etc.

44. The recast programme of IMY which aims at empowering women both socially and economically, now known as Swayamsidha will be further expanded in coverage during the

Plan. The micro-credit programme of RMK will be linked with the Groups formed under Swayamsidha for financing various employment-cum-income generation activities. Further, access to credit for women will be increased either through the establishment of new micro-credit mechanisms or strengthening of the existing credit institutions catering to women along with expansion of the limited coverage of RMK. There will also be efforts to equip all States/UTs with Women's Development Corporations to provide both 'forward' and 'backward' linkages of credit and marketing facilities to women entrepreneurs, besides being catalysts. Further, the Annual Plan will try and expedite the earlier efforts of the Government to set up a 'Development Bank for Women Entrepreneurs' in the Small Scale and Tiny Sectors.

45. Appropriate steps will be taken to identify the traditional sectors that are shrinking due to advancement of technology, market shifts and changes in the economic policies. Efforts will be made to re-train and re-deploy women displaced from traditional sectors due to advancement of technology. Appropriate policies and programmes will be formulated to promote alternative opportunities for wage/self-employment in traditional sectors like *khadi* and village industries, handicrafts, handlooms, sericulture, small scale and cottage industries to absorb those displaced women.

46. Aforesaid steps will be supplemented with affirmative action to ensure at least 30 per cent of reservation for women in the Public Sector along with provisions for upward mobility. Special concessions and relaxations, like multiple entries, enhancement of upper age limit, etc. need to be extended to ensure adequate representation of women in services in the public sector.

### **iii) Gender Justice**

47. The Annual Plan will make a beginning to eliminate all forms of gender discrimination and thus, allow women to enjoy not only the de-jure but also the de-facto rights and fundamental freedom at par with men in all spheres, viz. political, economic, social, civil, cultural etc. The Plan will take special measures to examine the declining sex ratio and initiate necessary action to achieve the balanced sex ratio. It will also try and ensure easy accessibility for women and the girl child to the basic minimum services through effective inter-sectoral coordination. The Plan will, therefore, strive to completely eradicate female foeticide and female infanticide through effective enforcement of both Indian Penal Code, 1860 and the Pre-Natal Diagnostic Technique (Regulation and Prevention of Misuse) Act, 1994 with most stringent measures of punishment.

48. Efforts will be made to eliminate discriminatory feeding practices towards Women and Girl child resulting in malnutrition and its related deficiencies and diseases amongst women, mothers and children, which has become a big threat to their development potential. Immediate steps will be taken to ensure that adequate provisions are made to reinforce the supplementary feeding services in all the 7.5 lakh Anganwadis, as per the prescribed norms, both in quality and quantity. Besides, efforts will also be made to ensure 'Food Security for All at House-hold Level' so that the existing discriminatory practices in food sharing can be avoided. The additional assistance being extended through PMGY and the services visualized under the Nutrition Mission Mode will be of great importance to rectify the existing inequalities and discriminatory feeding practices.



49. To foster holistic development of women, the Plan will attempt to eliminate discrimination against women and girls in respect of education and health and thereby create a favourable social environment where every individual strives to achieve his/her full potential. It will also initiate action to increase access to women and girls through special measures viz. provide free education, appoint more women teachers, create a gender-sensitive educational system, increase enrolment and retention rates through provision of hostels, mid-day meals and improve the quality of education to facilitate life-long learning as well as development of vocational/technical skills. Efforts will also be made to develop gender sensitive curricula at all levels of educational system in order to address sex stereotyping as one of the causes of the gender discrimination. Also special efforts will be made to increase easy access towards a comprehensive, affordable and quality health and nutrition care through widespread RCH and ICDS services. Also, measures will be adopted to take into account the reproductive rights of women to enable them to exercise their reproductive choices.

50. The Annual Plan will work out a strategy in close collaboration with the Ministry of Labour and other sectors with employment potential to ensure extension of employment opportunities to remove inequalities in employment – both in work and accessibility and thereby improve female make women's work more visible and their contribution recorded in the National Accounts. As one of the important measures to ensure gender justice, attempts will be made to ensure that value added by women in the Informal Sector as workers and producers is recognized through redefinition/re-interpretation of conventional concept of work and preparation of Satellite and National Accounts. Also, efforts will be made to extend/enforce both legislative and welfare measures, especially those of the minimum and equal wages for women to control/eradicate their exploitation in the informal sector besides improving the working conditions. Gender sensitising both administrative and enforcement machinery and ensuring that the rights and interests of women are taken care of, besides involving them in planning, implementation and monitoring of processes. Awareness Generation Projects for Rural and Poor Women (AGPRPW) run by Department of Women and Child Development has been allocated an outlay of Rs. 4.30 crore.

51. The Annual Plan will define the Women's Component Plan (WCP) clearly and identify the schemes under each Ministry/Department which should be covered under WCP and ensure adoption of such women-related mechanisms through which funds/benefits flow to women from these sectors. Immediate action will be initiated in tying up the 2 effective concepts of WCP and Gender Budgeting, and thus ensure both preventive and post-mortem action, in enabling women receive their rightful share from all the general developmental sectors. It is neither the quantum nor the share in total outlay that matters in empowering women. The most crucial issue is how to ensure that the funds already flowing from various developmental sectors are effectively converged, worth utilized and better monitored.

52. Action will be initiated for enacting new women-specific legislations and amending the existing ones, if necessary, based on the review made and recommendations already available to ensure gender justice. Besides, all the subordinate legislations to eliminate all gender discriminatory references will be reviewed.

53. Efforts will be to increase the number of women in decision-making at various levels both in administrative and political spheres, through affirmative discrimination, if necessary.

In this context, action will be initiated to legislate reservation of not less than 1/3 seats for women in the Parliament and in the State Legislative Assemblies and thus ensuring women in proportion to their numbers reach decision-making bodies so that their voices are heard.

54. Violence against women and the girl-child, both domestic and at work-place, is progressively increasing. As per the latest data (1999) published by the National Crime Records Bureau, New Delhi, the total number of crimes committed against women has risen from 1.21 lakh in 1997 to 1.36 lakh in 1999. Of the total 1.36 lakh crimes against women in 1999, torture claims the highest share of 32.3 per cent; followed by molestation (23.8 per cent); kidnapping and abduction (11.7 per cent); rape (11.4 per cent); sexual harassment (6.5 per cent); and dowry death (4.9 per cent); immoral traffic (6.9 per cent) and others (2.5 per cent). Therefore, to arrest the ever increasing violence against women and the Girl Child including the Adolescent girls, well-planned Programmes of Action will be prepared in consultation with all the concerned, especially the enforcement authorities. The scheme for women in difficult circumstances – Swadhar, initiated last year has been earmarked an outlay of Rs.15 crore to provide shelter, food, clothing and care to the marginalized women living in difficult circumstances. The National Commission for Women (NCW), in-charge of safeguarding rights and interest of women has been earmarked an outlay of Rs. 6 crore.

55. Realising the problem of insufficient gender disaggregated data at the State/District level, immediate steps will be taken to expedite standardisation of the Gender Development Index. Thereafter gender segregated data will be collected at national, State and district levels; compiled/collated and analysed to assess the status of women at regular intervals with an ultimate objective of achieving equality at par with men. Thus, the Plan will initiate/accelerate the process of societal reorientation toward creating a Gender-Just Society. Also, steps will be initiated to set up a National Resource Centre for Women with the responsibility of collecting gender disaggregate data from all women-related sectors and a token provision of Rs. 0.01 crore has been made for the purpose.

## **b) Development of Children**

56. The Plan advocates a Rights-based Approach as proposed by the National Policy and Charter for Children (2002) and the two existing National Plans of Action for Children/Girl Child (1992) to ensure:

- 'Survival' of children, especially the girl child, by arresting the declining sex ratio and curbing its related problems of female foeticide and female infanticide;
- 'Protection' for all children and in particular those with special needs and problems and those in difficult circumstances through effective implementation of the existing child-related legislations; and
- 'Development' through effective implementation of policies and programmes in areas of health, immunisation, nutrition and education through the 3 nation-wide Programmes of RCH, ICDS, SSA and other related programmes.

57. ICDS will continue to be the mainstay for promoting the over-all development of the young children especially the Girl Child and the mothers all over the country. The Plan recognises while the early childhood up to 6 years are critical for the development of

children, the pre-natal to first three years are the most crucial and vulnerable period in the life for achievement of full human development potential and cumulative lifelong learning. The scope of the on-going approach to converge the basic services of health, nutrition and pre-school education to promote holistic development of the young child, as embodied in ICDS, will be further strengthened with community participation/community action to reach the un-reached, i.e., children below 3 years. Efforts will be made to expand/widen the scope of the development of children with necessary interventions related to empowerment of women, with a special focus on the girl child and the adolescent girl. To the existing package of health, nutrition, education, and awareness thereof being provided by KSY, counselling facilities will be added and vocational training and entrepreneurial skills will be strengthened.

58. Attempts will be made to achieve universal coverage expeditiously under the Universal Immunisation Programme, and to undertake area-specific micro-planning to meet their needs through high quality integrated Reproductive and Child Health services. Further, focussed interventions aimed at improving the nutritional status of children below 6 years with a special priority for children below 24 months through the on-going direct feeding programme of Special Nutrition Programme will be made. The Plan will operationalise universal screening of children to screen families living below the poverty line will be operationalised for macro and micro-nutrient deficiencies as the children from below 6 years are the 'risk group' and improve the dietary intake through a change in the feeding practices and intra-family food distribution.

59. The challenge in the field of child development is to achieve community participation and community contribution. Priority will be accorded to strengthen the knowledge, skills and capabilities of frontline workers, as mobilisers of convergent action. Thus, the major thrust will be to develop decentralised training strategies with innovative ground-based approaches. New approaches for mobilising assistance both in cash and kind for the sustenance of child development programmes will be experimented with community participation/contribution to ICDS. Also, efforts will be made to involve the corporate sector to adopt the ICDS projects and thus fulfil their societal obligations. The principles enunciated above, and the envisaged role of PRI/Urban Local Bodies will have major implications not only in planning but also in the control of the flow of funds for the programmes of child development.

60. The Annual Plan re-affirms the life-cycle approach for the betterment of the Adolescent/Girl Child. The Plan will concentrate its efforts to eliminate all forms of discrimination and violation of the rights of the Adolescent/Girl Child by undertaking strong legal measures including punitive ones. These include strict enforcement followed by the harmful practices of female foeticide/female infanticide, child marriage, child abuse, child labour, child prostitution etc. Also, special efforts will be made to use all types of mass media to re-orient the mind-set of people to perceive Girl Child as an asset.

61. Emerging out with 25 years of rich experience in the programmatic perspective, the task ahead for ICDS in the Tenth Plan will not only be that of feeding and teaching the young child, but that of adopting a synergistic approach to strengthen the capacity of caregivers and communities to provide physical and social environment for the young child in the family/community and at the AWCs. ICDS has already reached a stage, where it is essential not only to universalise its expansion, but also to enrich its contents. The

spectrum of ICDS services has broadened with interventions related to the empowerment of women and communities and convergence of sectoral services. This emerging profile of ICDS will rededicate itself to promoting early childhood care for survival, protection and development. Accordingly, the thrust areas under ICDS will be as under: - address the needs of urban poor; direct intervention to fight rampant under nutrition and malnutrition among children and women; conversion of Anganwadi Centres into Anganwadi-cum-Crèches; initiate Child Care facilities for women labourers working at construction sites; community involvement under ICDS; universalisation of KSY (Adolescent Girls' Scheme) as a component of ICDS Scheme; fostering innovation under ICDS to tackle the area/locality specific bottlenecks and problems under ICDS; a major advocacy, communication and social mobilization initiative linked to UDISHA to promote young child survival, protection and development with participation - especially that of the girl child; improving the quality of service delivery and management strengthening of basic infrastructural facility. For the scheme of training of ICDS functionaries an outlay of Rs. 72 crore for Annual Plan 2002-03 has been provided.

62. Special efforts will be made for an effective implementation of the National Nutrition Mission for which a token provision of Rs. 1 crore has been earmarked. Food and Nutrition Board attached to the nodal Department of Women and Child Development is expected to create nutritional awareness through its National Nutrition Policy and Nutrition Education, which has been earmarked an outlay of Rs. 2 crore, through the countrywide network of Field Agencies and also streamlined the otherwise isolated efforts of both Government and non-Governmental organisations through the existing coordination mechanism both at central and state levels.

63. Efforts will be made to ensure to enrol every child and to provide education otherwise to children who were never enrolled or dropped out before completing eight years of elementary schooling. There is an increasing need for support services like Crèches/Day Care Centres to for the children of working/ailing mothers, especially in the present day context where more and more women are joining the workforce both in the organised and unorganised sectors. Support services of crèche/day care services will be expanded during the year 2002-03. To help reduce the burden of working/ailing mothers and also of the girl child who is expected to bear the burden of sibling care, Rs. 12 crore has been earmarked for Crèches/Day Care Centres for Children of Working/Ailing Mothers.

64. The National Plans of Action both on Children and the Girl Child have very clearly defined the 'Children in Difficult Circumstances' as inclusive of street children, working children, child sex workers, child drug-addicts; children in conflict with law; children with disabilities; children with HIV/AIDS; children of HIV/AIDS patients; children whose parents are under custody; children affected by various disasters (natural and man-made); children affected by national and international conflicts, viz. political refugees, war victims, internally displaced and children whose families are in crisis; both social and economic including those belonging to broken families. While recognising the major gap that exists today in reaching the children belonging to these special groups who are in urgent need of care and protection, the Plan will initiate action to get the necessary in-depth studies conducted on priority basis to assess the size and magnitude of the problem and try to streamline and expand the on-going efforts both in the government and non-government sectors; and launch if necessary, new programmes to cover the hitherto unattended groups.

65. In addition to the Training of ICDS functionaries, National Institute of Public Co-operation and Child Development (NIPCCD) will continue to organise orientation/training courses for the representatives of both Governmental and Non-Governmental organisations engaged in planning and implementation of various programmes for the welfare and development of women and children. For this purpose, an amount of Rs. 6.00 crore has been earmarked for NIPCCD for Annual Plan (2002-03).

66. With a view to extend financial assistance to Below Poverty Line (BPL) families the scheme of Balika Samridhi Yojana (BSY) launched in 1997 is under implementation providing post-delivery grants, annual scholarships usable for provision of text books-uniforms etc.

67. To protect children from all types of exploitation through strict enforcement of the Immoral Traffic (Prevention) Act, 1956; the Juvenile Justice (Care and Protection) Act, 2000, the Child Labour (Prohibition and Regulation) Act, 1986, the Hindu Succession Act, 1956, Indian Penal Code, 1860 and the Pre-Natal Diagnostic Techniques (Regulation and Prevention of Misuse) Act, 1994 action has been initiated to set up a National Commission for Children. A token provision of Rs. 0.20 crore has been made in the Annual Plan (2002-03).

#### Externally Aided Projects

68. Several projects undertaken for Women and Child Development receive external aid. They include: Setting up of Training-cum-Production Centres for Women (NORAD), World Bank ICDS programme (Multi-State ICDS Project, training of ICDS Functionaries – UDISHA, Rural Women's Development & Empowerment Project and CIDA-assisted Project for Himachal Pradesh. For the Annual Plan (2002-03) an outlay of Rs. 398.01 crore has been provided under EAP against the total aid of Rs. 236.50 crore received during 2001-02. A statement showing year-wise external aid spent during the Ninth Plan (1997-2002) is given in Annexure – 5.10.2. A summary of the external aid budgeted for the Tenth Plan (2002-07) and for Annual Plan (2002-03) is given in Table 5.10.5.

**Table – 5.10.5**

**Outlays under Women and Child Development Sector  
during Tenth Plan (2002-07) and Annual Plan (2002-03)**

(Rs. in Crore)

Sl. No.	Name of the Schemes	Tenth Plan (2002-07) outlay		Annual Plan (2002-03) outlay	
		Total	EAP	Total	EAP
	1	2	3	4	5
<b>I.</b>	<b>Women and Child Development</b>	<b>13670.00</b>	<b>1683.02</b>	<b>2198.00</b>	<b>398.01</b>
i)	Central Sector Schemes	1148.22	25.00	156.18	5.00
ii)	Centrally Sponsored Schemes	12521.78	1658.02	2041.82	393.01
<b>II.</b>	<b>Food and Nutrition Board</b>	<b>110.00</b>	-	<b>2.00</b>	-
i)	Central Sector Schemes	10.00	-	1.00	-
ii)	Centrally Sponsored Schemes	100.00	-	1.00	-
	<b>Total</b>	<b>13780.00</b>	<b>1683.02</b>	<b>2200.00</b>	<b>398.01</b>

## **Role of Voluntary Organisations**

69. The voluntary organisations have been contributing significantly for the empowerment of women and development of children by creating awareness generation and gender sensitisation, formulating alternative models in the areas of credit, organising women into SHGs, self-employment, participatory rural appraisal etc. Grants in aid to voluntary organisation for the year 2002-03 has been earmarked at Rs. 6.61 crore.

## Annexure 5.10.1

## Plan outlays and expenditure - Women and Child Development Sector

(Rs. Crore)

Sl. No.	Name of the Scheme	Annual Plans			Sl. No.	Annual Plan (2002-03)	
		2000-01 Actuals	2001-02			Name of the Scheme	B.E.
			B.E.	Actuals			
1	2	3	4	5	6	7	8
<b>I CENTRAL SECTOR SCHEMES</b>							
<b>A Welfare &amp; Development of Children</b>							
1.	Creches/Day Care Centres for Children children of working/Ailing Mothers	4.50	7.45	7.60	1.	Creches/Day Care Centres for children of working/Ailing Mothers	12.00
2.	National Creche Funds for Child Care Schemes	-	0.97	-		-	-
3.	Balsevika Training Programme	-	-	-		Transferred to CSS	-
4.	Training of ICDS Functionaries	19.94	40.00	52.86			
5.	National Institute of Public Co-operation & Child Development (NIPCCD)	1.85	2.50	2.20	2.	National Institute of Public Co-operation & Child Development (NIPCCD)	6.00
6.	Early Childhood Education	0.27	0.01	-			
7.	Balwadi Nutrition Programme (BNP)	0.07	0.01	-			
8.	National Commission for Children	-	1.00	-	3.	National Commission for Children	0.20
	<b>Total - A</b>	<b>26.63</b>	<b>51.94</b>	<b>62.66</b>			<b>18.20</b>
<b>B. Welfare &amp; Development of Women</b>							
9.	Hostels for Working Women	7.42	9.00	4.96	4.	Hostels for working Women	15.00
10.	Setting up of Training cum Production Centres for Women (NORAD)	13.89	18.00	18.95	5.	Setting up of Training cum Production Centres for Women (NORAD)	25.00
11.	Support to Training cum Employment Programme (STEP)	14.36	18.00	18.57	6.	Support to Training cum Employment Programme (STEP)	25.00
12.	National Commission for Women	3.50	5.00	4.17	7.	National Commission for Women	6.00
13.	National Credit Fund for Women (RMK)	-	1.00	-	8.	National Credit Fund for Women (RMK)	1.00
14.	Common Wealth Meeting	0.60	-	-			
15.	Strengthening of WD Bureau	-	-	-			
16.	Creation of Office of the Commissioner for Rights of Women	-	-	-			
17.	Mahila Samridhi Yojana (MSY)	15.95	8.00	7.34			
18.	Women Empowerment Project	-	0.01	-			

**Annexure 5.10.1 contd..**

(Rs. Crore)

Sl. No.	Name of the Scheme	Annual Plans			Sl. No.	Annual Plan (2002-03)	
		2000-01 Actuals	2001-02 B.E. Actuals			Name of the Scheme	B.E.
1	2	3	4	5	6	7	8
19.	GIA to Voluntary Organisation through CSWB and strengthening of its Field Organisations	14.00	15.00	15.00	9.	Grant-in-aid to Central Social Welfare Board (i) General Grant-in-Aid (ii) Condensed Courses (iii) Awareness Projects (iv) Short Stay Homes	37.30 16.00 2.00 4.30 15.00
20.	Condensed Courses of Education and Vocational Training for Women	1.50	2.00	2.00			
21.	Awareness Generation Project for Rural and Poor Women	1.80	4.00	4.00			
22.	Education Work for Prevention of Atrocities Against Women	0.20	0.28	-			
23.	Short Stay Homes (SSH)	8.00	10.00	5.32			
24.	Socio-Economic Programme	1.00	1.00	1.25			
25.	Distance Education	1.41	0.50	0.50	10.	Distance Education	0.55
26.	National Resource Centre for Women (NRCW)	-	2.00	-			
27.	Women's Empowerment Year 2001	0.91	11.00	11.60			
28.	Scheme for Women in difficult circumstances (Swadhar)	-	6.00	0.08	11.	Scheme for Women in difficult circumstances (Swadhar)	15.00
	<b>Total -B</b>	<b>84.54</b>	<b>110.79</b>	<b>93.74</b>			<b>124.85</b>
<b>C</b>	<b>Grant-in-Aid and Other Schemes</b>						
29.	GIA to Research Publication & Monitoring	0.56	1.51	0.63	12.	Other Grant-in-Aid (i) Research & Monitoring 5.00 (ii) Women & Child 1.50)	6.50
30.	Organisational Awareness in the field of Women and Child Development	0.20	0.25	0.27			
31.	Programme Monitoring & Evaluation Unit	-	-	-			
32.	Organisational Assistance to Voluntary Organisation	-	0.01	-			
33.	Information and Mass Media	1.75	3.50	3.36	13.	Information and Mass Media	6.00
34.	NEMA	-	-	-			
35.	Information Technology	0.46	0.50	0.49	14.	Information Technology	0.50
	<b>Total - C</b>	<b>2.97</b>	<b>5.77</b>	<b>4.75</b>			<b>13.00</b>
	<b>Total - (A+B+C)</b>	<b>114.14</b>	<b>168.50</b>	<b>161.15</b>			<b>156.05</b>



## Annexure 5.10.1 contd..

(Rs. Crore)

Sl. No.	Name of the Scheme	Annual Plans			Sl. No.	Annual Plan (2002-03)	
		2000-01 Actuals	2001-02			Name of the Scheme	B.E.
			B.E.	Actuals			
1	2	3	4	5	6	7	8
<b>D Food and Nutrition Board</b>							
36.	Research & Development	-	-	-		-	-
37.	Implementation of National Nutrition Policy	0.07	0.50	0.08	15.	Implementation of National Nutrition	2.00
38.	Fortification of Milk with Vitamin A	0.02	0.10	0.01			
39.	Capital Expenditure	-	0.40	0.01			
40.	Nutrition Education	1.84	3.00	2.68			
41.	Production of Nutritious Food	-	-	-		-	-
	<b>Total - D</b>	<b>1.93</b>	<b>4.00</b>	<b>2.78</b>			<b>2.00</b>
<b>E New Schemes</b>							
	-	-	-	-	16.	CRÈME	0.01
	-	-	-	-	17.	National Resource Centre for Women	0.01
	<b>Total - E</b>						<b>0.02</b>
	<b>Total - I (A to E)</b>	<b>116.07</b>	<b>172.50</b>	<b>163.93</b>			<b>158.07</b>
<b>II CENTRALLY SPONSORED SCHEMES</b>							
<b>A Welfare &amp; Development of Children</b>							
42.	Integrated Child Development Services (ICDS)	1047.86	1198.00	1224.43	18.	Integrated Child Development Services (ICDS)	1635.44
43.	World Bank Assisted ICDS Projects	140.01	220.00	219.94	19.	World Bank Assisted ICDS Projects	288.48
	-	-	-	-	20.	Training of ICDS Functionaries	72.00
44.	Balika Samridhhi Yojana	20.97	25.00	13.04	-	Balika Samridhhi Yojana (To be transferred to States) awaiting NDC's approval)	-
	<b>Total - A</b>	<b>1208.84</b>	<b>1443.00</b>	<b>1457.41</b>			<b>1995.92</b>
<b>B Welfare &amp; Development of Women</b>							
45.	Integrated Women's Empowerment Programme (Swayamsidha)	2.10	19.50	6.85	21.	Integrated Women's Empowerment Programme (Swayamsidha)	20.00
46.	Rural Women's Development and Empowerment Project (Swa-shakti)	8.00	15.00	15.00	22.	Rural Women's Development and Empowerment Project (Swa-shakti)	25.00
	<b>Total - B</b>	<b>10.10</b>	<b>34.50</b>	<b>21.85</b>			<b>45.00</b>
	<b>Total - A + B</b>	<b>1218.94</b>	<b>1477.50</b>	<b>1479.26</b>			<b>2040.92</b>

**Annexure 5.10.1 contd..**

(Rs. Crore)

Sl. No.	Name of the Scheme	Annual Plans			Sl. No.	Annual Plan (2002-03)	
		2000-01 Actuals	2001-02			Name of the Scheme	B.E.
			B.E.	Actuals			
1	2	3	4	5	6	7	8
	<b>New Schemes</b>						
	-	-	-	-	23.	National Nutrition Mission	1.00
	-	-	-	-	24.	CIDA Assisted Programme for Himachal Pradesh	0.01
					25.	ICDS IV	-
	<b>Total - C</b>						<b>1.01</b>
	<b>Total - II (A to C)</b>	<b>1218.94</b>	<b>1477.50</b>	<b>1479.26</b>			<b>2041.93</b>
	<b>Grand Total I + II</b>	<b>1335.01</b>	<b>1650.00</b>	<b>1643.19</b>			<b>2200.00</b>

Note: 10% of the total outlay of the Department is earmarked for North Eastern States.

## Women &amp; Child Development

## Foreign aid routed through budget during Ninth Plan (1997-2002)

Sl. No.	Name of the Programme	Funding Agency	2000-01		Annual Plans					
			Actual		2001-02		2001-02		2002-03	
					BE		RE		BE	
			EAP	Total	EAP	Total	EAP	Total	EAP	Total
1	2	3	4	5	6	7	8	9	10	11
<b>Central Sector Schemes</b>										
<b>Welfare and Development of Children</b>										
1.	Training of ICDS Functionaries	UNICEF & WORLD BANK	14.16	19.94	28.00	40.00	49.00	70.00	50.40	72.00
2.	National Institute of Public Cooperation and children Development (NIPCCD)	UNICEF	-	1.85	-	2.50	-	2.50	-	6.00
3.	Setting up of Employment and income Generation Training cum Production Centres for Women (NORAD)	NORAD	5.00	13.89	5.00	18.00	10.00	23.00	5.00	25.00
4.	Rural Women's Development and Empowerment Project	IDA & IFAD	7.00	8.00	13.50	15.00	13.50	15.00	25.00	25.00
5.	Women Empowerment Project	UNIFPA	-	-	0.01	0.01	0.01	0.01	Weeded-out	
<b>Centrally Sponsored Schemes</b>										
6.	World Bank Assisted ICDS Project	IDA & WB	98.01	140.01	154.00	220.00	154.00	220.00	201.86	288.37
<b>Food and Nutrition Board</b>										
7.	Nutrition Education	UNICEF	0.50	1.84	0.50	3.00	0.50	3.00	Merged and renamed as 'Implementation of National Nutrition Policy and Nutrition Education'	
8.	Implementation of National Nutrition Policy	UNICEF	-	0.07	-	0.50	-	0.50		
<b>Total</b>			<b>124.67</b>	<b>185.60</b>	<b>201.01</b>	<b>299.01</b>	<b>227.01</b>	<b>334.01</b>	<b>282.26</b>	<b>416.37</b>

## **5.11 EMPOWERMENT OF THE SOCIALLY DISADVANTAGED GROUPS**

### **INTRODUCTION**

Empowerment of the Socially Disadvantaged Groups viz. the Scheduled Castes (SCs), the Other Backward Classes (OBCs) and the Minorities was of high priority. In fact, this is part of the Constitutional commitment, to raise their status on par with that of the rest of society. They constitute a sizeable percentage of the country's population i.e. - SCs accounting for 179.7 million representing 17.5% and Minorities at 188.9 million representing 18.4% of the population in 2001 (projected in the absence of Census data, on the basis of trend of the decennial growth rate), and the population of OBCs, as estimated by the Mandal Commission in 1993, constitutes 52% of country's total population with a possibility of double counting of certain communities of SCs and Minorities as OBCs. Despite the various welfare and developmental efforts brought in so far, these disadvantaged groups continue to lag behind the rest of the society due to their socio-economic backwardness.

### **Review of the Ninth Plan (1997-2002) and Annual Plan (2001-02)**

2. The year 2001-02 being the terminal year of the Ninth Five Year Plan (1997-02), special efforts were made to fulfil the Ninth Plan commitment of empowering the Socially Disadvantaged Groups. The Ninth Five-year Plan earmarked a total outlay of Rs.4985.05 crore for the Backward Classes Sector at the Centre, in the budget of the Ministry of Social Justice and Empowerment (M/SJ&E). Of this, an amount of Rs. 992.00 crore was earmarked for the Annual Plan 2001-02, with Rs. 581.00 crore for both Central and Centrally Sponsored Schemes and Rs. 411.00 crore as Special Central Assistance (SCA) for Special Component Plan (SCP). Actual expenditure amounted to Rs. 4016.75 crore during the Ninth Plan period, reflecting 80.6% utilization.

3. In the State sector, an amount of Rs.9689.15 crore for Ninth Plan was allocated against which Rs. 9179.90 crore is estimated to have been spent, reflecting effective use of 94.7% of the total allocation. While the scheme-wise outlays and expenditure at the Central level for the Backward Classes during Ninth Plan and Annual Plan 2001-02 are given at Annexure 5.11.1, the details of the outlays and expenditure in the State sector for the same period are given at Annexure 5.11.2.

Table 5.11.1

**Outlays and expenditure for welfare and development of Backward Classes  
during Ninth Plan 1997-02 and Annual Plan 2001-02**

(Rs. in crore)

Sl. No.	Name of the Schemes	Ninth Plan (1997-02)		Annual Plan (2001-2002)	
		Outlay	Actual	BE	Actual
<b>1.</b>	<b>Welfare &amp; Dev. of SCs</b>	<b>4156.50</b>	<b>3569.84</b>	<b>872.28</b>	<b>807.82</b>
i)	Central Sector	651.56	400.32	66.51	80.45
ii)	CSS	1411.99	1160.88	394.77	274.86
iii)	SCA to SCP	2092.95	2008.64	411.00	452.51
<b>2.</b>	<b>Welfare of OBCs</b>	<b>621.45</b>	<b>290.08</b>	<b>79.36</b>	<b>55.40</b>
i)	Central Sector	430.75	199.60	21.85	4.59
ii)	CSS	190.70	90.48	57.51	50.81
<b>3.</b>	<b>Welfare of Minorities</b>	<b>207.10</b>	<b>156.83</b>	<b>40.36</b>	<b>21.30</b>
i)	Central Sector	207.10	156.83	40.36	21.30
ii)	CSS	-	-	-	-
	<b>Total (1+2+3)</b>	<b>4985.05</b>	<b>4016.75</b>	<b>992.00</b>	<b>884.52</b>

**EDUCATIONAL DEVELOPMENT****Scheduled Castes (SCs)**

4. Education being the most effective instrument for empowering the disadvantaged, the Ninth Plan attempted to achieve the same through universalisation of primary education amongst the educationally backward communities of SCs, OBCs and Minorities with a special focus on low-literacy pockets. To this effect, the strategy has been to support and motivate the students through provision of scholarships, hostel facilities, free books and special coaching etc.

5. To promote higher education amongst SCs, Post-Matric Scholarships are awarded to all the eligible SC students to pursue graduate and post-graduate courses in recognized institutions within the country with some additional benefits to persons with disabilities amongst SCs. Although the Ninth Plan benefited 15 lakh SC students annually at Post-Matric level and above, an evaluation study on the scheme conducted by the Ministry revealed that the SC students in some States are facing hardships due to non-payment of scholarships in time, as the State Governments could not meet the committed liability under the scheme.

6. The Scheme of 'Pre-Matric Scholarships for the Children of those engaged in Unclean Occupations' was implemented exclusively to motivate the children of scavengers, sweepers and tanners to enrol and pursue education and also to control school drop-out rates amongst them. The ultimate objective of the scheme is to wean away these children from the clutches of traditional inhuman occupation of manual scavenging. Actual expenditure of Rs. 36 crore exceeded the approved outlay of Rs. 30 crore during the Plan

period. The Ninth Plan physical achievement exceeded the target of 16.91 lakh by reaching 2.28 lakh more beneficiaries. Correspondingly, special provisions for students with disabilities were also introduced keeping in line with the provisions of the Persons with Disabilities Act, 1995.

7. To reduce the present high drop-out rates and increase the retention rates amongst SCs, a major support service is provided in the form of hostel facilities for SC boys and girls studying in middle, secondary and higher secondary schools, colleges and universities. The Central Assistance to the scheme has been declining, as the State Governments are not able to provide the required matching share under these schemes. During the Ninth Plan 354 girls' hostels and 388 boys' hostels were constructed benefiting 25,196 SC girls and 17,244 SC boys, at the cost of Rs. 118.1 crore. Evaluation of the implementation of the scheme of hostels for SC boys and girls indicate that the functioning of the same requires continuous and close monitoring in order to check the deficiencies noticed such as late receipts of the proposal from the State, inadequate reporting of progress of construction, States inability to provide full matching share, poor maintenance and facilities of the hostels which are some of the impediments in implementation of the scheme requiring rectification. Effective involvement of NGOs needs to be encouraged so as to optimize the implementation of the scheme of the hostels for SC boys and girls.

8. Another support service is the scheme of 'Book-Banks for SC Students' that supplies textbooks to SC students for pursuing Medical, Engineering, Veterinary, Agricultural, Polytechnic, Chartered Accountancy, Business Administration, Bio-Sciences and Law Courses etc. costing Rs. 10.61 crore benefiting about 1,15,300 SC students during the Ninth Plan period. Provision has also been made for Braille Books to promote educational development amongst the visually disabled SC students. The other educational developmental programmes include - 'Special Educational Development Programme for SC Girls belonging to very Low Literacy Level districts' and 'Upgradation of Merit of SC Students'. Introduced in 1996-97, the former Scheme is being implemented by the Zilla Parishad of the concerned districts. It aims to establish special residential schools for SC Girls who are the first generation learners in low-literacy pockets where the traditions and environment are not conducive to learning. The scheme covers 48 districts spread over Bihar, Madhya Pradesh, Rajasthan and Uttar Pradesh, where the literacy of SC girls was less than 2 per cent as per the 1981 Census. However, during the Ninth Plan, financial assistance was provided for only 104 schools as against the target of 140 schools. The scheme of 'Up-gradation of Merit of SC Students' aims to provide remedial and special coaching to SC students studying in classes IX to XII. Beneficiaries during the Ninth Plan period totalled 3,755 SC students costing Rs. 4.72 crore. The Scheme had limited success in spite of full assistance, due to lack of interest on the part of States/UTs.

9. Coaching and Allied Scheme for SC students which aims to improve the knowledge and aptitude by providing special coaching to them through Pre-Examination Training Centres (PETCs) was revised during the Ninth Plan for funding on per unit-cost basis. Universities and private institutions receive 100 per cent Central Assistance on contractual basis, while State-owned PETCs receive the Central Assistance to the extent of 50 per cent of the contractual amount. The scheme which was common for both SC and ST students upto the year 2000, is operated now exclusively for SC students. So far, 48,500 SC/ST students have been benefited with an expenditure of Rs. 11.09 crore during the Ninth Plan.

## **Other Backward Classes (OBCs)**

10. For educational development of OBCs, new initiatives were undertaken during the Ninth Plan to provide Pre-Matric and Post-Matric and other higher education scholarships and hostels facilities. Besides, students belonging to the OBCs were also allowed to enjoy the existing hostel facilities meant for SC boys and girls. For OBC students to participate effectively in the competitive examinations, Pre-Examination Coaching Centres were also set up in the Ninth Plan.

11. Provision of Pre and Post-Matric Scholarships for OBC Students is intended to promote higher education amongst OBCs by supporting financially poor OBC students studying at pre-Matric and Post-Matric classes including Ph.D degrees. The States of Andhra Pradesh, Assam, Bihar, Goa, Jammu and Kashmir, Jharkhand, Karnataka, Madhya Pradesh, Manipur, Sikkim, Tripura, and Uttar Pradesh have so far availed of both the schemes. However, so far only States of Himachal Pradesh, Maharashtra, and Uttaranchal could avail the scheme of Post-Matric Scholarships. During the Ninth Plan 5,74,566 OBC students received the Post-Matric scholarships and 12,62,372 were awarded Pre-Matric scholarships.

12. The provision of Hostels for OBC Boys and Girls, being one of the major support services, aims to reduce the high drop-out rate at middle/higher including university level education amongst OBCs through provision of accommodation for students in an academic environment. The State Governments of Andhra Pradesh, Bihar, Jharkhand, Karnataka, Madhya Pradesh, Manipur, Rajasthan, Sikkim, Tripura, Tamil Nadu and Uttar Pradesh have implemented this scheme, benefiting 11,470 students.

13. The Pre-Examination Coaching Centres for OBCs is implemented to provide special coaching and training for OBC candidates to enable them to succeed in various competitive examinations. The Scheme has benefited 2,480 students during the Ninth Plan period. The programme of Assistance to Voluntary Organisations for the Welfare of OBCs was launched in the Ninth Plan in order to involve the voluntary sector for improving educational and economic conditions of OBCs. So far, 305 voluntary organizations were assisted with an expenditure of Rs.7.07 crore during the Ninth Plan. An allocation of Rs. 1.50 crore was made for the same in the Annual Plan 2001-02.

## **Minorities**

14. For Minorities, provision of educational facilities is vital as large sections amongst them continue to be educationally backward. Improvement in literacy levels, upgradation of quality of education and its relevance to the emerging employment opportunities are crucial to their development. Maulana Azad Education Foundation set up in 1992-93 provides for remedial coaching, construction and expansion of schools/residential schools/colleges/polytechnics/ hostels mainly for girls and purchase of machinery/equipment for laboratories and for setting up/strengthening vocational/technical training centres for women. Against a provision of Rs. 100 crore as a 'Corpus Fund' for the Foundation Rs. 70 crore has been made available by the end of the Ninth Plan. The interest accrued on the Corpus is utilised to finance activities related to educational empowerment of Minorities.

15. The scheme of Pre-Examination Coaching for Weaker Sections based on economic criteria is extended to improve their performance in competitive examinations for various job opportunities. Against a provision of Rs.12.00 crore for the Ninth Plan, a sum of Rs.11.29 crore was spent for funding 417 Institutions to train 30,310 students. In the Annual Plan 2001-02 an amount of Rs. 3.00 crore was earmarked for this scheme.

## **ECONOMIC DEVELOPMENT**

### **Scheduled Castes (SCs)**

16. For economic development of SCs, the financial institutions set up exclusively for the purpose both at the national and the state levels, such as National Scheduled Castes and Scheduled Tribes Finance and Development Corporation (NSFDC) and State SC Development Corporations (SCDCs) continued to function as catalytic agents for financing, facilitating and mobilizing funds for promoting employment and income-generating activities amongst the SCs living below the poverty line. While Rs. 10 crore was budgeted for the NSFDC, the SCDs were provided with an allocation of Rs. 23 crore during 2001-02. Skill and entrepreneurial training was also imparted to unemployed SC youths through reputed training institutions. Micro-credit scheme has also been taken up since 2000-01 for funding Self-Help Groups for small loans. NSFDC's performance has gained momentum over the years. The Corporation has so far sanctioned 2,759 schemes, which on completion would benefit 3,43,517 SC beneficiaries to take up various income-generating activities. At present, SCDCs are functioning in 25 States/UTs, benefiting around 14.88 lakh SCs during the Ninth Plan period.

17. The National Safai Karamcharis Finance and Development Corporation (NSKFDC) was set up in January 1997, for promoting economic development/self-employment amongst the scavenging communities. NSKFDC has since been acting as an apex institution for channelising funds through the State Channelising Agencies (SCAs). Concessional financial assistance is provided for establishment of viable income-generation activities as alternative to scavenging. Under the Micro-Credit Scheme, Self-Help Groups (SHGs) were formed amongst the target group by SCAs/NGOs and small loans to a maximum of Rs.10,000 per beneficiary provided for undertaking income-generation activities. Financial assistance is also extended to Co-operatives formed by a group of 25 scavengers for setting up of Sanitary Marts production-cum-trading-cum-service centres and for conversion of dry latrines into wet ones. During the Ninth Plan 33,725 beneficiaries were covered with financial support of Rs.81.75 crore extended as equity to NSKFDC. An amount of Rs. 25.00 crore was budgeted for NSKFDC in 2001-02.

### **Other Backward Classes (OBCs)**

18. Towards the economic development of OBCs, the National Backward Classes Finance and Development Corporation (NBCFDC) set up in 1992 to promote self-employment among the poorest of OBCs living below double the poverty line. It provides soft loans through the State Channelising Agencies and also arranges technical, entrepreneurial and managerial training amongst the individuals or groups belonging to OBCs. The Corporation has disbursed term loans of Rs.614.08 crore to assist 3,74,754 beneficiaries during the Ninth Plan. A micro-credit scheme has also been introduced to extend credit facilities to the target groups for small business especially for women



beneficiaries through SCAs as well as NGOs. It has also launched a new scheme viz. 'SWARNIMA' that provides loan up to 1.00 lakh to finance self-employment activities for OBC women living below poverty line. Incidentally, this scheme stands out with outstanding recovery rates of 86% in 1999-2000, 87% in 2000-01 and 89% in 2001-02. A budgeting support of Rs. 16.84 crore was extended to NBCFDC during the Annual Plan 2001-02.

### **Minorities**

19. The National Minorities Development and Finance Corporation (NMDFC) set up in 1994-95 to promote income-generating activities amongst the poor minority community continued to provide soft loans and organize training programmes, especially for the craftsmen engaged in traditional occupations and trade. The scheme of 'micro-financing' has also been introduced in 1998-99 and the same is being implemented directly through NGOs and SHGs benefiting 81,695 Minorities during the Ninth Plan period. The NMDFC received a budgetary provision of Rs. 15.26 crore for the Annual Plan 2001-02.

### **Financial Institutions - Evaluation**

20. A critical assessment (Oct. 2000) of the working of all these Corporations revealed that all of these Corporations are heavily dependent upon government assistance and therefore, do not qualify as functional Corporations. Generally, the Corporations are expected to become self-reliant over a period of 2-3 years of their establishment. Instead, these organizations are becoming more and more dependent upon the Government and demanding a hike in the Authorised Share Capital from time to time, which reflects bad financial health and habit. Further, these corporations have maintained a recovery rate as poor as 30% to 50%. In sharp contrast, a similar organization like Rashtriya Mahila Kosh (RMK), which extends credit to poor and assetless women in the informal sector, could achieve a recovery rate as high as 95% to 98% and become self-sufficient by raising the original corpus of Rs.31.00 crore in 1993 to Rs.48.06 crore within a period of five years. This calls for a critical study of the working of all these six Corporations immediately with a major objective of introducing necessary reforms, both business and managerial, so that they can fulfill their objectives they were set out to accomplish.

### **Social Justice**

21. To abolish the practice of untouchability and curb the high incidence of crimes and atrocities against SCs, efforts were made through effective implementation of the Protection of Civil Rights (PCR) Act, 1955 and the Scheduled Castes and the Scheduled Tribes (Prevention of Atrocities) Act, 1989 with the help of 36 Special Courts under PCR Act 1955 and 113 Special Courts under SC and ST (POA) Act 1989. Financial assistance is provided to the State in the ratio of 50:50 (100% to UT Administration) for strengthening the enforcement of judicial machinery, publicity and for the relief and rehabilitation of the affected person.

22. Towards total eradication of manual scavenging, the National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents was modified in 1998 to accommodate revised norms and involve NGOs in the efforts made for identification, liberation and rehabilitation of scavengers. Although, complete elimination of the practice of

manual scavenging could not be achieved by the end of the Ninth Plan (2002) as targeted, yet around 3.84 lakh out of the 6.53 lakh identified scavengers were rehabilitated, while 1.47 lakh were trained for alternative vocations. An amount of Rs.236.02 crore was spent under the scheme in the Ninth Plan. The tardy progress made in the National Scheme of Liberation and Rehabilitation of Scavengers also correspond to non-utilisation of funds allocated for this crucial area of concern. Evidently against the budgetary provision of Rs. 75 crore made for this scheme for the year 2001-02 only Rs. 9.2 crore could be spent despite bringing revision in this scheme – such as introduction of Sanitary Marts and involvement of volunteer agencies. This calls for rigorous and intensive efforts of all the concerned to work with war footing efforts specially as regards identification and rehabilitation of scavengers and conversion of dry latrines into wet latrines to accomplish the commitment of totally eliminating the practice of manual scavenging by 2007.

### **Implementation of Special strategies of SCP and SCA to SCP for SCs**

23. For the economic development of SCs, special strategy of Special Component Plan (SCP) for SCs has been in operation to ensure flow of funds in proportion to the population of SCs from all other developmental sectors. So far, only 14 Central Ministries/Departments and 27 States/UTs have been earmarking funds under the Scheme. As for the Central Ministries' share, Rs.1646.02 crore was earmarked under SCP during first three years of the Ninth Plan. For the last two years, no information on any substantial SCP component is available from the Ministry. However, during the same period, 27 States/UTs have earmarked Rs.42308.97 crore reflecting 12.20% of the entire State budget.

24. SCA to SCP is a Central scheme under which cent per cent grant is extended to States as an additive to strengthen the efforts of the States to fill the critical gaps in the family based income-generating activities. During the Ninth Plan period, 110.75 lakh SC families were assisted under the programme out of targeted 130.52 lakh, reflecting a shortfall of 15%. As for financial commitment, Rs.2004.67 crore was actually released as SCA to SCP during the Ninth Plan period against an outlay of Rs.2092.95 crore reflecting 96% achievement. But, actual utilization of funds during the same period were only Rs. 1456.91 crore, which is about only 70% of the outlay indicating that more efforts are needed to improve the implementation of SCP at the Central level in order to achieve the Plan target.

### **Annual Plan 2002-03**

25. With a view to optimising and containing the growth of Government expenditure and to deploy the scarce resources in a more cost-effective manner, the number of ongoing schemes of the Ninth Plan has been brought down from 31 to 13 in the Tenth Five Year Plan and subsequent Annual Plans through a special exercise of Zero-Based Budgeting. Towards empowering the Socially Disadvantaged Groups of SCs, OBCs and Minorities, an outlay of Rs. 1080.00 crore for the Central Sector and Centrally Sponsored Schemes, including Rs.379.00 crore as Special Central Assistance for Special Component Plan for SCs has been provided in the Annual Plan 2002-03. While details of the programme-wise outlay earmarked under Socially Disadvantaged Groups during the Tenth Plan (2002-07) and Annual Plan (2002-03) are available at Annexure 5.11.1, summary of the same is given in the following Table 5.11. 2.

TABLE 5.11.2

**Outlays for welfare and development of Backward Classes during  
Tenth Plan 2002-07 and Annual Plan 2002-03**

(Rs. in crore)

Sl. No.	Name of the Schemes	Tenth Plan 2002-07 Outlay	Annual Plan 2002-03 BE
<b>1.</b>	<b>Welfare &amp; Dev. of SCs</b>	<b>5786.00</b>	<b>964.10</b>
i)	Central Sector	402.60	61.60
ii)	CSS	3070.00	523.50
iii)	SCA to SCP	2313.40	379.00
<b>2.</b>	<b>Welfare of OBCs</b>	<b>450.00</b>	<b>76.50</b>
i)	Central Sector	116.35	17.50
ii)	CSS	333.65	59.00
<b>3.</b>	<b>Welfare of Minorities</b>	<b>290.00</b>	<b>39.40</b>
i)	Central Sector	188.10	39.40
ii)	CSS	101.90	-
	<b>Total (1+2+3)</b>	<b>6526.00</b>	<b>1080.00</b>

26. Annual Plan (2002-03) being the first year of the Tenth Five Year Plan, it initiates the Tenth Plan approach into practice. Empowerment of the Disadvantaged Groups initiated during the Ninth Plan, has had an impact on their involvement in the development process, even though not to the expected extent. Hence, the thrust and strategy during the Annual Plan 2002-03 would be directed to accelerate the process of empowerment of these weaker sections in an intensive manner so that ultimate objective to bring the status of these socially disadvantaged groups raised to that of the rest of the society. Any improvement in their socio-economic conditions as well as growth would be possible through a multi-pronged strategy of removing the existing disparities on the one hand and strengthening the current development plans and programmes on the other. For this, adequate priority will be accorded to programmes catering to the educational and economic development. The on-going programmes would be strengthened / expanded, along with initiating new measures so as to accelerate their all-round development. This would be keeping in view the persistent skewed distribution of income, wealth and the social inequity surrounding them. The policy focus will be necessarily tuned towards ensuring equitable distribution and growth with social justice. Accordingly, the strategy arrived at is three-pronged.

- **Social Empowerment** : through removing all the persisting inequalities, disparities and other problems besides providing easy access to basic minimum services. Education being the key factor for social development, the same will be given top priority. The intent would be an enabling environment for their welfare and development.
- **Economic Empowerment** : through promotion of employment-cum-income generation activities. The ultimate objective must be to make them economically independent and self-reliant.

- **Social Justice** : through eliminating all types of discrimination against them with the strength of legislative support, affirmative action, awareness generation / conscientisation, and requisite change in the mind-set of people.

## **SOCIAL EMPOWERMENT**

### **Scheduled Castes**

27. With an ultimate objective of reducing the existing gap between SCs and the general population, efforts are being made to arrest the school drop-out rates and improve enrolment and retention rates through provision of scholarships, hostel facilities and other educational aids. To pursue higher studies, Post-Matric Scholarships are awarded to eligible students towards payment of tuition and other expenses. An outlay of Rs.273 crore has been earmarked for SC students for the Plan year which is 71% more than the last year's Plan expenditure. Under the Scheme of Pre-Matric Scholarships for the children of those engaged in unclean occupations, efforts will be made to exceed last year's coverage of 4.5 lakh beneficiaries at the cost of Rs.14.50 crore. For professional courses, text books are supplied through the Scheme of Book Banks for SC students for which a provision of Rs.2 crore has been made for 2002-03. As support service, devised to check the high drop-out rates among the SC students in the middle, higher secondary schools, colleges and universities, Central Assistance is provided on matching basis to States and 100% assistance to UTs for construction of hostel buildings. The Plan provides for Rs. 45 crore for construction of Girls and Boys Hostels. Other educational programmes in operation include "Upgradation of Merit of SC Students and Research & Training" for which outlays of Rs.42 crore and Rs. 0.50 crore, respectively have been allocated for the year 2002-03.

28. In addition to the above, a few more educational programmes will be in operation for the benefit of SCs. They include Coaching Centres for Allied Services / Public Sector openings (plan provision of Rs.10 crore), Special Education Development Programmes for SC Girl students in low-literacy areas; and other Educational programmes being implemented through the voluntary organisations. Along with the general education, vocational education/training will also be encouraged/extended to SC students so as to enable them to enhance their technical and productive capabilities in those vocations that have direct relevance to their local needs and market demands. Other than financing formal educational programmes, the Plan also supports social education programmes under Ambedkar Foundation through national/regional seminars, workshops, and symposium with an outlay of Rs. 1 crore for the year 2002-03.

### **Other Backward Classes**

29. The new interventions launched during the Ninth Plan for improving the educational status of OBCs will be continued with much larger coverage to improve the accessibility to the otherwise educationally backward OBCs. To promote educational development amongst the OBCs an allocation to the tune of Rs.42.5 crore has been made for Annual Plan 2002-03 for extending Pre and Post Matric Scholarships as a Centrally Sponsored Scheme. The other educational programme viz., the Hostel Facilities for OBC Boys and Girls is also supported with an outlay of Rs.16.50 crore. The sole Central Sector Scheme of Pre-examination Coaching Centres for OBCs has been earmarked with an outlay of Rs.1.65 crore. Besides, Grant-in-Aid to the tune of Rs. 3.85 crore has been earmarked for the NGOs to undertake welfare activities for OBCs.

## **Minorities**

30. Minorities who constitute a sizeable population and contribute to the country's development process will be given priority through a comprehensive approach focusing their educational development and economic upliftment. Special attention will be given to traditional Artisans who play an important role in preserving their heritage of art and culture through their contribution in economic as well as social arena. As the crucial drawback in the development of Minorities, especially that of the Muslims, primarily lies in their educational backwardness, special efforts will be made to accomplish their social development through promotion of education, especially amongst their women and girl children by modernizing and mainstreaming their existing traditional educational institutions such as the Madaras, by adopting syllabi being followed in the regular education system. There are two major schemes for educational development aimed at social empowerment and eventually economic empowerment of the Minorities. One is merit-based scholarships provided for students belonging to Minorities with a plan provision of Rs.15.40 crore. The other scheme supports pre-examination coaching centres for weaker sections run on the basis of economic criteria. Special attention will be accorded towards strengthening of the Maulana Azad Education Foundation which is working for the promotion of the educational development especially amongst the educationally backward Minorities. To this effect a provision of Rs. 30.00 crore has been envisaged to achieve complete funding of Rs. 100.00 crore to the Corpus of the Foundation.

## **ECONOMIC EMPOWERMENT**

### **Scheduled Castes**

31. For economic upliftment of SCs, suitable activities will be identified and prioritised that can provide sustainable income. Recognising their traditional ability and skills in the agriculture production, efforts will be made to improve their productivity abilities through skill and technology upgradation, along with provision of land ownership with community irrigation facilities. All poverty alleviation programmes will be revitalised and expanded to make stronger impact on the economic conditions of SCs living at the margin of all developmental efforts. The Financial Institutions working exclusively for the economic empowerment of SCs (NSFDC & SCDCs) will be geared to function as catalytic agents for economic development. For this purpose, functioning of the Apex Corporations will be reviewed and reformed and strengthened with professional expertise in marketing and business management so that they are able to undertake and accomplish projects for SCs and other members of the weaker sections and contribute effectively towards their upliftment without being a drain on limited financial resources of the government.

32. There are two Central Sector Schemes, each providing funds to two Apex level organisations - National SC Finance Development Corporation (NSFDC) and National Safai Karamchari Finance and Development Corporation (NSKFDC) with provisions of Rs.15.10 crore and Rs.20.00 crore respectively. Two other Centrally Sponsored schemes are currently under operation. One, Coaching and Allied Scheme for SC students with an outlay of Rs.10.00 crore that provides coaching facilities through pre-examination training centres and private institutions/universities to enable them compete in civil services and other competitive examinations and thereby improve SC representation in various Governmental, semi-Governmental organisations. Under the other Scheme, namely, the

Scheduled Castes Development Corporations (SCDCs), eligible SC families are identified and motivated to undertake economic development schemes/projects by extending credit support and financial assistance for margin money with an aim to promote self-employment and income-generating activities through entrepreneurship. An outlay Rs. 25.00 crore has been earmarked for SCDCs in the Annual Plan 2002-03.

### **Other Backward Classes**

33. The OBCs besides being engaged in the primary sector also depend upon a broad spectrum of economic activities. Efforts will be made to encourage the allied activities engaged in by OBCs, through skill upgradation, capacity building, training, market linkages, credit support etc. Also, as the majority of OBCs depend upon agriculture, OBC farmers will be encouraged and supported to adopt innovative land based activities to improve productivity and make a serious dent on the incidence of poverty in this community.

34. Some of the OBC communities, especially those living in rural areas, depend upon the traditional occupation/artisanship weaving which are languishing in the worst forms of social and economic backwardness. Efforts will be made to encourage occupational mobility for those OBCs, by providing facilities for appropriate educational and vocational training in modern and up-coming technologies, supplemented with financial and other assistance to enable them to start new ventures.

35. To achieve the above mentioned objective, the National Backward Classes Finance and Development Corporation (NBCFDC) set up in 1992 to assist OBCs in a wide range of income-generating activities through both wage and self-employment ventures in the areas of agriculture and its allied activities viz., dairying, fisheries, animal husbandry, traditional and other artisan occupations, small scale and cottage industries, transport services, small business and petty shops etc. will further be strengthened during 2002-03. A provision of Rs.12.00 crore has been made for NBCFDC for the year 2002-03.

### **Minorities**

36. Priority will be given to upgradation of technology especially in the much needed handloom sector to increase value-addition by extending appropriate support in terms of vocational training in modern technologies, skill upgradation, credit facilities etc. In fact, special efforts will be made to encourage export-oriented handicrafts in view of expanding foreign market and the National Minority Finance Development Corporation (NMFDC) will be encouraged to extend financial and other technical support. The authorized share capital of NMFDC has already been raised from Rs. 300.00 crore to Rs. 500.00 crore to benefit the Minorities. Also, to preserve their traditional skills, they will be encouraged to form into SHGs/Cooperatives for which financial assistance will be extended along with credit and marketing services. In the Annual Plan 2002-03, Rs. 20.00 crore outlay has been provided for NMFDC.

### **Social Justice**

37. Efforts will be made to strengthen and revitalize all the four statutory Commissions viz. National Commission for SCs and STs (1992), National Commission for OBCs (1993), National Commission for Minorities (1992) and National Commission for Safai Karamcharis

(1994) and make them more effective in safeguarding rights and interests of these Groups and thus ensure them social justice. In this pursuit eradication of manual scavenging, elimination of atrocities against the disadvantaged groups will be given priority attention.

38. As the inhuman practice of manual scavenging continues to be a matter of national concern, the Tenth Plan will embark upon a nation-wide programme to work out alternative strategies for conversion of all the existing dry latrines into wet ones on a Mission Mode Approach and thus bring forth total eradication of manual scavenging on a time-bound basis by 2007. To this effect, Annual Plan will, in tune with the Tenth Plan strategy, emphasize preparation of State-specific Plans of Action to initiate time-bound programmes in respect of - conversion of dry latrines into wet ones; identification of scavengers; weaning them away from this profession and rehabilitating them with training and alternative jobs; follow-up of the rehabilitated persons; and effective co-ordination between the Welfare Departments of the States and the Local Bodies. In these national endeavours, the National Commission for Safai Karamcharis will take the lead. In the Annual Plan 2002-03 an outlay of Rs. 80.00 crore for the National Scheme of Liberation and Rehabilitation of Scavengers has been earmarked for this purpose.

39. The on-going special efforts will continue to ensure effective implementation of the two special legislations viz., the Protection of Civil Rights (PCR) Act 1955 and the SCs / STs (Prevention of Atrocities) Act, 1989 and thus prevent the increasing problems of social discrimination, exploitation, untouchability and violence against SCs, OBCs and Minorities including sexual exploitation of women and the girl children belonging to these Groups. In addition, there are four National Commissions to safeguard the rights and interests of SCs, OBCs and Minorities and Safai Karamcharis through a constant vigil and enforcement machinery along with efforts of NGOs. Measures will also be undertaken to set up adequate number of well functioning Special/Mobile Courts in each district to provide on-the-spot speedy settlement and redressal of grievances. An outlay of Rs. 32.00 crore has been provided for implementation of PCR Act.

#### **Special Strategies of SCP and SCA to SCP for SCs.**

40. Special endeavour will be made to reinforce the implementation of both the mechanisms viz. SCP for SCs and SCA to SCP which was launched specially in support of social justice to ensure that adequate funds flow for the development of SCs through various sources. Taking note of the implementation of these mechanisms becoming routinised, a Central Tripartite Committee set up in the Planning Commission in 1999 will continue to monitor towards more effective implementation of these two mechanisms. In this context, the State Governments, which are yet to set up State Tripartite Committees, will initiate action for setting up of these Committees and start the detailed reviews with regard to earmarking funds under SCP and also the utilization of SCA to SCP.

41. While the nodal Ministry of Social Justice and Empowerment will keep a close vigil on the utilisation of these special funds, reviews at the Centre both by the CSSTC and the National Commission for SCs will continue on a regular basis to assess the effectiveness of these instruments in supplementing/complementing the efforts of the nodal Ministry in empowering these Disadvantaged Groups economically.

**SCHEME-WISE BREAK-UP OF PLAN OUTLAYS AND EXPENDITURE  
BACKWARD CLASSES SECTOR (SCs, OBCs & Minorities)**

(Rs. in Crore)

Sl. No.	Name of the Scheme	NINTH PLAN (1997-02)		ANNUAL PLAN (2001-02)		Sl. No.	Name of the Scheme	Tenth Plan (2002-07) Outlay	Annual Plan (2002-03) B.E.
		Outlay	Act. Expdr.	B. E.	Act. Expdr.				
1	2	3	4	5	6	7	8	9	10
<b>I. CENTRAL SECTOR SCHEMES (CS)</b>									
1	Special Central Assistance (SCA) to Special Component Plan (SCP)	2092.95	2008.64	411.00	452.51	1	Special Central Assistance (SCA) to Special Component Plan (SCP)	2313.40	379.00
2	National SC and ST Finance and # Development Corporation (NSFDC)	241.23	156.23	10.00	25.00	2	National Finance Development Corporations for Weaker Sections	478.20	67.10
3	National Safai Karamachari Finance and Development Corporation (NSKFDC)	81.75	81.75	25.00	25.00				
4	National BC Finance and Development Corporation (NBCFDC)	400.00	191.50	16.84	0.00				
5	National Minorities Development and Finance Corportion (NMDFC)	111.00	92.26	15.26	15.26				
6	Grant-in-Aid to Non Governmental Organisations (NGOs) for SCs	118.03	105.12	30.00	29.00	3	GIA to NGOs for SCs, OBCs & Research & Training	193.85	29.35
7	Research and Training for Scheduled Castes	2.85	1.61	0.50	0.30				
8	Grant-in-Aid to NGOs for OBCs	10.00	7.07	3.50	3.8				
9	Special Educational Development Programmes for Girls belonging to SC low Literacy Areas	7.70	1.61	0.01	0.15	—	—	—	—
10	Dr. B.R.Ambedkar Foundation	200.00	54.00	1.00	1.00	4	Dr. B.R.Ambedkar Foundation	5.00	1.00
11	Strengthening of BC Bureau	0.75	0.00	0.00	0.00	—	—	-	-
12	Equity participation in State BC Corporations	10.00	0.00	0.01	0.00	—	—	-	-
13	Preparation of Multi-Sectoral Plan for Minority Concentration Districts	14.10	0.53	0.10	0.00	—	—	-	-
14	Grant-in-Aid to Maulana Azad Education Foundation	70.00	52.75	22.00	3.00	-	Grant-in-Aid to Maulana Azad Education Foundation	30.00	*
<b>Total - I</b>		<b>3360.36</b>	<b>2753.07</b>	<b>535.22</b>	<b>555.02</b>		<b>Total</b>	<b>3020.45</b>	<b>476.45</b>
<b>II. CENTRALLY SPONSORED SCHEMES (CSS)</b>									
15	Post-Matric Scholarships for SC Students	614.16	457.29	159.77	159.28	5	Post-Matric Scholarships & Book Banks for SC Students	1558.00	275.00
16	Book Banks Scheme for SC Students #	12.00	10.61	2.50	2.99				
17	Pre-Matric Scholarships for Children of those families engaged in Unclean Occupations	30.00	36.25	12.00	10.04	6	Pre-Matric Scholarships for Children of those families engaged in Unclean Occupations	87.00	14.50
18	Hostels for SC Boys	52.05	64.97	20.00	19.94	7	Hostels for SC, OBC and Weaker Sections	347.00	61.50
19	Hostels for SC Girls	45.00	53.13	20.00	19.35				
20	Hostels for OBC Boys and Girls	49.90	20.76	15.00	11.45				
21	Scheduled Caste Development # Corporations (SCDCs)	180.00	173.63	23.00	21.00	8	Scheduled Caste Development Corporations (SCDCs)	150.00	25.00
22	Coaching & Allied Scheme for SCs	16.71	11.09	10.00	2.00	9	Coaching & Allied Scheme for SCs, OBCs & Other Weaker Sections	97.55	15.65
23	Pre-examination Coaching for OBCs	10.00	1.03	1.50	0.79				
24	Pre-examination Coaching for Weaker Sections based on economic criteria	12.00	11.29	3.00	3.04				



**APPENDIX - 5.11.1 contin.....**

(Rs. in Crore)

Sl. No.	Name of the Scheme	NINTH PLAN (1997-02)		ANNUAL PLAN (2001-02)		Sl. No.	Name of the Scheme	Tenth Plan (2002-07) Outlay	Annual Plan (2002-03) B.E.
		Outlay	Act. Expdr.	B. E.	Act. Expdr.				
1	2	3	4	5	6	7	8	9	10
25	Up-gradation of Merit of SC Students #	5.26	4.72	42.50	1.00	10	Up-gradation of Merit of SC Students	346.50	42.00
26	Implementation of PCR Act,1955 & # SC/ST (POA) Act, 1989	121.81	113.17	30.00	30.06	11	Implementation of PCR Act, 1955 & SC/ST (POA) Act, 1989	170.00	32.00
27	National Scheme of Liberation & Rehabilitation of Scavengers & their Dependents	335.00	236.02	75.00	9.20	12	National Scheme of Liberation & Rehabilitation of Scavengers & their Dependents	460.00	80.00
28	Post-Matric Scholarships for OBCs	49.90	40.57	42.50	39.36	13	Merit based Scholarships for OBC and Minority Students i. Pre and Post Matric Scholarships for OBC and Minority Students ii. Merit based Scholarships for OBC Students iii. Merit based Scholarships for Minority Students	289.50	42.49
29	Pre-Matric Scholarships for OBCs	49.90	29.15						
30	Mobile Schools, Shelter etc. for Nomadic Tribes	1.00	0.00	0.00	0.00				
31	Residential Schools for OBC Boys and Girls	40.00	0.00	0.01	0.00				
	<b>Total - II</b>	<b>1624.69</b>	<b>1263.68</b>	<b>456.78</b>	<b>329.50</b>		<b>Total</b>	<b>3505.55</b>	<b>603.55</b>
	<b>GRAND TOTAL - I+II</b>	<b>4985.05</b>	<b>4016.75</b>	<b>992.00</b>	<b>884.52</b>		<b>GRAND TOTAL</b>	<b>6526.00</b>	<b>1080.00</b>

\* Spill-over of the total Corpus of Rs.100 crore to be paid to the Foundation and the scheme to be weeded-out during 2002-03.

# Outlay and Expenditure under these schemes were common for SCs & STs up to the Annual Plan 1999-2000 under M/SJ & E.

## Annexure-5.11.2

**PLAN OUTLAYS AND EXPENDITURE - BACKWARD CLASSES WELFARE  
(SCs,STs,OBCs & MINORITIES) - STATES/UTs.**

(Rs.in lakh)

Sl. No.	Name of States	Agreed Outlay IX Plan (1997-02)	Likely Exp. IX Plan (1997-02)	Actual Exp. 1997-98	Actual Exp. 1998-99	Actual Exp. 1999-00	Actual Exp. 2000-01	Outlay 2001-02	Revised Outlay 2001-02
1	2	3	4	5	6	7	8	9	10
1	Andhra Pradesh	124059.0	95983.0	12271.0	27546.0	14049.0	12965.0	29151.9	29152.0
2	Assam	17917.0	12689.0	2031.0	3767.0	2649.0	1713.0	2529.0	2529.0
3	Bihar	46800.0	9526.0	3294.0	2804.0	1161.0	690.0	1577.0	1577.0
4	Chhattisgarh							3226.1	3226.0
5	Goa	450.0	268.0	38.0	29.0	63.0	75.0	63.0	63.0
6	Gujarat	108080.0	111775.0	14446.0	14446.0	28864.0	26921.0	30300.0	27098.0
7	Haryana	8026.0	3855.0	699.0	536.0	552.0	668.0	700.0	1400.0
8	Himachal Pradesh	3134.0	2850.0	608.0	671.0	612.0	624.0	323.0	335.0
9	Jammu & Kashmir	2998.0	3225.0	688.0	1047.0	480.0	485.0	525.0	525.0
10	Jharkhand *								
11	Karnataka	80000.0	120617.0	19768.0	21997.0	26029.0	20818.0	23898.0	32005.0
12	Kerala	64090.0	50977.0	11404.0	12695.0	5878.0	9000.0	11900.0	12000.0
13	Madhya Pradesh	63556.0	54395.0	13668.0	15769.0	12245.0	5829.0	6313.0	6884.0
14	Maharashtra	110127.0	106479.0	16170.0	21447.0	25564.0	22233.0	21064.9	21065.0
15	Manipur	4315.0	3396.0	314.0	852.0	1081.0	728.0	421.0	421.0
16	Meghalaya	50.0	47.0	8.0	7.0	12.0	10.0	10.0	10.0
17	Orissa	44475.0	48294.0	9143.0	12463.0	12837.0	10990.0	2956.9	2861.0
18	Punjab	47736.0	23045.0	7980.0	2328.0	1622.0	6445.0	4669.6	4670.0
19	Rajasthan	29205.0	20592.0	4431.0	5925.0	5835.0	4229.0	160.0	172.0
20	Sikkim	1500.0	1146.0	132.0	307.0	89.0	173.0	470.0	445.0
21	Tamil Nadu	100000.0	85464.0	15960.0	17568.0	15845.0	17447.0	27098.0	18644.0
22	Tripura	9480.0	10651.0	2182.0	2513.0	1969.0	2220.0	1767.0	1767.0
23	Uttar Pradesh	75550.0	109565.0	23828.0	22016.0	22621.0	22920.0	24360.0	18180.0
24	Uttaranchal						2927.0	987.0	987.0
25	West Bengal	17232.0	27928.0	3805.0	4641.0	5774.0	7580.0	7546.0	6128.0
<b>A.</b>	<b>Total ( States)</b>	<b>958780.0</b>	<b>902767.0</b>	<b>162868.0</b>	<b>191374.0</b>	<b>185831.0</b>	<b>177690.0</b>	<b>202016.4</b>	<b>192144.0</b>
1	A&N Islands	210.0	281.5	24.9	37.1	73.5	76.0	70.0	70.0
2	Chandigarh	490.8	377.3	101.6	63.7	62.4	73.7	76.0	76.0
3	D&N Haveli	5.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0
4	Daman& Diu	104.5	94.7	24.8	15.7	18.0	18.2	18.0	18.0
5	Delhi	6825.0	4237.6	446.2	213.8	511.4	666.2	2400.0	2400.0
6	Pondicherry	2500.0	3390.9	371.0	583.5	761.5	871.2	1000.7	803.7
<b>B.</b>	<b>Total ( U.Ts)</b>	<b>10135.3</b>	<b>8383.1</b>	<b>969.6</b>	<b>913.8</b>	<b>1426.8</b>	<b>1705.2</b>	<b>3564.7</b>	<b>3367.7</b>
	<b>Grand Total (A+B)</b>	<b>968915.3</b>	<b>917990.1</b>	<b>163537.6</b>	<b>192287.8</b>	<b>187257.8</b>	<b>179395.2</b>	<b>205581.1</b>	<b>195511.7</b>

\* Finalisation not yet.

## 5.12 TRIBAL DEVELOPMENT

### INTRODUCTION

Scheduled Tribes (STs), who live in isolation, lag behind the rest of the society due to their socio-economic backwardness. According to the 1991 Census, they account for 67.76 million and represent 8.08 per cent of country's total population. Of these, 1.32 million (1.95 per cent) belong to Primitive Tribal Groups (PTGs) whose conditions are even worse than those of the rest of the tribals. In the absence of 2001 Census data, population of STs has been estimated to have reached 88.8 million by 2001 (projected on the basis of the trend of the decadal growth rates of STs), representing 8.6 per cent of country's total population.

### Review of Ninth Plan (1997-2002) and Annual Plan (2001-02)

2. The Annual Plan (2001-02), being the last year of the Ninth Five Year Plan (1997-2002), continued with the process of empowering STs with social justice. Accordingly, all efforts were geared to create an enabling environment conducive to a better quality of life for the tribals. To this effect, a total outlay of Rs. 3174.13 crore (Table - 1) was earmarked for the development of the Tribals in the budget of the Ministry of Tribal Affairs (M/TA) for the Ninth Plan. Of this, an amount of Rs.1040 crore was earmarked for the Annual Plan (2001-02) which included Rs. 240 crore for Central and Centrally Sponsored Schemes, Rs. 500 crore as Special Central Assistance (SCA) for Tribal Sub-Plan (TSP), and Rs. 300 crore as Grant-in-Aid (GIA) under Article 275(1) of the Constitution for promoting the welfare of the Scheduled Tribes or to improve the administration of the Scheduled Areas. The Plan expenditure, during the Ninth Plan for this sector is likely to be Rs. 3091.32 crore reflecting 97.4 per cent utilisation.

Table -5.12.1

### Outlays and expenditure for the welfare and development of Scheduled Tribes during Ninth Plan (1997-2002) and Annual Plan (2001-02)

Rs. in crore

Sl. No.	Name of the Schemes	Ninth Plan (1997-02)		Annual Plan (2001-2002)	
		Outlay	Actual	Outlay	Actual
(1)	(2)	(3)	(4)	(5)	(6)
I.	Central Sector Schemes (CS)	270.07	232.91	117.50	47.77
II.	Centrally Sponsored Schemes (CSS)	144.06	181.95	122.50	47.98
III.	Special Central Assistance (SCA) to TSP	2010.00	2009.61	500.00	500.00
IV.	GIA under Art. 275(I) of the Constitution	750.00	666.85	300.00	225.56
	<b>Total</b>	<b>3174.13</b>	<b>3091.32</b>	<b>1040.00</b>	<b>821.31</b>

3. In the State Sector, as already indicated in the Chapter on 'Empowerment of Socially Disadvantaged Groups', a common outlay of Rs. 9689.15 crore for the Ninth Plan was allocated for implementing various socio-economic development programmes for all the four socially disadvantaged groups viz (SCs/STs/OBCs/Minorities). The scheme-wise outlays and expenditure for the Tribals at the centre during the Ninth Plan and Annual Plans are given at Annexure-I and details of the outlays and expenditure in the State sector at Annexure II of the Chapter on 'Empowerment of Socially Disadvantaged Groups'.

#### **Implementation of TSP and SCA to TSP**

4. The Tribal Sub-Plan was launched to directly foster tribal development. It stipulates that funds of the centre and states should be quantified on the population-proportion basis with budgetary mechanisms to ensure accountability, non-divertability and utilisation for the welfare and development of STs. SCA to TSP is being extended to strengthen the efforts of the states by filling the critical gaps under the family-based income generation projects catering to those living below poverty line. The SCA was enhanced from Rs. 1250.00 crore in the Eighth Plan to Rs. 2010.00 crore in the Ninth Plan, indicating an increase of 60.8 per cent to benefit as many as 67.50 lakh ST families living below the poverty line.

5. While the flow to TSP at the central level stood at 5.85 per cent with 25 Ministries/Departments contributing to it, the same stood at 7.52 per cent at the state level with only 23 States/UTs contributing to it. This would indicate that earmarking of funds under TSP by the Central Ministries/Departments and by States/UTs unfortunately has not been up to the expected level.

#### **Grant-in-Aid under Article 275(1) of the Constitution**

6. In contrast to the earlier practice of releasing lump-sum funds under this provision to individual states, releases from the year 2001-02 are being made against specific developmental works/projects identified by the State Governments or to raise the level of administration of the Scheduled Areas to that of the rest of the State. Against an outlay of Rs. 750 crore earmarked for the Ninth Plan, the actual expenditure was Rs. 666.85 crore reflecting 88.9 per cent utilisation. For the Annual Plan (2001-02) the outlay was Rs. 300 crore representing 44 per cent of the total Ninth Plan outlay. The actual expenditure of Rs. 225 crore fell short by 25 per cent due to State Governments' failure to utilise earmarked funds on time.

7. While the nodal Ministry of Tribal Affairs (carved out of the then Ministry of Social Justice & Empowerment in 1999) implements ST specific innovative programmes, ST-related line-Ministries/Departments implement general development policies and programmes through TSP, as per the details given in the following paragraphs.

#### **Education and Literacy**

8. The special commitment of the National Policy on Education (1986) to improve the educational status of STs continues to be the major strength behind the interventions and incentives launched to improve the accessibility of the tribals to education in the far-flung remote and isolated areas. Over the years efforts to universalise primary education continued, aided by multiple support services. One such educational programme is 'Sarva

Shiksha Abhiyan'. This is a unique programme where parents/guardians are required to participate in the activities of the schools. Involvement of the parents enhances effectiveness of the programme as it ensures that the benefits reach the target group. As a support service, the National Programme of Nutritional Support to Primary Education extends Mid-Day Meals to increase retention rates. In the field of higher and technical education, special provisions such as reservation of seats, relaxation in minimum qualifying percentages, remedial coaching and scholarships are extended by the Department of Secondary and Higher Education. Similar concessions are also given to ST students for improving their skills in the up-coming/modern trades, which have better employability.

### **Health and Family Welfare**

9. To improve tribal health, National Health Policy (1983) categorically emphasises the urgent need for early detection and treatment of endemic and other diseases specific to tribals. Keeping in view the fact that most of the tribal habitations are concentrated in far-flung areas, forestland, hills and remote villages, the population coverage norms for setting up of Sub-centre, Primary Health Centre (PHC), Community Health Centre (CHC) and appointment of Multipurpose Workers have been relaxed. Also, the State Governments have been advised to introduce schemes for compulsory annual medical examination of the rural population. Under these schemes, Mobile Health Check-up Teams are deputed to villages according to a schedule drawn-up annually and in case of need for further investigation and treatment, tribal patients are entitled to avail of free facilities in Government and Referral hospitals. To reach the health-care services to STs especially those living in the most backward remote areas, 52 districts in 13 States (Andhra Pradesh-6, Bihar-6, Gujarat-3, Kerala-5, Madhya Pradesh-4, Maharashtra-6, Manipur-4, Orissa-8, Rajasthan-2, Tamil Nadu-2, Tripura-4, Uttar Pradesh-1 and West Bengal-1) have been identified by the Central Planning Committee. The State Governments are also to take special steps to check deaths of children due to malnutrition, epidemics etc. in the district identified by the Central Planning Committee, particularly during summer/monsoon seasons. This further entails the state governments to establish adequate number of Sub-centres, PHCs and CHCs by virtue of norms relaxed for these centres in tribal areas. Besides, deployment of medical and para-medical personnel as per the staffing pattern; stocking of essential medicines/drugs as per requirement, regular field visits by medical as well as para-medical personnel, provision of Mobile Health Units wherever feasible, spraying of DDT and chlorination of wells etc. have also been receiving focussed attention over the years. Among other programmes, the National Malaria Eradication Programme and Programmes to control Filariasis, Japanese Encephalitis and Kala-azar were also implemented by States/UTs with 50 per cent central assistance for spraying insecticides, supply of Anti-Malaria drugs etc. in tribal areas. In order to address the problem of high incidence of Leprosy amongst tribals, National Leprosy Eradication programme was implemented with 100 per cent assistance for detection and treatment of leprosy cases of Tribal Population. In the same vein, National Tuberculosis Control Programme was also implemented with 100 per cent Central Assistance for supply of anti-TB drugs, equipment etc. in Tribal areas.

10. A new Scheme for PTGs and Nomadic Groups called 'Medical care for Remote and Marginalized and Nomadic Communities' was also launched during the Ninth Plan with an approved outlay of Rs. 5 crore. Under this Scheme, the following projects were taken up towards - i) Prevention and control of Hepatitis 'B' infection amongst the PTGs of Andaman & Nicobar Islands; ii) Intervention for hereditary common haemolytic disorders amongst

tribals of Sundergarh district in Orissa; iii) Intervention programme for Cholera and Parasitism, Vitamin 'A' deficiency disorders amongst some PTGs of Orissa; iv) Intervention programme for Nutritional Anaemia and Haemoglobinopathies amongst primitive tribal population in India.

11. The programme of Reproductive and Child Health (RCH) which takes care of the maternal and child health needs, also made some special provisions for those living in remote areas where the existing services at PHC level are under-utilized. A scheme for holding special camps has been initiated during the year 2000-01. The scheme is being implemented in 102 districts in 8 health-wise weak States and 7 North-Eastern States. The coverage of the scheme is expected to be extended to some more districts in the coming years.

### **Labour and Employment**

12. To help the educated ST job seekers, the Scheme of 'Coaching-cum-Guidance Centres for Scheduled Castes and Scheduled Tribes' has been implemented through 22 Coaching-cum-Guidance Centres spread all over the country. To facilitate recruitment of STs against reserved vacancies in various Central Government Ministries/Departments, another scheme namely 'Special Coaching Scheme' was implemented for STs registered with the employment exchanges to enable them to appear in Competitive Examinations/ Selection Tests.

### **Rural Development**

13. Among the employment generating programmes, 50 per cent of benefits of integrated programme of Swarnajayanti Gram Swarozgar Yojana (SGSY) were earmarked for SCs/ STs and 7.49 lakh ST swarozgaris accounting for 13.2 per cent of the total number of swarozgaris benefited during the Ninth Plan. Under the Jawahar Gram Samridhi Yojana (JGSY), which provides wage employment, 22.5 per cent of Plan allocations were earmarked for STs/SCs. During the Ninth Plan, 2,201.41 lakh man-days were provided for STs accounting for 15.9 per cent of total employment generated by the scheme. Under the Employment Assurance Scheme (EAS), which is open to all rural poor including STs, 3,082.94 lakh man-days were provided for STs which accounted for 20.8 per cent of the total employment created by the scheme during the Ninth Plan. The two schemes of JGSY and EAS were merged into a mega scheme of Sampoorna Grameen Rozgar Yojana (SGRY) with effect from 1 April 2002. The scheme of SGRY focussed on generation of wage employment, creation of durable rural assets and infrastructure and provision of food security to the rural poor.

14. To meet the housing needs of STs, about 60 per cent of the total allocation under the Indira Awas Yojana, was earmarked for STs and SCs together. During the Ninth Plan, a total of 7.68 lakh dwelling units were constructed for STs, which accounts for 20.3 per cent of the total houses constructed under the scheme. Similarly, under the Accelerated Rural Water Supply Programme, 10 per cent of total funds was earmarked for STs. During the Ninth Plan, a total of about 119 lakh (9 per cent) STs were benefited under the programme. Under the Central Rural Sanitation Programme, sanitary latrines are provided to the rural population and 20 per cent of total funds are earmarked for providing subsidy to the individual households of STs (and SCs) living below Poverty Line. During the Ninth Plan as many as 3.1 lakh (6.4 per cent) sanitary latrines were provided to STs.

15. Under the National Old Age Pension Scheme, 23.7 lakh STs were covered during the Ninth Plan, which accounted for 7.4 per cent of the total beneficiaries. During this period while 1 lakh ST families benefited under the National Family Benefit Scheme, accounting for 10.2 per cent of the total, 4 lakh ST women also benefited under National Maternity Benefit Scheme, accounting for 7.4 per cent of the total.

### **Urban Development**

16. Under the Urban Self-Employment Programme of Swarna Jayanti Shahari Rozgar Yojana, financial assistance is extended to STs for various small-scale entrepreneurial ventures. (For details Chapter on 'Empowerment of Socially Disadvantaged Groups' may be referred to).

### **Women and Child Development**

17. To take care of the women and children including those belonging to these Groups, the nation-wide programme of Integrated Child Development Services (ICDS) continued to provide the much needed nutritional and health inputs/services for the benefit of tribal children, adolescent girls and expectant and nursing mothers living in the tribal areas through ST specific ICDS projects with relaxed norms. Of the total 5652 ICDS projects expected to be operationalized in the country by the end of the Ninth Plan, 758 (13.4 per cent) are Tribal Projects where a package of 6 services viz. health check-ups; immunisation; supplementary feeding; referral services; non-formal pre-school education and health and nutrition education are being extended to 4.77 million children and 0.96 million mothers. The concept of Mini-Anganwadis introduced in the tribal areas during the Ninth Plan is another measure to ensure ICDS services reach the tribal women and children.

### **Tribal Affairs**

18. The nodal Ministry of Tribal Affairs laid greater emphasis in the Ninth Plan on the educational development of STs, implementing multiple support schemes. The scheme of 'Post-Matric Scholarships' (PMS), provision of Hostels and Ashram Schools continued to be major centrally sponsored schemes operational to promote higher education among STs. However, progress of the scheme has become very slow. Under the PMS, approximately 5.31 lakh students were benefited during the Ninth Plan. For the scheme of 'Hostels for ST Girls and Boys' the Central assistance to the scheme has been declining due to inability of the states to provide their share under these schemes. Evaluation of the scheme by the Ministry revealed inadequate performance of the states in service maintenance and management of the hostels. During the Ninth Plan 289 ST students hostels benefiting 10,649 girls and 317 hostels accommodating 13,958 boys and 294 Ashram Schools to accommodate 14,310 students in all were constructed. A review of the functioning of the Ashram Schools has revealed that some of the schools are very badly maintained and deprived of even the basic facilities. The scheme of Educational Complexes in low literacy pockets was launched with a specific objective of promoting education amongst ST girls. In addition, coaching facilities are being extended to ST students through Pre-Examination Coaching Centres to enable them to compete with others in various competitive examinations. To impart vocational training to ST students to increase their employability, 235 VTCs were established during the Ninth Plan.

19. In the sphere of economic development, the National Scheduled Castes and Scheduled Tribes Finance and Development Corporation (NSFDC) continued to function as a catalytic agent for financing, facilitating and mobilizing funds from various sources for promoting economic development activities of STs living below 'double the poverty' line through 47 State Channelising Agencies, of which 19 were working exclusively for STs. In order to give focussed attention to STs, the NSFDC was bifurcated, to set up an exclusive Corporation for STs in April 2001 with an authorized share capital of Rs. 500.00 crore. Through the combined Corporation of NSFDC, 934 income-generation projects were initiated for the benefit of 38,436 STs with the State ST Development Corporations (STDCs) functioning as the channelising agencies.

20. Another national level organisation i.e. the Tribal Cooperative Marketing Development Federation of India Ltd. (TRIFED) continued to offer remunerative prices for the Minor Forest Produce (MFP) collected and the surplus agricultural items produced by the tribals, eliminating the possibility of exploitation by the middlemen. Further, Grant-in-Aid to STDCs was provided to strengthen the share capital base of the corporatoin in order to help it increase the volume of procurement of MFP from tribals at remunerative prices and facilitate construction of ware houses/go-downs; establishment of processing industries and promotion of research and development activities of the 16 Corporations.

21. The scheme for the Development of Primitive Groups was launched in the Ninth Plan (1998-99) for the development of 75 Primitive Tribal Groups (PTGs) with population strength of 13.6 lakhs and spread over 15 States/UTs. The scheme aims at alleviating the conditions of PTGs who are still leading a precarious and fragile life and some of who are even on the verge of extinction due to hunger, diseases and ill health. Hundred per cent Central Assistance was given to States/UTs and also to NGOs for implementing an integrated action plan incorporating supply of safe drinking water, food and nutrition security, health coverage, educational facilities etc., keeping in view local needs and constraints. During the Ninth Plan 1,234 grain banks were set up in tribal villages for storage of food grains as safety net against starvation deaths of STs and also for improving nutritional standards amongst the children. In order to promote voluntary action in the tribal areas, especially in the remote and far-flung areas, 893 socio-economic development projects undertaken by the Voluntary Organizations were supported.

## **ANNUAL PLAN 2002-03**

### **Plan outlay**

22. Total budgeted outlay for 2002-03 is Rs. 1090.00 crore consisting of Rs. 500.00 crore (45.8 per cent) as Special Central Assistance to TSP, Rs. 300.00 crore (27.5 per cent) as Grants-in-Aid under Article 275(1) of the Constitution, Rs. 261.00 core (23.9 per cent) for Central and Centrally Sponsored Schemes and Rs. 29.00 crore as a lump sum provision for the North Eastern Region. Further, for effective implementation of the on-going schemes/programmes, the core committee on ZBB has carried out an extensive exercise to rationalise the currently operational schemes. Accordingly, the number of schemes for the STs has come down to 14 from the earlier 25 schemes. The scheme-wise distribution (Central and Centrally Sponsored) of the Plan outlay is appended, a summary of the same is given in the following Table: 5.12.2



**Table - 5.12.2**

**Outlays for the welfare and development of Scheduled Tribes during  
Tenth Plan (2002-2007) and Annual Plan (2002-03)**

Rs. in crore

SI. No.	Name of the Schemes	Tenth Plan (2002-07) Outlay	Annual Plan (2002-03) Outlay
(1)	(2)	(3)	(4)
I.	Central Sector Schemes (CS)	924.64	158.90*
II.	Centrally Sponsored Schemes (CSS)	829.36	131.10*
III.	Special Central Assistance (SCA) to TSP	2500.00	500.00
IV.	GIA under Art. 275(I) of the Constitution	1500.00	300.00
	<b>Total</b>	<b>5754.00</b>	<b>1090.00</b>

\* Includes the NER provision of Rs.29.00 crore

**Approach**

23. Efforts made through various developmental decades, have brought forth improvement in the socio-economic status of the tribals. However, the progress still falls short of mainstreaming the tribals with the rest of the society as the gap in their socio-economic status continues. As the tribals grapple with these tragic consequences, a small clutch of bureaucratic programmes could do little to resist the precipitous pauperisation, exploitation and disintegration of tribal communities. As a result of this, the tribals continue to suffer and bear with a number of 'Un-resolved Issues' and 'Persisting Problems', which require immediate attention of the Government. The following paragraphs explain the seriousness of some of the Un-resolved Issues and Persisting Problems.

24. As the 'Un-resolved Issues and the Persisting Problems' pose a serious challenge to the development of Tribals, the major approach of the Tenth Plan and the Annual Plan (2002-03) being the first year of the Tenth Plan, will be to 'Resolve the Unresolved Issues' and 'Solve the Persisting Problems' through:

- Protecting the tribals from land alienation and the related problems of indebtedness and exploitation. Steps will be taken for effective enforcement of existing legal measures along with provisions made under the Fifth and Sixth Schedule of the Constitution. In addition, efforts will also be made to persuade all the concerned State Governments to bring forth necessary amendments in their existing laws and regulations concerning tribal land to ensure - **i)** total ban on transfer of tribal land to non-tribals; **ii)** stringent penal provisions for non-tribal persons found in possession of tribal land once restored; **iii)** land alienation laws to cover non-Scheduled Areas; **iv)** effective machinery for quick disposal of cases and restoration of land possession; **v)** strengthening of traditional tribal Panchayats/ councils with adequate legal awareness and legal aid provisions; **vi)** constitution of committees with tribal representatives to review the projects involving land alienation where it becomes inevitable, and the resultant rehabilitation of the tribals, thus affected; and **vii)** awareness generation and legal aid for implementation of legal provisions concerning land alienation.

- Protecting the tribals from indebtedness and exploitation. Efforts will be made to improve the economic status of the tribals through employment and income-generation activities in addition to enforcing all available facilitatory legal measures. To wean the tribals away from shifting cultivation, economic alternatives are being devised in the form of region-based employment generation programmes, in addition to providing fair price and assuring rightful collection and gainful disposal of MFP and other produce. Since agriculture is the main source of livelihood of tribals, efforts will be made to boost agricultural production in tribal areas through effective operationalisation of the National Water Policy and improve the extension of irrigation facilities.
- Expediting the final pronouncement of the 'National Policy for Rehabilitation of the Displaced Persons' with a special focus on the displaced tribals, giving appropriate compensation and ensuring no further deterioration in the living conditions.
- Promoting tribal participation in forest centred activities and thereby stimulating the tribal economy without alienating tribals from the forest. The Plan will initiate development of Forest Villages by ensuring access to basic services so that these villages can reap the benefits of developmental activities.
- Expanding the on-going schemes further with effective involvement of voluntary organisations. Those tribal groups, whose primary occupation includes hunting, shifting cultivation, art and craft, wage labour and agriculture are in a precarious state, and also on the verge of extinction in spite of generous funding from Government of India. Their special situation calls for more focussed attention and sensitivity while designing Plan programmes for their betterment. Efforts are being made to design schemes keeping in view the specific needs of each tribe and its environment in addition to providing basic necessities like food nutrition, safe drinking water, education and health care. An outlay of Rs. 20.00 crore has been earmarked for the development of the PTGs for 2002-03 against an actual spending of Rs. 5.14 crore during the previous Plan year.
- Strengthening of the grass-root democratic institutions viz. PRIs and Gram Sabhas.

25. As tribals today do not have access to the basic pre-requisites of life, viz. food and nutrition, safe drinking water, education, health care and productive assets, due to their physical isolation and social and economic weakness, tribal women and children bear the brunt of deprivation and consequential hazards of backwardness. Accordingly, all the concerned Ministries/Departments will be effectively involved to give a boost to the on-going programmes with a special focus on the Scheduled/Tribal areas and tribal population, as per the details given below:

- In line with the Tenth Plan strategy, the Annual Plan gives a high priority to improve the educational status of the STs through improving school enrolment and arresting drop-out rates. The operational programmes include provision of Post Matric Scholarships, Hostels, residential schools and coaching schemes. Post Matric Scholarships are awarded to eligible students for payment of tuition, and other expenses to pursue higher studies. An outlay of Rs. 66.00 crore has been earmarked for ST students for the Plan year. For professional courses textbooks are supplied through the scheme of Book Banks for ST students. The Annual Plan (2002-03) has made a provision of Rs. 1.5 crore for the purpose. As a support service devised to check the high drop-out rates among the ST students at Middle level, Higher Secondary Schools, Colleges and Universities, Central Assistance is provided on

matching basis (50:50) to States and 100 per cent assistance for UTs for construction of hostel buildings. The Annual Plan provides for Rs. 13.00 crore and Rs.11.00 crore for construction of Girls & Boys Hostels respectively. In addition an outlay of Rs.14 crore has been provided in the plan to set up Ashram Schools in TSP areas. Under Coaching and Allied Scheme, free coaching facilities are provided to ST candidates through pre-examination training centres and private institutions/Universities to enable them compete in Civil Services and other competitive examinations and ultimately to improve STs representation in various Governmental, semi Governmental organisations. An outlay of Rs. 1.5 crore has been earmarked for the Annual Plan for the purpose. In addition to the above, some more educational programmes are in operation; they include 'Up-gradation of Merit of ST students, Provision of Research and Training for STs, both of which are Centrally Sponsored Schemes with an outlay of Rs. 1 crore and Rs. 8 crore respectively for the Plan period. Among the Central Sector Schemes are setting up of educational complexes in low literacy pockets, Vocational Training Centres and organised social programmes. For these three above-mentioned Schemes the Plan provides for Rs. 8 crore, Rs. 12 crore and Rs. 1 crore respectively.

- Health and survival being the fundamental requirement, special strategies with preventive-cum-remedial measures will be made specially focusing on tribal areas viz. forest villages and the tribals, specially the PTGs who are subjected to high risk, in addition to extending organised services for the treatment of endemic diseases.
- Food and Nutrition Security is of vital importance for survival as well as for good health of the Tribals, especially that of PTGs as some of them are on the verge of extinction due to hunger, starvation and malnutrition. Therefore, special efforts will be made to reach the programmes of Special Nutrition Programme (SNP) through ICDS, for children below 6 years, expectant and nursing mothers, Mid-Day Meal (MDM) for school-going children and Targeted Public Distribution System (TPDS) to strengthen the household food security to the tribals living in far-flung remote areas and especially PTGs. The Plan aims to ensure food security for the most vulnerable PTGs and tribals living in the forest villages by linking 'Food for Work' and other income-generation activities and establishing Village Grain Banks (VGBs). An outlay of Rs. 20.00 crore has been earmarked for for VGBs for the Plan year, which indicates a ten-fold increase from the outlay and expenditure for 2001-02. The main objective of the scheme is to provide a safeguard against non-availability of food grains in remote tribal areas and making provision for availability of food grains during the natural calamities – drought, cyclone etc.
- The two Apex level National Organisations viz. i) National Scheduled Tribes Finance Development Corporations (NSTFDC); and ii) Tribal Cooperative Marketing Development Federation of India Ltd. (TRIFED) will continue to play an important role in the promotion of income-generation activities. These Corporations in alliance with the State Finance and Development Corporations are expected to work as catalytic agents besides extending both forward and backward linkages of credit and market facilities to the micro-level agencies to improve the economic status of the STs. The TRIFED, set up in 1987, aims to provide marketing assistance and remunerative prices to STs for MFP collected by them and surplus agriculture produce and protect them from exploitative private traders and middlemen. The Central Government extends funds as contribution to the share capital of TRIFED and also for Price Support operations. The authorised share capital of TRIFED is Rs. 100 crore and the

paid-up capital is Rs. 99.98 crore. Outlay for investment in TRIFED and Price Support for the Annual Plan (2002-03) has been fixed at Rs. 6.01 crore. In addition, an outlay of Rs. 14 crore has been earmarked as Grant-in-Aid to State Tribal Development Cooperative Corporation (STDCCs) for MFP. Special efforts will be made in collaboration with the Department of Rural Development to provide employment and income-generation opportunities, especially to those living below the Poverty Line either through wage or self-employment by linking micro-credit both for self-employment ventures and consumption credit, when no work opportunities are available.

- To protect the indigenous knowledge of tribals of medicines and medicinal plants acquired through the generations, the Plan will initiate action on priority basis for providing legal and institutional framework to acknowledge the Intellectual Property Rights of tribals to such resources and knowledge and give them legal recognition and protection of their ownership rights.
- The Protection of Civil Rights (PCR) Act, 1955 and the SC and ST (Prevention of Atrocities) Act, 1989 are the two important legal instruments to prevent/curb persistent problems of social discrimination and atrocities against these disadvantaged groups. The SC & ST (POA) Act, 1989, provides for special courts/mobile courts for on the spot speedy trials and disposal of cases promptly. To ensure effective implementation of these Acts, a Centrally Sponsored Scheme is under implementation, for strengthening the administrative machinery, judiciary and publicity for the relief and rehabilitation of the affected persons. In the Annual Plan (2002-03), Rs. 32 crore has been earmarked for the implementation of PCR Act, 1955 and SC/ST (POA) Act, 1989.

### **Implementation of Special Strategies of TSP and SCA to TSP**

26. Implementation of the special strategies of the TSP for STs and the SCA to TSP has been receiving special attention, since their inception, as these are affective instruments to ensure proportionate flow of funds for STs from the other general development sectors. The special strategies of TSP are being implemented only by 25 Ministries/Departments, at the Centre. As per the available information, 25 Ministries/Departments and 23 States/UTs reported earmarking Rs. 1440.40 crore (4.2 per cent of the total divisible outlay) in 2000-01 and Rs. 4158.30 crore (7.5 per cent) under TSP in 2001-02. Further, to supplement the efforts of States/UTs towards economic development of STs, SCA is extended to fill the critical gaps in their TSP, especially through funding/supporting ST families below the poverty line to take up various income generation and self-employment projects. In the Annual Plan (2002-03), Rs. 500.00 crore has been provided as SCA to TSP to supplement the efforts made in the poverty alleviation programmes in the sectors of agriculture, horticulture, animal husbandry, forestry, co-operatives, fisheries, village & small-scale industries etc. The outlay has remained unchanged for two consecutive years.

27. In addition to TSP, exclusive Grant-in-Aid under Article 275(1) of the Constitution is extended to the States towards improving the administration level in the Scheduled Areas and also to meet the cost on special projects meant for welfare and development of the tribals. To accelerate the efforts in improving the situations in the Scheduled Areas and also to give added boost to the special activities taken up for the welfare and development of the tribals, Grant-in-Aid under Article 275(1) to the tune Rs. 300 crore has been

earmarked for the Annual Plan (2002-03), same as in the previous year 2001-02. It may be noted that the combined outlay earmarked for SCA to TSP and GIA under Article 275(1) of the Constitution constitute 73.4 per cent of the total outlay of the Ministry of Tribal Affairs.

28. The Plan recognises the need for a separate Personnel Policy for Tribal Areas to ensure that all the concerned officials handling welfare/development work of STs, should undergo, mandatory sensitisation training programmes to develop expertise on the subject and function more effectively.

29. Given the importance of women in tribal society special efforts will be made to empower tribal women through legal provisions for their protection as well as in respect of property rights, affirmative action in responsible decision-making positions, economic upliftment and directing population proportion at benefit flow from women related initiatives.

### **Voluntary Action**

30. In view of the obvious limits of bureaucratic efforts, the coming years will increasingly witness participation of voluntary organisations in social economical upliftment of the tribals, which will facilitate their integration with the mainstream and counter social unrest. Voluntary Organisations which have been playing a vital role in delivering services at the grass-root level are being encouraged not only to supplement the government's efforts to extend various welfare and developmental services to these socially disadvantaged groups, but also to assist both the government and the target groups to fight against the social and economic exploitation inflicted upon these groups. These organisations with their local base and informal approach are in a better position to operate at the micro level and address the unresolved issues by implementing the plan programmes more effectively and efficiently. Accordingly, in the Annual Plan (2002-03), an amount of Rs. 30 crore has been earmarked for the NGOs as 'Grant-in-Aid' to extend various welfare and developmental services to the STs especially for the PTGs. The outlay is the same as the previous year's but it is not indicative of inadequate thrust since the approved outlay is nearly a third of entire Ninth Plan outlay (Rs. 92 crore). Sponsored activities will include a wide spectrum of services viz., Residential and Ashram Schools, Hostels, Medical Units, Computer Training Units, shorthand and typing training units, balwadis/crèches, libraries and audio-visual units etc. The grant is generally restricted to 90 per cent of the total approved cost of the project and the balance of 10 per cent is to be borne by the grantee organisation.

## Ministry of Tribal Affairs

SCHEME-WISE BREAK-UP OF ANNUAL PLANS (2000-03) - OUTLAY/EXPENDITURE OF  
MINISTRY OF TRIBAL AFFAIRS

(Rs.in crore)

Sl. No.	Name of the Scheme	ANNUAL PLAN			Sl. No.	ANNUAL PLAN (2002-03)	
		2000-01	2001-02			Name of the Scheme (Final out come of ZBB)	Outlay
		Actual	BE	Actual			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>I. CENTRAL SECTOR SCHEMES (CS)</b>							
1	Grant-in-Aid to NGOs for STs	21.88	30.00	23.80	1	Grant-in-Aid to NGOs for Coaching ST Students for Competitive Exams.	32.00
2	Special incentives to NGOs performing exemplary tasks.	0.00	0.00	0.00			
3	Vocational Training Centres in Tribal Areas	2.54	12.00	2.33	2	Vocational Training Centres in Tribal Areas	12.00
4	Educational Complexes in low Literacy Pockets	1.47	7.50	2.50	3	Educational Complexes in low Literacy Pockets	8.00
5	Investment in TRIFED	0.00	1.00	0.00	4	Investment in TRIFED and Price support	6.01
6	Price support to TRIFED	4.00	4.00	0.00			
7	Grant-in-Aid to STDCs for MFP	8.42	14.00	11.71	5	Grant-in-Aid to STDCs for MFP	14.00
8	Village Grain Banks	3.15	2.00	2.00	6	Village Grain Banks	20.00
9	Development of Primitive Tribal Groups (PTGs)	10.71	16.00	5.14	7	Development of Primitive Tribal Groups (PTGs)	20.00
10	National ST Finance & Development Corporation	0.00	30.00	0.19	8	National ST Finance & Development Corporation and GIA to State ST Dev. & Finance Corporations	32.00
13	Information and Mass Education	0.00	1.00	0.10		—	-
14	Organisation of Tribal Festivals	0.00					
15	Exchange of visits by Tribals	0.00					
16	Rehabilitation of Tribal Villages of Protected Areas	0.00	0.00	0.00			
<b>Total - I</b>		<b>52.17</b>	<b>117.50</b>	<b>47.77</b>			<b>144.01</b>
<b>II. CENTRALLY SPONSORED SCHEMES (CSS)</b>							
17	Post-Matric Scholarships (PMS) for ST Students	63.10	71.60	27.70	9	Scheme of PMS, Book Banks and Upgradation of Merit of ST Students	68.49
18	Book Banks Scheme for ST Students	0.00	0.90	0.37			
19	Upgradation of merit of ST Students	0.00	0.40	0.25			

**Annexure 5.12.1(Concl'd)**

(Rs.in crore)

SI. No.	Name of the Scheme	ANNUAL PLAN			SI. No.	ANNUAL PLAN (2002-03 )	
		2000-01	2001-02			Name of the Scheme (Final out come of ZBB)	Outlay
		Actual	BE	Actual			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
20	Coaching and Allied Scheme for ST Students *	0.00	1.40	0.22		—	-
21	Hostels for ST girls	2.34	13.00	6.70	10	Scheme of Hostels for ST Students	24.00
22	Hostels for ST boys	2.51	10.80	7.45			
23	Ashram Schools in TSP Areas	0.00	14.00	4.40	11	Ashram Schools in TSP Areas	14.00
24	Research and Training for STs	1.25	7.80	0.70	12	Research & Mass Education, Tribal Festivals and Others	10.50
25	G.I.A. to State ST & Finance Devp. Corporations (STDCs) **	2.41	2.60	0.19		—	-
	—	—	—	—		Lump-sum provision for North East Region	29.00
	<b>Total - II</b>	<b>71.61</b>	<b>122.50</b>	<b>47.98</b>			<b>145.99</b>
	<b>TOTAL - I+II</b>	<b>123.78</b>	<b>240.00</b>	<b>95.53</b>			<b>290.00</b>
<b>III.</b>	<b>Special Central Assistance (SCA) to Tribal Sub-Plan (TSP)</b>	<b>400.00</b>	<b>500.00</b>	<b>500.00</b>		<b>Special Central Assistance (SCA) to Tribal Sub-Plan (TSP)</b>	<b>500.00</b>
<b>IV.</b>	<b>G.I.A. under Art.275( I ) of the Constitution</b>	<b>191.29</b>	<b>300.00</b>	<b>225.56</b>		<b>G.I.A. under Art.275( I ) of the Constitution</b>	<b>300.00</b>
	<b>GRAND TOTAL (I+II+III+IV)</b>	<b>715.07</b>	<b>1040.00</b>	<b>821.31</b>			<b>1090.00</b>

## Annexure 5.12.2

**Plan Outlays And Expenditure - Backward Classes Welfare  
(SCs,STs,OBCs & Minorities) - States/UTs.**

Rs.in lakh

Sl. No.	Name of States	Agreed Outlay IX Plan (1997-02)	Likely Exp. IX Plan (1997-02)	Actual Exp. (1997-98)	Actual Exp. (1998-99)	Actual Exp. (1999-00)	Actual Exp. (2000-01)	Outlays (2001-02)	Revised Outlay (2001-02)
1	2	3	4	5	6	7	8	9	10
1	Andhra Pradesh	124059.0	95983.0	12271.0	27546.0	14049.0	12965.0	29151.9	29152.0
2	Assam	17917.0	12689.0	2031.0	3767.0	2649.0	1713.0	2529.0	2529.0
3	Bihar	46800.0	9526.0	3294.0	2804.0	1161.0	690.0	1577.0	1577.0
4	Chhattisgarh							3226.1	3226.0
5	Goa	450.0	268.0	38.0	29.0	63.0	75.0	63.0	63.0
6	Gujarat	108080.0	111775.0	14446.0	14446.0	28864.0	26921.0	30300.0	27098.0
7	Haryana	8026.0	3855.0	699.0	536.0	552.0	668.0	700.0	1400.0
8	Himachal Pradesh	3134.0	2850.0	608.0	671.0	612.0	624.0	323.0	335.0
9	Jammu & Kashmir	2998.0	3225.0	688.0	1047.0	480.0	485.0	525.0	525.0
10	Jharkhand *								
11	Karnataka	80000.0	120617.0	19768.0	21997.0	26029.0	20818.0	23898.0	32005.0
12	Kerala	64090.0	50977.0	11404.0	12695.0	5878.0	9000.0	11900.0	12000.0
13	Madhya Pradesh	63556.0	54395.0	13668.0	15769.0	12245.0	5829.0	6313.0	6884.0
14	Maharashtra	110127.0	106479.0	16170.0	21447.0	25564.0	22233.0	21064.9	21065.0
15	Manipur	4315.0	3396.0	314.0	852.0	1081.0	728.0	421.0	421.0
16	Meghalaya	50.0	47.0	8.0	7.0	12.0	10.0	10.0	10.0
17	Orissa	44475.0	48294.0	9143.0	12463.0	12837.0	10990.0	2956.9	2861.0
18	Punjab	47736.0	23045.0	7980.0	2328.0	1622.0	6445.0	4669.6	4670.0
19	Rajasthan	29205.0	20592.0	4431.0	5925.0	5835.0	4229.0	160.0	172.0
20	Sikkim	1500.0	1146.0	132.0	307.0	89.0	173.0	470.0	445.0
21	Tamil Nadu	100000.0	85464.0	15960.0	17568.0	15845.0	17447.0	27098.0	18644.0
22	Tripura	9480.0	10651.0	2182.0	2513.0	1969.0	2220.0	1767.0	1767.0
23	Uttar Pradesh	75550.0	109565.0	23828.0	22016.0	22621.0	22920.0	24360.0	18180.0
24	Uttaranchal						2927.0	987.0	987.0
25	West Bengal	17232.0	27928.0	3805.0	4641.0	5774.0	7580.0	7546.0	6128.0
<b>A.</b>	<b>Total ( States)</b>	<b>958780.0</b>	<b>902767.0</b>	<b>162868.0</b>	<b>191374.0</b>	<b>185831.0</b>	<b>177690.0</b>	<b>202016.4</b>	<b>192144.0</b>
1	A&N Islands	210.0	281.5	24.9	37.1	73.5	76.0	70.0	70.0
2	Chandigarh	490.8	377.3	101.6	63.7	62.4	73.7	76.0	76.0
3	D&N Haveli	5.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0
4	Daman& Diu	104.5	94.7	24.8	15.7	18.0	18.2	18.0	18.0
5	Delhi	6825.0	4237.6	446.2	213.8	511.4	666.2	2400.0	2400.0
6	Pondicherry	2500.0	3390.9	371.0	583.5	761.5	871.2	1000.7	803.7
<b>B.</b>	<b>Total ( U.Ts)</b>	<b>10135.3</b>	<b>8383.1</b>	<b>969.6</b>	<b>913.8</b>	<b>1426.8</b>	<b>1705.2</b>	<b>3564.7</b>	<b>3367.7</b>
	<b>Grand Total (A+B)</b>	<b>968915.3</b>	<b>917990.1</b>	<b>163537.6</b>	<b>192287.8</b>	<b>187257.8</b>	<b>179395.2</b>	<b>205581.1</b>	<b>195511.7</b>

\* Finalisation not yet.



## 5.13 SOCIAL WELFARE

### INTRODUCTION

It is well acknowledged fact that the fast paced economic and industrial growth in the country in the past few decades, with increasing trends in the rural-urban migration, has had significant but detrimental impact on the socio-economic development of the more marginalised, vulnerable and disadvantaged sections of society. This has manifested in problems like poverty, destitution, slum and pavement dwellers, which are straining the limits of civic amenities. The breakdown of strong societal and joint family bonds, which hitherto provided the basic support systems for these groups too have rendered them helpless and exposed to the vagaries of economic and social changes. All these factors have forced these groups either into social deviance, maladjustment or into destitution, beggary etc. In the absence of any other support mechanism, the State has to take upon itself the responsibility for the welfare, care and protection of these groups.

2. The Social Welfare Groups, include - Persons with Disabilities, viz., loco- motor, visual, hearing, speech and mental disabilities; the Social Deviants who come in conflict with law viz., juvenile delinquents/vagrants, drug addicts, alcoholics, sex workers, beggars etc; and the Other Disadvantaged viz., the Older Persons, children in distress such as Street Children, orphaned/abandoned children etc. Except for the Disabled and the Aged who are head counted in the population Census, no authentic data exist with regard to the magnitude of size of other groups except for occasional surveys and micro studies. In the absence of the Census 2001, the disabled ( barring the mentally disabled ) are estimated at 20.54 million or about 2.0 percent of the total country's population. The Aged (60+)account for at 70.6 million (2001 Census) or 6.9 per cent of the country's population .

### Review of Annual Plan 2001-02

3. An outlay Rs.343.80 crore was provided for the Social Welfare Sector in the Annual Plan (2001-02) under the Central Sector (in the budget of the nodal Ministry of Social Justice and Empowerment ) consisting of Rs.263.80 crore for the implementation of the policies, programmes and schemes for the Disabled and Rs.80.00 crore for Social Defence and the Other Disadvantaged. In addition, an amount of Rs.1297.47 crore was provided in the State Sector for the welfare and development of these groups.

4. The three fold strategy of the Ninth Plan specific to each individual group viz-i) Empowering the Persons with Disabilities ii) Reforming the Social Deviants and iii) Caring for the Other Disadvantaged was continued during the Annual Plan 2001-02 through a multi- collaborative and inter -sectoral coordinated efforts of the nodal Ministry of Social Justice and Empowerment along with concerned partner Ministries/ Departments. In this, they were ably guided and supported by the ground breaking legislation and policies enacted /adopted for these Groups notably the Persons with Disabilities( Equal Opportunities, Protection of Rights and Full Participation ) Act 1995, (PWD Act, 1995) the Juvenile Justice ( Care and Protection of Children) Act 2000 and National Policy on the Older Persons, 1999. While the general development sectors fulfilled their responsibility towards these Groups through reaching basic facilities such as health, nutrition, education, poverty alleviation, employment etc, the nodal Ministry of Social Justice and Empowerment continued to complement and supplement the efforts of these sectors with its own specific

innovative programmes for all the three target groups. The progress achieved in the Annual Plan 2001-02 by the Ministry of Social Justice and Empowerment is summed up in the following paragraphs.

### **Welfare and development of the persons with disabilities**

5. The major thrust of the Ninth Plan of making as many disabled as possible active, self reliant and productive members of the society was continued in the Annual Plan 2001-02 with the backing and strength of the PWD Act, 1995. This Act encompasses a wide range of provisions to deal effectively with the multi dimensional problems and needs of the disabled starting right from prevention and early detection of disabilities to curative, rehabilitative and developmental measures including right to free education of the disabled child, enhanced employment opportunities, reservation to the extent of 3% in government jobs and poverty alleviation programs. The Act is being further amended to strengthen the existing provisions and introduce novel features such as affirmative action, social security, barrier free environment and above all advocating a multi-collaborative approach by assigning responsibilities to the concerned Ministries/ Departments for implementation of the provisions of the Act.

6. To provide a holistic package of services for the Disabled, the premier apex level seven National Institutes (NIs) viz, National Institute for the Visually Handicapped (Dehra Dun); National Institute for the Orthopaedically Handicapped (Kolkata); National Institute for the Hearing Handicapped (Mumbai); the National Institute for the Mentally Handicapped (Secundrabad); and the National Institute for Multiple Disabilities (shortly coming up at Chennai) along with the two apex level institutions of Institute of Physically Handicapped, New Delhi and the National Institute of Rehabilitation, Training and Research, Cuttack continued to work in their specialised sectors. They offered specialised courses to train professionals, research and community awareness activities, fitment and rehabilitation camps. Through their outreach services these Institutes also undertook programs for prevention and early identification of disabilities. These Institutes cumulatively have provided 319 thousand units of rehabilitative services during the year 2001-02. An outlay of Rs. 103.83 crore was provided for the National Institutes during the Ninth Plan as against which Rs. 59.08 crore was spent. In the Annual Plan 2001-02, a sum of Rs. 15.44 crore was spent as against an outlay of Rs.17.70 crore. To effectively supplement the efforts of the National Institutes and act as their extended arm at the regional level, the five Composite Regional Centres (CRCs) (at Srinagar, Lucknow, Sundernagar, Bhopal and Guwahati) were made functional in 2000-01. Besides, the four Regional Rehabilitation Centres (RRCs) for the spinal injured (at Jabalpur, Mohali, Bareilly and Cuttack) have also started providing technical support and referral services in temporary accommodations pending their building constructions. So far, the CRCs services benefited 22,000 persons, while over 5000 persons have been benefited/covered by RRCs. The Indian Spinal Injury Centre (ISIC), New Delhi provided comprehensive rehabilitation management services to the persons with spinal cord injuries which included surgical interventions, physical, psycho-social and vocational rehabilitation. The total bed occupancy of ISIC in 2001-02 was 18607 (till December 2001). The Centre also provided free OPD treatment during 2001-02 to about 1967 persons. The outlay provided during the Ninth Plan was Rs.23.28 crore while the expenditure incurred was Rs.15.06 crore. During the Annual Plan 2001-02, Rs.2.07 crore was spent as against an outlay of Rs. 2.25 crore.

7. The Rehabilitation Council of India, New Delhi, is responsible for regulating training, policies and programmes for various categories of professionals in the area of disabilities. It also maintains the Central Rehabilitation Register for all professionals/ personnel and promotes research in rehabilitation and specialised education. By the end of March 2002, the Council developed 80 short term and long term training programs to meet the manpower programmes for 16 categories of rehabilitation professionals and gave recognition to 144 institutions to run courses at different levels. Other programmes undertaken by RCI included a national programme of orientation of medical officers working in Primary Health Centres in disability management. It also launched special Education B.Ed course through distance mode. An outlay of Rs. 26.41 crore was provided during Ninth Plan for this scheme as against which Rs.12.01 crore was spent, while in the Annual Plan 2001-02 an amount of Rs.2.40 crore was the expenditure as against an outlay of Rs. 3.00 crore.

8. The Artificial Limbs Manufacturing Corporation (ALIMCO) manufactured over 21 lakh aids and appliances in the Ninth Plan of which about 9 lakh was manufactured during the year 2001-02. It also distributed aids and appliance to about 50,000 beneficiaries in that year. The Corporation performed remarkably well during 2001-02, with a quantum increase in production and capacity utilisation from 41% in 1997-98 to 130 % in 2001-02. This is also reflected in the record turnover of Rs. 35 crore (projected) during the 2001-02 compared to Rs. 23.55 crore in 1999-2000. Special achievements in Annual Plan 2001-02 include : four Auxiliary Production Centres in Bhubaneswar, Jabalpur, Rajpura (Punjab) and Bangalore to increase production and sale of wheel chairs and tri-wheelers to the orthopaedically disabled, became functional from July 2001; a modern prosthetic and orhtotic centre and state of art metal assembly shop was set up; new products such as polypropylene based prosthetic lower limbs, electric hand walking stick and hand propelled tri-cycle / wheel chair too were developed. An expenditure of Rs.17.60 crore was incurred by the Corporation in the Ninth Plan as against an outlay of Rs.28.20 crore provided. In the Annual Plan an amount of Rs. 5.40 crore was spent as against an outlay of Rs. 6.00 crore. Under the scheme 'Assistance to Persons with Disabilities for Purchase/Fitting of Aids and Appliances(ADIP)', financial assistance was provided to agencies (such as NGOs, NIs, ALIMCO etc) for assisting the disabled persons in procuring durable, sophisticated and scientifically manufactured aids and appliances. An amount of Rs. 109.78 crore was provided for this scheme in the Ninth Plan while the expenditure was Rs. 133.80 crore. During 2001-02, 140 implementing agencies were assisted for this purpose with an expenditure of Rs.43.44 crore as against Rs. 47.28 crore outlay provided.

9. The National Handicapped Finance Development Corporation (NHFDC), provided concessional loans to the disabled with annual income of less than Rs.1 lakh per annum in the urban areas and Rs. 80000 per annum in the rural areas for income generation activities. Under its micro-financing scheme the Corporation assisted individual beneficiaries and Self Help Groups. During the year 2001-02, the Corporation sanctioned release of Rs.9.15 crore covering 2047 beneficiaries of which Rs.8.11 crore have been disbursed benefiting 1793 disabled persons. Till date, 9,755 disabled persons have benefited during the Ninth Plan. NHFDC also provided loans to Parents' Associations of mentally retarded persons to set up income generating activities for these groups. An outlay of Rs. 226.40 crore was provided for this Corporation in the Ninth Plan while the expenditure was Rs. 51.30 crore. During the Annual Plan 2001-02 an outlay of Rs.13.00 crore was provided. However, no expenditure was incurred from this outlay, as the Corporation utilised its own internal resources.

10. With the objective of reaching the unreached viz the rural disabled, the National Programme for Rehabilitation of Persons with Disabilities (NPRPD) had by the end of March 2002, financially assisted 82 districts towards local capacity building for the much needed rehabilitation structure right from the panchayat level upwards. This programme is now transferred to the State Sector. An expenditure of Rs.104.13 crore was incurred on this Scheme during the Ninth Plan as against an outlay of Rs. 94.05 crore provided. In the Annual Plan 2001-02 an amount of Rs. 43.61 crore was provided /spent.

11. To help the disabled in securing gainful employment, the centrally sponsored scheme of Special Employment Exchanges or Special Cells in regular employment exchanges continued its efforts to place disabled in jobs. At present there are 41 Special Cells and 40 Special Employment Exchanges in the country. The number of disabled job seekers in 2001-02 on live registers of all the Employment Exchanges and Cells in the country was 98,200 and placement was 1800 (January to June 2000). An amount of Rs. 3.61 crore was spent on this scheme in the Ninth Plan as against an outlay of Rs. 5.00 crore. In the Annual Plan 2001-02, an amount of Rs. 1.54 crore was spent as against an outlay of Rs. 1.60 crore. This Scheme is now slated for transfer to the State Sector.

12. With a view to promote voluntary action and enlarge the scope and delivery of services the four on-going schemes of assistance to voluntary organizations for disabled persons; rehabilitation of leprosy-cured persons; persons with cerebral palsy and mental retardation; and starting special schools for handicapped children were merged into one single Umbrella scheme 'Promote Voluntary Action for Persons with Disabilities' in 1998, with innovative inputs like providing legal aid, recreation, research etc. An amount of Rs. 201.80 crore was provided for this scheme in the Ninth Plan while the expenditure was Rs. 232.99 crore. During 2001-02 about 549 organisations were assisted with Rs. 60.86 crore to benefit 52681 persons. More than 350 special schools and 140 vocational training centres are being run under this scheme.

13. To cater to the much neglected field of mental disability, the National Trust for the Welfare of the Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities, Delhi set up in December, 1999, is implementing an Umbrella Scheme called 'Reach and Relief Scheme for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities' that provides for long term and permanent state institutions, day care centres, augmentation of home visits, etc. So far, 165 Local level Committees under the chairpersonship of the district magistrate have been formed to advocate the needs and rights of disabled persons. Also, 228 organisations, including 11 parents' associations have been registered to work in the field of mental disabilities. To facilitate the activities to be taken up by the Trust, a Corpus Fund of Rs.100 crore was instituted.

14. In addition to the above, a number of other measures were also taken with regard to research and development of appropriate and innovative technological appliances for the disabled under the aegis of the Science and Technology in Mission Mode. Over 30 aids and appliances were developed such as plastic aspheric lens, myo-electric hand control system and motorised joystick operated wheel chair.

15. The Ministry took special steps to ensure that the provisions of the PWD Act 1995 were implemented effectively, through review and monitoring of the implementation of the

Act. These measures included- i) Review of the implementation of the Act by the Statutory Committees viz. Central Co-ordination Committee and the Central Executive Committee; ii) Monitoring the progress of various provisions of the Act not only at the Centre but also in the States/UTs by a Group of Secretaries with the representatives of 51 Central Ministries/ Departments; iii) Notification in June 2001 of the identified posts suitable for the disabled, based on the recommendations of the Report of the Expert Committee; iv) Standing Committee of Secretaries constituted under the Chairpersonship of the Cabinet Secretary to provide an additional institutional mechanism for continuous review of compliance by Ministries/Departments / public sector undertakings regarding reservations for persons with disabilities.

## **REFORMING THE SOCIAL DEVIANTS**

### **Juvenile Maladjustment**

16. To deal with the growing problem of juvenile maladjustment, and to make it more child friendly with well laid out welfare-cum-rehabilitative services for children in conflict with law, the Juvenile Justice Act 1986 was repealed by the Juvenile Justice (Care and Protection of Children) Act, 2000 (JJ Act, 2000). This Act has been enforced in the entire country except Jammu and Kashmir. As per the Act, the State Governments are required to set up Juvenile Justice Boards and Child Welfare Committees in every district. To ensure speedy implementation of the provisions of the Act, the Ministry notified Model Rules under the Act in June 2001 and also advised the States to adopt these rules or frame their own. The Ministry is also implementing the scheme of Juvenile Social Maladjustment now called 'A Programme for Juvenile Justice', wherein assistance is being provided to the extent of 50% of the expenditure to the State Governments to establish and maintain the mandatory homes for neglected and delinquent Juveniles. As on March 2002, 290 Juvenile Homes, 287 Observation Homes, 35 Special Homes and 50 After-Care Homes were established for care and rehabilitation of juveniles. In addition, 202 Juvenile Courts and 260 Juvenile Welfare Courts were set up across the country. During the Ninth Plan an amount of Rs.52.58 crore was spent on this programme as against an outlay of Rs.41.24 crore. In 2001-02 as against an outlay of Rs.12.50 crore, Rs.15.37 crore was spent.

17. The special campaign of National Initiative for Child Protection (NICP) initiated by the Ministry through the National Institute of Social Defence and CHILDLINE Foundation continued to provide the links with allied systems such as police, health care providers, judiciary, education, etc for child protection and rehabilitation.

### **Prevention of Drug / Alcohol Abuse**

18. To control the menace of drug and alcohol abuse, the Ministry is implementing the Scheme of Prevention of Alcoholism and Substance (Drugs) Abuse through a comprehensive package of awareness generation services, identification of addicts, referral service and setting up of treatment and rehabilitation centres. During 2001-02, assistance was provided to 359 non- governmental organisations to run 442 centres (of which 88 were drug counselling and assistance centres and 354 were treatment cum rehabilitation centres). The number of alcohol and drug addicts registered in these organizations was about 3.00 lakh of whom about 1.60 lakh were detoxified. The National Centre for Drug Abuse Prevention (NC-DAP) set up in 1998, developed and conducted training programs

for various categories of service providers. To decentralise training requirements and cater to the regional requirements, the five Regional Resource and Training Centres set up in Chennai, Pune, Delhi and two in Kolkata undertook a number of training programs in their regions providing training to various levels of functionaries, upgrading information and data base and networking in the field of drug demand reduction, in addition to developing training manuals in areas including prevention and management of drug abuse and HIV/AIDS etc. Special collaborative projects were undertaken with the international agencies of International Labour Organisation and United Nations International Drug Control Programme (UNDCP) which included 'Community Wide Demand Reduction in India' wherein more than 1000 service providers were trained in different parts of the country; 'Community Wide Demand Reduction in the North East', with a view to check the high incidence of drug abuse in that area, especially injecting drug use. To assess the magnitude, nature and pattern of drug abuse in the country, a National Survey on Drug Abuse is being conducted by the Ministry in collaboration with UNDCP. Preliminary data on the dimensions of the problem and the target groups most affected has been compiled and the same is being processed. Against the total Ninth Plan outlay of Rs.80 crore, a sum of Rs.88.84 crore was spent during the Plan to support the community-based voluntary action, training and other rehabilitation facilities for alcohol and drug demand reduction while in the Annual plan 2001-02 the outlay/ expenditure was Rs 22.50 crore.

### **The Other Disadvantaged**

19. The Annual Plan 2001-02 followed the Ninth Plan policy of ensuring the well being of the Aged through extending support of financial security, health, shelter, etc. To tackle the growing problem of street children the strategy included preventive measures with welfare and developmental support services like the ICDS, education, health feeding programs etc.

### **Care of the Older Persons**

20. The National Policy on Older Persons (NPOP) adopted in 1999, formed the basis for the welfare and care of Older Persons by initiating action in the crucial areas of, health care and nutrition, shelter, education, training, research and dissemination of information, and supplemental care and protection provided by the family and above all financial security including pension support. A National Council for Older Persons was set up along with the Draft Plan of Action demarcating clearly the responsibilities of partner Ministries/ Departments mandated under the Policy. To provide secretarial services to the Council, an agency called Aadhar was set up at the centre and Zilla Aadhars at the district level. Since its constitution in December 1999, the process of appointment of Zila Aadhars members in nearly 530 districts was completed. These members provide vital support to the aged in solving their problems.

21. Financial assistance was provided to NGOs under the 'Integrated Programme for Older Persons' for establishing and running old age homes, day care centres, mobile medicare units as well as non-institutional services to the senior citizens. During 2001-02 about 525 such projects were supported through 350 organisations. In the Ninth Plan an amount of Rs.51.66 crore was spent while the outlay provided was Rs.56.42 crore. An outlay of Rs.15.00 crore was provided in the Annual Plan 2001-02 while the expenditure was Rs.14.61 crore. Taking into account the growing concern for old age social and income security especially in the unorganised sector the Report on 'Old Age Social and Income

Security (OASIS)' was commissioned. This report is now under the consideration of a Group of Ministers under the Chairpersonship of Deputy Chairman, Planning Commission.

### **Street Children**

22. With the objective of weaning away the street children from a life of deprivation and vagrancy and rehabilitating them, the Ministry is implementing the scheme of 'An Integrated Programme for Street Children' with a wide range of initiatives like 24 hour drop in shelters, night shelters, nutrition, health care, sanitation, hygiene, safe drinking water, education, recreational facilities and protection against abuse and exploitation. Currently, 190 organisations are operating in 22 States benefiting 1.58 lakh street children. During the Ninth Plan the expenditure incurred was Rs.31.78 crore as against the outlay of Rs.32.98 crore. An amount of Rs. 8.06 crore was spent on this scheme during Annual Plan 2001-02 against an outlay of Rs.12.00 crore. The special initiative of the CHILDLINE service, a toll free telephone(1098) service available to children in distress responds to the emergency needs of the children and provides referral service. This facility is now operating in 34 cities, and has received over 10.00 lakh calls from children/concerned adults as on March 2002.

### **Adoption of Children**

23. To offer permanent rehabilitation through adoption, to orphaned, abandoned and destitute children, efforts were made to place as many children as possible in both in-country and inter-country adoptions. During the year 2001 about 3197 children were placed in adoption of which 1297 were inter country and 1900 within country. The Central Resource Adoption Agency(CARA) which regulates and monitors adoption of Indian children abroad is in the process of issuing revised guidelines for both in-country and inter-country adoptions. It has also taken up skill building amongst social workers vested with the responsibility of the welfare and rehabilitation of orphaned children. During the Ninth Plan an outlay of Rs.3.26 crore was provided for CARA and Rs. 9.00 crore for Shishu Greha for promoting in country adoptions, while the expenditure was Rs.2.28 crore and Rs.7.47 crore respectively. During the Annual Plan 2001-02 an expenditure of Rs.1.10 crore was incurred by CARA as against an outlay of Rs.2.00 crore, while Rs.2.00 crore was spent under the scheme of Shishu Greha against an outlay of Rs.5 crore during 2001-02.

### **National Institute of Social Defence (NISD)**

24. The newly autonomous NISD apart from its on going activities of documentation, research training programs etc further enlarged the scope of its activities to undertake new tasks like review of policies and programs in the field of social defence; anticipate and diagnose social defence problems; develop and promote voluntary action ; activities for child protection in collaboration with NICP and CHILDLINE; programs to train care givers in the field of aged etc. In the field of prevention of alcohol and drug abuse, the special cell NC-DAP continued to provide intensive training courses and capacity building of service providers. An amount of Rs. 5.60 crore was provided for NISD during the Ninth Plan, against which Rs.6.68 crore was spent. During the Annual Plan 2001-02, Rs. 2.12 crore was spent as compared to the outlay of Rs. 3.00 crore.

## Annual Plan ( 2002 – 03)

25. The Tenth Plan will continue the three-pronged strategy of – i) Empowering the Disabled; ii) Reforming the Social Deviants; and iii) Caring for the Other Disadvantaged with a special focus on convergence of the existing services in all related welfare and development sectors so as to attain maximum beneficiary coverage in the areas of preventive, curative, rehabilitation, welfare and development for all the target groups. In this context the nodal Ministry of Social Justice and Empowerment will be ably supported by the other general development sectors to reach services and facilities to these target groups. The Annual Plan 2002-03 ,being the first year of the Tenth Plan, will initiate the approach and the policy thrusts and programmes to be undertaken in the course of the next five years.

### Financial Outlay

26. The total outlay for the Annual Plan 2002-03 is Rs.330.00 crore consisting of Rs.232.50 crore for the welfare of the disabled (excluding additionally Rs.20 crore for the National Trust for the Mentally Retarded) and remaining Rs.97.50 crore for social defence and the other disadvantaged. To optimise the use of available resources and achieve synergy and convergence in functioning, the number of on-going schemes in the Social Welfare Sector was brought down from 39 during the Ninth Plan to 16 in the Tenth Five Year Plan through the special exercise of Zero-Based Budgeting (ZBB) involving merging, weeding out, and transferring of schemes to the State Sector, non plan etc. The scheme-wise expenditure at the Centre for the Social Welfare Sector during Annual Plan 2000-01, outlay and expenditure for the terminal year of the Ninth Plan, 2001-02 and the outlay for Annual Plan 2002-03 - the first year of the Tenth Plan (as per the final outcome of the ZBB exercise ) are given at Annexure 5.13.1. The details of the outlays and expenditure in the State Sector are given at Annexure 5.13.2. Table 5.13.1 summarises the outlay and expenditure in the Ninth Plan (1997-2002) and the Annual Plan (2001-02) as well as the outlay approved for the Tenth Plan (2002-07) and the Annual Plan (2002-03).

**Table 5.13.1**

### Social Welfare-Plan Outlays and Expenditure

(Rs.in crore)

	Ninth Plan (1997-2002)		Annual Plan (2001-02)		Tenth Plan (2002-07)	Annual Plan 2002-03 BE
	Outlay	Actual	BE	Actual	Outlay	Outlay
I. Ministry of Social Justice & Empowerment	1208.95	1020.39	343.80	309.37	2004.00	330.00
II. States/UTs	3344.42	3674.88	1297.47	1217.97	7250.49	1312.20
<b>Total I+II</b>	<b>4553.37</b>	<b>4695.27</b>	<b>1641.27</b>	<b>1527.34</b>	<b>9254.49</b>	<b>1642.20**</b>

\*\* Excludes Rs.20 crore as additional Corpus Fund to be paid to the National Trust for Mentally Retarded during 2002-03.



27. The following paragraphs gives the details of the various schemes being implemented by the nodal Ministry of Social Justice and Empowerment in the Annual Plan 2002-03.

**I). Empowering the Persons with Disabilities**

28. The Annual Plan 2002-03, in line with the commitment of the Tenth Plan will seek to empower as many disabled as possible to become active, self reliant and productive contributors to the national economy with the strength and support of the provisions of the PWD Act, 1995. In this context the underlying tenet of multi-sectoral collaborative effort and responsibilities laid down in the Act, will receive an added thrust through formulation of detailed guidelines and rules by partner Ministries/Departments for implementation of provisions of the Act. Further to ensure adequate fund availability, steps will be initiated to introduce a component plan for the disabled in the budget of these Ministries/ Departments to ensure that the funds/ benefits mandated under the PWD Act 1995, flow to the disabled.

29. In accordance with the ZBB exercise a clutch of schemes were suitably merged under the umbrella scheme of 'Implementation of the PWD Act.1995'. These include the RRCs and CRCs, S&T Mission Mode etc. An outlay of Rs. 33.50 crore has been provided for this umbrella scheme in 2002-03(including spill over requirement of Rs.1.00 crore for the Office of the Chief Commissioner for Disabilities, during 2002-03).

30. To meet the requirements of the needy areas and groups especially the rural unreached , the outreach services providing a composite package of treatment, rehabilitation, training etc of the national and regional network institutional mechanism viz, the seven National Institutes, the four Regional Rehabilitation Centres and the five CRCs along with ISIC will suitably be enhanced and expanded. For this purpose the seven NIs have been provided an outlay of Rs.28.00 crore, in the Annual Plan 2002-03, while the ISIC has been allotted Rs.4.00crore. (the RRCs and the CRCs form part of the schemes under the umbrella scheme of 'Implementation of the PWD Act', 1995).

31. To enhance functional mobility and accessibility to the disabled, the production and distribution of suitable aids and appliances will be stepped up. In this context ALIMCO will produce assistive devices to benefit 40,500 beneficiaries during 2002-03 for which an outlay of Rs.4.00 crore has been provided. To ensure widespread distribution of aids and appliances the ADIP scheme will receive Rs.55.00 crore benefiting 2.15 lakh persons.

32. As training and manpower requirements in the field of disability is a priority concern special measures will be taken by the Rehabilitation Council of India (RCI) to ensure quality of service in these areas through enforcement of uniform standards for rehabilitation professionals and developing training courses. In the year 2002-03, RCI will be provided with Rs.4.00 crore for this purpose. To upgrade skills as well as professional manpower especially at the higher levels of rehabilitation for the disabled, including Post graduate level training, a College of Rehabilitation Sciences is being set up for which an amount Rs.6.03 crores has been provided in the Annual Plan 2002-03.

33. Job placement being one of the more important avenues of employment for the disabled , efforts will be made to generate more jobs for them, through effective identification and filling up of reserved posts up to 3 per cent of the vacancies in the Government and Public Sector Undertakings through Special Employment Exchanges/

Special Cells in the Regular Employment Exchanges. This scheme is slated for transfer to the State Sector along with an outlay of Rs.3.60 crore and at present is awaiting NDC approval.

34. Economic empowerment through income generating and self employment opportunities for the disabled will be specially encouraged by various concessional and micro financing schemes of NHFDC. In this context the formation of SHGs will be specially encouraged to enable taking up of viable income generating activities. The Annual Plan 2002-03 has earmarked Rs15.00 crore for the Corporation.

35. The Voluntary Sector have traditionally played an important role in delivery of community based services to the disabled. The umbrella scheme of 'Promote Voluntary Action for Persons with Disability' will be supported to widen its operations to the unreached areas and also introduce new innovative components in their services. For this purpose an outlay of Rs.72.00 crore has been provided for this scheme. It is expected that over 500 NGOs will be assisted for this purpose.

36. Recognising the special problems faced by the mentally disabled, and the need to expand the activities for their welfare, development and protection, the Corpus of the 'National Trust for the Welfare of the Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities' will be further enhanced from Rs.100 crore to Rs. 120 crore. Accordingly a sum of Rs.20 crore has been provided as additional Corpus for the Trust in 2002-03.

## **II). Reforming the Social Deviants**

37. Recognising that social deviants such as juvenile delinquents, alcohol and drug addicts are victims of circumstances and situational compulsions rather than habitual criminals engaged in organised crime, the Annual Plan 2002-03 advocates reform and rehabilitation of these social deviants in a humane rather than a punitive environment, with a view to transforming today's social deviants into tomorrow's responsible citizens.

### **Juvenile Social Maladjustment**

38. The thrust will on the effective implementation of the Juvenile Justice (Care and Protection of Children) Act 2000 with its objective of rehabilitating the juveniles in a child-friendly positive environment by utilizing the network of institutional and non-institutional facilities. For this purpose, rigorous steps will be taken to ensure that minimum standards and quality of life are maintained in the mandatory institutions set up under the Act. The role of voluntary organisations will also be suitably expanded to promote non institutional care for these children. The scheme of 'Programme of Juvenile Justice' under which M/SJE shares the cost with the States for maintaining the mandatory home for the juveniles has been provided with an outlay of Rs.16.00 crore to assist 30,000 juvenile inmates in mandatory homes.

### **Alcoholism and Drug Abuse Reduction**

39. The integrated and comprehensive community based approach to curb the growing problems of alcoholism and drug abuse in the country will be strengthened and expanded

to reach needy areas like the rural areas and North East and the high risk groups like street children, commercial sex workers, truck drivers etc. This will involve intensive awareness generation and preventive education, counselling, treatment, de-addiction and rehabilitation of addicts. Training of service providers will be stepped up through the efforts of the NC- DAP and the Regional Training Centres. An outlay of Rs.28.50 crore has been earmarked to be used for prevention of alcohol and drug abuse. About 3.2 lakh addicts are expected to benefit from the programme during 2002-03.

### **III). Caring for the Other Disadvantaged**

40. The Other Disadvantaged includes the Aged and the orphaned, abandoned, destitute and street children, neglected children, who in the wake of declining family support systems and other socio-economic circumstances are left helpless and necessarily require the support of the and protection of the State.

#### **Care of the Older Persons.**

41. To fulfil the commitments of the National Policy on Older Persons for providing health, shelter, work therapy, vocational training, recreation, protection of life etc special emphasis will be placed on expanding the on-going programmes of old age homes, day care centres, mobile medicare units and medicare centres being implemented under the scheme of 'Integrated Programme for Older Persons'. During the Annual Plan 2002-03 an amount of Rs.20.30 crore is being provided for this scheme to support around 260 voluntary organisations and benefit 70,000 persons. To help the aged to solve their own problems, the services of the 'Zilla Aadhars' and HELPLINE will be extended to all the districts in the country.

#### **Welfare of Children in Difficult Circumstances**

42. To tackle the growing problem of children in difficult circumstances(street children, orphaned abandoned, destitute children etc.) who are most vulnerable to abuse and exploitation, the Annual Plan 2002-03 seeks to expand and strengthen the Integrated Programme for Street Children focussing on preventive and rehabilitative aspects with necessary provisions for health, nutrition, shelter, vocational training and education etc. for all-round development of these children. To provide complete rehabilitation for orphaned and destitute children in adoptive families, efforts will be made under the scheme of Shishu Griha to place larger number of these children in adoption within the country. An amount of Rs.19.00 crore has been provided during the plan for the scheme of 'Welfare of Children in Difficult Circumstances' which includes the schemes for Street Children as well as Shishu Griha.

43. A special scheme will also be initiated during the Annual Plan 2002-03 for 'Welfare of Children in Need of Care and Protection.' The objective of this scheme is to cater to child workers and potential child workers(such as street children, children of pavement dwellers, migrants, sex workers, destitute children etc.) and provide opportunities to them to facilitate their entry into main stream education through non formal education, bridge education, vocational training etc. An amount of Rs.5 crore has been provided for this scheme during the Annual Plan 2002-03.

44. The programme of National Initiative for Child Protection (NICP) will continue work to create child-friendly systems in agencies like police, health, judiciary, education to enable the street children access basic facilities like health, transport, labour etc. CHILDLINE services which receive calls for help from children in distress will be adequately strengthened with appropriate inter-linkages.

### **Adoption of children**

45. To provide permanent homes to the orphaned children, the Central Adoption Resource Agency (CARA) will upgrade its facilities for research and documentation so that information about children available for adoption can be easily ascertained. As a follow-up in the post adoption period, monitoring and evaluation mechanism of CARA and the Indian Embassies abroad will be strengthened to update records, organize home visits and computerized documentation facilities. The scheme is to be transferred to non-plan from 2003-04 after meeting the spill over requirements of Rs.2 crores in Annual Plan 2002-03.

### **National Institute of Social Defence**

46. The Annual Plan will seek to strengthen the newly autonomous National Institute of Social Defence professionally, technically and financially, to enable it to broaden its activities in the field of social defence and for the other disadvantaged groups. The Institute will revive its earlier activities of training and manpower development of social defence personnel, especially in the areas of community-based services for juvenile justice, prison welfare, prison administration, child adoption, children in need of care and protection, prevention of drug-abuse, welfare of senior citizens and other emerging social problems. For this purpose an outlay of Rs. 4.00 crore is being provided for the Institute in the Annual Plan 2002-03.

47. Realising that most of the social welfare programme are best implemented by the voluntary organisations as they are in close contact with the target groups, the Annual Plan 2002-03 will seek to identify and encourage NGOs with good performance track record and motivate them to work in the needy and rural areas.

## Annexure 5.13.1

**Scheme-Wise Break-Up of Annual Plans (2000-03) Outlay/Expenditure of Ministry of Social Justice and Empowerment (Disabled, Social Defence & Other Disadvantaged Groups**

(Rs.in crore)

Sl. No.	Name of the Scheme	ANNUAL PLAN			Sl. No.	ANNUAL PLAN (2002-03 )	
		2000-01 Actual	2001-02			Name of the Scheme (Final out come of ZBB)	Outlay
			BE	Actual			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>1</b>	<b>CENTRAL SECTOR SCHEMES (CS)</b>						
<b>A</b>	<b>WELFARE OF THE DISABLED</b>						
1	National Institute of Visually Handicapped, Dehradun	2.60	2.50	2.84	1.	Scheme for Funding to National Institutes	32.00
2	National Inst. of Orthopaedically Handicapped, Kolkatta	1.12	2.50	1.55			
3	National Institute for the Hearing Handicapped, Mumbai.	2.63	2.90	2.61			
4	National Institute for the Mentally Handicapped, Secunderabad	3.32	3.30	3.49			
5	National Institute of Rehabilitation, Training & Research, Cuttack	3.60	4.00	3.60			
6	Institute of the Physically Handicapped, New Delhi	1.35	1.50	1.35			
7	National Institute for the Multiple Handicapped, Chennai	0.00	1.00	0.00			
8.	National Institute of Social Defence, New Delhi	2.02	3.00	2.12			
9.	Artificial Limbs Manufacturing Corporation, Kanpur	0.00	6.00	5.40	2.	Artificial Limb Manufg. Corporation, Kanpur	4.00
10.	Scheme of Assistance to Disabled Persons for Purchasing /Fitting of Aids & Appliances	29.01	47.28	43.44	3.	Scheme of Assistance to Disabled Person for Purchasing / Fitting of Aids & Appliances	55.00
11.	Assistance to Vol. Organisations for the Disabled	62.12	65.00	60.86	4.	Scheme to Promote Voluntary Action for Persons with Disabilities	72.00
12.	Assistance to Vol. Organisations for Rehabilitation of Leprosy Cured Persons						
13.	Assistance to Vol. Organisations for Persons with Cerebral Palsy and Mental Retardation						
14.	Assistance to Vol. Organisations for Establishment of Special Schools						
15.	Indian Spinal Injury Centre	2.30	2.25	2.07	5.	Indian Spinal Injury Centre	4.00
16.	Rehabilitation Council of India	3.75	3.00	2.40	6.	Rehabilitation Council of India	4.00
17.	National Trust for Persons with Mental Retardation	44.00	42.00	51.00	-	National Trust for Persons with Mental Retardation	1.00*

\* Rs. 1 crore as spill over of the Ninth Plan Corpus of Rs. 100 crore. Also Excludes Rs. 20 crore to the paid as additional Corpus to the National Trust and the scheme to be weeded out during the year 2002-03 itself.

**Annexure 5.13.1 contd.**

(Rs.in crore)

Sl. No.	Name of the Scheme	ANNUAL PLAN			Sl. No.	ANNUAL PLAN (2002-03 )	
		2000-01 Actual	2001-02 BE      Actual			Name of the Scheme (Final out come of ZBB)	Outlay
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
18	National Handicapped Finance and Development Corporation	0.00	13.00	0.00	7	National Handicapped Finance and Development Corporation (NHFDC)	15.00
19.	National Rehabilitation Programme for the Disabled	55.52	43.61	43.61		—	—
20.	Implementation of the Persons with Disabilities (PWD) Act, 1995	4.01	13.75	8.70	8.	Implementation of the Persons With Disabilities (PWD) Act, 1995.	32.50
21.	Six Regional Composite Resource Centres	0.00	0.00	0.00			
22.	Science & Technology Projects In Mission Mode	0.30	3.00	1.04			
23.	Office of the Chief Commissioner for Persons with Disabilities	0.27	1.00	0.73	-	Office of the Chief Commissioner for Persons with Disabilities (Spill-over only for 2002-03)	1.00
24.	Support to children with Disabilities (An UNDP funded Scheme)	0.18	1.61	0.93	9.	Support to children with Disabilities (An UNDP funded Scheme)	2.37
	<b>Total (A)</b>	<b>218.10</b>	<b>262.20</b>	<b>237.74</b>			<b>222.87</b>
<b>B.</b>	<b>New Scheme</b>	—	—	—	<b>10.</b>	<b>College of Rehabilitation Sciences</b>	<b>6.03</b>
	<b>Total (A+B)</b>	<b>218.10</b>	<b>262.20</b>	<b>237.74</b>			<b>228.90</b>
<b>C.</b>	<b>SOCIAL DEFENCE AND OTHER DISADVANTAGED GROUPS</b>						
25.	Education work for Prohibition and Drug Abuse	20.64	22.50	22.50	11.	Assistance to Vol. Orgns. For providing Social Def. Services including Prevention of Alcoholism & Drug Abuse	28.50
26.	Assistance to Vol. Orgns. for providing Social Def. Services	2.76	4.00	2.48			
27.	Central Adoption Resource Agency (CARA)	0.47	2.00	1.10	—	Central Adoption Resource Agency (Spill-over only for 2002-03)	2.00
28.	Integrated Programme for Street Children	7.24	12.00	8.06	12.	Grant-in-aid for Welfare of Children in Difficult circumstances	19.00
29.	Assistance to Homes for Infant and Young Children for Promoting In-country Adoption	1.88	5.00	2.00			
30.	Assistance to Vol. Orgns. for Programmes related to Aged.	12.36	15.00	14.61	13.	Assistance to Vol. Orgns. for Programmes related to Aged.	20.30

**Annexure 5.13.1 contd.**

(Rs.in crore)

Sl. No.	Name of the Scheme	ANNUAL PLAN			Sl. No.	ANNUAL PLAN (2002-03 )	
		2000-01 Actual	2001-02			Name of the Scheme (Final out come of ZBB)	Outlay
			BE	Actual			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
31.	Grant in aid for Research Studies and Publications	0.27	0.50	0.47	14.	Grant in aid for Research, Information and Other Miscellenous	6.70
32.	Information and Mass Education Cell	3.95	5.00	3.50			
33.	Miscellaneous Scheme	0.00	1.50	0.00			
34.	Scheme for Beggary Prevention	0.00	0.00	0.00		—	—
35.	Assistance to all India Vol. Orgns. In the field of Social Welfare	0.00	0.00	0.00			
36.	Grant in aid to School of Social Work	0.00	0.00	0.00			
	<b>Total (C)</b>	<b>49.57</b>	<b>67.50</b>	<b>54.72</b>			<b>76.50</b>
<b>D.</b>	<b>New Scheme</b>	-	-	-	15.	Scheme for Welfare of Working Children & Children in Need of Care and Protection	5.00
	<b>Total (C+D)</b>	<b>49.57</b>	<b>67.50</b>	<b>54.72</b>			<b>81.50</b>
	<b>TOTAL - I (A to D)</b>	<b>267.67</b>	<b>329.70</b>	<b>292.46</b>			<b>310.40</b>
<b>II.</b>	<b>CENTRALLY SPONSORED SCHEMES (CSS)</b>						
<b>A.</b>	<b>WELFARE OF THE DISABLED</b>						
37.	Employment of the Handicapped	0.97	1.60	1.54	-	Employment of the Handicapped (Awaiting NDC's approval)	3.60
38.	Regional Rehabilitation Centres	0.00	0.00	0.00		—	—
	<b>Total (A)</b>	<b>0.97</b>	<b>1.60</b>	<b>1.54</b>			<b>3.60</b>
<b>B.</b>	<b>SOCIAL DEFENCE AND OTHER DISADVANTAGED GROUPS</b>						
39.	Scheme for Prevention and Control of Juvenile Social Maladjustment	10.50	12.50	15.37	16.	Scheme for Prevention and Control of Juvenile Social Maladjustment	16.00
	<b>Total (B)</b>	<b>10.50</b>	<b>12.50</b>	<b>15.37</b>			<b>16.00</b>
	<b>TOTAL - II (A+B)</b>	<b>11.47</b>	<b>14.10</b>	<b>16.91</b>			<b>19.60</b>
	<b>GRAND TOTAL - I + II</b>	<b>279.14</b>	<b>343.80</b>	<b>309.37</b>			<b>330.00</b>

**Note - 10% of the total outlay of the Ministry is earmarked for North Eastern States.**

## Annexure 5.13.2

**Plan Outlay And Expenditure - Social Welfare(Women & Child Development,  
Welfare of Disabled and Social Defence) - State/Uts.**

(Rs. Crore)

Sl. No.	Name of State/ Union Territories	Annual Plans			
		(2000-01) Actual	(2001-02)		(2002-03) BE
			BE	Actual	
1	2	3	4	5	6
	<b>STATES</b>				
1	Andhra Pradesh	37.45	42.27	42.27	68.32
2	Arunachal Pradesh	1.52	1.56	1.76	6.00
3	Assam	3.25	3.10	3.10	0.00
4	Bihar	1.72	1.33	0.30	10.76
5	Chhattisgarh		5.00	5.00	19.25
6	Goa	3.22	4.61	4.61	34.50
7	Gujarat	0.00	53.50	47.85	54.26
8	Haryana	298.39	324.52	320.27	326.47
9	Himachal Pradesh	24.76	23.16	23.16	29.97
10	Jammu & Kashmir	15.69	16.98	16.98	22.66
11	Jharkhand		224.73	224.73	37.95
12	Karnataka	61.80	70.98	51.27	55.44
13	Kerala	4.00	6.55	3.50	22.00
14	Madhya Pradesh	12.97	14.04	14.09	15.62
15	Maharashtra	10.62	14.59	14.59	12.08
16	Manipur	0.53	3.82	2.95	7.33
17	Meghalaya	1.67	2.00	2.36	5.50
18	Mizoram	3.54	3.20	3.40	4.84
19	Nagaland	0.34	0.59	0.59	5.26
20	Orissa	18.88	15.48	8.12	46.44
21	Punjab	33.36	153.60	153.60	165.77
22	Rajasthan	7.64	19.43	19.73	20.66
3	Sikkim	2.31	2.30	2.61	3.70
24	Tamil Nadu	47.63	64.38	44.40	45.02
25	Tripura	6.38	3.86	8.48	13.14
26	Uttar Pradesh	80.63	81.86	70.13	118.38
27	Uttranchal	3.00	12.70	12.70	10.45
28	West Bengal	49.49	72.11	58.56	76.17
	<b>TOTAL (States)</b>	<b>730.79</b>	<b>1242.25</b>	<b>1161.11</b>	<b>1237.94</b>
	<b>UNION TERRITORIES</b>				
1	A & N Islands	0.94	1.25	1.25	1.90
2	Chandigarh	0.65	0.73	0.47	2.16
3	Dadra & Nagar Haveli	0.07	0.09	0.09	0.24
4	Daman & Diu	0.05	0.07	0.07	0.12
5	Delhi	28.68	38.50	38.50	51.60
6	Lakshadweep	0.24	0.24	0.17	0.44
7	Pondicherry	14.45	14.34	16.31	17.80
	<b>TOTAL (UTs)</b>	<b>45.08</b>	<b>55.22</b>	<b>56.86</b>	<b>74.26</b>
	<b>GRAND TOTAL</b>	<b>775.87</b>	<b>1297.47</b>	<b>1217.97</b>	<b>1312.20</b>



## **5.14 EMPLOYMENT, LABOUR WELFARE AND SOCIAL SECURITY (INCLUDING SKILL DEVELOPMENT)**

The planning process attempts to create conditions for improvement in labour productivity and for provision of social security to supplement the operations of labour market. The resources are directed through the Plan programme towards skill formation and development, exchange of information on job opportunities, monitoring of working conditions, creation of industrial harmony through an infrastructure for healthy industrial relations and insurance against disease and unemployment for the workers and their families. The achievements of these desirable objectives in the areas of labour and labour welfare are determined primarily by the kind of labour market that exists.

2. A significant proportion of workers presently are earning below the subsistence wages. The slow down in the rate of population growth and increasing participation of the younger age-group in education are likely to moderate the growth of labour force and, to that extent, the pressure on the need for employment creation is reduced. However, considering the existing situations, one of the objectives of the Tenth Plan is to bring about a qualitative change in the structure and pattern of employment in terms of promoting growth of good quality work opportunities.

3. The situation of surplus labour, coupled with the employment of most of the workers in the unorganized segment of the economy has given rise to unhealthy social practices like bonded labour, child labour and adverse working conditions faced by the migrant labour. During the Ninth Plan period, elimination of these undesirable practices and aspects such as ensuring workers safety and social security, looking after labour welfare and providing the necessary support measures for sorting out problem relating to employment of both men and women workers in different sectors had received priority attention and the same effort would continue during the Tenth Five Year Plan.

### **Employment**

4. In pursuance of the Prime Minister's announcement to the nation that the Government is committed to 'create ten crore employment opportunities over a period of ten years', the Planning Commission was entrusted with the responsibility of giving shape to this vision. To this end, the Planning Commission constituted a Task Force on Employment Opportunities in January 1999 under the Chairpersonship of Dr. Montek Singh Ahluwalia, the then Member, Planning Commission. The Task Force submitted its report in July 2001. However, in order to address the issues of under-employment through appropriate policy interventions at the sectoral and regional levels, Planning Commission constituted the Special Group on Targeting Ten Million Employment Opportunities per year under the Chairpersonship of Dr. S.P. Gupta, Member, Planning Commission. The Special Group has submitted its report in May 2002.

5. The Special Group examined the past and present situation of employment and unemployment of the country and also regional dimensions of the problem of unemployment. The group has also made projections of Labour Force and Work

Opportunities for the Tenth Plan (2002-07) by using Current Daily Status (CDS). Alternative scenario to increase employment generation with little changes in policies is also given. The Group has observed that if the employment elasticities observed in the past continue, even the rate of growth of 8% per annum will not be sufficient to achieve the Tenth Five Year plan target of providing gainful high quality employment to the addition to the labour force. The Group has, therefore, suggested restructuring of sectoral growth profile in favour of more labour intensive sectors.

6. The Special Group has recommended encouragement to growth in labour intensive sectors such as agriculture, food processing, small and medium enterprises, Khadi and Village Industries, construction and services sectors including health, nutrition and education, etc.

7. The difference in the magnitude of unemployment is considerable if CDS and UPSS bases are compared. As per CDS concept, about 26.58 million person years are estimated as unemployed on an average working day in the year 1999-2000(NSSO 55<sup>th</sup> round). Incidence of unemployment on CDS basis in 1993-94 (50<sup>th</sup> round) was estimated at 6%. Compared to 2.2% unemployment rate on Usual Principal and Subsidiary Status (UPSS) basis in 1999-2000, incidence of unemployment on CDS basis at 7.3% in 1999-2000.

8. Concept of Usual Principal Status (UPS) has been used in 8<sup>th</sup> Plan. Concept of Usual Principal and Subsidiary Status (UPSS) has been used in 9<sup>th</sup> Plan. However, UPSS has been seen as most liberal approach because a large number of underemployed get included in the definition of employed in this concept. Current Daily Status (CDS) approach includes underemployed in the number of unemployed. In the 10<sup>th</sup> Plan, gainful employment is considered as one of the primary objectives. CDS concept has been considered better because it not only captures the unemployed persons but also captures underemployed to some extent. CDS is closer to the real situation prevalent in the country on unemployment. It is also closer to the level of poverty in the country

### **Labour & Labour Welfare**

9. Labour sector addresses multi-dimensional socio-economic aspects affecting Labour welfare, productivity, living standards of labour force and social security. To raise living standards of the workforce and achieve higher productivity, skill up-gradation through suitable training is of utmost importance. Manpower development to provide adequate labour force of appropriate skills and quality to different sectors is essential for rapid socio-economic development. Employment generation in all the productive sectors is one of the basic objectives. In this context, efforts are being made for providing the environment for self-employment both in urban and rural areas. Steering Committee on Labour & Employment has suggested the following important recommendations for the Tenth Plan.

### **Employment**

- To bring about a qualitative change in the structure and pattern of employment in terms of promoting growth of good quality work opportunities.

## **Skill Development & Training**

- Creation of adequate training facilities for organized sector and to develop skill requirement according to demand in industry of use
- Creation of more avenues and opportunities for training in respect of informal sector.
- Increase of Industry- Institute interaction for demand driven skill development
- Creation of skill development fund mainly funded and managed by industry for improvement and effectiveness of training programme.
- Multi-level skill training for sustainability of work force in job in the modern age of technological changes and globalization.

## **Occupational Safety & Health**

- To bring a general legislation (Umbrella) on OSH with a view to provide a focus on OSH measures in Industry.

## **Social Security**

- To provide social security to the organized as well as the unorganized sector workers on self-sustaining and self-financing basis without putting any additional pressure on the budget of the government.
- To provide social security to landless agricultural workers and to motivate the State governments to initiate the programme on economic up-liftment of landless agricultural workers.

## **Vulnerable Groups**

- To create strong awareness generation amongst the migrant labourers and ensure effective implementation of the Inter-State Migrant Workmen Act, 1979.
- Creation of a strong awareness generation amongst the building and other construction workers regarding their protection of rights and provisions made in various labour laws and schemes for their welfare.

## **Plan outlay and its utilization**

10. Ministry of Labour and Labour & Labour Welfare Departments at State level through various plan schemes aim at achievement of plan targets relating to labour and employment sector. Annual Plan 2001-02 outlay for last year of the 9<sup>th</sup> Plan for this sector was Rs. 145 crore for the Central Plan under Ministry of Labour and Rs. 291.11 crore in the State's Plan against which anticipated expenditure is Rs. 137.87 crore in Central Sector and Rs. 262.02 crore for State Sector Plans.

11. The major part of the plan budget of the Ministry of Labour relates to the scheme - Elimination of Child Labour through the National Child Labour projects scheme, Rehabilitation of Bonded Labour, schemes of DGE&T – programmes relating to

Employment Services, Vocational Training Schemes and Vocational Rehabilitation Centres for the Handicapped. Research and Statistics on labour related subjects, schemes for improving working conditions of Mines and Factories, social security and safety in work places are the other important plan schemes (For Labour and Labour Welfare Sector outlay refer to Annexure 5.14.1 for Central Sector and Annexure 5.14.2 for State Sector).

### **Rationalization of Plan schemes under Ministry of Labour.**

12. As a follow up of the Finance Minister's Budget Speech for 2001-02 and in order to implement the decision of the National Development Council taken in its last meeting on 1.9.2001 which was chaired by the Prime Minister, the Planning Commission has undertaken a zero based budgeting exercise. With a view to optimizing and containing the growth of govt. expenditure and deploying scarce resources in a more cost effective manner, Zero Based Budgeting exercise was carried out for the schemes of the Ministry of Labour.

13. On the basis of the information supplied by Ministry of Labour and after taking into account the views of the Ministry regarding Centrally Sponsored Schemes and Central Sector Schemes, it has been decided that there will be 28 Central Schemes (i.e. 27 Central Sector Schemes and 1 Centrally Sponsored Scheme) ongoing 9<sup>th</sup> Plan Schemes to be continued during 10<sup>th</sup> Plan.

### **National Employment Service**

14. National Employment Service covers all the States and Union Territories and functions within the framework of the Employment Exchanges (compulsory notification of vacancies) Act, 1959. Year-wise registration, placement, vacancies notified, submission made and live register for the period 1991 to 2001 (January to August) may be seen in the Annexure 5.14.3. Day to day administration of the Employment Exchanges is with the States/UT. Ever since its inception, the network of employment service has extended from 18 Employment Exchanges to 938 as on 31-8-2001. In selected 23 Employment Exchanges, special cells for promotion of self-employment have been working. To give vocational guidance to job seekers, 360 vocational guidance units and 82 University Employment Information Bureau continue to function. To maintain organized sector labour market information, Employment Market Information (EMI) programme is being implemented. A total of 2.82 lakh establishments (in Public Sector & non-agricultural establishments in the Private Sectors, employing 10 or more workers) have been covered under the EMI programme.

15. The employment service continues to pay special attention to the needs of the weaker sections of the society. To provide vocational training and guidance in confidence building to SCs/STs, 22 coaching cum guidance centers continued to function in different parts of the country. These centers were also engaged in arranging the pre-recruitment training programme to improve employability of SCs to STs in competitive examination conducted by Staff Selection Commission, Banking Service Recruitment Board, etc. for Group 'C' and equivalent posts.

16. A comprehensive package of services is provided to the disabled by 17 Vocational Rehabilitation Centres (VRCs). Out of these, the VRC at Vadodara has been set up

exclusively for the disabled women. These centers evaluate the residual capacity of the disabled and provide them adjustment training and facilitating their early economic rehabilitation. Efforts are also made to assist them in obtaining other suitable rehabilitation services such as job placement and training for self-employment. Rehabilitation services are also extended to the disabled living in rural areas through mobile camps and rural rehabilitation extension centers set up in 11 Blocks under 5 VRCs at Chennai, Kanpur, Kolkata, Ludhiana and Mumbai.

### **Welfare of Labour**

17. The improvement of labour welfare and increase in productivity with reasonable level of social security is one of the prime objectives concerning social and economic policies of the government. The resources have been directed through the Plan programmes towards skill formation and development, monitoring of working conditions, creation of industrial harmony through infrastructure for health, industrial relations and insurance against disease, accident and unemployment for the workers and their families. In the area of industrial relations, the enforcement and adjudication machinery has been strengthened to cope up with the increasing work. There are 17 Central Government Industrial Tribunal (CGIT)-cum-Labour Courts dealing with the industrial disputes in respect of which the Central Government is the appropriate government. State and UT governments have also set up Industrial Tribunal and Labour Courts for adjudicating industrial disputes. In order to reduce and tide over the pending cases, a Lok Adalat is being set up in CGITs.

18. To extend a measure of social assistance to workers in the unorganized sector, 5 Welfare Funds viz., Beedi, Cine, Mica Mines, Lime Stone and Dolomite Mines and Iron, Manganese ore and Chrome ore have been evolved and are being administered by the Ministry of Labour. These Welfare Funds continue to provide assistance for housing, medical care, educational facilities to workers employed in beedi industry, cine industry and in certain non-coal mines. Efforts are being made to substantially extend the welfare fund approach to cover more categories and sub-categories of workers in unorganized sector workers such as Tendu Patta pluckers, fish processing industry workers and salt industry workers.

19. The labour laws enforcement machinery in the States and at the Centre are working to amend the laws which require changes, revise rules, regulation orders and notifications. The Industrial Dispute Act, 1947 has been revised and approved by the Cabinet in 2002.

### **Vocational Training & Skill Development**

20. Central Government and the State Governments share responsibilities for vocational training, being a concurrent subject. At the national level, Directorate General of Employment & Training (DGE&T), Ministry of Labour is the nodal Department for formulating policies laying down standards, conducting trade testing and certification, etc. in the field of vocational training. A number of training institutions are also run by the DGE&T. At the State level, the State Govt. Departments are responsible for vocational training programmes. National Commission advises the Central Govt. for Vocational Training (NCVT), a tripartite body, to have representatives from employees, workers and Central/state Government. At State level also, the representative of the State Governments

constitutes similar Councils known as the State Councils for Vocational Training (SCVT) for the same purpose.

21. The Vocational Training System under the Ministry of Labour (DGE&T) is one of the most comprehensive training system in the country. Under the system, the Craftsmen Training Schemes (CTS) and Apprenticeship Training Schemes (ATS) are two important schemes. At present 17800 establishments are imparting apprenticeship training. The Craftsmen Training Scheme and Apprenticeship Training Scheme are adequately dovetailed and meant to bring maximum benefit to the youth. A number of other departments have also started training activities for their respective sectors e.g. Small Industry, KVIC, handlooms, tourism (hotel management & catering), electronics, medical technicians, agriculture and rural development. These training schemes are smaller but serve a very useful and essential purpose in the overall sphere of vocational training. In spite of difficulties and shortcomings, the Vocational Training Schemes have continued to make progress especially in terms of being the primary source of manpower for the industry.

22. Under craftsmen training, 191 new ITIs have come up during 2001-02. Starting from 54 ITIs in 1953, the number of training institutes functioning have gone upto 4465, out of which 1733 are in government sector and the remaining 2732 are in the private sector (Number of ITIs/ITCs with seating capacity in various States/UTs may be seen at Annexure 5.14.4). These institutes have a total seating capacity of 6.52 lakhs, out of which 54.8% are in government ITIs. To reduce unemployment among educated youth and equipping them with suitable skill for industrial employment, the Craftsmen Training is imparted in 43 Engineering and 24 Non-engineering trades.

23. To provide training facilities to women in employable skills and for taking up self-employment income generating activities, training facilities exclusively for women are continued to be imparted through a National Vocational Training Institute for Women (RVTI). The present training capacity of these institutes is 2068. In the State sector, skill training to the women are continued to be provided through a network of 244 women exclusive ITIs and Special Wings for women in 520 general ITIs with seating capacity of 46,070 (State-wise distribution of Women ITIs and Special Wings for Women in General ITIs may be seen at Annexure 5. 14.5).

24. To strengthen the Industrial Training Institutes in Jammu and Kashmir, a Study on modernization and strengthening of vocational training in the State has been conducted in Jan, 2001 by Nettur Technical Training Foundation (NTTF), Bangalore. The Study has recommended for discontinuation of unpopular trades and introduction of new need-based job-oriented training programmes which have local relevance. Based on the findings of the Study, Ministry of Labour has formulated and submitted a Centrally Sponsored Scheme for consideration of the Planning Commission. This will help to tackle the problem of unemployment amongst youth in the State of J&K.

25. In the North-Eastern States, a Centrally Sponsored Scheme has recently been launched to strengthen and sustain high quality infrastructure in the existing 35 ITIs and also to set up 22 new ones. The scheme aims for doubling the existing seating capacity in the North Eastern States and Sikkim and create infrastructure for the training of youth in the identified skill area as per the demand pattern.

## **Industrial Relations**

26. Central Industrial Relation Machinery (CIRM) is an attached office of the MOL. The functions of CIRM broadly consist of settlement of industrial disputes, enforcement of labour laws in Central sphere and verification of membership of trade unions. During the year 2001-02, CIRM intervened in 630 threatened strikes and its conciliatory efforts succeeded in 622 strikes which represents a success rate of 98.7%.

27. Another important function of CIRM is enforcement of labour laws in the establishments for which Central Govt. is the appropriate Government. These are approximately 1.5 lakh establishments in the Central spheres. The inspecting officers of CIRM inspect these establishments under different labour enactments. During the year 2001-02, CIRM officers carried out 344682 inspections, rectified 360712 irregularities and launched 16040 prosecutions.

## **Indian Labour Conference**

28. The 37<sup>th</sup> Session of Indian Labour Conference was held on 18-19 May, 2001 under the Chairmanship of Union Labour Minister, Hon'ble Prime Minister inaugurated the Conference. The following agenda items were discussed in the Conference:-

- Impact of Globalization on Indian Industry, Labour & Employment.
- Social Security of Workers.
- Consultation by Central Government with Social partners on Labour Policy.

29. During the Conference Central Trade Unions were quite vocal about their apprehensions on the impact of globalization on the Indian economy. They were also critical of the announcement regarding some labour reforms made in Union Budget. Prime Minister made it clear in his address that process of economic reforms would not be reversed. However, the genuine interests of workers would be protected.

## **National Commission on Labour**

30. The Second National Commission on Labour, which was set up on 15.10.1999, has submitted its report in July, 2002. The terms of reference of the Commission were – i) to suggest rationalization of the existing laws relating to labour in the organized sector; and ii) to suggest umbrella legislation for ensuring a minimum level of protection to the workers in the unorganized sector. The Commission has also dealt with the emerging economic environment involving rapid technological changes, globalization of economy, liberalization of trade and industry, basic institutional framework for ensuring minimum level of labour protection & welfare measures, improving the effectiveness of measures relating to social security, occupational safety and health, minimum wages, etc. The report is under examination in the Ministry of Labour.

## **Labour Statistics**

31. The importance of accurate, timely and detailed statistics and research relating to various aspects of labour activities for taking policy decisions need not be emphasized.

Labour Bureau (MOL) is premier agency in the collection, analysis and dissemination of labour statistics at all India level on different facets of labour. Labour Bureau has two wings, four Regional Offices and one sub-regional office at Chandigarh, Shimla (wings), Ahmedabad, Kolkata, Chennai, Kanpur (Regional Office) & Mumbai (Sub-Regional Office).

32. Labour Bureau compiles and maintain following three price indices on monthly basis.

- a) Consumer Price Index for Industrial Workers ( Base 1982-83=100)
- b) Consumer Price Index for Rural Labourers as well as for its subset, Agricultural Labourers (Base 1986-87=100)
- c) Retail price Index for selected 31 Essential Commodities in urban areas. (Base 1982=100).

33. Labour Bureau also collects, compiles and disseminates labour statistics on different facets of labour based on annual statutory returns received by Labour Bureau from various States and U.T. authorities under the provisions of various labour enactments and voluntary statistics relating to industrial disputes, closure, lay off and retrenchment furnished every month by State and Central Labour Departments to Labour Bureau.

34. The consumer Price Index for Industrial Workers which determines the dearness allowance of workers, Government employees, etc. is presently being compiled with a two decade old base 1982 to up-date the base year main survey for collection of income and expenditure data from all the 78 selected Centres has been completed and tabulation data is under progress. The new series is expected to be available by mid 2003. During the year 2001-02, Labour Bureau released 28 publications on Labour Statistics, Labour Laws, evaluation of implementation of minimum wages and occupation wage survey, etc.

### **Elimination of the problem of Child Labour**

35. According to the 1991 census, the estimated figure of working children in our country was 11.28 million as against the 13.4 million in 1981 census. As per the 55<sup>th</sup> Round of NSSO Survey, the number of working children is 10.5 million. Although Government's interventions have been able to tackle the problem of child labour significantly, particularly, the organized sector, efforts are needed to address the problem in the unorganized sectors. The State with the highest child labour population in the country is Andhra Pradesh, which according to the 1991 census had 1.66 million working children. Other States where the child labour population is more than one million are Madhya Pradesh, Maharashtra and Uttar Pradesh. More than 90% of child labour is engaged in rural areas, in agriculture and allied activities.

36. To assess the number of working children in the district, including children working in hazardous occupation and children working for a wage, and impact of development effort on problem of child labour, a concurrent survey needs to be carried out in the Tenth Plan.

37. The existence of child labour in hazardous industry is a big problem. Non-availability of accurate, authentic and up-to-date information on child labour has been the major handicap in planned intervention for eradication of the social evil. Among the existing Plan schemes designed to make effective intervention to prevent the abuse of child labour are



the National Child Labour Projects (NCLP) initiated in the areas of concentration of child labour to rehabilitate the children withdrawn from work. At present, 100 NCLPs are under implementation covering about 2.11 lakh children in 13 child labour endemic states engaged in glass, brassware, locks, carpets, slates, tiles, match and fire work, gems, agro-chemicals, beedi industries, etc. (State-wise coverage under NCLP is given in Annexure 5.14.6). One of the important components of the project is establishment of special schools to cater to the basic needs of children withdrawn from work, such as non-formal education, vocational training and supplementary nutrition. A National Authority for Elimination of Child Labour, which was set up earlier, is working towards convergence of services under various Central Ministries and Departments of the State Governments, which implement child related programmes.

38. In addition to above initiatives, India has been participating in the ILO's International Programme for the Elimination of Child Labour (IPEC). IPEC is a global programme launched by the ILO in December, 1991. India was the first country to join it in 1992 when it signed a MOU with ILO. The budget committed under IPEC for programmes in this country from 1992-2002 is US \$ 5.1 million. Altogether 165 action programmes were taken up for implementation under IPEC during 1992-2001 while the programme initially focussed on small initiatives through NGOs and other social partners, it is now attempting an area based approach through the Government's NCLPs in 6 districts in the country. A total of 11 projects (including 6 area based projects) are currently under implementation in the country under IPEC.

### **Women Labour**

39. Programmes for women labour include action oriented projects and studies, organization of Child Care Centres and welfare projects for women engaged in construction activities, etc. Important amongst schemes for workers education are the programmes for the education of rural workers for creating awareness about their socio-economic environment, need for developing their own organization and about the benefits available under various welfare and credit scheme.

### **Rehabilitation of Bonded Labour**

40. To deal with the rehabilitation of the bonded labourers, the Govt. of India launched Centrally Sponsored Scheme since May, 1978 for rehabilitation of bonded labourers. Under the scheme rehabilitation assistance of Rs. 20000 per freed bonded labour is provided which is shared by the Central and State Govt. on 50:50 basis, in case of the seven North Eastern States, 100% Central Assistance if they express their inability to provide their share. Under the modified scheme, 100% subsidy for conducting district wise surveys of bonded labourers, awareness generation activities, evaluation studies are provided to the State Govts. / U.T.s. Since operation of the Centrally Sponsored Scheme from May, 1978 up to 30.12.2001 as many as 2,82,204 bonded labourers have been identified out of which 2,60,783 have been rehabilitated and a sum of Rs. 6293 lakhs provided as Central assistance to various Governments / UTs for their rehabilitation . Details of Bonded Labourers identified and rehabilitated may be seen at Annexure 5.14.7.

## **Occupational Safety & Health**

41. The Constitution of India contains specific provisions for the occupational safety and health of workers. Director General of Mines Safety (DGMS) and Director General Factory Advice Service & Labour Institutes (DGFASLI) strive to achieve occupational safety and health in mines, factories and ports. The schemes relating to Occupational Safety and Health concentrates on improvement of work environment, man machinery interface, control and prevention of chemical hazards, development of protective gear and equipment, training in safety measures and development of safety and health information system.

### **Directorate General of Factory Advice, Service and Labour Institute (DGFASLI)**

42. This organization functions as the technical area of the Ministry in matters concerning with safety, health and welfare of workers in factories and ports/docks. In keeping with DGFASLI's pioneering role in the field of industrial safety and health, seventy eight Seminars/Workshops and longer duration Training Programmes were conducted for 1574 participants from 660 organizations during 2001-02. Labour Institutes in Mumbai, Kanpur, Kolkata and Chennai conducted 201 appreciation programmes for 3630 beneficiaries on safety, health and welfare. Mobile safety exhibitions were set up at 16 factories benefiting 15000 factory workers. DGFASLI completed 38 consultancy studies in the areas of hazardous assessment, environment assessment, safety audit, assessment of occupational health status at the request of various organizations.

### **Directorate General of Mines Safety (DGMS)**

43. The Directorate General of Mines Safety is a subordinate office under the Ministry of Labour with its Head Quarter at Dhanbad (Jharkhand) and is headed by the Director-General who is assisted by specialist staff-officers of Mining, Electrical and Mechanical Engineering, Occupational Health, Law, Survey, Statistics, Administration and Accounts discipline. The Head Quarter also has a Technical Library and S&T Laboratory as a back-up support to the organization.

44. DGMS completed the first 100 years of its existence on 7<sup>th</sup> January, 2002. Beginning as the Bureau of Mines Inspection in 1902, the DGMS gradually expanded its role and functions. From inspections and enquiries it moved on to development of safety standards, enquiries into occupational health, permissions and approval of equipment, and ensuring appointment of competent persons in the mining industry. A solid body of technical know-how on mine safety was built up through in-house S&T efforts, observations during inspections and enquiries and interaction with CMRI and other institutes. Through a many-pronged approach of enforcement, legislative change, emergency responses and promotion of safety awareness, a sustained thrust on strengthening of mines safety was maintained. As a result of this thrust, the manifold growth of the mining industry in the last century was accompanied by a steady decline in fatality rates, especially since the 1950's. Much, however, still remains to be done. Committees which have studied the functioning of DGMS have recommended its strengthening by sanction of additional manpower. Occupational health surveillance has still a long way to go. The goal of zero accidents is also yet to be reached.

45. During the year following activities were undertaken at DGMS.

- i) A project for "Training of DGMS officials in mines safety" is being executed in collaboration of Govt. of Australia since June 1997. The project was granted an one year extension during which period it was planned to be used as industry examples in India in October,2000. The Indian project management team visited Australia for review of the results of DGMS training officer for exposing him to Australian mining and mine safety practices under the project.
- ii) Two days seminars on Mines Safety were organized in each Zone of the DGMS; namely at Ajmer in North Zone, Bhubaneshwar in South Eastern Zone, Sitarampur in Eastern Zone, Chennai in Southern Zone, Nagpur in Western Zone and at Dhanbad in Central Zone.
- iii) Compendium on Mines Safety was published.
- iv) Number of technical manuals on DGMS were prepared and released on 7.1.2002.

### **Social Security**

46. In India, social security measures draw their strength from the Directive Principles of State Policy, which inter-alia, enjoins upon the State, to strive to promote the welfare of the people by securing and protecting, as effectively as it may, a just economic and social order.

47. To provide social security measures to the workers, the Government has enacted and established schemes (by the Central/State) providing for social security and welfare of specific categories of working people. The principal social security law enacted centrally, are the following:

- The Workmen's Compensation Act, 1923
- The Employees State Insurance Act, 1948
- The Employees Provident Funds and Miscellaneous Provisions Act, 1953
- The Maternity Benefit Act, 1961
- The Payment of Gratuity Act 1972

### **Initiatives to Accord Larger Benefits to Workers Under EPF & MP Act and ESI Act**

Several initiatives have recently been taken up to accord larger benefits to workers under EPF & MP Act and ESI Act as detailed below:

#### **EPFO**

- Arrangements have been made for the first time for disbursement of pension through 26,000 Post Offices across the country under the Employees' Pension Scheme.
- Special drive launched and 54,983 establishments brought under the compliance fold and 54,51,436 deprived workers extended the Provident Fund benefits.

- Additionally, 23,639 new establishments have been brought under the fold of the Act and 44.39 lakh workers enrolled to the Provident Fund membership.
- The number of subscribers has increased to 2.59 crore. EPFO is targeting to substantially increase the number of subscribers under the Scheme in the near future.
- EPFO has also launched a Website for the beneficiaries.

## **ESIC**

- Employees State Insurance (ESI) Scheme has been implemented in 125 new geographical areas in 9 States benefiting about 2.40 lakh additional employees.
- ESIC has exempted insured persons earning up to Rs. 40/- a day from the payment of employees contribution w.e.f. 1<sup>st</sup> April, 2001. Over six lakh workers would benefit from this.
- Dependent and disability benefits under ESI scheme have been increased ranging from 14% to 23.59%.
- ESIC has decided to upgrade one hospital into a model hospital in each State with state-of-the art medical facilities.
- ESIC has introduced family photo Identity cards in respect of insured persons from April 2001.

48. At present, to provide social security to some of the unorganized sector workers, welfare funds for various target groups have been set up by the government without burden on the budget. The Central Government through the Ministry of Labour, also operates at present Five Welfare Funds for Beedi workers, Limestone & Dolomite Mine workers, Iron ore, Chrome ore & Manganese Ore Mine workers, Mica Mine workers, Cine workers. These welfare funds have been developed by way of collecting Cess from the persons who are selling the finished products. To provide social security to fish processing workers, salt workers etc. this type of Welfare Fund is under consideration.

49. To extend social security to the rickshaw pullers in Jaipur, an experiment has been carried out by ESIC and if it gets successful, throughout the country this group can get benefit. In addition to the Central Govt., a number of State Govts. have also taken several initiatives to extend social security for unorganized sectors. Recently, the Government of West Bengal introduced State Assisted Scheme of Provident Fund for Unorganized Workers (SASPFUW). The scheme covers all wage employed and self-employed workers between the age of 18 to 55 years in the unorganized sector having an average family income of not more than Rs. 6500 per month. Each subscriber worker contribute a sum of Rs. 20 per month and equal matching amount contributed by the State Government. Similarly, the Govt. of Punjab has been implementing a Social Security scheme for farmers and labourers in case of death or injury on duty. To extend social security cover to manual worker, auto-rickshaws, washermen, tailoring workers, handcraft workers etc. the Govt. of Tamil Nadu has introduced a new Social Security and Welfare Scheme-2001. In addition to Governmental efforts, several public institutions and agencies are also providing various kinds of social security benefits to the selected groups of workers.

## **Welfare of Agricultural Labour**

50. In order to meet the social security needs of the agricultural workers, a social security scheme viz. "Krishi Shramik Samajik Suraksha Yojana – 2001" formulated by the Ministry of Labour in consultation with the Insurance Division of Ministry of Finance was launched on 1.7.2001. The agricultural workers between the age of 18 to 50 years would be eligible under the Scheme. The workers will contribute Rs. 365/- per year (Rupee one per day) and the Government of India will contribute Rs. 730/- per annum per worker. A total of 10 lakh agricultural workers has been proposed to be covered in 50 districts of the country. Though the scheme is yet to be placed before the EFC, presently, the scheme is being funded through Social Security Fund of India.

## **Workers Education**

51. The Central Board for Workers Education (CBWE), Nagpur, sponsored by the Ministry of Labour, Government of India was established in 1958 to implement workers education scheme at National, Regional, Unit and Village Levels. The primary objective of workers education scheme is not only to make the workers more knowledgeable but also to tackle the issues connected with industrial relation to mould their thinking.

52. To suggest ways and means to enrich and redefine the concept of Workers' Education, possibility of widening its scope and to meet the challenges of the country on account of globalization, a Committee was constituted to study the up-gradation / restructuring of CBWE in May, 2001. The Committee is expected to submit the report very soon.

53. The Central Board of Workers Education through its Regional Offices is striving to educate the workers to help to avoid wasteful expenditure, adopting cost effectiveness and enhancing production of qualitative nature. They have been conducting the following programmes:

- Rural Awareness Programme
- Functional Adult Literacy Classes
- Short-term programmes for the unorganized sector to educate them on their rights, ethics and hygiene
- Participative Management
- Orientation Courses for Rural Educators
- Leadership Development Programme for Rural Workers.

## **Labour Research and Training**

54. V.V. Giri National Labour Institute a fully funded autonomous body of the Ministry of Labour conducts action-oriented research and provides training to grass root level workers

in the trade union movement, both in the urban and rural areas, and also to officers dealing with industrial relations personal management, labour welfare, etc.

55. V.V. Giri National labour Institute completed 32 research projects in the areas of labour market, employment and regulations, agrarian relations and rural labour, integrated labour history, child labour and prevention of HIV/AIDS in the work place. There are as many as 33 projects under various stages of progress. The Institute also organized 50 training programmes covering 1107 participants. Besides 4 regular publications, the Institute also brought out occasional papers including 8 research studies. The Institute proposes to undertake on an average 25 research projects and 75 training programmes every year during 10<sup>th</sup> Five Year Plan.

### **Institute of Applied Manpower Research (IAMR)**

56. The Institute of Applied Manpower Research (IAMR) was established in 1962 as an autonomous organization under the Societies Registration Act of 1860. The main mandate of IAMR is to evolve an institutional framework capable of sustaining and steering of systematic manpower planning process. The Labour, Employment and Manpower of the Planning Commission is the nodal Division for the activities relating to the Institute. The Chief Executive of IAMR for its day-to-day management is the Director and the academic activities of the institute are being carried out through various technical units, dealing with research on various sectors – training national and international, education, etc.

### **Field of Academic & Research Activities**

57. Besides research, technical manpower planning, IAMR also conducts a 9-month diploma course and one-year master's degree course in Human Resource, Planning & Development with affiliation from Guru Gobind Singh Indraprastha University. The Institute envisioned, conceptualized and developed a range of academic activities in the field of human resource planning and development, including research, consultancy, information system, training and workshops, seminars and conferences.

58. Research activities of IAMR mainly lay stress on rural and urban employment and unemployment, establishment of computerized labour market information systems, relevance of technical and vocational education (in service and continuing education) to upgrade knowledge and skill component, development of skill among women, self-employment generation, human resource development (HRD), issues of decentralized governance and development, emerging areas of science and technology, rural industrialization, manpower dynamics in agriculture and rural development and impact assessment of social sector development programmes. These activities are carried out by various Units/Cells to achieve continued thrust in direction on major research areas, viz. Employment and Unemployment; Science, Technology and Industry; Human Resource Development; Social Concerns and Manpower Information Systems.

## The Plan Outlay & Expenditure for IAMR

(Rs. lakh)

Outlay	Year (2000-01)			Year (2001-02)
	BE	RE	Expenditure	BE
Plan Capital	1500	500	432.09	750
Plan Revenue	50	2	Nil	50

### Development of New Campus at Narela

59. A new Campus for the Institute is coming up at Narela (35 km from Central Delhi) on a 15.12 acre plot. Cost of the building project is Rs. 16 crore (approx.). The inauguration of Computer Management Block at Narela Campus was done by Hon'ble Deputy Chairman, Planning Commission on 5<sup>th</sup> October, 2001. The Campus is expected to be fully functional this year.

### RESEARCH & TRAINING ACTIVITIES

#### Continuing programmes

60. Manpower Profile India Year Book: A compiled information on various aspects of manpower related to different sectors is brought out annually. The Year Book 2001 was brought out during the year.

61. National Technical Manpower Information System (NTMIS) continued compilation of information on technical manpower is done with the aid of All India Council of Technical Education (AICTE), Ministry of Human Resource Development (HRD) and Government of India.

#### Spillover Studies

62. An amount of Rs. 50 lakh was sanctioned in March, 2001 to the Institute of Applied Manpower Research (IAMR) as a grant-in-aid under Plan (capital account) with the purpose of conducting special studies in the thrust area "Impact of Economic Reforms and Employment" with an objective to promote research competence by (1) taking up a set of studies in house of IAMR and by commissioning papers in consultation with the LEM Division of Planning Commission and (2) developing IAMR research personnel in the thrust area "Impact of Economic Reforms and Employment".

63. The output of the scheme will be a set of research reports, which are useful to Planning Commission, State Govt., and Ministry of Labour and the ministries in charge of Programme and Planning in various sectors leading to employment creation.

## Annexure 5.14.1 contd.

## Ministry of Labour (Annual Plan 2002-2003)

(Rs. Lakh)

Sl. No.	Division/ Scheme	Approved Outlay Ninth Plan (1997-02)*	Actual Exp (1997-2000)	Approved Outlay (2000-01)	Actual Exp (2000-01)	Approved Outlay (2001-02)	Anticipated Exp. (2001-02)	Approved Outlay (2002-03)
1	2	3	4	5	6	7	8	9
1	Employment Directorate	3700.00 (cw2200)	1551.18 (cw1340)	1600.00 (cw900)	1011.73 (cw900)	351.00 (cw1)	195.77	1273.00 (CW 1200.00)
2	Training Directorate							3281.00 (CW 541.00)
	(a) World Bank Projects	18700.00 (FA9000)	9914.79 (cw170)	1532.00 (cw500)	486.93 (cw500)	715.00	1475.01	
	(b) Women Training Schemes	1820.00	1666.76 (cw260)	480.00 (cw280)	801.68 (cw260)	959.00 (cw544)	762.86	
	(c) Other Training Schemes	9620.00 (FA1746)	2865.22 (FA122.66)	1510.00 (FA75) (cw260)	861.79 (FA65)	2312.00 (FA47) (cw189)	935.03	
3	Child Labour	24960.00	7858.53	3600.00	3798.69	6700.00	6760.00	7010.00
4	Women Labour	100.00	35.98	20.00	14.09	20.00	20.00	46.00
5	Industrial Relations	3856.00	1010.57 (cw150)	550.00 (cw160)	710.98 (cw160)	600.00 (cw202)	594.81	241.00
6	Workers Education (CBWE)	1500.00	670.00	468.00	422.00	425.00	425.00	700.00
7	Labour Statistics (Labour Bureau)	3000.00	1765.54	800.00	668.42	750.00	860.82	
8	Mines Safety (DGMS)	4000.00	616.60	497.00 (cw300)	137.33	200.00	322.00	300.00
9	Industrial Safety (DGFASLI)	2500.00	551.67	298.00 (cw100)	139.47	270.00 (cw100)	262.5	450.00 (CW 200.00)
10	Labour Research (NLI)	1075.00	550.00	265.00	241.00	250.00	250.00	265.00
11	Grant-in-aid To Research & Academic Instts./ NGOs	100.00	33.03	30.00	17.83	20.00	20.00	20.00
12	Rehabilitation of bonded Labour	3581.00	981.00	575.00	920.64	603.00	603.00	200.00
13	Housing Scheme for Hamals	200.00	0.00	0.00	0.00	0.00	0.00	
14	Information Technology (New)	250.00	66.11	75.00	48.00	100.00	100.00	100.00
15	Training to the Personnel of the Ministry	50.00	0.00	0.00	0.00	25.00	0.00	10.00
16	Modernisation of Sections	50.00	0.00	0.00	0.00	50.00	50.00	50.00
17	Awareness Generation on Labour Welfare and Development	50.00	0.00	0.00	0.00	50.00	50.00	150.00
18	Welfare Scheme for Agricultural workers.	100.00	0.00	0.00	0.00	100.00	100.00	300.00



## Annexure 5.14.1 contd.

## Ministry of Labour (Annual Plan 2002-2003)

(Rs. Lakh)

Sl. No.	Division/ Scheme	Approved Outlay Ninth Plan (1997-02)*	Actual Exp (1997-2000)	Approved Outlay (2000-01)	Actual Exp (2000-01)	Approved Outlay (2001-02)	Anticipated Exp. (2001-02)	Approved Outlay (2002-03)
1	2	3	4	5	6	7	8	9
19	Overall Direction & Administration							418.00 (CW 200.00)
20	New Initiative in the 10th Plan - CS							285.00
21	New Initiative in the 10th Plan - CSS							100.00
22	Schemes to be transferred under Non - Plan							1803.00
	<b>Total</b>	<b>79212.00</b> <b>(FA 10746)</b>	<b>30136.98</b> <b>(FA 122.66)</b> <b>(cw 1920)</b>	<b>12300.00</b> <b>(cw 2500)</b> <b>(FA 75)</b>	<b>10280.58</b>	<b>14500.00</b> <b>(cw 1036)</b> <b>(FA 47)</b>	<b>13786.80</b>	<b>17000.00</b> <b>(CW</b> <b>2141.00)</b>

\* Ministry of Labour reallocated its initial 9th Plan Outlay to meet more fund requirements in some schemes

FA. :- Foreign Aid Component

CW :- Civil Works Component

## Labour &amp; Labour Welfare Outlay

(Rs. Lakhs)

Sl. No.	State/U.T.	Annual Plan 2001- 02 Approved Outlay	Revised Outlay
1	2	3	4
1	Andhra Pradesh	888.00	888.00
2	Arunachal Pradesh	126.00	136.00
3	Assam	2869.00	2869.00
4	Bihar	248.00	248.00
5	Chattisgarh	1045.00	1045.00
6	Goa	469.00	469.00
7	Gujarat	5500.00	4919.00
8	Haryana	2043.00	2092.00
9	H.P.	154.00	154.00
10	Jammu & Kashmir	1045.00	1045.00
11	Jharkhand	-	-
12	Karnataka	1880.00	1815.00
13	Kerala	720.00	500.00
14	Madhya Pradesh	1015.00	874.00
15	Maharashtra	4503.00	3924.00
16	Manipur	91.00	91.00
17	Meghalaya	120.00	88.00
18	Mizoram	75.00	74.00
19	Nagaland	168.00	128.00
20	Orissa	208.00	240.00
21	Punjab	573.00	573.00
22	Rajasthan	1013.00	886.00
23	Sikkim	30.00	24.00
24	Tamil Nadu	314.00	270.00
25	Tripura	40.00	40.00
26	Uttar Pradesh	1253.00	331.00
27	Uttaranchal	299.00	299.00
28	West Bengal	1080.00	877.00
	<b>Total ( States)</b>	<b>27769.00</b>	<b>24899.00</b>
	<b>UTs</b>		
29	A & N Islands	67.00	67.00
30	Chandigarh	32.00	32.00
31	D & N Haveli	26.00	26.00
32	Daman & Diu	27.00	27.00
33	Delhi	821.00	821.00
34	Lakshadweep	29.16	29.16
35	Pondicherry	340.00	301.00
	<b>Total (UTs)</b>	<b>1342.16</b>	<b>1303.16</b>
	<b>All India</b>	<b>29111.16</b>	<b>26202.16</b>

Source: Figures obtained from State Plans Division

**Annexure 5.14.3**

**Year Wise Registration, Placement, Vacancies Notified, Submission Made and Live Register for The Period 1991 To 2001(Jan. to Aug.)**

(in thousands)

<b>Year</b>	<b>Employment Exchanges (\$)</b>	<b>Registration</b>	<b>Placement</b>	<b>Vacancies Notified</b>	<b>Submission Made</b>	<b>Live Register</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
1991	854	6235.9	253.0	458.6	4531.2	36299.7
1992	860	5300.6	238.7	419.6	3652.1	36758.4
1993	887	5532.2	231.4	384.7	3317.8	36275.5
1994	891	5927.3	204.9	396.4	3723.4	36691.5
1995	895	5858.1	214.9	385.7	3569.9	36742.3
1996	914	5872.4	233.0	423.9	3605.9	37429.6
1997	934	6321.9	275.0	393.0	3767.8	39139.9
1998	945	5851.8	233.3	358.8	3076.6	40089.6
1999	955	5966.0	221.3	328.9	2653.2	40371.4
2000	958	6041.9	177.7	284.5	2322.8	41343.6
2001 (Jan-Aug.)	938	3961.7	110.2	218.1	1288.6	42272.1

\$ :- At the end of the year

## Annexure 5.14.4

**Statement showing number of ITI/ITCs with seating capacity  
in various States / Union Territories as on 31.11.2001**

Sl. No.	Name of State/Uts	No. of Govt. ITI	Seating Capacity Govt.	No. of Pvt.ITCs	Seating Capacity (Pvt.)	Total ITI/ITCs (3+5)	Total Seating Capacity (4+6)
1	2	3	4	5	6	7	8
<b>NORTHERN REGION</b>							
1	Haryana	78	13173	24	1428	102	14601
2	HP	44	4593	4	276	48	4869
3	J&K	37	4076	0	0	37	4076
4	Punjab	106	13999	32	1852	138	15851
5	Rajasthan	83	8512	16	1180	99	9692
6	UP	179	38148	100	8724	279	46872
7	Chandigarh	2	936	0	0	2	936
8	Delhi	14	8948	36	1572	50	10520
9	Uttaranchal	34	5080	14	1480	48	6560
	<b>Sub-Total</b>	<b>577</b>	<b>97465</b>	<b>226</b>	<b>16512</b>	<b>803</b>	<b>113977</b>
<b>SOUTHERN REGION</b>							
1	Andhra Pradesh	84	22811	474	85082	558	107893
2	Karnataka	102	17348	355	25024	457	42372
3	Kerala	68	13848	461	43305	529	57153
4	Tamil Nadu	53	17200	604	60048	657	77248
5	Lakshadweep	1	96	0	0	1	96
6	Pondicherry	7	1256	7	424	14	1680
	<b>Sub-Total</b>	<b>315</b>	<b>72559</b>	<b>1901</b>	<b>213883</b>	<b>2216</b>	<b>286442</b>
<b>EASTERN REGION</b>							
1	Arunachal Pradesh	2	368	0	0	2	368
2	Assam	24	4536	3	84	27	4620
3	Bihar	28	10256	12	2504	40	12760
4	Jharkhand	14	2564	11	1616	25	4180
5	Manipur	7	540	0	0	7	540
6	Meghalaya	5	622	2	304	7	926
7	Mizoram	1	294	0	0	1	294
8	Nagaland	3	404	0	0	3	404
9	Orissa	24	5744	122	11092	146	16836
10	Sikkim	1	140	0	0	1	140
11	Tripura	4	400	0	0	4	400
12	West Bengal	48	11564	13	740	61	12304
13	A&N Island	1	204	0	0	1	204
	<b>Sub-Total</b>	<b>162</b>	<b>37636</b>	<b>163</b>	<b>16340</b>	<b>325</b>	<b>53976</b>
<b>WESTERN REGION</b>							
1	Goa	11	2492	4	420	15	2912
2	Gujarat	129	54416	98	12114	227	66530
3	Madhya Pradesh	130	19186	20	1884	150	21070
4	Chattishgarh	59	7920	54	5976	113	13896
5	Maharashtra	347	63476	266	28908	613	92384
6	Dadra & Nagar Haveli	1	228	0	0	1	228
7	Daman & Diu	2	388	0	0	2	388
	<b>Sub-Total</b>	<b>679</b>	<b>148106</b>	<b>442</b>	<b>49302</b>	<b>1121</b>	<b>197408</b>
	<b>Grand-Total</b>	<b>1733</b>	<b>355766</b>	<b>2732</b>	<b>296037</b>	<b>4465</b>	<b>651803</b>

## Annexure 5.14.5

**State-wise distribution of women Industrial Training Institutes & wings  
for women in General I.T.I.s/Private WITIs.**

(Data as in Nov. 2001)

Sl. No.	Name of State/UTs & Region	WITIs	W.Wings/pvt. WITIs / Wings	Total.	Total Seats
1	2	3	4	5	6
	<b>Northern Region</b>				
1	Haryana (P)	7	34	41	2452
2	HP	16	0	16	784
3	J&K	1	30	31	672
4	Punjab	43	33	76	6018
5	Rajasthan	8	8	16	736
6	UP (P)	11	66	77	4188
7	Chandigarh	1	0	1	320
8	Delhi (P)	3	36	39	2712
9	Uttaranchal (P)	3	5	8	608
10	Bihar	11	0	11	976
11	Madhya Pradesh	15	5	20	2480
	<b>Sub-Total</b>	<b>119</b>	<b>217</b>	<b>336</b>	<b>21946</b>
	<b>Southern Region</b>				
1	Andhra Pradesh (P)	23	15	38	3880
2	Karnataka	17	6	23	1932
3	Kerala	8	3	11	1552
4	Tamil Nadu	10	13	23	2182
5	Pondicherry	2	1	3	280
	<b>Sub-Total</b>	<b>60</b>	<b>38</b>	<b>98</b>	<b>9826</b>
	<b>Eastern Region</b>				
1	Assam (P)	5	3	8	336
2	Manipur	1	0	1	48
3	Meghalaya	1	0	1	32
4	Nagaland	1	2	3	96
5	Orissa	10	20	30	1872
6	Tripura	1	0	1	84
7	West Bengal	4	6	10	496
	<b>Sub-Total</b>	<b>23</b>	<b>31</b>	<b>54</b>	<b>2964</b>
	<b>Western Region</b>				
1	Gujarat	27	8	35	2262
2	Maharashtra	15	226	241	9072
	<b>Sub-Total</b>	<b>42</b>	<b>234</b>	<b>276</b>	<b>11334</b>
	<b>Grand-Total</b>	<b>244</b>	<b>520</b>	<b>764</b>	<b>46070</b>

(P) :- Provisional data

## Coverage Under National Child Labour Project During 2001

Sl. No.	Name of States	No. of districts covered	Sanctioned coverage		Actual coverage	
			No. of schools	No. of children	No. of schools	No. of children
1	2	3	4	5	6	7
1	Andhra Pradesh	22	1008	51650	965	50921
2	Bihar	3	85	6500	85	6316
3	Chattisgarh	5	139	9900	98	5128
4	Jharkhand	5	114	5700	114	5700
5	Karnataka	5	190	9500	105	5222
6	M.P.	3	88	4600	44	2334
7	Maharashtra	2	74	3700	69	3570
8	Orissa	18	696	39550	628	35002
9	Rajasthan	6	180	9000	154	7700
10	Tamil Nadu	9	425	21900	417	22029
11	UP	11	514	26500	365	21574
12	West Bengal	8	347	17350	298	14950
13	Punjab	3	107	5350	27	1350
	<b>Total</b>	<b>100</b>	<b>3967</b>	<b>211200</b>	<b>3369</b>	<b>181796</b>

**Statement showing details of Bonded Labourers Identified and  
Rehabilitated upto 30.12.2001**

Sl. No.	State	Number of Bonded Labourers		
		Identified and Released	Rehabilitated	Central assistance provided (Rs.in lakhs)
1	2	3	4	5
1	Andhra Pradesh	36289	29552	680.10
2	Bihar & Jharkhand	13092	12368	314.48
3	Karnataka	62763	55269	1386.38
4	Madhya Pradesh & Chhattisgarh	12822	11897	146.35
5	Orissa	49971	46843	898.13
6	Rajasthan	7478	6321	71.42
7	Maharashtra	1393	1309	8.70
8	UP & Uttranchal	27797	27797	533.22
9	Kerala	823	710	15.56
10	Haryana	544	21	0.42
11	Gujarat	64	64	1.01
12	Arunachal Pradesh	3526	2992	568.48
13	Tamil Nadu	65573	65573	1661.94
14	Other	69	67	6.81
	<b>Total</b>	<b>282204</b>	<b>260783</b>	<b>6293.00</b>

# CHAPTER 6

## 6.1 Agriculture

### OVERVIEW

The aberrations of the monsoon during 2002-03 have adverse impact on the performance of Kharif crops. The salient climatic behaviors influencing the crops prospects are:

- The overall rainfall during the current monsoon season (2002) up to 30<sup>th</sup> September was deficient by about 19% as against a deficiency of about 8% during the kharif 2001 season.
- However, more serious was the fact that despite normal takeoff monsoon in June, there was total failure of monsoon in July 2002. In fact, July 2002 was driest over the last 100 years.
- The States in the Northwestern region particularly, Punjab, Haryana, Uttar Pradesh, Madhya Pradesh & Rajasthan were severely affected. States in the south region like Andhra Pradesh, Karnataka & Tamil Nadu also were adversely affected.
- However, the rainfall picked up by mid August and there was good rainfall between 15<sup>th</sup> August and 19<sup>th</sup> September 2002.
- The tentative assessment of Kharif foodgrains production at 90.85 million tones is about 18% lower than last year and 12.6% less than normal.
- The kharif coarse cereals production continues to remain less than normal by 16% at 26.6 million tones.
- The kharif pulses production at 4.2 million tones is expected to be 12% less than normal.
- The kharif oilseeds production at 11.7 million tonnes is about 15% less than last year and about 12% less than normal.
- The cotton production at 8.9 million bales is expected to be about 20% less than normal.
- The impact on sugarcane, jute & mesta is relatively less and the production in these crops is expected to be lower than normal by 4% & 3% respectively.

2. After a depressive kharif season, the rabi season is commencing with a cautious note of available residual moisture due to the late monsoon rains and less than comfortable water availability in reservoirs in certain regions. Ninth Plan envisaged annual average growth rate of 3.9% in agriculture but could achieve only 2.11%. The foodgrains production reached to the level of 211.32 million tonnes against the target of 218 million tonnes in 2001-02. Pulses production was at 13.52 million tonnes against the target of 15 million tonnes. Oilseeds production was much below at 21.06 million tonnes than targeted at 27 million tonnes. Production of Sugarcane, Cotton and Jute & Mesta was 295 million tonnes, 11.96 million bales and 10.7 million bales against the target of 320 million tones, 15



million bales and 10 million bales respectively during 2001-2002. (The targets of foodgrains production are given in Annexure – 1.)

3. Tenth Plan envisaged a growth rate exceeding 4% per annum in agriculture and allied sectors. Allocation for the xth plan for Department of Agriculture and Cooperation is Rs.13200 crore, Rs. 1735 crore for Animal Husbandry, Rs. 1212 crore has been allotted for programmes of Commodity Boards and Rs. 5368 crore for Department of Agricultural Research & Education (DARE).

4. Through the Zero Based Budgeting (ZBB) exercise the number of on-going schemes in the Ninth Plan in the various Central Departments have been reduced significantly by the process of merger/integration, transferred to states/Non-Plan and weeding out some other schemes which have become less relevant to the changing situation in the agriculture sector, The number of schemes of the Department of Agriculture and Cooperation has been brought down from 147 in the Ninth Plan to 30, the schemes of Department of Animal Husbandry and Dairying to 20 out of 41. The schemes of Department of Agriculture Research & Education have been reduced from 235 in the Ninth Plan to 72 in the beginning of Tenth Plan. This measure is likely to improve the efficiency of financial resources and manpower resources.

5. The thrust areas during 2002-03/ Xth plan, would be utilization of wastelands which are un-utilized or under-utilized; reclamation/development of problem soils; rainwater harvesting through Watershed Development; development of irrigation, specially minor irrigation; conservation and utilization of biological resources; diversion to high value crops; increasing cropping intensity; timely and adequate availability of inputs; strengthening of marketing/processing infrastructure, revamping and modernization of extension systems and encouraging private sector to take up extension services; bridging the gap between research and farmers' yield; promotion of farming system approach; promotion of organic farming and reforms to introduce proactive policies for farm sector and checking further fragmentation of holdings. Sectorwise performance during 2001-02 and plan/projections for 2002-03 are given in the following paragraphs

## **AGRICULTURAL INPUTS AND SERVICES**

### **Seeds**

6. Seed is a critical and basic input in attaining the higher productivity levels. However, the availability of certified / quality seeds at 109.76 quintal in 2001-02 in attaining the desired level of seed replacement rates (SRR) has remained inadequate. Creation of National Seed Grid has been suggested so as to have information about the availability of seeds of different crops/varieties with seed producers/seed producing agencies to meet the contingency need of different States/areas arising owing to droughts, floods, cyclones, etc. It has been recommended to restructure the National Seeds Corporation of India (NSC) and State Farms Corporation of India (SFCEI) for optimizing the efficiency of financial resources and the manpower. Commodity-wise Specific targets for the production of breeder, foundation and certified seeds are to be assigned to the national seed producing agencies, namely, NSC, SFCEI and also to Indian Council of Agricultural Research (ICAR), and State Agricultural Universities (SAUs).

7. The National Seed Policy has been formulated. The Seed Act, 1966 is proposed to be replaced with a new Seed Act so as to enforce quality control and regulate the entry of germ plasms in to the country in national interest.

### **Fertilizers**

8. The consumption of fertilizers, in terms of nitrogen, phosphorus & potash (NP&K) nutrients, during 2001-02 was 193.06 lakh tonnes as against 167.0 lakh tonnes during 2000-01 and 180.69 lakh tonnes in 1999-2000. The consumption of fertilizers has shown an increase and reached a level of 101kg/ha in 2001-02 against 75.46 kg/ha in 1996-97. However, the use of fertilizers has been observed to be imbalanced (6.7 : 2.6 : 1.0) in terms of NP&K nutrient use, especially in high input areas, besides the nutrient use efficiency of applied fertilizers is also low. There is need to develop technologies for obtaining higher nutrient use efficiency of applied fertilizers and also educate farmers on economic and efficient use of fertilizers. It is proposed to promote the balanced use of fertilizers together with the increased use of organics in the form of compost, farm yard manure, farm organic waste/crop residues and also bio-fertilizers. Strengthening of soil testing facilities would also be undertaken. Besides, efforts would be made to increase the fertilizer use especially in the States where the consumption is low by providing adequate marketing infrastructure. Organic Farming would also be encouraged by providing input and information support services and developing necessary infrastructure for the certification of organic produce.

### **Plant Protection**

9. The promotion of Integrated Pest Management (IPM) approach has helped in reducing the use of pesticides. However, the contamination of agricultural produce with pesticides residues is a major concern. Therefore, emphasis would be given to establish the facilities for pesticides residue testing in agricultural commodities. Besides, the infrastructure / facilities for pesticides quality testing would be developed and strengthened to enforce the quality concept for manufacture and marketing of pesticides.

10. For surveillance and forecasting the outbreak of insects, pests and diseases, the existing IPM infrastructure would be strengthened further. Besides, the private sector, ICAR and SAUs would be encouraged in providing IPM support services / bio-control agents on demand to the farmers to help them adopt IPM approach.

### **Agricultural Implements & Machinery**

11. The availability of energy and time saving efficient machines and implements and tools, in the country, has remained a matter of concern. Efforts would be made to make available such implements / machines to the farmers by encouraging their mass multiplication / production. Besides, facilities would also be developed to bring in the efficient farm machines and implements used in developed countries and adapt these with suitable modifications in the country. The existing Central Sector Schemes being implemented by the Department of Agriculture & Cooperation are to be modified / restructured so as to give a thrust to the development and mass multiplication / production of efficient farm machines, implements and tools.

## **Agricultural Extension**

12. In the country, the training infrastructure for the extension functionaries has already been developed with the existing national institutes. However, the extension system in the country seems to have become less effective and outmoded. Efforts would be made to bring in reforms in the extension system in the States to make it demand driven. Besides, linkages of Krishi Vigyan Kendras (KVKs) with district / State extension system would be developed / strengthened. The KVKs would also be assigned with the responsibility to provide input/ information support services to the farmers. All ICAR institutes, SAUs and KVKs should be assigned a definite number of villages as their command areas for technology transfer; and visits to fields and villages be made part of the study course, training and service. The print and electronic media should be used widely and effectively for dissemination of technology through commodity-wise and subject-wise modules to be regularly updated. The schemes for establishing agri clinics / agri business centers have already become operational and there has been a very encouraging response from unemployed agricultural graduates. Upto 31st Aug., 2002 a total of 13478 applications were received for entrepreneurship trainings in various activities. The programmes which will be further strengthened for providing extension and input support services to the farmers on user charge basis.

## **Agricultural Research & Education**

13. Indian Council of Agricultural Research (ICAR) is the nodal agency at the national level for promotion of science and technology in the areas of agricultural research and education. It has developed a network of National Institutes, National Research Centers and linkages with the State Agricultural University through All India Coordinated Research Projects. National Bureau of Animal Genetic Resources (NBAGR - Karnal), National Bureau of Fish Genetic Resources (NBFGR - Lucknow), National Bureau of Plant Genetic Resources (NBPGR), New Delhi and Horticulture Gene Bank, Lucknow have been further strengthened to enhance their work capacity in respect of collection, acquisition, quarantine, characterization, evaluation, maintenance, documentation, conservation and awareness generation. Establishment of a National Bureau of Agriculturally Important Microbes has also been taken up.

14. Several research project on crop improvement, horticulture, natural resources management, livestock improvement, fisheries development are being implemented, and a number of varieties and relevant improved production technologies have been evolved/ developed.

15. Considering the objectives of the X Plan, during 2002-03 the thrust research areas would include:

- development of modern technologies like transgenics, space technology and sustainable development of natural resources together with preservation and exploitation of rich biodiversity;
- reorientation of research in context of diversified agriculture, value addition, agri business aspect;

- technologies for sustainable development of natural resources and cost reduction & quality improvement technologies;
- technologies for efficient utilization of agricultural inputs especially water and fertilizers;
- research on mechanization of small farms, hill agriculture, energy management and use of renewable sources of energy in agriculture;
- research to have a breakthrough in pulses and oilseeds, management of coconut wilt, seed spices, medicinal & aromatic plants; etc.

16. So far, the research in agriculture has been done in the public sector. The private sector research has generally been confined to agro chemicals and seeds. In the coming years, participatory research and Cooperative research with private sector R&D institutions would be encouraged.

17. ICAR would also take up the transfer of technology through its Krishi Vigyan Kendras (KVKs) and Institutes to bridge the yield gap between the research yields and farmers yields. Provision of funds for establishing of KVKs in districts has been made.

18. The force of technology in increasing productivity seems to have declined which calls for re-orientation of research by the ICAR - SAUs research system and also review of the system, set up and organization structure by an independent agency or a group of eminent persons in the field of science, industry and other stake holders including farmers, so that the thrust on research could be re-oriented to the sustainable development, water conservation, input management, soil conservation, processing, organic farming, IPM, nutrient management, residue management.

19. Tenth Plan allocation for agricultural research has been stepped up to Rs.5368 crore as compared to Ninth Plan realization of Rs.2673 crore and allocation of Rs.3376.95 crore. An allocation of Rs.775 crore has been provided for 2002-03.

### **Agriculture Credit and Cooperation**

20. Credit has played an important role in supporting agricultural products and investment activities. In the context of technological upgradation and commercialization of agriculture it is necessary that credit support to agriculture sector is stepped up. Though the credit flow to agriculture sector has increased it has remained in-adequate. Of the total Bank Credit, the agriculture sector accounted for only 9.5% in 1999-2000 and about 14% in 2000-01. Within the priority sector the outstanding credit to agriculture from public sector bank accounts for 15.8% in March, 2000 and 15.7% in March 2001 against the targeted level of 18%. By the end of November 2000, Rs 33,000 crore was targeted to the total corpus of the Rural Infrastructure Development Fund (RIDF) under tranches I to VII against which sanctions and disbursement under various tranches of RIDF amounted to Rs 20,344 crore and Rs 10,409 crore respectively as on 30<sup>th</sup> November 2000. The share of cooperative banks in ground level credit and allied activities is 41% in 2000-2001. The Commercial Banks have improved their share of agricultural credit to 52% in 2000-01. Cooperative credit institutions are suffering from worsening recovery position and persistence of chronic over dues. The share of RRBs was 7% in 2000-01. Out of 197

RRBs, 187 RRBs have been taken up recapitalisation under six phases of restructuring out of which 158 were recapitalised.

21 The functioning of the Cooperative Banks with serious financial weaknesses is inconsistent with the objective of transforming them into strong, viable and self sustaining institutions capable of channeling and enhanced credit flow as envisaged for the Tenth Plan. The recapitalisation and revamping of cooperative credit institutions is being considered by the Working Group on Credit Cooperation and Crop Insurance for the Tenth Plan. The working group has estimated the recapitalization requirement for cleansing the balance sheet at Rs 8000 crore.

22. NABARD has promoted the concept of Self-Help Group for financing the poor by formal institutions and encourages the non-formal institutions as well. About 114775 Self Help Groups were linked with formal banks by March, 2001. The RBI has finalized the modality of bank finance to these Groups and reckoning it as priority sector in February, 2000.

23. Commercial banks, Cooperatives banks and RRBs are implementing the scheme of Kisan Credit Card (KCC). A total of 249.07 lakh Kisan Credit Cards have been issued by June 30<sup>th</sup> 2002. The progress of the scheme is not uniform across states. And this is dismal in North East. This attributed to low levels of loans issued, poor financial position of the cooperative banks and the RRBs in the region and lack of infrastructure facilities. Cooperatives banks have issued 158.99 (63.84%) lakhs, RRBs 17.34(6.96%) lakhs and Commercial Banks 72.72 (29.20%) lakhs Kisan Credit Cards up to 30<sup>th</sup> June, 2002.

24. National Agriculture Insurance Scheme (NAIS) has been invoked in the country since 1985. To enlarge the coverage in terms of farmers (loanee and non-loanee both), crops and risk factors. Crop Insurance "National Agricultural Insurance' Scheme (Rashtriya Krishi Bima Yojana) was introduced from Rabi season of 1999-2000 by replacing the earlier CCIS. The scheme is available to all the farmers – loanee and non-loanee irrespective of their size of holding. It envisages coverage of all the food crops, oilseeds and annual commercial/ horticultural crops in respect of which past data is available for adequate number of years. At present, the scheme is being implemented by 19 States and 2 Union Territories viz. Andhra Pradesh, Assam, Bihar, Goa, Gujarat, Himachal Pradesh, Karnataka, Kerala, Maharashtra, Madhya Pradesh, Meghalaya, Tamil Nadu, Uttar Pradesh, West Bengal, Sikkim, Chhatisgarh, Jharkhand, Tripura, Orissa, Pondicherry and Andaman & Nicobar Islands. Under NAIS, upto Rabi 2001-02 season, 216.49 lakh farmers have been covered over an area of 328 lakh hectares ensuring a sum amounting to Rs. 17666.24 crore. Claims to the tune of about Rs. 1450 crore are paid as against the premium income of Rs. 528 crore. Small and marginal farmers will be entitled to a subsidy of 50 per cent charges of which will be shared equally between Government of India and State Governments. However, premium subsidy is to be phased out over five years on sunset basis.

### **Horticulture**

25. Vast areas in India has diverse agro-climatic conditions with rich bio diversity. These are suitable for cultivation of varieties of horticulture crops, coconut, cocoa, cashew, medicinal and aromatic plants, spices and plantation crops. Horticulture sector has

significance for increasing gainful employment opportunities, both in rural and urban areas, besides improving the nutritional status of the masses. Horticulture sector also provides a sound base for agro industries. Horticulture sector contributes about 24.5 per cent towards agriculture GDP from only about 8 per cent of the cultivated area.

26. There are however, constraints in the form of inadequacy of technologies and infrastructure, small and marginal size of land holdings, pre-ponderance of old and senile orchards, shortage of good quality, disease free seeds and elite planting materials, prevalence of diseases and pests and poor post harvest management practices such as handling, sorting, grading, packaging, transportation and storage facilities. Marketing and processing network is also unsatisfactory. These constraints are responsible for delaying the realization of full potential of the horticulture sector.

27. Ninth Plan target of production of fruits and vegetables was kept at 179 million tonnes. The estimated production of fruits was 45.37 million tonnes and that of vegetables was 93.92 million tonnes, thus making a total of 139.29 million tonnes during 2000-01. Since the Ninth plan target was far too ambitious, it is unlikely the same will be fully achieved.

28. Given the importance of horticulture sector in country's economy, Tenth plan has accorded priority for its overall development. The thrust areas identified in Tenth plan include improving production and productivity, area expansion with improved cultivars and varieties, reducing cost of production by supplying good quality, disease free, high yielding seed and planting materials, value addition at farmer's level and removal of restrictions on processing industry including alcohol based on food-grains, fruits, vegetables and sugarcane, quality improvement by application of latest technologies and improved farm practices, promoting marketing and exports, strengthening organizational support, human resource development, mission mode approach in the region of high potential such as north-east states including Sikkim, and addressing relevant policy issues. The emerging areas in the horticulture are medicinal and aromatic plants, floriculture, mushrooms etc. Beekeeping enhances crop productivity. Therefore, it is proposed to provide added thrust to all these sub-sectors in horticulture by continuing the Ninth plan programmes and launching schemes with high tech and precision farming, technological interventions for sustainable development, human resource development etc. Infrastructure for post harvest management and cold storage system are proposed to be given thrust with back ended credit linked subsidy mode of investment. NABARD and banking sector will be involved to promote the programmes of activities on a large scale

### **Plantation Crops**

29. Tea, Coffee and Rubber are traditional plantation crops in the country. These are mostly grown in southern and north-eastern states. Apart from meeting the indigenous consumption demand, these group of commodities also make significant contribution to the country's export basket. These crops are also labour intensive and a good source of direct and indirect employment opportunities to masses. Preservation of bio-sphere and ecology of the respective regions is ensured by these group of commodities.

30. Broadly the major constraints in all round development of plantation crops include old age of plantations, slower pace of re-plantation, inadequate irrigation facilities, high land :

labour ratio, pre-dominance of small land holding size of the plantation, inadequate availability of good quality, disease free planting material and lack of scientific plantation development.

31. It is proposed to address these constraints during Tenth Plan. Since, plantation crops also suffered severely since last few years on account of sluggish demand in international market and depressed prices, it is proposed to encourage productivity enhancement and quality improvement. Since there is considerable demand for organic tea and coffee in the international market, efforts are needed to provide support to such products. Efforts are also proposed for supplementing the sources of income of the planters by inter-cropping practices and diversification of end use of products like rubber, rubber-wood etc.

32. Ninth Plan outlay for the plantation sector including that of Spices/Tobacco Board, Cashew Export Promotion Council was Rs. 740.20 crores. The expenditure during Ninth Plan was Rs. 757.49 crores, which was marginally higher than the outlay.

33. During Tenth Five Year Plan a sum of Rs. 1212 crore has been allocated for the Programmes of the Commodity Boards.

## **6.2 ANIMAL HUSBANDRY AND DAIRYING**

34. The contribution of animal husbandry & dairying to total GDP was 5.9 per cent in 2000-2001 at current prices. It is estimated (1993-94) that about 18 million people are employed in livestock sector in principal (9.8 million) or subsidiary (8.6 million) status. Women constitute about 70 per cent of the labour force in livestock farming. The overall growth rate in livestock sector is steady (around 4.5 per cent) in spite of fact that investment in this sector was not substantial.

35. Milk Production in India more or less remained stagnant from 1950 to 1970; thereafter, it increased rapidly, reaching 84.6 million tonnes in 2001-02 (anticipated). The Indian poultry industry has come a long way – from a backyard activity to an organized, scientific and vibrant industry. It is estimated that the egg production in the country is about 33.6 billion nos. (2001-02) against the Ninth Plan target of 35 billion nos. Meat production was estimated at 4.6 million tonnes (1998). The Tenth Plan target for milk production is set at 108.4 million tonnes envisaging an annual growth rate of 6.0 per cent. Egg and wool production targets are set at 43.4 billion numbers and 63.7 million kg respectively.

36. Given the severity of the resource constraint, all the Central Sector and Centrally Sponsored schemes in the Department of Animal Husbandry and Dairying (including fishery) were subjected to Zero-based budgeting during the Ninth Plan. Out of 41 schemes, 23 schemes were weeded out, one scheme was transferred and six schemes were merged.

37. The policy initiatives to be taken during 2002-03/Tenth Plan are

- Major thrust will be on genetic upgradation of indigenous/native cattle and buffaloes using proven semen and high quality pedigreed bulls and by expanding artificial insemination and natural service network to provide services at the farmer's level. Production of progeny tested

bulls in collaboration with military dairy farms, government/institution farms and gaushalas will be taken up.

- Conservation of livestock should be the national priority to maintain diversity of breeds and preserve those showing decline in number or facing extinction.
- After the successful eradication of rinderpest disease, the focus would now be to adopt national immunization programme to control prevalent animal disease. Effort will be made for creation of disease free zones.
- Development of fodder through cultivation of fodder crops and fodder trees, regeneration of the grazing lands and proper management of common property resources are essential for sustainable animal production. Special emphasis is needed for propagation of indigenous grasses like Sawan grass of Rajasthan which contain relatively higher percentage of protein.
- Improvements of small ruminants (sheep and goat) and pack animals (equine and camel) should be taken up in the respective regions where such animals are predominant.
- Panchayats, Cooperatives and NGO'S should play a leading role in generating dedicated band of service providers at the farmers doorstep in their respective areas
- Strengthening infrastructure and programme for clean milk production as well as value addition would be the priority in dairy sector.
- Programme would be implemented to improve indigenous birds and promotion of backyard poultry in rural areas.
- Information Network would be created based on animal production and health with active involvement of Institutions, Government Departments, Private industries, Cooperative, and NGO's.
- Strengthening of veterinary colleges would be undertaken as per the norms of Veterinary Council of India. Strengthening of Department of Animal Husbandry and Dairying is also crucial if it has to work as a regulatory and monitoring authority.
- A regular interaction between the Department of Animal Husbandry and Dairying and Research Institutes of ICAR to address the field problems will be initiated.

### **Cattle and buffalo development**

38. Broad frame-work of cattle and buffalo breeding policy recommended for the country since mid-sixties envisaged selective breeding of indigenous breeds in their breeding tracts and use of such improved breeds for upgrading of the non-descript stock. While the States accepted the framework, appropriate implementation of the same through field level programme could not be done. Crossbreeding which was to be taken up in a restricted manner and in areas of low producing cattle has now spread indiscriminately all over the country including in the breeding tracts of some of the established indigenous cattle breeds. Continuous emphasis on cross breeding with exotic breeds even in the tracts of indigenous breeds led to the near extinction of some of the known breeds like Red Sindhi, Sahiwal, Tharparkar, Punganur and Vechur. The present production capacity of frozen semen doses is about 30 million against the estimated requirement of 65 million doses annually. A



comprehensive National Project for Cattle and Buffalo Breeding as a Centrally Sponsored Scheme has been launched in the country with effect from October, 2000. This project envisages 100% grant in aid for various cattle and buffalo breeding activities and to ensure sustainability of operations as well as quality in breeding inputs and services.

### **Dairy development**

39. Restriction on establishing new milk processing capacity under Milk and Milk Products Order (MMPO) has been removed. After the completion of Operation Flood Programme in April 1996, the two major programmes for dairy development are I) Integrated Dairy Development Programme (IDDP) in Non-Operation Flood, Hilly and Backward areas and II) Assistance to Cooperatives. The IDDP scheme has benefited about 5 lakh farmer families organized into about 6600 (provisional) Village level Dairy Cooperatives Societies up to 31st March, 2001. The scheme Assistance to Cooperatives has been approved in January 2000 for providing assistance in the form of grants for rehabilitation of loss-making district milk co-operative unions. Out of 168 Milk Unions, 58 Milk Unions (34.5%) were running in loss as on March 2000. The continuation of DMS as a subordinate office of the Union Ministry of Agriculture has been considered from time to time. The Cabinet in its meeting held on 24<sup>th</sup> June, 1997 approved the proposal of transfer of DMS to the Govt. of NCT of Delhi but it has not yet been transferred. According to the ZBB decision the scheme has to be weeded out after the 6 months of the current financial year.

### **Poultry development**

40. The Indian poultry industry has come a long way – from a backyard activity to an organized, scientific and vibrant industry. The significant step in poultry development has come from the initiatives taken up by the private sector for commercial pure-line breeding in the country. Government intervention by way of various support mechanisms is now directed towards promotion of poultry in rural areas. Central Sponsored scheme 'Assistance to State Poultry/Duck Farms had been cleared during 1999-2000 for strengthening the infrastructure facilities of one or two existing State Poultry Farms in each state for multiplication and dissemination of chicks.

### **Goat, sheep & pig development**

41. Goat population in India during last two decades has increased at fastest rate among all major livestock species, but there has not been much increase in sheep population during last four decades. The fine wool production in the country is around 4 million kg against the demand of around 35 to 40 million kg. Pig husbandry is the most important activity in the animal husbandry sector in North Eastern Region inhabited by tribal people. The region also has a substantial pig population, which constitutes around 25 per cent of the country's pig population. The bulk of the population is however indigenous type whose growth and productivity is very low. The major difficulty in pig development is acute shortage of breeding males. Under the scheme 'Assistance to states for integrated Piggery Development' assistance is being provided mainly for genetic upgradation of indigenous breeds through distribution of improved varieties of pigs to the farmers.

## **Meat production & carcass utilization**

42. In India, meat production is largely a byproduct system of livestock production utilizing spent animals at the end of their productive life. Meat production was estimated at 4.6 million tonnes (1998). Projects sanctioned during the Seventh and Eighth Plans for improvement/modernization of abattoirs and carcass utilization centers are still to be completed. There is a need to formulate a back-ended subsidy scheme for utilization of carcass from naturally dying animals.

## **Animal health**

43. Since Second Plan the efforts were provided to control diseases namely, Rinderpest, Foot & Mouth Disease, Hemorrhagic Septicemia, Black quarter and Anthrax. Although Rinderpest has been eradicated from the country but other diseases are still continuing as one of the major problem in animal production programme. Some of the emerging diseases like Peste des petits ruminants (PPR), Bluetongue, Sheep pox and Goat Pox, Classical Swine Fever, Contagious Bovine Pleuropneumonia, New Castle Disease (Ranikhet Disease) are causing substantial economic losses. The present National Project for Rinderpest Eradication (NPRE) was sanctioned with a total outlay of Rs. 48.00 crores in January, 1999 during 9<sup>th</sup> Five Year Plan. Under the scheme contingency plan is being implemented for surveillance of diseases and early warning system for Border States but the performance is not satisfactory. Directorate of Animal Health, a Central Sector Scheme has the important components like Animal Quarantine and Certification Services, National Veterinary Biological Products Quality Control and Disease Diagnostic Referrer Laboratories.

## **Fisheries**

44. The Fisheries sector is one of the major sectors in the socio-economic development of the country. It is a source of cheap and nutritious food and also stimulates growth of a number of subsidiary industries in addition to contributing foreign exchange earning through exports. It also contributes in supplementing the family income of households, especially in the rural areas and assisting in employment generation. More than 6 million fishermen and fish farmers depend on fisheries and aquaculture for their livelihood.

45. An amount of Rs. 103.86 crores was allocated under Central / Centrally Sponsored Schemes in Fisheries under BE 2001-02 and Rs. 87.76 crores under RE 2001-2002 out of which an amount of Rs. 83.95 crores was spent during 2001-02. The anticipated fish production by the end of 9<sup>th</sup> Plan is 6.12 million tonnes as against 5.66 million tonnes in 2000-01.

46. The centrally sponsored schemes under fisheries sector is broadly categorized into the following schemes as per the Zero Based Budgeting exercise carried out by the Planning Commission namely (I) development of Inland Aquaculture and Fisheries including aquaculture and inland capture fisheries; (II) development of marine fisheries, infrastructure and post harvest including maintenance of dredging equipment; and (III) Welfare programmes/human resource development and central sector schemes including (i) Assistance to fisheries institutes and (ii) strengthening of data base and information networking. The allocation made under fisheries during 10<sup>th</sup> Five Year Plan is Rs. 750 crores and the allocation made under the Annual Plan 2002-03 is Rs. 102 crores.

47 During Ninth Plan, vertical and horizontal development of aquaculture productivity was one of the major production oriented programmes through a network of 429 Fish Farmer Development Agencies (FFDAs), 39 Brackish Water Fish Farmer Development Agencies (BFDAAs). About 32500 ha. water area was brought under fresh water fish farming and about 48300 fish farmers have been imparted training in modern techniques of fish farming through these FFDAs during the year 2001-02. In marine sector about 3000 traditional crafts were sanctioned for motorisation in addition to providing subsidy benefits to about 19000 small mechanised fishing vessels on HSD Oil supplied to these vessels. Further, construction of 17 minor fishing harbours out of 50 and 41 fish landing centres out of 171 sanctioned upto 9<sup>th</sup> Plan is under progress.

48. The thrust areas for fisheries development during 10<sup>th</sup> Five Year Plan are increasing production and productivity from capture fisheries especially from areas like deep sea, rivers etc., management of coastal fisheries by suitable regulatory mechanisms, vertical and horizontal development of aquaculture from tanks and ponds, reservoirs and lakes, infrastructure development, improved post-harvest management including marketing and habitat restoration. Besides, schemes for welfare of fishers and strengthening of data base and information networking in fisheries are also proposed for implementation during Tenth Plan. The Ministry of Agriculture, Department of Animal Husbandry & Dairying has recently issued the guidelines for fishing operations in Indian EEZ. These guidelines ensure sustainability in the operation of deep sea fishing vessels, which do not collide with the interest of other stake holders. Formulation of a comprehensive policy on marine fisheries is also under process in order to ensure judicious exploitation of resource, especially from off-shore and deep sea areas. An Aquaculture Authority was set up in February, 1997 though a notification dated 6.2.1997 under the provisions of the Environment (Protection) Act, 1986 in pursuance of the directives of the Supreme Court relating to setting up of shrimp aquaculture farms mainly to regulate shrimp farming in coastal areas. The Aquaculture Authority has undertaken many activities so far to promote environment-friendly improved shrimp farming in the coastal areas in the country including an Expert Consultation organized in August 2002 at Chennai, which recommended many crucial issues to be taken up by all concerned for development of shrimp farming in the country. The passing of Aquaculture Authority Bill in Parliament is on the anvil.

49. Some of the schemes proposed to be taken up during 2002-03 in marine sector are development of marine fisheries and infrastructure. In inland fishery sector, schemes for increasing production and productivity from water bodies like tanks and ponds are proposed to be continued during 2002-03. Besides, the need for preparing standardized bankable projects of fresh water aquaculture in order to promote easy access to credit alongwith back-ended subsidy scheme are to be emphasized. The assistance to fisheries institutes will also be continued besides schemes for training and extension and welfare of fishermen during 2002-03.

## Tenth Plan Production Targets and Achievements of Foodgrains

(Million Tonnes)

Crop	2001-02		2002-03 Target
	Target	Achieve.	
1	2	3	4
Rice	92.00	91.61	93.00
Wheat	78.00	71.47	78.00
Coarse Cereals	<b>33.00</b>	34.72	33.00
Pulses	15.00	13.52	16.00
Total foodgrains	218.00	211.32	220.00
Oilseeds	27.00	21.06	27.00
sugarcane	320.00	295.00	320.00
cotton (bales of 170 kg)	15.00	11.96	15.00
Jute & Mesta (Bales of 180 kg)	10.00	10.70	12.00
<b>Targets and achievements of Milk,Eggs and Wool Production</b>			
	Ninth Plan		
Milk(million tonnes)	96.49		84.60
Egg(Billion)	35.00		33.60
Wool(Million Kgs.)	54.00		NA
Fish (Million tonnes)	7.04	6.12 *	

\* Estimated.

## Annexure 6.1.2

## Outlay and Expenditure for Agriculture and Allied Sectors

Rs. in lakh

S.No.	Departments	X Plan Out.	2001-02	2002-03	
1	2	3	4	5	6
<b>I</b>	<b>Department of Agriculture &amp; Coopn.</b>		<b>BE</b>	<b>RE</b>	<b>BE</b>
1	Agri. Extension & Trg.	55000	4600	4465	8627
2	Agri. Census	4000	1200	694	1194
3	Directorate of Economics & Statistics	25000	5000	4821	4821
4	seeds	27500	3200	4696	2696
5	Fertilisers	11000	600	383	605
6	Plant Protection	20000	2300	1978	1978
7	Agri. Implements & Machinery	7500	400	390	390
8	Crops	85000	12000	4237	14237
9	TMOP	95000	15000	16300	16500
10	Rainfed Farming System	1200	150	140	200
11	Horticulture	200000	17500	17815	28315
12	Secretariate Eco. Service	4000	250	250	597
13	Trade (SFAC)	19000	500	600	1500
14	Natural Disaster Management	500	800	407	407
15	Agri. Marketing	60000	1000	2997	7997
16	Information Technology	10000	1500	1419	1292
17	Policy & Management	2000	500	125	1125
18	Soil Water Conservation	4000	2500	2350	475
19	Credit	200000	36000	41917	41913
20	Cooperation	50000	8500	8155	8145
21	Macro Management	439300	85000	67561	73686
	<b>Total :</b>	<b>1320000</b>	<b>198500</b>	<b>181700</b>	<b>216700</b>
<b>II</b>	<b>Department of Animal Husbandry</b>	175000	19394	14952	19350
<b>III</b>	<b>Fisheries</b>	750,00.00	10386	8776	10200
<b>IV</b>	<b>Department of Agriculture Research&amp;Education</b>	536800	68400	68400	77500
<b>V</b>	<b>Plantation sector: Commodity Board</b>	121200	7420	75749	

### 6.3 MINERAL AND INDUSTRIAL DEVELOPMENT

1. Industrial Production, measured by the Index of Industrial Production (IIP), registered a significantly lower growth rate of 2.7 per cent in 2001-02 compared to a growth rate of 5.0 per cent in 2000-01. The growth rates in 2001-02 fell down compared to 2000-01- in the manufacturing from 5.3 per cent to 2.9 per cent, in electricity from 4.0 per cent to 3.1 per cent and in the mining sectors from 3.7 per cent to 1.2 per cent.

2. The cumulative growth in the Mining, Manufacturing and Electricity sectors during April-September, 2002 over the corresponding period of 2001 has been 6.5%, 5.3% and 3.4%, respectively. The overall growth in the General Index during this period has been 5.2%.

3. According to use-based classification all sectors recorded lower growth rates during the 2001-02 compared to 2000-01. Consumer durables and consumer non-durables with growth rates of 11.5 per cent and 4.0 per cent, -registered significantly lower growth rates in the current year (2001-02) compared to 14.5 per cent and 5.8 per cent respectively during the last year. The overall growth rate in consumer goods dropped to 6.0 per cent, compared to 8.0 per cent in the last year. The performance in basic goods and intermediate goods in the current year (2001-02) was also considerably lower at 2.8 per cent and 1.6 per cent respectively compared to 3.9 per cent and 4.7 per cent in the last year. The performance in capital goods in the current year (2001- 02) decelerated sharply, recording a decrease of 3.9 per cent compared with a growth rate of 1.8 per cent recorded in the last year .

**Table – 6.3.1**

**Annual growth rates of industrial production in major sectors of industry  
(Base: 1993-94 = 100) (per cent)**

<b>Period</b>	<b>Mining</b>	<b>Manufacturing</b>	<b>Electricity</b>	<b>General</b>
Weight	(10.4)	(79.4)	(10.2)	(100.0)
2000-01	3.7	5.3	4.0	5.0
2001-02	1.8	2.9	3.1	2.7
2002-03 (April- September) over the corresponding period of 2001	6.5	5.3	3.4	5.2

Source: CSO

4. Five (out of seventeen) 2-digit industry groups –Wood and Wood Products; Metal Products; Jute & other Textiles (except Cotton) Products; Cotton Textiles; and Food Products recorded negative growth rates in the year 2001-02. Of the ten industry groups showing positive growth, seven industry groups have registered growth rates of less than 5 per cent. Only two industry groups - Beverages, Tobacco and Related products; and Rubber, Plastic, Petroleum and Coal products registered growth rates of over 10 per cent.

## **Industrialisation Of Backward Areas-Growth Centers**

5. The Transport Subsidy Scheme and Growth Centres Scheme were initiated as Centrally Sponsored Schemes (CSS) in July 1971 and June, 1988 respectively to promote industrialization of backward areas and to promote industries in hilly, remote and inaccessible areas of the country. The funding pattern of Growth Centres envisaged an equity contribution of Rs.10 crore by the Centre, and Rs.5 crore by the concerned State, Rs. 4 crore including Rs. 2 crore as equity from financial institutions, Rs. 1 crore from nationalized banks and Rs. 10 crore as market borrowings – adding up to Rs. 30 crore per Growth Centre.

6. Seventy one Growth Centres have been identified. Sixty eight of these have been approved and of these in 56 Growth Centres plot allotment has commenced. Two Growth Centres have been sanctioned for the State of J&K and three each in the newly created States of Uttaranchal, Jharkhand and Chattisgarh. In remaining 16 growth centres, progress has yet to be demonstrated and in such cases state governments have been advised to expedite progress.

7. The implementation of the scheme has been rather unsatisfactory. Too many Growth Centres have been taken up at the same time, resulting in thin spread of scarce resources over a large number of Growth Centres. Besides, it has not been possible to mobilize market borrowings for the Growth Centres as envisaged in the original scheme. More important, industrially advanced States have been able to mobilize financial and managerial resources and make good progress. There has been not much progress in industrially backward States/most backward regions.

8. In order to overcome the difficulties faced in the implementation of the scheme, it is proposed to modify the Growth Centres Scheme by bringing changes and allowing split location up to a maximum of 3 locations for hilly States and two for the rest of the States. There is a proposal to transfer the scheme to the States along with funds.

9. The number of functional Growth Centres, during the last two year has increased from 26 to 38 and the amount of central assistance increased from Rs. 291 crore to Rs. 371 crore. The contribution of the state government and their implementing agencies increased from Rs. 405 crore to Rs. 689 crore in the same period. The number of industrial units has also increased from 656 to 833, attracting capital investment of Rs. 8,531 crore and creating direct employment for 28233 persons, as on 31.3.2002.

## **Transport Subsidy**

10. Transport Subsidy Scheme was introduced in July, 1971 to promote industries in hilly, remote and inaccessible areas of Jammu & Kashmir, Himachal Pradesh, Sikkim, Andaman & Nicobar Islands and Lakshadweep, Darjeeling District of West Bengal, eight hill districts of Uttar Pradesh and North Eastern States. Under the scheme, subsidy at rates ranging from 50 per cent to 90 per cent on the transport cost incurred on movement of raw-materials and finished goods from/to designated rail heads/ports is provided to all industrial units except plantations, refineries and power generation units. The scheme works on reimbursement basis i.e. subsidy to eligible units is first disbursed by the States/ Union

territories concerned and later reimbursement is claimed from the Centre. The scheme has been extended upto 31.3.2007 for the North Eastern States and Sikkim.

11. Total disbursal under the scheme from 1.4.1976 to 31.3.2002 is Rs. 706.77 crores. The major beneficiaries have been Himachal Pradesh (Rs. 209 crores), Assam (Rs. 200.34 crores upto 31.3.2001), J&K (Rs. 29.34 crores) and Hill Districts of U.P. (Rs. 15.83 crores) besides the North-East Region including Assam which received Rs. 403.36 crores.

12. National Productivity Council (NPC) carried out a review of the Transport Subsidy Scheme to examine the impact of the scheme on industrialisation process in the beneficiary States/UTs/Areas in terms of nature and pattern of industrialisation, size of unit, employment generation and ancillarisation. The study covered Assam, Himachal Pradesh, Hills districts of U.P. then, J&K, Meghalaya, Mizoram, Nagaland for the period 1989-90 to 1997-98. The study concluded that there has been industrial growth, though uneven as seen in the increase in the number of factories and employment generated. Himachal for instance has shown remarkable performance as number of factories grew at an annual rate of 10.5 per cent, while Assam had a moderate growth in number of factories (1.59 per cent), output (2.21 per cent) and employment (3.05 per cent).

13. 25,600 jobs have been created by beneficiary units in these remote, hilly and inaccessible areas. There has been expansion and diversification in the units though ancillary units did not develop significantly. There have been indirect benefits also like infrastructure development and generation of income for the State Governments through other levies. The study also indicated the areas which require strengthening, in order to improve implementation and reduce delays. Transfer of scheme to States has, therefore, been suggested in order to improve implementation.

### **Export Promotion**

14. For augmenting /strengthening the export infrastructure, a scheme- Assistance to States for Development of Export Infrastructure (ASIDE) has been evolved by providing incentive-linked assistance to State Governments which will result in concomitant growth in the infrastructure necessary for promoting exports at the state level. The earlier schemes namely Critical Infrastructure Balance (CIB), Export Promotion Zone (EPZ), Export Development Fund (EDF) for North Eastern Region (NER) and Sikkim and Export Promotion Industrial Park (EPIP) have been merged. In ASIDE 20 per cent of the funds shall be retained at the Centre while the rest 80 per cent will be allocated to the States according to the export performance criteria.

15. Trade reforms especially through the EXIM Policy announced for the period 1997-2002 and subsequent amendments have helped to strengthen the export production base, remove procedural irritants, facilitated input availability besides focusing on quality, technological up gradation and improving competitiveness. The various incentives provided for promoting exports are getting increasingly constraint by the requirement of compliance with WTO rules and accordingly being phased out.

16. Market Access Initiative (MAI) scheme had been devised to put in place an instrument which is not only WTO compatible but would also mitigate the negative effects of various handicaps faced by the exporters vis-à-vis their counterparts in the competing countries.



MAI was approved by the SFC in the terminal year of the 9<sup>th</sup> Five Year Plan at a cost of Rs. 14.50 crore with the objective to assist Export Promotion Councils in undertaking marketing studies, support exporters to set up showrooms/ warehousing facilities, publicity campaigns and brand promotion. While continuing the activities approved last year, it is proposed to include registration charges for pharmaceutical, bio-technology and agro-chemicals engineering products, assistance to cottage and handicraft units and earmarking funds to develop websites for virtual exhibitions and exports facilitation assistance for providing project specific assistance for exports to select markets during specific periods.

17. Agricultural and Processed Food Products Export Development Authority (APEDA)- which is mandated with the responsibility for export promotion and development of agricultural products including floriculture, fresh fruits and vegetables, processed food and livestock products, proposes to implement schemes for infra-structural development, database and survey/study, export promotion, market development and packaging up gradation, etc. The scheme has been modified and its allocation substantially stepped up in the Tenth Five Year Plan.

18. The Marine Products Export Development Authority (MPEDA)- a statutory body responsible for development of the Marine Products Industry with special reference to exports, proposes to implement schemes for export production-capture fisheries, export production-culture fisheries, induction of new technology, modernisation of processing facilities and market promotion etc. It has targeted to double the production during the Tenth Plan period.

19. Export Inspection Council (EIC), which is the official export inspection and certification body mandated to carry out pre-shipment inspection and certification of notified commodities plans to undertake the task of modernization/upgradation of its systems and labs, human resource development and providing services infrastructure services to the industry through information on regulatory requirements of the importing countries.

### **Foreign Direct Investment (FDI)**

20. One of the major policy initiatives concerning to liberalization of foreign direct investment has been opening up of private sector participation upto 100 per cent in the Defence Industry Sector with FDI permissible upto 26 per cent both subject to licensing. FDI upto 100 per cent is also now permitted for development of Integrated Townships, including housing, commercial premises, hotels, resorts, city and regional level urban infrastructure facilities. FDI (upto 100 per cent) in Tea Sector, including Tea-Plantation has been relaxed.

21. During the year 2001 (January-December), 1,982 Foreign Collaboration proposals were approved by the Government involving FDI amounting to Rs. 26,874.67 crore (US \$ 5.97 billion). FDI Inflows amounting to Rs. 19,265.10 crore (US \$ 4.28 billion) were received during the year 2001. FDI inflows net of ADRs/GDRs and advance pending issue of shares during the year 2001 was Rs.16,071.05 crore (US \$ 3.57 billion), which is 53.92%/47.08% higher than that received during the previous year in rupee/dollar terms respectively. While there was an overall decline of over 40% in the global FDI inflows

during 2001 as compared to the previous year, the inflows into India showed a positive trend.

### **Anti-dumping and Allied duties and import of sensitive items**

22. In 2001-02, India initiated 30 cases, which is the highest number of cases initiated in a year so far. In addition to the new cases, mid-term review in three cases, sunset review in three cases and new shippers review in one case were also undertaken during this year. During the year, a total of 26 Final Findings were issued arising out of the investigations initiated in the previous year. Of the 28 Preliminary Findings issued during the year, 22 pertain to the current year, i.e. 2001-02, while 6 concerned cases initiated towards the end of the previous year. According to the WTO report for January to June 2001, India stands third in terms of action initiated with 16 cases after US (39 cases) and Canada (23 cases). In terms of action initiated against India, we are at fourth position with 8 cases after China (22 cases), South Korea (10 cases) and Taiwan (9 cases). Thus India is today one of the major players among the WTO member countries who are using as well as facing the anti-dumping measures.

23. Subsequent to removal of quantitative restrictions (QRs) last year, 300 items were identified as sensitive items. Import of these items is being monitored regularly. As per the provisional estimate import of these items for the first six months of the current financial year is Rs. 6487 crore as compared to Rs. 5854 crore for the corresponding period of last year thereby showing an increase of 11%. The growth in imports in general for the same period is 12%. Modernisation of DGFT and DGCIS are also underway.

24. **Modernisation of Patent Offices** Government undertook modernization of the Intellectual Property framework in India as a strategic response to the emerging challenges posed by globalization and the increasing relevance and importance of intellectual property in a knowledge based development environment. Government initiatives include appropriate legislative changes in relevant IP laws covering Patents, Trade Marks, Designs and Geographical Indications.

25. These are being complemented by simultaneous upgradation and modernization of the infrastructure of the Patent Offices, the Designs Office and the Trade Mark Registry as also the establishment of a Geographical Indications Registry.

26. **Public Sector Undertakings (PSUs)** The latest Public Enterprises survey indicates that as on 31.3.2001, there were 250 Central Public Sector Enterprises excluding 6 Insurance Companies and 2 Financial Institutions.

27. Of the 234 operating CPSEs, 111 were loss making and 66 industrial PSEs whose networth had become negative and had become sick were registered with BIFR. Of these 34 were units which has been taken over by the Government from private sector to safeguard the interest of workers. Decision on sick PSEs is taking long time and revival package apart from the problem of resource availability suffers from certain uncertainties on the viability.

## **Status of statutory controls**

28. While most of the price and other controls on various items of the industrial production has been done away, their status of residuary control is as follows:

- Essential Drugs Price Control
- Fertiliser Price Control
- Sugar and molasses control.
- Reservation for SSIs.

## **Fertiliser Pricing Control**

29. With the introduction of Retention Price cum Subsidy scheme (RPS), the country achieved self-sufficiency by the end of Ninth Plan to the extent of nearly 100 percent of urea and 85 percent in case of DAP. This price arrangement however has encouraged the urea manufacturers to focus more on claiming costs rather than controlling costs by enhancing production efficiency. The urea pricing policy parameter for VII and VIII pricing periods have been recommended by the Group of Ministers (GOM) headed by Deputy Chairman, Planning Commission. Corresponding retention prices have been notified for most of the units. The Expenditure Reforms Commission (ERC) recommendation on rationalisation of fertiliser subsidy by introducing group based urea pricing is under examination along with other alternatives on a new urea pricing policy. In response to the import parity pricing of feedstock, a new pricing mechanism for hydrocarbons was implemented and oil companies started following this from 9 July 2001. The NPK ratio which had got distorted to 10.0:2.9:1 during 1996-97 has since improved to 6.9:2.9:1 in 1999-2000. It needs to be kept in mind that bio-fertilisers, micronutrients and organic compost should remain an integral part of balanced fertiliser application and integrated nutrient management. Use of these supplements needs to be promoted by research, better marketing and competitive pricing.

## **Sugar Policy**

30. The Government has taken a number of important policy decisions as part of the reform process in the sugar sector. The sugar industry was subjected to compulsory licensing at the commencement of the Ninth Plan and was delicensed in September 1998. Some of these decisions are:

- Reduction of levy obligation of domestic sugar producers from 40 per cent to 30 per cent with effect from 1 April 2000, from 30 per cent to 15 per cent from 1 February 2001 and from 15 per cent to 10 per cent from 1 March 2002.
- Restructuring Sugar Development Fund Rules, 1982 for providing loans at concessional rates for the rehabilitation of potentially viable sick sugar mills.
- The Government has also approved a proposal for legislation to amend the Sugar Development Fund (SDF) Act, 1982 for loans for bagasse-based co-generation power projects, by-product utilisation and defraying expenditure on internal transport and freight

charges on export shipments of sugar. This was being done to improve the viability of the sugar factories as also to augment the power generation in the country.

- Relaxation in controls on the sale of non-levy free sale sugar and substituting the monthly regulatory release by quarterly regulatory release and allowing the sugar factories to sell up to 10 per cent of the quarterly quota as additional quota. This has become effective from January 2002.
- Withdrawal of stockholding limits on wholesale dealers of sugar was done with effect from 7 July 2000.
- Turnover limits on wholesale dealers were abolished with effect from 20 August 2001.
- A notification under the Forward Contracts (Regulation) Act, 1952, allowing futures/forward trading in sugar was issued on 14 May 2001.

### **Pharmaceuticals Pricing Policy:**

31. The Pharmaceutical Policy, 2002, aims to ensure abundant and good quality essential pharmaceuticals at reasonable prices, strengthen indigenous capability for cost effective quality production, reduce trade barriers and encourage R&D. Items appearing in the list of essential drugs issued by the Ministry of Health and Family Welfare and other items considered important on account of their use in various health programmes, in emergency care etc. have been kept under the Drug Price Control Order (DPCO) and will form the total basket from which selection of bulk drugs will be made for price control. However, items like sera and vaccines and blood products have been excluded from DPCO. As per the new criteria, molecules with a turnover of less than Rs. 10 crore for the fiscal ended March 2001 will not fall under DPCO, but a drug having a turnover between Rs. 10-25 crore and a single formulator having a market share of over 90 per cent will be covered by the price control order. Further, a drug with a turnover of over Rs. 25 crore and a single formulator and having a market share of over 50 per cent will be under price control. New drugs coming out of research from within the country would be off price control for the life of the patent. It has been decided to permit up to 100 per cent foreign equity under the automatic route so as to promote FDI. India, as a signatory to WTO, is committed to the introduction of a product patent regime in 2005. This will be a major change that will impact the Indian pharmaceutical industry. There may be a need for a review of the newly announced Pharmaceutical Policy 2002 to deal with the changed scenario.

32. **Reservation for SSI Units:** As of May, 2002, 749 items are reserved for *exclusive* manufacture in the small scale sector. The items de-reserved recently are readymade garments and items from leather and toys sector.

## **SECTORAL PROFILE**

### **Engineering Industry**

33. The Engineering Industry comprises industries manufacturing Engineering Goods such as metal products, office machinery, electronic goods, capital goods manufacturing Industry. The capital goods industry with a weight of 9.3 per cent in index of industrial production (IIP) comprise of 53 industry sectors. With the slackening of demand in different

sectors of economy, the growth of capital goods (based on IIP) reduced to merely 1.8 per cent in 2000-01. The capital goods sector registered a negative growth rate of (-) 3.9 per cent 2001-02. The declining trend of growth of capital goods industry has however reversed in current year.

**Table 6.3.2**  
**Growth Rates Of Industrial Production By Use-based Classification**  
**(Base : 1993-94=100)**

(per cent)

Sectors	(Weight)	1999-2000	2000-01	2001-02	September 2002 over September 2001
Basic Goods	35.5	5.5	3.9	2.8	1.6
Capital Goods	9.3	6.9	1.8	-3.9	15.5
Intermediate Goods	26.5	8.8	4.7	1.6	1.7
Consumer Goods	28.7	5.7	8.0	6.0	13.2
of which (Consumer Durables)	(5.4)	(14.1)	(14.5)	11.5	(-)12.3
IIP (Index of Industrial Production)	100.0	6.7	5.0	2.8	6.1

Note : The indices are based on revised item wise weights.

34. Of the 49 PSUs under the Department of Heavy Industry, 15 made profit (Rs. 659.90 crore) and remaining 34 incurred loss (Rs. 1,433.97) during 2001-02. These are engaged in manufacture of capital/ engineering goods, consultancy and contracting activities, producing wide range of products like machine tools, boiler, power generating equipment, Tractor, Railway equipments etc. The total investment (Gross Block) in 49 PSUs under the Department was about Rs. 8052 crore till March 2001. The turnover of 39 companies in production in 2001-02 was Rs. 11,642.94 crore.

35. The disinvestment of PSUs is under progress. 17 PSUs have been referred to the Ministry of Disinvestment for Joint Venture formation/disinvestment. Some of the PSUs like NEPA, IL Palghat etc. are at advanced stage of disinvestment. There are another 13 subsidiary PSUs for which disinvestment/JV formation is being undertaken within the Department itself as shares of such companies are held by the holding companies. 7 PSUs have already been closed after seeking permission from Ministry of Labour. Benefits of VRS have been provided to their employees. Four more PSUs are slated for closure.

36. Out of 26 sick PSUs referred to BIFR, revival plans have been sanctioned by BIFR in case of 12 PSUs involving fresh infusion of funds to the extent of Rs.654 crore and financial restructuring of Rs.2106 crore .In addition, Government on its own have also undertaken restructuring in case of 7 PSUs involving fresh infusion of Rs.531 crore with financial restructuring of Rs.1443 crore.

37. Public Sector Units manufacturing capital goods have been under serious competitive pressure. Nine PSUs of Department of Heavy Industry signed Memorandum of Understanding (MOU) specifying the intentions, obligations and mutual responsibilities with the Department in 2001-02.

38. The budgetary support to PSUs would be only considered on 'project' basis in the Annual Plan, however, a 'lump sum provision for Addition, Modification and Replacement (AMR)' has been made for. A new plan scheme 'Testing facilities in Auto Sector' under the Tenth Five Year Plan is being introduced and a provision of Rs. 25 crore has been made under the annual plan 2002-03.

### **Shipbuilding and Ship repair Industry**

39. Of the twenty-eight Shipyards in the country, nineteen are in Private Sector, Five shipyards in Public Sector -two under Ministry of Shipping and three under Ministry of Defence are capable of building wide range of ships and vessels. The Annual turnover of the shipbuilding and ship repair industry is approx. Rs. 2,000 crore. The industry employs 31,000 persons.

40. Two Public Sector Shipyards namely Hindustan Shipyard Ltd (HSL) and Cochin Shipyard Ltd.(CSL) under Ministry of Shipping constitute approx. 25 per cent of the industry turnover i.e. an annual turnover of approx. Rs. 450 crore. The employee strength in CSL, HSL and Hooghly Dock and Port Engineers Ltd. (HDPE) is approx. 7800. Three Defence Public Sector Undertakings, namely Mazgon Dock Limited (MDL), Garden Reach Shipbuilders & Engineers Ltd (GRSE) and Goa Shipyard Ltd.(GSL) build a variety of ships and vessels primarily for Indian Navy and Coast Guard.

41. The assessed production capacity of four large PSUs, which constitute approx. 95 per cent of the industry turnover, is approx. 0.15 million compensated gross tonnage (CGT). The present annual shipbuilding capacity in India is 0.15 CGT, vis-à-vis 20 million CGT globally. As such, the Indian shipbuilding capacity is less than one percent of the global capacity.

42. The decision of disinvestment of CSL and HSL is also under consideration of government.

### **Iron & Steel**

43. Iron and steel industry is beginning to show signs of recovery. trend is expected to continue during the year. This has helped to attract private investment in iron & steel making. India has emerged as 8<sup>th</sup> largest producer of steel in the world. It is, however, still far behind China and Japan.

44. In 2001-02, estimated production of finished steel was 30.61 million tonnes; pig iron production was 3.95 million tonnes and sponge iron production was 5.70 million tonnes. In 2001-02, share of public sector production was about 51% of crude steel, the remaining 49% being that of the private sector. Thus, there is a shift of production share in favour of private sector. The relative share of integrated steel plants and secondary steel producers was 42% and 58% respectively. This shows that integrated steel plants are subjected to

competition from secondary steel producers there by eroding the price dominance of integrated steel plant. Finished steel production in the country during 2002-03 is expected to be 32.5 million tonnes comprising of 14.5 millions from main producers and 18 million tonnes from secondary steel producers.

45. After de-licensing of Indian Iron and Steel Industry and as a result of the steps taken for creation of additional capacity in the private sector, 19 projects involving a total investment of Rs. 30,835 crores equivalent to a capacity of approx. 13 million tonnes per annum have already been cleared by Financial Institutions and are in various stages of implementation. Already 8 units with a total capacity of Approx 5.45 million tonnes have already been commissioned. Projection for 2002-03 is given below:

**Qty in '000 Ton**

<b>Items</b>	<b>Domestic Demand</b>	<b>Availability</b>	<b>Gap</b>
Pig Iron	3900	4060	160
Sponge Iron	6000	6000	00
Finished (Carbon Steel)	3110	3250	(-1400)

46. As against Rs. 16232.50 crore approved outlay including Budgetary Support (BS) of Rs. 85.50 crore BS for the Ninth Five Year Plan of Ministry of Steel, anticipated expenditure was Rs. 6490.70 crore inclusive of Rs. 66 crore as BS. The drastic fall in expenditure in the 9<sup>th</sup> Plan was due to worldwide recession in steel industry, stiff competition resulting fall in domestic and international prices for steel products which affected profitability, and dumping of steel from some of the CIS countries and China.

47. Tenth Five Year Plan outlay for Ministry of Steel is Rs. 11049.60 crore inclusive of Rs. 65 crore as BS. Annual Plan outlay for 2002-03 is Rs. 1412.45 crore inclusive of BS of Rs. 15 crore.

### **Drugs And Pharmaceuticals**

48. India's Pharmaceutical industry today is one of the largest and most advanced among the developing countries. The Industry manufactures bulk drugs belonging to several major therapeutic groups requiring various manufacturing processes and has developed excellent facilities for production of all dosage forms like tablets, capsules, liquids, orals and injectables etc. In the recent years, policy inputs have been directed towards promoting the growth of the industry to achieve a broad range of products and technologies needed to produce them from as basic stage as possible. As a result, the pharmaceutical industry today produces the complete range of formulations. Today, India is in a position to meet 70% of the country's requirement of the bulk drugs and almost all the demands for formulations. Drugs, Pharmaceutical and fine chemicals worth Rs. 8729.9 crores were exported and of worth Rs.1701.5 crore being imported during 2000-01.

49. Public sector pharmaceutical units have provided considerable support in the growth of the industry by putting up modern plants for the manufacture of bulk drugs at a

reasonable cost. However, all the units have become sick, partly due to the government policy of allowing small formulators to take on a large part of production, late revision of prices, and partly due to the infrastructure and managerial problems. Some of the units were earlier in the private sector and were taken over by the Government after they became sick. The revival package in case of Indian Drugs and Pharmaceuticals Ltd. has failed twice and this indicates that such packages are not based on correct assumptions. The drug sector is not considered a strategic sector because of ample competition. Still, in the absence of any direct price control, PSUs can serve as an indirect way of price stabilisation when prices are fully decontrolled.

50. The first national level institute National Institute of Pharmaceutical Education & Research (NIPER) is being set up at Mohali, Punjab. This will promote Education and R&D activities in the field of Pharmaceuticals.

### **Chemicals, Pesticides And Allied Industries**

51. The chemical Industry is perhaps the most diversified of all industrial sectors, covering more than 70,000 commercial products. The Indian chemical industry ranks 12<sup>th</sup> by volume in the world production of chemicals. The export of chemicals in 2000 was \$ 2.8 billion, which accounts for almost 14 per cent of the exports from the manufacturing sector and about 10 per cent of the country's total exports. Its contribution to the national revenue by way of custom and excise duties is about 20 per cent. More than 60 per cent of the production of the sector comes from SMEs.

52. The pesticide industry has continued to develop at a fast pace. It manufactures a wide variety of products including Methyl Parathion, Malathion, Quinalphos. Zinc Phosphide, Methyl Bromide etc. Indian companies have not only developed products indigenously but have also emerged as prominent exporters. India is the 13<sup>th</sup> largest exporter of pesticides and disinfectants in the world. India produces a large number of fine and specialty chemicals, which find wide usage as food additives, pigments, polymers, additives anti-oxidants in the rubber industry, etc.

53. Today, India exports dyes and intermediates to the very same countries from which it used to import them till recently. The industry has witnessed the growth of more than 50% during the last decade and has emerged as the second largest producer of dyes and the intermediates in the Asian region.

54. The Neem seed has recently emerged as a source for alternative and unharmed pesticides. Department of Chemicals and Petrochemicals has initiated a country programme in 1999 entitled "Development and Production of Neem Products as Environment Friendly Pesticides" with the financial assistance of United Nations Development (UNDP)/ United Nations Industrial Development Organisation (UNIDO) to promote production, processing and use of neem based products, thereby aiding waste land development, generating rural employment and providing farmers with eco-friendly/biodegradable pesticides.

### **Petrochemical Industry**

55. Indian petrochemical industry has continued its rapid stride in terms of both production and consumption. Though no major capacity additions took place either in



polymers or in synthetic fibre industry during the years 2000-01 and 2001-02, however, there has been a growth of about 18% in the production of these petrochemicals in the year 2000-01 over their production during 1999-2000 and is expected to register a growth of about 12.4% by the end of the year 2001-02 over 2000-01. The demand of these petrochemicals which increased to about 3.6% in the year 2000-01 over the year 1999-2000, is expected to go up to 10% by the end of the year 2001-02 when compared with their demand in the year 2000-01. The impressive growth in the production of petrochemical products increased the self-reliance and is reducing import dependency gradually in this sector.

56. Out of 9 PSUs under the administrative control of Department of Chemicals and Petrochemicals, shares of only one company, i.e. IPCL has been disinvested.

57. The Department of Chemicals and Petrochemicals (DCPC) has taken up with the Ministry of Petroleum & Natural Gas for expediting the signing of Gas Supply Agreement between Reliance Assam Petrochemicals Limited (RAPL) and ONGC and supply of the required quantity of gas to RAPL. Discussions between RAPL and ONGC have taken place on 28<sup>th</sup> August, 2001 in which specific differences regarding Gas Supply Agreement have been identified. RAPL is interacting with Ministry of P&NG to make up the shortfall in the supply of gas by ONGC.

### **Fertilisers**

58. The total consumption of fertilizers, which was 16.70 million tones during 2000-01 went up to 19.30 million tones (estimated) during 2001-02. The consumption of phosphatic fertilizers increased from 4.22 million tones in 2000-01 to 5.2 million tones (estimated) in 2001-02 representing a growth of 23.22 per cent while the total production of fertilizers registered a growth rate of 0.29 per cent during 2001-02 over 2000-01. There was no import of urea during 2000-01.

59. The commercial production of 3.96 lakh MT DAP expansion Project of M/s Gujarat State Fertiliser Corporation Limited at Sikka (Gujurat) has commenced from October, 2002. Namrup Revamp Project of M/s Hindusthan Fertiliser Corporation Ltd. is of 3.8 Lakh MT of Urea expected to be commissioned by May, 2003.

60. Due to constraints in the availability of gas and raw materials for production of phosphatic fertilizer, setting up of joint venture projects by Indian companies in rock phosphate and gas rich countries was being encouraged by government.

61. A joint venture (JV) between the government of Oman and Indian cooperative enterprises, Krishak Bharati Cooperative Limited (Kribhco) and Indian Farmers Fertilisers Cooperative (Iffco) signed in 2001, is expected to be commissioned by March 2005. A gas based fertilizer plant at Dubai, United Arab Emirates (UAE) is being setup by SPIC to produce 4.00 lakh MT of Urea.

62. The two public sector fertiliser PSUs, RCF and NFL are making profit and expected to generate projected internal resources. All other PSUs are incurring losses. In case of HFC Government has approved de-merger of its Namrup units into a new company namely

Brahmaputra Valley Fertiliser Corporation. Another two PSUs Fertilizers & Chemicals Travancore Ltd. (FACT) and Madras Fertilizers Limited (MFL) also making losses for last few years owing to their new ammonia plant based on naphtha feed and revamp project respectively.

### **Cement Industry**

63. The cement industry comprises of 120 large cement plants with an installed capacity of 127.20 million tones and more than 300 mini cement plants with an estimated capacity of 9 million tones per annum. The Cement Corporation of India, which is a Central Public Sector Undertaking, has 10 units. The total installed capacity in the country as a whole is 136.20 million tones. Actual cement production in 2001-02 was 99.61 million tones.

64. Cement industry has made significant strides in technological upgradation and assimilation of latest technology. At present, 91% of the total capacity in the industry is based on the modern and environment-friendly dry process technology. The Government has notified cement industry as one of the end-users entitled to operate their own captive coal mine. Many cement plants have shown interest for taking up coal blocks on lease and operate the coal mines.

### **Leather Industry**

65. Indian Leather industry is spread over organized as well as unorganized sector. The unorganized sector i.e. small scale, cottage and artisan sectors account for over 75% of the total production. Through after de-reservation of 11 items in leather sector, which include semi-finished hides and skins, leather shoes, leather washers and laces, moulded rubber soles and heels for footwear, flexible polyurethane foam, polyurethane shoe soles, shoe-tacks & eyelets and leather pickers and other leather accessories for textile industry, no industrial Licence is required for manufacture of most of the items of the leather industry. However, some of the items of the Leather industry viz. leather shoe uppers (closed), leather sandals and chappals, leather garments, industrial bag, fancy leather goods and novelty items, watch straps and leather straps of all types are still reserved for exclusive manufacture by the small scale sector. Non small scale units can manufacture these items after obtaining industrial licence, which is granted subject to an export obligations of 50% of the production in each year.

66. Leather industry has been identified as one of the thrust areas for exports. Footwear sector has been identified as an area of extreme focus. Exports from leather sector accounts for about 4% of India's total export.

### **Paper & Paper Board**

67. The Government has completely delicensed the paper industry w.e.f 17 July, 1997. Several fiscal incentives have also been provided to the paper industry, particularly to those mills which are based on non-conventional raw material.

68. There are, at present, about 515 units engaged in the manufacture of paper and paperboards and newsprint in India. The country is almost self-sufficient in manufacture of most varieties of paper and paperboards. Import, however, is confined only to certain

speciality papers. To meet part of its raw material needs, the industry has to rely on imported wood pulp and waste paper. The production of paper and paper board during the year 2001-2002 has been 31.62 lakhs tones.

69. The proportion of non-wood raw material based paper is increasing over the years. At present about 60.8 per cent of the total production is based on non-wood raw material and 39.2 per cent based on wood.

70. The performance of the industry has been constrained due to high cost of production resulting from inadequate availability and high cost of raw materials and power and concentration of mills in one particular area. Several policy measures have been initiated in recent years to remove the bottlenecks of availability of raw materials and infrastructure development. To bridge the gap due to short supply of raw materials, duty on pulp and waste paper and wood logs/chips have been reduced. The capacity utilization of the industry is low at 60% as about 194 paper mills, particularly small mills, are sick and/or lying closed.

### **News Print Industry**

71. There are at present 63 mills, with an annual installed capacity of about 11.84 lakhs tones. The production of newsprint during the year 2001-02 is 4.64 lakh tones. The import of newsprint during the year 2001-02 is 1.56 lakh tones. The demand for newsprint in the country is met partly from indigenous production and partly by import. Free import and low customs duty have made newsprint market competitive. There are no price or quantitative controls. The industry has been de-licensed. Excise duty on newsprint has been removed.

### **Sugar**

72. The average annual installed capacity of a sugar factory in the country is 2355 TCD, as compared to 10307 TCD in Thailand, 9216 TCD in Australia, 9168 TCD in Brazil and 6877 TCD in South Africa. Considering the need for achieving economies of scale and reduction in the cost of production, there is a need for consolidation of capacity and vertical expansion of capacity.

73. The Government had decided to completely decontrol the sugar industry in a phased manner. Accordingly, the compulsory levy obligation of the sugar factories was reduced from 40% to 30% with effect from 1.1.2000 and to 15% with effect from 1.2.2001. The compulsory levy obligations has been further reduced to 10% with effect from 1.3.2002. The complete decontrol sugar will be effected by the year 2002-03 after the futures market in sugar becomes operational.

74. The Government has decided to undertake legislation to amend the Sugar Development Fund Act, 1982 for loans for bagasse based co-generation power projects, by-product utilization and defraying expenditure on internal transport and freight charges on export shipments of sugar. This is being done to improve the viability of the sugar factories as also to augment the power generation in the country.

## Textiles

75. Textile Industry is one of the largest and the most important sector in the economy in terms of output, employment generation and foreign exchange earnings contributes about 14 per cent to the national industrial production and about 35% to the total national export earnings and as a major source of employment and income generation to millions in various parts of the country. After agriculture, it is the largest employer, the direct employment in the industry was estimated at 35 million approximately and with indirect employment for another 58 million people. It provides employment to large numbers of the weaker sections of society such as SCs/STs, women and minorities, in rural as well as urban areas. Textiles industry in India continues to be cotton-based. In addition to the natural fibres, the industry also uses wide range of synthetic and man-made fibres such as polyester, viscose, nylon, acrylic as well as filament yarns. The industry comprises of both the organized mill sector as well as the decentralized sector. Almost all sectors of industry have shown remarkable achievement. The total production of cloth by all sector i.e. Mill, powerloom, handloom khadi. Wool and silk has gone up with an anticipated production of 41696 million sq. mtrs. during 2001-2002 which works out to 3.66% annual growth in the last 5 years. The spindleage capacity has increased from about 35.39million in 1997-98 to 38.15 million in 2001-2002. A large number of open-end rotors were installed in the 1990s and the trend of setting up of 100% export oriented spinning units has continued. The production of spun yarn is expected to touch the figure of 3132 million kgs during the current financial year showing an annual growth rate of 2.31% during the last 5 years. The production of blended yarn and 100% non-cotton yarn has continued its upward trend of recent years. The production of blended yarn may touch the figure of 639 million kgs during 2001-2002 registering an annual growth of 5.71% during the last 5 years. The production of 100% non-cotton yarn is anticipated to touch the figure of 283 million kgs. during 2001-2002 registering an annual growth of 11.80% during the last 5 years. The decentralized hosiery sector has also shown a significantly higher annual growth rate of 5% during the last 5 years. The above growth in textile industry has led to an increase in per capita domestic availability of cloth in the country despite growth in population and significant growth in exports. The per capita availability is expected to increase to 31.97 sq. mtrs. in 2001-2002 from around 30.92 sq. mtrs. in 1997-98.

76. The Technology Upgradation Fund Scheme (TUFS) was introduced to modernize the textile sector, which is critical for facing global competition from other textile producing countries like China, Taiwan, South Korea, Japan, etc. All the sub-sectors of the textiles like spinning, weaving, knitting, processing, garment making, cotton ginning & pressing and jute sector are covered under the scheme. To make more and more SSI units take the benefits of TUFS, an option either to avail of 12% credits linked capital subsidy or existing 5% interest reimbursement has also been provided to the SSI textile units recently. The regional offices of Textile Commissioners have been holding facilitation camps so that more industrial units including powerlooms can make use of the scheme. There is no cap on funding as it is meant to be an open-ended scheme depending capacity of the industry to absorb funds in bankable and techno-economically feasible proposals. The Scheme is being implemented through selected nodal agencies i.e. IDBI (for Textile Industry excl. SSI Sector), SIDBI (for SSI textile sector) and IFCI (Jute Industry). On the recommendations of Member, Planning Commission, a proposal is under active consideration to work out the modalities for a tie-up for external commercial borrowings through financial institutions to modernize textile industry. As on 1.8.2002, a total of 1778 applications with project cost of

Rs.14696.96 crores and loan amount of Rs.8506.26 crores were received and 1541 applications were sanctioned loan of Rs.5505.59 crores and 1247 applications were disbursed loan of Rs.3851.06 crores. Upto April 2002, segments viz. spinning, composite upgradation and processing of fibre yarn, garments and made-ups registered better performance than other segments. States viz. Tamil Nadu, Gujarat, Punjab, Maharashtra and Rajasthan registered better performance than other States.

77. Considering the importance of the cotton crop to the national economy, the Govt. of India has launched a Technology Mission on Cotton (TMC) from February 2000 to address the issue of low productivity and contamination. The Mission consists of four Mini-missions which are being jointly implemented by the Ministry of Agriculture and the Ministry of Textiles. Mini-Mission I and II are implemented by the Indian Council of Agricultural Research (ICAR) and the Ministry of Agriculture respectively, while Ministry of Textiles is the Nodal agency for implementation of Mini-Missions III & IV. Out of 51 market yards sanctioned for development during the 9<sup>th</sup> plan, 32 market yards have been completed and the remaining yards were to be developed by the beginning of the current cotton season. Out of the 150 ginning and pressing factories sanctioned for modernization during the IX Plan, 98 factories were modernized and remaining factories were to be modernized by the end of the current cotton season i.e. by October 2002.

78. As per the latest information available (i.e. upto September, 2002) under MM-III, 95 project proposals (setting up of 17 new market yards, improvement of 62 market yards and activation of 15 market yards) at a total estimated cost is Rs.400 crore have been sanctioned, out of which Government of India share would work out to Rs.82 crore. Under MM-IV, modernization of 196 ginning and pressing factories, have been sanctioned at an estimated cost of Rs.400 crores.

79. As per WTO agreement, the quota regime will be phased out by the end of 2004 and textile trade will be totally free. The Government of India has announced the National Textile Policy with a view to preparing the industry for successfully meeting the challenges of the post-MFA era and develop a strong and vibrant industry that can : a) produce cloth of good quality at acceptable prices to meet the growing needs of the people; b) increasingly contribute to the provision of sustainable employment and economic growth of the nation; and c) compete with confidence for an increasing share of the global market. The Working Group for the Tenth Plan had projected an export of US\$ 32 billion by 2006-07 and US\$ 50 billion by 2010.

80. Two Centrally Sponsored Schemes namely Apparel Parks for Exports and Textiles Centre Infrastructure Development Schemes have been launched by the Government with the objective of promoting textile exports of international standards and providing textile export units with modern infrastructural facilities for growth and conducive investment environment. Under Integrated Apparel Park Scheme, financial assistance is to be provided for setting up parks of modern high-tech weaving/knitting modern processing units and Effluent Treatment Plants and also provide skill upgradation/testing facilities of high standards at the approved parks or textile growth centres. A budget provision of Rs.75 crore each for the above schemes has been earmarked for the Tenth Plan approved outlay.

81. The Budget allocation for Ministry of Textiles was enhanced substantially from Rs.457 crore in 2000-2001 to Rs.650 crore in 2001-2002, which has been enhanced to Rs.736 crore as an approved plan outlay for 2002-03.

82. The provision for the TUFS kept at Rs.200 crore in 2001-2002 has been enhanced to Rs.250 crore for 2002-03 and incentive for modernization was offered by enhancing depreciation rate of machinery installed under the scheme to 50% per annum. At least 50,000 new shuttleless looms and the modernization of 2.5 lakh plain looms to automatic looms is expected to take place by 2004 through funding from the Technology Upgradation Fund Scheme (TUFS).

83. In order to examine and rectify the constraints affecting growth and investment in the sector, especially in the context of the sector's potential to re-emerge as a vibrant segment of the economy, PM approved setting up of a Steering Group on Investment and Growth in Textiles under the Chairmanship of Shri N.K. Singh, Member, Planning Commission. The Steering Committee has focused, besides measures for attracting investment on the issues of enhancement of export competitiveness and drawing up of a fiscal and tariff road-map to make the industry internationally competitive. The major recommendations of the Committee for the textile industry are :

- A continuous CENVAT chain is necessary for encouraging investment and technology upgradation and it will reduce distortions in the system and provide CENVAT credit at all stages of production thereby encouraging investment and technology upgradation in efficient and high quality units.
- The cost of machinery is a critical factor in attracting investment in modernization and technology upgradation. Success of Textile Package particularly the modernization of 2,50,000 powerlooms and the induction of 50,000 shuttleless looms will depend upon the reduction in the cost of machinery. Therefore, as a general principle, the cost of textile machinery be reduced by bringing down the customs duty to 5% and exempting the same from CENVAT. In particular, semi-automatic shuttle looms be exempted from CENVAT, specified machinery items of processing, silk and jute sectors from CENVAT and CVD, etc. for a period of 3 years upto 1.3.2005;
- To stimulate and encourage new investments in textile sector, the industry needs to be export led and garment driven. For this it is necessary to withdraw existing SSI excise exemption for clothing sector and also introduce CENVAT on knitwear sector with CENVAT credit facility;
- A merit rate of 8% CENVAT for the Textile Sector in general (with a few exceptions) for a period of 3 years with a sunset clause upto 1.3.2005 may be introduced to enhance the industry's competitiveness. In case of PFY, POY and PTY a reduction in excise duty from 32% (16% CENVAT + 16% SED) to 8% may not be possible in view of the revenue considerations involved, CENVAT rate of 16% (CENVAT 8% + SED 8%) for all synthetics/man-made fibres may continue. The Group also recommended that no positive credit should be given at any stage in the textile chain and, therefore, capping of CENVAT credit has been recommended wherever necessary.
- A level playing field shall be provided between organized and unorganized sector by introduction of optional CENVAT scheme for those engaged in mercerizing/doubling/cabbling

etc., of yarn with CENVAT credit based on document and withdrawal of SSI excise exemption on woolen/shoddy yarn and wool tops.

- In order to ensure availability of raw materials for the textile sector at reasonable prices as also to encourage maximum value addition within the country, custom duty on apparel grade wool and flax fibre should be reduced from 15% to 5%, and a reduction in custom duty on intermediates of synthetic fibres and yarns (DMT/PTA/MEG/Caprolactum) from 20% to 15%.

84. Technical Textiles is also one of the new areas which will be supported by the Government for legislation for mandatory use of the fire-retardant textiles in public buildings, improving road infrastructure, soil conservation efforts etc. Research and Development activities would cover decentralized sectors, Technical Textiles, product development, Eco-friendly technologies, cost reduction technology and information technology.

85. A large number of textiles mills have become sick in the public sector, particularly, cotton textile mills Under National Textile Corporation (NTC) and British India Corporation (BIC). NTC has identified 53 viable mills and 66 unviable mills. The Government proposed to modernize the viable mills and closure/privatization of unviable mills. The BIC has two woolen mills and two cotton subsidiary companies with 3799 employees because of excess manpower, shortage of working capital and obsolete machinery, it is making continuous losses and the matter is referred to BIFR and the revival package is under consideration.

## **Jute**

86. The jute sector is one of the oldest and most traditional sectors in the country. The sector plays an important role in the national economy, in general, and eastern region in particular.

87. India is the largest producer of the raw jute in the world and the second largest exporter of jute goods. About four million families are engaged in the cultivation of jute and mesta and about two lakh workers are employed in the jute industry. Production during 2001-02 (April/September) recorded a marginal increase to reach 7.81 lakh tones from 7.80 lakh tones during the same period of last year. The notable feature of this year's production is substantial increase in production of sacking by 15% at the cost of production of Hessain. This increase in production of sacking is attributable mainly to revival of domestic demand from traditional end users and increase in the requirement of jute bags on Govt. account for packing foodgrains. The current trend indicates that production during 2001-02 is likely to touch 16.25 lakh tones.

88. Jute has been the traditional export earner for India. Considered as the most appropriate packing material for many products, at one time. The decline started when synthetics came into the world market as an alternative and cheaper packing material. Jute continued to hold its own in the national markets primarily on the support of legislative and other interventions. While these protections enable the jute industry to sustain and grow it also became a reason for the inadequate modernization and diversification of the industry. Efforts are underway to implement a road map for dilution of compulsory packaging norms in the country thereby paving the way for free choice to consumers. The

jute industry, however, is not very keen to follow this path of modernization and diversification given the comfort and inertia of operating under the Jute Packaging Materials Act. While synthetic substitutes are definitely a cheaper option to the first user the possibilities of re-use and environmental factors have raised serious questions about continued use of synthetic packaging material. The non-bio-degradability and the problems faced in disposal of bags by urban authorities all over the world have raised important questions on the desirability to continue with plastic packaging. This concern opens up a new opportunity to jute to come back to its original glory by presenting an environmental and consumer friendly packing option. This however cannot be done if the industry continues to produce conventional sacking material. Various other uses for the fibre have been found and shifting to a lighter, brighter quality packaging material appears to be a path for growth for this sector. The National Textile Policy envisages setting up of Jute Technology Mission on the lines of Cotton Technology Mission for the development of jute sector. The objective of the Mission is to take up activities in the critical area of technology and draw upon the results of R&D Programmes undertaken so far for larger and faster commercialization and improving productivity per hectare, quality of raw jute, develop efficient market linkages for raw jute, ensure product engineering involving machinery updating, better management and maintenance practices, encourage R&D activities for promoting higher labour productivity and better quality making jute products more competitive in the domestic as well as international markets.

89. The United Nation Development Programme (UNDP) assisted National Jute Development Programme concluded on 31. 3. 1999. Second phase of UNDP Programme known as successor Country Cooperation Framework-I (CCF-I) Programme envisaging a total contribution of US\$ 7 million by UNDP and Rs.20 crore by Government of India has since been launched. This programme has been extended upto March 2002. The activities to be taken up under this programme include promotion of fine jute fibre cultivation, support to NGOs working with diversified jute products, implementation of strategic marketing plan for jute, human resource development, commercialization of R&D efforts of phase-I, indigenization of machine manufacture, quality assurance for jute goods, biotechnology intervention for development of better quality of jute fibre, etc.

90. National Centre for Jute Diversification (NCJD) is actively engaged in consolidating R&D results of various institutes in jute and textiles and transfer these to the entrepreneurs for commercial production. It co-ordinates with various agencies and helps the entrepreneurs in arranging technical, financial and marketing support and encourages them to take up production and marketing of jute diversified products.

91. Jute Manufactures Development Council (JMDC) has been entrusted with all functions relating to export promotion in the jute sector and also to perform other activities in the domestic market of jute sector. The Govt. of India finances the activities of JMDC out of the cess collected on various jute manufacturers wholly. JMDC is working in close association with Indian Jute Industrial Research Association (IJIRA) for development of low cost jute bags and promoting jute bags as an alternative to plastic bags in coordination with relevant State Govt. authorities.

92. Jute Entrepreneurs Assistance Scheme (JEAS), provides interest free loan to different categories of entrepreneurs upto a maximum limit of Rs.50 lakh from the Special Jute Development Fund. During the period April-November 2001, 712 new units have been



assisted. Till date a capacity of 60,000 MT of jute yarn production have been created since the beginning of the scheme. The scheme provided direct employment to 5200 persons and indirect employment to 20,000 persons since its inception.

### **Atomic Energy:**

93. Activities of the Department of Atomic Energy (DAE) under the industry and minerals sector primarily include manufacture of nuclear and structural materials and control systems to build and operate the nuclear power plants and management of the back end of the fuel cycle. The programme profile ensures that there is a sustained and timely supply of nuclear fuel and other materials for the operating nuclear power plants and the plants that are being built. This sector is also engaged in the production of equipment for radiation and isotope products and services going to some important sectors of our economy, like agriculture, food, health, etc.

94. PSUs under DAE are the Uranium Corporation of India (UCIL), Indian Rare Earths (IRE) and Electronics Corporation of India Ltd. (ECIL), which meet the requirements of uranium concentrates, zirconium sponge and instruments and controls respectively.

95. The present nuclear power generation capacity in the country is 2,720 megawatt (Mw). The DAE plans to raise the capacity to 7,180 Mw by 2009-10.

96. A majority of the programmes implemented in the Ninth Plan have achieved the goals set by the DAE. The activities covered included: exploration for uranium, rare metal and rare earth and beach sand mineral resources; mining and processing of uranium ores and mineral sands; fabrication of nuclear fuel and production of heavy water for nuclear power reactors; reprocessing of the spent fuel and waste management; and production of control and instrumentation equipment for nuclear power plants. Reprocessing of spent fuel and irradiated thorium as well as waste management of the nuclear fuel cycle constituted the front end of the nuclear power programme. Radioisotopes produced in the research reactors, Dhruva and CIRUS at Trombay after formulating into radio-pharmaceuticals, radio-labelled compounds and radiation sources are supplied to various users for application in industry, agriculture, research and health care.

97. The present heavy water capacity is enough to take care of the country's power need during the Tenth Plan. Need for capacity addition will arise during the Eleventh Plan. During the Tenth Plan, the expenditure will be mainly towards energy saving retrofits and renewal and replacements and augmentation of plant capacities.

98. Increased fuel requirement will require new additions during the Tenth Plan. The heavy water moderated reactors (in operation or to be installed), would need addition in capacity for Zirconium Fuel Tubes through three related projects namely New Zirconium Oxide Plant, Zirconium Plant and Zirconium Fuel Tube Plant.

99. To tide over the problem of limited availability of natural uranium reserves in the country, development of Fast Breeder Technology with MOX fuel and advanced heavy water reactors on U-233 has been taken up in earnest. It would require new fuel fabrication facilities at existing site of Nuclear Fuel Corporation (NFC) as well as new locations under two separate line of activities The major additions with Tenth Plan

requirement will be for the MOX Fuel Pin Fabrication Plant at Kalpakkam, Fast Breeder Reactor Reprocessing Plant and Fabrication of prototype fast breeder reactor (PFBR) Core assemblies.

100. In addition to above, DAE pursues the programmes based on application of radiation technology in the field of health care, food preservation and industrial sectors and has set up facilities under Board of Radiation and Isotope Technology (BRIT) and Centre for Advanced Technology (CAT). Some new projects have been added under these units apart from continuing projects.

### **Mining and Metallurgical Industry**

101. One of the major objectives of the Tenth Plan will be the search for the minerals in off-shore areas such as in the continental shelf and maritime zone within the territorial water limits along the Indian peninsular and the islands of the Indian Union. This would involve delineation of the area, which is likely to extend by more than one million sq. kms. The Government is actively considering enactment of suitable legislation for off-shore mineral investigations which will ultimately lead to extraction of minerals from the sea-bed.

102. Thrust would have to be given on building up of reserve-base of those minerals in which it is presently low such as base metals, nickel, tin, graphite, noble metals, precious stones, rock phosphate, etc. and for minerals the present resource-base of which is negligible and India is totally dependent on imports such as antimony, molybdenum, platinum group of metals, tin, tungsten, potash, native sulphur, etc. It is quite likely that the private sector will not invest in the exploration of these minerals because of risk involved apart from the fact that the private sector is yet to come up in the Indian exploration market. The State (both the Central and State Governments), therefore, will have to continue performing promotional role for exploration of these minerals.

103. GSI will have to be restructured and modernized, including in the areas of instrumentation for both ground and aerial geophysical surveys, state-of-the-art laboratory instrumentation with high precision capabilities, etc. Also, a new research vessel will have to be acquired for carrying out bathymetric and magnetic surveys in off-shore areas for staking claim on extended continental shelf zone up to 350 nautical miles under Third United Nations Conference on Laws of the Sea (III – “UNCLOS”).

104. Beneficiation projects will have to be undertaken for up gradation of low grade minerals. For this, self-sustaining institutions as well as private sector organizations will have to work together and the Government will facilitate creating this net-work.

105. It will be necessary to adopt U.N. Framework Classification (UNFC) at the earliest and to bring up the national mineral inventory as per this classification which will present reserves/resources of minerals on internationally uniform system inter-alia for attracting more FDI in the mining sector.

## **Review of the Annual Plan (2001-02)**

106. In view of the economic liberalization and globalization, the Government of India has taken a series of new initiatives under the over all frame work of National Mineral policy (NMP-1993) for growth of the mineral sector. The Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act) and the rules framed there under were amended in 2000-01 to make the statutory provisions on par with international best practices and investor friendly.

107. During the year 2001-02, MCR, 1960 and MCDR, 1988 were further amended as: (i) A time limit of ninety days has been prescribed for the Indian Bureau of Mines and the State Governments to convey decision on the mining plan submitted for approval (ii) Time limits have been prescribed for conveying a decision on applications for mineral concessions, viz six months for reconnaissance permits, nine months for prospecting licenses and twelve months for mining leases (iii) The provisions of penalty under MCDR, 1988 have been made more stringent to ensure systematic and scientific mining. (iv) The fee structure for various applications under MCR, 1960 and MCDR, 1988 has also been revised to make these pertinent to the cost of processing the applications.

108. Three proposals involving foreign direct investment to the tune of Rs.29 crore were approved during the year 2001-02, through the Foreign Investment Promotion Board (FIPB) route, which takes the total number of FIPB approvals to 70, indicating an expected FDI inflow of Rs.3,963 crore.

109. The policy changes have attracted private investment in exploration of base metals, noble metals and other scarce minerals. Since 1.1.2001 to 31.1.2002, reconnaissance permits in 67 cases involving an area of more than 83,000 sq. kilometer have been approved so far, of which 29 reconnaissance permits involving 31,000 sq kilometer were approved in 2001-02.

110. The States , Andhra pradesh, Karnataka, Rajasthan, Utter Pradesh and Haryana have approved twenty seven, twenty three, fourteen, two and one reconnaissance permits respectively.

111. Beach Sands (Atomic Minerals), which were hitherto reserved for the public sector, have been opened to the private sector for exploration and commercial exploitation subject to, however, some guidelines under the Atomic Minerals Act.

112. During the Zero-based budgeting exercise, the schemes/ programmes /projects implemented during the Ninth Plan were considered in depth for the purpose of weeding out, convergence and merger etc.

113. The schemes/projects in Hindustan Copper Ltd. have been weeded out and the company is slated for disinvestment.

114. NALCO would continue with the critical on going schemes like expansion of smelter and captive power plant.

115. Schemes aimed at maximizing benefits would continue in HZL which had already been disinvested to a strategic partner.

116. Geological Survey of India has been taking up some open-ended schemes. Efforts have been made to projectise these schemes apart from merging some and weeding out others.

117. IBM is essentially carrying out the establishment work and therefore all its Ninth Plan schemes have been merged into one.

118. The Science and Technology (S&T) programmes are being undertaken in a project mode with approved scope, cost and time of completion.

119. The Department of Atomic Energy is undertaking the schemes which are strategic in nature and therefore, it is necessary to continue with these programmes/ schemes.

120. The programmes of the Department of Ocean Development are essentially related to mining of poly-metallic nodules and related technology to recover metals such as copper, nickel, manganese, etc., from these nodules. These programmes are also in a projectised mode with approved scope, cost and time of completion.

121. The Hindustan Zinc Limited (HZL) where the Government of India held 75.92% equity, the decision has been taken to disinvest 26% of its total equity to M/S Sterlite .

122. In National Aluminium Company Limited (NALCO), where the Government of India holds 87.15% equity and the decision has been taken to further disinvest 30% of NALCO's equity through market route.

123. The disinvestment in Mineral Exploration Corporation Limited (MECL) would be taken up in the financial year 2002-03.

124. The Government of India has decided to disinvest its total shareholding (98.95%) in Hindustan Copper Limited (HCL) to an interested buyer. Expressions of Interest have been invited and an Inter-Ministerial Group for disinvestment of HCL has been constituted under the Chairmanship of Secretary, Department of Disinvestment.

125. A decision has already been taken by the Government to wind up sick Bharat Gold Mines Ltd (BGML).

126. The London Metal Exchange (LME) prices of non-ferrous metals kept on fluctuating during the plan period. In particular, copper has been the worst case, its prices have remained depressed and fluctuating between US\$ 1450-1500 per tonne affecting adversely the performance of Hindustan Copper Limited (HCL) working mainly on indigenous copper ore.

## **THE SUB SECTOR PROFILE**

### **Iron Ore**

127. As against anticipated production of 100 million tonnes, the output of iron ore during the year 2001-02 was 80.99 million tonnes (Annexure-6.3.1). The indicative export target of 32 million tonnes set for the year 2001-02 was exceeded by around 2.43 million tonnes primarily because of demand from China, South Korea, etc.

128. The Government of India had approved development of Bailadila 10/11A iron ore projects of the National Mineral Development Corporation (NMDC) at an estimated cost of Rs.430.50 crore in August, 1995 which was to be completed by August, 1999. The implementation of the project got delayed because of some technical reasons. The equipment required for construction have already been arrived and deployed for mine development for the production capacity of 5.00 million tonnes per annum. NMDC is also planning to develop Kumaraswamy mine with a capacity of 3 million tonnes per annum in Karnataka as a replacement for the depleting Donimalai iron ore mine.

129. The mining lease for Kudremukh Iron ore company Ltd.(KIOCL) was given for 30 years period which expired on 24<sup>th</sup> July 1999. One year work permit from 25<sup>th</sup> July 1999 to 24<sup>th</sup> July 2000 given in the first instance, was further extended one year more till 24<sup>th</sup> July 2001. While approving the extension, Government of India had directed the Government of Karnataka to finalise the notification regarding Kudremukh National Park on or before 30.9.2000. The Government of Karnataka had taken a decision to exclude the lease area of 3203.55 Hectares of forest land and an additional 500 hectares of Lakya Dam submersion area from the purview of National Park and accordingly a notification has been issued deleting the Kudremukh Mine area and Lakya Dam from the Kudremukh National Park area. This notification has since been challenged and PIL is pending before the Hon'ble Supreme Court.

## **NON-FERROUS METALS**

### **Aluminium**

130. Aluminium smelting is power intensive and due to constraints in power supply and its high cost, this sector has suffered. However, major industries like NALCO and HINDALCO are now able to produce with their captive power at reasonable low cost to compete in the world trade of the metal.

131. Primary aluminium output during the year 2001-02 was 6,38,000 tonnes against an indicative target of 6,48,000 tonnes (Annexure – 6.3.1 ).

132. The short fall was accounted due to INDAL's Belgaum Smelter, which did not re-energised apart from marginal expansion of its Hirakud smelter also could not materialize, as was anticipated.

133. No green field investment was anticipated in the aluminium sector, neither in the private sector nor in the public sector during the Plan period.

134. The NALCO's debottlenecking project of its alumina refinery and expansion projects of bauxite mines from 2.4 million tpa to 4.8 million tpa and Alumina Refinery from 0.8 million tpa to 1.575 million tpa have been completed. The expansion of aluminium smelter capacity from 2,30,000 tonnes per annum to 3,45,000 tonnes per annum is under implementation.

135. NALCO has commissioned the first phase of the expansion of its alumina refinery in June, 2000 which has taken the production capacity of refinery from 8,00,000 tonnes per annum to 10,50,000 tonnes per annum. The final phase of expansion to the level of 15,75,000 tonnes per annum has been completed during December 2001.

136. After expansion, NALCO becomes the largest alumina producer in Asia with an exportable surplus of one million tonnes per annum after meeting the internal demands of its expanded smelter at Angul.

137. As regards the captive power plant (C.P.P), all the six units of 120 MW capacity are working at the rated capacity. Additions of the seventh and eighth units of 120 MW capacity each to the Captive Power Plant are likely to be completed during the X<sup>th</sup> Plan period. The Government has further approved expansion of capacity of CPP from 840 MW to 960 MW at a cost of Rs.480 crores. The project is under implementation.

138. NALCO is implementing a number of downstream projects for manufacturing value added items like special grade alumina and zeolite etc.

## **Copper**

139. The copper output during the year 2001-02 was 3,06,000 tonnes, as against the indicative target of 3,12,000 tonnes. (Annexure – 6.3.1).

140. The indigenous primary copper smelting capacity during the year 2001-02 was around 3,47,500 tonnes per annum as against the Ninth Plan anticipated target of 5,00,000 tonnes per annum due to the additions to the indigenous copper smelting capacity to the tune of 1,52,500 tpa, which was anticipated to come from the expansion of HCL's Khetri smelter (52,500 tpa) and a new smelter of Metdist Ltd. (1,00,000 tpa) not materializing on commercial considerations.

141. The out put of higher production of the metal was on account of private sectors like M/s Birla Copper and M/s Sterlite smelters based on imported copper concentrate (using OTOKUMPU and MIM technology) respectively.

142. The indigenous mining activity among the primary copper producers is limited to only Hindustan Copper Limited (HCL). The other primary copper producers in the private sector (Birla Copper and Sterlite Industries) import the required quantity of copper concentrate.

143. HCL also imports some quantity of copper concentrates for its smelter plants to supplement shortfall in indigenous production. The only indigenous copper ore mines accounting for primary production of copper during 2001-02 were the Malanjkhand, Khetri, Kolihan and Surda mines of HCL.

## Zinc and Lead

144. Zinc output during 2001-02 was 2,05,209 tonnes against an indicative target of 1,78,000 tonnes. The higher output of the metal was due to additional capacity coming on stream and efficiency gain.

145. Lead production was estimated at 38,217 tonnes against an indicative target of 45,000 tonnes( Annexure- 6.3.1).

146. The decline in lead output was noted due to ban imposed on importing lead scrap in the form of drained batteries or battery plate scrap, lead residues or lead dross under the Basel Convention, which resulted in the secondary lead output of the India Lead Ltd. – a private sector company – coming down to about 50 per cent of its annual capacity apart from the additions to its lead capacity not materialising on commercial considerations, and the closure of both plants of ILL( India Lead Limited) at Thane and Kolkata.

147. The secondary zinc producers were not in operation as they were not able to import raw materials such as zinc ash, dross and skimmings, etc., on account of ban imposed by the Government under the Basel Convention.

148. The secondary zinc production was resumed after importing raw materials under the 'Actual Users Licence'.

149. HZL has completed expansion of existing smelters at Debari and Vishakhapatnam on schedule by 10,000 tonnes per annum and 7000 tonnes per annum respectively. The zinc production capacity of the Company now has been augmented from 1,52,000 tonnes per annum to 1,69,000 tonnes per annum.

150. During 2001-02, GSI took up a total of 148 programmes on mineral investigations. It has covered 98.23% of the total area of 32,87,000 sq.km. of the country by systematic geological mapping on 1:50,000 scale. An area of 2,63,000 sq. km. has been identified for updating and refining the database generated during systematic geological mapping by applying higher resolution and the emerging concepts to be covered by theme oriented mapping on 1:25,000 scale. GSI has completed "Technical Assistance project for Detailed Exploration of Platinum Group of metals in Orissa".

151. The Marine Wing of the GSI continued its offshore geo-scientific survey programmes within the Exclusive Economic Zone (EEZ) of Bay of Bengal, Arabian Sea, Andaman Sea and beyond the EEZ in the Indian Ocean.

152. Under the indigenous R&D programme of IBM, emphasis was laid on promoting R&D efforts in hydrometallurgical and bio-leaching processes for the extraction of low grade ores.

153. During the year 2001-02 (up to December, 2001), IBM continued preparation/updation of mineral maps of soapstone leaseholds in Rajasthan and bauxite leaseholds in Gujarat along with corresponding forest overlays. Preparation of mineral maps of sillimanite leaseholds and limestone leaseholds in Meghalaya State was completed. Besides, 39 index maps, multi-mineral maps, regional geological maps etc. were digitized.

154. IBM has completed two projects with the assistance provided by BRGM, France, namely, environment management of mines and waste recovery at an estimated cost of 16 million French Francs and technical management information system at an estimated cost of 23.4 million French Francs.

155. During 2001-02, till December 2001, IBM had taken action under the mining statutes for regulation of conservation of mines mentioned as under:

● Mining Plans approved	:	481 numbers
● Mines inspected	:	1653 numbers
● Violations pointed out	:	1644 numbers
● Violations fully rectified	:	613 numbers
● Updated National Mineral Inventory as obtaining on 1.4.2000	:	27 Minerals
● Area covered in Mineral Maps	:	21000 hectare

156. The preparation of mineral maps with forest overlays with the help from Forest Survey of India, has been initiated for mineral rich areas of different States. These forest overlay maps will be supplied to the Department of Mines & Geology of State Governments for speedy processing of forest clearance in the grant and renewal of mining leases.

157. MECL's exploration programmes have yielded non-coking coal reserves amounting to 322 million tonnes in the State of West Bengal, lignite reserves to the tune of 1092 million tonnes in Tamil Nadu and copper ore reserves of 3.48 million tonnes with 0.89 Cu% in Singhana Extension block (Ph-I), dist Jhunjhunu, Rajasthan. Diamondiferous conglomerate amounting to 1.34 million tonnes has been established at Hatupur, Panna diamond field, Madhya Pradesh, while 1.90 million tonnes of gold ore with 3.93 g/t Au has been established at Dona East (Ph-I), district, Kurnool, Andhra Pradesh and 0.10 million tonnes of molybdenum with 0.08% Mo at Vellampatti south block, Tamil Nadu.

158. Sikkim Mining Corporation (SMC) has been transferred to the Department of Development of North Eastern Region with effect from 21.12.2001.

159. The State Government of Chhatisgarh and West Bengal have recently framed/revised their mineral policy /mining policy to expedite exploration of new mineral deposits by adopting modern exploration techniques. This will Create a conducive business environment to attract private investment both domestic and foreign in the mineral sector. The policy aims at the simplification of procedure and complete transparency in decision making to exploit mineral deposit by promoting adoption of mechanized and scientific mining with due regard to optimum exploitation, mines safety and minimizing the adverse affects of mineral development on the eco-system. It would provide necessary linkages for smooth and uninterrupted development of mining industry and to create a data base . The Value addition through promotion of processing units and mineral based industries would be encouraged. The policy would encourage the export of minerals having exportable potential and increase employment opportunities in the mineral sector and promote development of human resources to meet the future requirements of mining and mineral based industry besides, ensuring safety and welfare of the people engaged in mining



activities with greater and scientific utilization of mineral resources by preventing illegal mining transportation and storage of minerals.

### **Programmes to be taken in the Annual Plan 2002-03**

160. NALCO would take up its critical on-going schemes like capacity increase of Smelter and VIII unit of the captive power plant etc. Hindustan Zinc Ltd. proposed to complete the critical on-going schemes along with some new schemes and schemes aimed at maximizing benefits. Hindustan Copper Ltd would take up replacement and renewals of mining and other equipments. MECL would continue with its promotional and capital schemes besides, undertaking beneficiation programmes for upgradation of low grade minerals/ore. For this, self-sustaining institutions as well as private sector organizations will have to work together and the Government will facilitate creating this net-work.

161. GSI will have to be restructured and modernized, including in the areas of instrumentation for both ground and aerial geophysical surveys, state-of-the-art laboratory instrumentation with high precision capabilities, etc. Also, a new research vessel will have to be acquired for carrying out bathymetric and magnetic surveys in off-shore areas for staking claim on extended continental shelf zone up to 350 nautical miles under Third United Nations Conference on Laws of Sea ( III – “UNCLOS”) in the Tenth plan.

162. IBM proposed to prepare U.N. Framework Classification (UNFC) and preparation of mineral maps with forest overlays with the help from Forest Survey of India, has been initiated for mineral rich areas of different States.

163. Despite the progress made in the recent past by private companies including FDI in the mining sector, there are some areas of concern having policy implications require further attention. These have been given below:

#### **Areas Of Concern**

164. The present procedure for granting various clearances such as reconnaissance permit, prospective licence, mining lease, transfer of surface rights has been perceived to be taking unduly a long time.

165. The mining industry is of the view that the above clearances should be made time-bound. In case, the approvals are not granted within the laid down time-frame, these should be treated as having been granted.

166. A provision needs to be made in the MMRD Act for revoking reconnaissance permit if not implemented within the prescribed time limit.

167. Presently one cannot mine a deposit which lies in declared forest area. There are many excellent mineral deposits available in such forest areas. There can be a way out for exploiting commercially such deposits for the benefit of the economy vis-à-vis maintaining requisite forest cover and at the same time enforcing safeguarding other concerns of maintaining eco-balance. This way out needs to be found.

168. Various State Governments have laid down extraneous conditions and demands such as free extra royalty, etc., besides asking the mining companies to put up their processing plants in the respective States. Such conditionalities are contrary to the present policy dispensation and needs to be done away with for the speedy growth of the private sector investment including FDI in the mining sector.

169. The practice of reserving large mining areas by the State Governments for exploitation by the Public Sector needs to be discontinued as this practice is also inconsistent with the present policy dispensation.

170. Inadequacy and high cost of infrastructure continues to be a big constraint in the growth of mineral sector including exports. This constraint will have to be eased out with speed that it demands.

171. Due to low availability of indigenous lead concentrates as well as scrap, there is an urgent need to look for a new lead resources in the country.

172. There is also a need for centralized collection of battery scrap and its processing in the organized secondary sector by units having the required environmental control measures in position. This will arrest the growth of backyard lead smelters, which are not considered environment friendly.

#### **Externally Aided Projects in the Mineral Sector**

173. GSI has proposed to undertake modernization of the laboratory facilities and restructuring of its ground, marine & aerial surveys with BRGM financial aid at Rs.70.00 crores.

174. Similarly, four IBM-BRGM project proposals i.e. Management of Solid Waste from Mining in India, Supply of Laboratory equipment to IBM, Capacity of building at State level for Mineral Development and Environmental Management. Implementation of United Nation's Framework Classification for Mineral Resource Management in India under Grant-in-Aid are under active consideration of BRGM, France and Government of India, have been included in the Tenth Plan. These projects include Rs.3.33 crores BRGM, France assistance.

#### **Plan Outlay**

175. Plan outlay (RE) of Rs.1445.95 crore was estimated for the Annual Plan (2001-02), which included Rs. 1203.50 crore as of IBER and Rs.242.45 crore of budgetary support. An outlay of Rs.1253.00 crore was approved for the Annual Plan (2002-03), to be financed through IEBR of Rs.1018.50 and GBS of Rs.234.50 crore including a sum of Rs.73.33 crore as foreign aid routed through the budget.

**Physical Performance during the year  
2000-01,2001-02 and Target for the year 2002-03**

S. No.	Item	Unit	2000-01 Actual	2001-02		2002-03 Target
				Plan Target	Actual	
1	2	3	4	5	6	7
1	Iron Ore	Mill.Ton	77.00	100.00	80.99	100.00
2	Aluminium (Primary)	Tho.Ton	642.84	648.00	638.00	721.00
3	Copper (Cathodes - primary)	Tho.Ton	237.72# (42.30)\$	312.00# (43.00)\$	306.00 (35.80)\$	348.00
4	Zinc (Primary)	Tho.Ton	178.00	178.00##	205.00	199.00
5	Lead	Tho.Ton	40.51	45.00	38.00	58.50

# Including production from the private sector companies i.e. Sterlite Industries Ltd., Indo Gulf Copper Ltd. (Birla Copper) and Hindustan Copper Ltd. – a public sector enterprise.

\$ Indicative Plan Target for HCL.

## Higher output through additional capacity coming on stream and efficiency gain as against indicative IX th Plan target.

## 6.4 VILLAGE & SMALL SCALE INDUSTRIES AND FOOD PROCESSING INDUSTRIES

1. The Village & Small Industries (VSI) sector includes industries such as Small Scale Industries (SSI), handlooms, handicrafts, powerlooms, sericulture, khadi, wool, coir, etc. This sector has emerged as a dynamic and vibrant sector of the economy over the years. It has consistently registered growth in production, employment and exports. Small scale industries (SSIs) play an important role as producers of consumer goods and providers of employment to labour at lower investment than the large and medium scale industries, thereby addressing the problems of reducing poverty and unemployment. There are about 34 lakh small scale industrial units in the country accounting for more than 40 per cent of the gross value of output in the manufacturing sector and about 35 per cent of the total exports of the country. It provides employment to about 192 lakh persons, which is second only to agriculture.
2. The Government has been encouraging and supporting promotion of small scale industries through policies such as infrastructural support, preferential access to credit, reservation of products for exclusive manufacture in the SSI sector, preferential purchase, etc.
3. The Planning Commission has carried out the Zero-based Budgeting (ZBB) exercise for the Tenth Plan and 189 schemes under implementation in the 9<sup>th</sup> Plan have been brought to 74 schemes by merging/regrouping/weeding out schemes. This exercise has the effect of concentrating on important schemes and not to spread resources thinly on large number of schemes.
4. The growth of SSI sector has generally been higher than the industry sector as a whole by two to three percentage points. However, in the more recent past, the sector has started feeling the effect of opening up of the economy and competition from imports. The Small Industries Development Bank of India (SIDBI) is the apex bank for the small scale sector disbursing large funds and providing refinance to commercial banks for on-lending to the SSI sector. A Credit Guarantee Scheme has been taken up on pilot basis. Under this scheme, loans upto Rs.25 lakh would be guaranteed without any collateral guarantee by the Credit Fund and upto 75 per cent of the loan would be repaid to banks in case of failure of the SSI unit and balance 25 per cent would be recovered after liquidating its assets.
5. Turnover limit of SSI units has been raised from Rs.4 crore to Rs.5 crore to help banks to provide more working capital; lending by banks to NBFCs or other financial intermediaries for purposes of on-lending to tiny sector has been included under priority sector lending by banks. As on 31<sup>st</sup> March, 2002 for 3247 SSI units in 28 States/Uts guarantee has been approved for loan amount of worth Rs.3557.68 lakh by the Credit Guarantee Fund Trust for Small Scale Industries (CGTSI) operating the Credit Guarantee Scheme since July 27, 2000. Specialised bank branches exclusively meant for small industries are being set up to improve availability of credit to the SSI sector. So far, 391 specialised bank branches have been set up by the banks.

6. The scope of the technology modernisation fund of SIDBI has been widened to include all SSI units. Earlier, only export-oriented units were provided credit under this scheme. The Government has sanctioned a Credit Linked Capital Subsidy Scheme for Technology Upgradation for SSI sector, based on the recommendations of the Study Group.

7. Indicative physical targets and achievements in respect of production, employment and exports are given in Annexure 6.4.2. Details are discussed sectorwise in subsequent paragraphs. Plan outlays and expenditure for 2000-2001, 2001-02 (B.E.- RE) and 2002-03 (BE) are given in Annexure 6.4.1.

### **Small Scale Industries**

8. Small Industries Development Organisation (SIDO), under the Ministry of Small Scale Industries provides services to the SSI units through a network of organisations viz. Small Industry Service Institutes (SISIs), Regional Testing Centres (RTCs), Field Testing Stations (FTSs), Process-cum-Product Development Centres (PPDCs), etc. SIDO provides technical input, quality testing facilities, training, extension, market development assistance, data base support, infrastructural facilities, credit guarantee, capital linked subsidy for technology upgradation, etc.

9. Small Industries Development Organisation (SIDO) has set up a number of Tool Rooms to assist SSI units and to provide assistance for technological upgradation, technical consultancy and common service facilities for design and production of quality tooling. Financial assistance is being given to the States for setting up Mini Tool Rooms for which SIDO is providing one time financial assistance for machinery to help in creating localised training and production facilities.

10. Modernisation and technology upgradation of workshops of Small Industry Service Institutes (SISIs)/Regional Testing Centres (RTCs)/Field Testing Stations (FTSs) is being taken up in a phased manner to equip them with modern machines and skilled manpower. A scheme of Technology Upgradation and Management Programme (UPTECH) was launched in 1998 to take care of modernisation and technological needs of the SSI clusters. Six clusters have been identified and diagnostic studies for these clusters have been taken up.

11. Integrated Infrastructure Development Centres (IIDCs) scheme was taken up during the Eighth Five Year Plan Plan to augment the infrastructural facilities in rural and backward areas to promote industrial development. This scheme has been revamped by removing certain restrictive provisions and by providing liberal finance to North East Region, including Sikkim. So far, 63 IIDCs are at various stages of implementation and Central grant of Rs.53.81 crore has been released upto November, 2002.

12. The scheme of Credit Linked Capital Subsidy (CLCS) has been taken up to encourage SSI units to adopt latest technologies in identified sectors with 12 per cent capital subsidy to be provided on loans taken by SSI units from banks/Financial Institutions for modernization. So far 29 units have been covered.

13. Under Credit Guarantee Fund Scheme, collateral free loan upto the limit of Rs.25.00 lakh for individual SSI is provided. During the year 2001-02, an amount of Rs.100.00 crore has been released.

14. The Office of Development Commissioner (SSI) has taken up the scheme of collection of statistics for SSI and to carry out the 3<sup>d</sup> SSI Census of SSI. It is expected that working results would be available by 31.12.2002 and complete census information would be ready by March, 2003.

### **Prime Minister's Rozgar Yojana (PMRY)**

15. Prime Minister's Rozgar Yojana (PMRY) is under implementation to make available institutional finance to educated unemployed youths for setting up of self-employed ventures for all economically viable activities. A number of modifications have been made in the scheme to make it more attractive e.g., increase in the upper age limit from 35 years to 45 years for SCs/STs ex-servicemen, women and physically disabled persons, reduction in minimum educational qualifications, enhancing the annual family income ceiling and project size for projects under industry and service sectors; relaxation of residency criteria for married women applicants and collateral free loan for projects under industry sector by the individual beneficiary; enhancing credit/loan portion for beneficiaries of N.E. states etc. During 2001-02, loans have been sanctioned to 2.31 lakh and distributed to 1.36 lakh educated unemployed youth against the Plan target of 2.20 lakh. Poorer rate of recovery of loan over dues in some States is the cause of concern. Number of measures have been taken by the RBI and the Central Govt. to improve recovery of loan over dues under the scheme.

### **National Small Industries Corporation Limited (NSIC)**

16. The National Small Industries Corporation (NSIC) Limited was set up to provide and foster growth of SSI sector. The Corporation is providing machinery on hire purchase, equipment on leasing, raw material assistance, marketing inputs for domestic and exports, single point registration, etc, to promote, aid and foster the growth of small industries in the country. NSIC is also helping in promoting viable small industries all over the country, particularly industries in backward areas North-Eastern States and in selected lines of production identified as priority areas for exports.

17. NSIC is operating 'Marketing Assistance' programme which includes i) Raw Materials Assistance Programme, ii) Integrated Marketing Support Programme and iii) Marketing to Government and Tender Marketing, including Consortia Formation. Under Raw Materials Assistance Programme, various raw materials, components, sub-assemblies for and on behalf of SSI units are procured and supplied to the SSI units for delivery in small lots, as per their requirement and capacity to make payment. Under the Integrated Marketing Support Programme, the Corporation meets financing requirements of SSI units arising due to deferred payment being made for sale of their goods. The bills are then collected by the NSIC from the purchasers.

18. The scheme of 'Single Window' assistance helps exporting SSI units and the Corporation provides all necessary assistance to enable the SSI units to export. The products being exported by SSI units include builders' hardware, brass components,

machine tools, hand tools , hand gloves, diesel engines, sanitary and bathroom fittings, sports goods, leather goods, garden tools, etc. NSIC is also helping SSI units to participate in international trade fairs. During 2002-03, upto November 2002, the exports (excluding software exports) from SSI units through NSIC were Rs.4.28 crore as against Rs.2.31 crore during the corresponding period of previous year. NSIC has registered 32,496 SSI units upto March, 2002, under Government Store Purchase Programme. During first eight months of 2002-03, 473 new units were registered under this programme.

19. Techmart India 2002 was organised by the corporation to show the technologies of the small scale sector. NSIC is encouraging the SSI units in technology transfer from abroad through Technology Transfer Centre set up at Okhla. An internet based portal (Technology Showcase) is helping the SSI units for sourcing technologies from international partner institutions.

### **Khadi and Village Industries**

20. During the Tenth Plan period, employment creation has been accorded the highest priority. Especially, focus would be laid upon creating new jobs in rural areas for providing employment to rural people and reducing exodus to urban areas for search of new employment. A target of creating 20 lakh new jobs in KVI sector has been kept for the Tenth Plan. In 2002-03, being the first year of the Tenth Plan, the KVIC has initiated a number of new initiatives so that the target of 4 lakh jobs could be achieved. Main areas of focus by the KVIC would be introduction of new designs and fashion in khadi cloth, better implementation of the Margin Money Scheme(also known as Rural Employment Generation Programme), introduction of appropriate technology in village industry units, adoption of higher and uniform quality standards for VSI products, cluster development of VIs, etc.

21. Over the years, khadi cloth production and employment is going down. However, production and employment in village industries have shown growth and new job creation is reported in village industries . The Performance of khadi and village industries may be seen at Annexure 6.4.2. In 2002-03 the target of production and employment in khadi cloth is 59.50 million sq. mtrs. and 8.56 lakh persons respectively which is likely to be fully achieved. In village industries, the anticipated achievement with respect to production and employment would be Rs. 7622.50 crore and 57.82 lakh persons respectively against the target of Rs.7680 crore and 60.00 lakh persons for production and employment respectively. KVIC has introduced new designs and fashion inputs for khadi cloth with the help of National Institute of Design (NID) and National Institute of Fashion Technology (NIFT). These activities are expected to improve khadi demand to boost production and employment. In future, emphasis would be on 'No Loss' basis instead of 'No Profit' concept. The policy of providing rebate for khadi cloth would now be continued during the Tenth Plan period as recommended by the KC Pant Committee. Orders for 2002-03 have been issued by the Ministry of Agro & Rural Industries. The High Powered Committee under the Prime Minister had envisaged creation of two million jobs in KVI sector during the Eighth Plan. Under the Rural Employment Generation Programme (REGP). 14.42 lakh new jobs were created and 1.40 lakh projects were sanctioned upto 31<sup>st</sup> March, 2002.

22. Since 1995-96, the KVIC has introduced a new Margin Money Scheme (MMS) to encourage setting up of new village industries. Funds upto 25 per cent of the project cost are provided as margin money for projects upto Rs.10 lakh. For projects costing between

Rs.10-25 lakh, 10 per cent of the remaining cost of the projects is provided as margin money. For N.E. Region, beneficiaries from SC/ST women, ex-servicemen, physically handicapped persons, minority community, etc. margin money is provided upto 30 per cent of the project cost. The Rural Employment Generation Programme is being implemented with the active involvement of 27 Nationalised Commercial Banks, Regional Rural Banks and State KVIs. Utilisation of funds from consortia of banks is rather low and there is need to improve this. During 2001-02, KVIC has provided Rs.149.80 crore margin money advances to the public sector commercial banks and Rs.40.43 crore to the State KVI Boards, totalling to Rs.190.23 crore. Against this margin money, advances, the estimated mobilisation of bank loan was at Rs.457.30 crore approximately.

### **Coir Industry**

23. The coir industry utilizes waste product, i.e. coir husk from coconut plantation. It is a labour intensive and export oriented industry. Coir industry is also concentrating on large coconut tea plantation. The Performance of Coir Industry has been indicated in Annexure 6.4.2. The Coir Board is looking after promotion, growth and development of the coir industry, promotion of exports and expansion of the domestic market by providing marketing support. The Coir Board implements a number of developmental programmes for the coir sector; these include assistance for participation in exhibitions, coir industry awards, Mahila Coir Yojana, strengthening, of national level training institutes, model coir villages, group insurance scheme for artisans, financial assistance for modernisation, reduction of drudgery and other welfare measures.

24. As part of modernisation of spinning sector, setting up of Integrated Coir Development Projects (ICDPs) has been taken up. During 2001-02 under ICDPs, 34 de-fibring units and 81 spinning units have been commissioned in Kerala out of 171 sanctioned units. The project is also under implementation in the States of Karnataka, Tamilnadu, West Bengal and Orissa.

25. The minimum export price on coir and coir products has been phased out, which has made coir products' export exportable at competitive prices. Coir exports have shown consistent growth after removal of minimum export prices. During AP 2002-03, against the target of Rs.450.00 crore for exports, upto 30<sup>th</sup> September, 2002 exports worth Rs.152.00 crore has been achieved and is expected to achieve the full target during the year.

26. The Coir Board is implementing a scheme of "Technology Transfer, Modernisation and Capacity Building in Indian Coir Sector" with funding support from UNDP. Total outlay for the project is US \$ 8,46,000 (Rs.3.80 crore). Six coir clusters in states of Tamil Nadu, Andhra Pradesh, Karnataka and Kerala have been identified and the scheme is in progress.

27. Hindustan Coir is a model powerloom factory established by the Coir Board in 1968 with a view to demonstrate the production of coir matting on powerlooms to motivate other entrepreneurs to start such units. The factory produced 3.05 lakhs sq. mts. of powerlooms matting during 2001-02. In 2002-03, upto 30<sup>th</sup> September, 2002, the factory is likely to produce 1.68 lakh sq. mts. of powerlooms matting.



## Handlooms

28. Handlooms not only depict the heritage of India and richness and diversity of our country and artistry but also play a very important role in the economy by providing employment to about 124 lakh persons. Handloom is the largest economic activity after agriculture. This sector also earns valuable foreign exchange through export of handloom products. Due to effective state intervention in providing financial assistance and by implementation of developmental and welfare schemes, this sector has been able to successfully withstand the growing competition from the powerloom and mill sectors. This sector contributes around 19 per cent of the total cloth produced in the country. Performance of the sub-sector is indicated in Annexure 6.4.2.

29. Handlooms sector has been facing a number of problems like old technology and traditional production techniques, high price of hank yarn, inadequate availability of inputs like standardised dyes and chemicals in small packs, lack of new designs, need for inadequate upgradation of skills and inadequate marketing intelligence and feedback. Besides, it has certain inherent disadvantages like unorganised structure, weak financial base of the weavers and bureaucratisation/ politicisation of cooperatives.

30. The handloom sector is largely dependent on the organised mill sector for supply of its principal raw material, namely, hank yarn. The Central Govt. has been assisting the handloom weavers in getting regular supply of hank yarn at reasonable prices through (a) Hank Yarn Obligation Scheme and (b) supply of yarn at mill gate price to handloom weavers through National Handloom Development Corporation (NHDC). NHDC had supplied 205.07 lakh kg. of yarn of value of Rs.187.38 crore during 2001-02 to the handloom agencies. Upto October, 2002, NHDC has supplied 222.00 lakh kg of hank yarn of value of Rs.170.87 crore. During 2002-03 Budget, excise duty has been levied on hank yarn. Till the end of February, 2002, hank yarn was exempted from excise duty. However, to avoid hardships to handloom weavers, due to additional cost of excise duty, the office of DC(Handlooms) has formulated a scheme to reimburse the excise duty to organisations supplying hank yarn at prices net of CENVAT to the handloom weavers on hank yarn .

31. To provide marketing support to handloom agencies and individual weavers, the Office of the DC(Handlooms) provides assistance for organising National Handloom Expos/ Special Expos, District Level Events, for conferring National Awards to the Master Weavers and for participation in the Craft Meets organised in different parts of the country. In 2001-02, 9 National Handloom Expos and 9 Special Expos and 92 District Level Events were held. During 2002-03, about 15 National Handloom Expos/Special Expos and 150 District Level Events are proposed to be organised in different parts of the country alongwith the 4 Craft Melas at Udaipur, Hyderabad, Faridabad and Agra.

32. Welfare measures are provided to handloom weavers through group insurance scheme, health package scheme, Thrift fund scheme, project package scheme and workshed- cum- housing scheme etc. The Hon'ble Prime Minister had announced on 15<sup>th</sup> August, 2002 the implementation of a special Contributory Insurance Scheme for Weavers and Artisans. Accordingly, a comprehensive scheme called "Weavers' Welfare Scheme" has been prepared with Health Package, Thrift Fund, Bunker Bima Yojana and Package Insurance for Handloom Weavers as its components.

33. Deen Dayal Hathkargha Protsahan Yojana (DDHPY) was launched in April, 2000 and proposed to be continued till March, 2007 for development of the handlooms sector. Some of the earlier schemes like Project Package Scheme, Freelance Designer Scheme, etc, have been subsumed in the DDHPY scheme. Under DDHPY financial assistance is being provided to handloom organisations for components like (i) basic inputs, (ii) infrastructure support, (iii) design input, (iv) publicity, (v) marketing incentive, (vi) transport subsidy, and (vii) strengthening of handloom organisations. Grant is provided in the ratio of 50:50 between Central and state governments. In the case of N.E. states, Sikkim and J&K, the sharing would be 90:10. For implementing agencies having 100 per cent SC/ST/Women/minorities the grant is shared in the ratio of 75:25. The assistance for marketing assistance would be in the ratio of 50:50 between the Central and state governments in respect of all the remaining states. The Prime Minister has announced a special package for handloom weavers on 15.08.2002 to provide welfare measures and group insurance cover. The package of J&K announced by the Prime Minister to handloom weavers included a number of new initiatives.

### **Powerlooms**

34. The decentralised powerlooms sector plays an important role in meeting clothing needs of the country and produces a wide variety of cloth, both grey as well as processed having intricate designs. There are over 3.75 lakh units contributing in the total cloth production of the country to the extent of 59 per cent, excluding the cloth produced by non-SSI, weaving and hosiery/knitting units. This sector employs around 42 lakh persons and also contributes significantly to the export earnings.

35. The estimated number of powerlooms in the decentralised sector in the country has increased from 6.39 lakh in 1986 to 16.71 lakh as on 31<sup>st</sup> August, 2002. Powerlooms are facing main problems like use of outdated technology, fragmented and small size units, high powered tariffs, increasing power cuts, low skills, inadequate credit availability and poor marketing techniques. With globalisation, there is increasing competition from imports. It is necessary to modernize powerlooms, improve quality of production and productivity, provide higher design inputs and to pay attention to the social welfare needs of powerloom workers.

36. There are 13 Powerloom Service Centres (PSCs) functioning under the Textile Commissioner and 29 PSCs under the different Textile Research Associations (TRAs), namely, ATIRA, BTRA, MANTRA, NITRA, SASMIRA, IJIRA, SITRA. State governments of Andhra Pradesh and Madhya Pradesh have established PSCs at Hyderabad and Jabalpur, respectively, in 2000. These PSCs are providing inputs like technical consultancy, training, designs, technology information, etc, to the powerlooms.

37. The powerlooms in the Powerloom Service Centres (PSCs) are very old and of outdated technology. There is a need to modernise and strengthen the existing PSCs by installing shuttle-less looms, Cop-changing/shuttle changing looms, Drop Box looms, Dobby, Jacquard terry fabric weaving looms, prin winding machines, sectional warping machines, yarn and fabric testing equipment, chemical testing equipment, DG sets, etc. 21 PSCs have been modernized during the 9<sup>th</sup> Plan and remaining would be modernized in the Tenth Plan.

38. Seventeen Computer Aided Design (CAD) centres have been set up so far in the country. Uplinking and downlinking of CAD centres is under progress with National Design Centre, at New Delhi. The Group Insurance Scheme under implementation in association with Life Insurance Corporation, has been revised and as per the revised scheme, a weaver aged between 18-60 years who had earned a minimum average wage of Rs.700 per month during a year is eligible to join the scheme. The annual premium is shared equally by the powerloom worker, the Central and State Governments. A scheme for worksheds has been formulated. Under this scheme, upto 25% of the cost of shed would be provided as subsidy and State Govt. would provide land. This scheme would improve working conditions in powerloom units.

### **Wool sector**

39. The woollen industry in India is concentrated in the states of Himachal Pradesh, Punjab, Haryana, Rajasthan, Uttar Pradesh, Maharashtra and Gujarat. The organised sector, decentralised sector and the rural sector of woollen industry run complementary to each other in meeting the demand of different sections of the domestic market as well as exports. The industry comprises modern sophisticated fully composite mills in the organised sector as well as handloom and hand knotted carpet manufacturing units at the village level. The industry employs large number of people to the tune of 12 lakh persons. Most of whom are shepherds rearing sheep flocks and producing raw wool. Productivity of Indian wool rearers is quite low compared to international averages because of depleting grazing grounds.

40. With a view to harmonise various diversified interests of different sectors of the wool industry and to achieve integrated development of the industry, Central Wool Development Board (CWDB), Jodhpur, has been functioning since 1989. The CWDB has taken up various activities for increasing earning of sheep rearers and increase quality of wool, marketing intelligence, marketing of wool and woollens, standardisation of wool and woollen products, quality control, dissemination of information, product diversification, advising government on policy matters, coordination etc. to promote growth and development of woollen products.

41. For the development of Angora wool an UNDP aided project costing Rs.8.43 crore is under implementation. Rural unemployed youths and farmers of hilly areas of Uttar Pradesh, Himachal Pradesh, Darjeeling, Sikkim, etc, are encouraged to take up production and processing of Angora wool. Annual Production of Angora wool in the country is about 40 MT. The amount has been revised to Rs.3.57 crore which included provision of Rs.2.88 crore for Pashmina Project for Ladhakh region. Under the Integrated Sheep and Wool Development Project, aspects of breed improvement, health coverage, product development, marketing assistance, training to sheep breeders in sheep, sheep husbandry and productivity, etc, are taken up by the CWDB. The Board has covered 37.25 lakh sheep under this programme during 9<sup>th</sup> Plan.

42. CWDB has set up wool testing centres at Bikaner and Beawar in Rajasthan for providing testing facilities to wool growers, merchants and the industry. The Board has also set up mini wool scouring plants, weaving and designing centres, training centres, industrial service centres, wool testing facilities, etc. A machine shearing-cum-training project is under implementation to encourage use of shearing machines to improve sheep yield of wool of good quality.

43. The Board has set up 10 centres in main wool markets to collect market intelligence information with respect to prevailing market rates of wool and yarn, latest trends and transactions of wool and woollen products on a weekly basis and disseminated to wool growers, wool merchants and wool users. The CWDB has also established a Weaving and Designing Training Centre at Kullu in Himachal Pradesh to impart training in latest weaving technology and new designs to the wool handloom weavers, so as to increase production, earnings and to get better market for their products. A new Technology Mission has been under formulation to increase productivity, earning of sheep rearers and wool weavers, etc. Efforts are under way to make available more grazing grounds by enabling States to use more and more graded waste land and to develop green pastures.

### **Sericulture**

44. India is not only the second largest producer of silk in the world after China but it is producing all the four varieties of silk viz., Mulberry, Eri, Tasar and Muga. Sericulture is a labour intensive, agro based industry targeted to provide employment to about 56.50 lakh persons during 2002-03. The Central Silk Board (CSB) is covering three main areas of Research and Technology Development, Seed Maintenance and Development of Sericulture & Silk Industry and also providing extension and R&D inputs to sericulture industry in the country.

45. During the Ninth Plan period raw silk production of 17351 tonnes was achieved against the target of 20666 tonnes. During the Tenth Plan CSB has focussed upon achieving international quality standards of all varieties of silk, strengthening and R&D transfer of appropriate technology, special emphasis on bi-voltine mulberry silk, strengthening of linkages between agriculture and textile industry, etc. 2002-03 is being the first year of the Tenth Plan, a beginning has been made. Under the zero-based budgeting exercise, developmental like schemes have been made more focussed.

46. Research institutes are functioning at Mysore (Karnataka), Berhampore (West Bengal) and Pampore (Jammu & Kashmir), to deal with mulberry sericulture, the institute at Ranchi (Jharkhand) deals with Tasar, whereas the institute at Jorhat (Assam) is looking after muga and eri sericulture. The Central Silk Technological Research Institute (CSTRI) at Bangalore is engaged in providing post cocoon R&D support. CSB has established Silkworm Seed Technology Laboratory (SSTL) at Bangalore (Karnataka), Central Sericultural Germplasm Resource Centre (CSGRC) at Hosur (Tamil Nadu) and Seri Biotech Research Laboratory (SBRL) at Bangalore for R&D in areas related to silkworm races. CSB is providing technology, consultancy and extension facilities to various State Departments of Sericulture and their institutions.

47. CSB is providing quality silkworm seeds through National Silkworm Seed Project (NSSP). Under the NSSP, the CSB has targeted to distribute 276.04 lakh DFLs during 2002-03. Mulberry and Eri Silkworm Seed Production Centres (SSPCs) have produced 70.82 lakh seeds upto August, 2002 and 0.02 lakh upto June, 2002 respectively. Similarly, the production of Tasar (Oak) and Tasar (Tropical) seeds are 0.41 lakh upto June, 2002 and 7.40 lakh upto September, 2002 respectively. The production of Muga seed is 0.32 lakh upto June, 2002. During the Tenth Plan period, the requirement of silk worm seeds would be higher than the present capacity of CSB Silk worm production Centres and State Government Centres. Hence private entrepreneurs would be engaged to take up production of DFLs and Seed cocoons. State Govt. seed production centers would also be strengthened suitably.

48. The CSB formulated a number of Catalytic Development Programmes (CDP) for implementation in the Ninth Plan to motivate states to increase productivity and quality and provide marketing support. Under the zero-based budgeting exercise, the CSB has revamped the CDP to give greater thrust to bi-voltine sericulture and greater market orientation to non-mulberry sector. Under the revamped CDP thrust would be laid upon development and expansion of host plantations, farm infrastructure, modern reeling and processing technologies for silk etc.

49. The UNDP assisted sub-programme on development of non-mulberry silk (Tasar, Muga and Eri) in the states of Andhra Pradesh, West Bengal, Assam, Bihar, Orissa, Meghalaya and Nagaland under Fibres and Handicrafts Programme (FHAP) of Country Cooperation Frame Work-1 (CCF-1) in collaboration with GOI would be completed in 2002-03. The total cost of the programme was Rs.12.38 crore, out of which the GOI share was Rs.4.28 crore. Thrust under this programme was on increase of quality egg production and supply, training and skill upgradation, technological support in pre-cocoon and post-cocoon processes, including reeling, spinning, etc.

50. The SFRI 2001 Project is under implementation with financial assistance from the Swiss Agency for development and cooperation (SDC) as a part of Indo-Swiss Technical Cooperation. Under the Japan International Cooperative Agency (JICA) assisted bivoltine project which was started in 1997 field verification and demonstration of bivoltine races evolved have been completed and the performance of these bi-voltine races have been satisfactory. Average yield of over 60 kg/100 dfl, a rendita of 6 to 7 Kg and 2A-4A grade raw silk (a high quality) has been obtained consistently. These silk worm races are proposed to be used to take up bi-voltine sericulture on large scale during the Tenth Plan. Traditional States like Karnataka, Tamilnadu, Andhra Pradesh, etc. would be encouraged to take up large scale production of bi-voltine mulberry silk for these proven varieties. The climate of J&K and Uttranchal is quite suitable for bi-voltine sericulture.

51. Chattisgarh State is implementing sericulture project in collaboration with Japanese Bank for International Cooperation (JBIC) at an estimated cost of Rs.748.80 crore. Under the first phase of the project (estimated cost – Rs.117.10 crore), mulberry plantation of 830 hectares has been completed. Work on second phase has been started after evaluation of the work of first phase by JBIC.

52. The Govt. of Manipur is implementing a sericulture project at an estimated cost of Rs.490.61 crore with financial assistance from JBIC. Under pilot scheme, one model rearing base has been constructed and 4,800 dfls of P2 silkworms have been reared under multiplication of hybrid silkworm eggs scheme. The definite overall development plan is under preparation by the State Govt.

53. The Tenth Plan target of providing 6700 MT of mulberry bi-voltine silk envisages special programme for large scale propagation of the new technology and new sturdy bi-voltine races developed by CSB. Annual Plan 2002-03 being the first year of the Tenth Plan CSB also envisages to encourage integrated soil-to-silk production units in the private sector by providing direct linkages between the sub-sector of the industry, ensure adoption of better quality standards, reorganization of sericulture related institutions in Central and State Governments and also to provide suitable policy interventions to create better conducive environment to achieve the Tenth Plan target for production, employment and exports.

## Handicrafts

54. The Handicrafts sector is making significant contribution to employment generation and foreign exchange earning through exports as well as retaining heritage and tradition. Performance of the sector during 2001-02 and 2002-03 has been encouraging, as may be seen in Annexure 6.4.2.

55. Various developmental schemes are being implemented by the Office of Development Commissioner (Handicrafts) to supplement the state activities in the handicrafts sector. The Plan schemes cover areas like training, design development, technology upgradation, market promotion, exhibitions and publicity, exports etc. Under the Ambedkar Hastashilpa Vikas Yojana (AHVY) focus is given on empowerment of artisans, providing marketing inputs, encouragement to artisans in formulating Self Help Groups (SHGs)/Cooperatives and cluster development. During 2001-02, 231 craft clusters were provided Rs.5.44 crore as financial assistance against the target of 100 clusters.

56. Training is being provided to artisans for upgrading the skills of existing craftsmen as well as to un-skilled ones with a view to expand employment and production base of crafts for economic growth. For reviving languishing crafts, focus is on training, providing financial assistance and marketing inputs. There are 136 departmental Basic Training Centres providing training for carpet weaving. For post-weaving operations like washing and finishing of carpets, training is provided in seven centres. Besides carpets, training is being provided to artisans for crafts like hand printed textiles, art metal-ware, cane and bamboo, wood-wares, etc. During 2001-02, 2640 artisans were provided training.

57. Five Regional Design and Technical Development Centres (RDTDCs) are functioning at New Delhi, Mumbai, Bangalore, Calcutta and Guwahati. The activities carried out at these centres include making crafts a success in the contemporary market, and preserving traditional beauty of the crafts on the basis of strong design inputs. Various institutes like Institute for Hand Printed Textiles at Jaipur, Development Centre for Musical Instruments at Madras, Cane and Bamboo Development Institute at Agartala, Institute of Carpet Technology at Bhadohi (U.P.) and Metal Handicrafts Centre at Muradabad are helping handicraft units through research and design, develop technology, improve tools and equipment, develop new designs, prototypes, etc. During 2001-02, 41 design workshops were organized, 2135 new designs and 25 tool kits have been developed.

58. Under the scheme of marketing and Market Development efforts are made to have a better and meaningful interaction with artisans, non-governmental organisations (NGOs), State Govts, exporters and traders. During 2000-01, 135 marketing programmes have been organized against the target of 114. These programmes helped in generating sales worth Rs.25.45 crore which benefited 13385 artisans.

59. Under the scheme of Setting up Urban Haats similar to Delhi Haat, infrastructure would be created at prime locations of market interest. So far, eight urban haats at Agra, Ahmedabad, Bhubaneshwar, Ranchi, Karnal, Jammu, Tirupati and Kolkata have been approved. The Urban Haat at Tirupati under the scheme of exhibitions has been completed and publicity financial assistance is provided to State/Central Handicraft Development Corporation. Cooperatives and NGOs to organize exhibitions. During 2001-02, 184 exhibitions were organized which resulted in achieving sales of the order of Rs.10.76 crore benefiting 3112 artisans.

60. Export promotion efforts of office of DC (Handicrafts) and Export Promotion Council for Handicrafts include participation in international fairs in foreign countries, sponsoring Sales/Technical cum Study teams to various countries. Exports from handicrafts includes craft items of zari and zari goods, art metal ware, wood ware, hand printed textiles and scarves and embroidered and crochet goods. Exports of handicrafts during 2000-01 were Rs. 9205.63 crore .

### **Food Processing Industries**

61. The Ministry of Food Processing Industries is looking after formulation and implementation of policies and plans within the overall national priorities and objectives for promotion and development of this sector. FPI has sub-sectors like grain processing, fruits and vegetable products, milk products, meat and dairy products, fish and fish processing, beverages, aerated drinks, etc. The Food Processing Industries (FPI) sector had been identified as a sunrise industry which could play a significant role in increasing value addition in agricultural and horticultural produce, diversification and commercialisation of agriculture, reduction in wastage of agriculture/horticulture produce by increasing processing level, generating employment and enhancing exports.

62. Rice milling, pulses manufacturing and production of wheat flour and other wheat products are the main activities covered in the grain processing sector. The number of modern rice mills was 35088 as on 1<sup>st</sup> January, 2002. No licence is required for setting up manufacturing/processing facilities for rice or wheat. Nearly 12.50 million tonnes of wheat is converted into various wheat products annually and 820 roller flour mills with an installed capacity of 19.50 million tonnes were functioning as on 1<sup>st</sup> January, 2001. Thirteen Regional Extension Service Centres have been set up in various states with agricultural universities/research institutions for encouraging modernisation of rice milling industry and by product utilisation. Post Harvest Technology Centre at Indian Institute of Technology (IIT), Kharagpur, conducted training programmes on Home Scale Food Processing and Preservation Techniques and Processing of Minor Millet. Production of bakery products is estimated to be in excess of 30 lakh tonnes. Organised sector is producing about 65 per cent of breads and biscuits, which account for 82 per cent of the total bakery products. Besides these, soft drinks, beer and alcoholic drinks are also a part of the food processing industry.

63. About 30 per cent of horticultural produce estimated to be worth around Rs.50000 crore is being wasted due to non-availability of post-harvest processing facilities, cold storages and cold chains. A strong and effective food processing sector would play a significant role in diversification of agricultural activities, improving value addition and exports of agro-products. This sector has vast potential for increasing production, exports and employment. In the Tenth Plan, it has been envisaged to increase the food processing level to 10 per cent from the present level of 2 per cent. The estimated installed capacity of fruit and vegetable processing industries has increased to 21.10 lakh tonnes in 2001 from 21.00 lakh tonnes in 2000. This increase is negligible and fresh investment is necessary. There is an urgent need to reduce taxes on finished food products so as to make them attractive and available within the reach of masses. Reduction of excise duty on finished/packed food products would make the FPI more attractive to get private sector investments. India is first in milk as well as fruits production and second in the production of vegetables in the world. India's milk production is expected to touch 81 million tonnes in 2000-01 from

78 million tonnes in 1999-2000. While about 80 per cent of the fruits and vegetables are processed in countries like Brazil, in India only about two per cent of horticultural produce is processed.

64. The schemes and programmes being implemented by the Ministry of Food Processing Industries include schemes like infrastructure development, technology upgradation and modernization of FPI units, backward and forward integration and other prominent activities, quality assurance, codex standards and R&D, human resource development and strengthening of institutions under MFPI. These schemes have been approved after the zero-base budgeting exercise under which 24 schemes of 9<sup>th</sup> Plan were reduced to 6 schemes to be taken up in the Tenth Plan period.

65. Special emphasis is being laid on supporting research and development activities for food processing and funds would be provided for development of traditional foods, new products/ processes/packaging materials, utilisation of bye-products, etc. R&D projects funded by the MFPI in 2001-02 for which grant was provided to universities/technological research institute include upgradation of traditional food technologies to enable greater productivity, energy saving, import substitution for packaging materials and food additives, development of intermediate products and dehydrated products with superior self-life development of cost effective and efficient food processing industries, frozen foods, etc. In the areas of packaging development to be provided more attention are hot filling of food products in plastic containers, development of appropriate packages for ready to eat foods, traditional Indian khoya based sweets, meat and meat products, micro-oven suitable packages, restartable pouches for food items and bio-degradable packaging materials.

66. The existing infrastructural facilities are inadequate and need upgradation and modernisation. Sanitary facilities of quality testing and certification are not upto the standards required for meeting the demands of the domestic as well as the highly competitive export markets. Encouragement was given to set up Food Processing Parks by State/Promotional organizations So far 32 food parks have been sanctioned and they are at various stages of completion. Some of the Food parks in UP, Kerala, Karnataka, have been completed and new FPI units are being set up in these food parks.

67. To provide hygienic and quality food products to the consumers, the Food Products Order (FPO) 1955 is in vogue. Amendments in FPO are being carried out at the instance of the Central Fruit Products Advisory Committee having representatives of government, CFTRI, BIS, fruit and vegetable processors and processing industry. Amendments were carried out in 2001 and 2002. Draft specifications in respect of 61 products have been considered by the Central Fruit Products Advisory Committee and recommended for modifications. Campaigns have been launched to ensure that all processors of fruit and vegetable have a licence under the FPO.

68. Codex Alimentarius Commission is an international body constituted by Food and Agriculture Organisation (FAO) and World Health Organisation (WHO) to help in developing standards for food manufacturing and international trade by bringing together scientists, technical experts, government bodies, consumers and industry representatives. Codex standards are being used for safety and quality of food world-wide for international trade negotiations as well as for settling of disputes related to food processing. A monitoring cell has been set up in the Ministry of FPI for dissemination of information on



Codex standards. The Codex Contact Point in India is the Directorate General of Health and Services in the Ministry of Health and Family Welfare. The MFPI is closely associated with the activities of Codex Elimentaries and five Shadow Committees are under the Ministry. The Hazard Analysis and Critical Control Point (HACCP) quality assurance system and ISO: 9000 Quality Management is extremely desirable. The Ministry is providing grants upto 50 per cent, with a maximum of Rs.10 lakh, towards cost of implementation of HACCP, Total Quality Management (TQM) and obtaining ISO:9000 certification, etc. During 2001-02, financial assistance of Rs.18 lakh has been provided.

69. The MFPI has prepared a draft National Food Processing Policy which envisages creation of enabling environments, infrastructure development and backward linkages at farm level. Views of the state governments, industry and experts are included in the draft policy. An outline on the Draft Food Processing Bill has been prepared by the MFPI and is under consideration of various Ministries. The proposed Bill envisages setting up of a Processed Food Development Authority. It is proposed to harmonise and rationalise the existing food laws under single window service, consolidate and define standards, set up a Development Fund, provision for setting of equalization fund, etc, so that all provisions related to food processing are brought under a single authority. The equalization fund would provide cushion for price fluctuations in a self-regenerating manner to take advantage of biotechnology (genetically modified foods) without affecting health of the consumers. The proposal is under consideration of the Government. A group of Ministers has been set up for preparation of the proposed harmonized food law.

## Sub-Sector-wise/Schemewise Outlays/Expenditure Annual Plan 2002-03

S. No	Industry/ Sub Sector	2000-01 Actual	2001-02 (BE)			2001-02 (RE)/Exp.			2002-03		
			Outlay	BS	IE BR	Exp.	BS	IE BR	Outlay	BS	IE BR
1	2	3	4	5	6	7	8	9	10	11	12
<b>Ministry of SSI &amp; ARI</b>											
1	SIDO	380.54	392.88	392.88	-	173.14	173.14	-	313.00	313.00	-
2	NSIC	95.69	146.91	26.91	120.00	101.30	25.42	75.88	117.00	32.00	85.00
-	Other Schemes	0.69	5.92	5.92	-	0.48	2.35	-	5.00	5.00	-
	KVIC	261.48	354.00	354.00	-	182.18	182.18	-	392.00	392.00	-
5	Coir	13.84	18.00	18.00	-	11.60	11.60	-	18.00	18.00	-
6	PMRY	200.98	193.50	193.50	-	193.47	193.47	-	169.00	169.00	-
7	NPRI	-	0.04	0.04	-	-	-	-	1.00	1.00	-
	<b>Total M/o SSI &amp; ARI</b>	<b>953.22</b>	<b>1111.25</b>	<b>991.25</b>	<b>120.00</b>	<b>662.17</b>	<b>588.16</b>	<b>75.88</b>	<b>1015.00</b>	<b>930.00</b>	<b>85.00</b>
<b>Ministry of Textiles</b>											
1	Handlooms	101.45	137.00	137.00	-	113.01	113.01	-	140.00	140.00	-
2	Powerlooms	6.87	6.00	6.00	-	76.00	76.00	-	12.00	12.00	-
3	Handicrafts	65.85	79.00	79.00	-	76.00	76.00	-	88.00	88.00	-
4	Sericulture	78.19	87.00	87.00	-	88.41	88.41	-	87.50	87.50	-
5	Wool	3.76	8.00	5.00	3.00	5.62	3.47	2.15	8.00	5.26	2.74
	<b>Total M/o Textiles (VSI)</b>	<b>256.12</b>	<b>317.00</b>	<b>314.00</b>	<b>3.00</b>	<b>359.04</b>	<b>356.89</b>	<b>2.15</b>	<b>335.50</b>	<b>335.50</b>	<b>2.74</b>
<b>M/o Food Processing Industries</b>											
1	Grain Production	0.35	0.40	0.40	-	0.22	0.22	-	-	-	-
2	Fruits & Veg.	7.22	5.45	5.45	-	11.93	11.93	-	-	-	-
3	Milk Indus.	8.75	6.80	6.80	-	6.80	6.80	-	-	-	-
4	Meat & Poul.	0.64	2.70	2.70	-	0.70	0.70	-	-	-	-
5	Fish Proc.	19.89	24.00	24.00	-	24.25	24.25	-	-	-	-
6	FPI Fund	-	5.00	5.00	-	1.70	1.70	-	-	-	-
7	Sectt. Services	3.69	4.60	4.60	-	3.55	3.55	-	-	-	-
8	NE-lump sum provision	9.46	5.85	5.85	-	5.85	5.85	-	-	-	-
	<b>Total M/o FPI</b>	<b>50.00</b>	<b>55.00</b>	<b>55.00</b>	<b>-</b>	<b>55.00</b>	<b>55.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>MFPI Schemes</b>											
1	Infrastructure Development	-	-	-	-	-	-	-	29.00	29.00	-
2	Technology Upgradation, Establishment & Mordanisation of FPI	-	-	-	-	-	-	-	9.00	9.00	-
3	Backward & Forward Integration & other Promotional Activities	-	-	-	-	-	-	-	5.00	5.00	-

S. No	Industry/ Sub Sector	2000-01 Actual	2001-02 (BE)			2001-02 (RE)/Exp.			2002-03		
			Outlay	BS	IE BR	Exp.	BS	IE BR	Outlay	BS	IE BR
1	2	3	4	5	6	7	8	9	10	11	12
4	Quality Assurance, 46.50Codex Stan 9.50dards and R 7.50& D	-	-	-	-	-	-	-	10.50	10.50	-
5	Human Resource Development	-	-	-	-	-	-	-	4.50	10.50	-
6	Strengthening of Institutions	-	-	-	-	-	-	-	9.50	9.50	-
7	NE i/c Sikkim- lumpsum provision	-	-	-	-	-	-	-	7.50	7.50	-
	<b>Total M/o FPI</b>	-	-	-	-	-	-	-	<b>75.00</b>	<b>75.00</b>	-

## Physical Performance (Sub-Sector) Annual Plan 2002-03

S. No	Industry/sub-Sector	Unit	2000-01 Actual	2001-02 (Provisional)	2002-03 Targets
1	2	3	4	5	6
<b>A</b>	<b>Production</b>				
1	Small Scale Ind.	Rs. crore	639024	690316	824363
2	Khadi Cloth	Rs. crore	432	411	416
3	Village Industries	Rs. crore	5914	6607	7680
4	Coir Fibre	000 tons	364	375	390
5	Handloom Cloth	Mill Sq Mtrs.	7506	7585	7725
6	Powerloom Cloth	Mill Sq Mtrs.	23803	25192	24360
7	Raw Silk	MT	15857	17351	18700
8	Handicrafts	Rs. crore	16340	16200	19000
9	Raw wool	Mill. Kg.	47.00	47.50	47.50
<b>B</b>	<b>Employment</b>	<b>Lakh Person</b>			
1	Small Scale Ind.		186	192	201
2	Khadi & Village Ind.		60.08	62.64	68.56
3	Coir Industries		5.30	5.43	5.60
4	Handlooms		124	124.00	124.00
5	Powerlooms		42	42	42.50
6	Sericulture		54	55	56.50
7	Handicrafts		57	58.41	60.10
8	Wool Development				
	(Unorganised Sector)		12	12	12
<b>C</b>	<b>Exports</b>	<b>Rs. crore</b>			
1	Small Scale Ind.		69797	71244	73673
2	Coir Industry		314	321	450
3	Handlooms		2127	2065	2950
4	Powerlooms		10200	11000	N.A.
5	Silk		2422	2235	2280
6	Handicrafts		9271	9206	10470

## 6.5 Urban Development

### THE STATUS OF URBAN LOCAL BODIES

1. The Constitution (74th) Amendment Act, aims at setting up urban local bodies (ULBs) as the 'institutions of self-government' with adequate devolution of powers, well-defined and adequate resources, and functional autonomy of elected body combined with accountability to the urban residents. Under its scheme municipal bodies surpass being mere providers of civic amenities to a much wider arena of action encompassing economic and social planning. The challenge to be met in the Tenth Plan period is to assist these elected bodies to grow organically to fulfill the demands of urban residents for a quality of life in line with world standards.
2. The Urbanisation Scenario in India: The Provisional Census Data of the 2001 Census reveals several significant facets of urbanisation over the last decade. Of the 1.02 billion population, 285 million or 27.8 per cent live in the urban areas which comprise 5,161 towns, showing an increase of 2.1 per cent over the proportion of urban population in the 1991 Census.
3. Tamil Nadu is the most urbanised among the larger states with 43.9 per cent urban population, followed by Maharashtra with 42.4 per cent and Gujarat with 37.4 per cent. Among the larger states, Bihar has the lowest proportion of urban population (10.5 per cent), below Assam (12.7 per cent) and Orissa (14.9 per cent).
4. There are 35 Urban Agglomerations (UAs)/Cities with population of more than one million number 35. About 37 per cent of the total urban population live in the Million Plus UAs/Cities. In Maharashtra, West Bengal and Gujarat, more than half of the urban populations live in the Million Plus UAs/Cities. The overall rate of urbanization in the Census period 1991-2001 has been moderate.

### Major Issues in Urbanisation for the Tenth Plan

5. There is evidence to show that urbanisation is likely to have been a key determinant of economic growth in the 1980s and 1990s, boosted by economic liberalisation. However, there are many unfinished tasks before quality of urban governance meets the needs of its residents.

### Urban Governance :

6. Good urban governance calls for adequate policy and legal frameworks, the existence of regulatory and planning authorities, human skills, a sound revenue base, modern accounting standards, and accountability to the people. Substantial work has already been done to upgrade the urban infrastructure and several parastatals and urban development authorities have acquired considerable skills in planning and executing projects. Programmes such as the Mega City project for five selected cities, the Integrated Development of Small and Medium Towns (IDSMT), and the Accelerated Urban Water Supply Programme (AUWSP) have shown varying degrees of success in meeting some of the urban needs. In particular, parastatal agencies and bodies such as development

authorities, need to play a supportive role to the elected bodies rather than taking over functions which properly belong to the ULBs.

### **Sources of Urban Finances**

7. The system of a smooth sharing of resources between the State Governments and the ULBs on the one hand, and between different municipal bodies on the other, which is one of the objectives of the institution of the SFCs, must ensure that the transfer of funds to the municipalities is both adequate and stable. The second round of SFCs are in place in most states and, hopefully, as the system evolves, there will be greater simplicity and transparency in the process of devolution of resources to local bodies, without undue transaction costs.

8. In order to help ULBs raise their own resources, the reform of the property tax system should be completed during the Tenth Plan period. The coverage of the property tax net is far from adequate, and this calls for serious attention. Alternatives to the 'annual rateable value', frozen in fiscal terms and discredited in implementation, are available in the form of area-based assessment, and capital value-based assessment. These initiatives should be further refined to develop transparent and buoyant systems of assessment with total coverage of all properties in a city, for which self-assessment by the property owner can be a useful instrument. The levying of user charges, increasing non-tax revenues, control of costs and in particular of establishment costs, and better utilisation of municipal assets are essential measures to make ULBs financially stronger. Municipal accounting systems should be overhauled and made acceptable to lending agencies and financial markets by making it accrual-based. This is especially important for those ULBs wanting to access debt funds.

### **Broad-Based Reforms in the Urban Sector**

9. The objective of reforms in land and housing policy, and of pricing of utilities, should be to augment the resources of the ULBs, provide for adequate maintenance of civic services, and undertake expansion of infrastructure to meet growing needs.

10. Cities everywhere are recognised as contributing substantially to economic, social, educational and infrastructural needs of the country. While they offer a higher standard of amenities to city-dwellers, they also have an important role in providing a range of services to the rural hinterland creating demand for rural output and providing inputs. Towns and cities act as nodal centres for providing services in marketing, health-care, education, and providing a window to the wider world, serving people other than their permanent residents.

11. It is necessary to set in motion a virtuous circle of urban growth leading to better resources which are then used for improving infrastructure, which, in turn, will lead to further growth of the cities, resulting in enhanced economic activity and growth. Meeting the needs of the urban poor also necessitates ULBs having more resources at their command. The impediments to urban growth, as well as the necessary policy reforms, have been broadly identified. Keeping the needs of reform in the urban sector in view, a new scheme of Additional Central Assistance in the form of incentives to States to undertake a package of reform measures, has been implemented under the title of the Urban Reforms Incentive

Fund. The reform measures relate to repeal of the urban land ceiling legislation, reform of rent control, levy of user charges, improved implementation of property tax, upgrading municipal accounting standards, lowering of unduly high rates of stamp duty, and computerized systems of speedy registration of property transactions, to be followed by further measures in land policy, municipal legislation, simplification of building regulations, and initiation of public private partnerships in provision of civic services.

### **Plan Assistance for Infrastructure**

12. Assistance from the Centre is an important addition to resources applied for urban infrastructure upgradation. A larger degree of central assistance, including external assistance routed through the Centre, as well as institutional finance from agencies like the Housing and Urban Development Corporation (HUDCO) would be necessary during the Tenth Plan in order to take up a vigorous programme of upgrading infrastructure and services. It is also necessary that these forms of assistance strengthen the elected ULBs as the legitimate institutions of governance at the local level. The assistance must be made conditional on sector reforms, in particular, better standards of service and the collection of user charges.

13. Infrastructure assistance through the IDSMT and Mega City schemes should aim at overcoming the worst features of neglect of urban requirements, take care of unmet needs in water supply, sanitation, solid waste management, urban transport, and the development of new extensions like residential colonies and satellite towns to relieve congestion. There is a wide variation in the availability of infrastructure and services, between cities and within the cities. The bigger cities tend to have better institutional arrangements and quality of service. In the hierarchy of cities, capital cities tend to get more attention, followed by other cities with greater economic activity, while the very small towns with extremely limited resources rarely see any improvement. The larger cities often have the capacity to raise resources from the market and from domestic as well as international funding agencies. Planning and financial support will need to be targeted at reducing the notable disparities of urban centres with significant limitations resources and glaring lack of civic amenities.

14. During the Tenth Plan, it is necessary to achieve a substantially higher, if not, total coverage of cities in need of infrastructural upgradation. Moreover, categories of cities which in the past did not receive any Central assistance, will be brought within the purview of schemes by suitably expanding the coverage of both IDSMT and the Mega City scheme. A substantial step up in Central allocation to the urban sector is, therefore, required. This assistance should be contingent on the achievement of certain reforms, and an overall improvement in the ULBs' own efficiency in resource mobilisation, both through taxes and user charges, as well as service delivery. Municipal bodies need to be motivated to reduce expenditure, and improve the productivity of employees.

15. Urban infrastructure cannot be funded by budgetary support alone. While market borrowings are not yet a viable source of financing for urban infrastructure in most instances, a beginning has to be made for building up creditworthiness in ULBs. If this cannot be done for ULBs as a whole, then it should be attempted at least for individual sectors such as water supply, and wherever else user charges and the general resource position makes for it feasible to use debt funds to supplement grants or own resources.

Assistance should be provided from budgetary sources as well as from external funding agencies, to defray the costs of implementing reform measures. This will enable the utilities to improve their performance and their finances. A City Challenge Fund was announced in the Union Budget 2002-03 and is in the process of being designed. Similarly, a scheme of credit enhancement and facilitation of pooling of financial needs of the smaller towns, will be taken up under the Pooled Finance Development Facility.

### **Review of Annual Plan 2001-02 and Provision for Annual Plan 2002-03**

16. An outlay of Rs 5100 crores comprising Rs 825 crores in the Central sector including water supply and sanitation, and Rs 4275 crores in the State Sector had been provided for Urban Development schemes in the Annual Plan, 2001-02 for urban development. The provisional expenditure in the Central sector is placed at Rs 1576.54 crores. The revised estimate in the State sector is Rs 3975.39 crores.

17. In the current year (2002-03), which is also the first operational year of the Tenth Five Year Plan (2002-07), the outlay earmarked for the central sector Urban Development is Rs 900 crores. The plan proposals were reviewed in the background of performance progress, major issues and policy decisions, the identified thrust areas and strategies envisaged for the current five year plan period. In accordance with these, several schemes witnessed convergence, modification, reforms etc, in terms of coverage, physical scope, institutional arrangement, financial mechanism, operational, monitoring aspects.

18. It is essential that Infrastructure assistance through programmes like IDSMT should aim at clearing the backlog in terms of provision of water supply, sanitation, solid waste management, urban transport, etc. This assistance should be targeted to towns with low own sources while being faced with high rates of growth. In other words, planning and financial support would have to be targeted at reducing the disparities between urban centers with differences in resources and status of civic amenities. The IDSMT allocation for the Annual Plan, 2001-02 was Rs 70 crores and a provisional expenditure of Rs 77 crores is indicated. For the Annual Plan, 2002-03, a provision of Rs 105 crores has been made.

19. It is a fact that urban scenario in terms of availability of infrastructure and services, varies widely across the country, between cities of different size classes, and within the cities among the localities of the better-off sections as against the poorer areas. The bigger cities tend to have institutional arrangements which are more close to the needs, with a higher calibre of manpower and greater access to resources. In the hierarchy of cities the Capital cities do tend to stand higher and get more attention, followed by other cities with greater economic activity, while the very small towns with extremely limited resources rarely see any improvement. The larger cities often have the capacity to raise resources from the market and from domestic as well as international funding agencies. Under the CSS of Mega City Scheme, initiated in 1993-94, limited to the cities of Mumbai, Kolkata, Chennai, Hyderabad and Bangalore. The allocation for the Annual Plan, 2001-02 was Rs 95.50 crores and a provisional expenditure of Rs 115.34 crores is indicated. For the Annual Plan, 2002-03, a provision of Rs 125 crores has been made.

20. The availability of comprehensive data about urban requirements, status of services etc. is recognised as one of the basic tools for urban city managers. The on-going Urban



Mapping using GIS technology with layout of services, responsibility zones, and identified problem areas supplemented with high-resolution satellite imagery for ground level work on property listing for taxation purposes, as well as to monitor trends of urban growth especially in the peri-urban areas etc are expected to serve valuable purpose to authorities such as State Finance Commissions who have to make recommendations regarding allocation of resources for augmentation, maintenance of services etc. The allocation under Urban Mapping (including for research in urban and regional planning) for the Annual Plan, 2001-02 was Rs 4.93 crores and a provisional expenditure of Rs 4 crores is indicated. For the Annual Plan, 2002-03, a provision of Rs 5 crores has been made.

21. The National Capital Region Planning Board (NCRPB) came into existence with its dual objectives of reducing pressure of population in Delhi and to achieve harmonious development of the National Capital Region (NCR) involving the three States of Haryana, Uttar Pradesh and Rajasthan. The NCRPB finances various projects, especially for urban infrastructure development. The allocation for the Annual Plan, 2001-02 was Rs 50 crores which is anticipated to be the actual expenditure also. For the Annual Plan, 2002-03, a provision of Rs 55 crores has been made. Scheme-wise break-up of Outlays for Annual Plan (2002-03)- Urban Development.(Excluding Urban Water Supply & Sanitation)\*is given in Annexure 6.5.1; Scheme-wise outlays for Annual Plan (2002-03)- Urban Poverty Alleviation is given in Annexure 6.5.2. and Details of Annual Plan (2002-03) Housing & Urban Development- State Sector are is given in Annexure 6.5.3.

## Annexure 6.5.1

**Scheme-wise break-up of Outlays for Annual Plan (2002-03)- Urban Development.  
(Excluding Urban Water Supply & Sanitation)\***

(Rs. crore)

S. No	Name of the scheme	Annual Plan (2000-01) Actual Expr	Annual Plan (2001-02)		Annual Plan (2002-03) Outlay
			Outlay	Provisional Expr	
1	2	3	4	5	6
<b>A.</b>	<b>Urban Development</b>				
1.	IDSMT	57.17	70.00	76.71	105.00
2.	Mega City	85.91	95.50	115.34	125.00
3.	NCR Planning Board	45.00	50.00	50.00	55.00
4.	Research in Urban and Regional Planning (including Urban Mapping)	3.94	4.93	4.00	8.00
5.	Urban Transport				
	DMRC	160.00	165.00	165.00	172.00
	Others	0.89	6.64	1.07	8.00
	Pass Through assistance from JBIC	1.00	1.00	783.35	1.00
	Land acquisition	25.00	1.00	1.00	
6.	Equity to HUDCO for Urban Infrastructure	5.00	5.00	5.00	5.00
7.	Computerisation	0.66	1.00	1.17	3.00
8.	Capacity Building for Urban Governance (UNDP Project)		1.07	1.07	1.20
<b>B.</b>	<b>Public Works</b>				
10.	CPWD Training Institute (including R&D Cell)	1.88	3.00	8.47	3.00
11.	North Eastern Zone	3.00	4.00	0.00	4.00
12.	General Pool Office Accommodation	17.71	20.00	17.45	25.00
13.	NBCC (Equity)		8.35	8.35	0.00
14.	Modernisation of CPWD/ Computerisation	1.42	2.00	0.00	3.00
<b>C</b>	<b>General Pool Residential Accommodation</b>	72.91	80.00	68.34	90.00
<b>D</b>	<b>New Schemes</b>				
15.	National Urban Information System				0.50
16.	Rejuvenation of Culturally Significant Cities		1.00	0.00	1.00
	New Township Scheme		0.01		
17.	PFDF				0.50
18.	CCF				0.50
19.	North East – Lump Sum Provision		82.50	82.49	90.00
	<b>Total</b>	<b>481.49</b>	<b>602.00</b>	<b>1388.81</b>	<b>700.70</b>

\* Outlay for Urban Water Supply & Sanitation is included under "Water Supply & Sanitation" .

## Annexure 6.5.2

## Scheme-wise outlays for Annual Plan (2002-03)- Urban Poverty Alleviation.

(Rs. crore)

S. No.	Name of the Scheme	Annual Plan (2000-01) Actual Expr	Annual Plan (2001-02)		Annual Plan (2002-03) Outlay
			Outlay	Provisional Expr	
1.	VAMBAY			69.00	256.85
2.	SJSRY	85.91	168.00	45.54	105.00
3.	BMTPC	6.50	4.00	5.07	4.00
4.	Night Shelter Scheme	3.40	4.56	4.44	5.00
5.	Development of Urban Indicators Programme -	0.28	0.32	0.10	0.10
6.	Building Centres	3.00	3.00	2.00	3.00
7.	HUDCO Equity for Housing	155.00	155.00	155.00	180.00
8.	NCHF	0.20	0.20	0.50	0.20
9.	Infrastructure Facilities in the Displaced Persons Urban Colonies in West Bengal.	6.50	6.30	6.30	8.00
10.	Lump sum provision for NE Region including Sikkim		38.00	33.00	62.50
11.	Housing census, periodic survey & MIS through NBO	0.23	0.30	0.01	
12.	HPL for VRS	6.50		2.50	
13.	IYSH activities/ conferences	0.20	0.32	0.23	
	<b>TOTAL</b>	<b>267.72</b>	<b>380.00</b>	<b>323.69</b>	<b>625.00</b>

Note:

1. The allocations proposed for Development of Urban Indicators have been kept as such subject to the decision of Planning Commission regarding clubbing of related schemes of Deptts. of UEPA and UD.
2. The allocations proposed by the Ministry for Building Centres @ Rs.3 crores have been added to VAMBAY since the decision of the Planning Commission based on ZBB was to discontinue this scheme.

## Annexure 6.5.3

## Annual Plan (2002-03) Housing &amp; Urban Development-State Sector

(Rs. crores)

S.No.	State	Annual Plan (2001-02)				Annual Plan (2002-03) Outlay	
		Housing		Urban		Housing	Urban Development
		Outlay	Revised outlay	Outlay	Revised outlay		
1	Andhra Pradesh	157.51	137.51	177.01	177.01	193.55	230.7
2	Arunachal Pradesh	19	19.16	20.01	20.83	19.28	21.83
3	Assam	3.36	3.36	11.19	11.19	3.76	18.43
4	Bihar	30.55	30.55	48.57	48.57	12.56	57.33
5	Chattisgarh	18.05	18.05	57.17	57.17	12.56	57.33
6	Goa	7.86	7.86	13.58	13.58	7.93	32.91
7	Gujarat	475.3	426.09	497.7	445.12	548.94	504.01
8	Haryana	16	30	24.51	26.52	52.80	38.25
9	Himachal Pradesh	56.82	58.83	28.55	29.8	53.85	23.88
10	Jammu & Kashmir	2.7	2.7	53.4	53.4	3.41	43.22
11	Jharkhand					46.00	190.00
12	Karnataka	498.31	593.08	379.6	279.19	587.83	303.50
13	Kerala	41.5	30	28.96	20	70.00	42.83
14	Madhya Pradesh	140.75	113.84	85.25	98.43	172.28	172.50
15	Maharashtra	216.28	216.28	272.53	272.53	179.07	492.85
16	Manipur	15.95	7.04	13.19	12.66	15.36	16.74
17	Meghalaya	11.7	10.55	19.35	8.92	11.75	32.40
18	Mizoram	47.2	41.82	19.25	29.42	44.18	18.41
19	Nagaland	27.66	27.66	4.83	11.06	33.28	8.94
20	Orissa	52.58	59.46	34.84	30.62	58.25	23.07
21	Punjab	22.18	22.18	87.49	87.49	17.00	60.01
22	Rajasthan	104.71	103.8	560.18	511.78	141.09	554.23
23	Sikkim	24.03	24.03	7.43	5.5	25.00	6.50
24	Tamil Nadu	165.9	217.27	480.47	557.2	237.45	492.78
25	Tripura	114.53	114.53	5.49	5.49	73.97	11.37
26	Uttar Pradesh	90.19	4.79	126.82	98.78	60.37	223.47
27	Uttaranchal	13.61	13.61	28.59	28.59	2.00	24.50
28	West Bengal	38.3	31.1	631.53	456.25	22.66	887.24
29	A&N Islands	16	16	11.27	11.27	14.65	13.65
30	Chandigarh	7.06	7.06	48.54	48.54	6.15	43.66
31	D&N Haveli	1.14	1.14	1.07	1.07	0.67	1.15
32	Daman & Diu	0.6	0.6	1.08	1.08	0.54	1.08
33	Delhi	30.32	30.32	478.9	478.9	32.00	536.65
34	Lakshadweep	3	3	2.4	2.4	3.12	2.00
35	Pondicherry	10.41	7.64	14.58	16.81	10.07	19.50
	<b>Total</b>	<b>2481.06</b>	<b>2430.91</b>	<b>4275</b>	<b>3975.39</b>	<b>2773.38</b>	<b>5187.42</b>

# CHAPTER 7

## INFRASTRUCTURE DEVELOPMENT

### 7.1 ENERGY

#### (i) POWER

1. Availability of reliable Power is a vital prerequisite for sustained economic growth and development. India has made substantial progress in the development of power sector since Independence. As a result, the installed generation capacity which was only 1300 MW at the time of Independence, has gone up to more than 1,00,000 MW today. Along with the growth in installed generation capacity, there has been a phenomenal increase in transmission & distribution capacity also. Despite these achievements, the country continues to face energy and peaking shortages.

2. In spite of State Electricity Boards (SEBs) having a greater role in the generation and supply of power, in the past, their financial health has been a matter of concern. This is mainly due to subsidised tariff for Agriculture and Domestic Consumers and high T&D losses in the system, which often disguise large scale theft, low billing and poor collection.

3. During Ninth Plan number of policy initiatives were taken namely; setting of Regulatory Commission at Centre and State level, unbundling /corporatisation of SEBs in to separate companies for generation, transmission and distribution, drafting of new electricity bill to replace the existing laws relating to electricity and one time settlement of outstanding dues of CPSUs etc. However, private investors continue to have apprehension about the bank ability of the SEBs. In fact, it has been one of the main reasons for short- fall in capacity addition during the Ninth Plan. The capacity addition achieved during the Ninth Plan was only 19015 MW only (47.2% of the target) as against the capacity addition target of 40245 MW. The improvement in PLF from a level of 64.4% in 1996-97 to 69.9% in 2001-02 has been a facilitating factor in managing the peak and energy shortages in the country.

4. Tenth Plan envisages a capacity addition programme of 41110 MW. To achieve the Tenth Plan objectives, the Government proposes to take a number of new policy initiatives and is committed to carry forward Power Sector Reforms (PSR) aggressively to improve the financial health of the SEBs and make the sector competitive and viable. Some of the key reform objectives are : (a) rationalising power tariff and making tariff setting process transparent, b) encourage competition and private participation in each element of the electricity value chain and carry forward reforms in distribution sector through redesigning APDP as APDRP (Accelerated Power Development and Reform Programme) with provision for release of funds linked to achievement of certain parameters and bench mark etc.

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### Generation of Electricity (Utilities)

5. Against a target of 539.5 Billion Units (BU), actual generation during the year was 515.271 BU, representing a marginal shortfall of 0.5 %. In the case of the hydel and thermal generation the achievement was 88.9% and 96.3% respectively. However, the nuclear generation exceeded the target by 7.7%. The total generation during 2001-02 was higher than that in 2000-01 by 3.1%.

6. In addition to the above, about 1.4 Bkwh of electricity also became available from Chukha Hydel project in Bhutan.

7. The source-wise generation targets and achievements for 2001-2002 with actual for 2000-2001 and projections for 2002-2003 in respect of utilities are given in Table 7.1.1

**Table 7.1.1**

#### Source-wise Electricity Generation

(Million Units)

Source	2000-2001 Actual	2001-2002 Target	2001-2002 Actual	2002-2003 Target
Hydro	74481	83241	73992	82814
Thermal	408139	438356	422001	445558
Nuclear	16928	17903	19278	17180
<b>Total</b>	<b>499548</b>	<b>539500 *</b>	<b>515271</b>	<b>545552</b>

\*Target revised

8. The region-wise break-up of actual generation in 2001-2002 is given in Annexure 7.1.1

9. During 2001-2002, the target for All India Plant Load Factor (PLF) was 69.9% for thermal stations. As against this, the achievement based on Actual-cum-Assessment was 69.9%. Table 7.1.2 gives the sector-wise break-up of PLFs for the year 2000-2001 (Actual), 2001-2002 (Target) and (Actual) and 2002-2003(Target). The target and achievement in regard to PLF for all State Electricity Boards, Central Power Organisations and Private Sector are indicated in Annexure 7.1.2

**Table 7.1.2**

#### Sector-wise Plant Load Factor (%)

Sector	2000-2001 Actual	2001-2002 Target	2001-2002 Achievement	2002-03 Target
Central Sector	74.3	72.8	74.3	74.8
State Sector	65.6	67.9	67.0	68.2
Private Sector	73.1	73.3	74.7	74.0
<b>All India</b>	<b>69.0</b>	<b>69.9</b>	<b>69.9</b>	<b>70.8</b>

## Addition in capacity

10. The target for addition to generating capacity during 2001-2002 was 4764.70 MW against which the achievement was 3115.20 MW (65.4%) as given in the Table 7.1.3. This comprised 656.1 MW capacity (2 units of 250 MW each at Suratgarh TPP St-II and 156.1 MW from Hazira CAPP) commissioned outside the programme.

**Table 7.1.3**  
**Addition in Capacity (MW)**

Source	2000-2001 Actual	2001-2002 Target	2001-2002 Achievement	2002-2003 Target
Hydel	1285.00	1536.20	1106.20	607.00
Thermal	2173.97	3228.50	2009.00	3502.10
Nuclear	440.00	0.00	0.00	0.00
<b>Total</b>	<b>3898.97</b>	<b>4764.70</b>	<b>3115.20</b>	<b>4109.10</b>

11. The project-wise details of achievements are given in Annexure 7.1.3. There were 25 generating units totaling 2340.6 MW which have slipped from 2001-2002 generating capacity addition programme. This comprised 445 MW of hydro (10 generating units) and 1895.6 MW of thermal (15 generating units). The complete list is at Annexure 7.1.4.

## Transmission & Distribution

12. The programme and achievement in respect of construction/ energisation of 800 KV/ 400 KV/ 220 KV transmission lines is given in Table 7.1.4.

**Table 7.1.4**  
**Transmission Lines additions**

Transmission Lines Additions	2000-2001 Actual	2001-2002 Target	2001-2002 Achievement	2002-2003 Target (Ckt. kms)
+/- 500 KV HVDC		680	800	636
800 KV	375	224	51	173
400 KV	2091	1780	1780	3198
220 KV	3674	4240	3543	3024

## Renovation & Modernization (R&M)

13. Since 1984 Renovation & Modernization is considered as the most cost-effective option to maximize the generation from the existing generation capacity. Phase-I of R&M Programme taken up in September 1984 for execution during the Seventh Plan covered 163 thermal units with a total capacity of 13,570 MW at 34 selected power stations in the country. The programme was successfully completed in the year 1991-92 at a total cost of

Rs. 1066 crore. An average additional generation of 10,000 MU/Year was achieved as against the targeted benefits of 7000 MU/Year after completion of the programme.

14. Encouraged with the results of Phase-I of the R&M programme, Phase-II was taken up in 1990-91 for 44 Thermal Power Stations comprising 198 units with a total capacity of 20,870 MW. The Programme was estimated to cost Rs. 2383 crore and was scheduled to be completed during the Eighth Plan. An additional generation of 7864 MU/Year was anticipated after completion of the programme. However, many utilities could not implement their, R&M Schemes on schedule, due to non-availability of funds.

15. As a result, by the end of Eighth Plan, only around 50% of the works could be completed yielding an additional generation of 5000 MU/year. The remaining R&M activities under Phase II, were taken up during the Ninth Plan period. The works for 153 thermal units are at various stages of completion and is anticipated to be completed during the Tenth Plan period.

16. By the end of the 9<sup>h</sup> Plan, Life Extension Work on 28 units (with a total capacity of 1981 MW ) was taken up. Out of this, 19 units have been completed and the remaining 9 units, it is anticipated to be completed by March, 2003. The life of the units covered by the programme is likely to be extended by 12-15 years.

17. Constraints on the R&M and Life Extension Programmes

- Non-availability of timely and adequate funds due to poor financial health of most SEBs/ Utilities.
- Delay in obtaining loans from PFC due to non-fulfilment of loan conditionalities.
- Procedural delays in formulation of schemes and finalisation of orders by SEBs/ Utilities.
- Reluctance on the part of the State Electricity Board to undertake renovation and modernization as this leads to the units going out of the system temporarily thereby lowering generation.

18. In the Ninth Plan, 36 Hydro schemes (23 under Phase-I and 13 under Phase II), with an aggregate installed capacity of 9,001 MW, were identified for Renovation, Modernization and Uprating (RM&U) work at an estimated cost of Rs. 917.30 crore. The (RM&U) programme was estimated to add 1,609 MW of capacity and enhance generation by 4,987 MU.

19. Of these 36 schemes, RM&U work has so far been completed on 18 hydro schemes with an aggregate installed capacity of 4,860 MW at an estimated cost of Rs. 554 crore and benefits expected to accrue are to the tune of 1,123 MW/3,350 MU. Of the remaining 18 RM&U schemes, five, with an aggregate installed capacity of 369 MW, have been declared "closed" and work on four, with an aggregate installed capacity of 380 MW, is yet to commence. The balance nine schemes, with an aggregate installed capacity of 3,392 MW, are under various stages of implementation.



## **Financial Performance of SEBs**

20. The SEBs continue to incur commercial losses which is a matter of concern. Commercial losses of SEBs without subsidy increased from the level of Rs. 11305 crore in 1996-97 to Rs. 25394.89 crore in 2000-01. The estimates for 2001-02 (RE) and 2002-03 (AP) assess these losses at Rs. 27560.68 crore and Rs. 24164.94 crore respectively. The internal resource of the SEBs continued to be negative. As per the resource discussions for the Annual Plan 2001-2002, the net internal resources of the SEBs which were Rs.(-) 2090.7 crore in 1996-97 increased to Rs (-) 15620.60 crore in 2000-01 (RE). In the year 2001-2002, it was expected to be Rs.(-) 19103.90 crore.

21. In case the SEBs are to achieve break-even i.e. 0% ROR in 2001-2002, they would have to raise average tariff on an All-India basis by 110 paise/unit over the current average tariff. This would yield additional revenue of as much as Rs.33177 crore. For achieving 3% ROR, the average tariff on All-India basis has to be increased by 117 paise/unit and it would yield additional revenue of Rs.35433 crore. If the minimum rate of 50 paise/unit of agriculture tariff is levied by the SEBs, they could mobilise additional revenue of the order of Rs. 1984 crore in the year 2001-2002.

## **Power Sector Reforms**

22. The steps in regard to power sector reform were continued by unbundling the SEBs and separating generation, transmission & distribution into separate corporations to make it possible to monitor efficiency levels on each activity as a profit center and also to create appropriate incentive for efficiency in each area. A brief on the status of reforms is given below :

23. Central Electricity Regulatory Commission formed under the provisions of Electricity Regulatory Commissions Act, 1998 has been made fully functional. The Commission has passed orders on Availability Based Tariff and has also brought out terms and conditions for determination of tariff. Nineteen States namely, Orissa, Haryana, Andhra Pradesh, Uttar Pradesh, Karnataka, West Bengal, Tamil Nadu, Punjab, Delhi, Gujarat, Madhya Pradesh, Arunachal Pradesh, Maharashtra, Rajasthan, Himachal Pradesh, Assam, Chhatisgarh, Kerala and Uttarnchal have either constituted or notified the constitution of SERC. SERCs of Orissa, Andhra Pradesh, Uttar Pradesh, Maharashtra, Gujarat, Haryana, Karnataka, Rajasthan, Delhi, Madhya Pradesh, Himachal Pradesh and West Bengal have issued tariff orders.

24. Orissa, Haryana, Andhra Pradesh, Uttar Pradesh, Karnataka, Rajasthan, Madhya Pradesh and Delhi have enacted their State Electricity Reforms Acts which provide, interalia, for unbundling/corporatisation of SEBs, setting of SERCs, etc. The SEBs of Orissa, Haryana, Andhra Pradesh, Karnataka, Uttar Pradesh, Rajasthan and Delhi have been unbundled/corporatised. The distribution companies formed after unbundling in the States of Orissa and Delhi have been privatized.

25. Hundred per cent metering of 11 KV feeders have either been completed or is in the final stages of completion in Goa, Maharashtra, Gujarat, Andhra Pradesh, Karnataka, Tamil Nadu, Kerala, Lakhsdweep, Haryana, Himachal Pradesh, Delhi, Uttar Pradesh, Madhya Pradesh, Rajasthan and Punjab. The Ministry of Power has signed memorandums of

understanding (MoUs) with 20 States to undertake reforms in a time-bound manner. These MoUs provide for time-bound metering in two phases i.e. (i) metering of 11 KV feeders and (ii) all consumers. Monitoring is being done to ensure that the agreed milestones are achieved.

### **Electricity Bill 2001**

26. The draft Electricity Bill, 2001 has been introduced in the Parliament. The new Electricity Bill would replace the existing three laws relating to electricity, namely :-

- The Indian Electricity Act, 1910 as amended from time to time.
- The Electricity (Supply) Act, 1948 as amended from time to time.
- The Electricity Regulatory Commission Act, 1998.

### **Accelerated Generation & Supply Programme (AG&SP) Scheme**

27. AG&SP Scheme was initiated in the financial year 1997-98 of the Ninth Plan and was extended upto the end of the Ninth Plan. The scheme provided incentives in the form of interest subsidy to SEBs/states and central power utilities. This has helped in carrying out power development activities particularly in the state sector. The capacity addition in the state sector achieved was around 88 per cent of the target, in which the contribution of AG&SP was around 55 per cent. The scheme has also given boost to the renovation and modernization (R&M) programme during the Ninth Plan period. The additional generation due to the incentives given through AG&SP is estimated to be about 10,000 MU/annum. It has been proposed to be extend the AF&SP scheme to the Tenth Plan period with some modifications.

### **Accelerated Power Development and Reforms Programme (APDRP)**

28. A scheme on Accelerated Power Development Programme (APDP) was initiated in the financial year (2000-01). In order to give a fillip to the reform process in the power sector, one of the main strategies identified in this regard is development of distribution plans/projects for all distribution circles as centers of Excellence that can be replicated by the States in the later phase of distribution reforms. Sixty-three such circles under APDP funding have been taken up initially, which envisages 11 KV feeders metering, improvement/strengthening of sub-transmission & distribution network, 100% metering, establishing of a MIS system to improve billing, collection etc. To ensure better Utilization of funds for reforms, an Accelerated Power Development and Reforms Programme (APDRP) has been formulated by making certain modifications in the APDP scheme. It is aimed at promoting investment for distribution reforms. The funding under APDRP is proposed to be 50 per cent on investment stream and 50 percent on incentive stream. The focus is to ensure that investment must result in quantifiable physical and financial benefits in the selected circles.

29. In order to avail of transition assistance, the States may have to achieve minimum eligibility as shown below :

- The State should have set up a State Electricity Regulatory Commission (SERC)

- SEB/Utility should have filed its first tariff petition before SER.
- SEB/Utility should have achieved a minimum of prescribed percentage reduction in cash losses compared to the previous year.

30. An amount of Rs. 1000 crore and Rs. 1500 crore were provided during the year 2000-01 and 2001-02 respectively. As against this, an amount of Rs. 854.30 crore and Rs. 477.60 crore were utilized during the year 2000-01 and 2001-02 respectively. For the Annual Plan 2002-03, i.e. the first year of Tenth Plan, an amount of Rs. 3500 crore has been provided under the APDP scheme.

### **Thrust Areas and Objectives of the Tenth Five Year Plan (2002-07)**

31. The Tenth Five Year Plan envisages the following key reform objectives

- Rationalizing power tariffs and making the tariff setting process transparent;
- Reflecting cost of service in the tariffs and transferring all subsidies explicitly to State budgets;
- Improving efficiency in all the three segments viz. generation, transmission and distribution either by creating separate profit centers with full accountability within the vertically integrated structure, or unbundling - SEBs into generation, transmission and distribution entities or through other model of reform depending on the choice of the State Government;
- Encouraging competition and private participation in each element of the electricity value chain;
- Instituting open access by separating the carriage (transmission & distribution network) from the content (power and energy) thereby enabling customers to source their requirements from the most efficient source;
- Strengthening the transmission & distribution system to reduce losses, improve metering, instituting energy audits and improving billing & collection.
- Redesigning APDP as APDRP (Accelerated Power Development and Reform Programme) with provision for release of funds linked to achievement of certain parameters and benchmarks;
- Integrating captive generation (especially co-generation) into the power system.
- Stepping up public funding for the sector even as steps are taken to attract private investment.
- Encouraging NTPC to take up projects through joint venture with private promoters and the State Governments.

### **Tenth Plan Targets**

32. The Tenth Plan (2002-07) envisaged a capacity addition of 41,110 MW. Of this, 22,832 MW (55.6%) in Central Sector, 11,157 MW (27.1%) in the State Sector and 7,121 MW (17.3%) is expected to be added in the Private Sector as given in Table 7.1.5.

**Table 7.1.5**  
**Sector-wise / Mode-wise Capacity Addition**  
**During the Tenth Plan (MW)**

<b>Source</b>	<b>Central</b>	<b>State</b>	<b>Private</b>	<b>Total</b>
Hydro	8742	4481	1170	14393
Thermal	12790	6676	5951	25417
Nuclear	1300	—	—	1300
<b>Total</b>	<b>22832</b>	<b>11157</b>	<b>7121</b>	<b>41110</b>

## **Annual Plan 2002-03**

### **Generation of Electricity (Utilities)**

33. The total electricity generation in utilities in 2002-03 is targetted at 545.552 BU (Table 7.1.1). Region-wise details are given in Annexure 7.1.1.

34. The total generation envisaged for 2002-03 is 1.12 % higher than the target for the preceding year. The overall Plant Load Factor envisaged is 70.8%. Additional Energy of about 1.4 BU is also expected to become available from the Chukha Hydel Project in Bhutan.

### **Addition in Capacity**

35. The target for addition to installed capacity during 2002-03 is 4109.10 MW (Table 7.1.3). This includes the projects aggregating to 893.6 MW capacity slipped over from 2001-02.

36. The total additional generating capacity targeted for 2002-03, a capacity of 1170 MW in the Central Sector, 1147.10 MW in the State Sector and 1792 MW in the Private Sector is expected to be commissioned. The scheme-wise details of additions to installed capacity during 2002-03 are indicated in Annexure 7.1.5.

### **Plan Outlay**

37. The total expenditure in the power sector (including Rural Electrification) during 2001-02 is estimated around Rs. 26309 crore against the Approved Outlay of Rs.27993 crore, as shown in Table 7.1.6.

**Table 7.1.6**  
**Annual Plan Outlays**

(Rs. crore)

<b>Annual Plan Outlays</b>	<b>2000-01 Revised Estimates</b>	<b>2001-2002 Approved Outlay</b>	<b>2001-2002 Revised Estimates</b>	<b>2002-2003 Approved Outlay</b>
States & U.Ts @	14134.88	15146.30	13431.62	Yet to be finalized
Central Sector @ (Actual)	7931.51	12846.37	12877.23	15491.72
<b>Total (All India)</b>	<b>22066.39</b>	<b>27992.67</b>	<b>26308.85</b>	

@ The details are given in Annexure 7.1.6.

38. The utilization of other provisions excluding Rural Electrification (RE) component, available for development programme in the power sector, is given in Table 7.1.7.

**Table 7.1.7**  
**Utilization of other provisions**

(Rs. crore)

<b>Utilization of other provisions</b>	<b>2000-01 Actual Expenditure</b>	<b>2001-2002 Approved Outlay</b>	<b>2001-2002 Anticipated Expenditure</b>	<b>2002-2003 Approved Outlay</b>
Power component of Special Area Programme of North Eastern Council (NEC)	328.62	154.31	228.89	57.50

### **Captive Power**

39. The addition to installed capacity in respect of Non-Utilities during 1999-2000 was about 569 MW. With this addition, the total installed capacity of such plants (including Railways) is estimated to have gone upto 14660 MW (covering captive plants of 1 MW capacity and above) by the end of March, 2000. The generation from Non-Utilities in 1999-2000 was placed at 51.525 BU approximately.

### **Externally Aided Power Projects**

40. The year-wise allocation and actual utilization of external assistance during the Ninth Plan period for power projects under Ministry of Power through bilateral and multilateral arrangements are indicated in Table 7.1.8.

**Table 7.1.8**  
**Year-wise Allocation and Actual Utilization**  
**During 1997-98 to 2001-02**

(Rs. crore)

Year	Allocation	Utilization	(%) utilization
<b>1997-98</b>			
Central Sector	2704.00	2309.14	85.40
State Sector	1363.58	1559.07	114.34
<b>Total</b>	<b>4067.58</b>	<b>3868.21</b>	<b>95.10</b>
<b>1998-99</b>			
Central Sector	2538.00	2179.64	85.88
State Sector	1859.06	1832.45	98.57
<b>Total</b>	<b>4397.06</b>	<b>4012.09</b>	<b>91.24</b>
<b>1999-00</b>			
Central Sector	1724.69	1491.92	86.50
State Sector	1948.82	1751.05	89.85
<b>Total</b>	<b>3673.51</b>	<b>3242.94</b>	<b>88.28</b>
<b>2000-01</b>			
Central Sector	1284.64	1694.42	131.90
State Sector	2220.36	1855.84	83.58
<b>Total</b>	<b>3505.00</b>	<b>3550.26</b>	<b>101.29</b>
<b>2001-02</b>			
Central Sector	1675.43	2336.09	139.43
State Sector	2392.14	1651.67	69.05
<b>Total</b>	<b>4067.57</b>	<b>3987.76</b>	<b>98.04</b>

Some of the factors contributing to non-utilisation of external aid in the case of power projects are deficiency in project management and delay in construction work.

### **Zero Based Budgeting (ZBB)**

41. The ZBB exercise for the Ministry of Power (MOP) was undertaken by the Planning Commission in consultation with the Ministry for the Annual Plan (2002-03) with a view to achieving the objectives of convergence, retention, retention with modifications, transfer to States and weeding out of the Central Sector Scheme and Centrally Sponsored Scheme (CSS) under MOP. A summary of the same is given in table 7.1.9. The scheme-wise details are given in Annexure 7.1.7.

**Table 7.1.9****Summary of ZBB exercise of Ministry of Power (MOP)**

Sl. No.	Category	No. of Schemes	
		Central	CSS
1	Schemes to be retained	5	Nil
2	Schemes to be merged	3/8	Nil
3	Schemes to be weeded out	10	1
4	Total Ninth Plan Schemes	23	1
5	Schemes continuing in the Tenth Plan	8	Nil

**Private Participation in Power Sector**

42. The policy for private Sector participation in Power was announced in October, 1991 in order to bring in additionality of resources for the capacity addition programme. The Indian Electricity Act, 1910 and the Electricity (Supply) Act, 1948 have been amended to bring about a new legal and financial environment for private enterprises in the electricity sector. The Electricity Laws (Amendment) Act, 1998 was also enacted to treat transmission as a distinct activity and to facilitate private sector investment in transmission sector.

43. The initial response of domestic and foreign investors to the policy of private participation in the power sector had been encouraging. However, many projects have encountered unforeseen delays in the finalization of power purchase agreements, guarantees and counter-guarantees, environmental clearances, matching transmission networks and legally enforceable contracts for fuel supplies. One of the most important impediments to private participation was the bankruptcy of the monopoly purchaser – the SEBs. This necessitated complex payment security mechanisms for achieving financial closure. Further, the high tariff of power from some of the commissioned independent power projects (IPPs) due to factors such as high cost of liquid fuels, risk factors involved and unrealistic forecast for future growth of demand etc. have prevented full utilization of available capacities. With the power sector reforms already set in motion, these problems are expected to be sorted out in due course.

- The policy of inducting private investment into the power sector, initiated in 1991, was expected to result in the addition of 17, 588 MW of power capacity in the Ninth Plan. The actual achievement was 5,061 MW, a mere 29 per cent of the target. The achievement ratio for the central and state sectors comparatively were higher at 38 per cent and 88 percent respectively. The main impediments have been :
  - (i) The chronic financial weakness of SEBs.
  - (ii) Unviable tariffs to IPPs, due to factors such as high cost of liquid fuels, risk factors involved and slow growth in demand for future power below the expected levels etc.
  - (iii) The absence of an enabling regulatory, legislative and market environment.
  - (iv) The slow pace of reform in the power sector and related sectors such as coal, transport.
  - (v) The inability to deliver bankable contractual frameworks.

44. The status of private power projects as on 1<sup>st</sup> February, 2002 in table 7.1.10

**Table 7.1.10**

**Status of private power projects as on 1<sup>st</sup> February, 2002**

<b>Description</b>	<b>Number</b>	<b>Capacity (MW)</b>
Projects techno-economically cleared by CEA	58	29,614.50
Private power projects fully Commissioned	15	4,427
Private power projects under construction	7	3,432

45. In addition, 18 private projects not requiring techno-economic clearance of the CEA, with a total capacity of about, 2,340 MW, have been commissioned and two projects with total capacity of 36 MW are under construction.

**Energy Conservation**

46. The Government has enacted the Energy Conservation Act, 2001 which provides for :

- (i) The establishment of Bureau of Energy Efficiency (BEE) by merger of existing Energy Management Center (EMC) under Ministry of Power.
- (ii) Declaring user or class of users of energy as designated consumer.
- (iii) Laying down minimum energy consumption standards and labeling for identified appliances / equipments and norms for industrial processes for energy intensive industries.
- (iv) Formulation of energy consumption codes.
- (v) Establishment of Energy Conservation Fund both at the Central and state Levels
- (vi) Penalties and adjudication. No penalties would be effective during the first five years as the initial period of five years would be promotional and creating infrastructure for the implementation of the Energy Conservation Act, 2001.
- (vii) The BEE would facilitate the evolution of a self-regulatory system and organizations that will regulate on their own because saving energy also makes good commercial sense.

47. The Bureau of Energy Efficiency (BEE) has become operational and has brought out an Action plan for implementing projects and programmes on efficient use of energy and its conservation. This Action Plan includes the formation of task forces in Cement, Pulp and Paper, Textile, Fertilizer, Chlor-Alkali and Aluminium industry sectors. Cement, Pulp and Paper and Textile industry sectors will be notified as “designated consumers”. Energy Audits will be conducted for these designated consumers by the accredited energy auditors. The Action Plan, in addition to the activities mentioned above will also contain medium and long term activities. The Action Plan would also address the issues relating to other thrust areas like Demand Side Management (DSM), Standards and Labelling Programme, Energy Efficiency in Buildings and Establishments, Energy Conservation Building Codes, Professional certification and Accreditation, Manuals and Codes, Energy Efficiency Policy Research Programme, School Education, Delivery Mechanism for Energy Efficiency Services etc.



## **Review of Annual Plan 2001-02 and Programmes for 2002-03**

48. During 2001-02, budget allocation of Rs.9.60 Crore was made for promoting energy conservation activities and Rs.28.00 lakhs for grants-in-aid to Energy Management Center (EMC). A number of pilot projects / demonstration projects were taken up for load management and energy conservation through reduction of T&D losses in the system. An amount of Rs.50.00 Crore has been given as budget estimate for Bureau of Energy Efficiency (BEE) for 2002-03 to implement various programmes of energy conservation.

### **Rural Electrification Programme**

49. There are 5.87 lakh villages in the country as per 1991 Census. By the end of March, 2002, 5.09 lakh villages have been electrified achieving a national average of 86.7%. As a part of the Village Electrification Programme, pumpsets are also energized in the States having the potential for ground water, which help in meeting the minor irrigation requirements. As on 31.3.2002 a total of 130.84 lakh pumpsets have been energized in the country against the total estimated potential of 195.94 lakhs which amounts to 66.8% of the potential exploited. Out of the balance around 80,000 villages to be electrified, it has been assessed that around 62,000 villages could be electrified by extending the conventional grid whereas the balance around 18,000 villages which are located in remote and difficult areas like hilly terrains, deserts and islands may have to be electrified by decentralized non-conventional energy sources like solar, small hydro and biomass. Govt. of India has already initiated action with the concerned Central Ministries so as to electrify all the remaining villages feasible to be electrified by grid by the end of the 10<sup>th</sup> (2002-2007) Plan. The left out remote villages which are not feasible to be connected to the grid will be electrified by decentralized energy sources like solar, small hydro and biomass and this work will be completed by the end of the 11<sup>th</sup> Plan i.e. 2007-2012.

50. In order to enable the States to electrify these villages by getting funds from Govt. of India in suitable proportion of grants and loans, the Rural Electrification Programme has been included as one of the components of the Prime Minister's Gramodaya Yojana (PMGY) from 2001-02 onwards. While the funds from the Govt. of India for village electrification would flow directly to the concerned State Govts., the funds for load intensification and system improvement in villages already electrified would be given by Rural Electrification Corporation (REC) in the form of loan. In addition, from the year 2002-03 onwards the Minimum Need Programme (MNP) component of rural electrification has been given adequate importance and it has been desired that the funds would be disbursed to the eligible States in the grant loan ratio of 90:10 in the case of Special Category States and 30:70 for Non-Special Category States. The quantum of funds provided for this programme has also been increased to the level of Rs.600 crores during the current Annual Plan (2002-03) as against the earlier level of Rs.175 crores. The funds under PMGY and the MNP components would be utilised for the electrification of unelectrified villages whereas the other R.E. works like system improvement, load intensification, household electrification etc. would be done by the State Govts. by availing loans out of Rural Infrastructure Development Fund (RIDF) and loans given by REC. The proposal of Ministry of Power to provide interest subsidy for the RIDF scheme has been agreed in principle and the rate of interest subsidy is in the process of finalisation.

## **New and Renewable Sources of Energy**

51. The programme of New and Renewable Sources of Energy is being implemented by the Ministry of Non-Conventional Energy Sources (MNES). These programmes include the rural energy, power generation from renewables, promotion of new technologies and also the programmes promoted through the Indian Renewable Energy Development Agency (IREDA) which is the only public sector financial institution under the administrative control of MNES. The Rural Energy Programmes help in meeting the energy requirements of the rural people for their basic needs like cooking, lighting and heating. The programmes for power generation from renewables include the wind energy, small hydro, biomass power and cogeneration, solar thermal and photovoltaic power and energy from urban and industrial wastes. As on December 31, 2001, the contribution of power generation from renewables has reached 3400 MW representing 3.5% of total installed generating capacity. Of this, wind power alone accounts for a major share with 1507 MW, while biomass power and cogeneration accounts for 400 MW and small hydro 1423 MW.

### **Review of Annual Plan 2001-2002**

52. Under the National Project on Biogas Development (NPBD), a target to install 1.80 lakh family size biogas plants was set for 2001-2002 with a budget estimate of Rs. 59.50 crores. Upto December 2001, 75,000 plants had already been installed and target is expected to be achieved. During 2001-2002 against the target of 17.55 lakh improved chulhas to cover 10,000 villages, around 7 lakh chulhas have been installed upto the end of December, 2001 and the balance target is expected to be achieved during the year. Under the National Biomass Gasifier Programme, during 2001-02, against the target of 7 MW (equivalent) gasifier systems 2.635 MW (equivalent) capacity has been installed in various States including Andhra Pradesh, Gujarat, Tamil Nadu and West Bengal. Under the Solar Photovoltaic Lighting Programme, the targets set for the year 2001-02 were 85,000 solar lanterns, 35,000 solar home lighting systems, 3,000 street lighting systems and solar power plants of equivalent capacity of 220 KWp. Against these targets, up to 31<sup>st</sup> December, 2001 31,998 solar lanterns, 24,782 home lighting systems, 547 street lights and solar power plant of 40 KWp aggregate capacity have been installed. The targets are likely to be achieved in full. Under power generation programme, 167 MW of wind power and 66 MW of biomass power (co-generation) have been installed during the year. In the case of small hydro power during 2001-02 MNES has supported Small Hydro projects aggregating to 60.15 MW have been commissioned up to December, 2001. The achievements in the other programmes of MNES are also satisfactory. The physical and financial progress of the programmes were regularly reviewed in the Annual Plan and quarterly review meetings in the Planning Commission with the participation of the other concerned Ministries.

53. Zero Based Budget (ZBB) exercise for the Ministry of Non-Conventional Energy Sources (MNES) was undertaken during Annual Plan 2001-02. An exercise for convergence, retention, retention with modifications, transfer to States and weeding out of the Central Sector / Centrally Sponsored Schemes (CSS) under MNES was carried out by the Power & Energy Division in consultation with MNES. Accordingly, a large number of schemes implemented by the MNES at present numbering around 35 are converged under 12 major schemes. Apart from this, 2 nos. of CSS under MNES have been identified to be transferred to the States. One scheme viz. Animal Energy has now been discontinued in view of the reason that the scheme is not making any headway in a significant manner

while under implementation by MNES. A summary of the same is given in table 7.1.11. Scheme-wise details are given in Annexure 7.1.8

**Table 7.1.11**  
**Summary of ZBB exercise of Ministry of Non-Conventional Energy Sources (MNES)**

Central Sector Schemes to be continued	Centrally Sponsored Schemes (CSS) identified for transfer to States	Central Sector scheme weeded out
<ol style="list-style-type: none"> <li>1. National Project on Biogas Development (NPBD)</li> <li>2. Wind Power</li> <li>3. Small Hydro Power</li> <li>4. Biomass Power</li> <li>5. Solar Power</li> <li>6. Village Electrification Programme</li> <li>7. Research, Design &amp; Development (RDD)</li> <li>8. Awareness &amp; Extension (includes IREP)</li> <li>9. Infrastructure Development and Capacity Building</li> <li>10. Institutional Support Scheme</li> <li>11. Indian Renewable Energy Development Agency (IREDA)</li> </ol>	<ol style="list-style-type: none"> <li>1. National Programme on Improved Chulhas (NPIC)</li>   <li>2. Community / Institutional Biogas Plants</li> </ol>	<ol style="list-style-type: none"> <li>1. Animal Energy Programme</li> </ol>

### Annual Plan 2002-2003

54. The total outlay of MNES for 2002-2003 is approved for an amount of Rs. 1101.48 crores (Rs.625.00 crores of Gross Budgetary Support and Rs.476.48 crores of IEBR). The financial provision indicated above will cover the programmes of Rural Energy, Solar Energy, Power Generation from Renewable Sources of Energy, Energy from Urban and Industrial Wastes and the equity support to IREDA. The GBS of Rs.625.00 crores includes the amount of 10% which is earmarked for being utilized in North East and Sikkim under various programmes of MNES. It has been proposed to install 1.70 lakh family size biogas plants, 20 lakh improved chulhas to cover 10,000 villages, 80,000 solar lanterns, 45,000 home lighting systems, 1000 solar generators, solar power plants equivalent to 0.45 MW, 1200 SPV pumps, 300 MW of wind power, 150 MW of biomass power, 7 MW equivalent biomass gasifier systems, 80 MW small hydro power and 20 MW equivalent capacity of energy from urban and industrial wastes. Approximate renewable energy potential vis-a-vis achievements are indicated in Table 7.1.12.

**Table 7.1.12**  
**Renewable Energy Potential & Achievements**

<b>Source/System</b>	<b>Approximate Potential</b>	<b>Cumulative Achievements (Upto 31.12.2001)</b>
Biogas Plants (No.)	120 lakh	32.75 lakh
Improved Chulha (No.)	1200 lakh	338.00 lakh
Biomass	19,500 MW	400.80 MW
Solar Photovoltaic	20 MW/sq.km.	82 MWp
Solar Thermal Systems	1400 lakh sq.m.	6.0 lakh sq.m
Solar Water Heating	collector area	collector area
Wind power	45,000 MW	1507 MW
Small Hydro Power	15,000 MW	1423 MW
Urban and Municipal Wastes	1700 MWe	17.10 MWe

## **(II) COAL AND LIGNITE**

### **Review**

55. Annual Plan 2001-02 was the terminal year of the Ninth Plan (1997-2002). A brief review of the IX Plan performance is given below. The performance of the Annual Plan 2001-02 is discussed along with the Annual Plan 2002-03.

56. The Ninth Plan envisaged augmenting domestic coal production with a long-term perspective keeping in view the sharply increasing demand for the power sector through improved productivity, capacity utilisation, technology adaptation, simplified project clearance procedures, improved project implementation, exploration, conservation etc. An important area of the Plan concerns restructuring the coal sector and facilitating private sector participation in commercial coal mining by means of necessary legislative amendments. The Plan laid emphasis on Clean Coal Technologies (CCT), Science & Technology (S&T) in the coal industry, development of Coal Bed Methane resources, augmentation of port and rail infrastructure facilities for improved coal movement and development of lignite resources.

57. Lower than expected economic growth and non-materialisation of new coal based power generation capacity affected coal offtake and coal production. As against the MTA's revised target of growth of 4.6% in coal demand the anticipated growth in the IX Plan is 3.32%. Similarly, the anticipated growth in coal production is 2.4% against the MTA's revised growth target of 2.86%. The coal production from captive blocks has also fallen short of the envisaged targets.

58. Lignite production from Neyveli Lignite Corporation (NLC) fell short of IX Plan target due to delays in implementation of major ongoing projects and the lignite production registered a growth of 0.17% against the envisaged growth of 4.90%.

59. Presently, private sector is permitted in coal mining limited to captive consumption. As this has not yielded the desired results it was proposed in the IX Plan to allow private sector in commercial coal mining. However, the Bill to amend the Coal Mines (Nationalisation) Act 1973 for permitting private sector in commercial coal mining has not come through. Also, the proposed restructuring of CIL to do away with the holding company structure and to give autonomy to the individual coal subsidiaries for bringing in competition, has not taken place. The coal prices were decontrolled totally. VRS has been introduced for rationalising manpower in loss making coal companies. However, revival of loss making coal companies has not taken place.

60. The anticipated cumulative IX Plan expenditure is about 74% of the Plan outlay. The main reasons for shortfall in expenditure have been shortfall in IR generation and not taking up of the envisaged new projects in view of sluggish demand and reduction in capital requirement in case of Singareni Collieries on account of offloading of OB removal and not procuring the HEMM departmentally and delay in implementation of major projects in NLC.

### **Annual Plan 2002-03**

61. The Annual Plan 2002-03 is the first year of X Five Year Plan covering the period 2002-03 to 2006-07. Accordingly, the following emanates from the X Plan thrust areas and Programmes.

### **Coal Demand**

62. As against the anticipated coal offtake/consumption of 348.43 mt of raw coal (excluding 4.93 mt of washery middlings) in 2001-02 the terminal year of the IX Plan, the estimated coal demand in the terminal year 2006-07 of the X Plan is 460.50 mt (excluding 5.24 mt of middlings). This implies a compound annual growth rate of 5.74% in coal demand in the X Plan against an anticipated growth of 3.32% during the IX Plan. Of this estimated demand, 37.21 mt (8%) is of coking coal for steel sector for a hot metal production programme of 25.59 mt in 2006-07 and 423.29 mt (92%) is of non-coking coal. About 69% of the total estimated demand is for power sector utilities and includes the demand for a projected incremental coal based generation capacity addition of 18308 MW and an overall coal based generation programme of 452 billion Kwh in 2006-07. About 5% is for cement sector related to a cement production programme of 153.50 mt. About 6% for captive power and the remaining about 12% is for other sectors.

63. For the Annual Plan 2002-03, a coal demand of 363.30 mt (excluding 4.93 mt of washery middlings) has been assessed. This includes 249.50 mt (excluding 3.3 mt washery middlings) for the power sector for a coal based thermal generation programme of 353.52 BU and an incremental coal based generation capacity of 960 MW in 2002-03. The demand for steel sector has been assessed at 34.40 mt of raw coal corresponding to a hot metal production of 24.31 mt in 2002-03. For cement sector the coal demand has been assessed at 17.10 mt for a targeted cement production of 121 mt in 2002-03. The details of coal demand/offtake are given in the Table-7.1.13.

**Table 7.1.13**  
**Sectoral Coal Demand/Offtake**

(in million tonnes)

Sl. No	Sector	Ninth Plan			Tenth Plan			
		2000-01	2001-02		% ACGR	2002-03	2006-07	% ACGR
		Actual	Target	Anticipated		Target	Projected	
	<b>Coking Coal</b>							
1	Steel	28.76	32.21	29.75		32.90	35.32	
2	Coke Ovens	0.50	1.91	0.66		1.50	1.89	
	<b>Sub-Total</b>	29.26	34.12	30.41	-2.77	34.40	37.21	4.12
	<b>Non-Coking</b>							
3	Power Utilities	237.03	241.54	241.19	3.92	249.50	317.14	5.63
		(2.49)	(2.78)	(3.27)		(3.27)	(3.74)	
4	Cement	14.68	17.00	15.00	5.75	17.10	24.56	10.36
5	Steel DR	3.72	3.48	5.16	21.36	4.00	7.00	6.29
6	Railways	0.01	0.01	0.00	0.00	0.00	0.00	
7	Fertilisers	3.18	3.50	3.10	-6.68	3.50	4.18	6.16
8	LTC/Soft Coke	-	-	*	-	-	0.20	
9	Cokeries/Coke Oven (NLW)	1.40	1.40	*	-	-	1.50	
10	Export	0.04	0.07	0.02	-	0.05	0.10	
11	Captive Power	16.03	21.11	18.39	3.75	21.15	28.26	8.97
		(1.28)	(1.35)	(1.45)	(1.55)	(1.40)		
12	BRK & Others	33.00	29.56	33.00	5.55	31.10	37.85	2.78
		(0.77)	(0.70)	(0.22)	(0.11)	(0.10)		
13	Colliery consumption	2.19	2.50	2.17	-8.54	2.50	2.50	2.87
	<b>Sub-Total</b>							
	<b>Non Coking:</b>	<b>311.28</b>	<b>320.17</b>	<b>318.03</b>	<b>4.04</b>	<b>328.90</b>	<b>423.29</b>	<b>5.88</b>
		<b>(4.53)</b>	<b>(4.83)</b>	<b>(4.93)</b>		<b>(4.93)</b>	<b>(5.24)</b>	
	<b>Grand Total:</b>	<b>340.54</b>	<b>354.29</b>	<b>348.44</b>	<b>3.32</b>	<b>363.30</b>	<b>460.50</b>	<b>5.74</b>
		<b>(4.53)</b>	<b>(4.83)</b>	<b>(4.93)</b>		<b>(4.93)</b>	<b>(5.24)</b>	

**Note** :1. Figures in brackets are washery middlings and are not included in totals.

2. \* Included in BRK & Others.

## Coal Production

64. The coal production target in the terminal year 2006-07 of the X Plan is set at 405 mt against an anticipated coal production of 325.65 mt in 2001-02 implying annual compound growth of 4.46% in the X Plan against 2.4% anticipated in the IX Plan. This comprises 350 mt from the coalfields of CIL, 36.13 mt from SCCL, 5.24 mt from TISCO, 2.4 mt from Other PSUs like IISCO, DVC, BSMDCL etc., 6.73 mt from Captive Block holders and 4.5 mt from private sector of Meghalaya State. The incremental coal production in the X Plan is 79.35 mt against 39.56 mt in the IX Plan. This comprises of 71 mt from CIL, 5.13 mt from SCCL and 3.22 mt from others. Of the 71 mt of incremental production from CIL, the major incremental contribution is from SECL – 21.55 mt, MCL – 21.5 mt, NCL – 8.5 mt and CCL – 10.3 mt.

65. The coal production target for Annual Plan 2002-03 has been set at 335.70 mt against the anticipated coal production in 2001-02 of 325.65 mt. The details of company-wise coal production are given in the Table-7.1.14 .

**Table –7.1.14**  
**Coal Production**

(in million tonnes)

Company	Ninth Plan				Tenth Plan		
	2000-01	2001-02		% ACGR	2002-03 Target	2006-07 Projected Target	% ACGR
	Actual	Target	Anticipated				
ECL	28.03	28.50	28.50	-0.79	29.00	31.00	1.70
BCCL	25.97	30.00	27.50	0.27	28.00	33.00	3.71
CCL	31.75	36.00	33.00	0.50	34.25	43.30	5.58
NCL	41.40	41.50	43.50	3.28	44.00	52.00	3.63
WCL	35.20	35.00	36.50	3.17	37.00	37.50	0.54
SECL	60.33	63.00	63.00	2.64	65.25	84.55	6.06
MCL	44.80	44.50	46.50	4.47	48.00	68.00	7.90
NEC	0.66	0.50	0.50	-7.79	0.50	0.65	5.39
CIL:	268.14	279.00	279.00	2.17	286.00	350.00	4.64
SCCL	30.27	32.38	31.00	1.53	32.50	36.13	3.11
TISCO/ ISCO/DVC	7.33	7.60	7.55	2.33	7.60	7.64	0.24
Captive	3.83	3.75	4.00	-	5.50	6.73	10.97
Others	4.07	NA	4.10	5.02	4.10	4.50	1.88
Total:	313.64	322.73	325.65	2.40	335.70	405.00	4.46

66. Only 36% of the envisaged coal capacity addition materialised during the IX Plan. As against the envisaged contribution of 60 mt of coal production from new projects from CIL and SCCL, projects yielding a production capacity of only 21.62 mt (CIL 17.16 mt capacity from 37 projects and SCCL 4.46 mt capacity from 10 projects) have been sanctioned during the IX Plan. This slow rate of capacity addition is likely to affect the coal availability in the X Plan and beyond.

67. In the X Plan of the envisaged total coal production of 386.13 mt from CIL & SCCL, 83.12 mt (CIL 79.11 mt; SCCL 4.01 mt) or about 22% is to come from 115 new projects (CIL - 98 projects for a total capacity of 197.40 mt and an estimated capital investment of Rs.23159.24 crore; SCCL -17 projects for a capacity of 4.13 mt and a capital investment of Rs.2116.96 crore), which are to be taken up during the X Plan. The contribution from new projects in 2002-03 from CIL is 7.01 mt and SCCL 0.10 mt. Unless these projects come up, it will be difficult to meet the requirements from domestic sources and the preparedness of the coal companies in realising this production needs to be ascertained. The contribution from captive blocks is only 2% of the total targeted production of 405 mt in 2006-07. This implies an urgent need to encourage private participation for augmenting coal production from domestic sources. The category-wise coal production is given in Table-7.1.15

**Table –7.1.15**  
**Category-wise Coal Production**

(million tonnes)

Category	CIL	SCCL	TISCO/ IISCO/DVC	Captive Blocks	Meghalaya	Total
Existing	25.50	3.87	7.55	4.00	4.10	45.02
Completed	200.81	19.03	-	-	-	219.84
Ongoing	44.59	9.22	-	-	-	53.81
New	79.11	4.01	0.09	2.73	0.40	86.34
<b>TOTAL:</b>	<b>350.00</b>	<b>36.13</b>	<b>7.64</b>	<b>6.73</b>	<b>4.50</b>	<b>405.00</b>

68. As against the anticipated washed coking coal production of 5.19 mt from CIL in 2001-02, the target of washed coking coal production in 2006-07 is fixed at 5.96 mt and for Annual Plan 2002-03 at 5.38 mt. There is dire necessity to improve the situation of declining production of washed coking coal from domestic sources by undertaking modernisation of all the coking coal washeries and converting them into multi-product washeries suiting to the raw coal feed and specifications of the steel sector for improved financial viability.

69. Similarly for complying with the requirement of MOEF's directive a number of non-coking coal washeries would need to be set up in the X Plan.

### **Demand Supply**

70. The estimated raw coal demand of 460.50 mt in 2006-07 is proposed to be met through a domestic production of 405.00 mt leaving a gap of 55.50 mt. It is proposed to



import 24.18 mt (5.4% of total demand) comprising 17.18 mt of coking coal for steel sector, 3.7 mt of non-coking coal for power sector and 3.3 mt of non-coking coal for cement sector as against a total likely import of 19.6 mt (5.6% of demand) in 2001-02 (Coking coal – 10.8 mt, Non-coking coal - 8.8 mt). This would still leave a gap of 31.32 mt, which emphasizes the need for augmenting domestic coal production with private participation.

71. Similarly the estimated raw coal demand of 363.30 mt for **2002-03** is proposed to be met through a domestic coal production of 335.70 mt leaving a gap of 27.60 mt. The proposed imports of coking coal for steel are 16.78 mt and non-coking coal 6.33 (Power- 3.13 mt; Cement- 3.20 mt) totaling to 23.11 mt would still leave a gap of 4.49 mt. Considering a stock liquidation of 0.40 mt from CIL the gap would be about 4 mt.

## **Productivity**

72. To improve the overall productivity of men and machinery certain steps like rationalisation of manpower through implementation of Voluntary Retirement Scheme (VRS), decommissioning of uneconomic mines, prioritizing the investment programme, improving the utilisation of capital intensive HEMM, etc have been taken up during the IX Plan. As a result the overall productivity in CIL and SCCL, which was standing at 1.86 t (UG – 0.57 t; OC – 5.12 t) and 1.34 t (UG – 0.72 t; OC – 6.25 t) at the beginning of the IX Plan has improved to 2.44 t (UG – 0.66 t; OC – 6.41 t) and 1.55 t (UG – 0.81 t; OC – 7.00 t), respectively. The improvement in Out Put per Manshift (OMS) is primarily the result of improvements at OC mines. The UG productivity needs to be further improved. In case of HEMM, the norms prescribed earlier by CMPDIL are under review by a Committee of DOC whose report is awaited.

73. Against an anticipated overall OMS of 2.44 t (UG-0.66t, OC-6.41t) in CIL in 2001-02 the projected OMS in 2006-07 is 3.55t (UG-0.88t, OC-9.25t). For the Annual Plan 2002-03 the target of OMS is 2.58t (UG-0.69t, OC-6.86t).

74. In case of SCCL against the anticipated overall OMS of 1.55t (UG-0.81t, OC-7.0t) the projected OMS in 2006-07 is 1.77t (UG-0.94t, OC-7.31t). For the Annual Plan 2002-03 the target of OMS is 1.66t (UG-0.84t, OC-7.98t).

75. Bench marking of operations with regard to productivity, capacity utilisation, investment etc. in coal companies is important for the operations. Need for independent auditing of the operations, efficiency of investment and resources was identified as the requirement for understanding the productive investment of resources for making the coal companies competitive.

## **Lignite**

76. Against the initially envisaged lignite production target of 22 mt in 2001-02 for NLC, the Annual Plan 2001-02 target was set at 17.50 mt matching the requirements of down stream units. The anticipated lignite production from NLC in 2001-02 is 17.50 mt. The growth in NLC's lignite production in the IX Plan has been 0.17% only against the envisaged growth of 4.9%. This has been mainly due to delay in commissioning of ongoing TPS-I Expansion project, Mine-I Expansion project and Mine-1A project.

77. The projected demand for lignite in the country in 2006-07 is 57.79 mt of which the demand for power generation is 49.34 mt (85.4%) and other sectors 8.45 mt (14.6%). Of this, the demand on the part of NLC is 27 mt and the production target for NLC in 2006-07 is fixed at 27 mt.

78. The target of lignite production for Annual Plan 2002-03 from NLC is 19.95 mt.

### **Project Implementation**

79. Land acquisition, forestry clearance, rehabilitation, equipment supplies, availability of funds, inadequate geological studies, improper project formulation, etc. continue to cause delays in the implementation of coal projects, deration of capacity of some projects and some foreclosures. The decision of DOC to only undertake projects yielding an IRR of 16% or more has also affected a number of technically viable coal projects. However, DOC has reviewed this decision at the end of the IX Plan and lowered the hurdle IRR to 12%.

80. There appear to be repeated instances of projects, which are formulated with low initial specific investments only to be revised subsequently with significant cost overruns and delays. While this in itself is cause for concern, what is even more worrisome are repeated instances of a third level of revisions which essentially lower production estimates for varying technical and non-technical reasons resulting in even higher specific investment costs. This pattern appears consistently across projects promoted by ECL & BCCL and hinders proper assessment and utilisation of limited resources. This establishes a need for reviewing project formulation practices of the coal companies. The problems of mutation & transfer of land by the State Governments need to be addressed in the right perspective for meaningful implementation of coal projects by coal companies. Similarly, the aspects of grant/renewal of lease by State Governments are also equally important to reduce time delays in case of new projects. With regard to environmental and forestry clearances, it was opined earlier that a single window system with specific time frame was essential. However, there is no improvement in this regard and it continues to take unduly long time for clearance of new projects. Further, charging of the "expectation value" towards forestland by the State Governments is becoming a hurdle in project implementation and coal companies are made to pay huge amounts in this regard adding to the cost of the projects over and above the cost of afforestation.

### **Coal & Lignite Reserves**

81. As against the coal reserve inventory of 204.65 bt (Proved – 72.73 bt; Indicated – 89.84 bt; Inferred – 42.08 bt) at the beginning of the IX Plan, the reserves of coal as on 1.1.2001 stand at 220.98 bt [Proved - 84.4 bt (38%); Indicated - 98.5 bt (45%); Inferred - 38.00 bt (17%)]. Of the 84.4 bt of proved coal reserves, the estimated extractable reserves are 17.96 bt (21%) only. Similarly, the reserves of lignite in the country as on 1.1.2001 are estimated to be 34.61 bt against 27.45 bt during the beginning of the Plan. There is a need to upgrade the available coal reserves to proved and extractable reserves.

### **Zero Based Budgeting**

82. A review of all the central schemes under DOC on a Zero based budget methodology with a view to ascertaining whether they require continuation in the X Plan and, if so, if

they also require any modification and changes was carried out in the Planning Commission in consultation with DOC. Accordingly, the schemes, namely, R&D/S&T, Coal Controller Organisation, Promotional Exploration, Detailed Exploration in Non-CIL blocks, VRS have been agreed to be continued in the X Plan. However, the schemes of Environmental Measures and Subsidence Control (EMSC) and Rehabilitation, control of fire & subsidence in Jharia and Raniganj Coalfields have been merged under one scheme, namely, EMSC for continuation in the X Plan and the scheme of IT has been taken out of Plan schemes.

### **Promotional Exploration**

83. In order to accelerate the pace of Regional Exploration in coal & lignite and the subsequent detailed exploration for projectisation of reserves to match the rapidly increasing demand for coal during the Seventh Five Year Plan and after, a separate fund under a plan scheme namely "Regional/Promotional Exploration" was created by the Planning Commission under the budget of the Department of Coal, in 1989-90.

84. Against IX Plan target of drilling for promotional exploration of 7.75 lakh meters, the anticipated cumulative achievement is 6.59 lakh meters and 24 bt of coal reserves and 25.44 bt of lignite reserves have been established. The target of drilling for promotional exploration for Annual Plan 2001-02 was 1,55,000 meters. Against this, the anticipated achievement is 1,20,300 meters.

85. For promotional exploration during the Tenth Plan, a drilling target of 3.3 lakh metres for coal and 2.7 lakh metres for lignite totaling to 6.0 lakh metres has been set. About 994 sq. km. area will be covered for coal and a reserve of 6.68 bt of coal is planned to be established during the X Plan. This work will be carried out by GSI, CMPDI and MECL with funding from DOC. In addition to the drilling programme a scheme to create coal & lignite database for consolidating the data generated by various exploration agencies for facilitating future decisions has been proposed to be taken up under Promotional Exploration. Similarly, studies for Coal Bed Methane (CBM) for collection of desorption data on CBM from boreholes drilled under Promotional Exploration programme has also been proposed.

86. The target of drilling for promotional exploration for Annual Plan 2002-03 is set at 1,20,300 meters.

### **Detailed Drilling in Non-CIL Blocks**

87. This scheme was taken up in IX Plan through budgetary support in order to reduce time lag between allotment of mining blocks to the private entrepreneurs and the coal mining operations and thus to make up the gap between the demand and availability of coal. A target of 3.63 lakh meters was set for drilling under this scheme during the IX Plan. Against this, the anticipated achievement is 2.76 lakh meters and 1.99 bt of coal reserves are likely to be established. The target of drilling for Annual Plan 2001-02 under this scheme was 1.49 lakh meters, which is likely to be achieved.

88. For the Tenth Plan, a target of 2.13 lakh meters has been set for detailed drilling in Non-CIL blocks, which will lead to establish 3.58 bt of coal reserves. The target of drilling for Annual Plan 2002-03 is set at 0.42 lakh meters.

## **Science & Technology (R&D)**

89. The Research & Development Programme in coal sector gained importance after nationalisation of coal industry. The programme was initiated in the year 1975. The Standing Scientific Research Committee (SSRC) was set up in DOC under the chairmanship of Secretary (Coal) and members from other Government Departments & Industry. SSRC is assisted by four Sub-Committees, namely, Production, Productivity & Safety; Coal Beneficiation; Coal Utilisation; and Environment & Ecology.

90. Though Research & Development (R&D) has been a thrust area in the Ninth Plan, not much of progress has taken place in coal sector S&T. As a result, the outlays provided remained un-utilised to a large extent and the cumulative utilisation is only about 26%. However, amongst others, two important projects, namely, coal bed methane extraction in collaboration with UNDP & GEF and Washing of Low Volatile Medium Coking Coal have been taken up for demonstration under Coal Sector S&T Grants.

91. The three pronged approach envisaged in the IX Plan i.e. (i) Coal S&T programme under SSRC to continue (ii) in-house R&D programme with coal companies and (iii) Inter-Sectoral Research - Technology Advisory Committee (IS-STAC), would continue in the X Plan also. The major identified issues under the thrust areas for coal S&T programme are – coal gasification, coal washing, beneficiation of low volatile coking coals (LVMC), coal liquefaction, fluidised bed combustion, sequestration of CO<sub>2</sub> in control of green house gas and extraction of CBM, etc. DOC has to identify and formulate new schemes matching the thrust areas under S&T.

## **Environmental Measures and Subsidence Control (EMSC)**

92. This scheme was introduced in the Eighth Plan for improvement of environmental conditions in the mined out areas and mitigation of problems arising out of subsidence and fire in Raniganj and Jharia coalfields. However, the utilisation of the outlays provided is only about 43%. DOC has to identify new schemes to be taken up during the X Plan under EMSC.

## **Rehabilitation, Control of Fire & Subsidence in Jharia and Raniganj Coalfields**

93. Based on the recommendations of the High Level Committee, DOC formulated this scheme in the IX Plan considering the urgency for shifting of population from unsafe areas in ECL (Raniganj Coalfield) and BCCL (Jharia Coalfields) and forms a part of the Master Plan. The utilisation of the outlays provided is only about 17%. This scheme has been merged with EMSC scheme from 2002-03 onwards.

## **Information Technology**

94. This scheme was introduced by MOC in 1999-2000, under the head of IT defining its systems information needs in order to achieve its objectives and administer its responsibilities using IT as an enabler. The IT plan envisages procurement and maintenance of hardware/software, connectivity within the department and among constituent units of DOC. The estimated cost of the scheme is Rs. 1.94 crore. This scheme is phased over five years. After ZBB Exercise this has been taken out of Plan schemes with effect from 2002-03.

## **Voluntary Retirement Scheme (VRS)**

95. This scheme was introduced in the IX Plan for improving the financial health of loss making coal companies by means of rationalisation of manpower by making available required funds through NRF initially, which was, later supported by extending budgetary support. To begin with it was started in ECL and BCCL, which was extended to CCL later on. It was planned to retire 44,400 employees (ECL – 19200; BCCL – 19200; CCL – 6000) in all. The anticipated achievement is retirement of 37,380 persons (85%) under this scheme during the IX Plan.

96. As against the target of retiring 11,500 persons (ECL – 4500; BCCL – 4500, CCL – 2500) in 2001-02, the anticipated achievement is 10850 (ECL –4350, BCCL – 3600, CCL – 2900). The target for X Plan is retiring of 15,500 persons (ECL – 4000; BCCL – 9000; CCL – 2500). For Annual Plan 2002-03, a target of retiring 7,485 employees (ECL-3125, BCCL-3635, CCL-725) is fixed.

## **Monitoring Mechanism**

97. With a view to ensuring timely and effective implementation of projects and Central Sector Schemes of Coal Sector, Quarterly Performance Review (QPR) Meetings have been introduced in the Planning Commission in addition to the QPR Meetings being held in the Ministry.

## **Policy Measures**

98. During the Ninth Plan, the Government implemented the recommendations of the Committee on 'Integrated Coal Policy'. The coal prices have been deregulated and the Bill for permitting private sector in commercial coal mining is before the Parliament. However, implementation of the other recommendations with regard to setting up of independent body, allocation of coal blocks for exploration and mining, establishing regulatory authority etc. are contingent on the approval of the Bill.

99. The IX Plan laid emphasis on making the coal sector competitive by restructuring the coal producing PSUs. It was proposed to extend more autonomy to coal producing PSUs and to do away with the holding company structure. The capital restructuring of both CIL and SCCL was done at the beginning of the IX Plan and again during the IX Plan. Some coal PSUs have started posting profits and paying taxes and dividends to the Government. However, some inherently sick coal companies like ECL and BCCL could not be revived and are currently before BIFR. More importantly, rationalisation of manpower has been taken up by implementing Voluntary Retirement Scheme (VRS) in these coal companies. Of late, CCL has also started posting losses and implementation of VRS has been extended to CCL. The proposal of doing away with the holding company structure has not been implemented. Though the prices of all grades of coal stand decontrolled, however, in view of the fact that coal still remains under Essential Commodities Act, selling of coal by private parties is not permitted. The royalty rate on lignite has been revised.

100. The huge outstanding coal sale and power sale dues are adversely affecting the financial health of the coal companies and the envisaged securitisation of dues has not taken place. The domestic coal is getting outpriced due to high rail freights when compared

to the imported coal particularly in the coastal regions. This is because of cross subsidy by Railways. There is need for rationalising rail freight rates for coal.

101. Continuation of reforms initiated earlier need to be intensified in the X Plan. Expeditious passing of the pending coal bill for permitting private sector in non-captive coal mining, restructuring of coal PSUs by doing away with CIL, the holding company and making subsidiary coal companies of CIL independent for promoting competition and improving performance, setting up of an independent body for allocating coal blocks for both exploration and exploitation, installing regulatory authority/mechanism, undertaking all the required legislative amendments including that of labour laws, land acquisition, etc. are critical for proper development of the coal sector.

### **Coal Bed Methane (CBM)**

102. Coal Bed Methane is emerging as a new source of commercial energy in the country. It is estimated that there exists a potential of about 850 billion cu m of CBM in the country. The IX Plan laid emphasis on the exploration and exploitation of CBM. The Government in July 1997 approved the policy for exploration and exploitation of CBM. Pursuant to this, necessary steps to implement the policy were initiated and blocks for exploiting CBM potential have been offered. The X Plan will continue to lay emphasis on development of CBM in the country in view of its large potential as a domestic source of clean commercial energy. Further, CO<sub>2</sub> sequestration has been identified as an important area of development in the coal sector.

### **Safety & Welfare**

103. During the IX Plan certain important areas for safety in coalmines had been identified and the same are under implementation. The fatality rate in CIL for the year 2001 is reported as 0.27 per million tonne of coal production excluding the unfortunate Baghdigi disaster in BCCL, in which 29 persons were killed due to inundation. Similarly, the fatality rate in SCCL is reported as 0.99 per million tonne of coal production in the year 2001. Some of the major thrust areas identified for safety in coal mines for the X Plan are – (i) installation of environmental Tele-Monitoring Systems (ETMS) in mines; (ii) digitizing mining plans at area level for identification of water danger from adjoining mines, checking correlation survey and estimating thickness of barriers; (iii) replacement of timber support by steel support; (iv) improved self-rescuers; etc.

104. The housing satisfaction has reached a level of 75% in CIL and about 50% in SCCL. A total population of 23.24 lakh has been covered under water supply scheme in CIL and 6.5 lakh in SCCL till 2001-02. 87 hospitals with 5965 beds in CIL and 7 hospitals with 1070 beds in SCCL are in operation. In addition to this, 436 dispensaries in CIL and 43 dispensaries in SCCL are also functioning. During the X Plan, increasing the housing satisfaction in the coalfields and water supply facility to cover additional population is envisaged.

### **Externally Aided Projects**

105. The major projects availing EAP component during the IX Plan have almost been completed and some residual amount is spilling over to X Plan. An amount of Rs.15.48

crore towards the Coal Sector Environment and Social Mitigation Project of CIL has been provided in Annual Plan 2002-03 against the RE provision of Rs. 66.52 crore in 2001-02. Similarly the residual component of World Bank loan for coal sector rehabilitation project of CIL of Rs. 26.67 crore has been provided in Annual Plan 2002-03 against the RE provision of Rs. 183.40 crore in 2001-02.

### Plan Outlay

106. For Annual Plan 2001-02, an outlay of Rs.3977.15 crore including Rs.538.84 crore for NLC (Power) was provided to DOC. As against this, the RE provision for 2001-02 has been Rs.3127.69 crore including Rs.494.96 crore for NLC (Power). With this, the cumulative expenditure during the IX Plan works out to Rs.14387.72 crore and forms about 74% of the IX Plan outlay of Rs.19441.59 crore for DOC. Broadly, the Plan expenditure suffered due to not taking up of envisaged new coal projects, reduction in capital requirements due to recourse to offloading of overburden removal by SCCL instead of doing the same by procuring HEMM departmentally, delay in implementation of projects etc.

107. As against the RE provision of Rs.3127.69 crore for 2001-02, the outlay provided for Annual Plan 2002-03 for DOC is Rs.3491.47 crore. This comprises an outlay of Rs.292.72 crore for NLC (Power). The outlay for 2002-03 is planned to be financed through an IEBR of Rs.3164.47 crore, EAP of Rs.15.48 crore and DBS of Rs.311.52 crore. The budgetary provision is mainly for the Central Sector Schemes under DOC including Voluntary Retirement Scheme (VRS). There is no DBS provision for PSUs. The company-wise/scheme-wise details are given in Table 7.1.16.

**Table-7.1.16**

### Companywise/Schemewise Financial Outlays

(Rs. Crore)

Company/Scheme	2000-01 Actual	2001-02		2002-03 BE
		BE	RE	
Coal India Ltd.	1059.32	2309.90	1540.00	2190.00
Singareni Coll. Co. Ltd.	194.10	355.00	290.00	405.00
Neyveli Lignite Corp. (Mines)	591.53	449.97	401.81	292.23
Science & Tech.	0.16	11.92	1.71	7.76
Regional/Promotional .Expl.	30.37	32.26	35.21	49.19
EMSC	10.00	12.17	5.41	34.65
Detailed drilling in Non-CIL Blocks	10.00	37.27	50.00	13.92
Rehab. Project	0.50	7.24	8.04	0.00
Information Tech.	0.33	0.39	0.55	0.00
VRS	140.03	156.99	300.00	206.00
<b>Total Coal &amp; Lignite</b>	<b>2036.34</b>	<b>3373.11</b>	<b>2632.73</b>	<b>3198.75</b>
Neyveli Lignite Corp. (Power)	469.49	538.84	494.96	292.72
NEC	57.14	65.20	*	*
<b>Total DOC</b>	<b>2562.97</b>	<b>3977.15</b>	<b>3127.69</b>	<b>3491.47</b>

Note:- \* The provision for NEC in RE 2001-02 and BE 2002-03 is included in the provision of individual schemes.

## Emerging Issues/Thrust Areas

108. The following issues/thrust areas need to be addressed during Annual Plan 2002-03/ Tenth Plan for proper development of Coal Sector in the Tenth Plan period and beyond.

- Continuation of reform process and facilitating private sector participation in commercial coal mining with a view to gaining access to latest technologies for coal exploration, production and utilisation and to encouraging competition.
- Expeditious passing of pending Coal Mines (Nationalisation) Amendment Bill for permitting private sector in non-captive mining.
- Restructuring the coal sector by doing away with CIL, the holding company, and providing more autonomy to individual coal producing companies for promoting competitiveness, revival of loss making coal companies, etc.
- Setting up of an independent Regulatory Authority to oversee the introduction of competition in each segment of the coal production & supply chain, resolution of disputes and allocation of coal blocks both for exploration and exploitation.
- Amendments to Contract Labour (Regulation & Abolition) Act, 1970 for facilitating offloading of certain activities in coal mining.
- Coal to be removed from the List of Essential Commodities in order to allow free sale and to withdraw Colliery Control Order 2000 along with the Coal Control Orders of the State Governments.
- Rationalisation of rail freight rates for coal movement.
- Need for rationalising import duty on coal for improving competitiveness of the Sector.
- Mechanism for expeditious clearance of huge coal dues from SEBs for improving financial health of coal sector PSUs.
- Augmentation of coal production capacity to meet the projected demand of power sector in particular and other end use sectors in general.
- Intensification of exploration and upgradation of coal reserves to proven and recoverable category in the context of the energy security net of the country.
- Improvement of environmental aspects and promotion of clean coal technologies – beneficiation of non-coking coal for power generation; development of coal bed methane; CO<sub>2</sub> sequestration; coal gasification; IGCC and FBC route of power generation, development of slurry transportation, etc.
- Promoting washed coking coal with adoption of better technologies and making domestic product competitive for steel sector with a view to reduce import dependence.
- Development of port and rail infrastructure for coal movement and to reduce dependence on road transportation and promoting other modes of coal transportation.
- Rapid development and utilisation of lignite resources both for power generation and industrial purposes.
- Development of in-house R&D.
- Need for improving the productivity & capacity utilisation.
- Pricing and grading of coal on Gross Calorific Value (GCV).



### **(III) PETROLEUM AND NATURAL GAS SECTOR**

109. Petroleum & Natural Gas sector plays a vital role in the economic growth of the country. Presently, about 44.9% (36.0% for oil and 8.9% for natural gas) of the total primary commercial energy needs of the country are met by oil and natural gas. Natural gas is emerging as the preferred fuel of the future in view of it being an environmental friendly and desirable feedstock. Against the world trend of increasing use of natural gas, the scope of increasing share of natural gas is limited in India, unless some large finds of gas become available or there is large scale import of natural gas/liquified natural gas (LNG).

110. With the projected increase in demand of petroleum products and stagnating indigenous production of crude oil, the import dependence has been increasing over the years. Therefore, there is a need to increase indigenous production of oil and gas.

111. The increasing imports of crude oil, the proposed LNG imports during the Tenth Plan, high price volatility in the international markets and disruption of supplies due to war etc. raise the issue of oil security. Oil security is proposed to be ensured through strategic storage of crude oil and petroleum products, diversification of oil imports and investing in equity oil abroad.

112. During the Ninth Plan the growth in petroleum products is lower than the targets mainly due to slow down of the economy, improvement of roads (including construction of bridges and by-passes), introduction of fuel efficient vehicles, increasing share of service sector, especially Information technology (IT) and e-commerce in GDP.

#### **Policy Initiatives and Measures Taken**

113. Reforms in the petroleum sector initiated in the Ninth Plan were carried forward which facilitated dismantling of the APM w.e.f. 1.4.2002, and opening the way for the entry of new players into marketing of transportation fuels.

114. In view of the strategic importance of oil sector in the economy, there is a need to restructure the public sector undertakings in the oil sector to have the required strength to compete with MNCs. Following restructuring, the disinvestment process will be carried forward in selected oil and gas PSUs during the Plan period to enhance competition and maximise shareholder value.

115. With a view to reduce vehicular emissions, a number of steps such as introduction of lead free & low benzene petrol and low sulphur diesel oil were initiated during the Ninth Plan. The product quality upgradation would further be carried out to meet the emission norms of Bharat stage II & III norms. For this purpose, the further reduction in sulphur content for diesel oil and blending of petrol with ethanol would be taken up during the Tenth Plan.

116. Several measures have been initiated to intensify exploration and enhance hydrocarbon reserves. These include exploration and development of new fields, additional development of existing fields, implementation of Enhanced/Improved Oil Recovery, induction of specialised technology and encouraging participation of private and joint

venture companies in the exploration programme through various rounds of bidding announced by the Government of India including the New Exploration Licensing Policy (NELP). The NELP provided attractive incentives and level playing field with the private parties that bid for exploration blocks under international competitive bidding process.

117. Under the first round of NELP (January 1999), 48 blocks were offered. Out of these, 25 blocks were awarded. The Government of India has since signed Production Sharing Contracts for 24 out of 25 blocks with national and private oil companies. The second round of NELP was announced in December 2000 wherein 25 blocks were offered, out of which 23 blocks were awarded to various private and public oil companies. The third round of NELP was announced in March 2002 wherein 27 blocks – 9 in deep water, 7 in shallow water and 11 in on land areas, have been offered for international bidding.

### **Objectives of the Tenth Plan**

118. The Tenth Plan has the following major objectives:

- To make the industry internationally competitive so that it becomes a global player.
- Creation of competition among the oil companies with the objective to protect consumer interests.
- Benchmarking of the petroleum sector/companies against international standards.
- To pursue extensive exploration in non-producing and frontier basins including deep sea offshore area.
- To acquire foreign exploration acreage and discovered oil/gas fields.
- Setting up of a regulatory framework.

### **Thrust Areas**

119. Keeping in view the above objectives, the following thrust areas have been identified for the Tenth Plan.

- Oil Security
- Infrastructure development
- Efficiency Improvement
- Environment & Quality Improvement
- Restructuring/Disinvestment

### **ANNUAL PLAN- 2002-03**

#### **Demand and Consumption of Petroleum Products**

120. The consumption of petroleum products during 2001-02 was 100.43 million tonnes against consumption of 100.08 million tonnes during 2000-01. The demand for petroleum

products in 2002-03 is estimated to be 101.72 million tonnes indicating an anticipated growth in consumption of about 1.27% over the previous year.

### **Exploratory and Development Drilling**

121. The actual achievement during 2000-01, targets and anticipated achievements for 2001-02, targets for 2002-03 in respect of exploratory and developing drilling are given in Annexure 7.1.9. The achievement in exploratory drilling for 2001-02 is anticipated to be 451.95 thousand meters which is almost in line with the achievement in the previous year. The achievement for development drilling in 2001-02 is anticipated to be 384.97 thousand meters. The targets for exploratory and development drilling for 2002-03 are kept at 476.81 thousand meters and 466.46 thousand meters respectively.

### **Production of Crude Oil and Natural Gas**

122. The production of crude oil for 2001-02 including production from joint venture/private sector companies, was 32.03 MMT against the target of 32.50 MMT. The crude oil production target for 2002-03 is 33.08 MMT showing an increase of about 3.3% over the previous year. The details of crude oil production are at Annexure 7.1.10.

123. The Natural Gas production for 2001-02 was 29.69 BCM against the target of 29.76 BCM. The target for 2002-03 has been fixed at 31.37 BCM indicating a growth of 5.7% over 2001-02. The details of natural gas production are at Annexure 7.1.11.

### **Refining Capacity**

124. Since the refinery sector has been de-licensed, it is not possible to correctly assess the future plans of refining capacity additions. The projection of total refining capacity materialization during the Tenth Plan would depend upon several factors including domestic demand, duty structure that would affect import and export possibilities and refining margins.

125. The refining capacity as on 1.4.2002 is 116.07 million tonnes per annum (MMTPA) against 112.54 MMTPA as on 1.4.2001 i.e. an addition of 2.13 MMTPA ( as shown in Annexure 7.1.12). The refining capacity is likely to increase from 114.67 MMTPA (as on 1.4.2002) to 117.87 MMTPA as on 1.4.2003 i.e. an addition of 3.13 million tonnes. The increase is projected to be on account of expansion of refining capacity at Haldia and Barauni refineries.

### **Regulatory Mechanism**

126. An independent statutory regulator for the downstream petroleum sector will be set up to ensure fair competition that protects the consumer interest.

### **Environment concerns**

127. Presently, the product quality requirements in India are ahead of most of the countries in the Asia Pacific and the Middle East regions. Government of India constituted a Committee of Experts for recommending an Auto Fuel Policy for the country including major

cities and other related issues. The Committee submitted its Interim Report on 1.1.2002. The Government has since accepted the recommendations contained in the Interim Report of the Committee.

128. In order to enable adoption of Bharat Stage-II vehicular emissions standards throughout the country and Euro-III equivalent emission norms in seven mega cities from April 2005, quality of petrol and diesel would need to be further improved. For this purpose, measures such as further reduction of sulphur content need to be taken in a time bound manner.

129. On the basis of the positive feed back from the three pilot projects – two in Maharashtra and one in U.P., it has been decided to introduce mandatorily Ethanol blended petrol (5% gasohol) – in the first phase in 8 sugar-producing states of Andhra Pradesh, Gujarat, Karnataka, Punjab, Haryana, Maharashtra, Tamil Nadu and U.P. by the end of the year 2002 and in the rest of the country, in the second phase. In addition, an Inter-Ministerial Task Force has been constituted to prepare a road map to switch over to Ethanol blending with diesel and also for 10% blending of Ethanol with Petrol.

### **Outlay**

130. An outlay of Rs.17183.26 crore(BE) has been provided for 2002-03 for the Petroleum and Natural Gas Sector (Rs.11366.26 crore for Exploration and Production of Oil and Gas, and Rs.5817.00 crore for Refining and Marketing). The company-wise outlays for 2000-01 (actual), 2001-02 (BE and RE) and 2002-03 (BE) are given at Annexure 7.1.13. The entire Plan outlay of the sector is proposed to be met from the internal and extra budgetary resources of Public Sector Undertakings. In view of the low utilisation of plan funds in Ninth Plan, all efforts need to be made to stick to the approved cost and time schedule for the project through regular monitoring so as to fully utilise the outlay.

## Annexure-7.1.1

## Energy Generation in 2000-01, 2001-02 and 2002-03 (Utilities)

Year	Type	Region						All India
			Northern	Western	Southern	Eastern	N-Eastern	
1	2	3	4	5	6	7	8	9
2000-2001								
	Hydro		29126	7072	30283	5809	2191	74481
	Thermal	Actual	108515	149408	93819	53436	2961	408139
	Nuclear		6616	5913	4399	-	-	16928
	<b>TOTAL</b>		<b>144257</b>	<b>162393</b>	<b>128501</b>	<b>59245</b>	<b>5152</b>	<b>499548</b>
	Hydro		31598	9326	32990	6703	2624	83241
	Thermal	Target	112775	165848	102144	54022	3567	438356
	Nuclear		8316	4842	4925	-	-	17903
	<b>TOTAL</b>		<b>152689</b>	<b>180016</b>	<b>140059</b>	<b>60725</b>	<b>6191</b>	<b>539500</b>
2001-2002								
	Hydro		29221	7777	27000	7840	2154	73992
	Thermal	Actual	113801	151024	98340	55739	3097	422001
	Nuclear		8001	6050	5227	-	-	19278
	<b>TOTAL</b>		<b>151023</b>	<b>164851</b>	<b>130567</b>	<b>63579</b>	<b>5251</b>	<b>515271</b>
2002-2003								
	Hydro		31248	9382	31329	7197	3658	82814
	Thermal	Target	118127	155073	110584	58330	3444	445558
	Nuclear		7280	5800	4100	-	-	17180
	<b>TOTAL</b>		<b>156655</b>	<b>170255</b>	<b>146013</b>	<b>65527</b>	<b>7102</b>	<b>545552</b>

## Plant Load Factor of Thermal Power Plants during the year 2001-2002

Sl. No.	SEB/ Organisation	Target	Achievement
<b>State Sector</b>			
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
1	D.V.B.	51.90	45.20
2	H.P.G.C.	58.00	60.50
3	RRVUNL	82.20	84.80
4	P.S.E.B.	73.80	79.20
5	UPRVUNL	60.90	59.70
6	G.E.B.	68.90	66.30
7	GSECL	80.20	85.20
8	M.S.E.B.	73.40	74.50
9	M.P.E.B.	74.10	63.00
10	C.S.E.B.	67.30	71.30
11	APGENCO	83.00	86.30
12	T.N.E.B.	82.70	78.00
13	K.P.C.L	86.10	81.10
14	B.S.E.B.	13.60	14.50
15	JHARKHAND	21.50	21.00
16	Tenughat V	39.40	31.50
17	O.P.G.C.	76.10	70.70
18	W.B.S.E.B.		38.30
19	WB.P.DEV.CORP	52.40	51.70
20	D.P.L.	41.60	30.40
21	A.S.E.B.	23.40	16.80
<b>Average : SEB's</b>		<b>67.90</b>	<b>67.00</b>
* Bental and Santadhih transfer to WBPDC w.e.f. 1.7.2001			
<b>Central Sector</b>			
1.	NTPC (STPS)	77.70	80.10
2.	Badarpur	82.60	85.50
3.	Neyveli	77.00	79.50
4	D.V.C.	37.80	33.60
<b>Average: Central Sector</b>		<b>72.80</b>	<b>74.30</b>
<b>Private Sector (Utilities)</b>			
1	A.E. Co./Sabarmati	82.30	82.30
2	Trombay (TATA)	66.30	72.00
3	CESC/Titagarh	72.60	69.00
4	BSES Co.	84.00	86.50
<b>Average: Private (Utilities)</b>		<b>73.30</b>	<b>74.70</b>
<b>Average: All India</b>		<b>69.90</b>	<b>69.90</b>

## Annexure 7.1.3

## Generating Units Commissioned/Rolled during the year 2001-2002

Sl. No.	Name of the Project	Unit No.	Type	Sector	State	Implementing Agency	Units Rolled/ Commd.	
							Capacity (MW)	Date
1	2	3	4	5	6	7	8	9
<b>NORTHERN REGION</b>								
1.	Pragati CCGT	GT-I	Thermal	State	Delhi	DVB	104.60	15.03.2002
2.	UpperSindh Ext.	2	Hydro	State	J&K	JKPDC	35.00	29.03.2002
3	UpperSindh-II	2	Hydro	State	J&K	JKPDC	35.00	11.09.2001
4	Seva-III	1	Hydro	State	J&K	JKPDC	3.00	18.03.2002
5	Seva-III	2	Hydro	State	J&K	JKPDC	3.00	18.03.2002
6	Seva-III	3	Hydro	State	J&K	JKPDC	3.00	19.03.2002
7	Suratgarh TPP St-II	3	Thermal	State	Raj.	RRVUNL	250.00	29.10.2001
8	Suratgarh TPP St-II	4	Thermal	State	Raj.	RRVUNL	250.00	23.03.2002
9	Malana	1	Hydro	Private	H.P.	MPCO	43.00	05.07.2001
10	Malana	2	Hydro	Private	H.P.	MPCO	43.00	09.07.2001
		<b>Central</b>	<b>State</b>	<b>Private</b>	<b>Total</b>			
	Hydro	0.00	79.00	86.00	165.00			
	Thermal	0.00	604.60	0.00	604.60			
	Nuclear	0.00	0.00	0.00	0.00			
	<b>TOTAL(NR)</b>	<b>0.00</b>	<b>683.60</b>	<b>86.00</b>	<b>769.60</b>			
<b>WESTERN REGION</b>								
1.	Hazira CCGT	1to 3	Thermal	State	Gujrat	GSES Ltd.	156.10	1.11.01 to 31.03.02
2.	Bansagar Tons Ph-III	2	Hydro	State	M.P.	MPEB	20.00	25.08.2001
3	Bansagar Tons Ph-III	1	Hydro	State	M.P.	MPEB	15.00	18.02.2002
		<b>Central</b>	<b>State</b>	<b>Private</b>	<b>Total</b>			
	Hydro	0.00	35.00	0.00	35.00			
	Thermal	0.00	156.10	0.00	156.10			
	Nuclear	0.00	0.00	0.00	0.00			
	<b>TOTAL(WR)</b>	<b>0.00</b>	<b>191.10</b>	<b>0.00</b>	<b>191.10</b>			

## Annexure 7.1.3 contd.

## Generating Units Commissioned/Rolled during the year 2001-2002

Sl. No.	Name of the Project	Unit No.	Type	Sector	State	Implementing Agency	Units Rolled/ Commd.	
							Capacity (MW)	Date
1	2	3	4	5	6	7	8	9
<b>Southern Region</b>								
1.	Simhadri TPS	1	Thermal	Central	A.P.	NPC	500.00	22.02.2002
2.	Srisaillam LBC	2	Hydro	State	A.P.	APGENCO	150.00	29.10.2001
3	Srisaillam LBC	3	Hydro	State	A.P.	APGENCO	150.00	29.03.2002
4	Sharavathy tailrace	2	Hydro	State	Kar.	KPCL	60.00	15.05.2001
5	Sharavathy tailrace	3	Hydro	State	Kar.	KPCL	60.00	25.10.2001
6	Sharavathy tailrace	4	Hydro	State	Kar.	KPCL	60.00	30.03.2002
7	Kolpaong	2	Hydro	State	A&N	NHPC	2.60	24.07.2001
8	Kolpaong	3	Hydro	State	A&N	NHPC	2.60	15.08.2001
9	LVS DGPP	DG 1-2	Thermal	Private	A.P.	LVS Power	36.80	18.10.2001
10	Peddapuram CCGT	GT	Thermal	Private	A.P.	BSESAPP	142.00	26.01.2002
11	Tanir Bavi CCGT/ST	1 to 4	Thermal	Private	Kar.	TBPCO	220.00	08.05.2001
12	Pillaiperumanallur PPN CCGT	ST	Thermal	Private	T.N.	PPN Power	105.50	21.11.2002 05.04.2001
13	Samayanallur DGPP	1 to 7	Thermal	Private	T.N.	B. Power	106.00	22.10.2001
		<b>Central</b>	<b>State</b>	<b>Private</b>	<b>Total</b>			
1.	Hydro	0.00	485.20	0.00	485.20			
2.	Thermal	500.00	0.00	610.30	1110.30			
3	Nuclear	0.00	0.00	0.00	0.00			
	<b>TOTAL(SR)</b>	<b>500.00</b>	<b>485.20</b>	<b>610.30</b>	<b>1595.50</b>			
<b>Eastern Region</b>								
1	Jojobera TPS	2	Thermal	Private	Jhar khand	Jam. Power	120.00	27.08.2001
		<b>Central</b>	<b>State</b>	<b>Private</b>	<b>Total</b>			
1	Hydro	0.00	0.00	0.00	0.00			
2	Thermal	0.00	0.00	120.00	120.00			
3	Nuclear	0.00	0.00	0.00	0.00			
	<b>TOTAL(ER)</b>	<b>0.00</b>	<b>0.00</b>	<b>120.00</b>	<b>120.00</b>			



## Annexure 7.1.3 contd.

## Generating Units Commissioned/Rolled during the year 2001-2002

Sl. No.	Name of the Project	Unit No.	Type	Sector	State	Implementing Agency	Units Rolled/ Commd.	
							Capacity (MW)	Date
1	2	3	4	5	6	7	8	9
<b>North Eastern Region</b>								
1	Ranganadi	1	Hydro	Central	Ar.Prades	NEEPCO	135.00	14.01.2002
2	Ranganadi	2	Hydro	Central	Ar.Prades	NEEPCO	135.00	14.01.2002
3	Ranganadi	3	Hydro	Central	Ar.Prades	NEEPCO	135.00	21.03.2002
4	Likim-ro	2	Hydro	State	Nagaland	E.Deptt.	8.00	12.09.2001
5	Likim-ro	3	Hydro	State	Nagaland	E.Deptt.	8.00	12.09.2001
6	Leimakhong DG	1 to 3	Thermal	State	Manipur	E.Deptt.	18.00	23,25, 27/03.02
		Central	State	Private	<b>Total</b>			
1.	Hydro	405.00	16.00	0.00	421.00			
2.	Thermal	0.00	18.00	0.00	18.00			
3	Nuclear	0.00	0.00	0.00	0.00			
	<b>TOTAL(NER)</b>	<b>405.00</b>	<b>34.00</b>	<b>0.00</b>	<b>439.00</b>			
		Central	State	Private	<b>Total</b>			
	Hydro	405.00	615.20	86.00	1106.20			
	Thermal	500.00	778.70	730.30	2009.00			
	Nuclear	0.00	0.00	0.00	0.00			
	<b>TOTAL(All India)</b>	<b>905.00</b>	<b>1393.90</b>	<b>816.30</b>	<b>3115.20</b>			

## Annexure 7.1.4

## Generating Units Slipped from the Programme of 2001-2002

Sl. No.	Name of the Project	Unit No.	Type	Sector	State	Implementing Agency	Capacity (MW)
1	2	3	4	5	6	7	8
1	Neyveli FST Ext.	1	Thermal	Central	T.N.	NLC	210.00
2	Tehri St-I	4	Hydro	Central	Uttaranchal	THDC	250.00
3	Pragati CCG T	2	Thermal	State	Delhi	DVB	104.60
4	Leimakhong DG	4 to 6	Thermal	State	Manipur	E.Deptt.	18.00
5	Rokhia GT ExtPh-II	7	Thermal	State	Tripura	E.Deptt.	21.00
6	BansagarTonsPh-III	3	Hydro	State	M.P.	MPEB	20.00
7	Srisaillam LBPH	4	Hydro	State	Ar. Pradesh	APGENCO	150.00
8	Chandil LBC	1 to 2	Hydro	State	Jharkhand	JSEB	8.00
9	Potteru Ph-I	1	Hydro	State	Orissa	OHPC	3.00
10	Potteru Ph-II	1	Hydro	State	Orissa	OHPC	3.00
11	Likim-ro	1	Hydro	State	Nagaland	E.Deptt.	8.00
12	Pahalgam	1 to 2	Hydro	State	J&K	JKPDC	3.00
13	Bambooflat DG	1 to 4	Thermal	Private	A&N	SuryaPower	20.00
14	Peddapuram CCGT	ST	Thermal	Private	Ar. Pradesh	BSES APP	78.00
15	Dabhol CCGT Ph-II	Block					
		I&II	Thermal	Private	Maharastra	DabholPowe	1444.00
	<b>Total</b>	<b>25 Units</b>					<b>2340.60</b>

## Generating Capacity Addition Programme for the year 2002-03

Sl. No.	Name of the Project	Unit No.	Type	Sector	State	Implementing Agency	Units No. Capacity (MW)	Likely Comm. Sch. (Mon/Yr)
1	2	3	4	5	6	7	8	9
<b>NORTHERN REGION</b>								
1	Tehri St-I	1	Hydro	Central	Utaranchl	THDC	250.00	March,2003
2	Pragati CCGT	GT-2	Thermal	State	Delhi	DVB	104.60	May., 2002
3	Pragati CCGT	ST	Thermal	State	Delhi	DVB	121.20	Nov., 2002
4	Ramgarh CCGT St-II	GT-2	Thermal	State	Raj.	RRVUNL	37.50	June, 2002
5	Ramgarh CCGT St-II	ST	Thermal	State	Raj.	RRVUNL	37.80	Dec., 2002
			<b>Central</b>	<b>State</b>	<b>Private</b>	<b>Total</b>		
		Hydro	250.00	0.00	0.00	250.00		
		Thermal	0.00	301.10	0.00	301.10		
		Nuclear	0.00	0.00	0.00	0.00		
		Total(NR)	250.00	301.10	0.00	551.10		
<b>WESTERN REGION</b>								
1	BansagarTonsPh-III	2	Hydro	State	M.P	MPEB	20.00	Aug., 2002
2	BansagarTonsPh-III	3	Hydro	State	M.P	MPEB	15.00	Aug., 2002
3	Dabhol CCGT Ph-II	Block I-II	Thermal	Private	Mah.	Dabhol PCO	1444.00	uncertain
4	Akrimota Lignite	1	Thermal	State	Guj.	M/S GMDCL	125.00	Jan., 2003
			<b>Central</b>	<b>State</b>	<b>Private</b>	<b>Total</b>		
		Hydro	0.00	35.00	0.00	35.00		
		Thermal	0.00	125.00	1444.00	1569.00		
		Nuclear	0.00	0.00	0.00	0.00		
		<b>Total(WR)</b>	<b>0.00</b>	<b>160.00</b>	<b>1444.00</b>	<b>1604.00</b>		

## Generating Capacity Addition Programme for the year 2002-03

Sl. No.	Name of the Project	Unit No.	Type	Sector	State	Implementing Agency	Units No. Capacity (MW)	Likely Comm. Sch. (Mon/Yr)
1	2	3	4	5	6	7	8	9
<b>SOUTHERN REGION</b>								
1	Simhadri TPS	2	Thermal	Central	A.P.	NTPC	500.00	Dec., 2002
2	Neyaveli FST Ext.	1	Thermal	Central	T.N.	NLC	210.00	June, 2002
3	Neyaveli FST Ext.	2	Thermal	Central	T.N.	NLC	210.00	Dec., 2002
4	Srisaillam LBPH	4	Hydro	State	A.P.	APGENCO	150.00	Oct., 2002
5	Srisaillam LBPH	5	Hydro	State	A.P.	APGENCO	150.00	Feb., 2003
6	Raichur TPP	7	Thermal	State	Kar.	KPCL	210.00	Feb., 2003
7	Valuthur CCGT		Thermal	State	T.N.	TNEB	60.00	May, 2002
8	Valuthur CCGT	ST	Thermal	State	T.N.	TNEB	34.00	Sept.,2002
9	Pddapuram CCGT	ST	Thermal	Private	A.P.	BSES APPL	78.00	June.,2002
10	Neyaveli Zero Unit		Thermal	Private	T.N.	CMS EleCO	250.00	Sept.,2002
			<b>Central</b>	<b>State</b>	<b>Private</b>	<b>Total</b>		
		Hydro	0.00	300.00	0.00	300.00		
		Thermal	920.00	304.00	328.00	1552.00		
		Nuclear	0.00	0.00	0.00	0.00		
		<b>Total (SR)</b>	<b>920.00</b>	<b>604.00</b>	<b>328.00</b>	<b>1852.00</b>		

## Generating Capacity Addition Programme for the year 2002-03

Sl. No.	Name of the Project	Unit No.	Type	Sector	State	Implementing Agency	Units No. Capacity (MW)	Likely Comm. Sch. (Mon/Yr)
1	2	3	4	5	6	7	8	9
<b>EASTERN REGION</b>								
1	Chandil LBC	1 & 2	Hydro	State	Jhar-khand	JSEB	8.00	Dec., 2002
2	Potteru Ph-I	1	Hydro	State	Orissa	OHPC	3.00	Sept, 2002
3	Potteru Ph-II	1	Hydro	State	Orissa	OHPC	3.00	Sept.,2002
4	Bambooflat DG	1 & 2	Thermal	Private	AN Island	Surya Power	10.00	May, 2002
5	Bambooflat DG	3 & 4	Thermal	Private	AN Island	Surya Power	10.00	Oct., 2002
			<b>Central</b>	<b>State</b>	<b>Private</b>	<b>Total</b>		
			Hydro	0.00	14.00	0.00	14.00	
			Thermal	0.00	0.00	20.00	20.00	
			Nuclear	0.00	0.00	0.00	0.00	
			<b>Total (ER)</b>	<b>0.00</b>	<b>14.00</b>	<b>20.00</b>	<b>34.00</b>	
<b>NORTH EASTERN REGION</b>								
1	Likim-ro	3	Hydro	State	Nagaland	E.Deptt.	8.00	June.,2002
2	Leimakhong DG	4 to 6	Thermal	State	Manipur	ED / BHEL	18.00	April,2002
3	RokhiaGT Ext Ph-II	7	Thermal	State	Tripura	E.Deptt.	21.00	June ,2002
4	Baramura GT Ext		Thermal	State	Tripura	ED / BHEL	21.00	Sept.,2002
			<b>Central</b>	<b>State</b>	<b>Private</b>	<b>Total</b>		
			Hydro	0.00	8.00	0.00	8.00	
			Thermal	0.00	60.00	0.00	60.00	
			Nuclear	0.00	0.00	0.00	0.00	
			<b>Total (NER)</b>	<b>0.00</b>	<b>68.00</b>	<b>0.00</b>	<b>68.00</b>	
			<b>Central</b>	<b>State</b>	<b>Private</b>	<b>Total</b>		
			Hydro	250.00	357.00	0.00	607.00	
			Thermal	920.00	790.10	1792.00	3502.10	
			Nuclear	0.00	0.00	0.00	0.00	
			<b>Total ALL INDIA</b>	<b>1170.00</b>	<b>1147.10</b>	<b>1792.00</b>	<b>4109.10</b>	

## Outlays/Expenditure -Power

Sl. No.	State/UTs	1997-98 Actual	1998-99 Actual	1999-2000 Actual	2000-01 R.E.	2001-02 Appd.	2001-02 R.E.	2002-03 Appd.
<b>A.</b>	<b>States</b>							
1	Andhra Pradesh	858.25	797.06	986.63	2657.50	2330.32	2321.49	
2	Arunachal Pradesh	84.04	71.43	78.41	85.28	86.39	89.96	
3	Assam	113.12	83.81	64.38	92.84	126.63	126.63	
4	Bihar	49.10	122.96	129.00	39.95	60.58	60.58	
5	Chhatisgarh					8.57	8.57	
6	Goa	18.16	24.01	34.07	30.00	33.00	33.00	
7	Gujarat	660.39	660.39	798.49	750.00	785.40	702.42	
8	Haryana	287.40	430.00	435.42	374.00	432.00	35.85	
9	Himachal Pradesh	233.60	255.99	191.67	260.92	213.43	198.32	
10	Jammu & Kashmir	251.59	220.20	301.60	307.57	340.42	340.42	
11	Jharkhand					150.00	150.00	
12	Karnataka	557.43	1080.52	1046.24	924.94	936.05	768.05	
13	Kerala	523.20	645.00	558.46	504.64	499.00	410.00	
14	Madhya Pradesh	738.99	700.85	751.39	262.71	344.52	326.91	Yet to
15	Maharashtra	1909.16	1738.19	1684.13	1767.35	1478.83	1478.83	be com-
16	Manipur	50.18	36.00	53.13	34.50	41.61	18.11	plied
17	Meghalaya	7.10	20.64	12.50	30.43	60.31	65.76	
18	Mizoram	28.41	25.65	47.50	48.52	41.32	41.43	
19	Nagaland	15.54	15.00	14.48	15.57	39.47	44.00	
20	Orissa	153.20	424.35	255.73	538.86	855.58	448.80	
21	Punjab	1132.13	1036.18	626.64	592.37	699.00	699.00	
22	Rajasthan	1494.43	792.23	763.63	1085.60	1277.56	1206.50	
23	Sikkim	31.76	32.55	37.60	31.76	38.26	36.26	
24	Tamil Nadu	795.49	816.74	1033.61	1117.85	765.54	948.37	
25	Tripura	25.99	24.48	18.20	17.23	21.54	21.54	
26	Uttar Pradesh	1114.55	1095.15	1049.02	775.38	1054.34	728.83	
27	Uttranchal					88.60	88.60	
28	West Bengal	1026.99	1310.55	992.39	879.33	1541.70	1232.23	
	<b>Sub Tota (States)</b>	<b>12160.20</b>	<b>12459.93</b>	<b>11964.32</b>	<b>13225.10</b>	<b>14349.97</b>	<b>12630.46</b>	
<b>B.</b>	<b>Union Territories</b>							
1.	A & N Islands	23.98	26.41	29.24	36.00	30.50	30.50	
2.	Chandigarh	10.32	11.00	13.26	11.03	12.55	12.55	
3.	Dadra & Nagar Haveli	7.19	9.17	11.00	13.15	14.94	14.94	
4.	Daman & Diu	4.76	8.29	13.55	13.90	14.25	14.25	
5.	Delhi	297.97	438.25	483.58	812.55	698.50	698.50	
6.	Lakshadweep	2.92	2.22	2.21	2.27	2.73	2.73	
7.	Pondicherry	44.95	46.66	21.22	20.88	22.86	27.69	
	<b>Sub Total (U.T.s)</b>	<b>392.09</b>	<b>542.00</b>	<b>574.06</b>	<b>909.78</b>	<b>796.33</b>	<b>801.16</b>	
	<b>Total (States &amp; UTs)</b>	<b>12552.29</b>	<b>13001.93</b>	<b>12538.38</b>	<b>14134.88</b>	<b>15146.30</b>	<b>13431.62</b>	

## Annexure 7.1.6-contd.

## Outlays/Expenditure -Power Sector

Sl. No.	State/UTs	1997-98 Actual	1998-99 Actual	1999-2000 Actual	2000-01 R.E.	2001-02 Appd.	2001-02 R.E.	2002-03 Appd.
<b>C.</b>	<b>Ministry of Power</b>							
1.	NTPC	1685.69	2111.15	1844.41	1921.10	3006.00	2903.94	3506.00
2.	NHPC	506.47	506.45	1006.03	1176.86	1909.79	1846.12	2925.89
3.	POWERGRID	1583.50	1301.09	1500.52	1576.47	2869.00	2451.00	3312.00
4.	DVC	166.97	99.73	97.59	64.12	284.00	110.48	840.66
5.	THDC	321.91	203.73	337.68	476.92	1228.17	498.00	1139.80
6.	NJPC	770.60	878.45	753.76	681.15	894.00	1100.13	653.00
7.	NEEPCO	167.18	191.57	231.23	80.13	211.72	183.05	375.76
8.	PFC	716.77	1322.36	1333.00	0.47	0.00	0.00	0.00
9.	REC	30.00	75.00	184.83	91.83	37.00	37.00	0.00
10.	PTC	0.00	0.00	0.00	0.00	50.00	0.00	1.00
11.	MOP (Misc.)	110.63	488.09	410.29	484.86	575.85	795.73	728.89
	<b>Sub Total(MOP)</b>	<b>6059.72</b>	<b>7177.62</b>	<b>7699.34</b>	<b>6553.91</b>	<b>11065.53</b>	<b>9925.45</b>	<b>13483.00</b>
	<b>DAE (Power)</b>	<b>747.27</b>	<b>854.66</b>	<b>958.54</b>	<b>908.11</b>	<b>1242.00</b>	<b>1422.00</b>	<b>1716.00</b>
	<b>NLC (Power)</b>	<b>37.00</b>	<b>124.80</b>	<b>131.16</b>	<b>469.49</b>	<b>538.84</b>	<b>292.85</b>	<b>292.72</b>
	<b>Total Central</b>	<b>6843.99</b>	<b>8157.08</b>	<b>8789.04</b>	<b>7931.51</b>	<b>12846.37</b>	<b>11640.30</b>	<b>15491.72</b>
	<b>Sector</b>				<b>(Actual)</b>			
	<b>ALL INDIA</b>	<b>19396.28</b>	<b>21159.01</b>	<b>21327.42</b>	<b>22066.39</b>	<b>27992.67</b>	<b>25071.92</b>	<b>N.A.</b>
	<b>N.E.C.</b>		<b>163.00</b>	<b>209.50</b>	<b>328.62</b>	<b>154.31</b>	<b>228.89</b>	<b>57.50</b>

**Details of Central Sector / Centrally Sponsored Schemes (CSS) with regard to  
Zero Based Budgeting Exercise for the Annual Plan 2002-03**

Sl. No.	Name of the Scheme	Ninth Plan		Externally Expen. (Yes)	Recommendations by		Decisions of Plan Commission
		Outlay (Rs.crore)	Anti. (Rs.crore)		Ministry/ Deptt. or No)	Planning Commission	
<b>CENTRAL SECTOR SCHEMES</b>							
1	Central Power Research Institute (CPRI)	100.00	68.52	NO	Retained as such	Retained as such	Should be continued
2	Energy Conservation / EMC	52.00	21.66	NO	Retained as such	Retained as such	Should be continued
3	Kutir Jyoti Programme	200.00	262.68	NO	Retained as such	Retained as such	Should be continued
4	National Power Training Institute (NPTI)	38.00	17.09	NO	Retained as such	Retained as such	Should be Merged with Schemes at Sl. No. 18 & 19
5	Powergrid Grant-in-aid	2.00	40.00	NO	Retained as such	Retained as such	Should be continued
6	Setting up of Joint Electricity Regulatory Commission	2.84	0.50	NO	To be retained with modifications	weeded out	Should be weeded out
7	Badarpur Thermal Power Project (BTPP)	100.00	54.13	NO	Retained as such	Weeded out	Should be weeded out
8	Flexible AC Transmission System	0.00	0.00	NO	Weeded out	Weeded out.	Should be weeded out
9	Incentive scheme for better performance of TPS/ reduction in T&D losses.	22.00	29.95	NO	Weeded out	Weeded out	Should be weeded out
10	Power Finance Corporation Subsidy	1233.00	1284.21	NO	To be with modifications	No decision yet.	Should be weeded out
11	Sardar Sarovar	120.00	144.87	NO	Retained as such.	No decision yet.	Should be weeded out
<b>Central Electricity Authority</b>							
12	Procurement of Software Packages	2.93	2.01	NO	Retained as such	Retained as such	(Schemes at (Sl.No. 12 & 13 should be merged
13	Technology improvement in CEA	6.24	2.52	NO	Retained as such.	Merged with Sr. no. 12	



**Annexure 7.1.7 Contd.**

**Details of Central Sector / Centrally Sponsored Schemes (CSS) with regard to  
Zero Based Budgeting Exercise for the Annual Plan 2002-03**

Sl. No.	Name of the Scheme	Ninth Plan		Externally Expen. (Yes)	Recommendations by		Decisions of Plan Commission
		Outlay (Rs. crore)	Anti. (Rs. crore)		Ministry/ Deptt. or No)	Planning Commission	
14	Strengthening up of Regional Electricity Boards	14.18	5.74	NO	Retained as such.	Retained as such.	should be continued
15	Accelerating Power Generation-Pager Scheme	0.72	0.51	NO	Retained as such.	Retained as such.	Schemes at Sl. No. 15 to 17 should be merged
16	Project Maintenance Monitoring of Thermal Power Stations	0.61	0.16	NO	Retained as such.	Merged with Sr. no. 15	
17	Renovation & Modernisation of Thermal Power Station.	8.89	8.95	NO	Retained as such.	Merged with Sr. no. 15	
18	Power System Training Institute Stag+B24e-II	5.22	5.11	NO	Retained as such.	Merged with NPTI of MOP Scheme at Sr. no. 4	Scheme at Sl. No. 18 & 19 should be merged at Sl. No. 4
19	Hot Line Training Centre Stage-II	5.66	4.12	NO	Retained as such.	Merged with NPTI of MOP Scheme at Sr. no. 4	
20	Energy Audit & Studies for Reduction of Secondary Fuel Oil Consumption at Selected TPS	0.28	0.11	NO	Weeded out	Weeded out	Should be weeded out
21	Load Despatching Station - Construction of Staff quarters, ERLDC, Kolkatta	0.55	0.82	Yes	Weeded out	Weeded out	Should be weeded out
22	Transfer of Technology in Hydro Development	16.10	22.43	Yes	Weeded out	Weeded out	Should be weeded out
23	Updating of Planning Models	12.83	8.98	Yes	Weeded out	Weeded out	Should be weeded out
<b>Centrally Sponsored Schemes</b>							
1	Inter-State Transmission Lines	6.00	11.82	NO	No comments	Weeded out	Should be weeded out

**Operationalisation of the results of Zero Based Budgeting exercise  
Convergence, Weeding out of Central / Centrally Sponsored Schemes (CS)/(CSS)**

**Status of Scheme-wise Break-up of  
Annual Plan 2002.03 allocations of Ministry of Non-Conventional Energy Sources (MNES)**

(Rs.in Crore)

<b>S. No.</b>	<b>Category of Schemes 9<sup>th</sup> Plan</b>	<b>No. of schemes</b>	<b>9<sup>th</sup> Plan outlay</b>	<b>9<sup>th</sup> Plan RE</b>	<b>A.P. 2002-2003 Appd. Outlay</b>
<b>1</b>		<b>2</b>	<b>3</b>	<b>4</b>	<b>56</b>
1.	Schemes to be Continued as such Break-up Wind power Small Hydro Power  Biomass Power Solar Power Village Electrification SPV lighting National Project on Biogas IREDA	<b>8</b>	<b>1108.00</b>  71.00 187.00  251.00 63.00 - - 286.00 250.00	<b>715.74</b>  34.20 116.00  73.00 38.80 20.00 - 257.24 176.50	<b>238.50</b>  15.00 28.00  25.00 18.00 8.00 53.50 56.00 35.00
2.	Should be Continued after Restructuring/merging Indicating specific Projects/facilities Break-up Research, Design Development & Demonstration Infrastructure Development And Capacity Building Awareness & Extension Programme (incl.IREP) MNES Institutions	<b>4</b>	<b>544.00</b>	<b>367.87</b>	<b>237.50</b>    132.50 62.50  22.75 19.75
3.	<b>Schemes to be weeded out</b>	<b>1</b>	<b>2.14</b>	<b>0.13</b>	<b>Nil</b>
4.	Total number of existing schemes	12	1654.14	1083.74	476.00
5.	Total schemes remaining in the Tenth Plan	11	1652.00	1097.68	476.00

**Petroleum and Natural Gas  
Exploratory and Development Drilling ('000 M)**

Programmes	2000-01 Actuals	2001-02		2002-03 Target
		Targets	Anticiptd. Achievement	
1	2	3	4	5
<b>1. Exploratory Drilling</b>				
a) ONGC				
i) Onshore	291.84	364.56	325.60	307.51
ii) Offshore	67.76	137.90	85.02	111.30
b) OIL				
i) Onshore	39.16	60.20	41.33	58.00
ii) Offshore	0.00	0.00	0.00	0.00
<b>Total (Expl.)</b>	<b>398.76</b>	<b>562.66</b>	<b>451.95</b>	<b>476.81</b>
<b>2. Development Drilling</b>				
a) ONGC				
i) Onshore	266.09	243.10	247.98	266.26
ii) Offshore	47.87	52.65	78.32	140.00
b) OIL				
i) Onshore	49.56	62.30	58.67	60.20
ii) Offshore	0.00	0.00	0.00	0.00
<b>Total (Dev.)</b>	<b>363.52</b>	<b>358.05</b>	<b>384.97</b>	<b>466.46</b>

**Petroleum and Natural Gas  
Crude Oil Production (MMT)**

Region	2000-01 Actuals	2001-02		2002-03 Target
		Targets	Achievement #	
1	2	3	4	5
a) ONGC				
i) Onshore	8.43	8.70	8.64	8.66
ii) Offshore	16.63	16.50	16.07	17.24
<b>Sub Total (a)</b>	<b>25.06</b>	<b>25.20</b>	<b>24.71</b>	<b>25.90</b>
b) OIL				
i) Onshore	3.29	3.45	3.18	3.50
ii) Offshore	0.00	0.00	0.00	0.00
<b>Sub Total (b)</b>	<b>3.29</b>	<b>3.45</b>	<b>3.18</b>	<b>3.50</b>
<b>Total (ONGC+OIL)</b>	<b>28.35</b>	<b>28.65</b>	<b>27.89</b>	<b>29.40</b>
JVC/Pvt	4.08	3.85	4.14	3.68
<b>Total</b>	<b>32.43</b>	<b>32.50</b>	<b>32.03</b>	<b>33.08</b>

# provisional

**Petroleum and Natural Gas  
Natural Gas Production (BCM)**

	Region	2000-01 Actuals	2001-02		2002-03 Target
			Targets	Achievement #	
	1	2	3	4	5
<b>a)</b>	<b>ONGC</b>				
i)	Onshore	5.56	5.38	5.61	5.68
ii)	Offshore	18.47	18.62	18.43	18.01
	<b>Sub Total (a)</b>	<b>24.03</b>	<b>24.00</b>	<b>24.04</b>	<b>23.69</b>
<b>b)</b>	<b>OIL</b>				
i)	Onshore	1.86	1.74	1.62	2.19
ii)	Offshore	0.00	0.00	0.00	0.00
	<b>Sub Total (b)</b>	<b>1.86</b>	<b>1.74</b>	<b>1.62</b>	<b>2.19</b>
	<b>Total (ONGC+OIL)</b>	<b>25.89</b>	<b>25.74</b>	<b>25.66</b>	<b>25.88</b>
	<b>JVC/Pvt</b>	<b>3.59</b>	<b>4.02</b>	<b>4.03</b>	<b>5.49</b>
	<b>Total</b>	<b>29.48</b>	<b>29.76</b>	<b>29.69</b>	<b>31.37</b>

# provisional

## Petroleum and Natural Gas Refining Capacity as on 1st April of

	<b>Name of the Refinery</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
1.	IOC , Guwahati	1.00	1.00	1.00
2.	IOC, Barauni	4.20	4.20	6.00
3.	IOC, Gujarat	12.50	13.70	13.70
4.	IOC, Haldia	3.75	6.00	6.00
5.	IOC, Mathura	8.00	8.00	8.00
6.	IOC, Digboi	0.65	0.65	0.65
7.	IOC, Panipat	6.00	6.00	6.00
8.	HPCL, Bombay	5.50	5.50	5.50
9.	HPCL, Visakh	7.50	7.50	7.50
10.	BPCL, Bombay	6.90	6.90	6.90
11.	MRL, Madras	6.50	6.50	6.50
12.	MRL, Narimanam	0.50	0.50	0.50
13.	CRL, Cochin	7.50	7.50	7.50
14.	BRPL, Bongaigaon	2.35	2.35	2.35
15.	MRPL, Mangalore	9.69	9.69	9.69
16.	NRL, Assam	3.00	3.00	3.00
17.	RELIANCE	27.00	27.00	27.00
18.	TATIPAKA	0.00	0.08	0.08
	<b>TOTAL</b>	<b>112.54</b>	<b>116.07</b>	<b>117.87</b>

## Petroleum &amp; Natural Gas Sector Outlays/ Expenditure (Rs. Crore)

	Name of the Companies	2000-01 Actuals	2001-02		2002-03 BE
			BE	RE	
	1	2	3	4	5
<b>A.</b>	<b>Exploration &amp; Production</b>				
1.	ONGC	3607.21	6073.75	8159.08	8973.31
2.	OIL	556.23	800.01	650.00	900.00
3.	GAIL	1066.93	1139.85	724.81	1492.95
	<b>Sub Total (A)</b>	<b>5230.37</b>	<b>8013.61</b>	<b>9533.89</b>	<b>11366.26</b>
<b>B .</b>	<b>Refining &amp; Marketing</b>				
1.	IOC	2791.95	5844.92	2615.77	3000.00
2.	HPCL	311.89	1300.00	617.00	900.00
3.	BPCL	1082.52	398.70	299.90	650.00
4.	CPCL	85.32	599.70	399.24	1000.00
5.	KRL	59.97	525.00	68.00	75.00
6.	BRPL	31.15	47.75	35.10	10.00
7.	EIL	10.84	6.93	6.93	0.00
8.	IBP	124.20	195.83	140.00	144.00
9.	NRL	139.00	3.25	42.00	38.00
	<b>Sub Total (B)</b>	<b>4636.84</b>	<b>8922.08</b>	<b>4223.94</b>	<b>5817.00</b>
	<b>Total Petroleum</b>	<b>9867.21</b>	<b>16935.69</b>	<b>13757.83</b>	<b>17183.26</b>

## 7.2 IRRIGATION, FLOOD CONTROL AND COMMAND AREA DEVELOPMENT

1. The Tenth Plan envisages an annual average 8% growth rate for the economy as a whole. To achieve this, it has been estimated that agriculture will have to grow at 4%. Irrigation is the most important and vital input for agriculture and to achieve the projected growth rate in agriculture, irrigation will have to also grow at a commensurate pace. The Tenth Plan strategy for irrigation is proposed to focus on completion of on-going projects by targeting Central assistance programmes like AIBP to achieve this, promotion of water use efficiency, restructuring the CAD Programme to introduce system rehabilitation and farmers' participation, reconciliation and firming up figures of irrigation statistics, stepping up of water-rates and working out appropriate norms for administrative costs in O&M component, surface and ground water pollution and flood management.

### Major & Medium Irrigation

2. The ultimate irrigation potential from major and medium irrigation projects is 58.46 m.ha. The potential achieved till end of Ninth Plan is 37.08 m.ha. Annexure 7.2.6 gives State-wise position of potential created and utilized till end of Ninth Plan. The Working Group for the Tenth Plan has recommended an investment of Rs. 1,07,327 crores for the Tenth Plan for major and medium sector to create 11.14 m.ha. additional potential. Expenditure on major & medium irrigation sector in the Ninth Plan is given in Table 7.2.1.

**Table 7.2.1**

**Major & Medium Irrigation  
(Expenditure on major & medium irrigation sector in the Ninth Plan).**

**(Rs. Crore)**

Period	Central Sector		State Sector	
	Approved Outlay	Actual Amount/Exp.	Approved Outlay	Actual Amount/Exp.
Ninth Plan	225.70	211.53	42644.11	48259.08
1997-98	39.69	35.95	8362.92	7523.16
1998-99	47.56	47.72	10024.03	8144.31
1999-2000	52.51	48.24	12228.81	11234.79
2000-2001	50.60	36.91	12922.40	10370.56
2001-2002	56.14	48.25	12533.79	10986.27
Tenth Plan	337.13	-	70861.78	-
2002-2003	60.80	-	13646.07	-



### Programme for 2002-2003

3. The Working Group for Major & Medium Irrigation for the Tenth Plan has estimated that 159 major, 242 medium and 89 Extension, Renovation, Modernisation Projects have spilled over to the Tenth Plan. Many of these projects were started in pre-Fifth Plan period. With a view to complete a substantial number of on-going projects, the Accelerated Irrigation Benefits Programme will be targeted in the Tenth Plan to complete projects in an advanced stage. The following modifications in the programmes have been recently approved.

- (i) A fast track component for completion of projects in two working seasons with 100% loan assistance.
- (ii) A liberalized loan assistance in ratio of 4:1 (Centre:State) against normal 2:1 for States agreeing to undertake reforms in the water sector directed towards recovery of full O&M costs from water charges in a five year time frame. For special category States, the ratio is 1:0 against normal 3:1.

4. Till March 2002, an amount of Rs. 8,480 crores has been released under the programme to 150 major/medium projects and 2450 surface M.I. schemes including Rs. 472.80 crores for 13 projects under fast track. The State Governments have reported completion of 20 projects under the programme and creation of 1.09 m.ha. additional potential. For 2002-03 a provision of Rs. 2,800 crores has been made under AIBP. Government of Rajasthan has signed an undertaking with MoWR to carry out reforms in the water sector. Government of Madhya Pradesh has also offered to carry out reforms which is under examination.

### Externally Aided Projects

5. 15 Irrigation projects are receiving external assistance as shown in Table 7.2.2.

**Table 7.2.2**

**Externally Aided Projects  
(Name of Project, Assistance Amount and Disbursement till March 2002)**

S. No	Name of Project World Bank Aided	Date of agreement/ Date of completion	Assistance Amount. US \$ in million	Disbursement Till March 2002
1.	Andhra Pradesh III Irrigation Project	3.6.1997 31.1.2003	325.00	131.50
2.	AP Economic restructuring project	30.1.1999 31.3.2004	142.00	63.00
3.	Orissa WRCP	5.1.1996 30.9.2002	290.90	179.62
4.	Rajasthan Water sector restructuring project	15.3.2002 31.3.2008	143.00	5.00
5.	UP water sector restructuring projects	8.3.2002 31.10.2007	149.20	5.00

S. No	Name of Project World Bank Aided	Date of agreement/ Date of completion	Assistance Amount. US \$ in million	Disbursement Till March 2002
6.	Tamil Nadu WRCP	22.9.1995 31.3.2003	289.90	150.06
7.	Karnataka Tank Management Project	6.6.2002 31.3.2009	98.90	-
8.	Hydrology Project	22.9.1995 31.3.2003	142.00	67.67
		EEC		
9.	Orissa Minor Irrigation Project	3.7.1995 31.12.2004	10.70 (ECU in million)	1.10
10.	Pondicherry Tank rehabilitation project	21.2.1997 21.2.2003	6.65	0.82
11.	Maharashtra Saline Land reclamation project phase II	11.7.1995 31.12.2005	15.50	1.23
		Bilateral		
12.	Modernisation of Kurnool-Cuddapali Canal in A.P. (JBIC)	25.1.1996 26.3.2003	16049.00 million yen	5177.40
13.	Maharashtra Minor Irrigation Project (Germany)	21.12.1998 31.12.2006	DM 45.00 Million	2.34
14.	Rengali Irrigation Orissa (JBIC)	12.12.1997 11.12.2002	7760.00 million yen	3620.00
15.	Rajghat Canal (MP) (JBIC)	25.2.1997 31.5.2006	13222.00 million yen	4683.60

### Minor Irrigation

6. All ground water and surface water schemes having a culturable command area upto 2000 ha individually are classified as minor irrigation schemes. Minor surface flow irrigation projects comprising storage tanks, diversion and surface lift occupy a prominent place in the scheme of irrigated agriculture particularly in the peninsular part of the country and the hilly areas. Minor irrigation schemes have a short gestation period, are labour intensive and are an important means for poverty alleviation.

7. The ultimate irrigation potential from Minor Irrigation projects is estimated as 81.43 m. ha of which 17.38 m.ha is from surface water minor irrigation and 64.05 m.ha. from ground water. The Working Group for the Tenth Plan has recommended an investment of Rs. 36,200 crores in the Tenth Plan to create 8 m.ha. additional potential. Till the end of the Ninth Plan, a potential of 56.90 m. ha. had been created. State-wise position is at Annexure 7.2.6.

8. Minor irrigation schemes are funded from plan funds, institutional finance and private investment by the farmers. It is generally considered as a people's programme. The outlays and expenditure in the Central sector and State sector for Minor Irrigation during the Ninth Plan are given in Table 7.2.3

**Table 7.2.3****Minor Irrigation****Outlays and Expenditure in the Central sector and State sector for  
Minor Irrigation during the Ninth Plan****(Rs. Crore)**

Year	Central Sector		State Sector	
	Approved Outlay	Actual/Amt. Expenditure	Approved Outlay	Actual/Amt. Expenditure
Ninth Plan	393.49	347.50	8984.84	8615.07
1997-1998	70.56	42.85	1799.20	1456.59
1998-1999	67.40	48.09	2057.20	1566.25
1999-2000	55.81	56.47	2117.79	1840.21
2000-2001	85.27	66.28	1907.93	1853.28
2001-2002	96.58	116.42	2121.42	1898.74
Tenth Plan	533.80	-	13872.86	-
2002-2003	109.16	-	2057.02	-

**Regulation of Ground Water Exploitation**

9. As per data compiled by the Central Ground Water Board upto April 1998, out of 5711 blocks/mandals/talukas/watersheds in the country, 310 are categorized as over exploited and 160 are dark. The Central Ground Water Authority is continuing its regulatory function to see that the position of over exploitation is kept in check. The State Govts. will continue to be persuaded to enact ground water legislation, a model bill for which is already circulated.

**Command Area Development**

10. The Command Area Development Programme (CADP) was initiated in 1974-75 as a Centrally Sponsored Scheme with a view to bridge the gap between potential created and utilized and optimizing agricultural production through better management of land and water use in the command areas served by selected major & medium irrigation projects. 236 projects are included now in the programme covering a CCA of 22.72 m.ha. The core components of construction of field channels, field drains, warabandi and land leveling constitute almost 70 % of the expenditure incurred on Central Sector of CADP. The physical achievements on these four components till end of the Ninth Plan are given in Table 7.2.4..

**Table 7.2.4**  
**Command Area Development (CAD) - Physical**

(m.ha.)

Core component	Achievement till end of 8 <sup>th</sup> Plan	Progress in 9 <sup>th</sup> Plan	Achievement till end of 9 <sup>th</sup> Plan
Field channels	13.94	1.78	15.72
Warabandi	8.99	1.58	10.57
Field Drains	0.35	0.33	0.68
Land Levelling	2.10	0.09	2.19

11. The Working Group for the Tenth Plan has recommended an outlay of Rs. 4,962.5 crores for the Command Area Development (CAD Programme in the Tenth Plan. The outlays and expenditure in the Central Sector and State Sector for the CADP are given in Table 7.2.5.

**Table 7.2.5**  
**Command Area Development (CAD) - Financial Outlays and Expenditure in the Central Sector and State Sector for the CAD**

(Rs. Crore)

Year	Central Sector		State Sector	
	Approved Outlay	Actual/Amt. Expenditure	Approved Outlay	Actual/Amt. Expenditure
Ninth Plan	797.52	720.45	2027.19	1519.17
1997-1998	140.70	129.96	371.35	303.43
1998-1999	188.00	175.32	348.48	311.37
1999-2000	178.00	163.92	315.39	310.50
2000-2001	160.88	144.95	298.07	353.48
2001-2002	187.19	148.27	245.16	232.39
Tenth Plan	1401.80	-	2846.44	-
2002-2003	202.00	-	271.44	-

**Restructured Command Area Development Programme (CADP)**

12. The CADP is being restructured in the Tenth Plan to include system rehabilitation, participatory management and revision in cost norms. The programme will however continue in the present form in 2002-03.

## Flood Control

13. The Rashtriya Barh Ayog has estimated the flood prone area in the country as about 40 m.ha of which 32 m.ha can be given reasonable degree of protection. So far about 19 m. ha. has been protected through construction of embankments, drainage channels, town protections works and raising of villages above flood level. The Working Group for the Tenth Plan has recommended an outlay of Rs. 10,631.84 crores in the Tenth Plan to benefit 2.78 m.ha. The Plan Outlays and Expenditure in the Flood Control Sector during IX th Plan is given in Table 7.2.6.

**Table 7.2.6**

**Flood Control  
Plan Outlays and Expenditure in the Flood Control Sector during IX th Plan**

(Rs. Crore)

Year	Central Sector		State Sector	
	Approved Outlay	Actual/Amt. Expenditure	Approved Outlay	Actual/Amt. Expenditure
Ninth Plan	623.04	409.12	2216.36	2629.23
1997-1998	72.15	48.47	365.86	351.87
1998-1999	71.65	55.87	639.94	476.77
1999-2000	61.79	68.69	662.36	486.72
2000-2001	154.87	95.13	654.25	620.10
2001-2002	148.85	124.56	801.62	693.77
Tenth Plan	1168.10	-	4562.25	-
2002-2003	151.02	-	592.06	-

14. The Working Group on Flood Management for the Tenth Plan has suggested setting up an Integrated Flood Management Commission to review the status of implementation of the recommendations of the Rashtriya Barh Ayog. Such a Commission could also study other long term permanent solutions to the flood problem like raising of village, changes in crop pattern etc. The Working Group has recommended modernization and strengthening of existing flood forecasting arrangements so as to advance the warning time.

## Zero Based Budgeting

15. The Zero Based Budgeting Exercise for 2002-03 was taken up for the Ministry of Water Resources by the Planning Commission. Out of 71 schemes in operation at end of the 9<sup>th</sup> Plan, 6 were recommended for weeding out. Out of the balance 65 schemes, 47 were recommended for retention and 18 for merger into 6 schemes giving in effect 53 schemes for operation in 2002-03. The MoWR are broadly in agreement with this exercise except that there will be 59 schemes in 2002-03 due to spillover liabilities/on-going schemes in last year. In fact, from 2003-04 onwards there will be only 49 schemes in operation against 53 recommended by the Planning Commission.

## National Water Policy

16. The revised National Water Policy has been adopted by the National Water Resources Council on 1/4/2002. The State Governments have been requested to bring out similar State Water Policies and also prepare an Action Plan for implementation of the NWP.

## Achievements by the end of 9<sup>th</sup> Plan

17. The State Governments have indicated in various Working Group meetings about the completion of the following major, medium projects by the end of 9<sup>th</sup> Plan i.e. March 2002.

- (a) Kerala - Kallada
- (b) M.P. - Bhandar Canal, Barna, Kolar.
- (c) Chattisgarh - Jonk Diversion.
- (d) Rajasthan - Jakhom, Som Kamla Amba, Pachna
- (e) U.P. - Bewar feeder, Sarda Sahayak, Maudha Dam, Chambal lift, Gyanpur pump Canal, Sone pump Canal, Revised Tons pump Canal, Chittaurgarh reservoir, Modernisation of Ghaghhar Canal, Gunta Nala Dam, Pathrai Dam

## Rural Infrastructure Development Fund

18. The Indian Scheduled Commercial Banks are under an obligation to lend at least 40% of their aggregate loans to the priority sectors and within the overall target for priority sector at 40%, these banks have to observe a target of 18% for agriculture sub-sector. The Rural Infrastructure Development Fund (RIDF) thus came into existence with the announcement in the Union Budget for the year 1995-96.

## The Funding of Rural Infrastructure Development Fund

19. The fund has been established in NABARD since April 1995. The initial corpus of the fund was Rs. 2,000 Crores (RIDF-I) for the year 1995-96 to be contributed by the Indian Scheduled Commercial Banks representing the short fall in their lending to agriculture sub-sector (18%) within the priority sector target (40%), subject to a ceiling of 1.5% of the net Bank credit. Since then, the scheme has been continued with the announcements in the successive Union Budgets with enhanced commitments, which are as under:

Programme	Year	(Rs. in Crore)
RIDF I	1995-96	2000
RIDF II	1996-97	2500
RIDF III	1997-98	2500
RIDF IV	1998-99	3000
RIDF V	1999-2000	3500
RIDF VI	2000-01	4500
RIDF VII	2001-02	5000
RIDF VIII	2002-03	5500

20. The loan assistance under RIDF is provided for incomplete or ongoing projects in Major, Medium and minor irrigation along with projects in flood protection, watershed management, soil conservation, rural roads and bridges, rural markets, primary school buildings, rural drinking water works, drainage, primary health centers, forest development etc. Loans under RIDF are sanctioned upto 90% of the project cost or the balance cost whichever is less.

21. Presenting the Central Government's Budget for 1999-2000, the Minister of Finance announced that the period of repayment has been increased from 5 to 7 years under RIDF V. It may further be mentioned that the loans to the State Governments were provided at the rate of 12% p.a. (13% p.a. under RIDF I) and in the Central Government's Budget for 2000-2001 the interest charged on lending since RIDF VI has been reduced by half per cent i.e. the rate of interest has been reduced to 11.5% p.a.

22. The disbursement and sanction of RIDF for irrigation sector has been indicated in Annexure 7.2.5. It was noticed that there has been increasing trend for availing RIDF assistance for projects relating to strengthening of existing roads. It was therefore decided in a meeting of the PSC and the Board of the Bank held on 15 October 1999 that hence forth greater priority should be given only for purposes such as irrigation and new connectivity of villages and marketing centers through construction of village roads/bridges. Accordingly, the State Governments have been advised to focus on these sectors for future assistance under RIDF. However, the nature of the fund in its present form restricts NABARD in taking up sanctions for major and medium irrigation due to longer duration of these projects.

## Annexure – 7.2.1

**Actual Expenditure in respect of Major & Medium Irrigation, Minor Irrigation,  
CAD & Flood Control for the year 1998-99**

(Rs. in crore)

Sl. No.	Name of States & UTs	Major & Medium	Minor Irrigation	CAD	Flood Control	Total
1	2	3	4	5	6	7
1	Andhra Pradesh	709.98	175.54	8.99	36.98	931.49
2	Arunachal Pradesh	0.33	13.37	0.82	4.33	18.85
3	Assam	38.77	67.59	3.19	14.72	124.27
4	Bihar	327.59	40.42	11.94	48.06	428.01
5	Goa	20.22	5.56	1.53	1.16	28.47
6	Gujarat	1212.95	148.16	11.32	4	1376.43
7	Haryana	231.27	39.46	8.99	27.36	307.08
8	Himachal Pradesh	12.03	42.81	0.23	5.54	60.61
9	Jammu & Kashmir	27.54	28.17	3.39	16.27	75.37
10	Karnataka	1431.1	92.53	20.45	14.17	1558.25
11	Kerala	171.09	72.23	12	25.48	280.80
12	Madhya Pradesh	462.85	153.44	3.91	12	632.20
13	Maharashtra	1593.68	292.25	62.92	3.23	1952.08
14	Manipur	29.02	7.43	2.05	5.1	43.60
15	Meghalaya	2.49	6.5	0.22	3	12.21
16	Mizoram	0.03	4.88	0.03	0	4.94
17	Nagaland	0	2.04	0.1	0.09	2.23
18	Orissa	526.71	83.98	6.18	16.03	632.90
19	Punjab	69.72	37.43	35.76	111.14	254.05
20	Rajasthan	444.65	48.3	66.3	5.73	564.98
21	Sikkim	0	0.85	0.02	2.84	3.71
22	Tamil Nadu	221.27	35.13	21.88	0	278.28
23	Tripura	7.58	8.94	0.02	3.75	20.29
24	Uttar Pradesh	448.4	108.59	25.15	26.45	608.59
25	West Bengal	153.65	41.44	3.77	68.39	267.25
	<b>Total States</b>	<b>8142.92</b>	<b>1557.04</b>	<b>311.16</b>	<b>455.82</b>	<b>10466.94</b>
	<b>Union Territories</b>					
26	A & N Island	0	2.40	0	0	2.40
27	Chandigarh	0	0.44	0	0	0.44
28	D & N Haveli	1.05	1.24	0.21	0	2.50
29	Daman & Diu	0.34	0.03	0	0.34	0.71
30	Delhi	0	0.66	0	14.88	15.54
31	Lakshadweep	0	0	0	2.55	2.55
32	Pondicherry	0	4.44	0	3.18	7.62
	<b>Total U.Ts.</b>	<b>1.39</b>	<b>9.21</b>	<b>0.21</b>	<b>20.95</b>	<b>31.76</b>
	<b>Total States &amp; Uts.</b>	<b>8144.31</b>	<b>1566.25</b>	<b>311.37</b>	<b>476.77</b>	<b>10498.70</b>
	<b>Central Sector</b>	<b>59.11</b>	<b>58.75</b>	<b>175.32</b>	<b>74.57</b>	<b>367.75</b>
	<b>Grand Total</b>	<b>8145.70</b>	<b>1575.46</b>	<b>311.58</b>	<b>497.72</b>	<b>10530.46</b>



## Annexure – 7.2.2

**Actual Expenditure in respect of Major & Medium Irrigation, Minor Irrigation,  
CAD & Flood Control for the year 1999-2000**

(Rs. in crore)

Sl. No.	Name of States & UTs	Major & Medium	Minor Irrigation	CAD	Flood Control	Total
1	2	3	4	5	6	7
1	Andhra Pradesh	894.48	219	5.56	34.08	1153.12
2	Arunachal Pradesh	0.34	16.33	0.9	4.25	21.82
3	Assam	53.35	69.02	3.19	19.84	14
4	Bihar	530.68	51.04	11.87	78.34	671.93
5	Goa	17.18	8.39	2.42	1.77	29.76
6	Gujarat	1607.97	270.6	18.62	5.83	1903.06
7	Haryana	245	27.71	45.13	11.96	329.8
8	Himachal Pradesh	16.25	52.89	0.35	7.36	76.85
9	Jammu & Kashmir	18.79	24.54	3.57	12.5	59.4
10	Karnataka	1766.2	113.3	27.71	15.35	1922.57
11	Kerala	140.8	44.61	8.81	30.43	224.65
12	Madhya Pradesh	415.51	147.8	3.25	0.88	567.45
13	Maharashtra	3460	379.6	50	1.92	3891.56
14	Manipur	42.49	9.39	1.85	9.41	63.14
15	Meghalaya	2	5.57	0.21	2.98	10.76
16	Mizoram	0.05	9.97	0.05	0	10.07
17	Nagaland	0	6.32	0.1	0.02	6.44
18	Orissa	468.86	97.67	5.12	11.81	583.46
19	Punjab	34.24	38.75	32.17	35.32	140.48
20	Rajasthan	363.72	40.78	50.6	3.66	458.76
21	Sikkim	0	5.9	0.02	1.64	7.56
22	Tamil Nadu	373.78	43.74	0	0	417.52
23	Tripura	7.96	16.35	0	7.38	31.69
24	Uttar Pradesh	634.16	33.71	42.5	45.63	756
25	West Bengal	139.94	96.27	4.23	116.2	356.63
	<b>Total States</b>	<b>11233.8</b>	<b>1829</b>	<b>318.2</b>	<b>458.6</b>	<b>13839.88</b>
	<b>Union Territories</b>					
26	A & N Island	0	2.26	0	0	2.26
27	Chandigarh	0	0.25	0	0	0.25
28	D & N Haveli	1	1.18	0.12	0	2.3
29	Daman & Diu	0.04	0.05	0.1	0.18	0.37
30	Delhi	0	0.82	0	17.61	18.43
31	Lakshadweep	0	0	0	3.57	3.57
32	Pondicherry	0	6.29	0	6.8	13.09
	<b>Total U.Ts.</b>	<b>1.04</b>	<b>10.86</b>	<b>0.23</b>	<b>28.17</b>	<b>40.31</b>
	<b>Total States &amp; Uts.</b>	<b>11234.8</b>	<b>1840</b>	<b>318.5</b>	<b>486.7</b>	<b>13880.19</b>
	<b>Central Sector</b>	<b>38.5</b>	<b>56.47</b>	<b>163.9</b>	<b>68.69</b>	<b>327.58</b>
	<b>Grand Total</b>	<b>11273.3</b>	<b>1897</b>	<b>482.4</b>	<b>555.4</b>	<b>14207.77</b>

## Annexure – 7.2.3

**Actual Expenditure in respect of Major & Medium Irrigation,  
Minor Irrigation, CAD & Flood Control for the year 2000-01**

(Rs. in crore)

Sl. No.	Name of States & UTs	Major & Medium	Minor Irrigation	CAD	Flood Control	Total
1	2	3	4	5	6	7
1	Andhra Pradesh	938.12	241.3	12.1	88.32	1280
2	Arunachal Pradesh	0.34	24.88	0.9	4.05	30.17
3	Assam	50.48	77.57	19.16	3.41	150.6
4	Bihar	337.68	39.81	21.6	77.5	476.6
5	Goa	101.94	5.36	2.32	1.16	110.8
6	Gujarat	277.36	250.2	14.78	0	542.3
7	Haryana	207.4	29.73	66.77	8.61	312.5
8	Himachal Pradesh	14.89	45.62	1.36	7.9	69.77
9	Jammu & Kashmir	28.18	28.85	5.17	14.34	76.54
10	Karnataka	1898.71	100.1	11.83	5.99	2017
11	Kerala	125	39	9.4	16.85	190.3
12	Madhya Pradesh	419.31	153.7	2.68	0.71	576.4
13	Maharashtra	4092.14	276.8	31.18	1.15	4401
14	Manipur	24.37	4.73	0.91	8.79	38.8
15	Meghalaya	2.49	7.2	0.09	2.59	12.37
16	Mizoram	0.01	3.35	0.05	0	3.41
17	Nagaland	0	8.1	0.08	0.03	8.21
18	Orissa	420.84	79.56	6.2	3.97	510.6
19	Punjab	37.87	33.75	50.58	90.96	213.2
20	Rajasthan	264	46.27	42.82	2.79	355.9
21	Sikkim	0	7.3	0.02	1.21	8.53
22	Tamil Nadu	221.06	134	16.61	0	371.7
23	Tripura	5.67	19.06	0	7.54	32.27
24	Uttar Pradesh	742.08	59.3	28.77	31.11	861.3
25	Uttaranchal	13.19	5.59	0	3.52	22.3
26.	West Bengal	146.78	121.9	8.05	212.11	488.9
	<b>UTotal States</b>	<b>10369.9</b>	<b>1843</b>	<b>353.4</b>	<b>594.61</b>	<b>13161</b>
	<b>Union Territories</b>					
27	A & N Island	0	2.33	0	0	2.33
28	Chandigarh	0	0.2	0	0	
29	D & N Haveli	0.52	0.57	0.05	0	1.14
30	Daman & Diu	0.12	0.04	0	0.18	0.34
31	Delhi	0	1.08	0	16.67	17.75
32	Lakshadweep	0	0	0	3.2	3.2
33	Pondicherry	0	6.15	0	5.44	11.59
	<b>Total U.Ts.</b>	<b>0.64</b>	<b>10.37</b>	<b>0.05</b>	<b>25.49</b>	<b>36.55</b>
	<b>Total States &amp; Uts.</b>	<b>10370.6</b>	<b>1853</b>	<b>353.5</b>	<b>620.1</b>	<b>13197</b>
	<b>Central Sector</b>	<b>39.71</b>	<b>77.71</b>	<b>145</b>	<b>106.01</b>	<b>368.4</b>
	<b>Grand Total</b>	<b>10410.3</b>	<b>1931</b>	<b>498.4</b>	<b>726.11</b>	<b>13566</b>

## Annexure – 7.2.4

Revised Approved Outlay in respect of Major & Medium Irrigation,  
Minor Irrgn., CAD & Flood Control for the year 2001-02

(Rs. in crore)

Sl. No.	Name of States & UTs	Major & Medium	Minor Irrigation	CAD	Flood Control	Total
1	2	3	4	5	6	7
1	Andhra Pradesh	1004.88	215.03	14.24		1277.98
2	Arunachal Pradesh	0.36	46.79	1.95	3.68	52.78
3	Assam	55.83	83.44	2.41	18.96	160.64
4	Bihar	473.00	139.64	21	63.48	697.12
5	Goa	82.62	10.73	3.05	1.65	98.05
6	Chhatisgarh	240.97	2.69	1.02	0.17	244.85
7	Gujarat	1143.25	169.34	5.37	2.68	1320.64
8	Haryana	211.51	74	10	20	315.51
9	Himachal Pradesh	11.8	50.03	1.35	6.6	69.78
10	Jammu & Kashmir	71.64	48.41	5.59	28.55	154.19
11	Jharkhand					
12	Karnataka	2296.21	83.05	13.8	5.99	2399.05
13	Kerala	95	25	10	12.5	142.50
14	Madhya Pradesh	551.39	187.55	7.04	2.3	748.28
15	Maharashtra	2335.21	262.05	22.91	0.73	2620.9
16	Manipur	46.95	5.3	2.98	2.7	57.93
17	Meghalaya	2	9	0.1	2	13.10
18	Mizoram	0.01	6.14	0.3	0	6.45
19	Nagaland	0	8.4	0.05	0.1	8.55
20	Orissa	473.84	84.1	6.5	0.6	565.04
21	Punjab	323.13	42.26	14.07	95.36	474.82
22	Rajasthan	275.81	83.01	35.15	4.78	398.75
23	Sikkim	0	3.9	3.5	0.05	7.45
24	Tamil Nadu	388.1	32.93	13.4	0	434.43
25	Tripura	6.09	45	0.02	10.17	61.28
26	Uttar Pradesh	730	45	28.48	23.47	826.95
27	Uttaranchal	28	15.04	0.12	1.5	44.66
28	West Bengal	138.07	107.75	7.81	308.63	562.26
	<b>Total States</b>	<b>10985.67</b>	<b>1885.58</b>	<b>232.21</b>	<b>660.48</b>	<b>13763.94</b>
	<b>Union Territories</b>					
29	A & N Island	0	2.8	0	0	2.8
30	Chandigarh	0	0.2	0	0	0.2
31	D & N Haveli	0.5	0.57	0.18	0	1.25
32	Daman & Diu	0.1	0.05	0	0.22	0.37
33	Delhi	0	0.68	0	24	24.68
34	Lakshadweep	0	0	0	5	5
35	Pondicherry	0	8.86	0	4.07	12.93
	<b>Total U.Ts.</b>	<b>0.60</b>	<b>13.16</b>	<b>0.18</b>	<b>33.29</b>	<b>47.23</b>
	<b>Total States &amp; Uts.</b>	<b>10986.27</b>	<b>1898.74</b>	<b>232.39</b>	<b>693.77</b>	<b>13811.17</b>
	<b>Central Sector</b>	<b>49.65</b>	<b>122.18</b>	<b>115.53</b>	<b>145.95</b>	<b>433.31</b>
	<b>Grand Total</b>	<b>11035.92</b>	<b>2020.92</b>	<b>347.92</b>	<b>839.72</b>	<b>14244.48</b>

## Releases under RIDF to Irrigation Sector.

(Rs. Crore)

RIDF No. & Year	Amount Sanctioned	Amount disbursed	Percentage of irrigation w.r.t. all sectors	
			Sanctioned	Disbursed
I (1995-96)	803.45	1658.9	90.17	82.94
II (1996-97)	1254.56	1110.54	50.18	44.2
III (1997-98)	1049.72	829.12	41.98	33.16
IV (1998-99)	900.37	418.79	30.01	13.95
V (1999-2000)	1103.18	487.07	31.51	13.91
VI (2000-2001)	1312.29	625.95	29.16	13.91
VII (2001-2002)	1353.5	300.58	27	6.01

## Statewise Position of Potential Creation

(Th. Ha.)

Sl. No.	Name of States & UTs	Ultimate Irrgn. Pot. For Major & Medium	Potential created till end of IX Plan*	Potential utilised till end of IX Plan	Ultimate Irrgn. Pot. For Minor Irrgn.	Potential created till end of IX Plan	Potential utilised till end of IX Plan
1	2	3	4	5	6	7	8
1	Andhra Pradesh	5000.00	3303.22	3051.59	6260.00	3019.46	2781.22
2	Arunachal Pradesh	0.00	0.00	0.00	168.00	98.52	77.40
3	Assam	970.00	243.92	174.37	1900.00	603.62	494.11
4	Bihar	5223.50	2680.00	1714.83	5663.50	4716.44	3759.46
5	Jharkhand	1276.50	354.47	230.45	1183.50	588.87	471.09
6	Goa	62.00	21.17	15.33	54.00	19.14	20.00
7	Gujarat	3000.00	1430.37	1300.83	3103.00	1998.92	1876.14
8	Haryana	3000.00	2099.49	1849.97	1512.00	1630.95	1578.12
9	Himachal Pradesh	50.00	13.35	7.51	303.00	161.00	138.30
10	Jammu & Kashmir	250.00	179.69	168.75	1108.00	382.45	366.77
11	Karnataka	2500.00	2121.12	1844.82	3474.00	1585.40	1541.74
12	Kerala	1000.00	609.49	558.87	1679.00	640.02	603.76
13	Madhya Pradesh	4853.07	1386.90	875.63	11361.00	2256.13	2149.48
14	Chattisgarh	1146.93	922.50	760.74	571.00	487.70	322.86
15	Maharashtra	4100.00	3239.00	2147.24	4852.00	2942.60	2557.72
16	Manipur	135.00	156.00	111.00	469.00	75.49	62.34
17	Meghalaya	20.00	—	—	148.00	50.97	47.31
18	Mizoram	0.00	—	—	70.00	16.69	14.08
19	Nagaland	10.00	0.00	0.00	75.00	76.56	65.63
20	Orissa	3600.00	1826.56	1794.17	5230.00	1474.12	1337.55
21	Punjab	3000.00	2542.48	2485.99	2967.00	3427.56	3367.82
22	Rajasthan	2750.00	2482.15	2313.87	2378.00	2447.10	2361.80
23	Sikkim	20.00	—	—	50.00	29.67	23.61
24	Tamil Nadu	1500.00	1549.31	1549.29	4032.00	2123.38	2119.52
25	Tripura	100.00	4.90	4.50	181.00	109.65	96.09
26	Uttar Pradesh	12154.00	7910.09	6334.00	17481.00	21599.40	17279.62
27	Uttranchal	346.00	280.30	185.41	518.00	500.98	400.80
28	West Bengal	2300.00	1683.29	1527.12	4618.00	3792.52	3098.12
	<b>UTs</b>	<b>98.00</b>	<b>6.51</b>	<b>3.94</b>	<b>46.00</b>	<b>43.71</b>	<b>35.41</b>
	<b>Total</b>	<b>58465.00</b>	<b>37076.28</b>	<b>31027.09</b>	<b>81428.00</b>	<b>56902.70</b>	<b>49047.01</b>

## **7.3 TRANSPORT**

### **7.3.1 RAILWAYS**

#### **INTRODUCTION**

The Indian Railways is one of the largest railway systems in the world with a network of about 63,000 route km. and is a principal mode of transportation for long haul bulk freight movement, long distance passenger traffic and for mass rapid transit in sub-urban areas. The Indian Railways has played a pivotal role in national integration and in promoting trade and tourism. It has contributed very significantly to the industrial and economic development of the nation and has provided an essential link between production and consumption centres of the economy. Now the major challenge before Railways is to adapt itself to a rapidly changing market environment to maintain its premier role in the transport market.

#### **Review of the Ninth Plan**

2. For the Ninth Plan the total outlay of the Railways was projected at Rs. 45,413 crore. This was to be financed with a Gross Budgetary Support (GBS) of Rs. 11,791 crore and the balance of Rs. 33,622 crore was to be met from the Market Borrowings and Internal Resources. The GBS was expected to be only 26% of the total proposed outlay during the Ninth Plan while Internal Resources and Market Borrowings were to constitute 74% of the total outlay. A review of financing of Railway Plan during the Ninth Plan period brings out that the share of GBS has increased from 26% as envisaged earlier to 35%. For the last two consecutive years i.e. 2000-01 and 2001-02 the dividend payable by the Railways to the General Exchequer was deferred. Thus, financing of Railways continues to be an area of concern. The pattern of financing during the 9<sup>th</sup> plan (1997-2002) and first year of the 10<sup>th</sup> Plan (2002-03) is listed at Annexure 7.3.1.

3. While Indian Railways exceeded the targets for passenger traffic during the 9<sup>th</sup> plan (1997-2002), there is a shortfall to the extent of 36 million tonnes as regards freight traffic in the terminal year of the Ninth Plan (Table 7.3.1). The fall in freight traffic is due to recessionary trends in the economy. The 9<sup>th</sup> plan physical targets and achievements are given in Annexure 7.3.2. It may be seen from there that in case of new lines, gauge conversion and track renewals the progress has been constrained by limitation of resources. The lower level of doubling and procurement of rolling stock has been on account of lower materialization of freight traffic.

#### **Sectoral Trends**

4. During 2001-02 Railways carried 489 million tonnes of revenue earning originating freight traffic (RE) showing increase of about 3.3% over the actual freight carried of 473.5 million tonnes during 2000-01. Freight tonne km. increased from 312.4 billion tonne km. in 2000-01 to 323 billion tonne Km. in 2001-02 (RE) showing an increase of about 4%. In case of originating passenger traffic, the achievement of 5000.3 million in 2001-02 (RE) exceeded the achievement of 4839.8 million during 2000-01 revealing a growth of 3.3% over the past year. Passenger kms. also increased from 457.7 billion kms. in 2000-01 to 473.4 billion kms. in 2001-02 (RE) showing an increase of 3.4%.

**Table 7.3.1****Ninth Plan Growth in Freight and Passenger Traffic**

<b>Traffic Category</b>	<b>Unit</b>	<b>Ninth Plan Target</b>	<b>Achievement</b>
Originating Freight	Million Tonnes	525	489
Freight Net Tonne Kms.	Billion	353	323
Originating Passengers	Million	4782	5000
Passenger Kms.	Billion	399	473

**Targets for 2002-03**

5. Keeping in view the objectives and thrust areas of the 10<sup>th</sup> Five Year Plan (Box) an outlay of Rs.12330 crore comprising of Rs.5840 crore of gross budgetary support and Rs.6490 crore of IEFR has been approved for the Railways during 2002-03. So far as physical targets are concerned, a target of 510 million tonnes of revenue earning freight traffic has been laid down as against the target of 489 million tonnes for 2001-02 (RE). As regards passenger traffic also a higher target of 5187.8 million passengers has been proposed for 2002-03 as against 5000.3 million passengers for 2001-02 (RE). The progress of freight and passenger traffic carried by the Railways over the years is given in Annexures 7.3.3 and 7.3.4 respectively. For 2002-03 the outlays laid down for important Railway Programmes like gauge conversion, track renewals, electrification and addition of new lines are Rs. 807 crore, Rs. 2703 crore, Rs. 238 crore and Rs. 911 crore respectively (Annexure 7.3.5) which will be utilized for 542 km. of gauge conversion, 4000 km. of track renewals, 375 km. of electrification and 214 km. of new lines construction. Besides, it is also proposed to acquire 17,000 wagons (4 wheelers), 90 diesel locos, 69 electric locos and 1450 passenger coaches.

**Thrust Areas in the 10<sup>th</sup> Plan – Railway Sector**

Initiating measures for increasing freight traffic by the Railways

Rationalising tariff structure.

Augmenting capacity and improving the quality of service.

Upgrading technology such as improvement in tracks, increasing the speed of freight cars, modernizing signalling and communication system and increasing application of information technology.

Prioritising Railway projects keeping in view the viability of these projects and contribution towards augmenting the system.

Initiating steps to attract private sector investment in Railway projects.

Restructuring organization by setting up Rail Tariff Regulatory Authority, spinning off of non-core and peripheral activities.

Focusing on Railway safety.

## **Private Sector Participation**

6. The private sector participation in various Railway projects has not been encouraging. The Railways had initiated Own Your Wagon Scheme (OYWS) and Build Own Lease and Transfer (BOLT) Scheme so as to mobilize private sector funds. However, the response of the private sector has been rather luke warm in most cases (OYWS) and negative in some (BOLT). The Railways are exploring various options for private/public participation in rail projects through different models. An SPV to undertake Surendernagar – Rajula city – Pipavav gauge conversion project has been formed with equity participation by the Ministry of Railways and its PSUs on the one hand and Gujarat Pipavav Port Ltd. (GPPL) and others on 50:50 basis. The old BOLT scheme has been replaced by new BOT scheme which envisages private participation by a consortium of construction contractors and financiers.

## **Zero Based Budgeting**

7. This exercise has been carried out and all the 22 plan heads of railway budget have been retained. The main issue is the prioritisation of a large number of railway projects which needs to be carried out by the Railways.

## **Monitoring Mechanism**

8. The Planning Commission has developed a monitoring mechanism to evaluate the progress of the Plan schemes/projects. These are called Quarterly Performance Review (QPR), where the concerned Member, Planning Commission takes periodic meeting with officials of the concerned Ministries to review the progress of programmes/schemes/projects in the Five Year Plan. The purpose is to identify shortcomings and take remedial steps so that the Plan targets could be achieved.



## Annexure7.3.1

## Financing of Plan

(Rs. crore)

	9th Plan	1997-98	1998-99	1999-00	2000-01	2001-02 (RE)	1997-2002	10th Plan	2002-03
	1	2	3	4	5	6	7	8	9
G.B.S.	11791	1992	2185	2588	3597	5641	16003	27600	5840
Market Borrowings		2795	3217	2919	2897	2753	14581		3000
	33622							33000	
Internal Resources		3452	3455	3550	2901	2463	15821		3490
<b>Total</b>	<b>45413</b>	<b>8239</b>	<b>8857</b>	<b>9057</b>	<b>9395</b>	<b>10857</b>	<b>46405</b>	<b>60600</b>	<b>12330</b>

**9<sup>th</sup> Plan physical targets and achievements**

<b>Items</b>	<b>Targets</b>	<b>Expected Achievement during 9<sup>th</sup> plan</b>
New Lines	819 km.	702 km.
Gauge Conversion	3710 km.	1800 km.
Doubling	2500 km.	1142 km.
Track Renewals	13922 km.	12194 km.
Electrification Projects	2334 km.	2231 km.
Electric Locos	851 Nos.	705 Nos.
Diesel Locos	785 Nos.	646 Nos.
Coaches	10909 Nos.	10201 Nos.
Wagons	136000 FWUs	110315 FWUs

## Freight Traffic Carried by Indian Railways

Year	Originating Traffic (in Million Tonnes)			Net Tonne Km. (in billions)		
	Rev. Earning	Non-Rev. Earning	Total	Rev. Earning	Non-Rev. Earning	Total
1	2	3	4	5	6	7
1991-92	338	22	360	250.2	6.7	256.9
1992-93	350	20.8	370.8	252.4	5.7	258.1
1993-94	358.7	18.8	377.5	252.4	4.7	257.1
1994-95	365	16.6	381.6	249.6	3.4	253
1995-96	390.6	14.3	405	271.1	2.6	273.7
1996-97	409	14.4	423.4	277.6	2.4	280
1997-98	429.4	16.1	445.5	284.3	2.5	286.8
1998-99	420.9	20.7	441.6	281.5	2.8	284.3
1999-2000	456.4	21.8	478.2	305.2	2.8	308.0
2000-2001	473.5	30.7	504.2	312.4	3.1	315.5
2001-02 (BE)	500	@	@	326.8	@	@
2001-02(RE)	489.0	@	@	323	@	@
2002-03(BE)	510.0	@	@	334.2	@	@

@' Not available

## Passenger traffic carried by Indian Railways

Year	No. of Passengers (in Million)			Passenger Km. (in billions)		
	Suburban	Non-Suburban	Total	Suburban	Non-Suburban	Total
1	2	3	4	5	6	7
1991-92	2411.0	1637.1	4048.1	63.4	251.2	314.6
1992-93	2282.0	1467.0	3749.0	60.5	239.7	300.2
1993-94	2302.0	1406.0	3708.0	63.1	233.2	296.3
1994-95	2430.0	1485.0	3915.0	68.0	251.0	319.0
1995-96	2481.0	1557.0	4038.0	72.6	261.4	334.0
1996-97	2578.0	1575.0	4153.0	76.5	280.5	357.0
1997-98	2657.0	1691.0	4348.0	78.8	301.1	379.9
1998-99	2724.8	1743.7	4468.5	83.5	321.1	404.6
1999-2000	2836.4	1814.3	4650.7	85.8	345.6	431.4
2000-2001	2867.9	1971.9	4839.8	89.5	368.2	457.7
2001-02 (BE)	2963.4	1963.6	4927	90	390.6	480.6
2001-02(RE)	2935.7	2064.6	5000.3	85.9	387.5	473.4
2002-03(BE)	3012.8	2175	5187.8	88.1	410.3	498.4

## Annexure7.3.5

## Plan Head-wise outlays &amp; expenditure of Indian Railways

Sl. No.	Plan Head	1997-98		1998-99		1999-2000		2000-01		2001-02		2002-03
		BE	Actual	BE	Actual	BE	Actual	BE	Actual	(BE)	RE	BE
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Rolling Stock	4002	3614	4305	4265	3905	3488	3900	3639	3850	3473	3772
2	Workshops & Sheds	120	130	175	144	250	167	220	165	220	222	215
3	Machinery & Plant	65	49	80	63	110	90	100	91	100	88	116
4	Track Renewals	1250	1367	1425	1392	1500	1589	2000	1702	2050	1857	2703
5	Bridge Works	85	73	100	66	125	88	75	69	75	110	204
6	Gauge Conversion	910	1130	650	673	645	543	600	454	665	684	807
7	Doublings	195	291	510	447	625	554	655	524	672	620	608
8	Other Traffic Facilities	125	128	2210	147	220	171	225	149	225	202	225
9	Signalling & Telecom	230	251	350	310	375	369	425	350	425	415	725
10	Road Safety ROB/RUB Level Crossing	-	-	-	-	-	-	300	79	300	203	450
11	Computerisation	45	31	60	28	70	40	70	55	70	86	139
12	Electrification	350	319	340	328	350	319	325	302	225	325	238
13	Other Electrical Works	70	66	150	94	130	104	130	93	120	121	130
14	New Lines	400	400	500	388	600	521	825	711	1015	882	911
15	Staff Quarters	60	45	60	52	55	57	60	53	65	69	67
16	Staff Welfare	55	56	55	47	55	54	60	52	65	63	65
17	Users' Amenities	80	89	100	91	130	115	200	136	200	168	200
18	Other Specified Works	65	40	65	39	55	39	45	39	45	58	79
19	Inventories	10	-83	75	91	170	497	337	424	300	891	390
20	M.T.P.	170	146	250	184	300	245	400	263	378	295	266
21	Railway Research	3	5	10	8	10	7	10	9	10	10	20
22	Investment in PSUs	10	92	20	-	20	-	38	36	15	15	-
	<b>Total</b>	<b>8300</b>	<b>8239</b>	<b>9500</b>	<b>8857</b>	<b>9700</b>	<b>9057</b>	<b>11000</b>	<b>9395</b>	<b>11090</b>	<b>10857</b>	<b>12330</b>

## **7.3.2 ROADS**

### **Background**

A good road network is the basic infrastructure input for socio-economic development of an emerging economy. It plays the key role in opening up backward and remote regions to trade and investment and in promoting national integration. Roads, in addition, have an important role in inter-modal transport development providing linkages to hubs like airports, railway stations and ports and also connect these centers with the hinterland providing door-to-door connectivity.

2. The present road policy in India has two basic tenets viz. accessibility and mobility. The accessibility objective is to be achieved through improved rural roads network. Pradhan Mantri Gram Sadak Yojana (PMGSY) has been launched for the purpose to provide all-weather road connectivity in rural areas by the end of the Tenth Plan. The mobility is to be facilitated through strengthening high-density corridors. The National Highway Development Project is the main initiative in this regard and aims at 4/6-laning of Golden Quadrilateral and North-South, East-West corridors. The maintenance of existing network is simultaneously being emphasized so that the road assets already created do not wear out.

### **Review of the Ninth Plan**

3. The physical progress of work on the National Highway system during the Ninth Plan (1997-2002) is given in Annexure 7.3.6. This includes Scheme-wise targets and achievements. It would be seen that the Scheme-wise achievements have, in general, been good. In the case of widening to two lanes and strengthening weak two lanes, the targets have been exceeded by a sizeable margin. This is mainly because of the availability of additional funds provided to the sector during the Plan period. Shortfalls have been in construction of bypasses and bridges. Scheme-wise Outlay and Expenditure in the Ninth Plan is at Annexure 7.3.7.

### **Annual Plan 2002-03**

4. The year 2002-03 is the first year of the Tenth Plan. During the year, steps are being taken to expand and strengthen road system through emphasis on rural connectivity and expediting completion of Golden Quadrilateral work. In addition, strengthening National Highway network through removal of deficiencies like poor riding quality and consolidation of State Highway network are also a priority. Attention is also being accorded to the maintenance of road network so that the existing road assets do not deteriorate over time.

5. The Scheme-wise physical targets (non NHDP segments) for Annual Plan 2002-03 is at Annexure 7.3.6. It would be seen that the Target for widening to four lanes is 443 km., widening to two lanes 633 km., and strengthening weak two lanes 755 km. The Annexure also includes corresponding physical target for the Tenth Plan (2002-07) period. The Scheme-wise outlay for the Annual Plan 2002-03 and for the Tenth Plan (2002-07) is at Annexure 7.3.7. An outlay of Rs.5870 crore has been provided for the development of roads in the Central Sector in the Annual Plan 2002-03.

## **TENTH PLAN THRUST AREAS – ROAD SECTOR**

### **Following would be the main areas of focus in the Tenth Plan**

Improving riding quality and capacity of existing road network - National Highway Development project (NHDP) to be largely completed.

Riding quality of other National Highways is to be improved. However, the resource requirement for improving various deficiencies is immense – need therefore for prioritizing projects.

Emphasis on revamping road maintenance. The present system has weak accountability and poor monitoring. There is need to contract out maintenance to the private sector. The civil construction contracts could include a 5-year maintenance requirements.

Initiating preliminary work for constructing expressways for select high-density corridors. The role of the Government is to be restricted to that of a facilitator.

Create more conducive climate for associating private sector with road projects. Making BOT Scheme more attractive -sharing downside traffic risk.

## **ANNUAL PLAN 2002-03 - THRUST AREAS**

### **National Highways**

6. With more than 58,000 kilometers of length, National Highways constitute the most important component of the arterial transport network of the country. The Annual Plan 2002-03 would continue its focus on the removal of deficiencies, namely, construction of missing links, improvement of low grade sections, rehabilitation and reconstruction of weak bridges, construction of bypasses, 4-laning and 2-laning of single lane stretches. Emphasis will also be on improving the riding quality of the existing National Highways. Backward and remote areas such as North Eastern region will continue to receive greater attention during the year.

### **National Highway Development Project**

7. National Highway Development Project comprising Golden Quadrilateral (GQ) and North-South, East-West corridor (N-S, E-W) projects are being executed by the National Highway Authority of India (NHAI) and envisage four /six-laning of the existing network. GQ with a total length of 5,846 kms would connect Delhi, Mumbai, Chennai and Kolkata and is targeted for completion by the end of 2003. N-S, E-W Corridors would have a length of 7,300 kms and would connect Kashmir to Kanyakumari and Silchar to Porbandar. The target for completing N-S, E-W corridor projects is 2007.

8. There have been some slippages in the completion of GQ. The total length completed by 31<sup>st</sup> July 2002 was 1159 km. and under implementation was 4551 km. Contracts for a length of 136 km are still to be awarded. As regards N-S, E-W corridor projects, the completed segment is 773 km. (including a common stretch of 210 km with GQ). Another 715 km is under implementation.

## **State Roads**

9. In the State Roads Sector, the emphasis would be on consolidation of existing road network rather than expansion. This is necessary because existing State Highway network is often in a bad shape because of poor maintenance. Funds have been a major constraint in this regard and associating private sector in upkeep and maintenance of roads therefore needs to be explored by the State Governments. There is also need to prepare long-term plans for development of State road network. This is necessary to address various shortcomings in the network and to prioritize them according to the availability of resources.

## **Rural Roads**

10. Rural connectivity is the key component of rural development in India. In order to give a boost to rural connectivity, a rural roads programme Pradhan Mantri Gram Sadak Yojana (PMGSY) has been launched. The primary objective of PMGSY is to provide connectivity, by way of all-weather roads, to the unconnected habitations in the rural areas, such that habitations with a population of 1000 persons and above are covered in three years (2000-2003) and all unconnected habitations with a population of 500 persons and above by the end of the Tenth Plan Period (2007). In respect of the hill States (North-East, Sikkim, Himachal Pradesh, Jammu & Kashmir, Uttaranchal) and the desert areas, the objective is to connect habitations with a population of 250 persons and above. The Programme, as a related objective, also aims to achieve an equitable development of the rural roads network in different States/Districts so as to fully exploit the latent potential for rural growth. PMGSY is being implemented as a Centrally Sponsored Scheme.

11. As on 1.4.2000, 1.60 lakh habitations were to be covered under PMGSY. States that are expected to achieve 100% connectivity for 1000+ habitation by 2002 are Tamil Nadu, Andhra Pradesh, Karnataka, Maharashtra, Gujarat, Goa, Punjab, Haryana, Meghalaya and Manipur.

## **Road Maintenance**

12. Maintenance of roads is emerging as a high priority area, especially because of deterioration in the network condition due to poor maintenance. Studies reveal that it is far more expensive to develop new network than to maintain an existing one. The present system of maintenance has weak accountability and poor monitoring. In order to raise efficiency, there is need to contract out maintenance to the private sector. The active private sector participation in road maintenance would also be an answer to the problem of resources, which have been a major constraint in upkeep of roads.

13. Further, to emphasize the importance of maintenance, civil construction contracts, which account for bulk of the road sector contracts, could include a 5-year maintenance requirement, beginning for which could be made with National Highway contracts. A framework for long-term maintenance of roads also has to be included in the PMGSY, so that rural assets created do not wear out over time.



## **Private Sector Participation**

14. With a view to improve private investment in road sector, the concept of private sector participation in the development, maintenance and operations of National Highways including expressways was approved in 1995. Since then, various measures have been taken to facilitate the involvement of private sector in road construction activity. However, despite steps to facilitate participation, the response of private investors has not been very encouraging and the participation of private sector has been restricted mainly to construction of by-passes and bridges. Efforts are therefore being made to make Build-Operative-Transfer (BOT) schemes more attractive. A useful suggestion in this regard is sharing of downside traffic risk to instill more confidence among investors. The fact that BOT (annuity) that involves contractual annuity payment has been a success and BOT has failed to receive encouraging response is a pointer to this fact.

15. States have also taken a number of initiatives to encourage private sector participation. Notable among the States are Maharashtra, Madhya Pradesh, Andhra Pradesh and Gujarat. Many others have also formulated private sector participation policy.

## **Externally Aided Projects**

16. Details of externally aided National Highway projects (non-NHDP segments) funded by different international donor agencies are shown in Annexure 7.3.8. There are, in all eleven projects. Ten of these have been completed. Particulars of these projects including expenditure are at Annexure 7.3.8.

## **Monitoring Mechanism**

17. The Planning Commission has developed a monitoring mechanism to evaluate the progress of the Plan schemes/projects. These are called Quarterly Performance Review (QPR), where the concerned Member, Planning Commission takes periodic meetings with officials of the concerned Ministries to review the progress of programmes/schemes/projects in the Five Year Plans. The purpose is to identify shortcomings and take remedial steps so that the Plan targets could be achieved. These are in addition to the regular monitoring of the progress of NHDP.

18. Another important initiative is Zero Based Budgeting exercise. The purpose is to review the Plan Schemes to make them more consistent with the Plan targets. A number of Road Sector Schemes have been merged and weeded out to make them more target oriented.

## Physical Targets/Achievements – Roads &amp; Bridges

Sr. No.	Scheme	Unit	Ninth Plan Target (1997-2002)	Achievements Ninth Plan (1997-2002)	10 <sup>th</sup> Plan (2002-2007) Targets	Annual Plan (2002-03) Targets
1	2	3	4	5	6	7
1.	Widening to four lanes	Kms.	944	797	800	443
2.	Widening to two lanes	Kms.	1791	1955	4000	633
3.	Strengthening weak 2 lanes	Kms.	3042	3511	2000 (10,000) IRQP	755
4.	Bypasses	No.	59	30	25	17
5.	Major bridges	No.	633	442	100	202
6.	Major Bridges including ROBs					

## CENTRAL ROAL SECTOR OUTLAY /EXPENDITURE

S. No.	Schemes	Ninth Plan 1997-2002		Tenth Plan	Annual Plan
		Outlay	Expenditure	Outlay (2002-07)	(2002-03)
1	2	3	4	5	6
1	Externally Aided projects	3607.16	4178.22	13990.50	2158.00
2	Other schemes N.H.(O)	3983.43	4786.12	8664.00	1440.00
3	Works under BRDB	468.00	524.80	950.00	145.00
4	Travel Expenses (Domestic)		0.59		1.00
5	Other Charges		0.20	20.00	1.00
6	Development of Information Technology		4.15	20.00	4.00
7.	E&I for States from CRF}	109.00	71.38	500.00	95.00
8.	E&I for UTs from CRF}				5.00
9	Development of Planning	0.30	-	*	*
10	Strategic Roads under Roads Wing	17.49	13.53	50.00	1.00
11.	Strategic Roads under BRDB	28.60	30.98		8.50
12	SBA Roads	0.64	0.64	*	*
13	Special Repair Programme		501.49	*	*
14	R&D Planning Studies	28.64	14.41	20.00	3.00
16	Training	5.35	0.89	10.50	1.50
17	Machinery & Equipment	25.00	25.37	15.00	2.00
18	NHAI (Investment)	551.00	5483.00	10500.00	2000.00
19	Charged Expenditure	37.41	34.45	50.00	5.00
	<b>Total</b>	<b>8862.02</b>	<b>15670.22</b>	<b>34790.00</b>	<b>5870.00</b>

\* Weeded out

## Annexure 7.3.8

## Financing of Externally Aided Roads/Bridge Projects

(Rs.Crore)

No.	Schemes	Likely cost of Completion	Likely date of Completion	Total Expenditure upto 31.3.2002	Balance Amount as on 12.4.2002	Budget Alloca Completion 2002-03
1	4-laning between Karnal & Ambala Km. 132.67-212.16 NH-1 in Haryana	371.99	Completed	369.99	2.0	2.00
2	4-laning between Sirhind and Punjab/Haryana Km. 212.16-252.55 NH-1 in Punjab	241.74	-do-	241.74	0.0	2.00
3	4-laning of Cuttack-Bhubaneswar Section of NH-5 (Km.0.0 to 27.8) in Orissa	275.13	-do-	268.13	7.0	7.00
4	4-laning of Indoare-Dewas Section of NH-3 (Km.573 to 590.6) including construction of Indore bypass (32.6 Kms.) in Madhya Pradesh	264.85	-do-	243.70	21.15	10.00
5	4-laning between Bassein Creek and Manor Km. 439 to 497 (NH-2 in Maharashtra	307.00	-do-	300.06	6.94	5.00
6	4-laning between Raniganj and West Bengal/Bihar border Km.438 to 474.0 of NH-2 in West Bengal	141.09	-do-	140.00	1.09	2.50
7	4-laning of Mathura-Agra Section of NH-2 in Uttar Pradesh	154.30	-do-	142.94	11.36	10.00
8	4-laning of NH-47 from Km.8 to Km. 33.0 in Karnataka	71.15	-do-	68.43	2.72	0.10
9	4-laning of NH-47 between Alwaye-Sherthalai in Kerala	145.04	-do-	141.20	3.84	0.10
10	4-laning of NH-8 between Achrol-Kotputli in Rajasthan	106.23	-do-	104.52	1.71	0.10
11	West Bengal Corridor Development Project	1085.70	June,2006	-	1085.70	122.82

## **Road Transport**

The Road Transport is the dominant mode of transport for moving goods and passenger traffic in the country. The sector has grown significantly during the last fifty years with the number of vehicles registered a compounded growth rate of 12.61 per cent during this period. Being the sole mechanized means of surface transport for hilly, rural and backward terrain not connected by railways, its share of passenger and freight traffic has also increased vis-a-vis railways.

### **Review of 9<sup>th</sup> Five Year Plan (1997-02)**

2. Against an approved outlay of Rs.60 crore under Central Sector for the 9<sup>th</sup> Five Year Plan, the expenditure is likely to be Rs.43.34 crore (72.2%). The shortfall in the achievement is reported to be due to non-receipt of adequate proposals. Under State sector, an outlay of Rs.7355.26 crore had been approved for the 9<sup>th</sup> Five Year Plan. Against this, Rs.5894.30 crore (80%) is likely to be spent as shown in Annexure 7.3.9.

3. The physical performance of the State Road Transport Undertakings has been satisfactory. The fleet utilization, vehicle productivity, staff productivity, fuel efficiency etc. have improved considerably. However, despite improvement in physical performance, the State Road Transport Undertakings continued to incur financial losses. The net loss in the 9<sup>th</sup> Five Year Plan was Rs.8731 crore. The main reasons for such losses were increase in the input cost, operation of services on uneconomic routes, free and concessional travel, high motor vehicles tax and uneconomic fare structure.

## **TENTH PLAN THRUST AREAS - ROAD TRANSPORT SECTOR**

### **The focus of the 10<sup>th</sup> Plan would be on the following:**

Efforts to encourage public transport services. Private sector participation to be promoted through decontrol and removal of restrictive practices. The role of Government to be restricted to regulating transport services with an aim to providing efficient and safe services to the public.

Measures to reduce accidents and fatalities on roads.

Measures to encourage higher capacity and better technology vehicles, so that the changes in road transport could keep pace with revolution in the road sector.

### **Projections for the 10<sup>th</sup> Five Year plan (2002-07)**

4. An amount of Rs.210 crore has been allocated for Road Sector in the 10<sup>th</sup> Five Year Plan (2002-07). The major schemes proposed to be taken up are National Highway patrolling scheme, publicity measures on road safety, pollution controls from motor vehicles and training programmes. Under the State sector, improving operation of State Road Transport Undertakings would be the major scheme.

### **Annual Plan 2002-03**

5. An outlay of Rs. 30.00 crore has been allocated for the Annual Plan 2002-03 for the road transport sector for four schemes; viz., (i) National Data Network & Computer System, (ii) Road Safety, (iii) Pollution Control, and (iv) Model Training Institute on Driving and Research.

### **Private Sector participation**

6. Involvement of the private sector in providing passenger transport services has eased the pressure on the SRTUs. However, there is need for further decontrol in the road transport service sector. The private sector could also be encouraged to operate services on unprofitable routes through tax incentives. The long term objective should be the pre-eminent role of private sector in providing all passenger public transport services. There is however need to check rash driving, overtaking, unscheduled operations and tax evasion.

### **Zero Based Budgeting**

7. During zero based budgeting exercise conducted by the Planning Commission in consultation with the Ministry of Road Transport & Highways two road transport sector schemes have been weeded out and 14 others have been merged into three schemes. One scheme – Model Training Institute of Driving and Research has been converted into centrally sponsored scheme.

### **Monitoring mechanism**

8. For the review and monitoring of physical as well as financial progress of projects/schemes, a system of Quarterly Progress Review (QPR) meetings has been started.

## Outlay &amp; Expenditure - Road Transport

Scheme	9th plan Outlay	1997-98		1998-99		1999-2000		2000-01		2001- 02		Exp. 9th Plan
		Outlay	Exp.	Outlay	Exp.	Outlay	Exp.	Outlay	Exp.	Outlay	Exp.	
1	2	3	4	5	6	7	8	9	10	11	12	13
1. Capital contribution to SRTCs	8.63	5.63	5.63	3.00	1.52	1.00	0.00	0.00	0.00	0.00	0.00	7.15
2. Road Safety Programmes	37.42	2.57	1.89	8.40	4.40	5.66	4.95	9.45	7.95	10.12	11.52	30.71
Road Safety Cell	0.75	0.12	0.10	0.20	0.09	0.15	0.15	0.20	0.17	0.22	0.19	0.70
Publicity measures	8.67	1.00	0.79	2.50	1.68	1.00	1.00	3.00	2.70	3.00	3.12	9.29
Grant in aid	3.00	0.20	0.20	1.00	0.08	0.50	0.40	0.50	0.49	0.50	0.49	1.66
Pollution testing equipment	6.00	0.50	0.30	1.50	0.64	1.00	0.50	0.75	1.00	1.25	0.20	2.64
Road Safety equipment	4.00	0.25	0.02	0.70	0.00	0.01	0.15	4.00	0.65	0.15	1.14	1.96
National Highways/ Patrolling scheme	15.00	0.50	0.50	2.50	1.91	3.00	2.75	1.00	2.93	5.00	6.37	14.46
3. Training & Computer	4.45	0.26	0.50	2.10	0.26	0.68	0.64	0.75	0.97	0.57	0.34	2.71
National institute of road safety	2.00	0.00	0.40	1.50	0.00	0.33	0.30	0.40	0.40	0	0.04	1.14
Training of drivers in unorganized sector	0.75	0.15	0	0.25	0.08	0.15	0.15	0.30	0.32	0.3	0.22	0.77
Training programme (HRD)	0.50	0.01	0	0.15	0.05	0.05	0.04	0.05	0.05	0.05	0.05	0.19
Computer system	1.20	0.10	0.10	0.20	0.13	0.15	0.15	0.20	0.20	0.22	0.03	0.61
4. Research & Development	1.15	0.20	0.10	0.20	0.00	0.15	0.00	0.10	0	0	0	0.10
Strengthening of CIRT, Pune	4.65	0.20	0	1.00	0.40	1.00	1.00	0.20	0	0	0	1.40
6. Misc. including Studies	3.70	0.36	0.33	1.30	0.24	0.51	0.35	0.65	0.16	0.80	0.19	1.27
Transport studies	1.50	0.20	0.20	0.50	0.07	0.25	0.19	0.10	0.00	0.40	0.06	0.52
Data collection	0.50	0.05	0.05	0.10	0.06	0.10	0.05	0.20	0.03	0.10	0.04	0.23

Scheme	9th plan Outlay	1997-98		1998-99		1999-2000		2000-01		2001-02		Exp. 9th Plan
		Outlay	Exp.	Outlay	Exp.	Outlay	Exp.	Outlay	Exp.	Outlay	Exp.	
1	2	3	4	5	6	7	8	9	10	11	12	13
National data base network	0.95	0.00	0.00	0.50	0.00	0.01	0.00	0.10	0.00	0.10	0.01	0.01
Control of pollution of motor vehicle	0.75	0.10	0.08	0.20	0.11	0.15	0.11	0.15	0.13	0.20	0.08	0.51
Energy Conservation	0	0.01	0	0.00	0.00	0	0.00	0.10	0.00	0	0	0.00
<b>TOTAL</b>	<b>60.00</b>	<b>9.22</b>	<b>8.45</b>	<b>16.00</b>	<b>6.82</b>	<b>9.00</b>	<b>6.94</b>	<b>11.35</b>	<b>9.08</b>	<b>11.49</b>	<b>12.05</b>	<b>43.34</b>
<b>STATE PLAN</b>	<b>7355.26</b>	<b>1227.10</b>	<b>1442.32</b>	<b>1229.64</b>	<b>968.38</b>	<b>1226.37</b>	<b>934.96</b>	<b>1265.30</b>	<b>1274.32</b>	<b>1200.00</b>	<b>1274.32</b>	<b>5894.30</b>
<b>GRAND TOTAL</b>	<b>7415.26</b>	<b>1236.32</b>	<b>1450.77</b>	<b>1245.64</b>	<b>975.20</b>	<b>1235.37</b>	<b>941.90</b>	<b>1276.65</b>	<b>1283.4</b>	<b>1211.49</b>	<b>1286.37</b>	<b>5937.64</b>
<b>GRAND TOTAL</b>	<b>7415.26</b>	<b>1236.32</b>	<b>1450.77</b>	<b>1245.64</b>	<b>975.20</b>	<b>1235.37</b>	<b>941.90</b>	<b>1276.65</b>	<b>1283.4</b>	<b>1211.49</b>	<b>1286.37</b>	<b>5937.64</b>



### **7.3.3 PORTS**

Twelve major ports along the coastline of India handle about 75% of the port traffic of the country and remaining 25% is handled by minor / state ports.

#### **Review of Ninth Plan**

2. Against the outlay of Rs. 9428 crore, an amount of Rs. 4838.92 crore was spent. The main reasons for shortfall included – delays in sanctioning the schemes, slow progress of work by contractors, contractual disputes / litigation, delays in tender finalisation and weeding out of some schemes.

3. The traffic handled by major ports increased from 227.26 million tonne (MT) as on 31<sup>st</sup> March, 1997 to 291.10 MT as on 31<sup>st</sup> March, 2002 against the target of 429 MT including throughput by minor ports. Traffic handled by minor ports increased from 37.83 MT at the end of Eighth Plan to 71.10 MT by the end of Ninth Plan. The growth of traffic at major ports and minor ports was 4.9% and 27.9% respectively. Thus, the share of minor ports in the total traffic went up during Ninth Plan. The capacity of major ports at the end of Ninth Plan was 343.95 MT showing an increase of 124.85 MT during the plan period.

4. Port productivity, in terms of average output per ship berth day output, average pre-berthing waiting time and average turn round time has registered an improvement during the Ninth Plan. Average pre berthing waiting time came down from 1.7 days in 1996-97 to 0.50 days in 2000-01. Average turn around time improved from 7.5 days in 1996-97 to 4.7 days in 2000-01. Output per ship berth day increased from 4497 tonnes in 1996-97 to 6469 tonnes in 2000-01. The labour productivity increased from 307 tonnes in 1997-98 to 413 tonnes in 2000-01 in terms of output per gang shift.

#### **Annual Plan 2002-03**

5. Annual Plan 2002-03 being the first year of the Tenth Five Year Plan, has been formulated keeping in view the objectives and thrust areas of Tenth Five Year Plan

#### **Thrust Areas of Tenth Five Year Plan**

- Encourage private sector participation
- Affect organisational changes – corporatisation for management efficiency, institutional funding and attracting private investment.
- Establish major gateway ports and provision of inter modal linkages through efficient rail and road services.
- Rationalise manning scales.
- Make tariff authority for major ports (TAMP) an Appellate body and extend its jurisdiction on all ports

## Financial Allocations

6. During Annual Plan 2002-03, an outlay of Rs. 1162.00 crore has been approved for the port sector. This includes Rs. 256.89 crore as budgetary support and Rs. 905.11 crore as Internal and Extra Budgetary Resources (IEBR).

## PHYSICAL TARGETS

### Cargo Traffic Target

7. The traffic at major ports is projected to increase from 291.10 MT as on 31<sup>st</sup> March, 2002 to 295.84 MT as on 31<sup>st</sup> March, 2003. The target for Tenth Plan is 415 MT. Commodity-wise break-up of traffic targets for 2002-03 in major ports is as follows:

### Commodity-wise break-up of traffic targets for 10<sup>th</sup> Plan and Annual Plan 2002-03

(In Million Tonne)

Commodity	10 <sup>th</sup> Plan	Annual Plan 2002-03
POL	154.30	104.280
Iron Ore	52.50	46.00
Fertilizer}	13.45	3.675
FRM dry}		6.885
Thermal Coal}	71.30	31.100
Coking Coal }		15.130
Containerised Cargo	61.10	40.710
Other Cargo	62.35	48.38
<b>Total</b>	<b>415.00</b>	<b>295.84</b>

### Capacity Creation

8. The capacity of major ports as on 31<sup>st</sup> March, 2002 was 343.95 MTPA. Considering the present status of capacity yielding projects in the major ports, capacity addition of 18.60 MT is expected to be achieved during 2002-03. Thus the capacity of major ports as on 31<sup>st</sup> March, 2003 is expected to be about 362.55 MT against the target of 470.15 MT as on 31<sup>st</sup> March, 2007. Port-wise details are given in Annexure 7.3.10. A number of projects are expected to be completed in 2002-03. A list of such projects is given in Annexure 7.3.11.

### Private Sector Participation

9. The Ninth Plan envisaged private sector/captive users investment of Rs. 8,000 crore with capacity addition to the tune of 76 mt. Seventeen private sector/captive port projects of 60.05 mt capacity with an investment of Rs. 3,480.20 crore have already been approved and they are at different stages of construction.

10. Nine more private sector/captive user port projects with 32.86 mt plus 9 lakh twenty equivalent units (TEUs) and an investment of Rs. 3,608.20 crore are in the pipeline.

11. During the Tenth Plan, an ambitious investment plan for private sector participation will be initiated. In addition to Plan allocations for major ports, investment to the tune of Rs. 11,256.00 crore will be made by the private sector.

### **Introduction of Zero Based Budgeting**

12. Another important initiative is Zero Based Budgeting exercise. The purpose is to review the Plan schemes to make them more consistent with the Plan targets. A number of Ports Sector schemes have been merged and weeded out to make them more target oriented.

### **Monitoring mechanism**

13. The Planning Commission has developed a monitoring mechanism to evaluate the progress of the Plan schemes / projects. These are called Quarterly Performance Review (QPR), where the concerned Member, Planning Commission takes periodic meetings with officials of the concerned Ministries to review the progress of programmes / schemes / projects in the Five Year Plans. The purpose is to identify shortcomings and take remedial steps so that the Plan targets could be achieved.

## Annexure 7.3.10

**Projections of Capacity Addition by Major Ports  
during Tenth Plan and Annual Plan 2002-03**

(In Million Tonne)

Sl. No.	Name of Port	Capacity as on 31-3-02	Projected capacity as on 31.3.2003	Projected capacity addition as on 31.3.07
1	2	3	4	5
1	Kolkata Port	9.80	09.80	—
2	Haldia Port	32.40	32.40	2.00
3	Paradeep Port	32.10	38.10	0.60
4	Vizag Port	41.15	41.15	10.50
5	Chennai	38.75	40.95	4.20
6	Ennore	12.00	12.00	13.00
7	Tuticorin Port	13.95	14.95	3.35
8	Cochin Port	15.50	15.50	13.50
9	New Mangalore Port	21.30	29.50	12.00
10	Mormugao Port	20.50	20.50	7.00
11	Mumbai Port	38.50	38.50	11.50
12	JN Port	28.00	29.20	14.00
13	Kandla Port	40.00	40.00	19.55
	<b>Grand Total</b>	<b>343.95</b>	<b>362.55</b>	<b>111.20</b>
				## + 15.00
				* <b>126.20</b>

## From improvement in productivity at various ports

\* Total capacity as on 31.3.2007 will be 470.15 MT (343.95 + 126.20)

**Details of Capacity Yielding Projects expected  
to be completed by 31.3.2003 – Major Ports**

<b>Sr. No.</b>	<b>Name of the Project</b>	<b>Capacity (in MTPA)</b>
1.	Construction of Oil Berth at Paradip	6.00
2.	Further extension of Container Terminal at Chennai Port	0.50
3.	Modernisation of West Quay Berth at Chennai Port	1.00
4.	Modernization of South Quay 3 and East Quay Berths at Chennai Port	0.70
5.	Dredging on front of Berth No. 8 at Tuticorin Port	1.00
6.	Port facilities for MRPL expansion at New Mangalore Port (balance capacity)	5.20
7.	Construction of Multi-user Oil Berth at New Mangalore Port	3.00
8.	Construction of shallow water berth at JN Port	1.20
	<b>Total</b>	<b>18.60</b>

### **7.3.4 SHIPPING**

In India, with a coastline of 5560 km. studded with 12 major and 184 minor / intermediate ports, shipping sector assumes special significance. Over 90% of India's overseas trade in terms of volume and 68% in terms of value is sea born. Share of Indian flag ships in the overseas trade of the country has been hovering around 30% during the last few years.

#### **Review of Ninth Plan**

Against the outlay of Rs. 5005.45 crore the expenditure was only Rs. 2475.02 crore. It comes to about 48.40% of the approved outlay against the target of 9 million Gross Tonnage (GT) for Ninth Plan, the achievement as on 31<sup>st</sup> March, 2002 was only 6.91 million GT which was at the level of Eighth Plan. A slow progress in tonnage acquisition was mainly due to – i) lack of fiscal incentives to remain internationally competitive, ii) difficulty in raising external commercial borrowings, iii) prevailing market condition is depressed and charter/freight rates have fallen considerably, especially in the dry-bulk and liner sector, iv) considerable changes in the trade pattern, which had compelled the SCI to abandon many of its projects.

#### **Annual Plan 2002-03**

2. Annual Plan 2002-03 being the first year of the Tenth Five Year Plan, has been formulated keeping in view the objectives and thrust areas of Tenth Five Year Plan.

#### **Thrust Areas of Tenth Five Year Plan**

- Adoption of tonnage tax regime to ensure level playing field for Indian Shipping.
- Continuation of the present policy of cargo support and its extension to LNG.
- Laying down less stringent construction, survey, loadlines and safety requirements for coastal vessels.
- Revise manning scales for coastal vessels

#### **Financial allocations**

3. During Annual Plan 2002-03, an outlay of Rs. 1342.26 crore has been provided for the shipping sector. Of it, Rs. 10.01 crore will be provided as budgetary support to Director General (Shipping) and Rs. 1332.25 crore is expected to be raised through IEFR by Shipping Corporation of India (SCI).

#### **Physical targets**

4. The Tenth Plan target of fleet acquisition is 7.71 MT. In 2002-03 SCI propose to acquire the following ships:

- 2 Capsize Bulk Carrier
- 1 Aframax Tanker
- 2 VLCCs

2 Aframax Tanker (Second Hand)  
2 LR-I Product Carriers

### **Director General (Shipping)**

5. During Annual Plan 2002-03 the allocated amount of Rs. 10.01 crore is proposed to be spent on training and welfare scheme for benefit of seamen, e-Governance project for DG (Shipping) headquarters and allied offices including Mercantile and Marine Departments, Shipping offices, etc and construction of buildings by CPWD and other agencies.

### **Director General (Light Houses and Light Ships)**

6. Department of Light Houses and Light Ships is a revenue earning Department and derives its income from light dues and light charges from ships entering and leaving Indian ports. During Ninth Plan, the anticipated revenue earning was Rs. 408 crore. Against the Ninth Plan outlay of Rs. 123 crore, the expenditure in this sector was about Rs. 62 crore.

7. During Tenth Plan and Annual Plan 2002-03, an outlay of Rs. 185.00 crore and Rs. 20.00 crore respectively has been provided as budgetary support. Emphasis will be laid on automation of existing light houses, improvement in visual aids, replacement of existing light house tenders, improvement of training facilities and establishment of a Coastal Vessel Traffic Service (CVTS).

### **Introduction of Zero Based Budgeting**

8. Another important initiative is Zero Based Budgeting exercise. The purpose is to review the Plan schemes to make them more consistent with the Plan targets. A number of Shipping Sector schemes have been merged and weeded out to make them more target oriented.

### **Monitoring mechanism**

9. The Planning Commission has developed a monitoring mechanism to evaluate the progress of the Plan schemes / projects. These are called Quarterly Performance Review (QPR), where the concerned Member, Planning Commission takes periodic meetings with officials of the concerned Ministries to review the progress of programmes / schemes / projects in the Five Year Plans. The purpose is to identify shortcomings and take remedial steps so that the Plan targets could be achieved.

### **7.3.5 INLAND WATER TRANSPORT (IWT)**

IWT being an energy efficient, environmentally clean and economical mode of transport could play an important role in passenger and cargo movement, establishing inter-modal connectivity. India is richly endowed with waterways comprising river systems and canals. It is estimated that a total of 14,544 kms of waterways could be used for passenger and cargo movement. However, capacity of the sector is grossly under utilised as most navigable waterways suffer from hazards like shallow water and narrow width of channel

during dry weather, silting or river bed and erosion of banks, absence of adequate infrastructural facilities like terminals for loading and berthing and surface road links.

### **Review of Ninth Plan**

2. Against the outlay of Rs. 408 crore, an amount of Rs. 201.56 crore could be spent on the provision / maintenance of fairway terminals and navigational aids on the three National Waterways, assistance to the States under Centrally Sponsored Schemes, loan interest subsidy for acquisition of inland vessels, acquisition of capital dredging vessels and modernization of handling facilities.

### **Annual Plan 2002-03**

3. Annual Plan 2002-03 being the first year of the Tenth Five Year Plan, has been formulated keeping in view the objectives and thrust areas of Tenth Five Year Plan.

### **Thrust Areas of Tenth Five Year Plan**

- Emphasis would be on the development of infrastructure facilities.
- Encourage Private sector participation in IWT
- Focus on North East Region for development of IWT.

### **Financial allocations**

4. During Annual Plan 2002-03, an outlay of Rs. 80 crore has been provided for IWT including a sum of Rs. 20 crore for National Waterway 2. The expenditure will be incurred mainly on the provision / maintenance of fairway, terminal and navigational aids on the three National Waterways, techno-economic feasibility studies on several other waterways systems, assistance to States under Centrally Sponsored Schemes (CSS) and to meet the past liabilities of Loan Interest Subsidy Scheme (LISS) for acquisition of inland vessels.

### **Physical targets**

5. The physical targets fixed for traffic movement by IWT during the year 2002-03 are 2,03,100 MT.

### **Private Sector Participation**

6. In the Inland Water Transport Policy, a number of incentives for encouraging private sector participation have been provided in the Tenth Plan and Annual Plan 2002-03. The private sector would be involved in the whole range of inland water activities through joint ventures, BOT projects etc.

### **Introduction of Zero Based Budgeting**

7. Another important initiative is Zero Based Budgeting exercise. The purpose is to review the Plan schemes to make them more consistent with the Plan targets. A number of IWT Sector schemes have been merged and weeded out to make them more target oriented.



## **Monitoring mechanism**

8. The Planning Commission has developed a monitoring mechanism to evaluate the progress of the Plan schemes / projects. These are called Quarterly Performance Review (QPR), where the concerned Member, Planning Commission takes periodic meetings with officials of the concerned Ministries to review the progress of programmes / schemes / projects in the Five Year Plans. The purpose is to identify shortcomings and take remedial steps so that the Plan targets could be achieved.

### **7.3.6 CIVIL AVIATION**

#### **INTRODUCTION AND OVERVIEW**

Civil aviation is the fastest mode of transport for movement of passenger and cargo traffic. At present there are 94 civil airports including 11 international airports and 28 civil enclaves at Defence Air Fields. The sector is broadly divided into 3 distinct functional entities viz regulatory cum development, operational and infrastructure. The regulatory functions are the responsibility of Directorate General of Civil Aviation (DGCA) and Bureau of Civil Aviation Security (BCAS). The operational functions are performed by Air India Ltd., Indian Airlines Ltd., Alliance Air Ltd., Pawan Hans Helicopter Ltd. under public sector and other private airlines operators. The infrastructural facilities are provided by Airport Authority of India (AAI).

#### **Review of the Ninth Plan**

2. During the 9<sup>th</sup> Plan, under Central Sector likely expenditure was Rs. 6599.51 crore (59.4%) against the approved outlay of Rs.11112.37 crores. The utilisation of Gross Budgetary Support was 37.1% (Rs.183.77 crore). The details are at Annexure 7.3.12. The lower utilization of outlay is because of the decision of the Government to disinvest equity in Indian Airlines, Air India and restructure metro airports through private sector participation and lower utilization by BCAS. Physical performance organization-wise has been discussed in the ensuing paragraphs.

3. The Civil Aviation sector in India has undergone some significant development/transformation during the 9<sup>th</sup> Five Year Plan period such as - a) the Government considerably disengaged itself from commercial operations of airlines; b) the Government encouraged increase in the role of private sector in the civil aviation sector in order to bridge the resource gap as well as bring greater efficiency in the management; c) the process of disinvestment of Air India and Indian Airlines was initiated, d) the decision to restructure existing airports at Delhi, Mumbai, Chennai and Kolkata.

#### **Objectives and Thrust Areas during 10<sup>th</sup> Five Year Plan**

4. The main objective of the development of the civil aviation sector in the 10<sup>th</sup> Five Year Plan is to provide world class infrastructure facilities and efficient, safe and reliable air services to meet the requirements of domestic and foreign trade and tourism. The objectives of the plan would be pursued in the subsequent Annual Plans including 2002-03. The details of the projections during the 10<sup>th</sup> are given at Annexure 7.3.13 and Annexure 7.3.14.

### **Tenth Plan Thrust Areas: Civil Aviation**

The objectives of development of the civil aviation sector is to provide world class infrastructure facilities and efficient, safe and reliable air services.

Disinvesting Government equity in Indian Airlines and Air India.

Restructuring of the metro airports through private sector participation.

Providing a suitable regulatory framework for the air services.

Ensuring adequate security arrangements in view of the increased threat perception.

Consider increasing the share of foreign equity in both domestic and international carries with a view to attracting new technology and management expertise.

Re-consider bar on equity participation by foreign airlines in companies formed for domestic air transportation.

Review Route Dispersal guidelines to streamline provision of air services in remote and isolated areas

### **Physical Targets/Financial Allocations during the Annual Plan 2002-03**

5. An outlay of Rs.2521.19 crore has been approved during Annual Plan 2002-03, which includes Rs.69 crores as budgetary support. The Organisation-wise details are at Annexure 7.3.15.

### **DISINVESTMENT OF AIR INDIA AND INDIAN AIRLINES**

#### **Air India**

6. Air India (AI) provides international air services. The Government of India is in the process of disinvestment of its stakes in Air India. 40% of its equity is proposed to be given to the strategic partner of which 26% would be held by foreign investor/airline. The strategic partner is expected to bring management expertise, finance and support the aircraft acquisition process. However, due to September 11, 2001 incident the process of disinvestment is likely to be delayed.

#### **Indian Airlines Ltd.**

7. Indian Airlines (IA) along with its wholly owned subsidiary Alliance Air India Ltd., primarily provides domestic air services in the country. Indian Airlines, however, also provides international air services to some of the neighbouring countries.

8. Like AI, Government has decided to disinvest 51% equity of IA within the parameters of "Domestic Air Transport Policy" of which 26% equity could be given to a group or an individual who may be called joint venture/strategic partner. The remaining 25% would be offered to employees, financial institutions and the public. The disinvestment process is being undertaken by the Ministry of Disinvestment.

9. The physical as well as financial performance of AI & IA are at Annexure 7.3.16, 7.3.17 & 7.3.18.

### **Airport Authority of India**

10. The Airport Authority of India (AAI) is responsible for management and development of 94 civil airports including 11 international airports and 28 civil enclaves at Defence Air Fields. It is also responsible for providing navigational facilities to the aircraft operating in India. The profitability of AAI is given at Annexure 7.3.18.

11. The approved Annual Plan outlay during 2002-03 is Rs.996.05 crores which includes a provision of Rs.53.12 crores towards budgetary support. The provisions earmarked for International Airports Division (IAD) is Rs. 286.45 crores and that for National Airports Division (NAD) is Rs.709.60 crores. The break-up of Rs. 709.60 crores for NAD is as follows:

#### **Scheme-wise Approved Annual Plan Outlay During 2002-03**

**(Rs. Crores)**

<b>S. No.</b>	<b>Schemes</b>	<b>Approved outlay</b>
1.	Aerodrome works	352.98
2.	Aeronautical Communication Services	248.60
3.	Ground Safety Services	101.75
4.	Modernization of Air Traffic Services (MATS-BD)	3.00
5.	Modernization of CATC, Allahabad	3.27
	Total	709.60 (53.12)

Note: Figure in bracket indicates Budgetary Support from Government of India.

12. During the Tenth Five Year Plan, the emphasis would be on up-gradation, expansion of airport infrastructure and strengthening of the security arrangements at the airports. These would be followed in the subsequent Annual Plans including 2002-03.

### **Others**

13. Pawan Hans Helicopter Ltd. (PHHL) was incorporated on 15<sup>th</sup> October, 1985 to provide helicopter support services to the public sector undertakings like ONGC and operate helicopter services in inaccessible areas. An outlay of Rs.133.80 crore has been approved during 2002-03 mainly for acquisition of new fleet.

14. Bureau of Civil Aviation Security (BCAS) is responsible for ensuring adequate security arrangement at the airports. During the Annual Plan 2002-03, an amount of Rs.7.69 crores has been approved. Out of this, Rs. 5 crores has been allocated for setting up of Civil Aviation Security Academy.

15. Directorate General of Civil Aviation (DGCA) is responsible for ensuring quality and safety in aircraft operations in the country. An outlay of Rs. 3.10 crore has been approved during 2002-03. The thrust will be on purchase of machinery and equipment for training to strengthen the capacity of Directorate to carry out its regulatory function.

16. Indira Gandhi Rashtriya Uran Academy (IGRUA) is the premier flying institute of the country responsible for imparting flying training for award of commercial pilots license and commercial helicopter pilots license. During Annual Plan 2002-03, an outlay of Rs. 2.09 crores has been approved.

17. Hotel Corporation of India (HCI) is a subsidiary of Air India. During Annual Plan 2002-03 an amount of Rs. 8.76 crores has been approved. The Board of Directors of Air India has approved the disinvestment proposal in principle. The process of disinvestment is being undertaken by the Ministry of Disinvestment. In case of Centeur Hotel, Delhi, Cabinet Committee on Disinvestment has directed for re-bidding by exploring ways and means to secure better response.

### **Private Sector Participation**

18. The services and facilities available at Indian International Airports are not up to the mark. The Government of India, therefore, has decided to restructure the four metro airports of the AAI. The restructuring process will facilitate participation of the private sector in the development of metro airports.

19. The new Bangalore International Greenfield airport at Devanahalli, near Bangalore is promoted by the Government of Karnataka (GoK). The selected bidder who would become equity contributors to the extent of 74% is a consortium lead by Siemens, Germany with the other partners being Unique Zurich, Switzerland and Larsen & Toubro Ltd., India. In the project GoK along with AAI will together hold 26% equity with AAI's equity being capped at Rs.50 crore. The shareholders agreement of the project company (BIAL) was signed on the 23<sup>rd</sup> January 2002. The estimated project cost is Rs.1150 crore. The financial close is expected sometime in September 2002.

### **Progress of Externally Aided Projects:**

20. The development of Aurangabad Airport has been taken up in phases with financial assistance of JBIC, Japan. As per agreement with JBIC, Japan, 82% of the expenditure incurred by Airports Authority of India is to be reimbursed to Airports Authority of India by JBIC. The total expenditure on the work done in Phase-I is Rs.15.13 crore. The works of Phase-I of the project, inter alia, extension of runway to 7500 ft have already been completed. It has also proposed to include some of the Phase-II works like strengthening of existing runway ( Rs. 4.82 crore, work already completed), Construction of New Domestic Terminal Building(Rs.18.00 crore) and New Apron and other facilities (Rs. 09.34 crore) in Phase-I.

### **Zero Based Budgeting**

21. Exercise of Zero-Based Budgeting : Convergence and Weeding out of the Central Sector Schemes relating to Civil Aviation Sector have been carried out as per the

guidelines. It was decided that out of 13 schemes, 3 schemes to be weeded out, 2 schemes to merged into one, 2 more schemes to be merged into one with modifications and to retain 6 schemes as such. The details are at Annexure 7.3.19.

### **Monitoring Mechanism**

22. Through the system of Quarterly Performance Review, mechanism has been evolved to monitor central sector schemes including civil aviation.

## Annexure 7.3.12

## Outlay and Expenditure - Ninth Plan- Civil Aviation

(Rs. Crore)

Sl. No.	Organisation	Ninth Plan Appr. Outlay	1997-98 Act.	1998-99 Act.	1999-2000 Act.	2000-01 Act.	2001-02 Anti. Exp.	9th plan Anti. Exp.	
								Amount	% age
1	2	3	4	5	6	7	8	9	10
1	AI	3664.00	517.75	550.01	383.09	641.60	345.46	2437.91	66.5
	Of Which BS			0.00					
2	IA	3640.75	441.90	522.03	492.27	421.26	431.80	2309.26	63.4
	Of Which BS	125.00		0.00					
3	AAI								
	i) NAD	1899.35	220.53	210.37	201.02	237.15	191.60	1060.67	55.8
	ii) IAD	1522.52	118.05	109.50	159.61	111.53	93.17	591.86	38.9
	<b>Total</b>	<b>3421.87</b>	<b>338.58</b>	<b>319.87</b>	<b>360.63</b>	<b>348.68</b>	<b>284.77</b>	<b>1652.53</b>	<b>48.3</b>
	Of Which BS	283.37	10.00	25.00	25.00	25.20	40.25	125.45	44.3
4	PHHL	209.20	26.85	5.55	1.21	2.31	32.90	68.82	32.9
5	HCI	89.55	8.52	10.19	13.37	17.34	23.25	72.67	81.2
6	BCAS	25.00	0.01	2.35	1.37	2.57	1.25	7.55	30.2
	Of Which BS	25.00	0.01	2.35	1.37	2.57	1.25	7.55	30.2
7	DGCA	27.00	1.07	3.38	3.47	4.36	4.60	16.88	62.5
	Of Which BS	27.00	1.07	3.38	3.47	4.36	4.60	16.88	62.5
8	IGRUA	35.00	10.00	11.00	6.00	5.89	1.00	33.89	96.8
	Of Which BS	35.00	10.00	11.00	6.00	5.89	1.00	33.89	96.8
	<b>Total</b>	<b>11112.37</b>	<b>1344.68</b>	<b>1424.38</b>	<b>1261.41</b>	<b>1444.01</b>	<b>1125.03</b>	<b>6599.51</b>	<b>59.4</b>
	<b>Of Which BS</b>	<b>495.37</b>	<b>21.08</b>	<b>41.73</b>	<b>35.84</b>	<b>38.02</b>	<b>47.10</b>	<b>183.77</b>	<b>37.1</b>

**Airports Authority Of India**  
**Capacity, Demand And Augmentation For Passenger Terminals At Major Airports**  
**During Ninth Plan And Projection For Tenth Plan Period (2002-07)**

(Annual in million)

Airports	Ninth Plan Targets (1997-02)		Ninth Plan Achievements		Tenth Plan	
	Capacity (2001-02)	Demand (2001-02)	Capacity	Demand (2000-01)	Capacity planned in 2006-07	Projected demand 2006-07
1	2	3	4	5	6	7
<b>Mumbai</b>						
International Terminal	7.50	6.22	7.50	5.18	8.50	6.55
Domestic Terminal	6.45	10.39	6.45	7.00	7.60	9.93
<b>Delhi</b>						
International Terminal	3.40	5.18	3.40	3.95	9.90	5.60
Domestic Terminal	7.20	7.04	7.20	4.98	7.20	7.03
<b>Chennai</b>						
International Terminal	1.80	2.20	1.55	1.83	2.12	2.91
Domestic Terminal	2.67	3.01	3.30	2.23	3.30	3.17
<b>Kolkata</b>						
International Terminal	1.65	0.86	0.82	0.63	1.08	0.85
Domestic Terminal	3.70	3.23	3.70	2.06	3.70	2.60
<b>Trivandrum</b>						
International Terminal	0.42	1.22	0.42	0.76	0.42	0.91
Domestic Terminal	0.80	0.42	0.80	0.25	0.80	0.32
<b>TOTAL</b>	<b>35.59</b>	<b>39.77</b>	<b>35.14</b>	<b>28.87</b>	<b>44.62</b>	<b>39.87</b>

## Annexure 7.3.14

**Airports Authority Of India**  
**Capacity, Demand And Augmentation For International Cargo Terminals**  
**At Major Airports During Ninth Plan And Projection For Tenth Plan Period (2002-07)**

(Annual in '000 Tonnes)

Airports	Ninth Plan Targets (1997-02)		Ninth Plan Achievements		Tenth Plan	
	Capacity (2001-02)	Demand (2001-02)	Capacity	Demand (2000-01)	Capacity planned in 2006-07	Projected demand 2006-07
1	2	3	4	5	6	7
<b>Mumbai</b>	219.80	352.82	296.03	211.01	296.03	313.13
<b>Delhi</b>	219.50	272.90	219.50	173.60	268.50	260.53
<b>Chennai</b>	93.44	101.16	59.53	82.03	93.44	130.17
<b>Kolkata</b>	28.00	34.98	28.00	25.07	41.09	39.78
<b>Total</b>	560.74	761.86	603.06	491.71	699.06	743.61



**Organization- Wise Break-up of the Annual Plan (2002-03)**  
**Approved Outlay - Ministry of Civil Aviation**

<b>S. No.</b>	<b>Organisation</b>	<b>Approved Outlay</b>	<b>Budgetary Support</b>	<b>IEBR</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1.	Air India	<b>858.70</b>	1.00 *	857.70
2.	Indian Airlines	<b>510.00</b>	1.00 *	509.00
3.	AAI	<b>996.05</b>	53.12@	942.93
4.	PHHL	<b>133.80</b>	-	133.80
5.	Hotel Corp. of India	<b>8.76</b>	-	8.76
6.	Indira Gandhi Rashtriya Uran Akademi	<b>2.09</b>	2.09	-
7. (a)	Directorate General of Civil Aviation	<b>3.10</b>	3.10	-
7. (b)	Aero Club of India	<b>1.00</b>	1.00	-
8.	Bureau of Civil Aviation Security	<b>7.69</b>	7.69 #	-
	<b>Total</b>	<b>2521.19</b>	<b>69.00</b>	<b>2452.19</b>

\* Token provision towards equity contribution linked to aircraft acquisition for which appropriate approval will be sought.

@ As per details as under :-

i)	For investment in NE Region & Sikkim	Rs. 15.64 crores
ii)	For investment in other crucial areas like J&K, Leh and Lakshadweep	Rs. 15.98 crores
iii)	Development of Amritsar Airport	Rs. 21.50 crores
	<b>Total</b>	<b>Rs. 53.12 crores</b>

# Includes a token provision of Rs. 1.00 crore for new schemes for which appropriate approvals will be sought.

**Indian Airlines**  
**Physical Performance**

<b>S. No</b>	<b>Particulars</b>	<b>1997-98</b>	<b>1998-99</b>	<b>1999-2000</b>	<b>2000-01</b>	<b>2001-02 (RE)</b>	<b>2002-03 (BE)</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
1	Available Tonne Kms. (Million)	1094.1	1122.92	1120.9	1153.68	1148.0	1186.0
2	Revenue Tonne Kms. (Million)	700.9	709.1	740.3	777.34	754.0	783.0
3	Available Passenger Kms. (Million)	10408	10803	10911	11185	11278	11724
4	Revenue Passenger Kms. (Million)	7015.5	6846.8	6982.5	7307.0	7218.0	7562.0
5	Overall Load Factors (%)	64.1	63.1	66.0	66.4	65.7	66.0
6	Seat Factor (%)	67.4	63.4	64.0	65.3	64.0	64.5
7	Aircraft Utilisation per aircraft per annum on Total Hours						
(a)	A-300	2727	2528	2274	2400	2468	2500
(b)	A-320	2770	2834	2954	3048	3062	3100
8	Aircraft Fleet						
(a)	A-300	10	11	11	9	8	5
(b)	A-320	30	30	30	30	36	36
(c)	A-737	12	12	12	11	11	11
	<b>Total</b>	<b>52</b>	<b>53</b>	<b>53</b>	<b>50</b>	<b>55</b>	<b>52</b>

All B-737 aircraft have been transferred to M/s Airlines Allied Services Ltd

## Air India

## Physical Performance

Particulars	1997-98 (Actual)	1998-99 (Actual)	1999-00 (Actual)	2000-01 (Actual)	2001-02 (RE)	2002-03 (BE)
1	2	3	4	5	6	7
Available Tonne Kms. (Million)	2293.7	2394.3	2238.3	2226.9	2436.8	2350.8
Revenue Tonne Kms. (Million)	1453.8	1473.6	1456.5	1501.4	1617.8	1529.3
Overall Load Factor (%)	63.4	61.5	65.1	67.4	66.4	65.1
Available Seat Kms. (Million)	16933.3	17496.6	16485.8	16478.0	17825.1	17202.1
Revenue Passengers Kms. (Million)	11422.4	11709.0	11587.0	12047.7	13012.3	12418.1
Passenger Load Factor (%)	67.5	66.9	70.3	73.1	73.0	72.2
Aircraft Utilisation Per annum (hours/per annum)	2717.0	3092.0	2913	3270	3168	3164

## Annexure 7.3.18

## Financial Performance of Indian Airlines, Air India and AAI

(Rs. Crore)

S. No.	Particulars	1997-98	1998-99	1999-2000	2000-01	2001-02 (RE)	2002-03 (BE)
1	2	3	4	5	6	7	8
<b>Indian Airlines Limited</b>							
1	Operating Revenue	3243	3424	3549	3793	3849	4528
2	Operating Expenses	2985	3129	3349	3879	4074	4515
3	Operating Profit/Loss	259	294	200	-85	-225	13
4	Total Rev.	3268	3446	3566	3854	3952	4534
5	Total Exp.	3221	3431	3514	4013	4202	4633
6	Profit/(Loss)	47.27	14.17	51.42	-159.17	-250.65	-98.9
	Before Tax						
7	Provision for Tax		1.05	6.15			
8	Net Profit/Loss	47.27	13.12	45.27	-159.17	-250.65	-98.9
	After Tax						
<b>AIR INDIA LIMITED</b>							
1	Operating Revenue	3837	4135	4448	4873	4751	4833
2	Operating Expenses	4030	4140	4372	4870	4806	4960
3	Operating Profit/Loss	-192.63	-4.58	76.05	3.1	-54.53	-127
4	Total Rev.	4174	4237	4717	5224	5033	5146
5	Total Exp.	4355	4411	4755	5269	5016	5122
6	Profit/(Loss)	-181	-174	-38	-44	17	25
	Before Tax						
7	Provision for Tax					1.28	
8	Net Profit/(Loss)	-181.01	-174.48	-37.63	-44.4	15.44	24.5
	After Tax						
<b>AIRPORTS AUTHORITY OF INDIA</b>							
1	Revenue	1280	1591	1691	1873	2245	2303
2	Expenses	963	1255	1347	1514	1768	1891
3	Net	316.19	335.78	344.73	359.08	476.98	412.5
	Profit/(Loss)						
	Before Tax						
4	Provision for Tax	120.05	127.37	133.35	145	210	147.26
5	Net Profit/(Loss)	196.14	208.41	211.38	214.08	266.98	265.24
	After Tax						

**Summary of Outcome of Central Schemes under  
M/o Civil Aviation - Zero Based Budgeting**

<b>S. No.</b> <b>1</b>	<b>Name of the Scheme</b> <b>2</b>	<b>Decision of the Planning Commission</b> <b>3</b>
1.	Establishment Exp. On plan posts in DGCA	Weeded out
2.	Establishment Exp. Of Directorate of R&D	Weeded out
3.	Exp. on salary of plan posts in Controller of Aeronautical Inspection	Weeded out
4.	European Union India Training Project	Retained
5.	Grants-in-aid to IGRUA	Retained
6.	Capital equity for AAI	Merged with modifications *
7.	Loan for AAI	
8.	Contribution to International Civil Aviation Organization	Retained.
9.	Capital Exp. for R&D(DGCA)	Merged into one.
10.	Capital exp. on Mech. & Equip. in training and Edu. (DGCA)	
11	Capital exp. Of BCAS	Retained as such
12.	Investment in Air India	Retained **
13.	Investment in Indian Airlines	

\* The budgetary support would only be available to the projects in the North Eastern region and projects for which decision is taken by the Govt..

\*\* The schemes may be retained with the token provision in the Tenth Plan. The position can be reviewed at the time of finalization of Annual Plan 2003-04.

## **7.4 COMMUNICATION INFORMATION**

### **7.4 (I) POSTAL SECTOR**

1. Indian Postal system is the largest in the world in terms of number of post offices/ outlets (numbering 154919 as on 31.3.2001). Out of these, 26037 are permanent post offices. The remaining 128882 i.e. about 83% of the total post offices outlets in the country are in the rural areas. These are called Extra Departmental Branch Offices (EDBOs). The total manpower engaged in running postal services under the Department is about 6 lakh equally divided between permanent employees (294301) and extra departmental (309649). Total revenue expenditure of the Department is Rs. 5210.83 crore (2001-02) with a revenue deficit of Rs.1458.37 crore. Plan outlay constitutes a very small fraction of the total expenditure and was Rs.135 crore for 2001-02 i.e. 2.59% of the revenue expenditure. The entire plan outlay of the postal sector is funded through budgetary support.

2. Postal services duly supported by a technology-based network are an important component of the modern and efficient information and communication system. The revolution in the information technology has vast potential for the development of postal sector both in terms of coverage of area as well as quality of services. It may also contribute in a big way in minimizing the deficit by reducing operational costs and increasing revenue generation.

### **TENTH FIVE YEAR PLAN**

#### **Major Objectives**

3. The Tenth Plan aims at making the postal services self-financing by the Tenth Plan end. To achieve this, necessary policy measures shall have to be initiated. Upgradation of technology and modernization of postal operations is envisaged to be continued as a thrust area. The major objectives envisaged for the Postal sector for the Tenth Plan are :

- Provision of universal postal services at affordable prices.
- Ensuring quality of services at international level.
- Modernisation and process re-engineering with a view to achieve better administrative efficiency and financial management.
- Upgradation of existing infrastructure with a view to ensure minimization of cost of operation and enhancing customer satisfaction.
- Making the postal operations of the Department self-financing by the end of Tenth Plan.

#### **Thrust Areas / Policy Initiatives**

4. To achieve these objectives, a comprehensive reforms programme has to be implemented during Tenth Plan. Connectivity, networking and computerization would contribute the core thrust area of the Plan. Post offices are envisaged to be given a fresh look by converting these into multi-product and multi-service outlets. Information

Technology is envisaged to play a major role in transforming and modernizing the sector by improving efficiency and quality of services and introduction of a whole spectrum of IT based products and services. The strategy and major policy initiatives envisaged for the Plan are :

- Identification and adoption of Universal Postal Service Obligation and delivering the same at affordable prices.
- Pricing of non-UPSO items to be determined on commercial basis.
- Setting up of an independent regulatory body which beside other things would look after the function of tariff fixation.
- Fresh post offices to be opened only through redeployment of staff; no additional posts to be created for this purpose.
- A comprehensive review of all existing post offices to be carried out in a time bound manner.
- Post offices to act as multi-product / multi-service centers and convergence of services to be the governing criterion.
- Computerization, connectivity and networking of the Postal network to be the cornerstone of Plan activity.
- Indian Post Office Act, 1898 to be replaced by a forward looking Act to take care of the needs of competition, convergence and other new developments.

#### **Review of Annual Plan 2001-02**

5. The two new initiatives undertaken during the Annual Plan (2001-02) were the launching of pilot projects for provision of new services of E-post and E-Bill post. The Deptt. successfully implemented the pilot project on E-post at more than 200 post offices in the five States of Andhra Pradesh, Kerala, Gujarat, Maharashtra and Goa. The objective of the project is to provide delivery of hard copy of e-mail messages received over the Internet through designated post offices and also enable the post office customers to send an e-post e-mail. The service has the potential to bridge the digital divide in the country.

6. Under the second initiative, a pilot project on e-bill post was commissioned in Bangalore and Kolkata during 2001-02. The service involves payment of bills in respect of various service providers through post offices. It may include utilities / organizations like electricity authorities, telephone companies, municipal bodies etc. Under the pilot project, a public sector telecom service provider i.e. Bharat Sanchar Nigam Ltd. (BSNL) was involved in Bangalore and another private sector telecom company i.e. Spice Telecom was involved in Kolkata. The results of this project have been encouraging and the service is envisaged to be expanded to other areas.

7. The performance in respect of the core programme of modernization and technology upgradation has been very encouraging. All the major targets have been fully achieved. Under the programme of expansion of postal network, the performance in respect of achieving the targets has been a mixed one. While 51 DSOs have been opened against the target of 50, the performance in respect of rural post offices has been less

encouraging. Against the target of opening 2500 outlets / offices under the schemes of EDBOs and PSSKs, the actual achievement was 2447. The details of physical targets and achievements may be seen in Annexure-7.4.1.

8. For the Annual Plan (2001 – 02), an outlay of Rs.135 crore was approved. The actual expenditure is estimated to be much lower at Rs.99.05 crore, i.e. a utilization of 73.37% of the approved outlay. The low utilization is basically due to reduced allocations at the RE stage. The details of scheme-wise utilization regarding the approved outlay and its utilization during Annual Plan(2001-02) may be seen in Annexure-7.4.2.

## **ANNUAL PLAN 2002-03**

### **Thrust Areas / Major Programmes**

9. A comprehensive programme of reforms is envisaged for the Tenth Plan. During the Annual Plan 2002-03, the Deptt. is expected to initiate necessary action towards putting in place the various inputs required for implementing the reforms programme. Keeping in line with the policy and objectives for the Tenth Plan, modernization of postal operations including networking and computerization would be accorded the highest priority in the programmes for the Annual Plan (2002-03). For implementing the various programmes during 2002-03, an outlay of Rs.150 crore has been approved. The core area of modernization would account for Rs.101.36 crore i.e. 68% of total outlay. The schematic break-up may be seen in Annexure-7.4.2. Some of the thrust areas / programmes of the Deptt. of Posts during the Annual Plan (2002-03) are given below :

#### **Networking and Connectivity**

10. The various scheme proposed under this programme are for creating the basic infrastructure for improving the quality of existing services and providing the technological base for launch of new value added and financial services. Networking of various post offices, record offices, back offices, customer care centers, etc. forms an integral part of the entire programme. IT based services are an important part of the product-mix envisaged to be delivered by the post offices during the Plan. In the absence of this technological back up, the introduction of new services proposed may not be feasible. New services are to be launched with a view to securing more revenue from operations in order to achieve the goal of financial self-sufficiency.

#### **Mail Processing**

11. Modernization of operations including the ergonomics of work environment holds the key to better productivity. Mail processing is the central activity in the entire set up of postal operations and its modernisation is very crucial for both improving efficiency of the staff and speedy delivery of postal services. Modernization of mail motor services and RMS vans and mechanized delivery are the important activities under this scheme. It is targeted to improve ergonomics in 200 offices providing infrastructural equipment at 1818 rural post offices and modernizing 100 speed post centres. The setting up of the two Automatic Integrated Mail Processing Systems which could not be completed in the Ninth Five Year Plan would continue as a Plan scheme during the Tenth Plan.



## **Human Resource Development & Training**

12. Manpower development, perhaps, is the crucial input in the entire process of modernization underway in the sector. Changing the mindset for accepting and using technology and imparting appropriate skills at all levels are two important elements of strategy of human resource development during Tenth Plan. In-service training and refresher courses need to be re-oriented keeping in view the changing requirements. A comprehensive training programme in computers etc. have been drawn out and is to be implemented to ensure maximum possible returns on investment being made on computerization and modernization. Distant learning have been introduced from the current year so as to get maximum spread of skill upgrading of the willing staff. Towards this end, a target of training about 69,000 employees has been envisaged. Distant learning would be the single largest trainer ( 53,000 ) during the Plan period. Necessary beginning would be made during 2002-03.

### **New Schemes**

13. It is envisaged to take up a number of new schemes to implement the programmes envisaged for the Tenth Plan. The schemes identified include :

- Modernisation of Circle Stamp Depots;
- Computerisation of International Mail Processing;
- National Data Centre;
- Establishment of Express parcel post centres;
- Research and Development /studies/surveys;
- e-Post;
- e-BillPost;
- New Products and Services including Development of Financial Products and Services.

14. The scheme of E-post, taken up on pilot basis during 2001-02, is envisaged to be extended to all the district headquarters in the country during 2002–03. The products / services envisaged under the scheme of “New Products and Services” include distribution of social security benefits; distribution of Mutual Funds & securities; Electronic Fund Transfer (EFT); Smart Cards, Debit Cards; Electronic Banking; E-commerce transactions etc. The Deptt. would explore possibilities of providing the various services through joint ventures in collaboration with the private sector.

### **Monitorable Targets(2002-03)**

15. Keeping in line with the goals, objectives and policy initiatives for the Tenth Plan, the major targets envisaged for the Annual Plan (2002-03) are given below. The details of physical targets envisaged for the Annual Plan may be seen in Annexure-7.4.2.

- Opening of 25 Departmental Sub-Offices (DSOs) and 250 Extra Departmental Branch Offices;
- Opening of 1500 Panchayat Sanchar Sewa Kendras (PSSKs);
- Computerization of 150 major post offices in the country in addition to computerization of 10 Head Record Offices;
- Upgradation of 62 Customer Care Centres;
- Networking of 15 transit Mail Offices;
- Setting up of National Data Centre for country-wise connectivity;
- Improving ergonomics of 200 post offices including mail offices;
- Provision of Infrastructure Equipment to 1818 rural post offices.

### **Major Policy Issues**

16. The postal deficit is an open-ended subsidy from the General budget. The deficit has been persistently increasing over the years. This is an explosive situation which cannot be sustained for a long period except at a very high cost to the nation in the shape of retarded development due to reduced flow of funds to the more needy sectors like infrastructure and social development. Keeping this in view the Tenth Plan aims to make the Deptt. self-financing by Plan end through a series of reforms and policy initiatives. To ensure that this goal is achieved in a time bound manner the progress of reforms needs to be monitored very tightly. An appropriate monitoring mechanism would have to be put in place at the earliest.

### **7.4 (II) TELECOMMUNICATIONS**

1. Telecommunications is one of the prime movers of modern economies. It is one of the fastest growing sectors of the Indian economy and has immense potential of growth in the future. Starting with about one lakh lines at the time of Independence (March, 1948), the Indian telecom network has increased to about 450.26 lakh lines including Cellular connections by the end of March, 2002. Of the 6.04 lakh villages in the country about 4.68 lakh villages have been covered ( as on 31<sup>st</sup> March, 2002 ). In spite of rapid expansion of the network during the last decade, there is large unmet demand for telecom services. Giving India's large size and population the present density of 4.1 persons per hundred is quite low viewed in the context of world average of 32.78 and that of developing countries viz. 49.86 in Malaysia, 38.52 in Brazil and 24.98 in China.

2. The Telecom sector in India has been witnessing a continuous process of reforms since 1991. A major milestone in this area was the announcement of new policy called New Telecom Policy (NTP) 1999 replacing the 1994 policy to take care of the development arising out the rapid technological changes like convergence of technologies, liberalization and opening of the economy. This process of reform was carried further since then through a number of new policy initiatives undertaken by the Government. The major among these include:

- Resolution of subsisting problems arising out of migration of existing licences from fixed licence regime to revenue sharing.
- Permitting ISPs to set up sub-marine cable landing stations for international gateways for Internet.
- Opening of National Long Distance Service for competition in August 2000.
- Corporatization of Deptt. of Telecom into public limited company called Bharat Sanchar Nigam Ltd. (BSNL) from 1.10.2000.
- Opening of International Long Distance Service for competition from 1.4.2002.

3. As a result of record growth of telecom services during the Ninth Plan, the telecom network in the country has grown to 450.26 lakh lines. The status of the network, as on 31.03.2002, is given below :

- Total number of telephone exchanges - 35023
- Number of rural exchanges – 26953
- Total Fixed Telephone connections – 385.95 lakh
- Number of Cellular mobile phones – 64.31 lakh
- Trunk Auto Exchange Lines (TAX) – 34.27 lakh
- Tele Density - All India - 4.4
- Number of Village Public Telephones – 4.68 lakh
- Internet Connections – 38 lakh(as on January 31, 2002).

## **TENTH FIVE YEAR PLAN**

### **Major Objectives and Targets**

4. The Tenth plan policies and programmes are guided by the basic goal of creating a world-class telecom infrastructure in order to meet the requirements of information technology based sector and needs of a modernizing economy on the least cost basis. Ensuring value for money to the consumers and easy and affordable access to basic telecom services to everyone and everywhere would be the other goal of policies to be pursued in 10<sup>th</sup> Plan. The major objectives envisaged for the Tenth Plan are:

- Affordable and effective communication facilities to all citizens.
- Provision of universal service to all uncovered areas, including rural areas.
- Building a modern and efficient telecommunications infrastructure to meet the convergence of telecom, IT and the media.
- Transformation of the telecommunications sector to a greater competitive environment providing equal opportunities and level playing field for all the players.

- Strengthening research and development efforts in the country.
- Achieving efficiency and transparency in spectrum management,
- Protecting the defence and security interests of the country.
- Enabling Indian telecom companies to become truly global players.

5. Following complete opening of the sector, private sector is expected to play a major role in achieving the objectives along with the public sector. Semi-urban, rural and other uncovered areas are expected to provide bulk of the fresh demand for primary telecom services i.e fixed and cellular mobiles in the near future. Private sector need to devise appropriate strategy to meet demand in these areas as they are perceived as less remunerative. The major targets envisaged for the Tenth Plan for the telecom sector are:

- To endeavour to make available telephones by and large on demand by end of 2002-03 and sustain it thereafter.
- To achieve an overall teledensity of 9.91 by 31<sup>st</sup> March 2007.
- Achieve telecom coverage of all villages in the country by December 2002 and provide reliable transmission media in all rural areas.
- Provide reliable media to all exchanges by the end of March, 2003.
- Provide high-speed data and multimedia capability using technologies including ISDN to all towns with a population greater than two lakhs by the end of March, 2003.

#### **Review of Annual Plan 2001-02**

6. Automation of the process of radio frequency (RF) spectrum management including Frequency Assignments, Wireless Licenses etc. and Upgrading the Radio Monitoring Facilities is essential to meet the massive growth in the usage of RF Spectrum in the country. RF Spectrum being a scarce natural resource its effective and efficient use by massive computerization is a necessity keeping in view the requirements of modern telecommunication technologies that heavily depend upon the RF spectrum. Keeping the importance of this area in mind, a project called “ Telecommunications sector Reform Technical Assistance Project” has been taken up with the assistance of World Bank. The total outlay of the project is US \$ 65.11 million consisting of World Bank Component of US \$ 55.73 million and Government of India component of US \$ 9.38 million. The project is being implemented by Wireless Planning and Coordination Wing ( WPC), Wireless Monitoring Organization ( WMO ), Telecom Engineering Centre (TEC), Telecom Regulatory Authority of India (TRAI ), Telecom Dispute Settlement and Appellate Tribunal ( TDSAT ) and DOT ( HQs) and will be completed by the end of 2004.

7. The progress with regard to the achievement of physical targets has not been satisfactory. About 55.46 lakh new connections(77%), 9.97 lakh Tax Lines, 99020 route kms. of optical fibre cables ( 78.57% ) and 70750 VPTs ( 49.13% ) could be provided by the PSUs. However, the target for provision of microwave systems was over achieved by 97%. The details may be seen in Annexure -7.4.4.

8. The utilization of funds for the telecom sector as a whole is expected to fall short of the target by about 6.75%. This is reflected by the Revised Estimates of expenditure of Rs.18932.40 crore as against the outlay of Rs.20298.84 crore approved for the Annual Plan 2001-02. This is basically due to a substantial decrease in internal resources generation by telecom service providing PSUs i.e. BSNL, MTNL and VSNL. BSNL's internal resources fell short by 27%. Extra-budgetary sources were resorted to; an outlay of Rs 8290 crore was raised. A small fall in RE may be attributed to privatisation of HTL limited. A shortfall in utilization of funds is likely in Wireless Planning Cell of the Deptt. of Telecom, WMO etc. as some of the major projects failed to take off as envisaged. The details of financial performance may be seen at Annexure-7.4.3.

## **Annual Plan 2002-03**

### **MAJOR THRUST AREAS**

#### **Universal Service Obligation (USO)**

9. Government's broad policy of taxes and regulation for the telecom sector has to be promotional in nature with a view to ensuring optimum growth in the coming years. Revenue generation should not be a major determinant of the macro policy governing the sector. Guided by this principle and keeping in line with the policy adopted by most of the progressive administrations in the world, the licence fee need to be aligned to the cost of regulation and administration of Universal Service Obligation (USO). Adequacy of funds has to be ensured for effective implementation of the Universal Service Obligation (USO). If need arises, the rates of USO levy may have to be increased suitably.

#### **Village Public Telephones (VPTs)**

10. New Telecom Policy (NTP), 1999 envisages to cover all villages with the facility of Village Public Telephones(VPTs) by 2002. About 4.68 lakh villages have been provided with a VPT as on March 2002. Necessary action needs to be taken up, both in the public and private sector to meet this target.

#### **Spectrum Policy**

11. The policy governing spectrum allocation and licencing has to be so designed that this scarce resource is used optimally and does not become a constraint for growth. Spectrum pricing need to be based on relative demand and supply in a dynamic manner and should promote introduction of spectrum efficient technology. A significant chunk of available spectrum is being used by defence, police and para-military forces. A concrete action plan needs to be put in place to upgrade and modernize the technology being used by these forces so as to ensure efficient and optimal utilization of spectrum allotted and releasing the surplus spectrum for use by civilian purposes. Necessary funds would have to be made available for this purpose.

#### **Monitorable Targets**

12. Keeping in view the above objectives and targets, the major physical targets envisaged for the Annual Plan 2002-03 for the Public sector are:

- Provision of 69.83 lakh new connections including 13.43 lakh WLL lines and 31.37 lakh GSM lines ;
- 5.34 lakh new connections would be provided in the rural areas;
- Addition of 11.47 lakh TAX Lines;
- Provision of 2.18 lakh VPTs;
- Laying of 77,060 route kms. of optical fibre cables; and
- Installation of 5000 route kms. of microwave systems.

13. To implement these programmes an outlay of Rs.19,462.79 crore including a budget support of Rs.185 crore has been provided. The outlay for BSNL and MTNL amounts to Rs.18070 crore i.e. about 93% of the total outlay. The budget support earmarked is mainly for the regulatory bodies and research organizations. The privatization of the VSNL would entail upon improving the share of MTNL and BSNL increasing in the over all share of the total outlay / expenditure of the current year. The organisation-wise outlay may be seen in Annexure-7.4.3.

## **PSUS AND OTHER ORGANIZATIONS UNDER THE DEPTT.**

### **Bharat Sanchar Nigam Limited (BSNL)**

14. The operational network of the erstwhile Department of Telecom has been converted into a fully owned PSU called Bharat Sanchar Nigam Limited (BSNL). The company has become operational from 1.10.2000. Keeping in line with the Tenth Plan objective of providing telephones, by and large, on demand by 2002 and sustain it thereafter, the Corporation plans to continue with the established policy of rapid expansion of basic services. The Company envisages to provide 64.34 new connections during 2002-03 – about 89% of last year's target. With a view to improving the long distance connectivity further, an enhanced target of installing 10.05 lakh additional TAX lines is envisaged for the Annual Plan 2002-03. In order to implement these and other targets / programmes, an outlay of Rs.14,076 crore comprising of an extrabudgetary resource of Rs.6383 crore has been approved for BSNL. A token budget support of Rs.1 crore has been approved for the Company. Details of physical targets may be seen in Annexure-7.4.4.

### **Mahanagar Telephone Nigam Limited (MTNL)**

15. MTNL is providing telecom services in the two metros of Delhi and Mumbai. Telephones are virtually available on demand in the two cities. Keeping the slow growth in demand, a target of providing 5.49 lakh new connections has been fixed for the year 2002-03 keeping in view a trend in the last two years and saturation of the market. To take care of the increased long distance transmission requirements, additional 1.42 TAX lines are expected to be added to the network during 2002-03. Modernization of equipment and implementation of schemes aimed at providing new and value added services is expected to be the new focus area of the company during the year. The major steps in this direction includes digitalization of the entire network, introduction of new services like VPN, Chat Service, Shopping Mails on Internet, provision of WILL equipments etc. To finance the various programmes of the Corporation, an outlay of Rs.3994 crore has been approved for

the Annual Plan 2002-03. Rs.1250 crore of this ambitious outlay is to be financed out of extra budgetary resources.

### **ITI Limited**

16. ITI Ltd. is the largest telecom equipment manufacturing company in the country. The company has been able to achieve a turn-around in recent past. As per the Plans drawn out by the Company, completion of the on-going technology upgradation schemes would be a priority area. The new projects envisaged to be taken up during the year include CSN-MM projects, Wireless in Local Loop (WILL) etc. For implementing the various projects / schemes of the Company, an outlay of Rs.73.00 has been approved for the Annual Plan 2002-03. This is to be financed entirely through extra budgetary resources of Rs.150 crore.

### **Regulatory Bodies**

17. "Telecommunications sector Reform Technical Assistance Project" taken up with the assistance of World Bank with an outlay of US \$ 65.11 million consisting of World Bank Component of US \$ 55.73 million and Government of India component of US \$ 9.38 million would continue in the Annual Plan (2002-03). An outlay of Rs 109 crore fully funded by Budget support has been provided to Wireless Planning and Coordination Wing ( WPC), Wireless Monitoring Organization (WMO), Telecom Engineering Centre (TEC), Telecom Regulatory Authority of India (TRAI), Telecom Dispute Settlement and Appellate Tribunal (TD-SAT) and DOT (HQs) for implementation of the project. During 2002-03.

### **C-DOT**

18. C-DoT is the main public sector agency engaged in research and development activity in the Telecom sector. Its technology constitutes more than 40% of the total lines operative in Indian telecommunications network. C-Dot Switches are being exported to other countries having conditions similar to those in Indian rural areas. During Tenth Plan the thrust of C-DoT's research plan would be the development of cost effective technologies providing services and features at par with those being offered by other global players. Development of products to cater to the needs to broad band fixed and mobile subscribers access system as well as high band with backbone systems would be an important part of the strategy for the Plan. Some of the major areas of thrust to be initiated in the Annual Plan(2002-03) are :

- Intelligent Network Services;
- GSM Personal Communication Services;
- Third Generation Mobile Communication System;
- Ka Band Satellite Communications;
- Cell and Packet Switching Technologies for Voice and Data Convergence;
- Ultra High Bit Rate Network Backbone;
- Expansion Planning of Existing Wire-line Network.

19. With the carving out of BSNL as a separate corporate entity in September, 2000 plan outlay for C-DOT is required to be funded through budgetary support. An outlay of Rs.75 crore fully funded by budgetary support is earmarked for the organization for the Annual Plan 2002-03.

### **Policy Issues**

20. Annual Plan 2002-03 would endeavour to build a modern and efficient telecom infrastructure with a view to providing world class telecommunications facilities at affordable rates, meet the needs of convergence of telecom, IT and media and universal service to all uncovered areas. To achieve the above goals, the major policy issues and action points envisaged for the Plan are :

(a) The telecom sector needs to be treated as an infrastructure sector for the next decade or so in order to achieve the targets of teledensity in line with the objectives laid out in the New Telecom Policy, 1999. This is envisaged also to help achieving substantially higher rate of growth of broad-band to meet the requirements of other sectors of the economy especially Information Technology and Entertainment. The policy governing development of rural telecom services also need to be promotional in nature with a view to boost teledensity in these areas in line with the objectives of NTP, 1999

(b) Government's broad policy of taxes and regulation for the telecom sector has to be promotional in nature with a view to ensuring optimum growth in the coming years. Revenue generation should not be a major determinant of the macro policy governing the sector. Guided by this principle and keeping in line with the policy adopted by most of the progressive administrations in the world, the licence fee need to be aligned to the cost of regulation and administration of Universal Service Obligation.

(c) Ensuring fair and timely interconnection in the multi-operator scenario is one of the major inputs for sustaining high growth. Government's intervention may be required in the form of establishing a fund to finance the requirements of capacity creation especially of incumbent operator to meet increased requirement in this regard.

## **7.4 (III) INFORMATION AND BROADCASTING**

### **Overview**

1. Major advances in the fields of Broadcasting, Communication and Information Technology during the last decade have had a great impact on the Information and Broadcasting sector. Many means of communication deployed in the past to reach the large segment of the population either became outdated or underwent radical technological changes, and yet goals like providing the people with development information and wholesome entertainment at a minimal cost, facilitating healthy growth and competition within the sector remained as valid as ever. This has necessitated a review of the challenges facing the sector and reworking of priorities for the Tenth Five Year Plan.

2. The activities of Information and Broadcasting (I&B) Sector cover three areas, viz., Broadcasting (DD and AIR), Information and Films with the functions of each complementing the other. Specialized media units in each of these sectors cater to the



information, education and entertainment needs of all sections of the society through Radio, Television, Films, Publication, Advertisement and traditional media like Dance and Drama. Among these, Broadcasting, i.e. All India Radio and Doordarshan, which account for over 90 percent of the Plan Outlay of the Sector, was the most affected by the technological advances. The position of Doordarshan as a monopoly broadcaster eroded with the emergence of more than 80 private channels now available in the country through cable networks. This resulted in some shift in viewership as the viewer was presented with a multiple choice of various genres of programmes such as film-based programmes, soap serials and hardcore news presentation, etc..

3. It is, however, noteworthy that both DD and AIR have made substantial progress in terms of geographical and population coverage. In case of Doordarshan, signals emanating from over 1200 terrestrial transmitters reach about 89% of the population. It has emerged as one of the largest terrestrial network in the world with nearly 400 million viewers and 3-tier primary programme service – National, Regional and Local. Doordarshan has also added a number of new Satellite TV Channels which include DD sports, DD Bharati (replacing DD News), Gyan Darshan (the educational channel) and two Regional Channels in Jammu & Kashmir and Himachal Pradesh. Further, the duration of transmission on 10 existing Regional Language Satellite Channels has been extended to 24 hours a day. AIR has emerged as one of the largest radio organizations with 208 broadcasting centres covering nearly 99% of the population spread around 90% of the geographical area. It provides news, music, spoken word and other programmes in 24 languages and 146 dialects. In the private sector also a number of FM radio channels have come up in cities like Mumbai and Kolkata and more are likely to come up during the year in other cities including Delhi.

4. The role of AIR and DD as Public Service Broadcaster makes extra demands on their financial and human resources which are not encountered by private channels. For example, the extension and improving of broadcasting services in hilly terrain and border areas where private broadcasters are not likely to operate on financial considerations, Prasar Bharati as Public Service Broadcaster has to operate the services. Besides, the past Plan expenditure on Broadcasting Sector was mainly characterized by creation of carriage infrastructure with little or no provision of funds to promote quality in the content of telecast. By very nature, the programmes of Prasar Bharati aim largely at informing and educating; even while being entertaining, they hold viewers' attention and cannot be solely revenue generating. This has necessitated appropriate strategy and fixing priorities for the Annual Plan 2002-03, the first year of the Tenth Plan.

**The various policy initiatives taken by the Government are as under:**

- To encourage adoption of alternative technologies that enable increased and improved access to public and private broadcasters affordable for the common man.
- To allow setting up of Low Power Community Radio Stations in FM mode by local communities and non-profit organizations such as Universities, NGOs, etc for educational, cultural and economic development of the respective communities.
- To review the DTH policy at an appropriate time, as per the requirements of the emerging scenario in the Broadcasting sector.

## **Review of Annual Plan 2001-02**

5. An outlay of Rs. 811.40 crore was approved for the information and broadcasting sector for the Annual Plan 2001-02 comprising a Direct Budgetary Support of Rs. 340.00 crore and IEBR component of Rs. 471.40 crore. The revised estimates of 2001-02 show an outlay of Rs. 741.06 crore with a Budgetary Support of Rs. 309.64 crore and IEBR of Rs. 431.42 crore. The increase in the budgetary support from the previous year was mainly because of implementation of the special package for improving AIR and Doordarshan services in Jammu and Kashmir and special thrust for completion of ongoing schemes in the penultimate year of the Ninth Plan. Like earlier years, this year too, a shortfall is anticipated in the IEBR component of the Annual Plan. Sector-wise outlays and expenditure for the Ninth Plan can be seen at Annexure 7.4.5. The physical targets and achievements of Prasar Bharati during the Annual Plan 2001-02 are shown at Annexure-7.4.7. The reason for shortfall was mainly due to delay in construction of buildings and towers, non-availability of suitable site, court cases, law and order problems, etc..

## **Annual Plan 2002-03**

6. The approved outlay for this sector in the Annual Plan 2002-03 is Rs. 878 crore, comprising budgetary support of Rs. 415.00 crore and IEBR of Rs. 463 crore. The budgetary support includes special package for J&K to complete the spill-over schemes under the package within this financial year. Besides, consolidation of existing facilities to make them more effective, stress has also been given on improvement of TV and Radio services in the North-East States (including Sikkim) and Island territories. The sector-wise approved outlay for information & broadcasting sector for the Annual Plan 2002-03 is enclosed at Annexure 7.4.6.

## **Thrust Areas for Annual Plan 2002-03**

### **BROADCASTING SECTOR**

#### **Doordarshan**

7. With wide ranging technological changes taking place in the sector, a need has been felt for making adequate investments to ensure TV coverage of the remaining parts of the country, quality content creation, enhancing technological upgradation and modernization through digitalization of production facilities and automation of major kendras of Prasar Bharati, to enable the public service broadcaster compete effectively with the private channels.

#### **All India Radio**

8. Medium wave transmission has reached about 99% of the population. However, due to its high quality stereophonic sound, FM broadcasting is the preferred mode of radio transmission all over the world. Therefore, emphasis has been given to encourage FM radio services for better quality of transmission and reception in metros and small cities. Thrust has also been given on strengthening and expanding reach of radio in the North-Eastern States (including Sikkim).

9. The outlay for the Broadcasting sector for 2002-03 is Rs. 823.00 crore with Rs 360 crore as budgetary support and Rs. 463.00 crore as IEER. This includes Rs. 160.20 crore as budgetary support for the Special Packages for Jammu & Kashmir and North-Eastern States. The approved outlays for Doordarshan and All India Radio are Rs. 626.00 crore (DBS+IEER) and Rs. 197.00 crore (DBS+IEER) respectively. The broadcasting sector accounts for more than 90% of the total for the I&B sector.

### **Film Sector**

10. For the Annual Plan 2002-03, the approved outlay for the Film Sector is Rs.26.00 crore. The major programmes/schemes to be undertaken during the year include production of documentary films; construction/renovation of buildings, modernization of film equipment, promoting film archival activities, development training facilities, promotion of Indian films export through festivals, modernization of regional offices under Central Board of Film Certification and creation of facilities for Childrens' Film Society in India etc.

### **Information Sector**

11. The approved outlay for the Information Sector for 2002-03 is Rs. 29.00 crore. The thrust areas for the Annual Plan include providing facilities to PIB offices in the newly created states, construction of Sookhana Bhavan and National Press Centre, modernization of Registrar of Newspapers for India offices, purchase of equipment, film/cassettes for Directorate of Field Publicity, training of manpower for developing media skill, etc..

### **Zero-based Budgeting**

12. The Ministry of Information and Broadcasting undertook a comprehensive review of all Plan schemes based on Zero Based Budget (ZBB) methodology. The objective of this review is to ensure rationalization of programmes, convergence of similar schemes to avoid duplication and weeding out old and irrelevant schemes. As a result of ZBB exercise, 94 Ninth Plan schemes of Ministry of Information and Broadcasting have been reduced to 42 schemes in the Annual Plan 2002-03 as continuing schemes.

### **Issues and Strategies**

13. The following strategy has been adopted with respect to broadcasting sector during the Annual Plan 2002-03:

- Completion of special package of J&K.
- Strengthening and expanding the reach of Radio & TV in North-East States (including Sikkim) and island territories.
- FM radio to be encouraged for its better sound and local network.
- Digitalization of programme production facilities and automation of major Kendras for improved performance of TV and Radio services and
- TV population to be covered preferably with multi-channel television services with quality content.

14. Though many of the media units in the Information sector were started in the early period of planning process, their role for spreading information on development policies remains as valid as ever, particularly, for the rural masses. The policy strategy for the print media has been reviewed during the Annual Plan 2002-03 and private sector is being encouraged, especially, for foreign investment in publishing newspapers and current affairs/periodicals. Besides, foreign equity in the advertisement and to facilitate publication of Indian edition of foreign technical/scientific journals, etc. have also been permitted.

15. Similarly, in the film sector, a fresh look into the role and structure of various media units is needed. However, the sector is primarily dominated by the private players and film has occupied a special place in the lives of the Indians. The sector has witnessed a phenomenal growth and it has received industry status in the Ninth Plan. It is also one of the largest employers providing directly and indirectly about five million people. Besides, film export has enhanced substantially during the last couple of years. To achieve its full potential, the following strategies have been adopted:

- To tap formal sources of finance for film making and to discourage illegal money flow from the underworld sources.
- To encourage export of Indian films in foreign markets through organizing festivals and marketing strategies.
- To develop skill through HRD Training both in public and private institutions.
- To curb on film piracy to encourage revenue
- Augment infrastructural facilities at CBFC for better monitoring and film regulations.
- The Childrens' Film Society (CFSI) should endeavour to increase production of high quality films for wider reach to the targetted audience.

**Annual Plan (2002-03)**  
**Physical Performance in Postal Sector**

Scheme	2000-01 Achievement	2001-02 Targets	2002-03	
			Achievement	Targets
1	2	3	4	5
<b>Expansion of Network</b>				
(i) PSSK	9555	2000	2402	1500
(ii) EDBOs	363	500	45	250
(iii) DSOs	52	50	51	25
<b>Computerisation of Offices</b>				
Pos				150
PAOs				3
Circle Offices				7
<b>Networking HROs</b>				
HROs				10
TMOs				15
<b>CRCs</b>				<b>20</b>
<b>V-SAT System</b>				
<b>Customer Care Centres</b>				<b>62</b>
<b>Improving Ergonomics</b>				
<b>Modernization</b>	<b>161</b>	<b>125</b>	<b>125</b>	<b>100</b>
SPCC				100
Mail Offices				100
Infrastructure for EDBOs	2005	2000	2000	1818
<b>AMPCs</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>
<b>Mail Movement Vehicles</b>				<b>7</b>
<b>Premium Products</b>				
Speed Post Booking				100
<b>Philately</b>				
Exhibition				25
Tools and Eqpts.				40
<b>Training</b>				
Group A	156	140	140	100
Inservice	2424	2500	2500	6000
Distance learning				35000
Computer Training				28000
<b>Circle stamp Depots</b>				<b>2</b>
<b>International Mail Processing</b>			<b>8</b>	
<b>National Data Centre</b>				<b>1</b>
<b>Express Parcel Centres</b>				<b>6</b>

**Annual Plan (2002-03)  
Financing of Postal Sector**

(Rs. Crore)

Scheme	2000-01 Actual	2001-02		2002-03 BE
		BE	RE	
1	2	3	4	5
Expansion of Network	8.47	15.00	16.44	3.41
Computerisation & Connectivity	26.63	21.01	32.11	38.86
Networking HROs				13.32
V-SAT System				0.75
Customer Care Centres	0.82	4.35	3.74	11.57
Improving Ergonomics				5.54
AMPCs				24.00
Mail Movement	3.97	61.77	14.82	0.30
Premium Products	4.98	4.00	3.49	2.74
Philately	1.71	1.20	1.20	0.84
Training	3.26	3.67	3.67	6.65
Buildings	25.78	24.00	23.58	28.00
Circle stamp Depots				0.26
International Mail Processing				1.26
Nastional Data Centre				5.00
R&D and Surveys				1.00
Express Parcel				0.50
E-post				0.50
E-bill Post				0.50
New products etc.				5.00
<b>Total</b>	<b>75.62</b>	<b>135.00</b>	<b>99.05</b>	<b>150.00</b>

**Annual Plan(2002-03)  
Financing of Telecom Sector**

(Rs. Crore)

Scheme	2000-01 Actuals	2001-02 BE	2002-03	
			RE	BE
1	2	3	4	5
<b>BSNL</b>	<b>12203.96</b>	<b>16574.00</b>	<b>16573.00</b>	<b>14076.00</b>
IR	11643.96	11341.00	8283.00	7692.00
Bonds	560.00	5233.00	3083.00	3502.00
Others			5207.00	2881.00
GBS				1.00
<b>MTNL</b>	<b>967.36</b>	<b>1600.00</b>	<b>1150.00</b>	<b>3994.06</b>
IR	967.36	1600.00	1150.00	2744.06
Bonds				1250.00
<b>VSNL</b>	<b>347.18</b>	<b>1814.66</b>	<b>945.97</b>	
IR	347.18	1814.66	945.97	
<b>ITI</b>	<b>24.00</b>	<b>125.00</b>	<b>125.00</b>	<b>73.00</b>
IR	24.00	125.00	103.00	-77.00
Bonds			22.00	150.00
<b>HTL</b>	<b>16.33</b>	<b>20.18</b>		
IR	14.39	12.92		
Others	1.94	7.26		
<b>WMO</b>	<b>5.27</b>	<b>10.00</b>	<b>1.35</b>	<b>2.25</b>
<b>WPC</b>	<b>0.83</b>	<b>95.00</b>	<b>27.33</b>	<b>101.05</b>
<b>TRAI</b>	<b>2.00</b>	<b>4.00</b>	<b>4.00</b>	<b>1.50</b>
<b>TDSAT</b>				<b>0.20</b>
<b>TEC</b>	<b>1.36</b>	<b>4.00</b>	<b>4.75</b>	<b>4.00</b>
<b>C-DOT</b>	<b>110.66</b>	<b>52.00</b>	<b>101.00</b>	<b>75.00</b>
<b>Total</b>	<b>13678.95</b>	<b>20298.84</b>	<b>18932.40</b>	<b>18327.06</b>
IR	12996.89	14893.58	10481.97	10359.06
Bonds	560.00	5233.00	3105.00	4902.00
Others	1.94	7.26	5207.00	2881.00
BS	120.12	165.00	138.43	185.00

**Annual Plan(2002-03)**  
**Physical Performance in Telecom Sector**

Scheme	Units	2000-01 Achievement	2001-02		2002-03 Targets
			Targets	Achievement	
1	2	3	4	5	6
<b>New Con.</b>	<b>Lakh lines</b>	<b>59.25</b>	<b>72.3</b>	<b>55.46</b>	<b>69.83</b>
Fixed	Lakh lines				25.03
WLL	Lakh lines				13.43
GSM	Lakh lines				31.37
<b>BSNL</b>	<b>Lakh lines</b>	<b>56.29</b>	<b>68.3</b>	<b>53.21</b>	<b>64.34</b>
Fixed	Lakh lines				22.9
WLL	Lakh lines				11.94
GSM	Lakh lines				29.50
<b>MTNL</b>	<b>Lakh lines</b>	<b>2.96</b>	<b>4</b>	<b>2.25</b>	<b>5.49</b>
Fixed	Lakh lines				2.13
WLL	Lakh lines				1.49
GSM	Lakh lines				1.87
<b>TAX</b>	<b>Lakh lines</b>	<b>5.12</b>	<b>10.1</b>	<b>9.97</b>	<b>11.47</b>
BSNL	Lakh lines				10.05
MTNL	Lakh lines				1.42
<b>Microwave</b>	<b>000 Rms</b>	<b>21.03</b>	<b>7.5</b>	<b>14.45</b>	<b>5.00</b>
<b>Optical Fib</b>	<b>000 Kms</b>	<b>55.35</b>	<b>126</b>	<b>99.02</b>	<b>77.06</b>
<b>VPT</b>	<b>000 Nos</b>	<b>34.22</b>	<b>144</b>	<b>70.75</b>	<b>218.00</b>



**Ministry Of Information & Broadcasting  
Ninth Plan And Annual Plans Expenditure**

S. No.	Media Units	9th Plan Outlay (97-2002)	Approved Outlay 1997-9899	Approved Outlay 1998-99	Approved Outlay 99-2000	Approved Outlay 2000-01	Approved outlay 2001-02	Total outlay for 5 yrs. of 9th Plan (col 4-8)	Actuals 1997-98	Actuals 1998-99	Actuals 1999-2000	Actuals 2000-01	Anticipated Expr 2001-02	Total Expr. during 9th Plan (Col.10 to 14)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
<b>I</b>	<b>Information Sector</b>													
	DBS	93.30	19.00	18.52	17.50	17.21	14.46	87.69	12.51	14.20	16.45	12.76	12.71	68.63
	IEBR	0	0.00	1.03	1.76	1.51	2.62	6.92	0.00	0.94	1.50	1.90	2.59	6.93
	<b>Total I</b>	<b>93.30</b>	<b>19.00</b>	<b>19.55</b>	<b>19.26</b>	<b>19.72</b>	<b>17.08</b>	<b>94.61</b>	<b>12.51</b>	<b>15.14</b>	<b>17.95</b>	<b>14.66</b>	<b>15.30</b>	<b>75.56</b>
<b>II</b>	<b>Film Sector</b>													
	DBS	137.20	33.80	34.28	30.50	38.49	32.77	169.84	28.99	21.97	26.95	30.68	21.93	130.52
	IEBR	45.50	8.20	8.70	6.10	10.70	8.62	42.32	8.23	4.71	3.48	3.50	6.50	26.42
	<b>Total II</b>	<b>182.7</b>	<b>42.00</b>	<b>42.98</b>	<b>36.60</b>	<b>49.19</b>	<b>41.39</b>	<b>212.16</b>	<b>37.22</b>	<b>26.68</b>	<b>30.43</b>	<b>34.18</b>	<b>28.43</b>	<b>156.94</b>
<b>III</b>	<b>Broadcasting Sector</b>													
	DBS	449.55	74.80	74.80	97.00	213.30	292.77	752.67	42.64	42.60	97.00	207.13	275.00	664.37
	IEBR	2117.50	484.00	524.60	416.52	427.14	460.16	2312.42	391.99	346.14	381.89	328.62	422.33	1870.97
	<b>Total III</b>	<b>2567.05</b>	<b>558.80</b>	<b>599.40</b>	<b>513.52</b>	<b>640.44</b>	<b>752.93</b>	<b>3065.09</b>	<b>434.63</b>	<b>388.74</b>	<b>478.89</b>	<b>535.75</b>	<b>697.33</b>	<b>2535.34</b>
<b>IV</b>	<b>Grand Total</b>													
	DBS	680.05	127.60	127.60	145.00	270.00	340.00	1010.20	84.14	78.77	140.40	250.57	309.64	863.52
	IEBR	2163.00	492.20	534.33	424.38	439.35	471.40	2361.66	400.22	351.79	386.87	334.02	431.42	1904.32
	<b>Total I-II+III</b>	<b>2843.05</b>	<b>619.80</b>	<b>661.93</b>	<b>569.38</b>	<b>709.35</b>	<b>811.40</b>	<b>3371.86</b>	<b>484.36</b>	<b>430.56</b>	<b>527.27</b>	<b>584.59</b>	<b>741.06</b>	<b>2767.84</b>

DBS : Direct Budgetary Support

IEBR : Internal &amp; Extra Budgetary Resources

**Ministry Of Information & Broadcasting  
Annual Plan 2002-03 Outlay**

(Rs. In lakh)

SI. No.	Media Unit	Approved Outlay
1	2	3
<b>I</b>	<b>INFORMATION SECTOR</b>	
1	PIB	1150.00
2	Publications Division	60.00
3	DAVP	300.00
4	IIMC	390.00
5	Photo Division	50.00
6	DFP	220.00
7	Song & Drama Division	200.00
8	RR&TD	10.00
9	RNI	60.00
10	PCI	20.00
	Main Sectt. Schemes	
11	Soochna Bhavan	400.00
12	Training for Human Resource Development	40.00
	<b>Total (I)</b>	<b>2900.00</b>
<b>II</b>	<b>FILM SECTOR</b>	
1	Films Division	565.00
2	NFAI	272.00
3	FTII, Pune	242.00
4	SRFTI, Kolkata	22.00
5	DFF	469.00
6	CFSI	600.00
7	CBFC	310.00
	Main Sectt. (Film Wing) Schemes	
8	Grant-in-aid to FFSI	4.00
9	Grant-in-aid to NGOs engaged in anti-piracy work/Festivals	16.00
10	Participation in Film Market in India & abroad	100.00
	<b>Total (II)</b>	<b>2600.00</b>

(Rs. In lakh)

<b>Sl. No.</b>	<b>Media Unit</b>	<b>Approved Outlay</b>
<b>1</b>	<b>2</b>	<b>3</b>
<b>III</b>	<b>BROADCASTING SECTOR (Prasar Bharati)</b>	
1	All India Radio	19700.00
	DBS	8500.00
	IEBR	11200.00
2	Doordarshan	62600.00
	DBS	27500.00
	IEBR	35100.00
	<b>Total (III)</b>	<b>82300.00</b>
	DBS	36000.00
	IEBR	46300.00
	<b>GRAND TOTAL (I+II+III)</b>	<b>87800.00</b>
	DBS	41500.00
	IEBR	46300.00

**Media-wise Physical targets and achievements  
for Annual Plan 2001-02 and targets for 2002-03**

Sl. No.	Media Unit	Scheme	2001-02 Targets	Targets	2002-03 Achievements
1	2	3	4	5	6
1	<b>Doordarshan</b>				
		Studios	3	2	4
		HPT-DD1	18	5	14
		HPT-DD2	8	2	11
		LPT/VLPTs	65	31	50
	<b>Doordarshan</b>				
	<b>(J&amp;K Package)</b>				
		Studios	—	—	1
		HPTs (DD1+DD2)	9	2	6
		LPTs/VLPTs	58	37	22
	<b>DOORDARSHAN</b>	<b>TOTAL</b>	<b>161</b>	<b>79</b>	<b>108</b>
2	<b>All India Radio</b>				
		Broadcasting Stations	—	—	1
		MW Transmitter	*33	*31	2
		SW Transmitter	—	—	1
		Studios	—	—	1
	<b>AIR (J&amp;K Package)</b>				
		Broadcasting Stations	—	—	2
		MW Transmitter	10	8	2
		FM Transmitter	—	—	1
3	<b>All India Radio</b>	<b>TOTAL</b>	<b>43</b>	<b>39</b>	<b>10</b>
4	<b>Prasar Bharati</b>	<b>TOTAL</b>	<b>204</b>	<b>118</b>	<b>118</b>

\* Continuing Scheme – 10 + Modernisation Scheme – 22 + New Scheme - 1

## 7.5 Information Technology

The Information Technology (IT) is one of the fastest growing segments of Indian industry, growing from Rs. 32,070 crore in 1997-98 to Rs. 80,884 crore in 2001-02. In terms of value of production about 92 per cent of the industry is in private sector and share of the public sector undertakings is limited to about 8 per cent. Sixty per cent (Rs. 48,134 crore in 2001-02) of the industry is accounted for by software sector and the remaining 40 per cent (Rs. 32,750 crore) by IT hardware. Since software comprises the bulk of the exports, the sector has performed exceedingly well on export's front which grew from Rs. 9,500 crore in 1997-98 to Rs. 42,371 crore in 2001-02. Performance of the industry during Ninth Plan period and targets for Annual Plan 2002-03 are given in table 7.5.1

**Table 7.5.1**

### **Production of the IT industry**

**(Rs. crore)**

<b>Item</b>	<b>1997-98</b>	<b>1998-99</b>	<b>1999-2000</b>	<b>2000-01</b>	<b>2001-02</b>	<b>2002-03 Target</b>
<b>IT Hardware</b>	22,100	25,250	28,100	30,700	32,750	39,500
<b>Software Exports</b>	6,500	10,940	17,150	28,350	36,500	54,000
<b>Domestic Software</b>	3,470	4,950	7,200	9,400	11,634	17,000
<b>Total</b>	32,070	41,140	52,450	68,450	80,884	1,10,500

2. The sector has been playing a catalytic role in improving productivity of other sectors of the economy. Some of the major achievements of the sector include the development and tremendous success of the Indian software industry, development of supercomputer technologies, large-scale computerization, e-governance, modernization of communications services, increasing Internet usage, IT-based automation in various sectors like health, industry, transport, energy, etc.

#### **Major Objectives of Tenth Five Year Plan:**

3. The major objectives envisaged for the IT sector in the Tenth Five Year Plan are to:
- Ensure the sustained growth of software sector and increase India's share in the global IT market to a level of 6% against 2% at present.
  - Put in place the basic policy framework for development of the hardware manufacturing industry.
  - Devise appropriate policy interventions for the greater use of IT for promoting more efficient, transparent and responsive governance.
  - Promote development and use of software in Indian languages.
  - Take necessary steps for taking IT to the masses by making it affordable, easy to use and useful in day-to-day life.
  - Put in place the required policy framework to improve the quality of manpower, skills and R&D.

## Major Initiatives and Thrust Areas:

4. The major initiatives proposed to be taken in the Tenth Plan include formulation of a national hardware development policy, improving quality and productivity in software development, aggressive marketing for software export including expanding the focus to newly emerging markets in Europe, U.K., Asia Pacific, Japan etc., apart from giving priority to USA, Development and Promotion of software in Indian languages with a view to take IT to common man and increase domestic market, upgrading facilities in engineering colleges for improving quality of manpower, implement e-governance in the country in a comprehensive manner, providing Internet connectivity and e-learning tools in schools and colleges through Vidya Vahini and Gyan Vahini programmes and promoting research / innovations for rural needs through Media Lab Asia Programme.

5. The IT enabled services like Customer Interaction Services, Business Process Outsourcing (BPO), Insurance Claim Processing, Digital Content Development, Online Education, Web Services have been identified as a sources of wealth creation and employment generation. These services are estimated to provide employment to about 11 Lakh people and generate revenue of Rs.81,000 crore in the next eight years. The market for these services in 2001-02 grew to Rs.7,100 crore accounting for over 1,07,000 new jobs. Call centers alone generated about 80% of the revenue. The country offers many favorable factors like availability of talent, maximum number of ISO and CMM IV and V certified IT companies, adequate communication infrastructure, goodwill of international customers etc., for development of IT enabled services. However, their full potential can be tapped by setting up training infrastructure specially designed for these services and hassle free support by state governments and local bodies.

6. Presently there are about 300 units in electronics and Information Technology field registered with the Department of Scientific & Industrial Research. Some good institutions like Central Electronics Engineering Research Institute Pilani, Electronics Research & Development Centres, Centre for Development of Advanced Computing, Pune, Society for Applied Microwave Electronics Engineering and Research, IITs/ IISc, Optel, National Physical Laboratory, Electronics Corporation of India Ltd., etc., have made significant contribution in research the electronics and IT to their credit.

7. As per Information Technology Agreement (ITA1-WTO), the IT sector would be brought to a zero duty regime by 2005. Therefore, it has become imperative for Indian IT industry to develop technologies, products and services of international cost and quality and become global leader at least in some selected fields like software & IT services, bio-informatics, micro-electronics, cyber security, wireless technologies, high-end computing etc., The R&D model devised for pursuing R&D in the Tenth Plan is based on their strategic value and classification as Long, Medium and Short term R&D. Under this categorization the gestation periods of Long, Medium and Short term R&D Projects are 10 years, 3-6 years and 1-3 years respectively. While focus of long term R&D would be in the area of basic research like nano-technologies, bio-informatics etc., with government funds to a major extent, medium and short term R&D are envisaged to be largely funded by industry itself with the prime objective of improving product quality, reducing costs and create innovations. The Tenth Plan Working Group on IT has estimated a fund requirement of Rs.3,400 crore per year for R&D in IT during the Tenth Plan which has been proposed to be financed by the government and industry in the ratio of 80: 20.

## **Review of Annual Plan 2001-02**

8. The year 2001-02 has been a year of turbulence, tragedy, terrorism and slow-down in the World economy. This has affected the Indian software export industry also which registered a growth of about 29 per cent in the year 2001-02 against 65 per cent in the previous year. However, with the phenomenal growth in IT Enabled services sector and by expanding markets for software exports, the industry is optimistic to grow very rapidly on domestic and international fronts in future. The software & services industry accounted for about 1.7 per cent of India's GDP during 2001-02. The Indian IT software & services exports have been over 16 per cent of total National exports in 2001-02.

9. During 2001-02, with a view to facilitate invention, refinements and extend the benefits of Information & Communication Technology (ICT) to masses, the Department of Information Technology initiated Media Lab Asia Project. Other major achievements of the year were development of 15 million electron volt linear accelerator for cancer treatment, completion of ten important R&D projects in the field of broadcasting, language engineering, railway freight information system, industrial automation, distance learning technologies, etc. under various programmes. The Standardization Testing Quality Control (STQC) Directorate of DIT certified 110 industries under various certification schemes.

10. Under disinvestments programme of Government of India, the CMC Limited a PSU was disinvested during the year.

## **Major Programmes in Annual Plan 2002-03**

11. The Department of Information Technology (DIT) is acting as a nodal institution for the promotion of the sector, facilitating and coordinating the various initiatives of the central and state governments and the private sector. An outlay of Rs.593.58 crore with a budgetary support of Rs.470 crore has been approved for various schemes of DIT for Annual Plan 2002-03. The actual expenditures of the Department in Annual Plans 2000-01 and 2001-02 have been to the tune of Rs.305.12 crore and Rs.490 crore (Net B.S.) respectively. A list of Plan schemes of the DIT indicating approved outlays for Annual Plan 2002-03 is given in the Annexure. Some major programmes of DIT are given below:

### **Community Information Centres (CICs)**

12. Under this project Community Information Centres (CICs) at 487 Blocks in the seven North East States and Sikkim are being set up for socio-economic development of the region. Each CIC is equipped with one server, five computers, three printers, UPS, DG set etc. The Internet connectivity is being provided through VSAT. The project has been commissioned on 15<sup>th</sup> August, 2002. These centers are envisaged to play an important role in government interface with the public, Internet access and promote IT enabled services for benefit of the community at large, besides establishing digital unite.

### **E-governance**

13. The delivery of government services has become very user unfriendly because of too much discretion at every level, lack of transparency and cumbersome record management. E-governance denotes the application of IT to government processes in order to bring about Simple, Moral, Accountable, Responsive and Transparent (SMART) governance.

14. Though the Central and several state governments have taken some initiatives in e-governance during the Ninth Plan, these efforts have been driven primarily by individual initiatives rather than institutional thrusts and e-governance is yet to take the shape of a systematic national programme. Different levels of development, computerisation and political will necessitate the adoption of some standardized, uniform pattern in order to avoid the emergence of a digital divide between progressive states and states having less development due to various reasons.

15. So far, the programme of e-governance has largely been restricted to the efforts of the National Informatics Centre (NIC) and a few organisations. The emphasis has been on providing connectivity, networking, technology upgradation, selective delivery systems for information and services and a package of software solutions. It is now necessary to look seriously at the re-engineering of procedures and rules which form the core of any effective programme of e-governance. A comprehensive scheme to implement e-governance in the country is being formulated by Department of Information Technology and Department of Administrative Reforms.

### **Technology Development for Indian Languages**

16. This programme aims at development of IT tools and content in Indian languages to facilitate use of computers and other IT systems in various Indian languages. The DIT has taken up development work in this area at 13 Resource Centers at leading R&D organizations and educational institutes. Major achievement under the programme are development of multi-lingual digital libraries / dictionaries, translation support system, optical character recognition system, Text to Speech Systems and Standardization (UNICODE, XML, Lexware format, Fonts). Some of the new R&D projects initiated in the field of language engineering include localization of Linux Operating System, Indian Language Content Creation, Development of IT Terminology in Hindi, Translation Support System from English to Hindi.

### **Software Technology Parks in India (STPI)**

17. The STPI is serving software export industry countrywide with over 30 Software Technology Parks equipped with high speed data communication and other infrastructure facilities. Software exports from member units of STPI is showing consistent growth during the last 5 years. These units exported software worth Rs.28,000 crore against total national software exports of Rs.36,500 crore in 2001-02. More than 6,900 units have been approved under the STPI scheme out of which about 3,000 units are exporting software.

### **Media Lab Asia**

18. The Media Lab Asia project has been taken up by DIT in collaboration with the Massachusetts Institute of Technology. The objective of the project is to bridge the digital divide through development of state-of-the-art Information and communication technologies and deploying these technologies for the benefit of the citizens, especially those in the rural areas, and empowering them by creating business opportunities. The thrust areas to be taken up in the project are health, education/learning, employment and micro-entrepreneurship. During 2002-03, under exploratory phase of MLA project Research Labs at five IITs have been established and made operational. About 32 projects initiated at



these labs relates to technology development in the areas of Bits for All, World Computer, Tools for tomorrow and Digital Village.

### **Vidya Vahini and Gyan Vahini Programmes**

19. These two programmes would be initiated on a pilot basis for providing connectivity to Government Senior Secondary Schools (Vidya Vahini) and upgradation of IT infrastructure in the higher learning institutions (Gyan Vahini) during the Tenth Plan.

### **Monitorable Targets / Anticipated Achievements in Annual Plan 2002-03**

20. The schemes of the Department of Information Technology are broadly classified into R&D, Infrastructure, Human Resource Development and policy formulation. Among various programmes which are of continuing in nature, notable programmes likely to be completed during the year are;

- Commissioning of CICs project in North Eastern states,
- Implementing Vidya Vahini and Gyan Vahini programmes on pilot basis,
- Issuing of digital signatures,
- Setting up of Atal Bihari Vajpayee Centre for Excellence in Information and Communication Technology in Mangolia,
- Development of laser welding technology,
- Completion of exploratory phase of the Media Lab Asia project,
- Preparing action plan for implementing e-governance in the country,

21. The existing infrastructure of National Informatics Centre (NIC), Software Technology Parks, Education & Research Network (ERNET), Standardization Testing & Quality Control (STQC), etc., would be suitably augmented.

22. The Semiconductor Complex Limited, Mohali has projected to achieve a sales turnover of Rs.78.34 crore in A.P. 2002-03 against an anticipated sales of Rs.72.69 crore in 2001-02. The Company is likely to produce 8000 units of Very Large Scale Integrated (VLSI) wafers in 2002-03 against 1000 produced in 2001-02.

### **Zero Based Budgeting**

23. The Department of Information Technology undertook a comprehensive review of all plan schemes based on Zero Based Budget (ZBB) methodology. The objective of this review is to ensure rationalization of programmes, convergence of similar schemes to avoid duplication and weeding out old and irrelevant schemes. As a result of ZBB exercise 55 Ninth Plan schemes of the DIT, have been reduced to 40 schemes in Annual Plan 2002-03.

## Issues

24. A number of plans and policy measures have been implemented by the Government and private sector to boost this sector in the Ninth Plan. However, some issues given below are yet to be addressed for further development of the sector:

- Formulate a national hardware development policy and encourage global hardware majors to set up manufacturing units in India.
- A comprehensive rationalisation of tariff structure to cope with the zero duty regime on finished products that will come into place after 2005 as per ITA1-WTO agreement.
- Encourage setting up Software Technology Parks in the private sector.
- The software industry needs to move up in the value chain by developing high value products and focus of Indian industry needs to shift from providing software solutions to becoming manufacturers of packaged products.
- Make large investments in building brand equity and positioning the India brand abroad. Industry associations like NASSCOM, MAIT, ESC etc. must help SMEs in their export efforts through effective networking and meetings with potential customers.
- Promotion of software in Indian languages to increase IT penetration in the domestic market.
- Updating the syllabus of computer engineering, electronics and IT in various technical institutions in keeping with the industry's requirements. The curriculum in other branches of engineering should also be expanded to include IT subjects. Emphasis must be laid on postgraduate engineering education.
- Facilities in existing RECs and engineering colleges under deemed universities must be upgraded to IIT level so that there are at least 100 such institutions by the end of the Tenth Plan.
- 'C'-level course of DOEACC must be recognised as equivalent to M.Tech in computer engineering for all purposes.
- State governments and local bodies should support IT-enabled services industries in order to create employment opportunities.
- E-governance has been identified as priority area in the Tenth Plan and a clear roadmap to make it a national programme must be formulated without any delay.
- An action plan needs to be formulated to take up R&D in the emerging areas like bio-informatics and nano-technologies.
- Issuing digital signatures to citizens is already delayed, it must be implemented earliest as per requirement of the Information Technology Act, 2000.
- Enforcement of the IT Act to deal with cyber crimes and training law enforcing agencies to handle such crimes.

## Department of Information Technology – Outlays for Annual Plan 2002-03

S. No.	SCHEME NUMBER / NAME	Annual Plan (2002-2003)			
		Approved Outlays			
		Outlay	IR	EBR	Gross B.S.
1	2	3	4	5	6
	<b>I. R&amp;D PROGRAMMES</b>				
1	SAMEER	22.00	2.50	7.50	12.00
2	Industrial Electronics Promotion Prog.inc. Robotics	8.24		4.74	3.50
3	Microelectronics & Nano-Tech Dev Prog - NMC	3.00			3.00
4	Technology Development Council	5.00			5.00
5	Dev. of Strategic Electronic Eqpt.	3.00			3.00
6	Electronic Component & Material Development Prog	7.05	0.45	1.50	5.10
7	C-DAC	10.00			10.00
8	Photonics/Optoelectronics	3.00			3.00
9	ERDCs	50.41	12.95	29.46	8.00
10	Electronics in Health and Bio-Informatics	5.00			5.00
11	Technology Dev. for Indian Languages	6.00			6.00
12	Development of CG Industry	2.00		1.00	1.00
13	Transport & Power Electronics	19.75		15.15	4.60
14	Centre for Liquid Crystal Research	1.70			1.70
15	IPR Promotion Programme	0.40			0.40
16	Promotion/R&D in IT/Special IT Projects	21.00			21.00
17	IT for Masses (incl Citizen Portals)	20.00			20.00
18	Media Lab. In Asia	1.00			1.00
	<b>R&amp;D Sub-Total</b>	<b>188.55</b>	<b>15.90</b>	<b>59.35</b>	<b>113.30</b>
	<b>II. Infrastructure Development</b>				
19	ERNET	0.10			0.10
20	Vidya Vahini' & 'Gyan Vahini' Prog.	30.00			30.00
21	STQC	27.31			27.31
22	STPI & EHTP	8.00			8.00
23	IT Venture Capital	10.00			10.00
24	Electronic Governance	66.17		25.00	41.17
25	IT Bill / Certification & Network Security	5.00			5.00
26	Semiconductor Layout Design Act-2000	0.50			0.50
27	Community Information Centres (CIC)	20.00			20.00
	<b>Infrastructure Sub-Total</b>	<b>167.08</b>		<b>25.00</b>	<b>142.08</b>
	<b>III. Human Resource Development</b>				
28	CEDT	11.58	7.58		4.00
29	NCST	3.00			3.00
30	Software Manpower Dev./Employment Generation	6.00			6.00

S. No.	SCHEME NUMBER / NAME	Annual Plan (2002-2003)			
		Approved Outlays			
		Outlay	IR	EBR	Gross B.S.
1	2	3	4	5	6
31	Special Manpower for ASIC Design	2.00			2.00
	<b>HRD Sub-Total</b>	<b>22.58</b>	<b>7.58</b>		<b>15.00</b>
	<b>IV. MISCELLANEOUS</b>				
32	Headquarter (Secretariat & Bldg.)	10.24			10.24
33	El. for Rural/Social /Agri/Water Sector	14.00		10.00	4.00
34	Tech. Information and Forecasting	0.50			0.50
35	Electronics Industry Information Prog.	0.25			0.25
36	E-Commerce & Info-Security (incl. Smart Cards)	5.00			5.00
37	Policy Formulation & Eco Analysis in IT Sector	0.60			0.60
	<b>Miscellaneous Total</b>	<b>30.59</b>		<b>10.00</b>	<b>20.59</b>
	<b>SUB-Total (I to V)</b>	<b>408.80</b>	<b>23.48</b>	<b>94.35</b>	<b>290.97</b>
	<b>V. PSUs</b>				
38	Semiconductor Complex Ltd.	3.51	3.50		0.01
39	<b>VI. NIC</b>	175.02			175.02
40	<b>VII. ESC &amp; Export Market Development Prog</b>	6.25	2.25		4.00
	<b>Grand Total</b>	<b>593.58</b>	<b>29.23</b>	<b>94.35</b>	<b>470.00</b>

## CHAPTER 8

# TOURISM AND HERITAGE

### 8.1 TOURISM

The tourism sector of the economy contributes towards foreign exchange reserves, creates income and employment opportunities, particularly in remote and backward areas, strengthens national integrity and promotes international understanding by intensifying socio-cultural exchanges among people from different regions and countries.

2. The foreign exchange earnings from tourism during 2000 were estimated at about Rs. 14,408 crores with an estimated direct employment of about 15 million, which is about 2.4 per cent of the total labour force of the country. The international tourist traffic to the country is estimated to have increased from 2.4 million in 1998-99 to 2.64 million by the end of 2000. According to the World Tourism Organization (WTO) India's share in world tourist arrivals is only 0.38 per cent - accounting for 0.62 per cent of the world tourist receipts. This shows that much of our tourist potential is yet to be tapped.

3. For the year 2001-02, the outlay for tourism was Rs. 150 crores only. Information and Publicity, overseas and domestic, continued to receive the major share of the Plan outlay of the Ministry (Rs. 58.00 crore) - followed by Tourist Infrastructure (Rs. 41.85 crore), Computerization, Information Technology and Subsidies/Incentives (Rs. 25 crore), Human Resource Development (Rs. 10.35 crore). A provision of Rs. 14.8 crore was also kept for the projects/schemes for the North East and Sikkim.

4. During the Ninth Plan period, the focus on development within the country continued to be on selected areas like development of tourist centres/areas, including village and heritage tourism, budget accommodation, wayside amenities and refurbishment of monuments/heritage sites. As most of these infrastructural components and delivery systems were within the purview of the State Governments or the private sector, the governmental activities were mainly confined to ensuring financial assistance to State/UT governments and incentives to private entrepreneurs. However, in the absence of little or very little impact on the overall development of our tourist destinations, these schemes failed to really take off. So a major change in policy and approach is proposed for the Annual Plan (2002-03).

5. All the schemes of 2001-02 were subjected to the zero based budget exercise — a couple of them were closed and the remaining were merged and restructured in consultation with the Department of Tourism. However, with view to ensuring that the ongoing projects get continued support during the current year, a total of Rs. 88.5 crore is reserved for ongoing schemes, while the main thrust has shifted to the new restructured schemes, especially to the schemes for development of selected circuits and destinations within the country. Accordingly the Central Sector outlay for tourism for 2002-03 has been enhanced to Rs. 225 crore.

6. During the Annual Plan (2002-03), a provision of Rs. 41.50 crore has been kept for the new restructured scheme of Integrated Development of Tourist Circuits. Fully supported by the Centre, this scheme aims to develop six selected circuits during each year of the Tenth Five Year Plan - one in each zone - to international standards. The process of identifying and selecting these circuits in consultation with the State governments is in progress.
7. The other major scheme that is being restructured for introduction during the current year is Product/Infrastructure and Destination Development. With an outlay of Rs. 18 crore, this centrally sponsored scheme is meant to improve the existing tourist products and developing new tourism products to meet the present day infrastructure requirements. The focus would be to fund large projects of infrastructure and development for a total integrated destination development. Special efforts would also be initiated to harness the full potential of rural tourism. An additional centrally sponsored scheme of Assistance for Large Revenue Generating Projects (estimated at Rs. 8 crore) in the form of grant would also be introduced during the current year. However, this support would be effected only through State Tourism Development Corporations and State Financial Corporations etc.
8. Being a service industry, the development of human resources has a major role in promotion of tourism in the country. Efforts would be to strengthen the tourism requirement by expanding the existing network of Institute of Hotel Managements and Food Craft Institutes by setting up additional institutes in the three new states of Uttaranchal, Chattisgarh and Jharkhand and in the North-East. A new scheme on Capacity Building for Service Providers (Rs. 1.5 crore) would also be introduced to cater to the unorganized sectors like small hotels and restaurants, dhabas, tourist guides and taxi drivers etc.
9. Considering that our tourism products need considerable marketing, both at home and abroad, ambitious projects are proposed through the two schemes of domestic promotion and publicity and overseas promotion. While the former caters to promoting India within through participation in fairs, festivals, craft marts etc., the later promotes India through a network of government of India tourist offices abroad. The thrust would be on IT based dissemination of information, joint campaigns through partnerships/ sponsorship, gathering market intelligence and a brand building of India. The outlays proposed are Rs. 6 crore for domestic promotion and publicity and Rs. 34 crore for overseas promotion including market development assistance.
10. The scheme of Incentives to Accommodation Infrastructure would, however, be continued in the Annual Plan (2002-03). But this would be rationalized in the coming years. A study would assess the impact of the scheme on creation of accommodation in the country.
11. With an aim to position India distinctively on the global map, Information Technology would be given a major thrust in the current year and would extensively be used to promote Indian tourism.
12. A special provision of Rs. 22.5 crore has been kept for the schemes of North-East and Sikkim.

## **National Tourism Policy 2002**

13. National Tourism Policy was brought out by the Ministry of Tourism in 2002. A brief outline of the Policy features indicating Goals, Objectives and Strategies is given in the following paragraphs.

### **Goals, Objectives and Strategies:**

- To achieve a superior life quality for India's peoples through physical invigoration, mental rejuvenation, cultural enrichment and spiritual elevation through tourism is the major goal of National Tourism Policy 2002 .

### **Key Objectives of the Tourism Policy**

- Positioning and maintaining tourism development as a national priority; enhancing and maintaining the competitiveness of India as a tourism destination; improving India's existing tourism products and expanding these to meet new market requirements; creating World Class infrastructure; and developing sustained and effective marketing plan and programmes – are the key objectives of the Tourism Policy

### **Positioning Tourism as a National Priority**

- Tourism would be positioned as a national priority by including it in the concurrent list of the Constitution of India, providing effective linkages between Departments and Ministries, setting up Tourism Advisory Council, adopting tourism satellite account system, and by implementing a professionally managed national tourism awareness campaign.

### **Competitiveness**

- Competitiveness of India as a tourist destination would be enhanced by faster issuance of visas and permit, computerisation of the process of visa issues, enhancing air capacity to India, and improving standard of facilities at the International and major domestic airports, and by creating a special tourism police.

### **Product Development**

- Product development would be improved and expanded by integrated development of the area around protected monuments, developing beach and costal tourism, by developing International cruise destination to Cochin and Andaman and Nicobar Islands, packaging traditional Indian cuisines, promoting village tourism, integrating wild life sanctuaries and National Parks with Tourism, promoting adventure tourism in Himalayas, constructing World Class Conventional Centre in Mumbai, and by promoting holistic healing and rejuvenation according to Indian philosophy and culture. Promoting India into a shopper's paradise, marketing its fairs and festivals would be required.

### **Infrastructure**

- World Class infrastructure would be created by improving the network of national and state highways and rural roads, by introducing more special tourist trains, and railway hotels and

heritage buildings, hill railways and heritage railways in tourism. In addition to it, waterways would be developed for the promotion of cruises.

- Effective marketing strategies would be developed to differentiate India product from the competing destination to undertake market research to identify and assemble a highly attractive product.
- An Indian tourism brand position would be created by focusing on what makes India an unmatched tourism destination,
- Market Research would be carried out to establish the present image of India as a destination in relation to its competitors. Tourist interest products and issues relating to price, security, health, safety and quality etc. would be studied.
- Digital Technology for marketing would be applied to enable tourism organisations help promote their destination projects by internet and other growing inter active multimedia platform



**Department of Tourism  
Outlay/Expenditure**

(Rs in crore)

Sl. No.	Scheme	BE 2000-01	Actual Expenditure (2000-01)	BE 2001-02
1	2	3	4	5
<b>A</b>	<b>Tourist Infrastructure</b>	<b>29.10</b>	<b>44.38</b>	<b>41.85</b>
1	Development of Tourist Centres/ Areas including Village and Heritage Tourism	17.00	14.48	9.00
2	Refurbishment of monuments/heritage buildings	2.00	3.63	3.00
3	Equity Scheme	0.25	1.25	4.00
4	Budget Accommodation	2.50	15.00	11.24
5	Wayside Amenities	4.00	6.97	6.50
6	Development of Pilgrim Centres	0.10	0.10	0.25
7	Buddhist Centres/Externally Aided Projects	0.25	0.10	2.76
8	SEL Shows (Flood Lighting)	0.50	1.75	2.00
9	Adventure and Sports Tourism	1.50	1.10	3.00
10	Paryatan Bhavan	1.00	0.00	0.10
<b>B</b>	<b>Human Resource Development</b>	<b>16.65</b>	<b>11.28</b>	<b>10.35</b>
11	Institute of Hotel Management & Catering Technology and Applied Nutrition	9.00	9.64	8.75
12	Food Craft Institutes	0.10	0.10	0.10
13	Indian Institute of Tourism & Travel Mgt.	2.00	1.50	2.00
14	Tourism Education Grid	5.00	0.04	0.10
15	National Institute of Water Sports	0.50		0.10
16	Training of guides, officers & staff	0.05		0.05
<b>C</b>	<b>Tourist Information &amp; Publicity</b>	<b>56.75</b>	<b>56.09</b>	<b>58.00</b>
17	Overseas campaigns	49.75	50.75	51.00
18	Production of literature and publicity materials	3.00	2.96	3.00
19	Hospitality programmes	1.00	0.39	1.00
20	Domestic campaigns including Fairs & Festivals	3.00	1.99	3.00
<b>D</b>	<b>Others</b>	<b>19.00</b>	<b>12.73</b>	<b>25.00</b>
21	Computerization & Information Technology	5.00	4.23	5.00
22	Market Research including 20 years perspective plan	7.00		5.00
23	Subsidies & Incentives	5.00	8.50	9.00
24	National Tourism Development Fund	1.00	0.00	5.00
25	Marketing Development Assistance	1.00	0.00	1.00
<b>E</b>	<b>10% lump sum provision for NE Region and Sikkim</b>	<b>13.50</b>	<b>0.00</b>	<b>14.80</b>
	<b>Total</b>	<b>135.00</b>	<b>124.48</b>	<b>148.00</b>

## Annexure 8.1.2

## Department of Tourism - Annual Plan (2002-03)

Rs in crore

Sl. No.	Name of Schemes	BE 2002-03
1	2	3
<b>I.</b>	<b>Central Sector Schemes (CS)</b>	
<b>1.0</b>	<b>Ongoing 9<sup>th</sup> Plan central sector schemes to be continued during 10<sup>th</sup> Plan</b>	
1.1	Externally Aided Projects	7.50
1.2	IHM & CT	8.50
1.3	Food Craft Institutes	0.40
1.4	Indian Institute of Tourism & Travel Management	1.00
1.5	National Institute of Water Sports	0.04
1.6	Overseas Campaigns	20.00
1.7	Hospitality Programme	1.00
1.8	Marketing Development Assistance	1.00
1.9	Subsidies & Incentives	9.00
<b>1.10</b>	<b>Total - Ongoing 9<sup>th</sup> Plan schemes (1.1 - 1.19)</b>	<b>48.50</b>
<b>2.0</b>	<b>New Central Sector Schemes for 10<sup>th</sup> Plan</b>	
2.1	Integrated Development of Tourist Circuits	38.50
2.2	Assistance to IHMs/FCIs/IITTM/NIWS/NIAS/NCHMCT	5.00
2.3	Capacity Building for Service Providers	1.50
2.4	Overseas Promotion & Publicity including Market Development Assistance	34.00
2.5	Domestic Promotion and Publicity including Hospitality	6.00
2.6	Incentive to Accommodation Infrastructure	2.00
<b>2.7</b>	<b>Total - New Central Sector schemes for 10<sup>th</sup> Plan (2.1 - 2.6)</b>	<b>87.00</b>
<b>2.8</b>	<b>Total - Central Sector Schemes (1.10 + 2.7)</b>	<b>135.50</b>
<b>II.</b>	<b>Centrally Sponsored Schemes (CSS)</b>	
<b>3.0</b>	<b>Ongoing 9<sup>th</sup> Plan schemes to be continued during 10<sup>th</sup> Plan</b>	
3.1	Adventure & Sports Tourism	2.00
3.2	SEL Shows (Flood Lighting)	2.00
3.3	Development of Tourist Centres/Areas including Village and Heritage Tourism	8.00
3.4	Refurbishment of Monuments/Heritage Buildings	1.00
3.5	Wayside Amenities	5.50
3.6	Budget Accommodation	6.50
3.7	Equity Scheme	1.00
3.8	Production of literature and publicity materials	3.50
3.9	Domestic campaigns including Fairs & Festivals	4.00
3.10	Computerization and Information Technology	6.00
3.11	Market Research including 20 years perspective plan	3.50
<b>3.12</b>	<b>Total - Ongoing schemes to be continued during the 10<sup>th</sup> Plan (3.1 - 3.11)</b>	<b>43.00</b>
<b>4.0</b>	<b>New Centrally Sponsored Schemes for 10<sup>th</sup> Plan</b>	
4.1	Product/Infrastructure and Destination Development	18.00
4.2	Assistance for Large Revenue Generating Projects	6.00
<b>4.3</b>	<b>Total - New Centrally Sponsored schemes during 10<sup>th</sup> Plan (4.1 - 4.2)</b>	<b>24.00</b>
<b>4.4</b>	<b>Total Centrally Sponsored Schemes (3.12 + 4.3 )</b>	<b>67.00</b>
<b>4.5</b>	<b>Total (2.8 + 4.4)</b>	<b>202.50</b>

Rs in crore

<b>Sl. No.</b>	<b>Name of Schemes</b>	<b>BE 2002-03</b>
<b>1</b>	<b>2</b>	<b>3</b>
4.6	10% lump sum provision for NE Region and Sikkim	
	Capital	17.50
	Revenue	5.00
<b>4.7</b>	<b>Total North East and Sikkim</b>	<b>22.50</b>
<b>4.8</b>	<b>Grand Total (4.5 + 4.7)</b>	<b>225.00</b>

## 8.2 ART AND CULTURE

India's culture is deeply rooted in a pluralistic ethos of age-old history providing creative expression, value-sustenance and belief patterns to society. India also occupies an important place on the cultural map of the world. We have witnessed in India the emergence of the role of culture as giving meaning to our existence. The role of culture lies not only in encouraging self-expression and exploration on the part of individuals and communities, but also supporting arts and artists and also correcting some of the distorting effects of cultural expression by people at large besides and developing creativity as a social force. The Department of Culture operates Plan schemes of Government of India for preserving and promoting the cultural heritage of the country. It has a network of subordinate and attached offices besides a number of other autonomous institutions/organizations, such as Archaeological Survey of India, Anthropological Survey of India, National Archives, Museums, Libraries, Akademies, etc. in the field of Art and Culture.

### **Review of the Ninth Plan (1997-2002) and Annual Plan (2001-02)**

2. During the Ninth Five-Year Plan an amount of Rs.920.41 crore was provided by the Planning Commission of which Rs.679.02 crore (anticipated) was spent during the Ninth Five Year Plan. An amount of Rs. 225.00 crore was allocated for 2001-02 by the Planning Commission for undertaking various activities of the department of which Rs.171.81 crore has been spent. The department accomplished considerable work in a variety of fields and has expanded its activities in North Eastern States including Sikkim. 10 per cent of the Plan Budget is earmarked for various initiatives in the North Eastern Region. Low level of expenditure was due to the procedural bottlenecks faced by the Department while executing the component of capital works through CPWD with problems of procedural glitches resulting in delay, and lack of updated schedule of rates etc.

### **Thrust Areas and Objectives of the Tenth Plan**

3. During the Tenth Five Year Plan an amount of Rs.1720.00 crore has been provided by the Planning Commission of which Rs.250.00 crore for the Annual Plan 2002-03 against an outlay of Rs.225.00 crore provided for Annual Plan 2001-02. The focus of the Tenth Plan will be on the implementation of a comprehensive Plan of preservation of the archaeological heritage and development of the monument complexes and museums. Further, efforts will have to be made to preserve the archival heritage and promote classical, folk and tribal art crafts and oral traditions, which are in danger of extinction.

4. The Department of Culture will continue to execute major schemes and programmes for promoting art and culture. Its Plan programme relating to the promotion, preservation and conservation of the cultural heritage of the country will be implemented through 34 attached/subordinate and autonomous offices/organisations and cultural institutions and through a number of schemes. Its activities and programmes have been organised under 11 broad heads. They are Promotion and Dissemination, Archaeology, Museums, Archives, Anthropology, Performing Arts, Libraries, Buddhist and Tibetan Institutes, IGNCA, Activities for the North - Eastern Region and Other Expenditure.

5. The scheme of financial assistance for strengthening of regional and local museums has also been revised widening its scope for assisting smaller museums. Museums would

be directed to emphasise more on digitalisation and documentation of works of art as a part of their Plan activities.

6. The ASI has 3,606 centrally protected monuments under its purview including 16 in the World Heritage List. Apart from the maintenance of these monuments, work relating to structural conservation, chemical preservation and environmental development is also to be taken up on a regular basis. In the Tenth Plan, emphasis will be given to the formulation of perspective plans for the important monuments in each circle so as to ensure their integrated development.

7. In the Tenth Plan, the ASI will continue its excavation activities. During Ninth Plan an amount of Rs. 182.49 crore was provided to ASI of which Rs.143.90 crore was spent. As against this, an amount of Rs.284.83 crore has been allocated for the Tenth Plan. The major excavation projects of the ASI presently under way are:

- (a) Dholavira - a Harappan city in Kutch, Gujarat,
- (b) Dhalewa -a proto-Harappan settlement in Punjab,
- (c) Sravasti - an early historical city in Uttar Pradesh, and
- (d) Kanaganahalli – Sannati - a Buddhist Stupa in Karnataka.

8. Another major excavation proposed to be taken up is at Arikamedu, the famous Indo-Roman site in Pondicherry, in addition to initiating under-water archaeological investigations for which a new Under Water Archaeological Branch has been set up.

9. In the area of museum activity, the ASI will initiate the process of modernisation of galleries, digital documentation of antiquities, publication of catalogues, museum guides, picture-post-cards and other informative material. Simultaneously, work on eight new museums, which was started in the closing years of the Ninth Plan period, will be completed. These include the Cooch Behar Palace and Tamluk Museum in West Bengal, Sheik Chilli's museum at Thanesar, UP, Haryana and three new museums at Hampi. In order to cope with the enhanced activities, infrastructure facilities, both administrative and technical will be strengthened. Computerisation and modernisation of circle offices of the ASI will also be given due attention.

10. The major thrust in the Tenth Plan will be on modernisation of preservation facilities in order to accelerate the pace of repair and rehabilitation of records. Augmentation of facilities to speed up the preparation of microfilms to facilitate easy accessibility of records housed in the NAI exposed will be carried out. Besides, support for the preservation of the documentary heritage will continue through financial schemes being operated by NAI. It is also proposed to develop the Conservation Research Laboratory, Lucknow equipped with various modern paper testing equipment.

11. During the Tenth Plan, the National Museum proposes to undertake computerisation work with the assistance of the National Informatics Centre (NIC). This would include Local area net work (LAN) and wide area network (WAN), digitalisation of its collection reprography/microfilming and microfilming of manuscripts and the introduction of equipment for audio tours, etc.

12. Eight new galleries are to be set up in the Victoria Memorial Hall during the Tenth Plan. A huge volume of conservation and restoration work remains to be carried out. Exhibitions on "Mughal manuscripts" and one on Tipu Sultan are to be organised jointly with the ASI, both at the Victoria Memorial Hall as well as at Srirangapatnam. Seventeen new galleries will be added to the Salar Jung Museum, Hyderabad and the construction of the second and third wings of the National Gallery of Modern Art, New Delhi will be taken up.

13. The problem of time and cost overruns has to be viewed seriously in view of the constraint of resources. The pace of construction activities of CPWD needs to be monitored closely in the context of institutions/museums/art galleries etc. coming under the purview of Ministry of Tourism and Culture.

14. In the library sector, the Department proposes to give a further push to the modernisation of central and public libraries during the Tenth Plan. A National Bibliographic Database in electronic format would be developed to encourage resource sharing, networking and to improve reader services. Retro-conversion of existing records in electronic formats would be taken up in the National Library, the Central Secretariat Library and the Delhi Public Library. Similar efforts would be extended to the public libraries through the Raja Ram Mohan Roy Library Foundation. It is proposed to upgrade the conservation laboratory in the National Library as well as the Oriental libraries such as Rampur Raza Library and Khuda Baksh Oriental Public Library Kolkata and Patna.

15. Substantial funds are proposed to be given for the completion of the Bhasha Bhawan building of the National Library. Constructing of new buildings and extensive renovations in order to add space is envisaged at the Khuda Baksh Oriental Public Library, the State-Central Library, Mumbai. Thanjavur Maharaja Serofji Sarasvati Mahal Library and Connemara Public Library Chennai. Besides, the Department proposes to construct a reader's hostel at the National Library.

16. Preservation/Digitisation of rare manuscripts, historical document/paintings needs to be done in a time bound manner to save them from the ravages of time. The Tenth Plan will pay greater attention to modernization, upgradation on the existing libraries including private collections.

17. During the Tenth Plan, Anthropological Survey of India will undertake study of DNA for proper evaluation/assessment of ancient skeletal remains, physical growth of adolescents, cultural dimension of tourism, dormitory system amongst tribes etc. besides strengthening of infrastructure, training and orientation, publication programme and research in physical anthropology.

18. The seven Zonal Cultural Centres in the country continue to organize cultural programmes for the purpose of strengthening cultural movement across the States covering both rural and urban areas. Besides, they also continue to work for preservation, promotion and protection of tribal and folk art form in association with the State Departments and Non-Government Organisations through its schemes of National cultural exchange programme. Setting up of documentation centers which aim at protecting, vanishing and dying art forms and setting up of shilpagrams for providing promotional and marketing facilities to craftsmen are some of the significant activities of the Centres.

19. Central Institute of Higher Tibetan Studies, Sarnath and Central Institute of Buddhist Studies, Leh which strive for promotion of Buddhist and Tibetan studies will continue to receive financial assistance. Planning Commission will continue support to involvement of private sector including travel agencies through the Scheme of National cultural fund, so far as management of monument & tourism are concerned.

20. Indira Gandhi National Centre for the Arts is a national level institution which also work for promotion of art and culture in the country through a number of programmes and activities Deptt. of Culture also proposes to develop networking between Central, States and local museums besides improving in infrastructure of existing museums under its control. The Science City Project of Jalandhar and other Science Centres by NCSM in collaboration with the Government of Mauritius are being supported. It also proposes to review the concept of Science Cities by assessing the working of Science City, Kolkata.

21. The Planning Commission has supported the proposals of Department of Culture to modernize the existing libraries and spreading network of public libraries in new areas in rural region under the control of Panchayats.

### **Annual Plan 2002-03**

22. An outlay of Rs. 1720.00 crore has been provided for the Department of Culture for the Tenth Plan and Rs.250.00crore for the Annual Plan 2002-03 of which Rs.20.00 crore allocated for the activities of the North Eastern States.

# CHAPTER 9

## ENVIRONMENT & FOREST

### ENVIRONMENT

#### State of Environment

It is essential to maintain a sustainable environment which has to be regularly monitored with a view to minimizing the detrimental effects of various economic activities. While efforts have been made to reduce pollution by addressing the lacunae in legislation/implementation of various measures, the quality of air and underground/surface water has not improved in the country to the extent desired. In Delhi, the levels of Suspended Particulate matter (SPM) have decreased considerably after conversion of diesel-driven buses and petrol-driven 3-Wheelers to Compressed Natural Gas (CNG). However, these measures are required to be extended to other cities in the country also. Even after implementing a number of schemes under the National River Conservation Plan (NCRP), pollution in rivers has not been reduced much. In the Small Scale Industries (SSI) sector, many units especially in the chemical sector are continuing to pollute rivers in the vicinity. Many of these units have not set up Common Effluent Treatment Plants (CETP). Wherever the CETPs have been set up, many are not functioning properly. These issues have to be addressed immediately.

### SCHEMES

#### On going schemes

2. Most of the schemes for the Annual Plan 2002-03 are *continuing ones* from the Ninth Plan. Some of these schemes are of *long term* in nature, but in majority of them including those under the National River Conservation Plan (NRCP), the spill-over is due to slow progress of work. Details of major on-going schemes are given ahead.

### ABATEMENT OF POLLUTION

#### Central Pollution Control Board (CPCB)

3. CPCB has been created to discharge regulatory functions as stipulated under Water Act (1974), Air Act (1981), Water Cess Act (1977), Environment Protection Act (1986), Hazardous Waste Rules, (1989), Hazardous Chemical Rules, (1989), Bio-Medical Wastes (1998), Municipal Solid Wastes Rules, 2000 etc. Apart from this main function, the Board carries out Surveys and Monitoring activities, R&D, Development of Standards and Guidelines and Studies on Pollution control technologies etc. This organisation has got 9 Zonal offices to assist its activities spread over the entire country. The Annual Plan 2002-2003 outlay is Rs. 22.00 crore.



### **Common Effluent Treatment Plants (CETPs)**

4. This scheme provides support to a cluster of small scale industries for setting up *Common Effluent Treatment Plants* to meet the standards set for liquid effluent discharge at a manageable cost. Under the scheme, both State Government and Centre provides 25% of the cost each as a grant. Industry has to meet only 20%, the balance 30% is received from the financial institutions as a *loan*. In the Tenth Plan, the scope has been enlarged to provide support for modernisation of CETPs also. The outlay for Annual Plan 2002-2003 is Rs. 2.47 Crore.

### **Environment Management of Heritage Centres including Taj Protection**

5. To comply with the Supreme Court order of 1996, Taj Trapezium Zone Pollution (Prevention and Control) Authority has been set up for monitoring and implementing various schemes under Taj Protection Mission estimated to cost around Rs. 600 crore. This project will be implemented with 50:50 share between Centre and State. As a part of this scheme, so far 10 projects have been sanctioned and another six are under consideration. The outlay for Annual Plan 2002-2003 is Rs. 25.00 Crore.

### **Establishment of Environment Protection Authorities, Commission & Tribunals**

6. Under the various Environment Protection Acts, three authorities have been created - National Environment Appellate Authority, Loss of Ecology Authority for the State of *Tamil Nadu* and *Environment Pollution Authority for NCR of Delhi*. In addition, there is need to set up *Benches* for National Environment *Tribunal* under the Environmental Tribunal Act of 1995. The first tribunal bench will be set up at New Delhi. The outlay for Annual Plan 2002-2003 is Rs. 2.50 Crore.

### **Clean Technologies**

7. For sustainable development, both for conservation of resource as well as to avert man made effect on the environment, cleaner technology for power and industrial production, transport etc. is going to be unavoidable. Ministry of Environment & Forests has taken up a few schemes to increase awareness like Life Cycle Assessment (LCA), Carrying Capacity based Regional Development Planning, Natural Resource Accounting etc. as well as Promotion of Cleaner Technology. LCA Studies for steel plants , lignite / coal based thermal power plant have been completed. LCA studies for pulp and chemical industry is undergoing. Other sectors will be taken up in the coming years. The outlay for Annual Plan 2002-2003 is Rs. 4.00 Crore.

## **CONSERVATION & SURVEY**

### **Botanical Survey of India**

8. This Institute was established in 1890 with the objectives of making survey and inventory of floral resources of the country. During the Ninth Plan, 3 per cent additional geographical areas (un-surveyed) were taken up. Activities during the Tenth Plan include establishment of a *Botanical Garden at Noida*. The outlay for Annual Plan 2002-2003 is Rs. 10.00 Crore.

## **Zoological Survey of India**

9. This institute surveys the fauna of the country through its 16 regional and field stations spread all over the country. It was established in 1969. During Ninth Plan, 258 surveys were undertaken by them. Similar activities will be taken up during Tenth Plan including *status survey of endangered species, taxonomic study, publication of Red Data Book and Fauna of India Series* and computerisation of data on Faunal Diversity including National Zoological Collections. The outlay for Annual Plan 2002-2003 is Rs. 8.00 Crore.

## **G.B. Pant Institute of Himalayan Environment and Development**

10. It undertakes R&D activities on the fragile eco-systems of the Himalayan region and provides valuable inputs on the conservation plan of the Bio-Diversity. The outlay for Annual Plan 2002-2003 is Rs. 6.00 Crore.

## **Bio-sphere Reserves (BR)**

11. It is a Centrally Sponsored Scheme to facilitate conservation of major biogeographical areas of the country, terrestrial or coastal as recognised within the UNESCO's framework of Man and Biosphere. During Ninth Plan, 4 new BRs were designated bringing total number of BRs to 12. During 10<sup>th</sup> Plan, 14 additional sites in different zones will be taken for designation as additional BRs. The outlay for Annual Plan 2002-2003 is Rs. 6.00 Crores.

## **Conservation and Management of Mangroves, Coral Reefs and Wetlands**

12. Coral Reefs and Mangroves in the coastal regions is an important chain for the productivity of commercially important fisheries in the region and also sets as a protection to the shore lines. Coral Reefs and Mangroves are under severe threat due to natural calamities, anthropogenic activities and various biotic factors. A National Committee on Mangroves and Coral Reefs was constituted in 1986 and on the advice of this Committee, 30 Mangroves and 4 Coral Reefs areas in the country have been identified for intensive conservation and management. State Level Steering Committees have been constituted for formulation of specific Management Action Plans for each area. During the Ninth Plan, area under Mangroves in the country has increased by 618 sq. kms. During Tenth Plan, 30 identified Mangroves and 4 Coral reefs areas will be taken up for intensive conservation and management. The scheme of wetland conservation is also an on-going scheme and shall continue during Tenth Plan.. The outlay for Annual Plan 2002-2003 is Rs. 9.00 Crore.

## **Institute of Bio-diversity**

13. A new Institute is going to be set up at *Itanagar* in Arunachal Pradesh for documentation of traditional ecological practices for long term conservation of the bio-diversity of the North Eastern Region of the country. The outlay for Annual Plan 2002-2003 is Rs. 1.00 Crore.

### **National Museum of Natural History**

14. This museum was established in New Delhi in 1978 and is devoted to *non-formal* environmental education. It has got three *regional* museums at Mysore, Bhopal and Bhubaneshwar. The fund requirement is partly for *acquisition of land and construction of new building at Delhi* as the present building is a rented one and is not suitable for expansion. Funds are also required for phase III of the Bhubaneshwar Museum and staff quarters for Bhopal and Bhubaneshwar museums. The outlay for Annual Plan 2002-2003 is Rs. 6.00 Crore.

### **Environmental Information System(ENVIS)**

15. It is a Central Sector scheme continuing since 1982 based on the concept of distributed network of databases to enable integration of national efforts in environmental information collection, collation, storage, retrieval and dissemination to a wide range of users. Under the scheme a network of 25 centres (ENVIS) have been established and a dedicated website ( <http://enfor.nic.in> ) designed. ENVIS also acts as a national focal point and regional service centre for South Asia Sub-Region countries for the INFOTERRA, a global information network of UNEP. World Bank has agreed in principle to provide assistance for strengthening ENVIS network through Environmental Management Capacity Building Project under progress since January, 2002. The outlay for Annual Plan 2002-2003 is Rs. 2.00 Crore.

### **Centres of Excellence**

16. The scheme is in operation since 1983 and it sets up or supports various areas of environmental science and management. 8 Centres of Excellence have already been created (Ahmedabad, Chennai, Bangalore, IIT Bangalore, Dhanbad, Coimbatore, Delhi and Thiruvanthapuram). Ministry provides one time grant as well as annual recurring support to these Centres of Excellence. The outlay for Annual Plan 2002-2003 is Rs. 8.00 Crore.

## **POLICY & LAW**

### **Industrial Pollution Prevention Project (Externally Aided Project) (EAP)**

17. This project is in operation since 1994 with the world bank financial support (IDA grant of Rs. 100 crore sanctioned for Ninth Plan) to strengthen State Pollution Control Boards, encourage use of green technologies, resource recovery and adoption of cost effective pollution abatement measures. During Ninth Plan, Rs. 18 crore towards upgradation of regional laboratories, Rs. 22 Crore towards analytic and monitoring equipments, Rs. 12 crore for use of Information Technology for environmental activities and Rs. 2.5 crore towards environmental awareness activities have been spent. The project was expected to expire by March, 2002 but as half of the grant is still to be utilised extension of the project by two years is being sought. The outlay for Annual Plan 2002-2003 is Rs. 10.00 Crore.

## **INTERNATIONAL COOPERATION**

### **India Environment Capacity Building Project (EAP)**

18. This project was initiated in August, 1997 with the help of IDA credit of \$ 50 millions. It focuses on filling up of gaps on all aspects of environment management i.e. structural, legislative and administrative ones. Due to slow progress of the work, the project outlay has been brought down to \$29.62 millions and is now expected to culminate in June, 2003. One of the major achievements under the project will be Industrial Siting i.e. Zoning Atlas Programme under which local level mapping of many districts has been undertaken to indicate suitability of sites for industrial estates. The outlay for Annual Plan 2002-2003 is Rs. 38.00 Crore.

### **Indo-Canada Environment Facility (ICEF) (EAP)**

19. ICEF has been established as a registered society under joint funding by the Government of India (GOI) and Canadian International Development Agency (CIDA) to support projects in areas of forest conservation, eco-restoration, watershed management, water harvesting, environment education, sewerage and sanitation, renewable energy sources and environment health. There are 21 on-going projects out of which 2 projects have been completed and balance are under progress. It is expected to receive EAP funding of Canadian \$ 11 million during Tenth Plan. The outlay for Annual Plan 2002-2003 is Rs. 0.01 Crore.

### **Government of India-UNDP-CCF Programme (EAP)**

20. It is a UNDP supported programme under the Country Cooperation Framework-I with focus on equity, poverty alleviation and human resource development and is on-going since 1997. This External Aided Project (EAP) has total outlay of US \$ 8.1 million. The funds are routed through budget and UNDP gives this amount as grant. An outlay of Rs. 3 crore has been allocated for the Annual Plan 2002-2003.

### **Global Environment Facility (GEF) (EAP)**

21. This EAP scheme is a financial mechanism to achieve global environment benefits in the areas of Bio-Diversity, Climate Change, International Waters & Ozone layer depletion and Land Degradation. It is a cooperative venture among national governments, World Bank, UNEP, FAO, ADB etc. and is functional since 1994. A fund of US \$ 167 million has been programmed for India. The outlay for Annual Plan 2002-2003 is Rs. 0.01 Crore.

### **Canada Assisted Centre for Excellence in Environmental Science, Technology and Policy (EAP)**

22. A new scheme launched with the objective of setting up of a Centre of Excellence to strengthen India's capacities to address science, policy and technology aspects of global, trans-boundary and national environmental issues. It is expected to receive CIDA assistance of US \$ 2 lakhs initially for this project. The outlay for Annual Plan 2002-2003 is Rs. 0.10 Crore.

### **Indo-German Technical Co-operation Project (EAP)**

23. A new scheme on Advisory Services in Environmental Management launched with assistance of GTZ with an initial funding of Rs. 6 crore for the period 2001-2004. An outlay of Rs. 50 lakh has been provided for the Annual Plan 2002-2003.

### **Information Technology (IT)**

24. As a policy, Government of India has prescribed 2-3% of the plan budget should be ear-marked for Information Technology. The Ministry of Environment & Forest, besides investment on ENVIS has taken up various IT related networking activities in the environmental field including *e-governance*. The outlay for Annual Plan 2002-2003 is Rs. 3.00 Crore.

### **NATIONAL RIVER CONSERVATION DIRECTORATE**

#### **National River Conservation Plan (NRCP) (EAP)**

25. NRCP is a major scheme of the Ministry under which cleaning of 27 rivers has been taken up in 153 towns across the country. The scope of the scheme mainly covers construction of Sewage Treatment Plants, provide proper diversions of open drains to treatment plants, construction of public toilets on the banks of rivers etc. so as to prevent discharge of untreated water and other wastes into the major rivers. River Cleaning Action Plans for the river Ganga were initiated as early as 1985. Various pollution abatement works under the Ganga Action phase I have been completed. Ganga Action Plan Phase II (merged with National River Conservation Plan since 1996) is in progress. National River Conservation Plan also includes schemes for other rivers i.e. tributaries of Ganga like Gomti, Damodar, Yamuna and other rivers like Godavari, Cauvery, Narmada, Krishna, Mahanadi, Tapti, Satluj etc. taken up mainly during Ninth Plan. The progress of river cleaning programmes, however, has been slow due to delay in site allocation by the State Government and other administrative reasons. To give impetus to River Cleaning Programmes, one of the monitorable targets for the Tenth Plan has been set as **“Cleaning of major polluted rivers by 2007 and other notified stretches by 2012.”** The outlay for Annual Plan 2002-2003 is Rs. 259.00 Crore including Rs. 75 Crore of External Aid.

#### **National Lake Conservation Plan (NLCP)**

26. In addition to cleaning of rivers, action has been initiated to clean and maintain the major lakes of the country. Originally 10 lakes were selected for this scheme but more lakes have been added to the list based on the availability of the funds and priority attached to cleaning of other un-identified lakes. The outlay for Annual Plan 2002-2003 is Rs. 30.00 Crore.

The brief status on the various projects undertaken till date is given below :

	<b>Lake</b>	<b>Project cost (Crore)</b>	<b>Status</b>
1.	Powai	6.62	Project approved and work started.
2.	Ooty	1.95	Project approved and work started.
3.	Bellandur lake, Bangalore	5.54	Under approval
4.	Other Bangalore lakes	12.32	Project approved and work started.
5.	Kodai Kanal	6.33	Project approved and work started.
6.	RabindraSarovar, Kolkata	6.96	Under approval
7.	Mansagar Lake, Jaipur	22.89	Under approval
8.	Nainital lakes	100.00	Project under consideration.

#### **New schemes:**

27. The major task of the Ministry of Environment and Forests has been regulatory, monitoring and capacity building, all of which require no major outlays. Some new schemes have been proposed by the Ministry for Tenth Plan like Environmental Health, Climate Change, State of Environment project, Strengthening of Plan Co-ordination, etc. However, all these schemes require small outlays and, in line with the existing dispensation of Zero Based Budgeting (ZBB), these schemes would be merged with on-going schemes wherever feasible.

#### **Financing of the schemes**

28. Most of the schemes require budgetary support. Only a few schemes have spill-over of external aid which will continue during the Annual Plan. It is also expected that additional external funding will be available for the projects under NRCP. A summary of the external funding for the Annual Plan 2002-03 is given below.

**Rs Crore**

	<b>External Aid component</b>	<b>NBS</b>	<b>GBS</b>
Industrial pollution prevention project	10.00	0	10.00
India Environment Capacity Building Project	38.00	0	38.00
Indo Canada Environment Facility	0.01	0	0.01
GOI-UNDP Env. Mgmt. Project	3.00	0	3.00
Global Env. Facility	0.01	0	0.01
INDO-German Tech. Coop. Project	0.50	0	0.50
State of Environment Scheme	1.25	0	1.25
NRCP	75.00	184.00	259.00
<b>Total</b>	<b>127.77</b>	<b>184.00</b>	<b>311.77</b>

## **FORESTRY AND WILDLIFE**

### **Forestry**

29. Forests play an important role in environmental and economic sustainability. They render numerous goods and services, and maintain life-support systems so essential for life on earth. However, forests are consistently and seriously undervalued in economic and social terms. For example, the contribution of the forestry sector to GDP was only 1% in 1996-97 (measured at constant prices of 1980-81). A latest estimate of gross value of goods and services provided by forestry sector fixes its contribution to GDP at 2.37%.

30. The forest resource of our country is under tremendous pressure. Intensified shifting cultivation, indiscriminate removal of timber, fuel-wood, fodder and other forest produce, forest fire and encroachments are attributed to forest degradation and deforestation. Forests meet nearly 40% of the energy needs and 30% of the fodder needs of the country. It is estimated that about 270 million ton of fuel-wood, 280 million ton of fodder, over 12 million m<sup>3</sup> of timber and countless non-wood forest products are removed from forests annually. The future management strategy must, therefore, take into account this compelling need for meeting the requirements of the community.

31. Ministry of Environment and Forests is the nodal agency for planning, promotion, coordination and overseeing the implementation of various forestry programmes in the country. The outlays under the forestry and wildlife sector in state plans are around 1 per cent. It includes externally aided projects.

32. Based upon the Zero Based Budgeting Exercise, 12 ongoing schemes of the Forestry Sector in the Ninth Plan have been merged/weeded out to 9 schemes. No new scheme in the Forestry Sector has been incorporated in the Tenth Plan. The major schemes of the Forestry Sector are :

## **FORESTRY RESEARCH, EDUCATION AND TRAINING**

### **Indian Council of Forestry Research & Education (ICFRE), Dehradun**

33. ICFRE is the premier Forestry Research Organisation of the country with the mandate to formulate, organise, direct, and manage forestry research, transfer of technology to states and other user agencies and impart forestry education. The Council has eight research institutes and three advanced centres to cater to the research and extension needs of different bio-geographical regions of the country. A comprehensive National Forestry Research Plan (NFRP) has been prepared and research priorities have been identified in co-ordination with State Forest Research Institutes.

34. There are a number of research facilities outside the ICFRE network under the auspices of different agencies such as the Kerala Forest Research Institute (Peechi), Indian Plywood Industries Research and Training Institute (Bangalore), and forestry faculties of State Agriculture Universities. In addition, State Forest Departments have research divisions to address their practical problems. An increasing number of private companies and non-government organisations (NGOs) are funding their own research in areas such as

tree breeding, medicinal plants and NWFPs. The Budget Estimate of ICFRE for Annual Plan (2001-02) was Rs 46.00 crore. The outlay for Annual Plan (2002-03) is Rs 35.00 crore.

### **Indian Plywood Industries Research & Training Institute (IPIRTI), Bangalore**

35. IPIRTI, an autonomous body of Ministry of Environment & Forests, is a premier institute engaged in research and training activities on mechanical wood industries technology. The Institute, over the years has built up excellent facilities for carrying out research in wood based panel materials as well as for imparting training to the aspirants of mechanical wood industries.

36. IPIRTI has successfully developed technologies for Bamboo Mat Board (BMB) and Bamboo Mat Veneer Composite (BMVC), which are not only environment friendly but also people friendly (as mat weaving creates additional employment opportunities for rural/ tribal women). The Institute has also developed technology for bamboo mat corrugated sheets under a project sponsored by Building Material Technology Promotion Council (BMTPC) of India, having immense potential as alternative roofing material. The Budget Estimate of IPIRTI for Annual Plan (2001-02) was Rs 0.90 crore. The outlay for Annual Plan (2002-03) is Rs 2.00 crore.

### **Indian Institute of Forest Management (IIFM), Bhopal**

37. IIFM an autonomous institute of Ministry of Environment & Forests, has established itself as a pioneer institute in the area of environmental management, forestry and allied sectors not only in the Indian subcontinent but internationally. It is one of the nodal institutes in Information Technology for natural resource management and other sectors like environmental management and rural development.

38. The Institute undertakes two educational programmes: Post-Graduate Diploma in Forestry Management (PGDFM), and Post Master Course in Natural Resource Management (PMCNRM). It provides an excellent forum to serve the requirements of in-service managers from government departments, industries, academic institutions, financial institutions and voluntary organisations associated with natural resource development. The Institute undertakes collaborative research with national institutions, organisations and overseas governments and institutions. The multidisciplinary nature of the Institute enables it to offer consultancy services to organisations in the field of environment, forestry, natural resource management and rural development. The Budget Estimate of IIFM for Annual Plan (2001-02) was Rs 2.80 crore. The outlay for Annual Plan (2002-03) is Rs 3.00 crore.

### **Forestry Training**

39. Indira Gandhi National Forest Academy (IGNFA), Dehradun, is a premier institute for imparting professional training to the Probationers of the Indian Forest Service (IFS). The Academy also conducts professional courses and compulsory training courses for the IFS officers on varied subjects.

40. Government of India has been sponsoring compulsory in-service training courses for IFS officers in various disciplines for their capacity building and knowledge updation in the



modern tools of development in the premier institutes located throughout the country. The Directorate of Forestry Education is a subordinate office of the Ministry of Environment & Forests and is responsible for imparting basic training in forestry to State Forest Service Officers and the induction training of Ranged Forest Officers promoted as Assistant Conservator of Forests in the State Forest Service Cadres. It also organises special training courses in the forestry and allied subjects for the serving State Forest Service Officers and Ranged Forest Officers of the States and Union Territories. The total Budget Estimate for the Annual Plan (2001-02) was Rs 7.38 crore. The outlay for Annual Plan (2002-03) is Rs 10.00 crore.

### **Forest Survey of India (FSI)**

41. Forest Survey of India (FSI), Dehradun is entrusted with the responsibility of survey of forest resource in the country. FSI assesses the forest cover biennially using remote sensing technology. The first report of FSI was published in 1987 using Landsat data of US satellite through visual interpretation technique on 1:1 million scale. The latest State of the Forest Report 1999 is the seventh in the series. In the present assessment, digital method of interpretation has been used for 13 states. This method could not be applied to the entire country due to inadequate infrastructure. The introduction of the advanced digital image processing system has helped in reducing the time lag between preparation of the report and procurement of satellite data. The Budget Estimate for Annual Plan (2001-02) was Rs 5.00 crore. The outlay for Annual Plan (2002-03) is Rs. 7.00 crore.

### **Forest Protection**

42. The scheme on 'Introduction of Modern Forest Fire Control Methods' later restructured as Forest Fire Control and Management Scheme' is being implemented since the 8<sup>th</sup> plan period. The other scheme 'Forest Protection' is under implementation since 9<sup>th</sup> plan period. These two schemes have been merged since the 10<sup>th</sup> Plan and the new scheme is called as 'Integrated Forest Protection Scheme'. The scheme includes the components such as forest fire control and management, survey and demarcation, and infrastructure development. The outlay for Annual Plan (2002-03) is Rs. 65.00 crore.

### **WILDLIFE**

43. Based upon the Zero Based Budgeting Exercise, 11 ongoing schemes of the Wildlife Sector in the Ninth Plan have been merged/weeded out to 7 schemes. One new scheme namely Protection of Wildlife outside Protected Areas has been incorporated in the Tenth Plan. The major schemes of the Wildlife sector are as below:

### **Eco-development around National Parks and Sanctuaries - EAP**

44. India Eco-development Project is being implemented in seven Protected Areas with the assistance of International Development Agency (IDA) and Global Environment Fund (GEF). The Budget Estimate for Annual Plan (2001-02) was Rs 64.75 crore. The outlay for Annual Plan (2002-03) is Rs 45.00 crore.

### **Project Tiger**

45. 'Project Tiger' is a Centrally Sponsored Scheme. The states receive 100% financial assistance for non-recurring items and 50% for approved recurring items. The scheme was launched in 1973 on basis of the recommendations of a special task force of the Indian Board for Wildlife. At present, there are 27 tiger reserves spreading over 14 states and covering about 3.77 million ha area. The Budget Estimate for Annual Plan (2001-02) was Rs.19.00 crore. The outlay for Annual Plan (2002-03) is Rs 26.00 crore.

### **Project Elephant**

46. 'Project Elephant' is a Centrally Sponsored Scheme to assist States having free ranging population of wild elephant to ensure long term survival of identified viable populations in their natural habitats. States are provided financial as well as technical and scientific assistance. The scheme is being implemented since 1991 and nine elephant reserves have so far being constituted. The Budget Estimate for Annual Plan (2001-02) was Rs 9.00 crore. The outlay for Annual Plan (2002-03) is Rs. 9.00 crore.

### **Development of National Parks and Sanctuaries**

47. It is a Centrally Sponsored Scheme to facilitate better management of National Parks and Sanctuaries. There are 90 National Parks and 490 Sanctuaries in the country covering an area of 1.56 lakh sq. kms. . 100% financial assistance is provided for non-recurring items and 50% for recurring items. Eco-development support to Protected Area Management has helped to improve the socio-economic condition of the local communities and also made them sensitive to the needs of conservation. The Budget Estimate for Annual Plan (2001-02) was Rs 21.70 crore. The outlay for Annual Plan (2002-03) is Rs 31.00 crore.

### **Wildlife Institute of India (WII), Dehradun**

48. WII, an autonomous institute of Ministry of Environment & Forests conducts research on the ecological, biological, socio-economic and managerial aspects of wildlife conservation. The research projects generate valuable scientific data, help evolve study techniques relevant to the Indian ground condition, and also create a group of trained field biologists, socio-economist and wildlife managers. The Institute imparts training to government and non-government personnel and provides suggestions on matters of conservation and management of wildlife. The Budget Estimate for Annual Plan (2001-02) was Rs 5.00 crore. The outlay for Annual Plan (2002-03) is Rs 7.00 crore.

### **Central Zoo Authority**

49. The Central Zoo Authority (CZA) was created in 1992 to check the mushrooming of ill planned and ill conceived Zoos, monitor and evaluate the existing Zoos and to suggest ways and means for improvement of Zoos. The Authority has been given the mandate of providing technical and financial assistance to the Zoos to enable them to attain the stipulated standards under the Zoo Recognition Rules and de-recognise the Zoos which are found to be non- viable. The grant-in-aid to National Zoological Park , an ongoing scheme

in the Ninth Plan has been merged with the CZA. The Budget Estimate for Annual Plan (2001-02) was Rs 13.95 crore. The outlay for Annual Plan (2002-03) is Rs 11.00 crore.

### **National Afforestation and Eco-development Board (NAEB)**

50. NAEB has the mandate of promoting afforestation, tree planting, ecological restoration and eco-development of degraded forests and lands adjoining forest areas, national parks, sanctuaries and other protected areas. Based upon the Zero Based Budgeting Exercise, 12 ongoing schemes of the National Afforestation and Eco-development Board (NAEB) in the Ninth Plan have been merged/weeded out to 3 schemes. Two new scheme namely Greening India and National Action Plan to Combat Desertification have been incorporated in the Tenth Plan. Major schemes of the NAEB are as below:

#### **National Afforestation Programme**

51. National Afforestation Programme has been evolved by merging a number of ongoing schemes viz. Integrated Afforestation and Eco-development Projects Scheme (IAEPS), Area Oriented Fuelwood and Fodder Projects Scheme (AOFFPS), Conservation and Development of Non-Timber Forest Produce including Medicinal Plants ( NTFPS ) and Association of Scheduled Tribes and Rural Poor in Regeneration of Degraded Forests ( ASTRP ). The programme is to be implemented through a two-tier set up comprising Forest Development Agencies ( FDAs ) and Joint Forest Management Committees (JFMCs). FDA will be constituted at the territorial/ wildlife forest division in all 775 such divisions in the country by the end of the Tenth Plan. The new scheme was implemented in the first phase as pilot project for the years 2000-01 and 2001-02 in some states. Based on the experience and wide acclamation of the project, it has been decided to implement the new scheme universally from the Tenth Plan. The outlay for the Annual Plan ( 2002-03 ) is Rs. 175.25 crore.

#### **Eco-development Forces**

52. These comprise of ex-servicemen and are commanded by serving JCOs and Commissioned Officers. Forest Departments of the State Governments, in which these are located, provide technical support. The activities undertaken include afforestation, pasture development, soil and water conservation and other restorative works. The Budget Estimate for the Annual Plan (2001-02) was Rs. 9.75 crore. The outlay for the Annual Plan ( 2002-03 ) is Rs. 10.00 crore.

#### **Animal Welfare**

53. The scheme of Animal Welfare , an ongoing scheme of the Ninth Plan has been transferred from the Ministry of Statistics and Programme Implementation to the Ministry of Environment & Forests from the year 2002-03. The outlay for the Annual Plan (2002-03) is Rs. 20.00 crore. The Annual Plan 2002-2003 outlays for all schemes under the Environment and Forest Sector are given in Annexure.

## Annexure-9.1.1

<b>Sector</b>	<b>10<sup>th</sup> Plan Outlay</b>	<b>2000-01 Actual</b>	<b>2001-02 Outlay</b>	<b>2001-02 Anticipated Expdr.</b>	<b>2002-03 Outlay</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
Environment	1200.00	106.13	212.82	130.84	229.00
National River Conservation Directorate (NRCD) & others	1670.00 #	86.70	190.95	255.95	295.00
Forests	800.00	61.26	118.43	45.45	129.00
Wildlife	800.00	54.18	141.15	68.56	136.00
National Afforestation & Eco- Development Board (NAEB) & others	1300.00	101.47	136.65	149.80	201.00
<b>Total</b>	<b>5770.00</b>	<b>470.94*</b>	<b>800.00</b>	<b>651.50 **</b>	<b>990.00</b>

\* Includes Rs. 1.2 crores for Tree and Pasture Seed Development Scheme (TPSDS) and Rs. 60 crores as Lump Sum for North East.

\*\* Includes Rs. 0.9 Crore for TPSDS

# Rs. 70 Crores approved for conservation of Nainital Lakes under NLCP

**Schemewise Break-Up Of Outlay And Expenditure For  
Environment Sector and NRCD Schemes**

Rs. Crore

Sector	10 <sup>th</sup> Plan Outlay	2000-01 Actual	2001-02 Outlay	2001-02 Anticipated Expdr.	2002-03 Outlay
1	2	3	4	5	6
<b>ENVIRONMENT SCHEMES</b>					
Abatement of Pollution	334.67	47.99	30.90	49.90	55.57
Environmental Impact Assessment	38.00	2.83	11.10	8.60	6.00
Conservation & Survey	307.00	26.47	34.29	33.76	45.00
Research & Eco-Regeneration	24.00	3.57	19.10	3.33	4.00
Environmental Education Training and Environmental Information	231.00	18.33	19.55	23.13	37.00
Policy & Law	80.00	2.40	40.55	4.05	19.00
International Cooperation	95.03	1.25	39.13	1.15	42.52
Information Technology	25.00	1.99	5.00	5.00	3.00
Civil Engineering	12.00	1.30	0.00	1.92	2.00
New Schemes	53.30	0.00	0.00	0.00	14.91
Capital Provisions for ecology and environment	0.00	0.00	13.20	0.00	0.00
<b>Total (Environment Schemes)</b>	1200.00	106.13	212.82	130.84	229.00
<b>NRCD SCHEME</b>	1670.00	86.70	190.95	255.95	295.00
<b>OTHERS (Tree &amp; Pasture Seed Dev. Scheme)</b>	0.00	1.20	0.00	0.90	0.00
<b>GRAND TOTAL (ENV. + NRCD + OTHERS)</b>	2870.00	194.03	403.77	387.69	524.00

**Scheme-wise break-up of Outlay and Expenditure of the Forestry,  
Wildlife and NAEB Sectors**

Rs. Crore

<b>Sector</b>	<b>10<sup>th</sup> Plan Outlay</b>	<b>2000-01 Actual</b>	<b>2001-02 Outlay</b>	<b>2001-02 Anticipated Expdr.</b>	<b>2002-03 Outlay</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
Forestry Research, Education & Training	286.00	51.71	57.08	33.35	50.00
Forest Survey of India	35.00	4.00	5.00	6.00	7.00
Forest Policy		0.15	7.35	0.20	-
Forest Protection	445.00	-	17.25	-	65.00
Strengthening of Forest Division	34.00	5.40	6.00	5.90	7.00
Forestry Infrastructure (NE)	-	-	25.75	-	-
<b>Forestry -Total</b>	800.00	61.26	118.43	45.45	129.00
<b>Wildlife-Total</b>	800.00	54.18	141.15	68.56	136.00
<b>National Afforestation &amp; Eco-Dev. Board (NAEB)-Total</b>	1300.00	101.47	136.65	149.80	201.00
<b>Grand Total</b>	2900.00	216.91	396.23	263.91	466.00

# CHAPTER-10

## SCIENCE AND TECHNOLOGY

1 It is well recognized that technological innovation lies at the heart of a nation's ability to sustain and accelerate the developmental efforts in the increasingly knowledge-based global economy. India has made substantial progress in a number of areas - reasonably high rates of economic growth, considerable food security, substantially high average life expectancy, growing literacy rates, success in higher education etc. Significant progress has also been made in the various spheres of science and technology over the years and India can now take the pride of a strong network of S&T institutions, trained manpower and innovative knowledgebase. Annual Plan 2002-03 being the first year of the Tenth Five Year Plan, the plans and programmes of various central scientific departments/agencies have been re-oriented in line with the Tenth Five Year Plan approach and policy with focus on important areas of basic research, technology development, demonstration and dissemination including strengthening and creation of infrastructural facilities, development of skilled and trained manpower and providing technology for societal benefits in the fields of space sciences, nuclear sciences, ocean sciences, biotechnology, scientific & industrial research and science & technology. Salient features of the achievements during the Annual Plan 2001-02 and the programmes/activities envisaged in each of these sectors during the Annual Plan 2002-03 have been highlighted in the following paragraphs.

### **DEPARTMENT OF ATOMIC ENERGY (R&D SECTOR)**

#### **Review of Achievements during the year 2001-02**

2 The Research and Development (R&D) efforts of the R&D units of the Department of Atomic Energy (DAE) are aimed at harnessing indigenous nuclear fuel resources for power and developing various non-power applications of nuclear technology. Self-reliance has been achieved in the design, construction, operation and maintenance, including repair technology of nuclear reactors of Pressurised Heavy Water Reactors (PHWRs) and associated front and back end technologies. Development of the new reactor systems having potential for breeding and for exploiting the vast reserves of thorium is being pursued vigorously. Engineering design and development activities related to Advanced Heavy Water Reactor (AHWR), which aims to utilize vast reserves of thorium in our country, has made significant progress during the year. Studies are in progress to evolve a process flow sheet for the reprocessing of AHWR fuels. Work on the critical facility for conducting reactor physics experiment for AHWR and 500 MWe PHWRs has picked up and its civil construction has commenced. Work on High Temperature Reactor was also continued. In order to design the in-core shielding for intermediate sodium heat exchangers of the 500 MWe Prototype Fast Breeder Reactor (PFBR), a series of intricate experiments were carried out by extensively utilising APSARA for optimization studies and validation of computational codes available at IGCAR by incorporating a Converter Assembly (CA) made of depleted uranium.

3. Bhabha Atomic Research Centre (BARC) developed Fuel Handling Control Training Simulator for Kaiga and handed over two Fuelling Machine heads for 220 MWe PHWRs and miniature CCTV camera for visual inspection of pressure tubes to Nuclear Power

Corporation of India limited (NPCIL). In addition, cable winch drive mechanisms for adjuster rods, control rods and shut-off rods for Tarapur Atomic Power Plant (TAPP-3 & 4) were designed by BARC incorporating a number of advanced features. The Facility for Integral System Behavior Experiments (FISBE), which was commissioned, is being utilized for experimental simulation of accident scenarios and operational transients in PHWRs. A conceptual design has been worked out for the development of a new sensor for eccentricity measurement between the metallic tubes for the Integrated Garter Spring Repositioning System Version - 2S (INGRES) and development of universal waterproof umbilical cable for INGRES was completed and successfully tested. In addition, a special machine (Guide Sleeve Cutting Machine), which is remotely operable from a distance of 50 meters, has been developed to cut the guide sleeve of the Power Reactor fuelling machine in emergency situation. A flow sheet for separation of plutonium and uranium from the product stream containing both the components after the co-decontamination extraction cycle was demonstrated at Trombay using the remote precipitation set-up and a compact ceramic melter for vitrification of high-level liquid waste was commissioned with inactive trials. An important breakthrough in technology development has been the in-house development of ultra high-speed helium turbo expanders that will enable BARC to establish helium-cryo technology hitherto not available in the country.

4. At Indira Gandhi Centre for Atomic Research (IGCAR), Kalpakkam, Fast Breeder Test Reactor (FBTR) Mark-I core, made of uranium carbide-plutonium carbide fuel developed at BARC and fabrication of Mark-II core progressed well. The design of 500 MWe sodium cooled pool type Prototype Fast Breeder Reactor (PFBR) also approached completion. Miniaturized ultra-sensitive devices and facilities for precise analytical work were successfully developed and 3D modeling of various PFBR components was carried out for animation of various sub-systems. A simulation platform was also commissioned at Kalpakkam for the full scope replica operator-training simulator of PFBR. In addition, a number of remote handling devices were developed for inspection of reactor components and a Six Axis Multi-Purpose Robot (SAMPRO) was designed and developed with the help of Indian industry for various industrial applications.

5. At Variable Energy Cyclotron Centre (VECC), Kolkata, the superconducting cyclotron reached advanced stages of construction. Fabrication of the 100 tonne main magnet frame was completed. The ECR Heavy ion source was operated to develop new ion beams for the cyclotron. Some front line experiments in the field of surface sciences were carried out. All components of the new injection line between this source and the cyclotron were fabricated. A 40 kW, 35 MHz Radio Frequency (RF) transmitter was commissioned and full power tests were conducted. The low power level and phase control circuit for the same was also successfully developed and tested at Society for Applied Microwave Electronic Engineering and Research SAMEER, Mumbai.

6. The 450 MeV synchrotron radiation source Indus-1 at Centre for Advanced Technology (CAT), Indore, operated satisfactorily. Out of the six beamlines for Indus-1, three are now operational. Significant progress was made in the construction of Indus-2, a 2.5 GeV electron storage ring with the designing of several components and two beamlines. Construction of the superconducting LINAC booster of the Pelletron accelerator at Mumbai, also progressed well. Under the CERN-India collaboration for the Large Hadrons Collider, 250 super conducting corrector magnets, Precision Magnets Positioning Jacks, 60 Quench Projection Heater Power Supplies, 8 Quench Protection System Circuit



Breakers were delivered to CERN. Development of a 2W diode pumped solid state laser, assembly of a table-top terawatt laser with microprocessor based control system and a laser setup for laser cooling and trapping of atoms were some of the other noteworthy achievements of CAT.

7. A wide variety of reactor produced radioisotopes for application in medicine, industry, agriculture and research were processed and supplied. Two new radiopharmaceuticals have been cleared for treatment of arthritis and a radioisotope with high specific activity and excellent radio-nucleic purity suitable for use in palliative therapy of bone pain due to metastasis was developed. Clinical trial reports of hydro-gel dressings have been received from the user hospital certifying the satisfactory performance of hydro-gels as wound dressings. Gamma scanning was successfully employed for trouble shooting of one 9.5 m diameter column of Mangalore Refinery & Petrochemicals Limited (MRPL), Mangalore, leading to avoiding of huge production losses due to reduced shutdown period. Clearance for radiation processing of sea foods (fresh, dried and frozen form) and pulses for domestic consumption and export has been received from Ministry of Health and Family Welfare. The construction of Electron Beam (EB) Centre at Kharghar, Navi Mumbai is in advanced stage and the development of accelerators is also progressing well.

#### **Major programmes for the year 2002-03**

8. During the Annual Plan (2002-03), major activities of BARC include: completion of development of various systems and components of AHWR under the Advanced Reactor Development Programme; procurement, fabrication and construction for critical facility for AHWR & 500 MWe PHWRs; refurbishing and re-commissioning of CIRUS; construction of the Steam Generating Test Facility (SGTF) in all respects; completion of various R&D activities related to the validation of design of PFBR; commissioning of the Facility for Uranium-233 Separation (FUS) after safety clearances; revamping and augmentation of Waste Management Facilities at Trombay, Kalpakkam and Tarapur to enhance the overall performance of the existing facilities; commissioning of Organic Waste Treatment Facility (OWTF) at Trombay to treat spent organic wastes from reprocessing plant; etc.

9. At CAT all the components and sub-systems of INDUS-2 would be developed/procured and assembly of its storage ring would be nearing completion. All the vacuum chambers would be ready by middle 2002 and their chemical treatment and vacuum degassing would be completed by end of December 2002. The entire RF system is expected to be tested. CAT proposes to take up a major programme to develop a high current proton synchrotron for Accelerator-Driven Sub-critical Systems (ADSS). Design of the Linear Accelerator (LINAC) and two additional beam lines on INDUS-2 are expected to be completed during the period.

10. At VECC radioactive Ion Beam Facility-Phase I and final assembly of the two detector array namely charged Particle Multiplicity Filter and BaF<sub>2</sub> array will be completed and will be tested with the heavy-ion beam from VEC. Superconducting cyclotron building will be complete in all respect by December 2002. Cryogenic delivery system will be ready and the helium plant will be shifted from the present temporary location to the new building. Photon Multiplying Detector (PMD) will be fabricated and installed during 2002-2003 at Brookhaven National Laboratory for the STAR experiment. In addition, Vision Systems Facility for Materials Characterisation and Automated Inspection, performance,

testing and field trials of Artificial Visual Systems, Automatic Inspection and Machine Vision Systems will be completed.

11. Other important R&D activities of DAE during the Annual Plan 2002-03 include: procurement of lead cell equipment; design and development of equipment for Post Irradiation Examination (PIE); setting up of ultra high vacuum facility for preparation of ultra pure niobium metal; standardization of methods for trace & ultra trace analysis of nuclear & strategic materials and quality assurance; development of synthetic procedures for organo-metallic precursors of antimony and indium; synthesis of gram quantities of the precursor compounds for chemical vapor deposition of the metals; development of required critical equipment for decontamination plant, turbo-expanders, helium compressors for 1 kW refrigeration plant and cryo heat exchangers, cold box etc.; construction and commissioning of Nuclear Desalination Demonstration Plant (NDDP) at Kalpakkam; upgradation of Isotope Hydrology Laboratory; computer aided tomography, for advanced industrial non-destructive testing (NDT); fabrication & supply of detector array system; civil construction of Electron Beam Centre (EBC) for radiation processing of high technology products; and the commissioning of 750 kV DC accelerator along with the material handling system which would be used for irradiation studies on various materials. The radiotherapy machine based on 12 MeV Microtron will also be commissioned during this period and the 10 KW, 10 MeV LINAC will be in its final stage of assembly.

## **DEPARTMENT OF BIOTECHNOLOGY**

### **Review of Achievements During The Year 2001-2002**

12. During the Annual Plan 2001-02, National Centre for Plant Genome Research (NCPGR), National Brain Research Centre (NBRC) and National Bio-Resource Development Board (NBDB) have been made fully operational. The National Bioresource Development Board (NBDB) has adopted resource based as well as region-based approaches to make digitized inventories of economically important species other than medicinal plants. Major programmes on genomics including microbial, structural, functional and computational genomics and DNA micro array tool to understand differential expression of genes, silk worm genome, sequences of rice chromosome and sequencing of pathogens have received a big fillip. The guidelines for transgenic plants for Research and Development have been revised and the ethical policy document on "Human genome, genetic research and services" has been published for use by the scientists. National Facility for Containment and Quarantine of Transgenic Planting materials, Patent Facilitating Cell, International Depository Authority for micro organisms and National facility for virus diagnosis of tissue culture raised plants have also been made operational. Technology for diagnostics kits for HIV, Hepatitis-C, Dengue, Japanese Encephalitis, Alfafeto-protein, Hepatitis-A, Reproductive hormones and Banana Bunchy Top virus have been transferred to industries. In addition, several packages for bio-fertilizers, plant tissue culture protocols and bio-remediation technologies have also been given to industries for commercialisation. Recombinant candidate anthrax vaccine for use in humans is being upscaled by one of the industries. Biotechnology programmes for societal benefits have been focused in order to help the target population in rural areas particularly women, SC/ST and weaker sections. The Women Biotechnology Park at Chennai and a Bio-Village at Mocha, Gujarat have made significant progress.

13. In Agriculture Biotechnology, two molecular diagnostic tools for rapid detection bacterial disease in cotton have been developed. Effective modules/packages that are cost effective, sustainable and eco-friendly have been developed through a network programme on Integrated Pest Management and Integrated Nutrient Management for increasing agriculture productivity in existing cropping systems of various agro-climatic zones. About 50,000 farmers benefited through training programmes and extension activities and around 1600 handouts in regional languages were released. Several biopesticide technologies have been developed based on the large-scale field efficacy. Patents have been filed for the mass production technologies of biocontrol agents and their product formulations. Twenty tissue culture protocols of forest, horticultural/plantation crops have been standardized and ten have been scaled up for large-scale production and commercialization. More than 10 million plantlets of tree species have been field planted in an area of 8500 ha. The vegetation mapping and landscape biodiversity characterization of the Andaman and Nicobar islands have been undertaken. Twenty-four genes with implications on stress tolerance have been isolated and a novel cold resistant gene has been identified. US patents have been filed for both of them.

14. In the field of medical biotechnology, the three PCR based diagnostics for tuberculosis have been validated and are ready for commercialisation. A unique mechanism of transport of anti-malarial drug has led to identification of molecules as a possible new drug target. A combined physical and genetic map of whole of the genome of *Shigella dysentery* has been constructed for the first time. Twenty-one diagnostic technologies have been developed and twelve have been transferred to industries for upscaling and commercialisation. Two HIV diagnostic test systems and one Hepatitis-C diagnostics test system have been launched in the market. Significant progress has been made on developing technologies for vaccines for Rabies, Cholera, Malaria, Tuberculosis, Japanese Encephalitis and HIV infections. A formulation consisting of DNA and small amount of protein from the tissue cultured grown rabies virus has completed trials in dogs and cattle and is likely to be made available soon in the market to control rabies in dogs. Under the Indo-US Vaccine Action Programme, the rota virus candidate is ready for clinical trials following clearance from the Drugs Controller General of India. A technology for heat killed whole cell vibrio vaccine, which elicited a strong immune response in shrimp, has been transferred to industry. Immunodiagnostic kits have been developed for detection of four bacterial fish pathogens. A demonstration bioreactor plant for biotreatment of gold ores and concentrates was established at Hutti Gold Mines. This has paved the way for commercial utilization of the bioleaching process for gold recovery and also for other metals like silver, cobalt, copper and zinc.

15. The autonomous institutions namely National Institute of Immunology (NII), New Delhi; National Centre for Cell Science (NCCS), Pune; Centre for DNA Fingerprinting and Diagnostics (CDFD), Hyderabad, National Centre for Plant Genome Research (NCPGR), New Delhi and National Brain Research Centre (NBRC), Gurgaon are involved in pursuing basic and applied research leading to generation of new knowledge, products, patents and publication of papers with high impact factor. During the year, an Institute of Bioresources and Sustainable Development (IBSD) has been established at Imphal, Manipur to develop and utilize the rich bioresources of NE India using tools of Biotechnology.

## Activities and Programmes for the Year 2002-2003

16. Besides the ongoing programmes of human resource development, new Post Graduate courses in industrial, environmental, medical and marine biotechnology will be started. New sophisticated biotech facilities like NMR, microarrays, transgenic containment facilities and centers of excellence in biomedical research, marine biotechnology and plant sciences will be taken up and the International Depository Authority would be made fully operational.

17. In agriculture biotechnology, the rice genome sequencing programme would continue and network projects on abiotic stress in rice, improvement of crops like sorghum and chickpea, multi-centric programmes related to buffalo genome, transgenics in farm animals, diagnostics for animal disease, network programme on development of transgenic microbial biofertiliser inoculants, biological Control of pests and diseases of stored grains and food, development of insecticides of plant origin and use of pheromones and improving shelf life of horticulture crops would be initiated. National Bio-resource Development Board would continue its projects on digitized inventories of animal, plant and microbial resources. Leads obtained from bioprospecting and herbal product development programmes would be pursued further for product and process development. Plant Tissue culture consortia would be established net working all existing facilities, besides, Large scale micropropagation and cultivation of medicinal and aromatic plants, coffee, tea, spices, apple and citrus for high quality planting material for cultivation by farmers.

18. In medical biotechnology, research and clinical trials for development of vaccines related to rabies, cholera, malaria and HIV/AIDS will be pursued for logical conclusion for generation of vaccines. New programmes on advance research in stem cell biology and clinical applications will be undertaken. Projects on new drugs through combinatorial chemistry and high sequencing throughput by molecular tools, diagnostics of respiratory disorders and basic research on mechanism of infection will be taken up. Special projects on molecular approaches to understand disorders like diabetes, coronary heart diseases, regenerative diseases and cancer will be initiated. Programmes under human genome and genetic analysis such as pharmacogenomics, molecular genetic studies relating to cancer, microarray studies of gene expression and gene therapy research will also be started.

19. In the area of environmental biotechnology, new projects relating to cleaner technologies and substitution of non-renewable resources and pollution monitoring will be taken up. In the field of microbial and food biotechnology, new projects pertaining to microbial biodegradation of plastic waste, testing of genetically manufactured foods, DNA chip etc., would be taken up. Bioinformatics programme would continue with increased thrust on development of software and R&D.

20. At National Institute of Immunology (NII), New Delhi and National Centre for Cell Science (NCCS), Pune besides continuing the major research activities, new R&D programmes and facilities in health care will be taken up. Centre for DNA Fingerprinting and Diagnostics (CDFD), Hyderabad would continue its major service component involving DNA fingerprinting of forensic cases, besides establishing a disaster management cell. The building construction of National Brain Research Centre (NBRC), Gurgaon and National Centre for Plant Genome Research (NCPGR), New Delhi would be continued and networking of neuroscience laboratories will be further strengthened.

## OCEAN SCIENCES

### Review of Achievements During the Year 2001-2002

21. One of the major events during 2001-02 was India's election as Vice-Chairman of Inter-governmental Oceanographic Commission and participation in several international meetings relating to Antarctica, Polymetallic nodules etc. The XXI Indian Scientific Expedition to Antarctica was launched from Cape Town, South Africa. The major scientific objectives of this expedition encompassed a wide spectrum of pure and applied sciences, ranging from atmospheric sciences and meteorology to biological, environmental, medical and earth sciences. Besides continuing some of the ongoing scientific and logistics projects initiated during the earlier years, the XXI expedition initiated some new scientific experiments which include monitoring of green-house gases and radiation at Maitri and boundary-layer at ice-air-ocean interface over the India Bay, surface isotopic variation and mixing in the fresh snow in Antarctica, hydrographic surveys in the Antarctic waters etc. Under the drugs from the sea programme, rodent toxicity testing of three candidate preparations was completed.

22. Under the Polymetallic Nodules programme, an additional 20% of the pioneer area was relinquished to the International Sea Bed Authority as a part of the International obligation. The required environmental impact assessment study prior to exploitation of nodules were continued. Under the Technology Development programme for mining, development of manipulator for underwater operation and testing of materials for deep sea operations etc. were carried out, besides testing of an upgraded version of Remotely Operated Vehicle (ROV), developed by Central Mechanical Engineering Research Institute (CMERI), at a water depth of 200 m off Chennai Port. Under the Metallurgy programme, the erection & commissioning of demonstration pilot plant at 500 kg/day capacity nodules throughput at Hindustan Zinc Limited (HZL), Udaipur, for validation of the flow sheet developed by Regional Research Laboratory (RRL), Bhubaneswar and Bhabha Atomic Research Centre (BARC), Mumbai was in progress. Other studies relating to the extraction efficiencies for metals were also continued. Assessment of the levels of pollution at 34 locations including 12 areas of hot spots and determination of pollution dynamics in the coastal waters of Mangalore, Visakhapatnam and Paradeep was carried out under the Coastal Ocean Monitoring And Prediction System (COMAPS). Coastal Research Vessel (CRV) Sagar Purvi & Sagar Paschimi carried out 40 cruises for pollution monitoring both in the east and west coast and a special survey using multi beam eco sounder was conducted for Tuticorin harbour area as an aid for navigation. Some of the important achievements under the Integrated Coastal & Marine Area Management (ICMAM) programme include: development of Geographical Information System (GIS) for coastal habitats; determination of Waste Assimilation Capacity for Tapi estuary and Ennore coastal waters; development of Environmental Impact Assessment (EIA) guidelines for waste disposal and tourism; and preparation of Draft ICMAM plan for Chennai. Training programmes were also conducted on application of Geographical Information System (GIS) for the management of coastal habitats.

23. National Institute of Ocean Technology (NIOT) carried out studies on 1 MW Ocean Thermal Energy Conversion (OTEC) plant and a final report on the pilot scale demonstration of technology for 1 MW OTEC plant was prepared. A water desalination plant was also commissioned at Vizhinjam. The activities under deep sea technologies and ocean mining include: *In-situ* measurement of soil properties at Indian nodule mining site at

6000 meter water depth, mining applications development using underwater crawler vehicle, development of underwater thrusters, smart solids handling jet pump etc. Marine instrumentation development programme led to the development of second generation State-of-the-art Acoustic Tide Gauges, Prototype Acoustic Sub-system Profiler transducer with improved band width, deep-water prototype Acoustic Pinger system etc., besides establishment of test and calibration procedure for underwater transducers.

### **Activities And Programmes for the Year 2002-2003**

24. During the Annual Plan 2002-03, XXII Indian Scientific Expedition to Antarctica would be launched and activities for setting up a second permanent Indian station in Antarctica would be initiated, besides development of core-competence and research programmes in the fields of Polar Remote Sensing, Southern Ocean Oceanography & Paleoclimatology. A multi-institutional and multi-disciplinary cruise of about 100 days duration would be undertaken in the Southern Ocean by chartering an ice-class vessel with facilities for acquisition of oceanographic data and retrieval of sediment cores. Under the Drugs from the sea programme the regulatory pharmacology and toxicology of the anti-diabetic and anti-diarrhoeal leads would be completed.

25. The activities under the Polymetallic Nodules programme would include: updating of geo-statistical resource evaluation in the retained area; survey using multi-frequency exploration system along the selected profiles for identifying and validating the trends of higher abundance of nodules at the retained area at Central Indian Ocean Basin (CIOB); EIA studies by collection of samples at the test and reference areas; deployment of underwater mining system for collecting manganese nodules including development of collector and crusher and its interpretation; detailed design of the soil tester; fabrication of mechanical frame, assembly and integration of hydraulic power pack, etc; development of design concept for underwater collection system and integrated deep-sea mining system for mining manganese nodules from 6000 m depth; modification of crawler hydraulics with adequate cooling arrangements; preliminary demonstration of performance of crawler in a suitable site and development of components / experimental investigations on deep sea technologies. Under the Remotely Operable Vehicle programme, activities such as preparation of a detail design report for ROV subsystems, Cage subsystems, Handling, Console subsystems and Control van subsystems, and their fabrication will be carried out. The National Metallurgical Laboratory (NML), Jamshedpur will continue the work on the process package development for extraction of manganese from the leach residue. In addition, a number of supporting studies refining the processing technologies for improvement of the recovery of metal values would be initiated.

26. Some of the other programmes envisaged during the Tenth Five Year Plan include: (i) Comprehensive Swath Bathymetry of entire exclusive economic zone (EEZ); (ii) Deep Sea Mineral Resources Exploration; (iii) Bay of Bengal Fan (BENFAN) programme.

### **SPACE SCIENCES**

#### **Review of Achievements During the Year 2001-02**

27. The successful first test flight of Geo-synchronous Satellite Launch Vehicle (GSLV) from Sriharikota on April 18, 2001 was the most significant milestone of the Indian space programme. The launch unequivocally demonstrated India's capability to place satellites

into geo-synchronous transfer orbits. India is the sixth nation in the world to achieve such a capability. The launch of GSLV is the culmination of decade-long complex development efforts involving Cryo stage, which is first of its kind to ISRO.

28. Another important milestone during the year was the successful flight of PSLV-C3 on October 22, 2001 from Sriharikota. In this fifth consecutively successful flight, PSLV placed three satellites viz., India's Technology Experiment Satellite (TES), Belgian PROBA and German BIRD into their intended Polar sun-synchronous orbit. The flight has enhanced the reliability and established the capability of PSLV to launch multiple satellites into multiple orbits. The TES satellite incorporates a panchromatic camera providing a spatial resolution of up to 1 meter and has given further fillip to advance the technology of remote sensing in India. It has enabled testing of advanced spacecraft and payload technologies of relevance for future high resolution imaging systems.

29. The indigenous Cryogenic Upper Stage Project (CUSP) crossed a major milestone this year with the successful testing of the cryo engine for 12 minutes, which is equivalent to its flight duration in GSLV. This test is the culmination of design and development efforts in multiple disciplines by ISRO in close association with industry and academia and has established capability in this sophisticated and complex technology area. The work on Second Launch Pad is progressing well and the civil works including the erection of major structures like umbilical tower, lightning protection towers, mobile launch pedestal and realisation of mechanical, process and electrical, control and instrumentation equipment are nearing completion.

30. Another important technology development during the year has been the successful testing of the High Performance composite Motor (HPM) for third stage of PSLV. This HPM will enhance the payload lift of capability of PSLV required for launching METSAT into GTO. The work on Space Capsule Recovery Experiment and GSLV Mk III project have also been initiated during the year. The Space Capsule Recovery Experiment, to be flown on PSLV in 2003-04, is intended to develop critical technologies related to the re-entry and to conduct microgravity experiments. The configuration of GSLV MK III, intended to develop a cost-effective launch vehicle capable of launching 4T INSAT type of satellites has been finalised after extensive studies.

31. The successful launching of INSAT-3C satellite on 24<sup>th</sup> January 2002 has been an important achievement during the year under INSAT programme. The spacecraft is functioning satisfactorily and has been put to operational use. INSAT-3C has augmented the INSAT space segment capacity significantly and provides fixed and broadcast satellite services and mobile satellite services for various users. Substantial progress has also been achieved in payload and spacecraft fabrication during the year for METSAT satellite, planned for launch onboard PSLV in early 2002. The satellite carries a very high resolution radiometer (VHRR) and is intended to provide meteorological data for Weather forecasts including Cyclone detection and warning.

32. The remote sensing applications continue to expand to several new areas. The data has been used to assess damage due to floods, earthquakes and for helping in relief operations. One of the important applications of IRS during the year has been the land slide hazard zonation along the important tourist and pilgrim routes in Himalayas, which was taken up to mitigate the hazards of land slides. Another important application area

during the year has been the Waste land mapping wherein the satellite imageries have been used to bring out a comprehensive wasteland atlas of India to facilitate strategic planning of wasteland development.

33. Significant progress has been achieved in the expansion of the GRAMSAT satellite based network for developmental applications. The expansion of the Jhabua network has been completed and the network now has almost 1000 Direct Reception Terminals (DRS) installed in three districts of Madhya Pradesh for developmental communications programme. GRAMSAT satellite based networks have been setup in Orissa, Gujarat, Karnataka and Goa also. The Tele-medicine mission, initiated last year, has been implemented in Karnataka and NEC also.

### **Activities And Programmes for the Year 2002-2003**

34. The main thrust of INSAT programme during 2002-03 will be to launch and operationalise INSAT-3A and 3E satellites to augment the INSAT system capacity and to undertake work on fourth generation INSAT-4 series. While the Meteorological Satellite (METSAT-1) is planned to be launched and operationalised in 2002-03 for providing regular meteorological data, substantial progress is also targeted in the development of advanced meteorological payload for INSAT-3D. Realisation of Resourcesat-1 (IRS-P6) to provide continuity of remote sensing data will be an important target during the year under IRS programme. Substantial progress is planned in Cartosat-1 (IRS-P5) project and it is targeted to complete the assembly, integration and testing of the satellite leading to the launch of the spacecraft in early 2003. The work on Radar Imaging Satellite (RISAT-1), which is intended to provide all-weather capability for crucial applications including agriculture and disaster management support, is also planned to be initiated during the year.

35. In the area of launch vehicles an important target during the Annual plan 2002-03 is the realisation of Second Launch Pad at Sriharikota including integration, testing and commissioning of the Launch Pad. The Second Launch Pad will enable operational launch services with a quick turn around time, besides providing redundancy for the existing launch pad. Under the Indigenous Cryogenic Upper Stage project, the efforts will be directed towards realisation of additional engines, completion of engine test programme and proto-stage realisation. The second development flight of GSLV-D2 carrying GSAT-2 and the operational flights of PSLV to launch METSAT and Resourcesat-1 are other important milestones in the launch vehicle area planned in 2002-03. The work initiated last year on GSLV MK-III and Space Capsule Recovery Experiment will be progressed further commensurate with their realisation schedule.

36. In the area of Space applications, the focus of the efforts will be to expand the GRAMSAT network covering more number of States including Rajasthan, NE States, Andhra Pradesh, Uttaranchal, Andaman & Nicobar, Himachal Pradesh and West Bengal. Work on various application missions such as National Drinking Water Mission, Crop production and acreage estimation, Bio-diversity characterisation and drought / flood monitoring will also be continued. Significant progress in development of Space Science payloads for wide energy band X-ray observations for ASTROSAT mission is also planned during the year.



## SCIENCE & TECHNOLOGY

### Review of Achievements during the Year 2001-2002

37. The Department of Science & Technology has continued its efforts to accelerate the pace of implementation of R&D programmes in frontier and emerging areas of Science & Technology. Science & Engineering Research Council (SERC) supported a number of R&D programmes in challenging areas particularly those, which are inter-disciplinary in nature, involving multi-institutional programme and encouraging brilliant young scientists. Seven patents have been filed on SERC funded projects so far during the year with the assistance from the Patent Facilitating Cell (PFC). A new initiative in the area of Nano-materials has been launched, which aims at strengthening R&D in basic as well as application areas of nano-materials. 120 fellows received fellowships under the Kishore Vaigyanik Prothsaan Yojana (KVPY) and 115 new projects were supported under SERC Fast Track Scheme for Young Scientists. The analog controller for Permanent Magnet Brushless motor was commercialized in collaboration with industry and is presently used for CNC applications. Improved adsorbents have been developed with higher selectivity and capacity for the separation of nitrogen, oxygen and argon from air. A major project on Electron Beam Physical Vapour Deposition Technology for thick film and thin film coatings on sophisticated and complex components has been supported with partial funding from DRDO. Setting up several research facilities was also supported during the year which include: National facility for Electron Beam PVD System at ARC-Hyderabad; NMR Facilities at IIT-Mumbai & Chennai; and Single Crystal Diffraction Facility for Structural Chemistry at IISc-Bangalore. Establishment of Low Temperature-High Magnetic field facilities; Non-linear Dynamics Unit-Phase II; extension of National Single Crystal X-ray diffractometer facility at University of Hyderabad; Large Gamma Ray Detector facility etc. were also taken up.

38. More than 200 strong motion instruments have been set up in various parts of Himalaya at selected locations for structural response studies. These instruments have generated valuable data sets on the recent major earthquakes including the latest events of Chamoli (March 1999) and Bhuj (January 26<sup>th</sup>, 2001). In order to have near-real time access to the seismological data, a project for linking up the existing seismological network and National Seismological Data Center (NSDC), IMD, through V-SATs has been sanctioned to National Informatics Center Services Inc., New Delhi. Permanent Geographical positioning System (GPS) Stations at Hanle, Almorah, Koddacanal, Leh, Dharmasala, Dehradun, Itanagar, Pune, Bhubaneswar and Trivandrum have already been established and the work is in progress at Lucknow, Jabalpur, Delhi, Shillong and Dhanbad. After the recent Bhuj Earthquake, the Department of Science and Technology has initiated an extensive programme for GPS campaign in the Rann of Kutchh to monitor the deformation of the region near the epicenter of the Bhuj Earthquake. An Earthquake Risk Evaluation Center is also being established at India Meteorological Department, New Delhi to collate and integrate all the existing seismological and collateral geophysical data and prepare the earthquake risk maps for the country.

39. Technology Development programme has led to the development of equipments like: Dispergraph for measurement of carbon black dispersion in rubber, Ceramic humidity sensor, Computer controlled system for mixed juice flow stabilization in white sugar manufacturing process; Portable analytical X ray imaging system, Electronic control for

creel of warping machine for shuttle looms, Electrofusion apparatus for immunotherapy and DNA transfusion, Anesthesia ventilator, Microprocessor based ECG simulator, Equipment for separation of contaminants in Indian cotton, etc.

40. India Meteorological Department received two Doppler Radars, one of which was installed at Chennai and installation of other at Kolkata was also taken up. Civil Works for one more indigenously fabricated Doppler Radar by ISRO was also completed at Shriharikota (A.P.). Under the World Bank Assisted Project for Andhra Pradesh, procurement of 3 Doppler Radars and 10 High Wind Speed Recorders (HWSR) was finalized. Ten High Wind Speed Recorder (HWSR) were installed in coastal stations and two sets of Skopographs were installed, one each at Delhi and Kolkata airports for automatic landing of aircrafts. Action is in progress for upgradation of existing Earth Station for METSAT and Earth Station for INSAT-3A. In addition, three seismographs were installed under Seismological Telemetry System. National Centre for Medium Range Weather Forecasting (NCMRWF) started seven days forecasts along with weekly cumulative rainfall forecasts since May 2001. Temporal range of daily location specific medium range weather forecast disseminated to 81 Agro-meteorological Advisory Services (AAS) units was increased from 3 days to 4 days in real time from April 2001. Weekly cumulative rainfall forecast is also being issued to 81 AAS units from April 2001. One more AAS unit was opened at Allahabad Agricultural Institute during the year, to make the total number of units as 82. NCMRWF also issued special forecast on clouds, precipitation, winds and temperature for the Indian Army Mountaineering Expedition to the Mt. Everest during 5 May- 28 May 2001. A 24-processor Cray SV1 system was installed in May 2001. Total number of Very Small Aperture Terminals (VSATs) operating on the network has been enhanced to 75. There are in all 81 Agro Meteorological Forecasting Units (AMFUs) that are currently functioning. An alternative solution based on internet was developed and successfully tested for communicating the forecast to AMFU.

### **Activities and Programmes for the Year 2002-2003**

41. During the year 2002-03, the emphasis would be on supporting more fundamental research projects in the academic sector particularly in the universities, besides setting up of a number of national facilities and centers viz. National Centre for Clinical Trials; Facility for new applications of Flow-Cytometry and cell sorting in areas of Biotechnology; Low Temperature – High Magnetic field facilities; National facility for geo-chemical research; High Resolution NMR Facilities; National facility for Screening for Anti-viral Activity; Pharmacokinetic; Metabolic Studies etc. Support for basic research and application oriented programmes in nano-materials would be provided under Nano-material Science & Technology Mission. Under the Fund for Improvement of S&T Infrastructure in Universities and Higher Educational Institutions (FIST) Program, support would be provided for equipment, networking and computational facility and infrastructure facility and maintenance. Under the Natural Resource Data Management System (NRDMS), creation of new NRDMS database centres, development and dissemination of spatial data management tools, initiation of new R&D projects etc. would be taken up. Mission Mode Programmes on Bamboo Product technology and Instrument Development would be initiated, with the objective of developing technologies for utilization of bamboo and development of analytical/scientific instrumentation, medical instrumentation, instruments for environment/pollution monitoring and imaging technologies etc. Collaborative research projects in the areas of diseases like tuberculosis, leprosy, malaria, leucoderma, diabetes

etc. would also be supported besides development of veterinary drugs and herbal drugs. S&T Entrepreneurship Development Programme would focus on developing technology business incubators on mission mode, while continuing the on-going activities. It is also proposed to set up university chairs for promotion of teaching and research on S&T communication, besides setting up of a National Institute in S&T Communication and an autonomous Council for Astronomy and Space Science.

42. Major activities of India Meteorological Department would be : installation of ten sets of laser ceilometers at National/International airports for safe and efficient air navigation; procurement of three Doppler weather Radars, 100 Cyclone Warning Disaster Systems (CWDS) and ten High Wind Speed Recorders (HWSRs) for installation over east and west coasts under the World Bank aided Andhra Pradesh Project. In addition, three high frequency transmitters for efficient transmission of meteorological data would be installed, besides modernization of Air Pollution Laboratory at Pune. National Satellite Data Centre would be established at the IMD headquarters, New Delhi and the ground segment for reception and processing of meteorological data from INSAT-3D satellite would be installed. An Earthquake Risk Evaluation Centre would also be established at the IMD headquarters, New Delhi. The National Centre for Medium Range Weather Forecasting (NCMRWF) would be engaged in enhancing the spatial resolution, range and accuracy of forecasts and advisories by constantly improving the global/regional forecast models with optimal use of satellite data and interpretation techniques. Appropriate meso-scale models will be run operationally for site specific weather forecasts of smaller spatial scale for some of the Agro Meteorological Forecasting Units (AMFUs) and suitable meso-scale and cloud scales models would be developed and implemented for application in mountain meteorology and weather modification programmes. National Atlas and Thematic Mapping Organization (NATMO) would be engaged in activities relating to revision of National Atlas of India, Health & Disease Atlas of India, Satellite Atlas of India, etc., besides state atlases of Uttranchal, Chattisgarh and Jharkhand. Survey of India would be augmenting training facilities in digital cartography, digital photogrammetry and geodesy, besides modernization of its printing facilities.

## **SCIENTIFIC AND INDUSTRIAL RESEARCH**

### **Review of Achievements during the year 2001-02**

43. The Department of Scientific and Industrial Research (DSIR) is mainly concerned with promotion of industrial R&D, support to development & acquisition of new technologies, management & export of technology, development of consultancy capabilities and information systems in the country. The DSIR also provides administrative cover for the Council of Scientific and Industrial Research (CSIR) with its chain of national laboratories. Some of the important DSIR funded projects which were completed during the year include: development of in-plant material handling equipment, energy efficient drying system, 5-axes CNC internal grinding machine, process of manufacturer of furfuryl alcohol, nickel extraction technology etc. 73 new in-house R&D units and 22 new SIROs were recognized during the year. Around 50 public funded research organisations/institutions were registered with DSIR for purposes of availing Customs Duty Exemption on imports made for R&D and central excise duty exemption on domestic purchases for R&D. Under the Technopreneur Promotion Programme (TePP), tiltable innovative bullock cart, and bullock operated generator with accessories were developed.

44. CSIR through its chain of 39 National Laboratories continued to provide S&T inputs for development of socioeconomic sectors. On the Industrial front, it partnered Indian industry in the areas of : Leather, Steel, Petro Chemicals, Drugs & Pharma etc. It spearheaded newer avenues for industry for catalyzing of domestic civil aircraft industry through design & fabrication of civil aircrafts, Hansa – an all composite two-seat aircraft; and Saras - a unique, multipurpose 14-seat light transport aircraft. The know-how for manufacture of Hansa-3 trainer aircraft was licensed to a private sector firm and commercial production of the aircraft has commenced with the first order of five aircrafts. On the resources front, CSIR labs have assisted the nation in deriving enhanced and sustainable value from endogenous resources. India is now number one producer of Menthol Mint oil due to new high yielding mentha varieties developed at CIMAP. Similarly, development of technology for extraction of fresh ginger oil from fresh ginger has enabled the setting up of a processing plant producing ginger oil at 10ton/day in North-East. On the R & D front important contributions of CSIR include : development of DNA markers to detect male specific differences in papaya; development of a versatile universal polymer support, devoid of nucleotidic material and compatible with the existing methods of synthesis and deprotection of oligodeoxyribo and oligobionucleotides; development of a new plant based anti-malarial drug 'E-MAL' having rapid and short time fever clearance along with a new drug for treatment of recurring malaria 'Bulaquine' which has no side effects as observed with primaquine; a new herbal preparation 'Asmon' for treatment of Asthma which has received universal acclaim; a herbal hepato-protective formulation containing 18 herbs which is ready for commercialization; three herbal creams useful for treatment cracked heels, corns, eczema and cosmetic applications, etc. A software has been developed to tele-connect the PCs to the National Physical Laboratory Atomic Clock for automatically correcting the real time clock. In addition fly ash soil amendment technology has been developed and extensively demonstrated through field trials with varying proportions of fly ash under different agro climatic conditions and soil types in different parts of the country for cultivation of various cereals, roots, leguminous and vegetable crops. A head up display was also developed for display of vital flight parameters for the light combat aircraft and the technology has been transferred to Bharat Electronics Limited for commercial production. On the intellectual property front, CSIR has pioneered globally the concept of according due recognition and privileged position to traditional knowledge in the Intellectual Property Rights (IPR) domain. As a result, properly documented and codified traditional knowledge has now been accepted internationally for 'prior-art-search' in granting of IPR. CSIR also continues to be the leader in India in filing patents, with the filing of 410 patents in India and 583 abroad. On the Human Resource Development front, CSIR continued to provide yeoman services to attract, foster, sustain and help in upgradation of the stock of the highly specialized scientists, engineers and technologists required for R&D, in diverse disciplines of S&T, in the country. It has initiated a novel scheme - Shyama Prasad Mukherjee Fellowship, to recognize & reward creativity and innovative thinking at the post-graduate level. CSIR nurtured around 200 extramural research schemes, besides awarding 200 Junior and Senior Research Fellowships and Associateships. In the area of S & T for rural development, a water purification disc that can be fabricated by a village potter using red clay, sand, saw dust was developed for filtering turbid water. The disc can be fitted at the bottom of an earthen pot or a bucket and has a life of five years. In addition, a manually operated ultrapore membrane based water purifier was also designed and developed that can remove virus and bacteria.

## Activities And Programmes for the Year 2002-2003

45. The schemes & programmes of DSIR act as specific and important links in the technological innovation chain. During the Annual Plan (2002-03), DSIR would pursue Technology Promotion, Development and Utilization programmes with the objective of providing leveraging support to new technology development projects in industry, management and trade of technology and related Services, etc. DSIR would also support two Public Sector Enterprises viz. Central Electronics Limited (CEL) and National Research Development Corporation (NRDC) for development of technologies for production of solar cells & SPV systems, electronic components, electronic systems etc. and promotion of domestic technology transfer, export of technology and invention promotion.

46. Council of Scientific & Industrial Research has drawn up its strategy to undertake programmes in a project mode during the Tenth Five year Plan and Annual Plan (2002-03) that would lead to: development of technology for the Indian industry to become globally competitive; finding holistic and optimal solutions to the pressing problems of the people; and innovation in all spheres of activities ranging from science to technology management to financing. The emphasis of the National Laboratories would be to carry out the programmes in networked mode. Fifty five programmes/projects are proposed to be taken up, which include : Asthmatic and allergic disorders mitigation mission; Spearheading design, development & manufacture of small civilian aircraft; Exploration and exploitation of microbial wealth of India for novel compounds and bio-transformation processes; Molecular biology of selected pathogens for developing drug targets; Study of mesozoic sediments for hydrocarbon exploration; Newer scientific herbal preparations for global positioning; Pollution monitoring & mitigation systems and devices; Special electron tube technologies for large scale applications; Comprehensive traditional knowledge digital documentation and library; and Environment friendly Leather Processing Technologies. CSIR has also proposed to implement programmes wherein laboratories strength would be synergised to realize the benefits from investments made in the past such as: Development of specialised aerospace materials; Toxicogenomics of polymorphism in Indian population to industrial chemicals for development of biomarkers; Medicinal plant chemotypes for enhanced marker and value added compounds; Coordinated programmes on catalysis & catalysts; Development of green technologies for organic chemicals; Development of Micro-electro-mechanical systems (Mems) and Sensors; Drug target development using in-silico biology; and Bio-mineral processing for extraction of metals from ores and concentrates. CSIR has also proposed few core programmes to address newer market opportunities and to partner Indian industry to be globally competitive. Some of the significant ones are: Development of globally competitive chemical processes and products; Development of key technologies for photonics and opto electronics; Development of custom tailored special materials; Comprehensive technology packages for disaster prevention and management in underground coalfields; Physico-mechanical, electrical and electronic standards; Acquisition of oceanographic research vessel; Establishment of Referral Centre for genetically modified foods; Establishment of world class drug research institute; Creation of advanced facility for safety evaluation of genetically modified/engineered drugs; etc.

47. Most of the CSIR laboratories are about four decades ago. The infrastructure presently available is not suitable for modern day globally competitive R&D especially in term of international systems of quality assurance such as GLP, ISO, NABL for

accreditation and certification. Therefore, a new scheme for 'Infrastructure Renovation and Refurbishment', would be initiated during the Annual Plan (2002-03).

48. CSIR has also been assigned the responsibility to conceptualise and manage the pioneering and far reaching initiative viz. 'New Millennium Indian Technology Leadership Initiative', which seeks to support innovation centered scientific and technological developments as a vehicle to attain for the country a global leadership position in some selective niche areas. CSIR through large scale national consultations and brainstorming in true 'Team India' spirit has initiated nine state-of-art projects encompassing 55 R&D institutions & 20 Industrial firms. Another eight projects would be taken up in 2002-2003.

49. The details of the plan outlays/expenditure for the S&T sector are given in Annexure-10.1 and 10.2.

**Annexure 10.1**

**Central Scientific Departments Progress of Plan Expenditure**

(Rupees in Crore)

S. No.	S&T Departments/Agencies	Ninth Plan 1997-02 Outlay	Annual Plan 2000-01		Annual Plan 2001-02		Ninth Plan 1997-02 A.E.	Annual Plan 2002-03 Outlay
			Outlay	Actuals	Outlay	RE		
1	2	3	4	5	6	7	8	9
1	Department of Atomic Energy (R&D Sector)	1500.00	420.00	367.89	459.00	417.86	1523.75	535.00
2	Deptt. of Ocean Development	510.62	135.00	79.89	142.00	120.00	452.93	175.00
3	Deptt. of Science and Technology*	1497.35	362.00	340.22	410.00	398.00	1515.40	625.00
4	Deptt. Of Bio-technology	675.00	125.00	140.90	175.00	175.00	622.05	225.00
5	Scientific & Industrial Research	1327.48	355.00	314.84	360.00	340.42	1369.27	440.00
6	Department of Space	6511.72	1700.00	1593.98	1710.00	1600.00	6622.80	1950.00
	<b>Grand Total</b>	<b>12022.17</b>	<b>3097.00</b>	<b>2837.72</b>	<b>3256.00</b>	<b>3051.28</b>	<b>12106.20</b>	<b>3950.00</b>

## Annexure 10.2

## S&amp;T Plan Outlay for Ninth Plan (1997-2002) under State Plan

(Rs. in lakh)

S. No.	States/UTs	9th Plan (1997-2002) Outlay	2000-01 B.E.	2000-01 Actual	2001-02 B.E.	2001-02 R.E.	9th Plan (1997-2002) Anti.Expdr.	Annual plan 2002-03 Outlay
1.	2.	3.	4.	5.	6.	7.	8.	9.
1	Andhra Pradesh	937.00	56.22	98.00*	20.00	96.00	830.00	105.00
2	Arunachal Pradesh	105.00	223.07	222.00	123.56!	124.00	404.63	126.00
3	Assam	1350.00	60.00	60.00	163.00	163.00	489.00	145.00
4	Bihar	2154.00@	300.00	0.00	79.55	30.00	687.00	0.00
5	Chattisgarh	0.00	0.00	0.00	0.00	47.00	47.00	48.00
6	Goa	308.00	65.00	56.00	25.00	25.00	187.00	35.00
7	Gujarat	3125.00	675.00\$	272.00\$	620.00\$	6500.00\$	8675.00	6524.00
8	Haryana	642.00	150.00	149.00	150.00	150.00	532.00	110.00
9	Himachal Pradesh	600.00	146.00	146.00	N.A.	0.00	500.00	128.00
10	Jammu & Kashmir	320.00	74.37	63.00	76.87	614.00	823.80	576.00
11	Jharkhand	0.00	0.00	0.00	0.00	0.00	0.00	6000.00*
12	Karnataka	2500.00	170.00	167.00	156.00	156.00	1079.49	182.00
13	Kerala	7500.00*	1885.00*	1900.00*	1750.00*	1750.00*	8343.00	2500.00*
14	Madhya Pradesh	935.00	162.00	134.00	170.00	170.00	663.00	172.00
15	Maharashtra	885.00	181.30	347.00	200.00	145.00	1285.00	23.00
16	Manipur	720.00	75.00	44.00	N.A.	223.00	469.00	195.00
17	Maghalaya	450.00	93.00	88.00	93.00	93.00	444.00	85.00
18	Mizoram	291.00	90.00	90.00	110.00	110.00	386.00	110.00
19	Nagaland	400.00	17.00	45.00	32.00	32.00	335.00	20.00
20	Orissa	1655.00	215.68	1034.00	167.47	539.00	2946.48	320.00**
21	Punjab	3619.00	138.70	46.00	131.10	56.00	480.19	263.00
22	Rajasthan	1051.00	100.00	96.00	60.00	60.00	579.00	215.00
23	Sikkim	800.00	70.00	80.00	N.A.	70.00	336.00	75.00
24	Tamil Nadu	2010.00	219.23	219.00	337.44	337.00	1268.93	204.00
25	Tripura	222.00	27.81	29.00	100.00	42.00	195.61	20.00
26	Uttar Pradesh	3080.00	462.00	400.00	462.00	462.00	2270.00	825.00
27	Uttanchal	0.00	0.00	27.00	0.00	60.00	87.00	361.00
28	West Bengal	988.01	155.00\$	723.00\$	329.30\$	3753.00\$	4988.00	3507.00
	<b>Total States</b>	<b>36647.01</b>	<b>5811.38</b>	<b>6535.00</b>	<b>5356.29</b>	<b>15807.00</b>	<b>23523.50</b>	<b>22874.00</b>
	<b>U.Ts.</b>							
1	A&N Islands	199.85	20.00	22.44	20.00	20.00	104.56	35.00
2	Chandigarh	37.00	18.00	16.50	32.00	32.00	85.97	15.00
3	D & N Haveli	30.00	6.00	7.50	6.00	6.00	32.19	6.00
4	Delhi	15.00	4.00	50.00	5.00	385.00	459.70	130.00
5	Daman & Diu	47.00	22.00	9.81	10.00	10.00	45.43	13.00
6	Lakshadweep	643.81	35.57	39.33	41.00	37.24	168.08	63.00
7	Pondicherry	60.00	35.00	25.53	35.00	35.00	120.65	35.00
	<b>Total UTs.</b>	<b>1032.66</b>	<b>140.57</b>	<b>171.11</b>	<b>149.00</b>	<b>525.24</b>	<b>491.34</b>	<b>297.00</b>
	<b>Grand Total</b>	<b>37679.67</b>	<b>5951.95</b>	<b>6706.11</b>	<b>5505.29</b>	<b>16332.24</b>	<b>29589.02</b>	<b>23171.00</b>

\*Including Ecology and Environment, @ excluding Technical Education, ! Including earmarked outlay for TFC  
\$ excluding Information Technology., \*\* indicates proposed outlay, N.A. Not Available



# CHAPTER 11

## SPECIAL AREA PROGRAMMES AND NORTH EASTERN REGION

### Special Area Programmes

Special Area Programmes have been formulated to deal with special problems faced by certain areas arising out of their distinct geo-physical structure and concomitant socio-economic development.

#### (i) Hill Areas Development Programme (HADP)

2. HADP has been in operation since the inception of the Fifth Five Year Plan and is being implemented for the integrated development of designated hill areas. The main objective of this programme is to ensure ecologically sustainable socio-economic development of hill areas, keeping in view the basic needs of the people of hill areas.

3. The Designated Hill Areas covered under HADP were identified in 1965 by a Committee of the National Development Council (NDC). These included twelve districts of Uttar Pradesh. However, consequent on the formation of Uttaranchal as a separate State, HADP is no longer in operation in the hill districts of erstwhile Uttar Pradesh. Presently, the designated Hill Areas covered under HADP include :

- (a) Two hill districts of Assam-North Cachar and Karbi Anglong.
- (b) Major part of Darjeeling district of West Bengal.
- (c) Nilgiris district of Tamil Nadu.

4. Last year, a Working Group was constituted on Hill Areas Development Programme / Western Ghats Development Programme for the Tenth Five Year Plan to look into various aspects of the programme. The Working Group in its final report has recommended the continuation of the Programme during the Tenth Five Year Plan. The main objectives of the Programme will continue to be eco-preservation and eco-restoration. However, the needs of the people particularly their economic needs have to be met, if the eco-system has to be preserved. Therefore, ecology and economy of the area have to be developed.

5. The Special Central Assistance (SCA) provided for HADP is additive to normal State Plan funds and supplements the efforts of the State Governments towards accelerating the development of hill areas. This SCA is not meant to be utilized for normal State Plan activities. The schemes under the HADP are to be properly dovetailed and integrated with the State Plan schemes. The schemes undertaken under both these Programmes also need to be conceived and designed to achieve the specific objectives of this programme and should not be merely conventional State Plan schemes.

6. The Special Central Assistance available for HADP is now divided amongst the designated hill areas under HADP and the designated talukas of Western Ghats

Development Programme in the ratio of 60:40. The SCA is distributed amongst the designated hill areas on the basis of area and population, giving equal weightage to both the factors.

7. The State Governments are required to prepare a separate sub-plan for the Hill Areas indicating the flow of funds from the State Plan and Special Central Assistance.

#### **Review of Annual Plan 2000-2001 and 2001-2002**

8. During 2000-2001, Rs.336 crore was allocated and released, in full, to the State Governments who have reported full utilization of the Special Central Assistance. A review of the programme showed that a large proportion of the expenditure was incurred on salaries in the hill districts of Assam (50 to 60 percent of the Special Central Assistance). The State Government has been asked to work out a system by which funding of salaries is phased out slowly and schemes for environmental preservation and restorations are introduced. The State Government of Assam has been asked to set a target to cut down the salary component to 20 – 25 percent by 2003-04 and increase schemes for maintaining the ecology by a similar proportion.

9. Special Central Assistance available for HADP during 2001-02 came down to Rs.95.54 crore, as Uttar Pradesh has been excluded from HADP from this year consequent on the formation of Uttaranchal as a separate state. The entire amount of Rs.95.54 crore was also released in full. The schemes under the Programme have been taken up under almost all the major sectors.

10. The allocation of Special Central Assistance for 2002-2003 under HADP is also Rs.95.54 crore. The details of the allocation of Special Central Assistance for 2001-2002 and 2002-2003 for the designated Hill areas in the States under HADP are indicated in Table 11.1.

**Table 11.1**

#### **Hill Areas Development Programme: Allocation of SCA for 2001-2002 & 2002-2003**

**(Rs. crore)**

<b>Designated Hill Areas in the States under HADP</b>	<b>2001-2002</b>	<b>2002-2003</b>
Assam	51.11	51.11
Tamil Nadu	22.10	22.10
West Bengal	22.33	22.33
<b>Total</b>	<b>95.54</b>	<b>95.54</b>

11. During Annual Plan 2001-2002, a comparative evaluation study of the efficacy of Hill Areas Development Programme in the States of Assam and West Bengal was conducted. A seminar was held to disseminate the findings and take corrective actions. The State Governments of Assam and West Bengal have been asked to initiate actions on the recommendations/suggestions given in the report.

12. From the year 2002-03 onwards, the State Governments are allowed to utilize upto a maximum of 15 percent of Special Central Assistance allocated to them under HADP, for

maintenance of assets created in the past under the programme which was hitherto allowed under WGDP.

13. It is also proposed to extend the training programmes on integrated watershed development for the Senior Level and Middle Level Officers who are directly involved in the implementation of Hill Areas Development Programme during the year 2002-03, which was so far conducted for the Officers of the State Governments which are implementing Western Ghats Development Programme..

**(ii) Western Ghats Development Programme (WGDP)**

14. The Western Ghats Hill Ranges run to a length of about 1600 Kms., more or less parallel to the west coast of Maharashtra starting from the mouth of river Tapti in Dhule District of Maharashtra and ending at Kanyakumari, the southern-most tip of peninsular India in Tamil Nadu. The region covers an area of 1.60 lakh sq. kms. supporting a population of 442 lakh (1991 Census).

15. The main problems of the Western Ghats region are the pressure of increasing population on land and vegetation. These factors have contributed to ecological and environmental problems in the region. The fragile eco-system of the hills has come under severe pressure because of submersion of large areas under river valley projects, damage to area due to mining, denudation of forests, clear felling of natural forests for raising commercial plantations, soil erosion leading to silting of reservoirs and reduction in their life span and the adverse effects of floods and landslides, encroachment of forest land and poaching of wild life etc.

16. A separate Western Ghats Development Programme (WGDP) was launched in 1974-75 as a part of the programme for the development of hill areas of the country. For delineation of the areas for coverage by the WGDP, the criteria of elevation (600 meters above MSL) and contiguity with taluka (a territorial administrative unit) was adopted. The Programme is being implemented in 159 talukas comprising of Western Ghats in five States viz. Maharashtra (62 talukas), Karnataka (40 talukas), Kerala (29 talukas), Tamil Nadu (25 talukas) and Goa (3 talukas).

17. Since the Sixth Five Year Plan up to 2000-2001, the allocable Special Central Assistance (SCA) for the Hill Areas Development Programme (HADP) was being distributed between WGDP and HADP in proportion of 13.39 per cent and 86.61 per cent respectively. Presently, this is being distributed in proportion of 60 per cent and 40 per cent. The SCA allocated to the States is released in the form of 90 per cent grant and 10 per cent loan. The financing pattern of Special Central Assistance (SCA) earmarked to WGDP is allocated amongst the States on the basis of 75 per cent weightage to area and 25 per cent weightage to population (except Goa in which case, ad-hoc allocation of 5 per cent of the total SCA is made because Goa's share when worked out adopting same criteria of weightage of area and population comes out to be minimal).

18. During the Tenth Five Year Plan, the main objectives of this programme will continue to be eco-preservation and eco-restoration. So far a large proportion of the funds under WGDP are spent on watershed basis. However, the development of people of these hilly areas in consonance with the fragility of their habitat, demands an approach which is more than just watershed development. Therefore it is felt that more attention needs to be paid

to economic activities which are sustainable, use of technologies which will help lighten the burden of the people both in economic and household situations and ensuring means of livelihood for the inhabitants with as little disturbance to the ecology. Thus, the approach during the Tenth Five Year Plan would be watershed plus approach – an approach which gives as much emphasis to ecology as to economic development. Although most of the WGDP areas are concentrating on watershed development, adequate importance has to be given to ecological considerations, maintenance of bio-diversity as well as schemes which would help the economy of the region.

19. Watershed-based development should continue to be the basic thrust area of the Programme as the watershed as an areal unit increases efficiency. Participatory Approach is being given more importance as this would result in efficiency, transparency and accountability. Under the programme, innovative schemes for technologies suited to hill areas are encouraged.

20. The State Governments, have been allowed to utilize upto a maximum of 15 per cent of Special Central Assistance allocated to them under WGDP, for maintenance of assets created in the past under the Programme.

21. In order to assess the impact of the programme, an Evaluation study of Western Ghats Development Programme of Goa has been entrusted to the Central Soil and Water Conservation Research and Training Institute, Ootacamund. Similarly, it is proposed to conduct an evaluation study of Western Ghats Development Programme in Kerala.

22. Under the programmes, the Senior Level and Middle Level Officers of the State Governments, which are implementing WGDP, are given training for integrated watershed development. For the current year also, it is proposed to conduct two such training programmes one for the Senior Level Officers and the other for the Middle Level Officers.

23. Approved/ revised outlay and expenditure for 2000-2001, approved/ revised outlay and anticipated expenditure for 2001-2002 and approved outlay for 2002-2003 is given in Table 11.2.

**Table 11.2**

**Western Ghats Development Programme: Allocations/Expenditure**

(Rs. Crore)

Name of the State	2000-2001			2001-2002			2002-2003
	Approved Outlay	Revised Outlay	Actual Expdr.	Approved Outlay	Revised Outlay	Antici. Expdr.	Approved Outlay
Maharashtra	21.02	21.08	20.82	21.06	21.06	21.06	21.06
Karnataka	16.49	16.69	14.89	15.57	16.79	16.79	15.57
Kerala	13.20	13.23	12.86	13.13	13.68	13.67	13.13
Tamil Nadu	10.94	10.94	10.94	10.99	10.99	10.99	10.99
Goa	3.20	3.30	3.24	3.21	3.21	2.80	3.21
Survey & Study/WGS	0.30	0.30	0.16	0.50	0.50	0.19	0.50
<b>Total</b>	<b>65.15</b>	<b>65.54</b>	<b>62.91</b>	<b>64.46</b>	<b>66.23</b>	<b>65.50</b>	<b>64.46</b>

### **(iii) Border Area Development Programme (BADP)**

24. This programme was started in the year 1986-87 for balanced development of border areas of the States bordering Pakistan, namely Jammu & Kashmir, Punjab, Gujarat and Rajasthan. During the Eighth Plan, the programme was revamped and its coverage was extended to the States on the eastern border with Bangladesh. In the Ninth Plan period, the programme has been extended to all the land borders in response to the demands of the State Governments and the Ministry of Home Affairs. Thus, in 1997-98, BADP was extended to States bordering Myanmar. In 1998-99 the States bordering China were included under the Programme and from 1999-2000, the Programme was further extended to include the States bordering Nepal and Bhutan also. The main objective of BADP is to meet the special needs of the people living in remote and inaccessible areas situated near the border.

25. This is a 100 per cent Centrally funded programme and Special Central Assistance (SCA) is provided for execution of approved schemes. The block is the basic unit for the programme. The schemes to be taken up under the programme are prepared by the concerned departments in the State and submitted to the nodal department for approval by the State level Screening Committee. The Empowered Committee at the Central level deals with the policy matters relating to the scope of the programme, prescription of the geographical limits of the areas in the States and allocation of funds to the States.

26. The schemes being selected by the State Governments under the Programme are generally from sectors such as education, health, roads and bridges, water supply, etc. Particular emphasis is being given to improvement and strengthening of social and physical infrastructure. For this, the felt needs of the people are the prime criteria. Some of the State Governments are undertaking construction of Play grounds, Community halls, etc. so that the people, particularly, unemployed youth can spend their leisure time in constructive and creative activities.

27. A system of monitoring the schemes under BADP in physical and financial terms has been introduced since 1994-95 and the concerned State Government submit reports indicating the scheme-wise achievements in financial and physical terms to Planning Commission.

#### **Review of Annual Plan 2000-01 & 2001-02**

28. During 2000-01 an amount of Rs.210 crore was allocated and released to the State Governments under Border Area Development Programme (BADP). The second instalment of SCA could not be released to the Governments of Assam, Arunachal Pradesh and Bihar during 2000-01 due to large unspent balance pending with the State Governments. The unspent balance was made available to the better performing States namely; Jammu and Kashmir, Mizoram, Punjab and Himachal Pradesh as shown in Table-11.3.

29. The allocation for the programme for 2001-2002 was Rs.240 crore out of which, an amount of Rs.194.17 crore was released. The SCA under BADP is distributed amongst the beneficiary States on the basis of the three parameters viz. area, population of the bordering blocks and length of the international border. However, the States bordering Myanmar, China, Bhutan and Nepal have been allocated tentative amount as full

information regarding the parameters was awaited from some of these States in 2001-02. Subsequently the increase in the allocation for the programme has not been sufficient to allow the application of the formula as using the formula would decrease the existing level of SCA to some of the States.

30. The allocations/releases to the beneficiary States in 2000-2001, 2001-2002 and the allocation for 2002-03 are given in the Table 11.3.

**Table 11.3**  
**Border Area Development Programme : Allocations and Releases**

(Rs. Crore)

Name of the State	2000-2001		2001-2002		2002-03
	Allocation	Releases	Allocation	Releases	Allocation
Assam	7.48	3.74	7.48	7.48	7.48
Gujarat	10.26	10.26	10.26	0.00	10.26
Jammu & Kashmir	34.85	39.65	34.85	34.85	34.85
Meghalaya	4.70	4.70	4.70	5.36#	4.70
Mizoram	8.32	12.32	8.32	16.08*	8.32
Punjab	10.08	14.08	10.08	10.08	10.08
Rajasthan	30.32	30.32	30.32	30.32	30.32
IGNP	-	-	—	-	—
Tripura	12.96	12.96	12.96	12.96	12.96
West Bengal	39.56	37.99	39.56	19.78	39.56
Arunachal Pradesh	13.51	6.75	13.51	13.51	13.51
Nagaland	4.16	4.16	4.16	4.16	4.16
Manipur	4.16	4.16	4.16	4.16	4.16
Himachal Pradesh	4.16	8.16	4.16	19.31\$	4.16
Sikkim	5.72	4.63	5.72	5.72	5.72
Uttar Pradesh	8.32	8.32	8.32	8.32	8.32
Bihar	7.28	3.64	7.28	0.00	7.28
Uttaranchal	4.16	4.16	4.16	2.08	4.16
<b>TOTAL</b>	<b>210.00</b>	<b>210.00</b>	<b>210.00~</b>	<b>194.17</b>	<b>210.00**</b>

~ Total Allocation for 2001-2002 is Rs.240 crore.

# Includes one time additionality of Rs.0.66 crore.

\* Includes one time additionality of Rs.7.76 crore.

\$ Includes one time additionality of Rs.15.15 crore.

\*\* Total allocation for 2002-2003 is Rs.260 crore.

**(iv) North Eastern Council (NEC)**

31. North Eastern Council (NEC) was set up in August 1972, with its secretariat at Shillong, for regional planning and development of the North Eastern Region. Under the NEC Act, the Council is envisaged as an advisory body empowered to discuss and recommend matters of common interest to the Union and the NE States. The Act provides that for securing balanced development, the NEC may formulate, for the Member States, a regional plan in regard to matters of common importance to more than one State of the Region, indicate priorities of the projects/schemes included in the plan and their location. The projects financed by the NEC are implemented either by the State agencies or by the Central public sector undertakings/organizations.

**Outlay and Expenditure**

32. The approved outlay for the Ninth Five Year Plan (1997-2002) was Rs.2450 crores against which an amount of Rs.2114 crores was budgeted during the five years of the Ninth Five Year Plan period. The utilization of the budgeted outlay was over 90% during the 9<sup>th</sup> Plan period as may be seen from the Table 11.4 :

**Table 11.4**  
**Year wise details of the Budget Estimates, Revised Estimate and Expenditure of NEC during Ninth Plan**

(Rs. Crores)

Year	Budget Estimate	Revised Estimate	Expenditure	Utilization over BE
1997-98	324.00	324.00	319.16	98.50
1998-99	440.00@	370.00	368.55	83.76
1999-2000	450.00	425.00	413.53	91.89
2000-01	450.00&	410.90	409.48	90.99
2001-02	450.00	450.00	414.82#	92.18
<b>Total</b>	<b>2114.00</b>	<b>1979.90</b>	<b>1925.54</b>	<b>91.08</b>

@ Outlay Approved by Planning Commission was Rs.471 crores

& Outlay Approved by Planning Commission was Rs.415 crores

# Anticipated Expenditure for 2001-02

33. The main emphasis of the Council has been on the development of infrastructure in the NE Region, especially on projects with Inter-State ramifications. Keeping in view the vast potential for the development hydroelectric power in the Region, the Council has been making special efforts to harness hydroelectric and gas-based power. The Council has been concentrating on enlarging transport and communications infrastructure and setting up technical institutions in the Region. During Ninth Five Year Plan the North Eastern Council completed Doyang Hydro Electric Project (3x25 MW), Nagaland and Ranganadi Hydro Electric Project (3x105 MW). The Council made good performance for improvement/

upgradation of Airports and construction of roads in the North Eastern Region. It has completed the first phase of the Regional Institute of Medical Sciences (RIMS), Imphal with addition of new facilities. The Lok Priya Gopinath Bordoloi Regional Institute of Mental Health has started functioning and re-organization has been initiated. Satellite Application Centre for the North East has been set up to encourage activity in the field of remote sensing.

### **Tenth Five Year Plan**

34. With a view to improve the impact of investments the Council has assigned priority during the Tenth Five Year Plan to taking up fewer major projects instead of initiating a large number of small projects, effective monitoring of the projects to avoid time and cost overruns, consolidation of projects already taken up, involvement of local communities with due consideration to the local tradition and customs, steps to attract outside investment in various sectors like Industry, Tourism and Information Technology in the region. Planning Commission has recommended that the North Eastern Council should accord highest priority to the completion of the incomplete and spillover works from the earlier Plan period and the selected schemes/projects should reflect the regional perspective having common interest to the North Eastern Region.

35. Planning Commission has approved an outlay of Rs.3500 crores for the Tenth Five Year Plan of the Council which represents a step-up of around 42% over the agreed outlay of Rs.2450 crores for the Ninth Five Year Plan. For the Annual Plan 2002-03 an outlay of Rs.450 crores has been budgeted for the North Eastern Council.

### **(v) Special Area Programme for KBK Districts**

36. The KBK region comprises of the original Kalahandi, Bolangir and Koraput districts situated in the southern and western part of Orissa. These three districts have been reorganized since 1992-93 into eight districts, namely Kalahandi, Nuapada, Bolangir, Sonepur, Koraput, Nabarangpur, Malkangiri and Rayagada comprising of 80 blocks, 1171 Gram Panchayats and 12,104 villages. This area has become the center of attention owing to the high levels of poverty and consequent adverse effects on the quality of the life of the people of the region.

37. The State Government had drawn up a Revised LTAP (1998-99 to 2006-07) with a total outlay of Rs.6061.83 crore consisting of a Central Plan and Centrally Sponsored Schemes in various sectors, namely agriculture, horticulture, watershed developed, afforestation, irrigation, health, drinking water, emergency feeding, welfare of SCs/STs and rural connectivity. In order to fill critical gaps, Additional Central Assistance of Rs.243.95 crore was allocated by Planning Commission from 1998-99 to 2001-02 to the KBK districts. However, apart from this additionality, most of the other fund flow to these districts comprised of only normal flows under various Centrally Sponsored Schemes.

38. Hence, it was decided that a more concerted effort was required if the living conditions of the people of these districts have to be ameliorated. In order to adopt a more holistic approach to the development of the KBK districts and to tackle the basic problems of drought proofing and essential support to disadvantaged groups and economically weaker sections, the State Government were requested to prepare a projectised plan for



critical sectors. The State Government have prepared an Annual Action Plan for 2002-03 comprised of Rs. 200.00 crore as Special Central Assistance and Rs.164.69 crore as Central Loan Assistance under the Accelerated Irrigation Benefits Programme with emphasis on the following sectors: (i) Drought Proofing (Soil and Water Conservation, Afforestation, Irrigation and Drinking Water) (ii) Livelihood support (Agriculture, Horticulture, Animal Husbandry, Fisheries, Agri-Business, Agri-Market, Handloom and Sericulture); (iii) Support for Disadvantaged Groups (Special Nutrition Programme, Emergency Feeding, Tribal Development and Women's Self-Help Groups); (iv) Health; (v) Rural Connectivity; and (vi) Administrative Support.

39. Special Central Assistance to the Special Plan for the KBK Districts will be provided subject to satisfactory physical and financial progress of schemes. The main aim is to use a project based approach and local participation along with transparent and responsive administration to ensure that field level results are visible in a time-bound manner.