

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

* 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
Total Ninth Plan	80.9	81.4	80.3

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
CENTRE			
1.	Budgetary support	4,05,735	4,05,735
2.	IEBR	5,15,556	4,87,448
3.	Total-Centre (1+2)	9,21,291	8,93,183
STATES & UTs			
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
6.	Total-States & UTs (4+5)	6,71,009	6,32,456
TOTAL PUBLIC SECTOR			
7.	Grand total (3+6)	15,92,300	15,25,639

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)
Ninth Plan (projected)	41
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 spheres 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)

	Sector	1997-98	1998-99	1999-00 (P)	2000-01 (Q.E)	2001-02 (R.E)	2002-03 (April-June)
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
	Total GDP	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
Total	489361	399253	82	893183

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

Annexure -1.4

Budgetary Support By Heads of Development during Ninth and Tenth Plans

(Rs. Crore)

	Heads of development	Ninth Plan Expenditure 1997-2003	Percent Distribution	Tenth Plan Allocation (at 2001-02prices)	2002-03 B.E. (at current prices)
	1	2	3	4	5
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
	Total	178113	100	405735	66872

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
	Total	325327	282655	-13

* 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
	Total	345164*	282655	82	561573

@ Includes 2001-02 (RE) only

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

* Excludes J&K

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

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

Source : Central Statistical Organisation