

11.1. IRRIGATION, FLOOD CONTROL AND COMMAND AREA DEVELOPMENT

The Tenth Plan envisages an annual average 8% growth rate for the economy as a whole. To achieve this, it has been estimated that agriculture will have to grow at 4%. Irrigation is the most important and vital input for agriculture and to achieve the projected growth rate in agriculture, irrigation will also have to grow at a commensurate pace. The Tenth Plan strategy for irrigation is proposed to focus on:

- Completion of on-going projects utilizing funds under Central assistance programmes like AIBP.
- Promotion of water use efficiency.
- Restructuring the CAD Programme to introduce system rehabilitation and farmers' participation.
- Reconciliation and firming up figures of irrigation statistics.
- Stepping up of water-rates and working out appropriate norms for administrative costs in O&M component.
- Surface and ground water pollution and flood management.

2. During the Plan period, the States have projected creation of an additional irrigation potential of 15.16 m.ha. with an outlay of about Rs. 84735 crores.

Major & Medium Irrigation

3. The ultimate irrigation potential from major and medium irrigation projects is 58.46 m.ha. The potential achieved till end of Ninth Plan is 37.05 m.ha. Annexure 11.1.1 gives State-wise position of potential created and utilized till end of Ninth Plan and targets for X Plan, Annual Plans 2002-2003 and 2003-2004 (based on the information received from States and UTs). An approved outlay of Rs. 71,213.18 crore for creating an additional irrigation potential of 9.93 m.ha. has been provided in the Tenth Plan. Statewise approved outlays for X Plan, Annual Plans 2002-2003, 2003-04 are at annexures 11.1.4 to 11.1.7.

4. Table below gives the expenditure on major & medium irrigation sector in the Ninth Plan and outlays for X Plan and Annual Plans 2002-03 and 2003-2004.

Table 11.1
Major & Medium Irrigation

Rs. Crore

Period	Central Sector		State Sector	
	Approved Outlay	Actual Antcpd./Exp.	Approved Outlay	Actual Antcpd./Exp.
Ninth Plan	330.12	235.74	42644.11	49070.85
Tenth Plan	351.40	-	70861.78	-
2002-2003	62.82	54.24	13646.07	13077.27
2003-2004	76.08	-	11360.95	
Proposed Outlays				

Programme for 2003-2004

5. 159 Major, 242 Medium and 89 Extensions, Restoration and Modernisation (ERM) projects have spilled over from the Ninth Plan to Tenth Plan. This includes 119 pre-Fifth and Fifth Plan projects out of which 30 major irrigation projects are targeted for completion during the Tenth Plan with likely completion of 7 in Annual Plan 2002-2003 and 12 in Annual Plan 2003-2004.

Externally Aided Projects

6. There are 17 ongoing irrigation projects receiving external assistance in various States. The names of project, assistance amount and disbursement till December 2002 are given below. Two externally aided projects were completed during 2002-2003.

Table 11.2
Externally Aided Projects

S. No	Name of Project World Bank Aided	Date of agreement Date of completion	Assistance Amount. (SDR/US \$ in million)	Utilisation of assistance upto 31.1.2003(SDR/USD in Million)
1.	Andhra Pradesh Economic Restructuring Project (Irrigation Component) (Andhra Pradesh)	30.01.1999 31.03.2004	USD 170.100	USD 78.50
2.	Andhra Pradesh III Irrigation Project	3.6.1997 31.03.2004	SDR 108.100 USD 175.000	SDR 108.100 USD 45.802
3.	Hydrology Project (Multi-State)	22.09.1995 31.12.2003	75.100	61.973 Rs. 364.938
4.	Karnataka Community Based Tank Management Project (Karnataka)	06.06.2002 31.01.2009	80.000	1.674
5.	Orissa Water Resources Consolidation Project (Orissa)	05.01.1996 31.03.2004	194.800	145.169
6.	Rajasthan water sector restructuring project	15.3.2002 31.3.2008	110.00	4.166
7.	Tamil Nadu WRCP	22.9.1995 31.3.2003	161.900	132.713
8.	UP water sector restructuring projects	8.3.2002 31.10.2007	117.000	4.007
	Total			2628.46

(II) Assistance From European Economic Community

S. No	Name of Project	Date of agreement Date of completion	Assistance Amount. (in million EUR)	Utilisation of assistance upto 31.1.2003(in Million EUR)
9.	Minor Irrigation Project(Orissa)	03.07.1995 31.12.2004	10.70	1.108
10.	Tank Rehabilitation Project (Pondicherry)	21.02.1997 31.12.2004	6.65	1.742
11.	Maharashtra Saline Land Reclamation Project (Phase-II) (Maharashtra)	11.07.1995 31.12.2005	15.50	1.229
	Total		32.85	17.816

(III) Bilateral Assistance

S. No	Name of Project	Date of agreement Date of completion	Assistance Amount. (in million Dollar currency)	Utilisation of assistance upto 31.1.2003(in Million Dollar)
	<u>Japan</u>			
12.	Modernisation of Kurnool-Cuddapha canal (Andhra Pradesh)	25.01.1996 26.03.2003	Yen 16049.000	Yen 8268.501
13.	Rajghat canal Major Irrigation Project(Madhya Pradesh)	25.02.1997 31.03.2004	Yen 13222.000	Yen 6173.115
14.	Rengali Irrigation Project (Orissa)	12.12.1997 31.12.2004	Yen 7760.000	Yen 4563.644
	Total			
	<u>Netherlands</u>			
15.	Andhra Pradesh Ground Water Project (APWELL) (Andhra Pradesh)	14.11.1994 31.03.2003	EUR 10.722	EUR 5.879
	<u>Germany</u>			
16.	Maharashtra Minor Irrigation Project(Maharashtra)	31.12.1998 30.12.2006	EUR 23.008	EUR 1.370
17.	Lift Irrigation Project (Orissa)	19.02.1993 30.06.2003	EUR 28.121	EUR 21.799

Minor Irrigation

7. 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. The first census (1986-87) of Minor Irrigation schemes showed that there were 5,07,212 minor irrigation tanks in use in the country except Rajasthan where no census was done. The southern region consisting of Andhra Pradesh, Tamil Nadu, Karnataka and Kerala, accounted for about 60% of the irrigated area under tanks in the country. Besides these, Madhya Pradesh, Maharashtra, U.P. and West Bengal also have a large number of tanks in their respective States. The above eight States account for about 97% of total tank population. Minor irrigation schemes have a short gestation period, are labour intensive and an important means for poverty alleviation.

8. The ultimate irrigation potential from Minor Irrigation projects is estimated as 81.43 m. ha of which 17.38 m.ha is from surface water minor irrigation and 64.05 m.ha. from ground water. The approved outlay for Tenth Plan is Rs. 14,406.66 crore intending to create 5.23 m.ha. of additional potential. Till the end of Ninth Plan, a potential of 56.86 m.ha. had been created . Statewise position is at annexure 11.1.2.

9. Minor irrigation schemes are funded from plan funds, institutional finance and private investment by the farmers. It is generally considered as a people's programme.

10. Table below gives the expenditure and outlays in the Central sector and State sector for Minor Irrigation during the Ninth Plan, Tenth Plan and Annual Plans 2002-2003 and 2003-2004 outlays. Statewise approved outlays for X Plan, Annual Plans 2002-03 and 2003-04 are at annexures 11.1.4 to 11.1.7.

Table 11.3
Minor Irrigation

(Rs. Crore)

Year	Central Sector		State Sector & UTs	
	Approved Outlay	Actual/Antcpd. Expenditure	Approved Outlay	Actual/Antcpd. Expenditure
Ninth Plan	385.00	379.44	8984.84	8277.03
Tenth Plan	533.80	-	13,872.86	-
2002-2003	109.16	97.31	2057.02	1853.14
2003-2004 Proposed Outlays	95.22	-	2419.11	

Regulation of Ground Water Exploitation

11. As per the data compiled upto April 1998 by the Central Ground Water Authority (CGWA) out of 5711 blocks/mandals/ talukas/ watersheds in the country, 310 are categorized as over exploited (where the stage of groundwater development has exceeded the annual replenishable resource) and 160 are categorized as dark (where the stage of ground water development has exceeded 85% of the replenishable resources). The CGWA is continuing its regulatory function to see that the position of over exploitation is kept in check. Based on the model bill already circulated by the Ministry of Water Resources on ground water legislation, the States of Andhra Pradesh, Goa, Tamil Nadu, Kerala, and Lakshdweep have enacted legislation

while the States of Gujarat, Maharashtra, West Bengal and Pondicherry have passed the Bill on the subject. Instead of a regulatory Act, an Act which encourages regulated development may be more acceptable to the States.

Command Area Development

12. The Command Area Development Programme (CADP) was initiated in 1974-75 as a Centrally Sponsored Scheme with a view to bridge the gap between the 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. Till Annual Plan 2002-2003, 236 projects are included in the programme covering a CCA of 22.72 m.ha. The core components of construction of field channels, field drains, warabandi and land leveling constitute almost 70 % of the expenditure incurred on Central Sector of CADP. The physical achievements on these four components till end of the Ninth Plan are as under.

Table 11.4
CAD (Physical)

(in '000 ha.)

<u>Core component</u>	IX Plan Targets	IX Plan Achievement	X Plan Targets	Annual Plan 2003-2004 Targets
Field channels	95	180	550	140
Warabandi	199.6	153.70	18.00	4.5
Field Drains	50.90	35.10	160	40
Land Levelling	6.00	3.00		
Reclamation of waterlogged areas	22	11	5	1.2

13. The approved outlay for the Tenth Plan is Rs. 4,253.43 crores. Statewise approved outlays for X Plan, Annual Plans 2002-03 and 2003-04 are at Annexures 11.1.4 to 11.1.7.

14. The outlays and expenditure in the Central Sector and State Sector for the CADP are given in the table below.

Table 11.5

CADP (Financial)

(Rs. Crore)

Year	Central Sector		State Sector	
	Approved Outlay	Actual/Antcpd. Expenditure	Approved Outlay	Actual/Antcpd. Expenditure
Ninth Plan	860.00	764.27	2027.19	1493.17
Tenth Plan	1406.80	-	2846.63	-
2002-2003	202.00	153.05	271.44	266.05
2003-2004 Proposed Outlays	202.00	-	264.12	-

Restructured CADP

15. The CADP is being restructured in the Tenth Plan to make it more focused by curbing the proliferation of more number of schemes and participatory approach with water management at field level. It is also proposed to reduce the number of projects from 236 to 96 for better monitoring and timely completion.

Flood Control

16. The Rashtriya Barh Ayog has estimated the flood prone area in the country as about 40 m.ha of which 32 m.ha can be given reasonable degree of protection. So far about 19 m. ha. has been protected through construction of embankments, drainage channels, town protections works and raising of villages above flood level. The approved outlay for Tenth Plan is Rs. 5,870.25 crores to protect 2.78 m.ha. Statewise approved outlays for X Plan, Annual Plan 2002-2003 and 2003-2004 are at annexures 11.1.4 to 11.1.7. Table below gives the plan outlays and outlays in the flood control sector during IX th Plan, Tenth Plan and Annual Plans 2002-03 and 2003-2004 outlays.

Table 11.6
Flood Control

(Rs. crore)

Year	Central Sector		State Sector	
	Approved Outlay	Actual/Antcpd. Expenditure	Approved Outlay	Actual/Antcpd. Expenditure
Ninth Plan	716.13	492.65	2216.36	2457.54
Tenth Plan	1308.00	-	4562.25	-
2002-2003	176.02	145.40	592.06	527.17
2003-2004 Proposed Outlays	180.7		562.09	

17. The Working Group on Flood Management for the Tenth Plan has suggested setting up an Integrated Flood Management Commission to review the status of implementation of the recommendations of the Rashtriya Barh Ayog. Such a Commission could also study other long term permanent solutions to the flood problem like raising of villages, changes in crop pattern and crop calendar, growing of water resistant crops, non structural measures etc.

Rural Infrastructure Development Fund

18. The Indian Scheduled Commercial Banks are under an obligation to lend at least 40% of their aggregate loans to the priority sectors and within the overall target for priority sector at 40%, these banks have to observe a target of 18% for agriculture sub-sector. The Rural Infrastructure Development Fund (RIDF) thus came into existence with the announcement in the Union Budget for the year 1995-96.

The Fund

19. The fund has been established in NABARD since April 1995. The initial corpus of the fund was Rs. 2,000 Crores (RIDF-I) for the year 1995-96 to be contributed by the Indian

Scheduled Commercial Banks representing the short fall in their lending to agriculture sub-sector (18%) within the priority sector target (40%), subject to a ceiling of 1.5% of the net Bank credit. Since then, the scheme has been continued with the announcements in the successive Union Budgets with enhanced commitments, which are as under:

Year		(Rs. in Crores)
1995-96	RIDF I	2000
1996-97	RIDF II	2500
1997-98	RIDF III	2500
1998-99	RIDF IV	3000
1999-2000	RIDF V	3500
2000-01	RIDF VI	4500
2001-02	RIDF VII	5000
2002-03	RIDF VIII	5500
2003-2004	RIDF IX	5500

20. The loan assistance under RIDF is provided for completing the ongoing projects in Major, Medium and minor irrigation along with projects in flood protection, watershed management, soil conservation, rural roads and bridges, rural markets, primary school buildings, rural drinking water works, drainage, primary health centers, forest development etc. Loans under RIDF are sanctioned upto 90% of the project cost, or the balance cost, whichever is less. The RIDF sanction details upto March 2003 are as below:

(Rs. Crore)

	Major		Medium		Minor		% of Irrg. Investment
	No. of Projects	Amount	No. of Projects	Amount	No. of Projects	Amount	
RIDF I	18	236.16	89	886.36	3969	673.37	93.9%
RIDF II	25	440.47	29	221.68	3835	601.78	48.1%
RIDF III	15	239.56	19	23.99	8830	510.24	35.2%
RIDF IV	27	246.54	12	170.96	393	433.45	28.6%
RIDF V	203	351.29	9	119.04	101492	551.23	28.9%
RIDF VI	10	233.35	11	249.72	31083	743.46	26.8%
RIDF VII	30	364.59	8	130.75	1132	700.78	23.7%
RIDF VIII	61	484.64	16	242.02	9707	975.10	27.8%
Total	206	2596.60	193	2224.52	178441	5189.41	

Number of projects : 1,78,840

Sanctioned Amount: Rs. 10,010.53 crore

Centrally Sponsored Schemes

Critical anti-erosion works in Ganga Basin States

21. A Centrally Sponsored Scheme, namely, "Critical anti-erosion works in Ganga Basin States" was approved in January, 2001 with a central share of Rs. 110 crore for implementation during IX Plan for providing Central assistance to the States of Uttar Pradesh including Uttaranchal, Bihar and West Bengal as well as to the Farakka Barrage Project Authority (FBPA) for undertaking anti-erosion works of critical nature. Central assistance under this scheme is in

the form of grant to the concerned States in the ratio of 75:25 between the Centre and the State and 100% funding for FBPA. During 2001-2002 an amount of Rs. 31.85 crore has been released as grant-in-aid to Government of Uttar Pradesh, Uttaranchal, West Bengal and Bihar for taking up critical anti-erosion works in Ganga Basin making a total release of Rs. 51.85 crore to these States during the IX Plan against the central share of Rs. 110 crore under the scheme. The balance spillover portion of the scheme amounting to Rs. 58.15 crore is being continued in the X Plan against the X Plan outlay of Rs. 192 crore and is programmed to be completed in the first two years of the Plan. For the year 2003-2004 an amount of Rs. 25.00 crore has been kept in the budget estimate. A Committee has also been set up under the Chairmanship of Chairman, Ganga Flood Control Commission(GFCC) to identify the individual schemes for formulating the scheme for the balance amount of Rs. 133.85 crore(Rs. 192 crore-Rs. 58.15 crore) for taking up critical anti-erosion works in the Ganga basin States during the X Plan.

Command Area Development Programme

22. A Centrally Sponsored Command Area Development Programme(CADP) was started in 1974-75 for systematic development and management of command areas of irrigation projects to optimize agricultural production and productivity. Based on a suggestions received from beneficiaries and implementing agencies and recommendations of Working Groups of the Planning Commission on 'Command Area Development Programme', the CAD Programme is being restructured. In the restructured Command Area Development Programme some of the existing components are proposed to be deleted and new components added. Since its inception 276 irrigation projects from various States have been included under the CAD Programme from time to time. On completion of these projects, a Cultural Command Area of 27.03 million hectares is likely to be benefited. Out of 236 on-going projects, 141 projects are likely to be completed by March 2004. From 2004-5 onwards, the Restructured Command Area Development Programme is likely to be in position where components like system rehabilitation and rehabilitation of tanks in command area are also proposed to be included. About 80 ongoing and 16 new projects are likely to be included in this programme.

Rationalisation of Minor Irrigation Statistics (RMIS) Scheme

23. A Centrally Sponsored Plan Scheme 'Rationalisation of Minor Irrigation Statistics(RMIS)' is under implementation. Under the RMIS scheme a Census of the Minor Irrigation Projects is conducted every five years to create a reliable database for planning the development of the Minor Irrigation Sector. Also under the scheme, Statistical Cells have been created in the nodal departments of 23 States/3 UTs. These Cells are responsible for collection of Quarterly Progress Reports on development of Minor Irrigation from concerned Departments and furnish the same to Ministry of Water Resources (MoWR). The Officers/Staff posted in the Statistical cells also help in conduct of Census as well as Sample Survey pertaining to Minor Irrigation Schemes. The data received from the Statistical Cells from States and UTs is consolidated by MoWR. A sample survey on Status of Minor Irrigation Schemes with reference year 1998-99 is being conducted in all the States/Uts. Upto November 2002, 28 States/UTs have completed the sample survey work. In the remaining States/UTs, the work is in progress. The 3rd Census of Minor Irrigation Projects with reference year 2000-2001 is being conducted in all the States/UTs. So far, 5 States/1 UT have completed the Census work. In addition to this, 12 States/2 UTs have completed the field work relating to Census. The Census work in remaining States/UTs is in progress.

Flood Proofing Programme in North Bihar

24. Central assistance was also provided against other Centrally Sponsored Schemes namely (i) Flood Proofing Programme in North Bihar(ii) Flood Protection Works of Kosi and Gandak Projects, (iii) Extension of embankments of Lalbakeya, Kamla, Bagmati and Khando rivers, etc. These schemes are being continued in the X Plan with increase in the scope of the Flood Proofing Programme, which is now proposed to include the States of Bihar, Uttar Pradesh, West Bengal, Orissa, Assam and Andhra Pradesh.

25. A scheme on improvement of drainage in the country including Mokama Tal area is proposed to be taken up for which an outlay of Rs. 50 crores has been provided in the X Plan. In areas with drainage congestion, in-situ use of water and lands for suitable crops, irrigation and aqua-culture can be thought of as an alternative. There is need for preparation of a drainage master plan through use of remote sensing techniques and other tools like GIS.

Annexure 11.1.1

Major and Medium Irrigation Physical Details (in ' 000 ha)

Sl No	Name of State/UT	Ultimate Irrigation Potential	Achievement upto March 2002		Target for X Plan		Target for A.P. 2002-03		Anticipated Achievement 2002-03		Target for 2003-04	
			PC	PU	PC	PU	PC	PU	PC	PU	PC	PU
1	Andhra Pradesh	5000.00	3303.22	3051.59	739.88	480.92	183.93	119.55	NF	NF	NF	NF
2	Arunachal Pradesh	0.00	0.00	0.00	4.00	2.60	0.80	0.52	0.80	0.52	0.80	0.52
3	Assam	970.00	243.92	174.37	116.10	75.47	26.80	17.42	5.50	3.58	9.00	5.85
4	Bihar	5223.50	2680.00	1714.83	948.42	400.00	170.00	110.50	51.00	33.15	223.00	144.95
5	Chattisgarh	1146.93	922.50	760.74	305.00	198.25	93.00	60.45	58.00	37.70	47.00	30.55
6	Goa	62.00	21.17	15.33	26.66	14.69	5.46	3.55	NF	NF	4.21	2.74
7	Gujarat	3000.00	1430.37	1300.83	1904.00	1237.60	235.00	152.75	NF	NF	20.00	26.00
8	Haryana	3000.00	2099.49	1849.97	119.00	77.35	41.00	26.65	32.00	20.80	28.00	18.20
9	Himachal Pradesh	50.00	13.35	7.51	8.00	5.20	3.00	1.95	0.20	0.13	0.30	0.20
10	Jharkhand	1276.50	354.47	230.45	315.00	204.75	54.15	35.20	NF	NF	46.61	30.30
11	Jammu Kashmir	250.00	179.69	168.75	25.00	16.25	1.40	1.20	1.40	1.20	NF	NF
12	Karnataka	2500.00	2121.12	1844.82	999.89	649.93	221.29	143.84	57.12	37.13	241.63	157.06
13	Kerala	1000.00	609.49	558.87	90.00	58.50	10.00	6.50	10.00	6.50	15.00	9.75
14	Madhya Pradesh	4853.07	1386.90	875.63	265.30	127.20	101.75	66.14	101.75	66.14	100.97	65.63
15	Maharashtra	4100.00	3239.00	2147.24	1276.43	829.68	70.00	45.50	NF	NF	70.00	45.50
16	Manipur	135.00	156.00	111.00	28.15	18.30	-	-	-	-	-	-
17	Meghalaya	20.00	0.00	0.00	-	-	-	-	-	-	-	-
18	Mizoram	0.00	-	-	-	-	-	-	-	-	-	-
19	Nagaland	10.00	0.00	0.00	-	-	-	-	-	-	-	-
20	Orissa	3600.00	1826.56	1794.17	465.07	302.30	23.22	15.09	29.92	19.45	64.93	42.20
21	Punjab	3000.00	2542.48	2485.99	160.30	104.20	NF	NF	NF	NF	NF	NF
22	Rajasthan	2750.00	2482.15	2313.87	413.80	268.97	49.30	32.05	44.80	29.12	54.50	35.43
23	Sikkim	20.00	0.00	0.00	0.00	0.00	-	-	-	-	-	-
24	TamilNadu	1500.00	1549.31	1549.29	9.38	6.10	0.84	0.55	4.25	2.76	5.14	3.34
25	Tripura	100.00	4.90	4.50	-	-	-	-	-	-	-	-
26	UttraPradesh	12154.00	7910.09	6334.00	1000.76	650.49	145.34	94.47	145.34	94.47	158.00	102.70
27	Uttranchal	346.00	280.30	185.41	6.20	4.03	1.24	0.81	1.24	0.81	4.50	2.93
28	West Bengal	2300.00	1683.29	1527.12	700.00	455.00	65.00	42.25	39.00	25.35	28.00	18.20
29	Union Territories	98.00	6.51	3.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	58465.00	37046.28	31010.22	9926.34	6187.76	1502.52	976.93	582.32	378.80	1121.59	742.03

PC: Potential

Creation

PU: Potential

Utilisation

NF: Not Furnished

Source: Tenth Plan and Annual Plan 2002-03 and 2003-04

Documents received from the State Governments

-: No Targets fixed.

Minor Irrigation Physical Details(in ' 000 ha)

Sl No	Name of State/UT	Ultimate Irrigation Potential	Achievement upto March'02 (Ninth Plan)		Target for X Plan		Target for AP 2002-03		Anticipated Achievement 2002-03		Target for AP 2003-04	
			PC	PU	PC	PU	PC	PU	PC	PU	PC	PU
1	Andhra Pradesh	6260.00	3019.46	2781.22	195.40	156.32	27.98	22.38	NF	NF	NF	NF
2	Arunachal Pradesh	168.00	99.52	77.40	20.00	16.00	4.13	3.30	4.13	3.30	4.13	3.30
3	Assam	1900.00	603.62	494.11	116.10	92.88	26.80	21.44	26.80	21.44	17.00	13.60
4	Bihar	5663.50	4716.44	3759.46	264.60	211.68	NF	NF	NF	NF	NF	NF
5	Chattisgarh	571.00	487.70	322.86	55.00	44.00	20.00	16.00	29.10	23.28	38.00	30.40
6	Goa	54.00	19.14	20.00	4.54	1.86	1.33	1.06	NF	NF	0.20	0.16
7	Gujarat	3103.00	1998.92	1876.14	66.00	45.00	8.50	6.80	8.50	7.00	8.50	7.00
8	Haryana	1512.00	1630.95	1578.12	42.50	34.00	8.50	6.80	6.72	5.38	8.50	6.80
9	Himachal Pradesh	303.00	161.00	138.30	10.00	8.00	2.09	1.67	2.09	1.67	2.00	1.60
10	Jharkhand	1183.50	588.87	471.09	NF	NF	18.64	14.91	NF	NF	20.61	16.49
11	Jammu Kashmir	1108.00	382.45	366.77	NF	NF	1.40	1.12	1.40	0.90	NF	NF
12	Karnataka	3474.00	1585.40	1541.74	221.29	177.03	8.00	6.40	8.00	6.40	8.00	6.40
13	Kerala	1679.00	640.02	603.76	50.00	40.00	7.00	5.60	7.00	5.60	10.00	8.00
14	Madhya Pradesh	11361.00	2256.13	2149.48	125.00	100.00	35.00	28.00	35.00	28.00	30.00	24.00
15	Maharashtra	4852.00	2942.60	2557.72	158.00	126.40	61.00	48.80	66.00	52.80	30.00	24.00
16	Manipur	469.00	75.49	62.34	14.45	11.56	3.40	2.72	3.40	2.72	3.10	2.48
17	Meghalaya	148.00	50.97	47.31	12.50	10.00	2.97	2.38	2.97	2.38	2.82	2.26
18	Mizoram	70.00	16.69	14.08	1.66	1.33	0.23	0.22	0.23	0.22	0.23	0.22
19	Nagaland	75.00	76.56	65.63	9.43	7.54	17.92	14.34	17.99	14.39	18.72	14.98
20	Orissa	5203.00	1474.12	1337.55	132.37	105.90	30.37	24.30	30.37	24.30	20.56	16.45
21	Punjab	2967.00	3427.56	3367.82	NF	NF	NF	NF	NF	NF	NF	NF
22	Rajasthan	2378.00	2447.10	2361.80	50.00	40.00	7.00	5.60	4.00	3.20	3.00	2.40
23	Sikkim	50.00	29.67	23.61	5.00	4.00	0.50	0.40	0.40	0.32	0.80	0.60
24	TamilNadu	4032.00	2123.38	2119.52	9.02	7.22	4.46	3.57	0.68	0.54	5.21	4.17
25	Tripura	181.00	109.65	96.09	32.40	25.92	7.30	5.84	7.30	5.84	7.06	5.65
26	UttraPradesh	17481.00	21599.40	17279.62	3616.80	2893.44	375.43	300.34	373.92	299.14	368.32	294.66
27	Uttranchal	518.00	500.98	400.80	11.88	9.50	2.38	1.90	2.38	1.90	2.38	1.90
28	West Bengal	4618.00	3792.52	3098.12	NF	NF	NF	NF	NF	NF	NF	NF
	Total(States)	81382.00	56856.31	49012.46	5223.94	4169.58	682.33	545.90	638.38	510.72	609.14	487.51
29	A&N Islands		1.38	1.35	0.81	0.65	NF	NF	NF	NF	NF	NF
30	Chandigarh		0.26	0.24	0.16	0.13	0.02	0.02	0.02	0.02	0.02	0.02
31	D&N Haveli		0.69	0.65	NF	NF	0.19	0.15	NF	NF	NF	NF
32	Daman&Diu		15.37	10.29	0.96	0.77	NF	NF	NF	NF	NF	NF
33	Delhi		21.64	18.52	NF	NF	NF	NF	NF	NF	NF	NF
34	Lakshadweep		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
35	Pondicherry		4.37	4.36	2.50	2.00	0.45	0.36	0.45	0.36	0.47	0.38
	Total(UT"s)	46.00	43.71	35.41	4.43	3.54	0.66	0.53	0.47	0.38	0.49	0.39
	Total(States&UT"s)	81428.00	56900.02	49047.87	5228.37	4173.12	682.99	546.43	638.85	511.10	609.63	487.90
	PC:Potential Creation	-	:No Targets fixed									
	PU:Potential Utilisation											
	NF:Not Furnished	Source:Tenth Plan and Annual Plan 2002-03&2003-04 Documents received from the State Governments										

Annexure 11.1.3

ACTUAL EXPENDITURE 2001-2002						
Rs. in crore						
Sl. No.	Name of States & U.Ts.	Major & Medium	Minor Irrigation	CAD	Flood Control	Total
1	2	3	4	5	6	7
1	Andhra Pradesh	843.49	229.42	15.37	37.41	1125.69
2	Arunachal Pradesh	0.36	23.31	1.39	3.68	28.74
3	Assam	40.02	78.34	2.41	19.45	140.22
4	Bihar	185.31	59.14	5.95	70.74	321.14
5	Chattisgarh	160.64	71.48	1.57	0.09	233.78
6	Goa	61.39	3.86	2.23	1.58	69.06
7	Gujarat	987.19	116.14	5.30	1.77	1110.40
8	Haryana	256.00	74.00	10.00	24.98	364.98
9	Himachal Pradesh	11.80	50.04	1.35	6.60	69.79
10	Jammu & Kashmir	32.60	35.23	4.92	15.63	88.38
11	Jharkhand	167.01	39.31	0.00	0.00	206.32
12	Karnataka	2296.21	83.05	13.80	5.99	2399.05
13	Kerala	112.86	28.31	0.06	21.55	162.78
14	Madhya Pradesh	530.54	151.77	3.76	0.40	686.47
15	Maharashtra	4055.23	51.15	22.23	0.73	4129.34
16	Manipur	41.19	2.09	0.32	2.00	45.60
17	Meghalaya	2.17	8.89	0.10	1.97	13.13
18	Mizoram	0.01	6.14	0.30	0.00	6.45
19	Nagaland	0.00	6.44	0.05	0.10	6.59
20	Orissa	394.84	93.10	5.02	3.38	496.34
21	Punjab	141.94	52.26	27.06	61.09	282.35
22	Rajasthan	265.82	89.55	35.44	3.93	394.74
23	Sikkim	0.00	5.39	0.05	1.58	7.02
24	Tamil Nadu	314.43	32.19	10.66	-	357.28
25	Tripura	4.90	25.08	0.00	3.42	33.40
26	Uttar Pradesh	716.17	122.05	28.31	22.29	888.82
27	Uttaranchal	47.77	14.00	0.00	0.00	61.77
28	West Bengal	125.39	56.08	7.88	194.67	384.02
	Total States	8110.44	1260.51	179.62	479.55	10030.12
	Union Territories					
29	A & N Island	0.00	2.78	0.00	0.00	2.78
30	Chandigarh	0.00	0.30	0.00	0.00	0.30
31	D & N Haveli	0.50	0.51	0.18	0.00	1.19
32	Daman & Diu	0.10	0.14	0.00	0.26	0.50
33	Delhi	0.00	0.41	0.00	18.74	19.15
34	Lakshadweep	0.00	0.00	0.00	5.38	5.38
35	Pondicherry	0.00	8.96	0.00	3.94	12.90
	Total U.Ts.	0.60	13.10	0.18	28.30	42.18
	Total States & Uts.	11795.89	1559.85	204.90	534.15	14094.79
	Central Sector	47.72	123.00	148.13	137.26	456.11
	Grand Total	11843.61	1682.85	353.03	671.41	14550.90

Annexure 11.1.4

APPROVED OUTLAY FOR TENTH PLAN (Rs. in crore)

Sl. No.	Name of the State	Major & Medium	Minor Irrigation	CAD	FCD	Total
1	Andhra Pradesh	9153.84	1607.19	66.22	17.73	10844.98
2	Arunachal Pradesh	1.66	160.71	17.00	5.00	184.37
3	Assam	273.60	305.09	47.64	19.00	645.33
4	Bihar	3273.19	681.78	150.05	1911.85	6016.87
5	Chattisgarh	1721.37	776.64	6.76	1.88	2506.65
6	Goa	175.40	27.00	12.50	8.00	222.90
7	Gujarat	7660.91	1098.49	34.05	16.60	8810.05
8	Haryana	1129.64	154.28	102.85	154.28	1541.04
9	Himachal Pradesh	55.00	333.02	9.50	55.66	453.18
10	Jarkhand	1720.86	325.84	0.00	30.00	2076.70
11	Jammu Kashmir	237.43	333.06	42.19	193.10	805.79
12	Karnataka	13277.33	719.35	137.07	42.83	14176.57
13	Kerala	600.00	205.00	75.00	50.00	930.00
14	Madhya Pradesh	3819.03	1047.46	37.40	12.00	4915.89
15	Maharashtra	12150.10	2043.16	1056.75	5.00	15255.01
16	Manipur	221.60	101.20	21.89	23.85	368.54
17	Meghalaya	24.75	60.00	1.65	11.00	97.40
18	Mizoram	0.05	26.83	1.40	0.00	28.28
19	Nagaland	0.50	35.60	3.00	2.00	41.00
20	Orissa	2329.02	1604.43	35.75	130.00	4099.21
21	Punjab	1592.51	275.05	150.00	593.95	2611.51
22	Rajasthan	2269.61	285.42	193.51	19.35	2767.88
23	Sikkim	0.00	15.00	15.00	1.00	31.00
24	Tamilnadu	1700.00	500.00	175.00		2375.00
25	Tripura	44.17	219.25	0.00	96.57	360.00
26	Uttar Pradesh	6424.58	535.27	400.00	247.50	7607.35
27	Uttaranchal	103.28	59.86	0.00	15.39	178.53
28	West Bengal	895.85	238.49	52.05	712.27	1898.66
	Total States	70855.28	13774.47	2844.23	4375.81	91849.69
1	A&N Islands	0.00	27.57	0.00	0.00	27.57
2	Chandigarh	0.00	2.00	0.00	0.00	2.00
3	D&N Haveli	5.00	6.20	1.40	0.00	12.60
4	Daman&Diu	1.50	0.72	1.00	1.30	4.52
5	Delhi	0.00	10.00	0.00	146.00	156.00
6	Lakshadweep	0.00	0.00	0.00	17.34	17.34
7	Pondicherry	0.00	51.90	0.00	21.80	73.70
	Total UT's	6.50	98.39	2.40	186.44	293.73
	Total(State&UT's)	70861.78	13872.86	2846.63	4562.25	92143.42
	Central Sector	351.40	533.80	1406.80	1308.00	3600.00
	Grand Total	71213.18	14406.66	4253.43	5870.25	95743.42

Annexure 11.1.5
Approved Outlay 2002-03
(Rs. in crore)

Sl No.	Name of the State/UT	Major & Medium	Minor	CAD	FCD	Total
1	Andhra Pradesh	1459.01	305.34	10.80	6.20	1781.33
2	Arunachal Pradesh	0.40	20.53	2.00	5.75	28.69
3	Assam	53.29	59.56	3.41	10.00	126.26
4	Bihar	456.55	150.14	22.30	133.35	762.34
5	Chattisgarh	274.95	124.05	1.08	0.30	400.38
6	Goa	68.50	9.56	3.09	1.76	82.91
7	Gujarat	1190.32	198.22	6.12	3.02	1397.68
8	Haryana	239.50	30.00	20.00	30.00	319.50
9	Himachal Pradesh	11.83	60.29	2.19	13.05	87.36
10	Jarkhand	290.00	60.00	0.00	10.00	360.00
11	Jammu Kashmir	37.34	52.51	8.61	29.94	128.40
12	Karnataka	2631.00	132.78	21.00	6.00	2790.78
13	Kerala	110.00	26.00	10.00	6.00	152.00
14	Madhya Pradesh	634.85	204.96	7.37	1.34	848.52
15	Maharashtra	3610.87	134.07	13.40	0.80	3759.14
16	Manipur	85.00	25.00	2.00	10.00	122.00
17	Meghalaya	2.00	6.50	0.15	1.20	9.85
18	Mizoram	0.01	6.00	0.10	0.00	6.11
19	Nagaland	0.00	6.95	0.20	0.05	7.20
20	Orissa	512.65	88.33	4.04	2.77	607.79
21	Punjab	175.87	27.01	29.90	89.07	321.85
22	Rajasthan	462.34	64.28	39.85	4.10	570.57
23	Sikkim	0.00	4.00	0.05	3.50	7.55
24	Tamilnadu	307.39	42.15	24.48		374.02
25	Tripura	9.46	30.93	0.02	4.05	44.46
26	Uttra Pradesh	824.81	70.26	30.00	38.53	963.60
27	Uttranchal*	31.76	41.35	0.00	3.70	76.81
28	West Bengal	165.47	57.45	9.10	146.91	378.94
	Total States	13645.17	2038.22	271.26	561.39	16516.04
1	A&N Islands	0.00	3.90	0.00	0.00	3.90
2	Chandigarh	0.00	0.70	0.00	0.00	0.70
3	D&N Haveli	0.80	0.57	0.18	0.00	1.55
4	Daman&Diu	0.10	0.15	0.00	0.22	0.47
5	Delhi	0.00	0.50	0.00	22.00	22.50
6	Lakshadweep	0.00	0.00	0.00	3.00	3.00
7	Pondicherry	0.00	12.98	0.00	5.45	18.43
	Total UT's	0.90	18.80	0.18	30.67	50.55
	Total(State&UT's)	13646.07	2057.02	271.44	592.06	16566.59
	Central Sector	62.82	109.16	202.00	176.02	550.00
	Grand Total	13708.89	2166.18	473.44	768.08	17116.59

Annexure 11.1.6

REVISED APPROVED OUTLAYS 2002-03

Sl.	Name of the State	Major & medium	Minor Irrign.	CAD	FCD	Total
1	Andhra Pradesh	1331.76	250.02	13.58	43.70	1639.06
2	Arunachal Pradesh	0.40	22.54	2.00	6.75	31.69
3	Assam	53.29	59.56	10.00	3.41	126.26
4	Bihar	279.90	86.00	15.30	92.00	473.20
5	Chattisgarg	274.95	124.05	1.08	0.30	400.38
6	Goa	68.50	9.56	3.09	1.76	82.91
7	Gujarat	1190.32	198.22	6.12	3.02	1397.68
8	Haryana	170.00	0.00	15.00	25.00	210.00
9	Himachal Pradesh	11.83	58.09	2.15	13.40	85.47
10	Jarkhand	290.00	60.00	0.00	10.00	360.00
11	Jammu Kashmir	37.34	52.51	8.61	29.94	128.40
12	Karnataka	2474.27	100.65	21.00	6.20	2602.12
13	Kerala	100.00	20.00	10.00	6.00	136.00
14	Madhya Pradesh	937.67	224.60	7.37	2.61	1172.25
15	Maharastra	3610.87	134.07	12.77	1.43	3759.14
16	Manipur	53.10	15.90	2.94	6.70	78.64
17	Meghayala	2.00	6.50	0.15	1.20	9.85
18	Mizoram	0.01	6.30	0.10	0.00	6.41
19	Nagaland	0.00	6.95	0.20	3.10	10.25
20	Orissa	453.65	93.33	4.04	2.77	553.79
21	Punjab	175.87	27.01	29.90	89.07	321.85
22	Rajasthan	266.18	53.58	30.35	3.95	354.06
23	Sikkim	0.00	4.15	3.50	0.05	7.70
24	Tamilnadu	291.12	63.39	23.22		377.73
25	Tripura	7.46	32.93	0.03	4.05	44.47
26	Uttra Pradesh	816.66	43.91	40.04	38.62	939.23
27	Uttranchal	31.76	41.35	0.00	3.70	76.81
28	West Bengal	147.46	38.82	3.33	91.75	281.36
	Total States	13076.37	1833.99	265.87	490.48	15666.71
1	A&N Islands	0.00	3.90	0.00	0.00	3.90
2	Chandigarh	0.00	0.70	0.00	0.00	0.70
3	D&N Haveli	0.80	0.57	0.18	0.00	1.55
4	Daman&Diu	0.10	0.15	0.00	0.22	0.47
5	Delhi	0.00	0.60	0.00	21.00	21.60
6	Lakshadweep	0.00	0.00	0.00	3.00	3.00
7	Pondicherry	0.00	13.23	0.00	12.47	25.70
	Total UT's	0.90	19.15	0.18	36.69	56.92
	Total(States&UT's)	13077.27	1853.14	266.05	527.17	15723.63
	Central Sector	54.24	97.31	153.05	145.40	450.00
	Grand Total	13131.51	1950.45	419.10	672.57	16173.63

Annexure 11.1.7

PROPOSED OUTLAY 2003-2004

(Rs. in Crore)

Sl. No.	Name of States & U.Ts.	Major & Medium	Minor Irrigation	CAD	Flood Control	Total
1	2	3	4	5	6	7
1	Andhra Pradesh	1861.64	279.04	7.97	28.14	2176.79
2	Arunachal Pradesh	0.40	21.54	2.00	3.75	27.69
3	Assam	66.94	74.81	3.53	19.21	164.49
4	Bihar	473.96	121.24	27.70	117.65	740.55
5	Chattisgarh	211.52	253.39	1.58	0.15	466.64
6	Goa	16.06	30.08	0.94	4.50	51.58
7	Gujarat	1158.47	298.22	6.12	3.02	1465.83
8	Haryana	200.00	0.00	20.00	46.00	266.00
9	Himachal Pradesh	15.99	57.00	2.11	13.04	88.14
10	Jammu & Kashmir	62.97	63.41	9.20	35.71	171.29
11	Jharkhand	687.00	60.00	0.00	5.00	752.00
12	Karnataka	2608.00	213.28	22.10	6.00	2849.38
13	Kerala	110.00	11.50	11.50	8.00	141.00
14	Madhya Pradesh	977.13	194.49	6.67	1.34	1179.63
15	Maharashtra	311.00	186.43	18.86	2.01	518.30
16	Manipur	86.40	22.00	2.94	4.70	116.04
17	Meghalaya	2.20	8.00	0.20	1.32	11.72
18	Mizoram	0.01	7.10	0.10	0.00	7.21
19	Nagaland	0.02	7.10	0.10	0.05	7.27
20	Orissa	427.74	112.97	3.60	4.00	548.31
21	Punjab	210.25	33.60	30.00	48.00	321.85
22	Rajasthan	533.31	56.83	40.24	4.90	635.28
23	Sikkim	0.00	4.64	0.20	6.00	10.84
24	Tamil Nadu	276.59	99.47	13.84	30.00	419.90
25	Tripura	8.58	37.87	0.00	4.66	51.11
26	Uttar Pradesh	922.31	69.82	30.00	40.53	1062.66
27	Uttaranchal	45.90	38.90	0.00	0.00	84.80
28	West Bengal	84.70	26.66	2.44	87.71	201.51
	Total States	11359.09	2389.39	263.94	525.39	14537.81
	Union Territories					
29	A & N Island	0.00	5.80	0.00	2.50	8.30
30	Chandigarh	0.00	1.75	0.00	0.00	1.75
31	D & N Haveli	1.86	0.57	0.18	0.00	2.61
32	Daman & Diu	0.00	5.00	0.00	0.00	5.00
33	Delhi	0.00	0.50	0.00	22.00	22.50
34	Lakshadweep	0.00	0.00	0.00	3.15	3.15
35	Pondicherry	0.00	16.10	0.00	9.05	25.15
	Total U.Ts.	1.86	29.72	0.18	36.70	68.46
	Total States & Uts.	11360.95	2419.11	264.12	562.09	14606.27
	Central Sector	76.08	95.22	202.00	180.70	554.00
	Grand Total	11437.03	2514.33	466.12	742.79	15160.27
	Source: States AP 2003-04 Documents					

11.2 POWER

Introduction

The Power sector is at the core of the overall socio-economic development of the country. The Tenth Plan envisages a capacity addition programme of 41,110 MW in the power sector. An additional 3075 MW is also proposed through renewable energy sources. To achieve the Tenth Plan objectives, the Government has taken a number of new policy initiatives and is committed to carry forward power sector reforms to make the sector competitive and viable. Some of the key reform objectives are: (a) encouraging competition and private participation in each element of the electricity value chain; (b) rationalising power tariffs and making the tariff setting process transparent; and (c) instituting the modified Accelerated Power Development and Reform Programme (APDRP) aimed at distribution reform through both an investment component and an incentive component that is linked to actual reduction in aggregate technical and commercial losses over the level of such losses in 2000-01.

2. The Electricity Act, 2003 has been notified as an Act through Gazette Notification dated 10th June 2003. The new law replaces the existing three electricity laws, namely the Indian Electricity Act, 1910, the Electricity (Supply) Act, 1948 and the Electricity Regulatory Commission Act, 1998. The Electricity Act, 2003 delicens thermal generation completely, liberalises hydro generation, recognizes trading of power as a distinct activity, allows for multiple licenses for transmission and distribution in the same territory, sets the bases for open access in transmission, permits SERCs to allow open access in distribution of electricity in phases and significantly liberalises the definition of captive generation. All this would ultimately encourage competition that is expected to deliver efficiency gains.

Review of 2002-03 & Annual Plan 2003-04

Electricity Generation & Plant Load Factors (Utilities)

3. Against a target of 545.55 Billion Units (BU), actual generation during 2002-03 was 531.43 BU, representing a shortfall of 2.6%. The shortfall is attributed to widespread draught resulting in poor hydel generation wherein the achievement was only 77% of the programme. However, thermal and nuclear generation exceeded the target by 0.6% and 11.8% respectively thereby making up, partially, for the loss of hydro generation. The total generation during 2002-03 was higher than that in 2001-02 by 3.1%. The total electricity generation by the utilities in 2003-04 is targetted at 572.90 BU.

4. In addition to the above, about 1.32 Bkwh and 0.20 Bkwh of electricity was also received from Bhutan's Chukha and Kurichu Hydel projects respectively.

5. The total generation envisaged for 2003-04 is 1.05 % higher than the target for the preceding year. Additional Energy of about 1.72 BU is also expected to become available from the Chukha and Kurichhu Hydel Projects in Bhutan.

6. The source-wise generation targets and achievements for 2002-2003 with actual for 2001-2002 and projections for 2003-2004 in respect of power utilities is summarized in Table 1. A detailed region-wise break-up of these numbers is provided in Annexure I

Table 1
Source-wise Electricity Generation

	(Million Units)			
	2001-2002 Actual	2002-2003		2003-2004 Target
		Target	Actual	
Hydro	73940	82814	63773	83050
Thermal	421987	445558	448445	472650
Nuclear	19320	17180	19212	17200
Total	515247	545552	531430	572900

7. During 2002-2003, the target for All India Plant Load Factor (PLF) was 70.8% for thermal stations. As against this, the actual achievement is estimated as 72.1%. Table 2 summarizes the sector-wise break-up of PLFs for the years 2001-2002 and 2002-2003 and the target for 2003-2004. The targets and achievement in respect of PLF for all State Electricity Boards, Central Power Organisations and Private Sector are provided in Annexure II.

Table 2
Sector-wise Plant Load Factor (%)

	2001-2002 Actual	2002-2003		2003-2004 Target
		Target	Achievement	
Central Sector	74.3	74.8	77.1	74.6
State Sector	67.0	68.2	68.7	70.0
Private Sector	74.7	74.0	78.9	78.9
All India	69.9	70.8	72.1	72.1

Capacity Addition

8. The targeted addition to generating capacity during 2002-2003 was 4109.10 MW. The actual achievement in 2002-03 was 2979.40 MW (72.5%). The actual achievement was boosted by the commissioning of 800 MW of capacity that was not originally included in the programme. This 800 MW comprised of one unit of Talcher St.II (500 MW) in the Central Sector, 2 units of 100 MW each at Baspa HEP II in the Private sector and 2 units of 50 MW each at Sardar Sarovar Canal Head Power House in the State Sector. Table 3 summarizes the capacity additions realized by Thermal, Hydel and Nuclear facilities in 2001-02 and 2002-03 and the targets for 2003-04.

Table 3
Addition in Capacity (MW)

	2001-2002 Actual	2002-2003		2003-2004 Target
		Target	Achievement	
Hydel	1106.25	607.00	649.00	3765.00
Thermal	2009.00	3502.10	2330.40	1437.34
Nuclear	440.00	0.00	0.00	0.00
Total	3115.25	4109.10	2979.40	5202.34

9. The project-wise details of capacity addition are provided in Annexure III. There were 7 generating units totaling 2037 MW which failed to achieve the targeted 2002-2003 generating capacity addition programme. The delayed projects comprised of 258 MW of hydro capacity (3 generating units) and 1779 MW of thermal capacity (4 generating units) inclusive of the 1444 MW Dabhol project which is under litigation. The complete list of delayed project is provided in Annexure IV.

10. The generation capacity addition of 5202.34 MW targeted for 2003-04 includes capacity addition of 4175 MW in the Central Sector, 874.54 MW in the State Sector and 152.80 MW in the Private Sector. The 2003-04 target includes projects aggregating 460 MW that spilled over from 2002-03. The scheme-wise details of anticipated additions to installed capacity during 2003-04 are indicated in Annexure V.

Transmission & Distribution

11. The programme and achievement in respect of construction/energisation of 800 KV/400 KV/ 220 KV transmission lines for 2001-02 and 2002-03 along with the targets for 2003-04 is summarized in Table 4. The actual achievement in 2002-03 shows mixed results with shortfalls in each segment except for the 400 KV lines.

Table 4
Transmission Lines additions

(Ckt. kms)

	2001-2002	2002-2003		2003-2004
	Actual	Target	Achievement	Target
+/- 500 KV HVDC	800	636	569	NIL
800 KV	51	173	32	149
400 KV	1780	3198	3433	3385
220 KV	3543	3024	2980	3566

Power Sector Reforms

12. The most significant reform initiative for the year has been the enactment of the Electricity Act, 2003 with the following provisions:-

- The Central Government to prepare a National Electricity Plan and a Tariff Policy in consultation with State Governments.
- Generation other than hydro, has been completely delicensed and captive generation liberalized considerably.
- Hydro projects would need clearance from the Central Electricity Authority.
- Provision for private licensees in transmission & possibility of distribution through an independent network.
- Transmission Utility at the Central as well as State level, to be a Government Company – with responsibility for planned and co-ordinated development of transmission network.
- Open access in transmission from the outset.
- Open access in distribution to be introduced in phases.

- Generation & distribution in the rural areas completely delicensed.
- Multiple transmission and distribution licensees allowed within the same area.
- Trading, recognised as a distinct activity. Regulatory Commissions to fix ceilings on trading margins if necessary.
- An Appellate Tribunal to hear appeals against the decision of the CERC and SERCs.
- Provisions relating to theft of electricity made more stringent.

13. At the State level, power Sector reform is continuing through unbundling of SEBs into separate generation, transmission & distribution entities. This has enabled monitoring efficiency levels of each activity as a profit center and incentivising efficiency in each area.

14. The Central Electricity Regulatory Commission (CERC) formed under the provisions of Electricity Regulatory Commissions Act, 1998 is fully functional. The Commission has passed several key orders including those covering Availability Based Tariff and Grid discipline. All States other than Jammu & Kashmir, Sikkim, Meghalaya, Manipur, Mizoram, Nagaland & Tripura have either constituted or notified the constitution of SERC. Fifteen SERCs including those in Orissa, Andhra Pradesh, Uttar Pradesh, Maharashtra, Gujarat, Haryana, Karnataka, Rajasthan, Delhi, Madhya Pradesh, Himachal Pradesh, West Bengal, Punjab, Tamil Nadu and Assam have issued their tariff orders.

15. Nine States including Orissa, Haryana, Andhra Pradesh, Uttar Pradesh, Karnataka, Rajasthan, Madhya Pradesh, Assam and Delhi have enacted their State Electricity Reforms Acts which provide, inter alia, for unbundling/corporatisation of SEBs, setting up of SERCs, etc. The SEBs of Orissa, Haryana, Andhra Pradesh, Karnataka, Uttar Pradesh, Rajasthan, Madhya Pradesh, Uttaranchal and Delhi have been unbundled/corporatised. The distribution companies formed after unbundling of the Electricity Boards in the States of Orissa and Delhi have been privatized.

16. The Ministry of Power has signed memorandums of understanding (MoUs)/ Memorandums of agreement (MoAs) with all States except Manipur and Tripura to undertake reforms in a time-bound manner. These MoUs/MoAs provide for time-bound metering in two phases i.e. (i) metering of 11 KV feeders and (ii) all consumers. Monitoring is being done to ensure that the agreed milestones are achieved.

17. Hundred per cent metering of 11 kV feeders has been completed by 11 States and for 5 States it is in the process of completion. However the progress of 11 kV feeders in respect of 13 States viz. Bihar, Chhatisgarh, Jharkhand, Orissa, Rajasthan, Assam, Arunachal Pradesh, Manipur, Meghalaya, Nagaland & Sikkim is below 75%. The consumer metering has been completed in respect of 5 States and for another 5 States, it is in the process of completion. However, the progress in regard to consumer metering is below 75% in the States like Chhatisgarh, Jharkhand, Madhya Pradesh, Uttar Pradesh, Arunachal Pradesh, J&K, Meghalaya, Nagaland & Sikkim.

18. State Government Bonds securitising the outstanding dues (as on 30.9.2001) of SEBs payable to CPSUs under Ministry of Power, Department of Coal, Department of Atomic Energy and the Ministry of Railways have recently been issued. Four North Eastern states viz. Arunachal Pradesh, Manipur, Mizoram and Tripura have not yet signed the tripartite agreement

covering their dues. The scheme requires defaulting States covered by the scheme to pay their current dues in future.

Accelerated Generation & Supply Programme (AG&SP) Scheme

19. AG&SP Scheme was initiated during the Ninth Plan period. The scheme provides an incentive in the form of an interest subsidy to SEBs/States and central power utilities. The AG&SP scheme has now been extended to Tenth Plan with the following modifications:-

- a) The eligibility for funding is linked to performance on agreed minimum milestones of reform.
- b) Interest subsidy is reduced from 4% to 3%.
- c) The scope for assistance under the scheme is to be limited to only the State Sector generation and R&M projects.

Accelerated Power Development and Reforms Programme (APDRP)

20. A scheme on Accelerated Power Development Programme (APDP) was initiated in the financial year (2000-01) to improve the sectors performance. The APDP scheme was modified in 2002-03 to improve utilization of funding available and to link the funding to distribution reforms aimed at making utilities profitable through a reduction in aggregate technical & commercial (ATC) losses. The funding under the modified Accelerated Power Development and Reforms Programme (APDRP) is split equally between new investments and incentive payments. The incentive payments are completely linked to the actual reduction in ATC losses over the 2000-01 level of such losses for respective utilities. The objective is to ensure that the distribution investment made under APDRP result in quantifiable physical and financial benefits in the selected circles.

Renovation & Modernization (R&M)

21. In the Tenth Plan 106 old thermal units with a total capacity of about 10,413 MW have been identified for Life Extension (LE) Works at an estimated cost of Rs. 9200 crores. Out of 106 units, work of residual life assessment studies on 59 units have been completed. After implementation of LE schemes, the economic operating life of the units will get extended by 15-20 years besides an overall improvement in performance of the units. Also R&M works on thermal plants for 35 units (6440 MW) in the State sector and another 25 units (7460 MW) in the Central Sector (NTPC) have been identified for improvement of their performance. For R&M and uprating of hydro power schemes, 72 schemes including 10 schemes under the Central Sector and 62 schemes under State Sector with a total installed capacity of 8139.05 MW have been identified for the Tenth Plan period. These hydro units are expected to yield a benefit of 2886.62 MW at an estimated cost of Rs.2733.33 crores. The foregoing schemes are under various stages of implementation.

22. For the Annual Plan (2002-03), the first year of the Tenth Plan, 13 hydro schemes (1 in Central Sector +12 in State Sector) with an installed capacity of 851.75 MW were programmed for completion at an estimated cost of Rs. 479.5 crore. These schemes were expected to yield a benefit of 425.25 MW. Out of these 2002-03 schemes, 11 schemes with an installed capacity of 838.80 MW had been completed at a cost of Rs. 445.29 crore by June 30, 2003. The expected benefit from these 11 schemes is estimated at 349 MW.

Plan Outlay

23. The total expenditure in the power sector (including Rural Electrification) during 2002-03 is estimated at around Rs. 30,181 crore against the Approved Outlay of Rs.32,757 crore. Table 5 summarizes the plan outlays for 2001-02 & 2002-03 and the projected outlays for 2003-04 for both the Central and the State sectors. Detailed outlays for each State & CPSUs are presented in Annexure VI.

Table 5
Annual Plan Outlays

(Rs. crore)

	2001-2002 Actual	2002-2003		2003-2004 Approved Outlay
		Approved Outlay	Revised Estimates	
States & UTs	13555.19	17264.79	16675.02	Yet to be finalised
Central Sector	11624.80	15491.72	13505.97	18116.06
Total(All India)	25179.99	32756.51	30180.99	To be finalised

24. The utilization of funds available for the power sector development in the Special Area Programme of North Eastern Council (NEC) is given in Table 6. The utilization in 2002-03 was low primarily because two major generation projects implemented by NEEPCO made alternate funding arrangements.

Table 6
Utilization of other provisions

(Rs. crore)

	2001-02 Actual Expenditure	2002-2003		2003-04 Approved Outlay
		Approved Outlay	Anticipated Expenditure	
Power component of Special Area Programme of North Eastern Council	328.62	154.31	44.00	9.00

Externally Aided Power Projects

25. The year-wise allocation and actual utilization of external assistance in 2001-02 and 2002-03 by Ministry of Power through bilateral and multilateral arrangements is indicated in Table 7.

Table 7
Year-wise Allocation and Actual Utilization During 2001-02 and 2002-03

(Rs. crore)

Year	Allocation	Utilisation	Utilisation (%)
2001-02			
Central Sector	1675.43	2336.09	139.43
State Sector	2392.14	1651.67	69.05
Total	4067.57	3987.67	98.04
2002-03			
Central Sector	1450.05	1225.72	84.53
State Sector	2400.59	2059.23	85.78
Total	3850.64	3284.95	85.31

26. The factors contributing to non-utilisation of external aid in the case of power projects are deficiency in project management and delays in construction work.

Zero Based Budgeting (ZBB)

27. The ZBB exercise for the Ministry of Power (MOP) was undertaken by the Planning Commission in consultation with the Ministry during the Annual Plan (2002-03). The objective was to recommend convergence, retention with/without modifications, transfer to States and weeding out of the Central Sector Schemes and Centrally Sponsored Schemes (CSS) under MOP. The scheme on 'Power Finance Corporation subsidy' which was weeded out at the time of ZBB was subsequently approved by the Cabinet for continuation during the Tenth Plan period with a reduced interest subsidy. Thus, the number of schemes retained during Annual Plan (2003-04) rose to 9. A summary of the ZBB schemes is given in Table 8. The scheme-wise details are given in Annexure VII.

Table 8
Summary on ZBB Schemes

Sl. No.	Category	No. of Schemes	
		Central	CSS
1	Schemes to be retained	6	Nil
2	Schemes to be merged	3/8	Nil
3	Schemes to be weeded out	9	1
	Total Ninth Plans Schemes	23	1
	Schemes continue in the Tenth Plan	9	Nil

RURAL ELECTRIFICATION (RE) PROGRAMME :

Review of RE Programme for 2002 - 03

28. An amount of Rs.360.66 Crore under Pradhan Mantri Gramodaya Yojana (PMGY) and an amount of Rs.600 Crore under Minimum Need Programme (MNP) component were allocated among the States to electrify the villages. In addition, an amount of Rs.90 Crore in the form of grant was provided in the budget of Ministry of Power to extend single point light connections to the households of poor sections of the society under Kutir Jyoti scheme. As against the target of 12,363 villages, 3662 villages have been electrified during the year 2002-03. A total of 3.36 lakh irrigation pumpsets had been energized against the target of 2.42 lakh pumpsets. Load intensification and system improvement activities had also been carried out in the electrified villages for which concessional funds given by Rural Electrification Corporation (REC) were utilized.

RE Programme for 2003-04

29. In 2003-04, Rs.300 Crore under PMGY, Rs.600 Crore under MNP and Rs.90 Crore under Kutir Jyoti have been provided for the RE programme. The physical targets for 2003-04 have been set at electrification of 12,328 villages and energisation of 2.42 lakh pumpsets. As per progress report prepared by Central Electricity Authority (CEA), 85 villages have been

electrified and 16584 pumpsets have been energized as on June 30, 2003. The works relating to load development and system improvements are also continuing with funding from REC.

NEW AND RENEWABLE SOURCES OF ENERGY :

30. The programme of New and Renewable Sources of Energy is being implemented by the Ministry of Non-Conventional Energy Sources (MNES). The mandate of MNES covers provision of rural energy, power generation from renewable and non-conventional sources and promotion of new technologies. Indian Renewable Energy Development Agency (IREDA), a financial institution under the administrative control of MNES, supports the mandate of MNES. The rural energy initiative of MNES is designed to meet the basic needs for cooking, lighting and heating in rural households. Power generation program of MNES covers investments in wind power, small hydro, biomass based generation, cogeneration, solar thermal, solar photovoltaic and urban and industrial waste conversion. As on March, 31, 2003, the contribution of power generation from renewables had reached 3955 MW representing 3.7% of total installed generating capacity. Of this, wind power accounted for 1870 MW (47%) followed by small hydro at 1519 MW (40%) and biomass (including cogeneration) at 537 MW (14%). Approximate renewable energy potential and actual achievements are indicated in Annexure VIII.

Review of Annual Plan 2002-2003

31. The financial outlay for 2002-03 for MNES is given in Table 9. The outlay includes provisions for the institutions under MNES including equity support for IREDA. The physical and financial achievements of the major programmes are given in Annexure. IX.

Table 9
Financial outlays for 2002-03

(Rs. Crore)

Outlay	B.E.	R.E.
Domestic Budgetary Support (DBS)	476.00	370.46
External Assistance in Plan (EAP)	149.00	98.00
Gross Budgetary Support (GBS)	625.00	468.46
I.E.B.R.	476.48	419.98
Total Outlay	1101.48	888.44

Annual Plan 2003-04

32. The total outlay of MNES for 2003-04 is provided in Table 10. The GBS of Rs.625.00 crores includes an amount of 10% earmarked for utilization by North Eastern States and Sikkim under various programmes of MNES. The physical targets established for 2003-04 include 1.50 lakh family size biogas plants, 53,000 home lighting systems, 600 solar generators, solar power plants equivalent to 0.45 MW, 1600 SPV pumps, 250 MW of wind power, 125 MW of biomass power, 5 MW equivalent biomass gasifier systems, 80 MW small hydro power and 13.30 MW equivalent capacity from urban and industrial wastes.

Table 10
Financial outlays for 2003-04

(Rs. Crore)

Outlay	B.E.
Domestic Budgetary Support (DBS)	449.50
External Assistance in Plan (EAP)	175.50
Gross Budgetary Support (GBS)	625.00
I.E.B.R.	458.14
Total Outlay	1083.14

Zero-Based Budgeting Exercise (ZBB)

33. A detailed exercise in respect of Ministry of Non-Conventional Energy Sources (MNES) at the beginning of the Tenth Plan resulted in substantial reduction in the number of schemes from 35 to 11. Many schemes were merged, two schemes were transferred to the States and one scheme was weeded out. It has been decided to take up further ZBB exercise only after a review of the actual experience of the first ZBB initiative.

Centrally Sponsored Schemes (CSS)

34. Annexure 11.2.10 gives details of the share of central sector expenditure in the different Centrally Sponsored Schemes of MNES. Based on the Zero-Based Budgeting (ZBB) exercise carried out at the beginning of the Tenth Plan, the following Centrally Sponsored Schemes have been retained to be implemented during the Tenth Plan:

National Project on Biogas Development (NPBD):

35. Under the NPBD programme, funding is provided by the Centre in the form of a direct subsidy that meets around 25-30% of the cost of household biogas plants. The balance is met by the beneficiary through equity or subsidized loans provided by Banks or State Governments. NPBD is being implemented during 10th Plan with a modified community based approach as opposed to a single household approach. The idea is to set up community based plants that meet the needs of an entire community.

Integrated Rural Energy Programme (IREP):

36. IREP is implemented in all States and UTs with Central and State sector components. The Central component is aimed at developing capabilities for preparing and implementing integrated block level energy plans and projects. Central financial assistance is given for IREP project cells at the State level and for selected IREP blocks. Financial support is also given by the Centre for training and extension work. The State Plan component is utilized for implementing IREP block energy plans and for specific projects, demonstration activities and incentives that lower the effective cost of various energy devices. The programme is currently being implemented in a total of 860 blocks.

SPV Demonstration Programme:

37. The SPV demonstration programme provides a direct subsidy equal to 50% of the cost of solar lighting systems for households. This programme was started in 1992-93. Solar PV lanterns, solar PV domestic lights, solar street lights and solar power plants are distributed through the State nodal agencies and selected NGOs under this programme.

Small Hydro Power Programme:

38. The Small Hydro Programme was started in February, 1989 by MNES. Initially, the role of MNES was limited to implementation of projects upto 3 MW capacity for which MNES was providing 50% of the cost in the form of subsidy. The balance 50% was to be mobilized by the respective State Governments. In order to provide greater thrust and focused attention to this programme the responsibility for small hydro projects implemented in the State sector between 3-25 MW was also transferred to MNES w.e.f. 29.11.1999. The projects benefiting from this programme are categorized as State projects implemented in the state sector or commercial projects implemented in the private sector. State projects continue to receive direct subsidy upto 50% of the cost from MNES whereas the commercial projects only receive interest subsidy on the loans arranged by the investors. For small projects upto 1 MW especially in the N.E. region and Sikkim, MNES meets upto 90% of the cost of the project out of its own funds.

Annexure 11.2.1

Energy Generation in 2001-02, 2002-03 and 2003-04 (Utilities)

Year	Type		R E G I O N					ALL INDIA
			Northern	Western	Southern	Eastern	N-Eastern	
	Hydro		29233	7796	26917	7828	2166	73940
2001-2002	Thermal	Actual	113787	150960	98408	55748	3084	421987
	Nuclear		8006	6073	5241	-	-	19320
	TOTAL		151026	164829	130566	63576	5250	515247
	Hydro		31248	9382	31329	7197	3658	82814
	Thermal	Target	118127	155073	110584	58330	3444	445558
	Nuclear		7280	5800	4100	-	-	17180
	TOTAL		156655	170255	146013	65527	7102	545552
2002-2003	Hydro		30154	8045	18482	4488	2604	63773
	Thermal	Actual	116699	156789	112281	59925	2751	448445
	Nuclear		8629	6203	4380	-	-	19212
	TOTAL		155482	171037	135143	64413	5355	531430
	Hydro		35236	9260	28405	6614	3535	83050
2003-2004	Thermal	Target	121714	162167	119571	65631	3567	472650
	Nuclear		7390	5340	4470	-	-	17200
	TOTAL		164340	176767	152446	72245	7102	572900

Annexure – 11.2.2

Plant Load Factor of Thermal Power Plants during the year 2002-2003			
Sl. No.	SEB/Organisation	Target	Achievement
State Sector			
1	D.V.B/Genco	52.50	43.60
2	H.P.G.C.	62.40	66.60
3	RRVUNL	83.20	88.40
4	P.S.E.B.	75.40	73.50
5	UPRVUNL	60.30	61.10
6	G.E.B.	69.10	66.70
7	GSECL	82.90	92.50
8	M.S.E.B.	74.70	72.00
9	M.P.E.B.	70.10	73.10
10	C.S.E.B.	73.00	69.90
11	APGENCO	83.40	89.40
12	T.N.E.B.	79.70	81.00
13	K.P.C.L	82.90	90.40
14	B.S.E.B.	14.90	11.30
15	JHARKHAND	11.10	18.20
16	TENUGHAT V	39.40	37.10
17	O.P.G.C.	81.50	70.80
18	W.B.S.E.B.	*	
19	WB.P.DEV.CORP	55.10	54.80
20	D.P.L.	41.00	43.10
21	A.S.E.B.	17.30	14.80
	Average : SEB's	68.20	68.70
* Bandol and Santaldih transfer to WBPDC w.e.f 1.7.2001			
Central Sector			
1	NTPC Total	79.90	82.10
2	Badarpur	84.20	85.60
3	Neyveli	76.70	82.40
4	D.V.C.	38.50	38.90
	Average : CentralSector	74.80	77.10
Private Sector (Utilities)			
1.	A.E.Co/Sabarmati	82.30	86.60
2.	Trombay (TATA)	68.50	78.80
3.	CESC / Titagarh	71.60	71.00
4.	BSES Co.	85.00	88.80
	Average : Private Utilities	74.00	78.90
	Average : ALL INDIA	70.80	72.10

Generating Units Commissioned/Rolled during the Year 2002-2003								
Sl. No.	Name of the Project	Unit No.	Type	Sector	State	Implementing Agency	Units Rolled/Comm'd.	
							Capacity (MW)	Date
NORTHERN REGION								
1	Pragati CCGT	GT-2	Thermal	State	Delhi	PPCL	104.60	9.11.2002
2	Pragati CCGT	ST	Thermal	State	Delhi	PPCL	121.20	31.01.2003
3	Ramgarh CCGT St.II	GT-2	Thermal	State	Rajasthan	RRVUNL	37.50	7.08.2002
4	Ramgarh CCGT St.II	ST	Thermal	State	Rajasthan	RRVUNL	37.80	31.03.2003
5	Baspa-II	U-1	Hydro	Private	HP	JPHPL	100.00	18.03.2002
6	Baspa-II	U-2	Hydro	Private	HP	JPHPL	100.00	19.03.2002
		Central	State	Private	Total			
	Hydro	0.00	0.00	200.00	200.00			
	Thermal	0.00	301.10	0.00	301.10			
	Nuclear	0.00	0.00	0.00	0.00			
	TOTAL(NR)	0.00	301.10	200.00	501.10			
WESTERN REGION								
1.	Sardar Sarovar CHPH	2 to 3	Hydro	State	Guj/MP/Mah	SSNL	100.00	04.09.2002
2.	Bansagar Tons Ph II	2	Hydro	State	M.P.	MPEB	15.00	20.08.2002
3	Bansagar Tons Ph-III	3	Hydro	State	M.P.	MPEB	20.00	24.08.2002
		Central	State	Private	Total			
	Hydro	0.00	135.00	0.00	135.00			
	Thermal	0.00	0.00	0.00	0.00			
	Nuclear	0.00	0.00	0.00	0.00			
	TOTAL(WR)	0.00	135.00	0.00	135.00			
SOUTHERN REGION								
1	Simhadri	2	Thermal	Central	A.P.	NTPC	500.00	24.08.2002
2	Neyveli FST Extn.	1	Thermal	Central	T.N.	NLC	210.00	21.10.2002
3	Srisaillam LBPH	4	Hydro	State	A.P.	APGENCO	150.00	26.11.2002
4	Srisaillam LBPH	5	Hydro	State	A.P.	APGENCO	150.00	28.03.2003
5	Pedapuram CCGT	ST	Thermal	Private	A.P.	BSESAPPL	78.00	12.09.2002
6	Raichur TPP	7	Thermal	State	Kar.	KPCL	210.00	11.12.2002
7	Valuthur CCGT	GT	Thermal	State	T.N.	TNEB	60.00	24.12.2002
8	Valuthur CCST	ST	Thermal	State	T.N.	TNEB	34.00	13.03.2003
9	Neyveli TPS	0	Thermal	Private	T.N.	SCMSECo	250.00	11.10.2002
		Central	State	Private	Total			
	Hydro	0.00	300.00	0.00	300.00			
	Thermal	710.00	304.00	328.00	1342.00			
	Nuclear	0.00	0.00	0.00	0.00			
	TOTAL(SR)	710.00	604.00	328.00	1642.00			

Annexure-11.2.3 (Contd.)

Sl. No.	Name of the Project	Unit No.	Type	Sector	State	Implementing Agency	Units	Date
							Rolled/Comm. Capacity (MW)	
EASTERN REGION								
1	Talchar Stg.II	3	Thermal	Central	Orissa	NTPC	500.00	04.01.2003
2	Potteru Ph.I	1	Hydro	State	Orissa	OHPC	3.00	30.06.2002
3	Potteru Ph.II	1	Hydro	State	Orissa	OHPC	3.00	30.06.2002
4	Bambooflat DG	1	Thermal	Private	AN Island	SuryaPower	5.00	Feb., 2003
5	Bambooflat DG	2	Thermal	Private	AN Island	SuryaPower	5.00	June, 2002
6	Bambooflat DG	3	Thermal	Private	AN Island	SuryaPower	5.00	Feb., 2003
7	Bambooflat DG	4	Thermal	Private	AN Island	SuryaPower	5.00	June, 2002
		Central	State	Private	Total			
	Hydro	0.00	6.00	0.00	6.00			
	Thermal	500.00	0.00	20.00	520.00			
	Nuclear	0.00	0.00	0.00	0.00			
	TOTAL(ER)	500.00	6.00	20.00	526.00			
NORTH EASTERN REGION								
1	Limakhong DG	4	Thermal	State	Manipur	E.Deptt.	6.00	10.04.2002
2	Limakhong DG	5	Thermal	State	Manipur	E.Deptt.	6.00	16.04.2002
3	Limakhong DG	6	Thermal	State	Manipur	E.Deptt.	6.00	12.04.2002
4	Rokia GT Extn. Ph.II	7	Thermal	State	Tripura	E.Deptt.	21.00	11.07.2002
5	Baramura GT Extn.	GT	Thermal	State	Tripura	E.Deptt.	21.00	27.11.2002
6	Likim-ro	3	Hydro	State	Nagaland	E.Deptt.	8.00	07.04.2002
		Central	State	Private	Total			
	Hydro	0.00	8.00	0.00	8.00			
	Thermal	0.00	60.00	0.00	60.00			
	Nuclear	0.00	0.00	0.00	0.00			
	TOTAL(NER)	0.00	68.00	0.00	68.00			
Total All India								
(All India)								
		Central	State	Private	Total			
	Hydro	0.00	449.00	200.00	649.00			
	Thermal	1210.00	665.10	455.30*	2330.40			
	Nuclear	0.00	0.00	0.00	0.00			
	TOTAL(All India)	1210.00	1114.10	655.30	2979.40			
* Wind generating capacity of 107.3 MW (under private sector) is also included.								

Annexure – 11.2.4

Generating Units Slipped from the Programme of 2002-2003

Sl. No.	Name of the Project	Unit No.	Type	Sector	State	Implementing Agency	Capacity (MW)
1	Neyveli FST Ext.	2	Thermal	Central	T.N.	NLC	210.00
2	Tehri St-I	4	Hydro	Central	Uttaranchal	THDC	250.00
3	Akrimota lignite	1	Thermal	State	Gujarat	GMDCL	125.00
4	Chandil LBC	1	Hydro	State	Jharkhand	JSEB	4.00
5	Chandil LBC	2	Hydro	State	Jharkhand	JSEB	4.00
6	Dabhol CCGT Ph-II	Unit No. I&II	Thermal	Private	Maharashtra	Dabhol Power	1444.00
	Total	7 Units					2037.00

Annexure – 11.2.5

Generating Capacity Addition Programme for the year 2003-04

Sl. No.	Name of the Project	Unit No.	Type	Sector	State	Implementing	Unit Capacity	Likely Comm.Sch.
NORTHERN REGION								
1	Dulhasti H.E.Project	1	Hydro	Central	J&K	NHPC	130.00	Dec., 2003
2	Dulhasti H.E.Project	2	Hydro	Central	J&K	NHPC	130.00	Jan., 2004
3	Dulhasti H.E.Project	3	Hydro	Central	J&K	NHPC	130.00	Feb., 2004
4	Nathpa Jhakari	6	Hydro	Central	HP	NJPC	250.00	June ,2003
5	Nathpa Jhakari	5	Hydro	Central	HP	NJPC	250.00	July, 2003
6	Nathpa Jhakari	4	Hydro	Central	HP	NJPC	250.00	Sept.,2004
7	Nathpa Jhakari	3	Hydro	Central	HP	NJPC	250.00	Nov., 2003
8	Nathpa Jhakari	2	Hydro	Central	HP	NJPC	250.00	Jan., 2004
9	Nathpa Jhakari	1	Hydro	Central	HP	NJPC	250.00	March,2004
10	Tehri St-I	4	Hydro	Central	Uttaranchal	THDC	250.00	Dec., 2003
11	Tehri St-I	3	Hydro	Central	Uttaranchal	THDC	250.00	Jan., 2004
12	Tehri St-I	2	Hydro	Central	Uttaranchal	THDC	250.00	Feb., 2004
13	Tehri St-I	1	Hydro	Central	Uttaranchal	THDC	250.00	March,2004
14	Chamera St.II	1	Hydro	Central	HP	NHPC	100.00	June ,2003
15	Chamera St.II	2	Hydro	Central	HP	NHPC	100.00	July, 2003
16	Chamera St.II	3	Hydro	Central	HP	NHPC	100.00	Aug. 2003
17	Suratgarh TPP St.III	5	Thermal	State	Rajasthan	RRVUNL	250.00	June ,2004
18	Kota TPP St.IV	6	Thermal	State	Rajasthan	RRVUNL	195.00	July, 2003
19	Baspa H.E. Project	3	Hydro	Private	HP	JPHPL	100.00	April,2003
			Central	State	Private	Total		
			Hydro	3190.00	0.00	100.00	3290.00	
			Thermal	0.00	445.00	0.00	445.00	
			Nuclear	0.00	0.00	0.00	0.00	
			Total(NR)	3190.00	445.00	100.00	3735.00	
WESTERN REGION								
1	Indira sagar	1	Hydro	Central	M.P	NHDC	125.00	Oct., 2003
2	Indira sagar	2	Hydro	Central	M.P	NHDC	125.00	Dec., 2003
3	Dhuvaran CAPP	GT	Thermal	State	Gujarat	GSECL	67.85	April,2003
4	Dhuvaran CAPP	ST	Thermal	State	Gujarat	GSECL	38.77	June, 2003
			Central	State	Private	Total		
			Hydro	250.00	0.00	0.00	250.00	
			Thermal	0.00	106.62	0.00	106.62	
			Nuclear	0.00	0.00	0.00	0.00	
			Total (WR)	250.00	106.62	0.00	356.62	
SOUTHERN REGION								
1	Neyveli TPS-I Expan.	2	Thermal	Central	T.N.	NLC	210.00	July, 2003
2	Srisaillam LBPH	6	Hydro	State	A.P.	APGENCO	150.00	Oct., 2002
3	Kuttalam CAPP	GT	Thermal	State	T.N.	TNEB	63.00	Sept.,2003
4	Kuttalam CAPP	ST	Thermal	State	T.N.	TNEB	37.00	Sept.,2003
5	Pykera Ultimate	1	Hydro	State	T.N.	TNEB	50.00	March.2004
6	Velamthri	GT	Thermal	Private	T.N.	R K Energy	52.80	March.2004
			Central	State	Private	Total		
			Hydro	0.00	200.00	0.00	200.00	
			Thermal	210.00	100.00	52.80	362.80	
			Nuclear	0.00	0.00	0.00	0.00	
			Total (SR)	210.00	300.00	52.80	562.80	

Annexure 11.2.5 (concl.)

Generating Capacity Addition Programme for the year 2003-04								
Sl. No.	Name of the Project	Unit No.	Type	Sector	State	Implementing Agency	Unit Capacity (MW)	Likely Comm.Sch. (Mon/Yr)
EASTERN REGION								
1	Talcher STPP St.II	4	Thermal	Central	Orissa	NTPC	500.00	Nov.,2003
			Central	State	Private	Total		
			Hydro	0.00	0.00	0.00	0.00	
			Thermal	500.00	0.00	0.00	500.00	
			Nuclear	0.00	0.00	0.00	0.00	
			Total (ER)	500.00	0.00	0.00	500.00	
NORTH EASTERN REGION								
1	Kopili St.II	1	Hydro	Central	Assam	NEEPCO	25.00	June.,2003
2	Bairabi DGPP	1 & 2	Thermal	State	Mizoram	E.Deptt.	11.46	Dec., 2003
3	Bairabi DGPP	3 & 4	Thermal	State	Mizoram	E.Deptt.	11.46	Jan., 2004
			Central	State	Private	Total		
			Hydro	25.00	0.00	0.00	25.00	
			Thermal	0.00	22.92	0.00	22.92	
			Nuclear	0.00	0.00	0.00	0.00	
			Total (NER)	25.00	22.92	0.00	47.92	
ALL INDIA								
			Central	State	Private	Total		
			Hydro	3465.00	200.00	100.00	3765.00	
			Thermal	710.00	674.54	52.80	1437.34	
			Nuclear	0.00	0.00	0.00	0.00	
			Total	4175.00	874.54	152.80	5202.34	

Annexure – 11.2.6

Outlays/Expenditure – Power Sector							
						(Rs. In crore)	
SI.	STATE / UTs	1999-2000	2000-01	2001-02	2002-03	2002-03	2003-04
No.		(Actual)	(Actual)	(Actual)	(Appd.)	(R.E.)	(Appd.)
1	Andhra Pradesh	986.63	3034.79	2639.08	3122.69	2284.34	
2	Arunachal Pradesh	78.41	80.69	73.99	121.24	122.31	
3	Assam	64.38	82.98	116.23	187.11	187.11	
4	Bihar	129.00	64.81	67.30	275.30	174.02	
5	Chhatisgarh		3.23	8.52	20.05	13.75	
6	Goa	34.07	27.75	30.83	55.22	55.22	
7	Gujarat	798.49	745.66	942.31	792.24	792.24	
8	Haryana	435.42	356.46	35.85	261.40	228.40	
9	Himachal Pradesh	191.67	260.92	256.27	202.46	309.40	
10	Jammu & Kashmir	301.60	320.81	326.31	411.91	411.91	
11	Jharkhand			138.80	150.00	150.00	
12	Karnataka	1046.24	924.94	766.00	886.30	1079.81	
13	Kerala	558.46	624.28	459.97	589.00	589.00	
14	Madhya Pradesh	751.39	508.28	284.21	913.76	1304.99	
15	Maharashtra	1684.13	1170.06	460.47	730.56	730.56	
16	Manipur	53.13	33.70	0.00	62.73	62.73	
17	Meghalaya	12.50	46.51	82.62	135.47	93.82	
18	Mizoram	47.50	48.72	41.43	41.32	42.01	
19	Nagaland	14.48	10.85	41.98	34.78	35.25	
20	Orissa	255.73	360.69	347.34	1003.27	678.27	
21	Punjab	626.64	711.72	507.61	782.69	782.69	
22	Rajasthan	763.63	1016.57	1151.19	1114.00	1286.00	
23	Sikkim	37.60	30.75	33.89	41.20	42.20	
24	Tamil Nadu	1033.61	1221.92	1286.48	905.00	1424.70	
25	Tripura	18.20	18.32	20.97	44.43	44.43	
26	Uttar Pradesh	1049.02	848.13	862.67	981.56	892.07	
27	Uttranchal		46.72	56.00	303.67	303.67	
28	West Bengal	992.39	1791.92	917.42	1558.33	821.99	
	Sub Total (States)	11964.32	14392.18	11955.74	15727.69	14942.89	
1.	A & N Islands	29.24	33.59	24.63	32.00	32.00	
2.	Chandigarh	13.26	12.32	10.99	15.66	15.66	
3.	Dadra & Nagar Haveli	11.00	12.91	14.85	18.88	18.88	
4.	Daman & Diu	13.55	12.30	14.23	19.24	19.24	
5.	Delhi	483.58	847.83	1504.42	1413.00	1610.58	
6.	Lakshadweep	2.21	2.27	2.73	10.78	10.78	
7.	Pondicherry	21.22	20.86	27.61	27.53	24.98	
	Sub Total (U.T.s)	574.06	942.08	1599.45	1537.10	1732.12	
	Total (States & UTs)	12538.38	15334.26	13555.19	17264.79	16675.01	
1.	NTPC	1844.41	1921.10	2903.94	3506.00	2712.00	4501.00
2	NHPC	1006.03	1176.86	1846.12	2925.89	2600.93	3269.72
3.	POWERGRID	1500.52	1576.47	2451.00	3312.00	2577.00	2670.00
4.	DVC	97.59	64.12	110.48	840.66	973.55	1450.00
5.	THDC	337.68	476.92	498.00	1139.80	1018.17	924.29
6.	NJPC	753.76	681.15	1100.13	653.00	448.89	758.05
7.	NEEPCO	231.23	80.13	183.05	375.76	178.92	414.49
8.	PFC	1333.00	0.47	0.00	0.00	0.00	0.00
9.	REC	184.83	91.83	37.00	0.00	0.00	0.00
10	MOP (Misc.)	410.29	484.86	795.73	729.89	758.90	680.06
	Sub Total(MOP)	7699.34	6553.91	9925.45	13483.00	11268.36	14667.61
	DAE (Power)	958.54	908.11	1406.50	1716.00	1919.00	3170.00
	NLC (Power)	131.16	469.49	292.85	292.72	318.61	278.45
	Total Central Sector	8789.04	7931.51	11624.80	15491.72	13505.97	18116.06
	ALL INDIA	21327.42	23265.77	25179.99	32756.51	30180.98	

Details of Central Sector / Centrally Sponsored Scheme (CSS) in regard to Zero Based Budgeting Exercise for the Annual Plan 2003-04.

Sl. No.	Name of the Scheme	Ninth Plan		Externally Aided (Yes or No)	Recommendations By		Decision of the Planning Commission
		Outlay (Rs. Crore)	Actual Exp (Rs. Crore)		Ministry / Department	Planning Commission	
1	2	3	4	5	6	7	8
CENTRAL SECTOR SCHEMES							
1	Central Power Research Institute (CPRI)	100.00	68.40	NO	Retained as such.	Retained as such.	Should be continued.
2	Energy Conservation / EMC	52.00	14.06	NO	Retained as such	Retained as such	Should be continued
3	Kutir Jyoti Programme	200.00	247.68	NO	Retained as such	Retained as such	Should be continued
4	National Power Training Institute (NPTI)	38.00	16.59	NO	Retained as such	Retained as such	Should be Merged with Schemes at 19
5	Powergrid Grant-in-aid	2.00	40.00	NO	Retained as such	Retained as such	Should be continued
6	Setting up of Joint Electricity Regulatory Commission	2.84	0.50	NO	To be retained with modifications	Weeded out.	Should be Weeded out
7	Badarpur Thermal Power Project (BTPP)	100.00	72.21	NO	Retained as such	Weeded out	Should be Weeded out
8	Flexible AC Transmission system	0.00	0.00	NO	Weeded out.	Weeded out.	Should be Weeded out
9	Incentive scheme for better Performance of TPS/reduction In T&D losses	22.00	31.27	NO	Weeded out.	Weeded out.	Should be Weeded out
10	Power Finance Corporation subsidy	1233.00	1282.21	NO	To be retained With modifications	No decision yet	Should be cont
11	Sardar Sarovar Project	120.00	108.60	NO	Retained as such	No decision yet	Should be Weeded out
Central Electricity Authority							
12	Procurement of Software Packages	2.93	2.01	NO	Retained as such	Retained as such	(Schemes at (Sl. No. 12 & 13
13	Technology improvement in CEA	6.24	2.52	NO	Retained as such	Merged with Sr. No. 12	Should be merged
14	Strengthening up of Regional Electricity Boards	14.18	5.74	NO	Retained as such	Retained as such	Should be continued

Annexure 11.2.7 (Concl.)

Sl. No.	Name of the Scheme	<u>Ninth</u>	<u>Plan</u>	Externally	<u>Recommendations By</u>		<u>Decision of</u>
		Outlay (Rs. Crore)	Anti. Exp. (Rs. Crore)	Aided (Yes or No)	Ministry / Department	Planning Commission	the Planning Commission
1	2	3	4	5	6	7	8
15	Accelerating Power Generation-Pager Scheme	0.72	0.51	NO	Retained as such.	Retained as such.	(Scheme at Sl. No. 15 to 17 should be merged)
16	Project Maintenance Monitoring of Thermal Power Stations	0.61	0.16	NO	Retained as such.	Merged with Sr. no. 15	
17	Renovation & Modernisation of Thermal Power Station.	8.89	8.95	NO	Retained as such.	Merged with Sr. no. 15	
18	Power System Training Institute Stage II	5.22	5.11	NO	Retained as such.	Merged with NPTI of MOP Scheme at Sr. no. 4	(Scheme at Sl. No. 18 & 19 should be merged with Scheme at Sl. No. 4)
19	Hot Line Training Centre Stage-II	5.66	4.12	NO	Retained as such.	Merged with NPTI of MOP Scheme at Sr. no. 4	
20	Energy Audit & Studies for Reduction of Secondary Fuel Oil Consumption at Selected TPS	0.28	0.11	NO	Weeded out	Weeded out	Should be weeded out
21	Load Despatching Station - Construction of Staff quarters, ERLDC, Kolkatta	0.55	0.82	NO	Weeded out	Weeded out	Should be weeded out
22	Transfer of Technology in Hydro Development	16.10	22.43	Yes	Weeded out	Weeded out	Should be weeded out
23	Updating of Planning Models	12.83	8.98	Yes	Weeded out	Weeded out	Should be weeded out
CENTRALLY SPONSORED SCHEMES							
1	Inter-State Transmission Lines	6.00	11.82	NO	No Comments	Weeded out	Should be weeded out

Physical and Financial Achievements of Non-Conventional Energy Programmes

Programme	Physical		Financial (Rs.Crore)	
	Target	Achievements upto Dec.2002	Target	Achievements upto Dec.2002
Biogas	1.50(Lakh Nos.)	0.704	59.50	20.00 (31.1.2003)
Improved Chulhas	1.70(Lakh Nos.)	1.29	0.10	3.00 (RE)
Village Electrification	500(Nos.)	379 villages & 41 hamlets	75.00	2.28
SPV Home Lights SPV Power plants SPV Street Lights Solar Lanterns	50,000(Nos.) 500(KWp) 40000	20687 39 1250(Nos.) 8663(Nos.)	58.00	19.17
Wind Power	200(MW)	74	18.56	9.60
Small Hydro	80(MW)	25.5	28.00	28.00 (ant.)
Biomass Cogeneration	100(MW)	74	19.28	6.60
Waste to Energy	10(MW)	1.30	19.00	11.00 (ant.)

Annexure 11.2.9

RENEWABLE ENERGY POTENTIAL AND ACHIEVEMENTS UNDER VARIOUS PROGRAMMES OF NON-CONVENTIONAL ENERGY SOURCES

(as on 31.3. 2003)

S. No.	Source/System	Approximate Potential	Achievement
A.	Power from Renewables		
1.	Solar Photovoltaic Power	-	2.50 MW
2.	Wind Power	45,000 MW	1870.00 MW
3.	Small Hydro Power (up to 25 MW)	15,000 MW	1519.28 MW
4.	Biomass Cogeneration Power	19,500 MW*	483.90 MW
5.	Biomass Gasifier		53.40 MW
6.	Energy Recovery from wastes	1,700 MW	25.80 MW
	Power from Renewable (Total)	81,200 MW	3954.88 MW
B.	Decentralized Energy Systems		
7.	Family-size Biogas plants	120 lakh	35.24 lakhs
8.	CBP/IBP/NBP Plants	-	3902 Nos.
9.	Improved Chulha	12 crores	3.52 crores
10.	Solar Photovoltaic Systems	20 MW/sq.km.	
	i. Solar Street Lighting Systems	-	43474 Nos.
	ii. Home Lighting Systems	-	235162 Nos.
	iii. Solar Lanterns	-	441481 Nos.
	iv. SPV Power Plants	-	1391 kWp
11.	Solar Water Heating Systems	140 million sq.m. Collector area	0.70 million sq. m Collector area
12.	Solar Cooking System		
	i. Solar Cookers	-	540830 Nos.
	ii. Solar Steam Cooking Systems	-	6 Nos.
13.	Solar PV Pumps	-	5611 Nos.
14.	Wind Pumps	-	883 Nos.
15.	Hybrid Systems	-	219.09 KW
C.	Other Programmes		
16.	Aditya Solar Shops	-	35 Nos.
17.	Battery Operated Vehicles	-	300 Nos.
18.	Energy Parks		
	i. District Level Parks	-	278 Nos.
	ii. State Level Parks	-	8 Nos.
19.	IREP Blocks	-	860 Nos.

Sq. km.= Square Kilometer Sq. m.= Square meter

MW = Mega-watt

KW = Kilo watt

kWp = Kilo watt peak

* including Biomass Gasifier

Annexure 11.2.10

**Central Share of funds released to different Centrally Sponsored Schemes (CSS)
under MNES during 2002-03
(Rs. Crore)**

S.No.	States	Biogas	CBP/ BP	Improved Chulhas	Small Hydro	Solar Photo-Voltaic	IREP
1	Andhra Pradesh	4.280	0.000	0.2500	2.200	1.6700	0.160
2	Arunachal Pradesh	0.130	0.030	0.0000	12.900	0.3900	0.100
3	Assam	0.000	0.000	0.0000	0.000	0.000	0.000
4	Bihar	0.000	0.000	0.0253	0.002	0.000	0.000
5	Goa	0.000	0.000	0.0000	0.000	0.000	0.000
6	Gujarat	2.470	0.000	0.0500	0.000	2.0500	0.030
7	Haryana	0.160	0.200	0.1637	0.000	2.6800	0.190
8	Himachal Pradesh	0.220	0.000	0.0069	6.680	1.2000	0.140
9	Jammu & Kashmir	0.000	0.000	0.0000	0.000	1.0900	0.000
10	Karnataka	5.730	0.000	0.3057	0.820	1.2100	0.050
11	Kerala	0.090	0.250	0.1150	0.000	0.3800	0.370
12	Madhya Pradesh	3.980	0.000	0.0000	0.270	0.000	0.000
13	Maharastra	2.800	0.730	0.0500	0.170	0.2300	0.000
14	Manipur	0.190	0.000	0.0000	0.050	0.0820	0.000
15	Meghalaya	0.250	0.000	0.0000	0.000	0.0690	0.120
16	Mizoram	0.350	0.000	0.0000	0.060	0.5700	0.000
17	Nagaland	0.000	0.000	0.0000	0.030	0.000	0.000
18	Orissa	2.550	0.000	0.7024	0.000	0.000	0.000
19	Punjab	0.000	0.330	0.0608	1.740	0.5700	0.400
20	Rajasthan	0.070	0.400	0.0000	0.000	6.3400	0.110
21	Sikkim	0.250	0.000	0.0016	6.720	0.2100	0.020
22	Tamil Nadu	0.270	0.000	0.1500	0.080	0.7400	0.000
23	Tripura	0.150	0.000	0.0000	0.000	3.7800	0.080
24	Uttar Pradesh	0.000	0.380	0.0000	0.025	7.3400	1.220
25	West Bengal	4.140	0.100	0.3051	2.790	3.2200	0.000
26	Andaman & Nicobar	0.000	0.000	0.0000	3.000	0.000	0.000
27	Chandigarh	0.000	0.000	0.0000	0.000	0.0770	0.011
28	Dadar & Nagar Haveli	0.000	0.000	0.0000	0.000	0.000	0.000
29	Daman & Diu	0.000	0.000	0.0000	0.000	0.000	0.000
30	Delhi	0.000	0.000	0.0000	0.000	0.1800	0.030
31	Lakshwadeep	0.000	0.000	0.0000	0.000	0.000	0.000
32	Pondicherry	0.000	0.000	0.0000	0.000	0.0500	0.000
33	Chhattisgarh	2.520	0.000	0.1188	0.000	0.3300	0.150
34	Jharkhand	0.030	0.000	0.0000	0.000	0.2500	0.270
35	Uttranchal	0.150	0.480	0.0039	1.810	2.1700	0.100
36	Others	14.000	0.500	0.3076	0.130	3.9800	0.000
	Total	44.780	3.400	2.6168	39.477	40.8580	3.551

11.3 TRANSPORT

RAILWAYS

Introduction

The Indian Railways has completed 150 years of service to the nation in May, 2002. The Railways, with a capital base of about Rs. 55,000 crore and a network of about 63,000 route km., is the principal mode of transportation for bulk freight and long distance passenger traffic. Over the years, the Indian Railways have been facing capacity shortage and technological obsolescence which has been a serious constraint to the growth of the Railway system. Besides, the Railways has been witnessing deteriorating financial condition due to loss of market share to other competing modes of transport. The main thrust in the Tenth Five Year Plan is, therefore, on capacity expansion through modernization and technological upgradation of Railway system, improvement in quality of service, rationalization of tariff in order to improve the share of rail freight traffic in the total traffic and to improve safety and reliability of Railway services.

Review of Annual Plan 2002-03

2. In order to achieve the objectives of the Tenth Plan, a number of policy initiatives were taken during 2002-03. In case of certain commodities freight rates were reduced, and commodities which are highly subsidized experienced moderate increase in the freight rates. The difference in freight rate between the highest class and the lowest class was reduced substantially. Steps were taken to rationalize passenger tariff leading to improvement in yield. These measures were taken to rebalance the tariff structure. Greater flexibility was given to General Managers through delegated powers to offer concessions in freight rates. A policy to encourage management of freight terminals by the private entrepreneurs was formulated.

3. One of the objectives of National Rail Vikas Yojana which was launched on 26th December, 2002, is to remove the capacity constraints in critical sections of the Railway system. A company named Rail Vikas Nigam was set up for implementation of the projects, including raising of resources. The financial performance also showed improvement with operating ratios improving from 96.0% in 2001-02 to 92.5% in 2002-2003(RE).

4. During 2002-03 Railways carried 515 million tonnes of revenue earning originating freight traffic (RE), showing an increase of about 4.6% over the actual freight carried of 492.5 million tonnes during 2001-02. Freight tonne km. increased from 333.2 billion tonne km. in 2001-02 to 357.2 billion tonne km. in 2002-03 (RE), showing an increase of 7.2%. However, in case of passenger traffic, the achievement was 5022.1 million in 2002-03 (RE) against 5169.3 million passengers, during 2001-02, revealing a 2.8% decrease over the past year. Similarly, passenger kms. decreased from 400.6 billion kms. in 2001-02 to 391.0 billion kms. in 2002-03 (RE), showing a decrease of about 2.4%.

5. Wagon productivity during 2001-02 rose by about 8.9% as compared to that of 2000-01, as may be seen from Table-1.

Table – 1
Wagon Productivity

Year	NTKM per wagon per day (BG)	Improvement over the last year (%)
1997-98	1894	2.9
1998-99	1904	0.5
1999-00	2027	6.5
2000-01	2042	0.7
2001-02	2223	8.9

Annual Plan 2003-04

6. In order to achieve the objectives of the Tenth Five Year Plan a number of steps will be taken during 2003-04. The process of rationalization of freight structure initiated in the first year of the Tenth Five Year Plan has been continued in 2003-04. There is no increase in the freight rates for any commodity in 2003-04. Total number of classes were reduced from 32 to 27 and the ratio between the freight rates for the highest and the lowest class was reduced to 2.8%. The freight rates of various commodities was reduced. These include High Speed Diesel Oil , Iron and Steel, Pig Iron, Cement Sheets etc. In order to capture short lead traffic a scheme of graded concessions has been introduced. In the Annual Plan (2003-04) steps will be taken to increase the capacity of high density corridors, particularly of Golden Quadrilateral through implementation of National Rail Vikas Yojana. The thrust will be on the modernization of Railway system with special emphasis on computerization of freight traffic, improved signalling, and Railway tracks. A policy framework to categorise backlog of Railway projects for implementation through domestic budgetary support, multilateral funding and private/public partnership would be developed.

7. A policy with regard to Non-Core Railway Activities would also be formulated. The existing accounting policies and practices will be reviewed and introduction of fully computerized accounting and management information system will be planned so as to generate costing data on passenger and freight services on commercial lines.

8. An outlay of Rs. 12918 crore, comprising of Rs. 6577 crore of gross budgetary support and Rs. 6341 crore of IEBR, has been approved for the Railways during 2003-04 (Annexure-11.3.1) . So far as physical targets are concerned, a target of 540 million tonnes of revenue earning freight traffic has been laid down as against the target of 515 million tonnes for 2002-03 (RE). As regards passenger traffic, a higher target of 5177 million passengers has been proposed for 2003-04 as against 5022.12 million passengers for 2002-03 (RE). The progress of freight and passenger traffic carried by the Railways over the years is given in Annexures 11.3.2 and 11.3.3, respectively. The major programmes in 2003-04 include acquisition of rolling stock, track renewals, gauge conversion, railway electrification, and construction of new railway lines (Annexure 11.3.4). The physical targets are as follows:

Track renewals	3850 kms.
Gauge conversion	775 kms.
Electrification	350 kms.
New lines construction	225 kms.
Rolling stock (nos.)	
(a) Wagons (4 wheelers)	20050
(b) Diesel Locos	85

(c)	Electric Locos	69
(d)	Passenger coaches	1760

9. As regards the physical progress of works under NRVY, works are in progress on three mega bridges, viz., Bogibeel bridge over river Brahmaputra, two bridges over river Ganga – one at Patna and the other at Munger. Works pertaining to the mega bridge project over river Kosi and line doubling projects of Aligarh-Ghaziabad, Cuttack-Barang, Khurda-Barang, Raichur-Guntakal, as well as the work pertaining to terminal facilities at Anand Vihar have been included in the Railway budget (2003-04) after obtaining requisite clearances.

Private sector participation

10. The private sector participation in various Railway projects has not been encouraging. The Railways had initiated Own Your Wagon Scheme (OYWS) and Build Own Lease and Transfer (BOLT) scheme so as to mobilise private sector funds. However, the response of the private sector has been rather luke-warm in most OYWS cases and negative in some BOLT cases. The Railways are exploring various options for private/public participation in rail projects through different models. An SPV for undertaking Surendernagar - Rajula city – Pipavav gauge conversion project has been formed with equity participation by the Ministry of Railways and its PSUs; and Gujarat Pipavav Port Ltd.(GPPL) and others on 50:50 basis. The old BOLT scheme has been replaced by new BOT scheme, which envisages private participation by a consortium of construction contractors and financiers.

Monitoring mechanism

11. Planning Commission has developed a monitoring mechanism, Quarterly Performance Review, to evaluate the progress of the plan schemes/projects. Under this Quarterly Performance Review (QPR), the concerned Member, Planning Commission, takes periodic meetings with officials of the concerned Ministries to review the progress of programmes/schemes/ projects in the Five Year Plan. The purpose is to identify shortcomings and take remedial steps for achieving plan targets.

Annexure 11.3.1										
Financing of Plan										
(Rs. Crore)										
	9th Plan	1997- 98	1998- 99	1999- 00	2000- 01	2001- 02	1997- 20 02	10th Plan	2002- 03	2003- 04
									(RE)	(BE)
G.B.S.	11791	1992	2185	2588	3597	5517	15879	27600	6004	6577
Market Borrowings		2795	3217	2919	2897	2175	14003		2880	3000
	33622							33000		
Internal Resources		3452	3455	3550	2901	2485	15843		3431	3341
Total	45413	8239	8857	9057	9395	10177	45725	60600	12315	12918

Freight Traffic Carried by Indian Railways

Year	Originating Traffic			Net Tonne Km.		
	(in Million Tonnes)			(in billions)		
	Rev.	Non-Rev.	Total	Rev.	Non-Rev.	Total
	Earning	Earning		Earning	Earning	
1991-92	338	22	360	250.2	6.7	256.9
1992-93	350	20.8	370.8	252.4	5.7	258.1
1993-94	358.7	18.8	377.5	252.4	4.7	257.1
1994-95	365	16.6	381.6	249.6	3.4	253
1995-96	390.6	14.3	405	271.1	2.6	273.7
1996-97	409	14.4	423.4	277.6	2.4	280
1997-98	429.4	16.1	445.5	284.3	2.5	286.8
1998-99	420.9	20.7	441.6	281.5	2.8	284.3
1999-2000	456.4	21.8	478.2	305.2	2.8	308.0
2000-2001	473.5	30.7	504.2	312.4	3.1	315.5
2001-02	492.5	29.7	522.2	333.2	3.2	336.4
2002-03(BE)	510.0	@	@	334.2	@	@
2002-03(RE)	515.0	@	@	357.2	@	@
2003-04 (BE)	540.0	@	@	367.3	@	@

@' Not available

Annexure 11.3.3

Passenger traffic carried by Indian Railways

Year	No. of Passengers (in million)			Passenger Km. (in billions)		
	Suburban	Non-Sub-urban	Total	Sub-urban	Non-Sub-urban	Total
1991-92	2411.0	1637.1	4048.1	63.4	251.2	314.6
1992-93	2282.0	1467.0	3749.0	60.5	239.7	300.2
1993-94	2302.0	1406.0	3708.0	63.1	233.2	296.3
1994-95	2430.0	1485.0	3915.0	68.0	251.0	319.0
1995-96	2481.0	1557.0	4038.0	72.6	261.4	334.0
1996-97	2578.0	1575.0	4153.0	76.5	280.5	357.0
1997-98	2657.0	1691.0	4348.0	78.8	301.1	379.9
1998-99	2724.8	1743.7	4468.5	83.5	321.1	404.6
1999-2000	2836.4	1814.3	4650.7	85.8	345.6	431.4
2000-2001	2867.9	1971.9	4839.8	89.5	368.2	457.7
2001-02	3075.5	2093.8	5169.3	93.6	400.6	494.2
2002-03(BE)	3012.8	2175.0	5187.8	88.2	410.2	498.4
2002-03(RE)	3018.3	2003.8	5022.1	93.7	391.0	484.7
2003-04(BE)	3078.3	2098.7	5177.0	95.5	412.1	507.6

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Annexure 11.3.4							
Plan Headwise Outlays & Expenditure of Indian Railways							
Rs. crore							
Plan Head	2000-2001		2001-02		2002-03		2003-04
	BE	Actual	BE	Actual	BE	RE	BE
Rolling Stock	3900	3639	3850	3056	3772	3748	3795
Workshops & Sheds	220	165	220	206	215	224	273
Machinery & Plant	100	91	100	83	116	108	140
Track Renewals	2000	1702	2050	1885	2703	2602	2605
Bridge Works	75	69	75	107	204	218	302
Gauge Conversion	600	454	665	686	807	768	733
Doublings	655	524	672	600	608	584	443
Other Traffic Facilities	225	149	225	172	225	224	238
Signalling & Telecom	425	350	425	369	725	674	689
Road Safety ROB/RUB Level Crossing	300	79	300	139	450	264	433
Computerisation	70	55	70	68	139	107	144
Electrification	325	302	225	269	238	247	122
Other Electrical Works	130	93	120	98	130	131	140
New Lines	825	711	1015	891	911	1319	1005
Staff Quarters	60	53	65	63	67	71	75
Staff Welfare	60	52	65	52	65	69	65
Users' Amenities	200	136	200	169	200	200	205
Other Specified Works	45	39	45	47	79	81	115
Inventories	337	424	300	913	390	312	210
M.T.P.	400	263	378	281	266	302	444
Railway Research	10	9	10	8	20	9	10
Investment in PSUs	38	36	15	15	-	53	732
Total	11000	9395	11090	10177	12330	12315	12918

Roads

Introduction

12. Roads are the basic input in the developmental process. They play a key role in national integration and socio-economic development of the country through connecting remote areas, providing accessibility to markets, schools, hospitals and creating conducive environment for domestic and foreign investment. Roads, in addition, facilitate inter-modal transport development by providing linkages to airports, railway terminals and ports.

13. The existing road network is inadequate and is unable to handle high traffic density at many places and has poor riding quality. The present road policy in India has two basic tenets, viz. *accessibility* and *mobility*. The *accessibility* objective is to be achieved through improved rural roads network. Pradhan Mantri Gram Sadak Yojana (PMGSY) has been launched for the purpose of providing all-weather road connectivity in rural areas. *Mobility* is to be facilitated through improvement in capacity and strengthening high-density corridors. The National Highway Development Project is the main initiative in this regard and it aims at 4-laning or 6-laning of Golden Quadrilateral and North-South, East-West corridors. Ensuring maintenance and improving riding quality of roads are other thrust areas.

Review of Annual Plan 2002-03

14. The Tenth Five Year Plan thrust is on improving accessibility, capacity and riding quality of roads; removing deficiencies in the existing road network; revamping maintenance practices; augmenting resources for road development through private sector participation and levy of user charges.

15. In 2002-03 some policy initiatives were taken to achieve the objectives of 10th Five Year Plan. The concept of core network was introduced in the planning process of Pradhan Mantri Gram Sadak Yojana (PMGSY). New guidelines and standard bidding document for implementation of PMGSY were prepared. These steps are aimed at achieving improved accessibility speedily and at a minimum cost.

16. A Central legislation to control National Highways (Land & Traffic) was enacted in 2002 to empower the Ministry of Road Transport & Highways to exercise control on land lying within the right of way of the National Highways, traffic moving on NH's and removal of encroachments thereon. This Act would prevent unauthorized occupation of land and ensure regulation of different types of traffic permitted on NH's and facilitate capacity augmentation.

17. In order to revamp maintenance practices, preliminary steps for policy formulation for private sector involvement in maintenance were taken.

18. Against an outlay of Rs. 5870 crore, an expenditure of Rs. 5907.41 crore is likely to be incurred during 2002-03 (see Annexure – 11.3.5). The physical progress of National Highway development works during 2002-03 is given in Annexure – 11.3.6. There is a shortfall in achieving widening and strengthening targets in National Highways (NHs). Achievement in improving riding quality of NHs has exceeded the target.

Annual Plan 2003-04

19. In the Annual Plan 2003-04 focus will be on augmentation of capacity, riding quality of existing network, removal of deficiencies, improvement of low grade sections, rehabilitation and construction of weak bridges etc.

20. The policy with regard to involving private sector for maintenance of roads would be formulated. At present, piecemeal approach for taking up maintenance projects is adopted. It is proposed to take section of highways as a whole for maintenance. The high density corridors of National Highways not covered under National Highway Development Project would be identified. These sections of National Highways would be developed with involvement of private sector through a new funding mechanism. Public fund would be leveraged through private sector partnership.

21. An additional cess of 50 paise per litre on diesel and motor spirit have been levied in 2003-04. This will further augment the resources for the development of road sector.

22. An outlay of Rs. 6290.92 crores has been provided for development of roads in the Central Sector. Scheme wise details are indicated in Annexure 11.3.5. The physical targets and achievements are indicated in Annexure 11.3.6. Major programmes relate to widening and strengthening of national highways and improving the riding quality of the existing network.

Externally Aided Projects

23. Details of the Externally Aided National Highway Projects funded by different multilateral funding agencies are shown in Annexure (see Annexure 11.3.7). There are 30 on-going projects with an estimated cost of Rs. 9546.16 crore. Against this, an expenditure of Rs. 2495.52 crore has been incurred upto 31st March, 2003. A sum of Rs. 4393 crore has been provided during 2003-04. Most of these projects are likely to be completed by the end of 2004.

National Highway Development Projects (NHDP)

24. National Highway Development Project, comprising Golden Quadrilateral (GQ) and North-South, East-West corridor (N-S, E-W) projects, is being executed by the National Highway Authority of India (NHAI) and envisages four / six-laning of the existing network. GQ with a total length of 5,846 kms would connect Delhi, Mumbai, Chennai and Kolkata. N-S and E-W Corridors with a length of 7,300 kms would connect Kashmir to Kanyakumari and Silcher to Porbandar. The target for completing N-S and E-W corridor projects is 2007.

25. There have been some slippages in the completion of GQ. Against the total length of 5846 kms of GQ, 1327 kms was 4-laned, 4383 kms was under implementation and 136 kms was yet to be awarded by the end of 31st March, 2003.

26. Phase II of the NHDP (North-South and East-West corridors) is likely to be taken up during the current Annual Plan. Under this programme, 6369 kms of NH's would be four or six lanned. The work on selected stretches of North-South and East-West corridors has been initiated earlier. By the end of 31 March 2003, 557 kms of these corridors length was completed and 423 kms was under implementation. Now in Phase II of NHDPI, the remaining part of these corridors would be undertaken.

Private Sector Participation

27. With a view to attract private investment in road development, the Government approved the concept of private sector participation in the development, maintenance and operation of NHs, including expressways. Since then various measures have been taken to facilitate involvement of private sector in road development programme.

28. In the implementation of prestigious NHDP, the Private Sector participation is being encouraged. By the end of 2002-03, a number of projects, aggregating to an investment of Rs. 6867 crore, were taken up with private sector participation.

Centrally Sponsored Schemes

(i) Pradhan Mantri Gram Sadak Yojana (PMGSY)

29. Rural connectivity is the key component of rural development in India. In order to give a boost to rural connectivity, a rural roads programme, Pradhan Mantri Gram Sadak Yojana (PMGSY), has been launched. The primary objective of PMGSY is to provide connectivity, by way of all-weather roads, to the unconnected habitations in the rural areas.

30. A Statement showing state-wise allocation/expenditure under PMGSY during 2000-01 to 2003-04 is shown in Annexure 11.3.8.

(ii) Roads of Economic & Inter-State Importance

31. Central assistance is provided to state governments for developing roads and bridges of inter-state or economic importance (E&I Roads). The central Road Funds Act, 2000, provides that 10% of accruals to CRF is earmarked for E&I Roads.

32. An outlay of Rs. 500 crore for 10th Plan (2002-07) and Rs. 100 crore each for Annual Plan 2002-03 and 2003-04 is provided for the scheme (See Annexure 11.3.5). A statement showing State-wise release of funds from 2000-01 to 2003-04 (BE) is placed as Annexure-11.3.9.

Annexure 11.3.5

CENTRAL ROAD SECTOR OUTLAY / EXPENDITURE

(Rs. crore)

Sl. No.	Schemes	10th Plan 2002-07 Outlay	Annual Plan (2002-03)		Annual Plan (2003-04) Outlay
			Outlay	RE	
1	2	3	4	5	6
1	Externally Aided Projects	13990.50	2158.00	2071.90	2390.90
2	Other Schemes - N.H.. (O)	8664.00	1440.00	1600.00	1544.00
3	Works under BRDB	950.00	145.00	111.45	210.00
4	Travel Expenses (Domestic)	20.00	1.00	0.80	1.02
5	Other charges		1.00	0.40	0.50
6	Dev. of Information Technology		20.00	4.00	2.00
7	Strategic Roads under RW	50.00	1.00	0.00	0.50
8	Strategic Roads under BRDB		8.50	10.25	19.00
9	R&D Plg. Studies	20.00	3.00	2.54	3.00
10	Training	10.50	1.50	1.50	12.00
11	Machinery & Equipment	15.00	2.00	1.57	7.00
12	Charged Expenditure	50.00	5.00	5.00	5.00
13	NHAI (Investment)	10500.00	2000.00	2000.00	1993.00
14	IS and EI for States from CRF	500.00	95.00	100.00	95.00
15	IS and EI for UTs from CRF		5.00		5.00
	TOTAL		34790.00	5870.00	5907.41

**PHYSICAL TARGETS / ACHIEVEMENTS – ROADS & BRIDGES (Central Sector)
(Excluding NHAI)**

Sl. No.	Scheme	Unit	10 th Plan target	Annual Plan 2002-03		Annual Plan 2003-04 target
				Target	Achievement	
1	2	3	4	5	6	7
1.	Widening of four lanes	Kms	800	582	418	10
2.	Widening to two lanes	Kms	4000	829	710	200
3.	Strengthening weak 2 lanes	Kms	2000	1260	1109	500
4.	Bypasses	Kms	25	21	12	2
5.	Construction / rehabilitation of Bridges	No.	300	175	143	50
6.	Improvement of Riding Quality	Kms.	10000	4264	4894	6500

Annexure-11.3.7

Financing of Externally Aided Roads/Bridges Project Under Implementation

(Rs. crore)

Sl. No.	State Name	Project	Likely cost of Completion	Original Date of Completion	Likely date of Completion	Total Expenditure upto 31.3.2003	Balance Amount as on 1.4.2003	* Budget Allocation 2003-04 (Estimated Expenditure)
1	2	3	4	5	6	7	8	9
ADB								
1	Gujarat	Surat (Chalthan) - Atul	504.61	Oct-03	Jan-04	188.86	315.75	570.00
2	Gujarat	Atul - Kajali	282.64	Apr-03	Dec-03	146.15	136.49	
3	Maharashtra	Kajali - Manor	282.92	Oct-03	Oct-03	198.61	84.31	
4	Karnataka	Sira - Tumkur	207.47	Aug-04	Apr-04	55.49	151.98	85.00
5	Karnataka	Chitradurga - Sira	330.50	Aug-04	Aug-04	62.44	268.06	155.00
6	Karnataka	Chitradurga bypass	112.82	Aug-04	Aug-04	23.91	88.91	75.00
7	Karnataka	Harihar - Chitradurga	290.12	Aug-04	Dec-04	67.05	223.07	155.00
8	Karnataka	Haveri - Harihar	311.84	Aug-04	Dec-04	40.10	271.74	120.00
9	East-West Corridor Project Phase II					0.00	0.00	496.40
10	West Bengal	West Bengal Corridor development Project for km 31 to 398 on NH-34.	1027.87	Jan-07	Jan-07	0.00	1027.87	49.00
JIBS								
11	Uttar Pradesh	Cable Stayed bridge on river Yamuna near Naini	219.78	Feb-04	Feb-04	191.70	28.08	85.00
12	Andhra Pradesh	Vijaywada - Chilkaupet Package (I,II,III,IV)	272.98	Completed		262.66	10.32	5.00
13	Orissa	Chandikhol - Jagatpur	148.00	Completed		114.10	33.90	21.50
WB								
14	Uttar Pradesh	Agra - Shikohabad (GTRIP/I-A)	343.71	Mar-05	Dec-04	84.74	258.97	157.70
15	Uttar Pradesh	Handia - Varanasi (TNHP/III-C)	312.73	Jul-04	Dec-04	72.39	240.34	88.46
16	Uttar Pradesh	Khaga - Kokhraj (TNHP/III -A)	209.98	Jun-04	Jan-04	61.39	148.59	88.88
17	Uttar Pradesh	Shikohabad - Etawah (GTRIP/I-B)	202.44	Mar-05	Dec-04	32.69	169.75	92.81
18	Uttar Pradesh	Etawah - Rajpur (GTRIP/I-C)	336.96	Mar-05	Dec-04	54.90	282.06	154.50
19	Uttar Pradesh	Sikandara - Bhaunti (TNHP/II-A)	302.79	Aug-04	Aug-04	114.25	188.54	156.50
20	Uttar Pradesh	Kanpur - Fatehpur (GTRIP/II-B)	516.79	Mar-05	Dec-04	117.90	398.89	260.40
21	Uttar Pradesh	Fatehpur - Khaga (TNHP/II-C)	306.00	Oct-04	Dec-04	57.63	248.37	138.87
	Uttar Pradesh/Bihar	Varanasi - Mohania (GTRIP/IV-A)	463.44	Mar-05	Nov-04	104.40	359.04	186.20
22	Uttar Pradesh	Allahabad Bypass Package (I,II,III)	760.00	Balance for award		2.30	757.70	300.00
23	Bihar	Mohania - Sasaram (TNHP/IV-B)	241.58	Feb-04	Dec-04	67.38	174.20	107.40
24	Bihar	Sasaram - Dehri-on-Sone-Aurangabad (TNHP/IV-D)	210.33	Mar-05	Nov-04	33.05	177.28	105.80
25	Bihar	Delri - on - Sone- Aurangabad (TNHP/IV-D)	236.39	Feb-04	Jan-04	107.15	129.24	92.08
26	Bihar	Aurangabad - Barachatti (TNHP/V-A)	295.27	Mar-05	Dec-04	66.67	228.60	105.80
27	Jharkhand	Gorhar - Barwa Adda (TNHP/V-A)	319.75	Mar-05	Dec-04	90.90	228.85	84.90
28	Bihar/Jharkhand	Rajganj - Barakata (GTRIP/V-B)	490.11	Mar-05	Nov-04	76.76	413.35	241.80
29	North South Corridor Project Phase II		0.00			0.00	0.00	210.00
30	Orissa	Construction of Market Complex at Jagatpur.	6.34	Mar-04	Mar-04	0.95	5.39	4.00
Total			9546.16			2496.52	7049.64	4393.00

* As per Union Budget for the year 2003-04. Rs. 2294.74 cr have been provided for externally aided projects including counter part funds. Besides a sum of Rs. 186.00 cr is estimated during the year 2003-04 against a direct loan by NHA for ADB for its Surat Manor Tollway Project.

Annexure 11.3.8

Allocation / Expenditure under Pradhan Mantri Gram Sadak Yojana

(Rs. crore)

Sl. No.	Name	Allocation				Expenditure	
		2000-01	2001-02	2002-03	2003-04	2000-01	2001-02 & 2002-03
1	2	3	4	5	6	7	8
1	Andhra Pradesh	190.00	190.00	190.00	90.00	244.62	298.89
2	Arunachal Pradesh	35.00	35.00	35.00	35.00	40.95	55.23
3	Assam	75.00	75.00	75.00	75.00	72.22	118.88
4	Bihar	150.00	150.00	150.00	150.00	63.70	13.67
5	Chhattisgarh	87.00	87.00	87.00	87.00	86.07	127.39
6	Goa	5.00	5.00	5.00	5.00	5.00	0.00
7	Gujarat	50.00	50.00	50.00	50.00	52.51	78.17
8	Haryana	20.00	20.00	20.00	20.00	20.96	24.93
9	Himachal Pradesh	60.00	60.00	60.00	60.00	59.40	67.39
10	Jammu & Kashmir	20.00	20.00	20.00	20.00	10.73	4.64
11	Jharkhand	110.00	110.00	110.00	110.00	99.00	39.38
12	Karnataka	95.00	95.00	95.00	95.00	101.62	90.30
13	Kerala	20.00	20.00	20.00	20.00	15.30	22.88
14	Madhya Pradesh	213.00	213.00	213.00	213.00	158.51	376.12
15	Maharashtra	130.00	130.00	130.00	130.00	126.25	89.17
16	Manipur	40.00	40.00	40.00	20.00	31.33	0.00
17	Meghalaya	35.00	35.00	35.00	35.00	34.95	21.78
18	Mizoram	20.00	20.00	20.00	20.00	19.93	37.59
19	Nagaland	20.00	20.00	20.00	20.00	19.09	22.57
20	Orissa	175.00	175.00	175.00	175.00	148.55	184.92
21	Punjab	25.00	25.00	25.00	25.00	22.33	55.95
22	Rajasthan	130.00	130.00	130.00	130.00	98.03	206.80
23	Sikkim	20.00	20.00	20.00	20.00	13.16	13.70
24	Tamil Nadu	80.00	80.00	80.00	80.00	137.02	71.47
25	Tripura	25.00	25.00	25.00	25.00	24.76	0.30
26	Uttar Pradesh	315.00	315.00	315.00	315.00	319.09	308.52
27	Uttaranchal	60.00	60.00	60.00	60.00	44.80	18.59
28	West Bengal	135.00	135.00	135.00	135.00	102.22	99.56
29	Andaman & Nicobar Islands	10.00	10.00	10.00	10.00	0.26	0.00
30	Dadra & Nagar Haveli	5.00	5.00	5.00	5.00	0.00	0.00
31	Daman & Diu	5.00	5.00	5.00	5.00	0.35	0.00
32	Delhi		5.00	5.00	5.00	0.00	0.00
33	Lakshadweep	5.00	5.00	5.00	5.00	0.00	0.00
34	Pondicherry	5.00	5.00	5.00	5.00	3.09	1.49
	Total	2370.00	2375.00	2375.00	2255.00	2175.80	2450.28

Annexure 11.3.9

**RELEASE OF FUNDS TO THE STATES / UTs UNDER CENTRALLY
SPONSORED SCHEMES - ROADS OF INTERSTATE & ECONOMIC IMPORTANCE
(Rs. Lakh)**

S. No.	Name of the State UT's	Funds released under Centrally Sponsored Schemes			
		2000-01	2001-02	2002-03	2003-04 (BE)
1	2	3	4	5	6
1	Andhra Pradesh	0.00	0.00	0.00	0.00
2	Arunachal Pradesh	0.00	0.00	116.50	0.00
3	Assam	0.00	0.00	15.00	0.00
4	Bihar	0.00	0.00	0.00	0.00
5	Chattisgarh	0.00	0.00	322.00	0.00
6	Delhi	0.00	0.00	0.00	0.00
7	Goa	0.00	0.00	32.91	0.00
8	Gujarat	0.00	0.00	0.00	0.00
9	Haryana	0.00	0.00	0.00	0.00
10	Himachal Pradesh	0.00	0.00	0.00	0.00
11	Jammu & Kashmir	0.00	0.00	13.95	0.00
12	Jharkhand	0.00	0.00	0.00	0.00
13	Karnataka	0.00	0.00	0.00	0.00
14	Kerala	0.00	0.00	0.00	0.00
15	Madhya Pradesh	918.49	280.00	0.00	0.00
16	Maharashtra	0.00	0.00	106.23	0.00
17	Manipur	0.00	0.00	0.00	0.00
18	Meghalaya	0.00	0.00	0.00	0.00
19	Mizoram	23.93	0.00	480.55	266.11
20	Nagaland	0.00	10.00	845.00	0.00
21	Orissa	151.56	0.00	0.00	0.00
22	Panjab	0.00	0.00	0.00	0.00
23	Rajasthan	0.00	0.00	190.00	0.00
24	Sikkim	0.00	120.00	178.56	0.00
25	Tamil Nadu	0.00	0.00	0.00	115.00
26	Tripura	50.00	88.97	0.00	0.00
27	Uttar Pradesh	0.00	0.00	0.00	0.00
28	Uttaranchal	0.00	70.00	200.00	228.07
29	West Bengal	0.00	0.00	0.00	0.00
30	Andaman & Nicobar Islands	0.00	0.00	0.00	0.00
31	Chandigarh	0.00	0.00	0.00	0.00
32	Dadra & Nagar Haveli	0.00	0.00	0.00	0.00
33	Daman & Diu	0.00	0.00	0.00	0.00
34	Lakshadweep	0.00	0.00	0.00	0.00
35	Pondicherry	0.00	0.00	0	0.00
	TOTAL	1143.98	568.97	2500.00	609.18

Note : An amount of Rs. 95 crore for all the States & Rs. 5 crore for all the UTs has been provided in the budget for 2003-04. This amount will be released to the States subject to the receipt of Utilisation Certificate along with physical and financial report of the previous releases.

Road Transport

Introduction

33. Road Transport, which is a dominant mode of transport for moving goods and passenger traffic in the country, has grown significantly during the last fifty years, registering a compounded growth rate of 12.61 per cent in number of vehicles. It is the sole mechanized means of surface transport for hilly, rural and backward terrain not connected by railways. The share of road transport in passenger and freight traffic has also increased vis-à-vis railways.

34. The thrust of 10th Plan is on safety of road transport operation, encouraging private sector participation in road transport services, rationalization of motor vehicle taxation and technology upgradation.

Review of Annual Plan 2002-03

35. An outlay of Rs. 30.00 crore has been allocated for the annual plan 2002-03 for the road transport sector. Against this, the likely expenditure would be Rs. 29.75 crore (99.17%). Being the most important scheme, an amount of Rs. 22.53 crore (75.73%) has been spent on the road safety items/works. The scheme-wise approved outlay and anticipated expenditure during the annual plan 2002-03 is given in Annexure 11.3.10.

State Road Transport Undertakings

36. The physical performance of the State Road Transport Undertakings has been satisfactory. Fleet utilization, vehicle productivity, staff productivity, fuel efficiency, etc., have improved considerably during the year 2002-03 (Annexure 11.3.11). For better physical performance, SRTUs has enabled to contain losses. The net loss in the year 2002-03 has come down to Rs. -1857.03 crore from Rs. -1875.73 crore during 2001-02. (Annexure 11.3.12).

Annual Plan 2003-04

37. For the annual plan 2003-04, an outlay of Rs. 40 crore has been approved for the four road transport schemes. Road Safety is the main scheme with an outlay of Rs.29.10 crore (72.75%). Details are in (Annexure 11.3.10).

Centrally Sponsored Scheme

Model Driving Training School

38. During 10th Plan 'Model Driving Training School' has been introduced as a centrally sponsored scheme. Its main objective is to train more and more Heavy Vehicles (HV) drivers in order to reduce the number of road accident/fatalities. For this scheme Rs.13.91 crore were sanctioned and Rs.2.95 crore has been released during Annual Plan 2002-03. A provision of Rs.6.10 crore has been made for Annual Plan 2003-04. State-wise break up of funds sanctioned and released is as follows:

Funds sanctioned and released in Rs. crore

State	2002-03	
	Funds sanctioned	Funds released
1. Assam	3.94	0.45
2. West Bengal	3.28	1.00
3. Karnataka	2.69	1.00
4. Andhra Pradesh (N.G.O.)	4.00	0.50
	<hr/>	<hr/>
Total	13.91	2.95
	<hr/>	<hr/>

Annexure 11.3.10**Outlay and Expenditure**

(Rs crore)

Name of the Scheme	Approved outlay for 10 th Plan (2002-07)	Approved outlay for Annual Plan (2002-03)	Anticipated Expenditure for Annual Plan (2002-03)	Agreed outlay for Annual Plan 2003-04
Road Safety	164.00	22.01	22.53	29.10
Motor Driver Training School	24.00	3.99	2.95	6.10
National Data Base Network	12.00	2.75	2.17	2.50
Pollution Testing & Control	10.00	1.25	2.10	2.30
Total	210.00	30.00	29.75	40.00

Annexure 11.3.11

Statewise physical performance of SRTUs

Name of SRTUs	Fleet utilization % of buses on Road		Vehicle productivity revenue earning KM per bus held per day		Staff productivity revenue earning KM per worker per day		Fuel efficiency km per litre	
	2001-02	2002-03	2001-02	2002-03	2001-02	2002-03	2001-02	2002-03
Andhra Pradesh	99	99	315	316	44	48	5.07	5.07
Arunachal Pradesh	68	68	136	141	21.56	24.53	3.15	3.1
Assam	54	68	110	123	7	12	4	4
Bihar	12	29	29	66	0	8.15	3.79	3.99
D.T.C.(Delhi)	72	79	151	173	31.78	18.96	4	4
Goa (Kadamba)	78	80	203	207	39	39	4	4
Gujarat	86	84	313	300	50.6	47.63	5	5
Haryana	96	96	308	308	54.9	57	4	4
Himachal Pradesh	97	97	220	221	42.55	42.74	4	4
Jammu & Kashmir	67	66	107	120	17.09	16.1	4	4
Karnataka								
KSRTC	94	95	340	342	62	60.1	5	5
NWKRTC	96	96	333	330	55.82	55.34	5	5
BMTC	96	95	218	218	40.7	38.6	4	5
NEKRTC	92	93	320	325	53	56	5	5
Kerala	77	85	265	265	42.76	53.73	4	4
Madhya Pradesh	80	82	213	207	37	43	4	4
Maharashtra	94	94	290	294	44.18	45.18	5	5
Manipur	0	0	0	0	31	0	0	0
Meghalaya	49	64	57	75	8.43	8.97	4	4
Mizoram	51	51	61	60	5.57	6.39	3	3
Nagaland	62	61	97	95	13.13	14.22	4	4
Orissa	85	92	248	273	30.4	42	4	4
Punjab Roadways	87	91	219	245	45.3	44.3	4	4
PEPSU RTC	95	95	259	267	52.33	54.64	4	4
Rajasthan	93	93	312	318	59.41	62.09	5	5
Sikkim	57	51	61	61	22.29	18.47	3	3
Tamil Nadu	90	93	366	382	49.32	52.14	4	4
Tripura	55	55	78	81	8.22	10.52	3	4
Uttar Pradesh	88	90	258	277	40.63	45.55	5	5
Calcutta STC	67	74	140	164	18.79	20.14	4	4
North Bengal STC	63	62	155	154	22.82	22.83	4	4
South Bengal STC	71	74	181	192	33.06	35.12	4	4
All India verage	89	91	283	296	45.58	47.02	4.61	4.67

Annexure 11.3.12

Financial performance of SRTUs

Name of SRTUs	Net Profit & Loss	
	2001-02	2002-03
Andhra Pradesh	-231.68	-206.35
Arunachal Pradesh	-12.87	-13.49
Assam	-30.80	-23.12
Bihar	-51.46	-57.28
D.T.C.(Delhi)	-236.67	-280.12
Goa (Kadamba)	-4.26	-4.18
Gujarat	-382.73	-574.00
Haryana	-62.74	-61.85
Himachal Pradesh	-28.85	-59.70
Jammu & Kashmir	-36.25	-35.83
Karnataka		
KSRTC	16.52	47.57
NWKRTC	11.72	11.59
BMTC	26.70	49.21
NEKRTC	-18.19	-11.77
Kerala	-160.87	-146.60
Madhya Pradesh	-141.20	-52.17
Maharashtra	-69.52	-91.36
Manipur	0.00	0.00
Meghalaya	-2.42	-1.51
Mizoram	-1.18	-0.19
Nagaland	-11.88	-14.69
Orissa	-5.52	1.43
Punjab Roadways	-67.16	-120.37
PEPSU RTC	-28.95	-22.30
Rajasthan	-63.10	-44.00
Sikkim	-6.40	-5.50
Tamil Nadu	-98.87	-21.06
Tripura	-9.40	-11.40
Uttar Pradesh	-121.45	-60.18
Calcutta STC	-16.09	-15.02
North Bengal STC	-17.00	-19.21
South Bengal STC	-13.16	-13.58
TOTAL	-1875.73	-1857.03

Ports

Introduction

39. The ports act as transshipment points between water transport and service transport and, therefore, play a crucial role in the transportation system for facilitating international trade.

40. Twelve major ports along the coastline of India handle about 75% of the port traffic of the country and remaining 25% is handled by minor/state ports. These ports serve not only as trans-shipment points for trade but also act as regions of economic activity in their surroundings and hinterland.

Review of Annual Plan 2002-03

41. The thrust in the Tenth Plan is on creation of general and bulk cargo handling facilities with focus on container traffic and improvement in the efficiency and productivity through private sector participation by introduction of organizational changes and rationalization of manning scales.

42. In order to achieve the above objectives, a number of policy initiatives were taken in the ports sector. In pursuance of a decision taken to develop two hub ports namely JNPT and Chennai, development works which included widening of channel, cargo handling facilities, separate berth for iron ore, coal, etc, were taken up. Containerised berth has already started functioning at JNPT. The Major Port Trusts (Amendment Bill), 2001, to facilitate corporatisation of major ports which was earlier introduced in the Parliament was referred to the department related Standing Committee for Transport & Tourism. The Report of the Standing Committee was received towards the end of 2002-03 and the process on the Government stand on the recommendations of the Committee was initiated.

43. In order to rationalize productivity norms, a National Tribunal was set up to study the existing manning scales for major ports and to give an award recommending appropriate manning scales. The manpower in the major ports will be rationalized in line with the recommendations of the Tribunal. In order to improve efficiency / productivity of the port operations, Electronic Data Interchange (EDI) is being operationalised between container handling ports, customs, banks and port user. EDI is functioning at Chennai, JNPT, Mumbai and Cochin Ports.

44. Against an outlay of Rs. 1162.00 crore, a sum of Rs. 528.04 crore was expected to be spent in 2002-03 (Annexure 11.3.13). The utilization of budgetary support (BS) was also not satisfactory. Only a sum of Rs. 40.13 crore was spent out of budgetary provision of Rs. 256.89 crore. The main shortfall is due to slow progress towards the implementation of River Regulatory Scheme, Kolkata.

45. The traffic at major ports was projected to increase from 289.10 million tonne (MT) as on 31st March, 2002 to 295.84 MT as on 31st March, 2003. The actual achievement was 313.45 MT. During 2002-03, containerized traffic continued to experience high rate of growth. POL and iron ore traffic also showed upward trend (Annexure 11.3.14). The analyses of port-wise traffic indicate that the achievement at all the ports was more than the target (Annexure 11.3.14).

Annual Plan 2003-04

46. In 2003-04, action on the policy issues initiated earlier would be completed. This will include finalisation of Major Port Trusts Act, 1963 (Amendment Bill) and an appropriate motion for amendment will also be moved in Parliament. This will pave the way for corporatisation of Major Ports in the country.

47. The award of National Tribunal which is studying the existing manning scales is likely to be available during 2003-04. The manpower in the major ports would be rationalized in line with the recommendations of the Tribunal. EDI would be introduced in the remaining container handling ports during 2003-04.

48. A comprehensive policy on major and minor ports is proposed to be enacted. Guidelines for private sector participation on major ports would be revised in order to further encourage private / foreign direct investment.

49. The facilities at the two identified hub ports would continue to be developed. This will include converting bulk terminal into container terminal on BOT basis in JNPT and construction of international container transshipment terminal at Vallarpadam.

50. The role of Tariff Authority for Major Ports (TAMP) will be reviewed to strengthen the regulatory mechanism.

Financial Outlay

51. An outlay of Rs. 1201.89 crore has been allocated to Ports Sector. The outlay is to be funded as per details below:

Sr. No.	Source of Funding	Rupees in crore
1.	Internal resources	583.77
2.	Inter-Corporate Loan / ECB	329.62
3.	Others (User Agencies)	22.50
4.	Budgetary support	266.00
	Total	1201.89

52. The major schemes / works to be taken up during Annual Plan (2003-04) would include – River Regulatory Work for Improvement of River Draft at Hooghli Estuary, Replacement of Dredger Colerool, Modernisation of Westquay and Extension of Northquay at Chennai Port, Construction of Additional General Cargo Berth at New Mangalore Port, Replacement of Four Numbers Barge Unloaders at Mormugoa Port, Provision of Ten Numbers of Rubber Tyred Gantry Cranes, Procurement of Four 20 tonne Wharf Cranes in replacement of existing wharf cranes deepening at Kandla Port, Deepening of Channel at Paradeep Port.

Physical Targets

53. Against the traffic level of 313.45 MT as on 31st March, 2003, the target for 2003-04 is 336.00 MT.

54. The bulk of traffic to be handled is accounted by POL (34.10%), iron ore (15.73%) and thermal coal (11%). The containerized cargo traffic is expected to show continued upsurge. With the result, its share in total traffic is estimated to go up to 14.78%, experiencing a rise of 1 percentage in a year.

Shipping

55. In India, with a coastline of 5560 km. studded with 12 major and 184 minor / intermediate ports, shipping sector assumes special significance. Over 90% of India's oversea trade in terms of volume and 68% in terms of value is sea born. Share of Indian flag ships in the oversea trade of the country has been hovering around 30% during the last few years.

Shipping Corporation of India (SCI)

Review of Annual Plan 2002-03

56. Against an outlay of Rs. 1332.25 crore, a sum of Rs. 478.08 crore is estimated to be spent during 2002-03. The shortfall in outlay utilization is due to non acquisition of vessels.

Annual Plan 2003-04

Disinvestment of Government equity in SCI

57. The process relating to disinvestment of SCI is progressing satisfactorily. The process is likely to be completed in 2003-04.

58. An outlay of Rs. 1102.13 crore has been provided for the Annual Plan 2003-04. This will enable SCI to acquire 5 vessels, with an aggregate capacity of 3.25 GT.

DG (Light Houses and Light Ships)

Review of Annual Plan 2002-03

59. Department of Light Houses and Light Ships is a revenue earning Department and derives its income from light dues and light charges from ships entering and leaving Indian ports. Against an outlay of Rs. 20.00 crore, a sum of Rs. 15.40 crore is likely to be spent during 2002-03. A number of projects, including replacing of light house tender vessel MV Sagar Deep, establishment of lighted beacon at Rosen point in A&N Islands, establishment of two new light houses are likely to be completed during 2002-03.

Annual Plan 2003-04

60. An outlay of Rs. 24.50 crore has been provided in the Annual Plan 2003-04. The major scheme proposed to be taken up during the Annual Plan include Vessel Traffic Management System (VTMS) at Gulf of Kachhch, Establishment of Shore based low power light house in Palk Bay and introduction of DGPS Phase-II.

Director General (Shipping)

Review of Annual Plan 2002-03

61. Against an outlay of Rs. 10.01 crore, a sum of Rs. 9.08 crore is likely to be spent during 2002-03. The major schemes taken up during the period include – e-Governance Scheme for DG (Hq) and its allied offices, construction of hostel building at LBS College, Mumbai.

Annual Plan 2003-04

62. An outlay of Rs. 15.00 crore has been provided for the development programme of DG (Shipping). The major works to be taken up during the period include – e-Governance Scheme for DG (Hq) and its allied offices, construction of hostel building at LBS College, Mumbai.

Inland Water Transport (IWT)

63. IWT is an energy efficient, environmentally clean and economical mode of transport. India is richly endowed with waterways comprising river systems and canals. It is estimated that a total of 14,544 km. of waterways could be used for passenger and cargo movement. However, capacity of the sector is grossly under utilized as most navigable waterways suffer from hazards like shallow water and narrow width of channel during dry weather. Silting of riverbed and erosion of banks, absence of adequate infrastructural facilities like terminals for loading and berthing and surface road links.

64. The thrust in the Tenth Plan is on development of infrastructure facilities with a focus on North East region and private sector participation so that there is a gradual shift of domestic cargo from the rail and road modes to inland water transport, increasing its share from the present level of less than 1% to at least 2%.

65. Against an outlay of Rs. 80 crore, a sum of Rs. 79.04 crore is likely to be spent in 2002-03. The expenditure has been incurred mainly on the provision / maintenance of fairway, terminal and navigational aids at the three National Waterways, techno-economic feasibility studies, waterways systems and assistance to States under Centrally Sponsored Schemes (CSS).

Annual Plan 2003-04

66. Outlay under CSS and for declaration of new waterways will be enhanced. Two declaration proposals (Barak river and extension of National Waterway No. 3), which are in the pipeline would be persuaded and taken to logical conclusion by March, 2004. Progress of on-going projects on the existing National Waterways would be monitored on monthly basis. Modal shift in favour of IWT will be facilitated. Wherever feasible, by taking commodity planning approach, origin and destination studies regarding inland movement of cargo will be taken up and completed by March, 2004.

67. An outlay of Rs. 67.50 crore has been provided during 2003-04. A number of projects are proposed to be taken up for the development of National Waterways. The main

emphasis is on infrastructure facilities and maintenance of adequate depth for operation of inland water transport.

Centrally Sponsored Scheme for Development of IWT

68. Under this scheme central assistance to the States for providing infrastructure facilities for development of waterways is provided. The projects taken up under this scheme include construction of terminal facilities, capital dredging, hydrographic survey etc.

69. The funding pattern of this scheme has been changed w.e.f. 5th November, 2002. According to new pattern of funding, 100% grant is given to North-Eastern States, including Sikkim and 90% grant is provided to other States for taking up these projects. A sum of Rs. 2.00 crore has been provided for this scheme in 2003-04. State-wise allocation is given in Annexure 11.3.15.

Annexure 11.3.13

Major Ports - Outlay and Expenditure

(Rs. in crore)

Sr. No.	Name of the Port	Annual Plan 2001-02		Annual Plan 2002-03		Annual Plan 2003-04
		Outlay	Expdr.	Outlay	Expdr. (Prov.)	Approved Outlay (BE)
1	2	4	5	6	7	8
MAJOR PORT (A)						
1 (a)	Kolkata	2.88	2.58	8.30	0.51	13.30
1 (b)	Haldia Dock Complex	14.30	9.22	16.62	6.23	47.00
1 (c)	RR Schemes	75.00	0.00	175.00	0.75	150.00
1	Kolkata (total)	92.18	11.80	199.92	7.49	210.30
2	Mumbai	91.21	68.12	109.05	99.03	54.21
3	JL Nehru	81.30	16.27	149.36	39.83	143.02
4	Chennai	147.26	244.88	95.99	80.73	36.69
5	Cochin	61.24	10.77	0.00	10.02	18.88
6	Visakhapatnam	90.00	67.52	49.06	52.05	51.00
7	Kandla	100.98	53.43	94.78	50.07	66.71
8	Mormugao	59.16	28.91	30.86	26.53	87.14
9	Paradip	91.50	53.65	59.00	41.43	53.40
10	New Mangalore	74.00	32.58	37.00	24.26	25.00
11	Tuticorin	69.35	29.71	76.10	33.67	17.54
12	Ennore Port Limited	2.00	0.00	1.00	0.00	150.00
13	Sethusamudram Ship Canal Project	---	---	---	---	1.00
	SUB-TOTAL (A)	960.18	617.64	902.12	465.11	914.89
OTHERS (B)						
14	DCI	97.50	71.85	179.00	23.55	201.00
15	ALHW	37.00	34.04	30.00	25.74	30.00
16	MPSO	1.90	0.12			
17	R&D / Studies	5.65	0.29	1.02	0.80	0.62
18	Other Ports	2.00	0.05	1.00	0.88	1.05
19	Tariff Authority	2.70	2.70	3.86	3.01	4.33
	SUB-TOTAL (B)	146.75	109.05	214.88	53.98	237.00
SURVEY VESSELS (C)		45.00	12.44	45.00	8.95	50.00
SUB - TOTAL (C)		45.00	12.44	45.00	8.95	50.00
GRAND TOTAL (A+B+C)		1151.93	739.13	1162.00	528.04	1201.89

Annexure 11.3.14

Major Ports - Traffic targets and achievements(Port-Wise)

(in million tones)

Sr. No.	Name of Ports	Annual Plan (2001-02)		Annual Plan (2002-03)		Annual Plan (2003-04)
		Target	Achievement	Target	Achievement	Targets
1.	Kolkata	8.00	5.38	5.50	7.20	8.95
2.	Haldia	25.10	25.02	26.25	28.55	31.40
3.	Mumbai	27.80	26.43	26.43	26.77	27.00
4.	JL Nehru	20.70	22.52	25.80	26.84	29.70
5.	Chennai	36.00	36.12	32.50	33.69	36.60
6.	Cochin	13.20	12.06	12.79	13.00	13.50
7.	Visakhapatnam	42.50	44.34	44.40	46.01	49.00
8.	Kandla	38.10	37.73	38.00	40.63	41.50
9.	Mormugao	20.40	22.93	22.93	23.65	24.35
10.	Paradip	19.90	21.13	22.20	23.90	26.30
11.	New Mangalore	19.10	17.51	16.99	21.43	22.95
12.	Tuticorin	12.30	13.02	13.65	13.29	14.45
13.	Ennore Port Limited	6.00	3.40	8.40	8.49	10.30
	Total	289.10	287.59	295.84	313.45	336.00

Traffic Targets and Achievements (Commodity-wise)

(in million tones)

Sr. No.	Name of the commodity	Annual Plan (2001-02)		Annual Plan (2002-03)		Annual Plan (2003-04)
		Target	Achievement	Target	Achievement	Targets
1.	POL	108.00	103.31	104.08	109.58	114.58
2.	Iron Ore	42.40	45.72	46.00	50.66	52.85
3.	Fertilizers	4.03	3.52	3.58	2.88	4.35
4.	FRM	6.47	6.04	6.89	5.67	5.70
5.	Thermal Coal	32.80	31.64	31.10	32.77	37.05
6.	Coking Coal	13.20	13.87	15.10	15.53	17.50
7.	Containerized Cargo	35.30 (2.68)	37.24	40.71	43.65	49.65
8.	Other Cargo	46.90	46.25	48.38	52.71	54.32
	Total	289.10	287.59	295.84	313.45	336.00

Annexure 11.3.15

**STATEWISE RELEASES OF FUND TO THE STATES / UTs
UNDER CENTRALLY SPONSORED SCHEMES (CSS)**

Name of the Scheme : Centrally Sponsored Scheme for Inland Water Transport Sector

Year of inception : Revised guidelines issued on 5th November, 2002

(Rs. in lakh)

S. No.	State	Fund released under CSS			
		2000-01	2001-02	2002-03	2003-04 (BE)
1.	Goa	---	17.58	---	200.00
2.	Kerala	171.00	102.00	---	
3.	U.P.	---	49.40	---	
4.	West Bengal	179.00	68.76	---	

Civil Aviation

Introduction and Overview

70. Civil aviation, the fastest mode of transport for movement of passenger and cargo traffic, is broadly structured into 3 distinct functional entities: regulatory- cum -development, operational and infrastructural. The regulatory functions are the responsibility of Directorate General of Civil Aviation (DGCA) and Bureau of Civil Aviation Security (BCAS). The operational functions are performed by Air India, Indian Airlines, Alliance Air, Pawan Hans Helicopter in public sector, and by private airlines operators. The infrastructural facilities are provided by Airports Authority of India (AAI). At present, AAI manages 94 civil airports, including 11 international airports and 28 civil enclaves at Defence Air Fields.

Review of the Annual Plan (2002-03)

71. The main objective of the civil aviation development in the 10th Five Year Plan is to provide world class infrastructure facilities and efficient, safe and reliable air services to meet domestic and international travel needs of trade and tourism. In order to improve the operational efficiency and financial performance of Indian Airlines and Air India, it was decided to dis-invest Government equity in both these organizations. The process of dis-investment in these companies could not be completed since the qualified bidders withdrew at the final stage due to a number of factors. In view of the unfavorable circumstances prevailing in the global aviation industry, dis-investment process in these two companies could not be re-started. The decision to dis-invest Government equity in these companies, therefore, was reviewed and it was decided to take them out of disinvestments roster.

72. The approved Annual Plan outlay for the Civil Aviation is Rs.2521.19 crore. Against this, the likely expenditure would be Rs.2000.50 crore (79.35%). The utilization of GBS is likely to be Rs. 43.47 crore (63.0%). Major shortfall has been reported in AAI due to non-completion of pre-construction activities, operational reasons and delay in procuring aeronautical equipments (Annexure 11.3.16).

73. The physical achievements during 2002-03 vis-à-vis 10th Plan target are given in Annexure 11.3.17 and 11.3.18.

Annual Plan 2003-04

74. The proposals of restructuring of metro airports would be pursued during 2003-04. A Bill for comprehensive amendments of Airport Authority of India Act, 1994, has already been introduced. With the amendment of AAI Act 1994, it would be possible to involve private sector for development of metro airports. To begin with, it is proposed to take up the modernization of Delhi and Mumbai airports. It is proposed to formulate civil aviation policy in order to comprehensively address issues related to a civil aviation industry. This will facilitate development of the sector. An outlay of Rs.1779.18 crore has been provided during Annual Plan 2003-04, including budgetary support of Rs.52.88 crore. The organization-wise details are at Annexure 11.3.19.

Air India and Indian Airlines

75. Air India mainly provides international air services. An outlay of Rs.600.81 crore is provided for AI for the year 2003-04. The bulk of outlay (Rs.440.81 crore) has been made for the repayment of loans in respect of aircraft already acquired. A sum of Rs.150 crore is provided for non-aircraft projects, like ground handling and workshop/ security equipments.

Indian Airlines

76. Indian Airlines primarily provides domestic air services in the country. It also provides international air services to some of the neighbouring countries. In the Annual Plan 2003-04 an outlay of Rs.280 crore is provided. A substantial part of the outlay is for the repayment of loan in respect of aircraft already acquired. The physical as well as financial performance of AI & IA are at Annexure 11.3.20 and 11.3.21.

Airport Authority of India

77. The Airport Authority of India (AAI) is responsible for management and development of 94 civil airports, including 11 international airports and 28 civil enclaves at Defence Air Fields. It is also responsible for providing navigational facilities to the aircrafts operating in the country. The approved Annual Plan for 2003-04 outlays for AAI is Rs.800.00 crore. This includes a provision of Rs.34.96 crore towards budgetary support for the development of North-eastern Region and other difficult areas like J & K, Leh and Lakshadweep and development of Amritsar Airport. Of the allocated outlay of Rs.800 crore, the provisions earmarked for International Airports Division (IAD) is Rs. 247.32 crores, primarily for improvement and upgradation of runways and terminal buildings and operational equipments. National Airports Division (NAD) has an approved outlay of Rs.552.68 crore, meant mainly for aerodrome works and aeronautical communication services. The details of Rs. 552.68 crores for NAD is as follows:

Annual Plan - National Airport Division - 2003-04.		
(Rs. crore)		
S. No.	Schemes	Approved outlay 2003-04
1.	Aerodrome works	284.61
2.	Aeronautical Communication Services	143.00
3.	Ground Safety Services	122.71
4.	Modernization of Air Traffic Services (MATS-BD)	1.00
5.	Modernization of CATC, Allahabad	1.36
	Total	552.68 (34.96)

Note: Figure in bracket indicates Budgetary Support from Government of India.

The financial performance of AAI is at Annexure 11.3.19.

Other Schemes

78. Pawan Hans Helicopters provides helicopter services in the country. The approved outlay for 2003-04 is Rs.81.45 crore, of which Rs.63.05 crore has been made for the acquisition of new helicopters.

79. Bureau of Civil Aviation Security (BCAS) is responsible for ensuring adequate security arrangement at the airports. The approved outlay for 2003-04 is Rs. 7.00 crore. This includes a sum of Rs.2.00 crore for setting up of Civil Aviation Security Academy, Rs.1.00 crore for construction of office building for the regional offices, Rs.1.00 crore for restructuring of BCAS and purchase of equipments.

80. Directorate General of Civil Aviation (DGCA) is responsible for ensuring quality and safety in aircraft operations in the country. The approved outlay for the Annual Plan (2003-04) is Rs.4.15 crore. Of this, major allocations are for purchase of machinery and equipment for training to strengthen the capacity of Directorate to carry out its regulatory function.

81. Indira Gandhi Rashtriya Uran Academy (IGRUA), the premier flying institute of the country is responsible for imparting flying training for award of commercial pilot license and commercial helicopter pilot license. The approved outlay for the Annual Plan (2003-04) is Rs.3.50 crore primarily for the acquisition of training Ab-initio aircraft.

82. Hotel Corporation of India (HCI) is a subsidiary of Air India. During Annual Plan 2002-03, entire amount of Rs. 8.76 crores is likely to be utilized. An outlay of Rs.1.00 crore has been approved for the Annual Plan 2003-04.

Private Sector Participation

83. In order to develop world class International Airports, it has been decided to restructure the four metro airports of the AAI. The restructuring process will facilitate private sector participation in the development of airports. The new Bangalore International Greenfield airport is being developed at Devanahalli, about 30 kms away from Bangalore. This is a joint venture project in which private sector will have 74% equity, while balance will be held equally by Karnataka State Industrial Development Corporation and AAI. A consortium led by Siemens, Germany, has been awarded the contract for construction of this airport.

84. Another airport is to come up at Hyderabad as a joint venture. This Joint Venture consists of Government of Andhra Pradesh, Airport Authority of India, and a private consortium (GMR Vasavi Infrastructure Ltd. and Malaysia Airport holding Berhard) with 74% stake in the airport. In principle approval has also been given for a new international airport at Goa.

Annexure 11.3.16

Outlay and Expenditure - Ninth Plan and Tenth Plan - Civil Aviation									
Sl.No.	Organisation	Ninth Plan (1997-2002)		Exp.% of Outlay	Tenth Plan (2002-07) Outlay	2002-03		Exp.% of Outlay	2003-04
		Outlay	Exp.			BE	RE		BE
		3	4			5	6		7
1	AI	3664.00	2437.91	66.54	2661.39	858.70	765.07	89.10	600.81
	Of Which BS	0.00	0.00		1.00	1.00		0.00	1.00
2	IA	3640.75	2301.75	63.22	4240.50	510.00	427.00	83.73	280.00
	Of Which BS	125.00	0.00	0.00	1.00	1.00		0.00	1.00
3	AAI								
	i)NAD	1899.35	1118.11	58.87	3378.06	709.60	492.05	69.34	552.68
	ii)IAD	1522.52	569.13	37.38	2026.15	286.45	225.24	78.63	247.32
	Total	3421.87	1687.24	49.31	5404.21	996.05	717.29	72.01	800.00
	Of Which BS	283.37	125.45	44.27	250.00	53.12	33.59	63.23	34.96
4	PHHL	209.20	62.22	29.74	458.90	133.80	72.50	54.19	81.45
5	HCI	89.55	73.11	81.64	15.00	8.76	8.76	100.00	1.00
6	BCAS	25.00	7.55	30.20	114.00	7.69	3.69	47.98	7.00
	Of Which BS	25.00	7.55	30.20	114.00	7.69	3.69	47.98	7.00
7	DGCA	27.00	16.78	62.15	14.00	3.10	3.10	100.00	4.15
	Of Which BS	27.00	16.78	62.15	14.00	3.10	3.10	100.00	4.15
8	IGRUA	35.00	33.89	96.83	10.00	2.09	2.09	100.00	3.50
	Of Which BS	35.00	33.89	96.83	10.00	2.09	2.09	100.00	3.50
9	Aero Club of India	0.00	0.00		10.00	1.00	1.00	100.00	1.27
	Of Which BS				10.00	1.00	1.00	100.00	1.27
	Total	11112.37	6620.45	59.58	12928.00	2521.19	2000.50	79.35	1779.18
	Of Which BS	495.37	183.67	37.08	400.00	69.00	43.47	63.00	52.88

Annexure 11.3.17

**Airports Authority of India
Capacity, Demand and Augmentation for Passenger Terminals at
Major Airports during Tenth Plan Period (2002-07)**

(Annual in million)

Airports	Tenth Plan Target		2002-03		2003-04 Target
	Capacity planned in 2006-07	Projected demand 2006-07	Capacity	Demand	Demand
1	2	3	4	5	6
MUMBAI International Terminal	8.50	6.55	8.50	5.09	5.4
Domestic Terminal	7.60	9.93	10.00	7.17	7.60
DELHI International Terminal	9.90	5.60	4.66	3.84	4.08
Domestic Terminal	7.20	7.03	7.20	5.25	5.57
CHENNAI International Terminal	2.12	2.91	2.35	1.95	2.07
Domestic Terminal	3.30	3.17	3.30	2.21	2.35
KOLKATA International Terminal	1.08	0.85	0.82	0.59	0.62
Domestic Terminal	3.70	2.60	3.70	2.24	2.38
TRIVANDRUM International Terminal	0.42	0.91	0.42	0.77	0.82
Domestic Terminal	0.80	0.32	0.80	0.24	0.25
TOTAL	44.62	39.87	41.75	29.35	31.14

Annexure 11.3.18

Airports Authority Of India
Capacity, Demand And Augmentation For International Cargo
Terminals At Major Airports During Tenth Plan Period (2002-07)

(Annual in '000 Tonnes)

Airports	Tenth Plan Target		2002-03		2003-04 Targets
	Capacity planned in 2006-07	Projected demand 2006-07	Capacity	Demand	Demand
1	2	3	4	5	6
MUMBAI	296.03	313.13	296.00	224.01	240.81
DELHI	268.50	260.53	220.00	197.43	212.24
CHENNAI	93.44	130.17	60.00	106.84	114.85
KOLKOTA	41.09	39.78	28.00	27.02	29.05
TOTAL	699.06	743.61	604.00	555.3	596.95

Annexure 11.3.19

Organization- Wise Break-up of the Annual Plan (2003-04) - Approved Outlay- Ministry of Civil Aviation				
(Rs. crores)				
S.No.	Organisation	Approved Outlay	Budgetary Support	IEBR
1.	Air India	600.81	1.00 *	599.81
2.	Indian Airlines	280.00	1.00 *	279.00
3.	AAI	800.00	34.96 @	765.04
4.	PHHL	81.45	0	81.45
5.	Hotel Corp. of India	1.00	0	1.00
6.	Indira Gandhi Rashtriya Uran Akademi	3.5	3.5	0
7.(a)	Directorate General of Civil Aviation	4.15	4.15	0
7(b)	Aero Club of India	1.27	1.27	0
8.	Bureau of Civil Aviation Security	7.00	7.00	0
	Total	1779.18	52.88	1726.30

* Token provision towards equity contribution linked to aircraft acquisition for which appropriate approval will be sought.

@ As per details as under :-

- | | | |
|-----|---|-------------------------|
| i) | For investment in NE Region & Sikkim and in other crucial areas like J&K, Leh and Lakshadweep | Rs. 14.96 crores |
| ii) | Development of Amritsar Airport | Rs. 20.00 crores |
| | Total | Rs. 34.96 crores |

Annexure 11.3.20

Physical Performance - Indian Airlines

S.No	Particulars	1999-2000	2000-01	2001-02	2002-03 (BE)	2002-03 (RE)	2003-04 (BE)
1	Available Tonne Kms. (Million)	1120.9	1153.68	1200.0	1186	1307	1335
2	Revenue Tonne Kms. (Million)	740.3	777.34	756.0	783	843	874
3	Available Passenger Kms. (Million)	10911	11185	11775	11724	13071	13486
4	Revenue Passenger Kms. (Million)	6982.5	7307.0	7121.0	7562	7899	8374
5	Overall Load Factors (%)	66.0	67.4	62.9	66.0	64.5	65.5
6	Seat Factor (%)	64.0	65.3	60.5	64.5	60.4	62.1
7	Aircraft Utilization per aircraft per annum on Total Hours						
(a)	A-300	2274	2400	2486	2500	2675	2860
(b)	A-320	2954	3048	3168	3100	3326	3250
8	Aircraft Fleet						
(a)	A-300	11	11	7	5	7	4
(b)	A-320	30	30	35	36	38	41
(c)	A-737*	12	11	11	11	11	11
	Total	53	52	53	52	56	56

All B-737 aircraft have been transferred to M/s Airlines Allied Services Ltd.

Annexure 11.3.20 Concl'd.

Physical Performance --Air India

Particulars	1999-00 (Actual)	2000-01 (Actual)	2001-02 (Actual)	2002-03 (BE)	2002-03 (RE)	2003-04 (BE)
Available Tonne Kms. (Million)	2238.3	2226.9	2298.2	2350.8	2393.9	2647.5
Revenue Tonne Kms. (Million)	1456.5	1501.4	1398.0	1529.3	1481.2	1665.3
Overall Load Factor (%)	65.1	67.4	60.8	65.1	61.9	62.9
Available Seat Kms. (Million)	16485.8	16478.0	16950.2	17202.1	17714.8	19681.7
Revenue Passengers Kms. (Million)	11587.0	12047.7	11288.7	12418.1	12145.2	13698.5
Passenger Load Factor (%)	70.3	73.1	66.6	72.2	68.6	69.6
Aircraft Utilization Per annum (hours/per annum)	2913	3270	3234.0	3164	3088	3212.0

Annexure 11.3.21
Financial Performance of Indian Airlines, Air India and AAI
(Rs. in crore)

Indian Airlines

S.No.	Particulars	1999-2000	2000-01	2001-02	2002-03 (BE)	2002-03 (RE)	2003-04 (BE)
1	Operating Revenue	3549	3793	3769.91	4527.5	4127	4951.5
2	Operating Expenses	3349	3879	3990.56	4514.9	4280	4977
3	Operating Profit/(Loss)	200	(85)	(220.65)	12.6	(153)	(25.5)
4	Total Rev.	3566	3854	3877.29	4534	4138.5	4958
5	Total Exp.	3514	4013	4124.04	4632.9	4384	5068.5
6	Profit/(Loss) Before Tax	51.42	(159.17)	(246.75)	(98.9)	(245.5)	(110.5)
7	Provision for Tax	6.15					
8	Net Profit/Loss After Tax	45.27	(159.17)	(246.75)	(98.9)	(245.5)	(110.5)

Air India

1	Operating Revenue	4448	4873	4640.33	4833	5032.38	5530.00
2	Operating Expenses	4372	4870	4694.86	4960	5227.36	5739.50
3	Operating Profit/(Loss)	76.05	3.1	(54.53)	(127)	(194.98)	(209.50)
4	Total Rev.	4717	5224	4921.91	5146	5385.76	5743.50
5	Total Exp.	4755	5269	4905.19	5121.5	5280.08	5799.00
6	Profit/(Loss) Before Tax	(38)	(44)	16.72	24.5	105.68	
7	Provision for Tax			1.28			
8	Net Profit/(Loss) After Tax	(38)	(44)	15.44	24.5	105.68	(55.50)

Airports Authority Of India

S.No.	Particulars	1999-2000	2000-01	2001-02	2002-03 (BE)	2002-03 (RE)	2003-04 (BE)
1	Revenue	1691.28	1873.44	2244.84	2303.4	2292.73	2412.39
2	Expenses	1346.55	1514.36	1767.86	1890.9	1864.43	1974.45
3	Net Profit/(Loss) Before Tax	344.73	359.08	476.98	412.5	428.3	437.94
4	Provision for Tax	133.35	145	210	147.26	157.4	166.42
5	Net Profit/(Loss) After Tax	211.38	214.08	266.98	265.24	270.9	271.52

11.4 INFORMATION AND BROADCASTING

Introduction

The activities of Information and Broadcasting (I&B) Sector cover three areas, viz., Broadcasting (DD and AIR), Information and Films with the functions of each complementing the other. Specialized media units in each of these sectors cater to the information, education and entertainment needs of all sections of the society through Radio, Television, Films, Publication, Advertisement and traditional media like Dance and Drama. Among these, Broadcasting, i.e. All India Radio and Doordarshan, which account for over 90 percent of the plan outlay of the sector, has been most affected by the technological advances. The position of Doordarshan as a monopoly broadcaster has eroded with the emergence of more than 80 private channels now available in the country through cable networks.

2. In order to give greater autonomy to the broadcasting activities by the Doordarshan and All India Radio, Prasar Bharati (Broadcasting Corporation of India) Act, 1990 was passed by the Parliament and came into existence in 1997 with Prasar Bharati becoming a Public Service Broadcaster. It is noteworthy that both DD and AIR have made substantial progress in terms of coverage of area and population, which are highlighted in the table below:

(As on 31-06-2002)		
	Doordarshan	AIR
Population covered (%):	89.6	98.8
Area covered(%):	77.5	89.5
Total Transmitters(Nos):	1236	333
Broadcasting Stations (Nos):		208
Satellite Uplink Facilities at		
DD stations (Nos):	26	
Studios under DD network (Nos):	55	

3. Doordarshan has emerged as one of the largest terrestrial network in the world with nearly 400 million viewers and 3-tier primary programme service – National, Regional and Local. It has also added new satellite channels which include DD sports, DD Bharati, Gyan Darshan. AIR has also emerged as one of the largest radio organizations covering news, music, spoken word and other programmes in 24 languages and 146 dialects. In the private sector also a number of FM radio channels have come up in metros and other cities in the country.

Tenth Five Year Plan

Major Objectives

All India Radio

- FM radio to be expanded to cover 60 per cent of the population by the end of Tenth Plan. Private operators to be encouraged to provide FM radio services in metros and small cities.
- Digitalization of 50 per production facilities by the end of the Tenth Plan to ensure good quality convergence ready content (which will also support interactive radio)
- Strengthening and expanding the reach of radio in the North-eastern states (including Sikkim) and island territories.
- To allow the setting up of low power community radio stations in FM mode by local communities and non-profit organizations such as universities, NGOs, etc.

Doordarshan

- Covering the entire potential TV population by direct satellite distribution in Ku-Band and other modes by the end of the Tenth Plan.
- Hundred per cent digitalization of Doordarshan's production facilities in the major Kendras and 50 per cent in other Kendras by the end of the Tenth Plan to ensure good quality convergence ready content.
- Full automation of operation in studios at major Doordarshan Kendras and 50 per cent at other Kendras.
- Hundred per cent automation in transmission facilities for VLPTs/LPT and 50 per cent in the case of HPTs.

Film Sector

- Institutional arrangements to tap formal sources of finance and discourage the flow of illegal money from the underworld.
- Increasing the number of exhibition theatres.
- Standardizing the incidence of entertainment tax across the country and reducing the tax to encourage investment in infrastructure.
- Stringent curbs on film piracy in order to boost industry revenues.

Information Sector

- Allowing Indian editions of foreign scientific, technical and speciality magazines/periodicals/journals.
- Allowing foreign investment up to 74 per cent in companies publishing these magazines/journals.
- Allowing 26 per cent foreign equity in Indian firms publishing news and current affairs periodicals.

Thrust Areas

- ❖ Expanding the coverage of television and radio services to the unserved areas, particularly, the North-Eastern States, border regions, hilly terrain and sparsely populated areas.
- ❖ Digitalization of broadcasting equipment and automation of production and transmission facilities besides replacement of old equipment and completion of schemes undertaken during the previous Plans.
- ❖ Optimal utilization of the three sectors, viz., Information and Broadcasting, Communications and Information Technology for wider reach.
- ❖ Steps to remove the digital divide between the rich and poor.
- ❖ Encourage training activities with view to develop human resources to keep pace with technological changes and new challenges.
- ❖ Improvement in content creation by encouraging established and budding talents.

Review of Annual Plan 2002-03

4. The role of AIR and DD as Public Service Broadcaster makes extra demands on their financial and human resources which are not encountered by private channels. For example, the extension and improving of broadcasting services in hilly terrain and border areas where private broadcasters are not likely to operate on financial considerations, Prasar Bharati as Public Service Broadcaster has to operate the services. Besides, the past Plan expenditure on Broadcasting Sector was mainly characterized by creation of carriage infrastructure with little or no provision of funds to promote quality in the content of telecast. By very nature, the programmes of Prasar Bharati aim largely at informing and educating; even while being entertaining, they hold viewers' attention and cannot be solely revenue generating. The various policy initiatives taken by the Government during Annual Plan 2002-03 are as under:

Conditional Access System (CAS) – Based on the recommendations of the Task Force on CAS, the Cable Television Networks (Regulation) Bill 2002 was passed by both houses of Parliament in May 2002. The Act, inter-alia, seeks to mandate the viewing of pay channels through an addressable system. The objective is also to ensure

that every subscriber receives at least a minimum number of free-to-air (FTA) channels of different genres at a reasonable cost. It is also expected to bring transparency in the figure of viewership and also allow the consumers to choose the channel they wish to watch.

a) **Special Package for J&K:** This package was introduced in the 9th Plan to improve Doordarshan and AIR services in the state of J&K at an estimated cost of Rs. 430 cr. Initiative has been taken to complete most of the projects of Doordarshan and AIR by 2003. The package also includes development of special software and increase transmission time of Kashmir Channel. On implementation of the package, not only will AIR/DD coverage in J&K and border areas be strengthened, but, it will also effectively counter anti-India propaganda from across the border.

b) **Special NE package for North Eastern states:** The package has been introduced in the 10th Plan to improve and expand the coverage of Doordarshan and AIR services in North-East and island territories at an estimated cost of Rs.700 cr. After implementation of this package, Doordarshan coverage in NER is expected to go up to 94.8% by population and 75.9% by area and the quality of signals will also improve significantly in the coverage zone. AIR coverage will also be maximized to additional areas.

c) **Satellite Uplinking Policy:** Uplinking was not permitted to any private agency, including foreign channels, till June, 1998. The uplinking policy was liberalised in phases and it was further liberalized during 2002-03 by permitting companies to set up uplinking hubs (teleports) in India for leasing/hiring out their facilities to broadcasters.

d) **Private FM Radio Channels:** Initiatives have been taken for expansion of FM radio services across the country, particularly, in the metros and big cities. FM stations are operationalised in Metros, Delhi, Mumbai, Kolkata, Chennai besides, Bangalore, Indore, Ahmedabad, Lucknow and Pune.

e) **FDI in advertising and film sector:** The entertainment sector, particularly, the film sector has promising potential. Export of films has shown phenomenal growth. Keeping in mind that liberalization norms for foreign direct investment (FDI) would provide a fillip to the growth process, usher in larger quantum of FDI and also facilitate technological upgradation in both the advertising and film sector. In advertising sector, earlier, FDI upto 74% of paid up equity and in the film sector FDI upto 100% was allowed, subject to certain conditions. It was also decided to allow FDI upto 100% on the automatic approval route in both film and advertising sectors without any other conditions w.e.f. March, 2002.

g) **Foreign investment in print media and Indian Editions of foreign Newspapers and periodicals:** Foreign ownership of newspapers and periodicals dealing with news and current affairs was prohibited until recent past. During Annual Plan 2002-03, government, keeping in mind the needs of students and professionals and the need to have an induction to the best international practices in the print media segment, decided to allow:

- i) publication of Indian editions of foreign scientific, technical, speciality magazines/journals/periodicals.

- ii) Upto 74% foreign investment in Indian entities publishing scientific, technical, specialty magazines/journals/periodicals on a case to case basis.
 - iii) FDI upto 26% of paid up capital in Indian entities publishing newspapers and periodicals dealing with news and current affairs.
- h) **Ku-band transmission:** To provide TV coverage in the uncovered remote border and sparsely populated areas of the country, it has been decided to provide satellite transmission through Ku-Band mode in the 10th Plan. To achieve that end for demonstration purpose, Ku-Band satellite uplink facility has been set up by utilizing available equipment in the network. Reception is being monitored in various parts of the country.

Financial Review of Annual Plan 2002-03

5. An outlay of Rs. 878.00 crore was approved for the information and broadcasting sector for the Annual Plan 2002-03 comprising a Direct Budgetary Support of Rs. 415.00 crore and IEBR component of Rs. 463.00 crore. The revised estimates of 2002-03 show an outlay of Rs. 808.54 crore with a Budgetary Support of Rs. 395.09 crore and IEBR of Rs. 413.45 crore. The increase in the budgetary support from the previous year was mainly because of the emphasis laid on the completion of the special package for improving AIR and Doordarshan services in Jammu and Kashmir state and implementation of special package for the North-East states. Like earlier years, this year too, a shortfall is anticipated in the IEBR component of the Annual Plan. Sector-wise outlays and expenditure for the I&B Ministry last two years can be seen at Annexure-11.4.1. The physical targets and achievements of Prasar Bharati during the Annual Plan 2002-03 and target for 2003-04 are shown at Annexure-11.4.2.

Annual Plan 2003-04

6. The approved outlay for this sector in the Annual Plan 2003-04 is Rs. 890.00 crore, comprising budgetary support of Rs. 415.00 crore and IEBR of Rs. 475.00 crore. The budgetary support includes special package for J&K to complete the spill-over schemes under the package within this financial year. Besides, consolidation of existing facilities to make them more effective, stress has also been given on improvement of TV and Radio services in the North-East States (including Sikkim) and Island territories. In addition to the above, for coverage of uncovered areas through multichannel digital satellite distribution in Ku-band, an outlay of Rs. 35 crore has been earmarked for the Annual Plan 2003-04. Further, an outlay of Rs. 240.75 crore has been kept for implementing the new schemes of the 10th Plan under Doordarshan, viz., Special Package for NE, new production facilities, broadcast equipment, software development, etc.. Similarly in case of AIR, an outlay of Rs.201.00 crore has been kept in Annual Plan 2003-04 for implementing on-going schemes and improving AIR services in J&K and NE states. Besides, modernization, replacement and upgradation of equipment and introduction of new schemes have been included in the Annual Plan 2003-04. The sector-wise approved outlay for Information and Broadcasting Sector for the Annual Plan 2003-04 is enclosed at Annexure-11.4.3.

Thrust Areas for Annual Plan 2003-04

Broadcasting Sector

Doordarshan

7. With wide ranging technological changes taking place in the sector, a need has been felt for making adequate investments to ensure TV coverage of the remaining parts of the country, quality content creation, enhancing technological upgradation and modernization through digitalization of production facilities and automation of major Kendras of Prasar Bharati, to enable the public service broadcaster compete effectively with the private channels. Priority has also been given to population living in far-flung and remote areas with TV service facilities through Ku-band (satellite distribution) initially at some selected villages in 8 states, by providing set-top boxes (STBs) and dish for receiving signals free of cost for viewing about 30 channels.

All India Radio

8. Medium wave transmission has reached about 99% of the population. However, due to its high quality stereophonic sound, FM broadcasting is the preferred mode of radio transmission all over the world. Therefore, emphasis has been given to encourage FM radio services for better quality of transmission and reception in metros and small cities. Thrust has also been given on strengthening and expanding reach of radio in the North-Eastern States (including Sikkim).

9. The outlay for the Broadcasting sector (i.e., Prasar Bharati) for 2003-04 is Rs. 841.00 crore with Rs. 366.00 crore as budgetary support and Rs. 475.00 crore as IEBR. This includes Rs. 159.41 crore as budgetary support for the Special Packages for Jammu & Kashmir and North-Eastern States. The approved outlays for Doordarshan and All India Radio are Rs. 640.00 crore (DBS+IEBR) and Rs. 201.00 crore (DBS+IEBR) respectively. The broadcasting sector accounts for more than 94% of the total Plan outlay for the I&B sector in Annual Plan 2003-04.

Film Sector

10. For the Annual Plan 2003-04, the approved outlay for the Film Sector is Rs.24.00 crore. The major programmes/schemes to be undertaken during the year include construction/renovation of buildings, modernization of film equipment, promoting film archival activities, development training facilities, promotion of Indian films export through festivals, modernization of regional offices under Central Board of Film Certification and creation of facilities for Childrens' Film Society in India etc.

Information Sector

11. The approved outlay for the Information Sector for 2003-04 is Rs. 21.00 crore. The thrust areas for the Annual Plan include construction of Sookhana Bhavan and National Press Centre, modernization of Registrar of Newspapers for India offices, purchase of equipment for

Song & Drama Division, film/cassettes for Directorate of Field Publicity, training of manpower for developing media skill, etc..

Zero-based Budgeting

12. The Ministry of Information and Broadcasting undertook a comprehensive review of all Plan schemes based on Zero Based Budget (ZBB) methodology. The objective of this review is to ensure rationalization of programmes, convergence of similar schemes to avoid duplication and weeding out non-priority schemes. As a result of this exercise, 116 Tenth Plan schemes of Ministry of Information and Broadcasting have been reduced to 101 schemes in the Annual Plan 2003-04.

Issues and Strategies

13. The following strategy has been adopted with respect to broadcasting sector during the Annual Plan 2003-04:

- a. Completion of special package of J&K.
- b. Strengthening and expanding the reach of Radio & TV in North-East States (including Sikkim) and island territories.
- c. FM radio to be encouraged for its better sound and local network.
- d. Digitalization of programme production facilities and automation of major Kendras for improved performance of TV and Radio services and
- e. TV population to be covered preferably with multi-channel television services with quality content.

14. Though many of the media units in the Information sector were started in the early period of planning process, their role for spreading information on development policies remains as valid as ever, particularly, for the rural masses. The policy strategy for the print media has been reviewed during the Annual Plan 2002-03 and private sector is being encouraged, especially, for foreign investment in publishing newspapers and current affairs/periodicals. Besides, foreign equity in the advertisement and to facilitate publication of Indian edition of foreign technical/scientific journals, etc. have also been permitted.

15. Similarly, in the film sector, a fresh look into the role and structure of various media units is needed. However, the sector is primarily dominated by the private players and film has occupied a special place in the lives of the Indians. The sectors have witnessed a phenomenal growth and it has received industry status in the Ninth Plan. It is also one of the largest employers providing directly and indirectly about 5 million people. Besides, film export has enhanced substantially during the last couple of years. To achieve its full potential, the following strategies have been adopted:

- i) To tap formal sources of finance for film making and to discourage illegal money flow from the underworld sources.
- ii) To encourage export of Indian films in foreign markets through organizing festivals and marketing strategies.

- iii) To develop skill through HRD Training both in public and private institutions.
- iv) To curb on film piracy to encourage revenue
- v) Augment infrastructural facilities at CBFC for better monitoring and film regulations.
- vi) The Childrens' Film Society (CFSI) should endeavour to increase production of high quality films for wider reach to the targetted audience.

MINISTRY OF INFORMATION AND BROADCASTING

Financial Performance

(Rs. in Crore)

Name of the Sector	9 th Plan (1997-2002)		10 th Plan approved outlay (2002-07)	Annual Plan 2002-03		Annual Plan 2003-04	
	Outlay	Actual Expr		Outlay	Expr	Outlay	Anticipated Expenditure
1. Information Sector							
DBS	93.30	68.63	119.68	29.00	9.71	21.00	21.00
IEBR	0	6.93	0	0	0	0	0
Total	93.30	75.56	119.68	29.00	9.71	21.00	21.00
2. Film Sector							
DBS	137.20	130.52	153.42	26.00	8.84	24.00	24.00
IEBR	45.50	26.42	0	0	0	0	0
Total	182.70	156.94	153.42	26.00	8.84	24.00	24.00
3. Broadcasting Sector							
DBS	449.55	664.37	2104.30	360.00	NA	366.00	366.00
IEBR	2117.50	1870.97	2750.00	463.00	NA	475.00	475.00
Total	2567.05	2535.34	4854.30	823.00	677.43	841.00	841.00
4. Main Secretariat							
DBS	0	0	2.60	0	0	4.00	4.00
IEBR	0	0	0	0	0	0	0
Total	0	0	2.60	0	0	4.00	4.00
Total DBS (I&B)	680.05	863.52	2380.00	415.00	NA	415.00	415.00
Total IEBR (I&B)	2163.00	1904.32	2750.00	463.00	NA	475.00	475.00
GRAND TOTAL OF MINISTRY OF I&B	2843.05	2767.84	5130.00	878.00	695.98	890.00	890.00

Annexure 11.4.2

MINISTRY OF INFORMATION AND BROADCASTING

**Media-wise Physical targets and achievements
for Annual Plan 2001-02, 2002-03 and targets for 2003-04**

Sl. No.	Media Unit	Scheme	2001-02		2002-03		2003-04
			Targets	Achievements	Targets	Achievements	Targets
1	Doordarshan						
		Studios	3	2	4	3	2
		HPT-DD1	18	5	14	8	10
		HPT-DD2	8	2	11	10	12
		LPT/VLPTs	65	31	50	49	10
	Doordarshan (J&K Package)						
		Studios	--	--	1	---	1
		HPTs	9	2	6	5	10
		LPTs/VLPTs	5	7	22	22	---
	DOORDARSHAN	TOTAL	161	79	108	97	45
2	All India Radio						
		Broadcasting Stations	--	--	1	1	---
		MW Transmitter	*33	*31	2	---	7
		FM Transmitter				1	18
		SW Transmitter	--	--	3	3	---
		Studios	--	--	1	1	---
		Captive Earth Stn.					10
	AIR(J&K Package)						
		Broadcasting Stations	--	--	2	2	---
		MW Transmitter	10	8	---	---	1
		FM Transmitter	--	--	---	---	---
3	AIR	TOTAL	43	39	9	8	36
	PRASAR BHARATI	TOTAL	204	118	117	105	81

* Continuing Scheme – 10 + Modernisation Scheme – 22 + New Scheme - 1

Annexure 11.4.3

MINISTRY OF INFORMATION & BROADCASTING - ANNUAL PLAN 2003-04
(Rs. In lakh)

SI.NO	Media Unit	Approved Outlay	NE Component Earmarked
I	INFORMATION SECTOR		
1	PIB	511.00	60.00
2	Publications Division	93.00	1.00
3	DAVP	286.00	31.00
4	IIMC	360.00	10.00
5	Photo Division	115.00	
6	DFP	202.00	60.00
7	Song & Drama Division	280.00	30.00
8	RR&TD	10.00	
9	RNI	132.00	
	<i>Main Sectt. Schemes</i>		
10	Soochna Bhavan	71.00	
11	Training for Human Resource Development	40.00	
	Total (I) DBS	2100.00	192.00
II	FILM SECTOR		
1	Films Division	472.00	
2	NFAI	122.00	
3	FTII, Pune	293.00	
4	SRFTI, Kolkata	30.00	
5	DFF	450.00	
6	CFSI	621.00	
7	CBFC	292.00	18.00
	<i>Main Sectt. (Film Wing) Schemes</i>		
8	Grant-in-aid to FFSI & NGOs	20.00	
9	Participation in Film Market in India & abroad	100.00	
	Total (II) DBS	2400.00	18.00
III	BROADCASTING SECTOR (PB)		
1	All India Radio	20100.00	
	DBS	7600.00	1600.00
	IEBR	12500.00	
2	Doordarshan	64000.00	
	DBS	29000.00	7480.00
	IEBR	35000.00	
	Total (III)	84100.00	
	DBS	36600.00	
	IEBR	47500.00	
IV	Centl Monitoring Service (CMS) : DBS	400.00	
	GRAND TOTAL (I+II+III+IV)	89000.00	
	DBS	41500.00	9290.00
	IEBR	47500.00	

11.5 COMMUNICATIONS

POSTAL SECTOR

An efficient postal system is crucial for growth and modernization. It is fast emerging as an important component of the modern communication and information technology sector. The Indian postal system is the largest in the world, having a network of 1.55 lakh post offices. Besides providing a variety of postal services, the Indian postal system is playing a vital role in the resource mobilization efforts, especially in the rural areas. The following Table provides the basic profile of the sector:

Profile of the Sector
<ul style="list-style-type: none">➤ Indian Postal system is the largest in the world in terms of number of post offices/outlets numbering 155295 (latest on 31.3.2002).➤ The total manpower engaged in running postal services under the Department is about 5.75 lakh equally divided between permanent employees and extra departmental.(1.3.2003)➤ Total revenue expenditure of the Department is Rs. 5508.51 crore (2003-04 BE) with a revenue deficit of Rs.1308.51 crore.➤ Plan outlay constitutes a very small fraction of the total expenditure and was Rs.95.00 crore for (2002-03 RE) i.e. 1.76 % of the revenue expenditure.➤ The entire plan outlay is funded through budgetary support.➤ Except courier services, postal operations are still a State monopoly.

TENTH FIVE YEAR PLAN

Major Objectives

2. The Tenth Plan aims at making the postal services self-financing by the Tenth Plan end. To achieve this, necessary policy measures need to be initiated. Upgradation of technology and modernization of postal operations are envisaged to be continued as a thrust area. The major objectives envisaged for the Postal sector for the Tenth Plan are:

- (i) Provision of universal postal services at affordable prices.
- (ii) Ensuring quality of services at international level.
- (iii) Modernisation and process re-engineering with a view to achieve better administrative efficiency and financial management.
- (iv) Upgradation of existing infrastructure with a view to ensure minimization of cost of operation and enhancing customer satisfaction.
- (v) Making the postal operations of the Department self-financing by the end of Tenth Plan.

Thrust Areas / Policy Initiatives

3. To achieve these objectives, a comprehensive reforms programme has to be implemented during Tenth Plan. Connectivity, networking and computerization would contribute the core thrust area of the Plan. Post offices are envisaged to be given a fresh look by converting these into multi-product and multi-service outlets. Information Technology is envisaged to play a major role in transforming and modernizing the sector by improving efficiency and quality of services and introduction of a whole spectrum of IT based products and services. The strategy and major policy initiatives envisaged for the Plan are :

- (i) Identification and adoption of Universal Postal Service Obligation and delivering the same at affordable prices.
- (ii) Pricing of non-UPSO items to be determined on commercial basis.
- (iii) Setting up of an independent regulatory body which beside other things would look after the function of tariff fixation.
- (iv) Fresh post offices to be opened only through redeployment of staff; no additional posts to be created for this purpose.
- (v) A comprehensive review of all existing post offices to be carried out in a time bound manner.
- (vi) Post offices to act as multi-product / multi-service centers and convergence of services to be the governing criterion.
- (vii) Computerization, connectivity and networking of the Postal network to be the cornerstone of Plan activity.
- (viii) Indian Post Office Act, 1898 to be replaced by a forward looking Act to take care of the needs of competition, convergence and other new developments.

REVIEW OF ANNUAL PLAN 2002-03

4. A comprehensive programme of reforms has been envisaged for the Tenth Plan. Keeping in line with the policy and objectives for the Tenth Plan, modernization of postal operations had been accorded the highest priority in the programmes for the Annual Plan 2002-03. Towards implementing the various programmes, an outlay of Rs.150.00 crore was approved. The core area of modernization accounted for Rs.104.31 crore i.e. 69.54% of total outlay keeping in line with the thrust and priorities of the Tenth Plan. Keeping in line with the thrust and priorities of the Tenth Plan. Eight new schemes were introduced. These included:

- (i) Modernisation of Circle Stamp Depots
- (ii) Computerisation of International Mail Processing
- (iii) National Data Centre
- (iv) Establishment of Express parcel post centres
- (v) Research and Development /studies/surveys
- (vi) e-Post
- (vii) e-BillPost.
- (viii) New Products and Services including Development of Financial Products and Services:

5. Due to delay in finalization of the schematic break-up of the Tenth Plan approved outlay and required investment approvals, the schemes/programmes could not take off as desired. As a result, the pace of Plan expenditure during the year was much lower than expected. The expenditure is estimated to be of the order of Rs. 95.00 crore. Among the major achievements are opening up of 1482 PSSKs, 241 EDBOs, 25 DSOs, provision of infrastructure to 1818 rural posts offices and imparting training to about 35000 employees. The other major achievements include computerisation of three foreign mail centres and two foreign posts offices. The details of physical achievement and financial expenditure may be seen in Annexure-11.5.1 & 11.5.2.

ANNUAL PLAN 2003-04

6. The Annual Plan 2003-04 is envisaged to carry on with the unfinished agenda of the Annual Plan 2002-03. The schemes / programmes undertaken during 2002-03 are expected to be continued. An outlay of Rs. 150.00 crore has been approved for the purpose. The schematic break-up may be seen in Annexure-11.5.2. Some of the major programmes / thrust areas of the Department. of Posts for the Annual Plan 2003-04 are given below :

(i) Networking and Connectivity

7. The various scheme proposed under this programme are for creating the basic infrastructure for improving the quality of existing services and providing the technological base for launch of new value added and financial services. Networking of various post offices, record offices, back offices, customer care centers, etc. forms an integral part of the entire programme. IT based services are an important part of the product-mix envisaged to be delivered by the post offices during the Plan. In the absence of this technological back up, the introduction of new services proposed may not be feasible. New services like smart cards, E-posts, E-bill posts etc. are to be launched with a view to securing more revenue from operations in order to achieve the goal of financial self-sufficiency.

8. Full computerization of the postal network spread throughout the country in a time bound manner is necessary to derive optimum benefits from the programme. As the modernization programme may extend beyond Tenth Plan due to limited availability of funds in relation to the requirements, all-out efforts need to be initiated to reduce the cost of operations. The Deptt. need to work out an action plan / strategy for time bound computerization.

(ii) Mail Processing

9. Modernization of operations including the ergonomics of work environment holds the key to better productivity. Mail processing is the central activity in the entire set up of postal operations and its modernisation is very crucial for both improving efficiency of the staff and speedy delivery of postal services. Modernization of mail motor services and RMS vans and mechanized delivery are the important activities under this scheme.

(iii) Human Resource Development & Training

10. Manpower development, perhaps, is the critical input in the entire process of modernization underway in the sector. Changing the mindset for accepting and using technology and imparting appropriate skills at all levels are the two important elements of

strategy of human resource development during Tenth Plan. In-service training and refresher courses need to be re-oriented keeping in view the changing requirements. A comprehensive training programme in computers etc. has been drawn up and is to be implemented to ensure maximum possible returns on investment being made on computerization and modernization. Distant learning has been introduced from the current year so as to get maximum spread of skill upgrading of the willing staff. Towards this end, a target of training about 60,000 employees has been envisaged. Distant learning would be the single largest trainer (22,000) during the Plan period.

Major Policy Initiatives

11. To achieve the objectives and targets envisaged in the Tenth Plan, a series of policy initiatives/reforms, are required be undertaken at different intervals during the Plan period. Keeping this in view, a Priority Agenda for Action has been drawn up for the Annual Plan 2003-04 under which the Department has to initiate the required action and complete these items in a time bound manner. The items identified for the Department of Posts in this regard are:

- (i) To take necessary action for replacing the Indian Post Office Act, 1898 by a forward looking legislation to take care of the needs of competition, convergence and other new developments.
- (ii) To draw up a road map and work out modalities for corporatisation of the postal sector.

12. The other major policy initiatives envisaged for the Annual Plan 2003-04 are :

- (i) To work out a strategy for commercial exploitation of Department's real estates towards augmentation of revenue deficit of the Department.
- (ii) To formulate a revamped scheme of Licenced Postal Agent (LPA) towards promoting private/public partnership in provision of basic postal facilities.
- (iii) A comprehensive review of the postal network including the policy of opening of post offices with a view to achieve efficiency of operations and introduction of value added services in an effective way.
- (iv) Identification and adoption of Universal Postal Service Obligation (UPSO) keeping in view the international connections and our national objectives and socio-economic needs. The non-UPSO items would need to be priced on commercial principles.

Monitorable Targets for Annual Plan 2003-04

13. Keeping in line with the goals, objectives and policy initiatives for the Tenth Plan, the major targets envisaged for the Annual Plan 2003-04 are given below. The details of physical targets envisaged for the Annual Plan may be seen in Annexure-11.5.1.

- (i) Opening of 20 Departmental Sub-Offices (DSOs) and 200 Extra Departmental Branch Offices.
- (ii) Opening of 900 Panchayat Sanchar Sewa Kendras (PSSKs).
- (iii) Computerization of 200 major post offices in the country in addition to computerization of 10 Postal Account Offices, 3 Circle Offices and 37 Regional Offices. Head Record Offices

- (iv) Upgradation of 935 Customer Care Centres
- (v) Setting up of National Data Centre for country-wise connectivity.
- (vi) Improving ergonomics of 150 post offices including mail offices
- (vii) Provision of Infrastructure Equipment to 1822 rural post offices.
- (viii) Providing training to about 60000 officials including 275 group 'A' officers.

TELECOMMUNICATIONS

14. Telecommunications is one of the prime movers of modern economies. It is one of the fastest growing sectors of the Indian economy and has immense potential of growth in the future. Starting with about one lakh lines at the time of Independence (March, 1948), the Indian telecom network has increased to about 536.85 lakh lines including Cellular connections by the end of March,2003. The following table provides the basic profile of the sector:

Profile of Telecom Sector (As on 31.3.2003)
<ul style="list-style-type: none"> • Total fixed line telephone connections – 536.00 lakh • Number of Cellular mobile phones – 126.87 lakh (101.39 lakh by Private Sector and 25.48 lakh by Public Sector) • Tele Density - All India - 5.11 • Number of Village Public Telephones(VPTs) – 5.14 lakh • Internet Connections – 38 lakh(as on January 31, 2002). • Waiting List for BSNL : 18.24 lakh lines.

15. The Telecom sector in India has been witnessing a continuous process of reforms since 1991. A major milestone in this area was the announcement of new policy called New Telecom Policy (NTP) 1999 replacing the 1994 policy to take care of the development arising out the rapid technological changes like convergence of technologies, liberalization and opening of the economy. This process of reform was carried further since then through a number of new policy initiatives undertaken by the Government. The major among these include:

- Resolution of subsisting problems arising out of migration of existing licences from fixed licence regime to revenue sharing.
- Permitting ISPs to set up sub-marine cable landing stations for international gateways for Internet.
- Opening of National Long Distance Service for competition in August 2000.
- Corporatization of Deptt. of Telecom into public limited company called Bharat Sanchar Nigam Ltd. (BSNL) from 1.10.2000.
- Opening of International Long Distance Service for competition from 1.4.2002.

TENTH FIVE YEAR PLAN

Major Objectives and Targets

16. The Tenth plan policies and programmes are guided by the basic goal of creating a world-class telecom infrastructure in order to meet the requirements of information technology based sector and needs of a modernizing economy on the least cost basis. Ensuring value for money to the consumers and easy and affordable access to basic telecom services to everyone and everywhere would be the other goal of policies to be pursued in 10th Plan. The major objectives envisaged for the Tenth Plan are:

- (i) Affordable and effective communication facilities to all citizens.
- (ii) Provision of universal service to all uncovered areas, including rural areas.
- (iii) Building a modern and efficient telecommunications infrastructure to meet the convergence of telecom, IT and the media.
- (iv) Transformation of the telecommunications sector to a greater competitive environment providing equal opportunities and level playing field for all the players.
- (v) Strengthening research and development efforts in the country.
- (vi) Achieving efficiency and transparency in spectrum management,
- (vii) Protecting the defence and security interests of the country.
- (viii) Enabling Indian telecom companies to become truly global players.

17. Following complete opening of the sector, private sector is expected to play a major role in achieving the objectives along with the public sector. Semi-urban, rural and other uncovered areas are expected to provide bulk of the fresh demand for primary telecom services i.e fixed and cellular mobiles in the near future. Innovative strategy needs to be devised to meet demand in these areas as they are perceived as less remunerative. The major targets envisaged for the Tenth Plan for the telecom sector are:

- To endeavour to make available telephones by and large on demand by end of 2002-03 and sustain it thereafter.
- To achieve an overall teledensity of 9.91 by 31st March 2007.
- Achieve telecom coverage of all villages in the country by December 2002 and provide reliable transmission media in all rural areas.
- Provide reliable media to all exchanges by the end of March, 2003.
- Provide high-speed data and multimedia capability using technologies including ISDN to all towns with a population greater than two lakhs by the end of March, 2003.

REVIEW OF ANNUAL PLAN 2002-03

18. Automation of the process of radio frequency (RF) spectrum management including frequency assignments, wireless licenses etc. and upgrading the radio monitoring facilities is essential to meet the massive growth in the usage of RF Spectrum in the country. RF Spectrum being a scarce natural resource, its effective and efficient use by massive computerization is a necessity keeping in view the requirements of modern telecommunication technologies that heavily depend upon the RF spectrum. Keeping the importance of this area in mind, a project called "Telecommunications sector Reform Technical Assistance Project" has been taken up with the assistance of World Bank. The total outlay of the project is US \$ 65.11 million

consisting of World Bank Component of US \$ 55.73 million and Government of India component of US \$ 9.38 million. The project is being implemented by the regulatory bodies viz. Wireless Planning and Coordination Wing (WPC), Wireless Monitoring Organization (WMO), Telecom Engineering Centre (TEC), Telecom Regulatory Authority of India (TRAI), Telecom Dispute Settlement and Appellate Tribunal (TDSAT) and DOT (HQs). The project is envisaged to be completed by the end of 2004.

19. The progress with regard to the achievement of physical targets by the PSUs i.e. MTNL and BSNL has not been satisfactory. Major shortfalls are likely in the provision of new connections, VPTs and laying of optical fibre. Only about 49.14 lakh new connections are estimated to be provided against the target of 69.83 lakh indicating a shortfall of about 30%. In case of VPTs the shortfall is expected to be 44.25 per cent. Only about 39440 villages are likely to be covered against the target of 70750. Lack of availability of appropriate equipment, delay in security clearances in some areas and lack of sufficient funds are some of the major reasons for this shortfall. The details of physical targets and achievements may be seen in Annexure – 11.5.3.

20. The utilization of funds for the telecom sector as a whole is likely to fall short of the target by more than 22%. This is reflected by the Revised Estimates of expenditure of Rs. 14191.04 crore as against the outlay of Rs. 18327.06 crore approved for the Annual Plan 2002-03. This shortfall is partly due to non-take off of some projects for MTNL and also due to the decrease in resource mobilisation by BSNL. BSNL's, Internal and Extra-budgetary Resources(IEBR) fell short by 16%. A shortfall in utilization of funds is likely in Wireless Planning Cell of the Department of Telecom, WMO etc. as some of the major projects failed to take off as envisaged. The details of financial performance may be seen at Annexure-IV.

ANNUAL PLAN 2003-04

21. The Annual Plan 2003-04 is envisaged to carry on similar objectives as that of the Annual Plan 2002-03. The schemes / programmes undertaken during 2002-03 are expected to be continued. Among the major targets are provision of 64.11 lakh new telephone connections, providing 29,600 Village Public Telephones, 11.47 lakh TAX lines etc. To implement these, an outlay of Rs. 14,955.00 crore has been approved. This includes a budget support of Rs.185 crore especially earmarked for regulatory bodies and research organizations. The organisation-wise break-up of physical targets and financial outlay may be seen in Annexures-11.5.3 and Annexure-11.5.4 respectively.

Major Thrust Areas

(i) Expansion of the Network

22. The expansion programme of the Public Sector Units i.e. BSNL and MTNL would be guided by the basic objective of providing telephones, by and large, on demand. Towards achieving this objective, 64.11 lakh new connections are envisaged to be provided during 2003-04. sector in order to achieve the targets of tele-density in line with the objectives laid down in NTP, 1999 and Tenth Five Year Plan. The telecom sector needs to be treated as an infrastructure sector for the next decade or so in order to achieve the targets of teledensity in line with the objectives laid out in the New Telecom Policy, 1999. This is envisaged also to help achieving substantially higher rate of growth of broad-band to meet the requirements of other

sectors of the economy especially Information Technology and Entertainment. The Department of Telecom would bring out the Paper on the need for treating telecom sector as an infrastructure

(ii) Universal Service Obligation

23. As per the New Telecom Policy (NTP), 1999, the Govt. is committed to provide access to all people for basic telecom services at affordable and reasonable prices. As per the USO guidelines issued by Deptt. of Telecom, reimbursement was expected to be made to both public telecom and information services like VPTs, tele-info centres as well as rural DELs. However, the public access services are to be the first charge on USO fund. However, with a view to increase rural tele-density as per the NTP, 1999, reimbursements to individual connections in deserving cases need to be considered on priority basis. The necessary changes in USO guidelines may have to be considered to take care of this.

24. Though the USO fund had become operational and reimbursements of Rs.300 crore were made during 2002-03, the statutory provisions governing the USO fund are yet to be approved. Necessary action in this regard needs to be initiated by the Govt. at the earliest. At present, Universal Access Levy is being collected as part of the licence fee and then transferred to USO fund. Pending the required statutory approvals, it needs to be ensured that adequate funds are transferred from Consolidated Fund of India to USO fund. Keeping in view the peculiar nature of the programme, the fund needs to be converted into a non-lapsable fund.

(iii) Rural Telephony

25. The expansion of telecom facilities in the rural areas in line with the targets set out in the NTP, 1999 may require funds of about Rs.5000 crore per annum during the Tenth Plan from 2003-04 onwards. Based on the prevalent rates of levy, yearly receipts in the USO fund at best could be assumed to be about Rs.2500 crore. This still will leave a yearly gap of about Rs.2500 crore to be made good through other means including possible budget support. A holistic view has to be taken of the entire problem taking all the issues into account. A detailed strategy paper needs to be prepared by the Department / TRAI at the earliest towards working out a concrete long term action plan in this regard.

(iv) Village Public Telephones (VPTs)

26. New Telecom Policy (NTP), 1999 envisages to cover all villages with the facility of Village Public Telephones(VPTs) by 2002. Out of 6.04 lakh villages in the country, about 5.14 lakh villages have been provided with a VPT as on 31st March, 2003. Bharat Sanchar Nigam Ltd. (BSNL) envisages to connect about 29600 villages through VPT programmes. The remaining are expected to be covered by the private sector. However, the progress of the private sector in this regard is not encouraging. The Deptt. needs to monitor the programme tightly in order to achieve universal coverage of all villages at the earliest. With a view to achieve the target of rural tele-density of 3 by the year 2007 and that of 4 by 2010, the Deptt. need to prepare and implement an action oriented strategy in a time bound manner.

(v) Spectrum Policy

27. The policy governing spectrum allocation and licencing has to be so designed that this scarce resource is used optimally and does not become a constraint for growth. Spectrum pricing need to be based on relative demand and supply in a dynamic manner and should promote introduction of spectrum efficient technology. A significant chunk of available spectrum is being used by defence, police and para military forces. A concrete action plan needs to be put in place to upgrade and modernize the technology being used by these forces so as to ensure efficient and optimal utilization of spectrum allotted and releasing the surplus spectrum for use by civilian purposes.

Monitorable Targets

28. Keeping in view the above objectives and targets, the major physical targets envisaged for the Annual Plan 2003-04 for the Public sector are:

- Provision of 64.11 lakh new connections;
- 8.61 lakh new connections would be provided in the rural areas;
- Addition of 11.47 lakh TAX Lines;
- Provision of 29,600 VPTs;

PSUs and other Organizations under the Deptt.

(i) Bharat Sanchar Nigam Limited (BSNL)

29. The operational network of the erstwhile Department of Telecom has been converted into a fully owned PSU called Bharat Sanchar Nigam Limited (BSNL). The company has become operational from 1.10.2000. Keeping in line with the Tenth Plan objective of providing telephones, by and large, on demand by 2002 and sustain it thereafter, the Corporation plans to continue with the established policy of rapid expansion of basic services. The Company envisages to provide 60.61 new connections during 2003-04 – about 94% of last year's target of 64.34 lakh connections due to the shift to cellular phone and provision of basic telephone services by private operators. With a view to improving the long distance connectivity further, an enhanced target of installing 10.58 lakh additional TAX lines is envisaged for the Annual Plan 2002-03. In order to implement these and other targets / programmes, an outlay of Rs.12,285 crore has been approved for BSNL. A token budget support of Rs.1 crore has been approved for the Company. Details of physical targets may be seen in Annexure-11.5.3.

(ii) Mahanagar Telephone Nigam Limited (MTNL)

30. MTNL provides telecom sector in the metros of Delhi and Mumbai. Keeping in view the stagnation in demand due to the shift to cellular phones and also competition from private basic service operators, a target of providing 3.50 lakh new connections has been fixed for the year 2003-04 as against 5.49 lakh connections last year. To take care of the increased long distance transmission requirements, additional 1.42 TAX lines are expected to be added to the network during 2003-04. Modernization of equipment and implementation of schemes aimed at providing new and value added services is expected to be the new focus area of the company during the year. The major steps in this direction includes digitalization of the entire network, introduction of new services like VPN, Chat Service, Shopping Mails on Internet, provision of

WLL equipments etc. To finance the various programmes of the Corporation, an outlay of Rs. 2284 crore has been approved for the Annual Plan 2003-04.

(iii) ITI Limited

31. ITI Ltd. is the largest telecom equipment manufacturing company in the country. The company has been able to achieve a turn-around in recent past. As per the Plans drawn out by the Company, completion of the on-going technology upgradation schemes would be a priority area. The new projects envisaged to be taken up during the year include CSN-MM projects, Wireless in Local Loop (WLL) etc. For implementing the various projects / schemes of the Company, an outlay of Rs.202.00 has been approved for the Annual Plan 2003-04. This is to be financed entirely through Internal Resources of Rs 7 crore and Extra Budgetary Resources of Rs. 195 crore.

(iv) Regulatory Bodies

32. "Telecommunications sector Reform Technical Assistance Project" taken up with the assistance of World Bank with an outlay of US \$ 65.11 million consisting of World Bank Component of US \$ 55.73 million and Government of India component of US \$ 9.38 million would continue in the Annual Plan 2003-04. An outlay of Rs 145.34 crore fully funded by Budget support has been provided to Wireless Planning and Coordination Wing (WPC), Wireless Monitoring Organization (WMO), Telecom Engineering Centre (TEC), Telecom Regulatory Authority of India (TRAI), Telecom Dispute Settlement and Appellate Tribunal (TD-SAT) and DOT (HQs) for implementation of the project during 2003-04.

(v) C-DOT

33. C-DoT is the main public sector agency engaged in research and development activity in the Telecom sector. Its technology constitutes more than 40% of the total lines operative in Indian telecommunications network. C-Dot Switches are being exported to other countries having conditions similar to those in Indian rural areas. During Tenth Plan the thrust of C-DoT's research plan would be the development of cost effective technologies providing services and features at par with those being offered by other global players. Development of products to cater to the needs to broad band fixed and mobile subscribers access system as well as high band with backbone systems would be an important part of the strategy for the Plan. Some of the major areas of thrust to be initiated in the Annual Plan 2003-04 are :

- Intelligent Network Services
- GSM Personal Communication Services
- Third Generation Mobile Communication System
- Ka Band Satellite Communications
- Cell and Packet Switching Technologies for Voice and Data Convergence
- Ultra High Bit Rate Network Backbone
- Expansion Planning of Existing Wire-line Network

34. With the carving out of BSNL as a separate corporate entity in September, 2000 plan outlay for C-DOT is required to be funded through budgetary support. An outlay of Rs. 38.66 crore fully funded by budgetary support is earmarked for the organization for the Annual Plan 2003-04.

Annexure 11.5.1

Physical Performance of Postal Sector

Scheme	Tenth Plan Targets	2001-02 Achievement	2002-03		2003-04 Targets
			Targets	Ant.Achv	
Expansion					
(i) PSSK	5000	2402	1500	1482	900
(ii) EDBOs	1000	405	250	241	200
(iii) DSOs	100	51	25	25	20
Computerisation of Offices					
Pos	13361		150	0	200
PAOs	9		3		10
Circle Offices	22		7		3
Regional Offices	37				37
Networking HROs					
HROs	47+22		10		10
TMOs	37+67		15		
CRCs	186		20		
V-SAT System					
Customer Care Centres			62		883
Improving Ergonomics					
Modernization		125	100		150
SPCC			100		12
Mail Offices	400		100		22
Infrastructure	49448	8624	1818		1822
AMPCs		2	1		
Mail Movement			7		
Premium Products					
Speed Post Booking			100		
Philately					

			Annexure 11.5.1 (Concl.)		
Exhibition	25		25	50	45
Tools and Eq.	500		40	54	40
Training					
Group A		140	100	252	275
Inservice		2500	6000	8229	4750
Distance learning			35000	1235	22000
Computer Training			28000	25780	33000
Buildings					
Office Buildings		48	54		32
Staff Quarters		190	21		70
Circle stamp Depots			2		
International Mail Processing			8	5	9
Nastional Data Centre			1		
R&D and Surveys					
Express Parcel			6		6
E-post					1
E-bill Post					
New products etc.					
Point of sale trm.			40		120
Smart cards			50000		150000

**Department of Posts
Outlay/Expenditure**

(Rs Crore)

Scheme	Tenth Plan Outlay	2001-02 Actual	2002-03		2003-04 BE
			BE	RE	
Expansion of Network	37.27	12.93	3.41	0.91	2.10
Computerisation & Connectivity	836.27	19.13	38.86	19.08	59.32
Networking HROs	25.37		13.32	11.46	0.82
V-SAT System	3.00		0.75	0.75	2.00
Customer Care Centres	11.57	0.29	11.57	0.10	11.57
Improving Ergonomics	48.50		5.54	6.14	5.06
AMPCs	71.05		24.00	15.00	0.05
Mail Movement	21.00	12.98	0.30	0.30	15.31
Premium Products	41.09	3.12	2.74	1.74	5.94
Philately	7.31	0.72	0.84	1.32	1.00
Training	61.30	3.83	6.65	4.07	11.28
Buildings	115.40	27.96	28.00	28.00	24.00
Circle stamp Depots	2.52		0.26	0.26	0.01
International Mail Processing	3.33		1.26	1.27	2.06
National Data Centre	10.00		5.00	0.20	0.50
R&D and Surveys	4.00		1.00	0.00	0.07
Express Parcel	7.02		0.50	0.15	0.01
E-post	5.00		0.50	2.70	2.30
E-bill Post	5.00		0.50	0.50	3.00
New products etc.	10.00		5.00	1.05	3.60
Material Management	24.00	0.18			
Admn and Fin.		1.19			
Total	1350.00	82.33	150.00	95.00	150.00

Physical Performance of Telecom Sector

Scheme	Units	Tenth Plan Targets	2001-02 Achievement	2002-03 Targets	Ant.Achvt	2003-04 Targets
New Con.	Lakh lines	395.23	55.32	69.83	49.14	64.11
Fixed	Lakh lines	96.89		25.03	1.44	
WLL	Lakh lines	62.93		13.43	0	
GSM	Lakh lines	235.41		31.37	0	
BSNL	Lakh lines	367.67	53.07	64.34	47.70	60.61
Fixed	Lakh lines	80.90		22.90		14.00
WLL	Lakh lines	62.93		11.94		16.61
GSM	Lakh lines	223.84		29.50		30.00
MTNL	Lakh lines	27.56	2.25	5.49	1.44	3.50
Fixed	Lakh lines	15.99		2.13	1.44	
WLL	Lakh lines	0.00		1.49		
GSM	Lakh lines	11.57		1.87		
TAX	Lakh lines		9.97	11.47	11.01	11.08
BSNL	Lakh lines			10.05	10.11	10.58
MTNL	Lakh lines			1.42	0.90	0.50
Microwave	000KMs		14.45	5.00	8.08	2.00
Optical Fib	000KMs		99.62	126.06	95.81	55.00
BSNL	-do-		99.62	77.06	75.81	35.00
MTNL	-do-			49.00	20.00	20.00
VPT	000 Nos		70.75	218.00	36.93	29.60

Annexure 11.5.4

Annual Plan 2003-04
Department Of Telecom
Outlay/Expenditure and Financing Pattern

(Rs. in crore)

Scheme	Tenth Plan Outlay	2001-02 Actuals	2002-03		2003-04 BE
			BE	RE	
3BSNL	66412.00	16857.15	14076.00	11819.00	12285.00
IR	66407*		7692.00	8937.00	10943.00
Bonds			3502.00	2881.00	1341.00
Others			2881.00	0.00	0.00
GBS	5.00		1.00	1.00	1.00
MTNL	11955.44	1033.57	3994.06	2180.00	2284.00
IR	9180.44	1033.57	2744.06	2180.00	2284.00
Bonds	2775.00		1250.00	0.00	0.00
ITI	790.00	45.99	73.00	71.73	202.00
IR	130.00		-77.00	-128.27	7.00
Bonds	660.00		150.00	200.00	195.00
WMO		0.26	2.25	1.12	9.36
WPC		0.33	101.05	38.62	131.17
TRAI	1495**	4.00	1.50	2.30	1.67
TDSAT			0.20	0.48	0.87
TEC		2.69	4.00	3.70	2.27
C-DOT		101.00	75.00	74.09	38.66
Others	6331.56				
Total	86984.00	18044.99	18327.06	14191.04	14955.00
IR	79152.44		10359.06	10988.73	13234.00
Bonds			4902.00	3081.00	1536.00
Others	6331.56		2881.00	0.00	0.00
BS	1500.00	108.28	185.00	121.31	185.00

Note: * : Includes IEBR

** : Includes GBS for TRAI, TEC, TDSAT, WMO, WOC, C-DOT