

Chapter 7

Basic Minimum Services

It has been long recognised that access to minimum level of social infrastructure facilities must be an integral part of a strategy for improving the quality of life of the people and for eradicating poverty. Over the last decade, considerable progress has been made in improving access to primary health care facilities, primary education, safe drinking water and shelter as reflected in an expansion of coverage and also improvements in the indicators of human development.

2. The primary responsibility for provision of funds for these sectors and for planning and implementation of specific programmes lies with State/Union Territory (UT) Governments. However, there has been a recognition that the States do not have adequate resources to provide the basic minimum services (BMS) to their entire population. In specific areas, Centrally Sponsored Schemes (CSS) were introduced to complement the efforts and resources of the States.

3. In 1996, a conference of Chief Ministers was held to review the situation about the availability of BMS to the people. The conference identified seven basic minimum services for priority attention: primary health care, universalisation of primary education, safe drinking water, public housing assistance to all shelterless poor families, nutrition, connectivity of all villages and habitations by roads, and streamlining of the public distribution system (PDS) with a focus on the poor. The Conference recommended that the entire population should be covered by the programme in a time-bound manner. In response to the Chief Ministers' recommendations and in recognition of the fact that States faced financial constraints, the Central Government decided to provide some additional funds to supplement States' resources. A separate budget head was introduced in 1996-97 with provision for Additional Central Assistance (ACA) for the Basic Minimum Services.

4. The BMS strategy is to mobilise resources and direct efforts to achieve 100 per cent coverage of the population with access to these basic minimum services in a time bound manner. To ensure an adequate level of investment for the various BMS sectors, the Planning Commission devised a Minimum Adequate Provision (MAP), which is calculated on the following basis:

$$\text{MAP} = \text{Actual expenditure on BMS in 1995-96} + \text{ACA for the specific year} + 15\% \text{ of ACA as State share.}$$

However, keeping in view the difficult financial resource position of Special Category States, the 15 per cent contribution by them has been waived.

5. The entire MAP for BMS is earmarked in the annual plan of the States and it can be spent only on permissible items under specific sectors. However, the States have flexibility in allocations between the sectors as per their own needs and priorities. Any

shortfall in the actual expenditure against earmarked outlays, attracts proportionate curtailment of Central assistance in the following year.

6. Since 1996-97 in each year ACA has been provided for BMS in the Central Budget. While in 1996-97, the allocation was Rs.2244 crore, in 1997-98 it was Rs.3100 crore, which was further increased to Rs.3400 crore in 1998-99, and to Rs.3700 crore in 1999-2000. The Statewise outlays of ACA for BMS are given in Annexure-1. The MAP calculated for each State for 1999-2000 is given in Annexure-2. These estimates provide a broad idea of allocations that have been made in the plans of the States/UTs for basic minimum services. While Rs.3700 crore are in the form of ACA, the States/UTs spend approximately Rs.12,000 crore from within their own Plans. Annexure-3 gives statewise outlays provided for BMS in the Annual Plan for 1999-2000. In addition, the BMS sectors are also served by several Centrally Sponsored Schemes and it is estimated that about Rs.8,000 crore are annually allocated for these areas.

7. While comprehensive monitoring formats of assessing both the financial and physical progress under BMS have been made and circulated to the State Governments, the information received is far from satisfactory. While the utilisation against allocations is forthcoming, the problem is with the reporting of the physical achievements. This can be attributable to the fact that there is no one place where the monitoring of the BMS takes place. There is considerable overlap between provisions from the three sources and there is likelihood of substitution of funds from one head to the other. To illustrate in the case of shelter there is a CSS called Indira Awas Yojana (IAY) wherein free cost housing is given to families living below poverty line. The Centre contributes 75% and the States are required to provide 25%. It is quite likely that the ACA for BMS is used for providing the State's matching share. In this case the ACA will not contribute to the creation of additional new houses. Therefore, the physical achievement cannot be correctly assessed and it would not correspond to the total financial provisions provided under three separate heads.

8. In order that the resources provided by the Centre as ACA for BMS are not frittered away, in each sector specific items were identified for eligibility. For instance, under primary health care, construction of sub-centres, primary health centres and community health centres, salaries of Auxiliary Nurse Midwife (ANMs), health workers, doctors etc. and equipments and medicines were covered. Similarly, under elementary education, construction of school buildings, supply of uniform and text books, salaries of teachers included in the plan, equipment and furniture, assistance to non-government schools and local bodies were permissible.

9. The discussion on each of the specific sectors is covered in the concerned chapters. However, it may be noted that given the enormous inter-state differences in levels of achievements, the Planning Commission devised a formula based on indicators reflecting infrastructural gaps for distribution of ACA among non-special category States. In respect of special category States, the allocations were based on the devolution of normal Central assistance and not on actual gaps in infrastructure. The ACA is in the form of 70% loan and 30% grant for the non-special category States, while for special category States, it is in the form of 90% grant and 10% loan. In the first three years of the

Ninth Plan, the ACA for BMS, added to the funds of States/UTs for these services, and were fully utilised.

10. In order to achieve the objective of sustainable human development at the village level, it has been decided to introduce a new initiative in the form of Pradhan Mantri's Gramodaya Yojana (PMGY). This would focus on the creation of social and economic infrastructure in five critical areas with the objective of improving the quality of life of our people specially in rural areas. Programmes related to health, education, drinking water, housing and rural roads would be undertaken within this programme. This scheme would be introduced from 2000-2001. ACA would be provided to the States and UTs for this purpose. This would replace the ACA being provided for BMS, thus far.

11. The PMGY would have two components: Programme for rural connectivity with 50% allocation, and other programmes of primary health, primary education, shelter, drinking water and nutrition with the remaining 50% allocation. In the year 2000-2001, Rs.5000 crore have been provided for this. While the scheme for rural roads would be implemented by the Department of Rural Development, the modalities for implementation of other programmes are being worked out. It is envisaged that the concerned administrative Departments at the Centre, namely, Department of Family Welfare, Department of Elementary Education and Literacy, Department of Rural Development, Department of Drinking Water supply and Department of Women and Child Development would oversee the implementation of the schemes under their purview. In fact, it is proposed that the Central Ministry/Department would monitor their programmes of PMGY, while the overall coordination would be the responsibility of the Planning Commission.

Annexure I

**Allocation of Additional Central Assistance for the Basic Minimum
Services Programme to the States/UT's for the Year 1996-97, 1997-98, 1998-99
and 1999-2000**

(Rs in Crore)

A	None Spl.States	ACA 1996-97	ACA 1997-98	ACA 1998-99	ACA 1999-2000
	1	2	3	4	5
1	Andhra Pradesh	140.52	170.59	179.61	196.34
2	Bihar	225.67	364.07	383.32	419.04
3.	Goa	1.55	1.55	3.63	3.63
4	Gujarat	52.58	72.58	76.42	113.54
5	Haryana	19.08	19.08	40.09	26.96
6	Karnataka	59.40	99.42	104.68	114.43
7	Kerala	69.64	78.69	102.85	110.57
8	Madhya Pradesh	144.09	210.00	236.10	265.34
9	Maharashtra	96.78	132.23	159.22	152.19
10	Orissa	79.26	147.45	164.25	190.31
11	Punjab	25.59	35.59	36.94	40.37
12	Rajasthan	87.63	132.98	140.01	153.05
13	Tamil Nadu	82.36	119.80	141.13	137.88
14	Utter Pradesh	317.33	456.84	500.99	575.81
15	W.Bengal	150.00	203.57	214.33	234.30
B	Spl. Category States				
1	Arunachal Pradesh	62.18	62.18	90.47	71.57
2	Assam	154.14	163.80	172.46	188.53
3	Himachal Pradesh	64.41	64.41	113.45	109.14
4	Jammu & Kashmir	156.52	156.52	164.80	180.15
5	Manipur	44.30	44.30	64.30	72.64
6	Meghalaya	37.03	37.03	38.99	63.62
7	Mizoram	36.87	36.87	49.96	51.43
8	Nagaland	37.53	37.53	49.51	67.19
9	Sikkim	25.65	25.65	47.25	49.76
10	Tripura	46.37	46.37	55.37	59.92
C	Union Territorie's				
1	NCT of Delhi	9.00	14.20	14.95	16.34
2	Pondicherry	3.90	6.13	7.45	7.06
3	A & N Island	8.00	13.19	17.17	15.19
4	Chandigarh	3.72	5.87	6.18	6.76
5	Dadra & Nagar Haveli	1.08	1.71	1.80	1.97
6	Lakshadweep	1.44	2.27	2.39	2.62
7	Daman & Diu	0.86	1.36	1.43	1.57
	Total	2244.48	2963.83	3381.50	3699.22

Annexure-II

Minimum Adequate Provision (MAP) for BMS in 1999-2000

Sr. No.	State	Actual Expenditure 1995-96	Revised Estimates (RE) 1995-96	Additional Central Assistance (ACA) 1999-2000	From unallocated ACA funds	Final Allocation of ACA for BMS 1999-2000	15% of ACA (State Share)	Minimum Adequate (MAP) 1999-2000 ((3or4)+7+8)
1	2	3	4	5	6	7	8	9
NON SPECIAL CATEGORY STATE								
1	A.P		19397.00	19634.00		19634.00	2945.10	41976.10
2	Bihar	20117.43		41904.00		41904.00	6285.60	68307.03
3	Goa		4055.50	178.00	185.00	363.00	54.45	4472.95
4	Gujarat	24250.71		8354.00	3000.00	11354.00	1703.10	37307.81
5	Haryana	6598.82		2196.00	500.00	2696.00	404.40	9699.22
6	Karnataka	55600.00		11443.00		11443.00	1716.45	68759.45
7	Kerala	6815.00		9057.00	2000.00	11057.00	1658.55	19530.00
8	M.P	28362.00		24170.00	2364.00	26534.00	3980.10	58876.10
9	Maharashtra	64957.00		15219.00		15219.00	2282.85	82458.85
10	Orissa	24945.90		16971.00	2060.00	19031.00	2854.65	46831.55
11	Punjab	4758.00		2945.00	1092.00	4037.00	605.55	9400.55
12	Rajasthan	54854.09		15305.00		15305.00	2295.75	72454.84
13	Tamil Nadu	18838.00		13788.00		13788.00	2068.20	34694.20
14	U.P	91719.00		52581.00	5000.00	57581.00	8637.15	157937.15
15	W.B	8907.95		23430.00		23430.00	3514.50	35852.45
	Sub Total	410723.90	23452.50	257175.00	16201.00	273376.00	41006.40	748558.25
SPECIAL CATEGORY STATE								
1	Arunachal	6917.93		7157.00		7157.00		14074.93
2	Assm	26344.48	21564.00	18853.00		18853.00		40417.00
3	H.P		14814.31	7414.00	3500.00	10914.00		25728.00
4	J \$ K		17011.00	18015.00		18015.00		35026.00
5	Manipur	3952.54		5098.00	2166.00	7264.00		11216.54
6	Meghalaya	5721.69		4262.00	2100.00	6362.00		12083.69
7	Mizoram	4743.89		4243.00	900.00	5143.00		9886.89
8	Nagaland	2544.99		4319.00	2400.00	6719.00		9263.99
9	Sikkim		5046.40	2952.00	2024.00	4976.00		8417.40
10	Tripura		6303.85	5337.00	655.00	5992.00		12295.85
	Sub total	50225.52	64739.56	77650.00	13745.00	91395.00		178410.29
UNION TERRITORIES								
1	NCT of Delhi	8797.00		1634.00		1634.00		10431.00
2	Pondicherry	2182.31		705.00		705.00		2887.31
3	A&N Islands	3492.00		1518.00		1518.00		5010.00
4	Chandigarh	1144.17		675.00		675.00		1819.17
5	D.N.Hawali	792.82		196.00		196.00		988.82
6	Lakshwadeep	384.54		261.00		261.00		645.54
7	Daman&Diu	444.81		156.00		156.00		600.81
	Sub Total	17237.65	0.00	5145.00	0.00	5145.00	0.00	22382.65
	Grand Total	478187.07	88192.06	339970.00	29946.00	369916.00	41006.40	949351.19

Annual Plan for 1999-2000. Agreed outlay for Basic Minimum Service (BMS)

(Rs. In lakh)

S. No.	States/UTs	Primary Education	Health Service	Drinking Water	Housing	Rural connectivity	Nutrition	PDS	Others*	Total
A. Non Special Category States										
1	Andhra Pradesh	5072.32	1197.00	7460.68	10288.00	15305.00	2653.00	0.00	0.00	41976.00
2	Bihar	15060.83	10800.00	5100.00	55604.00	17000.00	1400.00	0.00	0.00	104964.83
3	Goa	203.30	106.55	3287.09	210.00	616.06	50.00	0.00	0.00	4473.00
4	Gujarat	17385.95	11342.82	23920.00	13012.00	1000.00	9000.00	45.00	0.00	75705.77
5	Haryana	3115.00	2700.00	5400.00	0.00	260.00	525.00	0.00	0.00	12000.00
6	Karnataka	22532.20	17200.25	42507.79	11900.98	4472.85	3850.33	0.00	0.00	102464.40
7	Kerala	375.00	607.00	6800.00	500.00	0.00	30.00	7.00	13000.00	21319.00
8	Madhya Pradesh	375773.37	4056.69	5838.22	3067.29	6126.43	4960.00	101.00	0.00	399923.00
9	Maharashtra	10182.62	6856.93	100212.35	10670.91	0.00	7458.28	0.00	0.00	135381.09
10	Orissa	7329.82	4127.72	9859.26	610.00	6551.83	6474.38	95.52	13058.00	48106.53
11	Punjab	9376.07	2458.00	5400.00	5200.00	0.00	500.00	0.00	0.00	22934.07
12	Rajasthan	25425.00	9656.00	23970.00	0.00	27500.00	0.00	0.00	0.00	86551.00
13	Tamil Nadu	4594.39	2442.99	7333.33	900.00	6458.52	9896.44	0.00	4989.71	36615.38
14	Uttar Pradesh	45576.00	15413.57	53215.00	11195.00	108102.00	4500.00	10.00	0.00	238011.57
15	West Bengal	7138.00	3246.00	11486.00	2831.00	8130.00	4100.00	0.00	0.00	36931.00
B. Spl. Category										
1	Arunachal Pradesh	5072.32	1197.00	7460.68	10288.00	15305.00	2653.00	0.00	0.00	41976.00
2	Assam	22217.00	4534.00	7631.00	1623.00	4200.00	813.00	120.00	0.00	41138.00
3	Himachal Pradesh	7333.23	3319.83	5092.70	720.35	9274.34	940.00	544.05	0.00	27224.50
4	Jammu & Kashmir	8351.23	6312.79	9975.28	65.00	7235.34	825.00	50.00	3698.02	36512.66
5	Manipur	1077.00	550.00	3400.00	850.00	4250.00	230.00	75.00	190.00	10622.00
6	Meghalaya	2800.00	2329.00	2650.00	300.00	3340.00	260.00	50.00	0.00	11729.00
7	Mizoram	2028.00	1830.00	2309.00	542.00	2408.00	250.00	120.00	0.00	9487.00
8	Nagaland	958.00	1139.00	1975.00	0.00	1500.00	183.00	134.00	3375.00	9264.00
9	Sikkim	2587.00	540.00	1583.00	1900.00	1568.00	195.00	45.00	0.00	8418.00
10	Tripura	5893.00	630.00	2520.00	1150.00	1400.00	658.00	45.00	0.00	12296.00

S. No.	States/UTs	Primary Education	Health Service	Drinking Water	Housing	Rural connectivity	Nutrition	PDS	Others*	Total
C. Union Territories										
1	NCT of Delhi	8304.00	5525.00	19045.00	130.00	0.00	3210.00	320.00	0.00	36534.00
2	Pondicherry	1180.22	453.00	1135.00	480.00	750.00	623.00	190.00	38.00	4849.22
3	A & N Island	1800.00	956.00	1745.00	101.00	1650.00	50.00	220.00	0.00	6522.00
4	Chandigarh	248.12	250.50	1315.00	30.00	60.00	5.00	18.00	200.00	2126.62
5	Dadra & Nagar Haveli	435.38	121.45	356.00	27.00	132.00	47.00	7.00	0.00	1125.83
6	Lakshadweep	137.76	141.09	174.76	0.00	135.00	30.00	51.24	0.00	669.85
7	Daman & Diu	120.20	128.00	277.00	2.40	210.00	28.00	3.00	0.00	768.60
	Total	611753.33	117250.18	368189.14	144567.93	254940.37	63217.43	1937.81	51548.73	1613404.92
		619682.33	122168.18	380434.14	144197.93	254940.37	66397.43	2250.81	38548.73	
	Difference	7929.00	4918.00	12245.00	-370.00	0.00	3180.00	313.00	-13000.00	15215.00

* Under column others, outlay on economic services/welfare of SC, ST & OBC/JRY/Spl. Area programmes/ assistance to local bodies etc. on BMS componets have been indicated.