

Government of India

PLANNING COMMISSION

LIBRARY

Class No. 338.95484

Book No. A552A

MOST IMMEDIATE

PLANNING COMMISSION
(State Plans Division)

Subject: Annual Plan 1989-90 - Andhra Pradesh

A copy of the report of Dr. D.N. Prasad, Adviser (State Plans) on the Annual Plan 1989-90 of Andhra Pradesh is circulated herewith. This will form the basis of discussion between the Minister of Planning/Deputy Chairman, Planning Commission and the Chief Minister, Andhra Pradesh to be held on Friday, the 13th January, 1989 at 11.00 A.M. in Room No.130, Yojana Bhavan, New Delhi.

K.N. Kapoor
(K.N. Kapoor)
Senior Research Officer

Deputy Chairman	Ministry of Finance
Minister of State	Shri J.L. Bajaj, Jt. Secy. (PB)
Members	Deptt. of Economic Affairs
Secretary	Shri G. Haldea, Director (PF)
Special Secretary	Dept. of Expenditure (4 copies)
Advisers	Ministry of Programme Implemen-
Consultant (LEM)/(PP)	tation
Joint Secretary (SP)	Shri D.Y. Manawwar, Addl. Secy.
Chief (Science)	

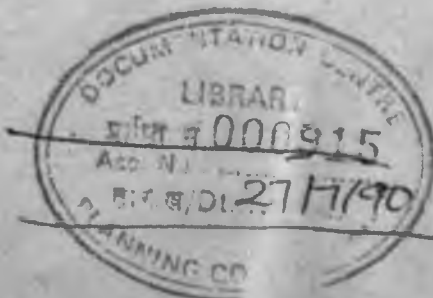


Planning Commission Cir.No.PC(P)2/ADH/33, dt. 10.1.1989

Copy for information to:
PS to Deputy Chairman
PS to Minister of State
PS to Secretary to the PM
Prime Minister's Sectt., New Delhi

Copy also to:
Joint Advisers
Deputy Advisers
Information Officer
SRO/RO concerned in State Plans Division

Liaison Officer, Govt. of Andhra Pradesh
New Delhi (10 copies)



to
to
al

Planning Commission
(State Plans Division)

ANNUAL PLAN 1989-90 - ANDHRA PRADESH

REPORT OF ADVISER (SP) - DR. D.N. PRASAD

Introductory

Andhra Pradesh, with a population of 54 million and an area of 2.77 lakh sq. kms., is the fifth largest State in the country both in terms of area and population. The State has very substantial irrigation and power potential and four important rivers, viz., the Krishna, the Godavari, the Tungabhadra and the Pennar flow through the State. The State is divided into three regions, consisting of Telangana districts which merged from the former Hyderabad State, coastal Andhra and the southern districts of Rayalaseema. Rayalaseema districts are chronically drought-affected, while coastal Andhra endowed with river systems is more prosperous than Telangana and Rayalaseema areas. The literacy percentage is 30% as against the national average of 36%.

Plan perspective

2.1 The per capita Plan outlay in the State over the years is as follows:

(in rupees)

<u>Plan period</u>	<u>Andhra Pradesh</u>	<u>All States/UTs Average</u>
First Plan (1951-56)	36	26
Second Plan (1956-61)	64	54
Third Plan (1961-66)	82	88
Three Annual Plans (1966-69)	55	61
Fourth Plan (1969-74)	97	125
Fifth Plan (1974-79)	277	302
Sixth Plan (1980-85)	557	670
Seventh Plan (1985-90)	868	1022
Annual Plan (1985-86)	140	172
Annual Plan (1986-87)	170	205
Annual Plan (1987-88)	200	238
Annual Plan (1988-89)	205	251

2.2 The position of outlays approved for the Seventh Five Year Plan and Annual Plans 1985-86 to 1988-89 as also the proposed outlay for the Annual Plan 1989-90 is as under.

(Rs. crores)

Seventh Five Year Plan (1985-90)		
Approved outlay	..	5200.00
Annual Plan 1985-86		
Approved outlay	..	810.00
Actual Expenditure	..	942.92
Annual Plan 1986-87		
Approved outlay	..	1000.00
Actual expenditure	..	1204.70
Annual Plan 1987-88		
Approved outlay	..	1200.00
Actual expenditure	..	1123.21
Annual Plan 1988-89		
Approved Outlay	..	1250.00
Anticipated expenditure	..	1325.59
Annual Plan 1989-90		
Outlay proposed by State..		1663.59
Outlay recommended by Working Groups		1526.39

Seventh Five Year Plan (1985-90)

3. The approved outlay of Rs. 5200 crores for the Seventh Plan of the State was to be financed as under:-

	(Rs. crores)
I. State's own resources (excluding Additional Resources Mobilisation)	2097.86
II. Additional Resource Mobilisation	1654.03
III. Deduct: Repayment of overdraft	(-) 172.21
Total	<u>3579.68</u>
IV. <u>Central Assistance</u>	
a) Normal assistance	1483.47
b) Assistance for Externally aided projects	158.00
c) Deduct: Repayment of Advance Plan assistance for relief works	(-) 21.15
Total	<u>1620.32</u>
<u>Aggregate Resources</u>	<u>5200.00</u>

Seventh Plan Thrust

4. The State has kept the broad national objectives of the Seventh Plan in view, namely, increased agricultural production, increased productivity in all sectors and employment while proposing the sectoral outlays in the draft Seventh Five Year Plan. Poverty alleviation programmes have been given due weightage. In brief, the State Govt.'s Plan strategy for the Seventh Plan follows the main objectives of the Seventh Plan. The main thrust areas are the following:-

-/-

- a) In the field of agriculture, priority is given to dry land farming, horticulture and sericulture. Similar emphasis is on minor irrigation and particularly on well-sinking programme. Electrification of villages and energisation of pumps also is being stepped up;
- b) In the field of power, emphasis is on improving the quality and distribution of power;
- c) Irrigation projects benefitting drought affected and backward areas are being attached priority.

Annual Plans
1985-86 to
1987-88

5. The level of approved outlay together with the actual expenditure incurred during the three Annual Plan periods is indicated below:-

	(Rs. crores)		
	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
a) Approved outlay	810.00	1000.00	1200.00
b) Actual expenditure	942.92	1204.70	1123.21*

* Actual expenditure figures reported by the State Government in GN-1 stt. of the Plan document aggregate to Rs. 1125.28 crores making a difference of Rs. 2.07 crores. The error is due to a mistake in the State Govts. totals in the major Head XII- General services, which is reflected in the Grand total.

Annual Plan
1988-89

6.1 The Plan outlay approved for the current year 1988-89 is Rs. 1250 crores. With two subsequent additionalities viz. (I) advance plan assistance of Rs. 10.67 crores for irrigation and (II) loan of Rs. 12.98 crores. from Power Finance Corporation, the latest estimate of Plan outlay is Rs. 1273.65 crores. The estimates of reserves, as envisaged for the Annual Plan and as re-assessed are as given below:-

	(Rs. crores)
1. State's own resources	766.39*
2. Central assistance	
i) Normal assistance	365.89
ii) Advance Plan assistance for natural calamities	-
iii) Advance Plan assistance for Irrigation	10.67
Total Resources	<u>1142.95</u>
4. Carry forward surplus of 1987-88	130.17
5. Aggregate Resources	1282.12

6.2 The level of anticipated expenditure during the current year is placed at Rs. 1325.59 crores, implying an excess expenditure of Rs. 75.59 crores. In terms of the information furnished by the State Government, the expenditure likely to be incurred in respect of major heads of development such as Rural Development, Irrigation and Flood Control, Energy, General Economic services, Social services and General Services, is likely to exceed the corresponding approved level. Anticipated expenditure is expected to be slightly lower than the corresponding approved level in Agriculture and Allied Services and Transport.

Annual Plan
1989-90

7.1 The Annual Plan proposals for 1989-90 as submitted by the State Government, aggregate to Rs. 1663.59 crores, reflecting an increase of 33.1% over the approved outlay of Rs. 1250 crores for Annual Plan 1988-89. As will be seen, three sectors viz., Irrigation and Flood Control, Energy and Social Services will account for a major chunk of the step-up in outlay proposed by the State Government for 1989-90.

7.2 The proposals of the State Government for their Annual Plan 1989-90 were discussed in the Working Groups on 6th December, 1988, as also in the wrap-up discussion convened subsequently by Adviser (SP) on the 7th December, 1988. As already indicated above, the recommendations made by the Working Groups for the Annual Plan 1989-90 of Andhra Pradesh Aggregate to Rs. 1526.39 crores under Cat 'A' and another Rs. 8960 crores under Cat. 'B'.

7.3 The break-up of the proposed outlay for Annual Plan 1989-90 by broad heads of development together with the Seventh Plan outlay, actual anticipated expenditure during the year 1985-89 as also the recommendations made by different Working Groups for Annual Plan 1989-90 is given in the table below:-

Major Head 1.	(Rs.lakhs)							
	Seventh Plan (1985-90) Agreed Outlay 2.	Actual 85-86 3.	Expdtr. 86-87 4.	1988-89 87-88 5.	1988-89 App. Outlay 6.	1989-90 Anti-Exp. 7.	1989-90 Recommended by W.G. Outlay 8.	99
I. Agriculture & Allied Activities	27880	3877	5159	5319	6406	6386	7472	7189
II. Rural Development	24620	6510	13489	8105	8999	11509	11356	12398
III. Special Area Programme	-	-	1	5	14	14	14	10
IV. Irrigation & Flood Control	148810	24997	30669	27075	30000	30300	35000	33960
V. Energy	110590	16233	18255	20637	21500	24915	26535	31207
VI. Industry & Minerals	31290	6652	6255	5626	6200	6200	6705	6860
VII. Transport	27050	8127	10865	11375	10345	10035	6549	7049
VIII. Communications	-	-	-	-	-	-	-	-
IX. Science, Technology & Environment	1030	80	106	168	201	201	202	200
X. General Economic Services	1050	149	263	302	300	372	437	437
XI. Social Services	142430	26612	33883	32640	39505	41093	68421	49661
XII. General Services.	5250	1055	1525	1071	1530	1534	3668	3668
Grand Total:	520000	94292	120470	112321	125000	132559	166359	152639@

@ In addition, an outlay of Rs.89.60 crores has been recommended in Category 'B'.

-/-

Annual Plan
1988-89 and
Resources
for the Plan

8.1 The Annual Plan 1988-89 of the State was fixed at Rs. 1250 crores. The State Government expects to achieve an expenditure level of Rs.1325.59 crores.

8.2 However, even with a carry-forward surplus of Rs. 8.47 crores on 1.4.1988, there is a gap of Rs. 67.12 crores for the Plan outlay of Rs.1250 crores during 1988-89. The State Government will have to identify possible area of improvement in resources and economy in expenditure and come forward with details of plan outlay which they propose to finally adopt during the current year.

Annual Plan
1989-90 and
resources for
the Plan.

9.1 The State has proposed Annual Plan outlay of Rs. 1663.59 crores for 1989-90, which is an increase of 33.1 per cent over the approved outlay for 1988-89. However, resources for this year have been worked out at Rs. 1098.36 crores excluding ARM. Inclusive of Central assistance (normal) at Rs. 365.89 crores, the total resources aggregate to Rs. 1282.12 crores, which is slightly higher than the approved outlay of 1988-89.

9.2 The State Government representatives indicated that amongst the reasons contributing to additional burden on State Government are taking over of the Hyderabad Water Supply and Sewerage from the municipality and transfer of the dairy development sector to the district societies. The State Govt. has also abolished octroi from 1987-88 and a new Corporation known as the Medical and Health Infrastructure Corporation has been set up by the State Government during 1987-88.

State's effort
for ARM

10.1 The additional resource mobilisation target of the State during the Seventh Plan was Rs. 1337.37 crores. The State has exploited the possibility of tax and non-tax effort in the following sectors so far with net result as indicated below:

	(Rs. crores)
1985-86 Sales tax, State excise duty, MVT, Electricity duty/rates, stamp and registration, increase in bus fares.	74.05
1986-87 State excise duty, land revenue, electricity rates	146.35
1987-88 State excise duty, MVT, tax on profession, entry tax, electricity rates, bus fares	241.95
1988-89 Sales tax, State excise duty, stamp duty, electricity rates bus fares	375.44
	<u>837.79</u>

The net ARM for the first four years is of the order of Rs. 837.79 crores. There is a substantial gap to be made up in the last year of the Plan.

Points raised
by State Govt.

11.1 During the wrap-up discussion on 7.12.1988, which was attended by the Principal Secretary (Finance and Planning) and other Secretaries of the State Government, the State representatives suggested the following points for consideration of the Government of India;

- i) Central assistance is given to the State on fixed rates and no adjustment is made for price rise.
- ii) The case of State Govt. Corporations should be considered along with Government of India Corporations for issue of bonds.
- iii) By way of mid-term course correction, the entitlement of the State for market borrowing should be increased.

11.2 The State representatives/representative of the Deptt. of Rural Development made the following points with reference to Working Group recommendations which total upto Rs. 1526.39 crores as against the State's Plan proposal of Rs. 1663.59 crores.

- 1) The representative of the Deptt. of Rural Development requested the Group to provide additional Rs. 10 to 15 crores more than the outlay proposed by the State for rural water supply under MNP in order to match the additional Central Assistance under centrally sponsored ARWSP to be provided at the end of the year from the overall savings under the programme
- 2) As construction of Buildings including Mandal Buildings deserve higher priority, a provision of Rs. 26 crores for the next year may be necessary.
- 3) Cyclone shelters for which an outlay of Rs. 150 lakhs has been suggested may be included as this is a continuing item of activity under the plan.
- 4) Presently the earmarking component of annual plans is quite considerable leaving little scope for manoeuvrability by the State Govt. In some sectors almost the entire plan outlay is shown as earmarked. Instead of the earmarked amounts being shown projectwise, it would be desirable to show them sectorwise.

ST.tati

In some sectors almost the entire plan outlay is shown as earmarked. Instead of the earmarked amounts being shown projectwise, it would be desirable to show them sectorwise.

12.1 During the wrap-up discussion, State Govt's representatives indicated the areas from which additional resources are proposed to be raised for Annual Plan 1989-90.

Fresh ARM for 1989-90 Annual Plan

- i) a 25% increase in turn over tax on Sales tax.
- ii) a 12% increase in excise
- iii) Stamp duty @ 11%. Presently no stamp duty is collected.

12.2 Even with the above measure the state is not likely to reach the Seventh Plan target. State could consider raising further resources where possibilities exist. Some of the items are indicated below:

- 1) Increase in bus fares, water and power tariffs.
- 2) Additional excise revenue by tightening loopholes.
- 3) Tightening of Sales tax administration to take full advantage of increased agricultural production in 1989-90.

Points needing attention of State Govt.

13. The following points need State Govt's attention:
- 1) The areas under coarse grains are progressively declining. As such there is a decline in the production of coarse grains. The problem needs to be looked into and ways and means have to be found to increase production and productivity for assured supply of such foodgrains.
 - 2) Though the State has done well in the production of oil seeds, there is scope of further improving the productivity of oilseeds. This may be possible by an effective machinery.
 - 3) Dryland farming is of considerable importance to the State as some areas of the State like the Rayalaseema area are chronically drought affected. Improved technology should be taken advantage of by the State to launch a massive programme of dryland farming. Dryland farming should be made an element of farming.
 - 4) The State is lagging behind in achieving the minimum needs programme as per national norms in so far as Roads and Bridges is concerned. To accelerate the programme an outlay of Rs. 35.25 crores has been recommended which includes Rs. 10 crores for MNP as against Rs. 30.25 crores (of which MNP is Rs. 5 crores).

5) There are 9000 bonded labourers as on 1.4.1989 to be rehabilitated. The backlog needs to be cleared during 1989-90. This needs State Govt's attention.

6) The approved outlay for Seventh Plan for forestry is Rs. 65.70 crores. The expenditure by the end of the 4th year of the Plan would be Rs. 48.85 crores. As against the balance of Rs. 16.85 crores for the terminal year of the Plan, the State Govt. has proposed an outlay of Rs. 16.11 crores. The outlay of the same order has been recommended as earmarked. But there is no schemewise break up. This issue was also raised during Annual Plan 1988-89 Working Group discussions.

Plan size
1989-90

14. Resources sighted for 1989-90 Annual Plan is, Rs. 1098.36 crores excluding fresh ARM. F.R. Division is of the view that it should be possible to increase the resources to Rs. 1176 crores. Even this is less than the current Year's approved outlay of Rs. 1250 crores. The State Government have proposed an outlay of Rs. 1663.59 crores envisaging a step-up of 33.1 per cent over the current year's outlay. The outlays recommended by the Working Group for various sectors add upto Rs. 1526.39 crores, the break up of which is given in the Table under Para 7.3. Thus there is a sizeable gap in the plan size proposed and the resources sighted. A ten percent step up in outlay would require a plan size of Rs. 1375 crores. If the State Government agree to raise resources to this level i.e ARM of about Rs. 200 crores this would become feasible. Otherwise outlay will have to be drastically reduced.

The highlights of the sectoral programmes are given in the following paragraphs:

-/-

Sectoral Highlights

Agriculture & Allied Activities

15.1 Agriculture plays a vital role in the State's economy. About 80% of the population is dependent on Agriculture for livelihood. Forty seven per cent of the State's income is generated from Agriculture sector.

- 15.2 The financial progress during Seventh Plan is given below:

(Rs, lakhs)

Seventh Plan outlay on Agriculture and Allied Activities	27880
Likely expenditure during the First Four Years (1985-89)	20741
Approved outlay/anticipated expenditure 1988-89	6406/6386
Proposed outlay 1989-90	7472
Recommended outlay 1989-90	7189

15.3 During the first three years in Seventh Plan period widespread adverse seasonal conditions prevailed in the State on account of which agricultural production had a set back. The year 1988-89 has proved to be a good year with good and evenly distributed rainfall. The targets set under agricultural production are likely to exceed.

15.4 The areas under coarse grains in the State are progressively declining. The areas so lost are gained by oilseeds and pulses.

15.5 Keeping in view the above declining trend in respect of coarse grains and the possibilities of increase in production in other crops and considering the supporting crop production programme and the proposed input supplies during 1988-89, the following targets are proposed for 1989-90 in respect of important agricultural development programmes:-

6 Item	Unit	Seventh Plan 1985-90 targets	Annual Plan 1987-88 ach.	Annual Plan 1988-89 Target	Annual Plan Anti. Target	Annual Plan 1989-90 Proposed target	Annual Plan 1989-90 Recommended by Working Group
1	2	3	4	5	6	7	8
<u>Foodgrains</u>							
Rice	'000 tonnes	10425	7069	8360	9070	9260	9600
Wheat	"	18	4	10	14	10	10
Jowar	"	1375	1032	1260	1245	1250	1250
Bajra	"	425	170	260	257	260	300
Maize	"	425	485	660	559	620	700
Other Cereals	"	700	286	270	330	300	400
Pulses	"	650	644	650	670	700	750
Total	"	<u>14173</u>	<u>9690</u>	<u>11470</u>	<u>12151</u>	<u>12400</u>	<u>13010</u>
<u>Foodgrains</u>							
<u>Commercial Crops</u>							
<u>Oilseeds</u>							
Groundnut	"	2009	1708	1782	2010	1989	2200
Castor Seed	"	73	58	91	78	73	73
Sesamum	"	60	21	30	41	45	45
Total		<u>2142</u>	<u>1847</u>	<u>1989</u>	<u>2210</u>	<u>2165</u>	-
Distribution of Seeds	"	74.50	55.31	63.75	63.75	68.53	68.80
Chemical Fertilisers	"	2000	967	1746	1304	1375	1550
Pesticides (TGM) consumption	000 tonnes	18.00	8.86	13.00	13.00	14.00	14.00
Area under HYV (5 cereals)	000 hect.	4947	3418	4852	4852	4947	4947

Soil and
Water
Conservation

15.6 Sixty eight percent of the arable land in Andhra Pradesh comes under the category of dryland farming. There are various programmes, both in the State and Central sector which are under implementation in the State. These include National Watershed Development Project, State Integrated Watershed Development Programme, Dryland Development and the World Bank Projects in Rangareddy district. An outlay of Rs. 135 lakhs as proposed by the State Government was recommended by the Working Group for 1989-90.

Animal
Husbandry

15.7 The Seventh Plan outlay for animal husbandry is Rs. 1680 lakhs of which a sum of Rs. 1336 lakhs was incurred during the first three years. A sum of Rs. 609 lakhs is likely to be utilised against an approved outlay of Rs. 671 lakhs for 1988-89.

15.8 The Working Group observed that there was shortage of fodder in the State, accentuated by repeated drought conditions in different parts of the State. It was felt that there was an urgent need for enhancing the availability of nutritious fodder. To implement the suggestion a sum of Rs 10 lakhs was recommended for strengthening of 2 fodder seed production farms at Redipalli (Anantpur district) and Aswarapetta (Khammam district). It was also recommended that use of chaff-cutters should be popularised among farmers to ensure fuller utilisation of this scarce but essential resource.

Dairy
Development

15.9 The Seventh Plan outlay for Dairy Development is Rs. 1700 lakhs, of which a sum of Rs. 580 lakhs was utilised during 1985-88. The anticipated expenditure during 1988-89 is expected to be of the order of Rs. 254 lakhs against the approved outlay of Rs. 180 lakhs.

15.10 The Working Group observed that adequate provision was not made for certain important schemes pertaining to technical inputs programme for increasing milk production in the milksheds of various milk plants. The Working Group accordingly recommended increased outlays from Rs. 1 lakh to Rs. 10 lakhs for the two schemes, namely, centralised technical inputs and special assistance for generation of funds for implementation of technical inputs programme.

15.11 Against the proposed outlay of Rs. 327 lakhs, Rs. 247 lakhs was recommended for this sector.

Fisheries

15.12 By the end of Sixth Five Year Plan, the fish production had been 2.37 lakh tonnes. It was contemplated to reach a level of 4.00 lakh tonnes by the end of Seventh Five Year Plan. The targets and achievements for the first three years of Seventh Five Year Plan and the targets for remaining two years are furnished below:-

(lakh tonnes)

	<u>Target</u>	<u>Achievement</u>
1985-86	3.00	2.23
1986-87	3.20	2.48
1987-88	3.40	2.57
1988-89	3.80	-
1989-90	4.00	-

#the

15.13 An outlay of Rs. 2140 lakhs has been provided for the Fisheries Department for the Seventh Five Year Plan, out of which an expenditure of Rs. 1355 lakhs was incurred during first three years and Rs. 700 lakhs was allotted for 1988-89. It is proposed to provide Rs. 1320 lakhs for 1989-90 out of which Rs. 720 lakhs is for implementation of various schemes under fisheries sector. Out of Rs. 720 lakhs provided for 1989-90 under Fisheries sector, Rs. 648 lakhs is proposed for ongoing schemes and Rs. 72 lakhs is proposed for new schemes.

Forestry and
Wildlife

15.14 The forest area in Andhra Pradesh is about 64,000 sq. km. which works out to about 23% of the total geographical area. About 40% of the forest area is degraded which needs immediate attention for arresting further degradation. The per capita forest area comes to 0.12 hec. against national average of 0.11 hec.

15.15 The approved outlay for Seventh Plan for forestry is Rs. 65.70 crores whereas the expenditure by the end of the Fourth year of the Plan would be Rs. 48.84 crores. The balance for the terminal year is Rs. 16.85 crore. The State Government have proposed an outlay of 16.11 crore for 1989-90 which has been recommended.

operation 15.16 Increase in investments in direct poverty alleviation programme, increase in agricultural production, improvement of dryland farming and rainfed farming and special efforts in developing saline affected lands and chronically flood affected areas are the main objectives of the cooperative sector. An outlay of Rs. 3100 lakhs has been agreed in the Seventh Plan against which the expected expenditure in the first four years of the Plan is Rs. 1896 lakhs which is 61.2% of the total Seventh Plan outlay in the sector. The Working Group supported the proposed outlay of Rs. 700 lakhs for cooperation in the Annual Plan 1989-90.

Rural Development 16.1 The financial progress in the Seventh Plan in respect of Rural Development sector is given below:

(Rs. in lakhs)

Seventh Plan outlay	24620
Likely expenditure in the first four years of the Plan(1985-89)	39613
Approved outlay/anticipated expenditure 1988-89	11509
Outlay proposed by the State Govt. in 1989-90	11356
Outlay recommended by the Working Group for 1989-90	12398

16.2 The expenditure in the first four years of the Seventh Plan is likely to exceed the total Plan outlay. The proposed outlay for 1989-90 is slightly lower than the approved outlay for the current year 1988-89. The outlay recommended for 1989-90 is of the same order as the outlay proposed, in case the two centrally sponsored schemes, namely, P/ are included in the Agriculture sector as decided by the Working Group on Rural Development. The main programme under the Rural Development sector are discussed in the following paragraphs:-

PASMA and
FWCS

Integrated Rural Development Programme (IRDP) and Allied Programmes

16.3 The Working Group recommended an outlay of Rs. 2011.02 lakhs under IRDP and Allied Programmes against the proposed outlay of Rs. 3994 lakhs. This outlay does not include Rs. 1016.98 lakhs on the scheme

/_ seem to

of

relating to PASMA, Rs. 25.00 lakhs for FWCS and Rs. 40 lakhs for strengthening of Administrative machinery for Rural Development. For 1989-90, the basis of allocation under IRDP has been changed due to the weightage given to the incidence of poverty.

NREP

for 1988-
stood at
Rs.2581 lakhs

16.4 For NREP, the Working Group has recommended an outlay of Rs. 3845 lakhs for 1989-90 against the State Government's proposal of Rs. 3331 lakhs. The original approved outlay, whereas the same was revised by the Department of Rural Development to Rs. 3845 lakhs. The representatives of Department of R.D. reported that for 1989-90 a similar outlay could be recommended tentatively with an allocation of 51380 MT of foodgrains. This was accepted by the Working Group.

DPAP

16.5 The outlay proposed by the State Government under this programme for 1989-90 was Rs. 6.02 lakhs. However, the representative of Deptt. of R.D. indicated that the entitlement worked out to Rs. 601.50 lakhs. Accordingly, this outlay was recommended by the Working Group.

Land Reforms

16.6 The two major areas under this sector relate to Record of Rights and Tribal Area Survey. Against the approved outlay of Rs. 100 lakhs for 1988-89 in respect of the Tribal Area Survey, the anticipated expenditure was reported to be Rs. 144 lakhs. As the proposed outlay for 1989-90 was at the same level, the Working Group recommended Rs. 144 lakhs for this sector.

Under Record of Rights a number of new schemes had been proposed to be taken up. The outlay proposed for this sector is Rs. 795.02 lakhs. Keeping in view the resource position of the State an outlay of Rs. 200 lakhs is recommended with an additional outlay of Rs. 595 crores under category 'B'.

Community Development and Panchayats and other Rural Development Programmes

16.7 The proposed outlays of Rs. 20 lakhs for Community Development and Panchayats, Rs. 6 lakhs for SIRD and Rs. 33 lakhs for strengthening of Administrative Machinery were recommended.

Irrigation & Flood Control

17.1 During the 7th Plan, priority has been given by the State to the major and medium irrigation schemes undertaken during the earlier plans to ensure their early completion with particular reference to creation of irrigation potential.

17.2 The State Government have proposed an outlay of Rs. 358 crores for irrigation sector as a whole for Annual Plan 1989-90. Considering the importance of irrigation in the State and also the previous performance in the irrigation sector, the Working Group broadly agreed with the outlays proposed by the State Government, however, in view of the financial constraints, recommended an outlay of Rs. 339.60 crores only.

17.3 The financial details showing 7th Plan outlay, expenditure incurred so far, outlays proposed and recommended by the Working Group are given below:-

(Rs. crores)

Sl. No.	Item	7th Plan outlay	Annual Plan 1989-90		1989-90	
			1985-86	1989-90	Propo sed	Recomm- ended
			Actual Expdr.	Anti. Expdr.	by W.G.	
1	2	3	4	5	6	7
1.	Major & Medium Irrigation	1182.30	701.51	257.00	293.25	284.85
2.	Minor Irrigation	147.40	38.57	34.00	41.25	39.25
3.	Command Area Dev.	110.50	21.94	7.00	8.00	8.00
4.	Flood Control	47.90	15.39	5.00	7.50	7.50
	<u>Total</u>	<u>1488.10</u>	<u>827.41</u>	<u>303.00</u>	<u>350.00</u>	<u>339.60</u>

Energy

Power

18.1 The outlay/expenditure position during 7th Plan for power sector including rural electrification is as under:-

	(Rs. crores)
7th Plan outlay	1104.90
Actual expenditure 1985-86	162.17
Actual " 1986-87	182.30
Actual " 1987-88	206.02
Approved outlay/Actual expenditure 1988-89	248.80
Proposed outlay for 1989-90	265.00
Outlay recommended by Working Group 1989-90	311.72

18.2 It may be seen from the above that the expected expenditure during the first four years of the Plan will be about Rs. 799.29 crores which is 72.3% of the total 7th Plan outlay.

18.3 A brief description of the important projects is given in the following paragraphs:

Sirisailam HES Stg. I (4x110 MW)

Rs. 15 crores was recommended toward decretal charges pending settlement of court cases regarding land acquisition (5 crores) and civil works (Rs. 10 crores). With this outlay the civil works will be completed by 1989-90.

Andhra Pradesh State Electricity Board:

Sirisailam HES Stg. I (4x110 MW)

The civil works relating to power house were transferred to APSEB in March, 1985. Rs. 70 lakhs was recommended mainly for balance civil works of power house. Nagarjuna Sagar Stg.II (3x100MW).

All the 3 units are in operation. The proposed outlay of Rs. 28 crores is mainly for balance payment.

Sirisailam HES Stg. II (3x110 MW)

Proposed outlay is for balance payment to BHEL (24 lakhs) and balance civil works (76 lakhs)

Pochampad (3 x 9 MW)

The works of this project are held up for want of 'No objection certificate' from Govt. of Orissa for conducting blasting operation in the vicinity of power house. The matter is under correspondence with Govt. of Orissa and it was explained by APSEB authorities that

an agreement is possible by April, 1989. The Working Group recommended Rs. 100 crores for 1989-90. The commissioning schedule of the units was indicated at April, 1991 and June, 1991.

Penna Abobilam:

The commissioning of the unit was linked with the completion of dam works by Irrigation Deptt. of the State. The dam civil works are held up due to legal dispute. Due to delay in completion of dam and other associated works by Irrigation Deptt. the commissioning of the units is likely to slip to 1990-1991. The units will be ready by 12/89. An outlay of Rs. 2.76 crores was recommended for 1989-90 which included Rs. 86 lakhs for BHEL payment and Rs. 190 lakhs for balance civil works.

Nagarjuna Sagar Left Canal HES (2 x 30 MW)

Order for generating units has been placed on M/s Boving and M/s GEC, UK under UK grants and first consignment has been received. The erection of units is likely to be completed by 12/89. Commissioning of the units is scheduled for July, 1990 and August, 1990.

Nagarjuna Sagar Right Bank Canal 3rd Unit (30 MW)

Order for generating unit was placed on M/s GEC/Boving under UK grant. The unit is expected to be commissioned in December, 1989.

Vijayavada TPP Stg. II (2x210 MW)

The schedule of commissioning has been prepared to September, 1989 and March, 1990. The proposed outlay of Rs. 90 crores was recommended.

Sirisailam LBC (9x 110 MW)

The project approved in principle in September, 1986 was posed for external assistance (OECA) and agreement was signed in Feb., 1988 for Japanese Yen credit. The State had proposed Rs. 6.25 crores for 1989-90. But the

Working Group observed that works can be taken up only after 1989-90 because designs and specifications are yet to be prepared and CEA is reviewing the unit of 6 x 165 MW. An outlay of Rs. 1.50 crores was recommended mainly for consultancy charges.

Upper Sileru Stg. II (2 x 60 MW)

State had proposed Rs. 10 lakhs for 1989-90. APSEB authorities had mentioned that Madhya Pradesh Govt. is interested in financing this project. As turbines worth Rs. 7 crores had already been received at site and with little more involvement this project can be completed within two years, the Working Group recommended Rs. 1 crore for taking up the works in 1989-90.

Mudamur TPS (2 x 210 MW)

The project is proposed to be posed for ADB assistance. Orders for main equipment are likely to be placed before March, 1990. As Rs. 30 crores would have to be paid as advance for main equipments an outlay of Rs. 30 crores was recommended.

Gas Based TPS (3 x 33 MW)

The commissioning schedule of units was indicated as August, 1989, December, 1989 and August, 1990. Land has been acquired. Letter of intent for main plant and equipment has been issued to BHEL in June, 1988. The infrastructure works are in progress. The project would be executed by AP Gas Power Corporation (Ltd.). An outlay of Rs. 3.25 crores (26% APSEB share) was recommended for 1989-90.

Vijayavada TPS Stg. III/ Cost based TPS at Vishakhapatnam/Gas based TPS

The 3 schemes are under examination in CEA. Working Group recommended Rs. 10 crores for advance action for 8th Plan schemes subject to their approval.

Renovation & Maintenance

The State had proposed Rs. 395 crores for R&M programme for Thermal Stations. The Working Group recommended Rs. 12.76 crores. The increase in outlay is because of increase in revised estimate of coal handling plant for Kotha-Gudem TPS (a Centrally Sponsored Scheme).

Jalaput Dam

This scheme was cleared by CEA. Planning Commission approval will be accorded as soon as the agreement with Orissa is reached. The APSEB authorities mentioned that the agreement is possible by April, 1989. The Working Group recommended Rs. 1 crore for taking up the work. They did not propose any outlay.

Transmission & Distribution

The State Govt. has proposed the following outlay for 1989-90:

	(Rs. crores)
1. Transmission	30.00
2. Distribution System - system improvement & capacitor installation	40.00

The Working Group observed that this outlay was too meagre to complete the backlog of approval and ongoing transmission works during 7th Plan and recommended Rs. 100 crores. Of this Rs. 60 crores is for transmission and Rs. 40 crores for distribution system improvement and capacitor installation.

Survey and Investigation:

Rs. 40 lakhs was recommended for this programme for 1989-90.

18.4 The total outlay proposed for power sector including rural electrification is Rs. 311.72 crores.

Large & Medium Industries

19.1 As compared to the 7th Plan outlay of Rs. 168.10 crores, the anticipated expenditure during first four years on large and medium industries is Rs. 127.70 crores which is about 78.8% of the plan outlay. For the Annual Plan 1989-90, the State Government proposed an outlay of Rs. 29.11 crores for this sector. The recommendation of the Working Group is higher at Rs. 29.50 crores which includes Rs. 8 lakhs for weights and measures.

Growth Centres

19.2 The National Committee for Development of Backward Areas recommended inter-alia the establishment and development of growth centres.

19.3 It has been mentioned that 20 growth centres in 7 districts not covered by Central Schemes have been identified and 3 growth centres are likely to come up. The Working Group recommended an outlay of Rs. 2 crores for the purpose.

Village & Small Industries

19.4 Against the 7th Plan outlay of Rs. 93.60 crores, the likely expenditure during the first four years of the Plan would be around Rs. 53.75 crores representing about 57.4% of the total 7th Plan outlay. The State Govt. has proposed an outlay of Rs. 27.26 crores against which the Working Group has recommended an outlay of Rs. 26.50 crores.

Transport & Tourism

20.1 An outlay of Rs. 270.50 crores was approved for Transport Sector in Andhra Pradesh for the Seventh Plan. The utilisation during the first four years of the Plan is reported to be Rs. 404 crores (inclusive of anticipated expenditure of Rs. 100.35 crores for 1988-89) i.e. 49.3 per cent higher than the approved outlay in the Seventh Plan. Against the proposal of Rs. 65.49 crores for 1989-90, the Working Group has recommended an outlay of Rs. 70.49 crores. The Working Group have noted that the State is lagging behind in achieving the MNP as per national norms and the programme needed to be accelerated and recommended Rs. 10 crores for MNP. The break-up of

the recommendations of the Working Group is as given below:-

	(Rs. crores)	
	<u>Proposed</u>	<u>Recommended by Working Group</u>
1. Ports & Lighthouses	1.75	1.75
2. Roads & Bridges (Of which MNP)	30.25 (5.00)	35.25 (10.00)
3. Road Transport	32.39	32.39
4. Inland Water Transport	0.50	0.50
5. Traffic Control	0.60	0.60

Tourism

20.2 The proposed outlay of Rs. 1.00 crore for tourism was recommended.

Science, Technology & Environment

21.1 Against the agreed Seventh Plan outlay of Rs. 10.30 crores, the anticipated expenditure during the first four years of the Plan is only Rs. 5.55 crores, which is about 53.9% of the total Seventh Plan outlay. The financial progress under S&T schemes is not even one fourth of the 7th Plan outlay. Without good base of S&T in the 7th Plan it would be difficult for the State Govt. to plead for a higher outlay during 8th Plan.

21.2 For the Annual Plan 1989-90 the State Govt. have proposed 2.02 crores under this head against which the Working Group recommended Rs. 2.00 crores.

Education

22.1 The State Government proposed an outlay of Rs. 275.19 crores for 1989-90 on Education against which the Working Group recommended an outlay of Rs. 111.04 crores. Sub-headwise break-up of the recommendations of the Working Group is given below:-

(Rs. lakhs)

Sub-head	Proposed by State Govt.	Recommended by Working Group
1. Elementary Education	10828.89	5785*
2. Adult Education	444.57	465
3. Secondary Education	8687.37	1387*
4. University Education	5477.33	1852*
5. Other programmes	47.47	47
<u>Total General Education</u>	<u>25485.61</u>	<u>9536*</u>
6. Technical Education	1509.00	1043*
7. Art and Culture	239.00	239
8. Sports and Youth Affairs	286.00	286
<u>Grand Total</u>	<u>27519.61</u>	<u>11104</u>

*The Working Group also recommended Rs. 2695 lakhs for Elementary Education, Rs. 3085 lakhs for Secondary Education, Rs. 24 lakhs for University Education and Rs. 185 lakhs for technical education under Category 'B', subject to availability of resources.

Elementary Education

22.2 Under Elementary education, the major scheme of introduction of A.V. techniques and supply of TV/VCPs and cassette tapes to 10,000 schools under SIET, it was suggested to take up this scheme in 5000 schools initially. The new scheme was to be taken up in Category 'B'. The target of enrolment of 5 lakh children in 6-11 age group and 2.66 lakh children in the age group 11-13 was supported. The scheme of construction of school buildings with UK assistance for which an amount of Rs. 1252 lakhs was proposed, an amount of Rs. 395 lakhs i.e. 30% of the cost to be budgetted by the State was agreed to. Under Operation Black Board, about 1180 schools were to be covered.

Secondary Education

22.3 Under Secondary Education to create central facility, Technical Training Workshops were to be constructed at the cost of Rs. 10 lakhs each in 1106 Mandal High Schools. The Working Group recommended an outlay of Rs. 9 crores for Mandal Schools, Rs. 2 crores for construction of A.P. Residential Schools and Rs. 1 crore for the Technical Training Workshops. The amount of Rs. 30.85 crores, mainly for grant-in-aid to private schools was recommended under Category 'B'.

University Education

22.4 The State Government proposed an amount of Rs. 5477.33 lakhs which included the current year's new scheme of Institute of Professional Studies (Rs. 1 crore) and implementation of UGC pay scales (Rs. 9.33 crores). The Working Group recommended an amount of Rs. 1852 lakhs under Category 'A' and Rs. 2400 lakhs under category 'B' for higher education, and suggested that the UGC scales may be taken up under non-Plan and the proposed new colleges also could be taken up in the Eighth Plan.

Technical Education

22.5 Since the All India Council for Technical Education Act has come into force from 28.3.88, making it a statutory body, many of the existing and new technical institutes like Engineering Colleges, Polytechnics needed to be upgraded as per the Council's specifications. The Ministry's representative pointed out that there was surplus of technical manpower in the State. The proposed residential polytechnics for other backward classes was not supported while recommending an amount of Rs.1043 lakhs under category 'A'. The Working Group strongly recommended an amount of Rs.185 lakhs under Category 'B' for the construction of buildings of 2nd existing polytechnics to meet the minimum norms laid down by AICTE.

Adult Education

22.6 An amount of Rs.465 lakhs was recommended to cover the proposed 9 lakh adults during next year. The State needed to cover 550 Jan Shikshan Villayams.

Medical & Public Health

23.1 The plan provision and expenditure under this head are as under:-

	(Rs. crores)
7th Plan outlay	164.20
Actual Expenditure during 3 years 1985-88	71.22
Approved outlay 1988-89	34.00
Anticipated Expenditure 1988-89	37.11
4 years expenditure (1985-89)	108.33
Proposed outlay 1989-90	49.95
Recommended outlay by Working Group 1989-90	36.00*

* This outlay is recommended if the Annual Plan size of the State is of the order of 1250 crores.

Thus only 66% of the 7th Plan outlay has been utilised.

23.2 Some of the important points that came up during discussion in the Working Group are as under:

1. The State is at present facing a shortage of about 400 ANMS and 3000 MPWS. It has been suggested that all out efforts should be made to meet such a severe shortage.
2. It was pointed out that there is a double distortion of plan fund. On the one hand there is a gross under-utilisation of funds and on the other hand, the money from plan fund had been eaten up by new schemes which were not included originally in the 7th Plan.

23.3 The physical performance in the health sector can be seen from the table below:-

Item	No. as on 1.4.85	7th Plan target	Likely to be established upto 1.4.89	Balance for final year	Target recommended by Working Group
1. Sub-centre	6129	4000	2765	1235	1235
2. Primary Health Centres	555	1150	928	222	200
3. Community Health Centres	27	100	59	41	20

Water Supply & Sanitation

24.1 Against the 7th Plan outlay of Rs. 278.00 crores, the expenditure expected during the first four years (1985-89) is of the order of Rs. 245.27 crores which is 88% of the 7th Plan outlay. Approved outlay/anticipated expenditure for 1988-89 amounts to Rs. 79 crores. The proposed outlay for 1989-90 is Rs. 89 crores against which the Working Group has recommended Rs. 88.50 crores. Bulk of the State proposals for 1989-90 are meant for Rural Water Supply and Sanitation Schemes.

Rural Water Supply & Sanitation

24.2 Out of the 7th Plan outlay of Rs. 190 crores for rural water and sanitation under MWP the anticipated expenditure amounts to Rs. 101.83 crores which is 53.6% of the 7th Plan outlay. The outlay proposed by the State Govt. for 1989-90 against the current year's approved outlay/anticipated expenditure of Rs. 34 crores is lower at Rs. 4 crores.

Physical Performance

24.3 As per the information available with the Deptt. of Rural Development (Report on Nation Drinking Water Mission for the month of October 1988) the physical status of problem villages in the State is as under:-

1. Total No. of problem villages(PVS) as on 1.4.85	15834
2. PVS covered during Ist 3 years xx i.e. 1985-88	15749 ^a
3. PVS likely to be covered during 1988-89 as indicated by State Govt.	2500 (1200 under MNP 1300 under ARP)
4. PVS proposed by State Govt. to be covered during 1989-90	2500 1200 under MNP) 1300 under ARP)

^a As per the State Govt., the coverage is 8134 PVS.

For the Annual Plan 1989-90 the State Govt. has proposed an outlay of Rs.30 crores (Rs.26 crores for Rural Water Supply and Rs.4 crores for Rural Sanitation) in 1200 villages under State sector MNP.

Urban Water Supply & Sanitation

24.4 The State Govt. has proposed for urban water supply an outlay of Rs.48.42 crores for the Annual Plan 1989-90 against which Rs.47.92 crores has been recommended.

25.5 For urban sanitation the proposed outlay of Rs.3.92 crores for the Annual Plan 1989-90 for remodelling of sewerage scheme at Hyderabad and Secunderabad and to take up works of laying of out fall sewer from Chanderghat to Amberpet has been recommended by the Working Group.

Housing & Urban Development

25.1 As compared to the 7th Plan outlay of Rs.347.40 crores on Housing & Urban Development the anticipated expenditure during the first 4 years in the State is placed at 400.25 crores, which is 15.21 % higher than the approved outlay. For 1989-90

the State Govt. proposed an outlay of Rs.126.33 crores (Rs.83.20 crores for Housing including Police Housing and 43.13 crores for urban development) against which the Working Group has recommended Rs.118.69 crores (Rs.75.07 crores for housing and Rs.43.62 crores for urban development).

25.2 The bulk of the outlay for the housing sector is proposed for housing programme for weaker sectors (Rs.59.97 crores). It was pointed out to the State representatives that under weaker sections housing programme there is a very high percentage of Govt. subsidy, which is not consistent with the national housing policy and the policy adopted for the 7th Plan. The State Govt. officials pointed out that subsidised housing for the weaker section is a commitment of the Govt. of Andhra Pradesh. The proposed outlays were accepted as these were at the last year's level.

25.3 In urban development sector, the outlays as proposed by the State Govt. against various schemes were recommended. However, during discussions the State officials suggested that the outlay for Vijayawada Municipal Corporation be raised to Rs.233 lakhs of which Rs.100 lakhs may be for the ongoing schemes and Rs.133 lakhs for ODA funded scheme. This was agreed. The savings proposed to meet the additional outlay were suggested as under:-

a) CE (Public Health)	Rs.50 lakhs (water supply sector)
b) M.C. Vijayawada	Rs.50 lakhs
c) New UDAs	Rs.33 lakhs

No outlay was therefore recommended for remaining new UDAs. The State officials agreed to divert this fund for meeting the increased outlay of Vijayawada Municipal Corporation.

Welfare of
SCs, STs &
OBCs

26.1 Against the 7th Plan outlay of Rs. 289.60 crores the likely expenditure during the first 4 years (1985-89) would add upto Rs.301.80 crores, which is higher than the 7th Plan outlay. The anticipated expenditure during the year 1988-89 is expected to exceed the approved outlay. The Working Group recommendation is Rs.109 crores against the proposed outlay of Rs.110.38 crores for the Annual Plan 1989-90.

**Social Security
Welfare &
Nutrition**

27.1 Against the 7th Plan outlay of Rs. 29.70 crores, the likely expenditure during the first four years would add upto Rs. 46.71 crores, which is considerably higher than the 7th Plan outlay.

27.2 The State Govt. have introduced a new scheme of supply of dresses to rickshaw pullers with an outlay of Rs. 120.00 lakhs in the current year. The scheme was not discussed in the Working Group for the current year. The same amount has been proposed in the scheme also in the year 1989-90. The Working Group did not favour the scheme because of its nature which is contrary to the social welfare.

27.3 The outlay proposed for 1989-90 is Rs. 15.92 crores and the recommendation of the Working Group is Rs. 15.71 crores. This also includes Rs. 1.20 crores for the scheme 'Own your rickshaw'.

Nutrition

27.4 The proposed outlay of Rs. 4.47 crores was recommended.

**District
Planning**

28.1 During 1988-89 an amount of Rs. 23.00 crores at the rate of Rs. 1 crores per district had been provided under crucial balancing investment scheme. However, in view of the importance being given to the decentralised planning it was suggested that Rs. 1.50 crores may be provided per district. These funds will not be tied to any project or scheme. This will raise the outlay to Rs. 34.50 crores.

29.1 The Working Group recommendations in respect of other components of Social and Community Services as also the other remaining sectors are set out under column 9 of the statement appended as annexure.

**Minimum
Needs
Programme**

30.1 Against State's proposals of Rs. 25614.52 lakhs, different Working Groups have recommended Rs. 26535 lakhs for various MNP components. Once

the overall plan size is fixed, the MWP components can be sorted out with State officials. The itemwise break-up is, however, given below:-

(Rs. lakhs)		
Name of the Programme	Proposed outlay	Recommended by Working Group
1.	2.	3.
Rural Fire Wood	90.00	120.00
Rural Roads	500.00	1000.00
Elementary Education	10828.89	5785.00
Adult Education	444.57	465.00
Rural Health	1781.06	1338.00
Rural Water Supply	2600.00	2600.00
Rural Sanitation	400.00	400.00
Rural House sites-cum- construction scheme		
a) Allotment of sites	800.00	330.00
b) Construction assistance	5997.00	5997.00
c) Sub-Total	6797.00	6327.00
Environmental Improvement of Slums	1716.00	1716.00
Nutrition	447.00	447.00
Public Distribution System	10.00	10.00
<u>Total</u>	<u>25614.52</u>	<u>26535.00</u>

1
 11 26
 29
 11 45

Statement

ANNEXURE

Draft Annual Plan 1989-90 - Outlay and Expenditure - Andhra Pradesh

(Rs. lakhs)

Major Head/Minor Heads of Development	Seventh Plan outlay	Actual Expenditure		1988-89		1989-90		
		1985-86	1986-87	Approved outlay	Anticipated Expdr.	Proposed outlay	Revised by W.G.	
	2	3	4	5	6	7	8	9
I. AGRICULTURE & ALLIED ACTIVITIES								
Crop Husbandry	8340	1137	1510	1798	1762	1700	1799	1907
Soil & Water Conservation	810	78	104	89	105	129	135	135
Animal Husbandry	1680	280	413	643	671	609	697	719
Dairy Development	1700	170	210	200	180	254	327	247
Fisheries	2140	378	590	387	700	700	1320	1000
Forestry & Wild Life	6570	921	1282	1070	1611	1611	1611	1611
Food, Storage & Warehousing	220	10	40	40	40	40	40	25
Agricultural Research & Education	740	160	175	175	207	213	309	309
Agricultural Financial Institutions	2360	294	411	396	400	400	405	405
Other Agricultural Programmes:								
Marketing & Quality Control	220	14	79	6	129	129	129	129
Cooperation	3100	435	345	515	601	601	700	700
Total (I)	27880	3877	5152	5319	6406	6386	7472	7189

-/-

Major Head/Minor Head of Development	Seventh Plan (1985-90) Outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 Approved outlay	Anticipated Expdr.	1989-90 Proposed by W.G.
	2	3	4	5	6	7	8
	9200	2199	2553	2444	3206	3811	3994
	2470	474	647	520	602	602	601
	50	-	-	20	20	20	20
	11350	2125	2270	3499	2581	3845	3331
	-	366	276	-	-	-	-
	440	7	11	120	120	164	939
	1110	1339	7732	1502	2470	3067	2470
	24620	6510	13489	8105	8999	11509	11356
	-	-	1	3	14	14	14
	118230	20406	26214	23531	25700	25700	29325
	14740	3112	3167	2578	3100	3400	4125

II. RURAL DEVELOPMENT

Special Programmes for Rural Development

(a) Integrated Rural Development Programme (IPDP) & Allied Programmes

(b) Drought Prone Area Programme (DPAP)

(c) Integrated Rural Energy Programme (IREP)

Rural Employment
(a) National Rural Employment Programme (NREP)

(b) Other Programmes (like Employment Guarantee Scheme etc. to be specified)

Land Reforms

Other Rural Development Programme (incl. Community Development and Panchayats)

Total (II)

III. SPECIAL AREA PROGRAMMES

IV. IRRIGATION & FLOOD CONTROL

Major & Medium Irrigation

Minor Irrigation

*Also includes Rs. 3450 lakhs as 'united fund' against crucial balancing Investment Scheme and Rs. 150 lakhs for cyclone shelters.

Major Head/Minor Heads of Development	(Rs. lakhs)					
	Seventh Plan outlay	Actual Expenditure 1985-86	1986-87	1987-88 Approved outlay	1988-89 Anticipated outlay	1989-90 Recommended outlay by W.G.
Command Area Development	11050	930	716	548	700	800
Flood Control (incl. anti-sea erosion etc.)	4790	549	572	418	500	750
Total (IV)	148810	24997	30669	27075	30300	35000
V. ENERGY						
Power	110490	16217	18230	20602	24880	26500
Non-conventional sources of Energy	100	16	25	35	35	35
Total (V)	110590	16233	18255	20637	24915	26535
VII. INDUSTRY & MINERALS						
Village & Small industries	9360	1681	1783	1889	2183	2726
Industries (other than village & Small Industries)	16210	4243	2898	2680	2949	2911
Weights & Measures	50	3	4	7	8	8
Growth Centres	-	-	-	-	-	-
Mining	5670	725	1570	1050	1060	1060
Total (VI)	31290	6652	6255	5626	6200	6705
VIII. TRANSPORT						
Ports & Light Houses	600	111	159	174	175	175

**Includes Rs. 8 lakhs for weights and measures

Major Head/Minor Heads of Development	(Rs, Lakhs)							
	Seventh Plan outlay	Actual Expenditure 1985-86	1987-88 Approved outlay	1988-89 Anticipated outlay by W.G.	1989-90 Proposed ended			
1	2	3	4	5	6	7	8	9
Shipping	-	-	-	-	-	-	-	-
Civil Aviation	-	-	-	-	-	-	-	-
Roads & Bridges	8920	1849	2720	2605	3025	3025	3025	3525*
Road Transport	17410	6119	7947	8509	7035	6725	3239	3239
Inland Water Transport	120	26	17	40	50	50	50	50
Other Transport Services (to be specified)	-	22	22	47	60	60	60	60
<u>Total (VII)</u>	<u>27050</u>	<u>8127</u>	<u>10865</u>	<u>11375</u>	<u>10345</u>	<u>10035</u>	<u>6549</u>	<u>7049</u>
VIII. COMMUNICATIONS								
IX. SCIENCE, TECHNOLOGY & ENVIRONMENT								
Scientific Research (incl. S&T)	610	40	13	31	61	61	61	60
Ecology & Environment	420	40	93	137	140	140	141	140
<u>Total (IX)</u>	<u>1030</u>	<u>80</u>	<u>106</u>	<u>168</u>	<u>201</u>	<u>201</u>	<u>202</u>	<u>200</u>
X. GENERAL ECONOMIC SERVICES								
Secretariat Economic Services	480	78	68	131	113	185	244	244
Tourism	220	40	160	106	100	100	100	100
Surveys & Statistics	350	25	29	60	77	77	83	83

*Includes Rs. 1000 lakhs for MNP Roads.

(Rs. lakhs)

Major Head/Minor Heads of Development	Seventh Plan 1985-86	Actual Expenditure 1986-87	1987-88	1988-89 Approved outlay	1989-90 Proposed outlay	Recommended by W.G.
1	2	3	4	5	6	7
Civil Supplies	-	6	6	10	10	10
Other General Economic Services	-	-	-	-	-	-
Total (X)	1050	149	263	302	372	437
XI. SOCIAL SERVICES						
EDUCATION						
General Education	18100	3318	3935	4497	5509	25486
Technical Education	1190	186	266	423	509	1509
Sports & Youth Services	-	121	145	113	148	286
Art & Culture	1580	72	128	117	234	239
Sub-total (Education)	20870	3697	4474	5150	6568	27520
Medical & Public Health	16420	1699	2533	2891	3400	4995
Water Supply & Sanitation	27800	4438	5245	6944	7900	8900
Housing (incl. Police Housing)	25740	6353	9569	5808	7497	8320
Urban Development (incl. State Capital Projects)	9000	2828	2591	2058	2985	4313
Information & Publicity	1260	207	201	102	162	377

Statement Contd- Andhra

-6-

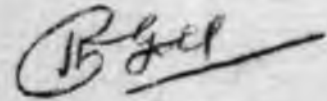
(Rs. Lakhs)

Major Head/Minor Heads of Development	Actual Expenditure				Anticipated Expdr. outlay by W.G.
	Seventh Plan outlay	1985-86	1986-87	1987-88	
	2	4	5	6	7
Welfare of Scheduled Castes, Scheduled Tribes & Other Backward Classes	28960	7310	7622	8491	9272
Labour & Employment	4050	561	563	600	500
(a) Labour and Labour Welfare					
(b) Special Employment Programmes	2970	1170	1204	1620	1535
Social Security & Welfare	5360	41	299	447	447
Nutrition	-	-	-	-	-
Other Social Services (to be specified)	-	-	-	-	-
<u>Total (XI)</u>	<u>142430</u>	<u>26612</u>	<u>33833</u>	<u>39505</u>	<u>41093</u>
XII. GENERAL SERVICES					
Jails	-	-	7	16	4
Stationery & Printing	220	42	2	15	15
Public Works (incl. Jails)	5030	1013	904	950	972
Other Administration Services	-	-	158	565	2677
<u>Total (XII)</u>	<u>5250</u>	<u>1055</u>	<u>1071</u>	<u>1534</u>	<u>3668</u>
<u>Grand Total</u>	<u>520000</u>	<u>94292</u>	<u>120470</u>	<u>125000</u>	<u>132559</u>
					<u>152639</u>

Planning Commission
(State Plans Division)

Subject: Annual Plan 1989-90 - Arunachal Pradesh

A copy of the report of Dr.(Mrs.) I.K.Barthakur, Adviser (State Plans) on the Annual Plan 1989-90 of Arunachal Pradesh is circulated herewith. This will form the basis of discussion between Minister of Planning & Deputy Chairman, Planning Commission and the Chief Minister, Arunachal Pradesh to be held on Wednesday, the 11th January, 1989 at 11.00 A.M. in Room No. 130, Yojana Bhavan, New Delhi.



(H.R.S.Goel)
Deputy Adviser(State Plans)
Room No. 362-A, Tel:/2638

Deputy Chairman & MOP
Minister of State
Members
Secretary
Special Secretary
Advisers
Consultant(PP)
Joint Secretary(SP)
Chief (Science)

Ministry of Finance

Shri J.L.Bajaj, Jt.Secretary(FB),
Deptt. of Economic Affairs

Shri G.Haldea, Director(PF)- 4 copies

Ministry of Programme Implementation

Shri D.V.Manawwar, Addl. Secretary

Ministry of Home Affairs

Shri K.K.Sinha, Jt.Secretary(NE)
Smt. S.A.Tirmijl, Dy.Secy.(Finance)

Planning Commission Cir.No.PC(P)2/ARUNA/88 dated 9.1.1989.

Copy to:

PS to Deputy Chairman and Minister of Planning
Private Secretaries to:
Prime Minister
Cabinet Secretary

Copy also to:

Joint Advisers
Deputy Advisers
SRO/RO concerned in State Plans Division.

Copy to:

Liaison Office, Govt. of Arunachal Pradesh, New Delhi
(10 copies)

PLANNING COMMISSION
(State Plans Division)

ANNUAL PLAN 1989-90 - REPORT OF ADVISER(SP) -

DR. (MRS.) I.K. BARTHAKUR

PART - I

STATE PROFILE

Physiography

the
Arunachal Pradesh which is at/North Eastern extremity of the country having an area of 83754 (approx.) sq.kms. became a state on 20.2. 1987. It has an international border of more than 1600 kms. with Burma in the East, Bhutan in the West and Tibet and China in the North and North East. The State's terrain is mainly hilly. The hill ranges vary from 200 metres at the foothills to 7300 metres above sea-level. Elevation-wise, the State can be divided into four belts viz. (i) Foothills below 1000 metres comprising 10 to 12% of the area; (ii) Broad Valleys and plateaus between 1000 and 2000 metres, covering around 35% of the area; (iii) Steep gradients and narrow valleys between 2000 and 3600 metres, covering about 35% of the area and (iv) High hills above 3600 metres consisting of alpine pasture and snow clad peaks covering the remaining 18 to 20% of the area.

1.2 Geographically the State falls in the outer Himalayas and Patkoi ranges. Districts located in the north of Brahmaputra valley i.e. West Kameng, East Kameng, Lower Subansiri, Upper Subansiri, West Siang, East Siang and Dibang, form part of Eastern Himalayas, while Lohit, Chauglang and Tirap Districts form part of Patkoi ranges.

Demography

1.3 The population of the state is projected at 7.47 lakhs (1987) (6.32 lakhs - 1981 Census). The density of population is very low i.e. 8.9 persons per sq.kms. (216 All India). The rate of growth of population during 1961-71 was 38.9% and during 1971-81 was 37%. There were 3257 villages in the state of which 93% inhabit a population of less than 200 persons per village. The population is mainly tribal, with 25 major tribes and numerous sub-tribes. Only 6.5% of the population was living in urban areas. Percentage of literacy was 20.1 (36.2 for whole of India). The state had a late start. Important basic information relating to the state is given at Annexure-II.

Plan Perspective

2.1 The plan outlays and expenditure of Arunachal Pradesh from First Plan onwards are as follows:

(Rs/crores)

Plans	Approved outlay	Actual expenditure
First Plan (1951-56)	4.21	2.31
Second Plan(1956-61)	9.51	3.74
Third Plan (1961-66)	7.15	7.32
Three Annual Plans (1966-69)	8.57	7.79
Fourth Plan(1969-74)	17.99	21.12
Fifth Plan (1974-79)	63.30	64.83
Annual Plan(1979-80)	23.41	21.78
Sixth Plan (1980-85)	212.00	223.01
Seventh Plan(1985-90)	400.00	-
Annual Plans:		
1985-86	73.00	72.43
1986-87	90.00	87.64
1987-88	110.00	111.78
1988-89	126.00	133.52(Anti.)

Annual Plan (1989-90)

3.1 The State has proposed an outlay of Rs. 272.23 crores for the Annual Plan 1989-90. The plan proposals were considered by the respective Working Groups. Recommendations of the Working Group aggregated to Rs. 181.83 crores which indicates a step-up of 49.3% over the outlay of Rs. 126 crores approved for 1988-89.(details at annexure - I). Sectoral details are as follows:

-/-

Major Heads	Seventh Five Yr. Plan (1985-90) Agreed	Actual Expend. 1985-88	Approved outlay 1988-89	Proposed 1989-90	Recommended by Working Group 1989-90
1.	2.	3.	4.	5.	6.
Agriculture & Allied Activities	8410	4506	1819	3020	2431
Rural Development	645	324	392	785	489
Special Area Programme	150	96	23	34	31
Irrigation & Flood Control	2600	1523	523	1782	746
Energy	3690	2610	1247	3943	2050
Industry and Minerals	975	475	386	970	517
Transport	12715	9198	4331	7062	6233
Communications	-	-	-	-	-
Science, Technology and Environment	20	9	13	23	22
General Economic Services	195	139	96	687	508
Social Services	10495	8232	3431	8233	4797
General Services	105	73	339	684	359
GRAND TOTAL:	40000	27185	12600	27223	18183

4.1 Financing of the 7th Plan and four Annual Plans 1985-86 onwards as agreed was as follows:

Financing of the 7th Plan and Annual Plans 1985-86 to 1988-89		Plan Estimates at the formulation stage				
		Seventh Plan	1985-86	1986-87	1987-88	1988-89
Plan outlay		400.00	73.00	90.00	110.00	126.00
Plan Achieved			72.43	87.64	111.78	133.52*
State's own resources		15.58	2.02	2.69	3.08	25.78
Central Assistance		384.42	70.98	87.31	106.92	151.78
Aggregate Resources		400.00	73.00	90.00	110.00	126.00

* Anticipated by State Government.

Annual Plan 1987-88

5.1 Arunachal Pradesh became a State with effect from 20.2.1987. Consequent upon the attainment of the statehood, the state resources for 1987-88 were assessed in May, 87 and the state was allocated Rs. 1.5 crores as upgradation grant for Capital Works. The plan of 1987-88 was thus enhanced to Rs. 111.5 crores. The State was allocated another Rs. 4 crores as Central Assistance for construction of permanent Capital.

Central Assistance for 1987-88 & 1988-89

6.1 The Central assistance (net) given for 1987-88 was Rs. 133.27 crores while that for 1988-89 was Rs. 151.78 crores. Part of Central Assistance was for meeting the non-plan gap of resources of the State.

Part - II

During the wrap-up discussion, the Adviser (SP) mentioned the following aspects which need to be kept in view:

- PROJECT FORMULATION** 7.11 - It is important to formulate projects in detail. The physical targets, the objectives, the goal, time phasing and financial requirement should be seen and detailed clearly. The project report should show the benefits that would accrue to the people. Cost effectiveness of the proposal should also be examined. At what unit cost the proposed benefit is sought, should be spelt out wherever feasible.
- MONITORING** 7.12 - Monitoring at various levels will help to avoid time over-runs and cost over-runs.
- JHUM** 7.13 - For replacing jhum, it has been clearly understood that people resort to jhum cultivation for meeting their food requirements. Continuation of this primitive practice of cultivation points to the fact that the efforts of the agriculture and other allied sectors have either failed or have not been adequate in the areas where this practice is persisting. Agricultural sector, has therefore, to play a very cardinal, constructive and aggressive role in assisting people to improve yields and productivity of their jhum land and simultaneously to develop permanent cultivation not only for growing food crops but also for growing of vegetables and other food items. Agriculture in the hills cannot be left to be handled by primitive techniques. At the same time, public distribution system needs to be strengthened. People have to be provided food security. This approach coupled with scientific working of community/private forest, will relax and reduce pressure on the hill lands.
- 7.13.1 - To overcome the disadvantages of shifting cultivation and to help people to live a better quality of life and also to conserve and develop ecology of hills, a strategy to replace jhum has been evolved. It suggests multi-disciplinary integrated area development approach where pooling of resources and efforts of all departments and other developmental agencies is considered necessary. The focus is on evolving of specific integrated package of schemes that provide sustainable income generating alternatives and settled cultivation to replace jhum without disturbing settled villages. A Central Sector

scheme is in operation since 1987-88. The strategy may be extended to all jhum areas by the concerned State Governments.

- 7.13.2 - A number of schemes are in operation to control/replace jhum in the state, i.e. through the Ministry of Welfare; Ministry of Agriculture; Tribal Development Corporations; North Eastern Council; Soil Erosion Department of the State Govt.; through afforestation programmes; other State level schemes; through the Agriculture Deptt. etc. It is very essential that all these are consolidated and integrated under a nodal Deptt, preferably, Agriculture.

MODERNISE
AGRICULTURE

7.14

- The cropping intensity, use of high yielding varieties of seeds, fertilizers and other modern inputs continue to be low. In order to encourage these, especially to enhance cropping intensity, it is necessary to introduce short duration (less than 100 days) time bound high yielding varieties of paddy seeds during Kharif season, so that the paddy crop is harvested during the month of September/October and the paddy lands become vacant for planting of various Rabi crops during the optimum sowing season. The optimum sowing season closes by the end of October in most of the States and by the middle of November in some States of the NE Region. It is necessary to link propagation of seeds to this approach.

SEEDS

7.15

- Non-availability of required quality short duration (less than 100 days and cold tolerant high altitude varieties for hills) variety of seeds has been a continuous problem. The right variety seeds are either not available, or are not available at the required time and in required quantities. The situation is compounded by the problem of transportation and distribution of seeds. It is necessary to place timely advance orders for the procurement of foundation seeds for multiplying the same in the State farms and seed growers' farms. The State Govt. may develop a suitable seed production strategy.

LAND TENURE 7.16

- In certain areas, the existing land tenure system is inhibiting permanent asset formation on land based activities. The State Govt. might like to give attention to this aspect and evolve suitable policy/strategy.

- ACID SOILS 7.17 - Wherever Rabi crops are planned to be taken up, soil acidity levels should be corrected for the requirement of the selected Rabi crops.
- IRRIGATION 7.18 - Wherever irrigation potential has already been created, it should be linked with crop husbandry programme. Irrigation by itself is of no consequence.
- 7.18.1 - Irrigation schemes/proposals may be examined first from the potential, it will create for irrigating Rabi and pre-Kharif crops (Ahu/Ahus). Since the rainfall during Kharif season is very heavy, the true benefit of irrigation is to be judged from its likely impact on Rabi and pre-Kharif crops.
- 7.18.2 - Due to the terrain problem, major and medium irrigation projects of long gestation period are less advantageous than the minor irrigation projects. Wherever necessary and feasible, minor irrigation projects need to be taken up on higher priority and firmly linked with crop husbandry and modern inputs. A coordinated approach to the development of crop husbandry with modern inputs and linkage of irrigation is necessary.
- FORESTS 7.19 - Very heavy deforestation is taking place for a number of reasons, including jhumming and commercial interests. The State Govt. may take necessary steps and make a suitable policy for preventing unregulated tree felling.
- HORTICULTURE 7.20 - The development of horticulture seems to hold good promise. The North Eastern Council is already preparing a regional perspective on the development of horticulture. Although the conditions for the development of horticulture seem conducive, it is important that transport and market linkages are seen and planned well ahead of fruiting of the crops. It is important that the areas which specialises in horticulture development also produce foodgrains to meet at least partial requirements of the people. In addition the State Govt. must strengthen public distribution system and make food available to the people engaged in horticultural development.

- SERICULTURE 7.21 - Development of sericulture in the North Eastern Region need to be linked with availability of adequate numbers of food trees for the silk worms. Plantation of such trees under various afforestation, social forestry development schemes and the like programmes needs to be encouraged.
- PRODUCTIVE SECTOR 7.22 - People are fond of eating meat/fish. Modern techniques to increase livestock of quality and quantity may be used. High priority needs to be given to the productive aspect of agriculture and allied sectors and other productive sectors for the development process of the State.
- INSTITUTIONAL FINANCE 7.23 - The credit-deposit ratio continues to be adverse. It is essential that more and more institutional finance is linked with various developmental activities/enterprises. The constraint to the same may be identified and conditions conducive to linking of institutional finance may be created.
- CORPORATIONS 7.24 - A number of corporations have been set-up or are being created. It is essential that viability of the corporations that are under consideration is properly examined and benefits clearly seen before they are set up.
- 7.24.1 - The performance of existing corporations may be improved to the optimum level. The assets invested must bring best results.
- 7.24.2 - The accounts of the existing corporations need to be regularly audited and their viability monitored.
- DECENTRALISATION OF PLANNING PROCESS 7.25 - Much thought has already been expressed on decentralisation of planning process. A further step to decentralisation at district level will be to consider allocation of a part of State Plan resources to the village authorities as is in vogue in the form of Village Development Boards in Nagaland. The people of Nagaland have used the village funds allocated on per household basis, on schemes which they considered their felt needs. In order to

accomplish the tasks, the village community also contributed effort and their own resources and achieved much higher throughput. The State Govt. might like to consider a similar approach/strategy for satisfying the felt needs of the people at village level and also for involving community in the planning process.

REACH
PEOPLE

7.26 - By way of reminding, it might be worthwhile to give a fresh look to the plethora of plan schemes, projects and programmes to assess what reaches the people and how the plan effort was helping them to improve their quality of life and standard of living. Efforts may continue to be made to reduce soaking of funds in uneconomic ventures.

OBJECTIVE

7.27 - The first and the foremost objective of the total development effort is to improve the quality of life of the masses. All schemes and projects should therefore, be tested on this touch-stone whether the completion of the project/scheme will bestow any benefit to the people for improving their quality of life and raising their standard of living. It is important to bear in mind that the first priority schemes should be such that create conditions for the people to move towards attaining the above objectives.

TERMINAL
YEAR OF
THE PLAN

7.28 - The year 1989-90 is the terminal year of the Seventh Five Year Plan. It should, therefore, be treated as the year of consolidation and completion of projects so that the achievement of the year could be compared against the Seventh Five Year Plan targets.

7.28.1 - The year 1989-90 will also become the base on which the Eighth Five Year Plan will have to be founded. Therefore, intensive efforts are required to complete the on-going schemes/projects so that new projects and new schemes could be identified and scheduled to be taken up during the Eighth Five Year Plan.

7.28.2 - The schemes that have been completed during 1987-88 and 1988-89 and those that will be completed during 1989-90, may be listed and schemes that will spill over to the Eighth Plan may be separately identified.

- NEW EXPENDITURE NOT TO BE COMMITTED 7.29 - A number of new posts, construction of buildings and purchase of vehicles have been proposed. It was suggested to the State Govt. that new expenditure on these items may not be committed, especially on the start of new buildings when a very large portfolio of buildings including some buildings that were taken up during the Fifth Five Year Plan, were continuing to be under construction - due to shortages of material. Therefore, in all the sectors these expenditures should be kept under strict check during 1989-90.
- RESOURCES SHOULD NOT BE SPREAD THINLY 7.30 - The resources should not be spread thinly on a large-number of projects but concentrated on projects that could be completed in the shortest possible time. This will bestow benefits to the people at the earliest. Only through this approach, aspirations of the people in real terms can be met. Thin spread of resources create hope that leads to disappointment if the projects are not brought to fruition in the expected time schedule.
- EXISTING ASSETS TO BE FULLY USED 7.31 - The existing infrastructure, institutions, staff, buildings, transport facilities and other assets should be used to the optimum level.
- ROADS 7.32 - Faulty construction of roads cause serious disturbance to fragile eco-system. Roads may be planned properly and constructed as per designs that prevent disturbance to ecology and environment.
- HOUSING 7.33 - The local housing designs should respect local architecture and use local materials. As far as possible, institutional finance through schemes like self-financing etc. may be used. Where acute shortage of housing accommodation for staff exists and where local houses on rent are not available, construction of transit accommodation/barrack accommodation could be considered.

- MAINTENANCE OF ASSETS** 7.34 - Permanent assets have been created with scarce resources and with a great deal of effort. These should be maintained properly and not allowed to get into disuse or damage.
- 7.34.1- Within the state, there are comparatively less developed areas. These may be given special attention for speedy development.
- INPUT OF SCIENCE & TECHNOLOGY** 7.35 - Science & Technology Council has already been constituted. The State Govt. may involve the council input to all sectoral plans. Similarly, State Govt. may use various technical institutions situated within the State or in the region, and involve them to innovate and introduce scientific and technological improvements for enhancing productivity and reducing drudgery in various sectors.
- SHORTAGE OF TECHNICAL PERSONNEL** 7.36 - The shortage of technical personnel continue to be a serious constraint. A systematic multidirectional effort is necessary to train as well as to attract qualified and experienced technical personnel.
- EMPHASIS ON CONSUMABLES** 7.37 - The general infrastructure sector, for the North Eastern Region as a whole, especially transport system and specialised manpower is considered weak in the North Eastern Region. To overcome this situation, high emphasis over the years has been laid on the development of infrastructure. Heavy investments on this sector are continuously being made. Intra-sector infrastructural expenditure made on various sectors of the State Plans, the NEC Plan, and the Central sector scheme too is also high. A large number of deptts. organisations and institutions and corporations have been set up.
- 7.37.1- However, the productive sector has not kept pace with the increased demand - which has risen both qualitatively and quantitatively. The agricultural and allied productive sectors have remained more or less stagnant. Most of the primary and manufactured/consumer goods and producer goods are brought into the region. Therefore, it is necessary that maximum resources in real terms go towards inputs that enhance actual production of consumer goods. Innovative inputs and people's involvement towards this objective may also be encouraged.

SECTORWISE PROGRAMMES

Agriculture & Allied Services

Foodgrains:

continue to be airdropped. It is, therefore, essential

8.1 In terms of total availability of foodgrains for the population, Arunachal Pradesh has attained self sufficiency. However, there are a number of isolated areas, which continue to be deficit. Due to transportation problems, as well as terrain difficulties the movement of foodgrains from the surplus areas to the deficit areas becomes difficult. In the remote and inaccessible areas, the essential items to develop self sufficiency in these areas, both by increasing foodgrains production and building adequate storage capacity to save on costly air-dropping operations.

8.1.1 Total foodgrains production in 1980-81 was recorded at 1.31 lakh tonnes; 1.73 lakh tonnes during 1984-85; 1.89 lakh tonnes during 1985-86; 1.86 lakh tonnes during 1986-87 and 1.96 lakh tonnes during 1987-88. For 1988-89 though the target was 2.24 lakh tonnes but likely production is anticipated at 1.91 lakh tonnes. The major shortfalls in the current year is anticipated in rice and maize (The rice production is anticipated at 1.31 lakh tonnes against target of 1.43 lakh tonnes). The Working Group recommended a target of 2.44 lakh tonnes for foodgrains for 1989-90 against State Govt. proposal of 2.32 lakh tonnes (Seventh Plan target 2.63 lakh tonnes). Of 2.44 lakh tonnes, 1.55 lakh tonnes will be the share of rice.

Oilseeds

8.2 The oilseeds production for 1985-86, 1986-87 and 1987-88 was 13800, 15500 and 17500 tonnes respectively. The target viz. 17500 tonnes for 1988-89 is likely to be achieved. The Working Group recommended 25000 tonnes for 1989-90. It was suggested by Working Group that sunflower cultivation may also be taken up.

Potato

8.3 The anticipated production of the current year is 22500 tonnes. As the Seventh Plan target is 40000 tonnes, the Working Group fixed a target of 30,000 tonnes against 25,000 tonnes proposed by the State Govt.

Crop productivity & cropping intensity

8.4 The cropping intensity in 1988-89 is anticipated to be 133%. It is intended to increase it to 139% in 1989-90. The main cereal is rice. Its productivity was 1489 kgs/Ha. against All India 1482 kgs./Ha during 1986-87. During 1985-86 for Arunachal Pradesh it was still better viz, 1743 kgs/Ha. The average yield of coarse cereals (1090 kgs/Ha.) was also better than All India (667 kgs./Ha.) during 1986-87. Regarding oilseeds, the yield was 1148 kgs/Ha. against All India 613 kgs./Ha. for 1986-87. The major portion, 65% of foodgrains, comes from jhum and productivity is 700 kgs./Ha. against 1700 kgs/Ha. in irrigated land.

Fertilizer

8.5 The fertilizer consumption is picking up but still it is quite low (1.5 kg./Ha.) as compared to All India 50 kgs/Ha. State Govt. officials indicated that it is envisaged to increase it to 5 kgs/Ha. For this a fertilizer training camp is being organised.

8.5.1 The Working Group suggested that fertilizer distribution should be done with the help of mobile vans in the remote areas. Fertilizer demonstrations should also be done.

Horticulture

8.6 The likely achievement of the current year is 35000 tonnes. The target for 1989-90 has been kept at 38750 tonnes (7th Plan target 43630 tonnes). The State Govt. officials informed that 100% survey was undertaken for fruits and vegetables in the State during 1986-87. The Working Group suggested that programmes of Floriculture, olericulture and tissue culture should also be taken up. For rejuvenation of orchards, the Working Group urged state Govt. to provide best planting material along with full package of inputs.

Seeds

8.7 The Working Group fixed the target of seed production for 1989-90 at 3650 tonnes against 3250 tonnes proposed by State Govt. The seeds distribution target was kept at 3200 tonnes against 3000 tonnes proposed by State Government.

Area under HYV and cropped area

8.8 The area under HYV was kept at 27000 Ha. for 1989-90 by the Working Group. regarding gross and net cropped areas, they were kept at 250 th & 193 th. ha. /
/respectively The anticipated net cropped area for 1988-89 will be 191.9 th. Ha.

Animal Husbandry

8.9 The Seventh Plan target of milk, eggs and wool is 40000 tonnes, 30 million and 57000 kgs. respectively. The achievements of 1987-88 are 38000 tonnes, 28 million and 55000 kgs. respectively. It is anticipated that the wool production in 1989-90 will surpass the Seventh Plan target.

Fisheries

8.10 The production of fish has not picked up well. Against the target of 1000 tonnes, /only 610 tonnes was the production for 1987-88. A target of 750 tonnes was fixed for 1988-89 and it is anticipated to be achieved. The target for 1989-90 is 1000 tonnes. The Working Group last year observed that the production per Ha. of fish is viz. 900 kgs./Ha. should be improved.

/for 7th Plan,

8.10.1 The water area brought under pisciculture which was 837 Ha. in 1987-88 is expected to be 898 ha. in 1988-89. By the end of 1989-90, the target is 978 Ha.

8.10.2 The State Govt. proposed to set up a Fish Farmers Development agency, under Centrally Sponsored FFDA programme. This was regd. in 1988-89. This agency will continue to work for fishery development.

8.10.3 There is shortage of fish seeds. Against Seventh Plan target of 20 million, the achievement for 1987-88 was only 9.10 million. The target for 1988-89 of 13 million is likely to be achieved. The target for 1989-90 is 20 million.

8.10.4 Against the Seventh Plan target of 2 hatcheries, one is expected to come up during 1988 - 89 .

8.10.5 The Working Group suggested that Trout Fish Culture programme should be picked up from Himachal Pradesh.

Forestry & Wild Life

8.11 Arunachal Pradesh has about 51740 sq.km. of area under forests forming about 62% of the total geographical area of the State. Out of this, reserved forests are only 16% and the remaining 46% are unclassified. However, actual vegetative cover would be much less on account of destruction of forests due to jhum cultivation and commercial felling of trees. The State Govt. proposed intensive and scientific management of forests.

8.11.1 The State Govt. is also operating a scheme of Anchal Reserve Forest for the scientific management. Under this scheme Anchal village forest area has been given to Forest Deptt. for management and the net revenue from the forests is shared equally between the State Govt. and the village community.

8.11.2 The State has done a good work in regard to orchid propagation and research. An Orchid Research and Development Centre has been set up at Tipi in West Kameng District in 1972 besides four orchid sub-centres. In 1988-89, they anticipated one more orchid centre.

8.11.3 Namdapha National Park under Project Tiger was approved by Government of India during 1983-84 as 100% C.S.S. An amount of Rs. 1.40 crores is anticipated to be spent by 1988-89.

COOPERATION

8.12 There are 194 cooperative societies of various types including 20 LAMPS and 75 consumer cooperative societies. Cooperative Societies in the State are mainly concentrating on the marketing of agricultural produce and distribution of consumer articles with very little of credit disbursement. Only Rs. 10.35 lakhs of short term loans were disbursed during 1987-88 against a target of Rs. 1.20 crores of the Seventh Plan. The target for 1988-89 was Rs. 40 lakhs against which the State anticipate to disburse Rs. 21 lakhs. The target for 1989-90 is Rs. 30 lakhs. The situation of medium term loan is no better. Against target of Rs. 1 crore for the Seventh Plan, the disbursement was only Rs. 3.77 lakhs during 1987-88. In 1988-89, it is anticipated to be Rs. 20 lakhs (target Rs. 40 lakhs). For the 1989-90 the target has been fixed at Rs. 30 lakhs. Agricultural produce worth Rs. 120 lakhs were handled during 1987-88 (Seventh Plan target Rs. 4 crores) and distribution of consumer goods in rural areas and urban areas amounted to Rs. 25 crores (Seventh Plan target Rs. 60 crores). They anticipate achievement for 1988-89 at Rs. 29 crores. The Working Group recommended of Rs. 33 crores for 1989-90.

Year

8.12.1 There is good scope for processing of mustard and fruit and vegetables through cooperatives. The Working Group last year recommended setting up of 2 cooperative processing units with the help of NCDC. They also recommended that the cooperatives should be actively involved in distribution of fertilisers. However, no progress on this front has been reported.

Rural
Development

I. R. D. P.

9.1 As mentioned in the Seventh Plan document, allocation under IRDP for 1988-89 was made on the basis of 75% weightage to incidence of poverty and 25% on uniformity basis as per the number of blocks as existed at the end of the Sixth Plan. For 1989-90 the criterion is 100% on incidence of poverty. However, in case of Arunachal Pradesh as separate figures of incidence of poverty were not available from NSSO survey, the allocation was made on the number of blocks. Against the State Govt. proposal of Rs. 216 lakhs for IRDP(Main), an amount of Rs. 235.00 lakhs has been recommended by Working Group. In addition Rs. 46.60 lakhs against proposal of Rs. 48.60 lakhs have been recommended for IRDP(Allied).

9.1.1 In the Seventh Five Year Plan, 50,000 beneficiaries were identified and it was decided to assist all of them. The beneficiaries assisted during 1987-88 were 11,910. During 1988-89 against a target of 18,554 beneficiaries to be assisted, the State Govt. anticipates to assist 15,000. The proposal for 1989-90 is to assist 13,000 beneficiaries.

9.1.2 Under TRYSEM, the State Govt. is training only IRDP beneficiaries, so that they can get self employment. Under IRDP assistance, assets thus created can be maintained. During 1987-88, 167 persons were trained of whom 142 got self employment. For 1988-89 185 youths, are likely to receive training and 175 are likely to become self employed, including those trained earlier. The target for training and self employment for 1989-90 is proposed at 200 Nos.

ARUNACHAL PRADESH

N.R.E.P.

lakh

9.2 The employment achievement during Seventh Five Year Plan was 15 lakh mandays. For 1988-89, they anticipate 2.50 lakh mandays (1987-88 - 2.16) and for 1989-90, the proposal is 3.15 lakh mandays. Against an anticipated expenditure of Rs. 23 lakhs in 1988-89, an outlay of Rs. 50 lakhs is proposed by State Govt. The Working Group recommended Rs. 44 lakhs.

DWCRA

9.3 During 1987-88, 7 groups consisting of 105 beneficiaries were assisted. Groups are still organising their activities and firm picture of their production activities has not emerged.

Land Reforms

9.4 Against proposed outlay for 1989-90 of Rs. 46 lakhs, the Working Group recommended Rs. 24.30 lakhs. A bill on land reforms and settlement is under process with a view to have a legal base for survey and preparation of land records in the State. The said bill is expected to be enacted during 1989-90 after which proper survey etc. of the private land can be done. During 1985-88, 6420 ha. land has been surveyed. Even during 1988-89, 2383 ha. has already been surveyed.

Community Development and Panchayats

9.5 The outlay of 1988-89 was Rs. 96 lakhs. Against this the State Govt. proposed Rs. 372 lakhs for 1989-90 and the Working Group recommended Rs. 114 lakhs both for Panchayats and Community Development.

9.6 The State Govt. proposed a new scheme of revolving fund under DRDA & IRDP credit, and another of providing free clothings and shoes for the rural poor. The Working Group suggested that the State Govt. should refer these to the Deptt. of Rural Development, Government of India.

Irrigation and Flood Control

Major and Medium Irrigation

10.1 In Arunachal Pradesh, there is limited scope for major and medium irrigation projects due to terrain & size of holdings generally scattered in narrow valleys. Irrigation potential of 200 ha. was created during 1987 to 1989. There are 3 medium irrigation schemes under investigation viz. Debang Valley, Dambuk area, and Sissiri valley. Last year, State Government officials stated that the Central Water Commission had agreed to take up a detailed survey and investigation and preparation of Debang Valley Project Report at a cost of Rs. 50 lakhs and the other two schemes were under investigation by State PWD. The State officials were to submit the project report to Central Water Commission by January, 1988 for atleast one of the project. An amount of Rs. 18 lakhs was agreed for survey and investigation during 1988-89. The State Government wanted to have survey and investigation of 3 more new projects during 1989-90. They are Sirpu and Deopani and Laxmi Lift Irrigation Project in Roing area. Against the State Govt's proposal of Rs. 179 lakhs, the Working Group has recommended only Rs. 35 lakhs.

Minor Irrigation

10.2 The irrigation schemes that provide adequate water during dry season for Rabi & pre-Kharif crops, should be preferred. All irrigation projects must be firmly linked and coordinated with crop husbandry, otherwise expenditure on irrigation would be infructuous.

10.2.1 Nearly 60 thousand hectare of irrigation potential has already been developed by end 1988-89. An assessment of how much irrigation benefit has been extended to Rabi & pre-Kharif crops may be made.

ARUNACHAL PRADESH

10.2.3 There were 215 on-going water diversion irrigation schemes at the beginning of 1989-90. For completion of all these schemes approximately an amount of Rs. 16.56 crores will be required. The State Government proposes to complete 112 on-going schemes with an amount of Rs. 4.50 crores. For the remaining on-going schemes Rs. 1 crore are proposed. Another Rs. 50 lakhs are proposed for new schemes to be taken up during 1989-90. For stabilisation and renovation work of completed scheme, another Rs. 50 lakhs were proposed. Similarly, for survey and investigation works Rs. 50 lakhs are proposed. An amount of Rs. 53 lakhs was proposed for maintaining of plan schemes and water tanks. The Working Group recommended Rs. 4.51 crores against the State Govt. proposal of 7.46 crores. In addition Rs. 200 lakhs have been recommended under the head Ground Water and Administration etc. against State Govt. proposal of Rs. 465 lakhs. Last year the Working Group advised the State Govt. not to take up any new schemes and 'complete on priority basis' the on-going schemes to give benefit to the people at the earliest. No new schemes should be taken up.

10.2.4 Last year the Working Group had recommended that the Central Team constituted by Ministry of Water Resources to study irrigation development funding of the canals in the hilly areas etc. for the states of Meghalaya, Mizoram and Nagaland /* Arunachal Pradesh. Central team may also make assessment of the ultimate potential & State of utilisation of minor irrigation in the State. Progress in this regard is not known.

/* programmes and lining of the

/* may also cover

Flood Control

10.3 The State Govt. proposed an outlay of Rs. 384.92 lakhs for flood control works. The Working Group recommended Rs. 60 lakhs. The Working Group opined that the State Govt. should provide adequate outlay for flood protection works on Deaning Nallah, Tezu Nallah and Lohit River in Tezu township which have suffered heavy losses due to heavy floods. The outlays on the schemes to protect Tezu township will have to be the first charge on the amount that might be allocated.

POWER

Generation

11.1 The installed capacity for power generation in Arunachal Pradesh was 15.6 MW as on 1.4.1985, comprising of 10.5 MW from hydro electric and 5.1 MW from diesel generation. Additional capacity of 2.75 MW is targetted for the Seventh Plan. The State Govt. proposed Rs. 20 crores for generation and Working Group recommended Rs. 9.65 crores. Some of the details are as follows:-

11.1.1 There are 11 ongoing and new micro hydel projects for benefit during Seventh Plan. The latest estimated cost of these projects is Rs. 18.89 crores. An expenditure of Rs. 2.45 crores had been incurred on these projects by the end of the Sixth Plan. An expenditure of Rs. 7.94 crores was incurred during the first three years of the Plan i.e. 1985-88. For 1988-89 an expenditure of Rs. 4.93 crores is anticipated. This makes a total expenditure of Rs. 15.32 crores by 1988-89 leaving a balance of Rs. 3.57 crores, of the latest cost. An outlay of Rs. 3.97 crores was proposed for 1989-90 for these against which Rs. 3.65 crores were recommended by the Working Group as per details given below:

Scheme	Capacity in K.W.	Commi-ssioning schedule	Latest estimated cost	(Rs. in lakhs)					
				Actual Expdr. Upto 30.5.85	Three Annual Plans 1985-88	Approved 1988-89	Antod. Expd.	Proposed 1989-90	Recomm. by W. Group
1	2	3	4	5	6	7	8	9	10
Ganga	(2x250)	3/91	210	25.43	8.50	1	-	-	-
Miechuka	(2x50)	6/89	65	1.50	39.79	20	25	15	15
Mebo	(2x250)	3/90	50	22.94	20.00	1	-	22	-
Ego-ichi*	(4x100)	2/88	171	31.91	117.10	6	15	10	10
Sissiri	(3x250)	3/88	113	2.23	108.00	1	1	-	-
Deopani**	(3x250)	6/88	194	36.56	142.98	3	3	1	1
Ampani	(3x100)	3/90	127	24.12	55.10	10	35.71	9	9
Tafragram	(2x250)	9/89	33	10.68	3.68	12	1	5	5
Tuting	(2x50)	3/88	36	-	20.81	1	-	-	-
Tago	(3x1500)	6/89	812	-	220.97	200	380	200	200
Sessa	(3x500)	12/89	283	88.96	54.60	60	32.51	135	125

* All the 4 Units have been Commissioned.

** 2 Units Commissioned in 1986-87.

11.1.2 Tago. (3x1500 KW) project is due for commissioning by 6/1989. An approved 132 KV line from Gohpur in Assam to Itanagar under NEC Plan to facilitate drawal of 5 MW power by Dec., 1989 is under implementation. The Mebo and Sissiri Projects have been with-drawn by the State for the present and Ganga Micro hydel project has been placed at low priority.

11.1.3 Beside the State Government proposed 6 schemes during 1989-90 for which an outlay of Rs. 325 lakhs was proposed. In addition, an outlay of Rs. 756.37 lakhs was proposed for other micro hydel power projects. The Working Group recommended an outlay of Rs. 200 lakhs for Nuranaga (3x2 MW). The Kameng Project was investigated by NEEPCO and DPR was submitted to CEA for techno-economic clearance. The State Government was interested in including this project in the State sector with Government of India participation. An outlay of Rs. 50 lakhs was recommended as a token. Project execution has to be decided by Department of Power

11.1.4 For other new projects, no provision was recommended by the Working Group.

11.1.5 The State Government has proposed to install diesel generating sets in remote locations where grid power was not available. In view of high cost of power from diesel setx, the Power Department was advised to be selective in installing new sets. A provision of Rs. 200 lakhs was recommended against the proposed outlay of Rs. 288.47 lakhs.

Improvement/Augmentation of Existing Micro Hydel Stations

11.2 An Outlay of Rs. 227.50 lakhs was proposed against which Working Group recommended Rs. 150 lakhs. An expenditure of Rs. 122 lakhs has been incurred for

this during the first three years of the Plan and Rs. 80 lakhs was the approved outlay for 1988-89. The cost seems to be on high side.

Transmission & Distribution

11.3 Working Group last year pointed out that higher priority should be given to system improvement and ongoing works to avail the bulk supply from Assam. The State Government was advised to complete on-going works before taking up new works. An outlay of Rs. 380-lakhs was recommended for T & D works against State Government proposal of Rs. 559 lakhs. The amount had to be reduced due to past achievements and because some of the newly proposed schemes needed approved of competent authority.

Rural Electrification

11.4 Out of 3257 villages (1981 census), 827 villages were electrified by the end of the Sixth Plan. The target for the Seventh Plan is to electrify additional 350 villages. Number of villages electrified during the first four years of the Seventh Plan and balance that remains are indicated below:-

	<u>Year</u>	<u>Villages Electrified</u>
1.	1985-86	84
2.	1986-87	51
3.	1987-88*	80
4.	1988-89 (Anticipated)	<u>75</u>
5.	Total for the Seventh Plan	<u>290</u>

* The cumulative total by R.E. Division has been indicated at 1062 villages (against 827+84+51+80 = 1042 villages).

ARUNACHAL PRADESH

	<u>Year</u>	<u>Villages Electrified</u>
6.	Target for the Seventh Plan	350
7.	Balance of Villages to be electrified during 1989-90 to complete the Seventh Plan Target	60
8.	Villages Proposed by the State for 1989-90	180

11.4.1 Due to constraint of resources, it may not be feasible to provide for much more than Seventh Plan Target.

11.5 Sub-headwise outlays proposed by the State Government and recommended by the Working Group are as follows:-

(Rs. lakhs)

	<u>1988-89</u> <u>Outlay</u>	<u>1989-90</u>	
		<u>Proposed</u>	<u>Recommended</u>
Generation	610	2000	965
T & D	300	559	380
R.E.	300	1254	650
Survey/Investigation	10	15	15
Total:-	<u>1220</u>	<u>3828</u>	<u>2010</u>

Village & Small Scale Industries

Small Industries

12.1 . Arunachal Pradesh with a vast area, hilly terrain and transport cost and problems, has restricted scope for development of large industries. Initially it may be beneficial for the State to develop agrobased small industries, sericulture, fruit processing and handloom and handicrafts on a decentralised basis. Commodities having low volume, light weight high value and long shelf life, would suit the area and pose less marketing problems. Since the people have intrinsic quality of precision work, industries like electronics and goods requiring precision have good scope.

12.1.1 District Industries Centres have to play a pivotal role in the promotion of village and small industries by identification of entrepreneurs providing pre and post investment facilities, supply of inputs etc. The State Govt. has to provide only 50% of the provision for DICs as remaining 50% is met by the Centre. At present the industrial units in the State are potato chip unit, ginger dehydration unit, soyabean oil extraction unit, citronella distillation plant and lemon grass plant. (The consumer demand of this produce is increasing day by day.) The investment in Potato Chip Unit at Tawang has a capacity of 146 tpa (cost Rs. 12 lakhs). The State Govt. proposed to set up 2 more plants of ginger dehydration at Bordumsa and Basar. Investment per project will be only Rs. 5 lakhs. They also propose to start one semi mechanised brick making unit to avoid bricks import from Assam. A detailed project report is under preparation. Citronella plant at Pasighat is being established with the help of Regional Research Laboratory. Arunachal Pradesh Industrial Development and Financing Corporation has undertaken civil construction work which is almost complete. A lemon grass plant is already established.

Industrial Estates

12.2 They play an important role in the development of industries. The first industrial estate came in 1978-79 at Naherlagun. Thereafter 10 more Estates were sanctioned. Due to paucity of funds, as it is not feasible to construct 10 sheds, it has been decided to go with 2-4 sheds per estate. The sheds in 3 Estates are already complete and these are now to be provided in rest of the Estates. It is also proposed to establish two more estates to meet demand of West Siang and West Kameng districts.

Handloom and Handicrafts

12.3 In Arunachal Pradesh, Industry Department is the main agency to look after various programmes for industrial development. There is no separate Directorate for handlooms and handicrafts. Separate figures of expenditure on schemes for development of handloom and handicrafts are not available. Last year the Working Group impressed upon the Development Commissioner, Handicrafts that notwithstanding the present organisational structure in Arunachal Pradesh, the State should get assistance under the various Central Schemes. The State Govt. was advised to increase production of handlooms with assistance under the Central Scheme like modernisation of looms etc. More and more ethnic and local designs should be developed for the handlooms and handicrafts in the State. It is hoped that the State Govt. must have taken suitable steps in this direction.

Sericulture

12.4 The potentiality of development of this industry as a subsidiary occupation is quite high. Arunachal Pradesh climate is suitable for all varieties of silk worms i.e. eri, muga, mulberry and tasar. However, sericulture in Arunachal Pradesh is not developing properly. Sericulture being labour oriented, would provide employment to the rural people. It was, therefore, suggested that the State Govt. might like to take steps to develop sericulture. It is understood that rearing has been introduced through motivation and it might bring encouraging results.

12.5 Sub-headwise outlays as proposed by the State Govt. and recommended by the Working Group are as follows:

(Rs. lakhs)

	1988-89	1989-90	
	outlay	Propo- sed	Recommen- ded
Small Industries	68	163	70
Industrial Estate	30	150	30
Handloom & Handicrafts	40	225	100
Sericulture	25	30	25
Other Village Industries	19	40	25
<u>Total</u>	<u>182</u>	<u>608</u>	<u>250</u>

Large and
Medium
Industries

13.1 Arunachal Pradesh is rich in mineral resources such as coal in Namchik-Namphuk area of Tirap District, dolomite in Bupa area of West Kameng District, limestone (cement grade) in Tideling of Lohit District and Hunli in Dibang Valley District, limestone (Chemical grade) in Menga area in upper Subansiri, graphite in Bapi and Talika in Upper Subansiri District and marble in Lohit and Dibang Valley Districts. Oil has been found in Kharsang and other areas of Tirap District and has been developed for extraction.

13.1.1 However, on account of hilly terrain, lack of infrastructure, Arunachal Pradesh still remains an industrially under-developed area. It has not been possible to extract and exploit the minerals. Few entrepreneurs have been forthcoming. Most of the industrial activity is State sponsored. The State Govt. has offered a number of incentives, including various subsidies to encourage setting up of medium scale industrial units; feasibility reports for a number of industrial projects are being prepared to attract entrepreneurs to Arunachal Pradesh.

APIDFC

13.2 Arunachal Pradesh Industrial Development Financial Corporation is the main agency for setting up and promoting industrial units in the State. The Corporation has set up a furniture unit, printing press, food processing plant, Perasuram Cement Unit etc. with its own efforts. It has entered into collaboration with ITDC for setting up a hotel at Itanagar. It has also set up an electronic industrial unit at Itanagar in collaboration with ET & TDC for assembling B&W TV sets, CTV, Stereos, mini magaphone etc. Share capital assistance has to be provided to those units. The State Govt. proposed Rs. 247 lakhs towards share capital against which the Working Group has recommended Rs. 133 lakhs. In 1988-89, the anticipated expenditure will be Rs. 156 lakhs.

Dirang RIDC

13.3 The State Govt. is to set up a Rural Industrial Development Centre at Dirang in West Kameng District in collaboration with HMT, Bangalore. The local entrepreneurs would be provided training and reviewing facilities in machine shop,

electrical servicing, mechanical servicing, carpentry, blacksmithy, automobile repairing services etc. The State Govt. anticipate an expenditure of Rs. 5 lakhs in 1988-89. An outlay of Rs. 10 lakhs was recommended for 1989-90.

13.4 Infrastructure facilities such as roads, power and water supplies have to be developed in the growth centre proposed to be /being set up to promote the establishment of industrial units. An expenditure of Rs. 13 lakhs anticipated during 1988-89. For 1989-90, an outlay of Rs. 40 lakhs was recommended. In addition Rs. 25 lakhs have been recommended for growth centre.

13.5 The State Govt. proposed to undertake survey of various resources and also preparation of project reports/feasibility reports for setting up viable industrial units.

13.6 As against Rs. 180 lakhs for 1989-90 schemewise outlays proposed by the State Govt. and recommended by the Working Group are as follows:

	(Rs. lakhs)	
	<u>Proposed</u>	<u>Recommended</u>
	1989-90	
Share Capital to APIDFC (Rs. 156 lakhs during 1988-89)	247	133
Hunli Cement Plant	1	1
Infrastructural development for Industries	40	40
Dirang RIDC	10	10
Growth Centre	-	25
Incentives to Industries	15	15
Survey & Feasibility Reports	1	1
<u>Total:</u>	<u>314</u>	<u>225</u>

Transport

Roads and Bridges

14.1 A road length of 3419 kms. (excluding national highways) has been achieved by the end of the Sixth Plan. The target for the Seventh Plan was to construct additional 1380 kms. of roads. By 1987-88, a road length of 663 kms. was added and 384 kms. of roads are anticipated during 1988-89.

14.2 Under Minimum Needs Programme, the information regarding village connectivity as furnished by the State officials during the Working Group discussions (1987) was as follows:

Population	No. of villages		%age of connected villages
	Total	Connected as on 31.3.87	
Above 1500	32	31	96.9
1000 - 1500	49	36	73.5
500 - 1000	146	102	69.9
200 - 500	531	343	64.6
Below 200	2499	48	1.9

14.2.1 The Working Group observed that the hill areas liberalised norms of village connectivity as per 1971 census under MNP has been achieved. All the 150 villages above 500 population have been connected by roads. More than 50% of villages in 250 - 500 population group have also been connected by roads. PWD shall not sanction any new road scheme and concentrate on works in hand.

14.3 Arunachal Pradesh is by and large a very sparsely populated hill area, size of the villages are very small and the terrain is hilly and difficult. Road transport is the only important mode of transport in the State. The road network is still inadequate. However, uncoordinated effort in road building may endanger fragile eco-system, especially, because of heavy rainfall that carry away disturbed soil. Kutcha unsealed roads cause landslides and soil erosion and silt valley areas.

14.3.1 A master plan for roads, could take into account all aspects of road requirements and priorities of the State alongwith phasing of construction activity and resources required for the same.

14.4 The State Govt. was advised to put moratorium on sanctioning of new schemes so that greater attention could be paid to completion of the works already in hand. A total amount of Rs. 58.30 crores was recommended by the Working Group for roads and bridges for 1989-90. For road transport, the Working Group recommended Rs. 2.83 crores (including Rs. 8 lakhs for road safety) and Rs. 1.20 crore recommended for Civil Aviation.

For comple-
tion of pre-
Sixth and
Sixth Plan
large
number of
continuing
schemes.

Education
Elementary Education

15.1 The Seventh Plan target of additional enrolment in the Classes I to VIII was 1.34 lakhs. By 1987-88, enrolment of 1.16 lakhs had been achieved. The target for 1988-89 was additional enrolment of 9 thousand children. For 1989-90, the State Govt. proposed a target of 6 thousand which was endorsed by the Working Group. As such by 1989-90, the achievement is likely to be 1.31 lakhs against the Seventh Plan target of 1.34 lakhs.

15.1.1 It is proposed to supply TV sets to 527 schools (provided they are having pucca buildings) and create a nucleus cell for Educational Technology in the State. About 250 pre-primary schools are to be made part of primary schools and pre-primary education is to be of 2 years duration.

15.1.2 For school construction, under operation black board (under CSS), the Working Group has recommended Rs. 5 crores (Rs. 1.25 lakh/school for 400 schools). 55 Community schools for covering habitation below 100 population (children available hardly 10 per habitat) are also to be started on experimental basis. It was reported that there were 1150 villages where the average population per village was near 50 persons. The experimental community school teacher will provide pre-school formal elementary, non-formal elementary and adult education to such schools.

Adult Education

15.2 Against 900 centres only 791 centres are functioning in the State. In addition 40 new adult education centres under SAEP & 165 JSNS were proposed for 1989-90. 35000 illiterate persons (age 15 - 50) are proposed to be covered during 1989-90. In addition 22 tailoring and knitting centres are to be started for women as functional literacy programme. The Working Group recommended Rs. 97.36 lakhs.

Secondary Education

15.3 It is proposed to upgrade 5 middle schools to secondary schools. Some equipment is also to be provided. An amount of Rs. 366.93 lakhs has been recommended by Working Group.

University Education

15.4 A sum of Rs. 343.78 lakhs has been recommended by Working Group. It was noted that university education was in a formative stage and unless adequate money was provided, it will not be feasible for the university to qualify for UGC assistance. Sub-headwise outlays proposed by the State Govt. and recommended by the Working Group are as follows:

(Rs. lakhs)

	1989-90	
	Proposed	Recommended
Elementary Education	1659	1656
Adult Education	98	98
Secondary Education	454	367
University Education	424	344
Direction & Administration	65	48
<u>Total-General Education :</u>	<u>2700</u>	<u>2513</u>
Technical Education	-	-
Art & Culture	256	230
Sports and Youth Affairs	109	85
<u>Total :</u>	<u>3065</u>	<u>2838</u>

16.5 Against the 7th Plan approved outlay of Rs. 52.50 crores for the Education Sector, Rs. 56.35 crores are likely to be utilised during the first four years of the Plan. This leaves a negative balance of Rs. 3.85 crores for the terminal year of the Seventh Plan. Against this, Rs. 28.38 crores for 1989-90 have been recommended by the Working Group. The outlay for 1988-89 was Rs. 18.85 crores. Thus, a step up of more than 50% has been suggested by the Working Group. This may not be feasible in the terminal year.

Health

16.1 The pattern of rural health structure in Arunachal Pradesh till the end of the Sixth Plan was different from the All-India pattern. New pattern was initiated with the beginning of the Seventh Plan. At the base level, 55 sub centres were identified, but out of the existing dispensaries, none could be identified as primary health centre and community health centre.

16.1.1 During the Seventh Plan, the target was to set up 135 new sub-centres, 28 PHCs and 7 CHCs. By 1988-89, 100 sub-centres were anticipated to be set up. For 1989-90, a target of 35 sub-centres has been proposed by the State Government and recommended by Working Group. This would make a total of 135 sub-centres by 1989-90 (Seventh Plan target). The recurring cost of sub-centres will be met by Deptt. of Family Welfare, Government of India.

16.1.2 By 1988-89, 24 PHCs are anticipated to be set up (against 7th Plan target of 28). A target of 4 has been proposed and recommended for 1989-90. This would make for 28 PHCs by 1989-90.

16.1.3 In respect of CHCs against a target of 7 for the Seventh Plan, 6 are expected to be set up by 1988-89. One CHC was proposed for 1989-90 but Working Group did not recommend any CHC in the terminal year of the Plan.

16.2 High emphasis has been given to the minimum needs programme in the recommendations for 1989-90.

16.3 The incidence of malaria has decline by 15.8% and *P. Falciparum* by 33.6% upto July, 1988 when compared with last year. Out of 9 districts, 5 districts are having TB centres with 182 beds. In case of detection of TB, the achievement was much more than the target. Similar was the position for conduct of sputum examination at PHC. For control of blindness, 114 cataract operations were performed during 1987-88. For April-October, 1988 the number is 75 operations. All the Leprosy patients (1538) were under treatment.

by

16.4 Sub-headwise outlays proposed/State Government and recommended by Working Group are as below:

(Rs. lakhs)

	<u>Proposed</u>	<u>Recommended</u>
MNP	201	165
Hospitals & Dispensaries	127	86
Medical Education and Research	25	19
Training Programme	7	7
ISM & Homeopathy	10	8
Control of Communicable Diseases	20	9
Other Programmes	28	23
C.S.S. - TB & Goitre	5	8
Total:	423	325

Water Supply

Rural Water Supply

17.1 By the end of the Sixth Plan, 1899 villages were reported to have been fully covered with water supply. Another 801 villages were partially covered. During the first three years of the Seventh Plan, 760 villages were taken up for providing water supply. As such, all the 3257 villages (1981 census) in the State have been covered with at least one source of water supply and the State Govt. is trying to augment water supply facilities in the villages by improving service levels as per the norms laid down by the Government of India. It is emphasised that potable water to all the villages as per the standards be given. The State Government proposed 300 villages to be covered under MNP during 1989-90 and the Working Group recommended Rs. 360 lakhs.

17.1.1 It is suggested that village community/organisation should be involved for maintenance of village water supply schemes. May be they would like to raise local level resources to engage a local person for maintenance purposes. Govt. could organise appropriate training and supply necessary basic tools for the purpose.

Urban Water Supply

17.2 There are 102 Administrative and 10 District Centres. Basic water supply facilities have already been provided to all. The State Govt. is trying to augment water supply to meet needs of increased population. Some of these areas are yet to be provided filtered water; 72 administrative centres have some sort of piped water supply and 34 centres were taken up in 1987-88 for augmentation/improvement of water supply. Shri Rakesh Mohan, Adviser, Planning Commission in one of his tour reports observed - A new problem in the State concerns the provision of water for emerging urban areas. Some of them do not qualify for urban areas. It is therefore necessary that clear assessment be made for requirement of water in all the districts and administrative centres so that action may be taken in Eighth Plan. The State Government proposed to complete 137 schemes at 84 places during 1989-90. In addition they suggested that few schemes for Naharlagun, Itanagar, Khonsa and Daporigo may be projected to LIC/GIC for financing.

△ Daimikh,
Balijan

Housing and Urban Development

18.1. For Housing (general pool accommodation) against Seventh Plan outlay of Rs. 480.60 lakhs, the State Govt. anticipates to spend Rs. 871.28 lakhs in first 4 years of the plan. For 1989-90, against the proposed outlay of Rs. 778.78 lakhs, Working Group recommended Rs. 313 lakhs.

18.2. It was observed that construction cost @ Rs. 2500-3000 per sq.mt. is pretty high and efforts should be made to look for local low cost material and design should respect local architecture. The State should plan construction of transit/barrack type accommodation for Govt. employees wherever high demand pressure exists.

18.3 For Police Housing too, the 4 years expenditure exceeded the Seventh Plan outlay. Still the Working Group recommended Rs. 225 lakhs for the year 1989-90. In case of Police Housing too, the observations made for general pool accommodation hold good. For Police residential housing, an outlay of Rs. 225 lakhs was recommended for 1989-90, against their proposal of Rs. 426.46 lakhs.

18.4 For Rural Housing, the balance in the outlay of 7th Plan was Rs. 36 lakhs and this very amount was recommended by Working Group. The scheme for construction of houses @ Rs. 18500 on Indira Awas Yojana pattern was not accepted in the light of discussion held by the Adviser(Housing & UD) and Adviser (State Plans), Planning Commission with the Chief Minister, Arunachal Pradesh and officers of the State Govt. at Itanagar. Housing schemes/ to take note of the tour notes on the subject made by Adviser (H&UD) after his visit to Arunachal Pradesh.

Officers

Public Works

19.1 An amount of Rs. 300 lakhs (against proposed Rs. 624.80 lakhs) was recommended for completion of office building, police buildings and jails. In this case also the P W Deptt. should look for suitable local low cost material.

District Planning

20.1 The Working Group recommended Rs. 330 lakhs for District Planning as untied fund, against same amount proposed by State Govt. Regarding provision for construction of official buildings and staff quarters, it was observed that transit/barrack/hostel type accommodation may be considered where suitable.

Seventh Plan (1985-90)

21.1 As against the 7th plan (1985-90) approved outlay of Rs. 400 crores, Rs. 399 crores were allocated during the first four years of the plan; against which the likely expenditure is Rs. 397.85 crores.

Annual Plan 1989-90

21.2 The approved plan outlay for 1988-89 is Rs. 126 crores. The State Govt. proposed the Annual Plan outlay for 1989-90 of Rs. 272.23 crores i.e. a step up of 116%.

21.3 The Working Groups recommended an outlay of Rs. 181.83 crores i.e. 44.3% higher than the approved Annual Plan/1988-89. Arunachal Pradesh is a special category State; and it had a late start and its resource generating capabilities have not yet emerged. The entire local population is scheduled tribe and the terrain is hilly and difficult.

Resources

21.4 At the official level meeting it emerged that the balance from current revenue shows a deficit of (-) Rs. 16.51 crores, and a negative balance of (-) Rs. 21.59 crores on non-plan capital account. But if estimates of Small Savings, State provident fund, market borrowings & negotiated loans as well as upgradation grant (Rs. 2.65 crores) and grant for special problems of the area Rs. 12.78 crores for school buildings and development of infrastructure are the State's own resources for funding of 1989-90 Plan aggregate to Rs. 8.43 crores, excluding the Central assistance that might be possible.

21.5 In view of the resources position, the final size of the Annual Plan 1989-90 may be determined at the time of discussions between the Deputy Chairman, Planning Commission and the Chief Minister, Arunachal Pradesh, after which sectoral outlay will be finalised in consultation with the State Government.

75
34
1019

**ANNUAL PLAN 1985-90 - ARUNACHAL PRADESH
OUTLAY AND EXPENDITURE**

ANNEXURE-I

Major Head/Minor Head of Development	7th Plan Actual Expenditure (1985-90)		1987-88		1988-89		(Rs. Lakhs) 1989-90	
	Agreed	86	87	88	Approved Outlay	Antcd. Expdr.	Proposed Outlay	Recom by W.
1	2	3	4	5	6	7	8	9

I. AGRICULTURE & ALLIED ACTIVITIES

Crop Husbandry	2000	267	357	444	420	432	769	565
Soil Water Conservation	1600	244	288	329	365	300	575	391
Animal Husbandry	700	143	153	166	198	198	250	217
Dairy Development	100	17	18	23	31	31	40	33
Fisheries	250	41	42	51	56	56	84	80
Forestry and Wild Life Plantations	3000	418	523	562	587	587	1086	970
Food, Storage & Warehousing	-	-	-	-	-	-	-	-
Agricultural Research & Education	60	-8	13	-9	5	-5	10	10
Agri. Financial Institutions	-	-	-	-	-	-	-	-
Other Agricultural Programmes:	150	9	40	29	36	24	37	30
a) Marketing & Quality Control	550	87	111	114	121	121	169	135
Cooperation	-	-	-	-	-	-	-	-
TOTAL (I):-	8410	1234	1545	1727	1819	1754	3020	2431

II. RURAL DEVELOPMENT

S.1. Programmes for Rural Development								
a) Integrated Rural Development (IRDP) & Allied Programmes					236	238	264	282
b) Drought Prone Area Prog. (DPAP)								
c) Integrated Rural Energy Prog. (IREP)	50	1	8	11	18	18	53	25
Rural Employment :-								
} National Rural Employment Prog. (NREP)					23	23	50	44
} Land Reforms	80	8	10	18	19	19	46	24
} Other Rural Dev. Programme (Community Development and Panchayats)	515	69	101	98	96	96	372	114
Total (II):-	645	78	119	107	392	394	785	489

Annexure-I (Contd.) (Arunachal Pradesh)

(Rs. in lakhs)

Major/Head/Minor Head of Development	Seventh Plan (1985-90)		Actual Expenditure 1985-88		Approved Anted. Expend. Outlay		Proposed Outlay		Recommended by Working Group
	1985-86	87	1987-88	88	1988-89	1989-90	1989-90		
1	2	4	5	6	7	8	9		
III. SPECIAL AREA PROGRAMMES									
Resettlement of Scattered Villages	150	25	46	23	23	34	31		
<u>Total (III):-</u>	<u>150</u>	<u>25</u>	<u>46</u>	<u>23</u>	<u>23</u>	<u>34</u>	<u>31</u>		
IV. IRRIGATION AND FLOOD CONTROL									
Major and Medium Irrigation	100	22	10	18	18	179	35		
Minor Irrigation	2300	446	516	460	500	1218	651		
Command Area Development	-	31	32	45	45	385	60		
Flood Control	200	466	558	523	563	1782	746		
<u>Total (IV):-</u>	<u>2600</u>	<u>499</u>	<u>558</u>	<u>523</u>	<u>563</u>	<u>1782</u>	<u>746</u>		
V. ENERGY									
Power	3590	791	1026	1220	1971	3828	2010**		
Non-conventional sources of energy	100	8	29	27	27	115	40		
<u>Total (V):-</u>	<u>3690</u>	<u>799</u>	<u>1055</u>	<u>1247</u>	<u>1998</u>	<u>3943</u>	<u>2050</u>		
VI. INDUSTRY AND MINERALS									
Village and Small Industries	700	106	131	182	182	608	250		
Industries (other than V&SI)	230	18	84	180	180	314	225		
Weights and Measures	25	6	10	18	18	26	20		
Mining	50	1	-	6	6	22	22		
<u>Total (VI):-</u>	<u>975</u>	<u>131</u>	<u>225</u>	<u>386</u>	<u>386</u>	<u>970</u>	<u>517</u>		
VII. TRANSPORT									
Civil Aviation	200	64	77	113	113	120	120		
Roads and Bridges	12000	2737	3609	4050	4075	6615	5830		
Road Transport	500	115	194	167	167	317	275		
Road Safety	-	-	-	-	-	10	8		
Other Tpt-Services (Ropeways)	15	-	-	1	-	7062	6233		
<u>Total (VII):-</u>	<u>14715</u>	<u>2916</u>	<u>3880</u>	<u>4331</u>	<u>4355</u>	<u>7062</u>	<u>6233</u>		

* Includes Rs. 300.00 loan.

Major Head/Minor Head of Development	Seventh Plan (1985-90)	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 Approved Outlay	1989-90 Proposed Outlay	Antcd. Expdr.	Recommended by Working Group
(Rs. in lakhs)								
VIII. COMMUNICATIONS								
IX. SCIENCE TECHNOLOGY & ENVIRONMENT								
Scientific Research (incl. S&T)	12	1	2	3	10	17	10	16
Ecology and Environment	8	1	2	2	3	6	3	6
Total (IX):-	20	2	2	5	13	23	13	22
X. GENERAL ECONOMIC SERVICES								
Seckt. Economic Services	40	3	4	14	15	188	33	63*
Tourism	40	15	17	12	7	80	7	40
Surveys and Statistics	50	4	6	6	15	32	15	25
Civil Supplies	60	11	16	28	40	55	40	50
Small Saving Scheme	-5	-1	-1	-1	1	2	1	-
District Planning (unlied funds)					18	330		330
Total (X):-	195	34	44	61	96	687	96	508
XI. SOCIAL SERVICES								
Education								
General Education	4900	818	1179	1402	1701	2760	1701	2513
Technical Education	100	20	15	-	-	-	-	-
Sports and Youth Services	100	22	34	55	67	109	67	95
Art and Culture	150	39	66	100	117	256	117	230
Sub-Total (Education):-	5250	899	1294	1557	1885	3065	1885	2838
Medical & Public Health	1450	248	269	300	286	423	286	325
Water Supply and Sanitation	2200	605	626	864	568	2012	568	798
Housing (incl. Police Housing)	1100	291	372	617	537	1349	537	574
Urban Development (incl. State Capital project)	50	1	(0.20)	10	12	1131	12	26
Information and Publicity	50	19	22	25	29	47	29	47
Welfare of SC, ST & OBC's								
Labour and Labour Welfare	70	12	19	20	25	81	25	46
Social Security and Welfare	125	14	15	17	19	35	19	28
Nutrition	200	20	47	49	70	90	70	115
TOTAL (XI):-	10495	2109	2664	3459	3431	8233	3431	4797

* Excludes construction of official buildings & staff Qrs.

AP

Arunachal Pradesh - Basic Information

A.	<u>Area</u>	Sq.Kms.	83754
	<u>Administrative Structure</u>		
	Districts		9
	Sub-divisions		27
	Development Bol Blocks		48
	Administrative Circles		102
	Villages(1981)		3237
	Towns		8
B.	<u>Demography</u>		
	Population(1981 census)	lakhs	6.32
	(1987 projected)	lakhs	7.47
	1971-81 Decennial		
	Growth Rate	%age	35.15(India 25.0)
	Density of Population	Persons per sq.kms.	8 (India 216)1981
	Sex ratio	No. of females per 1000 males	862 (India 934)
	Rural population	%age	93.4
	Urban population	"	6.6
	Scheduled Tribes	"	69.7
	Literacy rate	"	20.1 (India 36.2)
C.	<u>Economic classification of workers (1981)</u>		
	Total workers	%age to total population	49.5
	i) Cultivators	%age to total workers	71.2
	ii) Agricultural/labourers	"	2.5
	iii) Household industry workers	"	0.3
	iv) Other & Marginal workers	"	20.0
D.	<u>Important Economic Indicators</u>		
	Foodgrains production	1988-89(anti.) lakh tonnes	2.24
	Average yield of rice	1986-87 Qtls/ha.	11.5 (India 15.68)
	Fertiliser consumption	" Kg./ha.	1.0 (India 48.7)
	Cropping intensity	" %age	111.8
	Per capita power consumption	1986-87 KWH	34 (India 191)
	Road Length(excluding National Highways)	31.3.88 Kms.	4082
	Road Length(excluding National Highways) per 100 sq.kms.	31.3.88 kms.	4.87
	Health Sub-Centres	31.3.89 Nos.	100(Anticipated)
	Primary Health Centres	31.3.89 Nos.	24 (Anticipated)
	<u>Villages(1981)-3257</u>		
	Villages electrified	31.3.89(anti.)Nos.	1117
	Villages connected by road	31.3.87 Nos.	560
	Villages with water supply	31.3.87 Nos.	All the villages covered-Augmentation being done.

PLANNING COMMISSION
(State Plans Division)

Subject: Annual Plan 1989-90 - Assam

A copy of the report of Dr. (Mrs.) I.K. Barthekeer, Adviser (State Plans) on the Annual Plan-1989-90 of Assam is circulated herewith. This will form the basis of discussion between Minister of Planning & Deputy Chairman, Planning Commission and the Chief Minister, Assam to be held on Tuesday the 31st January, 1989 at 3.30 P.M. in Room No. 130, Yojana Bhavan, New Delhi.

Zilay Singh
27/1/89
(Zilay Singh)
Senior Research Officer
Room No. 424, Tel. 2432

Deputy Chairman
Minister of State
Members
Secretary
Special Secretary
Advisers
Consultant (PP)
Joint Secretary (SP)
Chief (Science)
Jt. Adviser (V & SI)

Ministry of Finance
Shri J.L. Bajaj, JS (FB), Deptt. of
Economic Affairs.
Shri G. Haldea, Director (PF) - 4 copies.

Ministry of Programme Implementation
Shri D.Y. Manawwar, Addl. Secretary

Ministry of Home Affairs
Shri K.K. Sinha, JS (NE)
Mrs. S.A. Tirmizi, Dy. Secy. (Finance)

Planning Commission Cir.No. PC(P)2/ASSAM/88 27.1.89

Copy to: Private Secretary to: Private Secretaries to:
Deputy Chairman and Prime Minister
Minister of Planning Cabinet Secretary

Copy also to:
Joint Adviser
Deputy Adviser
SRO/RO concerned in the SP Division.

Copy also to:

Liaison Office, Govt. of Assam in New Delhi. (10 copies)

Subject: Annual Plan 1989-90 - Assam

The Report of Adviser(State Plans) -
Dr.(Mrs.) I.K.Barthakur.

Content

<u>Item</u>	<u>Page</u>
Part-I of the Report General	1 - 9
Part - II - suggestions/ observations	10 - 22
<u>Part - III</u>	
i) Agriculture	23 - 33
ii) Rural Development	34 - 37
iii) Major & Medium Irrigation	38 - 41
iv) Power	42 - 48
v) Village & Small Industries	49-52
vi) Industries & Minerals	53-57
vii) Transport	58-62
viii) Education	63- 65
ix) Health	66-67
x) Social Welfare	67-6
xi.) Sanitation & Water Supply	68-71
xii) Nutrition. LEM	72
xii) Tribal Sub.Plan	72-73
xiii) Spl.Plan - Hill Area Sub-Plan	74
xiv) Plan Size.	75-76
Statement - Sectoral outlay and expenditure	1-3
Annexure - General Information	Annexure

Planning Commission
(State Plans Division)

.....

ASSAM - ANNUAL PLAN 1989-90

REPORT OF ADVISER(S.P) - DR. (MRS.) I.K. BARTHAKUR

PART - I

State Profile

(approx) The Assam State has admixture of social, political, economic, geographical, historical and ethnic problems. Assam with a total area of 78,523 sq kms/ has two distinct natural regions viz., the plains of the Brahmaputra and the Barak Valley comprising 17 districts with a total area of 63,301 sq. kms. and the hill area consisting of two hill districts with an area of 15,222 sq kms. The land area of Assam accounts for about 2.4 per cent of the total land area of the country. Amongst the States in the North Eastern Region, Assam has the widest valley lands with width normally not more than 80 km. and is the most thickly populated area of the Region. Assam is rich in its natural resources but its economic health is very poor.

1.2 Out of 199 lakh population (1981 projected), about 90% of its population (1971 Census) lives in rural areas, and approximately 77% of the workers were engaged in agricultural and allied occupations.

1.3 The average population density in the State was 254 persons per sq. kms. varying from 41 in the hill areas to 335 in the Brahmaputra Valley. District-wise density varies from 21 in the North Cachar district to 400 in Dhubri district. Agricultural productivity is one of the lowest in the entire country. Cropping intensity and use of fertilisers (6.5 kg. per hectare) are also low. The State acts as a corridor to other six States of the North Eastern Region. Its natural resources are good soil, water, climate, mineral oil, natural gas and minerals - especially coal, sand and stones. Assam is a high rainfall area. Monsoons are spread over a period of 6 to 7 months in a year - the average annual rainfall exceeds 2265 mm per annum. Roughly about 7 lakh hectares, about 26% of the net sown area comes under heavy annual floods. The forest area is said to be about 25% of the State's geographical area (78523 sq. kms.), but the actual forest cover estimates are not firm. The main cash crops i.e. tea and jute, dominate the scene. Tea is a well organised industry.

Special Area

1.4 The Plan funds of the State get apportioned to special areas and schemes like hill area development (2 districts), the tribal areas (9.2% population), scheduled caste (6.7% population), Char area (riverine islands - 6.6% population) i.e. (from 7th Plan Document of the State,

INFRA-STRUCTURE

2.1 The State has rich natural resources. There are rich deposit of petroleum, natural gas, coal and limestone. The State with its Brahmaputra and Barak river system has vast water resources. The average annual rainfall in Assam (1983) was as high as 2265 mm as compared to the annual average of 618.8 mm in Punjab.

2.2 The State has all types of resources for power generation viz. water, coal, oil and gas. Total installed capacity of the power projects at the end of Sixth Plan was reported to be 430 MW, which is targeted to increase to 715 MW by the end of the Seventh Plan. Out of the total 21995 villages (1971 Census) 13648 were covered under rural electrification at the end of 1985-86 & by 31st March 1988, 17897 villages have been electrified. This was confirmed at the Wrap-up meeting.

2.3 The State is deficit in foodgrains. The demand of foodgrains on FCI (1986) is 48 % of the total production of foodgrains in the State. The requirement of foodgrains had been estimated at 50 lakhs tonnes per annum by the end of the Seventh Plan. Against this the Seventh Plan target is 44 lakh tonnes. Rice is the principal crop, accounting for about 90% of the total foodgrains. Production of rice during 1987-88 was expected to be about 27.16 lakh tonnes against the target of 35 lakh tonnes. During the current year, the production of rice has fallen to a level of 23.30 lakh tonnes. The State Govt. has proposed 32.00 lakh tonnes as the lowered production target of rice during the last year of the Seventh Plan against the Seventh Plan target of 40.00 lakh tonnes.

2.4 Besides petroleum, oil refineries, petrochemicals and tea, other industries in Assam are plywood, wood products, timber, jute, chemical fertilizer, sugar, paper and engineering goods. There are a number of downstream units based on BRPL products including textile units. Despite possessing vast natural resources, the industrial base of the State continues to be small. This is mainly due to the absence of necessary infrastructure and lack of investment in industry. There were 1721 factories in the State employing about 1.12 lakh in 1984-85.

Built Up Base :

3.1 The State has 44 public sector corporations of which 7 are industrial undertakings. By the end of the Seventh Plan, almost all the 21,995 villages in the State (1971 census) are likely to be provided with water supply; and 17,897 villages have already been electrified by end 1987-88. In the field of education, the State is taking big strides. Total road length in the State was 32.5 thousand km. during 1983 and the road length per 100 sq. km. was 41.4 km., as against 47.3 (1983) for the national road density per 100 sq. km. of the area. Under 'rural health programme', the target set for the community health centres for the Seventh Plan has already been achieved. Targets of PHCs are also likely to be reached; large number of staff, various departments and institutions have been created. The State has all the modes of transport i.e. roads, railways, airways including third line Vayudoot service, pipeline and inland water transport. There is sizeable surplus of power during off peak hours power shortages exist during peak hours. However, the power generation could become surplus if the Bongaingaon thermal project (4x60 MW) given even half of the capacity output on regular basis. The T & D losses were about 21% (1986-87). Assam has already taken up concept of Sub-divisional planning. In short it may be said that Assam has built up a reasonable base in infrastructure, especially in the items mentioned above. But the performance quality is poor.

The quality of performance :

4.1 The roads are mostly unsurfaced (76%); most of the railway lines are of metre gauge, the Broad/ upto Guwahati; the villages electrified are not utilising the electricity as per expectations; institutions and corporations are not performing on commercial footing and most of them are incurring losses, most of the power projects, irrigations, transport sector, and construction activities etc. are showing cost over-runs as well as time over-runs. These are due to (i) disturbed political situation; (ii) delays, and faulty implementation; (iii) lack of proper monitoring (examples - Karbi-Langpi hydel power project and Dhansiri/* (v) inadequacy of resources; (vi) shortages of inputs like cement, iron & steel, (vii) technical/trained manpower etc. All the performance indicators of the State Road Transport Corporation are below the all India norms; the people below the poverty line in the rural

/ guage line is

/* irrigation project (iv) and also for technical problems;

areas are assessed by the Assam Government at 4% (although NSSO estimate is 25 % only); not more than 20 % of the members of the cooperative societies have taken credit, and most of the credit was overdue (85.87 % as on 30.6.1988); 90 % of the Khadi & Village Industries Board institutions (out of 279) were defunct; about 90 % of the population lives in the rural areas with 77 % workers engaged in agriculture and allied pursuits, but the productivity in the agricultural sector is very low- almost all indicators prove it. Assam annually requires import of nearly one million tonnes of foodgrains from Food Corporation of India, and is deficit in foodgrains continuously for almost two decades. As a result, the purchasing power in the hands of the people in the rural areas is extremely low. This creates near absence of affective demand for most of the industrial and other consumer goods and causes a serious demand constraint to growth of income, employment and industries. Consequentially the identified rich resources of the State remain at low level of utilisation.

Weak Agriculture :

5.1 Weak agricultural base which is compounded by annual floods, seems to be the critical link between the available infrastructure and the rich natural resource potential of the State. It is short-circuiting the entire economic system. Appropriate strategy to overcome this fault has been already been suggested.

5.2 Cropping intensity in Assam was yet low; the productivity of foodgrains was only about 11 quintals per hectare as against the national average of 14.6 quintals; fertiliser consumption was as low as 7 kg. per hectare (1987), the State continues to be deficit in foodgrains for more than two decades although approximately 27 lakh hectares of land is under cultivation; irrigation potential of 5.72 lakh hectares (1980-81) (Source: Indian agriculture in Brief ; 20th Edition,

page 286, by Ministry of Agriculture) has been created, but its utilisation is negligible during Rabi season; rich resources of vast areas of valley-lands continue to be idle for a period of 6-7 months i.e. from January to July each year. This cannot be explained by the shortage of rainfall which is one of the highest in the world, or lack of residual moisture, which is adequate for many types of crops.

5.3 Thus, land, man, water and climatic resources remain grossly under utilised. Fundamental constraint lies in the long duration season bound variety of paddy which is common. It keeps the land engaged for too long a period and does not allow intime sowing of Rabi crops. During the Wrap-up discussion 1988-89, as was as 1989-90, the State Govt. representatives informed that priority was being assigned to the suggested strategy to enhance agricultural productivity and production through utilisation of time bound short duration (100 days or less as per suitability) high yielding varieties (HYV) of paddy seeds to remove the constraint of overlapping of seasons for growing three crops per annum. The State Govt. representative informed that the strategy has been accepted. It has been emphasised in the Wrap-up discussion, that productive inputs that really reach the grass root productive process need to be stepped up. Food items must be produced in the region in abundance to meet the growing demand in the region. Dependence on the large scale import of food items and simple manufactured consumer items into the region, has to be reduced. Assignment of a very high priority to the agricultural and allied productive sector seems unavoidable. Though this, the rural youth who are probably 80% or more of the total youths of Assam, will be gainfully employment.

Use of available infrastructure to benefit people:

5.4 It was suggested at the Wrap-up meeting taken by Adviser (SP) that schemes and proposals may be assessed for the ultimate benefits to be derived by the people like more of food; clothings, shelter and other necessities, comforts, health etc. and they should be aimed at with the objective of improving the quality of life of the people. Cost of achieving the objectives need to be carefully assessed. All Plan proposals should take into account all existing institutions, staff and other infrastructure that have already been created, instead of aiming at creation of more of such facilities for each scheme. The cost of functions that cannot be performed by the available infrastructure of staff, institutions, buildings etc. should only be build into new projects/schemes.

Educated Unemployment.

5.5 The problem of the educated unemployment has already surfaced in the region. Modernisation of agriculture will no doubt absorb many in the agriculture and allied sectors and in the village & small scale associated industries. Although skill formulation is taking place, further emphasis on technical education is necessary. Once the agriculture sector become strong, the already created infrastructure including those of corporations, other institutions and institutional finance, will be utilised more meaningfully and the industrial growth in the small and medium industries sector will get accelerated, and offer new avenues of employment. Average size of villages in Assam is large, and these are located at short distances. By the end of the Seventh Plan almost all the villages will have electricity, water and most of them will be linked with the transport network, many institutions and infrastructural facilities like power, gas, oil, tea, jute, timber, manpower already exist. Interplay of the above suggested moves are bound to bring about a structural change in the economy.

Floods and other constraint:

6.1 The most difficult constraint to be overcome is the floods in Assam, that are brought about by the mighty Brahmaputra & Barak rivers and tributaries. This needs massive effort and will take time. Meanwhile immediately in the short-run, one has to live with floods. It will, therefore, be of advantage to understand its pattern and adjust all economic activity for the purpose of taking the best advantage of the given situations. The capital intensive projects should be, as far as possible, sited on high lands which are absolutely flood-free, and adopt cropping pattern in flood prone areas that gives first priority to Rabi crops, followed by pre-Kharif crop.

Plan Perspective

7.1 The Plan outlay and expenditure, beginning from the first Plan onwards, were as follows:-

<u>Plan</u>	<u>(Rs. crores)</u>	
	<u>Approved Outlay</u>	<u>Actual Expenditure</u>
First Plan (1951-56)	21.67	28.00
Second Plan (1956-61)	57.94	63.15
Third Plan (1961-66)	120.00	132.24
Three Annual Plans (1966-69)	89.25	87.12
Fourth Plan (1969-74)	223.75	198.41
Fifth Plan (1974-79)	473.84	428.63
Annual Plan (1979-80)	155.00	159.73
Sixth Plan (1980-85)	1115.00	1279.79
Seventh Plan (1985-90)	2100.00	-
<u>Annual Plans</u>		
1985-86	410.00	400.92
1986-87	500.00	499.02
1987-88	575.00	572.40
1988-89 *	610.00	614.25 ₹
1989-90		(anticipated)
a) Proposed	960.54	-
b) Recommended by the Working Group	765.57	-

* The originally approved outlay was Rs. 610.00 crores subsequently Rs. 4.25 crores of additional central assistance was allocated for improvement in certain medical specialities)

&The State Govt. has reduced the Plan size -/- by Rs. 120 crores.

Financing of the Plan

SEVENTH PLAN 1985-90

8.1 The Seventh Plan of Assam was agreed to be financed as follows:

	(Rs. crores)
Plan Outlay	2100.00
State's own resources	95.02
Opening deficit/surplus	(-) 60.10

State's Net Resources	34.92
Central Assistance	2065.08
Aggregate resources	2100.00

8.2 - The over view of the Seventh Five Year Plan (1985-90) is given below:-

Year	(Rs. crores)			
	States own resources (Net)	Central Assistance (Net)	Approved Plan Outlay	Expenditure
1	2	3	4	5
1985-86	(-) 16.99	406.88	410.00	400.90
1986-87	(-) 48.84	470.29	500.00	499.02
1987-88	(-) 79.87	528.52	575.00	572.40
1988-89	(-) 238.33	542.40	610.00	610.00*
1989-90 (Assessed)	(-) 369.32			

Annual Plans-1985-86, 1986-87, 1987-88 and 1988-89:-

9.1 Against the Annual Plan outlays of Rs. 410 crs., Rs. 500 crores, Rs. 575 crores for 1985-86, 1986-87 & 1987-88 respectively the actuals expenditure were Rs. 400.92 crores, Rs. 499.02 crores and Rs. 572.40 crs. The State Govt. anticipates to reduce the size of the plan during 1988-89 by Rs. 120 crores.

Annual Plan 1989-90:

9.2 The State Govt. proposed an outlay of Rs. 960.54 crores for the Annual Plan 1989-90. The Plan proposals were considered by the respective Working Groups. The recommendations of the Working Groups aggregated to Rs. 765.57 crores which indicates a step up of 24.5% over the approved revised outlay of Rs. 614.25 crores approved for 1988-89. The sector-wise details of the Plan outlay/expenditure are given in the Statement at Annexure-I. Main sectoral allocations are given below:

* The State Govt. has reduced the Plan size by Rs. 120 crores.

Sectorwise outlay and expenditure - Annual Plan 1989-90 - Assam (Rs. crores)

Major Head	7th Plan 1985-90 Agreed Outlay	Actual Expendr. 1985-86	1986-87	1987-88	1988-89 Approved outlay	Anti-Expendr.	Total of 4 years	1989-90 Proposed outlay	Recommended by Working Group
I. Agriculture and Allied Activities	306 (14.6)	61	78	89	95	95	322 (15.42)	108	107 (13.84)
II. Rural Development	128 (6.1)	21	22	25	24	28	95 (4.56)	30	27 (3.49)
III. Special Area Programme	10 (0.5)	1	2	3	2	2	8 (0.38)	4	2 (0.28)
IV. Irrigation & Flood Control	334 (15.9)	57	67	72	74	74	270 (12.92)	157	100 (13.13)
V. Energy	437 (23.2)	111	120	127	142	142	500 (23.93)	259	213 (27.86)
VI. Industry and Minerals	102 (4.9)	20	24	34	44	44	123 (5.86)	57	50 (6.59)
VII. Transport	162 (7.7)	32	36	42	47	47	158 (7.55)	60	51 (6.68)
VIII. Communications	-	-	-	-	-	-	-	25-	-
IX. Science, Technology & Environment	5 (0.2)	1	1	1	1	1	4 (0.20)	3	2 (0.23)
X. General Econ. Services	8 (0.4)	1	1	3	14	14	19 (0.92)	20	19 (2.43)
XI. Social Services	501 (23.8)	88	126	151	153*	158	522 (24.98)	218	179 (23.35)
XII. General Services	57 (2.7)	8	22	25	13	13	69 (3.28)	20	16 (2.12)
GRAND TOTAL:	2101 (100)	401	499	572	614*	618	2090 (100.00)	961	765 (100.00)

* Rs. 4.25 crores of addl. Central assistance was allocated to certain specific medical specialities

Part - II

10.1 During the wrap up discussion, the Adviser (SP) mentioned the following aspects which need to be kept in view:

PROJECT
FORMULATION

It is important to formulate projects in detail. The physical targets, the objectives, the goal, time phasing and financial requirement should be seen and detailed clearly. The project report should show the benefits that would accrue to the people. Cost effectiveness of the proposal should also be examined. At what unit cost the proposed benefit is sought, should be spelt out wherever feasible.

10.2

MONITORING

Monitoring at various levels will help to avoid time over-runs and cost-runs.

JHUM

10.3.1

For replacing Jhum, it has been clearly understood that people resort to jhum cultivation for meeting their food requirements. Continuation of this primitive practice of cultivation points to the fact that the efforts of the agriculture and other allied sectors have either failed or have not been adequate in the areas where this practice is persisting. Agricultural sector, has, therefore, to play a very cardinal, constructive and aggressive role in assisting people to improve yields and productivity of their jhum land and simultaneously to develop permanent cultivation not only for growing food crops but also for growing of vegetables and other food items. Agriculture in the hills cannot be left to be handled by primitive techniques. At the same time, public distribution system needs to be strengthened. People have to be provided food security. This approach coupled with scientific working of community/private forest, will relax and reduce pressure on the hill lands.

10.3.2

To overcome the disadvantages of shifting cultivation and to help people to live a better quality of life and also to conserve and develop ecology of hills, a strategy to replace jhum has been evolved. It suggests multi-disciplinary integrated

area development approach where pooling of resources and efforts of all departments and other developmental agencies is considered necessary. The focus is on evolving location specific integrated package of schemes that provide sustainable income generating alternatives and settled cultivation to replace jhum without disturbing settled villages. A central sector scheme is in operation since 1987-88. The strategy may be extended to all jhum areas by the State Government.

- 10.3.3- A number of schemes are in operation to control/replace jhum in the state, i.e., through the Ministry of Welfare; Ministry of Agriculture; Tribal Development Corporations; North Eastern Council; Soil Erosion Department of the State Govt.; through afforestation programmes; other State level schemes; through the Agriculture Deptt., etc. It is very essential that all these are consolidated and integrated under a nodal Deptt., appropriately under Agriculture.

10.4-

MODERNISE
AGRICULTURE

The cropping intensity, use of high yielding varieties of seeds, fertilizers and other modern inputs continue to be low. In order to encourage these, especially to enhance cropping intensity, it is necessary to introduce short duration (less than 100 days) time bound high yielding varieties of paddy seeds during Kharif season, so that the paddy crop is harvested during the month of September/October and the paddy lands become vacant for planting of various Rabi crops during the optimum sowing season. The optimum sowing season closes by the end of October in most of the States and by the middle of November in some States of the NE Region. It is necessary to link propagation of seeds to this approach.

/also

SEEDS 10.5-

Non-availability of required quality short duration (less than 100 days) varieties. The right varieties of seeds are either not available, or are not available in time and in the required quantities. The situation is compounded by the problem of transportation and distribution of seeds. It is necessary to place timely advance orders for the procurement of foundation seeds.

/including

the same in the State farms and seed growers' farms. The State Govt. may develop a suitable seed production strategy for becoming self sufficient.

10.6- LAND TENURE (especially in the hills, In certain areas, the existing land tenure system is inhibiting permanent asset formation on land based activities. The State Govt. might like to give attention to this aspect and evolve suitable policy/strategy.

10.7- ACID SOILS Wherever Rabi crops are planned to be taken up, soil acidity levels should be corrected for the requirement of the selected Rabi crops.

10.8.1- IRRIGATION Wherever irrigation potential has already been created, it should be linked with crop husbandry programme. Irrigation by itself is of no consequence.

10.8.2- Irrigation schemes/proposals may be examined first from the potential it will create for irrigating Rabi and pre-Kharif crops (Ahu/Ahus). Since the rainfall during Kharif season is very heavy, the true benefit of irrigation is to be judged from its likely impact on Rabi and pre-Kharif crops. During Kharif season, the main problem might be of drainage of water.

10.8.3- shallow tubewell Due to the terrain problem, major and medium irrigation projects of long gestation period are less advantageous than the minor irrigation projects. Wherever necessary and feasible, minor irrigation projects need to be taken up on higher priority and firmly linked with crop husbandry and modern inputs. A coordinated approach to the development of crop husbandry with modern inputs and linkage of irrigation is necessary.

FORESTS 10.9- Very heavy deforestation is taking place for a number of reasons, including jhumming (in the hills) & commercial interests. The State Govt. may take necessary steps and make a suitable policy for preventing unregulated tree felling in the hills.

10.10-

HORTICULTURE

Lat

The development of horticulture seems to hold good promise. The North Eastern Council is already preparing a regional perspective on the development of horticulture. Although the conditions for the development of horticulture seem conducive, it is important that transport and market linkages are seen and planned well ahead of fruiting of the crops. It is important that the areas which specialise in horticultural development also produce foodgrains to meet at least partial requirements of the people. In addition, the State Government must strengthen public distribution system and make food available to the people engaged in horticultural development.

SERICULTURE 10.11-

Development of sericulture in the North Eastern Region needs to be linked with availability of adequate numbers of food trees for the silk worms. Plantation of such trees under various afforestation, social forestry development schemes and the like programmes, need to be encouraged.

PRODUCTIVE
SECTOR

10.11-A

Lat and other
production sectors

People are fond of eating meat/fish. Modern techniques to increase livestock of quality and quantity may be used. High priority needs to be given to the productive aspect of agriculture and allied sectors for the development process of the State.

INSTITUTIONAL
FINANCE 10.12-

The credit-deposit ratio continues to be adverse. It is essential that more and more institutional finance is linked with various developmental activities/enterprises. The constraint to the same may be identified and conditions conducive to linking of institutional finance may be created.

CORPORATIONS

10.13-

A number of corporations have been set-up or are being created. It is essential that viability of the corporations that are under consideration is properly examined and benefits clearly seen before they are set up.

The performance of existing corporations' may be improved to the optimum level. The assets invested must bring best results.

The accounts of the existing corporations need to be regularly audited and their viability monitored.

DECENTRALISATION
OF PLANNING
PROCESS

10.14-

Much thought has already been expressed on decentralisation of planning process. A further step to decentralisation at district level will be to consider allocation of a part of State Plan resources to the village authorities as is in vogue in the form of Village Development Boards in Nagaland. The people of Nagaland have used the village funds allocated on per household basis, on schemes which they considered their felt needs. In order to accomplish the tasks, the village community also contributed effort and their own resources and achieved much higher throughout. The State Govt. might like to consider a similar approach/strategy for satisfying the felt needs of the people at village level and also for involving community in the planning process.

REACH PEOPLE

10.15-

By way of reminding, it might be worthwhile to give a fresh look to the plethora of plan schemes, projects and programmes to assess what reaches the people and how the plan effort was helping them to improve their quality of life and standard of living. Efforts may continue to be made to reduce soaking of funds in uneconomic ventures.

OBJECTIVE OF
PLANNING

10.161- The basic objectives of planning was recalled. In that light, it was mentioned that all the planning and development departments, officers and staff, various other organisations, institutions, corporations, office buildings, residential buildings for staff, vehicles and other infrastructure have been created with the objective of extending benefits, facilities, consumables that go to improve the life standards of the people and enhance the welfare of the people. This point needs to be kept in full focus for all planning activities. Before starting a project or a scheme, it will help to assess what real benefits will reach the people and also to ascertain that resources were not going to be soaked up in various impervious layers like staff, organisation, vehicles, equipments, buildings etc. To achieve this, it will further help to examine unit cost of the output of the benefits that are expected from the proposed project or a scheme. Performance of the existing output oriented departments in terms of unit cost of their output should also be assessed. For example, if the output cost of one kg. of raw silk produced by the sericulture department comes to Rs. 1 lakh, obviously there was something serious, and the programme needs to be re-examined. Therefore, the officers and staff engaged on planning and implementation of development works have to feel this responsibility and be prepared to be fully accountable to the people and to the future generations.

10.16.2-

thus

The first and the foremost objective of the total development effort is to improve the quality of life of the masses. All schemes and projects should, therefore, be tested on this touch-stone whether the completion of the project/scheme will bestow any benefit to the people for improving their quality of life and raising their standard of living. Hence, it is important to bear in mind that the first priority schemes should be such that create conditions for the people to move towards attaining the above objective.

10.17.1-

TERMINAL YEAR
OF THE PLAN

The year 1989-90 is the terminal year of the Seventh Five Year Plan. It could, therefore, be treated as the year of "consolidation and completion" of projects so that the achievement of the year could be compared against the Seventh Five Year Plan targets.

10.17.2-

The year 1989-90 will also become the base on which the Eighth Five Year Plan will have to be founded. Therefore, intensive efforts are required to complete the on-going schemes/projects so that new projects and new schemes could be identified and scheduled to be taken up during the Eighth Five Year Plan.

10.17.3-

The schemes that have been completed during 1987-88 and 1988-89 and those that will be completed during 1989-90, may be listed and schemes that will spill over to the Eighth Plan may be separately identified.

10.18-

NEW
EXPENDITURE
NOT TO BE
COMMITTED

A number of new posts, construction of buildings and purchase of vehicles have been proposed. It was suggested to the State Govt. that new expenditure on these items may not be committed, especially on the start of new buildings when a very large portfolio of buildings including some buildings that were taken up during the Fifth Five Year Plan, were continuing to be under construction - due to shortages of material. Therefore, in all the sectors these expenditures should be kept under strict check during 1989-90.

10.19-

RESOURCES SHOULD
NOT BE SPREAD
THINLY

The resources should not be spread thinly on a large number of projects but concentrated on projects that could be completed in the shortest possible time. This will bestow benefits to the people at the earliest. Only through this approach, aspirations of the people in real terms can be met. Thin spread of resources create hope that leads to disappointment if the projects are not brought to fruition in the expected time schedule.

ROADS

10.20-

Faulty construction of roads cause serious disturbance to fragile eco-system. Roads may be planned properly and constructed as per designs that prevent disturbance to ecology and environment.

HOUSING

10.21-

accommodation for staff exists and where local houses on rent are not available, construction of transit

The local housing designs should respect local architecture and use local materials. As far as possible, institutional finance through schemes like self-financing etc. may be used. Where acute shortage of housing accommodation/barrack accommodation could be considered.

MAINTENANCE
OF ASSETS

10.22

Permanent assets have been created with scarce resources and with a great deal of effort. These should be maintained properly and not allowed to get into disuse or damage.

Within the state, there are comparatively less developed areas. These may be given special attention for speedy development.

10.23-

INPUT OF SCIENCE
& TECHNOLOGY

Science & Technology Council has already been constituted. The State Govt. may involve the council input to all Sectoral plans. Similarly, State Govt. may use various technical institutions situated within the State or in the region, and involve them to innovate and introduce scientific and technological improvements for enhancing productivity and reducing drudgery in various sectors.

SHORTAGES 10.23-
OF TECHNICAL
PERSONNEL

The shortages of technical personnel continue to be a serious constraint. A systematic multi-directional effort is necessary to train as well as to attract qualified and experienced technical personnel.

EMPHASIS ON 10.24.1-
CONSUMABLES

The general infrastructure sector, for the North Eastern Region as a whole, especially, transport system and specialised manpower, is considered weak in the North Eastern Region. To overcome this situation, high emphasis over the years has been laid on the development of infrastructure. Heavy investments on this sector are continuously being made. Intra-sector infrastructural expenditure made on various sectors of the State Plans, the NEC Plan, and the Central sector scheme too is also high. A large number of departments, organisations and institutions have been set up. All these investments have increased demand for consumables.

10.24.2-

However, the productive sector has not kept pace with the increased demand - which has risen both qualitatively and quantitatively. The agricultural and allied productive sectors have remained more or less stagnant. Most of the primary and manufactured/consumer goods and/ goods are brought into the region. Therefore, it is urgent that maximum resources in real terms go towards inputs that enhance actual production of consumer goods. Innovative inputs and people's involvement towards this objective may also be encouraged.

Intermediate

INCREASING
AGRICULTURAL
PRODUCTION IN
FLOOD FREE
AREA

10.25- There was a substantial flood free area where there was a vast scope for increasing agricultural production.

TWIN STRATEGY
OF AGRICULTURAL
PRODUCTION

10.26- The State should adopt the twin strategy of agricultural development, viz., three crops for the plains in the flood free area by introducing short duration (100 days or less) time bound VV varieties of paddy and skipping of Kharif crop in the flood prone areas. There is a need for evolving suitable crop rotation so that the flood danger period to the crops could be avoided.

10.27- Various agencies engaged in scientific //

10.28.1 Twin Strategy for Agricultural Development:

// research should popularise science and technology and take it to the interior areas of the State.

A. STRATEGY FOR THE PLAINS:

- The 'green revolution' is yet to come to the state;
- The low agricultural productivity cannot be explained away by shortage of rainfall. Assam is high a rainfall area;
- The principal reason is that locally available varieties of paddy take a long time to mature so that it is often not possible to raise the second rabi crop;
- This can be overcome by short duration (less than 100 days) high yielding time bound varieties of paddy which can be planted in large contiguous areas, supplied with modern agricultural inputs including pest control measures credit and extension ~~support~~ support and utilisation of minor irrigation potential;
- Short duration (less than ¹⁰⁰ days) time bound Kharif high yielding varieties of paddy will lead to vacation of lands well in time for sowing of rabi crops within the optimum sowing season;
- The resulting increase in cropping intensity will lead to a significant increase in agricultural productivity, production, incomes and employment and lay the base for village and household industries, where educated unemployed could find gainful employment.

B. THE REPLACEMENT OF JHUMMING IN THE HILL DISTRICTS:

10.28.2 (i) When the population pressure was low, the practice of jhumming or shifting cultivation was beneficial. However, with the increasing population pressure the jhum cycle is becoming shorter, productivity of land is going down leading to soil erosion, impoverishment of the people and deterioration of the environment.

(ii) The practice of jhumming is all pervasive in the rural areas. Replacement of jhumming raises complex and multifaceted issues due to :-

- Ethnic diversity;
- Variety of land holding rights;
- Varying degrees of accessibility to the area;
- difficult hilly terrain.

(iii) Jhumming being all pervasive and a way of life, no isolated scheme of jhum replacement is likely to succeed, nor can one promise quick short-term solutions to these complex problems. An experimental approach laying emphasis on location specific strategies is called for at this stage.

(iv) To achieve positive results, replacement of jhumming should be the central focus of all development activity in the rural areas of the North Eastern hills. Resources, plan, non-plan of Government Departments and all agencies such as Tea Board, Spices Board, Coffee Board etc. should be pooled to evolve viable integrated packages and schemes suiting specific local needs and conditions of the jhum cultivation and the area.

(v) To ensure adequate coordination, the package of schemes for a group of villages or designated administrative unit should be managed by a project officer who will coordinate the activities of all field departments. At the state level, a full-time senior Development Officer should be responsible for planning and providing logistic support.

(vi) Since jhum is the problem of food security, the emphasis of the programme should be on a mixture of the following:-

- (a) Adoption of techniques which in the short term can help to enhance the productivity of existing jhum cultivated area;
- (b) Promotion in the medium-term of settled cultivation on scientifically cut terraces with top soil retained and efficiently managed valley-bottom-lands to be developed as per potential and needs of such area. Irrigation is a pre-requisite for these.
- (c) In remote inaccessible areas it will be necessary to develop settled cultivation for achieving self-sufficiency in foodgrains and other food items, if people are to be persuaded to abandon jhuming;
- (d) The same level of self-sufficiency in foodgrains and other food items is not necessary for villages situated on or near a road system, where many other alternative income generating avenues and other farming systems including intensive horticulture and cash crops can prove viable and provide supplementary source of income.
- (e) Wherever there is emphasis on horticulture or cash crops, it will be necessary to link markets and develop the public distribution system for supply of foodgrains and other essential items. Otherwise people will be reluctant to abandon jhuming if they suffer economic loss and fail to get their food requirements;
- (f) Lands for the development of horticulture and roads should be linked through advance planning so that transport bottlenecks do not hamper the marketing or produce at remunerative prices. Whenever emphasis is on the development of horticulture or cash crops, it will be necessary to plan setting up of processing units and proper packaging at well-designed locations so as to save on transport costs through reduction in weight

etc. Simultaneously, these programmes should be linked to programmes of training in human resources development and provision of social services in the villages so as to provide new opportunities for employment to the affected youth and also improve the quality of living in the villages.

- (g) Since jhum cultivators are not nomads, development activities, particularly, those based on land should be planned in the vicinity of settled villages. As far as possible, a hill village should be taken up as a unit of coordinated development activity. This will, among other things, help to mobilise the local communities for purposes of development. It is essential to make full use of local level institutions to enlist peoples' cooperation for development, especially, in the selection of a suitable use of land for appropriate crops and schemes.

ASSAM-ANNUAL PLAN 1989-90

PART - III

SECTORWISE PROGRAMME

Agriculture and Allied Services

Foodgrains:

11.1 Assam, which was almost self-sufficient in foodgrains during the first two Five Year Plans, has, become progressively deficit in foodgrains. The increase in foodgrains has not kept pace with the increase in demand. Self-sufficiency is not expected even at the end of the Seventh Plan. The target for the Seventh Plan was fixed at 44.00 lakhs tonnes of foodgrains, as against an estimated requirement of about 50 lakh tonnes.

11.2 Production of foodgrains during the decade 1970-71 to 1979-80 had almost remained stagnant with 20.34 lakh tonnes in 1970-71 and 20.30 lakh tonnes in 1979-80. The highest production during the decade was recorded at 24.03 lakh tonnes during 1977-78. However, increasing trend*the Sixth Plan was reported at 27.73 lakh tonnes during 1982-83. The production of foodgrains during 1984-85, the closing year of the Sixth Plan was 26.70 lakh tonnes.

*was observed during the 6th Plan. The highest production during

11.3 During the Seventh Plan, the highest recorded production so far was at 30.30 lakh tonnes during 1985-86. In the subsequent two years, however, production declined on account of adverse weather conditions i.e. 25.87 lakh tonnes during 1986-87, against the target of 35.41 lakh tonnes; and during 1987-88, against the target of 38.30 lakh tonnes, production was 29.06 lakh tonnes. Keeping in view the production level in the last two years, the target for 1988-89 was set at a lower level of

36.90 lakh tonnes which too has not been achieved.. The Working Group agreed to a target of 38.25 lakh tonnes for 1989 - 90.

11.4 A strategy to achieve higher productivity and production has already been explained to the State Govt. For translating the strategy into action, the State Govt. has to take necessary steps. The targets could be achieved in a single year, provided serious efforts are made by the State Government.

11.5 Rice is the principal crop constituting about 90% of the total production of foodgrains. During the Sixth Plan period production of rice had been within a range of 22.36 to 25.83 lakh tonnes during 1981-82 and 1982-83 respectively. It reached a record level of 28.47 lakh tonnes during 1985-86. During 1986-87 and 1987-88 it declined to 23.85 and 27.16 lakh tonnes respectively. The target for 1989-90 had been fixed at 35.00 lakh tonnes, if although the potential is much higher.

11.6 Productivity of rice is quite low compared to the all India average. After reaching 11.22 quintals/ha. during 1982-83, it declined to 10.94 quintals/ha. during 1984-85. During 1985-86, the best production year, yield was recorded at 11.55 quintals/ha. as against the all India average of 15.68 quintals/ha. The State Govt. is operating the centrally sponsored scheme of Special Rice Production Programme in 37 blocks where production has increased by 12%.

Commercial Crops (including Tea)

Oil Seeds

11.7 Rape seeds and mustard is the main crop and these account for nearly 93% of the total oilseeds production in the state. Sesamum does well in the state and its cultivation is being encouraged. Sunflower cultivation could be tried. A World Bank aided soyabean project was implemented from 1987-88. Total oilseed production during the Sixth Plan increased from 1.12 lakh tonnes (1980-81) to 1.53 lakh tonnes (1983-84) but declined 1.37 lakh tonnes during 1984-85. In 1985-86, the first year of the Seventh Plan, it was 1.50 lakh tonnes. Increasing trend has continued with 1.89 lakh tonnes during 1986-87, 2.02 lakh tonnes during 1987-88 and anticipation is 2.65 lakh tonnes during 1988-89. The yield of mustard was reported to be 500 kgs/ha in the same year. The Working Group stressed the need for increasing

/to

SUGARCANE AND JUTE:

11.8 Sugarcane production has been of the order of 19.71 lakh tonnes during 1985-86 and 21.17 lakh tonnes during 1986-87. However, it declined to 18.83 lakh tonnes during 1987-88 and anticipated at 25.66 during 1988-89. During 1989-90 a target of 33.13 lakh tonnes of sugarcane production has been recommended by the Working Group. /is

Jute is the other important crop. Its production was the highest during 1985-86 at 12.32 lakh bales but declined to 9.98 lakhs bales during 1986-87 and 9.26 in 1987-88 and is anticipated to be 10 lakh bales during 1988-89. During 1989-90, 10.48 lakhs bales of jute production has been recommended. The target for terminal year of the Seventh Plan was two lakh bales.

PRODUCTIVELY NEEDS TO BE ENHANCED :

11.9 The State Government has to make very special and determined efforts to increase crop productivity. Intensive cultivation with high yielding varieties of seed and increased use of fertiliser and other inputs has to be practised. All irrigated areas must produce three crops and that too with full complement of modern inputs. Area under HYV of rice in the State is showing a steady increase. However, it is not reflected in the proportionate increase in production.

FERTILISERS:

11.10 Average consumption of fertilisers consumption was only 6.50 kg/ha. as against more than 50.0 kg/ha. for the country as a whole (1987-88). Total N.P.K. consumption is anticipated to be only 24 th. tonnes in 1987-88 against a target of 1.61 lakh tonnes by the end of Seventh Plan. The State representatives informed the Working Group that lack of timely and adequate availability of fertilisers was the main factor affecting its consumption in the State. He stated that the Ministry of Agriculture had assured the State Government all possible help in meeting the fertiliser requirement of the State. Since the soil acidity level were high, the State Government was advised to increase the use of

.....-/-

line/Udaipur Rock Phosphate.

SEEDS:

11.11 It was noted that the Government of Assam was making efforts to increase production of foundation seeds through Assam Seeds Corporation and the Assam Agricultural University. The State has 52 departmental farms of different sizes. There is one Central Sector farm of about two thousand hectares in the State. The State is trying to create the existing farms as model seed production farms. The Working Groups in 1988-89 emphasised that the State Government should follow a comprehensive seed strategy with a view to raising adequate production of nucleus foundation breeder and certified seeds. This will have a number of advantages accruing to the State. A strategy paper was prepared and earlier handed over to the concerned officers. A definite seed multiplication programme is essential. The State must achieve self-sufficiency food and in seed multiplication, if the economy of the State has to revive on sustainable basis.

In order to take a quantum jump in production of foodgrains for achieving self-sufficiency and surplus, acclimatised suitable high yielding time-bound, short duration (100 days or less as per suitability) varieties of seeds, especially of paddy, are required so that ~~harif~~ paddy lands are vacated during the month of September - October for sowing of Rabi crops during the optimum sowing season.

11.12 The non-availability of required quality and quantity of seeds could become a serious bottleneck unless the State Government seriously takes up production of required seeds. Under the seed production strategy, initially it might be necessary to procure nucleus/foundation seeds and multiply them under local agro-climatic conditions. This measure will obviate the need to use transport facility to bring truckloads/railway rack loads of certified seeds into the State at stress times of the transport system. Seeds produced within the State will not only be acclimatised to the local agro-climatic conditions, but will also become available in time for sowing. It is estimated that roughly about one quintal of foundation seeds of high yielding variety of paddy, if multiplied and

fully used as seeds in two successive sowings, will adequate quantity of certified seeds to cover approximately 1.4 lakh hectares of net sown area. For seed replacement, 1/3 quantity of seeds will be needed. In Assam, one truck load (10 tonnes) of nucleus seeds could lead to enough certified seeds to plant 14 lakh hectares of net sown area under Kharif paddy.

STRATEGY TO ENHANCE PRODUCTION OF
FOODGRAINS REITERATED.

11.13 For the flood free areas, use of suitable short duration (100 days or even lesser days as per requirement) time bound high yielding varieties of paddy, which could be harvested latest during the month of October, was stressed. The popular local season bound varieties of kharif season paddy takes long time to mature, due to which, the optimum sowing season of Rabi crop is lost. The constraint could be overcome by use of time bound short duration (100 days or less) high yielding varieties of paddy seeds. This would vacate the paddy fields in time for sowing various Rabi crops. The expectation is, the paddy fields will be vacated in time for sowing of the Rabi crops, and since the time bound short duration paddy seeds, both for dwarf as well as tall varieties available in the country, are of high yielding variety, change of seeds (HYV) itself, would lead to increase in productivity per hectare. The response of traditional varieties of paddy to fertilisers is poor, but the high yielding varieties vigorously respond to fertiliser input. Fertilisers will be used only if the people get benefits from the use of fertilisers. Continuation of non-high yielding varieties of paddy may be one of the reason why people do not use fertilisers.

11.14 In Assam, due to a number of considerations, high yielding paddy varieties should be planted in large contiguous areas (Pathar), supplied with modern agricultural inputs including pest control measures, credit and extension support, making full use of irrigation potential already created. The time bound short duration high yielding varieties of paddy (100 days) would lead to vacation of paddy lands in time for sowing of Rabi crops like oilseeds, potatoes, garlic, onions, and wheat etc. in Sali paddy lands well within the optimum sowing season. This will increase cropping intensity, lead to significant increase in agricultural productivity, increase total production,

incomes and employment levels and also diversify agricultural output and employment avenues. Quantum jump in agricultural and allied activities would become possible. Its spin-off benefits are likely to have favourable influence on almost all the other sectors of the economy. However, immediate advantage would be self-sufficiency in foodgrains, improved quality of life of masses of people, reduction in foodgrains imports into the region will save hundreds of crores of rupees in the hands of the farmers that would create domestic demand that would encourage and sustain large number of industries. It will also ease transport bottlenecks. The household and small scale industries will receive special support from the sector. It will speed-up structural change and in the process open up job opportunities, even for the educated youth.

11.15 There are a large number of Rabi crops like wheat, potatoes, onions, garlic, oilseeds, pulses and many other crops that could be grown in the area. Surplus of inferior grains and other food items could be fed to livestock/ poultry.

FLOOD PRONE AREAS:

11.16 In spite of best efforts that might be made both by the State Government as well as the Central Government, there is no escape to living with floods for some time. Therefore, it would be prudent to evolve a strategy which accepts the floods as a recurring feature till such time the floods are controlled. Therefore, for flood prone areas a separate strategy is suggested. For such areas, (estimated to be about 6 to 7 lakh hectares out of more than 26 lakh hectares of net sown area), there is an urgent need to re-adjust the cropping pattern to avoid/by-pass the flood prone period. The main season for such areas should be of Rabi crops that could be sown after the flood waves are spent. After Rabi crop, Ahu crop could also be taken. Paddy nurseries could be raised near tanks, lakes, ponds and other water sources. But in other rainfed areas, suitable Ahu crops that would grow on the available soil moisture, including nightly dew which is usually copious, need to be identified and popularised. In the flood prone areas, kharif or sali season crops could either be foregone or taken as a bonus crop and that too if it will not obstruct and overlap the Rabi season.

/and

.....-/-

Land

11.17 During his visit to Tura (27 December, 1987), the Prime Minister emphasised that the Agriculture Sector in the North Eastern Region was yet a weak link. It needs strengthening. The research findings and suitable agronomical practices must reach the farmers field. There is much scope for increasing agricultural production and productivity in the region, and perhaps three crops in place of one crop could be grown with right seeds of short duration varieties. Proper extension of useful advances in science, technology, research should be made. The most important aspect was that the people in hills must switch away from the traditional jhum cultivation and occupations. That would improve their forest, beauty of environment and income. Horticulture in the State has very good potential. Surpluses of horticultural produce will have to be linked with transport and marketing.

11.18 Real term inputs, including extension, to enhance actual production must receive over-riding priority. This would be true for all sectors.

ANIMAL HUSBANDRY:

11.19 Production of milk was reported to be about 5.50 lakh tonnes and of eggs 348 million at the end of the Sixth Plan. The Seventh Plan target is to produce 7.07 lakh tonnes of milk and 477 million of eggs. Production during 1987-88 was 6.13 lakh tonnes of milk and 438 million of eggs. For 1988-89, the target has been fixed to produce 6.35 lakh tonnes of milk and 472 million eggs. However, it is anticipated to achieve 6.28 lakh tonnes and 459 millions respectively. For 1989-90 a target of 6.70 lakh tonnes of milk production has been fixed.

11.20 The Working Group noted that many of the proposed schemes under this sector concern with livestock breeding farms etc., and distribution of livestock to targetted beneficiaries. Animal husbandry programmes should, therefore, aim at production and sustenance of high quality livestock as well as poultry, duckery etc. and reach benefits to rural poor.

11.21 Average annual productivity of milk per milch animal was low. There was much scope for its improvement through (1) intensification and extending the scope of cross breeding, of;

..... -/-

(ii) Grading of local buffaloes through Murrah and Surti buffalo breeds; (iii) popularisation of high yielding fodder varieties appropriate for varied agro-climatic regions;

11.22 Availability of green fodder and feed is necessary for enhancing milk productivity. The State Government had proposed Rs. 23.52 lakhs for fodder development during 1989-90 as against the Rs. 11.50 lakhs during 1988-89. The proposed outlay was endorsed in full by the Working Group. However this should not be used in staff buildings and fencing and vehicles, but should go actually to enhance fodder production.

11.23 The State Government's proposal of meat processing expansion and establishment of pork processing plant, was considered by the Working Group. It recommended Rs. 15.00 lakhs and advised that these alongwith slaughter house scheme (Rs.1 lakh) may be combined/improvement of slaughter houses; to get the matching central share during 1989-90.

Las

11.24 To increase productivity of Poultry and ducks the Working Group recommended (i) introducing superior germ-plasm on a wider scale; (ii) intensification of poultry products marketing; (iii) supplying balanced poultry feed and (iv) training of farmers, especially, women.

11.26 It was observed by the Working Group that under a Centrally Sponsored Scheme i.e. integrated Dairy development projects, the State Govt. had proposed nil outlay during 1989-90. The Central Government have already released during 1981-85 a sum of Rs. 141.633 lakhs for implementing these two Centrally Sponsored projects. The Government of Assam have yet to furnish audited statement of expenditure concerning these two projects.

Fisheries

11.27 The State has vast resources for fisheries. Besides its rivers and streams, there are more than 400 bheels and thousands of hectares of tanks and ponds scattered all over the State. Fishery development programme was continuing for decades, yet fish availability was very poor. Production of fish in 1987-88 was about 57 thousand tonnes. For 1988-89, a target of 68 thousand tonnes has been recommended and anticipated to be achieved against the Seventh Plan target of 91 thousand tonnes. For 1989-90, a target of 79000 tonnes of fish production has been fixed. in 1988-89

11.28 The Working Group/recommended that the work of fish seed hatcheries and coverage of water areas under the FFDA programme should be expedited. The target for 1988-89 was to construct 105 fish seed farms to produce 60 million fingerlings required for development of inland fisheries. The State Govt. has taken up development of 16 bheels within a span of 2 years. The State Govt. has 9 fish farmers development agencies of which 6 are fully operational and 3 are under progress. Very high emphasis has to be given to production of fingerlings and their distribution. If this work is successfully achieved, fish availability will improve and prices will not remain so high. The impact of fishery development much reflect in fish availability in marketing at reasonable prices.

11.29 The virus disease had infected various water areas and the epidemic of fish disease has discouraged the market. As a consequence fisherman were hesitated. This problem has first to be faced before any progress in fisheries could be made.

Forestry

11.20 Assam has a forest area of 30.7 lakh ha. which is about about 39.1% of the total geographical area. About 17.5 th. ha. area is under reserve forests which are under scientific management. Other forests are getting degraded on account of jhum and exploitation of forests for timber and other forest based industries. The main thrust in the State Plan is the forest sector, therefore, is on afforestation including reclamation of denuded areas and massive programme of social forestry. For the Seventh Five Year Plan the Planning Commission approved an outlay of Rs. 70 crores. In the first 4 years, the expenditure has been of the order of ^{Rs}70.29 crores. As against an outlay of Rs. 18.80 crores for 1988-89, the Working Group recommended an outlay of Rs. 22.50 crores, which includes outlay for the hilla areas (Rs. 50 lakhs) and Rs. 1 crore for Kaziranga National Park protection.

11.31 During discussion, it was brought out that heavy floods in the state had caused damage to the wildlife, especially in Kaziranga National Park. The State Govt. proposed a contingency plan estimated to cost Rs. 15.71 crores to be spent in three years to protect the wildlife. However, since the Kaziranga is a National Park, the Ministry of Environment and Forests (E&F) to whom the project was forwarded, could formulate a Central sector scheme which could be fully funded by that Ministry during the Eighth Plan although to meet the emergent needs, Rs. 1 crore has been included in the recommendations made by the Working Group.

11.32 The Seventh Plan target is to raise 18,775 ha. of plantation of quick growing species and 40,700 ha. of economic and commercial plantation. Achievement figures are given only as additional for each year and not in cumulative terms. According to this, about 8000 ha. were likely to be brought under quick growing species and 23,400 ha. under economic plantation, by the end of 1987-88.

Soil conservation

11.33 Soil conservation programmes under one head or the other are spread out in a number of Departments like Horticulture and Soil Conservation, Forests, including NEC schemes, Tribal Development, Plantation Corporation and perhaps some other Departments. This problem needs an integrated approach with jhum replacement programme as per strategy paper already given to the State Govt. during 1987-88 discussion. Therefore, it would be best if the funds allocated for this are managed under Project Office who could show the results, and could be held fully accountable to the jhum situation of the State.

Storage and Warehousing

11.34 The outlay of Rs. 38.50 crores had been proposed by the State Govt. for construction of warehousing godowns during the Annual Plan 1989-90, against the outlay of Rs. 35 lakhs (1988-89). By the end of 1987-88, the total warehousing capacity constructed by the State Warehousing Corporation was 1.57 lakhs tonnes, 7200 tonnes capacity was likely to be added during the current year. The State Govt. proposed 15,000 tonnes of additional capacity (1989-90) which was recommended by the Working Group.

Investment in Agricultural Financial Institutions

11.35 For loaning programme of land development banks a target of Rs. 5 crores proposed for Annual Plan 1989-90, was recommended by the Working Group. For a long-term loaning programme of this order, the share of the State Govt. towards purchase of debentures worked out to Rs. 25 lakhs and the same was recommended for 1989-90.

Cooperation

11.36 The Working Group observed that except for disbursement of long-term loans and marketing of agricultural produce through the cooperatives, the targets laid down for other cooperative programmes for 1988-89 were likely to be accomplished, although in case of most of the cooperative programmes, the achievement had been much below the Seventh Plan expectations.

11.37 Explaining the reasons of shortfalls in the case of marketing of agricultural produce, the state representatives said that the cooperatives had been procuring jute and paddy on behalf of the Jute Corporation of India and the Food Corporation of India respectively at support prices. Due to much higher prices prevailing in the open markets, very little quantity of jute and paddy had been offered for sale through the cooperatives.

11.38 The overdues of short & medium term loans were as high as 85.87%. It was stated at the wrap up meeting on 30th June, 1988 as against 80.71% on 30th June 1987. The overdues to demand at the level of primary land development banks were reported to be 76%. The State Govt. were, therefore, advised to take concerted measures to bring down the level of overdues. The Assam State Cooperative Bank had mobilised sizeable deposits which stood at Rs. 136 crores. Proper linkages with development schemes could bring about significant results.

11.39 The data furnished in the State Plan document about targets and achievement of cooperative programmes contained number of discrepancies, like the targets indicated in the Seventh Plan and annual plan 1989-90 were different from those agreed to in the plan discussions; and for the anticipated achievement (1988-89) for some of the programmes.

11.40 The scheme "assistance to multi-purpose rural cooperatives", included Rs. 77 lakhs by way of share capital assistance to the cooperatives out of LTO fund of NARARD. In view of high level of overdues, the cooperatives would not be eligible for LTO assistance to the extent proposed. Therefore, a reduction of Rs. 29 lakhs was made under the scheme. The Working Group recommended an outlay of Rs. 910 lakhs for annual plan 1989-90, comprising of Rs. 809 lakhs for general areas and Rs. 101 lakhs for hilly areas, as against Rs. 850 lakhs for 1988-89.

RURAL DEVELOPMENT

I.R.D.P.

12.1 The National Sample Survey Organisation (NSSO) had indicated that 25% of rural population in Assam was below the poverty-line. However, these estimates were not accepted by the State Government and a separate survey was conducted by them which assessed the people below the poverty-line in rural areas to be much more than the NSSO figures. The Working Group informed that it would not be possible to make any departures from the norms already accepted and it was also mentioned that the subsequent Round of NSS had already been completed, the findings of which would provide a clearer picture for the Eighth Five Year Plan.

12.2 The allocation of matching Central funds for subsidy to DRDAS during 1989-90 worked out at Rs. 741.46 lakhs on the basis of incidence of poverty. The same was recommended. The State Govt. had, however, proposed an outlay of Rs. 838.50 lakhs.

12.3 The result of survey conducted during 1986-87, showed that about 11506 beneficiaries (out of 53886 old beneficiaries) would remain to be covered by the end of 1988-89. Against the target of 22482 old beneficiaries to be covered during 1988-89, only 9.33 % of the target was achieved during the first half of the year. The reasons explained were: floods in the State, and hesitation of the Banks to sanction loans in respect of old beneficiaries because they were considered bad cases of debt. The Working Group observed that since second dose of assistance was applicable only for those beneficiaries whose assets were intact and who had not defaulted in repayment, it was not understood how the beneficiaries were treated as cases of bad debt: The matter had been raised in the State level Banking Committee having representatives of lead banks i.e. the State Bank of India, the United Commercial Bank and the Union Bank of India, but there was no improvement. The Working Group advised that the matter should be taken up with the Department of Rural Development of the Central Govt. for consideration of the Central Committee on Credit. The Working Group advised that maximum number of old beneficiaries should be covered during the year.

12.4 The findings of the concurrent evaluation for IRDP (January - September, 1987) of Assam were brought to the notice of the state representatives. The report was broadly accepted. However, the state govt. had not received the copies of beneficiaries schedules, although, as per the instructions issued by the Department of Rural Development of the Central Government, the State Govt. were to be provided with the set of the schedules.

12.5 Selection of beneficiaries of by the Gram Sabhas has been made mandatory by the state govt. The question of providing working capital required by IRDP beneficiaries and revising the repayment schedules of loans of such beneficiaries had already been taken up with the concerned banks. Cases regarding the assets not being intact in 30% cases could be looked into when the beneficiary schedules were made available to the State Govt. The correctness of the report that, after-care support was not being provided in the case of 97% of the cases, was questioned by the state representatives. However, the State Govt. has taken up with the concerned line departments, and the Project Directors have been instructed to look into various aspects of the programme during their inspection visits.

the matter

N.R.E.P.

12.6 The original approved outlay for 1988-89 under NREP was Rs. 542 lakhs. This was subsequently revised to Rs. 806 lakhs by the Department of Rural Development. The Working Group recommended an outlay of Rs. 866 lakhs (tentative) for 1989-90 which would have to be equal to the share of Central allocation under the programme.

12.7 Compared to the preceding year, there had been a slight improvement in the supply of foodgrains, but wheat was not yet fully accepted by the people. Their preference was in favour of rice. During the current year, against the release of 10200 MTs of foodgrains, 6106 MTs of foodgrains were lifted.

12.8 In the case of social forestry, utilisation of earmarked funds continued to be below the specified level of 25% of outlay, mainly due to theft, of bamboo fencing. Some alternative fencing material was considered in the Working Group. However, it was important that the community was involved and

12.9 Free supply of seedlings under social forestry to small and marginal farmers had not yet been given due to administrative delays. This should be expedited. Free seedlings, however, had been supplied to some schools. Utilisation of ... funds, exclusively benefitting SC/ST beneficiaries, were reported to be 31% of the outlay. The Million Wells Scheme had not been introduced in Assam State.

12.10 The Working Group advised the State representatives to consider revision of the shelf of ... projects after taking into account the local needs of the people.

Land Reforms

12.11 The scheme relating to "Acquisition of ownership rights to the tenants under Section 22" had not been implemented in the State and the policy decision was yet to be taken by the State Govt. The proposal for Central assistance under Centrally Sponsored Scheme relating to strengthening of ... revenue machinery, machinery and updating of land records has not yet been referred to the department of Rural Development at the Centre. The submission of the proposal to the Deptt. Department of Rural Development needs to be expedited. The Working Group recommended a token outlay of Rs. 1.00 lakh for 1989-90 in respect of State's share under the Centrally Sponsored Scheme.

12.12 There were 11 other continuing schemes under land Land Reforms Sector. Most of them were staff and building-oriented. The Working Group recommended an outlay of Rs. 57 lakhs for 1989-90.

Community Development

12.13 The State Govt. had ... proposed a large increase in the number of blocks. The Deptt. of Rural Dev. at the Centre had clarified that the State Govt. was competent to decide independently about the reorganisation of blocks. But, the increase in the number of blocks would not be taken into account for making allocations under IRDP.

12.14

Under the component 'other Expenditure' two continuing schemes and a new scheme called 'Village Development Scheme' were considered. The new scheme was not recommended by the Working Group. The Scheme relating to grant of self-help where 50% contribution is made by the beneficiaries, Rs. 5 lakhs were recommended. For promotion and strengthening of Mahila Mandals, Rs. 7 lakhs were recommended by the Working Group.

12.15 Under "Panchayat and Community Development" in the hill areas, an outlay of Rs. 25 lakhs for construction of quarters for Gram Sevaks and Sevikas in the new blocks were proposed but there was no proposal for reorganisation of Community Development Blocks. The Working Group did not support the proposal.

12.16

The Working Group recommended an outlay of Rs. 26.69 crores under Rural Development Sector for 1989-90 as against Rs. 23.66 crores approved for 1988-89.

Major and Medium Irrigation

Rainfall and Irrigation

- 13.1 c Since Assam receives high rainfall mostly during May to Sept and Oct., soil moisture level as well as rightly dew during December to April are quite high. Thus irrigation requirements, during monsoon months (Kharif season) are only to provide supplementary irrigation. Therefore, irrigation schemes like shallow tube-wells with institutional finance support may be better suited for extending the coverage of land under modern agricultural technology. In most of the areas, the main problem during Kharif season is of drainage & flood management. Thus irrigation schemes that provide water during Rabi & pre-Kharif season are relevant to Assam field conditions.

Dhansiri

- 13.2 It is an ongoing project, continuing since 1975. The original estimated cost was Rs. 16 crores (1975), later revised to Rs. 92 crores (Rs. 75.81 crs. 1987-88), giving an escalation of 475% over the original estimates. Rs. 57 crores have already been utilised. An outlay of Rs. 12.00 crores was for 1989-90 as against Rs. 10 crores for 1988-89. A good portion of the project has been completed and the canal system has also been constructed to a large extent. However, an intervening structure was under dispute with Arunachal Pradesh Government.

- 13.3 The works proposed for 1988-89 were construction of the remaining part of the canal works and erection of gates. A potential of 10th ha. (out of total 70,000 ha. gross expected at the completion of the project) to be created during 1988-89. A separate scheme of hydel power generation by using the canal falls is operated by the power department (15 x 1.33 MW). The State Government has already submitted the revised cost estimates to the Central Water Commission for examination and clearance. Since the revised cost was quite high, the approval of Cabinet may be necessary. Benefits of the project during Rabi and pre-Kharif may be separately indicated.

& /1s

C-16154

Champamati

13.4 The cost of the Project was intimated last year at Rs. 47.49 crores. The spillover to the Seventh Plan was Rs. 15.16 crores. This spill-over cost of the project has been further revised to Rs. 41.10 crs. The revised estimate were submitted to the Central Water Commission for examination and clearance. No benefits during the Seventh Plan are expected out of the 24,000 hectares gross sown area. Benefits of the project during Rabi & pre-Kharif months may be separately indicated.

Medium Schemes

13.5 There are 9 medium schemes under execution in the General Area, for which an outlay of Rs. 20.03 crs. was proposed. After identifying the projects and benefits which will accrue during the coming year, an outlay of Rs. 13 crores was recommended. In addition there are two medium schemes under execution in the hill areas. Kaliabor, Dekadong and Rupabi schemes are expected to be completed during 1988-89. No allocation was, therefore recommended.

13.6 During 1987-88, against the target of 15000 hectares from the on going medium irrigation schemes, the anticipated achievement was 18.5 thousand hectares. An other 20,000 ha. potential must have been added during 1988-89. The Agriculture Department should take over tripple cropping thrust to these areas.

13.7 It is suggested that cost effectiveness of the irrigation projects in the light of actuals cultivation advantage that is being realised during Rabi season for these schemes should be assessed. No irrigation scheme should be accepted (major or medium projects) unless it creates potential for Rabi and Ahu crops. During Kharif season, heavy monsoon waters could be channelised through minor irrigation programme

13.8 The Working Group observed that although the anticipated expenditure on irrigation during the first four years of Seventh Five Year Plan was about 73 %, creation of potential was only about 43%, and utilisation was 34 % of the Plan targets. The State Government was therefore to accelerate the works of irrigation projects in such a manner so as to achieve higher potential and utilisation. There was an urgent need to accelerate result oriented irrigation schemes to increase food production.

13.9 The State representatives explained that due to successive floods in the State, the production of Kharif rice crop (Sali) has suffered. After the floods, farmers prefer to again sow rice crop even though the production from such late sowing is very low. This in turn results further delay in sowing of Rabi crops. Therefore, Rabi irrigation and pre-Kharif irrigation was more important to increase food production. Ground water utilisation projects and also surface irrigation projects, were considered important.

Rs. 4044 lakhs
with break-up
of

13.10 Under minor irrigation the Working Group recommended an amount of Rs. 3927 lakhs for General areas and Rs. 117.00 lakhs for Hill Area. The cut was made in the item of equity share for Assam Minor Irrigation Development Corporation from Rs. 198.00 lakhs to Rs. 125.00 lakhs. In view of the large number of on-going lift and Diversion Schemes the State Government pressed for higher allocation. The Chairman recommended Rs. 7.0 crores if more funds are available. With this another 100 Nos. on-going schemes could be completed. The State Govt. should not take up too many schemes. Only such schemes that could be completed with the allocated funds should be taken-up and completed expeditiously to give benefits to the people.

orkin

FLOOD CONTROL

13.11 State Government representative pointed out that 2/3rd of the existing embankments needed raising and strengthening. Due to un-precedential floods, 181 breaches affecting an area of 42.23 lakhs ha. mostly due to over-topping. Central assistance of Rs. 28 crores given for meeting the flood damages had practically been utilised. It is proposed to complete 80 flood control schemes by 1989-90 out of which 44 are to be completed by 1988-89. State Government has proposed Rs. 70 crores outlay during 1989-90 against Rs. 7.5 crores during 1988-89. The Working Group desired to have concrete list of the schemes against which Rs. 28 crores has been spent and the list of schemes along with targets which are considered essential to be completed before the 1989-90 monsoon. After discussion of the special requirement of funds by the Assam State for flood control schemes costing upto Rs. 45 lakhs, Rs. 15 crs. has been recommended for flood control works during 1989-90

POWER:Generation

14.1

The installed capacity for power was reported to be 430 MW at the end of the Sixth Plan. This was targetted to be increased to 715 MW by the end of the Seventh Plan by creating additional capacity of 285 MW as follows:-

	(MW)
Bongaigaon TPS (2 X 50) 2nd unit	60
Lokwa Gas TPS Extension (1X15)	15
Chandrapur TPS Extension (1X30)	30
Lakwa Phase II (4X15)	60
Karbi Langpi HEP (2X50)	100
Dhansiri HEP (15X1.33)	20
	<u>285</u>

14.2

Some of these projects are likely to slip over to the Eighth Plan. The installed capacity during the Seventh Plan has been shown as follows;

	(MW)			
	1985-86 Actual	1986-87 Pre Actual	1987-88 Latest	1988-89 Target
Hydel	2.00	2.00	2.00	2.00
Thermal- Coal	180.00	240.00	240.00	240.00
Gas	197.40	212.40	212.40	212.40
Diesel	30.00	30.00	30.00	60.00
<u>Total</u>	<u>409.40</u>	<u>484.40</u>	<u>484.40</u>	<u>514.40</u>

KARBI LANGRI (LOWER BORPANI)
HE PROJECT (2X50MW):

14.3 The project is situated in the hill/tribal area. The Project comprising of diversion dam, HRT, surge shaft, penstocks and Surface Power House was sanctioned by the Planning Commission in September, 1979 at an estimated cost of Rs. 36.36 crores. An expenditure of Rs. 48.76 crores was incurred upto the end of the Sixth Plan. The latest revised cost is indicated at Rs. 105.84 crores and which is yet to be approved.

14.4 Civil works of this project suffered set back due to floods and contractual problems. The State Government should mobilise civil works, and sort out the problems.

14.5 Progress of civil works on dam, HRT and penstock is slow. The targetted commissioning of units was 12/89 as indicated during 1988-89 plan discussions. Concerted effort to mobilise and expedite civil works will have to be made to prevent this project completion slipping into 8th Plan.

14.5.1 As against an outlay of Rs. 1000 lakhs for 1989-90, Rs. 1196 lakhs were proposed by the State. The Working Group has recommended Rs. 1000 lakhs for 1989-90. The project has been delayed for too long. Highest level monitoring was suggested during 1988-89 plan discussion. Necessary action should be taken to complete it during 1989-90, in all respects.

DHAHSIRI HE PROJECT (15X1.33 MW):

14.6 The project comprises intake, retaining walls at power houses, saddles and bye-pass and five power houses each to house three units. The projects was sanctioned at an estimated cost of Rs. 10.54 crores in Feb, 1985. The latest revised cost is indicated at Rs. 24.60 crores and the same has to be approved. Civil works are already taken up,

generating units and other electrical mechanical equipments have been ordered. The power house commissioning is targetted to commence during April, 1990 and completed by March, 1991 at three months intervals.

14.7

The Proposed outlay of Rs. 1000 lakhs was recommended by the Working Group for 1989-90. This amount will be utilised for excavation/concreting (Rs. 160 lakhs), buildings (Rs. 80 lakhs). Procurement of cement/steel (Rs. 93 lakhs) and balance Rs. 667 lakhs for other works. These too should be detailed.

BONGAIGAON TPS St. II (2X60):

14.8

The project was sanctioned at an estimated cost of Rs. 47.17 crores in Sept. 1978. It continues to give low output. Its problems should be resolved. The latest revised cost is indicated at Rs. 119.31 crores against Rs. 99.04 crores last year. The Working Group pointed out that such a steep rise in cost in one year was a matter of serious concern. The change in the scope of housing units and establishment cost have mainly contributed to such high escalation. It seems that the State Government had not examined the proposals submitted by the ASEB. The Working Group, therefore, recommended that the provision should be restricted to the minimum and the State Government should examine and approve the expenditure. Against the outlay of Rs. 454 lakhs during 1988-89, the Working Group recommended Rs. 600 lakhs for 1989-90. Since more than Rs. 100 crores have already been spent on the Project, the accounts should be closed and its expenditure should not be allowed to spill-over to the Eighth Plan.

BORGALAI THERMAL PROJECT (2X30 MW):

14.9 The Project has not yet made any start. Although the Working Group had recommended Rs. 20 lakhs, no allocation is supported. The Project could be considered de-novo in the Eighth Plan.

CHANDUPUR TPS (asst) (1X30 MW):

14.10

The Project was rolled on 19th December, 1988. For meeting outstanding liabilities and closing accounts, Rs. 37 lakhs were recommended for 1989-90.

LAKWA TPS PHASE - II (4X15 MW) & NOW
REVISED (3X20 MW):

14.11 The Project was approved during March, 1985 at an estimated cost of Rs. 34.01 crores. It has already registered cost escalations of 132%, i.e., revised cost is Rs. 78.74 crores. Order for generating units has been placed on BHEL at a cost of Rs. 36.35 crores (Feb. 1985). The Working Group observed that payments for generating units will have to be made to BHEL to the extent of Rs. 27 crores, and the expenditure in other civil works will have to be met. The commissioning schedule has slipped from 9/89 and 3/90 to March, 1990, May, 1990 & July, 1990. Against an outlay of Rs. 15 crores for 1988-89, the Working Group recommended Rs. 40 crores for this project for 1989-90. This will have to be lowered.

14.12

NAMRUP WASTE HEAT PROJECT (1X22 MW):

This project has since been completed. Units were synchronised in March, 1985. It was decided that the project estimate which is now indicated at Rs. 19.05 crores should be closed and Working Group agreed to recommend Rs. 1.53 crores lakhs against the proposed outlay for meeting the residual payments and liabilities.

LAKHWA W/P (1X22) STAGE I:

14.13 This project was approved at a cost of Rs. 20.52 crores. The revised cost is indicated at Rs. 56.86 crores. It was agreed that in order for the generating unit should be made by March, 1989 to enable project commissioning by March, 1992. Against an outlay of Rs. 2.00 crores for 1988-89 recommended Rs. 5.00 crores for 1989-90.

AMGURI GAS BASED PP (360 MW):

14.14 The revised estimated cost of this project is indicated at Rs. 408.25 crores. Efforts to arrange World Bank financing are being made. To achieve the unit commissioning by Sept. 1993 order for generating units will have to be done by Sept. 1989 and a payment of the order of Rs. 25 crores will accrue for the generating equipment in 1989-90. The Working Group recommended Rs. 30 crores

.....-/-

for 1989-90.

14.15 Pending finalisation of various aspects only a token provision of Rs. one lakh could be recommended.

NEW SCHEMES FOR BENEFITS BEYOND SEVENTH PLAN:

(LOWER KOPILI (2 X 50 MW) HEP PROJECT)

14.16 For the lower Kopili (2 X 50 MW) HEP Project, estimated to cost Rs. 163.52 crores, the Working Group recommended Rs. 100 lakhs for 1989-90. In view of scarcity of resources, it is recommended that the Project may make a start only in the Eighth Plan. Therefore, no allocation is recommended.

RENOVATION AND MODERNISATION (NAMRUP PROJECT):

14.17 The estimated cost is Rs. 14.56 crores, which is yet to be sanctioned. The subject seems to come under the Central sector and State's Revenue Budget. In view of the Ninth Finance Commission's recommendations during 1989-90, non-Plan gap will not be met from the Central Plan assistance. Although the Working Group had supported Rs. 35 lakhs, no allocations from the State Plan are recommended.

CAPITAL RESTORATION (NAMRUP & BUNGAIN GAON PROJECTS):

14.18 The Working Group recommended Rs. 700 lakhs to cover the cost of Hot Sections for rotors, and spare rotors.

SURVEY AND INVESTIGATION:

14.19 The Working Group recommended Rs. 157 lakhs for 1989-90 for survey and investigation (140) and inspectorate (Rs. 17 lakhs). Since a large number of investigated projects are already spilling into the Eighth Plan, and in view of paucity of resources, Rs. 100 lakhs for these items could be recommended.

.....-/-

FOR DALAIMA MINI KYDER PROJECT (2X2 MW):

14.20 An outlay of Rs. 200 lakhs against Rs. 300 lakhs proposed was recommended for 1989-90. The project will serve hill area.

I. RURAL ELECTRIFICATION:

14.21 Out of the total 21,995 villages, 17,897 villages have been electrified upto March, 1988, achieving a level of 81.4%. However, the progress in Pumpset energisation is quite poor. 3225 Pumpsets have been energised against the total potential of 2 lakhs Pumpset realising only 1.6% of the potential. The demand is low for the electrical pumpsets because of preference given to diesel pumpsets in the State whose number is about 25,000, presently. The State Government was earlier requested to setup a committee to examine the entire issue.

14.21.1 The average unit cost of Village Electrification is Rs. 1.8 lakhs. The ASEB was said to be incurring losses because of Rural Electrification Programme and has already claimed subsidy to the extent of Rs. 73.97 crores for the period 1971-72 to 1984-85.

14.22 For 1989-90 a target of 1,713 villages for electrification and 800 pumpsets for energisation has been recommended.

II. NON-CONVENTIONAL ENERGY SOURCES (NECS):

14.23 The cost of Biogas plant are high due to additional cost of Rs. 5 to 7 thousand required for rubber for protection the plant from seeping in of water. The water table in Assam is very high. The R & D should solve the problem and reduce cost.

14.24 The Working Group observed that Subsidy on solar thermal device is high and need to be reduced; and evaluation of improved chulais need to be carried out. The integrated Rural Energy

Programme was being implemented in six blocks and two new blocks. However, the progress was not satisfactory.

14.25 The Working Group on Energy sector recommended a total outlay of Rs. 213.03 crores for 1989-90 as against Rs. 142.47 crores approved outlay for the Annual Plan 1988-89. It includes Rs. 30.37 crores for rural electrification as against Rs. 34.74 crores approved outlay for 1988-89; and Rs. 0.28 crore for non-conventional source of energy.

14.26 The need-based total recommendations for the Energy sector show an increase of Rs. 70.23 crores, i.e. a step-up of 49.53% over the approved Annual Plan outlay for 1988-89. In the light of resources in-sight, such a step-up is not feasible. Therefore, a selectivity of the Projects will have to be made so that the Projects that are already in advanced stage could be completed in all respects during 1989-90, and the spill-over of schemes/projects to the Eighth Plan are reduced to the minimum.

Village and Small Industries

15.1 An outlay of Rs. 1240 lakhs was approved for the Annual Plan 1988-89 for the sector. For 1989-90, the State Govt. proposed an outlay of Rs. 1677 lakhs. The Working Group recommended an outlay of Rs. 1450 lakhs.

Handlooms

15.2 Handloom industry in the state occupies an important position. The State had 6.84 lakh looms which constituted about 60% of the total loomage of the country. The industry provides employment to approximately 8 lakh persons.

15.3 The schemes under small scale industries include training, common facility service, exhibition, publicity, power subsidy, marketing and district level organisations etc. The Assam Small Scale Industries Development Corporation also participates. The Working Group suggested that the quality of training to the entrepreneurs should be improved and diversified in favour of new skill requirements. An outlay of Rs. 374 lakhs was recommended by the Working Group for 1989-90.

Industrial Estates

15.4 The State has 10 Industrial Estates, and all the sheds have been engaged. One Mini Industrial Estate was proposed to be established at Diphu the capital of Karbi Anglang hill district. An outlay of Rs. 68 lakhs was proposed and the same was recommended against an outlay of Rs. 59 lakhs for 1988-89.

Coir

15.5 The Coir Board was setting up a training-cum-development centre at Nalbari. An outlay of Rs. 0.5 lakh was proposed and the Working Group supported the same for 1989-90.

Handicrafts

15.6 The schemes for promotion of handicrafts are mainly development of traditional crafts with design inputs. Rs. 40.50 lakhs was proposed by the State Govt. and the Working Group recommended Rs. 45.50 lakhs for 1989-90.

Khadi and Village Industries

15.7 Under KVI programme Assam Khadi & Village Industries Board is to widen the employment base especially in rural sector and to reach a large portion of rural artisans for their upliftment. Important village industries of the State are cane and bamboo, bee-keeping, Gur and Khandsari, leather, pottery, Ghani Oil, soap making, handmade paper etc. Against an outlay of Rs. 163 lakhs proposed by the State Govt. for 1989-90, the Working Group recommended an outlay of Rs. 160 lakhs i.e. Rs. 15 lakhs more than 1988-89 approved outlay.

Handlooms and Powerlooms

15.8 The need for improvement of handlooms and product designs was pointed out by the Working Group. Upgradation of technology must reach the village weavers. Generally the artisans and weavers are unable to get the fruits of research work done by offices of the Development Commissioner (Handlooms) and Development Commissioner (Handicrafts). A number of schemes for the development of handlooms are; training, publicity and propaganda, cooperativisation, expansion of weavers' service units, modernisation of looms, research and designs, marketing, welfare of weavers etc. Schemes in the powerloom sector are: development of powerloom cooperatives, entrepreneurial development and infrastructural facilities. Against an outlay of Rs. 364 lakhs approved for 1988-89, the Working Group recommended Rs. 402 lakhs for 1989-90.

Sericulture

15.9 In Assam, almost all women know weaving. More than 1100 staff is employed by the Government, but the results so far, are not encouraging. Plantation of a definite area under food trees, near the villages where silkworm rearing is encouraged would be absolutely basic to sustain the sericulture in activity.

15.10 The schemes for the development of sericulture include eri silk; eri seed grainages; and concentration centre; development of mulberry silk; publicity and extension; training, development of muga and tasar; marketing etc. There are 19 eri spinning units, 2 mulberry reeling units and 15 muga reeling units in the state. The State Govt. representative stated that all muga as well as mulberry farmers and rearers in the state have been registered. The Working Group suggested that research should be made to develop muga indoor. The Planning Commission approved an outlay of Rs. 305 lakhs for 1988-89. The Working Group recommended Rs. 400 lakhs for 1989-90.

15.11 At the wrap-up discussions 1988-89, the main constraints to the industrial development through private participation were mentioned by Commissioner, Industries as (i) private entrepreneurs found it more profitable to set up industries elsewhere than in Assam, (ii) costs in Assam were high, (iii) because Assam being in the seismic zone, the setting up of industries gets discouraged,

(iv) subsidies offered in Assam were less than given elsewhere, (v) developed land was not being given by the State Govt., (vi) sickness rate of industries in Assam due to demand constraint was high in Assam, and (vii) stable and regular power supply was not available. These maladies suggest remedial measures.

15.12 A number of industrial units and State Corporations are already in operation. It is important that these are assisted and made successful. It is most important that economic viabilities of the new projects are established and the markets for their products are properly linked before the projects are taken up. The linkage with IDBI refinance and commercial banks for meeting the requirements of working capital of the new projects need to be established.

15.13 The Working Group also suggested that the number of schemes should be less because taking up of too many schemes will dilute effort and impact. Wherever necessary, assistance from the Central agencies like Silk Board, KVIC and others could be taken.

15.14 The Working Group observed that there were serious shortage of well-trained technical manpower. It was suggested earlier by Shri Abid Hussain, Member(Industries), Planning Commission when he had visited Assam during the later part of 1988(was also similarly recommended by the Working Group), that the State Govt. should take initiative and recommend technically qualified youth to suitable positions in companies, private or public and business houses, for exposing them to practical higher skills and know-how.

Industry and Minerals

16.1 Making a general observation about the outlays proposed for new schemes relating to Petrochemical Complex and Gas Separation cum Cracking units, the Working Group observed that these projects are likely to involve huge investments and obviously it would not be possible for the state government to find the requisite resources for funding these projects within the State Plan outlays. It was, therefore, suggested that no commitments relating to these projects should be entered into at this stage until and unless these projects were finally approved for implementation in Assam. Secretary, Industries, Assam stated that no commitment had yet been made and detailed techno-economic feasibilities were being studied.

Cement Project of AIDC

16.2 It was brought out that there was an acute shortage of cement in the entire North Eastern Region when there were large deposits of limestone in the Region, like in Umrangshu area in North Cachar (hill district). A letter of intent for one million TPD cement project had already been obtained by the Govt. of Assam, and techno-economic feasibility report had also been finalised for a joint sector project with Jaypee, Rewa. The estimated cost of the project was Rs. 110 crores; debt equity ratio being 2:1. The State Government's participation would be 26% in the equity. The gestation period is estimated at 30 months. Against the current year's outlay of Rs. 20 lakhs; the Working Group recommended Rs. 150 lakhs for 1989-90 as proposed by the State Govt.

Petrochemical project and Gas Cracker Project

16.3 The State Govt. stated that the petrochemical project was linked with the proposed new refinery project about which a decision was expected soon. The Working Group observed that the refinery project would entail substantial investment. The projected investment of Rs. 1200-1300 crores in the Gas Cracker Project even assuming equity participation of 25%, huge amounts would be required. The Working Group suggested that possibilities of involving private/joint sector in this project may be explored but pending final clearance of the project, no expenditure should be committed or incurred although Rs. 140 lakhs for both the projects was recommended by the Working Group.

Galvanised Sheet Plant

16.4 The work on the joint sector project has already started. Technology has also been finalised. Estimated cost was Rs. 24.90 crores with a capacity of 35000 tonnes per annum. The project is expected to be completed by the middle of 1990-91. An outlay of Rs. 25 lakhs towards AIDC's shares, the equity was recommended for 1989-90 as against Rs. 21 lakhs for 1988-89.

Sponge Iron Project

Considering the preliminary nature of this project, a token outlay of Rs. 10 lakhs was recommended. The total cost was Rs. 100 crores with a capacity of 400 lakh tonnes per annum.

Weaving Complex of the AIDC

The spinning mill of the AIDC had already gone into production which at 70% capacity utilisation was about to break even. It produces acrylic and other blended yarn. Four polyester fibre (from BRPL) based new spinning mills have been established in Assam. To utilise the yarn produced by these spinning mills, weaving capacity within the state was required to be set up. The allotted quota to 2000 powerloom was proposed to be utilised by setting up

Weaving complexes through the AIDC, Assam State Textile Corporation, Assam Polytex and in the Cooperative Sector. The Working Group cautioned that composite textile mills were no longer performing well. It advised against setting up of powerloom units in the State Sector. Private entrepreneurs could however, set up powerloom units for which necessary infrastructure assistance could be given. The State Govt. pointed out that in addition to the weaving complexes, the proposal was also set up processing houses under the AIDC and ASTC. The Working Group cautioned against this approach and mentioned that initial enthusiasm of starting in the State sector will not sustain in the long run when the investments will not yield profit. An outlay of Rs. 125 lakhs was recommended for the weaving complex against Rs. 184 lakhs proposed by the State Govt.

Textile Processing Project and of AIDC

16.7 The project is expected to be completed during the current year. Hence, no outlay was recommended for 1989-90.

Polyester filament yarn

16.8 It is a joint sector downstream unit of the BRPL, at an estimated cost of Rs. 109.46 crores, to be set up in collaboration with Bombay Silk Mills and technology to be obtained from Switzerland. The State Govt. will have equity of Rs. 9.42 crores. An expenditure of Rs. 4.50 crores was anticipated during the first four years of the Plan. Against the proposed outlay of Rs. 175 lakhs, an outlay of Rs. 150 lakhs was recommended for 1989-90.

Polyester Film Project

16.9 No outlay was recommended for this scheme considering the present status of this project, although Rs. 2.50 crores have already been allocated during the first four years against the AIDC equity share of Rs. 3.5 crores.

Share Capital to AIDC for Participation in Assisted Sector

16.10

The proposed outlay of Rs. 100 lakhs for 1989-90 was recommended.

Sack Kraft Paper Project

16.11 The project, in two phases, with 24000 tpd, will involve an estimated investment of Rs. 56 crores (Rs. 40.30 crores + Rs. 14.20 crores as 1988-89 Report) and the debt equity ratio is 3 : 1. 100% Jute based multiwall packing material for cement, tea, fertilizers, foodgrains, etc. will be produced. An outlay of Rs. 300 lakhs for the project for 1989-90 was recommended, as against the approved (conditional) outlay of Rs. 250 lakhs for 1988-89,

Assam Spun Silk Mill

16.12 For modernisation of the Spun Silk Mill Jagiroad, enhanced outlay of Rs. 75 lakhs (against Rs. 50 lakhs proposed) was recommended.

16.13 Other: Keeping in view the overall constraint of resources, the State Govt. will have to restrict the outlays on other projects and that too within the current years' level where necessary.

16.14 The Industries sector, other than V&SI, has already exceed the Seventh Plan's approved outlay by 53% during the first four years. As against an outlay of Rs. 3090 lakhs for 1988-89, and the State Government's proposal of Rs. 3917 lakhs for 1989-90, the Working Group recommended an outlay of Rs. 3385 lakhs for 1989-90 including Rs. 100 lakhs for two growth centres.

Mineral Development

16.15 The Working Group suggested that there was a need for setting up of mineral-based industries in the state and, therefore, the resources assessment along with the project proposals of AMDC should be completed expeditiously. The State Govt. should prepare a perspective plan for mineral development for formulating proposals for the Eighth Plan.

16.16 The Working Group suggested that entire Hill region of the state by systematic geological mapping followed by mineral investigation especially for cement and high grade lime-stone, refractory minerals and placer gold, etc. The ground water survey scheme was also an important area in both general and hill areas.

16.17 Against an outlay of Rs. 92 lakhs for 1988-89, an outlay of Rs. 93 lakhs was recommended for general areas against a proposed outlay of Rs. 101 lakhs and Rs. 12 lakhs for hill areas as proposed for 1989-90

16.18 Under Industry and Mineral Sector, against an outlay of Rs. 44.22 crores for 1988-89 the Working Group recommended an outlay of Rs. 50.40 crores for 1989-90.

TRANSPORT:

ROADS AND BRIDGES:

17.1 At the end of the Sixth Plan, the cumulative road length in the State under PWD was 23798 kms, of which 4481 kms. were surfaced and 19317 kms. unsurfaced. The Seventh Plan target was to increase the road length to 27,148 kms. comprising 5961 kms. of surfaced roads and 21187 kms. of unsurfaced roads. By 1986-87, a road length of 25,139 kms. had been achieved, comprising of 4840 kms. of surfaced roads and 20,299 kms. of unsurfaced road. During 1987-88, additional 635 kms. of road length is expected to be constructed. The target for 1988-89 is to take up additional road length of 949 kms. By the end of 1989-90, total road length of 27277 kms.

is expected.

17.2 Under minimum needs programme, the Seventh Plan target is to connect all 1812 villages in the above 1500 population category and all the 2907 villages in the 1000-1500 population category by all weather roads. In the below 1000 population category 9434 villages stood connected at the end of the Sixth Plan and the Seventh Plan target is to connect 1803 additional villages. By the end of 1988-89, the target is to connect 56.3% of villages in general areas and 75% villages in hill areas in the below 1000 population category. All the hill villages with a population of more than 1000 persons have already been connected by road.

Roads and Bridges

17.3 Due to inadequate provision of maintenance for roads, their is not satisfactory, in the State An amount of only Rs.13.50 crore was provided for road maintenance during 1987-88 against of Rs.35.63 crores per norms of the Eighth Finance Commission. The situation needs to be improved to check further deterioration of roads. In the hill areas adequate protection works to avoid damage to ecology are necessary.

17.4 An amount of Rs.24.65 crores was proposed for 1989-90 for the on-going works. The slow progress in a number of roads in the hill was attributed to thick forests, and rocky stretches requiring blasting operations, which have been restricted to avoid damage to the fragile hill structure.

The road network in the State also suffers from deficiencies like narrow formation inadequate cross.

17.5 The State Government was advised to accord high priority to the improvement of the road network, and to defer new schemes. More than 7000 weak timber bridges need to be replaced by RCC bridges. In the bridge programme, priority should be given to construction of pucca bridges on State highways and major district roads keeping in view the traffic intensity.

17.6 The State Govt. was advised to modernise/ upgrade the road construction technology. Road/ Bridge making machinery was leased out to the contractors. The Working Group suggested that leasing charges must recover interest and depreciation charges.

17.7 An outlay of Rs.46.10 crores (Rs.33.45 crores for General Areas and Rs.12.65 crores for Hill Areas) was proposed for roads and bridges for 1989-90, against a provision of Rs.36 crores during 1988-89. The Working Group recommended an outlay of Rs.40 crores which includes Rs.4.40 crores for bridges.

Road Transport:

17.8 The State Road Transport Corporation was incurring losses. The commercial losses are estimated at Rs.11.14 crores for 1989-90 compared to Rs.4.83 crores in 1985-86. The cumulative losses are expected to be Rs.38.59 crores by the end of the Seventh Plan to which steep increase in the interest burden i.e. estimated at Rs.4.06 crores in 1989-90 as against Rs.1.41 crores in 1985-86.

17.9 Productivity indicators, were though showing an improvement, were yet far from satisfactory:

17.10 Out of a fleet of 704 busses (1985-86) 417 are expected to be replaced by 1988-89.

17.11 Some improvement in fleet utilisation (78% in 1988-89) has taken place, but the desired level is atleast 85%.

17.12 There has been an increase in the total revenue earning kms: but non-revenue earning kms. have also increased.

- (iii) Average vehicle productivity has shown improvement and as against 131 revenue earning kms. per bus per day in 1985-86 is estimated to be 142 kms. in 1988-89 (only 120 kms. in hill) and is low for city services. For inter district services should be increased to at-least to 200 kms. from 165 kms.
- (iv) Increase in traffic earning does not reflect the improvement in productivity indicators. Traffic earnings of Rs. 17.94 crores in 1988-89 (compared to Rs. 15.15 crores in 1987-88) includes Rs. 3.03 crores consequential to fare revision effected from 1.3.1988. There was substantial scope to increase revenue and reduce losses through better management, checking pilferage and close monitoring.

Land building and the Corpn. was defer the new schemes.

- 17.13 An outlay of Rs. 8.76 crores was proposed for road transport for 1989-90. The Working Group recommended an outlay of Rs. 8 crores. A reduced outlay was recommended for spares of capital nature, which should have been a one time plan expenditure. In respect of land and take up only the ongoing schemes for early complete on.

INLAND WATER TRANSPORT (IWT):

17.14 The proposals for IWT for 1989-90 include completion of the cargo vessel, training centre and office building at Jarhat. The Working Group recommended full outlay for their completion. Construction work on spillway at Pandu is centrally sponsored scheme and is likely to spillover to Eighth Plan. The State Government was requested to intimate the latest position regarding the project. In all an outlay of Rs. 3 crores was recommended for IWT. This is against the outlay of Rs. 2.71 crores approved for 1988-89.

TOURISM:

17.15 A number of new schemes were proposed under tourist accommodation and tourist centres. The State Government was advised to defer these schemes therefore no outlay was recommended for these schemes. The proposed outlay for the ongoing schemes of tourist centres at Tezpur, Silcher, Kaziranga and Nagaon and tourist lodges at Jorhat, Sibsagar, and Manas and Hotel Brahmaputra Ashok was agreed to and outlay for overall tourist

sector reduced. Against an outlay of Rs. 1.50 crores for 1988-89, in all an outlay of Rs. 2 crores was agreed for tourism, including Rs. 30 lakhs for tourist centres and 74 lakhs for tourist accommodation.

17.16 To sum up, the outlays recommended by the Working Group are as follows:

		(Rs. crores)
<u>Sub-Sector</u>	<u>1988-89 Outlay</u>	<u>Recommended by Working Group</u>
Roads and Bridges	36.00	40.00
<u>Road Transport</u>		
A. S. T. C.	7.96	8.00
Commissioner of Transport	0.07	0.08
Transport Survey	0.03	0.04
I. W. T.	2.71	3.00
Tourism	1.50	2.00
<u>TOTAL:</u>	<u>48.27</u>	<u>53.12</u>

EDUCATION:

Elementary Education

18.1 The State Govt. had proposed an amount of Rs. 586.99 lakhs for construction and maintenance of primary school buildings. The State representatives informed that no sanction from NEC for construction of school buildings was received and adequate funds were not available for school buildings from NREP/RLEGP. The Ninth Finance Commission award for upgradation of standards of administration in Education to the State were Rs. 6.10 crores. Since the full amount recommended by Ninth Finance Commission had not been included in the plan, the Working Group recommended Rs. 4590 lakhs against Rs. 4261 lakhs proposed by the State Govt. to take care of the 9th Finance Commission's requirements. The Working Group recommendations of Rs. 4500 lakhs for 1989-90 are against the outlay of Rs. 3552 lakhs for 1988-89 i.e. a step up for 26.7% .

18.2 Under 'Operation Blackboard' the State Govt. has to cover 40 more blocks in 1989-90 out of 135 blocks in the State. In 40 blocks, 3800 primary school buildings were stated to be needing coverage. Working Group recommended to increase the enrolment in 1989-90 to 3140 thousand at primary level and 1240 thousand at the middle level as against the proposed target of enrolment of 3071 thousand in classes I-V and 1215 at middle school stage.

Adult Education

18.3 During 1988-89, an outlay of Rs. 257 lakhs was approved by the Planning Commission. For 1989-90, a sum of Rs. 311 lakhs was recommended as against the proposed amount of Rs. 285 lakhs by the State Government.

Secondary Education

18.4 During 1988-89, an outlay of Rs. 1306 lakhs was approved by the Planning Commission. For 1989-90, the Working Group recommended Rs. 1430 lakhs against the proposed outlay of Rs. 1506 lakhs. The Working Group suggested the scaling down of the provision for assistance to non-govt. secondary schools and maintenance of buildings. No new schools are proposed to be opened in 1989-90, but science teachers in existing schools to be appointed.

University Education

18.5 Under University education; an outlay of Rs. 426 lakhs was provided for 1988-89. For 1989-90 the Working Group recommended an outlay of Rs. 468 lakhs as proposed by the State Government. It was, however, suggested that a token provision of; . 10 lakhs for the acquisition of land for Central University in Assam may be made within the amount recommended for University Education by the Working Group .

Teacher Education

18.6 Considering the importance of orientation workshops/courses for science and mathematics teachers, the Working Group agreed to proposed outlay of Rs. 64 lakhs.

Technical Education

18.7 Out of Rs. 723 lakhs proposed for Technical Education for 1989-90 by the State Government, an amount of Rs. 657 lakhs was committed expenditure against Rs. 532 lakhs outlay for 1988-89, an amount of Rs. 673 lakhs was recommended by the Working Group for 1989-90.

Sports and Youth Services :

18.8 A sum of Rs. 200 lakhs was recommended by the Working Group against the outlay of Rs. 138 lakhs for 1988-89/and proposed outlay of Rs. 249 lakhs for 1989-90.

Art & Culture

18.9 As against the outlay of Rs. 471 lakhs in 1988-89, the State Govt. had proposed Rs. 551 lakhs for 1989-90. A sum of Rs. 519 lakhs was recommended by the Working Group for 1989-90. The Working Group suggested that the new schemes may be deferred.

18.10 Sub-head wise outlays proposed by the State Government and recommended by the Working Group are as follows :

	(Rs. lakhs)		
	1987-88 Approved Outlay	1988-89 Outlay	1989-90 Working Group Recommendati
Elementary Education	3342	3552	4500
Adult Education	227	257	311
Secondary Education	1261	1306	1430
University Education	400	426	468
<u>Total General Edu.</u>	<u>5230</u>	<u>5642*</u>	<u>6822</u>
Technical Education	442	532	675
Sports & Youth Services	118	138	200
Art & Culture	334	471	519
<u>Total :</u>	<u>6124</u>	<u>6783</u>	<u>8216</u>

* State Govt. has reported an outlay of Rs. 5541 lakhs.

This kind of step-up may be sustainable in view of the resources position.

HEALTH

19.1 Original outlay during 1988-89 was Rs. 23.36 crores. Subsequently, an amount of Rs. 4.25 crores have been provided for (a) Cardio Thoracic Centre (b) Improvement of Diagnostic facilities (c) strengthening of Cancer treatment facilities. The amount of additional central assistance is proposed to be utilized fully during the year.

19.2 According to the norms under minimum need programme, the State requires 5133 sub-centres and 855 primary health centres (PHCs). There were 1711 sub-centres and 237 PHCs at the end of the Sixth Plan. The target for the Seventh Plan was to set-up remaining 3421 sub-centres, 200 additional PHCs against the additional requirement of 618.

19.3 By 1987-88, 1434 additional sub centres were set up and the target of 1000 for 1988-89 is likely to be achieved. For 1989-90 a target of 1000 sub-centres was recommended. Thus by the end of 1989-90 the target set out for the 7th Plan will be fully achieved. It was suggested the training programme should be suitably modified to ensure that ANMs get at least six months on the job training in the sub-centres before they are appointed.

PHCs

19.4 By the end of 1988-89 against the initial target of 200 additional PHCs for the Seventh Plan and total requirement of 618 additional PHCs. 208 PHCs have already been set-up during the first four years the Plan. For 1989-90, the target of 55 additional PHCs was agreed to.

19.5 There were 12 Community Health Centres (CHS) as 1984-85 end. The Seventh Plan target was 30 additional CHC's. During the first four years, 36 CHCs (12 + 8 + 5 + 11) were anticipated to be set up. During 1989-90, the target of 11 more CHC's was recommended by the Working Group.

Important National Programmes:

National Leprosy Eradication Programme:

19.6 As on March, 1988, there were 17195 cases on record, out of which 16,899 were under treatment. By March, 1988, the State had 6 leprosy control units, 16 urban leprosy centres, 240 GET Centres, 3 district leprosy officers and 4 temporary hospital wards.

National Malaria Eradication Programme:

19.7 The incidence of Malaria has increased by 23.01% in 1988 upto July as compared to the corresponding period of 1987- There is a decrease of 17.6% in the incidence of P. Falciparum upto June 1988 as compared to the corresponding period of the last year.

Control of Blindness

19.8 2 Mobile Units have been given to the State Government, 146 Old Primary Health Centres/CHCs and 10 district hospitals and 2 medical colleges, 2 training schools, 4 district mobile units, 3 eye banks have been up-graded for the eye-care programme.

19.9 For the Seventh Five Year Plan 1985-90, the outlay approved by Planning Commission for Health Sector Programmes is Rs. 7500 lakhs. For the three Annual Plans 1985-86, 1986-87 and 1987-88, the actual expenditure was Rs. 1466.51, Rs. 1920.60 and Rs. 2755.20 lakhs respectively. For 1988-89 the approved outlay was Rs. 2975.00 lakhs and the anticipated expenditure is also Rs. 2975.00 lakhs.

19.10 For the Annual Plan 1989-90, the State Govt. had proposed an outlay of Rs. 4884.00 lakhs for health programmes. The Working Group recommended an outlay of Rs. 2847 lakhs and within that outlay highest priority was given to Minimum Needs Programme.

Social Welfare

20.1 As against the Annual Plan 1988-89, outlay of Rs. 102 lakhs proposed outlay of Rs. 190.00 lakhs for the Annual Plan 1989-90, the Working Group recommended Rs. 146.00 lakhs including Rs. 21 lakhs for Hill Areas. The proposed outlay of Rs. 43 lakhs under the scheme 'Implementation of Juvenile Justice Act'. The Working Group advised the State Govt. to make a survey of the total requirement in this area of activities and implement the required programme in a phased manner.

20.2 The State Government has been providing financial assistance to handicapped persons and destitute women for their rehabilitation. It was advised that this scheme should be tied up with national programmes like IRDP, TRYSEM so as to maximise the coverage of the beneficiaries.

20.3 It was observed that the vocational training being imparted to the inmates of various Government institutions for children, handicapped, women etc. was of traditional type. The State Government should have a relook on these trades and incorporate modern trades keeping in view the market needs of the region. An outlay of Rs. 15 lakhs was recommended.

Sanitation and Water Supply

21.1 According to State representative 1501 problem villages will spill over to 8th Plan. To avoid the spill over Rs.27 crores over and above the requirement projected for the Annual Plan 1989-90 (Rs.26.14 crores) under State Sector MNP would be required. The representative of the Deptt. of R.D. did not agree to the statistics furnished by the State Government regarding coverage of problem villages. (Discrepancies are detailed in the report of the Working Group) The State Government inform correct position to the Deptt. of R.D. and also to the Planning Commission. A complete list of villages with entries showing the type of water supply provided and where yet to be provided will be supplied by the State Government.

21.2 The Working Group has noticed that during the first 4 years of the Seventh Plan anticipated expenditure on rural water supply would be of the order of Rs.161.00 crores (MNP:Rs.88.50 crores, Hill Areas (MNP):13.36 crores, Hill Areas sub-Plan Additive:Rs.8.17 crores, ARWSP:Rs.51.00 crores to cover 6467 villages as reported by the State Government representative. The Group noted that the cost of coverage per village would be of the order of Rs.2.50 lakhs. The Group, therefore, felt that State Government may take guidance of the National Drinking Water Mission to make the rural water supply schemes cost effective and Mission target should be achieved.

21.3 Attention of the Mission Director of the National Drinking Water Mission has already been drawn to the fact that Assam and Meghalaya States of the NE will not be able to provide drinking water supply to all the villages during the Seventh Plan.

21.4 To cover 903 problem villages under State Sector MNP during 1989-90 the Working Group assessed the requirement of funds as Rs.23 crores under MNP, and recommended the amount.

21.5 The State Government has proposed an outlay of Rs.3.73 crores under MNP for operation and maintenance of rural water supply schemes during 1989-90 against the current year's budgeted provision of Rs.3.125 crores.

21.6 The Working Group recommended an outlay of Rs.3.15 crores (1989-90). It was suggested to the State Government that water supply day to day maintenance responsibility should be given to the village community, and to manage this aspect they may raise required amount through contribution in cash or kind from the beneficiaries of rural water supply schemes. The State Government could, however, ensure that selected village level people are adequately trained and equipped for the purpose.

Rural Sanitation

21.7 The State Government proposed an outlay of Rs.18 lakhs for rural sanitation programme for the Annual Plan 1989-90 as against current year's approved outlay of Rs.19 lakhs, Rs.14 lakhs were recommended for installing 520 (400 in the plains and 120 in the hills) individual household sanitary latrines.

Urban Water Supply

21.8 The State Government proposed an outlay of Rs.5.24 crores for the Annual Plan 1989-90 for the urban water supply schemes. The Working Group recommended an outlay of Rs.3.71 crores including Rs.50 lakhs for Gauhati and Jorhat water supply and sewerage scheme to be posed to the world Bank, and the balance for 13 on-going schemes. Out of these 5 schemes will be completed during 1989-90.

21.9 The Working Group noted that commitment of the State Government regarding World Bank Project is awaited. The representative of DEA insisted that the commitment of State Government for this project may be cleared expeditiously so that necessary formalities could be initiated by the Deptt. of DEA. Representative of the Ministry of Urban Development intimated that the Ministry has since received 3 schemes at a total estimated cost of Rs.91.50 crores (Guwahati Water Supply Scheme Rs.42 crores, Guwahati Sewerage scheme Rs.29.50 crores and Jorhat Water Supply Scheme Rs.20 crores) of which 65% of the investment will have to be provided in the State Plan. The Ministry of Urban Development (CPHEEO) had given clearance of feasibility of the above 3 schemes but technical clearance by the Ministry (CPHEEO) and commitment of the State Government on the above 3 schemes are awaited. The matter needs attention both by State Government and Ministry of Urban Development.

21.10 In the final analysis 65% of the investment will have to be provided by the State Plan. At the Wrap-up meeting, the State Government was cautioned that they should carefully examine all conditionalities, penalty clauses and audit and accounts maintenance aspects. The quarterly reimbursement of the schemes will have to be linked will have to be returned. The matter needs attention both by State Government and Ministry of Urban Development.

△with actual
spending and
full capital
with interest

Sewerage & Drainage

21.11 The State Government has proposed an outlay of Rs.1.50 crores for the Annual Plan 1989-90 for sewerage and drainage schemes. The proposal is for re-sectioning of Bharalu River (about 6 and of refinery main drain Guwahati Swerage Scheme being considered under World Bank. The Working Group recommended Rs.20 lakhs for 1989-90 to complete the resectioning of Bharalu River and to close the accounts. After meeting full commitment of the scheme, savings could be used on ongoing schemes for full completion.

Low Cost Sanitation

21.12 Against the proposal of Rs.0.50 crore the Working Group recommended an outlay of Rs.0.30 crore for urban low cost sanitation for the Annual Plan 1989-90. It was suggested that urban low cost sanitation may be dovetailed with the central scheme of conversion of dry latrine into sanitary latrine and liberation of scavengers, being administered by the Ministry of Welfare to qualify for Central assistance on 50:50 basis.

21.13 The Working Group recommended a total outlay of Rs.33.15 crores (including Rs.26.29 crores of MNP) for the annual Plan 1989-90. as against Rs.31.35 crores approved outlay for 1988-89.

21.14 Working Group observed that there were large number of schemes under Social Welfare Sector which are similar in nature. It was advised that all such schemes should be reviewed and only a few tangible schemes might be formulated for the 8th Plan.

Nutrition

22.1

For 1988-89, an outlay of Rs. 587 lakhs was provided under the programme. An outlay of Rs. 704 lakhs was proposed by the State Government for Sepcial Nutrition Programme (SNP) for the Annual Plan 1989-90. The supplementary nutrition was assessed at Rs. 884 lakhs by the Working Group.

Labour & Employment

23.1 For the Seventh Five Year 1985-90, the Planning Commission approved an outlay of Rs. 600 lakh. During the first three years was Rs. 426 lakhs, the actual expenditure. For 1988-89, the approved outlay was Rs. 195 lakhs. For the Annual Plan 1989-90, the State Government proposed an outlay of Rs. 264 lakhs. The Working Group recommended an outlay of Rs. 244 lakhs.

Tribal Sub-Plan

Special Component Plan for Scheduled Castes

24.1 The estimated population of Scheduled Castes and Scheduled Tribes in the plains of Assam Rs. 12.42 lakhs (6.24 per cent) and 18.31 lakh (9.20 per cent) respectively (1981). They together constitute about one-sixth of the total population of the State. Efforts are being made to improve their socio-economic conditions through instrument of Tribal Sub-Plan (TSP) for Scheduled Tribes and Sepcial Component Plan (SCP) for Scheduled Castes.

The main thrust is to provide a package of services to individual beneficiary families in such a manner as to meet their specific needs, raise their standard of living and giving them income-generating schemes to enable them to cross the poverty line. Emphasis is thus given on the development of productive sectors, infrastructural facilities, and social services like education, health, drinking water supply etc.

24.2 The flow of funds from the State Plan and Special Central Assistance allocated during Seventh Five Year Plan and Annual Plans 1985-86, 1986-87 and 1987-88 under SCP and TSP is as follows:-

Plan Period	TSP			SCP		
	State Plan Flow	SCA	Total	State Plan Flow	SCA	Total
Seventh Plan 1985-90	228.94*	39.50	268.44	66.92	10.71	77.63
1985-86 (Actuals)	41.82	4.93	46.75	11.05	1.52	12.57
1986-87 (Actual)	57.23	6.86	64.08	14.32	1.87	16.19
1987-88 (Anticipated)	58.72	7.06	65.78	29.94	2.02	31.96

* Now shown as Rs. 197.29 crores.

HILL AREAS SUB-PLAN:

25.1

The two hill districts namely, Karbi-Anglong and North Cachar having an area of 15,222 sq. kms. (19.3% of the total geographical area of the State) with a population of 6.30 lakhs (1981 projected) representing 3.16% of the total population of the state are covered under the National Hill Area Development Programme. Separate sub-plan is prepared for these two hill districts which is funded partly from Special Central Assistance (SCA) and partly by flow of funds from the State Plan. The SCA is provided to supplement the efforts of the State Government. The size of the Sub-Plan for the Seventh Plan and the 1985-86, 1986-87 and 1988-89 is given below:

/1987-88

<u>Plan period</u>	<u>Sub-Plan - Hill Districts</u>		<u>(Rs. crores)</u>
	<u>Flow from State Plan</u>	<u>SCA</u>	<u>Total Outlay</u>
Seventh Plan 1985-90	151.20	118.20	269.40
1985-86 (Exp.)	28.70	22.20	50.90
1986-87 (Ant. Exp.)	35.00	25.90	60.90
1987-88 (Outlay)	41.00	27.69	68.69
1988-89 (outlay)	43.50	29.95	73.45

25.2

The main objective of the Assam Hill Areas Development Programme is to ensure socio-economic development in harmony with ecological balance and to improve the economic well-being and quality of life of the Hill people. The basic problem of two hill districts of Assam is jhum. An integrated development project to wean away the jhum cultivators to settled cultivation/occupations has been an important element of Assam Hill Areas Sub-Plan. Development of infrastructure in terms of road building and power are the other important aspects attended to under the Sub-Plan. Social services especially education, health and drinking water supply also receive emphasis.

Plan size:

26.1	<u>Approved Seventh Plan(1985-90):</u>	(Rs. crores)
	Central Assistance	2065.08
	State's own Resources	34.92
	Seventh Plan 1985-90	2100.00

26.2 During the first 4 years of the Seventh Plan, an outlay of Rs. 2095.00 crores was approved, against which Rs. 1948.09 crores of Central Assistance (net) was extended. However, the total expenditure during the first 4 years was anticipated at Rs. 2088.93 crores as detailed below:-

Year	Approved outlay	Central Assistance (Net)	Expenditure (actual/anticipated)
1985-86	410.00	406.88	400.92
1986-87	500.00	470.29	499.02
1987-88	575.00	528.52	572.40
1988-89	610.00	542.40*	616.59*
Total (4 years)	2095.00	1948.09	2088.93

* 1. Includes Rs.6.59 crores of additional Central Assistance given for (a) Medical, Rs.4.25 crores; (b) Irrigation, Rs.2.34 crores.

Resources:

1988-89 :

26.3 The revised assessment of resources for the current year 1988-89 over what were assessed at the time of finalisation of the Annual Plan 1988-89, shows a deterioration, Rs. (-) 312.52 crores including the carry forward deficit of Rs. (-) 126.35 crores from 1987-88, and a gap of Rs.186.17 crores from the current year's transactions; mainly on account of : negative balance from current revenues; shortfall in contribution of Electricity Board at 1984-85 tariffs; and shortfall in realisation of ARM target for 1988-89, due to pending final decision on the State Government's proposals relating to: enhancement of royalty on crude oil; consignment tax; and amendment of Income-tax Act to treat income from tea as agricultural.

26.4 During the Wrap-up discussion held for Annual Plan 1989-90 the resources position for the current Annual Plan was also reviewed. At that time, the State Government had anticipated full utilisation of the current year's approved allocations. In view of resources position, it was suggested that the State Government may like to review the position.

The State Government representatives mentioned that the State had suffered extensive floods which caused higher expenditure and reduced revenues. However, the matter would be reviewed and the final position will be discussed during the meeting between Deputy Chairman, Planning Commission and Chief Minister, Assam.

1989-90:

26.5 The estimates of balance from the current revenues (BCR) show a deficit of Rs. (-) 281.49 crores. In view of the Ninth Finance Commission's recommendations, no Central Assistance will be available for meeting deficit on non-Plan revenue account. The negative balance from capital account was estimated at Rs. (-) 206.12 crores. But, it is likely to reduce, after estimates of market borrowings, small savings, State's Provident Fund, negotiated loans, contributions from ASEB and SRTC are taken into account and may come to Rs. (-) 87.83 crores.

92
26
038

26.6 Assuming the approved Central Assistance of Rs. 542.40 crores for 1988-89, will be fully utilised, the balance of Central Assistance from the approved Seventh Plan allocations for the year 1989-90, would be (Rs. 2065.08 - 1948.09) = Rs. 116.99 crores at the constant prices.

26.7 The Government of Assam proposed the Annual Plan 1989-90 at Rs. 960.54 crores, including the supplementary proposals (Rs. 64.55 crores) specifically directed by the State Government towards the Clause 7 of the Assam Accord. The proposed plan size indicates a step-up of 57.5% over the current year's approved Plan outlay of Rs. 610 crores.

26.8 The need based recommendations of the Working Groups aggregated to Rs. 765.75 crores excluding the additive of Rs. 4.25 crores for Medical Specialities. It gives a step-up of 25.5% over the approved Plan outlay of Rs. 610 crores for 1988-89.

26.9 The situation would materially change when the State Government's proposals like the enhancement of royalty on crude oil etc., as mentioned earlier, were favourably decided. However, the resources in sight are inadequate and the State Govt. was to reassess the resources position. The Plan size for 1989-90 may, therefore, be decided in the meeting to be held between the Deputy Chairman, Planning Commission and the Chief Minister, Assam on 31st January, 1989.

Draft Annual Plan 1989-90 - Outlay and Expenditure (Assam)

ANNEXURE - I
(Rs. Lakhs)

Code No.	Major Head/Sub-Head of Development	7th Plan (1985-90)	Actual Expd. 1985-86	1986-87	1987-88	Approved outlay	Actual Expd. 1988-89	Proposed outlay	Recommended by Working Group
		3	4	5	6	7	8	9	10
101	I. AGRICULTURE & ALLIED ACTIVITIES								
	Crop Husbandry	11675	1637	2439	3086	3246	3246	3715	3734
	Soil & Water Conservation	1200	280	354	359	385	385	437	413
	Animal Husbandry	1950	620	790	877	1080	1080	1189	1159
	Dairy Development	800	215	270	305	320	320	352	343
	Fisheries	1000	226	300	410	476	476	638	571
	Forestry & Wild Life	7000	1490	1751	1908	1880	1880	2182	2250
	Food, Storage & Warehousing	150	35	35	35	35	35	39	30
	Agri. Research & Education	2800	700	840	1000	1040	1040	1156	1115
	Agri. Fin. Institutions	150	25	28	30	30	30	30	30
	Other Agri. Programmes								
	243501(a) Marketing & Quality Control	350	73	101	110	120	120	135	120
	242500 Cooperation	3500	694	878	803	850	850	939	910
101	TOTAL(I):	30575	6065	7786	8923	9462	9462	10815	10681
102	II. RURAL DEVELOPMENT								
	Spl. Programme for Rural Dev.:								
	250101(a) Integrated Rural Dev. Prog. (IRDP) & Allied Programmes	5200	991	774	9837	868	929	1022	915
	250104(b) Integrated Rural Dev. Energy Prog. (IREP)	50	10	16	21	21	21	31	27
102	Rural Employment:								
	250501(a) National Rural Employment Programme (NREP)	3000	680	585	719	542	866	953	866
	250500(b) Other Programmes (like Employment Guarantee Scheme etc. to be specified)								
	250600 Land Reforms	1000	216	230	230	235	235	259	244
	251500 Other Rural Dev. Prog. (incl. Community Dev. & Panchayats)	3600	200	573	700	700	700	770	617
102	TOTAL(II):	12350	2097	2178	2507	2355	2751	3035	2669

Annexure-I (contd.) - ASSAM

Code No.	Major Head/Sub-Head of Development	7th Plan 1985-90	Agreed outlay	Actual Expenditure		Approved Ant. outlay		Proposed Recommended outlay		(Rs. Lakhs)
				1985-86	1986-87	1987-88	1988-89	1989-90	1989-90	
103 000000	III. SPL. AREA PROGRAMME	1000	100	185	268	233	233	356	216	
104 270100	IV. IRRIGATION & FLOOD CONTROL									
104 270100	Major & Medium Irrigation	13700	2117	2562	2634	2679	2679	4210	4210	
270200	Minor Irrigation	16000	2839	3332	3693	3688	3688	4117	4040	
270500	Command Area Development	1000	100	120	212	285	285	400	285	
271100	Flood Control (Incl. anti sea erosion etc.)	2700	644	645	700	750	750	6996	1500	
104 000000	TOTAL(IV):	33400	5700	6659	7239	7402	7402	15723	10035	
105 280100	V. ENERGY									
105 280100	Power	48500	11105	11951	12670	14226	14226	25889	21275	
281000	Non-conventional sources of energy	150	12	19	21	21	21	30	28	
105 000000	TOTAL(V):	48650	11117	11970	12691	14247	14247	26219	21303	
106 285100	VI. INDUSTRY & MINERALS									
285200	Village & Small Industries	5000	782	1014	1220	1240	1240	1677	1450	
285300	Industries (other than V&SI)	4800	1122	1360	2099	3090	3090	3917	3385	
285300	Mining	425	66	73	92	92	92	113	100	
106 000000	TOTAL(VI) Growth Centres	10225	1970	2447	3411	4422	4422	5707	5040	
107 305400	VII. TRANSPORT									
305500	Roads and Bridges	13500	2498	2997	3323	3600	3600	4610	4000	
305600	Road Transport	1720	525	449	650	806	806	887	812	
305600	Inland Water Transport	1000	220	170	271	271	271	477	300	
107 000000	TOTAL(VII):	16220	3243	3616	4244	4677	4677	5774	5112	
108 000000	VIII. COMMUNICATIONS							2484		
109 340000	IX. SCIENCE, TECHNOLOGY & ENVIRONMENT									
342500	Scientific Research (incl. S&T)	300	40	48	73	83	83	201	105	
342500	Ecology & Environment	200	44	42	47	47	47	64	75	
109 000000	TOTAL(IX):	500	84	90	120	130	130	265	180	
110 345100	X. GENERAL ECONOMIC SERVICES									
345200	Sectt. Economic Services	100	20	20	51	52	52	85	62	
345400	Tourism	400	64	75	149	150	150	270	200	
345600	Surveys and Statistics	100	26	24	35	35	35	49	42	
345600	Civil Supplies	60		12	12	12	12	67	12	

Code No.	Head/sub-heads of development	3 ANNUAL CONTD (ASSAM) (Rs. lakhs)			1988-89		1989-90	
		7th Plan 1985-90	Actual Expend. 1985-88	1986-87	1987-88	Approved outlay	Proposed Recommen- outlay by W.G.	
110 000000	Weights & Measures	85	14	15	15	23	15	
	Public Enterprises Organisation	40	4	8	20	32	20	
	Sub-divisional dev.				1100	1500	1500	
	Agreed outlay	3	4	5	7	8	10	
	TOTAL(XI)	785	128	150	1384	2026	1851	
XI. SOCIAL SERVICES								
Education								
221 200200	General Education	15900	2378	4620	5166	5642	6633	
220300	Technical Education	1600	306	381	452	532	723	
220400	Sports and Youth Services	500	62	90	118	138	249	
220500	Art and Culture	600	127	239	344	471	551	
221 000000	Sub-total(" Education)	18600	2873	5400	6090	6783	8156	
222 221000	Medical & Public Health	7500	1467	1920	2755	2975	4884	
223 221500	Water Supply & Sanitation	13125	2416	2740	3300	3135	4018	
223 221600	Housing(Incl Police Housing)	5000	1034	1023	1081	1037	2348	
223 221700	Urban Dev.(including State Capital Project)	1000	200	230	263	263	385	
224 222000	Information and Publicity	250	39	40	55	60	66	
225 222500	Welfe of SC, ST & OBCs	1500	345	585	587	600	662	
226 223000	Labour and Employment	600	118	118	188	195	264	
227 223500	Social Security & Welfare	300	70	87	91	102	190	
227 223600	Nutrition	2000	120	418	587	587	704	
	Fire Protection Scheme	200	100	50	49	50	55	
200 000000	TOTAL(XI)	50075	8782	12611	15047	15737	15787	
200 000000	TOTAL(XI)						15787	
XII. GENERAL SERVICES								
342 205600	Jails	450	7	126	138	125	198	
205800	Stationery & Printing	150	31	31	30	31	34	
205900	Public Works	700	195	289	288	287	435	
	Administrative Staff College	10	52	18	68	68	150	
	Grants-in-aid to voluntary Organisations	10	2	2	2	2	2	
300 000000	Upgradation of Administration	4400	519	1747	1992	802	1196	
	TOTAL(XII)	5720	805	2213	2518	1315	2016	
900 999999	GRAND TOTAL	210000	40092	49902	57240	61810	96054	
							77000	

*Excludes Rs. 4.25 cr. addl. central assistance for improvement in certain medical specialities.

ASSAM
Annexure-II

Assam - Basic Information

A.	Area	Sq. Kms.	78,523
	<u>Administrative Structure</u>	Nos	
	Districts	"	19
	Sub-Divisions	"	35
	Development blocks	"	135 (A number of new blocks have been created during 1986-87)
	Villages (1971)	"	21995
	Towns	"	72
B.	<u>Demography</u>		
	Population (Projected 1981)	Lakhs	199.0
	1971-81 Decennial Growth Rate	%age	36.08 (India-25.0)
	Density of Population	Persons per sq. Kms.	254 (India - 216)
	Sex Ratio	No. of females per 1000 males	901
	Rural Population	%age to total	89.7
	Urban Population	"	10.3
	Scheduled Tribes	"	6.7
	Literacy Rate	"	28.2 (India- 36.2) (1971)
C.	<u>Important Economic Indicators</u>		
	Foodgrains production	1987-88 Lakh tonnes	29.05
	Average Yield of Rice	" Qtls./ha.	11.55 (India-15.68)
	Fertiliser Consumption	1986-87 Kg./Ha.	4.7 (India-48.7)
	Average Rainfall	1983 MM	2265
	Cropping Intensity	1987-88 %age	140
	Net Irrigated areas as %age to net sown area	1986-87 %age	20.2
	Per Capita Power Consumption	31.3.86 KWH	46 (India 167)
	Railway Route	Kms.	2181
	Road Length (excluding national highways)	31.3.87 Kms.	25139
	Road Length(excl. national highways) per 100 sq. kms.	" Kms.	32.02
	Health Sub-Centres	" Nos.	2623
	Primary Health Centres	" Nos.	329
	<u>Villages (1971) - 21995</u>		
	Villages electrified	31.3.87 Nos.	15729 (71.5%)
	Villages connected by road	" Nos.	13678 (26.2%)
	Villages with water supply	" Nos.	18232 (82.9%)

अति तत्काल

योजना आयोग
॥राज्य योजना प्रभाग॥

विषय : वार्षिक योजना 1989-90 बिहार ।

बिहार की वार्षिक योजना 1989-90 के लिए श्रोमति निर्मला बुध, सलाहकार ॥राज्य योजना॥ को रिपोर्ट को प्रति परिवारित को जातो है । यह रिपोर्ट, उपाध्यक्ष, योजना आयोग/योजना मन्त्री और मुख्य मन्त्री, बिहार के बीच बृहस्पतिवार, 19 जनवरी, 1989 को सायं 3-30 बजे कमरा नं० 130, योजना भवन, नई दिल्ली में होने वाले विचार-विमर्श का आधार होगी ।

नि. का. जैतली

॥नि. का. जैतली॥

वीरष्ठ अनुसंधान अधिकारी

पिता मन्त्रालय

उपाध्यक्ष

राज्य मन्त्री

सदस्य

सचिव

विशेष सचिव

सलाहकार

परामर्शदाता ॥एल.इ.एम.॥/॥पो.पो.॥

संयुक्त सचिव ॥राज्य योजना॥

प्रमुख ॥विज्ञान॥

श्री जे० एल० बजाज, संयुक्त सचिव ॥एफ.बो.॥

आर्थिक कार्य विभाग

श्री जो. हिल्डया, निदेशक ॥पो.एफ.॥

व्यय विभाग ॥चार प्रतिपां॥

योजना आयोग परिपत्र संख्या पो.सो.॥पो.॥/२ बिहार, 88 दिनांक 17-1-1989

प्रति:

उपाध्यक्ष तथा योजना मन्त्री के निजी सचिव

योजना राज्य मन्त्री के निजी सचिव

प्रधान मन्त्री के निजी सचिव

मंत्रिमंडल के सचिव के निजी सचिव

प्रति इनको भो:

राज्य योजना प्रभाग के सभी संयुक्त सलाहकार,

उप सलाहकार, वीरष्ठ अनुसंधान अधिकारी/अनुसंधान अधिकारी ।

सूचना अधिकारी, योजना आयोग ।

प्रति :

सम्पर्क अधिकारी, बिहार सरकार, नई दिल्ली ॥10 प्रतिपां॥

Planning Commission
(State Plan Division)

Annual Plan 1989-90 - Bihar

Report of Adviser (State Plans) - Mrs. Nirmla Buch

Introduction

Bihar is one of the States in Eastern India. It has an area of 1.74 lakh sq. kms. As per 1981 census it has a population of 69.9 million. 87.5% of the population lives in rural areas. It is the seventh largest State in terms of area and second largest in terms of population in the country.

1.2 The topography of North and South Bihar is practically plain while the Chhotanagpur plateau is undulating. It consists of several plateaus having latitudes ranging between 300 and 1000 metres above sea level, with valleys in between. Important rivers which flow in the State are Ganga, Subernarekha, Kosi, Bagmati, Gandak and Son.

1.3 Of the total land area of the State, 48% is under cultivation, 16.4% under forest, 9.9% under non-agricultural uses, 5.8% form barren and uncultivable land and the remaining 4.6% is under pastures.

1.4 The State has a hot summer, wet monsoon and dry cool winter, with moderate to extreme variations in the maximum and minimum temperatures. Average rainfall is around 1300 mm with considerable variations from year to year. The erratic nature of the monsoon in the State and intermittent long dry spells cause serious hardship. Frequent floods and droughts adversely affect agriculture in the State.

Demographic Features

1.5 The average density of population per sq. km. is 402 against the national average of 221. The decadal growth rate of population was 21.33% in 1961-71 and 24.06% in 1971-81. The birth rate in the State as per 1981 census is 37.2 and the death rate is 13.0, giving an estimated population growth rate of 2.42% corresponding to the all India averages of 33.7, 11.9 and 2.18%. The sex ratio is 946 females/1000 males. Scheduled Caste population and Scheduled Tribe population account for 14.51% and 8.3% respectively of the total population of the State. The literacy ratio in the State is 26.20%, much lower than the national average of 36.23%. Female literacy rate is 13.62 against 24.82 at the All India level.

The population of the main workers in the State is 207.12 lakhs (1981 census) of which 79.21% are engaged in agriculture, 3.01% in household industries, and 17.78% in secondary and tertiary sectors.

Bihar, thus, presents a picture of a densely populated state with increasing population growth rate and low literacy level.

Administratively the State is divided into 38 districts 587 Community Development Blocks and 78027 villages.

Brief Overview of State Economy :

2.1 The net State Domestic Product at Factor Cost, at 1970-71 prices rose from Rs.2245 crores in 1970-71 to Rs.3795 crores in 1986-87 registering a compound growth rate of 19.2 percent over sixteen years. The per capita net State Domestic Product at 1970-71 prices has gone up from Rs 402 in 1970-71 to Rs.482 in 1986-87. Quick estimates for 1987-88 show the State Domestic Product at 1970-71 prices to be Rs 3797.01 crores (only 0.05% variation over the previous year and per capita income at same constant prices to be Rs 472 (a variation %age of (-) 2.08 over the previous year. The marginal increase in SDP at constant prices is ascribed to fall in Kharif production due to devastating flood and drought.

2.2 The per capita income of Bihar of Rs 402 in 1970-71 was below the national average (Rs.633) by 15.5%. (The difference has further increased and it was Rs.470 below the national average of Rs 722 in 1984-85.)

next page

2.3 The table at the \angle gives the percentage distribution of state income by Industry of origin in 1970-71 and 1986-87.

Percentage Distribution of State Income by Industrial Origin (1970-87)

Sector	1970-71	1986-87
I. Primary	62.80	54.30
1. Agriculture	56.30	45.36
2. Forestry and Logging	1.00	0.84
3. Fishing	0.70	1.17
4. Mining and Quarrying	4.80	6.93
II. Secondary	16.80	18.64
5. Manufacturing	9.90	11.33
6. Construction	6.20	5.30
7. Electricity and Water Supply	0.70	2.01
III. Tertiary	20.44	27.06
8. Transport, Storage and Communication	5.30	4.78
9. Trade, Hotels and Restaurants	5.30	10.34
10. Other Services	3.50	5.11
All Sectors (I+II+III)	<u>100.00</u>	<u>100.00</u>

3.1 The figures of plan outlay and expenditure in Bihar from the Fourth Five year plan onwards are furnished below :

	Approved outlay (Rs. crore)	Actual Expend. (Rs. crore)	Variation %age	Per capita App. outlay (Rs)	
				Bihar	All India
Fourth Plan (1969-74)	531.28	479.21	(-) 9.8	94	128
Fifth Plan (1974-79)	1296.06	1187.17	(-) 8.4	207	309
Sixth Plan (1980-85)	3225.00	2948.71	(-) 8.6	442	683
Seventh Plan (1985-90)	5100.00	-		642	1054
Annual Plan (1985-86)	851.00	932.21	(+) 9.5	112	178
Annual Plan (1986-87)	1150.00	1281.21	(+) 11.4	148	213
Annual Plan (1987-88)	1500.00	1195.00	(-) 20.3	189	244
Annual Plan (1988-89)	1600.00	1494.53	(-) 6.6	197	258

3.2. As could be seen that till the end of Sixth Plan the actual expenditure has fallen short of Plan outlay of the State. Happily, there has been tremendous improvement in Plan implementation in that the actual expenditure was higher by 9.5% in 1985-86 and 11.4% in 1986-87 compared to the agreed Plan outlay of the respective years. This trend has not continued and the actual expenditure in 1986-87 has again fallen short of the outlay.

3.3. Being the second largest State in the country in terms of population and with per capita income below the national average, 45.2% of Bihar's total Seventh Plan outlay of Rs.5100 crores is to be financed through Central assistance as per the Modified Gadgil Formula against an average of 34.87% for all the States. Bihar's Annual Plan outlay rose by 13.3% in 1985-86, 35.1% in 1986-87 and 30.4% in 1987-88 over the earlier years; the corresponding figures for all the States were 6.8%, 21.2% and 17.8%.

3.4. Annual Plan 1985-86: Against an approved outlay of Rs.851 cr., the actual expenditure was Rs.932 cr. Agriculture and Allied Activities, Irrigation and Flood Control benefited substantially from the higher actual expenditure over approved plan outlay.

3.5. Annual Plan 1986-87: The approved plan outlay was Rs.1150 cr. against which the actual expenditure incurred was Rs.1281.21 cr. This was due to higher actual expenditure over approved Plan outlay in Agriculture and Allied Activities, Irrigation and Flood Control, Energy, Industry and Minerals, Transport, General Economic Services, Social Services and General Services.

3.6. Annual Plan 1987-88: Against an approved outlay of Rs.1500 crores, the actual expenditure was Rs.1195 crores showing 80% utilisation of the outlay.

3.7. Bihar's Annual Plan 1988-89 was approved of Rs.1600 crores to be finalised as under:-

	(Rs.crores)
I. State's total Resources including opening balance.	916.16
II. Central Assistance	583.84
III. Term loan/grant outside Gadgil formula.	100.00
	1600.00

The likely reported expenditure of Rs.1495 crs. will be 93% utilisation of the outlay. Against the Seventh Plan approved outlay of Rs.5100 crores, the likely expenditure during the first four years 1985-89 will be Rs.4903 crs., leaving a balance of Rs.197 crores for the terminal year 1989-90.

Annual Plan 1989-90

4.1 State Govt.'s proposals for the annual plan 1989-90 aggregate to Rs. 1750 crores which is 9% higher than the approved outlay of Rs. 1600 crores. of 1989-90. Significant increase of 35% is proposed under Rural Development followed by 31% under Industry and Minerals, 18% under Agriculture and Allied Services, 16% under General Economic Services, 13% under Transport and 11% under Social Services. Increases under other sectors are marginal. The proposed outlays by major Heads of Development along with Seventh Plan outlays and yearwise expenditure are given below:

(Rs. in lakhs)

Major head (10)	7th Plan (1985-90) Agreed outlay (2)	Actual Expenditure 1988-89			1989-90			%age increase or Col.8 over Col. 6 (9)
		85-86 (3)	86-87 (4)	87-88 (5)	Appr. outlay (6)	Anti. Expnd. (7)	Proposed outlay (8)	
I. Agriculture & Allied Activities	27815 (5.45)	6368 (6.83)	9941 (7.75)	9666 (8.09)	8946 (5.59)	8895 (5.95)	10600 (6.06)	18.5
II. Rural Dev.	45805 (9.00)	8100 (8.69)	10336 (8.07)	11064 (9.26)	11627 (7.27)	14449 (9.67)	15700 (8.97)	35.0
III. Special Area - Programme	-	-	1200 (0.94)	1076 (0.90)	1210 (0.76)	1210 (0.81)	1277 (0.73)	5.5
IV. Irrigation & Flood Control	172400 (33.80)	31411 (33.70)	36676 (28.63)	40553 (33.94)	43750 (27.34)	43793 (29.30)	45900 (26.23)	4.9
V. Energy	108300 (21.33)	15290 (16.40)	22268 (17.38)	16561 (13.86)	44104 (27.57)	32692 (21.88)	45200* (25.83)	2.5
VI. Industry & Minerals	21660 (4.24)	4829 (5.18)	7435 (5.80)	6300 (5.27)	7650 (4.78)	7348 (4.91)	8500 (4.86)	31
VII. Transport	39610 (7.76)	7919 (8.49)	11112 (8.67)	9134 (7.64)	11140 (6.96)	10425 (6.97)	12601 (7.20)	13.1
VIII. Communications	-	-	-	-	-	-	-	-
IX. Science, Technology & Environment	460 (0.09)	40 (0.03)	70 (0.05)	60 (0.05)	328 (0.21)	278 (0.10)	300 (0.17)	
X. Gen. Economic Services	2235 (0.44)	522 (0.56)	5590 (4.36)	5973 (5.00)	7425 (4.64)	6861 (4.59)	8645 (4.94)	16.4
XI. Social services	86385 (16.92)	16367 (17.55)	21006 (16.40)	17380 (14.55)	21485 (13.43)	21277 (14.24)	23845 (13.62)	11.0
XII. General Services	5330 (1.07)	2375 (2.55)	2487 (1.94)	1717 (1.44)	2335 (1.43)	2223 (1.49)	2432 (1.39)	4.2
Grand Total:	510000	93221	128121	119484	160000	149454	175000	9.4

Note: * This includes Rs.100 cr. for Tenughat Stage II subject to its clearance by the World Bank.

Figures in brackets give the percentage of the total.

4.2 Outlays proposed include 26.23% for irrigation and flood control, 25.83% for Energy, 14% for social services, 7.20% for Transport, 8.97% for Rural Development and 6.06% for Agriculture and allied services. The sectoral percentage distribution is generally maintained as in the Seventh Plan except for lower percentage share for Irrigation flood control and social services (though higher in absolute terms)

Assessment of Financial Resources

5.1 The financial resources for the annual plan 1989-90 were assessed by the F.R. division of the Planning Commission with the State officials. A review of resources for the current year's plan alongwith the financing of the VII Five Year Plan was also undertaken. The position which emerged is summarised below:

Review of the First three years of the VII Plan

5.2 The Seventh Plan outlay of the State was approved at Rs.5100.00 crores to be financed by State's own resources of Rs.2810.04 crores and Central assistance of Rs.2289.96 cr. As against this, the Plan outlay approved was Rs.851.00 cr. for 1985-86, Rs.1150.00 crores for 1986-87 and Rs.1500.00 cr. for 1987-88. The actual Plan outlay realised was Rs.932.21 cr. in 1985-86, Rs.1281.21 cr. in 1986-87 and Rs.1195.00 crores in 1987-88 thus aggregating to Rs.3408.42 cr. for the first three years of the Plan

Assessment of Financial Resources:

Annual Plan 1988-89 - Review of Resources:

5.3 The State's Annual Plan for the year 1988-89 was approved at Rs.1600.00 cr. to be financed through State's own resources of Rs.916.16 cr., Central assistance (Net) of Rs.583.84 cr. and additional Central assistance of Rs.100.00 crores for the Tenughat Project subject to clearance for external financing. The revised Plan outlay for the year 1988-89 has been placed by the State Govt. at Rs.1504.00 crores. The aggregate resources for the State Plan as re-assessed work out to Rs.1185.42 crs., showing a gap of Rs.318.58 cr. for financing the revised Plan outlay of Rs.1504.00 crores.

The following table indicates the summary position of the resources for the Annual Plan 1988-89:

	(Rs. crores)		
	1988-89 (Estimates)		
	Annual Plan as approved	Is now assessed	Improvement (+)/Deterioration (-)
I. Plan Outlay			
(a) Normal State Plan outlay	1600.00	1504.00	(-) 96.00
<u>Total-I</u>	<u>1600.00</u>	<u>1504.00</u>	(-) <u>96.00</u>
II. Funding			
1. State's Resources	<u>916.16</u>	<u>653.71</u>	(-) <u>262.45</u>
2. <u>Central Assistance</u>			
(a) for normal State Plan	583.84	587.84	(+) 4.00
(b) Outside Gadgil formula	100.00	-	(-) 100.00
3. <u>Total Resources</u>	<u>1600.00</u>	<u>1241.55</u>	(-) <u>358.45</u>
4. Carry forward surplus/ deficit of 1987-88	-	(-) 56.13	
5. <u>Aggregate Resources</u>	1600.00	1185.42	
6. Gap in Resources	-	(-) 318.58	

5.4 The State's own resources on the basis of current year's transactions are thus estimated to have been deteriorated by Rs.262.45 cr. Taking into account the opening balance of (-)Rs.56.13 crs., the overall deficit in the State's resources is estimated to be (-) Rs.318.58 crs. for the current year.

5.5 The deterioration of Rs.318.58 cr. in State's resources for 1988-89 is mainly attributable to the following:

	(Rs. crores)
i) Shortfall in the ARM	(-) 396.00
ii) Lower accruals under Group Insurance Fund Scheme	(-) 29.00
iii) Shortfall in the contributions of SEB/RTC	(-) 15.00
iv) Spill-over expenditure corresponding to loan from NABARD credited in the previous year.	(-) 48.00
v) Increase in repayment of loans	(-) 39.00
vi) Increase in interest payments	(-) 16.00
vii) Improvement in other items such as larger receipts from cess on minerals, higher collection of State Taxes etc.	(+) 224.42
Total:	(-) 318.58

5-6 The measures for covering the overall gap of Rs.318.58 cr. anticipated for the current year were discussed with the State officials. The State officials could not immediately identify possible areas of improvement in resources and economies in expenditure. They further stated that as there was no possibility of additional resource mobilisation, downward revision in the approved plan outlay might become necessary but the priority programmes had to be maintained.

Annual Plan 1989-90

6.1 The State's balance from current revenues at current rates, excluding upgradation grant for capital works and special problem grant recommended by the Ninth Finance Commission, is estimated to be Rs.302.69 cr. The estimates of State's revenue receipts and non-Plan revenue expenditure^{as} now worked out are indicated below: (Rs. crores)

i) Tax Receipts(including ARM)	953.88
ii) Non-Tax Revenue	861.75
iii) Non-plan revenue	2883.83

6.2 Taking into account the revenue receipts and non-plan revenue expenditure as well as capital receipts, contribution by State enterprises and upgradation and special problem grants, as assessed now, the States own total resources, excluding ARM through fresh measures for the next year (1989-90), work out to Rs.706.00 crs. The above assessment includes grant of Rs.24.01 cr. for upgradation of capital works and Rs.41.07 cr. by way of grant for special problems (construction of school buildings) as recommended by the Ninth Finance Commission. These grants are earmarked for specific programmes and should not be taken as available for purposes other than the purposes recommended by the Ninth Finance Commission.

6.3 Keeping in view the current indications as well as the allocations during the first four years of the Plan and the balance left out of the State's Five Year Plan allocation, Central assistance for funding the 1989-90 Annual Plan of the State has been provisionally taken at Rs.570.87 crores. Thus, taking into account the State's own resources, excluding fresh ARM, the total resources would aggregate to Rs.1276.87 cr. as against the approved Plan outlay of Rs.1600.00 cr. for 1988-89.

Sectoral outlays, Issues and Highlights

Agriculture and Allied Services

7.1 The economy of the State is predominantly agricultural. Agriculture accounts for 45% of the State income and 80% of its population are dependent on it. Hence increasing agricultural production and productivity is key to the economic and social development in the State of Bihar.

7.2 North and Central plains of Bihar have rich potentialities of irrigated crop husbandry with fertile alluvial soil, excellent surface and underground water potential, good annual rainfall, sunshine and climate suitable for a large number of crops. But flood proneness, water logging areas of north Bihar, drought proneness of Central Bihar and uncertainty of rainfed agriculture of the plateau region have seriously affected the agriculture production and productivity.

The proposals of the State Govt. do not include outlays for a number of centrally sponsored schemes thereby it would lose support of funds of these schemes.

Agriculture:

Crop Husbandry

7.3 The State Govt. had proposed an outlay of Rs.3605 lakhs for 1989-90 under Crop Husbandry which did not include any provision for Centrally Sponsored Schemes like Bufferstocking and National Project on Development of Fertilizer in low-consumption rainfed areas. Besides, the State had not provided sufficient outlay for the World Bank assisted extension projects. The State should provide matching share for the Centrally Sponsored schemes and adequate funds for the World Bank aided project. Accordingly, the proposed outlay of Rs.3605 lakhs was increased to Rs.3899 lakhs including Rs.230 lakhs for World Bank Extension Project, Rs.30 lakhs for Bufferstocking and Rs.34 lakhs for National Project on Development of Fertilizers in low-consumption rainfed areas.

7.4 A target for construction of 1 lakh boring/bamboo boring and 14,000 B.D.wells has been proposed for 1989-90 and 21,000 pumpsets will be distributed, creating a potential of 2.5 lakhs hectares. Thus, the total cost of private irrigation subsidy schemes is estimated at Rs.16,000 lakhs of which Rs.7600 lakhs is the subsidy component and balance of Rs.8400 lakhs is the loan component to be obtained from institutional finance. Out of Rs.7600 lakhs, a subsidy of Rs.4400 lakhs has been proposed in the State Plan outlay and the balance is expected from Govt. of India to achieve the targets set for Bihar State. Out of this Rs.4400 lakhs in the State Plan, a sum of Rs.1100 lakhs is/ have been provided in the State Plan outlay for Agriculture sector by transfer from proposed outlay under Minor Irrigation to Agriculture sector under S&MF programme. The total outlay recommended by the Working Group for Crops Husbandry has increased to Rs.7199 lakhs, from the proposed level of Rs.3605 lakhs.

Under Minor Irrigation outlay and Rs.3300 lakhs ...10/-

Soil & Water Conservation

7.5 The proposed outlay of Rs.550 lakhs under Soil & Water Conservation schemes did not include any provision for a Centrally Sponsored scheme of National Watershed Development Programme Rs.50 lakhs as State's share, is recommended for getting the release of central share.

Research & Education

7.6 The State had proposed an outlay of Rs.470 lakhs for Research and Education of which a sum of Rs.200 lakhs was provided for Birsa Agriculture University and Rs.270 lakhs for Rajendra Agriculture University. The Vice-Chancellors of both the Universities strongly pleaded that the outlay proposed are inadequate to meet the minimum needs of the Universities. The Working Group, therefore, recommended an outlay of Rs.350 lakhs for RAU, Patna against the proposed outlay of Rs.270 lakhs and an outlay of Rs.250 lakhs as against the proposed outlay of Rs.200 lakhs for Birsa. These requirements have, however, to be finally seen within the financial resources and may be kept at the State proposals at present.

Level of

Animal Husbandry

7.7 The Working Group recommended an outlay of Rs.659 lakhs under Animal Husbandry as against the proposed outlay of Rs.640 lakhs including outlay for Centrally Sponsored schemes, for which no outlays were proposed.

Dairy Development

7.8 An outlay of Rs.483 lakhs has been recommended by the Working Group against the proposed outlay of Rs.473 lakhs. for providing land, water and electricity to various new milk plants, provision for seed money for Dairy Federation and enhanced outlay for chilling centre, Saheganj to enable commissioning of / mik plant during 1989-90.

/Bhagalpur

Forestry & Wild Life

7.9 The forest area constitutes 16.8% of the total geographical area of the State. The 7th Plan outlay for forestry is Rs.45.00 crores which works out to 0.0.88% of the total State Plan outlay. The outlay for forestry is lowest amongst all States though there is a considerable tribal population, ecologically sensitive areas and mining activities in the State. The APD for social forestry (SIDA) envisages an outlay of Rs.14.27 crores for 1989-90 and there is also a backlog of Rs.1.50 crores. SIDA authorities are emphasizing for providing an adequate outlay in the State Plan so that the agreement for Phase II of the project can be executed. An outlay of Rs.1400.00 lakhs has, therefore, been recommended for this project though Rs.855.00 lakhs were proposed by the State Government. Adequate matching share was also provided for Centrally Sponsored Schemes.

7.10 The State representatives mentioned that a new scheme for developing Buddhist Tourist Circuit has been taken up with Japanese assistance under Overseas Economic Cooperation Fund with the total cost of Rs.2.00 crores. An outlay of Rs.50.00 lakhs against Rs.68.50 lakhs proposed has also been recommended for this scheme. Thus an outlay of Rs.2250.00 lakhs has been recommended by the Working Group against Rs.1650.00 lakhs proposed including Rs.50.00 lakhs for development of Buddhist Tourist Circuit with Japanese Assistance under OECF. Major share of the outlay is for SIDA.

Rural Development

IRDP and Allied Programmes

8.1 . In so far as giving second dose of assistance to old beneficiaries is concerned, out of 5.99 lakhs identified old families, the State Govt. had covered 5.57 lakhs families till November, 1988 from the beginning of the Seventh Five Year Plan and the target of 4.46 lakhs families fixed for 1989-90 would, with all probabilities, be new beneficiaries only. The State Govt. had also fixed the physical target of SC/ST beneficiaries at 1.78 lakh constituting about 40% of the total. During 1988-89, till November, 1988, under IRDP, the coverage of scheduled ^{Castes} and Scheduled Tribes was to the extent of 44% of the total.

8.2 . The State representatives informed that about 38.13% of the activities were in the primary sector, 18.72% in the secondary sector and 43.15% in the tertiary sectors. Among the innovative projects initiated in the State it was mentioned that some new activities such as mining water harvesting for irrigation and pisciculture in Singhbhum

District, jute rope making and sericulture in Purnea district and vegetable cultivation in Ranchi district had been taken up.

8.3 It was reported that there was considerable wastage under TRYSEM as would be evident from the fact that out of 16,083 nos. of youth trained in 1987-88, only about 45% could establish themselves in self-employment and 10% could get wage employment. The State Govt. had not been able to provide any public/private sector project linked training to youths under TRYSEM which could secure them wage employment.

8.4 It was informed that under DWCRA, so far 1593 groups were formed, of which 573 groups had started some economic activities like making of woollen garments, food products, the detergents, etc. The Working Group advised the State Govt. to take up economic activities in as many groups as possible in 1989-90.

8.5 Per capita utilisation of foodgrains under NREP till November, 1988 under the programme was not very satisfactory in the State being only 1.27 kgs. The State representatives stated that though allotment of foodgrains was made to the tune of 62000 MTs, actual release were only 30,000 MTs and the availability from FCI godowns was not uniform in all the districts.

Drought Prone Area Programme (DPAP):

8.6 It was informed that though all the micro and macro watersheds could not be identified so far, the works under the programme were being executed on the identified watersheds only. The programme was being implemented in 54 blocks in five districts.

Land Reforms

8.7 The State representatives pointed out that the work of updating of land records had been taken up in 28 districts of the State and in some of the districts the work was completed. In order to complete the pending work in the remaining districts the survey operation would be continued in 1989-90. The State Govt. also proposed to start survey and settlement operations in the district of Hazaribagh during 1989-90. In so far as the programme of consolidation of Holdings under Land Reform is concerned the State representatives informed that at present the consolidation work was in progress on 154 anchals, spread over 13 districts. Pre-consolidation work was in progress in 24 anchals. They further informed that of the 154 anchals where consolidation work was in progress, it was to be completed by 1989-90 positively.

Irrigation

Major and Medium Irrigation

9.1 In view of the State indication of augmentation of resources increased outlay for irrigation sector has been recommended by the Working Group. State representatives were however impressed upon to increase the figures for creation of potential and utilisation commensurate with the higher outlay being recommended by the Working Group as the potential of 46.15% of ultimate potential and 36.08% of utilisation had only been achieved in Bihar upto end of 1986-87 against an All India average of 69.14% and 64.59% respectively.

9.2 Subernarekha Project (T) is likely to be completed by June, 1994 and about Rs.486 crores will spill over in the Eighth Plan. Considering the progress of the various components of the project, an increased outlay of Rs.100 crores has been recommended by the Working Group.

9.3 Western Kosi Canal is likely to be completed by 1994-95 and Rs.136 crores will spill over in the Eighth Plan. An allocation of Rs.24 crores at the last year's level has been recommended / to keep the tempo of the work.

by the
W.G.

9.4 Increased outlays have also been recommended by the Working Group for N.Koel, Durgawati, Konar & Barnar Projects to ensure their early completion. Similarly, for Upper Kiul, Punasi and Tilaiy Diversion increased outlays were recommended by the Working Group for ensuring completion.

9.5 For the Inter-State Bansagar project Rs.11.00 crores have been recommended by the Working Group, subject to adjustment to be done with the Madhya Pradesh Government.

9.6 In view of the importance of draining of the Gandak Command Area, an outlay of Rs.11.00 crores was recommended by the Working Group for Gandak Phase-II.

Flood Control

9.7 In the light of frequent recurrence of floods : an outlay of Rs.60 crores for flood control, drainage and Anti-sea erosion schemes has been recommended by the Working Group.

.....

Minor Irrigation

9.8 The State Government provides higher subsidies for minor irrigation works over and above the subsidies available under small and marginal farmers scheme to Harijans and Adivasis. The State Government have provided Rs.11.00 crores for this item. The Working Group recommended Rs.7.50 crores under category 'A' and Rs.3.50 cr. under category 'B' if more funds are available.

9.9 The State Government have proposed Rs.26.00 crores for World Bank Aided Tube Well Project. As the State Government has organisation capacity to spend more funds for this project, the Working Group recommended Rs.26.00 crores under category 'A' and Rs.7.50 crores under category 'B' provided the Planning Department of the State is able to provide Rs.7.50 crores to Minor Irrigation from their overall Plan.

9.10 The State Government has provided Rs.33.00 crores as State's matching share for Centrally Sponsored Scheme of Small & Marginal Farmer's Scheme of providing subsidy for minor irrigation works. This item was deleted as this pertains to Agriculture Department of the State and funds are provided under Agriculture Sector, and not under Minor Irrigation.

9.11 The outlays recommended by the Working Group are as given below:

(Rs. crores)

	<u>Recommended by the Working Group</u>
(1) Major and Medium Irrigation	378.7+13.00
(2) Minor Irrigation	47.52+11.00
(3) Flood control	60.00+10.00
(4) C.A.D. Programme	<u>9.60</u>
Total:	<u>495.82+34.00</u>

+ Indicates Category 'B'

Power

10.1 The Working Group review of progress of schemes targetted to be completed during the 7th Plan shows a shortfall of 258.9 MW in capacity additions. The PLF of the State Electricity Board from April to October 1988 is 34.9% against 37.8% in the Eastern Region and 51.9% for All India. The installed capacity at the end of VI Plan was 1380.48 MW and 478.9MW was to be added in the VII Plan. Against this the anticipated achievement is 220 MW. The units which have slipped to the VIII Plan are Tenughat TPS-I unit I (210MW) and small Hydel projects (48.9MW) and thus contributing to the anticipated shortfall in capacity addition. Financially, Power Sector is expected to register a shortfall in the current year.

10.2 The Working Group has assessed a requirement of Rs.454.33 cr. for Power Sector excluding RE against the State proposal of Rs.404 crs. A brief review of the projects is given below:

10.3 Subernrekha HEP (2x65 MW), Patratu TPS (stage IV) (2x110MW), Barauni TPS (2x110MW), and Mazafarpur TPS(2x110MW) are completed schemes with some work/additional cost estimates still to be completed/provided. The Working Group has recommended outlays subject to approval of cost estimates by CEA. The project authorities have agreed to close the cost estimates by March 1990.

10.4 Tenughat Stage-I (2x210MW): This project is being executed by BHEL on a turn-key basis for which a contract was signed in February, 1986. The latest estimated cost is Rs.747.71 cr. which included Rs.648.39 cr. as BHEL component and Rs.99.32 cr. as Tenughat Vidyut Nigam component. The latest commissioning schedule, as indicated by the Project Authorities for Unit I, shows slip from March, 1990 to September, 1990 and Unit II would follow after 6 months i.e. March 1991 and T.G. erection from 5/89. Taking a 45 months for synchronisation of 210MW units, it takes 29 months from commencement of boiler erection to synchronisation. On this basis, the Working Group has observed tight commissioning programme for Unit I and expected a 6 months slippage.

/Boiler
erection
was sche-
duled to
begin by
15th Jan.
1989

10.5 The Development Commissioner, Govt. of Bihar informed the Working Group about anticipated shortfall of Rs.46 crores for Tenughat Stage I in the current year. He further informed that negotiations were going on with IDBI and consortium of banks to secure Rs.150 crores loan and which

....

was expected to be materialised. The Working Group has considered the need for obtaining institutional finance for this Project in view of resources constraint. The Working Group has recommended Rs.230 crores as outlay for the Project in 1989-90 comprising of Rs.205 crores for BHEL and Rs.25 crores for the works being done by the TNVL. The Working Group also advised the State Government to enhance outlays for 1989-90 to the extent the outlay for the Project fell short from the outlay provided in the Annual Plan 1988-89.

Schemes executed by BHPC

10.6 Eastern Gandak Canal (3x5 MW), North Koel (2x12MW), Sone Western Link Canal (4x1.65MW) and Sone Eastern Link Canal (2x1.65 MW) are the on-going schemes, which were approved in 1983-84. These are small hydels utilising canal drops. The revised cost estimates in all these schemes were not submitted to Central Electricity Authority for techno-economic approval. All these schemes were targetted for providing benefits in 7th Plan. However, due to slow progress of works being done by the various agencies namely M/s HSCL, Bihar Construction Corporation, etc. these schemes were now targetted in 8th Plan.

10.7 Chandel Dam Left Bank Canal (2x4 MW): Approved by Planning Commission in April, 1987 for an estimated cost of Rs.12.95 cr. Drawings for various works were under preparation, excavation of power house was entrusted to State Irrigation Deptt. Tenders for civil works were likely to be invited. The Working Group has recommended an outlay of Rs.350 lakhs including Rs.320 lakhs for fabrication and erection of generating units.

10.8 Tenu-Bokara Link Canal (1x1MW): This scheme was also approved in October, 1987 for an estimated cost of Rs.275.60 lakhs. The Working Group recommended Rs.50 lakhs as outlay which includes Rs.15 lakhs for advance payments with the commissioning programme of March 1991.

10.9 Tenughat Stage II (3x210MW): This scheme was posed for financial assistance from World Bank. The World Bank Team was expected to visit in January 1989. An agreement was expected to be signed by World Bank in 1989-90.

Transmission & Distribution.

10.10 The Working Group recommended an outlay of Rs.104.87 crores for T&D works as against the proposal of Rs.90.54 cr. made by the State Govt.

Rural Electrification Programme (RE)

10.11 Against the total number of 67546 villages, 41038 villages have been electrified upto March, 1988 achieving a level of 60.8%. The estimated potential of pumpsets is 10.0 lakhs and 2,26,245 pumpsets have been energised upto March, 1988 achieving 22.6% level.

10.12 For 1989-90, 2600 villages have been recommended by the Working Group for rural electrification and 12000 pumpsets for energisation.

Non-Conventional Energy Sources (NCES)

10.13 Although the Bihar Renewable Energy Development Agency (BREDA) came into existence in April, 1987, there is not appreciable increase in its activities as the targets for 1988-89 and 1989-90 are lower than that of achievement of 1987-88. The biogas programme has been slowed down after the transfer of the programme to BREDA.

10.14 Most of the outlays are required for giving subsidy over and above central subsidy and staff salaries. No details on the operation of biogas plants were available as no surveys have been done so far.

Integrated Rural Energy Planning Programme (IREP)

10.15 The project reports prepared by the State were not in accordance with the Planning Commission requirements and they should be revised.

10.16 The recommended outlays for Rural Electrification, Non-Conventional Source of Energy and IREP are Rs.5085 lakhs Rs.295 lakhs and Rs.60 lakhs respectively.

Industries Village and Small Industries

11.1 Village and Small Industries sector is a labour intensive sector, hence a shift in the pattern of investment in favour of Village and Small Industries is required. It would be necessary to make village and small industries viable by inducting improved technology and marketing support. Out of 64000 small and tiny units, in the State 11800 are sick. There are either large industries or small industries in the State, the missing link in the chain is medium industries which generally provide market for village and small industries. The State Govt. should prepare a perspective plan for industries for which an Expert Group should be constituted.

11.2 In 1988-89, a shoe project with UNDP assistance is proposed to be launched.

11.3 As the State is very rich in tradition, design, motive and colour combinations in handicrafts, use of new raw materials and improved finishing would ensure increased earnings to artisans. There are potential for crafts like block printing, zari, stoneware, woodware and jewellery where lot of improvement was possible particularly in regard to design and finishing. Khadi and Village Industries segment in the State was still in a bad shape and even low levels of funds being made available by Khadi and Village Industries Commission were not being fully utilised. The State Khadi and Village Industries Board would, therefore, need to be activated. There was lot of scope for the development of sericulture as supply of raw silk in the country through imports from China were drying up. However, input/output ratio in the sector should be analysed and the entire activity made viable by making investment in rearing, reeling and silk weaving. It is felt that existing arrangement of handlooms is also detrimental to the interests of the former because adequate attention can not be paid to providing institutional infrastructure for the development of sericulture industry.

lumping programme for sericulture development with those of

11.4 The Working Group recommended an outlay of Rs. 2325 lakhs for Village and Small Industries.

Large Industries

11.5 The State Govt. propose to concentrate on specific areas of industry where they have locational advantages. One area of investment is Cement and the other is recovery of Coal chemicals as there are large scale Coal mining/washing/coking operations being undertaken in the State.

11.6 Industrial Development Corpn. proposes to promote down stream processing units based on agro-based raw materials such as fruits, potatoes etc.

11.7 Bihar has a large number of sugar mills of varying capacity. There are 3 distilleries attached to sugar mills. There is scope to put up more distilleries based on availability of molasses. This may help in establishment of alcohol based chemical industries.

11.8 Working Group recommended an outlay of Rs. 5385 lakhs for large and medium industries, Rs. 775 lakhs for mineral Development and Rs. 15 lakhs for weights & measures for 1989-90.

Transport

Roads & Bridges

12.1 The prime weakness in the road sector is the prolonged neglect of maintenance- Against an annual requirement of Rs.110 crores as per 8th Finance Commission estimated for the purpose, the State allocation is about 52 crores only. The position of rural roads maintenance is still poorer as against the requirement of Rs.60 crores, the State was allocating Rs.9 crores only. If maintenance are not immediately stepped up, a significant proportion of the road network is likely to breakdown beyond redemption.

12.2 There are a large number of spillover works estimated to cost Rs.62.09 crores (relating to PWD only). Against this requirement the State Govt. have allocated Rs.38.01 crores for Roads & Bridges programme in the Annual Plan 1989-90. This allocation of Rs.38 crores for the spillover schemes include completion of five major schemes, namely Dumrihat Bridge over river Kosi, Gandak Bridge at Hazipur, Belwaghat Bridge over river Bagwati, additional two lanes of Mahatma Gandhi Setu and Kalughat Bridge over river Karch. Out of 101 schemes spilling beyond March, 1989, 70 schemes are planned to be completed during the Annual Plan 1989-90.

12.3 The connectivity of villages is poor. The State is unlikely to fulfil the target of providing road links to villages with a population of 1500 and above under national norms. Table below indicates the upto date reported position of connectivity of villages during Seventh Plan period under the M.N.P.:

		M.N.P. (Physical performance)					
Population Growth	Total villages	1980-85	1985-86	86-87	87-88	88-89	89-90
1500 & above	8228	4055	4332	4556	4752	5102	5452
1000-1500	6104	2449	2642	2759	2935	3085	3185
Less than 1000	53234	Not Available.					
Total:	67566						

Connectivity of villages under the RLEGP and NREP should also be taken into account together in order to arrived at the correct position.

12.4 There is need for undertaking road construction on network basis. A Master Plan for road sector is yet to be prepared by the State Govt. Without an integrated road network Master Plan, the road construction will be for most part ad-hoc in nature. The Working Group stressed the need for expediting the preparation of the Master Plan for roads.

12.5 The Working Group has recommended an outlay of Rs.110.40 cr. (including outlays for rural roads) as per details given below:

	(Rs. crores)	
	Proposed outlay	Recommended outlay
(1) PWD Roads	57.40	57.40
(2) Rural Roads	50.00	45.00
(3) Urban Roads	7.00	7.00
(4) Sugarcane Roads	1.00	1.00
Total:	<u>115.40</u>	<u>110.40</u>

Road Transport

12.6 Bihar State Road Transport Corporation continue to incur losses. The cumulative losses as on 31st March, 1989 are estimated at Rs.156.98 cr. The main reason for the losses is low fleet utilisation, low vehicle productivity and lower earning per bus km.

The fleet utilisation at 60% is low as compared to national average of 86%. In order to increase the productivity it is better to scrap the unusable buses. An outlay of Rs.10.25 cr. has been recommended by the W.G. as per details given below:

	(Rs. lakhs)
(1) Purchase of buses (150 Nos.)	600.00
(2) Construction of Workshop Building	25.00
(3) Purchase of capital share	100.00
(4) Rebuilding of Bus bodies etc. (300 Nos.)	<u>300.00</u>
	<u>1025.00</u>

I.W.T.

12.7 The State Govt. had proposed an outlay of Rs.11 lakhs for the Annual plan 1989-90 for the Hydrographic Survey of River Gandhak & Kosi. The state Govt. representatives stated that in the year 1988-89 there was steamer tragedy at Maniharighat. Govt. had assured that it will run its own ferry service from Manihari Chat to Sahib-Gunj. The representatives of the State Govt. proposed an additional outlay of Rs.80 lakhs for the purchase of two steamers. On account of constraint of resources. The Working Group recommended an additional outlay of Rs.40 lakhs for the purchase of one steamer.

12.8 The outlays proposed by the State Govt. and as recommended by the Working Group are as below:

	(Rs. crores)	
	Proposed by the State Govt.	As recommended by Working Group
Roads & Bridges (of which MNP)	115.40	110.40
(of which MNP)	(50.00)	(45.00)
Road Transport	10.00	10.25
I.W.T.	0.11	0.51
Tourism	2.20	2.20

Science & Technology

13.1

Except on Bihar Remote Sensing Application Centre, and setting up of I.G. Science and Planetarium Complex, there has been no appreciable progress during 1988-89. In the State lot of S&T infrastructure is available which must be tapped. Under Environment Sector also progress is not good. Working Group recommended an outlay of Rs. 220 lakhs for Science and Technology and Rs. 30 lakhs for Ecology and Environment Sector for 1989-90.

Education

14.1

According to 5th All India Educational Survey, there are 4906 villages in the State which do not have schooling facilities in a radius of 3 kms. There are 4455 villages with most of the Scheduled Caste & Scheduled Tribe population, which do not have primary schools within a radius of 1 km.

14.2

The proposals of the sector do not include the 9th Finance Commission's Award of Rs. 48.40 crores for construction of school buildings and upgradation of standard of Education.

14.3

For the year 1989-90 enrolment targets recommended by the Working Group for class 1-viii are 9.50 lakhs children. During 1988-89, the target of enrolment of 675 thousand additional children in the age group 6-15 (470 thousand in class 1-v and 205 thousand in class vi-viii) is likely to be achieved.

14.4

The sub-head-wise break-up of the outlay recommended by the Working Group is given below:

Sub-head	(Rs. lakhs)	
	1989-90	
	Outlay recommended by W.G.	Outlay recommended in part 'B'
Elementary Education	10692.42 *	1195.00
Secondary Education	1203.00	50.00
University Education	400.00	-
Adult Education	875.00	325.00
Language Development	138.00	-
Direction & Administration	45.00	-
<u>Total General Education</u>	<u>13353.42</u>	1570.00
Technical Education	385.00	200.00
Sports and Youth Services	225.00	-
Art & Culture	127.00	104.00
<u>Total Education</u>	<u>14090.42</u>	1874.00

* including Finance Commission's Award.

-/-

Health

15.1 The State Govt.'s proposals for 1989-90 under this sector are of the order of Rs. 5500 lakhs against the approved outlay of Rs. 4515 lakhs for the current year. Position of sub-centres, primary health centres and community health centres in the State is given below :

<u>Sub-centres</u>	<u>Nos.</u>
No. as on 1.4.85	8299
7th Plan target	6500 (Addl.)
Likely achievement upto 1.4.89	4150
Target for 1989-90	2350
<u>Primary Health Centres</u>	
No. as on 1.4.85	796
7th Plan target	1500 Addl.
Likely Achievement upto 1.4.89	1198
Target for 1989-90	302
<u>Community Health Centres</u>	
No, as on 1.4.85	50
7th Plan Target (Addl.)	97
Likely Achievement upto 1.4.89	46
Target for 1989-90	Nil

Centrally-sponsored schemesNational Malaria Eradication Programme

15.2 The incidence of Malaria has increased by 43.16% and p.f. incidence has increased by 9.10% upto July 1988 as compared to corresponding period of 1987. The spray coverage in the State is only 30.33%. ABER percentage in the State is 2.62 which is very low. The State Govt. have expressed a need to start a separate project for Kala-azar. It is not advisable to take up a new project in the terminal year of the Plan. However, Min. of Health is said to be considering an integrated approach to handle Malaria, Kala-azar and Japanese encephalitis during the 8th Plan. The State Govt. should utilise the fund for National Malaria Eradication Programme to encounter Kala-azar. Outlays proposed by the State Govt. and recommended by the Working Group are given below :

Scheme	Outlay proposed by State	(Rs. lakhs)	
		Outlay recommended by the Working Group	
		A	B
1. Minimum Needs Programme	2205.00	2300.00	150.00
2. Hospitals & Dispensaries	324.50	125.00	100.00
3. Medical Education & Research	1720.00	1700.00	200.00
4. Training Programmes	50.00	50.00	-
5. ISM & Homoeopathy	108.00	105.00	-
6. ESI	10.00	10.00	-
7. Other Programmes	4.00	4.00	-
8. Special Incentives for FW work under State Plan	376.00	-	-
9. State Share of Centrally Sponsored Schemes			
a) NMEP	603.00	600.00	50.00
b) Filariasis Control Prog.	22.00	22.00	-
c) TB Control Programme	77.50	100.00	-
Total :	5500.00	5016.00	500.00

Water Supply and Sanitation

- 16.1 The 'N' category identified problem villages should be fully covered by the summer of 1989. The remaining partially covered villages should be covered fully by the end of 1989-90 so that there is no spill over to the 8th^{plan} and targets of National Drinking Water Mission are achieved.
- 16.2 The rural water supply schemes should be cost effective. Substantial funds are proposed for "relocation of sources". Before undertaking such relocation, State Govt. should ensure scientific source finding and clearance of the State Source Finding Committee set up under National Drinking Water Mission to avoid infructuous expenditure. The performance of the rigs has not been found satisfactory and need to be improved.
- 16.3 The Working Group has recommended a higher allocation for completion of identified 14 Urban Water Supply Schemes (which can be completed by March 1990) at the request of the State Government/representative so that their benefit is available. Out of 220 towns only 147 have been given piped water supply so far. The proposed outlays include Rs.100 lakhs for water supply schemes and Rs.50 lakhs for four Buddhist Centres of Bodh Gaya, Rajgir, Vaishali and Nalanda for a total Water Supply, Drainage and Sewerage project costing Rs.47.92 crores on the assumption that 100% reimbursement will be available from Japanese assistance. State Government may have the matter clarified from the Ministry of Tourism who have sponsored it and also consult the Ministry of Urban Development before including outlays in the State Plan.

Housing & Urban Development

17.1 The targets fixed for the Social housing schemes of EWS/LIC/MIG against the proposed outlays indicate that the entire cost of construction of these houses by the Housing Board is being borne by the budgetary resources. The norms of ceiling costs fixed for EWS and LIG houses also appears to be very high if one goes by the targets indicated against the financial outlays. Though the State officials claimed that they are borrowing funds from HUDCO, it could not be substantiated by the officials with facts and figures. It appears that these are different scheme entirely funded by plan resources. There is no evidence of institutional linkage. The state officials promised to clarify the position. The officials were advised to project the targets against the totality of resources including institutional resources. The plan provision would indicate the budgetary support for obtaining loans and repaying any instalments that may become due before recoveries are made from the beneficiaries. The State officials were advised to follow

....

the HUDCO norms for these houses. No subsidy should be allowed for urban housing. Proposed outlay of Rs.1000 lakh was recommended by including the provision of Rs.120 lakh for land acquisition and Rs.5 lakh for strengthening of Housing Department.

17.2 The norm for the house sites (MNP) scheme has been fixed by the State Govt. at Rs.760 (Rs.860 in the hills) including cost of acquisition, levelling and provision of water. The element of construction subsidy @ Rs.300 mentioned in the plan document is not actually meant or provided for construction. The State officials clarified that this is a part of development costs. They also clarified and it was confirmed by the representative of the Min. of Urban Development that Bihar Govt. is not implementing the scheme for construction assistance. Only developed house sites are given and this scheme is dovetailed with Indira Awas Yojana. It appears that there is a lot of confusion about this twin MNP scheme. The target of 20,000 beneficiaries fixed by the State Govt. against the proposed outlay of Rs.220 lakh appeared to be too low as per the State's own norms. The State officials clarified that actual cost of development of sites is much higher than the norms mentioned in the document. The state officials agreed to revise the scheme as per the actual cost. After some discussion, it was indicated that the unit cost may be fixed at Rs.800 and a target of 25,000 may be fixed for 1989-90. On this basis an outlay of Rs.200 lakh was recommended.

17.3 The State Govt. proposed an outlay of Rs.800 lakhs for police housing for construction of residential quarters and barracks, non-residential buildings like police stations and office buildings, campus development and land acquisition. The State officials stated that the proposed outlay do not include the upgradation grant of the 9th Finance Commission. The Finance Commission recommendations have to be included in the plan proposals. Otherwise the resources of the State would get reduced to the extent of the grant. Moreover, the grant is earmarked and meant for 1989-90. The State officials agreed to incorporate the recommendation of the 9th Plan Finance Commission in the proposals for new works. The recommended outlay of Rs.900 lakh includes the upgradation grant of Rs.306.80 lakhs for construction of 520 housing units and Rs.54.54 lakhs for construction 18 police stations as recommended by the 9th Finance Commission. Remaining outlay of Rs.436.56 lakhs would be used for completing ongoing works to the extent of estimated Rs.221 lakhs and the rest would be utilized for undertaking new works on priority basis.

17.4 The State officials were requested to separate the urban basic services scheme from other schemes as this is a centrally sponsored scheme. The proposed outlay of Rs.32.60 lakh for this scheme was recommended. This was included under the proposal of non-remunerative scheme. The recommended outlay represents the state share only.

The State Govt. proposed an outlay of Rs.100 lakh for grant-in-aid to Regional Development Authorities at Patna, Ranchi, Muzzaffarpur, Darbhanga and Gaya. The grant-in-aid is given as seed capital for raising matching loans from HUDCO for construction of markets and residential scheme since these are remunerative schemes and would strengthen the resources of RDAS considerably, the proposed outlay of Rs.100 lakh was recommended.

17.5 There are 15 towns covered under the Centrally Sponsored IDSMT scheme during the Sixth Plan. Another 6 towns have been approved during the 7th Plan. During four years of the plan the State has provided a matching share of Rs.430 lakh. An outlay of Rs.100 lakh was proposed for 1989-90. With this another Rs.129 lakh would have spilled over to 8th Plan. This is a centrally sponsored scheme on matching loan basis, it was, however, agreed to keep the outlay for 1989-90 to Rs.100 lakh at the proposed level.

17.6 The Rickshaw Pullers' scheme with the proposed outlay of Rs.10.40 lakh found support as this is a scheme for upliftment of the poor. The scheme envisages provision of motorised rickshaw, dormitories for pullers and construction of rickshaw stand.

17.7 Public Works: The State Govt. proposed an outlay of Rs.1963 lakh against the current year's outlay of Rs.1900 lakhs. The proposals include Rs.1487.54 lakh for completion of 75 ongoing schemes, Rs.30 lakh for land acquisition, Rs.100 lakh for renovation of old buildings, Rs.25 lakh for plants and equipments, Rs.219 for establishment expenses and remaining Rs.101 lakh for new schemes. The State officials stated that the above proposals do not include the recommendations of the 9th Finance Commission which has sanctioned upgradation grants to the extent of Rs.740.40 lakh for Tribal Admn., Judicial Admn. Distt. and Revenue Admn., Training, Treasury and Accounts. It was stated that upgradation grants for Education and Health Sectors do not form part of Public Works. It was explained to the State officials that the upgradation grants form part of State's total resources for the plan and are earmarked. If the recommendations of the Finance Commission are not included in the proposed works, State resources to that extent would get reduced. Since there is no scope for accommodating the Finance Commission's recommendations within the proposed outlay of Rs.1963 lakh which has a spillover component of Rs.1487.54 lakh, it was suggested to the State officials that they should find ways to accommodate the upgradation grants. The proposed outlay of Rs.1963 lakh was, however, recommended.

17.8 The State Govt. proposed an outlay of Rs.14 lakh for jails. The State Govt. did not make any provision for upgradation grant of Rs.356.78 lakh provided by the 9th Finance Commission for sub-jail buildings, buildings for young

offenders and housing units. The State officials were requested to accommodate the upgradation grants for the reasons stated earlier. The proposed outlay of Rs.14 lakh is, however, recommended.

17.9 Printing and Stationery: The State Govt. proposed an outlay of Rs.24 lakh for construction of building (Rs.9 lakh) for secretariat Branch of Press at Patna and for installing two web offset machines at Ranchi Press (Rs.15 lakh). The proposed outlay was recommended by the Working Group.

17.10 Summary recommendations of the Working Group are as below:

	(Rs. in lakh)	
	<u>Proposed</u>	<u>Recommended by the Working Group</u>
	<u>1989-90</u>	
1. Social Housing	1000	1000
2. Rural House sites	220	200
3. Housing Building Advance	380	350
4. Police Housing	800	800
Total Housing	2400	2350
5. Urban Development	400	400
6. Public Works	1963	1963
7. Jails	14	14
8. Printing & Stationery	24	24

Welfare of SC/ST/OBC

18.1 The State Govt.'s proposals under this sector amounted to Rs.1760 lakhs against the current year's approved outlay of Rs.1600 lakhs. Working Group recommended the proposed outlay. Step-up in the proposals is due to construction of residential schools and hostels which were already in hand.

18.2 Three new schemes were proposed and recommended. These are:

	(Rs. lakhs)
(i) Reorganisation of Industrial training schools	4.00
(ii) Exhibition, Seminar, Conferences, etc.	0.50
(iii) Replenishment of stock in graingolas	5.00

The State Govt. should send a detailed note on the functioning of scheduled castes Development Corporation and Tribal Development Corporation.

Tribal sub-Plan

18.3 The State Govt. proposed an outlay of Rs.42598.45 lakhs for the Annual Plan 1989-90 as flow of funds from State Plan which is 24.34% of the total State Plan outlay of Rs.175000 lakh.

The STs constitute 8.31% of the total population. During discussions in the Min. of Welfare it was observed that heavy outlays in capital intensive sectors have been shown towards Tribal sub-Plan. The State Govt. was impressed upon to quantify funds in proportion to the benefits accruing to the tribals out of capital intensive sectors like water, power development, communications, industries and minerals. It was suggested that no cuts might be made in the flow of funds from State Plan to TSP in the proposals made for 1989-90.

Special Component Plan for Scheduled Castes.

18.4 The State Govt. proposed an outlay of Rs.14953.76 lakhs for the Annual Plan 1989-90 as flow of funds from the State Plan out of the total outlay of Rs.175000 lakhs which works out to 8.54% of the total State Plan outlay. In the meeting held in the Min. of Welfare, it was pointed out that the flow of funds from the State Plan was low compared to the SC population. It was also mentioned that there was shortfall in the expenditure under specific sectors which might be locked into. The State Govt. was impressed upon to increase the SCP level for the year 1989-90 keeping in view the SC population percentage of 14.5 in the State as also their genuine needs.

District Planning

Untied Funds for District Planning

19.1 The State Govt. officials pointed out that there are some problems in the implementation of schemes which were being taken up at district level. In some cases, because of the decision taken at the local level, work in a particular sector was of the magnitude which the existing departmental machinery were not able to handle. As a result of this, there are above 3% spill over works under untied funds during the year. The representatives of the State Govt. have also pointed out that since the nature and volume of work to be taken keeps on changing from year after year, it was also found difficult to strengthen staff in a particular department. If the implementation machinery at the district level was placed under the control of district Planning Committee, this problem may be solved to some extent. Small schemes of local importance should be taken up under untied funds and there should not be any spill over under this fund.

19.2 It was noted that under the head 'untied funds' against the current year's approved outlay of Rs.6639 lakhs, the State Govt. will be able to utilise only Rs.6100 lakhs during the year. For the Annual Plan 1989-90, an outlay of Rs.7800 lakhs was proposed. Keeping in view the resource position of the State, a sum of Rs.7500 lakhs could be recommended.

....

Size of the Annual Plan 1989-90

20.1 The State Government's proposed outlay for 1989-90 is Rs.1750 crores against the current year's approved outlay of Rs.1600 cr. (Rs.100 cr. included in both years for Tenughat State II project in Power Sector subject to clearance by the World Bank). The Working Groups recommendations aggregate to Rs.1929.94 cr. The sectorwise outlays proposed and recommended are given in the Statement

20.2 The outlays proposed by the State Govt. did not include outlays for the 'Upgradation' and 'Special problems' grants (construction of primary schools) totalling Rs.65.08 crores recommended for this State by the 9th Finance Commission and included in the resources assessed for the Annual Plan 1989-90. Hence outlays for these have had to be included. In Power and Irrigation sectors the Working Groups have recommended higher outlays for completion/progress of identified on-going/interstate projects.

20.3 The proposals were discussed further with the State officials in a wrap up meeting. The outlays recommended therein aggregate to Rs.17.27 cr. after reduced outlays in Power Sector (reduction of Rs.170 cr. - Rs.130 cr. for Tenughat Stage I, Rs.40 cr. for Tenughat State II and Rs.15 cr. for T&D) and reduction of Rs.20 cr. in General Education and accommodating the upgradation grants and special problems grants within the reduced outlay. The outlay for the 9th Finance Commission's recommended 'upgradation' and 'special problems' grants will have to be earmarked and the needs of Agriculture, Power (for Tenughat Stage I to step up to at least Rs.150 cr.) and Health sectors again brought up in the wrap up meeting suitably accommodated within the resources and final size of the Plan.

20.4 The Reassessment of resources of 1988-89 annual plan indicates a gap of Rs.-318.58 cr. (Reference para 5.4above) Hence the question of revised plan outlay for the current year's plan that the State Govt. may like to implement the in the light of this deficit was discussed with the State officials. The State Development Commissioner indicated that the State Government may consider revising it to Rs.1250 cr. or Rs.1290 crs. i.e. a downward revision by Rs.210 cr. to Rs.250 cr. to clear the deficit substantially. This, however, has still to be confirmed. This need to be discussed.

20.5 The resources assessed for 1989-90 annual plan in the Financial Resources discussions aggregate to Rs.1277 crs. (including the upgradation and special problems grants of the 9th Finance Commission and a provisional level of Central Assistance of Rs.570.87 crore but excluding fresh ARM). In the wrap up meeting it was stated by the State officials that the resources for 1989-90 may go up by Rs.300 crores from fresh ARM+buoyancy with which the resources could aggregate to Rs.1577 crore (This is Rs.77 crores more than the current year's outlay (without Rs.100 crores of Tenughat Stage II). This, however, has still to be confirmed. The proposed outlay of Rs.1750 crores (Rs.1650 crores excluding Tenughat Stage II proposed only subject to clearance by the World Bank) has to be considered against these likely resources.

20.6 As the additional resources indicated above have still to be confirmed, the final size of the Annual Plan may be determined in the discussions between Deputy Chairman and State Chief Minister. Thereafter the sectoral outlays will be finalised in consultation with the State officials.

1
958
29

987

Annual Plan 1988-89 - Heads of Development - Bihar

Code No.	Major Head/Minor Heads of Development	Actual Expenditure					1988-89		(Rs. Lakhs)	
		Seventh Plan 1985-90 Agreed Outlay	1985-86	1986-87	1987-88	1988-89 Approved Outlay	1989-90 Proposed by Working Group	1989-90 Recommended by Working Group		
1 01 2401 00	Crop Husbandry	9565	1992	2460	3595	2874	2874	3605	7199*	
2402 00	Soil & Water Conservation	2000	414	468	425	500	500	550	600	
2403 00	Animal Husbandry	2400	545	907	554	580	580	640	659	
2404 00	Dairy Development	1250	376	452	380	430	430	473	483	
2405 00	Fisheries	950	194	230	232	270	270	297	297	
2406 00	Forestry & Wild Life	4500	795	968	1027	1500	1500	1650	2250	
2407 00	Plantations	-	-	-	-	-	-	-	-	
2408 00	Food, Storage & Warehousing	50	8	1	-	7	7	8	8	
2415 00	Agricultural Research & Education	2000	361	389	380	425	425	470	600	
2416 00	Agricultural Financial Institutions	800	110	150	150	230	230	254	128	
2435 00	Other Agricultural Programmes:									
2435 01	(a) Marketing & Quality Control	1100	189	229	100	230	180	253	240	
2425 00	Cooperation	3200	1384	3687	2823	1900	1900	2400	2100	
1 01 0000 00	Total (I)	27815	6368	9941	9665	8946	8896	10600	14564	

* Includes Rs. 3300 lakhs transferred from 'Minor Irrigation'.

../-

Code No.	Major Head/Minor Heads of Development etc.)	Seventh Plan 1985-90 Agreed Outlay	Actual Expenditure		1988-89 Approved Outlay	1989-90 Proposed Outlay	Recommended by Working Group		
			1985-86	1987-88				(Rs. Lakhs)	
1 04 2711 00	Flood Control (incl. anti-sea erosion, etc.)	14400	3940	4340	3700	4800	4000	6000	1000
1 04 0000 00	Total (IV)	172400	31411	40553	43750	43793	45900	49582	3400
V. ENERGY									
1 05 2801 00	Power	106500	15135	16276	43304	32404	44900	50519	
8210 00	Non-conventional Sources of Energy	1800	155	285	300	290	300	295	
1 05 0000 00	Total (V)	108300	15290	16561	44104	32694	45200	50813	
VI. INDUSTRY & MINERALS									
1 06 2851 00	Village & Small Industries	7000	1747	2112	2111	2011	2312	2325	
2852 00	Industries (other than W.S.I.)	9000	2653	3712	4800	4598	5400	5385	
2853 02	Weights & Measures	60	4	11	14	14	15	15	
2853 02	Mining	5600	425	916	725	725	773	775	
1 06 0000 00	Total (VI)	21660	4829	6300	7650	7348	8500	8500	
VII. TRANSPORT									
1 07 3053 00	Civil Aviation	65	10	1	45	30	50	25	
3054 00	Roads & Bridges	37000	7601	8373	10185	9585	11540	11040	
3055 00	Road Transport	2500	303	750	900	800	1000	1025	

* Includes Rs. 100 crores for Temughat Stage II subject to the clearance by World Bank.

**/-

(Rs. Lakhs)

Code No.	Major Head/Minor Heads of Development	1985-86		1986-87		1987-88		1988-89		1989-90	
		Actual Plan 1985-86	Expenditure 1985-86	Actual 1986-87	Expenditure 1986-87	Actual 1987-88	Expenditure 1987-88	Actual 1988-89	Expenditure 1988-89	Actual 1989-90	Expenditure 1989-90
		Agreed Outlay	Actual	Agreed Outlay	Actual	Agreed Outlay	Actual	Agreed Outlay	Actual	Agreed Outlay	Actual
1 07 3056 00	Inland Water Transport	45	5	15	10	10	10	10	10	11	51
3075 00	Other Transport Services (to be specified)	-	-	-	-	-	-	-	-	-	-
1 07 0000 00	Total (VII)	39610	7919	11112	9134	11140	10425	12601	12141		
1 08 0000 00	VIII. COMMUNICATIONS	-	-	-	-	-	-	-	-	-	-
	IX. SCIENCE TECHNOLOGY & ENVIRONMENT										
1 09 3400 00	Scientific Research (incl. (S.T))	300	40	45	35	300	250	270	220		
3425 00	Ecology & Environment	180	-	25	25	28	28	30	30		
1 09 0000 00	Total (IX)	480	40	70	60	328	278	300	250		
	X. GENERAL ECONOMIC SERVICES										
1 10 3451 00	Secretariat Economic Services	330	295	59	75	90	90	111	63		
3452 00	Tourism	700	200	212	235	235	210	220	220		
3454 00	Surveys & Statistics	185	27	42	54	58	58	71	71		
3456 00	Civil Supplies	-	-	277	363	403	403	443	443		
3475 00	Other General Economic Services:	1000	-	5000	5246	6639	6100	7800	7500		
	a) District Planning										
1 10 0000 00	Total (X)	2335	522	5590	5973	7425	6861	8645	8297		
	XI. SOCIAL SERVICES										
	EDUCATION										
2 21 2202 00	General Education	30575	4941	5416	5289	6500	6400	7051	13353	1570	
2203 00	Technical Education	800	145	275	143	350	313	385	585	200	

../-

Statement - Bihar (Contd.)

-: 5 :-

Code No.	Major Head/Minor Heads of Development	Seventh Plan 1985-90 Agreed Outlay	Actual Expenditure (Rs. Lakhs)				1989-90 Pro-posed by Working Outlay Group Cat. A Cat. B			
			1985-86	1986-87	1987-88	1988-89				
2 21 2204 00	Sports & Youth Services	500	204	205	184	215	237	225	-	
2 21 2205 00	Art & Culture	200	73	132	85	115	127	127	104	
2 21 2206 00	Sub-Total (Education)	32075	5363	6128	5701	7180	7800	14090	1874	
2 22 2210 00	Medical & Public Health	14640	2724	4506	3192	4515	4598	5500	5016	
2 23 2215 00	Water Supply & Sanitation	18000	3126	4837	3956	3900	3850	4200	4176	
2 216 00	Housing (incl. Police Housing)	8860	2804	2782	2029	2350	2275	2400	2350	
2 217 00	Urban Development (incl. State Capital Projects)	1900	396	344	179	400	380	400	400	
2 24 2220 00	Information & Publicity	200	38	101	52	60	55	75	75	
2 25 2225 00	Welfare of Scheduled Castes, Scheduled Tribes & Other Backward Classes	6300	1237	1592	1355	1600	1600	1760	1760	
2 26 2230 00	Labour & Employment	500	83	114	95	200	196	320	320	
2 27 2235 00	Social Security & Welfare	410	40	53	34	80	80	90	88	
2 236 00	Nutrition	3500	556	649	787	1200	1200	1300	1370	
3 00 0000 00	Total (XII)	85385	16367	21006	17380	21485	21277	23845	2374	
XII. GENERAL SERVICES										
3 42 2058 00	Stationery & Printing	80	20	11	16	22	20	24	24	
2059 00	Public Works (incl. Jails)	4600	2152	2150	1358	1913	1813	1977	1977	

Code No.	Major Head/Minor Heads of Development	Seventh Plan 1985-90 Agreed Outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89	1989-90	Approved Outlay	Proposed by Working Group	Recommended by Working Group
										(Rs. Lakhs)
3 42 2070 00	Other Administrative Services :									
	a) Autonomous Development Authority	450	170	300	300	300	300	300	330	330
	b) Manpower Training	50	5	6	-	7	5	6	6	6
	c) Monitoring of 20 Point Programme	150	28	20	13	28	25	28	28	28
	d) Project Administration	-	-	-	30	35	35	37	37	37
	e) Minority Finance Corporation	-	-	-	-	30	25	30	30	30
	Total (XII)	530	2375	2487	1717	2335	2223	2432	2432	2432
9 99 9999 99	Grand Total	510000	95221	128121	119484	160000	149454	175000	192994	5962

MOST IMMEDIATE

PLANNING COMMISSION
(State Plans Division)

...

Subject:- Annual Plan 1989-90 - GOA

A copy of the report of Dr. D.N. Prasad, Adviser (State Plans) on the Annual Plan 1989-90 of Goa is circulated herewith. This will form the basis of discussion between Minister of Planning/Deputy Chairman, Planning Commission and the Chief Minister, Goa to be held on Tuesday, the 24th January, 1989 at 11.00 A.M. in Room No. 130, Yojana Bhavan, New Delhi.

K. W. Kapoor

(K.W. Kapoor)
Sr. Research Officer

Deputy Chairman
Minister of State
Members
Secretary
Special Secretary
Advisers
Consultant (LEM)/PP
Joint Secretary (SP)
Chief Science

Ministry of Finance

Sh. J.L. Bajaj, Jt. Secy. (FB)
Deptt. of Economic Affairs.

Sh. G. Haldea, Director, (PF)
Deptt. of Expenditure. (4 copies)

Ministry of Programme Implement-
ation

Sh. D.Y. Manewwar, Addl. Secy.

Planning Commission Cir.No.PC(P)2/Goa/88 dt. 19.1.89

Copy for information to:-

P.S. to Deputy Chairman
F.S. to Minister of State
F.S. to Secretary to the P.M.,
Prime Minister's Sectt., New Delhi
Cabinet Secretary

Copy also to :-

Joint Advisers
Deputy Advisers
Information Officer
SRO/RO concerned in State Plans Division.

Liaison Officer, Govt. of Goa, New Delhi (10 copies)

...

Planning Commission
(State Plans Division)

ANNUAL PLAN 1989-90 - GOA

REPORT OF ADVISER (S.P.) Dr. D.N. PRASAD

General.

Physiographic,
Demographic &
Socio-economic
Features.

1.1 Goa was conferred statehood on 30th May, 1987. The districts of Daman and Diu were constituted as a separate Union Territory. According to 1981 Census, the erstwhile Union Territory of Goa, Daman & Diu had a population of 10.86 lakhs. Goa accounted for 97% of population, viz. 10.40 lakhs. Similarly out of the total area of 3813 sq. kms. of the erstwhile Union Territory of Goa, Daman & Diu, Goa covered an area of 3701 sq. kms.

1.2 Agriculture and fisheries are two main occupations in the State. The ratio of irrigated land to cultivated land in the State is about 15% which is less than the national average. The State does not have, at present, any power generation of its own and is purchasing it from the Western Region Grid. Power is supplied from the NTPC plants located at Kerba and Ramagundam. Projects to harness available hydro-electric potential in the State at the site of Salaulim and Anjunem irrigation projects besides the natural waterfalls at Dudhsagar are being explored. Goa is located on the western coastal belt underlining the importance of maritime occupation in the State Plan. Tourism has been recognised as one of the important sectors of the State economy.

Per capita Plan
outlay and
expenditure

2.1 Per capita outlay in the erstwhile Union Territory of Goa, Daman & Diu is given in the following table:

	Outlay Per capita (Rs.) (Rs. crore) Goa All UTS		
First Plan*	-	-	-
Second Plan*	-	-	-
<u>Third Plan 1961-66</u>			
Outlay	23.04	349	266
Expenditure	15.27	231	284
<u>Annual Plan 1966-69</u>			
Outlay	24.02	321	225
Expenditure	19.82	265	187
<u>Fourth Plan 1969-74</u>			
Outlay	39.50	459	388
Expenditure	41.93	488	417
<u>Fifth Plan 1974-79</u>			
Outlay	85.00	855	785
Expenditure	87.38	879	812
<u>Sixth Plan 1980-85</u>			
Outlay	192.00	1687	1553
Expenditure	224.42	1972	1894
<u>Seventh Plan 1985-90</u>			
Outlay	360.00	2871	3067

*Was not State UT then.

It will be seen that per capita Plan outlay in respect of the erstwhile Union Territory from Third Plan right up to the end of Sixth Plan has remained consistently higher than all UTs. "Slight" downward trend noticeable during the Seventh Plan could be due to imbalance caused by bifurcation in the outlay, consequent to Goa becoming a State from May 30, 1987.

Seventh Five
Year Plan
(1985-90)

3. Seventh Plan outlay and outlays for the years 1985-86 and 1986-87 adopted by the State are for Goa, Daman & Diu. Approved outlays for 1987-88 onwards have been tentatively distributed between Goa and Daman & Diu on the population basis of 92.73 and 7.27 respectively. Anticipated expenditure for 1988-89 and proposals for 1989-90 are for Goa State only.

3.1 Seventh Plan outlay of the erstwhile Union Territory of Goa, Daman and Diu was agreed at Rs. 360 crores. The scheme of financing is under:-

	(Rs. crores)
1. Erstwhile Territory's own resources	102.64
2. Central assistance	257.36
Total:	<u>360.00</u>

The Seventh Plan outlay is an increase of 87.5% over the State's Sixth Plan outlay of Rs.192 crores.

Priorities/
Strategy in the
Seventh Plan

4. The year 1989-90 being the last year of the Seventh Plan, priority has been given to the completion of the on-going projects especially those in advanced stage of construction and can be completed quickly. Emphasis has also been laid on improving productivity and efficiency through better utilisation of capacity created and greater efficiency in the use of resources. The plan, while seeking growth with social justice, also lays emphasis on beneficiary oriented and anti-poverty programmes with a view to creating employment opportunities and generating incomes for the weaker sections of the society.

4.1 The important physical targets to be achieved during the last year of the Seventh Plan include stepping up foodgrain production to 1,80,000 tonnes, sugarcane production to 1,20,000 tonnes, coconut production to 1,07,500 million nuts, cashewnut to 12,000 tonnes, mango to 34,500 tonnes and bananas to 9,300 tonnes.

Annual Plans
1985-86 to
1987-88

5. The level of approved outlay of the erstwhile U.T. Administration for first two years of the Seventh Plan and 1987-88 for Goa State, together with the actual expenditure incurred during the first three Annual Plan periods is indicated below:

	(Rs. in crores)		
	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
a) Approved outlay	64.00	73.00	79.75*
b) Actual Expenditure	64.73	73.61	88.72

*For composite U.T, it was Rs. 86 crores. After excluding 7% of allocation for Daman & Diu for Goa alone it comes to Rs. 79.75 crores.

5.1 It will be seen from the above that while the utilisation of outlays during the years 1985-86 and 1986-87, is full, the actual expenditure reported during 1987-88 is 11.2 percent higher than the approved outlay.

5.2 The Central assistance during the first three years amounted to Rs. 49.61 crores, 55.84 crores and Rs. 79.75 crores respectively.

Annual Plan
1988-89

6. The Annual Plan 1988-89 of Goa was fixed at Rs. 92 crores which was to be financed as under:

	(Rs. in crores)
i) State's own resources	(-) 30.59
ii) Addl. Market Borrowings	1.00
iii) Fresh Addl. Resources mobilisation	5.00
iv) Central assistance for State Plan	86.00
v) Non-Plan loan from Ministry of Finance	30.59
vi) Aggregate resources	92.00

6.1 The level of anticipated expenditure during the current year is placed at Rs. 108.24 crores, i.e. 17.7 per cent higher than the approved outlay. The expenditure likely to be incurred in the priority sector 'Energy' is likely to fall short of the corresponding approved level. In some other priority sectors such as 'Rural Development' and 'Irrigation and Flood Control', the level of expenditure forecast during the current year will be higher than the corresponding level approved by the Planning Commission. In respect of other important sectors such as Agriculture & Allied services and Industry & Minerals, the approved outlay is likely to be fully utilised.

Annual Plan
1989-90

7.1 The State Government have proposed an outlay of Rs. 145.82 crores for the Annual Plan 1989-90, marking a step up of 58.4 per cent over the current year. The estimates of State's resources were discussed in a meeting held in the Planning Commission on 7.11.1988. It may be seen that substantially higher outlays have been proposed for Annual Plan 1989-90 in respect of all the major heads of development. However, the Outlays proposed for sectors like Irrigation & Flood Control, Industry & Minerals, Transport, Social Services and General Services are significantly higher than the corresponding level approved for the current year's plan.

7.2 The break-up of the outlay for Annual Plan 1989-90 by broad heads of development as proposed by the State Government and the corresponding recommendations of the Working Groups and Adviser(SP) are given in the Annexure (attached).

Financial Resources for
Annual Plan
1989-90

8.1 The Working Group on Financial Resources have gone into the resources position of Goa both for the current year and for 1989-90. The estimates of resources as envisaged for the Annual Plan 1988-89 and as re-assessed during the FR discussions, after financing the approved plan outlay of Rs. 92 crores during 1988-89, the State will have a surplus of Rs. 67.06 crores. State's Finance Secretary, however, stated that the cash balance would be Rs. 60 crores. Accordingly the surplus available will be reduced to Rs. 23.30 crores.

8.2 Taking into account the estimate of market borrowings, small savings, State Provident Fund and negotiated loans and contribution of State Road Transport Corporation as well as upgradation and special problem grants, the State's own resources for funding the next year's Plan aggregate to Rs. 2.81 crores. The Working Group on Financial Resources have recommended a Plan size of Rs. 102 crores including Rs. 2.55 crores of upgradation grant and Rs. 3.00 crores on account of special programmes as recommended by the Ninth Finance Commission.

3.3 Initiating the Plan discussions, the Adviser(State Plans) invited the attention of the State Government representatives proposing an outlay of Rs. 145.82 crores for the Annual Plan 1989-90, marking a step up of 53.5 per cent over the current year vis-a-vis the resources position of the State. It was pointed out that a plan of the size presented could be possible only by effecting economy and carry over of a surplus budget or by raising additional revenue resources.

8.4 The Chief Secretary, indicated that a separate Committee for AR^M had been constituted. The question of pruning of expenditure is under consideration and they are striving to effect economy in the expenditure to the extent of Rs. 8 to 9 crores. They are also taking measures to increase bus fare to yield an additional Rs. 2 crores. They showed their concern for all the on-going projects and specific mention was made to the completion of 160 MLD Salauli Water Supply Scheme where progress is in full swing.

8.5 On the basis of steps taken by the State Government to improve the resources position in 1989-90 and the necessity to provide adequately for important and ongoing projects, it is recommended that a plan size of Rs. 116 crores may be fixed for 1989-90, provided the State Govt. gives a firm commitment to raise fresh resources to match this level of outlay. The sectoral allocations have been proposed on the basis of Working Group recommendations. However, the total proposed by them is Rs. 145.82 crores. Since it will not be feasible to find resources of this level sectorwise framing has been made to provide a feasible plan.

Part-II

Sector Analysis

9. Analysis of sectoral programmes is given in the succeeding paragraphs. The observations in these paragraphs will be subject to suggestions made in preceding paras.

Crop husbandry & Soil & Water Conservation 9.1 Due to low fertility of soil, the yield of most of the crops in the State is comparatively low. Moreover, the ratio of irrigated land to total cultivated area in the State has not yet reached the desired level. Thus, efforts are needed for increasing productivity by training the farmers to use the improved techniques, seeds, adequate manure and fertilisers as also to provide adequate and regular water supply etc. Against an anticipated achievement of 1.73 lakh tonnes of foodgrains in 1988-89, target of 1.77 lakhs is proposed for 1989-90. Against an approved outlay of Rs. 200.00 lakhs during 1988-89, the State Government have proposed a provision of Rs. 260 lakhs for 1989-90 and Working Group's recommendations aggregate to Rs. 215 lakhs.

Animal Husbandry

9.2 The main constraint in development of this sector is the lack of feed and fodder resources. Natural grazing in the State is restricted to only three months in a year and during the balance nine months the cattle is to feed on paddy straw and forest grass. It is hoped that after commissioning of Anjunem and Salaulin Irrigation projects, fodder crops would be benefited. Schemes to popularise fodder development in the State are being implemented and as a result of these proposals, an area of 150 ha. is proposed to be covered under fodder cultivation during 1989-90.

9.3 It is understood that Goa Meat Complex Ltd. is incurring huge losses. State Government should make efforts to improve the working of this organisation. Efforts are needed to make full use of the installed capacity of the milk plant in Dabda. During 1989-90, the State Government have proposed to establish a veterinary hospital building at Mapusa and two veterinary dispensaries. Besides, 6000 artificial insemination with exotic semen and 2000 castrations are targetted. 300 piglings of exotic and improved breed produced at the piggery farm are proposed to be supplied to the farmers and 50,000 chicks are to be hatched at Government Poultry Farm.

Fisheries 9.4 Total fish production during 1988-89 reached a level of 40,000 tonnes (i.e. 3,000 tonnes inland and 37,000 tonnes marine). The bulk of marine fish production however is still contributed by traditional and mechanised boats in operation on the coastal belt of the State. The State Govt. have proposed Rs. 130 lakhs under the head 'Fisheries'. Against the approved outlay of Rs. 100 lakhs during 1988-89, the Working Group have recommended an allocation of Rs. 125 lakhs for 1989-90.

Forestry & Plantation 9.5 Total area under forests in the State is 28% of its geographical area, which is less than the 60% for hilly region like Goa under National Forest Policy. The State Govt. is laying greater emphasis on strict enforcement of the forest conservation Act. During the discussions, it was mentioned that since Goa has become a State, there is urgent need of having a post of Chief Conservator of Forests for better coordination. It was suggested that the State Forest Department should identify some species suitable for taking afforestation in the coastal area in view of the hazard of soil erosion. It was mentioned by the State representatives that there is a considerable area spoiled by mining activities, the rehabilitation of which is very important from ecological point of view and they have started some afforestation on such lands by identifying some suitable species. It was suggested that this need to be further expedited by developing proper technology and strengthening the forest research based in the State. The State Plan document has shown plantation separately whereas those are the plantations being carried out by Forest Department. Similarly, under Agriculture Research there is a component of forest research, education and training. The forest research, education and training has also been segregated from agricultural research and shown in forestry together with outlays. In this way, the outlay proposed for forestry sector in Goa works out to Rs. 178 lakhs. After detailed deliberation, an outlay of Rs. 164 lakhs has been recommended and accordingly physical targets for various afforestation schemes have been fixed.

Cooperation 9.6 The financial position of the Goa Cooperative Banks improved further. Efforts should be continued during 1989-90 to ensure a substantial increase in the flow of credits to small and marginal farmers through primary agricultural credit societies, marketing cooperatives, reimbursement of loss due to reduction in the interest of agricultural loan to weaker sections etc.

9.7 For the year 1989-90, an outlay of Rs. 140 lakhs is proposed for Cooperation (Rs. 109 lakhs), marketing (Rs. 5 lakhs) and storage (Rs. 26 lakhs). The Working Group recommended an outlay of Rs. 119 lakhs, for cooperation, (Rs. 92 lakhs), for food storage and ware-housing (Rs. 22 lakhs) and for marketing and quality control (Rs. 5 lakhs).

Rural Development

Rural Dev.
Development

10.1 An outlay of Rs. 50 lakh has been proposed by the State for the year 1989-90 for the IRDP main programme and the target is to cover 4000 new families. It was reported that the target fixed for the current year (1988-89) was to assist 4,282 families, out of which 1600 were old and 2,682 were new families. Till September, 1988, a total of 2,237 families had been covered.

10.2 In 1989-90, the allocations under IRDP programme will be on the basis of incidence of poverty alone. The Working Group recommended Rs. 48.75 lakhs for the IRDP main programme so as to match the tentative central share for the programme.

10.3 Under NREP it was mentioned by the State officials that the local labour engaged in rural employment programme consume locally produced rice and do not come forward to take foodgrains brought from out side. The foodgrains are therefore not being utilised. The State Government have requested for fixation of target excluding foodgrains. On the basis of criteria fixed for the programme the tentative State share works out to Rs. 45.00 lakhs which has to be matched in the State Plan. The Working Group recommended Rs. 45 lakhs as State Share of the programme for 1989-90.

Irrigation, CAD
and Flood
Control

11.1 The State's Geographical area has topographical disadvantage and is therefore primarily fit for minor irrigation works. 20,000 ha. in the State are under irrigation and this works out to only 15 per cent of the cropped area of the State. The State has water resources of 8570 million cubic meter. However, its utilisation is very low. Areawise utilisation of surface water for potential is as follows:-

i) Minor irrigation	20,000 ha.
ii) Medium irrigation	30,600 ha.
iii) Major irrigation	31,400 ha.
	<u>82,000 ha.</u>

11.2 According to the State Government a major part of irrigation potential is expected to be created by major and medium irrigation projects having a command area of 62,000 ha. To achieve this goal, two projects viz. Salaulim and Anjunem have been taken up by the State.

11.3 It is learnt that the head works and the canal works of the Salaulim Irrigation project are almost complete and the distribution system is in the advance stage of completion. Working Group estimated

an additional target 3350 ha. during 1989-90. Since, there is a dire need of irrigation facilities in the State, these projects are proposed to be adequately funded. The State has proposed an outlay of Rs. 9 crores for this project and the same outlay has been recommended by the Working Group.

11.4 The State has proposed an outlay of Rs. 16.61 crores for inter-state project of Tillari between Goa and Maharashtra (with the cost share in the ratio of 76.24 respectively) of which the head works and canal works are being executed by the Govt. of Maharashtra. Canal and distribution system works in Goa are being executed by Goa Government. They anticipate an irrigation potential of 3000 ha. during 1990-91 provided the feeder canal works constituted in Maharashtra are completed. With the latest estimated cost at Rs. 155.92 crores, Goa's cost share comes to Rs. 115.39 crores. This project is scheduled to be completed by the end of Eighth Five Year Plan. Pick up weir for right bank canal is almost completed. Dam works and canal works in Maharashtra as well as canal works in Goa are in progress. Keeping in view the arrears to the tune of Rs. 3.54 crores that will remain to be paid by Goa to Maharashtra by 1988-89 as well as the funds required for the works being carried out in Gujarat during 1989-90 the Working Group recommended an outlay of Rs. 16.50 crores for 1989-90. Further, the Working Group has recommended that this rate of funding i.e. 16.50 crores per annum is required to be ensured so that this project does not slip for timely completion as well as to avoid subsequent mounting time over runs.

11.5 The overall recommendations of the Working Group relating to major and medium irrigation aggregate Rs. 26.82 crores against the State's proposal of Rs. 27.13 crores.

Minor Irrigation

11.6 Against an approved outlay of Rs. 200 lakhs during 1988-89, the State Government have proposed an outlay of Rs. 286 lakhs and Working Group's recommendations are for Rs. 204 lakhs for 1989-90 as Minor Irrigation programme is an important and feasible programme in the State of Goa due to its undulating topography. At present, there are 102 on going surface water schemes and 35 on going lift irrigation schemes. The State Government will complete these on-going schemes first before taking up any new schemes. In respect of maintenance of lift irrigation schemes, Working Group deleted an amount of Rs. 10 lakhs for the year 1989-90 as the Working Group felt that this amount should come from non-plan since no outlay was proposed during the Seventh Plan and no expenditure has been incurred during the current Plan. An amount of Rs. 10 lakhs was also recommended by the Working Group for taking up tubewells from the Central Ground water Board which will be subsequently developed by the State. In view of the constraint

of resources an outlay of Rs. 204 lakhs was recommended by the Working Group.

11.7 Salaulim and Anjunem projects are included in CAD programme. The main thrust in these programmes is to carry out the construction of OFD works namely, field channel and land levelling and warabandi etc. Progress on construction of field channels has been going on rather slow and vigorous efforts should be made to complete the works at the earliest. During the year 1989, area covered by field channels and land levelling is expected to be 1500 ha. and 500 ha. respectively for the year 1989-90. The target of 1762 ha. and 738 ha. has been fixed for Salaulim and Anjunem project respectively, for the construction of field channels and 150 and 500 ha. respectively for land levelling.

11.8 For warabandi, 100 ha for Salaulim and 500 ha. for Anjunem is targetted to be carried out during 1989-90. During the year 1988-89 an outlay of Rs. 120 lakhs is expected to be fully utilised. For 1989-90 State proposed an outlay of Rs. 329 lakhs against which Working Group recommended an outlay of Rs. 115 lakhs.

11.9 Flood control and erosion measures are required to be adopted to mitigate damage and distress in the form of submergence of cultivable area, loss of standing crops etc. The outlay proposed for 1989-90 is Rs. 47.68 lakhs, of which the capital content is Rs. 46.07 lakhs. An outlay of Rs. 14.20 lakhs is recommended by the Working Group subject to clearance of the schemes by the competent authorities.

Power

12.1 Against the State Government's proposals of Rs. 1035.70 lakhs (excluding rural electrification), the Working Group recommended an outlay of Rs. 880 lakhs for 1989-90.

12.2 At present, Goa State does not have any power generation project of its own and is purchasing its requirements from neighbouring States of Maharashtra and Karnataka and the Central Grid for power supply.

12.3 The commissioning of the project at Anjunem which is to harness available hydro-electric potential in the State has been deferred from the last year target of 3/90 to 3/92. An outlay of Rs. 30 lakhs has been recommended by the Working Group for 1989-90 for laying penstocks and construction of power house.

12.4 A provision of Rs. 10 lakhs is recommended by the Working Group for Annual Plan 1989-90 mainly for civil works in Salaulim project.

12.5 The size of the capacity of Dudhsagar Mini hydel project has been changed from the earlier 3x 10 MW to 2x2 MW. The revised scheme thus has been reduced considerably from Rs. 40 crores to Rs. 10.29 crores. The scheme is yet to be submitted to CEA for technical approval. A token provision of Rs. 5 lakhs was recommended mainly for payment towards consultation charges and preliminary works.

12.6 The Working Group recommended an outlay of Rs.218.70 lakhs as proposed by State Government for transmission and distribution programmes. For sub-transmission and distribution system, an outlay of Rs. 601.30 lakhs against proposed outlay of Rs. 697 lakhs is recommended. This includes Rs. 30 lakhs for the ongoing schemes and Rs. 571.30 lakhs for new schemes.

12.7 An outlay of Rs. 10 lakhs was recommended for general works. Thus an outlay of Rs. 880 lakhs for power sector excluding rural electrification is recommended for 1989-90 against the proposed outlay of Rs. 1035.70 lakhs.

Industries & Minerals

13.1 Against the State's proposals of Rs. 573.80 lakhs, the Working Group's recommendations add up to Rs. 515.00 lakhs, as under:-

Name of the Scheme/Project	(Rs. lakhs)	
	Outlay proposed by State Govt.	Recommended by Working Group.
I. Large & Medium Industries		
1. Contribution towards the cost of preparation of feasibility reports and progress report.	1.50	1.00
2. Investment in Economic Development of Goa State.	400.00	350.00
3. Investment in Goa Development Corporation	127.00	125.00
4. Investment in Maharashtra State Financial Corporation	30.00	24.00
Total.	<u>558.50</u>	<u>500.00</u>
II. Weights & Measures		
1) Expansion of metric system	3.00 x	5.00
ii) Enforcement of Central Laws	2.00 X	
III. Mineral Development		
	10.00	10.00

Tourism

14.1 Tourism is recognised as an important activity in the State's economy. There has been steady rise of tourist traffic every year and as at the end of 1987-88 the tourist traffic had touched 8.10 lakh (both foreign and domestic). The number of tourists visiting the State is expected to reach 8.65 lakhs at the end of 1988-89 and to 8.90 lakhs at the end of the Seventh Plan period.

14.2 An outlay of Rs. 207.00 lakhs with a capital content of Rs. 193.00 lakhs is proposed for 1989-90 plan as against the approved outlay of Rs. 160.00 lakhs for 1988-89. The proposed outlay is mainly for the schemes like development of tourist centres at Dora Paula, Rihander, Old Goa, Development of beaches, lakes, springs, waterfalls, hillocks, recreational sports complex, tourist accommodation etc.

14.3 State Government should concentrate on completion of ongoing schemes instead of taking up new schemes. The Working Groups recommendations for 1989-90 add upto Rs. 200.00 lakhs.

Education

15.1 The Government of Goa had proposed an outlay of Rs. 2070.39 lakhs for educational development programmes for 1989-90 as against the budgetted outlay of Rs. 1190 lakhs for 1988-89. It is observed that draft plan proposed by the State Government could not be accommodated within the available resources. An outlay of Rs. 1691 lakhs is, therefore, recommended.

15.2 As against proposed outlay of Rs. 433.81 lakhs for 1989-90 an outlay of Rs. 333 lakhs is recommended under the sub-head secondary education. It was suggested to the State representatives to phase out the construction work over a longer period. While construction of new buildings may not be given up, preference should be given to the completion of buildings already in progress.

15.3 For establishment of Sainik School a token provision of Rs. 1.00 lakhs has been recommended as against the proposed outlay of Rs. 10 lakhs.

15.4 Under the sub-head University education it is observed that step up outlay of Rs. 684.63 lakhs is proposed for 1989-90 against the budgetted outlay of Rs. 399.51 lakhs. It is learnt that the actual expenditure under the scheme establishment of University of Goa is expected to be of the order of 530 lakhs (and not 378 lakhs as shown in plan proposed). It is suggested that no new Govt. college should be taken up this year. An outlay of Rs. 500 lakhs is recommended for the University of Goa. For establishment of Govt. college including take over of Women's Home Science College an outlay of Rs 15 lakhs is recommended.

15.5 For Art and Culture as against proposed outlay of Rs. 231.91 lakhs an outlay of Rs. 180 lakhs is recommended out of which 30 lakhs is earmarked towards the State share for zonal cultural centre.

15.6 For Sports and Youth Affairs as against an outlay of Rs.164.51 lakhs proposed in 1989-90 an outlay of Rs. 153 lakhs is recommended which includes Rs 4 lakhs for national service scheme.

Health

16.1 An outlay of Rs. 577.13 lakhs with a capital content of Rs. 432.30 lakhs has been proposed for the Annual Plan 1989-90 under Medical and Public Health. The emphasis during the year will be on further strengthening of infrastructure, control of communicable diseases, augmentation of maternal and child care facilities, improved nutrition and promotion of family welfare programme. Due to constraint of resources, the Working Group has recommended a total of Rs. 525 lakhs, as follows:

(Rs. lakhs)

Scheme	Proposed outlay		Recommended by Working Group	
	Total	Capital	Total	Capital
1. Minimum Needs Programme	58.80	40.80	53.80	29.50
2. Hospitals and Dispensaries	25.20	23.00	22.00	18.00
3. Medical Education & Research	<u>436.00</u>	<u>352.00</u>	<u>403.29</u>	<u>317.00</u>
a) Goa Medical College.	380.00	335.00	355.29	300.00
b) Goa Dental College.	40.00	15.00	33.00	15.00
c) Instt. of Psychiatry & Human Behaviour	16.00	2.00	15.00	2.00
4. Training Programme	<u>29.10</u>	<u>16.00</u>	<u>26.00</u>	<u>15.00</u>
a) Nursing School	16.10	10.00	15.00	10.00
b) Pharmacy college	13.00	6.00	11.00	5.00
5. ISM & Homoeopathy	0.10	-	0.10	-
6. ESI	8.13	-	5.00	-
7. Other Programmes	4.00	0.50	2.50	-
8. Control of communicable diseases	15.80	-	12.31	-
Total	<u>577.13</u>	<u>432.30</u>	<u>525.00</u>	<u>379.50</u>

16.2 The Working Group has observed that the Medical College and Hospital, Goa has been lingering for a long time, resulting in cost over run to a large extent, The Group which discussed the matter with the Medical College authorities and the State Finance Secretary was informed that the State is inclined to complete the project on priority basis in the next three years. The latest cost estimates are of the order of Rs. 22 crores. -/-

to complete the

16.3 Keeping in view the urgency to complete the project, the Working Group has recommended an additional amount of about Rs.3 crores out of the total outlay to be provided to the State Government for the year 1989-90, over and above Rs.5.25 crores recommended for the State.

Water Supply and Sanitation 17.1 During 1989-90, it is proposed to provide water supply to one town covering a population of 40,000 and to augment water supply to three towns with 9000 population. Likewise, under rural water supply scheme, 45 villages with a population of about 26,000 are proposed to be covered by providing piped water (30 villages), hand-pump tubewells (10 villages) and open dug wells (5 villages).

17.2 For Water Supply & Sanitation Sector, an outlay of Rs.1840.93 lakhs with a capital content of Rs.1760.93 lakhs has been proposed. This outlay is inclusive of Rs.5.70 lakhs share of Irrigation Department payable towards construction of storage of water at the irrigation project sites.

and sanitation 17.3 For Urban Water Supply, an outlay of Rs.1302.96 lakhs is proposed for 1989-90 and for rural water supply, including MNP, an outlay of Rs.126.63 lakhs is proposed. The Working Group has recommended Rs.763 lakhs for urban water supply and total outlay recommended for the Water Supply/Sector aggregates to Rs.1190.86 lakhs, of which Rs.163.70 lakhs is for MNP.

Housing & Urban Development / thereon 18.1 The proposals of the State Government relating to Annual Plan 1989-90 pertaining to Housing, Urban Development, Public Works and Stationery & Printing schemes and the recommendations are detailed below :

	(Rs. lakhs)	
	<u>Outlay proposed by State Govt.</u>	<u>Outlay recommended</u>
<u>Housing</u>		
1. General Pool Accommodation	101.00	50.00
2. Police Housing ..	60.00	50.00
3. Urban Housing Schemes ..	252.00	200.00
<u>Urban Development</u>		
4. Other expenditure .. (other than remunerative schemes)	71.00	60.00
5. Integrated Development of Small & Medium Towns ..	10.00	7.00
6. Preparation & Implementation of Regional Plans ..	5.00	2.00
<u>Public Works</u>		
7. Public Works Schemes ..	253.09	200.00
<u>Stationery & Printing</u>		
8. Stationery & Printing schemes	0.20	0.20

-/R

18.2 The State Government have proposed, a big step up i.e. Rs.252 lakhs for Urban Housing Schemes against the current year's outlay of Rs.40 lakhs. It was explained that LIC and GIC have agreed to provide a loan of Rs.200 lakhs for house construction and the balance amount of Rs.52 lakhs is expected from the State Exchequer as loan. It was agreed to recommend an outlay of Rs.200 lakhs which represents the earmarked loan for housing by LIC and GIC.

18.3 As against the total proposals of Rs.822.14 lakhs for the various schemes under the above sector/sub-sectors, an outlay of Rs.639.05 lakhs was recommended.

Backward
Classes

19.1 The State Government have proposed an outlay of Rs.25 lakhs for the Annual Plan 1989-90 under Welfare of Scheduled Castes/Scheduled Tribes and other Backward Classes sector, against an anticipated expenditure of Rs.12 lakhs for the current year. The increase in the outlay for the next year is primarily due to inclusion of the following schemes :

1. Residential School for Scheduled Caste Students (Rs.5 lakhs)
2. Economic Development Schemes for Backward Classes (Rs.3.50 lakhs)
3. Housing for Backward Classes (Rs.5 lakhs)
4. Other expenditure (Rs.0.05 lakhs)

19.2 The schemes proposed by the State Government were discussed in detail in the Working Group meeting. The State Government proposed an outlay of Rs.3.80 lakhs for the scheme under Education which included stipends, meritorious scholarships, post-matric scholarships, books, stationery and uniforms. It was pointed out that an amount of Rs.1.37 lakhs included as committed expenditure for post-matric scholarships should not be shown under State Plan. It was also pointed out that the rates of stipends and scholarships are low and there was need to raise these rates. In view of this, an amount of Rs.5.00 lakhs was recommended as against Rs.3.80 lakhs for the Annual Plan 1989-90.

19.3 In regard to the scheme for Residential School for SC students included in the Annual Plan 1989-90, it was suggested that the State Government might include the scheme as part of the Special Component Plan for Scheduled Castes under Education Sector. Therefore, no outlay was recommended for that scheme by the Working Group.

19.4 The State Government proposed an outlay of Rs. 5 lakhs for ~~housing~~ under welfare of Backward classes. It was suggested that the scheme might be implemented under General Sector of Housing and therefore no outlay under this scheme was recommended by the Working Group.

19.5 An amount of Rs. 16 lakh. was recommended for the Annual Plan 1989-90 against the proposed outlay of Rs. 25 lakhs for the welfare of SCs, STs and backward classes sector.

Labour

20.1 Against an approved outlay of Rs. 134 lakhs in 1988-89, the State Government proposed an allocation of Rs. 220 lakhs in 1989-90 and Working Group's recommendations add upto Rs. 195 lakhs.

20.2 The proposals included an allocation of Rs. 180 lakhs for schemes relating to labour and labour welfare and 40 lakhs for Working conditions and safety.

20.3 The main scheme under Labour and Labour Welfare is for Industrial Training Centres and their expansion for which an outlay of Rs. 148.20 lakhs has been made with a capital content of Rs. 100.00 lakhs. The schemes under the Working condition and safety sub-sector relate mostly to the strengthening of the Inspectorate of Factories and boilers and construction of hostel for ~~an~~ training centre.

safety

Social Welfare and Nutrition 21.1 The State Government had proposed an outlay of Rs. 29 lakhs for the Annual Plan 1989-90 for social welfare. The Working Group recommended an outlay of Rs. 11.25 lakhs.

21.2 The proposed outlay for nutrition is Rs. 80 lakhs. The Working Group has recommended an outlay of Rs. 68 lakhs. The recommended outlay is based on the exact requirement as per the prescribed norms for the maintenance of existing beneficiaries and the additional beneficiaries likely to be covered during 1989-90.

22.1 The outlay recommended in report of the components of social services sector and ~~the~~ other remaining sectors are set out under cols. 9 and 10 of the statement appended as Annexure-II.

Minimum Needs Programme

23.1 Against State's proposals of Rs. 612.65 lakhs, different Working Groups have recommended Rs. 562.71 lakhs for various MNP components. Once the overall plan size is fixed, the MNP components can be sorted out with State officials. The item-wise break up is, however, given below:

(Rs. lakhs)

Name of the programme	Proposed outlays for Goa	Recommended by Working Group
Rural Fuelwood	17.50	10.00
Rural Roads	18.86	18.86
Elementary Education	212.07	200.00
Adult Education	19.13	19.00
Rural Health	58.80	53.80
Rural Water Supply	161.33	161.33
Rural Sanitation	9.46	2.37
Rural House sites-cum construction scheme		
a) Allotment of sites	12.94	12.94
b) Construction assistance	11.91	11.91
c) Sub-Total	24.85	24.85
Environmental Improvement of slumps	0.50	0.50
Nutrition	80.00	68.00
Public Distribution system	10.15	4.00
Total	<u>612.65</u>	<u>562.71</u>

434
17
451

Annexure-I

	Seventh Actual Expenditures			1988-89		1989-90 (Outlays)		Recomm- ended by Working Group (State Pla		
	Plan (1985-90) Agreed Outlay	1985-86	86-87	87-88	Approved Outlay	Anti-cipated Exptr.	Proposed by the State Govt.		of which capital content	
Agri. & Allied Activities	3337.00	538.87	585.11	589.00	700.00	700.00	930.30	366.15	795.06	750.00
Rural Development	399.00	80.74	69.91	66.00	152.00	185.01	203.08	-	198.23	198.15
Special Area Programmes	-	-	-	-	-	-	-	-	-	-
Irrigation & Flood Control	7045.00	1337.87	1379.88	1574.14	1938.00	2058.50	3375.68	3313.07	3015.20	3015.20
Energy	3625.00	679.03	619.80	576.61	790.00	740.02	1101.70	971.70	927.00	777.00
Industry & Minerals	1560.00	220.09	311.35	493.33	585.00	585.00	874.63	759.00	675.00	675.00
Transport	4735.00	1092.16	1115.81	1179.07	1392.00	1392.00	2020.00	1921.05	1884.00	1834.00
Communications	-	-	-	-	-	-	-	-	-	-
Science, Technology & Environment	155.00	26.17	24.92	21.41	33.00	33.00	43.00	-	43.00	43.00
General Eco. Services.	648.00	151.43	173.54	160.22	189.00	189.00	255.40	199.00	239.00	216.50
Social Services	1323.00	2251.15	2895.14	3122.10	3271.00	4791.94	5520.30	3333.42	4215.97	3920.45
General Services	767.00	95.33	186.15	1103.62	150.00	150.00	257.99	222.44	204.90	173.20
Grand Total	36000.00	6472.84	7361.61	8871.50	9200.00	10824.47	14582.08	10985.81	12187.30	11600.00

Statement

ANNEXURE-II

Draft Annual Plan 1989-90 - Outlays and Expenditure - GOA

(Rs. lakhs)

Major Head/Minor Heads of development	Seventh Plan (1985-90) Agreed outlay	Actual Expend. 1985-86	1986-87	1987-88	1988-89 Apprd. outlay	1989-90 Proposed outlay	Recommended by Adviser (SP) W.G.
	2	3	4	5	6	7	8
I. AGRICULTURE & ALLIED ACTIVITIES							
Crop Husbandry	700.00	93.24	106.40	95.45	170.00	170.00	181.50
Soil & Water Conservation	200.00	28.96	18.98	28.10	30.00	30.00	33.50
Animal Husbandry	600.00	85.13	97.04	82.97	112.00	112.00	128.06
Dairy Development	70.00	5.80	11.51	13.12	18.00	18.00	18.00
Fisheries	500.00	79.29	71.66	95.22	100.00	100.00	125.00
Forestry & Wildlife	600.00	103.21	107.07	116.72	135.00	135.00	160.00
Plantations	-	-	-	-	-	-	-
Food, Storage & Warehousing	100.00	23.33	19.60	20.06	20.00	20.00	26.00
Agricultural Research & Education	*	42.68	74.45	47.48	26.00	26.00	65.30
Agricultural Financial Institutions	10.00	-	-	-	-	-	30.00
Other Agricultural Programmes:							
(a) Marketing & Quality Control	32.00	2.77	4.00	2.94	5.00	5.00	5.00
(b) Others (to be specified)	-	-	-	-	-	-	-
Cooperation	525.00	74.46	74.40	57.94	84.00	84.00	119.00
Total (I)	3337.00	538.87	585.11	560.00	700.00	700.00	750.00
					930.30	785.05	

* Included under Crop Husbandry.

Major Head/Minor Heads of Development

Seventh Plan (1985-90) Agreed outlay

Actual Expend. 1985-86 1986-87 1987-88 1988-89 Apprd. outlay 1989-90 Propo- sedy by W.G. outlay 1989-90 Recomm- ended by Adviser (SP)

2 3 4 5 6 7 8 9 10

II. RURAL DEVELOPMENT

Special Programmes for Rural Development	50.00	-	-	62.00	65.11	81.00	-	-	-
(a) Integrated Rural Development Programme (IRDP) & Allied Programmes	-	-	-	47.00	50.11	61.00	53.15	53.15	53.15
(b) Drought Prone Area Programme (DPAP)	-	-	-	-	-	-	-	-	-
(c) Integrated Rural Energy Programme (IREP)	50.00	-	-	15.00	15.00	22.00	18.00	18.00	18.00
<u>Rural Employment</u>	-	-	-	24.00	45.00	40.00	45.00	45.00	45.00
(a) National Rural Employment Programme (NREP)	-	-	-	24.00	45.00	40.00	45.00	45.00	45.00
(b) Other Programmes (like Employment Guarantee Scheme etc. to be specified)	-	-	-	-	-	-	-	-	-
Land Reforms	85.00	31.95	38.94	37.00	37.00	36.00	36.00	36.00	36.00
Other Rural Development Programme (incl. Community Development and Panchayats)	264.00	48.79	30.97	29.00	37.90	46.03	45.08	45.08	45.00
<u>Total (II)</u>	<u>399.00</u>	<u>80.74</u>	<u>69.91</u>	<u>66.00</u>	<u>135.01</u>	<u>203.08</u>	<u>198.23</u>	<u>198.15</u>	

III. SPECIAL AREA PROGRAMMES

IV. IRRIGATION & FLOOD CONTROL

Major & Medium Irrigation	5400.00	1041.20	1057.32	1296.65	1600.00	1720.50	2713.00	2682.00	2682.00
Minor Irrigation	880.00	166.50	180.11	175.23	200.00	286.00	204.00	204.00	204.00

Statement (Contd.)

(Rs. Lakhs)

Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed outlay	Actual Expend.		1988-89		1989-90		Recomm- ended by Adviser(SP)	
		1985-86	1986-87	Apprd. outlay	Anti. Expdr. outlay	Proposed outlay	Recomm- ended by W.G.		
I	2	3	4	5	6	7	8	9	10
Command Area Development	665.00	117.00	130.02	92.89	120.00	120.00	329.00	115.00	115.00
Flood Control (incl. anti-sea erosion etc.)	100.00	13.17	12.43	9.37	18.00	18.00	47.68	14.20	14.20
<u>Total (IV)</u>	<u>7045.00</u>	<u>1337.87</u>	<u>1379.88</u>	<u>1574.14</u>	<u>1938.00</u>	<u>2058.50</u>	<u>3375.68</u>	<u>3015.20</u>	<u>3015.20</u>
7. ENERGY									
Power	3545.00	671.10	602.14	564.28	770.00	720.02	1075.70	910.00	760.00
Non-conventional sources of Energy	80.00	7.93	17.66	12.33	20.00	20.00	26.00	17.00	17.00
<u>Total (V)</u>	<u>3625.00</u>	<u>679.03</u>	<u>619.80</u>	<u>576.61</u>	<u>790.00</u>	<u>740.02</u>	<u>1101.70</u>	<u>927.00</u>	<u>777.00</u>
II. INDUSTRY & MINERALS									
Village & Small Industries	375.00	46.50	75.60	134.23	150.00	150.00	296.13	160.00	160.00
Industries (other than Village & Small Industries) (including Weights and Measures)	1155.00	172.50	232.00	353.26	425.00	425.00	568.50	505.00	505.00
Mining	30.00	1.09	3.75	5.84	10.00	10.00	10.00	10.00	10.00
<u>Total (VI)</u>	<u>1560.00</u>	<u>220.09</u>	<u>311.35</u>	<u>493.33</u>	<u>585.00</u>	<u>585.00</u>	<u>874.63</u>	<u>675.00</u>	<u>675.00</u>
III. TRANSPORT									
Ports & Light houses	30.00	3.10	5.19	5.13	8.00	8.00	11.00	8.00	8.00
Shipping	-	-	-	-	-	-	-	-	-

-/-

Statement (Contd.)
(Rs. lakhs)

Major Head/Minor Head of Development	Seventh Plan (1985-90) Agreed outlay	Actual Expend. 1985-86	1986-87	1987-88	1988-89 Apprd. outlay	Anti. Expdr. outlay	1989-90 Proposed outlay	Recomm- ended by W.G. Adviser(SP)	Recomm- ended
	2	3	4	5	6	7	8	9	10
Civil Aviation	-	-	-	-	-	-	-	-	-
Roads & Bridges	3100.00	831.25	787.84	927.31	980.00	980.00	1410.00	1410.00	1390.00
Road Transport	1352.00	195.27	157.47	118.00	204.00	204.00	269.00	218.00	218.00
Inland Water Transport	253.00	62.54	165.31	128.63	200.00	200.00	330.00	248.00	218.00
Other Transport Services (to be specified)	-	-	-	-	-	-	-	-	-
Total (VII)	4735.00	1092.16	1115.81	1179.07	1392.00	1392.00	2020.00	1884.00	1834.00
VIII. COMMUNICATIONS									
IX. SCIENCE, TECHNOLOGY & ENVIRONMENT									
Scientific Research (incl. S&T)	110.00	25.20	21.35	20.04	22.00	22.00	29.00	29.00	29.00
Ecology & Environment	45.00	0.97	3.57	1.37	11.00	11.00	14.00	14.00	14.00
Total (IX)	155.00	26.17	24.92	21.41	33.00	33.00	43.00	43.00	43.00
X. GENERAL ECONOMIC SERVICES									
Secretariat Economic Services	35.00	12.83	7.00	9.11	5.00	5.00	8.75	6.50	6.50
Tourism	754.00	100.84	149.99	129.49	160.00	160.00	207.00	200.00	175.00
Surveys & Statistics (including Computer Centre and Gazetteers)	59.00	37.76	16.55	21.24	23.00	23.00	29.50	28.50	28.50

Statement (Contd.)

(Rs. lakhs)

Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed outlay	Actual Expd. 1985-86	1986-87	1987-88	1988-89 Apprd. outlay	Anti. Expd. outlay	1989-90 Proposed outlay	Recomm- ended by W.G.	Recomm- ended by Adviser (SP)
Civil Supplies	-	-	0.77	1.00	1.00	10.15	4.00	4.00	
Other General Economic Services	-	-	-	-	-	-	-	-	
Total (X)	848.00	151.43	173.54	160.22	189.00	255.40	239.00	214.00	
A1. SOCIAL SERVICES									
REDUCATION									
General Education	2264.00	419.58	708.27	631.58	813.00	780.85	1383.65	1108.00	1008.00
Technical Education	567.00	95.61	113.35	130.88	174.00	198.00	289.32	250.00	210.00
Sports & Youth Services	363.00	67.88	104.88	142.72	95.00	799.15	164.51	153.51	140.00
Art & Culture	418.00	32.85	113.87	49.73	108.00	108.00	232.91	180.00	180.00
Sub-Total (Education)	3912.00	615.92	1040.37	954.91	1190.00	1886.00	2070.39	1691.51	1538.00
Medical & Public Health	2444.00	274.38	344.01	393.71	441.00	477.21	577.13	525.00	499.00
Water Supply & Sanitation	4260.00	875.12	973.46	1335.08	1125.00	1867.33	1840.93	1190.86	1190.80
Housing (incl. Police Housing)	1140.00	188.73	192.01	133.57	150.00	131.40	437.85	324.85	249.00
Urban Development (incl. State Capital Projects)	600.00	105.02	100.56	77.31	100.00	150.00	131.00	113.50	113.50
Information & Publicity	110.00	36.94	26.00	24.26	30.00	30.00	40.00	35.00	35.00
Welfare of Scheduled Castes, Scheduled Tribes & Other Backward Classes	80.00	14.47	14.53	12.85	12.00	12.00	25.00	16.00	16.00

Statement (Contd.)

Major Head/Minor Heads of Development	(Rs. Lakhs)									
	Seventh Plan (1985-90) Agreed outlay	Actual Expendr. 1985-86	1986-87	1987-88	1988-89 Apprd. outlay	Anti. Expdr. outlay	1989-90 Proposed outlay	Recomm- ended by W.G. Adviser(S)	Recomm- ended by	Recomm- ended by
	2	3	4	5	6	7	8	9	10	
Labour & Employment	710.00	92.89	98.59	114.99	134.00	134.00	220.00	195.00	170.00	
Social Security & Welfare	88.00	7.79	3.93	7.04	5.00	5.00	29.00	11.25	11.15	
Nutrition	120.00	23.89	61.69	47.48	59.00	59.00	80.00	68.00	68.00	
Other Social Services (to be specified)	65.00	16.00	39.99	30.90	25.00	40.00	69.00	45.00	30.00	
Police Fire Services										
Total a (XI)	13529.00	2251.15	2895.14	3132.10	3271.00	4791.94	5520.30	4215.97	3920.45	

XII. GENERAL SERVICES

Jails	-	-	-	-	-	-	-	-	-	-
Stationery & Printing	10.00	1.95	12.00	7.72	2.00	2.00	0.20	0.20	0.20	
Public Works (incl. Jails)	750.00	92.15	171.04	1099.74	146.00	146.00	253.09	200.00	170.00	
Other Administration Services (incl. Accounts and Gazetteers)	7.00	1.22	3.11	1.16	2.00	2.00	4.70	4.70	3.00	
Total (XII)	767.00	95.33	186.15	1108.62	150.00	150.00	257.99	204.90	173.20	
Grand Total	36000.00	6472.84	7361.61	8871.50	9200.00	10924.47	14882.88	12187.56	11500	

*Included under Crop Husbandry **Including Weights & Measures

+Including Inter Model Studies @Excluding 'Gazetteers' and 'Weights & Measures'

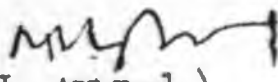
Most Immediate

Planning Commission
(State Plans Division)

...

Subject : Annual Plan 1989-90 - Gujarat

A copy of the report of Shri A.K. Saikia, Adviser (State Plans) on the Annual Plan 1989-90 of Gujarat is circulated herewith. This will form the basis of discussion between the Minister of Planning/ Deputy Chairman, Planning Commission and the Chief Minister, Gujarat to be held on 25th January, 1989 at 11.00 A.M. in Room No. 130, Yojana Bhavan, Sansad Marg, New Delhi.


(M.L. Aggarwal)
Consultant (State Plans)

Deputy Chairman
Minister of State
Members
Secretary
Special Secretary
Advisers
Consultants (LEM) / ()
Joint Secretary (SP)
Chief (Science)

Ministry of Finance
Shri J.L. Bajaj, Jt. Secretary (FR),
Deptt. of Economic Affairs.

Shri G. Haldea, Director (PF)
Department of Expenditure (4 copies)

Planning Commission Cir. No. PC(P)/2/88/Guj. dated 17.1.1989

Copy to : Private Secretaries to : Minister of Planning/
Deputy Chairman
Secretary to the Prime Minister
Cabinet Secretary

Copy also to :- Joint Advisers
Deputy Advisers
Information Officer
SRO/RO concerned in the State Plans Division

Copy also to :-
Liaison Office, Government of Gujarat, New Delhi.
(10 copies)

PLANNING COMMISSION
(State Plans Division)

ANNUAL PLAN 1989-90 - GUJARAT

REPORT OF SHRI A.K. SAIKIA, ADVISER (STATE PLANS)

Gujarat has a total population of 340.86 lakh with an area of 1.96 lakh sq.kms. spread over 19 districts and 18,114 villages. It is one of the most industrialised, urbanised and literate states of India. It ranks fifth in the country on the basis of per-capita income. Some of the basic information pertaining to the State is given in the Annexure.

Plan 2. The position regarding outlays and expenditure and per capita Perspective thereof is as under :-

Plan period	Originally approved outlay (Rs. crores)	Actual Expenditure (Rs. crores)	Per capita of (Rs.)		Population estimates used (year)
			Originally approved outlay	Actual Expenditure	
First Plan (1951-56)	30.49	99.00	18 (26)	58 (39)	1953
Second Plan (1956-61)	55.59	146.83	29 (54)	77 (52)	1958
Third Plan (1961-66)	235.00	237.68	108 (86)	110 (93)	1963
Annual Plans (1966-69)	204.56	207.80	85 (61)	86 (63)	1967
Fourth Plan (1969-74)	455.00	545.02	170 (125)	204 (142)	1971
Fifth Plan (1974-79)	1185.76	1379.35	392 (302)	456 (327)	1976
Sixth Plan (1980-85)	3680.00	3880.45	1034 (670)	1091 (688)	1983
Seventh Plan (1985-90)	6000.00		1563 (1022)		1987
<u>Annual Plans</u>					
1985-86	804.00	825.02	217 (174)	223 (177)	1985
1986-87	950.00	965.61	252 (207)	256 (207)	1986
1987-88	1160.00	1101.60	302 (238)		1987
1988-89	1275.00	1275.00 (Anti.)	326 (251)	326 (251)	1988

Note : Figures in brackets represent the per capita outlay/ expenditure of all states.

It may be seen from the above table that the per capita plan outlay and expenditure of Gujarat from Third Plan onwards is more than the all states per capita outlay and expenditure.

Progress of 3. Against the Seventh Plan outlay of Rs. 6000 crores, the expenditure reported by the State Government for the individual years of the Plan during the is as under :-

<u>Seventh Plan</u>	Year	Originally approved outlay	Expenditure	Excess(+)/shortfall(-) over the approved outlay
	1985-86	804.00	825.02	(+) 21.02
	1986-87	950.00	965.61	(+) 15.61
	1987-88	1160.00	1101.60	(-) 58.40
	1988-89	1275.00	1275.00 (Anticipated)	
<u>TOTAL</u>		<u>4189.00</u>	<u>4167.23</u>	(-) <u>21.77</u>

Approved 4. Financing pattern of the Seventh Plan and the Annual Plans as financing approved originally by the Planning Commission is given below :-

	(Rs. crores)				
	Seventh Plan 1985-90	1985-86 Annual Plan	1986-87 Annual Plan	1987-88 Annual Plan	1988-89 Annual Plan
I. State's own resources (net)	4948.33	599.46	662.26	919.67	1021.95
II. Central assistance (net)	1051.67	204.54	287.74	240.33	253.05
III. State's total resources <u>(I + II) :</u>	<u>6000.00</u>	<u>804.00</u>	<u>950.00</u>	<u>1160.00</u>	<u>1275.00</u>

contd..../-

Annual Plan (1989-90) 5. For Annual Plan 1989-90, the State Government proposed an outlay of Rs. 1652.21 crores showing a step-up of Rs. 377.21 crores which is about 29.58% over the current year's approved outlay of Rs. 1275 crores. The outlays recommended by the Working Groups for various sectors aggregate to Rs. 1589.22 crores. The sectoral break-up under major heads is given below. The sub-headwise outlays are given in the appended statement.:-

Major head	Seventh Plan Outlay	Actual Expenditure			1988-89		1989-90 Outlay	
		1985-86	1986-87	1987-88	Approved Outlay	Anti. Expd. by the State	Proposed by the State	Recommended by the W.G.
1	2	3	4	5	6	7	8	9
Agriculture & Allied activities	38640	6510	8423	10253	8032	8032	11181	10231
Rural Development	12424	2382	3386	4222	3285	3285	4778	4414
Special Area Prog.	-	-	-	-	-	-	-	-
Irrigation & Flood control	167631	18425	19480	22084	34730	34730	41770	38100
Energy	144750	20681	25276	25129	33368	33368	40173	45353
Industry & Minerals	25967	6290	10565	12752	6535	6535	10038	7750
Transport	37315	6159	6999	7800	8180	8180	10060	10060
Communications	849	-	80	150	150	150	253	240
Science, Technology & Environment	800	11	21	30	86	86	105	118
General Economic Services	26289	2979	2342	3540	4006	4006	5213	5196
Social Services	145122	19032	19974	24180	28590	28590	41577	36910
General Services	213	33	15	20	38	38	53	38
GRAND TOTAL :	600000	82502	96561	110160	127500	127500	165221	158922

CONTD...../-

SECTORAL HIGHLIGHTS

6. Agriculture & Allied Activities Outlay and expenditure under this sector are as follows :-

	(Rs. crores)
Seventh Plan	315.40
Actual expenditure during the first three years of the Plan	251.86
1988-89 - Approved/Anticipated Expenditure	80.32

In the Seventh Plan, 6.4% of the total outlay was provided to the Agriculture and allied activities including co-operation and forestry and wild life. Eighty six percent of the outlay is likely to be utilised by the end of 1988-89. The Working Group recommended an outlay of Rs. 102.31 crores for 1989-90 on Agriculture and Allied Activities against the State Government proposal of Rs. 111.81 crores.

7. A foodgrains production target of 70.10 lakh tonnes was kept for the Seventh Five Year Plan. The drought during the first three years of the plan, however, affected the production. During 1988-89 because of satisfactory rainfall, the State is expecting a good kharif crop. The production during 1988-89 is anticipated to be 60.50 lakh tonnes. The oilseeds production target for 1988-89 was 31.00 lakh tonnes and the production is anticipated to be 27.70 lakh tonnes. The following table gives targets and achievements for Agricultural production and important Agricultural development programmes.

Crop production and other selected programmes
Physical Targets and Achievements

Item	Unit	7th Five Year Plan Target	1987-88		1988-89		1989-90 Target recommended by the W.G.
			Likely Ach.	Target	Target	Anti. Achi.	
<u>1. Production of Foodgrains</u>							
Rice	000 Tonnes	1000	279	830	850	990	
Wheat	"	2000	351	1660	1650	1770	
Coarse cereals	"	3410	589	2950	2850	3050	
Pulses	"	600	143	610	700	700	
<u>TOTAL : Foodgrains</u>	"	<u>7010</u>	<u>1362</u>	<u>6050</u>	<u>6050</u>	<u>6510</u>	

contd..../-

	1.	2.	3.	4.	5.	6.	7.
2. Total oilseeds '000 Tonnes		2850	2850	2850	2850	2850	2850
3. Distribution of seeds		43.85	43.85	43.85	43.85	43.85	43.85
4. Consumption of Chemical fertilisers		834	834	834	834	834	834
5. Plant protection Pesticides consumption (Technical Gr. Material)		10.00	10.00	10.00	10.00	10.00	10.00
6. Total area under the HVY for five cereals '000 Hect.		2630	2630	2630	2630	2630	2630

8. Important issues/observations emerging from the discussions in the Working Group on Agriculture and Allied Sectors are given below:

- 1) Average consumption of fertilizers in the State was 47 Kgs. per ha. which was lower than the All-India average of 51 Kg. per Ha. There was need for more use of phosphatic and potassic fertilisers to rectify the imbalance in the use of chemical fertilisers.
- 2) The State Govt. was advised to prepare a drought management plan, taking advantage of the recently set up centre for planning for Agro-Climatic Zones at Ahmedabad.
- 3) The Working Group stressed the need of promoting dry land agriculture as it held the key for improvement in yields of various crops in general and solving the problem of food and fodder shortage in particular.
- 4) Irrigation potential created in the State should be utilised expeditiously by adopting area based programme.

(evolving

5) The Working Group impressed upon the ICAR to strengthen their research work on dryland agriculture and provide research support for groundnut varieties through its National Research Centre allocated at Junagarh.

6) The Working Group emphasised the importance of adopting drought proofing measures based on land-water use planning.

7) The Working Group advised the state representatives to prepare a shelf of projects which would be dovetailed with programmes like NREP, RLEGP etc.

8) Since a large area of the state, about 12 lakh hectares, is affected by salinity, the State Govt. was advised to prepare a detailed desalination research project which could be forwarded to ICAR for assistance.

9) The productivity of various crops grown in the State was discussed in the Working Group. The yield of wheat at 1850 per ha. did not compare favourably with the figures of Haryana and Western U.P. Similarly, the average yields for pulses and groundnut were lower as compared to all-India average. In regard to groundnut the yield rate of the State was 250 kg. per ha. as against the rate of Karnataka of 1205 per ha. There was a need to make an effort to achieve better results in regard to this crop because of the importance of this crop for the State. The improvement reported in regard to yield of sugarcane at 71.5 tonnes per ha. was appreciable and higher than the all-India average of 60 tonnes per ha.

Soil & Water Conservation

9. As a very large area of the State is cultivated under dryland conditions, the soil and water conservation programme assumes special significance in the State. As compared to the 7th Plan outlay of Rs. 5763 lakh, the utilisation during the first 4 years of the Plan is anticipated to be Rs. 1794 lakh. During 1988-89 the approved outlay of Rs. 500 lakh is likely to be utilised in full. The Working Group recommended Rs. 900 lakh for 1989-90 against the State Govt.'s proposal of Rs. 1402 lakh.

10. Some of the important recommendations/ observations of the Working Group are as follows:-

1) The Seventh Plan target was raised by the State Govt. from 1.25 lakh ha. to 1.84 ha. which was not agreed to by the Working Group at this stage and State Govt. was advised to stick to the target fixed earlier by Planning Commission.

2) Regarding watershed development it was pointed out that the targets fixed by the Ministry of Programme Implementation were at variance with those fixed by the Working Group.

3) It was suggested that the Watershed Development work should be undertaken on the basis of projectisation in which emphasis should be placed on integrated development covering both arable and non-arable lands with the required on-farm and off-farm treatments.

Animal Husbandry & Dairy Development.

11. The Seventh Plan outlay for animal husbandry is Rs.1820.00 lakh out of which Rs.1013.00 lakh has been utilised during the first three years. The approved outlay of Rs.455.00 lakh is likely to be utilised in full during 1988-89. The Working Group supported the proposed outlay of Rs.523.00 lakh in full for animal husbandry programme during 1989-90. The average productivity per animal per annum works out to 708 litres of milk in 1987-88 as compared to 755 litres in 1986-87. The average productivity per layer bird per annum works out to 130 eggs in 1987-88 in the State as compared to the 1986-87 productivity of 145 eggs. The lower productivity in both the cases is attributable to the drought.

12. Regarding dairy development, the Seventh Plan outlay is Rs.182 lakh out of which Rs.84 lakh has been utilised during the first three years. The approved outlay of Rs.50 lakh is likely to be utilised in full during 1988-89. The State officials mentioned that Operation Flood Project-III is being implemented in 16 districts out of 19 districts of the State. The Working Group fully supported the proposed outlay of Rs.58 lakh under this head.

Fisheries

13. An outlay of Rs.2426 lakh has been provided for fisheries development in the Seventh Plan out of which a sum of Rs.1819 lakh is likely to be utilised during the first 4 years of the plan. For 1989-90, the Working Group supported fully the proposed outlay of Rs. 620 lakh.

14. The State has made appreciable progress in the production of fish seed and has already exceeded the Seventh Plan target. It was impressed upon the State representatives to maintain the existing fishing harbours properly. The progress in regard to brackish water aquaculture was observed by the Working Group to be slow and immediate steps were advised for completion of the brackish water farm at Vansari.

Cooperation

15. As compared to the Seventh Plan provision for Cooperation of Rs. 3640 lakh., the likely utilisation during the first four years is indicated to be Rs. 4912 lakh. The Working Group recommended Rs. 1000 lakh for 1989-90 against the State Govt.'s proposal of Rs. 1023 lakh.

16. Some of the important recommendations/observations of the Working Group are as follows:-

1) The State had not completed their programme of organisation of primary agriculture societies into viable units which is of vital importance for the expansion of credit.

2) The percentage of overdues to demand at the level of Central cooperative banks which was 42.6% as at the end of June 1987 was reported to have increased to 58 by the end of June 1988. Similarly, the percentage of overdues at the level of primary land development banks which was 47.7% as at the end of June 1987 was reported to have increased to about 50% by the end of June, 1988. However, the State representatives hoped that with the improved weather conditions in the current year and the steps being taken by the State Govt. for strengthening the credit institutions the overdues position is likely to improve considerably in the coming years.

Forestry

17. Against an approved outlay of Rs. 30 crores during the current year the State Government has proposed an allocation of Rs. 37.34 crores and Working Group has recommended a provision of Rs. 41 crores. The State has approximately 10% of the geographical area under the forests as compared to the national average of 23% and the recommended norm of 33%. The per-capita forest area is about 0.05 hectares against the national average of 0.11 hectares. Gujarat has sizeable arid area. With a view to conserving existing forests the State Government has imposed moratorium on the working of forest coups since 1987-88. Gujarat is implementing the World Bank aided Community Forestry Project for which an outlay of Rs. 29 crores is recommended by the Working Group.

Rural Development

18. The financial progress in the Seventh Plan in respect of Rural Development sector is given below:

	(Rs. in crores)
Seventh Plan outlay	124.24
Expenditure during first three years of the Plan	99.90
Likely Expenditure/Percentage utilisation of Seventh Plan outlay in the first four years of the plan	132.75/106.85
1988-89 Approved outlay/Likely Expenditure	32.85/32.85
1989-90 outlay proposed by the State Govt./recommended by the working group	47.78/44.14

19. For the Seventh Plan 2.07 percent of the total outlay was provided for Rural Development out of which 80% have been utilised during the first three years of the Plan; and by the end of the fourth year the expenditure is likely to exceed the entire Seventh Plan outlay. The Working Group recommended Rs.44.14 crores for the Annual Plan 1989-90, against the State Govt.'s proposed outlay of Rs.47.78 crores. The main programmes under the Rural Development Sector are discussed in the succeeding paragraphs.

IRDP

20. As compared to the Seventh Plan outlay of Rs.55.04 crores for IRDP and Allied Programmes, the likely expenditure during the first four years has been reported as Rs.58.06 crores. For 1989-90 the State Government's proposal was for Rs.16.79 crores against the 1988-89 approved outlay of Rs.15.57 crores. For the next year the

criteria for making allocations under IRDP has been changed to 100% weightage to the incidence of poverty. Keeping in view the central share of Gujarat the Working Group recommended an outlay of Rs.16.29 crores for IRDP and Allied Programmes with the following details:

	(Rs. in lakh)	
	Outlay proposed	Recommended by Working Group
1. IRDP main programme	1128.00	1133.00
2. Strengthening of TRYSEM infrastructure	22.50	27.00
3. Strengthening of Block Administration	490.00	455.00
4. DWCRA	7.00	7.50
5. CRTTC	25.50	NI
6. Training	6.00	6.00
Total IRDP & Allied programmes	1679.00	1628.50

21. The State Government had proposed an outlay of Rs.25.50 lakh for Composite Rural Training and Technology Centres. However, this scheme has not been approved by the Government of India as yet and therefore, the Working Group did not agree to provide any amount for the scheme.

22. The State Government representatives informed the Working Group that in the first three years of the Plan 2.99 lakh beneficiaries had been assisted. During the current year, 59 percent of the target had been achieved till October, 1988. The State Government representatives further informed that all the old beneficiaries of the Sixth Plan will be covered by 1988-89. It was also indicated that in the next year all the beneficiaries would be new beneficiaries who would be assisted @Rs.2000 per family. With the outlay indicated, it would be possible for the State Government to assist 90700 new beneficiaries.

23. Concurrent Evaluation Report revealed the following. 1. The percentage of persons crossing the poverty line of Rs.6400 was only 5 and out of these eligible beneficiaries were only 2 per cent. 2. Assets were not found intact in 11 per cent cases. 3. Repayment schedule for loan was equal to or less than 3 years in 33 per cent cases. 4. After-care support was not provided in 57 percent cases.

24. The State Government officers assured that they were taking necessary steps to remedy the flaws that had been pointed out in the concurrent Evaluation report and clarified that although only 5 per cent cases had crossed the poverty line of Rs.6400 but in 90 per cent cases the income level of Rs.3500 had been crossed by the beneficiaries after assistance under the programme. The State Government had taken up the matter with the bankers in the State level Committee for fixing the repayment schedules for loans in an appropriate manner.

25. The Working Group took note of the fact that in the first three years 32879 beneficiaries were trained under TRYSEM out of which 20160(61%) were absorbed in wage and self-employment. It was noted by the Working Group upto 1987-88, 459 groups with 8977 beneficiaries had been assisted under DWCRA, out of which 340 groups had taken up income generating activities.

/that

NREP

26. Against the Seventh Plan outlay of Rs.3700 lakh the expenditure during the first four years of the plan is anticipated to be Rs.4270 lakh. For the Annual Plan 1989-90, keeping in view the tentative Central share, the Working Group recommended an outlay of Rs.1314 lakh against the state Govt's proposed outlay of Rs.1133 lakh for NREP.

27. Important recommendations/observations of the Working Group are as follows:-

1. Due to revision of minimum wages in the state, it would not be possible for the state Govt. to achieve the 1988-89 employment generation target of 133.60 lakh mandays. Average wage was estimated to be Rs.20 in the state.
2. In the earmarked sector of social forestry there was no problem in the utilisation of funds.
3. Difficulties were faced in the achievement of targets for the Million Wells Scheme. Against the NREP & RLEGP combined target of 12000 wells, 11000 applications had been received, out of which work had started on 7000 wells and 212 wells had been completed.
4. In all the districts, shelf of projects had been prepared and works were being taken up according to the shelf of projects.

28. In the Concurrent Evaluation Report in respect of NREP for November, 1987 - January 1988 it was found that 1. only 52 percent villages have been covered under the programme. 2. No maintenance was done in case of 92% works. 3. Only 10 percent works were being executed through Gram Panchayats. However, the State Government representatives did not accept this finding and pointed out that all the works were being taken up through the Taluka Panchayats.

DPAP

29. As compared to the 7th Plan outlay of Rs.1575 lakh, likely expenditure during the first four years of the plan is indicated to be Rs.1355 lakh. The Working Group supported the proposed outlay of Rs.373 lakh for 1989-90. This programme is being implemented in 43 blocks in the State. It was informed to the working group that the programme was being taken up on a micro watershed basis in all the blocks.

Integrated Rural Energy Programme (IREP)

30. For the 7th Plan an outlay of Rs.250 lakh has been provided for IREP in the State. The utilisation upto 1987-88 is Rs.58 lakh only. During the 1988-89 the approved outlay of Rs.40 lakh is likely to be utilised in full. The working group recommended Rs.60 lakh against the State Government's proposed outlay of Rs.46 lakh for 1989-90.

31. The programme is being implemented in 12 blocks. Working Group recommend three additional blocks for 1989-90. It was felt that devices promoted in the state are mostly non-conventional devices whereas IREP requires inclusion of all types of energy devices and resources non-conventional as well as conventional. Although focus of IREP should be on basic needs of cooking and lighting, it should provide opportunities to rural people for employment and create income generating activities as the basic objective of the programme is to improve the life of rural people.

Other programmes under RD

32. For Land Reforms an outlay of Rs.910 lakh has been provided in the 7th Plan. The Working Group recommended an outlay of Rs.346 lakh against the State Government's proposal of Rs.345 lakh. The major scheme covered under land reform for survey and settlement operations. It was informed to the Working Group that the land available under ceiling surplus laws was not being allotted on permanent basis in 12 districts.

33. The State Government has proposed an outlay of Rs.10 crores for Special Rural Employment Programme for the Rural Poor which is a new scheme in the 1989-90 for generating hundred days' employment for the landless labourers and small and marginal farmers during the lean season. Keeping in view the drought conditions in the State a token provision of Rs.500 lakh was recommended by the working group with the condition that the State Government will make efforts to dovetail the scheme with other Rural Development Programmes like DPAP, soil conservation, NREP/RL&G etc. and also raise additional resources for this programme on the pattern of Employment Guarantee Scheme in Maharashtra.

Irrigation and
Flood Control

34. The outlay and expenditure position under this sector is shown in the table below.

Sub-head	(Rs. crores)				
	Seventh Plan Outlay.	First four yrs. likely expenditure.	1988-89 Anticipated exp.	1989-90 Proposed.	Outlay Recommended by Working Group.
1.	2.	3.	4.	5.	6.
Major & Medium Irrigation.	1469.09	810.46	304.70	364.70	335.00
Minor Irrigation	134.55	94.13	28.00	35.00	31.25
Command Area Development.	60.67	34.91	12.60	15.00	11.75
Flood Control (including-anti-sea erosion)	12.00	7.69	2.00	3.00	3.00
Total	1676.31	947.19	347.30	417.70	381.00

35. It may be seen from the above that the utilisation of the funds allotted for the Seventh Plan has been grossly inadequate. In percentage terms only 56.5 per cent of the total plan outlay is likely to be utilised in the first four years of the plan

Contd...

36. The following table indicates the potential and utilisation through Major and Medium Irrigation Schemes including Sardar Sarovar Project.

		('000 Ha .)	
		<u>Potential</u>	<u>Utilisation</u>
(i)	<u>Major & Medium Irrigation</u>	3000	3000 .
	<u>1. Ultimate Irrigation Potential</u>		
	As now indicated by the State (inclusive of-Narmada)	3592	3592
	2. Plan Benefits to end of 1984-85 (Including pre-plan)	1061	663
	3. Seventh Plan (1985-90)-Target (Addl.)	247	217
	4. Benefits during 1985-86 (Additional).	31	15
	5. Benefits during 1986-87 (Additional).	31	78 .
	6. Benefits during 1987-88 (Additional)	32	20
	<u>7. Annual Plan 1988-89:</u>		
	(a) Target (Additional)	54	22.6
	(b) Anticipated Achievement (Additional)	40	20
	8. Annual Plan 1989-90 - Target (Additional) (Proposed by State)	60	40
	9. Achievement of Benefits during 1985-89	134	133
	10. % age Achievement during 1985-89 of Seventh Plan - Target.	54.25	61.29

37. The following paragraphs deal with some of the important projects under the Sector of Major & Medium Irrigation.

World Bank Aided Projects

Assistance from World Bank under two different groups (1) Major Composite Projects and (2) Medium Irrigation Projects is available at present.

Major Composite Projects

Damanganga (with CAD works), Ukai-Kakrapar (CAD components including modernisation) Karjan, Training Institution and Saurashtra Coastal prevention of Salinity Ingress projects have been accepted for assistance by the World Bank under this group. Considering the importance and requirements of fund for reconstruction of Machhu-II project and strengthening of Machhu-I dam negotiations were made with the World Bank for inclusion of these projects in this group. Accordingly, World Bank has given its clearance and accepted Machhu-II and I under this group for assistance. The total latest estimated cost of these projects is about Rs.53,248 lakh. The agreement was signed in May 1980 for the credit of 175 million US \$ for these projects. The credit period was over on 30.4.1988. An expenditure of Rs.40,847 lakh is likely to be incurred upto the end of March, 1989 inclusive of Rs.4,650 lakh provided for the year 1988-89. An outlay of Rs.5,010 lakh is proposed for the year 1989-90, for the projects in this group, and the same has been recommended by the Working Group. A request for extension upto 31.12.1989 was made for World Bank through Government of India but, the World Bank has extended the credit closing date upto 30.4.1989. A formal request to DEA, Government of India was again made for extending the credit period upto 30.4.1990.

Medium Line of Credit:

This group includes in all 29 schemes, 6 of which have been completed but are proposed for modernisation. Remaining 23 schemes are continuing schemes. The latest estimated cost of these 29 projects works out to Rs.95,725 lakhs. These projects will benefit drought prone areas in the districts of Kutch, Panchmahals, Banaskanth, Bhavnagar and Surendranagar.

Sardar Sarovar Project:

This World Bank assisted project comprises a dam across river Narmada near Navagam village in Bharuch district to create a reservoir of 4.73 million acre feet (MAF) of live storage and main canal on the right bank, 440 kms. long upto

Rajasthan and its distribution system to irrigate 17.92 lakh ha. spread over 12 districts, 62 talukas and 3,340 villages of the State. About 75 per cent of the command is drought prone area. Moreover, this project will provide about 10 lakh acre feet of water for drinking, municipal and industrial uses in

about 131 urban centres and 4,720 villages. Two power stations, one under ground river bed station and the other at the canal head with an aggregate installed capacity of 1,450 MW have also been proposed and the State will receive 16 per cent share of this hydro-power.

The latest revised estimate as per 1986-87 price-level of this project is Rs.6,406 crores to be shared by the beneficiary States as per the decisions of the Narmada Water Disputes Tribunal. The Planning Commission has accorded the investment clearance in October 1988 to the project for Rs.6,406.04 crores subject to certain conditions.

There is a provision of Rs.800 crores under the Seventh Plan for the irrigation component of this project under Gujarat. Against this, total anticipated expenditure during 1985-89 would be Rs.255.83 crores. As per the presently accepted implementation programme, main components of this project i.e. main dam, hydro power works and canal system including main canal are planned to be completed in 17 years and CAD, drainage and conjunctive use work in further five years, considering 1987-88 as base year. However, irrigation facilities to about five lakh ha./land: is planned to be provided by seven years when the main dam will reach FRL 300 feet so as to divert the Narmada waters into canal system. State has proposed for an outlay of Rs.180 crores for irrigation component of this project, for 1989-90 which has been recommended by the Working Group. However, total programme of Sardar Sarovar Project including hydro-power would be of Rs.277.20 crores for the year 1989-90.

Minor Irrigation:

38. The State Government proposed an outlay of Rs. 35 crores in the annual plan 1989-90 out of which Rs.34.16 crores were proposed for Irrigation Department, Rs. 69 lakh for Agriculture Department and Rs. 15 lakh

for Co-operation Department. The current year's approved outlay was Rs. 28 crores. After discussion the Working Group recommended Rs. 31.25 crores for 1989-90 against the proposed outlay of Rs. 35 crores. It was noticed during Working Group discussions that there are nearly 970 on going surface water schemes which have been continuing during the Seventh Plan. These schemes are needed to be completed urgently to derive the benefits of irrigation. The target for creating an additional irrigation potential of 40,000 hectares from surface water schemes was envisaged for the Seventh Plan. From the trend of the progress in the first four years of the Seventh Plan, it appears that the Seventh Plan target is likely to be achieved. In respect of ground water, the annual plan document indicated only the potential created from Government schemes viz. construction of tubewells. The major achievement under ground water is from private minor irrigation works such as dug wells and shallow tubewells. The State representatives informed that census of minor irrigation schemes was being carried out and figures when available would be intimated to the Planning Commission.

39. Some of the important issues that emerged during the Working Group discussions are as follows. Regarding the Sardar Sarovar Project, the State should prioritise the funding of the/on-going projects with /other a view to facilitating the funding of peak requirement of this project during the 8th and 9th Plans. Steps may also be taken for early finalisation of the revised implementation schedule of this project in accordance with the construction programme of 17 years beginning with 1987-88. The programme has already slipped considerably. There is also need for mobilisation of sufficient financial resources for adequately funding the Sardar Sarovar Project. It was suggested to the State representatives that a Committee might be formed under the Chairmanship of the Chief Minister for proper prioritisation of the irrigation projects. It was noted that

potential is the creation of additional low compared to the Seventh Plan target. The State might review the position. It was also emphasised that instead of thinly spreading the scarce resources, the fund allocation for the on-going projects should be done in such a manner that it leads to realisation of optimum physical benefits.

Energy

Power

40. The outlay/expenditure position for power sector including rural electrification during the Seventh Plan is as under:

	(Rs. crores)
Seventh Plan outlay	1437.00
Actual expenditure during the first three years of the Plan (1985-88)	701.93
1988-89 approved outlay/Anticipated Expenditure	335.18/335.18
1989-90 outlay proposed by the State Govt./Recommended by the Working Group	396.50/454.55

41. It may be seen from the above that the expected expenditure during the first four years of the plan is Rs.1037.11 crores i.e. 72.2 percent of the total Seventh Plan outlay provided under this sector. For 1989-90 the Working Group recommended a higher outlay of Rs.454.55 crores than the State Government proposed outlay of Rs.396.50 crores.

42. It is observed that there is considerable cost and time overrun in the commissioning of the power projects. Major time and cost overrun since the last Working Group discussions are given in the following table:-

<u>Name of Project</u>	<u>Estimated cost (Rs. lakh)</u>		<u>cost overrun (%)</u>	<u>commi-ssioning schedule</u>	<u>Time over-run (in months)</u>
	<u>As per 1988-89</u>	<u>latest 1988-89</u>			
<u>Approved and ongoing</u>					
<u>Thermal</u>					
Lignite Based TPS at Kutch (2x70MW)	20720	21520	3.9	6/89	12/89 6
Gandhinagar Extn. Unit-III (1x210MW)	27087	27453	1.4	12/89	12/89 -
Gandhi Nagar Extn. Unit IV (1x210MW)	18790	20700	10.2	12/90	3/91 4

Addition to Installed Capacity

45. As against the targetted additional capacity of 1085 MW during Seventh Plan, which was revised to 1265 MW in the Mid-Term Appraisal of the Plan, 865MW is anticipated to be added by the end of 1988-89 as may be seen from the following table:-

<u>Name of the Scheme.</u>	<u>7th Plan Target</u>		<u>Three year's (1985-88) Actual Achieve-ment</u>		<u>1988-89 Anticipated achievement</u>	<u>1989-90 Total</u>	<u>1985-90 Total</u>
	<u>original</u>	<u>Mid-Term</u>	<u>Actual</u>	<u>Achieve-ment</u>	<u>achievement</u>	<u>amme</u>	
<u>HYDRO</u>							
1. Ukai LBC (2x2.5MW)	5	5	5	5	-	-	5
2. Kadana Stage-I (2x60)	120	120	-	-	-	120	120
<u>THERMAL</u>							
3. Wanakbori Extn. (3x210MW)	630	630	630	630	-	-	630
4. Sikka TPS (1x120MW)	120	120	120	120	-	-	120
5. Gandhi Nagar Ext. Unit-III (1x210MW)	210	210	-	-	-	210	210
6. Kutch Lignite Unit I&II (2x70)	-	70	-	-	-	140	140
7. Sabarmati Repla- cement (AE Co.)	-	110	-	-	110	-	110
<u>Total</u>	<u>1085</u>	<u>1265</u>	<u>7</u>	<u>755</u>	<u>110</u>	<u>470</u>	<u>1335</u>

-/-

44. Some of the Projects discussed by the Working Group are dealt with below:-

(A) Approved/Ongoing

1. Kadana Hydro Electric Project Stage-I (2x60MW)

The station has been designed as peaking station on Kadana Dam across river Mahi. The project has been greatly delayed resulting in large cost overrun. The revised cost of the project is estimated at Rs.125.13-crores. The physical progress under the project was discussed in the Working Group. Most of the Civil work has been completed. The penstock gate grooves for unit 2 to 4 require chipping to be carried out by Irrigation Department of the State. This work has been programmed to be completed by 6/89.

The first unit is now anticipated to come in 9/89 and the second unit after an interval of 5 months i.e. 2/90. The Working Group supported the proposed outlay of Rs.15 crores.

2. Kadana Hydro Electric Project Stage II (2x60MW)

The civil works for this project are included in stage-I. The cost for Stage-II is mainly for equipment. Letter of intent for TG sets have been placed on BHEL in Oct., 1988, with the delivery schedule of 36 to 42 months. The erection of the generating units are expected to start in 4/91, provided the BHEL supplied embedded parts by 3/91. The Working Group emphasised that the payment to BHEL should be linked to the actual progress of the work for equipment.

The units are expected to be ready for spinning by 6/93 and 12/93.

3. Ukai LBC (2x2.5 MW)

The project envisages installation of two units of 2.5 MW each, on the left bank canal of Ukai dam at the revised estimated cost of Rs.592 lakh. The two units have been commissioned in 12/87 and 2/88 respectively. The Working Group endorsed fully the proposal of the state Govt. of Rs. 26 lakh for 1989-90 which is mainly for payment for residential colony and final payments. The project authorities agreed to close the estimates by March, 1990.

4. Wanakbori TPS Extn. (3x210MW)

All the units of extension project have been commissioned in 3/86, 9/86 and 11/87 respectively. The major work involved even after commissioning of the project is augmentation of coal handling plant. The Working Group recommended an outlay of Rs. 14 crores for this project for 1989-90.

5. Lignite Based Kutch (2x70)

The physical progress made under the scheme was discussed in the Working Group. Since last Annual Plan discussion in November, 87 the commissioning of unit-I has further slipped from 6/89 to 12/89. The state Govt. would make attempt to commission the second unit by 3/90. Thus both the units are expected to come during the 7th Plan period, although these were not included in the 7th Plan target.

6. Sikka Replacement (1x120MW)

The unit was synchronised in March, 1988. The Working Group recommended Rs. 7 crores for the year 1989-90 in order to make advance payment for plant and for general civil works.

7. Gandhi Nagar Extn.-III (1x210MW)

The estimated cost of the project has gone up from Rs. 123.91 crores (Approved in 7/82) to Rs. 274.53 crores. About physical progress it was reported that hydraulic test and boiler light up are programmed for 12/88 and 6/89 respectively.

The Working Group recommended an outlay of Rs.60 crores for this project for 1989-90.

8. Gandhi Nagar Extn. Unit IV (1x210MW)

The commissioning date of this project has slipped from 12/90 as indicated in the working group discussion last year (Nov. 87) to 10/91. However, during the Working Group discussions it emerged that the unit was feasible to be commissioned by 3/91. The State Govt. was requested to submit the latest PERT chart on the latest tentative schedule based on 3/91 and also list of milestones. The Working Group recommended an outlay of Rs.55 crores for this project for 1989-90.

9. Sikka Extn. Unit III (1x120MW)

The Planning Commission has accorded investment approval for this project in 2/88 at an estimated cost of Rs.102.70 cores and commissioning schedule has been indicated as 6/92. After discussing the physical progress achieved so far on the project, the working group recommended fully the proposed outlay of Rs. 25 crores.

(B.) New Schemes

1. Kutch Lignite Extn. Unit III (1x70MW)

Kutch Lignite Extn. Unit III had been recommended by Department of Power in December, 82. The Planning Commission

has not accorded approval in view of the fact that low priority has been given to the project by the State Govt. and inadequate provision is made in the Annual Plans. For 1989-90 the Working Group recommended an outlay of Rs.10 crores for the project. The commissioning date of the project is indicated as 6/92.

2. Utran GT Combined Cycle (3x30+1x45MW)

No outlay was recommended by the Working Group for the project, as the Govt. of Gujarat has decided to transfer the allocation of gas for the project to M/s Reliance Industries Ltd. for the captive use for their project to come up near Hazira.

3. Other New Schemes

Among other new schemes only Gandhar combined cycle (4x100+2x100) has been cleared by C.E.A. The scheme is yet to be recommended by Department of Power. All other new schemes are under examination in CEA. The Working Group has recommended a lump sum provision of Rs.60 crores for 1989-90 for all new schemes including Gandhar combined cycle.

Sardar Sarovar Project

45. The outlay for Sardar Sarovar Project for 1989-90 was discussed by the Working Group in the meeting held on 29-11-88. The total requirement of the project was assessed as Rs. 83.10 crores for power sector for 1989-90 for Gujarat, MP and Maharashtra. This contains a share of Rs.13.29 crores for power sector of Gujarat alone. This was recommended by the Working Group.

Micro Hydrel Scheme

46. The following are the Micro Hydrel schemes in the State.

S.No.	Name of the Scheme	Estimated cost (Rs. lakhs)	Status
1	2	3	4
1.	Panam Mini Hydrel Project (2x1000 KW)	333.41	Approved by P.C. (4/87)
2.	Damanganga Hydrel Scheme (1x1000 KW)	236	Approved by P.C. (6/87)
3.	Dharoi River Bed Power House (2x1000 KW)	370	Approved by P.C. (6/87).
4.	Dharoi Right Bank Canal Power House (1x600 KW)	160	Approved by Govt. of Gujarat.
5.	Karjan Hydrel Scheme (2x1500 KW)	576	Project Report submitted to CEA/CWC.

Working Group recommended Rs.1.00 crores as proposed by the State Govt. for 1989-90.

T & D

47. As compared to the Seventh Plan allocation of Rs. 500 crores the actual expenditure during the first three years at Rs. 188.72 crores is very low. The approved outlay of Rs. 90 crores is likely to be spent in full during 1989-90. Thus during first four years of the Plan only 55.7 per cent outlay allocated to the T & D Schemes would be utilised. The Working Group recommended an outlay of Rs. 135.20 crores for T&D during 1989-90 against the State Government's proposed outlay of Rs. 150 crores. T&D losses during first four years of the Seventh Plan i.e. 1985-86, 1986-87, 1987-88 and 1988-89 are estimated as 25.59%, 24.33%, 21.53% and 22% (Anticipated).

Renovation and Modification.

48. The State Government has taken up renovation schemes at Dhuvaran TPS, Ukai TPS, and Gandhinagar TPS at the revised estimated cost of Rs. 5344 lakh, which includes a Central assistance component of Rs. 1988 lakh and the State Govt.'s share of Rs. 3356 lakh. The expenditure reported by the State upto March, 1988 under State Plan schemes is Rs. 1438 lakh and under central assistance is Rs. 1571 lakh. The Working Group recommended an outlay of Rs. 1030 lakh under State Plan for the Annual Plan 1989-90 for renovation and modification schemes in respect of Ukai TPS and Dhuvaran TPS. There is no provision under State Plan for Gandhinagar TPS.

Rural Electrification Programme (RE)

49. The achievement for Rural Electrification is 98.6% and 75.7% potential of Pumpset Energisation has been realised upto March, 1988. There is a heavy backlog in the demand for pumpsets but a constraint in meeting the demand is the lack of back-up system, which require large scale expansion and augmentation. An increased allocation for System Improvement Schemes has therefore, been recommended. An outlay of Rs. 19 crores has been recommended against proposed outlay of Rs. 20 crores.

Non-conventional Energy Sources (NCES)

50. GEDA is one of the pioneer agency in the field of NRSE. The W.G. suggested the subsidy on biogas should be reviewed by State Government and the State's subsidy may be limited to plants upto 2 cu.m. capacity only and plants of 4 cu.m. capacity and above should be given central subsidy only. The State funds may be used for repairs and maintenance of biogas plants. Wind farms have been set up in Gujarat and are proposed to be energised. However, GEDA was asked to provide an evaluation report of the existing farm before carrying out the expansion. An outlay of Rs. 410 lakh, recommended by the Working Group against proposed outlays of Rs. 523 lakh.

Industry
&
Minerals

51. Plan provisions for this sector are as under:

	(₹. crores)
Seventh Plan Outlay	259.67
1985-86 - Actual Expenditure	62.90
1986-87 - "	105.65
1987-88 - "	127.52
1988-89 - Approved Outlay/ Anticipated Expenditure	65.35
1989-90 - Proposed Outlay	100.58
1989-90 - Recommended by the Working Group	77.50

The expenditure during the first four years of the plan is expected to be around Rs. 361.42 crores which exceeds the Seventh Plan total outlay.

52. Regarding overall progress of industrialisation in the State, the State representatives pointed out that though other industries like petro-chemicals, chemical products and non-metallic products have improved their position, textile industry continues to occupy the first rank in respect of employment by employing 29 per cent of the total number of workers. A multipurpose gas processing complex of ONGC with an investment of Rs. 580 crores has already been commissioned at Hazira in Surat district. Construction of the country's first gas based sponge iron project has been started at Hazira. It was further stated that Gujarat Gas Cracker Project of Reliance Industries Ltd. based on the liquified natural gas at an estimated cost of Rs. 750 crores at Hazira has also been cleared. Regarding the recently announced policy of promotion of industrial growth centres in the country, the State representatives stated that there was a proposal of setting up three growth centres in the State.

Large and Medium Industries:

53. Outlay and expenditure figures for the Seventh Plan are indicated below:

	(₹. crores)
Seventh Plan Outlay	110.77
1985-86 actual expenditure	37.64
1986-87 - " "	62.57
1987-88 - " "	70.98
1988-89 - Approved/Anticipated	26.10
1989-90 - Proposed Outlay	31.58
1989-90 - Recommended by Working Group	29.50

54. The expenditure in the first four years of the plan amounts to Rs.197.09 crores which far exceeds the entire seventh plan outlay. The position regarding some of the important proposals is briefly discussed below.

Gujarat State Petro-chemicals Corporation Ltd.

It is proposed to set up a G.s Cracker Plant for the production of Ethylene, Propylene and other down-stream projects at Kunda near Surat. The detailed feasibility report has been submitted to Government of India in February, 1987.

Gujarat Communications and Electronics Limited (GCEL) :

It was stated that GCEL supplies large number of sophisticated professional grade electronic equipments to various organisations. The company has succeeded in developing more than 200 small scale entrepreneurs to manufacture hardware items and electronic sub-assemblies.

Gujarat State Textile Corporation:

The Corporation was established as an instrument to take over and run the sick textile mills in the State. Presently, it is running 11 mills.

Gujarat Industrial Investment Corporation Ltd. (GIIC):

GIIC has established 41 companies for various industrial projects in the last decade in the joint sector or assisted sector. Out of these, 22 companies have already commenced production.

Village & Small Industries

55. The position regarding outlay and expenditure under this sector is as follows:

	(Rs. crores)
Seventh Plan outlay -	130.23
First four years likely expenditure -	132.65
1988-89 - Approved/Anticipated -	30.00
1989-90 - Proposed outlay -	61.21
1989-90 - Recommended by Working Group -	40.00

56. Some of the important points that emerged during Working Group discussions are as follows.

It was noted that the position regarding recovery of loan of Gujarat State Financial Corporation was not satisfactory and needed attention of the State Government. It was felt that the promoters' contribution should be raised so that entrepreneurs take greater interest in keeping their units viable. The State Government has prepared a scheme for the rehabilitation of unemployed textile labourers providing for several incentives. The representatives of the State Government were requested to furnish a detailed note on the proposed scheme. Regarding Gujarat Handicrafts Development Corporation, it was suggested that priority should be given to liquidation of the high inventory with the Corporation. It was noted that handloom industry in the State has not made as much progress as in other States. The Working Group suggested that in case of Khadi and Village Industry greater emphasis should be given on developmental activities.

Transport

57. The plan provisions and expenditure are as follows:

(Rs. crores)

Sub-head	Seventh Plan outlay	First four years (1985-89) likely exp.	1988-89	1989-90-outlay	
			Approved outlay/Anticipated exp.	Proposed by the State	Recommended by Working Group
Ports and Light houses	23.86	24.51	6.24	7.20	7.20
Roads and bridges	257.85	153.14	46.50	60.00	60.00
Road Transport	84.94	113.56	29.00	33.55	33.35
Inland Water transport	6.50	0.17	0.06	0.05	0.05
<u>Total Transport excluding Tourism</u>	<u>373.15</u>	<u>291.38</u>	<u>81.80</u>	<u>100.60</u>	<u>100.60</u>
<u>Tourism</u>	<u>4.25</u>	<u>3.59</u>	<u>1.20</u>	<u>1.38</u>	<u>1.25</u>

58. It may be seen from the above table that the expected utilisation during the first four years of the Seventh Plan outlay in this sector is of the order of Rs. 291.38 crores which is about 78%. The major issues emerging from the discussion in the Working Group are as follows. As regards ports it was felt that the utilisation was poor because of high percentage of overaged equipment. With regard to roads and bridges, the State is unlikely to fulfil the target for providing road links to villages with a population of 1500 and above under M.N.P. It was noted that the number of spill over works was very high involving about Rs. 103 crores. The maintenance of the

....p.

roads in the State was comparatively better despite inadequate budgetary allocations because of efficient maintenance practices. Under Road Transport sector it was noted that the Gujarat State Road Transport Corporation was incurring heavy losses. It was suggested that the decision for fare revision w.e.f. 1.4.1989 might be implemented to reduce the losses.

Welfare of SC, ST and other backward classes

59. The Seventh Plan outlay for the sector was Rs. 115.49 crores against which the likely expenditure during the first 4 years of the Seventh Plan would be around Rs. 87.42 crores which is 75 per cent of the total plan outlay. During 1988-89, the approved outlay/anticipated expenditure is Rs. 51.90 crores. For annual plan 1989-90 the State Government proposed an outlay of Rs. 56.82 crores against which the recommendation of Working Group is Rs. 35.00 crores.

Tribal Sub-Plan

60. The State Government proposed an outlay of Rs. 155.62 crores as flow of funds from the State Plan to tribal sub-plan for 1989-90. It was felt that this was on the low side considering the percentage of the scheduled tribe population in the State.

Special Component Plan for Scheduled Castes

61. The proposal of the State Government amounting to Rs. 43.63 crores for SCP for 1989-90 was considered inadequate against the percentage of scheduled castes to the total population in the State. It was, therefore, suggested that a further exercise with the various Departments of the State Government to enhance the SCP may be carried out so that allocation under SCP is adequate to meet the requirements of the scheduled castes.

.../.

Education 62. Sub-headwise financial performance under the sector of Education is given in the table below:

Head/Sub-head	7th Plan Outlay	Likely expendi- ture during 1985-86 to 1988-89	(Rs. crores)		
			Approved/ anticipated 1988-89	1989-90 Proposed	Reco- mmended by W.G.
General education	80.71	79.51	32.45	37.29	36.90
Technical education	18.20	14.35	5.50	6.32	6.00
Sports and Youth Services	2.02	0.91	0.58	0.60	0.60
Arts & Culture	4.03	3.49	1.42	1.75	1.50
Total - Education	<u>104.96</u>	<u>98.26</u>	<u>39.95</u>	<u>45.94</u>	<u>45.00</u>

63. It may be seen from the above that against the Seventh Plan outlay of Rs. 104.96 crores, the anticipated expenditure in the first four years of the plan would be Rs. 98.26 crores forming 93.6 % of the Seventh Plan. The outlay as proposed by the State Government for 1989-90 is Rs. 45.94 crores while the Working Group recommendation is Rs. 45.00 crores.

64. Following are some of the important points that came up in the Working Group discussions.

As against the target of additional enrolment of 250,000 children in classes I-VIII for 1988-89, the State Government proposal for additional target of 208,000 children during 1989-90 was endorsed by the Working Group. The proposals under elementary education include scheme for additional teachers and for construction of additional class rooms. In regard to adult education, as against the target of 5.75 lakh adult participants in 1988-89, the State Government proposed a target of 5.30 lakh participants during 1989-90. Reviewing the

progress of adult education Working Group observed that at this rate of progress the target of Seventh Plan might not be achieved. A target of 5.75 lakh was suggested for 1989-90. As regards, secondary and higher secondary education, the State representatives were advised that preference should be given to the completion of buildings already in progress. Reduction was suggested under the following -

- (a) Regulated Growth of Secondary Schools;
- b) Strengthening of Directorate of Education;
- c) Construction and repairs to Government secondary schools;
- d) Vocationalisation of education - G.I.A. to voluntary agencies.

Under university education, the Working Group noted that the State Government is implementing the scheme of free education to girls in higher education. It was suggested that in case a similar scheme is introduced under the Central sector, the State Government may take the benefit of Central assistance. As Gujarat is the first State to introduce this scheme, it is important that an evaluation of the programme should be made to ascertain the impact of this scheme.

.../p.

Health 65. The financial performance under this sector is set out below:

	(Rs. crores)
Seventh Plan outlay	103.14
First four years likely expenditure	77.67
1988-89 Approved/Anticipated	23.59
1989-90 Proposed	33.00
1989-90 Recommended by Working Group	25.98

It may be noted from the above that against the Seventh Plan outlay of Rs.103.14 crores, the likely expenditure during 1985-89 would amount to Rs.77.67 crores only, about 75% of the plan outlay.

66. For Rural Health under MNP, against the State's proposal of Rs.14.50 crores, the recommendations of the Working Group amount to Rs.13.00 crores for annual plan 1989-90. The likely expenditure to be incurred during the first four years is Rs.30.25 crores against the Seventh Plan provision of Rs.40.00 crores.

Physical performance

MNP

67. The target and achievement under MNP is shown as under:-

Item	No. as on Seventh Plan target (Addl.)	Additions made during 1985-89 Four years anti. achv.	(Number)	
			1989-90 - Targets Proposed by State	Recommended by Working Group
1. Sub-Centres	5408	1400	300	300
2. Primary Health Centres	310	534	250	200
3. Community Health Centres	22	115	35	20

.../.

Housing &
Urban
Develop-
ment

68. The Seventh Plan outlay for Housing (including Police Housing) is Rs.16442 lakh.

The approved outlay for 1988-89 is Rs.2994 lakh which is anticipated to be spent during the year. The State Govt. proposed an outlay of Rs. 5220 lakh for 1989-90. Against this, the working group recommended an outlay of Rs. 3820 lakh. Assuming that this level of expenditure would be incurred in 1989-90, the anticipated expenditure during the 7th Plan comes to Rs.13610 lakh which represents 82.78% of the 7th Plan outlay.

The position in respect of achievement of physical targets regarding important housing schemes is as below :

	7th Plan target	7th Plan likely Achievement
1. House-Sites for Landless labourers (MNP) (Nos.)	2,06,866	1,72,056(83%)
2. Construction Assistance (MNP) (No. of families)	3,07,000	1,48,266(48%)

Out of the 7th Plan allocation of Rs. 6300 lakh the anticipated expenditure by the end of the plan is Rs.5154 which is about 82% of the outlay of the two MNP schemes.

It was noted during the discussion in Working Group that there would be substantial shortfall in achievement of targets under the two MNP schemes of house sites-cum- Construction schemes. The State officials pointed out that this is mainly due to shortage of resources and poor recovery of loans from the beneficiaries. Over the last 10/12 years the State Govt. had accumulated a huge debt of Rs.2619 lakh to the financial institutions and to the Panchayats. The State officials were advised to take measures for recovery of loans from the beneficiaries and also keep the subsidy level limited to the national norm of Rs.500 for house-sites and Rs.2000 for construction assistance.

Urban Development

69. The Seventh Plan outlay for Urban Development is Rs.13105 lakh. The approved outlay for 1988-89 is Rs.1900 lakh which is anticipated to be spent during the year. The State Govt. proposed an outlay of Rs.2596 lakh/against this for 1989-90 the Working Group recommended an outlay of Rs.2331 lakh. The anticipated expenditure during the Seventh Plan works out to Rs.8526 lakh which represents about 65% of the outlay. Under the environmental Improvement of Urban Slum, an MNP scheme, it was targeted to cover 2,00,000 slum dwellers during the seventh Plan. In Working Group discussion it was noted that Gujarat Urban Development Project

/7th Plan

which is funded by the World Bank was not progressing well due to shortage of counterpart funds. The attention of the State representatives was drawn to this problem.

Water Supply and Sanitation 70. The position in respect of Plan outlays/ expenditure and proposals is as follows:

	(Rs.lakhs)	
	Total	of which MNP
Seventh Plan 1985-90 Agreed Outlay	16866.00	8000.00
Annual Plan 1985-86 Actual Expenditure	5915.78	1690.53
Annual Plan 1986-87 Actual Expenditure	5210.95	1802.16
Annual Plan 1987-88 Actual Expenditure	6009.11	2425.18*
Annual Plan 1988-89 Agreed Outlay	6950.00	2100.00*
Annual Plan 1988-89 Anticipated Expenditure	6950.00	2741.00*
Annual Plan 1989-90 Proposed outlay	11400.00	6612.00*

* Includes rural sanitation(Included under MNP from 1987-88)

71. The following important points emerged during Working Group discussions:-

- 1) Requisite funds under Annual Plan 1989-90 has been made for World Bank projects under IDA Credit Nos.1280-IN and 1263-IN to fulfil the commitment to the World Bank for the above 2 IDA assisted projects so that they are implemented as per schedule. It is also stressed that State Government has to take appropriate action for internal resource generation for these projects as well as enhancement of tariff including house service connection charges for operation and maintenance of urban water supply schemes in the State.

- ii) As regards operation and maintenance of rural water supply schemes in Gujarat, enhancement of tariff to generate revenue for maintenance of regional piped water supply in rural areas is essential to make such schemes self supporting. Involvement of community for maintenance of individual village water supply schemes, handpump schemes as well as simple-well schemes is essential.
- iii) In spite of inclusion of rural sanitation programme under MNP from 1987-88 and also under 20-Point Programme 1986 the progress of rural sanitation in the State is not upto expectations. This needs examination by the State Government.
- iv) Water Supply Scheme of Ahmedabad Municipal Corporation is under implementation for the last 8 years. The scheme is yet to be completed. The scheme needs critical examination by the State Government in consultation with the Ministry of Urban Development.
- v) For implementation of Water Supply Scheme of Rajkot Municipal Corporation funds of the order of Rs.10 crores was made available to the State Government during 1987-88 as advance plan assistance. The requisite funds are made available to the State Government/ is advised to ensure that the scheme is completed without further loss of time.
- [for the Annual Plan 1989-90. The State Government*
- vi) Efforts should be made by the State Government to dovetail urban low cost sanitation schemes with the Central scheme of conversion of dry latrines into sanitary latrines and liberation of scavengers, being administered by the Ministry of Welfare, on the basis of 50:50.
- vii) It is felt that greater attention is required towards implementation of rural water supply schemes sanctioned under National Drinking Water Mission as Mini Mission and sub-Mission projects

Social
Welfare
and
Nutrition

Social Welfare

72. The State Government proposed an outlay of Rs.175 lakh for the Annual Plan 1989-90 against which the Working Group recommended an outlay of Rs.152 lakh. For most of the schemes the outlays were recommended at the current year's level with marginal expansion.

73. Some of the important points that came up during discussions are as follows.

The proposals of the State Government to bring back to the Plan the scheme for prosthetic aids to the handicapped which was earlier dropped was not agreed to. The representatives were advised to continue to avail the assistance being provided under the Central scheme. In regard to vocational training programmes for various categories of destitute women and children, handicapped persons, etc. it was suggested that the State Government should try to have an integrated training programme for the inmates of these institutions. A number of activities through mass media and special propaganda programmes etc. have been undertaken by the State Government under the scheme 'Prohibition'. The State Government was advised to get the programme evaluated to assess the impact of the various activities.

Nutrition

74. An outlay of Rs.6325 lakh was proposed for the Annual Plan, 1989-90 under Nutrition sector. Against this the Working Group recommended an outlay of Rs.6302.89 lakh. The State Government has proposed an outlay of Rs.2500 lakh for a new scheme called Food for All. At present, it is a non-plan scheme under which the State Government is providing upto 3 K.G. of foodgrains per-head per-month at subsidised rates to families having annual income not exceeding Rs.5,000. All the 184 talukas of the State including Ahmedabad city have been covered under this scheme. As the scheme was stated to be providing nutrition to the economically weaker sections of the society the Working Group agreed to the proposed outlay. As regards the Midday Meal Programme against the proposed outlay of Rs.55.20 crores, the Working Group recommended an outlay of Rs.55.00 crores for 1989-90.

Science,
Technology
and Environment

75. The figures relating to plan outlay and expenditure are indicated below:

(Rs. lakhs)

Sub-Head	Seventh Plan outlay	Four years likely exp. 1985-89	1989-90 outlay	
			Proposed by the State	Recommended by Working Group
Scientific research (incl. S&T)	450	41	45	43
Ecology and environment	350	107	60	75
<u>Total</u>	<u>800</u>	<u>148</u>	<u>105</u>	<u>118</u>

As may be seen from the above figures, the likely expenditure during the first four years of the plan amounting to Rs.148 lakh, which is 18.5% of the total plan outlay is grossly inadequate. During discussion in the Working Group, it was suggested to the State Government that they might consider creation of an independent Department of Science and Technology. Regarding the proposal of the State Government for the Institute of Electronics and Emerging Technologies, the State Government was advised to expeditiously obtain the comments of the concerned Ministries and thereafter forward the proposal to the Planning Commission. As regards pollution control, it was felt that in view of the heavy concentration of industries both large and small in the State there was need for intensification of pollution control measures.

District
Planning

76. Against the Seventh Plan outlay of Rs. 244.05 crores, the expenditure during the first four years of the Plan is Rs. 123.16 crores which forms 50.5 % of the Seventh Plan outlay. The approved outlay for 1988-89 is Rs. 37.50 crores against which the anticipated expenditure is Rs. 37.50 crores. The Working Group has recommended Rs. 50 crores against the proposed outlay of Rs. 50 crores for 1989-90. The Working Group has strongly recommended that an amount of Rs. 50 crores should be retained in the plan for being given to the districts as untied funds.

77. Decentralised district planning was launched in Gujarat in 1980. The district outlays contain three elements, viz., outlay from normal district plans, discretionary outlays for schemes to be selected by District Planning Boards and incentive outlays to be allocated against the funds raised by the district. The State Government has advised District Planning Boards to prepare comprehensive district plans incorporating untied funds earmarked in each district and also funds flowing from the various sectoral programmes and also Centrally-sponsored programmes with maximum local experts and available non-officials associated with district planning. In April, 1988 district plan for Kheda for 1989-90 was prepared by the State Government for discussion in the District Magistrate's Conference at Jaipur and Coimbatore. On the pattern of Kheda Plan, District Planning Boards were advised by the State Government to prepare comprehensive district plans and send their proposals of development programmes for consideration by the appropriate heads of department. They were also requested to formulate innovative development programmes in areas of their interest keeping in view the specific needs of the district. They were also given the freedom to delete or modify sectoral development programmes being implemented in the respective districts. Heads of the Departments were provided with necessary details of the district plans relating to their sectors of development. For the first time, a draft proposal from the heads of the departments indicating the flow of funds to each district under each development programme whose outlays have been identified as being divisible among the districts was prepared.

..../.

Assessment of Financial Resources Annual Plan 1988-89 - Review of Resources

78. The outlay approved for 1988-89 was Rs. 1275.00 crores which was to be financed through State's own resources of Rs. 1021.95 crores and Central assistance of Rs. 253.05 crores. The estimates of resources envisaged for the originally approved annual plan 1988-89 and as now reassessed are given below:

(Rs. crores)

	1988-89 (Estimates)		
	Annual Plan as approved	As now assessed	Improvement (+) Deterioration (-)
I. Plan Outlay			
(a) Normal State Plan Outlay	1275.00	1290.10	+ 15.10
(b) Additional Plan Outlay on development works connected with natural calamities	-	295.33	+295.33
<u>Total - I</u>	<u>1275.00</u>	<u>1585.43</u>	<u>+310.43</u>
II. Funding			
(1) State's resources	1021.95	907.93	-114.02
(2) Central assistance:			
(i) for normal State Plan	253.05	255.88	+ 2.83
(ii) Advance Plan assistance for natural calamities	-	63.75	+ 63.75
<u>Total II</u>	<u>253.05</u>	<u>319.63</u>	<u>+ 66.58</u>
(3) <u>Total Resources</u>	1275.00	1227.56	- 47.44
(4) Carryforward surplus/deficit of 1987-88	-	(-)7.13	- 7.13
(5) <u>Aggregate Resources</u>	1275.00	1220.43	- 54.57
(6) Gap in resources	-	-365.00	-365.00

* Includes

- (i) Additional outlay of Rs. 12.27 crores corresponding to modernisation loan given by Power Finance Corporation and
- (ii) Additional outlay of Rs. 2.83 crores corresponding to Advance Plan assistance for irrigation works.

..../-

79. It may be seen from the above that a deficit of Rs.365 crores has emerged for the year 1988-89.

80. The deterioration of Rs.365 crores is mainly attributable to the following factors:

(i)	Excess Plan expenditure on development works connected with natural calamities not covered by corresponding assistance	Rs.165.00 crores
(ii)	Shortfall in the contribution by State Electricity Board mainly on account of rise in cost of fuel and establishment	Rs.194.00 crores
(iii)	Other items (net)	Rs. 6.00 crores
	<u>Total</u>	<u>Rs.365.00 crores</u>

81. The measures for covering the gap of Rs.365 crores were discussed with the State officials who could not immediately identify possible areas of improvement in resources and economy in expenditure. The State representatives stated that in the current year's plan the priority programmes would have to be maintained and the outlay of other sectors would depend on policy decisions which were yet to be taken. The precise position in this regard will emerge in the ensuing meeting between the Deputy Chairman, Planning Commission and the State Chief Minister.

Annual Plan 1989-90

82. The estimate of resources for annual plan 1989-90 works out to Rs.1127.76 crores comprising State's own resources of Rs.837.28 crores and provisional Central assistance of Rs.290.48 crores. As against the estimated aggregate resources of Rs.1127.76 crores for 1989-90, the proposal of State Government is for Rs.1652.21 crores while the recommendations of the Working Group aggregate to Rs.1589.22 crores. It may be

seen that the gap between the resources and the figures of Working Groups and the State's proposals is considerable. While it is Rs.524.45 crores with reference to the State's proposals, the figure is Rs.461.46 crores compared to the Working Group recommendations.

83. In this connection the State representatives during the wrap-up discussion emphasised the need for the following. (a) higher normal Central assistance; (b) increased allocation of market borrowings; (c) permission to Sardar Sarovar Narmada Nigam to raise funds by issue of bonds; (d) revision of expenditure ceiling for drought relief expenditure on realistic basis; (e) early revision of rates of royalty on crude oil; (f) early introduction of the consignment tax; (g) upward revision in the ceiling of levy of profession tax by the State; and (h) adequate assistance from Power Finance Corporation.

84. In view of the substantial deficit in resources both for the year 1988-89 and 1989-90, it is not possible at this stage to make any suggestion regarding the size of the annual plan for 1989-90. The plan size may, therefore, be determined at the discussion between the Deputy Chairman and the State Chief Minister after which the sectoral allocations will be made in consultation with the State Government.

*

182
800
922

Annexure

Basic Statistics - Gujarat

S.No.	Item	Unit	Gujarat	All India
1.	Geographical Area	Lakh Sq. km.	1.96	32.87
2.	Population (1981- Census)	Lakh Persons	340.86	6851.95
3.	Rural Population	Lakh persons	234.84	5254.6
4.	Urban Population	Lakh persons	106.02	1597.2
5.	Rural Urban Population Ratio	Percentage ratio	69:31	76:24
6.	Scheduled Caste Population	In Lakhs	24.38	1047.55
7.	Percentage of SC Population to the total population of the State	Percent	7.15	15.75
8.	Scheduled Tribes Population (1981)	In Lakhs	48.49	516.29
9.	Percentage of ST population to the total population of the State	Percent	14.22	7.76
10.	Density of Population (1981 Census)	Persons per sq. km.	174	216
11.	Decennial Growth Rate (1971-81)	Percent	27.67	25.00
12.	Districts	Numbers	19	402
13.	Development Blocks	Numbers	218	-
14.	No. of inhabited villages	Numbers	18114	557137
15.	Crude Birth Ratio	Per thousand	34.0	32.4
16.	Crude Death Ratio	Per thousand	11.5	11.1
17.	Literacy Rate	Percent	43.70	36.23
18.	Area under Forests	Sq. Kms.	195 35	736685
19.	Total cropped Area (1982-83)	Lakh hect.	104.23	1803.61
20.	Net sown area (1983-84)	Lakh hect.	95.83	1427.44
21.	Gross Irrigated Area	Lakh hect.	26.14	539.37

STATEMENT

ANNUAL PLAN 1989 - 90 - OUTLAY & EXPENDITURE - GUJARAT

(Rs. Lakhs)

Head of Development	Actual Expenditure			1988-89		1989-90 Outlay	
	Seventh Plan Outlay	1985-86	1986-87	1987-88	Apprd. outlay	Antl. Expendr. outlay	Proposed Working Group
	2	3	4	5	6	7	8
I. AGRICULTURE & ALLIED ACTIVITIES							
Crop Husbandry	7720	1613	5017	5695	1797	1797	2554
Soil & Water Conservation	5763	430	289	575	500	500	1492
Animal Husbandry	1820	257	530	426	455	455	523
Dairy Development	132	23	25	36	50	50	58
Fisheries	2426	431	572	416	600	600	620
Forestry & Wild Life	12964	2495	2434	2376	3000	2667	3734
Plantations	-	-	-	215	-	333	416
Food, Storage & Warehousing	21	-	-	-	-	Neg.	-
Agricultural Research & Education	3035	404	429	485	600	600	300
Agricultural Financial Instn.	971	135	122	134	110	110	126
Other Agricultural Programmes:							
(1) Marketing & Quality Control	100	11	36	23	30	30	35
Cooperation	3640	811	1369	1872	890	890	1023
Total (I)	38640	6510	8423	10253	8032	8032	11181

10251

Statement (contd.) - Gujarat

(Rs. Lakhs)

Head of Development	Actual Expenditure		1988-89		1989-90			
	Seventh Plan outlay	1985-86	1986-87	1987-88	Apprvd. outlay	Antl. Exptr. outlay	Proposed outlay	Outlay Recommended by Working Group
1. -----	2. -----	3. -----	4. -----	5. -----	6. -----	7. -----	8. -----	9. -----
II. RURAL DEVELOPMENT								
<u>Special Programmes for Rural Development</u>								
a) Integrated Rural Development Programme (IRDP) & Allied Programmes	5504	1077	1495	1677	1557	1557	1679	1629
b) Drought Prone Area Prog. (DPAP)	1875	262	366	404	323	323	373	373
c) Integrated Rural Energy Programme (IRSP)	250	*	12	46	40	40	46	60
<u>Rural Employment</u>								
a) National Rural Employment Programme (NREP)	3700	744	1064	1573	889	889	1133	1314
b) Other Programmes (like employment Guarantee scheme etc. to be specified) Employment Generation Prog.	-	-	-	-	-	-	1000	500
Land Reforms	910	276	296	351	300	300	345	346
Other Rural Development Programme (incl. Community Dev. & Panchayats)	485	23	153	171	176	176	202	192
Total - (II)	12424	2382	3386	4222	3285	3285	4778	4414
III. SPECIAL AREA PROGRAMMES								

Statement (contd.) - Gujarat

(Rs. Lakhs)

- 3 -

Head of Development	Actual Expenditure		1988-89		1989-90	
	Seventh Plan 1985-86	1986-87	1987-88	Apprd. outlay	Antl. Expr. outlay	Proposed Recommended by Working Group
1. IRRIGATION & FLOOD CONTROL	2	4	5	6	7	8
Major & Medium Irrigation	146909	15153	19109	50470	30470	36470
Minor Irrigation	13455	2658	1965	2800	2800	3500
Command Area Development	6067	446	855	1260	1260	1500
Flood Control (incl. Anti-sea erosion etc.)	1200	168	175	200	200	300
<u>Total (IV)</u>	<u>167631</u>	<u>19480</u>	<u>22084</u>	<u>54730</u>	<u>34730</u>	<u>41770</u>
V. ENERGY						
Power	143700	20365	24799	33518	33518	39650
Non-conventional sources of Energy	1050	316	330	350	350	523
<u>Total (V)</u>	<u>144750</u>	<u>20681</u>	<u>25129</u>	<u>33868</u>	<u>33868</u>	<u>40173</u>
VI. INDUSTRY & MINERALS						
Village & Small Industries	13023	2281	4378	3000	3000	6120
Industries other than village & Small Industries, including weight & measure	11077	3764	7099	2610	2610	3138
Mining	1867	245	1276	925	925	800
<u>Total (VI)</u>	<u>25967</u>	<u>6290</u>	<u>12752</u>	<u>6535</u>	<u>6535</u>	<u>10058</u>
VII. TRANSPORT						
Ports & Light Houses	2386	635	630	624	624	720
<u>Total (VII)</u>	<u>2386</u>	<u>635</u>	<u>630</u>	<u>624</u>	<u>624</u>	<u>720</u>

* Includes for Rural Electrification - Rs.1900/- lakhs.

** Includes Rs.59 lakhs for weights & measures.

Head of Development	Seventh Plan outlay	Actual Expenditure		1988-89		1989-90		Outlay Recommended by Working Group
		1985-86	1986-87	Apprd. outlay	Antl. Expr. outlay	Proposed outlay	8.	
	2.	3.	4.	5.	6.	7.	8.	9.
XI. SOCIAL SERVICES								
EDUCATION								
General Education	8071	891	1236	2579	3245	3729	3690	
Technical Education	1820	132	348	405	550	632	600	
Sports & Youth Services	202	6	13	14	58	60	60	
Art & Culture	403	40	77	90	142	173	150	
<u>Sub-Total (Education)</u>	<u>10496</u>	<u>1069</u>	<u>1674</u>	<u>3088</u>	<u>3995</u>	<u>4594</u>	<u>4500</u>	
Medical & Public Health	10314	1552	1692	2164	2359	3300	2598	
Water Supply & Sanitation	16866	5916	5211	6009	6950	11400	9500	
Housing (incl. Police Housing)	16442	2121	2170	2505	2994	5220	3820	
Urban Development (incl. State Capital Projects)	13105	1171	1810	1324	1900	2596	2331	
Information & Publicity	758	130	117	149	260	299	299	
Welfare of SCs, STs & Other Backward Classes	11649	1610	1731	2211	3190	3682	3500	
Labour & Employment	4911	604	836	1148	1292	1486	1407	
Social Security & Welfare	728	55	100	130	150	173	152	
Nutrition	59550	4760	4633	5452	5500	8825*	8803	
Other Social Services (Social Input)	303	44	-	-	-	-	-	
Total (XI)	145122	19032	19974	24180	28590	41577	36910	

Statement (contd.) - Gujarat

-6-

(Rs. Lakhs)

Head of Development	Seventh Plan Outlay	Actual Expenditure		1988-89		1989-90		
		1985-86	1986-87	Appd. outlay	Anti. Exprdr.	Proposed outlay	Recommended by Working Group	
	2.	3.	4.	5.	6.	7.	8.	9.
<u>XII. GENERAL SERVICES</u>								
Other Administrative Services - Training of Development personnel	213	33	15	20	38	38	53	38
Total (XII) ^a	213	33	15	20	38	38	53	38
<u>GRAND TOTAL</u>	600000	82502	96561	110160	127500	127500	165221	158922

* E Includes Rs.2500 lakhs for 'Food for All Programme'.

* Included under Non-Conventional Sources of Energy.

योजना आयोग
॥राज्य योजना प्रभाग ॥

.....

विषय: वार्षिक योजना 1989-90 - हरियाणा

हरियाणा को वार्षिक योजना 1989-90 के लिए श्री ए.के. साइकिया सलाहकार ॥राज्य योजना॥ को रिपोर्ट को प्रति परिचालित को जातो है। यह रिपोर्ट, उपाध्यक्ष, योजना आयोग एवं योजना मंत्री और मुख्यमंत्री हरियाणा के बीच सोमवार, 2 जनवरी, 1989 को प्रातः 11.00 बजे कमरा नं० 130, योजना भवन, नई दिल्ली में होने वाले विचार-विमर्श का आधार होंगे।

२०१-२०२. अग्रवाल

॥स्म.स्ल. अग्रवाल॥

परामर्शदाता ॥राज्य योजना॥

उपाध्यक्ष
राज्य मंत्री
सदस्य
सचिव
विशेष सचिव
सलाहकार

वित्त मन्त्रालय

श्री जे० स्ल० राजाज, संयुक्त सचिव ॥स्फ.बो.॥
आर्थिक कार्य विभाग

श्री जो. हिल्दगा, निदेशक ॥पो.स्फ.॥
व्यय विभाग ॥चार प्रतियां॥

परामर्शदाता ॥स्ल.इ.स्म.॥/॥पो.पो.॥
संयुक्त सचिव ॥स्म.पो.॥
प्रमुख विज्ञान ॥विज्ञान एवं तकनीक प्रभाग॥

योजना आयोग परिपत्र संख्या पो.सो. ॥पो॥/2/हरि०/88 दिनांक, 30.12.1988

प्रति: उपाध्यक्ष तथा योजना मंत्री के निजी सचिव
योजना राज्य मंत्री के निजी सचिव
प्रधानमंत्रियों के सचिव के निजी सचिव/मंत्रिपंडल सचिव

प्रति इनको भी: संयुक्त सलाहकार, सूचना अधिकारी, उपसलाहकार।
राज्य योजना प्रभाग के सभी वरिष्ठ अनुसंधान अधिकारी/अनुसंधान अधिकारी।

प्रति: सम्पर्क कार्यालय, हरियाणा सरकार, नई दिल्ली ॥दस प्रतियां॥

PLANNING COMMISSION
(STATE PLANS DIVISION)

ANNUAL PLAN 1989-90 - HARYANA

REPORT OF SHRI A.K. SAIKIA, ADVISER (STATE PLANS)

Haryana, a small State with 1.29 crore people has taken big strides in development, especially in Agriculture. Its 6745 villages are electrified and connected by road. Some basic information about the State is in the annexure.

Plan
Perspective

2. The position regarding outlays and expenditure and the per capita thereof is as under:

Plan periods	Appro- ved outlay (Rs. in crores)	Expen- diture	Per capita of		Population estimates used (year)
			Appro- ved outlay (Rs.)	Expendi- ture (Rs.)	
1	2	3	4	5	6
Three Annual Plans* (1966-69)	50.36	84.62	56 (61)	94 (63)	1967
Fourth Plan (1969-74)	225.00	358.26	224 (125)	357 (142)	1971
Fifth Plan (1974-79)	601.34	677.18	527 (302)	593 (327)	1976
Sixth Plan (1980-85)	1800.00	1569.47	1318 (570)	1149 (688)	1985
Seventh Plan (1985-90)	2900.00		1911 (1022)		1987
Annual Plan (1985-86)	480.00	422.81	332 (174)	293 (177)	1985
Annual Plan (1986-87)	525.00	480.92	354 (207)	325 (207)	1986
Annual Plan (1987-88)	585.00	453.84	385 (238)		1987
Annual Plan (1988-89)	600.00	609.64 (Anti)	387 (251)		1988

* The State was formed in 1966.

Note: The figures in brackets indicate all States per capita outlay and expenditure.

Progress of expenditure during the Seventh Plan

3. Though the Seventh Plan of Rs. 2900 crores of the State was considerably larger than its predecessor with over 61 per cent step-up, the expenditure during the first three years has not been commensurate with the outlays with annual shortfalls ranging from 8 to 21 per cent. The overall shortfall during the first four years of the Plan is likely to be of the order of Rs. 212.79 crores.

Approved financing pattern

4. Financing pattern of the Seventh Plan and the annual plans as approved originally by the Planning Commission is given below:-

Items	(Rs. crores)				
	Seventh Plan	1985-86	1986-87	1987-88	1988-89
a) State's own resources (Net)	2511.01	347.70	444.72	427.28	455.65
Of which ARM	557.90	60.90	112.95	57.11	191.75
b) Central assistance (Net)	388.99	132.30	80.28	87.72	73.52
c) Term loan/grant outside Gadgil formula	-	-	-	70.00	70.85
Total (a+b+c):	2900.00	480.00	525.00	585.00	600.00

Annual Plan 1989-90

5. For Annual Plan 1989-90 the State Government proposed an outlay of Rs. 698.32 crores, envisaging a step-up of 16.39 per cent over the current year's outlay of Rs. 600.00 crores. The outlays recommended by the Working

..../.

Groups for various sectors add-up to Rs.686.68 crores, the break-up of which is given below.

(Rs. in lakhs)

Major Head of Development	Seventh Five Year Plan (1985-90)	Actual expenditure			1988-89		1989-90 outlay	
		1985-86	86-87	87-88	Approved outlay	Anti. Propo- Exdr. sed by the State Govt.	Recomm- ended by W.G.	
Agriculture & Allied Services	27734	4082	4445	4511	5346	6027	6549	6288
Rural Dev.	4734	1077	1204	1378	1123	1336	1657	1273
Special Area Programmes (Mewat Dev.)	1510	158	250	200	275	275	300	300
Irrigation & Flood Control	59461	14800	15374	11490	10226	10226	9495	9495
Energy	101275	11135	12807	14742	18323	18324	19045	20651
Industry & Minerals	5655	778	839	835	1050	1051	1400	1400
Transport	19032	2899	3582	2511	3221	3221	3561	3526
Communications	-	-	-	-	-	-	-	-
Science, Techno-logy & Environment	1734	38	95	123	168	168	190	186
General Econo- mic Services	11171	128	689	454	808	508	1230	1264
Social Services	55469	6846	8461	9775	19010	19378	25870	23819
General Services	2225	340	366	365	450	450	555	466
GRAND TOTAL	290000	42281	48092	46384	60000	60964	69832	68668

Note: Sub-headwise details are in the appended statement.

.../.

SECTORAL HIGHLIGHTS

Agriculture and
Allied Activi-
ties

6. Agriculture occupies a place of significance in the economy of Haryana, with almost 85 percent of its total geographical area under cultivation. Sixty-seven percent of the cultivated area is irrigated in the State.

The financial progress during Seventh Plan is given below:

(Rs.lakh)

Seventh Plan outlay on Agriculture and Allied Activities	27734
Likely Expenditure during the first four years (1985-89)/percentage utilisation of Seventh Plan outlay.	19065/68.7
1988-89 Approved outlay/Anticipated Expenditure	5346/6027
1989-90 Proposed outlay/recommended by Working Group	6549/6289

7. Agriculture and allied activities form 9.56 percent of the total Seventh Plan outlay in the State. The utilisation of outlay during the first four years of the Plan is likely to be only 68.7 percent. The Working Group has recommended an outlay of Rs.6288 lakh for 1989-90 on Agriculture and Allied Activities against the proposed outlay of Rs.6549 lakh.

8. After experiencing a severe drought in 1987-88, the State witnessed heavy rains and flash floods during 1988-89 in the districts of Sirsa, Hissar and Kurukshetra resulting in extensive damages to the kharif crop. However, the rains were adequate in the drier regions of the State during the current year and consequently production of crops grown under dryland conditions, particularly, Bajra, is expected to be much better. Foodgrains production during 1988-89 is expected to be 84.60 lakh tonnes against the target of 83.55 lakh tonnes. The following table gives targets and achievements for agricultural production and important agricultural development programmes:

Item	Unit	7th Plan Target	1987-88 Achievement	1988-89		1989-90
				Target	Anticipated Achv.	Target recommended by Working Group
Rice ('000 Tonnes)		1700	1073	1600	1500	1900
Wheat	"	5500	4861	5150	5300	5500
Coarse Cereals	"	950	256	865	1065	960
Pulses	"	850	112	740	645	750
Total Foodgrains	"	9000	6302	8355	8460	9110
Oilseeds	"	225	333	310	360	385
Distribution of Seeds ('000 qtls.)						
		2307	170.4	204.9	166.0	225.2
Consumption of '000 Chemical Fertilizers Tonnes						
		600	393.9	495	510	580
Pesticides Consumption (TGM) Tonnes						
		5000	3700	4500	4500	5000
Area under HYV(5 Cereals)'000 Hect.						
		3005	2360	2780	2750	2858

9. Some important issues/observations emerging from the discussions in the Working Group on agriculture and allied sectors are given below:

- 1) Agriculture needs diversification from rice and wheat to horticulture and vegetables.
- 2) About 50 percent of the cultivated area in this State suffers from various soil degradations like erosion by wind or water, salinity and alkalinity. Therefore, soil and water conservation measures assume great significance. There is a need for evolving long-term land use policy for optimum utilisation of the areas affected by salinity and alkalinity.

- 3) Impact analysis of the various agricultural development schemes should be done before allowing their continuance into the Eighth Plan.
- 4) Though the average yields for various crops in the State are higher than the All-India averages, there is still scope for increasing further the crop productivity keeping in view the yield levels obtaining in Punjab.
- 5) Per hectare fertiliser consumption in Haryana was 74 Kg. (NPK) in 1987-88 as compared to All India average of 51.3 Kg. and Punjab average of 160 Kg.
- 6) Research and education efforts should be intensified for increasing crop productivity, particularly that of oilseeds, in the State.

Soil and Water Conservation

10. In view of the fact that nearly 50 percent of the cultivated area in the State suffers from various kinds of soil degradation, soil and water conservation programmes assume special significance in the State. As compared to the Seventh Plan outlay of Rs.1725 lakh for soil and water conservation programme in the State, likely expenditure during the first four years of the Plan is reported at Rs.1104 lakh indicating only 64 percent utilisation of the Seventh Plan outlay. For soil and water conservation programme the State Government proposed an outlay of Rs.375 lakh for 1989-90. The Working Group did not recommend the State Government's proposal for providing share capital to Haryana Land Reclamation and Development Corporation and suggested that proposed outlay of Rs.20 lakh may be utilised for supplementing the allocation for scheme for Reclamation of Alkaline soils. The Working Group recommended an outlay of Rs.370 lakh for Soil & Water Conservation Programme for 1989-90.

11. Soil and water conservation programme in the State is being implemented on agriculture and forest land. In the Seventh Plan the target for area coverage of agriculture land under soil conservation programme was 96100 hectares. The achievement during the first four years of the Plan is expected to be 85000 hectares and a target of area coverage of 22250 hectares of agriculture land has been recommended by the Working Group. In the Working Group it was observed that the targets for 1988-89 on various aspects of watershed development were at variance with those fixed by Ministry of Programme Implementation and the information provided by the State Government was incomplete. The State officers were requested to submit the revised information in this regard.

Animal Husbandry and Dairy Development

12. Average productivity per animal is estimated at 1307 litres of milk per annum in the state which is higher than the national average; and the average productivity per layer bird per annum is estimated to be 232 eggs. For increasing the productivity of milch animals the Working Group suggested to the State Government to intensify cross-breeding programme and augment fodder resources/high yielding fodder seeds. For increasing the productivity of layer birds the working group advised the introduction of superior germ-plasm, ensuring availability of quality poultry feed and training of farmers.

13. The Seventh Plan outlay for Animal Husbandry is Rs.2500 lakh out of which a sum of Rs.1537 lakh is likely to be utilised during the first four years of the Plan. For 1989-90 the working group recommended an outlay of Rs.598 lakh against the State's proposed outlay of Rs.550 lakh.

14. In the case of Dairy Development likely utilisation during the first four years is reported to be Rs.361 lakh against the Seventh Plan outlay of Rs.450 lakh. For 1989-90 the State Government proposed an outlay of Rs.119 lakh against which the Working Group recommended Rs.125 lakh.

15. Due to proximity of the State to Delhi there is immense scope for Dairy Development in Haryana. A target of 31.60 lakh tonnes of milk production was fixed for the terminal year of the Seventh Plan. In 1987-88, the milk production in the State has been estimated at 24.98 lakh tonnes and is anticipated to go up to 28.80 lakh tonnes in 1988-89. A marginal shortfall in achieving the Seventh Plan milk production target is anticipated.

The Working Group supported the establishment of Dairy Extension Unit and suggested its continuance in the Eighth Plan. The State Government was advised to examine the recommendation of Bureau of Industrial Costs and Prices for improving the working efficiency in the interest of milk production.

Forestry and Wild Life

16. The area under forests in the State is 1.68 lakh hectares which is 3.71 percent of its total geographical area. The Seventh Plan outlay for Forestry and Wild Life is Rs.6700 lakh out of which utilisation during the first four years is anticipated to be Rs.4818 lakh i.e.72 percent of the Plan Outlay.

For 1989-90 the State Government has proposed an outlay of Rs.1815 lakh. The Working Group considered the outlay to be slightly low and recommended an outlay of Rs.1820 lakh for the next year for this sector.

17. It was explained in the Working Group that the hike in minimum wages would affect the achievement of targets in the current year and the next year. With regard to land reclamation, the Working Group suggested to the Forest Department for assessment of the total area affected by salinity and then preparing a comprehensive plan for its reclamation by selecting suitable tree species.

Co-operation

18. An outlay of Rs.3926 lakh has been provided in the Seventh Plan for cooperation out of which expenditure during the first four years of the Seventh Plan is Rs.3112 lakh. The anticipated expenditure during 1988-89 is indicated to be Rs.1393 lakh against the approved outlay of Rs.685 lakh. The Working Group recommended Rs.1100 lakh for 1989-90 against the State Government's proposed outlay of Rs.1200 lakh. Some of the important recommendations/observations of the Working Group are as follows:

1. The State Government has proposed establishment of three sugar mills in Haryana at a cost of Rs.25 crores each. The Working Group recommended that the cost of each mill should be limited to Rs.24 crores and the outlay proposed for 1989-90 for sugar mills should be reduced accordingly.
2. Most of the targets laid down for cooperation for the Seventh Plan are likely to be achieved in full, except in respect of construction of cooperative godowns and distribution of consumer articles in urban and rural areas.
3. For co-operative storage programme, the State Government should provide Rs.60 lakh by effecting savings under other programmes to avail foreign assistance under IDA assisted NCDC-III project.
4. There is a need for strengthening the activities of dairy co-operatives.

Rural
Development

19. The State Government has reported that according to a comprehensive survey conducted in four phases from 1981 to 1984, 5.19 lakh families were living below the poverty line out of the 14.73 lakh rural families. The financial progress in the Seventh Plan in respect of Rural Development sector is given below.

(Rs.in lakhs)

Seventh Plan outlay	4734
Likely Expenditure/Percentage utilisation in the first four years of Plan(1985-89)	4995/105.5%
1988-89 Approved outlay/Anticipated Expenditure	1123/1336
1989-90 outlay proposed by the State Government/Recommended by Working Group	1637/1273

20. During the Seventh Plan 1.6 percent of the total outlay was provided for Rural Development. The expenditure in the first four years of the Seventh Plan is likely to exceed the total Plan outlay. For 1989-90 the State Government has proposed a step-up of 45.77 percent over the outlay in the current year. The Working Group recommended Rs.1273 lakh against the State Government's proposal of Rs.1637 lakh. The main programmes under the Rural Development sector are discussed in the following paragraphs.

Integrated Rural Development Programme(IRDP)

21. The State Government proposed an outlay of Rs.600 lakh under IRDP including TRYSEM, DWCRA and strengthening of blocks against the anticipated expenditure of Rs.371.64 lakh in 1988-89. For 1989-90, the basis of allocation under IRDP has been changed to 100% weightage to the incidence of poverty. Accordingly, the Working Group recommended an outlay of Rs.306 lakh which includes Rs.275 for IRDP main programme, Rs.10 lakh tentatively for strengthening of TRYSEM infrastructure, Rs.10.20 lakh for DWCRA and Rs.10.80 lakh for other programmes. It was

lakh

observed in the Working Group discussion that under TRYSEM, the absorption of trained youth in wage-employment and self-employment had not improved much as out of 768 youth trained upto September, 1988, only 108 were absorbed in employment.

22. Concurrent Evaluation Report for January, 1987-September, 1987 has revealed as under:-

1. There has been no generation of income by 45% of the beneficiaries from the assets. Only 16% of the beneficiaries could have incremental income between Rs.501 to Rs.1000/- which is very low.
2. Among the beneficiaries, only one percent could cross the poverty line of Rs.6400/- and only 3% could cross the income level of Rs.3500/-.
3. There has not been a single organisation of IRDP beneficiaries in the State.
4. Only 35% of the old beneficiaries could increase their family income to Rs.25 over their initial income.
5. In case of 53 percent of the beneficiaries assets were not found to be intact.
6. After care support was not provided to 20% beneficiaries.

National Rural Employment Programme(NREP)

23. For NREP, the Working Group has recommended an outlay of Rs.418 lakh for 1989-90, against the State Government's proposal of Rs.450 lakh. The Working Group pointed out that the State Government has incurred expenditure on construction of non-permissible activities like Panchayat Ghars, Harijan Chaupals and Mahila Mandal Bhawans. Such construction activity still continues although this subject was discussed in the last year's Working Group also. The State officers informed the Working Group that the funds earmarked for works benefiting the SC/ST families were being utilised to the full extent and that the blocks were the implementing agency for execution of works under NREP. The Concurrent Evaluation Report for the period November, 1987 to January, 1988 has pointed out that of the total employment generated, 12.9% was for the women, which was on the lower side as compared to the All India percentage of 19.07.

Drought Prone Area Programme (DPAP)

24. DPAP is being implemented in 9 blocks of the State. The Working Group supported the proposed outlay of Rs.67 lakh for DPAP for the Annual Plan, 1989-90. The State officers informed the Working Group that 53 watersheds had been identified for carrying out DPAP works. Intensive work has been done in 11 watersheds and currently work is in progress in 7 watersheds. However, the employment generated under DPAP is not commensurate with the expenditure incurred on the programme.

Other Rural Development Programmes

25. The State Government proposed an outlay of Rs.420 lakh for Community Development and Panchayats for 1989-90. The Working Group discussed the progress made during 1988-89 in the implementation of various schemes upto October, 1988 and recommended an outlay of Rs.160 lakh for Panchayats and Rs.217 lakh for Community Development making a total of Rs.377 lakh for the Annual Plan, 1989-90. For Land Reforms the proposed outlay of Rs.25 lakhs was endorsed by the Working Group for 1989-90, mainly to provide financial assistance to the assignees of ceiling surplus land.

Special
Area
Programme
(Mewat Dev.)

26. Predominantly inhabited by Meo Community, Mewat area consists of six blocks in district Gurgaon viz. Nuro, Ferozepur, Zhirka, Nagina, Punhana and Taoru; and one block in district Faridabad viz. Hathin. In view of the backwardness of the area a high powered Mewat Area Development Board was set up by the State Government.

27. In the Seventh Plan an outlay of Rs.1510 lakh was provided for Mewat Development out of which the likely utilisation during the first four year of the Plan is Rs.863 lakh. The approved outlay of Rs.275 lakh is anticipated to be incurred in full during 1988-89. The Working Group has endorsed the proposed outlay of Rs.300 lakh for 1989-90.

Irrigation and
Flood Control

28. The key role of irrigation in Haryana need hardly be emphasised in view of the leading position agriculture occupies in Haryana's economy. High priority has been accorded to this important sector in the Seventh Plan, the percentage allocation being over 20 per cent of the total Seventh Plan outlay.

29. The outlay/expenditure position is as under:-

	(Rs. crores)
Seventh Plan outlay	594.61
1985-86 Actual Expdr.	148.00
1986-87 Actual Expdr.	153.74
1987-88 Actual Expdr.	114.90
1988-89 Approved outlay	102.26
1988-89 Anticipated Expdr.	102.26
Four year s likely Expdr. (1985-89)	518.90 (87.27% of VII Plan)
1989-90 Proposed outlay	94.95
Recommended by W.G.	94.95

30. The main thrust during the VII Plan has been on consolidation of Irrigation facilities already created, modernisation of existing canal systems for improving efficiency, completion of SYL project in Punjab Territory to carry Haryana's full share in Ravi Bas water, construction of New Tajewala Barrage (Hathnikund Barrage) for optimum utilisation of the Haryana's share in River Yamuna and completion of on-going schemes.

Major & Medium Irrigation

31. The outlay and expenditure position is as under follows:-

	(Rs. crores)
<u>Seventh Plan (1985-90) outlay</u>	<u>418.50</u>
1985-86 Actual Expenditure	112.29
1986-87 Actual Expenditure	116.12
1987-88 Actual Expenditure	102.58
1988-89 Approved outlay	69.90
- Anticipated expdr.	84.00
1985-89 - Four year's likely expdr.	414.99 i.e. 99.16% of the Seven- the Plan
1989-90 - Proposed outlay	60.00
- Recommended by W.G.	60.00

32. Potential to be created and its utilisation through Major and Medium Irrigation is given below:-
(000 Hect.)

Ultimate irrigation potential	<u>Potential Utilisation</u>	
	<u>260</u>	<u>300</u>
Addl. potential to be created during the Seventh Plan	-	
Achievement to the end of 1984-85	-	1745
Achievement to the end of 1985-86	-	1766
Achievement to the end of 1986-87	-	1774
Achievement to the end of 1987-88	-	1782

.../.

33. Details of the important projects/schemes as discussed are set out in the following paragraphs :-

A. World Bank assisted projects

Modernisation of existing channels

Phase-I of the project is complete and work is continuing on phase-II with the World Bank assistance for a time slice of 4 years - starting from 1.4.1983 and scheduled to be completed by 1987-88. However, the agreement is likely to be extended upto April, 1990 as per indications to the WG by the State representative. In order to utilise the savings under the credit, the scheme for modernisation of Western Yamuna Canal is proposed to be included which is yet to be examined by the CWC and accepted by the Planning Commission for which the Department of Economic Affairs is reminding the CWC. It is suggested that inter state aspects (sharing of Yamuna waters) pertaining to Western Yamuna Canal under Haryana - Phase,II be resolved and placed before the Advisory Committee soon. CWC should also expedite the examination of the scheme so that it is accepted before it is funded by the World Bank.

Conservation measures by installing 100 lift sprinkler irrigation sets in Canal irrigation and flood control system.

This scheme is likely to be completed in all respects during 1989-90. It is, therefore, desirable that the capital account of the scheme may be closed and the scheme should not be repeated from 1989-90 onwards in the State Plan. Also, the sets installed under the schemes be transferred to the farmers' societies for maintenance. Outlay recommended by the Working Group is to complete the residual works.

B. Ongoing schemes of Seventh Plan

Jawahar Lal Nehru Lift Irrigation Scheme

The cost of this scheme which was originally approved by the Planning Commission in 1978 for Rs.40 crores has since been revised to Rs.165 crores. The revised estimate, however, is yet to be submitted to C.W.C. for technical clearance after which acceptance by Planning Commission will also be necessary.

Loharu Lift Irrigation Scheme

The project is being implemented in phases. The revised cost of the Project (Phase I, II, III) is Rs.34.50 crores which is under examination/CWC. For /of completing the left-over works, an outlay of Rs.50 lakhs has been recommended by the WG subject to the revised estimates being approved by the Planning Commission before the expiry of the current financial year. The Working Group has suggested to close the capital account of the project by 1989-90.

Gurgaon Canal

△
The revised cost of the project is stated to be over/40 crores which may be sent to CWC for examination and clearance. Working Group has recommended an outlay of Rs. 100 lakhs for 1989-90 to meet some liabilities on this project which may appropriately be shown under the head 'Liabilities of completed scheme' instead of reflecting the project in the plan.

Construction of New Tajewala (Hathnikund Barrage)

The project envisages the replacement of 100 year old Tajewala headworks by a new barrage at Hathnikund with an estimated cost of Rs.47.50 crores. It is suggested that construction of this project be restricted to barrage position only and construction of head regulators be kept in abeyance till an agreement is reached between Haryana and UP regarding their capacities including provision for Delhi Water Supply. The Project is under examination in Planning Commission.

Sutlej Yamuna Link Canal Project (SYL)

This is an inter-state project of Haryana and Punjab to carry 6500 cusecs of water as Haryana's share (3.83 MAF) out of surplus Ravi Beas Water. The latest cost of the main canal under the project is stated to be Rs. 429 crores. On the basis of this estimate, the total requirement of funds for 1989-90 as worked out by the Ministry of Water Resources is Rs.17.70 crores. Haryana's share in that would be Rs.15 crores and the rest Rs.2.70 crores would be of Punjab. Accordingly, outlays have been recommended for this Project. The latest cost estimates may be got cleared from CWC and submitted to Planning Commission for acceptance.

As per the accord signed by the Prime Minister with the Government of Punjab, SYL Canal was to be completed by 15.8.1986. But due to non-completion of works in Punjab's territory, the project has been considerably delayed. The entire canal work in Haryana's territory has long been completed. Since Haryana is pressing for an early completion of this project, the Government of Punjab may be asked to expedite completion of their part of the project in their territory. If the project is completed, Haryana, would get an additional potentials of about 275 thousand hectares. Besides, JLN project, is dependant on the completion of SYL project.

the

8. New Schemes

34. The State Government has proposed following new schemes during 1989-90.

<u>Scheme</u>	(Rs. lakhs)
	<u>1989-90</u> Outlay proposed
Inter-linking old augmentation tubewells to new augmentation canal	10.00
Improvement/reconditioning and remodelling of old existing channels	50.00

35. These schemes were discussed by the WG and outlays are recommended as proposed by the State Government.

Points for Consideration:

1. All unapproved schemes including new ones should be not approved before investing money on them.
2. Schemes which are at an advanced stage of completion should be provided fully so as to complete them and to obtain benefits.
3. Created potential should be utilised optimally.
4. Externally aided projects need be provided adequately to get the full benefit of the admissible assistance.

Minor
Irrigation

36. The outlay/expenditure position is given below:-

(Rs. crores)

Seventh Plan outlay	...	14.17
Expenditure during 1985-89	...	6.15
Outlay approved for 1988-89	...	2.28
Anticipated Expendi- ture for 1988-89	...	1.68
Outlay proposed for 1989-90	...	2.75
Outlay recommended by Working Group for 1989-90	...	2.75

It may be seen that the utilisation of the Seventh Plan outlay during the first four years will be hardly 43 per cent which is inadequate.

-/-

37. The schemes under the sector are being implemented by three different agencies in the State viz. Departments of Agriculture, Irrigation and Minor Irrigation Tubewell Corporation. The schemes are mainly in the nature of:-

- i) Subsidy to farmers for sprinkler sets.
- ii) Investigation of groundwater sources through construction of private shallow tubewells and deep tubewells in saline areas of the State where water is quite deep.
- iii) Installation of deep tubewells in the State by MITC both for irrigation and drinking/supply water purposes.

Position regarding target and achievement is as under:-

	(Lakh hectare)
a) <u>Seventh Plan target for creating the irrigation potential</u>	
i) From ground water	1.00
ii) From surface water	0.90
<u>Total potential to be created</u>	<u>1.90</u>
b) <u>Achievement during first four years of Seventh Plan</u>	0.793
c) Target for 1989-90	0.20

38. The State Government was requested to furnish the target and achievement particulars regarding surface water schemes. They were also advised to expedite investigation work in feasible saline areas of the State for installation of deep tubewells.

.../.

Energy Power

39. The outlay/expenditure position during 7th Plan for Power sector including rural electrification is as under:

	(Rs.crores)
Seventh Plan outlay	1010.25
Actual expenditure - 1985-86	111.19
Actual expenditure - 1986-87	127.76
Actual expenditure - 1987-88	147.42
Approved outlay/Anticipated expenditure - 1988-89	182.83
Proposed outlay for 1989-90	190.00
Outlay recommended by Working Group - 1989-90	206.11

40. It may be seen from the above that the expected expenditure during the first four years of the plan will be around Rs.569.20 crores which is only 56 percent of the total Seventh Plan outlay thus indicating a sizeable shortfall.

41. There have been slippages in certain projects resulting in considerable time and cost overrun as may be seen from the following table.

a) Time Overrun

Name of the Scheme	<u>Commissioning Schedule</u>		<u>Time Overrun (Months)</u>
	<u>As per 1988-89 Plan</u>	<u>Latest</u>	
1. Panipat TPS Stage III (1 x 210 MW)	10/88	2/89	4
2. Western Yamuna Canal HE (6 x 8 MW)	10/88	3/89	5

b) Cost Overrun

Name of the Scheme	<u>(Rs.crores)</u>		<u>Cost Overrun</u>
	<u>Estimated Cost As per 1988-89 Plan</u>	<u>Latest</u>	
1. Panipat TPS Stage III (1 x 210 MW)	250.48	282.00	31.52
2. Western Yamuna Canal HE (6 x 8 MW)	97.69	107.72	10.03

Addition to Installed Capacity

42. As against the targetted additional capacity of 488 MW during the Seventh Plan, 478 MW is expected to be added by the end of 1988-89 as may be seen from the following table.

Name of Scheme	Seventh Plan target	Three years' Actual Achievement (1985-88)	(MW)	Four Years expect Achievment (1985-89)
			1988-89 Anticipated Achievement	
1. Panipat II(2x210 MW)	220	220	-	220
2. Panipat III(1x210 MW)	210	-	210	210
3. WYC(HEP). (6x8 MW)	48	32	16	48
4. Dadupur Mini Hydel (4x2.5 MW)	10	-	-	-
TOTAL	488	252	226	478

43. A brief description of the important projects are given in the following paragraphs:

a) Completed Projects:

Beas Projects: Haryana is a partner in the Beas Projects, the requirements of which were discussed in a separate meeting with BCB held in the Planning Commission. The share of Haryana in the outlays as agreed in the above meeting was recommended by the Working Group.

Faridabad TPS Unit-3 (1x60 MW)

The unit was commissioned in 1981. It was agreed during the last Annual Plan discussion for 1988-89 that the estimate for this scheme would be closed in 1988-89. An outlay of Rs.73 lakhs was proposed by the State for 1989-90 for certain balance works which was accepted. Project Authorities agreed to send the completion report of the scheme by November '89 and also to close the estimates for the scheme in 1989-90.

b) Approved/on-going schemes for 7th Plan

Panipat TPS Stage II (2x110 MW)

Both the units of the project were commissioned in 1985-86 and 86-87. Allocation for 1989-90 was proposed for

balance payments towards Boiler, Turbo-Generator and auxiliaries, modification of coal handling plant, additional fire protection system, cooling tower, colony etc. The work of cooling tower is expected to be completed by November'89. The State was requested to complete all works during 1989-90.

Panipat TPS Stage III (1x210 MW)

The latest cost of this scheme was indicated at Rs.282.00 crores which is yet to be cleared by the CEA. The Commissioning of the unit is planned in February, 1989. During 1988-89, Power Finance Corporation had given a loan of Rs.15 crores for this project over and above the approved state plan outlays. During 1989-90 a requirement of Rs.42 crores has been assessed by the Working Group for completion of major works.

Western Yamuna Canal HEP (6x8 MW)

There are three power houses in this project each having a capacity of 2x8 MW. Power houses 'A' and 'B' were commissioned in 1986-87 and 1987-88 respectively. Power House 'C' is expected to be commissioned in March'89.

The latest cost estimate of Rs.107.72 crores needs to be cleared by CEA. The works on Power House 'C' are in an advanced stage of completion. The critical activities of the project are BY-Pass Channel, Hydel Channel, Intake Gates and Hoists. The work on concreting of the silting Basin reverse slope and chute of the by-pass channel was yet to be done. This involved about 6300 cum. of concreting which was held up due to dewatering problem. The project authorities indicated that the pace of work in this area had been accelerated and the work would be completed by 2/89. The balance hydel channel works were planned to be completed during the closure period of one and a half months with effect from December'88. The Intake gates were fabricated and available. The Hoists for fish belly was also ready. The Hoist for Intake gates was expected by 1/89. The Electrical and Mechanical works are progressing to match with the commissioning of the units by 3/89. The assessed outlay of Rs.298 lakhs was agreed to by the Working Group.

c) New Schemes Approved

Yamunanagar TPS (4x210)

The project is to be executed by NTPC. Haryana will have a share in project cost/benefits. An outlay of Rs.20.00 crores was recommended for the project for 1989-90 as Haryana's share. The State Government has pressed that bilateral assistance should be provided for this project on the analogy of Central Government Undertakings.

Dadupur Mini Hydel (4x2.5)

The revised report has been prepared for the project which was earlier sanctioned for 4x1.5 MW. Rs.20 lakhs was recommended by the Working Group for land etc.

Unapproved
Small Hydels

Rs20 lakhs was recommended for small hydels in the State. One unit of (4x0.1 MW) Kakroi Project has been commissioned.

Western Yamuna Canal Stage II (H) (2x8 MW)

The inter-state aspects of Haryana and U.P on construction of the intake structure at the Hathnikund Barrage and capacity of the hydel channel for power generation are yet to be resolved. The State authorities would submit the latest DPR for appraisal/approval to CEA and Planning Commission. The generating units for the projects have already been supplied by M/s Fuji, Japan alongwith Stage I units. A requirement of Rs.200 lakhs was assessed by the Working Group for 1989-90 for various works with reference to commissioning of the project in 1992-93. The works on the project should commence after obtaining appropriate approval.

Panipat TPS Stage IV (2x210 MW)

This is one of the identified projects for the 8th Plan. The environment clearance for the project is awaited. An outlay of Rs.21.00 crores was recommended by the Working Group mainly for making advance payment to BHEL and other preliminary works, subject to approval of the project.

Transmission and Distribution

44. The T&D works were discussed in detail in consultation with CEA. It was noted that there has been a shortfall in targets. The State Representative informed that it was largely due to the delayed supply of equipments. The State had taken a loan of Rs.6 crores from PFC for installation of capacitors in 1988-89.

Renovation and Modernisation

45. The State is renovating Faridabad (T) and Panipat(T) projects. The works are nearing completion.

Non-Con- The proposed outlay of Rs.100 lakh for 1989-90 for both
ventional the programmes on NCSE and IREP have been recommended by the
sources of Working Group. Under IREP, three additional blocks will be
covered covered in 1989-90.

Industry and Minerals 46. Plan provisions/expenditure during the Seventh Plan period for this sector are as under:

VII Plan Outlay	Actual Expenditure			1988-89		(Rs. Crores) 1989-90	
	1985-86	1986-87	1987-88	Outlay	Exp.	Proposed	Recommended by W.G.
56.55	7.78	8.39	8.35	10.50	10.51	14.00	14.00

47. The rapid progress made in the agriculture sector could provide the necessary base for the fast growth of industry in the State. In addition, the State enjoys the benefits of proximity to a large market of Delhi and industrially developed towns like Ambala and Faridabad. To strengthen its efforts towards industrialisation, the State Government is providing to the entrepreneurs a number of incentives.

The Industrial Assistance Group Scheme provides "one point contact service" to entrepreneurs in the State.

Large and Medium Industries (Including Weights and Measures)

48. Against the Seventh Plan outlay of Rs.19.45 crores the expected expenditure by the end of 1988-89 is Rs.11.77 crores which is about 61% of the plan outlay. The anticipated expenditure during the current year is Rs.3.15 crores only against the approved outlay of Rs.4.60 crores. The outlay proposed by the State Government for 1989-90 is Rs.3.76 crores. The recommendation of the Working Group is higher at Rs.4.27 crores which includes Rs.7 lakh for "Weights and Measures"

49. Some important observations/recommendations of the Working Group are as follows:-

1. There is a need for the development of industry in the backward areas.
2. Concern was expressed over the growing industrial sickness in the State.

3. Rethinking was considered necessary regarding continuance of industrial houses in various sectors, including those reserved for small scale units.
4. Haryana State Industrial Development Corporation is at present associated with the implementation of 35 projects. The Working Group suggested that HSIDC should select industries which are more suitable to the agrarian nature of the State's economy.
5. As regards Haryana Finance Corporation it was noted that due to rising costs internal accruals have become insufficient and the Corporation has to depend mainly on borrowed funds. The recovery position of the Corporation is reported to be satisfactory.
6. The Working Group discussed the various schemes proposed to be taken up by Haryana State Electronics Development Corporation (HSEDC) and supported the outlays proposed by the State Government.
7. Various constraints in the development of industry in the State were discussed. Power shortage, distortion in industrial relations, lack of institutes of excellence and lack of good communication network are among the constraints.

Village and Small Industries

50. With the actual expenditure of Rs.15.51 crores during the first three years of Seventh Plan and the anticipated expenditure of Rs.7.02 crores reported for 1988-89, the utilisation out of the Seventh Plan outlay of Rs.36.40 crores would be 62% which is on the lower side. For 1988-89, the anticipated expenditure is higher than the approved outlay. The outlay proposed for the annual plan 1989-90 is of the order of Rs.9.94 crores against which the Working Group has recommended Rs.9.50 crores.

51. The main recommendations of the Working Group are as follows:

1. As in the case of other states the major share of the outlay under VSI Sector is towards various subsidies. Since the competition among states in giving subsidies to attract entrepreneurs was proving counter productive, the Working Group has advised the State Government to lay more emphasis on developmental programme by cutting down on subsidies.
2. The District Industries Centres should be engaged in undertaking planning and developmental activities such as industrial planning at the district level, manpower development, integrated industrial development etc.
3. To augment the availability of funds for artisans engaged in khadi & village industries, handlooms and handicrafts, the State Government should dovetail its schemes with those of the KVIC and Development Commissioner for handlooms and handicrafts.

52. The State Government has reported that the number of small scale industrial units has increased from 56732 at the end of Sixth Plan to 80,100 upto 31.3.1988. Targets for Seventh Plan, achievement during 1987-88, target/anticipated achievement in 1988-89 and the proposed targets for annual plan 1989-90 under Village and Small Industries are as follows:

Items	Units	VII Plan Target	1987-88 Achievement	1988-89 Target	1988-89 Anticipated Achievement	1989-90 Proposed Target
a) Units Functioning	(000,)	30	6	6	6	6
b) Production	(Rs. in lakhs)	90000	18000	18000	18000	18000
c) Persons employed	(In lakhs)	180	36	36	36	36

Transport
and
Tourism

53. The position regarding outlay and expenditure for the Transport Sector excluding Tourism is as below.

(Rs. crores)

Seventh Plan outlay	190.32
Utilisation during 1985-89	122.13
1988-89 - outlay	32.21
1988-89 - Anti. Expenditure	32.21
1989-90 - proposed outlay	35.61
1989-90 - recommended outlay by the Working Group	35.26

54. As may be seen from the above, utilisation of the Seventh Plan allocation during the first four years of the plan in percentage terms is over 64%. Utilisation of the remaining funds may not be possible in the terminal year of the plan.

55. Some of the important points that emerged during discussions in the Working Group are as follows. Adequate emphasis is called for on proper maintenance of roads through adequate budgetary provision. It was emphasised that priority should be accorded to the ongoing schemes. It was noted that Haryana Roadways is showing steady improvement in vehicle productivity. The State Government was advised to go slow in the expansion of its fleet strength.

56. Plan provisions regarding Tourism are as under :-

(Rs. lakhs)

Seventh Plan outlay	-	1100
Expenditure during 1985-86 to 1988-89(anticipated)	-	591
Approved/anticipated for 1988-89	-	175
Proposed outlay by the State-		190
Recommended outlay by Working Group	-	225

57. It may be seen from above that the utilisation in the first four years is only about 55% of the total plan outlay indicating a considerable shortfall in expenditure.

Education

58. Sub-headwise financial performance under the sector of Education is given in the table below:

Sub-head	7th Plan Outlay	Three years Actual exp. 1985-88	<u>(Rs.crores)</u>			
			1988-89 Appro- ved Outlay	Anti. exp.	1989-90 Propo- sed by State	Rec- omm- ended by W.G.
General Education	137.79	63.85	32.43	35.77	54.00	44.10
Technical Education	15.00	8.21	5.50	5.50	6.15	6.15
Sports and youth Services	5.50	4.12	1.60	2.02	1.75	1.75
Art and Culture	3.12	1.06	0.60	0.60	0.65	0.65
<u>Total for Education</u>	<u>161.41</u>	<u>77.24</u>	<u>40.13</u>	<u>43.89</u>	<u>62.55</u>	<u>52.65</u>

59. It may be seen from the above that against the Seventh Plan outlay of Rs.161.41 crores, the anticipated expenditure in the first four years of the plan would be Rs.121.13 crores making 75% of the total 7th plan outlay. The outlay as proposed by the State Government for 1989-90 is Rs.62.55 crores while the Working Group recommendation is Rs.52.65 crores.

60. The following points that came up during Working Group discussions deserve mention. The literacy rate of 36.14% in the State is slightly lower than the All-India figure. Female literacy being worse still needs special attention of the State. Incentives for girls belonging to Scheduled Caste need to be continued in the interest of enrolment. There is need for greater attention for Literacy Mission.

Medical and
public
health

61. Plan provisions and expenditure are as under:

		<u>(Rs. crores)</u>
Seventh Plan outlay	...	78.77
Actual expenditure during three years - 1985-88	...	33.98
1988-89 - Approved outlay	...	15.37
1988-89 - Anticipated Expenditure		15.43
Four Years expenditure (1985-89)		49.41
1989-90 - Proposed Outlay	...	21.71
1989-90 - Recommended Outlay by Working Group	...	19.98
		(Rs.8.31 is for MNP)

Thus only about 63% of the Seventh Plan outlay has been utilised.

The physical performance in the Health Sector can be seen from the table below:

Item	No.as on 1.4.85	7th Plan Target (Addl.)	Addition made dur- ing 1985- 89	<u>1989-90 Target</u>	
				Propo- sed by State	Recommen- ded by Working Group
1. Sub- Centres	1591	776	615	161	161
2. PHCs	163	231	170	-	61
3. Community Health Centres	2	50	39	7	7

62. Some of the important points that came up during discussion in the Working Group are as follows. The Doctor-Population ratio in the State is not satisfactory. There is shortage of doctors in the state particularly in the rural areas. The high birth rate in the State was noted with concern. The Working Group could not support the proposal of a new medical college and a second super speciality centre in the State.

Water Supply
& Sanitation

63. Against the Seventh Plan outlay of Rs.169.44 crores, the expenditure expected during the first four years(1985-89) is of the order of Rs.99.89 crores which is about 59% of the Seventh Plan outlay. Approved outlay/anticipated expenditure for 1988-89 amounts to Rs.32.90 crores. The proposed outlay for 1989-90 is Rs.36 crores which has been supported by the Working Group. Bulk of the State proposals for 1989-90 are meant for Rural Water Supply and Sanitation schemes.

Rural Water Supply

64. Out of the Seventh Plan outlay of Rs.105 crores for Rural Water Supply under MNP, the anticipated expenditure amounts to Rs.83.10 crores which is 79% of the Seventh Plan outlay. The outlay proposed by the State Government for 1989-90 against the current year's approved outlay/anticipated expenditure of Rs.25.74 crores is higher at Rs.28.10 crores.

Physical performance

65. As per the State Government, out of the 5686 problem villages in the State, 4882 problem villages are stated to have been covered by the end of March, 1988. Most of the remaining 804 problem villages are expected to be covered by the end of the Seventh Plan. According to the Working Group during 1988-89, 330 problem villages and 20 non-problem villages are likely to be covered. During 1989-90 it is envisaged to cover 424 problem villages and 20 non-problem villages. Out of the 424 problem villages, 314 villages are to be covered under MNP and 110 under ARWSP. 20 non-problem villages are expected to be covered under MNP (state sector) during 1989-90. Funds were accordingly provided by the Working Group amounting to Rs.22.83 crores to cover 334 villages in 1989-90. Besides, for augmentation works in 625 villages, outlays of the order of Rs.5.27 crores were recommended by the Working Group raising the outlay to Rs.28.10 crores for the entire Rural Water Supply Programme under MNP in 1989-90.

Rural Sanitation

66. The State Government has not indicated any outlay under this sector of the MNP. But keeping in view the importance of the Programme, the Working Group has recommended an outlay of Rs.5 lakhs for 1989-90 against Rs.4 lakhs approved in 1988-89.

Urban Water Supply

67. For the year 1989-90 a sum of Rs.555 lakhs has been proposed to be utilised for improving the service level in this State as all the towns have been supplied with partial water supply. During 1989-90 it is proposed to provide underground sewerage facilities to three new towns besides augmenting the sewerage facilities in the existing 10 towns of the State for which a provision of Rs.200 lakh has been made.

Urban Development including State Capital Project

68. The Seventh Plan outlay, the likely expenditure by the end of 1988-89, the State proposals and Working Group recommendations for the Annual Plan 1989-90 are given below:

			<u>(Rs.Crores)</u>
Seventh Plan Outlay	...	...	20.00
Likely expenditure during 1985-89			13.44
Outlay proposed by the State for 1989-90	...	...	2.20
Outlay recommended by Working Group	...		2.10

Thus about 67 percent of the Seventh Plan outlay stand utilised by the end of current year.

69. MNP component of the above outlay meant for environmental improvement of slums is indicated below;

			<u>(Rs.Cfores)</u>
Seventh Plan Outlay	...	...	5.00
Expenditure during 1985-89	...	...	6.30
Outlay proposed for 1989-90	...	...	1.10
Outlay recommended by Working Group for 1989-90	...	...	1.10

70. The State Government was requested to furnish the physical targets and achievements regarding environmental improvement of slums. As regards the scheme "National Capital Region" the State Government was advised to avail the Central assistance admissible under the Scheme.

Housing
including
Police
Housing

71. Plan provisions/expenditure figures for the Seventh Plan period are indicated below:

	<u>(Rs. crores)</u>
Seventh Plan outlay ...	47.50
1985-88 Actual Expenditure	27.95
1988-89 Approved Outlay ...	8.02
1988-89 Anticipated Expenditure	0.02
Four years likely expenditure	35.97
1989-90-Proposed by State	9.00
1989-90-Recommended by Working Group	7.73

72. Thus about 76% of the Seventh Plan provisions are likely to be utilised by the end of the current year. As regards Rural Housing under MNP as against the Seventh Plan outlay of Rs.4.25 crores, the utilisation by the end of 1988-89 would be around Rs.2.98 crores which is on the low side. The outlay proposed by the State Government and recommended by the Working Group is Rs.0.66 crores. The Working Group pointed out to the State representatives that as a matter of policy no subsidy should be given towards EWS Houses either to the Housing Board or to the beneficiaries. The State representatives, however, argued that without such subsidy the Housing Board will suffer heavy losses.

Welfare of
SC, ST and
other back-
ward classes

73. Of the Seventh Plan allocation of Rs.34 crores only Rs.18.92 crores are likely to be spent by the end of 1988-89 indicating 64% utilisation. The approved outlay of Rs.6.03 crores for 1988-89 is expected to be fully spent. The Working Group recommendation is Rs.8 crores against the proposed outlay of Rs.10 crores by the State Government for the annual plan 1989-90. The increase in the proposed outlay is primarily due to the enhancement in the rates of scholarships to various categories of students.

74. Some of the important points emerging from the Working Group deliberations are:

1. The literacy rate amongst scheduled castes in Haryana especially among females is very low.
2. Regarding special component plan for scheduled castes, it is suggested that the State Government might take up a detailed exercise with all their concerned departments/agencies for quantification of funds for SCP to ensure flow of funds. /adequate
3. For 1989-90, the SCP flow of funds might be Rs.133.09 crores against Rs.76.47 crores proposed by the State Government which was considered low keeping in view the high percentage of SC population in the State.

**Social Security &
Welfare and
Nutrition**

Social Security and Welfare

75. Against the Seventh Plan outlay of Rs.6.78 crores, the likely expenditure during the first four years (1985-89) would add up to Rs.81.62 crores which is considerably higher than the Seventh Plan outlay. The reason for this increase is the transfer of the old-age pension scheme worth Rs.72 crores from non-plan to plan during the current year. The anticipated expenditure reported for the sector for 1988-89 is Rs.75.71 crores. The outlay proposed for 1989-90 is Rs.100 crores and the recommendation of the WG is Rs.97.92 crores.

76. Some of the important points which emerged during the working group discussions are as follows:-

1. Regarding old age pension scheme the overhead cost was considered to be high.

2. Regarding Juvenile Justice Act 1986, the State was advised to make a precise assessment of the requirement of various institutions which were needed to be set up. Emphasis should be laid on upgradation of the services in the existing institution as also on diversifying and modernising the vocational trades.

Nutrition

77. Nutrition is one of the important MNP items and outlays for this purpose are earmarked. Against the proposed outlay of Rs. 7 crores for 1989-90, the Working Group recommended an outlay of Rs.9.57 crores for Nutrition which is based on the calculations made as per the prescribed norms. It may be noted that the utilisation during the first four years of the Seventh Plan is only about 57% which is low and requires to be stepped up.

Science,
Technology
and
Environment

78. Against the agreed Seventh Plan outlay of Rs.17.34 crores, the anticipated expenditure during the first four years of the plan is only Rs.4.24 crores which is only about 24% of the total Seventh Plan outlay. This is a large shortfall and needs immediate attention of the State Government. For the annual plan, 1989-90, the State Government proposed Rs.1.90 crores under this head against which the Working Group recommended Rs.1.86 crores. The Haryana Science and Technology Council has been coordinating the schemes under this sector in the State. As regards environmental programmes, there is a State level board for prevention and control of water pollution which requires strengthening. It was also suggested that for undertaking environmental studies and in the interest of ecological balance of various regions, the State could consider creation of district environmental committees.

District
Planning

79. Against the Seventh Plan outlay of Rs.99.00 crores, the expenditure during the first 4 years of the Plan is anticipated to be Rs.11.50 crores which forms only 14.6 percent of the Seventh Plan outlay. The approved outlay for 1988-89 is Rs.600.00 lakh against which the anticipated expenditure is Rs.300.00 lakh. The Working Group has supported the outlay of Rs.1000 lakh proposed by the State for 1989-90.

80. To decentralise the planning process, District Planning Boards have been set up in each of the 12 districts. District Planning Cells have also been created. Additional Deputy Commissioners of the districts have been given charge as Chief Planning Officers. Provision of 'untied funds' has been made and guidelines for their utilisation have been issued. For allocation of funds to the districts objective criteria giving weightage to population and levels of development has been devised. The State Government has identified 12 sectors for implementation of district planning.

81. Important suggestions of the Working Group are as follows:-

1. The identification of district sector allocation may be attempted to obtain an overall idea of the resources for the districts.
2. As the provision of untied funds has already been made by the State Government, to make community participation more popular, the State Government might consider introduction of incentive outlay as has been done in Gujarat.

Assessment of Financial Resources Review of the resources for the Annual Plan 1988-89

82. The State's Annual Plan for 1988-89 was approved at Rs.600.00 crores. The estimates of resources as envisaged for the annual plan originally approved and now reassessed are given in the following table:

	(Rs.crores)		Improvement(+) Deterioration(-)
	1988-89 (Estimates) Annual Plan as approved	As now assessed	
I. <u>Plan outlay</u>			
a) Normal State Plan Outlay	600.00	600.00	-
b) Additional Plan Outlay Corresponding to advance Plan assistance for natural calamities	-	2.00	(+) 2.00
Total - I	<u>600.00</u>	<u>602.00</u>	(+) <u>2.00</u>
II. <u>Funding</u>			
1. State's Resources	455.65	364.46	(-) 91.19
2. <u>Central Assistance</u>			
i) For Normal State Plan	73.52	73.43	(-) 0.09
ii) Advance Plan assistance	-	2.00	(+) 2.00
iii) Special Central Assistance outside formula for SYL	70.83	37.50	(-) 33.33
3. Total Resources	<u>600.00</u>	<u>477.39</u>	(-) <u>122.61</u>
4. Carry Forward deficit of 1987-88		(-) 7.51	
5. <u>Aggregate Resources</u>	<u>600.00</u>	<u>469.88</u>	
6. Gap in Resources		(-) 132.12	

83. It may be seen from the above that a gap of Rs.132.12 crores has emerged in the resources now assessed and the plan outlay of Rs.602.00 crores including Rs.2.00 crores for natural calamities for which advance plan assistance of Rs.2 crores

was provided. This gap is attributed to the following factors:-

		<u>(Rs. crores)</u>
i)	Shortfall in the ARM (-)	61.48
ii)	Increase in D.A. liability (-)	36.82
iii)	Excess Expenditure on natural calamities (-)	18.50
iv)	Decrease in recoveries of loans and advances (-)	10.00
v)	Carry forward deficit of 1987-88 (RBI) (-)	7.51
vi)	Improvement in other items (Net) (+)	2.19
	<u>TOTAL</u>	(-) <u>132.12</u>

The measures for covering the gap of Rs.132.12 crores were discussed with the State Government officials. It was indicated by them that a downward revision in the outlay of the current annual plan might be necessary as there was no possibility of additional resource mobilisation by the State Government. However, the precise position in this regard will emerge in the ensuing meeting between the Deputy Chairman, Planning Commission and the State Chief Minister.

Resources for Annual Plan 1989-90

84. The estimate of resources for Annual Plan, 1989-90 works out to Rs.620.45 crores comprising States own resources of Rs.508.19 crores including upgradation grant of capital works to the tune of Rs.4.88 crores and the provisional central assistance of Rs.55.42 crores inclusive of Rs.16.11 crores as assistance for externally aided projects. Credit has also been taken of the Special Central assistance outside the Gadgil Formula earmarked for SYL Canal amounting to Rs.56.84 crores.

Size of the Plan 1989-90

85. As against the estimated aggregate resources of Rs.620.45 crores for 1989-90, the proposal of the State Government is Rs.698.32 crores while the recommendations of the Working Groups add up to Rs.686.68 crores. It is felt that with some effort for additional resource mobilisation on the part of the State a plan size in the range between Rs.650 crores and Rs.660 crores is feasible which will represent a step-up of 8 to 10 percent over the approved outlay of the current plan.

845
35
880

Basic Statistics - Haryana

S.No.	Item	Unit	Haryana	All India
1.	Geographical Area	Lakh Sq. km.	0.44	32.87
2.	Population (1981 Census)	Lakh Persons	129.22	6851.85
3.	Rural Population	Lakh Persons	100.95	5254.6
4.	Urban Population	Lakh Persons	28.27	1597.2
5.	Rural Urban Population Ratio	Percentage ratio	78:22	76:24
6.	Scheduled Caste Population	In Lakhs	24.64	1047.55
7.	Percentage of SC Population to the total population of the State	Percent	19.07	15.75
8.	Scheduled Tribe Population (1981)	In Lakhs	-	516.29
9.	Percentage of ST Population to the total population of the State	Percent	-	7.76
10.	Density of Population (1981 Census)	Persons per sq. km.	252	216
11.	Decennial Growth Rate (1971-81)	Percent	28.75	25.00
12.	Districts	Numbers	12	402
13.	Towns	Numbers	81	3949
14.	Development Blocks	Numbers	40100	-
15.	No. of inhabited villages	Numbers	6745	557137
16.	Crude Birth Ratio	Per thousand	34.9	32.4
17.	Crude Death Ratio	Per thousand	8.5	11.1
18.	Infant Mortality Rate	Per thousand	85	96
19.	Literacy Rate	Percent	36.14	36.23
20.	Area under forests	Sq. kms.	1626	736685
21.	Total cropped Area (1983-84)	Lakh hect.	56.88	1803.61
22.	Net sown area (1983-84)	Lakh hect.	36.00	1427.44
23.	Gross Irrigated Area (1983-84)	Lakh hect.	35.94	539.37
24.	Net Irrigated Area (1983-84)	Lakh hect.	21.90	419.55

Statement

Annual Plan 1989-90 - Outlay and Expenditure - HARYANA

(Rs. Lakhs)

Heads of Development	Seventh Plan Outlay	Actual Expenditure		1988-89 Approved Outlay	1988-89 Anticipated Expenditure	Proposed Outlay	1989-90 Recommended by W.G.
		1985-86	1986-87				
	2	3	4	5	6	7	8
	7500	1180	1136	1415	1185	1202	1500
1. AGRICULTURE & ALLIED ACTIVITIES							
Crop Husbandary	1725	284	247	3260	337	313	375
Soil & Water Conservation	2500	269	364	404	500	500	550
Animal Husbandary	450	84	80	89	108	108	119
Dairy Development	750	141	118	122	165	165	185
Fisheries	6700	1045	1126	997	1650	1650	1815
Forestry & Wild Life	283	57	52	11	36	16	40
Food, Storage & Warehousing	2400	350	351	300	380	380	425
Agricultural Research & Education	1500	291	280	286	300	300	340
Agricultural Financial Institutions	3926	381	711	627	685	1393	1200
Cooperation	27734	4082	4445	4511	5346	6027	6549
TOTAL (I) :							

contd...../-

Heads of Development	Actual Expenditure (Rs. Lakhs)				Approved outlay pated Expr.	Proposed Outlay by H.G.
	1985-86	1986-87	1987-88	1988-89		
Seventh Plan Outlay	407	470	504	352	372	600
1	2	3	4	5	6	7
2	3	4	5	6	7	8
3	4	5	6	7	8	9

I. RURAL DEVELOPMENT

Special Programmes for Rural Development

(a) Integrated Rural Development Prog. (IRDP) & Allied Programme	1298	407	470	504	352	372	600	306
(b) Drought Prone Area Prog. (DAP)	337	63	68	55	67	67	67	57
(c) Integrated Rural Energy Prog. (IREP)	100	20	30	48	50	50	55	60
<u>Rural Employment</u>	980	235	213	313	251	418	450	418
(a) National Rural Employment Programme (NREP)	135	18	19	26	24	27	25	25
Land Reforms	1884	331	378	417	359	382	420	377
Other Rural Development Programme (including Community Development & Panchayats)	-	3	25	15	20	20	20	20
Others - Assistance to assignees of Land declared surplus	4734	1077	1204	1378	1123	1335	1637	1273
<u>TOTAL (I)</u>	1510	158	230	200	275	275	300	300

II. SPECIAL AREA PROGRAMMES

(Mewat Development)

...../-

(in Lakhs)

Heads of Development	Actual Expenditure		Approved Anticipated Outlay		Proposed Recommended Outlay by W.G.	
	1985-86	1986-87	1987-88	1988-89	1989-90	
Seventh Plan Outlay	2	3	4	5	6	7
	2	3	4	5	6	7
	2	3	4	5	6	7

7. IRRIGATION & FLOOD CONTROL

Major & Medium Irrigation	41850	11229	11612	10258	8400	6000	6000
Minor Irrigation	1417	150	134	183	228	168	275
Command Area Development	8625	2350	2539	250	1708	358	1820
Flood Control (Incl. Anti-sea erosion etc.)	7569	1091	1089	799	1300	1300	1400
TOTAL (IV) :	59461	14800	15574	11490	10226	9495	9495

ENERGY

Power	101025	11119	12776	14742	18283	18283	19000
Non-conventional sources of Energy	250	16	31	-	40	41	45
TOTAL (V) :	101275	11135	12807	14742	18323	18324	19045

INDUSTRY & MINERALS

Villages & Small Industries	3640	487	531	533	565	702	994
Industries (other than V&SI)	1945	230	298	284	460	515	576
Mining	70	11	10	18	25	54	50
TOTAL (VI) :	5655	728	839	835	1050	1051	1400

* Includes M.I.T.C.
 * Includes Rs. 7 lakhs for Weights and Measures.
 † Includes Rs. 16.50 crores for Rural Electrification.

206118

20651

(In Lakhs)

Heads of Development	Seventh Plan									
	Actual 1985-86	Proposed 1986-87	Approved 1987-88	Proposed 1988-89	Approved 1989-90	Proposed 1990-91	Approved 1991-92	Proposed 1992-93	Approved 1993-94	Proposed 1994-95
Actual Expenditure	1935-86	1936-87	1937-88	1938-89	1939-90	1990-91	1991-92	1992-93	1993-94	1994-95
Outlay	3	4	5	6	8	8	8	8	8	8
I. TRANSPORT										
Civil Aviation	332	23	12	21	21	21	21	21	21	18
Roads & Bridges	10700	1762	2324	1157	1800	1800	1800	2000	2000	2000
Road Transport	8000	1114	1246	1542	1400	1400	1400	1540	1540	1510
TOTAL (VII) :	19032	2899	3532	2511	3221	3221	3221	3561	3561	3526
II. COMMUNICATIONS										
SCIENCE, TECHNOLOGY & ENVIRONMENT										
Scientific Research (Incl. S&T)	165	33	40	112	80	80	80	90	90	86
Ecology & Environment	1569	5	55	11	88	88	88	100	100	100
TOTAL (IX) :	1734	38	95	123	168	168	168	190	190	186
GENERAL ECONOMIC SERVICES										
Secretariat Economic Services	116	Neg.	1	1	19	13	13	23	23	23
Tourism	1100	128	138	150	175	175	175	190	190	225
Surveys & Statistics	55	-	-	3	14	14	14	17	17	16
Civil Supplies	-	-	-	-	-	-	-	-	-	-
Other General Economic Services, District Planning	9900	-	550	300	600	300	300	1000	1000	1000
TOTAL (X) :	11171	128	699	454	803	803	803	1230	1230	1254

..../-

Statement (Contd.)

HARYANA

(Rs. Lakhs)

Heads of Development	Seventh Plan 1985-86		1986-87		1987-88		1988-89		1989-90	
	Actual Expenditure	1985-86	1986-87	1987-88	Approved outlay	Anticipated Expenditure	Proposed Recommen- ded Outlay by W.G.			
	2	3	4	5	6	7	8	9		
SOCIAL SERVICES										
EDUCATION										
General Education	15779	1594	2284	2707	3243	3577	5400	4410		
Technical Education	1500	194	238	339	550	550	615	615		
Sports & C Youth Services	550	110	165	137	160	202	175	175		
Art & Culture	312	28	46	32	60	60	65	65		
Sub-total (Education) :	16141	1726	2733	3215	4013	4332	6255	5265		
Medical & Public Health	7877	1132	1062	1204	1537	1543	2171	1988		
Water Supply & Sanitation	16944	2165	2423	2111	3290	3290	3600	3600		
Housing (incl. Police Housing)	4750	743	771	1276	302	302	900	773		
Urban Development (incl. State Capital Projects)	2080	258	474	412	200	200	220	210		
Information & Publicity	480	76	62	46	160	137	160	160		
Welfare of Scheduled Castes, Scheduled Tribes & Other Backward Classes	3400	409	403	473	603	603	1000	800		
Labour & Employment	405	60	92	139	240	239	864	264		
Social Security & Welfare	379	157	155	289	7465 *	7571	10000	9792		
Nutrition	2794	136	236	605	700	604	700	700		
TOTAL (ED) :	55122	5846	8461	9775	12010	19373	25370	23112		

* Includes Rs. 72.00 crores on account of the transfer of old age pension scheme.

(Rs. lakhs)

Heads of Development	Actual Expenditure		Proposed	
	1985-86	1986-87	1987-88	1988-89
Seventh Plan	1885-86	1986-87	1987-88	1988-89
Outlay	2	4	5	6
	3	4	5	6
			7	8
				9

VII. GENERAL SERVICES

Stationery & Printing	225	41	35	50	55	50
Public works (incl. Jails)	1800	325	300	360	400	360
Other Administrative Services: Training : Haryana Institute of Public Administration	200	-	30	40	100	56
TOTAL (XII) :	2225	340	355	450	555	466
GRAND TOTAL :	290000	48092	46384	60000	69832	68558

M.G. = WORKING GROUP

अति तत्काल

योजना आयोग
॥राज्य योजना प्रभाग॥

विषय: वार्षिक योजना 1989-90 हिमाचल प्रदेश ।

हिमाचल प्रदेश को वार्षिक योजना 1989-90 के लिए श्री विरेन्द्र प्रकाश, सलाहकार ॥राज्य योजना॥ को रिपोर्ट को प्रति परिचालित की जाती है। यह रिपोर्ट, उपाध्यक्ष, योजना आयोग/योजना मन्त्री और मुख्य मन्त्री, हिमाचल प्रदेश के बीच सोमवार, 23 जनवरी, 1989 को सायं 3-30 बजे कमरा नं० 130, योजना भवन, नई दिल्ली में होने वाले विचार-विमर्श का आधार होगी।

श्री एम. स्ल. अगवाल

॥एम. स्ल. अगवाल॥
परामर्शदाता ॥राज्य योजना॥

उपाध्यक्ष
राज्य मन्त्री
सदस्य
सचिव
विशेष सचिव
सलाहकार
परामर्शदाता ॥ स्ल. इ. एम. ॥ / ॥पो. पो.॥
संयुक्त सचिव ॥ एस. पी. ॥
प्रमुख ॥ विज्ञान ॥

वित्त मन्त्रालय

श्री जे० स्ल० वजाज, संयुक्त सचिव ॥ स्फ. बो. ॥
आर्थिक कार्य विभाग
श्री जी. हलिदया, निदेशक ॥ पो. स्फ. ॥
व्यय विभाग ॥ चार प्रतियां ॥

योजना आयोग परिपत्र संख्या पो. सो. ॥पो॥/2/हि०प्र०/88 दिनांक 19.1.1989.
प्रति:

उपाध्यक्ष तथा योजना मंत्री के निजी सचिव
योजना राज्य मन्त्री के निजी सचिव
प्रधान मन्त्री के निजी सचिव
मंत्रिमंडल के सचिव के निजी सचिव

प्रति इनको भी :

राज्य योजना प्रभाग के सभी संयुक्त सलाहकार,
उप सलाहकार, वरिष्ठ अनुसंधान अधिकारी/अनुसंधान अधिकारी।
सूचना अधिकारी, योजना आयोग।

प्रति: सम्पर्क अधिकारी, हिमाचल प्रदेश सरकार, नई दिल्ली ॥ 10 प्रतियां ॥

PLANNING COMMISSION
(State Plans Division)

ANNUAL PLAN 1989-90 - HIMACHAL PRADESH

REPORT OF SHRI VIRENDRA PRAKASH, ADVISER (STATE PLAN)

Introductory

1. Himachal Pradesh came into being by merger of thirty ~~and~~ old princely hill states on 15th April, 1948 and after undergoing a few metamorphic changes acquired statehood in 1971 and after a little more re-organisation of districts, assumed its present shape in 1972. The State is surrounded by Jammu & Kashmir in the North & North-West, Tibet in the East, Uttar Pradesh in the South East and Punjab & Haryana in the South. The State is almost mountainous and has a complex geological structures and a rich temperate flora in the sub-tropical latitudes. Topographically the State can be divided into three major regions, namely, (i) dry-temperate zones, (ii) sub-tropical/tropical zones, (iii) sub-temperate zones. Normally climate varies from mild to cold.

1.1 The State is divided into 12 districts and 69 Development Blocks. It possesses an area of 55,673 sq.kms. and a population of 42.81 lakhs according to 1981 Census. The density of population is 77 persons per sq.km. against the National average of 216 persons per sq.km. Percentage of Scheduled Caste and Scheduled Tribe population is 24.62 and 4.61 respectively. The entire H.P. is predominantly rural in character with rural population constituting 92.39 per cent of total population. The economy of the State is agrarian and provides direct employment to 70 per cent of the main working population.

Plan Perspective

2. In view of the State's evolution from a Union Territory and limited potential for raising its own resources, it has been treated as a special category State for providing plan assistance and thus enjoying a high per capita allocation. The per capita plan outlays of Himachal Pradesh from First Plan onwards are as follows:

Plan Period	(Rs.)		
	H.P.	All State Average	(2) as % of (3)
1.	2.	3.	4.
First Plan (1951-56)	23	26	88
Second Plan (1956-61)	55	54	102
Third Plan (1961-66)	96	86	112

-/-

	1.	2.	3.	4.
Three Annual Plans (1966-69)	127	61	208	
Fourth Plan (1969-74)	293	125	234	
Fifth Plan (1974-79)	621	302	206	
Sixth Plan (1980-85)	1258	670	188	
Seventh Plan (1985-90)	2194	1022	215	
Annual Plan (1985-86)	383	174	220	
Annual Plan (1986-87)	436	207	210	
Annual Plan (1987-88)	491	238	206	
Annual Plan (1988-89)	534	251	213	

Seventh Five
Year Plan
1985-90

3. A plan outlay of Rs. 1050 crores was approved for the Seventh Five Year Plan, which was to be financed as under:

	(Rs. crores)
a) <u>State's own resources (Net)</u>	
(i) Without ARM	61.98
(ii) ARM	125.00
<u>Total (a)</u>	<u>186.98</u>
(b) <u>Central Assistance (Net)</u>	
(i) Normal	781.93
(ii) Assistance for externally aided projects	85.00
(iii) Adjustment of advance plan assistance for relief work.	(-) 3.91
<u>Total (b)</u>	<u>863.02</u>
<u>Aggregate Resources (a+b)</u>	<u>1050.00</u>

3.1 In the sectorwise allocations of the Seventh Plan outlay, highest priority was given to the Energy Sector which accounted for 25.11 per cent of the total outlay. This is followed respectively by Agriculture - 22.06%, Social Services - 20.19%, Transport - 15.67%, Irrigation and Flood Control - 7.10%. It may be noted that the priorities as determined for the Seventh Plan have been largely adhered to.

Progress of Expenditure Annual Plans 1985-89.

4. The level of approved outlay together with the actual/anticipated expenditure incurred during the first four Annual Plan periods is indicated below:

Year	Approved Outlay	Expenditure	(Rs. crores)	
			Increase (+)	Decrease (-)
SEVENTH PLAN	1050.00	-	-	-
1985-86	177.00	192.32	(+) 15.32	
1986-87	205.00	238.80	(+) 33.80	
1987-88	235.00	276.96	(+) 41.96	
1988-89	260.00	270.52 (Anti.)	(+) 10.52	
Total (1985-89)	877.00	978.60	(+) 101.60	

£ Subsequently raised to Rs. 236 crores as Rs. 1 crore was later provided for 'Forest Settlement Operation'.

4.1 Taking into account the actual expenditure for 1985-88 and approved outlay for 1988-89, the total expenditure for the first four years of the Seventh Plan is anticipated to be Rs. 968.08 crores.

Annual Plan 1988-89.

5. The Annual Plan 1988-89 of Himachal Pradesh was approved at Rs. 260 crores. The level of anticipated expenditure during the current year is Rs. 270.52 crores implying an additional expenditure of Rs. 10.52 crores. Whether this will finally materialise, will depend on how far the State Government is able to bridge the resource gap of Rs. 80 crores mentioned later in para 7.

Annual Plan 1989-90.

6. The Annual Plan proposals for 1989-90 as submitted by the State Government, total to Rs. 330 crores reflecting an increase of 26.9% over the approved outlay of Rs. 260 crores for the Annual Plan 1988-89. It may be noted that compared to 1988-89, substantially higher outlays have been proposed for 1989-90 in respect of all the major heads of development. In particular, Outlays proposed for the sectors like Industry & Minerals, Energy, Rural Development and Social Services are relatively much higher than the corresponding levels approved for the current year.

6.1 The proposals made by the State Government for their Annual Plan 1989-90 were discussed in the working group meeting held on 6.1.1989 as also in the wrap-up discussion subsequently held on the same evening by the Adviser (State Plan). As against the proposal of Rs. 330 crores for the Annual Plan 1989-90 of Himachal Pradesh, the Working Groups recommended a total outlay of Rs. 352.44 crores comprising Rs. 348.64 crores under category A and Rs. 3.80 crores under category B.

6.2 The break-up of the proposed outlays for the Annual Plan 1989-90 by major heads of development together with the Seventh Plan outlay, actual/anticipated expenditure during the Annual Plan periods 1985-89, as also the recommendations made by different working groups are presented in the table below:

Major head	(Rs.lakhs)								
	Seventh Plan 1985-86 (1985-90) Agreed Outlay	Actual Expenditure 1986-87	Actual Expenditure 1987-88	1988-89 Apprd. Outlay	1989-90 Anti-Proposed Outlay	1989-90 Recom- mende- by worki- Group	Cat. A	Cat. B	
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
I. Agriculture Allied Activities	23162	2949	4571	4177	5036	6057	6133	6371	-
II. Rural Development	3654	764	773	980	994	1097	1364	1250	14
III. Special Area Programmes	-	-	-	-	-	-	-	-	-
IV. Irrigation & Flood Control	7450	656	996	1547	1761	1788	2239	2449	-
V. Energy	26361	7112	8161	7898	5815	5642	7643	9291	-
VI. Industry & Minerals	2657	504	567	869	715	931	1086	1141	-
VII. Transport	16450	2763	3118	4586	3955	4040	4705	4705	-
VIII. Communications	-	-	-	-	-	-	-	-	-
IX. Science, Technology & Environment	125	18	17	24	34	26	43	50	-
X. General Economic Services	1704	286	292	467	659	707	923	910	-
XI. Social Services	21204	3729	4878	6500	6463	7102	8261	8094	361
XII. General Services	2233	451	507	648	556	662	603	603	-
Grand Total:	105000	19232	23880	27696	26000	27052	33000	34864	38

Resources for the Annual Plan 1988-89.

7.0 The estimates of resources, as envisaged for the Annual Plan and as now re-assessed, are given in the table below:

	(Rs. crores)		
	Annual Plan as approved	1988-89 (Estimates) As now re-assessed	Improvement (+) Deterioration (-)
I. Plan Outlay			
(a) Normal State Plan Outlay	260.00	260.00	-
(b) Additional Plan Outlay corresponding to advance Plan assistance for natural calamities	-	1.70	(+) 1.70
<u>Total I.</u>	<u>260.00</u>	<u>261.70</u>	<u>(+) 1.70</u>
II. Funding			
1. <u>State's resources</u>	26.15	(-) 78.98	(-) 105.13
2. <u>Central Assistance</u>			
(i) for normal State Plan	233.85	233.85	-
(ii) Advance Plan assistance for natural calamities	-	1.70	(+) 1.70
<u>Total II.</u>	<u>233.85</u>	<u>235.55</u>	<u>(+) 1.70</u>
III. <u>Total Resources</u>	<u>260.00</u>	<u>156.57</u>	<u>(-) 103.43</u>
IV. Carry forward Surplus/ deficit of 1987-88	-	(+) 24.85	(+) 24.85
V. Aggregate Resources	<u>260.00</u>	<u>181.42</u>	<u>(-) 78.58</u>
VI. Gap in resources	-	(-) 80.28	(-) 80.28

7.1 It will be seen that on the basis of current year's transactions there is deterioration of Rs. 103.43 crores in State's total resources as compared to Annual Plan estimates mainly due to the following factors:

	(Rs. crores)
1. Revision of pay scales	(-) 35.10
2. Increase in expenditure on relief from natural calamities	(-) 27.42
3. Shortfall in the contribution of Road Transport Corporation	(-) 10.31
4. Shortfall in the contribution of State Electricity Board	(-) 12.61

5. Shortfall in ARM yield against the current year's target	(-) 9.21
6. Other items (Net)	(-) 8.78
<u>Total</u>	<u>(-) 103.43</u>

The State Government opened the current year with a surplus balance of Rs. 24.85 crores. Thus after including the opening balance the gap in the current year is estimated at Rs. 80.28 crores.

7.2 The State officials were advised to re-examine their estimates and take appropriate measures either through raising of fresh resources or by cutting down of non-plan expenditure to cover the gap in resources. To the extent, the measures suggested above cannot be adopted, the plan outlay of Rs. 260.00 crores would have to be revised downwards with a view to avoiding/restricting overdraft at the end of the year as there is no mechanism to cover the gap.

Resources for
the Annual
Plan 1989-90

/ Shimla

8.0 The estimate of resources for ^{the} Annual Plan, 1989-90 works out to Rs. 255.12 crores comprising State's own resources of Rs. 74.12 crores including upgradation grant of Rs. 3.43 crores and special problem (construction of Central Jail in/) of Rs. 0.20 crore and the provisional central assistance of Rs. 181 crores (which includes Rs. 11.84 crores for externally aided projects). Thus the aggregate resources in sight as worked out by the Financial Resources Division are Rs. 255.12 crores. This estimate of resources, however, does not include ARM accruals from fresh measures.

9. Some of the sectoral programmes are highlighted below:-

Agriculture
& Allied
Activities

10.0 In the agriculture sector, an outlay of Rs.63.71 crores was recommended for 1989-90 as against the proposed outlay of Rs.61.33 crores while the 1988-89 approved outlay was Rs.50.38 crores.

10.1 During the discussion of the Working Group under this sector it was noted that agricultural production during first three years of the Seventh Plan in Himachal Pradesh was affected by drought and so the targets could not be achieved. Again due to floods in 1988-89 kharif, the State could not achieve targets. Agriculture in the state suffers from low productivity in almost all foodgrains compared to all India average, mainly because of its being largely rainfed, the irrigated area being only about 17%.

△because

10.2. Low fertiliser consumption in the State was also noted. In terms of per ha. consumption, the level has been stagnating around 22-25 kg per ha. against all India average consumption of about 50 kg. per ha. There is need for application of NPK fertiliser in balanced doses.

10.3. Oilseed production was one of the important area to be paid attention to on priority basis. Productivity of most important crops like oilseeds, mustard and rapeseed was very low and the State Agriculture University should strengthen research in this area.

10.4 Regarding seed production and distribution it was emphasised by the Working Group that the State Govt. should have a clear-cut policy and they should draw a strategy suitable for their State. Regarding vegetable seeds, it was stated by the State representative that improved seeds from outside were very popular whereas there was no demand for such hybrid seeds produced in the State. Regarding this, the Working Group recommended that there was need for strengthening of seed certification agency.

10.5. Floriculture activity in the State was also recommended to be taken up on commercial scale, particularly with regard to multiplication of some commercial crops. And for this it was recommended that ICAR should allocate more funds to the University for horticulture and forestry research.

10.6 In Animal Husbandry annual milk productivity per milch animal in the State was observed to be much lower than the neighbouring State of Punjab. Working Group emphasised that there was need for development of dairy activity by taking up schemes of cross-breeding of non-descript cattle, grading up of buffaloes etc.

10.7 In the cooperative sector, it was recommended that concerted efforts should be made for reduction of overdues.

10.8. After going into detailed progress of production in each crop, and keeping in view Seventh Plan target of individual crops, the Working Group fixed a target of 13.4 lakh tonnes of foodgrains for 1989-90. The highest production of 12.12 lakh was achieved during 1985-86.

△tonnes

The break up is as under:

Item	Unit	1988-89		1989-90
		Target	likely achieved	Target
Rice	000 tonnes	135	65	130
Wheat	"	525	450	500
Maize	"	650	460	630
Other cereals	"	73	68	60
Pulses	"	27	12	20
<u>Total foodgrains</u>		<u>1410</u>	<u>1055</u>	<u>1340</u>
Oilseeds	"	17.00	18.50	20.00
Horticultural crops	"	470.00	201.70	410.00

70.0

10.9 With regard to commercial crops targets of oilseeds, sugarcane and other vegetable and fruit crops were agreed to by the Working Group as proposed by the State. Only in case of Potato, the target was enhanced.

Forestry:

10.10 Against an approved outlay of Rs.25.10 crores in the current year, the Working Group recommended an outlay of Rs. 29.00 crores against the proposed outlay of Rs.28.86 crores. The major issues are given below:

10.11. It was mentioned that degraded forest area should be chalked out, the State Forest Deptt. should make use of research in the Universities and the ongoing schemes should be completed during 7th Plan.

10.12. Adequate provision has been made for Centrally Sponsored Schemes, Rural Fuelwood Plantation, Silviculture, Pasture, Area Oriented Fuelwood, Fodder, Forest protection, Wildlife conservation etc.

10.13. The State Forest Policy stipulates that forest cover would be increased by 50% by 2000 AD. At present it is 38.3%. It may be noted that to achieve this target, a comprehensive afforestation programme with substantial outlay has to be taken up.

Rural Development

11.0 The outlays proposed by the State Govt. and recommended by the working group in this sector are given below:-

<u>Programme</u>	(Rs. lakhs)			
	<u>1988-89</u> Approved outlay	<u>1989-90</u> Proposed outlay	<u>Recommended by</u> <u>working group</u> Cat. A Cat. B.	
IRDP and Allied Programme	206	240	231	
N.R.E.P.	162	280	253	
Land Reforms	410	528	510	6
C.D. & Panchayats	141	241	171	13
Total	919	1289	1165	19

11.1 For the year 1989-90, the basis of allocation under IRDP will be incidence of poverty alone. On this basis, the Central share for Himachal Pradesh tentatively works out to Rs. 97.07 lakhs. However State representatives pressed for the approval of the proposed outlay of Rs.200.70 lakhs towards the subsidy to DRDA because otherwise practically very little money would be left for actual activities under the programme after spending the fixed cost of administrative and programme infrastructure. It was made clear to the State Government that the Central matching share initially would stand at Rs. 97.07 lakhs. State representatives were hopeful that during 1989-90 they would be able to receive additional Central matching share from out of saving elsewhere.

11.2. About 31,000 old beneficiaries are yet to be covered by way of second dose of assistance under IRDP. The Working Group has advised the State representatives to cover maximum number of old beneficiaries during 1988-89 itself so that only a limited number of spill-over of hard cases remain to be covered during 1989-90.

11.3 Under TRYSEM Training infrastructure, it was noted that there has been delay in the release of funds by the State for the current year. Against the proposed outlay of Rs. 4.5 lakhs for 1989-90, the Working Group recommended an outlay of Rs. 3.71 lakhs in consultation with the representative of Deptt. of Rural Development. For DWCRA the proposed outlay for 1989-90 was Rs.15.30 lakhs against the current year's approved outlay of Rs.10.20 lakhs. The Working Group recommended an outlay of Rs.10.20 lakhs for 1989-90.

11.4 The original outlay for 1988-89 for NREP stood at Rs.162 lakhs and the same was revised to Rs.253 lakhs by the Department of Rural Development. The Working Group tentatively recommended an outlay of Rs.253 lakhs for 1989-90 against the proposed outlay of Rs. 280 lakhs.

11.5 In respect of six continuing schemes under Land Reforms Sector, the outlay proposed for 1989-90 was Rs.528 lakhs against the approved outlay of Rs.410 lakhs for 1988-89. It was observed that 4 schemes related to payment of salaries and allowances for existing posts plus some additional posts by way of strengthening. The remaining two schemes relate to

• construction of revenue buildings and supporting services to new allottees of land (financial assistance). The Working Group has recommended an outlay of Rs.510 lakhs plus another Rs.6.00 lakhs under Category B, in respect of the scheme relating to Cadastral Survey and Record of Rights.

11.6. Under the Panchayat Sector the outlay proposed for 1989-90 amounts to Rs.122.00 lakhs against the approved outlay of Rs.42.00 lakhs for 1988-89. The Working Group has not recommended an outlay of Rs.40 lakhs in respect of a new scheme relating to creation of part-time post of Library Assistant. The Working Group recommended Rs.57 lakhs for Panchayat under Cat. 'A' and another Rs.13 lakhs under Cat. 'B' if resource permits.

Irrigation

12.0 As against an approved outlay of Rs.17.61 crores in 1988-89, the State Government have proposed an outlay of Rs.22.39 crores for the Annual Plan 1989-90. The Working Group has recommended an outlay of Rs.24.49 crores as under:-

(Rs. lakhs)

	1988-89	1989-90	
	Approved outlay	Proposed by State	Recommended by Working Group
Major and Medium Irrigation	225	250	290
Minor Irrigation	1406	1789	1989
C.A.D. Programme	50	80	50
Flood Control	80	120	120
Total:	1761	2239	2449

12.1 The State's ultimate irrigation potential from major and medium irrigation has been assessed as 50 th.ha. out of which 6.38 th. ha. was created till the end of Sixth Plan and further 1.7 th. ha. would have been created to 8.08 th.ha. The achievement from the major and medium irrigation would be about 16 per cent of the assessed ultimate potential. Although the position in respect of minor irrigation is slightly better, it is necessary that more attention is paid to major and medium irrigation development in the State.

by the end of 1983-89 this bringing the total potential created

12.2 One of the important projects in the irrigation sector is the Shahzhar project which envisages more or less a replacement of the works which got affected due to construction of Beas Sutlej Link project. The cost of the project is Rs.49.3 crores out of which Rs.40 crores are expected to be financed by the Punjab Government. The Punjab Plan did not provide any outlay for this project. However, the Working Group had recommended an outlay of Rs.20 lakhs during 1989-90 in the Punjab Plan. The State Government officers intimated that the response from the Punjab Government to the clearance of the project has not been encouraging. The State Officers

were advised to take up the matter with the Central Water Commission and the Ministry of Water Resources and get the project cleared in all respects for effective early implementation.

12.3 The Balh Irrigation project, a medium irrigation project, is being constructed in the State. The latest estimated cost is Rs.8.27 crores to create a potential of 2.41 thousand hectares. In order to quicken the tempo of construction of this project an outlay of Rs.175 lakhs was recommended by the Working Group and it was impressed upon the State Government to create a potential of 600 ha. as against the original target of 400 ha. A large number of projects are in the investigation stage in the state and it was suggested that the investigations be completed quickly to have a shelf of projects for the Eighth Plan.

Minor Irrigation

12.4. The major programme under minor irrigation is execution of USAID project with the total value of Rs.82.50 crores. The irrigation component is Rs.50.18 crores. Out of Rs.82.50 crores, Rs.38.50 crores will be available as US aid against which an amount of Rs.14.79 crores have been availed. The project is targeted to be completed by 1991. The likely expenditure up to 1988-89 is Rs.20.47 crores which includes Rs.9.52 crores during 1988-89. The State Government has proposed an amount of Rs.10.98 crores for this project as the State has organisational capacity to execute this project quickly. They have requested for provision of more funds. As such the Working Group recommended Rs.2 crores more specifically for this project.

12.5 The State Government has got about 333 on-going schemes which comprise lift irrigation, diversion schemes and tubewell schemes which require Rs.15.33 crores for their completion. The Working Group stressed upon the State representatives to complete these schemes so that minimum number of schemes spillover to the 8th Plan. The outlays proposed by the State Government for these schemes under the category divisible outlay were agreed in toto.

12.6. The State Government has provided an amount of Rs.36 lakhs for repairs and maintenance of minor irrigation in the Plan. This amount was suggested to be provided under non-plan and was deleted by the Working Group.

Power

13.0 The proposed outlay for the year 1989-90 is Rs. 75.42 crores whereas outlay recommended by the Working Group is Rs. 91.81 crores (including Rs. 7.76 crores for Rural Energy) as against a current year approved outlay of Rs. 57.25 crores. The break-up is as under:

	Approved Outlay 1988-89	(Rs. in crores)	
		Proposed Outlay	1989-90 Recommended by Working Group.
(i) Generation..	28.00	43.70	55.35
(ii) Transmission & distribution	18.40	18.66	23.10
(iii) Renovation & Modernisation	3.00	4.50	4.50
(iv) Survey & Investi- gation	0.60	0.60	0.90
(v) Board's Buildings	0.15	0.20	0.20
+ Rural Electrification	7.10	7.76	7.76
<u>Total</u>	<u>57.25</u>	<u>75.42</u>	<u>91.81</u>

13.1 Against the Seventh Plan target of 143.45 MW, installed capacity to be added, 138.95 MW is likely to be achieved. For the current year, target of 120 MW addition is expected to be achieved fully with the commissioning of Bhaba HEP (3 x 40 MW). Only Thirof HEP (3x1.5MW) is anticipated to slip beyond 7th Plan.

Bhaba HEP (3x40 MW)

13.2 The work of Bhaba HEP was delayed due to heavy snowfall in the area of water conductor system but the civil works are expected to be over by January end. All the three units are expected to be synchronised by March 1989. BH&L/HPSEB was asked to expedite the erection works on the project. The Working Group has recommended Rs. 3.15 crores as against the current year approved outlay of Rs. 6 crores. HPSEB was also asked to close the estimates of Rongtong Project in 1989-90.

Thirot HEP (3x1.5 MW)

13.3 At Thirot HEP, the working season is limited to 7 months only. Delays have occurred in fabrication of steel superstructures and penstock. HFSEB was asked to expedite those works. The Working Group has recommended Rs. 5 crores as against the current year approved outlay of Rs. 6 crores.

Gaḥ (HEP) (3x3.5 MW)

13.4 The State was asked to finalise the civil contracts for this project by January, 1989 to facilitate the commissioning by March, 1992. The Working Group has recommended Rs. 6 crores as against the current year approved outlay of Rs. 3 crores.

The State was also asked to ensure the starting of major project works at Kargi HEP (3x42 MW) besides developing infrastructure works. The State authorities indicated that the bilateral funding (foreign assistance) which was envisaged earlier does not seem to materialise.

13.5 The State was requested to place orders for equipments for UHL III (H) (4x17.5 MW) project urgently to facilitate the commissioning by March, 1994.

13.6 Nathpa Jhakri (H) (6x250 MW) is a joint project of Himachal Pradesh and Central Government and it was decided in an earlier meeting at Planning Commission with the project authorities that the State would be required to provide Rs. 1200 lakhs as 1989-90 outlay.

13.7 The T & D was discussed in consultation with CEA and outlay recommended was Rs 2310 lakhs, as against the current year approved outlay of Rs. 18.40 crores.

Industry &
Mineral

Large & Medium Industry

14.0 In this sector, taking into consideration that there is a lot of scope for development of industries especially for food processing and electronics, and the important role played by the State Financial Corporation and the Industrial Development Corporation, the Working Group has recommended an outlay of Rs. 7.51 crores for 1989-90 against the proposed outlay of Rs. 7.41 crores, while the current year approved outlay was Rs. 4.20 crores.

Village and Small Scale Industries

14.1 The recommended outlay for 1989-90 amounts to Rs. 3.45 crores against proposed outlay of Rs. 3.09 crores while the approved outlay of 1988-89 was Rs. 2.65 crores.

Major issues are stated below:

14.2 The VSI sector being labour intensive and having favourable capital output ratio, should be given greater emphasis in the coming year.

14.3 Number of schemes should be curtailed to focus mainly on result oriented schemes for increased production as well as earnings of the artisans in the sector.

14.4 Regarding physical targets & achievements, it was noted that production and employment in sub-sectors like Handloom, Powerlooms and "Khadi & Village Industries" would fall short of seventh plan targets, inspite of 87% utilisation of Seventh Plan outlay of Rs. 10.30 crores. Close monitoring was suggested.

14.5 In Sericulture, it was observed that production was not commensurate with investment made so far. It was suggested that the schemes for development of the industry should be integrated with those being implemented under Special Component Plan, Tribal Sub-Plan, IRDP etc. so that utilisation of Funds is optimised and various segments of industry could be effectively developed.

Transport: 15.0 Outlays proposed by the State Government, provision recommended by the Working Group for different programmes in Transport sector during 1989-90 togetherwith the provision made in the current year are given below:

<u>Programmes</u>	(Rs. lakhs)		
	<u>1988-89</u>	<u>1989-90</u>	
	Approved outlay	Proposed outlay	Recommended by Working Group.
Roads & Bridges	3200	3500	3500
Road Transport	575	1004	1004
Civil Aviation	80	91	91
Inland Water Transport	5	5	5
<u>Other Transport Services-</u> <u>Ropeways / Cableways</u> including intermodal studies	105	105	105
Tourism	150	198	198
Total:	<u>4115</u>	<u>4903</u>	<u>4903</u>

Main issues are as under:

Roads & Bridges:

- i) There is heavy spill over of schemes. The works of 4th, 5th and 6th Plan amounting to Rs.126.7 crores and of the 7th Plan amounting to Rs.1.22 crores may spill over to 8th Plan. Thus it was reiterated that to make optimal utilisation of scarce resources, prioritisation is essential.
- ii) The State is lagging behind in fulfilling the targets for providing road links to villages under MNR.
- iii) Regarding road construction and maintenance, there is need for enhanced technological inputs to achieve a better riding quality of roads, and larger output in short period. Under provision of funds for maintenance is the main drawback under Road Sector. Attention should be paid to this and timely maintenance is also very essential.
- iv) The State has done a good job in providing ropeways/ cableways for transportation of small light goods, articles, etc.

It was reported that out of 49 number of ropeways/ cableways sanctioned during the VIIth Plan, 4 have been completed and 10 are in progress. A cost-benefit analysis

on the economics of transportation by cableways/ropeways was suggested to be done in consultation with Planning Commission.

Road Transport

- i) The HPRTC has been continuously incurring losses mainly due to inelastic fare structure and the higher level of taxes.
- ii) The physical operation of the Bus-fleet needs improvement.
- iii) There are large number of overaged buses which need to be replaced with modern fuel efficient buses.

Inland Water Transport:

15.1 The proposals made for construction and improvement of modern ghats, providing checking and inspection staff, subsidy to private ferry operators was retained by the Working Group. Only the on-going schemes were asked to be completed.

Tourism:

- i) A master plan for this sector has been prepared by the State to which is yet to be furnished.
- ii) H P T C is also incurring losses. The cumulative loss is estimated at Rs.4.23 crores at the end of 31st March, 1988.
- iii) The State needs to initiate schemes for manpower development in this sector through setting up of Food-craft institutes, encouraging universities to offer courses on Travel & Tourism etc.
- iv) It was suggested to the State that attention must be paid to promotion/development of infrastructural base, and the growth of tourist industry should be left to the private sector.

Science, Technology and Environment.

16.0 The State Govt. proposed Rs.43 lakhs against which the working group recommended Rs.50 lakhs. The approved outlay for the current year is Rs.34 lakhs.

16.1 Working Group observed that the progress of the various proposals under Scientific Services & Research is good. Regarding the progress of the schemes under Water & Air pollution prevention, working group strongly felt that there was imperative need to strengthen the H.P. State Board for prevention and Control of Water pollution. Working Group also felt that for better coordination, interaction & smooth functioning, the activities of the Board should fall under the purview of Deptt. of S&T and Environment. Keeping in view the importance of Water & Air Pollution in the Himachal State amount proposed for this Board was too meagre. Therefore, working group recommended an outlay of Rs.15 lakhs against the proposed outlay of Rs.8 lakhs to strengthen the pollution Control Labs.

Education

17.● A provision of Rs. 30.61 crores (---) (Rs. 1 crore in Category B) has been recommended by the Working Group as against the proposed outlay of Rs. 31.51 crores and the current year provision is Rs. 22.10 crores.

The sub-headwise outlays are given below:-

(Rs. in lakhs)

<u>Sub-head</u>	<u>1988-89</u> Approved outlay	<u>1989-90</u>	
		<u>Proposed</u>	<u>Recommended by W. G.</u>
General Education	1725	2540	2516
Technical Education	275	355	300
Sports & Youth Services	115	145	135
Art & Culture	95	111	110
Total:	2210	3151	3061

The major increase in the proposed outlay of 1989-90 compared to 1988-89 is under Elementary and Secondary Education.

17.1 Under Elementary Education, it was felt by the Working Group that the target of enrolment of girls in class I-V should be increased to meet the goal of universalisation of primary education. The group has also recommended a number of additional primary and middle schools to be opened during 1989-90 implying a higher outlay for infrastructural development. Considering the number of enrolments, especially of girls, it was suggested that the proposed outlay for incentives should amount to Rs. 33 lakhs for 1989-90 which is realistic.

17.2 For Secondary Education, the State Government has got a recommendation for Rs. 955 lakhs against a proposal of Rs. 1020.30 lakh with a suggestion to go slow on construction work.

17.3 With regard to University Education, the Working Group /has / recommended an outlay of Rs. 220 lakhs during 1989-90 against the proposed outlay of Rs. 247 lakhs. And again a suggestion on going slow on construction of buildings for colleges and sports complex was given due to resource constraint.

17.4 In Adult Education, it was felt that the proposed outlay to meet the target of making 63,000 adults literate during 1989-90 is rather lower which will still leave 4.20 lakhs to be literated at the end of 7th Plan. The Working Group has recommended an outlay of Rs. 51 lakh against Rs. 48.12 lakhs (proposed) to meet a target of making 80,000 adults literate, out of which 70,000 people will be covered by Adult Education Centres and 10,000 by the University.

17.5 In Technical Education also, it was felt that sufficient funds were not proposed for modernisation of Polytechnics. Thus, the State Government got a recommendation of Rs 300 lakhs against Rs 284.50 lakhs proposed during 1989-90.

17.6 In Art and Culture and Sports and Youth services both, the State Government was suggested to go slow on capital works.

Health

18.0 The Working Group has recommended an outlay of Rs 1024 lakhs under category 'A' and another Rs 231 lakhs for category 'B' if more resources are available for the Annual Plan 1989-90 as against the proposed outlay of Rs 1255 lakhs. The approved outlay for the current year is Rs 800 lakhs. The break up is as under:-

Programme	1988-89 approved outlay	(Rs. in Lakhs)		
		1989-90		
		Proposed by State	Recommended by Working Groups	
			Cat. 'A'	Cat. 'B'
Minimum Needs Programme	340	543	400	150
Hospital & Dispensaries	100	140	100	40
Medical Education & Research	140	225	225	-
Training Programme	10	13	10	-
ISM & Homoeopathy	90	180	150	30
E. S. I.	4	9	9	-
Other Programmes	47	70	50	-
State share of Centrally Sponsored Schemes:				
a) M.E.P.	51	51	54	11
b) T.B. Control Programme	18	24	26	-
Total:	800	1255	1024	231

The physical performance in the Health Sector can be seen from the table below:-

Item	No. as on 1.4.85	7th Plan Target (Actual)	1985-89 likely achieve- ment	Balance for 1989-90	1989-90 Target Proposed	Recommended by Working Group
1. Sub-Centres	952	560	1680 (Cumulative)	-	235	-
2. Primary Health Centres	117	110	200 (Cumulative)	27	30	27
3. Community Health Centres	28	7	4	3	3	3

-/-

met primarily. It was noted by the Working Group that the State Government was spending on an average Rs.10.23 crores per year for operation and maintenance which are mainly to meet establishment charges and energy charges. The State is requested to cut down the administrative cost.

- vi) The 4 major urban water supply schemes has been provided the required funds (Rs 2.81 crores) for 1989-90 to avoid the spill over to 8th Plan. And for this, State Government should ensure that the schemes are fully completed by March 1990.
- vii) The State Government should take measures to dovetail the urban low cost sanitation schemes with the Central scheme of conversion of dry latrines into sanitary latrines and liberation of scavengers, being administered by the Ministry of Welfare on 50:50 basis.
- viii) The State Government should enhance tariff at the earliest for urban water supply schemes also. And completion of the on-going schemes both under rural and urban sector is essential to avoid the spill over to 8th Plan.

Welfare of
S.C., S.T.
and OBC

20. The Working Group has recommended an outlay of Rs 158 lakhs for 1989-90 against the State Government's proposal of Rs 157 lakhs. It was observed by the Working Group that provision for giving Pre-matric scholarships to SC/ST students was inadequate to cover all eligible students. It was explained that due to constraint of resources the State Government is not generally providing pre-matric scholarship to SC/ST students at Primary stage. The Working Group suggested that the scheme may be reviewed with a view to providing scholarships to all eligible students at all levels, particularly, primary.

Tribal Sub-
Plan

21. An outlay of Rs 29.79 crores has been quantified as flow to T.S.P. from the proposed outlay of Rs 330 crores. This works out to about 9% of the proposed outlay as against 4.61% of S.T. population. The geographical area under Tribal Sub-Plan is 42.91% of the total area of the State. Ministry of Welfare has suggested that the State Government should quantify more funds for the area development.

Special Compo-
ment Plan for
Scheduled
Castes

22. The State Government has proposed an outlay of Rs 35.75 crores as flow to S.C.P. for Scheduled Castes. Compared to the the scheduled caste population of 24.6%, the flow is only 11%. Ministry of Welfare has recommended that SCP level may be fixed at a minimum of about 20% of the State Plan outlay.

Summing up

A. State's proposals - W.G. recommendations

23.0 As against a current year Plan outlay of Rs 260.00 crores, the State Government has come up with Plan proposals totalling Rs 330.00 crores. These have been examined in depth by various sectoral working groups. The recommendations of the Working Groups aggregate to Rs 348.64 crores in category 'A' plus Rs 3.80 crores in category 'B' that is subject to availability of additional resources. The cause of higher outlay being recommended by the Working Groups is traceable mainly to the Power Sector where the Working Group has recommended the provision of an outlay of Rs 91.18 crores against proposals of the State Government totalling Rs 75.42 crores. Thus, out of a total increase by the Working Groups over and above the proposals of the State Government amounting to Rs 18.64 crores (going by recommendations under category 'A' alone), the Power Sector accounts for as much as Rs 16.39 crores.

23.1 It is to be noted that the appetite of the Power Sector for money seems to have grown rather disproportionately. As against Seventh Plan outlay of Rs 260.11 crores, as much as Rs 284.70 crores would have been invested in the first four years itself. While in the current year, the anticipated expenditure on Power is placed below the approved outlay of Rs 57.25 crores, the State Government has on its own proposed a step up of Rs 20 crores. On top of this, the Working Group has found it necessary to add a hefty amount of Rs 16.39 crores. At this level, the Power Sector would get funded to the extent of Rs 376.5 crores as against the five year outlay of Rs 260.11 crores.

23.2 As far as the other sectors are concerned, step up beyond the outlay proposed by the State Government has been made to the extent of Rs 2.00 crores in the Minor Irrigation Sector (this is over and above a step up of Rs 3.55 crores roughly equal to 25% proposed by the State Government). Also, under Transport in the Road Transport Sub-Sector, the State Government themselves have proposed a much higher outlay of Rs 10.04 crores as against the current year's outlay of Rs 5.75 crores. Substantial, step ups have also been proposed by the State Government in the Crop Husbandry and Forestry and Wild Life sub-sectors.

B. Resource Projections

23.3 In so far as the resources position for next year's plan is concerned, the F.R. Division have estimated the same

at Rs. 255.12 crore as presented, in brief, in the Table below:

(Rs. crores)

	7th Plan 1985-90	1987-88		1988-89		1989-90
		Original	Re- Actual	Original	Latest Estimates	Estimates
Plan outlay	1050.00	235.00	236.00 +(15.30 APA)	260.00	260.00 +(1.70 APA)	330.00* 352.44**
State's own resources	186.98	44.46	26.04	26.15	(-)54.13	74.12
Central Assistance	863.02	190.54	250.11	233.85	235.55	181.00
Aggregate Resources	<u>1050.00</u>	<u>235.00</u>	<u>276.15</u>	<u>260.00</u>	<u>181.42</u>	<u>255.12</u>
Surplus/ Deficit in Resources	-	-	(+)24.85	-	(-)80.28	(-)74.88@ (-)97.32@@

*Proposed by State Government

**Recommended in aggregate by the Sectoral Working Groups

@Corresponds to *above.

@@Corresponds to **above.

Resource shortfall in 1989-90

23.4 As will be noticed from the foregoing table, a gap in the State's resources for funding the current year's plan of as high an order as Rs. 80.28 crores has arisen. This is due mainly to revision of pay scales, increase in expenditure on relief from natural calamities, shortfall in the contribution of State Electricity Board, shortfall in the contribution of Road Transport Corporation, shortfall in AFM yield against the current year's target, etc. It is not clear as to whether and to what extent this resource gap would be bridged by the State Government in the remaining period of the current year. Failing special accommodation by the Central Government, it would seem that the current year's plan may not be fulfilled to the full extent of Rs. 260 crores.

Resources for Annual Plan 1989-90

23.5 The resource availability for the next year's plan, as assessed by the FR Division, works out to Rs. 255 crores composed

of Rs 74.12 crores of the State's own resources and Central Assistance of Rs 181.00 crores including external assistance of Rs 11.84 crores. This estimate of Central Assistance is provisional. On this basis, the level of funding available does not seem to be too bad. There is, however, one important factor to be taken into account. That relates to the estimated negative BGR of Rs 92 crores. Unlike in the previous years, this gap in resources cannot be met from plan assistance as it originates from the non-plan revenue account. Since the Ninth Finance Commission has already made recommendations for meeting the non-plan revenue gap and the Government of India have accepted the same, this gap cannot be allowed to cut into plan resources. The fact, however, remains that there is a divergence between the non-plan revenue gap, as estimated by the 9th Finance Commission, and as it is likely to emerge in reality. Non-plan sources would, therefore, need to be tapped to bridge this gap and the planning exercise for the next year would have to proceed on the basis that the entire amount of Rs 255 crores, estimated by the FR Division, would be available for funding the Annual Plan of 1989-90. Since any additional yields from fresh ARM would be pre-empted by the compulsions of bridging this gap on non-plan revenue account, no additionality on that account is, at all, likely to be available for augmenting the plan size beyond Rs 255 crores plus such additional central assistance, market borrowings etc. as can be earmarked further by the Central Government.

C. Size and Sectoral Allocations:

23.6 The State has a good record of implementing its plan not only fully as per the approved outlay but has achieved plan expenditures in excess of the same during the last four years. Over a 4-year period, the expenditure over outlays has been exceeded by over Rs 100/- crores, with the result that as against a 7th Plan outlay of Rs 1050/- crores, expenditure over a 4-year period is expected to be Rs 978.00 crores. This would, of course, be subject to the State being able to bridge the gap in resources to the extent of Rs 80 crores during the current year which, as of now, seems to be somewhat difficult. Even assuming that the Plan is implemented to the full extent, the proposals of the State Government represent a step up of 27%. This order of increase in outlay seems to be rather over optimistic. In view of what has been stated above about the likely availability of resources, it was felt that the State may not be able to have a much larger outlay than the current year. At that level, there is no doubt that the tempo of development achieved by the hill state would be adversely affected. Every effort, therefore, requires to be made to ensure that a reasonable step up in the development outlay is provided so that the pace of development can be maintained, in the face of rising prices of materials as well as increasing expenditure on personnel.

23.7 As has already been noted, the recommendations of the Working Groups which are substantially higher than the proposals of the State Government just cannot be accommodated. They will have to be slashed down very substantially. To start with, the Power Sector will have to

do with about the same level of investment as in the current year, even if it means deferment of certain physical targets. This would bring down the projected outlay to about Rs 315 crores or so. Other savings to the tune of Rs 15-20 crores would have to be made in all the other sectors combined. Such cuts seem feasible under Forestry and Wild Life, Transport, Irrigation and Education. In overall terms, however, it seems necessary that the State has a Plan of Rs 290-300 crores for 1989-90 so that its essential development needs are duly protected.

23.8 After the Plan size for 1989-90 is determined in light of the foregoing facts and analysis, sectoral allocations would be finalised in consultation with the State Government officials.

724
14
738

Statement

DRAFT ANNUAL PLAN 1989-90 - HIMACHAL PRADESH
OUTLAY AND EXPENDITURE

Major Head/Minor Heads of Development	(Rs. lakhs)									
	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89	1989-90	Anticipated Expenditure	Recommended by working Groups	Cat.A	Cat.B
I. AGRICULTURE & ALLIED ACTIVITIES										
Crop Husbandry	5994	536	752	765	1315	1303	1790	1760		
Soil & Water Conservation	1928	198	225	208	250	250	297	329		
Animal Husbandry	976	111	144	172	160	187	196	226		
Dairy Development	425	48	45	53	75	73	75	98		
Fisheries	430	47	50	54	60	59	104	130		
Forestry & Wildlife	11684	1670	1761	2021	2510	2514	2886	2900		
Agricultural Research & Education	843	121	200	236	325	329	397	545		
Agricultural Financial Institutions	75	19	1018	143	113	113	113	118		
Other Agricultural Programmes:										
(a) Marketing & Quality Control	107	51	211	344	60	59	70	70		
(b) Others-Loans to Cultivators other than Horticulture	-	5	1	5	5	5	5	5		
Cooperation	700	143	164	176	165	165	200	190		
Total (I)	23162	2949	4571	4177	5038	5057	6133	6371		

£ Includes Rs. 85 lakhs as Grant-in-aid to H.P. Horticulture and Forestry University.

(Rs. Lakhs)

Major Head/Minor Heads of Development	Seventh Plan 1985-86 (1985-90) Agreed Outlay						Actual Expenditure 1985-86 to 1987-88				1988-89		1989-90	
	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	
	724	219	231	204	206	215	240	231						
	400	14	31	48	75	71	75	85						
	690	180	146	214	162	253	280	253						
	1365	263	259	390	410	413	528	510						
	475	88	106	124	141	145	241	171						
Total (II)	3654	764	773	980	994	1097	1364	1250					19	

II. RURAL DEVELOPMENT**Special Programmes for Rural Development****(a) Integrated Rural Development (IRDP) & Allied Programmes****(b) Integrated Rural Energy Programme (IREP)****Rural Employment****(i) National Rural Employment Programme (NREP)****Land Reforms****Other rural Development Programme (incl. Community Development and Panchayats)****Total (II)****III. SPECIAL AREA PROGRAMMES****IV. IRRIGATION & FLOOD CONTROL****Major & Medium Irrigation****Minor Irrigation****Command Area Development****Flood Control (incl. anti-sea erosion, etc.)****Total (IV)**

Major Head/Minor Heads of Development	(Rs. lakhs)										
	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	
		Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 Approved Outlay	1989-90 Proposed Outlay	Recommended by working Groups	Cat.A	Cat.B	
V. ENERGY											
Power	26011	7031	8075	7809	5725	5555	7542	9181			
Non-conventional sources of Energy	350	81	86	89	90	87	101	110			
Total (V)	<u>26361</u>	<u>7112</u>	<u>8161</u>	<u>7898</u>	<u>5815</u>	<u>5642</u>	<u>7643</u>	<u>9291</u>			
VI. INDUSTRY & MINERALS											
Village & Small Industries	1030	157	192	260	265	287	309	345			
Industries (other than Village & Small Industries)	1461	329	357	587	420	618	741	751			
Weights & Measures	16	2	3	4	5	5	6	5			
Mining	150	16	15	18	25	21	30	40			
Total (VI)	<u>2657</u>	<u>504</u>	<u>567</u>	<u>869</u>	<u>715</u>	<u>931</u>	<u>1086</u>	<u>1141</u>			
VII. TRANSPORT											
Civil Aviation	800	9	13	50	80	80	91	91			
Roads & Bridges	12725	2417	2743	3350	3200	3286	3500	3500			
Road Transport	2325	335	354	1178	575	575	1004	1004			
Inland Water Transport	50	Neg.	3	8	5	5	5	5			
Other Transport Services	550@@	2	5	-	105*	94	105	105			
Ropeways, Cableways, Int studies											
Total (VII)	<u>16450</u>	<u>2763</u>	<u>3118</u>	<u>4586</u>	<u>3965</u>	<u>4040</u>	<u>4705</u>	<u>4705</u>			

@@ Includes Rs. 10 lakhs for Tele-Communication.

* Includes Rs. 100 lakhs for Ropeways/Cableways and Rs. 5 lakhs for Inter Model Transport Studies.

Major Head/Minor Heads of Development	(Rs. lakhs)																			
	2.	3.	4.	5.	6.	7.	8.	9.	10.											
Seventh Plan (1985-90) Agreed Outlay																				
	Actual Expenditure 1985-86	1986-87	1987-88	1988-89	1989-90	Proposed by working groups	Approved	Proposed by working groups	Approved	Proposed by working groups	Approved	Proposed by working groups	Approved	Proposed by working groups	Approved	Proposed by working groups	Approved	Proposed by working groups	Approved	Proposed by working groups
	100	18	13	12	24	17	30	30	30	30	30	30	30	30	30	30	30	30	30	30
	25	-	4	12	10	9	13	20	20	20	20	20	20	20	20	20	20	20	20	20
Total (IX)	125	18	17	24	34	26	43	50	50	50	50	50	50	50	50	50	50	50	50	50
VIII. COMMUNICATIONS																				
IX. SCIENCE, TECHNOLOGY & ENVIRONMENT																				
X. GENERAL ECONOMIC SERVICES																				
Secretariat Economic Services	50	10	8	32	64	107	130	30	30	30	30	30	30	30	30	30	30	30	30	30
Tourism	800	115	126	121	150	152	198	198	198	198	198	198	198	198	198	198	198	198	198	198
Surveys & Statistics	28	4	5	6	6	8	14	14	14	14	14	14	14	14	14	14	14	14	14	14
Civil Supplies	295	52	52	62	60	61	75	62	62	62	62	62	62	62	62	62	62	62	62	62
Other General Economic Services:																				
(a) Institutional Finance & Public Enterprises	31	5	1	2	4	4	6	6	6	6	6	6	6	6	6	6	6	6	6	6
(b) District Planning	500	100	100	244	375	375	500	600	600	600	600	600	600	600	600	600	600	600	600	600
Total (X)	1704	286	292	467	659	707	923	910	910	910	910	910	910	910	910	910	910	910	910	910

Major Head/Minor Heads of Development	(Rs. Lakhs)									
	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 Approved Outlay	Anticipated Expenditure	1989-90 Proposed Outlay	Recommended by working Groups	Cat.A	Cat.B
XI. SOCIAL SERVICES										
Education										
General Education	5220	676	1021	1632	1725	1826	2540	2516	95	
Technical Education	550	103	129	333	275	304	355	300		
Sports & Youth Services	400	78	112	115	115	118	145	135	5	
Art & Culture	300	42	152	113	95	117	111	110		
Sub-Total (Education)	6470	899	1414	2193	2210	2365	3151	3061	100	
Medical & Public Health	2625	497	685	751	800	1102	1255	1024	231	
Water Supply & Sanitation	8500	1498	1720	1981	1943	2156	2396	2450		
Housing (incl. Police Housing)	1500	456	625	706	816	805	595	595		
Urban Development (incl. State Capital Projects)	925	154	173	523	250	250	290	290		
Information & Publicity	100	19	25	65	50	81	80	80		
Welfare of Scheduled Castes, Scheduled Tribes & Other Backward Classes	532	99	120	113	168@	141	157	158		
Labour & Employment	100	8	9	16	45	24	42	125 **		
Social Security & Welfare	170	44	37	60	80 XX	77	135	91	30	
Nutrition	282	55	70	92	101	101	160	220		
Total (XI)	21204	3729	4878	6500	6463	7102	8261	8094	361	

@ Includes Rs. 35 lakhs for Nucleus Budget for Tribal Areas, and Rs. 8 lakhs for Tribal Development Machinery.

** Includes Rs. 81 lakhs for Craftsman Training.

XX Includes Rs. 20 lakhs for Ex-servicemen Corporation.

Statement (Contd.) H.P.

-: 6 :-

Major Head/Minor Heads of Development	(Rs. Lakhs)										
	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	
Seventh Plan (1985-90)	Actual	Expenditure	1988-89	1989-90	1985-86	1986-87	1987-88	Proposed	Recommended	Proposed	by working
Agreed Outlay					Outlay	Allocated	by working	Expenditure	Outlay Groups	Cat.A	Cat.B
XII. GENERAL SERVICES											
Stationery & Printing	400	60	18	95	76	95	95	75	75		
Public Works	1500	324	404	487	487	440	477	435	435		
Other Administrative Services:											
(a) Training - HIPA	73	13	20	21	20	21	27	28	28		
(b) Nucleus Budget for Tribal Areas	175	35	35	£	35	£	35	35	35		
(c) Tribal Development Machinery	15	2	7	£	14	£	8	4	4		
(d) Ex-servicemen Corporation	70	17	23	££	16	££	20	26	26		
Total (XII)	<u>2233</u>	<u>451</u>	<u>507</u>	<u>556</u>	<u>648</u>	<u>556</u>	<u>662</u>	<u>603</u>	<u>603</u>		
Grand Total	<u>105000</u>	<u>19232</u>	<u>23880</u>	<u>26000</u>	<u>27696</u>	<u>26000</u>	<u>27052</u>	<u>33000</u>	<u>34864</u>		<u>380</u>

£ Included under welfare of SC, ST & OBC.


££ Included under Social Security & Welfare.

Most immediate

Planning Commission
(State Plans Division)

Subject : Annual Plan 1989-90 - Jammu & Kashmir

A copy of the report of Shri Virendra Prakash, Adviser (State Plans) on the Annual Plan 1989-90 of Jammu & Kashmir is circulated herewith. This will form the basis of discussion between the Minister of Planning/Deputy Chairman, Planning Commission and the Chief Minister, Jammu & Kashmir to be held on Tuesday, the 10th January, 1989 at 3.30 P.M. in Room No. 130, Yojana Bhavan, Sansad Marg, New Delhi.


(M.L. Aggarwal)
Consultant (State Plans)

Deputy Chairman
Minister of State
Members
Secretary
Special Secretary
Advisers
Consultant (LEM)/(PP)
Joint Secretary (SP)
Chief Science

Ministry of Finance

Shri J.L. Bajaj, Jt. Secy. (RB),
Deptt. of Economic Affairs.

Shri G. Haldea, Director (PF),
Deptt. of Expenditure - 4 copies.

Planning Commission Cir. No. PC(P)/2/J&K/88 dated 6.1.1989.

Copy for information to : Private Secretaries to :

Minister of Planning/Deputy Chairman
Minister of State
Secretary to the Prime Minister
Cabinet Secretary

Copy also to :

Joint Advisers
Deputy Advisers
Information Officer
SRO/RO concerned in State Plans Division.

Liaison Office, Govt. of Jammu & Kashmir
in New Delhi (10 copies)

PLANNING COMMISSION
(State Plans Division)

.....

ANNUAL PLAN 1989-90 - JAMMU & KASHMIR

REPORT OF SHRI VIRENDRA PRAKASH, ADVISER (STATE PLANS)

Introductory Jammu & Kashmir, the northern-most State in the country, has a total area of 2.22 lakhs sq.km. including about 1.21 lakh sq.km. illegally occupied by China and Pakistan.

Topographically, the State can be divided into three major regions, namely,

- (1) Jammu region - the plain belt of Jammu & Kathua districts bordering Punjab and hilly and semi-hilly tracts towards North and North-East;
- (2) Kashmir region - surrounded by high mountains and a deep valley about 30x40 miles in its fold, an'.
- (3) Ladakh - the extreme northern part full of rocky and sandy mountains devoid of any vegetation.

The population of the State is 59.97 lakhs of which 79% people live in rural areas and agriculture is continuing to be the mainstay of most of the people. There are 14 districts in the State having 75 blocks and 6477 villages. The scheduled caste population is about 8.31%. The State has achieved a literacy rate of 26.67% while the country's literacy rate is 36.23%. Estimated Annual Birth rate, Death rate and IMR in 1987 were 30.4%, 7.6% and 73 against All India figure of 30.2%, 10.3% and 95 respectively.

Plan perspective

2. The State has been classified as a special category State, and hence enjoys a very high per capita allocation of Plan funds. The per capita plan outlays from the first plan onwards, is as follows:

<u>Plan Period</u>	<u>J&K</u>	(Rs) <u>All States Average</u>
First Plan (1951-56)	39	26
Second Plan (1956-61)	99	54
Third Plan (1961-66)	202	36
Three Annual Plan (1966-69)	143	61
Fourth Plan (1969-74)	343	125
Fifth Plan (1974-79)	635	302
Sixth Plan (1980-85)	1440	670

Seventh Plan (1985-90)	2045	1022
Annual Plan (1985-86)	397	174
Annual Plan (1986-87)	470	207
Annual Plan (1987-88)	543	239
Annual Plan (1988-89)	643	251

Seventh Five Year Plan (1985-90)

3. A planned outlay of Rs. 1400 crores- approved for the Seventh Five Year Plan of the State, was to be financed as under:

a) <u>States own resources (Net)</u>	(Rs. crores)
(i) Without ARM	(-) 592.23
(ii) Additional Resource mobilisation	143.55
<u>Total (a)</u>	<u>(-) 433.68</u>
b) <u>Central Assistance (Net)</u>	
(i) Normal	1920.68
(ii) Assistance for externally aided projects	18.00
(iii) Adjustment of relief assistance	-
<u>Total (b)</u>	<u>1938.68</u>
<u>Aggregate Resources (a+b)</u>	<u>1400.00</u>

3.1 In the sectorwise allocations of the Seventh Plan outlay, highest priority was accorded to the Social Services Sectors which accounted for 32.4% of the outlay, followed by power sector - 20%, Agriculture 11.2%, Transport 9.3%, Irrigation 8.6%. It may be noted that the Plan priorities as reflected in the sectoral distribution of Seventh Plan outlays have by and large been maintained.

Progress of Expenditure- Annual Plans 1985-89

4. The level of approved outlay together with the actual/anticipated expenditure during four Annual Plan periods is indicated below:

(Rs. crores)

	Approved Outlay	Expenditure	Increase(+)
1985-86	260.00	274.42	14.42
1986-87	315.00 X	337.66	22.66
1987-88	375.00 £	405.18	30.18
1988-89	455.16 ££	498.64 (anti.)	43.48

X Revised approved outlay was of the order of Rs. 337.65 crore.

£ An additionality of Rs. 12.50 crores was provided later on for schemes included in Prime Minister's package.

££ Include an additional Central assistance of Rs. 5.16 crores for two projects viz. Carton projects (Rs. 500 lakhs) and Indo-Bulgarian project (Rs. 16 lakhs).

4.1 Taking into account the actual expenditure for 1985-88 and approved outlay for 1988-89, the total expenditure for the first four years of the plan is anticipated to be Rs. 1472.42 crores i.e. higher in nominal terms than the Seventh Plan outlay of Rs. 1400 crores.

Annual Plan 1988-89

5. The Annual Plan 1988-89 of Jammu & Kashmir was approved at Rs. 450 crores which was subsequently enhanced to Rs. 455.16 crores due to an additional central assistance of Rs. 5.16 crores for two projects-- namely the Cartons Project (Rs. 5 crores) and Indo-Bulgarian project (Rs. 0.16 crore).

5.1 The current year expenditure has been anticipated at Rs. 498.64 crores; which implies an additional expenditure of Rs. 43.48 crores. This may not finally materialise in view of the acute gap in resources being faced by the State as outlined later in para 7.

Annual Plan
1989-90

6. The Annual Plan proposals for 1989-90 as submitted by the State Government, aggregate to Rs. 621.40 crores reflecting an increase of 36.5% over the approved outlay of Rs. 455.16 crores for the Annual Plan of 1988-89. It may be noted that the outlay proposed for 1989-90 is substantially higher in respect of all the major heads of development. The proposed outlays for Industry and Minerals, Agriculture & Allied activities, Rural Development and Social services are relatively much higher than the corresponding levels approved for the current year.

6.1 The proposals made by the State Government for their Annual Plan 1989-90 were discussed in the working group meetings on 12.12.1988 as also in the wrap-up discussion convened subsequently by the Adviser (State Plans) on 13.12.1988. The recommendations made by the working groups for the Annual Plan 1989-90 of Jammu & Kashmir total up to Rs. 563.15 crores comprising Rs. 552.00 crores under Category A and Rs. 11.15 crores under Category B.

6.2 The break up of the proposed outlay for Annual Plan 1989-90 by broad heads of development together with Seventh Plan outlay, actual/anticipated expenditure during 1985-89, as also the recommendations made by different working groups is given in the table below:

Major Head	(Rs. lakhs)									
	Seventh Plan (1985-90) Agreed Outlay	Actual Expd. 1985-86	Actual Expd. 1986-87	Actual Expd. 1987-88	1938-89 Apprd. Outlay	1988-89 Anti. Propos. ed	1989-90 Propos. ed	1989-90 Recomm. by working groups	Cat. A	Cat. B
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	
I. Agriculture & Allied Activities	15625	3016	3939	4616	5464	5927	7392	6324	231	
II. Rural Development	3912	1051	1362	1627	1150	1176	1505	949	57	
III. Special Area Programmes (Lakh Sub-Plan)	9590	1852	2116	2360	2490	2725	3505	2641	-	
IV. Irrigation & Flood Control	12036	3099	3076	3566	3527	3632	4525	4306	-	
V. Energy	27932	5046	6710	9049	12130	12342	16228	14930	-	

	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
VI. Industry & Minerals		7275	1614	1542	1679	1883	2201	3275	2970	-
VII. Transport		13320	2831	3893	3915	4044	4310	4844	4738	-
VIII. Communications		-	-	-	-	-	-	-	-	-
IX. Science, Technology & Environment		200	5	2	39	59	59	134	95	-
X. General Economic Services		3150	491	883	1979	1939	2552	3729	3206	-
XI. Social Services		45410	8079	9840	12098	12300	14256	15084	14198	797
XII. General Services		1350	369	413	602	530	634	1130	913	30
Grand Total:		140000	27442	33766	40518	45516	49864	62140	55200	111

£ a) Gujjars & Bakarwals	750	155	171	213	190	211	209	209
b) Leh.	4590	904	1050	1120	1150	1300	1601	1192
c) Kargil	4250	793	895	1027	1150	1214	1695	1240

Resources for the Annual Plan 1988-89

7. The State Jammu & Kashmir has got a revised approved outlay of Rs. 455.16 crores for the Annual Plan 1988-89. The gist of the estimates of resources, as envisaged earlier and as now re-assessed, is presented below:

(Rs. crores)

1988-89 (Estimates)		
Annual Plan as approved	As now assessed	Improvement (+) Deterioration (-)

I. PLAN OUTLAY

(a) Normal State Plan Outlay	450.00	455.16	(+) 5.16
(b) Additional Plan Outlay corresponding to advance Plan assistance for natural calamities	-	-	-
Total (I)	450.00	455.16	(+) 5.16

II. FUNDING

1. <u>State's resources</u>	(-) 66.52	(-)165.96	(-)99.44
2. <u>Central Assistance</u>			
(i) For normal State Plan	516.52	521.69	(+) 5.16
(ii) Advance Plan assistance for natural calamities	-	-	-
<u>Total (2)</u>	<u>516.52</u>	<u>521.69</u>	<u>(+) 5.16</u>
3. <u>Total Resources</u>	<u>450.00</u>	<u>355.72</u>	<u>(-)94.28</u>
4. Carry forward Surplus/deficit of 1937-38	-	-	-
5. <u>Aggregate Resources</u>	<u>450.00</u>	<u>355.72</u>	<u>(-)94.28</u>
6. <u>Gap in Resources</u>	-	(-)99.44	(-)99.44

It will be seen that on the basis of current year's transactions, there is a deterioration of Rs. 99.44 crores in State's own resources as compared to Annual Plan estimates.

7.1 The deterioration of Rs. 99.44 crores in the State's resources during the current year is attributable mainly to the following factors:-

	(Rs. crores)
1. Cost of Additional D.A. in respect of July, 1937 instalment and January 1938 instalment, including arrears.	(-) 35.25
2. Increase in the provision for relief on account of natural calamities.	(-) 36.00
3. Repayment of overdraft taken from State Bank of J&K in 1937-38 (State Government agreed to forward necessary certificate from the Jammu & Kashmir Bank as the Planning Commission does not have the information. Hence included provisionally).	(-) 39.17
4. Other items (net)	(+) 9.98
<u>Total</u>	<u>(-) 99.44</u>

7.2 In addition to this deterioration, the State Government officials are afraid of further worsening of non-plan expenditure by Rs. 15.20 crores in the current year. But as there is no mechanism to cover the emerging gap, the State officials were advised to re-examine their estimates and take appropriate measures either through raising of fresh resources or by cutting down of non-plan expenditure to cover the gap in resources. To the extent, the measures suggested above cannot be adopted, the plan outlay of Rs. 455.16 crores would have to be revised downwards with a view to avoiding/restricting overdraft at the end of the year.

Resources for the
Annual Plan
1989-90

9. Considering the present indications as well as the allocations during the current year Central assistance for funding the 1989-90 Annual Plan of the State was provisionally taken at Rs. 447.95 crores. This includes the State's own resources of (-) Rs. 1.43 crores. Thus the resources in sight as worked out by the Financial Resources Division of the Planning Commission in detailed consultation with the concerned Officers of the State Government and Central Government come to Rs. 446.52 crores excluding any accruals from fresh Additional Resource Mobilisation hereafter.

8.1 Out of the total resources in sight of Rs. 446.52 crores which is almost at the current year's level, Rs. 45.33 crores meant for upgradation and special problem works as recommended by the IX Finance Commission, which are required to be pre-empted for allocation by the Empowered Committee in consultation with the Central Ministries. The break-up is as follows:

	(Rs. crores)
1. <u>Upgradation</u>	11.35
2. <u>Special Problem Works</u>	
(a) Construction of School buildings	2.93
(b) Improvement in school education	20.00
(c) Creation of infrastructure in Leh district	1.00
(d) Restoration & protection of Dal Lake	10.30
<u>Total</u>	<u>45.33</u>

9.2 The break-up of the State's own resources of (-) Rs. 1.43 crores is also shown below:

	(Rs. in crores)
	<u>1939-90</u>
1. Upgradation grant	11.35
2. Grant for Special Problem	33.93
3. State Electricity Board	(-)64.27
4. Road Transport Corporation	(-) 4.63
5. Market borrowing	37.28
6. Share in small savings	46.00
7. State Provident Fund	36.32
8. Negotiated Loans	21.77
9. Miscellaneous Capital	(-)119.18
	<u>(-)1.43</u>

Sectoral Programmes 9. Some of the main sectoral highlights are discussed in the paragraphs below.

Agriculture &
Allied Activities

10. Agriculture being the mainstay of 90% of the population of the State, gets more emphasis. For 1939-90 an outlay of Rs. 73.82 crores was proposed against which the Working Group recommended an outlay of Rs. 63.24 crores for Agriculture & Allied Activities as against the current year outlay of Rs. 54.64 crores.

10.1 It has been observed by the Working Group that average yield of most of the crops in the State was lower than all India average and so the State needs to concentrate on increasing productivity. Cropping intensity in the State which is stagnating - requires to be raised through concerted efforts.

10.2 Watershed Management and dryland farming require to be given high priority. Research work is needed with respect to soil conservation to increase productivity.

10.3 Regarding inputs, the average consumption of fertiliser per ha. in the State has been lower than the all India average. There is need for balanced use of fertiliser in the State. The State has been facing constraint in the supply of seeds. Higher outlays for seed multiplication and farm development proposed by the State Government have been supported.

10.4 The Working Group also feels that private sector should be encouraged to produce fruits and vegetables, and besides food production, Greater emphasis should be given to horticulture and floriculture and to tissue culture.

10.5 In 1989-90, the targets for producing wheat was enhanced. Targets for production of other crops including commercial crops, horticulture crops and production & distribution of improved seeds proposed by the State were agreed to. 1989-90 target for consumption of fertiliser, pesticides & rainfed farming proposed by the State were also agreed to. In the case of area coverage under HYV, the Working Group has recommended slightly enhanced target.

10.6 Regarding dairying, the State Government is advised to seek financial assistance from NDDB so that plan funds can be released to that extent for other Schemes.

10.7 It is to be noted that the State Government has been unable to complete the re-organisation of primary agricultural credit societies into viable units which is of vital importance for the progress of agricultural activities in the State. The overdue position of the Co-operative Credit Institutions at various levels remained bad with 54% at the level of primary agricultural credit societies and 47% at the level of Central Co-operative Bank despite some improvement during 1987-88.

Forestry

10.8 The proposed outlay for 1989-90 is Rs. 12.39 crores, whereas the Working Group has recommended an outlay of Rs. 12 crores as against the current year's approved outlay of Rs. 9.73 crores and anticipated expenditure of Rs. 9.61 crores. The bulk of anticipated expenditure reported for the current year is on account of the World Bank Aided Social forestry project - Rs. 6.02 crores, followed by an expenditure over Rs. 1 crore for the rehabilitation of degraded forest. As against the proposed outlay of Rs. 7.60 crores, the working Group has recommended Rs. 7.07 crores for social forestry (World Bank Aided) for 1989-90. Similarly, the Working Group has endorsed the State's proposed outlay of Rs. 1.50 crores for rehabilitation of degraded forests.

10.9 The State of Jammu & Kashmir has about 0.21 lakh sq. km. area under forests which constitutes only about 9.9% of the total geographical area. Even of this, almost 3rd of the forest area is under various stages of degradation and is in urgent need of rehabilitation through afforestation with soil conservation measures. The major programmes taken by the State Government were rehabilitation of degraded forests, research, afforestation schemes including World Bank aided projects, wild life preservation, survey and demarcation etc. State Government is keen to get the World Bank Aided Social Forestry Project extended.

10.10 Physical targets and achievements under forestry are given below:-

Item	Unit	1988-89		1989-90 Recommended by Working Group
		Target	Anticipated Achievement	
1. Other plantations	'000 hect.	5.86	7.94	7.65
2. World Bank Aided Social Forestry Project	"	9.50	9.50	13.41
3. Trees planted	Lakhs nos.	500	500	500
4. New roads	Kms.	36	36	40
5. Improvement of Existing roads	Kms.	72	72	80

Rural
Development

11. The outlays proposed by the State Govt. and recommended by the Working Group in this sector are given below:

Programmes	1988-89 Approved Outlay	1989-90	
		Outlay Proposed	Outlay recommended
IRDP & Allied Programmes	295.00	324.00	158.40
N.R.E.P.	199.00	220.00	303.39
D.P.A.P.	98.00	111.25	107.25
C.D. & Panchayats	206.00	283.00	226.13*
Land Reforms	127.00	137.00	130.00
	925.00	1075.25	925.17

* In addition Rs. 56.87 lakhs under Cat. 'B'.

11.1 With regard to I.R.D.P., the Working Group suggested that the allocation of funds for this programme from 1989-90 would be on the basis of the "incidence of poverty" based on the NSSO's survey. On this, the State representative mentioned that the NSSO's assessment with regard to the incidence of poverty is far below as compared to the results of a survey done by the State Govt in 1982-83. They were advised to interact with NSSO in this regard as was also suggested during the last year's discussion.

11.2 In NREP, though the State proposed an outlay of Rs. 220 lakhs, but according to the Rural Development Department the tentative central allocation was Rs. 303.39 lakhs. which was agreed to by the Working Group. And the State Government was asked to provide the matching share in their own plan.

11.3 In CD & Panchayats, more or less the proposals were agreed to. The State has reported that most of the components consist of committed expenditure like salary of staff. The Working Group has therefore recommended an additional Rs. 56.87 lakhs under category 'B' as the State official insisted for higher outlays on account of increased expenditure on salaries and allowances at the block level.

11.4 Under Land Reforms, it was reported that the increase in proposed outlay was due to revised D.A. and scales of pay of the staff. It was also clarified that distribution of surplus land is not applicable in the State as all those tilling lands during 1971 got proprietorship. In all Rs. 130 lakhs was recommended by the Working Group against Rs. 137 lakhs proposed by the State.

Irrigation

12.1 Given below are the outlays proposed by the State Government under Major & Medium, Minor irrigation, flood control and CAD programme and that recommended by the Working Group.

	1988-89 Approved Outlay	(Rs. crores)	
		1989-90 As proposed by State	As recommended by Working Group
1. Major & Medium Irrigation	16.00	19.81	18.66
2. Minor irrigation	12.39	15.82	15.32
3. Flood control	5.96	8.41	8.00
4. C.A.D.	0.92	1.21	1.08
Total :	35.27	45.25	43.06

12.2 The Ravi Tawi complex which is an important scheme and holds considerable potentiality is suffering due to inter-State problems. The scheme depends on the water supply on the completion of Shahpur-Kandi Barrage for which the Jammu & Kashmir Govt. is also showing a cost of Rs. 15 crores as decided by the Central Govt. The completion of this project is very necessary to enable the Ravi Tawi complex draw its full share of water.

12.5 The State Govt. also proposed an outlay of Rs. 8.41 crores for a speedy implementation of flood control programme, which was recommended at Rs. 8 crores with a stipulation that all the schemes are formulated as per guidelines and got cleared by the competent authority.

Power

13.1 The proposed outlay for the year 1989-90 is Rs. 161.88 crores whereas outlay recommended by Working Group is Rs. 149 crores (including Rs. 10 crores for - R. R. as against a current year outlay of Rs. 12 crores. The break-up is as under:

	(Rs. in crores)	
	<u>Proposed Outlay</u>	<u>Recommended by Working Group</u>
Generation	69.25	68.00
Transmission and distribu- tion	67.20	59.77
Renovation	11.10	9.00
Survey & Investigation	2.33	2.23
	<u>149.88</u>	<u>139.00</u>
+ REC	12.00	10.00
<u>Total :</u>	<u>161.88</u>	<u>149.00</u>

13.2 In the year 1988-89, the target for increasing installed capacity was 77 MW against which the likely achievement is 52 MW due to the slippage in one unit (25 MW) of Gas Turbine at Pampore. And the increase in installed capacity during Seventh Plan is expected to be 116 MW as per the target.

1. Upper Sindh II (H) (2 x 35 MW)

The first unit of the project is targetted for commissioning by December 1989 and the second by December, 1990. The latest cost of the project is Rs. 148.82 crores.

Six contracts of major works namely Samba Link Canal, forebay and intake, penstocks, tail race channel, weir-cum-head regulator of Wangath and Samba links were terminated this year because of slow progress. As per the present status of various works, it is difficult to commission the project within target dates. Considering the progress of the work, an outlay of Rs. 29 crores, has been recommended by the Working Group for 1989-90 as against the current year approved outlay of Rs. 25 crores and anticipated expenditure of Rs. 22 crores.

Pahalgam (H) (2 x 1.5 MW)

The work of the project was stopped due to objection from tourist department from ecological and scenic point of view. Yet an outlay of Rs. 3.5 crores is recommended by the Working Group for 1989-90 in anticipation of settlement of these matters by the State Government.

3. Gas-Turbine Sets (3 x 25 MW)

An outlay of Rs. 15 crores is recommended for 1989-90 mainly for BHEL payments and turn key contracts.

4. There is a proposal of installation of a 2nd Gas turbine (100 MW). A provision of Rs. 5 crores was recommended for 1989-90

subject to approval of this scheme. For renovation of Power Station, an outlay of Rs. 9 crores has been recommended, but the Working Group wishes that the State should furnish a phased programme and indicate clearly the additional benefits accruing from each of the schemes.

Industry and Minerals

Industries

14.1 Considering the industrial backwardness of the State, the Working Group went into the question as to how the State can be further developed to reduce regional imbalances. It was stressed that such development should take care of the local and ecological conditions as well.

14.2 It was explained that the State had achieved certain growth in VSI sector, whereas the large and medium industries were still in initial stage. Therefore the State Govt. is offering incentives to entrepreneurs for promoting industries in the State. The outlays proposed and recommended in respect of large and medium industries are as follows:-

	(Rs. in lakhs)		
	1988-89 Approved Outlay	1989-90 Proposed	Recommended by Working Group
1. J & K Industries	42	75	75
2. J & K Cements	50	72	70
3. SIDCO	220	450	400
4. District Industries Centre	150	365	335
5. Himalayan Wool Combers	-	20	20
6. State Financial Corporation	200	400	350
7. Growth Centres	-	-	100
8. Others	5	-	-
Total :	667	1382	1350

14.5 The State Government proposed to give higher priority for the industrial development next year and the requirement of fund would therefore be higher. After considering schemewise the detailed progress made so far, the Working Group recommended the outlays accordingly.

Following are the main schemes considered.

J & K Industries

The total outlay for J & K Industries, including 52 lakhs for (a) modernisation/rehabilitation of joinery mills at Jammu & Pampore, (b) Rs. 5 lakhs for diversification of products in pharmaceutical unit, (c) Rs. 18 lakhs for modernisation of silk weaving factory was recommended. Since the State wanted to give more priority to this scheme, the proposed outlay was agreed to by the Working Group.

J & K State Financial Corporation

This Corporation is stated to be performing a key role in financing the industries in the state. The State Govt. further expressed to increase the business of the Corporation and to strengthen its

capital share - thus proposed Rs. 400 lakhs which was recommended at Rs. 350 lakhs.

SIDCO

This Corporation is encouraging joint projects which is important for industrial development. For all the schemes under SIDCO an outlay of Rs. 450 lakhs was proposed which was recommended at Rs. 400 lakhs.

Himalayan Wool Combers

This important scheme requires fresh investment for modernisation, and Rs. 20 lakhs which was proposed is agreed to.

Village & Small Industries

14.3A Pleased below the statement of outlays proposed and outlays recommended under the village and small industries sector.

(Rs. lakhs)

Industries	1988-89	1989-90	
	Approved Outlay	Proposed	Recommended
Small Scale Industries	354.00	565.00	423.00
Handicrafts	339.00	448.00	330.00
Handlooms	160.00	222.00	170.00
Sericulture	182.00	200.00	200.00
Khadi & Village Industries	17.00	20.00	17.00
Total :	1052.00	1455.00	1140.00

14.4 The Working Group observed that compared to the Seventh Plan target, the physical achievements in terms of production and employment under most of the sub-sectors have not been impressive. In the Handloom sector, the achievement is far below the target fixed for the Seventh plan inspite of 94% utilisation of the Seventh Plan outlay of Rs. 5.70 crores during the first four years of the Plan. The State Government is requested to furnish revised figures.

14.5 The various incentive schemes at State and district levels appeared overlapping and number of these schemes would need to be reduced.

14.6 In the handicrafts sector, though the outlay under training has shown a step-up of 20% per annum, the production shows a step up of only 5% during the same period. And this sector incurred a loss of Rs. 40 lakhs last year. Thus close monitoring and promotion of marketing is suggested as follow up measures.

14.7 In the sericulture sector, to promote rapid growth, training facilities at various levels were being expanded. According to the State Govt., with the Central Sericulture project proposed to be taken up with the World Bank Assistance, sericulture industry would grow up

more. For this, additional outlay of Rs 200.00 lakh has been proposed for 1989-90.

14.8 State Government was suggested to streamline schemes in handloom and KVI sector so that inputs at higher level could be effectively absorbed to increase production and earnings of artisans.

Transport

15. Outlays proposed by the State Government, provision recommended by the Working Group for different programmes in the Transport Sector during 1989-90 and provision in current year are as under:

<u>Programme</u>	<u>1988-89</u> Outlay	<u>(Rs Lakhs)</u> <u>1989-90</u>	
		as proposed by the State Govt.	as recommended by Working Group
Roads & Bridges	2850	3484	3400
Road Transport	494	560	538
Inland Water Transport	700	800	800
Tourism	1900	2266	2150
Total	5944	7110	6888

Main issues in this sector are as under:-

Roads & Bridges

(i) there is a heavy spill over of schemes. As on 1985, 1088 works were continuing of which about 411 have been completed by 1988. Another 207 works will be completed by 1989-90 which means about 470 works will spill over to the 8th Plan. The total cost of these spill over schemes as on 1.4.1985 was about Rs 120 crores.

(ii) the state has lagged behind in the completion of the MNP target.

(iii) there are ^a number of dilapidated timber bridges needing immediate attention. In the case of Kashmir, 11 projects have been taken over of which only 3 are completed and in case of Jammu, 9 projects are still in progress.

Road Transport

(iv) There are ^a large number of overaged buses and fleet utilisation has slightly improved.

(v) J&K-SRTC continued to incur losses though State raised the fare last year.

Inland Water Transport

(vi) An outlay of Rs. 20 lakh was proposed for comprehensive study to be done by RITES on the Dal-Nagin-Jhelam stretch. This project is yet to be examined in depth and cleared by the Planning Commission.

(vii) The revised cost of Tulbul Navigation Project is Rs. 38.33 crores as against the original cost of Rs. 30 crores. The likely date of completion of Stage-I is May, 1990 and of Stage-II December 1991. The work at present has been suspended due to termination of contract of the existing company.

Tourism

(viii) The tourism sector needs reorientation as to its prospectives and direction. New areas be developed in an integrated fashion so that they form a small complete resort which can attract foreign tourists.

(ix) The air facilities to Srinagar need augmentation specially in the tourist season.

(x) J.K. T.D.C. is now earning a marginal profit of Rs. 2 lakhs as against losses incurred in the previous years. The cumulative loss amounts to Rs. 40 to 50 lakhs.

(xi) SKICC has been continuously losing. Income from it is about Rs. 15 lakhs where as the maintenance itself comes to Rs. 18 lakhs. Till today no international convention has been held in this complex.

Science, Technology & Environment

16. Against the agreed Seventh Plan outlay of Rs. 2 crores, the anticipated expenditure during the first four years of the plan is only Rs. 1.04 crores which is about 50% of the total Seventh Plan outlay. For the Annual Plan 1989-90, the State Government proposed Rs. 1.34 crores against which the Working Group recommended Rs. 95 lakhs. The Government of J&K has set up a separate Deptt. of Science, Technology and Environment as well as a Science and Technology Council under the chairmanship of the Chief Minister to identify the areas for the application of S&T to develop and to implement effectively such programmes.

16.1 State Government may inter-act with the Central Ministry of Environment and Forests for effective environmental information collection, collation and dissemination. An environmental status Report of the State may be prepared in consultation with the Ministry of Environment and Forests on urgent basis.

Education 17. A provision of Rs. 40.04 crores (Rs. 38.49 crores in Category A and Rs. 1.55 crores in Category B) has been recommended by the Working Group as against the proposed outlay of Rs. 40.57 crores and the approved outlay for the current year of Rs. 29.20 crores as under:

<u>Sub-head</u>	<u>1988-89</u> approved outlay	<u>1989-90</u>	
		Proposed by State	Recommended by Working Group Cat. 'A' Cat. 'B'
General Education	2462	3554	3358 100
Technical Education	146	153	150
Sports & Youth Services	242	266	266 50
Art & Culture	70	84	75 5
Total:	2920	4057	3849 155

17.1 Under Elementary Education, there is likely to be shortfall in the target of enrolment of girls. So, provision of incentives has been suggested by the Working Group. For non-formal Education Centres, an additional amount of Rs. 25 lakhs has been recommended. Thus, an outlay of Rs. 1340 lakhs has been recommended as against Rs. 1240 lakhs proposed for elementary education.

17.2 For Secondary Education, the State Government has got a recommendation for Rs. 1250 lakh against a proposal of Rs. 1300 lakh. And it was suggested that outlay for construction of school-buildings in the next year's plan may be kept at the current year's level.

17.3 In Adult Education, the proposal of Rs. 75 lakhs to establish 250 Jan Shikshan has been supported by the Working Group and it was suggested that the State should fully utilise the funds under the projects sanctioned by the Central Government and target should be increased.

17.4 With regard to University Education, the Working Group has recommended Rs. 6 crores and suggested that amount for building may be kept at current year's level.

For Jammu University, a provision of Rs. 2 crores under Prime Minister's Special Programme has been made. But they need additional Rs. 1.63 crores to complete the project already initiated against which Working Group recommended 1/2 crore under Category 'B'.

17.5 All the programmes under Technical Education, are of continuing nature and a total outlay of Rs.150 lakhs has been recommended against a proposal of Rs.153 lakhs.

17.6 In Art & Culture, the Working Group did not favour the proposal of the State Government for inclusion of new scheme of opening of Block Libraries.

Health

18. In the Health Sector, the Working Group has recommended a total outlay of Rs.2000 lakhs for the year 1989-90 as against the proposal of Rs.3049 lakhs. The approved outlay for the current year is Rs.1909 lakhs. The break-up of the outlays proposed and recommended are as under:

<u>Sub-heads</u>	(in lakhs)		
	1988-89 approved outlay	1989-90 Outlay proposed by State Govt.	Outlay recom- mended by W.G.
1. Minimum Needs Programme	639.34 (570.00)	884.98	700.00
2. Hospitals & Dispensaries	154.11	294.30	170.00
3. Training Programme	11.75	13.54	13.00
4. ISM & Homoeopathy	13.00	35.00	17.00
5. Other Programmes	47.63	108.31	20.00
6. Medical Education & Research	961.00	1627.00	1000.00
7. State Share of Centrally Sponsored Schemes -			
a) NMEP	27.93	28.25	55.00
b) National TB Control Programme	7.22	7.25	25.00
8. Control of Communicable Diseases	47.02	50.33	-
Total:	1909.00	3048.96	2000.00

(Figure in bracket indicates outlay approved by Planning Commission)

The major issues are as follows:

1. Expenditure undertaken in MNP is not commensurate with the expansion in rural health infrastructure. It may be due to the diversion of plan funds to non-plan activities.
2. The State has proposed to purchase eighteen ambulances for the PHCS. But at present only six have been recommended.

3. The performance of the National TB Control Programme in the State is not up to the mark. The progress of both the Blindness Control and Leprosy Eradication Programmes is satisfactory.

18.1 The State Government proposals under the MNP aggregated to Rs. 885 lakhs which the Working Group has placed at a somewhat lower level of Rs. 700 lakh. The targets under MNP for the year 1989-90 proposed and recommended are as under:-

	Target (1989-90)	
	Proposed by State	Recommended by Working Group
1. Sub-centres	375	516
2. Primary Health Centres	58	56
3. Community Health Centres	1	-

Water Supply & Sanitation

19. The Working Group recommended an outlay of Rs. 44.64 crores under category 'A' and Rs. 5 crores under category 'B' against the State Government's proposal of Rs. 44.56 crores for 1989-90. The approved outlay for 1988-89 is Rs. 3886 lakhs. The details are as under:

(Rs. lakhs)

	Annual Plan Outlay 1989-90		
	Proposed	Recommended by W.G.	
		Cat. A	Cat. B
<u>1. Rural Water Supply (MNP)</u>			
i) Works	2100	2000	200
ii) Operation & Maintenance	-	240	-
<u>2. Urban Water Supply</u>	814	814	300
<u>3. Urban Sanitation</u>			
i) Sewerage/drainage	738	600	-
ii) Low Cost Sanitation	-	10	-
<u>4. Rural Sanitation</u>	-	10	-
<u>5. Direction & Administration Survey & Investigation etc.</u>	804	790	-
Total :	4456	4464	500
Of which MNP	2100	2250	200

It was stated by the State officers that due to difficult terrain and inaccessibility, all the problem villages would not be covered during the VIIIth Plan; about 700 problem villages would spillover to the Eighth Plan.

19.1 About cost effectiveness of rural water supply scheme, the State Government officers assured that all-out efforts would be made. On maintenance, it was reported that entire expenditure is under non-plan expenditure. Enhancement of tariff for urban water supply is also reported to be under serious consideration.

19.2 The State Government has proposed an outlay of Rs. 21 crores for works under State Sector MNP for rural water supply schemes during 1989-90 to cover 253 problem villages. After discussing the matter in detail, an outlay of Rs. 20 crores in Category A and Rs. 2 crores in Category B was recommended for works under State Sector MNP. For operation and maintenance of assets already created under State sector MNP, Rs. 2.40 crores has been agreed to for 1989-90. Thus the total recommended outlay for MNP aggregate to Rs. 22.40 crores.

19.3 The Working Group has noticed that the progress of rural sanitation is very slow - and thus it requires enough attention. An outlay of Rs. 10 lakhs has been recommended for the construction of about 300 units of low cost sanitary latrines. It was also noticed that State Govt. has not paid any attention to the urban low cost sanitation system. An outlay of Rs. 10 lakhs has been recommended for the construction of about 250 low cost sanitary latrines. All out efforts should be made to involve the community in the implementation of low cost sanitation. Two important recommendations have been made:

- (i) In order to make the rural water supply scheme cost effective, sample checking be done jointly by the Planning Commission and Department of Rural Development.
- (ii) Tariffs for urban water supply must be enhanced considerably immediately under due intimation to the Ministry of Urban Development and Planning Commission.

Special Component Plan for Scheduled Castes

20. The size of the Special Component Plan for 1989-90 at Rs.22.72 crores indicated by the State Government as the flow from the proposed State Plan outlay of Rs. 621.40 crores is hardly 4% of the Plan while the percentage of the Scheduled Castes to the total population of the State is 8.3% and compared to that, the flow of funds under SCP is considered low.

SUMMING UP

21. In so far as the resources position for next year's plan is concerned, the FR Division have estimated the same at Rs. 446.52 crores shown in brief in the table below:

(Rs. crores)

	Seventh Plan 1987-88		1988-89		1989-90
	Original	Pre-Actual	Original	Anti. Exptr.	Estimate
Plan Outlay	1400.00	375.00	398.00	450.00	621.40
			(10.50 APA)	455.16	563.15
State's own resources	(-) 438.68	(-) 17.59	(-) 69.51	(-) 66.52	(-) 1.43

(Rs. crores)

	Seventh Plan 1985-90	1987-88		1988-89		1989-90 Estimate
		Original	Pre-Actual	Original	Anti, Exptr.	
Central Assistance	1838.68	392.59	429.34	516.52	521.68	447.95
Aggregate Resources	1400.00	375.00	359.83	450.00	355.72	446.52
Surplus/Deficit in Resources	-	-	(-)38.17	-	(-)99.44	(-)174.88 ^{1x} (-)116.63 ^{2x}

1/ Proposed by State Government.

2/ Recommended in aggregate by the Sectoral Working Groups.

1x corresponds to 1/above.

2x corresponds to 2/above.

The State Government representatives, however, pointed out that the gap on non-plan revenue account amounting to Rs. 44.59 crores would need to be bridged from some source or the other, or else the plan resources would have to be cut into. In view of the matter having been settled at the level of the IX Finance Commission and the Government of India, that gap cannot be allowed to impinge on plan resources.

21.1 It would, thus, be seen that even after treating the non-plan revenue gap at zero i.e. not allowing any capital receipts to be diverted to meet that gap, the available resources fall short of even the plan at the current year's level by about Rs. 9 crores. If the planning exercise for the coming year has to proceed smoothly and the momentum of development process saved from being administered a rude shock, the resources for the plan would need to be augmented substantially.

21.2 As a result of the detailed, sector by sector discussions with the officers of the State Government and the concerned Advisers in the Planning Commission, I am of the view that plan resources should at least be augmented by about Rs. 50 crores or so by means of ARM measures and from such other sources as can be tapped/mobilised by the government. In my view, it would be difficult to draw up a plan which would protect the basic development goals and strategies of the State at less than that level.

21.3 The total plan proposals of the State Government add up to Rs. 621.40 crores as against the current year's outlay of Rs. 455.16 crores. The recommendations of the various Working Groups total up to Rs. 552 crores in Category 'A' and Rs. 11.15 crores in Category 'B' (resources permitting). Thus, if the State Government is in a position to find resources to finance a plan of around Rs. 500 crores and none of these are allowed to be pre-empted to meet the non-plan revenue gap, there will still be a need to cut down the outlays as recommended by the Working Groups by about Rs. 50 crores. The Sector

../-

by sector analysis indicates that such cuts should apply mainly to the following sectors :

- (a) Power;
- (b) Industry;
- (c) Education; and
- (d) Untied Funds.

The expenditure in the power sector has exceeded the Seventh Plan outlay of Rs. 278.22 crores by about Rs. 40 crores in the first four years of the plan itself. More or less similar is the case with education. Development expenditure in the Industry & Mineral sector would amount to Rs. 67 crores during the four-year period against the Seventh Plan outlay of Rs. 72.75 crores. The need for untied funds for decentralised planning is not contested but then given the resource crunch and the ongoing commitments, the only possibility is for the State Government to consider transferring some of the plan activities from State departments to district level alongwith the funds and thereafter allowing them flexibility in choice of projects/schemes/outlays or to cut into some other programme/project to release resources for untied district funds.

21.4 The size of the plan for 1989-90 for Jammu & Kashmir should therefore, be determined keeping the foregoing facts and analysis in view. Sectoral and scheme-wise allocations would be finalised in consultation with State Government once the size of the plan is arrived at.

285
2/2/89

Draft Annual Plan 1989-90 - Jammu & Kashmir
Outlay and Expenditure

Statement

(Rs. Lakhs)

Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed outlay	Actual Expd. 1985-86	1986-87	5.	6.	7.	8.	9.	10.
				Anti. Expd. 1987-88	1988-89	1989-90			
				App- roved outlay	App- roved outlay	Proposed Rec- ommended by working groups.			
				Cat. A	Cat. B				
	2.	3.	4.	5.	6.	7.	8.	9.	10.
I. AGRICULTURE & ALLIED ACTIVITIES									
Crop Husbandry	4730	940	1246	1456	2095	1922	2535	2255	2/
Soil & Water Conservation	1250	230	247	325	335	333	408	389	
Animal Husbandry	2500	451	555	806	759	759	1057	835	136
Dairy Development	371	34	95	45	90	90	300	100	
Fisheries	450	85	100	110	125	125	150	150	
Forestry & Wild Life	3392	767	872	864	973	961	1239	1200	
Plantations	-	-	-	-	-	-	-	-	
Food, Storage & Warehousing	400	75	76	215	138	138	165	142	
Agricultural Research & Education	1450	269	405	516	609	640	738	728	
Agricultural Financial Institutions	32	3	13	14	20	35	50	40	
Other Agricultural Programmes:									
(a) Marketing & Quality Control	400	42	199	110	130	706	378	270	95
(b) Others (to be specified)	-	-	-	-	-	-	-	-	
Cooperation	650	120	131	155	190	218	362	215	
Total (I)	15625	3016	3939	4616	5464	5927	7382	6324	231

-/-

Statement (Contd.)
(Rs. Lakhs)

Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed outlay	Actual Expd. 1985-86	1986-87	1988-89	Anti-Expd. 1987-88	Approved outlay	Proposed working Groups	1989-90	Cat.A	Cat.B
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	10.
II. RURAL DEVELOPMENT										
Special Programmes for Rural Development										
(a) Integrated Rural Development Programme (IRDP) & Allied Programmes	1125	275	310	303	295	308	324	158		
(b) Drought Prone Area Programme (DPAP)	487	147	98	98	98	200@	+200@	111	107	
(c) Integrated Rural Energy Programme (IREP)	50	-	-	4	25	25	30	25		
<u>Rural Employment</u>										
(a) National Rural Employment Programme (NREP)	850	336	675	925	199	199	220	303		
(b) Other Programmes (Like Employment Guarantee Scheme etc. to be specified)	-	-	-	-	-	-	-	-		
Land Reforms	500	99	109	114	127	121	137	130		
Other Rural Development Programme (Incl. Community Development and Panchayats)	900	194	170	183	206	225	283	226	57	
<u>Total (II)</u>	<u>3912</u>	<u>1051</u>	<u>1362</u>	<u>1627</u>	<u>1150</u>	<u>1176</u>	<u>1505</u>	<u>949</u>	<u>57</u>	<u>57</u>
III. SPECIAL AREA PROGRAMMES										
Ladakh Sub-Plan	9590	1852	2116	2360	2490	2725	3505	2641	-	-

Statement (Contd.)

- 3 -

Major Head/Minor Head of Development	(Rs. Lakhs)									
	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
		Seventh Plan (1985-90) Agreed outlay	Actual Expd. 1985-86	1986-87	Anti. Expd. 1987-88	Approved outlay 1987-88	1988-89	1981	1989-90	Proposed Recom-mended by working groups Cat.A Cat.B
IV. IRRIGATION & FLOOD CONTROL										
Major & Medium Irrigation	5286	1385	1453	1640	1600	1512	1981	1866		
Minor Irrigation	4200	1178	1008	1320	1239	1415	1582	1532		
Command Area Development	550	95	101	100	92	97	121	108		
Flood Control (incl. antisea erosion etc.)	2000	430	514	506	596	608	841	800		
Total (IV)	12036	3088	3076	3566	3527	3632	4525	4306		
V. ENERGY										
Power	27822	5016	6701	8024	12100	12310	16188	14900		
Non-conventional sources of Energy	110	30	9	25	30	32	40	30		
Total (V)	27932	5046	6710	8049	12130	12342	16228	14930		
VI. INDUSTRY & MINERALS										
Village & Small Industries	3400	848	773	895	1052	1101	1455	1140		
Industries (other than village & small industries)	3500	008	629	653	667	912	1382	1350		
Weights & Measures	25	4	5	6	8	9	15	10		
Mining	350	54	135	125	156	179	423	400		
Total (VI)	7275	1614	1542	1679	1883	2201	3275	2900		

-/-

Statement (Contd.)

- 4 -

(Rs. lakhs)

Major Head/Minor Head of Development	1989-90											
	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.		
	Seventh Plan (1985-90) agreed outlay	Actual Expd. 1985-86	Actual Expd. 1986-87	Anti. Expd. (1987-88)	Approved outlay (1987-88)	Approved outlay	Anti. Expd.	Proposed outlay	Proposed outlay	Proposed outlay by working groups	Cat.A	Cat.B
VII. TRANSPORT												
Ports & Light Houses	-	-	-	-	-	-	-	-	-	-	-	-
Shipping	-	-	-	-	-	-	-	-	-	-	-	-
Civil Aviation	-	-	-	-	-	-	-	-	-	-	-	-
Roads & Bridges	8450	1886	2789	3088	2850	3117	3484	3400 ^{3/}				
Road Transport	2220	444	444	477	494	493	560	538				
Inland Water Transport	2350	501	650	350	700	700	800	800				
Other Transport Services (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (VII)	13020	2831	3883	3915	4044	4310	4844	4738				
VIII. COMMUNICATIONS												
IX. SCIENCE, TECHNOLOGY & ENVIRONMENT												
Scientific Research (incl. S&T)	100	5	-	10	21	25	20					
Ecology & Environment	100	-	2	28	38	109	75					
Total (IX)	200	5	2	38	59	134	95					
X. GENERAL ECONOMIC SERVICES												
Secretariat Economic Services	100	16	30	24	39	37	12	12				
Tourism (incl. Parks & Barden)	3050	475	853	1954	1900	2515	2266	2150				
Surveys & Statistics	-	-	-	-	-	-	50	44				

Major Head/Minor Heads of Development	(Rs. lakhs)									
	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
	Seventh Plan (1985-90) Agreed outlay	Actual Expd. 1985-86	Actual Expd. 1986-87	Actual Expd. 1987-88	Anti. Expd. 1987-88	Approved outlay 1987-88	Proposed outlay 1988-89	Proposed outlay 1989-90	Recommended by working Groups	
Social Security & Welfare	253	250	260	114	135	189	155			
Nutrition	755	124	165	262	233	288	297			
Other Social Services (to be specified)	-	-	-	-	-	-	-			
Total (XI)	45410	8079	9840	12088	12300	14256	15884	14198	797	
XII. GENERAL SERVICES										
Jails	-	-	-	-	-	-	-	-	27A	
Stationery & Printing	150	23	30	40	41	65	79	79		
Public Works	1625	332	354	534	454	560	920	520	30	
Other Administrative Services										
Institute of Management for public administration	75	14	29	28	35	59	131	43		
Total (XII)	1850	369	413	602	530	684	1130	913	30	
Grand Total	140000	27442	33766	40518	45516	49864	62140	55200	1115	

2/ Excluding applied Nutrition.

1/ Includes Rs. 100 lakhs for Growth Centre.

3/ Includes Rs. 65 lakhs for State Motor Garages.

4/ Includes Rs. 55 lakhs for fire Service.

* Includes Rs. 500 lakhs for Carton Projects and Rs. 16 lakhs for Indo-Bulgarian Project.

@ For economic assistance to displaced persons of 1947.

££ Annual Plan 1988-89 was enhanced from Rs. 450 crores to Rs. 455.16 crores as a result of additional central assistance of Rs. 5.16 crores (for Carton Project Rs. 500 lakhs and Indo-Bulgarian Project Rs. 16 lakhs.)

£ Including Craftsman training.

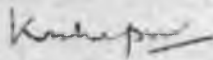
£££ For special Employment Programme.

MOST IMMEDIATE

PLANNING COMMISSION
(State Plans Division)

Subject: ANNUAL PLAN 1989-90 - KARNATAKA

A copy of the report of Dr. D.N. Prasad, Adviser (State Plans), on the Annual Plan 1989-90 of Karnataka is circulated herewith. This will form the basis of discussion between the Minister of Planning/Deputy Chairman, Planning Commission and the Chief Minister, Karnataka to be held on Wednesday, the 18th January, 1989 at 3.30 P.M. in Room No.130, Yojana Bhavan, New Delhi.


(K.N. Kapoor)
Senior Research Officer

Deputy Chairman	
Minister of State	<u>Ministry of Finance</u>
Members	Shri J.L. Bajaj, Jt.Secy. (FB)
Secretary	Deptt. of Economic Affairs
Special Secretary	Shri G. Haldea, Director (PF)
Advisers	Dept. of Expenditure (4 copies)
Consultant (LEM)/(PP)	
Joint Secretary (SP)	<u>Ministry of Programme Implementation</u>
Chief (Science)	Shri D.Y. Manawwar, Addl. Secy.

Planning Commission Cir.No. PC(P)2/KRT/88, dated 18.1.1989

Copy for information to :

PS to Deputy Chairman
PS to Minister of State
PS to Secretary to the PM
Prime Minister's Sectt., New Delhi

Copy also to :

Joint Advisers
Deputy Advisers
Information Officer
SRO/RO concerned in State Plans Division
Liaison Officer, Govt. of Karnataka
New Delhi (10 copies)

Planning Commission
(State Plans Division)

Annual Plan 1989-90 - Karnataka

Report of Adviser (SP) - Dr. D.N. Prasad

Introductory

Karnataka has a population of 371 lakhs and an area of 1.92 lakh sq. kms. The density of population is 194 sq. kms. which is lower than the national average of 221 per sq. km. 15 per cent of the population consists of Scheduled Castes while 4.9 % belongs to Scheduled Tribes. The literacy percentage is 38.5, slightly ahead of the national average of 36.2%, 80% of the area is rainfed.

Plan Perspective

2.1 The per capita Plan outlay in the State over the years is as shown in the following table:
(in rupees)

<u>Per capita Plan outlay</u>	<u>Karnataka</u>	<u>All States/UTs average</u>
First Plan (1951-56)	25	26
Second Plan (1956-61)	38	54
Third Plan (1961-66)	102	86
Three Annual Plans (1966-69)	62	61
Fourth Plan (1969-74)	119	125
Fifth Plan (1974-79)	304	302
Sixth Plan (1980-85)	583	670
Seventh Plan (1985-90)	830	1022
Annual Plan (1985-86)	161	174
Annual Plan (1986-87)	185	207
Annual Plan (1987-88)	206	238
Annual Plan (1988-89)	209	251

2.2 The position of outlays approved for the Seventh Five Year Plan and the Annual Plans 1985-86 to 1988-89 as also the proposed outlay for the Annual Plan 1989-90 is as under:

	(Rs. crores)
<u>Seventh Plan (1985-90)</u>	
Originally approved outlay	3500.00
Revised outlay	3575.00
<u>Annual Plan 1985-86</u>	
Approved outlay	651.00
Actual expenditure	637.67
<u>Annual Plan 1986-87</u>	
Approved outlay	765.00
Actual expenditure	696.17
<u>Annual Plan 1987-88</u>	
Originally approved outlay	870.00
Revised outlay	769.45
Actual expenditure (prov.)	702.10
<u>Annual Plan 1988-89</u>	
Approved outlay	900.00
Anticipated expenditure	926.61

Annual Plan 1989-90

Outlay proposed by State Govt. (inclusive of supplementary proposals of Rs.100 crores)	1100.00
Outlay recommended by Working Groups.	1095.49

Of the total proposed outlay of Rs. 3575 crores expenditure of Rs.2962.55 crores will be incurred in the four years. This leaves a balance of Rs.612.45 crores for 1989-90.

2.3 The proposals made by the State Government for their Annual Plan 1989-90 were discussed in the Working Groups on 13th December, 1988 as also in the wrap-up discussion convened subsequently by Adviser(SP) on the following day. The recommendations made by the Working Groups for the Annual Plan 1989-90 of Karnataka total up to Rs.1095.49 crores under Cat.'A' and another Rs.15.79 crores under Cat.'B'. The break-up of the proposed outlay by broad heads of development, together with the corresponding recommendations made by the concerned Working Groups are as under:-

Major Head	Seventh Plan Agreed Outlay	Actual Expenditure 1985-86	Actual Expenditure 1986-87	Actual Expenditure 1987-88	1988-89 App. Anti. Outlay	1989-90 Proposed outlay (Revised)	of which 90% of the total	Recommended by Working Group	
I. Agri. & Allied Activities	30000	4782	5634	5768	6532	6639	7454	949	7797
II. Rural Dev.	17100	4190	3994	7313	6722	7405	7670	-	7579
III. Spl. Area Programme	-	-	-	-	-	-	-	-	-
IV. Irri. & Flood	74000	12700	15470	13227	19718	18756	23174	20908	22366
V. Energy	80100	14442	14047	14452	20790	20812	29649	23505	31164
VI. Industry & Minerals.	24700	4996	4880	5305	5833	6791	6092	1956	6220
VII. Transport.	24300	4503	4809	4264	5267	5260	5929	6595	6919
VIII. Communication	-	-	-	-	-	-	-	-	-
IX. Science Tech. & Envirnt.	400	66	76	73	100	92	110	1	110
X. General Services.	2900	644	556	3492	3741	5395	4193	85	570

1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
XI Social Services.	93200	15981	18074	14550	19662	19646	22924	10260	25019
XII General Services.	110800	1463	2077	1766	1635	1865	1805	12	1805
Grand Total	357500	63767	69617	70210	90000	92661	110000	64271	109549

Note: A provision of Rs. 1579 lakhs has also been recommended under Cat. 'B'.

Seventh Five Year Plan (1985-90) 3.1 An outlay of Rs. 3575 crores (Revised) was approved for the Seventh Five Year Plan of the State which was to be financed as under:

	(Rs. crores)
I. State's own resources (excluding additional resources mobilisation)	1119.84
II. Additional Resource Mobilisation	1581.43
Total	<u>2701.27</u>
III. Central Assistance (Net)	873.73
Aggregate Resources	<u>3575.00</u>

The average per capita outlay, in Karnataka is Rs. 830 during the Seventh Plan as against all India Rs. 1022. The original size of the State's Seventh Plan was Rs. 3500 crores.

3.2 At the instance of the State Government, the size had been revised upwards from the originally approved level of Rs. 3500 crores to Rs. 3575 crores. The additionality of Rs. 75 crores is sought to be funded out of additional resource mobilisation of the like amount, taking the total ARM effort of the State during the Seventh Plan period to Rs. 1581.43 crores.

Main objectives of the Seventh Plan 4.1 The Seventh Plan of Karnataka closely follows the main objectives of the Seventh Plan Approach paper namely, food, productivity, employment and poverty alleviation. The main objectives of the Karnataka Seventh Plan area:

- accelerating the growth of the State economy;
- alleviating poverty and other acute forms of deprivation;
- reinforcing the provision of social goods and services; and
- reducing inequalities by providing economic opportunities for socially disadvantaged groups and consolidating the efforts of past investment by emphasising productivity and efficiency.

4.2 These objectives are sought to be realised through

- (i) direct poverty alleviation programmes;
- (ii) provision of social goods and services through expanded minimum needs programme which act as a catalyst for the development of human resources;
- (iii) increased employment opportunities, which will be enlarged by strengthening the viability of village and small industries as well as by making wage employment available on a wider scale within the rural economy; and
- (iv) increased productivity of land which will be attempted to be raised through an integrated package of programmes for the development of dry land agriculture, for which a proven and viable technology has emerged.

4.3 The above strategy has been sought to be reflected in the pattern of investment envisaged in the State's Seventh Plan. Thus, major expansion thrust are proposed in rural development programmes, social and community services, agriculture and allied activities, transport and power.

Annual Plans
1985-86 to
1987-88

5. The level of approved outlays together with actual expenditure incurred during the three Annual Plan periods are indicated below:

	(Rs. crores)		
	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
(a) Approved outlay	651.00	765.00	870.00
(b) Actual expenditure	637.67	696.17	702.10* (prov.)

*The State Govt. have reported Rs. 702.10 crores. According to FR Division, this is 709.45 crores.

Annual Plan
1988-89

6.1 The Annual Plan 1988-89 of Karnataka was fixed at Rs.900 crores which was to be financed as under:

	(Rs. crores)
I. State's own resources	703.94
II. Addl. Resource Mobilisation	-
Total	<u>703.94</u>
<u>III. Central Assistance</u>	
a) Normal assistance	203.74
ii) Assistance for externally aided projects.	16.95
iii) Adjustment of Advance Plan assistance(-)	0.50
iv) Adjustment of relief assistance (-)	24.13
Total (III)	<u>196.06</u>
Aggregate Resources	<u>900.00</u>

6.2 The level of anticipated expenditure during the current year is placed at Rs.926.61 crores implying an excess expenditure of Rs. 26.61 crores. The pace of expenditure indicate that there will be shortfall in some sectors such as, Irrigation and Flood Control, Transport and Science, Technology & Environment. However the likely expenditure in respect of some other sectors like agriculture and allied activities, rural development, energy and Industry & Minerals, will be significantly higher than the approved levels.

6.3 The estimates of resources as envisaged for the Annual Plan 1988-89 and as reassessed in financial resources discussion on 25th November, 1988 are given in the table below:-

	(Rs. crores)		
	Annual Plan	As now assessed	Improvement/ Deterioration
I. Plan outlay	900.00	903.66	(+) 3.66
II. <u>Funding</u>			
1.State's resources	703.94	576.56	(-) 127.38
2. Central assistance (normal plan)	196.06	196.56	(+) 0.50
3. Advance Plan Assistance -	-	2.44	(+) 2.44
Total resources	900.00	775.56	(-) 124.44
4. Carry forward deficit 1987-88		(-)17.24	(-) 17.24
5. Aggregate Resources	900.00	758.32	(-) 141.68
6. Gap in resources	-	(-)145.34	(-) 145.34

6.4 The State Government anticipates an expenditure of Rs.926.61 crores i.e., an excess expenditure of Rs.26.61 crores. However, assessment of financial resources on 25th November, 1988 revealed a gap of Rs.109.37 crores for funding a plan size of Rs.900 crores. According to FR Division, the overall deterioration of Rs. 109.37 crores is partly offset by (i)Rs.29 crores under PF and (ii)Rs.44 crores under miscellaneous capital receipts. By setting off these improvements the net shortfall works out to Rs. 38.79 crores. The State Govt. will have to limit the plan expenditure to the level of resources mobilised.

Annual Plan 1989-90 and resources for the Plan.

7. For the year 1989-90 the State Government has suggested a plan size of Rs. 1100 crores, for Annual Plan 1989-90, which is a step-up of 22.2 % over the preceding year's approved outlay. Resources for the year, however, have been assessed at Rs.921.56 crores. This includes State's own resources of Rs.676.10 crores and Central assistance of Rs.245.46 crores.

Points made by the State Govt.

8.1 During the wrap-up discussion on the State Plan on the 14th December, 1988, the inadequacy of financial resources for the plan funding was discussed with the State representatives, notably Additional Chief Secretary cum Commissioner for Planning and Finance Secretary.

8.2 The State representatives emphasised that, following the commitments made by the State Govt. during the Annual Plan discussion last year, they have made sincere efforts to mobilise additional resources by improving collection of the various taxes such as sales tax, revenue, excise, motor vehicles tax as also improving efforts for increasing small savings. During the next financial year also, the State Government will continue these efforts. They, however, pressed that the Central Government should also help the State in its resources position by (i) rescheduling of Government of India loans to the State Government, (ii) increasing the share of the State in the total market borrowings, (iii) increasing the State's share of Central assistance and Central taxes and Central Plan assistance, (iv) permitting the State public enterprises to float bonds on as attractive terms as Central Government undertakings, (v) permitting State Government 100 per cent benefit of external aid received for specified projects.

Central Assistance

9. Out of normal Central assistance of Rs.767.72 crores during the Seventh Plan, the State Government would already be availing of Rs. 700.51 crores (i.e. Rs. 154.19+163.71 + 178.87 + 203.74=700.51) during the first four years of the Plan. The proposed assistance for 1989-90 has been kept at Rs.214.95 crores.

Additional
Resources
Mobilisation

10.1 During the first four years of the Plan period the State has exploited the scope for raising additional resources through revision of sales tax, excise duties, MVT, tax on goods and passengers, electricity rates, bus fare, stamps and registration fee, entertainment tax and tax on profession. Of a target of Rs. 1581.43 crores of ARM (net) during the Seventh Plan, the achievement has been given as under:-

	(Rs. in crores)	
1985-86 (actuals)	89.14	
1986-87 (actuals)	154.09	
1987-88 (pre actuals)	316.04	
1988-89 (estimates)	447.91	

Plan size
1989-90

10.2 The State Government have proposed an outlay of Rs. 1100 crores, envisaging a step up of 22.2 per cent over the Current Year's outlay. The outlays recommended by the Working Group on various sectors add up to Rs. 1095.49 crores, the break up of which is given in the Table under para 2.3.

/to

10.3 The resources identified by the Working Group on Financial Resources amount to Rs. 940 crores. The State Government will have to raise additional resources of the order of Rs. 160 crores to sustain the size of plan proposed. A ten per cent step up of investment will amount to a size of Rs. 990 crores only involving a modest additional resource mobilization effort of Rs. 50 crores.

/up

SECTORAL HIGHLIGHTS

Agriculture &
Allied Activities

11.1 Karnataka is one of the leading states in the country in many spheres. In the field of agriculture its performance in oilseeds particularly has been most commendable both in terms of gross production as well as in productivity. Among commercial crops too the cotton production in the state has made good progress.

Financial

progress

11.2 The financial progress of the Agriculture sector and allied activities in the State during the Seventh Plan is as under:-

	(Rs. lakhs)
Seventh Plan outlay	30000
Likely expenditure during 1985-89	22823
Approved outlay/anticipated expenditure during 1988-89	6532/6639
Proposed outlay 1989-90	7454
Recommended outlay 1989-90	7797

Physical Progress

11.3 Based on the past performance of different crops in the State, the Working Group scaled down the proposed production target in respect of certain crops like rice and increased the targets in the case of coarse cereals like Jowar, Bajra and Maize. Similarly production targets of pulses was also raised to 750 thousand tonnes from 727 thousand tonnes. Accordingly, the foodgrains production target in 1989-90 moved upto 8250 thousand tonnes. In oilseeds production the State could exceed the Seventh Plan target in the third year itself of the Plan.

11.4 The physical targets in respect of important agricultural development programmes are as under:-

Item	Unit	7th Plan targets 1985-90	Annual Plan 1987-88 Achi.	Annual Plan 1988-89 Tar- get	Annual Plan 1989-90 Ach. target proposed	Recommended by Working Group	
1.	2.	3.	4.	5.	6.	7.	8.
<u>Production of Foodgrains</u>							
Rice	'000 Tonnes	3247	1865	2527	2391	2527	2525
Wheat	"	216	156	211	211	211	225
Jowar	"	2104	1697	1971	1982	1977	2000
Bajra	"	432	250	242	236	242	250
Maize	"	837	510	699	517	699	750
Other cereals	"	2264	1237	1741	1473	1741	1750
Total Cereals	"	9100	5715	7397	6678	7397	7500
Pulses	"	900	716	727	638	727	750
Total foodgrains	"	10000	6431	8124	7316	8124	8250
<u>Commercial Crops</u>							
a) Major oilseeds "							
Ground nut	"	962	924	1002	1002	1032	1075
Castor seed	"	43	24	17	17	18	18
Sesamum	"	71	70	60	60	62	62
Rape seed &	"	3	5	17	17	18	5
Mustard							
Linseed	"	22	11	17	17	18	18
Total (a)	"	1101	1030	1101	1101	1135	1178
(b) Other oilseeds							
Soyabean	"	10	5	11	11	11	11
Sunflower	"	225	409	317	317	326	326
Safflower	"	105	114	112	112	115	115
Niger seed							
Others	"	27	12	12	12	12	12
Total (b)	"	367	540	452	452	465	465
Total All Oilseeds (a + b)	"	1468	1571	1553	1553	1600	1643

	1.	2.	3.	4.	5.	6.	7.	8.
Sugarcane (cane)	'000 tonnes	15400	13000	15200	15200		15400	15400
Cotton	Lakh bales	11.12	4.60	5.37	8.00		8.00	8.00
3. Improved Seed								
(i) Production of seeds								
Total (i)	'000 tonnes	52.70	19.44	10.80	75.00		122.30	122.30
(ii) Distribution of seeds								
Total (ii)	"	49.30	30.05	43.91	33.44		45.91	95.00
4. Chemical Fertilisers								
Total (MPK)	"	730	558	670	723		730	750
5. Plant Protection Pesticides consumption (TGM)								
	"	4.5	4.5	4.2	4.2		4.3	4.3
6. Total Area under HVV								
	'000 hec.	3854	2932	3560	3138		3580	3580

Crop Husbandry

Working

11.5 The total outlays on crop husbandry was raised by the Group from Rs.1731 * lakhs to Rs.1983 lakhs. The Working Group has reported that the proposed outlay for World Bank aided National Agriculture Extension Project was Rs.347 lakhs only, which is a nominal allocation. Since the project is stated to be under implementation and involves a committed expenditure as per World Bank Agreement for which adequate amount has to be provided, the Working Group decided to recommend an outlay of Rs.550 lakhs. Further, the proposed

* Outlays revised by the State Govt. through supplementary proposals.

outlay for buffer stock of seeds with the KSSC was also for a nominal provision of Rs.1 lakh. Realising the need of buffer stocking of seeds in the State, the Working Group recommended an outlay of Rs.50 lakhs for 1989-90.

Soil Conservation

11.6 According to the State representatives, special attention is being paid to soil and water conservation programme in the State since more than 80% of the cultivable land in Karnataka falls in the low rainfall zone. Out of the estimated area of around 68 lakh hectares, as much as 34 lakh hectares has already been treated so far.

11.7 Commending the performance of Karnataka in regard to soil and water conservation programmes, the Central Govt. representative from the Department of Agriculture and Cooperation, observed that the physical targets fixed for soil conservation do not appear to be commensurate with the outlays asked for, considering the average cost norms of Rs.2500 per hec. for non-hilly regions, and Rs.3500 - 4000 per hec. for hilly regions. It was pointed out that it was necessary to ensure physical targets and achievements on the lines of guidelines sent to the States by the Deptt. of Agriculture & Cooperation.

11.8 It was explained by the State representatives that most of the soil conservation measures pertain to Western Ghats where unit cost of Soil Conservation is as high as Rs.8000 per hec. The physical targets had accordingly been brought down.

11.9 The Working Group recommended an outlay of Rs.1403 lakhs for 1989-90 against the proposed outlay of Rs.1102 lakhs. This was on account of increased outlay for meeting (i) committed expenditure for World Bank aided Kebbalwala Project from 100 lakhs to 200 lakhs (b) raising outlay for NWDP from Rs.270 lakhs to Rs.450 lakhs and (c) raising outlay on CSS of assistance to small and marginal farmers for land development / from Rs.110 lakhs to Rs.131 lakhs.

Animal Husbandry

11.10 Seventh Plan outlay is Rs.1200 lakhs, of which Rs.695 lakhs were incurred during the first three years. The anticipated expenditure for 1988-89 is Rs.435 lakhs against approved outlay of Rs.434 lakhs. An outlay of Rs.689 lakhs was recommended for 1989-90.

Dairy
Development

11.11 The Seventh Plan outlay is Rs.1500 lakhs, of which expenditure of Rs.693 lakhs has been incurred during past 3 years. The approved outlay of Rs.260 lakhs is likely to be fully utilized during 1988-89.

11.12 The representative of the Karnataka Dairy Development Federation urged for early clearance of their proposal for setting up of new milk processing plants to boost up dairy development activities and economic viability of the Dairy Federation and various milk plants in the State.

An outlay of Rs.260 lakhs was recommended for Dairy Development.

Fisheries

11.13 The Working Group observed that the progress in general was slow. The fish production and fish seed production have fallen short of Seventh Plan target by 10 per cent to 15 percent.

11.14 As upto 1988-89 an expenditure of Rs. 1148 lakhs had been incurred out of the total plan provision of Rs.2000 lakhs in the Seventh Plan. The proposed outlay of Rs.381 lakhs was recommended by the Working Group.

Forestry &
Wild Life

11.15 The forest area in the State is 20% of the total geographical area and per capita forest area works out to about 0.10 hectare against national average of 0.11 hect.

11.16 An outlay of Rs.1589 lakhs has been recommended against proposed outlay of Rs.1590 lakhs. The physical targets set for 1989-90 are higher than the current year's targets.

Storage &
Warehousing

11.17 An outlay of Rs.20 lakhs had been proposed by the State Govt. for annual plan 1989-90, against approved outlay and anticipated expenditure of the same order during 1988-89. Against the envisaged construction of additional ware-housing capacity of 75,000 tonnes during the 7th Plan, 60,000 tonnes capacity had been constructed by the end of 1987-88. It was reported that additional capacity of 20,000 tonnes is likely to be constructed during 1988-89, thus exceeding the 7th plan target. In view of this, ~~only~~ only a small programme of construction of 5000 tonnes capacity was recommended for 1989-90. As against Rs.20 lakhs proposed, the Working Group recommended reduced outlay of Rs.10 lakhs.

Agricultural
Marketing

11.18 The State Govt. proposed to set up additional 9 sub-markets during the annual plan 1989-90 in addition to the existing 244 sub-markets set up in the State by the end of 1987-88 and additional 6 proposed by the end of 1988-89 and it was also proposed to continue existing schemes of agricultural marketing. The Working Group therefore agreed to the proposed outlay of Rs.9 lakhs against approved outlay and expenditure of Rs.7 lakhs.

Agricultural
Financial
Institutions

11.19 An outlay of Rs.240 lakhs had been proposed by the State Govt. for 1989-90 against approved outlay of Rs. 230 lakhs and anticipated expenditure of about Rs. 239 lakhs during 1988-89. Out of the proposed outlay of Rs.240 lakhs, Rs.220 lakhs related to purchase of debentures of land development banks and another Rs. 20 lakhs for share capital assistance to regional rural banks. The above proposed outlay for Rs.240 lakhs were approved.

Cooperation

11.20 The State Govt. had sent modest proposals in respect of outlays for various cooperative programmes for annual plan 1989-90 amounting to Rs.667.53 lakhs as against approved outlay and anticipated expenditure

of Rs. 863 lakhs during the current year. It was observed that no outlay was proposed for share capital contribution to IFFCO's Fertiliser Plant. The Working Group recommended Rs. 25 lakhs for this purpose. Against proposed outlay of Rs. 868 lakhs an outlay of Rs. 693 lakhs was therefore recommended.

ural
evlopment

12.1 During the current year 1988-89 expenditure on this sector is likely to exceed the approved outlay because of excess expenditure of IRDP and NREP. The actual expenditure is likely to be Rs. 7405 lakhs against the approved outlay of Rs. 6722 lakhs. For the annual plan 1989-90, the Working Group has recommended an outlay of Rs. 7579 lakhs inclusive of Rs. 72 lakhs for Integrated Rural Energy Programme against the proposal of the State Govt. of Rs. 7670 lakhs (which includes supplementary proposal of Rs. 60 lakhs for development of Western Ghat) under Rural Development sector.

IRDP

12.2 For 1989-90, the basis of allocation of central funds (in respect of subsidy under IRDP) to the State would be the incidence of poverty alone. The tentative Central share as worked out by the Working Group for Karnataka for IRDP main programme works out to Rs. 1722.17 lakhs. The Working Group recommended Rs. 2042.50 lakhs for IRDP and Allied Programmes for 1989-90.

12.3 Regarding physical programme under IRDP it was reported that all the old beneficiaries available in the State would be covered during 1988-89 on poverty basis and no old beneficiary would remain to be covered during 1989-90.

DPAP

12.4 The State Govt. has proposed an outlay of Rs. 722 lakhs under the Programme and the same was recommended.

NREP

12.5 The State Govt. proposed an outlay of Rs. 1716.26 lakhs for 1989-90. It was observed that the Deptt. of Rural Development had revised the outlay upwards and kept it at the level of Rs. 1723 lakhs. Since this is to be matched by the State, the same level of outlay i.e. Rs. 1723 lakhs has been recommended.

REGS

12.6 The scheme of Rural Employment Guarantee Scheme is a supplementary state sector wage employment scheme operating on pilot basis in 6 talukas of the State. This was on the pattern of employment guarantee scheme of Maharashtra but no unemployment allowance was admissible under this scheme.

The proposed outlay of Rs.102 lakhs for 1989-90 was recommended because it was equal to the level of approved outlay for 1989-89.

RLEGP
(Group
Housing)

12.7 The State Govt. was providing funds to meet the excess non-wage cost of house and school buildings being constructed under the main RLEGP (100% central). The approved outlay under this scheme for 1988-89 was Rs.46 lakhs. The same outlay was recommended for 1989-90 against the proposed Rs.50 lakhs.

Land
Reforms

12.8 Against the approved outlay of Rs.122 lakhs for 1988-89, the proposed outlay of Rs.116.62 lakhs for 1989-90 has been recommended.

Community
Development
& Panchayats

12.9 Under community development and panchayats, against the proposed outlay of Rs.2758.80 lakhs the recommended outlay is Rs.2754.85 lakhs. It was reported that an amount exceeding Rs.2600 lakhs has to be spent on works and activities taken up by Zila Parishads and Mandel Panchayats and the balance was towards expenditure on the salaries and allowances.

Irrigation,
Flood Control
& CAD

13.1 The outlays proposed and recommended by the Working Group in respect of this sector for annual plan 1989-90 are as under:-

(Rs. crores)

	Proposed by State	Recommended by Working Group
Major & Medium	177.40*	161.30
Minor Irrigation	35.00	44.52
Flood Control	0.75	0.75
CAD	18.59	17.09
	<u>231.74</u>	<u>223.66</u>

* Includes supplementary proposals of Rs.18.00 crores received from State Govt.

13.2 The Working Group on I&CAD have noted that the State representatives had informed that their proposal for additional Rs.18 crores is for the Upper Krishna Project. There are two projects which are funded/proposed to be funded by the World Bank of which one is Upper Krishna Project Stage I Phase II and the other is the National Water Management Project. The State Govt. proposed an outlay of Rs.56 crores for Upper Krishna Project and suggested that another Rs.18 crores also should be made available to honour the commitments to the World Bank. The Working Group recommended Rs.74 crores for this project. It is reported by the Working Group that the Deptt. of Economic Affairs also proposed that an outlay of Rs.15 crores to Rs.18 crores has to be provided in the plan in addition to the requirements of the project in the normal way. Regarding the other project for which an outlay of Rs.11.25 crores was suggested by DEA the State Govt. wanted Rs.8 crores only to be provided as the work relates to the modernisation of existing projects. The Working Group recommended Rs.8 crores for the project.

<u>Power</u>	VII Plan Outlay	Likely expdtr. for 4 years (1985-89)	% utilisation of VIIth Plan outlay	(Rs. lakhs)
				Balance left for 1989-90
1.	80000	63655	79.6	16345

14. As against the current year's approved outlay of Rs. 20780 lakhs, the outlay proposed by the State Govt. for the annual Plan 1989-90 is Rs. 29605 lakhs including Rural Electrification (620 lakhs). The recommended outlay by the Working Group is of the order of Rs. 31125 lakhs inclusive of outlay for Rural Electrification (Rs.720 lakhs) Broad item wise details of the proposed outlay and the recommended outlay by the Working Group for 1989-90 is shown below:-

	<u>Proposed by State</u>	<u>Recommended by Working Group</u> (Rs. Laks)
1. Generation	18595	18255
II. Transmission & Distribution & Capacitor Installation	9240	10000
III. Rural Electrifi- cation, Survey & Investigation, KEB Diesel/Gas Power and Installation of SFC sets.	1770	2150*
Grand Total KPC+KEB	<u>29605</u>	<u>30405*</u>

*Excluding Rural Electrification

Rural
Electrifi-
cation

15.1 The proposed and recommended outlays are as follows:- (Rs. lakhs)

	<u>Proposed outlay</u>	<u>Recommended outlay</u>
Rural Electrification	620	720
NCES	44	39
IREP	68	71

15.2 Out of the total 27028 villages, 26170 villages have been electrified upto March, 1988 achieving 96.8% level of electrification. Against the total potential of 6.0 lakhs pumpsets 5.86 lakhs pumpsets have been energised upto March, 1988. In view of the heavy pending demand for pumpsets, the potential for pumpsets energisation is more and there is a need to re-assess the ground water potential.

A scheme of
the State

15.3 The Bhagya Jyoti is similar to the Kutir Jyoti scheme started by the Centre from the current year and the beneficiaries are charged at the rate of Rs. 2.50 per month for consumption charges and Rs. 2.50 per month as recovery of the loan given for installation.

15.4 The major programme under NCES is for biogas for which funds are provided under State sector. Programmes such as solar thermal, wind energy and photovoltaics are funded by DNES. The outlays required under the State Plan are for direction and administration of the biogas programme.

15.5 The Non-Conventional Energy Programme, except biogas was not picking up as there was no separate agency for these programmes. A Cell for Rural Energy Development Agency (CREDA) has been set up for which Rs. 5.0 lakhs have been provided for 1989-90, in addition to a sum of Rs. 2.0 lakhs for improved chullahas.

15.6 The Planning Commission has sanctioned nine blocks but actual programme has been taken up in 8 blocks by the Government. The IREP programmes consist of optimal use of all type of energy sources conventional and non-conventional and not only non-conventional energy sources as indicated in the State Plan document. The IREP cells have to be made operational. The posts have not been filled up as yet, even though 100% grant is being provided under the Centrally Sponsored Scheme.

Large & Medium Industries

16.1 As compared to the 7th Plan outlay of Rs. 90.00 crores, the anticipated expenditure during first four years on large and medium industries is Rs. 86.83 crores which is about 93.5% of the plan outlay. For the Annual Plan 1989-90, the State Government proposed an outlay of Rs. 24.23 crores for this sector. The Working Group recommended Rs. 24.00 crores including Rs. 8 lakhs for weights and measures.

Growth Centres

16.2 The National Committee for Development of Backward Areas recommended inter-alia the establishment and development of growth centres.

The Working Group recommended an outlay of Rs. 1.5 crores for the purpose.

Village & Small Industries

16.3 Against the 7th Plan outlay of Rs. 152.00 crores, the likely expenditure during the first four years of the Plan would be around Rs. 131.72 crores representing about 86.7% of the total 7th Plan outlay. The State Government has proposed an outlay of Rs. 35.99 crores against which the Working Group has recommended an outlay of Rs. 36.00 crores. Rs. 35.00 crores.

Transport & Tourism

17.1 An outlay of Rs. 243.00 crores was approved for Transport Sector in Karnataka for the Seventh Plan. The utilisation during the first four years of the Plan is reported to be Rs. 188.36 crores (inclusive of anticipated expenditure of Rs. 52.60 crores for 1988-89) i.e. 77.5 per cent of the approved outlay in the Seventh Plan. Against the proposal of Rs. 69.29 crores for 1989-90, the Working Group has recommended an outlay of Rs. 69.19 crores. The break-up of the recommendations of

the Working Group is as given below:-

(Rs. crores)

	Proposed	Recommended by the Working Group
	-----	-----
1. Ports & Lighthouses	3.50	3.50
2. Roads & Bridges	46.31	46.31
3. Road Transport	19.00	19.00
4. Inland Water Transport	0.12	0.12
5. Traffic Control	0.36	0.26

Tourism

18.1 The proposed outlay of Rs.1.55 crores for tourism was recommended.

19.1 Against the agreed Seventh Plan outlay of Rs. 4.00 crores, the anticipated expenditure during the first four years of the Plan is only Rs.3.07.. crores, which is about 76.8% of the total Seventh Plan outlay. S & T Programmes were initiated in a big way in the Sixth Plan and thereafter they slackened. The State Govt. discontinued many schemes which were initiated in the beginning of the Seventh Plan. As the schemes were considered useful for the people of the State, the State Govt. may consider these schemes in the Eighth Plan.

19.2 For the Annual Plan 1989-90 the outlay of Rs.110 lakhs suggested for Science, Technology & Environment Sector (Rs.80 lakhs for Scientific Research and Rs. 30 lakhs for Ecology and Environment programmes) was approved.

Science,
Technology &
Environment

Education

19.3 The State Govt. proposed an outlay of Rs.37.51 crores for 1989-90 on Education against which the Working Group recommended an outlay of Rs.36.97 crores. Sub-headwise break-up of the recommendation of the Working Group is given below:-

(Rs. lakhs)

<u>Sub-head</u>	<u>Proposed by State</u>	<u>Recommended by Working Group</u>
Elementary Education	906.24	1056.00
Adult Education	240.00	268.00
Secondary Education	1426.09	1280.00
University Education	562.00	477.00
Other Programmes	48.00	48.00
<u>Total General Education</u>	<u>3132.37</u>	<u>3129.00</u>
Technical Education	163.00	163.00
Art & Culture	248.00	248.00
Sports & Youth Affairs	157.80	286.00
<u>Grand Total</u>	<u>3701.17</u>	<u>3697.00</u>

* The Working Group also recommended Rs.175 lakhs for Secondary Education and Rs.376 lakhs for University Education under Category 'B'.

Elementary Education

19.4 Under Elementary Education, it is observed that the outlays and physical targets have been reduced. It was explained by the State representatives that through implementation of Operation Black Board, Higher targets than proposed would be achieved. The proposed target of enrolment of 2.57 lakh children was supported.

Adult Education

19.5 Under Adult Education Programme, State Govt. had not made any provision for the Jan Shikshan Nilayams. Even the number of centres under Akshar Sena have been reduced. The Working Group recommended an additional amount of Rs.28 lakhs for opening 200 Jan Shikshan Nilayams under State sector and a physical target of 9.43 lakh adults for Annual Plan 1989-90.

Technical Education

19.6 The proposed outlay under Technical Education was very low in view of the need for modernisation, new courses to be introduced and strengthening of students' hostels, etc. The State representatives assured that they receive adequate support from central & Centrally sponsored schemes. The proposed outlay of Rs.163 lakhs was agreed to.

Sports & Youth Services

19.7 Under Sports & Youth Services, it was observed that to cover 9600 students under NSS, the share of the State has not been taken into account.

Art & Culture

19.8 The proposed outlay of Rs.248 lakhs for the scheme of Art & Culture was supported.

Medical &
Public
Health

20.1 The plan provision and expenditure under this head are as under:-

	(Rs. lakhs)
7th Plan outlay	11800
Actual expenditure during 3 years 1985-88	5755
Approved outlay 1988-89	2916
4 years expenditure (1985-89)	8700
Proposed outlay 1989-90	3589
Recommended by Working Group	3241

20.2 The physical performance in the health sector can be seen from the table below:

Item	No. as on 1.4.85	7th Plan 1985-90 Target (Addl.)	Likely to be achieved 1985-89	Balan- ce for 1989-90	Target 1989-90 proposed by State
1. Sub-centre	4964	2061 (2166)	866	1195	-
2. Primary Health Centres	365	774 (340)	480	294	294
3. Community Health Centres	98	58 (37)	38	20	20

Figures in bracket indicate target as now indicated by the State.

Water Supply & Sanitation

21.1 Against the 7th Plan outlay of Rs. 36500 lakhs the expenditure expected during the first four years (1985-89) is of the order of Rs. 15394 lakhs which is 42.2% of the 7th Plan outlay. Approved outlay/ anticipated expenditure for 1988-89 amounts to Rs. 4874 lakhs. The proposed outlay for 1989-90 is Rs. 6306 lakhs against which the Working Group has recommended Rs. 5256 lakhs.

Rural Water Supply

21.2 The State Govt. have indicated that out of the 7th Plan outlay of Rs. 12635 lakhs for rural water supply under MNP the anticipated expenditure amounts to Rs. 7640 lakhs, which is 60.5% of the 7th Plan outlay. The outlay proposed by the State Govt. for 1989-90 is Rs. 2230 lakhs. The Working Group has recommended the same.

Physical Performance

21.3 The physical status of problem villages in the State is as under:-

- | | |
|--|--|
| 1. Total No. of problem villages (PVS) as on 1.4.85 | 5410 |
| 2. PVS covered during Ist 3 years i.e. 1986-88 | 5230 |
| 3. PVS likely to be covered during 1988-89 as indicated by State Govt. (including partially covered villages to full coverage. | 7897
(2984 under MNP
4913 under ARWSP) |

The W.S. unit has pointed out that inconsistency has been observed in the statistics of coverage of problem villages in the State. State Govt. may sort out the discrepancies and intimate correct position to Deptt. of Rural Development under intimation to Planning Commission.

Urban Water Supply & Sanitation

21.4 The State Govt. has proposed for urban water supply an outlay of Rs. 25.30 crores for the Annual Plan 1989-90 and the same was recommended.

21.5 For urban sanitation against the proposed outlay of Rs.4.99 crores for the Annual Plan 1989-90 the Working Group recommended Rs.4.49 crores.

Housing
including
Jails &
Police Housing
& Urban
Development

21.6 As compared to the 7th Plan outlay of Rs. 151.00 crores on Housing & Urban Development the anticipated expenditure during the first 4 years in the state is placed at 134.17 crores, which is 88.9% of the approved outlay. For 1989-90

the State Govt. have proposed an outlay of Rs. 32.95 crores for housing including jails and police housing and Rs.6.47 crores for urban development. The Working Group recommended Rs.32.45 crores for housing including jails and police housing and 6.33 crores for urban development.

Welfare of
SCs, STs
& OBCs

22.1 Against the 7th Plan outlay of Rs.48.00 crores the likely expenditure during the first 4 years (1985-89) would add upto Rs.58.43 crores, which is higher than the 7th Plan outlay. The Working Group recommendation is Rs.19.58 crores against the proposed outlay of Rs.19.59 crores for the Annual Plan 1989-90.

Labour, 23.1 The Working Group on Labour and Labour Welfare
Labour welfare sector and Special Employment programmes
& Special recommended an outlay of Rs. 446.96 lakhs for
Employment labour and labour welfare and Rs. 493.57 lakhs
Programme for Special Employment Programmes.

Nutrition & 24.1 The State Government proposed an outlay of
Civil Supplies Rs.4073.20 lakhs for Civil Supplies(Public
Distribution System) and Rs.623 lakhs for
Nutrition.

24.2 The Working Group on Public Distribution System have pointed out that the State Government have provided a subsidy on distribution of food-grains to the poor which is not admissible as an item of Plan expenditure. In other States also where such schemes are being implemented, the expenditure is booked as non-Plan. The Working Group on Social Welfare & Nutrition have, however, pointed out that they have been, in the past, clearing a scheme under the head 'Nutrition for the poor' and there is no objection for providing Rs.4073.20 lakhs proposed in addition to Rs.623.07 lakhs proposed for nutrition.

24.3 In view of the differences of opinion of the two Working Groups, the issue was also discussed in the wrap-up meeting where the State Government emphasised that in view of the past practice, they should be permitted to book this expenditure in the Plan under the head 'Nutrition for the poor'. The practice being followed in Karnataka is not quite correct in principle. However, since they have been permitted to book this expenditure under 'Nutrition for the Poor' in the earlier years of the Plan, they may be permitted, as an exception, during the last year of the Seventh Plan.

24.4 An outlay of Rs. 4738.20 lakhs was recommended.

25.1 The Working Group recommendations in respect of other components of Social and Community services as also the other remaining sectors are set out under col. 9 of the statement appended as 'annexure!

Minimum Needs Programme

26.1 Against State's proposals of Rs. 14527 lakhs different Working Group have recommended Rs. 14515 lakhs for various MNP components. Once the overall plan size is fixed, the MNP components can be sorted out with State officials. The itemwise break-up is, however, given below:-

(Rs. lakhs)

<u>Name of the Programme</u>	<u>Proposed Outlay</u>	<u>Recommended by Working Group</u>
Rural Electrification	620	720
Rural Fire Wood	92	92
Rural Roads	1559	1559
Elementary Education	906	1056
Adult Education	240	268
Rural Health	1958	1640
Rural Water Supply	2230	2230
Rural Sanitation	47	47
Rural House sites-cum-construction scheme		
a) Allotment of sites	156	156
b) Construction assistance	1629	1629
c) Sub-Total	1785	1785
Environmental Improvement of Slums	394	380
Nutrition	620	720
Public Distribution System	4696	4738
<u>Total</u>	<u>14527</u>	<u>14515</u>

753
25
728

Annexure

Statement

Draft Annual Plan 1989-90 - Outlays and Expenditure - KARNATAKA

(Rs. Lakhs)

Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed Outlay	1985-86	1986-87	1987-88 (Prov.)	1988-89 Approved outlay	1989-90 Proposed outlay	1989-90 Recommended outlay by State V.G.
	2	3	4	5	6	7	8

I. AGRICULTURE & ALLIED ACTIVITIES

Crop Husbandry	8750	1230	1212	1490	1694	1694	2106*	1983
Soil & Water Conservation	2100	426	780	1023	1154	1154	1102	1403
Animal Husbandry	1200	171	221	303	434	435	689	689
Dairy Development	1500	154	279	260	260	260	260	260
Fisheries	2000	280	258	219	332	391	381	381
Forestry & Wildlife	6200	1306	1176	1125	1238	1238	1590	1589
Plantations	-	-	-	-	-	-	-	-
Food, Storage & Warehousing	300	18	20	15	20	20	20	10
Agricultural Research & Education	680	157	209	286	300	339	390*	540
Agricultural Financial Institutions	1240	267	272	226	230	238	240	240
<u>Other Agricultural Programmes</u>								
a) Marketing & Quality Control	30	2	3	5	7	7	9	9
(-) Others (to be specified)								
Cooperation	6000	771	1204	816	863	863	667	693
<u>Total (I)</u>	<u>30000</u>	<u>4782</u>	<u>5634</u>	<u>5768</u>	<u>6532</u>	<u>6639</u>	<u>7454*</u>	<u>7797</u>

*Includes supplementary proposals received from State Government.

Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure 1985-86	1986-87	1987-88	Approved (1988-89)	1989-90	Propo Recomm- ended by State by W.G.
	2	3	4	5	6	7	8
							9

II. RURAL DEVELOPMENT

Special Programmes for Rural Development:

(a) Integrated Rural Development Programme (IRDP) & Allied Programmes	8130	1071	1378	1624	1563	1795	1802	2043
(b) Drought Prone Area Programme (DPAP)	2700	581	597	570	625	635	722	722
(c) Integrated Rural Energy Programme (IREP)	100	0	£	26	90	50	68	72
(d) Western Ghat Development	-	-	-	-	-	-	60*	-

Rural Employment

(a) National Rural Employment Programme (NREP)	5400	1870	1350	2034	1246	1723	1716	1723
(b) Other Programmes (like Employment Guarantee Scheme etc. to be specified)	-	-	103	99	127	102	102	102
RIEGP (Group Housing) Land Reforms	600	112	98	59	125	122	117	116
Other Rural Development Programme (incl. Community Development and Panchayats)	170	556	468	2901	2946	2978	3033	2755
Total (II)	17100	4190	3994	7313	6722	7405	7670*	7579

III. SPECIAL AREA PROGRAMMES

IV. IRRIGATION & FLOOD CONTROL

Major & Medium Irrigation	53800	8696	10508	9761	14370	14370	17740*	16130
Minor Irrigation	15100	2832	3623	2486	3583	2621	3500	4452

*Includes supplementary proposals received from State Government

Major Head/Minor Heads of Development	(Rs. lakhs)				1989-90 Propo- Recomm- State by W,G				
	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure 1985-86 1986-87 1987-88 (Prov.)	Approved outlay 1988-89	Anti- Expdr. by ended					
	2	3	4	5	6	7	8	9	
Command Area Development	4700	1120	1283	953	1690	1690	1859	1709	
Flood Control (incl. anti-sea erosion)	400	52	56	27	75	75	75	75	
<u>Total (IV)</u>	<u>7400</u>	<u>12700</u>	<u>15470</u>	<u>13227</u>	<u>19718</u>	<u>18756</u>	<u>23174*</u>	<u>22366</u>	
<u>ENERGY</u>									
Power	80000	14413	14025	14437	20780	20780	29605*	31125	
Non-conventional sources of energy	100	29	22	15	10	32	44	39	
<u>Total (V)</u>	<u>80100</u>	<u>14442</u>	<u>14047</u>	<u>14452</u>	<u>20790</u>	<u>20812</u>	<u>29649*</u>	<u>31164</u>	
<u>INDUSTRY & MINERALS</u>									
Village & Small Industries	15200	3076	2710	2985	3443	4401	3599	3600	
Industries (other than village & Small Industries)	9000	1907	2161	2302	2313	2313	2415	2400**	
Weight & Measures Growth Centre	-	2	1	5	7	7	8	150	
Mining	500	11	8	13	70	70	70	70	
<u>Total (VI)</u>	<u>24700</u>	<u>4996</u>	<u>4880</u>	<u>5305</u>	<u>5833</u>	<u>6791</u>	<u>6092</u>	<u>6220</u>	
<u>TRANSPORT</u>									
Ports & Light Houses	2800	416	104	197	350	350	350	350	
Shipping	-	-	-	-	-	-	-	-	

* Includes supplementary proposals received from State Govt.

** Including Weights and Measures

Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89	1989-90
			Approved	Proposed	Proposed	Recomm-
			(Prev.) outlay	Expdr. by State	Expdr. by State	ended by W.G.
Civil Aviation	-	-	-	-	-	-
Roads & Bridges	12940	2488	3096	2359	3106	4631
Road Transport	8500	1591	1600	1700	1775	1900
Inland Water Transport	60	8	9	8	11	12
Other Transport Services (to be specified) (Motor Vehicles and Pollution Control)	-	-	-	-	18	36*
Total (VII)	24300	4503	4809	4264	5267	6929
VIII. COMMUNICATIONS @	-	-	-	-	-	-
IX. SCIENCE, TECHNOLOGY & ENVIRONMENT						
Scientific Research (incl S&T)	200	50	52	-	75	-
Ecology & Environment	200	16	24	73	25	92
Total (IX)	400	66	76	73	100	110
X. GENERAL ECONOMIC SERVICES						
Secretariat Economic Services	490	90	55	74	67	87
Tourism	700	138	114	31	150	155
Surveys & Statistics (Including computer centre)	160	16	16	77	39	79
						46*

*Includes supplementary proposals received from State Government.

(Rs lakhs)

Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed outlay	Actual Expenditure 1985-86	1986-87	1987-88 (Prov.) outlay	1988-89 Approved	1989-90 Propo- Recoman- ted by ended State by W.G.
	2	3	4	5	6	7
Civil Supplies	-	-	-	2930	3285	5029
Other General Economic Services (Distt. level sub-plan)	1550	400	371	380	200	50
<u>Total (X)</u>	<u>2900</u>	<u>644</u>	<u>556</u>	<u>3492</u>	<u>3741</u>	<u>5395</u>
<u>XI. SOCIAL SERVICES EDUCATION</u>						
General Education	11200	1332	1717	1900	2786	2987
Technical Education	600	105	155	98	160	135
Sports & Youth Services	650	99	105	92	134	134
Art & Culture	750	261	266	264	246	289
<u>Sub-total (Education)</u>	<u>13200</u>	<u>1797</u>	<u>2243</u>	<u>2354</u>	<u>3326</u>	<u>3545</u>
Medical & Public Health	11800	2326	1853	1576	2916	2945
Water Supply & Sanitation	36500	3016	3277	4227	4874	4874
Housing (Including Jails & Police Housing)	12100	3285	3034	2138	3343	3021
Urban Development (incl. State Capital Projects)	3000	321	471	532	609	615
Information & Publicity	700	113	111	108	180	180
Welfare of Scheduled Castes, Scheduled Tribes & Other Backward Classes	4800	1409	1189	1508	1738	1737
						1959
						1958

*Includes supplementary proposals received from State Government.

-/-

Major Head/Minor Heads of Development	Statement (Rs. lakh.)			
	Seventh Plan (1985-90) Agreed outlay	Actual Expenditure 1985-86	1986-87	1987-88
Labour & Labour Welfare	2800	765	758	805
Special Employment Programme	-	-	-	-
Social Security & Welfare	2600	1146	783	713
Nutrition	5700	1803	4355	589
Other Social Services (to be specified)				
Total (XI)	93200	15981	18074	14550
				19662
				19646
				22924*
				25019

XII. GENERATION SERVICES

Jails	-	-	-	-	-	-	-
Stationery & Printing	275	47	15	36	35	45	55*
Public Works (incl. fire protection services)	10525	1416	2062	1730	1600	1670	1750
Other Administration Services							
Total (XII)	10800	1463	2077	1766	1635	1865	1805*
Grand Total	357500	63767	69617	70210	90000	92661	11000*
							109549

*Includes supplementary proposals received from State Government

State Govt. initially proposed Rs. 3573 lakhs against 'Civil Supplies' and Rs 623 lakhs against nutrition. In supplementary proposals Rs. 500 lakhs additional have been proposed for civil supplies. Against Rs. 4696 lakhs (3573+623+500) total outlay proposed, the Working Group on Social Welfare and Nutrition have proposed Rs 4738 lakhs.

@ Included under Non-conventional Sources of Energy.

£ Shown under Energy. @ Included under 'Roads & Bridges'.

MOST IMMEDIATE

PLANNING COMMISSION
(State Plans Division)

...

Subject : Annual Plan 1989 - 90 - Kerala

A copy of the report of Dr. D.N. Prasad, Adviser (State Plans) on the Annual Plan 1989-90 of Kerala is circulated herewith. This will form the basis of discussion between Minister of Planning/Deputy Chairman, Planning Commission and the Chief Minister, Kerala to be held on 16th January, 1989 at 3.30 P.M. in Room No. 130, Yojana Bhavan, New Delhi.

Parsuram S. Awal
(P.S. Awal)
Deputy Adviser

Deputy Chairman
Minister of State
Members

Secretary
Special Secretary
Advisers
Consultant (LEM)/(PP)
Joint Secretary (SP)
Chief (Science)

Ministry of Finance

Shri J.L. Bajaj, Jt. Secretary (FB)
Deptt. of Economic Affairs.

Shri G. Haldea, Director (PF) - 4 copies

Planning Commission Cir. No. PC(P)2/KRL/88 dated 11.1.1989.

Copy to : Private Secretaries to :

Minister of Planning/
Deputy Chairman
Minister of State

Private Secretaries to :
Prime Minister
Cabinet Secretary

Copy also to :

Joint Advisers
Deputy Advisers
Information Officer
SRO/RO concerned in State Plans Division

Copy to :

Liaison Office, Govt. of Kerala, New Delhi (10 copies).

.....

PLANNING COMMISSION
(State Plans Division)

ANNUAL PLAN 1989-90 - KERALA

REPORT OF ADVISER (SP) - DR. D.N. PRASAD

Introductory

Kerala is the southern-most State of the country, with a population of 254.54 lakhs and a very high density per sq. km. of 655 compared to the national average of 221. There is tremendous pressure on land and all available space is in demand for some purpose or the other. One peculiar feature of Kerala is that the villages (total 1949 in the State) are not in the shape of clusters of houses, instead the homesteads are spread almost all over the countryside. This imposes a certain strain on the provision of civic amenities and other infrastructural services. The main crop is paddy, but the State largely depends on cash crops, the most important of which is coconut. Rubber, cashewnut, cardamom and, to a certain extent, tea are the other important cash crops.

Plan Perspective

2.1 The per capita Plan outlay over the years is as shown in the following table :

Per capita outlay	(in rupees)	
	Kerala	All States/UTs average
First Plan (1951-56) ..	22	26
Second Plan (1956-61) ..	45	54
Third Plan (1961-66) ..	96	88
Three Annual Plans (1966-69) ..	66	63
Fourth Plan (1969-74) ..	121	128
Fifth Plan (1974-79) ..	242	309
Sixth Plan (1980-85) ..	598	683
Seventh Plan (1985-90) ..	741	1054
Annual Plan 1985-86 ..	130	178
Annual Plan 1986-87 ..	140	213
Annual Plan 1987-88 ..	155	245
Annual Plan 1988-89 ..	174	258

2.2 The Seventh Plan outlay of Rs.2100 crores was a step up of 35.5% over the Sixth Plan outlay (Rs.1550 crores). The outlays approved for the Seventh Five Year Plan and the Annual Plans 1985-86 to 1988-89 as also the proposed outlay for the Annual Plan 1989-90 are as under :

		(Rs. crores)
<u>Seventh Plan 1985-90</u>		
Approved outlay	..	2100.00
<u>Annual Plan 1985-86</u>		
Approved outlay	..	355.00
Actual expenditure	..	408.65
<u>Annual Plan 1986-87</u>		
Approved outlay	..	390.00
Actual expenditure	..	427.55
<u>Annual Plan 1987-88</u>		
Approved outlay	..	440.00
Actual expenditure	..	390.43
<u>Annual Plan 1988-89</u>		
Approved outlay	..	500.00
Anticipated expenditure		520.25
<u>Annual Plan 1989-90</u>		
Outlay proposed by State Govt.		620.30
Outlay recommended by Working Groups	..	614.74 (Cat. 'A')

2.3 The proposals made by the State Government for their Annual Plan 1989-90 have been discussed in the Working Groups as also in the wrap up discussion convened subsequently by Adviser (SP). The recommendations made by the Working Groups for the Annual Plan 1989-90 of Kerala total up to Rs.614.74 crores under Category 'A' and another Rs.15.55 crores under Category 'B', as against an amount of Rs.620.30 crores proposed by the State Government. The break-up of the proposed outlay by broad heads of development together with the corresponding recommendations made by the concerned Working Groups, are as under (detailed sectoral outlays given in the statement appended) :- ..

statement next page.../-

(Rs. lakhs)

Major Head	Seventh Actual Expenditure			1989-90 outlay				
	Plan 1985-90 Agreed outlay	1985-86	1986-87	1987-88	1988-89 Anticipated Approved outlay	Proposed Expir. by State	As recommended by Working Group	As recommended by Working Group	As recommended by Working Group
1	2	3	4	5	6	7	8	9
I. Agriculture & Allied Activities	51675	5643	6096	5103	6750	7332	7567	7252
II. Rural Development	12450	2629	2525	2147	2186	2811	4002	2806
III. Special Area Programmes	550	52	100	67	100	100	100	100
IV. Irrigation & Flood Control	38400	7545	6904	6060	7950	8130	9490	9210
V. Energy	39880	6553	6460	6209	10277	7975	13400	13848
VI. Industry and Minerals@	20800	4677	4151	4247	5300	5586	6184	5680
VII. Transport	17350	4584	5942	4196	4701	5708	5785	5735
VIII. Communications	-	-	-	-	-	-	-	-
IX. Science, Technology & Environment	2140	509	617	594	450	471	445	476
X. General Economic Services.	1980	259	567	250	429	389	512	1164
XI. Social Services	41123	7571	8606	9186	11307	12851	13659	14731
XII. General Services.	5650	845	1007	984	550	692	886	472
Grand Totals:	<u>210000</u>	<u>40865</u>	<u>42755</u>	<u>39043</u>	<u>50000</u>	<u>52025</u>	<u>62050</u>	<u>61474</u>

@ Includes provision/expenditure for Weights & Measures.

Seventh Five
Year Plan
(1985-90)

3. An outlay of Rs. 2100 crores was approved for the Seventh Plan of the State to be financed as under:

	(Rs. crores)
I. State's resources (excluding DM)	134.53
..II. Additional Resource Mobilisation	1002.05
Total:	<u>1137.59</u>
III. Deduct: Repayment of overdraft (-)	174.50
<u>State's Total Resources</u>	<u>963.09</u>
IV. <u>Central Assistance</u>	
a) Normal assistance	923.51
b) Assistance for Externally Aided Projects	217.00
c) Deduct: Repayment of Advance Plan assistance for relief works	(-) 3.60
Total:	<u>1136.91</u>
<u>*Aggregate Resources:</u>	2100.00

Past Perform-
mance & Strategy
for the 7th Plan

4.1 Over the years, the development of the State has been mostly in the direction of social consumption implying a high degree of attainment in education and health services, social welfare measures and provision of infrastructure like roads, water supply and electricity. As a result of this, the social consumption of people at all levels of income in Kerala is the highest in the country.

The State's record in agriculture, industrial and employment fields has, however, not been impressive. The agricultural productivity has been low and industrial development has been slow. The incidence of unemployment has been quite high.

4.2 The State Government itself is aware of this lopsided development and has placed before itself the objective of giving priority to programmes for employment generation, special programmes for poor, agriculture and industry. Priority is also being given to an improvement in the quality of social services and consolidation and improved use of physical infrastructure already built.

Annual Plan
1988-89

5.1 The Annual Plan 1988-89 of Kerala was fixed at Rs. 500 crores to be financed as under:

	(Rs. crores)
I. State's total resources (including ARMO)	247.05
II. <u>Central assistance</u>	
i) Normal Assistance	259.31
ii) Assistance for externally aided projects	47.30
iii) Adjustment of advance plan assistance (-)	50.00
iv) Adjustment of relief assistance (-)	3.66
<u>Total:</u>	<u>252.95</u>
<u>Aggregate Resources:</u>	<u>500.00</u>

5.2 The level of anticipated expenditure during the current year is placed at Rs. 520.25 crores, implying an excess expenditure of Rs. 20.25 crores. In terms of the information furnished by the State Government, the expenditure likely to be incurred during the current year in respect of some sectors like Social Services, Transport, Rural Development and Agriculture & Allied Activities will be significantly higher than the corresponding approved level. A sizeable shortfall in expenditure is, however, forecast in respect of the Energy Sector compared to the outlay approved in respect thereof.

Resources
for Annual
Plan 1988-89

/measures

6.00 The trend of resource raising reviewed by the Working Group on Financial Resources indicated shortfall of resources during the current year. The State Govt. will have to take immediate / to raise additional resources otherwise plan size approved for this year will have to be pruned.

Estimate of
Resources &
Plan Size
for 1989-90

7.1 The State's own resources excluding ARMO through fresh measures for next year have been worked out at Rs. (-) 46.52 crores. Taking the likely availability of Central assistance for funding the Annual Plan 1989-90 at Rs. 247.52 crores, the State's total resources insight (excluding ARMO), aggregate to Rs. 201.00 crores only. Subsequently however, the State Govt. have indicated some improvements over the above estimate of Rs. 201 crores as worked out by the Working Group on Financial Resources earlier. The suggested improvements total upto Rs. 209 crores and these would take the total estimated resources of the State during 1989-90 to Rs. 410 crores.

7.2 This leaves a gap of about Rs. 200 crores to finance the outlay proposed by the State Govt. and approved by the Working Groups. Even if the Plan size is limited to ten per cent increase in outlay it will amount to Rs. 550 crores. This leaves a balance of Rs. 140 crores which will have to be raised by the State Govt. These resources can be raised by enforcement in tax collection by tightening machinery raising user charges like bus water and electricity and administrative economies.

/fare,
tariffs

Sectoral Programmes:

8. In the light of the discussions held in the respective Working Groups the main sectoral programmes are discussed in the following paragraphs:

Agriculture &
Allied Acti-
vities.

9.1 The State's economy suffered a serious set back due to severe drought conditions experienced during 1987-88. This had a direct adverse impact on agricultural production. The agricultural economy has not yet fully recovered from the shock caused by the drought conditions in the previous year. Agriculture sector with perennial crops needs longer time to recover from the damage caused to it. Efforts are accordingly being made to step up plan expenditure during the current year and also to sustain the tempo of investment with larger proposed plan allocations during 1989-90.

9.2. Rice is the dominant cereal crop raised in the State. Its production has however been stagnating around 12-13 lakh tonnes during the past decade despite a substantial improvement in rice productivity. This is primarily attributed to a shift in area to the extent of around 2 lakh ha. from the rice crop. Rice production is reported to have become an unattractive proposition compared to many other crops grown in the State. Stabilisation of rice cultivation in the remaining area is considered necessary in view of the economical, social and ecological considerations. This may be possible only through a package of measures capable of making rice production more attractive through cost reduction and increase in productivity.

9.3. The State Govt. is already reported to be proceeding on the above lines. It is indicated that paddy farmers will be organised in groups on a padasekharan basis and location specific strategy is proposed to be launched for each Padasekharan for increasing productivity, depending on local agro-climatic and socio-economic conditions. Infrastructural improvements like irrigation and land development operations like plant protection, weeding and agronomic practices would be organised on community basis. Besides, cropping discipline would be enforced so that farmers would sow, transplant weed, conduct plant protection operations irrigation etc. on a community basis and thereby reduce production expenses.

9.4. The State Govt.'s proposals under agriculture & allied activities have been considered by the Working Group in detail. As against the State proposals aggregating to Rs. 75.67 crores, an outlay of Rs.72.52 crores has been recommended for this sector. In considering these proposals, the Working Group have suggested some modifications in respect of some schemes consistent with the funding requirement of individual schemes as under:-

S.No.	Scheme	Outlay for 1989-90	
		As proposed by the State Govt.	As recommended by the Working Group.
1.	Purchase & distribution of green manures	3.00	5.00
2.	Advance action for the development of Pepper project.	-	1.00
3.	Intensive rice production programme	50.00	65.00
4.	Plant protection	38.80	32.40
5.	Extension and training	13.00	10.00
6.	Share capital contribution to KSCDC	50.00	20.00
7.	Agricultural Research & Education	350.00	30.00
8.	Animal Husbandry	397.00	375.00
9.	Forestry & Wild Life	1885.00	1800.00

Forestry

9.5. The forest area in Kerala is 28.9% of the total geographical area. Most of the forest area is under good tree cover. The per capita forest area is about 0.04 hectare against national average of 0.11 hectare, the low per capita forest area is due to very high density of population.

9.6 Various schemes were discussed with the State Govt. representatives. It was mentioned that the research carried out by Kerala Forest Research Institute should be made use of in the field for various forestry developmental programmes. It was also emphasised that close linkages should be established with this institute.

9.7 Kerala is implementing a World Bank Aided Social Forestry Project which is going to terminate during 1989-90. Though the Department of Economic Affairs has indicated an outlay of Rs.16.00 crores, the State Government has proposed Rs.11.55 crore for this project because with this outlay the physical targets envisaged for the project period would be achieved. In view of this the proposed outlay was agreed to. The scheme of Rural Fuelwood Plantations is also being implemented in the fuelwood Deficit Districts (CSS 50%). Two more Centrally Sponsored Schemes (50%) were also provided matching share as suggested by NWDB representative. These newly agreed schemes are silvi-pastoral farms, area oriented fuelwood fodder projects. There are a number of other plantation schemes such as teak, soft wood, sandal wood, cashew, and quick growing species. The activities under quick growing species were of the order of Rs.0.50 lakh per year whereas for 1989-90 an outlay of Rs.200.50 lakhs was proposed. During discussions it was mentioned by the State Government that this scheme had been proposed mainly for meeting the raw material requirement of paper and rayon mills by raising eucalyptus plantations. Kerala State has very good forests and it was mentioned that the natural forests should not be cut for raising eucalyptus plantations purely for meeting the industrial requirements. An outlay of Rs.97.00 lakh was provided for this scheme with the understanding that no forest areas would be cleared and mono-culture of eucalyptus raised. The physical targets for various schemes were also reviewed and fixed according to outlay proposed.

9.8 The other schemes like Survey, forest resource, communication and buildings, forest conservation and development, world food programme, wildlife preservation etc. were also discussed.

9.9 An outlay of Rs.1800.00 lakh has been recommended against proposed outlay of Rs.1885.00 lakh.

Rural Development.

10.1. Under IRDP, the criteria for allocation of funds during 1989-90 will be on the basis of incidence of poverty. The tentative share for IRDP main programme inclusive of subsidy, TRYSEM and IRDP infrastructure and administrative charges, may come to Rs.935.56 lakhs which was recommended against the proposed outlay of Rs.925 lakhs.

10.2. In case of NREP, the outlay in the State Plan was provided so as to match the tentative Central share for the programme.

10.3. In case of strengthening of Block level administration in the current year, the outlay was Rs. 1 lakh. However, the anticipated expenditure is reported to be Rs.50 lakhs. This is on account of the fact that a number of posts which were created under the scheme of strengthening of Block level administration, were earlier being provided for under

the main IRIP programmes and are now being shown separately under this Centrally sponsored scheme. All the posts are filled up. The Working Group, therefore, agreed to provide an outlay of Rs.50 lakhs for the same - strengthening of Block level administration as proposed by the State Government.

10.4. In case of Land Reforms, the State Government had proposed an outlay of Rs.37 lakhs as against the current year's level of Rs.15 lakhs. The major increase is under the Centrally sponsored scheme of strengthening of revenue administration whereas against the current year's level of Rs.3 lakhs, the proposed outlay for 1989-90 is Rs.25 lakhs. The State Government representatives mentioned that a Committee had gone into the requirement of funds for strengthening of revenue administration which has recommended Rs.120 lakhs project for this work, basically to replace the obsolete and non-functional instruments so as to improve the efficiency and accuracy of survey and settlement operations. The Working Group, therefore, has agreed to provide Rs.12.5 lakhs for this scheme which will be equally matched by the Centre.

10.5 In respect of Panchayati Raj, the State Government had proposed Rs.190 lakhs as against the current year's level of Rs.108 lakhs. The major increase is on account of three programmes: loans and grants to panchayats for taking up works where, against the current year's level of Rs.20 lakhs, Rs.30 lakhs had been proposed; Under the 7-Point Programme, where against Rs.46 lakhs in the current year, Rs.50.80 lakhs had been proposed, and under the new scheme of 11-Point programme where a provision of Rs.61 lakhs had been proposed for the first time. The Working Group felt that keeping in view the resources position, it would not be possible to agree to the increases under the scheme for loans and grants to Panchayati Raj institutions as well as the 7-Point Programme. However, the State Government representatives insisted that the State Government laid great emphasis on the 11-Point Programme for providing amenities at the village level and, therefore, even though it was a new scheme, it may be considered for inclusion in the next year's plan. After much discussion, an outlay of Rs.20 lakhs has been agreed to for the scheme. The working group, however, felt that the 7-Point Programme has become redundant in the context of the new 11-point programme. The working group agreed to Rs.128 lakhs in all, for the programmes under Panchayati Raj.

10.6. In all, a provision of Rs.28.06 crores has been recommended by the Working Group for various programmes grouped under Rural Development during 1989-90. No allocation has, however, been recommended for 'Special employment programme for rural unemployed', due to the overall constraint of resources. It is felt that the proposed new programme could be deferred for being taken up during the Eighth Plan period.

Irrigation

11.1. The proposals of the State as well as the recommendations thereon are indicated in the following statement:

(Rs. crores)

	<u>Outlay for 1989-90</u>	
	<u>As proposed by the State Govt.</u>	<u>As recommended by the Working Group.</u>
Major & Medium Irrigation	58.00	57.85
Minor Irrigation	16.00	15.05
Flood Control	6.90	6.90
CAD Programme	16.00	12.50
Total:	<u>94.90</u>	<u>92.10</u>

11.2 Some of the important points arising from the working group discussion are listed below:

- (1) It was observed that the State would be able to achieve about 112.16 th. ha. of additional potential during the 7th Plan against the target of 190 th. ha. This is attributed to shortage of funds in respect of many of the projects.
- (2) Out of 8 major projects which are on-going since pre-Sixth Plan period, 5 projects were provided with full spillover outlays for completion during the 7th Plan. It was intimated that only 1 project would be completed in all respects during the 7th Plan. However, after detailed discussions it was impressed upon the State Govt. that at least 3 more projects which were in an advanced stage should be completed during the 7th Plan and any additional scope of the projects be taken up in a separate project for the 8th Plan.
- (3) Kallada Irrigation project is World Bank aided for which an outlay of Rs. 20 crores was recommended by the Department of Economic Affairs. On detailed discussion it was found that in order to complete the project with a quicker pace another Rs. 5 crores could be made available to this project. Accordingly, the Working Group recommended an outlay of Rs. 25 crores for the Kallada Project.
- (4) In the case of the Periyar Valley Project it was found that the project could be completed in the early period of the 8th Plan by providing additional outlay during the year 1989-90. Accordingly, an outlay of Rs. 4 crores was recommended for Periyar Valley Project.

(5) 6 projects for which no outlay was provided during the 7th Plan also figured in the plan of the State and outlays were proposed for these. No outlay has been recommended for these as well as 2 major and 2 medium projects.

(8) The Kerala Government is being assisted by the Govt. of India for its anti-sea erosion schemes. Norms have been proscribed for specific works and the quantum and pattern of assistance has also been defined. In the Central Plan of the Ministry of Water Resources an outlay of Rs.12.5 crores has been provided for assistance to Kerala for anti-sea erosion schemes. The State Govt. maintained that the outlays provided were inadequate in the light of the stipulation that the entire work had to be completed during the 7th Plan. The State Govt. provided Rs.5 crores for anti-sea erosion schemes from the State Plan and expected a Central assistance of Rs.7 crores. The State Govt. were advised to take up the issue of central assistance with the Ministry of Water Resources. In so far as the State Plan is the outlay of Rs. 5 crores for anti-sea erosion measures and Rs.1.9 crores for flood control schemes were recommended.

/concerned

The

Minor Irrigation

11.3 Minor Irrigation Class II schemes with people's participation with proposed outlay of Rs. 5 lakhs during 89-90 and minor irrigation in IFO units with proposed outlay of Rs. 50 lakhs for 89-90 were deleted from minor irrigation programmes as these schemes were basically pertaining to agriculture sector. As such, amounts indicated will have to be transferred to agriculture sector. The State Government assured that they would complete all on-going lift and flow schemes by 89-90 for which the outlays as asked for were recommended.

11.4 The State Govt. will pay Rs.2.77 lakhs to Central Ground Water Board for 3 nos. wells which will be taken over by them.

Communal Area Development.

11.5 The State Govt. proposed an outlay of Rs.16 crores for CAD Programme which was discussed in depth and an outlay of Rs. 12.5 crores was recommended by the Working Group. The representatives of the Ministry of Water Resources brought to the notice of the State Govt. that the cost of construction of field channels was of a very high order and they had to look into the same and give an analysis of rates for this item.

11.6 The State Govt. were impressed upon the question of implementing selective lining of field channels. At present there was 100% lining which becomes ineligible for Central assistance, given on a matching basis. They were also advised to look into the question of lining of channels and resort to economic designs.

Power

12.1. The State Government's proposals for 1989-90 for the Power sector (excluding Rural Electrification) aggregated to Rs.127.00 crores as against Rs.98.40 crores approved for 1988-89. The Working Group have, however, recommended a higher outlay of Rs.133.68 crores for different programmes during 1989-90.

12.2. There are significant time and cost overruns in this sector. Time overruns are noted in respect of almost all the on-going projects. This should attract attention of the State Government for appropriate corrective action. Besides, the latest cost indicated for various schemes was much higher than the approved cost estimate. The State authorities have been requested to expedite formulation of RE and arrange appropriate clearance from CEA/Planning Commission. As suggested by the Working Group, the CEA might issue guidelines to all the States in this regard to enable monitoring of physical and financial progress realistically on various on-going schemes.

12.3. Among approved and ongoing major projects, Idamalayar and Idukki Stage II are completed schemes. Under Idamalayar HEP, the outlay of Rs.10 lakhs is for settlement of accounts of completed works, and protection works on downstream of dam. The estimates would be closed by 1989-90. Under Idukki Stage-II, which is a CIDA financed project, the State Government have proposed to cover Azutha Diversion scheme to avail of CIDA assistance. The outlay of Rs.150 lakhs includes Rs.80 lakhs for procurement of spares for generating equipments and Rs.70 lakhs for works on Azutha Diversion scheme. This has been agreed to.

12.4. The other main on-going projects are Sabarigiri augmentation, Kakked HEP, Kallada HEP and Lower Periyar HEP. Under Sabarigiri, the diversion of waters to Pamba reservoir was badly affected due to labour strike and contract failures. These problems are now reported to be over and the works are in progress since November, 1988. The progress of civil works under Kakked has also been very slow primarily because of labour strikes. As a result of this, the commissioning of the two units would slip further from 5/90 and 7/90 to 9/91 and 12/91. In the case of Kallada, the progress of penstock and power house was badly affected by the slow progress of civil works of dam by the State Irrigation Department. There was a problem of leakage of water and because of this, the work could not be started on penstock. Two units under this project are likely to be commissioned in 9/90 and 12/90. Lower Periyar HEP is partly financed by the World Bank for which an agreement was signed in December, 1985. The works on power tunnel were being executed by M/s HCC and were outside the scope of the Aid agreement. These works were scheduled to be completed by 12/90. The works on the dam, surge shaft, pressure shaft, power house, switchyard and allied works, are being executed by NPCC. In terms of the latest commissioning schedule, the three units under this project are likely to get commissioned in 9/91, 12/91 and 3/92. All these projects have been adequately provided for during 1989-90.

12.5. Among new schemes, the State Government have accorded high priority to the gas turbine project at Brahmipuram, Cochin. The feasibility report on this project is reported to be under scrutiny with CEA at present. The project is likely to be assigned to BHEL on turn-key basis. The commissioning of this project is tentatively scheduled for 3/92.

12.6. Under T&D, most of the transmission schemes are to be funded either through World Bank or CIDA. The T&D works have been discussed in detail in the CEA. In consultation with the CEA, an outlay of Rs.66.25 crores has been recommended. During the course of the Working Group discussion, the CEA representative had observed that outlay on World Bank aided transmission schemes associated with Lower Periyar HEP which was scheduled to be commissioned in 1991-92, should be adequately covered. The State authorities have assured that associated transmission system would be completed to match the commissioning of the said project.

Industry Village & Small Industries

13.1 In the VSI Sector, the Working Group have observed that except in small scale industries where progress is satisfactory and Seventh Plan targets were expected to be achieved, physical performance in traditional industries, viz. handlooms and khadi & village industries did not appear to be satisfactory. The State Government have however, explained in this connection that production figures in handlooms segment did not reflect the aggregate picture because they related only to cooperative sector. In any case, they have agreed to look into this aspect and furnish a comprehensive note. It was also stated during the course of the Working Group discussions that the industrial climate in general was conducive to growth because power supply and labour relations had improved as compared to the preceding years. Margin money assistance to units in the sector increased from about Rs.35 lakhs per year a few years ago to Rs.100 lakhs.

13.2- It was pointed out during discussion on handlooms industry that information relating to production and employment in respect of corporate sector and by the looms in the private sector had not been furnished in the document. It was also observed that physical targets set for the terminal year of the Seventh Plan were not likely to be achieved. It was suggested that State share capital contribution of Rs.30 lakhs to Kerala State Handloom Development Corporation proposed for 1989-90 against Rs. 50 lakhs provided in 1988-89 should be linked with marketing efforts of the Corporation. Further, it was reiterated that the State Government should furnish a detailed note incorporating year-wise turnover, overhead expenditure, commercial borrowings etc. of the Corporation, Working of the Corporation should be monitored on quarterly basis and stress should be laid on development of designs and production of high value-added items in handlooms.

13.3 It was felt that village industries like soap, honey, tiles, baking industry etc. have lot of potential for development and providing employment in the State. The representative of Khadi & Village Industries Commission pointed out that working of the Monitoring Board set up in the State to monitor KVI programmes and carry out sample survey of units assisted under the scheme would need to be activated. With regard to coir industry, it was emphasised during the discussion that the implementation of schemes relating to medicare for coir workers, extension of coverage of model coir villages, mechanisation and ensuring availability of husks at reasonable prices to cooperative sector should be implemented vigorously and their progress monitored.

13.3. Sericulture industry is rather in take off stage in the State and is presently confined mainly to three districts covering 1200 acres. It was noted that, besides continuing sericulture and khadi silk programme started in the current year, it has also been proposed to provide financial assistance to growers, payment of subsidy for procurement of rearing equipment and establishment of reeling units. The Working Group have stressed that the programmes of sericulture development should be implemented in consultation with the Central Silk Board by availing benefits from IRDP and NREP schemes as well as assistance from Tribal Sub-Plan and Special Component Plan.

13.5. The total outlay recommended in this sector is Rs21 crores, with the following break-up:

	(Rs. lakhs)	
	1989-90 Proposed by State Govt.	Outlay Recommended by Working Group
1. Small scale industries incl. Industrial Estates	1265.00	1100.00
2. Coir	475.00	430.00
3. Khadi & Village Industries	230.00	180.00
4. Handlooms:	300.00	280.00
5. Powerlooms	30.00	20.00
6. Handicrafts	77.00	65.00
7. Sericulture	40.00	25.00
Total:	<u>2417.00</u>	<u>2100.00</u>

Transports 14.1. In the Transport sector, the State Government's proposals amounted to Rs.60.27 crores. On detailed consideration of these proposals, however, the Working Group have recommended an outlay at Rs.59.56 crores, as under:

(Rs. crores)

	<u>Outlay for 1989-90</u>	
	<u>As proposed</u>	<u>As recommended by the Working Group.</u>
1. Ports and Lighthouses	3.25	3.00
2. Roads & Bridges	45.00	45.00
3. Road Transport	6.60	6.60
4. Inland Water Transport	3.00	2.75
5. Tourism	2.42	2.21
	<u>60.27</u>	<u>59.56</u>

14.2. Under Ports and Lighthouses, the State Government had proposed an outlay of Rs. 325 lakhs against which the Working Group have recommended an allocation of Rs.300 lakhs during 1989-90. Of this, a provision of Rs.95 lakhs is for two minor ports, namely Neandekera Cargo harbour and Beypore cargo harbour and another Rs.10 lakhs for the purchase of survey vessels, electronic equipment and survey instruments.

14.3. Under Roads & Bridges, the suggested outlay of Rs.4500 lakhs included provision for payment of pending bills of about Rs.1000 lakhs besides a sizable allocation for upgradation and development of village roads. The State Government's proposals were considered need-based and endorsed in full. The Working Group has also stressed the need for mechanisation of road construction works.

14.4 In the Road Transport sector, the State Government was hopeful of SRTC making some profit during the current year. It was reported during the course of the discussion that the bus fares were increased in May 1988 from 9.9 paise to 11.7 paise per km. The Working Group was also informed that except under some special categories of staff, there had not been any recruitment of staff during the last three years. Measures like these are sure to add to the profitability of the Corporation. The proposed outlay of Rs.660 lakhs has been retained.

14.5. The outlays recommended for Inland Water Transport and Tourism sub-sectors are Rs.275 lakhs and Rs.221 lakhs respectively.

Science, Technology & Environment Science & Technology

15.1 The Working Group have observed that the financial provision required for the S&T activities is much higher than what has been proposed in the Annual Plan (1989-90) proposals.

15.2. It was also observed during the course of Working Group discussions that the programmes of the various institutes and Research Centres set up are relevant to the State and that there has been a growing confidence among the people of the State on the role of S&T in the developmental activities. The ultimate aim would be to plough the resources of the State from its own investment. Regarding the linkages with the other Departments of the State for dovetailing the S&T programmes, there has been considerable progress. It was further stated that the Institutes and the Centres have Central Government pay-scales for their scientists and as a result of Fourth Pay Commission recommendations, the State Govt. had to incur large sums of money in salary bills alone which was not anticipated in the Seventh Five Year Plan. The Working Group has suggested that during 1989-90, which is the last year of the 7th Plan, it would be necessary to consolidate the existing facilities within the State with a view to see the extent to which they are contributing to the overall development of the State and also enriching the knowledge pool and generating new scientific techniques. The State Government has been requested to send a note regarding the physical and technical progress made on various schemes to enable a realistic assessment being made, as their Annual Plan proposals did not contain any details about this.

15.3. The Working Group had a detailed scheme-wise discussion on the State Government's proposals and agreed to provide an allocation of Rs.358 lakhs under S&T and another Rs.118 lakhs for 'Ecology & Environment'. The latter also includes a provision of Rs.18 lakhs for Integrated Development of Cochin during 1989-90 in terms of the recommendations made by the Centre-State Team on Integrated Development of Cochin and Adjoining Islands, appointed by the Planning Commission.

Social and
Community
Services

Education

16.1 The Working Group on Education recommended an outlay of Rs. 1849.00 lakhs, as against the proposed outlay of Rs. 1990.00 lakhs. In addition, an amount of Rs. 45 lakhs for the State's contribution to the Southern Zonal Cultural Centre was recommended under Category 'B'.

16.2 Under Elementary Education, the State Government needed to provide outlays for Operation Blackboard under State Sector, so as to receive Central assistance. About 205 identified deficient schools (187 rural and 18 urban) required Rs. 29.50 lakhs. The State officials assured that this would be met from the non plan budget. An additional target of enrolment of 56,000 children at middle school level was recommended by the Working Group for Annual Plan 1988-89. Additional provision needed to be made for improving the enrolment in the 35 backward pockets of 7 districts through various incentive schemes.

16.3 Under Adult Education, an amount of Rs. 5 lakhs was recommended for opening of 35 Jyoti Shiksha Nilayams under the 700 existing State Adult Education Centres. As against the proposed coverage of 1.87 lakh adults in the next year, the Working Group recommended 2.21 lakh adults to be covered, under all the Central, State, Voluntary agencies and other programmes.

16.4 Art and Culture : The State was to provide the remaining contribution of Rs. 45 lakhs to the Zonal Cultural Centres. The same was recommended under category 'B' while suggesting a reduction of Rs. 20 lakhs in the proposed outlay of Rs. 210 lakhs.

16.5 Under Technical Education, an outlay of Rs. 700 lakhs was recommended as against the proposed amount of Rs. 810.00 lakhs. The outlays on Technical High Schools was suggested to be shown under Secondary Education. Similarly the Science and Technology Museum could be included under Art and Culture.

Health

16.6 The Working Group has made a detailed examination of the State Government's proposals in the Health Sector. Keeping in view the State's resource position (amount of Rs. 1450 lakhs (which is near the State's current year's level of spending) has been recommended for running the programme during 1989-90. This is against the State Government's proposals aggregating to Rs. 17.22 crores for the various health sector programmes during 1989-90. They have also stressed the need for providing adequately for on-going schemes/programmes and also allowing for minimum critical expansion.

16.7 The Working Group felt that for a worth-while expansion of the State's Health Sector Programmes, particularly for strengthening of MNP and the activities under the Medical Education & Research, an outlay of Rs. 1600 lakhs would be essential.

Out of this extra Rs. 150 lakhs (over and above Rs. 1450 lakhs recommended above) Rs. 50 lakhs would be for strengthening MNP and Rs. 100 lakhs for activities under Medical Education and Research. The Working Group have also indicated that if the State's resource

and an

position comes close to Rs. 620 crores for all sectors, then an amount of Rs. 1720 lakhs would be fully justified for Health Sector as per State Government's proposal.

16.8 It may be noted that there has been a tremendous shortfall in expenditure incurred under MNP during the first four years of the 7th Plan. The State is accordingly requested not to divert any money from this earmarked outlay and the lapses occurring in MNP sector should be corrected in the last year of the 7th Plan with the assurance that it will not be repeated during the 8th Plan.

Housing & Urban Development

16.9 In the Housing sector, the State Government's proposals had aggregated to Rs. 1450 lakhs as against which the Working Group have recommended slightly a lower outlay of Rs. 1400 lakhs. The suggested reduction of Rs. 50 lakhs is for HBA; i.e. Rs. 200 lakhs to Rs. 150 lakhs.

16.10 The State Govt. proposed an outlay of Rs. 150 lakhs against police housing for upgradation of standards of Admn. under the 8th Finance Commission Award. It was explained that the Award had expired and the 9th Finance Commission had recommended a total grant of Rs. 211 lakhs for Kerala during 1989-90. The State Govt. was requested to restrict all proposals for upgradation (including Public Works of other Deptts.) to Rs. 211 lakhs. The proposed outlay of Rs. 150 lakhs for Police housing was accepted subject to the recommendations of the 9th Finance Commission. It was pointed out that the element of subsidy under Rural house sites (MNP) @ Rs. 5000 is very high considering the national norm of Rs. 500 only. Another Rs. 1000 subsidy per family is involved against construction assistance (MNP). The state officials explained that the high subsidy amount is due to cost of acquisition of land. A very high element of subsidy in a multiplicity of schemes for EWS was also noted. The State Govt. was requested to rationalise the schemes for EWS and keep down the subsidy element at the barest minimum.

Urban Development

16.11 All the proposals were accepted except that the proposed outlay against District Planning Units was reduced from Rs. 14.30 lakhs to Rs. 10 lakhs. It was suggested that with this allocation, the Alleppy unit should be fully functional and preparatory work for starting two other units at Kasargode and Wymad should also be done.

Water Supply and Sanitation

16.12 Seventh Plan outlay under water supply and sanitation sector was Rs. 119 crores, out of which State Govt. expects to spend about Rs. 114.97 crores during the first 4 years (1985-89) constituting about 96.6% of the total outlay for the Seventh Plan. The proposal of the State Government under the Sector during 1989-90 is Rs. 44.60 crores (of which MNP is Rs. 34.08 crores). The Working Group recommended an outlay of Rs. 43.17 crores (of which MNP is Rs. 33.25 crores) under Category A and Rs. 14.40 crores (of which MNP is nil) under Category B for 1989-90. Recommendations under Category 'B'

is to meet the commitment for the World Bank aided (IDA 1622 IN) projects. The State Government have been advised to ensure strict monitoring of the ongoing projects, particularly, the World Bank and Bilateral aided projects to avoid cost over-run.

16.13 Out of the 88 identified problem villages as on 1.4.1985, 61 problem villages were reported to be covered fully during the first 3 years (1985-88) of the Seventh Plan leaving behind 27 problem villages to be covered fully. Requisite funds for coverage of the remaining 27 problem villages fully have been made available for the Annual Plan 1988-89 and 1989-90. The State Government have been advised to ensure that the remaining 27 problem villages are covered fully by the end of the Seventh Plan with high priority.

16.14 Operation and maintenance of rural water supply is also a part of the Minimum Needs Programme. The Plan document is silent over the involvement of community in the maintenance of rural water supply schemes. Efforts are necessary to charge, say, Rs. 1/- per household per month as appropriate from the beneficiaries of rural water supply schemes. The State Government should ensure that an amount is collected by village level institutions and are used for minor repair works and routine maintenance of rural water supply schemes by village level institutions. However, major repair works may be carried out by the concerned Department. The State Government should also ensure that selected village level people are adequately trained and equipped for the purpose. In this regard funds made available to the State under TRYSEM may be suitably dovetailed.

16.15 Against annual expenditure of about Rs. 33 crores per year for operation and maintenance of urban water supply schemes in the State generation of revenue is only Rs. 11 crores per year leaving a gap of about Rs. 22 crores per year. This gap is met by the State Government as non plan expenditure. The working Group noted the gap is very high. The existing water connection charge of Rs. 100 per connection and water charges of Re. 1/- per 1000 litres for domestic supply and Rs. 2/- per 1000 litres for non-domestic supply are too low. The Working Group noted that the State Govt. is taking necessary action to enhance the tariff. The State Govt. have been advised to take immediate necessary action for enhancement of tariff including house-service connection charges to make the operation and maintenance of urban water supply schemes self supporting and reduce the gap in non-plan expenditure.

Social Welfare and Nutrition

16.16 In Social Welfare and Nutrition Sector, the Working Group recommendations are as under:-

	(Rs. Lakhs)	
	Proposed Outlay	Recommended Outlay
1. Social Welfare	130.00	137.00
2. <u>Nutrition</u> : SNP	272.00	706.00
MDM	2278.00	3500.00
Others	50.00	50.00
Total (nutrition)	2600.00	4256.00

../-

16.17 Higher outlay under Social Welfare sector has been recommended keeping in view that there is a considerable demand of scholarships from the handicapped students. Award of scholarships is an important element in the rehabilitation programmes and hence an outlay of Rs. 5.0 lakhs has been recommended. Similarly it was considered essential to provide another outlay of Rs. 2.0 lakhs for the campaign against drug abuse which is giving menace in the area.

Nutrition

16.18 Under nutrition, higher outlays have been recommended based on the performance of the State and to provide supplementary Nutrition to the existing beneficiaries as per the prescribed norms. Under MDM programme, State Govt. have achieved a coverage of 33.22 lakh beneficiaries by budgeting Rs. 2104 lakhs for the current year against Working Group recommendations of Rs. 1140 lakhs. Therefore higher outlays have been recommended to maintain the existing coverage. Working Group has recommended that in case a cut is to be imposed due to constrained resources, it should not affect adversely the programme of SNP and the recommended outlay of Rs. 706 lakhs may be maintained.

Integrated Development of Cochin and Adjoining Islands

17.1 The Centre-State Team appointed by the Planning Commission for Integrated Development of Cochin and the Adjoining Islands projected the following requirements of funds during the Seventh and Eighth Plan as State Government's contribution for the development of Cochin and the adjoining islands in terms of the recommendations of the Team.

Name of the Sector	(Rs. crores)	
	7th Plan (1988-90)	8th Plan
1. Water Supply	18.96	15.00
2. Sanitation	1.00	3.8
3. Housing	0.25	2.66
4. Roads	2.00	7.50
5. Railways	-	-
6. Inland Water Transport	1.45	5.44
7. Air Port	-	-
8. Communication	-	-
9. Power	29.32	33.76
10. Trade and Commerce	2.00	7.50
11. Marine Resources	0.50	7.14
12. Tourism and Recreation	1.28	2.74
13. Environment	0.18	0.10
Total :	56.84	85.64

17.2 The above funds of Rs. 56.84 crores projected by the Centre-State Team for the Seventh Plan were to be provided during the last two years of the Plan i.e. 1988-89 and 1989-90. However, since the major part of the year 1988-89 is already out, it is necessary that maximum amount of the funds out of the total requirement of Rs. 56.84 crores is provided in the Annual Plan of Kerala for 1989-90.

17.3 In so far as the requirement of funds for Eighth Plan is concerned as indicated above, the State Government should keep it in view while formulating the Eighth Plan.

Other Sectors

18. The working Group recommendations in respect of other components of Social & Community Services Sector and those for other remaining sectors are set out under Col. 9 of the Statement appended as Annexure.

725
21

746

Draft Annual Plan 1989-90 - Outlay & Expenditure - Kerala

(Rs. Lakhs)

Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 Approved Outlay	1989-90 Outlay As proposed by the State	As recommended by the Working Group
	2	3	4	5	6	7	8

I. AGRICULTURE & ALLIED ACTIVITIES

Crop Husbandry	10470	2420	2619	1998	2390	2583	2620	2598
Soil & Water Conservation	705	184	170	130	162	171	165	165
Animal Husbandry	1450	296	244	208	315	315	397	375
Dairy Development	750	132	332	232	230	261	240	240
Fisheries	4000	664	644	406	700	703	800	800
Forestry & Wild Life	7000	922	1230	1275	1900	1926	1885	1800
Plantations	-	-	-	-	-	-	-	-
Food, Storage & Warehousing	100	11	15	16	10	10	15	11
Agricultural Research & Education	1390	230	226	250	325	325	360	380
Agricultural Fin. Institutions	800	150	150	195	235	275	250	250
Other Agricultural Programmes	2650	9	4	4	58	58	330	128
(a) Marketing & Quality Control	-	-	-	-	-	-	-	-
(b) others (to be specified)	-	-	-	-	-	-	-	-
Cooperation	2360	625	462	389	425	705	505	505
Total (I)	31675	5643	6096	5103	6760	7332	7567	7252

+ 70 (B)

+ 70 (B)

Statement (Contd.) - Kerala
(Rs. Lakhs)

-2-

1989-90 Outlay
As recom-
ended by
the Working
Group

1988-89
Approved Anti-
outlay

1987-88

Actual Expenditure
1985-86 1986-87

Seventh
Plan
(1985-90)
Agreed
Outlay

Major Head/Minor Heads of Development

1. 2. 3. 4. 5. 6. 7. 8. 9.

II. RURAL DEVELOPMENT

Special Programmes for Rural Development

(a) Integrated Rural Dev. Programmes
(IRDP) & Allied Programmes

(b) Drought Prone Area Programmes (DPAP)

(c) Integrated Rural Energy Programme (IREP)

Rural Employment

(a) National Rural Employment Programme
(NREP)

(b) Other Programmes (like Employment
Guarantee Scheme etc. to be speci-
fied)

Special Employment Programme for
Rural Un-employed.

Land Reforms

Other Rural Development Programmes
(incl. Community Development
and Panchayats)

Total - (II)

III. SPECIAL AREA PROGRAMMES

IV. IRRIGATION & FLOOD CONTROL

Major & Medium Irrigation

Minor Irrigation

4700	763	1196	977	890	939	1000	1016
-	-	-	-	-	-	-	-
150	-	12	1	21	21	40	30
5300	888	1065	960	1017	1584	1600	1584
900	730	12	11	15	15	37	24
1400	248	220	198	243	252	325	152
12450	2629	2525	2147	2186	2811	4002	2806
5500	52	100	67	100	100	100	100
28000	6725	5275	4665	5550	5680	5600	5785
5000	459	917	577	1350	1400	1600	1505

(Rs. Lakhs)

- 3 -

Major Head/Minor Heads of Development	Actual Expenditure		1988-89		1989-90	
	1985-86	1986-87	1987-88	1988-89	1989-90	Outlay As recommended by the Working Group
	1	2	3	4	5	6
Seventh Plan (1985-90) Agreed outlay						
Command Area Development	2900	72	200	251	600	1230
Flood Control (incl. anti-sea erosion, etc.)	2500	287	512	567	450	690
<u>Total (IV)</u>	<u>38400</u>	<u>7543</u>	<u>6904</u>	<u>6060</u>	<u>8130</u>	<u>9490</u>
V. ENERGY						
Power	39680	6550	6460	6205	7936	13300
Non-conventional sources of Energy	200	3	-	4	12	100
<u>Total (V)</u>	<u>39880</u>	<u>6553</u>	<u>6460</u>	<u>6209</u>	<u>7975</u>	<u>13400</u>
VI. INDUSTRY & MINERALS						
Village & Small Industries	7700	907	1151	1122	2007	2417
*Industries (other than Village & Small Industries)	12700	3723	2935	3099	3519	3520
Mining	400	47	45	26	60	60
<u>Total (VI)</u>	<u>20800</u>	<u>4677</u>	<u>4131</u>	<u>4247</u>	<u>5586</u>	<u>6184</u>
VII. TRANSPORT						
Ports & Light Houses	1308	217	219	168	312	325
Shipping	-	-	-	-	-	-

Statement - (Contd.) - Kerala

(Rs. lakhs)

- 4 -

Major Head / Minor Heads of Development	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 Apprvd. outlay	Anti-Exptr. State	1989-90 Outlay As proposed by the State	As recommended by the Working Group
CIVIL AVIATION								
Roads & Bridges	12200	3477	3853	3128	3500	3500	4500	4500
Road Transport	2900	798	1756	743	640	1658	660	660
Inland Water Transport	950	92	114	157	273	238	300	275
Other Transport Services (to be specified)	-	-	-	-	-	-	-	-
Total (VII)	17350	4584	5942	4196	4701	5708	5785	5735
VIII. COMMUNICATIONS								
IX. SCIENCE, TECHNOLOGY & ENVIRONMENT								
Scientific Research (incl. S&T)	1700	461	551	514	355	371	346	358
Ecology & Environment	440	48	66	80	35	100	99	118
Total (IX)	2140	509	617	594	450	471	445	476
X. GENERAL ECONOMIC SERVICES								
Secretariat Economic Services	505	47	112	43	135	94	134	116
Tourism	900	115	143	100	180	175	242	221
Surveys & Statistics	500	87	97	107	107	111	126	124
Civil Supplies	75	10	15	-	9	9	10	3
Other General Economic Services	-	-	-	-	-	-	-	-
Unutilised Funds for District Planning	-	-	-	-	-	-	-	-
Total (X)	1900	259	367	250	428	428	428	428

(in lakhs)

- 5 -

Major Head/ Minor Heads of Development

Seventh Plan (1985-90) Agreed Outlay

Actual Expenditure 1985-86 1986-87 1987-88

1988-89 Approved Antl. outlay Expir. sed by the State Working Group

1989-90 Outlay

As propo- As recomm-

6.1 4.2 5.3 6.4 7.5 8.6 9.7

XI. SOCIAL SERVICES
EDUCATION

General Education	4300	1133	990	641	794	855	795	794
Technical Education	1500	467	352	399	525	516	810	700
Sports & Youth Services	650	87	90	265	150	150	175	165
Art & Culture	850	108	98	121	170	172	210	190
Sub-Total (Education)	7300	1795	1530	1426	1639	1693	1990	190 + 45 (B) 1849
Medical & Public Health	5200	1102	1012	827	1400	1450	1722	1450
Water Supply & Sanitation	11900	1594	2147	3316	3200	3520	4460	4517
Housing (incl. Police Housing)	6500	1363	1446	1017	1400	2327	1450	1400 + 1440 (B)
Urban Development (incl. State Capital Projects)	2500	428	337	424	450	601	495	491
Information & Publicity	450	61	73	53	90	90	100	100
Welfare of SCs, STs & Other Backward Classes	2200	420	469	442	500	498	547	555
Labour & Employment	575	219	105	129	116	140	165	176
Social Security & Welfare	500	73	107	104	123	123	150	137
Nutrition	4000	516	1830	1448	2389	2389	2600	4256
Other Social Services (to be specified)	-	-	-	-	-	-	-	-
Total (XI)	41125	7571	8606	9186	11307	12831	13659	14731

Statement (Contd.) - Kerala

(Rs. Lakhs)

- 6 -

Major Head / Minor Heads of Development	Actual Expenditure		1988-89		1989-90	
	1985-86	1986-87	1987-88	1988-89	As proposed	As recommended by the State Working Group
	2.	3.	4.	5.	6.	7.
Plan (1985-90) Agreed Outlay						
1.	2.	3.	4.	5.	6.	7.
						8.
						9.
XII. GENERAL SERVICES						
Jails						
Stationery & Printing	650	86	95	381	150	292
Public Works (incl. Jails)	3000	759	912	603	400	400
Other Administration Services						
Total (XII)	3650	845	1007	984	550	692
GRAND TOTAL	210000	40865	42755	39043	50000	52025
						62030
						61474
						+ 1555 (B)

* Includes outlays/expenditure for Weights & Measures

@ Includes provision for training programmes and social inputs in the area development.

£ Includes provision for Rural Electrification at Rs.450 lakhs.

Figures with (B) denote recommendation under category B.

अति तत्काल

योजना आयोग
॥ राज्य योजना प्रभाग ॥

विषय :- वार्षिक योजना 1989-90 - मध्य प्रदेश

मध्य प्रदेश की वार्षिक योजना 1989-90 के लिए श्री ए.के. साहकिया सलाहकार ॥राज्य योजना॥ की रिपोर्ट की प्रति परिचालित की जाती है। यह रिपोर्ट, उपाध्यक्ष, योजना आयोग एवं योजना मंत्री और मुख्य मंत्री, मध्य प्रदेश के बीच मंगलवार, 27 दिसम्बर, 1988 को सायं 3.30 बजे कमरा नं. 130, योजना भवन, नई दिल्ली में होने वाले विचार-विमर्श का आधार होगी।

२०१ २०१.३१११११
॥सम. एल. अग्रवाल॥
परमर्शदाता ॥राज्य योजना॥

उपाध्यक्ष

वित्त मंत्रालय

राज्य मंत्री

श्री जे० एल० बजाज, संयुक्त सचिव ॥एफ.बी.॥

सदस्य

आर्थिक कार्य विभाग

सचिव

श्री जी.हल्दिया, निदेशक ॥पी.एन॥

विशेष सचिव

व्यय विभाग ॥चार प्रतियां॥

सलाहकार

परामर्शदाता ॥पी.पी.॥

संयुक्त सचिव ॥एस.पी.॥

कार्यक्रम कार्यान्वयन मंत्रालय

प्रमुख विज्ञान

श्री डी.वार्ड.मनवर, अवर सचिव

योजना आयोग परिपत्र संख्या पी.सी. ॥पी॥/2/म०प्र०/88 दि० 21.12.1988

प्रति : उपाध्यक्ष तथा योजना मंत्री के निजी सचिव

प्रधान मंत्री सचिवालय के सचिव के निजी सचिव

प्रति इनको: राज्य योजना प्रभाग के सभी संबंधित, सभी संयुक्त सलाहकार,

भी उप सलाहकार, वरिष्ठ अनुसंधान अधिकारी/अनुसंधान अधिकारी।

प्रति: सम्पर्क अधिकारी, मध्य प्रदेश सरकार, नई दिल्ली-॥10 प्रतियां॥

Planning Commission
(State Plans Division)

Report of Shri A.K. Saikia, Adviser (State Plans)
on Annual Plan 1989-90 of Madhya Pradesh.

Introduction

1. Madhya Pradesh, the largest State in the country, has a population of 52.18 million with a sizeable segment of scheduled caste and scheduled tribe. The economy is predominantly rural and agrarian with 80 per cent of the people living in villages and agriculture contributing about half of the State Domestic Product. Despite being endowed with abundant natural resources, the State lags behind others in many respects. Some basic statistics about the State are in the Annexure.

Plan
Perspective

2. The plan outlays and expenditure in Madhya Pradesh from the Fourth Plan onwards are given in the following table.

contd. ...p.2.

Plans	Approved outlays (Rs. crores)	Actual Expdr. (Rs. crores)	Variation (%)	Per Capita approved outlays (Rs.)		Population base year used
				Madhya Pradesh	All-India	
1.	2.	3.	4.	5.	6.	7.
Fourth Plan (1969-74)	393.00	475.51	+ 21%	198 (114)	128 (145)	1971
Fifth Plan (1974-79)	1379.71	1437.39	+ 4.2%	294 (307)	309 (333)	1976
Sixth Plan (1980-85)	3800.00	3864.74	+ 1.7%	697 (709)	683 (706)	1983
Seventh Plan (1980-85)	<u>7000.00</u>	<u>-</u>	<u>-</u>	<u>1178</u>	<u>1054</u>	<u>1987</u>
Annual Plan 1985-86	1170.00	1009.76	-13.7%	205	178	1985
Annual Plan 1986-87	1381.00	1169.00	-15.4%	237	213	1986
Annual Plan 1987-88	1570.00	1412.90	-10%	264	245	1987
Annual Plan 1988-89.	1702.00	1767.29@	+3.8%	-	-	-

Note- figures in brackets in col. 5 and 6 represent per capita expenditure.

@ anticipated expenditure

7th Five Year Plan 1985-90 and Annual Plans 1985-89 3. Though the State's Seventh Plan of Rs.7000 crores is considerably larger than the preceding one of Rs. 3800 crores, the expenditure in the first three years 1985-88 was not commensurate with approved outlays with annual shortfalls ranging from 10% to 15%. The marginally excess anticipated expenditure in the current year notwithstanding, the overall 4 year shortfall in utilisation of approved plan outlays is of the order of Rs. 464.05 crores.

4. The table below gives the financing pattern of the Seventh Plan and the annual plans as approved originally by the Planning Commission.

	(Rs. crores)					
	Seventh Plan	1985-86 Annual Plan	1986-87 Annual Plan	1987-88 Annual Plan	1988-89 Annual Plan	1989-90 Annual Plan
Plan outlay	7000.00	1170.00	1381.00	1570.00	1702.00	
State's own resources	5120.94	830.06	989.77	1155.74	1270.41	1275.44
Of which ARM	1000.00	184.03	208.64	266.05	331.90	
Central assisted	1879.06	339.94	391.23	414.26	431.59	416.14
<u>Aggregate Resources</u>	<u>7000.00</u>	<u>1170.00</u>	<u>1381.00</u>	<u>1570.00</u>	<u>1702.00</u>	<u>1691.58</u>

Annual Plan 1989-90 5. The State Government has proposed an outlay of Rs. 1807 crores for the Annual Plan 1989-90, registering a step up of about 6.2% over the current year's outlay of Rs. 1702 crores. The recommendations of the Working Groups aggregate to Rs. 2003 crores as per details given on the next page. (Sub-headwise details are in the appended statement)

(Rs. lakhs)

Head/sub-head of Development	7th Plan 1985-90 agreed outlay	1985-86 Actual Expdr.	1986-87 Actual Expdr.	1987-88 Actual Expdr.	1988-89 Anti. Expdr.	1989-90 Pro- posed	Outlay recomm- ended by W.G.
1.	2.	3.	4.	5.	6.	7.	8.
Agriculture & Allied Services	43443	6630	9525	10752	11594	13852	14768
Rural Development	30311	5118	6537	8019	7778	8003	8849
Irrigation & Flood Control	197648	28787	33616	33352	38843	40964	41982
Energy	266000	32626	33762	43142	63998	62029	72117
Industry & Minerals	20604	3860	3956	5056	6706	7287	8005
Transport	34239	4739	6078	6465	6831	7122	7099
Science, Technology & Environment	2334	531	812	818	1130	1197	1247
Gen. Eco. Services	1698	184	219	221	386	1451	6445
Education, Sports Art and Culture	21251	5023	6773	10015	12859	15393	15671
Health	15733	2511	3420	3757	4479	5175	4930
Water Supply	26193	4470	5400	6737	6303	6100	6100
Housing & Urban Development	18509	3326	3367	3711	4401	4709	4626
Other Social Services	21875	3138	3410	4075	5855	6767	8367
General Services	162	25	25	47	66	651	66
Upgradation of Standard of Am.	-	-	-	5123	5500	-	-
GRAND TOTAL :	700000	100976	116900	141290	176729	180700	200272

SECTORAL HIGHLIGHTS

Agriculture and Allied Activities

6. Agriculture plays a vital role in the State's economy with the sector contributing nearly half of the State Domestic Product. About 43% of the area of the State is under cultivation. However, only 15% of the land under cultivation has the facility of assured irrigation with result that agriculture continues to be heavily dependent on the vagaries of the monsoon. The fertilizer consumption is estimated to be around 22.7 kg. per ha. in 1987-88 in the State against the all India figure of 51.3 kg. per ha. There is scope for increasing fertilizer consumption. As regards productivity, it has been observed that the productivity of rice in the State has been stagnant at a low level of 853 kg. per ha. and 819 kg. per ha. in 1986-87 and 1987-88 respectively. However, the wheat productivity has increased steadily and was around 1221 kg. per ha. in 1987-88 against the corresponding all India figure of 1998 kg. per ha. In pulse crops, the productivity was slightly better than the all India performance. In regard to seeds programme, the performance of the State in respect of both production and distribution of improved seeds is low in relation to the targets. The achievement in respect of distribution of improved seeds of cereals, pulses, oilseeds etc. has been roughly 1/4th of the Seventh Plan target. With respect to agricultural research, there is need to improve the linkages between universities in the State and the various training and implementing agencies for allround improvement in performance.

7. An outlay of Rs.43443 lakh has been agreed in the Seventh Five Year Plan against which the utilisation is likely to be Rs.38501 lakh forming about 88.6% of the total Seventh Plan outlay.

8. The table below presents the targets and physical performance :-

Sl.No.	Item	Unit	7th Plan target	1987-88 Achieve-ment	1988-89 Target	1988-89 Antici-pated Achieve-ment	1989-90 Target Recommen-ded by W.G.
1	2	3	4	5	6	7	8
I. Production of Foodgrains							
(a)	Rice	Lakh Tonnes	59.00	41.00	55.00	48.00	56.00
(b)	Wheat	-do-	53.00	43.29	50.00	48.00	51.00
(c)	Jowar	-do-	23.00	17.56	20.00	20.00	21.70
(d)	Bazra	-do-	1.59	1.09	1.25	1.25	1.40
(e)	Maize	-do-	9.00	8.63	11.50	10.00	12.00
(f)	Pulses	-do-	33.60	24.89	27.00	27.85	29.00
(g)	Others	-do-	5.81	4.93	4.70	5.30	5.90
	TOTAL FOODGRAINS :	-do-	190.00	141.39	169.45	160.40	177.00
II. Oilseeds (total)							
		-do-	24.00	14.65	20.57	18.60	20.50
III. Consumption of Chemical Fertiliser (NPK)-Total							
		-do-	9.45	5.08	7.70	6.91	9.07
IV. Area Under HYV (Lakh hect.)							
			60.90	49.29	58.40	58.40	66.30
V. Distribution of Improved seeds							
		'000 quintals	1510	269.25	364.40	255.92	347.30
VI. Consumption of pesticides(technical grade material)							
		Tonnes	4000	3000	4500	4500	4500

contd.../-

9. The Working Group recommended an outlay of Rs.4992 lakh for the Annual Plan /lakh 1989-90 against the proposal of Rs.4557/for crop husbandry.. programmes. It was suggested that the State should provide adequately for small and marginal farmers scheme. and the externally aided-projects being implemented in the State for the development of agriculture.

Animal Husbandary 10. & Dairy Develop-
ment

of

In the predominantly agricultural economy of the State, livestock makes an important contribution to the economy. In addition to being the main source/draught power for agricultural operations and rural transportation, animal husbandry sector provides nutritious animal food and opportunities for employment. The average annual productivity per milch animal in Madhya Pradesh is estimated at 294 litres which is quite low as compared to the national average. The productivity of the animals could be increased through production of good quality fodder seed, intensification of cross breeding of non-descript cattle; introduction of superior Germ plasm on a wider scale; adoption of embryo-transfer technology in the State.

11. The outlay in J.H. sector for the Seventh Plan is Rs.3373'00 lakh. During the first four years of the Seventh Plan the expected expenditure is Rs.2364.31 lakh constituting about 70 per cent of the total Seventh Plan outlay.

12. The Working Group has recommended an outlay of Rs.871 lakh against the proposed outlay of Rs.865 lakh on animal husbandary sector. For dairy development, the State Government has proposed an outlay of Rs.272 lakh against which the Working Group recommended Rs.282 lakh .

Soil and Water
Conservation

13. In the current year (1988-89) /progress development works are in / on 603 watersheds in the state.. It was reported by the State that new watershed/ will not be taken up for development during 1989-90. Instead, efforts will be concentrated on the watersheds on which work has already been started. While endorsing this approach, the Working Group suggested that the Watershed Development Programme should be on

the basis of projectisation with emphasis on integrated development of the watershed. The development work planned for watershed should reflect proper land use planning on the basis of a careful analysis of the long-term rainfall distribution on standard week basis and water holding capacity of the soils. The Working Group impressed upon the State Agricultural University to address itself to the task of evolving cost-effective and replicable farm technologies; and recommending appropriate cropping patterns and alternative land uses for different agro-climatic situations in the State.

Forestry and
Wild life

14. Madhya Pradesh is rich in flora and fauna and has 33% of its total geographical area under forest cover which accounts for about one fourth of the total forest area of the country. About 40% of the forests support economically important species such as Teak, Sal and Bamboo. Forests are the source for employment, small timber, fuel, fodder and food for the State's large tribal population and marginal farmers and landless labourers. Plan activities in this sector mainly relate to forest conservation, preservation, afforestation, research activities, development of National Parks and game sanctuaries and allied activities. An outlay of Rs.4100 lakh has been recommended by the Working Group for Forestry and Wildlife development in the State against the proposed outlay of Rs.3991 lakh for the annual plan 1989-90.

Cooperation

15. Timely and adequate supply of agricultural inputs, provision of credit, development of marketing and processing facilities and distribution of consumer articles are the main objectives of the Cooperative sector. An outlay of Rs.9483+00 lakh has been agreed in the Seventh Plan against which the expected expenditure in the first four years of the plan is Rs. 6304 lakh which is about 66.48% of the total Seventh Plan outlay in the sector. The main emphasis during 1989-90 will be on providing support to the Special Foodgrains Production Programme in the State. The Working Group supported the proposed outlay of Rs.1996 lakh for cooperation in the annual plan 1989-90. It was suggested to the State Government that efforts should be made to increase distribution of fertilisers through cooperatives.

Rural Development 16 During the current year of 1988-89 expenditure on this sector is likely to exceed the approved outlay because of excess expenditure on IRDP and NREP. The actual expenditure is likely to be Rs.7778 lakh against the approved outlay of Rs.7571 lakh. For the annual plan 1989-90, the Working Group has recommended an outlay of Rs.8849 lakh inclusive of Rs.65 lakh for Integrated Rural Energy Programme against the proposal of the State Government of Rs.8003 lakh under Rural Development sector.

IRDP

17 For 1989-90, the basis of allocation under IRDP has been changed to 100% weightage on the incidence of poverty. The tentative Central share as worked out by the Working Group for Madhya Pradesh for IRDP main programme, TRYSEM Infrastructure and DWCRA (Development of Women and Children in Rural Areas) are Rs.3648 lakh, Rs.76.72 lakh and Rs.48.48 lakh respectively. As the State Government has not made adequate provision towards the State's share in their proposed outlay of Rs.3700 lakh, the Working Group has recommended an enhanced outlay of Rs.3953 lakh for IRDP and allied programmes for 1989-90.

18 Regarding performance under IRDP during 1988-89, it was reported that 1.05 lakh old beneficiaries and 0.77 lakh new beneficiaries have been covered upto August, 1988 against the target of 3 lakh families. The State representatives pointed out in the Working Group that they were facing difficulty in assisting the old beneficiaries and the tribal beneficiaries in the tribal districts on account of the reluctance of the bankers to accept their applications. As regards TRYSEM, the Working Group noted that in the first three years of the plan 47178 beneficiaries have been trained under the programme and 62% of the trained people have been absorbed in wage or self-employment.

NREP

19 The State Government has proposed an outlay of Rs.2500 lakh under this programme for 1989-90 against which the Working Group has recommended an outlay of Rs.3171 lakh which adequately covers the tentative share of the State for this programme. It may be noted that during the current year of 1988-89 the outlay for NREP in the State plan was Rs.2241 lakh though the Central share was Rs.3171 lakh. The State Government has indicated that the per manday cost for 1989-90 is Rs.37.04 and the wage and material ratio is 67:33.

DPAP

20 The Working Group has fully supported the outlay of Rs.405 lakh proposed by the State Government for 1989-90 for Drought Prone Area Programme. The State representatives indicated that there was some backlog of incomplete works, particularly, in the minor irrigation sector. The State administration is making effort to take up all the schemes on the basis of integrated watershed approach.

IREP

21 Against the Seventh Plan outlay of Rs.300 lakh, the expenditure for the first four years of the plan amounts to Rs.67 lakh only which is merely 22.3% of the total outlay of the Seventh Plan. For the year 1989-90, the Working Group has recommended Rs.65 lakh for this programme against the proposal of the State of Rs.60 lakh.

22. This programme which was started in four blocks of the State in 1987-88 is likely to continue.

...P.

Irrigation and
Flood Control

23. Only about 15% of the net sown area being irrigated in the State, irrigation has to go a long way to make its full impact on the economy of the State. It is estimated by CWC that if the irrigation potential of the State is fully utilised, it can irrigate more than 50% of the net sown area. By June 1985, the State could create only 20.47% of the total irrigation potential as against the national average of 48 per cent.

24. The agreed outlay for the Seventh Plan for irrigation sector is Rs.1976.48 crores (excluding NVD). The expected expenditure upto 1988-89 is Rs.1345.98 crores forming about 68 per cent of the total Seventh Plan outlay.

25. A target of creating additional irrigation potential of 5.50 lakh hectares has been envisaged in the Seventh Plan. The table below shows the additional irrigation potential likely to be created by the end of 1988-89.

Sl. No.	Item	(Lakh Hect.)			
		1985-86 Actual achievement	1986-87 Actual achievement	1987-88 Anticipa- ted achi- evement	1988-89 Anticipated achievement
1.	Major and Medium Irrigation Projects	0.46	0.54	0.70	0.90
2.	Minor Irrigation Schemes	0.25	0.26	0.35	0.40
Total		0.71	0.80	1.05	1.30

.../-

26. The financial details showing Seventh Plan outlay, expenditure incurred so far and proposed outlay for 1989-90 are given below.

(Rs. in lakh)

Sl. No.	Item	7th Plan outlay	Annual Plan		1989-90 Proposed Outlay
			1985-88 Actual Expenditure	1988-89 Anticipated Expenditure	
1.	Major & Medium Irrigation	137592	67878	28500	28086
2.	Minor Irrigation	43360	21202	7959	10498
3.	Command Area Development	16196	6396	2300	2292
4.	Flood Control	500	279	84	88

	Total	197648	95755	38843	40964

27. The proposed outlay for 1989-90 is mainly for for on going projects. In the category of externally aided and World Bank assisted projects, provisions have been made for Hasdeo Bango unit I and II, Mahanedi reservoir, investigation of Arpa Project, establishment of hydrometereological network and 21 medium irrigation projects. In the on going projects category, there are pre-Sixth Plan and Sixth Plan projects such as inter state projects viz. Chambal, Rajghat unit I and II, Bansagar unit I and II, multipurpose projects, namely, Bargi unit I and II, Sindh Phase II, 16 major projects and 24 medium projects. New schemes of the Seventh Plan include Pench Diversion and Mongra Konani Project. Modernisation work on the existing Harsi dam and Sindh Remova link is proposed to be continued during this year.

Minor Irrigation 28. The utilisable potential under Minor Irrigation in the State as assessed by CWC is 42 lakh ha., out of which 12 lakh ha. is from the surface flow and 30 lakh ha. from the ground water resources. At the end of the Sixth Plan, the potential created under minor irrigation including tube wells was 8.60 lakh ha. By the end of 1988-89 this potential is likely to reach 9.86 lakh ha.

Main Issues:

- (i) The Working Group has recommended higher outlays than those proposed by the State Government in view of the need for provision of adequate funds for externally aided projects.
- (ii) The State Government should provide adequate outlays for inter-state projects, such as Bandhsagar and Rajghat to meet the requirement of funding pattern to be decided by the respective control boards.
- (iii) There is urgent need for proper prioritisation of ongoing projects that are at advance stage for ensuring adequate funding for their completion within the Seventh Plan.
- (iv) There are a number of major and medium irrigation projects which are already complete but the total potential created and utilisation thereof have not been indicated by the State Government. State Government may take urgent necessary action in this regard.

(Rs. Crores)

<u>Power</u>	VIIth Plan Outlay	Likely expd. for four years (1985-89)	%age Utilisation of Seventh Plan Outlay	Balance left for 1989-90
	(1)	(2)	(3)	(4)
	2646.00	1728.23	65.31	917.77

29. As against the current year's approved outlay of Rs. 533.20 crores, the Outlay proposed by the State Government for the annual plan 1989-90 is Rs. 618.00 crores. The recommended outlay by the WG is of the order of Rs.718.92 Crores inclusive of outlay for Rural Electrification (Rs. 53.40 Crores). Broad item-wise details of the proposed outlay and the recommended outlay by the working group for 1989-90 is shown below :-

<u>Items</u>	<u>Proposed outlay</u>	<u>Recommended by WG</u>
1. Generation(MPEB)	204.96	289.72
2. Renovation & modernisation	28.15	29.46
3. Transmission & distribution	230.35	251.54
4. General	3.00	3.00
<u>Total-Board area</u>	<u>466.46</u>	<u>573.72</u>
5 Narmada Projects	80.00	91.80
<u>Total for the State</u>	<u>546.46</u>	<u>665.52</u>

MPEB = Madhya Pradesh Electricity Board.

Installed city

30. The total installed capacity in the state as on 31st March 1989 is expected to be 3088 MW over 85% of which is thermal, the rest being hydel. The target

for 1989-90 being 108.3 MW, the total capacity expected at the end of the seventh plan is 3196.3 MW which is far less than the target of 4057 MW. According to the state government the principal reason for the shortfall in the achievement of target in the power sector is non-clearance or delay in clearance of several power projects on account of pending issues such as compensatory afforestation, rehabilitation of displaced persons and environmental concerns.

31. The following are some details about the schemes.

(a) Completed Schemes.

Higher outlays than proposed by the State government have been recommended by the Working Group in view of the need to finally close these schemes.

Kobra West III & IV

These two units of 210 MW capacity each were commissioned in 1985-86.

(b) On-going schemes

Sanjay Gandhi Thermal Project (Birsinghpur.)
Unit I & II (2 x 210 MW)

As per the original schedule the first Unit was to be Commissioned during the Seventh Plan but has now slipped to June, 1991 mainly on account of non-supply of boiler material from M/S ABL due to closure of their works. The balance material of boiler (about 18000 MT) is expected to commence from DEC., 1988. The IInd Unit of the Project is likely to be commissioned by 12/1991.

Fench Thermal Project (Fower Station)

The project was sanctioned by the Planning Commission in August, 1986 at an estimated cost of Rs. 535 Crores. Order for boiler/TG are to be finalised in 12/88. 468 hectares of land has been acquired. The first unit of this project is scheduled to be commissioned by Sept. 1993 and the 2nd Unit by March, 1994.

Bansagar Tons Hydel Scheme

The project envisages construction of a dam across

the Sone river and barrages across Tons and Betwa rivers and 3 Power houses with installed capacity as under :-

PH I : 3 Units of 105 MW each

PH II: 2 Units of 15 MW each

PH III: 3 Units of 20 MW each

The commissioning date of the first 2 Units for PH I was postponed owing to certain problems concerning contractors and land acquisition. Now the likely commissioning date will be 7/90.

Bargi Hydel scheme (2x45 MW)

/issued

Both the Units are complete but Planning Commission's formal investment letter could not be pending technical clearances from CWC/CEA. Some electrical and mechanical works, however, still remain to be carried out.

Hasdeo Bango hydle scheme (3x40 MW)

This is a multipurpose project. All the three Units were to be commissioned during Seventh Plan but due to delay in the construction of the dam these are likely to be commissioned in the VIIIth Plan only. About 20% of civil works of Power House is stated to be executed. The main Dam is likely to be completed in June, 1992.

Indira Sarevar (Bodhghat) hydel project (4x125 MW)

This scheme was sanctioned by the Planning Commission in Feb. 1979 but the clearance from forest angle has not yet been received. However, mainly for carrying out compensatory afforestation works and other infrastructural activities a token provision is being made.

Birsinghpur Hydel Scheme (1 x 20 MW)

This scheme was sanctioned by the Planning Commission in April, 1988 at an estimated cost of Rs. 18.95 Crores.

The Unit where works are in progress is likely to be ready for spinning by September, 1990.

NVDA Projects

Narmada Sagar

This project being implemented by the Narmada Valley Development Authority will receive assistance from the World Bank with which an agreement is expected to be signed in February 1989. The revised cost estimates for this project are under scrutiny/CEA/C.W.C. / in

The following three other projects are also under implementation of the Narmada Valley Development Authority.

i) Sardar Sarovar HE Project

RBPB (6 x 200 MW)

CHPH (5 x 50 MW)

ii) Omkareshwar HE Project (8 x 65 MW)

iii) Maheshwar HE Project (8 x 40 MW)

The share of the cost of the Sardar Sarovar (HE) Project for Madhya Pradesh has been determined at Rs. 26.40 crores (excluding central share). While works are in progress in the Omkareshwar Project, the Maheshwar HE Project is proposed to be handed over to MPSEB in 1989-90 for execution.

New Projects

Though a number of new projects have been proposed, only the Sanjay Gandhi Extension project received clearance from C E A. This project is likely to be commissioned in the eighth Plan.

Rural Electrification and NCSE

32. An outlay of Rs. 53.40 crores and Rs. 2.25 crores has been recommended by the Working Group for RE and NCSE in 1989-90 respectively. By the end of 1989-90, about 57802 villages will be electrified.

Village & Small Industries

Industry &
Minerals

33. During the first four years of the Seventh Plan, 86 thousand small scale industries units are likely to be established which is about 84% of the Seventh Plan target of 102 thousand units. The employment likely to be generated is for 211.3 thousand persons, as against the Seventh Plan target of employment of 214 thousand persons. Regarding the establishment of industrial estates, the Seventh Plan target of 87 such estates is likely to be realised by 1988-89. In regard to industrial areas, the Seventh Plan target of 170 is not likely to be achieved as by the end of 1988-89 about 125 industrial areas are likely to be established.

34. The State Government has categorised 40 districts as backward, including 24 in category 'C'. Higher rates of concession are being given in such districts. Besides, 8 growth centres have recently been sanctioned and infrastructural facilities provided.

35. Programmes for the development of handlooms are being implemented by the Apex Handloom Weavers' Society and State Textile Corporation. The society has run into heavy debt and its total liabilities are estimated to be above 7 crores. It is suggested that in addition to implementing the rehabilitation programme, efforts should be made to enhance the marketability of handlooms, through creation of facilities like processing, computer assisted designing, etc. 10 intensive handloom development projects are being implemented.

36. Among handicrafts, the carpets and durries manufactured in Sidhi district have good demand. Manufacturing of woollen carpets may be encouraged in view of the export potential.

37. As regards sericulture, it was noted that Madhya Pradesh is the second largest tussar silk producing state in the country and there is immense potential for its further development. During the first four years of the Seventh Plan about 577 centres (tussar 131 and mulberry 446) have been established. More land needs to be covered under mulberry plants.

38. The State Government proposed an outlay of Rs. 3949 lakh under Small Industries for the Annual Plan 1989-90 against which the Working Group recommended an outlay of Rs. 3650 lakh.

Large and Medium Industries

39. As compared to the Seventh Plan outlay of Rs.8737 lakh, the anticipated expenditure during first four years on large and medium industries is Rs.10101 lakh. For the Annual Plan 1989-90 the State Govt. proposed an outlay of Rs.3038 lakh for this sector. The working/after discussion Group with the State representatives considered the outlay low and recommended Rs.4005 lakh for the development of large and medium industries in the State. Outlay recommended by the Working Group was higher than the one proposed by the State Govt. on the following schemes.

	(Rs. lakhs)	
	<u>Proposed by the State</u>	<u>Recommended by W.G.</u>
1. Investment in share capital of MPAVN	1000	1200
2. Investment in the share capital of MPEDC	223	490
3. New Growth Centres	-	500

40. Additional outlays for MPAVN and MPEDC were recommended to honour the committed liabilities of these industrial development corporations. Madhya Pradesh has been given 5 growth centres under the new policy of Govt. of India announced in November 88. As there was no provision for the State's matching share for this purpose the working/recommended an outlay of Rs. 5 crores for this purpose. /Group

41. The State government indicates that they would be giving more thrust to industries relating to food-processing, electronics, petro-chemicals and mineral-based industries. The Working Group suggested that greater emphasis should be placed on industries based on indigenous resources. In view of the great potential of mineral based industries in the State, the setting up of an expert group on mineral development could be considered.

Transport :

42. An outlay of Rs. 34239 lakh was approved for Transport sector in Madhya Pradesh for the Seventh Plan. The utilisation during the first four years of the Plan is reported to be Rs. 24113 lakh (inclusive of anticipated expenditure of Rs. 6831 lakhs for 1988-89), that is, about 70% of the Seventh Plan outlay. Against the proposal of Rs. 7122 lakh for 1989-90, the Working Group has recommended an outlay of Rs. 7099 lakhs. The break-up of the recommendations of Working Group is as given below :-

(Rs. lakhs)

	<u>Outlay proposed for 1989-90</u>	<u>Recommended by Working Group</u>
Civil Aviation	48	25
Roads & Bridges	5487	5487
Road Transport	1587	1587
<u>TOTAL :</u>	<u>7122</u>	<u>7099</u>

Roads & Bridges

43. The total length of pucca roads in 1985 was 56475 kms. For Seventh Plan an addition of 12385 kms. to it was envisaged. However, by the end of 1988-89 only 6086 kms. are likely to be added to the pucca road length. Increase in the cost of construction is stated to be the cause of shortfall in the achievement of the target.

44. A prime weakness in the road sector is the prolonged neglect of maintenance by the State Government. Against an Annual requirement of Rs. 85 crores, the allocation is Rs. 53 crores only. The State Administration needs to expedite preparation of a Master Plan for Road Sector for the systematic development of roads in the State. The Working Group has suggested that unless spill-over works are completed, fresh schemes of road construction should not be taken up.

Road Transport

45. The State Road Transport Corporation (MPSRTC) has a fleet of 2894 buses operating on 1676 routes. The vehicles utilisation of the fleet at 88% and load factor at 62-63 % are low as compared to the national averages. Against the generally accepted norm of replacement of vehicles after coverage of 6 lakhs Km. or a life span of 7 years, MPSRTC generally replaces its vehicles after a period of ten years. For economic operation of the fleet, the Working Group has impressed upon the corporation to concentrate on replacement of overaged buses with modern fuel efficient buses. The Working Group has noted that the corporation is continuously making losses mainly on account of inelastic fare structure and high level of taxes and interest payment.

contd..../-

Medical & Public Health

46. Against the Seventh Plan outlay of Rs. 157.33 crores, the likely expenditure during the first four years of the plan would be around Rs. 141.67 crores representing about 90% of the total Seventh Plan outlay. The State Government has proposed an outlay of Rs. 51.75 crores for 1989-90 against which the Working Group has recommended an outlay of Rs. 49.30 crores.

47. The State Government has accepted the national goal of 'Health for all' by 2000 A.D. and efforts are afoot to achieve it. At present there are six medical college hospitals, 42 district hospitals, 2 maternity hospitals, 2 other general hospitals, 46 Civil hospitals, 309 Civil dispensaries, 50 ungraded dispensaries, 447 mini-primary health centres, 109 subsidiary health centres in the state. For indigenous system of medicine there are 7 Ayurvedic Colleges, 32 Ayurvedic hospitals, 1681 Ayurvedic dispensaries, 52 Unani dispensaries, 1 homoeopathic hospital, 118 homoeopathic dispensaries and 309 government aided dispensaries.

48. Priority has been accorded to rural health services under MNP. Out of 75 crores estimated provision for Seventh Plan, the anticipated expenditure during four years (1985-89) would amount to Rs. 45.70 crores representing about 60% of the total for the Seventh Plan.

49. Targets and achievement under MNP items ^{are} given below:-

(Numbers)

Item	No. as on 1.4.1985	Seventh Plan Target (Addl.)	Additions made by the end of 1988-89	Balance for 1989-90
1. Sub-centres	6615	5385	3300	2085
2. Primary health centres	680	731	455	276
3. Community health centres	58	100	89	11

50. It may be seen from the above that the shortfall in achievement in regard to sub-centres and PHCs is considerable and unless the pace is greatly accelerated in the next year the target will remain unrealised.

contd..../-

Water Supply & Sanitation : 51. The Seventh Plan outlay under this head was Rs. 261.93 crores out of which the State Government expects to spend about Rs. 229.16 crores during the first four years (1985-89) constituting 87.5% of the total outlay for the Seventh Plan. The proposal of the State Government under this sector amounts to Rs. 61.00 crores which is fully supported by the Working Group. For MNP, the Working Group has recommended Rs. 27.18 crores for 1989-90 to take up augmentation works in 3700 villages.

52. Out of the 71352 inhabited villages in the State, 67070 are problem villages. The position of problem villages anticipated to be covered by the end of March, 1989 is as follows :-

i) Total number of problem villages	- 67070
ii) No. of villages covered upto 1.4.1988	- 64570
iii) No. of villages likely to be covered during 1988-89	- 2500
iv) No. of villages likely to be covered upto 1.4.1989	- 67070

53. Under rural sanitation, the achievement expected during 1985-89 is 5721 Community/household latrines in 1714 villages. For 1989-90, about 800 Community/household latrines in 40 villages have been proposed. Regarding urban water supply, it has been reported that out of 381 towns only 212 towns had organised water supply schemes at the beginning of the Seventh Plan. Priority has been accorded to 63 spillover-schemes. All these schemes are likely to be completed by the end/1989-90. Besides, of the 11 new schemes envisaged for the Seventh Plan, 5 such schemes would be completed by 1988-89.

/of

54. The following specific points were raised in the Working Group for consideration of the State Government:-

- i) Excess expenditure under rural water supply needs clarification;
- ii) It may be ensured that the community is fully involved in the maintenance of rural water supply schemes and rural sanitation programmes;
- iii) Progress under rural sanitation programme which is a part of the MNP and 20-Point programme is not satisfactory and needs special attention;
- iv) All super-structures taken up under rural sanitation should be completed in all respects with contribution from the beneficiaries;
- v) Under Urban Water supply programme, the works undertaken in the six major towns, namely, Bhopal, Gwalior, Indore, Ujjain, Jabalpur and Rewa need to be expedited.

Housing and

Urban Development

55.

As compared to the Seventh Plan outlay of Rs.18509 lakh on Housing and Urban development, the anticipated expenditure during the first four years in the State is placed at Rs.14805 lakhs which is 80% utilisation of the approved outlay. For 1989-90 the State Govt. proposed an outlay of Rs.4709 lakh (Rs.2210 lakhs for Housing including Police Housing and Rs.2499 lakhs for Urban Development) against which the Working Group has recommended Rs.4626 lakh (Rs.2168 lakh for Housing and Rs.2458 lakh for Urban Development).

56.

For construction of residential houses for the people of Low Income Group (LIG) and Economically Weaker Section (EWS), the targets for the Seventh Plan were 1487 and 8011 houses respectively. The achievement during the first four years of the Seventh Plan against these targets is anticipated to be 906 LIG houses and 3106 EWS houses which is quite unsatisfactory. For rural housing, the provision under MNP (Minimum Needs Programme) was Rs.4000 lakh for the Seventh Plan. The expenditure during the first four years is likely to be Rs.2257 lakh only, which works out to about 56 per cent of the plan outlay, which shows an unsatisfactory performance on this account.

57.

An outlay of Rs.1800 lakh was provided in the Seventh Plan for environmental improvement of slums. The anticipated expenditure by the end of 1988-89 on this item is reported to be Rs.1182 lakh which is about 65.6 per cent of the Seventh Plan outlay.

Education :

58. The State Government proposed an outlay of Rs. 15393 lakhs for 1989-90 on Education against which the Working Group recommended an outlay of Rs. 15671 lakh. Sub-headwise break-up of the recommendations of the Working Group is given below :-

(Rs.lakhs)

<u>Sub-head</u>	<u>Proposed by the State Govt.</u>	<u>Recommended by Working Group</u>
1. Elementary Education	7261.95	7670.00
2. Secondary Education	4632.05	4332.00
3. University Education	1510.00	1510.00
4. Adult Education	374.00	524.00
5. Art & Culture	295.00	350.00
6. Technical Education	1170.00	1170.00
7. Sports	150.00	115.00
TOTAL :	<u>15393.00</u>	<u>15671.00</u>

59. Madhya Pradesh being one of the 9 educationally backward States in the country needs to pay special attention to educational development. The effort regarding universalisation of elementary education during the Seventh Plan appears to be adequate considering the fact that the State Government is likely to achieve enrolment of 4 lakh children in the current year which will leave a feasible target of enrolment of 3.90 lakh additional children in the 6-14 age group during 1989-90. In regard to the secondary education, the State is making endeavour to vocationalise the plus two stage. With respect to technical education, the Working Group has suggested that adequate provision should be made towards consolidation and improvement in quality of the existing facilities as also for the commitment regarding the Indo-German Project.

contd.../-

Project. The Working Group supported the proposal of Astro-turf in Hockey Stadium at Bhopal under the Sports sector and suggested that other new schemes could be considered in the next plan.

Welfare of
Scheduled Caste,
Scheduled Tribe,
and Other
Backward Classes

60. The total population of scheduled tribes and scheduled castes in Madhya Pradesh constitutes 37% of the total population. Scheduled tribes population alone forms 23% of the total population. As regards backward classes, the State Government has declared 383 castes/groups as backward classes besides the scheduled castes and scheduled tribes on the recommendation of the State Backward Classes Commission. This segment constitutes nearly 48% of the total population of the State. A number of schemes have been undertaken by the State Government for the development of these backward classes which relate mainly to education, economic upliftment and training. Against the Seventh Plan outlay of Rs.163.95 crores, the likely expenditure during the first four years of the plan is Rs.118.32 crores, representing 72% of the total Seventh Plan outlay. The Working Group has recommended an outlay of Rs.45.00 crores against the proposal of Rs.50.95 crores of the State for 1989-90.

61. As regards Tribal Sub Plan and Special Component Plan, the State Government has proposed an outlay of Rs.358.47 crores for TSP and Rs.116.21 crores for SCP out of the proposed total annual plan outlay of Rs.1807.00 crores. The Working Group supports the proposed outlay of Rs.358.43 crores for TSP and recommends a higher flow under SCP at Rs.250.60 crores for the annual plan 1989-90.

62. During the Working Group discussions, it was impressed upon the State Government representatives that there was a need for boosting the literacy rate among girls under this sector. Greater attention was also called for improvement of the lot of scavengers in the State. It was suggested that the maintenance charges of the buildings constructed under this sector should be made from non-plan funds.

Social Welfare
and Nutrition

Social Welfare

63. The State Government is implementing under this sector programmes that improve the quality of life and cater to the special needs of vulnerable groups like children, women and handicapped. Against the target of 10,000 beneficiaries for the Seventh Plan only 6175 are likely to be benefited during 1985-89. Corrective action to meet this shortfall is called for. In regard to women and child development, it was observed that there was a sharp rise in expenditure on staff for the Directorate. This also calls for corrective action. It was suggested to the State Government that the provision for maintenance under women welfare programmes be made from the non-plan funds.

Nutrition : 64 This being an MNP item with earmarked outlays, adequate provision needs to be made for funding this scheme. At present, there is tendency for under funding this scheme. As regards S.N.P. the unit cost, though raised to 50 paise, continues to be below national norm. Regarding coverage of tribal blocks, it was noticed that out of the existing 161 ICDS blocks, 113 are tribal blocks and another 121 tribal blocks are yet to be covered. The State Government was requested to furnish the exact number of beneficiaries in the tribal blocks alongwith the break-up of the beneficiaries covered by CARE and WFP.

Science & Technology 65 M.P. Council of Science & Technology is coordinating the Science & Technology schemes of the State, the progress of which appeared to be satisfactory. It was informed that the Environment and Ecology programmes which aim at control of pollution and conservation of resources are being coordinated by Environmental Planning and Coordination Organisation. For undertaking environmental studies and to sustain ecological balance at various regions, the working group recommended creation of District Environmental Committees.

66 The break-up of the outlays recommended by the working group for 1989-90 under Science & Technology sector is given below:-

	(Rs. Lakhs)	
	1989-90	
	Proposed outlay	Recommended outlay
Science & Technology	200.00	230.00
Environment	666.30	557.00
Urban Development	330.67	450.00
<u>TOTAL :</u>	<u>1196.97</u>	<u>1247.00</u>

District
Planning

67. The representative of the State Govt. stated during working group discussions that in consonance with the national policy of decentralising the planning process, an earnest effort has been made during the current year to initiate district planning in the State. District Planning and Development Boards have been constituted and appropriate planning machinery created at the district level. An exercise to dis-aggregate the State Plan outlays to determine the flows to districts from the State in various sectors is in progress. Next year's budget will clearly reflect the schemes included in the 'district sector' under each sector of the State Plan. An equitable formula for distribution of district sector plan outlay among the districts has been worked out. There is a proposal to invest the powers in the district planning bodies to scrutinise the district sector schemes in consultation with local officers/ readjust /and to the schemes and programmes to suit specific local requirements and potential in the State Govt.. Secretary of the Planning Department of the State assured at the time of wrap-up discussions that the District Planning & Development Boards would be actively involved in the formulation of Eighth Five Year Plan of the State. The proposed outlay of Rs10.00 crores for District Planning was considered inadequate by the working group and an outlay of Rs. 60.00 crores(untied funds) was recommended for this purpose for the Annual Plan 1989-90.

Resources and size of the Plan (1989-90)

68 The assessment of resources available for financing the Plan of the current year as well as of the next year was made by the F.R. Division in consultation with the officers of the State Government. The following position emerged from this exercise :-

	1988-89 (Estimates)		1989-90
	Annual Plan as approved	As now assessed	Projections
I. <u>Plan outlay</u>	1702.00	1744.00 (APA42.00) [@]	1807.00 ¹
II. <u>Funding</u>			
1. States' own resources	1270.41	1010.32 ^{\$}	1275.44 [£]
2. Central assistance	431.59	473.59 (APA42.00) [@]	416.14
3. Carry forward(+) surplus /(-) deficit of 1987-88	-	+50.60	
4. Aggregate resources	1702.00	1534.51	1691.58
5. Gap in resources	-	(-)209.49	(-)115.42

Note: 1. Outlay proposed by the State Government

[@] AFS stands for Advance Plan Assistance sanctioned to the state on account of natural calamities Rs.34 crores and irrigation Rs. 8.00 crores.

[£] includes Rs.62.34 crores Special Central Assistance outside the Gadgil formula, Rs.19.61 crores for upgradation of capital works and Rs.22.17 crores by way of grant for special problems recommended by 9th Finance Commission.

^{\$} Includes Rs.45.75 crores as the Special C.A. outside the Gadgil Formula.

69 As will be seen from the foregoing, a gap of Rs.209.49 crores has emerged between the size of the plan of the State at Rs.1744.00 crores (including advance plan assistance of Rs.42.00 crores) and the aggregate resource of Rs.1534.51 crores for 1988-89. This gap in resource. is attributable to the following factors:

	(Rs. crores)
i) Shortfall in ARM by State Government	23.94
ii) Shortfall in State's share of small savings collections	22.00
iii) Deterioration in the contribution of SEB due to increased cost of fuel etc.	21.45
iv) Deterioration in misc. capital receipts due to refund of deposits obtained from various Departments of Government/ Corporations to meet the previous year's ways and means difficulties	137.65
v) Net deterioration under other items	4.45
Total:	209.49

70 It was ascertained from the State representatives during wrap-up discussions that they hoped to considerably narrow the gap of Rs.209.49 crores through economy measures and buoyancy. As regards the gap in resource of Rs.115.42 crores for the year 1989-90, the State representatives were of the view that it would be possible to bridge this gap through buoyancy and additional resource mobilisation. Since the resource position is not clear at this stage, the final size of the Annual Plan 1989-90 may be determined at the time of discussions of the Deputy Chairman with the Chief Minister, Madhya Pradesh after which sectoral break-up of outlay will be decided in consultation with the State Government.

Basic Statistics - Madhya Pradesh

Sl. No.	Item	Unit	Madhya Pradesh	All India
1.	Geographical Area	Lakh Sq.Km.	4.43	32.87
2.	Population (1981 Census)	Lakh Persons	521.79	6851.85
3.	Rural Population	Lakh Persons	415.9	5254.6
4.	Urban Population	Lakh Persons	105.9	1597.2
5.	Rural Urban Population Ratio	Percentage ratio	80:20	77:23
6.	Scheduled Caste Population (1981)	In Lakhs	73.58	1047.55
7.	Percentage of SC Population to the total population of the State	Percent	14.10	15.75
8.	Scheduled Tribe Population (1981)	In Lakhs	119.87	516.29
9.	Percentage of ST Population to the total population of the State	Percent	22.97	7.76
10.	Density of Population (1981 Census)	Persons per sq.km.	118	216
11.	Decadal Growth Rate (1971-81)	Percent	25.27	25
12.	Districts	Numbers	45	28
13.	Development Blocks	Numbers	459	251
14.	No. of inhabited villages	Numbers	713520	587137
15.	Birth Ratio	Per thousand	38.5	33.7
16.	Death Ratio	Per thousand	14.5	11.9
17.	Infant Mortality Rate	Per thousand	143	127
18.	Literacy Rate	Percent	27.82	36.23
19.	Area under forests	Sq.kms.	153592	736685
20.	Total cropped Area (1983-84)	Lakh hect.	226.28	1803.61
21.	Net sown area (1983-84)	Lakh hect.	192.23	1427.44
22.	Gross Irrigated Area (1983-84)	Lakh hect.	28.67	539.37
23.	Net Irrigated Area (1983-84)	Lakh hect.	27.72	419.55

@No. of villages given in the Draft document is 70883.

Statement

Draft Annual Plan 1989-90 - Outlay & Expenditure - Madhya Pradesh

(Rs. lakhs)

Heads of Development	Seventh Plan Outlay		Actual Expenditure		1988-89 Approved outlay		Anticipated Expenditure		1989-90 Outlay	
	1985-86	1986-87	1986-87	1987-88	1988-89	1988-89	1988-89	1988-89	1989-90	1989-90
I. AGRICULTURE & ALLIED ACTIVITIES	1783	2705	3504	4388	4236	4557	4992			
Crop Husbandary	701	980	1348	962	946	1010	1215			
Soil & Water Conservation	514	562	604	800	685	865	871			
Animal Husbandary	42	83	140	235	200	272	282			
Dairy Development	131	176	256	254	261	309	320			
Fisheries	1867	2872	2957	3800	2976	3991	4100			
Forestry & Wild Life	30	28	20	20	17	30	30			
Food, Storage & Warehousing	-	-	-	-	-	-	-			
Agricultural Research & Education Institutions	94	270	224	250	527	700	815			
Agricultural Financial Institutions	95	100	100	100	100	100	125			
Other Agricultural Progs.	9	20	16	20	18	22	22			
Marketing & Quality Control Cooperation	1364	1729	1583	1900	1628	1996	1996			
TOTAL (I) :	6630	9525	10752	12769	11594	13852	14768			

contd..../-

Statement (contd...)(M.P.)
(Rs. Lakhs)

--: 2 :-

Heads of Development	Seventh Plan Outlay		Actual Expenditure		Approved outlay		Proposed by State Govt.		Proposed by W.G.	
	1985-86	1986-87	1986-87	1987-88	1988-89	1988-89	1989-90	1989-90	1989-90	1989-90
	2	3	4	5	6	7	8	9	10	11
II. RURAL DEVELOPMENT.										
Special Programmes for Rural Development										
(a) Integrated Rural Development Prog. (IRDP) & Allied Programmes.	9867	2132	2882	3361	3453	3627	3700	3953		
(b) Drought Prone Area Programmes (DPAP)	2250	360	375	365	405	404	405	405		
(c) Integrated Rural Energy Programme (IREP)	300	-	3	14	50	50	60	60		
Rural Employment										
(a) National Rural Employment Programme (NREP)	12925	1971	2447	3453	2241	2460	2500	3171		
Land Reforms	2439	342	388	447	442	480	500	480		
Other Rural Development Programme (incl. Community Dev. and Panchayats)	2530	313	442	379	780	757	838	775		
Total (II) :	30311	5118	6537	8019	7371	7778	8003	8949		
III. SPECIAL AREA PROGRAMMES										
IV. IRRIGATION & FLOOD CONTROL										
Major & Medium Irrigation	137592	20257	23641	23980	29409	28500	28086	28950		
Minor Irrigation	43360	6476	7638	7088	7859	7959	1098	1098		

Statement (contd.) - (M.P.)

--: 3 :-

(Rs. Lakhs)

HEADS OF DEVELOPMENT
 Seventh Plan Outlay
 Actual Expenditure 1985-86 1986-87 1987-88 1988-89 Approved outlay
 Anticipated by the State Govt.
 Proposed Recommen- ended by U.G.
 dation

	1	2	3	4	5	6	7	8	9
Command Area Development	16196	1949	2230	2217	2300	2300	2292	2446	
Flood Control (incl. anti-sea erosion etc.)	500	105	107	67	84	84	88	88	
Total (IV): P	197648	28787	33616	33352	39652	38843	40964	41982	
ENERGY									
Pbwer	264600	32542	33481	43020	55320	63780	61800	71892	
Non-conventional Sources of Energy	1400	84	281	122	225	218	229	225	
Total (V) :	266000	32626	33762	43142	55545	63998	62029	72117	
INDUSTRY & MINERALS									
Village & Small Industries	10869	1716	1762	2230	3209	3081	3949	3650	
Industries (other than V&SI)	8737	2021	2047	2630	3084	3403	3038	4005	
Mining	998	131	147	196	245	222	300	350	
Total (VI) :	20604	3868	3956	5056	6538	6706	7287	8005	
TRANSPORT									
Civil Aviation	375	10	44	46	46	46	48	25	
Roads & Bridges	28139	3870	4669	4951	5200	5274	5487	5487	
Road Transport	5725	859	1365	1468	1511	1511	1587	1587	
Total (VII) :	34239	4739	6078	6465	6757	6831	7122	7099	

contd.../-

-: 4 :-
Statement (contd.) (M.P.)
(Rs. Lakhs)

Heads of Development	Actual Expenditure			1988-89		1989-90		
	Seventh Plan Outlay	1985-86	1986-87	1987-88	Approved Outlay	Anticipated Expend.	Proposed Recommen- by State ended by Govt. W.G.	
	2	3	4	5	6	7	8	
							9	
VIII. COMMUNICATIONS	-	-	-	-	-	-	-	-
IX. SCIENCE, Technology & ENVIRONMENT								
Scientific Research (incl. S&T)	650	126	123	85	180	180	200	230
Ecology & Environment	1684	405	689	733	950	950	997	1017
<u>TOTAL (IX) :</u>	<u>2334</u>	<u>531</u>	<u>812</u>	<u>818</u>	<u>1130</u>	<u>1130</u>	<u>1197</u>	<u>1247</u>
X. GENERAL ECONOMIC SERVICES								
Secretariat Economic Services	332	6	7	12	47	59	142	140
Tourism	1099	155	169	172	275	275	289	285
Surveys & Statistics	65	4	8	9	11	11	15	15
Civil Supplies	-	-	-	-	-	-	-	-
Other General Economic Services-Computer Centre	202	19	35	28	50	41	1000	56000
<u>District planning</u>	<u>1698</u>	<u>184</u>	<u>219</u>	<u>221</u>	<u>383</u>	<u>386</u>	<u>1451</u>	<u>6445</u>
<u>Total (X) :</u>								

contd.../-

--: 5 :- Statement (Contd.)-(M.P.)
(Rs. Lakhs)

Heads of Development	Seventh Plan 1987-88		Actual Expenditure 1987-87		1988-89		1989-90	
	Outlay	Approved by State Govt.	1987-88	1987-87	1988-89	Proposed by State Govt.	Proposed by State Govt.	Recommen- ded by W.C.
	2	3	4	5	6	7	8	9
XI. SOCIAL SERVICES								
EDUCATION								
General Education	17435	4371	5906	8874	13039	11263	13778	14036
Technical Education	2233	435	606	816	1080	1030	1170	1170
Sports & Youth Services	420	60	63	75	95	95	150	115
Art & Culture	1163	137	198	250	263	421	295	350
Sub-total (Education):	21251	5023	6773	10015	14477	12859	15393	15671
Medical & Public Health	15733	2511	3420	3757	4500	4479	5175	4930
Water Supply & Sanitation	26193	4470	5400	6737	5800	6303	6100	6100
Housing (incl. Police Housing)	10749	1542	1672	1698	2063	2046	2240	2168
Urban Development (incl. State Capital Projects)	7760	1784	1695	2013	2132	2355	2499	2458
Information & Publicity	327	34	41	58	78	64	67	84
Welfare Of SC, ST & UBCs)	16395	2506	2558	2913	3900	3855	5095	4500
Labour & Employment	868	153	299	196	408	384	458	535
Social Security & Welfare	708	86	146	177	263	209	372	277
Nutrition	3389	330	330	696	687	1216	721	2931
Other social services- Legal aid to the poor &	191	29	35	35	39	47	54	40
TOTAL (XI) :	103561	18468	22370	28295	37347	33897	38144	39694

Statement (contd.) (MP)

--: 6 :-

(Rs. Lakhs)

Schemes of Development	Actual Expenditure		1988-89		1989-90		Approved Anticipated by State Govt. Expdr.	Proposed by U.G.	Recommended
	1985-86	1986-87	1987-88	1988-89	1989-90	1989-90			
	2	3	4	5	6	7	8	9	
XII. Jails	-	5	9	5	18	18	26	18	
Stationery & Printing	162	20	16	42	48	48	48	48	
Other Administrative Services-Sanjay Gandhi Institute of Training and other Development Pro.	-	-	-	-	142	-	577	-	
Total (XII) :	162	25	25	47	208	66	651	66	66
Upgradation of standards of Administration	-	-	-	5123	5500	5500	-	-	
GRAND TOTAL :	700000	100976	116900	141290	170200	176729	180700	180700	200272

£ Includes outlays for 'Codification of customary laws, and 'Sanjay Gandhi Institute Training for Youth Services'.

MOST IMMEDIATE

PLANNING COMMISSION
(State Plans Division)

...

Subject:- Annual Plan 1989-90 - Maharashtra

A copy of the report of Dr. D.W. Prasad, Adviser (State Plans) on the Annual Plan 1989-90 of Maharashtra is circulated herewith. This will form the basis of discussion between Minister of Planning/Deputy Chairman, Planning Commission and the Chief Minister, Maharashtra to be held on 20th January, 1989 at 11.00 AM in Room No. 130, Yojana Bhavan, New Delhi.

P. S. Awal
(P.S. Awal)
Deputy Adviser

Deputy Chairman
Minister of State
Members
Secretary
Special Secretary
Advisers
Consultant (LEM)/(PP)
Joint Secretary (SP)
Chief (Science)

Ministry of Finance

Sh. J.L. Bajaj, Jt. Secretary (FB)
Deptt. of Economic Affairs

Sh. G. Haldea, Director (PF) -
(4 copies)

Planning Commission Cir. No. PC(P)2/MRT/88 dt. 17.1.89

Copy to: Private Secretaries to :

Minister of Planning/
Deputy Chairman
Minister of State

Private Secretaries to:

Prime Minister
Cabinet Secretary

Copy also to:

Joint Advisers
Deputy Advisers
Information Officer
SRO/RO concerned in State Plans Division.

Copy to:

Liaison Office, Govt. of Maharashtra, New Delhi
(10 copies)

...

PLANNING COMMISSION
(State Plans Division)

....

ANNUAL PLAN 1989-90 - MAHARASHTRA

REPORT OF ADVISER (S.P.) - DR. D.N. PRASAD

Introductory

Maharashtra, with an area of 3.08 lakh sq.km² has a population of 62.8 million. The density of its population works out to 204 persons per sq.km. against the national average of 221. 7.2 per cent of the population consists of Scheduled Castes while 9.3 per cent belongs to Scheduled Tribes. 21 percent of the area is under forest against national average of 23% and recommended norms of 33%.

Plan
Perspective

2.1 The per capita Plan outlay over the years is as shown in the following table :

(in rupees)

<u>Per capita outlay</u>	<u>Maharashtra</u>	<u>All States/ UTs average</u>
First Plan (1951-56) ..	48	26
Second Plan (1956-61) ..	72	54
Third Plan (1961-66) ..	94	88
Three Annual Plans (1966-69)	84	63
Fourth Plan (1969-74) ..	178	128
Fifth Plan (1974-79) ..	415	309
Sixth Plan (1980-85) ..	942	633
Seventh Plan (1985-90) ..	1430	1054
Annual Plan (1985-86) ..	248	178
Annual Plan (1986-87) ..	301	213
Annual Plan (1987-88) ..	327	245
Annual Plan (1988-89) ..	337	258

2.2 The outlays approved for the Seventh Five Year Plan and the Annual Plans 1985-86 to 1988-89 as also the proposed outlay for the Annual Plan 1989-90 are as under :

	(Rs. crores)
<u>Seventh Plan 1985-90</u>	
Approved outlay ..	10,500.00
<u>Annual Plan 1985-86</u>	
Approved outlay ..	1700.00
Actual expenditure ..	1747.20
<u>Annual Plan 1986-87</u>	
Approved outlay ..	2100.00
Actual expenditure ..	1963.77
<u>Annual Plan 1987-88</u>	
Approved outlay ..	2320.00
Actual expenditure ..	2190.47
<u>Annual Plan 1988-89</u>	
Approved outlay ..	2430.00
Anticipated expenditure ..	2238.40
<u>Annual Plan 1989-90</u>	
Outlay proposed by State Govt.	2550.00
Outlay recommended by Working Groups	2874.03 (Cat. 'A')

2.3 The proposals made by the State Government for their Annual Plan 1989-90 have been discussed in the Working Groups as also in the wrap-up discussion convened subsequently by Adviser (SP). The recommendations made by the Working Groups for the Annual Plan 1989-90 of Maharashtra total up to Rs.2874.03 crores under Category 'A' and another Rs.1.47 crores under Category 'B' as against an outlay of Rs.2550 crores proposed by the State Government. The break-up of the proposed outlay by broad heads of development together with the corresponding recommendations made by the concerned Working Groups, are as under (detailed sectoral outlays given in the statement appended) :

(Statement next page) -/-

(Rs. Lakhs)

Major Head	Seventh Plan		Actual expenditure		1983-89		1999-90		
	Agreed outlay	2	1985-86	1986-87	1987-88	Appd. outlay	Ant. Expr.	As proposed by State	As recommended by Working Groups
		3	4	5	6	7	8	9	
1. Agriculture & Allied activities	65561	11055	11397	11891	14474	13129	14118	14894	
2. Rural Development	68049	28392	29633	31996	22499	23515	31434	31271	
3. Special Area Programme	49	18	129	199	224	196	238	238	
4. Irrigation & Flood Control	189061	35611	41673	43837	52845	45744	52911	53762	
5. Energy	305304	37259	43355	56579	54536	49938	55201	84102	
6. Industry & Minerals	36500	5775	6942	6842	9305	6093	9700	9630	
7. Transport	77519	10256	10914	12808	15945	13416	15195	15105	
8. Communications	-	-	-	-	-	-	-	-	
9. Science, Technology & Environment	400	63	46	94	183	131	192	173	
10. General Economic Services	34798	5131	5834	6272	6702	6437	7168	7168	
11. Social Services	266407	39590	44897	46649	63825	61216	66709	68930	
12. General Services	6352	1070	1497	1830	2357	2025	2130	2130	
Grand Total	1050000	174720	196377	219047	243000	223840	254996	287403	
							Or	255000	

Seventh Five
Year Plan
(1985-90)

3. An outlay of Rs. 10500 crores was approved for the Seventh Plan of the State to be financed as

under:-	(Rs. crores)
I. State's resources (excluding ARM)	3490.96
II. Additional Resource Mobilisation	3232.36
State's own resources(net)	<u>8723.32</u>
III. <u>Central Assistance</u>	
a) Normal assistance	1169.82
b) Assistance for Externally aided Projects	620.00
c) Deduct: adjustment of relief assistance	(-) 13.14
Central assistance(net)	<u>1776.68</u>
 <u>Aggregate Resources:</u>	 <u>10500.00</u>

Annual Plan
1988-89

4.1 The Annual Plan 1988-89 of Maharashtra was fixed at Rs. 2430 crores to be financed as under:-

	(Rs. crores)
I. State's total resources (incl. ARM)	<u>2043.18</u>
II. <u>Central assistance</u>	
i) Normal assistance	307.85
ii) Assistance for externally aided projects.	112.75
iii) Adjustment of advance Plan assistance	(-) 8.36
iv) Adjustment of relief assistance	(-) 45.42
Total:	<u>-386.32</u>
<u>Aggregate Resources</u>	<u>2430.00</u>

4.2 The level of anticipated expenditure during the current year is placed at Rs. 2238.40 crores, implying a shortfall of Rs. 191.60 crores. In terms of the information furnished by the State Govt., the expenditure likely to be incurred during the current year in respect of most of the sectors will fall short of the corresponding approved level. However, the shortfall in expenditure forecast in the case of Energy, Transport, General Economic Services sectors is relatively more significant.

Points raised during wrap-up meeting:

5. The wrap-up meeting convened subsequent to the Working Group discussions was attended among others, by the State Chief Secretary and Finance Secretary. Some of the main points raised by them during this meeting related inter-alia, to the collection of small savings; the enforcement of Forest Conservancy Act; the imposition of Consignment Tax etc. Some of the observations made by the Chief Secretary/Finance Secretary in regard to these issues may be noted as under:-

- a) it was observed that the application of some new instruments were eroding the state's capacity at raising resources through small savings. Govt. of India had permitted the issue of bonds by NTPC, REC etc. The introduction of Relief Bonds (Rahat Patra) has further mopped up small savings. Selectively, some State PSEs may have to be considered for being permitted to raise funds through public bonds and Maharashtra SEB may also likewise be permitted to raise resources through this medium;
- b) Another point raised related to a number of State projects with sizeable sunk investment but still awaiting clearance from forest and environmental angle. It was made out that since the FCA Act was introduced much later the norms thereunder, should be applied liberally with a view to retrieve sunk investment; and
- c) The legislation permitting imposition of Consignment Tax ought to be brought in quickly, this being a potential source for raising additional resources by the State.

Resources for Annual Plan 1988-89

6. The progress with regard to resource raising reviewed recently by the Working Group on Financial Resources, shows a gap in resources amounting to Rs.231.58 crores for funding the state's approved plan of Rs.2430 crores for the current year. Anticipating such a shortfall in resources, the State Government is understood to have decided to ~~prune~~ its plan for 1988-89 by Rs.190 crores. However, the contemplated cut in plan outlay would still leave a gap of Rs.41.58 crores which the State Govt. will have to fill by raising additional resources.

Estimate of
Resources &
Plan size
for 1989-90

7.1 The State's own resources excluding ARM through fresh measures for next year, have been worked out at Rs. 1564.06 crores. Taking the likely availability of central assistance for funding Annual Plan 1989-90 at Rs. 408.22 crores, the State's total resources in-sight (excluding ARM) aggregate to Rs. 1972.28 crores. On current indications, however, some additional resources amounting to Rs. 28 crores could also be envisaged during 1989-90 which would take the total estimated resources of the State during 1989-90 to Rs.2000 crores.

7.2 This would leave a gap of Rs.550 crores to finance a plan of Rs.2550 crores proposed by the State Govt. The gap would be much bigger if the Working Group recommendations at Rs.2874 crores are taken into account. Prima-facie, the suggested plan size of Rs.2550 crores involves only a modest step-up of about 5% over the approved plan size of Rs.2430 crores for the current year and of about 14% over the anticipated revised outlay of Rs.2240 crores. Even to sustain this size of the plan herculean efforts will have to be made to raise additional resources. The Working Group recommendations as per column 9 of the statement appended, will be modified after the plan ceiling is determined after as-certaining the State's commitment to raise additional resources.

Sectoral
Programmes

8. In terms of the discussions held in the respective Working Groups, some of the main sectoral programmes are discussed in the following paragraphs:

Agriculture &
Allied Acti-
vities

9.1 The Planning Commission had approved a target of 124.3 lakh tonnes with regard to foodgrains production in the State during 1988-89. However, considering the trend of achievement during first three years of the plan, the State was assigned a target of 108.4 lakh tonnes under special programme for foodgrain production during the current year. The acceptance of a lower target was attributed primarily to the fact that large areas in the state were under dry farming and the State had only 13% irrigated areas. Even irrigated areas in the State do not have assured water supply. In terms of present indication, however the anticipated level of foodgrains production during the current year at 97.4 lakh tonnes will fall short of the revised lower target of 108.4 lakh tonnes. It was explained during the course of Working Group discussions that some of the foodgrain crops i.e. Jowar and Bajra which are normally grown under dry land farming conditions suffered badly because of unusually high rainfall received in some parts of the state during the current year. The production of jowar by the end of the year is estimated at about 39 lakh tonnes as against the target of 57.6 lakhs tonnes. Likewise, the anticipated production of bajra at 8 lakh tonnes will fall short of the targetted level of 10 lakh tonnes.

9.2 Shortfalls are also forecast in respect of major oilseed crops as compared to the corresponding targetted level fixed for 1988-89. A review of the production programme by the Working Group has shown that most of the ground-nut varieties were doing well with desired results in some areas of the state. The seed production programme for ground-nut is also reported to have been strengthened. Besides, sunflower crop has also become quite popular in some districts. With regard to cotton, it was observed that demand for long and short staple varieties had been fluctuating in the previous years. Besides, there was no export market for long staple varieties of cotton either. The demand for such varieties has since increased but in terms of the State Govt.'s assessment, it will take some time to persuade the farmers to take up cultivation of long staple varieties of cotton.

9.3 In the light of the State's performance with regard to foodgrain production during the first four years of the Seventh Plan, the Working Group has accepted the target of 125 lakh tonnes during 1989-90. This included a target of 14.5 lakh tonnes of pulses production. In the case of oilseeds, the Working Group has recommended higher target for groundnut, sesmum, rapeseed and nigerseed. However, the target of sunflower production has been reduced from 2.7 lakh tonnes to 2.2 lakh tonnes. The total suggested target with regard to total oilseeds is 22.13 lakh tonnes as against 19.5 lakh tonnes proposed by the State.

Forestry

9.4 While considering the State Govt.'s proposals under forestry, the Working Group has suggested that a good infrastructure should be set up for carrying out research in the State and scientists should also be recruited for specific jobs. The research activities should be intensified and help of other research institutions should also be made use of. In addition to species trials, seed orchards, tissue culture etc. more emphasis should be given in identifying suitable species for afforestation and developing tissue culture techniques.

9.5 The plantation schemes were discussed in detail and their progress vis-a-vis outlay was reviewed. The plantations are being carried out by the Forest Department, Social Forestry Department and Forest Development Corporation. Besides social forestry, Centrally sponsored schemes like rural fuelwood plantation, area oriented fuelwood/fodder, silvi pasture etc. are also being implemented. The outlays for silvi pastoral and area oriented has been kept low in view of their difficulty in implementation. The social forestry project was being aided by US Aid and its first phase has expired in 1987-88. The State Govt. is trying to get the phase I extended but it is still under the processing stage. The outlays for some of the schemes have been slightly reduced and enhancement has been made in the plantation schemes with higher physical targets. It may be mentioned that the physical targets under plantation schemes have been fixed at 32500 ha., against current year's achievement of 27000 ha. Under Social Forestry, the physical targets would be 10000 ha. which are less than the current year, because the phase I of the externally aided project has expired and a lot of maintenance work would be carried out.

9.6 An outlay of Rs.3595.00 lakhs for (Forest Department Rs.2395.00 lakhs, Social Forestry Department Rs.1200.00 lakhs) against proposed outlay of Rs.3596.00 lakhs has been recommended.

9.7 The State Govt. proposals under agriculture & allied activities have been considered by the Working Group in detail. As against the State Govt.'s proposals aggregating to Rs.141.18 crores, a higher outlay of Rs.148.94 crores has been recommended for this sector by the Working Group.

Rural
Development

10.1 Under IRDP, the criteria of allocation of Central funds for IRDP subsidy during 1989-90 would be the incidence of poverty alone. On this basis, the Central share of Maharashtra tentatively works out to Rs.2947.27 lakhs. On a matching basis, an outlay of similar amount has been recommended for 1989-90. The State representative from the Planning Department have confirmed that it would be possible for the State to provide for the higher outlay than proposed by them in the next year's plan. It was reported that only hard left cases of old beneficiaries remained to be covered during 1988-89 and it was expected that all the remaining such beneficiaries, for which 1988-89 target stands at 55,550, would be covered during the current year. Thus, no old beneficiaries would be left to be covered during 1989-90. In respect of strengthening of block level administration, the approved outlay for 1988-89 stands at Rs.50 lakhs. Against this, the proposed outlay was Rs.67.30 lakhs for 1989-90. According to the present indication, no decision has been taken by the State to create additional posts of Joint BDOs. On the other hand, there were increases in the scales of pay and allowances. Keeping this in view, an outlay of Rs.55 lakhs for 1989-90 has been recommended.

10.2 Under NREP, original approved outlay for 1988-89 was Rs.2140 lakhs. This was subsequently revised to Rs.2995 lakhs by the Department of Rural Development. The outlay for 1989-90 has been recommended at the same level, viz. Rs.2995 lakhs against the proposed outlay of Rs.3287.83 lakhs. Under DPAP, 74 blocks are being covered through the Centrally Sponsored Scheme and 13 blocks through State Sector Scheme at the rate of Rs.6 lakhs per block. The Central share of Maharashtra for Centrally Sponsored Schemes works out to Rs.671.50 lakhs. Thus a total provision of Rs.749.5 lakhs has been recommended for both the schemes against the proposed outlay of Rs.761.50 lakhs.

10.3 In respect of IADP in Ratnagiri and Sindhurda districts, the proposed outlay of Rs.18.00 lakhs for 1989-90 has been recommended as it was noted to be lower than the level of the approved outlay (Rs.23.50 lakhs) for 1988-89.

10.4 In respect of Land Reforms, the proposed outlay is Rs.79.17 lakhs for 1989-90 against the approved outlay of Rs.65.40 lakhs for 1988-89. The Working Group has recommended an outlay of Rs.65.17 lakhs plus Rs.14.00 lakhs under Category 'B'. Additional outlay is in respect of a new scheme relating to modernisation of Government Photo Registry under maintenance of land records.

10.5 The outlay proposed for Community Development for 1989-90 stands at Rs.62.12 lakhs, against which the recommended outlay is Rs.55 lakhs so as to keep it at the level of the approved outlay for 1988-89.

Irrigation

11.1 The State Govt.'s proposals in the irrigation sector had aggregated Rs.529.11 crores. These have been considered by the Working Group in detail and an outlay of Rs.537.62 crores recommended in respect thereof.

11.2 Some of the main points arising from the Working Group discussions are as under:-

- 1) The 7th plan envisaged a target of 365 thousand hec. of additional irrigation potential in the state. As against this, however, the anticipated achievement during the first four years of the plan is placed at 190 thousand hec. (50.7%). The State Govt. have been accordingly advised to accelerate the completion of such projects as are in advanced stage of construction and are capable of yielding additional potential for making up the shortfall in achievement so far.
- 2) Under World Bank Assisted Project (MCIP - III - Jayakawadi Stage-II, Majalgaon)- the original credit is to expire on 30.6.91. The rate of re-imburement under this project is reported to be slow because reformation proposals lying with the World Bank. The Working Group have endorsed the suggested outlay of Rs.32.50 crores.

3) It was pointed out during the course of discussion that the spillover cost of externally aided and ongoing major projects in advanced stage (29 in number) as in March 1989 is expected to be of the order of Rs. 2074 crores. The State Govt. & have been advised to concentrate on these projects with a view to accelerate their completion instead of going in for other major and medium irrigation projects which were still in initial stage of construction.

< of

4) The State Govt. had proposed an outlay of Rs. 62 crores for 62 medium irrigation projects of which 30 were reported to be in advanced stage of construction. The Working Group was informed that 9 of such projects would be completed by the end of 7th plan. The suggested outlay in respect of these projects was retained.

—12/—

12.1 The State Govt's proposals for 1989-90 for power sector (excluding rural electrification) aggregated to Rs. 473.86 crores. The Working Group have however recommended a much higher outlay of Rs. 758.79 crores for different programmes during 1989-90. In addition, a provision of Rs. 81.33 crores has been approved for the running of rural electrification programmes in the State during 1989-90.

12.2 The Working Group have observed that the share of power sector in the overall plan is coming down in each of the Annual Plan periods. The power sector is a very vital sector and for a particular state like Maharashtra where peak demand is growing at the rate of 10% every year, any reduction would in turn upset the whole economy of the state. The present demand is more than 5000 MW. In the current year, the anticipated expenditure is lower than the approved outlays. State Govt. is requested not to divert at least the earmarked outlays as far as Thermal Power Projects are concerned

Hydro Projects

12.3 The total requirements in respect of Hydro projects, as proposed by the State Govt. was agreed to after discussing the progress of all ongoing Hydro Project. The main points arising from discussion are given below:-

- i) The schemes which were completed before the start of the 7th plan were still continuing in the terminal year of the 7th Plan. State Govt.'s proposed outlay was accepted subject to the condition that all the physical parts would be closed by 3/90 and this was agreed by the State Govt.
- ii) Completed schemes of Bhira Tail Race, Pench (MP/MAHA), Tillari, Bhandardara I, Pawana & Vaitarna Dam Toe HEP which had been commissioned during 7th plan were yet to be formally handed over to MSEB. It was also advised to close these schemes.
- iii) The forest clearance in respect of Koyaa stage IV and Ghatgar Hydro schemes should be expeditiously obtained. These are the schemes which have been posed for World Bank & OECF Japan respectively.

- iv) Schemes like Majalgaon & Karanjwan HEP should be submitted to Planning Commission for investment approval urgently. These schemes which are to cost less than Rs.5 crores are not required to be cleared techno-economically by the CEA. The other new small hydro project for which an allocation of Rs.10 lakhs is recommended, should also be submitted to Planning Commission for investment clearance.

Thermal Schemes

12.4 The main thermal schemes are briefly discussed below:-

- 1) Khaperkheda Unit 1 & 2 (2 x 210): In the

∟scheme

∟equivalent

current year, Khaperkheda unit No.1 is the only targetted scheme for the state. But the is likely to slip to next year. The main critical activity is the non-receipt of generator. The project is under turnkey contract with M/s BHEL. BHEL requirement for the next year has been changed from Rs.54 crores to Rs.80 crores. Accordingly MSEB total by Rs.80 crores was enhanced to Rs. 104 crores for this scheme. It was advised to keep the target for both the units to commission during 7th plan period itself which was accepted.

- ii) Chanderpur Unit 5 & 6 (2 x 500 MW): The project was accepted by World Bank for financial assistance and the loan amount requirement to 300 Million US Dollars was approved. Most of the orders for equipment/work have been finalised except for LT/HT switchgear, power and control cable, Ash handling plant. The commissioning dates of the units have been given as 91-92 and 92 -93 respectively. The outlay for the Project was assessed to be Rs. 250 crores and out of this Rs.34 crores is fund flow from the World Bank. The requirement of assessed outlay is justified as the amount of about Rs.34 crores from World Bank is over and above the State's own resources. This aspect has to be considered by State Govt. before diverting the earmarked fund for this particular scheme. In the recommended

outlay of Rs.250 crores, BHEL payments works out to Rs.80 crores.

- iii) Uran Waste Heat (3 x 120 MW): The two units were sanctioned by Planning Commission in 3/87 & 12/87 respectively. The third unit could not be processed for investment as the gas linkage for this scheme has not been linked with the corresponding gas unit. MSEB assured to supply the letter from Ministry of Petroleum & Natural Gas about the confirmation of gas. The outlay proposed is mainly for the consultancy charges which is expected to be finalised in 1/89. It was advised to place the order for equipments for all the 3 units in 12/89. The scheme has been included in the 8th plan capacity addition programme.
- iv) Khaperkheda Extension Unit 3 & 4 : The scheme was recommended by Planning Commission at an estimated cost of Rs.454.42 crores in 6/88. A fund provision of Rs.10 crores was provided during the current year. But the State Govt. expenditure for this project has been nil and no outlay has been proposed for the next year. MSEB Chairman explained that because of the funds constraint, the scheme could not be taken up during the current year. There is a move to hand over the execution of the project to a private party. If it does not materialise then MSEB would start taking an advance action in the next year. Accordingly a provision of Rs.25 crores was kept, out of which Rs.20 crores is towards BHEL payment.

R & M and T & D

12.5 The outlays in respect of these were discussed with CEA in detail. For R & M, a provision of Rs.6.09 crores was proposed against MSEB's requirement of Rs.7 crores. Since the current year assessment of CEA for Rs.7.41 crores could not be met due to resource constraint, it was suggested to keep the next year outlay of Rs.7 crores as proposed by the State Govt. This will bridge the gap of current year's shortfall in the next year.

12.6 In respect of T & D schemes, the CEA's assessment of Rs.229.29 crores was retained by the Working Group.

Industry

13.1 The State Govt. had proposed an outlay of Rs. 7970.03 lakhs for the Annual Plan 1989-90 in respect of large & medium industries. Their proposals were discussed in detail in the Working Group meeting and finally an outlay of Rs. 7900 lakhs has been recommended (which includes 200.00 lakhs for setting up of growth centres) to enable the State Govt. to carry out their proposed plan activities during 1989-90.

13.2 Some of the important aspects that emerged during the discussion of the Working Group are highlighted below:

- 1) Reg. growth centres, it was decided that such centres would be provided with all necessary infrastructural facilities like transport, power, communication etc. In addition, it was felt that private organisations should also be permitted to set up FAX (facsimile services), telecommunication, and other facilities on contract basis.
- 2) Reg. progress of industrial development, it had been stated by the state representative that Maharashtra Industrial Development Corporation had already established at least one centre in each district and in near future it would be extended to each tehsil and would be provided with all infrastructural facilities. Presently about 87 tehsils/talukas not having any industry and hence falling under the category of "no industry tehsils" were also covered by these industrial centres. Further the State Govt. had decided to utilise the various district industries centres (DICs) as a single contact point or agency for various entrepreneurs who would be required to deposit a copy of their licence/loan/other application to the concerned DICs, while approaching various agencies like banks/financial institutions/Ministries/Depts. etc. and these DICs in turn would ~~try to~~ pursue the various cases for clearance from the concerned Depts./Institutions, etc.
- 3) Reg. Industrial sickness in the State; The representative of the State Govt. informed that recently RBI had given a detailed schedule with time-table to all public sector banks and financial institutions for identifying the sick units under their jurisdiction and also preparing their individual rehabilitation programme within a stipulated ~~time~~. At present, it had been observed that the industrial sickness had deeply affected the

<expedite

<time frame.

was
textile industry and gradually extending to engineering industry and probably in future, it might enter the electronic industries also due to lack of achieving proper economies of scale in production. However, it was felt that proper training with adequate institutional support were required for the entrepreneurs which would mould them to utilise the resources properly and also inculcate a culture of quality consciousness among them. During the Working Group discussion, it was felt that the various self-employment schemes of the Govt. of India like SMPUP (self-employment programme for urban poor), loan melas etc could not become much successful as compared to earlier expectation due to random selection of the persons/beneficiaries as well as lack of proper training in organising a fruitful/purposeful utilisation of funds. This area also deserves attention for appropriate corrective action.

13.3 The Working Group also discussed the schemes pertaining to V&SI and finally an amount of Rs. 1645.00 lakhs was recommended as proposed by the State Govt. for Annual Plan 1989-90. The main points touched in this respect are as follows:-

- i) There should be proper institutional support with training facilities as well as uniform method for rehabilitating sick (SSI) units;
- ii) Special attention should be paid for tiny units (with investment less than Rs.5 lakhs, & which constituted about 95% of the total SSI units) because the problems of the tiny sectors are different and more acute from the other small scale units and hence they deserve special attention.
- iii) It was felt that Govt. should help SSI units in providing land, building, infrastructural facilities, working capital, loan at low rate of interest and no other major benefits except 15% price preference and let these units be allowed to face a limited amount of risk to come up and ultimately sustain the competition.

Transport

14. In the Transport Sector, the State Govt.'s proposals amounted to Rs.151.95 crores. On detailed consideration of these proposals, however, the Working Group have recommended an outlay of Rs.151.05 crores as under:-

(Rs. crores)

	<u>1989-90 outlay</u>	
	<u>As proposed</u>	<u>As recommended</u>
1. Ports & Lighthouses	1.57	0.71
2. Roads & Bridges	100.89	100.94
3. Road Transport	47.58	47.58
4. Inland Water Transport	0.49	0.42
5. Civil Aviation	1.42	1.40
6. Tourism	1.50	1.50
	<u>153.45</u>	<u>152.55</u>

Science,
Technology &
Environment

15. In this sector, the State Govt.'s proposals had aggregated to Rs.192 lakhs. On detailed consideration however, the Working Group have recommended a lower outlay of Rs.173 lakhs for running the programme during 1989-90 as under:

(Rs. lakhs)

	<u>1989-90 outlay</u>	
	<u>As proposed</u>	<u>As recommended</u>
1. Science & Technology	110	83
2. Environment & Pollution control	82	90
Total:	<u>192</u>	<u>173</u>

Education

16.1 The Working Group on Education have recommended an outlay of Rs. 13824 lakhs under Category 'A' and another Rs.129 lakhs under Category 'B' as against the proposed outlay of Rs.14400 lakhs for Annual Plan 1989-90.

Elementary Education

16.2 The State Govt. had proposed additional target of 4.00 lakh children in classes I-VIII in 1989-90 as against the current year's target of 5.11 lakh children. Reviewing the progress of the elementary education, the Working Group observed that enrolment of girls in classes I-VIII lagged behind the target especially at middle stage. At the primary stage additional enrolment was necessary to achieve age-specific ratio equal to boys. To achieve the Seventh Plan target Working Group has recommended the additional target of 6.10 lakhs children in classes I-VIII. Break up of the recommended targets for 1989-90 is as follows:

(in 000's)

	1989-90		
	Boys	Girls	Total
Classes I-V	110	200	310
Classes VI-VIII	175	125	300
Total	285	325	610

16.3 Out of additional target of 3.25 lakhs for girls in classes I-VIII, 70,000 are estimated to be scheduled Tribe. Keeping in view the enhanced target of 6.10 lakhs for 1989-90, it was suggested that state Govt. should introduce an incentive scheme of attendance allowance to attract the girls enrolment at primary stage. To cover 70,000 scheduled tribe girls enrolment, an outlay of 175 lakhs will be required but the working group recommended in the first instance a provision of Rs. 1 crore @ 1 rupee per day per beneficiary for 220 days. The same was agreed to.

/ schoolless 16.4 State Govt. had proposed to appoint 1230 new teachers in villages in addition to 919 already appointed. It was learnt that 400 schoolless villages will still remain uncovered. To cover all the schoolless villages by the end of Seventh Plan, additional 800 teachers will be required. Hence, an enhanced outlay of Rs.310 lakhs was recommended as against the proposal of Rs.245.45 lakhs. For the scheme of grant in aid to aided private primary schools, an outlay of Rs.205 lakhs was recommended as against the proposed outlay of Rs.350 lakhs for 1989-90. The Working Group was of the view that provision of primary education is the responsibility of Zilla Parishad and State Govt. should minimize such assistance to private bodies.

Secondary Education

16.5 An outlay of Rs.5000 lakhs was recommended against the proposed outlay of Rs.5376.30 lakhs for Annual Plan 1989-90. For the scheme of opening of new non-Govt. Secondary Schools the State Govt. had asked for Rs.1946.85 lakhs. There was also substantial increase under the scheme of development of non-Govt. Secondary and higher secondary Education. While observing that increase in the number of Divisions was to some extent inevitable, the working group suggested division of grant-in-aid code and a study to rationalize the number of divisions. A reduced outlay of Rs.1646 lakhs was recommended for the scheme of opening of new non-govt. schools. For the scheme appointment of Librarians in non-Govt. secondary schools, a sum of Rs.60 lakhs was considered against the proposal of Rs.112.86 lakhs.

Adult Education

16.6 An outlay of Rs. 539.48 lakhs was considered for continuing schemes under this sub-head. It was observed that state Govt. proposal of Rs.84.20 lakhs for setting up of Jan Shiksha Nilayam Kendra was on the low side.

16.7 During 1988-89, 260 JNS centres are likely to be opened and 590 centres are proposed in 1989-90. Working Group was informed that 650 centres will still remain to be opened/one JNS per 10 centres. Keeping in view the necessity of additional 650 JNS centres, Chairman, Working Group, has recommended a sum of 74 lakhs in category 'B'.

Technical Education

16.8 A sum of Rs.400 lakhs was proposed for development of facilities in pre SSS vocationalisation education out of which Rs.137 lakhs was for construction work. The State officials were requested to phase out the construction work over a longer period. They were also advised to take benefit of central scheme for vocationalisation of at +2 level. An outlay of Rs.350 lakhs was considered.

16.9 An amount of Rs.15 lakhs for new scheme of development of polytechnics and engineering colleges under new Education policy was not agreed to.

16.10 Keeping in view the additional requirements for the scheme i) removing deficiencies in Staff, equipment, building etc. in Govt. Engineering colleges (Rs.40 lakhs) ii) Introduction of additional intake in the existing Govt./non Govt. Engineering colleges (Rs.15 lakhs), the working group has recommended Rs.55 lakhs under category 'B'.

Sports and Youth Services

16.11 The Working Group observed that the State Govt. is unable to avail of the central Govts. assistance for Astro Turf, Wrestling Mats, Hova courts & Tartan Track. Central Govt. provides 50% assistance of the cost of surfaces. Keeping in view the priorities of programmes, the working group has recommended an outlay of 367 lakhs for Astro Turf, Hova Courts & Tartan Track as the matching share. In all Rs.400 lakhs was considered under this sub-head.

Health

16.12 The Working Group has made a detailed examination of the State Government's proposals in the Health Sector, keeping in view the State resource position and an amount of Rs.7028 lakhs has been recommended for running the programme during 1989-90. This is against the State Government's proposals aggregating to Rs.9159 lakhs for the various health sector programmes during 1989-90. They have also indicated that if the State's resource position comes close to Rs.2250 lakhs for all sectors then an amount of Rs.9159 lakhs as proposed by the State would be fully justified for health sector programmes during 1989-90.

16.13 The State Govt. has proposed an outlay of Rs.5615.85 lakhs including Rs.15 lakhs for MPWs and Rs.3883.59 lakhs as capital for MNP for Annual Plan 1989-90. As against this, the working group has recommended an outlay of Rs.3700 lakhs for MNP within the total outlay of Rs.7028.12 lakhs for health sector. However an increased amount of Rs.5133.82 lakhs was recommended by the Working Group with the presumption that the State's resources position for 1989-90/come to around Rs.2250 lakhs for all sectors.

Would

sub-Centres

16.14 The State Government have established 2847 Sub-Centres by the end of 1986-87. They have proposed no target for opening of sub-centre in 1989-90. They have proposed an outlay of Rs.51.19 lakhs which is meant for increased grants for sub-centre for contingencies (Rs.49.69 lakhs) and for creation of the posts of MPWs (Rs.1.50 lakhs). The unit cost for building one sub-centre is Rs. one lakh.

16.15 At present 9238 sub-centres are functioning in the State. The position of construction activity relating to sub-centres as on 1.12.88 is as under:

1. Sub-centres having own buildings	2082
2. Sub-centres where construction is in progress	1271
3. sub-centres not having own buildings	5885
Total:	<u>9238</u>

16.16 The Working Group agreed for the establishment of 1572 sub-centres in the State in 1989-90.

Primary Health Centres

16.17 There are 1539 PHCs in the State as against the target of 1800 laid by the Planning Commission to be established by the end of 7th Plan which means that the State Govt. is yet to open 261 PHCs by end of March, 1990. But during the Working Group discussion for Annual Plan 1989-90, the State Government have agreed to establish the remaining 261 PHCs in 1989-90. It was agreed that instead of spending funds for PHCs, the State Govt. will complete the target of establishing 261 PHCs during the year.

16.18 They have proposed an outlay of Rs.2914.58 lakhs including capital outlay of Rs.2383.59 lakhs for PHCs.

- 16.19 The position relating to construction of PHCs for main buildings as well as for staff quarters as on 1.12.1988 is as under:

Item	Main Buildings	Staff quarters
1. PHCs with own buildings (as per approved pattern)	727	546
2. Construction in progress	540	614
3. PHCs where construction as per patter yet to be started.	272	379
Total:	<u>1539</u>	<u>1539</u>

- 16.20 The estimated cost, reported by the State Govt., for construction of PHCs main buildings is Rs.6 lakhs and for staff quarters is Rs.4 lakhs.

Community Health Centres

- 16.21 Against the target of establishing 225 community health centres in the State by the end of 7th Plan, the State Govt. have established 277 CHCs by the end of 1986-87. They have proposed no target of opening CHCs in 1989-90. The Working Group also did not recommend any target for the same. But it was agreed in the meeting that the State Government would go slow in spending funds in CHCs and instead would complete their target of establishing 261 PHCs in 1989-90.

- 16.22 They have proposed an outlay of Rs.2650.08 lakhs including Rs.1500 lakhs as capital outlay for this head in 1989-90.

- 16.23 The position pertaining to the construction activity relating to CHCs for main buildings as well as for staff quarters as on 1.12.88 is as under:

Item	Main Buildings	Staff quarters
1. Community Health Centres with own buildings.	100	33
2. CHCs/RHs where construction is in progress	114	165
3. CHCs/RHs where construction is yet to be started.	63	79
Total:	<u>277</u>	<u>277</u>

- 16.24 The estimated cost of construction of 30 bedded Rural Hospital/Community Health Centre for main building is Rs.12 lakhs and that for staff quarter is Rs.14 lakhs.

Housing & Urban Development

- 16.25 In the Housing & Urban Development sector, the State Govt.'s proposals amounting to Rs.11665 lakhs have been endorsed by the working Group in to.

16.26 The recommended outlays against Housing and Urban Development sectors also include the Special problem areas grant recommended by the 9th Finance Commission (total Rs.50 crores) for Bombay for the year 1989-90. The State Govt. would be required to ensure that the specified components (slump upgradation, environmental improvement of slums and basic amenities for Bombay) which would attract this grant are adequately provided for in the detailed proposals. This grant is earmarked for Bombay only.

16.27 It was noted that sufficient Provision had been made for the two MNP schemes viz house-sites-cum construction assistance and the Environmental improvement of Urban slums though the physical targets set by the state Govt. for the 7th Plan would have been achieved by the end of the fourth year of the plan. It was also pointed out that both financial and physical achievements in r/o the BWS, LIG & MIG housing has so far been very poor as per the statistics presented in the Annual Plan document. After examining the data the state Housing Secretary remarked that these data did not include the programmes under the Housing Board which constructed these houses through HUDCO financing. He promised to furnish comprehensive data on achievements from all sources. He also assured that overall achievements under these schemes were quite satisfactory.

/like

16.28 It was observed that very high level of expenditure ^{was} incurred on some schemes ^{being} residential quarters of Govt. employees, police housing, house building advance and loans to cooperatives of Govt. servants etc. compared to the level of expenditure in other housing schemes meant for the general public. It was clarified that additional funds were being provided for these schemes from net savings under Group Insurance Scheme according to the terms and conditions of the scheme. As for police housing it was stated that satisfaction level for police housing was required to be raised from the present average of 63% to 70% by 1993. Moreover, police personnel were entitled to rent free housing. If sufficient quarters were not provided a large section of police personnel would suffer deprivation. This was not in the interest of maintaining law & Order. As a matter of police efficiency also 100% satisfaction was desirable.

16.29 It was noted that substantial allocation had been made for BUDP-I (Shelter Project) to expedite implementation of this long stagnating externally financed project. With this level of funding disbursement of credit from IDA would pick up substantially. The State officials were informed that Planning Commission had not cleared the MUDPI project for posing the same for world Bank financing. It was pointed out that as per the last review meeting taken by Dr. Rakesh Mohan, former Economic Adviser, Planning Commission, the State Govt. was to undertake an intensive review of their resources position and intimate their commitment for funding the project adequately. It was informed during discussion that this review had since been done and the State Govt. would write officially to Planning Commission in this regard. It was also made clear by the State Housing & U.D. Secretary, that resource position was comfortable and for the interest of Urban population outside Bombay the MUDPI should be expeditiously cleared for World Bank financing. Unlike BUDPI, no implementation problem was likely to arise in case of MUDPI.

Water Supply & Sanitation

Rural Water Supply.

16.30 The State Government has reported that out of 5,174 identified problem villages as on 1.4.1985, 3,347 problem villages were covered during the first 3 years (1985-88) of the 7th Plan. During 1988-89, it is envisaged to cover 1100 problem villages leaving behind 727 problem villages to be covered during 1989-90. In addition to the above coverage of identified problem villages as per Government of India norm it is reported that the State Government is also covering villages which were covered partially as well as villages identified as per the State Government norm. Taking such villages into account, it is reported that during the first 3 years (1985-88) State Government has covered 14,203 villages (of which 3347 problem villages as per Govt. of India normal and during 1988-89 total envisaged coverage would be 5,000 villages (of which 1100 problem villages as per Govt. of India norm). The above villages were covered with funds made available to the State Government under State Sector MVP, Central Sector ARWSP, Tribal Sub-Plan and Advance Plan Assistance under Drought. During the first 3 years expenditure of Rs.330.30 crores was incurred i.e., cost of coverage per village was Rs.2.30 lakhs. During 1988-89, anticipated expenditure on rural water supply would be of the order of Rs.99.22 crores i.e., cost of coverage per village would be of the order of Rs.1.98 lakhs. During 1989-90 the State Government has envisaged to cover 2797 villages (of which 727 problem villages as per Government of India norms.). The proposed coverage during 1989-90 is as under:

	<u>Problem villages as per Govt. of India norm.</u>	<u>Villages other than identified problem villages</u>
M.N.P.	377	2070
A.R.W.S.P.	350	Nil
Total:	<u>727</u>	<u>2070</u>

The State Government has been advised to ensure that 727 identified problem villages as per Govt. of India norm are covered on priority and no such villages should be allowed to spill over to 8th Plan.

16.31 Operation and maintenance of rural water supply schemes is a part of Minimum Needs Programme. The Plan document is silent over the involvement of community in the maintenance of rural water supply schemes. Efforts are necessary to charge, say, Rs.1/- per household per month or as appropriate from the beneficiaries of rural water supply schemes. The State Government should ensure that an amount as appropriate is collected by village level institutions and is used for minor repair works and routine maintenance of rural water supply schemes by village level institutions. However, major repair works may be carried out by the concerned Department. The State Government should also ensure that selected village level people are adequately trained and equipped for the purpose. In this regard, funds made available to the State Government under TRYSEM may be suitably dovetailed.

Urban Water Supply

/Sewerage
Project

16.32 The State Government has proposed an outlay of Rs.121.83 crores for urban water supply schemes for the Annual Plan 1989-90. The scheme-wise review revealed that the Maharashtra Water Supply and / for which the State has proposed an outlay of Rs.10 crores for the Annual Plan 1989-90 is going to spill over to 8th Plan. After studying the detailed progress of the scheme, the working group felt that the scheme should not be allowed to spill over to the 8th Plan. The State Government should make all out efforts to complete the scheme by the end of the 7th Plan to avoid cost over-run. The Group assessed total requirement of fund of Rs.12.18 crores for the Annual Plan 1989-90 for completion of the scheme by 31st March, 1990. The working Group, therefore, recommended an additional outlay of Rs.2.18 crores under Category-B over and above the recommended outlay of Rs.10 crores under Category-A for the Annual Plan 1989-90. The State Government has been advised to ensure that the schemes (including externally aided projects) which are in advance stages of completion should be given priority and minimum number of ongoing schemes should be allowed to spill over to 8th Plan.

16.33 Maharashtra Water Supply and Sewerage Project, as mentioned above, was originally posed by the State Govt. for World Bank Assistance. Subsequently, the State Government started implementation of the project with the State Plan funds. Since this project is in advance stages of completion by the end of the Seventh Plan, the representative of the D.E.A. Ministry of Finance felt that the Scheme should be withdrawn from the World Bank assistance and should be completed by mobilising State Plan funds.

16.34 In all the Working Group has recommended an outlay of Rs.236.88 crores (of which MNP Rs.78.73 crores) under Category A and Rs.23.19 crores (of which MNP Rs.21.01 crores) under Category B for water supply and sanitation sector for the Annual Plan 1989-90 against State Government's proposal of Rs.236.88 crores (of which MNP Rs.78.73 crores) for the Annual Plan 1989-90.

Social Welfare & Nutrition

16.35 In the social welfare and nutrition sector, the working group recommendations are as under:

(Rs. lakhs)

	1989-90 as proposed	outlay as recommended
1. Social welfare	400.00	356.00
2. Nutrition		
a) SNP in rural areas	112.74	430.00
b) SNP in urban areas	21.10	277.00
c) MDM Programme	321.99	1923.00
Total (Nutrition)	455.83	2630.00

Social Welfare

16.36 A step up in the next years outlay by Rs.23 lakhs over the current year's approved outlay of Rs.333 lakhs is considered essential so as to improve the quality of services in the on-going institutions for destitute children, women and physically handicapped.

Nutrition

16.37 The proposed outlay for Nutrition programmes- 322 lakhs for Mid-day-Meal programme and Rs.134 lakhs for SUP programme are too meagre to support the beneficiaries even at the existing level. In the current year also these programmes have not been adequately funded.

MDMs: The total enrolment of children in the I-V standard (age group 6-11 years) in Maharashtra is at present 99.95 lakhs. Of these, State Government is providing Mid-day-Meals to children of Zilla Parishad schools which number about 19.45 lakhs. The children in the first standard (3.24 lakhs) are provided with milk at the rate of Rs.120/ben./annum and the remaining children (16.21 lakhs) with nutritious meal at the rate of Rs.140/ben./annum for 200 days in a year. Based on these figures, an amount of Rs.2658 lakhs would be required to support the targetted 19.45 lakh children. However, since an amount of Rs.735 lakh is to come from non-plan, the balance of Rs.19.23 lakhs is required to be provided under Plan.

SUP: There are at present 122 ICDS projects in operation in Maharashtra. Of these 104 ICDS projects are being administered by Rural Development Department and 18 by Department of Social Welfare.

16.38 The existing 104 rural projects cover about 14.77 lakh beneficiaries. Of these, 6.55 lakh are being supported with CARE Food, with local food and 6.66 lakh with Central Wheat based programme. While no provision is required to be made for 6.66 lakh beneficiaries under wheat-based programme, the financial requirement of the remaining 8.11 lakh beneficiaries as per the prescribed norms would be of the order of Rs.430.00 lakhs.

16.39 Similarly for 2.30 lakh beneficiaries in 23 urban ICDS projects being run by the Department of Social Welfare an amount of Rs.277 lakhs would be required. Besides, above, the State Government representative also insisted for another Rs.120 lakhs to meet the differential cost for over one lakh beneficiaries in urban areas outside ICDS projects.

16.40 Any cut in the outlays as estimated above will affect the quality of the programme. In case the State Government finds it difficult to meet the financial requirement of the Nutrition programme as per the prescribed norms, there will be need to review the programmes in terms of selection of beneficiaries and expansion of ICDS projects.

Other Sectors

17. The Working Group recommendations in respect of other components of Social & Community Services Sector and those for other remaining sectors are set out under Col. 9 of the Statement appended as Annexure.

Statement

Annual Plan 1989-90 - Outlay and Expenditure - MAHARASHTRA

Major Head/Minor Heads of Development Plan (1985-90)	Seventh Agreed Outlay	Actual Expenditure				(Rs. Lakhs)	
		1985-85	1986-87	1987-88	1988-89	198-90 outlay	As proposed by State working Group
	2	3	4	5	6	7	8

I. AGRICULTURE & ALLIED ACTIVITIES

Crop Husbandry	16500	2439	2721	2865	3885	3407	3451	3731
Soil & Water Conservation	11866	3140	2112	1837	1457	1270	1206	1456
Animal Husbandry	3775	599	649	888	1201	1067	1495	1371
Dairy Development	4300	728	726	928	1000	880	790	840
Fisheries	1600	349	320	321	404	361	449	470
Forestry & Wild Life	10600	1685	995	2299	3390	3391	3596	3595
Plantations	-	-	-	-	-	-	-	-
Food, Storage & Warehousing	200	51	1250	89	86	76	75	75
Agricultural Research & Education	3745	298	316	378	770	672	700	1000
Agricultural Financial Institutions	775	164	192	283	200	173	200	200
Other Agricultural Programmes:								
(a) Marketing & Quality Control	200	-	-	-	-	-	-	-
(b) Others	-	-	-	-	-	-	-	-
Cooperation	12000	1602	2116	2002	2081	1832	2156	2156
Total (I)	65561	11055	13397	11891	14474	13129	14118	14894

Major Head/Minor Heads of Development	(Rs. lakhs)								
	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure 1985-86	1986-87	1987-88	Approved outlay 1988-89	1989-90	Proposed by State	As recommended by working group	Outlay
I	2	3	4	5	6	7	8	9	
II. RURAL DEVELOPMENT									
Special Programmes for Rural Development									
(a) Integrated Rural Development Programme (IRDP)	11400	1670	2106	2483	2544	2669	2916	3088	
(b) Drought Prone Area Programme (DPAP)	2525	524	637	626	675	749	761	749	
(c) Integrated Rural Energy Programme (IREP)	300	7	12	40	40	40	40	60	
Rural Employment	9130	1899	2000	2152	2140	2995	3288	2995	
(a) National Rural Employment Programme (NREP)									
(b) Other Programmes:	44150	24500	24601	26500	16830	16810	24100	24100	
(i) Employment Guarantee Scheme	100	208	173	93	135	117	169	140	
(ii) Sanjay Gandhi Swabhlamar Scheme	325	70	84	61	65	65	79	65	
Land Reforms									
Other Rural Development Programmes:									
(i) Community Development and Panchayats	70	10	16	33	55	55	62	55	
(ii) Share Capital to Regional Rural Development Barks	49	4	4	8	15	15	19	10	
Total (II)	68049	28892	29633	31996	22499	23515	31434	31271	
III. SPECIAL AREAS PROGRAMMES									
(Ratnagiri & Sindhudurg Distts)	49	18	129@	199@	224@	196@	238@	*238	

£ Includes Rs.50 lakhs for payment of honorarium for educated unemployed.

@ Includes provision for Wardha Plan also.

* Includes Rs.220 lakhs for Wardha Plan.

contd.....

Major Head/Minor Heads of Development	(Rs. lakhs)				
	Seventh Plan (1985-90) Agreed outlay	Actual Expenditure 1985-86	1986-87	1987-88 Approved outlay	1988-89 1989-90 outlay
	2	3	4	5	6
				7	8
					9

IV. IRRIGATION & FLOOD CONTROL

Major & Medium Irrigation	132000	25332	30425	30636	34332	29718	35711	36620
Minor Irrigation	25000	4047	6464	7682	11707	10134	11564	11506
Command Area Development	31991	6219	4769	5505	6781	5870	5605	*5605
Flood Control (incl. anti-sea erosion, etc.)	70	13	15	14	25	22	31	31
TOTAL (IV)	189061	35611	41673	43837	52845	45744	52911	53762

V. ENERGY

Power	304887	37227	43304	56509	54456	49869	55131	884012
Non-conventional sources of Energy	417	32	51	70	80	69	70	90
Total (V)	305304	37259	43355	56579	54536	49938	55201	84102

VI. INDUSTRY & MINERALS

Village & Small Industries	6300	1079	1296	1248	1450	1256	1645	1645
% Industries (other than village & Small Industries)	29890	4505	5587	5530	7770	6763	7970	7900
Mining	310	191	59	64	85	74	85	85
Total (VI)	36500	5775	6942	6842	9305	8093	9700	9630

% Includes provision for Weights and Measures also.
 * Includes provision for Ayacut Development also.
 © Includes provision for Rural Electrification of Rs.8133 lakhs).

contd.....

Major Head/Minor Heads of Development.

(Rs. lakhs)

1	2	Seventh Actual Expenditure			1988-89			1989-90-Outlay	
		1985-86	1986-87	1987-88	Approved Outlay	Anticipated by State	Asproposed by State	Recommended by State	Group.
3	4	5	6	7	8	9			

VII. TRANSPORT

Ports & Light Houses	745	95	88	116	187	152	157	71
Shipping	-	-	-	-	-	-	-	-
Civil Aviation	150	35	35	61	156	131	142	140
Roads & Bridges	27382	5672	5275	6648	9195	8111	10089	10094
Road Transport	49067	4431	5499	5965	6360	4989	4758	@4758
Inland Water Transport	150	13	17	18	47	33	49	42
Other Transport Services- Konkan Railway	25	10	-	-	-	-	-	-
Total (VII)	77519	10256	10914	12808	15945	13416	15195	15105

IX. SCIENCE, TECHNOLOGY & ENVIRONMENT

Scientific Research (Incl. S&T)	200	45	25	55	78	68	110	83
Ecology & Environment	200	18	21	39	110	63	82	90
Total (IX)	400	63	46	94	188	131	192	173

X. GENERAL ECONOMIC SERVICES

Secretariat Economic Services;					18	-	20	20
a) Planning Machinery	340\$	-	-	-	-	-	-	-
b) Maharashtra Institute of Development Administration	-	-	-	17	30	30	41	41
c) Installation of Computer in District Treasuries	-	-	-	-	70	78	74	74

\$ Includes Rs.52 lakhs for assistance to studies in Rural Development & Regional Planning.
 @ Includes Rs.22 lakhs for Motar vehicles.

contd.....

Major Head/Minor Heads of Development	(Rs. Lakhs)									
	Seventh Plan (1985-90) Agreed outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 outlay	1989-90-outlay	As proposed	As Revised	As ended	Working Group
	1	2	3	4	5	6	7	8	9	
a) Felt needs programme of Districts	32000	5031	5775	6178	6400	6200	6300	6300	6300	6300
c) Prizes to districts under 20 Point Programme.	-	-	-	-	-	-	-	48	48	48
f) Special action plan for Gadchiroli Distt and selected area of Chandrapur District	-	-	-	-	-	-	-	500	500	500
Tourism	450	81	91	66	149	105	150	150	150	150
Surveys & Statistics	308	19	28	11	35	24	35	35	35	35
Civil Supplies	-	-	-	-	-	-	-	-	-	-
Other General Economic Services-District Planning	1700	-	-	-	-	-	-	-	-	-
Total (X)	34798	5131	5834	6272	6702	6437	7168	7168	7168	7168
XI. SOCIAL SERVICES										
EDUCATION										
General Education	21645	1958	3516	4333	6575	7218	11037	10592	10592	10592
Technical Education	8908	857	1119	845	2558	2197	2700	2615	2615	2615
Sports & Youth Services	1085	122	107	142	261	226	400	400	400	400
Art & Culture	800	42	113	74	263	185	263	217	217	217
Sub-Total (Education)	32438	2979	4855	5394	9697	9826	14400	13804	13804	13804
Medical & Public Health	37400	3335	4748	6307	7682	6650	9159	7028	7028	7028
Water Supply & Sanitation	134500	25379	24400	22421	28900	28900	23689	26007	26007	26007
Housing (incl. Police Housing)	24427	3011	4853	5996	8136	7419	8665	8665	8665	8665

* Includes Rs.2319 lakhs under Cat. 'B'

contd.....

-6- Statement (contd.) - Maharashtra
(Rs. lakhs)

Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed outlay	Actual Expenditure 1985-86	1986-87	1987-88	Approved outlay	1988-89	1989-90-outlay as proposed by the State working group.
	2	3	4	5	6	7	8
Urban Development (incl.State Capital Projects)	16000	2377*	3330*	3281*	4251*	3759*	4470*
Information & Publicity	760	117	82	120	150	130	261
Welfare of Scheduled Castes, Scheduled Tribes & Other Backward Classes.	9000	1174	1667	1783	2250	2284	2700
Labour & Employment	5682	571	394	784	1671	1444	2509
Social Security & Welfare	1200	96	120	231	333	289	400
Nutrition	5000	551	448	332	595	515	456
Other Social Services (to be specified)	-	-	-	-	-	-	-
Total (XI)	266407	39590	44897	46649	63825	61216	66709
XII. GENERAL SERVICES							
Jails	-	-	-	-	-	-	-
Stationery & Printing	-	-	-	-	-	-	-
Public Works (incl.Jails)	6300	1070	1488	1880	2352	2020	2120
Other Administration services							
a) Training	52	-	9	-	-	5	10
b) Consumer Protection	-	-	-	-	5	-	-
Total (XII)	6352	1070	1497	1880	2357	2025	2130
Grand Total	1050000	174720	196377	219047	243000	223840	255000
							287403

* Includes provision for Bombay Development also. (Rs.2200 lakhs for 1989-90).

** Rs.172824 as indicated by the State Government.

Planning Commission
(State Plans Division)

Subject: Annual Plan - 1989-90 - Manipur

A copy of the report of Dr.(Mrs.) I.K. Barthakur, Adviser (State Plans) on the Annual Plan 1989-90 of Manipur is circulated herewith. This will form the basis of discussion between Minister of Planning and Deputy Chairman, Planning Commission and the Chief Minister, Manipur to be held on Monday the 2nd January, 1989 at 3.30 in Room No. 130, Yojana Bhavan, New Delhi.

P.M.

B. Goel
29/12

(H.R.S. Goel)

Deputy Adviser (State Plans)
Room No. 362-A, Tel. 2638

Deputy Chairman
Minister of State
Members

Secretary
Special Secretary
Advisers

Consultant (PP)
Joint Secretary (SP)
Chief (Science)
Jt. Adviser (V&SI)

Ministry of Finance

Shri J.L. Bajaj, Jt. Secretary (FB), Deptt.
of Economic Affairs
Shri G. Haldia, Director (PF) - 4 copies

Ministry of Programme Implementation

Shri D.Y. Manawwar, Additional Secretary

Ministry of Home Affairs

Shri K.K. Sinha, Jt. Secretary (NE)
Mrs. S.A. Tirmizi, Deputy Secretary (Fin)

Planning Commission Cir.No. PC(P)2/MANI/88 dated 29.12.1988

Copy to:

Private Secretary to:

Deputy Chairman
and Minister of
Planning

Private Secretaries to:

Prime Minister
Cabinet Secretary

Copy also to:

Joint Adviser
Deputy Adviser
SRO/ROs concerned in the S.P. Division.

Copy also to:

Liaison Office, Govt. of Manipur in New Delhi.
(10 copies)

Planning Commission
(State Plans Division)

MANIPUR - ANNUAL PLAN - 1989-90

REPORT OF ADVISER(SP) - DR.(MRS.) I.K. BARTHAKUR

PART - I

STATE PROFILE

Physiography

Manipur with an area of 22327 sq.km. is a hilly State with Imphal valley in the centre. The Imphal valley constitutes roughly about 1/10th of the geographical area and is inhabited by more than 2/3rd of Manipur population. The hills are inhabited mainly by the Scheduled Tribes people.

Population

1.2 The total population of Manipur was 14.21 lakhs people; 73.6% live in 20²⁵ villages(1981). The Scheduled Tribes population constitutes 27.3% and the Scheduled Castes 1.2%. The density of population per sq.km. was 64 persons. But it camouflages two distinct characteristics: The density of population per sq.km. in the hills was as low as 24.5 persons and in the valley of Imphal, it was as high as 415 persons per sq.km.(1981) as against 16 for all India.

Natural Resources

2.1 Manipur is richly endowed. The valley lands are very fertile. The water resources are abundant, forest resources estimates vary from 27% to 67.5%; mineral resources like limestone, copper, lignite, nickel, chromite, sands, gravels and others are available (possibilities of natural gas and hydel power also exist); climatic nuances permit varieties of crops, rainfall is plentiful. Manipur has already become surplus in hydel power generation. Above all, the people of Manipur are vigorous and innovative with a scientific bent of mind. They can take to mechanisation and precision work with ease.

Plan Perspective

3.1 For funding purposes, the Manipur State is considered as a special category state. The Central assistance is given at 90% grant and 10% loan terms. The Plan outlays and expenditure from the first Plan onwards have been as follows:

..../-

(Rs. crores)

<u>Plans</u>		<u>Approved outlay</u>	<u>Actual Expenditure</u>
First Plan	(1951-56)	1.55	1.08
Second Plan	(1956-61)	6.25	6.22
Third Plan	(1961-66)	12.88	12.82
Three Annual Plans	(1966-69)	10.14	7.20
Fourth Plan	(1969-74)	30.25	31.15
Fifth Plan	(1974-79)	92.86	98.90
Annual Plan	(1979-80)	31.00	32.53
Sixth Plan	(1980-85)	240.00	248.32
Seventh Plan	(1985-90)	430.00	-
Annual Plan	(1985-86)	70.00	69.68
Annual Plan	(1986-87)	87.00	84.13
Annual Plan	(1987-88)	105.00	105.33
Annual Plan	(1988-89)	122.50	135.00*

* Anticipated by the State Government.

Financing of the Plan
Seventh Plan 1985-90

4.1 The Seventh Plan of Manipur was agreed to be financed as follows:

	(Rs. crores)
Plan outlay	430.00
State's own resources	(-) 115.00
Central Assistance	545.00
<u>Aggregate Resources</u>	<u>430.00</u>

Annual Plans 1985-86, 1986-87, 1987-88, and 1988-89

5.1 Against the outlay of Rs. 70 crores for the Annual Plan 1985-86; Rs. 87 crores for 1986-87; Rs. 105 crores for 1987-88, the actuals were Rs. 69.68 crores, Rs. 84.13 crores; and Rs. 105.33 crores respectively. The State Govt. anticipates to spend Rs. 135 crores during 1988-89 against the approved plan outlay of Rs. 122.50 crores.

Annual Plan 1989-90

5.2 The State Govt. proposed an outlay of Rs. 258.28 crores for the Annual Plan 1989-90. The Plan proposals were considered by the respective Working Groups. The recommendations of the Working Groups aggregated to Rs. 169.97 crore which indicates a step up of 38.75% over the outlay of Rs. 122.50 crores approved for 1988-89. The sectorwise details of the plan outlay/expenditure are given in the statement at Annexure-I.

Financing of the Annual Plans
1985-86 to 1988-89:

6.1 The financing of the Annual Plans 1985-86 to 1988-89 was done as follows:

	(Rs. crores)			
	Estimated at Plan Formulation Stage			
	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>	<u>1988-89</u>
Plan Outlay	<u>70.00</u>	<u>87.00</u>	<u>105.00</u>	<u>122.50</u>
State's own resources (-)	17.87	(-)19.46	(-)15.15	(-)30.84
Opening deficit /surplus (-)	11.05	+	-	-
State's net resources (-)	28.92	(-)19.46	(-)15.15	(-)30.84
Central Assistance	98.92	106.46	120.15	153.34
Aggregate Resources	70.00	87.00	105.00	122.50
Actual Plan realised	69.68	84.13	105.33	135.00*

* Anticipated, as indicated by State Govt.

6.2 It will be seen from the above that the State continued to have (-)ve resources at the formulation of each year's Plan which was met from Central assistance.

6.3 The estimates of state's revenue receipts and non-plan revenue expenditure as now worked out and as assessed by the Ninth Finance Commission are indicated below:

	As now worked out in Planning Commission	As assessed by 9th Finance Commission
Tax Receipts(incl. AFM)	15.63	14.31
Non Tax revenue	8.83	9.60
Non-plan revenue expdr.	201.89	166.58
<u>Totals:</u>	<u>226.35</u>	<u>190.49</u>

6.4 Excluding upgradation grant for capital works and special problems (Total Rs. 6.58 crores) recommended by 9th Finance Commission, the balance from current revenue at current rates of taxation show a deficit of Rs. 33.92 crores. grants for.

6.5 The assessment of state's resources bring out that it will have a negative balance of Rs. 13.80 crores on non-plan capital account. However, including the estimates of market borrowing (Rs. 8.61 crores); Small Savings (Rs. 1.60 crores); State Provident Fund (Rs. 3 crores); Negotiated Loans (Rs. 1.78 crore); Contribution by SRTC (- Rs. 1.01 crore) as well as upgradation grant (Rs. 5.78 crores) and special problems grants (Rs. 0.80 crore); the State's own resources for funding the 1989-90 plan aggregate to Rs. 6.76 crores.

6.6 Taking Central assistance for funding the 1989-90 Plan at Rs. 122.50 crores and Rs. 6.76 crores of State resources and including the upgradation special area grant the total resources available for 1989-90 plan come to Rs. 129.26 crores. But, in order to give a final thrust to some of the on-going projects/schemes for completion during the terminal year of the Seventh Five Year Plan, somewhat higher magnitude of resources would be necessary.

6.7 Since it will not be possible for the Planning Commission to provide for the non-plan gap beginning from 1989-90, the State Govt. might like to reduce the non-Plan expenditure, mobilise additional resources and effect non-Plan savings.

6.8 The implementation of projects need to be planned in such a way that advance purchase of surplus stores is avoided. Only necessary stores and items should be purchased so that the cost on inventories is reduced.

6.9 The approval for the schemes/projects to be covered under Upgradation Grant for capital works and Special Area Grant may be obtained from the empowered committee. However, the funds allocated under these two grants will form a part of the size of the State Plan.

Part - II

During the wrap up discussion, the Adviser(S) mentioned the following aspects which need to be kept in view:

PROJECT
FORMULATION

- 6.11- It is important to formulate projects in detail. The physical targets, the objectives, the goal, time phasing and financial requirement should be seen and detailed clearly. The project report should show the benefits that would accrue to the people. Cost effectiveness of the proposal should also be examined. At what unit cost the proposed benefit is sought, should be spelt out wherever feasible.

MONITORING

- 6.12- Monitoring at various levels will help to avoid time over-runs and cost over-runs.

JHUM

- 6.13- For replacing jhum, it has been clearly understood that people resort to jhum cultivation for meeting their food requirements. Continuation of this primitive practice of cultivation points to the fact that the efforts of the agriculture and other allied sectors have either failed or have not been adequate in the areas where this practice is persisting. Agricultural sector, has, therefore, to play a very cardinal, constructive and aggressive role in assisting people to improve yields and productivity of their jhum land and simultaneously to develop permanent cultivation not only for growing food crops but also for growing of vegetables and other food items. Agriculture in the hills cannot be left to be handled by primitive techniques. At the same time, public distribution system needs to be strengthened. People have to be provided food security. This approach coupled with scientific working of community/private forest, will relax and reduce pressure on the hill lands.

- 6.13.1 - To overcome the disadvantages of shifting cultivation and to help people to live a better quality of life and also to conserve and develop ecology of hills, a strategy to replace jhum has been evolved. It suggests multi-disciplinary integrated area development approach where pooling of resources and efforts of all departments and other developmental agencies is considered necessary. The focus is on evolving location

specific integrated package of schemes that provide sustainable income generating alternatives and settled cultivation to replace jhum without disturbing settled villages. A central sector scheme is in operation since 1987-88. The strategy may be extended to all jhum areas by the concerned State Governments.

6.13.2

A number of schemes are in operation to control/replace jhum in the state, i.e. through the Ministry of Welfare ; Ministry of Agriculture; Tribal Development Corporations; North Eastern Council; Soil Erosion Department of the State Govt.; through afforestation programmes; other State level schemes; through the Agriculture Deptt. etc. It is very essential that all these are consolidated and integrated under a nodal Deptt., preferably, Agriculture.

MODERNISE
AGRICULTURE

6.14

- The cropping intensity, use of high yielding varieties of seeds, fertilizers and other modern inputs continue to be low. In order to encourage these, especially to enhance cropping intensity, it is necessary to introduce short duration (less than 100 days) time bound high yielding varieties of paddy seeds during Kharif season, so that the paddy crop is harvested during the month of September/October and the paddy lands become vacant for planting of various Rabi crops during the optimum sowing season. The optimum sowing season closes by the end of October in most of the States and by the middle of November in some States of the NE Region. It is necessary to link propagation of seeds to this approach.

SEEDS

6.15

- Non-availability of required quality short duration (less than 100 days and cold tolerant high altitude varieties for hills) variety of seeds has been a continuous problem. The right variety seeds are either not available, or are not available at the required time and in required quantities. The situation is compounded by the problem of transportation and distribution of seeds. It is necessary to place timely advance orders for the procurement of foundation seeds for multiplying the same in the State farms and seed growers' farms. The State Govt. may develop a suitable seed production strategy.

- LAND TENURE 6.16 - In certain areas, the existing land tenure system is inhibiting permanent asset formation on land based activities. The State Govt. might like to give attention to this aspect and evolve suitable policy/strategy.
- ACID SOILS 6.17 - Wherever Rabi crops are planned to be taken up, soil acidity levels should be corrected for the requirement of the selected Rabi crops.
- IRRIGATION 6.18 - Wherever irrigation potential has already been created, it should be linked with crop husbandry programme. Irrigation by itself is of no consequence.
- 6.18.1 Irrigation schemes/proposals may be examined first from the potential it will create for irrigating Rabi and pre-Kharif crops (Ahu/Ahus). Since the rainfall during Kharif season is very heavy, the true benefit of irrigation is to be judged from its likely impact on Rabi and pre-Kharif crops.
- 6.18.2 Due to the terrain problem, major and medium irrigation projects of long gestation period are less advantageous than the minor irrigation projects. Wherever necessary and feasible, minor irrigation projects need to be taken up on higher priority and firmly linked with crop husbandry and modern inputs. A coordinated approach to the development of crop husbandry with modern inputs and linkage of irrigation is necessary.
- FORESTS 6.19 - Very heavy deforestation is taking place for a number of reasons, including jhumming and commercial interests. The State Govt. may take necessary steps and make a suitable policy for preventing unregulated tree felling.

HORTICULTURE 6.20

The development of horticulture seems to hold good promise. The North Eastern Council is already preparing a regional perspective on the development of horticulture. Although the conditions for the development of horticulture seem conducive, it is important that transport and market linkages are seen and planned well ahead of fruiting of the crops. It is important that the areas which specialises in horticulture development also produce foodgrains to meet at least partial requirements of the people. In/ State Government must strengthen public distribution system and make food available to the people in horticultural development.

In addition
the

Engaged

SERICULTURE 6.21

Development of sericulture in the North Eastern Region need to be linked with availability of adequate numbers of food trees for the silk worms. Plantation of such trees under various afforestation, social forestry development schemes and the like programmes needs to be encouraged.

PRODUCTIVE SECTOR 6.22

People are fond of eating meat/fish. Modern techniques to increase livestock of quality and quantity may be used. High priority needs to be given to the productive aspect of agriculture and allied sectors and other productive sectors for the development process of the State.

INSTITUTIONAL FINANCE 6.23

The credit-deposit ratio continues to be adverse. It is essential that more and more institutional finance is linked with various developmental activities/enterprises. The constraint to the same may be identified and conditions conducive to linking of institutional finance may be created.

CORPORATIONS 6.24 - A number of corporations have been set-up or are being created. It is essential that viability of the corporations that are under consideration is properly examined and benefits clearly seen before they are set up.

6.24.1 The performance of existing corporations' may be improved to the optimum level. The assets invested must bring best results.

6.24.2 The accounts of the existing corporations need to be regularly audited and their viability monitored.

**DECENTRALISATION
OF PLANNING
PROCESS**

6.25 - Much thought has already been expressed on decentralisation of planning process. A further step to decentralisation at district level will be to consider allocation of a part of State Plan resources to the village authorities as is in vogue in the form of Village Development Boards in Nagaland. The people of Nagaland have used the village funds allocated on per household basis, on schemes which they considered their felt needs. In order to accomplish the tasks, the village community also contributed effort and their own resources and achieved much higher throughput. The State Govt. might like to consider a similar approach/strategy for satisfying the felt needs of the people at village level and also for involving community in the planning process.

REACH PEOPLE 6.26 - By way of reminding, it might be worthwhile to give a fresh look to the plethora of plan schemes, projects and programmes to assess what reaches the people and how the plan effort was helping them to improve their quality of life and standard of living. Efforts may continue to be made to reduce soaking of funds in uneconomic ventures.

OBJECTIVE 6.27 - The first and the foremost objective of the total development effort is to improve the quality of life of the masses. All schemes and projects should therefore be tested on this touch-stone whether the completion of the project/scheme will bestow any benefit to the people for improving their quality of life and raising their standard of living. It is important to bear in mind that the first priority schemes should be such that create conditions for the people to move towards attaining the above objective.

TERMINAL YEAR OF THE PLAN 6.28 The year 1989-90 is the terminal year of the Seventh Five Year Plan. It should, therefore, be treated as the year of consolidation and completion of projects so that the achievement of the year could be compared against the Seventh Five Year Plan targets.

6.28.1 - The year 1989-90 will also become the base on which the Eighth Five Year Plan will have to be founded. Therefore, intensive efforts are required to complete the on-going schemes/projects so that new projects and new schemes could be identified and scheduled to be taken up during the Eighth Five Year Plan.

6.28.2 - The schemes that have been completed during 1987-88 and 1988-89 and those that will be completed during 1989-90, may be listed and schemes that will spill over to the Eighth Plan may be separately identified.

NEW

EXPENDITURE NOT TO BE COMMITTED 6.29 - A number of new posts, construction of buildings and purchase of vehicles have been proposed. It was suggested to the State Govt. that new expenditure on these items may not be committed, especially on the start of new buildings when a very large portfolio of buildings including some buildings that were taken up during the Fifth Five Year Plan, were continuing to be under construction- due to shortages of material. Therefore, in all the sectors these expenditures should be kept under strict check during 1989-90.

- RESOURCES SHOULD NOT BE SPREAD THINLY 6.30 - The resources should not be spread thinly on a large number of projects but concentrated on projects that could be completed in the shortest possible time. This will bestow benefits to the people at the earliest. Only through this approach, aspirations of the people in real terms can be met. Thin spread of resources create hope that leads to disappointment if the projects are not brought to fruition in the expected time schedule.
- EXISTING ASSETS TO BE FULLY USED 6.31 - The existing infrastructure, institutions, staff, buildings, transport facilities and other assets should be used to the optimum level.
- ROADS 6.32 - Faulty construction of roads cause serious disturbance to fragile eco-system. Roads may be planned properly and constructed as per designs that prevent disturbance to ecology and environment.
- HOUSING 6.33 - The local housing designs should respect local architecture and use local materials. As far as possible, institutional finance through schemes like self-financing etc. may be used. Where acute shortage of housing accommodation for staff exists and where local houses on rent are not available, construction of transit accommodation/barrack accommodation could be considered.
- MAINTENANCE OF ASSETS 6.34 - Permanent assets have been created with scarce resources and with a great deal of effort. These should be maintained properly and not allowed to get into disuse or damage .
- 6.34.1 - *h areas.* Within the state, there are comparatively less developed areas. These may be given special attention for speedy development.
- INPUT OF SCIENCE & TECHNOLOGY 6.35 - Science & Technology Council has already been constituted. The State Govt. may involve the council input to all sectoral plans. Similarly, State Govt. may use various technical institutions situated within the State or in the region, and involve them to innovate and introduce scientific and technological improvements for enhancing productivity and reducing drudgery in various sectors.
- SHORTAGES OF TECHNICAL PERSONNEL 6.36 - The Shortage of technical personnel continue to be a serious constraint. A systematic multi-directional effort is necessary to train as well as to attract qualified and experienced technical personnel.

**EMPHASIS ON
CONSUMABLES**

6.37 -

The general infrastructure sector, for the North Eastern Region as a whole, especially transport system and specialised manpower is considered weak in the North Eastern Region. To overcome this situation, high emphasis over the years has been laid on the development of infrastructure. Heavy investments on this sector are continuously being made. Intra-sector infrastructural expenditure made on various sectors of the State Plans, the NEC Plan, and the Central sector scheme too is also high. A large number of departments, organisations and institutions and corporations have been set up.

6.38 -

However, the productive sector has not kept pace with the increased demand - which has risen both qualitatively and quantitatively. The agricultural and allied productive sectors have remained more or less stagnant. Most of the primary and manufactured/consumer goods and producer good are brought into the region. Therefore, it is urgent that maximum resources in real terms go towards inputs that enhance actual production of consumer goods. Innovative inputs and people's involvement towards this objective may also be encouraged.

PART III

Sector-wise Programmes

Agriculture and Allied Sectors:

Foodgrains

7.1 The State of Manipur especially the valley areas, are now developing fast in respect of agriculture. The Seventh Plan target of foodgrains production is 4.96 lakh tonnes, against an estimated requirement of 4 lakh tonnes. A target of 4.75 lakh tonnes of foodgrains production was recommended for 1988-89 against which the State expects to achieve 4.56 lakhs tonnes by March, 1989. The State is confident of achieving 4.93 lakhs tonnes of foodgrains by 1989-90 against the Seventh Plan target of 4.96 lakh tonnes. Thus self sufficiency in foodgrains is already in sight.

7.1.1 Rice is the main crop, followed by Maize. Maize production could be further increased if arrangement could be made for procuring Maize at support price. It was already suggested that NAFED could be asked to help in this regard. Support price extension will enhance production very significantly.

Fertiliser

7.2 The position about consumption of fertilizer per ha. (43 kgs. as against all India average of 50 kgs.) is better as compared to other states of the north east.

7.2.1 The programme of retail sale of fertilisers is not progressing well. The State Govt. has to set up larger number of retail sale points through the cooperatives and all the block headquarters should be declared as 'railheads' and the cost of further transport from block headquarters to the consumer points should be subsidised by the State Govt. The target of medium term and long & short term loans might be increased every year. The target of such loans was Rs. 6.70 crores, but during 1988-89, Rs. 6.40 crores are anticipated. The target for 1989-90 is Rs. 7.80 crores.

Crop Productivity

7.3 Average production of foodgrains per ha. in Manipur during 1985-86 was 20.35 qtls. It is reported to have risen to 24.68 qtls per ha. during 1987-88. Potential for further increasing agricultural productivity exists. Production and productivity of pulses continues to be very poor. A suitable cropping pattern needs to be evolved to increase the production of pulses which is an item under 20-Point Programme. Soils in Manipur are rich but acidic. It would be necessary to use lime/rock phosphates to correct the acidity level of the soil. This will significantly improve productivity, especially of pulses. The irrigation potential in the State increased from 48000 ha. at the end of the Sixth Plan to 1,03,170 ha. in 1987-88, i.e. covering 71% of the total cropped area in the valley. According to the State Plan document 1988-89, the net sown area (including hills) in 1987-88 was 223 th.ha. and gross cropped area 274 th.ha.; giving a cropping intensity of 123.3%.

7.3.1 The State Govt. is making efforts to raise cropping intensity in the areas where irrigation facilities have already been created.

Seeds

7.4 The State has become self sufficient with regard to paddy seed production. But for other crop seeds, the State Govt. has to chalk out a seed strategy within a time frame of 3-5 years for the production of nucleus/foundation, breeders and certified seeds in the State itself. The State Govt. has advised to adopt short duration variety of rice seeds i.e. less than 100 days. It was suggested to get in touch with CRRRI, Cuttack for the purpose.

Commercial Crops

7.5 Oilseeds form an important commercial crop of the State. The production of oilseeds reached a level of 17.5 th. tonnes during 1987-88. A target of 19.5 th. tonnes has been proposed for 1989-90 (Seventh Plan target is 20 th. tonnes.) but Working Group recommended 20 th. tonnes.

Sugarcane

7.6 Sugarcane production during 1985-86 was 0.6 lakh tonnes. As against this, the production during 1988-89 is likely to be 1.5 lakh tonnes. The target for 1989-90 is 1.8 lakh tonnes against the Seventh Plan target of 2.0 lakh tonnes. The productivity per Ha. is 27.57 tonnes (1986-87) as against all India level of 59.73 tonnes per ha.

Horticulture

7.7 As regards horticultural crops, the target for the Seventh Plan is 2.85 lakh tonnes. The State Govt. had undertaken a comprehensive survey of horticulture crops in the State. It was reported that the production of horticultural crops was 0.63 lakh tonnes in 1986-86, 0.67 lakh tonnes in 1986-87, 0.72 lakh tonnes in 1987-88.

As against the target of 2.60 lakh tonnes for 1988-89, the anticipated production is reported to be 0.79 lakh tonnes. Against this the proposed target is 0.91 lakhs tonnes for 1989-90.

Animal Husbandry

7.8 As against the Seventh Plan target of 90 th.tonnes of milk and 63 million eggs, the production during 1987-88 was 78.8 th.tonnes of milk and 50.60 million of eggs.

7.8.1 Expanding of pig breeding farms to meet the increasing demand for pork is need of the day. The State Govt. proposed to establish a Mithun(Dos-Frontalis) rearing farm with a view to improve Mithun population in the State for meat purposes. The farm is in progress at Tingkhai Khunon.

Fishery

7.9 The fishery resources in Manipur comprise of 3360 km. of rivers, 3600 ha. of tanks and ponds and about 29000 ha. of Swamps & bheels. However, despite a good potential, the present production is hardly enough to meet the local demand. Against a target of 12000 tonnes for the Seventh Plan, the production in 1987-88 was only 6450 tonnes. For 1988-89, 7000 tonnes are expected. The target for 1989-90 is 10000 tonnes.

7.9.1 Major thrust to fisheries development can be given in the Loktak lake which is the largest lake in the NE Region and has vast potential for fishery development.

Forests

7.10 The satellite imagery reveals that during the decade 1972-82, Manipur lost about 2247 sq.kms. of the forest area. The State Govt. was advised to conduct a survey to have a reliable figure of the total forest area and the extent of vegetative cover. Systematic effort to afforest the denuded areas should be given very high priority. State may take policy decisions and evolve an appropriate strategy to check felling of trees and to rehabilitate deforested lands.

Cooperation

7.11 The State Govt. is making concerted effort to make cooperative movement a success so that exploitation of common man may be partly removed. However, the primary level agriculture societies, even after being reorganised have not become viable. The State officials intimated that old irrecoverable overdues for the period upto 1983-84 had been segregated and placed in Block account. This has helped in improving the recovery position. The overdues for the primary level agricultural societies have come down from 90% in 1983-84 to 19.9% in 1986-87. The overdues position in June 1988 was 21.4 %. The State Govt. has to keep this under check to save choking of flow of institutional funds.

Outlay

7.12 Excluding Forestry, the State Govt. proposed an outlay of Rs. 26.05 crores for 1989-90 against 12.69 crores of the approved outlay during 1988-89 for the Agriculture and Allied Sector. The Working Group recommended Rs. 15.55 crores.

Rural DevelopmentI.R.D.P.

8.1 As mentioned in the Seventh Plan document, allocation under IRDP was made in 1987-88 on the basis of 2/3rd weightage to incidence of poverty and 1/3rd on the basis of uniformity according to number of blocks as existed at the end of the Sixth Plan. For 1988-89, the criterion was 75% weightage to incidence of poverty and 25% on the basis of uniformity. For 1988-89 the criterion is 100% on incidence of poverty.

8.1.1 According to the Concurrent Evaluation for January - September 1987, 23% beneficiaries selected, being in the above Rs. 4800 income category were not eligible. In 75% cases difference between cost and value of assets as assessed by the beneficiaries was more than Rs. 1000; and in 67% cases assets were not intact and no after care support was provided in 79% cases. The State Government should take note of this for improving the quality of performance.

8.1.2 The per capita investment under IRDP was stated to be Rs. 2625 for old and Rs. 2233 for new beneficiaries during 1987-88. They are low and need to be stepped-up. The State Govt. should have credit linked schemes to have a break-through.

N.R.E.P.

8.2 During 1988-89 discussions, the State Govt. had pressed for higher allocation than what was necessary to match central share. Accordingly, Rs. 120 lakhs were allocated as against Rs. 50 lakhs of the central share. It was however agreed & specified then that higher allocation made was not related to central share matching. During 1989-90 if resources permit enhanced allocation under State sector on similar conditions could be allocated. Perhaps the State Govt. would like to use the resources to involve people as has been done by Nagaland under Village Development Board Scheme.

Irrigation and Flood Control

Major and Medium Irrigation

9.1 Three projects namely Loktak Lift Irrigation; Imphal Barrage & Sekmai Barrage stand completed for which Rs. 130 lakhs were allocated during 1989-90.

9.1.1 At present there are 3 major irrigation schemes under execution in Manipur viz., Singda Dam, Thoubal Dam and Khuga Dam. The State Govt. also proposed to take up a new project i.e. the Dolaitnabi Barrage during the year 1989-90.

Singda Dam

9.2 This is a multi-purpose project consists of a earthen dam 60 m high and canal system with water supply benefit of 4 MGD to Imphal and irrigation of 4000 ha.. It is a much delayed project. It was started in 1975 at an estimated cost of Rs. 6.70 crores and the project is expected to be completed by December 1989 and at a much higher cost. The State Govt. proposed an expenditure of Rs. 395 lakhs on this project for the year 1989-90. Full requirement of this project need to be made & if necessary the allocation in favour of Thoubal Dam which is likely to mature by the end of 8th Plan, could be diverted to complete Singda Dam Project so that Imphal City is supplied with drinking water.

Thoubal Dam

9.3 This is multipurpose project to irrigate 17350 ha. with an ultimate irrigation potential of 26500 ha. to supply 10 MGD water and to generate 7.5MW of power. At the time of 1987-88 plan discussion, the cost of the project was stated to be Rs. 80 crores. The project has undergone a further revision and the cost is now estimated at Rs. 95 crores. The project is expected to be completed by 1993-94.

Khuga Dam

9.4 The project is situated in the Tribal and Hill Area of Manipur and benefits the tribal areas, and would be completed in the 8th Plan. During 1988-89 Rs. 3 crores were provided for this project with the stipulation that this money should not be diverted away from the project. This project being in the Tribal Area need to be completed on priority.

Minor Irrigation

9.5 During 1988-89, a total of 99 Surface Flow Schemes were under execution including 29 spill over schemes. Of these 99 schemes, 66 are in hill areas and 33 in valley districts. Under RLI, 21 schemes were under execution during 1988-89. The outlay proposed for 1989-90 is Rs. 485 lakhs of which inter-alia Rs. 235 lakhs were for surface flow schemes and Rs. 150 lakhs under RLI schemes. The aforesaid amount was needed for completion of 73 Nos. of surface flow spill over schemes and 18 RLI spill over schemes. An amount of Rs. 300 lakhs has been recommended by Working Group.

Command Area Development

9.6 There are 2 CAD Projects in Manipur under the centrally sponsored CAD Programme viz. Loktak and Sekmel Barrage Project. Some work has been done on the Loktak Project in respect of field channels etc. but no work has been started in case of the other project. Last year's Working Group had suggested to the State Govt. that a command area map showing the area covered by field channels and proposed target may be furnished alongwith the project report. It is yet awaited.

Flood Control

9.7 Against State Govt. proposal of Rs. 300 lakhs, the Working Group has recommended Rs. 160 lakhs for covering a large number of projects under construction. The State Govt. was informed in 1988-89 Working Group discussions that all the schemes costing upto Rs. 60 lakhs should be got cleared by the State Technical Advisory Committee and approved by the State Flood Control Board in consultation with CWC. It is hoped this is being adhered to.

9.8 The Working Group recommended that the progress of CAD Programme was not considered sufficient and the State representatives were asked to take special measures for expediting the programme. The demand of State Govt. for other expenditure under CAD was reduced from about Rs. 26 lakhs to Rs. 8 lakhs advising the State Govt. that the posts needed for CAD may be created but they should not be filled up till their requirement. They were also requested to tap resources under non-Plan. The Working Group recommended a new project Dimaithabi Barrage and suggested Rs. 20 lakhs for the project to be started in the terminal year of the Seventh Five Year Plan. It is not clear whether a detailed project report has been prepared. The total cost of the project and time-phasing has also not been indicated. Moreover, a number of major/medium irrigation projects requiring large sums are already under construction. Therefore, the start of the new project could be deferred.

Power

10.1 The State has large hydro potential which can be exploited for generation of power through mini/micro Hydel Schemes. These schemes are very suitable for remote areas of the State provided the forests in the catchment areas could be retained.

10.2 The State had an installed capacity of 22.8 MW at the end of the Sixth Plan comprising of diesel generation of 21.9 MW and 0.9 MW of hydel power. In addition, 105 MW hydel power generating capacity has been created at Loktak under the Central sector. The target for the Seventh Plan is to create additional capacity of 6.9 MW under the State sector. However, during 1985-86 to 1988-89, 2.3 MW of hydel power generation capacity would be added. For 1989-90, it is proposed to add 1.0 MW of Hydel Power. During 1988-89 the target of 2 MW of diesel generation is expected to be achieved. The State also allocated 25 MW of power from Loktak and 9.7 MW from Kopili. Both of them are Regional Hydel Projects (Loktak under Central Sector while Kopili under NEC).

Lokchao (HP) Project (2 x 200 MW)

10.3 Lokchao Hydel Project was completed during 1987-88 but the commercial operation was not possible due to some vibration problem in the electrical and mechanical equipments. A revised requirement of Rs. 1.50 lakhs for 1988-89 was proposed by the State Govt. for making balance payment to M/s Flovel.

10.3.1 The Working Group recommended for this amount. This should be met by the savings from within the approved size of the Annual Plan 1988-89.

Khuga Project (3 x 500 KW)

10.4 Khuga Hydel Power Project was approved in July 1983 for an estimated cost of Rs. 123 lakhs. Progress is slow in the irrigation component. Revised provision of Rs. 1 lakh for 1988-89 and similar token provision (1989-90) was recommended by the Working Group. The State Govt. also proposed (1989-90) provision for Thoubal and Singda MP Projects (3 x 2.5 MW) and (3 x 210 KW) respectively. No funds have been recommended by the Working Group for these 2 projects. During 1989-90, for augmentation of Diesel Power House at District and Sub-Divisional Head Quarters and for replacement by 2 MW Diesel generating set for Imphal,

10.5

the Working Group recommended Rs. 50 lakhs and Rs. 40 lakhs ^{respectively.}
The progress of the remaining 4 ongoing schemes was as given below:

(Rs. lakhs)

Project (Capa- city in KW)	Units expect- ed to be commiss- ioned by	Cost		Expdr. up to March 1988	Anti. Expdr. during 1988- 89	1989-90	
		Ori- gi- nal	Latest			Pro- posed	Recom- mended
1	2	3	4	5	6	7	8
Booning Hydel (2x500)	3/91 (5/84)	158	264	141.19	7.25	50.00	50.00
Gelnel Hydel (2x200)	6/89 (4/83)	66.16	147	121.03	44.00	9.00	9.00
Leima- khong HEP Stage- III (2x500)	1/90 (10/86)	185.21	185.21	153.44	35.00	5.00	5.00
Maklang (3x200 + 2x100)	9/91 (7/87)	223.72	223.72	48.34	5.00	50.00	50.00

10.6 The Micro Hydel Projects ^{viz} Taipaki (3 x 500 KW) and Kazerilok (2 x 200 KW) are progressing on a lower priority. The Working Group recommended Rs. 1 lakh each. for these 2 projects.

Transmission and distribution.

10.7 The Working Group recommended Rs. 734 lakhs for 1989-90 against the approved outlay of Rs. 381 lakhs for 1988-89.

State Electricity Department

10.8 The operating losses of the State Electricity Deptt. are around Rs. 6 to Rs. 7 crores every year. Transmission and Distribution losses which were at 47.3% during 1985-86 were expected to be brought down to 22%

in 1988-89 . This is quite encouraging.

Rural Electrification

10.11

Out of 2035 villages (1981 census), 602 villages were electrified by the end of the Sixth Plan. The target for the Seventh Plan was to electrify further 713 villages. During the first four years of the Seventh Five Year Plan, the State Government is likely to complete electrification of 588 villages. In order to complete the target, 125 villages remain to be completed during the terminal year of the Plan. However, the State Govt. proposes to exceed the Seventh Plan target by covering 400 villages during 1989-90.

10.11.1 The State has introduced a new scheme called 'Kutir Jyoti' against which one free connection is provided to poor families. The State Govt., therefore, want to step up the outlay during 1989-90 to Rs. 10.75 crores against the current year's allocation of Rs. 4.25 crores. The State Govt. may have to take REC loan over and above the State Plan resources to achieve higher targets.

10.12 Sub-Headwise outlay proposed by the State Govt. and recommended by Working Group are as under:

(Rs. lakhs)

	1988-89	1989-90	
		<u>Proposed</u>	<u>Recommended</u>
Generation	185	215	207
Transmission & Distribution	381	1303	734
Misc. Consultancy	32	140	29
Rural Electrification	425	2040	1075
	<u>1023</u>	<u>3698</u>	<u>2045</u>

Village & Small Industries

11.1 The State has large number/weavers, surplus power. Manipur handloom industry has already made a name for itself.

Small Industries

11.2 A number of small industrial units most of them tiny ones with fixed investment of Rs. 2 lakhs and above have come up in the State. Against a target of 5810 cumulative small units by the Seventh Plan, 4110 units were reported to have come up by 1987-88. Such units were expected to increase to 4798 by 1988-89 and the target is 5600 units by 1989-90.

Entrepreneurship development

11.3 The State Govt. gives importance to development of entrepreneurs and have given EDP training (1985-88) to 366 entrepreneurs and 100 officials. A team from Entrepreneurship Development Institute (EDI), Ahmedabad had advised the State Govt. for the development of entrepreneurship in Manipur. They recommended the need for establishing an Entrepreneurship Development Centre in Manipur. The State proposes to set it up on their own, and seek assistance of other States to create necessary infrastructure. The Working Group had suggested that a small State like Manipur need not create all types of such infrastructure and the State may have an institute of its own only, if very necessary, or dovetail its programme with EDI.

District Industries Centres

11.4 District Industries Centres have been set up in all the 8 districts of the State.

Industrial Estates

11.5 By the end of Seventh Plan, it was proposed to establish 9 industrial Estates. The anticipated achievement in first 3 years of the Plan is only 2 Industrial Estates. i.e. at Jiribam, and Takyalpet. These are being converted into a growth centre.

Khadi and Village Industries

11.6 The main village industries in the State include processing of cereals and pulses, fruit preservation, bee-keeping, gur khandsari, carpentry in addition to strong handloom industry. These are expected to give employment to about 42000 artisans by March, 1989 and to 46000 by March, 1990. The KVI in the State is required to be upgraded as per the direction of the KVIC.

The new set up provide for nomination of the concerned Minister as the Chairman of the KVIB and appointment of a senior officer as the CEO of the Board.

Handlooms

-/-
11.7 The production and employment under this sub-sector is progressing well. Intensive Handloom Development Programme was started in the State under the cooperative coverage to protect the weavers from the middlemen. The programme envisages revitalisation of handloom industry in the Hill districts of the State. 5 training-cum-production centres and 20 production-cum-service centres are proposed to be set up; 1000 looms/weavers will be covered. The project is likely to cost Rs. 2.12 crores over a period of 4 years ending 1989-90.

11.7.1 The Working Group last year had suggested that the State Government should go for modernisation programme of handloom in a selective way, provide basic pre-loom and post-loom including finishing and dyeing facilities, and preference be given to small viable dyehouses over big ones.

11.7.2 The Manipur Handloom and Handicrafts Corporation set up in 1978-79 could cover only 4000 weavers against a target of 10,000 upto 1983-84. The Corporation has also taken up the programme of handloom development in Hill Areas for which a larger capital base was required. The Working Group last year had felt that increasing the share capital by itself will not help unless the corporation is run on commercial lines. This aspect has to be ensured before committing resources.

Sericulture

11.8 During the year, no new Tasar Farm is recommended. Major thrust continues for mulbery. 18 Mulbery Centres and 10 Existing grainages will be established and 105 unemployed youth and 2250 rearers will be imparted training.

11.8.1 Production of raw silk is expected to be 1500 kg. during 1988-89. The target for 1989-90 is 2000 kg., i.e. at an additional investment of Rs. 22.6 thousands. Trees and bushes to provide adequate feed to the silkworms must be planted in large numbers. Forestry and other allied programmes should also take up planting of required type of trees.

11.9 As against the approved outlay of Rs. 358 lakhs for 1988-89, the State Govt. proposed Rs. 715 lakhs for 1989-90. The Working Group recommended Rs. 410 lakhs. The recommendations are fully endorsed with the suggestion to reduce expenditure on staff, vehicles and buildings.

Large & Medium Industries

12.1 Inadequate basic infrastructure facilities, difficult transport and communication and lack of adequate financial institutions support mainly due to prevailing land tenure system constraining industrial development of the State. The State Govt. proposed an outlay of Rs. 19.18 crores for 1989-90 against the approved outlay of Rs. 2.85 crores for 1988-89.

12.2 The salient features of some of these schemes are as follows:

Preparation of feasibility report

12.3 It is proposed to prepare feasibility reports of projects/schemes by various agencies/consultancies/organisations as well as by Departments. Entrepreneurs will be assisted by providing 75% subsidy towards expenditure incurred on the feasibility reports.

Khandsari Sugar Unit

crushing

12.4 Its capacity is 60 Tpd. So far it was not possible to adequately utilise the installed capacity for want of sugarcane. Only 1800 quintals of sugar is expected to be produced during 1988-89 and the target for 1989-90 is 3600 quintals. The State Govt. informed that sugarcane development is being co-ordinated and 732 growers have been identified and financial assistance is being given to them and it is expected that by the end of VIIth Plan, sufficient quantity of sugarcane would be available for the factory and it can then run to its full capacity.

Sugar Mill & Distillery Plant Corporation Ltd.

12.5 - The State Govt's proposal to set up a Sugar Mill with a capacity of 1250-2000 tpd. at a revised cost of Rs. 11.80 crores was discussed. The State's share will be Rs. 5.50 crores, loans from financial institution Rs. 6.05 crores and Central Government capital subsidy Rs. 25 lakhs. The Working Group recommended Rs. 100 lakhs. However, since the sugarcane supply is yet weak, the observations made by Dr. Y.K. Alagh, Member, Planning Commission, at the time of finalisation of 1988-89 Plan, are reiterated.

Spinning Mill

12.6 The Spinning Mill with a capacity of 25488 spindles was incorporated in 1974 at a cost of Rs. 5.56 crores. The present installed capacity is 16416 spindles against the full capacity of 25488 spindles. The latest project cost of the mill is estimated at Rs. 12.75 crores. Till 1987-88, Rs. 5.96 crores have been contributed by the State Govt. as share capital against Rs. 7.50 crores. The project funding is as given below:

1.	By Equity	Rs.	750.00 lakhs
2.	Loan	Rs.	482.75 lakhs
3.	Subsidy	Rs.	25.00 lakhs
4.	Grant in Aid by State Government	Rs.	17.25 lakhs

Rs. 1275.00 lakhs

12.7 For the Seventh Plan an amount of Rs. 270 lakhs was agreed for completing 2nd phase of the Mill. Out of this Rs. 200 lakhs are anticipated to be spent by March, 1989. Rs. 5 lakhs have been recommended by Working Group against Rs. 100 lakhs proposed by State Government for the year 1989-90. The Mill has to improve its performance to become self-sustaining.

Acrylic Yarn Mill

12.8 The Project report for manufacturing of Acrylic yarn is under finalisation by NIDC in consultation with IPCL, Baroda - total cost Rs. 600 lakhs with Rs. 250 lakhs Govt. equity. The major supplier of raw material will be IPCL, Baroda. The installed capacity of the unit would be 6000 tonnes of acrylic yarn. The project will include carding and grilling as well as Dye Plant.

12.9 Although there is no provision for this project in the 7th Plan but the State Govt. anticipates to spend Rs. 10 lakhs during 1988-89. The Working Group has recommended Rs. 20 lakhs for 1989-90.

Manipur Electronics Dev. Corporation

12.10 Manipur Electronics Dev. Corporation had taken up 3 projects, namely, the two band radio project (production suspended since May, 1985), the 51 cm. Black and White T.V. Project and 51 cm. Colour TV Project in Collaboration with KELTRON, Trivandrum. This Corporation was incorporated on 1.7.1987 with an authorised share capital of Rs. 3 crores. Govt. of Manipur has already contributed Rs. 68.83 lakhs till 1987-88. The Corporation also proposes to set up an Electronic Complex at Imphal.

12.11 The Complex will also accommodate an 'Electronic Testing & Development Centre of DOE'. For this purpose 20 acres land is being allotted at Luwangshengbhan. A letter of intent for manufacture of VHF 2 way radio communication equipment and paring systems has also been obtained. The Working Group has recommended Rs. 20 lakhs.

Mechanised Brick Plant

12.12 It is proposed to take up annual production of more than 15 million burnt clay bricks per annum at a cost of Rs. 225 lakhs. Work on selection of site, testing of soil, and preparation of project report has been awarded to M/s Incorporated Engineers Ltd., Baroda. The project is to be implemented under a turn key consultancy in collaboration with HUDCO. Clearance from HUDCO was pending. Therefore, only Rs. 1 lakh has been recommended

for 1989-90 by the Working Group.

Manipur Industrial Dev. Corporation.

12.13 This Corporation was incorporated in 1969 as MSIC Ltd., and new redignated w.e.f. 29.4.1987. The authorised share capital is Rs. 400 lakhs of which Rs. 328 lakhs is paid up (31.3.1988). State share is Rs. 185 lakhs and of IDBI Rs. 143 lakhs. The main activity of the corporation is: (1) Term lending facilities to industrial units under refinance scheme of IDBI ; (2) Lifting and supply of raw material to industrial units ; (3) Sponsoring Joint Sector/Public Sector Units.

12.13.1 The Working Group recommended Rs. 60 lakhs as proposed by the State.

Manipur Cycle Corporation

12.14 This corporation was incorporated in 1985. The authorised capital is Rs. 1 crore. The Corporation is intending to bring out Cycles under the name 'Sangai'. Anticipated production is 35000 Cycles during 1988-89; and number during 1989-90. Against proposed outlay of Rs. 10 lakhs, Working Group has recommended Rs. 1 lakh for the year 1989-90.

same

Industrial Growth Centre

12.15 To create infrastructure facilities of high order, Govt. of India has sanctioned one growth centre. The Working Group has recommended Rs. 50 lakhs in 1989-90 for this purpose.

Extn. Centre of institution of Plastic : Engineering and Technology (CIPET)

12.16 Department of Chemical & Fer Petrochemical has agreed to open a regional Extn. Centre at Imphal at a cost of Rs. 259.73 lakhs. out of this Manipur has to provide Rs. 159.50 lakhs towards cost of land and buildings. Recurring expenditure will be borne by CIPET. The Working Group recommended Rs. 50 lakhs as proposed by the State Government.

Drug Formulation Unit

to be set up

12.17 The feasibility report is already prepared by Karnataka Antibiotics & Pharmaceuticals Ltd. The project at Khonghampat, Imphal is to be in collaboration with Hindustan Antibiotics Ltd., Pune. Its cost of Rs. 2.50 crores is to be met as follows:

Authorised share capital Rs. 85.00 lakhs

Term Loan Rs. 165.00 lakhs
Rs. 250.00 lakhs

Debt. equity ratio 1.94 : 1

Rs. 50 lakhs were recommended by the Working Group.

Vanaspati Ghee Project

to be set up

12.18 A letter of intent for manufacturing 3000 MT per annum was issued in April, 1988. It is proposed as a Joint Sector Project - Manipur Industries Development Corporation Ltd. in collaboration with private party. The implementation has started during 1988-89 and the project cost is Rs. 9 crores, out of which the State Govt. is required to contribute Rs. 1.50 crores as share capital. Rs. 41 lakhs were recommended by the Working Group.

Mineral Development

12.19 Against State Govt. proposed amount of Rs. 55 lakhs for 1989-90 the Working Group has recommended Rs. 30 lakhs. The amount is to be utilised for intensifying the ongoing prospecting work of limestone, clay, chromite and decorative stone.

12.20 As against the approved Annual Plan 1988-89 of Rs. 310 lakhs for schemes under Industry and Minerals Sector, the Working Group recommended Rs. 410 lakhs for 1989-90 (includes Rs. 10 lakhs for Weights and Measures and Rs. 30 lakhs for Mining).

Transport

Roads and Bridges

13.1 Manipur has no railway link. The only major mode of transportation is road transport system. The road length excluding national highways was 3133 km. in 1979-80. It increased to 3696 km. at the end of the Sixth Plan. The target for the Seventh Plan is to achieve a road length of 4126 kms. comprising 2749 km. of surfaced and 1377 km. of unsurfaced roads. By 1987-88 the road length of 3956 km. was achieved. The anticipated achievement for 1988-89 is to reach a road length of 4064 km. The target for 1989-90 is 4126 kms. which coincides with Seventh Plan target. (of which village roads 2515 kms). The surfaced roads, by the end of the Seventh Plan, will be 2/3rd of the total roads of the State.

13.2 Under the programme for bridges, 14 major bridges are expected to be completed by March, 1989 against total 26 major bridges. It is proposed to take up remaining 12 in 1989-90. Out of 56 suspension bridges to be completed during the Seventh Plan, some of them have been completed and the rest are under execution.

13.3 Under minimum needs programme the connectivity position of villages is as follows:

<u>Population</u>	<u>Total number of villages</u>	<u>Anticipated achievement as on 1.4.1989</u>
Above 1500	126	120
Between 1000-1500	246	216
Below 1000	1577	452
<u>Totals:</u>	<u>1949*</u>	<u>788</u>

* 1981 Census - 2035 villages.

13.4 There was spillover of Rs. 20 crores roads/bridges work from the Sixth Plan. During Seventh Plan no addition was envisaged to state highways except 20 kms. missing link which was completed in 1987-88. In case of MDR's too, no addition was envisaged during the Seventh Plan (624 kms. already achieved during Sixth Plan). The main thrust in the Seventh Plan therefore has been on completing the ongoing works and in removing the deficiencies in the existing roads network.

13.4.1- Total liability as on 1-4-88 stated to be Rs. 35 crores. Of this Rs. 6.70 crores relate to the schemes sanctioned during the Fifth Plan and Sixth Plan and Rs. 28.30 crores for the schemes sanctioned during the Seventh Plan.

13.4.2 - Outlay for 1988-89 is Rs. 14.50 crores. Of this, Rs. 6.70 crores would be utilised to liquidate the Fifth Plan and Sixth Plan schemes, Rs. 5.50 crores for the Roads and Bridges schemes sanctioned during the Seventh Plan and remaining Rs. 2.30 crores for machinery and equipment and other works including city roads, link roads etc.

13.4.3- The outstanding liability on roads and bridges as on 1.4.1989 would be :
Rs. 35.00 crores - (Rs. 6.70 crores + Rs. 5.50 crores)
= Rs. 22.80 crores. As against this, an outlay of Rs. 23.50 crores was proposed. After discussion a provision of Rs. 21.50 crores has been suggested by the Working Group. However, constraint of resources may not permit allocation of the recommended amount. In which case, the priority to complete Fifth Plan and Sixth Plan spill over schemes will remain.

13.5 The village roads could be constructed under NREP to involve community participation without lowering of the standard.

Road Transport

- 13.6 At present the State Road Transport Corporation (SRTC) has a fleet strength of 91 buses and 54 trucks.
- 13.7 Out of 91 buses, 21 are due for replacement during 1988-89 and 11 during 1989-90. However, it is proposed to purchase 16 buses and 4 trucks during 1988-89. As for trucks, 25 trucks are to be replaced in 1988-89 and 10 trucks during 1989-90. However, there will be an addition of 19 trucks during 1988-89 and another 4 proposed for 1989-90.
- 13.8 SRTC has to become self sustaining. The working group recommended replacement of 14 buses and 3 trucks; for which Rs. 60 lakhs was recommended by the Working Group.
- 13.9 Fleet utilisation is indicated to increase from 74% in 1985-86 to 85% in 1988-89 and is expected to be 89% by 1989-90. Load factor has been indicated at 70; 68 and 73 in 1985-86, 1986-87 and 1987-88 respectively. During 1989-90 the target is to achieve 74.
- 13.10 Net losses of the Corporation were indicated at (-) Rs. 1.36 crores during 1985-86 and (-) Rs. 1.18 crores during 1986-87. For 1987-88 the losses have now been estimated at (-) Rs. 1.15 crores. For 1988-89, it is estimated to be (-) Rs. 1.70 crores while for 1989-90 it is estimated at (-) 1.01 crores. The State Govt. is advised to properly organise the management information system and further improve performance, which should be monitored.
- 13.11 As against the approved Annual Plan 1988-89 outlay of Rs. 16.42 crores for the Transport and Tourism Sector, the Working Group have identified a need of Rs. 26.12 crores. It seems difficult to find required amount of resources.

Education

Elementary Education

- 14.1 Manipur has 2035 villages (1981). Excluding 41 professional institutions, / i.e. almost 2 educational institutions per village. However, even after a lapse of 40 years, a number of villages inhabited by scheduled tribes in the hill areas are without schools. This lacuna need to be filled up.
- 28 general colleges and a University it had 4019 educational institutions

- 14.2 The enrolment of children in classes I-VIII was 334 thousands by 1987-88. During 1988-89, 11.2 th. students was the target and it is expected that it will be fulfilled. For 1989-90 the target is of 8.5 th. additional enrolment. This would add up to 353.30 th. by 1989-90 against the Seventh Plan target of 355.8 thousands.
- 14.3 State Govt. proposed to appoint 119 additional teachers for primary and higher secondary schools. Teacher pupil ratio in Manipur is already as low as 1:18 at primary stage and 1:17 at middle stage against all India figures of 1:41 and 1:36 respectively.
- 14.4 All single teacher schools in the State have already been converted into two teachers schools. Almost all school buildings, which had been taken up earlier were completed by 1987-88. In respect of operation blackboard, the State has already completed the survey of all schools and compiled the information. NEC has also placed some funds at the disposal of State Govt. for operation Black Board.

Adult Education

- 14.5 The State is running 6 Adult Education Projects with State Fund and Six Rural Financial Projects with central fund. During Seventh Plan 433547 illiterates were to be covered. Out of these 1 lakh have already been covered and 1 lakh more are likely to be covered by 1989-90. The State Govt. proposed 1200 centres and 84000 participants.

Secondary Education

- 14.6 The achievement about appointment of secondary teachers was 261 in 1987-88. For 1988-89, they anticipated to appoint 250 teachers. Same number is proposed for 1989-90 too. The programme of buildings should be phased and appointment of teachers should also be synchronised with availability of buildings. The schools which have already been upgraded, should be provided equipment.

14.7 Outlays proposed by the State Govt. and recommended by the Working Group are as follows:

	1988-89 outlay	(Rs. lakhs)	
		1989-90 Propo- sed	outlay Recommen- ded
Elementary Education	400	520	500
Adult Education	50	90	80
Secondary Education	260	340	300
University Education	260	330	290
Other Programmes	10	15	13
Total General Education	<u>980</u>	<u>1295</u>	<u>1183</u>
Technical Education	60	183	100
Art and Culture	100	141	100
Youth Affairs & Sports	150	396	190
<u>Total:</u>	<u>1290</u>	<u>2015</u>	<u>1573</u>

14.8 - All expenditure on school and teachers of pre-seventh plan should be booked in non-plan and excluded from the proposals, and programme of buildings should be phased.

14.9 - Proposal of steep rise of assistance to non-governmental colleges was not recommended by the Working Group.

Health

2

15.1 Under the minimum needs programme the State Govt. proposed for 1989-90 Rs. 229 lakhs against which the Working Group recommended Rs. 195 lakhs. By the end of 7th Plan, the State requires 420 sub-centres, 68 primary health centres and 16 community health centres (against 301 sub-centres, 37 primary health centres and 6 community health centres at the end of VIth Plan). By the end of March 1989, likely achievement will be 410 sub centres, 62 PHC's and 12 CHC's. Thus the balance of the 7th Plan is 10 sub centres, 6 PHCs and 4 CHC's. The State proposed to have another 10 sub-centres, 6 PHCs and 2 CHCs. Thus by March 1990, they will be short of only 2 CHCs.

15.2 The State Govt. was requested to give top priority to the spill over construction work relating to setting up of sub-centres, with next priority to PHCs and last priority to CHCs. Untill the spill over work is completed, no new work should be taken up. The State Govt. was also requested to ask the State PWD to evolve designs/materials to reduce the construction cost which was increasing day by day.

15.3 Whenever a primary sub-centre is upgraded, staff and other assets should be pooled and additional requirements should be then worked out.

15.4 Under national programmes, the incidence of malaria had declined by 29.2% upto September, 1987 as compared to the corresponding period of last year. Out of 8 districts, only 2 have district TB centres with 145 beds. In respect of blindness, 184 cataract operations (upto August, 1987) were performed against the target of 1000 for 1987-88. In case of leprosy, there were 6486 cases on record as on March, 1987. Out of these, 4304 were under treatment. The State has 5 leprosy control units, 1 urban leprosy centre, 15 SET centres and 2 district leprosy units.

15.5 The outlay proposed by the State Govt. and recommended by the Working Group are as follows:

	1988-89 <u>Outlay</u>	(Rs. lakhs)	
		<u>1989-90</u> Proposed	Recommended
MNP	180	229	195
Hospitals and dispensaries	75	68	68
Medical Education and Research	4	3	3
Training	3	4	4
ISM & Homeopathy	2	4	3
Other Programmes	24	47	31
National Programmes (State Share)	62	93	71
<u>Total</u>	<u>350</u>	<u>448</u>	<u>375</u>

Water Supply

Rural Water Supply

16.1 There were 303 problem villages in the State (1.4.1985). Additional 469 problem villages were identified by the State Govt. making a total of 862 villages to be covered during the Seventh Plan. 411 villages were covered during the first three years and nearly 200 are expected to be covered during 1988-89. The balance 251 villages are proposed to be covered during 1989-90.

16.2 It was suggested that village community/organisation should be involved for maintenance of village water supply schemes. May be they would like to raise local level resources to engage a local person for maintenance purposes. Govt. could have even organised appropriate training and supply necessary basic tools for the purpose.

Urban Water Supply

16.3 The total demand of Imphal City is 13 MGD against which only 7.2 MGD is available. Due to delay in completion of Singda Dam, expected quantity of 4 MGD could not be made available. The city is presently getting 1 MGD by temporary arrangements. It is hoped that additional 3 MGD will become available from Singda Dam by 12/89. In addition 2.5 MGD is expected from Prompat and Canchipur while additional 2.5 MGD from a new scheme by impounding streams from Kangchup Hill Streams. Thus besides Imphal city will get addl. 8 MGD by 1989-90 raising the water supply available to 15.2MGD.

16.4 The summary of recommendations of the Working Group on Water Supply and Sanitation Sector is as under:
(Rs lakhs)

Sl. No.	Minor Heads	Annual Plan 1988-89 approved outlay	Annual Plan 1989-90 proposed outlay	Annual Plan 1989-90 recommended outlay by the W.G.
1.	Rural Water Supply (MNP):			
	i) Works	540.00	630.00	540.00
	ii) Operation & Maintenance	60.00	75.00	60.00
2.	Urban Water Supply	200.00	300.00	240.00
3.	Urban Sanitation:			
	i) Sewerage/drainage	10.00	100.00	30.00
	ii) Low Cost Sanitation	12.00	50.00	18.00
4.	Rural Sanitation	20.00	75.00	20.00
5.	Direction & Admn. Survey & Investigation etc.	23.00	35.00	22.00
	<u>Total</u>	<u>865.00</u>	<u>1265.00</u>	<u>930.00</u>
	of which MNP:	<u>620.00</u>	<u>780.00</u>	<u>620.00</u>

Manipur Development Society (MDS) for creation of Special Employment Opportunities

17.1 The Manipur Development Society (MDS) with Chief Secretary, Manipur as its chairman was set up with the objective that it would promote development and create employment in the valley in response to public requests; through prompt execution and people's participation. During the Sixth Plan, an expenditure of Rs. 2.18 crores was incurred under the State Plan on various programmes of agriculture, irrigation, handloom and light engineering industries. The MDS model was also expected to be a pace setter for other States of the North-Eastern Region.

17.2 An outlay of Rs. 5 crores was approved for the Seventh Plan against which an expenditure of Rs. 5.21 crores is anticipated upto March, 1989. The Society is doing well in the field of minor irrigation and handloom. It has also successfully started manufacturing of bicycles. These were, however, huge inventories of handloom goods which needed disposal. One of the causes of the success of the society was less number of employees. The society must resist temptation to multiply staff strength and keep its establishment and other overhead costs low. The Working Group recommended Rs. 1.26 crores for 1989-90 against the proposal of Rs. 1.80 crores and the approved Plan of Rs. 1.20 crore for 1988-89.

Welfare of Scheduled Castes and Scheduled Tribes

18.1 The Working Group for the sector has recommended an outlay of Rs. 150.00 lakhs for 1989-90 against the State Govt.'s proposal of Rs. 211.00 lakhs and current year (1988-89) approved outlay of Rs. 123 lakhs. The schemes taken up under this sector mainly relate to direction and administration, incentives for educational schemes to SCs and STs and Manipur Tribal Development Corporation.

Tribal Sub-Plan and Special Component Plan for Scheduled Castes

19.1 The Scheduled Tribe population constitute 27.3% of the total population in the State. The Ministry of Welfare has recommended an outlay of Rs. 83.55 crores as flow from State Plan to TSP, i.e. 32.35% of the total proposed outlay of Rs. 258.28 crores for 1989-90.

19.2 The percentage of Scheduled Caste population in the State is 1.25%. The Ministry of Welfare has recommended an outlay of Rs. 4.51 crores as flow to special component Plan against the proposed State Plan outlay of Rs. 258.28 crores which works out to 1.75% of the proposed Plan outlay.

19.3 Adequate resources will need to be kept for TSP and SCP in the finally approved Plan for 1989-90. The Special Central Assistance for these component Plans should not be used for construction of regular school buildings, roads, bridges, etc. but used mainly for taking up economic development schemes directly benefiting the Scheduled Castes and the Scheduled Tribes.

Size of the Annual Plan 1989-90

20.1 An outlay of Rs. 430 crores was approved for the Seventh Five Year Plan of Manipur. The actual expenditure during the first three years amounted to Rs. 259.14 crores and an outlay of Rs. 122.50 crores was approved for 1988-89. These add upto Rs. 381.64 crores, (first four years) leaving a balance of Rs. 48.36 crores for the last year of the Plan. The State Govt. proposed Rs. 258.28 crores against which the Working Group have recommended Rs. 169.97 crores.

20.2 The resources identified for the Annual Plan 1989-90 at the official level meeting amount to Rs. 129.26 crores. This assumes that the State Govt. will restrict the Plan expenditure during the current year to the level of approved Annual Plan, i.e. Rs. 122.5 crores. The identified resources include Rs. 5.78 crores of Upgradation Grant and Rs. 0.80 crores on account of grants for special problems. Subject to these parameters, an outlay of Rs. 134 crores for the Annual Plan 1989-90 - Manipur, is recommended. The sectorwise allocations will be worked out after the meeting between the Deputy Chairman, Planning Commission and the Chief Minister, Manipur for finalisation of Manipur Annual Plan 1989-90 is held.

71
33
648

Code No.	Major Head/Minor of Development	7+5 Plan (1985-90)	Actual 1985-86	1986-87	1987-88	1988-89	Proposed 1989-90
		Agreed Outlay	Expdr.	Expdr.	Approved Outlay	Anti-Expdr.	Recommended outlay by W.G.
		3.	4.	5.	6.	7.	8.
		200	27	23	60	119	120
		50	4	5	18	21	23
	TOTAL (IX):	250	31	28	78	140	143
109	IX. SCIENCE, TECHNOLOGY AND ENVIRONMENT						
109 340000	Scientific Research (incl. S&T)	200	27	23	60	119	120
342500	Ecology & Environment	50	4	5	18	21	23
109 000000	TOTAL (IX):	250	31	28	78	140	143
110	X. GENERAL ECONOMIC SERVICES						
110 345100	Sectt. Econ. Services	50	5	7	11	30	21
345200	Tourism	100	26	42	36	70	40
345400	Surveys & Statistics	60	9	14	16	35	27
345600	Civil Supplies	80	22	25	25	130	30
	Hill Dist. Councils	60	65	75	100	316	125
	Untied Funds for Dist. Planning					40	40
110 000000	TOTAL (X):	896	127	163	188	621	283
221	XI. SOCIAL SERVICES						
221 220200	Education						
220300	General Education	3082	466	765	980	1295	1183
220400	Technical Education	130	26	30	60	183	100
	Sports and Youth Services	400	90	138	150	396	190
220500	Art and Culture	100	55	83	100	141	100
221 000000	Sub-total (Education)	3712	637	1016	1290	2015	1573
222 221000	Medical & Public Health	1300	222	288	350	448	375
223 221600	Water Supply and Sanitation	4590	831	869	865	1265	930
223 221800	Housing (incl. Police Housing)	840	204	264	285	559	325(b)
223 221700	Urban Dev. (incl. State Capital Project.)	755	185	190	190	271	100

(b) Includes Rs. 50 lakhs for Police Housing-not to be diverted.

- 4 - Annexure I Contd. (Manipur) (Rs. lakhs)

Code No.	Major Head/Minor Heads of Development	7th Plan (1985-90)		1988-89		1988-89		Approved Anti. Expdr. Outlay	1989-90	Recomm- ended by W.O.
		Agreed Outlay	Actual Expdr. 1985-88	1988-89	Approved Outlay	Expdr. Outlay	1989-90			
224	Information & Publicity	100	14	24	32	34	42	34	34	
225	Welf. of SC, ST & OBCs	400	78	78	100	123	211	150*	150*	
226	Labour & Welfare	100	18	22	27	60	91	67	67	
227	Spl. Employment Scheme	500	181	100	120	120	180	126	126	
227	Social Security and Welfare	160	38	38	41	42	104	50	50	
228	Nutrition	220	30	33	45	80	132	227	227	
	Other Social Services									
	(Legal Aid & Advice)									
200	TOTAL(XI):	12687	2144	2376	2994	3441	5320	3957	3957	
342	XII. GENERAL SERVICES									
205800	Stationery & Printing	50	7	10	9	15	47	15	15	
205900	Public Works (Incl. Jails)	1000	202	185	226	330	419	385(c)	385(c)	
207000	Other Administrative Services									
	(upgradation of Admn. and State Academy of Training)									
300	TOTAL(XII):	1050	209	862	823	1215	1809	1305	1305	
999	GRAND TOTAL:	43000	6968	8413	10533	13500	25828	16997	16997	

* TSP flow Rs. 83.55 crores.
SCP flow Rs. 4.51 crores.

(c) Includes Rs. 60 lakhs for Police Administrative Building. (Not to be diverted)

Manipur Basic Information

A. <u>Area</u>	Sq.Kms.	22,327
<u>Administrative Structure</u>		
Districts		8
Sub-divisions		28
Development Blocks		29
Villages(1981)		2035
Towns		32
B. <u>Demography</u>		
Population(1981)	lakhs	14.21
1971- 81 Decennial growth rate	%age	32.16(India 25.0)
Density of Population	Persons per sq.kms.	64 (India 216)
Sex ratio	No.of females per 1000 males	971
Rural population	%age	73.6
Urban population	"	26.4
Scheduled Tribes	"	27.3
Literacy rate	"	41.4 (India 36.2)
C. <u>Economic Classification of Workers</u>		
Total Workers	%age to total population	43.2
i)Cultivators	%age to total workers	63.6
ii)Agricultural Labourers	"	5.0
iii)Household Industry Workers	"	9.6
iv)Other & Marginal Workers	"	21.8
D. <u>Important Economic Indicators</u>		
Foodgrains production	1987-88	lakh tonnes 4.26
	1988-89 anti.	" 4.56
Average Yield of rice	1985-86	Qtls/Ha. 19.89 (India-15.68)
Fertilizer Consumption	1986-87	kg/Ha. 30.0 (India 48.7)
	1988-89	" 43.0
Cropping intensity	1987-88	%age 123.3
Per capita power consumption	1986-87	KWH 48(India 191)
Road Length(Excluding National Highways)	31.3.1988	Kms. 3956
Health Sub-Centres	"	Nos. 388
Primary Health Centres	"	Nos. 49
<u>Villages(1981)-2035</u>		
Villages electrified	31.3.1988	Nos. 940(46.2%)
Villages connected by road	31.3.1987	Nos. 744(36.6%)
Villages with water supply	31.3.1987	Nos. 1513(74.3%)

PLANNING COMMISSION
(State Plans Division)

Subject: Annual Plan 1989-90 - Meghalaya

A copy of the report of Dr.(Mrs.) I.K.Barthakur, Adviser(State Plans) on the Annual Plan 1989-90 of Meghalaya is circulated herewith. This will form the basis of discussion between Minister of Planning and Deputy Chairman, Planning Commission and the Chief Minister, Meghalaya to be held on Monday the 16th January, 1989 at 9.45 A.M. in Room No. 130, Yojana Bhavan, New Delhi.

Ziley Singh
(Ziley Singh) 12.1.89
Senior Research Officer
Room No. 424, Tel. 2432

Deputy Chairman	<u>Ministry of Finance</u>
Minister of State	Shri J.L.Bajaj, Jt. Secy.(FB), Deptt. of
Members	Economic Affairs
Secretary	Shri G.Haldea, Director(PF)- 4 copies
Special Secretary	
Advisers	<u>Ministry of Programme Implementation</u>
Consultant(PP)	Shri D.Y.Manawwar, Additional Secretary
Joint Secretary(SP)	
Chief(Science)	<u>Ministry of Home Affairs</u>
Jt. Adviser(V&SI)	Shri K.K.Sinha, Jt. Secy.(NE)
	Mrs. S.A.Tirmizi, Deputy Secretary(Fin)

Planning Commission Cir.No.PC(P)2/Meghalaya/88 12.1.1989

Copy to:

Private Secretaries to:	Private Secretaries to:
Deputy Chairman	Prime Minister
and Minister of Planning	Cabinet Secretary

Copy also to:

Joint Adviser
Deputy Adviser
SRC/RO concerned in the S.P.Division.

Copy also to: Liaison office, Govt. of Meghalaya in New Delhi.
(10 copies)

GOVERNMENT OF INDIA
Planning Commission
(State Plans Division)

SUBJECT - ANNUAL PLAN-1989-90 - MEGHALAYA

REPORT OF ADVISER (STATE PLANS) - DR. (MRS.) I.K. BARTHAKUR
PART - I

STATE PROFILE

Physiography

The State of Meghalaya with an approximately area of 22500 sq. kms. is a mountainous region and has uneven topography. It has broadly three physical divisions; viz. (i) The Central Plateau which forms the highest region in the State- the height varying between 900 to 1800 metres above the mean sea level; (ii) the southern slopes which form the border area having approximately 500 kms. of international border with Bangladesh are steep and abruptly drop from the central plateau; and (iii) the sub-mountain region comprising of milder slopes in the north which gently descend towards the plains of Assam.

Demography

1.2 The population of Meghalaya increased from 10.12 lakhs in 1971 to 13.36 lakhs in 1981, indicating the decennial growth rate of 32 % as against 25% recorded for the country. The density of population increased from 45 persons per sq. km. to 60 during the same decade. The urban population increased from 14.5% to 18.5% during 1971 to 1981 (2.42 lakhs population out of which 1.75 lakhs were at Shillong). The literacy rate increased from 29.4% in 1971 to 34.08% in 1981. (India 36.23%). Scheduled Tribes constitute 80.6% of the total population. Approximately 91.6% of the villages were small sized having a population of less than 500 persons. About two-third of Meghalaya villages have less than 200 persons per village. During his speech at Tura (27th December, 1987), the Prime Minister referred to the small sized villages and said that in the plains the villages were large and were not located at such long distances as was the case in Meghalaya where the villages were generally small and scattered over long distances. He said, therefore, the economic development of such areas required special approach.

1.3 Approximately 43.4% of the population of Meghalaya was reported as workers - 32.5% for the country and 29.5% for Tripura. About 63% of the workers were cultivators, 10% agricultural labourers, 5.4% marginal workers and 24.3% others. The existing land tenure system seems to cause high incidence of agricultural labourers and destruction of forests through the practice of jhum cultivation as well for commercial purposes.

Infrastructure

2.1

Meghalaya is an agricultural state. It has massive mineral resources, especially of coal, limestones and clay. The total known reserves of coal is estimated at 630 million tonnes. The coal is said to have low ash but high sulphur content. The total inferred deposits of limestone were estimated in 1976 at 2385.7 million tonnes of which measured deposits were only 23.6 million tonnes. The inferred deposits of glass, suitable for industrial use was indicated at 2.3 million tonnes and of clay 103.47 million tonnes. However, the industrial base of the state continues to be poor having only 58 registered factories with an employment of 3068 persons. In Public Sector, the total employment was 5.63 thousand in December, 1987. In Private Sector, the employment remained at a level of 4.6 thousand during, 1987. Industries have not yet developed. There is a cement factory at Cherra and some timber based factories. The state received the highest rainfall of the work world. The hydel potential in the area is also high. The Energy survey of India Committee (1965) estimated the hydel power potential in the state 1.22 lakhs KWS. With an installed capacity of 127 MW the State is surplus in power. Per capita power consumption at 69 KWH is yet low as compared to 154 KWH at All India during 1987-88.

2.3 Land, forest and climate is suitable for a wide variety of field crops as well as for horticulture and other cash crops, are the other assets. Although about 38% of the area was reported to be under forests, the reserve forests were only about 3.2% of the total geographical area. Jhum fires continue to destroy and degrade forests. Unless solution to the land ownership and Jhum problem is found and implemented, the situation cannot be much improved. The District Councils will also have to play a very important role with regard to solving these two problems.

2.4 The State has considerable scope for development of horticulture. Therefore, great emphasis is being given for the development of vegetable, potato, ginger, turmeric, spices etc. In addition, various programmes for development of other commercial crops such as pulses, oilseeds, cotton, jute, areca nut and betel leaf are being encouraged.

Plan Perspective 3.1 As against the Fourth Plan allocation of Rs. 38 crores and an expenditure of Rs. 36.24 crores, the Seventh Plan allocation is Rs. 440 crores i.e., more than 12 times of the Fourth Plan expenditure. The Plan was approved to be funded from State's own resources of (-) Rs. 1.28 crores and central assistance of Rs. 441.28 crores.

3.2 The Plan outlays from Fourth Plan onward have been as follows:-

<u>Plan</u>	<u>(Rs. crores)</u>	
	<u>Approved Outlay</u>	<u>Actual Expenditure</u>
Fourth Plan (1969-74)	38.00	36.24
Fifth Plan (1974-79)	89.53	99.67
Annual Plan (1979-80)	33.00	30.70
Sixth Plan (1980-85)	235.00	259.96
Seventh Plan (1985-90)	440.00	
<u>Annual Plan</u>		
1985-86	75.00	73.67
1986-87	91.00	89.04
1987-88	110.00	110.35
1988-89	130.00	132.92
1989-90 (Proposed)	212.62	

Annual Plan 1989-90

4.1 The State Govt. proposed an outlay of Rs. 212.62 crores for the Annual Plan 1989-90. The Plan proposals were considered by the respective Working Groups. The recommendations of the Working Groups aggregated to Rs. 156.68 crs. including Rs. 4.21 crores of upgradation grant for capital works against Rs. 130 crores approved for 1988-89. The sector-wise details of the Plan outlay/expenditure are given in the Statement at Annexure-I.

I. Meghalaya became a State on 20th January, 1971. Till then it was part of Assam. The Capital of Assam was at Shillong which is now the capital of Meghalaya.

Major Heads	Actual Expenditure					Approved Outlay	(Rs. lakhs)		
	Seventh Five Year Plan (1985-90) Agreed Outlay	1985- 86	1986- 87	1987- 88	1988- 89		Total for Four years	Propo- sed outlay	Recomm- ended by Working Group
1	2	3	4	5	6	7	8	9	
Agriculture & Allied Activities	7495 (17.7)	1449	1481	1666	2045	6701 (16.6)	3248	2782 (17.8)	
Rural Development	1208 (2.7)	212	263	319	356	1169 (2.9)	509	336 (2.2)	
Special Area Programmes	1000 (2.3)	180	184	214	210	803 (2.0)	472	212 (1.4)	
Irrigation and Flood Control	1160 (2.6)	190	198	236	310	884 (2.2)	494	457 (2.9)	
Energy	7150 (16.2)	1405	2169	2618	3120	9371 (23.1)	3515	3530 (22.6)	
Industry & Minerals	1935 (4.4)	307	391	455	680	1833 (4.5)	1079	770 (4.9)	
Transport	8000 (18.2)	1210	1357	1842	2085	6494 (16.0)	5091	2342 (14.9)	
Science, Technology & Environment	170 (0.4)	7	7	22	20	56 (0.1)	57	53 (0.3)	
General Economic Services	755 (1.7)	105	124	139	180	540 (1.3)	415	225 (1.4)	
Social Services	12272 (27.9)	1912	2110	2699	3428	10330 (25.4)	5419	4175 (26.6)	
General Services	2855 (6.5)	389	610	824	565	2415 (5.9)	962	786 (5.0)	
GRAND TOTAL:-	44000 (100.0)	7367	8904	11035	13000	40596 (100.0)	21262	15668 (100.0)	

1. Figures in brackets indicate relative share of the Sector in the total outlay of the year.

2. Sectorwise details are given in the Statement at Annexure-I.

Part - II

During the wrap up discussion, the Adviser(SP) mentioned the following aspects which need to be kept in view:

- PROJECT FORMULATION 5.1 - It is important to formulate projects in detail. The physical targets, the objectives, the goal, time phasing and financial requirement should be seen and detailed clearly. The project report should show the benefits that would accrue to the people. Cost effectiveness of the proposal should also be examined. At what unit cost the proposed benefit is sought, should be spelt out wherever feasible.
- MONITORING 5.2 - Monitoring at various levels will help to avoid time over-runs and cost over-runs.
- JHUM 5.3 - For replacing jhum, it has been clearly understood that people resort to jhum cultivation for meeting their food requirements. Continuation of this primitive practice of cultivation points to the fact that the efforts of the agriculture and other allied sectors have either failed or have not been adequate in the areas where this practice is persisting. Agricultural sector, has, therefore, to play a very cardinal, constructive and aggressive role in assisting people to improve yields and productivity of their jhum land and simultaneously to develop permanent cultivation not only for growing food crops but also for growing of vegetables and other food items. Agriculture in the hills cannot be left to be handled by primitive techniques. Simultaneously, public distribution system needs to be strengthened. People have to be provided food security. This approach coupled with scientific working of community/private forest, will relax and reduce pressure on the hill lands.
- 5.3.1 To overcome the disadvantages of shifting cultivation and to help people to live a better quality of life and also to conserve and develop ecology of hills, a strategy to replace jhum has been evolved. It suggests multi-disciplinary integrated area development approach where pooling of resources and efforts of all departments and other developmental agencies is considered necessary. The focus is on evolving location specific integrated package of schemes that provide sustainable income generating alternatives and settled cultivation to replace jhum without

disturbing settled villages. A central sector scheme is in operation since 1987-88. The strategy may be extended to all jhum areas by the concerned State Government .

- 5.3.2 A number of schemes are in operation to control/replace jhum in the State, i.e. through the Ministry of Welfare; Ministry of Agriculture; Tribal Development Corporations; North Eastern Council; Soil Erosion Department of the State Govt.; through afforestation programmes; other State level schemes; through the Agriculture Deptt. etc. It is very essential that all these are consolidated and integrated under a nodal Deptt., preferably, Agriculture.

MODERNISE
AGRICULTURE

- 5.4 - The cropping intensity, use of high yielding varieties of seeds, fertilizers and other modern inputs continue to be low. In order to encourage these, especially to enhance cropping intensity, it is necessary to introduce short duration (less than 100 days) time bound high yielding varieties of paddy seeds during Kharif season, so that the paddy crop is harvested during the month of September/October and the paddy lands become vacant for sowing of various Rabi crops during the optimum sowing season. The optimum sowing season closes by the end of October in most of the States and by the middle of November in some States of the NE Region. It is necessary to link propagation of seeds to this approach.

↳also

SEEDS

- 5.5 - Non-availability of required quality short duration (less than 100 days and cold tolerant high altitude varieties for hills) variety of seeds has been a continuous problem. The right variety seeds are either not available, or are not available at the required time and in required quantities. The situation is compounded by the problem of transportation for distribution of seeds. It is necessary to place timely advance orders for the procurement of foundation seeds for multiplying the same in the State farms and seed growers' farms. The State Govt. may develop a suitable seed production strategy.

- LAND TENURE 5.6 -In certain areas, the existing land tenure system is inhibiting permanent asset formation on land based activities. The State Govt. might like to give attention to this aspect and evolve suitable policy/strategy.
- ACID SOILS 5.7- Wherever Rabi crops are planned to be taken up, soil acidity levels should be corrected for the requirement of the selected Rabi crops.
- IRRIGATION 5.8- Wherever irrigation potential has already been created, it should be linked with crop husbandry programme. Irrigation by itself is of no consequence.
- 5.8.1- Irrigation schemes/proposals may be examined first from the potential it will create for irrigating Rabi and pre-Kharif crops (Ahu/Ahus). Since the rainfall during Kharif season is very heavy, the true benefit of irrigation is to be judged from its likely impact on Rabi and pre-Kharif crops.
- 5.8.2- Due to the terrain problem, major and medium irrigation projects of long gestation period are less advantageous than the minor irrigation projects. Wherever necessary and feasible, minor irrigation projects need to be taken up on higher priority and firmly linked with crop husbandry and modern inputs. A coordinated approach to the development of crop husbandry with modern inputs and linkage of irrigation is necessary.
- FORESTS 5.9- Very heavy deforestation is taking place for a number of reasons, including jhumming and commercial interests. The State Govt. may take necessary steps and make a suitable policy for preventing unregulated tree felling.
- HORTICULTURE 5.10- The development of horticulture seems to hold good promise. The North Eastern Council is already preparing a regional perspective on the development of horticulture. Although the conditions for the development of horticulture seem conducive, it is important that transport and market linkages are seen and planned well ahead of fruiting of the crops. It is important that the areas which specialises in horticulture development also produce foodgrains to meet atleast partial requirements of the people. In addition the State Govt. must strengthen public distribution system and make food available to the people engaged in horticultural development.

- SERICULTURE** 5.11- Development of sericulture in the North Eastern Region need to be linked with availability of adequate numbers of food trees for the silk worms. Plantation of such trees under various afforestation social forestry development schemes and the like programmes needs to be encouraged.
- PRODUCTIVE SECTOR** 5.12- People are fond of eating meat/fish. Modern techniques to increase livestock of quality and quantity may be used. High priority needs to be given to the productive aspect of agriculture and allied sectors and other productive sectors for the development process of the State.
- INSTITUTIONAL FINANCE** 5.13- The credit-deposit ratio continues to be adverse. It is essential that more and more institutional finance is linked with various developmental activities/enterprises. The constraint to the same may be identified and conditions conducive to linking of institutional finance may be created.
- CORPORATIONS** 5.14- A number of corporations have been set-up or are being created. It is essential that viability of the corporations that are under consideration is properly examined and benefits clearly seen before they are set up.
- 5.14.1- The performance of existing corporations may be improved to the optimum level. The assets invested must bring best results.
- 5.14.2- The accounts of the existing corporations need to be regularly audited and their viability monitored.
- 5.15- Much thought has already been expressed on decentralisation of planning process. A further step to decentralisation at district level will be to consider allocation of a part of State Plan resources to the village authorities as is in vogue in the form of Village Development Boards in Nagaland. The people of Nagaland have used the village funds allocated on per household basis, on schemes which they considered their felt needs. In order to accomplish the tasks, the village community also contributed effort and their own resources and achieved much higher throughput. The State Govt. might like to consider a similar approach/strategy for satisfying the felt needs of the people at village level and also for involving community in the planning process.
- DECENTRALISATION OF PLANNING PROCESS**

REACH
PEOPLE

5.16-

By way of reminding, it might be worthwhile to give a fresh look to the plethora of plan schemes, projects and programmes to assess what reached the people and how the plan effort was helping them to improve their quality of life and standard of living. Efforts may continue to be made to reduce soaking of funds in uneconomic ventures.

OBJECTIVE

5.17-

The first and the foremost objective of the total development effort is to improve the quality of life of the masses. All schemes and projects should, therefore, be tested on this touch-stone whether the completion of the project/scheme will bestow any benefit to the people for improving their quality of life and raising their standard of living. It is important to bear in mind that the first priority schemes should be such that create conditions for the people to move towards attaining the above objective.

TERMINAL YEAR
OF THE PLAN

5.18-

The year 1989-90 is the terminal year of the Seventh Five Year Plan. It should, therefore, be treated as the year of consolidation and completion of projects so that the achievement of the year could be compared against the Seventh Five Year Plan targets.

5.18.1-

The year 1989-90 will also become the base on which the Eighth Five Year Plan will have to be founded. Therefore, intensive efforts are required to complete the on-going schemes/projects so that new projects and new schemes could be identified and scheduled to be taken up during the Eighth Five Year Plan.

5.18.2-

The schemes that have been completed during 1987-88 and 1988-89 and those that will be completed during 1989-90, may be listed and schemes that will spill over to the Eighth Plan may be separately identified.

NEW
EXPENDITURE
NOT TO BE
COMMITTED

5.19-

A number of new posts, construction of buildings and purchase of vehicles have been proposed. It was suggested to the State Govt. that new expenditure on these items may not be committed, especially on the start of new buildings when a very large portfolio of buildings including some buildings that were taken up during the Fifth Five Year Plan, were continuing to be under construction-due to shortage of material. Therefore, in all the sectors these expenditure should be kept under strict check during 1989-90.

RESOURCES SHOULD 3 5.20-
NOT BE SPREAD
THINLY

↳that

The resources should not be spread thinly on a large number of projects but concentrated on projects that could be completed in the shortest possible time. This will bestow benefits to the people at the earliest. Only through this approach, aspirations of the people in real terms can be met. Thin spread of resources create hope/leads to disappointment if the projects are not brought to fruition in the expected time schedule.

EXISTING
ASSETS TO BE
FULLY USED

5.21-

The existing infrastructure, institutions, staff, buildings, transport facilities and other assets should be used to the optimum level.

ROADS

5.22 -

Faulty construction of roads cause serious disturbance to fragile eco-system. Roads may be planned properly and constructed as per designs that prevent disturbance to ecology and environment.

HOUSING

5.23-

The local housing designs should respect local architecture and use local materials. As far as possible, institutional finance through schemes like self-financing etc. may be used. Where acute shortage of housing accommodation for staff exists and where local houses on rent are not available, construction of transit accommodation/barrack accommodation could be considered.

MAINTENANCE
OF ASSETS

5.24-

Permanent assets have been created with scarce resources and with a great deal of effort. These should be maintained properly and not allowed to get into disuse or damage.

5.25-

Within the state, there are comparatively less developed areas. These may be given special attention for speedy development.

- 5.26- INPUT OF SCIENCE & TECHNOLOGY
- Science & Technology Council has already been constituted. The State Govt. may involve the council input to all sectoral plans. Similarly, State Govt. may use various technical institutions situated within the state or in the region, and involve them to innovate and introduce scientific and technological improvements for enhancing productivity and reducing drudgery in various sectors.
- 5.27- SHORTAGES OF TECHNICAL PERSONNEL
- The shortage of technical personnel continue to be a serious constraint. A systematic multi-directional effort is necessary to train as well as to attract qualified and experienced technical personnel.
- 5.28 EMPHASIS ON CONSUMABLES
- The general infrastructure sector, for the North Eastern Region as a whole, especially transport system and specialised manpower is considered weak in the North Eastern Region. To overcome this situation, high emphasis over the years has been laid on the development of infrastructure. Heavy investment on this sector are continuously being made.
- Infrastructural expenditure made on various sectors of the State Plans, the NEC Plan, and the Central sector scheme too is also high. A large number of departments, organisations and institutions and corporations have been set up.
- 5.28.1- However, the productive sector has not kept pace with the increased demand - which has risen both qualitatively and quantitatively. The agricultural and allied productive sectors have remained more or less stagnant. Most of the primary and manufactured/consumer goods and producer goods are brought into the region. Therefore, it is urgent that maximum resources in real terms go towards inputs that enhance actual production of consumer goods. Innovative inputs and people's involvement towards this objective may also be encouraged.

5.29-

POTATO CULTIVATION

The potato cultivation in Meghalaya is practiced on 'Buen' terraces (Vertical terraces) to avoid water logging. This causes severe soil erosion. The ICAR Complex should develop Scientific design of horizontal terraces that avoid water logging and also to conserve soil.

NODAL DEPARTMENT
FOR IRRIGATION

5.30- The State Govt. may identify a nodal department so that irrigation benefits accruing from various schemes under the State Plan and Centrally Sponsored Schemes are coordinated in their totality for apprising the same under the 20-Point Programme.

MAINTENANCE OF
WATER SUPPLY
SCHEME

5.31- Village Community organisation should be involved for maintenance of village water supply schemes. May be they would like to raise local level resources to engage a local persons for manufacture village water supply. The State Government could organise appropriate training and supply necessary basic tools for the purpose.

- DEVELOPMENT OF NON-CONVENTIONAL SOURCES OF ENERGY 5.32- As the cost of electrification of rural areas in Meghalaya was very high, the non-conventional sources of energy should be developed to provide power to some villages.
- REGROUPING OF VILLAGES 5.33- Regrouping of small villages by uprooting the villages and rehabilitating them at a new place was not practical proposition.
- UTILISATION OF SCIENCE & TECHNOLOGY 5.34- Science & Technology should be utilised to the fullest extent to improve the productivity & quality of various products. There were a number of areas where Science & Technology could be made use of without much Capital investment.
- SHORT SUPPLY OF BUILDING MATERIAL 5.35- Building material was also in short supply and latest technology had to be introduced to utilize the locally available material for construction work to the maximum extent.
- TRAINING TO THE STUDENTS 5.36 - The State Govt. should contact some public enterprises to impart training to the students on the actual production line which could be very useful.
- REGULATE THE FELLING OF TREES 5.37- There had been large scale felling of trees. The timber in log form should not be allowed to be sent out of the State. This would help in developing / industries within the State & reduce illegal extraction of timber.
/timber-based
- DEVELOPMENT OF COMPARATIVELY BACKWARD AREAS OF THE STATE Special attention to be paid to comparatively less developed timber-based districts and areas inhabited by Scheduled Tribes.

PART - III

SECTORWISE PROGRAMMES

Agriculture &
Allied Services

Foodgrains:

6.1 Production of foodgrains in Meghalaya increased from 1.22 lakh tonnes in 1970-71 to 1.55 lakh tonnes during 1980-81. It reached a level of 1.61 lakh tonnes during 1983-84. During 1987-88 the foodgrains production was 1.42 lakh tonnes.

6.2 The production of foodgrains in the current year is estimated at 168 th.tonnes. The State Govt. proposed a target of 175 th.tonnes and the same was endorsed by the Working Group.

6.3 Rice is the principal crop forming about 80% of the production of foodgrains. Productivity of rice, however, has remained almost stagnant over the last decade and a half, at about 11.25 qtls. per ha. in 1970-71 and 11.93 qtls./ha. in 1985-86 and 1986-87 against all India figure of 14.82 qtls/ha. The productivity of rice recorded during 1987-88 was low at 1018 kgs/ha. Major rice area is under traditional rice varieties. As against the Seventh Plan target of 183.75 th.tonnes, the actual production during 1987-88 was 110.50 th.tonnes. However, the anticipated production in the current year is 135 th.tonnes. The Working Group supported the State proposed target of 140 th.tonnes during 1989-90.

6.4 Second main crop is maize. Against the Seventh Plan target of 30 th.tonnes, the current year production is estimated at 21.28 th.tonnes which is slightly higher than previous year(1987-88) production of 20.70 th.tonnes. The target for 1989-90 has been kept at 22.50 th.tonnes as proposed by the State Govt. Contrary to rice productivity, the productivity of coarse cereals (mostly maize) is better at 1276 kgs/ha. in 1986-87 as compared to all-India average of 667 kgs/ha.

6.5 Meghalaya has very good potential in horticulture development. It already grows a number of fruits including pineapples, bananas, pears, peaches, plums, oranges, chestnuts etc. Potatoes and vegetables are also grown and sizeable quantity exported out of the State.

/tonnes

6.6 The target for the Seventh Plan was set at 2.03 lakh tonnes of fresh fruits. Approximately production of 1.90 lakh was reported during 1987-88. During 1988-89, production of fruits is anticipated to be about two lakh tonnes, against a target of 2.04 lakh tonnes. The target for the Seventh Plan is likely to be exceeded in 1989-90 with an accepted target of 2.14 lakh tonnes. However, despite a favourable climate for horticultural crops in Meghalaya, productivity at 7.8 tonnes/ha. against the all India average of 15 tonnes/ha is low. The ICAR Complex at Borapani near Shillong could suggest suitable measures and practices for improving the productivity of horticultural crops.

6.7 A systematic and careful planning for developing large scale horticultural, medicinal plants and cash crops like spices need to be taken up on massive scale. This might in due time emerge as one of the main economic activity in the State. Horticulture has to be developed as an alternative to jhum and also for supplementary source of income food security. Transport and marketing arrangements for the horticulture crops need to be given adequate attention. Efficient marketing arrangement will play a key role in the development of horticulture. Besides, improving the working and productivity of the existing fruit processing centres, a number of small fruit processing units would emerge on a decentralised basis when adequate marketable surplus of horticultural products will emerge.

6.8 Potato is another important crop. Against a target of 1.92 lakh tonnes for the Seventh Plan, production of 97000 tonnes is anticipated in 1988-89. For 1989-90 a target of 17800 tonnes has been accepted by the Working Group. Potato cultivation is practised on "boon" terraces (vertical terraces on hill slopes) to avoid water logging. These cause serious soil erosion. It was suggested during 1987-88 plan discussion that the ICAR Complex should evolve scientific horizontal terraces which might avoid water logging and conserve soil. Nilgiri District has developed suitable horizontal terraces for potato cultivation. The officers dealing with this problem might exchange experience with Nilgiri District and gain from that experience.

6.9 Jhum cultivation is estimated to be practised on about 75000 hectares i.e. 36% of the net sown area. The problem of jhum cultivation is seen as problem of food. Simultaneous attempts are to be made to develop settled cultivation on scientifically cut terraces with top soil retained and valley bottom lands (WRC) have to be developed as per potentials and needs of each area. However, for the long run, the central focus of all development schemes should be to replace jhum. In such areas, all developmental resources i.e. State Plan, Centrally Sponsored Schemes, other agencies like Tea Board, Spices Board, Coffee Board etc. meant for these areas, could be pooled to evolve viable integrated packages of schemes suiting specific local needs and conditions and alternative income/food generating occupations could be developed. For this purpose, it may be advantageous to take a full village as a focus of activity. The schemes, however, have to be well coordinated, and take care of food requirements of the people.

6.10 The Prime Minister had on 27.12.1987 at Tura emphasised the need to enhance cropping intensity to three crops, need for replacing jhum with settled cultivation and other viable occupations, and development of horticulture. (Details have been given in Part-I of this report).

6.11 Meghalaya has plenty of plains, as well as, valley lands for successful cultivation of field crops. This potential remains much underutilised. At the wrap up discussion 1987-88, it was mentioned that five valley areas have been selected for growing three crops in a year. Success of this will open the doors to green revolution. This might also eventually help in consolidation of small villages near settled cultivation areas. It was recommended that the State Government may move firmly forward in this direction.

6.12 The Working Group observed that the State Government had not kept any target for seed production. State Government should purposefully pursue programme of seed multiplication. State Government should at self sufficiency in this requirement. The target of seed distribution at 1.50 thousand tonnes was supported by the Working Group for 1989-90.

6.13 In regard to fertilizer consumption, the Working Group noted that current year's achievement would be 5000 tonnes and not 6500 as indicated in the plan proposal. The Working Group recommended a slightly higher target for total N.P.K. at 7000 as against the proposed 6650 thousand tonnes for 1989-90.

ANIMAL HUSBANDRY

6.14 The State has a target to produce 82000 tonnes of milk and 52 million eggs by the end of the Seventh Plan. Production of 50200 tonnes of milk and 63 million of eggs was expected in 1988-89. The Working Group observed that the present productivity of 305 litre of milk p.a. and 62 eggs per bird can be substantially increased. Cross breeding programme for cattle with frozen semen technology has to be intensified to increase cattle productivity. Also popularisation of high-yielding fodder varieties and development of grass land, assured and remunerative prices to milk producers and training of farming in modern live-stock management practice will help in increasing productivity of milk.

6.15 The State Govt. proposed an outlay of Rs. 423 lakhs for Animal Husbandry for 1989-90 against an outlay of Rs. 195 lakhs for 1988-89. The proposal included a capital content of Rs. 213.20 lakhs mainly for construction of office buildings. A number of new schemes are also proposed to be initiated. The Working Group recommended that the State Govt. should concentrate on completion of the on-going schemes rather than initiating new schemes.

6.16 The Working Group recommended that the Capital Works (of Rs. 213.20 lakhs) included in the draft proposals may be carried out in a phased manner over the three years or so, and observed that the proposed outlays were on the higher side. They felt that staff component and revision of pay scales reduce the availability of funds for actual development activities and therefore, recommended that expenditure on staff should be transferred to the maximum extent to Non-Plan side, at least, from the beginning of the 8th Plan.

6.17 As pork is a cherished dietary component of tribal with States, need for continuing existing pig breeding farms for supplying upproved quality boars and gilts was emphasised. Therefore, the Working Group advised that emphasis should be on production and distribution of quality boars for improving the pigs reared by the farmer/tribals.

6.18 The Annual average productivity per layer bird at 87 eggs is on lower side. It was emphasized that the productivity is low and may be increased through : (i) introduction of superior germ plasm on a wider scale; (ii) intensification of marketing of poultry products; (iii) supplying balanced poultry feed; and (iv) training of farmers including women.

6.19 The Working Group recommended that fodder seed production seeds to be boosted for enhancing the \angle of nutritions fodder in the State.

\angle availability

Dairying

6.20 There are four milk supply schemes in the State with a installed capacity of 23,000 litres per day. However, these could handled only 3500 litres per day, The Working Group pointed out that the milk handled is quite small as compared to installed capacity and emphasised to take urgent steps to increase the handling capacity. It is suggested to implement intensively the technical inputs programme in the milk \angle areas of the milk plant Shillong and the various rural dairy centres to increase the availability of milk for this plant and rural dairy centres to give remunerative and assured prices to the milk producers as well as to make various milk plants economically viable.

\angle shed

FISHERY

↳tonnes

6.21 The fisheries resources in the State comprise of 1000 ha. of rivers and stream, 550 ha. of reservoir, 11000 ha. of tanks and ponds and 50 ha. of bheels and swamps. Production of fish, however, continue to be very low. Against a target of 6000 tonnes of fish for the Seventh Plan, production in 1987-88 was only 853 tonnes and is anticipated to be 1200 tonnes in 1988-89. A target of 2500/ has been recommended for 1988-89. The NEC proposed a new scheme of Reclamation of Beel Fisheries under its draft plan 1989-90 with an outlay of Rs. 14 lakhs. It was not recommended since the scheme was not of regional character. This could be included in the State Plan of Meghalaya.

6.22 The Working Group noted with concern, the spread of fish disease in the Region. It was agreed that immediate steps will be taken to improve the same and to reach at least half of the plan targets by the end of terminal year of the 7th Plan. Required administrative support could be given.

6.23 The I.C.A.R, Research Centre at Shillong could support the technical requirements of the State Fisheries Department instead of setting up a separate research centre.

6.24 The thrust area for development of fisheries during 1989-90 is to substantially enhance fish seed production. The Working Group also recommended the technical assistance of the C.I.C.E.F., Bangalore on construction of fish seed farms and hatcheries could be sought.

6.25 Cold Water fisheries, integrated fish farming stock of reservoirs, conservation measures to check destruction of fish in lakes and rivers are a few important fishery activities to be taken care of. A systematic method of collecting statistics on fish & fish seed production is also to be introduced during 1989-90. Existing water areas like Barapani lake should also be utilised.

Soil and Water Conservation

6.26 The State representative apprised that soil survey and testing have been taken up for all soil conservation projects in collaboration with the National Remote Sensing Agency (NRS), Dehradun, which will serve useful base for information. The M.E.C. has been providing financial assistance for upgrading the Soil Conservation Training Institute, Byrnihat. The Working Group recommended an outlay of Rs. 395.93 lakhs against the State Government proposed outlay of Rs. 421 lakhs.

Jhum Replacement

6.27 .. Under jhum Central Scheme, 230 ha. of land has been terraced for permanent cultivation benefitting 257 families during the 1988-89. Besides, 27 ha. of valley bottom land has been reclaimed. 245.50 ha. of land has been created for rubber, coffee and horticultural crops and 10.5 kms. of link roads have been constructed. During 1988-89 it was proposed to terrace 205 ha. of land. Also, 20 ha. of bottom valley land will be terraced. About 186 ha. of land will be created for plantations.

6.28 During 1989-90 besides, land development and watershed management programme, 195 jhum cultivators in 40 ha. of land and land reclamation in 25 ha. of valley bottom land. A separate Central Scheme of Jhum replacement is being formulated, for which Rs. 1.30 crores have been kept as share for Meghalaya.

will be benefitted. In addition, terracing will be done

mati

-/-

FORESTS :

6.29 According to the National Forest Policy, Meghalaya being a hilly region, should have 60% of its geographical area under forest. As against this the forest area in the State is reported to be about 8.55 lakhs ha. which is 38% of the total area. According to 'India's Forest 1984' compiled by the Central Forestry Commission, Ministry of Agriculture, the Forest area in Meghalaya as on 31.12.1983 was 9.48 lakh ha. constituting 42.13% of the total area. However, only 4% of the total area is reported to be Reserve Forest under the ownership of the Government and rest is with the District Councils.

6.30 As most of the forest area is under the ownership of the District Councils and communities, it may not be possible to acquire these areas and bring them under Govt. reserve forest category. State Govt. may like to evolve a suitable policy to prevent unregulated felling of trees and to encourage afforestation, without changing the District Council ownership of these areas. The State Govt. had during 1987-88 Plan discussion with Deputy Chairman, Planning Commission had decided to compensate the District Councils for the loss of revenue on account of checking the felling of trees. A suggestion had been made in 1987-88 report of the Adviser (SP) that timber in log form should not be allowed to be exported outside the State.

6.31 The Working Group has emphasised that regeneration of degraded forests areas **should** be taken up in a phased manner so as to cover it under vegetation.

6.32 Various plantation schemes such as production forestry; social and farm forestry; environmental forestry; rural fuel wood plantation; ecologically restoration of cherrapunji, the rain desert and forest nurseries etc. have been taken up under this programme. However, the quality of seedlings raised in the nurseries should be good, so as to make the plantations a success. The State Forest Department has been implementing social forestry in the State's Sector in addition to centrally sponsored scheme of rural fuel-wood plantation

6.33 The resources should more be utilised on actual plantations of trees and the communities/villages could be involved to protect the plantations. This function of the community is appreciated and called "Social Fencing". However in the areas where people* are engaged on sericulture, the plantations of food stock trees for silkworms could also be taken up under the programme. At present, sericulture activity is lagging due to food stock shortages. Abundant availability of such trees would provide avenues of increasing subsidiary occupations and incomes, and also interest the people to retain the afforested area as such.

6.34 In Kashmir, willow trees are very popular because these provide fodder, fuelwood and fast growing timber for sports goods.

6.35 An outlay of Rs. 70.00 lakhs was recommended by the Working Group. Activities like improvement of habitation sanctuaries/national parks, providing effective protection, constructing check posts etc. have been envisaged. Also, the scheme of area development around wild life sanctuaries has been taken up with a view to providing relief to the local people and thereby protecting the wild life. This scheme has proved good for meeting local requirement of the people.

6.36 An outlay of Rs. 1160 lakhs have been recommended against proposed as Rs. 129¹ lakhs for 1989-90. The major share of the recommended outlay is for the afforestation works. The State has a hilly terrain and the catchment area needs afforestation activities to check soil erosion. Therefore, this outlay should be earmarked for forestry.

6.37 Since only about 3% of the forests are owned by the State Govt. and the denuded lands that are now sought to be afforested under various programmes belong to individuals/communities who had destroyed the forests for Jhum/domestic or commercial purposes; they would do so again after the Govt. investments reafforest the area. Therefore, it is necessary that the Govt. should develop an appropriate policy instrument, at least to protect the lands there are sought to be afforested at Govt. cost. Only such private lands that could be thus protected and brought under scientific harvesting/regulated use could qualify for governmental investments. Otherwise allocation of large resources will be of no avail.

6.38 The Working Group observed that cooperative marketing of agricultural produce has so far, been behind the Seventh Plan expectations. The Meghalaya Cooperative Marketing Federation (MECoFED) processes jute on behalf of the Jute Corporation of India. Due to, the prevailing market price being much above the support price. Very little quantity of jute had been sold to the MECoFED. It three jute baling plants had been lying practically idle and had been suffering from heavy overheads costs. The State Government have, therefore, made a strong plea that in the year's when jute prices exceed the support prices, the Jute Corporation of India should purchase jute at the prevalent market prices.

Storage & Warehousing

6.39 By the end of 1987-88, the State Warehousing Corporation had constructed warehousing capacity of 8,000 tonnes. In addition, the work was in progress for construction of another warehouse for 2,000 tonnes during the current year. It was envisaged by the State Government to construct additional storage capacity of 3500 tonnes during 1989-90.

6.40 The Working Group on the Civil Supplies recommended Rs. 10 lakhs for construction of godown & suggested mobile fair price shops for remote in inaccessible areas for which State Govt. was advised to approach Department of Civil Supplies, Government of India for availing of Rs. 21 lakhs for purchase of mobile vans for Fair price shops. A comprehensive assessment/review of Civil Supplies Operations was also recommended.

Agricultural Marketing

6.41 The State Govt. proposes 3 regulated markets i.e. at (1) Shillong, (2) Tura and at (3) Jawai, with necessary facilities for market yards, godown, storage etc. during the Seventh Plan period. Land has been acquired at Shillong and negotiations are on for acquisition of land for Tura regulated market. The Working Group recommended an outlay of Rs. 47.50 lakhs for creating the storage facilities, and for the regulated markets against the proposed outlay of Rs. 51.50 lakhs.

Cooperation

6.42 The State Government had completed the reorganisation of the cooperative credit structure at the primary level into 180 primary agricultural credit societies as early as 1979-80. This, however, has not improved the viability of the reorganised societies and the level of credit business handled by them continue to be low. In consultation with the NABARD, the State Government had introduced a scheme for putting the old overdues of non-wilful defaulters into Blocked Account, so that those could be recovered in 10 instalments. As a result of the introduction of this scheme, the level of overdues were reported to have come down from 92% at the end of June, 1984 to 37 % as at the end of June 1985. The Working Group in 1988-89, however, noted with a concern that by the end of June 1987, the overdues again shot up to 54 % and further increased to 80% by the end of June 1987. The situation has not improved as on end June, 1988. The Working Group therefore, emphasised upon the State representatives to take up concerted measures to bring down the level of overdues for creation of necessary recovery climate. On behalf of the State Govt., it was explained that the poor recovery performance had been due to unprecedented floods in the western parts of the State. They assured that necessary steps were being taken to improve the recovery position.

6.43 Due to occurrence of very heavy floods in the State considerable short fall from Rs. 2.25 crores to Rs. 1.54 crores in the disbursement of short term loan was expected. The disbursement of medium-term loan was however, reported to have picked up from 50 lakhs to 60 lakhs. The Working Group recommended Rs. 80 lakhs for 1989-90.

Rural DevelopmentI.R.D.P.

7.1 The allocation under IRDP for 1988-89 was made on the basis of 75% weightage to the incidence of poverty and 25% as per uniform blockwise earmarking. According to the NSSO 1983-84 survey incidence of poverty in Meghalaya was 33.7% (1983-84) against 51.2% in 1981-82. State official did not agree to the findings of the survey. The State Govt. was advised to take up the matter with the NSSO so that correct position regarding the incidence of poverty in the State may be projected. The allocations during 1989-90 are to be made on the basis of incidence of poverty. As per this criteria, the share of the State works out to 65.27 lakhs. The Working Group during 1988-89 desired that all the remaining old beneficiaries eligible for second dose of assistance must be covered.

7.2 Credit linkage under IRDP in the State had been very weak. State officials intimated that credit linkage was, however, improving. The current level of subsidy was reported to be Rs. 4500-5000 per beneficiary. This was being matched by equal amount of credit. Sectorwise distribution of activities was reported to be 65% in primary sector, 20% in secondary and 15% in tertiary sector.

7.3 During 1987-88 (upto September) 15 youths had already been trained and 129 were undergoing training. However, none of the trained youth had been provided with self-employment or wage employment. Under DWCRA, 8 blocks of two existing district of the State had been covered and 60 groups were organised.

7.4 Under NREP much effort was going into construction of school buildings. 1000 schools were thus made. Some of the major findings of the Concurrent Evaluation Report in respect of IRDP for the period January, 1987 to September, 1987 were:

(i) In 95 percent of the cases, the difference between cost & value of assets was greater than Rs. 1000;

(ii) No incremental income was generated in 47 percent cases (National average 22 percent).

(iii) The percentage of persons crossing poverty line of Rs. 6400/- was 8 (National average 13 percent).

(iv) Assets were not found in tact in 72 percent cases (National average 28 percent cases).

(v) No working capital was provided in 78 percent cases even though it was required (National average 24 percent).

(vi) After-care support was not provided by Governmental agencies in 99% (National average 55%).

The programme needs to take care of these aspects to reach the objective.

N.R.E.P.

7.5 An allocation of Rs. 55 lakhs has been indicated in the Central Sector for Meghalaya for 1989-90 under NREP. Accordingly, similar amount was recommended by the Working Group as matching share in the State Plan. As regards maintenance of assets created under NREP/RLEGP, the State officials stated that the village councils were looking after the maintenance of assets which were mainly school buildings. For the purpose public contributions were collected and funds are also sanctioned for this to village councils from NREP. The State Govt. was informed that according to the instruction issued on 18.8.1987 by the Department of Rural Development, prescribing the revised list of work that could be undertaken under NREP, no building other than school buildings could be constructed under the programme. Since the maintenance of assets by public contributions and, therefore, there was no felt need to prepare detailed maintenance plans for NREP/RLEGP assets.

LAND REFORMS

7.6 A total area of 25000 sq.km. has to be covered by cadastral survey in the State. The target for the Seventh Plan is to cover 10,000 sq.km. However, so far only 1100 sq.km. of area has been covered. The State Govt. proposes to purchase some sophisticated instruments for the survey at a cost of Rs. 8 lakhs to achieve. The Seventh Plan target the State Govt. was advised to avail of the Central assistance under the Centrally Sponsored Scheme of updating of land records and strengthening of revenue machinery.

Community Development

7.77 The proposals included constructions of roads for which a provision of Rs. 9 lakhs was sought for. The Working Group observed that the State Govt. had been advised to take up construction of roads under MNP and NREP. The State officials intimated that the work undertaken under Community Development was construction of short footpaths with the help of the village community. Another programme included outlay for health and sanitation, construction of buildings, agriculture, animal husbandry, industries etc. Against proposed outlay of Rs. 82 lakhs the Working Group recommended an outlay of Rs. 75 lakhs.

Irrigation and
Flood Control

Medium Irrigation

8.1 There is no major irrigation scheme in Meghalaya. Construction of Rongai Valley Project during 1989-90 was proposed by the State Govt. for which Rs. 50 lakhs outlay was recommended by the Working Group during 1989-90 for completing part of the head-works (total cost not indicated). For 1988-89 approved outlay was Rs. 30 lakhs which is not likely to be spent and hence Rs. 50 lakhs agreed outlay will consist of Rs. 45 lakhs for Rongai Valley and Rs. 5 lakhs for investigation of other irrigation projects.

Minor Irrigation

8.2 The State Govt. had proposed an outlay of Rs. 379.00 lakhs for 1989-90. The Working Group recommended an outlay of Rs. 352.00 lakhs and observed that:

on-going (i) Lift Irrigation and Flow Schemes being the major programme in the State, the increased outlay of Rs. 197.00 lakhs for 1989-90 was for schemes against the current year outlay of Rs. 139.00 lakhs. Maximum number of scheme should be completed and made productive. The schemes nearing completion should receive first priority.

(ii) At present there are 90 Surface Water Minor Irrigation Schemes out of which 62 schemes were not functioning satisfactorily. The State Govt. was improving & modernising schemes to achieve the targetted potential. 20 schemes will be taken up during 1989-90. An amount of Rs. 40 lakhs was recommended against Rs. 30 lakhs during current year, provided the scheme could provide irrigation for Rabi and pre-Kharif crops. As to is, rainfall was rather heavy during Kharif Season.

(iii) The Working Group recommended separation of irrigation from agriculture deptt. for which Rs. 50 lakhs were recommended. At a juncture when integrated development approach for tackling the problem of jhum cultivation is being supported, separation of the irrigation from Agriculture may not be a step in the right direction.

8.3 During 1989-90 the State Govt. proposes to utilise 2100 ha. against an anticipated achievement of 1965 ha. in 1988-89 and achievement of 660 ha. in 1987-88.

Command Area Development

8.4 About 40% of the potential created remains unutilised because of the absence of field channels or land levelling. There is, therefore, an urgent need to reduce this gap so as to utilise the potential created in the State especially for Rabi season. There is a Centrally Sponsored Scheme on a 50:50 basis between the State and the Centre. The Working Group recommended an outlay of Rs. 25 lakhs for Command Area Development as against the proposed outlay of Rs. 40 lakhs by the State Govt.

Floods

8.5 There is only one spill over scheme which was expected to be completed during 1988-89. There are eight on-going schemes under flood control programme. It is expected to complete two of them during the current year. Besides, spillover and on-going schemes, there are 16 new schemes. The schemes are carried over as new schemes during 1988-89 and a token provision of Rs. 0.80 lakh has been kept for new schemes during 1988-89 for survey and investigation works. During 1989-90, the State Govt. proposes 22 on-going schemes including 16 unsanctioned schemes. It is anticipated that 4 schemes are likely to be completed during 1989-90. No new schemes to be started during 1989-90. The Working Group recommended an outlay of Rs. 55 lakhs as proposed by the State Govt. under Flood Control. The amount that might be allocated during 1989-90 should first go towards completion of on-going schemes and thereafter new schemes could be thought of.

POWER

Umiam Umtru Stage -IV Hydro Electric Project
with Khari Diversion (213 MW)

9.1 The Umiam Umtru Stage-IV project is the only power generation project under implementation in the State. Latest estimated cost of this project is indicated at Rs. 117.67 crores. The project, comprises of a 41m high concrete dam, 6.42 km. length HR tunnel, surge shaft, pen-stocks and surface power house.

9.2 Upper Khari diversion works involve construction of 69m high dam and 8.54 km. length tunnel from Khari to Myrdem Kulai reservoir. Progress of civil works particularly on dam works was slow due to heavy rains in the last year. The progress of work is described in the following paras.

9.3 The gates scheduled to be installed by October, 1989, after which the tunnel would be charged to make water available for rotation of the units by mid December, 1989.

POWER HOUSE:

9.4 Excavation works have already been completed, concreting is in progress, civil works of machine would be completed in all respects by March, 1989;

E.C.T. crane was already commissioned in the power house and rection of units has commenced. Unit 1 was scheduled to be rotated in December, 1989, and synchronised in January, 1990. Unit 2 will be synchronised in March, 1990;

9.5 Design of turbine runners for Stage III and stage IV generating units supplied by BHEL is the same. It was reported that runner failures were faced in stage-III. To prevent the same BHEL would be required to get the model studies done based on reports of Soviet experts. / The Chairman Meghalaya was requested to take the issue with Chairman BHEL and shortout the same.

POWER TRANSFORMERS

9.6 State authorities were requested to get the approval of transformer drawings expedited and cleared by CEA at the earliest.

UPPER KHARI DIVERSION WORKS

9.7 Due to problems of land acquisitions, Upper Khari Diversion work could not be taken up last year as programmed during the last annual plan discussions. However, hydro metereological data collection and maintenance of infrastructure etc. was done. In view of harnessing additional 60% power benefits (2 million units worth about Rs. 10 crores per year) Working Group showed concern over this delay and recommended Rs. 1 crore. for Upper Khari diversion works included in the outlay of 17.52 crores for the year 1989-90. However, before committing any investment it is essential their availability of works is confirmed. The work if found feasible, could then be considered in the 8th Plan.

Since Umiam Umtru power projects (Stage-I-IV) are the major source of electric panel in the State, the catchment area should be protected and afforested. It is important.

TRANSMISSION AND DISTRIBUTION

9.8 Against the T&D proposal the Working Group recommended an outlay of Rs. 883 lakhs for 1989-90 against the approved outlay of Rs. 550 lakhs for 1988-89. Under power sector, against the approved Seventh Plan allocation Rs. 9251 i.e. 32.2% more the Seventh Plan outlay has already be utilised. The Working Groups recommended a total of Rs. 3530 lakhs under the power sector for 1989-90 against the current year's level of Rs. 3100 lakhs.

RURAL ELECTRIFICATION

9.10 Under Rural Electrification, as against 4902 villages (1981 Census) in Meghalaya, upto the end of March, 1985, 1622 villages were electrified & the achievements were behind schedule. The position regarding rural electrification was discussed in the Wrap-up meeting. The State Government was keen to step up the programme. As against the target of 200 villages during 1988-89, 250 new villages were likely to be covered. During the first 4 years of the Seventh Plan, 610 villages are likely to be electrified against the target of 1170 villages for the five years of the Seventh Plan. The State Government was keen to cover 450 villages during 1989-90 for which requirement of Rs. 1800 lakhs (including revised proposal for additional Rs. 900 lakhs were proposed. However, the Working Group recommended Rs. 801 lakhs for covering 230 villages. The target for the Seventh Plan will yet fall short by 330 villages.

9.11 The major problem in Meghalaya is the small size of villages, which is standing in the way not only in this programme, but in many others. The State Electricity Board was charging, 54 Paise per unit, as against the cost of 70 Paise per unit and was thus making losses. The power tariff was revised a few years ago, which (revision) is overdue.

9.12 Meghalaya State Electricity Board is heavily dependent on Assam for its financial viability. Internal demand is inadequate to absorb the generation and about 53% power is sold to Assam. The Board is selling power to Assam at 47 paise per unit whereas its internal tariff is 54 paise per unit. T&D losses were reported to be 8.1% in 1985-86 and 10.35% in 1986-87 and 8.39 in 1987-88. For 1988-89, T&D losses are estimated at 10.50% and 10.57% in 1989-90. Net operating losses of the Board were (-) Rs. 1.34 crores in 1985-86, and (-) Rs. 3.92 crs. in 1986-87. During 1987-88 the Board had a surplus of 2.11 crores but again in 1988-89 it incurred a loss of 2.56 crores. In 1989-90, it is anticipated that losses would go up to 5.91 crores due in-interest liability. The electric Tariff is low and needs a revision.

Special Area Programmes

(Border Area
Development)

Against an approved outlay of Rs. 210 lakhs for 1988-89, the State Govt. proposed an allocation of Rs. 472 lakhs for 1989-90. During discussion, it was observed that State Govt. had proposed many new schemes involving capital outlay. New schemes related to establishment of Veterinary Dispensary, construction of road from Mawkyrwat to Mawpud, construction of road from Bakhol Bazar to Dadengiri etc. These were not recommended by the Working Group. State officials were advised not to take up new schemes in the last year of Plan. Moreover these programmes could well be taken up under the appropriate sectors. Stress should be laid on completion of projects which are already in hand. Schemewise break up was analysed and an allocation of Rs. 212 lakhs was recommended.

Industry & Minerals

Village and
Small Industries

10.1 It was observed that the young talent of the State must be trained in different trades under some big houses, private or public, also in the fields of management, chartered accountancy etc. If possible, other States with infrastructural facilities like Gujarat, Maharashtra etc. may be contacted for this purpose.

Small Scale Industries

10.2 Raw material assistance to S.S.I. Units and package scheme of incentives are new to the V.S.I. sector. Under the package scheme, project subsidy, subsidies for training, sales tax, power etc. are given to small units. Other schemes under small scale industries include, headquarter administration, training, exhibition, District Industries Centre, Industrial Estates etc. Sheds at the Industrial Estates at Tura are under construction and land for Jowai Estate has been acquired. Another industrial area is established near Shillong. It was suggested that for the promotion of industrial estates, industrial finance may be linked. For the promotion of industrial estates Rs. 20 lakhs was recommended for 1989-90. For the development of small scale industries an outlay of Rs. 75 lakhs was recommended for 1989-90 by the Working Group.

Handlooms

10.3 In handloom sector, training is imparted every year in Training Centres. Demonstration-cum-production Centres are engaged in production activities, block printing and polyester weaving are introduced, looms are being modernised. The Meghalaya Handloom and Handicrafts Development Corporation organises production and marketing and procures yarn etc. Some departmental centres also work under this Corporation, including the newly established, handloom centre at Tikrikilla. Other schemes in handloom sector are construction of worksheds, rebate on sale of handloom products. Proposal for 1989-90 includes establishment of 5 mobile demonstration units, 1 production centre, modernisation of 200 looms etc. For the promoting of handlooms an outlay of Rs. 35 lakhs has been recommended for 1989-90 by the Working Group.

Handicrafts

10.4 The Meghalaya Handloom and Handicrafts Development Corporation looks after development of handicrafts. Under Master Craftsman Scheme, 80 trainees would be undergoing training in different crafts. Rs. 5 lakhs has been recommended by the Working Groups for 1989-90.

Khadi and Village Industries

10.5 New branch offices of State Khadi Board at Tura and Jowai have already been opened. New Schemes such as honey processing, Gram Silpa, Cotton Khadi and Silk and Silk Khadi Centres at Saipung and Dainadubi are being implemented. Rs. 15 lakhs was recommended by the Working Group for 1989-90 for Khadi and Village Industries.

Sericulture

10.6 The State Government may concentrate on seed production on scientific lines and use Central Silk Board's (CSB) infrastructural help. The C.S.B. established a Central Eri Research and Training Institute and a Research Extension Centre for Mulberry in the State. About 300 hectares of plantation area had been covered under mulberry and 300 hectares under Eri with facilities to the village silk worm rearers in the matter of plantation, rearing and harvest of cocoons. For the development of Sericulture, the State Govt. is creating demonstration units, Chowki rearing centres, nursery, reeling centres, spinning centres etc. Plantation of food trees for the silk worms under various programmes need to be encouraged. An outlay of Rs. 210 lakhs has been recommended for 1989-90 against the proposal of Rs. 200 lakhs and as against Rs. 165 lakhs for 1988-89.

Large & Medium Industries

1) Share capital to MIDC

1) Silica Cement Plant

10.7 The State representative mentioned that this was an approved plan scheme. Rs. 345 lakhs had already been made available to MIDC as equity participation in the project. This was a joint sector project. This was a joint sector project. Working Group, expressed concern over the delay in implementation of the project. The State Govt. representative mentioned that there was some delay in determining the sources of the financing of the cost of infrastructure. The implementation of the project would start shortly. The Working Group supported the proposed outlay of Rs. 50 lakhs for 1989-90.

ii) Clay washery project

10.8

The proposed outlay of Rs. 10 lakhs was supported for the year 1989-90 by the Working Group.

iii) Tantalum capacitors project

10.9 The Tantalum capacitor project was under trial production and expected to go into commercial production by the end of this year. This project costing Rs. 7 crores was a 100% subsidiary of MIDC. The Working Group supported the proposed outlay of Rs. 10 lakhs.

iv) Equity Participation

10.10 In view of the new industrial policy the State Govt. proposed equity participation with local entrepreneurs for setting up industrial projects. The Working Group recommended an outlay of Rs. 60 lakhs for the year 1989-90 against the proposed outlay of Rs. 90 lakhs.

.../...

2. Financial Operation for MIDC

- 10.11 The MIDC was availing refinancing from the IDBI for extending term loans to industrial units. In view of IDBI norms, refinance was limited to only 65%. MIDC had to bridge the gap. Looking at the resource gap and loaning activity of MIDC. Against the proposal of Rs. 60 lakhs, the Working Group recommended an outlay of Rs. 50 lakhs for the year 1989-90.

3. Paper Grade Lime Project

- 10.12 The NEC was implementing this project for which provision for the year 1989-90 was also made. The State Govt. representatives explained that this project would be implemented by NEC during 1989-90. However, the State Govt. would spend on account of infrastructural development e.g. road, power, mine development, etc. They had been incurred expenditure in the past for infrastructure development. The Working Group supported the proposed outlay of Rs. 70 lakhs for the year 1989-90 for this project.

4. Share Capital to Mawluh Cherra Cement Ltd.

- 10.13 The State Govt. representatives explained the need for the modernisation-cum-expansion of the project. It was suggested that the State Govt. should establish the economic viability of the project with total project cost of Rs. 5.80 crores and ensure introduction of effective pollution control measures. Against outlay of Rs. 160 lakhs proposed by the State Govt., the Working Group recommended an outlay of Rs. 80 lakhs for the year 1989-90.

5. Direction and Administration

- 10.14 Against the proposed outlay of Rs. 5.00 lakhs, The Working Group recommended an outlay of Rs. 1.00 lakh for 1989-90.

6. Manpower Training

- 10.15 The State representatives explained that this was a continuing scheme from 6th Plan for encouraging youths to take up specialised courses of training in Engineering computer science,

Chartered Accountancy, Management courses and other professional courses. A proposed outlay of Rs. 7 lakhs was supported by the Working Group for the year 1989-90.

7. Feasibility Studies

- 10.16 The State Govt. had proposed much higher outlay for this scheme. Rs. 10 lakhs was recommended by the Working Group for 1989-90.

8. Entrepreneurship Development Programme

- 10.17 An outlay of Rs. 3.0 lakhs was recommended for 1989-90 for this programme.

9. Pre-investment for utilisation of Meghalaya Coal

- 10.18 It was suggested that the State Govt. should not involve itself in this study. No outlay in the year 1989-90 was recommended for this scheme by the Working Group.

10. Diagnostic study on sick unit

- 10.19 The Working Group supported the proposed outlay of Rs. 1 lakh for the year 1989-90 for this scheme.

11. Packages of incentives

- 10.20 The State Govt. representatives informed that the State Govt. had announced a package of incentives like subsidy in infrastructure cost, relief in sales tax, subsidy in power etc. in accordance with the new industrial policy. Keeping in view of declared policy of the State and urgent need for promotion of industrialisation against an outlay of Rs. 100 lakhs proposed by the State, the Working Group recommended an outlay of Rs. 75 lakhs for the year 1989-90.

12. Development of Industrial Areas-Growth Centre

- 10.21 The State Govt. representatives explained that the State Govt. was developing two industrial areas one at Barapani and the other at Byrnihat. The State propose to improve the

water supply system, approach roads and other facilities in both these areas. The State was apprised that w.e.f. 28.11.1988 Govt. of India had announced policy on growth centres in order to create infrastructural facilities of a high order. Govt. of India had sanctioned one growth centre for Meghalaya. Against a proposed outlay of Rs. 107 lakhs by the State Govt. the Working Group recommended an outlay of Rs. 48 lakhs for the year 1989-90 in respect of this scheme.

B. Weights and Measures

10.22 Against a proposal of Rs. 14.50 lakhs, an outlay of Rs. 10 lakhs for the year 1989-90, was recommended for this scheme for 1989-90.

MINERAL DEVELOPMENT

10.23 The State Government representative informed that during the last Budget Session the State Legislature had passed the Meghalaya Mineral Cess Act (Act 7 of 1988) under which minerals like Coal, sillimanite, limestone, fire clay and other major minerals are to be levied cess @ Rs. 10/- per tonne (for coal and sillimanite), Rs. 2.8 per tonne (for limestone), and Rs. 1.25 per tonne (for fire clay). The rules under this Act were being finalised and cess collection was proposed to be commenced from January 1989. It was also proposed to create a Mining Environment Cell which will also be a new activity.

10.24 Besides, the on-going schemes of mineral survey and exploration were proposed to be strengthened by providing necessary facilities and staff. It was also explained that due to some abnormal conditions in the State during the last year field work could not be taken up in time. The State was cautioned against the creation of posts without first adequately utilising existing personnel and facilities. However, necessary strengthening for activities such as improving the organisations for collection of royalty and cess and setting up of a Mining Environment Cell were supported. It

It was also stressed that the revenues out of cess collection should be utilised on mineral development activities. The State Government representative clarified that under the Act, 20% of the collections are to be earmarked for mineral development, the remaining 80% being for financing primary education in the State. The State Government representative also mentioned that as a result of the measures taken from the 7th Plan period so far, the royalty collections have increased and collection in 1987-88 was Rs. 74.57 lakhs on coal, Rs. 35.5 lakhs on limestone and Rs. 12.4 lakhs on sillimanite. The proposed measures of Check Posts for collection of royalty will further help in plugging leakage of revenue from this source.

- 10.25 The Working Group observed that there was a need to prepare a five year mineral development plan of Meghalaya State, in which coal, limestone, fire clay and other minerals should receive due attention. The Working Group suggested that to facilitate preparation of such a plan which will coincide with the 8th Plan, the State Government may set up a small Committee which may include representatives from the Planning Commission and Department of Mines as well as CMPDIL and RRL Jorhat. The Working Group recommended an outlay of Rs. 75.00 lakhs against Rs. 93.00 lakhs proposed by the State Govt. for 1989-90.

Science, Technology and Environment:

11.1 The Government of Meghalaya has set up a State Science & Technology Council. A science & technology cell has also been set up. It has popularised improved chulhas; low cost water filters, low cost sanitation units. Other programmes include: publication; seminars; talent competition; exhibitions and identification of science & technology components for each development sector. For scientific research the State Government proposed an outlay of Rs. 50 lakhs, the Working Group agreed to Rs. 46 lakhs for 1989-90, which shows a too steep rise over Rs. 15 lakhs allocated during 1988-89.

Secretariat Economic Services:

11.2 Against an approved outlay of Rs. 15 lakhs and anticipated expenditure of Rs. 9 lakhs during 1988-89, the State's proposals aggregated to Rs. 22 lakhs for 1989-90. It was agreed that the Planning machinery needed drastic changes in its functioning to perform the basic functions more effectively. State officials were advised not to expand staff in the last year of the Seventh Plan accepting unescapable need. The State Govt.'s request for purchase of vehicles was not agreed to.

11.3 Three District Councils are given grant-in-aid, to enable them to implement self-help schemes in the nature of construction of village roads, foot-paths, improvement of sanitary conditions and roads in the villages, link irrigation channels etc. A provision of Rs. 70 lakhs consisting of Rs. 60 lakhs for rural communication, rural water supply and self-help schemes and Rs. 10 lakhs for District Council buildings was recommended by the Working Group.

United
Funds for
District
Councils

Secretariat
Economic
Services

TransportRoads and Bridges

12.1 The road length in Meghalaya (excluding national highways) is targetted to be increased from 5003 kms. at the end of the Sixth Plan to 5700 kms. at the end of the Seventh Plan. The road length by the end of 1986-87 stood at 5218 kms. (Road density 23.26 kms/ 100 sq.kms.) and is estimated to increase to 5399 kms. by 1987-88. The target for 1988-89 is to increase it to 5523 kms. Of this 2345 kms. would be surfaced roads and 3184 kms. unsurfaced excluding roads (excluding national highways). Very good progress was being made now.

12.2 Under minimum needs programme, 2112 villages were connected at the end of the Sixth Plan. The target for the Seventh Plan was to connect 2252 villages. By 1986-87, 58 additional villages were connected and 23 are anticipated by 1987-88. During 1988-89, 26 additional villages are targetted to be connected making a total 2224 villages connected by roads by the end of 1988-89. As such, the Seventh Plan target of village connectivity will be nearly achieved. During 1989-90 target of additional 58 villages have been proposed. It will make a total of 2282 villages by the end of Seventh Five Year Plan.

△ villages

△ would be completed by 1988-89.
 △ will be completed by 1988-89 and 50 would spillover to 1989-90.
 163 spillover schemes from the 6th Plan 113 would be completed by 1988-89 and 50 would spillover to 1989-90.

12.3 All the spillover schemes from the Fifth Plan completed by the end of 1988-89. Out of the 340 (spillover schemes from the Sixth Plan only 36 spillover to 1988-89 and the remaining 304 completed by 1987-88.) The new schemes may be selected on need and priority basis; highest priority given to MNP schemes. All the ongoing schemes would thus be completed during the Seventh Plan itself. A major achievement of Meghalaya Government.

12.4 The following observations were made:

- (1) The State should accord priority to replace semi permanent timber bridges by RCC/Steel bridges. Since adequate designing was not available, the State should take consultancy.

(11) Meghalaya is a hill State. Faulty construction of roads can result in destabilisation of fragile hill strata. The road construction programme should have inbuilt safeguards for stabilisation and slope protection.

and 71 on-going
7th Plan
schemes,

6th Plan
12.5 For completing all the/spillover schemes, the State Govt. proposed an outlay of Rs. 29.47 crores. However, the Working Group recommended an outlay of Rs. 12.5 crores.

12.6 District Planning and Development Councils constituted recently as a part of district level planning have recommended a large number of roads in both, the rural and urban areas. The State Govt. have also recommended these roads as first time, the people have given land without seeking compensation. The State Govt. proposed an outlay of Rs. 2 crores for these schemes. The Working Group, however, recommended an outlay of Rs. 0.50 crore.

The linkages of these roads should be seen with the master plans of roads recommended by HEC.

12.7 An outlay of Rs. 21.00 crores was recommended for roads and bridges for 1989-90 against a proposal of Rs. 45.75 crores. To open up large areas of rich mineral deposits, more roads may be required. If resources permit, the amount is recommended in full & more.

Road Transport

12.8 Meghalaya State Road Transport Corporation is incurring losses. Cumulative losses upto the end of Sixth Plan were estimated at (-) Rs. 7.19 crores. The operating losses were estimated at (-) Rs. 0.52 crores in 1985-86, (-) Rs. 0.32 crores in 1986-87 and (-) Rs. 0.43 crores in 1987-88. For 1988-89, the losses were estimated at (-) Rs. 0.51 crores. The interest burden on Meghalaya SRTC has increased from Rs. 0.71 crores during 1985-86 to Rs. 1.15 crores in the current year and Rs. 1.31 crores in 1988-89. The cumulative losses are expected to reach (-) Rs. 16.23 crores by 1988-89.

12.9 The performance of the MSRTC has been improving with 75% fleet utilisation in 1988-89 against 60%, 65% and 70% in 1985-86, 1986-87 and 1987-88, respectively and is targetted at 80% during 1989-90. Vehicle productivity has increased from 78 revenue earning km. per bus per day to 93 during 1987-88 and the same is expected to improve to 96 kms. during 1988-89 and maintain it during 1989-90. Occupying ratio is expected to be 79% in 1988-89 and 81% in 1989-90 as against 76% in 1985-86.

12.10 The fleet strength of the Corporation at the end of 1986-87 was 124 buses, of which 27 are due to be scrapped and 34 new busses were purchased during the year. Thus, by the end of 1987-88, the Corporation would be having 131 buses, as 87 buses were purchased and the same number of buses were scrapped. During 1988-89, there will not be any overaged buses after scrapping of 12 buses and 26 additional buses are proposed to be purchased during the year. For 1989-90 also, the buses to be purchased will be kept at the current year level.

12.11 An outlay of Rs. 2.07 crores was recommended for Road Transport and Rs. 0.35 crores for Motor Vehicle Wing for 1988-89 against the proposal of Rs. 4.78 crores and Rs. 0.38 crores respectively.

12.12 At the wrap-up meeting, need for construction of parking lot in Shillong was highlighted. The cost estimate was indicated at Rs. 28 lakhs. It was on the higher side. Therefore, an outlay of Rs. 2 lakhs was recommended for the scheme.

Tourism

12.13

An outlay of Rs. 211.25 lakhs has been proposed under Tourism as against an outlay of Rs. 70 lakhs approved for 1988-89. Under Tourist Accommodation and Tourist interest places, a number of new schemes have been proposed including those for which no outlay has been provided in the Seventh Plan by the State Govt. The Working Group recommended an outlay of Rs. 100 lakhs under the programme.

Education

Elementary Education

13.1

The Working Group recommended an outlay of Rs. 1015 lakhs against the proposed outlay of Rs. 770 lakhs. The State Government had proposed to enrol additional 15 thousand children at primary school stage and 7 thousand at middle school stage against 12 thousand and 6 thousand children in 1988-89. The State Govt. had proposed an amount of Rs. 100 lakhs for equipment and maintenance of buildings. It was kept by the Working Group at current year's level viz. Rs. 150 lakhs. An amount of Rs. 2.35 crores provided by the Ninth Finance Commission to meet the requirements of the upgradation of standard in education was not included by the State Government. The Working Group included the same treating it as an outlay for construction of primary school buildings; However, approval of Empowered Committee would be necessary. NEC has sanctioned Rs. .25 crores to the State for construction of primary school buildings in the current year but this will not be available in 1989-90. The Working Group, therefore, recommended an outlay of Rs. 1015 lakhs against Rs. 770 lakhs proposed by State Govt.

13.2

With regard to non-formal education (NFE), a sum of Rs. 45 lakhs was recommended for 1989-90. At present 750 NFE centres are in operation and it is proposed to start additional 50 centres. It is proposed to impart part-time/ non-formal education to about 15 thousand dropouts during 1989-90. The Working Group advised the state representatives to avail the benefits of the Centrally Sponsored Schemes of NFE.

13.3

The outlay of Rs. 60 lakhs proposed for incentive schemes was scaled up to Rs. 80 lakhs by the Working Group.

Adult Education

12.4 Similarly the Working Group recommended Rs. 45 lakhs against the proposal of Rs. 34 lakhs. It is proposed to set up 160 JSNS in 1989-90 as against the target of 125 during the current year. It is proposed to set up 1500 centres (1100 central and 400 state & Uts) to enrol 37 thousand illiterates. But step-up might be difficult. It was also suggested that voluntary agencies be encouraged to avail the central assistance. An amount of Rs. 7 lakhs was recommended for State Resource centre for Adult Education.

Secondary Education:

13.5 The proposed outlay of Rs. 330 lakhs, was reduced to Rs. 300 lakhs. The State representatives informed the Working Group that +2 stage of schooling is still with the university and no initiative has been taken in this regard. The Working Group emphasised the need of taking up steps both in regard to into introduction of 10+2+3 pattern and vocationalisation at +2 stage.

University Education

13.6 The Working Group recommended an outlay of 75 lakhs for 1989-90 against the proposal of Rs. 80 lakhs. The Working Group scaled down assistance to non-Government Colleges.

Technical Education

13.7 The Working Group recommended Rs. 39 lakhs for 1989-90. The Working Group suggested that women's polytechnic be made as part of Govt. Polytechnic at Shillong rather than a separate women's polytechnic. However, a token provision of Rs. 1 lakh was provided for this scheme as against an amount of Rs. 2 lakhs proposed by the State Govt.

Art & Culture

13.8 The Working Group recommended an outlay of Rs. 87 lakhs against the proposal of Rs. 100 lakhs. The Working Group did not recommend the scheme of Film. Development Corporation under the education sector.

Sports and Youth Services

13.9 The Working Group recommended an outlay of Rs. 185 lakhs for 1989-90 against the proposal of Rs. 244 lakhs made by the State Govt. In 1988-89, the budget provision for this sub-head was Rs. 60 lakhs but the anticipated expenditure is reported to be Rs. 100 lakhs. This increase is due to the increased amount for construction of stadium. The anticipated expdr. is reported to be Rs. 57 lakhs as against the budget provision of Rs. 7 lakhs only. For 1989-90 an amount of Rs. 121 lakhs had been proposed for ongoing work. This included an amount of Rs. 10 lakhs for construction of stadium at Tura which is still to be approved by the Central Govt. In view of this, the Working Group recommended an outlay of Rs. 111 lakhs. Higher amount than 1988-89 may not be possible. Funds under education should not be utilised for non-plan schemes.

Health

Sub-centres

13.10 Under Minimum Needs Programmes as on 1.4.85, the State had 217 sub-centres. The 7th plan target is to establish 230 more sub-centres. The new sub-centres established during the 1985-86 to 1988-89, 134 sub-centres are likely to be achieved. For 1989-90 a target of 96 additional sub-centres were recommended.

Health

Primary Health Centres

14.1 As on 1.4.1985, the State had a total number of 32 Primary Health Centres. The 7th Plan target is to establish 32 additional PHCs. The new PHCs established during the first four year 27/likely to be achieved. For 1989-90 Annual Plan, the target of 6 additional PHCs were recommended.

are

Community Health Centres

14.2 As on 1.4.1985, the State had got 3 Community Health Centres. The 7th Plan target is to establish 8 additional CHCs. The chances of any achievement appears to be nil upto the end of 1988-89. In 1989-90, Annual Plan, the State had proposed 7 CHCs but the Working Group recommended only three.

14.3 For minimum needs programme, the outlay recommended by the Working Group for 1989-90 is Rs. 232 lakhs, out of which Rs. 155 lakhs are to be utilised for capital works.

14.4 For the Seventh Five Year Plan 1985-90, the outlay approved by Planning Commission for Health Sector Programmes is Rs. 1,000 lakhs. For the three Annual Plans 1985-86, 1986-87 and 1987-88, the actual expenditure was Rs. 266.13 lakhs, Rs. 300.40 lakhs and Rs. 341.0, lakhs respectively. For 1988-89 the approved outlay was Rs. 358.82 lakh and the anticipated expenditure is Rs. 367.89 lakhs.

14.5 For the Annual Plan 1989-90, the State Govt. had proposed an outlay of Rs. 677 lakhs for health programmes. The Working Group recommended an outlay of Rs. 399 lakhs and within that outlay highest priority was given to Minimum Needs Programmes. The recommendations of the Working Group are supported in full.

WATER SUPPLY

Rural Water Supply

15.1 There were 4902 villages in the state per 1981 census. 2237 problem villages had spilled over to the Seventh Plan. In addition, another 1421 new problem villages were identified for coverage making a total of 3658 problem villages as on 1.4.1985. The anticipated coverage as on 31.3.1988 would be 1410 leaving a balance of 2248 for the rest of the plan period. The State Government covered 700 villages during 1988-89 (350 under MNP and 350 under ARWSP). During 1989-90 also 700 villages (350 under ARWSP and 350 under MNP) are proposed to be covered. It was desired that the coverage during 1989-90 should be enhanced and accordingly 1989-90 outlay should be enhanced so as to minimise the spill over during the Eighth Plan. The State officials mentioned that due to physical and financial constraints, it would not be possible to cover all the balance problem villages during the Seventh Plan period. About 953 problem villages in the State (25%) will spill over to the Eighth Plan. This would be the highest spill over villages to the Eighth Plan in respect of a State in the whole country. The Adviser (SP) requested that the Department of Rural Development may look into the matter and give proper guidance to the State so that cost effective schemes are taken up and various bottlenecks in the implementation of the rural water supply programme in the State were sorted out at the earliest.

16.1 Rural Sanitation

The Seventh Plan approved outlay for rural sanitation is Rs.2.00 crores against which during the first 4 years of the Seventh Plan expenditure would be of the order of Rs.0.40 crores only (20%). The progress is very unsatisfactory. Rural sanitation is included under MNP from 1987-88 and it is also a part of the 20-Point Programme 1986.

There is also a central sector programme (CRSP) for rural sanitation. The representatives from State Government as well as Department of Rural Development, were requested to note the unsatisfactory progress of the rural sanitation programme in the State and ensure that appropriate actions are taken during the remaining period of the Plan so that rural sanitation programme in the State is geared up adequately to achieve plan objectives.

16.2

For the Annual Plan 1989-90 the working Group recommended the State Government an outlay of Rs.0.20 crores as proposed by the State Government. It was impressed upon that sanitation programme should be taken in its totality and not merely construction of latrines. Soft aspect of the programme should be given adequate thrust and the community should be fully involved in the rural sanitation programme.

17.1

Urban Water Supply

The approved outlay under urban water supply for the Seventh Plan is Rs.10 crores against which during the first 4 years of the Seventh Plan expenditure would be of the order of Rs.7.14 crores.

17.2

The State Government proposed an outlay of Rs.2 crores for the Annual Plan 1989-90 as against current year's approved outlay of Rs.1.085 crores. The proposed outlay of Rs.2 crores was for the following 3 schemes:

	<u>(Rs. crores)</u>
i) Shillong Water Supply Scheme	1.50
ii) Jowai Water Supply Scheme	0.20
iii) Simsangiri Water Supply Scheme	0.30
Total	<u>2.00</u>

17.3 Since Water Supply Schemes of Jowai and Simsangiri are new schemes which are proposed to be taken during 1989-90, the Working Group did not recommended any outlay for these 2 schemes for 1989-90.

17.4 The Shillong Water Supply Scheme was approved at a cost of Rs.22.90 crores (Rs.2 crores for Dam portion and Rs.19.90 crores for other works relating to water supply schemes). This project was cleared by the Ministry of Urban Development (CPHEEO) during 1979-80.

17.5 The following progress of the works was reported of Shillong Water Supply Scheme

i) Expenditure has been incurred on this component.

ii) State Government has entered into a contract with WAPCOS for necessary survey, investigation and design of Dam, the report of the WAPCOS as well as clearance of the Central Water Commission is awaited. It will take about 4 years to complete this component.

iii) Out of the sanctioned amount of Rs.19.90 crores for water supply component, expenditure of about Rs.16.97 crores has been envisaged upto March 1989 leaving behind requirement of Rs.2.93 crores for the Annual Plan 1989-90. Out of the balance requirement, Rs.2.32 crores are for distribution system, the total requirement of funds for distribution system was reported as Rs.4.50 crores out of total approved amount of Rs.19.90 crores for water supply component.

17.6 Out of Rs.4.50 crores approved amount for distribution system expenditure of Rs.2.18 crores are likely to be incurred upto March 1989 leaving behind balance requirement of funds of Rs.2.32 crores for distribution system. It was also noted by the Working

Group that the pumping capacity has already been created for the scheme to meet the demand of 11.31 MGD for the year 2009, whereas the treatment plant capacity has been created for 7.5 MGD to meet the requirement of the Working Group with concern that though, the treatment capacity has already created to treat raw water at the rate of 7.5 MGD whereas the actual utilisation was reported as 13 lakh gallons per day, that means, only about 17% of the treatment capacity are being utilised at the moment. The Group felt that it is essential to utilise the treatment capacity already created fully. It was decided that a team of officials from the Ministry of Urban Development as well as from the Planning Commission will visit the State and suggest appropriate measure for utilisation of the infrastructure already created.

17.7 The total expenditure for maintenance of Shillong water supply scheme is Rs.85 lakhs per year against which about 14 lakhs revenue are expected to generate from 100% households which are covered with drinking water supply facilities in Shillong. Therefore, there is a total gap of about Rs.71 lakhs per year. The Working Group, therefore, requested that the State Government may like to enhance water tariff including house service connection charges.

5530/05

Housing

18.1 As against the approved 7th Plan outlay of Rs. 1200 lakhs for public works, Rs. 1031 lakhs was likely to be utilised by the end of 1988-89 leaving a balance of Rs. 169 lakhs for last year of the Plan. However, the approved outlay for this was Rs. 300 lakhs against which a number of items were completed or near completion. The Working Group recommended the similar amount for 1989-90. Moreover, during 1988-89 the upgradation grant was Rs. 210 lakhs against which during 1989-90 Rs. 421 lakhs would be available which could also take care of certain elements for public works. For upgradation of Administration during 1988-89, the allocation of upgradation grant was approved as Rs. 210 lakhs. The State Govt. brought a proposal of upgradation grant availability of Rs. 421 lakhs for 1989-90. The Working Group recommended the same with the suggestion.

Under

The amount may be utilised by the State after approval of scheme by the Empowered Committee.

Social Welfare & Nutrition

18.2 Under these programmes, the allocation during 1988-89 is Rs. 114 lakhs, against which the anticipated expenditure shown by the Govt. is 111 lakhs. The State Govt. proposed Rs. 150 lakhs against which the Working Group recommended an outlay of Rs. 138 lakhs.

1989-90:

This being the terminal year of the Seventh Five Year Plan, the overall plan resources are seen as follows:-

	(Rs. in Crores)
- Approved 7th Plan	400.00
To be financed from:	
- (i) Central Assistance:	441.26 ⁰
- (ii) State's own (net) resources: (-)	1.28
- During the first four years, following amounts were allocated/utilised:	

	Allocated	Expenditure actual/anticipated
1985-86	75.00	73.67
1986-87	91.00	89.04
1987-88	110.00	110.35
1988-89	130.00	130.00
Total:	406.00	403.06

This includes Central Assistance of Rs.400.15 crores.

The estimated resources in sight for 1989-90 Annual Plan are Rs.130 crores, i.e. same as for the current Annual Plan (1988-89). This, does not give any step-up over 1988-89. It may be necessary to raise the level of Central Assistance at least by Rs.7.00 crores and thus raise the size of the Plan(1989-90) to Rs.137.00 crores including Upgradation Grants of Rs.4.21 crores.

Draft Annual Plan 1989-90 - Heads of Development - Outlay and Expenditure

Code No.	Head/Sub-head of Development	7th Plan (1985-90) Agreed Outlay	Actual Expd.				1988-89 Apprd. outlay	1987-88	1986-87	1985-86	Proposed outlay W.G.	As Recommended by
			1985-86	1986-87	1987-88	1988-89						
1	2	3	4	5	6	7	8	9	10			

(Rs. Lakhs)

I. AGRICULTURE AND ALLIED ACTIVITIES

101	240100	Crop Husbandry	1600	251	333	335	390	450	751	677.40
	240200	Soil & Water Conservation	1250	313	331	340	350	350	421	395.93
	240300	Animal Husbandry	650	119	139	150	195	195	423	226.50
	240400	Dairy Development	100	18	20	22	25	25	37	30.00
	240500	Fisheries	180	27	37	40	45	45	70	67.00
	240600	Forestry & Wild life	2900	565	470	608	833	833	1291	1160.00
	240800	Food, Storage & Warehousing	25	6	6	7	7	7	7	7.50
	240500	Agricultural Research & Education	100	7	9	11	20	20	22	22.00
241000		Agricultural Fin. Institution	5	1	1	Neg.	Neg.	Neg.	-	-
243501		Marketing & Quality Control	140	29	15	28	40	40	44	40.00
242500		Cooperation	545	103	120	125	140	140	182	157.00
101	000000	Total (I)	7495	1419	1481	1666	2045	2105	3248	2782.00

II. RURAL DEVELOPMENT

102	250100	Integrated Rural Dev. Prog. (IRDP)	298	103	126	102	109	114	180	123.79
	250104	Integrated Rural Energy Prog. (IREP)	125	-	4	14	19	19	35	27.00
	250505	National Rural Employment Programme (NREP)	240	24	35	56	41	55	72	55.00
	250600	Land Reforms	195	30	36	40	30	30	50	40.00
	251500	Community Dev. & Panchayats	300	51	59	59	72	72	82	75.00
		Pilot Project for Village Dev.	50	4	3	3	10	10	10	1.00
		Assistance to Small & marginal farmers	200	*	*	45	70	70	75	(Rs. 75.00) incl. under crop husbandry 5000
		Research & Training in Rural Areas	-	-	-	-	5	5	5	bandry 5000
102	000000	Total (II)	1208	212	263	319	356	375	509	330

(1408)

(Rs. Lakhs)

Code. No. Head/Sub-head of Development	7th Plan (1985-90) Agreed outlay	Actual Expdr. 1985-86	1987-88	1988-89	1989-90
			Apprd. outlay	Anti. Expdr. outlay	Propo. sed outlay W.G.
103000000 (Border Areas Dev. Prog.)	1000	180	214	210	212
III. SPECIAL AREA PROGRAMMES					
IV. IRRIGATION & FLOOD CONTROL					
104 270100 Major & Medium Irrigation	55	2	5	30	60
270200 Minor Irrigation	970	176	201	200	379
Flood Control	135	20	30	30	55
104 000000 Total (IV)	1160	198	236	260	494
V. ENERGY					
105 280100 Power	7000	1396	2601	3100	3519
281000 Non-conventional sources of energy	150	9	17	20	35
105 000000 Total (V)	7150	1405	2618	3179	3554
VII. INDUSTRY AND MINERALS					
106 285100 Village & Small Industries	625	109	123	165	260
285200 Industries (other than V&SI)	1130	162	290	460	726
Weights and Measures	190	36	42	55	93
285302 Mining	1935	307	455	680	1079
106 000000 Total (VI)	1935	307	455	680	1079
VII. TRANSPORT					
107 305400 Roads and Bridges	6800	1050	1617	1850	4575
305500 Road Transport	1200	160	217	200	478
307500 Other Transport Scheme	-	-	8	35	38
107 000000 Total (VII)	8000	1210	1842	2085	5091
108 000000 VIII. COMMUNICATIONS	-	-	-	-	-
IX. SCIENCE, TECHNOLOGY & ENVIRONMENT					
109 3400000 Scientific Research	150	6	17	15	50
342500 (Ecology and Environment)	20	1	5	5	7
109 000000 Total (IX)	170	7	22	20	57

Statement Contd.

Meghalaya (Rs Lakhs)

Code No.	Head/Sub-head of Development	7th Plan (1985-90) Agreed outlay	Actual Expendr. 1985-86	1986-87	1987-88	Apprd. outlay	1988-89	Anti. Expd. r.	Propo- sed outlay	1989-90	Recomm- ended by W.G.
2		3	4	5	6	7	8	9	10		

XII. GENERAL SERVICES

300 205800	Stationery and Printing	250	39	48	55	55	55	65	65		
300 205900	Public Works (Incl. Jails)	1200	193	300	300	300	327	476	476	300	300
300 207000	Upgradation of Administration	1405	157	476	210	210	210	421	421	421	421
300 000000	Total (XII)	2855	389	824	565	592	592	962	962	786	786
999 999999	GRAND TOTAL	44000	7367	11035	13000	13292	21262	21262	21262	15668	15668

*Included under 'Agriculture and Allied Sector'.
 Figures in brackets as indicated by the State Government.

ANNEXURE-II


Meghalaya - Basic Information

A.	Area	Sq. Kms.	22,500
	<u>Administrative Structure</u>		
	Districts	Nos.	5
	Sub-Divisions	"	15
	Development Blocks	"	30
	Villages (1981)	"	4902
	Towns	"	12
B.	<u>Demography</u>		
	Population (1981)	Lakhs	13.36
	1971-81 Decennial Growth Rate	%age	32.04 (India-25.0)
	Density of Population	Persons per sq. kms.	60 (India- 216)
	Sex ratio	No. of females per 1000 males	954
	Rural Population	%age to total	82.0
	Urban Population	"	18.0
	Scheduled Tribes	"	80.6
	Literacy Rate	"	34.1 (India-36.2)
C.	<u>Economic Classification of Workers</u>		
	Total Workers	%age to total population	43.4
	i) Cultivators	%age to total workers	62.6
	ii) Agricultural labourers	"	10.0
	iii) Household Industry workers	"	0.8
	iv) Other & Marginal workers	"	26.6
D.	<u>Important Economic Indicators</u>		
	Foodgrains Production	1987-88 Lakh tonnes	1.42
	Average yield of rice "	" Qtls/ha.	11.24 (India-15.6)
	Fertilizer consumption	1987-88 Kg./ha.	17.1 (India 54.3)
	Cropping Intensity	" %age	119
	Net Irrigated area as %age to net sown area	" %age	26.4
	Per Capita Power Consumption	31.3.86 KWH	61 (India 167)
	Road Length (excluding National Highways)	31.3.87 KM.	5218
	Road length (excl. national Highways) per 100 sq. kms.	" Kms.	23.26
	Health Sub-Centres	" Nos.	273
	Primary Health Centres	" Nos.	47
	<u>Villages (1981)-4902</u>		

PLANNING COMMISSION
(State Plans Division)

Subject: Annual Plan-1989-90 - Mizoram

A copy of the report of Dr. (Mrs.) I.K. Barhakur, Adviser (State Plans) on the Annual Plan - 1989-90 of Mizoram is circulated herewith. This will form the basis of discussion between Minister of Planning & Deputy Chairman, Planning Commission and the Chief Minister, Mizoram to be held on Tuesday the 14th February, 1989 at 3.30 P.M. in Room No. 130, Yojana Bhavan, New Delhi.


(Niley Singh)
Senior Research Officer
Room No. 424, Tel. 2432.

Deputy Chairman
Minister of State
Members

Secretary
Special Secretary

Advisers
Consultant (PP)
Joint Secretary (SP)
Chief (Science)
Joint Adviser (V&SI)

Ministry of Finance

Shri J.L. Bajaj, JS (FB), Deptt. of Econ. Affairs.

Shri G. Haldea, Director (PF) - 4 copies.

Ministry of Programme Implementation

Shri D.Y. Menawwar, Addl. Secy.

Ministry of Home Affairs

Shri K.K. Sinha, JS (NE)

Mrs. S.A. Tirmizi, Dy. Secy, (Finance)

Planning Commission Cir.No.PC(P)2/MIZO/88 dt. 9.2.1989

Copy to : Private Secretary to : Private Secretaries to :
Deputy Chairman and Prime Minister
Minister of Planning Cabinet Secretary

Copy also to: Joint Adviser
Deputy Adviser
SRO/RO concerned in the SP Division.

Copy also to: Liaison Office, Govt. of Mizoram in New Delhi
(10 copies)

- I -

Subject: Annual Plan - 1989-90 - MizoramThe Report of Adviser(State Plans) -
Dr.(Mrs.) I.K.Barthakur.Content

<u>Item</u>	<u>Page</u>
Part-I of the Report General	1-9
Part-II - suggestions/ observations	10-19
<u>Part-III</u>	
i) Agriculture	20-27
ii) Rural Development	27-29
iii) Major & Medium Irrigation	29-30
iv) Power	31-33
v) Village & Small Industries	34-35
vi) Large & Medium Industries and Minerals	35-37
vii) Transport	38-40
viii) Education	41-43
ix) Health	44-45
x) Social Welfare and Nutrition	45-46
xi) Water Supply	47-48
xii) Housing	49-50
xiii) District Councils	51
xiv) Plan Size	52
xv) Annexure-I General Information	
xvi) Annexure-II - Sectoral outlays and expenditure.	1 - 6

**

*

GOVERNMENT OF INDIA
PLANNING COMMISSION
(STATE PLANS DIVISION)

MIZORAM - ANNUAL PLAN - 1989-90.

REPORT OF ADVISER (SP) - DR(MRS) I.K.BARTHA KUR

P A R T - I

STATE PROFILE

Introduction

Mizoram became a fullfledged State in February, 1987. Almost entire area of 21087 sq.Kms. of the State is hilly and the terrain is difficult. The State has three districts i.e. Aizawl, Lunglei and Chhimitupue of which Chhimitupue is comparatively more backward where three district councils for the three groups of people of the district viz. Lakher, Pawi and Chamkma, exist.

Demography

1.2 The population of Mizoram increased from 3.32 lakhs in 1971 to 4.94 lakhs during 1981, (Census-1981) indicating a decennial growth rate of 48.55% as compared to 25% for India as a whole. Density of population increased from 16 persons per sq.Km. in 1971 to 23 persons 1981. Scheduled tribes constitute more than 93% of population of the State. There were 230 grouped villages in 1971. Later, many villagers went back to their earlier locations and 1981 census recorded 737 villages. About one fourth of the population lives in urban areas. The literacy, in the State is quite high, being 59.9 percent, as against 36.2 percent for India as a whole.

1.3 Other general basic information relating to the State is placed at annexure-I

Constraints & Assets

2.1 A number of constraints to the development of Mizoram emanate from its geography, terrain and the history of development. Mizoram has an international border of about 1050 Kms. with Burma and

.../-

Bangladesh, It is a land-locked State. The hill ranges run north-south direction, and are steep. The western Mizoram area is comparatively less steeper than the hills in the eastern areas of Mizoram. The area is not fully geologically surveyed. As at present, even sands and stones (barring at stray places) are not locally available and are brought from long distances, generally, from the plains of Assam.

*winter
months.
However,
during

2.2 The rainfall is quite heavy. But, due to high porosity of the soil, water retention is very poor. Almost every year, Mizoram faces water scarcity during rainy season, rain water is harvested in all types and sizes of containers and tanks.

2.3 The entry into the State is through Assam. The State has no railway line, no ropeway, no pipeline and no inland water transport system. There is a small airport open to Vayudoot services. The only means of transport is road transport. The main road network also is from north to south, and good roads are very few. The road length per 100 Sq.Km.(1984-85) is only 11.89 Km. compared to 51.34 at all India level. There are prospects of developing waterways in the rivers-Dhalenswari and Chhimtaepue. A railway lining under construction between Assam and Mizoram at Bheirabi.

2.4 Owing to transport and infrastructure bottlenecks and near absence of any outstanding mineral resources. Mizoram has a scanty industrial base. Also, there is good scope for the development of sericulture and small and cottage industries based on local handicrafts.

2.5 The power supply is inadequate and erratic. Hydel power generation is yet negligible. Power generation in the State is mainly through diesel engines. The total installed capacity was reported to be 17.10 MW by the end of 1986-87. Per capita power consumption in 1984-85 was reported to be 25Kwh. compared to 154kwh for the country. The State depends on neighbouring areas for its power supply, and will soon start getting power through the regional power grid from Kopili.

2.6 Mizoram is deficit in food production. It is allocated 92 thousand tonnes of foodgrains during 1987 and had lifted 79.4 thousand tonnes FCI foodgrains.

Large cultivable areas are difficult to be found. The productivity of goodgrains per hectare is one of the lowest in the entire country.

2.7 The Irrigation has to depend on gravitational/diversion channel and lift irrigation and other minor irrigation projects. The area has good potential of developing horticulture, and cash crops. Bananas grow wild. These could be replaced with productive varieties and banana chips industry could come up to capture a share of the available market.

2.8 The official figure of total area under forests is 75% of the geographical area, but impressions doubt the figure. Almost the entire rural population is estimated to be engaged in jhum. This practice is highly destructive to forests. However, due to high rainfall, and also due to earlier regrouping of villages, the jhum lands yet retain root stock of a wide variety of trees, shrubs and grasses. Jhum replacement, with alternative system will regenerate forests without any investments, and the ecology will be reborn.

2.9 The people of Mizoram (4.94 lakhs 1981) are the main asset of the area. They are hard working, innovative, and very progressive people. The community spirit is very strong. They have great capacity to organise and the love mechanical aids and appliances.

2.10 The literacy rate in Mizoram (59.9% is the second highest (excluding Chandigarh and Delhi) in the entire country (36.2% all India). On an average, there are nearly two schools per village. However, the technical and specialised education is yet weak, although people have natural flare for scientific and mechanical gadgets. Traditional skills relating to cane, bamboo works and weaving are common.

2.11 Out of the three districts, namely Aizawl, Lunglei and Chhimituipui, the Southern most district Chhimituipui, is comparatively backward and the northern most district of Aizawl, the most advanced. Nearly 1/4th of the population of Mizoram lives in urban areas and that too mainly at Aizawl.

3.1

Some Suggestions: Under a central sector scheme, Mizoram has selected 16 villages of Aibawk block as a compact area under a project officer where jhum practice will be totally stopped in favour of various alternative occupations. Mizoram has accepted that all schemes, programmes and projects meant for rural areas of Mizoram, would be prepared with the objective of providing settled cultivation and other viable occupations to the people with the prime objective of stopping jhum cultivation. In isolated villages, Mizoram is trying to achieve self sufficiency in foodgrains, from settled cultivation. The determination with which they are trying shows they will succeed.

3.2 Owing to transport and infrastructural bottlenecks, near absence of any proven mineral resources and lack of available surpluses, Mizoram has a scanty industrial base. Even sand and ~~baristones~~ are almost not available in the areas and have to be imported from the adjacent states. Power supply is yet inadequate. Power generation in the State is mainly through diesel, and the State has to depend upon Assam and Meghalaya for its requirement. There is good scope for the development of small scale household and cottage industries. Most of the women know weaving. Mizoram has very good prospects for horticultural development. Bananas grow wild. These, if replaced with required varieties could lead to setting up of many small scale banana chips making units. Based on horticultural development, many other viable small scale processing industry units can be developed on decentralised basis.

Roads

3.3 The development of roads as per Master Plan of roads have to be taken up in a phased manner. The spill-over expenditure on the roads under construction from the Sixth Plan or earlier, to the Seventh Plan was reported to be about P.121 crores. A large number of culverts and bridges (6803) measuring 18,800 running metres, were spilled into Seventh Plan. The Government should immediately examine the need to construct these roads (which are already under construction) and assess the work that has been completed, and estimate the time and resources that would be required to complete each road. After having done this, decision to

MIZORAM

concentrate resources and effort on roads that are (a) nearing completion, (b) those roads which are of State priority, should be taken up and time frame need to be fixed for completion. The selected roads should be completed especially from the point of view of protecting the ecology.

Horticulture
with Market
Linkages

3.4 In line with the action plan of roads, advance action for horticulture development could also be taken up in such a fashion that gestation period of maturity of fruit trees etc. synchronises with the completion of the roads to the area. Development of horticulture with firm market linkages is emphasised. The main long-run constraint to various activities that would generate surpluses, especially horticulture, will come from inadequate marketing. Therefore, production programmes need to be linked with marketing.

Industry &
Employment
to educated
youth.

3.5 If horticulture development programme catches up the imagination of the people, in due time, various ancillary industries will develop. These will offer wide scope of employment to the educated youth. However, for this long term view the State has to perse^{rve}. The possibility of household industries exists, but these have to be developed with an eye on the market. Electronic industry could be developed.

Science &
Technology

3.6 Development of Science & Technology and its use in all sectors is emphasised, especially for (i) labour saving devices and methods; (ii) drudgery saving methods and technology; and (iii) enhance productivity. Since the people are educated and innovative, they are expected to quickly take to new ideas and while using science and technology and equipments, they are likely to bring about advancement in technology itself.

The Science and technology should also come to the help of the people for developing water sources nearer to the villages, and also for storing (popularly called harvesting of rain water) the available water to be utilised during scarcity times.

.../-

MIZORAM

Monitoring &
planning
machinery

3.7 Monitoring of plan projects in Mizoram needs to be strengthened. The Government of Mizoram representatives were requested to make monitoring an integral part of the planning process. The success of planning would depend not only on proper formulation of plan proposals, but also on its implementation with concomitant monitoring at all levels. Monitoring will help to keep the plan expenditure and physical progress on schedule, and enable the Govt. to take necessary corrective steps well in time. Projects completed within estimated costs and time schedule, enhances credibility of planning.

Productive
Sector

3.7.1 The general infrastructure sector, for the North Eastern Region as a whole, especially transport system and specialised manpower is considered weak in the North Eastern Region. To overcome this situation, high emphasis over the years has been laid on the development of infrastructure. Heavy investments on this sector are continuously being made. Intra-sector infrastructural expenditure made on various sectors of the State Plans, the NEC Plan, and the Central sector scheme too is also high.

3.7.2 However, the productive sector has not kept pace with the increased demand - which has risen both qualitatively and quantitatively. The agricultural and allied productive sectors have remained more or less stagnant. The region, annually imports large quantities of foodgrains; the productivity of all the foodgrain crops is one of the lowest in the country (excepting for Manipur and Tripura Valleys); consumption of fertilisers is low. The cropping intensity is also very low. Generally the region grows one crop in a year. Most of the primary and manufactured/consumer goods and producer goods are brought into the region. A large number of departments, organisations and institutions and corporations have been set up. Therefore, it is urgent that maximum resources in real terms go towards inputs enhance actual production. Innovative local inputs and people's involvement towards this objective would also be essential. For example, in social forestry instead of utilising resources on erecting fence to protect trees, the resources should be utilised to plant many more trees with the help of community participation and people should protect the trees i.e. called social-fencing.

4.1 Plan Perspective:- Plan outlays and expenditure from Fourth Plan onwards are as follows:-

(L. crores)		
Plan	Approved outlay	Actual expenditure
Fourth Plan (1969-74)	*	9.30
Fifth Plan (1974-79)	46.59	48.73
Annual Plan (1979-80)	17.72	16.11
Sixth Plan (1980-85)	130.00	150.09
Seventh Plan (1985-90)	260.00	-
Annual Plans:		
1985-86	48.00	47.72
1986-87	58.00	62.12
1987-88	70.00	71.65
1988-89	85.00	85.59

* Mizoram became a Union Territory with effect from 21.1.1972.

Annual Plans
1985-86, 1986-87,
1987-88 &
1988-89

5.1 Against the outlay of Rs.48 crores for the Annual Plan 1985-86, Rs.58 crores for 1986-87, Rs.70 crores for 1987-88, the actuals were Rs.47.72 crores, Rs.62.12 crores and 71.65 crores respectively. The State Government anticipates to spend Rs.85.59 crores during 1988-89 against the approved plan outlay of Rs.85.00 crores.

Annual Plan-1989-90

5.2 The State proposed an amount of Rs.135.57 crores for the Annual Plan-1989-90. The Plan proposals were considered by the respective Working Groups. Recommendations of the Working Groups aggregated to Rs.98.30 crores, indicating a step up of 15.47% over the outlay of Rs.85 crores approved for 1988-89. Major headwise outlays and expenditure are given in the following statement.

Sl. No.	Major Lead	Actual Expenditure					Approved Amt. for 1987-88 outlay	Total for four years	Proposed outlay by the Working Group
		1985-86	1986-87	1987-88	1988-89	1989-90			
1	2	4	5	6	7	8	9	10	11
	Seven th Plan (1985-90) Agreed outlay								
1.	Agriculture & Allied Activities	878	1130	1254	1439	1439	4701	1966	1679 (17.11)
	(17.8)								
II.	Rural Development	80	93	140	245	291	558	382	290 (2.80)
III.	Special Area Programmes	-	-	-	-	-	-	-	-
IV.	Irrigation & Flood Control	72	123	139	186	186	520	290	203 (2.07)
	(2.1)								
V.	Energy	689	1084	1122	1520	1520	4415	2390	1813 (18.47)
VI.	Industry & Minerals	236	307	367	493	493	1403	890	650 (6.63)
	(5.0)								
VII.	Transport	1007	1281	1461	1474	1474	5223	2056	1474 (15.02)
	(22.2)								
VIII.	Communications	-	-	-	-	-	-	-	-
IX.	Science, technology & Environment	5	5	14	18	18	42	27	27 (0.27)
	(0.1)								
X.	General Economic Services	100	204	485	595	595	1384	973	709 (7.22)
	(2.2)								
XI.	Social Services	1637	1891	2073	2376	2386	7977	4207	2812 (28.65)
	(32.5)								
XII.	General Services	68	94	112	154	157	428	376	173 (1.76)
	(2.6)								
	GRAND TOTAL:-	4772	6212	7165	8500	8559	26651	13557	9830 (100)

1. Figures in brackets represent the relative share of the sector in the total.

2. Sector-wise details are given in the Statement at Annexure II.

6.1 Financing of the Plan Financing of the approved Seventh Plan and the Annual Plans 1985-86 onwards was as follows:

(Rs. crores)

	<u>Plan estimated</u>		
	<u>7th Plan</u>	<u>1985-86</u>	<u>1986-87</u>
Plan outlay	260.00	48.00	58.00
State's own resources	9.85	1.16	1.42
Opening deficit/surplus	<u>0.20</u>	<u>0.20</u>	-
State's net resources	10.05	1.36	1.42
Central assistance	<u>249.95</u>	<u>46.64</u>	<u>56.58</u>
Aggregate Resources	<u>260.00</u>	<u>48.00</u>	<u>58.00</u>

Annual Plan 1987-88

6.2 As against the Plan proposal of Rs.117.58 crores, the Working Group recommended Rs.71.53 crores. The Plan-1987-88 was approved at Rs.70.00 crores to be financed as follows:-

(Rs. crores)

Union territory on resources (net)	4.76
Central Assistance	65.24

Annual Plan 1988-89

6.3 The State's Annual Plan-1988-89 was approved at Rs.85 crores. The State's resources for financing the Annual Plan-1988-89 were assessed in June, 1987. According to the approved scheme of financing, the plan outlay of Rs.85 crores for the current year was to be financed by state's own (net) resource of (-)25.62 crores and central assistance of Rs.110.62 crores.

PART- II

During the wrap up discussion, the Adviser(SP) mentioned the following aspects which need to be kept in view:

PROJECT
FORMULATION

7.1- It is important to formulate projects in detail. The physical targets, the objectives, the goal, time phasing and financial requirement should be seen and detailed clearly. The project report should show the benefits that would accrue to the people. Cost effectiveness of the proposal should also be examined. At what unit cost the proposed benefit is sought, should be spelt out wherever feasible.

MONITORING

7.2- Monitoring at various levels will help to avoid time over-runs and cost over-runs.

JHUM

7.3- For replacing jhum, it has been clearly understood that people resort to jhum cultivation for meeting their food requirements. Continuation of this primitive practice of cultivation points to the fact that the efforts of the agriculture and other allied sectors have either failed or have not been adequate in the areas where this practice is persisting. Agricultural sector, has, therefore, to play a very cardinal, constructive and aggressive role in assisting people to improve yields and productivity of their jhum land and simultaneously to develop permanent cultivation not only for growing food crops but also for growing of vegetables and other food items. Agriculture in the hills cannot be left to be handled by primitive techniques. At the same time, public distribution system needs to be strengthened. People have to be provided food security. This approach coupled with scientific working of community/private forest, will relax and reduce pressure on the hill lands.

7.3.1-To overcome the disadvantages of shifting cultivation and to help people to live a better quality of life and also to conserve and develop ecology of hills, a strategy to replace jhum has been evolved. It suggests multi-disciplinary integrated area development approach where pooling of resources and efforts of all departments and other developmental agencies is considered necessary. The focus is on evolving location specific integrated package of schemes

that provide sustainable income generating alternatives and settled cultivation to replace jhum without disturbing settled villages. A central sector scheme is in operation since 1987-88. The strategy may be extended to all jhum areas by the concerned State Governments.

- 7.3 - A number of schemes are in operation to control/replace jhum in the state, i.e. through the Ministry of Welfare; Ministry of Agriculture; Tribal Development Corporations; North Eastern Council; Soil Erosion Department of the State Govt.; through afforestation programmes; other State level schemes; through the Agriculture Deptt. etc. It is very essential that all these are consolidated and integrated under a nodal Deptt., preferably, Agriculture.

MODERNISE
AGRICULTURE

- 7.4- The cropping intensity, use of high yielding varieties of seeds, fertilizers and other modern inputs continue to be low. In order to encourage these, especially to enhance cropping intensity, it is necessary to introduce short duration (less than 100 days) time bound high yielding varieties of paddy seeds during Kharif season, so that the paddy crop is harvested during the month of September/October and the paddy lands become vacant for planting of various Rabi crops during the optimum sowing season. The optimum sowing season closes by the end of October in most of the States and by the middle of November in some States of the NE Region. It is necessary to link propagation of seeds to this approach.

SEEDS

- 7.5 Non-availability of required quality short duration (less than 100 days and cold tolerant high altitude varieties for hills) variety of seeds has been a continuous problem. The right variety seeds are either not available, or are not available at the required time and in required quantities. The situation is compounded by the problem of transportation and distribution of seeds. It is necessary to place timely advance orders for the procurement of foundation seeds for multiplying the same in the State farms and seed growers' farms. The State Govt. may develop a suitable seed production strategy.

yield

LAND
TENURE

7.6- In certain areas, the existing land tenure system is inhibiting permanent asset formation on land based activities. The State Govt. might like to give attention to this aspect and evolve suitable policy/strategy.

ACID SOILS

7.7- Wherever Rabi crops are planned to be taken up, soil acidity levels should be corrected for the requirement of the selected Rabi crops.

IRRIGATION

7.8- Whenever irrigation potential has already been created, it should be linked with crop husbandry programme. Irrigation by itself is of no consequence.

7.9- Irrigation schemes/proposals may be examined first from the potential it will create for irrigating Rabi and pre-Kharif crops (Ahu/Ahus). Since the rainfall during Kharif season is very heavy, the true benefit of irrigation is to be judged from its likely impact on Rabi and pre-Kharif crops.

7.9.1- Due to the terrain problem, major and medium irrigation projects of long gestation period are less advantageous than the minor irrigation projects. Wherever necessary and feasible, minor irrigation projects need to be taken up on higher priority and firmly linked with crop husbandry and modern inputs. A coordinated approach to the development of crop husbandry with modern inputs and linkage of irrigation is necessary.

FORESTS

7.10- Very heavy deforestation is taking place for a number of reasons, including jhumming and commercial interests. The State Govt. may take necessary steps and make a suitable policy for preventing unregulated tree felling.

- HORTICULTURE 7.11- The development of horticulture seems to hold good promise. The North Eastern Council is already preparing a regional perspective on the development of horticulture. Although the conditions for the development of horticulture seem conducive, it is important that transport and market linkages are seen and planned well ahead of fruiting of the crops. It is important that the areas which specialises in horticulture development also produce foodgrains to meet least partial requirements of the people. In addition the State Govt. must strengthen public distribution system and make food available to the people engaged in horticultural development.
- SERICULTURE 7.12- Development of sericulture in the North Eastern Region need to be linked with availability of adequate numbers of food trees for the silk worms. Plantation of such trees under various afforestation, social forestry development schemes and the like programmes needs to be encouraged.
- PRODUCTIVE SECTOR 7.13- People are fond of eating meat/fish. Modern techniques to increase livestock of quality and quantity may be used. High priority needs to be given to the productive aspect of agriculture and allied sectors and other productive sectors for the development process of the State.
- INSTITUTIONAL FINANCE 7.14- The credit-deposit ratio continues to be adverse. It is essential that more and more institutional finance is linked with various developmental activities/enterprises. The constraint to the same may be identified and conditions conducive to linking of institutional finance may be created.

CORPORATIONS

7.15- A number of corporations have been set-up or are being created. It is essential that viability of the corporations that are under consideration is properly examined and benefits clearly seen before they are set up.

7.15.1-The performance of existing corporations may be improved to the optimum level. The assets invested must bring best results.

7.15.2-The accounts of the existing corporations need to be regularly audited and their viability monitored.

DECENTRALISATION
OF PLANNING
PROCESS

7.16- Much thought has already been expressed on decentralisation of planning process. A further step to decentralisation from district level will be to consider allocation of a part of State Plan resources to the village authorities as is in vogue in the form of Village Development Boards in Nagaland. The people of Nagaland have used the village funds allocated on per household basis, on schemes which they considered their felt needs. In order to accomplish the tasks, the village community also contributed their effort and their own resources and achieved much higher throughput. The State Govt. might like to consider a similar approach/strategy for satisfying the felt needs to the people at village level and also for involving community in the planning process.

REACH PEOPLE

7.17- By way of reminding, it might be worthwhile to give a fresh look to the plethora of plan schemes, projects and programmes to assess what reaches the people and how the plan effort was helping them to improve their quality of life and standard of living. Efforts may continue to be made to reduce soaking of funds in uneconomic ventures.

- OBJECTIVE 7.18- The first and the foremost objective of the total development effort is to improve the quality of life of the masses. All schemes and projects should, therefore, be tested on this touch-stone whether the completion of the project/scheme will bestow any benefit to the people for improving their quality of life and raising their standard of living. It is important to bear in mind that the first priority schemes should be such that create conditions for the people to move towards attaining the above objective.
- TERMINAL YEAR 7.19- The year 1989-90 is the terminal year of the OF THE PLAN Seventh Five Year Plan. It should, therefore, be treated as the year of consolidation and completion of projects so that the achievement of the year could be compared against the Seventh Five Year Plan targets .
- 7.19.1- The year 1989-90 will also become the base on which the Eighth Five Year Plan will have to be funded. Therefore, intensive, on efforts are required to complete the on-going schemes/projects so that new projects and new schemes could be identified and scheduled to be taken up during the Eighth Five Year Plan.
- 7.19.2- The schemes that have been completed during 1987-88 and 1988-89 and those that will be completed during 1989-90, may be listed and schemes that will spill over to the Eighth Plan may be separately identified.
- NEW 7.20- A number of new posts, construction of buildings EXPENDITURE and purchase of vehicles have been proposed. It NOT TO BE was suggested to the State Govt. that new COMMITTED expenditure on these items may not be committed, especially on the start of new buildings when a very large portfolio of buildings including some buildings that were taken up during the Fifth Five Year Plan, were continuing to be under construction due to shortages of material. Therefore, in all the sectors these expenditures should be kept under strict check during 1989-90.

- RESOURCES SHOULD NOT BE SPREAD THINLY 7.21- The resources should not be spread thinly on a large number of projects but concentrated on projects that could be completed in the shortest possible time. This will bestow benefits, to the people at the earliest. Only through this approach, aspirations of the people in real terms can be met. Thin spread of resources create hope that leads to disappointment if the projects are not brought to fruition in the expected time schedule.
- EXISTING ASSETS TO BE FULLY USED 7.22 - The existing infrastructure, institutions, staff, buildings, transport facilities and other assets should be used to the optimum level.
- ROADS 7.23- Faulty construction of roads cause serious disturbance to fragile eco-system. Roads may be planned properly and constructed as per designs that prevent disturbance to ecology and environment.
- HOUSING 7.24- The local housing designs should respect local architecture and use local materials. As far as possible, institutional finance through schemes like self-financing etc. may be used. Where acute shortage of housing accommodation for staff exists and where local houses on rent are not available, construction of transit accommodation/barrack accommodation could be considered.
- MAINTENANCE OF ASSETS 7.25- Permanent assets have been created with scarce resources and with a great deal of effort. These should be maintained properly and not allowed to get into disuse or damage.
- 7.25.1- Within the State, there are comparatively less developed areas. These may be given special attention for speedy development.
- INPUT OF SCIENCE AND TECHNOLOGY 7.26- Science and Technology Council has already been constituted. The State Govt. may involve the council input to all sectoral plans. Similarly, state govt. may use various technical institutions situated within the state or in the region, and involve them to innovate and introduce scientific and technological improvements for enhancing productivity and reducing drudgery in various sectors.

SHORTAGES OF
TECHNICAL
PERSONNEL

7.27- The shortage of technical personnel continue to be a serious constraint. A systematic multidirectional effort is necessary to train as well as to attract qualified and experienced technical personnel.

EMPHASIS ON
CONSUMABLES

7.28- The general infrastructure sector, for the North Eastern Region as a whole, especially transport system and specialised manpower is considered weak in the North Eastern Region. To overcome this situation, high emphasis over the years has been, laid on the development of infrastructure. Heavy investments on this sector are continuously being made. Intra-sector infrastructural expenditure made on various sectors of the state plans, the NEC Plan, and the Central sector scheme too is also high. A large number of departments, organisations and institutions and corporations have been set up.

7.28.1- However, the productive sector has not kept pace with the increased demand- which has risen both qualitatively and quantitatively. The agricultural and allied productive sectors have remained more or less stagnant. Most of the primary and manufactured/consumer goods and producer good are brought into the region. Therefore, it is urgent that maximum resources in real terms go towards inputs that enhance actual production of consumer goods. Innovative inputs and people's involvement towards this objective may also be encouraged.

Creation of
Infrastructure

1989-90.

7.29 The IXth Finance Commission has awarded Rs. 2.55 crores for upgradation plan, and Rs. 14.50 crores as Grants for Special problems. The State should identify the schemes to be funded under this amount and obtain approval of the empowered committee. The funds will, however, form part of the Annual Plan /

Feed-back by
District
Council

7.30 The amount being provided for district councils in the State plan every year for the operations of schemes being taken up by the three District Councils. The State Govt. may like to monitor, physical and financial progress of the schemes taken up by district Councils.

Stress on
Coordination

7.31 Several Deptts. have procured bulldozers for use in their department/schemes. With proper coordination the need of the bull dozers could be reduced or their use maximised. Through such a coordination, the unit cost of through put could also be reduced.

Priority

7.32 High quality precision work machinery and electronic industries have good scope in Mizoram.

Banana
industry

7.33 Wild banana trees which grow wild and in abundance these could be replaced by suitable varieties and then household industry based on the same could be planned.

Incidence of
Malaria

7.34 The incidence of Malaria in Mizoram was quite high and the State Govt. should take measures to control it.

Development of
non-convention-
al Energy

/for

7.35 The terrain in the state was quite difficult and villages scattered over distances. On account of this, the cost of rural electrification was very high. Therefore, biogas and other non-conventional sources of energy could be encouraged at least/lighting purposes.

Mizoram

Water Management

7.36 The rainfall was heavy but due to high porosity of the soil and heavy destruction of forest cover the water availability and retention power of the soil was poor especially during the dry months. This made the irrigation difficult and caused serious shortage of water. Almost every year, the State faced water scarcity during dry months.

Proper water management and increasing storage facilities for water are clearly necessary to derive benefit from the potential.

Emphasis should be on mini and micro hydel projects to reduce T&D losses.

Parity in Development

7.37 Special efforts were required to be made for speedy development of Chhimituipui Distt. to reduce intra-district disparities. The Planning machinery in the district may have to appropriately strengthened to reduce delays.

MIZORAM - ANNUAL PLAN- 1989-90

PART-III

Agriculture &
Allied
Activities

Foodgrains

8.1 Production of foodgrains in Mizoram was 15,600 tonnes during 1970-71. During the first three years of the Seventh Plan, foodgrains production levels reached were 49,000 tonnes, 52,800 tonnes, 58,500 tonnes and anticipated at 65,800 tonnes during 1985-86, 1986-87, 1987-88 and 1988-89 respectively. A target of 72,500 tonnes has been recommended for 1989-90. The Seventh Plan target was to produce 1,07,000 tonnes of foodgrains during the terminal year of the Plan. The allocation of foodgrains during 1987 was 91.6 thousand tonnes.

8.2 Rice is the principal crop. It constitutes more than 85% of total foodgrains. The productivity of rice from jhum land has increased from 780 kgs/ha. in 1985-86 to 800 kgs/ha. anticipated for 1987-88. The productivity of WRC has also increased from 1000 kgs/ha. in 1985-86 to 1500 kgs/ha. in 1987-88. The jhum area which was 45,900 ha. in 1985-86 has come down to 39,650 ha. in 1987-88 and further to 38,644 ha. anticipated for 1988-89. The WRC area is likely to go up to 13,147 ha. during 1988-89. The productivity of Maize was better than the all-India average and anticipated 1500 kg during 1988-89. Out of the total WRC area of (1988-87), 11,206 ha., the WRC irrigated area was only 6180 ha. i.e. irrigated area forms 46% of WRC net area under cultivation. In Mizoram, Rice varieties cultivated in jhum lands are 'Tai' short duration and 'Buhpui' long duration variety. In irrigated area, varieties recommended by ICAR Complex, are being adopted. About 78% of the cultivated area is reported to be under jhum. Fertiliser consumption was reported to be negligible.

Careful and judicious use of fertilisers even on jhum land could enhance productivity.

During the wrap-up discussion 1988-89, it was mentioned that an additional requirement of opening 5289 hectares of valley bottom lands was to produce foodgrains in remote areas. This would also reduce burning of trees for jhum and also save on transport costs.

8.3 As regards jhum cultivation, detailed discussion was held during 1987-88 plan formulation. The strategy paper on jhum replacement was also handed over to the State representatives and the State Government had been advised to adapt the land use policy to the strategy. The State Government has launched a pilot project for replacement of jhum.

8.4 The jhum replacement strategy views the problem of jhum as the problem of food, and recommends pooling of all resources - Plan, non-Plan and others meant for the development of rural areas where jhum cultivation predominates, for evolving location specific packages of schemes that will provide viable alternatives to replace jhum, but without disturbing the settled villages. Permanent cultivation is to be encouraged where suitable land is available, self-sufficiency in foodgrains in remote and inaccessible areas is to be aimed at, and for the villages practising jhum cultivation but situated on or near the existing road system, public distribution system should be strengthened to meet the foodgrains requirement of the people.

8.5 A Central sector scheme under the Ministry of Agriculture has allocated Rs. 5.87 crores for Mizoram to be utilised in five years beginning 1987-88, for replacing jhum cultivation as per the jhum replacement strategy.

8.6 The Prime Minister during his visit to Meghalaya (27.12.1987) had referred to the problem of jhum cultivation in the North Eastern Region. He said that the most important aspect of agricultural development was that the people in the hills must do away from jhumming to other productive settled methods of cultivation and occupations. That would improve their forests, beauty of environment and income levels.

Commercial Crops

8.7 Oilseeds and sugarcane are the two commercial crops of the State. Mustard is the main crop under oilseeds. The productivity of total oilseeds in the State at 1167 kgs/ha. in 1986-87 is better than the all-India average of 613 kgs/ha. However, the productivity of sugarcane at 21 tonnes/ha. in 1987-88 was low as compared to all-India average of 59 tonnes/ha.

Consumption of chemical Fertilisers

8.8 The per hectare consumption in terms of NPK which was 9.50 kgs in 1986-87 had gone up to 11.68 kgs. during 1987-88 and was anticipated at 16.28 kgs. for 1988-89. The State Govt. had proposed a level of 20 kgs/ha. for 1989-90. It was stated that farmers had started applying fertilisers in the jhum land also, which is a welcome feature. The State Govt. had proposed a target of 486 tonnes of NPK for 1989-90 (target of 250 tonnes 1988-89) and likely achievement of 341 tonnes). The Working Group recommended a target of 501 tonnes for 1989-90.

Horticulture

8.9 A systematic and careful planning for developing large scale horticultural, medicinal plants, and cash crops like spices and the like, need to be taken up on a massive scale. This, might, in due time, emerge as one of the main economic activity of the State. The target for Seventh Plan is to attain a level of 37000 tonnes of horticultural crops against which a production of 21,650 tonnes has been achieved in 1987-88. During 1988-89 against a target of 22,750 tonnes, the anticipated production is 23,050 tonnes. The Working Group has recommended a target of 25,700 tonnes for 1989-90. Horticulture could produce an alternative to jhum and supplementary source of income to others but marketing arrangements and food production availability need to be given adequate attention. Light weight, low volume and high value and long shelf life, items need to be selected and also such activities that would bestow these characteristics to such horticultural/cash crops that are heavy perishable etc., could also be developed. Advantage of the recommendations of the report of ICAR team on horticulture in the North-East may be taken. Efficient marketing arrangements will play a key role in the development of horticulture.

8.10 The Development Commissioner, Govt. of Mizoram requested the Working Group to consider their proposal for Special Land Development Project for Rice cultivation in the State. This project had been prepared by State Govt. recently and could not be included under the plan proposals. A copy of

this project proposal furnished to the Working Group during the course of the meeting. Since this was not part of Seventh Plan approved schemes, it could not be discussed in the Union Department of Agri. & Coop. However, in view of the stress laid by the State Government, the Working Group felt that subject to the availability of resources Rs. 1 crore may be allocated for 1989-90. The total cost of the project (as given in the Project report) was Rs. 3.37 crores.

Soil and Water Conservation

8.11 The State Government had proposed an outlay of Rs. 240.50 lakhs for 1989-90 against the approved Seventh Plan outlay of Rs. 900 lakhs. The actual expenditure during the first three years i.e. 1985-86 to 1987-88 was Rs. 563.71 lakhs. The approved outlay of Rs. 190 lakhs for 1988-89 is likely to be utilised in full. The Working Group recommended an outlay of Rs. 214.71 lakhs for 1989-90.

Agricultural Marketing

8.12 The State Govt. had proposed an outlay of Rs. 35 lakhs against the Seventh Plan outlay of Rs. 60 lakhs. The actual expenditure during the first three years i.e. 1985-86 to 1987-88 works out to Rs. 81.28 lakhs. The approved outlay of Rs. 30 lakhs for 1988-89 is likely to be utilised in full. Till the end of 1988-89, 19 market sheds and 6 market/ and 4 market godowns had been envisaged. The Working Group recommended an outlay of Rs. 32 lakhs for 1989-90.

godowns are likely to be completed. During 1989-90, 8 market sheds

Animal Husbandry

8.13 The 7th Plan outlay for Animal Husbandry was Rs. 900 lakhs. Rs. 499 lakhs has been utilised during the first 3 years. The approved outlay of Rs. 200 lakhs is likely to be utilised.

8.14 The average productivity per animal per annum works out to 690 litres of milk in the State. The Working Group noted that this productivity was low. To increase productivity per milch animals, adoption of scientific breeding, feeding and modern management practices were recommended by the Working Group.

8.15 The average annual productivity per layer bird was also low (67 eggs). Efforts might be made to increase the productivity per layer bird by introducing superior germ plasm on a larger scale and by providing training to poultry farmers for adoption of scientific practices.

8.16 The representative of the ICAR informed that a team is likely to visit Mizoram to work out the details for establishing a composite veterinary based Agriculture college in the State.

8.17 The Working Group recommended a sum of Rs. 1 lakh for the improvement of slaughter house at Aizawl, and for providing safe and hygienic meat for human consumption.

8.18 An amount of Rs. 415.00 lakhs was proposed by the State Government for the various Animal Husbandry programmes for the year 1989-90 as compared to the approved outlay/anticipated expenditure of Rs. 200.00 lakhs for 1988-89. The Working Group recommended an outlay of Rs. 225 lakhs for 1989-90.

Fisheries

8.19 The fisheries resources of Mizoram comprise of about 4000 tanks and ponds and open waters. A target of 2800 tonnes has been recommended for 1989-90 i.e. 3000 tonnes short of Seventh Plan target. The entire fishery programme actual assets created, and actual fish increasing programme needs objective check and review. The Department would be having a complete list of fish ponds which have been created/or seeded. The Department of Economics & Statistics could take up evaluation of the Programme.

8.20 There are two State fish seed farms under construction. Fish seed production in Mizoram was reported to be 2.3 millions against the Seventh Plan target of 6 million. The Working Group has recommended a target of production of 4.5 million fish seed during 1989-90.

Forests

8.21 The State, is said to be having a forest area of 15,935 sq. km. constituting about 75% of the total geographical area. It is also stated that approximately 50,000 families are engaged in jhum cultivation. Annually, jhum fires burn and destroy large forest areas. This wanton destruction of forests have already resulted in scarcity of water near water-famine conditions during dry months. This is the ill effect of the destruction of forests. Small streams have already dried up in many places. Since extensive forest area is involved in jhum practice, the chances are that much lesser than 75% of the land is under real forest.

8.22 This rich inheritance, need to be carefully handled and harnessed with care and thought so that they give perpetually renewable returns to enrich the lives of the people. A harmonious balance between the needs of man and ecology has to be arrived at, so that hills continue to provide sustenance and happiness to the people who live in the hills. Greed and carelessness could kill the hills and which would cause untold hardships to the people.

8.23 A judicious policy of rationally looking into the aspects of production forestry, commercial forestry and protection forestry, is called for. In most of the areas, even now the root stock is intact if further destruction was halted and nature is allowed to regenerate, natural forests will reborn. As against the approved outlay of Rs. 475 lakhs for 1988-89; the Working Group recommended an outlay of Rs. 600 lakhs for forests.

Dairy Development

8.24 The 7th Plan outlay for Dairy Development is Rs. 45.00 lakhs, out of which a sum of Rs. 24 lakhs has been utilised during the first 3 years. The approved outlay of Rs. 8 lakhs is likely to be utilised in full during 1988-89.

8.25 The State Director, Animal Husbandry (Mizoram) mentioned that there is an urgent need to have a pasteurisation plant at Aizawl to meet the

well

as to offer remunerative prices to the producers.

requirement of public as / This proposal was duly supported by the Department of Agriculture and Cooperation. In view of this, the Working Group recommended a sum of Rs. 5 lakhs for the purchase/ installation of pasteurisation plant during 1989-90. As a result, the Working Group recommended the proposed outlay of Rs. 7 lakhs for dairy development during 1989-90. In addition a sum of Rs. 5 lakhs may be provided if funds permit.

Cooperation

8.26 There were above 700 primary level cooperative societies in Mizoram, of which the primary agricultural credit societies including LAMPS and service societies number 82. A programme of reorganisation of primary level societies by liquidating non-viable societies was on. Mizoram State Cooperative Bank had deposits of Rs. 10 crores as on 30th June, 1987 of which Rs. 9 crores were from individual depositors. The overdues of cooperatives were 80% in 1985-86 and 65% in 1986-87. Efforts should be made to bring down the overdues.

8.27 The Mizoram State Cooperative Marketing and Consumer's Federation (MIZOFED) is the only State Level cooperative society which procures agricultural produce (ginger, squash and oranges have already come up) and minor forest products for marketing. MIZOFED could coordinate its activities with North Eastern Regional Agricultural Marketing Corporation (NERAMAC) for logistics support in marketing.

8.28 The State Govt. has proposed an aggregate outlay of Rs. 1372.50 lakhs for 1989-90 for Agriculture and Allied sectors including Cooperation but excluding Forestry, against the approved Seventh Plan allocation of Rs. 3440.00 lakhs. The expenditure during the first four years is anticipated Rs. 3315.69 lakhs. The approved outlay for 1988-89 was Rs. 964.00 lakhs. The Working Group recommended an outlay of Rs. 1078.71 lakhs for Agriculture and Allied Sectors, including Cooperation but excluding Forestry for 1989-90. Under agriculture and allied sectors including forests against an outlay of Rs. 1439 lakhs for 1988-89, the Working Group recommended an outlay of Rs. 1678.71 lakhs for 1989-90.

8.29 Headwise outlays proposed and recommended by the Working Group for 1989-90 are given below:-

Sr. No.	Head of Development	(Rs. lakh)	
		Proposed	Recommended by W.G.
1.	Crop Husbandry	495.00	445.00
2.	Soil and Water Conservation	210.75	170.00
	(a) Soil conservation	158.75	139.00
	(b) Plantation	81.75	75.71
3.	Animal Husbandry	415.00	225.00
4.	Dairy Development	7.00	7.00
5.	Fisheries	50.00	50.00
6.	Agricultural Research & Education	5.00	5.00
7.	Marketing and Quality Control	35.00	32.00
8.	Cooperation	125.00	100.00
	<u>Total</u>	<u>1372.50</u>	<u>1078.71</u>

Agricultural Research & Education

8.30 The State Govt. had proposed an outlay of Rs. 5 lakhs for 1989-90 against the approved outlay/anticipated expenditure of Rs. 5 lakhs for 1988-89. The Working Group supported the proposed outlay of Rs. 5 lakhs. This is mainly for stipend, book grants etc., for sponsored students. During 1989-90 it is targetted to sponsor 10 students for B.Sc(Agri.) 3 for M.Sc(Agri.) and 1 for Ph. D. courses.

Rural Development

9.1 Allocation for IRDP in 1989-90 would be on the basis of poverty alone. Moreover, in the case of Mizoram State, separate figures of incidence of poverty are not available. Hence, the allocation would have to be provided on the basis of uniform blockwise allocation. The allocation is made on the

basis of number of blocks for Mizoram for 1989-90 (20 blocks) @ Rs. 9.75 lakhs per block, comes to Rs. 195 lakhs, 50% of which i.e. Rs. 97.50 lakhs has been recommended under the State Plan.

9.2. It was indicated that 12,493 beneficiaries were covered during the Sixth Plan; 7160 families would be assisted by 1988-89. The break-up of old and new beneficiaries are not available. The subsidy level had been recently revised to Rs. 5000 from the earlier level of Rs. 2100. This has been done because of non-availability of credit facilities. During 1988-89, 7160 beneficiaries were identified and assisted. The Working Group recommended a target of 4500 beneficiaries.

National Rural Employment Programme (NREP)

9.3 For the year 1988-89, the revised outlay under NREP for Mizoram stood at Rs. 35 lakhs. The Working Group recommended an outlay of Rs. 35 lakhs (tentative) for 1989-90 in respect of NREP.

9.4 For the year 1987-88, it was noted that the employment generated was 1.32 lakh mandays against the target of 1.69 lakh mandays. The low performance was on account of a sharp increase in the wage rate which has risen to Rs. 42 per day for unskilled labour as against the minimum agricultural wage of Rs. 28 per day. Against the 1988-89, target of Rs. 2.40 lakh mandays the actual achievement upto October, 1988 was reported to be 0.90 lakh mandays, i.e. 40 per cent of the actual target. This was noted to be on the low side.

Community

9.5 The Community Development Programme covers 4 major activities relating to (i) Social Education, (ii) Rural Health and Sanitation, (iii) Rural Communication, (iv) Construction of Office and Residential Buildings. It was noted that under Social Education, community halls and playgrounds were being constructed and material was being purchased for furnishing the same. Under Rural Health and Sanitation, construction/improvement of water tank points in different villages was undertaken. This was done to supplement the effort of Public Health Engineering Department which cannot cover all the villages.

In this context, it was suggested by the Working Group that this activity could also be undertaken under NREP. Under Rural Communication, the activities relate to construction/improvement of foot paths and vehicular roads to link all villages and to provide steel wire rope free of cost for construction of Suspension Bridges. As regards, the construction of office and residential buildings, it was reported that the programme was to construct three B.D.O Offices; and 15 quarters for various categories of staff at different locations during 1989-90.

Land Reforms

9.6 The Working Group noted that sufficient land for cultivation was available in the State and hence the question of consolidation of holdings and fixation of ceiling on land holdings did not arise at present.

Survey work in two blocks on a pilot basis in association with Survey of India, which was reported to be under consideration last year, it was reported that the same had not been undertaken till now. It has been proposed, however, to cover town survey work under this proposal. The State Government was still pursuing the matter with the Survey of India.

9.7 Under Rural Development during 1988-89, an outlay of Rs. 245 lakhs was approved. Against this outlay, Working Group recommended an outlay of Rs. 290 lakhs for 1989-90.

Irrigation &
Flood Control

Major and Medium Irrigation

10.1 There is no major irrigation project in the State. One medium project viz. Mat Valley Irrigation-cum-Hydel Power Scheme with an irrigation benefit of 6500 ha. and generation of 1 MW of power is under investigation by the CWC. The cost of investigation is estimated as Rs. 52 lakhs and as per CWC, it will take about 3 years from 1987-88 to complete the investigations. The Working Group pointed out that as power generation is also contemplated in the project, the Power Sector should also contribute to the investigation work. However, as it is a medium scheme, The CWC to prepare the project report by March, 1989. An outlay of Rs. 20 lakhs was recommended for this for 1988-89, the State Government have given an amount of

Rs. 15 lakhs to the CWC during 1987-88. During 1989-90, an amount of Rs. 30 lakhs was recommended by the Working Group, but it seems the balance from Rs. 52 lakhs existing was only Rs. 17 lakhs.

Minor Irrigation

10.2 The Minor Irrigation potential in the State is estimated at 70,000 ha. comprising of 45,000 ha. from surface flow and 25,000 ha. from river lift. The potential available from ground water has not been assessed. A potential of 3,200 ha. was reported to have been created by the end of the Sixth Plan and an additional potential of 4,455 ha. was to be created during the Seventh Plan.

10.3 For the Annual Plan 1988-89, an outlay of Rs. 161 lakhs was provided during 1988-89. During 1989-90, the Working Group recommended an outlay of Rs. 164 lakhs under 'Minor Irrigation'.

Flood Control

10.4 The proposals under flood control mainly related to anti-soil erosion which do not relate to flood control measures. Since the problem of floods is not there in Mizoram, the anti-soil erosion work could be entrusted to the Soil Erosion Control Department which already exists in the State.

Power:-

Generation

11.1 Most of the power generation in Mizoram, are through diesel. The total installed capacity were 15.10 M.W in 1985-86. Serlui Micro hydel, Khawiva Mini hydel scheme and Tui Rivang mini hydel scheme have been completed and three mini hydel projects are under execution.

KHAMIVA MINI HYDEL SCHEME: (3x350 KW)

11.2 The project was approved at an estimated cost of Rs.20.10 lakhs in May, 1986. Due to changes in the scope of work and escalation of costs, the latest revised cost has gone up to Rs.250 lakhs i.e.12.4 times of original estimates. The revised estimates should be processed for necessary approval.

11.3 Two units were commissioned in 9/1988;10/1988; and the 3rd Unit was due for commissioning in 12/88. Against /the approved outlay of Rs.51 lakhs the anticipated requirement for the current year(1988-89) was indicated as Rs.82 lakhs. This would cover balance payments and other liabilities. No provision was required for 1989-90.

TUI RIVANG MINI HYDEL SCHEME: (3x 100KW)

11.4 The project was sanctioned for Rs.81.78 lakhs in May, 1986 by Planning Commission. The latest revised cost was shown as Rs.215 lakhs i.e.163% higher than the original estimates, due to change in the scope of civil works and escalation in costs of equipment and establishment.

11.5 Civil works of the project were completed, and unit 1 was commissioned. The remaining two units have been received at site and were scheduled to be commissioned by December, 1988

11.6 For the current year (1988-89), the revised requirement was indicated as Rs.55 lakhs, against the approved outlay of Rs.22 lakhs, for payments for TG sets, civil works of weir and payments for steel etc. No outlay was proposed for 1989-90.

TUISIMPUI MINI HYDEL SCHEME: (3x 150 KW)

11.7 The project was approved in May, 1987 for Rs.112.50 lakhs. The works were commenced in October, 1988.

.../-

- March, 1990. As against an outlay of Rs.40 lakhs approved for 1988-89 an outlay of Rs.80 lakhs was recommended by the Working Group for 1989-90, it includes.

All the three units are scheduled for commissioning by advance payment for TG sets (Rs.24 lakhs) and civil works (Rs.44 lakhs). State authorities assued to place orders for the equipments by January 1989, to match with the commissioning schedule of March, 90.

TULPUI MINI HYDEL SCHEME: (2x250KW)

- 11.8 The installed capacity of the scheme has been revised to 2x250KW from the original (2x200KW + 1x100KW). The power house was scheduled to be opened in December 1988. The units are scheduled to be commissioned by March 1990. Against an approved outlay of the 50 lakh for 1988-89, an amount of Rs.90 lakhs was recommended for 1989-90 by the Working Group to cover Rs.35 lakhs payments towards TG sets, Rs.47 lakhs for civil works etc.

MATCHAM MINI HYDEL SCHEME: (1x1000)KW+2x500KW)

- 11.9 Installed capacity of the scheme was revised to (1x1000KW + 2x500KW) from the earlier capacity of (1x1000KW + 1x500KW). The latest estimated cost of the scheme was indicated as Rs.494 lakhs and the same was approved by the State Government. The project report was yet to be submitted to Planning Commission for obtaining investment approval. The necessary forest and environmental clearance should be arranged by the State authorities. All the units of the scheme are scheduled for commissioning by October 1991.

- 11.10 The Project authorities stated that during the current year the work on approach road was commenced. Against an outlay of Rs.50 lakhs approved for 1988-89, the Working Group recommended an outlay of Rs.100 lakhs for 1989-90, towards payments for TG sets and works were related to weir, penstocks, forebay, power channel and power house works, subject to E & F and investment sanction.

DIESEL POWER GENERATION SCHEME: (8.8MW)

- 11.11 This scheme was approved by Planning Commission at an estimated cost of Rs.584.00 lakhs. Additions of 4x250KW were achieved during 1986-87 and 356KW during 1987-88.

During 1988-89, the approved outlay of Rs.260 lakhs was anticipated to be spent fully to achieve additional capacity of 4248 KW. Against an outlay of Rs.260 lakhs approved by the Planning Commission, the Working Group recommended the proposed outlay of Rs.79 lakhs for 1989-90, including adjustments for the materials drawn from the stores.

TRANSMISSION AND DISTRIBUTION:

- /The Working Group
- 11.12 Against an outlay of Rs.611 lakhs approved by the Planning Commission for 1988-89, recommended Rs.1077 lakhs for 1989-90 for transmission and distribution works. It included Rs.210 lakhs for distribution works, Rs.150 lakhs against the master plan for reduction of system losses in Aizawl town, besides 717 lakhs for the transmission lines and sub-stations.

SURVEY AND INVESTIGATION:

- /The
- 11.13 - Working Group agreed to an outlay of Rs.15 lakhs for 1989-90 for the survey and investigation works. 5 Nos. ongoing and 4 Nos. new small mini/micro schemes were included for survey and investigation. Five ongoing schemes of investigation were scheduled to be completed by March 1990.

POINTS FOR ACTION:

- 11.14
- (i) Revised cost estimates in respect of Khawiva, Tuirivang and Maicham Mini Hydel Schemes should be processed by the State authorities for Planning Commission approval.
 - (ii) Orders for generating equipments in respect of Tuisumpui Project should be placed by the State authorities by January 1989 to match with scheduled Commissioning in 3/90.
 - (iii) State authorities should arrange the approval of the revised T&D schemes from CEA.
 - (iv) Effective steps should be taken to control T&D losses.
 - (v) The phased financial progress and corresponding benefits obtaining from system improvement scheme for Aizawl town should be furnished.

RURAL ELECTRIFICATION

- 11.15 The total no. of villages in Mizoram was 737. Of this 252 villages have already been electrified upto March 1988, achieving 35% of electrification. The scope for pump set energisation is not there.
- 11.16 The proposal for 1989-90 was for Rs.452 lakhs all under M.N.P. to electrify 65 villages. All these villages are tribal villages. The Working Group recommended an outlay of Rs.350 lakhs to cover 65 villages in 1989-90.

MI ZORAM

VILLA-GE & SMALL INDUSTRIES

Small Industries

12.1 Mizoram with a difficult hilly terrain and transport system has little scope for large industries. Village and small industries, handloom and handicrafts will have to play a major role in creating industrial climate. Forest based and agro-based small industrial units food processing, electronic and engineering industries, fabrication, brick making, cane, wooden furniture etc. are likely to succeed. The climatic condition, pollution free atmosphere and precision balance which is a natural gift with most hill people can provide natural advantage for electronics industry.

12.2 The SSI Schemes includes raw material depots, agro-based complex, interest subsidy, power subsidy, entrepreneurial development and training, permanent pavillion for trade fair etc. Agro-based complex is proposed to be set up at Lengpui where necessary infrastructure for agro-based units would be provided.

12.3 A small industrial estate at Kolasib has been completed. Near Aizawl, a bigger area is being developed with facilities like power, water, roads etc. 50 plots have already been allotted to small industrial units. In addition, mini-industrial estates are also being developed for tiny units using light machinery are tools. The Working Group has recommended Rs. 28 lakhs for 1989-90.

12.4 Zoram Industrial Development Corporation (ZIDCO) is the main agency responsible for promoting industrial growth. So far, it has sanctioned loans to 760 small industrial units amounting to Rs. 12 crores. Its activities are being expanded to include supply of raw material, arrangement for marketing, entrepreneurship development, setting up of handloom and handicraft emporia etc. The Working Group stated that such a small state like Mizoram need not have an Electronics Corporation. A mere cell for promotion Electronism, The Dte. of Industries would promote the electronics industries in the State. The Working Group advised that a single corporation, preferably should look after the need for all industries in the State. For promotion of small scale industries, an amount of Rs. 277 lakhs was recommended for 1989-90.

may meet
the
requirements

lakhs

.../...

MIZORAM

12.5 To strengthen the organisational structure to promote the development of handloom and handicraft, a handloom and Handicraft Wing has been set up under the Directorate of Industries.

Sericulture

12.6 To promote sericulture activities in the State a separate Directorate for sericulture has been established. Sericulture in Mizoram can become an important source of income. The Central Silk Board has no branch in the State. Weavers and growers of the state are being trained in Mysore. Area approach has been undertaken for eri, oak and mulberry, but mulberry and eri are more important. For the promotion of sericulture in the State, an outlay of Rs. 125.30 lakhs was proposed by the state government for 1989-90, and Rs. 125.00 lakhs was recommended by the Working Group.

Khadi and Village Industries

12.7 The State KVI Board was set up in 1985 but it started functioning from 1986-87. The recent amendment to KVI Commission Act has enlarged the scope of KVI & increased its coverage. The State Government has decided to transfer all such new industries from the State Directorate to State KVI Board. It was envisaged to set up administrative offices of the Board, in each district to set up multi-disciplinary Training Complex at Aizawl to improve technical knowledge. The staff of the Directorate dealing with the work could be transferred to the Board.

12.8 During 1988-89 the Board assisted 441 village industries. For the benefit of village artisans, the Board is running training-cum-production centres for different village industries. For the promotion of khadi and village industries in the State, an outlay of Rs. 60 lakhs was proposed by the State Government for 1989-90 and Rs. 50 lakhs has been recommended, as against Rs. 30 lakhs approved outlay for 1988-89.

LARGE & MEDIUM INDUSTRIES

13.1 Based on local raw material from agro-forest resources, a few medium projects are under execution

Ginger Oil and Oleoresin

13.2 This is a continuing scheme from the Sixth Plan. The estimated cost has increased from Rs. 82 lakhs to Rs. 97 lakhs. Project was completed in July 1987 and production was to commence in December 1987. It is proposed to transfer the project to a corporation. Against the Seventh Plan outlay of Rs. 70 lakhs an expenditure of Rs. 100.15 lakhs during the first four years is anticipated. During 1989-90, an amount of Rs. 20.50 lakhs was recommended for staff quarter, but more than the estimated revised cost to the project has already been allocated.

13.3 Maize Processing Unit

The State Govt. representatives mentioned that this would be a pilot project and would be operated departmentally for the purpose of production and demonstration. The Working Group recommended an outlay of Rs. 10.25 lakhs for 1989-90.

Ginger Dehydration Plant

13.4 The representatives mentioned that this project was estimated to cost Rs. 21.00 lakhs (2 MT Per day). The production of dehydration powder would act as a feed stock for the ginger oil and oleoresin plant. The State representative mentioned that this scheme would be completed in the current year; and would be fully operational. The Working Group suggested that this unit should be merged with the ginger oil plant/recommended an outlay of Rs. 5 lakhs for 1989-90, if necessary.

Fruit Juice Concentrate

13.5 To meet the additional requirement of fund (i.e. Rs. 22.30 lakhs in the equity contribution) for processing and marketing aspect of fruit juice concentrate project, recommended an outlay of Rs. 22.30 lakhs for the year 1989-90.

.../...

/and

/the Working
Group

MIZORAM

Medium Density Fibre Board

13.6 The cost of project was estimated at Rs. 13 crores and the consultancy fee for preparation of detailed techno-economic feasibility report and preliminary expenses were estimated at Rs. 9.5 lakhs. The State Govt. representative informed that feasibility was likely to be completed in the current year. A token provision of Rs. 1 lakh for 1989-90 was recommended by the Working Group.

Cement Clinker Grinding Unit

13.7 The State representatives mentioned that as a part of the term of collaboration with CCI and Govt. of Mizoram for setting up of the unit in Mizoram by CCI, it had been agreed that land necessary for the site would be handed over to CCI free of cost by the State Govt. The land was expected to be acquired in the current year. The Working Group recommended Rs. 0.95 lakh for 1989-90.

Mineral Development

13.8 The Working Group while reviewing the progress of mineral development programme, noted that the mineral exploration activity was initiated in the State only three years back with meagre strength and financial resources. It was also noted that so far preliminary geological investigations had been carried out for shell limestone & clay deposits but in view of acute shortage of water the main thrust had been given to the ground water survey and development programme. The schemes were ongoing ground water investigation programme inclusive of Rs. 34 lakhs for the construction of 20 tube wells and 4 recharge dams; the balance of Rs. 53 lakhs had been proposed mainly for strengthening of Geology & Mining Wing, procurement of machinery and equipment and construction of buildings. The State Government had identified two projects, namely setting up of polishing unit for shell limestone and production of buildings and out of friable sand-stone which may be set up either in the private or state public sector. The working group observed that the outlays required for 1989-90 under minor works for construction activity were on higher side and this programme could be spread over a period of two to three years. During the discussions, it was emphasised that as a priority these mineral investigation programmes should be taken up, based on which industries in the eighth Plan could be set up. The Working Group recommended an outlay of Rs. 50 lakhs for 1989-90 for mineral development, as against Rs. 30 lakhs approved for 1988-89.

Transport

Roads and Bridges

14.1 The State Plan proposals include only other district roads and village roads. Most of the other district roads were subsequently reclassified as village roads under MNP. At present there are three main roads under execution, classified as other district roads viz.

- a) Aizawl - Thanzawal - Lunglei Road
- b) Kolasib - Bhairabi - Zamuang Road
- c) Lungsan - Chawngte Road.

14.2 The State Govt. was advised to reclassify its roads according to standard classification of major district roads, other district roads and village roads and construct /improve these roads according to the prescribed norms, and present position for classification should be intimated to the Planning Commission. The 40 Km. Kolasib-Bhairabi road with a 7.74 metre width of formation is to synchronise with the completion of Bhairabi railhead. Work on 20 Km. stretch has been nearly completed and permanent works started. Work on next 10 Kms. stretch has to be taken up during 1989-90. The road is expected to be completed by 1990-91. The work on this road need to be accelerated during current year itself, if necessary by diverting funds from savings. For 1989-90 an outlay of Rs. 3.5 crores was recommended for this road, with the stipulation that entire formation cutting and all the major bridges will be completed during 1989-90. The State Govt. was advised to complete the road in all aspects latest by June, 1990. The recommended amount to be treated as earmarked.

14.3 The Working Group suggested that work on essential ongoing schemes should be accelerated and completed at the earliest. In view of the scarcity of resources and highest priority given to completion of important ongoing works including major bridges, other works may have to be suitably phased. An outlay of Rs. 5.20 crores was recommended for other district roads (including Rs. 3.5 crores for Kolasib Bhairabi road) and Rs. 4 crores for rural roads. Outlay for roads within town was recommended at the current years level of Rs. 2.15 crores. The outlay of Rs. 40 lakhs proposed for Truck terminal was agreed to. In all the Working Group recommended an outlay of Rs. 13 crores for Roads and Bridges for 1989-90.

.../...

14.4 The cost of construction (of 5.95m. wide road was intimated to be about Rs. 19.5 lakhs per Km. comprising of Rs. 3 lakhs for formation cutting, Rs. 4 lakhs for retaining walls and Rs. 9.5 lakhs for culverts and pavement work. The State Govt. was advised to upgrade the road construction technology. The proposed outlay of Rs. 75 lakhs for machinery and equipment was recommended. The State Govt. was advised to make adequate provision for maintenance of roads and protective works to ensure smooth flow of traffic.

14.5 The State Govt. was requested to furnish latest position regarding: spillover schemes i.e. the Fifth and Sixth Plan schemes spilling over to Seventh Plan; the new schemes taken up during the Seventh Plan, the work completed upto 1988-89, and the works expected to spillover to Eighth Plan. Information may be furnished for different stages of construction separately for roads and bridges. As against the target of 1027 Km. of additional roads during the Seventh Plan, 864 Kms. have already been constructed and the balance is likely to be achieved. Out of a total 756 villages, 625 have already been connected by fair weather roads.

Road Transport

14.6 Road Transport in the State is running in loss. Estimated operating loss during 1989-90 is Rs. 2.92 crores as against Rs. 0.77 crores in 1985-86.

14.7 Productivity indicators have been improving over the years. Fleet utilisation increased to 79% in 1987-88 compared to 56% in 1985-86, and occupancy ratio increased from 56% to 73% during this period, resulting in an increase in earnings per Rs. 3.58 in 1985-86 to Rs. 4.57 per Km. in 1987-88 even though the passenger fares have remained unchanged. Fleet utilisation in respect of buses and trucks could be further improved.

14.8 Vehicle productivity has been deteriorating i.e. compared to 53 revenue earning kms. per bus per day in 1985-86, it came down to 44 km. in 1987-88 and is expected to be only 42 kms. in 1988-89. The entire operation system, incidence of breakdown, repairing facilities etc. need a de-novo review to increase vehicle productivity to at least 100% a day standard.

MI ZORAM

14.9 An outlay of Rs. 2.07 crores was proposed for 1989-90 against a provision of Rs. 1.60 crores during 1988-89. The State Govt. was advised to phase out all other construction, and speed-up building for the Central workshop. It should be completed at the earliest. An outlay of Rs. 160 lakhs was recommended including Rs. 85 lakhs for acquisition of fleet.

Tourism

14.10 Four schemes of tourist lodges viz. Alzawl, Kofnib Thengjawl and Chhiabtloing have already been completed. Three tourist lodges at Champhai, Lunglei and Variangte, tourist recreation centre at Durtlong and building at Bung picnic spot are under construction. For the buildings under construction an outlay of Rs. 29.40 lakhs was recommended for the other committed expenditure an amount of Rs. 10.60 lakhs was recommended making a total of Rs. 40 lakhs for tourism. Within the recommended outlay maximum number of buildings should be completed during 1989-90.

14.11 To sum up the outlay recommended by the Working Group are as follows:-

(Rs. in lakhs)

	1988-89 Outlay	1989-90	
		Proposed	Recommended
Roads & Bridges	1300	1825	1300
Road Transport	160	207	160
Motor Vehicle wing	8	10	8
IWT	6	14	6
Tourism	35	50	40
<u>Total</u>	<u>1509</u>	<u>2106</u>	<u>1514</u>

.../...

Elementary Education

15.1 Against an outlay of Rs. 230 lakhs approved for 1988-89 Rs. 322.35 lakhs was recommended for the programme of elementary Education. The programmes under elementary education during 1989-90 are mainly maintenance of schools already opened during seventh Plan and improvement of the existing schools. In 1988-89, 14 middle schools had been taken over and 36 were proposed to be taken over next year. The teachers in private schools are graduate teachers and they have to be given full pay and allowances admissible to govt. schools after they are taken over. The state had also proposed an amount of Rs. 24 lakhs for new craft teachers. The Working Group recommended that the state govt. should reduce the target of taking over of private schools.

15.2 In regard to construction of primary school buildings, the Working Group recommended that funds for the construction cost may be met from NPEP and RLEGP.

Adult Education

15.3 Against an approved outlay of Rs. 7 lakhs for 1988-89 the Working Group recommended an amount of Rs. 15.26 lakhs for Adult Education for 1989-90.

For 200 Adult education centres with a total coverage of 5000 started during 1988-89 and 50 centres are proposed to be opened under the State sector.

/during
1989-90

Technical Education

15.4 Against the current year's budget provision of Rs. 45 lakhs for 1989-90, the Working Group recommended Rs. 58 lakhs.

Art and Culture

15.5 Mizoram State Govt. is to contribute Rs. 1 crore in the Seventh Plan to the Zonal Cultural Centre. The State Govt. of Mizoram has so far contributed Rs. 5 lakhs. Last year, the Working Group recommended an amount of Rs. 30 lakhs which could not be provided due to constraint of resources. The Working Group recommended the same (Rs. 30 lakhs) for 1989-90 plan & if the resources available an additional amount of Rs. 65 lakhs could be allocated to make full contribution.

had

were

Youth Activities and Sports

15.6 As against an outlay of Rs. 45 lakhs for 1988-89, Rs. 90 lakhs has been recommended by the Working Group for 1989-90. The State representatives informed the Working Group that large number of activities for youth have been undertaken to involve the students and non-students in constructive activities. An amount of Rs. 242 lakhs is likely to be available to the state as Central assistance for the centrally sponsored schemes sanctioned to the State.

15.7 Against the approved outlay of Rs. 622 lakhs for 1988-89, for the Education Sector, the Working Group recommended an outlay of Rs. 888.92 lakhs for 1989-90.

15.8 An amount of Rs. 2 lakhs had been proposed for assistance to voluntary organisations. It was suggested that the state govt. should encourage voluntary organisations to take advantage of the central scheme of assistance. It was also suggested that assistance from the Central Govt. for starting JSNs should be availed of. An amount of Rs. 3.50 lakhs proposed for purchase of 2 vehicles was not approved and construction of buildings could also be postponed.

Secondary Education

15.9 As against an approved outlay of Rs. 110 lakhs for 1988-89, the Working Group recommended Rs. 148.00 lakhs for 1989-90. For assistance to non-government secondary schools the Working Group recommended Rs. 137.10 lakhs and suggested that the construction activities may be deferred. The State Govt. had proposed to upgrade 10 private high schools. The Working Group recommended that this could be deferred.

Teacher Education

15.10 Against the current year's budget provision of Rs. 55 lakhs, the Working Group recommended Rs. 76.48 lakhs and suggested postponement of non essential construction programmes, One DIET has been established in the state.

University Education

15.11 Against an approved outlay of Rs. 69 lakhs the Working Group recommended Rs. 75.25 lakhs for 1989-90. The State Govt. had proposed to open a science college. It was suggested that since NEHU was already maintaining a science college, the proposal of a new science college may be deferred. Assistance to non government colleges and institutions for 1989-90 was kept at the current year's level.

Other Programmes

15.12 Against an approved outlay of Rs. 14.05 lakhs for 1988-89, for Direction Administration, Working Group recommended a sum of Rs. 15.58 lakhs. The State Govt. had proposed to revise the rates for scholarships. It was suggested that this may be deferred to Eighth Plan.

Health

- 16.1 Sub-Centres: As on 1.4.1985, the State had 162 sub-centres. The 7th Plan target was to establish 58 additional sub-centres. During the first four years 46 (10,12,12,12) sub-centres are likely to be achieved. For 1989-90, a target of 12 additional sub-centres was recommended.
- 16.2 Primary Health Centres : As on 1.4.1985, the State had a total number of 19 PHCs. The 7th Plan target was to establish 18 additional PHCs. The Primary Health Centres established during the first four years, 5 PHCs are likely to be achieved, For 1989-90, Annual Plan, the target of additional 3 PHCs was recommended.
- 16.3 Community Health Centres : As on 1.4.1985, the State had one Community Health Centre. The 7th Plan target was to establish 4 additional CHCs. During the first four years the 7th Plan target is likely to be fully achieved. For 1989-90, no new CHC was recommended by the Working Group.
- 16.4 For minimum Needs Programme the outlay recommended by the Working Group for 1989-90 is Rs. 154.00 lakhs, out of which Rs. 56.00 lakhs are to be utilised for Capital Works. The recurring cost of the Sub-Centres will be met from the Central funds of the Department of Family Welfare.
- 16.5 Important national programmes extended to the State are: National Malaria Eradication programme, T.B. Control programme; control of Blindness, national leprosy eradication programme. For these, the Working Group recommended Rs. 42 lakhs; Rs. 550 lakhs; Rs. 1.73 lakhs; Rs. 4 lakhs respectively.
- 16.6 For the Seventh Five Year Plan 1985-90, the outlay approved by Planning Commission for Health Sector Programmes is Rs. 1400.00 lakhs. For the three Annual Plans 1985-86, 1986-87 and 1987-88, the actual expenditure was Rs. 240.00, Rs. 290.00 and Rs. 290.00 lakhs respectively. For 1988-89 the approved outlay was Rs. 342.00 lakhs and the anticipated expenditure is also Rs. 342.00 lakhs.

MIZORAM

16.7 For the Annual Plan 1989-90, the Working Group recommended an outlay of Rs. 381.00 lakhs and within that outlay highest priority was given to Minimum Needs Programme.

Social Welfare

17.1 Against an outlay of Rs. 50 lakhs approved for 1988-89, an outlay of Rs. 52 lakhs was recommended.

17.2 The State Government is running 80 pre-primary schools in the CD Blocks not covered so far under the scheme of ICDS and urban slums. It was proposed to continue the same till these areas are covered by ICDS. An outlay of Rs. 4.51 lakhs was recommended. This included Rs. 2 lakhs for the construction of 20 school buildings @ Rs. 10,000/- per building.

17.3 An outlay of Rs. 4.50 lakhs was proposed for the "Socio-economic programme for poor and destitute women". Under the scheme, the State Government is providing grants to only such women who are not covered under IRDP and TRYSEM. It was explained to the State representative that there is a reservation of 30 per cent for women under IRDP and TRYSEM. In case this quota is not complete, the Social Welfare Department should take advantage of the scheme. An outlay of Rs. 3.50 lakhs was recommended.

17.4 An outlay of Rs. 33.72 lakhs was proposed for 3 Remand Homes. It included an amount of Rs. 21.91 lakhs for construction of buildings for these Homes. An outlay of Rs. 6 lakhs was recommended for the maintenance of these homes. As far as the construction work was concerned, the State Government was advised to utilise the funds being provided by the Ministry of Welfare for the purpose. There no funds for the purpose were recommended under the State Plan.

17.5 While discussing the "Correctional Services" the State Government was advised to review the administrative structure in various institutions and take necessary steps to rationalise the same.

MI ZORAM

17.6 It was suggested that as far as possible, the inmates of the institutions should be imparted training in diversified and modern trades keeping in view the need of the market. Instead of imparting training in the institution itself, effort should be made to send the inmates, if required under escort, to the training institutions already functioning in the region so as to reduce the costs. Training facilities available under IRDP and TRYSEM should also be fully made use of.

Nutrition

18.1 The State Government had proposed an outlay of Rs. 121.50 lakhs for 1989-90. Against this, the Working Group recommended an outlay of Rs. 105 lakhs.

18.2 As regards the scheme "Food & Nutrition Extension Centre", it is a Centrally sponsored scheme on 50 per cent sharing basis. Under this scheme, land and building has to be provided by the State Government. The State representative informed that land had already been allotted to the Social Welfare Department. An outlay of Rs. 7 lakhs was required for the construction of building. This was recommended by the Working Group.

Water Supply

Rural Water Supply

19.1 According to 1981 census there were 737 villages. At the end of the Sixth Plan 579 problem villages were identified, 142 villages having been covered till the end of the Sixth Plan. During the first four years of the Seventh Plan, 391 problem villages, are expected to be provided with safe drinking water facilities leaving behind 188 problem villages which are yet to be covered as on 1.4.1989. Drinking Water Supply facilities have been provided to 2.58 lakh rural people during the first four years of the Seventh Plan. In 1988-89, the Working Group suggested that first priority should be given to cover fresh villages before taking up water augmentation schemes and for fresh villages, top priority should be given to the villages in the backward district of Chhimguipi.

19.2 During 1988-89 plan discussions regarding ground water development the state govt. was advised to prepare a detailed project report and submit cost estimates to the Department of Rural Development, Govt. of India. The Deptt. of Rural Development might consider provision of necessary funds for the Central scheme under Technology Mission activities in the State. For 1989-90 an outlay of Rs. 400 lakhs for works and Rs. 40 lakhs for operation and maintenance so as to cover 1.25 lakh population in 188 villages was recommended by Working Group.

Urban Water Supply

19.3 Aizawl Water Supply Scheme Phase-I was commissioned on 7th December, 1988. A provision of Rs. 200 lakhs was approved for 1989-90. for maintenance (Rs. 155 lakhs) and to meet the committed liabilities (Rs. 55 lakhs). As regards the Phase-II of the scheme on which some work has been completed alongwith Phase-I itself, the State Govt. was advised to prepare a detailed scheme and get it technically approved by the Ministry of Urban Development. An amount of Rs. 5 lakhs was recommended for survey, investigation and preparation of report.

19.4 In 1988-89, the Working Group realised that the revised cost of Lunglei Water Supply scheme was Rs. 14.2 crores. It has been submitted to Ministry of Urban Development in IIInd week of November, 1988 for technical approval. An amount of Rs. 100 lakhs has been recommended by the Working Group for 1989-90. At the wrap-up meeting, 1988-89 it was mentioned that the water supply scheme at Kolasip was being relegated to a low priority. The Chief Secretary confirmed that the scheme was shifted to rural water supply, but would be completed on high priority.

19.5 During 1989-90, an outlay of Rs. 775 lakhs was provided under the sub-sector of water supply and sanitation. The State Govt. proposed an amount of Rs. 1330 lakhs for/ The Working Group recommended an outlay of Rs. 883 lakhs for 1989-90.

/1989-90.

HOUSING

Police
Housing

20.1 The Seventh Plan approved outlay was Rs. 400 lakhs; Rs. 370 lakhs are likely to be utilised by the end of 1988-89. The Working Group recommended Rs. 100 lakhs for 1989-90 as against the proposed outlay of Rs. 211 lakhs. The Working Group felt that a number of buildings proposed under police housing qualify for inclusion in the capital project for which approval of the Empowered Committee has to be taken.

Government
Residential
Housing

20.2 As against the Seventh Plan outlay of Rs. 300 lakhs, Rs. 225 lakhs are anticipated to be utilised. The Working Group recommended an outlay of Rs. 76 lakhs for 1989-90. It was also recommended that no new projects should be taken up and from amongst the on-going construction works, the buildings that could be completed during 1989-90, may be fully funded. Some of the proposals under this sub-head seem to relate to Capital project, which could be proposed to the Empowered Committee.

// Administrative
Department(LAD)

20.3 For the Housing Scheme under Local
sum of Rs. 28 lakhs was recommended for 1989-90. The Ninth Finance Commission has provided Rs. 14.50 crores as grant for special problems. In the case of Mizoram, it will mostly relate to Capital project. The schemes relating to various construction activities that come under the State Capital project should be funded from this grant and the detailed proposals may be submitted to the Empowered Committee of the Ministry of Finance for their approval.

Urban Development

20.4 Under Urban Development, the following outlays were recommended by the Working Group:

- | | | |
|-------|---------------------------|----------------|
| (i) | State capital Development | Rs. 117 lakhs |
| (ii) | Other Urban Development | Rs. 70 lakhs |
| (iii) | Town & Country Planning | * Rs. 17 lakhs |

* In addition, a sum of Rs. 32.89 lakhs was recommended for the development of Lunglei Town under the Centrally Sponsored IDMT Scheme which was reported to have been sanctioned by the Ministry of Urban Development.

MI ZOR AM

Public Works: Rs. 75 lakhs

Jails @ Rs. 27.56 lakhs

@ Some of the works connected with this sub-head could be included in the Capital project or deferred to the Eighth Plan.

Printing and Stationery £ Rs. 60 lakhs

£ The 3-storyed Depot building at Saiha should be completed before taking up any new construction work.

Mizoram Housing Corporation:

20.5 The proposal was not found viable and it was suggested by the Working Group that a detailed proposal may be submitted to the Ministry of Urban Development.

District Councils

21.1

Out of three districts in Mizoram, District Chintuipui has three District Councils, i.e. Pawai District Council; Lakhe District Council; and Chakma District Council. These were constituted in 1972 under the Sixth Schedule of the Constitution of India. These Councils have been engaged in the activities relating to Road Communication, Sanitation, Water Supply, Art and Culture and Forest.

21.2

The sphere of activities of these Councils was enlarged in the middle of Seventh Plan, i.e. 1987-88 by a Government Notification and more powers were vested. The following eight new areas were transferred to the District Councils:

of work

1. Rural Development
2. Community Development
3. Social Welfare and Child Development
4. Industry
5. Soil Conservation
6. Animal Husbandry and Veterinary
7. Agriculture, and
8. Forest.

21.3 The State Govt. representatives stated that the Council will need larger funds because their sphere of activity had been enlarged. The Working Group observed that along with the activities, the outlay meant for these activities; along with the staff should be transferred to the Council. This will not only avoid duplication of machinery, but will also save money which could be utilised for development schemes.

21.4 The Working Group, against the outlay of Rs. 500 lakhs approved for 1988-89, recommended an outlay of Rs. 600 lakhs for 1989-90.

Plan Size:

22.1 The Seventh Five Year Plan of Mizoram was approved at Rs. 260 crores. During the first 4 years of the Seventh Five Year Plan, Rs. 266.01 crores are likely to be utilised, leaving a balance of Rs. (-) 6.01 crores at current prices for 1989-90. The Annual Plan 1988-89 of Mizoram was approved at Rs. 85 crores which was fully financed through Rs. 110.62 crores of Central Assistance and State's own resources (net) of Rs. (-) 25.62 crores. However, during the course of the year, State's resources have seriously deteriorated.

22.2 The State proposed the Annual Plan 1989-90 for Rs. 135.57 crores i.e., suggesting a step-up of 59.49% over the approved Annual Plan of Rs. 85 crores for 1988-89. The Plan proposals were discussed in various Working Groups. Need-based recommendations made by the Working Groups aggregated to Rs. 98.30 crores. The State's own identified resources including Rs. 2.55 crores of Upgradation Grants and Rs. 14.50 crores of grants for special problems, small savings, State's provident fund, negotiated loans etc. aggregate to Rs. 18.08 crores for 1989-90.

22.3 The State has very difficult terrain and has a number of problems. State's resource generating capacity has not yet been developed in an appreciable manner. In view of the difficult resource position, the size of the annual Plan 1989-90 of the State may be decided in the meeting to be held between the Deputy Chairman, Planning Commission and the Chief Minister, Mizoram on 14th February, 1989.

492
52
544

Mizoram - Basic Information

A. Area	Sq. Kms.	21081
<u>Administrative Structure</u>	No	
District	"	3
Sub-Divisions	"	9
Development Blocks	"	20
Villages (1981)	"	737
Bwns	"	6
District Councils (Chhim-tuipui Distt.)	"	3
B. <u>Demography</u>		
Population (1981)	Lakhs	4.94
1971-81 Decennial Growth Rate	%age	48.55(India-25.0)
Density of Population	Persons per sq. Kms.	23 (India -216)
Sex ratio	No. of females per 1000 males	919
Rural Population	%age to total	75.3
Urban Population	"	24.7
Scheduled Tribes	"	93.5
Literacy rate	"	59.9(India-36.2)
C. <u>Economic Classification of Workers</u>		
Total workers	%age of total Pop- ulation	41.7
i) Cultivators	%age of total work- ers	70.6
ii) Agricultural labourers	"	2.5
iii) Household Industry workers	"	0.9
iv) Other & Marginal workers	"	26.0
D. <u>Important Economic Indicators</u>		
Foodgrains production	1987-88 Lakh tonnes	0.59
Average yield of Rice	" qtls./ha.	9.3(India-15.68)
Fertilizer Consumption	1986-87 Kg./ha.	Neg.(India-48.7)
Net irrigated areas as %age to net sown area	" %age	10.4
Per capita power consumption	31.3.86 KWH	25(India - 167)
Road Length (excluding National Highway)	31.3.87 Km.	1026
Road length (excluding National highways)per 100 sq. kms.	" Kms.	4.87
Health Sub-Centres	" Nos.	184
Primary Health Centres	" Nos.	26
<u>Villages (1981) - 737</u>		
Villages electrified	31.3.87 Nos.	213 (28.90%)
Villages connected by road	" "	227(30.80%)
Villages with water supply	" "	280 (38.0%)

Mizoram
Annexure - II

Draft Annual Plan 1989-90 - Heads of Development
Cutlay & Expenditure

Code No.	Major Head/ Sub-Heads of Development	(Rs. in Lakhs)					
		Seventh Plan (1985-90) Agreed Cutlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 Approved outlay	1989-90 Anti-Exp. outlay as recommended by Working Group
1	2	3	4	5	6	7	8
I. AGRICULTURAL & ALLIED ACTIVITIES							
1 01	2401 00 Crop Husbandry	1200	365	265	383	391	445
	2402 00 Soil & Water Conservation	900 (470)	136	172	142	120	179
	2403 00 Animal Husbandry	900	150	178	171	200	225
	2404 00 Dairy Development	45	5	7	12	8	7
	2405 00 Fisheries	100	27	29	27	40	50
	2406 00 Forestry & Wild Life	1200	215	392	403	475	600
	2407 00 Plantations	430	@	@	114	70	76
	2415 00 Agricultural Research & Education	15	2	2	6	5	5
	2416 00 Agricultural Financial Institutions						
	2435 00 Other Agricultural Programmes:						
	2435 01 (a) Marketing & Quality Control	60	38	33	10	30	32
	2425 00 Cooperation	220	40	52	86	100	100
1 01	Total (I):	4640	878	1130	1254	1439	1679

....

Mizoram
Appendure - II

:- 2 :-

Code No.	Major Head of Development	Sub-Heads	Seventh Plan (1985-90) Agreed outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 Approved outlay	1989-90 Proposed outlay	(Rs. in lakhs)

II. RURAL DEVELOPMENT

1 02 2501 00 Special Programmes for Rural Development

2501 01	(a)	Integrated Rural Development Programme (IRDP) & Allied Programmes	-	-	-	-	5	-	-
	(b)	Main Programme of	-	-	-	-	95	127	157
2501 04	(c)	Integrated Rural Energy Prog. (IREP)	10	0.20	13	29	15	15	15

1 02 2505 00		Rural Employment							
2505 01	(a)	National Rural Employment Programme (NREP)					21	35	43
	(b)	other Programmes (like Employment Guarantee Scheme etc. to be specified)							

1 02 2506 00		Land Reforms		15	20	23	24	24	30
2525 00		Community Development & Panchayats	400	65	60	88	90	90	95

1 02 0000 00 Total (0(II)):-

			470	80	93	140	245	291	290
--	--	--	-----	----	----	-----	-----	-----	-----

1 03 0000 00 SPECIAL AREA PROGRAMMES -

			-	-	-	-	-	-	-
--	--	--	---	---	---	---	---	---	---

Code No.	Major Head / Heads of Plan	Actual Expenditure (Rs. in lakhs)		1988-89		Proposed outlay	As recommended by Working Group
		1985-86	1986-87	Approved outlay	Anti-Exp.		
1 04 2701 00	Major & Medium Irrigation	50	1	20	20	30	30
2702 00	Minor Irrigation	400	100	161	161	240	163
2705 00	Command Area Development	-	1	5	5	20	-
2711 00	Flood Control	100	22	12	12	20	10
1 04 0000 00	Total (IV):-	550	123	186	186	290	203
1 05 2801 00	Power	3500	680	1494	1494	2360	1791
2810 00	Non-Conventional sources of Energy	40	9	26	26	30	22
1 05 0000 00	Total (V):-	3540	689	1520	1520	2390	1813
1 06 2851 00	INDUSTRY & MINERALS Village & Small Industries (other than Village & small Industries)	1100	195	405	405	747	540
2852 00	Industries (other than Village & small Industries)	200	40	58	58	56	60
2853 02	Mining	15	1	30	30	87	50*
1 06 0000 00	Total (VI):-	1315	236	493	493	890	650

* Includes Rs. 10.00 lakhs for ground water.

Code No.	Major Head/ Sub-Heads of Development	Seventh Plan (1985-90) Agreed outlay	Actual Expenditure		1988-89 Antl. Exp. outlay	1989-90 Proposed As Recommended by Working Group
			1986-87	1987-88		
VII. TRANSPORT						
1 07	3054 00 Roads & Bridges	5100	1109	1287	1300	1825
	3055 00 Road Transport	600	166	158	160	207
	3056 00 Inland Water Transport	30	1	11	6	14
	3075 00 Other Transport Services (Motor Vehicle Wing)	35	5	5	3	19
<u>1 07</u>	<u>0000 00 Total (VII):-</u>	<u>5765</u>	<u>1281</u>	<u>1461</u>	<u>1474</u>	<u>2056</u>
1 18	0000 VIII. COMMUNICATIONS	-	-	-	-	-
IX. SCIENCE, TECHNOLOGY & ENVIRONMENT						
1 09	3400 00 Scientific Research (including S & T)	10 (16)	5	9	13	23
	3425 00 Ecology & Environment	10 (4)	-	5	5	4
<u>1 09</u>	<u>0000 00 Total (IX):-</u>	<u>20</u>	<u>5</u>	<u>14</u>	<u>18</u>	<u>27</u>
X. GENERAL ECONOMIC SERVICES						
1 10	3451 00 Sectt. Economic Services	35	7	9	11	14
	3452 00 Tourism	120	21	30	35	50
	3454 00 Surveys & Statistics	45	7	8	12	18
	3456 00 Civil Supplies	150	25	30	31	37
	District Councils	200	39	400*	500*	850*
	Weights & Measures	20	3	5	6	8
<u>1 10</u>	<u>0000 00 Total (X):-</u>	<u>570</u>	<u>100</u>	<u>495</u>	<u>595</u>	<u>972</u>

* Allocation made from this year under scheme "Welfare of S.C., S.T. & other backward class"

Code No.	Major Head/ Sub-Head of Development	Seventh Plan (1985-90) agreed outlay	Actual Expenditure		1987-88	1988-89	1989-90	Proposed outlay	As recommended by Working Group.
			1985-86	1986-87						Approved outlay	Anticipated Exp.
XI. SOCIAL SERVICES									
EDUCATION									
2 21	2202 00	General Education	1775	359	422	502	824	674	
	2203 00	Technical Education	205	30	43	45	83	58	
	2204 00	Sports & Youth Services	125	30	40	45	211	90	
	2205 00	Art & Culture	75	25	30	30	39	67	
2 21	2210 00	Sub-Total (Education)	2180	444	535	622	1157	989	
2 22	2210 00	Medical & Public Health	1400	290	250	342	909	381	
2 23	2215 00	Water Supply & Sanitation	3000	714	755	775	1330	983	
2 23	2216 00	Housing (incl. Police Housing)	900	167	197	240	395	204	
2 24	2220 00	Urban Development (incl. State Capital-Projects)	550	142	141	221	337	237	
2 26	2230 00	Information & Publicity	70	25	30	35	50	40	
2 27	2235 00	Labour & Welfare	40	15	15	16	23	22	
2 27	2236 00	Social Security & Welfare	160	37	40	50	84	52	
		Nutrition	150	57	81	96	122	105	
2 00	0000 00	Total (XI):-	8450	1891	2074	2376	4207	2813	

Mizoram
Annexure - II

:- 6 :-

Code No.	Major Head/ Sub-Heads of Development	Seventh Plan (1985-90) Agreed outlay	Actual Expenditure				1988-89 Approved outlay	1988-89 Anti-Exp. outlay	Proposed by Working Group
			1985-86	1986-87	1987-88	1988-89			
XII. GENERAL SERVICES									
3 42	2056 00	-	-	-	-	20	20	114	28
	2058 00	230	44	46	55	55	55	100	60
	2059 00	400	17	42	50	70	73	142	75
	2070 00	50	7	6	7	9	9	20	10
		680	68	94	112	154	157	376	173
	Total (XII):-	26000	4772	6163	7166	9500	9559	13557	9530
	GRAND TOTAL :								

Note : Figures in brackets as now indicated by Govt. of Mizoram.

PLANNING COMMISSION
(State Plans Division)

Subject: Annual Plan 1989-90 : NAGALAND

A copy of the report of Dr.(Mrs.) I.K. Barathakur, Adviser (State Plans) on the Annual Plan 1989-90 of Nagaland is circulated herewith. This will form the basis of discussion between Minister of Planning and Deputy Chairman, Planning Commission and the Chief Minister, Nagaland to be held on Friday, the 17th February, 1989 at 3.30 P.M. in Room No. 130, Yojana Bhavan, New Delhi-110001.



(H.R.S. Goel)
Deputy Adviser (State Plans)
Room No. 362-A, Extn. 2638.

Minister of Planning &
Deputy Chairman
Minister of State
Members
Secretary
Special Secretary
Advisers
Consultant (PP)
Joint Secretary (SP)
Chief (Science)

Ministry of Finance

Shri J.L. Bajaj, Jt. Secretary (FB),
Deptt. of Economic Affairs.
Shri G. Haldea, Director (PF) - 4 copies

Ministry of Programme Implementation

Shri D.Y. Manawwar, Additional Secretary

Ministry of Home Affairs

Shri K.K. Sinha, Jt. Secretary (NE)
Smt. S.A. Tirmizi, Dy. Secretary (Finance)

Planning Commission Cir. No. PC(P)2/NAGA/88 dt. 15th Feb. 1989

Copy to :

Private Secretary to :
Deputy Chairman &
Minister of Planning

Private Secretaries to :
Prime Minister
Cabinet Secretary

Copy also to :

Deputy Advisers
SRO/RO concerned in State Plans Division

Copy to :

Liaison Office, Govt. of Nagaland, New Delhi - 10 copies

PLANNING COMMISSION
(State Plan Division)

NAGALAND - ANNUAL PLAN - 1989-90

Report of Advoser (SP)- Dr.(Mrs.) I.K.Barthakur

PART - I

Nagaland has an area of 16,579 sq.kms. having border with Burma on the East. Excluding the areas along the Assam border, the terrain is hilly, with hill ranges between 900 to 3840 metres MSL.(highest peak Saramati) Monsoon period extends from May to October and rainfall varies between 200 to 250 cms.

DEMOGRAPHY

1.2 During the 1971-81 decade, population of Nagaland increased from 5.16 lakh to 7.75 lakhs, indicating a decennial growth rate of 50.2%(25% for the country). The population is predominantly of scheduled tribes which constitutes about 84% of the total population. The literacy rate was 42%(all India 36%). Urban population lives in Kohima and Dimapur. Nearly 85% of the people live in villages.

ECONOMY

1.3. As is the case with some States in the North Eastern Region, the productive sector is weak. The non-plan expenditure seems to be increasing at a fast pace. The number of Government employees is quite high. About 46% of the population were workers. Participation of woman workers was also high. 77.36% of the workers are engaged in agricultural and allied activities. Village institutions are strong.

1.3.1 About 52% of the area is under forests. But jhum practice in northern districts and heavy fuel-wood and timber demands in the other areas, have reduced the real forests to much lesser percentage. Many a forest have thin strand or degraded forests.

1.3.2 Industrialisation in the State is constrained on account of hilly terrain and more importantly, lack of industrial work ethos. There are only four medium sized industries viz., sugar Mill at Dimapur, Paper Pulp Mill at Tuhi, Plywood factory at Tilit and Distillery plant at Dimapur. A Mini cement plant at Wazeho, under the North Eastern Council, was also to come up.

PLAN 2.1 The Plan outlay/expenditure in Nagaland
PERSPECTIVE from the Third Plan onwards is indicated
below:-

Plan	Approved outlay (Rs. crores)	Actual Expenditure (Rs. Crores)
Third Plan (1961-66)	7.15	10.79
Three Annual Plans (1966-69)	17.36	15.98
Fourth Plan (1969-74)	40.00	38.52
Fifth Plan (1974-79)	83.63	96.25
Annual Plan (1979-80)	26.05	27.68
Sixth Plan (1980-85)	210.00	229.79
Seventh Plan	400.00	-
<u>Annual Plans</u>		
1985-86	65.00	63.45
1986-87	78.00	73.86
1987-88	94.00*	95.25
1988-89	110.00	109.72**

2.1.1 As against the total Seventh Plan outlay of
of Rs.400 crores the actual expenditure during 1985-89
(including approved outlay of Rs.110 crores for 1988-89)
agreegate to Rs.342.56 crores leaving balance of
Rs.57.44 crores for the terminal year of the Seventh
Plan.

* Excludes additional provision of Rs.75 lakhs for
the sports stadium.

** Anticipated

Financial Resources

Seventh Plan 1985-90

3.1 The State's Seventh Plan outlay of Rs.400 crores was agreed to be financed as follows:-

	(Rs.crores)
1.State's (net) resources	(-) <u>266.88</u>
2.Central Assistance	<u>666.88</u>
3.Aggregate Resources	<u>400.00</u>

Annual Plans 1985-86 to 1988-89 (Rs.crores)

4.1 The details of the Annual Plan 1985-86 onwards are as below:- Annual plan as approved at the formulation stage

	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>	<u>1988-89</u>
I. Plan outlay	65.00	78.00	94.00	110.00
II. Funding				
State Resources (net)	(-) 58.31	(-) 57.57	(-) 58.81	(-) 73.57
Central Assistance	123.31	135.57	152.81	183.57
III. Aggregate resources for Plan	65.00	78.00	94.00	110.00

* After adjusting opening surplus balance of Rs.4 crores.

Annual Plan 1989-90

5.1 The State Government proposed an outlay of Rs.193.34 crores for the Annual Plan 1989-90 which indicated a step up of about 76% over the approved outlay of Rs.110 crores for the Annual Plan 1988-89.

5.1.1 The Working Groups recommended Rs.158.93 crores i.e. a step-up 44.5% over 1988-89 plan outlay.

NAGALAND

6.1 Sectoral outlays for the Seventh Plan expenditure/outlay for first, ~~three~~ years of the plan (1985-89) and proposed/recommended outlays for the Annual Plan 1988-89 are given in the following table:-

Head/Sub-Head of Development	(Rs. lakhs)				
	Seventh Plan 1985-90 Agreed outlay	1985-88 Actual Exp.	1988-89 Approved outlay	1989-90 Proposed outlay	
(1)	(2)	(3)	(4)	(5)	(6) Recommended by W.G.
Agriculture and Allied Activities	7300	3153	1750	2300	2052
Rural Development	1805	1597	760	1100	1063
Special Area Programme	800	475	205	225	225
Irrigation & Flood Control	1500	850	274	400	391
Energy	3380	1872	870	1325	1641
Industry & Minerals	2820	1714	700	820	850
Transport	9850	4546	1841	2860	2165
Science, Technology and Environment	85	21	24	50	39
General Economic Services	770	244	259	995	923
Education, Sports, Art, and Culture	2600	1570	974	1362	1223
Health	1500	977	520	1000	630
Water Supply	2600	1419	720	880	750
Housing and Urban Development	2450	1729	1079	2210	1067
Other Social Services **	1395	767	471	660	615
General Services	1145	2322	553	3147	2259
GRAND TOTAL:	40000	23256	11000	19334	15893

** Comprises Information and Publicity, Labour and Labour Welfare, Special Employment Schemes, Social Security and Welfare and Nutrition.

6.1.1 Details of Sector-wise outlay/expenditure are indicated in Annexure-I.

PART - II

During the wrap up discussions, the Adviser(SP) mentioned the following aspects which need to be kept in view:

PROJECT
FORMULATION

- 7.11- It is important to formulate projects in detail. The physical targets, the objectives, the goal, time phasing and financial requirement should be seen and detailed clearly. The project report should show the benefits that would accrue to the people. Cost effectiveness of the proposal should also be examined. At what unit cost the proposed benefit is sought, should be spelt out wherever feasible.

MONITORING

- 7.12- Monitoring at various levels will help to avoid time over-runs and cost over-runs.

JHUM

- 7.13- For replacing jhum, it has been clearly understood that people resort to jhum cultivation for meeting their food requirements. Continuation of this primitive practice of cultivation points to the fact that the efforts of the agriculture and other allied sectors have either failed or have not been adequate in the areas where this practice is persisting. Agricultural sector, has, therefore, to play a very cardinal, constructive and aggressive role in assisting people to improve yields and productivity of their jhum land and simultaneously to develop permanent cultivation not only in growing food crops but also in growing of vegetables and other food items. Agriculture in the hills cannot be left to be handled by primitive techniques. At the same time, public distribution system needs to be strengthened. People have to be provided food security. This approach coupled with scientific working of community/private forest, will relax and reduce pressure on the hill lands.

- 7.13.1- To overcome the disadvantages of shifting cultivation and to help people to live a better quality of life and also to conserve and develop ecology of hills, a strategy to replace jhum has been evolved. It suggests multi-disciplinary integrated area development approach where pooling of resources and efforts of all departments and other developmental agencies is considered necessary. The focus is on

evolving location specific integrated package of schemes that provide sustainable income generating alternatives and settled cultivation to replace jhum without disturbing settled villages. A central sector scheme is in operation since 1987-88. The strategy may be extended to all jhum areas by the concerned State Governments.

7.13.2-

A number of schemes are in operation to control/replace jhum in the State, i.e., through the Ministry of Welfare; Ministry of Agriculture; Tribal Development Corporation; North Eastern Council; Soil Erosion Department of the State Govt.; through the Agriculture Department; etc. It is very essential that all these are consolidated and integrated under a nodal Department, preferably, Agriculture.

MODERNISE 7.14-
AGRICULTURE

The cropping intensity, use of high yielding varieties of seeds, fertilizers and other modern inputs continue to be low. In order to encourage these, especially to enhance cropping intensity, it is necessary to introduce short duration (less than 100 days) time bound high yielding varieties of paddy seeds during Kharif season, so that the paddy crop is harvested during the month of September/October and the paddy lands become vacant for planting of various Rabi crops during the optimum sowing season. The optimum sowing season closes by the end of October in most of the States and by the middle of November in some States of the North Eastern Region. It is necessary to link propagation of seeds to this approach.

SEEDS 7.15-

Non-availability of required quality short duration (less than 100 days and cold tolerant high altitude variety for hills) variety of seeds has been a continuous problem. The right variety seeds are either not available, or are not available at the required time and in required quantities. The situation is compounded by the problem of transportation and distribution of seeds. It is necessary to place timely advance orders for the procurement of foundation seeds for multiplying the same in the State farms and seed growers' farms. The State Govt. may develop a suitable seed production strategy.

LAND TENURE 7.16- In certain areas, the existing land tenure system is inhibiting permanent asset formation on land based activities. The State Govt. might like to give attention to this aspect and evolve suitable policy/ strategy.

ACID SOILS 7.17- Wherever Rabi crops are planned to be taken up, soil acidity levels should be corrected for the requirement of the selected Rabi crops.

IRRIGATION 7.18- Wherever irrigation potential has already been created, it should be linked with crop husbandry programme. Irrigation by itself is of no consequence.

7.18.1-Irrigation schemes/proposals may be examined first from the potential it will create for irrigating Rabi and pre-Kharif crops (Ahu/Ahus). Since the rainfall during Kharif season is very heavy, the true benefit of irrigation is to be judged from its likely impact on Rabi and Pre-Kharif crops.

7.18.2-Due to the terrain problem, major and medium irrigation projects of long gestation period are less advantageous than the minor irrigation projects. Wherever necessary and feasible, minor irrigation projects need to be taken up on higher priority and firmly linked with crop husbandry and modern inputs. A coordinated approach to the development of crop husbandry with modern inputs and linkage of irrigation is necessary.

FORESTS 7.19- Very heavy deforestation is taking place for a number of reasons, including jhumming and commercial interests. The State Govt. may take necessary steps and make a suitable policy for preventing unregulated tree felling.

HORTICULTURE 7.20-

The development of horticulture seems to hold good promise. The North Eastern Council is already preparing a regional perspective on the development of horticulture. Although the conditions for the development of horticulture seem conducive, it is important that transport and market linkages are seen and planned well ahead of fruiting of the crops. It is important that the area which specialises in horticulture development also produces foodgrains to meet at least partial requirements of the people. In addition the State Govt. must strengthen public distribution system and make food available to the people engaged in horticultural development.

SERICULTURE 7.21-

Development of sericulture in the North Eastern Region need to be linked with availability of adequate numbers of food trees under various afforestation, social forestry development schemes and the like programmes need to be encouraged.

PRODUCTIVE SECTOR 7.22-

People are fond of eating meat/fish. Modern techniques to increase livestock of quality and quantity may be used. High priority needs to be given to the productive aspect of agriculture and allied sectors and other productive sectors for the development process of the State.

INSTITUTIONAL FINANCE 7.23-

The credit-deposit ratio continues to be adverse. It is essential that more and more institutional finance is linked with various developmental activities/enterprises. The constraint to the same may be identified and conditions conducive to linking of institutional finance may be created.

CORPORATIONS 7.24- A number of corporations have been set-up or are being created. It is essential that viability of the corporations that are under consideration is properly examined and benefits clearly seen before they are set up.

7.24.1- The performance of existing corporations' may be improved to the optimum level. The assets invested must bring best results.

7.24.2- The accounts of the existing corporations need to be regularly audited and their viability monitored.

REACH PEOPLE 7.25- By way of reminding, it might be worthwhile to give a fresh look to the plethora of plan schemes, projects and programmes to assess what reaches the people and how the plan effort was helping them to improve their quality of life and standard of living. Efforts may continue to be made to reduce soaking of funds in uneconomic ventures.

OBJECTIVE 7.26- The first and the foremost objective of the total development effort is to improve the quality of life of the masses. All schemes and projects should therefore, be tested on this touch-stone whether the completion of the project/scheme will bestow any benefit to the people for improving their quality of life and raising their standard of living. It is important to bear in mind that the first priority schemes should be such that create conditions for the people to move towards attaining the above objective .

TERMINAL YEAR OF THE PLAN 7.27-

The year 1989-90 is the terminal year of the Seventh Five Year Plan. It should, therefore, be treated as the year of consolidation and completion of projects so that the achievement of the year could be compared against the Seventh Five Year Plan targets.

7.27.1- The year 1989-90 will also become the base on which the Eighth Five Year Plan will have to be founded. Therefore, intensive efforts are required to complete the on-going schemes/ projects so that new projects and new schemes could be identified and scheduled to be taken up during the Eighth Five Year Plan.

7.27.2- The schemes that have been completed during 1987-88 and 1988-89 and those that will be completed during 1989-90, may be listed and schemes that will spill over to the Eighth Plan may be separately identified.

NEW EXPENDITURE NOT TO BE COMMITTED 7.28-

A number of new posts, construction of buildings and purchase of vehicles have been proposed. It was suggested to the State Govt. that new expenditure on these items may not be committed, especially on the start of new buildings when a very large portfolio of buildings including some buildings that were taken up during Fifth Five Year Plan, were continuing to be under construction - due to shortages of material. Therefore, in all the sectors these expenditure should be kept under strict check during 1989-90.

RESOURCES SHOULD NOT BE SPREAD THINLY 7.29-

The resources should not be spread thinly on a large number of projects but concentrated on projects that could be completed in the shortest possible time. This will bestow benefits to the people at the earliest. Only through this approach, aspirations of the

people in real terms can be met. Thin spread of resources create hope that leads to disappointment if the projects are not brought to fruition in the expected time schedule.

- 7.30- LISTING OF ASSETS CREATED
- It is suggested that a master folder, containing identifiable list of assets created by various sectors, district, sub-divisions, administrative circle/blockwise list of villages and achievements made by different line Departments may be prepared. It is high time a stock taking is done. Unit cost of reaching the benefits to people have to be seen. At least productive sectors should become profitable so that their benefits begin to cross subsidise and sustain social services sectors.
- 7.31- EXISTING ASSETS TO BE FULLY USED
- The existing infrastructure, institutions, staff, buildings, transport facilities and other assets should be used to the optimum level.
- 7.32- MAINTENANCE OF ASSETS
- Permanent assets have been created with scarce resources and with a great deal of efforts. These should be maintained properly and not allowed to get into disuse or damage.
- 7.33- LESS DEVELOPED AREAS
- Within the State, there are comparatively less developed areas. These may be given special attention for speedy development.
- 7.34- ROADS
- Faulty construction of roads cause serious disturbance to fragile eco-system. Roads may be planned properly and constructed as per designs that prevent disturbance to ecology and environment.
- 7.35- HOUSING
- The local housing designs should respect local architecture and use local materials. As far as possible, institutional finance through schemes like self-financing etc. may be used. Where acute shortage of housing accommodation for staff exists and where local houses on rent are not available, construction of transit accommodation/barrack type accommodation could be considered.

INPUT OF
SCIENCE AND
TECHNOLOGY

7.36-

Science and Technology Council has already been constituted. The State Govt. may involve the council input to all sectoral plans. Similarly, State Govt. may use various technical institutions situated within the State or in the region, and involve them to innovate and introduce scientific and technological improvements for enhancing productivity and reducing drudgery in various sectors.

SHORTAGES OF
TECHNICAL
PERSONNEL

7.37-

The shortage of technical personnel continue to be a serious constraint. A systematic multi-directional effort is necessary to train as well as to attract qualified and experienced technical personnel.

EMPHASIS ON
CONSUMABLES

7.38-

The general infrastructure sector, for the North Eastern Region as a whole, especially transport system and specialised manpower is considered weak. To overcome this situation, high emphasis over the years has been laid on the development of infrastructure. Heavy investments on this sector are continuously being made. Intra sector infrastructural expenditure made on various sectors of the State Plans, the NEC Plan, and the Central sector scheme too is also high. A large number of departments, organisations and institutions and corporations have been set up.

7.38.1-

However, the productive sector has not kept pace with the increased demand - which has risen both qualitatively and quantitatively. The agricultural and allied productive sectors have remained more or less stagnant. Most of the primary and manufactured/consumer goods and producer goods are brought into the region. Therefore, it is that maximum resources in real terms go towards inputs that enhance actual production of consumer goods. Innovative inputs and people's involvement towards this objective may also be encouraged.

∟necessary

DECENTRALISATION OF PLANNING PROCESS 7.39-

Much thought has already been expressed on decentralisation of planning process. The Village Development Board in Nagaland are using the village funds allocated on per household basis, on schemes which they consider their felt needs. In order to accomplish the task, the village community has contributed effort and their own resources and achieved much higher throughput. The State Govt. might like to consider handing over of productive schemes as well as the problem of doing away with jhum practices & to start TRC/WRC- through Village Development Board involvement for which assessed funds for the purpose could be utilised through their collective effort. Similarly, horticultural development and social forestry/afforestation schemes could also be considered.

ANNUAL PLAN - 1989- 90

PART- III

SECTORWISE PROGRAMME

AGRICULTURE AND
ALLIED ACTIVITIES

8.1 Nagaland is a hilly state. It has only 1.80 lakh Ha. of net cropped area (11% of the geographical area). The level of food production (1985-86) was 1.24 lakh tonnes and the command area under irrigation was 55730 Ha. of which net utilisation was 51250 Ha. Due to natural calamities, the production of foodgrains during 1985-87 and 1987-88 was 0.99 lakh tonnes and 1.04 lakh tonnes respectively. The command area (during the same years) under irrigation was however 57880 Ha. and 60,000 Ha., while the utilisation was 52840 Ha. and 54440 Ha. respectively. The target of foodgrains production viz. 1.60 lakh tonnes was likely to be achieved during 1988-89. Though the Seventh Plan target is 2.04 lakh tonnes but the Working Group has fixed 1.835 lakh tonnes as the target for the terminal year 1989-90. Even after achieving 1.835 lakh tonnes, the state will be deficit of 53500 tonnes of foodgrains. The Working Group recommended 8.7 th. tonnes target of oilseeds and 135 th. tonnes target of sugarcane for 1989-90. The Seventh Plan target for HYV area is 37 th. Ha., against which the Working Group recommended 35 th. Ha. for 1989-90.

8.2 The cropping intensity continues to be quite poor. In 1988-89, it is anticipated to be 110 only. The total area under HYV was about 33250 Ha. against the cropped area of net 180 th. Ha. Jhum continues to predominate. The productivity of main cereal viz. rice, of the State is very low (623 kgs./ha) (1986-87) (national average 1482 kgs/ha). The productivity of coarse cereals in 1986-87 has declined to 327 kg./Ha. and might be lowest in the country. The productivity

of total foodgrains at 635 kg/Ha is also low when compared with national average of 1142 kg/Ha. In the case of oilseeds, the productivity (803 kg./ha) is better than the all India average of 613 kg./ha., but the productivity of sugarcane i.e. 26.05 tonnes per ha. is considerably lower than the national averages. (59.73 tonnes/Ha.). The people of Nagaland are keen to take to the latest developments and techniques and have open mind. They are willing to accept new technique provided it is properly explained. The R & D linkages had to be streamlined. The State Govt. has already been advised that they should give high priority to training the manpower by sending them to various agricultural universities exposing them to progressive practices and techniques.

8.3 Regarding seeds since achievement of 1988-89 is anticipated at 360 tonnes, the Working Group recommended 1989-90 target at 415 tonnes.

8.4 The Fertilizer consumption in the state is only 5 kg/Ha. as compared to national average of 50 kg./Ha. The Working Group suggested that \angle its consumption, it should be available at the door step of the farmers.

8.5 In the case of Horticulture which has high potential, linkages with marketing and transport aspects are essential. In certain areas potato cultivation is coming up as a Rabi crop. Therefore, storage facilities, proper marketing and price support was necessary.

\angle for increasing

Animal Husbandry

8.6 The milk production target of Seventh Plan was set at 5500 tonnes against which the achievement is anticipated at 5000 tonnes by 1988-89. In case of eggs, they anticipated production at 21.75 million number, against the Seventh Plan target of 24 million number. The production target for 1989-90 is 23 million number. The production as well as productivity of milch cattle in the state is very poor as compared to the national average and there is need for improvement by way of scientific breeding and health care measures. Village Milk Cooperative Societies in the state where surplus milk production has become available could be organised.

8.7 Regarding meat production, it was 7000 tonnes, 8000 tonnes, 9000 tonnes and 10500 tonnes in 1985-86, 1986-87, 1987-88 and 1988-89 respectively. For 1989-90, the target is 12000 tonnes.

8.8 In the sector of poultry, the strength of layers in the existing farms was raised to 11359 which is further to be raised to 11750 in 1988-89 and 12300 in 1989-90. For Poultry development the Seventh Plan outlay is Rs. 137.85 lakhs. Out of this in the first 4 years an expenditure of Rs. 102.26 lakhs is anticipated. The outlay for 1989-90 is Rs. 36.54 lakhs. Thus expenditure on poultry will exceed by approximately Rs. 1 lakh in Seventh Plan.

8.9 In the sector of piggery, the strength of breeding *Sows* were raised to 480, and of breeding boars to 56. Centre at Wokha is also being upgraded. One more centre at Sathazon is also coming up. For piggery development, the Seventh Plan outlay was Rs. 211.37 lakhs. Out of this Rs. 13.49 lakhs, Rs. 17.85 lakhs and Rs. 31.29 lakhs were spent during 1985-86, 1986-87 and 1987-88 respectively. During 1988-89, they anticipate to spend Rs. 48.19 lakhs and proposed outlay for 1989-90 is Rs. 54.66 lakhs. The expenditure is for both state and district level.

8.10 Piggery development in Nagaland has much scope. Perhaps, the VDBs could suggest suitable schemes to be taken up at village level. Involvement of women's organisation at the village level could bring viability to the schemes. The fish seed production in the state should be increased and available water resources utilised better.

Fisheries

8.11 The Seventh Plan target of Inland fish production is 1000 tonnes only. The state anticipated to achieve only 700 tonnes by the end of 1988-89. In case of fingerlings too though the target of 7th Plan is 10 million nos. but they anticipate to achieve about 5.90 million nos. by 1988-89.

8.12 In all the above mentioned activities, very active participation of VDBs could bring about lasting developments.

NAGALAND

COOPERATION

8.13 The level of overdues has assumed alarming proportion. The Nagaland State Cooperative Bank Ltd. has therefore thought of blocking of old irrecoverable loan so that they can be recovered in 10 years time. For this State Govt. would provide suitable subsidy to the bank for blocking of overdues R.B.I. has declared Nagaland State Coop. Bank to be a weak bank so that programmes may be taken up to rehabilitate it.

8.13.1 During Seventh Plan, the target was to grant Rs. 23 crores as short, medium, and long term loans. During 1985-86, 1986-87 and 1987-88, Rs. 14.25 crores were disbursed. The achievement of 1988-89 is anticipated to be Rs. 6.70 crores and the target of 1989-90 is Rs. 7.45 crores. Thus the total disbursement is anticipated to be Rs. 28.50 crores.

through

8.13.2 There was no retail sale of fertilizers / Cooperatives. However against VIIIth Plan target of Rs. 20 crores agriculture produce marketing, Rs. 15 crores is anticipated by the end of 1988-89. The target of retails sale of consumer goods of VIIIth Plan both in urban and rural areas is Rs. 38 crores. Against this Rs. 46 crores achievement is anticipated by the end of 1988-89. The cooperative storage by the end of VIIIth Plan was targetted at Rs. 4 lakh tonnes cumulative. This was achieved in 1985-86 itself. The achievement of 1986-87, 1987-88 and 1988-89 was 5 lakh tonnes.

FORESTRY AND
WILD LIFE

8.14 The area under forest was 8.63 lakh ha. It (includes 2.9 lakh ha. of virgin - non accessible forests). Although it comes to about 52 per cent of the total geographical area but only 1/3rd of it is with Forest Department and rest with

NAGALAND

community or individuals. A large percentage of area is under various stages of degradation due to Jhum cultivation etc. The main thrust of the forestry activities is to accelerate the measures for preservation and protection of forests and to re-establish forest through massive afforestation thrust. Efforts should be made to check the overfellings in the community forest areas. Fuel efficient chulhas supply of gas, use of bio-gas as per suitability should be encouraged so that burden on fuel-wood is reduced. Besides old plantations the following afforestation schemes have been taken up by State Govt. with target shown against each.

<u>Scheme</u>	<u>Target (In Ha.)</u>
1. Plantation of quick growing species	1300
2. Economic Plantation	1400
3. Social Forestry (mixed)	1000
4. Road side Plantation	1100
5. Rehabilitation of degraded forests	160
6. Afforestation of Special sites	180
7. Rural Fuel-wood Plantation	5000
8. Ecological sensitive Area	90
9. Industrial Plantation	535
10. Crop plantation	250

Besides 280 lakhs seedlings ^{are} to be distributed.

.../...

NAGALAND

/1s

8.14 Under wild life preservation, a new wild life Sanctuary is envisaged to be created. It is also proposed to shift present Zoological Park to some other area for better management.

8.15 As against Rs. 481 lakhs for 1988-89 an outlay of Rs. 575 lakhs has been recommended by Working Group against Rs. 600 lakhs proposed by the State Government).

RURAL
DEVELOP-
MENT

I.R.D.P.

9.1 The State Government proposed Rs. 89.25 lakhs for the subsidy to IRDA's even though central assistance worked out to Rs. 98 lakhs. As State Govt. agreed to provide matching contribution, the Working Group recommended Rs. 98 lakhs for subsidy to DRDA's. The target of Seventh Plan was 29600 beneficiaries and anticipated achievement by March, 1989 is around 21500.

9.1.1 It was mentioned that the assistance during Sixth Plan was on an average Rs.1000/- only and so people could not come above poverty line. A household survey completed in Oct., 1988 identified 48000 beneficiaries for assistance. So far banking infrastructure is available in 22 out of 28 blocks resulting in poor credit linkage. Recently credit linkage has been introduced, but only 50-60% population is getting benefit of facilities from banks. State Government is making efforts to increase credit linkage and programme has started. Potential areas are also being identified with the help of District Industries Centres.

picking up.

9.1.2 The findings of concurrent evaluation report Jan.-Nov., 1987 had revealed that 20% of the beneficiaries had income above Rs. 4800 as against national average

NAGALAND

of 9%. 49% beneficiaries were selected by officials. In 33% cases there was no percentage increase in family income over their initial income. After care support was also not provided by Govt. agencies in all the 100% cases. The State Govt. representatives felt that evaluation report does not given factual information because factor like transportation cost of assets like buffaloes though high but not taken care of while fixing norms under NABARD. It was insisted by Working Group that assets to the beneficiaries should be provided under credit linkage schemes and State Govt. should look into concurrent evaluation report/ should be dealt with strictly.

Land defaulters

TRYSEM

9.2 The State Government proposed construction of 2 centres and proposed Rs. 2.15 lakhs. As central share also works out to Rs. 2.15 lakhs, Working Group recommended as proposed. It was mentioned by State Government that 737 youths were trained upto Sept., 88 in trades like tailoring, motor mechanism, printing, radio mechanism, watch repairing etc.

D.W.C.R.A.

9.3 The State Government proposed Rs. 5.10 lakhs for organising 100 groups. As central shares also works out to Rs. 5.10 lakhs. The Working Group recommended as proposed. It was mentioned that 250 groups have been organised in Kohima and Mokokchung and the State Government proposed to cover the third district. The approval of Government of India is awaited. The activities of the groups are weaving, knitting, dairy, poultry, kitchen garden etc.

.../...

NAGALAND

Strengthening of Block level Admn.

9.4 The Working Group recommended Rs. 10 lakhs as proposed by State Government and suggested to the State Government to pursue getting matching share from Deptt. of Rural Development, Government of India.

N.R.E.P.

9.5 The Working Group recommended Rs. 40 lakhs as proposed by State Government because central share also works out to this very amount.

9.5.1 Regarding progress, entire 220 metric tonnes of foodgrains was utilised. The prevailing wage was Rs. 15 and wage material ratio was 50:50.

9.5.2 The State Government representative mentioned that there was difficulty in getting people under NREP @ Rs. 15 wage, though for community they are prepared even to charge less. The State Govt. therefore proposed to Govt. of India/merger of funds of NREP/RLEGP. It is understood from Deptt. of Rural Development that they have agreed to merge them w.e.f. 1.4.89.

work

for

Community Development

9.6 The State Govt. proposed Rs. 791 lakhs and the Working Group recommended Rs. 780.50 lakhs for the eight schemes (including Rs. 650 lakhs for village development Board and some amount for construction of block buildings in some of the remote areas). The State Govt. representative mentioned that in the current year, Planning Commission has agreed for enhanced allocation of Rs. 500 per household (against Rs. 300 earlier) under V.D.B. programme after making adjustment in the overall plan of C.D. Sector.

.../...

NAGALAND

Land Reforms

- 9.7 The State Government proposed Rs. 100 lakhs against Rs. 55 lakhs in the current year. The increase suggested was due to strengthening of revenue machinery, updating of land records and completing office building for the Director of Land records. The Working Group recommended Rs. 65 lakhs.

S.M.F. Programme

- 9.8 The Agriculture Division/agreed of the Planning Com. that the amount may be provided under Rural Development Programme. The Working Group recommended Rs. 52.50 lakhs as proposed by State Government.

- 9.8.1 Thus as against Rs. ¹¹⁰⁰~~1000~~ lakhs proposed by State Govt., the Working Group recommended Rs. 1053 lakhs for 1989-90.

Minor Irrigation

- 10.1 As per 1989-90 plan document of the State the anticipated achievement in the first 4 years of the VIIth Plan is 8880 Ha. in potential and 5820 Ha. in utilisation (Both Ground and surface water) and the target for 1989-90 is another 2950 Ha. in potential and 1870 Ha. in utilisation. Thus by the end of VIIth Plan, the achievement is anticipated at 65530 Ha. (VIIth Plan target 65700 Ha.) and 57890 Ha. utilisation (VIIth Plan target 57500 Ha.)

- 10.1.1 The Ministry of Water Resources estimated the ultimate potential from minor irrigation at 80000 Ha. comprising 5000 Ha. from ground water and 75000 Ha. from surface water schemes. The State Govt. has estimated the level of achievement upto 1984-85 at 53.7th Ha. potential (50.2 th Ha. utilisation). These figures differ from the figures indicated earlier by the Planning Commission at 50.5th Ha. potential and 47th Ha. utilisation. These would need reconciliation.

.../...

NAGALAND

10.2 Under surface water, the State Government proposed Rs. 250 lakhs but the Working Group recommended Rs. 265 lakhs. The amount is to cover 353 Nos. ongoing Diversion schemes which need only completion to derive benefits out of them. Besides there are water tanks and certain lift Irrigation schemes.

10.3 Under ground water, the State Government suggested Rs. 50 lakhs as subsidy for digging wells. The Working Group recommended Rs. 30 lakhs. As against Rs. 274 lakhs annual plan allocation for 1988-89, Rs. 391 lakhs were recommended by the Working Group for 1989-90. It includes Rs. 10 lakhs for flood control and Rs. 20 lakhs for Investiga- / etc. under Medium Irrigation.

/-tion

NAGALAND

POWER

Generation

11.1 The State Government proposed 3 new schemes for benefit during the Seventh Plan and 5 new schemes for benefit beyond the Seventh Plan. However Working Group recommended investment in only 6 schemes out of 8 schemes proposed by State Government. The details of these schemes with Working Group recommendations are given below:-

Scheme (Capacity in KW)	Estimated Cost (latest)	Exp. up to 1988-89	(Rs. in lakhs)		Schedule of Commissioning
			Proposed by State Govt.	Recommended by W.G.	
<u>New schemes for benefit during Seventh Plan</u>					
1. Ghekhu (2x40)	93	15	78	78	4/89
2. Dzuladi (2x250)	134	40	94	94	3/90
3. Tsutha (3x350)	185	60	125	125	3/90
<u>New schemes for benefits beyond Seventh Plan</u>					
4. Likim Ro (3x8 MW)	3400	10	560	520	3/93
5. Horangki (3x500)	461	-	200*	150	2/91
6. Telengbao (3x500)	345	-	150*	100	3/91
			1067		

* Schemes not included in Plan documents

11.2 The schemes that are to be completed during the Seventh Plan have to receive priority over the other.

Transmission & Distribution 11.3 The Working Group recommended for ongoing and new schemes Rs.434 lakhs against Rs.315 lakhs proposed by State Government.

Survey & investigation 11.4 The Working Group recommended Rs.10 lakhs as proposed by State Government.

Rural Electrification 11.5 The working group recommended Rs.115 lakhs against Rs.118 lakhs proposed by State Government. Nagaland has already achieved 100% electrification of villages.

Non Conventional Energy Sources 11.6 Rs.15 lakhs against Rs.25 lakhs, proposed by State Government have been recommended for Bio-gas, wind generation, improved chullahas etc.

INDUSTRY AND
MINERALS

Nagaland Sugar Mill

12.1 The installed crushing capacity of the mill is 1000 tonnes per day but it has been utilised only 50% due to various technical and mechanical & lack of raw material supply and managerial reasons. The State Govt. expects that supply of sugar cane to the mill is expected to improve and then annual turn over will also improve.

/responsibility

12.1.1 Regarding feeder roads of the mill, the construction/ etc. of these roads has been diverted and vested with Deptt. of Industries so that 27 roads under construction may be completed phase wise. The condition of 11 roads is also not viable for heavy vehicle plying and these are also to be improved.

12.1.2 Rs. 5 lakhs were recommended by Working Group as proposed for modernisation, replacement and renewal of mill for 1989-90. For road construction etc., funds are to be provided in the Transport Sector.

Nagaland Industrial Development Corporation

12.2 NIDC is engaged in providing promotional assistance for setting of Industries. The State Govt. has already contributed Rs. 4 crores towards equity contribution, out of the authorised capital of Rs. 5 crores of the Corporation. The Working Group suggested that local boys/girls should be trained in some prestigious institutions and companies (private or public) in the country in professions like Chartered Accountancy, Computer Programming and Engineering etc. to promote industrial development of the state. An amount of Rs. 30 lakhs was recommended by Working Group as proposed by State Govt. for 1989-90.

National Industrial Raw Materials and Supply Corporation

12.3 It was incorporated in 1972-73 to supply scarce raw material (steel, cement etc.) to State industrial units through procurement and distribution. The State Govt. bears the equity share. An amount of Rs. 5 lakhs was recommended by Working Group as proposed by State Govt. for 1989-90.

Mechanised Brick Plant

12.4 The project is being set up at Dimapur with an estimated capacity of 400 MT of bricks per day. An expenditure of Rs. 152.10 lakhs has already been incurred upto March, 1988 and the State Govt. anticipate to spend another Rs. 120 lakhs during 1988-89. The Working Group felt that the State Govt. should reassess the need of the plant. However, an amount of Rs. 175 lakhs was recommended by the Working Group as proposed by State Govt. for 1989-90.

Electronics Project

12.5 The project was being set up at Dimapur for TV assembly, tape recorder, electronic watches etc. and a sum of Rs. 24.40 lakhs has already been incurred upto March, 1989. They anticipate to incur a further expenditure of Rs. 20 lakhs during 1988-89. A sum of Rs. 40 lakhs has been recommended by Working Group as proposed by State Govt. for 1989-90.

Fruit Preservation & Beverages

12.6 Fruit processing industries, need to be linked with fruit production area of the State. The Working Group recommended Rs. 40 lakhs for 1989-90 against Rs. 85 lakhs proposed by State Govt. The total cost of the project is Rs. 447 lakhs but tentative allocation for Seventh Plan was Rs. 270 lakhs for all the 3 centres at Dikhu, Saring and Baghty.

Growth Centre

12.7 The Working Group informed State Govt. that one growth centre as per new policy of Govt. of India is to be set up at Nagaland and recommended Rs. 50 lakhs for this purpose for 1989-90. Each centre when complete will cost Rs. 20 to Rs. 30 crores which will be shared by Centre, State and Financial Institutions.

Khandsari Mill

12.8 This was installed on 16.2.86. The installed capacity is 200 tonnes of sugar cane per day. An amount of Rs. 132.20 lakhs has already been spent upto March, 1988 and Rs. 20 lakhs are anticipated to be spent during 1988-89. The Working Group recommended Rs. 10 lakhs as proposed by State Govt. for 1989-90.

12.9 As against the annual plan(1988-89) allocation of Rs. 490 lakhs for Industries, Mining and Weights & Measures, the Working Group recommended Rs. 635 lakhs against the State Government's proposal of Rs. 610 lakhs.

12.10

✓in hand

All new starts will have to be made in the Eighth Plan. The outlay that may finally be accepted should be utilised for completion of schemes. In the wrap up meeting Chief Secretary, Nagaland mentioned that for helping entrepreneurs, they have to give subsidiary, but they are having no funds for this purpose. This needs consideration.

Small Scale Industries

13.1 The State is having 7 D.I.C. and 8 Sub-Centres and training is being imparted to build up skilled manpower. The Working Group suggested that some trainees may be sponsored to some established large scale industries to get on the job training and guidance for entrepreneurship. Tuensang district is already declared as 'No Industry District' and under Central Scheme 50% funds are provided by Centre for infrastructural development. The Working Group recommended Rs. 127 lakhs as proposed by State Govt. for Small Scale Industries.

Handloom and Handicrafts

13.2 Nagaland Handloom and Handicraft Development Corporation was established in 1979-80 for development and promotion of handloom and handicrafts. It is handicapped of financial and marketing problems. The Working Group recommended Rs. 37 lakhs as proposed by State Govt. for 1989-90.

Sericulture

13.3 It has good scope in the State. The State Government has established 25 demonstration farms and 6 units of eri spinning, oak tasar reeling, seed cocoon preservation etc. The Working Group recommended Rs. 40 lakhs as proposed by State Govt. for 1989-90. The sector must begin to be productive and show viable results.

Khadi and Village Industries

13.4 Nagaland Khadi and Village Industries Board was set up in 1979 and its activities are gradually increasing. Against proposed Rs. 6 lakhs, the Working Group recommended Rs. 11 lakhs so that activities should expand in favour of non-luxury mass production items.

13.5 To sum up Rs. 215 lakhs have been recommended by Working Group against Rs. 210 lakhs proposed by State Govt. for 1989-90.

TRANSPORT

Roads

14.1 The Working Group estimated that there are 117 on-going schemes spilled over from Fifth and Sixth Plan respectively and they needed Rs. 5.14 crores and Rs. 23.96 crores for completion. Besides, there are 88 schemes of Seventh Plan which need Rs. 26.61 crores for completion.

14.1.1 The Working Group recommended that all ongoing schemes may be accorded highest priority and due to resource crunch spilled over schemes from 5th Plan should be completed during 1989-90.

14.1.2 It was also mentioned that condition of roads is not satisfactory due to lesser provision for maintenance (approx. half than the norm fixed by Eighth Finance Commission).

32 and

S

^

IMPROVEMENT OF
KUKIDOLONG
PEREN ROAD

14.1.3 The improvement of Kukidolong-Peren Road (taking off on NH 39) an ongoing scheme of Fifth Plan has not progressed satisfactory due to paucity of funds. It was been estimated that work of improving the road to Class IX Standard should be completed by the end of the Seventh Plan and would require approximately Rs. 4 crores in 2 years. As this road would facilitate transport requirements of Jalukie - Khelma-Athibong area, in the wrap up meeting, Chief Secretary, Nagaland suggested that Rs. 2 crores may be earmarked for this road in 1989-90. In order to complete this road, the amount required need to be set aside.

14.1.4 The Working Group recommended Rs. 19 crores against Rs. 25.60 crores proposed by State Govt. (1988-89 outlay was Rs. 16.20 crores). The Chief Secretary, Nagaland in the wrap up meeting told that any amount less than Rs. 20 crores (excluding Peren Road) will not serve the purpose. This can be considered once, overall outlay of Nagaland is decided.

14.1.5 It was indicated that there is likely to be sufficient shortfall in anticipated achievement and Seventh Plan target. The position at the end of 1989-90 is anticipated as below:

	<u>7th Plan target</u>	<u>Anticipated 1989-90</u>
Bridges Nos.	50	26
Improvement of low grade section(kms)	910	559
Strengthening of weak pavements (kms)	231	159
Expansion of existing road net work(kms.)	1553	791

14.1.6 In respect of MNP, out of 1002 villages, 241 villages have been connected by all weather roads while 623 villages by fair weather roads.

ROAD TRANSPORT

14.2 The losses of S.R.T.C. are mounting year after year. They are expected to reach Rs. 20.50 crores by the end of Seventh Plan. They seem to be due to following reasons.

(i) Vehicle productivity at 97 revenue earning kms. per bus per day is quite low.

(ii) Fleet utilisation @ 69% is also low. Out of 190 buses in the beginning of 1985-86, 112 buses are likely to be scrapped and replaced during 1989-90. then The utilisation should increase to 80%.

(iii) Maintenance is very poor, and on an average 30 buses remain under repair. The Working Group suggested that spare parts should be purchased through A.S.R.T.U. There were 198 buses at the beginning of 1988-89. The scrapping plan is 31 buses in 1988-89 and 40 buses in 1989-90. The Working Group recommended purchase of 40 buses only during 1989-90 (For 1988-89 they have to purchase 33 buses).

TOURISM

14.3 It was proposed to complete the ongoing schemes viz. Tourist Lodges at Wokha, Kohima and Mokokchung, develop tourist centre and provide infrastructure facilities for Centrally sponsored Schemes.

14.3.1 The State Govt. proposed to purchase land for wayside amenities. The Working Group observed that private entrepreneurs should be encouraged through interest subsidies to develop wayside amenities for Tourists.

14.3.2 An amount of Rs. 85 lakhs was recommended by Working Group for 1989-90 against Rs. 66 lakhs approved outlay for 1988-89.

EDUCATION

Elementary Education

15.1 Against the enrolment target of 1.66 lakh students for Classes Istst Vth, the anticipated achievement is 1.60 lakh by 1988-89. The target of Seventh Plan by the end of 1989-90, seems to be within reach. The Working Group anticipates to achieve Classes VI to VIIIth enrolment of 58,000 by the end of 1988-89 and 67,000 the target of Seventh Plan by 1989-90.

15.1.1 State Government representative informed that in Nagaland, pre-primary classes are attached to primary schools and I.C.D.S. coverage was limited and education component is weak. They proposed to open 25 pre-primary centres in 1989-90 and Working Group recommended this very number. In the wrap up meeting, Chief Secretary, Nagaland wanted funds for school construction (2 rooms per school) too.

Secondary Education

15.2 The State Govt. proposed upgrading of 5 middle schools and strengthening of teaching of Science and Maths in 60 schools. Rs. 100 lakhs were also proposed for construction of high school buildings. The Working Group suggested that some of the construction programmes may be deferred and recommended Rs. 220 lakhs against Rs. 250 lakhs proposed by State Govt.

15.2.1 The State Govt. expects that 3 DIETS are likely to be established in Seventh Plan. For SCERT, Rs. 45 lakhs were recommended by Working Group against Rs. 52 lakhs proposed by State Government.

Adult Education

15.3 At present there are 8 adult literacy projects (including 6 under C.S.S) and for continuing them Rs. 11.50 lakhs were recommended by Working Group as proposed by State Govt.

15.3.1 The target of Seventh Plan was 1 lakh participants between the age group of 15-35 years. The anticipated achievement is 93,000 by the end of 1988-89. The target of 1989-90 is 30,000 participants.

15.3.2 150 centres were to be opened under State programme and these were achieved even in 1987-88.

University Education

15.4

△the

A Central University is being set up in the State and △area is being developed for that purpose. Foundation stone is already laid by Prime Minister. 2 Colleges in the interior area are being taken over by State Govt. Besides these they are having 6 Government Colleges. An amount of Rs. 145 lakhs is recommended against Rs. 210 lakhs proposed by State Govt. In the wrap up meeting, Chief Secretary, Nagaland mentioned that there are 3 Colleges having 400 students but no shelters. △been and funds have △provided for them.

Technical Education

15.5 The State Govt. proposed a womens' Polytechnic with courses of Pharmacy, Stenography, Secretariat Practice, Electronics and Electrical Engineering. The State Govt. proposed Rs. 100 lakhs and Working Group recommended Rs. 90 lakhs.

Art and Culture

15.6 Cultural Centres have already been set up in all the Districts. Now Museum building is under construction. The Working Group recommended Rs. 95 lakhs against Rs.100 lakhs proposed by State Govt.

Youth Affairs and Sports

15.7 Rs. 240 lakhs were recommended by Working Group against Rs. 250 lakhs proposed by State Govt.(The recommendation includes Rs. 100 lakhs for Indira Gandhi out-door stadium) It was suggested by Working Group that on-going construction work should be given priority and state govt. could go slow with development of District Sports Offices. In the wrap up meeting the Chief Secretary, Nagaland mentioned that the stadium may be considered a special scheme and any provision for it should not be considered part and parcel of the State Plan.

HEALTH AND
FAMILY WELFARE

/special

16.1 Against State Govt. proposal of Rs. 1000 lakhs, the Working Group recommended Rs. 630 lakhs for 1989-90. Out of this Rs.200 lakhs is earmarked for Referral Hospital at Dimapur. In the wrap up meeting the Chief Secretary, Nagaland mentioned that Referral Hospital should be considered a special scheme and/funds should be sanctioned and should not be Included in the State Plan.

16.1.1 Out of above, Rs. 186 lakhs have been recommended for MNP. It was also suggested that besides Rs. 200 lakhs earmarked for Referral Hospital, the State Govt. may arrange another Rs. 200 lakhs from other sources to save time over-run and cost. over-run of Referral Hospital.

16.2 Under MNP during Seventh Plan the State had to establish 124 Sub-Centres, 21 Primary Health Centres and 6 Community Health Centres and by 1988-89, the State Govt. anticipated to have 93, 10 and one respectively. For 1989-90, the targets as recommended by Working Group are 25 Sub-Centres, 4 Primary Health Centres and 1 Community Health Centres.

16.3 Under Central Sponsored Scheme, in case of T.B. detection, the achievement was more than the target in all the 4 years of the Seventh Plan.

16.4 Under Control of Blindness Programme, 189 cataract operations were performed against target of 600 for 1987-88.

16.5 Under National Leprosy Eradication Programme, as on March, 1988 there were 1854 cases on record and all of them were under treatment.

HOUSING

17.1 To provide houses in Nagaland, the Govt. has taken up following schemes:

1. House Building Advance to Government Employees.
2. Middle Income Group Housing Scheme.
3. Low Income Group Housing Scheme.
4. Economically Weaker Section Housing Scheme.

17.1.1 Besides, buildings are required by Public Works, Electricity and Industry Departments. For all these, the Working Group recommended Rs. 437 lakhs against Rs. 760 lakhs proposed by the State Govt.

URBAN DEVELOPMENT

18.1 During the last decade, all the urban centres registered record growth rate resulting in dislocation and insufficiency of existing infrastructure. During Seventh Plan, schemes like Town & Regional Planning, Integrated Development of Small and Medium Towns, Civic amenities, Markets in towns and big villages and assistance to Development authority, Nagaland were taken up. During 1989-90, inter-alia it is proposed to take up data collection work and physical surveys for revision of Master Plan of the Major towns. Moreover, it is expected to complete preparation of development plans of Sub Divisional level towns like Feren, Pfutsero, Bhandari, Atoizu, Changtengia and Naginimora. Besides, office buildings in Wokha, Phek, Mon and Zunheboto are also to be started.

18.2 The Working Group recommended Rs. 630 lakhs against Rs. 1450 lakhs proposed by State Govt. The Chief Secretary, Nagaland mentioned that they need at least Rs. 1.59 crores for State Capital and this amount should be provided during 1989-90.

WATER SUPPLY AND
SANITATION

19.1 Under Rural Water Supply (MNP) against State Govt. proposal of Rs. 540 lakhs, the Working Group recommended Rs. 500 lakhs. Though the problem villages as on 1.4.85 were 623 but the target of Seventh Plan was to provide drinking water to 565 problem villages only. The achievement of first 4 years of Seventh Plan is anticipated to be 425 villages and the target of 1989-90 as proposed by State Govt. was 165 villages. However, the Working Group recommended that all the remaining villages out of 623 problem villages may be covered during 1989-90 by deferring some of the partially covered villages which the State Govt. intended to cover during 1989-90.

NAGALAND

19.2 It is revealed that there is no people's participation in the maintenance of the schemes. It is suggested that if the schemes are not highly technical they should be handed over to the village Community for maintenance. It is also suggested that some amount may be charged while giving a new water connection. Moreover, the State Govt. should realise some water charges from beneficiaries to recover some of the expenditure on water supply incurred by the State Govt.

19.3 A sum of Rs. 230 lakhs has been recommended by Working Group for 3 urban water supply schemes against Rs. 240 lakhs approved outlay for 1988-89. Out of this Rs. 170 lakhs are for Dimapur Phase-II alone and Rs. 60 lakhs for Mokokchung Phase-II and Kohima Phase-III.

19.4 For urban/rural sanitation, another Rs. 20 lakhs have been recommended as proposed by State Govt.

19.5 Thus against total Rs. 880 lakhs proposed by State Govt., the Working Group recommended Rs. 750 lakhs under this sub-sector.

**PUBLIC DISTRIBUTION
SYSTEM**

20.1 Against proposed outlay of Rs. 80 lakhs by State Govt., the Working Group recommended Rs. 40 lakhs of which Rs. 32 lakhs are for construction of office building and staff quarters.

20.2 In the wrap up meeting the Chief Secretary, Nagaland mentioned that they need more funds for purchase of mobile vans. So far this scheme was being financed by the Civil Supplies Deptt. The State Govt. might, therefore, check with the Deptt. of Civil Supplies, Government of India about this.

SOCIAL WELFARE

21.1 Under Social Welfare, against Rs. 45 lakhs proposed by State Government, the Working Group recommended Rs. 43 lakhs.

21.2 Under Child Welfare, it was stressed that as Foster Care Services, are less costly these should be encouraged vis-a-vis Institutional Services. The State Govt. was apprised that Ministry of Welfare under Central Sponsored Scheme extends grants for 'Services for Children in need of care and protection' and State Govt. should take its advantage under the scheme. Financial assistance to the aged, destitute women and widows, the minimum age was increased from 50 to 60 years. This was agreed to.

△The State Govt. representative informed that

21.3 The State Govt. also grants scholarship, to handicapped student and it was agreed to increase their number from 50 to 75 under the plan.

NUTRITION

22.1 Against State Govt. proposal of Rs. 220 lakhs, the Working Group recommended Rs. 232 lakhs as per details given below:

(Rs. lakhs)

1. Differential cost for
.96 lakh
beneficiaries
@ Rs. 94 per
beneficiary/year 90.24
2. Differential cost for
3450 beneficiaries 3.24
@ Rs. 94 per beneficiary/
year
3. Differential cost for
15450 beneficiaries 126.27
@ Rs. 80 per beneficiary
per year.

(Rs. lakhs)

4. Differential cost for
15450 beneficiaries 12.00

@ Rs. 80 per beneficiary/
year.

say 231.75
232.00

LABOUR AND
SPECIAL EMPLOYMENT
PROGRAMME

23.1 Against Rs. 195 lakhs proposed by State Government, the Working Group recommended Rs. 160 lakhs (including Rs. 50 lakhs for Special Employment Programmes). Out of Rs. 110 lakhs under Labour and Labour Welfare, bigger chunk of Rs. 68.35 lakhs is for craftsmen training and another Rs. 24.80 lakhs for Employment Services. In addition Rs. 16 lakhs are for Labour Welfare.

SCIENCE AND
TECHNOLOGY

24.1 The new schemes are promotion and popularisation of Science, R & D Support, training in area of remote sensing etc. The Working Group recommended Rs. 31 lakhs against Rs. 50 lakhs proposed by the State Government. In addition Rs. 8 lakhs have been recommended for Ecology and Environment.

UPGRADATION OF
ADMINISTRATION

25.1 There is upgradation ^{Grant} for capital works of Rs. 337 lakhs and Grants for special problems of Rs. 1450 lakhs as recommended by Ninth Finance Commission for Tripura. These have been kept enblock under sub-head 'Upgradation of Administration' under the main head 'General Services'. The amount is to be spent after getting approval of specific schemes by Empowered Committee, Ministry of Finance.

48
41
84

PLAN SIZE 1989-90:

26.1 As against the approved Annual Plan of Rs. 110 crores for 1988-89, the Nagaland Government proposed a Plan size of Rs. 193.34 crores for 1989-90. The Working Groups' recommendations aggregated to Rs. 158.93 crores, i.e. 44.5% higher than 1988-89 approved outlay.

26.2 The resources of Nagaland State for the Annual Plan 1989-90 were discussed at the official level meeting. During the first four years of the Seventh Five Year Plan, Rs. 595.26 crores of Central Assistance was allocated. The balance of Central Assistance as well as the outlay that remains for the last year of the Seventh Five Year Plan, do not leave a reasonable amount to be recommended as the Annual Plan size for 1989-90 for the State.

26.3 For 1989-90, the Upgradation Grant for Capital Works is Rs. 3.37 crores, and the Grants for Special Problems (Plan component) are Rs. 14.50 crores. The schemes under these will, however, have to be approved by the Empowered Committee of the Ministry of Finance. The Annual Plan 1989-90 for Nagaland, including the above mentioned grants, is recommended at Rs. 121 crores as against Rs. 110 crores for 1988-89.

26.4 After the Plan size is finalised in the meeting to be held between the Deputy Chairman, Planning Commission and the Chief Minister, Nagaland on 17th February, 1989, the sectoral allocations will be made in consultation with the State Government representatives.

*

ANNEXURE-I (NAGALAND)
(Rs. Lakhs)

Annual Plan 1989-90 - Outlay and Expenditure
Major Head/Minor Head of 7th Plan (1985-90) Actual Excd. 1985-86 1986-87 1987-88 1988-89 Approved outlay 1989-90 Proposed outlay Recommended by Working Group

	1985-86	1986-87	1987-88	1988-89	1989-90	Proposed outlay	Recommended by Working Group
I. AGRICULTURE & ALLIED ACTIVITIES							
Crop Husbandry	2390	140	202	292	292	481	378
Soil & Water Conservation	1000	149	206	228	228	270	261
Animal Husbandry	1200	129	200	305	310	394	375
Dairy Development	100	14	10	30	25	37	36
Fisheries	300	36	95	150	130	160	142
Forestry and Wild Life Plantations	1800	238	378	481	436	600	575
Food, Storage & Warehousing	35	4	7	10	10	10	10
Agricultural Research & Education	200	23	40	47	47	70	55
Agri. Fin. Institutions	-	-	-	-	-	-	-
Other Agricutural Programmes:	25	1	5	7	7	14	8
(a) Marketing & Quality Control	250	35	48	65	65	90	67
Cooperation	-	-	-	-	-	-	-
TOTAL(I):	7300	902	1391	1750	1705	2300	2052

	1985-86	1986-87	1987-88	1988-89	1989-90	Proposed outlay	Recommended by Working Group
II. RURAL DEVELOPMENT							
Sp1 Prog. for Rural Development:							
(a)-(i) Integrated Rural Dev. Programme(IRDIP)	430	105	105	157	89	89	115
(b) Allied Prog. of IRDP, TRYSEM	-	2	3	-	2	2	-
(c) Drought Prone Area Prog.(DPAP)	5	-	2	-	2	2	-
Integrated Rural Energy Programme(IREP)	20	-	4	10	10	10	10
Rural Employment							
(a) National Rural Employment Prog.(NREP)	120	57	31	33	40	40	40
(b) Other Prog.(like Employment Guarantee Scheme etc.)	-	5	5	-	8	8	**
TOTAL(II):	575	169	147	200	149	149	165

** Included in IRDP.

Major Head/Minor Head of Development	7th Plan (1985-90)		Annexure - I (contd.) - NAGALAND (Rs. Lakhs)		1988-89		1989-90		Recommended by W. Group	
	Agreed Outlay	Actual Expdr.	1987-88	1988-89	Appro- ved outlay	Anti. Expdr.	Propo- sed outlay	1989-90		
Land Reforms	200	18	31	38	55	55	100	100	65	
Other Dev. Prog. (incl. Community Development & Panchayats)	1030	334	316	355	505	501	797	797	780	
Others - SMDA	-	-	-	45	-	52	52	52	53	
TOTAL-(II)	1805	520	429	533	760	760	1100	1100	1063	
III. SPECIAL AREA PROGRAMMES										
Dev. of Backward Areas	500	100	100	125	125	125	125	125	125	
Special Development Schemes	300	35	35	80	80	80	100	100	100	
TOTAL(III)	800	135	135	205	205	205	225	225	225	
IV. IRRIGATION & FLOOD CONTROL										
Minor Irrigation	1500	214	270	366	274	274	400	400	391	
Command Area Development	-	-	-	-	-	-	-	-	-	
Flood Control (incl. anti sea erosion)	-	-	-	-	-	-	-	-	-	
TOTAL(IV)	1500	214	270	366	274	274	400	400	391	
V. ENERGY										
Power	3350	497	665	690	855	855	1300	1300	1626	
Non-conventional sources of energy	30	5	5	10	15	15	25	25	15	
TOTAL(V)	3380	502	670	700	870	870	1325	1325	1641	

Major Head/Minor Heads of Development	7th Plan Actual Expend.		1988-89		1989-90	
	1985-86	1986-87	1987-88	Approved outlay	Proposed outlay	Recommended by W.G.
- I - - - - -	2	4	5	6	8	9
Agreed outlay	2	4	5	6	8	9
Civil supplies	150		32	122	80	41
TOTAL (X):	<u>150</u>	<u>54</u>	<u>137</u>	<u>259</u>	<u>995</u>	<u>923</u>

XI. SOCIAL SERVICES

Education	1960	327	460	609	912	798
General Education	240	18	25	60	100	90
Technical Education	200	39	135	197	250	240
Sports and Youth Services	200	68	96	108	100	25
Art and Culture	2600	452	716	974	1362	1223
Sub-total(Education)	1500	242	440	520	1000	630
Medical and Public Health	2600	484	569	720	880	750
Water supply and Sanitation	1650	364	361	487	760	437
Housing (incl. Police Housing)						
Urban Development (incl. State Capital Project)	800	232	225	592	1450	630
Information and Publicity	350	20	50	115	200	180
Welfare of SC, ST & OBCs	-	-	-	-	-	-
Labour and Labour Welfare	260	32	60	71	145	110
Special Employment Scheme	175	30	35	40	50	50
Social Security and Welfare	160	31	33	35	45	43
Nutrition	450	130	180	210	220	232
TOTAL (XI):	<u>10545</u>	<u>2017</u>	<u>2669</u>	<u>3777</u>	<u>6112</u>	<u>4285</u>

XII. GENERAL SERVICES

Stationery and Printing	150	15	24	30	60	30
Public Works (incl. Falls)	875	375	383	472	1195	403
Other Administrative Services	100	21	40	40	70	38
(Administrative Training Institute)	-	258	656	107	1787*	1787*
Upgradation of Administration	-	-	-	-	20	-
C E Development	20	4	4	4	5	-
Training: Parliamentary Affairs Administration of Justice	-	-	-	-	10	1
TOTAL (XII):	<u>1145</u>	<u>673</u>	<u>1107</u>	<u>553</u>	<u>3147</u>	<u>2259</u>

GRAND TOTAL: 40000 6345 7386 9525 11000 10972 19334 15893
 * Includes Rs. 337 lakhs upgradation grants for capital works & Rs. 1450 lakhs for special problems.

BASIC INFORMATION
(Nagaland)

Annexure - II
(NAGALAND)

A.	<u>Area (Sq. Km.)</u>	16,579	
B.	<u>Administrative Structure</u>		
	a) Districts	7	
	b) Sub-Divisions	17	
	c) Development Blocks	21	
	d) Villages (1971 census)	966	
	e) Towns (1981 Census)	7	
C.	<u>Demography (1981 Census)</u>	<u>Nagaland</u>	<u>India</u>
	a) Population (Lakh)	7.75	6851.85
	b) 1971-81 Decennial population growth rate (%age)	50.03	25.00
	c) Density of population (persons per sq. km.)	47	216
	d) Sex ratio (number of females per 1000 males)	863	934
	e) Rural population(%age to total)	84.48	76.30
	f) Urban population (%age to total)	15.52	23.70
	g) Literacy rate (%age)	42.00	36.23
	h) Scheduled Tribe Population (%age to total)	84.00	7.76
	Workers (%age to total population)	47.48	32.47
	Economic Classification of workers (%age):		
	i) Cultivators	72.28	41.58
	ii) Agricultural labourers	0.81	24.94
	iii) Manufacturing including household industries	0.40	3.47
	iv) Other workers	26.51	30.01

.../...

D.	<u>Land Utilisation Pattern</u> (1982-83) ('000 hectares)	<u>Nagaland</u>	<u>India</u>
a)	Forests (%age to total geographical area - December 1983)	17.44	22.83
b)	Not available for cultivation	51	
c)	Net area sown	148	
d)	Net irrigated area	59	
e)	Net irrigated area as %age to net sown area	39.86	26.70
E.	<u>Miscellaneous</u>	<u>Nagaland</u>	<u>India</u>
a)	Fertilizer consumption (Kg./Ha.) (1986-87)	5.00	50.00
b)	Per capita Power consumption (KWH) (1986-87)	56	191
c)	Average road length per 100 sq. Km. (1984-85)	37.80	51.34
d)	Population per bank (in '000) 31.12.1983)	15	15
e)	Percentage of villages electrified (as on 31.3.1985)	71	64
f)	Percentage of villages provided with drinking water supply (as on 1.4.85) (No. of villages as per 1971 census)	78	88
g)	<u>Coverage per post office</u> (1984-85)		
i)	Area (Sq. Km.)	68	22
ii)	Population (1981 census base)	3087	459

Most Immediate

Planning Commission
(State Plans Division)

Subject : Annual Plan 1989-90 - Orissa.

A copy of the report of Smt. Nirmala Buch, Adviser (State Plans) on the Annual Plan 1989-90 of Orissa is circulated herewith. This will form the basis of discussion between the Minister of Planning/Deputy Chairman, Planning Commission and the Chief Minister, Orissa to be held on Tuesday, the 17th January, 1989 at 3.30 p.m. in Room No. 130, Yojana Bhavan, Sansad Marg, New Delhi.

N.K. Jaitla

(N.K. Jaitle)
Sr. Research Officer

Deputy Chairman
Minister of State
Members
Secretary
Special Secretary
Advisers
Consultant (LEM)/(PP)
Joint Secretary (SP)
Chief (Science)

Ministry of Finance
Shri J.L. Bajaj,
Jt. Secretary (FB)
Deptt. of Economic Affairs.
Sh. G. Haldea,
Director (PF),
Deptt. of Expenditure (4 copies)

Planning Comn. Cir. No.PC(P)2/ORI/88, dt. 13.1.1989.

Copy for information to : Private Secretaries to :
Minister of Planning/
Deputy Chairman
Minister of State
~~Secretary~~ to the P.M.
Cabinet Secretary

Copy also to :

Joint Advisers
Deputy Advisers
Information Officer
SRO/RO concerned in the State Plans Division
Liaison Office, Govt. of Orissa, New Delhi (10 copies).

PLANNING COMMISSION
(State Plans Division)

Annual Plan 1989-90 - ORISSA

Report of Adviser(SP) - Mrs. Nirmala Buch

Introduction

1. Orissa is one of the eastern states bounded on North East by West Bengal, East and South East by Bay of Bengal, North by Bihar, North West by Madhya Pradesh and South by Andhra Pradesh.

Area and Topography

2. The State has an area of 1.56 lakh sq. kms. of which forest area constitutes 38% (59963 sq. kms.). Administratively the state is divided into 13 districts, 314 blocks and 46992 villages. Topography is varied. As many as 9 of the districts of the state have a hilly terrain and undulated topography and are devoid of vegetation. It is among the chronically flood affected states in the country. Drought and Cyclone etc. occur with frequency.

Demographic features.

3. According to 1981 census, the State's population is 264 lakhs constituting 4% of the country's population, the density of population being 169 persons per sq. kms. against the national average of 221 persons. Only 11.79% of the population is in urban areas. There are 62 scheduled tribes in Orissa with a population of 59.15 lakhs constituting 22.43% of the total population. Scheduled Caste population in the State is 38.65 lakhs (14.66%). The sex ratio is 1981 female per 1000 males. The number of main workers in the state is 86.24 lakhs of whom 74.65% are engaged in cultivation, 3.47% in house hold industry and 21.88% in secondary and tertiary sectors.

State's economy

4. The net State Domestic Product of the state at 1970-71 prices increased from Rs.1037 crores in 1970-71 to Rs.1114 cr. in 1979-80 and to Rs.1561 cr. in 1986-87. The percapita income at 1970-71 prices increased from 431 in 1979-80 to Rs.551 in 1985-86. The state economy has undergone significant changes during the last three decades. There has been greater buoyancy in the tertiary sector than in the primary or secondary sectors. Secondary sector has been adversely affected due to power constraints. The primary sector continues to be the mainstay of the state economy.

The economy of the State is characterised by wide fluctuations which are due to its predominantly agrarian nature. Agriculture in the State is highly dependent upon monsoon and seasonal rainfall.

For the removal of the imbalances, central assistance to the State, is allocated in accordance with the modified Gadgil Formula. As per this formula 20% of the total central assistance meant for non special category states is allocated among states where per capita income is below the national average. Orissa is one of the beneficiary states under this criterion. Thus 42.36% of the Seventh Plan outlay of the State of Orissa is to be financed through central assistance against the average of 34.87% for all the States. Orissa has also been allotted a total market borrowing of Rs.441.82 cr. for the Seventh Plan which includes Rs.189.19 cr. of special market borrowing.

Plan perspective.

Onwards

6. The plan outlays and expenditure in Orissa from the first plan are given in the table below:

Plans (1)	Approved Outlay (Rs.cr.) (2)	Actual Expd. (Rs.cr.) (3)	Variation % (4)	Per capita Population outlays (Rs.) base year		Population base year (7)
				Orissa	All India	
First Plan (1951-56)	21.23	85.00	300.4	14 (56)	26 (38)	1953
Second Plan (1956-61)	99.97	89.36	(-)10.6	61 (54)	54 (52)	1958
Third Plan (1961-66)	160.00	224.06	40.0	87 (122)	88 (95)	1963
Three annual plan(1966-69)	128.69	122.75	(-) 4.6	64 (61)	63 (64)	1967
Fourth Plan (1969-74)	222.60	249.34	12.0	101 (114)	128 (145)	1971
Fifth Plan (1974-79)	585.02	638.00	9.1	241 (263)	309 (333)	1976
Sixth Plan (1980-85)	1500.00	1562.20,	4.1	540 (572)	683 (706)	1983
Seventh Plan (1985-90)	2700.00	-	-	919	1054	1937
Annual Plan (1985-86)	450.00	445.64	(-) 1.0	159 (157)	178 (182)	1985
Annual Plan (1986-87)	600.00	574.26	(-)4.3	208 (199)	213 (213)	1986
Annual Plan (1987-88)	750.00	701.39 (Actual)	(-)6.5	255 (253)	244	1987
Annual Plan	838.00	841.97 (Anti.)	0.5	279	258	1988

Seventh Five Year Plan (1985-90)

An outlay of Rs.2700 cr. has been approved for Seventh Plan and which is to be funded as under:

	(Rs. crores)
I. State's own resources (excluding additional resource mobilisation.)	563.54
II. Additional resource mobilisation	1042.83
Total (I+II)	<u>1606.37</u>
III. Deduct: Repayment of over-draft	(-) 50.13
<u>State's total resources (Net)</u>	<u>1556.24</u>
IV. <u>Central Assistance</u>	
(a) Normal assistance	1152.43
(b) Deduct: Repayment advance plan	
Assistance for relief works (-)	8.67
Total:	<u>1143.76</u>
Aggregate Resources	<u>2700.00</u>

The Progress of Expenditure during the first four years (1985-89)

8. Against the Seventh Plan outlay of Rs.2700 cr. the expenditure reported by the State Govt. during the first four years is as under:

Year	Approved outlay	: appr.	(Rs. cr.)	
			Expenditure	Excess/shortfall (+) (-)
1985-86	450		225 445.64	- 4.36
1986-87	605		574.26	- 30.74
1987-88	750		701.39	- 48.61
1988-89	838	<u>2841.97</u>	(anticipated)	+ 3.97
	<u>2643</u>		<u>2563.26</u>	- <u>79.74</u>

This will leave a balance of Rs.136.74 cr. for the terminal year of the Seventh Plan 1989-90.

Annual Plan 1988-89

9. The size of the Annual Plan 1988-89 was fixed at Rs.835 cr. to be financed as under:

	(Rs. crores)
1. State's total resources including opening balance.	515.87
2. Normal central assistance	253.56
3. Assistance for externally aided projects.	79.20
4. Adjustment of plan assistance	(-) 5.41
5. Adjustment of relief assistance	(-) 8.22
Total Central Assistance	319.13
<u>Aggregate Resources</u>	<u>835.00</u>

10. Subsequently an advance plan assistance of Rs.3 cr. was sanctioned for the year 1988-89 which was earmarked for particular programmes for ADAPT under sub-heads 'Dairy Development' (Rs.8 lakhs) 'Minor Irrigation' (Rs.28 lakhs) and 'Road Development' (Rs.264 lakhs). With this the revised outlays under these heads were as under:

	(Rs. lakhs)
1. Dairy Development	153
2. Minor Irrigation	3336
3. Roads	3964

Thus total approved outlay for 1988-89 was Rs.838 cr. Against this the State Govt. have reported an anticipated expenditure of Rs.841.97 cr. Shortfalls are expected under Irrigation and Flood control, Energy, Industry and Minerals, Transport and General Economic Services. Under other Major Heads expenditure is likely to exceed the approved outlays except in the case of Science and Technology where the level of expenditure will be the same as approved outlay.

Proposal for 1989-90

11. Proposals for the Annual Plan 1989-90 are of Rs.950 cr. against the approved outlay of Rs.818 cr. showing a step up of 13%.

The following table shows the proposed outlays by major heads:

		(Rs.lakhs)							
Major Head	Seventh Plan (1985-90) Agreed outlay	Seventh Plan (1985-90) Proposed outlay	Actual Expend. 87-88	Actual Expend. 87-88	Aspr. outlay 1988-89	Antd. 1988-89	Antd. 1989-90	%age increase of outlay over Col.6	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Col.6 (9)	
I. Agriculture & Allied activities.	23955	3977	5591	8471	7999	8451	8555	7	
II. Rural Dev.	20265	4218	4886	6009	5059	6152	5154	2	
III. Special Area Programmes	-	-	-	-	-	-	-	-	
IV. Irrigation & Flood Control	69690	11820	13830	19054	19341	19268	19313	-	
V. Energy	78850	7467	11643	13526	22483	21732	28186	27	
VI. Industry & Minerals	14035	3840	4937	4522	5253	5153	5036	-	
VII. Transport	18725	4001	4219	4118	5519	5245	5337	-	
VIII. Communications	-	-	-	-	-	-	-	-	
IX. Science, Tech. & Environment	400	97	107	138	123	123	161	31	
X. General Econ. Services	3590	274	476	642	1051	957	1889	80	
XI. Social Serv.	38980	8151	10543	11453	14170	14302	16750	18	
XII. General Ser.	1600	719	1194	2206	2802	2814	4319	54	
Grand Total:	270000	44564	57426	70130	83800	84197	95000	13	

: 5 :

Financial Resources -

Review of Annual Plan 1988-89

12.1 The Annual Plan outlay originally approved for 1988-89 was Rs. 835.00 crores. Taking into account the additionality in respect of Rs.5.60 crores for Power Schemes, Rs 18.57 crores for irrigation works and Rs 3.00 crores for poverty ridden districts of Kalahandi and Koraput the latest outlays was estimated at Rs. 862.17 crores. The estimates of resources, as envisaged for the Annual Plan and as now re-assessed during the discussion of resources by the Financial resources Division are given below in a summary form :

		(Rs.crores)		
		1988-89		
		annual plan as approved	As now assessed	Improvement (+) Deteriora- tion (-)
I.	<u>Plan Outlay</u>	835.00	862.17	(+) 27.17
II.	<u>Funding</u>			
	1. State's resources	515.87	526.36	(+) 10.49
	2. Central Assistance for normal state plans.	319.13	340.70	(+) 21.57
	3. <u>Total Resources</u>	835.00	867.06	(+) 32.06
	4. Carry forward surplus/ deficit of 1987-88	-	(-)124.83	(-)124.83
	5. <u>Aggregate Resources</u>	835.00	742.23	(-) 92.77
	6. Gap in resources	-	(-)119.94	(-)119.94

12.2 According to the re-assessment, the State's own resources on the basis of current year transactions showed an improvement of Rs.32.06 crores. However, after adjusting the opening deficit of Rs.124.83 crores and additionality of Rs.27.17 crores in plan expenditure, the net deficit for the current year was anticipated at Rs.119.94 crores.

12.3 The state officials were therefore advised during the Financial Resources discussions to reexamine the estimates further and take appropriate measures either through raising of fresh resources or by further cutting down of non plan expenditure to cover the gap of Rs.120 crores. There is no mechanism with the Planning Commission to cover the emerging gap. To the extent this gap cannot be covered through these measures, plan expenditure of Rs.862.17 crores as estimated has to be revised downward with a view to avoiding any overdraft at the end of

12.4 The matter was discussed again with the state officials after the working group and wrap up discussions. It was suggested to them that that the state may like to implement a plan of Rs 742 crores in the current year to clear the above deficit of Rs 119.94 crores. It was indicated by them that the state might ^{consider revising} it to Rs. 802 crores.

Estimates of Resources for Annual Plan 1989-90

12.5 The State's own resources for 1989-90, have been assessed at Rs.277.20 crores. This estimate does not include ARM through fresh measures except an amount of Rs 20.95 crores proposed to be raised by impounding of D.A. in Provident Fund Account. Further the assessment includes Rs.18.22 crores for upgradation grant for capital works and Rs 10.58 crores by way of grants for special problems as recommended by the Ninth Finance Commission.

12.6 The estimate of Rs.277.20 crores takes into account expenditure of Rs 93 crores on the maintenance of VI plan schemes. In the past four years, the maintenance expenditure on these schemes was presented by the state government along with the plan expenditure. Hence this expenditure could be excluded and the state's own resources would work out to Rs 370.20 crores. The state's resources thus assessed show a deterioration of Rs.145.67 crores compared to Annual Plan 1988-89 estimates. This deterioration is mainly on account of withdrawal of impounded Provident Fund (Rs 20 crores) payment of additional DA (Rs.42 crores), increase in interest liability (Rs.43 crores) and larger outgo under miscellaneous capital receipts account (Rs 37 crores).

12.7 Keeping in view the current indications as well as the allocations during the first four years of the plan and the balance left out of the state's five year plan allocation, central assistance for funding the 1989-90 Annual Plan of the state has been provisionally taken at Rs 293.37 crores. Thus, taking into account the state's own resources of Rs.370.20 crores (i.e. continuing with the present practice of plan presentation for this final year of the VII plan) but excluding fresh ARM, the total resources would aggregate to Rs.663.57 crores for 1989-90 as against the approval plan outlay of Rs.838.00 crores for 1988-89.

Sectoral Issues

Agriculture and allied services

13.1 The yields of Rice and Wheat were lower in the State as compared to the national average but recorded higher average yield of pulses and oilseeds as compared to the national average. There is scope to increase the productivity of Moong and Groundnut in the State and the State Government should take benefits from the existing Centrally sponsored schemes of NPD and NQDP in this regard.

13.2 The State has been divided in 4 zones and each zone requires specific treatment for tackling the problems. The state has about 45 lakh hectares of area affected by acidity, about 4 lakh hectares is exposed to saline inundation apart from an area of 4.13 lakh hectares prone to flooding and water logging. Efforts should be made to restore the soil health.

13.3 The consumption of fertiliser is very low - i.e. 16 kgs/ha as compared to the national average of 52 kgs/ha and the use efficiency of nitrogenous fertilisers has gone down. There is need to promote fertilisers use in consultation with OUAT. Use of Rock phosphate and water soluble phosphate can enhance the fertility of the soil at cheaper rates.

13.4 The position of availability of certified seeds especially of pulses and oil seeds was not satisfactory resulting in the low replacement rate (2%) of the seed. Efforts should be made to be self-sufficient in seeds of oilseeds and pulses. The coverage of area under high yielding varieties of rice which is presently only 43% also needs improvement. In regard to extension, the State was not making required budgetary provision for the implementation of T&V system which should be done.

13.5 Under animal husbandry sector, the productivity per animal was as low as 90 litres of milk per annum which could be improved through promoting cross-breeding programme. Similarly, the production of eggs in the State was very low which should be improved by introducing superior germ-plasm. The performance of 'Operation Flood' project in the state is poor since the procurement price offered to the cattle owners was as low as Rs.3 per kg.

13.6 There is heavy shortfall in the achievement of Seventh Plan targets in respect of short-term, medium term and long term loans.

13.7 The targets of various crops as well as inputs recommended by the Working Group are as under :

Crops	Unit	7th plan target	1988-89 achievement	1989-90 target approved
1. Foodgrains	Lakh tonnes	84.74	70.21	82.78
2. Oilseeds	"	10.00	8.54	10.32
3. Sugarcane	"	41.90	39.30	40.20
4. Cotton	'000 bales	8	7	10
5. Jute & Mesta	"	736	498	729
6. Chemical fert.	'000 tonnes	280	266	468
7. Pesticides(TGM)	"	2.0	1.6	2.0

13.8 Against the proposed allocation of Rs 62.83 crores for Agriculture and Allied Sectors (excluding forestry), the Working Group recommended an outlay of Rs.64.96 crores are given below :-

(Rs.in lakhs)

	Outlay 1989-90	
	Proposed	Recommended by working group
<u>Agriculture & Allied Activities</u>		
1. Crop Husbandry	2610	2938
2. Soil & Water conservation	350	400
3. Animal Husbandry	565	641
4. Dairy Development	130	141
5. Fisheries	632	685
6. Food, Storage & Warehousing	5	5
7. Agr. Research and education	160	240
8. Agri .Financial Institutions	38	38
9. Marketing & Quality Control	38	38
10. Cooperation	<u>1755</u>	<u>1370</u>
<u>Total</u>	<u>6283</u>	<u>6496</u>

Forestry

- 13.8 Orissa has 59963 sq.km. forest area which constitutes 38% of the total geographical area. However, half of the forest area is under various stages of degradation.
- 13.9 The 7th plan outlay for forestry is Rs.45.00 crores and the state has already exceeded this by the end of the 4th year. ICFRE has recommended a SFRI for Orissa for carrying out silvi cultural research, soil studies, biological^{and} research etc.
- 13.10 The state is also implementing SIDA Aided Social Forestry Project Ph.II from 1988-89, the formal approval of which is awaited. This project has been extended to all the districts. An additional amount of Rs 20.00 lakhs has been recommended for Social Forestry Project by the Working Group by making marginal adjustments in other schemes. Physical targets have also been enhanced by 400 hectare. An outlay of Rs.2255.00 lakhs has been recommended against proposed Rs 2272.00 lakhs.

Rural Development

- 14.1 The target of old beneficiaries for 1988-89 is reported to be 61276 against which 12050 have already been covered upto November, 1988. The likely achievement during 1988-89 is expected to be around 25,000. The balance available old beneficiaries are proposed to be covered during 1989-90. Steps should be taken to cover all the old beneficiaries on priority basis during 1988-89 itself so that no such beneficiary is left to be covered during 1989-90. The Working Group recommended tentative outlays as given below :-

<u>Programmes</u>	<u>(Rs.in lakhs)</u>	
	<u>Proposed by State Govt.</u>	<u>Recommended by Working Group</u>
I. IRDP & Allied programmes	1687.94	1685.00
II. NREP	1182.00	1182.00
III. DPAP	293.00	293.00
IV. Economic rehabilitation of Rural Poor (ERRP)	500.00	500.00
V. Land reforms	1265.00	1265.00
VI. <u>Community Development & Panchayats</u>		
i) Panchayati Raj	18.00	18.00
ii) Community Development	189.00	189.00

The outlays for IRDP, NREP, DPAP and Land Reforms have been suggested at a higher level to provide matching share for likely central allocation under centrally sponsored schemes.

IRRIGATION

Major and Medium Irrigation

15.1 The creation of potential likely by 1988-89 was much below the targetted figure and consequently also the utilisation, though the expenditure during the first 4 years was even more than anticipated. The state should take measures to achieve the targetted creation of potential as well as its utilisation during 1989-90. State expects against the target of 180,000 hectares during Seventh Plan, it will be able to create potential of about 93,000 hectares by the end of Seventh Plan.

15.2 Enhanced allocation has been suggested by the Working Group for Subarnrekha of Rs.2 crores over last year's provision as per requirement of external aid. A provision of Rs 1.5 crores has been suggested for Central Planning Unit as assistance from World Bank for this and Ministry of Water Resources has also sanctioned an amount of Rs 2.13 crores for this project. Enhanced outlay has also been recommended for Upper Kolab Irrigation and Upper Indrawati Irrigation as 100 percent Japanese assistance is available for these projects. For Rangali Irrigation Project the outlay has been increased by the Working Group over last year as the Dam is complete but the created potential can not be utilised unless the canal system including distribution is completed at an early date.

Minor Irrigation

15.3 The outlays of Rs 36.10 crores has been proposed for minor irrigation programme comprising Rs14.00 crores for surface water minor irrigation flow scheme and Rs 22.10 crores for ground water schemes executed by Orissa Lift Irrigation Corporation. The outlay approved for the current year is Rs 33.10 crores and the increase for the next year is very marginal.

15.4 At the beginning of the Seventh Plan there were 90 on-going minor irrigation schemes out of which 52 schemes are expected to be completed by the end of Seventh Plan. 38 schemes will spill over to the Eighth Plan which will require Rs.22 crores. The state government requested for providing Rs.6 crores more during 1989-90 for completion 6 more minor irrigation schemes which will give an additional benefit of 4000 hectares. The Working Group considered the request and recommended under category 'B' if more funds are available.

15.5 Under programme of ground water, Orissa Lift Irrigation Corporation has asked for Rs 12.21 crores towards subsidy for concessional water rate as against Rs 7.66 crores during current year. 1000 lift points will be added during 1988-89 which will need operation and maintenance during 1989-90. As there is increase in the number of works, the concessional water rate subsidy will also increase accordingly. In respect of other items the outlays proposed are at the current year's level. The Working Group recommended the amount of Rs 21.0 crores as asked for by the State Government.

The total outlay thus recommended was Rs. 35.0 crores for minor irrigation.

15.6 Outlays for Irrigation Sector as proposed by the State Govt. and recommended by the Working Group are as given below :-

	(Rs. in crores)	
	Proposed by state Govt.	Recommended by the Working Group
1. Major and Medium Irrigation	150.03	153.54
2. Minor Irrigation	36.10	35.00+6.00 (Cat. B)
3. Flood control	4.00	4.00
4. C.A.D. Programme	3.00	3.00
<u>Total</u>	<u>193.13</u>	<u>195.54+6.00</u>

Energy

16. Power :-

16.1 In 1988-89 expenditure under Power excluding Rural Electrification is Rs. 197.68 cr. against the approved outlay of Rs 202.76 crores. 160 MW of hydro generating capacity was added in the state system.

16.2 The State has proposed an outlay of Rs 266.60 crores for power sector excluding RE for 1989-90. The Working Group assessed a requirement of Rs 269.64 crores for power sector excluding Rural Energy. Various on-going and new schemes both under generation and transmission are given as under :-

a) GENERATION

16.3 1) Kengali Stage-I (2x50 MW) : Both the units were since commissioned. The State Government proposed an outlay of Rs. 500 lakhs for 1989-90 which included Rs. 110 lakhs towards O&M. The working group had earlier

suggested to provide O&M expenditure under revenue head. The representatives of State Govt. clarified that the Stage I was not completed fully and therefore O&M expenditure had been booked under capital outlay. The State Govt. representatives agreed to the suggestion of Working Group to complete the scheme in all respects by 31st March, 1990 and hand over the same to OSEB thereafter.

16.4. 2) Upper Kolab Stage I (3 x 80 MW) : Unit I and II were commissioned in 1987-88. Unit III was targetted in September, 1989. The State Govt. proposed an outlay of Rs 1100 lakhs comprising of Rs.850 lakhs for Civil works of dams, HRT lining, grouting of pressure shaft, penstock, power house, etc. and Rs 250 lakhs for E&M works. The Working Group noted slow progress in penstock fabrications and erection by M/s. OCC. Vibrations were reported in Unit I & II. The State Govt. had constitute a task force for widening of tail pool to overcome the problem of vibrations. The work was expected to be started in Mid-January in 1989. The additional cost of Rs.40 lakhs was estimated to complete this work. This work was programmed for completion by July 1989 before commissioning of III unit of Upper Kolab. The representatives of state government informed the Working Group that the project will be transferred to OSEB by 31st March, 1990. The Working Group recommended Rs 1100 lakhs as proposed by State Government for 1989-90.

16.3 Upper Indravati (4x150 MW) : This project is funded by World Bank for which a loan of Rs 326.04 Million US dollar was sanctioned by the World Bank. The excavation work of all the 4 dams namely Indravati dam, Padagoda dam, Kapur dam, Muran dam and linked channels were progressed. Works for fabrication erection of penstock were awarded to M/s. Tungabhadra Steel Ltd. Order for generating unit was placed on M/s. Fuji, Japan. Excavation for power works was completed and concreting was in progress.

16.6 A shortfall was noted in the targets for different activities to be completed during 1988-89. Land acquisition targets were behind schedule in 1988-89 in the districts of Koraput and Kalahandi. 14 Nos. of villages were expected to be rehabilitated by December, 1988 for enabling the river gap closure of Kapur dam by January, 1988.

The Working Group suggested to project authorities to sort out problems raised by M/s. NPCC

who were awarded works of headrace tunnel. The Working Group recommended Rs.4500 lakhs for 1989-90. It was informed by the State Govt. representatives that an outlay of Rs.13 crores is being provided under irrigation for this project. Rs.30 crores were expected to be drawn from World Bank for this project in 1989-90.

16.7 Hirakud 7th Unit (1x37.5 MW) : This scheme is executed by Orissa State Electricity Board. The Hirakud Power House was closed from 1st December, 1988 for widening of power channels. M/s. OCC has taken up construction work during this period. The various milestones indicated by Project Authorities are given as under :-

<u>Name of Milestones</u>	<u>Latest allowable month</u>
1) Erect Turbines	11/89
2) Erect Generators	11/89
3) Erect draft tube gate and rem sandwall	2/89
4) Erect of transformers	6/89
5) Widening of power channels	2/89
6) Commissioning	12/89

Concreting inside machine^{hall} and erection of spiral casing and works relating to surplus escape were completed. The OSEB informed

that additional 185 million Yen foreign Exchange would be required for the generating sets which were supplied by Japan. Rs.594 lakhs as outlay for 1989-90 was recommended by the Working Group.

16.8 Potteru Small Hydel (2x3 MW) : Preparation for tender specification for generating units was in progress. Infrastructural works were also under progress. The project is being posed for OECF assistance from Japan. Japanese team was expected to visit in the first week of January, 1989. The Working Group recommended Rs.200 lakhs as outlay for the Project in 1989-90.

16.9 Upper Kolab Stage II (1x80 MW) : The revised cost chargeable to power was stated as Rs.2847 lakhs against Rs.1862 lakhs as originally approved. The project was earlier targetted for commissioning in March 1990. However ^{it} slipped due to delay in supply of spiral casing by BHEL. The spiral casing with matching parts was expected to be available

at site by 1st April, 1989. All the supplies from BHEL were programmed to be completed by 9/89. On this basis barrel will be ready by 12/89. Considering 10 months for erection the scheme was expected to be commissioned for October, 1990. The Working Group recommended an outlay of Rs.1100 lakhs including Rs. 950 lakhs as payment to BHEL with the commissioning of the unit by 10/90.

16.10 Rengali HEP stage II (3x50 MW): The cost estimates for this project chargeable to power were revised to 5768 lakhs against Rs. 4055 lakhs approved originally. Unit 3 was targetted for commissioning by March 1989 subject to availability of control panel and instrumentation from M/s. GEC at site in January, 1989. The generator barrel for Unit 3 was completed and rotor was lowered on 29.11.88. In the case of Unit 4 spiral case erection and concreting upto generator barrel was programmed by December, 1988 and unit 4 was targetted for commissioning by 10/89. The spiral case for Unit V was targetted to be delivered by April 1989 and the Unit would be commissioned in March 1991. The Working Group recommended an outlay of Rs.1100 lakhs including Rs.700 lakhs for BHEL for 1989-90.

16.11 IB Valley TPS (4x210 MW) : This scheme was approved by Planning Commission, in April 1987 with an estimated cost of Rs.888 crores. The latest cost was estimated as Rs.1300 crores. The scope of the project was divided into stage I with 2 units of 210 MW while developing infrastructure for 4 units of 210 MW and stage II with 2 units of 210 MW for which bilateral assistance from M/s. Bechtel and M/s. Combustion Engineering Corporation, USA was expected; The letter of intent for Stage I was placed on M/s. BHEL in December, 1988 for which the cost was estimated as Rs.725 crores which includes BHEL component of Rs.220 crores. The Working Group recommended an outlay of Rs.10568 lakhs as proposed by OPGC for 1989-90.

16.12 Jalapat (3x6 MW) : The working group recommended an outlay of Rs.100 lakhs for Jalapat small hydel schemes in 1989-90. This project would utilise the release of water from existing Jalapat dam to Machkund river. An agreement was signed between the States of Orissa and Andhra Pradesh to share equally the cost and benefits Jalapat Dam Power House. A provision of Rs.100 lakhs was also recommended by Working Group for Andhra Pradesh to meet the preliminary expenses and to take up infrastructural works.

16.13 Transmission and Distribution Works: The Working Group noted slow progress on 220 KV Rengali-Dubri Double Circuit Line and Dubri-Bhadrak Single Circuit Line. ...15/-

16.14 The PLF of Orissa State Electricity Board in April-Dec., 1988 has been 30.2% as against 37.7% for the Eastern region and 52.9% for All India. Installed capacity in the State on 31.3.85 was 1134.68 MW (including 664.43 MW Hydro and 470 MF Thermal). Target for addition in the VII Plan was 483.5 MW. The anticipated achievement is 477.5 MW. Pottery (2x3 MW) project has slipped to the VIII Plan.

Rural Electrification

16.15 There are in all 46,992 villages as per 1971 census. Of which, 27,815 villages were electrified upto March, 1988 achieving 59.2%. In the pumpset energisation, against the total estimated potential of 5 lakhs, 38032 were energised upto March, 1988 with an achievement level of 7.6% only. As per the information given by Orissa State Electricity Board's representative, it is observed that higher capacity pumpsets of the range 2.5 to 3 H.P. are installed as recommended by the Lift Irrigation Corporation. Beneficiaries are not coming forward in large number to accept the pumpset programmes. Far flung villages which are not electrified by conventional methods are provided with Solar Photovoltaic Street Lights. These villages are to be electrified again by conventional methods when the grid supply is extended to these villages.

16.16 In the State of Orissa, another special problem is absence of 132 KV transmission lines to evacuate the power generated and extend the supply to rural areas. Because of constraint of funds, the loans given by the Rural Electrification Corporation are being utilised for taking up works of 132 KV transmission systems. Although REC is providing loans for this purpose, funding of 132 KV transmission systems should be separated from the Rural Electrification Programme

16.17 . . . , The following outlays and the physical programme were recommended by the Working Group.

	Proposed Outlay	Recommended Outlay	(Rs. lakhs)	
			Physical Programme Villages	Pumpsets
State Plans	200	200	35	300
RE (N)	760	1758*	400	400
MNP	800	742	450	150
Total	<u>1750</u>	<u>2700</u>	<u>885</u>	SPA <u>5150</u> <u>6000</u>

* Rs. 746 lakhs of this outlay is for EHT works for 132 KV transmission lines

16.18 The recommended outlay includes Rs. 300 lakhs for System improvements.

16.19 Recommended outlays for IREP and Non-conventional sources of Energy are Rs. 30 lakhs and Rs. 70 lakhs respectively.

Village & Small Industries

17.1 The State Govt. is providing capital subsidy @ 10% to small scale industries in five districts of the State which are not covered by the Central Investment Subsidy Scheme. It is contrary to the objective of giving preferential treatment for the development of industrially backward areas and dispersal of industrial units to the less developed areas.

17.2 Emphasis should be laid on increasingly using computer aided design techniques to produce high value-added items in handloom sector so that earnings of handloom weavers could be increased.

17.3 Technology up-gradation and modernisation should be taken up vigorously under Coir industry. There is scope for production of brown coir in the State and attention should also be paid to the manufacture of curled coir, rubberised coir, needle felt, rubber edged mat etc.

17.4 In regard to sericulture it is suggested that the State government should concentrate efforts on the development of mulberry silk production and potential created for production of tasar silk under the Inter-State Tasar Project should be fully realised.

17.5 The Working Group recommended the outlay of Rs. 1483 lakhs as proposed by the State Government. The details are on the next page.

Sub-sector	1989-90 (Rs. lakhs)	
	Outlays proposed by the State Govt.	Outlay recommended by the Working Group
Small Scale Industries	847.00	847.00
Handloom Industries	258.00	258.00
Handicrafts Industries	81.70	81.70
Khadi & Village Industries	66.30	66.30
Powerloom	107.00	107.00
Coir Industry	16.00	16.00
Sericulture	107.00	107.00
<u>Total :</u>	<u>1483.00</u>	<u>1483.00</u>

Large &
Medium
Industries

18.1 Orissa is a infrastructure deficient State. Hence- they are thinking in terms of creating functional industrial estates for different classes of industries, taking into account the locational advantages. State Industrial Development Corporation have no problem in arranging finance for the projects as they get good cooperation from IDBI.

18.2 IPICOL have been able to generate some profit in their operations. Their turn-over is around Rs. 46 crores. Out of 194 projects with an investment of Rs. 600 crores promoted by them, 134 projects are in production and 64 of them are in various stages of implementation. They have been able to identify 95 more projects.

18.3 Recoveries in the case of Orissa State Financial Corporation are 53%.

18.4 In the case of Bhaskar Textile Mills, plans are being made for rejuvenating them. Obsolete and out-dated machinery were primarily responsible for low productivity and losses of the mills

18.5 The State of Orissa still does not have a viable leather processing industry. The raw hides in semi-processed conditions are sold in Calcutta and Madras.

Mineral Development

19.1 Discovery of heavy minerals in beach sands, assessment of sponge-iron grade ore reserves, evaluation of gold and graphite deposits, remote sensing project in collaboration with Deptt. of Space, environmental impact studies in important mining areas and geotechnical studies under National Technology Mission including ground water investigations in Korput Distt. were the main highlights of the work done in VIIth Plan period.

19.2 The current year's revenue from minerals was likely to be at Rs. 43 crores and there were 400 pending cases of mineral rights for clearance under Forest Act, 1980 which were to be expedited for raising the State's earnings from minerals.

apart from mineral exploration activity, DMG Directorate was actively engaged in infrastructure development mainly related to the development of roads in the mining centres such as Chromite, Iron-ore etc. in the State.

19.3 The State is suggested to prepare a Perspective Plan for mineral development in the State to identify thrust areas.

19.4 Setting up of Gem Evaluation Centres alongwith framing of a Transportation Act for minerals in the State was already under State's consideration to check illegal mining. It came to notice that environmental clearance for the grant of mineral rights was a hindrance to mineral development.

19.5 W.O's Recommended outlays in the case of Large & Medium Industries, Weights & Measures, and Mining are Rs. 3220 lakhs, Rs. 13 lakhs and Rs. 675 lakhs respectively.

Transport

Roads & Bridges

20.1 Maintenance of Roads is neglected in the State. If the aspect is not paid attention, the road network is likely to break down. There are large number of spill over works relating to construction of bridges, which should be completed before taking up fresh schemes. Spill over works are estimated to cost Rs. 124.49 crores (Rs. 119.77 crores under Bridges and Rs. 4.72 crores under Roads).

20.2 Village connectivity is poor, State is unlikely to fulfil the targets in this respect. A copy of the Master Plan for Roads prepared by the State Govt. should be forwarded to the Ministry of Surface Transport for technical guidance.

Road Transport

20.3 State Road Transport Corpn. has been continuously making losses. The cumulative losses as on 31st March, 1989 are estimated at Rs. 51.2 crores. The main reason for which is inelastic fare structure, which should be looked into. There is a need to improve the productivity and efficiency of operation of the Corpn..

Ports

20.4 Construction of Gopalpur Port taken up in 1980 is expected to be completed by 1989-90. The port on commissioning would handle a traffic of 5.25 lakhs tonnes.

Inland Water Transport

20.5 The major scheme under this sector relates to navigation. The areas around Chandbali, Raj Kanika, Rajnagar etc. are said to be cut off from road and rail facilities. The State Govt. is running launches on Chandbali - Rajnagar route. It is also proposed to purchase two launches to ply in Bal-mela reservoir and Dhamra Talchua in Chandbali route.

Tourism

20.6 Orissa Tourism Development Corpn. is at present operating 11 Panthasanivases in the State. It is proposed to renovate and modernise essential facilities in these Panthasanivases. In addition, it is proposed to take up construction of accommodation for low spending tourists at Puri in a phased manner.

20.7 The financial performance of Orissa Tourism Development Corpn. is not satisfactory. During the current year, it expects to show some improvement in its performance.

Recommended outlays are as under :

<u>Heads</u>	(Rs. crores)
Ports & Lighthouses	4.90
Civil Aviation	0.19
Roads and Bridges	42.00
Road Transport	10.88
Inland Water Transport	0.50
Tourism	3.00
<u>Total :</u>	<u>61.47</u>

Science & Technology

21.1 A large number of schemes would continue in the 8th Plan. Efforts should be made to complete most of the schemes by the end of the 7th Plan. Major schemes are establishment of an institute of material science, institute of life science, strengthening of Orissa Remote Sensing Application Centre, strengthening of Computer Application Centre, completion of planetarium and funding for research by State Council on Science & Technology.

21.2 Many public sectors and State Govt. Departments have been provided with computer facilities by the Orissa Computer Application Centre. Orissa Remote Sensing Centre is undertaking various programmes in collaboration with State Deptts., IDR, NRS, CRI etc. A major programme in hand is to undertake integrated land and water resources study to combat drought in Kalahandi district.

21.3 While reviewing the 7th Plan schemes of Science & Technology sector, it was noted that each scheme has been heavily staffed. The State Govt. was suggested that during the 8th Plan the State should not project requirements for extra manpower/staff. Similar is the case regarding environmental programmes. Recommended outlays ^{by the Working Group} for Science & Technology and Ecology & Environment are Rs. 90 lakhs and Rs. 71 lakhs respectively.

Education

22.1 As per the 5th All India Education Survey, there are 14012 habitations in the State which do not have access to primary education within the radius of 1 K.M. Of this 9259 are located in tribal pockets. Middle education is not available in 21,889 habitations of which 14421 are tribal.

22.2 The drop out rate in class I-V, particularly among SC and ST is very high at about 60% and 73% respectively. Literacy rate in the State is 34.2%. Amongst scheduled castes and scheduled tribes the literacy percentage is 22.4% and 13.9 percent respectively. Efforts should be made to reduce the drop out rate.

Physical Targets

22.3 Although the State Govt. has proposed to reach across the enrolment ratio of 117.98% in 1989-90 for the age-group 6-11, yet it needs to be further improved to 120 in order to provide for overage and underage children. Proposed additional targets of enrolment of 60 thousand in class I-V and 30 thousand in classes VI-VIII are recommended.

22.4 There were 6 SAEP and 19 RFLP in 1987-88. In 1988-89 3 more SAEP have been started. Target for 1989-90 is three more SAEP. During the year 1989-90, 5 lakhs illiterates are proposed to be covered.

22.5 Proposed outlay under Art and Culture includes Rs.40 lakhs to be paid as State contribution to the Carpus Fund of the Zonal Cultural Centre. Requirement of Auditorium at Bhubaneswar and State library should be placed in category 'B'.

22.6 Proposed and recommended outlays are as under:

	(Rs. lakhs)	
	<u>Proposed</u>	<u>Recommended by Working Group</u>
Elementary Education	2218.68	2218.68
Secondary Education	1909.63	1884.63
Teacher education	34.16	34.16
Adult education	154.08	206.08
University education	1378.41	1278.41
Other programmes	47.04	47.04
Total General Education	<u>5742.00</u>	<u>5669.00</u>
Technical education	470.00	470.00
Sports and youth services	468.00	468.00
Art and Culture	<u>324.00</u>	<u>308.00</u>
Total:	<u>7004.00</u>	<u>6915.00</u>

22.7 The State Government in addition to their proposals of Rs.5742 lakhs under general education have provided for an amount of Rs.1511 lakhs for Finance Commission award - for construction of school buildings under 'Public Works' sub-sector of the Head 'General Services'.

Medical and Public Health

22.8 Seventh Plan approved outlay under this Head is Rs 54.50 crores and expenditure during the first three years of the plan is Rs.10.43 crores, 12.77 crores and 14.16 crores respectively making a total of Rs. 37.36 crores. Likely expenditure for the current year is Rs 17.61 crores.

If expenditure for the current year is taken into account, there is no balance left for the terminal year. Balance will be (-) Rs.0.47 crores.

22.9 Proposals for the next year amount to Rs.24.96 cross against which working group have recommended an outlay of Rs.19.12 crores under category 'A'.

22.10 Position relating to the establishment of Sub centres, Primary Health Centres and Community Health Centres in the state is as under :-

(a) <u>Sub-centres</u>	(<u>Figures in Nos.</u>)
No. of Sub-centres functioning as on 1.4.1985	4127
Target for the Seventh Plan	1800
Achievement in 1985-86	199
Achievement in 1986-87	Nil
Achievement in 1987-88	500
Target for 1988-89	600
Likely Achievement in 1988-89	600
Position as on 1.4.1989	5426
Target for 1989-90	501
Recommended by the Working Group	501
(b) <u>Primary Health Centres</u>	
No. of PHCs functioning as on 1.4.1985	484
Target for the seventh plan	500
Achievement in 1985-86	30
Achievement in 1986-87	150
Achievement in 1987-88	52
Target for 1988-89	100
Likely achievement in 1988-89	100
Position as on 1.4.1989	816
Target for 1989-90	168
Recommended by the working group	168

(c) <u>Community Health Centres</u>	(Figures in Nos)
No. of CHCs functioning as on 1.4.1985	59
Target for the seventh plan	92
Achievement in 1985-86	-
Achievement in 1986-87	11
Achievement in 1987-88	13
Target for 1988-89	26
Likely achievement in 1988-89	26
Position as on 1.4.1989	109
Target for 1989-90	Nil
Recommended by the working group	Nil

22.11 Directorate of N.M.E.P while giving the status of P. Falciparum cases in the state have stated that the P.Falciparum incidence has declined by 32.37% upto July, 1988 as compared to the corresponding period of last year. Regarding the problem of drug resistance, they have stated that monitoring of P. Falciparum sensitivity to chloroquine in the state revealed that the resistance phenomenon is wide spread. From 1978 to 1986, twenty one resistance foci of different level detected. Recently during 1987, one R-III foci was also registered in chatgaon PHC of Keonjhar District. Further studies are in progress.

22.12 The incidence of total cases declined by 14.8% upto July '88 as compared to the corresponding period of 1987. Spray coverage is only 49% during 1987.

National Filaria Control Programme

22.13 An amount of Rs 20.78 lakhs has been proposed for the programme 1989-90. At present 15 control units, 2 survey units and 15 clinics are functioning in the state. During the 7th five year plan a target of 5 control units and 24 clinics was given against which only one control unit and 5 clinics have been established so far. Currently 1.27 million population is being protected under NFCCP. This deserves further attention.

22.14 Outlays proposed and recommended are as under :-

(Rs. in lakhs)

Scheme	Proposed outlay by state govt.		Outlay recommended by the working group			
	Total	Capital	Category I		Category-II	
			Total	Capital	Total	Capital
1. Minimum Needs Programme	900.18	53.00	700.00	50.00	900.18	150.50
2. Hospital & Dispensaries	569.45	148.32	350.00	-	500.45	50.00
3. Medical education & research	442.94	130.13	325.00	45.00	400.94	90.00
4. Training programmes	29.57	-	29.00	-	29.57	-
5. Control of communicable diseases	100.11	-	100.00	-	100.19	-
6. ISM & Homoeopathy	234.89	18.06	180.00	-	234.89	18.06
7. E.S.I.	20.00	-	20.00	-	20.00	-
8. Other programmes	85.17	-	80.00	-	85.17	-
9. State share of centrally sponsored schemes						
a) NMEP	80.00	-	80.00	-	177.00	-
b) Filariasis control prog.	20.78	-	10.00	-	10.00	-
c) T.B. Control prog.	13.41	-	38.00	-	38.00	-
<u>Sub-total.9</u>	<u>114.19</u>	-	<u>128.00</u>	-	<u>225.00</u>	-
<u>Grand total 1 to 9</u>	<u>2496.50</u>	<u>349.51</u>	<u>1912.00</u>	<u>95.00</u>	<u>2496.31</u>	<u>3 08.56</u>

In addition to above, an element of upgradation grant is included under (General Services).

Water Supply and Sanitation

Rural Water Supply

- 23.1 The State had 14443 no-source problem villages yet to be covered as on 1.4.1985 . They will be able to cover all the no-source problem villages with Water Supply facilities by the end of the Seventh Plan. In addition, a large number of partially covered villages will also be fully by the end of the Seventh Plan.
- 23.2 A bilateral assistance project of drinking Water Supply in 20 blocks of coastal Orissa with assistance from the Government of Denmark has been launched since 1984-85. This is being implemented in three phases. Phase I has been completed by March, 1987. Phase II is under implementation and is to be completed by December, 1990. The outlay under MNP for 1989-90 includes Rs. 10 crores for this scheme. Koraput, Phulbani and five blocks of Ganjam district, Mayurbhanj district of the State are included under the Mini-Mission Programme of the Technology Mission. The State is also covered under the programme of Sub-Mission on control of Fluorosis, Excess Iron and Brakishness.

Urban Water Supply

- 23.3 A number of spill-over schemes are not being funded during 1989-90 and on the other hand schemes which do not have the Seventh Plan provision, are being funded. The State Govt. has taken up many schemes and the outlay is thinly spread over these schemes. The State should concentrate on lesser number of schemes by doing prioritisation. (Rs. crores)

<u>Annual Plan 1989-90 Outlay</u>			
<u>Proposed by State Govt.</u>		<u>Recommended by Working Group</u>	
Total	Of which MNP	Total	Of which MNP
27.36	17.95	27.36	18.05

Housing & Urban Development

Police Housing

- 24-1 Though there is a large element of upgradation grant for police housing under Public Works, it has been clarified by the State officials that certain categories of housing like quarters for senior officers, barracks and office buildings (other than Police Stations) are not covered under upgradation grants.

Urban Housing

- 24-2 The State officials have been requested to furnish the figures on targets and achievements under EWS housing as these are required to be monitored under the 20-Point Programme.

Rural Housing

24.3 House sites are provided free and no development costs are involved. Plan provision is for construction assistance @ Rs. 3000/- against the unit cost of Rs. 7500. The beneficiaries are supposed to provide Rs. 4500 worth of material/cash/labour for building the houses. It was pointed out to the State officials that the national norm of construction assistance is Rs. 2000/- only. The State officials stated that construction assistance has been raised on the basis of a Cabinet decision to meet the increase in costs of construction materials. It was also informed that there would be a major shortfall in achievement of physical target of 7th Plan. Against the target of 33 333 houses, the achievement at the end of the 7th Plan would be around 20,000 only.

Urban Development

24.4 The proposed outlay of Rs.1580 lakhs includes a sum of Rs. 1200 lakhs for State capital development comprising various capital works for residential housing, office buildings, land acquisition, infrastructure development (roads, bridges, sewerage, drainage, water supply etc.) in Bhubaneswar and Cuttuck. Keeping in view the resource constraint, a large upgradation grant under public works a sum of Rs. 1100 lakhs is recommended for State capital development. The outlays proposed for other items have been recommended by the Working Group. Thus, against the proposed outlay of Rs. 1580 lakhs for urban development a sum of Rs. 1480 lakhs is recommended. The following recommendations have been made by the Working Group:

		1989-90 (Rs. lakhs)	
		Proposed Outlay	Recommended Working Group
1.	Police Housing	90.00	90.00
2.	Urban Housing	249.00	249.00
3.	Rural Housing (MNP)	100.00	100.00
4.	HBA to Govt. Servants	240.00	240.00
5.	District level Housing	60.00	60.00
	<u>Total Housing :</u>	<u>739.00</u>	<u>739.00</u>
6.	State Capital Project	1200.00	1100.00
7.	Other Urban Dev. Schemes	321.49	321.49
8.	EIUS (MNP)	30.00	30.00
9.	UIS(C.S.S.)	28.51	28.51
	Total : Urban Development :	<u>1580.00</u>	<u>1480.00</u>

Welfare of Scheduled Castes and Scheduled Tribes and Other Backward Classes

- 25.1 The State Govt. proposed an outlay of Rs. 885.75 lakhs for B.C. sector for 1989-90 including Rs. 187 lakhs for IFAD Assisted Tribal Development Project in Kashipur Block Koraput District. It was noticed that sectoral flows from other Departments to Kashipur Project covering Project activities had not been indicated. It is suggested that State funds for this project should come from other concerned sectors also to some extent.

Tribal Sub-Plan and Special Component Plan.

- 25.2 The flow to TSP from the State Plan 1989-90 of Orissa has been projected at Rs. 211,02.93 lakhs. This forms 22.21% of the total State Plan of Rs. 95,000.00 lakhs and 24.28% of the "divisible Component" of Rs. 868.92.70 lakhs.

- 25.3 The Special Component Plan level indicated is only 8% of the overall Plan outlay, i.e. Rs. 73.34 crores, as against the total Plan of Rs. 950 crores for the year 1989-90. It was recommended that Special Component Plan level of Orissa for the year 1989-90 may be fixed at Rs. 142.50 crores, i.e. 15% of the Plan Outlay of Rs. 950 crores corresponding to the SC percentage population of the State.

Social Welfare

26. Under Social Welfare Sector an outlay of Rs. 177 lakhs was recommended by the Working Group against the State Government's proposals of Rs. 200 lakhs. Subsequently, the State Govt. representative informed that they could not discuss the scheme "Programme of Jail Deptt." amounting to Rs. 26.24 lakhs. The State Govt. is suggested to accommodate the programme within the recommended outlay for the sector

District Planning

27. It was noted that district planning process had already been initiated in the State. District Planning Boards have been set up in all the districts under the Chairmanship of a designated Minister in each and with selected MP, MLAs, Panchayat Simiti Chairman, Chairman, Municipality/NAC experts and representative of voluntary organisations as its members. The District Planning Board is the apex

planning body in the district. The District Planning Board oversees plan formulation, monitoring and evaluation of selected plan programmes of the district. To assist the District Planning Board, a District Committee (official body) had been set up under the Chairmanship of the Collector and District Planning Officer functioned as its Secretary. Under the DPC, as many as 19 technical working groups had been constituted to formulate sectoral plan proposals with horizontal and vertical linkages which were integrated at the district level at the joint discussions in the level of DPC. The State Govt. representative stated that a few model district plan/block plans are likely to be prepared through reputed consultancy organisations during the year 1989-90.

28. As regards utilisation of 'untied funds', Special Secretary (Plg.) stated that 'untied funds' were being distributed to districts since 1985-86 for execution of small but essential works not covered under the normal sectoral programmes to meet the immediate needs of the people. During 1988-89, so far a sum of Rs. 285.00 lakhs had been distributed in the first instalment and a sum of Rs. 15.00 lakhs had been earmarked for distribution for undertaking works under special problems. Out of the balance amount available under this head, it was likely to be allotted some amount under incentive scheme which had been introduced during the current year and the rest would be distributed in the second instalment under normal discretionary grant of 'untied funds'. In order to meet the requirement of funds under normal discretionary grant as well as under incentive scheme, a sum of Rs. 1400 lakhs had been proposed for 1989-90 under untied funds which was agreed to.

Size of the
Annual Plan
1989-90

29.1 The State Govt.'s proposed outlay is Rs. 950 crores against which the Working Group recommendations aggregate to Rs. 968.12 crores. Sectorwise outlays proposed and Working Groups recommendations are given in the Statement. The higher recommended outlay is mainly in the sectors of Power, Industries other than the Village and Small Industry, Irrigation and Agriculture.

29.2 Under Irrigation the enhancement is for specified projects for completion and for requirements of external aid as mentioned in para 15.2 above. In Industry, the enhancement is at the request of State representative for increased activities of IPICOL in the Working Group. In the Power Sector, enhanced outlays have been recommended for identified needs of the on going projects.

29.3 The financial resources for the plan have been assessed at Rs.664 crores as mentioned in para 12.7 above. The State Addl. Development Commissioner mentioned in the discussions that there would be an additionality of Rs. 30 crores from sale of lands about which action was to be taken in the current year and is being initiated now and improvements in miscellaneous capital receipts. Besides, the State may go for ARM of Rs. 50 crores. If these are added when confirmed, the resources available would aggregate to Rs. 743.39 crores, or Rs. 744 crores. This is less than the current year's approved outlay of Rs. 838 crores, but if the current year's plan is implemented at the level of Rs. 742 crores to clear the deficit of Rs. ¹²⁰~~199~~ crores in the current year, it will be almost at that level. However, in the interest of keeping this pace of development next year, there may be need for atleast some stepping up in 1989-90. The above assessment of the resources does not include confirmation of some of the additionalities mentioned above and does not take into account the final size of the ARM. The size of the plan may be determined in the discussions of the Deputy Chairman with the State Chief Minister. Thereafter, the sectoral outlays will be finalised in consultation with the State officials.

412
29
441

Statement

Draft Annual Plan 1988-89 - Heads of Development - Outlays and Expenditure - Orissa

Head/Sub-Heads of Development	(in Lakhs)								
	Seventh Plan 1985-90 Agreed Outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 Approved Outlay	1988-89 Anticipated Expenditure	1988-89 Proposed Outlay	1988-89 Working Groups Re-com-mentation	1988-89 Category 'A' Category 'B' Category 'C' Category 'D'
Crop Husbandry	9225	1520	1827	2811	2609	2946	2610	2938	
Soil & Water Conservation	1300	189	273	313	350	350	350	400	
Animal Husbandry	1400	299	457	466	550	565	565	641	
Dairy Development	100	41	95	121	153	130	130	141	
Fisheries	1260	305	439	516	632	632	632	685	
Forestry & Wild Life	4500	824	1283	2033	2165	2170	2272	2255	
Plantations	-	-	-	-	-	-	-	-	
Food, Storage and Warehousing	60	12	8	10	15	5	5	5	
Agricultural Research and Education	600	133	158	169	160	276	160	240	
Agricultural Financial Institutions	400	22	29	29	38	38	38	38	
Other Agricultural Programmes:									
(a) Marketing and Quality Control	110	37	24	35	27	39	38	38	
Cooperation	5000	596	998	1968	1300	1300	1755	1370	
Total (I)	23955	3277	5591	8471	7992	8451	8555	8751	-

II. RURAL DEVELOPMENT

Special Programmes for Rural Development	Integrated Rural Development Programme (IRDP)	Drought Prone Area Programme (DPAP)	Integrated Rural Energy Programme (IREP)
a)	6200	1517	1630
b)	1460	233	280
c)	150	-	15

Rural Employment

(a) National Rural Employment Programme (NREP)	(b) Other Programmes (Like Economic Rehabilitation of Rural Poor (ERRP) Land Reforms
5000	3000
1032	3500
1407	484
1325	797
401	830
985	

(Rs. Lakhs)

Head/Sub-Head of Development	1988-89		1989-90		Working Group's Proposed Outlay Cat. 'A' Cat. 'B'
	Actual Expenditure 1985-86 1986-87 1987-88	Approved Outlay 1985-90	Actual Expenditure 1988-89	Approved Outlay 1988-89	
Other Rural Development Programmes:					
a) Community Development & Panchayats	955	158	253	1435	207
Total (II)	20265	4218	4886	6003	5152
III. SPECIAL AREA PROGRAMMES					
IV. IRRIGATION AND FLOOD CONTROL					
Major and Medium Irrigation	55000	9170	10874	13626	15303
Minor Irrigation	11000	2200	2524	4782	3358
Command Area Development Programme	1900	150	296	267	300
Flood Control (incl. anti-sea erosion etc.)	1700	300	336	379	400
Total (IV)	69600	11820	12830	19054	19341
V. ENERGY					
Power	78000	7400	11561	13465	22403
Non-Conventional Sources of Energy	850	67	82	61	80
Total (V)	78850	7467	11643	13526	22483
VI. INDUSTRY & MINERALS					
Village and Small Industries	4000	857	1483	1094	1483
Industries (other than V&SI)	8000	2303	2642	2698	2878
Weights & Measures	35	6	10	9	12
Mining	2000	671	802	721	880
Total (VI)	14035	3840	4937	4522	5253

../-

(Rs. Lakhs)

Head/Sub-Head of Development	Actual Expenditure		1988-89		1989-90	
	1985-86	1986-87	1987-88	Approved Outlay	Proposed Outlay	Working Group's Recommendations
VII. TRANSPORT						
Ports & Light Houses	1600	684	669	400	490	490
Civil Aviation	250	47	67	17	19	19
Roads and Bridges	12400	2720	2736	3964	3690	4200
Road Transport	4400	744	623	1088	1088	1088
Inland Water Transport	75	24	23	50	50	50
Total (VII)	18725	4219	4118	5519	5245	5847
VIII. COMMUNICATIONS						
IX. SCIENCE, TECHNOLOGY & ENVIRONMENT						
Scientific Research (incl. S&T)	400	67	109	72	72	93
Ecology & Environment		30	29	51	51	68
Total (IX)	400	97	138	123	123	161
X. GENERAL ECONOMIC SERVICES						
Secht. Economic Services	130	50	51	64	60	64
Tourism	625	150	250	300	300	300
Survey & Statistics	185	22	26	40	40	59
Civil Supplies	250	54	10	10	8	8
Other General Economic Services:	2400	200	305	637	549	1478
a) District Planning						
Total (X)	3590	274	642	1051	957	1889
XI. SOCIAL SERVICES						
EDUCATION						
General Education	15000	3448	3144	4538.52	4538	5742
Technical Education	1000	358	392	470	470	470
Sports & Youth Services	1250	304	340	468	468	468

../-

Statement (Contd.) Orissa

-: 4 :-

Head/Sub-head of Development	Actual Expenditure		1989-90		Working Group's Recommendations Cat. 'A' Cat. 'B'
	1985-86	1987-88	Approved Outlay	Proposed Outlay	
Seventh Plan 1985-90 Agreed Outlay	17550	4231	5743.52	7004	6915
Art & Culture	300	121	267	324	308
Sub-Total (Education)	5450	1277	1760.67	2426	1912
Medical and Public Health	7000	1765	2456	2716	2736
Water Supply & Sanitation	4080	657	739	739	739
Housing (incl. Police Housing)	650	819	1370	1580	1480
Urban Development (incl. State Capital Projects)	300	98	242	242	242
Information and Publicity	1500	968	815.91	886	940
Welfare of SC, ST & OBCs	650	227	367	367	372
Labour and Employment	200	110	196	200	177
Labour and Labour Welfare	1600	350	500	500	500
Social Security					5
Nutrition					
Total (XI)	38980	10543	14170.10	16750	16013
XII. GENERAL SERVICES					
Stationery and Printing	440	62	63	73	56
Public works (incl. Jails)	1160	868	2388.90	3786	3786
Other Administrative Services:					
Development of Police Department	-	167	350	460	460
Total (XII)	1600	1194	2801.90	4319	4302
Grand Total	270000	57426	70139	95000	2110
			81197		96812

PLANNING COMMISSION
(State Plans Division)

Annual Plan 1989-90 - PUNJAB

Annual Plan 1989-90

The Government of Punjab proposed an outlay of Rs.950 crores for Annual Plan 1989-90. These proposals were discussed by the Working Groups on the 8th December, 1988 in the Planning Commission. But as the resource position was not clear, the Working Groups could not finalise their recommendations.

Annual Plans 1987-88 & 1988-89

In respect of Annual Plans 1987-88 and 1988-89, the meeting at the level of the Deputy Chairman, Planning Commission could not be held because the scheme of funding was not available from the Ministry of Finance. Consequently, the outlays for these plans could not be approved by the Planning Commission. The outlays which were included in the Central Budget for the State Government were adopted as tentative outlays for the annual plans for 1987-88 and 1988-89.

Plan

The Plan outlays and expenditure of the State from 1st Plan perspective onwards are as given below :-

Plan period	Approved outlay (Rs. in crores)	Expenditure	Per capita of (Rs.)		Population Estimates used
			Approved outlay	Expdr.	
First Plan (1951-56)	44.62	233.00	47 (26)	173 (39)	1953
Second Plan (1956-61)	162.68	151.43	157 (54)	146 (52)	1958
Third Plan (1961-66)	231.39	254.23	200 (86)	230 (93)	1963
Three Annual Plans (1966-69)	131.58	121.85	105 (61)	97 (63)	1967
Fourth Plan (1969-74)	293.56	428.47	217 (125)	316 (142)	1971
Fifth Plan (1974-79)	1013.49	940.16	675 (302)	628 (327)	1976
Sixth Plan (1980-85)	1957.00	1891.50	1117 (670)	1080 (688)	1983
Seventh Plan (1985-90)	3285.00		1746 (1022)		1987
Annual Plan 1985-86	500.00	467.83	275 (174)	257 (177)	1985
Annual Plan 1986-87	575.00	678.93	310 (205)	366 (207)	1986
Annual Plan 1987-88	650.00 @	790.32	345 (238)	420	1987
Annual Plan 1988-89	700.00 @	700.00 (Anti.)	367		1988

@ As indicated in the Central budget (1988-89)
(Figures in bracket indicate the average per capita outlays and expenditure for all states)

Funding Pattern

The funding pattern for the Seventh Plan as also for the first two annual plans i.e. 1985-86 and 1986-87 approved originally is given below :-

Item	VII Plan	(Rs. crores)	
		1985-86	1986-87
a) <u>State's own resources (net)</u>			
i) Without ARM	818.07	202.86	148.62
ii) ARM	2000.00	100.00	101.12
<u>Total (a) :</u>	<u>2818.07</u>	<u>302.86</u>	<u>249.74</u>
b) <u>Central assistance (net)</u>			
i) Normal	383.73	83.59	81.83
ii) Assistance for externally aided projects	84.00	14.35	10.55
iii) Advance plan assistance	-	100.00	-
iv) Adjustment of advance plan assistance-Relief Assistance(-)0.80	(-)0.80	(-) 0.80	(-)40.80
<u>TOTAL (b) :</u>	<u>466.93</u>	<u>197.14</u>	<u>51.88</u>
c) Term Loan	-	-	273.68
<u>Aggregate Resources</u>	<u>3285.00</u>	<u>500.00</u>	<u>575.00</u>

Seventh Plan Expenditure

Against the Seventh Plan outlays of Rs. 3285 crores, the reported expenditure for annual plans (1985-89) is as under :-

Year	Approved outlay	Percentage Step-up over the previous year	(Rs. crores)	
			Expenditure	Increase(+)/ Decrease(-) over approved outlay
1985-86	500.00		467.83	(-) 32.17
1986-87	575.00*	15.0	678.93	(+) 103.93
1987-88	650.00£	13.0	790.32	(+) 140.32
1988-89	700.00£	7.7	700.00 (Anti.)	-
<u>TOTAL :</u>	<u>2425.00</u>		<u>2637.08</u>	<u>(+) 212.08</u>

* Excludes Rs. 35 crores given later on for Thien Dam.

£ Tentative outlays, approval letters were not issued by Planning Commission.

Thus, as may be seen from the above table, the balance remaining out of the 7th Plan agreed allocations for the terminal year (1989-90) of the 7th Plan would be Rs. 647.92 crores which may not suffice for annual plan 1989-90.

Sectoral

financial

performance

The table below shows major headwise Seventh Plan outlay with inter-se percentages, likely expenditure in the first four years (1985-89) with inter-se percentages, percentage utilisation of outlays and the proposed outlays for 1989-90 with stop-up percentages.

The table below shows major headwise Seventh Plan outlay with inter-se percentages, likely expenditure in the first four years (1985-89) with inter-se percentages, percentage utilisation of outlays and the proposed outlays for 1989-90 with stop-up percentages.

(Rs. lakhs)

Major Head	Seventh Plan outlay	Percentage to total	Four years' likely exdr.	Percentage to total	Percentage utilisation during the first four years	1988-89 Tentative outlay	1989-90 Proposed outlay	Step-up over 1988-89 outlay
1	2	3	4	5	6	7	8	9
Agriculture & Allied Activities	32598	9.9	20291	7.7	62.2	6351	13858	118.2
Rural Development	8709	2.7	5692	2.2	65.3	1280	1664	30.0
Spl. Area Programme	-	-	-	931	0.4	-	759	-
Irrigation and Flood Control	37000	11.3	28762	10.9	77.7	8132	9126	12.2
Energy	163960	50.0	151456	57.4	92.4	38447	40036	4.1
Industry & Minerals	12331	3.8	11238	4.3	91.1	1905	2778	45.8
Transport	18220	5.5	10855	4.1	59.6	2470	6353	157.2
Communications	-	-	-	-	-	-	-	-
Science, Technology & Environment	500	0.1	280	0.1	56.0	80	187	133.7
General Economic Services	376	0.1	769	0.3	204.5	607	376	456.2
<u>Social Services</u>								
Education	11207	3.4	6555	2.5	58.5	2682	4070	51.7
Medical & Public Health	10350	3.1	5024	1.9	48.5	2068	3003	35.2
Water Supply & Sanitation	13050	4.0	6606	2.5	50.6	1901	2815	48.1
Housing (incl. Police Housing)	7174	2.2	5272	2.0	73.5	1200	1737	44.7
Other Social Services	10600	3.2	8027	3.0	75.7	2267	3987	75.9
<u>Total: Social Services</u>	52381	15.9	31484	11.9	60.1	10118	15612	54.3
General Services	2425	0.7	1950	0.7	80.4	610	1251	105.1
<u>GRAND TOTAL :</u>	<u>328500</u>	<u>100.0</u>	<u>263708</u>	<u>100.0</u>	<u>80.3</u>	<u>70000</u>	<u>95000</u>	<u>35.7</u>

contd.....

Priorities

As may be seen from the preceding table, for the 7th Plan as a whole the highest priority was given to Energy with a high as 50 per cent of the total outlay of the Seventh Plan. Irrigation and Flood Control and Agriculture and Allied Activities followed with 11 per cent and about 10 per cent respectively. These percentages have undergone changes during the first four years. Energy has gained and risen to the level of 57.4 per cent. The percentage figure for Agriculture and Allied Activities sector has suffered reduction to 7.7 per cent. Social Services figures have slipped from 15.9 per cent to 11.9 per cent during the four years.//The overall percentage utilisation of the 7th Plan outlay during the first four years is over 80 per cent. The utilisation in the sectoral outlays during this period, however, indicate wide variations. The important sectors which show utilisation of 75 per cent and above are Energy(92.4%), Industry and Minerals(91.1%) and Irrigation and Flood Control(77.7%). The sectors where the utilisation has been 65 per cent or below include Agriculture & Allied Activities(62.2%), Rural Development (65.3%), Social Services(60.1%), Transport (59.6%) and Science, Technology and Environment(56%).

// Utilisation of Sectoral outlays

SECTORAL HIGHLIGHTS

Agriculture and Allied Activities

The total provision for the Seventh Plan under this sector is Rs. 325.98 crores. The likely expenditure during the first four years is Rs. 202.91 crores representing 62% of the Seventh plan outlay for this sector. The tentative allocation for 1988-89 is Rs. 63.51 crores against which the State Government has proposed Rs. 138.58 crores for annual plan 1989-90.

More than 84% of the State's geographical area is under cultivation as compared to the national average of 42%. About 88% of the net area sown in the State is under assured irrigation. The State is the largest single contributor to the Central pool of wheat and rice.

The State expects to achieve foodgrains production of about 16.4 million tonnes against the target of 18.21 million tonnes for 1988-89. There was a shortfall in achievement of the target of Kharif crops, particularly, rice and maize on account of floods in parts of the State. For 1989-90, the State has proposed a target of 18 million tonnes of total foodgrains against the Seventh Plan target of 17.1 million tonnes. As regards consumption of fertilisers, against the target of 13.3 lakh tonnes of NPK for 1988-89, the anticipated consumption is 11.7 lakh tonnes.

The proposals of the State Government under Crop Husbandary Programmes include an outlay of Rs. 2160 lakh for support to State Agro-Industries Corporation for raising additional share capital during 1989-90. This outlay includes provision of Rs. 1500 lakh for a Bagasse based paper project and Rs. 211 lakh for the PEPSICO project.

contd.../-

Following is a statement relating to production of important crops and other agricultural programmes:-

Item	Unit	7th Plan	1987-88	1988-89	1989-90	
		1985-90 Target	Achieve- ment	Target	Anticipated Achievement	Target propo- sed by State Government
1	2	3	4	5	6	7
Rice	000 tonnes	5500	5431	5610	4700	5900
Wheat	"	10500	11063	11800	11100	11200
Coarse cereal	"	900	469	600	363	700
Pulses	"	200	108	200	187	200
Total foodgrains	"	17100	17074	18210 *	16350	18000
Total oilseeds	"	200	205	280	263	280
Distribution of improved seeds	"	17.86	9.60	12.24	9.97	13.79
Consumption of chemical fertilisers	"	1465	1112	1330	1170	1200
Plant protection pesticides consumption (TGM)	"	8.00	4.86	5.80	5.80	6.00
Area under HYV (5 major cereals)	000 hect.	4775	4760	4825	4728	4740

* Target fixed under Special Foodgrains Production Programme.

Rural Development

In the Seventh Plan, an outlay of Rs. 87.09 crores was provided for Rural Development out of which Rs. 56.02 crores is likely to be utilised during the first four years of the plan representing 65%. For 1989-90, the State Government has proposed an outlay of Rs. 16.64 crores.

of the total sectoral outlay.

IRDP

The concurrent Evaluation Report for the period January-September, 1987 has revealed that a high percentage of families in the income group of Rs. 3501-4800 per annum were assisted under IRDP. Bulk of the schemes, about 55%, related to milch animals. In 25% cases, there was no incremental income from the assets. In 41% cases assets were not found intact and in 68% cases the repayment schedule for loans taken under IRDP was equal to 3 years or below.

contd..../-

Irrigation and
Flood Control

Against the Seventh Plan outlay of Rs. 370.00 crores, the likely expenditure during the first four years is Rs. 287.62 crores representing about 78% of the Seventh Plan outlay under the sector. The State Government has proposed an outlay of Rs. 91.26 crores for 1989-90 against the current year's tentative outlay of Rs. 81.32 crores.

The important issues under this sector are as follows :-

- i) The construction schedule for completing the SYL Canal Project and its firm cost estimates are not furnished so far by the State Government. This needs the immediate attention of the State Government.
- ii) The proposal of the Department of Power for referring to the Supreme Court for decision, the matter regarding sharing among Haryana and Rajasthan the power generated in the Anandpur Sahib Hydel Project, Mukrian Hydel Project, Thein Dam, UBDC-Stage-II and Shahpur Kandi Hydel Scheme has been supported by the Planning Commission.
- iii) Adequate matching outlays are to be provided by the Government of Punjab and Himachal Pradesh for Shahpur Kandi Canal.
- iv) Additional funds to the tune of Rs. 260 lakhs needs to be provided for Dholba Dam ~~being executed~~ under Kandi Water Shed and Area Development Project with financial assistance from the World Bank for completing it in all respect in 1989-90.
- v) Although the entire Seventh Plan outlays are expected to be utilised by the end of Seventh Plan, the potential likely to be created during Seventh Plan is only 78% of the target which is mainly due to non completion of SYL Canal in time.

Power

∟ outlay.

Against the Seventh Plan outlay of Rs. 1638 crores for the power sector, the expected expenditure during the first four years of the Plan is about Rs. 1514 crores, representing about 92 per cent of the Seventh Plan. The outlay proposed for 1989-90 is Rs. 398.96 crores against the tentative outlay of Rs. 375.97 crores for 1988-89.

Installed capacity

The current year's target of 388.6 MW of additional installed capacity is likely to be achieved. Against the overall Seventh Plan target of 767.40 MW of installed capacity, the likely achievement at the end of the Seventh Plan is 735.10 MW, which indicates a shortfall of 32.30.

contd.../-

Some of the power projects are briefly discussed in the following paragraphs.

i) Mykerian(H) (6x15+6x19.5 MW)

The project has four power houses having three units in each power house. Out of the total 12 units, 3 units were commissioned in the Sixth Plan, 2 units were commissioned in 5/88 and 6/88. Remaining 7 units are expected to be commissioned by March, 1989.

ii) Ropar TPS Stage-II(2x210 MW)

The commissioning of the first unit was done in March, 1988 in a record time of 37 months. The second unit was targetted to be commissioned by December, 1988.

iii) UBDC II(H) (3x15 MW)

The commissioning of the first unit is expected by March, 1989. The delay is due to late supply of generating units and their accessories. Other two units are expected to be commissioned in September, 1990.

iv) Thain Dam M P P (4x150 MW)

There is a serious concern about the slippage of three-four years projected by the State Government against 9/92 indicated last year. The project would now slip to 9th Plan. The schedule of works vis-à-vis allocation provided was not planned and monitored properly. The recent flood in September, 1988 also caused substantial damage delaying the project by one year. The estimated cost of the project is also based on very old rates, which requires updating. Due to earlier unrealistic target fixed for commissioning, the generating units will be lying in storage for about five years. The present expected date of commissioning is October, 1989 to October, 1996 for all the Units. The critical work of river diversion is now expected in October, 1991.

NEW PROJECTS

i) S.Y.L.(H)(2x18+2x7 MW)

The commissioning of the units is expected 9/90, 10/90, 3/91 and 6/91.

ii) Shahpur Kandi(H) (2x47 MW)

Instead of already CEA approved project for a Power House of 94 MW, PSEB is preparing revised proposal for 160 MW Power House which is yet to be submitted to CEA and other Departments for approval.

iii) Ropar III (T) (2x210 MW)

The project has not yet been cleared by the Planning Commission due to resource constraint in the State Plan. However, PSEB has already placed orders for Boiler and Turbo Generator to BHEL in March, 1988. The project is expected to give benefits during the 8th Plan period.

contd..../-

Resources and size
for annual plan
1989-90

As has already been stated, the annual plan for 1987-88 and 1988-89 could not be approved by the Planning Commission in view of the fact that the resource position was not clear. For the same reason, the Working Groups for the annual plan 1989-90 could not finalise their recommendations. It is, therefore, not possible to suggest a size for the annual plan 1989-90.

FR Division has indicated that taking into account the State's own resources, excluding fresh ARM, the total resources would aggregate to only Rs. 70.12 crores for 1989-90 as against the budgeted plan outlay of Rs. 700 crores for 1988-89. The Plan size for the next year will depend upon how much resources the State Government may agree to mobilise through fresh measures and how much special loan assistance could be agreed to be provided by the Ministry of Finance.

Some basic statistics about the State are given in the Annexure.

uob

Annexure

Basic Statistics - PUNJAB

S.No.	Item	Unit	Punjab	All-India
1.	Geographical Area	Lakh sq.km.	0.50	32.87
2.	Population (1981-Census)	Lakh persons	167.89	6851.85
3.	Rural Population	Lakh persons	121.41	5254.6
4.	Urban Population	Lakh persons	46.48	1597.2
5.	Rural Urban Population Ratio	Percentage ratio	76:24	76:24
6.	Scheduled Caste Population	In lakhs	8.45	1047.55
7.	Percentage of SC population to the total population	: Percent	26.87	15.75
8.	Scheduled Tribes population(1981)	In lakhs	NIL	516.29
9.	Density of population (1981 Census)	Persons per sq.km.	333	216
10.	Decennial Growth Rate(1971-81)	Percent	23.89	25.00
11.	Districts	Numbers	12	402
12.	Development Blocks	Numbers	118	5011
13.	No. of inhabited villages	Numbers	12342	557137
14.	Literacy Rate	Percent	40.86	36.23
15.	Area under Forests	Sq.kms.	2244	736685
16.	Total cropped Area(1983-84)	Lakh hect.	69.77	1803.61
17.	Net sown area(1983-84)	Lakh hect.	42.12	1427.44
18.	Gross Irrigated Area(1983-84)	Lakh hect.	62.73	539.37
19.	Net irrigated Area(1983-84)	Lakh hect.	36.09	419.55

Source: Statistical Abstract of India, (CSO), 1986

अति तत्काल

योजना आयोग
राज्य योजना प्रभाग

...

विषय : वार्षिक योजना 1989-90 राजस्थान ।

राजस्थान को वार्षिक योजना 1989-90 के लिए श्री ए.के. सैकिया, सलाहकार राज्य योजना की रिपोर्ट को प्रति परिचालित को जातो है। यह रिपोर्ट, उपाध्यक्ष, योजना आयोग/योजना मन्त्री और मुख्य मन्त्री, राजस्थान के बीच मंगलवार, 31 जनवरी, 1989 को प्रातः 11.00 बजे कमरा नं० 130, योजना भवन, नई दिल्ली में होने वाले विचार-विमर्श का आधार होगी।

श्री ए.के. सैकिया

श्री ए.के. सैकिया

परामर्शदाता राज्य योजना

वित्त मन्त्रालय

उपाध्यक्ष

राज्य मन्त्री

सदस्य

सचिव

विशेष सचिव

सलाहकार

परामर्शदाता श्री ए.के. सैकिया/श्री ए.के. सैकिया

संयुक्त सचिव राज्य योजना

प्रमुख विज्ञान

श्री जे.ए. बजाज, संयुक्त सचिव (एफ.बी.)

आर्थिक कार्य विभाग

श्री जी. वी. लाला, निदेशक (पी.एफ.)

व्यय विभाग (चार प्रतियां)

योजना आयोग परिपत्र संख्या पी.सो.पी. 2/राजस्थान/88 दिनांक 24.1.89

प्रति:

उपाध्यक्ष तथा योजना मंत्रो के निजी सचिव

योजना राज्य मंत्रो के निजी सचिव

प्रधान मंत्रो के निजी सचिव

मींत्रिमंडल के सचिव के निजी सचिव

प्रति इनको भी :

राज्य योजना प्रभाग के सभी संयुक्त सलाहकार,

उप सलाहकार, वरिष्ठ अनुसंधान अधिकारो/अनुसंधान अधिकारो ।

सूचना अधिकारो, योजना आयोग ।

प्रति :

सम्पर्क अधिकारो, राजस्थान सरकार, नई दिल्ली (10 प्रतियां)

PLANNING COMMISSION
(State Plans Division)

...

ANNUAL PLAN 1989-90 - RAJASTHAN

REPORT OF SHRI A.K. SAIKIA, ADVISER (STATE PLANS)

...

Rajasthan is the second largest State in India with an area of 3.42 lakh sq.kms. constituting about 11% of the total geographical area of the country. In terms of population, however, the State ranks ninth in the country with a total population of 342.62 lakh forming about 5% of the country's population. The density of population of the State works out to 100 persons per sq.km. against the all-India average of 216. The literacy rate of the State is 24.38 against the all-India figure of 36.23. 84 out of 237 blocks in the State constitute the hot arid desert area known as 'Thar Desert'. The vastness of the area and sparseness of population create problems for provision of infrastructure like water supply, roads, hospitals, electricity, schools, etc. Rajasthan lags behind the other states in many respects. Some of the basic information pertaining to the State is given in the annexure.

Plan

Perspective: 2. The position regarding outlays and expenditure and per capita thereof is as under :-

Period	Originally approved outlay (Rs. crores)	Actual Expend. (Rs. crores)	Per capita of (Rs.)		Population estimates used (year)
			Originally approved outlay	Actual Expend.	
First Plan (1951-56)	27.28	66.00	16 (26)	40 (39)	1953
Second Plan (1956-61)	105.27	99.86	56 (54)	53 (52)	1958
Third Plan (1961-63)	236.00	210.69	112 (86)	100 (93)	1963
Annual Plan (1963-69)	136.21	136.60	59 (61)	59 (60)	1967
Fourth Plan (1969-74)	302.00	308.81	117 (125)	120 (142)	1971
Fifth Plan (1974-79)	709.24	837.94	241 (302)	295 (327)	1976
Sixth Plan (1980-85)	2025.00	2134.64	559 (670)	589 (688)	1983
Seventh Plan (1985-90)	3000.00		746 (1022)		1987

contd..../-

Table continued from pre-page

Annual Plans

Year	Originally approved	Expenditure	Excess(+)/Shortfall(-)	over the approved outlay
1985-86	430.00	427.64	113	112
			(174)	(177)
1986-87	525.00	527.84	134	135
			(207)	(207)
1987-88	645.00	644.84	160	
			(238)	
1988-89	710.00	710.00	172	
		(Anti.)	(251)	

Note : Figures in brackets represent the per capita outlay/expenditure of all states.

It may be seen from the above table that the per capita plan outlay and expenditure of Rajasthan from Fourth Plan onwards is lower than the all states per capita outlay and expenditure.

Progress of 3. Against the Seventh Plan outlay of Rs. 3000.00 crores, the expenditure reported by the State Government for the individual years of the plan is during the as under :-

<u>7th Plan</u>	Year	Originally approved	Expenditure	(Rs. crores) Excess(+)/Shortfall(-) over the approved outlay
	1985-86	430.00	427.64	(-) 2.36
	1986-87	525.00	527.84	(+) 2.84
	1987-88	645.00	644.84	(-) 0.16
	1988-89	710.00	710.00	-
			(Anticipated)	
	<u>TOTAL(Four years)</u>	<u>2310.00</u>	<u>2310.32</u>	<u>(+) 0.32</u>

Approved 4. Financing pattern of the Seventh Plan and the Annual Plans as approved originally by the Planning Commission is given below :-

<u>Pattern</u>	Plan Period	State's own resources without (AFM)	Addl. resource Mobilisation	Total ,SOR,	Central Assistance	(Rs. crores) Total Resources
	Seventh Plan	860.23	1000.00	1860.23	1139.77	3000.00
	1985-86	50.84	163.51	214.35	215.65	430.00
	1986-87	214.53	84.34	298.92	226.98	525.00
	1987-88	140.88	242.19	383.07	261.93	645.00
	1988-89	29.24	372.44	401.68	308.32	710.00

Annual Plan 5. For Annual Plan, 1989-90, the State Government proposed an outlay of Rs. 1016.59 crores showing an increase of Rs. 306.59 crores over the current year's approved outlay of Rs. 710.00 crores - a step up of about 43%. The outlays recommended by the various Working Groups amount to Rs. 821.33 crores, major headwise break up of which is given in the table below. The sub-headwise details are set out in the appended statement.

contd..../-

(in lakhs)

Major head	Seventh	Actual Expenditure			1988-89-Outlay		1989-90-Outlay		
	Plan Outlay	1985-86	1986-87	1987-88	Approved	Anti. Expdr.	Proposed by the State	Recommen- ded by the W.G.	
	1	2	3	4	5	6	7	8	9
I. Agriculture & Allied Activities	18086	2579	3429	4014	4944	4944	6423	6258	
II. Rural Development	14677	2608	3218	3081	3475	3495	9037	4353	
III. Spl. Area Programmes (Mewat Dev.)	-	-	-	65	95	75	115	115	
IV. Irrigation & Flood Control	79715	12324	12835	13512	15240	15240	19200	18740	
V. Energy	87972	12599	13031	20657	20846	20846	25250	24601	
VI. Industry & Minerals	19069	1985	2377	2637	3522	3522	4573	4450	
VII. Transport	12692	1852	1879	2052	3075	3075	4700	4953	
VIII. Communications	-	-	-	-	-	-	-	-	
IX. Science, Technology & Environment	840	33	41	56	76	76	120	115	
X. General Economic Services	2006	250	223	237	470	420	1100	1491	
XI. Social Services	63166	8310	10514	12777	18138	18188	27712	27552	
XII. General Services	1777	224	237	217	350	350	486	412	
<u>Others</u>									
1) Upgradation grants under IXth Finance Commission	-	-	-	679	769	769	2943	-	
ii) Material component for famine Relief works	-	-	-	4500	-	-	-	-	
GRAND TOTAL :	300000	42734	52784	64484	71000	71000	101659	93130	

contd..../-

SECTORAL HIGHLIGHTS

Agriculture and Allied Activities 6. The outlay and expenditure position in respect of Agriculture and Allied Activities is as follows :-

	(Rs. crores)
Seventh Plan outlay	180.86
Actual Expenditure/percentage utilisation during the first three years of the Plan	100.22/55.4%
1988-89 Approved outlay/Anticipated Expenditure	49.44/49.44
1989-90 Outlay proposed by the State Govt./Recommended by the Working Group	64.23/62.58

7. In the Seventh Plan, six per cent of the total outlay was provided to the Agriculture and Allied Activities including Co-operation and Forestry and Wild Life. Eighty two per cent of the Seventh Plan outlay for this Sector is likely to be utilised by the end of 1988-89. The Working Group recommended an outlay of Rs. 62.58 crores for 1989-90 against the State Government's proposed outlay of Rs. 64.23 crores.

8. Agriculture is the main-stay of the State's economy. However, limited water resources are a major constraint for its development. This problem is compounded by the recurring droughts and scarcity conditions. In the current year (1988-89), the rains were sufficient during the Kharif season, and the State Government expected to exceed the foodgrain production target of 104.8 lakh tonnes. In the case of oilseeds, the production during 1988-89 is expected to be 14.16 lakh tonnes against the target of 13.97 lakh tonnes. The targets and achievements in respect of important agricultural crops and agricultural development programmes are given in the table below :-

contd..../-

Item	Unit	Seventh Plan target	1987-88	1988-89	1989-90	
			achievement (likely)	Target	Anti. Ach.	Target recommended by the W.G.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Rice	Lakh tonnes	2.55	0.49	2.30	1.58	2.55
Wheat	"	44.10	29.10	41.00	41.00	44.10
Coarse cereals	"	41.55	13.76	39.10	40.85	41.55
Pulses	"	24.80	4.70	22.45	22.33	24.80
<u>TOTAL (FOODGRAINS) :</u>	"	<u>113.00</u>	<u>48.05</u>	<u>104.85</u>	<u>105.76</u>	<u>113.00</u>
Total oilseeds	"	<u>13.20</u>	<u>12.57</u>	<u>13.97</u>	<u>14.16</u>	<u>14.70</u>
Distribution of seeds	ooo' Qtls.	407.70	130.88	279.41	295.31	311.10
Consumption of chemical fertilisers	ooo' tonnes	490.00	214.81	290.00	300.98	327.00
Plant protection pesticides consumption (technical gr.material)	"	3.30	2.97	3.10	2.65	3.30
Area under H.Y.V.	Lakh hect.	47.00	20.48	37.40	32.21	37.75

contd..../-

9. Important issues/observations emerging from the Working Group discussion are given in the succeeding paragraph .

10. It was observed in the Working Group that average yields of almost all crops in the State were lower than the national averages and special efforts were needed by the State Government to step-up productivity in both irrigated as well as unirrigated areas. Since only 20% of the cropped area was irrigated in the state, there was a need for increasing productivity under unirrigated crops through use of inputs and improved technology. The Working Group suggested taking-up of drought proofing technology by adopting in-situ moisture conservation and diversification of crops by switching over to less water requiring crops. While referring to the meeting convened by Secretary, Planning Commission during last year for devising some programmes for drought-proofing, it was stated in the Working Group that the State had not made any progress in that direction. Regarding use of fertiliser consumption, the working group noted that average per hectare fertiliser consumption has gone up from 12 kgs. in 1985-86 to 15 kgs. in 1986-87. However, it was felt that this level needed to be raised to 20 kgs. under unirrigated conditions and over 100 kgs. under irrigated conditions. The application of phosphatic fertilisers was particularly low in the state. Dwelling on the research needs of the state, the working group observed that Bajra & Moth, two important crops in the State needed adequate research support. Expressing concern over shortage of quality seeds, the working group suggested proper implementation of the seed strategy prepared by the Rajasthan Agricultural University for attaining self sufficiency in respect of seeds of various crops.

Soil & Water Conservation

11. An outlay of Rs. 1008 lakh was provided for the Seventh Plan for Soil & Water conservation programme in the State. Expenditure during the first four years of the Plan is anticipated to be Rs. 323 lakh representing 32 per cent utilisation of the Seventh Plan outlay. For 1989-90, the working group supported the proposed outlay of Rs. 166 lakh.

12. About the physical achievement in respect of Soil Conservation works, the working group has noted that the information provided by the State Govt. in GN.III statement was not realistic and was on the lower side. Therefore, the state representatives were requested to furnish realistic information.

13. About dryland farming the working group has observed that the achievement was low as compared to the investment made for dryland farming programme. The cumulative levels of physical progress of number of watersheds and area covered by them had not been indicated in the statement TPP-II. It was also pointed out that the targets for number of watersheds taken up, area under land development and distribution of improved agricultural implements did not tally with the targets fixed for these items by Ministry of Programme Implementation under Twenty Point Programme. It was suggested that the water-shed development work should be undertaken on the basis of projectisation in which emphasis has to be placed on integrated development covering both arable and non-arable lands with the required on-farm and off-farm treatments. There should be an assessment of the totality of funds available under various central, centrally sponsored, externally aided and state sector schemes/programmes.

Animal Husbandry and Dairy Development

14. An outlay of Rs. 1679 lakh was provided for Animal Husbandry during the Seventh Plan period in the state. The utilisation during the first four years of the Plan is likely to be Rs. 1786 lakh forming 106% of the Seventh Plan outlay. The Working Group recommended an outlay of Rs. 850 lakh for 1989-90 against the state government's proposed outlay of Rs. 865 lakh

15. The Working Group observed that average productivity per animal per annum was 898 litres in the state which could be increased to 1000 litres by cross-breeding programme and selective breeding of buffaloes. Referring to the low average productivity per layer bird of 180 eggs, the Working Group advised the State representatives to increase the productivity to 230 eggs per bird by introducing superior germ-plasm and intensifying the marketing arrangements of eggs by proper price incentives. Rajasthan has a sizable sheep population and is a prominent wool producing state in the country. The Working Group emphasised that productivity of sheep, being intertwined with the socio-economic status of the shepherds, should be raised through improved breeding, augmented feed and fodder resources, intensive animal health care and wool grading with assured remunerative marketing.

/ Rs.

16. Against the Seventh Plan outlay of Rs. 755 lakh, the likely expenditure on Dairy Development during the first four years of the Plan is Rs. 819 lakh which exceeds the Seventh Plan outlay. The Working Group has recommended an outlay of Rs. 250 lakh as proposed by the State Government for 1989-90. To improve the functioning of the Dairy Cooperatives, the Working Group desired that the State Government should adopt the Anand Dairy pattern of Gujarat.

Forestry & Wild Life

/ Group

17. As compared to the Seventh Plan outlay of Rs. 4985 lakh, the expected expenditure during the first four years of the Plan is Rs. 3407 lakh representing over 68% utilisation of the Plan outlay. The outlay proposed by the State Government for Annual Plan 1989-90 amounted to Rs. 1400 lakh while the recommendation of the Working Group is slightly higher at Rs. 1450 lakh.

18. The State has only 9 per cent of the total area under forests, where as actual tree cover may be only about 3 per cent and the rest of the area comprises degraded forests, barren hills and arid areas. The recent droughts have further aggravated the situation in this regard.

..../-

Cooperation

19. Against the Seventh Plan outlay of Rs. 4620 lakh, the expenditure expected during the first four years of the Plan is Rs. 3292 lakh, forming 71 per cent of the Seventh Plan outlay. Against the proposal of the State Government amounting to Rs. 1450 lakh, the Working Group recommended an outlay of Rs. 1240 lakh for 1989-90 for cooperation programme.

20. It was observed during Working Group discussions that the overdues at various levels of cooperative credit structure continued to be quite high with the result that the disbursement of short term and long term credit was lagging behind.

21. The percentage of overdues to demand at the level of primary agricultural credit societies increased from 48.3 in 1986-87 to 56 in 1987-88. In the corresponding period the percentage of overdues to demand at the level of Central Cooperative Banks increased from 53 to 58.6. The State representative informed that the reason for high overdues in the state was the occurrence of drought in the four consecutive years from 1983-84 to 1987-88 in the state. They expected that the recovery position is likely to improve in 1988-89 due to good monsoon.

contd..../-

Rural Development

22. The financial progress in the Seventh Plan in respect of Rural Development sector is given below :-

	(Rs. crores)
Seventh Plan Outlay	146.77
Expenditure during first three years of the Plan	89.07
Likely Expenditure/Percentage utilisation of Seventh Plan outlays in the first four years of the Plan.	124.02/84.50
1988-89 Approved outlay/Likely Expenditure	34.75/34.95
1989-90 outlay proposed by the State Govt./Recommended by the Working Group	90.37/43.53

23. During Seventh Plan 4.89 per cent of the total plan outlay was provided for Rural Development. By the end of the fourth year the expenditure is likely to be 84.50 per cent of the Seventh Plan sectoral outlay. The Working Group recommended Rs. 43.53 crores for the Annual Plan 1989-90, against the State Government's proposed outlay of Rs. 90.37 crores. The main programmes under the Rural Development Sector are discussed in the succeeding paragraphs.

I.R.D.P.

24. As compared to the Seventh Plan outlay of Rs. 80.23 crores for IRDP and Allied Programmes, the likely expenditure during the first four years has been reported as Rs. 54.55 crores. For 1989-90, the State Government's proposal was for Rs. 30.30 crores against the 1988-89 approved outlay of Rs. 16.84 crores. The criteria for making allocations under IRDP for 1989-90 has been changed to 100% weightage to the incidence of poverty. The Working Group recommended separately for women development. The details of the outlays recommended by the Working Group are as follows :-

@ an outlay of Rs.19.13 crores including Rs.51 lakhs recommended

Item	(Rs. crores)	
	Outlay proposed by the State	Recommended by Working Group
1. Subsidy to DRDA incl. Administrative and programme infrastructure	28.63	17.57
2. Strengthening of TRYSEM training infrastructure	0.35	0.37
3. DWGRA	0.26	0.26
4. HCEM-RIPA (SIRD Wing)	0.02	0.02
5. Provision for posts of Mukhya Sevikas & Gram Sevikas	0.44	0.40
6. Women Development (Recommended by Working Group on social & Nutrition sector)	0.60	0.51
TOTAL :	30.30	19.13

..../-

25. The programme for women's Development at item No.6 above was discussed in the Working Group on Social Welfare & Nutrition. The programme is being implemented in 3 districts out of which UNICEF assistance is available for 6 districts. The Working Group recommended Rs. 51 lakh against the current year's outlay of Rs. 20 lakh and the proposed outlay of Rs. 60 lakh in 1989-90. It was suggested that the programme should be concentrated in few areas only so as to have some impact on the development of women.

26. The State Government representatives informed that as compared to the overall target for coverage of 2 lakh beneficiaries for 1988-89, 91426 old and new beneficiaries have been covered under the programme upto November, 1988. The Working Group stressed that all the left over old beneficiaries must be covered during 1988-89. About subsidy-credit ratio, the State Government officers informed that upto September, 1988 in respect of old beneficiaries, it was about 1:1 and for new beneficiaries it was 1:1.45. Fifty Five per cent of the IRDP beneficiaries belonged to SC/ST and the coverage of Women beneficiaries was about 16%. According to a door to door survey conducted by the State Govt., there were 12.17 lakh rural families living below the poverty line on 1.4.1988 in the State. Regarding setting up of district supply and marketing societies, the State representatives reported that 3 such societies were already operating in Udaipur, Barmer and Banswara and 17 additional societies have been sanctioned and are at different stages of being set up. The Concurrent Evaluation Report for the period January-September, 1987 revealed that 11% beneficiaries assisted under IRDP were having income in excess of Rs. 4800 per annum. In 22 per cent cases, the difference between the cost and value of assets was over Rs. 1000; in 49 per cent cases no incremental income had been generated by the assets. There were no organisations of IRDP beneficiaries; in 52 per cent cases assets were not found intact and in 79 per cent cases after-care support was not provided by the Government agencies.

27. About strengthening of TRYSEM infrastructure, it was observed that Central share for 1988-89 has been released but the State's share was not forthcoming so far. The State representatives assured that the share of the State Government would be released very soon. Regarding absorption of TRYSEM trained rural youth in employment, the Working Group noted that 70 per cent such rural youth have been provided with self/wage employment during 1987-88 and upto September, 1988 during 1988-89.

28. The scheme of development of Women and Children in Rural Areas (DWCR) is being operated in 8 districts of the State and upto November, 1988, 1062 groups of women beneficiaries have been organised. The Working Group while recommending a separate outlay of Rs. 40 lakh during 1989-90 for meeting the cost of salaries/allowances of Mukhya Sevikas/Gram Sevikas, did not approve any outlay in respect of creation of new posts under this category.

contd..../-

NREP

29. As compared to the 7th Plan outlay of Rs. 3160 lakh, the expenditure during the first four years of the plan is likely to be Rs. 4424 lakh. Keeping in view the tentative central share of the state for 1989-90, the working group recommended an outlay of Rs. 1642 lakh against the proposed outlay of Rs. 5000 lakh. The Working Group observed that additional outlay could be provided under NREP subject to the availability of additional central matching share. The state government has proposed an additional outlay of Rs. 3000 lakh under NREP towards the contribution for a new scheme to be known as 'Rural Employment Programme'. This new scheme was proposed to be started during 1989-90 in anticipation of the proposal regarding merger of NREP and RLEGP. It was explained to the state representatives that the merger of NREP and RLEGP has not yet been decided by the Centre and, therefore, no provision for the new programme could be considered. About construction of buildings like panchayats and similar other community assets with NREP funds, the State representatives informed that only those buildings were being constructed which have already been taken up and have not been completed till 1988-89. The prevailing minimum wage in the State was Rs. 14 per day and per manday cost was indicated as Rs. 20. With regard to the Million Wells Scheme, it was noted in the Working Group that against the target of 10000 wells for 1988-89, only 83 wells were completed upto October, 1988 though work was in progress in the case of 2561 wells against 5190 wells sanctioned. The State Government was confident of spending the total provision under the earmarked sector of social forestry scheme of Rs. 258 lakh during 1988-89. Similarly it was expected that more than 10% of the outlay earmarked for works exclusively benefiting SC/ST would be utilised. The findings of Concurrent Evaluation Report for the period November, 1987 to January, 1988 were also discussed in the Working Group. About the finding relating to works executed not being part of shelf of project, it was promised that the steps would be taken to rectify the position. However, the State Government representatives doubted the correctness of the finding that the employment generated was not at all shared by the landless labourers and that all the foodgrains supplied were of average quality.

D.P.A.P.

30. Against the Seventh Plan outlay of Rs. 1500 lakh, the utilisation upto 1988-89 is reported to be 880 lakh. For 1989-90, the State Government proposed an outlay of Rs. 395 lakh as compared to the 1988-89, approved outlay of Rs. 257 lakh. The Working Group recommended an outlay of Rs. 257 lakh for 1989-90.

During 1988-89, the State Government has included its proposals in some incomplete famine works also. The Working Group clarified that these works could not be provided under this programme. The State Evaluation Organisation which has been assigned the job of evaluation study in respect of DPAP has already submitted its report. The State representatives were requested to make the copies of the report available to the Planning Commission, alongwith copies of Watershed Survey Report being carried out by the Remote Sensing Centre, Jodhpur and a district level project report for one district.

Integrated Rural Energy Programme

32. Against the Seventh Plan allocation of Rs. 120 lakh, the utilisation upto 1988-89 is anticipated to be Rs. 45 lakh. The Working Group recommended an outlay of Rs. 30 lakh for 1989-90 against the state govt.'s proposal of Rs. 35 lakh for I.R.E.P.

33. The programme is under implementation in 5 blocks and two more blocks have been recommended by the Working Group for 1989-90. It was observed in the Working Group meeting that the write-up on the programme has been clubbed with non-conventional energy sources programme. It was brought to the notice of the State Government that the IREP programme is a separate programme under budget head of rural development. The biogas programme which has been included in this programme should have been shown against non-conventional energy sources. The Working Group has noted that the physical progress under the programme is very poor. There was need for gearing up this programme. The IREP calls have to be filled up for which central grant on 100% basis is provided under the IREP programme.

Spl. Area Prog.

(Mewat Area Dev.)

34. Against the current year's outlay of Rs. 95 lakh and the anticipated expenditure of Rs. 75 lakh, the State Government proposed an outlay of Rs. 115 lakh for 1989-90 which was endorsed by the Working Group. The scheme of Mewat Area Development was included by the State Govt. from the year 1987-88. Looking at the general backwardness of the region, Govt. of Rajasthan had decided to take up Mewat Regional Development as a Special area development programme. The State Government has constituted the Mewat Regional Development Board under the Chairmanship of the Chief Minister, for the socio economic development in Mewat areas of Alwar and Bharatpur District. In Alwar 7 Panchayat Samities, i.e., Tijwara, Bangarh, Kishnagarwas, Lasamgarh, Mandwar, Umrain and Kashumar, while in Bharatpur district, three Panchayat Samities, i.e., Kaman Nagar and Deeg have been included in this project. The programme of Mewat Development will be implemented by the District Rural Development Agency.

Irrigation and Flood Control 35. The outlay/expenditure position during the 7th Five Year Plan is given in the table below :-

(Rs. crores)

Sub-sector	7th Plan outlay	Expenditure expected during the first four years of the 7th Plan	1988-89-Outlay Approved	Anticipated	1989-90-Outlay Proposed	Recommended by W.G.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Major & Medium Irrigation	635.46	435.59	122.12	122.12	152.76	149.28
Minor Irrigation	47.88	40.02	13.00	13.01	19.45	19.24
Command Area Dev.	99.12	53.04	15.30	15.30	15.26	14.88
Flood Control	14.69	9.46	1.97	1.97	4.52	4.00
TOTAL :	497.15	539.11	152.40	152.40	192.00	187.40

It may be seen from the above table that the likely expenditure during the first four years of the Plan exceeds the Seventh Plan outlay by about Rs. 42 crores. Some of the important projects are briefly discussed in the following paragraphs :-

Chambal Complex

36. The Chambal Complex Project envisages utilisation of Rajasthan's share of the available water to irrigate 2.84 lakh hectares of land in Kota and Bundi districts. The outlay proposed for 1989-90 is to create additional irrigation potential of 5000 ha. Under the head Chambal Committee and left over works certain major works like protection works and remodelling of canals are being undertaken. For the year 1989-90, an outlay of Rs. 35 lakh was proposed by the State and the Working Group endorsed the proposal.

Indira Gandhi Nahar Project

37. The project envisages utilisation of 7.59 MAF water out of Rajasthan's share of 8.6 MAF in surplus supply of Ravi and Beas Rivers. The construction work has been undertaken in two stages. Stage-I comprising construction of a 204 km. long feeder canal, 189 km. long main canal and about 3075.92 km. long distribution system to serve a culturable command area of 5.25 lakh ha. at 110% intensity of irrigation to 5.776 lakh ha. Stage-II of the project has been cleared in April, 1987 by the Planning Commission for an estimated cost of Rs. 951.24 crores. The Stage-II system comprises 256 kms. long main canal and about 4800 kms. long distribution system. The total irrigation potential of Stage-II at Rs. 80% intensity of irrigation would be 3.10 lakh hectares. The 256 kms. long main canal under stage-II was completed by December, 1986 and water was released down stream of its tail on 1.1.1987. Out of total length of 2750 km. of the distribution system in flow area, 722.95 kms. is mostly complete. It would provide annual irrigation entire

.../-

length was completed up to March, 1988. The programme for the year 1988-89 is to complete lining in a length of another 288.73 kms. Irrigation potential of 99000 ha. was created by March, 1988 and the programme for the year 1988-89 is to create a potential of 35000 ha. For the Annual Plan 1989-90, the Working Group recommended the entire proposed outlay of Rs. 75 crores for Stage-II of the project including Rs. 42 crores for CAD works.

Medium Irrigation Projects

38. There are 13 on-going medium irrigation projects and four new projects. For want of necessary sanction from CWC, the work on new projects viz. Garada, Sikli, Chikli and Bandi Sandra could not be taken up. For 1989-90, six new projects have been proposed. An additional irrigation potential of 8900 ha. would be created during 1989-90 from medium irrigation projects. The Working Group has recommended the proposed outlay of Rs. 60 lakh for the six new projects in 1989-90.

Modernisation of irrigation projects

39. Under modernisation, work on 9 projects, besides 11 deferred projects is going on. Out of these projects, the most important is IGC (Indira Gandhi Canal) feeder and Gang Canal Link Canal on which work is in progress. An additional irrigation potential of 1000 ha. is envisaged from these projects. The Working Group recommended the proposed outlay of Rs. 4.10 crores for 1989-90.

The following are the important issues raised during Working Group and wrap-up discussions:

- i) It was pointed out to the State representatives that despite large investment in ICNP the benefit accrued was not commensurate with the outlay. The State representatives clarified that earlier the emphasis was on completion of the main canal. Now the emphasis has been shifted to expeditious utilisation of the potential created.
- ii) The State Government should ensure completion of the seven major projects, namely, Meja Feeder, Wagon, Bassi, Kolhari, Sam Kogdar, Bhim Sagar and Bilas by 1990 within the Seventh Plan. The required funds have been fully recommended for 1989-90.
- iii) Regarding the share of Rajasthan towards the Sardar Sarovar Project the State representatives informed that the matter was linked with Gujarat's share in the cost of Mahi-Kadana Project and the Ministry of Water Resources will indicate the exact dues from each State in this regard. The Working Group, therefore, could not make any recommendation in the matter.

Physical performance

40. The physical performance under major and medium irrigation projects as also command area development projects has been indicated below :-

(000' ha.)

Major & Medium Irrigation Projects	As per Annual Document		As reported by the State	
	Pot.	Utl.	now Pot.	Utl
1. Ultimate irrigation potential	2750	2750	2750	2750
2. Plan benefits to end of VI Plan	1683.7	1577.40	1683.7	1577.49
3. VII Plan target(Addl)	264.93	190.32	264.93	190.32
4. Benefits during 1985-86 (Addl.)	43.00	35.00	43.55	41.27
5. Benefits during 1986-87(Addl.)	14.00	97.00	42.04	99.69
6. Benefits during 1987-88 (")	50.00	21.00	40.87	23.51
7. Benefits during 1988-89 (")	42.00	16.98	53.04	11.61
8. Target of benefits during 1989-90	-	-	53.41	19.53

<u>C.A.D. Projects</u>	<u>Field Channel</u>	<u>Land levelling</u>
1. Benefits during 1985-86	32.57	4.2
2. Benefits during 1986-87	19.86	2.04
3. Benefits during 1987-88	36.33	2.27
4. Benefits during 1988-89	99.00	4.00
5. Target for 1989-90	94.00	5.00

(Figures for Warebandi are not available)

contd..../-

Minor Irrigation

41. Minor Irrigation programme in the State of Rajasthan is looked after by four agencies, ^{namely} the Departments of Irrigation, Ground Water, Agriculture and the Rajasthan Water Resources Development Corporation. The major programme of construction of dams, check dams etc. for development of surface water resources is being done by the irrigation Department. The Ground Water department carries out hydrogeological surveys in the State and explore the possibilities of development of ground water resources in the State. The Agriculture Department provides subsidy for use of energy and water savings devices such as sprinkler sets, failed wells and cooperative lift irrigation scheme. The Rajasthan Water Resources Development Corporation is taking up community works of tubewells for farmers who are provided subsidy under the centrally sponsored schemes of small and marginal farmers and IRDP.

42. In respect of physical achievements, a target of creating 1.50 lakh ha. from ground water schemes was envisaged for Seventh Plan. The achievement for the first four years is likely to be 1.32 lakh ha. The target set for 1989-90 is creation of additional irrigation potential of 0.36 lakh ha. With this, target for Seventh Plan will be exceeded. In respect of surface water schemes, a target of creating 30,000 ha. was set for the Seventh Plan. The achievements for the first four years of the Seventh Plan will be 12,400 ha. A target of creating 5500 ha, is envisaged for 1989-90. With this, the likely achievement for the Seventh Plan will be 28,000 ha. and thus there may be a shortfall of about 2,000 ha. under surface water schemes.

contd..../-

EnergyPower

43. The outlay/expenditure position for power sector including rural electrification during the Seventh Plan is as under:-

	<u>(Rs. crores)</u>
Seventh Plan Outlay	874.20
Actual Expenditure/percentage utilisation during the first three years of the Plan (1985-88)	511.19/60.3%
1988-89 approved outlay/anticipated expenditure	207.56/207.56
1989-90 outlay proposed by the ^{State} Govt./ recommended by the Working Group	250.00/245.71

It may be seen from the above that the expenditure expected during the first four years of the Plan is Rs.718.75 crores which forms 82 per cent of the Seventh Plan outlay for this sector. For 1989-90 the working group recommended an outlay of Rs.245.71 crores against the State Government's proposed outlay of Rs.250.00 crores.

Time and Cost Overrun

44. It is observed that there have been considerable time and cost overrun in respect of a number of power projects in the State. Major time and cost overrun since the last working group discussions are given in the following table:-

Name of the Project	Estimated cost (Rs. crores)		Cost Overrun (%)	Commissioning Schedule		Time over- run (Months)
	1988-89 Plan	Latest Plan		As per 1988-89 Plan	Latest run	
1. Mahi (H) (2x25+2x45 MW)	174.79	-	-	12/88, 4/89	2/89, 8/89	2, 4
2. Suratgarh (H) (2x20 MW)	8.11	9.88	21.8	5/89	1, 3/90	8, 10
3. Mangrol (H) (3x2 MW)	12.52	12.52	-	6/89	2, 3/90	8, 9
4. Charanwala (H) (1x1.2 MW)	2.86	3.69	29.0	9/89	11/90	14
5. Pugal (H) (1.5+0.35 MW)	4.38	6.75	54.1	4, 9/89	3, 11/90	11, 14
6. Ramgarh Gas (1x3 MW)	3.94	8.50	115.7	9/89	9/90	12
7. RMC Mahi I (2x0.4 MW)	1.33	1.33	-	10/88	12/89	14
8. RMC Mahi II (1x0.165 MW)	0.34	0.34	-	12/88	6/89	6

Installed Capacity

45. In the year 1988-89, the target for increase in installed capacity of the State was 255.00 MW against which 255 MW is likely to be achieved. During the Seventh Plan against the target of 385.10 MW, an achievement of 581.47 MW is anticipated because of early commissioning of Unit-IV of Kota TPS stage-II which was earlier targetted for the Eighth Plan. Projectwise details of addition to the installed capacity are given in the following table:-
(MW)

Name of the Project	7th Plan Target Original	7th Plan Target Mid-term	Three years' actual (85-88) additions	1988-89 Target	1988-89 Anti-Likely	1989-90 Total Achi.	1989-90 Total Planned (Anti-Likely)
1. Kota(T) II(2x210MW)	210	420	-	210	210	210	420
2. Ramgarh Gas(T) (1x3 MW)	3	3	-	-	-	-	-
3. Mahi(T) (2x25+2x45MW)	140	140	50	45	45	45	140
4. Mangrol(H) (3x2 MW)	6	6	-	-	-	6	6
5. Charanwala(H) (1x1.2MW)	2	1.20	-	-	-	-	-
6. Suratgarh(H) (2x2 MW)	4	4	-	-	-	4	4
7. Anoopgarh(H) (6x1.5MW)	9	9	9	-	-	-	9
8. Pugal(H) (1.5+0.35MW)	2.10	1.85	-	-	-	1.50	1.50
9. Jakham(H)	9	0	-	-	-	-	-
10. RMC Mahi I & II (2x0.4 MW+1x0.165 MW)	0	0	-	-	-	0.97	0.97
TOTAL :	385.10	585.05	59	255	255	267.47	581.47

The important projects are discussed below :-

Mahi Hydel (2 x 25 + 2 x 45 MW)

46. The revised cost of the project was given as Rs.17479 lakh during 1988-89 plan discussions. The latest revised cost estimate for the project is yet to be prepared and submitted for approval by RSEB. The Working Group expressed serious concern at this delay

and requested the RSEB and the State Government to get the latest cost estimate of the project prepared and approved before the recommended outlay for 1989-90 of Rs.1000 lakh is provided. The Power House No.I(2x25 MW) was commissioned in 1985-86. The first unit of Power House No.II (2x45 MW) is expected to be commissioned in February, 1989 and the second unit in August, 1989.

Kota II(T) (2 x 210 MW)

47. One unit of the project was commissioned in September, 1988 and the second unit is scheduled for commissioning in April, 1989. It was pointed out that the delivery of the generator by BHEL was likely to slip further to the end of March, 1989 which would delay the commissioning of the project. The Working Group recommended an outlay of Rs.3000 lakh for 1989-90 on the basis of the progress of works.

Mini Hydels

48. Keeping in view the progress of works and the schedule for commissioning, the following were recommended by the Working Group for Mini Hydels (approved/on going) schemes.

Anoopgarh (6 x 15 MW)	-	Rs.30 lakh
Suratgarh (2 x 2 MW)	-	Rs.170 lakh
Mangrol (3 x 2 MW)	-	Rs.320 lakh
Charanwala(1 x 1.2 MW)	-	Rs.150 lakh
Pugal(1 x 1.5 + 1 x 0.35 MW)	-	Rs.200 lakh

Ramgarh Gas(1 x 3 MW)

49. This is a natural gas based project near Ramgarh in Jaisalmer district. The State representatives informed the Working Group that the orders for supply of generating units would be placed by RSEB by March, 1989. The commissioning of the units is expected to be in September, 1990. The Working Group requested the State Government for submission of revised estimate for the project for approval.

Outlays

the

50. New Schemes

Approved

Palana Lignite(T) Neveyli Lignite Corporation has to take up the Project. Provision has been kept for balance payment of consultancy charges in 1989-90 as Rs.1 lakh.

Micro Hydels The following are the project-wise recommendations of the Working Group for micro hydel projects in the State.

RMC Mahi I)	(2 x 0.4 MW)	=	Rs.100 lakh
RMC Mahi II)	(1 x 0.165 MW)		
Bisalpur(0.91 MW)		-	Rs.70 lakh
Etawa (0.5 MW)		-	Rs.60 lakh

New Schemes(Unapproved)

Kota TPS Stage III (1 x 210 MW)

51. This project is in the advance stage of approval. RSEB informed that the environment clearance has already been discussed and the approval letter is expected to be issued soon. Based on this the Working Group suggested that the orders for supply of the unit may be placed on BHEL at the earliest. The Working Group expected that the unit is possible to be commissioned by March'92 provided orders are placed by January, 1989. An outlay of Rs.1500 lakh was recommended by the Working Group for the scheme mainly for supply of boiler/accessories and civil works.

Modernisation of Satpura TPS

52. An outlay of Rs.172 lakh is proposed on the basis of details submitted by Madhya Pradesh Government and CEA for the works.

New Hydel Projects

53. An outlay of Rs.60 lakh was recommended by the Working Group for Ruhughat and Pump storage scheme, Kota mainly for making a beginning to bring the projects in the 8th Plan.

Transmission and Distribution

54. An outlay of Rs.13918 lakh was recommended by the Working Group for T & D works for 1989-90. The break-up of the recommended outlay has been indicated as follows:-

On-going Transmission	- 4690 lakh	(including 450 lakh lines for capacitors)
New Transmission Lines	- 2310 lakh	
Normal Distribution	- 4518 lakh	
System Improvement	- 2400 lakh	
<u>Total T & D</u>	<u>-Rs.13918 lakh</u>	

55. Transmission and distribution losses for 1985-86, 1986-87 and 1987-88 for Rajasthan State Electricity Board (RSEB) are estimated to be 25.12%, 24%, 23.83% which are high as compared to the average for All Boards in India of 20.4%, 20.6% and 20.8% respectively in these years. During 1988-89, the likely T & D losses at 21.56% represent some improvement over the previous years, but they continue to remain high as compared to All Boards average of 20.3%.

Rural Electrification(RE)

56. The Working Group recommended an outlay of Rs.38.71 crores for rural electrification against the State Government's proposed outlay of Rs.51.60 crores. Out of the total 34,968 villages, 23,016 villages have been electrified upto March, 1988, achieving a level of 65.8% upto March, 1988. Against the total number of pumpset potential of 6 lakh, 3.07 lakh have been energised so far (upto March, 1988) achieving almost 50% of the potential.

57. The progress in the year 1988-89 is slow. Against the target of 942 villages only 378 have been electrified upto October, 1988, and against the targets of 12,300 pumpsets only 4,963 pumpsets are energised. This slow progress has been attributed mainly to shortage of power and the lack of distribution network.

58. The proposed targets for 1989-90 are higher as compared to the targets in the earlier years because of improved generation of power and additional Central share of power now available to Rajasthan. In the case of pumpsets, the Working Group recommended a target of 20,000 against 12,300 in the current year because of about 17,000 pending applications.

Non-conventional Sources of Energy (NCSE)

59. The Seventh Plan provision for NCSE was Rs.5.52 crores against which the utilisation in the first four years of the Plan is likely to be Rs.2.58 crores representing 46.7 per cent utilisation of the Plan outlay. The Working Group recommended Rs.1.20 crores for 1989-90 against the State Government's proposal of Rs.2.50 crores.

60. Solar photovoltaic lights are being provided in the State in the remote villages for which State subsidy of Rs.5,500 per light is provided. The Working Group considered this to be on the high side and the State was asked to reduce the subsidy. It was observed in the Working Group discussion that the biogas programme was not very successful as the number of non-operating biogas plants was quite high. It was recommended that the repair of the biogas plants be given priority over setting up of new plants. The solar cooker and solar water heater system were recommended to be taken on a large scale in view of the high solar insolation. Instead of grants these programmes were recommended to be funded through Indian Renewable Energy Development Agency (IREDA). A provision of Rs.5 lakh has been recommended for taking up initial work on proposed solar thermal power project which is currently being examined in the Planning Commission.

contd..../-

Industry and Minerals 61. Subheadwise outlay and expenditure position for this major sector during the Seventh Plan period is indicated below:

(Rs. crores)

Sub-head	Seventh Plan Outlay	First four years likely expdr.	1988-89 Approved	Outlay Anti-cipated	1989-90 Proposed	Outlay Recommended by Working Group
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Village and Small Industries	46.05	30.95	9.47	9.47	10.32	10.50
Industries (including weights and measures)	66.24	48.97	14.33	14.33	21.08	19.00
Mining	78.40	25.29	11.42	11.42	14.33	15.00
<u>Total</u>	<u>190.69</u>	<u>105.21</u>	<u>35.22</u>	<u>35.22</u>	<u>45.73</u>	<u>44.50</u>

62. Despite abundance of mineral wealth and efforts towards accelerated industrialisation Rajasthan continues to be industrially backward the main constraint being the lack of adequate infrastructural facilities such as transport. The State Government has set up a number of Corporations and Boards to provide various types of assistance towards industrialisation

Village & Small Industries

63. Against the Current year's approved outlay of Rs.9.47 crores, the outlay proposed by the State Government for the next year i.e. 1989-90 amounts to Rs.10.32 crores which is a step up of about 9% over 1988-89 plan outlay. The recommendation of the Working Group is Rs.10.50 crores for 1989-90. Itemwise details of the State proposals and the recommendations of the Working Group are shown as under:-

(Rs. lakhs)

Item	1989-90 Outlay	
	Proposed by the State Government	Recommended by the Working Group
1. Small Scale Industries	727.55	745.55
2. Handloom	135.50	135.50
3. Handicrafts	12.55	12.55
4. Khadi and Village Industries	80.00	80.00
5. Powerlooms	9.40	9.40
6. Sericulture	67.00	67.00
<u>Total</u>	<u>1032.00</u>	<u>1050.00</u>

64. The Central scheme of investment subsidy is applicable to 16 districts of the State. The remaining 11 districts are covered under the State Government scheme of subsidy. DICs are functioning in all the districts of the State. The Working Group suggested that DICs should involve themselves in planning at the district level, manpower development programmes, industrial estate programmes and development of handlooms, handicrafts, sericulture etc. It was observed that the Rajasthan Small Industries Corporation which has to play a key role continues to be a losing concern. The Working Group observed that about 60 per cent of the handlooms under the cooperative sector are dormant. The Group suggested that for improving the viability of the handloom industry, the emphasis should be on the application of modern aids instead of subsidies. Under Khadi and Village Industries sector, it is proposed to provide additional employment to 45,000 persons in 1989-90.

Large and Medium Industries

65. Against the current year's outlay of Rs.1433 lakh, the outlay proposed for 1989-90 amounts to Rs.2108 lakh, while the Working Group recommendation adds up to Rs.1900 lakh including Rs.4 lakh for Weights and measures. Scheme-wise break-up is indicated in the table below:-

-/-

(Rs. lakh)

Scheme	1989-90 Outlay	
	Proposed	Recommended by Working Group
1. Rajasthan Financial Corporation	1000	800
2. Rajasthan State Industrial Investment Corporation	1068	860
3. State Enterprises	36	36
4. Growth Centres	-	200
5. Weights and Measures	4	4
<u>Total</u>	<u>2108</u>	<u>1900</u>

66. The important points discussed in the Working Group are summarised below:-

- (1) The recovery position of the State Financial Corporation is not satisfactory as an amount of Rs.194 crores is still to be recovered. The State Government may expedite the recovery and utilise the funds for further investment.
- (2) Rajasthan State Industrial Investment Corporation proposes to take up 69 projects mainly relating to electronics in 1989-90 with a total investment of about Rs.550 crores. The Working Group recommended Rs.860 lakh against the State proposal of Rs.1068 lakh during 1989-90.
- (3) Regarding the Central scheme of Growth Centres, an outlay of Rs.200 lakh was recommended by the Working Group for 1989-90 for setting up 4 growth centres at different places in Rajasthan. The State Government had not proposed any outlay for growth centres during 1989-90.

7. For the Seventh Plan, an outlay of Rs. 126.92 crores was provided for the transport sector in the State. The expenditure during the first four years of the Plan is likely to be Rs.88.58 crores which forms 70% of the Seventh Plan outlay. The working Group recommended an outlay of Rs. 49.53 crores against the State Government's proposal for Rs. 47.00 crores. The details of the outlays recommended by the Working group are as follows :-

Sector	1989-90-Outlay	
	Proposed by the State Govt.	Recommended by Working Group
1. Roads & Bridges (of which MNP)	37.00 (15.00)	35.00 (15.00)
2. Road Transport)	10.00	14.53
TOTAL :	47.00	49.53

68. Important recommendations/observations of the working group are given in the succeeding paragraphs.

Roads & Bridges (including Road Transport)

69. The achievements of the State Government with regard to Seventh Plan target of connectivity of villages was appreciated by the working group. There is a large inflow of funds in the road sector from drought and famine relief programmes which the State Government has decided to utilise for the labour component of the roads programme. The Working Group suggested provision of matching material component also. To avoid large spillover works, the working group advised selectivity in sanctions of schemes. The State Government was also requested to lay greater emphasis on construction of bridges to improve accessibility in the State. It was pointed out that a prime weakness in the road sector is the poor maintenance of the already created assets due to under-provisioning of funds covering barely 50 per cent of the requirements.

70. Rajasthan State Road Transport Corporation is a profitmaking undertaking with an estimated contribution of Rs. 4.53 crores to the 1989-90 Plan. The working group supported the outlay proposed by the State Government including internal resources, keeping in view the requirements of the State Government for replacement of over-aged fleet and improvement in the infrastructure. With regard to clandestine operations by the private operators on the nationalised routes, the state govt. was advised to take stringent measures to improve performance of the corporation.

Tourism

71. Rajasthan Tourism Development Corporation set up in 1976 continues to suffer losses. It was, however, mentioned that the Corporation was likely to break even in 1989-90. The thrust in 1989-90 would be on strengthening the old tourist circuits as also developing some new ones. The State Government should expedite its decision on declaring tourism as an industry. The Working Group supported the proposed outlay of Rs. 3.00 crores for Tourism in 1989-90.

.../-

Science, Technology and Environment 72. The figures relating to plan outlay and expenditure for this sector are indicated below :-

Sub-head	Seventh Plan Outlay	First four years likely expenditure	1989-90-Outlay	
			Proposed by the State	Recommended by Working Group
Science and research (incl. S & T)	344	107	60	60
Ecology & environment	496	99	60	55
TOTAL :	840	206	120	115

73. It may be seen from the above figures that the likely expenditure during the first four years of the Plan amounting to Rs. 206 lakh which is 24.52 % of the Seventh Plan outlay is grossly inadequate. It was noted during the Working Group discussion that the S & T Council/Department has been basically playing the role of funding agency for the science and technology activities. It was suggested that the S & T Council should play a more effective role by identifying the major problem areas and providing S & T inputs to deal with them. So far two science and technology villages have been established in the State to facilitate the transfer of technologies to the rural masses. The major environmental programmes are conservation of fragile eco-system and creation of infrastructure for development of environmental management.

74. No outlay was provided for the Seventh Plan for this sector and consequently no expenditure was incurred during the Annual Plan 1985-86 to 1987-88. However, in 1988-89 an outlay of Rs. 75 lakh was approved against which the anticipated expenditure now reported by the State Government amounts to Rs. 25 lakh only. For the Annual Plan 1989-90, Rs. 540 lakh has been proposed by the State Government against which the Working Group has recommended a much higher outlay of Rs. 10.00 crores.

District Planning in Rajasthan was effectively initiated during 1938-39 by formulation of a comprehensive district plan for Jhalawar. Similar Δ is in progress in Pali, Bhilwara and Sawai Madhopur districts. The following methodology has been adopted for formulation of district plans in the States.

(a) State Plan schemes are disaggregated into State Sector scheme and District Sector schemes. (b) An apex body at the district level will be created for preparation of district plans to be assisted by a District Planning Cell. (c) A part of the district plan outlay shall be earmarked as discretionary outlay and schemes for these funds shall be formulated and approved by the district level bodies within the guidelines to be circulated by the State Government.

.../-

Δ a

District Planning

Δ exercise

Education 75. The financial performance under the sector of Education is set out below :-

(Rs. crores)

Sub-Head	Seventh Plan Outlay	First four years likely expenditure	1989-90-Outlay	
			Proposed	Recommended by Working Group
General Education	188.30	181.53	113.84	120.49
Technical Education	15.50	10.94	6.94	6.44
Sports & Youth Services	4.20	2.32	1.36	1.21
Art and Culture	8.40	5.49	3.80	2.61
Total (Education):	216.40	200.28	125.94	130.75

76. Thus against the Seventh Plan outlay of Rs. 216.40 crores, the likely expenditure during the first four years of the plan is 200.28 crores forming over 92% of the Seventh Plan outlay. For Annual Plan 1989-90, against the current year's outlay of Rs. 73.16 crores, the State proposals amount to Rs. 125.94 crores while the recommendation of the Working Group is higher at Rs. 130.75 crores.

77. The important issue that emerged in the Working Group deliberation are as follows :-

The progress under universalisation of Elementary Education was found slow and therefore the targets of enrolment for 1989-90 in respect of classes I - V and VI to VIII were raised by the Working Group to 2.80 lakh additional children for class I - V and 1.50 lakh additional children for class VI to VIII. In respect of Secondary Education, the State was advised to go slow in upgradation of schools, establishment of additional faculties, opening of new sections and construction of school buildings. With regard to Adult Education, it was urged that at least 100 Jan Shiksha Nilayams be set up during 1989-90.

contd.../-

Medical & Public Health

four years of the plan

78. Against the agreed Seventh Plan outlay of Rs. 82.57 crores the likely expenditure during the first/ is Rs. 86.67 crores which exceeds the total sectoral outlay. The outlay proposed for 1989-90 is Rs. 41.28 crores and the recommendation of the Working Group amounts to Rs. 34.65 crores. For Rural Health Programme under M.N.P., an outlay of Rs. 15.52 crores was proposed by the State Government for 1989-90 against which the recommendation of the working/ amounts to Rs. 12.50 crores. /Group Against the outlay of Rs. 34 crores in Seventh Plan for MNP, the first four years likely expenditure adds up to Rs. 24.73 crores forming about 73% of the Seventh Plan MNP outlay. It may be mentioned that the State Government has lowered the agreed Seventh Plan outlay from Rs. 34 crores to Rs. 29.53 crores.

79. The position regarding target and achievement of Minimum Needs Programmes is given in the table below :-

(Numbers)

Item	Nos. as on 1.4.1985	Seventh Plan additional target	Additions made during 3 years 1985-88	1988-89		1989-90
				Target	Anti. Ach.	Target recommended by the Working Group
Sub-centres	3790	4210	1002	1000 (1700)	1700	1508
Primary Health Centres	448	702	150	175 (300)	500	518
Community Health Centres	76	25	10	5 (50)	50	65

Note : Figures in bracket indicate target as now indicated by the State.

From the above, it may be seen that additions during the first four years of the Seventh Plan in sub-centres, PHCs and Community Health Centres would be 2702, 450 and 60 respectively forming 64.18%, 64.10% and 240% of the Seventh Plan target.

contd.../-

Water Supply and Sanitation 80. The Seventh Plan agreed outlay under this head was Rs.220.08 crores out of which the State Government expects to spend about Rs. 141.33 crores (64.2%) during the first four years(1985-89). The proposal of the State Government under this sector amounts to Rs. 75.48 crores including Rs. 18 lakh for Rural Sanitation(MNP 33.18 crores) for the Annual Plan 1989-90. The Working Group recommended an outlay of Rs. 77.78 crores for 1989-90 including Rs. 18 Lakh for Rural Sanitation.

81. The total number of problem villages as on 1.4.1985 is 7310. As per the statistics furnished by the State Government total number of problem villages covered during the first three years of the Seventh Plan is 4336. During 1988-89, 2200 villages are expected to be covered. Similarly, during 1989-90 also the target is to cover another 2200 problem villages. These figures, however, do not tally with those available with the Department of Rural Development. The State representatives were requested to reconcile the figures.

82. The important issues that came up during Working Group discussions are the following. Special attention is required for rural sanitation programme where the progress has not been satisfactory. Efforts should be made to extend the Tilonia (Ajmer) experience to the other districts of the State for involving the community in the maintenance of rural water supply schemes. In view of the fact that most of the ground water sources in the State has been fully exploited, there is an urgent need for ensuring optimum use of water resources in the State. The State should prepare a blue print for management of water resources in the State for the coming 15 to 20 years period. Funds made available as advance plan assistance under drought relief during the last two years for Bisalpur project and the water supply scheme from IENP for Jodhpur should be suitably dovetailed to the plan schemes under urban water supply sector. The urban low cost sanitation scheme also could be dovetailed with those under the Central Scheme of conversion of dry latrines into sanitary latrines and liberation of scavengers. The State Government may consider enhancing the tariff for urban water supply.

contd...../-

Housing incl. 83. Against the Seventh Plan outlay of Rs. 48.46 crores, the
Police expected expenditure during the first four years of the plan is
Housing Rs. 36.29 crores forming about 75% of the Seventh Plan outlay.
The outlay proposed by the State Government for Annual Plan
1989-90 is considerably higher at Rs. 12.25 crores. The Working
Group pegged its recommendation at Rs. 11.00 crores.

The State proposals relating to the Rental Housing Scheme were found to be too high in comparison to the past utilisation and were reduced by the Working Group from Rs. 275 lakh to Rs. 175 lakh. The physical achievement under EWS Housing Scheme was found unsatisfactory. For rural housing, an MNP item, it was suggested that the construction assistance of Rs. 750 being provided by the State Government should be raised to Rs. 2500 which is the approved norm to boost up housing activities in the rural areas.

Urban Development including State Capital Projects

85. Compared to the Seventh Plan outlay of Rs. 23.71 crores, the likely expenditure during the first four years of the Seventh Plan would be around Rs. 8.74 crores only i.e. about 37% of the Plan, which is grossly inadequate and requires to be raised. Against the current year's approved outlay and anticipated expenditure of Rs. 3.73 crores, the outlay proposed by the State Govt. for Annual Plan 1989-90 is Rs. 5.80 crores while the recommendation of the Working Group is of the order of Rs. 5.21 crores.

86. The progress under the scheme of National Capital Region was found tardy. The physical performance in respect of the scheme of Environmental Improvement of Urban Schemes was not adequate and needed improvement.

contd.../-

Welfare of SC, ST &
Other Backward
Classes

87. The Seventh Plan outlay for the welfare of SC, ST & other backward classes was Rs. 1074.lakh. The likely expenditure during the first four years of the plan of Rs. 835 lakh forms 78 per cent of the Seventh Plan outlay. During 1988-89, the expenditure is anticipated to be Rs. 252 lakh against the approved outlay of Rs. 260 lakh. For the Annual Plan 1989-90, the Working Group fully endorsed the proposed outlay of Rs. 460 lakh.

∟ for tribal area
development
department.

88. The Working Group agreed to the State Government's proposal of Rs. 80 lakh for 1989-90 under Backward Classes Sector on the condition that from the next year the provision would be transferred to non-plan side. In view of the extremely low literacy levels of SC/ST females, being 2.69 and 1.20 per cent respectively as per 1981 census, the Working Group advised greater emphasis on education for these groups. While reviewing the working of the Rajasthan SC Cooperative Development Corporation, the Working Group noted that much of the paid-up capital of Rs. 3 crores has remained unutilised. For its utilisation, the Working Group recommended taking up of viable schemes in a substantial manner for specific occupational groups such as weavers, leather workers including tanners etc. With regard to efforts made by the State Government for eradication of scavenging it was requested to send a comprehensive note on the subject. While recommending the proposed outlay of Rs. 32 lakhs for other backward classes, the Working Group stressed that appropriate schemes to better their economic conditions should continue to be taken up from general sectors of development, and the magnitude of their problems should be realistically assessed.

Special Component-Plan

89. The State Government proposed a flow of Rs. 173.01 crores to the Special Component Plan (SCP) representing 17.02 % of the proposed State Plan outlay of Rs. 1016.59 crores for 1989-90. This flow of 17.02 per cent of outlay to the SCP compares favourably with the percentage of SC population in the State of 17.04. The Working Group fully endorsed the proposed flow of outlay for the Special Component Plan.

Tribal Sub-Plan (TSP)

∟ of

90. The State Government proposed a flow of Rs. 79.89 crores to TSP for 1989-90. As compared to the tribal population of 12.20 per cent in the State, the proposed flow works out to about 7.86 % of the total proposed outlay of Rs. 1016.59. The Working Group agreed to the proposed flow/outlay to the TSP for 1989-90.

contd..../-

Social Security
& Welfare incl.
Nutrition

91. Against the Seventh Plan agreed outlay of Rs. 235 lakh for the Social Welfare Sector, the expected expenditure during the first four years of the plan is Rs. 180 lakh forming about 75% of the Seventh Plan outlay. The outlay approved for 1988-89 is of the order of Rs. 60 lakh while the anticipated expenditure reported by the State Government is higher at Rs. 68 lakh. The outlay proposed for Annual Plan 1989-90 amounts to Rs. 104 lakh against which the recommendation of the Working Group amounts to Rs. 96 lakh.

92. Some of the important points that came up during the discussions are as follows.

For the scheme of Assistance to handicapped for self-employment, the Working Group recommended a higher outlay of Rs. 5 lakh against the State Government's proposal of Rs. 0.50 lakh. to meet the increasing demand for such loans/subsidy from handicapped persons in need of self-employment. Regarding 'Opium Eradication Programme', it was agreed that the scope of this programme would be widened so as to include drug addiction as well.

Nutrition

93. The financial progress is indicated below :-

Seventh Plan Outlay	Four years likely Expdn.	1988-89 Outlay		1989-90 Outlay	
		Approved	Anticipated	Proposed	Recommended by W.G.
15.96	9.32	4.50	4.50	7.00	7.00

It may be seen from the above figures that the progress of expenditure during the first four years of the Seventh Plan has been quite slow. The likely expenditure during the first four years is Rs. 9.32 crores forming only about 58% of the plan outlay. This being an MNP item, the pace of expenditure requires to be accelerated. For Annual Plan 1989-90, the Working Group endorsed the State proposals of Rs. 7.00 crores. Besides, Rs. 51 lakh was also recommended for Women Development Programme shown under Rural Development Sector. In this connection, State representatives were advised to lay stress on imparting Training to the widows in urban areas so as to enable them to get loan/subsidy for self-employment. They were also advised by the Working Group to concentrate this programme in a few areas only for greater impact. There are some feeding centres outside the ICDS projects under the centrally sponsored scheme. These should be merged with those under I.C.D.S. Projects wherever they coincide.

...../-

Resources for Annual Plan 1988-89 - Review of Resources
Annual Plans
1988-89 and
1989-90

94. The Plan outlay approved for the current year (1988-89) is Rs.710 crores. The estimates of State's resources for the Annual Plan originally envisaged and as now reassessed are given below in a summary form:-

	(Rs. crores)		
	<u>1988-89 (Estimates)</u>		
	<u>Annual Plan as originally approved</u>	<u>As now assessed</u>	<u>Improvement (+)/Deterioration(-)</u>
I. <u>Plan Outlay</u>			
A. Normal State Plan outlay	710.00	710.00	-
B. Additional Plan outlay corresponding to Advance Plan assistance for Natural calamities	-	221.70	(+) 221.70
C. Excess Plan as indicated by the State Government	-	107.15	(+) 107.15
<u>Total I</u>	<u>710.00</u>	<u>1038.85</u>	<u>(+)328.85</u>
II. <u>Funding:</u>			
1. State's ^{own} Resources	401.68	422.45	(+) 20.77
2. Central Assistance:			
1) For Normal State Plan	308.32	308.32	-
1i) Advance Plan assistance for natural calamities	-	221.70	(+) 221.70
3. <u>Total Resources:</u>	<u>710.00</u>	<u>952.47</u>	<u>(+)242.47</u>
4. Carry forward deficit of 1987-88	-	(-)120.03	(-) 120.03
5. <u>Aggregate Resources:</u>	<u>710.00</u>	<u>832.44</u>	<u>(+)122.44</u>
6. Gap in Resources:			
(a) If compared with the approved Plan outlay		(-) 99.26	
(b) If the excess Plan outlay of Rs.107.15 crores is also included		(-)206.41	

95. It will be seen that on the basis of current year's transactions there is a surplus of Rs.20.77 crores in State's own resources. Taking into account the opening deficit of Rs.120.03 crores the surplus of Rs.20.77 crores in State's own resources gets converted into a deficit of Rs.99.26 crores. If the excess outlay of Rs.107.15 crores, as indicated by the State Government, is also taken into account then the overall deficit will be Rs.206.41 crores.

96. The measures for covering the above gap of Rs.206.41 crores in resources were discussed with the State Officials. The State Officials could not immediately identify possible areas of improvement in resources and economy in expenditure. They stated that in the current year's Plan (1988-89) the priority programmes were to be maintained and the outlay in the other sectors would depend on policy decisions to be taken later. The precise position in this regard will be clear during discussion between the Deputy Chairman, Planning Commission and the State Chief Minister.

Resource for Annual Plan 1989-90

97. According to the official level discussion, the total resources available for financing the Annual Plan 1989-90 of the State aggregate to Rs.776.42 crores as under:-

	(Rs. crores)
State's own resources	478.40
Central assistance	298.02
<u>Total</u>	<u>776.42</u>

98. The above assessment of resources does not take credit for any amount that may be raised by the State Government through fresh ARM measures to be undertaken during 1989-90. It, however, includes Rs.6.06 crores for upgradation of capital works and Rs.23.37 crores by way of special grants for special problems as recommended by the Ninth Finance Commission. These grants are earmarked for construction of school buildings (Rs.19.36 crores) and development of desert area (Rs.4.01 crores)

Size of
Annual Plan
1989-90

99. As against the Current year's approved outlay of Rs.710.00 crores, the outlay proposed by the State Government for Annual Plan, 1989-90 amounts to Rs.1016.59 crores inclusive of upgradation and special grants of Rs.29.43 crores recommended by the Ninth Finance Commission. The recommendations of various Working Groups add up to Rs.931.30 crores. The total resources estimates for 1989-90 plan aggregate to Rs.776.42 crores. Since the position regarding measures for covering the gap in resources for the current year and for additional resource mobilisation during 1989-90 is not clear at this stage, the plan size may be decided at the meeting between the Deputy Chairman, Planning Commission and the State Chief Minister. Thereafter, the sectoral allocations will be made in consultation with the State officials.

*

362
36
398

Basic Statistics - Rajasthan

S.No.	Item	Unit	Rajasthan	All India
1.	Geographical Area	Lakh Sq. Km.	3.42	32.87
2.	Population (1981-Census)	Lakh Persons	342.62	6851.85
3.	Rural Population	Lakh persons	270.51	5254.6
4.	Urban Population	lakh Persons	72.11	1597.2
5.	Rural Urban Population Ratio.	Percentage ratio	79:21	76:24
6.	Scheduled Caste Population	In lakhs	58.39	1047.55
7.	Percentage of SC Population to the total population of the State.	Percent	17.04	15.75
8.	Scheduled Tribes Population (1981)	In lakhs	41.83	516.29
9.	Percentage of ST Population to the total population of the State	Percent	12.21	7.76
10.	Density of Population (1981 Census)	Persons per sq.km.	100	216
11.	Decennial Growth Rate (1971-81)	Percent	32.97	25.00
12.	Districts	Numbers	26	402
13.	Development Blocks	Numbers	237	
14.	No. of inhabited villages	Numbers	34968	557137
15.	Crude Birth Ratio	Per thousand	34.6	32.0
16.	Crude Death Ratio	Per thousand	11.4	10.8
17.	Literacy Rate	Percent	24.38	36.23
18.	Area under Forests	Sq. Kms.	30657	736685
19.	Total cropped Area (1982-83)	Lakh hect.	188.77	1803.61
20.	Net sown areas (1983-84)	Lakh hect.	162.34	1427.44
21.	Gross Irrigated Area (1983-84)	Lakh hect.	40.14	539.37
22.	Net Irrigated Area (1983-84)	lakh hect.	32.76	419.55

Source: Statistical Abstract of India, (CSO), 1986.

Statement

Annual Plan 1989-90 - Outlay & Expenditure RAJASTHAN

Heads of Development	Actual Expenditure					1988-89 outlay		(Rs. lakhs)	
	Seventh Plan outlay	1985-86	1986-87	1987-88	Approved Anticipated	1988-89	1989-90	proposed	Recommended by Working group
	2	3	4	5	6	7	8	9	
I. AGRICULTURE & ALLIED ACTIVITIES									
Crop Husbandry									
Soil & Water Conservation	3284	705	956	1033		1320	1618	1576	
Animal Husbandary	1008	49	118	57	99		166	166	
Dairy Development	1679	348	367	451	600	620	865	850	
Fisheries	735	200	248	171	200	200	250	250	
Forestry & Wild Life	490	28	45	55	79	79	120	120	
Food, Storage & Warehousing	4985	592	829	906	1080	1080	1400	1450	
Agricultural Research & Education.	504	5	10	9	13	13	16	13	
Agricultural Financial Institutions	798	75	84	110	200	200	300	400	
Other Agricultural Programmes:									
Marketing & Quality Control	10	-	2	2	3	3	3	3	
Cooperation	4620	447	618	1077	1140	1150	1450	1240	
Total (I):	18086	2579	3429	4014	4944	4944	6423	6258	

contd.....

Head of Development Plan	Seventh Plan outlay	Actual Expenditure 1985-86	1986-87	1987-88	Approved Anticipated	1988-89 - outlay	1989-90 - outlay	proposed by working group
	2	3	4	5	6	7	8	9
II. RURAL DEVELOPMENT								
Special Programmes for Rural Development								
a) Integrated Rural Development Prog. (IRDP) & Allied Programmes.	8028	1121	1267	1308	1684	1759	3030	1913@
b) Drought Prone Area Programme (DPAP)	1500	180	225	225	257	250	395	257
e) Integrated Rural Energy Programme (IREP) - (Biogas)	120	-	-	20	25	25	35	30
Rural Employment National Rural Employment Programme (NREP)	3160	1000	1328	1096	1048	1000	5000	1642
Land Reforms	498	35	49	51	65	65	81	75
Other Rural Development Programme (incl. Community Development & Panchayats)	1371	272	349	381	396	396	496	436
Total (II):	14577	2608	3218	3081	3475	3495	9037	4353

III. SPECIAL AREA PROGRAMMES (Newat Dav.)

IV. Irrigation & Flood Control	63546	9897	10183	11067	12212	12212	15276	14928
Major & Medium Irrigation	4788	741	999	961	1301	1301	1946	1924
Minor Irrigation								

contd.....

@ Includes Rs.51 lakhs for Women Development recommended by Social Welfare Division.

Statement (contd....)
Rajasthan

Heads of Development	Seventh Plan outlay	Actual Expenditure			1988-89 -outlay	(Rs. lakhs)		
		1985-86	1986-87	1987-88		1989-90 outlay	Proposed Recommended outlay by Working group.	
I.	2	3	4	5	6	7	8	9
Command Area Development	9912	1361	1403	1310	1530	1530	1526	1488
Flood Control (incl. anti-sea erosion, etc.)	1469	325	250	174	197	197	452	400
<u>Total (IV)</u>	<u>79715</u>	<u>12324</u>	<u>12835</u>	<u>13512</u>	<u>15240</u>	<u>15240</u>	<u>19200</u>	<u>18740</u>
V. ENERGY								
Power	87420	12569	17950	20600	20756	20756	25000	24571 ^a
Non-conventional Sources of Energy	552	30	81	57	90	90	250	120
<u>TOTAL (V)</u>	<u>87972</u>	<u>12599</u>	<u>18031</u>	<u>20657</u>	<u>20846</u>	<u>20846</u>	<u>25250</u>	<u>24691</u>
VI. INDUSTRY & MINERALS								
Village & Small Industries.	4605	698	739	711	947	947	1032	1050
Industries (Other than V &SI)	6624	996	1181	1287	1433	1433	2168	1900
Mining	7840	291	457	639	1142	1142	1433	1500
<u>Total (VI)</u>	<u>19069</u>	<u>1985</u>	<u>2377</u>	<u>2637</u>	<u>3522</u>	<u>3522</u>	<u>4573</u>	<u>4450</u>
VII Transport								
Roads & Bridges:	8452	1396	1354	1663	2350	2350	3700	3500
Road Transport	4240	456	525	389	725	725	1000	1453
<u>TOTAL (VII)</u>	<u>12692</u>	<u>1852</u>	<u>1879</u>	<u>2052</u>	<u>3075</u>	<u>3075</u>	<u>4700</u>	<u>4953</u>

^a Includes Rs. 38.71 crores for Rural Electrification. contd.....

Statement (contd.) Rajasthan

Heads of Development	Actual Expenditure				1988-89		1989-90	
	Seventh Plan outlay	1985-86	1986-87	1987-88	Approved	Anticipated	proposed outlay	Recommended by Working group
		(Rs. Lakhs)						
1.	2	3	4	5	6	7	8	9
VIII. COMMUNICATIONS								
IX. Science, Technology & ENVIRONMENT								
Scientific Research (incl. S&T)	344	18	24	29	36	36	60	60
Ecology & Environment	496	15	17	27	40	40	60	55
TOTAL (IX):	840	33	41	56	76	76	120	115
GENERAL ECONOMIC SERVICES								
Secretariat Economic Services	378	29	24	35	55	51	112	83
Tourism	1292	131	174	164	235	235	300	300
Survey & Statistics	336	90	25	37	65	69	111	70
Civil Supplies	-	-	-	1	40	40	37	38
Other General Economic Services (Distt. Planning)	-	-	-	-	75	25	540	1000
TOTAL (X)	2006	250	223	237	470	420	1100	1491
XI. SOCIAL SERVICES								
Education								
General Education	18930	2944	3839	4770	6600	6600	11384	12049
Technical Education	1550	123	248	285	438	438	694	644
Sports & Youth Services	420	26	46	60	100	100	136	121

contd.....

Sectors of Development	Seventh Plan outlay		Actual Expenditure		1988-89 outlay		1989-90 outlay	
	1985-86	1986-87	1987-88	1988-89	1988-89	1989-90	1989-90	1989-90
	3	4	5	6	7	8	9	
Art & Culture	840	76	167	178	228	380	261	
Sub-total (Education):	21640	4209	5282	7316	7366	12594	13075	
Medical & Public Health	8257	1897	2175	3038	3038	4128	3465	
Water Supply & Sanitation	22008	2858	3763	5400	5400	7530	7760	
Housing (incl. Police Housing)	4846	937	721	1025	1025	1225	1100	
Urban Development (incl. State Capital Projects)	2371	115	198	373	373	580	521	
Information & Publicity	160	29	24	40	40	50	50	
Welfare of Scheduled Castes, Scheduled Tribes & Other Backward Classes	1074	215	215	260	252	460	460	
Labour & Employment	975	77	104	176	176	341	325	
Social Security & Welfare	239	39	51	60	68	104	96	
Nutrition	1596	138	244	450	450	700	700	
Total (XI)	63166	10514	12777	18138	18188	27712	27552	

contd.....

Statement (contd)
Rajasthan

Heads of Development	(Rs. lakhs)								
	Seventh Plan outlay	Actual Expenditure 1985-86	1986-87	1987-88	Approved Anticipated outlay	1988-89	Outlay 1989-90	proposed outlay	Recommended by working group
	1	2	3	4	5	6	7	8	9

XII. GENERAL SERVICES

Stationery & Printing	151	19	16	19	25	25	35	25	35
Public Works (incl. Jails)	1626	205	197	218	300	300	421	357	357
Other Administrative Services	-	-	4	-	25	25	30	30	30
Administrative Reforms	-	-	-	-	-	-	-	-	-
<u>TOTAL (XII):</u>	<u>1777</u>	<u>224</u>	<u>217</u>	<u>237</u>	<u>350</u>	<u>350</u>	<u>486</u>	<u>412</u>	<u>412</u>
Upgradation, grants to under	-	-	679	-	769	769	2943	-	-
Health Finance Commission	-	-	-	-	-	-	-	-	-
Material Component for Famine Relief Works	-	-	4500	-	-	-	-	-	-
<u>GRAND TOTAL:</u>	<u>300000</u>	<u>42764</u>	<u>64484</u>	<u>52784</u>	<u>71000</u>	<u>71000</u>	<u>101659</u>	<u>93130</u>	<u>93130</u>

Most Immediate

Planning Commission
(State Plans Division)

Subject :- Annual Plan 1989-90 - Sikkim.

A copy of the report of Smt. Nirmala Buch, Adviser (State Plans) on the Annual Plan 1989-90 of Sikkim is circulated herewith. This will form the basis of discussion between the Minister of Planning/ Deputy Chairman, Planning Commission and the Chief Minister, Sikkim to be held on Monday the 9th January, 1989 at 3.30 PM in Room No.130 Yojana Bhavan, Sansad Marg, New Delhi.

N.K. Jaitle

(N.K. Jaitle)
Sr. Research Officer

Deputy Chairman
Minister of State
Members
Secretary
Special Secretary
Advisers
Consultant (LEM)/PP
Joint Secretary (SP)
Chief Science

Ministry of Finance

Shri J.L. Bajaj, Jt. Secy. (FB)
Deptt. of Economic Affairs,
Sh. G. Haldea, Director, (PF)
Deptt. of Expenditure, (4 copies)

Planning Commission Cir.No.PC(P)/2/SKM/88 dated 5.1.1989

Copy for information to : Private Secretaries to :

Minister of Planning/Deputy Chairman
Minister of State
Secretary to the P.M.
Cabinet Secretary

Copy also to :

Joint Advisers
Deputy Advisers
Information Officer
SRO/RO concerned in State Plans Division
Liaison Office, Govt. of Sikkim, New Delhi (10 copies)

Planning Commission
(State Plans Division)

Subject : Annual Plan 1989-90 - Sikkim - Report of
Adviser (SP) Smt. Nirmala Buch.

INTRODUCTION

Sikkim became the twenty second state of the Union of India in 1975 and since then it is getting the benefit of planned development in the Fifth and Sixth Five Year Plans. The investments under these two plans were Rs 40.10 crores and Rs 147.80 crores, respectively. The Seventh Plan is the third five year plan for the State of Sikkim.

AREA AND TOPOGRAPHY

Sikkim a small state in the eastern region has a total area of 7136 sq.km.. Only 2500 sq.kms are fit for habitation. Its boundaries extend upto Tibet in North, Bhutan in East, Nepal in West and on its South and South West lie the states of West Bengal and Bihar. The hills of Sikkim are geologically young and consequently unstable and subject to heavy soil erosion and land slides due to cultivation in higher slopes without soil conservation measures and high rate and intensity of rainfall during monsoons. 36% of the geographical area of the state is under forests. The major river of the state Teesta originates from Zemu Glacier in North District and is prone to overflowing its banks. The main crops are paddy, maize, potato, millets. The cash crops of cardamom, ginger orange and citrus fruits are grown extensively.

The total population of the state according to 1981 census is 3.17 lakhs - 83.8% being rural and 16.2% urban. Scheduled Tribes and Scheduled Caste population is 76,623 and 18281 respectively constituting 23.27% and 5.78% of the total population.

Density of population in Sikkim is 45 persons per sq.km. against the national average of 221 persons per sq.km. Bhutani, Lepchas and Sherpas are notified scheduled tribes. Male : female ratio is 1000 : 835. Literacy rate in the state is 34.05% against the national average of 36.23%. Agriculture is the main stay of the people.

The state has been divided into four districts, East, South, West and North. District-wise area and population is as under :-

<u>District</u>	<u>Area</u> (sq.kms)	<u>Population</u> (Lakhs)
East	954	1.39
South	750	0.75
West	1166	0.76
North	4266	0.26
	<u>7136</u>	<u>3.17</u>

The state has immense potential for generating of hydro power because of its number of rivers and innumerable streams. It is a land locked state in which road transportation has emerged as the only means on which the entire state has to rely.

Plan perspective

The plan outlays and expenditure in Sikkim from the Fifth Plan onwards are given in the table below :-

	Approved outlay (Rs. crores)	Actual Expdr. (Rs.cr.)	Vari- ation %	Per capita approved outlay (Rs.) Sikkim	Per capita approved outlay (Rs.) All India	Population base year
Fifth Five Year plan	39.64	40.10	1.2	1573 (1591)	309 (333)	1976
Sixth plan (1980-85)	122.00	147.80	21.1	3567 (4322)	683 (706)	1983
Seventh plan (1985-90)	230.00	-	-	5838	1054	1987
Annual Plan (1985-86)	41.00	42.13	2.8	1117 (1148)	178	(182)1985
Annual Plan (1986-87)	50.00	52.71	5.4	1316 (1387)	213 (213)	1986
Annual Plan (1987-88)	57.00	57.93	1.6	1447 (1470)	245	1987
Annual Plan (1988-89)	63.00	63.00 Ant. Expd.)	-	1548 (1548)	258	1988

Figures in the brackets represent per capita expenditure.

The table below gives the financing pattern of the Seventh Plan and Annual Plans.

	Seventh Plan	1985-86	1986-87	1987-88	1988-89
				(Rs. crores)	
Plan outlay	230	41	50	57	63
State's own resources	(-)17.62	(-)3.88	(-)2.47	1.13	(-)4.69
Central assistance	247.62	44.88	52.47	55.87	67.69
Aggregate resources	230	41	50	57	63

Progress of Expenditure 1985-86 - 1988-89

The progress of expenditure during the first four years is as under :

Year	Approved Outlay	Expenditure	Shortfall(-) Excess(+)
1985-86	41	42.13	+ 1.13
1986-87	50	52.71	+ 2.71
1987-88	57	57.93	+ 0.93
1988-89	63	63.00(Ant.)	-
	<u>211</u>	<u>215.77</u>	

Out of the approved outlay of Rs 230 crores for the Seventh Plan, likely expenditure during the first four years is Rs.215.77 crores leaving a balance of Rs 14.23 crores for the terminal year. Against this balance the State Government's proposals for 1989-90 amount to Rs.75.07 crores. The table on the next page shows the position.

(Rs. lakhs)

Major Head	2	Actual Expenditure			1988-89 Anticipated Expendr.	Total Col.3 to Col.6	1989-90 Balance proposed for the outlay year (col.2(-) col.7	8	9
		3	4	5					
I- Agriculture & Allied Activities	4850	855.00	854.02	923.18	1070.00	3702.50	1147.50	1252.00	
II. Rural Development	397	69.51	77.51	107.24	94.00	343.26	48.74	121.50	
III. Special Area Programme	-	-	-	-	-	-	-	-	
IV. Irrigation & Flood Control	1105	160.30	205.59	210.00	210.00	785.89	319.11	250.00	
V. Energy	3994	322.90	945.90	1055.44	1185.00	3849.24	144.76	1425.00	
VI. Industry & Minerals	250	158.58	192.36	296.21	250.50	907.65	(-) 57.65	283.00	
VII. Transport	4468	334.77	1072.24	1168.86	1310.00	4385.37	82.13	144.00	
VIII. Communications	-	-	-	-	-	-	-	-	
IX. Science, Technology & Environment.	80	10.00	14.29	15.24	19.00	58.53	21.47	32.00	
X. General Economic Services	398	50.13	75.80	83.60	105.00	314.53	83.47	138.50	
XI. Social services	6343	1348.68	1690.28	1743.96	1899.00	6631.02	(-) 338.02	2364.50	
XII. General services	515	92.68	143.17	149.92	157.50	543.27	(-) 28.27	200.00	
Grand total	23000	4212.85	5271.16	5792.75	6300.00	21576.76	1423.24	7506.50	

Annual Plan 1989-90

Annual Plan 1989-90 proposals of the State Government aggregating to Rs 75.07 crores mark 19.2% increase over the current year's plan of Rs 63 crores. Highest step-up of 68.4% is proposed under Science and Technology followed by General Economic Services (31.9%), Rural Development (29.3%), General Services (27%), Social Services (24.5%) Energy (20.3%), Irrigation and Flood Control (19%) Agriculture and Allied Services (17%) and 9.9% under Transport.

The following table shows the position :-

(Rs.lakhs)

Major head	Approved outlay 1988-89	1989-90 proposed outlay	%age increase of Col.3 over Col.2	Recommended by Working Groups
1	2	3	4	5
Agriculture & allied services	1070.00	1252.00	17.00	1265.00
Rural Development	94.00	121.50	29.3	112.81
Special Area Programmes	-	-	-	-
Irrigation & Flood Control	210.00	250.00	19.0	240.00
Energy	1185.00	1425.00	20.3	1525.00
Industry & Minerals	250.50	283.00	13.00	289.00
Transport	1310.00	1440.00	9.9	1478.00
Communications	-	-	-	-
Science & Technology & Environment	19.00	32.00	68.4	32.00
General Economic Services	105.00	138.50	31.9	124.00
Social Services	1899.00	2364.50	24.5	2389.00
General Services	157.50	200.00	27.0	154.00
<u>Grand total :</u>	<u>6300.00</u>	<u>7506.50</u>	<u>19.0</u>	<u>7608.81</u>

Financial Resources

Resources estimates for Annual Plan (1988-89)

The assessment of resources available for financing the current years plan of Rs.63 crores indicate a gap of Rs.8.79 crores as per statement below :

	(Rs. crores)		
	<u>1988-89 (Estimates)</u>		
	<u>Annual Plan as approved</u>	<u>As now assessed</u>	<u>Improvement (+) Deterioration (-)</u>
I. <u>Plan outlay</u>			
a) Normal state plan outlay	63.00	63.00	-
b) Additional plan outlay corresponding to advance plan assistance for natural calamities	-	-	-
<u>Total - I</u>	<u>63.00</u>	<u>63.00</u>	<u>-</u>
II. <u>Funding</u>			
1. State's resources	(-) 4.59	(-) 11.55	(-) 6.96
2. <u>Central assistance :</u>			
i) for normal state plan	67.59	67.59	-
ii) Advance plan assistance for natural calamities	-	-	-
<u>Total 2 :</u>	<u>67.59</u>	<u>67.59</u>	<u>-</u>
3. Total Resources	63.00	56.04	(-) 6.96
4. Carryforward surplus/ deficit of 1987-88	-	(-) 1.83	(-) 1.83
5. <u>Aggregate Resources</u>	<u>63.00</u>	<u>54.21</u>	<u>(-) 8.79</u>
6. Gap in resources	-	(-) 8.79	8.79

It will be seen that on the basis of current year's transactions, there is a gap of Rs 6.96 crores in state's own resources and taking into account the closing deficit for 1987-88 of Rs.1.83 crores, the total gap during the current year would be at Rs.8.79 crores.

This deterioration of Rs 8.79 crores is mainly attributable to the following :

	<u>(Rs. crores)</u>
i) Spill over expenditure on pay revision sanctioned in 1987-88	(-) 6.00
ii) Increase in expenditure on relief from natural calamities	(-) 2.08
iii) Deterioration in the opening balance	(-) 1.83
iv) Improvements under other items (net)	(+) 1.12
<u>Total</u>	(-) 8.79

Resource estimates for 1989-90

The estimates of state's revenue receipts and non plan revenue expenditure have been worked out by: the FR Division of the Planning Commission in a meeting with the state officers, Accordingly excluding upgradation and special problem grants recommended by the 9th Finance Commission for capital works and hence to be included as a part of resources for plan funding, the balance from current revenues at current rates shows a deficit of Rs(-)21.85 crores. Since no central assistance would be henceforth available for meeting deficit on non-plan revenue account, the gap in BCR will have to be met by the State Government through its own efforts by mobilising additional resources or through further reduction in the level of non-plan expenditure.

The assessment of state's resources brings out that it will have a negative balance of (-) 2.76 crores on non-plan capital account. Including the estimate of small savings, state provident fund, market borrowings and negotiated loans, as well as upgradation and special problem grants, the state's own resources for funding the next year's plan aggregate to Rs.10.11 crores. With a provisional level of central Assistance of Rs.53 crores, the total resources for the Annual Plan for 1989-90 aggregate to Rs 63 crores excluding fresh Additional Resource Mobilisation. Of this, which is at current years level, outlays meant for upgradation and special problem works as per recommendation of the IX Finance Commission will have to be preempted in the final size of the plan.

Amount

Sectoral outlays and issues

Agriculture & Allied Services

The likely expenditure during the first four years is Rs. 3702.50 lakhs. Majority of Sikkim's population depend upon farming activities, hence this sector has a direct bearing on their advancement.

Food-grains

As regards food-grains targets, the State's performance is good. Against a target of 126 thousand tonnes for the Seventh Plan, the anticipated production for 1988-89 is 120 thousand tonnes.

The productivity of rice in the State was 1051 kgs/ha in 1986-87 as compared to 1482/kgs/ha all India average. For 1989, it is projected at 1157 kgs/ha. Rice crop in the State is rain fed and research support is weak. State Government should pay attention to this aspect from the State side as well as take the help of ICAR and its research stations. Research station Cuttak should be contacted for selection of suitable high yielding varieties.

Productivity of wheat which was at 1618 kgs/ha during 1986-87 was lower than All India average of 1998 kgs/ha.

Maize crop is doing well in the State. A processing unit should be set up for its better economic utilisation. The productivity of maize in the State for 1987-88 has been estimated at 1462 kgs/ha. The over all productivity of food grains in the State in 1986-87 was 1229 kgs/ha which was better than the All India average of 1142 kgs/ha. For 1987-88 it is 1387 kgs/ha.

Pulses and Oilseeds

Productivity of pulses and oil seeds is better in the State than All India average. In case of pulses, it is just double than All India average of 508 kgs/ha in 1986-87 and was expected to go up further in 1987-88. State is getting good yield of Soyabean viz 1395 kgs/ha.

Fertilizer consumption

The fertilizer consumption in the State is quite low as compared to the All India average. It was 12.78 kg. per hectare in 1986-87 and is expected to be 13.76 kg. per hectare in 1988-89 against the All India average of 50 kgs/ha. In 1989-90, it is proposed to be 17 kg.

The State Govt. should increase fertiliser consumption by popularising it in view of Horticultural, vegetable and plantation crops in the State. More attention should be paid to micro nutrients and soil testing facilities.

Research education should be paid attention and training programme strengthened.

Production/productivity of horticultural crops - especially oranges is quite good in the State. Floriculture should be taken in a big way in view of the great potential and demand for cut flowers in foreign countries, ICAR should be able to help the State Govt. in setting up a centre for floriculture. There is also a need to set up a cold storage for various horticulture produce.

Physical targets

/for maize

The State Govt. should reconsider the proposed target for upward revision by 60 thousand tonnes for 1989-90 as the anticipated production in 1988-89 is 157 thousand tonnes.

In respect of total food grains, a higher target of 131 thousand tonnes is recommended against the proposed target of 128 thousand tonnes.

Under consumption of chemical fertilisers a higher target of 3 thousand tonnes for total (NPK) is recommended against the State target of 2.75 thousand tonnes.

Total area under HYV is recommended at 50.05 thousand hectares for 1989-90 against the State's proposal of 47.4 thousand hectares.

Soil Conservation

According to the State Government, Soil and Water Conservation measures in the State are being taken up based on watershed principle. The programmes to be undertaken include soil survey and testing, soil reclamation, water conservation, soil conservation in watersheds, land development in command area and garland/necklace plantation.

Dry Land Farming

20 micro water sheds covering an area of 20,000 hectares would be covered during Seventh Plan period by annually taking up 4 micro watersheds covering an area of 400 hectares. The area will be covered with an integrated package of programme.

Fisheries

Cold water fish culture may be explored as in the case of J&K. Paddy-cum-fish culture may be expanded to improve the economic conditions of the farmers.

Co-operation

Heavy shortfalls occur for medium term and long-term credit. It was suggested last year, that the State Govt. may set up a co-operative bank to improve the situation. It is observed that the main hurdle in the development of co-operative credit structure in the State is non-existence of State representatives of the State Govt. informed that the bank will come into existence this year.

Co-operative banks.

Animal Husbandry and Dairy Development

It is observed that average productivity of milch animals in the State is 532 litres which is low. Productivity should be increased by expediting the establishment of frozen semen bull station (a centrally sponsored scheme) intensification of cross breeding, adequate and scientific feeding, improved management training of farmers specially women and intensive animal health cover.

For the strengthening of fodder seed production farm, State is advised to get matching assistance from the Deptt. of Agriculture under the centrally sponsored scheme.

Average productivity of poultry birds at 90 eggs/annum is low and may be increased about 213 eggs by introduction of balanced poultry feed, introduction of superior marketing and training of farmers.

According to the representatives of the Deptt. of Agriculture, results of the latest sample survey for live stock products, the estimated egg production in the State works out to 11 million against 5.50 million reported earlier for 1987-88. Representative of the Deptt. of Agriculture also informed that under a centrally sponsored scheme to strengthen marketing infrastructure for poultry products, the Department would contribute matching share of Rs. 10 lakhs.

It was noted that Rinderpest eradication programme would be financed on 100% basis by Central Govt. in 1989-90.

In a rural economy^{as} in the State of Sikkim, Animal Husbandry and Dairy Development are important from the point of view of improvement in living standards. The Sikkim milk union, with its funding on the Anand Pattern is the only co-operative/marketing of milk and providing a package service. According to the State Govt., this organisation is facing several financial problems due to high cost of transportation of milk from the remote area. It is suggested that the State Govt. should constitute a monitoring and co-ordinating committee for Operation Flood Programme.

Unit in the state responsible for promoting

Forests

36% of the geographical area of Sikkim is covered under forests. 50% of the forest area is under degradation. A comprehensive programme should be drawn to check the degradation. For Eighth Plan, a phased programme should be chalked out. There is a need to pay attention to the following points:

- i) Illegal felling and encroachment.
- ii) Scientific management of forests.
- iii) Preparation of inventory of the total degraded area. The Working Group has suggested an increase of Rs. 15 lakhs in the State Government's proposals of Rs. 235 lakhs. Out of Rs. 15 lakhs, Rs. 5 lakhs were enhanced for the rehabilitation of degraded forests.

Another additional amount of Rs. 10 lakhs was recommended on the suggestion of NWDP representative, for centrally sponsored scheme of Area Oriented fuelwood and fodder. 1989-90 outlays as proposed by the State Govt. and as recommended by the Working Group are as under:

	(Rs. lakhs)	
	1989-90 Proposed outlay	Recommended by Working Group
Crop Husbandry	387	387
Soil and Water Conservation	249	234
Animal Husbandry	225	225
Dairy Development	25	25
Fisheries	22	22
Forests	235	250
Food storage and warehousing	12	12
Agriculture Research and Education	25	40
Marketing and Quality Control	15	15
Co-operation	57	55

Rural
Development

IRDP

The tentative share of the State for Central funds for IRDP in 1989-90 works out to Rs. 19.56 lakhs. Accordingly, the Working Group has recommended an outlay of Rs. 19.56 lakhs.

The survey for identification of poor families in the State including the old beneficiaries to give second dose of assistance which was to be completed by December, 1987, has been delayed because of Panchayat elections in 1988. The Survey has been completed but its final report is still under preparation. In view of this, it was not possible for State representatives to indicate the total number of old beneficiaries still to be covered under IRDP. Only 1761 old beneficiaries were reported to have been covered till September, 1988 during the Seventh Plan period. State representatives have been advised to make efforts to cover all the old beneficiaries during 1988-89 itself or latest in 1989-90.

The State had not proposed any outlay for State share of Centrally sponsored scheme for strengthening of block level administration in 1989-90. Last year, they were advised to avail of Central assistance under this scheme. It was noted that there heavy expenditure of Rs. 12-13 lakhs per annum on establishment under IRDP at the Headquarters as well as the block levels. The State representatives promised to submit the proposal in the current year to avail of Central assistance under this scheme. Hence, keeping this in view, a token outlay of Rs. 2 lakhs is recommended under this scheme for 1989-90.

Land Reforms

During the plan discussions for 1988-89, it was observed that land reforms act passed in 1973 had not been implemented due to certain deficiencies. The State Govt. was requested last year to take expeditious decision in this regard and implement the Act. This year also the position remains the same. A proposal to amend the Land Reforms Law 1973 is said to be under formulation and after this has been approved by the State Government, its implementation will be taken up. The State Govt. may indicate the time schedule by which it will be able to implement the revised law. Most of the expenditure is on administrative set up and land acquisition for construction of quarters for village level officials.

Community Development and Panchayats

An outlay of Rs. 14 lakhs is recommended under this sub-head for construction of two new Zila Parishad Bhavans and two bhavans which are already under construction. During 1988-89 an outlay of Rs. 16 lakhs was approved of which Rs. 8 lakhs were for assistance to Panchayats and Rs. 8 lakhs for construction of one Panchayat Ghar and one Zila Parishad Bhavan. The State Government informed that during 1989-90 assistance to panchayats would be given from non-plan funds.

Outlays proposed by the State Govt. under Rural Development and the recommendations of the Working Group are as under :

Programme	(Rs. lakhs)	
	1989-90	
	Proposed by State Govt.	Recommended by Working Group
I. IRDP & Allied Programmes	25.00	23.06
II. NREP	35.00	35.00
III. CD & Panchayats	15.00	14.00
IV. Land Reforms	26.50	24.75

Energy

During 1988-89 Plan discussions, the State Govt. was asked to submit a detailed report regarding getting supply from Virbada (West Bengal) so that the issue could be taken up with the Govt. of West Bengal to sort out the problem. The note has not been sent by the State Govt.

During the first four years the State is likely to utilise Rs. 3845.24 lakhs out of the approved outlay of Rs. 3994 lakhs having a balance of Rs. 144.76 lakhs. Proposals for the year 1989-90 amount to Rs. 1425 lakhs. Approved outlay of Rs. 1185 lakhs is likely to be utilised fully. Working Group, after a detailed discussion have recommended an outlay of Rs. 1525 lakhs, Rs. 1255 for power, Rs. 240 lakhs for RE and Rs. 30 lakhs for non-conventional sources of energy.

The total installed generating capacity in the State at the commencement of the Seventh Plan stood at 17 MW (including 1.7 MW diesel capacity) with approximately 9 MW firm generation during the lean season as against a peak demand of about 18 MW.

During the Seventh Plan it was proposed to create 3.5 MW of new generating capacity comprising Rimbi Stage II (1 MW) and Rognichu Stage II (2.5 MW). The scheduled commissioning date of the projects - Rimbi Stage II and Rognichu Stage II have been postponed.

The State Govt. have informed that while they have completed on-going works under distribution, works under transmission could not be completed and would have to be carried over to 1989-90.

The position regarding the on-going and new schemes is as under:

(Rs. lakhs)						
	Original cost	Original date of completion	Revised cost indicated in 88-89 discussions	Revised cost of completion	Revised cost indicated now	Date of completion
a) Rimbi stage II (2x500 KW)	134.13	3/87	193.72	3/88	213.72	1/89
b) Rognichu Stage II (5x500 KW)	434.30	87/88	602	3/88	667.34	1/89
c) <u>New Schemes</u>						
a) Mayong HEP (2x2 MW)	742.00	2/90	NA	3/91	NA	3/91
b) Upper Rognichu Stage II (4x2 MW)	1452.00	92-93	NA	3/92	NA	9/91

Kalez Khola Hydel Scheme (4x500 MW) is pending for sanction on account of clearance from the D/o Environment and Forest. Rural Electrification

In Sikkim, there are revenue blocks in place of villages, which are larger than villages. As per 1981 census, the total number of revenue blocks in the State is 440 of which 298 viz. 67.7% were electrified upto March, 1988. Per unit cost of electrification in Sikkim is higher compared to any of the neighbouring States. It is due to the large size of the revenue blocks. Cost accepted by the Planning Commission varied from Rs. 3.60 lakhs per revenue block in

1985-86 to Rs. 6.40 lakhs in 1988-89. State Govt. has indicated higher cost figures ranging from Rs. 7 lakhs to Rs. 10 lakhs per revenue block.

The recommended outlay of Rs. 240 lakhs under Rural Electrification includes Rs. 10 lakhs for micro hydel schemes for which no money is provided under Non-conventional sources of energy.

Non-conventional Sources of Energy

Production of Biogas is drastically reduced in the State as the plants are being set up above the height of 35000 ft. This increases the cost of chullahs also due to the additional length of pipe to be provided for the purpose.

Integrated Rural Energy

The programme should be implemented in a systematic and planned manner and targets should be fixed on the basis of survey results of IREP blocks. Immediate action should be taken to create IREP Cells and recruit professional staff for the IREP Cells. Project reports for all IREP blocks should be prepared and sent to the Planning Commission at an early date.

One additional block has been recommended in addition to the existing two blocks for this programme.

Irrigation

All the schemes fall under 'Minor Irrigation'. There are no schemes in the State under the head 'Major and Medium Irrigation'.

During the VIIIth plan, the target is to create 8000 hectares of additional irrigation potential and to enhance the utilisation capacity of the potential created for 6000 hectares. The likely achievements over the first four years is 5440 hectares of creation of additional potential and 4727 hectares of increase in utilisation capacity.

The item 'machinery and equipment' pertains to small and marginal farmers and is covered under Agriculture sector. Hence, the item is to be deleted from this sector.

A new item for providing irrigation through sprinklers and hydrums is included as the State Govt. will also get a matching assistance of Rs. 2 lakhs from the centrally sponsored scheme operated by the Ministry of Water Resources.

/in the
meeting

An outlay of Rs. 20 lakhs was proposed under CAD programme. As it was clarified by State representative that the various schemes are being covered under the Agriculture sector, no provision has been recommended under Irrigation sector.

Under Flood Control, the programme is to take up construction of Sirwani and Manpur Flood Protection Schemes to give protection to the town from the floods in Teesta River. The proposed outlays and those recommended the Working Group are as under:

	(Rs. lakhs)	
	1989-90	
	Proposed Outlay	Recommended by Working Group
Minor Irrigation	220	215
Flood Control	30	25
	<u>250</u>	<u>240</u>

Industries
&
Minerals

Large and Medium Industries

The limitations faced by the State are high cost of transportation, lack of viable markets within the State, inadequate entrepreneurial talents, and need to maintain an ecological balance in the State. In spite of these limitations, the State has witnessed transformation of the industrial scene with the setting up of the industries which are in line with the basic philosophy of the Government which emphasises the establishment of clean industries stressing on high value low volume products. A large brewery has started production with a capacity of 30,000 bottles per day. The vanaspati plant will be starting production soon. An expansion plan for Sikkim Jewels has been approved and M/s Sikkim Jewels are in the process of making a new arrangement with a suitable company for further expansion in production. Expansion plans of Sikkim Time Corporation (SITCO) in terms of producing crowns etc. for watches is progressing. With the signing of an agreement with M/s Bharat Electronics Ltd. by SITCO for manufacture of Silicon Semi-conductors, Sikkim enters the electronics age.

The Govt. fruit preservation factory and Sikkim flour mills with unsatisfactory performance have been handed over to private parties so that Govt. can generate revenue from them. A cold storage project taken up in 1986-87 has also been completed.

Village and Small Industries

Agro based industries, processing industries and small and tiny industries promoting the traditional skills can be identified as growth areas. Entrepreneurial talents need to be developed. Provision of adequate industrial credit on long-term basis with reasonable rate of interest should be ensured.

Young talented persons of the State must be trained in different trades under some big houses, private or public. Persons should also be trained in the fields of management, chartered accountancy etc. to have trained manpower in the State to start their own units. If possible, other States with infrastructural facilities like Gujarat, Maharashtra etc. may be contacted for this purpose. State Govt. should use funds from DC (Handloom), DC (Handicrafts), Central Silk Board and other Central Organisations to develop village and small industries in the State.

The Govt. Institute of Cottage Industries Emporium has been doing good work to prepare and promote traditional arts and crafts. The Institute provides employment opportunities/assistance to its ex-trainees numbering about 1200 through various follow up schemes.

Improvement in the marketing wing of the Institute is envisaged in 1989-90 by opening a marketing outlet at Delhi and Calcutta.

The outlays proposed by the State and recommended by the Working Group for 1989-90 is as follows:

	(Rs. lakhs)	
	1989-90	
	<u>Outlays</u>	<u>Recommended by</u>
	<u>proposed</u>	<u>Working Group</u>
1. Large and Medium Industries	152.00	161.00
2. Metric System	5.50	4.00
3. Mineral Development	16.00	18.00
4. Village and Small Industries	114.50	110.00

-/-

Science & Technology

The programmes identified for the next year included creation of a State Science Museum, State Instrumentation Centre, drip irrigation, Glass house investigation, Orange production techniques, embryo transfer technology and rapid production mechanisms etc.

On the physical side, a moderately well equipped library has been established, the Remote Sensing Cell has already become operational. The major Research and Development activities include Cardamom drying techniques, mushroom cultivation, geological studies and research in traditional medicine. /For promotional research approach. and traditional medicine, the State Govt. should consult RRL Jammu, CIMAP, Lucknow and ICMR for all possible scientific methodologies/

Environment

Most of the programmes are continuous and promotional in nature. The works include:

- (i) Environmental sanitation around monasteries, historical places.
- (ii) Environmental education and training.
- (iii) Afforestation programme involving children.
- (iv) Improvement of Rumtek garden.
- (v) Creation of parks for environmental improvement pinetum and initiating preparatory work on air pollution control.

Transport

Roads and Bridges

Seventh Plan approved outlay for the sub-sector is Rs.3740 lakhs. Actuals for the first three years of the plan are Rs.2539.20 lakhs and likely expenditure for 1988-89 is Rs.1100 lakhs. Both taken together add to Rs.3639.20 lakhs leaving a balance of Rs.100.80 lakhs.

State Govt. have proposed an outlay of Rs.1170 lakhs for 1989-90. The State Govt. have reported that achievement of physical targets has not been commensurate with the expenditure primarily because of continuous escalation in the costs of construction, delays in the availability of vital construction material and the need to pay attention to occurring recoverying land slides in some of the major arteries.

Against the Seventh Plan target of 217 kms. of surfaced roads in State Highways, the achievement by 1988-89 will be 191 kms. There is likely to be shortfall in other districts roads too. The target of widening, provision of protection, drainage etc. of 314 kms. will be substantially achieved. Similarly, replacement of weak bridges will also be more or less as per the target.

Road Transport

Under Road Transport, substantial outlays have been proposed for (i) Fleet acquisition (Rs.114 lakhs) and (ii) Central workshop (Rs.80 lakhs). The proposal of the State Government is to purchase 20 buses and 10 trucks under scheme no.(i) and (a) to shift Central workshop from Gangtok to Ranipoul and provide a workshop building there under scheme (ii). (b) new workshop at Rangpo and office/residence complex at Beyzing. The building will cost Rs.115 lakhs in phase I and Rs.40 lakhs in phase II. An outlay of Rs.29 lakhs has already been provided in 1988-89 plan. It is, therefore, suggested that the State Govt. may provide for phase I of the central workshop and finish the work. No other work should be taken up under workshop.

The outlays proposed and those recommended by the Working Group are:

(Rs. in lakhs)

	<u>Proposed</u>	<u>Recommended</u>
Roads and Bridges	1170.00	1170.00
Road Transport	220.00	258.00
Helicopter service	50.00	50.00
Tourism	60.00	60.00
Total:	<u>1500.00</u>	<u>1538.00</u>

Education

The State Government should pay more attention to the improvement of female education where the expansion is not upto expectation. Under vocational education it is observed that likely achievement in 1988-89 is 160 against a target of 200. Under Adult education number of participants will be 5559 against a target of 8000. There are likely to be shortfalls in the number of centres under central programme and state programme in 1988-89 as the anticipated achievement would be 306 and 54 centres respectively against a target of 500 and 100.

During the Plan discussion for 1988-89 the State Govt. was advised that the pre-primary centres should be merged with ICDS scheme and no new primary centres should be opened. This will be in keeping with the policy being followed in the rest of the country. The State Govt. have again proposed the opening of 172 pre-primary centres in addition to 528 already opened.

The other suggestions for the State Government are:

The outlays for the new education policy should be shown in the respective sub-sectors i.e.

- (i) Outlay proposed for purchase of land for DIETS and matching share for the construction of toilets in collaboration with UNICEF may be shown under elementary education.
- (ii) Outlay for strengthening of State Institute of Education and equipping of computer room should be shown under secondary education. Outlay for Navodyalaya should also be shown under secondary education.
- (iii) Matching share for the development of play fields and for development of games and sports infrastructure should be shown under 'sports and youth welfare'.

The outlay proposed by the State Government and recommended by the Working Group is as under:

	Proposed	(Rs. in lakhs)	
		1989-90 outlay Total	Recommended New Edun. policy
Elementary education	525	540	15
Secondary education	300	330	25
Teacher education	35	35	
Adult education	10	10	
University education	45	45	
Direction and Admn.	30	25	
Other programme	35	35	
New Education policy	80		
Total General education	<u>1060</u>	<u>1020</u>	<u>40</u>
Art and culture	100	100	
Sports and youth welfare	40	55	15
	<u>1200</u>	<u>1175</u>	<u>55</u>

Medical and Public Health

Seventh Plan outlay under the sector is Rs.581 lakhs. Actual expenditure during the first three years is Rs.450.76 lakhs and likely expenditure for 1988-89 is Rs.165 lakhs. Thus, expenditure of Rs.615.76 lakhs in the first four years is more than the VII Plan approved outlay. For proposals for 1989-90 are of Rs.194.50 lakhs under Medical and Public Health against which the Working Group has recommended an outlay of Rs.175 lakhs.

The infrastructure in the state consists of a Central Referral Hospital at Gangtok and a district hospital in each of the 4 districts.

Position regarding sub-centres, primary Health Centres and Community Health Centres is as under:-

	No. as on 1.4.85	Seventh Plan target (Addl.)	Likely Target Achieve- ment 1985-86 to 1988-89	89-90
Sub centres	82	50	45	5
Primary Health centres	18	2	2	-
Community health centres	Nil	2	2 (likely to be achieved in 1988-89)	-

Thus in all the cases the targets have already been achieved or are likely to be achieved.

The incidence of malaria has declined by 15% in 1988 (upto August) as compared to the corresponding period of 1987. There were no P.Falciparum cases in Sikkim during 1988.

As regards T.B. control programme, only one out of the 4 districts is having a district T.B. centre with 100 beds. The State is advised to open more centres.

Outlays proposed by the State Government and recommended by the Working Group are as under:-

	(Rs. lakhs)			
	Proposed by State Govt.		Recommended by Working Group	
	Total (1)	Capital (2)	Total (3)	Capital (4)
1. Minimum Needs Programme	81.50	74.00	75.00	70.00
2. Hospitals and Dispensaries	25.50	18.00	23.50	18.00
3. Training Programme	1.00	-	1.00	-
4. ISM & Homoeopathy	2.00	-	2.00	-
5. Other Programmes	63.00	-	52.00	-
6. <u>National programmes:</u>				
a) N.M.E.P.	18.00	-	18.00	-
b) T.B. Control programme	3.50	-	3.50	-
Grand Total:	<u>194.50</u>	<u>92.00</u>	<u>175.00</u>	<u>88.00</u>

Water Supply

Seventh Plan approved outlay under this sector is Rs.1800 lakhs. During the first four years of the Seventh Plan the State Govt. is likely to spend Rs.1871 lakhs i.e. more than the approved outlay for the Seventh Plan. Proposals for 1989-90 are of the order of Rs.625 lakhs.

The representatives of the State Govt. have informed that estimated cost of Namchi Water Supply Scheme, under Urban Water Supply Sector will be Rs.500 lakhs. The works involve laying 42 km. long pipe line, construction of reservoirs, filtration plants and providing staff quarters etc. The entire project is proposed to be completed in 1989-90. An outlay of Rs.190 lakhs is proposed for it in 1989-90. During the 1988-89 annual plan discussions, it was pointed out that the per capita cost of the scheme was on a high side due to the distance of the source. The State officials had informed that CGWB was requested to investigate the availability of adequate groundwater in and around Namchi Town so as to avoid proposed long pipe line but CGWB did not come up with a definite report. It is suggested that the project should be referred to the Ministry of Urban

-/SS....

Develop.

Development to get appropriate guidance and completion of the scheme by the end of the Seventh Plan. Instead of thin allocations of plan funds to several Urban Water Supply Schemes, efforts should be made to complete the ongoing schemes which are in advance stage of completion so that minimum number of schemes are spilled over to the 8th Plan to avoid cost over run.

Cost of Water Supply per village in Sikkim is about Rs.20 lakhs which is one of the highest in the country. The State should seek the guidance of National Drinking Water Mission to make the schemes cost effective.

Progress of rural sanitation is not satisfactory. Monitoring and Investigation unit sanctioned under the central sector, programme should be used for monitoring of rural sanitation programme also.

Housing and
Urban Dev.

-/SS...Housing

The State is implementing two schemes namely (a) assistance to Sikkim Housing Board towards margin money for loans from HUDCO and LIC and (b) Social Housing besides the construction of General Pool and Police Housing. Under Social Housing construction assistance of Rs.5000 is given against the national norm of MNP of Rs.2000. A salient/feature of this scheme is supply of CGI sheets as roofing material. The Working Group has recommended Rs.117 lakhs against the proposed outlay of Rs.125 lakhs.

Urban Development.

The Working Group has recommended Rs.70 lakhs against the proposed outlay of Rs.77 lakhs. The schemes are being implemented in Gangtok, seven bazar areas and 55 rural marketing centres.

Public Works

Major building works taken up during the plan have been completed. Construction of legislative Assembly building is in progress and funds proposed for it have been fully provided in the Working Group recommendation of Rs.147 lakhs against the proposed outlay of Rs.190 lakhs.

Welfare of Scheduled Castes, Scheduled Tribes
and other backward classes.

The State Government should implement some selected economic development programmes for the welfare and development of scheduled caste and scheduled tribes for

....

which an outlay of Rs.1 lakhs and 2 lakhs respectively are recommended. The State Government may consider implementing various centrally sponsored schemes under backward class sector and provide adequate state share in the budget. Rs.3 lakhs have been recommended for it.

Tribal sub-plan

Scheduled tribes population forms 23.27% of the total population. The Ministry of Welfare has recommended an outlay of Rs.10.93 crores for Tribal sub-plan as proposed by the State Govt. out of the proposed outlay of Rs.75.06 crores.

Special component plan for scheduled castes.

The State Govt. have quantified Rs.35 lakhs for the purpose out of the total state plan outlay of Rs.75.06 lakhs which comes to less than .8%. The Ministry has recommended a sum of about Rs.4.50 crores which come to 6% of the total plan. The State Govt.'s efforts should be to enhance the SCP flow for their Annual Plan 1989-90

Social Welfare

The State Govt. is advised:

- (i) to set up a home each for boys and girls under the Juvenile Justice Act. 50 percent of the expenditure would be met by the State Govt. and 50 percent by the centre under the existing centrally sponsored scheme 'prevention and control of Juvenile maladjustment'.
- (ii) to set up a school for blind children as there is no such school at present and the blind children have to be sent to the neighbouring states for schooling.

Nutrition

The State Govt. is implementing SNP and MDM programmes for lesser number of days than prescribed. The State representatives explained that due to certain factors i.e.

....24/-

rains etc., it was not possible for them to adhere to prescribed norms. Hence the programmes suggested are as under:

(Rs. lakhs)

1. <u>SNP</u>	
Cost for 16000 beneficiaries @ Rs.132 per beneficiary/year for 165 days	21.00
2. Cost for 28,700 beneficiaries @ Rs.80/- per beneficiary/year for 100 days	22.96 (or say 23)
3. Direction and Administration	1.00
	<hr/>
	45.00
	<hr/>

District Planning

An allocation of Rs.10 lakhs was made for distribution to the districts as untied funds during 1988-89. These funds were placed at the disposal of District collectors to enable them to exercise discretion over implementation of certain schemes that are need-based and relevant to local conditions. The schemes that have been undertaken relate to (a) environmental programme (b) improvement of play grounds (c) creation of recreational spots etc. Progress of implementation of specific schemes out of these 'Untied funds' has picked up. State Govt. has proposed an outlay of Rs.20 lakhs for 1989-90. This amount is about 0.27% of the entire State plan proposed outlay. Keeping in view the progress made by the State in Decentralised Planning and also the emphasis being laid by the Planning Commission to allocate at least 3-5% of the State Plan outlay as 'Untied fund', an outlay of Rs.24 lakhs was recommended by the Working Group.

Size of Annual Plan 1989-90

The recommendations of the Working Group total upto Rs.76.08 crores (detailed statement of sectorwise outlays enclosed) against the State Govt.'s proposed outlay of Rs.75.07 cr. and the current year's plan of Rs.63 crores. A wrap up meeting was held with the State officials. The Chief Secretary and his team fully endorsed the recommendations of the Working Groups and in addition requested for an additional provision of Rs.20 lakhs for Lahachung project under 'Power Sector which costing Rs.58 lakhs had been taken up under NRSE in the current year, and Rs.7 lakhs for State share for the Centrally Sponsored Scheme of assistance to

..... 25/-

small and Marginal Farmers under sub-head "Crop Husbandry" of Agriculture and Allied Activities, since it had been deleted from under Minor Irrigation. Regarding the resources/size of the Annual Plan 1989-90, no indications are available about the State Govt.'s efforts made for reducing the non-plan gap of the current year and for resources for 1989-90. The final size of the Annual Plan for 1989-90 may, therefore, be determined at the time of discussions of the Deputy Chairman with the Chief Minister of Sikkim, after which sectoral break up of outlay will be decided in consultation with the State Government.

small and Marginal Farmers under sub-head "Crop Husbandry" of Agriculture and Allied Activities, since it had been deleted from under Minor Irrigation. Regarding the resources/size of the Annual Plan 1989-90, no indications are available about the State Govt.'s efforts made for reducing the non-plan gap of the current year and for resources for 1989-90. The final size of the Annual Plan for 1989-90 may, therefore, be determined at the time of discussions of the Deputy Chairman with the Chief Minister of Sikkim, after which sectoral break up of outlay will be decided in consultation with the State Government.

329
25

354

Annual Plan 1989-90 - Outlays and Expenditure

Code No.	Major Head/Minor Heads of Development	Actual Expenditure					Proposed Working Groups		
		Seventh Plan 1985-90 Agreed Outlay	1985-86	1986-87	1987-88	1988-89 Approved Outlay	1989-90 Anticipated Expenditure	Outlay	Recommendations Cat. A, B
		(Rs. Lakhs)							
1 01 2401 00	I. AGRICULTURE & ALLIED ACTIVITIES Crop Husbandry	1404.00	260.26	276.27	313.43	340.00	340.00	387.00	387.00
2402 00		1000.00	179.87	176.14	178.65	200.00	200.00	249.00	234.00
2403 00		931.00	157.18	144.21	151.07	190.00	190.00	225.00	225.00
2404 00		75.00	13.05	16.25	19.25	22.00	22.00	25.00	25.00
2405 00		120.00	10.94	16.30	15.37	22.00	22.00	22.00	22.00
2406 00		950.00	178.72	155.13	176.11	208.00	208.00	235.00	250.00
2407 00		-	-	-	-	-	-	-	-
2408 00		45.00	9.85	7.54	8.50	10.00	10.00	12.00	12.00
2415 00		65.00	12.48	12.93	14.84	22.00	22.00	25.00	40.00
2416 00		agricultural Financial Institutions	-	-	-	-	-	-	-
2435 00	Other Agricultural Programmes:	60.00	8.76	10.52	3.02	15.00	15.00	15.00	15.00
2435 C1	(a) Marketing & Quality Control	-	-	-	-	-	-	-	-
2435 60	(b) Others: (to be specified)	-	-	-	-	-	-	-	-
2425 00	Cooperation	200.00	44.19	38.62	37.94	41.00	41.00	57.00	55.00
1 1 0000 00	Total (I)	4850.00	855.30	854.02	923.18	1070.00	1070.00	1252.00	1265.00

(% Lakhs)

Code No.	Major Head/Minor Heads of Development	Seventh Plan 1985-90 Agreed Outlay	1985-86	1986-87	1987-88	1988-89 Approved Outlay	Anticipated % p. Outlay	Proposed Working Group's Recommendations Cat. A. Cat. B	
1 02 2501 00	Special Programmes for Rural Development	62.00	13.53	19.00	26.62	23.00	23.00	25.00	23.06
2501 01	(a) Integrated Rural Development Programme (IRDP) & Allied Programmes	-	-	-	-	-	-	-	-
2501 02	(b) Drought Prone Area Programme (DPAP)	-	-	-	-	-	-	-	-
2501 04	(c) Integrated Rural Energy Programme (IRAP)	50.00	-	0.73	11.40	12.00	12.00	20.00	16.00
1 02 2505 00	Rural Employment	90.00	22.20	23.75	30.00	21.00	21.00	35.00	35.00
2505 C1	(a) National Rural Employment Programme (NREP)	-	-	-	-	-	-	-	-
2505 60	(b) Other Programmes (like Employment Guarantee Scheme etc. (to be specified))	-	-	-	-	-	-	-	-
1 02 2506 00	Land Reforms	120.00	20.00	28.29	21.91	22.00	22.00	26.50	24.75
2515 00	Other Rural Development Programme (incl. Community Development and Panchayats)	75.00	13.78	5.74	17.31	16.00	16.00	15.00	14.00
1 02 0000 00	Total (II)	397.00	69.51	77.51	107.24	94.00	94.00	121.50	112.81
1 03 0000 00	III. SPECIAL AREA PROGRAMMES	-	-	-	-	-	-	-	-
1 02 2701 00	IV. IRRIGATION & FLOOD CONTROL Major & Medium Irrigation	-	-	-	-	-	-	-	-
2702 00	Minor Irrigation	1000.00	141.31	182.47	180.54	190.00	190.00	220.00	215.00

../-

(Rs. Lakhs)

Code No.	Major Head/Minor Heads of Development	Actual Expenditure		1988-89		1989-90	
		1985-86	1986-87	Approved Outlay	Anticipated Expenditure	Proposed Working Group's Outlay	Recommendations Cat. A, B, C.
1 02 2701 00	Command Area Development	-	-	-	-	-	-
2711 00	Flood Control (incl. anti-sea erosion, etc.)	105.00	23.12	29.46	20.00	30.00	25.00
1 04 0000 00	<u>Total (IV)</u>	1105.00	160.30	205.59	210.00	250.00	240.00
1 05 2801 00	<u>V. ENERGY</u>	3894.00	615.29	932.84	1076.28	1145.00	1390.00
2810 00	Power	100.00	7.61	12.96	40.00	40.00	35.00
2810 00	Non-conventional sources of Energy	3894.00	615.29	932.84	1076.28	1145.00	1390.00
1 05 0000 00	<u>Total (V)</u>	3994.00	622.90	945.80	1185.00	1185.00	1425.00
1 06 2851 00	<u>VI. INDUSTRY & MINERALS</u>	330.00	72.54	56.81	73.91	87.50	114.50
2851 00	Village & Small Industries	330.00	72.54	56.81	73.91	87.50	114.50
2852 00	Industries (other than Village & Small Industries)	370.00	66.00	104.50	193.40	138.00	132.00
2853 02	Mining	150.00	30.04	31.05	28.90	25.00	16.50
1 06 0000 00	<u>Total (VI)</u>	850.00	168.58	192.36	295.21	250.50	283.00
1 07 3051 00	<u>VII. TRANSPORT</u>	-	-	-	-	-	-
3051 00	Ports & Light Houses	-	-	-	-	-	-
3052 00	Shipping	-	-	-	-	-	-
3053 00	Civil Aviation	-	-	-	-	-	-
3054 00	Roads & Bridges	3740.00	697.00	893.21	948.99	1100.00	1170.00

../-

Code No.	Major Head/Minor Heads of Development	Actual Expenditure				(In Lakhs)		
		1985-86	1986-87	1987-88	1988-89	1989-90	Working Groups' Recommendations	
		Agreed Outlay	Anticipated Expenditure	Proposed Outlay	Anticipated Expenditure	Proposed Outlay	Working Groups' Recommendations	
1 07 3055 00	Road Transport	728.00	157.77	179.03	169.87	160.00	220.00	258.00
3056 00	Inland Water Transport	-	-	-	-	-	-	-
3075 00	Other Transport Services (Helicopter Services)	-	-	50.00	50.00	50.00	50.00	50.00
<u>1 07 0000 00</u>	<u>Total (VII)</u>	<u>4468.00</u>	<u>834.77</u>	<u>1072.24</u>	<u>1168.86</u>	<u>1310.00</u>	<u>1440.00</u>	<u>1478.00</u>
<u>1 08 0000 00</u>	<u>VIII. COMMUNICATION</u>	-	-	-	-	-	-	-
<u>IX. SCIENCE, TECHNOLOGY & ENVIRONMENT</u>								
1 09 3400 00	Scientific Research (incl. S&T)	22.00	2.70	7.23	7.00	7.00	7.00	10.00
3425 00	Ecology & Environment	58.00	7.50	7.06	8.24	12.00	22.00	22.00
<u>1 09 0000 00</u>	<u>Total (X)</u>	<u>80.00</u>	<u>10.00</u>	<u>14.29</u>	<u>15.24</u>	<u>19.00</u>	<u>32.00</u>	<u>32.00</u>
<u>X. GENERAL ECONOMIC SERVICES</u>								
1 10 3451 00	Secretariat Economic Services	76.00	1.93	13.64	13.93	18.00	44.50	33.00
3452 00	Tourism	200.00	26.40	40.50	48.00	62.00	60.00	60.00
3454 00	Surveys & Statistics	45.00	6.80	7.40	7.22	11.00	12.50	12.50
3456 00	Civil Supplies	55.00	11.00	8.73	9.53	10.00	16.00	14.50
3475 00	Other General Economic Services (a) Weights & Measures	22.00	4.00	5.53	4.92	4.00	5.50	4.00
<u>1 10 0000 00</u>	<u>Total (X)</u>	<u>398.00</u>	<u>50.13</u>	<u>75.80</u>	<u>83.60</u>	<u>105.00</u>	<u>138.50</u>	<u>124.00</u>

Code No.	Major Head/Minor Heads of Development	Seventh Plan 1985-90 Agreed Outlay	Actual Expenditure			1989-90 Working Group's Proposed Recommendations Outlay Cat. A Cat. B			
			1985-86	1986-87	1987-88				
2 21 2202 00	General Education	2500.00	496.50	874.28	776.91	862.50	362.50	1060.00	1020.00
2203 00	Technical Education	-	-	-	-	-	-	-	-
2204 00	Sports & Youth Services	140.00	28.50	28.13	23.95	32.50	32.50	40.00	55.00
2205 00	Art & Culture	160.00	27.15	59.56	56.78	65.00	65.00	100.00	100.00
2 21 0000 00	<u>Sub-Total (Education)</u>	2800.00	552.15	761.97	857.64	960.00	950.00	1200.00	1175.00
2 22 2210 00	Medical & Public Health	581.00	145.75	150.42	154.59	165.00	165.00	194.50	175.00
2 23 2215 00	Water Supply & Sanitation	1800.00	438.64	524.81	432.50	475.00	475.00	625.00	710.00
2216 00	Housing (incl. Police Housing)	460.00	75.15	75.16	121.81	110.00	110.00	125.00	117.00
2217 00	Urban Development (incl. state Capital Projects)	150.00	29.59	66.70	43.78	60.00	60.00	77.00	70.00
2 24 2220 00	Information & Publicity	47.00	16.00	28.80	23.49	30.00	30.00	30.00	30.00
2 25 2225 00	Welfare of Scheduled Castes, Scheduled Tribes & Other Backward Classes	125.00	28.36	29.12	33.62	30.00	30.00	34.00	57.00
2 26 2230 00	Labour & Employment	40.00	10.00	9.48	11.23	8.00	8.00	10.00	10.00

Statement - Sikkim (Contd.)

-: 6 :-

(Rs. Lakhs)

Code No.	Major Head/Minor Heads of Development	Seventh Plan 1985-90 Agreed Outlay					Actual Expenditure		1983-89 Approved Outlay		1989-90 Working Group's Proposed Recommen- dation	
		1985-86	1986-87	1987-88	1988-89	1989-90	1983-89	1989-90	1983-89	1989-90	1983-89	1989-90
2 27 2235 00	Social Security & Welfare	70.00	11.04	9.07	16.90	15.00	15.00	15.00	18.00	20.00	20.00	
2236 60	Nutrition	270.00	42.00	42.75	47.50	46.00	46.00	46.00	51.00	45.00	45.00	
2 28 2252 00	Other Social Services (to be specified)	-	-	-	-	-	-	-	-	-	-	
<u>2 00 0000 00</u>	<u>Total (XI)</u>	<u>5343.00</u>	<u>1348.68</u>	<u>1690.28</u>	<u>1743.06</u>	<u>1899.00</u>	<u>1899.00</u>	<u>1899.00</u>	<u>2364.50</u>	<u>2389.00</u>	<u>39.00</u>	
<u>XII. GENERAL SERVICES</u>												
3 42 2056 00	Jails	-	-	-	-	-	-	-	-	-	-	
2058 00	Stationery & Printing	27.00	4.95	4.81	24.92	9.50	9.50	9.50	10.00	7.00	7.00	
2059 00	Public Works	488.00	87.73	138.36	125.00	148.00	148.00	148.00	190.00	147.00	147.00	
2070 00	Other Administration Services	-	-	-	-	-	-	-	-	-	-	
<u>3 00 0000 00</u>	<u>Total (XII)</u>	<u>515.00</u>	<u>92.68</u>	<u>143.17</u>	<u>149.92</u>	<u>157.50</u>	<u>157.50</u>	<u>157.50</u>	<u>200.00</u>	<u>154.00</u>	<u>154.00</u>	
<u>9 99 9999 99</u>	<u>Grand Total</u>	<u>23000.00</u>	<u>4212.85</u>	<u>5271.16</u>	<u>5792.75</u>	<u>5300.00</u>	<u>5300.00</u>	<u>5300.00</u>	<u>7506.50</u>	<u>7608.91</u>	<u>39.00</u>	

MOST IMMEDIATE

PLANNING COMMISSION
(State Plans Division)

...

CORRIGENDUM

Subject:- Annual Plan 1989-90 - TAMIL NADU

Reference is invited to State Plans Division's Circular of even number dated 10th March, 1989 forwarding a copy of Adviser(SP)'s report on Annual Plan 1989-90 of Tamil Nadu. Lines 3rd to 5th under para 11.2 on page 9/- of the report under reference, may read as under :-

" It was pointed out that in 99% cases the identification was not done by the Gram Panchayat which was against the guidelines."

Panchanan S. Awal

(P.S. Awal)
Deputy Adviser

Deputy Chairman
Minister of State
Members
Secretary
Special Secretary
Advisers
Consultant (LEM)/(PP)
Joint Secretary(SP)
Chief (Science)

Ministry of Finance

Sh. J.L. Bajaj, Jt. Secy.(FB)
Deptt. of Economic Affairs

Sh. G. Haldea, Director(PF) -
(4 copies)

Planning Comm. Cir. No.PC(P)2/TN/88 dt. 21.3.89

Copy to : Private Secretaries to :-

Minister of Planning /
Deputy Chairman
Minister of State

Prime Minister
Cabinet Secretary

Copy also to:

Joint Advisers
Deputy Advisers
Information Officer
SRO/RO concerned in State Plans Division

Copy to:

Liaison Office, Govt. of Tamil Nadu, New Delhi
(10 copies)

...

PLANNING COMMISSION
(State Plans Division)

...

Subject: Annual Plan 1989-90 - TAMIL NADU

A copy of the report of Dr. D.N. Prasad, Adviser(State Plans) on the Annual Plan 1989-90 of Tamil Nadu is circulated herewith. This will form the basis of discussion between Minister of Planning/Deputy Chairman, Planning Commission and the Chief Minister, Tamil Nadu to be held on 15th March, 1989 at 10.00 A.M. in Room No. 130, Yojana Bhavan, New Delhi.

P. S. Awel
(P.S. Awel)
Deputy Adviser

Deputy Chairman
Minister of State
Members
Secretary
Special Secretary
Advisers
Consultant (LEM)/(PP)
Joint Secretary (SP)
Chief (Science)

Ministry of Finance

Shri J.L. Bejjaj, Jt. Secy. (FB)
Deptt. of Economic Affairs

Shri G. Haldea, Director(PF) -
(4 copies)

Planning Comm. Cir. No. PC(P)2/TM/88 dated 10.3.89

Copy to: Private Secretaries to :

Minister of Planning /
Deputy Chairman
Minister of State

Private Secretaries to
Prime Minister
Cabinet Secretary

Copy also to:

Joint Advisers
Deputy Advisers
Information Officer
SRO/RO concerned in State Plans Division

Copy to:

Liaison Office, Govt. of Tamil Nadu, New Delhi
(10 copies)

PLANNING COMMISSION
(State Plans Division)

...

ANNUAL PLAN 1989-90 - TAMIL NADU

Report of Adviser (SP) - Dr. D.N. Prasad

Introductory

Tamil Nadu, with an area of 1.30 lakh sq.kms. and a population of 517 lakhs (1984-85), is 11th in size and 7th most populous State in the country. The density of population per sq.km. is 372 as against the national average of 221. It has 16 districts and 15,735 villages. The Scheduled Castes population is 18.38%, and the Scheduled Tribes population is 1.07%. The State has achieved 45.78% literacy as against the national average of 36.2%. The State is also fairly advanced in irrigation, having nearly 46% of the net sown area under irrigation. The State has already exploited 78% of the ultimate irrigation potential under major and medium irrigation schemes.

Plan perspective

2.1 The per capita plan outlay during various five years/ annual plan periods, is as follows:-

(Rupees)

<u>Plan period</u>	<u>Tamil Nadu</u>	<u>All States/UTs Average</u>
First Plan (1951-56)	29	26
Second Plan (1956-61)	53	54
Third Plan (1961-66)	83	88
Three Annual Plans (1966-69)	62	63
Fourth Plan (1969-74)	126	128
Fifth Plan (1974-79)	248	309
Sixth Plan (1980-85)	630	683
Seventh Plan (1985-90)	1077	1054
Annual Plan (1985-86)	186	178
Annual Plan (1986-87)	219	213
Annual Plan (1987-88)	234	245
Annual Plan (1988-89)	269	258

2.2 The position of outlays approved for the Seventh Five Year Plan and the Annual Plans 1985-86 to 1988-89 as also the proposed outlay for the Annual Plan 1989-90 is as under: -

(in crores)

Seventh Plan 1985-90

Approved outlay 5750.00

Annual Plan 1985-86

- i) Approved outlay 960.00
- ii) Revised approved outlay 1017.46
- iii) Actual Expenditure 1011.24

Annual Plan 1986-87

- i) Approved outlay 1153.00
- ii) Actual Expenditure 1150.68

Annual Plan 1987-88

- i) Approved outlay 1250.00
- ii) Actual Expenditure 1276.58

Annual Plan 1988-89

- i) Approved outlay 1457.00
- ii) Anticipated Expenditure 1201.93

Annual Plan 1989-90

- i) Outlay proposed by the State Government 1243.01
- ii) Outlay recommended by Adviser (SP) 1225.00

Seventh Five Year Plan (1985-90)

3. An outlay of Rs. 5750 crores approved for the Seventh Plan of the State was to be financed as under:-

	(Rs. crores)
I. State's own resources (excluding additional resource mobilisation)	3331.76
II. Additional Resource Mobilisation	1000.00
Total:	<u>4331.76</u>
III. Deduct : Repayment of overdraft (-)	19.62
<u>State's total resources</u>	<u>4312.14</u>
IV. <u>Central Assistance</u>	
a) Normal assistance	1238.49
b) Assistance for Externally Aided Projects	216.00
c) Deduct: Repayment of Advance Plan assistance for relief works	(-) 16.63
Total	<u>1437.86</u>
<u>Aggregate Resources:</u>	<u>5750.00</u>

This is an increase of 82.5 per cent over the Sixth Plan (Rs.3150 crores).

Strategy during the Seventh Plan

4. The development strategy of the Seventh Plan entails a direct attack on the problems of poverty, unemployment and regional imbalances. Through a system of family-oriented programmes, it is proposed to raise a substantial number of people above the poverty line. Top priority is being given to labour intensive industries especially in the rural areas so as to absorb a large number of unemployed and under-employed. The production processes are to be geared up to attain self-sufficiency

in foodgrains. Besides, higher capacity utilisation in industry, optimum utilisation of resources and fuller exploitation of infrastructure is aimed at. Greater emphasis is being placed on women's advancement, both socially and economically. Community protection through effective preventive health-care, provision of higher nutritional standards for women and children and protected drinking water supply will receive greater attention. Major effort is proposed to ensure that Science and Technology becomes an integral part of development planning in key sectors such as Agriculture, Irrigation, Power, Industries, Transportation etc. It is envisaged that the State income would grow at a rate of 5.3 per cent, the income from Agriculture and Allied activities at 4.0 per cent and from manufacturing at 8.3 per cent per annum during the Seventh Plan.

Annual Plans
1985-86 to
1987-88

5. The level of approved outlay together with the actual expenditure incurred during the three Annual Plan periods is indicated below:-

	(Rs. crores)		
	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
a) Approved outlay	1017.46	1153.00	1250.00
b) Actual Expenditure	1011.24	1150.68	1276.58

The State Govt.'s expenditure has more or less matched the approved outlay in the first three years.

Annual Plan
1988-89

6.1 The Annual Plan 1988-89 of Tamil Nadu was fixed at Rs.1457 crores to be financed as under:-

	(Rs. crores)
I. State's own resources (incl. ARM)	1070.57
II. <u>Central Assistance</u>	
a) Normal assistance	348.09
b) Assistance for Externally aided projects	73.60
c) Adjustment of Advance Plan assistance	(-) 18.75
d) Adjustment of relief assistance	(-) 16.51
<u>Total : (II)</u>	<u>386.43</u>
<u>Aggregate Resources:</u>	<u>1457.00</u>

6.2 The level of anticipated expenditure during the current year is placed at Rs.1201.93 crores as against the approved outlay of Rs.1457 crores. This would imply a shortfall of Rs.255.07 crores against the level approved by the Planning Commission earlier.

Resources
for the Plan

7.1 The Working Group on Financial Resources have gone into the State's resources position both for the current year and the next year - 1989-90. For 1988-89, the review of the resources position has shown a gap of Rs.431.71 crores in funding the approved plan of Rs.1457 crores. This gap will be lower in case the revised proposed outlay of Rs.1201.93 crores for the current year, is taken into account. The State Govt. have to elaborate the measures to fill this gap.

7.2 As for 1989-90, the State's own resources worked out to Rs.485.92 crores. Taking level of central assistance likely to become available to the State during 1989-90 at Rs.411.74 crores, the total resources for financing the next year's plan will total up to Rs.897.66 crores. Subsequently, however, the State Govt. have indicated an improvement of Rs.52.34 crores over the estimates of Rs.897.66 crores worked out earlier. Thus, the total resources for the Annual Plan 1989-90 finally aggregated to Rs.950 crores as against the suggested plan size of Rs.1243.01 crores.

Annual Plan
1989-90

8.1 The Annual Plan proposals for 1989-90 as submitted by the State Govt. aggregated to Rs.1243.01 crores i.e. about 14.69% lower than the approved outlay of Rs.1457 crores for the current year. It is, however, 3.4 % higher than the revised proposal for 1988-89. The plan proposals were discussed in detail in a meeting taken by Adviser(SP) spread over 2 days i.e. 13 - 14th February 1989. The normal procedure for the discussion of State Plan proposals in formal Working Groups had to be modified in view of the special circumstances obtaining in Tamil Nadu with regard to the State Assembly Elections, leading to the delayed presentation of the Annual Plan proposals. Opportunity was also afforded to Subject Advisers in the Planning Commission for a more detailed discussion with their State counter-parts in respect of their sectors.

8.2 The State Govt.'s proposals for 1989-90 have been carefully considered in the background of the overall availability of resources estimated at Rs.950 crores. Strictly going by the level of resources insight,

it would seem difficult to sustain the proposed plan size of Rs.1243.01 crores. The State Chief Secretary who also participated in the discussions in the resumed session on 14th February, 1989, had observed that the suggested plan size of Rs.1243.01 crores was just enough to take care of the commitment with regard to ongoing schemes and that the new Govt. of the State proposed to initiate some new schemes, the details of which would become available during the course of the forthcoming meeting of the Chief Minister with Deputy Chairman, Planning Commission. He had also indicated that the State Govt. would like its plan size for 1989-90 to be fixed between Rs.1300 - 1350 crores.

8.3 In the light of the discussion held with the State officials as also with the concerned Subject Advisers in the Planning Commission, the State plan size for 1989-90 may be fixed at Rs.1225 crores. The suggested sectoral break-up of the recommended plan size of Rs.1225 crores appears under column 9 of the statement appended as Annexure. This outlay would be adequate to take care of the requirements and the commitments of funds for ongoing programmes/schemes. Even the recommended plan size of this dimension will mean an uncovered resource gap of Rs.275 crores and the State Govt. will have to identify the steps it proposes to take in covering the said gap.

Sectoral
Programmes

9. Some of the main sectoral highlights are discussed in the paragraphs below:-

Agriculture &
Allied
Activities

10.1 In the agricultural sector, the State generally did well during the first 3 years of the Seventh Plan. It is to be noted that the agricultural production in Tamil Nadu did not register any decline in 1987-88 despite a decline in area under cultivation due to poor rains and on account of reduced live-storage in various reservoirs resulting in reduced irrigation facilities in the State. The State has also done well with regard to the production of high yielding varieties of seeds of rice. There is however need for the stepping up of a similar programme in respect of production of high yielding varieties of pulses. The State Govt. have also been advised to take advantage of the Centrally Sponsored Scheme relating to production of certified seeds of pulses. With regard to sugar cane production efforts have to be made to improve its productivity still

further. Under oil-seeds, the State Govt. have been advised to take up research projects for developing high yielding varieties suitable to agro-climatic conditions of Tamil Nadu. The State could also benefit from the experience of Karnataka. Performance with regard to fertilizer consumption has also been satisfactory over the past years although there are inter-district variations. Suitable measures may be undertaken to augment fertilizer consumption in districts where the present level of consumption is much below the State average. The cropping intensity in the State which is between 118% to 120% is reported to have stagnated around this level during the past several years. This is a matter of concern as the present coverage of area under irrigation in Tamil Nadu is much better than most of the States in India. Taking note of the difficult situation in regard to water resources, the State Govt. have been advised to lay more emphasis on drip irrigation schemes in the State.

Forestry

10.2 Under Forestry, Tamil Nadu is implementing a SIDA - Aided social forestry project. The various components under this project are raising block plantations over 53000 hectares, strip plantations over 1320 kms. and supply of 2500 lakh seedlings. Phase I of the project expired in 1987-88 and Phase II thereof has been taken up from 1988-89 with a total project cost of Rs.84.66 crores.

10.3 It was mentioned during the course of discussion that steps had been taken for the formulation of Eighth Plan with particular reference to research inputs, identifying total degraded forest land, chalking out a phased programme for development and people's participation under the social forestry project. In furtherance of this, about 12 thousand hectares of waste land have been identified. The State Govt. have also taken initiative to cover larger areas by aerial seedlings during the next year. It was also mentioned that the cost of plantation per unit area was Rs.2500 and people's participation in raising plantations had been quite ~~xxx~~ successful.

current year and this is proposed to be increased during the

Cooperation:

10.4 Under Cooperation, a rising trend of overdues at various levels of cooperative credit structure has been reported in the State. This is a very disturbing

feature. The overdues to demand at the level of primary agricultural credit societies was reported to have increased from 33.7% at the end of June, 1987 to 41.2% at the end of June, 1988. In the corresponding period, the overdues to demand at the level of Central Cooperative Banks had increased from 25.7% to 28.3% and the overdues to demand at the level of primary Land Development Banks had increased from 42.3% to 77.2%. It was reported that out of 181 primary Land Development Banks in the State, only 31 banks were eligible for unrestricted loaning and the remaining banks were eligible for restricted refinance facilities from ~~EL~~ NABARD. It was also noted with concern that the share of the cooperatives in the overall fertilizer distribution in the State continued to be only about 30% and that the value of fertilisers retailed from the cooperatives continued to stagnate between Rs.90 crores and Rs.100 crores during the first 3 years of the Seventh Plan. The discussions with the State representatives revealed that the distribution of fertilisers during the current year was anticipated at Rs.100 crores and not Rs.120 crores as indicated in the State plan document. In view of this, the target of Rs.190 crores proposed for 1989-90 was considered to be over ambitious. In consultation with the State Govt. and the Union Department of Agriculture and Cooperation, a reduced target of Rs.120 crores has been recommended for 1989-90.

10.5 It was observed that the targets proposed by the State Govt. for 1989-90 in respect of distribution of consumer articles in rural areas (Rs.350 crores) and retail sale of consumer goods in urban areas (Rs.450 crores) did not represent any increase over the anticipated level of achievement under these programmes during the current year. It was learnt that the entire programme under Public Distribution System had been entrusted to the cooperatives with effect from 1st October, 1987. In view of this, higher targets of Rs.400 crores for distribution of consumer articles in rural areas and Rs. of Rs.500 crores for retail sale of consumer goods in urban areas were recommended, for the Annual Plan 1989-90.

Rural Development:

11.1 Under IRDP (main programme), strengthening of TRYSEM Infrastructure, DWCRs, LPAP and NREP, outlays have been recommended to match tentative Central share

in respect of these programmes. In the case of strengthening of block level administration, the suggested outlay is for meeting the cost of establishment.

11.2 The findings of the Concurrent Evaluation Report in respect of IRDP were also discussed with the State representatives. It was pointed out that in 99% cases the identification was done by the Gram Panchayat which was against the guidelines. The assets had not been found intact in 38% cases. The State Govt. representatives mentioned that the Govt. was looking into the issue of identification of beneficiaries through the Gram Sabha. Steps have also been taken for improving the monitoring of beneficiaries and a 100% verification of assets was likely to be completed early next year.

11.3 The findings of the Concurrent Evaluation Report in respect of NREP were also discussed with the State representatives. The State representatives informed that they had already taken necessary steps to overcome the difficulties pointed out in the evaluation report. It was mentioned that the Million Wells Scheme was doing well in the State and the target of 5000 wells was likely to be achieved fully. There was no difficulty in utilisation of funds for the earmarked sectors. As far as maintenance of assets was concerned, it was clarified that most of the assets were either looked after by the concerned Departments (such as Roads and Schools) or by individual beneficiaries (such as houses and wells). There were few assets which required maintenance from NREP funds. There was a little difficulty in the availability of foodgrains especially rice.

Irrigation

12. The irrigation sector was found to be somewhat under-provided in the State Govt.'s proposals. On detailed consideration of the proposals, the proposed outlay of Rs. 62.95 crores for irrigation sector as a whole has been enhanced to Rs. 71.09 crores. The commitments made to the World Bank for re-imburement as well as construction schedule for committed projects namely, Periyar Vagai Stage II and National Water Management Project have been kept in view in working out the requirement of funds under Major & Medium Irrigation. The major programme under Surface Water Minor Irrigation is modernisation of existing tanks with 100% E.E.C. assistance. While Phase I of

programme is nearing completion, Phase II is scheduled to be financed during 1989-90 for which additional outlay of Rs.3 crores has been recommended. As regards 2 other segments of the programme i.e. CAD and Flood Control, the suggested allocations are adequate.

Power

13.1 The outlay recommended for running the power programme in the State during 1989-90 is Rs.350 crores. This includes an allocation of Rs.10 crores for rural electrification.

13.2 All the ongoing schemes originally targetted for benefits during 7th Plan, would be completed in 7th plan period itself except Tuticorin TPP Stage III (one unit of 210 MW) which would slip to the 8th Plan. It was observed that the works of North Madras TPP Stage I (3 x 210 MW) had not yet started actively because of land acquisition problem. It was mentioned that out of 2171 acres of land, 860 acres had been acquired. The balance land would be acquired after the Supreme Court decision in a case fixed for hearing on 21st February 1989. The project was partially financed by ADB. A loan agreement was signed in January 1987 for 150 million U.S. Dollars to cover procurement of the main plant and equipment for 2 units only. Orders for supply and erection of units 1 & 2 had been placed on BHEL in 11/87 and 2/88 respectively. It was also indicated that orders for unit III were scheduled to be placed after finalisation of the ADB loan for the 3rd unit which was held up pending decision on land acquisition. It was further observed that the outlays for Tuticorin Stage III North Madras TPP Stage I, and T&D programme might not be adequate. The State Govt. were planning to approach the Power Finance Corporation for loan assistance to the extent of Rs.50 - 60 crores which would be an additionality to the Plan. Adequate outlay had been provided for other projects including system improvement works and capacitors installation. The State representatives also agreed to enhance the power sector outlay in case additional funds became available. In fact one third of additional outlay should go to power sector.

13.3 Under Rural Electrification Programme, all the villages have been electrified and the pumpset potential has been over exploited. Therefore, there is a need to re-assess the pumpset potential. Presently, only the system improvement works are being taken up in the

already electrified villages for providing reliable and quality electric supply. Load development work is also being carried out for productive use of electricity in rural areas. The proposed outlay of Rs.1000 lakhs is recommended for extension of connection to 40,000 huts and load intensification and system improvement works. In addition, 40,000 pumpsets have been recommended under non-plan for special project on agriculture (SPA).

13.4 Under the programme for Non-conventional Energy Sources (NCES), the major programmes being implemented in the state are on solar thermal energy and wind power projects. An outlay of Rs.50 lakhs has been proposed for these programmes which is recommended.

13 A 10 MW wind farm project under DANIDA assistance has been sanctioned at a cost of Rs.17 crores which will be provided by DNES. However, no provision has been recommended by Planning Commission in the 1989-90 budget of DNES for this project. It is proposed by the State that the local cost of Rs.4.25 crores for this project which will be shared equally by TEDA and TNEB has to be provided. A provision of Rs.4 crores has been agreed to subject to matching funds being made available by the Central Govt.

Industry

Village & Small Industries

14.1 During the discussion, it was noted that production targets fixed for the terminal year of the Seventh Five Year Plan (1989/90) in respect of handlooms and sericulture industries in the State were not likely to be achieved. Representatives of the State Govt. were requested to review progress of the schemes and furnish a detailed note on the difficulties, if any, experienced and remedial measures proposed to boost production in these sectors.

14.2 In the sericulture sector, it was observed that a Central Sericulture Development Project was envisaged to be taken up from April 1989 with World Bank Assistance in the country. Tamil Nadu State would be one of the major participants in the project but the State Govt. had not made any provision in their Annual Plan 1989/90 proposals to meet the expenditure for the

component of the project in the State. It was felt that additional provision of the order of Rs.125 lakhs would be required for this project.

Large & Medium Industries

14.3 The discussions revealed that industrial growth in the State might reach the targetted level of 8% average during the 7th Plan period even-though there was a substantial shortfall during 1986- and 1987. A higher growth is expected during 1988-89 on account of large incentives announced by the Govt. for the industrial sector recently. With regard to performance of TIDCO it was noted that the undertaking was able to generate substantial internal resources and was also expecting dividend of Rs.1.4 crores per annum from the units under operation. The dividend rate was expected to increase further with more and more projects commencing production in the joint sector. It was also stated that the recovery of loans for undertakings engaged in lending operation had marginally improved i.e. around 40%. This level of performance was however not very satisfactory and the undertakings should try to improve their performance further.

14.4 The suggested plan provision of Rs.37.05 crores for large and medium industries was considered inadequate. It was felt that some increase would be essential in the following areas:-

- i) Rs.25 lakhs each for three growth centres which the State was going to operate through SIPCOT; and
- ii) Funds allocated for 4 cooperative sugar mills also required to be enhanced.

It was also indicated that the requirement of equity for the 4 sugar mills in the corporate sector amounted to Rs.11 crores and that another Rs.4.83 crores each would be required for captive power generation. This would mean an additional requirement of Rs. 7 - 8 crores, over and above Rs.5.8 crores proposed so that the progress of the mills was not affected adversely. A higher outlay of Rs.42.53 crores is accordingly recommended for this sector.

Transport

15.1 "Roads and Bridges" and "Road Transport" constitute the two important segments of the programme in the Transport Sector.

15.2 Under Roads and Bridges, a major chunk of the suggested outlay is for spillover works. The outlays for National Highways and State Highways are for strengthening, upgradation and widening of roads. This is very important in the context of the ever increasing traffic volume and axle loads. The road construction methods have been technologically upgraded in the case of National and State Highways but not for other roads unless where the volume of traffic is very large.

15.3 It was noted that the main weakness of the road network related to its maintenance, which is not being adequately provided for. It is imperative to ensure that the maintenance requirement of roads is adequately met. The possibility of diverting some RLEGP funds for maintenance purposes may also be considered.

15.4 Under Road Transport, the Road Transport Corporations of Tamil Nadu are reported to have done very well. The programme for 1989-90 envisages the replacement of 1400 buses for which an outlay of Rs.25 crores would be needed. In addition, an amount of Rs.50 lakhs is to be made available as equity to the Tamil Nadu Transport Development Funds Corporation as its equity base has been increased from Rs.1.26 crores to Rs.5 crores. It is to be noted that the fare structure of Tamil Nadu Road Transport Corporations is very low at 9.5 paise per kilometer. Since the last fare revision took place in March 1987, a fresh revision of the fare structure may have to be considered during next year.

Civil Supplies

16. The proposed outlay for 1989-90 is Rs.3000 under civil supplies and Rs.733.94 lakhs under M.P. The latter seemed to have been shown erroneously. It was explained by the Planning Secretary of Tamil Nadu that the outlay for this scheme has been shown under "Cooperation" as the amount has been mainly spent as subsidies to the consumer stores being run by the Consumer Cooperatives. As regards, the

the amount of Rs.3000 shown under civil supplies as a token provision for assistance to Tamil Nadu Civil Supplies Corporation, it was suggested that there was no need for this provision as the Tamil Nadu Civil Supplies Corporation had a paid-up capital of Rs.20 crores. The representatives of the State Govt. agreed not to provide any amount for this purpose. As regards the subsidies to the Consumer Cooperatives, it was suggested that such subsidies should be on non-plan side and should not be provided in the plan proposals. The suggestion was accepted by State representative. It was also brought to the notice of the State Govt. that no action had been initiated for setting up redressal machinery required under Consumer Act 1986. A modest beginning could be made by setting up a State Commission and one or two district fora for which a provision of Rs.3 to 4 lakhs will be sufficient. The State representatives agreed to this and stated that they would make this adjustment either on the plan or non-plan side for a marginal expenditure of Rs.3 to 4 lakhs.

Protection

Social &
Community
Services

Education

17.1 Under Elementary Education, the State Govt. has not been sanctioning any new schools for the last few years. However, according to Fifth Education Survey of NCERT (1986), there are 1461 habitations with a population of more than 300 persons, which are without schools. It is necessary to sanction these schools in a phased manner and a beginning should be made by sanctioning 174 schools inhabited by backward class communities (133 SCs and 41 STs). The annual requirement for salary of a teacher in these schools would be Rs.16 lakhs and in the second year second teacher should also be appointed.

17.2 The State Govt. is implementing the Central scheme of 'Operation Blackboard' in right earnest. The cost of second teacher and the teaching learning material under this scheme would be met by Central Govt. However, the construction of school buildings is required to be taken up under NREP/RLEGP. It has been indicated that the tie-up between 'Operation Blackboard' and the NREP/RLEGP in Tamil Nadu is working satisfactorily. The same should be continued especially because the State, would not get any funds for construction of school buildings under the Award of 9th Five Year Commission. For 1989-90 it is understood that

110 new schools are required to be constructed and at the rate of Rs.1.25 lakhs per school, an amount of Rs. 137.50 lakhs would be required. In addition, 400 additional single class rooms would be required to be constructed at an average cost of Rs.75000 and an outlay of Rs.300 lakhs would be required. Therefore, a total outlay of Rs.437.50 lakhs should be provided under NREP/RLEGP in 1989-90. Similarly, under Operation Blackboard, for providing TV sets in about 1,000 upper primary schools, an amount of Rs.30 lakhs needs to be provided towards 25% cost being the State's share.

17.3 Non-formal Education: The Central Govt. has sanctioned ~~x~~ 4 non-formal education projects for catering to the requirements of child labour in Kashi and slum dwellers' children in Madras. There are 100 mixed centres and 300 girls' centres. State Govt. is required to bear 50% cost of mixed ~~x~~ centres and 10% cost of girls' centres. An amount of Rs.2 lakhs may be provided towards the State Govt.'s share.

17.4 Adult Education: There are 152 State Adult Education projects each having ~~x~~ 100 centres - total number of centres being 15,200. There are 27 rural functional literacy projects, each having 300 centres - total number of centres 8,100. The Central Govt. has sanctioned 700 Jana Shikshan Nilayams (JSNs) which are continuing Education centres as an integral part of the Adult Education Programme. It appears that the State Govt. has not yet accepted the scheme of JSN in the State sector. However, corresponding to State run A.E. centres, there have to be JSNs at the rate of 1 JSN per 10 centres. Thus, eventually 1520 JSNs will have to be set up in the State sector. The State Govt. should make a beginning and open at least 700 JSNs in the next year. This would require an amount of Rs. 98 lakhs. In the State Adult Education centres the remuneration of the animator in charge of the centre continues to be Rs.50 per month. The Central Govt. has already revised this remuneration to Rs.100 per month. It is not in the interest of the programme to have ~~6~~ dissimilar patterns under the same programme. Moreover, the remuneration of Rs.100 represents the minimum amount that needs to be paid in as much as some State Govts. have been paying regular time scale to these functionaries. Therefore, the State Govt. should urgently consider revising the pattern of remuneration of the animators in charge of A.E. Centres.

< two

17.5 Secondary Education : The enrolment in this sector is bound to increase with universalisation of Elementary Education. State Govt. is however not able to open more secondary schools for want of financial resources. The State Govt. may encourage voluntary bodies to open secondary schools on "no grant-in-aid" basis.

17.6 Under the revised scheme of 'Vocationalisation of higher secondary education', the State Govt. has taken up 100 schools in the current year. In the next year even if it is assumed that another 100 schools will be taken / which is much less than the requirement, the State Govt. will be required to pay remuneration to 600 part-time instructors and the amount on this count would be Rs.5 lakhs per year.

/ up

17.7 University Education: This is the only sector under which State Govt. has enhanced the outlays as compared with the anticipated expenditure. Although this is not a priority sector, the State Govt. has justified the enhancement on the ground that one University (Mother Teresa Women's University, Kodai Kanal) is still to be recognised by the U.G.C. and additional assistance is required to be given to the remaining 10 universities in the State to attract matching assistance from the U.G.C. for various development schemes like construction of hostels, libraries etc. Assuming that the State Govt. has satisfied itself with reference to the needs of each University about essentiality of the outlays, the same may be supported.

17.8 Technical Education : It is necessary for the State Govt. to make an assessment of the requirement for modernisation of the existing Govt. and aided polytechnics and engineering colleges as per the norms of the AICTE which has now become a statutory body. State Govt. will have to make adequate provision under this sector in due course. Later on, the question of recognition of non-grant polytechnics and colleges is likely to arise. The State Govt. should, therefore, undertake an extensive review of the facilities available in these colleges, vis-a-vis, norms of the AICTE and see that the managements comply with the norms.

17.9 Art & Culture : The State Govt. is a participant in the activities of Southern Zonal Cultural Centre at Tanjore. Every State Govt. is expected to provide Rs.1 crore towards the corpus of the Zonal centre. The State Govt. has so far provided only Rs.55 lakhs as its share. The State Govt. needs to provide Rs.45 lakhs - thus making up its full contribution.

17.10 In sum, following additional requirements relating to Education sector could be considered if additional funds are available.

	(Rs. lakhs)
1. Opening of 174 schools	16
2. State's share towards Non-formal sector	2
3. Opening of 700 JSNs in the State Sector	98
4. State's share in connection with vocational scheme	5
5. State's share in connection with TV sets (EI)	30
6. Zonal Cultural Centre	45
Total	<u>196</u>

Health

17.11 In the Health sector, the approved Seventh Plan allocation is of the order of Rs.150 crores. However, there seems to have been an under utilisation of funds allocated for the health programmes throughout the Seventh Plan period and in terms of the information made available by the State Govt., only about Rs.100 crores would have been spent on the health programmes during the first 4 years of the Seventh Plan. Even in regard to the Minimum Needs Programme, under utilisation of allocated funds during

the 4 years of Seventh Plan has been noticed. The State Govt. have been accordingly advised to give a boost to the programme during next year to ensure that there is no further under utilisation of funds.

17.12 Sub-Centres : The 7th Plan has a target of setting up 3,000 sub centres. 5860 sub centres were reported to have been set up up to the end of 6th Plan and in terms of present indications about 288 sub-centres would be operational by 31st March, 1989. It would mean that there would be a total of 8558 sub-centres in the State by 31st March, 1989. As against the balance of 302 sub-centres relevant for 1989-90, the State Govt. had proposed a target of 123 sub-centres only. The State officials expressed the view that the proposed number of 123 sub-centres would make a realistic target and as such has been retained.

17.13 Primary Health Centres: 436 PHCs were established up to the end of 6th Plan. A target of 1057 PHCs was fixed for the 7th Plan. In terms of the information furnished by the State Govt. 402 PHCs were added during 1985-86 to 1987-88. As for the current year, the approved target of 325 PHCs has been revised downward to 110 PHCs by the State Govt. This is likely to be achieved during the current year. The State Govt. is also reported to have converted 274 mobile health teams into PHCs. The suggested target of establishing 270 PHCs during 1989-90 has been endorsed.

17.14 Community Health Centres: 30 CHCs were set up till the end of 6th Plan. The target for the 7th plan was fixed at 120 CHCs which has since been revised by the State Govt. to 132 CHCs. The achievement during the 7th Plan so far is placed at 41 CHCs and the proposed target of 54 CHCs during 1989-90 has been retained.

17.15 Water Supply & Sanitation : Under Rural Water Supply, the State Govt. is reported to have fully utilised the State sector MNP funds during 1988-89. With the above investment, the State Govt. have indicated the anticipated achievement in terms of coverage of problem habitation at 2781 against

the target of a similar order. As such, the performance under Rural Water Supply Sector seems to be quite satisfactory.

17.16 Urban Water Supply : The utilisation of funds under urban water supply is reported to be about 76% only. The performance under this sector should therefore attract specific attention. Out of the three implementing agencies under Urban Water Supply sector, only PWD has been able to cross their financial target. The performance of Tamil Nadu Water Supply & Drainage Board (TWAD) and Madras Metropolitan Water Supply & Sewerage Board (METRO) should however attract added attention.

17.17 World Bank assisted projects: In Tamil Nadu, 2 World Bank assisted projects are being implemented. The implementing agencies are TWAD and METRO. The project implemented by the TWAD is to provide water supply to 78 towns (3 major towns of Coimbatore, Madurai and Salem and 75 medium and small towns) and low cost sanitation facilities to 14 towns and bulk water supply to 740 rural habitations. The total estimated cost of the project is Rs.149.42 crores which is being revised to Rs.186 crores. The State Govt. is yet to send the revised project to the Govt. of India for clearance. So far, Rs.45.65 crores of expenditure has been incurred by the TWAD Board on world Bank assisted project. Additional expenditure of Rs.15 crores will be incurred during the remaining period of the current plan. The World Bank assisted project implemented by METRO is for developing new sources and extending water supply and sewerage systems and strengthening them. Total cost of the scheme is Rs. 150.08 crores. The expenditure on the project upto 31.3.1989 is expected to be Rs. 21.60 crores. The progress needs to be closely monitored. The project was started in 1986-87 and the terminal date is 1993-94.

17.18 Krishna Water Supply Project for Madras: This project contemplates to get water to Madras from Krishna River by constructing canals and other facilities mostly in Andhra Pradesh and Tamil Nadu. The project is jointly implemented by the Govt. of Andhra Pradesh and Tamil Nadu to supply 12 TMC of water from Krishna river by the Andhra Pradesh to supply 995 MLD of water to Madras City. The total cost of the project when formulated was Rs.1907 crores. The project was conceived in 1976 and the work started in Tamil Nadu in 1983. The target date of the completion of the project is not mentioned. So far, Govt. of Tamil Nadu have made advance payment of Rs.47 crores to Govt. of Andhra Pradesh against the value of work to be done by Andhra Pradesh of Rs.259.77 crores upto June 1988. It was reported by the representative of the State Govt. that the Govt. of Andhra Pradesh has completed only a part of the project. During 1988-89 no payment has been made to the Andhra Pradesh by Tamil Nadu. In Madras, the project is implemented by PWD and METRO. The progress of the work is not satisfactory. The Govt. of Tamil Nadu and Andhra Pradesh will resume discussions shortly. The project needs close monitoring.

17.19 Water Conservation & Tariff Structure: It was noted that in Tamil Nadu most of water resources had been harnessed. In certain parts, ground-water level is going below sea water level. Depletion of ground-water below sea water level may endanger the ground-water aquifer with the intrusion of saline water particularly in costal areas of the State. It is felt that there is an urgent need to look into the matter. The State Govt. have been advised to study and take appropriate steps for conservation of available water resources in the State. Treatment of brackish water with appropriate low cost technology to make it fit for domestic use need attention. There is urgent need to review the tariff structure for urban water supply. The State Govt. have been advised to ensure that the tariff structure for urban water supply including house service connection charges is suitably enhanced to generate revenue and to reduce the gap in non-plan expenditure for effective operation and maintenance of urban water supply schemes.

17.20 Housing & Urban Development: In the Housing sector, it was noticed that there would be a major shortfall in utilisation of the 7th plan MNP outlay of Rs. 3500 lakhs. The expenditure under MNP during the first four years comes to less than 61%. With the proposed outlay of Rs.502 lakhs under MNP for 1989-90 the level of expenditure under MNP during all the five years of 7th Plan would be around 75%. This is also reflected in the anticipated physical achievement which would be 53% of the target for construction

assistance and 84% of the target for distribution of house sites at the end of the Plan.

17.21 On the other hand, emphasis seems to be more on housing for Govt. servants. It was noticed that plan expenditure against House building Advance to Govt. servants has been quite heavy. With the proposed outlay of Rs.2167.74 lakhs for 1989-90 the expenditure during the 7th Plan would be more than 103 crores against the 7th Plan outlay of Rs.50 crores. (Rs.)

17.22 It was further noticed that the scheme for construction of tenements by the Tamil Nadu Slum Clearance Board carries a subsidy of 45%. Around 15-20% of these tenements are sold to beneficiaries on hire-purchase basis and the remaining are allotted on subsidised rental terms. This level of subsidy was considered undesirably high and it was suggested that the element of subsidy should be tapered off gradually.

17.23 Under Urban Development also, it was noticed that there would be a staggering shortfall in utilisation of the Seventh Plan MNP outlay of Rs.4000 lakhs. The expenditure under the MNP (which relates to improvement of Urban Slums) during the first four years comes to only 16%. With the proposed outlay of Rs. 160 lakhs under MNP for 1989-90, the level of expenditure under MNP during the Seventh Plan would be around 20%. It was explained during discussion that the allocations meant for in-situ improvement of slums have been utilised for sites and services scheme which is also meant to benefit the slum dwellers.

17.24 It was revealed during discussion that the allocation meant for various components of the externally financed Tamil Nadu Urban Development Project have been included under the proposals of various Departments. Total budgetary support for TNUDP during 1989-90 has been estimated to be Rs.37 crores and the contribution of the other agencies implementing the project would be of the order of Rs.48 crores. This compares well with the current year's budgetary support for TNUDP of the order of Rs.25 crores and Agency Contribution of Rs.28.52 crores. The major requirement in respect of Municipal Urban Development fund has been fully provided for at the level of Rs. 10 crores both in 1988-89 and in 1989-90.

17.25 The remaining schemes under Municipal Administration Department, Town and Panchayat Deptt., Corporation of Madras, Madras Metropolitan Development Authority, Tamil Nadu Slum Clearance Board and the Town and Country Planning Deptt. were scrutinised. The allocations have been proposed only for the ongoing schemes. Adequate provision of Rs. 200 lakhs for the centrally sponsored Integrated Development of Small and Medium Towns has been made for 1989-90. No provision has been made for the centrally sponsored Urban Basic Services Scheme. The State officials were requested to look into this scheme for adoption in the State.

Other Sectors

18. The recommended outlay in respect of other components of social and community services and also those for the other remaining sectors are set out under column 9 of the statement appended as Annexure.

321

ANNUAL PLAN - 1989-90 - TAMIL NADU
OUTLAY & EXPENDITURE

Statement
Tamil Nadu
(L. Lakhs)

Minor Heads of Development	Seventh Plan Agreed outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 Appd. outlay	1989-90 Outlay As proposed by State Adviser (SP)
	2.	3.	4.	5.	6.	7.
						8.
						9.

AGRICULTURE & ALLIED ACTIVITIES

Crop Husbandry	20000	6255	7112	9757	6248	6635	6900
Soil & Water Conservation	3000	684	738	832	878	729	729
Animal Husbandry	3000	361	362	431	575	453	484
Dairy Development	500	40	36	83	105	19	82
Fisheries	2400	200	312	452	413	191	191
Forestry & Wild Life	7000	1698	1847	2751	2470	2074	2368
Food, Storage & Warehousing	250	20	40	36	20	30	-
Agricultural Research & Education	1300	308	423	523	681	560	763
Agricultural Fin. Institutions	510	78	60	145	125	185	125
Other Agricultural Programmes:							
Marketing & Quality Control	750	21	12	20	34	34	17
Cooperation	3500	306	258	11440	371	1607	588
Total (I)	42210	9971	11200	16464	11920	11887	12129

12500

STATEMENT - I (CONTD.)

TAMIL NADU

(Rs. Lakhs)

TAMIL NADU

Major/Minor Heads of Development	Actual Expenditure		1988-89		1989-90			
	Seventh Plan (1985-90) Agreed outlay	1985-86	1986-87	1987-88	Appr'd. outlay	Anti. Expendr.	As propo- sed by State	As recom- ended by Advisr. (S)
	2	3	4	5	6	7	8	9
II. RURAL DEVELOPMENT								
Special Programme for Rural Dev.								
a) Integrated Rural Development Programme (IRDP) & Allied Programmes.	12875	1512	2110	2278	2338	2233	2338	2594
b) Drought Prone Area Prog. (DPAP)	1275	256	257	360	329	329	328	329
c) Integrated Rural Enjrgy Programme (IREP)	500	36	25	25	25	13	25	25
Rural Employment								
National Rural Employment Programme (NREP)	10250	1947	1891	3163	2128	3056	2856	3056
Land Reforms	120	10	10	10	12	12	12	12
Other Rural Development Programme (incl. Community Development and Panchayats).	3800	781	268	425	383	383	617	436
Total (II)	28820	4542	4561	6261	5215	6023	6176	6452
III. SPECIAL AREA PROGRAMMES								
IV. IRRIGATION & FLOOD CONTROL								
Major & Medium Irrigation	21200	3987	4175	4305	3927	2829	3166	3676
Minor Irrigation	6500	1499	2244	2524	2711	2711	2237	2537
Command Area Development	4000	720	578	956	837	837	760	764
Flood Control (incl. anti-sea erosion, etc.)	1300	147	239	201	443	212	138	138
Total (IV)	33000	6353	7236	8026	7918	6589	6295	7109

Major Heads of Development

Seventh Plan Agreed outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 Appd. outlay	1988-90 outlay	As proposed by State Adviser (Sr)
	1	2	3	4	5	6

I. ENERGY

Over non-conventional sources of Energy	200000	30144	35863	37230	49888	34925	35000	35000
	1000	135	4	5	75	75	50	450
<u>Total (VI)</u>	<u>201000</u>	<u>30279</u>	<u>35867</u>	<u>37235</u>	<u>50024</u>	<u>35000</u>	<u>35050</u>	<u>35450</u>

VI. INDUSTRY & MINERALS

Village & Small Industries	13000	3828	3032	3619	3233	3364	3513	3666
Industries (other than Village & Small Industries)	14500	3768	3457	4774	3146	3146	3706	4253
Mining	1000	215	554	131	111	111	46	46
<u>Total (VI)</u>	<u>28500</u>	<u>7811</u>	<u>7843</u>	<u>8524</u>	<u>6490</u>	<u>6621</u>	<u>7265</u>	<u>7965</u>

VII. TRANSPORT

Ports & Light Houses	300	106	77	47	50	50	5	5
Shipping	700	300	585	-	-	-	-	-
Roads & Bridges	13000	2532	3251	4208	6140	4100	3526	3060
Road Transport	13200	2523	3410	2735	2741	3507	2500	2500
Inland Water Transport	500	-	-	67	25	-	75	75
<u>Total (VII)</u>	<u>27700</u>	<u>5461</u>	<u>7323</u>	<u>7057</u>	<u>8956</u>	<u>7657</u>	<u>6107</u>	<u>6440</u>

VIII. COMMUNICATIONS

SCIENCE TECHNOLOGY & ENVIRONMENT	450	167	177	120	172	172	52	52
Scientific Research (incl. S&T)	420	75	68	84	168	84	86	86
Ecology & Environment								
<u>Total (IX)</u>	<u>870</u>	<u>242</u>	<u>245</u>	<u>204</u>	<u>340</u>	<u>256</u>	<u>138</u>	<u>138</u>

Major/Minor Heads of Development	Actual Expenditure		1988-89		1989-90	
	1985-86	1988-87	1988-89	1989-90	As proposed by State	As recommended by Adv. Secy (SE)
	2	3	4	5	6	7
	2	3	4	5	6	7
X. GENERAL ECONOMIC SERVICES						
<u>Sec'tt Economic Services</u>						
Tourism	100	1	12	39	159	5
Surveys & Statistics	500	12	32	47	150	47
Civil Supplies	300	11	12	12	27	23
Other General Economic Services:	2000	383	409	425	409	349
Weights & Measures	-	@	@	16	26	19
<u>Total (X)</u>	2900	407	465	538	771	447
XI. SOCIAL SERVICES						
<u>EDUCATION</u>						
General Education	27000	4230	4906	6595	7110	6280
Technical Education	2125	464	501	516	685	460
Sports & Youth Services	1000	117	164	142	184	140
Art & Culture	640	100	144	154	252	171
<u>Sub-Total (Education)</u>	30765	4911	5715	7407	8237	7052
Medical & Public Health	15000	1918	2174	2472	3607	3464
Water Supply & Sanitation	60000	8140	8782	9822	17005	15254
Housing (incl. Police Housing)	16500	3940	6780	4451	4376	4549
Urban Development (incl. State Capital Projects)	16000	2682	2820	3653	4325	4202
Information & Publicity	300	20	13	30	46	16
Welfare of SCs, STs & OBCs	10500	1691	2113	1927	2870	2741
<u>Labour & Employment:</u>						
a) Labour & Labour Welfare	1500	169	186	466	377	290
b) Spl. Employment Schemes		651	655	804	30	-
<u>Social Security & Welfare</u>	3000	4044	4175	4088	706	4619
<u>Nutrition</u>	54000	6362	5820	6870	11074	6650
						10094
						300
						4645
						5356
						2280
						4102
						3272
						14400
						4476
						7102
						7078
						6331
						463
						140
						171
						3464
						15254
						4549
						4202
						16
						2277
						2280
						300
						4645
						5356

Major/Minor Heads of Development	Actual Expenditure		1988-89		1989-90 outlay	
	Seventh Plan Agreed outlay	1985-86	1986-87	1987-88	Appal. Anti. outlay Expdr. State	As propos- ed by State Advise r (SP)
1.	2.	3.	4.	5.	6.	7.
Other Social Services :						
i) Administration of religions & Charitable endowments	-	897	21	-	-	-
ii) Rehabilitation of Repatriates from Sri Lanka etc.	-	-	-	-72	-	39
Total (XI)	207565	35425	39256	42279	52653	40421
						42857
XII. GENERAL SERVICES						
Stationery & Printing	85	-	20	6	12	12
Public Works (incl. Jails)	2350	633	1052	1063	1401	2226
Pro-rata charges	-	-	*	*	-	-
Total (XII)	2435	633	1072	1069	1413	2240
						2240
GRAND TOTAL	575000	101124	115068	127558	145700	120193
						2858
						124301
						122506

£ Includes Rs. 150 lakhs as untied funds for district plan.

@ Shown under Civil Supplies.

* Included under respective developed heads.

Notes:- i) The State Govt. have quoted different expenditure for 1986-87.

ii) Figures have been rounded off to the nearest whole number.

PLANNING COMMISSION
(State Plans Division)

Subject: Annual Plan 1989-90 - Tripura

A copy of the report of Dr.(Mrs.) I.K.Barthakur, Adviser(State Plans) on the Annual Plan 1989-90 of Tripura is circulated herewith. This will form the basis of discussion between Minister of Planning and Deputy Chairman, Planning Commission and the Chief Minister, Tripura to be held on Monday, the 23rd January, 1989 at 11.00 A.M. in Room No. 130, Yojana Bhavan, New Delhi- 110001.



(H.R.S. Goel)

Deputy Adviser(State Plans)
Room No. 362-A, Extn. 2638

Deputy Chairman/
Minister of State
Members
Secretary
Special Secretary
Advisers
Consultant(PP)
Joint Secretary(SP)
Chief(Science)

Ministry of Finance

Shri J.L.Bajaj, Jt. Secretary(FB), Deptt. of
Economic Affairs
Shri G. Haldea, Dir.(PF)- 4 copies

Ministry of Programme Implementation

Shri D.Y. Manawwar, Addl. Secretary

Ministry of Home Affairs

Shri K.K. Sinha, Jt. Secy.(NE)
Smt. S.A. Tirmizi, Dy. Secy.(Finance)

Planning Commission Cir.No.PC(P)2/TRI/88 dt. 19 .1.1989

Copy to:

Private Secretary to :
Deputy Chairman &
Minister of Planning

Private Secretaries to:
Prime Minister
Cabinet Secretary

Copy also to:

Joint Advisers
Deputy Advisers
SRO/RO concerned in State Plans Division

Copy to:

Liaison Office, Govt. of Tripura in New Delhi(10 copies)

TRIPURA

PLANNING COMMISSION
(State Plans Division)

Tripura Annual Plan 1989-90 - Report of
Adviser(State Plans) - Dr.(Mrs.) I.K.Barthakur

PART - I

General
Introduction

Tripura state situated in the North Eastern Region, has an international border on 3 sides with Bangladesh. It is a land locked state. It has an area of approximately 10500 sq.km. and population of 20.53 (lakhs lakhs(1981), 23.78(1987 projected). The density of population was 226 persons per sq.km.(1987).

1.2 Nearly 89% of the population is rural and 67% of the workers are cultivators and agricultural labourers. Scheduled Tribes and Scheduled Castes population was 28.4% & 15.1 % respectively.

1.3 Tripura is divided into three revenue districts which are further sub-divided into 17 Development Blocks. The tribal areas of the state covering about 68% of the total area have been constituted into the Tripura Tribal Areas Autonomous District Council. The District Council was set up under the Sixth Schedule of the Constitution in July, 1985 as an instrument of self-governance of the tribal areas in the state.

Hills &
Plains

2.1. Tripura is well endowed with land and water resources. The area of the region has both the plains and hills. The plains people follow comparatively advanced agricultural practices, whereas in the hills, the scheduled tribes practise jhum cultivation. The fertility in the jhum lands is very poor, whereas the valley lands are comparatively fertile.

Workers(1981)

3.1 29.64% of the population were workers (the lowest percentage in the North Eastern Region States) as against 33.45% for the country(1981). 43.29% of the workers were cultivators and 24% of the workers were agricultural labourers. This is the highest percentage observed in the seven states of the North Eastern Region. 1.44% workers were engaged in industries, and remaining were classified as other workers.

Plan perspective

4.1 The following table gives the approved outlay and expenditure during Fourth Plan and onwards for Tripura :

Plans	Approved outlay (Rs. crores)	Actual Expdr. (Rs. crores)
Fourth Plan (1969-74)	34.66	34.66
Fifth Plan (1975-80)	69.68	75.96
Sixth Plan (1980-85)	245.00	292.71
Seventh Plan(1985-90)	440.00	-
<u>Annual Plans:</u>		
1985-86	86.00	93.76
1986-87	105.00	115.06
1987-88	124.00	138.24
1988-89	144.00	179.82*

* Anticipated.

Plan Financing

5.1 Tripura is a special category state for the purpose of funding of plan requirement. It receives central assistance for plan in the ratio of 90% grant and 10% loan as against 30% grant and 70% loan received by general category states. So far non-plan gap of resources of Tripura state was met through central assistance, but w.e.f. 1989-90 as per the recommendations made by the 9th Finance Commission, central assistance would be available to any state for meeting deficit on non-plan revenue account and the gap in the BCR will have to be met by the State Govt. through its own efforts by mobilising additional resources or through further reduction in the level of non-plan expenditure.

Funding of Sixth and Seventh Plan

5.2 The plan allocation, expdr. and central assistance for Sixth and Seventh Plans and for the first four years of the plan are given below:

	(Rs. crores)		
	Plan Allocation	Central Assistance	Expdr.
Sixth Plan(1980-85)	245.00	266.35	292.71
Seventh Plan(1985-90)	440.00	541.21	-
1985-86	86.00	92.07	93.76
1986-87	105.00	107.58	115.06
1987-88	124.00	125.62	138.24
1988-89	144.00	148.72**	179.82*
Total 4 years	459.00	475.99	526.88
Balance (out of 7th Plan)	(-) 21.00	65.22 (-)	86.88

* Anticipated.

** Latest Estimate.

5.3 Thus, in first four years of the Seventh Plan, expenditure has already exceeded the approved outlay of Seventh Plan by 19.7%.

5.4 Details of the approved financing of the Seventh Plan and Annual Plans 1985-86 and onwards are as follows:

(Rs. crores)

	Seventh Plan Outlay (1985-90)	Annual Plans 1985-86	1986-87	1987-88	1988-89*
State's total resources	(-) 101.21	19.40	12.90	(-)17.02	(-)14.72
Central assistance(net)	541.21	92.07	107.58	125.62	148.72**
State's net resources	(-) 101.21	19.40	30.61	6.11	(-)4.72
Resources available for the Plan	440.00	111.47 (P.54)	138.19 (-)	131.73 (3.00)	87.05 (5.43)

* As estimated at the plan formulation stage.

** Subsequently enhanced to Rs. 150.72 crores.

Note: Includes upgradation grant for capital works as indicated in brackets.

Special Central Assistance for Scheduled Tribes and Scheduled Castes

6.1 In addition to flow of funds from the state plan for TSP and SCP, special central assistance is also given to strengthen programmes for the development of Scheduled Tribes/Castes population of the State. The details for the first 4 years of the Seventh Plan both for central assistance and State Plan are given below:

(Rs. lakhs)

	1985-86	1986-87	1987-88	1988-89*
Central TSP	290.18	307.34	317.21	321.05
SCP	250.17	263.67	273.23	270.65
	40.01	43.67	43.98	50.40
State TSP	3455.11	4856.76	5432.88	6716.23
SCP	2700.06	3757.45	4326.92	4755.85
	755.05	1097.31	1105.96	1960.38
<u>GRAND TOTAL:</u>	<u>3745.29</u>	<u>5164.10</u>	<u>5750.09</u>	<u>7037.28</u>

*Provisional.

Annual Plan
1989-90

7.1 The total outlay proposed by the State Government for the Annual Plan 1989-90 amounted to Rs. 294.05 crores which is 104.2% higher than the approved plan outlay for 1988-89 (Rs. 144 .00 crores). The recommendations of the Working Group add upto Rs. 205.59 crores, i.e. 42.8% higher than the approved plan outlay (Rs. 144 crores) for 1988-89 i.e. excluding Rs. 2 crores of additional central assistance accepted later. Major headwise expenditure for Seventh Plan, Annual Plans and recommendations of Working Groups etc are given in the following table:

Head/Sub-Head of Development	7th Plan 1985-90 Agreed Outlay	1985-88 Actual Expend.	1988-89 Approved Outlay	1989-90 Proposed Outlay	(Rs. lakhs) Working Group Recommendations
	1.	2.	3.	4.	5.
Agriculture and Allied Activities	7380	5863	2588	3955	3465
Rural Development	2995	2662	850	1608	1292
Spl. Area Programme	3000	2210	1300	2581	1750
Irrigation & Flood Control	4800	3099	1116	1849	1771
Energy	4800	3910	1680	2148	2114
Industry & Minerals	1625	1440	839	3366	975
Transport	5200	3949	1298	1872	1618
Communications	-	-	1	30	28
Science, Technology & Environment	250	144	82	140	121
Gen. Economic Services	279	132	73	451	140
Social Services	13231	10794	4454	11220	7160
General Services	440	503	119	185	125
<u>GRAND TOTAL:</u>	<u>44000</u>	<u>34706</u>	<u>14400</u>	<u>29405</u>	<u>20559</u>

Part - II

During the wrap up discussion, the Adviser (SP) mentioned the following aspects which need to be kept in view:

PROJECT
FORMULATION

8.11- It is important to formulate projects in detail. The physical targets, the objectives, the goal, time phasing and financial requirement should be seen and detailed clearly. The project report should show the benefits that would accrue to the people. Cost effectiveness of the proposal should also be examined. At what unit cost the proposed benefit is sought, should be spelt out wherever feasible.

MONITORING 8.12-

Monitoring at various levels will help to avoid time over-runs and cost over-runs.

JHUM

8.13-

For replacing jhum, it has been clearly understood that people resort to jhum cultivation for meeting their food requirements. Continuation of this primitive practice of cultivation points to the fact that the efforts of the agriculture and other allied sectors have either failed or have not been adequate in the areas where this practice is persisting. Agricultural sector, has, therefore, to play a very cardinal, constructive and aggressive role in assisting people to improve yields and productivity of their jhum land and simultaneously to develop permanent cultivation not only in growing food crops but also in growing of vegetables and other food items. Agriculture in the hills cannot be left to be handled by primitive techniques. At the same time, public distribution system needs to be strengthened. People have to be provided food security. This approach coupled with scientific working of community/private forest, will relax and reduce pressure on the hill lands.

TRIPURA

8.13.1

cultivation
to replace
jhum without
disturbing
settled

To overcome the disadvantages of shifting cultivation and to help people to live a better quality of life and also to conserve and develop ecology of hills, a strategy to replace jhum has been evolved. It suggests multi-disciplinary integrated area development approach where pooling of resources and efforts of all departments and other developmental agencies is considered necessary. The focus is on evolving location specific integrated package of schemes that provide sustainable income generating alternatives and settled villages. A central sector scheme is in operation since 1987-88. The strategy may be extended to all jhum areas by the concerned State Governments.

8.13.2

A number of schemes are in operation to control/replace jhum in the state, i.e., through the Ministry of Welfare; Ministry of Agriculture; Tribal Development Corporations; North Eastern Council; Soil Erosion Department of the State Government; through the Agriculture Department; etc. It is very essential that all these are consolidated and integrated under a nodal Department, preferably, Agriculture.

MODERNISE 8.14
AGRICULTURE

The cropping intensity, use of high yielding varieties of seeds, fertilizers and other modern inputs continue to be low. In order to encourage these, especially to enhance cropping intensity, it is necessary to introduce short duration (less than 100 days) time bound high yielding varieties of paddy seeds during Kharif season, so that the paddy crop is harvested during the month of September/October and the paddy lands become vacant for planting of various Rabi crops during the optimum sowing season. The optimum sowing season closes by the end of October in most of the States and by the middle of November in some States of the NE Region. It is necessary to link propagation of seeds to this approach.

- SEEDS 8.15- Non-availability of required quality short duration (less than 100 days and cold tolerant high altitude variety for hills) variety of seeds has been a continuous problem. The right variety seeds are either not available, or are not available at the required time and in required quantities. The situation is compounded by the problem of transportation and distribution of seeds. It is necessary to place timely advance orders for the procurement of foundation seeds for multiplying the same in the State farms and seed growers' farms. The State Government may develop a suitable seed production strategy.
- LAND TENURE 8.16- In certain areas, the existing land tenure system is inhibiting permanent asset formation on land based activities. The State Government might like to give attention to this aspect and evolve suitable policy/strategy.
- ACID SOILS 8.17- Wherever Rabi crops are planned to be taken up, soil acidity levels should be corrected for the requirement of the selected Rabi crops.
- IRRIGATION 8.18- Wherever irrigation potential has already been created, it should be linked with crop husbandary programme. Irrigation by itself is of no consequence.
- 8.18.1- Irrigation schemes/proposals may be examined first from the potential it will create for irrigating Rabi and pre-Kharif crops (Ahu/Ahus). Since the rainfall during Kharif season is very heavy, the true benefit of irrigation is to be judged from its likely impact on Rabi and pre-Kharif crops.

8.18.2-

Due to the terrain problem, major and medium irrigation projects of long gestation period are less advantageous than the minor irrigation projects. Wherever necessary and feasible, minor irrigation projects need to be taken up on higher priority and firmly linked with crop husbandary and modern inputs. A coordinated approach to the development of crop husbandary with modern inputs and linkage of irrigation is necessary.

FORESTS 8.19-

Very heavy deforestation is taking place for a number of reasons, including jhumming and commercial interests. The State Government may take necessary steps and make a suitable policy for preventing unregulated tree felling.

HORTICULTURE 8.20-

The development of horticulture seems to hold good promise. The North Eastern Council is already preparing a regional perspective on the development of horticulture. Although the conditions for the development of horticulture seem conducive, it is important that transport and market linkages are seen and planned well ahead of fruiting of the crops. It is important that the areas which specialises in horticulture development also produce foodgrains to meet at least partial requirements of the people. In addition the State Government must strengthen public distribution system and make food available to the people engaged in horticultural development.

SERICULTURE 8.21-

Development of sericulture in the North Eastern Region need to be linked with availability of adequate numbers of food trees under various afforestation, social forestry development schemes and the like programmes needs to be encouraged.

PRODUCTIVE SECTOR 8.22-

People are fond of eating meat/fish. Modern techniques to increase livestock of quality and quantity may be used. High priority needs to be given to the productive aspect of agriculture and allied sectors and other productive sectors for the development process of the State.

INSTITUTIONAL FINANCE 8.23-

The credit-deposit ratio continues to be adverse. It is essential that more and more institutional finance is linked with various developmental activities/enterprises. The constraint to the same may be identified and conditions conducive to linking of institutional finance may be created.

CORPORATIONS 8.24-

A number of corporations have been set-up or are being created. It is essential that viability of the corporations that are under consideration is properly examined and benefits clearly seen before they are set up.

The performance of existing corporations' may be improved to the optimum level. The assets invested must bring best results.

The accounts of the existing corporations need to be regularly audited and their viability monitored.

DECENTRALISATION OF PLANNING PROCESS 8.25-

Much thought has already been expressed on decentralisation of planning process. A further step to decentralisation at district level will be to consider allocation of a part of State Plan resources to the village authorities as is in vogue in the form of Village Development Boards in Nagaland. The people of Nagaland have used the village funds allocated on per household basis, on schemes which they considered their felt needs. In order to accomplish the tasks, the village community also contributed effort and their own resources and achieved much higher throughput. The State Government might like to consider a similar approach/strategy for satisfying the felt needs of the people at village level and also for involving community in the planning process.

REACH PEOPLE 8.26- By way of reminding, it might be worthwhile to give a fresh look to the plethora of plan schemes, projects and programmes to assess what reaches the people and how the plan effort was helping them to improve their quality of life and standard of living. Efforts may continue to be made to reduce soaking of funds in uneconomic ventures.

OBJECTIVE 8.27- The first and the foremost objective of the total development effort is to improve the quality of life of the masses. All schemes and projects should therefore, be tested on this touch-stone whether the completion of the project/scheme will bestow any benefit to the people for improving their quality of life and raising their standard of living. It is important to bear in mind that the first priority schemes should be such that create conditions for the people to move towards attaining the above objective.

TERMINAL YEAR 8.28-
OF THE PLAN The year 1989-90 is the terminal year of the Seventh Five Year Plan. It should, therefore, be treated as the year of consolidation and completion of projects so that the achievement of the year could be compared against the Seventh Five Year Plan targets.

8.28.1- The year 1989-90 will also become the base on which the Eighth Five Year Plan will have to be founded. Therefore, intensive efforts are required to complete the on-going schemes/projects so that new projects and new schemes could be identified and scheduled to be taken up during the Eighth Five Year Plan.

8.28.2- The schemes that have been completed during 1987-88 and 1988-89 and those that will be completed during 1989-90, may be listed and schemes that will spill over to the Eighth Plan may be separately identified.

NEW EXPENDITURE NOT TO BE COMMITTED 8.29-

A number of new posts, construction of buildings and purchase of vehicles have been proposed. It was suggested to the State Government that new expenditure on these items may not be committed, especially on the start of new buildings when a very large portfolio of buildings including some buildings that were taken up during the Fifth Five Year Plan, were continuing to be under construction - due to shortages of material. Therefore, in all the sectors these expenditures should be kept under strict check during 1989-90.

RESOURCES SHOULD NOT BE SPREAD THINLY 8.30-

The resources should not be spread thinly on a large number of projects but concentrated on projects that could be completed in the shortest possible time. This will bestow benefits to the people at the earliest. Only through this approach, aspirations of the people in real terms can be met. Thin spread of resources create hope that leads to disappointment if the projects are not brought to fruition in the expected time schedule.

LISTING OF ASSETS CREATED 8.31-

It is suggested that a master folder, containing identifiable list of assets created by various sectors, district, subdivisions, administrative circle/blockwise list of villages and achievements made by different line Departments may be prepared. It is high time a stock taking is done. Unit cost of reaching the benefits to people have to be seen. At least productive sectors should become profitable so that their benefits begin to cross subsidise and sustain social services sectors.

EXISTING ASSETS TO BE FULLY USED 8.32-

The existing infrastructure, institutions, staff, buildings, transport facilities and other assets should be used to the optimum level.

8.33-

MAINTENANCE OF ASSETS

Permanent assets have been created with scarce resources and with a great deal of effort. These should be maintained properly and not allowed to get into disuse or damage.

Within the State, there are comparatively less developed areas. These may be given special attention for speedy development.

ROADS 8.33-

Faulty construction of roads cause serious disturbance to fragile eco-system. Roads may be planned properly and constructed as per designs that prevent disturbances to ecology and environment.

HOUSING 8.35-

The local housing designs should respect local architecture and use local materials. As far as possible, institutional finance through schemes like self-financing etc. may be used. Where acute shortage of housing accommodation for staff exists and where local houses on rent are not available, construction of transit accommodation/barrack/accommodation could be considered.

/type

INPUT OF 8.36-
SCIENCE &
TECHNOLOGY

Science and Technology Council has already been constituted. The State Government may involve the council input to all sectoral plans. Similarly, State Government may use various technical institutions situated within the State or in the region, and involve them to innovate and introduce scientific and technological improvements for enhancing productivity and reducing drudgery in various sectors.

8.37-

SHORTAGES OF
TECHNICAL
PERSONNEL

The shortage of technical personnel continue to be a serious constraint. A systematic multi-directional effort is necessary to train as well as to attract qualified and experienced technical personnel.

8.38-
EMPHASIS ON
CONSUMABLES

The general infrastructure sector, for the North Eastern Region as a whole, especially transport system and specialised manpower is considered weak.

To overcome this situation, high emphasis over the years has been laid on the development of infrastructure. Heavy investments on this sector are continuously being made. Intra sector infrastructural expenditure made on various sectors of the State Plans, the NEC Plan, and the Central sector scheme too is also high. A large number of departments, organisations and institutions and corporations have been set up.

- 8.38.1- However, the productive sector has not kept pace with the increased demand - which has risen both qualitatively and quantitatively. The agricultural and allied productive sectors have remained more or less stagnant. Most of the primary and manufactured/consumer goods and producer goods are brought into the region. Therefore, it is urgent that maximum resources in real terms go towards inputs that enhance actual production of consumer goods. Innovative inputs and people's involvement towards this objective may also be encouraged.

PART III - Sectoral Issues

- Agriculture & Allied Activities 9.1 Tripura is well endowed with land and water resources. 89% of its population is rural and approximately 67.3% of the workers were reported as cultivators and agricultural labourers. The underdeveloped agricultural sector in the North Eastern Region as a whole, seems to be the weakest link in the entire economic system. In order to bring it to strength, twin strategies to increase cropping intensity and to replace Jhum Cultivation with permanent occupations, for generating supplementary incomes was evolved during 1986. The crux of these two strategies was incorporated in the Adviser's Reports of 1987-88 and 1988-89. The main thrust of these, is reiterated below.
- Jhum 9.2 Jhum cultivation continues to be a major problem in the hills of the North Eastern Region. It is, primarily a problem of food production. In Tripura, about 52,000 families were said to be engaged in jhum cultivation covering approximately 33% of the net sown area of the State. The Government is seized of the problem. During 1987-88, the Planning Commission gave a fresh look and evolved a new strategy for reduction and replacement of jhum practice. The strategy was recommended to the State Government during 1987-88 and 1988-89 Plan discussions and the key recommendations were included in the Report of the Adviser. The strategy basically recommends pooling of all resources - Plan, non Plan and others meant for the development of such rural areas where jhum cultivation predominates for evolving the location specific packages of schemes that might provide viable alternatives to replace jhum without disturbing the settled villages. Permanent cultivation is to be encouraged, self-sufficiency in food items, especially, in remote and inaccessible areas, is to be aimed at and for the villages practising jhum cultivation but situated on or near the existing road system, public distribution system should be strengthened so that it could provide required foodgrains to the jhum cultivators.

- 9.2.1 At the wrap-up discussion (1989-90 Plan) the State Government representatives informed that suitable action had already been initiated, and by the end of the 7th Plan, all excepting about 11000 families would spill over to the 8th Plan for whom the programme will have to be taken up. By the end of the 8th Plan, jhum cultivation in the State, would, more or less, be replaced with alternative methods of food and income generation.
- 9.2.3 For similar schemes, a Central sector scheme under the Ministry of Agriculture has allocated Rs.5.25 crores for Tripura. The amount to be utilised in five equal instalments spread over a period of five years beginning 1987-88.
- Main Crops: 9.3 The Seventh Plan target of foodgrains production was set at 4.85 lakh tonnes. Against this, the achievements of 1985-86, 1986-87, 1987-88 and 1988-89 are 3.74, 3.90, 4.42 and 4.67 lakh tonnes, respectively. (1988-89 anticipated). The target for 1989-90 is 4.92 lakh tonnes which is 7 thousand tonnes more than the Seventh Plan target.
- Rice 9.4 Rice is the major cereal crop of the people of the State. The Seventh Plan target of 4.75 lakh tonnes is expected to be surpassed during 1989-90. The production during 1988-89 is estimated at 4.57 lakh tonnes. The State Government is keen to enhance cropping intensity and also introduce high yielding varieties of seeds. However, they had the difficulty in procuring the right quality and quantity of seeds in time. They are separately working on the strategy to propagate the right quality short duration (less than 100 days) varieties of high yielding seeds of paddy. The productivity per hectare of rice in the State (1598kg 1987-88) was the second best in the North Eastern Region and compared well with the all India average. If appropriate steps were taken by the State Government, self-sufficiency in foodgrains may well be reached within a year, or in the beginning of the Eighth Plan. Arunachal Pradesh and Manipur have already come on the self-sufficiency scale.

Commercial crops 9.5

At present the important commercial crops are jute/mesta, sugar-cane, oilseeds and cotton. Production of jute/mesta as well as the area under the crop, are gradually reducing. Horticulture and plantations were gaining ground. In the case of oilseeds and sugar-cane, the targets set for the Seventh Plan are likely to be exceeded during 1989-90. In the case of cotton, the Seventh Plan target of 2.6 lakh bales is not likely to be reached.

Fertilizers 9.6

The fertilizer consumption in Tripura (1988-89) was noted at 27 kg. per hectare, the second best in the North Eastern Region - the first being Manipur. However, it is almost half of the all India average. The consumption of fertilizers in the recent past was increasing.

Horticulture 9.7

Horticulture in the State was improving over the years and the main crops are: oranges, pineapples; bananas; cashew nuts; and coco-nuts. During 1988-89, approximately 70 thousand tonnes of oranges/pineapples/bananas were likely to be produced and the target for 1989-90 was set at 90.03 thousand tonnes, i.e., same as the target of the Seventh Plan.

9.7.1 Coco-nut production during 1988-89 was estimated at 40.6 lakh coco-nuts against the Seventh Plan target of 36.75 lakhs. The target for 1989-90 is 46.7 lakh coco-nuts. The target has thus already been exceeded.

9.7.2 In the hills, a scheme of vegetables growing in a number of Scheduled Tribe villages has been taken up during 1988-89. This scheme will continue during 1989-90.

Seed Strategy 9.8

Non availability of required quality and quantity of seeds, in time for sowing, continued to be a problem. It would be in the interest of the State to evolve a suitable strategy for local production of right quality of seeds for their full requirements. This will also help in reducing their demand on the transport system. The timely availability of acclimatized seeds will help the farmers in more than one way. A paper on seed strategy was sent. Appropriate advance action to procure foundation seeds need to be taken up.

to the State.

- Production of Improved Seeds 9.9 The target of the 7th Plan was 1851 tonnes. Against this, the achievement of 1987-88 is 258 tonnes which is only for government farms. In 1988-89, it is anticipated to be 371 tonnes and the target for 1989-90 is 571 tonnes.
- Distribution of Seeds 9.10 The 7th Plan target of cereals, pulses and oil-seeds was 2141 tonnes against which the achievement of 1987-88 was 2205 tonnes and for 1988-89 it is likely to be 2251 tonnes. For 1989-90, a target of 2261 tonnes has been kept.
- Area Under HYV 9.11 The 7th Plan target of cropped area under HYV was 72.4% of total cropped area (Rice and heat). The achievement of 1987-88 was 64.59% and anticipated achievement of 1988-89 is 66.69%. The target for 1989-90 is 75.4% which is more than the 7th Plan target.
- Area Covered Under Pesticides 9.12 The 7th Plan target was 2 lakh Ha, against which 1.26 lakh Ha was achieved in 1987-88. Both the anticipated achievement of 1988-89 and target for 1989-90 are 1.80 lakh Ha. Thus it will be short by 0.2 lakh Ha than 7th Plan target. Steps to propagate, biological control of insects/pests need to be evolved and popularised to control swarming numbers of insects/pests.
- Cropping Intensity 9.13 The 7th Plan target of the cropping intensity was 168%. Against this the achievement of 1987-88 was 160.1% and anticipated achievement of 1988-89 is 168.5%. The target is likely to be exceeded.
- Animal Husbandary 9.14 Against the 7th Plan target of 31000 tonnes of milk, the achievement of 1987-88 was 26000 tonnes. During 1988-89, it will be 27000 tonnes. The target for 1989-90 is 29000 tonnes. The average productivity per milch animal per annum of 137 litres of milk is lowest in the country. The Working Group recommended intensification of the cross-breeding programmes and upgrading of buffaloes. The Agricultural University at Jorhat, has in their research programme, been successful in achieving much higher yields of milk from the local breed of cows. The know-how may be obtained, and if workable in the field, the method should be incorporated in the extension package.

9.15 Against 7th Plan target of 41.60 million eggs, the achievement during 1987-88 was 31 million eggs. The achievement of 1988-89 might be 32 million and the target for 1989-90 is 34 million. The average productivity of 65 eggs per layer bird per annum was very low. The Working Group had recommended introduction of modern methods like superior germ plasm in larger numbers and poultry feed at remunerative price. They also suggested that marketing of eggs and poultry birds might be taken up in order to provide price incentive to poultry farmers.

Forestry and
Wild Life

9.16 The area under forests in the State is about 5.93 lakhs hec. accounting for 56.58% of the total geographical area. However, practice of jhum cultivation has destroyed the forests. Consequently natural trees forests are very much limited. Most of the forests are degraded forests. However, the State Government has been taking a number of steps including afforestation.

9.16.1 Working Group had recommended earmarking of funds for protection of natural forests. Some assistance from the "Centrally Sponsored Scheme for Development of Infrastructural Facilities for the Protection of Forests from Biotic Interference" may also be sought. The Working Group had recommended that the programmes for commercial plantations such as coffee and rubber etc. should be viewed in the light of the provisions of the Forest Conservation Act 1980.

Fisheries 9.17

The target of the 7th Plan was 16000 M.T. of fish production. Against this the achievement of 1987-88 was 14120 M.T. and they anticipate to produce 16700 M.T. by March, 1989. Thus target of 7th Plan has been surpassed. The target for 1989-90 is 20000 M.T. Production of fish from tanks and ponds should be raised from the present level of 1000 k g. per hec. through extension of know how and input support.

9.17.1 Fish seed production in the State is not adequate compared to the demand. Large water area exist in the State. Fish seed production is targeted at 170 million seeds during 1989-90 (7th Plan target 150 million). The programme should be oriented to large scale production. The State Government should take up fish seed production in a big way and -- involve private sector also. Bank finance and NCDC assistance should be availed of to supplement the limited plan resources. Similarly, NREP, RLEGP, IRDP & SREP schemes should also be profitably linked up with the scheme of development of pisci-culture.

Cooperation 9.18 Against the 7th Plan target of Rs.15 crores, Rs.8 crores and Rs.40 crores of short, medium and long term loans respectively, the achievement in 1987-88 was Rs.1.31 crores, Rs2.03 crores, and Rs.0.16 crores respectively. The anticipated achievement of 1988-89 is Rs.4 crores, Rs.2 crores and Rs. 1 crore, respectively. During 1989-90, they propose to disburse Rs.9.50 crores loan.

9.18.1 There is deterioration in the overdues position of the cooperative loans. As a result of placing the old overdues relating to the period upto June, 1984, under the Blocked account, the overdues demand of the primary agricultural credit society had come down from 90% in 1983-84 to 29.9% by June, 1986. However, the percentage of overdues again increased to 41% by the end of June, 1987 and increased further to 54 by the end of June, 1988. In the long term loaning sector, the overdues to demand at the level of primary land development banks as at the end of June, 1988 were reported to be as high as 82%. It was revealed that most of the Societies are wilful defaulters. The State Government was advised by Working Group to use coersive measures against them.

9.19 The Working Groups discussed the proposals relating to agriculture and allied activities including forests, and recommended Rs.3465 lakhs for 1989-90 as against the State Government's proposals of Rs.3955 lakhs and as against Rs.2727 lakhs of the approved outlay for 1988-89. Thus recommending a step-up of 27% over the current year's approved outlay.

RURAL DEVELOPMENT

IRDP & NREP

10.1 As per the criteria, detailed in the Seventh Plan document, the allocation of funds during the last year of the Seventh Plan are to be made 100 % on the incidence of poverty. Accordingly, the Central share works out to Rs. 77 lakhs, as against Rs. 89 lakhs allocated during 1988-89. The State Government had proposed Rs. 281 lakhs. The Working Group recommended, as proposed, i.e. a step-up of 215.7% over 1988-89, and 265% over the share as per the approved criteria. The State Govt. had inter-alia argued that due to their performance, they were able to spend much higher amount than the approved outlay, and consequently received much higher share from the Central. They were hopeful of making a similar effort. However, in view of the financial constraints, such a steep step-up may not be possible.

Government.

10.1.1 For the IRDP & Allied programmes, as against the current year's allocation of Rs. 30 lakhs, the Working Group recommended an outlay of Rs. 36.87 lakhs. Under NREP, as against the current outlay of Rs. 89 lakhs, the share for 1989-90 worked out to Rs. 122 lakhs. The same was recommended by the Working Group, although the State Government had proposed Rs. 150 lakhs.

10.1.2 The level of subsidy (Rs. 2000/- for old and Rs. 2500/- for new) was considered on the high side. However, the State Government felt that to make the programme effective, this much subsidy was necessary.

10.1.3 The concurrent evaluation report of IRDP for January-September, 1987 has brought out that at the time of assistance, 87% of the families were in the category of Rs. 2266-4800 income per annum. Two percent of the families belonged to more than Rs. 6400 income category. The process of selection for all the areas was through Gram Sabha. Maximum percentage (61%) of the scheme belonged to tertiary occupations

followed by 17% of animal husbandry. The agriculture and milch animal categories were only 11% and 5% respectively. The incremental income generated by the assets was Rs.2000/- and above in case of 85% of the beneficiaries. In case of the other 15%, it ranged between Rs.501/- and Rs. 2000/-. 24% of the beneficiaries crossed the poverty line of Rs. 6400/- .

SREP

10.2 The Working Group recommended Rs.375 lakhs against the State Govt's. proposal of Rs.500 lakhs and the approved outlay of Rs. 274 lakhs for 1988-89. It may not be possible to fund the recommended outlay. During the wrap-up meeting, the idea of decentralisation of planning process right to the village level, like Village Development Boards (VDBs) in Nagaland, was discussed. The State Government could give some thought to it, and would perhaps like to use the approach under IRDP Programme.

CD. Panchayat & Land Reforms

∟ and

10.3 The Working Group recommended Rs. 71 lakhs against Rs. 140 lakhs proposed/ Rs. 65 lakhs of approved outlay 1988-89 by State Govt. for C.D.

10.3.1 The Working Group recommended Rs. 176 lakhs against Rs. 130 lakhs of the approved plan outlay of 1988-89 & against Rs. 200 lakhs proposed by the State Government for Panchayats. For land reforms, an amount of Rs. 200 lakhs was recommended against Rs. 252.60 lakhs proposed by the State Govt. & Rs. 153 lakhs plan outlay of 1988-89. The State Govt. proposed to take up aerial survey in certain pilot sites, construct building for Survey Training Institute and for housing Map Printing Machines but due to resource constraint, no money has been recommended by Working Group.

10.4 In the over all, as against the approved plan outlay of Rs. 850 lakhs for 1988-89, the Working Group, for 1989-90 considered the proposal of the State Govt. amounting to Rs.1608 lakhs, and recommended Rs.1292 lakhs, i.e. a step up of 52% over 1988-89. The availability of resources are not likely to support such a high step-up.

Irrigation and
Command Area
Development

11.1 At the end of the Sixth Five Year Plan, irrigation potential of 63,000 hectares was created against which the utilisation was 33,000 hectares.

11.2 The implementation of Command Area Development programme was to be taken up by the Irrigation and Flood Control Department during 1988-89 for narrowing down the gap between irrigation potential that has been created and its utilisation. It is hoped by implementing Command Area Development programme there might be increase in cropping intensity leading to higher production.

Major and Medium Irrigation

11.3 The percentage of gross irrigated area to gross sown area is 10.1% against All India 29.9% (1983-84). Even though Monsoon is truant and its period is known but still supplementary irrigation helps. There is necessity of development of assured irrigation and for which 3 existing schemes viz. Gumti Barrage Project, Khowai Barrage and Manu Barrage are to be completed. An amount of Rs. 4.00 crores was earmarked for these projects during the year 1988-89.

11.3.1 The State Government had, during the course of 1988-89 itself, proposed additional requirement of Rs. 3.7 crores. This proposal alongwith the proposal for 1989-90 was discussed in the Working Group for 1989-90. As against the current year's approved outlay of Rs. 480 lakhs, the Working Group recommended Rs. 1040 lakhs, i.e. a step-up of 116.67% over the current year's approved outlay and the full amount, as was proposed by the State Government, was thus recommended. In the event of non-availability of additional resources to this level, it may be appropriate for the State Govt. to complete the Gumti Project, so that benefit of the scheme could reach the people.

MINOR IRRIGATION

11.4 The continuing 150 lift irrigation and diversion schemes are being given first priority. However, during the year 1989-90, if Rs. 310 lakhs were made available as recommended by the Working Group, the State Government could complete 63 of the on-going schemes. If possible, the State Government may also concentrate on completing the remaining on-going schemes.

Kutcha Seasonal Channels:

11.5 The State Government had proposed a subsidy of Rs. 40 lakhs for construction of seasonal bunds & diversion channels for which the Working Group recommended Rs. 30 lakhs. However, it is not understood why seasonal Kucha bunds, which do not create lasting assets, should be subsidised by the Government. This, therefore, is not recommended. Instead, shallow tubewells and artisan wells, as proposed by the State Government, but have not been recommended by the Working Group under irrigation, because these ought to be considered under agriculture, are recommended in lieu of subsidy on Kucha seasonal bunds & diversion channels.

11.6 The Seventh Plan outlay for the minor irrigation was envisaged as Rs. 1500 lakhs. But, during the first four years itself, an amount of Rs. 43 lakhs is likely to be over spent. As against the approved plan outlay of Rs. 451 lakhs (1988-89), the Working Group recommended Rs. 546 lakhs for 1989-90.

11.7 For the Irrigation & Flood Control Sector, the total outlay of Rs. 4800 lakhs was envisaged for the 7th Plan. During the first four years, an amount of Rs. 4215 lakhs is likely to be utilised, leaving a balance of Rs. 585 lakhs. Against this, the Working Group recommended Rs. 1771 lakhs for 1989-90, the outlay approved for 1988-89 being Rs. 1116 lakhs. The amount recommended by the Working Group / a step-up of 58.7 % over 1988-89, & 203 % over the balance.

/shows

EnergyGeneration

12.1 An amount of Rs. 10.05 crores has been recommended by Working Group against Rs. 8.84 crores proposed by State Govt. for 1989-90.

12.2 The progress of important projects is indicated below:

Maharani Micro Hydel Project (1 MW)

12.3 Both the units of the project though completed in December, 1986 and November, 1987 at a cost of Rs. 2.44 crores, but the project could not be commissioned due to mechanical etc. problems. A team of CEA & CWC visited the state to investigate problems. Rs. 1 lakh is anticipated to be spent during 1988-89. Another Rs. 5 lakhs have been recommended for 1989-90 to cover the measures suggested by the team.

Rokhia Gas Turbine Project(2 x 8 MW)

12.4 This project was approved in November, 1986 at an estimated cost of Rs. 12.30 crores. The scope of the project has now been revised at Rs. 28 crores & as against (2 x 5 MW) the revised project is 2 x 8 MW. The expenditure upto 1988-89 is anticipated at Rs. 22.65 crores and the Working Group has now recommended Rs. 9 crores for 1989-90 against Rs. 5.51 crores proposed by State Govt. Thus instead of Rs. 28 crores, the project will cost minimum Rs. 31.65 crores, although there was no serious time overrun. The two units are to be commissioned in May and July, 1989.

Rambhadra Micro Hydel Power Project(2x 500 KW)

12.5 The project at Rambhadra is estimated to cost Rs. 225 lakhs. This is being executed by CWC on turn key basis. The anticipated expenditure upto 1988-89 is Rs. 61 lakhs. The Working Group recommended an outlay of Rs. 100 lakhs for 1989-90. One unit is expected to be commissioned during 1989-90.

Transmission and Distribution

12.6 For the T&D programmes of the state, the Working Group recommended an outlay of Rs. 437 lakhs against Rs. 487 lakhs proposed by the State Govt.

Rural Electrification

12.7 Against the total number of 4727 villages (864 revenue villages as per 1981 census), 2329 villages have been electrified upto 31.3.1988 indicating a coverage of 49.3%. Out of 624 villages anticipated to be electrified during first 4 years of the plan, 395 are tribal villages.

12.8 Use of Solar Photo Voltaic (SPV) lighting method was advocated during 1988-89 discussions, for remote villages. (a village with one SPV system should not be deemed as electrified). Progress is not known.

12.9 The Working Group recommended Rs. 2114 lakhs as against Rs. 1630 lakhs of the approved annual plan for 1988-89 i.e. a step up of 25.8%, where as Rs. 790 lakhs over and above the approved Seventh Plan outlay are likely to be spent for the Energy Sector in first 4 years of the Plan.

Large and Medium Industries

13.1 The progress of industrialisation of the State is hampered mainly because of poor communication net work, shortage of power, non-availability of raw materials, inadequate demand and lack of know how. Emphasis on food processing industries horticultural products, has been given. A processing unit at Malkatta has already been set up under NEC funding. Projectwise position and Working Group recommendations in this sub-sector are follows:

Tripura Industrial Development Corporation

△TIDC was constituted in 1974 for expediting industrialisation by providing necessary infrastructure and provision of finance to Small Scale Industries.

13.2 △ The Seventh Plan outlay was only Rs. 60 lakhs but in first three years of the plan, expenditure is anticipated at Rs. 150 lakhs. The reasons interalia are that IDBI is providing only 65% under refinancing while 35% is being arranged by TIDC. State Govt. anticipated disbursement of Rs. 300 lakhs during current year. The Working Group however, recommended Rs. 125 lakhs against Rs. 216 lakhs proposed by State Govt.

Jute based Industry

13.3 The State Govt. proposed Rs. 1300 lakhs. (includes Rs. 1000 lakhs for writing off accumulated loss of Jute Mill which was commissioned during November, 1981). The State Govt. representatives informed that they are making efforts to improve performance of the Jute Mill by implementing diversification schemes. The Working Group suggested that repayment of accumulated losses, should be taken up under non-plan. The mill is over-burdened with overhead costs.

to be taken

13.4 This was also discussed in wrap-up meeting. The Chief Secretary informed that he is aware that labour is more but new M.D. was enthusiastic and unless funds were provided, he will not be able to bring any improvement. He suggested that diversification was necessary and Rs. 3 crores for modernisation were required. They could be given the amount even in a phased manner i.e. Rs. 75 lakhs per year. He informed that for the past liability, they will find out other sources. The Working Group recommended Rs. 60 lakhs the amount could be enhanced to Rs. 75 lakhs as pressed for by the Chief Secretary, Tripura.

Tea Industry

13.5 Tripura Tea Development Corporation was looking after sick tea gardens. The Working Group suggested that funds may be utilised more for revitalising the cooperative sector rather than on taking over sick tea units. The recommendation stands reiterated.

13.6 The State Govt. reported that tea plantation was started afresh in Macmarra of North Tripura Dist. as observed by the Planning Commission. The Working Group finally recommended Rs. 200 lakhs as proposed by State Govt.

Natural Gas based Chemical Industries

13.7 The State Govt. representative informed that a letter of intent for setting up of methanol plant of 1 lakh tonne capacity based on gas has been received from the Govt. of India and the project was techno-economically viable. The estimated cost of the Joint Sector project is Rs. 114 crores. The Working Group recommended Rs. 5 lakhs as State Govt. is yet to identify Joint Sector partner. When the sector partner was identified, more funds could be allocated.

13.8 The Chief Secretary raised this issue in the wrap up meeting. He informed that if Private Sector people hear that there was a provision of only Rs. 5 lakhs, none may come forward. He advocated that atleast Rs. 100 lakhs may be provided. As for marketing, some of the users are importing methanol. Moreover part of the production (40%) will be captive production.

These users
can have
methanol from
this unit.

13.9 For Vanaspati plant, Working Group recommended Rs. 5 lakhs.

13.10 An amount of Rs. 10 lakhs was also recommended for bricks production in the state.

Nucleus Complex and Growth Centre

13.11 Working Group recommended that Nucleus Complex may be merged with growth centre. Working Group recommended Rs. 75 lakhs for growth centre.

by

The question of growth centre was also raised by the Chief Secretary, Tripura in wrap up meeting. It was pointed out that Prime Minister announced 3 growth centres, to be financed by Centre, State and Financial Institutions at 1:1:1 ratio, to be completed in 3 years phasing i.e. Rs. 18 crores ÷ 3 parties = Rs. 6 crores ÷ 3 years phasing = Rs. 2 crores per annum. However, since the State Govt. was to provide the initial start, in the first year Rs. 4 crores would be required instead of Rs. 75 lakhs recommended.

In first 4 years

for 1988-89

13.12 The industries sub sector has already over spent the 7th Plan outlay by 72.23%. The Working Group recommended Rs. 488 lakhs for 1989-90 against the approved annual plan of Rs. 449 lakhs, although the State Govt. had proposed an outlay of Rs. 2400 lakhs including Rs. 1300 lakhs for the Jute Mill. The pressing needs brought by the Chief Secy. Tripura at the wrap up meeting needs due consideration.

VILLAGE -SMALL SCALE INDUSTRIES

Small Scale Industries including Industrial Estate

14.1 There is limited scope in the State for large & medium industries. The main thrust therefore has to be on the village and small scale industries. For this infrastructure facilities for training etc. and inputs which are not readily available are required. The production per industrial unit in the industrial estates was around Rs. 2 lakhs per unit. New units in the industrial estates are mainly for cables, nails bulbs, pins, plastic and rubber processing & aluminium utensils etc. The Chairman of Working Group observed that young talented persons of the State may be trained in different trades in some big houses- both private & public and also in management and chartered accountancy. Even large number of small schemes could be converted into big few schemes as per need of artisans and entrepreneurs because other wise in case of large number of schemes the main emphasis is generally lost.

Tripura Small Industries Corporation

14.2 TSIC established in 1965, provides raw material and marketing facilities to small entrepreneurs belonging to SC/ST/OBC's and others. It is also running several industrial units. It was provided share capital of Rs. 4 lakhs, Rs. 6 lakhs, Rs. 7.90 lakhs and Rs. 6 lakhs respectively during the years 1985-86, 1986-87, 1987-88 and 1988-89. Till 1988-89 the share capital is Rs. 97.50 lakhs. The turnover of the Corporation was Rs. 3.36 crores in 1987-88 and it is anticipated to be Rs. 4.5 crores during 1988-89. The target for 1989-90 is Rs. 8 crores.

14.3 In Small Scale Industries, against 11290 units target of Seventh Plan, 12000 units are anticipated by the end of 1988-89. The target for 1989-90 is 14000 units. Thus the Seventh Plan target will be surpassed.

-/-

that

14.4 The State Government indicated in the annual plan 1989-90 document/10 Industrial Estates were to be established during Seventh Plan, but only 8 Estates were anticipated by 1988-89 and one is proposed during 1989-90. Against the target of 90000 units in the Industrial Estates by the end of VIIth Plan, 85000 units were established by 1987-88. The anticipated achievement for 1988-89 is 90000 units which will equate VIIth Plan target. The 1989-90 target is to have 1 lakh units.

14.4.1 For scheme of entrepreneurship development and assistance to Small Scale Industries, against State Government proposal of Rs. 439 lakhs, Working Group has recommended Rs. 200 lakhs.

14.4.2 The above information is collected from the State Annual Plan document 1989-90, Volume I at page 94. This seems to indicate that the eight industrial estates alone employ at least 90,000 employees, assuming one employee to be working per unit. The State Government might like to check and confirm information used in such important document.

Khadi & Village Industries

14.5 Tripura Khadi & Village Industries Board is functioning in close liaison with KVIC. It is giving assistance to village artisans. Rebate is also provided on Khadi Sector. Against Rs. 58 lakhs proposed by State Government, the Working Group recommended Rs. 35 lakhs.

Handicrafts

14.6 Cane & bamboo craft of Tripura is one of the best of its kind in India and its commercialisation has to start at the earliest. There are other programmes too concerning Handicrafts. The Working Group recommended Rs. 35 lakhs against Rs. 47 lakhs proposed by the State Government.

Handloom - 30 -

14.7 It is one of the most important industries in Tripura. The State Govt. proposes to improve conditions of weavers by providing with new designs, training etc. of these weavers. Cooperatives are also to be encouraged and funds are also required by Tripura Handloom and Handicrafts Development Corporation.

14.7.1 In case of employment in this industry the achievement by 1987-88 is quite encouraging. Against VIIth Plan target of 16450 Nos., the achievement was 20000 Nos. In 1988-89, the anticipation is 25000 Nos.

14.7.2 The Working Group recommended Rs. 155 lakhs against Rs. 342 lakhs proposed by State Government.

Sericulture

14.8 The performance so far has not been satisfactory. Problems of this industry were studied by a Committee headed by Shri K.V.S. Murthi. Mulbary plantation is now being done in 23 extension centres. The production of Silk during 1989-90 is planned at 5 tonnes. Against proposal of Rs. 60 lakhs of the State Government, the Working Group has recommended Rs. 50 lakhs.

14.9 The outlays proposed by the State Govt. and recommended by the Working Group are indicated below:-

Sl. No.	Programme	(Rs. in lakhs)	
		1988-89 Approved Outlay	1989-90 Proposed by the State Govt. Recommended by the Working Group
1	2	3	4
1.	Small Scale Industries (including Industries Estate)	172	439
2.	Handloom	136	342
3.	Handicrafts	20	47
4.	Khadi & Village Industries	25	58
5.	Sericulture	27	60
	<u>Total:-</u>	<u>380</u>	<u>946</u>

As against the Seventh Plan approved outlay of Rs. 1000 lakhs for village & small scale industries, an amount of Rs. 211 lakhs is likely to be overspent during the first four years of the plan. Against this background, a step-up of 25% over 1988-89 plan has been recommended by the Working Group. This may not be possible.

TransportRoads and Bridges

15.1 Tripura has already achieved an average road density of 8 7/8 km. per 100 sq.km. of area and is thus much above the all-India average. However, the quality of roads and bridges needs improvement regarding which a detailed paragraph (No. 22.3) was incorporated in the Adviser Report for 1988-89.

15.2 The major issues identified by the Working Group on Transport were as follows:-

15.2 1 The Eighth Finance Commission had recommended Rs. 6.6 crores (for 1987-88) for the maintenance of roads and bridges. However, only Rs. 4.37 crores were utilised. The road maintenance needs to be improved.

15.2 2 - High priority was being given to strengthening of roads and bridges, especially those that link the gas finds.

15.2 3 - The spill-over schemes of Fifth and Sixth Plans, both of construction of roads as well as of improvement, are given priority.

15.2 4 - The Seventh Plan target of construction of roads \angle 650 kms. and the target of improvement of roads were set at 1115 km. During the first four years of the Seventh Plan, 533 km. of roads have been constructed and 947 km. of existing roads were likely to be improved.

(was set at

15.2 5 - By the end of the Seventh Plan, most of the Fifth Plan as well as Sixth Plan spillover road works will be completed.

15.2 6 - By the end of the Sixth Plan, 2420 villages were connected by road and during the Seventh Plan the target of connecting additional 1000 villages was likely to be fully achieved. (The revenue villages as recorded in 1981 Census were 864)

- 15.2 7 - As against the Seventh Plan outlay of Rs. 4500 lakhs, Rs. 4823 lakhs are likely to be spent during the first four years of the Seventh Plan, thereby exceeding the plan size by Rs. 323 lakhs. Against this and the current year's Annual Plan of Rs. 1150 lakhs, the State Govt. proposed Rs. 1900 lakhs and the Working Group recommended Rs. 1435 lakhs.

Road Transport

- 15.3 As against the Seventh Plan outlay of Rs. 700 lakhs, Rs. 419 lakhs are likely to be utilised during the first four years of the plan. The State Govt. proposed Rs. 268 lakhs for 1989-90 and the Working Group recommended Rs. 180 lakhs. The approved outlay for 1988-89 was Rs. 146 lakhs. The Working Group made the following observations:-

- 15.3 1 - The Tripura State Road Transport Corporation (TRTC) was making losses which were increasing over the years. The accumulated losses were likely to be Rs. 2175 lakhs at the end of the 7th Plan.

- 15.3 2 - The TRTC should improve its performance and revenue and reduce costs. Although the fleet utilisation, monitoring and workshop facilities had improved, yet the revenue earning/km. as well as maintenance of the fleet needed improvement. The vehicle productivity need to be improved and the fares charged should reflect average cost of operations.

- 15.4 As against 45 buses and 13 trucks proposed to be purchased during 1989-90, the Working Group recommended lesser numbers mainly to replace the overaged vehicles.

lths, the W
180

Education

16.1 Very substantial amount of the total budget of Tripura State (Plan and non-Plan) is being spent on general education. The total assessment of the whole situation needs to be seen, especially, in view of the fact that according to 1981 Census revenue villages were 864. The schools that existed in 1981-82 were: Nursery 1203; Junior Basic 1772; Middle or Senior Basic 294; High School 144; Higher Secondary +2 were 72; General Colleges 9; Adult Education Centres 2463 (all institutions 6046) (Page 63 of Statistical Outline, Tripura 1983). The number of institutions created during seven years period, i.e. 1981-82 to 1988-89, is not readily available.

16.2 However, the Fifth Educational Survey indicates that 1866 habitations were without any school. During 1989-90 the proposal from the State Govt. was to appoint 4184 primary and middle school teachers. The Working Group, therefore, recommended school mapping of the villages as well as to rationalise the location of schools.

16.3 The Working Group also recommended that the salaries of the teachers appointed before the start of the Seventh Plan and the institutions created should be shown against non-plan and the expenditure should not be shown under plan.

16.4 As against the Seventh Plan outlay of Rs. 2967 lakhs, Rs. 5820 lakhs are likely to be spent during the first four years, thus exceeding the Seventh Plan outlay by 96.2%. Against this, the Working Group recommended Rs. 3685 lakhs for a single year 1989-90. The recommendation of the Working Group for 1989-90 exceeds five years allocation approved for the Seventh Plan by 24.2% i.e. Rs. 718 lakhs, and the outlay recommended by the Working Group is also more than double (115%) of the Annual Plan 1988-89. This kind of step-up is not supported by the resources in sight.

Water Supply and Sanitation

17.1 Against state government proposal of Rs. 1285 lakhs, the Working Group recommended Rs. 925 lakhs as per details given below:

	(Rs. lakhs)		
	1988- 89 approved	1989-90 Proposed	Recommended
Rural Water Supply	430	735	625
Rural Sanitation	15	20	20
Urban Water Supply	125	245	150*
Urban Sanitation	60	185	80
Survey & Investigation etc.	30	100	50
	<u>660</u>	<u>1285</u>	<u>925</u>

The balance from the 7th plan outlay for 1989-90, is Rs. 544 lakhs

* Kailashahr (40); Dharmanagar(43); Udaipur(14); Sonamura(8) and Agartala Municipality (45)

17.2 It was suggested that village community/organisation should be involved for maintenance of village water supply schemes. May be they would like to raise local level resources to train and engage a local person for maintenance purposes. Govt. could organise appropriate training and supply necessary basic tools for the propose.

Housing

18.1 The Working Group emphasised that resources during 1989-90 may be so allocated that the scheme, programmes, works are brought to a satisfactory stage of completion at the end of Seventh Plan. Moreover, niether new staff should be recruited nor new works should be started during the terminal year of the 7th Plan.

18.2 In the housing sector both for general pool and Police Houses thinning out limited resources to a large number of works is not a good practice. The result is that for long time, no benefits accrue out of the investment made. For both general pool and Police Housing, Rs. 155 lakhs was recommended against Rs. 145 lakhs of 1988-89. These are exclusive of upgradation grant.

18.3 Another Rs. 25 lakhs was recommended towards marginal money to Tripura Housing Board, which constructs houses for EWS, LIG & MIG Categories. It was pointed out that Housing Board should generate its own resources.

18.4 For other Schemes under the sector, Rs. 90 lakhs were recommended.

18.5 Under Rural House Sites (MNP), it was noticed that for providing free house sites to the rural landless workers and construction assistance, only Rs. 1000/- per family is being provided. It was pointed out that it should be revised to national level i.e. Rs. 2000/- per family. An outlay of Rs. 60 lakhs, was recommended. For providing loan on HUDCO pattern for LIG & EWS houses, Rs. 55 lakhs were recommended. In all Rs. 387 lakhs were recommended against Rs. 609 lakhs proposed and Rs. 338 lakhs approved outlay for 1988-89.

Urban Development

19.1 Under urban dev. a total of Rs. 288 lakhs was recommended against the current year's outlay of Rs. 233 lakhs and State Govt.'s proposal of Rs. 546.74 lakhs. This covers assistance to Agartala municipality; assistance to notified areas, slum area improvement; and other urban development purposes.

Backward Classes ,
ST & SC

/for

20.1 Against state government proposal of Rs. 563 lakhs for this sector, the Working Group recommended Rs. 480 lakhs. The main chunk is/welfare of Scheduled Tribes (Rs. 260 lakhs) followed by Scheduled Castes (Rs. 125 lakhs).

Tribal Sub-Plan

20.2 It is quantified at Rs. 9599.88 lakhs against state plan of Rs. 29405 lakhs (works out to 32.65% of the State Plan against Scheduled Tribes population of 28.4%).

Spl. Component
Plan

20.3 It is quantified at Rs. 3413.77 lakhs which works out 10.64% of the State Plan of Rs. 29405 lakhs as against Scheduled Caste population of 15.1%. This will have to be appropriately enhanced to fit in atleast, with the population proportion of Scheduled Castes.

Plan size 1988-90

21.1 An outlay of Rs. 440 crores to be financed with Rs. 541.21 crores of Central Assistance was approved for the Seventh Five Year Plan (1985-90) of Tripura. The actual expenditure for the first four years of the Seventh Plan (including anticipated Rs. 146 crores for 1988-89), comes to Rs. 493.06 crores, i.e. Rs. 53.06 crores more than the approved Seventh Five Year Plan of the State. As against the current year's approved Annual Plan of Rs. 144 crores (excluding Rs. 2 crores released as additional Central Assistance) the Government of Tripura proposed Rs. 294.05 crores for the Annual Plan 1989-90 which is more than the current year's Plan size.

<104.2%

21.2 The Working Groups considered the proposals and identified the need of Rs. 205.59 crores, which is 42.8% more than the current year's approved Annual Plan. The State Government had indicated in the Annual Plan 1989-90 document, that the anticipated expenditure for 1988-89 was Rs. 179.82 crores. This was discussed in the wrap-up meeting, and the State Government was advised to take appropriate measures to contain the Annual Plan 1988-89 expenditure within the approved Plan outlay. It was also informed that in case it was not possible for the State Government to cover the resource gap through various measures, the Plan outlay for 1988-89 might have to be reduced downwards. The Chief Secretary, Tripura had informed that the State Government was taking appropriate steps and the plan expenditure will remain as per the approved Annual Plan outlay of Rs. 144 crores, plus Rs. 2 crores of the additional Central Assistance released during the year for specific purposes.

21.3 In this light, and taking into account the State resources as well as the Central Assistance that are in sight for the Annual Plan 1989-90; the Annual Plan size of 1989-90 is recommended at Rs. 155 crores. This includes Rs. 3.06 crores of Upgradation grant (for capital works - Rs. 2.74 crores), and grants for Special Problems (Rs. 0.32 crores) as against Rs. 5.43 crores of Upgradation grant component for 1988-89 Annual Plan. However, the schemes under this component, will have to be approved by the Empowered Committee of the Central Government.

21.4 The sector-wise allocations of outlays would be finalised after the Plan size is approved in the meeting to be held between the Deputy Chairman, Planning Commission and the Chief Minister, Tripura on 23rd January, 1989. The Annexure-I gives Seventh Five Year Plan, outlays and expenditure yearwise according to the Plan heads/sub-heads of development.

Annual Plan 1989-90 Outlay and Expenditure

Code No.	Major Head/Minor Heads of Development	Actual Expenditure									
		7th Plan (1985-90) Agreed Outlay	86	87	1986- 88	1987- 88	1988-89 Approved Outlay	1989-90 Proposed Outlay	W.G. recom.		
1	2	3	4	5	6	7	8	9	10	11	
I AGRICULTURE AND ALLIED ACTIVITIES											
101 240100	Crop Husbandary	2205	500	639	756	768	985	1214	1155		
240200	Soil & Water Conservation	700	124	159	178	200	200	287	261		
240300	Animal Husbandary	1000	179	220	238	270	270	406	335		
240400	Dairy Development	200	32	38	46	50	50	68	60		
240500	Fisheries	600	133	231	222	310	310	624	514		
240600	Forestry and wild Life	1500	357	346	402	450	450	640	530		
240700	Plantations (Tribal Reha- bilitation in Plantation and PGF)	--	--	51	50	80	80	101	95		
240800	Food, storage & warehousing	100	8	20	3	12	62	30	5		
241500	Agri. Research & Education	100	10	12	11	23	23	25	25		
241600	Agri. Fin. Institutions (Investment)	75	10	10	5	5	5	15	5		
243500	Other Agri. Programmes:										
243501	(a) Marketing & Quality Control	300	128	85	74	150	70	200	175		
242500	Cooperation	600	158	200	228	270	275	345	305		
101 000000	Total (I):	7380	1639	2011	2213	2588	2780	3955	3465		

Annexure I (TRIPURA) Contd.
(Rs. Lakhs)

Code No.	Major Head/Minor Heads of 7th Plan Development	Actual Expend.		1988-89		1989-90		1987-88	1986-87	1985-86	1984-85	1983-84	1982-83	1981-82	1980-81	
		1985-86	1986-87	1987-88	1988-89	1989-90	1989-90									1989-90
102 250100	Spl. Programmes for Rural Dev.:															
250101	(a) Integrated Rural Dev. Programme (IRDP) & Allied Programmes	650	159	160	324	119	324	345	318							
250104	(b) Integrated Rural Energy Programme (IREP)	-	-	7	15	20	20	20	30							
102 250500	Rural Employment:															
250501	(a) National Rural Employment Programme (NREP)	401	76	103	102	89	122	150	122							
250560	(b) Other Programmes (SREP)	800	245	325	350	274	374	500	375							
250600	Land Reforms	411	97	132	137	153	188	253	200							
251500	Other Rural Dev. Prog. (Including Community Dev. & Panchayats)	733	118	148	164	195	205	340	247							
102 000000	TOTAL (II):	2995	695	875	1092	850	1233	1608	1292							

Annexure I (TRIPURA) Contd.
(Rs. Lakhs)

Code No	Major Head/Minor Heads of 7th Plan (1985-90)	Actual Expdr. 1985-86	1986-87	1987-88	1988-89	1989-90	Proposed W.G. Outlay	Expdr. Outlay	recom.
1	2	3	4	5	6	7	8	9	10
<u>III. SEL. AREA PROGRAMS</u>									
103	000000 Bordel Area Dev. Project	-	-	137	250	300	250	250	250
	Tripura Tribal Area Autonomous District Council	3000	448	700	925	1050	1050	2331	1500
103	000000 <u>TOTAL (III):</u>	3000	448	700	1062	1300	1350	2581	1750
<u>IV. IRRIGATION AND FLOOD CONTROL:</u>									
104	270100 Medium Irrigation	2700	440	458	645	480	900	1040	1040
	270200 Minor Irrigation	1500	307	399	386	451	451	574	546
	270500 Command Area Dev. Prog.	-	-	10	1	5	5	10	5
	271100 Flood Control (Incl. anti-sea eicsson)	600	194	130	129	180	180	225	180
104	000000 <u>TOTAL (IV):</u>	4800	941	997	1161	1116	1536	1849	1771
<u>V. ENERGY</u>									
105	280100 Power	4600	1038	1004	1790	1635	2269	2094	2064
	281000 Non-conventional sources of energy	200	24	24	30	45	45	54	50
105	000000 <u>TOTAL (V):</u>	4800	1062	1028	1820	1680	2314	2148	2114

Code No.	Major Head/Minor Head of Development	7th Plan (1985-80) Agreed Cutlay	Actual Expend.		1987-88	1988-89	1989-90		
			1985-86	1986-87			Approved Outlay	Proposed W.G. Recom.	
1	2	3	4	5	6	7	8	9	10
IX. SCIENCE, TECHNOLOGY & ENVIRONMENT									
109 340000	Scientific Research (incl. S&T)	200	30	45	33	62	62	105	88
342500	Ecology & Environment	50	11	10	15	20	21	35	33
109 000000	TOTAL (IX):	<u>250</u>	<u>41</u>	<u>55</u>	<u>48</u>	<u>82</u>	<u>83</u>	<u>140</u>	<u>121</u>
GENERAL ECONOMIC SERVICES									
110 345100	Sectt. Economic Services (State Planning Machinery)	47	3	3	3	9	17	27	17
345200	Evaluation	-	-	2	1	2	2	3	3
	Tourism	100	15	21	15	40	40	299	80
345400	Economic Advice & Statistics	32	19	18	7	12	12	25	22
345600	Civil Supplies	100	10	14	1	10	10	96	15
	Unaided Funds for District Planning	-	-	-	-	-	-	1	3
110 000000	TOTAL (X):	<u>279</u>	<u>47</u>	<u>58</u>	<u>27</u>	<u>73</u>	<u>81</u>	<u>451</u>	<u>140</u>

Annexure I (TRIPURA) Contd.
(Rs. Lakhs)

Code No.	Major Head/Minor Heads of 7th Plan (1985-90)	Agreed Outlay	Actual		1988-89		1989-90		
			1985-86	1986-87	Approved Outlay	Expdr.	Proposed	W.G. recom.	
1	2	3	4	5	6	7	8	9	10
XI. SOCIAL SERVICES									
Education									
221 220200	General Education	2547	1009	1552	1323	1550	2722	5295	3448
220300	Technical Education	70	3	9	8	10	10	36	30
220400	Sports & Youth Services	290	43	47	64	140	137	382	177
220500	Art & Culture	60	3	42	5	12	12	42	30
221 000000	<u>Sub-total (Education):</u>	<u>2967</u>	<u>1058</u>	<u>1650</u>	<u>1400</u>	<u>1712</u>	<u>2881</u>	<u>5755</u>	<u>3685</u>
222 221000	Medical & Public Health	1300	253	358	467	454	515	978	552
223 221500	Water Supply & Sanitation	3000	516	616	664	660	676	1285	925
223 221600	Housing (incl. Police Housing)	1300	250	289	335	338	363	609	387
223 221700	Urban Development (incl. State Capital Project)	700	176	171	240	233	258	547	288
224 222000	Information and Publicity	127	27	30	80	90	110	328	185
225 222500	Welfare of SC, ST & OBCs	1432	260	267	360	375	376	543	480
226 223000	Labour and Employment	198	8	14	19	45	52	104	96
227 223500	Social Security & Welfare	207	123	134	93	90	107	276	100
227 223600	Nutrition	2000	265	324	341	455	436	792	460
228 225200	Other Social Services (Legal Aid & Advice)	-	2	2	2	2	3	3	2
200 000000	<u>TOTAL (XI):</u>	<u>13231</u>	<u>2938</u>	<u>3855</u>	<u>4001</u>	<u>4454</u>	<u>5777</u>	<u>11220</u>	<u>7160</u>

Annexure I (TRIPURA) Contd.
(Rs. Lakhs)

Code No.	Major Head/Minor Heads of Development	Actual Expend.				1988-89		1989-90	
		1985-86	1986-87	1987-88	1987-88	Approved Outlay	Expdr.	Proposed w.g. Outlay	recom.
1	2	3	4	5	6	7	8	9	10

XII. GENERAL SERVICES

342	205800	Stationery and Printing	90	16	23	25	24	35	25
	205900	Public Works (incl. Jails)	350	80	129	230	95	150	100
300	000000	<u>TOTAL (XII):</u>	<u>440</u>	<u>96</u>	<u>152</u>	<u>255</u>	<u>119</u>	<u>185</u>	<u>125</u>
999	999999	<u>GRAND TOTAL</u>	<u>44000</u>	<u>9376</u>	<u>11506</u>	<u>13624</u>	<u>17982</u>	<u>29405</u>	<u>20559</u>
							<u>14400</u>		

Basic Statistics - TRIPURA

Area (sq.. kms.)	10477
Villages	4727
Districts	3
Development Blocks	17
Populations (1981) (Lakhs)	20.53
Decadal Growth (%) 1971-81	31.9
The annual compound growth rate during 3 decades	3.9
Growth rate (Annual Plan compound)	0.81
Literacy rate (%)	41.6
Scheduled caste population (in lakhs)	3.10
In percentage to total population	15.1
Scheduled Tribe population (in lakhs)	5.84
In percentage to total population	28.45
Rural population (%)	89.1
Net sown area (' 000 hec.)	260 (1987-88)
Gross cropped area ('000 hectares)	416.20 (1987-88)
Cropping intensity	160 (1987-88)

योजना आयोग
॥राज्य योजना प्रभाग॥

विषय:-- वार्षिक योजना 1989-90 उत्तर प्रदेश ।

उत्तर प्रदेश की वार्षिक योजना 1989-90 के लिए श्री वीरेन्द्र प्रकाश, सलाहकार ॥राज्य योजना॥ की रिपोर्ट की प्रति परिचालित की जाती है । यह रिपोर्ट, उपाध्यक्ष, योजना आयोग/योजना मंत्री और मुख्य मंत्री, उत्तर प्रदेश के बीच बुधवार 25 जनवरी, 1989 को सायं 2.00 बजे कमरा नं. 130, योजना भवन, नई दिल्ली में होने वाले विचार-विमर्श का आधार होगी ।

जागदीश लाल असीन

॥ जे. एल. भसीन ॥

वरिष्ठ अनुसंधान अधिकारी

उपाध्यक्ष

राज्य मंत्री

सदस्य

सचिव

विशेष सचिव

सलाहकार

परामर्शदाता ॥एल. ई. एम. ॥/पी. पी. ॥

संयुक्त सचिव ॥एस. पी. ॥

प्रमुख विज्ञान

वित्त मंत्रालय

श्री ज. एल. बजाज, संयुक्त सचिव ॥एफ. बी. ॥

आर्थिक कार्य विभाग,

श्री जी. हल्दिया, निदेशक ॥पी. एफ. ॥

व्यय विभाग ॥चार प्रतियां॥

योजना आयोग परिपत्र संख्या पी. सी. ॥पी. ॥/2/उत्तर प्रदेश/88 दिनांक 23. 1. 89

प्रति: उपाध्यक्ष तथा योजना मंत्री के निजी सचिव

योजना राज्य मंत्री के निजी सचिव

प्रधान मंत्री के निजी सचिव

मंत्रिमंडल के सचिव के निजी सचिव

प्रति इनको भी:

राज्य योजना प्रभाग के सभी संयुक्त सलाहकार,

उप सलाहकार, वरिष्ठ अनुसंधान अधिकारी/अनुसंधान अधिकारी ।

सूचना अधिकारी योजना आयोग ।

प्रति: सम्पर्क अधिकारी, उत्तर प्रदेश सरकार, नई दिल्ली- ॥10 प्रतियां॥

PLANNING COMMISSION
(State Plans Division)

.....

Subject : Annual Plan 1989-90 - Uttar Pradesh - Report of
Shri Virendra Prakash, Adviser (State Plans).

.....

Introduction

Uttar Pradesh, the most populous State in the country, ranks 4th in terms of area. The State covers an area of 294 thousand sq. km. which is 9% of the country's total geographical area. The net sown area in U.P. as percentage of the country's net sown area is 12.1%. U.P. is surrounded by Bihar in the East, Haryana, Rajasthan and part of Delhi in the West, Himalayas in the North and Madhya Pradesh in the South. Thus topographically the State encompasses great diversity, comprising the Gangetic Alluvial Plain, the hilly region of Himalayas as well as the arid Bundelkhand region.

1.1 According to 1981 census, the State's population was 16% of the country's population. In terms of density of population, it had 377 persons per sq km. (1981) compared to national average of 216. The SC/ST population was 21.4 percent of the total population.

1.2 The State is mainly agro-based as approximately 78% of the total workers are engaged in agricultural activities. During the decade 1971-81, an increase in the sex ratio was observed indicating a scarcity of employment opportunities in rural areas resulting in the migration of male population towards urban areas.

1.3 There are 57 districts in the State having 895 development blocks and 112566 villages in all. The State has achieved a literacy rate of 27.16% compared to the national average of 36.23%. The literacy rate among women in U.P. is 14.04% as against the national average of 24.82%.

The State is one of the 9 educationally backward States in the country.

Plan Perspective

2.0 It would be worthwhile to review the plan outlays of the State from first Plan onwards as they have an important bearing on the implementation of the development strategy for the State.

Plan Period	(Rs.)		
	Per Capita U.P.	Approved Outlay All States average	Col. 2 as % of Col. 3
1	2	3	4
First Plan (1951-56)	20	26	76.9
2nd Plan (1956-61)	36	54	66.7
3rd Plan (1961-66)	65	86	75.6
Three Annual Plans (1966-69)	55	61	90.2
Fourth Plan (1969-74)	109	125	87.2
Fifth Plan (1974-79)	249	302	82.5
Sixth Plan (1980-85)	505	670	75.4
Seventh Plan (1985-90)	832	1022	81.4
Annual Plan (1985-86)	136	174	78.2
Annual Plan (1986-87)	165	207	79.7
Annual Plan (1987-88)	199	238	83.6
Annual Plan (1988-89)	198	251	78.9

2.1 As would be seen, the per capita plan outlay in U.P. has remained lower than the average outlay for all States since inception of the planning. Keeping in view the percentage of people below poverty line, percentage of SC/ST population and other socio-economic indicators of backwardness, the State should be enabled to achieve a higher level of development.

Seventh Five Year Plan

3.0 The State's Seventh Plan outlay of Rs. 10447 crores as approved is to be funded as under :

	(Rs. crores)
	<u>Seventh Plan</u> <u>(1985-90)</u>
a) <u>State's own resources (Net)</u>	
i) Without ARM	4341.63
ii) ARM	2870.22
iii) Repayment of Overdrafts	(-) 372.40
<u>Total (a)</u>	<u>6839.45</u>
b) <u>Central Assistance (Net)</u>	
i) Normal	5614.85
ii) Assistance for Externally aided projects	-
iii) Adjustment of advance plan relief works	(-) 7.30
<u>Total (b)</u>	<u>3607.55</u>
<u>Total (a+b)</u>	<u>10447.00</u>

3.1 In the sectorwise allocations of the Seventh Plan outlay, highest priority was accorded to Energy sector which accounted for 32.6% of the outlay. It was followed by Irrigation & Flood Control - 21.1%, Social Services - 16.2%, Transport - 10.1%, Agriculture & Allied Activities - 7.5%, Industry & Mineral - 5.7% and Rural Development - 5.8%.

Strategy

4.0 The Annual Plan 1989-90 has been formulated within the framework of the objectives, policies and programmes indicated in the Seventh Plan. To promote a balanced growth in the economy, it stresses on implementation of anti-poverty programmes which will be area-specific and beneficiary oriented. These will generate employment and income for the weaker sections. Emphasis is also placed on improving productivity through better capacity utilization, greater efficiency in the use of resources, upgradation of technology and timely completion of projects. High priority has been given to the completion of the on-going schemes.

Progress of Expenditures Annual Plans 1985-89

5.0 As against the approved outlays, the actual expenditure incurred during the first four Annual Plan periods of the Seventh Plan is indicated below :

Plan Periods	Approved Outlay	Expenditure	(Rs. crores)	
			Increase (+)	Decrease (-)
			<u>over approved</u> <u>Outlay</u>	
1985-86	1642.00	1710.45	(+)	68.45
1986-87	2030.00	2005.42	(-)	24.58
1987-88	2500.00	2214.93	(-)	285.07
1988-89	2540.00	2447.77 (Anti-cipated)		

5.1 It would be seen that the State has not been able to fulfil its plan requirements over the years. These shortfalls are even more regrettable in the context of lower than national average per capita outlays on development in the State as pointed out in para 2 above. Taking into account the actual expenditure for 1985-88, and approved outlay for 1988-89, the total expenditure for the first four years of the plan is anticipated at Rs. 8470.80 crores that is 81.08% of the total outlay in nominal terms.

Annual Plan
1988-89

6.0 The Annual Plan 1988-89 of Uttar Pradesh, approved at Rs. 2540 crores, was to be financed as under :

<u>State's own resources</u>	(Rs. in crores)
i) State's own resources (without ARM)	561.01
ii) Additional resources Mobilisation	778.69
<u>Total :</u>	<u>1339.70</u>
 <u>Central Assistance</u>	
i) Normal assistance	776.02
ii) Assistance for Externally aided projects	216.70
iii) Adjustment of relief assistance	(-) 12.42
<u>Total :</u>	<u>980.30</u>
Term Loan/Grant outside Gadgil Formula (for Anpara 'B' if cleared)	220.00
<u>Aggregate Resources</u>	<u>2540.00</u>

6.1 The level of anticipated expenditure during the current year is placed at Rs. 2447.77 crores, implying a shortfall in expenditure by Rs. 92.23 crores. It may be noted that the major shortfall in expenditure is under power. This may not finally, materialise in view of the acute gap in resources being faced by the State as outlined later in para 8.

Annual Plan
1989-90

7.0 The State Govt. has proposed an outlay of Rs. 3296.75 crores (exclusive of special central assistance for hill areas) for the Annual Plan 1989-90. The outlay reflects an increase of 29.8 percent over the current year's outlay. Substantially higher outlays have been proposed for 1989-90 for all the major heads of development. Outlays proposed for sectors like Transport, Energy, Industry & Minerals, Rural Development and Agriculture and Allied activities are, in particular, much higher than the corresponding levels approved for the current year.

7.1 The proposals made by the State Govt. for their Annual Plan (1989-90) were discussed in the working Group meeting held on 23.12.88 as also in the wrap up discussion convened subsequently by the Adviser (SP) on 3.1.1989 with State Chief Secretary and other senior officers. Secretary, Planning Commission also had considerable interaction with them. The recommendations made by the working Groups for the Annual Plan 1989-90 - total upto Rs. 3312.35 crores (excluding Special Central assistance for Hill areas).

7.2 The break-up of the proposed outlay for the Annual Plan 1989-90 by major heads of development, together with Seventh Plan outlay, actual/anticipated expenditure during 1985-89, as also the recommendations made by the concerned working Groups is as under.

Major Head	(Rs. Lakhs)							
	Seventh Plan 1985-90 Agreed Outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 Approved Outlay	Anticipated Expenditure	1989-90 Proposed Outlay	Recommended by Working Group
1	2	3	4	5	6	7	8	9
I. Agriculture & Allied Activities	78696	12010	16638	21437	21732	22462	29281	23472
II. Rural Development	60425	11741	15216	26880	19068	21254	23838	22320
III. Special Area Programmes	2600	442	852	835	1306	1104	1750	1250
IV. Irrigation & Flood Control	220000	32798	38621	41376	43912	46378	48945	51051
V. Energy	340300	53739	57168	44715	79057	57479	104490	114955
VI. Industry & Minerals	60053	12352	13623	12418	11295	11835	15493	14890
VII. Transport	105349	18518	21104	23569	20338	25568	29112	29112
VIII. Communications	-	-	-	-	-	-	80	-
IX. Science, Technology & Environment	1500	488	440	381	517	420	510	428
X. General Economic Services	5641	1067	945	1456	1956	1567	2238	5042
XI. Social Services	169083	26206	34098	45303	51611	53367	63381	60372
XII. General Services	1053	1694	2937	3123	3208	3343	10557	2343
Grand Total	1044700	171045	200542	221493	254000	244777	329675	331235

8.0 Resources for the Annual Plan 1988-89. The estimates of resources as envisaged originally for the Annual Plan and as now reassessed, are given in the table below:

	(Rs. crores)		
	1988-89 (Estimates)	As now Envisaged	Improvement/ deterioration
I. Plan Outlay			
(a) Normal State Plan Outlay	2540.00	2652.55	(+) 112.55
II. Funding:			
1. State's own resources	1339.70	745.78	(-) 593.92
2. Central Assistance			
1) For Normal State Plan	980.30	980.30	-
1i) Advance Plan assistance for irrigation	-	21.55	(+) 21.55
Total - 2	980.30	1001.85	(+) 21.55
3. Total (1+2)	2320.00	1747.63	(-) 572.37
4. Central Assistance for Anpara 'B'	220.00	220.00	-
5. Carry forward surplus/ deficit of 1987-88(FBI)	-	(+) 20.79	(+) 20.79
Aggregate Resources	2540.00	1968.42	(-) 571.58
Gap in Resources	-	(-) 684.13	(-) 684.13

3.1 There is a deterioration of Rs. 593.92 crores in State's resources in comparison to Annual Plan estimates. This takes into account loan of Rs. 91 crores from Power Finance Corporation provided to the State, after the finalisation of the Annual Plan. If adjustment is made for this, on a comparable basis, the deterioration works out to Rs. 684.92 crores. The opening surplus as per HBI is Rs. 20.79 crores. This would reduce the overall gap to Rs. 664.13 crores. The deterioration in resources is broadly attributable to the following:

(Rs. crores)

1. Higher Expenditure on	
i) Education	140
ii) Police	35
2. Deterioration in SEB's contribution at 1984-85 rates of tariff	450
3. Shortfall in ARM	51
	676

3.2 The higher expenditure under education is due to filling up of posts and payment of arrears of bonus, while that under Police is reportedly due to strengthening the force to fight terrorism. The deterioration in the contribution by the SEB is on account of short fall in generation, higher T&D losses, change in consumption pattern and higher dues to N.T.P.C.

Estimates of
Resources for
1989-90.

9. The State's own resources excluding ARM through fresh measures but including impounding of arrears of pay revisions amounting to Rs. 1291.20 crores for next year have been worked out at Rs. 591.22 crores. Taking the likely availability of central assistance for funding the Annual Plan 1989-90 at Rs. 1006.02 crores, the State's total resources insight aggregate to Rs. 1597.24 crores only. Out of the estimated resources of Rs. 1597.24 crores, an amount of Rs. 18.44 crores included as upgradation grant and Rs. 69.61 crores on account of special problems (construction of school buildings) as recommended by the Ninth Finance Commission which have been taken into account on the resources side will have to be pre-empted for providing corresponding plan outlay for these specific programmes. This level of resource availability is to be viewed in the context of the current year's plan of Rs. 2540 crores.

Sectoral Programmes 10. Some of the major sectoral highlights are discussed below.

Agriculture & Allied Activities

11.0 Agriculture being the mainstay of 78% people of Uttar Pradesh, plays a crucial role in its economy. As against, the current year outlay of Rs. 217.32 crores for Agriculture & Allied Activities, an outlay of Rs. 292.81 crores was proposed for the Annual Plan 1989-90 against which the Working Group has recommended an outlay of Rs. 294.72 crores. The main issues in this sector are as under:

- (i) Yields of main cereals like wheat and rice are lower than the national averages.
- (ii) State is suffering from serious problem like degradation of land mainly due to salinity, alkalinity and water logging. Steps need to be taken, particularly under the Centrally sponsored schemes.
- (iii) Cropping intensity (144.66%) could further be increased through proper utilisation of existing tubewells as well as additional shallow tubewells which are being installed under SFPP, and by making tubewells fully operative, supply of electricity would need to be ensured in adequate measure.
- (iv) To increase yield of crops, the State should take all steps to implement the seed strategy already formulated by them with the Agricultural Universities. Vegetable and fruit cultivation needs attention. More R & D work is required.
- (v) Yield of sugarcane per hectare (50.5 tonnes/ha.) is also lower than the national average (59.73 tonnes/ha.) which calls for R&D efforts.
- (vi) In Animal Husbandry, milk yield per animal is lower. Cross breeding programme is required for genetic improvement. Laying of bird is also lower which could be improved by introducing superior germ-plasm.

Cnntd...../-

11.1 After detailed discussions, the working group finalised the crop production as well as other selected physical targets as under:

<u>Item</u>	<u>Unit</u>	<u>1988-89</u> <u>Target</u>	<u>Anti.</u> <u>Achieve-</u> <u>ment</u>	<u>1989-90</u> <u>Target</u> <u>(Recommended</u> <u>by working</u> <u>groups)</u>
<u>I. Crop Production</u>				
i) Rice	000tonnes	9200	8900	9700
ii) Wheat	"	18300	17500	18300
iii) Juar	"	640	540	600
iv) Maize	"	1600	1600	1800
v) Other Cereals	"	1160	1160	1200
vi) Pulses	"	3360	2960	3400
Total foodgrains	"	<u>35500</u>	<u>33400</u>	<u>36300</u>
Oilseeds	"	1350	1000	1200
Sugarcane	"	95000	99163	10000
Cotton	000bales	50	30	50
Jute & Mesta	"	100	70	100
<u>Improved Seeds</u>				
i) Production	000 Qts.	248.87	190.66	202.28
ii) Disctribution of seeds	"	1154.38	537.64	836.24
<u>Chemical Fertilis-</u> <u>ers.</u>				
	000tonnes	2500	2200	2700
Pesticides	"	9	9	10
H.Y.V.	000 ha.	12120	12628	12735

Forestry and Wildlife

11.2 Forest area in Uttar Pradesh is placed at 17.4% of the total geographical area. About 1/5th of the area is under various stages of degradation.

11.3 The proposed outlay for the year 1989-90 is Rs. 48.50 crores whereas the outlays recommended by the Working Group is Rs. 50.49 crores as against a current year outlay of Rs. 47.43 creres. The increase in the working group recommendation is mainly due to the World Bank aided Social Forestry Project.

Contd..../-

11.4 It was mentioned that the State Government should specify the schemes to be completed by the end of the Seventh Plan and the schemes which are going into the Eighth Plan.

11.5 It was also mentioned that there was hardly any significant provision for forest research. Adequate infrastructure for research should develop. A comprehensive programme for reafforestation of degraded areas should be drawn up.

11.6 The US aided scheme of Fire Protection is being implemented for protecting the natural forests. The State should also make use of Centrally sponsored scheme in this regard. A new scheme of creation of green belts for KAVAL TOWNS has been proposed from 1989-90 for raising plantation. It was suggested that a comprehensive scheme may be drawn for Eighth Plan and in the final year of the Seventh Plan, a modest beginning may be made. Some of the schemes which are of similar nature but proposed separately should be classified to avoid the repetition of similar schemes.

Rural
Development

12.0 The outlay proposed under this sector for the Annual Plan 1989-90 was Rs. 238.38 crores against which the Working Group has recommended Rs. 223.30 crores; whereas the current year outlay is Rs. 190.68 crores.

The major issues are given below:

(1) For land reforms, a higher outlay of Rs. 33.17 crores has been recommended compared to the approved outlay for the current year of Rs. 27 crores to meet the expenditure on committed liabilities.

(2) In the case of IRDP, DWCRA, DPAP, NREP, the outlays were provided at the levels of the tentative central share going to the State.

(3) Under Rural ^{Engineering} Service, to meet the necessary establishment cost for the existing posts, an outlay of Rs. 850 lakhs under Cat.A and Rs. 145 lakhs under Cat.B (if resource permits) has been recommended as against the proposed outlay of Rs. 995 lakhs.

(4) Under Community Development, proposals submitted for jeeps to replace old vehicles and for direction and administration to meet the revised salaries were agreed to. But under the scheme of construction of block-buildings, an outlay of Rs. 1248 lakhs has been recommended under Cat.A and another Rs. 180 lakhs under Cat.B, if resource permits.

Contd...../-

5. In Panchayati Raj, the major increase in proposed outlay of Rs. 812.47 lakhs was under the scheme of assistance to PRIS. The Working Group has recommended Rs. 577.35 lakhs under Cat.A and Rs. 215.32 lakhs under Cat.B (if resource permits). In addition, a sum of Rs. 18 lakhs has been recommended for the scheme of Direction and Administration.

Irrigation

13.0 The working group's recommendations in respect of different programmes in the Irrigation Sector, are summarised in the table below:

<u>Sub-sector</u>	1988-89 approved Outlay	<u>(Rs.in crores)</u> 1989-90 outlays	
		Proposed	Recommended
1. Major & Medium Irrigation	272.54	320.05	329.73
2. Minor Irrigation	116.99	121.38	130.34
3. Flood Control	24.09	25.25	25.25
4. C.A.D.	25.50	22.77	25.19
<u>Total</u>	<u>439.12</u>	<u>489.45</u>	<u>510.51</u>

The increase in the Working Group recommendation is mainly because of World Bank Aided Project viz., modernisation of Upper Ganga Canal.

Major and Medium Irrigation

13.1 In the World Bank Assisted Project for Modernisation of Upper Ganga Canal, the investment clearance from Planning Commission is still to be obtained. The State proposed an outlay of Rs. 50 crores for the Annual Plan 1989-90. But as per Department of Economic Affairs, the requirement of funds on the basis of construction schedule agreed with the World Bank is Rs. 60 crores, the Working Group recommended Rs. 60 crores accordingly as against the current year outlay/ anticipated expenditure of Rs. 50 crores.

Contd..../-

13.2 Outlays have been recommended to the extent of commitments and matching provision for the Inter State project. It was impressed upon the State Government, that unlike previous year, the outlays recommended would be need-based. Only those projects will get preference which are going to be completed in the Plan period and may create potential during Seventh Plan Period. New starts/schemes have been discouraged due to resource constraint. Of course, the medium schemes serving the drought prone area and backward areas of the State will be considered.

13.3 Major and Medium irrigation projects which have been completed physically or proposed to be completed by the closing year of Seventh Plan should not be reflected in Eighth Plan. Their Capital account may be closed by the end of the financial year 1989-90 and the funds if needed for residual works may be shown under liabilities of completed projects. Before formulating Eighth Plan, the State representatives are requested to get the final figure of irrigation potential and pre-plan benefits confirmed from the Central Water Commission. In case of any cut in the sectoral outlay provided for 1989-90 due to the resource constraint, the outlays should be distributed over to the schemes in such a fashion, that the targets of benefits is not affected.

Power

A 13.0 The outlay proposed for the Power Sector in the Annual Plan 1989-90 was Rs.1041.57 crores whereas the Working Group has recommended it to the extent of Rs.1146.22 crores as against the current year approved outlay of Rs.787.56 crores. In the year 1988-89 the target for increasing installed capacity was 640 MW against which 530 MW is anticipated to be achieved. And the target for 1989-90 is 220 MW addition. During the 7th Plan period, 1490 MW addition are expected to installed capacity against a target of 1794 MW. All the generating units under Bhali II (HEP) (4x76 MW) would slip beyond the 7th Plan. The physical status of the major schemes and the major issues are discussed below.

1. The latest cost of various on-going schemes had not been formulated by the project authorities.
2. No outlay has been proposed for the completed schemes. But according to SED the works of capital nature were incomplete under some of the schemes and thus an amount of Rs.1996 lakhs was agreed to.
3. The Maneri Bhali II (H) (4x76 MW) project has slipped due to slow progress in Head Race Tunnel. Now all the problems being overcome, the project commissioning is expected by March, 1996. An assessed requirement of Rs.1650 lakhs has been recommended by the Working Group for 1989-90.
4. In the Power Sector, mainly the outlays have been recommended on need-base. But the loans sanctioned by PFC during 1988-89 for projects like Anpara 'A' T (3x210 MW), Unchahan (T) (2x210 MW) are also decided to be included in outlays of Power Sector.
5. Anpara 'B' (2x500 MW) is being executed with Japanese loan assistance under OECF of 100 Billion Yen and EXIM Bank assistance of 48 billion Yen. Agreement between M/s Mitsui & Co., Japan and UPSEB was expected to be signed by 1/89. The commissioning of the units were scheduled for 9/92 and 6/93 respectively. The outlay for 1989-90 was proposed mainly for supply of equipment and construction of machinery, technical services, custom duty

and miscellaneous civil works. A requirement of Rs.436.90 crores was assessed for the project and the same was recommended by the Working Group. The State official indicated during the wrap up meeting that Rs.126 crores and Rs.280 crores are expected to be received from OECF/EXIM Bank during 1988-89 and 1989-90 respectively.

- /Tanda
6. In the projects like ^{Lakhwar} Vyasi MPP(3x100+2x60) (T) (4x110 MW), outlays have been recommended by the Working Group keeping in view with the progress of the projects.
7. Regarding the project Vishnu Prayag(H) (4x120 MW), a requirement of Rs.1 crore was assessed to carry out the infrastructural work in 1989-90. The State was requested to take decision regarding execution of the project.
8. Some new schemes are also agreed to by the Working Group. In the World Bank aided Srinagar Composit Project, requirement for 1989-90 is for mobilisation and past payments to contractors for work packages of Dam, Tunnel, Power House, etc. An outlay of Rs.5575 lakhs was agreed.
9. In the Khara HEP(3x24 MW) project, the commissioning has slipped to 1990-91 due to insufficient fund released by the Uttar Pradesh Government. As the progress is considerable, the units were now stipulated for commissioning and thus an outlay of Rs.3746 lakhs was recommended.

Rural Electrification

A.13.1 Out of the total 1,12,566 villages, 75,749 villages have been electrified upto March, 1988 achieving 67.3% of rural electrification. The progress in case of pumpsets is low as only 5,92,852 pumpsets have been energised against the potential of 24.0 lakhs pumpsets achieving only a level of 24.71%. This is partly because the existing distribution system in the rural areas is not able to absorb the reactive load due to the pumpsets and is also preference for

...../-

diesel pumpsets by the farmers (more than 10.0 lakhs diesel pumpsets have been installed.) The demand for electric pumpsets is going down. State Electricity Board should make vigorous efforts to convert diesel pumpsets to electric ones.

Non-
Conventional
Sources of
Energy

14. Against the agreed Seventh Plan outlay of Rs.8 crores, the anticipated expenditure during the first four years of the Plan is Rs.10.20 crores. The Working Group has endorsed the State's proposal of Rs.3.33 crores for the Annual Plan 1989-90. No survey have been conducted on the operation of chullahas which needs to be done on the immediate basis. The infrastructure needs to be strengthened. The State Govt. should reduce programme on wind generators and increase the programme on wind pumps.

Village &
Small
Industries

15. With the actual expenditure of Rs.127.64 crores during the first four years of the Seventh Plan, the utilisation out of the Seventh Plan outlay of Rs.171.50 crores would be 74%. The outlay proposed for the Annual Plan 1989-90 is of the order of Rs.48.74 crores against which the Working Group has recommended Rs.45.25 crores. The current year approved outlay is Rs.31.54 crores. The State Govt. has reported anticipated expenditure of Rs.31.59 crores. The main recommendations of the Working Group are as follows:-

1. Village and Small Industries are generally non-pollutant and labour intensive and have favourable capital output ratio. Greater stress should be placed on its growth in the coming years. Mismatch, if any, between production and marketing of products of this sector would need to be removed and schemes would need to be remodelled and geared to absorb higher inputs in a fruitful manner. Implementation of the schemes would need to be monitored closely to increase earning of artisans.
2. Emphasis should be placed on technology upgradation so that by-products of good quality with improved consumers acceptability could be produced. Efforts should be made to produce high value added items, so that earnings of artisans could be increased.
3. Closely monitor the working of the U.P. Small Industries Corporation in terms of equity, borrowings, turnover, etc.

4. Emphasis should be laid on adoption of computer aided designs techniques for production of high value added items.
5. Emphasis should be laid on development of designs, finishing techniques and use of new raw materials in the various crafts.

Transport

16.1 Outlays proposed by the State Govt., those recommended by the Working Group for different programmes in the Transport Sector during 1989-90 and provisions in current year are as under :-

Programme	1988-89 Outlay	(Rs.lakhs) 1989-90	
		As proposed by State Government	As recomm- ended by Working Group
Civil Aviation	90	100	100
Roads & Bridges	16577	24900	24900
Road Transport	3659	4100	4100
Inland Water Transport	10	10	10
Other Transport Services	2	2	2
Tourism	627	665	665
Total:	20965	29777	29777

The main increase during 1989-90 is on account of higher outlays in the case of State Highways, roads works and district and other roads.

are
Main issues in this sector/as under :-

Roads & Bridges

1. Multiple agencies are working under Roads & Bridges. There is need for integration of works of these agencies to secure optimal utilisation of limited resources.

2. There are a large number of spill-over works estimated to cost Rs.698.56 crores which included Rs.543.56 crores for the plains, Rs.155 crores for the Hill Areas. In 1989-90, outlays have been recommended for the on-going schemes and for implementing works under the MNP.

3. Main drawback of this sector is prolonged neglect of maintenance. No allocation was being provided for maintenance of rural roads. If maintenance outlays are not stepped up, a significant proportion of road network is likely to breakdown.

Road Transport

/is

1. The Corporation/incurring losses. The cumulative losses as on 31st March, 1989 are Rs.146.29 crores.
2. The Corporation may be impressed not to augment the staff strength which would help them in bringing down fleet staff ratio.
3. The Working Group also stressed the need for concentrating more on maintenance/workshops which will decrease the breakdown of buses and increase the bus productivity per day. It was also suggested that it should maintain separate profit/loss account for city services.

Inland Water Transport

The proposed outlay of Rs.10 lakhs mainly for hydrographic survey of Ghagra river is agreed to by the Working Group.

Civil Aviation

Main expenditure under this sector is construction of two airfields, purchase of twin engine simulator. The outlay proposed has been agreed to by the Working Group.

Tourism

This sector has made a profit of Rs.25 lakhs in 1986-87 and Rs.35.5 lakhs during 1987-88. Following suggestions were made :

1. Private sector should be encouraged and paying-guest system should start in tourist centres. Multi-disciplinary employment should also be introduced.
2. Unprofitable tourist bangalows should be transferred to private bodies, and maintenance should be given on contract basis.
3. Trekking routes to be integrated with the other rural development programmes such as IRDP, NREP etc.

The State Govt. was requested to send the details of schemes to be taken up under the State sector outlay during the Annual Plan 1989-90.

Science,
Technology &
Environment

17.0 Against the agreed Seventh Plan outlay of Rs.15 crores, the anticipated expenditure during the first four years of the Plan is Rs.17.29 crores. For the Annual Plan 1989-90, the State Government proposed Rs.5.10 crores against which the Working Group recommended Rs. 4.28 crores.

17.1 The Working Group noted the good progress made during 1988-89 and desired that much more would be required during the 8th Plan. State S&T Council will have to take special efforts so that S&T becomes an integral part of all the major developmental sectors. It was noted that there is a shift in the approach on S&T programmes, specific areas have been identified for focussed research and result oriented S&T tasks. Preference would be given to those schemes where promising results have been obtained and which have a lesser gestation period.

17.2 Environment and Ecology programmes including pollution control activities are being co-ordinated by an Environment Directorate. It was noted that this Directorate is very small compared to the size of the State as well as quantum of environmental problems. It was suggested that these need to be expanded in terms of manpower as well as infrastructure facilities.

Education

18.0 An outlay of Rs.183.87 crores has been recommended by the Working Group against the proposed outlay of Rs.123.84 crores for 1989-90. The approved outlay of 1988-89 is Rs.109.83 crores. The break up is as under :

Sub-Head	(Rs. crores)		
	1988-89	1989-90	
	Approved Outlay	Proposed	Recommended
General Education	76.57	85.91	147.44
Technical Education	17.91	21.86	20.88
Sports, Youth Services	11.80	12.05	12.05
Art and Culture	3.55	4.02	3.50
Sub-Total: Education	109.83	123.84	183.87

This includes Rs.69.61 crores as part of recommendation of Ninth Finance Commission for building of elementary schools which have not included in the State proposal, been

18.1 The recommendations have been made keeping in view the approved outlay and anticipated expenditure during the current year, constraint of resources in 1989-90 and the need of the priority programmes of National Policy on Education (1986).

18.2 Under Elementary Education the amount proposed by the State Govt. for construction of buildings was suggested by the Working Group to be provided out of NREP and RLEGP funds. But the State Govt. stated that as the Deptt. of Education getting funds from Ninth Finance Commission recommendations, it would be difficult to provide funds out of NREP and RLEGP funds. Again, the State Govt. proposed an outlay for the new scheme of 'New Madhyan Ahar Yojana' for incentives but had not made any provision for opening of pre-primary schools. It was suggested that for incentives, the State should come up with proper scheme.

18.3 Under Secondary Education, as against the various proposals made by the State Govt., the Working Group considered the programmes and in view of the resource constraint, suggested them to go slow on construction of buildings and upgradation of schools and opening of new sections.

18.4 In case of University and Higher Education also, the State Govt. was suggested to go slow on construction of buildings, new faculties and 3-year degree courses and recommended an outlay of Rs.800 lakhs during 1989-90 against the proposed outlay of Rs.923.78 lakhs.

18.5 Under Adult Education, the major programmes included in the State's proposal was to start 1369 Jan Shikshan Nilayama to provide for 5.30 lakhs literacy kits under "Each one Teach One" programme. But according to the Ministry of Human Resource Development, the State was running only 37 projects on their own as against 63 Central projects. The Working Group considered the suggestion of the Ministry to provide the State some new projects.

18.6 Regarding Technical Education, the Working Group considered the proposals made by the State Govt., and the suggestion of Ministry of Human Resource Development, but in view of resource constraint the State was suggested to go slow on new polytechnics for women and for University of Roorkee.

18.7 Under Art & Culture, the Working Group considered the proposals made by the State, but due to resource constraint, suggested that the outlay for libraries should be kept at current year's level and if resource permits, funds will also be provided for

...../-

museum at Almora and auditorium at Pauri in hill areas. In Sports & Youth Affairs, the proposed schemes were considered and recommended accordingly by the Working Group.

Health

19.0 In the Health Sector, the Working Group has recommended a total outlay of Rs.96.70 crores for the year 1989-90 as against the proposal of Rs.108.41 crores. The approved outlay for the current year is Rs.96.51 crores. The major issues are as under :-

- 1) As the resource position of the State is very tight, outlays have been recommended only for the on-going health sector programmes and for least possible expansion in 1989-90.
- 2) A target of 559 Sub-Centres as agreed to by the State Govt. was supported by Working Group for 1989-90. The State Govt. was advised to make efforts to complete the on-going buildings of Sub-Centres.
- 3) In case of Primary Health Centres (PHC) the State Govt has increased its target fixed for 1988-89 from 550 to 585 PHCs. A target of 676 PHCs, as agreed to by State Govt was recommended by Working Group for 1989-90. Here also, the State is requested to make effort to complete the on-going buildings of PHCs.
- 4) For the Sanjay Gandhi Post Graduate Institute of Medical Sciences, Lucknow, the requirement of funds for 1989-90 is much higher, somewhere near Rs.54.00 crores. The expenditures are mainly on establishment cost. However, a provision of Rs.33.00 crores only could be made for the Institute in 1989-90 on account of resource constraint. It was advised that if the State Govt really wants that this Institute should come up, they should arrange additional funds from other heads of development.

Water Supply
&
Sanitation

20.0 The Working Group recommended an outlay of Rs.100.54 crores against the State Govt.'s proposal of Rs.132.35 crores for 1989-90. The approved outlay for 1988-89 is Rs.98.13 crores. The major issues discussed under this sector are as follows-

- 1) The State Govt. has not been able to utilise the funds allocated to them under Centrally Sponsored Accelerated Rural Water Supply Programmes.
- 2) The Hill Area Special Central Assistance has been drastically reduced from the level of Rs.23 crores in the year 1986-87 to Rs.3.95 crores, Rs.4.75 crores and Rs.5 crores during 1987-88, 1988-89 and 1989-90 respectively which is much less than as against the 7th Plan allocation of Rs.94.00 crores, with the result of lower emphasis, heavy backlog in the hill areas as compared to general areas.
- 3) As per the target indicated by the State Govt. 3770 problem villages and 5555 other than problem villages are proposed to be covered during 1989-90. It seem that State Govt. is not giving adequate priority during 1989-90 for coverage of identified problem villages. The State should ensure as per "National Drinking Water Mission" that all identified problem villages are covered on priority with the funds available under State Sector MNP, Central Sector ARWSP as well as Technology Mission.
- 4) The Plan document of the State is silent about the involvement of community in the maintenance of rural water supply schemes which comes under 20-Point Programme. It was suggested that the beneficiaries of rural water supply should be nominally charged (say Re.1/- per month) with which the minor repair works and routine maintenance can be met. And for this the State should ensure that selected village level people are adequately trained and equipped. For this TRYSEM funds may be dovetailed.
- 5) The progress of rural sanitation is also not at all satisfactory. The Govt. of India is willing to assist the State Govt. to a large extent in the rural sanitation programme but the State is not utilising the Central Assistance fully. Therefore, the Deptt. of Rural Development is not in a position to release the allocated funds to the State under C.R.S.P. during 1986-89 as under :-

...../-

	C. R. S. P.	
	Allocation	Released
1986-87	1.34	0.67
1987-88	2.72	0.25
1988-89	3.00	0.75

- 6) For the maintenance of urban water supply also, State Govt. should enhance tariff immediately.
- 7) State Govt should take steps to dovetail urban low cost sanitation scheme with the Centrally Sponsored Scheme of conversion of dry latrines into sanitary latrines and liberation of scavengers, being administered by the Ministry of Welfare on 50:50 basis.

Welfare-of SC,
ST and Other
Backward
Classes

21.0 In the Working Group discussion, an outlay of Rs.40.56 crores was recommended for the Annual Plan 1989-90 in the Backward Class Sector as against the proposed outlay of Rs.40.51 crores; current year's approved outlay was Rs.33.81 crores. The additional outlay of Rs.5 lakhs was agreed to as share capital contribution to Tarai Anusuchit Janjati Nigam since no amount was proposed on this account. The major issues are as under :-

- 1) Pre-matric scholarship rates have been increased from the current year. It was decided to cover all the eligible students. But it was noticed that the commitments were not fully reflected in the proposed outlay. As the requirement will be much more under the scheme, the outlay might need enhancement.
- 2) The proposals for ST's educational programme show a reduction of 0.86% over the current year's provision. As such reduced provision will not meet the requirement, the Working Group recommended a provision which may be increased by 10% over the current year's level.
- 3) Hostel facilities created for SC girls are not being fully utilised, - this needs attention.
- 4) According to Ministry of Welfare, the State is not availing the Central share under Centrally Sponsored Scheme.

21.1 Under Hill Area Sub-Plan, the proposals were agreed to by the Working Group, keeping in view the need of the STs in hill area. It was advised that Tribal Development Programmes in hill areas should be taken up in a coordinated and integrated fashion.

Social Welfare

22. An outlay of Rs.13.79 crores has been recommended by the Working Group as against a proposed outlay of Rs.13.84 crores for 1989-90. The current year approved outlay was Rs.12.29 crores. The recommended outlay in 1989-90 includes schemes like Public Assistance to Destitute Women and Public Assistance to destitute physically and mentally handicapped. Remaining outlay is to maintain the on-going schemes at the existing level.

Nutrition

23.0 For the Annual Plan 1989-90, an outlay of Rs.25.00 crores has been recommended as against the proposed outlay of Rs.21.62 crores while the current year approved outlay is Rs.17.55 crores. The Supplementary Nutrition Programme in Uttar Pradesh covers about 20.7 lakhs beneficiaries. As the proposed outlay is required to meet the nutritional needs of the targetted beneficiaries through SNP, it was thought that any cut in the outlay will affect the quality of the programme:

23.1 Based on financial requirement @ 50 P/ beneficiary/day, the proposed outlay of Rs.2.00 crores meant to provide mid-day meal to 2 lakh children for 200 days in a year was agreed to.

Tribal Sub-Plan

24. In Tribal Sub-Plan 1989-90, it was noticed that the proposed outlay accounts for 0.05% of the total outlay proposed for the State against the ST population of 0.02%.

Special Component Plan for Scheduled Castes

25. The Scheduled Caste population in the State is 21% whereas the proposed outlay for Special Component Plan 1989-90 amounts to 13 per cent of the total outlay proposed for the State. The Ministry of Welfare has recommended that SCP level should be about 21 per cent i.e. 725 crores.

...../-

Summing up A. State's proposals - W.G. recommendations

26.0) As against current year's approved outlay of Rs 2540.00 crores, the State Government have come up with proposals aggregating to Rs. 3296.75 crores. The recommendations of the Working Groups have gone even further than that; they total to Rs. 3312.35 crores. The major increase over proposed outlay is in Power Sector where as against the proposals of Rs. 1041.57 crores, the Working Group has recommended Rs. 1146.22 crores showing an enhancement of Rs. 105.00 crores or so. The second sector, where Working Group's recommendations exceed the outlay proposed by the State Government, is irrigation where a step up of Rs. 21.00 crores has been made. In all other sectors, outlays have, by and large, been lower than or at about the same level as proposed by the State Government.

∟ Likewise, an amount of of Rs. 3040 crores has been recommended for dist planning un-tied funds.

26.1 In so far as a comparison with the approved outlays for current year is concerned, the State Government proposals show a considerable step up across the board; of particular mention, are the following:

S.No.	Sub-sector	(Rs. crores)	
		Approved outlay 1988-89	Proposed outlay 1989-90
1.	Crop Husbandry	84.39	123.51
2.	Soil & Water Conservation	24.28	41.35
3.	Dairy Development	5.40	10.38
4.	Cooperation	26.61	32.01
5.	IRDP	66.00	78.49
6.	NRDP	60.74	81.38
7.	Other RD programmes	28.29	35.33
8.	Village & S.I. Industries	31.54	48.74
9.	∟ Other than VSI	75.63	99.50
10.	Roads and Bridges	165.77	249.00
11.	Social Services	516.11	633.81

26.2 As will be seen from the foregoing, the proposals made by the State Government in several sectors/sub-sectors are rather on the high side, particularly when the acute resource crisis facing the State is kept in mind.

B. Resource Projections

26.3 The resource position as assessed by the FR Division is

presented, in an abstract form, in the table below:

(Rs. Crores)

	Seventh Plan 1985-90	1987-88		1988-89		1989-90
		Original	Pre- actual	Original	Latest Estimates	Estimates
Plan outlay	10447.00	2500.00	2009.78 (109.52APA)	2540.00	2652.55	3296.75* 3312.35**
State's Own resources	6839.45	1609.96	1245.73	1339.70	766.57	591.22
Central Assistance	3607.55	890.04	894.36	980.30 @+ 220.00	1001.85 @+220.00	1006.02
Aggregate Resources	10447.00	2500.00	2140.09	2540.00	1988.42	1597.24
Surplus/ Deficit in Resources	-	-	(+)20.79	-	(-)664.13	(-)1699.51@@ (-)1715.11@@@

@for Anpara 'B' if cleared.

*Proposed by State Government

**Recommended by the Sectoral Working Groups

@@Corresponds to *above

@@@Corresponds to **above

Resource shortfall in 1989-90

26.4 A deficit of Rs. 664.00 crores is seen in the resource availability for implementing the Plan in the current year. This has been arrived at after enhancing the Plan outlay by Rs. 112.55 crores on account of Rs. 91.00 crores additional resource by way of loan from Power Finance Corporation and Rs. 21.55 crores Advance Plan Assistance for Irrigation made available to the State Government. Even if these additionalities are assumed to go towards implementation of the schemes included in the current year's Plan, a resource shortfall of Rs. 552.00 crores would still be there. Thus, against an overall Plan outlay of Rs. 2540.00 crores, the Plan is likely to be fulfilled to the extent of around Rs. 2000 crores or about 80% only.

26.5 The major area of shortfall, however, is the Power Sector where a deterioration of Rs. 450 crores has taken place in the resources of the State Electricity Board. It is this huge shortfall which is sought to be made up partly through assistance from the Power Finance Corporation. As a result of this resource shortfall, the State Government has projected an anticipated expenditure of

: 24 :

an approved outlay of Rs 571.78 crores as against Rs 787.56 crores in the Power Sector, thereby showing a shortfall of as large as Rs 216.00 crores. It is doubtful whether even this stepped down expenditure would be attained. This would depend upon the extent to which Anpara 'B' gets funded. An amount of Rs 310 crores has been provided for this project in the current year inclusive of Rs 80 crores by way of external assistance. As for the indigenous component, the State Government expects to get term loan/grant outside Gadgil formula for this project which again remains an uncertainty.

26.6 As for the non-power component for the current year is concerned, it adds up to Rs 1752 crores. It is the expectation of the State Government that it would be able to fulfil the Plan to the full extent. The anticipated shortfall of Rs 220 crores is sought to be made up by tapping Rs 100 crores of ways and means, getting economy in expenditure to the extent of Rs 50 crores and anticipating increased devolution of resources from the Central Government to the extent of Rs 70 crores. In so far as the last of these items are concerned, there is, according to FR Division assessment, no hope at all of its materialising. It is therefore rather unlikely that the Plan will be fulfilled to the full extent. It seems reasonable to place the likely fulfilment of the non-power plan to the extent of Rs 1650 to 1675 crores as against outlay of Rs 1752 crores.

Resources for Annual Plan 1989-90

26.7 According to the projections of the FR Division, a total resource availability for next year Plan works out to Rs 1597.24 crores, inclusive of Rs 18.44 crores on account of upgradation grant and Rs 69.61 crores on account of special problems (construction of school buildings) as recommended by the 9th Finance Commission. Even this meagre amount of resource includes as much as Rs 1291.20 crores on account of impounding of arrears of pay, etc. of the Government servants. Thus, the resource availability is less than 50% of the aggregate outlays proposed by the State Government for 1989-90, representing a gulf between the two, which appears well-nigh impossible to bridge. Even compared to current year's approved outlay, the resource availability is less than two thirds. It is not easy to see how the development process in the most populous state of the country representing 1/6th of its total population can be allowed to jeopardise. For planning purposes, therefore, it will have to be assumed that the State would be able to secure additional finances to be able to fund a Plan of a reasonable size in the coming year.

C. Size and Sectoral Allocations

26.8 Just as it has been instructive to look at the Power Sector Plan and the other than Power Sector Plan outlays of the State during the current year vide para 26.5, it is useful and necessary

to consider the outlays for the coming year also under these two broad divisions. Of the total proposed outlays of Rs. 3296.75 crores, Rs. 1041.57 crores is for the Power Sector. Thus, an amount of Rs. 2255.18 crores is for the non-power component of the Plan. This compares with the figure of Rs. 1752.44 crores in the current year. The State Government have thus come up with a step up of Rs. 500 crores in the outlays for the non-power sector representing a hefty increase of 29%. From what has already been pointed out about the resource crisis facing the State, this order of step up seems to be out of question. It should be a matter of satisfaction if outlays at current year's level can be secured. On the other hand, if the momentum of the plan implementation is not to suffer a set-back, a reasonable step up of about 10% over current year's outlay would need to be provided in order to take care of rising prices, increasing personnel costs and the special recommendations made by the 9th Finance Commission for construction of school buildings. This gives an amount of Rs. 1927 crores as the minimum need based outlay for the non-power sector component of U.P.'s Annual Plan 1989-90. As regards the allocations among the sectors, the same will have to be substantially pruned down in comparison with the State's Plan proposals as well as the Working Groups' recommendations. The sectors/sub-sectors where step ups are rather on the high side have already been indicated in para 26.1.

26.9 As for the Power Sector Plan, an outlay of Rs. 1041.57 crores has been proposed by the State Government. This includes Rs. 437 crores on account of Anpara 'B' of which Rs. 280 crores are expected to be received from OECF/EXIM bank in the coming year. As for the remaining amount also, the State expects to get term loan/grant outside Gadgil formula for implementing this project. It was categorically stated by the State Government officers during the wrap up meeting that the project will be implemented only if the total amount required for it was made available over and above the normal plan outlays. Excluding Anpara 'B', an amount of Rs. 604 crores has been projected as the outlay for the next year by the State Government. The resource availability to the SEB is, however, indicated as below:-

	(Rs. crores)
(a) Recovery of advance	150.00
(b) Loan from PFC	150.00
(c) Loans from IDBI, REC, market borrowings, etc.	188.00
(d) Carry Forward	(-) 51.00
	<hr/>
Total:	437.00
	<hr/>

26.10 The performance of the State Electricity Board on the resource front so far does not inspire the confidence that it would be able to raise resources of this order. However, since the funding of the Power Plan has to be matched by the SEB's ability to raise the requisite level of resources, it seems to be in order to let the SEB have as big a Plan as it undertakes to fund by raising resources in different ways. On that basis, the Power Sector Plan would add up to Rs 874.00 crores split (co-incidentally) between two equal components of Rs 437 crores for Apparatus 'B' and an equal amount for SEB projects.

26.11 On that basis, the State Government would have a total need based Plan of Rs 1927 plus Rs 874 = Rs 2801.00 crores.

26.12 Given the extreme resource constraints facing the State for funding the Annual Plan 1989-90, the critical exercise to be undertaken is to determine all possible sources that can be tapped/ permitted to be tapped by the State during the coming year. It seems that a minimum need based plan of around Rs 2800 crores would permit the State to continue its march towards growth and socio-economic development smoothly. A number of important schemes of crucial socio-economic importance are under implementation in the State. Among these, the scheme of free boaring of wells on the fields of small and marginal farmers deserves particular mention. The recently launched scheme of Nirbal Varg Awas Yojana represents another major thrust towards meeting one of the basic needs, namely, that of shelter for the hapless scheduled caste families in the State. Development efforts in the entire range of MNP activities also deserve mention. Creation of infrastructure can also not be neglected without serious jolt to the future of the State's economy and the well-being of its people. All this, however, hangs on the critical issue of resource availability.

26.13 Allocations for each sector and various sub-sectors under it would be finalised in consultation with the State Government officers after the Plan size is determined in light of the foregoing facts and considerations.

222
26
248

Draft Annual Plan 1939-90 - Uttar Pradesh
Outlays and Expenditure.

Statement

(Rs. lakhs)

Major Head/Minor Heads of Development	Seventh Plan (1935-90) Agreed outlay		Actual Expd. 1935-36 1936-37		1933-39 Apprd. Outlay		1939-90 Proposed by working Groups	
	2.	3.	4.	5.	6.	7.	8.	9.
I. AGRICULTURE & ALLIED ACTIVITIES								
Crop Husbandry	23614	4472	6213	9189	3439	3490	12351	12226
Soil & Water Conser- vation	10250	1326	1313	1757	2423	2960	4135	4135
Animal Husbandry	2550	631	954	1197	1307	1307	1616	1666
Dairy Development	2240	519	531	536	540	540	1039	1121
Fisheries	1250	170	277	265	307	244	333	333
Fofestry & Wildlife	16200	2131	2966	3439	4743	4743	4350	5049
Plantations	-	-	-	-	-	-	-	-
Food, Storage & Warehousing	230	129	232	136	214	160	302	375
Agricultural Financial Institutions	2660	315	343	236	350	550	500	500
Agricultural Research & Education	1906	335	549	643	673	739	365	377
Other Agricultural Programmes:								
(a) Marketing & Quality Control	337	17	172	50	65	65	35	35
(b) Others (to be specified)	-	-	-	-	-	-	-	-
Cooperation	11359	1965	2573	3939	2661	2664	3201	3100
Total (I)	73696	12010	16633	21437	21732	22462	29231	29472

Major Head/Minor Heads of Development	1988-89								
	1985-86	1986-87	1987-88	1988-89	1989-90	Actual Expd.	1988-89	1989-90	Proposed Recommended
	1985-90)	1986-87	1987-88	1988-89	1989-90	1985-86	1986-87	1987-88	1988-89
	Agreed	Agreed	Agreed	Agreed	Agreed	outlay	outlay	outlay	outlay
	cutlay	cutlay	cutlay	cutlay	cutlay	by working	by working	by working	by working
	1.	2.	3.	4.	5.	6.	7.	8.	9.
II. RURAL DEVELOPMENT									
Special Programme for Rural Development									
(a) Integrated Rural Development Programme (IRDP) & Allied Programmes	17250	3513	5542	6369	6600	7188	7849	7805	
(b) Drought Prone Area Programme (DPAP)	3800	543	653	652	693	693	693	693	
(c) Integrated Rural Energy Programme (IREP)	500	82	100	134	134	134	175	160	
Rural Employment									
(a) National Rural Employment Programme (NREP)	19250	3922	4423	6489	6074	7398	8138	7398	
(b) Other Programmes (like Employment Guarantee Scheme etc. to be specified)	-	-	324	7548	-	-	-	-	
(i) Relief for Natural Calamities	-	-	-	68	38	35	50	-	
(ii) State share of RLEGP	-	-	2067	2517	2700	2983	3400	3317	
Land Reforms	9500	1961	2107	3103	2829	2823	3533	2947	
Other Rural Development Programmes (Insl. Community Development & Panchayats)	10025	1720	2107	26880	19068	21254	23838	22320	
Total (II)	60425	11741	15216	835	1306	1104	1750	1250	
III. SPECIAL AREA PROGRAMMES									
	2600	442	852	835	1306	1104	1750	1250	

Major Head/Minor Heads of Development	(Rs. Lakhs)								
	1.	2.	3.	4.	5.	6.	7.	8.	9.
	Seventh Plan (1985-90) Agreed Outlay	Actual Expd. 1985-86	1986-87	1987-88	1988-89	1989-90	Apprd. Anti. Outlay	Proposed by working Groups	Recommended
Roads & Bridges	86000	15259	17524	17235	16577	16580	24900	24900	24900
Road Transport	19059	3144	3497	6267	3659	8844	4100	4100	4100
Inland Water Transport	100	-	1	2	10	30	10	10	10
Other Transport Services (Ropeways)	-	-	25	6	2	2	2	2	2
<u>Total (VII)</u>	<u>105349</u>	<u>18518</u>	<u>21104</u>	<u>23569</u>	<u>20338</u>	<u>25568</u>	<u>29112</u>	<u>29112</u>	<u>29112</u>
VIII. COMMUNICATIONS									
IX. SCIENCE, TECHNOLOGY & ENVIRONMENT									
Scientific Research (incl. S&T)	1000	370	370	198	286	189	260	243	243
Ecology & Environment	500	118	70	183	231	231	250	185	185
<u>Total (IX)</u>	<u>1500</u>	<u>488</u>	<u>440</u>	<u>381</u>	<u>517</u>	<u>420</u>	<u>510</u>	<u>428</u>	<u>428</u>
X. GENERAL ECONOMIC SERVICES									
Secretariat Economic Services	1279	127	200	377	722	710	862	842	842
Tourism	2450	615	521	948	627	627	665	665	665
Surveys & Statistics	1272	224	222	122	595	218	609	473	473
Civil Supplies	560	101	2	9	12	12	102	22	22
Other General Economic Services-Untied fund for District Planning	80	-	-	-	-	-	-	-	3040
<u>Total (X)</u>	<u>5641</u>	<u>1067</u>	<u>945</u>	<u>1456</u>	<u>1956</u>	<u>1567</u>	<u>2238</u>	<u>5042</u>	<u>5042</u>

Major Head/Minor Heads of Development	(Rs. Lakhs)			
	Seventh Plan (1985-90) Agreed Outlay	Actual Expd. 1985-86	1986-87	1987-88
			1988-89	1989-90
			Apprd. outlay	Proposed outlay by working Groups

XI. SOCIAL SERVICES

Education

General Education	23095	3869	5102	6221	7657	7845	8591	14744 ^{2/}
Technical Education	7600	1295	1408	1580	1791	1766	2186	2088
Sports & Youth Services	1650	458	474	1526	1180	1181	1205	1205
Art & Culture	880	279	292	433	355	482	402	350
<u>Sub-Total (Education)</u>	<u>33225</u>	<u>5901</u>	<u>7276</u>	<u>9760</u>	<u>10983</u>	<u>11274</u>	<u>12384</u>	<u>18387</u>
Medical & Public Health	30080	7837	6477	9581	9651	10871	10841	9670
Water Supply & Sanitation	33800	3640	6659	8676	9813	9825	13235	10054
Housing (incl. Police Housing)	26158	2894	6375	6791	6812	7181	9391	6282
Urban Development (incl. State Capital Projects)	24700	2156	2433	3759	6766	6726	8580	6700
Information & Publicity	1250	196	400	297	288	288	319	300
Welfare of Scheduled Castes, Scheduled Tribes & Other Backward Classes	11405	1415	1890	3289	3381	3380	4051	4056
Labour & Employment	1995	324	583	735	933	1007	1034	1044
Social Security & Welfare	2000	1056	1116	1177	1229	1235	1384	1379
Nutrition	4470	787	889	1238	1755	1580	2162	2500
Other Social Services (to be specified)	-	-	-	-	-	-	-	-
<u>Total (XI)</u>	<u>169083</u>	<u>26206</u>	<u>34098</u>	<u>45303</u>	<u>51611</u>	<u>53367</u>	<u>63381</u>	<u>60372</u>

Major Head/Minor Heads of Development	(Rs. Lakhs)								
	Seven Lt Plan 1985-86 (1985-90) Agreed outlay	Actual Expd. 1986-87	1987-88	1988-89	1989-90	1989-90	1989-90	1989-90	1989-90
	2.	3.	4.	5.	6.	7.	8.	9.	
XII. GENERAL SERVICES									
Jails	-	-	-	187	-	148	145	145	
Stationery & Printing	1053	85	136	113	353	172	370	158	
Public Works	-	1599	2801	2823	2855	3023	10042	2040	
Other Administrative Services	-	-	-	-	-	-	-	-	
Total (XII)	1053	1684	2937	3123	3208	3343	10557	2343	
Grand Total	1044700	171045	200542	221493	254000	244777	329675	331235	

Note: The Working Groups recommendations do not include the special assistance for Hill Areas.

1/ Includes Rs. 355 lakhs for Godown under civil supply.

2/ This includes Rs. 6961 lakhs as part of recommendations of Ninth Finance Commission for Building of Elementary school which have not been included in the State proposal.

Most Immediate

Planning Commission
(State Plan Division)

Subject: Annual Plan 1989-90 - West Bengal

A copy of the report of Smt. Nirmala Buch, Adviser (State Plans) on the Annual Plan 1989-90 of West Bengal is circulated herewith. This will form the basis of discussion between the Minister of Planning/Deputy Chairman, Planning Commission and the Chief Minister, West Bengal to be held on Wednesday the 11th January, 1989 at 3.30 PM in Room No.130 Yojana Bhavan, Sansad Marg, New Delhi.

N.K. Jaitle

(N.K. Jaitle)
Sr. Research Officer

Deputy Chairman
Minister of State
Members
Secretary
Spl. Secretary
Advisers
Consultant (LEM)/(PP)
Joint Secy. (SP)
Chief Science

Shri J.L. Bajaj, Jt. Secy. (FB)
Deptt. of Economic Affairs,
Sh. G. Haldea, Director (PF)
Deptt. of Expenditure, (4 copies)

Planning Commission Cir.No.PC(P)/2/WB/88 dt.6.1.1989

Copy for information to: Private Secretaries to:

Minister of Planning/Dy. Chairman
Minister of State
Secretary to PM
Cabinet Secretary

Copy also to:

Joint Advisers
Deputy Advisers
Information Officer
SRO/RO concerned in State Plans Division
Liaison Officer, Govt. of West Bengal,
New Delhi (10 copies).

PLANNING COMMISSION
(State Plan Division)

.....

Subject: Annual Plan 1989-90 - West Bengal - Report
of Adviser (SP) - Mrs. Nirmala Buch.

INTRODUCTION

West Bengal is one of the states in Eastern India. It is bound on the North by Sikkim and Nepal, on the East by Bangladesh, on the West by Bihar and Orissa and on the South by the Bay of Bengal. It has a total area of 88,752 sq. kms. Its population according to 1981 census was 546 lakhs with an average density of 615 persons per sq. km. against the All India average of 221 persons per sq. km. The population includes 21.99 percent scheduled castes and 5.63 percent Scheduled Tribes. 401.34 lakhs or about 73.5 percent of the population lives in the rural areas.

1.2 The literacy rate in the State is 40.94% which is considerably higher than the national average of 36.23 percent. The female literacy too is 30.3% against the All India percentage of 24.82%. The decadal growth rate in the State in 1971-81 was 23.17%. The birth and death rates are 31.9 and 10.2 against the All India figure of 33.6 and 11.9 respectively. The population of main workers is 155 lakhs of whom almost 55% are engaged in agriculture, 4% in household industry and 41% in secondary and tertiary sectors. With the implementation of land reforms, it is estimated that nearly 60% of the land is owned by small and marginal farmers against the national figure of about 29%.

Brief overview of the State Economy

2.1 The net State Domestic Product at factor cost at 1970-71 prices rose from Rs.3168 crores in 1970-71 to Rs.5237 cr. in 1986-87. The per capita net State Domestic product at constant (1970-71) prices rose from Rs.722 in 1970-71 to 860 in 1986-87. The per capita income of West Bengal which was 28% below the national average in 1970-71 has thus risen significantly.

2.2 The net State Domestic Product of West Bengal at factor cost by Industry of origin in 1970-71 and 1986-87 (revised estimates) are as follows:

.....2/-

1986-87 (quick estimates) are given below:

	(Rs. in crores)	
	<u>1970-71</u>	<u>1986-87</u>
1. Agriculture and Allied activities	1378.51 (43.5)	2148.33 (41.0)
2. Mining and Manufacturing	606.98 (19.2)	776.51 (14.9)
3. Construction, Electricity, gas and water Supply	133.18 (4.2)	238.19 (4.6)
4. Electricity, gas and Water supply	28.80 (0.9)	56.31 (1.1)
5. Transport	169.40 (5.3)	269.71 (5.27)
6. Others - Trade, banking, services etc.	851.23 (26.9)	1686.79 (32.2)
Total:	<u>3168.10</u>	<u>5237.35</u>

Figures in brackets indicate percentages to the total.

Review of Plan Implementation

3.1 The Plan outlays and expenditure in West Bengal from the IV Plan onwards and the percapita approved outlay in the State and All India level were as given below:

<u>Plans</u>	<u>Approved outlay</u> (Rs. crores)	<u>Actual Expnd.</u> (Rs. cr.)	<u>Variation %</u>	<u>Per capita approved outlay</u> (in rupees)	
				<u>West Bengal</u>	<u>All India</u>
Fourth Plan 1969-74	322.50	363.55	(+)12.7	73	128
Fifth Plan 1974-79	1246.83	1253.23	(+)0.5	253	309
Sixth Plan 1980-85	3500.00	2433.27	(-)30.5	616	683
Seventh Plan 1985-90	4125.00			672	1054
Annual Plan 1985-86	675.00	700.33	(+)3.8	114	178
Annual Plan 1986-87	776.00	714.95	(-)7.8	129	213
Annual Plan 1987-88	862.00	782.93	(-)9.2	140	245
Annual Plan 1988-89	951.00	1019.11*	(+)17.2	152	258

* Anticipated expenditure.

3.2 There was a shortfall in actual plan expenditure in the Sixth Plan to the extent of 31% as compared to the plan outlay. In 1986-87 and 1987-88 also there was similar shortfall in expenditure though in 1987-88 the anticipated expenditure was earlier expected to be more than the plan outlay. There is need to step up utilisation of outlays in crucial sectors.

Seventh Five Year Plan(1985-90)

4.1 An outlay of Rs.4125 crores was approved for the VII plan of the State which was to be financed as under:

(Rs. in crores)	
I State's own resources(excluding additional resource mobilisation)	1468.99
II. Additional Resources Mobilisation	1671.00
Total (I+II)	3139.99
III. Deduct: Repayment of overdraft	-228.88
State's total resources(net)	2911.11
IV. <u>Central Assistance</u>	1222.65
(a) Normal Assistance	1222.65
(b) Deduct: Repayment of Advance Plan Assistance for relief works	(-)8.76
<u>Total IV</u>	1213.89
Aggregate Resources	4125.00

4.2 The actual expenditure in the first three years of of the VII Plan has been Rs.2198.81 cr. against the three years outlay of Rs.2313 cr. The anticipated expenditure and outlay for 1988-89 are Rs.1019.11 crores and Rs.951 cr. respectively. Thus the amount left for 1989-90 - the last year of the plan is Rs.907.68 crores.

The State has proposed an annual plan of Rs.1115.00 cr. for 1989-90 with a step up of 17.2% over the current year's approved outlay of Rs.951 crores. The step up is 92.7% in Science, Technology and Environment, Energy (37.7%), Special Area Programme (23.3%), Irrigation and Flood Control(14.2%) and agriculture and allied services (12.3%). For general services, the proposed outlay is lower than the current year's approved outlay for this sector.

: 4 :

4.3 The sectorwise VII Plan agreed outlay, actual and anticipated expenditure and proposals for 1989-90 are given in the table below:

Major Heads	(Rs. Lakhs)					%age increase of Col.8 over Col.6 (9)		
	Seventh Plan 1985-90) Agreed outlay (2)	Actual Expenditure 1985- 86 (3)	1986- 87 (4)	1987- 88 outlay (5)	1988-89 App- roved outlay (6)		1989-90 Anti. Exp. Outlay (8)	
I. Agriculture & Allied Activities	34500	4992	4927	5425	6530	7138	7332	12.3
II. Rural Development	33075	5201	5548	6642	5507	6879	5917	7.4
III. Special Area Prog.	6900	1378	1361	1337	1551	1841	1913	23.3
IV. Irrigation & Flood Control	40000	7400	8280	9121	10035	10035	11460	14.2
V. Energy	124925	20055	16226	19816	28060	29763	38630	37.7
VI. Industry & Minerals	31500	5503	7748	6504	9292	11193	9577	3.1
VII Transport	21360	4531	5238	5182	6209	6209	6591	6.1
VIII. Communications	-	-	-	-	-	-	-	-
IX. Science, Technology & Environment	660	65	63	61	123	123	237	92.7
X. General Economic Services	20827	2133	1377	1697	2251	2212	2347	4.3
XI. Social Services	96045	1120	20037	21725	24148	25319	26392	9.3
XII. General Services	2708	655	690	783	1394	1199	1104	(-)20.8
Grand Total:	412500	70033	71495	78293	95100	101911	111500	17.2

.....5/-

Financial ResourcesAnnual Plan 1988-89 & Review of Resources

5.1 The Plan outlay approved for 1988-89 was Rs.951 cr. to be financed through State's own resources of Rs.640.25 crores and Central assistance of Rs.310.75 crores. With two subsequent additionalities, viz., (i) advance Plan assistance of Rs.4.00 crores for irrigation and (ii) loan of Rs.3.6 crores from Power Finance Corporation, the Plan outlay has gone upto Rs.958.60 crores. As per latest estimates, the State Govt.'s total resources including the opening surplus of Rs.54.19 crores add upto Rs.1005.80 crores. Thus, after financing the plan outlay of Rs.958.60 crores, the State is expected to close the year 1988-89 with a surplus of Rs.47.20 crores which has been carried forward to 1989-90. The summary position is given below:

	(Rs.crores)	
	<u>1988-89 (Estimates)</u>	
	Annual Plan as approved	As now assessed
I. <u>Plan outlay</u>		
(a) Normal State Plan outlay	951.00	958.60
(b) Additional Plan outlay corresponding to Advance Plan Assistance for natural calamities	-	-
Total:	<u>951.00</u>	<u>958.60</u>
II. <u>Funding</u>		
1. State's own Resources	640.25	636.86
2. <u>Central Assistance</u>		
(i) For normal State Plan	310.75	310.75
(ii) Advance Plan Assistance for natural calamities	-	-
(iii) Advance Plan Assistance for irrigation	-	4.00
Total-2	<u>310.75</u>	<u>314.75</u>
3. <u>Total 1+2</u>	<u>951.00</u>	<u>951.61</u>
4. Carryforward surplus/deficit of 1987-88(RBI)	-	(+) 54.19
5. Aggregate Resources	<u>951.00</u>	<u>1005.80</u>
6. Surpluse in Resources	-	(+) 47.20

....6/-

Annual Plan 1989-90 - Estimates of Resources

5.2 The State's own resources for the Annual Plan 1989-90, excluding ARM through fresh measures, were worked out at Rs.226.32 crores. This assessment includes Rs.47.20 crores as opening balance, Rs.21.47 crores as upgradation grants for capital works and Rs.50 crores by way of grants for special problems as recommended by the Ninth Finance Commission. On the basis of current indications, Central Assistance for the next year has been estimated at Rs.311.45 crores. Thus, taking into account State's own resources of Rs.226.32 crores and Central assistance of Rs.311.45 crores, the total resources for financing the next year's plan aggregate to Rs.537.77 crores.

Sectoral outlays and IssuesAgriculture and Allied activities

6.1 The yield of paddy, the major food crop of the state has been stagnating as the state do not have proper high yielding varieties of Aus and Aman (winter) paddy and required irrigation is not available for the summer (boro) paddy. The State Government should evolve suitable paddy variety for upland as well as low lands. The state should pay special attention to production, multiplication and distribution of HYV seeds of various crops to meet their shortage in the state. The yield of wheat which is lower than the national average need to be improved by supply of swheat seed. Only 30% of the cropped area is irrigated at present. The utilisation irrigation potential created need to be improved.

6.2 Utilisation of funds under schemes like Assistance to small and marginal farmers need to be stepped up especially as the SFPP is being implemented in 7 districts of the state. The state should raise the milk yield and production of eggs which is lower than the national average. The extent of overdues which are substantial need to be reduced to mobilise requisite credit for the farmers.

6.3 The working group has recommend the following targets in respect of crop-production and selected agriculture inputs.

<u>Items</u>	<u>Unit</u>	<u>Seventh plan target</u>	<u>Anticipated Achievement 1988-89</u>	<u>Target for 1989-90</u>
<u>I. Crop production</u>				
1. Foodgrains	Lakh Tonnes	105	101	103.70
2. Oil seeds	"	3	3.30	4.50
3. Jute & mesta	Lakh bales	50	40	50
4. Sugarcane	" Tonnes	20	7.48	7.80
<u>II. Physical programmes</u>				
5. Chemical fertilisers				
i) Nitrogenous(N)	'000tonnes	500	350	300
ii) Phosphatic (P)	"	200	150	180
iii) Potassic(K)	"	150	105	130
<u>Total (NPK)</u>		<u>850</u>	<u>600</u>	<u>700</u>
6. Plant protection (Tech.grade material)	"	6	5.60	5.80
7. H.Y.V.	Lakh hecets.	34	28	30

Forestry and wild life

7.1 13.5% of the total geographical area is under forest in the state. About 50% of the forest area is under various stages of degradation. Efforts should be made to check degradation and create more tree cover. Progress under social forestry has been good in the state. The scheme of agro silvi culture and silvo pisciculture has also made a good impact. Under group farming 70% of the species are of fuelwood and 10% are fruit trees. This has been successful by involving people in it. The state has also taken a lead in involving local people in the regeneration and protection of forests particularly the sal forest areas. The villagers living in fringe areas of the forests have been given the responsibility of protecting and improving the forests and in return they have been allowed to use some lands for their own purpose. It has also been decided to award 25% usufructs to the fringe dwellers.

7.2 The working group has recommended an outlay of Rs.1825 lakhs against the state government's proposea of Rs.1455 lakhs so as to include adequate outlay of Rs.1100 lakhs instead of 730 lakhs for the IDA assisted social forestry project and to provide adequate matching share for centrally sponsored scheme of rural fuelwood plantation, silvi pastoral farms, area oriented fuelwood and fodder.

7.3 The outlays proposed and recommended are given below :

<u>Sub-head</u>	Proposed	<u>1989-90 outlays</u>	
		Recommended by working Group	Agreed to in wrap-up meeting
Crop Husbandry	2217	2274	2217
Soil and water conservation	235	235	235
Animal Husbandry	658	671	671
Dairy Development	202	202	202
Fisheries	945	945	945
Forests	1455	1825	1455
Food, storage and ware housing	75	75	75
Agricultural, Education & Research	404	420	404
Agricultural financial Instt.	68	68	68
Marketing and Quality Control	200	190	190
Co-operation	873	832	832
Total	<u>7332</u>	<u>7737</u>	<u>7294</u>

Rural Development

8.1 The coverage of beneficiaries under IRDP has been 122,656 in the current year (upto Nov. 1988) which include only 12820 coverage of old beneficiaries. Second dose need to be completed within the current year. The findings of concurrent evaluation of the programme indicate 12% cases of wrong identification, 63% cases of less than 3 years' loan repayment schedule. These deficiencies need to be removed with the assistance of banks and other institutions. Under TRYSEM wastage rate of trained persons is very high (in 1987-88 only 2077 were self employed out of 7110 trained. Steps are necessary to reduce it.

8.2 There has been practically no progress in construction of wells under Million Wells as part of NREP and HLEGP because of heavy rains. Shallow tubewells provided under other schemes such as the World Bank Scheme and Small Farmers and Marginal Farmers Programme are reported to be more acceptable to the people than the Dugwells under this scheme. The findings of the concurrent evaluation of NREP show only 54% villages covered under this programme; half of projects ^{have} not been consulted in sanctioning works and daily wage rate being lower than the statutory minimum rate need to be looked into and corrected.

8.3 The working group recommended higher outlays for IRDP and NREP to watch the tentative central share to the state for these programmes. In the wrap-up meeting the state representatives, however, suggested keeping the original proposed outlays and assured that in case the final central allocation is higher, the needed outlays will be provided by adjustments later. The outlays proposed, outlays recommended by the working group and those agreed in the wrap up meeting are given in the table at next pages:-

(Rs. lakhs)

<u>Programme</u>	<u>Outlay proposed</u>	<u>outlay recommended by the working group</u>	<u>Agreed in wrapup meeting</u>
1. IRDP and Allied Programmes	2700.00	3167.00	2700.00
2. N R E P	2150.00	3261.00	2150.00
3. D P A P	255.00	255.00	255.00
4. Land Reforms	505.00	490.00	490.00
5. Panchayats, C.D., Training	274.00	247.00	247.00
<u>Total</u>	<u>5884.00</u>	<u>7420.00</u>	<u>5842.00</u>

Irrigation

Major and Medium Irrigation

9.1. One of the important projects is Teesta Project. State Govt. have been seeking additional assistance for this project but outlay provided in the Plan is comparatively low. The completion of this project early will bring prosperity ^{to} the backward areas of the State. Hence higher outlay of Rs.30 crores is recommended for it in the Annual Plan.

9.2. Kingsabati Reservoir Project is practically completed. Since this long lingering ^{project} should be completed in all respects during the VII Plan, additional outlay has been recommended for it.

A proposed outlay of Rs. 1.87 crore included under medium irrigation schemes being for 16 minor irrigation schemes (CCA upto 2000 ha) has to be transferred to Minor Irrigation.

Minor Irrigation

9.3 The outlay of 53.05 crores includes Rs.20.28 crores for World Bank Assisted minor irrigation project which has slipped by two years but is picking up momentum now. This should be accelerated. Similarly, the proposals to complete 200 lift irrigation schemes with an outlay of Rs.4.52 crores and to take up works portion in the three sub-divisions of Darjeeling hill area under lift irrigation and under hydropower scheme are endorsed by the working group. The outlay for flood control includes 153 flood control schemes with an outlay of Rs.155 lakhs in Darjeeling Distt.

9.4. The outlays proposed by the State Govt. and those recommended by the working group are given below:

	(Rs. in crores)	
	<u>As proposed by State</u>	<u>As recommended by the Working Group</u>
1. Major and Medium Irrigation	48.43	52.81 + 5.00*
2. Minor Irrigation	33.05	33.00
3. Flood Control	31.57	31.55
4. C.A.D. Programme	1.55	1.55
Total: -	114.60	118.91 + 5.00*

* In case of higher outlay than last year approved for the State.

Power

10.1 Under this sub sector of Energy, the State Government have proposed an outlay of Rs. 38630 lakhs for 1989-90 which includes Rs.4460 lakhs for Rural Electrification. Against this Working Group's recommendations amount to Rs. 46581 lakhs including Rs.4200 lakhs for Rural Electrification.

The revised cost of Kolaghat Stage I under generation is reported as Rs.418.08 crores against Rs. 392.50 crores in Annual Plan 1988-89.

WBPDCL anticipated an expenditure of Rs.22 crores including

Rs. 3 crores to ABL against Rs.15 crores shown by the State Govt. as revised estimates for 1988-89. ^{Additionality} of Rs. 7 crores is expected to be

financed by PFC. Recommended outlay by the Working Group for this scheme includes Rs.10 crores as payment to ABL. WBPDCL agreed to submit revised cost estimates to C.E.A. by 15-1-1989 for techno economic approval. Unit is now expected to be commissioned by 3/90.

In Ramman Stage II, 2 units were to be commissioned earlier by 10/89. Now the commissioning schedule agreed to by WBSEB is as under:

Unit I	12/90
" II	2/91
" III	4/91
" IV	6/91

10.2 For Kolaghat Stage II, the working group has suggested constitution of Joint Task Force consisting of representatives from PC/CEA, BHEL, WBPDCL and West Bengal Govt. for effective monitoring of the different mile stones set for commissioning of unit V. BHEL representative had certain reservations on the commissioning schedule of Unit V by 3/90. Working Group has suggested to WBPDCL to enhance the allocation to BHEL in 1988-89 to Rs.135 crores and it was accepted by WBPDCL.

10.3 Bakreshwar TPS scheme was accepted in Planning Commission in 1986 subject to adequate provision being made by State Govt. for the Project in State Annual Plans and consideration of coal linkage from SLC and clearance from State Forest Department for ash disposal system. Standing linkage committee has approved the Project. The release of 200 acres of forest land required for the plant area, coding water and ash disposal is yet to be obtained. Clearance from Min. of Environment is awaited as WBSEB has yet to submit report of underground water investigation which was suggested by thermal approach committee during their site visit in June 1988.

10.4 Project report regarding the feasibility study of Purulia Pump Storage is expected to be submitted in 1990-91.

Industry and Minerals

11.1 The State Govt. proposes to make special efforts to set up new growth oriented industries. Necessary infrastructure for setting up such growth oriented industries is also being created.

11.2 The main schemes taken up by the State Govt. under this sector include activities of West Bengal Financial Corporation, West Bengal Industrial Corporation, West Bengal Electronics Industry Development Corporation, West Bengal Phamacutical and Phyto-chemical Development Corporation, West Bengal Sugar Industries Development Corporation, Industrial Infrastructure Development Corporation, Dabgram Growth Centre and Ulubenia Growth Centre etc.

11.3. Petro chemical Complex at Haldia needs a discussion to know the expenditure incurred by the State Govt. towards it and the contribution of the Joint Venture partner so far.

11.4 Regarding West Bengal Tea Corporation scheme, as there is a Tea Board to look after the health of Tea Industry, the possibility of seeking more assistance from them may be explored.

11.5 The Sugar cane Industries Development Corporation started production of Sugar at Ahmedpur Sugar Mill in 1974 and the mill has not been running satisfactorily because of shortage of sugarcane. During 1987-88 the mill crushed only 29249 MT of sugar cane to produce 1883 MT of sugar being only 6.4 per cent recovery rate which is much lower than national average of 8 to-10 percent. The State Govt.

wants to increase the availability of sugar cane as well as to increase the capacity of the mill. As the availability of sugar canes itself is a problem, the need to go in for increased capacity needs further consideration.

11.6 The State Govt. is developing 180 acres of land around ~~Malta~~ Export Processing Zone through WBIDC for creation of infrastructure facilities.

Transport

12.1 The outlays proposed by the State Govt. for the sector were discussed in detail by the Working Group. It is felt that the roads in the State require considerable improvement to meet the increased travellers' needs. It was noted that a considerable road length is of single lane which requires widening. The outlays proposed particularly for roads and bridges is necessary for the State roads. The provision of 8.8 crores towards State share for the Second Hooghly bridge needs to be provided additionally, hence the recommendations of Working Group for an outlay of Rs.7471 lakhs against the proposed outlay of Rs.6591 lakhs.

Education

13.1 The following table shows the targets and achievements and proposed targets under Elementary Education:

Sl.No.	Enrolment figures	7th Plan Target	(000)		
			1987-88 Actual Ach.	1988-89 Target	1989-90 Anti. Achievement	1989-90 Targets proposed
<u>Elementary Education</u>					
<u>Class I-V (age 6-10)</u>					
Boys	5454	4894	4926	4926	5005
Girls	4477	3744	3776	3776	3815
Total	9931	8638	8702	8702	8820
<u>Class VI-VIII (age 11-13)</u>					
Boys	2065	1837	1987	1987	2037
Girls	1781	1460	1710	1710	1730
Total	3846	3297	3697	3697	3767

13.2. Twenty percent Blocks in the State have already been covered under Operation Black Board. The Ninth Finance Commission's recommendations in regard to West Bengal for upgradation of standards of administration in education are Rs.792 lakhs whereas provision under this sub-head in the proposal was only for Rs.500 lakhs for 1989-90.

13.2 In the case of non-formal education programmes, there are problems due to litigation concerning rate of remuneration of instructors. In fact, this is one of the reasons why the State Government's proposal to create the new Department of Mass Education has not taken shape yet.

13.4 Regarding vocationalisation in the Higher Secondary stage in the State, 39 schools and corresponding new courses have been identified, existing courses have been reviewed. Teachers should also be appointed.

13.5 Currently the number of Centres under RFLP (Central) being 6479 and Centres under SAEP (State) being 3574, there does not exist a parity in the number of Centres between Central and State Projects. Under sports, physical education and youth affairs higher outlays had been suggested by the Working Group recognising the constant increase in demand and for completion of works already undertaken.

Water Supply

14.1 The State Govt. should provide for requisite funds for the projects posed for bilateral and World Bank assistance, where necessary by readjustment, within the recommended outlay for the Annual Plan 1989-90.

14.2 Efforts should be made to complete maximum number of ongoing schemes during the current Five Year Plan with the available allocations. Thus, in addition to completion of 24 ongoing urban water supply schemes, 2 more ongoing urban water supply scheme viz., Purulia and Chandrakona may also be completed in the 7th Plan period. Requisite Plan provision for these schemes have been recommended by the Working Group. Similarly, two ongoing sewerage and drainage schemes at Ranaghat and Mirik may also be completed in the 7th Plan.

14.3. Progress of rural sanitation programme which is part of MNP and 20-Point Programme is not satisfactory and needs special attention. Funds already made available to the State under CRSP for rural sanitation programme should be fully utilised. All superstructure taken up under rural sanitation should be completed in all respects.

Housing

15.1 The proposals under various items do not include the upgradation grant of the 9th Finance Commission. The following figures of upgradation grant are to be taken into consideration:

(Rs. lakhs)

<u>Scheme</u>	<u>Residential Housing</u>	<u>Public Works</u>
Police	628.94	-
Jails	20.35	401.82
Health	18.75	-
Judicial	10.48	63.84
District Admn.	-	27.76
Training	-	25.35
Treasury	-	50.39
	678.52	569.15
Total:	1247.67	

15-2 The balance of the total of Rs.21.47 crores upgradation grant is meant for other sectors.

15.3 The 9th Finance Commission has also given a special problem area grant of Rs.50 crores with the condition of matching share by State Govt. This is available for slum improvement, environmental improvement and basic amenities in Calcutta only. The proposals in respect of these items would fall short of Rs.50 crores in the State Plan.

15.4. The State Govt. should take a fresh look at the MNP scheme and take a total view on it.

15.5 EWS, LIG and MIG housing should be looked afresh for rationalising the costs, norms of assistance, agency of implementation and linkage with financial institutions.

15.6 Under Urban Development CUDP an IDA project is being implemented by CMDA.

16.1 Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes.

Under this sector, a provision of Rs. 1500 lakhs is recommended as proposed by the State Government.

Tribal Sub-Plan

16.2 The tribal sub-plan flow out of the State plan outlay of Rs. 1115 crores was recommended to be Rs. 38.95 crores (3.5%).

Special Component Plan

16.3 The State Government had proposed a flow of Rs. 112.61 crores to S.C.P. out of the total proposed State Plan outlay of Rs. 1115 crores for 1989-90. This represents about 10% of total proposed outlay as against Scheduled Caste population 21.9%. It has been reported by the State Govt. that there has been a Cabinet decision to the effect that SCP flow should at least be 15% of the State Plan outlay. It is suggested that this percentage as suggested by the Cabinet may be maintained. The Ministry of Welfare has recommended to fix the SCP level at 22% corresponding to State's SC population.

Nutrition

17.1 Outlays recommended under this sector are given below:

	(Rs. lakhs)
<u>Inside ICDS</u>	
a) 7.7 lakh beneficiaries in the non-plan at differential @ Rs.18/head	138.60
b) 5.8 lakh beneficiaries in the Plan @ Rs. 36/head	208.80
Total:	<u>347.40</u>
<u>Outside ICDS</u>	
a) For 7500 beneficiaries getting "Wheat based" nourishment	4.00
b) Amount required for beneficiaries added during 1988-89, in case CARE assistance is withdrawn	85.00
	<u>436.40</u>

MDM

There were 28.55 lakh beneficiaries getting local food and 3.45 lakh getting CARE food. The whole programme is under non-plan. Recommended outlays were as follows:

	(Rs. lakhs)
i) Differential cost of food for 28.55 lakh beneficiaries getting local food @ Rs. 80/head	2284.00
ii) Differential cost of food for 3.45 lakh beneficiaries getting CARE food @ Rs. 40/head	138.00
Total for MDM	<u>2422.00</u>

Grand total for Nutrition 2858.00

The outlay recommended by the Working Group is high because the norms adopted by the State Govt. are much below the accepted norms. The State Govt. may consider reviewing the programme and the norms accepted so far.

District Planning

18.1 In respect of District Planning, the State Govt. has proposed Rs.2157 lakhs including the outlay on District Planning Committee which, till the last year, was being shown separately. West Bengal has progressed very considerably in the area of decentralised planning and as such it is felt that the untied funds should not remain static. Since a number of district sector activities are, in any case, being undertaken at the district level, it would be desirable if the local people are given discretion to plan themselves these activities and to involve themselves even in the implementation. With this end in view, the outlay on district planning needs to be augmented. In view of the funds constraint felt by the State Government, the outlay may be increased by at least a few crores to keep district planning outlay to Rs.24 crores.

18.2 The Comprehensive Area Development Project which is, at present, being run by Comprehensive Area Development Corporation (CADC) could be handed over to the District Planning Bodies. It is gathered that the Corporation is not able to run these activities at commercial lines and has to depend upon the State Govt. heavily for assistance. If, therefore, such is the case, these activities could, as well, be handed over to the District Planning Committees.

Size of Annual Plan 1989-90:

19.1 A wrap up meeting was held with the State Officials. The State Planning Secretary clarified that while the additional needs in certain sectors as recommended by the Working Groups were appreciated, the State Govt. would like to retain their proposed sectoral outlays, with a few exceptions, within the proposed total outlay of Rs.1115 crores. Statement of sectoral outlays proposed, recommended by the Working Groups and agreed to in the wrap up meeting is enclosed. He also stated that the State Govt. would be in a position to mobilise the resources to fund this proposed annual plan outlay. The Rs.1115 crore outlay proposed by the State Government is a step up of 17.2% over the current year's approved Plan outlay of Rs.951 crores. The State Govt. has indicated anticipated expenditure of Rs.1019 crores against the approved outlay of Rs.951 crores for the current year.

..... 19/-

19.2. It was noted during the discussions on the State Plan proposals that some of the sectoral outlay did not include provisions for the upgradation grants recommended by the IX Finance Commission for the State for 1989-90 and included in the assessment of resources for the annual plan 1989-90. This was particularly so about the recommended Special Problem Area grant of Rs.50 crores for Calcutta. The State Planning Secretary assured that an exercise for their inclusion and consequent adjustments would be completed before the final discussions between Deputy Chairman and Chief Minister. The results of this exercise have not been made available so far. The mobilisation of additional resources to fund the ~~six~~ proposed size of the Annual Plan as well as the accommodation of the Finance Commission's Grants including the conditionality of matching share for improvement in Calcutta need to be confirmed. Hence, no recommendation is being made about the size of the Annual Plan. The final size of the Annual Plan for 1989-90 may, therefore, be determined at the time of Deputy Chairman's discussions with the Chief Minister of West Bengal, after which sectoral break up of outlays will be decided in consultation with the State Government.

.....

1
196
19
215

Statement

Annual Plan 1989-90 - Outlay and Expenditure - West Bengal

Code No.	Major Head/Minor Heads of Development	Seventh Actual Expenditure (in Lakhs)					1988-89 Approved Outlay by W. Group	1989-90 Proposed Outlay by W. Group	1989-90 Recom- mended in 1989-90	
		1985-86 Agreed Outlay	1986-87	1987-88	1988-89	1989-90				
2401 00	Crop Husbandry	8415	1629	1215	1621	1833	2292	2217	2274	2217
2402 00	Soil & Water Conservation	1165	190	171	195	222	217	235	255	235
2403 00	Animal Husbandry	3630	320	396	516	620	619	638	671	671
2404 00	Dairy Development	1845	137	199	177	179	179	202	202	202
2405 00	Fisheries	6175	745	780	814	900	900	945	945	945
2406 00	Forestry & Wild Life	5045	908	953	989	1325	1325	1455	1826	1455
2407 00	Plantations	-	-	-	-	-	-	-	-	-
2408 00	Food, Storage & Warehousing	345	48	53	72	72	65	75	75	75
2415 00	Agricultural Research & Education	1710	258	295	319	345	518	404	420	404
2416 00	Agricultural Financial Institutions	100	35	50	26	44	44	68	68	68
2435 00	Other Agricultural Programmes:									
2435 91	a) Marketing & Quality Control	1070	121	151	116	190	179	200	190	190
2435 60	b) Others (to be specified)	-	-	-	-	-	-	-	-	-
2425 00	Cooperation	5000	601	664	580	800	800	873	832	832
24000 00	Total (D)	24500	4992	4927	5425	6530	7138	7352	7737	7294

../-

Statement (Contd.)
West Bengal

--: 3 1--

Code No.	Major Heads/Major Heads of Development	(Rs. Lakhs)								
		Actual Expenditure 1985-86	1986-87	1987-88	1988-89	1989-90	Recom- mended in Wap- Outlay by W. up Group			
1 05 2801 00	Power	124800	20055	16218	19808	28036	29739	38600	46581	38600
2810 00	Non-conventional sources of Energy	125	-	8	8	24	24	30	28	30
1 05 0000 00	<u>Total (V)</u>	<u>124925</u>	<u>20055</u>	<u>16226</u>	<u>19816</u>	<u>28060</u>	<u>29763</u>	<u>38630</u>	<u>46609</u>	<u>38630</u>
VI. INDUSTRY & MINERALS										
1 06 2851 00	Village & Small Industries	9000	1215	1386	1566	1679	1996	1875	1900	1900
2852 00	Industries (other than Village & Small Industries)	21700	4262	6284	4856	7521	9105	7582	7950	7950
2853 02	Mining	800	26	78	82	92	92	120	120	120
1 06 0000 00	<u>Total (VI)</u>	<u>31500</u>	<u>5503</u>	<u>7748</u>	<u>6504</u>	<u>9292</u>	<u>11193</u>	<u>9577</u>	<u>9970</u>	<u>9970</u>
VII. TRANSPORT										
1 07 3051 00	Ports & Light Houses	-	-	-	-	-	-	-	-	-
3052 00	Shipping	-	-	-	-	-	-	-	-	-
3053 00	Civil Aviation	190	8	13	4	25	25	25	25	25
3054 90	Roads & Bridges	8500	1305	1833	1943	2709	2709	2991	3871	2991
3055 00	Road Transport	12000	3160	3221	3181	3215	3215	3323	3523	3523
3056 00	Inland Water Transport	670	58	171	54	260	260	252	252	252

../-

Statement (Contd.)
West Bengal

--: 4 :-

Code No.	Major Head/Minor Heads of Development	Actual Expenditure (Rs. Lakhs)				1988-89	1989-90	Approved Outlay	Revised Outlay by W. up to 1988-89	Revised Outlay by W. up to 1989-90
		1985-86	1986-87	1987-88	1988-89					
1 07 3075 00	Other Transport (to be specified)	-	-	-	-	-	-	-	-	
1 07 0000 00	Total (VIII)	21360	4531	5238	5182	6209	6209	6591	7471	
IX. SCIENCE, TECHNOLOGY & ENVIRONMENT										
1 09 3400 00	Scientific Research (incl. (S&T)	320	23	20	24	63	63	172	128	
3425 00	Egology & Environment	340	42	43	37	60	60	65	67	
1 09 0000 00	Total (IX)	660	65	63	61	123	123	237	195	
X. GENERAL ECONOMIC SERVICES										
1 10 3451 00	Secretariat Economic Services	307	39	13	13	47	8	10	10	
3452 00	Tourism	370	96	111	83	126	126	126	126	
3454 00	Surveys & Statistics	100	-	-	-	4	4	10	10	
3456 00	Civil Supplies	80	-	Neg.	Neg.	8	8	14	7	
3475 00	Other General Economic Services	19870	1985	1238	1580	2040	2040	2157	2400	
	a) District Planning	100	13	15	11	26	26	30	30	
	b) Weights & Measures									
1 10 0000 00	Total (X)	20827	2133	1377	1697	2251	2212	2347	2583	

../-

(Rs. Lakhs)

Code No.	Major Head/Minor Heads of Development	1985-86	1986-87	1987-88	1988-89	1989-90	1989-90
		Agreed	Agreed	Approved	Approved	Approved	Recommended
		Outlay	Outlay	Outlay	Outlay	Outlay	Outlay
2 21 2202 00	General Education	28000	3057	4174	3811	6325	6780
2 21 2201 00	Technical Education	2280	225	348	406	590	633
2 21 2204 00	Sports & Youth Services	1130	497	514	395	524	545
2 21 2205 00	Art & Culture	590	195	192	140	244	304
2 21 0000 00	Sub-Total (Education)	32000	3974	5228	4752	7677	8262
2 22 2210 00	Medical & Public Health	12800	2223	2019	2716	2511	2912
2 23 2215 00	Water Supply & Sanitation	7000	1353	2105	2395	2400	2600
2 21 2216 00	Housing (incl. Police Housing)	10075	2622	2205	2022	2099	1225
2 21 2217 00	Urban Development (incl. State Capital Projects)	23100	5901	6096	6445	6524	7011
2 24 2220 00	Information & Publicity	580	200	228	137	192	228
2 25 2225 00	Welfare of Scheduled Castes, Scheduled Tribes & Other Backward Classes	3460	947	1033	1256	1300	1500
2 26 2230 00	Labour & Employment:						
	(a) Labour & Labour Welfare	350	49	330	113		1566
	(b) Special Employment Schemes	400	229	79	1135	370	1571
							1566

../-

Statement (Contd.)

West Bengal

Code No.	Major Head/Minor Heads of Development	Actual Expenditure				1988-89		1989-90	
		1985-86	1986-87	1987-88	1988-89	Approved Outlay	Anticipated Expenditure	Proposed Outlay by W. up	Recom- mended in wrap- up
2 27 2235 00	Social Security & Welfare	282	257	298	337	357	367	357	357
2236 00	Nutrition	340	407	544	583	583	706	2858	706
2 28 2252 00	Other Social Services:								
	a) Zoo & Public Latrines	-	-	-	-	-	-	-	-
	b) Minority Girls' Hostels	-	-	15	15	15	15	15	15
2 00 0000 00	Total (XI)	18120	20037	21725	24148	25319	26392	28998	26071
	XII. GENERAL SERVICES								
3 42 2058 00	Stationery & Printing	3	1	5	5	5	5	5	5
2059 00	Public Works (incl. Jails)	652	689	727	1388	1132	1030	1042	1042
2070 00	Other Administrative Services (incl. In-Service Training)	-	-	510	1	62*	69	69	69
3 00 0000 00	Total (XII)	655	690	783	1394	1199	1104	1116	1116
3 99 9999 99	Grand Total	412500	70033	71495	78295	95100	101911	111500	125336

@ Includes Rs. 50 lakhs expenditure on Two schemes which were not approved under Annual Plan 1987-88.
 * Includes Rs. 51 lakhs as anticipated expenditure on two schemes which were not approved under Annual Plan 1988-89.

.....

अति तत्काल

योजना आयोग
॥राज्य योजना प्रभाग॥

विषय : वार्षिक योजना 1989-90- अंडमान तथा निकोबार द्वीपसमूह ।

वार्षिक योजना 1989-90, अंडमान तथा निकोबार द्वीपसमूह के संबंध में, संयुक्त सचिव ॥राज्य योजना॥, श्री अरुण सिन्हा द्वारा तैयार की गई रिपोर्ट की प्रति इसके साथ परिचालित की जा रही है । इसके आधार पर उपाध्यक्ष, योजना आयोग तथा उपराज्यपाल, अंडमान तथा निकोबार द्वीपसमूह के बीच 29 दिसम्बर, 1988 को दोपहर 3.30 बजे कमरा नं० 130, योजना भवन, नई दिल्ली को होने वाली बैठक में विचार विमर्श किया जाएगा ।

मदन लाल चौधरी

॥एम०एल० चावला॥

उप सलाहकार ॥राज्य योजना॥

उपाध्यक्ष

राज्य मंत्री

सदस्य

सचिव/विशेष सचिव

वरिष्ठ परामर्शदाता

सलाहकार

परामर्शदाता ॥वित्तीय संसाधन॥/

॥ग्राम तथा लघु उद्योग॥/॥शाही योजना॥

संयुक्त सचिव ॥राज्य योजना॥

प्रमुख ॥विज्ञान॥

वित्त मंत्रालय

श्री जे०एल० बजाज, संयुक्त सचिव ॥एफ बी॥,
आर्थिक कार्य विभाग ।

श्री जी० हल्दिया, संयुक्त सचिव ॥पी एफ॥

— 4 प्रतियां

गृह मंत्रालय

श्री आलोक नाथ, संयुक्त सचिव

॥संघ राज्य क्षेत्र॥

श्रीमती स्त०ए० तिरुविजी,

उप सचिव ॥वित्त॥

कार्यक्रम कार्यान्वयन मंत्रालय

श्री डी० नाई० मन्चर

योजना आयोग परिपत्र संख्या पीसी॥पी॥ 2/88अनि० दिनांक दि० 23.12.88

प्रति : उपाध्यक्ष के निजी सचिव प्रधान मंत्री तथा कैबिनेट सचिव के निजी सचिव

प्रति प्रेषित :

संयुक्त सलाहकार

उप सलाहकार

सूचना अधिकारी

प्रति इन्हें भी प्रेषित :

संपर्क कार्यालय, अंडमान तथा निकोबार द्वीपसमूह प्रशासन,
नई दिल्ली ११० ११००००

PLANNING COMMISSION

Annual Plan 1989-90 - Andaman & Nicobar
Islands - Report of Shri Arun Sinha,
Joint Secretary (State Plans):

The Union Territory of Andaman & Nicobar Islands has proposed in its draft Annual Plan for the year 1989-90 a total outlay of Rs.10966.567 lakhs. This is against an approved outlay of Rs.7100 lakhs for the year 1988-89.

A background note giving the basic information about the Union Territory, outlays and expenditure over different Plan periods, some of the recommendations of Island Development Authority and expenditure pattern during the Seventh Five Year Plan, is enclosed. The 7th plan outlay approved for the Union Territory was of the order of Rs.28500 lakhs. Against this, the expenditure for the first year of the Plan 1985-86 was Rs.2277.85 lakhs, for 1986-87 Rs.3762.46 lakhs and for 1987-88 Rs.4393.524 lakhs. For the year 1988-89, the approved outlay is Rs.7100 lakhs and for 1989-90 the proposal is for Rs.10,966.567 lakhs. One of the arguments raised last year, at the time of Lt.Governor's meeting with the Deputy Chairman, Planning Commission, was that since in the first three years the expenditure level has been rather on the low side, the U.T.Administration should be permitted to recoup the difference in the remaining 2 years of the Plan in order to keep to the 7th Plan agreed outlay. It was pointed out at that time that this was not possible as there was no provision for carry-over of resources. An outlay in any year would have to be constrained by the availability of overall Plan resources in that year. For 1988-89, a very considerable jump was given as compared to the provision for 1987-88, specifically to meet the extra expenditure required on the transport sector. On shipping alone, Rs.2000 lakhs were provided to meet the commitments arising out of a decision to purchase ships for the Administration. If the expenditure on the transport sector, amounting to Rs.3175 lakhs, is excluded from the total approved outlay for the Administration for the year 1988-89 the U.T.'s Plan would have worked out to Rs.3925 lakhs. Similarly, there was a bulk commitment on account of purchase of D.G.sets in the power sector. Out of a total provision of Rs.1673 lakhs in the power sector, Rs.1175 lakhs were provided only for augmentation of diesel generating capacity at Port Blair by 10/12 MW. In other words, the transport sector and the payment for diesel generating capacity together amounted to Rs.4350 lakhs out of a total of Rs.7100 lakhs outlay for the Union Territory for the year 1988-89. For all the rest of

activities, the total outlay amounted to Rs.2750 lakhs.

Attention to these facts needs to be drawn in order to distinguish in the next year's Plan also items of committed nature principally in transport sector and the balance required to be funded on the D.G.sets. In the discussion, the approach adopted was that the transport sector figures would be taken as recommended by the Ministry of Shipping and Transport and Adviser(Tr.), because the bulk of the amount in the sector would stand committed to works already on hand or orders for shipping already placed. Similarly, in respect of the D.G.sets, for which Rs.1175 lakhs was provided in 1988-89, the balancing amount would have to be provided for this year. The approach adopted, therefore, in finalising the UT Admn.'s Plan proposals was to keep these two items separately and try to evolve a measure of relationship in terms of other outlays between the approvals given in 1988-89 and those proposed for the year 1988-89.

Before the proposals are discussed in detail, a few observations need to be made. They are:

(i) I.D.A.Recommendations

The Island Development Authority has been reviewing the progress of development of Andaman & Nicobar Islands and making recommendations from time to time. While the major attention has been focussed on development of Transport and Tourism sectors, it was also conveyed on behalf of the IDA that there was backlog of school buildings and this needed to be remedied in a phased manner. Similarly, stress was laid on the development of non-conventional sources of energy and the use of science and technology in the development of Islands. Forestry, fisheries were the two other areas emphasized.

(ii) Completion Approach to Projects

The recommendations of the IDA have to be kept in mind, in shaping future programmes but an important concern is the optimum utilisation of funds already allocated to these sectors. In the preliminary discussions with the Chief Secretary and his colleagues, it was agreed that the outlay in different sectors, particularly in respect of capital works, would have to be screened keeping the emphasis on early completion of projects and realisation of results and absorption capacity of sectors. In the case of capital works, therefore, a review was taken of the on-going works, spill-over liability, completion schedule and phasing of expenditure in order to arrive at the allocations.

(iii) Costing Aspect

In the area of shipping and transport and power, certain major items of expenditure had been provided for in 1988-89 Plan. The balancing provision, is therefore, made taking into account the payment requirement in 1989-90.

The outlay in 1988-89 for these items was specific to them. It had been made clear that it would not be possible to divert these amounts to any other head or sector. For 1989-90 also, the same stipulation would have to be made.

(iv) While considering the proposals for 1989-90, it is seen that the proposed outlays are pitched very much higher than the approved outlays for 1988-89. The anticipated figures also show in certain sectors/sub-sectors more expenditure than the approved outlay. Since the overall anticipated expenditure remains the same as approved outlay, it implies that the priorities indicated in the approved outlay were altered at the time of implementation. Thus, for instance, against Rs.80 lakhs provided for Animal Husbandry, anticipated expenditure is Rs.132 lakhs. In the case of Ports & Light Houses, against the approved outlay of Rs.430 lakhs, the anticipated expenditure indicated is Rs.731.300 lakhs. In Roads & Bridges and Road Transport also, the anticipated expenditure is indicated as much higher than the approved outlay. The Administration was hoping to divert the funds from the Power sector to meet the increased expenditure. Since, however, we have made it clear that the funds provided for Power sector were earmarked mainly for augmentation of D.G.sets and should not be diverted, the Admn. would have to make a cut in some other sectors/sub-sectors. In respect of Tourism, however, against an approved outlay of Rs.26 lakhs, Admn. is showing an anticipated expenditure of only Rs.8.50 lakhs. These relativities have also been kept in mind while recommending the plan outlays.

(v) Lastly, like last year, this year too Administration was requested to make full use of the funds which are available from the financial institutions and banks, particularly now that a Corporation has been set up.

Taking these factors into account, the outlays recommended are indicated in Annexure II, which gives 7th Plan agreed outlay, expenditure for 1985-86, 1986-87, 1987-88, approved and anticipated outlay for 1988-89 and proposed and recommended outlays for 1989-90.

Transport:

It would be seen from this that as against Rs.3175 lakhs approved outlay on the Transport sector in 1988-89, for the year 1989-90 the outlay on the sector is being raised to Rs.3993.80 lakhs. Of this, Rs.2653 lakhs is only on account of shipping. Roads & Bridges and Road Transport also have received increased share as against the approved outlay in 1988-89. If it is also taken into account that in 1988-89 the Admn. itself is anticipating an increase in expenditure on the sector as against the approved outlay, then it is obvious that this important aspect of Andaman & Nicobar Islands' development has received a very major share of Plan resources.

Power:

In the Power sector, the major expenditure was on account of augmentation of diesel generating capacity. The revised cost estimate for this was Rs.18.61 crores. Against this, in 1988-89, Rs.1175 lakhs were provided, leaving a balance of Rs.686 lakhs to be provided for. It was estimated that against this, in 1989-90 it would suffice if Rs.500 lakhs were provided for this purpose. Balance would be needed \angle in the subsequent year. This aspect has been kept in mind while fixing the recommendation for the Power sector.

\angle only

In respect of Non-conventional Sources of Energy, it is argued that we must provide a substantial amount on these items, as recommended by our Science & Technology Division. However, in discussions with the Adviser (Non-Conventional Sources of Energy) and taking into account the funding requirement for various items as well as the capacity to implement the programmes, a provision of Rs.50 lakhs is recommended. This in itself is a sizeable jump from 1988-89 provision of Rs.22 lakhs.

Agriculture:

In the Agriculture & Allied Activities sector, in the year 1988-89, the total outlay provided for was Rs.619.300 lakhs. Against this, an outlay of Rs.679.50 lakhs is being recommended. Within the sector, against the outlay of 1988-89, for Crop Husbandry, Soil & Water Conservation, Dairy Development and Cooperation, increases have been suggested. In the case of Dairy Development, for the year 1988-89, Rs.25 lakhs were provided to facilitate the Admn. to take up with NDDB the question of supply of milk to Islands. While the scheme is yet to be finally approved, as indicated by the Admn., the total dairying component works out to Rs.82.50 lakhs. Taking into account the Rs.25 lakhs provided already in 1988-89 plan, the balance of Rs.57.50 lakhs have been recommended for inclusion in the 1989-90 plan. In addition, Rs.80 lakhs is being recommended for Animal Husbandry programme which incidentally the same as last year. In the case of Forestry & Wild Life, the provision for 1988-89 had been very greatly stepped up as compared to 1987-88 expenditure. For 1989-90, the recommendation is at the same level as 1988-89. During the discussions, it is agreed that the expenditure proposed on Construction and Buildings would be pegged as Rs.20 lakhs, while under scheme No.10: Logging and Utilisation of Forest Produce, provision of Rs.30 lakhs would be provided to speed up the activity in accordance with the wishes of the Island Development Authority. In respect of Fisheries also, though the provision recommended is the same as last year, it needs to be noted that there is a newly created Corporation which should be able to raise resources from the financial institutions to take care of some of

the marketing functions of the Fisheries sector. Suffice it to say that the recommended outlay of Rs.679.50 lakhs for this sector would be more than adequate to meet the requirements of this sector.

Social Services & Education:

Amongst major areas of expenditure, Education as a sub-sector deserves special mention. For the year 1988-89, the approved outlay for Education sector was Rs.536 lakhs. Against this, the provision being recommended is Rs.760 lakhs. A major portion of this outlay is on capital works. It needs to be pointed out in this context that as per information supplied by the Admn. it has taken on hand works with a spill-over liability of Rs.9 crores. It is estimated that out of this, works which have reached more than 10% stage of construction has a spill-over liability of Rs.6.2 crores. And works which have reached nearly 40% stage of completion amount to around Rs.2.55 crores. What it clearly implies is that the resources are scattered thinly. Considering the need for school buildings and the urgency involved in providing these buildings, it would be desirable if the Administration could stagger the works programme so as to complete first buildings which have reached the level of 40% of the total construction. This would enable the Admn. to overcome the present acute shortage of schools to a considerable extent. The remaining works could be taken up in a concentrated manner in subsequent year keeping the emphasis sharply on completion of projects rather than on the starting of projects.

In respect of other items under this sector, considerable increase has been recommended in respect of Medical & Public Health (Rs.224 lakhs for 1989-90 as against Rs.130 lakhs for 1988-89), Water Supply & Sanitation (Rs.226 lakhs for 1989-90 as against Rs.200 lakhs in 1988-89), Urban Development (Rs.200 lakhs for 1989-90 as against Rs.110 lakhs for 1988-89) and Labour & Labour Welfare (Rs.70 lakhs for 1989-90 as against Rs.34.85 lakhs in 1988-89). For developing Fire Services proposal of the UT Administration was adopted.

It would be seen that all the major sectors have been taken care of and provided for adequately while recommending a total of Rs.7696.36 lakhs for the plan year of 1989-90. In terms of overall percentage increase, it works out to 8.4. If on the other hand we take away the transport sector as a whole (excluding Tourism) and the specific provision on the augmentation of D.G.sets, both from the year 1988-89 and 1989-90, then against an outlay of Rs.2750 lakhs for all the rest of the activities during year 1988-89, the outlay would work out to Rs.3187.56 lakhs. This would be an increase of 16%.

Enclosed: Annexure giving statistical details.

STATEMENT - Annexure

Andaman & Nicobar Islands

Draft Annual Plan 1989-90-Heads of Development
Outlay & Expenditure

Major Head	Seventh Five Yr. Plan (1985-90) Agreed Outlay:	Actual Expdr.				1988-89		1989-90		(Rs. in lakhs) Recommended Outlay.
		1985- 86	1986- 87	1987- 88	1987- 88	Appro- ved Outlay	Anti- cipa- ted, Expdr.	Propo- sed Outlay	Of which oapital contents.	
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	
I. AGRICULTURE & ALLIED ACTIVITIES										
Crop Husba- ndry.	315.00	21.68	43.94	65.741	65.000	65.000	97.550	38.400	02.00	
Soil & Water Conservation	182.00	27.78	39.29	25.328	28.800	28.800	54.990	17.000	35.00	
Animal Husb- andry.	425.00	60.86	52.54	100.075	80.000	132.000	161.243	71.160	80.00	
Dairy Devel- opment.					25.000	25.000	118.650	-	57.50	
Fisheries	405.00	22.06	21.67	22.876	60.000	60.000	170.849	146.366	60.00	
Forestry & wild life	1200.00	147.41	173.08	212.570	350.000	350.000	360.100	102.850	350.00	
Co-operation	79.00	7.05	9.30	9.991	10.500	10.500	25.000	6.260	15.00	
TOTAL(I):	2606.00	285.84	339.82	436.581	619.300	671.300	988.382	382.036	679.50	
II. RURAL DEVELOPMENT										
Special Programme for Rural Development Integrated Rural Energy Programme (IREP)	20.00		0.18	-	4.000	4.000	4.000	-	4.00	
Land Reforms	15.00	2.07	3.00	3.528	3.000	3.000	12.000	-	9.00	

(Rs. in lakhs)

Major Head	Actual Expdr.				1988-89		1989-90	
	Seventh Five Yr. Plan (1985-90)	1985- 86	1986- 87	1987- 88	Appro- ved Out lay.	Anti- cipa- ted Expdr.	Propo- sed Outlay contents.	Recommended Outlay
Community Development & Panchayats	20.00	3.00	2.34	5.000	10.500	10.500	98.500	10.5
TOTAL(II):	55.00	5.07	5.52	8.528	17.500	17.500	114.500	23.5
III. SPECIAL AREA PROGRAMME.	-	-	-	-	-	-	-	-
IV. IRRIGATION & FLOOD CONTROL								
Minor Irrigri- tion.	270.00	41.68	37.35	47.645	42.000	42.000	177.730	120.00
TOTAL(IV):	270.00	41.68	37.35	47.645	42.000	42.000	177.730	120.00
V. ENERGY								
Power	2442.00	156.20	299.20	274.250	1673.000	744.000	2169.000	800.00
Non-conventional sources of Energy	60.00	16.53	20.51	27.120	22.000	22.000	30.000	50.00
TOTAL(V)	2502.00	172.73	319.71	301.370	1695.000	766.000	2199.000	850.00
VI. INDUSTRIES & MINERALS.								
Village & Small scale Indust- ries.	206.00	13.97	23.06	30.520	140.000	140.000	123.310	85.00
TOTAL(VI)	206.00	13.97	23.06	30.520	140.000	140.000	123.310	85.00
VII. TRANSPORT								
Ports & Light houses	1766.00	234.57	444.06	492.751	430.000	731.300	861.200	495.80
Shipping	12357.00	5.61	699.25	927.970	2000.000	1907.015	2747.000	2653.00

Annexure
Statement (Contd.)
Andaman & Nicobar Islands.

Major Head	Actual Expend.				1988-89		1989-90		Recommended Outlay.
	1985-86	1986-87	1987-88	Approved Outlay	Anti-cipated Expend.	Proposed Outlay	Of which capital contents.		
Roads & Bridges.	569.08	692.68	740.940	645.000	675.000	1016.000	1010.000	720.00	
Road Transport.	77.22	137.46	85.996	100.000	166.585	362.000	325.000	125.00	
Other Transport Services.	-	-	-	-	-	-	-	15.00	
TOTAL (VII):	886.48	1973.45	2247.656	3175.000	3479.900	4986.200	4823.150	4008.80	
VIII. COMMUNICATIONS:									
IX. SCIENCE, TECHNOLOGY & ENVIRONMENT									
Scientific Research (incl. S&T)	0.40	3.41	24.590	35.000	35.000	35.000	5.800	35.00	
Ecology & Environment.	-	1.59	0.080	2.000	2.000	2.000	-	2.00	
TOTAL (IX):	0.40	5.00	24.670	37.000	37.000	37.000	5.800	37.00	
X. GENERAL ECONOMIC SERVICES									
Sectt. Economic Services	-	-	0.513	3.000	7.400	8.000	-	-	
Tourism	4.22	20.70	23.000	26.000	8.500	15.000	8.000	15.00	
Survey & Statistics.	NEG.	0.02	0.918	2.000	3.200	6.480	1.500	1.50	
Civil supplies	4.26	15.65	10.342	25.000	25.000	27.000	13.000	15.00	
Other General Economic Services.	-	-	-	-	-	23.000	12.000	-	
TOTAL (X):	8.48	36.37	34.773	56.000	44.100	79.480	34.500	31.50	

(Rs. in lakhs)

Major Head	Actual Expend.		1988-89		1989-90		
	1985-86	1986-87	1987-88	Approved Outlay	Proposed Outlay	Of which capital contents.	Recommended Outlay
<u>Agreed Outlay:</u>							
XI. SOCIAL SERVICES							
EDUCATION.							
General Education.	1500.00	364.56	327.32	413.080	460.000	651.730	456.500
Technical Education.	250.00	12.40	35.95	49.200	50.000	53.000	21.000
Sports & Youth Services.	75.00	14.30	21.49	17.600	20.000	23.800	7.000
Art & Culture	15.00	1.03	2.18	1.300	5.700	8.000	4.100
Sub-Total (EDUCATION):	<u>1840.00</u>	<u>92.29</u>	<u>386.94</u>	<u>481.180</u>	<u>636.000</u>	<u>736.530</u>	<u>488.600</u>
Medical & Public Health	400.00	62.87	87.83	134.464	130.000	198.000	267.850
Water Supply & Sanitation	1127.00	223.91	198.82	291.660	200.000	271.000	258.500
Housing (incl. Police housing).	702.00	55.43	77.98	76.690	80.000	275.350	272.000
Urban Development (incl. State Capital project)	250.00	24.86	36.83	147.325	110.000	217.500	60.500
Information & Publicity	65.00	4.49	9.50	14.120	35.000	34.000	20.750
Welfare of SC, ST & Other Backward classes	7.00	0.67	0.60	1.724	5.000	7.060	3.500
<u>Labour & Employment</u>							
Labour & Welfare	23.00	0.58	1.16	5.176	34.850	77.820	35.000
Labour welfare	23.00						70.00

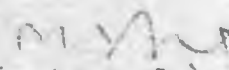
Major Head	Actual Expenditure				(Rs. in lakhs)		Recomm- ended.
	1985- 86	1986- 87	1987- 88	1988-89 Approved Outlay	1989-90 Propo- sed Outlay	Of which capital	
----- Agreed Outlay:-----							
Social Security & welfare	8.81	5.92	5.072	11.000	14.525	5.360	12.06
Nutrition	70.00	16.50	24.000	34.000	34.000	-	34.00
Other social services (Rehabi- litation ser- vices).	9.86	2.83	6.610	2.950	2.000	-	2.00
TOTAL (XI):	4578.86	824.91	1188.021	1178.800	2035.635	1411.460	885.06
XII. GENERAL SERVICES.							
Stationary & Printing	30.00	0.43	1.73	7.400	21.330	9.200	10.00
Public works (incl; Jails)	500.00	72.46	195.54	127.000	200.000	130.000	200.00
Official language	-	-	-	5.000	6.000	-	6.00
TOTAL (XII)	530.00	173.29	73.760	138.900	227.330	139.200	216.00
GRAND TOTAL	25500.00	2277.453762.46	4393.524	7100.000	10966.567	9089.606	7696.36

IMMEDIATE

Planning Commission
(State Plans Division)

Subject : Annual Plan 1989-90 - Chandigarh

A copy of the Report of Shri A.K. Saikia, Adviser (State Plans) on the Annual Plan 1989-90 of Chandigarh is circulated herewith.


(M.L. Aggarwal)
Consultant (State Plans)

Advisers/Heads of Divisions
in the Planning Commission

Ministry of Finance

Shri J.L. Bajaj, Joint Secretary (FB),
Department of Economic Affairs.

Shri G. Haldea, Director (PF),
Department of Expenditure.

Ministry of Home Affairs

Shri Ashok Nath, Joint Secretary (UTs)
Smt. S. A. Tirmizi, Dy. Secretary (Fin.)

Planning Commission Cir. No. PC(F)/2/CHAND/88- dated 13.1.1989

Copy to : Private Secretaries to : Private Secretaries to :
Deputy Chairman/ Prime Minister
Minister of Planning Cabinet Secretary
Minister of State
Members
Secretary
Special Secretary

Copy also to : - Joint Secretary (SP)
Joint Advisers
Deputy Advisers/
SR/RO concerned in State Plans Division.

Copy also to :-
Planning & Finance Secretary, Chandigarh Admn.,
Chandigarh (10 copies)

PLANNING COMMISSION
(State Plans Division)

....

Annual Plan 1989-90 - Chandigarh

Report of Shri A.K. Saikia, Adviser (State Plans)

Introduction

Chandigarh, a small Union Territory has a population of about 6 lakh with an area of 114 sq. Kms. comprising the city of Chandigarh, Manimajra Notified Area Committee and twenty-two villages situated around the city. All the villages in the Union Territory are well developed with pucca roads, electricity, piped water supply, bus services and schools. The small rural belt is diminishing further because of the expansion of Chandigarh city. The population below the poverty line is negligible because of extensive coverage under the IRDP, NREP and RLEGP. The literacy rate in Chandigarh at about 65% is one of the highest in the country. All the children in the age group 6-11 have since been enrolled.

Plan
Priorities

2. The developmental pattern in Chandigarh is different from other States and Union Territories in view of the overwhelming urban influence of Chandigarh city. More outlays have been allocated to the Social Services Sector to provide basic amenities to the city dwellers. Sectoral priorities are indicated below :

Major Head of Develop- ment	Seventh Plan Outlay (Rs. crores)	%age to total	4 years likely expenditure- 1985-89 (Rs. crores)	%age to total
Economic Services	48.47	23.87	46.04	27.32
Social Services	154.62	76.13	122.46	72.68
General Services	-	-	-	-
<u>TOTAL</u>	<u>203.09</u>	<u>100.00</u>	<u>168.50</u>	<u>100.00</u>

Contd..../-

Plan 3. Plan outlays and the expenditure with per capita
Perspective thereof from Third Plan onwards are indicated in the following
table :-

Plan periods	Originally approved outlay (Rs. crores)	Expenditure (Rs. crores)	Per capita of (Rs.)		Population estimates used (year)
			Approved outlay	Expenditure	
1	2	3	4	5	6
Third Plan (1961-66)	@	9.56	@	655 (957)	1963
Three Annual Plans (1966-69)	3.60	2.72	180 (63)	136 (64)	1967
Fourth Plan (1969-74)	7.75	17.37	298 (128)	668 (145)	1971
Fifth Plan (1974-79)	39.76	37.30	1190 (309)	1117 (333)	1976
Sixth Plan (1980-85)	100.75	111.72	1995 (683)	2212 (706)	1983
Seventh Plan (1985-90)	203.09		3265 (1054)		1987
Annual Plan (1985-86)	38.76	36.95	691 (178)	658 (182)	1985
Annual Plan (1986-87)	42.48	41.58	719 (213)	703 (213)	1986
Annual Plan 1987 (1987-88)	44.00	43.37	707 (244)		1987
Annual Plan (1988-89)	46.60	46.60 (Anti.)	713 (258)		1988

Note : Figures in brackets are the average per capita outlay and expenditure for all states and UTs.

@ UT come into existence during 1965-66.

Expenditure during the Seventh Plan 4. As against the Seventh Plan agreed outlay of Rs. 203.09 crores, the likely expenditure during the first four years of the Seventh Plan amount to Rs. 168.50 crores which is 82.97% of the Plan. Yearwise details are indicated below :-

Plan period	Approved Outlay	Reported Expenditure	(Rs. crores)	
			Increase(+)/decrease(-) over the approved outlay	
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	
1985-86	38.76	36.95	(-) 1.81	
1986-87	42.48	41.58	(-) 0.90	
1987-88	44.00	43.37	(-) 0.63	
1988-89	46.60	46.60 (Anti.)	-	
TOTAL (Four Years)	<u>171.84</u>	<u>168.50</u>	(-) 3.34	

Annual Plan 1987-88 5. As against the approved outlay of Rs. 44 crores for Annual Plan 1987-88, the actual expenditure now reported by the U.T. Administration amounts to Rs. 43.37 crores showing a marginal shortfall of Rs. 63 lakh, mainly accounted for in the sectors of General Economic Services and Social Services. However, in the Transport Sector, the expenditure is higher (Rs. 250.99 lakh) than the approved outlay of Rs. 231 lakh.

Annual Plan 1988-89 6. An outlay of Rs. 46.60 crores was approved for Annual Plan 1988-89 to be financed as under :-

		(Rs. crores)	
1.	Share in small savings	...	19.01
2.	Carry-forward surplus	...	16.60
3.	<u>Additional Resource Mobilisation</u>		
i)	Yield from 1985-86 to 1987-88 measures	...	8.19
ii)	Fresh ARM in 1988-89	...	-
	<u>Total (1+2+3) :</u>	...	<u>43.80</u>
4.	Central Assistance	...	2.80
5.	<u>Aggregate Resources</u>	...	<u>46.60</u>

The UT Administration expects to utilise the total approved outlay in full.

contd.../-

Annual Plan
1989-90

7. The proposals for Annual Plan 1989-90 amount to Rs. 74.29 crores inclusive of the supplementary proposals. The sub-headwise details are available in the appended statement. The major headwise break-up of the proposed and recommended outlay alongwith other details are given in the following table :-

(Rs. Lakhs)

Major Head	Seventh Plan Outlay	Actual Expenditure			1988-89		1989-90- Outlay	
		1985-86	1986-87	1987-88	Approved outlay	Anti-icipated Expdr.	Proposed by UT	Recommended by Plg. Comm.
1	2	3	4	5	6	7	8	9
I. Agriculture & Allied Activities	498.70	80.56	77.82	81.86	85.05	83.03	634.20	119.45
II. Rural Development	126.75	34.59	29.10	30.08	30.00	30.00	119.35	30.00
III. Spl. Area Programme	-	-	-	-	-	-	-	-
IV. Irrigation & Flood Control (Minor Irrig.)	60.00	22.09	21.89	26.00	20.00	20.00	-	-
V. Energy	2838.14	576.66	601.59	722.22	791.80	791.80	1053.57	874.00
VI. Industry & Minerals	226.50	22.92	29.15	34.34	34.90	34.90	92.10	58.00
VII. Transport	700.00	144.85	239.91	250.99	285.00	285.00	465.12	343.00
VIII. Communications	-	-	-	-	-	-	-	-
IX. Science, Technology & Environment	20.00	12.63	15.23	16.14	15.00	15.00	15.00	4.00
X. Gen. Economic Services	357.31	123.45	43.65	39.30	65.25	65.25	55.16	95.80
XI. Social Services	15462.00	2677.42	3099.54	3135.84	3333.00	3333.00	4969.74	3624.20
XII. General Services	-	-	-	-	-	-	25.18	-
GRAND TOTAL :	20309.40	3695.17	4157.88	4335.77	4660.00	4660.00	7429.42	5150.45

Contd..../-

SECTORAL HIGHLIGHTS

Sectoral highlights on the basis of the discussion held with the representatives of Chandigarh Administration on 21.11.1988 are given in the following paragraphs.

Agriculture &
Allied
Activities

The Union Territory has cultivable land of about 2819 hectares of which 2610 hectares are irrigated. Of the 2777 families who cultivate this land approximately 93% are small and marginal farmers.

The likely expenditure under this sector in the first four years of the Plan is Rs. 325.29 lakh which is only 65 per cent of the total Seventh Plan outlay.

Physical targets/achievements in respect of foodgrains production are as under :-

Item	Unit	Seventh Plan Target	1987-88 Ach.	1988-89		1989-90
				Target	Anti. Achi.	Target
Irrigated	Tonnes	5829	5128	4988	4988	4648
Unirrigated	"	544	410	462	467	461
<u>Total: foodgrains production</u>	"	<u>6373</u>	<u>5538</u>	<u>5450</u>	<u>5455</u>	<u>5109 *</u>

* Target recommended by Planning Commission is 5459 tonnes.

It was observed that in case of agricultural production, targets for 1989-90 were kept at a lower level than the preceding year due to shrinkage of cultivable area in UT as a result of urbanisation. However, Planning Commission has raised the target for 1989-90 from 5109 to 5459 tonnes suggesting an increase of 200 tonnes for Wheat, 100 tonnes for Maize and 50 tonnes for Rice. It was suggested that the Administration should not take up for implementation any new scheme during 1989-90 which is the terminal year of the Seventh Plan.

Under Cooperation, Rs. 30 lakh are proposed for the share capital of the Chandigarh Cooperative Bank in 1989-90. On an inquiry as to how this Bank was functioning now, it was stated by the UT representative that the recovery position of the Bank has substantially improved and overdues of Rs. 18 lakhs upto 1987-88 has now been reduced to Rs. 2 lakh only.

contd....

Under Forestry and Wild Life, the UT Administration has proposed an outlay of Rs. 5 crores for land acquisition for putting it under permanent vegetative cover. It was made clear that the area proposed to be acquired is earmarked as the green area and is not at all fit for agricultural practices. After discussion, it was felt that this scheme with such a massive outlay need not be taken up in the terminal year of the Plan. Instead, the Administration may provide higher outlays to complete the on-going schemes.

Rural Development
(Community Development & Panchayats)

The population below the poverty line being negligible the programmes under this major head are Community Development and Panchayats for which outlay and expenditure position is given below :-

(Rs. lakhs)

Seventh Plan Outlay	Actual Expenditure			1988-89 Outlay		1989-90 Outlay	
	1985-86	1986-87	1987-88	Approved outlay	Anticipated Expdr.	Proposed	Recommended
126.75	34.59	29.10	30.08	30.00	30.00	119.35	30.00

It would be seen from the above that the likely expenditure during the first four years of the Seventh Plan would amount to Rs. 123.77 lakh which is over 97% of the Seventh Plan outlay.

There are 22 villages in the Territory with a total population of about 50,000. The Administration has been making efforts to develop these villages into model ones through various development works such as metalling of roads, pavement of streets, construction of surface drains, provision of flush type latrines, provision of villages ponds and augmentation of water supply. The main proposals for 1989-90 relate to environment planning, maintenance of assets created in the rural areas and the scheme for village sanitation and cleanliness. After discussion it was felt that the scheme of village sanitation and cleanliness being a new one could be deferred for the Eighth Plan. With regard to scheme for maintenance of assets, it was suggested that funds for this purpose should be provided from the non-plan side.

(Rs. lakhs)

Irrigation
(Minor Irrigation)

Head of Development	Seventh Plan Outlay	Actual Expenditure			1988-89		1989-90 outlay	
		1985-86	1986-87	1987-88	App. Outlay	Anti. Expdr.	Proposed	Recommended
Minor Irrigation	60.00	22.09	21.89	26.00	20.00	20.00	-	-

Contd..../-

The Administration has not proposed any outlay for this sector in 1989-90. Against the Seventh Plan outlay of Rs. 60 lakh for this sector, the expenditure likely to be incurred during the first four years of the Plan amounts to Rs. 89.98 lakh which has already exceeded the Seventh Plan ceiling by about Rs. 30 lakhs.

(Rs. lakhs)

Sub-head of Development	Seventh Plan Outlay	Actual Expenditure			1988-89		1989-90 Outlay	
		1985-86	1986-87	1987-88	Approved Outlay	Anticipated Expenditure	Proposed	Recommended
Power	2838.14	576.66	601.29	721.92	791.50	791.50	1045.00	870.00
Non-conventional sources of Energy	20.00	-	0.30	0.30	0.30	0.30	8.57	4.00
TOTAL :	2858.14	576.66	601.59	722.22	791.80	791.80	1053.57	874.00

It may be seen from the above, that for Energy sector the likely expenditure during 1985-86 to 1988-89 is of the order of Rs. 26.92 crores which is over 94% of the Seventh Plan outlay.

The U.T. has no generation of its own. Its power requirement is met from Bhakra Generating Complex. Chandigarh Electricity Department is responsible for the maintenance and distribution of the Electricity in the city and the villages around Chandigarh City. The U.T. representative informed on an inquiry that as against the requirement of 12 lakh units per day, @ The gap of about 7.5 lakh units/day is likely to widen further due to load growth. The U.T. representative pleaded for additional share of power to Chandigarh from Central projects. He was advised to move the concerned Central Ministry in this regard. Further, when asked about the present position of line losses, he mentioned that from 21.3% in 1984-85, the losses have been reduced to about 18 per cent during 1987-88 and efforts are afoot to reduce them further. While appreciating this, U.T. representative was advised to obtain early clearances for the schemes pending with concerned central departments.

@ The firm Availability of power is 4.50 lakh units per day.

Industry & Minerals

Sub-head of Development	Seventh Plan Outlay	Actual Expenditure			1988-89 Outlay		1989-90 Outlay	
		1985-86	1986-87	1987-88	App.	Antici. Expdr.	Proposed	Recommended
Villages & Small Industries	207.50	19.92	28.95	29.63	31.00	31.00	87.00	54.00
Industries (Other than V&M) incl. Weights & Measures	19.00	3.00	0.20	4.71	3.90	3.90	5.10	4.00
TOTAL :	226.50	22.92	29.15	34.34	34.90	34.90	92.10	58.00

contd..../-

Expenditure reported for the first three years of the Seventh Plan amounts to Rs. 86.41 lakh under this sector. Inclusive of the anticipated expenditure of Rs. 34.90 lakh for 1988-89, the likely expenditure by the end of 1988-89 is Rs. 121.31 lakh which indicates a low percentage of expenditure at 53.56% of the Seventh Plan outlay. As regards the proposals for 1989-90, it was noted that under the village and small industries sector, the Administration proposed a substantially higher outlay of Rs. 87 lakh than the current year's figure of Rs. 31 lakh. The Administration representatives were advised to take up the schemes in a phased manner without loading the final year of the Seventh Plan with too many proposals. It was noted that the total number of small scale units by the end of 1987-88 were 2335 providing employment to about 18,750 persons. Some of these units were 100% export oriented.

<u>Transport</u>		<u>(Rs. lakhs)</u>						
Head of Development	Seventh Plan Outlay	Actual Expenditure			1988-89-Outlay		1989-90-Outlay	
		1985-86	1986-87	1987-88	Approved	Antl. Expdr.	Proposed	Recomm- ended
Roads & Bridges	125.00	32.98	24.91	24.95	25.00	25.00	24.00	20.00
Road Transport	575.00	111.87	215.00	226.04	260.00	260.00	441.12	325.00
TOTAL :	700.00	144.85	239.91	250.99	285.00	285.00	465.12	345.00

The likely expenditure during the first four years of the Seventh Plan under this sector is Rs. 920.75 lakh which exceeds the total Seventh Plan outlay. The bulk of the provisions under this head is for the road transport sector towards purchase of new buses and replacement of overaged ones. Since the fare of Chandigarh Transport Undertaking is one of the lowest in the region, an increase in the fare was suggested with a view to improving the viability of the Undertaking. The Administration representative stated that a proposal for upward revision of fare was already under the active consideration of the Administration.

<u>Science, Technology & Environment</u>		<u>(Rs. lakhs)</u>						
Sub-Head	Seventh Plan Outlay	Actual Expenditure			1988-89-Outlay		1989-90-Outlay	
		1985-86	1986-87	1987-88	Approved outlay	Antl. Expdr.	Propo-Recommended	ded
Scientific Research (incl. S&T)	20.00	12.63	15.23	16.14	15.00	15.00	15.00	4.00
Ecology & Environment	-	-	-	-	-	-	-	-
TOTAL :	20.00	12.63	15.23	16.14	15.00	15.00	15.00	4.00

Contd.../-

The likely expenditure under this sector for the first four years has already exceeded the Seventh Plan outlay by Rs. 39 lakh.

It was suggested to the UT Administration that they should evaluate the research projects which have since been completed and submit a report to the Planning Commission. The Administration was advised that the Science and Technology Council be actively involved in the formulation of plan schemes.

(Rs. lakhs)

Social Services

Education : The sub-headwise outlay/expenditure position for the sector is indicated below :-

Sub-head	Seventh Plan Outlay	Actual Expenditure			1988-89-Outlay		1989-90-Outlay	
		1985-86	1986-87	1987-88	App.	Anti. Exptr.	Proposed	Recommended
General Edu.	1625.	229.92	346.61	356.50	375.	375	598.93	432
Technical Edu.	700	63.64	85.95	115.42	140	140	174.12	154
Sports & Youth Services	700	72.34	100.39	112.41	130	130	285.00	223
Art & Culture	100	18.25	28.51	27.33	26	26	38.65	26
<u>Sub-total (Education):</u>	<u>3125</u>	<u>384.15</u>	<u>561.46</u>	<u>611.52</u>	<u>671</u>	<u>671</u>	<u>1096.70</u>	<u>835</u>

Against the Seventh Plan outlay agreed for education sector, the likely expenditure during the first four years would be around Rs. 22.28 crores which is over 71% of the Seventh Plan outlay of Rs. 31.25 crores. In view of the fact that universal elementary education has been almost fully achieved in the territory, it was felt that there was no need for additional non-formal centres. The programmes relating to construction of school buildings may be taken up in a phased manner.

Health

Plan provisions are as under :-

(Rs. lakhs)

Seventh Plan Outlay	Actual Expenditure			1988-89-Outlay		1989-90-Outlay	
	1985-86	1986-87	1987-88	Approved	Anticipated Exptr.	Proposed	Recommended
900.00	92.65	167.51	194.29	200.00	200.00	305.30	230.00

Likely expenditure during the first four years of the Seventh Plan is Rs. 654.45 lakh which is 72.72% of the Seventh Plan Outlay.

contd..../-

High standard of health care has been achieved. Keeping in view the fast trend of expenditure under this sector for various programmes, a higher outlay has been recommended than the current year's approved outlay/anticipated expenditure.

Water Supply and Sanitation

Seventh Plan outlay and expenditure position is as under :-

Seventh Plan Outlay	Actual Expenditure		1988-89-Outlay		1989-90-Outlay		
	1985-86	1986-87	1987-88	Approved	Anti. Expdr.	Proposed	Recommended
	(Rs. Lakhs)						
1813.00	645.26	501.17	339.00	325.00	325.00	490.00	594.00

The expenditure during the first four years of the Seventh Plan would be about Rs. 18.32 crores which is slightly higher than the Seventh Plan allocation.

During the current year the following two schemes are under execution : (i) augmentation/water supply by recycling of sullage water; (ii) augmentation of water supply from Bhakra main line (Phase III); The first scheme is likely to be completed during the current year and therefore no outlay has been proposed for the next year. The entire outlay for 1989-90 is meant for the scheme of augmentation of water supply phase-III which has been technically cleared by the Ministry of Urban Development for an estimated cost of Rs. 7.91 crores. The UT representative informed that as per the decision regarding sharing of water between Punjab, Haryana and Chandigarh. Chandigarh will now be supplied water out of Punjab quota. It was suggested to the Administration that before undertaking this work permission should be obtained from Indian Explosives Ltd. and concerned Central Ministries for construction of storage of diesel oil.

Housing including Police Housing

Plan provisions are as under :-

Seventh Plan Outlay	Actual Expenditure		1988-89-Outlay		1989-90-Outlay		
	1985-86	1986-87	1987-88	Approved	Anti. Expdr.	Proposed	Recommended
	(Rs. Lakhs)						
2860.00	543.11	592.57	647.22	700.00	700.00	724.35	556.00

The likely expenditure during the first four years of the Seventh Plan amounts to Rs. 24.83 crores representing about 87% of the Seventh Plan agreed provisions.

contd..../-

The major schemes proposed for 1989-90 are :-

- (i) Assistance to Chandigarh Housing Board;
- (ii) Accommodation for Government employees;
- (iii) Police Housing.

(i) Assistance to Chandigarh Housing Board :

The target for constructing 15,400 dwelling units during the Seventh Five Year Plan is now likely to be achieved. By the end of 1987-88, only 5199 units have been constructed showing a heavy shortfall. According to the Administration representatives, due to the non-availability of developed land for residential purposes. The target for 1988-89 was to construct 2600 dwelling units. Against this, the Board anticipates to complete the construction of 3498 dwellings. The target for 1989-90 is to complete 3646 dwelling units.

(ii) Accommodation for Government Employees

The Seventh Plan target was for constructing 840 houses for various categories of Government employees. Of these, only 473 houses of various categories were constructed by the end of 1987-88. During 1988-89, the Administration anticipates to complete 241 houses, bulk being type-II. For 1989-90, the target is to complete 126 houses and also to take up additional construction of 155 houses during 1989-90.

(iii) Police Housing

According to the information furnished by the Chief Engineer, U.T., a sum of over Rs. 29 lakhs only was spent for Police Housing by June, 1988 out of the allocated amount of Rs. 110 lakhs for 1988-89. The pace of expenditure is slow and requires acceleration. The Administration should furnish a note detailing financial and physical content of the Police Housing Programme for the Seventh Plan period.

Urban Development including State Capital Projects

Plan outlay/expenditure position is given below :-

Seventh Plan Outlay	Actual Expenditure			(Rs. Lakhs)			
	1985-86	1986-87	1987-88	1988-89- Outlay Approved	Anti. Exp.	1989-90- Outlay Proposed	Recommended
6113.00	927.25	1174.57	1251.12	1300.00	1300.00	2212.90	1490.00

contd.../-

The likely expenditure during the first four years of the Plan would be around Rs. 46.53 crores forming over 76% of the Seventh Plan outlay. Bulk of the proposed outlays during 1989-90 plan are under 'State Capital Project, comprising a number of schemes such as Roads and Bridges, water supply, sewerage, storm water drainage, electrification etc. The schemes pertaining to the construction of High Courts and Lawyers chambers are not covered.

Welfare of SCs, STs and OBCs

Financial progress may be seen from the outlay and expenditure figures given below :-

Seventh Plan Outlay	Actual Expenditure			(Rs. Lakhs)			
	1985-86	1986-87	1987-88	1988-89- Approved	1988-89- Outlay Anti. Expdr.	1989-90- Propo- sed	1989-90- Outlay Recommen- ded
69.00	4.25	4.29	4.57	12.00	12.00	12.70	10.00

The likely expenditure during the period 1985-89 amounts to only Rs. 25.11 lakh representing only 36.4% of the total plan provision under this head. The schemes proposed during 1989-90 are (i) Construction of Dharamshalas for the members of S.C.; (ii) Holiday camp for economically backward classes and members of S.C. and (iii) Encouragement of inter-caste marriages.

Regarding the Dharamshal scheme, it was suggested that funds for such schemes should be provided under the Rural Development Sector. A survey was also suggested to assess the livelihood pattern, levels of education training needs and assistance available under different programmes in respect of the members of the Scheduled Castes.

For special Component Plan for Scheduled Castes, the Administration agreed to provide during 1989-90 about 14% of the total outlay which is commensurate with percentage of the SC population in the UT.

Social Security and Welfare

Plan provisions for this sector are as under:- (Rs. Lakhs)

Seventh Plan Outlay	Actual Expenditure			(Rs. Lakhs)			
	1985-86	1986-87	1987-88	1988-89- Approved	1988-89- Outlay Anti. Expdr.	1989-90- Proposed	1989-90- Outlay Recommen- ded
200.00	21.34	29.29	18.83	30.00	30.00	45.05	30.30

contd..../-

The likely expenditure by 1988-89 would be around Rs. 99.76 lakhs only indicating a shortfall of over Rs. 100 lakhs of the Seventh Plan. The major schemes proposed for 1989-90 are 'Construction of Anganwadi Centres' and 'Opening of Crèches'. It was suggested that construction activities for establishing new Centres might be discouraged.

Nutrition

Financial progress for this sector may be seen from the table given below :-

(Rs. Lakhs)

Seventh Plan Outlay	Actual Expenditure			1988-89-Outlay		1989-90-Outlay	
	1985-86	1986-87	1987-88	Approved	Anti. Exp.	Proposed	Recommended
242.00	38.02	48.38	51.49	50.00	50.00	53.70	53.70

The expenditure from 1985-86 to 1988-89 is likely to be of the order of Rs. 137.89 lakh which is over 77% of the Seventh Plan outlay. After discussing the programme content need based outlays were recommended. This, being one of the programmes under MNP, it was emphasised that the allotted funds should be fully utilised so that full benefits accrue to the beneficiaries.

Decentralised Planning

Though the Administration has not submitted any proposal under this head, in view of the importance of grass-root planning, an outlay of Rs. 20 lakhs is recommended for 1989-90.

Recommended outlays for 1989-90

The detailed recommendations of outlays under different sectors are indicated in the appended statement.

160
13
173

Statement

Annual Plan 1989-90 - Outlay and Expenditure - Chandigarh

(Rs. Lakhs)

Needs of Development	Seventh Plan 1985-86		Eighth Plan 1986-87		Ninth Plan 1987-88		Tenth Plan 1988-89		Proposed by the U.T. Commission
	Actual Expenditure	Outlay	Actual Expenditure	Outlay	Approved outlay	Anticipated Expend.	Approved outlay	Proposed	
	2	3	4	5	6	7	8	9	
I. AGRICULTURE & ALLIED ACTIVITIES									
Crop Husbandry	8.35	1.63	1.20	1.38	2.68	2.68	2.70	2.25	
Soil & Water Conservation	16.00	3.20	2.80	3.23	3.77	3.77	3.70	3.70	
Animal Husbandary	95.10	7.26	11.58	15.28	19.00	19.00	28.30	20.00	
Dairy Development									
Fisheries	17.40	4.54	4.54	3.37	2.00	2.00	3.00	2.00	
Forestry & Wild Life	161.85	34.93	27.50	28.00	27.60	27.60	531.50	57.50	
Cooperation	200.00	29.00	30.20	30.60	30.00	30.00	65.00	54.00	
TOTAL (I) :	493.70	80.56	77.82	81.86	85.05	85.05	634.20	119.45	
II. RURAL DEVELOPMENT									
Other Rural Dev. Programme incl. Community Dev. & Panchayats	123.75	34.59	29.10	30.08	30.00	30.00	119.35	50.00	
TOTAL (II) :	123.75	34.59	29.10	30.08	30.00	30.00	119.35	50.00	
III. SPECIAL AREA PROGRAMMES									
IV. IRRIGATION & FLOOD CONTROL									
Minor Irrigation	50.00	22.09	21.89	26.00	20.00	20.00			
TOTAL (IV) :	50.00	22.09	21.89	26.00	20.00	20.00			

Contd.../-

Statement (Contd.)

Chandigarh

--: 2 :-

(Rs. Lakhs)

Description	Actual Expenditure					1988-89		1989-90 - Outlay	
	1985-86	1986-87	1987-88	1988-89	1988-89	Approved	Anticipated	Proposed by the U.T.	Recommended by Planning Commission
	2	3	4	5	6	7	8	9	
ENERGY									
Power	2838.14	576.66	601.29	721.92	791.50	791.50	1045.00	870.00	
Non conventional sources of Energy	20.00	-	0.30	0.30	0.30	0.30	8.57	4.00	
TOTAL (V) :	<u>2858.14</u>	<u>576.66</u>	<u>601.59</u>	<u>722.22</u>	<u>791.80</u>	<u>791.80</u>	<u>1053.57</u>	<u>874.00</u>	
INDUSTRY & MINERALS									
Village & Small Industries	207.50	19.92	28.95	29.63	31.00	31.00	87.00	54.00	
Industries (other than V&SI)	19.00	3.00	0.20	4.71	3.90	3.90	5.10	4.00	
TOTAL (VI) :	<u>226.50</u>	<u>22.92</u>	<u>29.15</u>	<u>34.34</u>	<u>34.90</u>	<u>34.90</u>	<u>92.10</u>	<u>58.00</u>	
TRANSPORT									
Roads & Bridges	125.00	32.98	24.91	24.95	25.00	25.00	24.00	20.00	
Road Transport	575.00	111.87	215.00	226.04	260.00	260.00	441.12	325.00	
TOTAL (VII) :	<u>700.00</u>	<u>144.85</u>	<u>239.91</u>	<u>250.99</u>	<u>285.00</u>	<u>285.00</u>	<u>465.12</u>	<u>345.00</u>	
SCIENCE, TECHNOLOGY & ENVIRONMENT									
Scientific Research (incl. S&T)	20.00	12.63	15.23	16.14	15.00	15.00	16.00	4.00	
Ecology & Environment	-	-	-	-	-	-	-	-	
TOTAL (IV) :	<u>20.00</u>	<u>12.63</u>	<u>15.23</u>	<u>16.14</u>	<u>15.00</u>	<u>15.00</u>	<u>15.00</u>	<u>15.00</u>	<u>4.00</u>

Contd.

(in lakhs)

Sd of Development	Seventh Plan Outlay	Actual Expenditure		Approved Outlay	Proposed by U.T. Commission			
		1985-86	1986-87					
	2	3	4	5	6	7	8	9
GENERAL ECONOMIC SERVICES								
Secretariat Economic Services					2.00	2.00	1.00	1.00
Tourism	355.31	123.45	43.38	38.57	59.00	59.00	42.76	70.00
Surveys & Statistics	2.00	-	0.27	0.73	0.75	0.75	1.00	0.80
Civil Supplies	-	-	-	-	3.50	3.50	10.40	1.00
District Planning	-	-	-	-	-	-	-	20.00
TOTAL (X) :	357.31	123.45	43.65	39.30	65.25	65.25	55.16	95.80
SOCIAL SERVICES								
EDUCATION								
General Education	1625.00	229.92	346.61	356.36	375.00	375.00	598.93	432.00
Technical Education	700.00	63.64	85.95	115.42	140.00	140.00	174.12	154.00
Sports & Youth Services	700.00	72.34	100.39	112.41	130.00	130.00	285.00	223.00
Art & Culture	100.00	18.25	28.51	27.33	26.00	26.00	38.65	26.00
Sub-total (Education) :	3125.00	384.15	561.46	611.52	671.00	671.00	1096.70	835.00
Medical & Public Health	900.00	92.65	167.51	194.29	200.00	200.00	275.30	230.00
Water Supply & Sanitation	1813.00	648.26	501.17	338.00	345.00	345.00	490.00	394.00
Housing (incl. Police Housing)	2860.00	543.11	592.57	647.22	700.00	700.00	724.35	556.00

Contd.../-

Statement (Contd...)
Chandigarh

-: 4 :-

(Rs. Lakhs)

Heads of Development	Seventh Plan Outlay	Actual Expenditure				Approved Outlay	Anticipated Expend.	Proposed by the P.T.	1989-90 - Outlay Recommended by Planning Commission
		1985-86	1986-87	1987-88	1988-89				
	2	3	4	5	6	7	8	9	
Urban Development (incl. State Capital Projects)	6113.00	927.25	1174.57	1251.12	1300.00	1300.00	2212.90	1490.00	
Information & Publicity	40.00	4.45	3.63	5.35	8.00	8.00	9.60	8.00	
Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	69.00	4.25	4.29	4.57	12.00	12.00	12.70	10.00	
Labour & Employment	75.00	11.39	13.27	8.45	13.00	13.00	14.60	12.20	
Social Security & Welfare	200.00	21.34	29.29	18.83	30.00	30.00	45.05	30.30	
Nutrition	242.00	38.02	48.38	51.49	50.00	50.00	53.70	53.70	
Other Social Services	25.00	2.55	3.40	5.00	4.00	4.00	5.14	5.00	
Welfare of Ex-servicemen	15462.00	2677.42	3099.54	3135.84	3333.00	3333.00	4069.74	3624.20	
TOTAL (XI) :									
XII. GENERAL SERVICES									
Other Administrative Services-Excl. Taxation and strengthening of Central Treasury	-	-	-	-	-	-	25.18	-	
TOTAL (XII) :							25.18	-	
GRAND TOTAL : (I to XII) :	20309.40	3695.17	4157.88	4336.77	4660.00	4660.00	7429.12	5190.45	

IMMEDIATE

PLANNING COMMISSION
(State Plans Division)

Subject:- Annual Plan 1989-90-Dadra & Nagar Haveli.

A copy of the Report of Shri Arun Sinha, Jt. Secy.,
(State Plans) on the Annual Plan 1989-90 of ~~Dadra & Nagar Haveli~~
is circulated herewith. This has been approved by the
Deputy Chairman, Planning Commission.


(M.L. AGGARWAL)
Consultant (State Plans)

Advisers/Heads of Division in the Planning Commission

<u>Ministry of Finance</u>
Shri J.L. Bajaj, Joint Secretary (FB)
Department of Economic Affairs
Shri G. Haldea, Director (PF)
Department of Expenditure.
<u>Ministry of Home Affairs</u>
Shri Ashok Nath, Joint Secretary (UTs)
Smt. S.A. Tirmizi, Dy. Secretary (Fin.)

Planning Commission Cir.No.PC(P)/2/D&NH/88- dated 9.2.1989

Copy to: Private Secretaries to: Private Secretaries to:
Deputy Chairman/ Prime Minister
Minister of Planning Cabinet Secretary
Minister of State
Members
Secretary
Special Secretary

Copy also to:- Joint Secretary (SP)
Joint Advisers
Deputy Advisers/
SRO/RO concerned in State Plans Division.

Copy also to:- Collector, Dadra & Nagar Haveli Admn.,
Silvassa (10 copies)

152
154

1.

PLANNING COMMISSION
(State Plans Division)

Report of Joint Secretary(State Plans)-Shri Arun Sinha,
on the Annual Plan 1989-90 of Dadra & Nagar Haveli.

Introductory

The Union Territory of Dadra & Nagar Haveli is predominantly rural, tribal and agricultural. It was liberated from the Portuguese in 1954 and had an entity of its own. It became a Union Territory in August, 1961. Dadra and Nagar Haveli is situated nearly 200 kms. North of Bombay sandwiched between the Bulsar district of Gujarat and Thane district of Maharashtra.

The territory has an area of 491 sq.kms. 40 per cent area is covered by forests. The average rainfall is 100 inches. Population is 1,03,676 of which 78.30 per cent of the people are Adivasis, major groups being Warlis, Dhodias and Konkans. Scheduled Caste population is 2 per cent. There are 11,814 farmers, 92 per cent of which are Scheduled Tribes and Scheduled Caste farmers. The literacy rate is only 27 per cent against national average of 36 per cent. The territory has no power generation of its own. It has been declared as industrially backward area under "No Industry District" category. The multi-purpose Daman Ganga Project is the only Irrigation Project taken up by the Territory, which is executed by Gujarat Govt. and is a joint venture of Gujarat, Dadra and Nagar Haveli, and the erstwhile Union Territory of Goa, Daman and Diu.

Per Capital Plan Outlay:

The following table indicates the per capita plan outlay during the different plan periods.

Sr. Plan No.	Plan	Per Capital (Rs.)		
		Dadra & Nagar Haveli.	All India	
1.	2.	3.	4.	5.
1.	Third Plan(1961-66)	-	-	-
2.	Annual Plans(1966-69)	1.29	193	63
3.	Fourth Plan(1974-79)	2.30	329	128
4.	Fifth Plan(1974-79)	9.41	1094	309
5.	Annual Plan(1979-80)	3.31	345	91
6.	Sixth Plan(1980-85)	23.09	2099	683
7.	Seventh Plan(1985-90)	46.29	3826	1054

Contd.....

Plan Outlay & Expenditure during different Plan periods:

Plan outlays and expenditure during the different plan periods is given in the table below:

Sr. Plan No.	Plan Outlay (Rs. crores)	Plan Expdr. (Rs. crores)	%age variation in plan Expdr.
1.	2.	3.	4.
1. Third Plan (1961-66)	-	0.25	-
2. Annual Plans (1966-69)	1.29	0.71	(-) 45.0
3. Fourth Plan (1967-74)	2.30	2.33	(+) 1.3
4. Fifth Plan (1974-79)	9.41	8.87	(-) 5.7
5. Annual Plan (1979-80)	3.31	3.35	(+) 1.2
6. Sixth Plan (1980-85)	23.09	30.02	(+) 30.0
7. Seventh Plan (1985-90)	46.29		

Pattern of Investment

During the Seventh Plan main priorities are Agriculture and Allied Services, Transport and Education. Actual Expenditure for 1985-86 shows the first three main priorities as Irrigation and Flood Control, Transport and Agriculture. Actual Expenditure 1986-87 lays emphasis on Transport, Agriculture and Allied Services, and Education. Irrigation and Flood Control come fourth in the order of priority. Expenditure for 1987-88 seems to lay emphasis on Agriculture, and Allied Services, Transport Energy, Education and Flood Control.

Proposals for 1988-89 show the order of priorities as Agriculture and Allied Services, Transport, Energy and Education. While recommending the outlay for 1988-89, the priorities of the Administration have been kept in view these being Agriculture and Allied Services, social services, Transport Irrigation and Flood Control.

Performance during Annual Plan 1985-86.

Table below indicates the UT's performance sectorwise during the Annual Plan 1985-86 in terms of expenditure against the approved outlays.

Contd.....

(Rs.lakhs)

Sr. Sector No.	1985-86			
	Approved	Expenditure	Percentage Shortfall	
1.	2.	3.	4.	5.
1. Agriculture & Allied services	154.45	144.00	6.8	
2. Rural Development	16.75	13.73	18.1	
3. Special Area Programme	-	-	-	
4. Irrigation & flood control	226.00	224.18	0.9	
5. Energy	55.00	50.53	22.3	
6. Industry & Minerals	25.50	20.86	18.5	
7. Transport	146.00	150.92	-	
8. Science, Technology & Environment	4.70	0.53	88.7	
9. General economic services	4.80	7.36	-	
10. Education, sports, Art & culture	92.40	107.32	-	
11. Health	27.75	26.41	4.9	
12. Water supply, housing & urban development	56.00	53.47	4.6	
13. Information & Publicity	2.50	2.48	0.8	
14. Labour & Labour welfare	21.40	20.53	4.1	
15. Social welfare & Nutrition	10.15	10.56	-	
16. Other Economic Services	11.50	18.79	-	
TOTAL:	865.00	851.67	1.6	

The actual expenditure in the year 1987-88 was Rs.900 lakhs which was at par with the approved outlay for 1987-88. (Rs.lakhs)

Sr. Sector	Col.4 %age to Col.3		
	Agreed Outlay (1987-88)	Expdr. (1987-88)	Col.4 %age to Col.3
1. Agriculture & Allied Services	233.48	244.95	104.91
2. Rural Development	25.11	12.51	49.82
3. Irrigation & flood control	42.50	92.87	218.52
4. Energy	117.54	87.37	74.33
5. Industry & Minerals	23.00	21.51	93.52
6. Transport	176.58	173.76	98.40
7. Science, Technology & Environment	2.50	0.50	20.00
8. General Economic Services	32.55	16.20	49.76
9. Social services	228.43	233.78	102.34
10. General services	18.31	16.60	90.66
TOTAL:	900.00	900.00	100.00

The following table indicates the position about the total expenditure during the first three years of the plan, balance for the last two years, proposal for the Annual Plan 1989-90 and recommended outlay by broad sectors:-

Contd....

Major Head	Seventh Plan (1985-90) Agreed Outlay.	Actual Expend.			1988-89		1989-90		Recomm- ended Outlay of Col.8 over (by Col.6 various division)
		1985-86	1986-87	1987-88	Approved Outlay	Antici- pated Expd. Outlay	Propo- sed Outlay	%age in- crease	
I. Agriculture & Allied Activities	969.73	144.00	157.77	244.95	284.03	533.28	791.79	178.8	541.56
II. Rural Development	89.60	13.73	12.52	12.51	21.40	23.05	39.22	83.3	23.50
III. Special Area Programme -									
IV. Irrigation & flood control	1638.00	244.18	86.64	92.87	36.25	36.25	180.00	396.5	60.00
V. Energy	322.00	50.53	82.85	87.37	125.04	122.42	274.55	119.6	143.00
VI. Industry & Minerals	149.50	20.86	18.83	21.51	36.00	33.60	28.20	(-21.6	26.40
VII. Transport	840.00	150.92	199.89	173.76	192.48	191.65	165.05	(-14.2	158.00
VIII. Communications	-	-	-	-	-	-	-	-	-
IX. Science, Technology & Environment	24.00	0.53	0.03	0.50	1.00	1.00	2.90	190.0	1.00
X. General Economic Services	37.50	7.36	27.59	16.20	33.50	33.20	47.25	41.0	33.50
XI. Social services	1457.77	220.77	178.67	233.78	227.70	275.98	377.18	65.6	301.02
XII. General services	101.00	18.79	14.69	16.60	32.60	33.60	28.11	(-13.8	18.01
GRAND TOTAL	4629.10	851.67	779.48	900.00	990.00	1284.03	1934.25	95.4	1305.99

The proposals of the Administration were considered in a meeting held on 18th November in the Planning Commission, chaired by me. In this meeting representative of the concerned Divisions, Central Ministries and the Administration were also present. I recommend a plan of Rs.1105.99 lakhs for 1989-90 against the approved outlay of Rs.990 lakhs for 1988-89. It gives a step-up of 11.7% over the current year which is considered adequate.

AGRICULTURE:

The sub-working group discussed at length the proposals submitted by Dadra & Nagar Haveli Administration in consultation with the representatives of the Department of Agriculture and Co-operation, Administration of Dadra and Nagar Haveli and other concerned Departmental Agencies of the Govt. of India.

Targets:

At the outset, the representatives of the Administration were requested to reconcile the figures of production in respect of various crops for the years 1985-86 and 1986-87 with the information furnished by the Directorate of Economics and Statistics. The Sub-group felt that the figures supplied by Directorate of Economics and Statistics might be adopted for these years. Clarifying their position in regard to higher production of foodgrains during 1987-88, was a normal year for them. The higher level of production expected during the year 1988-89 was attributed to the coverage of more area under HYV and creation of more irrigation potential by the commissioning of Daman Ganga Project. The sub-working group appreciated their views and accepted the crop targets as proposed by the Administration for 1989-90. After the discussions of the sub-working group, the picture that emerged regarding crop production is indicated in the following table

Crops	Unit	Target Seventh	Actual production			Target			
			1985-86	1986-87	1987-88	1988-89 Target	1989-90 Anti-Propo- Recomm ended		
<u>I. Foodgrains</u>									
1. Rice	Tonnes	35000	18800	18900	22085	30600	30600	32000	32000
2. Wheat	"	200	110	162	480	250	500	500	500
3. Coarse cereals	"	6580	4800	4900	3270	5250	5250	5610	5610
4. Pulses	"	5000	3300	2900	2300	4800	4800	5000	5000
Total- Foodgrains		<u>46780</u>	<u>27010</u>	<u>26862</u>	<u>28135</u>	<u>40900</u>	<u>40900</u>	<u>43110</u>	<u>43110</u>

In respect of selected physical targets pertaining to distribution of seeds, the representative of the Administration pointed out that the target earlier set for this item was not realistic for previous years and he promised to send the same after recasting it shortly. The sub-working group accepted this. For promoting the fertilizer consumption the group felt that the proposal of the Administration of setting up more retail points was in the right direction.

Contd....

△ The representative of the Admn. stated that the year 1987-88

Financial Outlays:

La After/detailed disoussion, the sub-working group on Agriculture recommended an outlay of Rs.139.56 lakhs against the proposed allocation of Rs.625.29 lakhs for the year 1989-90. The sub-head-wise details of the same are given in the table below:

Draft Annual Plan 1989-90-Heads of Development- Outlay and Expenditure		(Rs. in lakhs)										
Sr. No.	Major/Minor development Plan Outlay.	Dadra & Nagar Haveli					Total % of Antd. Expdr. (4+5+6+8) over Col.3					Proposed Out- ded Outlay.
		Seventh Five Yr. Plan	Actual Expdr. 1985-86	1986-87	1987-88	1988-89 Apprd. Outlay	1988-89 Antd. Expdr.	9	10.	11.	12.	
<u>I. Agriculture & Allied Services</u>												
	Crop Husbandry	168.40	26.54	29.99	36.20	43.73	43.08	135.81	80.65	51.85	49.85	
	Soil & Water conservation	193.10	31.25	34.91	41.15	49.68	50.23	157.54	81.58	61.00	50.50	
	Animal Husbandry	95.25	13.56	14.83	19.16	20.16	15.96	63.51	66.68	20.04	20.81	
	Dairy Development	26.50	2.64	1.19	3.02	5.09	4.69	11.54	43.55	4.88	4.88	
	Fisheries	5.00	-	0.50	0.81	2.00	1.63	2.94	58.80	2.03	2.03	
	Co-operation	52.48	6.58	4.73	9.60	14.52	268.04	289.75	546.39	485.49	61.49	
	Total:	540.53	80.57	86.15	109.94	135.18	384.43	661.09	115.64	625.29	132.56	

The rationale for effecting reduction under the sub-heads like crop husbandry, soil conservation and co-operation is explained in the following paragraphs:

Crop Husbandry

Under this sub-head, against the proposed outlay of Rs.51.85, lakhs, a sum of Rs.49.85 lakhs was recommended. A sum of Rs.2 lakhs proposed for crop-insurance was deleted since this scheme is no longer in operation. While discussing various

Contd.....

schemes, it was emphasised that there was a need for strengthening the staff for attending to extension work since there were only 8 assistants against the requirement of 26 extension assistants as per the norm of covering 1000 families each. Besides, the existing training centre needed strengthening in order to cater to the training needs of the farmers in the territory.

Soil-Conservation

Against the proposed outlay of Rs.61.00 lakhs, the group recommended an outlay of Rs.50.50 lakhs. The outlay of Rs.15.00 lakhs proposed for the scheme, maintenance of heavy machinery (Rs.15 lakhs) was not supported since the proposed outlay involved the purchase of two new bulldozers as the old ones had gone out of order. The group felt that the Administration might manage the repair, etc. of the existing ones with a sum of Rs.1.50 lakhs. The Group, however, felt the need of enhancing Soil-conservation works and recommended an outlay of Rs.30 lakhs for this scheme against the proposed outlay of Rs.27 lakhs.

Animal Husbandry

Against the proposed outlay of Rs.20.04 lakhs, the group recommended a sum of Rs.20.81 lakhs. The marginal increase in outlay was recommended for the scheme, "Fodder farm" since the representative of the Administrator and the Ministry of Agriculture felt that it was essential to increase the production of fodder.

Fisheries

The representative of the Ministry of Agriculture stressed the need for development of reservoir fisheries for which there was a great scope. The Administration's representative pointed out that it was not possible since three states/UTs were involved in the development of the reservoir.

Co-operation

The proposed outlay of Rs.485.49 lakhs for cooperation included a sum of Rs.465 lakhs for providing share capital to sugar mill apart from Rs.9 lakhs for loan for the purchase of share by SC/ST. The Group felt that the setting up of a sugar factory in a small territory having only 300 hectares of land under sugarcane might not be a viable proposition. To run a factory of the capacity of 2400 TPD, at least 2 lakhs tonnes of sugar cane is required and this can not be met even by tapping the sources in the neighbouring states where lot of demand for their sugar mills exist. Besides, transportation/sugarcane might prove a costly affair and would eventually render the factory uneconomical in the every first year of its commissioning. JS(SF) in the General meeting also did not favour this proposal.

of

Contd....

He however, agreed for a token provision of Rs.50 lakhs against the projected requirement of Rs.465 lakhs. Therefore, the recommended outlay for the sub-head, cooperation worked out to Rs.61.49 lakhs. The outlay of Rs.9 lakhs proposed for loan to SC/ST for purchase of share was deleted.

Irrigation and Flood Control

Major & Medium Irrigation:

For 1989-90 annual plan the UT Administration has not proposed any outlay for Daman Ganga Project under major-medium irrigation sector. Representatives of the I&CAD pointed out that on the basis of the modified estimates of Rs.146 crores irrigation works excluding CAD & OFD works as indicated by the Government of Gujarat last year. The total share of the UT of Dadra & Nagar Haveli works out to Rs.22.81 crores. The Ut Administration had deposited an amount of Rs.20.68 crores up to March, 1988. No amount has been paid during the year 1987-88 on the basis of latest cost as intimated about Rs.13 lakhs needs to be provided in 1989-90 for the completion of the Project. Looking into the programmes of the work and further revision in the cost of the project the working group did not recommend any outlay for the year 1989-90.

Flood Control:

No outlay was proposed by the UT Administration for flood control works for the year 1989-90.

CAD:

CAD works in Dadra territory are being executed by the Gujarat Government on deposit basis. An amount of Rs.185 lakhs as already been deposited by March, 1988 with the Government of Gujarat as against the estimated cost of the CAD works of Rs.329 lakhs which are under revision for a cost of Rs.401 lakhs. In view of the progress of the work after some discussion with the representatives of the UT Administration I recommended an outlay of Rs.25 lakhs against the state proposal of Rs.100 lakhs for the year 1989-90.

Minor Irrigation:

For 1989 the UT Administration proposed an outlay of Rs.80 lakhs against the current year provision of Rs.35 lakhs. The step up of Rs.45 lakhs during 1989-90 over the current year was reported on account of new schemes like water tanks tube-wells and wells. I viewed that new starts should not be included in the terminal year of the 7th Plan until and unless unavoidable. The representatives of I&CAD division pointed out that minor irrigation schemes at pazzai, velugam, bedpa and Karcuond are being investigated including

preparation of detailed project report by the Government of Gujarat as a deposit work for which the UT Administration had already deposited a sum of Rs.25 lakhs and now as proposes to deposit additional sum of Rs.15 lakhs with Government of Gujarat. After some discussion, it was decided not to deposit any further amount with the Govt. of Gujarat and the UT Administration who take up with the Govt. of Gujarat to know the reasons for the high cost and examine the feasibility to have these schemes financially viable before any further investment could be made. In view of this provision of any outlay for 1989-90 was not considered to be necessary. Accordingly, Rs.35 lakhs was recommended for 1989-90 on the current level.

Energy:

Power:

Scheme wise outlayss proposed and recommended are as under:-

NAME OF THE SCHEME	(Rs. lakhs)	
	Proposed by State	Recommended
<u>POWER PROJECT</u>		
I. Normal Development/Electrification of villeges & Padas	43.50	20
II. 66 KV Sub-Station Ind., Estate, Khadoli	10.00	10
III. Buildings: Residential & Non-residential	22.00	10
Sub-Total (I+II+III)	<u>75.50</u>	<u>40</u>
IV. New Schemes		
i) System improvement & augmtenion of sub-station, Silvassa	150.00	70
ii) Exten. of Ind. Estate, Silvassa	6.00	4
iii) Exten. of Ind. Estate, Masat	4.00	4
iv) Providing mini ind. Estate in each patelads	-	-
v) Providing under ground cables & mercury bulbs in Silvassa	15.00	5
V. Tolls, Plant & Vehicles	3.50	3.5
VI. Direction & Administration	16.77	13
VII. Meter Testing Laboratory	-	-
VIII. Damam Ganga R B P H	-	-
IX. Exten. of 66 KV Line for M/s Chandan Agro & Steel at Chouda	-	-
Sub-Total (IV to IX)	195.27	99.5
TOTAL of I to IX	<u>270.77</u>	<u>139.5</u>

Non-Conventional Energy Source:

An outlay of Rs.3.50 lakhs is recommended for N.S.C.E. Programme against the proposed outlay of Rs.3.78 lakhs. The scheme-wise details are given below:-

Sl. No.	Name of the programme	Financial		Physical	
		Proposed outlay	Recommended outlay	Proposed Target	Recommended Target
1.	Solar Cookers Domestic- Community-	0.30	0.50	100 2	150 3
2.	Solar Hot Water System	1.25	1.25	1	1
3.	Chullahas Programme	0.65	0.85	1000	1200
4.	Biogas Programme Domestic- Community-	0.40	0.50	10 1	12 1
5.	Staff Assistance	1.18	0.40	-	-
	<u>Total</u>	<u>3.78</u>	<u>3.50</u>		

Industry

There are no schemes included under large and medium industrial sector in the draft Annual Plan 1989-90 of Dadra & Nagar Haveli.

Transport:

The following table sums up the position of outlay proposed by the Dadra & Nagar Haveli Administration and outlay recommended by their Working Group.

Sr. Programme	(Rs. lakhs)	
	Annual Plan 1989-90 Proposed outlay	Recommended outlay
1. Roads & Bridges (MNP)	165.05 (33.50)	158.00 (33.50)
2. Tourism	36.60	30.00

Roads & Bridges:

The proposed outlay for roads was mainly for ongoing works and which are likely to be completed by the end of the 7th plan. Out of 9 bridges 2 are expected to be completed by the year 1989-90. Works of 2 bridges will not be started and 5 bridges will spill over. The outlay for the year 1989-90.

is to construct the bridges up to pier level. The outlay proposed considered to be higher and working group recommended Rs.20.00 lakhs in-stead-of Rs.27.30 lakhs.

Tourism:

The Working Group did not agree to the proposal of purchasing one car of Rs.2 lakhs and a luxury bus of Rs.5 lakhs but recommended Rs.30.00 lakhs against the proposed outlay of Rs.36.60 lakhs.

Education:

The progress under the universalisation of education in the Territory is found slow and the Administration is advised to formulate the plan in such a manner as to achieve 100% universalisation by the end of 1990 with more stress for adult literacy programme.

Health:

Annual Plan proposals for 1989-90 relating to health sector programme of the UT were considered in detail in the working group meeting held on 18th November, 1988.

Water Supply & Sanitation:

The summary of recommendations of the working group on Water Supply & Sanitation sector is as under:

Sr. Minor Heads	(Rs. lakhs)	
	Annual Plan 1989-90 Outlay proposed by State	Outlay recommended by the Working Group.
1. Rural Water Supply (MNP)		
i) Works	33.50	14.60
ii) Operation & Maintenance	6.00	3.00
2. Urban Water Supply	20.00	10.00
3. Urban Sanitation:		
i) Sewerage/drainage	0.50	-
ii) Low cost Sanitation	-	0.20
4. Rural Sanitation	-	-
5. Direction & Admn. Survey & Investigation etc.	10.00	4.50
	<hr/>	<hr/>
Total:	70.00	32.30
of which MNP:	39.50	17.60

Housing and Urban Development:

Under Housing sector an outlay of Rs.20.20 lakhs is recommended for 1989-90. This includes Rs.6.00 for constructing 6 quarters for police. A sum of Rs.12.00 lakhs was recommended for providing subsidy @ Rs.2000/- to 600 SC/ST families by way of supplying roofing tiles to replace thatched roof during 1989-90.

Urban Development:

The proposal for acquisition of land with an outlay of Rs.10.00 lakh was not agreed to as the Administration could not put forward sufficient justification for the same. The proposal appeared premature since the U.T. Administration has not prepared any plan or conducted any survey to estimate the housing needs or shortage.

The following table gives the recommended outlays for Housing, Urban Development, Public Works and Stationery and Printing:-

(Rs. in lakhs)

Sl.	Head of Development	7th Plan							
		1985-90 Agreed outlay	1985-86 Actual Expdr.	1986-87 Actual Expdr.	1987-88 Actual Expdr.	1988-89 Appd. out- lay	1989-90 Anti Exp dr.	1989-90 Pro posed out lay	1989-90 Reco mmen ded out lay
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
1.	Housing including Police Housing	182.75	31.54	13.75	14.00	20.20	29.20	22.20	20.20
2.	M.N.P.								
2.	Urban Development including SCP	7.00	0.15	0.53	2.13	1.85	1.29	14.23	2.00
3.	Public Works	90.00	17.29	10.64	13.70	15.00	16.00	17.00	17.00
4.	Stationery & Printing	11.00	1.50	4.05	2.14	2.60	2.60	2.11	1.01

Labour & Labour Welfare:-

The outlay of Rs.16.77 lakhs proposed by U.T. Administration under Labour & Labour Welfare sector for the annual plan 1989-90 was for craftsmen training, Rs.15.15 lakhs Apprenticeship Training Rs.0.02 lakh and employment service Rs. 1.60 lakhs.

Under Craftsmen training, scheme wise outlay recommended is as under:

Sr. Scheme	(Rs lakhs)	
	Proposed outlay	Recommended outlay
1. Construction of over head tank in ITI complex	2.20	2.20
2. Construction of Residential quarters.	3.15	3.15
3. Strengthening of staff	4.30	4.30
4. Purchase of machinery & equipment & Electricity charges	5.00	4.00
5. Grant of stipend	0.50	0.50
	<u>15.15</u>	<u>14.15</u>

Under Apprenticeship Training proposed outlay of Rs.0.02 lakh was recommended. U.T. Administration revealed that no amount has so far been spent on this scheme.

Under employment service an outlay of Rs.1.45 lakh was recommended as against U.T.'s proposal of 1.60 lakhs for strengthening of employment exchange, SILVASSA.

Thus a total outlay of Rs.15.62 lakhs was suggested for labour and Labour Welfare Sector for Annual Plan 1989-90.

Social Welfare & Nutrition:

The Administration, as in the previous year, is advised to get the pending schemes cleared by the concerned Ministries at the earliest. These schemes relate to appointment of suitable staff for social welfare centre, schemes of creches and Training-cum-Production centres for Women, Grant-in-Aid to voluntary organisation etc. The proposals and

recommended cutlays are as under:

(Rs. in lakhs)

Name of the Scheme	Seventh	1985-	1986-	1987	1988-89		1989-90	
	Plan	86	87	88	cut	Ant.	Prop	Working
	1985-90	Expdr.	Expdr.	Expdr.	lay	Exp.	osed	Group
	outlay						cut	Recommend
							lay	outlay
1.	2	3	4	5	6	7	8	9
<u>SOCIAL WELFARE</u>								
I. Direction & Administration	1.25	-	-	-	0.50	0.10	1.10	1.00
<u>II. Child Welfare</u>								
Creches	0.50	-	-	-	0.10	0.10	0.25	0.25
<u>III. Women Welfare</u>								
Vocational Trainings.	5.00	-	-	-	0.20	0.20	0.30	0.20
<u>IV. Welfare of Handicapped</u>								
1) Scholarships for physically handicapped.	0.75	0.05	0.10	0.10	0.20	0.10	0.10	0.10
ii) Supply of prosthetic aid	0.70	-	-	0.05	0.05	0.05	0.10	0.05
V. Grants to Voluntary Organisations	1.00	-	-	-	0.05	0.05	0.20	0.10
<u>VI. Others</u>								
I. Welfare of Aged, infirm & Destitute	0.90	0.27	0.39	0.90	0.80	0.80	1.10	1.00
II. Legal Aid	1.00	-	-	-	0.10	0.10	0.20	0.05
III. Nucleus Budget	1.00	-	-	-	-	-	-	-
Total Social Welfare	12.10	0.32	0.49	1.05	2.00	1.50	3.35	2.75
<u>NUTRITION</u>								
SNP IN ICDS	42.50	10.24	15.05		16.45	15.25	15.25	30.09

21.60

NUTRITION

The expenditure incurred so far and outlay proposed for 1989-90 under Nutrition sector is given in the table above. The Administration has proposed an outlay of Rs.30 lakhs for SNP for the Annual Plan 1989-90. However, the financial requirement for the next year, based on the prescribed norms should be as follows:

	(Rs. in lakhs)
(a) Differential cost for 10100 beneficiaries (non-plan side) @ Rs.94/beneficiary/annum	9.50
(b) Full cost of SNP for 5830 beneficiaries added in the period 1985-90 @ Rs.207/beneficiary	12.07
	<hr/>
Total	21.57
	or
	21.60
	<hr/>

1
147
15

162

Statement

Sectoral break-up of approved outlays of the Seventh Plan and expenditure for 1985-86 to 1989-87. Approved outlay & Anticipated expenditure for 1988-89 & Proposed outlay & Recommended Outlay for 1989-90 - Dadra & Nagar Haveli

Annual Plan 1989-90 - Outlay and Expenditure

Sl. No.	Major Head/Minor Heads of Development	Actual Expenditure				Proposed		Recommended Outlay	
		Seventh Plan (1985-90) Agreed Outlay	1985-86	1986-87	1987-88	1988-89 Approved Outlay	1989-90		
		(Rs. Lakhs)							
I. AGRICULTURE & ALLIED ACTIVITIES									
	Crop Husbandry	168.40	26.54	29.99	36.20	43.73	43.08	51.85	49.85
	Soil & Water conservation	193.10	31.25	34.91	41.15	49.68	50.23	61.00	50.50
	Animal Husbandry	95.25	13.56	14.83	19.16	20.16	15.96	20.04	20.81
	Dairy Development	26.50	2.64	1.19	3.02	5.09	4.69	4.88	4.88
	Fisheries	5.00	-	0.50	0.81	2.00	1.63	2.03	2.03
	Forestry & wild life	429.00	63.43	71.62	135.01	148.85	148.85	166.50	152.00
	Plantations	-	-	-	-	-	-	-	-
	Food, storage & warehousing	-	-	-	-	-	-	-	-
	Agricultural Research & Education	-	-	-	-	-	-	-	-
	Agricultural Financial Institutions	-	-	-	-	-	-	-	-
	Other Agricultural Programmes:								
	a) Marketing & Quality Control	-	-	-	-	-	-	-	-
	b) Others (to be specified)	-	-	-	-	-	-	-	-
	Cooperation	52.48	6.58	4.73	9.60	14.52	268.84	485.49	61.49
	Total :	969.73	144.00	157.77	244.95	284.03	553.28	791.79	341.56

../-

Sl. No.	Major Head/Minor Heads of Development	Actual Expenditure				1989-90	
		Seventh Plan (185-90) Agreed Outlay	1985-86	1986-87	1987-88	1988-89 Approved Outlay	Proposed Outlay
							(Rs. Lakhs)
							Anticipated Expenditure

II. RURAL DEVELOPMENT

Special Programme for Rural Development

a) Integrated Rural Development Programme (IRDP) & Allied Programmes							
b) Drought Prone Area Programme (DPAP)							
c) Integrated Rural Energy Programme (IREP)	10.00	0.50	1.34		3.50	3.50	5.50

Rural Employment

a) National Rural Employment Programme (NREP)							
b) Other programmes (like employment guarantee scheme etc. to be specified)							
Lead reforms	13.00	1.63	1.74	1.71	3.40	2.70	4.35
Other Rural Development Programmes (incl. Community Development & Panchayats)	68.00	11.60	9.44	10.80	14.50	16.85	31.37
Total (II)	89.50	13.73	12.52	12.51	21.40	23.05	39.22

III. Special Area Programmes

IV. IRRIGATION & FLOOD CONTROL

Major & Medium Irrigation	200.00	100.00	60.01	60.00			
Minor Irrigation	213.00	24.18	26.63	31.99	35.00	35.00	80.00

Sl. No.	Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure (Rs. Lakhs)				Anticipated Expenditure	Proposed Outlay	Recommended Outlay
			1985-86	1986-87	1987-88	1988-89				1989-90
	Command Area Development	215.00	100.00	0.18	0.25	0.35	100.30	25.00	
	Flood Control (incl. anti sea erosion etc.)	10.00	-	-	1.00	1.00	-	-	
	<u>Total IV :</u>	<u>638.00</u>	<u>224.18</u>	<u>86.64</u>	<u>92.87</u>	<u>36.25</u>	<u>180.00</u>	<u>60.00</u>	
V. ENERGY									
	Power	306.00	50.53	82.85	84.70	122.65	270.77	139.50	
	Non-conventional sources of Energy	16.00	-	-	2.62	2.39	3.78	3.50	
	<u>Total V :</u>	<u>322.00</u>	<u>50.53</u>	<u>82.85</u>	<u>87.30</u>	<u>125.04</u>	<u>274.55</u>	<u>143.00</u>	
VI. INDUSTRY & MINERALS									
	Village & Small Industries	149.50	20.86	18.83	21.51	36.00	28.20	26.40	
	Industries (other than village and small industries)	-	-	-	-	-	-	-	
	Mining	-	-	-	-	-	-	-	
	<u>Total VI</u>	<u>149.50</u>	<u>20.86</u>	<u>18.83</u>	<u>21.51</u>	<u>36.00</u>	<u>28.20</u>	<u>26.40</u>	
VII. TRANSPORT									
	Ports & Light Houses	-	-	-	-	-	-	-	
	Shipping	-	-	-	-	-	-	-	
	Civil Aviation	-	-	-	-	-	-	-	

Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure				(Rs. Lakhs)	
		1985-86	1986-87	1987-88	1988-89	Approved Outlay	Proposed Outlay
Roads & Bridges	840.00	150.92	199.89	173.76	192.48	165.05	158.00
Road Transport	-	-	-	-	-	-	-
Inland Water Transport	-	-	-	-	-	-	-
Other transport (to be specified)	-	-	-	-	-	-	-
Total VII :	840.00	150.92	199.89	173.76	192.48	165.05	158.00

I. COMMUNICATIONS

SCIENCE, TECHNOLOGY & ENVIRONMENT

Scientific Research (incl. S&T)	14.00	0.53	0.03	0.50	1.00	2.80	0.80
Ecology & Environment	10.00	-	-	-	-	-	0.20
Total IX :	24.00	0.53	0.03	0.50	1.00	2.80	1.00

GENERAL ECONOMIC SERVICES

Secretariat Economic Services	6.00	0.94	-	-	1.00	1.50	1.00
Tourism	21.00	6.42	26.29	15.00	30.00	36.60	30.00
Surveys & Statistics	9.00	-	1.30	1.20	1.00	3.40	2.00
Civil Supplies	1.50	-	-	-	1.50	5.75	0.50
Other General Economic Services	-	-	-	-	-	-	-
Total (X) :	37.50	7.36	27.59	16.20	33.50	47.25	33.50

Sl. No.	Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure			1988-89		(Rs. Lakhs) 1989-90	
			1985-86	1986-87	1987-88	Approved Outlay	Anticipated Expenditure	Proposed Outlay	Recommended Outlay
XI. SOCIAL SERVICES									
EDUCATION									
	General Education	772.50	102.47	90.49	105.33	89.24	103.80	152.84	127.32
	Technical Education	0.20	1.50	0.16	-	5.00	-	2.00	30.00
	Sports & Youth Services	20.00	1.55	1.67	2.12	2.33	6.67	15.07	3.00
	Art & Culture	15.00	1.80	1.33	3.26	5.40	5.40	6.80	5.10
	<u>Sub-Total (Education)</u>	<u>807.70</u>	<u>107.32</u>	<u>93.65</u>	<u>110.71</u>	<u>102.00</u>	<u>115.87</u>	<u>156.71</u>	<u>165.42</u>
	Medical & Public Health	141.62	26.41	21.42	45.37	30.00	42.41	59.14	37.80
	Water Supply & Sanitation	160.00	21.78	12.99	25.50	35.20	33.20	70.00	32.30
	Housing (incl. Police Housing)	182.75	31.54	13.75	14.00	20.20	29.20	22.20	20.20
	Urban Development (incl. State Capital Projects)	7.00	0.15	0.53	2.13	1.85	1.29	14.23	2.00
	Information & Publicity	15.00	2.48	3.18	3.07	3.20	3.26	4.80	4.80
	Welfare of SC, ST & Other Backward Classes	-	-	-	-	-	-	-	-
	Labour & Employment	89.10	20.53	17.61	15.50	20.00	34.00	16.75	14.15
	Social Security & Welfare	12.10	0.32	0.49	1.05	2.00	1.50	3.35	2.75
	Nutrition	42.50	10.24	15.05	16.45	15.25	15.25	30.00	21.60
									../-

Sl. No.	Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure		1988-89 Approved Outlay	Proposed Outlay		1989-90 Proposed Outlay	1989-90 Proposed Outlay	1989-90 Proposed Outlay	1989-90 Proposed Outlay
			1985-86	1986-87		1987-88	1988-89					1989-90
	Other Social Services (to be specified)	-	-	-	-	-	-	-	-	-	-
	<u>Total (XI)</u>	<u>1457.77</u>	<u>220.77</u>	<u>178.67</u>	<u>233.78</u>	<u>227.70</u>	<u>275.98</u>	<u>277.18</u>	<u>301.02</u>		
<u>XII. GENERAL SERVICES</u>											
	Jails	-	-	-	-	-	-	-	-	-	-
	Stationery & Printing	11.00	1.50	4.05	2.14	2.50	2.60	2.11	1.01		
	Public Works	90.00	17.29	10.64	13.70	15.00	16.00	17.00	17.00		
	Other Adm. Services (Police Fire Services)	-	-	-	0.76	15.00	15.00	9.00	*		
	<u>Total (XII)</u>	<u>101.00</u>	<u>18.79</u>	<u>14.69</u>	<u>16.60</u>	<u>32.60</u>	<u>33.60</u>	<u>28.11</u>	<u>18.01</u>		
	<u>Grand Total :</u>	<u>4629.10</u>	<u>851.67</u>	<u>779.48</u>	<u>900.00</u>	<u>990.00</u>	<u>1284.03</u>	<u>1934.25</u>	<u>1105.99</u>		

* Included under Housing.

@ Includes a token provision of Rs. 50 Lakhs for Cooperative Sugar Mill.

योजना आयोग
राज्य योजना प्रभाग
....

विषय : वार्षिक योजना 1989-90 संघीय क्षेत्र दिल्ली ।

संघीय क्षेत्र दिल्ली को वार्षिक योजना 1989-90 के लिए श्री विरेन्द्र प्रकाश, सलाहकार राज्य योजना को रिपोर्ट को प्रति परिचालित को जातो है । यह रिपोर्ट, उपाध्यक्ष, योजना आयोग/योजना मंत्री और मुख्य कार्यकारी पार्सद, दिल्ली के बीच सोमवार, 30 जनवारी 1989 को सायं 3:00 बजे कमरा नं० 130, योजना भवन, नई दिल्ली में होने वाले विचार-विमर्श का आधार होगी ।

(15.1.1989) 313) 91/117

रम.सल. अग्रवाल

परामर्शदाता राज्य योजना

उपाध्यक्ष

राज्य मंत्री

सदस्य

सचिव

विशेष सचिव

सलाहकार

परामर्शदाता र.स.ई.स. / पो.पो.

संयुक्त सचिव राज्य योजना

प्रमुख विज्ञान

वित्त मन्त्रालय

श्री जे० सल० बजाज, संयुक्त सचिव र.स.बो.
आर्थिक कार्य विभाग

श्री जो. हल्लिदाग निदेशक पो.स.स.
व्यय विभाग चार प्रतिगं

गृह मन्त्रालय

श्री अशोक नाथ, संयुक्त सचिव संघ राज्य क्षेत्र
श्रीमति एस.स.त्रिभुजो,
उप सचिव वित्त

योजना आयोग परिपत्र संख्या पो.सो.पो. / 2/दिल्ली/88 दिनांक 27.1.1989

प्रति:

उपाध्यक्ष तथा योजना मंत्री के निजी सचिव

योजना राज्य मंत्री के निजी सचिव

प्रधान मंत्री के निजी सचिव

मीनिस्ट्रल के सचिव के निजी सचिव

प्रति इनको भो:

राज्य योजना प्रभाग के सभी संयुक्त सलाहकार,

उप सलाहकार, वरिष्ठ अनुसंधान अधिकारी/अनुसंधान अधिकारी ।

सूचना अधिकारी, योजना आयोग

प्रति:

सम्पर्क अधिकारी, दिल्ली प्रशासन, नई दिल्ली । 10 प्रतिगं

PLANNING COMMISSION
(State Plans Division)

Annual Plan 1989-90 - Delhi
Report of Shri Virendra Prakash, Adviser (SP)

Introduction

1.0 Delhi, being the Union Territory and also the capital of India, enjoys a very special status. It has witnessed a proliferation of offices, institutions and other private and public organisations which have contributed to tremendous growth in the urban development and related sectors. Business activities have also witnessed a similar growth making Delhi the biggest trade and distributive centre of Northern India.

1.1 The Union Territory of Delhi is spread over an area of 1483 sq. km. out of which 891 sq. km. are rural and 592 sq. km. are urban. According to 1981 census, urban area accounted for 93% of total population whereas only 7% population lived in rural area. As per 1981 census density of population in Delhi at 4194 persons per sq. km. was the highest in the country. It is estimated that in just 7 years, from 1981 to 1988, the compound growth rate of population in Delhi per annum is 4.05% which is almost double the national growth rate of population.

1.2 This rapid increase in population of Delhi is mainly because of heavy migration of people from other parts of the country. Generating vast opportunities of employment and income generation, the Capital of India holds magnetic attraction for the people not only from the surrounding hinterland but from all over the country. And the growth of population being faster than the growth of infrastructure, leading to a great burden on civic services and public utilities. In response to the requirement of the fast growing economic activity and population, Delhi urban areas are getting extended on all sides and the rural areas are getting urbanised rapidly.

Plan Perspective

2.0 Delhi, enjoys a very high per capita allocation of Plan funds. The per capita plan outlays of the Delhi Administration from the first plan onwards are as follows:

	(Rs.)	
	<u>Per Capita</u>	<u>Approved Outlay</u>
	<u>Delhi</u>	<u>All States/UTs.</u>
First Plan (1951-56)	35	26
Second Plan (1956-61)	72	54
Third Plan (1961-65)	283	88
Three Annual Plans (1966-69)	220	63
Fourth Plan (1969-74)	400	128
Fifth Plan (1974-79)	630	309
Sixth Plan (1980-85)	1183	683
Seventh Plan (1985-90)	2520	1054
Annual Plan (1985-86)	559	178
Annual Plan (1986-87)	648	213
Annual Plan (1987-88)	682	244
Annual Plan (1988-89)	676	258

../-

2.1 Delhi's Annual Plan outlay for 1988-89 was higher than that of several states including Jammu & Kashmir, Himachal Pradesh and Kerala; comparative figures are given below:

States	Population Estimate 1983 (in lakhs)	Approved Outlay (Rs. crores)	Per Capita Outlay (Rs.)
Himachal Pradesh	48.66	260.00	534
Jammu & Kashmir	69.95	450.00	643
Kerala	287.82	500.00	174
Delhi	82.51	558.00	676

Seventh Five
Year Plan
(1985-90)

3.0 As against the Sixth Plan outlay of Rs. 800 crores and actual expenditure of Rs. 1042 crores, the Seventh Plan outlay of Delhi was fixed at Rs. 2000 crores. In addition, a provision of Rs. 280 crores was made for Gas Turbines and Rajghat Replacement Project in the Power Sector. The outlay approved for the Seventh Plan of the Delhi Administration, was to be financed as under:

	(Rs. crores)
I. Territory's own Resources	
1. A.R.M.	819.14
2. Share of Small Savings	
3. Carry forward Surplus/Deficit	345.86
<u>Total : I</u>	<u>1165.00</u>
II. Central assistance	835.00
Aggregate Resources	<u>2000.00</u>
Special Central assistance for power i.e. Gas Turbines & Rajghat Replacement + 280.00	

3.1 In the sectorwise allocations of the Seventh Plan outlay, highest priority was accorded to the Social Services Sectors which accounted for 59.48% of the total outlay, followed by Energy sector, percentage of outlay being 18.43 and Transport sector - 13.23

Progress of
Expenditure -
Annual Plans
1985-89.

4.0 The level of approved outlay together with the actual expenditure incurred during the four Annual Plans period is indicated below:

	Approved Outlay	Expenditure	Increase(+)/Decrease(-) over approved outlay
	(Rs. crores)		
1985-86	410.00 X	400.92	(-) 9.08
1986-87	495.00 X	497.32	(+) 2.32
1987-88	541.34 X	538.55	(-) 2.79
1988-89	558.00 X	558.00 (Anti.)	

X Including assistance for Gas Turbines & Rajghat Replacement (Rs. 75.00 crores for 1985-86, Rs. 95.00 crores for 1986-87, Rs. 71.34 crores for 1987-88 and Rs. 48 crores for 1988-89).

4.1 Taking into account the actual expenditure for 1985-88 and approved outlay for 1988-89, the total expenditure for the first four

years of the plan is anticipated to be Rs. 1994.79 crores leaving only Rs. 285.21 crores out of the Seventh Plan outlay of Rs. 2280 crores including Rs. 280 crores Special Central Assistance for Power i.e., Gas Turbines and Rajghat Replacement which implies the expenditure during the 4 years are much more higher than it was anticipated at the time of formulation of the Seventh Plan.

Annual Plan
1988-89

5.0 The Annual Plan 1988-89 of Delhi Administration was approved at Rs. 558.00 crores (including Rs. 48 crores Special Central Assistance in respect of Rajghat Power replacement and Gas Turbine in the Power sector). The total anticipated expenditure as reported by Delhi Administration for the current year 1988-89 is at the level approved by the Planning Commission. However, certain intersectoral changes have been affected. The major shortfalls have occurred under Energy sector, Industry & Minerals and increases under Irrigation & Flood control, Transport and Social & Community Services.

Annual Plan
1989-90

6.0 The Annual Plan proposals excluding Special Central assistance for Power projects for 1989-90 as submitted by the Delhi Administration, aggregate to Rs. 729.25 crores reflecting an increase of 42.99% over the approved outlay of Rs. 510.00 crores for the Annual Plan 1988-89. The provision of SCA requested for power projects is Rs. 26.00 crores as against Rs. 48.00 crores in the current year. It may be noted that in respect of all the major heads of development, substantially higher outlays have been proposed.

6.1 The proposals made by Delhi Administration for their Annual Plan 1989-90 were discussed in the Working Group meetings on 12.1.1989 as also in the wrap-up discussion convened subsequently by the Adviser (State Plans) on 16.1.1989 and 17.1.1989. The recommendations made by the working groups for the Annual Plan 1989-90 of Delhi total up to Rs. 636.62 crores comprising Rs. 609.32 crores under Category A and Rs. 27.30 crores under Category B.

6.2 The break-up of the proposed outlay for the Annual Plan 1989-90 by broad heads of development together with the Seventh Plan outlay, actual/anticipated expenditure incurred during the years 1985-89, is given in the table on the next page:-

../-

Major Head	(Rs. Lakhs)								
	Seventh Plan 1985-90 Agreed Outlay	Actual Expenditure 1985-86	Actual Expenditure 1986-87	Actual Expenditure 1987-88	1988-89 Approved Outlay	1988-89 Anticipated Expenditure	1989-90 Proposed Outlay	Recommended by Working Group Cat. A	Recommended by Working Group Cat. B
I. Agriculture & Allied Activities	2513	200.40	286.95	462.43	395	441.48	824.60	619.18	-
II. Rural Development	466	59.49	74.81	117.25	120	116.00	123.00	99.00	-
III. Special Area Programmes	-	-	-	-	-	-	-	-	-
IV. Irrigation & Flood Control	6927	989.46	1007.84	903.80	976	1173.00	2147.00	1133.00	-
V. Energy	36855	14117.57	18215.00	17598.65	18200	17215.00	21353.00	17600.00	-
VI. INDUSTRY & Minerals	6360	1274.10	1239.88	1455.37	800	622.27	870.00	870.00	-
VII. Transport	26465	5229.51	6755.55	7970.31	8005	8265.07	12300.00	9025.07	-
VIII. Communications	-	-	-	-	-	-	-	-	-
IX. Science, Technology & Environment	178	4.61	31.07	26.03	41.00	42.73	96.00	85.00	-
X. General Economic Services	983	148.87	106.39	138.92	184	147.97	344.40	172.10	-
XI. Social Services	118968	17737.00	21590.42	24780.81	26385	27255.49	36555.15	30615.34	2730.00
XII. General Services	285	331.16	425.75	401.83	694	515.99	912.00	714.00	-
Grand Total :	200000	40092.17	49731.66	53855.40	55800	55800.00	75525.15	60932.62	2730.00

Resources for the Annual Plan-1988-89

7.0 The Annual Plan 1988-89 of Delhi Administration was approved at Rs. 558.00 crores to be financed as under :

	(Rs. crores)
I. Territory's Own Resources	
1. Share in Small Savings	104.36
2. Carry forward Surplus	5.55
3. Additional Resource Mobilisation:	
i) Yield from 1985-86 to 1987-88 measures	104.41
ii) Fresh ARM in 1988-89	-
Total - I	214.32
II. Central Assistance for Normal Plan	295.68
Aggregate Resources	510.00
III. Additional Central assistance for Rajghat replacement and Gas turbines in Power Sector	48.00
Total: I + II + III	558.00

../-

7.1 The latest estimates show that after financing the approved plan outlay for 1988-89, the Administration will have a surplus of Rs. 36.10 crores which has been carried forward to 1989-90.

Resources for the Annual Plan 1989-90

8.0 The resources in sight as worked out by the Financial Resources Division of the Planning Commission in detailed consultation with the concerned officers of Delhi Administration and Central Government come to Rs. 342.82 crores. This includes fresh ARM of Rs. 27.44 crores in 1989-90 from revision of property tax. Taking into account Territory's own resources on the one hand and additional non-plan expenditure required to be provided by the Centre on the other, the U.T.'s next year's normal plan would be around Rs. 535.00 crores (excluding Special Central Assistance for Power).

Subject

8.1 According to the information furnished by the DESU, due to cost escalation, the revised cost of the Rajghat replacement project and Gas Turbines will be Rs. 317.79 crores as against the original cost of Rs. 251.43 crores. The increase is entirely on account of Rajghat replacement project. But as the provision in the first four years of the Plan have been already Rs. 289.34 crores, the balance of Rs. 28.45 crores may have to be provided over and above the normal plan outlay ~~to~~ Working Group recommendation. The working Group has recommended Rs. 24 crores (Rs. 2 crores for Gas Turbine and Rs. 22 crores for Rajghat) as against the proposed outlay of Rs. 26 crores. Thus the resource in sight for the Annual Plan 1989-90 aggregate to Rs. 559.00 crores including Rs. 24 crores as recommended by the working Group as Special Central Assistance for Power Project.

Sectoral Programme

9. Some of the main sectoral highlights are discussed in the paragraphs below.

Agriculture & Allied Activities

10.0 Outlays proposed by Administration and recommended by the Working Group for the Annual Plan 1989-90, as compared to the current year's approved outlay are as under :

1988-89	(Rs. lakhs)	
	1989-90	
Approved	Proposed	Recommended
395.00	824.60	619.18

10.1 The high step-up in the proposed outlay as compared to the approved outlay of 1988-89 is mainly due to some new schemes proposed for floriculture production and horticulture development as also beautification schemes under crop Husbandry as well as Urban Horticulture, committed expenditure including enhanced salaries of staff under Animal Husbandry, establishment of a third Dairy in Delhi in the beginning of the 8th Plan, etc. Under Crop husbandry, outlays proposed for new schemes of Rs. 15 lakhs for NDMC, Rs. 10 lakhs for tree plantation, Rs. 5 lakhs for mechanisation of tree washing and Rs. 30 lakhs for new scheme of development of community parks and gardens by Development Department of Delhi Administration, have been supported by the Working Group. However, reduction in outlays in animal husbandry for shifting of new dairy colonies, in agricultural marketing have been recommended. Proposed outlay for soil conservation, fisheries and cooperation heads of development were supported in full.

Irrigation &
Command Area
Development

11.0 The proposed Plan provision for 1989-90 for flood control and irrigation sector for Delhi is Rs. 21.47 crores. against the current year approved outlay of Rs. 9.76 crores. The Working Group has cut down the proposal by 50 percent recommending Rs. 10.20 crores for flood control against proposal of Rs. 20.27 crores and Rs. 1.13 crores against the proposal of Rs. 1.20 crores for minor irrigation. Thus in all, the Working Group recommended Rs. 11.33 crores.

11.0 The expenditure on supplementary drain has been more than double the approved outlay for the same for 1988-89.

11.2 In minor irrigation, Rs. 20 lakhs proposed for completing the balance work of 50 tubewells for free supply of water to small and marginal scheduled caste farmers, were agreed to by the Working Group with a suggestion to Administration to take care of the operation and maintenance from Non-Plan.

Forestry

11.3 Delhi's forest area works out to 2.8% of the total geographical area. Against Rs. 210 lakhs 7th Plan approved outlay for forests, the expenditure would be about Rs. 297 lakhs by 1988-89. Thus the approved outlay has already been exceeded. An outlay of Rs. 125 lakhs has been recommended against Rs. 217.67 lakhs proposed schemes are as follows:-

- 1) Plantation of trees - Proposals were made for construction of sheds and provision for staff. It was suggested to UT Admn. that it should prepare comprehensive project report for taking up afforestation work and project the staff requirement accordingly.
- 2) Strengthening of Wildlife Sector - Number of new posts ^{proposed} under this scheme is very high. New creation should be minimum.
Sanctuary
- 3) Creation of Bird-cum-Wildlife - Outlay proposed under this scheme has been reduced substantially as no details of works being carried out was given. Report of monitoring of various activities requires to be presented.
- 4) Direction and Administration - This is a new staff oriented scheme under which 122 new posts have been proposed for 1989-90. Such a large number of new posts in the terminal year of the plan was not agreed to. Rs. 5 lakhs have been agreed to.
- 5) Training School for Forest Guards - According to the U.T.'s official, this scheme may be deferred in view of non-availability of trained manpower.

11.1 A comprehensive project report highlighting various programmes to be taken vis-a-vis staff requirement requires to be formulated and activities may also have to be phased out in light of resource availability, etc.

Power

12.0 The outlay proposed and recommended for 1989-90 as compared to the approved outlay of the current year is as under:

<u>1988-89</u> Approved	<u>1989-90</u>	
	Proposed	Recommended
181.50	211.33	175.00

(Rs. crores)

The physical progress is shown in the table below:

Name of Schemes	<u>Addition to Installed capacity (MW)</u>					Total 7th Plan Anticipated
	7th Plan Target	1985- 1988 Actual	1988-89 Target	1989-90 Anti. Likely	1989-90 Likely	
1. Gas Turbines (6x30 MW)	180	180	-	-	-	180
2. Rajghat Replace- ment (2x67.5 MW)	135	-	67.5	67.5	67.5	135
Total	<u>315</u>	<u>180</u>	<u>67.5</u>	<u>67.5</u>	<u>67.5</u>	<u>315</u>

12.1 It was observed that the cost estimates of on-going generation projects and major transmission works had risen considerably compared to the approved estimates. The updated cost estimates had not been processed for necessary approval of PIB/Cabinet.

The Status of major schemes is discussed below:

1) Gas Turbine Project (6x30 MW)

The approved cost of the Project of Rs. 78.00 crores (without customs duty) was indicated to be rising to Rs. 92.00 crores. It was noted that an expenditure of Rs. 87.25 crores had been incurred by 3/88, an excess of Rs. 9.25 crores over the approved cost. In addition the project authorities assessed a requirement of Rs. 4 crores over next two years. DESU authorities agreed to furnish the revised estimates for necessary approvals.

All the six units of this project were commissioned in 1986-87. The turbine combustion chambers would be modified to utilize natural gas in place of HSD/NAPHTHA. It was observed that the pipeline being laid by GAIL for feeding natural gas was expected to be ready by April 1989 and the DESU's modification works should have been completed by then. There has been considerable delay in placing orders for necessary equipments for modification works which will lead to a time lag in utilizing the gas.

It was reported by DESU that the modification works would be ready by August, 1989. It was also stated that GAIL's terminal would be ready only by June '89 for supplying the gas. An expenditure of Rs. 200 lakhs was anticipated for 1988-89 to cover orders placement for the equipments for modification in turbine combustion chamber. An outlay of Rs. 200 lakhs was recommended for 1989-90 for the balance payments and completion of all works.

ii) Rajghat Replacement - 2x67.5 MW

The scheme was cleared by PIB in 12/84 and subsequently approved by the Cabinet for Rs. 159.43 crores. The DESU authorities indicated that the latest cost was Rs. 225.79 crores. It was stated that the latest cost did not include gas firing system as the same was not accepted by CEA. DESU authorities agreed that the DPR based on latest cost estimates would be furnished to CEA and other agencies and processed for necessary appraisal & approval.

The 1st unit which was scheduled to be commissioned in 11/88 would slip to 2/89. 2nd Unit would follow in 6/89. The approved outlay for 1988-89 of Rs. 45 crores was anticipated to be fully utilised. A requirement of Rs. 22 crores was assessed for 1989-90 comprising Rs. 19 crores for the scope of works under BHEL and Rs. 3 crores covered under DESU scope.

iii) Waste Heat Recovery Unit (3x30 MW)

The scheme was techno-economically cleared by CEA in November 1987 for Rs. 76.92 crores, as well as it got the environmental clearance; but was yet to be processed for Cabinet approval. During 1988-89, only preliminary works had commenced. An outlay of Rs. 10 crores was recommended for 1989-90 to cover advance payments towards equipment and other works subject to approval of the scheme by Cabinet.

iv) Transmission & Distribution

The following main works were scheduled to be completed during 1988-89:

- (i) Augmentation of 75 MVA Transformer to 100 MVA at I.P. Station (since completed).
- (ii) 220 KV line from Badarpur to Okhla (12 Ckt. Km.)
- (iii) 220 KV line from I.P. Station to Rajghat (4 Ckt. Km.)
- (iv) Augmentation of second transformer at I.P. Station.

12.2 An outlay of Rs. 61.5 crores was proposed for transmission works which includes 220 KV works relating to underground cable from I.P. Station to Park Street & associated sub-station. The underground cable works which were approved for Rs. 12 crores were now estimated to cost Rs. 42 crores. The updated cost estimates would need PIB/Cabinet approval, which the DESU authorities have agreed to process expeditiously. The other major works to be implemented during 1989-90 related to 400 KV level. DESU authorities ensured that the associated works to carry power from Mandaula sub-station of NTPC to Delhi System would be completed matching with the availability of Rihand power at Mandaula. Also the necessary 220 KV 3rd circuit between Moradnagar and Patpar Ganj would be implemented to enable smooth flow of power from U.P. to Delhi during summer of 1989. The proposed outlay of Rs. 61.5 crores for transmission works and Rs. 61 crores for distribution, system improvement and installation of shunt capacitors was agreed.

12.3 Two important points were suggested by the Working Group for action;

- 1) The updated cost estimates should be furnished to CEA/DOP/PC for appraisal and approval.
- 2) Immediate action should be taken to complete the modification works for receiving the gas.

Industry
&
Minerals

Large & Medium Industries

13.0 Delhi has emerged as an important industrial city. The number of industrial units has gone up from 8000 in 1950-51 to about 73000 in 1988-89. The total capital investment in these industries is about Rs.1420 crores with production of about Rs.3850 crores. Around 6.57 lakh persons are employed in these industries. All these industrial development in Delhi has been achieved in spite of a number of constraints on resources such as land, water, power etc. The industrial units are predominantly small scale units.

13.1 The Delhi State Industrial Development Corporation (DSIDC) has been set up to serve the small scale industries by providing them the necessary help, guidance, indigenous controlled raw materials like Iron and Steel, Non-ferrous metals, Palm Fatty Acid and Soda Ash etc.; development of infrastructural facilities by setting up worksheds for entrepreneurs; providing marketing facilities to the industries and also helping export units for which it has opened a Trade Centre.

13.2 The Seventh Plan of the Union Territory of Delhi has laid emphasis on (i) modernisation and technology upgradation, (ii) quality control,

...../-

(iii) development of infrastructure in the form of industrial estates/flatted factories, (iv) promotion of electronics and high tech.-industries, plastics, light engineering, garments, handloom, handicrafts, leather industries etc., (v) export promotion, (vi) removal of industrial sickness, (vii) pollution control and (viii) generation of self-employment.

13.3 An outlay of Rs.135 lakhs has been recommended by the Working Group as against the proposed outlay of Rs.126 lakhs. The current year approved outlay was Rs.96 lakhs. The schemewise break-up is as under :

	(Rs.in lakhs)		
	1988-89 Approved Outlay	1989-90 Proposed	1989-90 Recommended by Working Group
1.Share Capital to Delhi Financial Corporation	75.00	100.00	115.00
2.Joint Venture DSIDC	1.00	-	-
3.Weights & Measures	20.00	26.00	20.00
<u>Total</u>	<u>96.00</u>	<u>126.00</u>	<u>137.00</u>

The Working Group has recommended an additional outlay of Rs.15 lakhs on the suggestion of the IDBI representative for development of fresh entrepreneurship during 1989-90. This will be used as equity, alongwith the matching contribution of Rs.15 lakhs from IDBI.

Village & Small Industries

13.4 With the actual expenditure of Rs.3964.81 lakhs during the first four years of the Seventh Plan, the utilisation out of the Seventh Plan outlay of Rs.5160 lakhs would be 77%. The outlay proposed for the Annual Plan 1989-90 is Rs.744 lakhs against which the Working Group has recommended Rs.735 lakhs. The current year's approved outlay is Rs.704 lakhs against which the Delhi Administration has reported anticipated expenditure of Rs.509.27 lakhs. The schemewise break-up is as under :-

...../-

(Rs. in lakhs)

	1988-89	1989-90	
	Approved Outlay	Proposed	Recommended by Working Group
1. Small Scale Industries	317.25	396.10	402.10
2. Industrial Estates	267.70	220.50	220.50
3. Khadi & Village Industries	40.07	65.00	50.00
4. Handloom Industries	69.75	52.40	52.40
5. Handicrafts	<u>10.00</u>	<u>10.00</u>	<u>10.00</u>
<u>Total</u>	<u>704.00</u>	<u>744.00</u>	<u>735.00</u>

13.5 The main recommendations of the Working Group are as follows :-

- 1) The administration should concentrate on the existing industrial estates and incur expenditure on the schemes going to be completed. Commitment on new industrial estates be discouraged.
- 2) The proposed expansion in technical staff under KVI was suggested to be considered in the light of growth of industries in the Territory and influx of labour force in the Capital.

Transport

14.0 The outlay proposed and recommended for the Annual Plan 1989-90 as against the current year approved outlay is given below.

(Rs. crores)

	1988-89	1989-90	
	Approved Outlay	Proposed	Recommended by Working Group
Roads & Bridges	72.50	113.54	82.00
Road Transport	7.55	9.46	8.25
Tourism	0.95	2.00	0.67
<u>Total :</u>	<u>81.00</u>	<u>125.00</u>	<u>90.92</u>

...../-

The major issues are discussed below.

Roads & Bridges

1. Multiple agencies are working under Roads & Bridges works. Integration and coordination of work is required.
2. Large number of spill over works are continuing from Sixth Plan onwards. More than sixty per cent of the proposed outlay is for continuing schemes. The completion of spill over works should be accorded the highest priority. No new schemes have been supported for 1989-90 Plan.
3. There are 8 new schemes in PWD Plan which are outside the Seventh Plan of the proposed outlay of Rs.7.81 crores for these schemes, Rs.4.50 crores has been proposed for construction of arterial roads from the new colony in Papankalan being developed by DDA. It was suggested that the requirement on this account be included in the total project cost of the colony. In any case, there is need to dovetail the construction of these roads to the development of the colony. Hence no outlay was recommended by the Working Group.
4. The proposal of 10 new pedestrian subways at a cost of Rs.2 crores have been considered and the Working Group recommended a provision of Rs.80 lakhs for the first phase in 1989-90.
5. There was need for technological upgradation of the road construction method. For this DDA was asked to furnish a paper in this regard.
6. Against the maintenance requirement of Rs.37 crores, only Rs.27 crores are available. Thus there is a need for allocating additional funds for the proper maintenance of assets.
7. In the year 1989-90, the NDMC anticipate to get Rs.50 lakhs from Delhi Administration on reimbursement account of the underground car parking complex constructed by NDMC. With regard to this, necessary provision would need to be made in the Plan of Delhi Administration and not in the roads plan of NDMC.

Road Transport

1. For the inspection of vehicles, the Directorate of Road Transport should increase the inspection fee sufficiently so that it becomes a self-remunerative scheme.

...../-

2. For technical upgradation in the Transport Sector, suitable computer system should be augmented.
3. The proposal of Delhi Administration to set up an Institute for conducting studies did not find favour.
4. Mass Transit System was recognised for ever growing traffic. Project reports are awaited.
5. Expenditure on expansion of staff was discouraged.

Tourism

1. There is multiplicity of organisations handling tourism activities. Pooling of resources of different agencies is essential for the proper development and maintenance of tourist places. Department of Tourism, Delhi Administration agreed to furnish a background paper on this issue which is awaited.
2. After incurring continuous losses till 1986-87 (cum. losses Rs.82 lakhs), the DTDC has earned a profit of Rs.38 lakhs in 1987-88 which is likely to increase to Rs.60 lakhs in 1988-89.
3. Private Sector should be encouraged to invest in tourism and the Administration should prepare a Master Plan for Tourism.

Non-Conventional Sources of Energy

15.0 Against the agreed Seventh Plan outlay of Rs. 425 lakhs, the anticipated expenditure during the first four years of the plan is Rs. 499 lakhs. An outlay of Rs. 220 lakhs has been proposed for 1989-90 against the approved outlay of Rs. 50 lakhs for 1988-89. An outlay of Rs. 100 lakhs has been recommended. An additional outlay of Rs. 350 lakhs was proposed for ... augmentation of the Battery Powered Buses' fleet. A brief description on each programme is given below:

1. Integrated Urban Energy Programme :

The programme consists of providing subsidy for solar cookers, domestic & institutional solar water heating systems and R&D and demonstration of these devices. The provision during the current year is Rs. 39 lakhs. For 1989-90, there is no step up in the physical programme in respect of solar cookers and domestic water heating systems. However, the programme on industrial/institutional water

heating systems has been proposed to be stepped up from 50,000 lpd to 2,00,000 lpd. The demonstration programme on solar P.V. power and wind energy has not been supported. An outlay of Rs. 45 lakhs is recommended against the proposed outlay of Rs. 67.50 lakhs. The staff under the programme has been proposed to be increased which has not been agreed to in view of the physical programme being at the current year level.

2. Battery Bus Programme

There are 85 buses with DEDA, 55 of them are under operation on an average. 10 of these buses are new and yet to be put under operation. The operation of these buses results in losses which are proposed to be covered from plan funds. In addition funds are required for modification of buses and replacement of batteries. It may be noted that the losses are exclusive of depreciation. Thus, in addition to commercial losses and replacement of batteries plan funds will be required for replacement of buses at later stages. Thus, the programme is not economically viable and is being justified on the basis of reduction in air and noise pollution. Besides commercial losses, there are technical problems which need to be resolved and DNES has been requested to carry out a study on these aspects. Therefore, the additional proposed outlay of Rs. 3.5 crores for augmentation of the fleet is not recommended. An outlay of Rs. 45 lakhs is recommended against the proposed outlay of Rs. 107 lakhs. Rs. 10 lakhs has been recommended by the Working - Group for maintenance and Rs. 35 lakhs for replacement of batteries of the existing buses.

3. Sanitary Land Fill Programme

In addition to the Timarpur project, 3 new projects at Sanjay Gandhi Transport Nagar, Nizamuddin and Gopalpur village have been proposed. Rs. 10 lakhs have been proposed for research study for these projects which is supported. Pending report of the research study and preparation and examination of the feasibility report, no outlay is recommended by the Working Group for implementing the programme.

4. Synpyrol Project

No feasibility report on the project is available. Pending this report, no outlay is recommended.

15.1 The proposed and recommended outlays are given below:

(Rs. lakhs)

Sl. No.	Programme	1988-89	1989-90	
		Approved Outlay	Proposed Outlay	Recommended Outlay
1.	Integrated Urban Energy Programme	39.00	57.50	45.00
2.	Battery Buses Programme	10.00	107.00 (+350.00)	45.00
3.	Sanitary Land Fill	0.50	23.50	10.00
4.	Synpyrol Project	0.50	22.00	-
	Total :	50.00	220.00 (+350.00)	100.00

Integrated Rural Energy Programme

16.0 An outlay of Rs. 65 lakhs has been recommended against the proposed outlay of Rs. 85.70 lakhs. The approved outlay for 1988-89 is Rs. 100 lakhs. The break-up of the recommended outlay is as under :

(Rs. lakhs)

i) IREP Programme (for implementation in 5 Blocks)	42.00
ii) State Level IREP Calls	3.00
iii) Training Centre	20.00
Total :	65.00

16.1 While reviewing the progress of the programme Adviser (RE) observed that programme is not being implemented as per guidelines of Planning Commission. The programme should be implemented taking a block as a unit of implementation, adopting the concept of decentralised micro level planning. The block-wise target should be fixed on the basis of energy survey of the block and not on adhoc basis. The IREP cells at State and Block level should be manned with professional staff as per guidelines of Planning Commission under Centrally Sponsored IREP Scheme.

Science, Technology & Environment

17.0 Against the agreed Seventh Plan outlay of Rs. 178 lakhs, the anticipated expenditure during the first four years of the plan is Rs. 104.44 lakhs. For the Annual Plan 1989-90, the Delhi Administration proposed Rs. 96 lakhs against which an outlay of Rs. 85 lakhs has been recommended; comprising of Rs. 15 lakhs for Scientific Research and Rs. 70 lakhs for Ecology and Environment. The various programmes under Science & Technology include: the creation of posts, office equipments, purchase of vehicles, organisation of seminars, publicity literature and TA/DA to non-official members of different committees constituted by Delhi Administration.

Education

18.0 A provision of Rs. 69.45 crores (Rs. 61.65 crores in Category A and Rs. 7.80 crores in Category B) has been recommended by the Working Group for 1989-90 as against the proposed outlay of Rs. 73.25 crores and the approved outlay for the current year of Rs. 53.60 crores. The break-up is as under:

Sub-head	(Rs. crores)			
	1988-89	1989-90		
	Approved Outlay	Proposed by State	Recommended by Working Group	
			Cat.A	Cat.B
General Education	40.80	56.00	45.37	5.10
Technical Education	8.50	10.00	11.55	1.70
Sports & Youth Services	1.30	2.25	1.18	1.00
Art & culture	3.00	5.00	3.55	-
<u>Total</u>	<u>53.60</u>	<u>73.25</u>	<u>61.65</u>	<u>7.80</u>

18.1 In addition to the proposal of Rs. 73.25 crores supplementary proposals of Rs. 5.42 crores were presented at the time of Working Group meeting. The additional outlays were recommended only on priority programmes where increase in the outlay over the current year provision was inescapable. The Working Group thus considered approved outlays of 1988-89 for recommending provision for 1989-90. It needs also to be pointed out that the proposed outlay for capital works has been substantially stepped-up which needs to be moderated to concentrate on completion of on-going construction works in 1989-90.

18.2 Under Elementary Education, physical targets were increased to 50 thousand additional children in classes I-VIII for 1989-90 as against 37 thousand proposed by Delhi Administration, under University Education, the Working Group suggested that instead of further expansion by way of the opening of new colleges, the existing facilities under correspondence courses of Delhi University and Indira Gandhi National Open University may be availed of. With regard to Adult Education, the target coverage of 1.40 lakh persons as proposed by the Administration was raised by the Working Group to 1.50 lakh persons. With regard to appointment of non-teaching staff, the Working Group did not accept the proposed 500 posts of superintendents.

Health

19.0 An outlay of Rs. 6731.15 lakh including the Capital outlay of Rs. 1823.72 lakh was proposed for 1989-90 for Medical and Public Health. The Working Group has recommended an outlay of Rs. 4800.00 lakhs including capital component of Rs. 1186.00 lakhs in Category A for 1989-90 and another Rs. 700.00 lakhs under Category B if resources permit. The current year outlay was approved at Rs. 4300.00 lakhs.

19.1 It can be noted here that during the first three years of the Seventh Plan, the Union Territory of Delhi have incurred an actual expenditure of Rs. 105.39 crores and an anticipated expenditure of Rs. 45.33 crores in 1988-89 against the Seventh Plan approved outlay of Rs. 180.86 crores. This leaves a balance of Rs. 30.14 crores on nominal terms for remaining one year of 1989-90.

19.2 The following observations, suggestions were made during recommendation of the 1989-90 outlays.

- 1) Due to the overall resource constraint, it was advised that no new project or no new construction should be taken up in the last year of the Seventh Plan. The funds of the on-going projects should be spent very economically.
- 2) The proposal for 75 Mobile Dispensaries was not appreciated by the Working Group. But keeping in view the urgency as explained by the Delhi Administration, establishment of only 10 Mobile Dispensaries was recommended which are ultimately likely to be replaced by permanent infrastructure.
- 3) Opening of any new medical college under any system during the Seventh Plan was discouraged.
- 4) The P. Falciparum incidence has increased by 22.22% up to November, 1988 as compared to corresponding period of last year.
- 5) No problem of chloroquine drug resistance exist in Delhi. The incidence has increased by 2.86% in 1988 as compared to the corresponding period of 1987. Spray coverage is only 69.03% during 1987.
- 6) The target proposed for 1989-90 in respect of New T.B. case detection and conduction of sputum Examination in PHCs are 43500 and 1200 respectively. The estimated T.B. cases in the Union Territory of Delhi are 0.93 lakhs and estimated sputum positive are 0.25 lakhs.

-/-

Water Supply & Sanitation

20.0 The provision recommended by the Working Group for Water Supply and Sanitation for Delhi's Annual Plan of 1989-90, together with the proposed outlay of 1989-90 and approved outlay of 1988-89 is given below:

		(Rs. crores)	
1988-89	1989-90	Proposed	Recommended by Working Group
Approved		Cat.A	Cat.B
71.27	89.40	86.90	2.50

20.1 409 MGD is being provided to present population of 82 lakhs, i.e. service level is about 50 gpd. During 1988-89, it is envisaged to add additional capacity of about 31 MGD, i.e. by the end of the current year, total supply will be about 440 MGD. Level of service will increase to 52 gpd. During 1989-90, additional 40 MGD will be added thereby at the end of the Seventh Plan total supply of drinking water in Delhi will be about 480 MGD.

20.2 In Delhi unaccounted water/water not billed is about 30% at present. These high order of losses require to be cut down through strict supervision and control.

20.3 The Delhi Administration was also requested to take immediate action to enhance water tariff to meet the accumulated repayment liability to the Government. With regard to conservation of water, the on-going scheme of 'recycling' of waste water for horticulture purposes and the scheme for exchange of treated effluent with raw water with the Government of Haryana which has been technically cleared by the Ministry of Urban Development, require to be expedited.

20.4 The present installed capacity for sewerage treatment in Delhi is 184 MGD. Works are in hand for augmenting capacity to 256 MGD by March, 1989. It is proposed to achieve the target of 306 MGD by the end of Seventh Plan. Necessary works are in progress in this regard. Efforts should be made to achieve the target.

Housing and Urban Development

21.0 The outlay recommended by the Working Group for 1989-90 as against the proposal made by the Delhi Administration together with the approved outlay of the current year is given below :-

(Rs. crores)

	1988-89 Approved	1989-90 Proposed	Recommended by Working Group	
			Cat. 'A'	Cat. 'B'
Housing	21.00	30.58	30.41	-
Urban Development	62.00	89.90	64.88	10.00

21.1 The Delhi Administration have been implementing a few major schemes under housing, urban development and public works without getting the requisite clearance. Since the schemes are being financed from central grants, EFC clearances are absolutely essential. Therefore, the outlays recommended for the unapproved schemes without proper clearances would be shown in lump sum and they should be utilised only after the approval and sanction of the competent authority are secured.

21.2 Under Housing, the working Group agreed to recommend most of the outlays proposed after rounding-off the figures. In police housing a substantial step up was accepted in view of the current very low level of satisfaction.

21.3 A step up for share capital contribution to Delhi Cooperative Housing Finance Society (DCHFS) was agreed to. Keeping in view the shortage of institutional resources as well as the good work that this institution was doing in providing finance to housing societies. It was stressed that the DCHFS should raise for more of institutional finance as to mobilize and provide maximum level of finance to these societies. The debt-equity ratio at 6:1 was too low, compared to the permissible 12:1.

21.4 In the housing sector, the proposed outlay for NDMC staff quarters, night shelters, and horticultural works and work space for informal traders/hawkers were agreed to.

21.5 Delhi Admn. would be utilising Rs. 222.58 crores in the first four years against Seventh Plan provision of Rs. 197.70 crores for the Urban Development sector and has proposed Rs. 89.90 crores for 1989-90. Last year, Adviser (SF) chairing the Working Group on Housing and Urban Development emphasised the need to implement the programmes after securing technical, administrative and EFC clearances. Even though the Seventh Plan has been in operation for almost 4 years and a specific stipulation was made last year, the Admn. has been implementing the schemes without appropriate clearance till now. The schemes which are being implemented by Delhi Admn. through Delhi

Urban Development

Development Authority and MCD without obtaining requisite clearances are :-

- (a) development of urban villages,
- (b) development of regularised unauthorised colonies,
- (c) additional facilities in re-settlement colonies,
- (d) re-development of Shahajahanbad and
- (e) self-help housing for EWS and development of plots.

In respect of the schemes at (d) and (e) above the Admn. could not incur any expenditure. It also came to light during Working Group discussion that two major schemes under Public works, namely (a) MSD building at T.P. Estate (estimated cost Rs. 19 crores) and (b) NDMC City Centre (estimated cost Rs. 25 crores) did not have requisite clearance.

21.6*

21.7 On the scheme of environmental improvement of Jhuggi clusters, the Admn. has been spending heavy amounts for years, therefore the proposed outlay has been recommended subject to the condition that necessary clearances should be obtained from the Ministry.

21.8 Regarding the centrally sponsored urban basic services programme which is funded by the Central Govt., UNICEF, and the U.T. Admn. in the ratio of 20 : 40 : 40, the Ministry of Urban Development indicated that funds of the order of Rs. 6.70 lakhs for 1989-90 would be available as Central share. An outlay of Rs. 23 lakhs was recommended by the Working Group on the assumption that funds of the order of Rs. 20 lakhs would be available from UNICEF.

Jails

22.0 The progress of jail works has been observed to be very slow. Against the current year outlay of Rs. 190 lakhs for jail works, the anticipated expenditure is only around Rs. 65 lakhs. After considering the pace of work, the Working Group has recommended a sum of Rs. 100 lakhs against the proposed outlay of Rs. 233 lakhs.

-/-

21.6* In the Urban Development Sector, the proposed outlay for environmental improvement of urban slums were agreed to by the Working Group. For re-development of Shahajahanbad and for self-help housing for EWS the Working Group agreed to keep a lump-sum provision on the Administration's insistence with the condition that money would be spent only after receipt of clearance.

Welfare of
SC, ST and OBC

23.0 The Working Group has recommended an outlay of Rs. 275 lakhs for 1989-90 against the Administration's proposal of Rs. 355 lakhs and the current year (1988-89) approved outlay is Rs. 260 lakhs. It was observed by the Working Group that the low occupancy rate in girls hostel in Kirti Nagar still persists. The Delhi Administration is not availing the benefits under Centrally sponsored schemes such as Pre-matric Scholarships, Girls Hostel, PCR Act and Book Bank. They are advised to approach the Ministry with appropriate proposals in this regard.

Special Compon-
ent Plan for
Scheduled Caste

24.0 An outlay of Rs. 38.29 crores has been proposed as flow of funds for SCP out of the total proposed outlay of Rs. 755.25 crores which is about 5% of the proposed outlay. As compared to Scheduled Caste population of 18%, it is considered low and need to be stepped up.

SIMMING UP

A. Proposals and Working Group Recommendations

25.0 Delhi's development plan for the current year has an approved outlay of Rs. 558 crores comprising Rs. 510 crores of normal plan outlay and Rs. 48 crores for Rajghat Replacement and Gas Turbine Projects in the Power sector. For the coming year, the Administration has come up with proposals aggregating to Rs. 729.25 crores reflecting an increase of 43% over Rs. 510 crores in the current year. The recommendations of the Working Groups add up to Rs. 636.63 crores including Rs. 27.30 crores under Category 'B' i.e. subject to availability of resources. As regards additional Central Assistance for power projects of Delhi, a sum of Rs. 26 crores has been requested for 1989-90 as against Rs. 48 crores for the current year. The Working Group has recommended a provision of Rs. 24 crores; with this, these projects would be completed and no further Central Assistance would need to be provided for them in the coming years.

25.1 While the step-up of 43%, as requested by Delhi Administration, is abnormal, it is indicative of the massive perceived needs of the Union Territory for various services and amenities and for maintaining the quality of life and standard of civic services befitting the Capital city. There does not seem to be any way of finding this order of resources by the Centre to fund such a large development plan for the Union Territory. Clearly, there is need for a massive effort at resource mobilisation by Delhi Administration including the local bodies under it. Given that the per-capita income in the Union Territory is the highest in the country and economic activity appears to be booming, the untapped potential of Delhi's development being financed largely by its own resources would appear to be very substantial.

25.2 The sectors where huge step-ups have been proposed by the Administration are indicated below:

(Rs. crores)

Sector/Sub-sector	Approved	Proposed	Recommended by	
	Outlay for 1988-89	Outlay for 1989-90	Working Group Cat. A	Working Group Cat. B
1. Irrigation and flood control	9.76	21.47	11.3	-
2. Power (excluding Gas)	133.50	185.33	151.00	-
3. Transport	81.00	125.00	90.92	-
4. Medical & public health	43.00	67.31	48.00	7.00
5. Education	53.60	73.25	61.64	7.80
6. Water Supply & sanitation	71.27	89.40	86.90	2.50
7. Housing	21.00	30.58	30.41	-
8. Urban Development	62.00	89.90	64.88	10.00

Turbines and
Rajghat
Replacement

25.3 At the time of the wrap-up meeting, the recommendations of the Working Groups were examined at length with the representatives of Delhi Administration, led by Chief Secretary, who pressed for higher outlays than those recommended by the Working Groups against several of the development heads, particularly transport (roads and bridges), education, water supply & sanitation, etc. In view of the resource constraint, they were asked to indicate where corresponding cuts could be applied if they wanted these programmes to get the much higher priority being pressed for. It was pointed out that as it was, the Working Groups' recommendations were on the higher side as compared to availability of resources and, therefore, the higher requirements in some sectors would require to be balanced by reductions elsewhere.

B. Resource Estimates

25.4 No shortfall in the availability of resources for financing the current year's plan is anticipated; rather, the Administration would have a surplus of Rs. 36.10 crores, which has been carried forward to the next year.

25.5 The assessment of resources for the next year, as worked out by the FR Division, is placed at Rs. 535 crores. It may be pointed out here that the Union Territory has already utilised bulk of the Central Assistance of Rs. 835 crores (at 1984-85 prices) allocated to her during the Seventh Plan. An estimated Rs. 100 crores (at 1984-85 prices) which would work out to around Rs. 135 crores at current prices, remains to be made available to the Union Territory. The FR Division has advised that the amount of Central Assistance taken credit of in arriving at the figure of Rs. 535 crores is much more than Rs. 135 crores worked out as balance available to Delhi in the last year of the Seventh Plan.

C. Size and Sectoral Issues

25.6 It seems unlikely that it would be possible to accommodate fully the recommendations of the Working Groups which add up to Rs. 636.63 crores. Some of the schemes/projects would, therefore, have to be postponed for the next year. As a rule, no new schemes should be taken up. The need for such schemes must be thoroughly

investigated and only those which are considered absolutely essential, should be included and provided for at an adequate level in the Eighth Plan which is now under formulation.

25.7 It would be necessary to provide adequate funds so as to complete as many as possible of the spill-over schemes from the 6th Plan as well as those of the Seventh Plan which can be completed in 1989-90. It would also be necessary to provide for factors such as, normal rise in prices of construction material, increased cost of personnel, and normal growth of plan expenditure from year to year. Certain step-up over the last year's plan outlay would, therefore, be necessary. A step-up of 12 to 15% subject to availability of Central Assistance, seems called for. My overall assessment from the detailed, sector by sector discussions, indicates that a plan size of around Rs. 575 crores as against the approved outlay of Rs. 510 crores for the current year showing a step up of about 14% would protect the development momentum gained in the Territory during the first 4 years of the plan and enable it to add infrastructure and other services at a reasonable level. To this must be added a sum of Rs. 24 crores recommended by the Working Group on Power as additional Central Assistance for the power projects. Delhi's annual plan inclusive of this provision would, thus, come to Rs. 599 or say, 600 crores.

25.8 In so far as sectoral allocations are concerned, the same will have to be worked out afresh after the plan size is finalised. As has been mentioned, the Administration officers have pressed for allocations even beyond those recommended by the Working Groups. Once the plan size is finally determined, relative priorities would have to be worked out in terms of that overall resource limit. The same would be done taking all relevant considerations, particularly the overall priorities, into account.

25.9 There are, however, a number of sectoral issues, both of policy and implementation, which deserve particular attention. These are dealt with hereafter:

i) A number of schemes under urban development with very large outlays are being implemented without requisite clearances (vide para 21.5). The officers of the Administration indicated that these matters were pending consideration in the Ministry of Urban Development. Since Cabinet approvals are required for implementing schemes of this order, a serious infringement is being committed in this regard. The Ministry of Urban Development and Delhi Administration should, therefore, be requested to get the requisite approvals and to implement these schemes in 1989-90 only after getting the requisite clearance and intimating the same to the Planning Commission.

ii) The Administration proposes to develop a large residential complex at Papan kalan. It had requested for provision of funds for the development of roads for this colony. The Planning Commission has not received any

Project Report either. It is not clear whether the total cost of the Project and its financing have been worked out and requisite clearances taken. At any rate, it is not possible to commit substantial funds from the budget to the development of such complexes mid-way through the Plan. Moreover, keeping in view the huge premiums which are reaped by private institutions or individuals from developed plots/houses in well laid-out complexes, it is desirable that the Administration makes the total project inclusive of all services as self-financing. The allotment policy should be determined and prospective beneficiaries made to contribute to the cost of development right from the start so as not to cast any financial burden on public funds.

- iii) At present, large outlays are being incurred on urban development and the benefits of these are going in a big way to private institutions/persons. It is high time that the authorities, such as, MCD, DDA and NDMC, are called upon to raise resources, particularly by mopping up the windfalls in real estate so as to finance the infrastructural development without straining plan budget. Wherever feasible, surplus land under ULCR Act should be acquired and put to remunerative use under Govt. so as to generate surplus for development.
- iv) Pricing of utilities also requires to be gone into. In a situation of acute scarcities of water and power, there is need for raising tariffs all round and in particular, for making their luxury consumption subject to pricing which not only recovers the cost but also provides for subsidy for meeting the needs of the poorer sections of the society. There is no reason why power going for non-essential consumption like air-conditioning and water supply beyond a reasonable per-capita consumption should not be charged steeply, based on an escalating tariff structure. Also, huge leakages/thefts resulting in heavy T&D losses require to be plugged through effective supervision and stern administrative measures.
- v) Construction of office accommodation by the local bodies, which own large areas of prime land, should also, likewise, not be financed out of the limited plan resources but should be made self-paying by sale of certain portions of space commercially. NDMC's proposal in this regard, which is not an approved project under the Seventh Plan, falls under this category. For the Delhi Administration as well, adoption of a similar strategy is also worth considering.
- vi) Mass transportation is an urgent and pressing need of the city. The proposal for construction of LRT and/or heavy rail underground transit systems have been actively under consideration. Recently, a team led by Secretary, Urban Development and including Chief Secretary, Delhi Administration, had gone into this issue and made certain recommendations. Delhi Administration have, however, come up

115
23
140

with a cryptic proposal to increase the use of ring railway for this purpose. It has been suggested that a company may be set-up to undertake this task. Neither any facts/estimates of the proposal regarding its techno-economic viability nor the extent to which the railways would be able to take the load have been furnished. The promised details are still awaited. The precise role, which the company will play, an estimate of the capital requirements, income-expenditure, projected losses, etc. are not available. The Working Group on Transport has not recommended the proposal. Unless the basic information is made available and the reactions of the concerned Ministries have been invited and considered, it would be inadvisable to rush into such a venture which may become a drain on the scarce budgetary resources available to the Union Territory. However, adequate amounts have been provided for undertaking techno-economic feasibility. The Administration's proposal to set up a consultancy organisation of its own for carrying out studies in the field of transportation has also not been favoured. It should make use of consultancy organisations already in the field.

vii) The experiment of battery-operated buses in the city has been under way for the last four years, mainly on ground of combating pollution. Its viability as well as technological efficiency are in question. Studies have to be carried out. The Working Group has, therefore, not favoured adding to the existing fleet of 100 buses any further till these aspects are sorted out.

viii) The availability of raw-water has become a major problem in Delhi. Various proposals have been in the air for a long time but none has so far been tied up. It seems necessary that a high-powered group is constituted to go into this critical issue and arrive at readily implementable as well as long term solutions to meet this basic need for the huge populations which are likely to inhabit the Capital at the end of the century and beyond.

25.10 Apart from the sectoral issues flagged above, there is the more basic question of devising a workable strategy for the future growth and development of the national capital. The development of Delhi must be viewed in the overall context of the National Capital Region. There is need for development priorities and outlays to be reoriented so as to make the areas closer to the periphery of NCR rather than those nearer Delhi more attractive. An all-round scaling down of economic activity in Delhi by deliberate policy seems inescapable if Delhi is not to go the way of some other Metropolises which have fallen on bad days for want of timely measures.

25.11 Finally, there is the need for a far greater degree of coordination between the various agencies engaged in the development and operation of various services in Delhi than has been in evidence so far. The fact that it has not been possible to obtain competent clearances for so many schemes of urban development even after 4 years of the Seventh Plan brings this out quite vividly. The setting up of an Empowered Secretary-level (if not ministerial) group for bringing out the requisite coordination and ensuring well-considered policy formulation as also their well-coordinated and effective implementation seems called for. Meanwhile, the Administration could be assisted by the Planning Commission if outstanding matters/issues are brought to its notice.

.....

Statement

Annual Plan 1989-90 - Outlay and Expenditure - Delhi

(Rs. Lakhs)

Major Head/Minor Heads of Development	Seventh Plan (1985-90)		Actual Expenditure 1985-86		1987-88		1988-89		1989-90	
	Agreed Outlay	Outlay	1985-86	1986-87	1987-88	Approved Outlay	Proposed Ex- Outlay	Recommended by Working Groups	Cat.A	Cat.B
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	

I. AGRICULTURE & ALLIED ACTIVITIES

Crop Husbandry	498.00	39.94	71.94	243.53	99.25	96.10	186.45	220.00		
Soil & Water Conservation	10.00	0.40	0.78	0.99	4.00	3.40	3.00	3.00		
Animal Husbandry	859.00	61.93	74.82	104.98	96.75	82.99	106.98	115.18		
Dairy Development	-	-	-	-	-	-	200.00	50.00		
Fisheries	80.00	9.72	7.44	8.50	28.00	13.00	28.00	28.00		
Forestry & Wild Life	210.00	39.18	98.62	69.24	90.00	180.00	217.67	125.00		
Agricultural Research & Education	22.00	-	-	-	-	-	-	-		
Other Agricultural Programmes:										
(a) Marketing & Quality Control	40.00	-	1.97	4.25	12.00	5.00	12.50	8.00		
(b) Others (to be specified)	-	-	-	-	-	-	-	-		
Cooperation	794.00	49.23	31.38	30.94	65.00	60.99	70.00	70.00		
Total (I)	2513.00	200.40	286.95	462.43	395.00	441.48	824.60	619.18		

Statement (Contd.)

- 2 -

Major Head/Minor Heads of Development	(Rs. lakhs)									
	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
	Plan (1985-90) Agreed Outlay	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure 1985-86	Actual Expenditure 1986-87	Actual Expenditure 1987-88	Approved Outlay 1988-89	Approved Outlay 1988-89	Proposed Expenditure by State	Proposed Expenditure by State	Recommended by Working Group
II. RURAL DEVELOPMENT										
Integrated Rural Energy Programme (IREP)	300.00	40.00	-	90.00	100.00	100.00	100.00	85.70	85.70	65.00
Land Reforms	100.00	19.49	-	1.28	7.30	3.30	3.30	13.40	13.40	11.00
Other Rural Development Programme (incl. Community Development and Panchayats)	66.00	-	74.81	25.97	12.70	12.70	12.70	23.90	23.90	23.00
Total (II)	466.00	59.49	74.81	117.25	120.00	116.00	123.00	123.00	123.00	99.00
III. SPECIAL AREA PROGRAMME										
IV. IRRIGATION & FLOOD CONTROL										
Major & Medium Irrigation	10.00	4.99	0.10	-	-	-	-	-	-	-
Minor Irrigation	519.00	96.75	96.51	67.49	93.00	90.00	90.00	120.00	120.00	113.00
Flood Control (incl. Anti-sea erosion etc.)	6398.00	887.72	911.23	836.31	883.00	1088.00	1088.00	2027.00	2027.00	1020.00
Total (IV)	6527.00	989.46	1007.84	903.80	976.00	1178.00	1178.00	2147.00	2147.00	1133.00

-/-

Major Head/Minor Heads of Development	(Rs. lakhs)									
	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
Plan 1985-86 (1985-90) Agreed Outlay										
Seventh Plan 1985-86 (1985-90) Agreed Outlay										
Actual Expenditure 1988-89										
1989-90										
Approved (1985-90) by Working Group										
Outlay ditto										
Cat. A										
Cat. B										
V. ENERGY										
Power	36430.00	13917.57	18030.00	17532.65	17165.00	21133.00	17500	17532.85	18150.00	
Non-conventional sources of Energy	425.00	200.00	183.00	66.00	50.00	50.00	100	100	100	
Total (V)	<u>36855.00</u>	<u>14117.57</u>	<u>18213.00</u>	<u>17598.65</u>	<u>17215.00</u>	<u>21353.00</u>	<u>17600</u>	<u>17532.85</u>	<u>18200.00</u>	
VI. INDUSTRY & MINERALS										
Village & Small Industries	5160.00	1059.10	1078.99	1317.45	704	509.27	744	735		
Industries (other than Village & Small Industries)	400.00	45.00	42.89	107.92	96	113.00	126	135		
Incl. Weights & Measures	800.00	170.00	118.00	30.00	-	-	-	-		
Total (VI)	<u>6360.00</u>	<u>1274.10</u>	<u>1239.88</u>	<u>1455.37</u>	<u>800</u>	<u>622.27</u>	<u>870</u>	<u>870</u>	<u>870</u>	
VII. TRANSPORT										
Roads & Bridges	25976.50	5143.91	6604.50	7708.55	7250	7550.00	11354	8200		
Road Transport	488.50	85.60	151.05	261.76	755	715.07	946	825		
Total (VII)	<u>26465.00</u>	<u>5229.51</u>	<u>6755.55</u>	<u>7970.31</u>	<u>8005</u>	<u>8265.07</u>	<u>12300</u>	<u>9025</u>		

£ Includes Rs. 100 lakhs for rural electrification.

-/-

Statement (Contd.)

- 4 -

Major Head/Minor Heads of Development	Actual Expenditure		(Rs. Lakhs)	
	1985-86	1986-87	1988-89	1989-90
Plan 1985-86 Agreed Outlay	2.12	3.81	7.00	8.10
Proposed by working Groups	2.86	2.98	6.60	20.00
Approved Anticipated Expenditure	56.00	1.38	2.86	2.98
Approved Anticipated Expenditure	122.00	3.23	28.21	23.05
Approved Anticipated Expenditure	178.00	4.61	31.07	26.03
Total (IX)			41.00	42.73
20.00			20.00	15.00
76.00			76.00	70.00
96.00			96.00	85.00
39.00			39.00	35.00
200.00			200.00	67.00
90.00			90.00	60.00
15.40			15.40	10.10
138.92			138.92	147.97
106.39			106.39	344.40
983.00			983.00	172.10

IX. SCIENCE, TECHNOLOGY & ENVIRONMENT

Scientific Research (incl. S&T)
Ecology & Environment
Total (IX)

X. GENERAL ECONOMIC SERVICES

Secretariat Economic Services
Tourism
Surveys & Statistics
Civil Supplies
Other General Economic Services

Total (X)

200.00
90.00
15.40
138.92
106.39
983.00

Major Head/Minor Heads of Development	(Rs. Lakhs)									
	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 Approved Outlay	1989-90 Anticipated Expenditure	Proposed Outlay	Recommended by working Groups		
XI. SOCIAL SERVICES										
EDUCATION										
General Education	24050	1994.91	2937.72	3657.82	4080	4775.95	5600.00	4537.00	510	
Technical Education	4000	721.68	365.19	591.50	850	778.09	1000.00	1155.00	170	
Sports & Youth Services	350	19.95	48.29	68.68	130	124.92	225.00	117.50	100	
Art & Culture	700	181.60	361.24	265.16	300	272.97	500.00	355.00		
Sub-Total (Education)	29100	2918.14	3712.44	4583.16	5360	5951.93	7325.00	6164.50	780	
Medical & Public Health	18086	2449.75	4168.06	3921.71	4300	4533.24	6731.15	4800.00	700	
Water Supply & Sanitation	30358	4595.00	5319.98	6319.22	7127	7139.00	8940.00	8690.00	250	
Housing (incl. Police Housing)	15320	3383.83	1919.14	2067.37	2100	2051.00	3058.00	3041.00		
Information & Publicity	233	32.40	38.95	41.99	54	57.00	69.00	69.00		
Urban Development (incl. State Capital Projects)	19770	3585.51	5632.79	6764.62	6200	6275.00	8990.00	6488.00	1000	
Welfare of Scheduled Castes, Scheduled Tribes & Other Backward Classes	1409	162.46	204.12	236.28	260	247.74	355.00	275.00		
Labour & Employment	688	92.05	78.27	127.95	157	123.40	192.00	188.84		
Social Security & Welfare	1217	160.29	138.89	225.44	245	295.18	295.00	299.00		

-/-

Major Head/Minor Heads of Development	Statement (Contd.) (Rs. lakhs)									
	1	2	3	4	5	6	7	8	9	10
	Seven Plan (1985-90) Agreed Outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 AP- Approved Cut- lay	Anti- v Expdr.	Proposed Outlay	Recommended by Working Group	Cat. A	Cat. B
Nutrition	2787.00	357.57	378.78	493.07	582.00	582.00	600.00	600.00	600.00	-
Other Social Services (to be specified)	-	-	-	-	-	-	-	-	-	-
Total (XI)	118968.00	17737.00	21590.42	24780.81	26385.00	27255.49	36555.51	30615.34	2730.00	
XII. GENERAL SERVICES										
Jails	-	-	14.10	-	190.00	65.30	233.06	100.00	-	-
Stationery & Printing	85.00	298.76	-	-	1.00	-	-	-	-	-
Public Works	-	-	320.98	350.00	473.00	416.19	619.00	554.00	-	-
Other Administrative Services-Staff Training College	200.00	32.40	90.67	51.83	30.00	40.50	60.00	60.00	-	-
Total (XII)	285.00	331.16	425.75	401.83	694.00	515.99	912.00	714.00	-	-
Grand Total	200000.00	40092.17	49731.66	53855.40	55800.00	55800.00	75525.15	60932.62	2730.00	

IMMEDIATE

PLANNING COMMISSION
(State Plans Division)

Subject: Annual Plan 1989-90 - Daman & Diu.

A copy of the Report of Shri Arun Sinha, Jt. Secretary (State Plans) on the Annual Plan 1989-90 of Daman & Diu is circulated herewith. This has been approved by Deputy Chairman, Planning Commission.


(M.L. AGGARWAL)
Consultant (State Plans)

Advisers/Heads of Divisions
in the Planning Commission

Ministry of Finance

Shri J.L. Bajaj, Joint Secretary (FB)
Department of Economic Affairs.
Shri G. Haldea, Director (PF)
Department of Expenditure.

Ministry of Home Affairs

Shri Ashok Nath, Joint Secretary (UTs)
Smt. S.A. Tirmizi, Dy. Secretary (Fin.)

Planning Commission Cir.No.PC(P)/2/D&D/88-dated 3.2.1989

Copy to: Private Secretaries to : Private Secretaries to:
Deputy Chairman/Minister of Planning Prime Minister
Minister of State Cabinet Secretary
Members
Secretary
Special Secretary

Copy also to:- Joint Secretary (SP)
Joint Advisers
Deputy Advisers
SRO/RO concerned in State Plans Division.

Copy also to:- Planning & Finance Secretary,
Daman & Diu Admn.,
Pannaji (10 copies).

(PLANNING COMMISSION)

Sub:- Report of Joint Secretary(State Plans)-Sh.Arun Sinha
regarding Annual Plan 1989-90-Daman & Diu.

The erstwhile Union Territory of Goa, Daman & Diu comprised of three districts, Administratively also, the UT was divided into three districts called Goa, Daman & Diu. However, with the delinking of the District of Goa and granting of statehood to it with effect from May, 30, 1987, the two districts of Daman & Diu became a Union Territory. Daman and Diu are very tiny areas covering about 72 sq.kms. and 40 sq.kms respectively. These are two separate isolated land blocks situated at a distance of about 792 kms away from one another on the West coast of Arabian Sea on the border of Gujarat State.

The district of Daman is bound on the north by the Bhagavan river, on the east by Gujarat State, on the south by Kalam river and on the west by the Arabian Sea. Physiographically it forms a small part of the South Gujarat. It is divided by Daman Ganga river into two distinct parts traditionally known as Moti-Daman to the South and Nani-Daman to the North. Now, both these parts have been connected by a bridge. Daman has an area of 72 sq.kms comprising 21 villages and a municipal town on Daman.

Diu is a tiny island in the Arabian Sea near the port of veraval, separated from the southern extremity of the Saurashtra peninsula by a narrow channel running through a swamp. The harbour, though small, is an excellent one where vessels can lay at anchor in two fathoms of water. Diu has an area of 40sq.kms. with five villages and one municipal town.

Important indicators relating to the UT as per 1981 census are given below:

<u>Item</u>	<u>All India</u>	<u>Ut of Daman & Diu</u>
1. Population	6,85,184,692	78,981
2. Area (sq.kms.)	3,287,263	112
3. Density per sq.kms.	216	705
4. Literacy rate(per cent)	36.23	49.15
5. Sex ratio(females per 1000 males)	933	1,062

According to Mid-1987 projection, the UT's population is about one lakh. The information relating to vital statistics in 1987 provided by the officials from the UT Administration is given as under:

	<u>Ut of Daman & Diu</u>	<u>All India</u>
1. Birth rate per 1000 persons	27.59	33.6
2. Death rate per 1000 persons	4.73	11.9
3. Growth rate	2.286	2.17
4. IMR(Infants per 1000 live births)	14.85	110

The physical feature of Diu are similar to those of Saurashtra but the land is even more arid and saline.

Soil in Daman is moist and fertile. In case of Diu it is barren and sultry. The economy of Daman is mainly based on agriculture and marine products. Fruit, trees are reared in small tracks of good soil having some irrigation facilities. The important activity in Daman is trade and business. In Diu the majority of the population is engaged in fishing and the production of salt.

AGRICULTURE:

The annual plan proposals of Union Territory of Daman & Diu for agriculture sector for 1989-90 were discussed with Shri S. P. Rai, Deputy Director (Agriculture) UT of Daman and Diu and the concerned officers of the department of Agriculture & co-operation. While discussing the fiscal targets proposed for 1989-90 for agriculture sector it was noted that the UT had made a significant progress in food-grains production during the last 2 years. Rice production has significantly gone up from 1.6 thousand tonnes in 1986-87 to 4.3 thousand tonnes in 1987-88. A new peak of 7.8 thousand tonnes is likely to be achieved in 1988-89. The representative of the Department of Agriculture and co-operation pointed out that the figure of anticipated achievement for 1988-89 as reported in the plan document gives a rosy picture. During the course of discussion certain irregularities were pointed out for instance, there was no co-relation between coverage of area under high yielding variety and incremental agricultural production. Draft Annual Plan proposals 1989-90 indicate less production with more coverage of area under HYV and more production with less coverage of area under HYV. Moreover, 90% of the area in the Union Territory is rainfed and there are no assured irrigation conditions which are necessary for boosting the agricultural production. Besides, the figures of fertiliser consumption have not been correctly reported in the document. It was also brought to the notice of the UT representative that the plan document 1989-90 neither reveals any figures for targets and achievements in respect of horticulture and credit during the first four years of the Seventh Plan nor any proposed target for 1989-90. The UT representative agreed to look into the figures of achievement particularly in respect of foodgrains production as reported in the document and assured that the revised figures and the information on the targets and achievements in respect of horticulture, credit and consumption of fertiliser would be sent shortly. The physical targets proposed and recommended for 1989-90 are given below:

Contd.....

Item	Unit	1988-89		Proposed	1989-90
		Target	Ant. Ach.		Target Agreed
<u>I. Foodgrain Production</u>					
1. Paddy	Tonnes	5671	7803	8500	8000
2. Wheat	"	130	140	200	200
3. Jowar	"	52	57	88	70
4. Bajra	"	450	340	450	400
5. Pulses	"	700	800	850	850
Total Foodgrains	"	<u>7003</u>	<u>9140</u>	<u>10088*</u>	<u>9520 *</u>
<u>II. Animal Husbandry & Dairying.</u>					
Milk	"	60	42	60	60
<u>III. Fisheries</u>					
1. Inland	"000 tonnes	-	-	-	1
2. Marine	"	14.40	15.10	16.10	16.00
Total Fisheries	"	<u>14.40</u>	<u>15.10</u>	<u>16.10</u>	<u>17.00</u>

*Tentative.

2. While discussing the schemes and programmes and proposed outlays for Agriculture sector for Annual Plan 1989-90, the Sub-group felt that the staff deployed by the UT in the execution and implementation of the work/programmes is very skeleton which needs to be strengthened immediately. ONE scheme namely Contingency Plan for Drought mentioned in the document particularly for Vegetable has been dropped as it has no relevance to the present situation. It was suggested that the Contingency Plan should be chalked out not only for vegetable crops but for all crops.

3. It was decided that the scheme, namely Setting up of Agriculture Farms may be deferred for the Eighth Plan and the existing agricultural farms should be fully developed and modernised. A token provision of Rs.1.00 lakh was recommended for the purpose. The Sub-Group noticed that the Seventh Plan makes a provision for Agriculture Research and Education, but no progress has been made so far. It was suggested that the UT should go in for setting up of Krishi Vigyan Kendras with the support of Pant and Gujarat Agricultural Universities and ICAR during the Eighth Five Year Plan. As regards Plant Protection, the UT proposed an outlay of Rs.25,000 under the scheme of Eradication of Pests and Diseases of Agricultural Importance including Weed Control in the Endemic Areas, but they had not obtained the approval of the Department of Agriculture and Co-operation for implementation of this scheme. The Ut representative agreed to seek the necessary approval at the earliest. Regarding Soil Conservation, it was pointed

Contd.....

out that the expenditure under the scheme was very low. There is no staff to carry out the work. Besides, the UT has not indicated any target under this scheme during 1989-90. The Sub-Group felt that UT should take suitable measures to protect the agricultural lands from enundation by sea water.

4. The representative of the Ministry of Agriculture (Fisheries Division) pointed out that the Plan document 1989-90 indicates two schemes for Inland Fisheries, namely (i) Utilisation of Mashy and fallow lands for Fish Culture, and (ii) Financial assistance to fish culture, but no physical target for 1989-90 has been indicated therein. The Sub-group recommended a target of 1000 tonnes of inland fish production for 1989-90. It was emphasised that UT should also take necessary measures to check the sea water pollution so as to avoid deterioration in the marine fish production.

5. It was also noticed that the Draft plan of the UT proposes to provide a monthly pension of Rs.100 to those fisherman who have crossed the age of 60 years. The Sub-group did not approve this scheme, hence no outlay was recommended.

6. The scheme-wise outlays proposed and recommended for 1989-90 are given below:-

Name of the scheme	(Rs. in lakhs)	
	Proposed	Agreed
1.	2.	3.
I. Agriculture		
1. Seeds	3.50	3.00
2. Agriculture Farms	18.00	2.65
3. Manures and Fertilisers	0.50	0.30
4. Plant protection	0.30	0.30
5. Extension and Training	0.15	0.15
6. Crop Insurance	2.00	-
7. Agricultural Economic & Statistics	0.25	0.25
8. Agricultural Engineering	3.00	2.50
9. Horticulture & vegetable crops	0.40	0.40
10. Pilot Project on Multiple cropping	0.25	0.25
11. Supply of Agricultural Inputs to economically backward class	0.20	0.20
12. Agriculture scheme under T.S.P**	0.50	-
TOTAL:	29.05	10.00
II. Soil & Water Conservation	0.30	0.30
III. Animal Husbandry	15.55	11.05
IV. Dairy Development	24.30	10.30
V. Fisheries	78.35	54.70*
VI. Co-operation	17.20	8.00
TOTAL:	164.75	94.35

Contd.....

* It excludes Rs.33.25 lakhs proposed for Fishing Jetty and Rs.0.40 lakhs for old age pension to fisherman under National Welfare Fund.

**Relates to Ministry of Welfare.

Major-Medium Irrigation

For 1989-90 Annual Plan the UT Admn. proposed an outlay of Rs.57 lakhs for Daman Ganga Reservoir Project. The representatives of the I&CAD Division pointed out that on the basis of the modified estimates (Rs.146 crores-irrigation works excluding CAD and OFD works) as indicated by the Government of Gujarat last year, the total share of Daman & Diu works out to Rs.9.14 crores against which the UT Administration has deposited an amount of Rs.9.52 crores including the approved outlay of Rs.85.00 lakhs for 1988-89 by 1988-89. Thus the UT will have deposited excess amount of Rs.18 lakhs by 1988-89 which may also take care of any further increase in the UT share due to any further revision in the project cost. Also, the UT official informed that they had not received the Physical programme for 1989-90 from the Government of Gujarat who had assured that the water would flow in canal in Daman Territory by December, 1988 which is held up due to non-flow through vapi Rly. crossing for want of safety works (as required by West Rly. authorities) by Government of Gujarat. Keeping in view, all these, it was considered advisable that no outlay was required to be made for this project for the year 1989-90 under major and medium irrigation programme.

Flood Control

The UT Administration proposed an outlay of Rs.71.80 lakhs for the construction of flood protection wall and anti-erosion work at Nani-in-Daman, Ghogla in Diu district of which Rs.10.80 lakhs is for the on-going schemes which are proposed to be completed by 7th Plan. On the basis of spill-over cost of these schemes in 1989-90 the amount required to complete these schemes is about Rs.6 lakhs. Accordingly an outlay of Rs.6 lakhs were agreed to for 1989-90.

For new schemes, which are not of serious nature, it was suggested for taking up in the beginning of 8th plan. To this, the U.T. officials agreed and accordingly no outlay for new schemes was recommended.

Command Area Development

For CAD works in Daman territory under Daman Ganga Reservoir Project no outlay was proposed for the year 1989-90 by the U.T. Administration. On query the

Contd.....

UT representatives clarified that the estimates for CAD works for the cost of Rs.110lakhs are under final stage of preparation and sanction. Keeping in view the further requirements, an outlay of Rs.30 lakhs was kept for the year 1989-90 subject to clearance of the estimates in accordance with the prescribed procedure.

Minor Irrigation

For 1989-90 the UT Admn. proposed an outlay of Rs.6.85 lakhs for Minor Irrigation Schemes which includes Rs.0.20 lakhs for survey and investigation and Rs.5 lakhs for creation of a new Division.

Minor Irrigation schemes are proposed to renovate and improve the existing irrigation tanks. In this regard, representative of I&CAD Division impressed upon the UT representative that the work involved in the execution of tanks is labour intensive and therefore may be taken up under the NREP programme. Regarding investigation, it was pointed out that this facility may be availed through Central Ground Water Board(CGWB). Representative of the CGWB also explained that investigation to explore the possibilities of water in Daman territory has already been conducted and blue-print has been prepared, a copy of which has been sent to the UT Administration. Regarding the creation of a new Division it was suggested that this may be taken up in the 8th Plan as the important works related to the irrigation sector are being executed by the Government of Gujara-t on deposit basis. In the light of alternative arrangements as suggested, no outlay was recommended for the Minor Irrigation schemes against the UT proposal of Rs.6.85 lakhs.

Education

The Administration of Daman and Diu had proposed an outlay of Rs.309.03 lakhs for 1989-90 against the approved outlay of Rs.139.00 lakhs for 1988-89. It was observed that the proposed outlay of Rs.309.03 lakhs was mainly for the construction of building and appointments of staff.

The representatives were suggested to utilise NREP and RLEGP funds for the construction of primary school buildings. It was observed that Administration representatives were not aware of the programme of NREP and RLEGP.

Elementary Education

An outlay of Rs.6.00 lakhs was recommended for the

For the scheme Up-gradation of Govt. Ashramashala and Middle School, an outlay of Rs.4.00 lakhs had been recommended of which Rs.3.00 lakhs was for construction of 5 rooms in 2 schools.

The Administration had proposed an outlay of Rs.30.00 lakhs (Rs.29.60 lakhs for construction of building) for hostel for ST boys and girls against the approved outlay and anticipated expenditure of Rs.10.00 lakhs for current year 1988-89. It was suggested to phase out the construction work over a longer period. An amount of Rs.10 lakhs was agreed to.

Secondary Education.

Under this Sub-head an outlay of Rs.25 lakhs was recommended of which Rs.11.00 lakhs was for construction of 12 rooms @ 80,000 per room against the proposed outlay of Rs.39.00 lakhs. (Rs.25 lakh for construction work) for the scheme expansion of secondary/higher secondary education. A sum of Rs.15 lakhs for building was recommended for Navodaya Vidyalaya as this university has already been started.

Daman & Diu Administration's proposal of Rs.10.00 lakhs for a new scheme opening of Arts and commerce college was not agreed to.

Other Programmes

For Bal Bhavan, as against the proposed sum of Rs.10.00 lakhs (Rs.5.00 lakhs for building) an outlay of Rs.6.00 lakhs was agreed to. Outlay for construction of building was not considered.

Technical Education.

For the establishment of Polytechnics a sum of Rs.65.00 lakhs was recommended (Rs.40.00 lakhs for building) against the proposed outlay of Rs.65 lakhs, (Rs.49.00 lakhs for building) For the scheme strengthening and Expansion of Technical Education Centres, a sum of Rs.30 lakhs was recommended of which Rs.18.00 lakhs was for building as against the proposed outlay of Rs.30.00 lakhs (Rs.20.93 lakhs for building).

Sports & Youth Services

Administration had proposed an outlay of Rs.33.03 lakhs for 1989-90. A sum of Rs.18.40 lakhs had been recommended under this sub-head. The Administration proposals for new schemes namely:

- i) National Cadet Corps, ii) Bharat Scouts and Guides.
- iii) Bharatiyam Programme/physical fitness programme
- iv) Inter state exchange of Youth v) Estt. of Sports Library.
- vi) National Sports Talent contest were not considered.

A sum of Rs.7.00 lakhs had been approved for establishment of compounds and sports complex.

Contd....

Art and Culture

The Administration proposal of Rs.20.00 lakhs for conservation/preservation of Fort of Port Area was not considered. It was observed that fort has been declared as National Monuments to be preserved. The Administration was advised to avail of the funds provided under central sector. Amount for land had been proposed by Forest Deptt and Agricultural Deptt. besides Education Deptt.

As against the proposed outlay of Rs.309.03 lakhs for 1989-90 lakhs, a sum of Rs.200.70 had been recommended for educational development programmes.

Health & Family Welfare

After Goa became a full fledged State, the approved outlay for the Seventh Plan in respect of Health Sector programme of the erstwhile UT of Goa, Daman & Diu was tentatively distributed between the State of Goa and UT of Daman & Diu based on their population ratio being 92.73 per cent and 7.27 per cent respectively. The notional Seventh Plan outlay for the new UT of Daman & Diu comes to Rs.177.68 lakhs. The actual expenditure incurred during the 1985-87 and 1987-88 was Rs.14.68 lakhs and Rs.48.87 lakhs respectively. The anticipated expenditure during 1988-89 is reported to be Rs.78.10 lakhs. Thus the likely expenditure to be incurred during the first 4 years of the 7th Plan would be Rs.141.65 lakhs leaving a balance of Rs.36.03 lakhs for 1989-90 out of the notional 7th Plan total outlay of Rs.177.68 lakhs for health sector programmes.

Minimum Needs Programme

An outlay of Rs.2 lakhs for construction activities is proposed in 1989-90 for Expansion of the existing PHC at Diu.

An outlay of Rs.16 lakhs including capital content of Rs.10 lakhs has been proposed in 1989-90 for the expansion of the existing PHC at Daman.

The Working Group has recommended an amount of Rs.4.50 lakhs including Rs.2 lakhs for remodelling of two dispensaries into PHCs with residential accommodation for Medical Officers. Rs.2.50 lakhs has been kept for salary etc.

Rural Health Services under the Minimum Needs Programme are being provided to the tribals through a PHC, 8 Sub-centres and one Mobile Dispensary. The Working Group recommended an amount of Rs.5 lakhs including Rs.3 lakhs as capital outlay for this scheme in 1989-90.

During the Annual Plan discussion it was agreed that the UT administration would establish 3 Sub-centres and Rs.1 lakh was recommended for the same which would be treated as capital content.

Contd.....

Against the total outlay of Rs.25.30 lakhs for MNP during 1989-90, the Working Group recommended an amount of Rs.12.03 lakhs including Rs.7.50 lakhs as capital outlay.

Family Planning

For implementation of family planning programme, the UT.Admn. has one unit in each of the PHCs in the Territory. They have proposed an outlay of Rs.6.54 lakhs for the purpose in 1989-90, The proposed amount is meant for meeting the recurring expenditure towards the staff created for implementation of this programme.

The Working Group did not recommend any outlay for this head and they were told that this programme would be provided with funds by the Department of Family Welfare.

National Malaria Eradication Programme

The Working Group has recommended an outlay of Rs.8 lakhs in 1989-90 for the two schemes of N.M.E.P. and the Filaria Control Programme.

Major Head/Minor Heads of Development	Actual Expdr. (Rs. Lakhs)				1988-89 Approved Outlay	Anticipated Expdr.	1989-90 Proposed Outlay	Recomm- ended Outlay
	Seventh Plan (1985-90) Agreed Outlay	1985-86	1986-87	1987-88				
b) Drought Prone Area Programme (DPAP)								
c) Integrated Rural Energy Programme (IREP)								
Rural Employment								
a) National Rural Employment Programme (NREP)								
b) Other Programmes (like Employment Guarantee scheme etc. to be specified)								
Land Reforms	6.18			4.84	3.00	8.86	11.55	3.50
Other Rural Level Development Programme (incl. community Development & Panchayats)	22.83			-	0.75	0.75	11.50	16.00
TOTAL (II):	<u>29.01</u>			<u>4.84</u>	<u>3.75</u>	<u>9.61</u>	<u>23.05</u>	<u>13.50</u>
III. SPECIAL AREA PROGRAMMES	-			-	-	-	-	-
IV. IRRIGATION & FLOOD CONTROL								
Major & medium Irrigation	392.58			95.00	85.00	85.00	57.00	-
Minor Irrigation	63.98			-	1.30	0.60	6.85	-
Command Area Development	48.34			-	-	-	-	39.00
Flood control (incl. anti-sea erosion etc.)	7.27			3.44	10.00	11.31	11.80	6.00
TOTAL (IV):	<u>512.17</u>			<u>98.44</u>	<u>96.30</u>	<u>96.91</u>	<u>75.65</u>	<u>36.00</u>
V. ENERGY								
Power	257.72			139.16	143.40	144.12	249.60	148.50

(Rs. lakhs)

Major/Minor Heads of Seventh Plan (1985-90) Agreed Outlay.	Actual Expend.		1988-89		1989-90	
	1985-86	1986-87	Approved Outlay	Anticipated Expend.	Proposed Outlay	Recommended Outlay.
Non-conventional sources of Energy	5.82	0003	0.10	0.05	0.15	-
TOTAL(V):	<u>263.54</u>	<u>139.19</u>	<u>143.50</u>	<u>144.17</u>	<u>249.75</u>	<u>148.50</u>
VI. INDUSTRY & MINERALS						
Village & small industries	27.26	16.88	5.70	5.95	5.00	2.50
Industries (other than village & small industries)	82.51	54.00	90.00	90.00	105.00	93.20
Mining	2.18	-	-	-	-	-
TOTAL(VI):	<u>111.95</u>	<u>70.88</u>	<u>95.70</u>	<u>95.95</u>	<u>110.00</u>	<u>95.70</u>
VII. TRANSPORT						
Ports & light houses	2.18	6.68	0.20	5.36	20.10	0.10
Shipping	-	-	-	-	-	-
Civil Aviation	-	-	-	-	-	-
Roads & Bridges	225.37	165.98	100.00	232.75	276.35	100.10
Road transport	96.11	-	10.00	10.00	10.00	10.00
Inland water transport	18.39	-	-	-	-	-
Other transport services (to be specified)	2.18	-	-	-	-	-
TOTAL(VII):	<u>344.23</u>	<u>172.66</u>	<u>110.20</u>	<u>248.11</u>	<u>306.45</u>	<u>110.20</u>
VIII. COMMUNICATIONS:	-	-	-	-	-	-

Statement (Contd.)
(Rs. Lakhs)

Major Head/Minor Head/Plan (1985-90) Agreed Outlay.	Actual Expdr.		1988-89		1989-90	
	1985-86	1986-87	Approved Outlay	Anticipated Outlay	Proposed Outlay	Recommended Outlay
IX. SCIENCE, TECHNOLOGY & ENVIRONMENT.						
Scientific Research (incl. S&T)	8.00	-	-	-	-	-
Ecology & Environment	3.27	-	-	-	-	-
TOTAL (IX):	11.27					
X. GENERAL ECONOMIC SERVICES						
Secretariat Economic Services	2.54	-	3.00	3.00	5.20	5.00
Tourism	54.82	151.80	53.30	56.30	212.50	53.30
Survey & Statistics	4.44	0.14	11.75	8.95	17.95	12.00
Civil supplies	-	-	-	-	-	-
Other General Economic Services	1.45	0.76	0.25	0.45	0.75	0.75
TOTAL (X):	63.25	152.70	68.30	68.70	236.40	71.05
XI. SOCIAL SERVICES, EDUCATION						
General Education	175.64	72.22	47.50	54.95	154.63	85.50
Technical Educator	51.98	3.94	80.00	81.90	99.30	93.00
Sports & Youth services	16.39	4.55	9.00	8.40	33.30	18.40
Art & Culture	30.39	0.30	2.50	2.10	21.80	3.80
Sub-Total (Education)	284.40	81.09	139.00	147.35	309.03	200.70
Medical & Public health	177.68	48.87	76.40	78.10	172.34	107.28
Water supply & sanitation	309.70	133.51	181.90	188.55	397.87	151.50
Housing (incl. police housing)	82.88	27.59	38.90	38.41	60.40	50.40

Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed Outlay	Actual Expd.		1988-89		1989-90	
		1985- 86	1986- 87	1987- 88	Approved Outlay	Anticipated Outlay	Proposed Outlay
Urban Development (incl. State Capital Proj- ects)	43.62	5.55	4.95	4.25	29.35	5.60	
Information & Publicity	8.00	-	3.00	3.00	6.00	6.00	
Welfare of SC, ST & other backward classes	5.82	8.34	29.35	8.25	8.78	10.00	
Labour & Employment	51.62	0.26	14.30	11.50	48.25	14.50	
Social security & welfare	6.40	10.44	1.05	0.86	0.96	0.96	
Nutrition	8.72	9.34	9.50	14.65	19.55	19.20	
Other social services (to be specified)	-	-	-	-	-	-	
TOTAL (XI):	978.84	324.99	498.35	494.92	1052.51	566.14	
XII. GENERAL SERVICES							
Jails	-	-	-	-	-	-	
Stationary & Printing	0.73	-	8.10	8.10	10.00	5.00	
Public works (incl. jails)	54.52	34.34	60.15	64.15	108.25	50.00	
Strengthening of Audit & Accounts	0.36	0.40	6.10	4.00	6.00	6.00	
Strengthening of fire department	4.73	-	7.00	7.00	4.00	4.00	
Augment of power deptt.	-	-	-	-	-	-	
TOTAL (XII):	60.34	34.74	81.35	83.25	141.49	78.24	
GRAND TOTAL	2617.20	1068.26	1200.00	1365.37	2420.00	1233.93	

212

ANNUAL PLAN 1989-90 - LAKSHADWEEP

Draft Annual Plan 1989-90 of Lakshadweep was discussed on 4.11.1988 with the Administrator, Lakshadweep, Shri Wajahat Habibullah and his colleagues. Representatives of sectoral Ministries and of sectoral Divisions of the Planning Commission were also present.

In the initial meeting, before the proposals were discussed in separate Working Groups, it was made clear that the proposals were required to be considered in the light of the progress of on-going activities and the spill-over works required to be completed. It is also necessary to review and, where possible, scale down the extent of subsidies so that schemes and programmes may be able to become self-sustaining. Emphasis was also laid on completion of projects rather than on starting of too many projects by scattering the resources thinly. Administration is also requested to take note of the need to raise resources and to ensure that the cost of delivery does not outweigh the benefit to be derived. In this context, the question of proliferation of administrative machinery require special stock-taking. The possibility of mobilising people's contribution for the development programmes also have to be examined.

The Administrator, Lakshadweep assured that the Administration was very much conscious of the need to economise and to complete projects on time so that its

benefits may become available to the people. He indicated that while certain subsidies were inevitable because of the geographical location of the islands, it may be possible to minimise subsidies in certain areas. He informed that ^{an} Expert Group of IDA, under the chairmanship of Romi Khosla, was studying the possibility of minimising the subsidies. He also informed that with a view to reducing the cost of delivery system, a study has been entrusted to the University of Science and Technology, Cochin to review this administrative structure in the Island. The Administration was also exploring the possibility of placing greater reliance on institutional funds as well as on the responsiveness and support of the people themselves. The Administrator assured that he was all for effecting economies wherever permitted.

With the general ~~activities~~ introductory remarks, to be kept in mind by the Working Groups, Administration's proposals were discussed by various sectoral Divisions in consultation with the representatives of Ministries. Subsequently, in the afternoon, the recommendations were discussed with the Administrator and the final position that emerged was as follows:

- I. A Statement indicating the proposed outlays for each of the sector/sub-sector ^{is annexed} for the year 1989-90 and in col. 9 is given the recommendation. In the Transport sector, however, the recommendation does not include a provision of Rs. 1228.58 lakhs recommended by the Min. of Surface

Transport, for Inter-Island Transport and Procurement of Mechanised Barges. The Ministry's recommendations is dealt with later.

11. In respect of Non-conventional Source of Energy, the Administration had asked for Rs. 100 lakhs, whereas, in consultation with the Advisory ^{by the}, Rs. 45 lakhs have been recommended. The Administrator, Lakshadweep had taken very strong exception to pruning of proposed outlay in this regard. He stated that the proposal had emanated as a result of specific decision of Island Development Authority and would save on fuel transport and was conducive to the ecology of the Islands. He also went on to say that if the entire amount proposed by him was not accepted, he would not be in a position to implement the scheme. It was pointed out to him that in view of the overall constraint of funds, it may not be possible to provide the entire amount needed in the same year. In 1988-89, the outlay on this account was only Rs. 14 lakhs which was being raised to Rs. 45 lakhs. It was also pointed out that it would tax the administrative capacity to build up the programme to more than 3 times last year's level. Also ~~of a~~ Non-conventional Source of Energy Programme, is modular in nature and the systems can be replicated and built upon in phases. ~~Hence~~, it is not immediately necessary to provide for ^{the} full amount as proposed by the Administration.

It is felt that since the outlay recommended is more than three times the outlay of 1988-89, we may allow it to stand as recommended with this stipulation that if the Admn. is in a position to utilise the outlay and also take up additional work during the

-4-

next year, then we may permit it to do so through revised estimator. For the time being, however, the outlay may remain as Rs. 45 lakhs for this purpose.

III. The changes in other sectors, as compared to 1988-89, are not very marked. In the case of Education, considerable increases over this year's provision are being recommended taking into account the backlog of construction programme, the spill-over works and the need for additional teachers' posts. Similarly, some increases are recommended in the Health sector also, to take care of increased requirement in this area for completion of buildings and medical equipment consequent upon the posting of doctors in the Island.

IV. In the case of Irrigation and Flood Control, for anti-sea erosion programme, while Rs. 45 lakhs are recommended on the basis of existing programme, it was pointed out by CWC that the programme needed review. The Admn. was of the view that they would welcome the review as their need was for much larger programme. It was decided that CWC will review the works being undertaken to combat sea-erosion and suggest if any improvements were required to be effected and what should be the future course of action. The provision for next year, however, may remain at Rs. 45 lakhs.

In respect of Industry and Housing, the proposals were pruned because there was classification while making ^{long} proposals. For instance, in the case

of Industry, proposed outlay was Rs. 89.86 lakhs, of which Rs. 45 lakhs was indicated as subsidy. It was pointed out that the Central subsidy for industry would have to be reflected in the Central plan and should not figure in the plan of Lakshadweep Island. This would have to be pointed out to the Ministry of Industry. The Admn. had some difficulty in getting reimbursement from the Ministry of Industry. But to overcome that, it was suggested that contact should be established by the Administration with small industries organisation at the Centre. The recommendation for Village & Small Industries, has therefore, been made after eliminating the subsidy quantum indicated by the Administration.

Similarly, in respect of Housing, against the proposed outlay of Rs. 121.10 lakhs, recommendation is only for Rs. 31 lakhs. This is because of Lakshadweep already have a housing society with a capital of Rs. 90 lakhs. They have been wanting to convert the society into a Board and so it was suggested that the funds available with the Society should be made use of before any further amount is provided for.

The Admn. had indicated that it has to pay Rs. 160 lakhs towards helicopter charges. It was pointed out that this is in the nature of non-plan expenditure and cannot be reflected in the plan.

Along with proposal for High Speed Boats (2) for Inter-Island Transport and Mechanised Barges (4) for which the Ministry of Surface Transport had indicated

the provision of R. 1228.58 lakhs, the Admn. also indicated that R. 365 lakhs would be needed for petrol storage installation. It was pointed out by Adviser (Transport) in a separate discussion with Administration that provision for petrol storage installation should be made by IOC and not by the Administration. The Administration indicated that he had no objection provided IOC was prevailed upon to provide for this storage installation. The storage installations were needed to meet with the fuel demands of vessels playing in that area.

If we take away R. 1228.58 lakhs indicated by Min. of Surface Transport and R. 365 lakhs for petrol storage installation, then the rest of Lakshadweep Administration's proposals come to a total of R. 978.00 lakhs. In 1988-89 also, if we take away R. 733.55 lakhs provided specially for purchase of ships and R. 160 lakhs for civil aviation (it should come from Non-Plan), the rest of the outlay on Lakshadweep's plan works out to R. 880 lakhs. In percentage terms this is an increase of 11.1%. If, however, the full amount of R. 1228.58 lakhs ~~also~~ is provided for as recommended by the Min. of Surface Transport then total provision for Lakshadweep work out to R. 2206.67 lakhs, as against R. 1750.00 lakhs of 1988-89. In percentage terms this is an increase of 26.1%.

It is suggested that we may agree to provide (excluding for Surface Transport requirement of R. 1228.58 lakhs) R. 978.09 lakhs for Lakshadweep's plan. Another R. 50 lakhs may also be agreed to be provided for in case

the Administration is able to execute all the projects and ^{and} non-conventional proposals. Presently we need only give an assurance in this regard.

In addition, a decision would have to be taken as to what ought to be provided for in respect of High Speed vessels and Barges for which the Min. of Shipping has already given a sanction amounting to Rs. 1228.58 lakhs. Adviser Transport may kindly see and opine. As already pointed out, whatever is agreed to in the case of High Speed Vessels and Barges, it is recommended over and above the total of Rs. 978.00 lakhs.

82
6
93

|

Annual Plan 1989-90 - Heads of Development
Outlays & Expenditure

(Rs. Lakhs)

Head/Sub-Head of Development	Seventh Five Year Plan (1985-90) Approved Outlay.	Actual Expenditure			1988-89		1989-90		Approved Recommended/Outlay
		1985--86	1986--87	1987--88	Approved Outlay	Anti-cipated Expdr.	Proposed Outlay		
1.	2.	3.	4.	5.	6.	7.	8.	9.	
I. AGRICULTURE & ALLIED ACTIVITIES.									
Crop Husbandry	313.31	58.13	61.11	62.63	70.40	70.40	73.00	73.00	
Animal Husbandry	217.68	48.78	56.35	58.20	63.00	63.00	60.60	60.60	
Fisheries	343.27	30.20	42.85	53.62	82.82	82.82	111.40	111.40	
Co-operation	121.37	18.85	22.56	26.29	28.00	28.00	30.80	30.80	
TOTAL (I):	995.63	155.96	182.87	200.74	244.22	244.22	275.80	275.00	
II. RURAL DEVELOPMENT									
Special Programme for Rural Development									
Integrated Rural Energy Programme (IREP)	1.57	-	-	-	0.40	0.40	3.25	3.00	
Land Reforms	0.98	0.09	0.13	-	0.20	0.20	1.45	1.45	
Other Rural Development Programmes									
Community Development & Panchayats	21.07	21.07	1.47	-	-	-	-	-	
TOTAL (II):	23.62	21.16	1.60	-	0.60	0.60	4.70	4.45	

Head/Sub-head of Development	Seventh Five Year Plan (1985-90) Agreed Outlay.	Actual Expenditure			1988-89	1989-90	Recommended/Approved Outlay	
		1985-86	1986-87	1987-88	Approved Outlay	Anticipated Expendr.		Proposed Outlay
1.	2.	3.	4.	5.	6.	7.	8.	
III. IRRIGATION & FLOOD CONTROL.								
Anti-sea Erosion	122.35	5.00	20.00	20.00	30.00	30.00	47.25	45.00
<u>TOTAL (III):</u>	<u>122.35</u>	<u>5.00</u>	<u>20.00</u>	<u>20.00</u>	<u>30.00</u>	<u>30.00</u>	<u>47.25</u>	<u>45.00</u>
IV. ENERGY								
Power	376.84	50.01	112.49	100.11	100.00	100.00	119.25	95.00
Non-conventional resources of energy	45.03	-	2.00	7.60	14.00	14.00	100.00	45.00
<u>TOTAL (IV):</u>	<u>421.87</u>	<u>50.01</u>	<u>114.49</u>	<u>107.71</u>	<u>114.00</u>	<u>114.00</u>	<u>219.25</u>	<u>140.00</u>
V. INDUSTRY & MINERALS								
Village & Small Industries	137.03	24.00	19.27	16.41	26.80	26.80	88.00	36.00
Weight & Measures	5.38	0.51	0.89	0.11	1.37	1.37	2.37	2.25
<u>TOTAL (V):</u>	<u>142.41</u>	<u>24.51</u>	<u>20.16</u>	<u>16.52</u>	<u>28.17</u>	<u>28.17</u>	<u>90.37</u>	<u>38.25</u>
VI. TRANSPORT								
Light houses	240.21	45.37	36.14	63.10	33.75	33.75	402.45	83.10
Shipping	251.77	26.18	25.58	733.55	718.93	718.93	209.05	1084.00*
Civil Aviation	576.97	15.47	48.56	165.00	160.00	160.00	793.10	-
Roads & Bridges	146.38	58.00	45.00	30.02	24.25	24.25	31.00	38.00
Inland watertransport	-	-	-	-	-	-	-	-

* Includes provision for High Speed Boats and Barges

Head/Sub-Head of Development	Seventh Five Year Plan (1985-90) Agreed Outlay.	Actual Expenditure			1988-89	1989-90	Recommendation/Outlay	
		1985-86	1986-87	1987-88	Approved Outlay	Anticipated Proposed Outlay		
1.	2.	3.	4.	5.	6.	7.	8.	9.
Other transport(R/T)	19.58	-	-	-	1.00	1.00	8.30	-
TOTAL (VI):	<u>1234.91</u>	<u>145.02</u>	<u>155.28</u>	<u>996.67</u>	<u>937.93</u>	<u>937.93</u>	<u>1470.90</u>	<u>1205.70</u>
VII.COMMUNICATIONS	-	-	-	-	-	-	-	-
VIII.SCIENCE, TECHNOLOGY & ENVIRONMENT.								
Scientific, Research (incl.S&T).	19.67	8.89	5.85	1.16	3.00	3.00	8.88	8.46
Ecology & Environment	-	-	-	-	-	-	-	-
TOTAL (VIII):	<u>19.67</u>	<u>8.89</u>	<u>5.85</u>	<u>1.16</u>	<u>3.00</u>	<u>3.00</u>	<u>8.88</u>	<u>8.46</u>
IX.GENERAL ECONOMIC SERVICES.								
Sub-Economic Services	33.16	2.92	16.33	9.62	4.36	6.64	7.54	4.69
Tourism	117.46	21.15	11.73	13.29	19.88	17.60	17.94	17.94
TOTAL (IX):	<u>150.62</u>	<u>24.07</u>	<u>28.06</u>	<u>22.91</u>	<u>24.24</u>	<u>24.24</u>	<u>25.48</u>	<u>22.63</u>
X. SOCIAL SERVICES								
EDUCATION.								
General Education	318.31	52.50	44.15	65.35	120.00	120.00	214.32	119.60
Sports & Youth services.	42.09	28.00	10.87	7.22	11.00	11.00	28.75	20.00
Art & Culture	39.15	7.32	9.02	9.57	9.00	9.00	13.00	13.00

Head/Sub-Head Development	Seventh Five Year Plan (1985-90) Agreed Outlay.	Actual Expenditure			1988-89		1989-90		Recomm. ended/Approved Outlay
		1985-86	1986-87	1987-88	Approved Outlay	Anticipated Expr.	Proposed Outlay		
	2.	3.	4.	5.	6.	7.	8.	9.	
Sub-Total (Education)	399.55	87.82	64.04	82.14	140.00	140.00	256.07	182.60	
Medical & Public health	97.88	21.91	25.94	22.42	26.04	26.04	131.48	40.00	
Water supply & Sanitation	190.87	34.30	36.00	35.04	39.00	39.00	49.72	54.00	
Housing (incl. Police housing)	404.25	81.08	71.95	62.10	96.87	96.87	121.10	31.00	
Information & Publicity	48.94	9.13	15.37	9.27	16.50	16.50	12.50	12.50	
Labour & Employment									
Labour & Labour Welfare	5.38	0.32	0.31	1.07	11.22	11.22	6.66	6.66	
Social security & Welfare	39.15	4.59	3.99	6.31	9.60	9.60	11.00	10.00	
Nutrition	32.18	4.88	3.02	7.67	7.00	7.00	9.52	8.75	
Total (X):	1213.20	244.03	220.62	226.02	346.23	346.23	598.05	345.51	
XI. GENERAL SERVICES									
Stationary & Printing	58.73	17.69	6.60	7.49	20.00	20.00	22.29	15.00	
Public works (Ja-ils)	1.95	-	-	0.01	1.61	1.61	-	-	
TOTAL (XI):	50.72	17.69	6.60	7.50	21.61	21.61	22.29	15.00	
GRAND TOTAL	4390.00	696.34	755.53	1599.23	1750.00	1750.00	2762.97	2100.00	

@ Includes Rs. 1.01 lakhs for 'Statistical Machinery', Rs. 0.73 lakh for 'Plan Machinery' and Rs. 2.95 lakhs for 'District Administration'.

MOST IMMEDIATE

PLANNING COMMISSION
(State Plans Division)

Sub: Annual Plan 1989-90 - PONDICHERRY

A copy of the report of Dr. D.N. Prasad, Adviser(State Plans) on the Annual Plan 1989-90 of Pondicherry is circulated herewith. This will form the basis of discussion between Minister of Planning/Deputy Chairman, Planning Commission and the Chief Minister, Pondicherry to be held on 29th December, 1988 at 11.00 A.M. in Room No. 130, Yojana Bhavan, New Delhi.

Pawan S. Awal
(P.S. Awal)
Deputy Adviser

Deputy Chairman
Minister of State
Members
Secretary
Special Secretary
Advisers
Consultant (LEM)/(PP)
Joint Secretary (SP)
Chief (Science)

Ministry of Finance

Sh. J.L. Bajaj, Jt. Secretary(FB)
Deptt. of Economic Affairs

Sh. G. Haldea, Director (PF)
(4 copies)

Ministry of Home Affairs

Sh. Ashok Nath, Jt. Secy.(UTs)

Mrs. S.S.A. Tirmizi, Dy.Secy(Finance)

Planning Commission Cir.No.PC(P)2/Pondi/88 dated 23.12.1988

Copy to:- Private Secretaries to:

Minister of Planning/
Deputy Chairman
Minister of State

Private Secretaries to:

Prime Minister
Cabinet Secretary

Copy also to:-

Joint Advisers
Deputy Advisers
Information Officer
SRC/RO concerned in State Plans Division.

Copy to:-

Liaison Office, Pondicherry Admn., New Delhi (10 copies).

PLANNING COMMISSION
(State Plans Division)

....

ANNUAL PLAN 1989-90 - PONDICHERRY

REPORT OF ADVISER (SP) - DR. D.N. PRASAD

General

1.1 The Union Territory of Pondicherry consists of four regions namely, Pondicherry, Karaikal, Mahe and Yanam, lying geographically isolated from each other. Pondicherry region, which is on the east coast about 160 kms. south of Madras, is the largest of these and consists of 12 scattered areas interspersed with areas of South Arcot District of Tamil Nadu. Karaikal region is about 140 kms. south of Pondicherry and is surrounded by Thanjavur district of Tamil Nadu. Yanam region is located about 350 kms. north of Madras near Kakinda in Andhra Pradesh. Mahe region is on the west coast near Tellicherry in Kerala.

1.2 Pondicherry merged into the Indian Union de facto in 1954 but the de-jure merger took place only in 1962. The Union Territory was brought into the planning process from the beginning of the Second Five Year Plan. From then on, the UT has made impressive progress in the fields of agriculture, industry, health, education and social welfare. Nearly 88% of the net sown area is under irrigation and nearly 100% universalisation of elementary education has been achieved. Health coverage has been ahead of the prescribed national norms. All the 292 (census) villages have been electrified. The UT is adequately served with Public Distribution System.

Plan
Outlay

2. The Plans for Pondicherry are Centrally funded to a large extent. Ever since the Territory came into the Planning fold at the beginning of the Second Five Year Plan, it has been attracting a rising level of Central assistance and consequently, higher levels of plan outlay. This is borne out from the following comparative data on per capita plan outlay for the UT and the All-India average:-

<u>Per Capita Plan Outlay</u>	<u>Pondicherry</u>	(In rupees)
		<u>All States/UTs</u>
Second Plan (1956-61)	137	54
Third Plan (1961-66)	180	88
Three Annual Plans (1966-69)	153	63
Fourth Plan (1969-74)	266	128
Fifth Plan (1974-79)	635	309
Sixth Plan (1980-85)	1128	683
Seventh Plan (1985-90)	2457	1054
Annual Plan (1985-86)	498	178
Annual Plan (1986-87)	575	215
Annual Plan (1987-88)	679	245
Annual Plan (1988-89)	779	258

..

It will be seen that the per capita plan outlay in the case of Pondicherry has remained consistently higher than the All-India average.

Plan Perspective

3. The following table indicates the Seventh Plan/ Annual Plan perspective of Pondicherry:-

	(Rs. crores)
<u>Seventh Plan 1985-90</u>	
Approved Outlay	170.00
<u>Annual Plan 1985-86</u>	
i) Approved outlay	33.00
ii) Actual Expenditure	32.94
<u>Annual Plan 1986-87</u>	
i) Approved outlay	39.00
ii) Actual expenditure	38.89
<u>Annual Plan 1987-88</u>	
i) Approved outlay	47.00
ii) Actual Expenditure	46.80
<u>Annual Plan 1988-89</u>	
i) Approved outlay	55.00
ii) Anticipated Expenditure	55.00
<u>Annual Plan 1989-90</u>	
i) Proposed outlay	73.00
ii) Outlay recommended by Adviser (SP)	61.57

Seventh Five Year Plan (1985-90)

4.1 An outlay of Rs.170 crores was approved for the Seventh Plan of Pondicherry to be financed as under:-

	(Rs. crores)
<u>I. Territory's own resources:</u>	
i) Additional Resource Mobilisation	39.92
ii) Share in small savings	0.22
Total:	<u>40.14</u>
II. Central assistance	126.86
III. Aggregate Resources	<u>170.00</u>

The Seventh Plan outlay is an increase of 137.6% over the Sixth Plan outlay of Rs.71.54 crores.

Priorities/
Strategy in the
Seventh Plan

4.2 The basic priorities for the Seventh Plan are food, work and productivity. The strategy during the 7th Plan is to ensure faster development through increase in cropping intensity, extension of new agricultural technologies, measures to make the rural development programmes more effective in the creation of productive assets, expansion of labour intensive construction activities for providing housing, urban amenities, roads and social infrastructures and through changes in the level and pattern of industrial growth. The important physical targets to be achieved during the 7th Plan include stepping up foodgrain production to 1.35 lakh MT, paddy yield per ha. to 6 MT, production of sugarcane to 4 lakh MT, increased production under cotton, oilseeds, pulses, milk, eggs and fish. Seven more problem villages will be provided with drinking water supply and poverty alleviation including MNP and employment generation programmes will be accelerated.

Annual Plans
1985-86 &
1987-88

5. The level of approved outlay together with the actual expenditure incurred during the first three Annual Plan periods is indicated below:-

	(Rs. crores)		
	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>
a) Approved outlay	33.00	39.00	47.00
b) Actual expenditure	32.94	38.89	46.80

The Central assistance during the first three years amounted to Rs. 29.33 crores, Rs. 33.00 crores and Rs. 37.97 crores respectively.

Annual Plan
1988-89

6.1 The Annual Plan 1988-89 of Pondicherry was fixed at Rs. 55.00 crores which was to be financed as under:-

	(Rs. crores)
<u>I. Territory's own resources</u>	
a) Carry-forward balance	6.27
b) Share in small savings	1.20
c) Yield from ARM	13.79
Total - I	<u>21.26</u>
II. Central assistance	33.74
Aggregate Resources	<u>55.00</u>

6.2 The level of anticipated expenditure during the current year is placed at Rs.55 crores, as approved by the Planning Commission earlier. In terms of the information furnished by Pondicherry Administration, the expenditure likely to be incurred in respect of some priority sectors like Agriculture & Allied activities, Irrigation & Flood Control and Transport will fall short of the corresponding approved levels. In respect of some other priority sectors such as Rural Development and Industry & Minerals, however, the level of expenditure forecast during the current year will be higher than the corresponding level approved by the Planning Commission. In respect of the Energy sector, the approved outlay is also likely to be fully utilised.

Annual Plan
1989-90.

7.1 The Annual Plan proposals for 1989-90 as submitted by the Union Territory Administration, aggregate to Rs.73 crores reflecting an increase of 32.7 per cent over the approved outlay of Rs.55 crores for Annual Plan 1988-89. These were discussed in a meeting on 16.11.88 with the Chief Secretary, Pondicherry and his team of officers apart from the representatives of different Central Ministries and subject Divisions of the Planning Commission. It is to be noted that substantially higher outlays have been proposed for Annual Plan 1989-90 in respect of all the major heads of development. However, the outlays proposed for sectors like industry & minerals, energy and rural development are significantly higher than the corresponding level approved for the current year's plan.

7.2 The break-up of the proposed outlay for Annual Plan 1989-90 by broad heads of development together with the corresponding recommendations made by Adviser(SP) in consultation with the concerned subject Divisions of the Planning Commission is given in the table below:

(Rs. lakhs)

	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure			1988-89		1989-90 Outlay	
		1985-86	1986-87	1987-88	Appro- ved Outlay	Antici- pated Expen- diture	As pro- posed by the UT Admn.	As reco- mmended by Adviser (SP)
1.	2.	3.	4.	5.	6.	7.	8.	9.
I. Agriculture & allied activities	2276.50	428.95	487.02	563.12	565.87	554.06	658.80	599.19
II. Rural Development	492.00	25.67	97.19	118.94	140.20	141.24	202.50	156.50
III. Special Area Programmes	-	-	-	-	-	-	-	-
IV. Irrigation & Flood Control	905.00	148.30	177.12	260.82	238.48	219.96	279.00	200.00
V. Energy	1225.00	402.62	288.09	364.37	617.00	617.00	918.00	766.00
VI. Industry & Minerals	1234.00	199.76	254.37	559.78	698.02	748.53	1093.50	750.00
VII. Transport	2035.69	304.82	595.44	533.74	635.00	616.58	802.80	739.80
VIII. Communications	-	-	-	-	-	-	-	-
IX. Science, Technology & Environment	50.00	1.51	2.10	1.65	6.00	0.81	8.50	6.00
X. General Economic Services	162.50	51.88	67.47	86.99	99.20	94.85	114.20	108.20
XI. Social Services	8364.31	1584.70	1786.97	2068.01	2380.23	2389.97	2992.70	2653.90
XII. General Services	255.00	76.08	133.02	118.07	120.00	117.00	230.00	177.67
Grand Total:	17000.00	3294.29	3888.79	4680.49	5500.00	5500.00	7300.00	6157.17

Further break up of the recommended outlay as among various Sub-Sectors is as per Statement appended to this report.

Financial Resources for Annual Plan 1989-90

8.1 The Working Group on Financial Resources have gone into the resources position of Pondicherry both for the current year as well as for 1989-90. The latest estimates show that after financing the approved plan outlay of Rs.55 crores during 1988-89, the Admn. will have a surplus of Rs.2.83 crores which will be carried forward to 1989-90. As for 1989-90, the Territory's own resources have been estimated at Rs.22.29 crores. These estimates do not include any yield from fresh measures in 1989-90 as no such measures were indicated by the Admn. officials. Taking into account the Territory's own resources as now estimated and also the level of central assistance likely to become available to the UT,

the Working Group on financial resources have recommended a plan size of Rs.58 crores as against Rs.73 crores proposed by the Pondicherry Admn.

8.2 It may be mentioned in this connection that the UT has had an excellent record both with regard to plan implementation and resource mobilisation. Presenting the UT's plan during the course of discussion, the Admn. Chief Secretary made a strong plea for placing their Annual Plan 1989-90 as close to the proposed level of Rs.73 crores as possible. This was considered essential in view of the fact that the Admn. proposals had a social service bias and had been drawn up taking into account the need for completing the continuing projects before the 8th Plan. Some additional points made by the UT Development Commissioner in this regard, are as under:-

- a) The need for sustaining the pace of economic activity built during the first four years of the Plan at a minimal level, cannot be overlooked.
- b) The UT has no easy means of communications. This being a major constraint on development, sufficient provision has to be made particularly for roads.
- c) The Admn. has taken up development of the Pondicherry Port which is to be made operational by the end of 7th Plan. The Plan must keep in view its funding requirement.

....

- d) Adequate funds have to be made available to some newly created institutions like Engineering College as also for the revival of some others like the Textile Mill.
- e) Future growth of Pondicherry is to be based on industrialisation/urbanisation of the Territory. Public Distribution System has got to be strengthened and the needs of Pondicherry's different regions kept in view in any future plans. Besides, the commitments already made with regard to industrialisation may also have to be considered in working out the funding requirements under the next year's plan.
- f) Pondicherry with declining water table, is faced with water problem. The Admn. have taken up measures to ensure a better water management requiring less water.

The Development Commissioner thus pleaded for a comfortable plan size for the UT for 1989-90 consistent with the UT's requirements.

8.3 Considering the views put forth by the UT officials and concerned subject divisions of the Planning Commission, the Annual Plan for Pondicherry during 1989-90 has been worked out at Rs.61.57 crores. This is about Rs.3 crores more than the resources identified so far. It should be possible to raise this amount by concentration on better tax collection and other measures and administrative economies. In fact considering the past performance of resource mobilisation, this effort is very much within the capability of the Administration. The sectoral outlays as shown under in para 7.2 above, will need to be modified consistent with the overall size of the plan determined during Chief Minister's forthcoming meeting with the Deputy Chairman, Planning Commission.

/ The break-up of the suggested plan size appears under Col.9 in the statement at para 7.2 above.

Sectoral
Programmes

9.1 Some of the main sectoral highlights are discussed in the following paragraphs.

Agriculture
& Allied
Activities

10.1 In the Agricultural Sector, the strategy being pursued in the 7th Plan is not to allow any diversion of area from paddy to other crops with a view to meeting the increased demand for foodgrains, on account of increasing population. Instead, it is sought to maintain the area under paddy at the present level of 27,000 hectares. The foodgrains production is sought to be increased from 1.20 lakh tonnes to 1.35 lakh tonnes during the plan period primarily by increasing the productivity of foodgrain crops by using suitable high yielding/hybrid varieties. A sizeable increase in production of commercial crops of oilseeds, sugarcane and cotton is also envisaged during the 7th Plan period. The area under Horticulture would be increased by about 800 hectares by the end of plan period.

10.2 During the ~~XXXX~~ current year, the U.T. has made steady progress with regard to agriculture. A considerable increase in the productivity of pulses and coarse cereals has been reported which is attributed primarily to the cultivation of pulses in irrigated areas under assured irrigation conditions.

10.3 A review of the crop production programmes during the current year has shown that there has been a shrinkage in double cropped area of paddy in the Karaikal region due to late and inadequate release of canal water to the region. Kharif area coverage in the Pondicherry region was also affected by delayed monsoon as also the lowering of water table in the tubewells. A sizeable shortfall in the area coverage under both cereals and pulses is therefore forecast with regard to foodgrains production during the current year. In terms of the UT Administration's estimation, the anticipated level of foodgrains production will be around 1.07 lakh tonnes as against the targetted level of 1.32 lakh tonnes. The targets fixed in respect of the major commercial crops such as oilseeds, sugarcane, and cotton are however likely to be achieved in full.

10.4 In the light of performance during the current year, the suggested foodgrains production target for 1989-90 has been enhanced from the suggested level of 1.10 lakh tonnes to 1.14 lakh tonnes. In respect of commercial crops of oilseeds, sugarcane, and cotton however, the suggested targets for 1989-90 have been retained.

Forestry

10.5 Pondicherry has no recorded forest area and a beginning has been made by taking up massive tree planting programme on tank bunds, roads, channels and agro forestry. Voluntary agencies are also involved in this programme.

10.6 The activities envisaged are afforestation of 10 lakh seedlings, farm forestry for raising 18000 seedlings and benefiting 4000 SC families, planting of trees on bunds, channels, road sides etc. with physical target of 1,00,000 seedlings. Under wildlife conservation the activities proposed are miny zoo-cum-Aviary, wildlife education and publicity etc.

10.7 It may be mentioned that the staff component is very high and physical targets in terms of hectares have not been worked out. There appears to be no specific scheme under wildlife conservation. It may be mentioned that that there should be some technical staff for carrying out forest and wildlife activities which at present is totally lacking.

10.8 An outlay of Rs.47.40 lakhs has been agreed to against the proposed outlay of Rs.63.00 lakhs.

10.9 As regards financial outlays, the UT's proposals have been reviewed and found generally acceptable except some adjustments recommended in respect of the following sectors/schemes:-

Sub-sector/scheme	(Rs.lakhs)	
	Outlay for 1989-90 As proposed	As recommended
1. Setting up of Agro-Service Corporation.	70.00	40.00
2. Horticulture Dev.	29.30	25.00
3. Fisheries-Implementation of Arasalar River	30.00	20.00
4. Animal Husbandry	78.00	70.00
5. Forestry & Wildlife	63.80	47.40

Rural Development

11.1 Programmes of rural development like IRDP, NREP & RLEGP are fully funded by the Government of India in the UT of Pondicherry.

...

Community Development

11.2 Under Community development, UT's 7th plan carried a provision of Rs.348 lakhs against which an amount of Rs. 199.98 lakhs was spent during the first 3 years of the plan. For 1988-89, an outlay of Rs.119.20 lakhs was approved for this sector which has been revised to Rs.116.24 lakhs by the Administration. The suggested provision for 1989-90 is Rs.176 lakhs as against the balance available of Rs.38.78 lakhs during the 7th plan period.

11.3 It is observed that under Community Development there are many schemes like water supply, rural electrification, rural roads, latrine construction, etc. which are already being covered under the Minimum Needs Programme. Besides, a sizeable step-up has been proposed in respect of several schemes in this sector which cannot be supported in view of the general constraint of resources. The administration has been advised to contain the capital expenditure at a minimal level. An outlay of Rs.130 lakhs would suffice for the entire programme in the Community Development sector during 1989-90.

Land Reforms

11.4 Under land reforms the 2 schemes being implemented are:

- i) updating of registry and issue of patta pass books; and
- ii) The Survey Training School.

The scheme at item (i) above is a continuing scheme. It is reported that the town limit of Karaikal has been extended. As such, the survey of areas now included within the town will have to be redone under the system of survey known as "Town Survey". With regard to patta pass books, it has been reported that a draft bill is awaiting clearance of the Govt. of India. The scheme at item (ii) is functioning since 1986-87. The financial requirements in respect of both the above-mentioned schemes during 1989-90 have been gone into and the suggested total outlay of Rs.10.5 lakhs under land reforms found in order.

Irrigation Medium Irrigation

12.1 Under medium irrigation, the proposed outlay for 1989-90 is Rs.41 lakhs out of which Rs.15 lakhs is for Direction and Administration and Rs.25 lakhs for the improvement of channels in Karaikal region. On a query from

the I&CAD representative about the considerable step up in the proposed outlay of Rs.15 lakhs for Direction and Administration over the current year's agreed outlay of Rs.9.75 lakhs, Union Territory representative explained that the enhanced outlay for 1989-90 was proposed * so as to meet the requirement for creating a new Division.

12.2 Representative of I&CAD Division, Planning Commission pointed out that improvement to channels in Karaikal region was a small irrigation scheme meant for stabilising 600 ha. annually of existing irrigation of the old command and it was further clarified that under the revised criteria/definition the scheme related to the minor irrigation programme and therefore should not be included under Medium Irrigation Programme. The UT representative maintained that the scheme was being executed to stabilise the old command area of Cauvery Delta Scheme which was a major/medium project and therefore the scheme was being treated under medium irrigation.

12.3 It was impressed upon the representatives of the UT Administration that a Master Plan may be prepared to tap all possible water resources in a phased manner within the Union Territory so as to restore the irrigation of the old command area referred above as also for proper development of irrigation in this UT. The UT Administration agreed to the proposal placed by the Planning Commission. After some discussion, an outlay of Rs.40 lakhs was agreed against the proposed outlay of Rs.41 lakhs by the UT Administration for the year 1989-90.

Minor Irrigation

12.4 Under minor irrigation, the UT's 7th plan aims at stabilising the existing area commanded by tubewells and also at bringing an additional area of 500 hectares under ground water irrigation during the plan period. During the first 3 years of the plan, 358 hectares of additional area has been brought under tubewell irrigation and the target set for 1988-89 viz., 100 hectares is likely to be exceeded. The programme for 1989-90 is to bring 100 hectares of additional area under tubewell irrigation.

12.5 It is to be noted that surface irrigation had already reached the feasible optimum levels in the UT of Pondicherry. Due to uncertainty of irrigation supplies from neighbouring Tamil Nadu area, the strategy

has been towards intensive water management and better utilisation of available surface water resources including the rehabilitation of tank irrigation, ground water recharge in Pondicherry and modernisation/drainage improvements of Cauvery Delta system in the Karaikal region. The irrigation system in both Karaikal and Pondicherry suffers from many deficiencies. A water resources development plan for the UT of Pondicherry in collaboration with the Water & Power Consultancy Services, New Delhi, has been drawn up. Detailed projects are reported to be under investigation, and in the first instance revitalisation of Bahour and Ousteri tank systems is proposed to be given top priority. In Karaikal detailed project for one of the 7 major river systems is to be prepared including improvement works already cleared for the Noolar system.

12.6 The proposals under minor irrigation had included provision for the purchase of a power rig. During the course of discussion a doubt arose as regards the justification for the purchase of a rig by the UT. It was explained from the UT's side that the purchase of a rig was contemplated last year though the actual purchase could not materialise so far, for want of necessary sanction by the Central Ministry of Water Resources. The delay in the issue of necessary sanction attracted adverse comment in the meeting. The general view expressed was that the procedure involved in such cases should be streamlined in such a way that all approvals/sanctions were issued in the beginning of the financial year itself so as to avoid any possible hindrance in the development work. As for the justification for the purchase of the rig, the UT Development Commissioner explained that the digging of Bore-wells within 6 kms. of coastal areas had been stopped and hereafter Bore-wells would be located only in the hinter-land which is rocky.

12.7 The UT Admn. has suggested a total provision of Rs.148 lakhs in this sector which was considered on the very high side. An allocation of Rs.100 lakhs was considered sufficient for the minor irrigation programme during 1989-90.

Flood Control

12.8 Under Flood Control sector, UT Administration proposed an outlay of Rs.90 lakhs for the year 1989-90. A large number of flood control and drainage schemes (41 in number) have been included for execution in 1989-90 plan for which an outlay of Rs.83 lakhs is proposed.

...

12.9 It was emphasised by the representative of I&CAD Division that a master plan for all possible flood control and drainage schemes may be prepared after conducting morphological studies at least for the major rivers passing through this UT instead of implementing a large number of schemes on ad-hoc basis. This would avoid a thin spreading/available resources as also a continuous spillover of schemes.

of

12.10 After a detailed discussion with UT representatives, it was agreed to provide an outlay of Rs. 60 lakhs for 1989-90 against the UT proposals for Rs. 90 lakhs.

Power

13.1 Union Territory of Pondicherry does not have its own generation and meets its power requirements by bulk purchases from neighbouring States of Tamil Nadu (Pondicherry and Karaikal areas), Kerala (Mahe region), and Andhra Pradesh (Yenam region).

13.2 The power programme in the UT consists mainly of extension and augmentation of the transmission and distribution systems. The major ongoing transmission work is erection of 220/110 KV auto substation at Villianur. This scheme is for drawal of the share of power of the UT from Central sector Super Thermal Power Stations at Ramagundam and Neyveli. A direct-230 KV transmission line was constructed by TNEB funded by Neyveli Lignite Corporation and the line was energised in March, 1987.

13.3 The erection of 210 KV Sub-station at Villianur is also being done by TNEB on deposit work basis funded under UT Plan. The first transformer of the substation was commissioned in April, 1987 and the second transformer was expected to be commissioned in 12/88 as against 6/88 indicated last year. The suggested outlay of Rs. 155.82 lakhs for 1989-90 has been endorsed.

13.4 Among new works, the main programme relates to additional primary sub-station and EHV lines in the UT. The scheme was techno-economically cleared by the CEA in 1/87. EFC clearance was however still awaited. The UT proposed to instal 110 KV sub-stations at Mahe and Siderapet to be commissioned by 12/88 and 3/89 respectively and 132 KV Sub-stations at Kalapet and Yenam to be commissioned respectively in 12/90 and 3/91. It is stated that the land for the erection of 110/11 KV substations at Mahe and Siderapet has been acquired and the civil works are in progress. A provision of

...

Rs. 247.17 lakhs has been recommended, keeping in view the physical status of works.

13.5 In all, a total provision of Rs.750 lakhs is recommended for various programmes in the Power Sector during 1989-90.

Industry

Village and Small Industries

14.1 The Administration had proposed an outlay of Rs. 490 lakhs for 1989-90 against an anticipated expenditure of Rs.389.85 lakhs during the current year. It is observed that the outlay proposed under the head 'small scale industries' is on the high side. The step-up proposed is over 40 per cent higher than the corresponding outlay approved for 1988-89. As among different schemes grouped under this head, the scheme on "subsidy for power tariff" accounts for a major chunk of the step-up proposed i.e. Rs.320 lakhs for 1989-90 as against Rs.220 lakhs approved for 1988-89. Under this scheme, subsidy is granted to both HT and LT consumer industries set up in the Territory on the power tariff paid by them. It has also been explained from the UT side that the said amount being committed expenditure was required to be met. After some discussion, however, they indicated that the scheme was being amended to restrict the subsidy only to such units which achieved superb level in power efficiency. In view of the position explained by the U.T. representatives and also consistent with the trend of expenditure so far, an outlay of Rs.422 lakhs is recommended for various programmes in the V&SI sector during 1989-90.

Large & Major Industries

14.2 As against the proposed outlay of Rs.603.5 lakhs, an outlay of Rs.328 lakhs is recommended for 1989-90 for this sector. The schemewise break-up of proposed and recommended outlays is as under:-

Name of the scheme	(Rs.lakhs)	
	Proposed by UT	1989-90 Outlay Recommended
1. Share capital investment in Pondicherry Industrial Promotion Development & Investment Corporation Ltd.	190	120

...

2. Share Capital Contribution to Pondicherry Textile Corporation	400	200
3. Development of Industrial Estates and Construction of Office Buildings	10	5
<u>Total</u>	<u>600</u>	<u>325</u>
4. Weights & Measures	3.5	3
<u>Grand Total</u>	<u>603.5</u>	<u>328</u>

14.37 The major cut in outlay has been made on share capital contribution to Pondicherry Textile Corporation, under which Union Territory Administration had taken over an Anglo-French Textile Mills in December, 1985. This mill, which was sick upto 1985, had made a net profit of Rs.42.64 lakhs during 1987-88. The proposal for 1989-90 is for the modernisation of the mill by installing imported machinery to boost the production and also to meet growing export demand; thereby strengthening the share capital base of the Corporation towards modernisation. During the meeting, it was suggested that the Union Territory should venture to utilise the modernisation funds of IDBI and also send the detailed proposal regarding modernisation programme to the Planning Commission. It was also requested that the modernisation programme should be phased. Keeping these in view, an outlay of Rs.200 lakhs only is recommended for this programme as against the proposed outlay of Rs.400 lakhs.

Transport

15.1 In the transport sector, the UT Administration's proposals aggregated to Rs.802.80 lakhs. On a detailed consideration of the proposals, however, a slightly lower outlay of Rs.739.80 lakhs has been recommended.

15.2 Under ports, bulk of the proposed outlay is for implementation of Ariankuppam Port Project which is a continuing scheme. The outlay proposed for this project is Rs.249.77 lakhs. It is reported that the progress of this scheme is slow because of the court cases in the Calcutta High Court on the revision of Tender rate. The case has since been settled and as indicated by the U.T. officials, the project is now likely to be completed by 1989-90.

...

15.3 Under Civil Aviation, the main proposal relates to the construction of an air-strip in Pondicherry. The meeting was informed that a Central Team had visited Pondicherry and asked the Pondicherry Administration to shift two HT lines existing in the area. For this purpose and for the development of the ground, an outlay of Rs.60 lakhs has been proposed. The suggested outlay is endorsed. It is noted that work on the scheme will be completed in 1989-90.

15.4 For roads and bridges, the suggested outlay of Rs. 386 lakhs may be reduced to Rs.341 lakhs consistent with the approved outlay for the current year as also the trend of expenditure so far. It is to be noted that all villages under MNP had already been connected and as such, no outlay has been proposed under MNP. As for road transport, the proposed outlay of Rs. 18.80 lakhs has been endorsed.

15.5 An outlay of Rs.54 lakhs has been proposed for the development of tourism in the U.T. This is considered reasonable and may be retained. The UT Administration had requested for additional funds as they were going to organise Festival of France in Pondicherry. It is felt that the allocation for this sector may be retained for the present at the proposed level of Rs.54 lakhs and special provision for the festival if any, may be considered later on by making some inter-sectoral adjustments.

Science,
Technology &
Environment

Science & Technology

16.1 It is noted that in the absence of a S&T Cell, the science and technology programmes were carried out marginally by some voluntary organisations during the last three years. DST at Centre has already been approached to sanction post of a Senior Scientific Officer for the S&T Cell. It is expected that the sanction would be obtained during the current year and S&T Cell would be fully formed by next year. An outlay of Rs.3.00 lakhs is recommended for the programme during 1989-90.

Environment

16.2 Under Environment Sector it has been brought out that an Environment Cell is being formed in the UT; posts have been created for the Environmental Cell and approval has been obtained from the Centre. During 1989-90 with completion of the infrastructural facilities,

the Environmental awareness and Pollution Control Programmes are expected to be geared up. An outlay of Rs.3.00 lakhs is recommended for the programme during 1989-90.

Social Services

Education

17.1 As against current year's outlay of Rs.1200 lakhs for Education, the Pondicherry Administration has proposed an outlay of Rs.1400 lakhs for 1989-90. The State representative stated that the increase of Rs.200 lakhs was due to committed capital component of sports stadium, school buildings and grants to engineering college which is being managed by an Autonomous registered society.

17.2 Under the Elementary Sector during 1988-89, the Administration had sent proposals to Government of India under "Operation Black-board", with a financial requirement of Rs.118.78 lakhs for constructing 136 class rooms/ 306 toilets; appointing 47 secondary grade teachers, and for purchasing 238 teaching implements. The Pondicherry Administration has already initiated construction of class rooms and the District Rural Development Authority spent about Rs.20 lakhs on school buildings.

17.3 The physical target for enrolment in Classes I - VIII is 3868 children as against current year's target of 3428 children. It is also proposed to cover 541 scheduled caste children during 1989-90.

17.4 Under Adult Education, Planning Commission recommended a target of covering 18000 Adults in the current year whereas the U.T. Govt. indicated a coverage of 15000 adults both in current year and next year. As against the proposed outlay of Rs.4.20 lakhs, an amount of Rs.4.50 lakhs has been recommended. The U.T. representative stated that one Jana Shikshan Nilayam would be set up in the current year. It was also stated that in Karaikal, the present Anganwadi workers were also running the Adult Education Centres during evenings, as this additional work gave them extra income.

17.5 Under Technical Education, the Ministry's representative said that the prior approval of All-India Council for Technical Education was necessary before introducing new courses in the Technical Institutions. The Administration should ensure that these new courses related to the demands of existing industries and the

...

trained students should be absorbed later. The UT official informed that a number of High Tech. Industries were coming up like general optics, plant for sorbitol, washing machines, T.Vs. etc. It was also emphasised that top priority should be given to consolidation of existing facilities and modernisation as envisaged in the New Education Policy.

17.6 It was observed that the outlays on Sports and Youth Services were substantially higher for next year i.e. Rs.263.25 lakhs as against the current year's outlay of Rs.190.90 lakhs. This was mainly for the construction of the Sports Complex including stadium for which Rs.2 crores was to be paid to the PWD and the works were fast progressing like tracks, indoor stadium and galleries etc.

17.7 In all, a provision of Rs.1275 lakhs has been recommended for various programmes in the Education Sector during 1989-90.

Medical and Public Health

17.8 The UT Admn. has been doing well in extending health care services for its population, both in the urban and rural areas. The Admn. has chalked out a detailed plan of action for taking the health services still closer to the people and create a health community. The main emphasis is laid on the prevention aspects of the health care and other prophylactic measures. Health education to create community awareness is being strengthened in the rural areas. Health Departmental Programmes are reported to have received the Community's active and total participation with the result that full utilisation of these services is being made.

17.9 For 1989-90, the Administration had proposed an outlay of Rs.438.30 lakhs for various programmes in the health sector. These have been considered in detail. Keeping in view the pace of progress in the implementation of the various programmes in this sector, a slightly lower outlay of Rs.330 lakhs has been recommended for running the health programmes in the U.T. during 1989-90.

Housing and Urban Development

17.10 The Administration's proposals in the housing sector aggregated to Rs.358.90 lakhs for 1989-90.

They have also proposed an outlay of Rs.194.50 lakhs for Urban Development Programmes. While considering these proposals in detail, attention of the U.T. officials has been drawn to the following points:-

- 1) Pondicherry has no separate department to co-ordinate implementation of schemes under Housing and Urban Development Sector. At present, there are 12 organisations dealing with housing subjects and 3 organisations dealing with U.D. Sector. There is need, therefore, for the creation of a Central Agency to coordinate the activities of this sector.
- ii) Pondicherry has multiplicity of schemes and varieties of norms for housing schemes meant for similar target groups. The Admn. should rationalise these schemes so that same target groups do not receive different treatment.
- iii) The targets of programmes under 20-Point Programme may be finalised keeping in view the approved norms and the same communicated to the Planning Commission.

17.11 The outlays suggested for 1989-90 are somewhat lower than those proposed by the Administration both under Housing and Urban Development i.e. Rs.333.90 lakhs for Housing and Rs.184 lakhs for Urban Development. As among individual schemes, some of them may have reduced allocation as under:-

(Rs. lakhs)

Sector	Scheme	Outlay for 1989-90	
		As proposed	As recommend- ed.
Housing	Share capital of Pondicherry Co-operative Housing Federation Ltd.	60.30	25.00
Urban Development	i) Capital Development Project	52.00	47.00
	ii) Integrated Urban Development Project	20.00	15.00

Water Supply
& Sanitation

Rural Water Supply (MNP)

17.12 As reported by the Admn. Officials, all the identified problem villages as per 1980 and 1985 lists have been provided with adequate quantity of drinking water supply. The UT Administration has identified additional 51 villages as problem villages as per revised norms of 0.5 Km. These 51 villages were planned to be covered in 3 years. 37 villages (16 already covered during 1987-88 and 21 are to be covered during 1988-89) will be covered by the end of March, 1989 and the balance 14 villages during 1989-90.

17.13 The approved outlay of Rs.40.00 lakhs under MNP for 1988-89 for rural water supply will be fully utilised. It is reported that envisaged expenditure during 1988-89 for rural water supply under MNP would be of the order of Rs. 43.85 lakhs. The total utilisation envisaged during the first 4 years of the Seventh Plan for rural water supply under MNP would be of the order of Rs.184.32 lakhs. This is against the Seventh Plan approved outlay of Rs.200 lakhs.

17.14 The UT Admn. has proposed an outlay of Rs.41 lakhs for 1989-90 for rural water supply schemes under MNP (Rs.38 lakhs for works and Rs.3 lakhs for operation and maintenance). With the above investment it is envisaged that 14 remaining newly identified problem villages with total population of 15,000 will be covered with drinking water supply facilities during 1989-90. The schemes were discussed in detail and studying the performance of the schemes and in consultation with the Department of R.D., it was assessed that funds of the order of Rs.35 lakhs should be sufficient to complete the schemes and there will be no spill over of ongoing schemes to the 8th Plan. An outlay of Rs.35 lakhs has been accordingly recommended for rural water supply works under MNP during 1989-90.

17.15 For operation and maintenance of rural water supply schemes under MNP, approved outlay in the 7th Plan is Rs.20 lakhs. Under Point No. 7(c) of the 20-Point Programme, operation and maintenance of rural water supply schemes has been given a "very high" priority. Involvement of community in operation and maintenance of rural water supply schemes has been highlighted in item 7(c) of the 20-Point Programme. Utilisation of plan funds for operation and maintenance under State sector MNP during the first 4 years of the

Seventh Plan is not very satisfactory. The UT Admn. has sought an outlay of Rs.3 lakhs for operation and maintenance of rural water supply schemes under MNP during 1989-90. After detailed discussion the amount has been agreed to and the UT Admn. has been requested to ensure that the assets created so far under rural water supply sector are maintained properly with the involvement of community.

Urban Water Supply

17.16 The UT Admn. has proposed an outlay of Rs. 96.50 lakhs for 5 urban water supply schemes. The Seventh Plan approved outlay for urban water supply schemes is Rs.275.00 lakhs, against which the UT Admn. has reported an expenditure of Rs.233.34 lakhs during the first 3 years of the Seventh Plan and anticipated expenditure during 1988-89 is reported as Rs.81.34 lakhs. The progress of each of the 5 schemes was discussed with the officials of the UT Admn. During the discussions it was reported by the UT Admn. officials that water supply scheme for sub-urban areas of Pondicherry was sent to CPHEEO, Ministry of Urban Development 8 months back for technical approval. The UT Admn. is yet to receive the necessary technical approval of the scheme. A comprehensive urban water supply scheme for Karaikal was also sent to CPHEEO for technical approval about an year back. The UT Admn. received technical sanction of the scheme only about a month back. Regarding slow progress of the scheme relating to distribution system and improvements to water supply system in Yanam, it was reported by the UT Admn. that sanction of the scheme was given by the UT Admn. about a month back. However, in the absence of a representative of Ministry of Urban Development in the meeting, the actual position in this regard could not be ascertained. The UT Admn. has been requested to ensure that the schemes are formulated correctly; on time and also pursued with the concerned Department to get technical approval quickly so that such delays are avoided in future.

17.17 After detailed discussion it was reported by the UT Admn. that if, funds of the order of Rs.87 lakhs are provided for 5 ongoing urban water supply schemes, it would be possible to complete all the 5 schemes during the Seventh Plan period and there would be no spill over of these schemes in the 8th Plan. An allocation of Rs.87 lakhs has been accordingly agreed to for the 5 schemes.

17.18 In all, a total provision of Rs.157 lakhs is suggested for water supply and sanitation sector during 1989-90 as against Rs.185 lakhs proposed by the UT Admn.

Welfare of
SCs, STS &
OBCs

17.19 The Union Territory of Pondicherry proposed an outlay of Rs.160 lakhs for the Annual Plan 1989-90 under Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes Sector. In the Union Territory, there are no Scheduled Tribes. It is noted that the UT Admn. proposed an outlay of Rs.25.18 lakhs for 1989-90 as against the revised outlay of Rs.15.35 lakhs for 1988-89 under the scheme "Strengthening of Department for the welfare of SCs". The higher outlay was proposed for creating 19 additional posts for implementing programmes under the Scheduled Castes Development Corporation which is centrally sponsored programme. The representative of Ministry of Welfare pointed out that an amount of Rs. 15.05 lakhs would be needed to implement programmes of the Scheduled Castes Development Corporation in the next year. This was agreed to. Against the revised outlay of Rs.22.30 lakhs for the scheme of Scheduled Castes Development Corporation, the U.T. Admn. proposed an outlay of Rs.35 lakhs for the Annual Plan 1989-90. It was pointed out that this being a centrally sponsored programme, an amount of Rs.22 lakhs might be kept under State Plan and the rest would come from Ministry of Welfare as central share. For other schemes the outlays as proposed by the UT Admn.were retained.

17.20 In view of the above, an outlay of Rs.137 lakhs is recommended as against the UT Admn.'s proposal of Rs.160 lakhs for the Annual Plan 1989-90.

Other
Sectors

18. The outlay recommended in respect of other components of social service and for other remaining sectors are set out under column 10 of the Statement appended as 'Annexure'.

...

61
22/83

Statement

Draft Annual Plan 1989-90 - Outlay and Expenditure - Pondicherry (P. Lakhs)

Code No.	Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed Outlay	Actual Expenditure 1985-86	Actual Expenditure 1986-87	Actual Expenditure 1987-88	1988-89 Appd. Outlay	1988-89 As proposed by VI Admn. Adviser (DP)	1989-90 Outlay	
1	2	3	4	5	6	7	8	9	
I. Agriculture & Allied Activities									
1 01 2401 00	Crop Husbandry	486.00	78.68	82.13	142.31	117.50	126.85	178.20	147.90
2402 00	Soil & Water Conservation	208.15	22.15	18.24	13.24	15.00	15.00	16.00	16.00
2403 00	Animal Husbandry	350.00	48.48	57.76	52.89	55.00	55.00	78.00	70.00
2404 00	Dairy Development	38.35	1.92	6.60	10.00	12.10	12.10	9.00	9.00
2405 00	Fisheries	500.00	115.62	123.74	86.94	100.00	100.00	130.00	120.00
2406 00	Forestry & Wild Life	130.00	18.08	25.40	48.21	50.00	52.82	63.80	47.40
2407 00	Plantations	-	-	-	-	-	-	-	-
2408 00	Food, Storage & Warehousing	0.75	0.15	0.20	0.24	0.27	-	-	-
2415 00	Agricultural Research & Education	45.60	8.99	9.18	49.29	80.00	70.17	77.75	77.75
2416 00	Agricultural Fin. Instns.	-	-	-	-	-	-	-	-
2435 00	Other Agricultural Programmes	-	-	-	-	-	-	-	-
2435 01 a)	Marketing & Quality Control	17.65	3.08	4.00	5.00	6.00	6.75	11.05	11.05
2435 60 b)	Others (to be specified)	-	-	-	-	-	-	-	-
2425 00	Cooperation	500.00	131.80	159.77	160.00	130.00	115.37	100.00	100.00
1 01 0000 00	Total (I)	2276.50	428.95	487.02	568.12	565.87	554.06	658.80	599.10

Statement (Contd.)

(Rupees)

Code No.	Major Head/Minor Heads of Development	Seventh Plan (1985-90) Approved outlay	Actual Expenditure			1988-89 Appd. outlay	1989-90 Outlay As proposed by UT Admn.	1989-90 Outlay As recommended by Admn.	
			1985-86	1986-87	1987-88				
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
1 07 3053 00	Civil Aviation	0.69	-	70.09	2.00	60.00	60.00	60.00	60.00
3054 00	Roads & Bridges	1000.00	180.39	229.72	314.13	300.00	300.00	386.00	341.00
3055 00	Road Transport	35.00	16.17	15.96	22.13	25.00	24.26	18.80	18.80
3056 00	Inland Water Transport	-	-	-	-	-	-	-	-
3075 00	Other Transport Services (to be specified)	-	-	-	-	-	-	-	-
1 07 0000 00	Total (VII)	2035.69	304.82	595.44	533.75	635.00	616.58	802.80	739.80
1 08 0000 00	VIII. Communications	-	-	-	-	-	-	-	-
IX. Science, Technology & Environment									
1 09 3400 00	Scientific Research (incl. S&T)	36.00	0.01	0.10	0.65	3.00	0.05	4.00	3.00
3425 00	Ecology & Environment	14.00	1.50	2.00	1.00	3.00	0.76	4.50	3.00
1 09 0000 00	Total (IX)	50.00	1.51	2.10	1.65	6.00	0.81	8.50	6.00
X. General Economic Services									
1 10 3451 00	Sectt. Economic Services	26.00	3.07	2.94	8.50	15.20	9.20	20.90	15.00
3452 00	Tourism	116.50	45.52	36.68	45.09	50.00	50.00	54.00	54.00
3454 00	Surveys & Statistics	14.00	2.09	1.25	3.40	5.00	4.65	5.20	5.20
1 10 345600	Civil Supplies	6.00	1.20	1.60	5.00	4.00	6.00	10.00	9.00

(Rs. Lakhs)

Code No.	Major Head/Minor Heads of Development	Seventh Plan (1985-90) Agreed outlay	Actual Expenditure 1985-86	1986-87	1987-88	1988-89 Appd. outlay	1988-89 Anti. Expdr.	1989-90 As proposed by UT Admn.	1989-90 As recommended by Adv-iser (SP)	
1.	2.	3.	4.	5.	6.	7.	8.	9.	10	
1 10 3475 00	Other General Soc. Services	-	-	25.00	25.00	25.00	25.00	25.00	25.00	
1 10 0000 00	S Computerisation	162.50	51.88	67.47	86.99	99.20	94.85	114.20	108.20	
XI. Social Services										
Education										
2 21 2202 00	General Education	2216.00	256.54	412.17	393.40	614.27	599.99	678.49	678.74	
2203 00	Technical Education	1300.00	347.27	377.75	463.31	349.51	295.37	398.93	273.93	
2204 00	Sports & Youth Services	300.00	63.36	41.53	62.12	175.83	246.15	263.25	263.00	
2205 00	Art & Culture	199.00	16.28	36.11	26178	60.33	58.49	59.33	59.33	
2 221 0000 00	<u>Sub-Total (Education)</u>	<u>4015.00</u>	<u>683.45</u>	<u>865.56</u>	<u>945.61</u>	<u>1200.00</u>	<u>1200.00</u>	<u>1400.00</u>	<u>1275.00</u>	
2 22 2210 00	Medical & Public Health	600.00	133.68	148.98	198.18	250.00	250.00	438.30	330.00	
2 23 2215 00	Water Supply & Sanitation	700.00	110.12	141.00	218.08	151.13	151.13	185.00	157.00	
2 23 2216 00	Housing (incl. Police Housing)	1325.00	279.10	260.04	283.55	300.00	304.75	358.90	333.90	
2 23 2217 00	Urban Development (incl. State Capital Projects)	655.00	165.96	141.42	159.15	160.00	167.70	194.50	184.00	
2 24 2220 00	Information & Publicity	60.00	11.47	17.41	46.11	27.30	27.30	49.00	40.00	

Code No.	Major Head, Minor Heads of Development	Actual Expenditure					1988-89		1989-90 Outlay	
		Seventh Plan (1985-90) Agreed Outlay	1985-86	1986-87	1987-88	Apprd. outlay	Anti. Expr.	As proposed by UT Admin.	As recommended by Advl-ser (SP)	
1.	2.	3.	4.	5.	6.	7.	8.	9.	10	
2 25 2225 00	Welfare of SC, ST & other Backward Classes	441.08	74.15	79.31	90.06	120.00	120.00	160.00	137.00	
2 26 2230 00	Labour & Employment	152.23	37.50	36.78	35.74	47.80	47.80	65.00	62.00	
2 27 2235 00	Social Security & Welfare	151.00	32.55	26.53	28.54	39.00	36.25	52.00	45.00	
2 27 2236 00	Nutrition	265.00	56.72	69.94	62.99	85.00	85.00	90.00	90.00	
2 28 2252 00	Other Social Services (to be specified)	-	-	-	-	-	-	-	-	
2 00 0000 00	<u>Total (XI)</u>	8364.31	1584.70	1986.97	2068.01	2380.23	2389.97	2992.70	2653.90	
<u>XII. General Services</u>										
3 42 2056 00	Stationery & Printing	105.00	29.40	44.07	39.73	45.00	45.00	70.00	60.00	
2058 00	Public Works	150.00	46.68	88.95	78.34	75.00	75.00	160.00	117.67	
2070 00	Other Administrative Services	-	-	-	-	-	-	-	-	
3 00 0000 00	<u>Total (XII)</u>	255.00	76.08	133.02	118.07	120.00	117.00	230.00	177.67	
9 99 9999 99	<u>Grand Total:</u>	17000.00	3224.29	3888.79	4680.49	5500.00	5500.00	7300.00	6157.17	

MOST IMMEDIATE

Planning Commission
(Multi-level Planning Unit)

Subject:- Annual Plan 1989-90 - North Eastern Council (NEC)

A copy of the report of Dr. (Mrs.) I.K. Borthakur, Adviser (State Plans) on the Annual Plan 1989-90 of North Eastern Council (NEC) is circulated herewith. This will form the basis of discussion between the Minister of Planning/Deputy Chairman, Planning Commission and the Chairman, NEC to be held on Thursday, the 12th January, 1989 at 11.00 AM in Room No. 130, Yojana Bhawan, Sansad Marg, New Delhi.

N. L. Meena
(N. L. Meena)
Joint Adviser (NEC)

Deputy Chairman
Minister of State
Members
Secretary
Special Secretary
Advisers
Consultant (LE)/(PP)
Joint Secretary (SP)
Chief Science

Ministry of Finance

Shri J. L. Bajaj, Jr. Secy. (FB),
Deptt. of Economic Affairs.

Shri G. Haldea, Director (PF),
Deptt. of Expenditure (4 copies)

Ministry of Home Affairs

Shri K. K. Sinha, Jr. Secy. (NE)

Planning Commission Cir. No. PQ P/3/43/88-NEC dated 10.1.1989.

Copy for information to: Private Secretaries to:
Minister of Planning/Deputy Chairman
Minister of State
Secretary to the Prime Minister
Cabinet Secretary.

Copy also to:
Joint Advisers
Deputy Advisers
Information Officer
SRO/RO concerned in State Plans Division -
Multi-level Planning Unit.
Liaison Office, NEC, New Delhi (10 copies)

(Hill Areas Division)

Report of the Adviser (State Plans) Dr. (Mrs.) I.K. Barthakur, Planning Commission on the Annual Plan 1989-90 -- North Eastern Council (NEC)

Part-I

The report takes into account the salient points discussed in the working Groups of the Planning Commission and recorded in the earlier report that warrant emphasis and the discussions with the officials of the North Eastern Council (NEC) held by the Adviser (State Plans), Dr. (Mrs.) I.K. Barthakur on 19.11.1988.

2. The North Eastern Council (NEC) was set up in August, 1972 under the NEC Act, 1971 as an experiment in the field of regional planning for the development of the North-Eastern Region of the country. NE Region comprises of seven states viz., Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. The Council is an advisory body. For the purpose of securing balanced development of the region, the Council is responsible for formulating a unified and coordinated regional plan in regard to matters of common importance to the region. The plans of the NEC are funded entirely from Central assistance. The Council, practically, started functioning since 1974-75. The schemes sponsored by the Council are mainly required to be directed towards the development of infrastructural facilities of regional importance, such as power, transport and communication and manpower.

3. The NEC Plans' perspective is as under:-

<u>Plan Perspective</u>	<u>(Rs. crores)</u>	
	<u>Approved Outlay:</u>	<u>Expenditure:</u>
Fourth Five Year Plan 1969-74	0.33	0.28
Fifth Five Year Plan 1974-79	90.00	36.58
Annual Plan 1978-80	47.00	32.00
Sixth Five Year Plan 1980-85	340.00	385.34
<u>Seventh Five Year Plan 1985-90</u>	675.00	-
Annual Plan 1985-86	125.00	96.46
Annual Plan 1986-87	145.00	144.13
Annual Plan 1987-88 Original	165.00	150.00
Revised	150.00	
Annual Plan 1988-89	185.00	185.00
Annual Plan 1989-90 (Proposed)	264.33	(Anticipated)
		<u>Recommended by</u>
		<u>Working Adviser</u>
		<u>Group: (SP)</u>
		243.33 196.58

Seventh Plan 1985-90

4. The approved outlay for the Seventh Plan 1985-90 is Rs.675.00 crores as LIC loan to be raised by the NEC. The first three years (i.e. 1985-88) expenditure amounted to Rs.390.68 crores as crores. Assuming that the outlay of Rs.185.00 crores for 1988-89 assistance would be utilised fully, the total expenditure by the end of 31st March, 1989 would be Rs.575.65 crores. Thus, the balance left for the last year of the Seventh Plan i.e., 1989-90 is Rs.99.40 crores.

Annual Plan 1988-89

5.1. The approved outlay for the Annual Plan 1988-89 is Rs.185 crores including Rs.30 crores as LIC loan to be raised by the NEC for power projects. During the meeting held between the Deputy Chairman, Planning Commission and the Chairman, NEC to finalise 1988-89 Annual Plan, a number of proposals suggested by the Chairman, NEC were included in the NEC Plan, (i) Gas Turbine Project at Rokhia, Tripura, (ii) Regional Forest Ranger's College; (iii) financial support for construction of a Hostel at (a) Banasthali Vidyapith, Jaipur; and (b) Delhi for NE Students (iv) Preliminary works for (a) upgradation of B. Borooah Cancer Institute and (b) setting up of a film studio-cum-production centre at Jyoti Chitaban, Guwahati; (v) Studies for taking up (a) Pagladiya Dam and (b) Drainage Project in Barak Valley. To speed up implementation of rail-cum-road bridge over the river Brahmaputra at Jogighopa, the Deputy Chairman, Planning Commission directed earmarking of Rs.15 crores for the bridge as against Rs.5 crores during 1987-88 Plan.

5.2. Having made a mid-year review of 1988-89 Plan, in October 1988, the NEC has indicated in the plan document that the target of full utilisation of plan funds would be achieved. However, for meeting the pressing requirements of funds in respect of the schemes in Transport and communication sector and also to provide financial resources to the State Governments under the new scheme 'Operation Black Board' launched by the Government of India at the national level, the NEC had proposed inter-sectoral adjustments to augment the provisions under Transport and Communication sector and the Manpower Development sector by Rs.12.65 crores and Rs.1.94 crores respectively, in the anticipated expenditure for 1988-89. The additional requirements of funds in these two sectors have been proposed to be covered by diverting savings under Water and Power Development sector due to non-finalisation/non-sanction of 75MW Gas Turbine Project at Rokhia in Tripura (Provision Rs.9.00 crores), and from the Industries and Mineral sector, due mainly to non-finalisation/non-sanction of the scheme on Expansion of Bokajan Cement Plant in Assam and the Clinker Grinding Units in Mizoram and Tripura (Provision Rs.6.00 crores). It may be mentioned that the outlay for power sector are treated as the earmarked outlay.

Draft Annual Plan 1989-90:

6. The NEC proposed the Annual Plan 1989-90 at Rs.264.33 crores comprising Rs.247.00 crores for continuing, and Rs.17.33 crores for new schemes, against the outlay/anticipated expenditure of Rs.185 crores for 1988-89. The step up over the current year plan is 42.9%. Against the proposed outlay of Rs.264.33 crores, the recommendations of all the Working Groups total to Rs.243.33 crores. The Adviser (State Plan) recommends an outlay for the Annual Plan 1988-90 at Rs.196.58 crores. The schemewise break-up of outlay proposed by NEC and recommended by the Working Group and Adviser (SP) for Annual Plan 1989-90 is given at Annexure-I. The major sector-wise break-up of the outlay proposed by the NEC, recommended by the respective Working Groups and as recommended by Adviser (State Plans) is given in the following statement:

(Rs. crores)

Sector:	Seventh Plan 1985-88		Annual Plan 1988-89		Annual Plan 1989-90		
	1985-90 Appd. Outlay	Actual Expd.	1988-89 Appd. outlay:	Anti-Proposed Expd. outlay:	Proposed outlay:	Recommended By Work- Advise ing. (SP) Group:	1989-90
I-Agriculture & Allied Programmes	46.46 (6.88)	22.66	12.02	12.02	16.70	13.38	13.04
II-Water & Power Development	278.08 (41.19%)	131.18 (33.63%)	52.98 (28.12)	44.62 (57.98)	100.39 (51.31)	83.55 (27.52)	53.70
III-Industries & Minerals	10.60	5.17	7.52	1.46	11.52	6.85	56.04
IV. Transport & Communica- tion.	297.53 (44.08%)	199.90 (51.25%)	99.68	112.33 (60.72)	121.92 (46.12)	123.31 (50.68)	113.3 (57.4)
V-Manpower Develop- ment.	33.80	27.12	10.33	12.27	9.74	13.00	7.40
VI-Social & Community Services.	1.61	1.78	0.73	0.65	1.90	1.17	1.17
VII-General Services.	6.92	2.25	1.74	1.65	2.16	2.07	2.07
<u>Total:</u>	<u>675.00</u>	<u>390.06</u>	<u>185.00</u>	<u>185.00</u>	<u>264.33</u>	<u>243.33</u>	<u>196.58</u>

Figures in brackets are %age to total;

7. During the wrap-up discussion held on 19.11.1988 regarding annual plan proposals of the NEC for 1989-90, the Adviser(SF) made the following general as well as specific observations:

Role of NEC. 7.1 Last year it was stressed that the NEC should assume its role as regional planning body and may develop a strategy for integrated planning of the region. The proposals for the Annual Plan 1989-90 and the atlas prepared by the NEC shows their most of the schemes in agriculture sector are now scheduled to be completed during 1989-90. The NEC would prepare a list of such schemes which should be completed during 1989-90 and those likely to be spilled over to Eighth Plan. This would reduce the spill schemes to the Eighth Five Year Plan, and shed away small schemes from the NEC plan to the extent possible. It would also enable the NEC to give deeper thought & prepare to assume its rightful role more effectively for taking up the schemes under its plan as per the approach and strategy that might be evolved by Steering Groups that have been set up by the NEC for the Eighth Plan.

Project Formulation. 7.2 It is important to formulate projects in detail. Physical targets, objectives, the goal, time phasing and financial requirement should be seen and detailed clearly. The project report should show the benefits that would accrue to the people. Cost effectiveness of the proposal should also be examined. At what unit cost the proposed benefit is sought, need to be seen and spelt out, wherever feasible.

Decentralisation of Planning Process. 7.3 Much thought has already been expressed on decentralisation of planning process. A further step to decentralisation at district level will be to consider allocation of a part of State Plan resources to the village authorities as is in vogue in the form of Village Development Boards (VDBS) in Nagaland. The people of Nagaland have used the Village funds allocated on per household basis, on schemes which they consider their felt needs. In order to accomplish the tasks, the village community also contributed effort and their own resources and achieved much higher throughput. The NEC can play a major role discussing with NE States of the region who might like to consider a similar approach/strategy for satisfying the felt needs of the people at village level and also for involving community in the planning process. In Mizoram, Manipur and Tripura hills the VDB concept seems workable. In Manipur state, Manipur Development Society is doing well in implementing the special employment generation scheme. This could be replicated in other states with adjustments to the local conditions. NEC may study effectiveness and see whether the scheme could be implemented in other states on same pattern of funding.

- Monitoring: 7.4 It was essential that the monitoring system was put on sound footing, and adequate feed back from the grass roots was received/regular basis to bring about required corrections. Evaluation, aggregative and sectoral as well as concurrent could provide valuable insight, to arrive at right policy formulation during the Eighth Plan. /on
- Priority: During the first four years of the Seventh plan, the actual expenditure indicates that priorities for agriculture; power and water sectors have been lowered (30.5% from 41.19%), while priority has moved in favour of transport and communication sector from 44.08% to 54.29%. The trend has been maintained in the Annual Plan 1989-90 proposals. This anomaly has mainly happened through reallocation proposals of/adjustments of outlays. /inter-sectoral
- Afforestation of catchment area: 7.6 Afforestation of catchment areas of various hydro-electric projects, with people's participation would go a long way in treating the catchment areas. Comprehensive plan in this regard could be chalked out in consultation with State Government, & concerned Central Ministries, Waste/land Development Board and the science and Technology Councils. ds
- Laktak Lake: 7.7 The deteriorating condition of the Laktak Lake, Manipur which supplies water to the central hydel power project was causing concern. Various developmental aspects such as desilting, fisheries development, afforestation, control of weeds, etc. was a major work. NEC may consider taking up of full project to develop the lake in an integrated manner. The lake was said to be largest such lake in Asia.
- Jhum: 7.8 To overcome the disadvantages of shifting cultivation and to help people to live a better quality of life and also to conserve and develop ecology of hills, a strategy to replace Jhum had been evolved. It suggests multi-disciplinary integrated area development approach where pooling of resources and efforts of all departments and all developmental agencies was considered necessary. The focus is on evolving location specific integrated package of schemes that provide food security & sustainable income generating alternatives/settled cultivation to replace Jhum without disturbing settled /and

villages. A central sector scheme is in operation since 1987-88. The NEC may use its good offices to popularise the strategy and to ensure that it is extended to all Jhum areas by the concerned state governments.

Modernise- 7.9 The region is deficit in foodgrains production. **Agriculture:** The cropping intensity, use of high yielding varieties of seeds, fertilizers and other modern inputs continue to be low. In order to encourage these, especially, to enhance cropping intensity, it is necessary to introduce short duration (less than 100 days) time bound high yielding varieties of paddy seeds during Kharif season, so that the paddy crop is harvested during the month of September/October and the paddy lands become vacant for planting of various Rabi crops during the optimum Rabi sowing season. The optimum sowing season in the Region closes by the end of October in most of the States and by the middle of November in some States of the NE Region. It was necessary to generate adequate quantities of required variety of seeds in the region itself. The NEC may prepare a master plan for this.

Seeds: 7.10 Non-availability of required quality short duration (less than 100 days and cold tolerant high altitude varieties for hills) variety of seeds has been a continuous problem to all the seven states of the Region. The right variety seeds are either not available at the required time or in required quantities. The situation is compounded by the problem of transportation and distribution of seeds. The NEC may develop a suitable seed production strategy/guide the states for their making suitable timely action.

Irrigation: 7.11 The NEC has now entered into irrigation sector. Irrigation schemes/proposals may be examined first from the potential, it will create irrigation of Rabi and Pre-Kharif crops (Ahu/Ahus). Since the rainfall during Kharif season is very heavy, the true worth of irrigation proposals should be seen from its likely impact on Rabi and Pre-Kharif crops. A coordinated approach to the development of crop husbandry with modern inputs and linkage of irrigation was necessary.

Horticulture: 7.12 The development of horticulture seems to hold good promise. The North Eastern Council is already preparing a regional perspective on the development of horticulture. Although the conditions for the development of horticulture seem conducive, it is necessary that transport and market linkages are seen and planned well ahead of fruiting of crops. It is important that the areas which specialise in horticulture development also produce foodgrains to meet at least partial requirements of the people. The NEC may ensure that the State Government strengthen their public distribution system/provide assured supplies of foodgrains people engaged in horticulture

(and

- Sericulture: 7.13 Under village and small scale industries sector of the NEC plan, the Development of sericulture in the North Eastern Region needs to be linked with availability of adequate number of food trees for the silk worms. Earlier the sericulture depended on forests, but with heavy destruction of forests, feed trees too have reduced very much. Plantation of such trees under various afforestation, social forestry development etc. schemes and the like programmes need to be encouraged.
- Productive Sector : 7.14 People are fond of eating meat/fish. Modern techniques to increase livestock of quality and quantity may be used. High priority needs to be given to the productive aspect of agriculture and allied sectors and other productive sectors/for balanced development of various sectors.
- Institutional Finance : 7.15 The credit-deposit ratio continues to be adverse. NEC may help the states to get adequate institutional finance linkage with various developmental schemes. The constraint to the same may be identified and may help increasing conditions conducive to linking of institutional finance.
- Objective : 7.16 The first and the foremost objective of the total development effort is to improve the quality of life of the masses. All schemes and projects should, therefore, be tested on this touch-stone whether the completion of the project/scheme will bestow any benefit to the people for improving their quality of life and raising their standard of living. It is important to bear in mind that the first priority schemes should be such that create conditions for the people to move towards attaining the above objective.
- Reach People: 7.17 By way of having an objective relook, NEC, might like to assess worth whileness of the plathora of plan schemes, projects and programmes if necessary, may redirect them to benefit and help people to improve their quality of life and standard of living.

....

- Terminal Year of the Plan :** 7.18 The year 1989-90 is the terminal year of the Seventh Five Year Plan. It should, therefore, be treated as the year of consolidation and completion of projects so that the achievement of the year could be compared against the Seventh Five Year Plan targets to make a sound base for the 8th Five Year Plan. Intensive efforts are, therefore, required to complete the on-going schemes/projects so that new projects and new schemes could be scheduled to be taken up during the Eighth Five Year Plan. As per NEC policy, it will also help in shedding of schemes that appropriately are the purview of the NE States.
- 7.18.1 The schemes that have been completed during 1987-88 and 1988-89 and those that will be completed during 1989-90 and the schemes that will spill over to the Eighth Plan may be listed.
- Resources should not be spread thinly:** 7.19 The resources should not be spread thinly on a large number of projects but concentrated on projects that could be completed in the shortest possible time. This will bestow benefits to the people at the earliest. Only through this approach, aspirations of the people in real terms can be met. Thin spread of resources creates hope that leads to disappointment if the projects are not brought to fruition in the expected time schedule.
- Existing Assets to be fully used:** 7.20 The NEC should oversee that the existing infrastructure, institutions, staff, buildings, transport facilities and other assets created under its schemes be used to the optimum level. The assets should be maintained properly and not allowed to get into disuse or damage.
- Roads :** 7.21 Faulty construction of roads cause serious disturbance to fragile eco-system. Roads may be planned properly and constructed as per designs that prevent disturbance to ecology and environment.
- Manpower Development:** 7.23 The shortage of technical personnel continue to be a serious constraint. A systematic multi-directional effort may continue to be made to train as well as to attract qualified and experienced technical personnel. The NEC has already sponsored a study through IQMR for preparation of a perspective plan for development of manpower.

.....

(NEC)

Exphasis on
Consumables:

7.24 The general infrastructure sector, for the North Eastern Region as a whole, especially transport system and specialised manpower is considered weak in the North Eastern Region. To overcome this situation, high emphasis over the years has been laid on the development of infrastructure. Heavy investments on this sector are continuously being made. Intra-sector infrastructural expenditure made under the State Plans, the NEC Plan, and the Central sector schemes is also high. A large number of departments, organisations and institutions and corporations have been set up. But the productive sector has not kept pace with the increased demand for the consumables, which has risen both qualitatively and quantitatively. The agricultural and allied productive sectors have remained more or less stagnant. Most of the primary and manufacture /consumer goods and producer good continue to be brought into the region from long distances. Therefore, it is urgent that adequate resources, in real terms, go towards inputs that enhance actual production of consumer goods. Innovative inputs and people's involvement towards this objective may also be encouraged.

PART - III

AGRICULTURE AND ALLIED SERVICES

8.1 The main emphasis under this sector has been laid on creation of institutional infrastructure for lending support to agriculture and allied development efforts in the region, i.e. regional foundation seed farms; jhum replacement schemes; regional and experimental schemes for development of irrigation; horticulture; plantations; forestry; animal husbandry; fisheries; etc. The year 1989-90 being the final year of the Seventh Five Year Plan due consideration is being given by the NEC for completion of the on-going schemes, particularly, those which were continuing from the Sixth Five Year Plan under this sector.

Agriculture and Soil Conservation

8.2 The region continues to be deficit in foodgrains, which is evident from the fact that about 2 million tonnes of foodgrains are being brought in every year. The imperative need is to develop agriculture with a view to making the region self-sufficient in foodgrains. During 1987-88, main thrust was suggested on the twin strategy of (a) increasing productivity of production of foodgrains in the plains of the north eastern region and (b) to replace the destructive practices of Jhum cultivation in hills to be adopted by all the States of the region. The NEC might take necessary steps to remove constraints that might be inhibiting this, and help the States to become self reliant. Non-availability of right type of HYV seeds, specially paddy is one such constraint.

Foundation Seed Farms

8.3 Of the three foundation seed farms taken up under the NEC plans, two farms one each in Assam (Lalpool) and Tripura (Jirinia) have started raising foundation seeds for paddy, maize, pulses, wheat, etc. The third farm is being developed in Manipur.

Establishment of North Eastern Regional Seeds Corporation and Certification Agency

8.4 Realising the need for making timely availability of quality and quantity of seeds in the North Eastern Region, the NEC is proposing to set up

.....

the North Eastern Regional Seeds Corporation. Detailed project report has been prepared by the National Seed Corporation and is under consideration of the Ministry of Agriculture, Government of India and likely to be cleared soon. The NEC is also establishing a Regional Seed Certification Agency. This will be combined with the Regional Seeds Corporation.

Watershed Management

8.5 With a view to wean away Jhum cultivators to permanent cultivation/occupations, nine integrated watershed management projects were taken up. Two of these i.e., one each in Nagaland and Manipur, have been completed and normalised. The remaining projects are under various stages of implementation. Last year it was observed that the projects have not achieved the desired results. Therefore, these needed revision in the light of strategy evolved by the Planning Commission. Since the Central sector scheme on Jhum replacement has been started from 1987-88, no new watershed management projects were to be taken up under the NEC plan. The NEC has, therefore, proposed no new project for 1989-90.

Horticulture

9. There are vast potential for horticultural development in the region. The main thrust of the programmes under the NEC plan is on strengthening of infrastructure, extension, processing and marketing. Diversification of existing horticulture sector by introduction of suitable new varieties of horticultural crops and orchards, several seed farms to produce quality seeds for vegetables, tuber crops like potato, sweet potato, walnuts, cashewnuts, etc. have been taken up under NEC plan. Schemes under North Eastern Agricultural Marketing Corporation (NERAMAC) are expected to provide processing and marketing support for fruits and other agricultural produce. The fruit juice concentration plant, mainly, of pine-apple and orange, in Tripura has been commissioned.

(and

Plantation

10.1 The NEC is encouraging programmes for development of plantation crops like tea, coffee and rubber by providing infrastructural facilities, setting up of processing units and other schemes.

10.2 A new scheme, namely, establishment of rubber demonstration-cum-training centre for 1989-90 has been proposed. The Working Group has recommended an outlay of Rs.25 lakhs, against Rs.50 lakhs proposed by NEC.

Forest and Plant Resources:

10.3 The emphasis has been given to afforestation of denuded hill slopes, especially, in the catchment areas of the hydro-electric power projects so as to reduce soil erosion and to prolong life of the reservoirs. The NEC is planning to establish a Regional Forest College at Deomaly (Arunachal Pradesh). The Ministry of Environment and Forest has given concurrence to it. The Working Group suggested that the NEC Secretariat should work out and intimate the total cost and time phasing for its completion.

10.4 The NEC proposed a new scheme for the afforestation of waste lands in Tawang. The Working Group suggested that a detailed project report for implementation of this scheme may be drawn indicating total area involved the total cost and time phasing etc. It, however, recommended an outlay of Rs.20 lakhs as proposed. However, the Adviser(SP) observed that the new scheme is important and of localised nature. It should be included either in the Arunachal afforestation plan or be taken up by the Wastelands Development Board.

10.5 The Working Group has also observed that the NEC has not prepared the detailed project reports for its schemes of afforestation works in the catchment areas of some of the hydro-electric projects. The Group suggested that a comprehensive project report should be prepared for the treatment of entire catchment area for each project and the various sources of funds of the works already carried out or being done should also be taken into consideration while formulating such projects.

Animal Husbandry

11.1 The programmes include improving the existing low yielding and uneconomical local breeds by scientific methods of breeding, multiplication of the improved breeds of live-stock, providing health cover to the animals, increasing fodder production by making available necessary quantities of seeds of improved fodder grasses for growing fodder.

Fisheries

11.2 The region has potential for development of fisheries. However, there was a wide gap between the demand and supply of fish in the north east as is evident from the fact that as against estimated annual requirement of about 1.40 lakh tonnes of fish, - estimated production of fishes in the region was less than half of the requirement. The NEC has been trying to supply suitable and quick/high yielding fish seed under its fish production programmes for development of beels and have taking up scientific fish culture which will also serve as demonstration farms. In order to exploit the fish culture and to train manpower, a Regional Fisheries Training Institute is also being set up.

II. Water and Power DevelopmentPower

12. Under Power Sector, the NEC schemes relate to (i) generation (ii) transmission and (iii) survey and investigation. The schemewise position is as under:-

A. Generation(i) Kopili Hydel Project (2 x 25 + 2 x 50 = 150 MW)

12.1 The latest cost of the project was estimated at Rs.231.10 crores raised from original cost estimate of Rs.56.77 crores, an escalation of 307% includes Rs.20.20 crores towards repair of tunnel mishap remedial works. Of the four units, two units of 25 MW each at Khandong were commissioned in May, 1984. Commissioning of the remaining two units of 50 MW each were due during 1987-88. The tunnel mishap delayed it. However, a 50 MW unit was rotated on 15.2.1988 and the other on 15.3.1988. But due to technical snags the commercial generation could commence with effect from 22.6.1988 and 21.7.1988 only.

12.2 Upto March, 1989, an amount of Rs.232.49 crores would have been made available to NEEPCO which includes LIC loan of Rs.69.15 crores.

12.3 The NEC proposed an outlay of Rs.10 lakhs for 1989-90 for liquidating residual liabilities, if any, against which the Working Group has recommended only Rs.1 lakh.

(ii) Doyang Hydel Project (3 x 35 MW), Nagaland

12.4 The Doyang Project to be located in Nagaland was sanctioned in February, 1983 at an estimated cost of Rs.96.31 crores and target of commissioning as 1990-91. Later in March, 1985, the cost was estimated at Rs.128.61 crores. The cost for the original project has further been revised to Rs.220 crores i.e. an escalation of 128% over the first estimate. The project cost estimates were based on the project report prepared by the Government of Nagaland on the basis of investigation carried out by them. The pre-construction survey done by Survey of India indicated that the capacity of the reservoir was found to be 800 million cubic metres as against 1510 million cubic metres assessed earlier.

12.5 This necessitated a complete reappraisal of the project parameters. After series of consultations with CEA and CWC and project authorities, the capacity of the project was reassessed at 75 MW (3 x 25 MW) as against (3 x 35): 105 MW. The project cost was also revised from Rs.96.31 crores (1983) to Rs.166.66 crores for the reduced size of the project which might even erode the project viability. However, CEA is considering for technical clearance to the project. Excepting for infrastructure, the project construction has not yet started.

12.6 Upto March, 1989, an amount of Rs.46.00 crores have been allocated during the first four years of the plan but ~~only~~ this only Rs.18.25 crores have been released/made available to NEEPCO (includes Rs.5 crores of LIC loan). The outlay of Rs.5 crores approved as LIC loan for 1988-89 is likely to be utilised fully.

12.7 Against NEC's proposed outlay of Rs.25 crores for 1989-90 for the project, the Working Group has recommended an increased outlay of Rs.30 crores which is six times of the outlay approved for the current year. As the revised project is yet even to receive technical approval of the CEA and approvals of the Deptt. of Power and the Cabinet. Adviser(SP) recommended an outlay of Rs.10 crores as against the current year's approved outlay of Rs.5 crores.

(as well as administrative

(iii) Ranganadi Hydel Project (3 x 135 MW),
Arunachal Pradesh

12.8 The project was approved in April, 1987 to be executed by NEEPCO at an estimated cost of Rs.312.78

crores. The cost is now estimated at Rs.356.77 crores excluding the estimated cost of Rs.55.11 crores on the connected transmission lines. The project is scheduled to be commissioned during 1995.

12.9 Upto March, 1988, an amount of Rs.14 crores have been made available to NEEPCO which includes Rs.550 lakhs as LIC loan raised by NEEPCO. A provision of Rs.15 crores is available in the Annual Plan 1988-89. The entire amount is to be raised by NEEPCO as LIC loan. NEC proposed an outlay of Rs.24 crores for 1989-90, for the project, against which the Working Group has recommended an outlay of Rs.20 crores. The recommendations are supported.

(iv) Gas Turbine in Tripura

12.10 The scheme of installation of third unit of 5 MW at Baramura Thermal Power Station, Tripura at an estimated cost of Rs.526 lakhs was sanctioned in March, 1987. The unit is expected to be commissioned by April, 1990. The Power Department, Govt. of Tripura is executing the project. Preliminary action including building of necessary infrastructure for project instalation have commenced.

12.11 Due to technical problems in the turbines imported from a French Company, the Power Deptt. of Tripura has sought expert opinion of CEA. Upto March, 1988, an amount of Rs.150 lakhs of plan funds were released. The approved outlay of Rs.250 lakhs for 1988-89 is likely to be utilised fully. The NEC proposed an outlay of Rs.165 lakhs for the project for 1989-90 against which the Working Group has raised to Rs.600 lakhs. Full amount as proposed by the NEC is, however, recommended for 1989-90.

(v) 75 MW Gas Turbine Project at Rokhia in Tripura
(10 x 7.5 MW)

12.11.1 This project is a new project which was approved for inclusion in the Annual Plan 1988-89 at an estimated cost of Rs.67.47 crores to be located in Tripura. Already, the estimate was been revised to Rs.143.91 crores (including transmission facilities for evacuation of power from the project). However, the raised estimate has yet to be cleared. An outlay of Rs.9 crores was approved for the project for 1988-89. Considering procedural time involved in clearance/approval of the project, almost no

...../-

expenditure is likely to be incurred during the current financial year. The entire amount of Rs.900 lakhs is likely to be diverted to other sectors.

12.11.2 An outlay of Rs.500 lakhs was proposed for the project for 1989-90, against which the Working Group has recommended an outlay of Rs.10 lakhs. The Working Group observed that the project was not going to get-off the ground during 1989-90, hence Rs.10 lakhs would suffice. Secretary, NEC stated during wrap up discussion that the amount was inadequate. They have to make mandatory deposits with BHEL while placing orders for the machinery of the project is sanctioned.

(vi) Garo Hills Thermal Project, Meghalaya (4x30 MW)

12.12 The first phase of the project was approved in March, 1981 at an estimated cost of Rs.43.20 crores and revised cost is Rs.115 crores. This has raised issues connected with the viability of the project. Earlier delays had occurred due to lack of agreement on the selection of implementing authority. The Planning Commission set up a Working Group under the chairmanship of Secretary, NEC to study various issues connected with the project. The terms of reference of the Group are to examine, inter-alia, the aspect of coal availability on long-term basis, cost of generation, evacuation of power, executing agency of the project and any other related matter (A view on the project would be taken only after the report of the Group is made available). No expenditure has been incurred on the project during 1988-89. However, against proposed outlay of Rs.10 lakhs for this project, the Working Group has recommended an outlay of Re.1 lakh for 1989-90.

(vii) New Generation Projects:

12.13 The Government of Mizoram has suggested inclusion of Serlui-B Hydel Project (3 x 3.5 MW) in Mizoram (estimated cost of Rs.29.36 crores). Govt. of Nagaland has proposed inclusion of Lakimro Hydel Project (15 MW) in Nagaland (estimated cost of Rs.19.41 crores). Govt. of Arunachal Pradesh has suggested inclusion of Nuranang Hydel Project (3 x 2 MW) (estimated cost of Rs.953 lakhs). Considering the fact that techno-economic clearance of the projects is yet to be received from CEA, a lumpsum allocation of Rs.150 lakhs was proposed for these projects in NEC

...../-

Annual Plan 1989-90. The Working Group recommended the outlay as proposed.

B. Transmission

(i) (a) Additional Transmission Lines Project

12.14 The additional transmission lines projects were taken up mainly for supply of power from Kopili Hydel Project to Assam, Manipur, Tripura and Mizoram. It envisages laying of a 132 KV single circuit line from (a) Khandong to Halflong, (b) Halflong to Jiribam; (c) Jiribam to Aizawl; and (d) Aizawl to Kumarghat including loop in and loop out of existing 132 KV line from Agartala to Dharmanagar at Kumarghat. The scheme also envisages construction of 132 KV sub-stations/switching stations at Halflong, Jiribam, Aizawl and Kumarghat. With completion of the 132 KV Jiribam-Aizawl portion during September, 1988, the entire project has been practically completed.

12.15 The latest approved project cost amounting to Rs.28.12 crores was revised by NEEPCO. CEA has informed that re-revised project report at an estimated cost of Rs.33.17 crores has been cleared. Details of CEA approval are awaited for taking up the case with the Ministry of Home Affairs for obtaining approval of the re-revised project cost estimate.

(i) (b) Construction of 132 KV Lungmual-Zembank line

12.15.1 This line was originally not included in the Additional Transmission Line project and was sanctioned subsequently. The entire amount of estimated cost of Rs.73.95 lakhs has been released out of the Plan provision of Additional Transmission line project. This line has since been completed.

12.15.2 An amount of Rs.30.60 crores has been released by the NEC to NEEPCO upto March, 1988 for additional Transmission Line Project including the cost of Lungmual-Zembank Line. Against the approved outlay of Rs.1.75 crores, the likely expenditure is Rs.4.00 crores for 1988-89. An outlay of Rs.100 lakhs proposed for 1989-90 for the project has been fully recommended by the Working Group.

(ii) Doyang Transmission Lines Project

12.16 The project was approved in March, 1985 at an estimated cost of Rs.40.87 crores. The project was to be synchronised with the commissioning of Doyang HP

...../-

Generation Project. Besides, the line was also to be used for flow of power from Kopili and Loktak Hydel Projects. There are three main transmission lines covered by the project report, namely, 132 KV Double Circuit Doyang-Dimapur Line (98 Kms.), 132 KV Single Circuit Dimapur-Imphal Line (188 kms.) and 220 KV Double Circuit Dimapur-Misa Line (112 Kms.). Preliminary survey of all the lines have been completed and check survey is in progress in respect of 132 KV Doyang-Dimapur Line and 132 KV Imphal-Dimapur Line. There are three main sub-stations/switching stations covered by the project report. Land for all the sub-stations/switching stations have been acquired and levelling works have been more or less completed.

12.17 An amount of Rs.810 lakhs has been made available to NEEPCO upto March, 1988. The provision of Rs.6.82 crores for 1988-89 is likely to be utilised fully. Against a proposed outlay of Rs.20 crores for the project, the Working Group has recommended an outlay of Rs.16 crores for 1989-90. Adviser(SP) observed that because of various problems the Doyang Hydel Project is far behind the schedule. Since the transmission line is to be synchronised with the completion of the hydel project outlay of Rs.16 crores recommended by the Working Group seems to be on high side. In view of this an outlay of Rs.10 crores against the current year's outlay of Rs.6.82 crores was recommended.

12.18 The project envisages construction of 132 KV line from Gohpur Sub-station (Assam) to Itanagar (Arunachal Pradesh) and establishment of a 132 KV sub-station at Itanagar. The sanctioned estimated cost of the project is Rs.239.22 lakhs. Though, initially, this scheme was decided to be implemented by Assam and Arunachal Pradesh Governments through their respective agencies. within their respective territories, on a review of related issues, the scheme was entrusted to NEEPCO for implementation during February, 1987. NEEPCO has completed the survey of the line. The project is expected to be completed during 1989-90. The implementing agency has revised the project cost estimate to about Rs.416 lakhs from Rs.239.22 lakhs.

12.19 An amount of Rs.146 lakhs was released upto March, 1988. The provision of Rs.1.00 crore for 1988-89 is likely to be utilised fully. An outlay of Rs.170 lakhs was proposed for this project for 1989-90 and the Working Group has recommended this outlay in full. This will fully fund the revised estimates.

...../-

(iv) Ranganadi Transmission Project

12.20 The Ranganadi Transmission Line Project was approved at an estimated cost of Rs.47.34 crores during April, 1987. The project provides for construction of a 400 KV Double Circuit Line from Ranganadi Project to Balipara in Assam. The survey work of the line is in progress.

12.21 An amount of Rs.25 lakhs has been released to NEEPCO upto 31st March, 1988. The likely expenditure for 1988-89 is Rs.25 lakhs. The NEC proposed an outlay of Rs.50 lakhs for this project and the Working Group has recommended the outlay in full for 1989-90.

(v) Transmission System in NER (Meghalaya, Mizoram and Manipur)

12.22 There is an approved provision of Rs.100 lakhs for 1988-89 for construction of transmission system in Meghalaya, Mizoram and Manipur. In line with the suggestion of the Planning Commission to identify important transmission lines with reference to a perspective transmission system Plan for NEC funding, the assistance of a consulting firm has been sought by Council Secretariat for reviewing transmission need of the NE Region. All the constituent units of the NE Region, CEA, NEREB have been associated in helping Council Secretariat in this exercise. Taking into account the comments of all concerned, consulting engineering firm has been requested to modify their draft report. Necessary exercise is yet to be completed. The Working Group recommended an outlay of Rs.150 lakhs, as proposed by NEC for 1989-90. Adviser (SP) observed that the project report being under preparation, it would take quite some time to get the clearance of the project from all concerned. The project was to be taken up from the current year for which an outlay of Rs.100 lakhs was approved. As the project is yet to be cleared, no expenditure is likely to be incurred during 1988-89. In view of this, Adviser(SP) recommended an outlay of Rs.100 lakhs i.e. at current year level for 1989-90 against the Working Group recommendation of Rs.150 lakhs.

(vi) Establishment of Regional Load Despatch Centre and State Load Despatch Centres in the NE Region

12.23 It has been agreed that Load Despatch facilities will be created in the North Eastern Region for which a Regional Load Despatch Centre (RLDC) in

...../-

- 20 -

Shillong and three State Load Despatch Centres (SLDC) in Assam, Meghalaya and Tripura will be set up. Composite report of RLDC and SLDC has been revised at Rs.68 crores.

12.24 A Master Plan on Transmission System in the north-eastern region is being prepared by the NEC. In the last NEREB meeting held at Shillong on 26th May, 1988 an understanding was reached among all the NE States NEEPCO, NHPC, NEREB regarding modalities of implementation of SLDCs. No expenditure is likely to be incurred during 1988-89. However, proposed outlay of Rs.30 lakhs for 1989-90 was recommended in full.

C. Survey and Investigation

13. The NEC proposed an outlay of Rs.44 lakhs for 1989-90 against the approved outlay of Rs.120 lakhs for 1988-89. The Working Group recommended this and also Rs.10 lakhs for a new scheme, namely, Kopili Dam Investigation, thus raising its total recommendations to Rs.54 lakhs.

D. Renewable Resources of Energy

14.1 NEC has made a modest beginning in sponsoring schemes for exploiting renewable resources of energy from 1982-83. Since then, it has been the persistent effort of the NEC to promote programmes like installation of bio-gas, improved chulhas, exploiting solar energy and wind energy and harnessing small stream for mini and micro-hydel projects.

14.2 The schemes sponsored by NEC in the North East upto September, 1988 are 242 bio-gas plants, 52 solar pumps, 18 solar hot water system, 21 wind devices, 3 micro-hydel projects, 2 hydrums, 11 wood gasifier system and electrification of 22 villages. The NEC may document the success story of various programmes.

14.3 The NEC proposed an outlay of Rs.70 lakhs for 1989-90 against the approved outlay of Rs.70 lakhs and anticipated expenditure of Rs.56 lakhs for 1988-89. Recommended Rs.70 lakhs as proposed.

E. Water Development

15.1 Under this sector, the NEC is funding some investigation schemes of major and medium irrigation in different States and setting up of an Institute of Water and Land Management for training of personnel involved in water management. It also provides for

...../-

execution of irrigation projects which are viable. An outlay of Rs.4.32 crores was approved for the Seventh Plan. The actual expenditure by end of 1987-88 is Rs.1.44 crores. Against the proposed outlay of Rs.16.90 crores, the Working Group recommended Rs.4.69 crores.

Irrigation Projects

15.2 Three medium regional irrigation projects included in the Seventh Plan of the NEC with an outlay of Rs.218.39 lakhs were : (i) Diphu down stream irrigation project in Nagaland-Assam; (ii) Tirap irrigation project in Arunachal Pradesh-Assam; and (iii) Jiri medium irrigation project in Manipur-Assam.

Jiri Medium Irrigation Project

15.3 Preliminary investigations revealed that out of the above three, only Jiri Irrigation Project was found to be feasible. The other two projects have, therefore, been dropped. Detailed investigations for the Jiri Irrigation Project were done by the Manipur Govt. and a project report was prepared with a total estimated cost of Rs.15.82 crores to benefit a total command area of 9,000 ha. The scheme is now with the Ministry of Home Affairs for issue of administrative approval. In the meantime, NEC has proposed to set up a Jiri Control Board to execute the project and has also proposed to engage M/s WAPCOS as the technical consultants for the implementation of the project as also monitoring etc. Against an approved outlay of Rs.10 lakhs for 1988-89, NEC has proposed an outlay of Rs.200 lakhs for 1989-90 and the Working Group has recommended Rs.100 lakhs. Adviser(SP) observed that details of phasing of the work programme of the project have not been given and in the starting year it would not be possible to spend 100 lakhs. Besides, the entire catchment area falls in Assam forest area, and necessary arrangements will have to be made in consultation with Assam Govt. or the Ministry of Environment and Forests. This may take time to negotiate. Moreover, it is not yet clear as to how much land could be effectively irrigated during Rabi and pre-Kharif seasons. Irrigation is of no serious consequence during heavy rains and floods. No outlay is, therefore, recommended.

Rs.

Investigation Schemes

15.4 For the on-going investigation schemes, the Adviser(SP) endorsed the recommendations of the Working Group. However, for the new investigation, a lumpsum provision of Rs.110 lakhs was recommended as proposed by NEC and suggested by the Working Group, and

...../-

the amounts are not shown against any specific projects so their accounts are opened only for the projects that could be started.

Construction of Pagladia Dam Drainage System in Barak Valley and Tipaimukh Dam Projects

15.5 These were the new schemes proposed by the NEC for inclusion in NEC Annual Plan 1988-89. These were received after the Working Group discussions were over. However, at Deputy Chairman's level discussion, Rs.20 lakhs for each of the projects were approved for 1988-89 for conducting studies. The estimated cost of the Pagladia Project is Rs.108.21 crores on 1984-85 price level. The project report is under examination by the CWC. However, the phasing out of the project is still to be firmed up. It is learnt that 1st phase will be for flood control only and the second phase will add the irrigation component to the project. The Brahmaputra Board is making the preparatory works. No expenditure is expected to be incurred during the current year. For 1989-90, the NEC proposed an outlay of Rs.500 lakhs. Pending clearance of the project by all concerned, the Working Group recommended an outlay of Rs.25 lakhs for 1989-90

15.6 Similarly the Brahmaputra Board still working out the details of the Barak Valley Drainage Project, the Working Group recommended an outlay of Rs.10 lakhs against the NEC proposal of Rs.100 lakhs.

15.7 Tipaimukh Project is a new scheme proposed by the NEC with an outlay of Rs.500 lakhs for 1989-90. This is mainly a power project across the river Barak at Tipaimukh with an installed capacity of 1500 MW and complete flood moderation of the downstream reaches, specially, Cachar and Karimganj districts of Assam. The project is estimated to cost of Rs.1078 crores at the 1983-84 prices. Being a very large project, the Ministry of Water Resources suggested to NEC taking up construction of upstream ~~coffer~~ dam costing Rs.300 crores. NEC has decided to fund the implementation of this project only. Since the project has not yet been considered by the Technical Advisory Committee of the Planning Commission as also clearance from environmental/forest angle, the Working Group recommended only Rs.25 lakhs for the phase I of the project for 1989-90.

15.8 In respect of all the above three projects, the Working Group observed that these are very large

...../-

schemes and hence should be formulated by the Brahmaputra Board and got examined in detail by CWC/CEA before being considered by the Technical Advisory Committee and the Planning Commission. A view on the funding implementation of these projects could be taken after the acceptance of these schemes technically.

Development of Loktak Lake

15.9 The Loktak Lake in Manipur, which sustains the central power project executed by NHPC suffers very serious environmental problem. The catchment areas of the lake are deteriorating enormously resulting in siltation of the lake. Besides, the lake is covered with water weeds mainly water hyacinth which leads to a depletion of the plant and animal life which was subsisting on the lake. Earlier, there has been serious thoughts towards the treatment of this lake at Central State and NEC level from time to time. Sometime in 1985, the Planning Commission sent a multi-disciplinary team to study the various aspects of the lake. The members of the team submitted papers from their respective disciplines. The State Govt. also invited several experts on its own to suggest suitable remedial measures to overcome the problems faced by the lake. About 5000 weevils have been released for permanent biological control of water hyacinth. Very recently, the NEC has got a study conducted by M/s Water and Power Consultancy Organisation (WAPCOS). It has prepared an Identification Report for the rejuvenation and development of the lake. This has been received in the Planning Commission and is under consideration. The State Govt. of Manipur has also set up a Loktak Development Authority. The project report envisages a total cost of Rs.92 crores for both short (Rs.5 crores) and long (Rs.87 crores) term measures. The NEC proposed an outlay of Rs.100 lakhs for 1989-90. Separately the Govt. of Manipur proposed an outlay of Rs.200 lakhs for the same project. Keeping in view that the project was new and no details were proposed in the Plan document, the Working Group recommended no outlay for the project. However, considering the importance of the project, the Chairman, NEC might like to take a view of funding the full project from the NEC Plan only. It accepted an outlay of Rs.200 lakhs for 1989-90 could be made subject to the clearance of the project.

...../-

North Eastern Regional Institute of Water
and Land Management (NERWALM)

15.10 The establishment of a Regional Institute of Water Management and Command Area Development to study various aspects of water management, including flood control, irrigation, water harvesting, CAD, etc. was approved by the Planning Commission and the Ministry of Water Resources. A project proposal for Rs.460.40 lakhs was proposed during 1987-88 which has been approved by the Ministry of Water Resources with the observation that a detailed project report should be prepared indicating the various syllabi for studies, research, training course etc. for phase-wise implementation. The construction colony of NE Rly. on the north bank of the Bhomoraguri bridge consisting of about 100 housing units and office accommodation was approved for establishing the proposed Institute. M/S Water and Power Consultancy Organisation (WAPCOS) have been engaged as Consultants for preparing the detailed project report. Against the proposed outlay of Rs.100 lakhs, the Working Group recommended an outlay of Rs.60 lakhs for 1989-90.

...../-

III Industry & Mining

16. This sector comprises of (i) minerals (ii) large and medium industries and (iii) village & small scale industries (sericulture). The sub-sector-wise discussions are as under :-

A. Minerals

17. The NEC proposed an outlay of Rs. 55.50 lakhs for 1989-90, the Working Group recommended an outlay of Rs. 104.00 lakhs as under :

- (i) For on going schemes of detailed minerals exploration/proving projects the NEC proposed Rs. 55.50 lakhs for 1989-90. The Working Group recommended the same amount in full.
- (ii) The NEC proposed 3 new schemes in Working Group meeting. Outlays recommended for these schemes by the Working Group are as under :-

(a) Decorative Stones Investigation,

Manipur ..Rs. 12.00 lakhs

(b) Lime Stone Mining for

Export to Bangladesh Rs. 35.50 lakhs
and

- (c) Equity share of NEC scheme for new Umrangshu Lime Stone mining project with Assam Mineral Deptt. Corporation Rs. 1 lakh (token provision)

B. Large & Medium Industries

18. Against the proposed outlay of Rs. 1023 lakhs, the Working Group recommended Rs. 500 lakhs for 1989-90 as under :

Mini-cement Plants at Wazeho (Nagaland and Hundung (Manipur))

18.1 In case of mini cement plant at Wazeho (Nagaland), the NEC had an outlay of Rs. 1 lakh. However, during the discussions in the Working Group meeting, the NEC representatives mentioned that, they could not complete the project due to non-availability of machinery from the manufacturers unit with whom they had placed orders, as the unit was closed. They were now proposing to place order with another unit and they would require Rs. 5 lakhs towards payment for machinery and would complete the project in 1989-90. The Working Group, therefore, recommended Rs. 5 lakhs against Rs. 1 lakh proposed by NEC. For funding mini cement plant at Hundung in Manipur which is expected to be commissioned during the current year, the Working Group approved an outlay of Rs. 1 lakh as proposed for clearance of liabilities.

Papergrade Lime Plants

18.2 The NEC proposed an outlay of Rs. 10 lakhs for papergrade Lime Plant at Lumshnong, Meghalaya and the Working Group recommended the outlay in full. In the light of grounds put forth by the Chairman, NEC and the Chief Minister, Meghalaya, the Planning Commission reconsidered its earlier decision and agreed to

fund the project from NEC Plan. The outlay recommended by the Working Group is supported. With regard to paper grade line plant at Umrangshu (Assam) a token provision of Rs. 1 lakh was proposed for which no outlay was recommended.

Cement Clinker Grinding Units in Mizoram and

Tripura and Expansion of Bokajan Cement Plant.

18.3 These are new schemes agreed during Deputy Chairman's discussion held last year for 1988-89 Plan. An outlay of Rs. 6.00 crores was approved. As the project was not cleared by all concerned, the entire amount was directed to other sectors during the current year 1988-89. It may be mentioned that outlay for the project was treated as earmarked. The comprehensive proposal costing about Rs. 35.33 crores is pending for approval of the Cabinet. The financing pattern of the project as agreed to by CCI is in the ratio 1:1 equity and loan from financial institution (IDBI). The CCI has also applied for the letter of intent in May, 1987 and necessary environmental clearance required for the projects is also being obtained. Against the proposed outlay of Rs. 1000 lakhs, the Working Group has recommended an outlay of Rs. 474 lakhs for 1989-90. Since the project is yet to be cleared by the Ministry of forest and Environment as also by the Cabinet, an outlay of Rs. 400 lakhs for 1989-90 is recommended.

C. Village & Small Scale Industries (Sericulture)

19. Under this sector, the main schemes relate to sericulture development. The approved outlay for 1988-89 is Rs. 28 lakhs. The NEC proposed an outlay of Rs. 42.50 lakhs for 1989-90 for 8 schemes under sericulture, including a new scheme of activating the North Eastern Handlooms and Handicrafts Development Corporation for its more effective functioning. The Working Group recommended an outlay of Rs. 50 lakhs. The NEHDC has to play not only a role as coordinating agency with the State Corporations of the region but also a regional body to promote handlooms and handicrafts. The Plan document does not indicate as to how the corporation would be activated. In view of this, the Adviser (SP) supported the recommendations of the Working Group subject to the clearance of the scheme by the Planning Commission with an outlay of Rs. 10 lakhs as proposed by the NEC for 1989-90.

IV. Transport and Communication

20. The schemes under this sector relate to construction of roads and roads and bridges, repeways, improvement of inland water transport services etc.

Roads and Bridges :

20.1 The NEC proposed an outlay of Rs. 113.62 crores for 1989-90 against the approved outlay of Rs. 81.55 crores. This excluded the provision for the rail-cum-road bridge on Brahamputra at Jogighopa. The proposal of the NEC was considered in the light of the following facts.

20.2 The approved outlay for the roads sector in the Seventh Plan of the NEC is Rs. 290.60 crores including a sum of Rs. 10 crores for new road schemes and Rs. 1.60 crores for Kaliabhomoraguri bridge). An expenditure of more than this (including Rs. 8.30 crores for Kaliabhomoraguri bridge) would have been spent by the end of March, 1989, thus leaving no balance for the last year of the Seventh Plan.

The observations of the Working Group are as under :-

- (1) Prepare a detailed map showing all the ongoing works separately for 5th Plan, 6th Plan and 7th Plan scheme.
- (2) Work out separately the work done and work leftover in respect of formation, cutting, pavement work, carpeting, minor or major bridges.
- (3) Roads which are to be taken up/being taken up for construction, for improvement/widening and for upgradation according to new classification to be separately shown.
- (4) Roadwise cost estimate for each type of work viz., formation, cutting, pavement, carpeting, improvement/upgradation, bridges, to be separately worked out in detail.
- (5) Roads which can be completed by 1989-90 to be expedited, second priority for the roads expected to be completed by 1990-91, 1991-92. The expenditure required for the remaining roads may be phased out.
- (6) The new road schemes proposed by the NEC have to be considered in the light of Master Plan on roads being prepared by the Planning Group on Roads for the North-eastern Region set up by the Planning Commission. The Steering Group for Eighth Plan has also been set up by the NEC. The Steering Group has inturn set up a Working Group on Transport. The NEC might take into consideration the recommendations of these bodies while suggesting new roads during Eighth Plan.

20.3 However, the Working Group without having regard to balance left for the last year of the plan and examining above mentioned details recommended an outlay of Rs. 95 crores for 1989-90 for roads and bridges as against Rs. 81.69 crores plan of 1988-89. It was observed that major diversion of funds from power sector has been transferred to the transport sector over the years while approving the adjustment proposals of the NEC for 1987-88 it was informed that any such diversion of funds to a sector would not form a base level for future allocations. In view of this and keeping in view that no balance of outlay is left for this sector for the last year, much higher allocations Rs. 85 crores for 1989-90 could be recommended. This excludes Rs. 25 crores recommended by the Working Group for the rail-cum-road bridge at Jogighopa across the river Bramaputra. With this the recommended outlay for roads & bridges will be Rs. 110 crores. For 1989-90 the approved outlay for the project is Rs. 15 crores which has already been released to the Ministry of Railways for the bridge. The NEC should place Rs. 25 crores directly at the disposal of Ministry of Railways (Railway Board) for the work, and should not surrender or divert to any other sector or scheme.

Ropeways :

21 The NEC has decided to take up one ropeway linked with Siju Clinker Plant for the Garo hills to be taken up under State Plan of Meghalaya. The total estimated cost of the ropeway project is Rs. 22 crores at 1986-87 prices. Since the Cement Plant under State Plan has not yet taken off-the ground, the work of ropeway project could not be taken up and although an outlay of Rs. 10 lakhs was provided for 1988-89. The NEC has also proposed to take up one ropeway project in Arunachal Pradesh in Tawang District from Rhou to Thibu for transportation of the essential food-stuffs, building materials and defence materials. The survey for this project has already been got done by the NEC. The outlay of Rs. 20 lakhs proposed by the NEC for 89-90 for the ropeways for Meghalaya and Arunachal Pradesh, the amount proposed was recommended by Working Group. An outlay of Rs.5 lakhs is recommended only for ropeway project in Meghalaya.

Inland Water Transport :

22. The NEC proposed an outlay of Rs. 100 lakhs for the improvement of inland water transport for 1989-90 comprising (a) Rs. 50 lakhs for construction of three floating jetties/ferry services on the Brahmaputra river ghats and (b) Rs. 50 lakhs for improvement of river terminal facilities at Badarpur. The amount as proposed was recommended.

22.2 For the work of mechanical cargo handling plant at Badarpur, NEC proposed an outlay of Rs. 200 lakhs for 1989-90, which was recommended by the Working Group in full. The NEC also proposed Rs. 10 lakhs for new schemes of setting up of Inland Water Transport Corporation for 1989-90 which was recommended by

the Working Group in full. However, it is felt that the Central Water Transport Corporation (CWTC) as well as Deptt. of Inland Water Tpt. are already in operation, fresh thought was necessary if an other instrument overhead costs were necessary at this juncture. Examining organisations could be take up the the new functions if any. Inland Water Transport assures great importanace as a means of transportation. Adviser (SP) endorsed the recommendation of the Working Group subject to clearance of the project by all concerned.

Helicopter Services :

23. The NEC proposed this new scheme with an outlay of Rs. 500 lakhs for 1989-90. The Working Group recommended no outlay as the details regarding the facilities available and requirement, the way in which the increasing demands can be met, the type of planes/helicopters, operating agency, funding pattern etc., were yet to be worked out.

Manpower Development:

24. The NEC has been taking steps towards speedy manpower development. Four pronged approach, as mentioned below, has been followed:

- i) Fellowships to academic programmes in various courses in agriculture Ph.D. level, granting of stipend in specialised engineering, MBA and Hotel Management;
- ii) Human resources development through specialised in-service training courses;
- iii) Expansion, strengthening/modernisation of technical institutes already in existence in the region; and
- iv) Setting-up of new institutions within the region.

Important The respective Working Groups considered the proposals of this sector and their recommendations are summarised below:

Health Sector:

Regional Medical College, Imphal:

24.1 The college was established in the year 1972 as a joint venture of Central Government and the constituent units of North Eastern Region. Initially, the college was managed by the Government of Manipur. But with the formation of the North Eastern Regional Medical College Society, the management of the College and the Hospital attached to it was taken over by the Society with effect from 1.8.1976. For meeting the capital expenditure of the college and the hospital, the revised project was approved in June, 1986, at an estimated cost of Rs.1902 lakhs. The intake capacity of the college initially was limited to 50 students per year, subsequently raised to 75. The hospital attached to the college has a total bed strength of 600.

24.2 The Seventh Plan approved outlay for the scheme is Rs.700 lakhs. Till March, 1988, a total amount of Rs.475.00 lakhs was released by NEC to the Institution. The anticipated expenditure is Rs.110 lakhs against the approved outlay of Rs.190 lakhs. For 1989-90, the NEC proposal of Rs.200 lakhs was recommended in full.

24.3. The number of students enrolled since the inception of the college upto 1987-88 were about 1050 and more than 2550 medical graduates have qualified so far.

Regional Graduate Nursing College, Guwahati:

24.4 The Regional Graduate Nursing College, Guwahati was sanctioned by the North Eastern Council in May, 1977 with an intake capacity of 50 students but the admission was restricted to 30 due to non-availability of accommodation. The scheme started only from the Sixth Plan, expansion of the College was sought based on recommendations of the Indian Nursing Council. The scheme was sanctioned at an estimated cost of Rs.84.80 lakhs in 1986. The project is expected to be completed in 1988-89. However, a provision of Rs.1 lakh proposed by NEC for 1989-90 was recommended for clearance of liabilities.

Education Sector:

North Eastern Regional Institute of Science and Technology.

(NERIST) in Arunachal Pradesh:

24.5.1 The Institute was approved with an estimated cost of Rs.30.35 crores (non-recurring) plus Rs.2 crores per annum as recurring expenditure. The Seventh Plan envisaged starting of certificate and diploma courses. The degree courses were scheduled to be taken up during the Eight Plan, after reviewing the progress/success of the institute. Keeping this in view, an outlay of Rs.15 crores was approved for the Seventh Plan. Till March, 1988, an amount of Rs. 14 crores has been made available to the institute. The anticipated expenditure for 1988-89 is Rs.50 lakhs only against the approved outlay of Rs.500 lakhs. NEC proposed an outlay of Rs.2 crores for this scheme for 1989-90.

24.5.2 Director, NERIST, however, clarified in the Working Group meeting that according to the latest information the actual expenditure during 1988-89 will be more than Rs.6 crores utilising carry over of Rs.5.50 crores during the current year. On the basis of this, Rs.6 crores was recommended by the Working Group for 1989-90. The amount was required for construction of more hostels, faculty buildings and workshops. In the round-up discussion the Director, NERIST stated that original cost estimates of the Institute were grossly underestimated on 1982-83 prices. There has been substantial cost-escalation since then. Besides, the arrangements for starting degree courses during Eighth Plan for which students have high ambitions have to be made. In view of this, the provision for 1989-90 should be much more than what was recommended by the Working Group.

24.5.3 The Adviser (SP) observed that a review of courses has become due, where, in addition the performance of the Institute and the cost estimates should also be reviewed by all the All India Council of Technical Education and other concerned, before a comprehensive revised proposal is sent to the Planning Commission for approval. An expenditure of Rs.14.50 crores would have been incurred by the end of 1988-89

against the approved outlay of Rs.15 crores for the Seventh Plan. This leaves a balance of Rs.50 lakhs for 1989-90. Keeping in the conditions laid down while approving the project, the NEC assessed its requirement at Rs.2.00 crores for 1989-90. In view of this, the same was recommended as proposed by the NEC for 1989-90.

Financial Assistance to Assam Rifles Public School.

24.6 An amount of Rs.18.73 lakhs was spent upto 1987-88 under this scheme which aimed at improving the standard of science and mathematics. An amount of Rs.5.00 lakhs approved for 1988-89 is likely to be utilised during the year. The proposed outlay of Rs.5.00 lakhs for 1989-90 was recommended by the Working Group, keeping in view the liability of meeting the requirements of funds for the students already admitted.

North Eastern Police Academy:

24.7 The Seventh Plan approved outlay for the project was Rs.347.39 lakhs. Mainly due to increase in cost of construction materials such as cement, steel and revision of the schedule rates of works of the executing agency, a revised project costing Rs.896 lakhs, has been sanctioned recently. During the Seventh Plan and till March, 1988, an amount of Rs.332.67 lakhs has been spent by the academy. Revised estimate of expenditure for the year 1988-89 is same as the approved outlay of Rs.100 lakhs. Against the proposed outlay of Rs.200 lakhs for the scheme, the Working Group recommended an outlay of Rs.150 lakhs for 1989-90.

Operation Black Board.

24.8 In pursuance of the National Policy on Education, with a view to improving present unsatisfactory school environment, condition of buildings the Ministry of Human Resource Development launched the scheme called Operation Black Board throughout the country. The Ministry observed that in the case of the NE States; this scheme has not so far made any appreciable progress. Considering the importance of the scheme and limited financial assistance available under the respective State Plans. In a meeting held between Secretaries of Planning Commission, Secretary, Ministry of Human Resources and Secretary NEC held on 23.6.1988, it was decided therein that NEC would allocate funds to North Eastern States to meet the 25% of the requirement of funds for school buildings as a more time expenditure. It was also made clear that it would not be possible to continue this assistance beyond one year. However, in the revised budget estimate of 1988-89 of NEC, a provision of Rs.700 lakhs was made through inter-sectoral adjustment of outlays. The outlay of Rs 150 lakhs now proposed by NEC for 1989-90 was recommended by the Working Group for 1989-90. However, since two decision was to provide assistance through NEC finding during 1988-89 as a one time measure as such no outlay for 1989-90 was recommended.

(i.e.4.50
crores

I.T.I.

24.9 The outlay of Rs.200 lakhs proposed by the NEC for 1989-90 for improvement of ITI, Aizawl was recommended for completing the project.

Regional ITI for Women, Tinsukia:

24.10 In the Seventh Plan of the NEC, a token provision of Rs.10 lakhs was made for the scheme. The scheme envisages intake capacity of 128 trainees in dress making/cutting and tailoring, hair dressing, skin care, secretarial practice; knitting with machine and hand embroidery and needle work, and craftsmen (civil). The scheme was approved at an estimated cost of Rs.75.82 lakhs in the last part of 1986-87. An amount of Rs.18 lakhs was spent till March, 1988. The proposed outlay of Rs.20 lakhs for 1989-90, was recommended.

Regional Mining School, Nagaland:

24.11 Realising the need for development of manpower for the mineral activities and mineral based industries, the NEC decided to set up a Regional Mining School at Dimapur in Nagaland. The cost of the project is estimated at Rs.299.86 lakhs towards non-recurring, and Rs.23.09 lakhs as recurring. The detailed project report prepared by the Indian Bureau of Mines is under examination of the NEC in consultation with Department of Mines, Govt. of India. The school is expected to start 3 year Dipolma level course with an annual intake of 30 each in the disciplines of (a) mining; (b) surveying and (3) mining machinery. It will also impart training to the skilled workers in mining. The Working Group approved Rs.5 lakhs as proposed by NEC for 1989-90.

Other Schemes:

24.12 The outlays for the remaining on-going schemes recommended by the Working Group are indicated in Annexure-1. However, the Working Group did not recommend any outlay for the following new schemes as these are not of regional character:

- i) Institute of Urban Development;
- ii) Project Hand Shake in NEHU.

VI. Social & Community Services:

Artificial Limb Fitting-cum-Rehabilitation, Centres, Imphal/
Shillong/Nagaland.

25.1 As against the Seventh Plan outlay of Rs.20.42 lakhs, the likely expenditure on these centres is Rs.30.38 lakhs by the end of March, 1988. The NEC proposed an outlay of Rs.31 lakhs for 1989-90, Working Group recommended Rs.23 lakhs for completing the projects. For the Centre at Nagaland Working Group recommended Rs.3.00 lakhs as proposed.

For Food & Drug Laboratories, Tripura/Assam/^{Meghalaya}
and Orthopaedic and Traumatology Centre, Shillong.

25.2 ~~The~~ Working Group recommended an outlay of Rs.19.70 lakhs and Rs.8 lakhs, respectively as proposed for 1989-90.

Forensic Science Laboratory, Guwahati:

25.3 Under the NEC Sixth Plan, NEC's support was provided to the Forensic Science Laboratory, Guwahati for improvement of some facilities. The Government of Assam has submitted a revised scheme for Rs.146.24 lakhs which is pending concurrence of the Ministry of Home Affairs. Against the proposed outlay of Rs.20 lakhs for 1989-90, the Working Group recommended an outlay of Rs.10 lakhs.

Upgradation of Dr. B. Baruah Cancer Institute, Guwahati:

25.4 A provision of Rs.10 lakhs was made for this scheme in NEC's Annual Plan 1988-89 for taking up preliminary works. A Group comprising representatives from Deptt. of Atomic Energy, Planning Commission, Tata Memorial Centre, Bombay, ICMR, NEC and the Govt. of Assam was constituted to work out the modalities of funding and preparation of a project report. They have recommended that the Institute should be developed in three phases. The detailed project report for action during the @ proposed outlay of Rs.100 lakhs for 1989-90, the Working Group recommended an outlay of Rs.50 lakhs.

VII General Services

Regional Information and Documentation Centre:

26.1 This is for augmenting the Library located in the NEC Secretariat. The Working Group recommended an outlay of Rs. 15 lakhs against the proposed outlay of Rs.18 lakhs for 1989-90.

Science & Technology Schemes:

26.2 The following schemes relate to Science and Technology:

- i) Earthquake Risk Evaluation Cell;
- ii) Establishment and operation of net work for short period seismic station in NER;
- iii) R&D Project;
- iv) Regional S&T Council;
- v) Environmental studies.

The Working Group recommended an outlay of Rs.59 lakhs for the above schemes for 1989-90 against Rs.51 lakhs proposed by NEC.

@ first phase during 1989-91 is being finalised. Against the

-/-

Regional Centre for Resources Evaluation:

26.3. Recognising the critical role of information in Plan formulation and other developmental activities, this scheme was approved in NEC Plan at an estimated cost of Rs.165.52 lakhs in 1986-87. Keeping in view the developments that the National Informatics Centre (NIC), Department of Electronics is setting up computer based information network in NER. The Ministry of Home Affairs have suggested that NEC Secretariat may operate the scheme in consultation with NIC so as to avoid duplication. Accordingly, Secretary, NEC had a series of discussions with the representative of the NIC, and it has been agreed that NIC will take care of the requirements of NEC in their comprehensive scheme. Modalities of merging the scheme with the NIC project are being worked out. So far an expenditure of Rs.2.84 lakhs has been incurred upto March, 1988. Anticipated expenditure for 1988-89 is assessed at Rs.3.00 lakhs against the outlay of Rs.10 lakhs. Against NEC's proposal of Rs. 10 lakhs for 1989-90, the working group recommended an outlay of Rs.5.00 lakhs.

and

Chairman's Survey/... Consultancy:

26.4 Under this scheme, a number of studies in regard to problems and potentials of the NE Region are taken up, and feasibility/techno-economic reports are prepared for optimal utilisation of resources. Institutions are required to be engaged for undertaking such activities. The working group recommended an outlay of Rs.70 lakhs for 1989-90 against Rs.75.00 lakhs proposed by NEC and the approved outlay of Rs.50 lakhs for 1988-89.

Youth Activities

26.5 For promoting youth activities in the region in the Seventh Plan, there is an approved outlay of Rs.5 lakhs. The Working Group recommended Rs.3.00 lakhs for 1989-90 as proposed by NEC.

Establishment of a Film Studio-cum-Production Centre at Jyoti Chitraban, Guwahati, Assam:

26.6 This is a new scheme included in 1988-89.

The Jyoti Chitraban (Film Studio) Society with the existing facilities of shooting floor sound studio, black and white laboratories editing, etc., has been catering to some of the needs of the film makers, artists and technicians, of the region. The NEC has prepared a detailed project report for the establishment of the Film Studio-cum-Production Centre through the consultant at an estimated cost of Rs.55 crore. The approved outlay for 1988-89 is Rs.10 lakhs against which the expenditure is Rs.1 lakh only. Against the proposed outlay of Rs.20 lakhs for 1989-90, the working group recommended an outlay of Rs.10 lakhs.

Housing for NEC Staff:

26.7 Provision of residential accommodation for NEC Advisers and staff has been of constant concern of the Council Secretariat. A scheme for providing housing facilities was, therefore, approved in the Seventh Plan of NEC with an outlay of Rs.72 lakhs. So far a type-IV complex (10 Units) has been completed and construction work for the other complexes of type-III and Type-II quarters are at advanced stage. Against the proposed outlay of Rs.35 lakhs for^x completion of an going and for providing ancillary support necessary to make the guest house at Shillong operational. A regards the proposal for establishing guest house at Delhi, the Working Group expressed that this being a new proposal may be taken up for consideration at the Deputy Chairman level discussion.

Integrated Multi-channel Police-Tele-Communications for NER.

26.7 The NEC proposed this new scheme of micro-wave systems for the region in general and the Assam Police in particular for 1988-89. Against the outlay of Rs.10 lakhs approved for 1988-89, the anticipated expenditure is Rs. 1 lakh. The NEC has got a project report prepared through Bharat Electronic Ltd. (BEL). The estimated cost/the project is Rs.13.00 crores. It is under consideration of the Ministry of Home Affairs. pending the clearance of the project by the M.H.A., the NEC proposed an outlay of Rs. 1 lakh for 1989-90 against which the working group recommended Rs. 5.00 lakhs for taking up preliminary work of the project.

/of

Plan Size:

27. The approved outlay for the Annual Plan 1988-89 is Rs.185 crores comprising of Rs.165 crores as central assistance and Rs. 30 crores as LIC loan to be raised by the NEC for Power projects. This included a provision of Rs. 15 crores, made to speed up implementation of Rail-cum-Road bridge over Brahamaputra at Jogighopa. Against this, for 1989-90, the NEC proposed a Plan size of Rs.264.33 crores. The working groups recommended Rs. 243.33 crores. Against this, a plan size of Rs 196.58/for NEC Annual Plan 1989-90 is recommended. The reduction over the recommendations of the Working Groups amounted to Rs.46.75 crores.

/_crores

x 1989-90, the working group recommended an outlay of Rs.37 lakhs for

18
26/5

ANNUAL PLAN-1989-90-NORTH EASTERN COUNCIL

ANNEXURE-I

Sl. No.	Name of the Scheme	Seventh Five Year Plan 1985-88		1988-89		(Rs. Lakhs) 1989-90		Proposed outlay	Recommended by Working Group	Advised by (SP)
		Actual outlay	Approved outlay	Actual Expenditure	Approved Expenditure	Actual outlay	Approved Expenditure			
A. SOIL CONSERVATION AND AGRICULTURE										
1.	Pilot Project on Watershed Management.	456.58	227.13	113.25	116.65	151.15	151.15	151.15	151.15	151.15
2.	Survey & Investigation Cells.	50.00	20.82	12.65	13.25	14.25	14.25	14.25	14.25	14.25
3.	PPM Cell in N.E.C. Secretariat	20.00	16.16	4.00	4.00	5.00	5.00	5.00	5.00	5.00
4.	Regional Soil Conservation Training Centre.	50.00	29.18	15.00	15.00	15.00	15.00	15.00	15.00	15.00
5.	Survey of Catchment Area, Rangnadi, Arunachal Pradesh.	25.00	4.95	5.00	5.00	7.00	7.00	7.00	7.00	7.00
6.	Foundation Seed Farm for Major Crops, Manipur.	46.15	10.00	15.00	15.00	25.00	25.00	25.00	25.00	25.00
7.	Regional Centre for production of Biofertilisers in A.A.U.	5.00	5.00	0.30	0.30	0.30	0.30	0.30	0.30	0.30
8.	Joint Input Testing Laboratory, Tripura.	29.35	8.01	12.00	9.00	15.00	15.00	15.00	15.00	15.00
9.	Regional Sub-Centre for Training-cum-Production of Mushroom in Mizoram.	15.00	22.77	1.50	1.50	5.00	5.00	5.00	5.00	5.00
10.	Regional Farm for Production of Pulses & Oil Seeds, Manipur	54.40	16.48	18.00	21.12	28.00	28.00	28.00	28.00	28.00

	1.	2.	3.	4.	5.	6.	7.	8.	9.	
11. Mushroom Development Centre, Arunachal Pradesh.		14.50	6.66	6.00	7.91	2.10	2.10	2.10	2.10	
12. Regional Bio-Fertiliser Production Centre, Tripura.		21.90	6.00	6.00	3.00	12.00	12.00	12.00	12.00	
13. Regional Breeder Seed Farm, Tripura.	29.00	10.00	9.00	5.00	15.00	15.00	15.00	15.00	15.00	
14. Regional Mushroom Spawn Production Centre, Tripura.		15.10	5.00	5.00	6.00	10.00	10.00	10.00	10.00	
15. Pilot Project on Dry Land Agriculture, Water Harvesting, Nagaland.		43.60	20.00	6.75	10.00	15.00	15.00	15.00	15.00	
16. Regional Cotton Seed Multiplication & Development Centre, Tripura.		54.28	15.80	5.00	5.00	12.00	12.00	12.00	12.00	
17. Establishment of Regional Seed Certification Agency.		-	-	10.00	1.00	300.00	125.00	125.00	125.00	
18. North Eastern Seed Corporation		-	-	-	-	-	-	-	-	
19. Others		74.09	12.00	-	-	-	-	-	-	
TOTAL SOIL CONSERVATION & AGRICULTURE		1006.95	435.96	244.45	238.73	631.80	456.80	456.80	456.80	
B. HORTICULTURE										
1. Regional Vegetable Seed Farm, Malcherra in Tripura.		23.05	8.62	5.00	5.00	10.00	10.00	10.00	10.00	
2. Regional Orchard-cum-Nursery for Citrus, Mynikre, Meghalaya.		5.21	9.21	3.50	3.50	3.50	3.50	3.50	3.50	
3. Regional Coconut Seed Garden, Tripura.		42.37	28.00	8.00	8.00	10.00	10.00	10.00	10.00	
4. Regional Seed Garden for spices and Bettle leaf, Tripura.		51.46	16.20	15.00	15.00	18.00	15.00	15.00	15.00	
5. Development of Temperate Nut and Almond Crops, Arunachal Pradesh.		32.45	7.55	10.00	5.00	12.00	6.00	6.00	6.00	

ANNEX-1 Contd. (NEC)
(Rs. Lakhs)

	1.	2.	3.	4.	5.	6.	7.	8.	9.
6. Temperate Fruit and Nut Nursery, Arunachal Pradesh.	26.60	7.50	10.00	10.59	8.50	8.50	8.50		
7. Scheme for Survey of Area & Production	10.00	17.90	8.00	4.00	5.00	5.00	5.00	5.00	5.00
(a) Assam	-	-	4.00	4.00	5.00	5.00	5.00	5.00	5.00
(b) Meghalaya	-	-	4.00	-	-	-	-	-	-
8. NERAMC, Gauhati	325.00	300.00	25.00	-	25.00	25.00	25.00	25.00	25.00
9. Foundation Seed Farm for Potato in Manipur.	28.15	15.00	10.00	13.50	15.00	15.00	15.00	15.00	15.00
10. Foundation Seed Farm for Potato in Meghalaya.	50.00	-	10.00	-	1.00	1.00	1.00	1.00	1.00
11. Foundation Seed Farm for Potato in Mizoram.	40.10	1.08	1.00	1.00	15.00	5.00	5.00	5.00	5.00
12. Establishment of Seed Farm for Production of Certified Seed of Potato, Tripura.	65.00	15.00	12.00	12.00	20.00	15.00	15.00	15.00	15.00
13. Regional Tuber Crops Farm, Tripura	38.00	17.60	15.00	15.00	15.00	15.00	15.00	15.00	15.00
14. Regional Vegetable Seed Farm, Arunachal Pradesh.	26.00	7.09	10.00	10.00	8.00	8.00	8.00	8.00	8.00
15. Regional Vegetable Seed Farm Manipur.	27.12	21.00	8.00	8.00	15.00	15.00	15.00	15.00	15.00
16. Scheme for establishment of Clonal Seed Garden for Banana, Tripura.	60.00	25.00	15.00	5.00	16.00	8.00	8.00	8.00	8.00
17. Scheme for Rejuvenation of Old Orange Orchards, Tripura.	20.00	6.00	5.00	5.00	8.00	5.00	5.00	5.00	5.00
18. Establishment of Citrus Demonstration and Development Centre Mizoram.	20.35	8.00	3.00	3.00	6.00	5.00	5.00	5.00	5.00

ANNEX-I Contd. (NEC)
(Rs. Lakhs)

	2.	3.	4.	5.	6.	7.	8.	9.
19. Establishment of large Cardamom Nursery, Mizoram.	28.18	15.64	7.00	11.00	5.50	5.50	5.50	
20. Promotion of Floriculture, Tripura	22.00	6.66	3.00	3.00	5.00	5.00	5.50	
21. Introduction of Saffron, Arunachal Pradesh.	11.00	3.20	3.00	3.00	3.50	3.50	3.50	
22. Establishment of Model Spices Farm and Popularisation of Spices cultivation in NEP.	-	-	-	-	23.00	11.00	11.00	
23. Others	64.34	6.01	-	-	-	-	-	
TOTAL HORTICULTURE	1016.33	542.26	186.50	140.59	248.10	200.00	200.00	

C. PLANTATION

1. Detailed Insitu Survey of Land suitable for Coffee in the NE Region.	10.00	11.01	3.55	3.55	2.00	2.00	2.00	
2. Factory for Small Farmer's Tea Estate, Tripura.	204.00	105.00	70.00	70.00	12.50	12.50	12.50	
3. Rubber Processing Factory, Tripura	37.00	85.00	70.00	50.00	2.00	2.00	2.00	
4. Raising of Dioscorea Floribunda Plantation & Processing for manufacture of Diosgenin/16-DIA, Tripura	151.00	50.00	50.00	30.00	45.00	45.00	45.00	
*5. Establishment of Rubber Demonstration-cum-Training Centre in (Assam, Meghalaya, Mizoram, & Nagaland).	-	-	-	-	50.00	25.00	25.00	
6. Others	74.00	10.49	-	-	-	-	-	
TOTAL : PLANTATION	576.00	262.40	193.55	153.55	111.50	86.50	86.50	

D. FOREST & PLANT RESOURCES		1.	2.	3.	4.	5.	6.	7.	8.	9.
1. Afforestation to :										
(a)	Catchment area of Umlam Hydro Electric Project, Meghalaya.	75.00	40.82	25.00	32.89	35.60	33.00	33.00		33.00
(b)	Catchment area of Loktak Hydro Electric Project, Manipur.	75.00	47.17	30.00	30.00	20.00	20.00	20.00		20.00
(c)	Catchment area of Doyang Hydro-Electric Project, Nagaland.	75.00	17.21	20.00	20.00	30.00	30.00	30.00		30.00
(d)	Catchment area of Kopili Hydro Electric Project.	-	-	12.00	12.00	28.00	-	-		-
(e)	Tawang Wastelands, Arunachal Pradesh.	-	-	-	-	20.00	20.00	20.00		-
(f)	Teak Plantation, Mizoram	-	-	-	-	20.00	-	-		-
2.	Propagation of Tissue culture Technique for Multiplication of various species.	100.00	11.85	10.00	3.38	3.23	3.00	3.00		3.00
a)	North Eastern Hill University	-	-	-	-	2.04	2.00	2.00		2.00
b)	Gauhati University	-	-	-	-	1.19	1.00	1.00		1.00
3.	Subtropical Botanical Garden of Plant Resources, Nagaland.	175.00	9.50	35.00	15.00	20.00	15.00	15.00		15.00
4.	Development of minor Forest Products including medicinal Plants.	140.00	43.42	25.00	25.21	27.75	28.00	28.00		28.00
5.	Tree Improvement schemes	80.00	24.95	18.00	16.48	14.70	14.00	14.00		14.00
6.	Regional Forest Rangers College	-	-	10.00	1.00	50.00	33.00	33.00		33.00
7.	Others	157.94	67.64	-	-	-	-	-		-
TOTAL : FOREST & PLANT RESOURCES		877.94	262.56	185.00	155.96	269.28	196.00	176.00		

20. Regional Cross-Breed Cattle Farm, Nagaland	75.00	39.40	22.00	25.00	35.00	35.00	35.00	35.00
21. Regional Exotic Pig Breeding Centre, Nagaland	65.00	41.70	18.00	19.00	5.00	5.00	5.00	5.00
22. Regional Broiler Chicks Production-cum-Demonstration Sub-Centre, Kohima.	40.00	21.85	13.00	13.00	5.00	5.00	5.00	5.00
23. Regional Veterinary Biological Centre, Tripura	85.80	19.00	22.00	20.00	25.00	25.00	25.00	25.00
24. Regional Centre for Investigation of common Diseases of Ducks, Tripura.	25.00	9.00	6.00	10.00	1.00	1.00	1.00	1.00
25. Regional Pig Breeding Centre, Manipur	-	11.70	15.00	25.00	3.00	3.00	3.00	3.00
26. Regional Pork Processing Centre, Nagaland	-	-	40.00	40.00	35.00	35.00	35.00	35.00
27. Regional Rabbit Production Centre, Nagaland	-	19.00	20.00	25.00	5.00	5.00	5.00	5.00
28. Others	25.00	17.95	-	-	-	-	-	-
TOTAL : ANIMAL HUSBANDRY	911.69	684.96	371.00	451.07	308.70	308.70	308.70	308.70

F. FISHERIES

1. Reclamation of Beel Fishery, Arunachal Pradesh and Meghalaya	66.00 A.P.	-	7.00	12.00	20.00	15.00	15.00	15.00
		Megh. 6.99	3.50	3.50	5.50	5.00	5.00	5.00
2. Regional Fish Seed Farm, Meghalaya	18.00	3.00	10.00	10.00	9.00	9.00	9.00	9.00
3. Regional Fish Seed Farm, Mizoram	20.00	10.91	4.00	8.00	3.00	3.00	3.00	3.00
4. Regional Carp Fish Breeding & Culture Farm, Nagaland	50.00	25.66	9.00	15.00	2.00	2.00	2.00	2.00
5. Regional Air Breathing Fish Seed Farm, Tripura	48.97	12.00	8.00	1.60	24.00	19.00	19.00	19.00
6. Fresh Water Carp Seed Farm in Loktak Lake, Manipur.	25.00	7.88	5.00	5.00	11.00	11.00	11.00	11.00
7. Regional Pengba Fish Seed Farm, Manipur	25.00	10.43	5.00	5.00	12.00	12.00	12.00	12.00
*8. Reclamation of Beel Fishery-Module-II, Meghalaya	-	-	-	2.00	14.00	14.00	14.00	-

9. Others	4.10	1.00	-	51.50	62.10	100.50	90.00	76.00
TOTAL: FISHERIES	257.07	77.87	51.50	62.10	100.50	90.00	76.00	76.00
TOTAL : AGRICULTURE & ALLIED PROGRAMME	4646.03	2266.01	1202.00	1202.00	1669.78	1338.00	1304.00	1304.00

ANNEX 1 Contd.
(Rs. Lakhs)

	1.	2.	3.	4.	5.	6.	7.	8.	9.
II. POWER, WATER DEVELOPMENT AND RRE									
A. POWER DEVELOPMENT									
a. GENERATION									
1. Kopili Hydel Project	3100.00	7210.00	700.00	700.00	700.00	10.00	10.00	1.00	1.00
2. Garo Hills Thermal Project	3000.00	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
3. Doyang Hydel Project in Nagaland	10000.00	1325.00	500.00	500.00	2500.00	3000.00	2000.00	2000.00	2000.00
4. Ranganadi Hydro Electric Project	5000.00	1400.00	1500.00	1500.00	2400.00	2000.00	2000.00	2000.00	2000.00
5. Gas Turbine, Tripura	-	150.00	250.00	250.00	165.00	600.00	165.00	165.00	165.00
6. Gas Turbine Project, Roldia, Tripura	-	-	900.00	10.00	500.00	10.00	10.00	10.00	10.00
*7. Seruid B HEB, Mizoram and other new generation Project.	-	-	-	5.00	150.00	150.00	150.00	150.00	150.00
b. TRANSMISSION	5393.00	2250.00	1112.00	1207.00	2500.00	2100.00	1450.00	1450.00	1450.00
8. Additional Transmission including construction of 132 KV- Lungmul-Zerbankline.	882.00	1260.00	175.00	400.00	100.00	100.00	100.00	100.00	100.00
9. Transmission System associated with Doyang by NERCO	4000.00	810.00	682.00	682.00	2000.00	1600.00	1000.00	1000.00	1000.00
10. 132 KV Transmission Gohpur-Itanagar Line	-	146.00	100.00	100.00	170.00	170.00	170.00	170.00	170.00
11. Ranganadi Transmission Project	500.00	25.00	25.00	25.00	50.00	50.00	50.00	50.00	50.00
12. Transmission System in NER	1.00	-	100.00	-	150.00	150.00	100.00	100.00	100.00
13. Establishment of RLDC in NER	-	-	30.00	-	30.00	30.00	-	30.00	30.00
14. Kopili Transmission	10.00	9.00	-	-	-	-	-	-	-
c. SUPPLY & INVESTIGATION	683.00	646.88	120.00	50.00	44.00	54.00	54.00	54.00	54.00
15. Lockdown stream & Tuival Hydel Project, Manipur.	15.17	30.82	1.00	-	1.00	1.00	1.00	1.00	1.00
16. Tuival in Mizoram	211.12	178.54	17.00	19.00	5.00	5.00	5.00	5.00	5.00

17.	(a) Ranganadi State-II (b) Damwe (c) Papi	63.05	31.36	1.00	1.00	1.00	1.00	1.00	1.00	1.00
18.	(a) Barak (b) Irang	198.06	106.00	27.00	1.00	5.00	5.00	5.00	5.00	5.00
19.	Kynshi Basin in Meghalaya	86.18	26.00	15.00	-	1.00	1.00	1.00	1.00	1.00
20.	Dikrong in Arunachal Pradesh	39.84	44.54	1.00	1.00	1.00	1.00	1.00	1.00	1.00
21.	Residual Investigation, Kameng	4.00	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
22.	High Dam Tipaimukh	6.00	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
23.	Serlui-B & Tuiwal in Mizoram	58.28	63.12	-	-	-	-	-	-	-
24.	Investigation of Hydel Project including Mini-Micro Hydel Project.	-	15.00	1.00	-	1.00	1.00	1.00	1.00	1.00
	(a) Popumpuma Investigation	-	3.00	9.00	9.00	1.00	1.00	1.00	1.00	1.00
	(b) 3 sites in Nagaland	-	10.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	(c) Continuation of Collection of Hydrological data in Kameng H.A.E. Project	-	-	15.00	15.00	1.00	1.00	1.00	1.00	1.00
	(d) Meghalaya	-	-	15.00	-	-	-	-	-	-
	(e) Arunachal Pradesh	-	-	15.00	-	-	-	-	-	-
	(f) Manipur	-	-	-	-	-	-	-	-	-
25.	Kopili Dam Investigation	-	-	-	-	10.00	-	10.00	-	10.00
TOTAL OF POWER DEVELOPMENT		27176.00	12877.88	5053.00	4221.00	3279.00	7916.00	4831.00		
B. WATER DEVELOPMENT										
1.	Investigation of Micro Hydel-cum Irrigation Project Mizoram-CWC	-	-	25.00	20.00	25.00	20.00	20.00	20.00	20.00
2.	Longai Investigation, Tripura-CWC	40.00	9.08	15.00	25.00	7.00	6.00	6.00	6.00	6.00

	1	2	3	4	5	6	7	8	9
3. North Eastern Regional Institute of Water and Land Management, Assam.			131.28	-	30.00	80.00	100.00	60.00	60.00
4. Flood Protection works near Kalishomora Bridge.			-	80.00	18.00	18.00	-	-	-
5. Sedimentation Survey of Umlam Reservoir, Meghalaya.			11.00	7.40	5.00	1.96	7.00	7.00	7.00
6. Exploration of Ground Water in Mizoram			-	27.46	11.00	11.00	6.00	6.00	6.00
7. Jirl Medium Irrigation Project in Manipur			218.39	23.00	10.00	10.00	200.00	100.00	-
8. Others			31.70	25.00	-	-	-	-	-
9. Construction of Pagladdia Dam			-	-	20.00	-	500.00	25.00	25.00
*10. Construction of Tipelnuh Dam Project			-	-	-	-	500.00	25.00	25.00
11. Drainage Project in Barak Valley-Harang Sub-Basin			-	-	20.00	-	100.00	10.00	10.00
*12. Development of Loktak Lake			-	-	-	10.00	100.00	-	200.00
*13. New Investigation schemes.			-	-	-	10.00	145.00	10.00	110.00
TOTAL : WATER DEVELOPMENT			482.45	144.40	145.00	174.96	1690.00	369.00	549.00
C. RENEWABLE RESOURCES OF ENERGY			200.00	101.70	70.00	56.00	70.00	70.00	70.00
TOTAL OF POWER, WATER DEVELOPMENT AND R.R.E.			2708.45	5298.00	13118.06	4461.96	10039.00	6355.00	5270.00

469.00

(Rs. Lakhs)

ANNEX - I Contd. (NDC)

III. INDUSTRIES AND MINERALS :

	329.21	219.93	75.00	75.54	55.50	104.00	84.00
A. Detailed Minerals Investigation & Proving							
1. For clearing pending liabilities of (a) Siju Borjan, Delhi-Joypara, Bokajan, Namchik, Nampuk, Lumshong, Makum Exploration.	-	-	20.00	20.00	10.00	10.00	10.00
(b) Langrin Coal Exploration, Meghalaya	50.00	42.75	5.00	5.00	5.00	5.00	5.00
(c) Exploration of Western Extension Block of Namchik Nampuk Coalfield, Arunachal Pradesh.	35.00	34.25	7.00	7.00	5.00	5.00	5.00
2. Coal Exploration Dilli Sector of Delhi Joypara Coalfield, Assam.	35.00	12.61	12.00	12.00	11.00	11.00	11.00
Limestone							
3. New Umrangshu, Assam	25.00	7.00	7.00	7.00	11.00	11.00	11.00
4. Mimmi, Nagaland	24.00	10.00	10.00	10.00	10.00	10.00	10.00
5. Detailed Investigation of high grade limestone in Lumshong North Block, Jaintia Hills, Meghalaya.	16.00	7.50	3.00	3.54	3.50	3.50	3.50
6. Exploration of Ground Water, Mizoram	-	27.46	11.00	11.00	Included under water development	-	-
6.A Others	179.21	78.36	-	-	-	-	12.00
*6.B Decorative Stones	-	-	-	-	-	-	35.50
*6.C Lime stone Mining	-	-	-	-	-	-	1.00
*6.D New Umrangshu Limestone Mining	-	-	-	-	-	-	1.00
B. LARGE AND MEDIUM INDUSTRIES	253.75	195.43	10.00	10.00	13.00	16.00	16.00
7. Mini-Cement Plant at Hundung, Manipur (50 tpd)	40.80	72.93	5.00	5.00	1.00	1.00	1.00
8. Mini Cement Plant, Wazeho, Nagaland (50 tpd)	21.50	108.10	5.00	5.00	1.00	5.00	5.00
9. Paper grade Line Plant at Lumshong, Meghalaya	10.00	-	-	-	10.00	10.00	10.00
10. Paper-Grade Lime Plant (200 tpd), Umrangshu, Assam.	1.00	-	-	-	1.00	-	-
11. Others	180.45	14.40	-	-	-	-	-

(Rs. Lakhs)

ANNEX - I CONTD. (MCC)

	1.	2.	3.	4.	5.	6.	7.	8.	9.
INDUSTRIAL PROJECT									
17. a) Clinker grinding units in Mizoram & Tripura	200.00	-	610.00	-	100.00	434.00	410.00		
b) Expansion of Bokajan Cement Plant	-	-	200.00	-	400.00	400.00	400.00		
18. Breeze Coke Plant (For 30,000 tonnes) to meet requirement of VSK Cement & Lime Plant	166.00	-	10.00	-	10.00	10.00	10.00	10.00	10.00
18.1. Others	34.00	-	-	-	-	-	-	-	-
D. SERICULTURE	82.00	61.74	28.00	32.80	42.50	50.00	42.50		
19. Establishment of Muga Plant & Oak Plant Nursery, Arunachal Pradesh.	10.50	2.17	22.00	0.50	3.00	3.00	3.00	3.00	3.00
20. Establishment of Reeling Unit, Assam	8.00	9.60	5.00	5.00	6.00	6.00	6.00	6.00	6.00
21. Scheme for Modernisation of Mulberry Silk	8.00	9.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00
22. Establishment of Silk Reeling Spinning Weaving Training-cum-productn centre at Kolashib, Mizoram.	15.00	6.07	5.00	3.80	3.50	3.50	3.50	3.50	3.50
23. Establishment of Integrated Reeling and Twisting Unit, Nagaland.	8.00	11.00	5.00	15.00	5.00	5.00	5.00	5.00	5.00
24. Silk Reeling Unit, Tripura	3.00	3.55	5.00	2.50	6.50	6.50	6.50	6.50	6.50
25. Establishment of Tassar Silk Weaving Unit, Manipur.	8.00	7.00	2.00	2.00	3.50	3.50	3.50	3.50	3.50
26. North Eastern Handlooms & Handicrafts Development Corporation.	-	-	-	-	10.00	17.50	10.00		
27. Others	16.50	13.25	-	-	-	-	-	-	-
TOTAL : INDUSTRIES & MINERALS	1059.96	517.02	752.50	145.74	1152.00	635.00	603.50		

	1	2	3	4	5	6	7	8	9
IV. TRANSPORT & COMMUNICATION									
1. Roadways	1.00	-	5.00	-	20.00	20.00	5.00		
2. Improvement of Inland Water Transport: Construction of Floating Jetties and River terminal facilities.	410.00	136.00	94.00	74.00	100.00	100.00	100.00		
3. Mechanical Cargo Handling Plant at Badarpur	253.00	215.00	200.00	150.00	200.00	200.00	200.00		
4. Roads:									
1) Interstate Roads	28908.68	10253.67	4730.00	4925.00	6269.00	9500.00	8500.00		
11) Roads of Economic Importance through BRDB	8658.00	3425.00	4421.00	5092.00					
5. Bridge across Brahmaputra, Tezpur Assam.	160.00	671.00	10.00	159.00	-	-	-		
6. Survey of Bridge over Brahmaputra near Dibrugarh.	-	-	4.00	3.86	1.00	1.00	1.00		
7. Support for rail-cum-road Bridge over Brahmaputra at Joglyhopa.	-	1500.00	1500.00	-	2500.00	2500.00	2500.00		
*8. Support for Helicopter Services in NER	-	-	-	-	500.00	-	-		
*9. Setting up of Inland Water Transport Corporation.	-	-	-	-	10.00	10.00	10.00		
10. Others	20.00	6.68	-	-	-	-	-		
TOTAL TRANSPORT & COMMUNICATION	29752.68	19950.35	11233.06	12331.00	11316.00	12331.00	11316.00		

V. MANPOWER DEVELOPMENT

	1.	2.	3.	4.	5.	6.	7.	8.	9.
1. Fellowship & Academic Programme	230.00	124.56	45.00	41.50	45.00	45.00	45.00	45.00	45.00
2. Linemen's Training Programme	25.00	25.56	4.50	4.50	4.50	4.50	4.50	9.00	9.00
			4.50	4.50	5.00	Assam			
						Meghalaya			
3. Miscellaneous Training Programme	132.00	62.80	30.00	30.00	40.00	38.00	38.00	38.00	38.00
4. N.E. Regional Institute of Science & Technology.	1500.00	1400.00	500.00	50.00	200.00	600.00	200.00	200.00	200.00
5. Extension of Assam Survey School	7.00	9.50	6.00	6.00	5.00	5.00	5.00	5.00	5.00
6. Financial Assistance to Assam Rifles Public School for Improvement in the standard of Science & Mathematics Education.	25.77	18.73	5.00	5.00	5.00	5.00	5.00	5.00	5.00
7. Establishment of Regional Fishery Institute, Assam.	54.41	22.00	13.60	12.90	10.30	10.30	10.30	10.30	10.30
8. Regional Mining School in Nagaland	10.00	-	10.00	2.00	5.00	5.00	5.00	5.00	5.00
9. Regional Medical College, Imphal	700.00	475.00	190.00	110.00	200.00	200.00	200.00	200.00	200.00
10. N.E. Judicial Officers Training Institute, Gauhati.	20.00	9.04	4.00	4.00	4.00	4.00	4.00	4.00	4.00
11. North East Police Academy, Umsaw, Shillong	347.39	332.67	100.00	100.00	200.00	150.00	150.00	150.00	150.00
12. Regional Dental Wing, GMC	40.00	35.80	-	5.00	10.00	5.00	5.00	5.00	5.00
13. Regional Nursing College, Gauhati	60.00	25.00	60.00	60.00	1.00	1.00	1.00	1.00	1.00
14. Expansion of Regional Pharmacy Institute, Agartala	30.00	10.00	7.00	7.00	10.00	10.00	10.00	10.00	10.00
15. Improvement of TTI, Mizwal	15.00	20.00	5.00	5.00	2.00	2.00	2.00	2.00	2.00
16. Regional TTI for Women, Tinsukia	10.00	18.00	25.00	38.00	20.00	20.00	20.00	20.00	20.00

17*	Modernisation of ITI, Imphal	20.00	18.65	1.00	1.00	-	-	-	-
18*	Regional Centre for Training of Trainers, Rani, Assam	-	55.00	15.00	19.00	20.00	20.00	20.00	20.00
19*	Construction of Hostel Accommodation in the Banasthal Vidyapith, Rajasthan for the students of NER.	-	-	5.00	20.28	-	-	-	-
20*	Construction of Hostel at Delhi for the students of NER	-	-	2.00	1.00	2.00	1.00	1.00	1.00
21*	Institute of Urban Development, Assam	-	-	-	-	10.00	-	-	-
22*	Operation Black Board	-	-	-	700.00	160.00	160.00	-	-
23*	Establishment of Survey and Training School, Ferozpur.	-	-	-	-	10.00	10.00	10.00	10.00
24*	Project Hand shake in N.E.H.U.	-	-	-	-	5.00	-	-	-
25.	Others	153.10	49.74*	-	-	-	-	-	-
2.	TOTAL : WAMPOR DEVELOPMENT	3379.67	2712.13	1032.60	1226.68	973.80	1300.30	740.00	-

VI. SOCIAL AND COMMUNITY SERVICES :

1.	Artificial Limb Centres	20.42	30:38	4.00	4.00	6.00	23.00	23.00	23.00
a)	Shillong	11.90		11.00		25.00			
b)	Imphal								
2.	Artificial Limb Fitting-cum-Rehabilitation Centre, Nagaland.	11.50	7.00	5.00	6.00	3.00	3.00	3.00	3.00
3.	Food & Drug Laboratory, Shillong	15.00	5.00	10.00	10.00	9.00	9.00	9.00	9.00

4. Food & Drug Laboratory, Gauhati	18.00	19.65	6.00	6.00	4.70	4.70	4.70	
5. Food & Drug Laboratory, Tripura	20.00	7.00	7.00	7.00	6.00	6.00	6.00	
6. Orthopaedic & Traumatology Centre, Shillong	10.00	-	6.00	5.00	8.00	8.00	8.00	
7. Regional Blood Bank, Meghalaya	-	13.00	4.00	3.00	3.00	3.00	3.00	
8. Forensic Science Laboratory, Gauhati	-	-	10.00	10.00	20.00	10.00	10.00	
9. Upgradation of Dr. B. Baruah Cancer In stt. Gauhati.	-	-	10.00	1.00	100.00	50.00	50.00	
10. Establishment of Virology Centre for Diagnosis and control of Japanese Encephalitis	-	-	-	2.00	5.00	-	-	
11. Others	66.29	96.29	-	-	-	-	-	
TOTAL : SOCIAL & COMMUNITY SERVICES	161.21	178.32	73.00	65.00	189.00	116.70	116.70	
VII. GENERAL SERVICES								
1. Regional Information & Documentation Centre	50.00	25.00	10.00	13.00	18.00	15.00	15.00	
2. Natural Hazards Risks Evaluation & Reduction Programme.								
1) Earthquake Risk Evaluation Cell	40.00	19.38	7.00	7.00	8.00	8.00	8.00	
ii) Earthquake Risk Evaluation in NEER- Establishment and Operation of Network of short period Seismic Station in NEER	40.00	10.00	20.00	35.00	10.00	10.00	10.00	
3. R&D PROJECTS :-								
1) Repetitive Geodatic Surveys for monitoring land deformation	4.00	-	5.00	-	1.00	1.00	1.00	
ii) Precursor of earthquake.	-	-	4.00	2.00	6.00	8.00	8.00	
iii) Radon Emission Studies for Identifying Earthquake Precursors.	10.00	-	4.00	2.00	6.00	8.00	8.00	
iii) Insitu Stress Measurement	5.00	-	2.00	2.00	5.00	13.00	13.00	

Sl. No.	Description	1	2	3	4	5	6	7	8	9
4.	<u>SCHEMES & TECHNOLOGY</u>									
1)	Regional S&T Council	5.00	-	1.00	0.50	1.00	2.00	2.00		
11)	Other Programmes	5.00	0.89	3.00	0.50	1.00	1.00	1.00		
11.1)	Science Museum, Gauhati	131.00	41.25	25.00	-	1.00	-	-		
5.	Regional Centre for Resources Evaluation	45.00	2.84	10.00	3.00	10.00	5.00	5.00		
6.	Documentation of Traditional Culture of the Tribal People.	15.00	-	5.00	9.00	20.00	18.00	10.00		
7.	Chairman's Survey and Consultancy	250.00	87.32	50.00	70.00	75.00	70.00	70.00		
8.	Health Activities	5.00	0.42	1.00	2.00	3.00	3.00	3.00		
9.	Housing of MEC Staff	72.00	38.00	20.00	20.00	35.00	37.00	37.00		
10.	Environmental Studies	15.00	0.07	1.00	-	1.00	1.00	1.00		
11.	Establishment of Regional Film Studio-cum-Production Centre, Jyoti Chitranban, Gauhati	-	-	10.00	1.00	20.00	10.00	10.00		
12.	Integrated Multichannel Police-Tele-Communications for NER.	-	-	-	-	1.00	5.00	5.00		
	TOTAL : GENERAL SERVICE	692.00	225.37	174.00	165.00	216.00	207.00	207.00		
	GRAND TOTAL :	67500.00	39007.26	18500.10	18499.44	24332.28	24333.00	24333.00		

(Say 18500.00)

6. Includes Rs. 30 crores of LIC loan to be raised with the NEEPCO for the following schemes

- SCHMES**
1. Kopili H.E. Project
 2. Addl. Transmission Line
 3. Doyang H.E. Project
 4. Doyang Transmission
 5. Ranganadi H.E. Project

TOTAL

(Rs. Crores)

4.00
1.00
5.00
5.00
15.00
30.00

