

# **FIVE YEAR PLAN**

**1978-83**

**ANDHRA PRADESH**

**DRAFT OUTLINE**

**VOL. I**

**FINANCE & PLANNING DEPARTMENT  
GOVERNMENT OF ANDHRA PRADESH  
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## INTRODUCTION

The process of preparation of the Medium Term Plan (1978-83) commenced with the paper sent by the Prime Minister on reformulation of Plan objectives prepared by the Planning Commission. According to this paper the Objectives of the next Medium Term Plan were to be:—

- (a) the removal of unemployment and substantial under employment within 10 years;
- (b) provision of basic services like drinking water, primary education and health care to the 40% of the population in the lowest income groups over the same period; and
- (c) a significant reduction in the present disparities of income and wealth.

In order to restructure the investment priorities in the Central and State Plans in accordance with this new strategy in the shortest possible time the Planning Commission proposed to consider the Fifth Five-Year Plan as coming to an end in March, 1978, and to launch a new Medium Term Plan for five years commencing from 1978-79 and up to 1982-83 with effect from 1st April, 1978.

The main task to be undertaken by the State Government was preparation of the Draft Medium Term Plan keeping in view the objectives set out above. The preparation of the draft was however subject to various constraints mainly on account of the uncertainty about the likely size of the State Plan, because of the Seventh Finance Commission's recommendations and the Central Government's decisions thereon being awaited and formula for the Central assistance being under review by a Committee of the National Development Council.

In view of the above uncertainties and limitations the exercise on Plan formulation had to be undertaken on the basis of certain assumptions regarding continuity of existing policies and practices. Some of the work had to await receipt of the Draft of the National Plan. All this has necessitated the work being done in very short time despite which there has been some deviation from the time schedule prescribed by the Planning Commission. This has resulted some aspects of the Plan exercise having been left out. We hope to make good these omissions and correct other errors when the Plan document is revised after its finalisation.

In February, 1978 the Government constituted a panel of eminent Economists and experts for advising it on certain broad issues regarding the next Plan such as the rate of growth of the economy to be aimed at during the next Five-Year Plan period, the quantum of investments to be made in the economy of the State in order to

achieve such rate of growth, the broad objectives to be aimed at in the process of planned development and the determination of priorities in keeping with such objectives.

For drawing up plans for the different sectors of development, the following Working Groups, consisting of Secretaries to Government and Heads of Departments concerned with the subjects dealt with by the Working Group were constituted in the State by November, 1977 itself:

- (a) Irrigation and Power;
- (b) Agriculture and Allied Sectors;
- (c) Industries, Roads and Transports;
- (d) Social Welfare; and
- (e) Social Services Sector.

The Planning Department prepared background papers setting out the levels of development likely to be achieved at the end of Fifth Plan period and these papers together with copies of the paper of the Planning Commission on reformulation of Plan objectives were circulated to the members of the Working Groups to serve as background material. The working groups were requested to prepare position papers with regard to their sectors of development keeping in view specially the following matters:

- (a) Realistic assessment of the level of development likely to be reached by the end of the Fifth Five-Year Plan in areas of development falling within the State and the Centrally Sponsored sectors;
- (b) Assessment of the financial, material and organisational requirements for the completion of as many projects as possible particularly in the fields of Irrigation and Power.

The position papers set out (a) the level of development likely to be reached at the end of Fifth Plan and (b) an assessment of the outlay required in the new Medium Term Plan period keeping in view of the above considerations.

The Draft National Plan laying down the broad objectives, development strategy, economic and social policies and intersectoral investment allocations was presented to the National Development Council in March, 1978 and it was decided that this would be further discussed with the States and State outlays would be finalised only thereafter. According to this document the primary objectives of the next Five-Year Plan are removal of unemployment and under-employment within 10 years, provision of basic services like drinking water supply, primary education and health care to the lowest income groups and significant reduction in disparities of income and wealth. This necessarily implied a certain marked orientation of plan investments towards the provision of social infrastructure. Following the



meeting of the National Development Council the Planning Commission communicated detailed guidelines for the preparation of the Draft States Plans mainly on the following lines:—

1. An Annual review of the two major operational targets proposed in the Draft Plan viz., reduction in unemployment and reduction in the number of people living below the poverty line, with reference to certain important development indicators to be determined;
2. Emphasis on agriculture, rural development and small industries and consequent decentralisation of both planning and plan implementation to the local levels;
3. Need to select specific areas for intensive development during the Plan period, so as to provide for full employment in a period of 10 years;
4. Formulation of a Plan for expanding the production of various consumer goods on the basis of dispersed households and small scale units;
5. A revised Minimum Needs Programme to be drawn up with special emphasis on adult education, non-formal elementary education and community health care;
6. Sub-Plan to be prepared for Scheduled Castes and Backward Classes on the lines of Tribal Sub-Plans.

The Department undertook a scrutiny of the Working Groups' reports in the light of the above guidelines and for consistency (a) within the sectors, (b) between the sectors and (c) in special terms. On the basis of these reports the sector-wise outlays were determined and as a result the total outlay comes to Rs. 3966 crores. The need for an outlay of this order has been explained elsewhere in the various chapters and does not require to be elaborated here. However in passing, it may be mentioned that the main basis on which the above decision has been taken is that the per capita income of Andhra Pradesh has been consistently below the All India average, and this gap cannot be bridged without a substantial stepping up of the quantum of investment in the State economy. It also requires to be emphasised that if a solution to the twin objectives of eradication of unemployment and of poverty has to be achieved at least in a substantial measure a step up of Plan outlays of this order and an equitable distribution of the outlays among the social service sectors becomes absolutely necessary.

As the next step, these tentative sector-wise outlays together with the detailed guidelines on individual sectors with necessary pro-formae etc. received from the Planning Commission were communicated to the Heads of Departments and they were requested to send draft outlines of their plans conforming to the outlays and guidelines

indicated. The Plan outlines received from them were again scrutinised by the Planning Department and the present draft proposals were thereafter formulated.

All the Departments were asked to estimate the manpower requirements and employment potential of their proposals and based on this a multi-pronged strategy has been evolved for tackling the problem of unemployment on a large scale in both urban and rural areas. It is estimated that the draft Plan will provide employment to 5.15 lakh persons on a regular basis in the organized sector during 1978-83. It is also proposed to cover all the Blocks in the State under the Special Employment Programme which would generate additional employment opportunities.

Considerable thought has been given to the problem of decentralised planning and the views of the State have been explained at length in the chapter on District Planning. As a preliminary step the departments were requested to indicate the district-wise segments in respect of outlays allotted to them for the Plan period. The State Government are contemplating major changes in the organization and functions of the Zilla Parishads and other Panchayati Raj Institutions and a decision on the nature and extent of planning functions to be delegated to the district level authority will be taken as soon as these changes are decided upon.

For the sake of convenience and easy reference this volume has been divided into 3 parts. Part-I contains the general chapters spelling out the broad approach adopted for the plan; review of overall development achieved so far based on certain indicators; an economic review and an estimate of resources for the Plan both Governmental and Institutional. It also includes the chapters on the Revised Minimum Needs Programme, Employment and on District Planning, the three crucial areas on which the Plan approach mainly is focussed. In view of the regional strategies of development evolved in the State a separate chapter on Backward Area Planning and the need for the continuance of a special programme for this has been included. Part-II contains the sectoral chapters arranged in the same order as in the National Plan document. Each sectoral chapter gives briefly the policy framework, a review of achievements and shortfalls and the strategy to be adopted with fiscal targets and financial outlays. Part-III consists of the tables and supporting data for each head of development in the form required by the Planning Commission.

We hope that this arrangement would prove useful for effective and meaningful discussions of the Plan proposals.

B. P. R. VITHAL,  
Secretary to Government.

Hyderabad,  
14th November, 1978.

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## I. APPROACH

While our approach to the plan of the State will have to be in consonance with the general approach of the Draft National Plan Document approved by the National Development Council, we have to necessarily take into account the circumstances obtaining in the State in formulating any meaningful strategy of development. Planning for development of Andhra Pradesh has to be visualised in terms of three different socio-economic regions:

- (1) The Coastal area dominated by the fertile delta but ending in the north in a backward and predominantly tribal strip;
- (2) The Telangana region, rich in natural resources—whether it be water, forest or mineral—but bearing the scars of princely neglect;
- (3) The Rayalaseema region, where man is enterprising but nature is harsh—part of a large rain shadow drought affected tract in peninsular India extending over three States.

Unfortunately, the popular image of Andhra Pradesh is based on the prosperity of the Coastal region, whereas the reality with which we in the State have to live with is the under-development of a major portion of the State. Thus, we have two magnificent delta systems of irrigation resulting in a percentage irrigation of 49 in the Coastal region. But we also have, according to an estimate of the Government of India itself 47.5 per cent of the area of this State can be classified as drought affected of the population in this area being 34.7 per cent of the total population. The levels of development in the best areas in our State might compare with those existing in the more advanced States, while the levels in the major portion of the State would be comparable with those of the most backward States in India. Taking the State as a whole, therefore, Andhra Pradesh, by any criteria, of development, would be below the average in the country. However, its position is such that in any list of the more advanced States Andhra Pradesh is likely to be at the bottom while in any list of backward States it is likely to be at the top so that it misses both the present advantage that the former have by their existing level of development and the potential advantage that the latter may have in any scheme of equalisation. It is against this background that the planned development of the State over the last two decades has to be viewed.

The developmental outlays of the State increased from about Rs. 97 crores in the First Plan to Rs. 169 crores in the Second Plan, and to Rs. 352 crores in the Third Plan. The step up in Fourth Plan was however, very modest the outlay being only Rs. 449 crores. But in the Fifth Plan, the tempo was not only resumed but increased to Rs. 1,500 crores *i.e.*, nearly 3½ times the Fourth Plan outlay. The

period 1973-76 was one of continuously good seasonal conditions so that there was an unprecedented spurt in the rate of growth during the period. Thus, the net domestic product at constant prices in 1973-74 was 16.4 per cent over the previous years' level, while the corresponding figure for All India was 5.4. In 1974-75, it was 3.9 for the State, while it was zero for All India. The State made a significant break-through in agricultural production in 1973-74 when the total production of all foodgrains reached the high level of 86.69 lakh tonnes as against 67.08 lakh tonnes in 1972-73. In the next two years also, this upsurge in foodgrains production was kept up with a production of 90.86 lakh tonnes in 1974-75 and 94.28 lakh tonnes in 1975-76, which was an all time record with the result that the State ranked third in the country in foodgrains production in 1975-76.

The industrial activity in the State which revived significantly in 1974 has also shown buoyancy in the last 3 years. The better availability of industrial raw materials, power and other infrastructure contributed to these gains in the industrial sector. The index numbers of industrial production with 1970 as base revealed more than 11 per cent increase during 1976, compared to 1975. During 1977, there was a further increase of 4.6 per cent in the index when compared to the preceding year. The contribution of the Industries sector to the State income has been steadily on the increase since 1974-75, indicating a significant though still modest shift in the economy of the State.

However, despite the progress recorded in the preceding paras, in the major fields of development, the historical situation of the State is such that even with these rates of growth, the per capita income, at constant prices in 1975-76, was Rs. 333, against the All India figure of Rs. 366. The closest the two figures had come was in the year 1974-75, when the per capita income for Andhra Pradesh was Rs. 333 while it was Rs. 343 for All India. The second aspect to be borne in mind about the growth in these three years is that if this is looked at, in a longer perspective, say of 15 years from 1960-61, it will be seen that growth rates of Andhra Pradesh were almost the same as the All India average growth rate. The linear growth rate of net domestic product at constant prices for the period 1960-61 to 1975-76 was 3.8 per cent for Andhra Pradesh whereas it was 4.1 per cent for All India and the compound growth rate was 3 per cent for Andhra Pradesh against 3.3 per cent for All India. If we take 1976-77 into consideration, the figures for Andhra Pradesh would be even lower being 3.7 for linear growth rate and 2.9 for compound growth rate. The corresponding figures for increase in per capita income are closer to the All India average of 1.1 per cent for linear growth rate and 1 per cent for compound growth rate; because, the rate of growth of population for Andhra Pradesh is below the All India average. An analysis of the situation over the last decade of planned development, based on general indicators like agricultural production, per capita income, industrial growth, power, literacy, medical facilities, etc., which has been attempted elsewhere in this document shows that

the State still continues to be below the All India average in these crucial fields.

The Plan effort of Andhra Pradesh has been so far based on a strategy which has laid emphasis on building up the basic infrastructure both for agricultural and industrial development *viz.*, on the development for irrigation and power. Such a strategy was the logical outcome, on the one hand, of the predominantly agricultural base of the economy of the State, and on the other of the resources potential in terms of water resources and sources of energy such as coal.

At this stage of our development the main thrust in the economic development of the State has to continue to be in agriculture, and in encouraging industrial growth. About 70 per cent of the people are still dependent on agriculture. No matter what the magnitude of industrialisation may be this percentages will continue to be very high in the immediate perspective. As pointed out in the national approach, the main attack on poverty will have to be on rural poverty. If therefore, the standard of living of the vast majority of our people, is to be raised, the basic priority in our developmental programmes will still have to continue to be for agriculture. Andhra Pradesh is placed in a peculiar position in as much as, on the one hand, it has a high percentage of irrigation compared to the All-India average, while on the other, it has large areas that are drought prone. The percentage of irrigation for the State as a whole is 30 against 23 for All India while in the Coastal region it goes upto 49 whereas at the same time 47.5 per cent of the area of the State has been identified as being drought prone as mentioned earlier. In both these cases, however, the problem is one of applying technology so as to be able to make the best use of the available resource potential. An agricultural programme based on strategies most suitable to the diverse circumstances in the different regions would, therefore, have to be evolved.

Andhra Pradesh is also well endowed with natural resources which would provide the raw material for industrialisation. Further even for supporting a programme of increased agricultural production and for providing the necessary incentive for such a programme, agro-based industries would be required in many cases. A well-conceived programme of industrialisation based on an assessment of the resource endowment of the State and taking into account the need for bringing about balanced regional development within the State will, therefore, be required.

The role of the State, which in this context means the State Government, in regard to development in both these sectors, *viz.*, Agriculture and Industry continues to be predominantly that of building up the infrastructure. Direct investment by the State in Industry, which has a large role at the national level because of other considerations, does not have the same role at the State level in our pattern of development.

At the State level a climate for industrial investment has to be fostered so as to attract both Central and private sector investments which will in any case be taking place within the framework of the National Plan. The strategy of development at the State level will therefore have to continue to include a major role for infrastructure development, viz., irrigation and power. One element in the economic infrastructure which has suffered so far in our State is communications and this will also have to be given more importance hereafter.

Nevertheless, a stage has come in our planning when a major shift in emphasis and priorities has become inevitable. What has been stated in the National Plan document is equally in fact more true of our State. A review of the levels of development has been attempted later in this document. This review will show that while much has been achieved in the State as a result of planned development so far, the result has yet been not only not satisfactory but in some respects even disturbing. To quote the National document: "Much of the benefits from infrastructure have accrued largely to the relatively affluent..... Many areas of the country remain backward and regional disparities in agricultural development have increased. Many segments of the population like the Scheduled Castes and Scheduled Tribes have not shared fully in the benefits of growth".

The National Draft Plan has, therefore, rightly proposed that the principal objectives of Planning should now be defined as achieving within a period of ten years:

- (i) The removal of unemployment and significant under employment;
- (ii) An appreciable rise in the standard of living of the poorest sections of the population;
- (iii) Provision by the State of some of the basic needs of the people in these income groups like clean drinking water, adult literacy, elementary education, health care, rural roads, rural housing for the landless and minimum services for urban slums.

The shift in priorities and consequently in the sectoral outlays that this approach would necessitate will have to be much more pronounced in the case of Andhra Pradesh because of the very high percentage allocation that had been consistently made for the Irrigation and Power sectors in the Plans of our State hitherto. In the Fifth Plan period 66.8 per cent of the total outlay was allocated for these two sectors alone. In our present proposals this percentage has been brought down to 50.2 per cent. Correspondingly the outlay for social and community services has been almost doubled from 12.6 per cent in the Fifth Plan to 23.6 per cent in the present proposals.

A massive employment programme and the Revised Minimum Needs Programme have been conceived as the major instruments for this change of strategy proposed to be achieved during the Plan period.

The problem of unemployment is an All India phenomenon which has a direct bearing on poverty and low-levels of living. A satisfactory solution to this problem could not be achieved so far due to the lack of a thrust towards provision of employment and an integrated approach to this problem. The steady increase in the population and rapid expansion in the educational facilities without proper manpower planning have not only further accentuated the problem but have added a new dimension to it. Unfortunately, there are no precise estimates of unemployment and under-employment at present due to conceptual difficulties and these difficulties stand in the way of an adequate appreciation of the problem and the formulation of appropriate policies in this regard. The Employment Exchange data is the only source so far as the magnitude of unemployment in urban areas (organised sector) is concerned in spite of its various limitations. On the basis of the past trends, it is estimated that during 1978-83 the number of job seekers through the Employment Exchanges would be 16.50 lakhs in the State.

Regarding unemployment in rural areas, the National Sample Surveys provide some broad estimates. According to the 27th Round of the National Sample Survey, the extent of chronic unemployment in the rural areas of the State worked out to 0.9 per cent of the rural labour force. On this basis the level of chronic unemployment would be of the order of 1.98 lakhs by 1982-83. However, the problem in rural areas is found to be mainly one of under-employment of already employed persons. On the basis of the 27th Round of the National Sample Survey, the extent of under-employment in rural areas has been estimated at about 7.7 per cent of the total number of man-days available for work from the labour force. On this basis, the level of under-employment in the rural areas is expected to increase to 16.72 lakh persons per day on an average in 1982-83. This corresponds to a level of unemployment of 46.75 lakh man-days per year in the terminal year of the next Plan.

A massive effort would, therefore, be necessary to tackle the problem of unemployment and under-employment in the State during the next Plan period. A survey has already been undertaken recently in 21 blocks of the State to know the magnitude of unemployment and under-employment and to formulate appropriate programmes on the basis of the survey results. Broadly, the employment strategy for the plan would be as follows:

- (i) Generation of direct employment through plan investments;
- (ii) Generation of indirect employment in the agriculture sector on a recurring basis through utilisation of irrigation potential



created under various projects and through adoption of appropriate technology for agricultural programmes which will result in additional employment opportunities;

- (iii) Continuation and expansion of schemes to benefit target groups under programmes such as Small Farmers Development Agency and Drought Prone Areas Programme which are meant not only for providing employment but also raising the house-hold incomes;
- (iv) Provision of employment opportunities to weaker sections through programmes of Scheduled Castes Co-operative Finance Corporation, Backward Classes Co-operative Finance Corporation, Girijan Corporation, etc.;
- (v) Generation of employment through self-employment programmes and joint ventures sponsored by various industrial and financial corporations such as Andhra Pradesh Industrial Development Corporation, Andhra Pradesh Small Scale Industries Development Corporation, Andhra Pradesh Industrial Infrastructure Corporation, Andhra Pradesh State Finance Corporation, etc.

An appropriate manpower planning policy will have to be formulated in respect of all technical personnel so that there is a better correlation between technical, educational facilities and the needs of the economy.

Simultaneously the Revised Minimum Needs Programme would aim at providing the following nine basic services so that a sound social infrastructure is built up in the rural areas.

- (1) Elementary Education.
- (2) Adult Education.
- (3) Rural Health.
- (4) Rural Water Supply.
- (5) Rural Roads.
- (6) Rural Electrification.
- (7) Houses for landless rural labour households.
- (8) Environmental improvement of urban slums.
- (9) Nutrition to the weaker sections of the population, particularly in rural areas.

Various norms under the programmes would be changed to improve the coverage and the outlays will be correspondingly stepped up so that at least forty per cent of the total targets for the next decade could be achieved by 1982-83.

The two most important manifestations of imbalances or disparities in income in society are in caste terms, the Scheduled Castes and Tribes and in a broad economic sense the Small Farmers and Agricultural Labourers. Any programme of increasing public consumption and employment ought to benefit these target population groups leading to alleviation of poverty and reduction of inequalities. The problem of the Tribals in particular is both a sectional problem and an area problem and has to be tackled on both fronts. Hence the need for a Tribal sub-plan in the Plan.

Another factor that has to be emphasised is the need for substitution of the concept of sectoral planning which has by and large characterised our earlier Plans with that of Regional Planning or Planning for backward areas. As far as Andhra Pradesh is concerned, the existence of three distinct regions as pointed out earlier is a geographical and historical fact. Any strategy for the development of the State would, therefore, have to take into account the regional levels of development and the need to reduce the disparities between them. The aim of regional strategies should be to bring up the level of development of the region based on its own resource endowment and any comparative advantages it may have. For instance, in evolving a strategy for agricultural development, where other technical resource factors are equal we would have to give priority to backward areas for the encouragement of high value crops and also link this up with the location of connected agro-based industries. Similar consideration would have to weigh in regard to the utilisation of available water potential or while prescribing cropping patterns for irrigation projects. Similarly, in the case of industrialisation, our present incentives being in the nature of subsidies on capital, in fact discriminate in favour of capital intensive industries whereas, what are needed for the development of backward areas are labour intensive industries. In other sectors like Animal Husbandry, or Dairying also suitable policies would have to be evolved for reducing regional imbalances. An attempt at such co-ordinated planning for backward areas was made during the Fifth Plan with the Special Assistance Programme for Accelerated Development of Backward Areas under the Six Point Formula. This policy will necessarily have to be continued in the Sixth Plan period both within the plan framework by suitable priority decisions and outside it by special assistance as was done in the Fifth Plan.

The National Plan, while advocating the need for defining the decentralised planning approach in greater detail has stipulated that the block should be taken as the primary area for local planning. It is felt that many activities and infrastructural facilities which would

not be viable if divided and set up as self contained entities at the block level could be better organised at higher levels of spatial planning, viz. the district. The District Planning would enable a close correspondence between local conditions, potentials and priorities and the programmes to be taken up in the area. All this will require the building up and strengthening of the planning machinery at the district level. The involvement of Panchayati Raj Institutions as a suitable instrument for popular participation will have to be ensured. Correspondingly technical expertise in Manpower Planning and in Project Formulation and Evaluation will also have to be built up and strengthened at the State level. A reorientation of the procedures of Planning and a strengthening of the machinery for this purpose will, therefore, be an essential task in the Plan period.

The Medium Term Plan period, would thus be a very significant one for Andhra Pradesh. During this period, more than self-sufficiency in power would have been achieved and a significant part of the irrigation potential would have been tapped. The basic infrastructure for agricultural and industrial development would thus, have been laid. With this and with the fruition of the earlier measures taken to encourage industrialisation, this will be the period in which a rapid process of industrialisation and consequent diversification of the economy should take place. It is hoped that this process would generate the surpluses necessary for making up the lee-way in the social infrastructure, which would make a major contribution towards the removal of regional and sectional imbalances.

These hopes however are all founded on one basic assumption, viz., that the outlays on the Plan can be stepped up in the manner envisaged in these proposals, i.e., from about Rs. 1,500 crores over the original Fifth Plan period to about Rs. 4,000 crores over the proposed Medium Term Plan period of 1978-83. We have shown earlier how the growth rate for Andhra Pradesh has been somewhat lower than the All India growth rate with the result that the State has continued to remain below the All India average. In later chapters we show in more detail how this is true in regard to several important indicators of social and economic development. In terms of Plan outlays also the per capita outlays on the Plan of Andhra Pradesh has been consistently below the average for all the States. Even in the Fifth Plan period when these outlays increased in an unprecedented manner from year to year they have been below the All India average. A step up of these outlays is, therefore, necessary during the next Plan period if the lee-way is to be made up. The reorientation of priorities necessary for the achievement of the new objectives can take place only in the context of such an increase in the outlays. Any attempt to reduce these outlays would only result in the Sectoral priorities once again getting distorted and as a result our renewed hope of correcting regional and sectional imbalances would once again be belied. These proposals have, therefore, to be viewed in this overall context.

## 2. REVIEW OF ECONOMIC SITUATION OF ANDHRA PRADESH SINCE 1960-61

### *Introduction:*

1. This review of economic situation contains a broad analysis of general indicators such as growth of population, literacy, composition of workers, State income and its composition, per capita income at current and constant prices, consumer prices, level of consumption among different fractile groups of population, land utilisation etc. In regard to agriculture and allied activities the review covers cropping pattern, area, production and productivity of crops, area irrigated by sources, livestock, production and value of forest products, wages of agricultural labour and artisans etc. Further, the growth and working of credit institutions such as Agricultural Development Banks, Primary Agricultural Credit Societies and Commercial Banks are also studied. In the field of industry and mining, the production of selected commodities, the number of factories, the number of workers employed and industrial production were included. Power is analysed in terms of generation by sources, consumption pattern, number of towns and villages electrified etc. In regard to transport and communications, the length of roads under various categories, number of motor vehicles registered, public sector passenger services, rail route length, Post and Telegraph facilities are analysed. In the field of Social Services, selected items such as the growth in the number and enrolment in schools and colleges, number of hospitals, hospital beds, etc., are studied.

### *Demographic Features:*

2. The rate of growth of population in the State was more in the decade 1961-71 than in the decade 1951-61. The increase was more conspicuous in urban than in rural areas. The population of Andhra Pradesh which was 31.15 millions in 1951 increased to about 35.98 millions in 1961 and to 43.50 millions by 1971. Thus, the rate of growth of population in 1971 over 1951, was 39.6 per cent. The rate of growth of total population in the decade 1961-71 was substantially more than that in 1951-61 being 20.9 per cent in 1961-71 as against only 15.6 per cent over 1951-61. The urban population in the State was 5.4 millions in 1951, 6.3 millions in 1961 and 8.4 millions in 1971. Thus the rate of growth of urban population in 1971 over 1951 was 54.5 per cent. The rate of urbanisation was more in 1961-71 being 33.9 per cent when compared to 1951-61 when it was only 15.4 per cent.

3. The growth of literacy was very impressive during the decade 1951-61. However, during the decade 1961-71, the growth rate was less than half of what it was in the earlier decade. Further, the

reduction in the rate of growth of literacy was much more evident in rural than in urban areas. Yet, over the two decades the overall rate of literacy was less in urban areas than in the rural areas. The overall rate of growth of literacy for the two decades was 161.8 per cent. The growth of number of literates was impressive during the decade 1951-61 being 86.9 per cent. Over the decade 1961-71, however, the rate of growth was only 40.1 per cent, in the number of literates. More distressing is the fact that the addition of number of literates was only about 30.58 lakhs in 1961-71 as against 35.49 lakhs in 1951-61. Further, the increase in the number of literates in the rural areas came down from 98.1 per cent during the earlier decade to only 34.2 per cent in the later decade. The rate of growth in urban areas was less than that in rural areas being 68.3 per cent in 1951-61 whereas it was more in 1961-71 being 50.9 per cent compared to 34.2 per cent in rural areas in the same decade. In percentage terms, over the 20 years period, the growth of number of literates was marginally less in urban areas.

4. In regard to composition of workers, the pressure on agriculture is evident during the period 1961-71 (subject to changes in definitions in the census). The number of agricultural labourers increased by 10.2 per cent over the period 1961-71 whereas the non-agricultural workers and the cultivators came down by 5.9 per cent and 22.1 per cent respectively.

#### *State Income :*

5. The State income at current prices at the end of the Second Plan 1960-61 amounted to Rs. 983 crores. This increased gradually to Rs. 2,907 crores by 1972-73 the last but one year of the Fourth Plan. This further increased to Rs. 3,804 crores by the end of the Fourth Plan. Thus, during the end period of Fourth Plan, the State income at current prices showed about fourfold increase. By the end of the second year of the Fifth Plan, in 1974-75, this increased further to Rs. 4,669 crores. The percentage increase recorded during the first two years of the Fifth Plan was as much as 23 per cent. During the next two years *i.e.*, 1975-76 and 1976-77 however, it decreased to Rs. 4,342 crores and Rs. 4,434 crores respectively. At constant prices, the State income increased from Rs. 983 crores in 1960-61 to Rs. 1,290 crores by 1972-73 and to Rs. 1,507 crores by 1973-74. This increased further to Rs. 1,601 crores by 1975-76, but, however, declined to Rs. 1,499 crores in 1976-77 due to a decline in agricultural production because of adverse seasonal conditions but again increased to Rs. 1,621 crores in 1977-78.

6. During the period 1960-61 to 1977-78, the State Income of Andhra Pradesh at current prices recorded more than five fold increase. The percentage increase in the State income at constant prices during this period was 65 per cent. The State income at constant prices

increased very moderately up to 1972-73, the penultimate year of the Fourth Plan. From 1973-74 onwards, there was a break through in the pace of development and between the years 1972-73 to 1977-78 i.e. penultimate year of the Fifth Plan, the increase in the State income at constant prices was about 26 per cent. The per capita income at current prices, increased from Rs. 275 in 1960-61 to Rs. 1,002 in 1977-78. The per capita income at constant prices increased from Rs. 275 in 1960-61 to Rs. 322 in 1977-78 or an increase of about 17 per cent.

7. In regard to the composition of State income, there was some shift from Agriculture and allied sectors to other sectors as a result of the measures taken by the State Government to reduce the dependence on agriculture sector and expanding the secondary and tertiary sectors. The percentage share of State income at constant prices from Primary sector was 58.8 per cent in 1960-61 and by the end of 1977-78, this came down to 45.7 per cent. On the other hand, the percentage share of Secondary sector and the tertiary sectors which were 12.9 and 28.4 in 1960-61 increased to 20.2 per cent and 34 per cent respectively. Thus, there was a decline of about 13.1 per cent in the proportion of income from Agricultural sector of which 7.4 per cent was diversified to Industrial sector and the remaining 5.7 per cent to Trade, Commerce and Transport sectors. Though there was some faster improvement in the secondary and tertiary sectors, it can be broadly constructed that the economy of the State still continues to be primarily agricultural-oriented as nearly half of the income was accounted for by this sector.

#### *State Revenues:*

8. The revenue receipts of Andhra Pradesh was only Rs. 85.29 crores in 1960-61. As a result of various tax measures introduced from time to time as also on account of gearing up the tax collection machinery, there was enormous increase in the revenue receipts from year to year and by 1977-78, the revenue receipts of Andhra Pradesh amounted to Rs. 769.09 crores. Thus, the per capita yield of State revenues increased from Rs. 15 in 1960-61 to Rs. 103 by 1977-78.

#### *Price Indices:*

9. The Index Numbers of consumer prices at selected urban centres indicated an increase by nearly more than three times. Taking 1960 as the base the Index Number in respect of Hyderabad, Guntur, Gudur, Visakhapatnam and Warangal increased from 302 to 335 by 1975. The indices decreased in 1976 in respect of all the centres due to anti-inflationary measures to 323 in the case of Guntur, 302 in the case of Hyderabad and ranged between 272 to 285 in respect of the other centres. However, in 1977-78, the index again showed an

increasing trend. The index was 360 in respect of Guntur, 337 in respect of Hyderabad and ranged between 309 to 315 in the case of the other three centres in 1977-78.

10. Data on consumer expenditure of various classes of monthly expenditure groups is available for the year 1973-74, collected through 28th round of National Sample Survey. According to the draft IVth Plan, the monthly per capita expenditure required to meet the minimum requirements was estimated at Rs. 20.00 at 1960-61 prices. The average All India Consumer Index Number for industrial workers (Base 1960=100) was 285 during 1973-74 and therefore the corresponding per capita monthly expenditure at 1973-74 prices works out to Rs. 57.05. As per the data collected through the 28th round of National Sample Survey, the percentage of population with per capita monthly expenditure of Rs. 57.05 and below is estimated at 77.2 per cent in rural areas and 59.6 per cent in the urban areas of Andhra Pradesh. Thus, the population below the poverty line is estimated at about 3.39 crores, 2.85 crores in rural and 0.54 crore in urban areas of the State.

#### *Agriculture :*

11. Agriculture plays a predominant role in the State's economy, as 70 per cent of the total workers in the State are engaged in agricultural activities and about 50 per cent of the State income is generated in the agriculture sector. If, therefore, the standard of living of the vast majority of the people is to be raised in the shortest possible time, the priority in developmental programmes will have to be accorded to agriculture. In view of the stress on increasing food production and agricultural raw-materials for industry, agriculture sector received a prominent position in the Five-Year Plans. Various policy instruments like extending irrigation, making available improved and high yielding varieties of seeds, fertilizers and pesticides, provision of short, medium and long term credit for agricultural development, especially to the small and marginal farmers and provision of extension facilities were adopted during the last twenty years to stimulate agricultural production.

12. As a result of these developmental programmes there was significant improvement in the area, production and productivity of agricultural commodities. The percentage of area sown more than once to the net area sown which was 8.7 per cent in 1960-61 increased to 15.4 per cent in 1975-76. In 1976-77, however it, declined to 10.6 per cent. The area under foodgrains crops increased from 91.44 lakh hectares in 1960-61 to 98.20 lakh hectares in 1975-76 or an increase by 7 per cent. During 1976-77 the monsoon played truant and the State experienced erratic seasonal conditions. Consequently, the area under food-grains came down to 88.74 lakh hectares in 1976-77 but

in the year 1977-78\* the area under food-grains increased to 91.47 lakh hectares.

13. Among the foodgrains, rice accounted for the highest area. While the area under this crop was 29.61 lakh hectares in 1960-61, it increased to 38.94 lakh hectares in 1975-76 or by 31.5 per cent. During the subsequent two years, the area under this crop, however, was a little less than 36 lakh hectares. Groundnut and Sugarcane crop had also shown considerable improvement during this period. The area under groundnut crop increased from 8.02 lakh hectares in 1960-61 to an all time record of 14.71 lakh hectares in 1974-75, or by 83 per cent. Due to unfavourable seasonal conditions, the area under this crop declined during the subsequent three years. The area under this crop was 13.30 lakh hectares in 1975-76, 10.51 lakh hectares in 1976-77 and 10.60 lakh hectares in 1977-78. Similar trend was observed in the case of Sugarcane. The area under Sugarcane which was 0.91 lakh hectares in 1960-61 increased to 1.95 lakh hectares in 1974-75 or an increase of 114 per cent. During the subsequent three years, the area was 1.71 lakh hectares in 1975-76, 1.46 lakh hectares in 1976-77 and 1.48 lakh hectares in 1977-78. Tobacco is another crop which showed appreciable progress during the period. The area under this crop which was 1.43 lakh hectares in 1960-61 increased to 2.36 lakh hectares in 1973-74 or by 65 per cent. Though this declined to 1.77 lakh hectares in 1974-75, 1.56 lakh hectares in 1975-76 and to 1.88 lakh hectares in 1976-77, there was revival to a large extent in 1977-78, during which year the area was 2.21 lakh hectares. The trend in the area under Cotton was erratic. The area under this crop was 3.13 lakh hectares in 1960-61. This increased to 3.90 lakh hectares in 1973-74, and further to 4.14 lakh hectares in 1974-75. In the next two years this sharply declined to 2.60 lakh hectares and 2.88 lakh hectares. In 1977-78, there was significant recovery and the area under this crop was 4.42 lakh hectares recording an increase of 41 per cent over 1960-61.

14. In terms of production, an all time high of 94.28 lakh tonnes of foodgrains was achieved in 1975-76, as against the production of 64.21 lakh tonnes in 1960-61. Thus, there was an increase by 46.8 per cent. Production of Rice was responsible for this substantial increase. In 1960-61 Rice production was 36.61 lakh tonnes and this increased to 64.51 lakh tonnes or by 76.2 per cent in 1975-76. Pulses also increased by 52.5 per cent by 1975-76. However, due to adverse seasonal conditions, the production was affected in the subsequent two years. The foodgrains production amounted to 74.79 lakh tonnes in 1976-77 and 86.60 lakh tonnes in 1977-78. The production of Rice during the two years was 49.31 lakh tonnes and 52.93 lakh tonnes.

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\*The 1977-78 figures are final forecast figures.



The percentage increase during the period 1960-61 to 1977-78 in respect of Groundnut was 40.6 per cent. It was 90.9 per cent in respect of Cotton, 45.0 per cent in the case of Sugarcane, 76.1 per cent in the case of Tobacco. As a result, the per capita availability of foodgrains increased from 178 Kgs. in 1960-61 to 196 Kgs. by 1975-76 which, however, declined below the 1960-61 level in 1977-78 (174 Kgs.) due to decline in the production of foodgrains on account of adverse seasonal conditions.

15. The production of important crops increased during the period considerably due to the increasing use of improved and high yielding variety seeds and various other inputs. Apart from this, there was increase in the supply and consumption of fertilizers during 1977-78, when 11.52 lakh tonnes of fertilizers were distributed. The yield per hectare of rice increased from 1,238 Kgs. in 1960-61 to 1,657 Kgs. per hectare of Rice. In 1976-77 and 1977-78, the yield per hectare of Rice, however, was 1,410 Kgs. and 1,491 Kgs. The yield per hectare of Jowar increased from 497 Kgs. in 1960-61 to 613 Kgs. in 1977-78 or by 23.3 per cent, Bajra recorded an increase of 38.6 per cent and Ragi 25.5 per cent. The yield per hectare of Cotton increased by 3 times by 1974-75 when it was 198 Kgs. as against 64 Kgs. in 1960-61. This declined subsequently to 156 Kgs. in 1975-76, 152 Kgs. in 1976-77 and 89 Kgs. in 1977-78. Similarly the yield per hectare of Tobacco which was 791 in 1960-61 increased to 1,003 Kgs. in 1973-74 or by 26.8 per cent. This, however, decreased to 819 Kgs. in 1977-78.

16. The index numbers of area, production and productivity with 1956-57 as base had also revealed similar increasing trends.

17. Andhra Pradesh accounts for a total geographical area of 274.40 lakh hectares. In 1975-76 cropped area (111.72 lakh hectares) constituted 40.7 per cent of the total geographical area. The area occupied by Forests was 63.82 lakh hectares forming 23.3 per cent of the total geographical area. An analysis of land utilisation in 1960-61 and 1975-76, would reveal that the area under barren and unculturable land, culturable waste, permanent pastures and grazing lands to the total geographical area declined in 1975-76 compared to that in 1960-61 indicating that these lands are being progressively put to more productive uses. On the contrary, the percentage of land put to non-agricultural uses to the total geographical area increased in 1975-76 compared to that in 1960-61. This increase was due to the use of land for construction of railways, roadways, canal systems, habitation etc.

18. The gross area under all the crops in the State increased from 118.16 lakh hectares in 1960-61 to 132.8 lakh hectares in 1974-75 and in the subsequent years declined to 129.6 lakh hectares in 1975-76 and was as low as 118.63 lakh hectares in 1976-77. The increase in

1974-75 and 1975-76 compared to 1960-61 was 12.3 per cent and 9.6 per cent respectively. But the proportion of area under foodgrain crops to the total cropped area decreased from 77.4 per cent in 1960-61 to 71.0 per cent in 1974-75. This was due to the cultivation of more profitable cash crops like Sugarcane, Groundnut and Castor. However, 1975-76 was favourable to foodgrain crops and the area declined considerably under Oil seeds, Cotton, Sugarcane and Tobacco. Rice occupies a predominant position under foodgrain crops. The area under Rice increased from 29.61 lakh hectares in 1960-61 to 38.94 lakh hectares in 1975-76, or an increase by 31.5 per cent while the increase in area under all other foodgrain crops was only 10 per cent during this period. The commissioning of the Nagarjunasagar Project, many medium and minor irrigation projects and extensive use of electricity for agricultural operations was responsible for such phenomenal growth in the area under Rice. The area under Jowar, an important millet crop of the State, however, showed decline during this period. Groundnut a major oil seed crop increased its area from 8.02 lakh hectares to 14.71 lakh hectares in 1974-75 and showed a decline in the subsequent three years. The area under sesamum continued to show a decreasing trend. The area under Castor declined till 1972-73 but recovered substantially in 1973-74 and continued to increase in 1974-75 also but received a set back during the subsequent years due to adverse seasonal conditions. There was a decline in the area under Cotton from 3.13 lakh hectares in 1960-61 to 2.98 lakh hectares in 1972-73. However, the improved and high yielding varieties of long staple cotton cultivated under irrigated conditions were responsible for a considerable recovery in the area of the crop and in 1974-75 the area was 4.14 lakh hectares. But on account of the untimely rains and un-remunerative prices of Cotton that prevailed in the important districts at the time of sowings of the crop in 1975-76, the area had again come down to 2.60 lakh hectares in that year. In 1977-78 there was significant revival and the area under this crop crossed the all time level of 4.14 lakh hectares achieved in 1974-75 (4.42 lakh hectares). Tobacco indicated an increasing trend till 1973-74. Thereafter the conventional Tobacco areas gave place to the new varieties of Cotton in Guntur and Prakasam districts. This was the main reason for the decline in the areas under Tobacco. Among the commercial crops the increase in the area under sugarcane was phenomenal. It increased from 0.91 lakh hectares in 1960-61 to 1.95 lakh hectares in 1974-75, an increase of 114.3 per cent which however, showed some decline in the subsequent years due to the adverse seasonal conditions.

19. The production of most of the important agricultural commodities reached their peak levels during the year 1964-65. Thereafter, there was a stagnation in the agricultural production and levels reached in 1964-65 were not achieved again till 1973-74. A remarkable recovery was noticed in 1973-74 and was kept up in 1974-75. In 1975-76, except for Jowar under the foodgrain crop, the increasing

trend of production still continued. An all time high foodgrains production of 94.28 lakh tonnes was observed in 1975-76 with Rice production increasing from 36.61 lakh tonnes in 1960-61 to 64.51 lakh tonnes in 1975-76. The production of Cotton reached the record level of 4.83 lakh bales in 1974-75 compared to 1.21 lakh bales in 1960-61. Groundnut was more than doubled in 1974-75 over the level of 1960-61. As in the case of the other commercial crops, it had received a set-back in 1975-76 due to adverse seasonal conditions in that year.

20. Index numbers of area, production and productivity are being compiled with 1956-57 as base. From an analysis of these indices, it will be observed that during 1973-74, the indices had shown considerable increase as compared to any of the previous years, including 1964-65, a good year from the point of view of agricultural production in the first decade. The index numbers of area, production and productivity of agricultural commodities in 1973-74 were 107.0, 151.7 and 141.8. This upsurge in agricultural production was kept in 1974-75 when the Index of Area under crops was 107.5, production 156.3 and productivity 143.3. But during 1975-76 there was a marginal decrease in these Indices due to a decline in production of non-foodgrains crops. The indices of area, production and productivity in 1975-76 were 105.2, 150.7 and 143.3 respectively, while they were 95.7, 120.9 and 126.3 in 1976-77. In respect of foodgrains, however, the year 1975-76 recorded increase over that of 1974-75. The index numbers of area, production and productivity in 1975-76 in respect of foodgrains were 110.5, 167.4 and 151.5 compared to the respective indices of 106.0, 158.4 and 149.4 in 1974-75. The spectacular growth in the production of foodgrains since 1973-74 was largely contributed by Rice crop.

21. A steady growth was noticed from 1972-73, year after year in the indices of area, production and productivity in the total pulses crops. These indices which were 100.9, 102.7 and 106.7 respectively in 1972-73 had increased to 188.9, 154.9 and 142.4 respectively in 1975-76. In the total oil seeds crops, the indices of area under production, which reached 103.5 and 130.2 points respectively in 1973-74 increased to 108.8 and 133.7 points in 1974-75 but in 1975-76 it slumped to as low as 85.3 and 97.5 points respectively. Groundnut crop also had shown a similar trend in its indices. In the case of castor crop, the indices of production and productivity which were as high as 186.7 and 162.1 in 1973-74 respectively decreased to 177.4 and 136.4 respectively in 1974-75 and further to lower levels in 1975-76. However, the index of area under the crop reached a very high figure of 130.1 in 1974-75 compared to 115.2 in 1973-74. There has been a phenomenal increase in the production and productivity of cotton crop since 1973-74. The production index of the crop was 278.5 in 1974-75 compared to 200.3 in 1973-74. The productivity index was also as high as 270.4 in 1974-75 compared to 206.5 in 1973-74. The area index reached 103.0 in 1974-75 after being below the 100 mark all the

previous years had again recorded a very low index of 64.7 points in 1975-76. In 1975-76 the indices of production and productivity had also been less than what was recorded in 1974-75. Sugarcane crop is the only crop which had received an index of over 200 in its area from 1973-74 to 1975-76. The index of area under Sugarcane was 232.6, 254.8 and 223.4 respectively. Incidentally the productivity index for the crop was below the 100 mark during all the three years which had resulted in pulling down the index of production. It was only in 1974-75 the Production index reached 206.4 while in 1973-74 and 1975-76, it was only 189.2 and 176.7 respectively.

22. The indices of area, production and productivity of Tobacco crop were the highest in 1973-74. But in 1975-76, the three indices of area, production and productivity of the crop was below the 1956-77, mark.

*Irrigation:*

23. The State being predominantly an agricultural oriented one, various steps were taken to increase the irrigation facilities. Apart from multipurpose projects like Nagarjunasagar, a number of major, medium and minor Irrigation Projects were undertaken during the period under review and as a result the ultimate ayacut under Multipurpose and Major and Medium Irrigation Projects undertaken so far is 11.13 lakh hectares. By the end of 1976-77 a potential of 9.08 lakh hectares was created of which 6.67 lakh hectares was utilised.

24. The area irrigated increased substantially, wells accounting for a substantial position. The gross area irrigated increased more rapidly than the net area irrigated. The gross area irrigated increased from 33.28 lakh hectares in 1960-61 to 42.23 lakh hectares in 1970-71. Though this declined to 37.82 lakh hectares in 1971-72 and further to 35.73 lakh hectares in 1972-73, it rose to 41.54 lakh hectares in 1973-74 and to 44.23 lakh hectares in 1974-75 and to 45.28 lakh hectares in 1975-76. This, however, declined to 41.56 lakh hectares, in 1976-77. The net irrigated area was 29.09 lakh hectares in 1960-61. By 1962-63 the net area irrigated was 31.82 lakh hectares and subsequently, it was below this level till 1973-74 excepting in 1970-71 when it was 33.13 lakh hectares. The net irrigated area was 32.81 lakh hectares in 1973-74, 33.46 lakh hectares in 1974-75 and 34.36 lakh hectares in 1975-76. In 1976-77, the net area irrigated was 34.34 lakh hectares. The area under canals increased from 13.31 lakh hectares in 1960-61 to 15.79 lakh hectares in 1970-71. Though this declined to 14.92 lakh hectares in 1973-74, it increased to 15.90 lakh hectares in 1974-75 and 16.26 lakh hectares in 1975-76. This declined slightly to 16.04 lakh hectares in 1976-77. The most impressive increases were found under wells where the area irrigated was more than doubled from 3.28 lakh hectares in 1960-61 to 6.95 lakh hectares in 1974-75, which, however, declined to 5.84 lakh hectares in 1975-76 and rose to 6.24 lakh hectares in 1976-77.

25. There was clear evidence of intensive irrigated cropping. Area irrigated more than once increased from 6.04 lakh hectares in 1960-61 to 10.91 lakh hectares by 1975-76. The gross irrigated area as percentage of gross cropped area increased from 32.3 per cent in 1960-61 to 34.9 per cent by 1975-76.

#### *Livestock:*

26. The quinquennial livestock census population figures are available for 1961, 1966, 1972 and 1977. Broadly, it could be said that for almost all categories of livestock; there was no substantial increase in the numbers. Thus, the total livestock in 1961 was 3.26 crores, 3.29 crores in 1972 and 3.16 crores in 1977.

27. The three most important livestock categories are cattle, buffaloes and sheep. The population of the cattle was slightly more than 1.2 crores in all the censuses. The buffalo population was 69.49 lakhs in 1961 which increased to 74.63 lakhs in 1977. Sheep accounted for around 80 lakhs excepting in 1977 when it amounted to 71 lakhs.

#### *Forest Product:*

28. The production and value of important forest products is also worth studying. The quantity of Timber and Fuel produced increased enormously during the period under review. The value of bamboo produced increased from Rs. 24 lakhs in 1960-61 to an all time record of Rs. 228.91 lakhs by 1976-77. The value of beedi leaves increased from about Rs. 55 lakhs to Rs. 395 lakhs by 1976-77. In respect of the other minor forest produce there was steady increase from Rs. 51 lakhs in 1973-74 to Rs. 53 lakhs in 1974-75, Rs. 76 lakhs in 1975-76, and to Rs. 129 lakhs in 1976-77. It is interesting to note that the value of all minor forest produce which amounted to only Rs. 122 lakhs in 1960-61 increased to as much as Rs. 753 lakhs by 1976-77.

#### *Industries:*

29. Much importance could not be given for the development of industries, during the First and Second Plans. However, during the Third Plan, for the first time, an organised effort was made to give an impetus for the industrialisation of the State. A number of institutions like the Andhra Pradesh Industrial Development Corporation, Andhra Pradesh State Financial Corporation, Andhra Pradesh Small Scale Industrial Development Corporation, Andhra Pradesh Industrial Infrastructure Corporation, State Textiles Development Corporation, Leather Industrial Development Corporation were set up for assisting the entrepreneurs in establishing new industries. In addition to this, Central sector Projects like, Bharat Heavy Plates

and Vessels, Heavy Electricals, Synthetic Drugs and Pharmaceuticals, Hindustan Machine Tools, Hindustan Aeronautics, etc., were set up during the Third and Fourth Plan periods. Besides this, a number of Small Scale Industrial Units were set up with the assistance under the "Self Employment Schemes" under "Half a million jobs programme". As a result of such measures and other measures taken by the State Government to reduce the dependance on agriculture there was a significant step up in the industrial activity. On account of these measures, the income from the industrial sector at constant prices, which was only Rs. 76.59 crores in 1960-61 increased to Rs. 129.27 crores in 1970-71, to Rs. 149.80 crores in 1972-73, to 153.31 crores in 1973-74 and Rs. 204.49 crores by 1976-77. Thus, the share of income from industrial sector which was only 3.5 per cent in 1960-61 accounted for 13.6 per cent by 1976-77. The number of establishments under the Factories Act showed a constant increase till 1970 and a spurt from 1971 onwards. The number of establishments increased from 3,160 in 1961 to 4,588 in 1970. They increased further to 9,291 in 1973 and to 10,953 by 1975. A more correct picture is obtained if the employment in the establishments registered under the Factories Act is analysed. The number employed was 1.82 lakhs in 1961. During the decade 1961 to 1970, the growth was slow particularly from 1963. The range of the number employed was 2.09 lakhs to 2.35 lakhs. From 1971 onwards, there was significant improvement in the employment. The number employed was 3.40 lakhs in 1971 which increased steadily to 4.42 lakhs in 1974-75 and 4.73 lakhs in 1975-76.

30. There is, thus, clear evidence that there was substantial improvement in the industrial activity during the last few years. An analysis of the working of factories registered under 2m (i) and 2m (ii) viz., those employing 10 or more workers with the aid of power and 20 or more workers without the aid of power revealed that the gross output which was only Rs. 688 crores in 1970-71 increased to Rs. 1,103 crores in 1973-74 which further increased to Rs. 1,670 crores in 1975-76. The value added by manufacture increased from Rs. 125 crores in 1970-71 to Rs. 234 crores in 1973-74 and to Rs. 331 crores in 1975-76.

31. In regard to production of select commodities, though there was improvement, it was not impressive till 1970. Since 1970 there was significant improvement in almost all the industries. The production of Fertilizers increased from a mere 7,000 tonnes in 1960 to 3.33 lakh tonnes by 1977. The production of asbestos, cement, paper and coal increased by more than 3 times while that of Sugar, Vanaspathi and Cigarettes was more than double. The production of cotton yarn increased by 64 per cent.

32. The index numbers of industrial production were first compiled with 1956 as base covering 11 industries. Yet, considering the very slender base with which the State started, the growth was not that substantial in absolute terms. As there was significant step up

in the activity from 1970, the index number of industrial production is now being compiled with 1970 as base covering 44 industries. As per the provisional figures the general index number of industrial production steadily increased to 107.7 in 1971-72 and to 112.2 in 1972-73. During 1973-74 however, due to recessionary trends, the index number increased slightly to 113.5. However, the industrial activity in the State revived significantly in 1974 and continued to show buoyancy. As a result the index number of industrial production rose to 128.0 in 1974, 142.5 in 1975, 158.8 in 1976 and to 166.1 in 1977.

**Power:**

33. As power is an essential item of infrastructure necessary for growth in both the industrial and agricultural sectors of the economy, the pace of power development was accelerated under the Five Year Plan schemes and large investments were made on power development projects like Machkund, Upper Sileru, Nizamsagar, Tungabhadra Hydro-Electric Projects and Ramagundam, Vijayawada, Nellore and Kothagudem Thermal Projects. As a result of these projects, there was significant improvement in the installed capacity, generation and consumption of electricity. During 1960-61 to 1977-78 the installed capacity increased by 7 times from 213 MW in 1960-61 to 1563 MW by 1977-78, generation by more than 5 times from 900 MKWh to 5,150 MKWh and the consumption by more than 6 times from 601 MKWh to 3,744 MKWh.

34. The power generated amounted to 900 MKWh in 1960-61. In the next ten years, there was an addition of more than two thousand MKWh. Thus, by 1970-71 the power generated increased to 2,875 MKWh. This increased further to 3,106 MKWh in 1973-74 and to 5,150 MKWh by 1977-78. The major sources of power generation are Hydro and Thermal. There was increase in regard to both Hydro and Thermal generation over the period. Though Hydro power accounted for a larger share than the steam till 1970, Thermal started accounting for more than the Hydro since 1970. While Hydro power accounted for 77.9 per cent and Thermal power accounted for 21.3 per cent in 1960-61, they accounted for more or less equal shares in 1970-71 forming 50.1 per cent and 49.9 per cent respectively. By 1975-76, however, Thermal accounted for nearly three-fourth of the power generated and Hydro power generation accounted for one-fourth of the generation.

35. The consumption of electricity increased enormously during the period under review. It was 601 MKWh in 1960-61 and it increased rapidly almost at the rate of 100 MKWh per year till 1966-67. Subsequently, the average annual rate of growth of power consumption was nearly 300 MKWh. By 1973-74, the power consumption amounted to 2,479.30 MKWh and further increased to 3,744 MKWh by 1977-78.

36. The pattern of consumption had also undergone a substantial change. It was found that during the decade 1960-61 to 1970-71, the power consumption in respect of Domestic, Commercial and Public Lighting came down in terms of percentage composition of the respective years relative to the total consumption. Industrial consumption which came down marginally in 1970-71, increased substantially subsequently. It amounted to 1,548 MKWh in 1973-74 and 2,185 MKWh in 1976-77 as against 1,442 MKWh in 1970-71. The most impressive increase during the period was in respect of agricultural consumption. It increased from 9.4 per cent of the total consumption to 21 per cent. In terms of power consumed, it was 63.5 MKWh in 1960-61, 393.8 in 1970-71, 559 MKWh in 1973-74 and 726 MKWh in 1976-77.

37. The total number of towns and villages electrified were 2,680 in 1960-61 and by 1965-66 it was 4,353. During the decade 1965-66 to 1975-76 as many as 7,229 more number of villages were electrified and another 3,294 villages electrified in 1976-77 and 1977-78. By the end of 1977-78, thus, the total number of villages electrified formed about 54.3 per cent of the total number of villages in the State. The number of wells energised were 15,852 in 1960-61. Impressive increases were found in the subsequent years. The number of wells energised rose to 39,566 by 1965-66 and it went up to 2.12 lakhs by 1971-72. This increased further to 2.75 lakhs by 1974-75 to 2.84 lakhs by 1975-76 and to 2.97 lakhs by 1976-77.

#### *Transport and Communications:*

38. Transport and Communications play an important role in the process of development. The length of roads increased significantly during the period under review, the increase being particularly significant under "State Highways and Village Roads" indicating a better integration of the State economy in general and opening up of the rural areas substantially. The process was more evident in sixties. The number of motor vehicles registered and the services of Government Passenger Transport Organisation also increased. However, practically no growth in new railway routes was noticeable. There was steady increase in the number of Posts and Telegraphs Offices in the State.

39. The total road length in Andhra Pradesh was 38,624 Kms. in 1960-61. This increased to 54,231 Kms. by 1968-69. By the end of the second year of the Fifth Plan *i.e.*, 1975-76 the road mileage was 89,044 Kms. The length of National Highways was practically constant around 2,340 Kms. by 1975-76. There was only marginal increase in the State Highways from 2,208 Kms. to 2,424 Kms. during the period 1956-61. Subsequently, however, there was increase in roads under State Highways due to conversion of some major district roads



as State Highways. The other district roads increased enormously by about two and half times during the period 1958-69. The length increased during the period 1961-69 was from 5,623 Kms. to 10,614 Kms. This increased to 29,244 Kms. by 1974-75. In regard to village roads, there was an increase from 6,194 Kms. in 1956 to 19,000 Kms. by 1969. This increased further to 32,613 by 1974-75.

40. The motor vehicles registered in the State were below 35,000 in 1961. During the subsequent years there was an enormous increase and by 1971-72, the number was as much as 89,000. This increased to 1,42,196 by 1973-74 and to 1,80,812 by 1976-77. Substantial increases were found in respect of Goods Vehicles, Motor Cars and Motor Cycles.

41. In regard to Road Transport Corporation Services in the State, the average number of buses in use increased from 905 to 2,059 during the decade 1961-71. This increased further to 2,460 by 1973-74 and to 4,346 by 1977-78. The number of passengers carried increased from about 11 crores in 1960-61 to about 32 crores in 1970-71. This reached 47 crores in 1973-74 and 77 crores by 1976-77.

42. In respect of railways very few new lines for opening up new areas were laid. But conversion from metregauge to broadgauge and doubling of broadgauge lines occurred substantially. As a result, the length of broadgauge lines increased from about 2,800 Kms. in 1957 to 4,726 Kms. by 1976-77. The number of stations increased from 500 to 623 during the period.

43. The Posts and Telegraphic facilities increased substantially. The number of post offices increased from 1,960 in 1956 to 12,388 in 1966. Subsequently the growth was marginal. It reached 14,047 by the end of 1973-74 and 14,492 by 1976-77. The number of Telegraph Offices increased from 503 in 1960 to 1,287 by 1973-74 and to 2,149 by 1976-77.

#### *Education :*

44. Impressive increases took place in Social Service facilities especially under Education and Health sectors. The growth in the number of primary and secondary level institutions was phenomenal during the period 1951-61, the increase in scholars being even more. But in the subsequent years, however, the increases were less impressive. In regard to college education there was spectacular increase. During the last few years, a number of Junior Colleges were opened. New Post-Graduate Centres and new Universities were established in the State. At the professional level, the number of institutions increased substantially. In regard to health facilities the number of Allopathic Hospitals increased by about 44 per cent between 1961-77. The number of hospital beds increased by 21 per cent.

45. The number of schools at primary and upper primary levels which stood at 5,933 in 1951-52 increased enormously to about 37,100 in 1961-62. Subsequently, however, the growth was marginal taking the total to 40,340 by 1970-71, 40,727 by 1973-74 and 41,899 by 1976-77. A similar trend was observed in the case of enrolment also. During the period 1951-52 to 1961-62, the expansion was nearly nine fold. In the decade 1961-62 to 1971-72, it was only 25 per cent. In the case of High Schools and Higher Secondary Schools also similar trend was observed. During the period 1952-62 the number of schools increased from a mere 95 to 2,723. Subsequently, the increase was marginal and it was 2,994 by 1970-71, 3,259 by 1973-74 and 3,939 (including those attached to Junior Colleges) by 1976-77. In regard to number of scholars the number increased significantly. The enrolment of children in Classes I to V and VI to VIII was 29.76 lakhs and 3.01 lakhs respectively in 1960-61. By 1977-78, the enrolment of children reached the level of 46.20 lakh in Classes I to V and 7.36 lakhs in Classes VI to VIII. Thus, the percentage enrolment of children in the age group of 6-11 years increased from 67.0 per cent in 1960-61 to 73.3 per cent in 1977-78 and that of children in the age group of 11-14 years increased from 12.8 per cent to 21.2 per cent. In regard to professional education, however, the number of institutions increased from 27 to 39 by 1961-62. Subsequently, 8 more institutions were added taking the total to 47 by 1970-71. This increased further to 77 by 1973-74 and 78 by 1976-77. In regard to colleges for general education, there was a steady increase. The number of colleges increased from 67 in 1960-61 to 218 by 1976-77. In addition to this, 235 Junior Colleges were established in 1973-74 which increased to 309 by 1976-77. In regard to the scholars the percentage increase was 100 in 1951-61 and more than 200 during the period 1961-76. There was spectacular improvement in the University education. The number of Universities were only three in 1960-61. During the Third Plan period, Andhra Pradesh Agricultural University was established and during the Fourth Plan period Jawaharlal Nehru Technological University, first of its kind in the country, was established. During the year 1975-76, a Central University was established at Hyderabad while in 1976-77, the Post Graduate Centres at Warangal and Guntur were converted as Kakatiya and Nagarjuna Universities, thus, taking the total number of Universities in the State to 8 by 1977-78.

#### *Health:*

46. The total number of Allopathic Hospitals increased from 988 to 1,424 between 1960-61 to 1976-77. During the same period the number of beds increased from about 19,345 to 23,444. The number of Doctors increased from 1,826 in 1960-61 to 3,726 in 1976-77. Thus, while there was one Doctor for a population of 1.97 lakhs in 1960-61 there is one doctor now for a population of 1.31 lakhs. In the case of bed strength however, there was decline. While the bed strength was 53 per lakh population in 1960-61, now it is only 48 per lakh population.

*Co-operation :*

47. The Co-operative movement in the State made a marked progress both at the apex and primary levels. The total number of all societies which stood at 18,444 in 1955-56 rose to 29,664 in 1965-66 and to 35,647 by 1974-75. The membership increased from 20.79 lakhs in 1955-56 to 42.64 lakhs in 1965-66 and to 66.59 lakhs in 1974-75, thereby recording a three fold increase. Mere significant improvements were made in the case of paid-up capital and working capital of Co-operative Societies which recorded a nine fold and eleven fold increase during this period.

48. The number of primary agricultural credit multipurpose Co-operative Societies increased from about 8,000 in 1951 to about 14,000 in 1961 and only marginally to about 15,000 in 1970-71. This increased to 15,054 by 1971-72 and thereafter there was decline due to re-organisation of primary co-operative societies to make them potentially viable units and also due to liquidation of bad working societies. As a result, the number of societies decreased to 14,877 by 1973-74 and to 14,800 by 1974-75. The membership increased from 5.00 lakhs in 1951 to about 14.00 lakhs in 1961 and to 22.6 lakhs in 1970. It reached 24.54 lakhs by 1973-74 and 28.31 lakhs by 1974-75. The loans increased from Rs. 6.35 crores in 1955-56 to Rs. 31.50 crores by 1973-74 and rose to Rs. 44.54 crores by 1974-75.

49. The number of Agricultural Land Development Banks increased from about 50 in 1951 to 106 in 1961 while the membership went up from about 50,000 to about 2.00 lakhs. Between 1960-61 to 1970-71, the number increased from 105 to 181, and the membership from about 2.00 lakhs to 7.00 lakhs. By 1973-74, the number of societies reached 184 with a membership of 8.42 lakhs and it was 189 with a membership of 8.53 lakhs by 1974-75. The share capital increased from about Rs. 17.00 lakhs in 1950-51 to about Rs. 58.00 lakhs in 1960-61 and to Rs. 7.48 crores in 1970-71. This increased to Rs. 9.32 crores in 1973-74 and to Rs. 11.13 crores in 1974-75. The working capital increased from about Rs. 1.6 crores in 1950-51 to Rs. 98 crores in 1970-71 which reached Rs. 110.00 crores in 1973-74 and Rs. 122.00 crores by 1974-75. Most impressive increase was noticed in the quantum of loans advanced. It went up from about Rs. 41.00 lakhs in 1950-51 to Rs. 18.00 crores by 1960-61 and to Rs. 20.70 crores by 1969-70. This, however, declined to Rs. 19.08 crores in 1970-71. Though it went up to Rs. 20.06 crores in 1971-72 declined to Rs. 10.6 crores in 1972-73 and Rs. 14.6 crores in 1973-74. Again in 1974-75 it shortly increased to Rs. 22.4 crores.

50. In regard to Primary Agricultural Credit and Multi-purpose Societies, the share capital increased from about Rs. 81.00 lakhs to Rs. 4.1 crores during 1951-61. During the decade 1961-71 it was more than doubled and the figure rose to Rs. 10.6 crores. It reached

Rs. 42.07 crores by 1973-74 and to Rs. 12.99 crores by 1974-75. Similar trend was noticed in the case of working capital. The Working Capital increased from Rs. 5.3 crores to Rs. 26.1 crores during 1951-61, and nearly doubled by 1971 amounting to Rs. 50.9 crores. This increased sharply to Rs. 78.10 crores by 1973-74 and to Rs. 95.61 crores by 1974-75. The loans advanced also increased substantially. It increased from Rs. 2.9 crores to Rs. 18.9 crores during 1961-71. This increased further to Rs. 28.7 crores by 1970-71, Rs. 31.50 crores by 1973-74 and to Rs. 44.54 crores by 1974-75. The overdue increased dis-proportionately to the loans during the period 1961-71 taking the over dues from Rs. 3.7 crores to Rs. 17.1 crores. This went up to Rs. 19.8 crores by 1973-74 and Rs. 22.00 crores in 1974-75. Thus, the over dues which formed 19.4% to the loans advanced in 1960-61, formed 59.6% in 1970-71 and 50.0% in 1974-75.

#### *Banking:*

51. The number of working offices of the Commercial Banks in Andhra Pradesh increased substantially over this period. The number of Commercial Banks increased from 321 in 1960-61 to 1,234 by 1973-74 and 1,844 by 1976—June 1977. While there was one Bank for a population of 1.08 lakhs in 1961 there was one bank for a population of 0.50 lakhs by 1971, and one bank for a population 0.26 lakhs by 1977.

52. The trends in total Commercial Banks deposits in the State are of interest. In 1961, the deposits and advances were Rs. 43.7 crores and Rs. 40.3 crores respectively. By 1970-71 they reached Rs. 183.6 crores and Rs. 199.7 crores respectively. During the period 1971-76, there was further increase. These amounts were Rs. 597.00 crores and Rs. 462.00 crores by 1975-76.

#### *Employment:*

53. Firm data on employment is not available. The latest data available is for the year 1972-73 collected during the 27th round of National Sample Survey Organisation. The results of this survey revealed that the estimated population of the age group of over 5 years (as on 1st July, 1973) was 388.08 lakhs. Of this, 185.87 lakh

persons or 47.9% of the total neither did any gainful work nor offered themselves for any type of work. This population which was not available for any work was treated to be out of the labour force. Thus, the remaining 202.21 lakhs during 52.1% of the population above 5 years of age constituted the labour force.

Persons in the labour force are classified into (i) persons actually working in gainful activities and (ii) persons seeking or available for work. Thus, the second category of persons represented the unemployed persons available for work. According to the data collected under the 27th round of Socio-Economic Survey the number of persons either unemployed or seasonally under-employed is estimated at 16.19 lakhs, 14.92 lakhs in rural and 1.27 lakhs in urban areas.

TABLE — 1  
POPULATION CHARACTERISTICS—ANDHRA PRADESH

Sl. No.	Item	Unit	1961	1971
1	2	3	4	5
1.	Total Population	Lakh	359.83	435.03
2.	Growth over the Previous Census	Percentage	15.65	20.90
3.	Birth Rate (during the decade)	Births per 1,000 population	39.7	34.8
4.	Death Rate (during the decade)	Deaths Per 1,000 population	25.2	14.6
5.	Density of Population	Persons per S.K.m. Lakhs	131	157
6.	Male Population	Lakhs	181.61	220.09
7.	Female Population	Lakhs	178.22	214.94
8.	Sex Ratio	Females per 1,000 Males	981	977
9.	Rural Population	Lakhs	297.09	351.00
10.	Urban Population	Lakhs	62.74	84.00
11.	Urban Population as a percentage of total population	Percentage	17.4	19.3
12.	(a) Scheduled Caste Population	Lakhs	49.74	57.75
	(b) Scheduled Castes Population as a percentage of total population	Percentage	13.8	13.3
13.	(a) Scheduled Tribes Population	Lakhs	13.24	16.58
	(b) Scheduled Tribes Population as a percentage of total population	Percentage	3.7	3.8
14.	(a) Literates—Males	Lakhs	54.82	73.03
	(b) Literates—Females	Lakhs	21.44	33.86
	(c) Literates—Total Population	Lakhs	76.32	106.90
15.	(a) Literacy Rate—Males	Percentage	30.2	33.2
	(b) Literacy Rate—Females	Percentage	12.0	15.8
	(c) Literacy Rate—Total Population	Percentage	21.2	24.6
16.	(a) Workers—Total	Lakhs	186.63	180.06
	(b) Workers—Agriculture	Lakhs	128.23	126.23
	(c) Workers—Non-Agriculture	Lakhs	58.40	53.83

SOURCE : 1. Part II-A, General Population Tables, 1961 Census.  
 2. Census of India, Paper 1, 1962.  
 3. Part II-A, General Population Tables, 1971 Census.  
 4. Report on the population Projections worked out by Registrar-General of India, New Delhi.

**TABLE - 2**  
**STATE INCOME OF ANDHRA PRADESH**

		AT CURRENT PRICES				AT CONSTANT PRICES (1960-61)				PER CAPITA INCOME (IN RS.)	
Sl. No.	Year	Primary Sector	Secondary Sector	Tertiary Sector	Total State Income at current prices	Primary Sector	Secondary Sector	Tertiary Sector	Total State income at constant prices	At current prices	At constant Prices
1	2	3	4	5	6	7	8	9	10	11	12
1.	1960-61	578.32	125.54	279.33	983.19	578.32	125.54	279.33	983.19	275.20	275.20
2.	1965-66	893.77	213.26	413.74	1,520.77	587.97	175.87	318.87	1,082.71	387.18	275.65
3.	1972-73	1,590.29	430.19	886.06	2,906.54	642.32	231.37	416.45	1,290.14	647.25	287.30
4.	1973-74	2,223.47	494.08	1,086.66	3,804.21	823.37	227.63	455.94	1,506.94	828.59	328.22
5.	1974-75	2,770.46	630.28	1,268.52	4,669.18	828.28	258.52	479.13	1,565.93	994.83	333.45
6.	1975-76	2,265.01	702.43	1,374.09	4,341.53	814.01	285.26	502.18	1,601.45	903.38	333.23
7.	1976-77	2,200.15	784.39	1,449.54	4,434.08	675.83	369.88	513.25	1,558.96	901.20	304.65
8.	1977-78	2,549.86	872.83	1,626.27	5,048.96	741.06	327.78	552.39	1,621.23	1,007.88	321.70

NOTE : (i) Partially Revised

(ii) Primary Sector includes Agriculture including Animal Husbandry, Forest and Logging, Fishing and Mining and Quarrying Sectors.

(iii) Secondary Sector includes Manufacturing, Construction, Electricity, Gas and Water Supply Sectors.

(iv) Tertiary Sector includes all the remaining Sectors.

SOURCE : Bureau of Economics and Statistics.

TABLE — 3

## REVENUE RECEIPTS AND EXPENDITURE, ANDHRA PRADESH

(Rs. in crores)

Sl. No.	Year	REVENUE RECEIPTS						REVENUE EXPENDITURE				
		Share from Central Taxes	State Excise	TAX RECEIPTS			Total Tax Receipts	Total Non Tax Receipts	Total Revenue Receipts	Development Expenditure	Non Development Expenditure	Total Expenditure
				Sales Excise	Other State Taxes	Total State Taxes						
1	2	3	4	5	6	7	8	9	10	11	12	13
1.	1960-61	14.75	8.10	12.82	19.25	40.17	54.92	30.37	85.29	59.64	25.34	84.98
2.	1965-66	21.64	13.74	24.59	30.87	69.20	90.84	60.95	151.79	103.48	56.08	159.56
3.	1972-73	79.99	33.97	54.69	43.74	132.40	212.39	144.62	357.01	245.05	107.70	352.75
4.	1973-74	88.40	43.43	73.86	83.95	201.24	289.64	165.28	454.92	286.08	128.97	415.95
5.	1974-75	98.47	58.11	110.27	83.44	251.82	350.29	176.06	526.35	301.69	128.40	430.09
6.	1975-76	128.04	75.94	137.67	111.94	325.55	453.39	198.59	652.18	345.96	159.08	505.04
7.	1976-77 (RE)	131.15	86.49	145.00	84.19	315.68	446.83	241.24	688.07	451.53	188.10	639.63
8.	1977-78 (BE)	143.80	94.40	170.00	103.21	367.61	511.41	257.68	769.09	..	..	..

SOURCE : Budget Estimates of Andhra Pradesh.



**TABLE — 4**  
**LAND UTILISATION**

(Lakh Hectares)

Sl. No.	Categories	1960-61	1965-66	1972-73	1973-74	1974-75	1975-76	1976-77
1	2.	3	4	5	6	7	8	9
1.	Forests	58.47	61.17	62.95	63.00	62.60	63.49	63.82
2.	Barren and Un-culturable land	23.59	21.21	23.47	23.30	22.87	22.65	22.87
3.	Land put to Non-Agricultural uses	18.31	19.70	20.85	20.60	20.62	20.70	21.04
4.	Culturable Waste	16.27	14.20	10.90	10.56	10.59	9.55	9.56
5.	Permanent Pastures and other Grazing land	12.04	11.69	9.76	9.89	9.94	9.74	9.72
6.	Land under Miscellaneous Tree crops and Groves not included in net area sown	2.93	3.11	2.84	2.74	2.86	2.74	2.74
7.	Current Fallows	24.56	24.30	22.36	17.92	20.19	22.30	26.47
8.	Other Fallow lands	8.96	9.42	10.51	9.96	9.81	11.51	12.16
9.	Net area sown	107.84	109.95	110.77	116.36	114.92	111.72	106.02
10.	Total Geographical area by village Papers	272.97	274.75	274.40	274.40	274.40	274.40	274.40

SOURCE : Bureau of Economics and Statistics.

**TABLE—5**  
**AREA UNDER PRINCIPAL CROPS**

(Lakh Hectares)

Sl. No.	Crop	1960-61	1965-66	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
1	2	3	4	5	6	7	8	9	10
1.	Rice	29.61	31.40	29.28	33.78	35.53	38.94	35.65	35.54
2.	Wheat	0.18	0.13	0.20	0.22	0.25	0.26	0.23	0.31
3.	Jowar	27.30	24.53	28.48	27.43	25.38	23.95	20.42	23.07
4.	Bajra	6.18	5.30	5.06	5.82	5.78	6.22	5.63	5.66
5.	Maize	1.82	2.16	2.87	2.81	2.97	3.04	2.94	2.99
6.	Ragi	3.53	3.21	2.39	2.55	2.89	3.24	3.25	3.22
	Total Cereals & Millets	78.94	75.20	74.64	80.00	79.89	83.72	75.20	78.35
7.	Pulses	12.50	13.11	13.44	14.05	14.35	14.48	13.54	13.11
	Food Grains	91.44	88.31	88.08	94.05	94.24	98.20	88.74	91.47
8.	Groundnut	8.02	12.39	14.15	13.87	14.71	13.30	10.51	10.60
9.	Castor	2.98	2.70	2.95	3.93	4.44	2.10	3.32	3.28
10.	Sesamum	2.02	2.24	2.18	2.44	2.27	1.36	1.13	1.49
11.	Oil Seeds	14.21	18.52	20.56	21.67	21.52	17.58	12.15	N.A.
12.	Cotton	3.13	2.79	2.98	3.90	4.14	2.60	2.88	4.42
13.	Tobacco	1.43	1.53	2.23	2.36	1.77	1.56	1.88	2.21
14.	Sugarcane	0.91	1.36	1.34	1.78	1.95	1.71	1.46	1.48
15.	Chillies	1.22	1.37	1.52	1.89	1.68	1.51	1.37	1.23

SOURCE :—Bureau of Economics and Statistics.

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1978

TABLE — 6

## PRODUCTION OF PRINCIPAL CROPS

(Lakh Tonnes)

Sl. No.	Crop	1960-61	1965-66	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
1	2	3	4	5	6	7	8	9	10
1.	Rice	36.61	39.61	42.96	55.83	37.80	64.51	49.31	52.93
2.	Wheat	0.04	0.02	0.10	0.14	0.18	0.21	0.14	0.21
3.	Jowar	13.56	10.16	12.30	12.91	15.71	10.20	10.64	14.15
4.	Bajra	2.97	2.41	1.80	3.56	3.08	3.51	2.46	3.75
5.	Maize	1.55	1.83	2.92	4.20	4.84	4.98	3.01	4.68
6.	Ragi	2.90	2.34	2.21	2.74	3.18	3.70	3.07	3.30
	Total Cereals & Millets	61.45	58.28	64.08	82.74	86.68	90.07	71.26	
7.	Pulses	2.76	2.70	2.99	3.95	4.18	4.21	3.53	3.77
	Total Food Grains	64.21	60.98	67.07	86.69	90.86	94.28	74.79	86.60
8.	Ground nut	6.94	6.30	9.98	13.76	14.13	11.19	5.84	9.76
9.	Castor	0.57	0.38	0.53	1.21	1.15	0.21	0.41	0.59
10.	Sesamum	0.34	0.39	0.29	10.39	0.46	0.26	0.23	0.26
11.	Cotton (Lint Bales of 170 Kgs)	1.21	0.88	0.12	3.47	4.83	2.39	2.59	2.31
12.	Sugarcane (Gur)	8.13	10.94	11.08	11.90	12.98	11.11	11.29	11.79
13.	Tobacco	1.3	1.28	1.63	2.37	1.59	1.30	1.33	1.99
14.	Chillies	0.84	0.84	0.85	1.36	1.28	1.34	0.59	0.91

TABLE — 7  
YIELD PER HECTARE OF PRINCIPAL CROPS

		(Kgs.)									
Sl. No.	Crop	1960-61	1965-66	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78		
1.	2	3	4	5	6	7	8	9	10		
1.	Rice	1,238	1,263	1,454	1,653	1,604	1,657	1,410	1,49		
2.	Wheat	213	168	494	622	713	815	591	717		
3.	Jowar	497	413	432	471	619	426	521	613		
4.	Bajra	479	455	355	627	533	564	435	664		
5.	Maize	853	845	1,018	1,493	1,632	1,636	1,024	1,567		
6.	Ragi	815	726	924	1,077	1,098	1,143	946	1,023		
7.	Groundnut	865	507	705	991	950	841	556	921		
8.	Castor	193	143	179	308	259	102	123	181		
9.	Sesamum	168	173	134	162	205	195	206	174		
10.	Sugarcane (Gur)	8,888	8,603	8,245	8,284	8,570	7,577	7,037	7,966		
11.	Cotton (Lint)	64	52	68	151	198	156	152	89		
12.	Tobacco	791	840	753	1,003	900	823	704	819		
13.	Chillies	684	610	561	720	764	890	432	N.A.		
14.	Bengal Gram	269	247	266	337	405	417	314	327		
15.	Green Gram	193	133	140	279	256	288	339	N.A.		
16.	Red Gram	432	571	207	187	231	203	132	150		
17.	Black Gram	232	215	439	391	448	444	365	N.A.		
18.	Horse Gram	170	208	239	274	276	256	200	N.A.		

SOURCE : Bureau of Economics and Statistics

TABLE-8

## NET AREA IRRIGATED BY SOURCES OF IRRIGATION

(Lakh Hectares)

Sl. No.	Item	1960-1961	1965-1966	1972-1973	1973-1974	1974-1975	1975-1976	1976-1977				
1	2	3	4	5	6	7	8	9				
1.	Canals	..	..	..	..	13.31	12.26	14.24	14.92	15.90	16.26	16.04
2.	Tanks	..	..	..	..	11.51	11.89	8.07	10.28	9.50	11.00	10.89
3.	Wells	..	..	..	..	3.28	4.55	6.28	6.45	6.95	5.84	6.24
4.	Others	..	..	..	..	0.99	1.08	0.97	1.17	1.11	1.26	1.17
	Total	..	..	..	..	29.09	29.78	29.55	32.81	33.46	34.36	34.34

SOURCE: Bureau of Economics &amp; Statistics, Andhra Pradesh.

**TABLE — 9**  
**PROGRESS OF ELECTRICITY SUPPLY**

Sl. No.	Item	1960-61	1965-66	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78
1	2	3	4	5	6	7	8	9	10
<b>1. Installed Capacity (M.W.)</b>									
	Hydro	109.31	152.92	267.90	267.90	267.90	382.90	} 1,227.90	1,563.00
	Steam	83.50	113.50	380.00	380.00	600.00	..		
	Others	20.19	24.58	20.00	20.00	20.00	620.00		
	<b>Total</b>	<b>213.00</b>	<b>291.00</b>	<b>667.90</b>	<b>667.90</b>	<b>887.90</b>	<b>1,002.90</b>	<b>1,227.90</b>	<b>1,563.00</b>
<b>2. Electricity Generated (Million KWH)</b>									
	Hydro	748.74	764.61	974.00	910.08	533.00	941.00	} 4,824.30	5,150.20
	Steam	145.84	510.38	2,053.00	2,192.05	2,708.00	2,727.00		
	Gas Turbine	..	38.41	..	..	..	..		
	Diesel	5.45	6.77	..	4.05	1.00	2.00	..	..
	<b>Total</b>	<b>900.03</b>	<b>1,322.17</b>	<b>3,027.00</b>	<b>3,106.15</b>	<b>3,242.00</b>	<b>3,670.00</b>	<b>4,824.30</b>	<b>5,150.20</b>
3.	Power consumption	601.00	1,048.34	2,173.00	2,479.30	2,575.14	2,794.00	3,432.40	3,744.00
4.	Number of Towns and Villages Electrified	2,680	4,353	9,984	10,485	10,654	11,582	13,693	14,876

SOURCE :- Andhra Pradesh State Electricity Board.

**TABLE — 10**  
**PRODUCTION OF SELECTED INDUSTRIES AND MINERALS**

Sl. No.	Industry	Unit	1960	1965	1970	1973	1974	1975	1976	1977
1	2	3	4	5	6	7	8	9	10	11
1.	Cotton Yarn	Lakh Kgs.	173	264	272	289	325	300	303	283
2.	Cotton Fabrics	Lakh Meters	336	603	351	378	382	333	343	348
3.	Rayon Yarn	Lakh Kgs.	19	10	20	22	22	21	22	24
4.	Rayon Fabrics	Lakh Meters	46	65	39	44	52	48	45	50
5.	Jute	'000 Tonnes	32	45	54	71	79	87	93	88
6.	Sugar	-do-	133	317	474	255	342	518	298	277
7.	Vanaspathi	Tonnes	11,568	17,028	17,380	31,744	34,543	31,530	25,526	27,041
8.	Cigarettes	No. in crores	682	1,035	1,340	1,393	1,349	1,387	1,528	1,493
9.	Chemical Fertilizers	'000 Tonnes	7	88	361	324	327	283	304	333
10.	Cement	-dp-	719	1,213	1,458	1,363	1,422	1,563	1,977	2,012
11.	Asbestos Cement	-do-	26	128	97	104	113	110	100	76
12.	Paper	-do-	36	36	79	96	101	88	104	117
13.	Motor Vehicles	No.	N.A	N.A	4,517	12,280	11,828	14,006	22,572	20,017
14.	Motor Vehicles (Body Building)	Rs. Lakhs.	N.A	N.A	102.38	132.61	367.51	396.43	294.43	310.58
15.	Oxygen	'000 Cu. litres	321	647	1,480	1,052	2,389	2,376	2,474	2,453
16.	Coal	Lakh Tonnes	25.31	40.83	36.05	52.14	57.61	71.69	79.28	87.89

SOURCE :—Bureau of Economics and Statistics.

**TABLE — 11**  
**LENGTH OF ROADS (P.W.D)**

*(in Kilo-metres)*

Sl No.	Type	1960-61	1965-66	1972-73	1973-74	1974-75	1975-76	1976-77
1	2	3	4	5	6	7	8	9
1	Cement Concrete	455	481	465	400	416	411	326
2	Black Top	9,302	13,052	17,486	17,989	18,453	18,941	19,908
3.	Metal	8,874	7,042	4,611	4,496	4,576	4,301	5,743
4	Murram (un-metalled)	1,228	1,484	1,009	831	897	1,194	1,806
	<b>Total</b>	<b>19,859</b>	<b>22,059</b>	<b>25,371</b>	<b>23,716</b>	<b>24,342</b>	<b>24,847</b>	<b>27,783</b>

**Source :—Chief Engineer (Roads & Buildings)**



**TABLE—12**  
**NUMBER OF MOTOR VEHICLES REGISTERED**

Sl. No.	Item	1960-61	1965-66	1972-73	1973-74	1974-75	1975-76	1976-77
1	2	3	4	5	6	7	8	9
1.	Stage Carriages	4,099	6,723	6,402	6,761	7,891	8,579	7,570
2.	Goods Vehicles	7,075	17,154	21,277	20,554	23,281	24,103	25,814
3.	Cars and Jeeps	15,050	29,875	35,911	37,458	39,516	35,317	33,701
4.	Motor Cycles and Scooters	4,041	16,849	56,404	65,940	71,010	76,882	91,032
5.	Taxis	416	1,492	2,360	2,987	2,953	2,809	2,879
6.	Others	1,533	6,980	12,117	14,496	16,999	18,881	19,817
<b>TOTAL</b>		<b>32,354</b>	<b>79,073</b>	<b>1,34,471</b>	<b>1,42,196</b>	<b>1,61,650</b>	<b>1,66,571</b>	<b>1,80,812</b>

**SOURCE :** State Transport Authority

TABLE—13

## WORKING OF ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

Sl. No.	Item	1960-1961	1965-1966	1972-1973	1973-1974	1974-1975	1975-1976	1976-1977	1977-1978	
1	2	3	4	5	6	7	8	9	10	
1.	Average Number of Buses in use	.. ..	905	1,558	2,059	2,460	2,805	3,413	3,918	4,346
2.	Route Kilometres	.. ..	8,224	11,495	15,332	16,826	19,381	23,327	28,447	34,443
3.	Passengers carried (in crores)	.. ..	11.48	25.26	35.64	46.81	57.31	63.89	77.06	N.A.
4.	Earnings (Rs. in crores)	.. ..	5.08	12.69	27.86	40.57	58.13	70.63	85.94	N.A.

Source : Andhra Pradesh State Road Transport Corporation

**TABLE—14**  
**NUMBER OF EDUCATIONAL INSTITUTIONS**

Sl. No.	Institutions	1960-1961	1965-1966	1972-1973	1973-1974	1974-1975	1975-1976	1976-1977
1	2	3	4	5	6	7	8	9
1.	No of Universities	3	4	4	5	5	6	8
2.	Colleges for General Education	67	101	159	202	210	218	218
3.	Colleges for Professional and Technical Education	35	39	48	53	66	78	78
4.	Oriental Colleges	22	27	45	53	53	58	N A
5.	Junior Colleges	..	..	..	235	258	296	309
6.	High Schools	1,224	2,264	3,164	3,259	3,275	3,607	3,630
7.	Middle (Upper Primary) Schools	645	1,944	3,533	3,662	3,702	3,917	4,052
8.	Primary Schools	34,523	37,693	36,772	36,984	36,895	37,096	37,729
9.	Nursery Schools (Pre-Primary)	47	74	67	81	32	111	118

Source : (i) Director of School Education  
(ii) Director of Higher Education,  
(iii) Director of Technical Education

TABLE—15  
MEDICAL FACILITIES (Allopathic)

Sl. No.	Particulars	1960-61	1965-66	1972-73	1973-74	1974-75	1975-76	1976-77 (Provisional)
1	2	3	4	5	6	7	8	9
1.	Number of Hospitals and Dispensaries .. .. .	988	1,127	1,412	1,412	1,418	1,423	1,424
2.	Number of Beds .. .. .	*19,345	25,955	21,736	21,945	22,039	22,917	23,444
3.	Number of Doctors .. .. .	1,826	3,130	3,580	3,525**	3,723	3,724	3,726

NOTE : \*Beds shown for the year 1960-61 includes beds under Private Institutions.

\*\*The number of Doctors decreased due to abolition of mobile surgical units under Family Planning Programmes on economy grounds.

SOURCE : Director of Medical and Public Health Services.

**TABLE—16**  
**CO-OPERATIVE DEVELOPMENT**

Sl. No.	Item	Unit	1960-1961	1965-1966	1972-1973	1973-1974	1974-1975
1	2	3	4	5	6	7	8
1.	Co-operative Societies .. ..	'000	26.3	30.0	33.5	34.3	35.6
2.	Membership .. ..	Lakhs	33.65	42.64	56.1	59.8	66.5
3.	Paid-up Share Capital .. ..	Rs. in crores	18.53	31.03	61.2	66.9	77.4
4.	Working Capital .. ..	-do-	127.61	213.41	562.7	592.1	674.7
5.	Central Co-operative Banks .. ..	No.	26	25	25	25	25
6.	Agricultural Land Development Banks .. ..	No.	106	176	184	184	189

**SOURCE :—Registrar of Co-operative Societies.**

### 3. ECONOMY OF ANDHRA PRADESH: LEVELS OF DEVELOPMENT

1. In our Plans so far implemented no positive policy has been adopted in regard to planned development for achieving reduction of regional disparities, though the need for and the general approach to balanced regional development was spelt out in some detail in both the Second and Third Five-Year Plans. It was stated in the Third Plan that "in drawing up and implementing the Second Plan, the regional aspects of development were dealt with in three different ways. Firstly through the plans of States, emphasis was given to programmes which has a direct bearing on the Welfare of the people in different parts of the Country, secondly, special programmes were undertaken in particular areas where development either received a temporary set back or was being held back by certain basic deficiencies. In the third place, steps were taken to secure more dispersed development of industry which, in turn, creates conditions for development in several related fields.

2. So far as the Third Plan itself was concerned, emphasis was laid on the fact that since some of the most important Plan schemes fell within the State Plan, the size and pattern of outlays for the State under the Third Plan has been so calculated as to "reduce disparities of development between different States, although in the nature of things this is a process which must take time." Besides this several features in the Third Plan were indicated as being intended to "enlarge the possibilities of development in areas which have in the past been relatively backward". Among these were the intensive development of agriculture, expansion of irrigation village and small industries, expansion of power, development of roads and road transport, educational facilities, provision of water supply and programmes for the welfare of Scheduled Tribes and Scheduled Castes.

3. The location of basic industries as means for achieving regional development was mentioned both in the Second and the Third Plans. Technical and economic limitations were emphasised, but it was stated that subject to these considerations the claims of under-developed regions should be kept in view.

4. In contrast to the fairly elaborate treatment of this aspect in the Third Five Year Plan, the Fourth Five-Year Plan, while it deals in detail with regional development in the sense of physical planning particularly of urban and metropolitan areas, makes only a brief mention of the correction of regional imbalances. While describing it as a problem that is highly complex the plan document states that "differences in development between State and State arise out of variations

in activity in the three sectors—co-operative, private and public. With regard to the first, it is stated that "no specific" new programmes or policies of the Central Government could help materially in this regard." With regard to the second it is stated that this would depend on the extent of entrepreneurship within the State and the resources commended by it." With regard to the third, it is stated that "availability of resources with Governments of States for planned development is the heart of the matter." This is in contrast to the approach in the Third Plan where the State Plan outlays were taken as important instruments for the reduction of regional disparities. While the Third Plan emphasised the crucial role of the State Plan outlay in reducing regional disparities, the Fourth Plan document mentions only the allocation of Central assistance and that too with the corollary that in the existing arrangements such help will not be substantial. The whole question of adopting a positive policy in regard to planned development for achieving reduction of regional disparities, therefore, remains unsolved.

5. In all these discussions, regional disparity has been taken to mean the disparity in the levels of development between different States. However, an attempt has sometimes been made to define a region as an area smaller than that of a State and pose the problem as one of identifying such under developed regions all over the Country and of seeking to achieve their development irrespective of the level of development of the State as a whole in which such regions may occur. To the extent however, that many of the policies and programmes that are needed to be adopted for developing such regions happen to fall within the State Plan, the level of development of the State becomes a very crucial factor, since States which on the whole are more developed and financially stronger would be better placed to tackle such under developed regions. The problems of backward regions have, therefore, necessarily to be considered as a two-tier problem, viz., less developed States as one level and less developed regions within the State as another. National policy in regard to balanced regional development should concern itself with problems related to less developed States and should make a distinction between the problems of backward areas that occur within a less developed State and those that occur within a State that is otherwise advanced.

6. During the Fifth Plan period some steps were taken for the development of backward areas in the State by undertaking special programmes like the Drought Prone Area Programme and the Intensive Tribal Development Agency, a definite impetus to this effort was given by the Six Point Formula Programme which has been dealt with in more detail elsewhere in this document.

7. When this is the position regarding intra-State development it would be useful at this juncture to study how Andhra Pradesh itself is placed when compared to other States and All India in respect of selected indicators of development.

8. According to 1971 Census, Andhra Pradesh with a population of 43.5 million is the fifth largest State in the Country accounting for 7.9 percent of the Country's population. Uttar Pradesh, Bihar, Maharashtra and West Bengal are the other four States which have a larger population than Andhra Pradesh. (Table 1).

9. The State has a lower population density and a lower population growth rate. According to the 1971 Census the population density in the State is only 157 persons per sq. km. against the All India average of 182. The States with very high densities of population are Kerala and West Bengal with density 548 and 507 respectively. Besides a lower density of population, Andhra Pradesh is also having a low rate of growth of population. During the decade 1961-71, the growth of population in Andhra Pradesh was 20.90 per cent only against the All India average of 24.66 per cent. It is interesting to note that there is only one State, viz., Uttar Pradesh where the rate of growth of population in 1961-72 was less than that of Andhra Pradesh. It is, however, a matter of concern that though the birth rate in Andhra Pradesh is lower than that for the Country as a whole the lower growth rate in Andhra Pradesh is also partly due to a higher death rate than All India. It was estimated that during 1966-70, while the birth rate for Andhra Pradesh was 37.3 per 1,000 population against 38.6 for All India, the death rate in Andhra Pradesh was of the order of 16.6 deaths per thousand population against 14.00 in All India. (Table 2).

10. Andhra Pradesh has a smaller percentage of workers engaged in non-agricultural occupations compared to All India average. According to the 1971 Census, 30.37 per cent of the workers in Andhra Pradesh are engaged in non-agricultural occupations against 31.37 per cent for the Country as a whole. The States with higher percentage of workers in non agricultural occupations are Kerala, with 51.37 per cent, West Bengal with 42.50 per cent, Tamil Nadu with 39.90 per cent, Punjab with 37.22 per cent, Maharashtra with 35.93 per cent and Gujarat with 34.93 per cent. (Table 2).

11. There is a high positive correlation between the proportion of workers in non-agricultural occupations and the degree of urbanisation. The States which have a higher percentage of non-agricultural workers are also the States where the degree of urbanisation is fairly high. In 1971, the urban population in Andhra Pradesh constituted 19.35 per cent of the total population against 19.87 per cent in the Country as a whole and 31.20 per cent in Maharashtra, 30.28 per cent in Tamil Nadu and 28.13 per cent in Gujarat. Obviously, there does



It appears to have been a significant increase in non-agricultural occupations in the State during the decade 1961-71 as can be seen from the increase in urban population. During the decade 1961-71, the urban population in Andhra Pradesh rose by 33.81 per cent only against 37.83 per cent in the Country as a whole. Some of the other States such as Orissa, Bihar, Madhya Pradesh and Rajasthan which also have smaller proportion of workers engaged in non-agricultural occupations than the All India average, have in fact shown higher rates of urban population growth during the decade 1961-71. The rate of growth of urban population is as high as 63.52 per cent in Orissa, 46.31 per cent in Madhya Pradesh, 44.45 per cent in Bihar and 38.03 per cent in Rajasthan. (Table 2).

12. The percentage of literates to total population in Andhra Pradesh according to the 1971 Census was very low being 24.56 per cent against the All India average 29.34 per cent. In literacy rate, Andhra Pradesh ranks 13th among the 18 States of the Indian Union, excluding the new States of Meghalaya, Manipur and Tripura. The States which have a literacy rate below that of Andhra Pradesh are Madhya Pradesh, Uttar Pradesh, Bihar, Rajasthan and Jammu and Kashmir. The increase in literacy in the State during the decade 1961-71 fell short of the rate for the rest of the Country. This can be seen from the fact that during 1961-71, the rate of growth of literacy was 22.10 per cent in All India whereas it has been only 15.90 per cent in Andhra Pradesh. (Table 2).

13. The total cropped area in Andhra Pradesh was 123.14 lakh hectares in Andhra Pradesh forming 7.6 per cent of the total cropped area in the Indian Union. This State ranked fifth among various States in the cropped area. The States which had the first four ranks are Uttar Pradesh (229.27 lakh hectares), Madhya Pradesh (207.42 lakh hectares), Maharashtra (173.72 lakh hectares) and Rajasthan (160.97 lakh hectares). In respect of the proportion of area under double cropping however, the State ranked 14th among various States. The double cropped area amounted to 12.36 lakh hectares forming 11 per cent of the cropped area in this State. Himachal Pradesh accounted for highest proportion of double cropped area. The percentage of double cropped area to the net area sown in this State was 66.2. The States which accounted for less proportion of double cropped area than Andhra Pradesh were Gujarat, Meghalaya, Maharashtra and Rajasthan.

14. The Net irrigated area in Andhra Pradesh amounted to 29.55 lakh hectares. It ranked third in the quantum of area irrigated among various States in the Indian Union. The States which ranked first and second were Uttar Pradesh and Punjab respectively. Though the State ranked third in the quantum of area irrigated, in respect of the percentage of irrigated area to net area sown, this State ranked 8th.

The percentage of area irrigated in this State was 26.7 as against 74.4 per cent in Punjab, 45.9 per cent in Haryana, 44.5 per cent in Tamil Nadu, 42.4 per cent in Uttar Pradesh, 41.9 per cent in Jammu and Kashmir, 29.3 per cent, in Meghalaya and 28.3 per cent in Bihar.

15. During the period 1971-72 to 1975-76, Andhra Pradesh ranked sixth in regard to yield per hectare of rice, and groundnut and 3rd in respect of Sugarcane. However, in regard to Cotton, the yield per hectare was much lower. During the period 1971-72 to 1975-76, the yield per hectare of rice in Andhra Pradesh was 15.96 quintals as against an All India average of 11.32 quintals. It was 8.55 quintals in the case of groundnut and 80.27 quintals in respect of Sugarcane as against the respective All India figures 7.87 quintals and 51.40 quintals. Thus, the relatively high yields of some of the principal crops in Andhra Pradesh gives an impression that the State is much above several States in Agricultural development. However the position is that according to comparable estimates of income from agriculture prepared by the Central Statistical Organisation for 1973-74 the per capita income from agriculture (including Animal Husbandry) was only about Rs. 325 in Andhra Pradesh as against Rs. 447 in Maharashtra, Rs. 433 in Haryana, Rs. 421 in Bihar, Rs. 391 in Gujarat and Rs. 378 in Tamil Nadu. The State ranked 7th among 18 States of the Indian Union. This trend is due to two factors. Firstly though the agriculture production had gone up, more or less steadily till 1964-65, there was, however stagnation in the subsequent years till 1973-74 due to drought conditions. The other factors responsible for a relatively low per capita agriculture income in the State was that a considerable areas was under low income yielding crops such as Pulses and Millets. The State however made a significant breakthrough in agriculture production during 1973-74 when the total production of all food-grains reached the high level 86.69 lakh tonnes as against 67.08 lakh tonnes in 1972-73. In the succeeding two years also this upsurge in food-grains production was kept up with a production of 90.86 lakh tonnes in 1974-75 and 94.28 lakh tonnes in 1975-76. The food-grains production of 94.28 lakh tonnes in 1975-76 was an all time record. The State ranked third in the food-grains production in 1975-76, the first two being Uttar Pradesh and Madhya Pradesh with 191.27 lakh tonnes and 121.36 lakh tonnes respectively. The foodgrains production in Andhra Pradesh formed 7.8 per cent of the total production viz., 1,208.33 lakh tonnes in the Country in 1975-76. (Table 3).

Though the State ranked third among the States in the production of foodgrains, in respect of the per capita availability of foodgrains, however, it ranked as low as 10th. The per capita availability of foodgrains was 200 Kgs. in Andhra Pradesh. In the case of per capita availability of foodgrains, Punjab ranked first with 595 Kgs. followed by Haryana (459 Kgs.). The other States which had more than 200 Kgs. as per capita availability of foodgrains are Himachal Pradesh

(298), Jammu and Kashmir (209), Karnataka (220), Madhya Pradesh (263), Orissa (229), Rajasthan (272) and Uttar Pradesh (202).

16. The backwardness of the State was glaring in the industrial and commercial fields. In 1975-76 the per capita value added by manufacture industry was only Rs. 67 in Andhra Pradesh as against Rs. 103 for the Country as a whole, Rs. 278 in Maharashtra, Rs. 188 in Gujarat, Rs. 166 in West Bengal, Rs. 129 in Haryana, Rs. 126 in Tamil Nadu and Rs. 99 in Punjab. In 1975-76 the average number of factory workers per 1,000 population for Andhra Pradesh was 8 against 21 in Maharashtra, 19 in West Bengal, 18 in Gujarat and 11 in Tamil Nadu. (Table 4).

17. In regard to per capita consumption of electricity the State fared no better having occupied 13th rank among the 18 States of the Indian Union excluding Meghalaya, Manipur and Tripura. The total consumption of electricity per capita was 66 KWh in 1975-76 against 110 KWh in the Country as a whole. The States with higher per capita consumption of electricity are 231 KWh in Punjab, 180 KWh in Gujarat, 178 KWh in Maharashtra, 153 KWh in Haryana, 144 KWh in Tamil Nadu, 141 KWh in Karnataka, 119 KWh in West Bengal and 109 KWh in Orissa. In 1975-76 the per capita consumption of electricity for industrial purposes amounted to 32.0 KWh as against 110 for All India, 119.6 KWh in Punjab, 110.2 KWh in Gujarat, 104.8 KWh in Maharashtra, 100.8 KWh in Karnataka, 77.5 KWh in Tamil Nadu, 76.1 KWh in Orissa, 71.6 KWh in West Bengal, 66.6 KWh in Haryana, 62.2 KWh in Kerala and 57.7 in Madhya Pradesh. Andhra Pradesh ranked 13th among the States of Indian Union in per capita consumption for industrial purpose in 1975-76. (Table 4).

18. The industrial backwardness of Andhra Pradesh is also evident from per capita banking and credit facilities. The per capita bank credit from Commercial Banks in 1975, was highest in Maharashtra at Rs. 447 which is more than four times the figures of Andhra Pradesh viz., Rs. 98. Andhra Pradesh ranked 9th in the receipt of Bank credit. In regard to banking facilities it ranked 11th among the States of Indian Union in 1977. There were 4 banking offices per lakh population in Andhra Pradesh as against 8 in Punjab, 7 each in Himachal Pradesh, and Kerala, 6 in each of Gujarat and Haryana and 5 in each of the States of Maharashtra, Karnataka and Tamil Nadu. (Table 4).

19. In respect of the total roads per 100 Kms., Andhra Pradesh is near about the All India average with 37 Kms. per 100 Sq. Kms. But in railway route mileage the State had only 17 Kms. per 100 Sq. Kms. of area against 18 Kms. in the Country as a whole. In regard to the number of motor vehicles per lakh population, this State ranked

11th. By the end of March, 1975 there were 298 motor vehicles per lakh population in Andhra Pradesh as against 830 in Maharashtra, 692 in Gujarat, 641 in Karnataka and 420 in Kerala. (Table 4).

20. In the Social Services sector also, the State is lagging behind, especially in regard to education. At the end of the 1974-75, the enrolment of Children of the age group 6-11 in primary schools in the State was 69.3 per cent against 82.7 per cent in the Country as a whole, while the enrolment of children of the age group 11-14 was 28.3 per cent as against 30.3 per cent in the Country as a whole. In regard to percentage of enrolment of children in each of the age groups 6-11 and 11-14, the State occupies the 15th place. Bihar, Orissa and Madhya Pradesh are the only three States which had at the end of the 1974-75, a lower percentage of enrolment of children of age group and 11-14 in schools than Andhra Pradesh. (Table 5).

21. In regard to hospital beds per lakh population the State is behind the All India average. In 1975-76 the State is having 68 beds per lakh population as against 81 beds in the Country as a whole. (Table 5).

22. The above analysis shows that judged from any indicator, Andhra Pradesh is backward as compared to many States in the Indian Union. In view of this low level of development in many sectors, the State had been pleading for larger investments in Central, State and Private Sectors. But unfortunately in the past, the State has not received its due share in the investments either in Public or Private Sectors or investments by All India Financial Institutions.

23. The per capita State Plan outlays in Andhra Pradesh were consistently below the All-States Average in every plan period. During the period 1951-78, the per capita plan outlay in Andhra Pradesh amounted to Rs. 531 as against the All-States Average of Rs. 603 for the corresponding period. (Table 7).

24. At the end of March, 1976 only 2.6 per cent of the total paid-up capital in Government Companies in the Country was invested in Andhra Pradesh as against 27.6 per cent in Bihar, 7.1 per cent in West Bengal, and 4.3 per cent in Maharashtra and Tamil Nadu each. Similarly, the paid-up capital invested in Non-Government Companies in the State amounted to only 2.9 per cent of the All India total investment as against 30.4 per cent in Maharashtra, 24.7 per cent in West Bengal, 9.1 per cent in Tamil Nadu and 8.2 per cent in Gujarat. (Table 8).

25. The per capita value of property (gross-block) invested by Central Government Public Sector Undertakings in Andhra Pradesh at the end of March, 1977, was only Rs. 90 as against Rs. 209 in All India (Table 9). The per capita assistance made available by All

India Financial Institutions up to the end of June, 1977 was only Rs. 77.39 in case of Andhra Pradesh as against the corresponding figure of Rs. 94.69 for all States (Table 10). The financial assistance sanctioned by All-India Institutions to Andhra Pradesh formed only 6.5% of the total assistance sanctioned to all States.

26. The investment made by the Life Insurance Corporation up to the end of March, 1977 in Andhra Pradesh formed only 6 per cent of the All India investment of the Corporation which is less than the share of population of Andhra Pradesh in All India (Table--11). Similarly, the loans sanctioned by HUDCO to Andhra Pradesh up to the end of February, 1977 amounted to only Rs. 9.97 crores out of a total of Rs. 229.28 crores forming only 4.35 per cent of the total. (Table-12).

27. The per capita market borrowings in the State had also been consistently lower than All India average every year during the period 1970-71 to 1977-78. In 1977-78 they amounted to only Rs. 6.43 as against all States average of Rs. 8.73. (Table-13).

28. All these facts will go to explain why the State has been lagging behind inspite of the concerted efforts of the Government to raise the plan outlays in the State Sector. Therefore, if the State has to catch up with All India and make up the lee-way within a reasonable period, it would be necessary to increase the investments in all these sectors more than proportionately instead of what the State would be entitled to purely on the basis of the percentage of its area or population.

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**TABLE—I**

**Population of States 1951-71**

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**TABLE — I**  
**POPULATION OF STATES, 1951-71**

Sl. No.	State	POPULATION IN					
		1951 Census		1961 Census		1971 Census	
		Lakh persons	% to All India	Lakh persons	% to All India	Lakh persons	% to All India
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	311.15	8.6	359.83	8.2	435.03	7.9
2.	Assam	88.31	2.4	118.73	2.7	149.58	2.7
3.	Bihar	387.84	10.7	464.56	10.6	563.53	10.3
4.	Gujarat	162.63	4.5	206.33	4.7	266.97	4.9
5.	Haryana	..	..	75.91	1.7	100.37	1.8
6.	Himachal Pradesh	172.44	4.8	28.12	0.6	34.60	0.6
7.	Punjab	..	..	111.35	2.5	135.51	2.5
8.	Jammu & Kashmir	32.54	0.9	35.61	0.8	46.17	0.9
9.	Kerala	135.49	3.8	169.04	3.8	213.47	3.9
10.	Madhya Pradesh	260.72	7.2	323.72	7.4	416.54	7.6
11.	Maharashtra	320.03	8.9	395.54	9.0	504.12	9.2
12.	Karnataka	194.02	5.4	135.87	5.4	292.99	5.4
13.	Nagaland	2.13	0.1	3.69	0.1	5.16	0.1

14. Orissa	..	..	..	146.46	4.1	175.49	4.0	219.45	4.0
15. Rajasthan	..	..	..	159.71	4.4	201.56	4.6	257.66	4.7
16. Tamil Nadu	..	..	..	301.19	8.3	336.87	7.7	411.99	7.5
17. Uttar Pradesh	..	..	..	632.16	17.5	737.46	16.8	883.41	16.1
18. West Bengal	..	..	..	263.02	7.3	349.26	8.0	443.12	8.1
Union Territories including the present States of Meghalaya, Manipur and Tripura	..	..	..	41.46	1.1	63.41	1.4	99.84	1.8
ALL INDIA	..	..	..	3,611.30	100.0	4,392.35	100.0	5,479.50	100.0

Source :— 1. Paper No. 1 of 1962, Census of India 1961.  
 2. Paper No. 1 of 1972, Census of India, 1972  
 3. Statistical Abstract of India, 1969



**TABLE — 2**  
**RANKING OF STATES ACCORDING TO SELECTED DEMOGRAPHIC INDICATORS**

Sl. No.	State	Population Density		Population growth		Urban population		Growth of urban population		Workers engaged in non-Agricultural occupation		Literacy		Growth of Literacy	
		Persons per sq. Km.	Rank	increase during 1961-71	Rank	Percentage in total Population	Rank	Percentage increase during 1961-71	Rank	Percentage in total workers 1971	Rank	Percentage of literates in total population	Rank	Percentage increase of literacy rate during 1961-71	Rank
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1.	Andhra Pradesh	157	9	20.90	17	19.35	7	33.81	15	30.37	11	24.56	13	15.90	15
2.	Assam	149	11	34.37	2	8.39	16	51.47	3	34.24	9	28.81	9	4.83	18
3.	Bihar	324	3	21.26	15	10.04	14	14.45	5	19.60	18	19.79	16	7.55	17
4.	Gujarat	136	13	29.34	5	28.13	3	41.20	7	34.93	6	35.72	3	17.21	14
5.	Haryana	225	7	31.36	3	17.78	9	35.61	12	34.49	8	26.69	11	33.92	4
6.	Himachal Pradesh	62	16	21.76	14	7.06	18	35.54	13	24.15	14	31.32	7	47.32	3
7.	Jammn & Kashmir	N.A.	..	29.60	4	18.26	8	42.02	6	32.87	10	18.30	18	65.91	1
8.	Kerala	548	1	25.89	9	16.28	11	35.68	11	51.37	1	60.16	1	28.41	7
9.	Madhya Pradesh	93	14	28.66	6	16.26	12	46.31	4	21.56	16	22.12	14	29.13	6

10. Maharashtra	163	8	27.25	7	31.20	1	40.68	8	35.93	5	30.08	8	31.05	5
11. Karnataka	152	10	24.07	12	24.31	5	35.08	14	34.54	7	31.54	6	24.17	10
12. Nagaland	31	17	39.64	1	9.91	15	165.59	1	20.37	17	27.33	10	52.60	2
13. Orissa	141	12	24.99	11	8.27	17	63.52	2	23.70	15	26.12	12	20.59	13
14. Punjab	268	6	21.00	16	23.80	6	24.92	18	37.22	4	33.39	4	24.87	9
15. Rajasthan	75	15	25.63	10	17.61	10	38.03	10	27.31	12	18.79	17	23.54	11
16. Tamil Nadu	316	4	22.01	13	30.28	2	38.44	9	39.90	3	39.39	2	25.41	8
17. Uttar Pradesh	300	5	19.82	18	14.00	13	30.47	16	24.66	13	21.64	15	22.61	12
18. West Bengal	507	2	27.24	8	24.59	4	27.95	17	42.50	2	33.05	5	12.88	16
All India	182		24.66		19.87		37.83		31.37		29.34		22.10	

SOURCE: Census of India 1971, Paper No. 1 of 1971, Provisional Population Tables.

**TABLE — 3**  
**RANKING OF STATES ACCORDING TO SELECTED AGRICULTURAL INDICATORS**

Sl. No.	State	Area under food grains as % to total cropped area 72-73	Rank	Area under selected Commercial crops as % to gross cropped area 72-73	Rank	Yield per Hectare of Principal crops, 1971-72 to 1975-76								Per capita income from Agriculture (including Animal Husbandry) 73-74 (Rs.)	Rank
						Rice	Rank	Ground-nut	Rank	Cotton	Rank	Sugar-cane	Rank		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1.	Andhra Pradesh	71.53	14	16.80	4	15.90	6	8.55	6	1.34	6	80.27	3	325	7
2.	Assam	75.77	12	1.53	13	10.01	11	@	..	@	..	37.51	13	N.A.	..
3.	Bihar	97.52	2	1.47	14	9.03	13	@	..	@	..	36.04	14	421	3
4.	Gujarat	44.97	19	37.97	1	8.75	15	6.84	9	1.67	4	50.41	8	391	4
5.	Haryana	76.64	11	7.75	7	17.59	3	9.12	5	3.10	2	41.46	11	433	2
6.	Himachal Pradesh	87.22	5	0.73	17	11.06	10	@	..	@	..	@	..	351	6
7.	Jammu & Kashmir	88.89	4	0.24	19	17.54	4	@	..	@	..	@	..	319	8
8.	Kerala	30.90	20	1.07	16	15.23	7	11.33	2	@	..	53.41	6	301	10
9.	Madhya Pradesh	82.24	9	5.66	9	7.34	20	6.40	10	0.83	8	27.23	15	262	11

10. Maharashtra	61.67	17	20.31	2	10.96	9	6.26	11	0.78	9	88.83	2	447	1
11. Karnataka	56.19	18	16.80	5	17.41	5	6.94	8	0.73	10	77.07	4	307	9
12. Nagaland	88.94	3	1.34	15	5.75	18	@	..	..	..	..	..	..	..
13. Orissa	85.27	7	1.91	11	8.58	16	14.08	1	@	..	62.68	5	..	..
14. Punjab	67.66	16	12.95	6	22.04	1	9.79	4	3.67	1	48.50	9	..	..
15. Rajasthan	75.76	13	3.98	10	9.91	12	5.91	12	1.92	5	42.62	10	..	..
16. Tamil Nadu	68.21	15	19.76	3	19.66	2	10.65	3	2.11	3	95.93	1	379	5
17. Uttar Pradesh	84.43	8	7.33	8	8.26	17	7.74	7	1.11	7	40.96	12	250	12
18. West Bengal	86.14	6	0.68	18	12.01	8	@	@	..	..	53.19	7	..	..
ALL INDIA	73.84		10.87		11.32		7.87		1.43		51.40			

SOURCE: (i) All India Statistical Abstract 1976

(ii) Ministry of Agriculture, Report on Area, Production and Productivity of important Crops in India 1975-76.

@: Denotes the insignificance of the Crop.

TABLE - 4

## RANKING OF STATES ACCORDING TO SELECTED INDUSTRIAL AND COMMERCIAL ACTIVITY INDICATORS

Sl. No.	State	Average daily employment of factory workers per '000 population 1975		Gross output in industry (per capita) 1975-77		Value added (per capita) 1975-76		Consumption of Electricity (per capita) 1975-76		Industrial consumption of electricity per capita 1975-76	
		No.	Rank	Rs.	Rank	Rs.	Rank	KWh.	Rank	KWh.	Rank
1	Andhra Pradesh	10.52	9	1350	9	67	9.5	68	14	32.0	13
2	Assam	5.2	11	256	12	64	11	28	17	11.1	17
3	Bihar	10.52	11	1293	10	76	10.8	84	10	38.2	11
4	Gujarat	18.22	3	989	8	188	2	180	2	110.2	2
5	Haryana	10.33	8	536	15	129	14	153	4	66.62	8
6	Himachal Pradesh	10.42	10	122	16	46	14	61	15	11.51	16
7	Jammu and Kashmir	12.32	10	390	15	1513	12	58	16	23.2	15
8	Kerala	10.22	9	365	18	67	12	90	9	62.2	9
9	Madhya Pradesh	15.01	11	273	10	119	13	83	11	57.7	10
10	Maharashtra	21.34	1	1269	8	278	7	178	3	104.8	3
11	Karnataka	10.80	8	373	2	70	8	141	6	100.31	4
12	Nagaland	30.31	5	100	1	100	1	27	18	5.31	18

13: Orissā	3	18	212	14	142	15	109	14.8	76.4	11.8
14: Punjab	9	10.8	597	16	99	18	232	1	119.6	4
15: Rājasthān	4	14.8	232	13	92	13	73	12.8	36.2	12
16: Tāmīl Nādū	12	14	677	1	128	5	144	15	77.5	10.8
17: Uttar Pradesh	3	11	198	15	141	18	73	12.8	27.4	14.14
18: West Bengal	19	7.2	668	4	166	3	119	7	71.6	7

TABLE—4 (contd.)

## RANKING OF STATES ACCORDING TO SELECTED INDUSTRIAL AND COMMERCIAL ACTIVITY INDICATORS

Sl. No.	State	No. of Banking offices per lakh population 1977		Bank credit of commercial Bank per capita 1975		Motor Vehicles per lakh population 1974-75		Total Road length per 100 sq. Kms. of area 1974-75		Total Railway routes mileage per 100 sq. Kms. 1975-76	
		No.	Rank	No.	Rank	No.	Rank	Kms.	Rank.	Kms.	Rank.
1	2	13	14	15	16	17	18	19	20	21	22
1.	Andhra Pradesh	4	10.0	98	9	298	11	35	11	17	10.5
2.	Assam	2	17	33	16	321	9	31	13.5	22	9
3.	Bihar	6	17	46	13	151	15	54	5	30	4
4.	Gujarat	6	5	203	5	692	2	32	12	29	6
5.	Haryana	6	5	112	8	214	14	57	4	32	3
6.	Himachal Pradesh	7	..	37	15	27	18	20	15.5	5	16
7.	Jammu and Kashmir	6	5	70	10	441	4	6	18	..	..
8.	Kerala	7	2.5	135	7	420	5	201	1	23	8
9.	Madhya Pradesh	3	14	43	14	246	12	20	15.5	13	14.5
10.	Maharashtra	5	7.5	447	1	830	1	36	10	17	10.5
11.	Karnataka	7	2.5	211	4	641	3	51	6	115	13
12.	Nagaland	4	10.0	15	18	99	19	37	9	11	18
13.	Orissa	2	17	25	17	122	16	31	13.5	13	14.5

14. Punjab	8	1	174	6	395	6	42	7	43	1.5
15. Rajasthan	4	10	55	12	318	10	14	17	16	12
16. Tamil Nadu	5	7.5	232	3	388	7	83	3	29	6
17. Uttar Pradesh	3	14	58	11	223	13	40	8	29	6
18. West Bengal	3	14	273	2	385	8	134	2	43	1.5

SOURCE :—(i) Annual Survey of Industries Report 1975-76 issued by C.S.O.

(ii) Statistical Abstract 1977.



**TABLE — 5**  
**RANKING OF STATES ACCORDING TO SELECTED SOCIAL SERVICES INDICATORS**

Sl. No.	State	Enrolment of Children of the age group 6-11 in primary classes		Enrolment of Children of the age group 11-14 in Upper Primary Classes		Hospital beds per lakh population as on 1976		Doctor Population ratio as on 1973-74	
		% to total 1974-75	Rank	% to total 1974-75	Rank	No.	Rank	Ratio	Rank
1	2	3	4	5	5	7	8	9	10
1.	Andhra Pradesh	69.3	14.5	28.3	15	68	12	1:3632	9
2.	Assam	71.1	13	39.5	9	39	17.5	1:3180	6
3.	Bihar	54.0	18	15.3	18	40	16	1:4994	12
4.	Gujarat	87.5	7	41.5	8	71	11	1:3219	7
5.	Haryana	69.3	14.5	44.8	6	72	10	1:14576	19
6.	Himachal Pradesh	91.7	5	49.4	5	144	3	1:10935	18
7.	Jammu and Kashmir	59.0	17	39.0	10	97	7	1:4046	10
8.	Kerala	115.0	1	82.7	2	225	1	1:3622	8
9.	Madhya Pradesh	72.3	12	24.4	16	39	17.5	1:6802	15
10.	Maharashtra	92.8	4	44.7	7	126	4	1:2064	4
11.	Karnataka	86.7	9	34.8	12	95	8	1:3045	5
12.	Nagaland	111.8	2	91.1	1	206	2	N A	1
13.	Orissa	74.6	11	22.9	17	48	15	1:4343	11

14. Punjab	..	..	86.9	8	49.7	4	84	9	1:975	1
15. Rajasthan	..	..	67.4	16	32.0	14	66	13	1:5907	13
16. Tamilnadu	..	..	90.3	6	52.6	3	103	6	1:1995	3
17. Uttar Pradesh	..	..	93.0	3	37.6	11	49	14	1:6026	14
18. West Bengal	..	..	80.4	10	34.6	13	104	5	1:1718	2
ALL INDIA	..	..	82.7	..	36.0	..	81	..	..	..

SOURCE : Educational Statistics at a glance 1974-75 issued by Ministry of Education, Social Welfare Department, New Delhi.

TABLE — 6

## ESTIMATES OF STATE PER CAPITA NET DOMESTIC PRODUCT AT CURRENT PRICES 1971-72 TO 1973-74

Sl. No.	State	1971-72		1972-73		1973-74	
		Per capita income	Rank	Per capita income	Rank	Per capita income	Rank
1	2	3	4	5	6	7	8
1.	Andhra Pradesh ..	625	8	647	8	829	7
2.	Assam ..	535	13.5	572	17	601	17
3.	Bihar ..	440	18	489	18	604	16
4.	Gujarat ..	809	4	740	5	1080	4
5.	Haryana ..	928	2	989	2	1174	2
6.	Himachal Pradesh ..	678	6	727	6	902	6
7.	Jammu & Kashmir	572	9.5	601	11	720	11
8.	Kerala	572	9.5	646	9	785	9
9.	Karnataka ..	540	12	587	13	704	13
10.	Madhya Pradesh	535	13.5	578	16	634	18
11.	Maharashtra ..	836	3	861	3	1091	3
12.	Nagaland	N.A.	N.A.	..	N.A.	N.A.	..
13.	Orissa	487	16	584	14	701	14
14.	Punjab	1035	1	1125	1	1395	1
14.	Rajasthan	570	11	594	12	759	10
16.	Tamil Nadu	640	7	664	7	810	8
17.	Uttar Pradesh	520	15	634	10	707	12
18.	West Bengal	797	5	787	4	944	5
	ALL INDIA	657		702		856	

SOURCE:—C.S.O.

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**TABLE—7**

**Plan outlay and Per capita outlay**

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**TABLE - 7**  
**PLAN OUTLAY AND PER CAPITA OUTLAY**

Sl. No.	State	1974-75		1975-76		1976-77		1977-78		Cumulative	
		Outlay	Per Capita	Outlay	Per Capita	Outlay	Per Capita	Outlay	Per Capita	Plan Outlay/Expenditure up to 31-3-78	
										Total	Per Capita
1	2	3	4	5	6	7	8	9	10	11	12
1.	Andhra Pradesh	148.48	34	202.59	47	292.58	67	372.03	86	2309.23	531
2.	Assam	45.50	31	56.08	38	74.07	51	106.24	73	790.81	541
3.	Bihar	152.82	27	204.87	36	247.99	44	265.88	47	2178.75	387
4.	Gujarat	188.22	71	236.15	88	249.37	93	332.41	125	2242.48	840
5.	Haryana	87.50	87	105.62	105	135.76	135	153.61	153	925.37	922
6.	Himachal Pradesh	34.18	99	34.62	100	38.81	112	55.26	160	371.99	1075
7.	Jammu & Kashmir	47.79	104	58.80	127	77.05	167	89.69	194	595.89	1291
8.	Karnataka	120.92	41	167.46	57	233.72	80	239.78	79	1811.58	618
9.	Kerala	81.48	38	103.52	48	126.60	59	154.60	72	1248.88	585
10.	Madhya Pradesh	166.81	40	220.49	53	283.50	68	347.24	83	2188.32	525
11.	Maharashtra	297.05	59	380.88	76	505.32	100	691.99	137	4041.21	802
12.	Manipur	10.69	100	14.28	133	17.26	161	22.35	208	123.05	1147
13.	Meghalaya	11.68	115	17.14	169	19.04	188	24.46	242	108.56	1073

14. Nagaland	..	14.63	284	15.80	306	18.73	363	22.31	432	136.76	2650
15. Orissa	..	75.38	34	93.21	42	136.30	62	148.83	68	1223.74	558
16. Punjab	..	127.04	94	166.17	123	222.11	164	199.74	147	1834.05	1353
17. Rajasthan	..	109.82	43	140.86	55	172.52	67	191.27	74	1436.43	557
18. Sikkim	..	*	*	*	*	11.67	556	13.45	640	25.12	1196
19. Tamilnadu	..	141.33	34	172.71	42	242.47	59	260.36	63	2248.07	546
20. Tripura	..	9.49	61	12.23	79	14.06	90	13.40	86	121.82	783
21. Uttar Pradesh	..	374.18	42	481.32	54	584.83	66	663.67	75	4672.55	529
22. West Bengal	..	149.72	34	182.23	41	225.31	51	322.07	73	2014.68	455
<b>Total</b>	..	<b>2394.71</b>	<b>44</b>	<b>3067.03</b>	<b>57</b>	<b>3929.07</b>	<b>73</b>	<b>4690.74</b>	<b>87</b>	<b>32649.34</b>	<b>603</b>

Year for which population has  
been taken for working out per  
capita plan expenditure

1971

1971

1971

1971

1971

1971

67

\* Was not Stated during this period.

N.B.—Outlay denotes actual expenditure up to 1976-77, for 1977-78 is anticipated expenditure.

TABLE — 8  
DISTRIBUTION OF COMPANIES AT WORK : MARCH END 1976

Sl. No.	State	Government			Non-Government			Total		
		Number	Paid-up capital Rs Crores	Per cent	Number	Paid-up Capital Rs. Crores	Per cent	Number	Paid-up capital Rs. Crores	Per cent
1	2	3	4	5	6	7	8	9	10	11
1.	Bihar ..	31	169.7	27.6	680	31.3	1.2	711	1,722.0	19.5
2.	West Bengal ..	52	432.7	7.1	11,353	671.0	24.7	11,405	1,103.7	12.5
3.	Maharashtra ..	54	264.2	4.3	9,795	824.2	30.4	9,849	1,088.4	12.3
4.	Tamil Nadu ..	54	261.0	4.3	3,849	246.8	9.1	3,903	507.8	5.8
5.	Gujarat ..	27	163.2	2.7	2,200	222.0	8.2	2,227	385.2	4.4
6.	Karnataka ..	50	255.5	4.2	1,779	90.7	3.4	1,829	346.2	3.9
7.	Andhra Pradesh ..	38	159.1	2.6	1,247	79.5	2.9	1,285	238.6	2.3
8.	Kerala ..	61	146.0	2.4	1,324	54.1	2.0	1385	200.1	2.3
9.	Uttar Pradesh ..	74	97.2	1.6	1,982	92.1	3.4	2056	189.3	2.2
10.	Rajasthan ..	14	53.3	0.9	705	31.7	1.2	719	85.00	1.0
11.	Assam ..	23	33.3	0.6	654(a)	44.8 (a)	1.7	677	78.1	0.9
12.	Madhya Pradesh ..	12	20.5	0.3	616	56.8	2.1	628	77.3	0.9
13.	Orissa ..	33	39.5	0.7	305	25.4	0.9	338	64.9	0.7

14. Punjab ..	3	1.4	..	1,168	25.2	0.9	1,171	26.6	0.3
15. Nagaland ..	3	25.6	0.4	8	0.1	..	11	25.7	0.3
16. Jammu & Kashmir ..	10	20.8	0.3	122	2.9	0.1	132	23.7	0.3
17. Haryana ..	7	2.3	..	380	16.8	0.6	387	19.1	0.2
18. Himachal Pradesh ..	11	7.1	0.1	107	3.6	0.1	118	10.7	0.1
19. Meghalaya ..	5	7.4	0.1	..	..	..	5	7.4	0.1
20. Tripura ..	5	1.2	..	8	..	..	13	1.2	..
21. Manipur ..	2	0.3	..	4	..	..	6	0.3	..
22. Delhi ..	47	2,407.4	39.3	5,112	168.1	6.2	5,159	2,575.5	29.2
23. Chandigarh ..	30	30.6	0.5	136	3.1	0.1	166	33.7	0.4
24. Goa, Daman & Diu	3	1.2	..	237	22.5	0.8	240	23.7	0.3
25. Pondicherry ..	2	0.7	..	73	1.9	0.1	75	2.6	..
26. Dadra & Nagar Haveli	..	..	..	5	0.1	..	5	0.1	..
27. Andaman & Nicobar	..	..	..	4	..	..	4	..	..
<b>Total ..</b>	<b>651</b>	<b>6,122.2</b>	<b>100.0</b>	<b>43,853</b>	<b>2,714.7</b>	<b>100.0</b>	<b>44,504</b>	<b>8,836.9</b>	<b>100.0</b>

Notes :—States/Union Territories are ranked by the last column (a) Includes Meghalaya.

SOURCE :—Department of Company Affairs, The Twentieth Annual Report on the Working and Administration of the Companies Act, 1956: March-end 1976, New Delhi, 1977.



**TABLE — 9**  
**VALUE OF PROPERTY (GROSS BLOCK) INVESTED BY CENTRAL GOVERNMENT PUBLIC SECTOR UNDERTAKINGS**  
**IN DIFFERENT STATES**

*(Rs. in crores)*

Sl. No.	State	1st, 2nd Plan	1966-67 to 1968-69	Fourth Plan 1969-70 to 1973-74	1974-75	1975-76	1976-77	Cumulative investment as on 31-3-1977	Per capita Rs.
1	2	3	4	5	6	7	8	9	10
1.	Andhra Pradesh	45.6	41.3	116.1	66.0	41.9	79.8	390.7	90
2.	Assam	27.9	36.2	93.1	41.3	73.4	41.0	312.9	214
3.	Bihar	324.1	297.1	847.1	203.5	211.0	626.3	2509.1	445
4.	Gujarat	26.6	60.1	163.1	51.5	131.2	90.9	523.4	196
5.	Haryana	..	7.1	3.8	8.5	32.2	91.1	142.7	142
6.	Himachal Pradesh	0.1	1.6	-1.1	0.3	3.3	7.6	11.8	34
7.	Jammu & Kashmir	..	..	6.2	0.7	0.3	-1.5	5.7	12
8.	Karnataka	55.5	24.1	80.6	26.6	25.2	56.2	268.2	92
9.	Kerala	38.1	63.3	71.8	29.0	44.6	27.3	274.1	128
10.	Madhya Pradesh	444.0	99.2	186.3	108.1	528.7	126.4	1492.7	358
11.	Maharashtra	60.1	40.8	103.0	102.5	65.1	258.8	630.3	125
12.	Manipur	..	..	..	..	..	..	..	..
13.	Meghalaya	..	..	..	..	..	..	..	..
14.	Nagaland	..	..	..	..	..	..	..	..

15. Orissa	∴	290.4	132.8	107.4	46.4	42.6	26.9	646.5	295
16. Punjab	∴	39.0	-6.4	9.9	35.0	87.7	32.6	197.8	146
17. Rajasthan	∴	4.2	23.0	88.3	44.7	27.5	39.4	227.1	88
18. Sikkim	∴	∴	∴	∴	∴	∴	∴	∴	∴
19. Tamil Nadu	∴	174.6	87.6	103.0	19.3	114.1	-31.7	466.9	113
20. Tripura	∴	∴	∴	∴	∴	∴	∴	∴	∴
21. Uttar Pradesh	∴	49.7	87.3	80.5	39.0	49.1	70.6	376.2	43
22. West Bengal	∴	329.3	82.1	239.5	134.4	-219.3	202.3	768.3	173
Unallocated and others* (including U.Ts.)	∴	335.8	140.9	613.9	91.5	429.8	594.9	2206.8	
<b>Total all States :</b>		<b>2245.0</b>	<b>1218.1</b>	<b>2912.5</b>	<b>1048.3</b>	<b>1688.4</b>	<b>2338.9</b>	<b>11451.2</b>	<b>209</b>

Population relates to 1971 census.

SOURCE : Annual Report on the working of Industrial and Commercial Undertaking of the Central Govt. for 1976-77 compiled by Bureau of Public Enterprises.

Represents besides unallocated expenditure during construction, value of other misc. assets like exploration equipment, storage installations etc., for which State-wise figures are not readily available and value of Aircrafts, ships etc, not assigned to any particular State this statement relates to value of property (Gross Block) held by 145 public sector undertakings shown in the Annexure.

TABLE — 10

STATE-WISE DISTRIBUTION OF TOTAL & PER CAPITA ASSISTANCE  
SANCTIONED BY FINANCIAL INSTITUTIONS (IDBI, IFCI, ICICI,  
ARDC, SFCS AND IRC)\*\*

Sl.No.	State	Total Financial Assistance sanctioned (Rs. crores)*	Per capita assistance by Financial Institutions (In Rupees)**
1	2	3	4
1.	Andhra Pradesh ..	336.65	77.39
2.	Assam ..	65.15	43.55
3.	Bihar ..	243.98	43.29
4.	Gujarat ..	617.52	231.30
5.	Haryana ..	208.34	207.58
6.	Himachal Pradesh ..	21.25	61.82
7.	Jammu & Kashmir ..	30.15	65.30
8.	Karnataka ..	369.58	126.15
9.	Kerala ..	153.48	71.50
10.	Madhya Pradesh ..	195.81	47.00
11.	Maharashtra ..	1023.51	203.03
12.	Manipur ..	0.43	4.61
13.	Meghalaya ..	7.47	73.81
14.	Nagaland ..	1.64	16.20
15.	Orissa ..	98.02	44.67
16.	Punjab ..	165.98	122.48
17.	Rajasthan ..	171.38	66.51
18.	Sikkim ..	..	..
19.	Tamil Nadu ..	588.73	142.90
20.	Tripura ..	2.55	16.39
21.	Uttar Pradesh ..	490.05	55.47
22.	West Bengal ..	340.83	76.92
TOTAL ALL STATES ..		5132.50	94.69

\* For details, kindly refer to Table 10 A.

\*\* On the basis of 1971 census figure.

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**TABLE 10—A**

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**TABLE — 10-A**  
**STATE-WISE DISTRIBUTION OF FINANCIAL ASSISTANCE SANCTIONED BY VARIOUS FINANCIAL INSTITUTIONS**

(Rs. in crores)

Sl. No.	State	IDBI As on 30-9-77	ICFI As on 31-12-77	ICICI As on 30-9-77	ARDC As 30-6-77	SFC As on 31-3-77	IRCI As on 30-6-77	Total Financial Assistance sanctioned
1	2	3	4	5	6	7	8	9
1.	Andhra Pradesh	136.12	54.29	40.11	76.20	29.81	0.12	336.65
2.	Assam	38.35	11.04	6.29	2.10	7.35	0.02	65.15
3.	Bihar	83.25	33.81	54.00	49.38	23.24	0.30	243.98
4.	Gujarat	354.55	49.02	103.58	55.34	55.03	..	617.52
5.	Haryana	58.59	27.37	22.21	74.91	25.01	0.25	208.34
6.	Himachal Pradesh	11.92	2.09	0.69	0.28	6.27	..	21.25
7.	Jammu & Kashmir	19.32	1.40	0.90	0.94	7.59	..	30.15
8.	Karnataka	159.96	46.44	52.84	76.75	33.44	0.15	369.58
9.	Kerala	81.75	22.36	15.65	9.17	24.37	0.18	153.48
10.	Madhya Pradesh	71.79	17.35	22.76	71.05	12.86	..	195.81
11.	Maharashtra	451.77	134.95	277.62	87.68	67.45	4.04	1023.51
12.	Manipur	0.30	..	..	0.13	..	..	0.43
13.	Meghalaya	4.09	2.84	0.54	..	..	..	7.47

14. Nagaland	..	..	1.01	0.50	..	0.13	..	..	1.64
15. Orissa	..	..	46.21	16.45	14.16	10.36	9.84	..	98.02
16. Punjab	..	..	54.98	15.16	6.67	67.87	20.71	0.59	165.98
17. Rajasthan	..	..	80.07	28.82	20.57	23.41	18.51	..	171.38
18. Sikkim	..	..	..	..	..	..	..	..	..
19. Tamil Nadu	..	..	284.83	85.93	89.68	78.43	49.86	..	588.73
20. Tripura	..	..	1.72	0.80	..	0.03	..	..	2.55
21. Uttar Pradesh	..	..	203.77	84.92	48.02	120.81	32.53	..	490.05
22. West Bengal	..	..	173.61	59.54	54.55	8.59	14.90	29.64	340.83
Total all States	..	..	2317.96	695.08	831.84	813.56	438.77	35.29	5132.50

TABLE—11

## STATE-WISE DISTRIBUTION OF INVESTMENT UP TO 31st MARCH, 1977- LIFE INSURANCE CORPORATION OF INDIA

(Rs. in Crores)

Sl. No.	State	State Electricity Board	State Govts. for Housing Schemes	Co-operative Housing Finance Societies & other authorities	Municipal Committees & to State Govt. for urban water supply	Zilla Parishads for rural pipes water supply schemes	Sugar Co-operative Societies	Co-operative Spinning Units	Industrial Estates	Improvement Trusts	Companies and Industrial Co-operative societies	Total (2-11)
1	2	3	4	5	6	7	8	9	10	11	12	13
1.	Andhra Pradesh	30.47	21.29	17.20	9.11	3.32	2.15	..	0.40	..	3.57	87.51
2.	Assam	9.51	3.69	..	..	..	..	..	..	..	1.96	15.16
3.	Bihar	36.80	16.61	0.50	..	..	..	..	..	..	12.36	66.27
4.	Gujarat	40.40	15.49	101.47	13.24	1.06	2.64	..	5.17	..	20.92	200.39
5.	Haryana	34.50	4.48	..	8.55	..	0.85	..	..	..	0.53	48.91
6.	Himachal Pradesh	3.11	1.75	..	0.19	..	..	..	..	..	..	5.05
7.	Jammu & Kashmir	..	3.82	..	..	..	..	..	..	..	..	3.82
8.	Karnataka	17.20	19.85	7.40	21.46	..	2.30	..	..	..	22.71	90.92
9.	Kerala	31.10	12.03	3.00	22.64	2.21	0.40	..	..	..	1.78	73.16
10.	Madhya Pradesh	28.45	14.29	2.90	12.73	..	0.40	..	..	..	..	58.77

11. Maharashtra	50.70	19.82	101.18	28.40	19.32	7.53	0.30	2.78	..	16.72	246.75
12. Manipur	..	0.34	..	0.18	..	..	..	..	..	..	0.52
13. Meghalaya	5.74	0.44	..	..	..	..	..	..	..	..	6.18
14. Nagaland	..	0.34	..	0.42	..	..	..	..	..	..	0.76
15. Orissa	30.05	19.75	..	1.86	..	0.60	..	..	..	1.15	53.41
16. Punjab	33.23	14.33	0.50	2.93	..	0.15	..	..	0.75	0.55	52.44
17. Rajasthan	35.35	14.59	5.70	14.01	..	0.40	..	0.04	..	2.35	72.44
18. Sikkim	..	0.05	..	..	..	..	..	..	..	..	0.05
19. Tamil Nadu	45.96	25.84	32.92	28.55	..	1.60	..	0.15	..	18.49	153.51
20. Tripura	..	0.45	..	0.10	..	..	..	..	..	..	0.55
21. Uttar Pradesh	95.12	21.03	2.80	12.26	..	2.80	..	..	..	9.67	143.68
22. West Bengal	52.35	20.94	9.10	..	..	..	..	..	..	4.92	87.31
<b>Total</b>	<b>580.04</b>	<b>251.22</b>	<b>284.67</b>	<b>176.63</b>	<b>25.91</b>	<b>21.82</b>	<b>0.30</b>	<b>8.54</b>	<b>0.75</b>	<b>117.68</b>	<b>1467.56</b>

SOURCE :— LIC 20th Report for the year ending 31st March, 1977.



TABLE—12  
STATE-WISE DISTRIBUTION OF LOANS SANCTIONED BY HUDCO

(Rs. in Crores)

Sl. No.	State				Loans sanctioned up to 28-2-1977
1	2				3
1.	Andhra Pradesh	..	..	..	9.97
2.	Assam	..	..	..	..
3.	Bihar	..	..	..	8.66
4.	Gujarat	..	..	..	27.82
5.	Haryana	..	..	..	12.13
6.	Himachal Pradesh	..	..	..	1.31
7.	Jammu & Kashmir	..	..	..	4.03
8.	Karnataka	..	..	..	18.32
9.	Kerala	..	..	..	3.85
10.	Madhya Pradesh	..	..	..	18.05
11.	Maharashtra	..	..	..	17.99
12.	Manipur	..	..	..	..
13.	Meghalaya	..	..	..	..
14.	Nagaland	..	..	..	..
15.	Orissa	..	..	..	4.85
16.	Punjab	..	..	..	9.78
17.	Rajasthan	..	..	..	18.12
18.	Sikkim	..	..	..	..
19.	Tamil Nadu	..	..	..	33.37
20.	Tripura	..	..	..	..
21.	Uttar Pradesh	..	..	..	30.79
22.	West Bengal	..	..	..	10.24
	Total	..	..	..	229.28

Source :— HUDCO, Letter No RES/WB/77-7245, dt. 1-6-77

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**TABLE—13**

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**TABLE—13**  
**PER-CAPITA MARKET BORROWINGS DURING 1970-79**

Sl. No.	State	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79
1	2	3	4	5	6	7	8	9	10	11
1.	Andhra Pradesh	2.61	2.91	4.86	4.83	5.05	4.83	5.31	5.84	6.43
2.	Assam	4.59	4.77	5.73	7.54	7.57	7.65	8.29	9.37	10.31
3.	Bihar	1.22	1.36	2.95	4.36	4.36	4.38	4.80	5.27	5.80
4.	Gujarat	6.75	7.84	7.52	8.15	9.22	9.08	10.00	11.00	12.10
5.	Haryana	8.75	8.33	10.49	11.61	14.70	11.65	12.77	14.06	15.47
6.	Himachal Pradesh	..	..	6.06	8.66	8.62	8.65	9.51	10.40	11.43
7.	Jammu and Kashmir	..	..	4.78	14.35	14.36	14.47	15.89	17.48	19.22
8.	Karnataka	5.64	5.99	5.88	7.52	7.58	7.49	8.26	9.08	9.99
9.	Kerala	3.97	5.36	9.12	9.26	9.06	9.26	10.19	11.26	12.38
10.	Madhya Pradesh	3.05	2.98	3.03	4.63	4.57	4.64	5.10	5.61	6.17
11.	Maharashtra	5.50	6.18	7.28	6.30	6.34	6.72	7.36	8.10	8.90
12.	Manipur	..	..	10.09	12.55	32.14	12.45	13.82	15.18	16.73
13.	Meghalaya	..	..	11.00	11.00	38.80	22.00	24.20	26.60	29.30
14.	Nagaland	..	..	22.20	39.60	115.80	39.60	43.60	48.00	52.80

15. Orissa	..	..	3.64	4.68	3.01	5.80	5.99	5.79	6.38	7.02	7.72
16. Punjab	..	..	6.95	6.67	7.36	7.36	10.39	7.78	8.04	8.84	9.72
17. Rajasthan	..	..	3.74	3.75	7.98	8.80	8.84	9.30	9.68	10.65	11.71
18. Sikkim	..	..	..	..	..	..	..	..	..	..	..
19. Tamil Nadu	..	..	5.19	4.69	4.97	6.36	5.88	6.41	7.01	7.71	8.48
20. Tripura	..	..	..	..	..	..	10.37	8.62	9.50	10.44	11.50
21. Uttar Pradesh	..	..	1.52	1.98	2.97	4.34	4.15	4.40	4.78	5.25	5.78
22. West Bengal	..	..	4.06	4.45	7.93	9.26	9.28	9.30	10.19	11.20	12.32
ALL STATES	..	..	3.64*	3.97*	5.35*	6.43*	6.76*	6.62*	7.21*	7.94*	8.73*

\* Average for all States

Note:— Per capita market borrowing has been calculated on the basis of the 1971 Population.

## 4. REVIEW OF THE FIFTH FIVE-YEAR PLAN

In the following paragraphs, the performance under the State's Fifth Plan is reviewed. The total provision made during the period 1974-78 was Rs. 1,044.63 crores and the expenditure incurred was Rs. 1,014.65 crores. Full information of the progress made during the fourth year of the Fifth Plan *i.e.* 1977-78 is not readily available. Hence a slight shortfall in the total expenditure is noticed. The following table will show the sector-wise progress during the four year period *i.e.*, 1974-78. A statement showing the Head of Department-wise allocations made and the expenditure incurred is furnished in *Annexure-I*.

(Rs. in crores)

Sl. No.	Head of Development	1974-78	
		Provision	Expenditure
(1)	(2)	(3)	(4)
1.	Agriculture and Allied Programmes	77.00	78.88
2.	Co-operation	18.99	20.52
3.	Irrigation	286.40	284.96
	(i) Nagarjunasagar Project	79.15	79.35
	(ii) Pochampad Project	69.63	69.63
	(iii) Godavari Barrage Project	28.09	27.09
	(iv) Other Major and Medium Projects	87.94	87.63
	(v) Flood Control and Drainage	18.09	17.96
	(vi) Andhra Pradesh Construction Corporation	3.50	3.50
4.	Power	398.18	387.50
5.	Industry and Mining	36.13	35.13
6.	Transport and Communications	92.58	88.92
7.	Social and Community Services	131.97	116.20
8.	Economic Services	0.84	0.72
9.	General Services	2.54	1.82
	Total	1,044.63	1,014.65

The State Plans have a special significance inasmuch as they cover a wide area of economic activities significant for the people at large. The more important of the activities relevant for State Planning are Agriculture, Animal Husbandry, Forestry, Fisheries, Irrigation, Power, Roads, Education, Medical, Public Health, Social Welfare and Welfare of the Socially and Economically Backward Classes. As nearly 70 per cent of the population of the State are dependent on Agriculture and as the development of this sector will help the economic betterment of the poorer sections of the society, Agriculture and Irrigation were given high priority in the plans of the State. As in the long run the development of industry will provide the necessary basis for diversifying the income of the people and since power is the basic input for development of industry, the power sector also received a high priority in the plans of the State. Thus, these three sectors namely, Agriculture, Irrigation and Power accounted for 76 per cent of the total outlay. Though large allocations have been made for these three sectors in the Plans, the programmes in other sectors which have an immediate bearing on the productive effort of the country were not allowed to suffer.

It may be mentioned here, that when we started our exercise on Fifth Plan with the hope of correcting the sectoral imbalances, the allocation for Irrigation and Power sectors in the Fifth Plan were reduced, as much as 24.3 per cent of the total plan outlay was provided for Social Services. However, our commitments under Irrigation and Power sectors are such that once again these two sectors put together have taken away 66.3 per cent of the total outlay with the result that the Social Services sector suffered a cut again. In other words, the State has had to suffer in terms of provision of Social Service facilities on account of very high priority accorded for Irrigation and Power sectors in its Plans.

#### *Agriculture :*

In the Fifth Plan, the main targets of crop production were conceived for the five year period for operational purpose, and to determine the tasks, the base level and peak level targets were worked out. They were also worked out against the time horizon of the entire Plan period to even out the fluctuations due to seasonal factors. The targets and achievements for the important crops for the Fifth Plan are presented below.

[Statement]

(in lakh tonnes/Bales)

Sl.No.	Crop	1974-75	1975-76	1976-77	1977-78
(1)	(2)	(3)	(4)	(5)	(6)
1.	Foodgrains - Target	84.00	87.00	92.00	92.00
	Achievement	90.86	94.28	74.79	86.60
2.	Oilseeds - Target	14.50	15.40	16.65	16.65
	Achievement	16.29	11.89	6.56	10.71
3.	Cotton - Target	2.85	3.90	4.00	4.00
	Achievement	4.83	2.39	2.59	2.31
4.	Mesta - Target	3.30	3.55	3.80	4.50
	Achievement	5.24	5.96	9.22	8.57
5.	Tobacco - Target	2.15	2.29	2.44	2.60
	Achievement	1.59	1.30	1.33	1.99
6.	Sugarcane - Target	122.00	127.00	133.00	133.00
	Achievement	144.96	103.32	102.81	96.48
7.	Fertilizer distribution :				
(i)	Nitrogenous - Target	3.00	1.91	3.90	4.10
	Achievement	1.89	2.56	2.90	3.60
(ii)	Phosphate - Target	1.00	0.62	0.65	1.50
	Achievement	0.51	0.54	0.81	1.38
(iii)	Potassic - Target	0.50	0.23	0.25	0.40
	Achievement	0.25	0.17	0.23	0.37

It can be seen from the above statement that production of foodgrains registered a significant increase in 1974-75 and 1975-76. The year 1975-76 can be considered as a land mark for agricultural production in the State in general and for rice production in particular. The tempo could not be kept up during the subsequent two years i.e. 1976-77 and 1977-78, when the State registered a substantial decline in production against the targets set. This was due to natural calamities in the shape of cyclones and droughts which the State passed through bringing down the foodgrains production. Notwithstanding these natural calamities, when the agricultural economy was disrupted, the State could still achieve nearly 86.60 lakh tonnes of food production in 1977-78 against a target of 92.00 lakh tonnes. In fact, the State could have crossed the 100 lakh tonnes mark but for the reasons already stated.

#### *Oilseeds:*

The performance under oilseeds except during the first year was far from satisfactory. Groundnut is the most important oilseed crop followed by Castor. In respect of Groundnut improved seed was the biggest constraint. The seasonal conditions and crop damage due to pests and diseases were responsible for the decline in production.

#### *Cotton:*

Cotton crop registered a record production in 1974-75 but declined in the subsequent years. This crop is largely cultivated under rainfed conditions, where there is no yield stability. The cotton area and production declined in 1975-76 due to fall in prices and in the succeeding two years due to cyclones. However, with the expansion of irrigation facilities and remunerative prices the crop has a bright future in the State.

#### *Mesta:*

The State achieved record production under Mesta. The production was more than doubled between 1974-75 and 1977-78 on account of favourable prices and several incentives, extended under the integrated Mesta Development programme in Srikakulam and Visakhapatnam districts.

#### *Tobacco:*

The decline in production was due to reduction both in area and yield on account of un-remunerative prices, and adverse seasonal conditions.



*Sugarcane:*

Except during the 1st year of the Fifth Plan in the other years, the performance has not been satisfactory. The crop was affected by serious pests and diseases, and due to the cyclones during 1976-77 and 1977-78, resulting in decline in production. Thus, the adverse seasonal conditions were largely responsible for the fluctuations in production levels during the period under review.

*Minor Irrigation:*

Minor Irrigation has a significant role to play in raising Agricultural Production in the State. The Programme of Minor Irrigation includes exploitation of surface water by construction of new storage and diversion works, restoration of tanks and channels up to public works standards. Under Minor Irrigation the total amount spent during 1974-78 was Rs. 2,279.34 lakhs against the provision of Rs. 2,265.83 lakhs. During this period an additional irrigation potential of 45,961 hectares under public works and 4,513 hectares under Panchayati Raj was created.

The Andhra Pradesh State Irrigation Development Corporation has been formed as a State Government undertaking in 1974. The Corporation's main task is exploitation of irrigation potential in the entire State through various methods. At present the Corporation has taken up Lift Irrigation Schemes on different streams, rivers and drains for exploiting the surface water resources. Ground water exploitation is also being done by sinking different types of tube wells. The Corporation has commissioned 13 Lift Irrigation Schemes creating an irrigation potential of 20,828 hectares in Kharif and 19,211 hectares in Rabi seasons. The Corporation has also completed the sinking of 343 tube wells creating an irrigation potential of 16,464 hectares.

*Soil Conservation :*

During the Fifth Plan period Soil Conservation measures were conducted in 39,180 hectares of agricultural lands. Besides, 1,120 hectares of silver oak, 1078 hectares of coffee plantation and 1,262 hectares of minor forest produce like Buresera, pastures etc., were raised in agency areas of Visakhapatnam district in the abandoned podu areas and in Srikakulam District in the State.

*Command Area Development Department :*

The Command Area Development Department was constituted in August, 1974 with the twin objectives of bridging the gap between the creation of irrigation potential and its actual utilisation and to maximise agricultural production by providing technical guidance of land development and extension services. Although it would be ideal to develop all Command areas on modern lines, it is not possible to do so due to

financial, organisational and other constraints. Four Command areas namely Nagarjunasagar Right Canal, Nagarjunasagar Left Canal, Pochampad and Tungabhadra Projects have, therefore, been selected for intensive area development and modernisation of agriculture during the Fifth Five-Year Plan period. The Command Area Development Authorities have been set up for each of the four commands at Project level with the necessary staff. Field channels play a vital role for achieving speedy development of command areas. Although the excavation and maintenance of field channels is the responsibility of farmers they took very little interest. The State Government have, therefore, decided that field channels should be constructed by Project Authorities at Project cost up to each survey number or 5 Hectares limit whichever is less in respect of all on-going and future major, medium and minor irrigation projects. During 1977-78 field channels have been excavated by the Command Area Development Authorities in the four select commands in an area of 20,157 Hectares.

The credit facilities for land development in the command areas could not be extended by the financing institutions to the farmers due to restrictions in the rules and procedures. According to the clarification issued by the Agricultural Refinance and Development Corporation,—

- (a) farmers having good title would get normal banking loans without Government's guarantee;
- (b) farmers with defective title, would get normal banking loans on State Government's guarantee;
- (c) farmers with default not exceeding Rs. 100/- per acre dry or Rs. 200/- per acre wet, subject to a maximum of Rs. 1000/- per farmer would get normal banking loans on State Government's guarantee;
- (d) farmers with default exceeding Rs. 100/- per acre dry or Rs. 200/- per acre wet or exceeding the maximum limit of Rs 1000/- per farmer, would get special loans from special loan account on Government's guarantee; and
- (e) farmers who are unwilling to take up the systematic Land Development Works, would get special loans, as deemed loans from "special loan account" on Government's guarantee.

The special loan account referred to above, has already been created with contributions from Government of India, State Government and the A. R. D. C at a ratio of 50:25:25.

Intensive Agricultural Programme called "Training and visits system" has been introduced in the Command Areas to educate the farmers in

modern agricultural technology to cover an area of 10.50 lakh hectares in a period of five years commencing from 1976-77. An extent of 3.81 lakh hectares has been brought under this programme during 1977-78.

Command area roads are needed for faster movement of agricultural inputs and agricultural production. A road improvement and construction programme of village road net work covering the entire Nagarjunasagar Project area was taken up. According to the agreement entered into with the World Bank in June, 1976, roads to a length of 1575 Kms. are to be laid in Nagarjunasagar Project Command area at an estimated cost of Rs. 1655 lakhs. During 1977-78 an amount of Rs. 90.00 lakhs was sanctioned for the purchase of road construction equipment etc. Necessary estimates for rehabilitating 398.50 Kms. of road has been sanctioned.

A similar road programme has been taken up in Pochampad Command Area to construct 460 Kms. of roads. About 310 Kms. of roads were completed up to 1977-78.

#### *Dairy Development :*

The allied activities in the field of Animal Husbandry, Dairying, Milk Supply, Fisheries, and Forests are also important in the context of Rural Economy. Dairy industry is being given importance not merely because of the increase in Milk supply to serve the consuming public with hygienic Milk but also because of the impact it has on the economy of the Small and Marginal Farmers by way of generating larger employment potential and increasing their income level. The Small and Marginal Farmers and Agricultural labourers who may not be able to derive the benefits of Agricultural Programme can look to Dairying as a profitable subsidiary occupation. The approach of the State in promoting the Dairy Industry is to create conditions that would facilitate the major objective of providing improved employment possibilities and income levels for the weaker sections in the rural areas. While the programme of Animal Husbandry emphasise the upgrading of Cattle and provision of animal health facilities, the programmes in Dairying and Milk supply concentrate on establishment of cooling and chilling centres and Milk Powder Factories.

At the beginning of the Medium Term Plan there would be 22 chilling centres, 16 cooling centres, 10 District Dairies, 11 Mini Cooling Centres, 18 Mini Chilling Centres and 4 Mother Dairies at Hyderabad, Vijayawada, Sangam Jagarlamudi in Guntur District and Modern Dairy, Visakhapatnam. While the installed capacity of all the Dairy units was about 5.75 lakh litres of milk per day in 1973-74, this has gone up to 10.25 lakh litres per day at the end of Fifth Plan. Among the programmes taken up by the Animal Health Department cattle development was given highest priority followed by Animal Health. The main objective of the cattle development activities undertaken relates to expansion of artificial Insemination Service in the selected rural areas to regulate the supply of semen to the field units in systematic manner

and to encourage the breeders to feed green fodder and pre-mixed cattle feed to their milch animals for upkeep of health and productivity. About 3.55 lakh additional breedable cows and buffaloes have been covered under the I. C. D. Blocks. As a result of implementation of Animal Husbandry Programmes, the milk production in the State has gone up from 18.30 lakh tonnes in 1973-74 to 20.86 lakh tonnes in 1977-78. The egg production has also increased from 800 millions in 1973-74 to 955 millions in 1977-78. The wool production in the State will increase from 24.00 lakh Kgs. in 1973-74 to 25.76 lakh Kgs. in 1977-78.

### Fisheries :

During the year 1974-75 to 1977-78 the number of Mechanised Boats introduced was 344 as against the target of 345. The Fish Seed Production reached the level of 100 millions of Fry and 50 Millions of Fingerlings as against the targets of 50 Millions and 25 Millions respectively. A scheme for Fresh Water Prawn Culture was taken up at Kavali. An Inland Training Centre was started at Kurnool. The intake capacity of the Marine Fisheries Training Institute, Kakinada was increased from 20 to 75 candidates per year. 40 Private candidates were trained in Fishing Second Hand and Engine Driver's course at Government of India's Training Centres at Madras and Cochin. Another important feature is the introduction of a new procedure for distribution of Mechanised Boats involving institutional finance to cover more beneficiaries. The scheme envisages provision of 15% cost of the Boat as Government Loan 80% by Commercial Banks and other Financial Institutions while the beneficiary should invest 5%. An amount of Rs. 8 lakhs has been paid as share capital to Andhra Fishermen Central Co-operative Society and Hyderabad Fisherman's Central Co-operative Society to strengthen the Co-operation Organisation. An amount of Rs. 5.73 lakhs was utilised to benefit the Fishermen Co-operative Societies by taking up schemes with the assistance of N. C. D. C. Rs. 28.64 lakhs was spent for the purchase of seed and for improvements to Nurseries for increased seed production. The Fishermen fishing with Non-Mechanised contrivances were paid an amount of Rs. 3.45 lakhs towards 25% subsidy for purchase of Craft and Tackle, Rs. 4.50 lakhs was granted towards 50% subsidy for supply of inputs to the Fishermen. An amount of Rs. 11.94 lakhs was sanctioned towards subsidy for construction of 70 large scale tanks in Kollair lake area by obtaining institutional finances from A.R.D.C. A sum of Rs. 0.87 lakh was sanctioned for reclamation and formation of tanks by private individuals and Gram Panchayats. Rs. 11.60 lakhs was sanctioned for providing Roads in Fishing villages. An amount of Rs. 25 lakhs was sanctioned to the Cyclone Victims for purchase of Craft and Tackle as a measure of relief. An amount of Rs. 16.44 lakhs for the welfare of Scheduled Castes and an amount of Rs. 1.03 lakhs for the Welfare of Tribals was spent. As a result of implementation of above measures, the Inland Fish Production reached the level of 1,14,000 M. tonnes as against the target of 1 Million tonnes, while the Marine Fish production was 1,15,000 Million tonnes as against the target of 1,82,000 Million tonnes.

*Forests :*

The following table gives the target and achievement of various plantations during the period 1974-78.

Sl. No.	Plantation	Unit	1974-78	
			Target	Achievement
(1)	(2)	(3)	(4)	(5)
1.	Quick growing species	Hectares	7,375	6,328
2.	Teak .. ..	.. ..	14,182	12,310
3.	Casurina .. ..	.. ..	2,197	2,194
4.	Red Sanders .. ..	.. ..	80	50
5.	Cashew .. ..	.. ..	60	60
6.	Bamboo .. ..	.. ..	4,108	3,981
7.	Eucalyptus .. ..	.. ..	920	627
8.	Coffee .. ..	.. ..	220	220
9.	Silver Oak .. ..	.. ..	650	650
10.	Minor Forest Produce .. ..	.. ..	400	400
11.	Tropical pines .. ..	.. ..	100	98

*Drought Prone Area Programme :*

The Drought Prone Area Programme, aimed at mitigating the incidence of drought, is being implemented in the districts of Anantapur, Chittoor, Cuddapah, Kurnool and Mahboobnagar and in the taluks of Kanigiri, Markapur and Giddalur of Prakasam district and in Deverakonda taluk of Nalgonda district.

*Strategy :*

The Fifth Plan Drought Prone Areas Programme strategy revolved round comprehensive and integrated rural development focussed on agriculture and allied sectors. These areas have to move from a traditional thinking to a new approach which involves not only scientific planning but also considerable change in the attitude of the people. The strategy of development revolved round on optimum utilisation of the major resources namely, land, water and livestock.

The following table will broadly indicate the physical achievements during the Fifth Plan period under this programme.

Sl. No.	Name of Sector	Unit	Achievement from April 1974 up to 1977-78
(1)	(2)	(3)	(4)
<i>I. Agriculture :—</i>			
<i>A. Soil and Water Conservation</i>			
1.	Soil Survey and Mapping	.. Hectares	52
2.	Area treated under Soil Conservation	Hectares	1,140
<i>B. Crop Husbandry:—</i>			
1.	Area covered under improved Farm Practices	..	
	(a) Irrigated	.. Hectares	6,413
	(b) Dry	.. Hectares	10,603
2.	Inputs :		
	(a) Fertilizers	.. Tons	1,14,228
	(b) Seeds	.. Tons	7,226
	(c) Pesticides	.. Tons	5,004
	(d) Implements	.. No.	3,905
<i>II. Irrigation :</i>			
	(a) Surface Irrigation Works : Irrigation potential	.. Hectares	14,473
	(b) Ground Water Development Irrigation potential	.. Hectares	4,641
<i>III. Forestry and Pasture :</i>			
1.	Afforestation Area covered	.. Hectares	7,093
2.	Social Forestry	.. Hectares	5,288
3.	Pasture Area Developed	.. Hectares	15,986

(1)	(2)	(3)	(4)
<b>IV. Animal Husbandry :</b>			
<b>A. Cattle and Dairy Development</b>			
1.	Milk Animal Distribution	No.	9,493
2.	Calves From Targugn Artificial insemination	No.	19,316
3.	Milk Societies Established	No.	120
4.	Average milk collected per society per day	Litres	2,160
5.	Fodder Development Area covered	Hectares	337
<b>B. Sheep Development:</b>			
1.	Cross breed Rams distributed from Ram Multiplication Farms	No.	2,887
2.	Pregency Born with Farmers	No.	25,805
3.	Sheep Co-operative Societies Establishment	No.	61
<b>C. Poultry Units Establishment :</b>			
		No.	307
<b>V. Horticulture :</b>			
1.	Fruit Trees planted		
	(a) No. of trees	No.	13,630
	(b) Area	Hectares	672
2.	Area under vegetables	Hectares	10,760
<b>VI. Fisheries :</b>			
1.	Nurseries Developed	Hectares	5
<b>VII. Sericulture :</b>			
	Area under mulberry cultivation	Hectares	2,653

The central assistance received from the Government of India was Rs. 12.13 crores. In the State's plan a provision of Rs. 12.08 crores towards its share was provided. Against this the total expenditure incurred up to 1977-78 was of order of Rs. 22.17 crores.

*Investments in the Agricultural Financial Institutions :*

The Government have been investing in the ordinary debentures of the Andhra Pradesh Co-operative Central Agricultural Development Bank in support of its long Term Credit programmes for Agricultural Development. The Long-Term Credit requirements for Agricultural Development, Land Development, Minor Irrigation and other diversified purposes viz., Dairying, Sheep rearing, Fishery Development etc., have been provided by the Andhra Pradesh Co-operative Central Agricultural Development Bank during the Fifth Plan period. The Long Term Credit provided in 1977-78 was of the order of Rs. 47.65 crores as against Rs. 10.47 crores in 1973-74.

The achievements in the issue of Long Term Loans during the Fifth Five-Year Plan under the normal loaning programme and the A.R. D. C. assisted Special Loaning Programme are as detailed below :

Year	Loans issued (Rs. in crores)		
	Normal	Special A.R.D.C.	Total
(1)	(2)	(3)	(4)
Base Year 1973-74 (Actuals)	.. 5.23	5.24	10.47
1974-1975 (Actuals)	.. 10.21	8.45	18.66
1975-1976 (Actuals)	.. 11.08	16.16	27.24
1976-1977 (Actuals)	.. 12.95	20.38	33.33
1977-1978 (Actuals)	.. 9.39	38.29	47.68

The disbursements made during the Fifth Plan so far reveal that the accent of the A. R. D. C. Schemes is on the increase. In the coming years also the A. R. D. C. assisted schemes would constitute 80 to 90 per cent of the total loaning programmes.

The A.P.C.C.A.D.B. has been pursuing the objective of diversifying its loaning operations so as to provide financial assistance not only for farmed development but also allied activities aiming at improving the economy of agriculturists especially Small and Marginal Farmers. The A. P. C. C. A. D. B. has been observing the stipulation that 50% of the advances should be made to small farmers under A. R. D. C. schemes. The stipulation that 15% and 3% of all loans should be issued to Scheduled Castes and Scheduled Tribes respectively is also being observed by the A. P. C. C. A. D. B. The loans advanced to Small farmers constituted 47% of the total advance in 1977-78.



**Land Development and other purposes: Details of Loans Issued :**

The following are the year-wise details of loans issued for Land Development and other purposes during Fifth Five-Year Plan (1974-78).

(Amount Rs. in Lakhs)

Year	Command Area Development		Wells		Pumpsets		Tractors		Other diversified purposes	Total
	Amount	Acres developed	Amount	No.	Amount	No.	Amount	No.		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1974-75	88	17,600	484	22,544	266	7,512	82	210	946	1,866
1975-76	69	13,800	635	22,995	376	8,581	678	1,380	966	2,724
1976-77	702	1,40,400	810	26,926	532	9,866	763	1,279	526	3,333
1977-78	172	24,629	1,274	36,598	927	23,317	640	1,139	1,755	4,768
<b>Total</b>	<b>1,031</b>	<b>1,96,429</b>	<b>3,203</b>	<b>1,09,063</b>	<b>2,101</b>	<b>48,276</b>	<b>2,163</b>	<b>4,008</b>	<b>4,193</b>	<b>12,691</b>

A total financial assistance of Rs. 1,004.56 lakhs was provided during the Fifth Plan period towards investments in ordinary and special debentures of the A. P. C. C. A. D. B.

*Co-operation :*

Under Co-operation an expenditure of Rs. 523.72 lakhs towards borrowings from the Reserve Bank of India for share capital contribution to Co-operative Credit institutions and Rs. 626.09 lakhs towards other Co-operative schemes have been incurred. Under other Co-operative schemes an expenditure of Rs. 138.00 lakhs on Consumer Co-operatives, Rs. 89.00 lakhs on Credit Co-operatives and Rs. 61.00 lakhs on Warehousing and Marketing Co-operatives, Rs. 60.00 lakhs on Processing Co-operatives, Rs. 66.00 lakhs on Farming Co-operatives, Rs. 29.00 lakhs on Labour Co-operatives and Rs. 152.00 lakhs on other weaker sections co-operatives has been incurred. The disbursement of short term loans has gone up from Rs. 70.00 crores to Rs. 84.72 crores in 1977-78.

*Irrigation :*

The revised Fifth plan provision for Irrigation sector was Rs. 286.33 crores while the expenditure incurred during the Fifth Plan period (1974-78) amounted to Rs. 285.23 crores. The expenditure incurred on Nagarjunasagar Project (Rs. 79.15 crores), Pochampad Project (Rs. 70.18 crores) and Godavari Barrage (Rs. 29.17 crores) accounted for the bulk of the outlay. Other major and medium irrigation projects accounted for an expenditure of Rs. 88.20 crores, followed by Drainage and Flood control (Rs. 17.45 crores) and Andhra Pradesh Construction Corporation (Rs. 3.50 crores). A brief account of the achievements in the Irrigation sector is given below :

*Nagarjunasagar :*

An expenditure of Rs. 79.15 crores was incurred on Nagarjunasagar Project during the Fifth Plan period as against a revised provision of Rs. 79.16 crores. The revised cost of this project is Rs. 434.46 crores as against which the cumulative expenditure up to the end of 1977-78 amounted to Rs. 270.04 crores. While the ultimate ayacut of Nagarjunasagar Project was about 8.67 lakh hectares, the potential created up to the end of 1977-78 was 5.01 lakh hectares.

*Pochampad :*

Expenditure in the Fifth Plan period on the Pochampad Project was Rs. 70.18 crores as against a revised provision of Rs. 70.19 crores. The revised cost of this project is Rs. 308.00 crores while the cumulative expenditure to the end of 1977-78 amounted to Rs. 129.60 crores. The ultimate ayacut under the Pochampad Project including Manair Dam was 2.67 lakh hectares. As against this a total potential of 1.03 lakh hectares has been created up to the end of 1977-78.

*Godavari Barrage :*

The expenditure incurred on the Godavari Barrage during the Fifth Plan period amounted to Rs. 29.22 crores which exceeded the revised

provision of Rs. 28.14 crores. The total cost of this project was estimated at Rs. 60.00 crores while the cumulative expenditure up to the end of 1977-78 was Rs. 32.91 crores. This project has been under-taken to replace the existing anicut on Godavari which was constructed 120 years ago and which was breached during 1976.

*Other Major and Medium Irrigation Projects :*

An amount of Rs. 88.21 crores was provided in the revised Fifth Plan period for the other Major and Medium Irrigation Projects. The expenditure during the 1974-78 amounted to Rs. 88.20 crores i.e. Five Major Projects viz., Vamsadhara Project Stage-I, Thungabhadra Project High Level Canal Stage II, Nizam Sagar, Vamsadhara Stage-II and Somasila Project were among the other Major Projects under execution during Fifth Plan period. The total cost of these projects is about Rs. 179.31 crores as against which an expenditure of Rs. 52.81 crores has been incurred up to the end of the Fifth Plan period since the inception of the projects. The ultimate ayacut of these projects is about 2.74 lakh hectares, excluding Nizamsagar which relates to stabilisation of existing ayacut. The potential created up to the end of the Fifth Plan period was 0.51 lakh hectares.

Among the Medium Irrigation Projects there were 31 Projects estimated to cost Rs. 140.48 crores. The cumulative expenditure on these projects up to the end of the Fifth Plan period amounted to Rs. 48.17 crores. The ultimate ayacut of the Medium Projects is 2.43 lakh hectares as against which a potential of 0.46 lakh hectares was created by the end of Fifth Plan period.

*Flood Control and Drainage :*

The revised provision of the Flood control and Drainage Scheme was Rs. 17.63 crores as against which an amount of Rs. 17.45 crores was spent. The Krishna and Godavari delta drainage schemes which were taken up for execution during 1969-70 under Non-Plan have been included as plan schemes in the Fifth Plan period as recommended by the Sixth Finance Commission. The total cost was estimated at Rs. 69.00 crores under Stage-I and II while the cumulative expenditure up to the end of the Fifth Plan amounted to about Rs. 34.75 crores since inception. While about 3,500 Km. length of drains have been improved during the Fourth Plan period benefiting an area of 3.04 lakh hectares, another 3,000 Km. length of drains to protect an area of 2.32 lakh hectares during the Fifth Plan have almost been completed.

*Andhra Pradesh Construction Corporation :*

The Andhra Pradesh Construction Corporation Limited has been formed as a public sector institution to take up the work relating to execution of the Major Irrigation and Power Projects in the State so that the Government need not depend on middle men like contractors for the execution of the Projects. An amount of Rs. 3.50 crores has been invested by the State Government in 1977-78 as the Government's contribution to the share capital of the Corporation. The Andhra Pradesh Construction Corporation has taken up execution of works in the Nagarjunasagar Project Left Bank Canal, Pochampad and Srisailem Projects etc.

**Power :**

The revised provision for the power sector for the years 1974-75 to 1977-78 was Rs. 395.18 crores. The expenditure during this period on the power programmes amounted to Rs. 384.50 crores. The scheme-wise details of the Fifth Plan expenditure on power sector are given below:

(Rs in crores)

Sl.No.	Project	Total expenditure 1974-78
(1)	(2)	(3)
<b>I. Hydro-electric Schemes:</b>		
<i>Continuing</i>		
1.	Srisaïlam .. .. .	82.43
2.	Lower Sileru .. .. .	61.32
3.	Nagarjunasagar (Conventional) .. .. .	7.11
4.	Nagarjunasagar (Pumped storage) .. .. .	0.66
5.	Upper Sileru-11 .. .. .	1.01
<i>New</i>		
6.	Andhra Pradesh Power House at Balimela .. .. .	0.39
7.	Nagarjunasagar Right Canal .. .. .	0.10
Total-I .. .. .		153.02
<b>II. Thermal Schemes :</b>		
<i>Continuing</i>		
8.	Kothagudem—Stage—III and Spill-over .. .. .	4.38
9.	Kothagudem Stage-IV .. .. .	69.20
10.	Vijayawada T. S. .. .. .	70.16
<i>New</i>		
11.	Mangur Super Thermal Station .. .. .	0.03
Total-II .. .. .		143.77
<b>III. Transmission &amp; Rural Electrification etc:</b>		
12.	Transmission .. .. .	34.83
13.	Rural Electrification .. .. .	52.42
14.	Investigation .. .. .	0.46
Total-III .. .. .		87.71
GRAND TOTAL : I+II+III .. .. .		384.50

An additional installed capacity of 895 M.W. has been created in the State during the Fifth Plan period consisting of 345 M.W. under lower Sileru Hydro Electric Project, 110 M.W. under Nagarjunasagar Hydro Electric Scheme, 220 M.W. under the Kothagudem Thermal Scheme Stage-III and 220 M. W. under the Kothagudem Thermal Scheme Stage-IV. The installed capacity has increased from 668 M.W. at the end of Fourth Plan to 1563 M.W. at the end of 1977-78.

The number of towns and villages electrified in the State increased from 10,485 at the end of the Fourth Plan to 14,876 by the end of 1977-78. Since all the towns in the State were already electrified earlier, the increase of 4,391 relates to electrification of new villages only. About 65,130 Agricultural pumpsets have also been energised during the Fifth Plan period raising the total number of Agriculture connections in the State to 3.27 lakhs by 1977-78.

#### *Large and Medium Industries:*

Under large and Medium Industries as against an outlay of Rs.16.42 crores an expenditure of Rs. 15 .66 crores was incurred. The programmes implemented by the Departments are discussed below.

#### *Director of Industries :*

With a view to attracting location of more industrial units in the State and also to encourage the local entrepreneurs to set up various industries, Government of Andhra Pradesh have introduced a scheme of State Incentives to Industries by way of refund of Sales Tax, and grant of power subsidy. This scheme is applicable to industrial units started production after 1-1-1969 and up to 31-12-1975 and also those units which had substantial expansion programme.

Subsequently, Government have revised the pattern of incentives for all new industrial units and also for expanded units that had gone into production on or after 1-1-76 by way of grant of 10% on the fixed capital cost as investment subsidy to all units set up in areas declared as backward under Six Point Formula and 20% Investment Subsidy in declared Tribal areas, grant of interest free Sales Tax Loan to the extent of 10% on capital investment to all new units set up in the State except in the Municipal Corporation of Hyderabad, Secunderabad, Visakhapatnam, and Vijayawada and grant of Interest Subsidy to all Techno-crafts and Self-employment ventures to set up new industrial units.

During the plan period 1974-78, 123 large Scale Industries and Medium Industries and 1091 Small Scale Industrial Units were granted incentives to an extent of Rs. 231 .27 lakhs and Rs. 168 .30 lakhs respectively.

The Andhra Pradesh Industrial Infrastructure Corporation is in-charge of formation and development of various industrial estates, Assisted Private Industrial Estates and Auto nagars in the State.

### *Andhra Pradesh Industrial Development Corporation:*

A. P. I. D. C. has been playing an increasingly important role towards industrial development and balanced regional growth of Industry in Andhra Pradesh. The Corporation started with an authorised share capital of Rs. 25.00 crores and paid up capital of Rs. 18.05 crores.

The Corporation has about 150 units both under implementation and in production, accounting for a total investment of Rs. 50,000 lakhs, providing employment to 1,55,000 persons. The assistance of A. P. I. D. C. in these units is of the order of Rs. 3310.00 lakhs. Out of these 40% are in the backward areas, accounting for Rs. 1934.71 lakhs (60%) of APIDC's assistance. The largest (52) number of units are agro and forest based which generate a high order of indirect employment. This is followed by engineering 26, chemicals 25, Mineral & Metallurgical 21 and Electronics 17 units.

In terms of implementation, many of the important units in Andhra Pradesh have made significant progress most note-worthy being the Rs. 41.00 crores Sri Rayalaseema Paper Mills Ltd. Amongst other subsidiaries and joint ventures, A. P. Carbides, Hyderabad Connections, A. P. Rayons, Deccan Fibre Glass, A. P. Lightings, Mango Processing unit at Nuzvid, Krishna and Salt Complex, Naupada in Srikakulam district too have made note-worthy progress. M/s. Southern Transformers & Electricals Ltd., has signed the Memorandum of understanding with NGEF, Bangalore for implementation of this project in joint sector.

### *Units gone into production:*

Several units of the A. P. I. D. C. have gone into production. These include Nagarjuna Steels in Pattancheru near Hyderabad, A. P. Tanneries Ltd., in Vizianagaram, Pioneer Alloy Castings Ltd., Chittoor Detergents India Ltd., Cuddapah, Godavari Plywoods Ltd., Rampachodavaram, Coramandel Agro Products Ltd., Prakasam district, Coastal Chemicals Ltd., Visakhapatnam, R. G. Foundry Forge Ltd., Hyderabad., A.P. Steels Ltd., Khammam.

### *State Finance Corporation :*

The main activity of the Corporation is term lending. It finances all types of units that are coming under its purview in private sector if they are found technically sound and financially viable.

The following table will show the achievements of the Corporation during the Plan period.

		(Amount in Rs. lakhs)				
Sl. No.	Particulars	1973-74	1974-75	1975-76	1976-77	1977-78
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Sanctions	828.37	993.31	1,265.96	1,510.25	2,162.08
2.	Disbursements	409.12	571.15	682.05	735.99	1090.15
3.	Sanctions to Small Scale Units	533.48	588.50	760.60	938.41	1270.09
4.	Sanctions in Backward Districts	284.27	503.45	565.41	739.37	919.64

*Village & Small Scale Industries :*

The Director of Industries is in charge of development of Small Scale Industries, Handicrafts, Coir Industry, Industrial Co-operatives, besides the assistance to such industries by the Andhra Pradesh Small Scale Industrial Development Corporation. The Andhra Pradesh Leather Industries Development Corporation is in charge of the Leather Industry and the Handlooms and Textiles Department implements programmes for Handlooms and Textiles.

*Director of Industries :*

1. Industrial Testing and Development for Engineering materials and products at Visakhapatnam.
2. Industrial Testing Laboratory, Musheerabad.
3. Mineral Testing Laboratory, Cuddapah.

With the continuous effort by the Government and other development agencies for industrial promotion and subsequent growth of industries in the State, the need for providing Testing facilities for raw materials and products has assumed great urgency. Testing facilities for ensuring quality of products is one of the services mostly required by the Small Scale Industries in particular to improve their sales in modern markets where consumers are increasingly becoming quality conscious. The Small Scale Industries can not afford to have their own testing facilities because of their financial constraints. In view of this felt need, the Industries Department have set up three testing laboratories in the field of Engineering, Chemicals and Minerals at Visakhapatnam, Hyderabad and Cuddapah. The Testing Laboratory for Engineering Materials and products at Visakhapatnam has already gone into service and the other two laboratories are ready to go into service shortly.

The Laboratories would not only help the existing Small Scale Industries in the standardisation and quality control of their materials and products but would also help the entrepreneurs to solve their technological problems in different fields and their contribution to the growth and promotion of Small Scale Industries in the State.

*Self-Employment Schemes :*

The scheme was started during the year 1971-72 under the Self Employment Programme with the object of providing employment opportunities to the educated unemployed by setting up Village and Small Scale Industries including service activities, small business ventures etc. Under this programme, so far about 11,000 units are put on ground with an investment of 21.00 crores providing employment to over 42,000 persons. During the period 1974-78, 6243 units were put on ground providing employment to over 29,000 persons.

*Development of Karimnagar District through Science and Technology :*

The C.S.I.R., New Delhi has adopted Karimnagar District to demonstrate the application of Science and Technology for Economic Development.

The Regional Research Laboratory, Hyderabad in collaboration with the Director of Industries in the matter of development of Industries in the district is preparing project profiles for facilitating investment decisions. The Department is making necessary funds available to the Director, R.R. Laboratory for purchase of necessary equipment for demonstration of modern processes to get better yields.

The following are some of the developmental activities taken up in the district. Setting up modern rice mills, bone mills, citronella plantation, egg powder plant, solvent extraction of rice bran, small scale tanneries, edible groundnut, Mini Paper Plant etc.

#### *Handicrafts :*

In the Handicrafts sector, developmental activities cover training, quality control, research and improvement of design, marketing and production to meet the growing demand within the State and abroad.

#### *Scheme for providing working capital loan and share capital loan, subsidy etc., to Handicrafts Artisans Societies :*

Working capital loan and managerial assistance and subsidy for purchase of tools and equipment for Co-operative Societies were sanctioned. So far, 74 societies have produced goods worth about Rs. 25.00 lakhs annually.

#### *Coir Industry :*

There is great scope for development of Coir Industry in West Godavari, East Godavari and Srikakulam Districts where raw materials are available in plenty.

The following Coir Schemes have been set up to benefit the artisans and develop coir industry.

Training-cum-production Centre in Coir Retting, Baruva.

Training-cum-production Centre in Coir Retting at Pothavaram, East Godavari District.

Scheme for Mechanised Coir Yarn, Spinning and Rope making at Narsapur, West Godavari District.

Under the above schemes, so far 42 artisans are trained in Coir Industry.

#### *Share Capital loan to members of Industrial Co-operatives :*

In order to provide assistance to various artisans especially in rural areas, semi-urban areas, the Department have organised Industrial Co-operative Societies which have been provided necessary financial assistance. The schemes undertaken by the Department are such as, providing managerial assistance, grant of concessional rate of interest, share capital assistance etc,



Under the Andhra Pradesh Small Scale Industrial Development Corporation capital participation Schemes, quick impact industrial scheme and hire purchase schemes, 46 industries have gone into production, and when all the remaining 45 schemes are pushed through, they will create an employment potential of about 9,900.

Several self employment opportunities have also been created in Leather Industries Development Corporation sector, besides improving the quantity of production of leather goods at the various leather goods manufacturing centres in the State.

Handlooms, powerlooms, sericulture and textiles also played an important role both in the case of production of goods and generation of employment to several weavers. The Co-operatives in this field were also benefited to the maximum extent.

Under the Mining Corporation programme the production of Barytes, Asbestos and Ball Clay during the period 1974-78 was 1,61,710 tonnes and the value of sales was to the tune of Rs. 113.23 crores.

The production of coal at the beginning of the Fifth Plan was 53.12 lakh tonnes per annum and the expansion under the Fifth Plan envisages reaching of an annual production level of 100 lakh tonnes by the end of 1978-79. During the year 1977-78 the company achieved a production of 89.12 lakh tonnes. The employment in the company is of the order of 58,503 persons. A capital outlay of Rs. 83.90 crores is envisaged for the company during the Fifth Plan period. Of this, the State Government have invested a sum of Rs. 7.00 crores towards their share as equity.

## TRANSPORT AND COMMUNICATIONS

### *Minor Ports :*

An amount of Rs. 177.07 lakhs was incurred on the development of minor ports in the State during Fifth Plan period as against a revised provision of Rs. 177.00 lakhs for the period 1974-78. The schemes covered the ports of Kakinada, Machilipatnam and Krishnapatnam.

### *Roads :*

A major part of the total net work of roads in Andhra Pradesh is under the control of R. & B. Department. The total length of State roads under the control of Roads and Buildings Department as on 1-4-1974 was 21,360 Kms. This has risen to 28,766 Kms. at the end of 1976-77. Under Rural Roads, according to the details collected at the beginning of Fifth Plan, there are 7,968 villages with a population of 1,500 and above and out of this 3,900 villages are not connected by pucca roads. During Fifth Plan period rural roads to a length of 100 Kms. under new formation and 332 Kms. under Metalling and improvements have been laid covering 205 villages. Thus at the end of Fifth Plan 1977-78 there were 3,695 villages with a population of 1,500 and above which were yet to be connected with pucca roads,

**Road Transport :**

An expenditure of Rs. 59.72 crores was incurred on Road Transport against the revised provision of Rs. 63.14 crores. The expenditure has been incurred by the Andhra Pradesh State Road Transport Corporation and has been financed from its depreciation funds, retained profits and contribution of the State Government. The Corporation introduced 3,289 new vehicles during the period under review towards replacing of overaged vehicles and augmentation of its fleet of passenger vehicles.

**Tourism :**

A revised provision of Rs. 36.56 lakhs has been made in the State's Fifth Plan period for the development of tourism. The expenditure incurred during the period amounted to Rs. 35.58 lakhs *i.e.*, 97.3%. The amount was spent on the development of tourist rest houses in different parts of the State.

**Social Services :**

Andhra Pradesh is one of the backward States in the country in terms of provision of Social Services facilities. The State had to suffer heavily in terms of provision of Social Services facilities on account of very high priority accorded for Irrigation and Power sectors in its plans.

**Education :**

The allocation for general education in the revised Fifth Plan would only to Rs. 2,329.51 lakhs of which Rs. 1,100.00 lakhs was for Elementary Education. With this allocation the original targets for enrolment could not be achieved.

The percentage of enrolment in the age group 6-11 and 11-13 was 71.1% and 27.9% respectively as against the original target of 90% and 50%. A mid-term evaluation of achievement of the targets during 1976-77 revealed that 72% and 30.7% of enrolment was achieved during the period 1974-75 to 1975-76. For 2 years there was an achievement of 0.9% only. This trend of enrolment indicated that at this rate the draft plan targets would not be achieved. Hence, based on the practical experience, the physical targets for Fifth Plan period were revised on the basis of increased enrolment in the previous years and the academic and financial inputs that are likely to flow into the field. A revised target of 76.3% and 39.3% were fixed to be achieved by the end of Fifth Plan period namely 1978-79 in the age group 6-11 and 11-13 respectively. As against the revised target of 76.3% by 1976-77, 75% enrolment has been achieved *i.e.*, 3.5% of additional enrolment has been achieved during 1976-77 alone surpassing the annual increase in the previous years. This 3.5% additional enrolment constitutes 2.40 lakhs children additionally enrolled during 1976-77. Similarly, 60,226 children were enrolled in the age group 11-13 increasing the percentage by 2.3%. This achievement is largely due to the following steps taken during 1976-77 :—

- (1) 6% additional enrolment drive launched during 1976-77 ;

- (2) Opening of 998 Schools in the School-less Centres by re-deployment of surplus teachers based on 1 : 40 teacher-pupil ratio ;
- (3) Starting of 100 Evening/Night Primary Schools ;
- (4) Sanction of Rs. 10,00,000 towards incentive schemes such as book-grants, uniforms and attendance scholarships for girls, and specially those belonging to the children of Scheduled Castes and Scheduled Tribes and other weaker sections of the society and girls ;
- (5) and by staggering vacations and holidays to suit the needs of the rural children to control and attend the school regularly.

By 1977-78 there were 27.74 lakhs of boys and 19.02 lakhs girls totalling to 46.76 lakhs of children in classes I-V leading to the enrolment of 84.29% of boys 60.3% girls, aggregating to 72.6% of enrolment in the age group 6-11. Similarly, there were 5.03 lakhs of boys and 2.45 lakhs of girls totalling to 7.48 lakhs enrolled in classes VI and VII (11-13), leading to 39.5% and 19.8% enrolment of boys and girls, with an average of 29.8% enrolment in this age group.

#### *Higher Education :*

In the field of higher education, State-wide schemes like, strengthening of the Directorate, Director of S.J.G.C. Kurnool, Development of Collegiate Cell in the S.C.E.R.T., Hyderabad, development of Telugu Language and Book Production for Degree Colleges etc., were implemented. 49 Junior Colleges were opened during the Fifth Plan period. Under Junior Colleges all new colleges started were maintained besides giving grants-in-aid to Private Junior Colleges. Under University Education, construction of permanent buildings for 12 Government Degree Colleges besides strengthening the existing Degree Colleges and payment of grants-in-aid to certain private Degree Colleges have been undertaken. Government Degree Colleges have also been started besides taking over the management of 4 Private Degree Colleges by Government. Under the Sub-Plan for the welfare of Scheduled Castes the Government have sanctioned an amount of Rs. 3.70 lakhs towards providing free coaching classes to Scheduled Castes and Scheduled Tribes students and also for opening of book banks in certain select Degree Colleges to the benefit of Schedule Castes and Schedule Tribes students.

#### *Technical Education :*

There were 7 Engineering Colleges with an intake of 1370 students at the beginning of the Fifth Plan. During the Plan period one more College was added taking the number of Colleges in the State to 8. With this the number of intake of students has also been increased to 1550.

During the Fifth Plan period Sri Padmavathi Womens Polytechnic Tirupati with Diploma courses in Commercial Practice, Catering and Food Technology, Pharmacy and Electronics Engineering and an Institute of Printing Technology in Secunderabad were started. Besides this, a

number of new and diversified courses have also been introduced during the Fifth Plan in the existing institutions. They are indicated below :

Sl. No.	Name of the Scheme	Year of Implementation	Intake
(1)	(2)	(3)	(4)
<i>New Institutions :</i>			
1.	Sri Padmavati Women's Polytechnic, Tirupati in Private Sector under the Management of Tirumala Tirupati Devasthanams	1975-76 1977-78	60 50
2.	Institute of Printing Technology, Secunderabad	1977-78	60
<i>Existing Institutions</i>			
1.	Part-time Diploma Courses in Civil Engineering and Electronics and Communication Engineering at Government Polytechnic, Hyderabad	1975-76	40
2.	Part-time Diploma Courses in Civil Engineering at Andhra Polytechnic, Kakinada	1975-76	20
3.	Diploma Course in Electronics and Communication Engineering at Sri Venkateswara Government Polytechnic, Tirupati	1975-76	30
4.	Diploma Course in Commercial Practice at Government Polytechnic, Srikakulam	1975-76	30
5.	Diploma Course in Commercial Practice at Government Polytechnic, Nellore	1975-76	30
6.	Sandwich Diploma Course in Metallurgy at Jawaharlal Nehru Government Polytechnic, Hyderabad	1977-78	15
7.	Sandwich Diploma Course in Chemical Engineering at Jawaharlal Nehru Government Polytechnic, Hyderabad	1977-78	15
8.	Diploma Course in Pharmacy at Government Polytechnic for Women, Guntur	1977-78	20
9.	Part-time Diploma Course in Civil Engineering at Government Polytechnic, Visakhapatnam	1977-78	30

(1)	(2)	(3)	(4)
10.	Increased intake into Part-time Diploma Course in Mechanical Engineering at Government Polytechnic, Visakhapatnam	1977-78	20
11.	Sandwich Diploma Course in Sugar Technology at Government Polytechnic, Visakhapatnam	1977-78	15
12.	Sandwich Diploma Course in Sugar Technology at Government Polytechnic, Nizamabad	1977-78	15
13.	Sandwich Diploma Course in Sugar Technology at S. V. Govt. Polytechnic, Tirupati	1977-78	15

### MEDICAL AND HEALTH

The Fifth Plan aimed at providing minimum public health facilities integrated with family welfare and nutrition for vulnerable groups children Pregnant women and nursing mothers. The accent of the schemes during the period has been on (i) increasing the accessibility of health services to Rural areas, (ii) intensification of the control and Eradication of communicable diseases, especially small-pox malaria, leprosy, (iii) qualitative improvement in Education and training of health personnel and (iv) attempts to develop referral services by providing specialist attention to common diseases in rural areas. An amount of Rs. 543.12 lakhs was spent on the Medical Schemes while an amount of Rs. 526.64 lakhs was incurred on the health schemes. Among the physical achievements, addition of 596 beds to various Taluk hospitals and opening of 60 Dental clinics in selected taluk hospitals deserve mention. New dispensaries were opened at 13 places in the State. Bed strength in hospitals at the District level was increased by adding 250 beds. In about 7 teaching hospitals and District head quarters hospitals 301 beds were added, besides making improvement, to teaching hospitals. At Places like Sattupalli, Pentuballi, Vayalpad Bellampalli and Mancheril, construction of 30 bedded hospitals was taken up. As a result of the above the number of allopathic hospitals in the State has gone up from 245 to 305 at the end of Fifth Plan. The number of doctors in the State has also gone up from 3525 at the end of Fourth Plan to 3724 at the end of Fifth Plan. The bed strength in the State in 1974 was 22917 against 21945 in 1969. Women assistance surgeons were added at 24 taluk hospitals. A scheme for the employment of 100 Honorary Medical Officers was implemented. For the use of District Head-quarters hospitals 22 new Ambulances were purchased during 1974-78. Specialised units/wards for Nephrology, Cardiology, Neurology, and Intensive Respiratory units were started at some of the selected hospitals in the State. Additional wards were opened and additional staff was sanctioned. 'X' Ray Units were added at some selected hospitals and Blood Banks were established at some of the important places under the Medical schemes implemented during 1974-78.

Of the Public Health Schemes, Commissioning of Tetanus Toxioid unit at Nacharam during 1976-77 the most important work under taken. Due to the increased incidence of Malaria, substantial amounts were provided under T.B. Control Programme, X-Ray equipment, Dark room Accessories and chemicals, laboratory equipment and two jeeps were provided to the District T.B. Centre at Ongole. The Five Units at Nellore, Eluru, Mahbubnagar, Kakinada and Nizamabad, under the cholera control Programme were taken up, besides organising a Public Health laboratory at Ongole during 1976-77. A Mobile Fluorosis unit and one surveillance unit were also started. A scheme was taken up for the defluoridation of drinking water in Prakasam and Nalgonda Districts. Under Filaria control Programme one Rural Filaria Project at Srikakulam was started. In Medical Colleges at Warangal, Kakinada, and Tirupathi provision has also been made to train 100 Sanitary Inspectors during 1977-78. They are undergoing training in these colleges.

#### Urban Water Supply :

In Andhra Pradesh the major effort is to ensure provision of water supply to all the urban areas. Augmentation of water supply in certain urban areas and taking up of water supply schemes in areas where there is no water supply facility are the two main approaches followed in solving the problem. Besides, the Municipal Corporation of Hyderabad, there are in all 83 Municipalities in the State. The Public Health Engineering Department is incharge of providing water supply and drainage schemes in the twin cities of Hyderabad and Secunderabad and the Municipalities in the State. During the Fifth Plan period 1974-78 a total amount of Rs. 3,513.95 lakhs was provided and an expenditure of Rs. 2,373.02 lakhs was incurred. The details of provision and the expenditure are as following :

		(Rs. in lakhs)	
Sl. No.	Programme	Provision 1974-78	Expenditure 1974-78
(1)	(2)	(3)	(4)
1.	Hyderabad Water works including Manjeera Water Supply Scheme (Phase-II) and other Projects .. .. .	1,957.00	1,229.78
2.	Meghadrigedda Water Supply Scheme .. .. .	323.00	356.67
3.	Water Supply Schemes in Municipalities :		
	(1) State's share .. .. .	470.00	348.79
	(2) L.I.C. funds .. .. .	752.00	427.00
4.	Revalidated Special Telangana Development funds .. .. .	11.95	10.78
	Total .. .. .	3,513.95	2,373.02

*Hyderabad Water Works including Manjeera Water Supply Scheme Phase-II and Other Projects :*

To meet the ever increasing demand of water supply to the twin cities of Hyderabad and Secunderabad and the industries in and around, the Manjeera Water Supply Scheme Phase-II was taken up to yield an additional quantity of 33 Mgpd. at an estimated cost of Rs. 12.05 crores. Remodelling of the distribution system in the twin cities has also been taken up at an estimated cost of Rs. 8.72 crores to distribute the additional water from the Manjeera Water Supply Scheme Phase-II. In addition in order to further augment the water supply to the city, Singoor Project as a Part of Manjeera Water Supply Scheme Phase-III was also taken up. All these works are in progress. Due to initial defect there was set back in manufacturing of pipe which resulted in heavy shortfall under these projects.

*Mehadrigadda Water Supply Scheme :*

With a view to augmenting water supply to the fast developing areas and industries in and around Visakhapatnam, Mehadrigadda reservoir scheme was taken at an estimated cost of Rs. 528.00 lakhs to supply 7 million gallons of water per day. During the Fifth Plan period an amount of Rs. 323.00 lakhs was provided and an expenditure of Rs. 356.67 lakhs was incurred. All the other works are in progress.

*Water Supply Schemes in Municipalities :*

Out of 83 Municipalities, 49 were provided with protected water supply facilities by the end of the Fourth Plan. In the Fifth Plan Period 1974-78 Rs. 1,233.95 lakhs was provided including the amount of assistance expected from L.I.C. to an extent of Rs. 752.00 lakhs. Due to delay in release of loans by the State Government, as well as by the L.I.C. an expenditure of Rs. 7.86 crores was incurred. With the above outlay, Water Supply facilities were provided in 20 more municipalities, thus bringing the total number of Municipalities covered with water supply to 69 at the end of 1977-78.

Under Special Development Funds for Telangana an amount of Rs. 11.95 lakhs was provided and an expenditure of Rs. 10.78 lakhs was incurred on the water supply schemes. The water supply scheme in Zahirabad besides the 7 protected water supply schemes of the former Town Committees were commissioned during the period under review.

*Rural Water Supply :*

At the beginning of the Fifth Plan 21,742 habitations comprising 5,280 difficult and problem villages, 6,156 Harijanwadās, 1,500 Harijan Colonies and 8,806 other villages and hamlets had no drinking water facilities. The amounts allotted under the plan have been spent on creating the three types of drinking water sources viz., open wells, bore wells and piped water supply schemes. An amount of Rs. 37.00 lakhs on digging open wells ; Rs. 653.10 lakhs on bore wells and Rs. 306.51 lakhs on the Piped Water Supply Schemes was incurred. On the physical side 175 Piped Water Supply Schemes were completed and maintained

during the period under review. The number of bore wells drilled during the period was 10,400 while the number of open wells dug was 500. These programmes have extended the facility of drinking water to 9,791 villages. Thus at the end of Fifth Plan period 11,951 villages have yet to be provided with drinking water facilities.

*Housing :*

The Housing Schemes and Programmes in the State are being implemented by different agencies. During the Fifth Plan Period an amount of Rs. 2,298.26 lakhs was provided and an expenditure of Rs. 2,189.62 lakhs was incurred. The amount provided and the expenditure incurred, agency-wise is indicated in the following statement :—

(Rs. in lakhs)

Sl. No.	Agency	Provision during 1974-78	Expenditure during 1974-78
(1)	(2)	(3)	(4)
1.	Director of Harijan Welfare (House-sites for land-less labourers etc.)	1,170.00	1,127.75
2.	Andhra Pradesh Housing Board	708.39	708.39
3.	Andhra Pradesh Police Housing Corporation	155.00	155.00
4.	Rental Housing Scheme (C.E. R. & B.)	73.38	66.37
5.	Andhra Pradesh Scheduled Caste and Scheduled Tribe Co-operative Housing Federation	40.00	29.23
6.	Subsidised Industrial Housing Scheme (Commissioner of Labour)	40.00	31.03
7.	Slum clearance scheme :		
	(a) Special Officer Municipal Corporation, Hyderabad	27.50	19.57
	(b) Director of Municipal Administration	36.00	16.23
8.	Town Planning Trust, Visakhapatnam	25.00	25.00
9.	Registrar of Co-operative Societies	10.33	2.64
10.	Village Housing Project Scheme (Director, Town Planning)	8.00	6.43
11.	Middle Income Group Housing Scheme (C.E. Public Health-Individual Sector)	4.66	1.98
	Total	2,298.26	2,189.62



The achievements in brief are as follows :

The Housing Board has constructed houses/tenements numbering 1,380 against the target of 2,480 units besides purchasing and development of 692 acres of land. The main draw back being non-availability of suitable land for housing, the Police Housing Corporation, has, with the aim of providing Housing accommodation to its members, taken up and completed the construction of 1,305 quarters during the period under review at different places in the State. The Chief Engineer, Roads and Buildings, has completed the construction of 1,528 houses under Rental Housing Scheme at a cost of Rs. 66.37 lakhs during 1974-78. For the benefit of its members, the Scheduled Castes and Scheduled Tribes Co-operative Housing Societies Federation has programmed to construct 55,546 houses in rural areas with the help of a loan of Rs. 10.00 crores sanctioned by L.I.C. in 1971. The Federation has released funds amounting to Rs. 976.98 lakhs to the district societies and helped in the construction of 50,156 houses towards the close of 1976-77. Under the Subsidised Industrial Housing Scheme the Commissioner of Labour has incurred an expenditure of Rs. 31.03 lakhs on the construction of 210 quarters in Government and employers sectors. The Director, Municipal Administration and Special Officer, Municipal Corporation of Hyderabad, who were implementing the slum clearance and improvement schemes during the first two years of the Plan have incurred an expenditure of Rs. 35.80 lakhs on housing. An amount of Rs. 25.00 lakhs was released to the Town Planning Trust, Visakhapatnam, for land acquisition and development of layouts. The Registrar, Co-operative Societies, has incurred an amount of Rs. 2.64 lakhs on granting managerial subsidy to the Andhra Pradesh Co-operative Housing Federation and committed expenditure on Housing loans sanctioned earlier. The Director, Town Planning while implementing the village Housing Project scheme through the Panchayat Samithis incurred an expenditure of Rs. 6.43 lakhs. The Chief Engineer, Public Health has incurred an expenditure of Rs. 1.98 lakhs on the Middle Income Group Housing Scheme (individual sector, during the period under review.

Of the many schemes that are being implemented by the State Government to solve the problem of acute shortage of Housing especially amongst the Agricultural labourers and other economically weaker sections of the society the scheme of providing house sites to the families in need of them is most important. There are about 18.82 lakh Agricultural labour households in the State and out of which 14.12 lakh households are stated to be landless and are in need of house-sites.

#### *Urban Development :*

The schemes under Urban Development are intended to develop municipal towns in the State and they are implemented by the Director of Municipal Administration, Director of Town Planning, Special Officer, Municipal Corporation, and Project Officer, Urban Community Development. These four departments together spent Rs. 634.38 lakhs out of the total revised provision of Rs. 684.91 lakhs.

The Director of Municipal Administration implemented the following two types of schemes ;

1. Remunerative schemes like construction of shop rooms, stalls, market godowns, slaughter houses etc., and an amount of Rs. 30.55 lakhs was spent for this purpose during the plan period.

2. Environmental improvement of slums upon which an amount Rs. 109.12 lakhs was spent for providing amenities such as drinking water taps, sewerage, storm water drains, street lighting, public latrines, community baths, drainage and widening and paving of existing lanes, street lighting, etc.

The Director of Town Planning implemented two types of schemes viz., (1) Loans to municipalities and (2) Grants-in-aid to Municipalities. Towards loans to municipality schemes Rs. 3.26 lakhs was sanctioned to Palakole and Khammam municipalities. Under the grants-in-aid scheme a sum of Rs. 38.50 lakhs was extended to Visakhapatnam, Vijayawada, Guntur, Warangal, Nizamabad, Rajahmundry, Nalgonda, Cuddapah, Kothagudem and Tirupathi Municipalities.

The Project Officer, Urban Community Development Project spent Rs. 4.42 lakhs towards improving the social and physical conditions in slums and backward areas. Under this scheme 40 balwadies with 2,000 children, 31 sewing centres with 600 trainees, 2 zigzag Embroidery centres, 5 music centres, one dancing centre were maintained. Besides, 15 milk feeding centres covering 2,000 children were also maintained. 500 trained women were helped for purchasing sewing machines.

#### *Environmental improvement of slums in twin cities.*

As per the 1973 survey of the slum areas in twin cities, there are 284 slums. The present estimated population in these slums is about 3,70,000. This is about 1/6 of the total population of the twin cities. The slum clearance scheme was taken up with a view to clear the slums and provide hygienically clean and spacious housing accommodation to the slum dwellers.

The Municipal Corporation has constructed 2,360 units up to end of 1975. Total expenditure incurred on this since the inception of this scheme is Rs. 139.43 lakhs.

From the experience in allotting these quarters to the slum dwellers it is seen that the slum dwellers are not occupying these quarters, because of their poor economic conditions. Therefore, the construction of houses under this slum clearance scheme was abandoned from the year 1974. This scheme was transferred to State sector, and clubbed with Sites and Services Scheme.

#### *Sites and Services Scheme :*

In this phase, instead of constructing the houses, the Municipal Corporation of Hyderabad proposed for providing only basic amenities and development of the plots. The Government has agreed to provide developed plots instead of construction of tenements. Under this Scheme the Municipal Corporation of Hyderabad has been able to take up one scheme at Gaddiannaram for developing 600 Plots.

As the slum dwellers were not in a position to purchase these plots, a new concept under Habitat Housing Scheme was evolved. Under this scheme pattas are to be distributed by the Government/Municipal Corporation of Hyderabad to the several dwellers and economically weaker sections. Regular layouts are to be prepared for such plots as well as in other open lands and loans at a low rate of interest secured from the Commercial Banks to the extent of house construction to the plot owner up to Rs. 4,000 (80% of the cost) by mortgaging these plots. The individual on his part has to construct the house by contributing Rs. 1,000 in cash or labour component. The basic amenities such as roads, drainage, water supply and electricity etc., are being provided by the Municipal Corporation of Hyderabad, for which the Government, has allotted grants under "Environmental Improvement to Slums". This has proved to be a most effective and acceptable scheme under the Habitat Housing Scheme. The cost of house including bank loan and cash or labour component for house owner works out Rs. 5,000 per house, for providing basic amenities free of cost and also for acquiring private lands where slums have developed is provided from the funds under this head.

Under the Habitat Housing Scheme the Municipal Corporation of Hyderabad has proposed to complete about 3,000 quarters by end of March 1978.

In regard to the implementation of this scheme in the Municipalities a provision of Rs. 20.00 lakhs was made in 1974-75. Out of this a sum of Rs. 16.23 lakhs was released to the Vijayawada and Bodhan Municipalities for construction of tenements and development of open developed plots. The Vijayawada Municipality has taken steps to construct 54 single room tenements and also proposed to construct 112 single tenements. In regard to development of open developed plots in Bodhan, the scheme could not be implemented in Bodhan due to opposition by the slum dwellers to vacate the land in their possession for taking any development. From 1977-78 onwards, the provision under this head is being used under Environmental Improvement Schemes.

#### *Information and Publicity :*

During the Fifth Plan period 1058 community radio sets were installed, equipment for T.V. Laboratory was also purchased by spending an amount of Rs. 0.99 lakh out of the provision of Rs. 1.00 lakh.

Under the publicity programmes an amount of Rs. 7.12 lakhs was spent towards the purchase of audio visual equipment, inter-district press tours, supply of Yojana Journals for all blocks for two months free of cost, and on Songs and Drama trips.

#### *Labour and Labour Welfare :*

The programmes implemented under this sector are classified into three groups. The first group relates to the scheme for training of craftsmen to provide technical personnel to meet the man power requirements of factories. The second group comprises schemes for setting

up of employment exchanges and strengthening of existing employment exchanges. The third group covers labour welfare schemes. The Director, Employment Exchanges is implementing schemes included in the first two groups while the Commissioner of Labour and the Chief Inspector of Factories and Boilers are in-charge of schemes in the third group. During the Fifth Plan Period an amount of Rs. 116.93 lakhs was provided and an expenditure of Rs. 118.44 lakhs was incurred on these schemes. The details of the provisions and expenditure incurred are the following :

		(Rs. in lakhs)	
Sl. No.	Agency	Amounts provided 1974-78	Expenditure incurred 1974-78
(1)	(2)	(3)	(4)
1.	Director of Employment and Training :		
	(a) Employment Schemes ..	11.94	13.53
	(b) Craftsmen Training Schemes ..	100.99	100.99
2.	Commissioner of Labour ..	1.82	1.75
3.	Chief Inspector of Factories and Boilers ..	2.18	2.17
	Total ..	116.93	118.44

A brief review of the schemes is as following :

#### *Employment Schemes :*

Almost all these schemes are staff schemes aimed at providing better supervision and inspection of the Employment Exchanges in the State.

#### *Craftsmen Training Schemes :*

For the implementation of Craftsmen Training Schemes an expenditure of Rs. 100.99 lakhs was incurred during the period under review. Most of the schemes were staff oriented with provisions made for purchase of equipment and acquisition of buildings. During the year under review the I.T.I. at Hyderabad was strengthened, the I.T.I. at Ongole in Prakasam District was opened and the existing District Level Training Centres were reorganised. A centralised Instruction Training Class Centre for Telangana Region, was established at Hyderabad. Similarly two such centres were started at Kakinada and Tirupati to serve the Andhra and Rayalaseema Regions. The I.T.I. at Visakhapatnam was modernised. Advanced vocational Training courses like, (a) Indian Standards and Blue Print Reading, (b) Mechanical and Electrical maintenance (c) Marine Diesel operation and maintenance and (d) welding were introduced in this institution.

*Labour Welfare :*

An amount of Rs 1.82 lakhs was provided for starting a Statistical Cell at the Headquarters, and Labour Welfare Centre at Rajahmundry and maintaining them during the Plan Period. The expenditure incurred was of the order of Rs. 1.75 lakhs. These are staff schemes.

*Factories and Boilers :*

An amount of Rs. 2.18 lakhs was provided and an expenditure of Rs. 2.17 lakhs was incurred during the period 1974-78, on the maintenance of a Deputy Chief Inspector of Boilers and four Superintendents.

**WELFARE OF SCHEDULED CASTES, SCHEDULED TRIBES  
AND BACKWARD CLASSES**

*Welfare of Scheduled Castes :*

Two types of schemes, namely educational schemes and economic upliftment schemes were implemented. Under educational schemes the allotment was spent on payment of stipends to students in Industrial Training Institutes and the number of beneficiaries ranged between 1500- and 2545 during the plan period. During the four year period, 133 hostels were newly opened and maintained involving an expenditure of Rs. 141.78 lakhs. 67 Government hostel buildings were already constructed and 80 buildings are under construction. A sum of Rs. 117.16 lakhs was spent for this purpose.

Monetary aid for clothing to the boarders residing in the hostels was provided and the number of beneficiaries fluctuated between 30,000 and 40,000. An amount of Rs. 49.92 lakhs was spent for this purpose.

On an average 2,00,000 Scheduled Castes students per annum were supplied with nationalised text books involving an expenditure of Rs. 47.00 lakhs, 521 physically handicapped and 5424 released bonded labourers were rehabilitated and an amount of Rs. 3,349 lakhs was spent for this purpose.

The other important schemes taken up during the plan period were scholarships to post-matric students studying in the colleges, boarding charges in attached hostels and pocket expenses. Functioning of pre-examinations Training Centres for the candidates appearing for I.A.S. etc., examinations and training to S.C. candidates in the fields of village Karanam, motor vehicle training, tractor driving, etc.

Under economic upliftment programmes a sum of Rs. 180.00 lakhs was provided as share capital in the Andhra Pradesh Scheduled Castes Finance Corporation for implementing the economic upliftment scheme.

*Welfare of Scheduled Tribes :*

The schemes implemented by Director of Tribal Welfare relates to both educational and economic upliftment schemes. The following

table will show the stage of development of tribal areas between Fourth and Fifth Plan periods, on one hand and the State as a whole at the end of Fourth Plan.

## LEVELS OF DEVELOPMENT

Sl. No.	Item	Level at the end of	
		Fourth Plan (Tribal areas)	Fifth Plan (Tribal areas)
(1)	(2)	(3)	(4)
1.	Percentage of literacy .. .. .	5.34 (1971)	8.01
2.	Percentage of villages electrified .. .. .	2.9	7.28
3.	Number of beds per lakh of population .. .. .	14	20
4.	Number of veterinary institutions per lakh of cattle population .. .. .	5	7
5.	Percentage of irrigated area to the net area sown .. .. .	5.06	25.01

This will show the accelerated development achieved during the Fifth Plan period. The tribal areas are still lagging behind in comparison to the progress recorded in the State as a whole.

*Backward Classes :*

Pre-matric scholarships for students studying in Industrial Training Institutes were awarded involving an expenditure of Rs. 14.00 lakhs, and benefiting the students ranging between 1,107 and 2,514. An amount of Rs. 43.03 lakhs was spent towards post-matric scholarships and the number of beneficiaries was 2,105 in 1975-77 raising to 5,619 in 1977-78. Similarly Rs. 13.20 lakhs was spent towards Pre Matric scholarships and average number of beneficiaries was 6,130.

During the period under review 251 Government Hostels were opened and maintained and Rs. 89.24 lakhs was spent for this purpose. Towards economic upliftment programmes a sum of Rs. 216.00 lakhs was provided towards investment in Andhra Pradesh Backward Class Finance Corporation and this amount includes in managerial subsidy for Rs. 2.00 lakhs.

In addition to the above major schemes, supply of nationalised Text Books, functioning of pre-examinations Training Centre, Community Services, Construction of hostel buildings etc. were also taken up.

*Social Welfare :*

Various Social Welfare schemes are implemented by three departments namely Director of Social Welfare, Director of Women and Child Welfare and the Inspector-General of Prisons.

The Director of Social Welfare implemented the following two schemes :

- (1) Maintenance of a Home for the blind with 50 boarders.
- (2) Another Home for physically handicapped with 50 boarders.

An average expenditure of Rs. 1.11 lakhs per annum was incurred leading to an overall expenditure of Rs. 4.43 lakhs in the plan period. In addition the Research Training and Administrative Cell was created and being maintained spending an amount of Rs. 1.57 lakhs.

The Director of Women and Child Welfare implemented Women Welfare and Child Welfare schemes in addition to the several schemes of strengthening the administration. An amount of Rs. 12.10 lakhs was spent towards the maintenance of Rescue Homes, Homes for collegiate (Destitute) girls and Hostels for working women, besides the maintenance of the State and Service Homes upon which Rs. 6.25 lakhs was spent. An amount of Rs. 19.78 lakhs was spent for the establishment and maintenance of Women's Technical Training Institute. An amount of Rs. 5.69 lakhs was spent towards child welfare schemes.

The Inspector-General of Prisons incurred an expenditure of Rs. 7.86 lakhs towards various schemes such as maintenance of Borstal school centres at Nizamabad, Welfare of Prisons, starting of the Reception Home at Tirupati and Vijayawada and appointment of workers in Junior Certified Schools.

*General Services :*

The revised provision of Rs. 254.26 lakhs was provided in the Fifth Plan for the construction of court and other Administrative office Buildings, out of which an amount of Rs. 181.85 lakhs was spent spread over the 4 years.

The expenditure on construction of new Annexe Buildings for Law Officers and the Offices of the High Court of Andhra Pradesh was Rs. 16.09 lakhs. An amount of Rs. 83.55 lakhs was spent for the construction of District Court buildings including the Judges Quarters.

Under the Administrative Buildings construction scheme, Rs. 27.03 lakhs was spent on the construction of a new block for the Secretariat Offices.

Construction of Office Buildings for the Commercial Tax Department and Roads and Buildings Department and of various Buildings under Jails Department and other constructions were taken up during the plan period.

*Nutrition :*

Two types of nutrition programmes were implemented during the plan period under review. viz., (1) Special Nutrition Programme for Urban Slums and (2) Applied Nutrition Programme.

As against the provision of Rs. 438.43 lakhs an amount of Rs. 380.00 lakhs was spent towards special nutrition programme. The number of municipalities covered by the scheme increased from 6 in 1974-75 to 14 in subsequent years, and the number of beneficiaries ranged between 70,000 and 80,000 during the plan period. The Director of Tribal Welfare maintained nutrition centres in different tribal areas and the year-wise number of beneficiaries was as follows :

<i>Year</i>	<i>Beneficiaries</i>
1974-75 .. .. .	1,90,670
1975-76 .. .. .	1,83,183
1976-77 .. .. .	2,21,635
1977-78 .. .. .	2,47,250

The State Government have set up a Ready to Eat processed Food Factory in collaboration with the CARE at the cost of Rs. 91.00 lakhs for supplying Ready to Eat food to the school going children of 6 to 11 years age. This scheme substituted the Mid Day Meal scheme and is benefiting 2 lakh children in four districts. About 572 balwadies were opened and are now running in 70 post operational blocks and in addition, supplementary Feeding Programmes were also taken up.

*Economic Services :*

The schemes under this head are implemented by the Government in Finance & Planning (Planning Wing) Department and the Bureau of Economics and Statistics. An amount of Rs. 84.10 lakhs was provided during the plan period under review. Out of which a sum of Rs. 72.65 lakhs was spent by the Government and Bureau of Economics and Statistics.

A sum of Rs. 13.42 lakhs was spent by Finance and Planning (Planning Wing) Department towards the strengthening of the Planning machinery in the State and towards the establishment of Technical Cells in the district offices.

Rs. 35.23 lakhs was spent by the Director, Bureau of Economics and Statistics towards various schemes such as installation and maintenance of additional rain gauges, strengthening of supervision of crop cutting experiments, distributive trade survey, in-service training unit, regional accounts and capital accounts unit, machines tabulation unit etc. Besides conduct of World Agricultural Census, supply of electric calculators to the district agencies, conduct of Census of Public Sector Employees and Livestock Census 1977 were the other important schemes implemented.

The Director of Weights and Measures incurred an expenditure of Rs. 24.00 lakhs towards regulation of Weights and Measures,



## STATEMENT SHOWING THE OUTLAYS AND EXPENDITURE

(Rs. in lakhs)

<i>Head of Development Head of Department</i>	<i>Total Fifth Plan 1974-78 Outlay</i>	<i>% to Total</i>	<i>Expenditure 1974-78</i>	<i>% to Total</i>
(1)	(2)	(3)	(4)	(5)
1. <i>Agriculture :</i>	1,845.22	1.8	1,902.49	1.9
(a) Andhra Pradesh Agricultural University .. ..	255.62	0.2	262.82	0.3
(b) Director of Agriculture .. ..	309.78	0.3	305.10	0.3
(c) Director of Marketing .. ..	18.72	..	18.49	..
(d) Andhra Pradesh State Warehousing Corporation .. ..	32.00	..	32.00	..
(e) Forests and Rural Development Department :				
(i) D.P.A.P. .. ..	1,143.79	1.1	1,208.94	1.2
(ii) S.F. D.A. and M.F.A.L.D.A. .. ..	60.31	0.1	50.14	..
(iii) Agro Industries Corporation .. ..	25.00	..	25.00	..
2. <i>Land Reforms :</i> .. ..	134.58	0.1	144.79	0.1
Director of Survey and Settlement (Agency Staff) .. ..				
3. <i>Minor Irrigation :</i> .. ..	2,236.79	2.2	2,268.17	2.3
(a) Director, Ground Water Department .. ..	206.24	0.2	191.51	0.2
(b) Chief Engineer (Minor Irrigation) .. ..	1,700.40	1.7	1,696.51	1.7
(c) Andhra Pradesh Irrigation Development Corporation .. ..	230.15	0.2	280.15	0.3
(d) Chief Engineer, (Panchayati Raj) .. ..	100.00	0.1	100.00	0.1
4. <i>Soil and Water Conservation :</i> .. ..	177.39	0.2	176.64	0.2
(a) Director of Agriculture .. ..	150.74	0.2	151.06	0.2
(b) Chief Conservator of Forests .. ..	26.65	..	25.58	..
5. <i>Area Development :</i>	751.25	0.7	702.08	0.7
<i>Command Area Development :</i>				
6. <i>Animal Husbandry :</i> .. ..	323.73	0.3	294.73	0.3
Director of Animal Husbandry .. ..				
7. <i>Dairy Development :</i> .. ..	489.00	0.5	499.00	0.5
Andhra Pradesh Dairy Development Corporation .. ..				

(Rs. in lakhs)

<i>Head of Development</i> <i>Head of Department</i>	<i>Total Fifth Plan</i> <i>1974-78</i> <i>outlay.</i>	<i>% to Total</i>	<i>Expenditure</i> <i>1974-78</i>	<i>% to Total</i>
(1)	(2)	(3)	(4)	(5)
8. Fisheries; Director of Fisheries including Fisheries Development Corporation.	308.66	0.30	300.06	0.3
9. Forests : Chief Conservator of Forests (including Forests Development Corporation).	382.45	0.4	356.94	0.4
10. Investment in Agricultural Financial Institutions (Debentures)—R.C.S.	812.84	0.8	1,004.56	1.0
11. Community Development and Panchayats : Panchayati Raj Department	238.51	0.2	238.40	0.2
I. AGRICULTURE AND ALLIED SERVICES :	7700.42	7.4	7,887.86	7.8
II. Co-operation :				
(a) Registrar of Co-operative Societies :				
(i) Borrowing from R.B.I.	773.09	0.7	523.72	0.5
(ii) Other Co-operative Schemes	468.93	0.5	626.09	0.6
(b) Director of Sugars	656.57	0.6	902.53	0.9
II. CO-OPERATION	1,898.59	1.8	2,052.34	2.0
1. Irrigation :	28,639.95	27.4	28,495.76	28.1
(a) Nagarjunasagar Project	7,914.66	7.6	7,914.99	7.8
(b) Pochampad Project	6,963.00	6.7	6,963.00	6.9
(c) Godavari Barrage	2,809.03	2.7	2,709.03	2.7
(d) Other Major and Medium Irrigation Schemes	8,793.64	8.4	8,762.37	8.6
(e) (i) Flood Control	927.38	0.9	125.36	0.1
(ii) Drainage	882.04	0.8	1,671.01	1.7
(f) Andhra Pradesh Construction Corporation	350.00	0.3	350.00	0.3
2. Power :	39,818.04	38.1	3,8749.99	38.2
(a) Chief Engineer, (Srisailam)	8,243.00	7.9	8,243.00	8.1
(b) Andhra Pradesh State Electricity Board	31,575.04	30.2	30,506.99	30.1
III. WATER AND POWER DEVELOPMENT	68,457.99	65.5	67,245.75	66.3

(Rs. in lakhs)

<i>Head of Development</i> <i>Head of Department</i>	<i>Total Fifth Plan</i> <i>1974-78</i> <i>outlay</i>	<i>% to Total</i>	<i>Expenditure</i> <i>1974-78</i>	<i>% to Total</i>
(1)	(2)	(3)	(4)	(5)
1. <i>Industries :</i>	1,640.81	1.6	1,556.02	1.5
(a) Director of Industries	334.29	0.3	334.29	0.3
(b) Andhra Pradesh Industrial Infrastructure Corporation	421.40	0.4	421.40	0.4
(c) Andhra Pradesh Industrial Development Corporation	550.00	0.5	550.00	0.5
(d) Andhra Pradesh State Finance Corporation	81.30	0.1	80.00	0.1
(e) State Bureau of Public Enterprises (Industries and Commerce Department).	4.97	..	4.94	..
(f) State Contribution to other Government Companies (Industries and Commerce Department)	31.17	0.1	31.17	..
(g) State Contribution to Sick Mills (Director of Handlooms and Textiles)	29.88	..	46.97	0.1
(h) Film Development Corporation	175.00	0.2	84.55	0.1
(i) Director of Civil Supplies	0.12	..	0.02	..
(j) Nizam Sugar Factory	12.68	..	12.68	..
2. <i>Village and Small Industries:</i>	1,163.68	1.1	1,143.14	1.1
(a) Director of Industries and khadi Rebate	191.65	0.2	190.40	0.2
(b) Andhra Pradesh Small Scale Industries Development Corporation	107.83	0.1	107.83	0.1
(c) Andhra Pradesh Industrial Infrastructure Corporation	11.30	..	11.30	..
(d) L.I.D.C.A.P.	86.00	0.1	86.00	0.1
(e) Director of Handlooms and Textiles.	766.90	0.7	747.61	0.7
3. <i>Mining and Metallurgical Industries ..</i>	808.25	0.8	803.87	0.8
(a) Director of Mines and Geology ..	29.24	..	26.03	..
(b) Andhra Pradesh Mining Corporation ..	79.01	0.1	77.84	0.1
(c) Contribution of Singareni Collieries	700.00	0.7	700.00	0.7
IV: <b>INDUSTRIES AND MINERALS</b> ..	3,612.74	3.5	3,513.03	3.4

(Rs. in lakhs)

<u>Head of Development</u> <u>Head of Department</u>	<u>Total Fifth Plan</u> <u>1974-78</u> <u>outlay.</u>	<u>% to Total</u>	<u>Expenditure</u> <u>1974-78</u>	<u>% to Total</u>
(1)	(2)	(3)	(4)	(5)
1. <i>Minor Ports :</i> ..	176.93	0.2	177.07	0.2
Director of State Ports.				
2. <i>Roads and Bridges :</i> ..	2,729.82	2.6	2,706.64	2.7
(a) Chief Engineer (R. & B.) ..				
(i) P.W.D. Roads ..	2,067.82	2.0	1,976.67	2.0
(ii) Sugarcane Roads ..	88.30	0.1	150.94	0.2
(iii) Toll Tax in respect of identified Bridges ..	39.24	..	34.64	..
(iv) Imposition of Tax on Royalty under Mining ..	66.11	0.1	76.04	0.1
(b) Sugarcane Roads ..	24.00	..	24.00	..
Director of Municipal Administration ..				
(c) Chief Engineer (P.R.) ..				
(i) P.R. Roads ..	312.35	0.3	312.35	0.3
(ii) Sugarcane Roads ..	132.00	0.1	132.00	0.1
3. <i>Road Transport :</i> ..	6,314.48	6.1	5,922.48	5.8
A.P.S.R.T.C. ..				
4. <i>Tourism :</i> ..	36.56	..	35.58	..
Director of Tourism.				
V. TRANSPORT AND COMMUNICATIONS:	9,257.79	8.9	8,891.77	8.7
1. <i>General Education:</i> ..	1,666.35	1.6	1,548.09	1.5
(a) Director of School Education ..	1,192.74	1.2	1,004.78	1.0
(b) Director of Higher Education ..	451.85	0.4	521.57	0.5
(c) Director of Youth Services : ..	21.74	..	21.74	..
2. <i>Art and Culture :</i> ..	33.67	..	32.24	..
(a) Director of State Archives ..	7.14	..	6.98	..
(b) Director of Public Libraries ..	6.25	..	7.74	..
(c) Director of Archaeology and Museums ..	16.29	..	15.42	..
(d) Director of Oriental Manuscripts Library and Research Institute ..	3.99	..	2.10	..

(Rs. in lakhs)

<u>Head of Development</u> <u>Head of Department</u>	<u>Total Fifth Plan</u> <u>1974-78</u> <u>outlay</u>	<u>% to</u> <u>Total</u>	<u>Expenditure</u> <u>1974-78</u>	<u>% to</u> <u>Total</u>
(1)	(2)	(3)	(4)	(5)
3. <i>Technical Education</i> :	123.67	0.1	112.48	0.1
Director of Technical Education :				
4. <i>Medical</i> :	565.39	0.5	543.12	0.5
(a) Director of Medical Services	522.99	0.5	503.19	0.5
(b) Deputy Director of Medical Services (ESI)	17.06	..	16.68	—
(c) Director of Indian Medicine and Homoeopathy	25.34	..	23.25	—
5. <i>Public Health</i> :	558.12	0.5	526.64	0.5
(a) Director of Medical Services :				
(i) Normal P. H. Schemes	116.29	0.1	109.98	0.1
(ii) Minimum Needs Programme	415.83	0.4	395.16	0.4
(b) Andhra Pradesh State Board for Prevention and Control of Water Pollution	26.00	—	21.50	—
6. <i>Urban Water Supply and Drainage</i> :	3,513.95	3.4	2373.02	2.4
Chief Engineer (Public Health)				
(a) Schemes in Municipalities :				
(i) State Share	470.00	0.5	348.79	0.4
(ii) L.I.C. Funds	752.00	0.7	427.00	0.4
(b) Manjira and Hyderabad Water Works	1,957.00	1.9	1,229.78	1.2
(c) Revalidated S.T.D. funds	11.95	..	10.78	—
(d) Mahadrigadda Water Supply Scheme	323.00	0.3	356.67	0.4
7. <i>Rural Water Supply and Sanitation</i> :	1,275.00	1.2	1,118.13	1.1
Chief Engineer (Panchayati Raj)				
(i) State Share	1,082.00	} 1.2	1,118.13	1.1
(ii) L.I.C. Funds	193.00			
8. <i>Housing</i> :	2,257.91	2.2	2,189.63	2.2
(a) Andhra Pradesh Housing Board	708.39	0.7	708.39	0.7
(b) Andhra Pradesh Police Housing Corporation	155.00	0.2	155.00	0.2
(c) Director of Town Planning	7.12	..	6.43	..

(Rs. in lakhs)

<i>Head of Development</i> <i>Head of Department</i>	<i>Total Fifth Plan</i> <i>1974-78</i> <i>Outlay</i>	<i>% to Total</i>	<i>Expenditure</i> <i>1974-78</i>	<i>% to Total</i>
(1)	(2)	(3)	(4)	(5)
(d) A. P. S. Cs. and S.Ts. Co-operative Housing Societies Federation..	29.23	..	29.23	..
(e) Commissioner of Labour ..	34.37	..	31.03	0.1
(f) Chief Engineer (R. & B.) ..	68.66	0.1	66.37	0.1
(g) Chief Engineer (P.H.) ..	2.81	..	1.98	..
(h) Registrar of Co-operative Societies	4.28	..	2.64	..
(i) Town Planning Trust, Visakhapatnam ..	25.00	..	25.00	..
(j) Director of Harijan Welfare (House Sites) ..	1,187.25	1.1	1,127.76	1.1
(k) Director of Municipal Administration ..	35.80	0.1	16.23	..
(l) Special Officer, Municipal Corporation, Hyderabad ..	..	..	19.57	..
9. <i>Urban Development :</i> ..	684.91	0.7	634.38	0.6
(a) Director of Town Planning ..	47.76	0.1	47.76	0.1
(b) Director of Municipal Administration :				
(i) Remunerative Schemes	30.55	0.1	30.55	..
(ii) Environmental Improvement of Slums				
(c) Special Officer, M. C. H. ..	130.90	0.1	109.12	0.1
(i) Twin Cities Improvement Schemes ..	344.75	0.3	340.90	0.3
(ii) Urban C.D. Projects ..	4.42	..	4.42	..
(iii) Environmental Improvement of Slums ..	126.53	0.1	101.63	0.1
10. <i>Information and Publicity :</i> ..	38.08	0.1	34.18	0.1
Director of Information and Public Relations :				
(i) Publicity ..	34.41	0.1	31.30	0.1
(ii) Boardcasting ..	3.67	..	2.88	..
11. <i>Labour and Labour Welfare :</i> ..	116.93	0.1	118.44	0.1
(a) Commissioner of Labour ..	1.82	..	1.75	..
(b) Chief Inspector of Factories and Boilers ..	2.18	..	2.17	..

(Rs. in lakhs)

<u>Head of Development</u> <u>Head of Department</u>	<u>Total Fifth</u> <u>Plan</u> <u>1974-78</u> <u>outlay</u>	<u>% to</u> <u>total</u>	<u>Expenditure</u> <u>1974-78</u>	<u>% to</u> <u>total</u>
(1)	(2)	(3)	(4)	(5)
(c) Director of Employment and Training :				
(i) Employment Schemes ..	11.94		13.53	..
(ii) Craftsman Training Schemes ..	100.99	0.1	100.99	0.1
12. Welfare of Backward Classes :	1,769.24	1.7	1,357.07	1.8
(a) Director of Harijan Welfare ..	744.37	0.7	811.80	0.8
(b) Director of Backward Classes ..	366.62	0.4	391.62	0.4
(c) Director of Tribal Welfare ..	658.25	0.6	653.65	0.6
13. Social Welfare :	124.80	0.1	119.00	0.1
(a) Director of Harijan Welfare ..	6.00	..	6.00	..
(b) Director, Woman and Child Welfare ..	108.99	0.1	97.37	0.1
(c) Inspector-General of Prisons ..	9.81	..	9.63	..
14. Nutrition :	438.43	0.4	380.00	0.4
(a) Director of Municipal Administration ..	110.00	0.1	108.73	0.1
(b) Director of Tribal Welfare ..	246.35	0.2	189.19	0.2
(c) Director of School Education ..	34.00	..	34.00	..
(d) L.E. & T.E. Department ..	48.08	0.1	48.08	0.1
15. Other Social and Community Services :	30.95	..	30.42	0.1
Zoological Parks, C.C.F. ..				
VI. SOCIAL AND COMMUNITY SERVICES	13,197.38	12.6	11,619.84	11.5
Secretariat Economic Services :				
(a) Finance and Planning (Plg. Wing) Department ..	20.71	..	13.42	..
(b) Block Level Planning for Employment ..				
Regulations of Weights and Measures :				
Controller of Weights and Measures ..	24.27	..	24.00	..
Statistics :				
Director, Bureau of Economics and Statistics ..	39.12	0.1	35.23	0.1
VII. ECONOMIC SERVICES :	84.10	0.1	72.65	0.1
VIII. GENERAL SERVICES :				
Public Works Buildings Chief Engineer (R & B) ..	254.26	0.2	141.83	0.2
GRAND TOTAL :	1,04,463.27	100.0	101,465.09	100.0

## 5. PLAN IN OUTLINE

During the past 15 years commencing from 1960-61 the growth rate in Andhra Pradesh has been almost the same as the All India average growth rate with the result that Andhra Pradesh has remained below the All India average.

According to comparable estimates the per capita income in the State during 1976-77 was Rs. 901 against Rs. 1,049 in All India. This has been the result of lower investments in the State than its due share or the All India average. Thus as against the total plan outlay of Rs. 32,049 crores for all States in the State Sector for the period 1951-78, the outlay for Andhra Pradesh for the same period amounted to Rs. 2,309 crores representing only 7.7 per cent of the Plan Outlay for all States. In per capita terms, this works out to a per capita plan outlay of Rs. 531 in Andhra Pradesh as against the all States' average of Rs. 603 for the period 1951-78. In order to make up for the lag in investment in the previous plan periods, it is necessary that the State should envisage a higher rate of growth than the National Average during the next plan period so that it can hope to catch up with the national average of per capita income at least at the end of this period.

These proposals, therefore, envisage an overall annual, compound growth rate of 6.2 per cent during the next plan period. The sectoral composition of this growth rate is 3.97% for agriculture, 12% for Industry and Mining, 15% for Electricity and 6% for residual sectors. *Annexure-I* gives the details of various exercises in this regard.

The overall investment required for achieving the rate of growth mentioned above, is of the order of Rs. 7,890 crores in the next Plan period as worked out at Table II of *Annexure-I*. Out of this it is assumed that investment of an order of Rs. 1,822 crores would be forthcoming under the private sector and the balance of Rs. 6,068 crores would have to be made in the public sector plan of the State. The public sector Plan includes investment within the State in the Central Sector and State Sector. The investment component in the outlay of Rs. 3,966 crores proposed as the size of the State's draft Plan for the next Plan period comes to Rs. 3,308 crores.

In the Draft National Plan it has been indicated that in view of the reorientation of priorities in the Medium Term Plan period the share of the States' Sector in the Plan outlay will be larger during this period. If we therefore assume that the States' Sector outlay would be about Rs. 40,000 crores the Central Sector outlay will be Rs. 29,350 crores.

In the past, out of an investment of Rs. 11,451 crores in the country under Central Sector Industries up to 31-3-1977, the investment in Andhra Pradesh was very meagre being of the order of only Rs. 391 crores representing about 3.5 per cent of the total. In order to make up for the leeway in investment in the State in the past under the Central Sector, it is now assumed that an investment of at least 10 per cent of the total outlay provided under Central Sector *i.e.* about Rs. 2,760



crores will be made in the State. This together with the investment component of Rs. 3,308 crores of the States' draft plan outlay would come to Rs. 6,068 crores.

In the Model IV of the exercise mentioned at *Annexure-I* while the total public sector outlay is the same as above viz. Rs. 6,068 crores, the break up between the Central and the State sectors is different. In that Model the Central sector investment has been assumed to be Rs. 3,438 crores. It will be seen that even the investment of Rs. 2,760 crores in the Central sector which we have assumed above comes to roughly 10% of the total Central sector investment. It would therefore be not realistic to expect an investment in the Central sector of the order of Rs. 3,400 crores. If the short-fall in the anticipated investment in the Central sector has to be made up so that the total investment still remains at Rs. 6,068 crores the investment in the State Plan has to be stepped up and this is what has been assumed in the present proposals.

#### *Sectoral Strategies, Targets, and Outlays:*

The total outlay of Rs. 3,966 crores proposed for the States' Draft Plan should be appropriately disaggregated into sectoral outlays so that the approach to Sixth Plan mentioned earlier is translated into concrete action programmes. Accordingly, in deciding the allocations for different sectors of development, the following factors have been taken into account.

- (a) the need to reorientate Plan priorities particularly with a view to giving high priority to the sectors which generate the maximum employment and which have a significant impact on the standard of living of the poorest, and to accommodating the minimum outlay required under the Revised Minimum Needs Programme,
- (b) the spill-over commitments in all sectors and more particularly in Irrigation and Power, and the continued importance of these sectors despite the need to reorientate priorities,
- (c) the minimum outlays required for utilising potential already created or for deriving full benefit from investments already made such as in the case of Ayacut Development, Power, Industries, etc.

Table I shows the pattern of allocations in the Fifth Plan for the period 1974-78 and the outlay proposed for the Medium Term Plan period by detailed heads of Development. The following table will show the allocation in the Fifth Plan and in the new Medium Term Plan period by major heads of Development.

(Rs. in crores)

Head of Development	FIFTH PLAN		MEDIUM TERM PLAN		1978-83 Outlay excluding MNP	Percentage to total
	Alloca- tion 1974-78	Percent- age to total	Outlay inclu- ding MNP	Percent- age to total		
1	2	3	4	5	6	7
1. Agriculture and Allied Activities including Community Development and Co-operation ..	95.99	9.2	446.23	11.3	446.23	12.4
2. Major & Medium Irrigation ..	286.40	27.4	955.50	24.1	955.50	26.5
3. Power ..	398.18	38.1	1035.87	26.1	1015.87	28.1
4. Industries and Mining ..	36.13	3.5	212.19	5.3	212.19	5.9
5. Transport and Communication ..	92.58	8.9	285.26	7.2	205.26	5.7
6. Social Services ..	131.97	12.6	936.51	23.6	678.07	18.8
7. Miscellaneous ..	3.38	0.3	95.05	2.4	95.05	2.8
Total ..	1044.63	100.00	3966.61	100.00	3608.17	100.00

As will be evident from the above table, the major re-orientation in the new Medium Term Plan is in terms of a reduction in the percentage allocation for Irrigation and Power and a corresponding increase in the allocation for Industry and Mining and Social Services Sectors, for which adequate allocations could not be made in the earlier plan periods.

#### *Agriculture and Allied Activities :*

Agriculture and Allied Activities have been allocated 11.3 per cent of the total allotment in the next plan period as against 9.2 in the Fifth Plan. Agriculture is the predominant sector of the economy of the State and will continue to be so over the period which we now have to consider. No doubt, there has been a change in the composition of the State income and the contribution of Agriculture has declined over the two decades, while that of Industry has increased showing a trend towards a qualitative change in the economy. But still over half of the State Income is contributed by Agriculture and Allied sectors and nearly 70 per cent of the people are dependent on this for their livelihood. Any programme intended to achieve the development of the State or the general welfare of its people, must therefore primarily concentrate on agriculture. This emphasis has been by and large maintained in the earlier plan periods also. Another reason why we should concentrate on Agriculture, is the unique natural advantage which we have in regard to Irrigation which makes it almost inevitable that we should be one of the important agricultural States in the country.

It is necessary to remember that in this sector the supply of important inputs like Fertilizers, credit etc., are not directly included in the Plan programmes and only certain supporting programmes are included in the Plan. The performance of this sector will, therefore, depend to a crucial degree on the availability of these inputs. The programmes in Agriculture and Allied sectors should also be viewed in the light of the fact that the provision for certain essential infrastructure such as Irrigation, Power, Transport and Rural Roads is made under those sectors of development.

The position is similar in sectors allied to the agriculture where also the State has substantial potential. In terms of cattle, the State can claim to have some of the best breeds of drought as well as Milch cattle. The prosperous conditions of agriculture in the Coastal region have obviously lead to a concentration of cattle in that area. About 16 per cent of the Poultry in the country is to be found in Andhra Pradesh which ranks first among the State's in India. In fact Andhra Pradesh is one of the premier States in terms of exporting eggs and poultry products. With a relatively broad base for Agriculture and Animal Husbandry, central location in terms of major metropolitan centres of the country and the possibilities of programmes for economical supply of feed material, the State offers excellent scope for development of the activities allied to agriculture like Animal Husbandry and Dairying. Concurrently the long coast line, the extensive river system and the large irrigation potential involving tanks and ponds is sure to provide ample scope for development of both marine and inland fisheries.

The allocation for Irrigation and Power sectors has come down from 65.5 per cent in the Fifth Plan period to 50.2 per cent in the new Medium Term Plan period. Any further reduction in the allocations for these two sectors is found to be extremely difficult. We have been according the highest priority for Irrigation and Power sectors during the earlier plans. We will have to continue to accord high priority to irrigation not only because of its importance to Agriculture and our great potential, but also because of the large spillover commitments we already have. The spillover commitment on both Major Irrigation and Power Projects is as much as Rs. 570.80 crores in the case of Irrigation and Rs. 286.59 crores in the power projects. Thus, the allocation for Irrigation in the Medium Term Plan is mostly intended for the spillover commitments so that Major Projects such as Nagarjuna-sagar, Pochampad, Godavari Barrage could be completed and the State would be able to derive the maximum benefits from the huge investments already made on them in the earlier plan periods. Similarly in the case of Power on account of our vast endowment in coal we have greater potential for Power generation. We also have to strengthen the Transmission and distribution system to sustain the generation capacity built up. Hence high priority has to continued to be accorded to this sector. Still, in view of the change of priorities the percentage of allocation for Irrigation and Power has been brought down from 65.9 in the Fifth Plan period to 50.2 in the Medium Term Plan period.

For Industries and Mining the allocation has been increased from 3.5 per cent in the Fifth Plan period to 5.3 per cent in the next plan period. The trend towards diversification of the State economy is already there as

evidenced in the increase of the share of the Industrial sector in the total State income. We have to take measures to continue this trend because the State economy can be developed rapidly only by diversification and also because we have the resource endowment for a balanced industrial development programme also. In fact, the resource endowment is so spread in the State, that areas which are poor in terms of resources for agricultural development fortunately have resources for mineral and industrial development so that industrial development becomes a means to achieving regional balance in the development process.

#### *Transport & Communications :*

Transport and Communications is also an important infrastructure for the agricultural and Industrial development not only to Irrigation and Power. The allocation for Transport and Communications comes down from 8.9 per cent in the Fifth Plan to 7.2 per cent in the Medium Term Plan period. But this is somewhat misleading because the allocation for Roads and Bridges goes up from 2.6 per cent in Fifth Plan to 4.2 per cent. But under Road Transport Corporation the allocation has come down from 6.0 per cent in the Fifth Plan to 2.6 per cent because of a reduction in its internal resources.

#### *Social Services :*

The most important feature of these proposals is that the allocation for Social Services has gone up from 12.6 per cent in the 5th Plan period to 23.6 per cent in the next plan period. This can be attributed in a large measure to the allocations under the Revised Minimum Needs Programme where substantial provisions have been made for Elementary Education, Adult Education, Rural Medical facilities, Rural Water Supply, Nutrition Programmes, House-sites for Landless Labour, Rural Roads and Slum improvement. Even if the Revised Minimum Needs Programme is not taken into account, the percentage allocation for this sector shows a modest rise. Within the Social Services, sector the major increase is to the Welfare of Backward Classes, the percentage allocation for which has gone up from 1.8 per cent to 6.1 per cent. Medical and Public Health have also registered an increase from 1.0 per cent to 2.6 per cent while under Urban Water Supply the allocation has gone up from 3.3 per cent to 4.3 per cent.

#### *Miscellaneous :*

The allocation for Miscellaneous sector has gone up from 0.3 per cent to 2.4 per cent. This is on account of the allotment of a sum of Rs. 67.00 crores for undertaking Block level planning for employment.

The details of various programmes included under different sectors are given in the respective Chapters in Part II while they are briefly described below.

#### *Agriculture and Allied Sectors :*

In Andhra Pradesh about 70 per cent of the people living in rural areas are almost entirely dependent on Agriculture and allied activities. The income generated out of Agriculture and Allied Sectors constitutes

about 50 % of the total State Income. It is, therefore, necessary that substantial importance is given to the Agricultural sector in the Plan. Further, even according to the National approach, the main objective during the next plan is of raising the standard of living of the poorest sections of the population and Agricultural sector is one of the areas of emphasis for achieving this objective.

In the next plan period, an amount of Rs. 381.29 crores is allocated for Agricultural and allied Programmes. Of this Rs. 82.27 crores is for Agricultural Production Programmes, Rs. 95.50 crores for Minor Irrigation, Rs. 13.94 crores for Soil Conservation, Rs. 40.15 crores for Aya-cut Development, Rs. 33.14 crores for Investment in Agricultural Financial Institutions, Rs. 14.28 crores for Animal Husbandry, Rs. 33.52 crores for Dairy Development, Rs. 16.00 crores for Fisheries and Rs. 19.24 crores for Forests and Rs. 30.00 crores for Land Reforms.

#### *Agriculture Production Programme :*

The main strategy to attain the production levels will consist of increase in irrigated areas, increase in gross cropped area, cropping intensity as well as a larger application of inputs. Emphasis will also be laid on improving rainfed farming to bring about greater stability in production and increase in productivity.

In order to achieve self sufficiency in food and commercial crops, it is proposed to encourage crop diversification, increase in gross cropped area and optimum use of land and water. At present large areas are left fallow during Rabi after the harvest of the main Kharif crop due to late harvesting and lack of residual moisture to support a successful Rabi crop. In these areas it is proposed to advance Kharif Sowings and raise short duration varieties. In the crop production strategy emphasis will be laid on increasing the area under Rabi, pulses and Oilseeds which are in short supply. Pulse crops will be introduced as a catch crop in rotation to improve soil fertility also. Special attention will also be paid to Cotton crop in the production programme. The areas under these crops are proposed to be increased through multiple cropping in irrigated areas and mixed cropping in rainfed areas. Some areas may also be diverted from low yielding cereals (like Samai, Varagu) to pulses. The inadequate supply of seeds in respect of pulses, oilseeds, cotton etc., which has been a major constraint for increasing production will be remedied by taking up suitable seed production programmes under the aegis of National Seeds Corporation and Andhra Pradesh State Seeds Development Corporation. The allocation for agricultural production programme is Rs. 14.18 crores.

The increases contemplated in respect of some of the important inputs are indicated below:—

Item	Unit	Addl. increase by 1982-83
1. Gross cropped area	.. Lakh Hec.	25.36
2. High Yielding Varieties	Lakh Hec.	13.25
3. Fertilizers	.. Lakh Tonnes	2.90

### *The Agricultural University :*

The Agricultural University has become an effective instrument in training Man-power, undertaking meaningful research and transferring the knowledge so obtained to the rural areas. The integration of teaching, research and extension has formed an essential and distinct feature of the system of Agricultural Education. An allocation of Rs. 9.62 crores is proposed for the Agricultural University Programmes.

### *Soil Conservation :*

Soil conservation plays a vital role in securing better crop performance in the low rainfall areas *i.e.*, areas receiving less than 30" of annual rainfall. The Soil conservation programmes is to be implemented as a Production-cum-labour generating programme in conjunction with other Agricultural Extension Programmes. It is proposed to take up Soil Conservation Programmes on a watershed basis and to integrate, it with water management in these areas. The allocation for Soil Conservation is Rs. 13.95 crores.

### *Command Area Development :*

Utilisation of irrigation potential created and likely to be created is of great importance. The Command Area Development Department has been constituted in 1974 with the twin objectives of bridging the gap between creation of irrigation potential and its actual utilisation and to maximise the Agricultural production by providing technical guidance for land development and extension services. The allocation for this programme is Rs. 30.15 crores. A major part of the allocation is proposed for undertaking systematic land development operations, construction of field channels and formation of ayacut roads. During the next plan period it is proposed to develop an extent of 3.67 lakh hectares of land in the 4 select commands. It is proposed to take up the construction of field channels in this area up to each survey number. Under laying of ayacut roads, it is proposed to take up ayacut roads to a length of 1,575 Kms. in Nagarjunasagar Project Command Area and 251 Kms. in the Pochampad Project Command Area.

### *Minor Irrigation :*

The Programme for the restoration of Minor Irrigation sources is implemented by Chief Engineer (M.I.) and Chief Engineer (P.R.) while the Irrigation Development Corporation is implementing programmes relating to the construction of Lift Irrigation schemes and sinking of Tube wells for the exploitation of Ground Water resources. An allotment of Rs. 53.00 crores is made for Chief Engineer (M.I.). Of this, a sum of Rs. 44.58 crores is proposed to be spent on M.I. Schemes, Rs. 1.94 crores on M.I. schemes in Tribal areas and Rs. 6.18 crores on Investigation. It is envisaged that with an outlay of this order in the next Plan period an additional irrigation potential 65,000 hectares of new ayacut will be created besides stabilising an existing ayacut of 4980 hectares. Under Chief Engineer (P.R.) with an outlay of Rs. 17.00 crores it is proposed to take up restoration of 12,000 M.I. sources which will create an additional irrigation potential of 84,000 hectares during the plan period. The Irrigation Development Corporation proposes to undertake the construction of 1,800 tube wells at a cost of Rs. 16.17

crores and 218 Lift Irrigation schemes at a cost of Rs. 36.10 crores. As per the pattern of financing, the State Government will contribute 25 per cent of the capital cost on equity and the balance of 75 per cent will be met from institutional finance by institutions like the A. R. D. C. A provision of Rs. 16.50 crores has been provided in the Plan towards share capital contribution to the Irrigation Development Corporation. It is anticipated that with the execution of these schemes which are mostly in Tribal, Backward and Drought Prone Areas, an irrigation potential of 1.55 lakh hectares under Kharif and 1.55 lakh hectares under Rabi will be created.

#### *Production Targets :*

It is envisaged that with the outlay contemplated in the next Plan period, the production of food-grains in the State would increase from 86.60 lakh tonnes at the end of 1977-78 to 108.00 lakh tonnes by the end of Plan. Similarly the production of oil seeds would increase from 10.71 lakh tonnes in 1977-78 to 18.00 lakh tonnes at the end of the Plan period. Of this, Groundnut which is the main crop in the State accounts for an increase from 9.76 lakh tonnes in 1977-78 to 16.00 lakh tonnes at the end of Plan period. The production of Cotton is proposed to be increased from 2.31 lakh bales of 170 Kg. in 1977-78 to 5.00 lakh bales and sugarcane from 96.48 lakh tonnes (cane) in 1977-78 to 146.00 lakh tonnes.

#### *Animal Husbandry Programme:*

The objectives of the Animal Husbandry programme, during the next plan period are to improve the Animal Health facilities, to ensure adequate production of milk through cattle Development Programmes, to enable the Dairies in the State to procure more milk, to increase the production of animal proteins in the form of meat, eggs through sheep, poultry and piggy development programmes and to design these programmes in such a way that the Small and Marginal farmers and Agricultural labourers, in particular Scheduled Castes and Scheduled Tribes derive maximum benefit through them. The strategy to be followed to achieve the above objectives are to improve the technology particularly in the cattle development programmes resorting to latest techniques of frozen semen and to improve the extension programmes for disseminating modern methods of livestock production to farmers at large and to extending assistance to the weaker sections of the rural community for the economic upliftment. As a result of the implementation of Animal Husbandry programmes, it is expected that the Milk production will go up from 2.08 lakh tonnes in 1977-78 to 2.75 lakh tonnes by the end of 1982-83. Similarly, the egg production will increase from 955 millions in 1977-78 to 1071 millions in 1982-83 and the wool production will increase from 25.76 lakh Kgs., in 1977-78 to 27.50 lakh Kgs. in 1982-83.

#### *Dairying :*

Dairy industry is being given importance not merely because of the need to increase the milk supply but also because of the impact it has on the economy of the Small and Marginal farmers by way of generating

larger employment potential and increasing their income levels. The Small and Marginal Farmers and Agricultural labourers who may not be able to derive the benefits of Agricultural programmes can look to Dairying as a profitable subsidiary occupation. The main features of the proposals for creating adequate Dairy capacity during the Medium Term Plan period relate to the establishment of Milk Products Factories in Chittoor and Karimnagar districts, additional Liquid Milk Plant at Hyderabad, establishment of 8 Chilling Centres in Telangana, and 6 Chilling Centres each in Coastal Andhra and Rayalaseema regions. As a result of the above it is expected that the installed capacities of all the dairy units in the State will increase from 10.25 lakh litres per day at the end of Fifth Plan to 19.00 lakh litres at the end of 1982-83.

#### *Fisheries :*

The Fisheries programme will give special attention to labour intensive inland and brackish water fisheries and improving the harvesting from the seas under marine fisheries by stimulating on an equal basis the growth of country boats, mechanised boats etc. Adequate support programmes in regard to provision of infrastructural facilities such as establishment of roads setting up of cold storage facilities and also organisation of marketing centres, are also proposed to be undertaken.

Nearly 80 percent of the marine fish is being contributed by the traditional fishermen. The scheme envisages granting of financial assistance to the extent of 15 per cent of the estimated cost of mechanised boats to the beneficiaries through the Andhra Pradesh Fisheries Development Corporation for construction of mechanised boats. It is also proposed to provide 25 per cent subsidy to the traditional fishermen for purchase of boats and catamarans, besides giving 50 per cent subsidy to individual fisherman to take up drying and curing facilities by constructing platforms and curing sheds so as to popularise curing methods. Under inland fisheries, the demand for quality seed is considerably increased. Provision has, therefore, been made for improvement to the existing fish farms and nurseries, etc. It is also proposed to take up development of existing reservoirs by removal of stumps and stocking them with fish seeds in tanks for sustaining them with an optimum fishing wealth. It is proposed to make a provision of Rs. 25.00 lakhs for construction of Roads for this purpose. It is also proposed to sanction an amount of Rs. 30.00 lakhs to the Andhra Pradesh Fisheries Development Corporation and Hyderabad Fishermen's Central Co-operative Society for providing marketing facilities by taking up construction of cold storages and for establishment of procuring and marketing centres. The fish production in the State is proposed to be increased from 1.14 lakh tonnes in 1974-78 to 1.50 lakh tonnes under inland fisheries. Under marine fisheries the fish production is proposed to be increased from 1.15 lakh tonnes in 1977-78 to 1.82 lakh tonnes.

#### *Forest Sector :*

Priority has been given for plantation schemes. The production of all plantations except that of Teak will be done by the Forest Development Corporation. A provision of Rs. 6.41 crores has been made towards share capital contribution to this Corporation. The Department will be raising annually, 5,000 hectares of Teak plantations,



An outlay of Rs. 3.68 crores is made for this purpose. As a result of the implementation of plan schemes, the area under quick growing species is proposed to be increased from 39,500 hectares at the end of 1977-78 to 43,860 hectares. Similarly the area under Economic Plantations will also be increased from 57,690 hectares at the end of 1977-78 to 62,390 hectares.

*Investment in the Agricultural Financial Corporations :*

The volume of credit is proposed to be stepped up sharply covering a wide variety of activities in the agricultural sector such as sinking of wells, purchase of pumpsets, power tillers, etc. Increasingly a larger share of this credit will be going to the poorer sectors of the rural population. The Andhra Pradesh Central Co-operative Agricultural Development Bank proposed to provide long term credit of the order of Rs.300 crores during the next plan period at the rate of Rs. 55.00 crores each in 1978-79 and 1979-80 and Rs. 60.00 crores each in 1980-81 and 1981-82 and Rs. 70.00 crores in 1982-83. The following are the targets envisaged for Land Development and other purposes.

**TARGETS FOR LAND DEVELOPMENT AND OTHER PURPOSES 1978-79 TO 1982-83**

*(Amount Rs. in lakhs)*

Year	Land Devl. and Command Area Development		Wells		Pumpsets		Tractors and power Tillers		Other diversified purposes Amount	Total amount
	Acres	Amount	No.	Amount	No.	Amount	No.	Amount		
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.
1978-79	170000	1100	25165	1230	14910	820	1000	500	1850	5500
1979-80	145000	1000	27595	1350	16360	900	1200	600	1650	5500
1980-81	145000	1000	31200	1470	17815	980	1500	750	1800	6000
1981-82	145000	1000	31200	1470	17815	980	1500	750	1800	6000
1982-83	145000	1000	27070	1830	22180	1220	1600	800	2150	7000
<b>TOTAL</b>	<b>750000</b>	<b>5100</b>	<b>142230</b>	<b>7350</b>	<b>89080</b>	<b>4900</b>	<b>6800</b>	<b>3400</b>	<b>9250</b>	<b>30000</b>

A provision of Rs. 29.40 crores for investment in the Special Debentures and Rs. 1.70 crore in the Ordinary Debentures has been proposed in the State Plan. A provision of Rs. 94 lakhs has been made for State Government's participation in the share capital of weak Primary Agricultural Development Banks.

*Co-operation:*

The Co-operative Development Schemes have been reoriented suitably in order to enable the Co-operatives to play their role in the realisation of the objective of providing adequate credit and achieving full employment in rural areas. It is programmed to double the supply of Short Term and Medium Term credit from Rs. 88.77 crores in 1977-78 to Rs. 220.00 crores in 1982-83. Increase in the issue of Short Term and Medium Term loans is possible only in proportion to their own resources i.e., share capital and deposits etc. The Reserve Bank of India has revised the criteria for sanction of credit limits in multiples of owned funds of the Co-operative Central Banks. The State Government have been investing in the share capital of the co-operative credit institutions by obtaining loans from the National Agricultural Fund (L.T.O. Fund) of the Reserve Bank of India. A provision of Rs. 17.29 crores has been proposed for the next Plan period towards anticipated borrowings from the Reserve Bank of India for share capital contribution to co-operative credit institutions. It is also proposed to organise and assist societies for weaker sections such as washermen, barbers, Rickshaw pullers and Bullock cart Societies with predominant membership of S.Cs., S.Ts. and Backward Classes. About 50,000 persons will be assisted during the plan period with a financial provision of Rs. 369.00 lakhs for the purpose.

*Major And Medium Irrigation :*

As against an additional irrigation potential of Rs. 2.18 lakh hectares created during the Fifth Plan Period it is proposed to create during the next plan period an additional irrigation potential of 10.86 lakh hectares. Of this an additional potential of 8.98 lakh hectares will be created under the continuing projects while the new irrigation projects proposed to be taken up during the next plan period will account for the creation of an additional irrigation potential of 1.89 lakh hectares.

During the next Plan period it is proposed,

- (a) to take expeditious action for completion of ongoing projects ;
- (b) to take up new irrigation schemes with a view to ensuring continuity and orderly development of requisite irrigation facilities ;
- (c) to give priority to schemes which benefit chronically drought affected areas, backward areas and tribal areas; and
- (d) to pay special attention to improve the drainage systems in the existing command areas.

Keeping in view the considerations set forth above it is proposed to make an outlay of Rs. 955 crores on Major and Medium Irrigation during the next Plan period. Out of this as much as Rs. 570.80 crores will be on continuing projects as indicated below:—

	(Rs. in crores)				
1. Nagarjunasagar .. .. .	..	..	..	..	158.00
2. Pochampad Stage-I .. .. .	..	..	..	..	187.00
3. Godavari Barrage .. .. .	..	..	..	..	26.00
4. Vamsadhara Stage-I .. .. .	..	..	..	..	15.37
5. Tunga Bhadra Project High Level Canal .. .. .	..	..	..	..	6.94
6. Improvement of Nizamsagar .. .. .	..	..	..	..	4.96
7. Somasila Stage-I .. .. .	..	..	..	..	24.40
8. Vamsadhara Stage-II .. .. .	..	..	..	..	26.00
9. (31) Medium Irrigation Projects .. .. .	..	..	..	..	92.31
10. Drainage and Flood Control .. .. .	..	..	..	..	24.85
11. Lumpsum provision for continuing schemes .. .. .	..	..	..	..	4.97
Total .. .. .	..	..	..	..	570.80

The outlay on new irrigation schemes will be Rs. 384.70 crores out of which Rs. 252.26 crores will be on Major Projects, Rs. 84.44 crores will be on Medium Irrigation Projects and the remaining amount on Modernisation, Field Channels, Drainage etc, as shown below:—

	(Rs. in crores)				
<i>Major Projects:</i>					
1. Polavaram Barrage .. .. .	..	..	..	..	50.00
2. Srisaïlam R.B. Canal .. .. .	..	..	..	..	115.00
3. Singur .. .. .	..	..	..	..	30.00
4. Jurala .. .. .	..	..	..	..	47.00
<i>thers:</i>					
5. Pochampad Stage-II .. .. .	..	..	..	..	10.26
6. Medium Irrigation Projects (23) .. .. .	..	..	..	..	84.44
7. Modernisation .. .. .	..	..	..	..	16.00
8. Field Channels .. .. .	..	..	..	..	10.00
9. Investigation .. .. .	..	..	..	..	10.00
10. Research .. .. .	..	..	..	..	2.00
11. Drainage .. .. .	..	..	..	..	10.00
Total .. .. .	..	..	..	..	384.70

The total irrigation potential created under the continuing projects will be increased from 11.13 lakh hectares at the end of 1977-78 to 20.11 lakh hectares by the end of 1982-83. The new major irrigation projects have an ultimate irrigation potential of 7.20 lakhs hectares while the potential proposed to be created under them by 1982-83 is 1.23 lakh hectares. Under 23 new medium irrigation schemes included in the plan, a potential of 0.66 lakh hectares will be created by 1982-83.

#### Power :

According to the Tenth Annual Electric Power Survey of India conducted by the Central Electricity Authority the peak load in Andhra Pradesh was projected to increase from the 968 MW in 1977-78 to 1807 MW in 1982-83. The data indicates a compound growth rate of 13.2 per cent for the Medium Term Plan period. This data does not reflect the suppressed demand or the intensity of power shortage experienced in the State during the Fifth Plan period. Moreover the growth in the peak load requirements for 1977-78 over the peak load met in the previous year (1976-77) was as high as 21.5% even according to the tenth power survey. In view of this, the Electricity Board has assumed a growth rate of 20.3 per cent as against the rate of 13.2 per cent assumed in the Tenth Annual Power Survey. The estimates of the Electricity Board assume the peak load to increase from 968 MW at the end of 1977-78 to 2439 MW by the end of 1982-83. As per the assessment of the Andhra Pradesh Electricity Board, the State would still be left with a power shortage even by the end of the Medium Term Plan period. The programme of the Power sector envisages an outlay of Rs. 1035.87 crores. Out of this outlay, Rs. 581.37 crores will be for Generation Schemes, Rs. 240 crores for Transmission and Railway Electrification, Rs. 173.00 crores for Rural Electrification and Rs. 40.50 crores for System Improvements. Out of Rs. 581.37 crores proposed for Generation, an amount of Rs. 293.52 crores is allotted for the Continuing Schemes and the balance of Rs. 287.85 crores is for New Schemes. The following table will show the outlay proposed for generation schemes and the physical targets programmed under each project:—

Sl. No.	Continuing Projects	Outlay proposed (Rs. in crores)	Physical targets in Medium Term Plan period (in M.W.)
1	2	3	4
1.	Kothagudem Stage IV .. .. .	4.40	..
2.	Vijayawada Thermal Stage-I .. .. .	85.40	420
3.	Srisaïlam Stage-I .. .. .	84.00	440
4.	Lower Sileru .. .. .	6.60	115
5.	Nagarjunasagar Hydro Electric Scheme .. .. .	6.29	..
6.	Nagarjunasagar Pumped storage scheme Stage-I .. .. .	65.16	400
7.	N. S. Right Canal H. E. S. .. .. .	18.09	60
8.	A. P. Power House at Balimela .. .. .	16.33	60
9.	Donkarayi Power House .. .. .	7.25	25
		293.52	1,520

(1)	(2)	(3)	(4)
<b>NEW SCHEMES</b>			
1.	Vijayawada Thermal Stage-II .. ..	48.12	..
2.	Bhadrachalam Thermal Stage-I .. ..	120.00	210
3.	Bhadrachalam Thermal Stage-II .. ..	30.00	..
4.	Pochampad H. E. S. .. ..	10.00	..
5.	Nagarjunasagar P. S. S. Stage-II .. ..	33.73	100
6.	Srisaillam H. E. S. Stage-II .. ..	38.00	220
7.	Srisaillam Left side Power House and Irrigation Portion .. ..	8.00	..
		<u>287.85</u>	<u>530</u>
	Total generation .. ..	581.37	2050(*)
	Transmission and Railway Electrification. .. ..	240.00	..
	Rural Electrification .. ..	173.00	..
	System improvement .. ..	40.50	..
		<u>1,034.87</u>	

(\*) The net capacity to be created is only 1982 MWs on account of the retirement of old sets.

### *Physical Targets :*

The Physical targets envisage creation of an additional installed capacity of 1982 MW, laying of 4311 Kms. of High Tension lines of 220 KW and above electrification of 9,651 additional villages and 10,000 Harijan hamlets and energisation of 1.92 lakh additional pumps during the Medium Term Plan period. It is also proposed to bring down the line losses to about 20% from about 24% at the end of the Fifth Plan.

### **INDUSTRIES AND MINING**

According to the guidelines issued by the Planning Commission for the formulation of the Industries plan the highest priority has to be given in the allocation of investible funds to Agricultural and house-hold and Small Scale Industries producing wage goods and the growth of investment in the Large and Medium Industries sector has to be some what limited. But considering the low industrial base of Andhra Pradesh it is necessary that Large and Medium Industries are also developed in the State which through their linkage effects on the economy will facilitate the reduction not only in the imbalances between the Agricultural and Non-agricultural sectors of the States economy but also between different regions in the State. The State has already created adequate infrastructure facilities by investing huge amounts particularly in power and it is essential that these investments should bear fruit in the immediate future. While priority is given for Village and Small Industries adequate attention has to be ensured for Large & Medium Industries also.

The New Medium Term Plan for Andhra Pradesh under the Industries sector accordingly envisages an outlay of Rs. 179 crores consisting of Rs. 84.00 crores under the Large and Medium Industries and Rs. 95.00 crores for the Village and Small Industries. Besides this Rs. 32.65 crores is allocated for the Mining Sector. In addition to this an outlay of Rs. 29.00 crores is made towards State's share for the Co-operative Sugar Factories.

These State outlays are expected to attract investments from the financing institutions and the private entrepreneurs to the extent of Rs. 370.00 crores under Large and Medium Industries sector, 227.00 crores under Village and Small Scale Industries sector, Rs. 76.00 crores as a result of setting up of 18 Co-operative Sugar Factories and Rs. 164.00 crores towards investment in the Singareni Collieries.

The Singareni Collieries has programmed for a total investment of Rs. 192.00 crores during the next plan period. Of this, a contribution of about Rs. 28 crores is expected to be made by the State. It is expected that the balance amounting to Rs. 164.00 crores would be financed partly by the Government of India and partly from the owned funds of the Singareni Collieries and partly from the financing institutions. In sum, therefore, the projections of investment in Industries and Mining Sector during the next plan period would be around Rs. 838.00 crores for which Rs. 212.00 crores, would be from the State Plan Outlays.

In the beginning of this Chapter it has been assumed that an investment of at least 10 per cent of the total outlay provided under Central sector amounting to roughly Rs. 2,760 crores should be made in the State. Out of this, the investment to be made under Central Sector Industries comes to about Rs. 1,090 crores. Under Private Sector an investment of the order of Rs. 830.00 crores is anticipated in the next plan period. Based on these anticipated levels of investments under Industries Sectors, an average growth rate of 12 per cent could be projected during the next plan period as against the projected All India average of 6.92 per cent.

#### *Transport and Communications :*

Roads are the most important means of transport in Andhra Pradesh as the Railways and Inland Water ways do not contribute significantly to the transport net work in the State. The major thrust of the Road Plan would, therefore, be on strengthening of the State Highways and laying a number of rural roads. The main aim will be eliminating the deficiencies like missing road links, missing major and minor bridges, strengthening the weak pavements, widening the two lane carriage ways, constructing by passes, improvements of roads in the tribal areas and roads connecting fishing villages. In the State's plan under Roads sector, an outlay of Rs. 75.00 crores is made. The following programmes are proposed to be taken up in the next plan period with this outlay.

Item	Outlay
<i>(Rs. in crores)</i>	
<b>I. P. W. D. Roads :</b>	
(1) P. W. D. Roads (C. E. R & B) ..	
(a) Schemes for removal of deficiencies in the existing road net work .. .. .	26.97
(b) Replacement of weak Major bridges, pavements, minor bridges, submergible bridges, causeways etc., ..	11.33

Item				Outlay
				(Rs. in crores)
(c) Additional facilities to cater for traffic needs	..	..	..	8.90
(d) Expansion of existing net work	..	..	..	6.90
(e) Tribal sub-plans	..	..	..	5.90
(f) Traffic Engineering Cell	..	..	..	1.00
(g) Research and Development	..	..	..	1.00
(h) Tools and Plants	..	..	..	6.00
(i) Establishment	..	..	..	7.00
Total	..	..	..	75.00

The following table will show the targets proposed to be achieved during the next plan period.

Sl. No.	Schemes	Unit	Target
(1)	(2)	(3)	(4)
1.	Missing Road links	.. Kms.	75
2.	Missing Major bridges—State Highways	.. No.	19
	Major District Roads	.. No.	30
3.	Missing minor bridges/Culverts	.. No.	35
4.	Improvements to low grade sections	.. Kms.	700
5.	Reconstruction of Major bridges—State Highways	.. Nos.	8
	Major Dist. Roads	.. Nos.	6
6.	Strengthening of weak pavements	.. Kms.	550
7.	Strengthening of two lane pavements	.. „	50
8.	Reconstruction of Minor Bridges/Culverts	.. Nos.	50
9.	Replacement of Submergible causeways/dips/ Road dams with high level bridges	.. „	18
10.	Widening of two lane carriageway—State Highway	.. Kms.	300
	Major Dist. Roads	.. „	200
11.	Providing hand shoulders to single lane Carriageway—State Highways	.. „	222
	Major Dist. Roads	.. „	122
12.	Construction of by-passes	.. „	21
13.	Construction of roads in ayacut areas	.. Kms.	450

#### Sugarcane Roads :

There are 25 sugar factories and 165 Khandasari units in the State. Government have decided that 50 per cent of purchase Tax collections on sugarcane is to be utilised for improvements of roads leading to Sugar factories. In the next plan period a provision of Rs. 8.41 crores has been made for improvements to sugar cane roads.



*Toll Bridges :*

On account of persistent demand from the Public for construction of Missing links and bridges, the Government decided to levy tolls on all bridges costing more than Rs. 10.00 lakhs constructed on State roads so that this revenue may be utilised for construction of new bridges. An outlay of Rs. 1.92 crores has been provided in the next plan for this purpose and with this outlay it is proposed to take up schemes costing Rs. 2.72 crores.

*Mineral Roads :*

The Government decided to utilise the entire tax receipts for the Mineral royalties for the development of roads in the mineral areas. An amount of Rs. 2.00 crores has been provided in the next plan period for this purpose.

*Rural Roads :*

In Andhra Pradesh there are 26,714 villages out of which only 10,507 villages are connected by pucca roads 7,517 villages are connected by incompleated and fair weather roads and the balance villages are not connected by any road. The National programme of minimum needs as laid down by the Planning Commission required the linking of all villages with a population of 1,500 and more with all weather roads.

At the beginning of Fifth Five Year plan there were 7,968 villages having population of 1,500 and above out of which 4,068 villages were connected by pucca roads and 3,900 villages were not connected by pucca roads. Out of these 3,900 villages 3,283 villages did not have any roads and are connected only by foot paths and cart tracks. During the Fifth Plan period 205 villages were connected by pucca roads out of 3,900 villages.

In the next Plan period, an outlay of Rs. 80.00 crores has been made for undertaking Rural Roads under M.N. programme. It is proposed to allot an amount of Rs. 68.00 crores during the next plan period and taking up improvements to all weather roads to a length of 11,850 Kms. there by connecting 1,900 villages with all weather roads. At the end of 1982-83 there will still be 1,795 villages which will not be connected with any all weather roads. It is also proposed to spend an amount of Rs. 7.20 crores on providing all weather roads to villages having population between 1,000 and 1,500, a sum of Rs. 3.00 crores on providing communication facilities in Tribal areas. With this outlay of Rs. 3.00 crores it is proposed to undertake improvements to roads to a length of 400 Kms. in tribal areas.

*Minor Ports :*

The main aims of the Ports sector is to develop the ports of Kakinada, Machilipatnam and Krishnapatnam to cater to the estimated export potential. As a result of the establishment of a huge port based, fertiliser factory at Kakinada, the establishment of a huge port is required to build up capacity to handle the raw materials

required by the factory. For handling the estimated increase in traffic a scheme at a cost of Rs. 10.10 crores has been formulated. Under this scheme an expenditure of Rs. 1.34 crores has been incurred in the Fifth Plan period and for the next plan period an outlay of Rs. 8.76 crores has been proposed. For the development of Machilipatnam and Krishnapatnam ports an outlay of Rs. 2.57 crores has been provided. The target proposed for handling cargo at the above ports during the next plan period will be 48.00 lakh tonnes.

#### *Road Transport Corporation:*

The R. T.C. has at present a fleet strength of 5,009 vehicles employing a work force of about 48,000 employees and covering 80% of the nationalisation of transport in the State. The Corporation has formulated a plan for an outlay of Rs. 124.49 crores in the next plan period. This plan envisages the purchase of 1,531 vehicles for augmentation and 4,000 vehicles for replacement of old fleet, besides providing necessary infrastructure facilities.

#### *Social Services :*

Andhra Pradesh is one of the more backward States in the country in terms of several Social facilities. This and the revised Minimum Needs Programme necessitate a re-orientation of plan allocations in the next plan period, and a substantial stepping up of the outlays in the Social Services sector. The outlay on social services during the next plan period will be Rs. 936 crores including Rs. 258 crores for the RMNP, constituting 25.6 per cent of the total plan outlay. Of this, Rs. 112 crores will be on programmes relating to General and Technical Education, Rs. 101 crores on Medical and Public Health, Rs. 285 crores on Urban and Rural Water Supply Schemes, Rs. 145 crores on Urban Development and Housing, Rs. 241 crores on Welfare of Scheduled Castes, Scheduled Tribes and Backward Classes Rs. 31 crores on Social and labour Welfare schemes and Rs. 21.00 crores on Nutrition Programmes.

#### *General Education:*

Removal of illiteracy, Universalisation of Elementary Education and making Education more employment-oriented are the aims of the Education Plan in the next Plan period. The task of universalisation is essentially a problem of enrolment of girls in the primary schools in the age group 6-11 and a general one in regard to the age group 11-13. Most of the non-enrolled children in the age group 11-13 belong to Scheduled Castes, Scheduled Tribes and other weaker Sections of the society and the girls. The drop out rate is also high among S.Cs. and S.Ts. The Planning Commission has fixed 90 per cent coverage of children in the age-group 6-14 by the end of the next plan period. In order to achieve this target, it is proposed to fix the target for coverage at 100.3 per cent (110 per cent boys and 90 per cent girls) in the age group 6-11 and 50.3 per cent in the age group 11-13 (60 per cent boys and 40 per cent girls). This will increase an additional enrolment of 21.13 lakh children in the next plan period. Out of this, it is proposed

to enrol 4.67 lakh children in formal schools and 16.46 lakhs in the non-formal stream in the age group 6-13. For this purpose, it is proposed to appoint 3,132 secondary grade teachers, 2,000 B.Eds., and 2,000 Grade II Pandits.

In the case of Secondary Education the emphasis is on consolidation and strengthening the existing institutions but not on expansion. An outlay of Rs. 9.00 crores is provided for this purpose. The percentage of enrolment in the age group 13-16 will increase from 16.2 per cent in 1977-78 to 18.1 per cent in 1982-83. The emphasis under Higher and University Education during the next Plan period also is on qualitative improvement of the existing Colleges rather than on expansion. It is proposed to establish two more Model Degree Colleges on the lines of the one set up at Kurnool. As the policy of the Government is to open at least one Junior College in each taluk and as there are 21 taluks in the State which have no facilities for Intermediate Education it is proposed to open 20 Government Junior Colleges. Due to increased rush of students seeking admission into Degree Colleges and also to cater to the Educational needs of rural and backward areas, it is proposed to open 15 Government Degree Colleges during the Plan period. In Andhra Pradesh there are about 1 crore illiterate adults in the age group 15-35 requiring to be brought under the Adult Education Programme. It is proposed to cover only 65 lakhs of adults under this programme during the next Plan period. On the basis of the norms indicated by the Ministry of Education an outlay of Rs. 68.00 crores is required. However, an outlay of Rs. 8.00 crores only is provided in the Plan.

#### *Technical Education :*

In the field of Technical Education the main aim is on consolidation of the existing institutions by making up the deficiencies in staff, workshop and Laboratory machinery and equipment etc., and also diversification and improvement of the courses by starting Sandwich Courses and expansion of Part-time Diploma Courses. It is also proposed to undertake Quality Improvement Programmes by introducing curriculum development and undertaking refresher courses for the teachers of Polytechnics. An outlay of Rs. 9.09 crores is allotted for Technical Education. Out of this as much as Rs. 5.45 crores is set apart for improvements to Polytechnic institutions and Rs. 46 lakhs for giving grants-in-aid to Venkateswara, Osmania, Andhra and Jawaharlal, Nehru Universities offering Technical Education at the Under Graduate and Post Graduate levels.

#### *Urban Water Supply, & Drainage :*

Provision of adequate and safe drinking water and hygienic disposal of water is a minimum welfare commitment of the State. The programmes under this sector are implemented by the Public Health Engineering Department and will attract substantial institutional finances. The goals of the water supply and Drainage programmes are:

- (i) to cover the entire urban population with assured and adequate drinking water supply;

- (ii) to provide all the towns with a population of one lakh and above, and also towns endemic to filariasis, with sewerage schemes and;
- (iii) to convert the dry latrines into sanitary latrines in certain needy municipalities.

At the beginning of Medium Term Plan period, there will be 13 Municipalities without protected water supply facilities which include 6 such Municipalities where water supply schemes are taken up during the Fifth Five year plan period and the same will be continued during the next plan period also. It is proposed to take up new water supply schemes in 7 Municipalities. Thus, by the end of 1982-83, all the 83 Municipalities in the State, will be covered with water supply schemes. 12 augmentation schemes of Fifth Plan which have spilled over into the next plan period will be completed. Besides this, schemes will also be taken up to augment the existing water supply facilities in 27 Municipalities.

#### *Manjira Water Supply Scheme Phase-II and Hyderabad Water Works Department :*

The present Water Supply to Twin Cities of Hyderabad and Secunderabad is of the order of 60 Mgd. whereas the total Water Supply requirements are estimated to be around 94.50 Mgd. To overcome this shortfall, phase-II of Manjira Water Supply Scheme costing Rs. 12.05 crores has been taken up to supply another 30 Mgd. of water. Besides this, remodelling of distribution system in Hyderabad city has been taken up at a cost of Rs. 8.71 crores to distribute the additional water from phase-II of Manjira Water Supply Scheme. A provision of Rs. 17.86 crores has been made in the Plan for the above projects.

#### *Singur Project (Manjira Phase-III) :*

The Singur Project (Manjira Water Supply Scheme Phase-III) contemplates augmenting the Water Supply to twin cities by providing an additional quantity of water to the extent of 60 Mgd. A provision of Rs. 57.69 crores has been made in the plan for this Project.

The position of underground drainage in Andhra Pradesh is far from satisfactory and a lot has to be done in this field. It is proposed to extend sewerage facilities in 6 Municipal towns as well as in the Twin Cities which are partly covered, for which a provision of Rs. 13.00 crores is made. It is also proposed to take up sewerage facilities in 12 Municipal towns having a population of 1 lakh and above and also endemic to filariasis, during the plan period; for which a provision of Rs. 7.10 crores has been made. Towards conversion of dry latrines into sanitary ones in needy Municipalities a provision of Rs. 5.00 crores has been made. For the disposal of solid wastes in urban areas, a provision of Rs. 2.00 crores has been made.

#### *Rural Water Supply & Sanitation :*

Provision of Water supply to the rural areas is a priority item. There are 63,801 villages including hamlets, Harijanwadās etc. in the State.

Drinking water facilities by means of bore wells, open wells and protected water supply schemes have been provided to 51,850 villages leaving 11,951 villages yet to be provided with water supply.

In order to appreciate the magnitude of the problem, the uncovered villages have to be divided into two broad heads (a) problem villages and (b) scarcity villages.

*Problem villages :*

The problem villages have been identified as per guidelines given by the Government of India as follows :

- (a) Villages which do not have a source of drinking water within a distance of 1.6 Kms.
- (b) Villages which are endemic to cholera;
- (c) Villages where drinking water sources are infected with guinea-worm; and
- (d) Villages where there is excess of chemicals like chlorides, iron, flouride, etc.

The number of identified problem villages and hamlets is 5,742. Out of these 278 villages have been covered during 1977-78 leaving the balance 5,464 villages to be covered during the next plan period.

It is proposed to tackle the needs of these problem villages by adopting two methods. Such of those villages which are coming on the canal alignment of major and medium irrigation projects can be covered by means of drawing water from the canals and making it available to the villages after due treatment. The villages that can be covered under this method is 537. On an average, the cost of supplying water in these villages from irrigation canals works out to Rs. 150. to Rs. 250 per-capita. This estimated cost includes all the requirements such as storage tank, treatment plant, pipe lines etc. The total estimated cost for 537 villages will be Rs. 20.00 crores.

So far as remaining problem villages are concerned, the problem is one of not being able to locate any source of water supply either in the village or nearby the village. In such cases sources have to be located away from the villages either by way of digging deep bore wells or by tapping a stream if available, near by. The water so tapped, have to be conveyed by means of pipe lines to the village in question and distribution can be made through taps at the rate of one tap for a population of 400. The estimated cost to cover the balance of 4,927 problem villages works out to Rs 60.00 crores. Thus, the total requirement to cover the problem villages has been estimated as Rs. 80.00 crores.

A detailed examination of villages which are affected by salinity in the coastal belt due to tidal waves and floods etc., was taken up and now it has been decided that 736 villages belonging to this category, can be covered by an additional scheme at an estimated cost of Rs. 15.00 crores.

Further, it is felt that to cover 500 villages which can come up with contribution for sanction of protected Water Supply Schemes, a provision of Rs. 15.00 crores should be made, for sanction of such schemes with matching grant. In addition to this, a provision of Rs. 9.00 crores has been made to cover additional bore wells needed in place of collapsed bores and dried up bores at 10 per cent *i.e.*, 2,500 bores per annum. For fluctuation of rates at the rate of 15 per cent a provision of Rs. 8.00 crores has to be made. All these put together a sum of Rs. 127.00 crores will be required during next Plan period.

#### *Scarcity Villages :*

Providing safe drinking water to the 11,951 scarcity villages will have to be done by means of (i) bore wells fitted with hand pumps of 4" as well as 6" dia, (ii) open wells at an approximate cost of Rs. 16.00 crores.

Thus, the total requirements during the next Plan for Rural Water Supply and Protected Water Supply Schemes will be Rs. 143.00 crores. Out of this a provision of Rs. 113.00 crores has been made in the State plan and the remaining Rs. 30.00 crores provision has been made under Six Point Formula Schemes.

#### *Urban Development :*

The objective of urban Development schemes in the next plan period is to improve the financial resources of the Municipalities in order to enable them to effectively implement Urban Improvement Schemes. In the next plan a total provision of Rs. 65.24 crores consisting of Rs. 2.44 crores to Director of Town Planning, Rs. 9.55 crores to the Director of Municipal Administration, Rs. 23.25 crores to the Corporation of Hyderabad and Rs. 30.00 crores to the three Urban Development authorities in the State have been allotted. The provision made for Director of Town Planning is proposed to be utilised for the implementation of Master Plans in Municipal areas, while the provision made for Director of Municipal Administration is proposed to be utilised for advancing financial assistance to all the Municipalities in the State for undertaking construction of shopping centres, Markets, slaughter houses etc., which will augment the financial resources of the Municipalities. The scheme also contemplates provision of street lighting, parks, play fields where the Municipalities are not in a position to finance them. A sum of Rs. 18.50 crores for undertaking Town Cities Improvement Schemes, Rs. 1.00 crore for Urban Community Development Scheme and Rs. 3.75 crores for Environmental Improvement of Slums in the city has been allotted to the Corporation of Hyderabad.

The State Government have constituted the Hyderabad Urban Development Authority for Hyderabad City, Visakhapatnam Urban Development Authority for Visakhapatnam Development area. It is proposed to constitute a Urban Development Authority for Vijayawada, Guntur Urban area. A total provision of Rs. 30.00 crores at the rate of Rs. 10.00 crores to each of these Authorities has been allotted to enable these authorities to undertake improvement schemes.

In the field of Medical and Public Health the Revised Minimum Needs Programme amounting to Rs. 25.00 crores is expected to take into account to a substantial extent the provision of Primary Health facilities in the rural areas. Under the Revised Minimum Needs Programme the aim is to provide during the next plan period, Community Health Workers for providing services for sanitation, immunisation, simple remedies and referral services. Besides this, one Primary Health Centre for every 50,000 population and a sub-centre for 5,000 population will also be established. In order to achieve this goal it is proposed to establish in our State 42 Primary Health Centres and 728 sub-centres besides upgrading 38 Primary Health Centres.

In addition to this, an amount of Rs. 43.20 crores for Medical Programmes and Rs. 25.00 crores for Public Health Programmes has also been made. Under Medical Programmes till the end of the Fifth Five-Year Plan, the emphasis was mostly on urban areas leaving much to be done in the rural areas from Taluk level onwards. During the next plan period, this trend is to be reversed. Out of Rs.43.20 crores earmarked for Medical Department as much as Rs. 23.00 crores is allotted for Taluk hospitals while a sum of Rs. 18.00 crores is allotted for the development of Urban hospitals. The following table will show the distribution of this outlay :—

<i>Item</i>	<i>outlay</i>
	<i>(Rs. in crores)</i>
1. Direction and Administration .. .. .	1.30
2. Teaching Hospitals .. .. .	7.69
3. Other Hospitals .. .. .	2.11
4. District Headquarters Hospitals .. .. .	4.55
5. Taluk Headquarters Hospital .. .. .	22.55
6. Education (Medical Colleges) .. .. .	3.50
7. Buildings including spill over works .. .. .	1.02
Total .. .. .	43.20

Owing to the insufficiency of Medical care in rural areas there is great need to augment the services both under the preventive and curative sectors. The most important of the programmes included are the opening of (forty-two) 30 bedded hospitals, upgrading of 61 hospitals into 30 bedded hospitals and opening of 42 new dispensaries in the rural areas and increasing the bed strength of taluk hospitals by 2,710. It is also proposed to establish Mobile Medical Units for Fishermen villages and backward areas and also to institute diagnostic facilities at the Taluk Headquarters Hospitals and open Blood Banks therein. The rural medical services proposed to be provided are in addition to what is being provided through Primary Health Centres. Other programmes like making up deficiencies in Medical Colleges, providing for Super specialities and rationalisation of Post-graduate Medical Education and Research are also provided for in the Medical Plan.

Under Public Health programme a re-orientation is to be brought about of the workers engaged in prevention and control of communicable diseases through the multipurpose Health Workers Programme. Training of para-medical personnel and expanding Re-orientation Training is also envisaged under the Health Education and Multipurpose Programme contemplated in the plan. Under the Health Information System, the existing vital statistics organisation in the Medical Statistics Organisation will be reoriented to meet the increased needs.

#### *Development of Backward Classes :*

About 1/5th of the population of the State comprises Scheduled Castes and Scheduled Tribes who by and large live below the poverty line. The magnitude of the programme of bridging the gap between the levels of living of these groups and the rest of the population is considerable. They continue to pursue traditional occupations and despite creation of employment opportunities through various economic activities pursued under the plans, they are unable to secure employment due to their low educational levels and lack of skills. A large majority of the tribal population inhabit isolated hilly areas which are often inaccessible while the problem of the Scheduled Castes is rendered more difficult due to social disabilities. Both these groups have been exploited for long and any plan that seeks to attain growth with social justice must include specific provisions to promote the well being of these groups.

The programmes for the Backward Classes sector are conceived as a supplement to the total developmental effort to be made by the general sectors of development for promoting social and economic well being. The children belonging to Scheduled Castes, and Scheduled Tribes and Backward Classes have a lower rate of literacy and school enrolment, than the rest of the population and hence they will be the major beneficiaries of the drive towards universal Elementary Education and Adult Literacy Programme that forms part of the revised Minimum Needs Programme. This programme also has other components which would benefit the Scheduled Castes and Backward Classes. The provision of house-sites for the landless would be mostly for the benefit of Scheduled Castes and Backward Classes since they form the bulk of the rural landless population. Priority for Scheduled Castes and Backward Classes is also built into the programmes for supplementary nutrition and the Environmental Improvement of Slums. Apart from the benefits that would accrue to the Scheduled Castes and Backward Classes from the orientation of general development programmes the plan also includes a substantial provision for welfare schemes of these persons belonging to the weaker sections of the population. Thus, in the State's plan, a provision has been made of Rs. 104.00 crores for the Welfare of the Scheduled Castes, Rs. 86.53 crores for the Welfare of the Backward Classes and Rs. 50.00 crores for the Welfare of Scheduled Tribes to supplement the general programmes in other sectors of the development.

#### *Welfare of Scheduled Castes :*

The approach towards Planning for the welfare of Scheduled Castes has undergone a change in recent years and our plans have moved beyond the concept of merely providing Education, Health and



Housing facilities towards a more comprehensive Economic Support Programme with the object of bringing about a direct increase in their income and, thus, improving their standard of living. In the plan, a provision of Rs. 115.75 crores is made for the welfare of Scheduled Castes. Of this, as much as Rs. 78.50 crores is for Education. Rs. 18.74 crores is for Economic support Programmes ; Rs. 5.00 crores for Health, Housing schemes and Rs. 13.51 crores for Social security schemes. For Scheduled Castes, the important programmes relate to Education and Economic uplift. The importance of Education in the development of right type of consciousness and in accelerating rapid economic development hardly needs any emphasis. Through the plan schemes under Education several facilities such as fee concessions, scholarships, reservations in educational institutions, hostel facilities, free supply of nationalised Text Books, clothing etc., are sought to be provided. Partly due to non-availability of suitable trained Scheduled Castes candidates in certain categories the number of vacancies reserved for Scheduled Castes were not being filled up. To remedy this situation, several training programmes for Scheduled Castes were started in the past. In the next plan period, besides continuing the existing programmes, it is also proposed to introduce new training programmes such as Fisheries Training, training in Andhra Pradesh Industrial Infrastructure Corporation, Powerloom Training, training in Photography, carpentry, brick making besides affording coaching facilities for appearing in various competitive examinations. It is anticipated that 40,000 Scheduled Castes candidates would be trained in the next plan period.

One of the measures taken up by the Government for the economic betterment of the Scheduled Castes has been the establishment of the Scheduled Castes Co-operative Finance Corporation. The main objective of the Corporation is to secure loans for the Scheduled Castes all over the State for taking up various schemes for improving their economic conditions. The Corporation provides 20% of the cost of the scheme as margin money loans and recovers them in easy instalments. The Corporation has also decided to extend guarantee in deserving cases, where the applicants are not able to offer security.

An amount of Rs. 9.44 crores is provided in the Plan for making Share Capital contribution to the Scheduled Caste Finance Corporation under Economic Support Programmes. This amount will attract four times this as institutional finances. The Corporation will give financial assistance to Scheduled Castes for starting kerosene bunk, small Hotels, Pan bunks, Milk booths, Flour Mills etc. It is also proposed to provide financial assistance for digging wells in all the assigned lands. Most of the Scheduled Castes localities in the State lack basic civic amenities such as roads, drains, lavatories, open type bathrooms and even drinking water facilities. These localities are generally situated far away from the main villages. In order to provide the above amenities in Scheduled Castes localities, a provision of Rs. 5.00 crores is made in the plan.

Under Social Security measures, it is proposed to continue the Old Age Pension Scheme besides starting 18 more orphanages in the next plan period. It is also proposed to take up economic support scheme for Physically Handicapped, in addition to taking steps for implementation of the Beggary Act.

*Welfare of Backward Classes :*

For the Welfare of Backward Classes, the important programmes relate to Education and Economic uplift. In the next Plan, apart from the traditional method of giving scholarships, emphasis is placed also on special coaching for competitive examination. Out of Rs. 86.53 crores allotted for Welfare of Backward Classes a sum of Rs. 41.86 crores is for Education and Rs. 44.67 crores for Economic uplift schemes. Under Education, it is proposed to establish 750 new Hostels and for this purpose a provision of Rs. 10.12 crores has been made. Apart from constructing buildings for the 750 new hostels to be opened, it is also proposed to construct buildings to the existing 200 hostels. At the rate of Rs. 1.00 lakh for each hostel an amount of Rs. 9.50 crores is required. It is also proposed to cover 30,000 post Matric Listed Backward Class students with scholarships and for this purpose a provision of Rs. 6.50 crores has been made. Similarly for covering 14,000 post-Matric Economically Backward students, provision of Rs. 1.23 crores is made.

The Andhra Pradesh Backward Classes Co-operative Finance Corporation has been set up for the accelerated economic development of the Backward Classes. The main aims of the Corporation are to plan, promote, and assist programmes of Agriculture, Animal Husbandry, massive programmes of employment oriented Agro-industries, cottage and small scale industries, small business to provide working capital to the members by advancing loans etc. A provision of Rs. 26.05 crores has been provided in the Plan for share capital contribution to the corporation for implementation of various schemes for the benefit of Backward Classes.

*Tribal Welfare :*

The area approach adopted in the Fifth Plan involving identification of areas of 50% tribal concentration and evolving development programmes with integrated approach with a view to narrowing down the gap between the levels of development of tribal areas and other areas will be continued in the next plan period also. To tackle the problem of weaning away tribals from shifting cultivation a comprehensive programme for shifting cultivators is proposed to be implemented. It is also proposed to encourage the tribals to grow fruit plants in their back-yards as many of them have a large area around their huts. Out of Rs. 50.00 crores allotted for Tribal Development as much as Rs. 25.00 crores is set apart for Education schemes, Rs. 13.75 crores for Economic Support Scheme, Rs. 1.25 crores for Coffee Plantation and Rs. 10.00 crores for other schemes. A sum of Rs. 2.95 crores towards supply of books, Dresses etc., Rs. 2.50 crores for award of scholarships, Rs. 9.80 crores for construction of Hostels and Rs. 5.00 crores for establishment of Ashram schools has been provided.

Under Economic Uplift schemes, a provision of Rs. 4.50 crores for providing irrigation facilities by sinking irrigation wells, and construction of channels etc., has been provided. The Andhra Pradesh Scheduled Tribes Co-operative Finance Corporation proposes to implement

a variety of uplift schemes like Trade assistance, supply of Agricultural material and supply of livestock, etc. Provision to the extent of Rs. 8.85 crores has been made for making Share Capital contribution to this Corporation.

#### *Social Welfare :*

There are Social Welfare Programmes covering Women's Welfare and Social Defence Programmes. The Women Welfare Department has as its principal objectives the emancipation and development of Women and Children. The services provided by the Department cover executive, preventive and rehabilitative aspects of welfare carried on through Institutional and non-institutional services. Besides continuing the existing schemes in the next plan for the Welfare of Women and Children the Department will be taking up new schemes such as Home for the Aged Women and Domestic Staff Training scheme. Out of the sum of Rs. 10.35 crores allotted for Women and Child Welfare as much as Rs. 3.52 crores is allotted for Child Welfare while the balance is meant for Women's Welfare.

#### *Inspector-General of Prisons :*

The programmes implemented by Inspector-General of Prisons are divided into three broad categories viz., (a) Probation Wing, (b) Prisons Wing and (c) Industrial Wing and Rs. 434 lakhs has been provided for this.

#### *Under Probation Wing :*

Corrections Work which has come to be known as Social Defence Programme is taken up. Schemes such as Probation Services, Certified Schools, Remand Homes and Child Guidance Bureau form part of Social Defence Programmes. The schemes proposed to be taken up in the next plan period are intended to strengthen the existing services and to extend them to all areas in a phased and rational manner. The allocation for this is Rs. 105 lakhs.

For the implementation of programmes for the all round development of Prisons a perspective plan has been worked out and will be implemented in a phased manner for improvement of Prisons and Prison administration Rs. 250 lakhs has been allotted. Development and promotion of vocational Training and Work Programmes in Prisons will achieve the laudable social objective of absorbing the corrected offenders into the society and integrating them into the main stream of national economy as useful citizens. It is, therefore, proposed to strengthen the existing Vocational Training and Work Centres in Prisons and Borstal schools besides starting new centres and for this Rs. 79 lakhs has been provided.

#### *Nutrition:*

The Nutrition Programme includes the two schemes of Supplemental Nutrition and Mid-day Meals. The former is designed for children below Six and for Expectant as well as Nursing mothers belonging to the Weaker Sections of the Society. The Mid-day meals scheme caters

to school going children below the ages 6-11. The Mid-day meals programme attracts children to the schools especially those belonging to the weaker sections of the society and counters dropouts. The Supplemental Nutrition Programme is implemented by the Director of Municipal Administration in Municipal areas, by the Director of Tribal Welfare in Tribal areas and the Director of Women Welfare who is incharge of the Special Nutrition Programme. The Mid-day Meals programme is implemented by the Director of School Education. An allocation of Rs. 7.72 crores is made for the Director of Municipal Administration and it is proposed to cover 1.90 lakh beneficiaries during the next Plan period with this outlay. The Director of Tribal Welfare will be covering 3.62 lakhs Tribals for which an outlay of Rs. 3.31 crores has been made. It is proposed to bring 5 lakhs additional children under the Mid-day Meals programme, implemented by the Director of School Education. The outlay made to Director of School Education for this purpose is Rs. 9.58 crores.

[Annexure]

## ANNEXURE—1

### **Economy of Andhra Pradesh, Perspective of Income and Investment in The Medium Term Plans, 1978-83 and 1983-88.**

A perspective of income levels and investments in Andhra Pradesh was drawn up in the context of the preparation of the draft Fifth Five-Year Plan. It was assumed that a total investment of the order of Rs. 2,936 crores, at 1971-72 prices, would be forthcoming in the State during the Fifth Five-Year Plan period both in the public and private sectors. Including the current outlays, the State Plan outlay was taken at Rs. 1,277 crores. Though the Fifth Five-Year Plan is expected to be completed in 1978-79, it has now been decided to take up the rolling Plan from the year 1978-79. During the four year period ending 31-3-1978, a total outlay of Rs. 1,033 crores is expected to be incurred under the State Plan.

The State income at constant 1960-61 prices increased from Rs. 1,507 crores in 1973-74, the base year of the Fifth Plan to Rs. 1,566 crores in 1974-75 and to Rs. 1,601 crores in 1975-76. Thus, the State income at constant prices increased by about 4 per cent in 1974-75 compared to 1973-74 and by 2.3 per cent in 1975-76 over 1974-75. During the year 1976-77, mainly due to the extreme conditions of drought in the early part of the season and heavy rains in November 1976, the agricultural production declined steeply and consequently there has been a steep decline in the State income at constant (1960-61) prices to Rs. 1,499 crores or by 6.4 per cent. In 1977-78, though agricultural sector is affected to some extent by the cyclone in November '77, the overall economic conditions in the State indicate that the State Domestic Product at constant prices would be higher than that in 1976-77 and may possibly reach the 1975-76 level. Thus, in the first two years of the Fifth Plan Period, the State income at constant prices increased at an average annual rate of about 3 per cent only as against 5.5 per cent originally anticipated.

An exercise has, therefore, been done to revise the perspective of income levels and investments in the Medium Term Plans period 1978-88. In this exercise, the income and investment projections are based on 1976-77 price level. Further, projections of both income and investments have been disaggregated into four broad sectors, viz., (1) Agriculture and allied activities, (2) Industry and Mining, (3) Electricity, Gas and Water Supply and (4) residual activities. In the absence of data on incremental capital output ratios in the above four sectors for the State, the corresponding ratios of All-India were adopted.

The projections of income generation in the above four sectors and the State economy as a whole and the corresponding investment required to achieve these income levels are made assuming the following four alternative Models :

*Model-I*

The above four sectors of the State economy were assumed to grow during the Two Medium Term Plan periods at the same average rates observed in the past Seventeen years *i.e.*, 1960-61 to 1976-77. Thus, in respect of Agricultural sector an annual average compound growth rate of 1.64 per cent, industry and mining 5.34 per cent, Electricity and Gas 13.35 percent, and residual sectors 3.66 per cent are assumed for the Two Medium Term Plan periods. This would ensure an overall annual average compound growth rate of 3.28 per cent in the State income in the Medium Term Plan 1978-83 and 3.56 per cent in the Medium Term Plan 1983-88.

*Model-II*

The growth rates in the above four sectors during the Two Medium Term Plan periods are assumed to be identical with those in the draft National Fifth Plan. Under this assumption Agricultural Sector is expected to grow at an annual compound growth rate of 3.97 per cent, industry and mining at 8.14 per cent, Electricity and Gas at 10.31 per cent, and residual sectors at 6.00 per cent recording an overall annual compound growth rate of 5.48 per cent in the aggregate State Income at Constant 1976-77 prices during the M. T. Plan 1978-83 and 5.62 per cent in the M.T. Plan 1983-88.

*Model-III*

Since the State is lagging behind in respect of industry and mining and electricity sectors, it is proposed to provide higher growth rates than those provided in the draft National Fifth Plan for these two sectors while slightly lower growth rates are assumed for agricultural sector and residual sectors. Thus, under the Third alternative, an annual average compound growth rate of 3.3 per cent for Agriculture, 12.0 per cent for Industry and Mining, 15.0 per cent for Electricity and Gas and 5.5 per cent for others are assumed to obtain an overall growth rate of 5.8 per cent during the M.T. Plan 1978-83 and 6.4 per cent in the M.T. Plan 1978-83.

*Model-IV*

Under the Fourth alternative, Sectoral growth rates for agriculture and residual Sectors are kept at the same level as under alternative two *viz.*, 3.97 and 6.00 per cent respectively, while the growth rates for industry and mining, electricity and gas were fixed as under alternative three *viz.*, 12.0 per cent and 15.0 per cent. Under this alternative, an overall annual compound growth rate of 6.2 per cent is expected during M.T. Plan 1978-83 and 6.7 per cent in the the M.T. Plan 1983-88.

The State Income Estimates at Constant (1960-61) prices for 1960-61 to 1976-77 are shown in *Table No. 1*. The projections of State Income and investment assuming the above four alternative Models are shown in *Table 2*. The composition of the investment requirements according to public and private sectors estimated on the same ratios of All India (*Fifth Plan*) is shown in *Table 3*. The salient features of these four sets of projections are discussed below.

*Model-I*

In order to achieve an annual compound growth rate of about 3.3 per cent in the State Income at Constant 1976-77 prices in the M.T. Plan 1978-83 and corresponding rate of about 3.6 per cent in the M.T. Plan, 1983-88 the State would require an investment of the order of Rs. 4,730 crores and Rs. 7,133 crores during the Medium Term Plans 1978-83 and 83-88 respectively. Out of this Rs. 8.4 crores during M.T. Plan period 1978-83 and Rs. 1,050 crores during M.T. Plan period 1983-88 would have to be in the private sector and the balance of Rs. 3,888 crores and Rs. 6,083 crores respectively in the public sector. In the past Plans, in the National Plans the States Sector Plans formed 1/3rd of the total outlay. On this basis it is assumed that the State Government sector formed about one third of the total plan and, therefore, the State sector investment would have to be of the order of Rs. 1,577 crores and Rs. 2,378 crores during M.T. Plan periods 1978-83 and 1983-88 respectively. The balance of Rs. 2,311 crores in Plan period 1978-83 and Rs. 3,705 crores in the plan 1983-88 should be forthcoming in the Central Sector. Including the current outlays which formed about 24 per cent of the total plan in the case of State Sector Plans, the total State Plan would have to be the order of Rs. 2,075 crores in the M.T. Plan 1978-83 and Rs. 3,129 crores in the M.T. Plan 1983-88.

*Model-II*

In order to achieve a 5.5 per cent annual compound growth rate during M.T. Plan 1978-83 and 5.6 per cent during M.T. Plan 1983-88 in the State income at Constant (76-77) prices, the State would require an investment of the order of Rs. 6,250 crores in the Plan 1978-83 and Rs. 8,859 crores in the 1983-88 Plan. Out of this, Rs. 1,843 crores in M.T. Plan 1978-83 and Rs. 2,030 crores in the M.T. Plan 1983-88 would have to be in the private Sector and the balance of Rs. 4,767 crores in M.T. Plan 1978-83 and Rs. 6,829 crores in the M.T. Plan 1983-88 in the Public Sector. The State Sector investments would have to be of the order of Rs. 2,083 crores in the M.T. Plan 1978-83 and Rs. 2,953 crores in the M.T. Plan 1983-88. The balance of Rs. 2,684 crores in M.T. Plan 1978-83 and Rs. 3,876 crores in the M.T. Plan 1983-88 should be forthcoming in the Central Sector during M.T. Plans 1978-83 and 1983-88 respectively. Including the current outlays, the State Plans should be the order of Rs. 2,741 crores and Rs. 3,886 crores respectively.

*Model-III*

Since the State has been lagging behind in Electricity generation and Industry and Mining, it is not realistic to assume the same rate of growth in the State's M.T. Plans 1978-83 and 1983-88 as that for the country as a whole. Hence, a rate of growth of 12 per cent in Industry and Mining against 8.14 per cent in the draft Fifth Plan and 15 per cent in Electricity against 10.31 per cent in All-India are assumed. The growth rate for Agriculture is kept at 3.5 per cent against about 4 per cent in the draft National Fifth Plan. In this alternative, the overall growth rate in the State economy is assumed at 5.8 per cent in the M.T. Plan 1978-83 and 6.4 per cent in the M.T. Plan 1983-88. A total investment of the order of Rs. 7,528 crores and Rs. 12,399 crores during M.T. Plans 1978-83 and 1983-88 in the State would be required to achieve the above pattern of economic growth. Out of

this Rs. 1,724 crores in M. T. Plan 1978-83 and Rs. 2,640 crores in M. T. Plan 1983-88 would have to be invested by the private sector and the remaining Rs. 5,804 crores and Rs. 9,759 crores respectively in M. T. Plans 1978-83 and 1983-88 would have to be forthcoming from the public sector. The State sector component of investment would have to be of the order of Rs. 2,509 crores and Rs. 4,133 crores in M. T. Plans 1978-83 and 1983-88 respectively. The remaining Rs. 3,295 crores and Rs. 5,625 crores would have to be the Central Sector during the said periods. Including current outlays, the State M. T. Plans 1978-83 and 1983-88 should be the order of Rs. 3,301 crores and Rs. 5,438 crores respectively.

#### *Model-IV*

According to the comparable estimates, the per capita income in the State during 1976-77 was Rs. 901 against Rs. 1,049 in All-India. The reduction of this income disparity can be achieved only if the State Plans are sufficiently large. Therefore, it is assumed that the State will be enabled to take up a plan to achieve an overall annual compound growth rate of about 6.2 per cent in the M. T. Plan 1978-83 and 6.7 per cent in the M. T. Plan 1983-88.

The overall investment required for this purpose will be of the order of Rs. 7,890 crores in M. T. Plan 1978-83 and Rs. 12,957 crores in M. T. Plan 1983-88. Out of this, 1,822 crores and Rs. 2,794 crores would have to be in the private sector and the balance of Rs. 6,068 crores and Rs. 10,163 crores in the public sector respectively for M. T. Plans 1978-83 and 1983-88. Within the public sector, the State Sector investment would have to be of the order of Rs. 2,630 crores and Rs. 4,319 crores and that in Central Sector Rs. 3,438 crores and Rs. 5,844 crores during M. T. Plans 1978-83 and 1983-88 respectively. Including the current outlays, the State's M. T. Plans 1978-83 and 1983-88 Plans should be the order of Rs. 3,461 crores and Rs. 5,683 crores respectively.

To sum up, the four sets of projections made on the above four Models, the State Plan should be of the order of Rs. 2,075 crores to Rs. 3,461 crores in M. T. Plan 1978-83 and Rs. 3,129 crores to Rs. 5,683 crores in M. T. Plan 1983-88. With the lower limit of this range, the State will be able to achieve the same growth rate that prevailed during the last Seventeen years *i.e.*, 1960-61 onwards; while the second alternative will achieve the growth rate envisaged in the draft National Fifth Plan and the Third and Fourth alternatives provide for a higher growth rate to ensure that regional disparities are reduced to some extent during the M. T. Plan periods 1978-83 and 1983-88. Investments required under public sector with Central and State breakup and also current outlays under the above four alternatives in both the plan periods are shown in *Table 4*.

[Statement]



TABLE - 1

ESTIMATES OF STATE INCOME (ACTUALS) AT CONSTANT  
1960-61) PRICES

(Rs. in crores)

YEAR	Agriculture & allied activities	Manufacturing & mining	Construction	Electricity gas & Water supply	Other Sectors	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1960-61	572.00	82.91	43.84	5.11	279.33	983.19
1961-62	630.05	91.00	47.99	4.42	284.83	1,058.29
1962-63	616.79	93.51	46.43	4.49	294.25	1,055.47
1963-64	650.87	107.65	44.95	4.70	304.15	1,112.32
1964-65	700.28	116.59	54.88	5.53	313.56	1,190.84
1965-66	578.17	121.47	59.31	4.89	318.87	1,082.71
1966-67	620.36	121.56	51.71	4.53	326.77	1,124.93
1967-68	654.13	122.47	46.96	8.62	362.68	1,194.86
1968-69	585.32	130.38	51.56	11.62	362.41	1,141.29
1969-70	606.10	141.92	57.23	12.30	373.64	1,191.19
1970-71	703.84	139.65	69.12	14.99	407.14	1,334.74
1971-72	720.57	149.22	71.90	16.28	425.25	1,383.22
1972-73	629.71	162.41	66.36	15.21	416.45	1,290.14
1973-74	810.49	166.19	54.99	19.23	455.94	1,506.94
1974-75	813.75	187.66	65.83	19.56	479.13	1,565.93
1975-76	796.17	206.77	17.77	19.16	502.18	1,601.45
1976-77	655.99	224.33	81.88	23.51	513.25	1,498.96

TABLE - II

PROJECTION OF STATE INCOME AND INVESTMENT REQUIREMENTS IN MEDIUM TERM PLANS 1978-83 and 1983-88  
AT 1976-77 PRICES

(Rs. crores)

SECTOR	M. T. PLAN, 1978-83						M. T. PLAN, 1983-88					
	Income in 1977-78 (Projected)	Annual growth rate	Income in 1982-83 (Projected)	Additional income in the Plan	Capital output ratio	Investment requirement in the Plan	Annual growth rate	Income in 1987-88 (Projected)	Additional income in the Plan	Capital output ratio	Investment required in the Plan	
1	2	3	4	5	6	7	8	9	10	11	12	
<i>Model - I</i>												
Agriculture	2,319	1.64	2,516	197	2.00	394	1.64	2,729	213	2.00	426	
Industry & Mining	617	5.34	800	183	4.11	752	5.34	1,038	238	4.11	978	
Electricity and Gas	132	13.35	247	115	18.61	2,140	13.35	462	215	18.61	4,001	
Others	1,935	3.66	2,316	381	3.79	1,444	3.66	2,772	456	3.79	1,728	
Total	5,003	3.28	5,879	876	5.40	4,730	3.56	7,001	1,122	6.36	7,133	
<i>Model-II</i>												
Agriculture	2,319	3.97	2,817	498	2.00	996	3.97	3,423	606	2.00	1,212	
Industry & Mining	617	8.14	912	295	4.11	1,212	8.14	1,349	437	4.11	1,796	
Electricity and Gas	132	10.31	216	84	18.61	1,563	10.31	352	136	18.61	2,531	
Others	1,935	6.00	2,589	654	3.79	2,479	6.00	3,465	876	3.79	3,320	
Total	5,003	5.48	6,534	1,531	4.08	6,250	5.62	8,589	2,055	4.31	8,859	

1	2	3	4	5	6	7	8	9	10	11	12
<i>Model - III</i>											
Agriculture ..	2,319	3.50	2,754	435	2.00	870	3.50	3,271	517	2.00	1,034
Industry and Mining ..	617	12.00	1,087	470	4.11	1,932	12.00	1,916	829	4.11	3,407
Electricity and Gas ..	132	15.00	265	133	18.61	2,475	15.00	534	269	18.61	5,017
Others ..	1,935	5.50	2,529	594	3.79	2,251	5.50	3,365	776	3.79	2,941
<b>Total ..</b>	<b>5,003</b>	<b>5.81</b>	<b>6,635</b>	<b>1,632</b>	<b>4.61</b>	<b>7,528</b>	<b>6.35</b>	<b>9,026</b>	<b>2,391</b>	<b>5.19</b>	<b>12,399</b>
<i>Model - IV</i>											
Agriculture ..	2,319	4.00	2,821	502	2.00	1,004	4.00	3,433	612	2.00	1,224
Industry & Mining ..	617	12.00	1,087	470	4.11	1,932	12.00	1,196	829	4.11	3,407
Electricity and Gas ..	132	15.00	265	133	18.61	2,475	15.00	534	269	18.61	5,006
Others ..	1,935	6.00	2,589	654	3.79	2,479	6.00	3,465	876	3.79	3,320
<b>Total ..</b>	<b>5,003</b>	<b>6.21</b>	<b>6,762</b>	<b>1,759</b>	<b>4.49</b>	<b>7,890</b>	<b>6.69</b>	<b>9,348</b>	<b>2,586</b>	<b>5.01</b>	<b>12,957</b>

TABLE - III

BREAK-UP OF INVESTMENT REQUIRED IN MEDIUM TERM PLAN  
PERIODS 1978-83 AND 1983-88 AT 1976-77 PRICES ACCORDING  
TO PUBLIC AND PRIVATE SECTORS

(Rs. in crores)

SECTOR	MEDIUM TERM PLAN 1978-83			MEDIUM TERM PLAN 1983-88		
	Public	Private	Total	Public	Private	Total
1	2	3	4	5	6	7
<i>Model - I</i>						
Agriculture .. ..	260	134	394	281	145	426
Industry & Mining .. ..	416	336	752	542	436	978
Electricity & Gas .. ..	2,105	35	2,140	3,935	66	4,001
Others .. ..	1,107	337	1,444	1,325	403	1,728
Total .. ..	3,888	842	4,730	6,083	1,050	7,133
<i>Model - II</i>						
Agriculture .. ..	658	338	996	800	412	1,212
Industry & Mining .. ..	671	541	1,212	995	801	1,796
Electricity & Gas .. ..	1,537	26	1,563	2,489	42	2,531
Others .. ..	1,901	578	2,479	2,545	775	3,320
Total .. ..	4,767	1,485	6,250	6,829	2,030	8,859
<i>Model - III</i>						
Agriculture .. ..	574	296	870	683	351	1,034
Industry & Mining .. ..	1,070	862	1,932	1,887	1,520	3,407
Electricity & Gas .. ..	2,434	41	2,475	4,934	83	5,017
Others .. ..	1,726	525	2,251	2,255	686	2,941
Total .. ..	5,804	1,724	7,528	9,759	2,640	12,399
<i>Model - IV</i>						
Agriculture .. ..	663	341	1,004	808	416	1,224
Industry & Mining .. ..	1,070	862	1,932	1,887	1,520	3,407
Electricity & Gas .. ..	2,434	41	2,475	4,923	83	5,006
Others .. ..	1,091	578	2,479	2,545	775	3,320
Total .. ..	6,068	1,822	7,890	10,163	2,794	12,957

TABLE - IV

BREAK-UP OF INVESTMENT REQUIRED UNDER PUBLIC SECTOR IN  
MEDIUM TERM PLAN PERIODS 1978-83 AND 1983-88 ACCORDING  
TO STATE & CENTRAL GOVT. SECTORS

(Rs. in crores)

Models	Total Public Sector	Central Sector	State Sector	State Sector Including Current Outlays
(1)	(2)	(3)	(4)	(5)
<b>MEDIUM TERM PLAN 1978-83</b>				
Model I	3,888	2,311	1,577	2,075
Model II	4,767	2,684	2,083	2,741
Model III	5,804	3,295	2,509	3,301
Model IV	6,068	3,438	2,630	3,461
<b>MEDIUM TERM PLAN 1983-88</b>				
Model I	6,083	3,705	2,378	3,129
Model II	6,829	3,876	2,953	3,886
Model III	9,759	5,626	4,133	5,138
Model IV	10,163	5,844	4,319	5,683

TABLE—V

## STATEMENT SHOWING OUTLAYS IN FIFTH PLAN 1974-78 AND MEDIUM TERM PLAN 1978-83, HEAD OF DEVELOPMENT WISE

(Rs. in lakhs)

Head of Development Head of Department	Total Fifth Plan 1974-78	Medium Term Plan outlay 1978-83
1	2	3
1. <i>Agriculture</i> :	1845.22	8226.76
(a) Andhra Pradesh Agricultural University ..	255.62	962.81
(b) Director of Agriculture .. ..	309.78	1,417.65
(c) Director of Marketing .. ..	18.72	107.00
(d) Andhra Pradesh State Warehousing Corporation .. ..	32.00	150.00
(e) Forests and Rural Development Department		
(i) D. P. A. P. .. ..	1,143.79	4,130.00
(ii) S. F. D. A. & M. F. A. L. D. A. ..	60.31	125.00
(iii) I. R. D. P. .. ..	—	215.00
(f) Agro Industries Corporation .. ..	25.00	1,119.30
2. <i>Land Reforms</i> :	134.58	3,000.00
Director of Survey and Settlement (Agency Staff)		
3. <i>Minor Irrigation</i> :	2,236.79	9,550.00
(a) Director, Ground Water Department ..	206.24	900.00
(b) Chief Engineer (M.I.) .. ..	1,700.40	5,300.00
(c) A. P. Irrigation Development Corporation	230.15	1,650.00
(d) Chief Engineer (P. R.) .. ..	100.00	1,700.00
4. <i>Soil &amp; Water Conservation</i> :	177.39	1,394.50
(a) Director of Agriculture .. ..	150.74	1,319.50
(b) Chief Conservator of Forests .. ..	26.65	75.00
5. <i>Area Development</i> :	751.25	4,015.00
Command Area Development.		
6. <i>Animal Husbandry</i> :	323.73	1,427.80
Director of Animal Husbandry (Including A. P. Meat and Poultry Development Corporation)		
7. <i>Dairy Development</i> :	489.00	3,352.00
A. P. Dairy Development Corporation.		
8. <i>Fisheries</i> :	308.66	1,600.00
Director of Fisheries (Including Fisheries Development Corporation)		

(Rs. in lakhs)

Head of Development. Head of Department	Total Fifth Plan 1974-78	Medium Term Plan outlay 1978-83
1	2	3
9. <i>Forests:</i> .. .. .	382.45	1,924.00
Chief Conservator of Forests (including Forest Development Corporation)		
10. <i>Investment in Agricultural Financial Institutions ; (Debentures) Registrar of Co-operative Societies.</i>	812.84	3,314.00
11. <i>Community Development and Panchayats: Panchayati Raj Department.</i> ..	238.51	325.00
<b>I. AGRICULTURE AND ALLIED SERVICES .. .. .</b>	<b>7,700.42</b>	<b>38,129.06</b>
<b>II. Co-operation :</b>		
<b>(a) Registrar of Co-operative Societies: .. .. .</b>	<b>..</b>	<b>..</b>
(i) Borrowings from R. B. I. ..	773.09	1,720.00
(ii) Other Co-operative Schemes ..	468.93	1,857.67
<b>(b) Director of Sugars .. .. .</b>	<b>656.57</b>	<b>2,916.00</b>
<b>II. CO-OPERATION</b>	<b>1,898.59</b>	<b>6,493.67</b>
1. <i>Irrigation:</i> .. .. .	28,639.95	95,550.00
(a) Nagarjunasagar Project .. .. .	7,914.66	15,800.00
(b) Pochampad Project (Stage I) .. .. .	6,963.00	18,700.00
(c) Godavari Barrage .. .. .	2,809.03	2,600.00
(d) Other Major Irrigation Schemes ..	..	32,993.00
(e) Other Major & Medium Irrigation Schemes	8,793.64	21,972.00
(f) (i) Flood Control .. .. .	927.58	..
(ii) Drainage .. .. .	882.04	3,485.00
(g) A. P. Construction Corporation ..	350.00	..
2. <i>Power:</i> .. .. .	39,818.04	1,03,587.00
(a) Chief Engineer (Srisaïlam) .. .. .	8,243.00	13,000.00
(b) A. P. S. E. B. .. .. .	31,575.04	90,587.00
<b>III. WATER &amp; POWER DEVELOPMENT .. .. .</b>	<b>68,457.99</b>	<b>1,99,137.00</b>

(Rs. in lakhs)

Head of Development Head of Department	Total Fifth Plan 1974-78	Medium Term Plan outlay 1978-83
1	2	3
<b>1. Industries:</b> .. ..	1,640.81	8,420.00
(a) Director of Industries .. ..	334.29	1,900.00
(b) A. P. Industrial Infrastructure Corporation	421.40	1,900.00
(c) A. P. Industrial Development Corporation	550.00	1,900.00
(d) A. P. State Finance Corporation ..	81.30	240.00
(e) State Bureau of Public Enterprises (Industries and Commerce Department)	4.97	3.00
(f) State Contribution to other Government Companies (Industries and Commerce Department) .. .. .	31.17	1,823.00
(g) State Contribution to Sick Mills (Director of Handlooms & Textiles) .. ..	29.88	4.00
(h) Film Development Corporation	175.00	650.00
(i) Director of Civil Supplies .. ..	0.12	..
(j) Nizam Sugar Factory .. ..	12.68	..
<b>2. Village and Small Industries:</b> ..	1,163.68	9,534.05
(a) Director of Industries and Khadi Rebate	191.65	3,857.00
(b) A. P. Small Scale Industries Development Corporation .. .. .	107.83	1,000.00
(c) A. P. Industrial Infrastructure Corporation	11.30	3.30
(d) L. I. D. C. A. P. .. .. .	86.00	270.75
(e) Director of Handlooms and Textiles ..	766.90	4,403.00
<b>3. Mining and Metallurgical Industries :</b> ..	808.25	3,265.18
(a) Director of Mines and Geology ..	29.24	93.18
(b) A. P. Mining Corporation .. ..	79.01	372.00
(c) Contribution to Singareni Collieries ..	700.00	2,800.00
<b>IV. INDUSTRIES AND MINERALS</b>	3,612.74	21,219.23



(Rs. in lakhs)

Head of Development Head of Department	Total Fifth Plan 1974-78	Medium Term Plan outlay 1978-83
1	2	3
1. <i>Minor Ports :</i>	176.93	1,133.00
Director of State Ports		
2. <i>Roads and Bridges :</i>	2,729.82	16,733.00
(a) Chief Engineer (R.&B)		
(i) P. W. D. Roads	2,067.82	7,500.00
(ii) Sugar-cane Roads	88.30	285.00
(iii) Toll Tax in respect of identified Bridges	39.24	192.00
(iv) Imposition of Tax on Royalty under Mining	66.11	200.00
(b) <i>Sugar-cane Roads :</i>	24.00	84.00
Director of Municipal Administration		
(c) Chief Engineer (P. R.)		
(i) P. R. Roads	312.35	8,000.00
(ii) Sugar-cane Roads	132.00	472.00
3. <i>Road Transport :</i>	6,314.48	10,410.00
A. P. S. R. T. C.		
4. <i>Tourism :</i>	36.56	250.00
Director of Tourism		
V. TRANSPORT & COMMUNICATIONS	9,257.79	28,526.00
1. <i>General Education</i>	1,666.33	9,919.60
(a) Director of School Education	1,192.74	7,000.00
(b) Director of Higher Education	451.85	2,559.60
(c) Director of Youth Services	21.74	360.00
2. <i>Art and Culture :</i>	33.67	348.00
(a) Director of State Archives	7.14	27.00
(b) Director of Public Libraries	6.25	200.00
(c) Director of Archaeology and Museams	16.29	75.00
(d) Director of Oriental Manuscripts Library and Research Institute	3.99	46.00

(Rs. in lakhs)

Head of Development Head of Department	Total Fifth Plan 1974-78	Medium Term Plan outlay 1978-83
1	2	3
3. <i>Technical Education</i> .. .. .	123.67	909.00
Director of Technical Education		
4. <i>Medical</i> : .. .. .	565.39	5,000.00
(a) Director of Medical Services .. .. .	522.99	4,320.62
(b) Deputy Director of Medical Services (ESI)	17.06	66.40
(c) Director of Indian Medicine and Homeopathy	25.34	500.00
(d) Controller of Drugs .. .. .	..	112.98
5. <i>Public Health</i> : .. .. .	558.12	5,089.00
(a) Director of Medical Services .. .. .	..	..
(i) Normal P. H. Schemes .. .. .	116.29	2,500.00
(ii) Minimum Needs Programme .. .. .	415.83	2,500.00
(b) A. P. State Board for Prevention and Control of Water Pollution .. .. .	26.00	89.00
6. <i>Urban Water Supply and Drainage</i> : .. .. .	3,513.95	17,162.57
Chief Engineer (Public Health)		
(a) Schemes in Municipalities .. .. .		
(i) State Share .. .. .	470.00	..
(ii) L. I. C. Funds .. .. .	752.00	..
(b) Manjira and Hyderabad Water Works	1,957.00	..
(c) Mahedrigedda Water Supply Scheme	323.00	..
(d) Revalidated Funds S. T. D. .. .. .	11.95	..
7. <i>Rural Water Supply and Sanitation</i> : .. .. .	1,275.00	11,300.00
(i) State Share .. .. .	1,082.00	..
(ii) L. I. C. Funds .. .. .	193.00	..

(Rs. in lakhs)

Head of Development Head of Department	Total Fifth Plan-1974-78	Medium Term Plan outlay 1978-83
1	2	3
8. <i>Housing</i> :	2,257.91	7,028.59
(a) A. P. Housing Board .. ..	708.39	2,500.00
(b) A. P. Police Housing Corporation ..	155.00	765.00
(c) Director of Town Planning ..	7.12	10.00
(d) A. P. S. Cs, and S. Ts., Co-operative Housing Societies Federation .. ..	29.23	244.25
(e) Commissioner of Labour .. ..	34.37	138.00
(f) Chief Engineer (Roads and Buildings) ..	68.66	101.00
(g) Chief Engineer (P.H.) .. ..	2.81	24.34
(h) Registrar of Co-operative Societies	4.28	15.00
(i) Town Planning Trust, Visakhapatnam ..	25.00	50.00
(j) Director of Harijan Welfare (House-sites)	1,187.25	3,500.00
(k) Director of Municipal Administration ..	35.80	200.00
(l) Special Officer, Municipal Corporation of Hyderabad .. ..	..	294.00
(m) Grant -in-aid at Rs. 150/- per individual for construction of houses: .. ..	..	90.00
9. <i>Urban Development</i> :	684.91	6,523.85
(a) Director of Town Planning .. ..	47.76	243.85
(b) Director of Municipal Administration: ..	..	..
(i) Remedial Schemes ..	..	..
(ii) Environmental Improvement of Slums }	30.55	955.00
(c) Special Officer, Municipal Corporation of Hyderabad .. ..	130.90	..
(i) Twin Cities and other U. D. Improvement Schemes .. ..	344.75	1,850.00
(ii) Urban C. D. Project .. ..	4.42	100.00
(iii) Environmental Improvement of Slums	126.53	375.00
(d) Urban Development Authorities .. ..	..	3,000.00

(Rs. in lakhs)

Head of Development Head of Department	Total Fifth Plan 1974-78	Medium Term Plan outlay 1978-83
1	2	3
10. <i>Information and Publicity</i> :	38.08	85.00
Director of Information and Public Relations :		
(i) Publicity	34.41	71.25
(ii) Broadcasting	3.67	13.75
11. <i>Labour and Labour Welfare</i> :	116.93	349.85
(a) Commissioner of Labour	1.82	133.85
(b) Chief Inspector of Factories and Boilers	2.18	66.00
(c) Director of Employment and Training :		
(i) Employment Schemes	11.94	150.00
(ii) Craftsman Training Schemes	100.99	
12. <i>Welfare of Backward Classes</i> :	1,769.24	24,075.00
(a) Director of Harijan Welfare	744.37	10,422.00
(b) Director of Backward Classes	366.62	8,653.00
(c) Director of Tribal Welfare	658.25	5,000.00
13. <i>Social Welfare</i> :	124.80	2,821.91
(a) Director of Harijan Welfare	6.00	1,352.10
(b) Director of Women and Child Welfare	108.99	1,035.15
(c) Inspector-General of Prisons	9.81	434.66
14. <i>Nutrition</i> :	483.43	2,103.23
(a) Director of Municipal Administration	110.00	771.90
(b) Director of Tribal Welfare	246.35	331.00
(c) Director of School Education	34.00	957.49
(d) L. E. & T. E. Dept.	48.08	
(e) Director of Women and Child Welfare		42.84
15. <i>Other Social and Community Services</i> :	30.95	35.00
Zoological Park, C. C. F.		
<b>VI. SOCIAL AND COMMUNITY SERVICES</b>	<b>13,197.38</b>	<b>93,650.60</b>

(Rs. in lakhs)

<u>Head of Development</u> <u>Head of Department</u>	Total Fifth Plan 1974-78	Medium Term Plan outlay 1978-83
1	2	3
1. <i>Secretariat Economic Services :</i> .. ..		
(a) Finance and Planning (Plg. Wing) Department .. ..	20.71	78.00
(b) Block level Planning for Employment..	..	6,681.00
2. <i>Regulation of Weights and Measures:</i>		
Controller of Weights and Measures ..	24.27	144.98
3. <i>Statistics :</i>		
Director, Bureau of Economics and Statistics	39.12	101.00
VII. ECONOMIC SERVICES .. ..	84.10	7,004.98
VIII. GENERAL SERVICES		
Public Works—Buildings, Chief Engineer,(R&B)	254.26	2,500.00
<b>GRAND TOTAL .. ..</b>	<b>1,04,463.27</b>	<b>3,96,668.54</b>

## 6. REVISED MINIMUM NEEDS PROGRAMME

India set out to attain the cherished goals of social and economic Justice as outlined in the Directive Principles of the Constitution through its ambitious Five-Year Plans. It is true that the Five-Year Plans we have had so far have modernised a stagnant and dependent economy and made it more self-reliant. However, the benefits of development have not percolated down to the poorer sections of the population. The number of unemployed and under-employed are alarming. Illiteracy and ignorance still reign supreme and over 75 per cent of our people continue to remain uneducated. Though the output of Doctors is numerically increasing and the urban well-to-do have access to good hospitals, the rural areas continue to suffer without proper medical facilities and comforts. Many segments of the population and particularly the weaker sections like Scheduled Castes and Scheduled Tribes have hardly benefited from the economic growth that the nation has been able to register during the last quarter of the century. The problem of poverty has to be tackled not only in economic terms by provision of employment opportunities but also in social terms by providing the social infrastructure necessary for improving the quality of life in rural areas and depressed urban areas like slums. The Minimum Needs Programme is an attempt at tackling this aspect of the problem of poverty.

A Minimum Needs approach to the alleviation of poverty was mooted in the Fifth Five-Year Plan also. As against an outlay of Rs. 50.50 crores in our State under the Minimum Needs Programme in the Fifth Plan period, an expenditure of the order of Rs. 43.49 crores was incurred. The following table will show the head of development-wise break up of the outlay provided in 1974-78 and the actual expenditure incurred in those years:

[Statement]

TABLE  
OUTLAYS AND EXPENDITURE DURING 1974-78.

(Rs. in lakhs)

Sl. No.	Head of Development	Revised Provision 1974-78					Expenditure 1974-1978				
		1974-75	1975-76	1976-77	1977-78	Total	1974-75	1975-76	1976-77	1977-78	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1.	Rural Electrification	0.86	23.75	86.33	150.00	260.94	0.86	23.75	86.33	150.00	260.94
2.	Rural Roads	105.00	47.35	110.00	50.00	312.35	105.00	47.35	110.00	50.00	312.35
3.	Elementary Education	131.71	66.72	221.89	285.83	706.15	25.04	50.70	117.22	216.44	469.40
4.	Primary Health Centres	101.32	105.00	143.51	136.00	485.83	63.28	104.17	112.48	115.33	395.26
5.	Rural Water Supply	220.00	300.00	348.00	425.00	1293.00	217.89	200.00	331.96	368.28	1,118.13
6.	House-sites for landless labourers	100.00	200.00	370.00	507.00	1,177.00	100.00	217.25	370.00	507.00	1,194.25
7.	Environmental improvement of slums	50.60	44.35	89.88	89.00	273.83	50.60	43.95	73.88	42.32	210.75
8.	<i>Nutrition :</i>										
	(i) Pre-school feeding in urban slums	35.00	33.00	43.00	34.00	145.00	35.00	33.00	43.00	32.73	143.73
	(ii) Pre-school feeding in Tribal areas	82.00	80.00	18.74	82.00	262.74	82.00	63.61	18.74	24.84	189.19
	(iii) Mid-day Meals programme	33.00	33.00	33.00	34.00	133.00			12.06	34.00	46.06
		859.49	933.17	1,464.35	1,792.83	5,049.84	679.67	783.87	1,335.67	1,543.94	4,340.15

In contrast the next Plan envisages an outlay of Rs. 358.00 crores for the period 1978 to 1983 for the Revised Minimum Needs Programme. Thus, the step in the outlay for the Revised Minimum Needs Programme over the Minimum Needs Programme in the Fifth Plan is 609% whereas the total outlay is going up by only 164%, thus, emphasising the greater priority given now to this programme.

The Revised Minimum Needs Programme based on the upgraded norms is intended to fulfil the promise of providing essential infrastructure and social services to the weaker sections of the population particularly in the rural sector. It will also create substantial additional employment for unskilled labour as it contains a high construction component. Out of the minimum needs identified, Elementary Education, Adult Education and Nutrition Programme relate to urban as well as rural areas. The programme for Environmental Improvement of Slums pertains to Urban areas whereas all other programmes cater only to the rural areas. The time frame set for the achievement of the full range of minimum needs envisaged is 10 years ending 1988.

The Revised Minimum Needs Programme seeks:

- (a) to provide Elementary Education to 90 per cent of the children in the age-group 6 to 14;
- (b) to cover all adults in the age-group 15-35 under the Adult Literacy Programme;
- (c) to provide Community Health Workers for providing services for sanitation, immunisation, simple remedies and referral services. Besides one Primary Centre for every 50,000 population and a Sub-Centre for 5,000 population will be established;
- (d) provide all villages which do not have an assured supply of safe drinking water, with this facility, within the next Plan period;
- (e) to link up the villages with a population of 1,000 or more with roads on a larger scale;
- (f) to electrify at least 50% of the villages in each State and Union Territory;
- (g) to provide house-sites and financial assistance for housing to landless rural labour;
- (h) to improve environment to the urban slum dwellers in terms of (a) expansion of water supply; (b) sewerage; (c) paving of streets; and (d) provision of community latrines; and



- (i) to provide mid-day meals for 1/5th of the under nourished children in the age group 6 to 11 and undertake supplementary feeding programme for under nourished children under age group 0 to 6, pregnant women and nursing mothers particularly in Blocks with high concentration of Scheduled Castes and Scheduled Tribes.

In the following paragraphs, programme-wise details under the Revised Minimum Needs Programme are furnished.

### 1. *Elementary Education:*

The percentage enrolment of children in the age-group 6-11 years in the State at the end of Fifth Plan is 72.6 per cent (84.2% boys and 60.3% girls) as against 85 per cent in the Country as a whole. Similarly in the enrolment of children in the age-group 11-13 years also, the achievement by the end of Fifth Plan is expected to be only 30 per cent (40.3 per cent boys and 19.6 per cent girls) as against 40 per cent in the country.

Moreover, the percentage enrolment of girls is uniformly lower than that of boys throughout the State. The percentage enrolment of girls at the age group 6-11 by the end of 1977-78 is estimated at 59.8 as against 92.2 in the case of boys. Similarly the percentage enrolment of girls in the age group 11-13 is 19.6 as against 40.4 in the case of boys.

The task of universalisation is essentially a problem of enrolment of girls in the primary schools in the age group 6-11 and a general one in the age group 11-13. Most of the non-enrolled children in the age group 11-13 belong to Scheduled Castes and Scheduled Tribes and other weaker sections of the society and girls. There is a 66 per cent drop out rate in primary Education, and 73.5 per cent in Upper Primary Education, the drop out rate being high in the case of Scheduled Castes and Scheduled Tribes.

The Planning Commission has fixed 90 per cent coverage of children in the age group 6-14 as the target by the end of next Plan period. In order to achieve this target it has been proposed to fix a coverage of 100.3 per cent (110 per cent boys and 90 per cent girls) in the age group 6-11 and 59.3 per cent in the case of 11-13 (60 per cent boys and 40 per cent girls). The State Government have provided an outlay of Rs. 53.00 crores for Elementary Education. Out of this, a sum of Rs. 4,890.69 lakhs has been allotted for Elementary Education under Minimum Needs Programme and the remaining Rs. 409.31 lakhs for non-Minimum Needs Programme such as Teachers Training.

**Direction, Administration and Supervision and School Improvement Programmes.** The Programmes proposed to be taken up under Minimum Needs Programme are as follows:

					(Rs. in lakhs)
1.	Appointment of additional teachers	..	..	..	4,189.18
2.	Construction of Class Rooms	..	..	..	14.06
3.	Equipment	..	..	..	70.03
4.	Incentives	..	..	..	578.10
5.	Teachers quarters	..	..	..	6.00
6.	Coaching Scheme for S.Cs., and S.Ts.,	..	..	..	33.32
Total					4,890.69

With the above order of outlay it is proposed to enrol an additional 15.71 lakh children of the age group 6-11 and 5.42 lakh children of the age group 11-13 during the next Plan period, the details of which are as follows:

Item	Unit	1974-78	Additional children proposed to be now enrolled in 1978-1985	Total at the end of 1978-1983
(1)	(2)	(3)	(4)	(5)
<b>1. Enrolment in Class I-V</b>				
Boys ..	Lakhs	27.74	7.56	35.30
Girls	..	19.02	8.15	27.17
Total	..	46.76	15.71	62.47
<b>2. Schooling facilities (6-11)</b>				
Boys	%	84.2	..	110.00
Girls	%	60.3	..	90.00
Total	%	72.6	..	100.30
<b>3. Enrolment in Class VI-VII</b>				
Boys	Lakhs	5.03	2.88	7.91
Girls	..	2.45	2.54	4.99
Total	..	7.48	5.42	12.90
<b>4. Schooling facilities (11-13)</b>				
Boys	%	39.5	..	60.00
Girls	%	19.8	..	40.00
Total	%	29.8	..	50.30

As per the above targets of 110% coverage of boys and 90% of girls in the age-group 6-11 and 50.3% (boys 60% and girls 40 per cent) in the age-group 11-13, a total number of 21.13 lakhs children are to be enrolled during the next Plan period. Out of the total number of 21.31 lakhs, it is proposed to enrol 4.67 lakhs children in formal schools and 16.46 lakhs in the non-formal stream in the age group 6-13.

**2. Adult Education:**

In Andhra Pradesh there are about one crore literate adults in the age-group 15-36 requiring to be brought under Adult Education Programme. Out of this, it is proposed to cover only 65 lakhs of adults under this programme during the next Plan period. The Ministry of Education indicated that the cost per person enrolled in adult education may be calculated at the rate of Rs. 60. Since approximately 1/3rd of the participants may drop out, the effective cost per learner comes to Rs. 90. However taking into consideration the fact that some of the programmes might be shorter and some voluntary contributions might also be made, the effective cost per learner has been indicated by the Government of India at Rs. 80. On this basis for enrolling 65 lakhs of adults an outlay of Rs. 68.64 crores is required as shown below:

65 lakhs X Rs. 80/-	..	Rs	52.00 crores
add 10 % (Administrative costs)	..	Rs.	5.20 crores
		Rs,	57.20 crores
add 20 % (follow-up cost)	..	Rs.	11.44 crores
		Rs,	68.64 crores
or say Rs. 68.6 crores			

However, in the State Plan for the next Plan period, an outlay of only Rs. 8.00 crores has been made.

**3. Rural Health:**

By the end of the Fifth Plan, the State is expected to have one hospital bed for every population of 2,000 persons and one doctor for 13,000 persons as against the ideal bed population ratio of 1:1000 and doctor population ratio of 1:3500. On the basis of 1971 Census the bed strength and the number of doctors work out to 43,500 beds and 12,428 doctors, as against which the availability in the State was only 21,945 beds and 3,525 doctors. Moreover, a study of the dispersal of existing facilities reveals acute imbalance between urban and rural areas. The shortfall in rural areas has been estimated to be as high as 32,788 beds and 9,122 doctors as compared to surplus facilities available in urban areas. The following table will make this position clear:

Beds/Doctors	Urban	Rural
<i>Beds</i>		
Number required ..	8,000	35,500
Number available ..	19,233	2,712
Surplus (+) or Short-fall (—) ..	(+) 11,233	(—) 32,788
<i>Doctors</i>		
Number required ..	2,286	10,143
Number available ..	2,504	1,021
Surplus (+) or Short-fall (—) ..	(+) 218	(—) 9,122

The main thrust of the Minimum Needs Programme is to provide improved facilities for Medical treatment in the rural areas by improving the existing Primary Health Centres and Sub-Centres. The Planning Commission have indicated that a Community Health Worker and a trained dai will be provided for every 1,000 of the population as soon as possible, and in addition to completing the back-log of construction of Primary Health Centres and Sub-Centre buildings, by the end of the Plan, there will be one Primary Health Centre for every 50,000 population and one Sub-Centre for 5,000 population. In order to provide improved medical facilities in rural areas, the State has formulated proposals involving an outlay of Rs. 25.00 crores for inclusion in the Minimum Needs Programme, the break-up of which is as follows:

Capital	(Rs. in lakhs)
1. Spill-over construction .. .. .	43.02
2. Construction of incomplete buildings .. .. .	47.18
3. Construction of 105 Primary Health Centre Buildings .. .. .	157.50
4. Construction of Staff quarters in 320 Primary Health Centres .. .. .	288.00
5. Construction of buildings for 893 sub-Centres of Community Development pattern .. .. .	223.25
6. Construction of buildings for 877 Sub-Centres of Family Planning Programme .. .. .	219.25
7. Construction of buildings for 42 new Primary Health Centres to be opened .. .. .	63.80
8. Construction of staff quarters for 42 Primary Health Centres to be opened .. .. .	37.80
9. Construction of buildings in 739 new sub-centres to be opened .. .. .	184.75
10. Construction of buildings in 39 upgraded Primary Health Centres .. .. .	312.00

Revenue	(Rs. in lakhs)
1. Continuance of Primary Health Centres .. ..	51.20
2. Drugs for Sub-centres .. ..	381.66
3. Opening of new 42 Primary Health Centres .. ..	169.00
4. Opening of new upgraded Primary Health Centres .. ..	287.27
5. Equipment and Furniture .. ..	43.23

There are at present 420 Primary Health Centres and 4,492 Sub-Centres consisting of 1,346 sub-centres under Community Development pattern, 1,769 sub-centres under Family Planning, 877 sub-centres of Multi-purpose Health Workers and 500 sub-centres under 'other categories'. The coverage of rural population by Primary Health Centres is about 80,000 per centre. As according to the norms laid down by the Government of India there has to be one Primary Health Centre for every 50,000 population, the total number of Primary Health Centres required is 830. Since 420 Primary Health Centres are already in existence, it is necessary to establish 410 more Primary Health Centres during the next Plan period. But taking into account the constraint of resources, it is proposed to establish only 42 Primary Health Centres during the next Plan period. Similarly in regard to sub-centres, as per the norms of each sub-centre covering a rural population of 5,000, it is necessary to establish 8,300 sub-centres and excluding 4,492 sub-centres already in existence it is necessary to set up 3,808 more sub-centres. But the State Government propose to set up only 728 sub-centres during the next Plan period.

During the next Plan period, it is proposed to construct office buildings for 105 existing Primary Health Centres, besides undertaking the construction of staff quarters in 320 existing Primary Health Centres. Construction of office buildings are also proposed to be undertaken in 1,770 sub-centres. Towards supply of drugs an amount of Rs. 3.82 crores has been provided.

#### 4. Rural Water Supply:

The number of villages provided with drinking water is 51,850 up to 1977-78, leaving a balance of 11,951 villages to be provided with drinking water during the next Plan period. In order to appreciate the magnitude of the problem, the uncovered villages have to be divided into two broad heads (a) problem villages and (b) scarcity villages.

**Problem Villages:**

The problem villages have been identified as per guidelines set by the Government of India as follows:

- (a) Villages which do not have a source of drinking water within a distance of 1.6 kms.
- (b) Villages which are endemic to cholera.
- (c) Villages where drinking water sources are infected with guinea-worm; and
- (d) Villages where there is excess of chemicals like chlorides, iron, flouride, etc.

The number of identified problem villages and hamlets is 5,742. Out of these 278 villages have been covered during 1977-78, leaving the balance 5,464 villages to be covered during the next Plan period.

It is proposed to tackle the needs of these problem villages by adopting two methods. Such of those villages which are coming on the canal alignment of major and medium irrigation projects can be covered by means of drawing water from the canals and making it available to the villages after due treatment. The villages that can be covered under this method is 537. On an average, the cost of supplying water in these villages from irrigation canals works out to Rs. 150 to Rs. 250 per capita. This estimated cost includes all the requirements such as storage tank, treatment plant, pipe lines, etc. The total estimated cost for 537 villages will be Rs. 20.00 crores.

So far as remaining problem villages are concerned, the problem is one of not being able to locate any source of water supply either in the village or nearby the village. In such cases sources have to be located away from the villages either by way of digging deep bore wells or by tapping a stream if available, nearby. The water so tapped, will have to be conveyed by means of pipe lines to the village in question and distribution can be made through taps at the rate of one tap for a population of 400. The estimated cost to cover the balance of 4,927 problem villages work out to Rs. 60.00 crores. Thus, the total requirement to cover the problem villages will be Rs. 80.00 crores.

A detailed examination of villages which are affected by salinity in the coastal belt due to tidal waves and floods etc., was taken up and now it has been decided that 736 villages belonging to this category, can be covered by an additional scheme at an estimated cost of Rs. 15.00 crores. Further, it is felt that to cover 500 villages which can come up with contribution for sanction of Protected Water Supply Schemes, a provision of Rs. 15.00 crores should be made, for sanction of such schemes with matching grant. In addition to this, a provision

of Rs. 9.00 crores will have to be made to cover additional bore wells needed in place of collapsed bores and dried up bores at 10 per cent rate, 2,500 bores per annum. For fluctuation of rates at the rate of 15 per cent a provision of Rs. 8.00 crores has to be made. All these put together a sum of Rs. 127.00 crores will be required during next Plan period.

#### Scarcity Villages:

Providing safe drinking water to the 11,951 scarcity villages will have to be done by means of (i) bore wells fitted with hand pumps of 4" as well as 6" dia (ii) open wells at an approximate cost of Rs. 16.00 crores.

Thus, the total requirement during the next Plan for Rural Water Supply and Protected Water Supply Schemes will be Rs. 143.00 crores. Out of this, a provision of Rs. 113.00 crores has been made in the State Plan.

#### 5. Rural Roads:

In Andhra Pradesh there are 26,714 villages out of which only 10,507 villages are connected by pucca roads, 7,517 villages are connected by incomplete and fair weather roads and the balance villages are not connected by any road. The National Programme of Minimum Needs as laid down by the Planning Commission required linking of all villages with a population of 1,500 and more with all weather roads.

At the beginning of Fifth Five-Year Plan there were 7,968 villages having a population of 1,500 and above, out of which 4,068 villages were connected by pucca roads, and 3,900 villages were not connected by pucca roads. Out of these 3,900 villages, 3,283 villages do not have any roads and are connected only by foot paths and cart tracks.

Although an outlay of Rs. 20.00 crores was originally made in the Fifth Plan for undertaking Rural Roads in plains areas, yet on account of the claims of priority sectors of development this had to be reduced and an expenditure of only Rs. 2.23 crores was incurred during this period on Rural Roads. With this outlay it was possible to lay new formations over an extent of 100 Kms. and undertake metalling and new improvements over 332 Kms. of roads covering 205 villages. Thus, at the end of Fifth Plan period, there were 3,695 villages having a population of 1,500 and above without any all weather roads. The amount required for connecting all these villages is estimated at Rs. 170.00 crores.

In the next Plan period, an outlay of Rs. 80.00 crores has been made for undertaking Rural Roads under the Minimum Needs Programme. Out of this it is proposed to allot an amount of Rs. 68.00 crores for taking up improvements to all weather roads to a length of 11,850 Kms., thereby connecting 1,900 villages having a population

of Rs. 1,000 and above with all weather roads. At the end of 1982-83 there will still be 1,975 villages not connected with any all weather roads. It is also proposed to spend an amount of Rs. 7.20 crores on providing all weather roads to villages having population between 1,000 and 1,500. Besides this it is also proposed to spend a sum of Rs. 1.00 crore on Major bridges on existing roads and also a sum of Rs. 3.00 crores on providing communication facilities in Tribal areas. With this outlay of Rs. 3.00 crores, it is proposed to undertake improvements to roads to a length of 400 Kms., in Tribal areas.

#### 6. House-sites to Scheduled Castes and other Weaker Sections:

The State Government have embarked upon a massive expansion of the programme for acquisition of lands for allotment of house-sites to Scheduled Castes, Scheduled Tribes and other weaker sections. Government are providing house-sites free of cost to the Scheduled Castes and other poor in need of house-sites.

District Collectors have been made fully responsible for implementing this scheme at the District level. Till recently, lands were being acquired and 25 per cent of the sites acquired were being set apart for the Backward Classes with a view to ensure progressive socialisation. From 1977-78, Government have been setting apart 50 per cent of the Land Acquisition Funds for the Scheduled Castes, 25 per cent for the Listed Backward Classes and 25 per cent for the other weaker sections of the Society.

From the time of the formation of Andhra Pradesh to end of 1977-78, more than Rs. 16.00 crores have been spent on land acquisition for house-sites and 43,373.44 acres of land has been acquired. Ac. 17,301.21 of Government land also was given towards house-sites till 1977-78. The total number of families who have been given house-sites till the end of 1977-78 is 10,31,418.

Lands given for house-sites in some places, specially in delta areas are low lying. During the rainy season they get water logged and such low lying plots require levelling. As the allottees are very poor, they cannot normally level up the low lying lands allotted to them on their own. It would be difficult for the allottees to settle down on the sites without minimum civic amenities such as drains and roads. The beneficiaries mostly need some hutting assistance also.

During the year 1975, the Land Acquisition Act has been amended empowering the District Collectors to pay the compensation of the lands acquired in not more than 5 instalments. The District Collectors have been fixing the instalments ranging between 2 to 3. Thereby the State Government are required to pay about Rs. 275.00 lakhs in each year towards payment of carry over instalments for the lands acquired during the previous years.



Sites acquired in the previous years have not all been occupied by the beneficiaries, as they do not have the means to construct houses in the new sites allotted to them. In order to encourage the beneficiaries to put up structure on the sites allotted to them, it is proposed to sanction incentive grant @ Rs. 350 per family in the shape of material to put up at least thatched structures. It is, therefore, proposed to cover about 20,000 families under this Incentive Grant Scheme per year @ 350 per family. This would require about Rs. 70.00 lakhs per annum. Thus, about 1,00,000 families will be benefited under this scheme during next Plan period.

The additional staff attending to the land acquisition work has been treated as part of the scheme. As such expenditure on their salaries, T.A. and other contingencies is also debitable to the land acquisition provision. An amount of Rs. 27.00 lakhs annually is provided for this purpose. Towards fresh acquisition of land a sum of Rs. 551.00 lakhs has been provided. In all, a provision of Rs. 35.00 crores is made in the Plan for this purpose.

#### 7. *Environmental Improvement of Slums:*

This scheme was introduced in the year 1974-75 in Municipalities having a population of over 3 lakhs. Under this scheme 100 per cent grants-in aid is being given to Visakhapatnam and Vijayawada Municipalities. This scheme has now been extended to Guntur Municipality also in 1977-78. Financial assistance under this scheme is given to the above Urban Development Authorities to take up works like water supply, including drinking water taps, sewers, storm water drains, community baths and latrines, widening and paving of existing lanes and street lighting etc. A provision of Rs. 375.00 lakhs has been made in the next Plan period for giving assistance to the Urban Authorities and Municipalities.

From the experience of the several programmes taken up by the Corporation of Hyderabad for clearing the slums and also providing basic amenities to improve the environmental conditions it is found that there is a good response from the slum dwellers and economically weaker sections of the society to construct their own houses under Habitat Housing Scheme. Under this scheme, Pattas are to be distributed by the Government/Municipal Corporation to the several dwellers in the existing scheme and economically weaker sections. Regular layouts are to be prepared for such plots as well as in other open lands and loans at a low rate of interest secured from the commercial banks to the extent of house construction to the plot owner up to Rs. 4,000 by mortgaging these plots. The individual on his part has to construct the house by contributing Rs. 1,000 in cash or labour component. The basic amenities such as roads, drainage, water supply and electricity etc., are being provided by the Corporation of Hyderabad. This has proved to be a most effective and acceptable scheme under the

**Habitat Housing Scheme.** The cost of house including bank loan and cash or labour component for house owner works out to Rs. 5,000 per house. The provision under "Environmental improvement of slums" will be utilised for providing basic amenities such as roads, drainage, water supply and electricity free of cost and also to acquire the private lands where slums have to be developed.

During the next Plan period it is proposed to construct 46,000 houses under Habitat Housing Scheme in the City to improve the slum conditions. This will meet about 2/3 housing requirements of the slum population. The provision for providing basic amenities is made at the rate of Rs. 700 per house. This works out to Rs. 3.22 crores. Out of 284 slums in the City, there are several slums located on private lands. It is proposed to acquire from private individuals about 106 acres of slum and for developing 8,840 plots for construction of houses. A provision at the rate of Rs. 50,000 per acre for land is made. The total cost for acquisition of land works out to Rs. 53.00 lakhs. The total provision made for Corporation of Hyderabad for undertaking this programme is Rs. 375.00 lakhs.

#### 8. Rural Electrification and system improvement:

Out of 27,221 villages in the State 14,652 have been electrified up to the end of 1977-78 forming 53.8 per cent of the total villages. There are, however, as many as 32,750 hamlets in addition to the codified villages. These hamlets are located far away from the main villages to which they are attached and have a separate identity with reference to name, assessment of Revenue and population. Therefore, the percentage of electrified villages in the State does not indicate the true level of rural electrification unless the hamlets mentioned above are also taken into account. When they are also considered the percentage of electrified villages and hamlets would be only about 31.5 per cent at the end of the Fifth Plan period. It is considerably lower than the All India average of 37.6 per cent. Under the circumstances the State would be entitled for an allocation under the revised Minimum Needs Programme contemplated by the Government of India to raise the level of electrification to 50 per cent by 1988.

Out of 182 Rural Electrification Schemes costing Rs. 66.29 crores covering 5,009 villages, 897 hamlets and energisation of 66,222 pump-sets taken up by the Andhra Pradesh State Electricity Board, schemes costing Rs. 30.33 crores have spilled over into the Medium Term Plan which envisage electrification of 2,019 villages and 470 hamlets. These spill-over schemes, will have to be completed during the next Plan. In addition, it is also proposed to take up the electrification of another 5,621 villages mostly from among those located in the backward areas of the State.

But even after the implementation of the above rural electrification programmes, there will still remain 3,142 unelectrified villages and about 28,500 unelectrified hamlets in the State at the end of 1982-83. These are mostly inhabited by the poorer sections of the rural population. About 10,000 harijan hamlets are targeted for electrification by 1982-83 including those under the normal programme. It is, therefore, proposed to spend about Rs. 5.00 crores per year exclusively for the electrification of the hamlets during the Medium Term Plan period to make a modest beginning in tackling the problem of these unelectrified hamlets. An amount of Rs. 20.00 crores is proposed for this purpose for the period 1979-83.

### 9. Nutrition

The Nutrition programme includes the two schemes of Supplemental Nutrition and Mid-day meals. The former is designed for children below six and for expectant as well as nursing mothers belonging to the weaker sections of the society. The mid-day meals scheme caters to school-going children between the ages 6 and 11. The mid-day meals programmes attract children to the schools especially those belonging to the weaker sections of the society and counters dropping out.

During the Fifth Five-Year Plan period an expenditure of Rs. 3.79 crores was incurred. With this outlay it was possible to cover 3.97 lakh beneficiaries through supplemental feeding programme for expectant and nursing mothers and pre-school children. Of this 2.47 lakh beneficiaries covered belonged to Scheduled Tribes. Under Mid-day Meals Programme, it was possible to cover 6.45 lakh children.

The Supplemental Nutrition Programme is implemented in this State by the Director of Municipal Administration, Director of Tribal Welfare in Tribal areas and Director of Women Welfare who is in-charge of the Applied Nutrition Programme while the Mid-day Meals Programme is operated by the Director of School Education. In the next Plan period an outlay of Rs. 21.03 crores has been allotted for Nutrition. The Department-wise break-up of this outlay is as follows:

	(Rs. in lakhs)			
Director of Municipal Administration	..	..	..	771.90
Director of Tribal Welfare	..	..	..	331.00
Director of Women Welfare	..	..	..	42.84
Director of School Education	..	..	..	957.49
			Total	2,103.23

*Director of Municipal Administration:*

The provision for the Special Nutrition Programme is Rs. 7.72 crores. This programme was extended in 1976-77 to Vizianagaram, Kakinada, Eluru, Machilipatnam, Tenali, Ongole, Nellore, Chittoor, Cuddapah, Anantapur, Adoni, Nizamabad, Khammam and Mahabubnagar Municipalities with a total beneficiary strength of 70,000. During the next Plan period it is proposed to increase the beneficiaries in 11 out of the 14 Municipalities mentioned above by 22,000 and also to extend the programme to Srikakulam, Anakapalli, Rajahmundry, Bhimavaram, Palacole, Gudivada, Tirupathi, Chirala, Kothagudem, Bapatla, Guntakal and Tadpatri Municipalities with an additional beneficiaries strength of 70,000. Under non-Plan, the special nutrition programme is implemented in the Corporation of Hyderabad and in Kurnool, Warangal, Guntur, Vijayawada and Visakhapatnam Municipalities. During the next Plan period it is proposed to increase the beneficiaries in the above areas by 28,000. Thus, the total number of beneficiaries to be covered under Plan in the next Plan period will be 1,90,000. To ensure proper supervision for better implementation of this programmes, it is proposed to appoint Inspectors in each Municipality.

*Director of Tribal Welfare:*

The Special Nutrition Programme for Tribals is intended to fill up the gap in the calory/protein deficiency among the Tribal children up to the age of 6 years and expectant and nursing mothers. At the end of 1977-78 there were 3,998 Special Nutrition Programme Centres catering to the needs of 2.47 lakh beneficiaries. During the next Plan period, it is proposed to cover an additional 3.62 lakh beneficiaries at the rate of 63,620 in 1978-79, 69,370 in 1979-80, 72,770 in 1980-81, 76,270 in 1981-82 and 80,770 in 1982-83. For this purpose an outlay of Rs. 331.00 lakhs has been provided.

*Director of Women's Welfare:*

Applied Nutrition Programme is basically an educational programme designed to improve the nutritional and health status of the people in rural areas, especially the vulnerable groups, viz., children of the 0-6 age-group and pregnant and lactating women, through nutrition education, increased production and consumption of protective foods. The accent under this programme during the next Plan period is on provision of safe drinking water, Nutrition Education, Supplementary feeding, Kitchen gardens and backyard poultry units and training at several levels. It is proposed to revitalise selected schemes in the 70 post-operational blocks and intensify the efforts for their successful implementation so that there is no such place as post-operational period. It is also proposed to take up only 4 blocks in each year during the next Plan period so that intensive effort can be made to implement the programme successfully in all respects.

*Director of School Education:*

In order to achieve universalisation of Primary Education, it is proposed to enrol all the children of the age-group 6-11. The enrolment has to be increased from 72.6 per cent at the end of 1977-78 to 100 per cent by the end of 1982-83. Having regard to the Socio-Economic problems prevailing in the society, this is indeed a stupendous task. With a view to enrolling additional children various incentives, like book grants, attendance scholarships, school uniforms and mid-day meals have to be provided to the children of weaker sections and economically backward groups. At present mid-day meals programme is being run with the assistance of CARE gift food. In view of their gradual phasing out the programme has to provide for feeding all children already covered besides covering additional children. During the next Plan period it is proposed to cover 5 lakhs of additional children by covering one lakh every year. With this, by the end of 1982-83, 12.44 lakh children would be covered which works out to 21.00 per cent of the number of children on rolls. An outlay of Rs. 9.57 crores is provided for this purpose.

The aggregate outlay provided for the nine items of the Revised Minimum Needs Programme over five years 1978-83 is given below:

*(Rs. in Crores)*

Item	Estimated outlay during 1978-1983
1. Elementary Education .. .. .	48.91
2. Adult Education .. .. .	8.00
3. Rural Health .. .. .	25.00
4. Rural Water Supply .. .. .	113.00
5. Rural Roads .. .. .	80.00
6. House-sites for landless labour households .. .. .	35.00
7. Environmental improvement of sanitation .. .. .	7.50
8. Rural Electrification .. .. .	20.00
9. Nutrition .. .. .	21.03
Total .. .. .	358.44

## 7. FINANCIAL RESOURCES FOR THE MEDIUM TERM PLAN

In the absence of the Report of the 7th Finance Commission the estimates of our financial resources for the Plan *vide* Annexure I have been made on certain assumptions which might require a review after the Award is known. The assumptions made are briefly outlined in the succeeding paragraphs.

### *Balance from current Revenues:*

Though there was a considerable revenue surplus in the initial years of the Fifth-Year Plan, owing to increase in maintenance grants and upgradation of standards of administration as recommended by the 6th Finance Commission, there was a gradual reduction in the Revenue Surplus. The State Plan has also been stepped up considerably in the last five years bringing in its wake, substantial revenue expenditure which gets merged in non-plan at the end of the current year. As a result of this there is likelihood of a revenue deficit which the 7th Finance Commission is likely to cover through devolutions and grants-in-aid. In the absence of the Finance Commission's award while assessing the resources available for the Plan the balance from the current revenues has been treated as Nil though the National Document on the Five-Year Plan assumes certain surplus on the revenue account.

### *Market borrowings:*

The need for an objective formula or at least for certain objective criteria for deciding Market Borrowings by different States was discussed by the Committee of the National Development Council. In spite of certain assurances given in the meeting of the National Development Council which considered the Draft Fifth Five-Year Plan, a final view has yet to be taken on this also. An annual increase of 10% has been allowed during 1974-79, over the actual borrowings of States in 1973-74 which was taken as the base. This only perpetuated the inequities that were in existence before the Fifth Plan. An analysis of the per capita borrowings for the last nine years 1970-71 to 1977-78 shows that the per capita market borrowings of Andhra Pradesh amounted to Rs. 42.67 as compared to the all States figures of Rs. 56.65. Considering the year 1977-78 only, Andhra Pradesh occupied 18th place among 22 States, in terms of per capita borrowings. This lee-way has, therefore, to be made up now.

In view of the steady increase in accumulation of deposits in Commercial Banks and disposable funds of Life Insurance Corporation, Provident Fund etc., the National Plan for 1978-83 has envisaged a very large draft on these savings. Instead of appropriating a comparatively larger share of these market borrowings for the Central Plan as hitherto the State's share of these borrowings has to be increased

substantially. In the larger borrowings, thus, set apart for the States the borrowings of States such as Andhra Pradesh which had less than their due share till now need to be substantially increased. In view of the above, we have assumed an annual growth of 20% in the net market borrowings of the State Government, the State Electricity Board and the Housing Board for the Sixth Plan period.

#### *Negotiated Loans:*

In the case of negotiated loans the allocations during the 5th Five-Year Plan have been more or less stationary with little or no increase over the years. The Plan document envisages substantial outlays on water supply, both Rural and Urban and massive Housing Scheme for the weaker sections specially those living in the rural areas. These outlays cannot be sustained through the State Budgetary Resources alone. Unless substantial funds are allotted for this programmes during the next Plan period the basic needs of both Rural and Urban population cannot be met as envisaged in the Plan. To meet the growing demands under these two sectors a 20% increase in the negotiated loans on the base figure of 1978-79 has been assumed in the estimate of resources for financing the Plan.

#### *Contribution of Public Enterprises:*

The contribution of the State Electricity Board and the Road Transport Corporation at 1977-78 rates of tariffs and fares is likely to be of the order of Rs. 222.85 crores and Rs. 57.37 crores respectively for the Five-Year Plan period. This contribution is based on the projected Plan outlays of Rs. 905.87 crores and Rs. 124.49 crores for the State Electricity Board and the Road Transport Corporation respectively. This estimated contribution is likely to vary depending on the final outlay decided for these two organisations. If there is any reduction in the outlay envisaged there will be a corresponding decline in the contribution of these two undertakings to the Plan.

The target for additional resources mobilisation indicated by the Planning Commission for Andhra Pradesh is Rs. 340 crores. In the National Plan document, the target for additional resource mobilisation by all States is Rs. 4,000 crores so that the target given for Andhra Pradesh comes to 8.5 per cent of the all States' target. On the other hand, the total Plan outlay indicated for the Medium-Term Plan for Andhra Pradesh is Rs. 2,000 crores. A break-up of the total Public Sector outlay between the Centre and States has not yet been worked out, but since the Planning Commission have already indicated that this time the share of the States will be larger than the share of the Centre in the total outlay, we may assume that the outlay of all the States Plans together will be Rs. 40,000 crores out of the total Public Sector outlay of Rs. 69,380 crores. That means, the Plan outlay of

Andhra Pradesh is 5 per cent of the total Plan outlay of all the States. It is extremely inequitable that while the Plan outlay is indicated as 5 per cent of the all-States figure, the target for resource mobilisation is 8.5 per cent.

Such a position could have been understood if the State was above the All-India average in general economic development and, therefore, could have been assumed to do more than its due share in regard to resource mobilisation. The fact, however, is that Andhra Pradesh is a State whose per capita income is below the All-India average, the figure for the six years 1970-71 to 1975-76 being Rs. 772 against Rs. 813 for all India. Taking the total net Domestic Product, the net Domestic Product of Andhra Pradesh for 1976-77 was Rs. 4,434 crores compared to Rs. 64,279 crores for all India; *i.e.*, the net Domestic Product of Andhra Pradesh constituted 6.9 per cent of the total net Domestic Product of the Nation. Under any circumstances, the taxable capacity of the State cannot, therefore, be assumed to be more than this. On this basis the target for Andhra Pradesh against all-India target of Rs. 4,000 crores should have been Rs. 275 crores. A target of this order would have been feasible over a five-year period. However, due to the severe cyclonic storm in 1977-78 and the after effects thereafter and the general slump in prices of agricultural products in the current year, the State could not go in for any large scale resource mobilisation in 1978-79. We are, therefore, left with only four years for which a target can be fixed. For this period a feasible target will be only Rs. 200 crores, and even this will assume a resource mobilisation of the order of Rs. 50 crores in the very first year *i.e.* 1979-80.

The State's resources for financing the Plan estimated on the basis of the above assumption come to Rs. 934.26 crores. As mentioned earlier, this will naturally have to be revised in the light of the award of the Seventh Finance Commission. The quantum of Central assistance will also depend upon the recommendations of the National Development Council which is to consider a review of the Gadgil formula.

The total outlay envisaged in the proposals in this draft has to be considered in this context of the outlay envisaged in the National Draft Plan for all States and the share that Andhra Pradesh can legitimately expect out of this total outlay, taking into account its present level of development and the share that the State has received in various developmental outlays in the past. The level of development of the State *visa vis* other States has been analysed in detail in another Chapter in this document. It has also been shown there that the share of Andhra Pradesh in Central sector investments or in Private sector investments has been below the average for All States in spite of Andhra Pradesh not being one of the more developed



**States.** Besides the Central and Private sectors the third sector which has a direct and important bearing on the development of the State is the State sector itself, viz., the outlay on the State Plan. In the case of a State like Andhra Pradesh the outlay envisaged for the Plan period will have to compensate not only for the deficit in outlays in the past which have been below the All States average, but also for the deficit in such outlays in the Central and Private sectors.

In these proposals we are concerned with the outlay on the States' Plan.

As against the total Plan outlay of Rs. 32,649 crores for all States in the State sector for the period 1951-78, the Plan outlay for Andhra Pradesh for the same period amounted to Rs. 2,309 crores only *i.e.* 7.7% of the Plan outlay for all States. This compares unfavourably with the share of population of Andhra Pradesh in all States population which is 8.03%. In terms of per capita outlays the Plan outlays of Andhra Pradesh were constantly below the All States averages in every single Plan period commencing from the First Plan and the per capita Plan outlay of Andhra Pradesh amounted to Rs. 531 as against the all States' average of Rs. 603 for the period 1951-78.

The Draft next Plan envisages a total outlay of Rs. 69,380 crores in the Public Sector. On the basis of the indication given in the Draft Plan that the States' share of the Plan outlay will this time be higher than the Centre's share, the State Plan outlays may be roughly estimated at about Rs. 40,000 crores for the period 1978-83. This works out to about Rs. 739 per capita. Assuming that the per capita Plan outlay of Andhra Pradesh should not at least lag behind the all-States' average, an outlay of over Rs. 3,200 crores would be required for the next Plan period for Andhra Pradesh. However, if the leeway in the Plan outlays in the past when Andhra Pradesh's outlay was below the all-States average is to be made up at least partially during the next Plan period, the outlay on the State's Plan will have to be somewhat above its population percentage of 8.03. The State Government have, therefore, proposed a Plan outlay of Rs. 3,966 crores for Andhra Pradesh for the period 1978-83.

## ESTIMATES OF STATE'S RESOURCES FOR 1978-1983

(Rs. crores)

Item	1978-79	1979-80	1980-81	1981-82	1982-83	Total
1	2	3	4	5	6	7
1. Balance from current Revenues at 1977-78 rates of taxation ...	58.08	..	..	..	..	58.08
2. Loans from the Market	27.91	33.49	40.19	48.23	57.88	207.70
3. Negotiated loans etc.	52.99	28.87	34.15	40.48	48.07	204.56
4. Contribution of Public enterprises :						
(a) State Electricity Board ..	33.68	34.32	41.96	53.60	59.29	222.85
(b) Road Transport Corporation ..	10.73	11.72	11.75	11.63	11.54	57.37
5. Small Savings ..	12.50	13.00	13.50	14.00	14.50	67.50
6. State Provident Funds	7.73	8.19	8.68	9.20	9.75	43.55
7. Miscellaneous Capital Receipts ..	- 16.75	-47.23	-41.27	-45.13	-45.67	-196.05
Total ..	186.87	82.36	108.96	132.01	155.36	665.56
II. Withdrawal from reserves etc. ..	50.00	..	..	..	..	50.00
III. Additional Resource Mobilisation ..	..	..	..	..	..	200.00
Grand Total ..	236.87	82.36	108.96	132.01	155.36	915.56

## 8. RESOURCES FROM INSTITUTIONAL SOURCES

Institutional Finances play a crucial role in the process of development of the country. They are a valuable supplement to fiscal resources in aiding capital formation and can also help in the redistribution of incomes particularly with the accent on programmes for the development of weaker sections of society. Since Independence, a number of institutions have been set up at the National level to provide finances for development. Over the years the banking and financial system has become an important aid in resource mobilisation for financing plan and other investment programmes of the Government. After nationalisation of the 14 major commercial banks, the involvement of banks in our developmental activity has increased sizeably. In full appreciation of this, the State Government have been taking a number of measures to secure increased flows of Institutional Finances for productive activities in this State.

2. The economic development of the State depends not merely on the developmental outlays budgetted under the Plan but also on other investments in the economy a large measure of which comes through the financing institutions. It is estimated that 44% of the total flow of funds to the States (taking Budgetary transfers and funds flowing through Financial Institutions together) are from the institutional sources. Thus, for the period 1969-76 which the per capita Net Budgetary transfers to States was Rs. 277 the flow of total Institutional funds was Rs. 215 per capita. As against these All-India average figures the figures for Andhra Pradesh were Rs. 243 for Net Budgetary transfers and Rs. 156 for Institutional funds, thus showing that Andhra Pradesh did worse with regard to Institutional Finances than Budgetary transfers (*Vide* Table-I). The Government have been keenly aware of the leeway to be made up and have been trying to see that the assistance by financial institutions to projects in our State is further stepped up by better co-ordination with them. The All India Financing Institutions have, on an average, disbursed about 6.6 per cent of their total loan assistance to our State up to 1976-77. As the State should have got much more on the basis of the composite index of population and area, these Institutions have been urged to increase their participation in the developmental activities by providing greater credit facilities to our State.

3. The last few years have seen a marked improvement in the banking activity in the State. The Commercial Banks opened a number of branches in Andhra Pradesh after nationalisation. There were 571 Bank Offices in Andhra Pradesh in 1969. This increased to 1,234 in 1974 and 2041 in December, 1977. In pursuance of the objective of securing wider geographical coverage of commercial banks, the State Government stressed the need to open more branches outside

the urban areas. Between 1974 and 1977 Commercial Banks have opened new offices in 277 in rural unbanked centres and 183 in semi urban centres in addition to 150 offices in urban and Metropolitan Centres. This development is spread over all the districts as shown in Table-2. The average population covered per bank office as in December, 1977 was 21,000. However, the population coverage per branch is still above both the Southern Region average of 15,000 and the All-India average of 20,000. We are also making efforts to ensure that more branches are opened in the rural areas of our State, as the average population served per bank office in the rural areas is still higher (27,000).

4.1. The activity of commercial banks has shown a significant growth in the last few years. The deposits and advances have been growing as shown below :

(Rs. in crores)

Year	Deposits	Advances	Priority Sector Advances
1974	477	413	142
1975	597 (25.1)	462 (11.8)	178 (25.4)
1976	805 (34.8)	609 (31.8)	237 (33.2)
1977	987 (22.6)	711 (16.7)	289 (21.9)

(Figures in brackets indicate percentage increase over previous year)

It will be seen that while advances have no doubt grown during this period their growth has not kept pace with the growth of deposits so that the credit deposit ratio has steadily declined and has remained below the ratio for the Southern Region as can be seen from the following table :

Year	Andhra Pradesh	Southern Region	All-India
1969	90	95	77
1974	86	92	70
1977	72	80.8	71

4.2. The comparison of the Andhra Pradesh figures for advances and deposits with the figures for the Southern Region and for the entire country is tabulated below :

Year	Deposits Percentage of A.P. in		Advances Percentage of A.P. in	
	Southern Region	All-India	Southern Region	All-India
1975	22.3	4.3	18.4	4.5
1976	23.3	4.5	19.2	4.4
1977	22.9	4.6	20.4	4.7

The State's share of the advances has not recorded any appreciable increase and remains well below the share which should come to the State according to population (7.9%). Similarly, the share of our State in the credit extended in the Southern Region is only 19.5% as against 32% which should be the share of the State according to population. Table-3 shows the advances to priority sectors in the various regions/States.

4.3. The per capita deposits in Andhra Pradesh were only Rs. 228 as compared with Rs. 317 in the Southern Region and Rs. 387 in the country as at the end of December, 1977. The per capita deposits in Andhra Pradesh have only grown from Rs. 102 in 1974 to Rs. 228 in 1977. During the same period, the per capita deposits rose from Rs. 154 to Rs. 316 in the Southern Region and from 195 to Rs. 387 in the country. Table-4 shows the per capita deposits and advances in the country and various States. Thus, in spite of the quick growth of deposits in this period, the State is lagging behind National and Regional levels in mobilisation of savings through the banking system.

4.4. The per capita availability of credit in Andhra Pradesh was far below the Southern Region and All-India levels. The advances in Andhra Pradesh are well below the per capita advances in Maharashtra (Rs. 666), West Bengal (Rs. 394), Tamil Nadu (Rs. 334) and Punjab (Rs. 315). In Andhra Pradesh per capita credit rose from Rs. 86 in 1974 to only Rs. 165 in 1977. This figure of Rs. 165 is well below the All India average of Rs. 275.

5. Government have realised the vital role of Institutional Finances in mobilising resources for quick implementation of Economic support programmes aimed at bettering the lot of the weaker sections. One of the important measures for improving the situation regarding flow of credit is the preparation of proper credit plans. In view of the importance of this, the Institutional Finances Cell helped the lead banks in the preparation of the credit plans for all the districts in the State. In Andhra Pradesh the district credit plans were prepared and launched by June, 1977 itself. The district credit plans envisaged an outlay of Rs. 674.24 crores, the outlay for Agriculture being Rs. 558.28 crores, that for industries being Rs. 79.05 crores and Rs. 36.95 crores

being for the services sector. The progress in disbursements of credit is reviewed in the districts and at the State level. From the latest reports furnished by the district, it is seen that 70% of the targetted outlays have been reached. The Bankers and the District Collectors are confident of achieving plan targets in time.

The Fifth Five-Year Plan has seen a remarkable increase in the disbursement of credit by co-operative institutions. The long term loans issued by the Agricultural Development Banks have increased from Rs. 18.66 crores in 1974-75 to Rs. 47.68 crores in 1977-78. Similarly, the short term and medium term loaning by the Co-operative Central Bank has gone up from Rs. 26.86 crores in 1973-74 to Rs. 88.77 crores in 1977-78.

Four Finance Corporations were organised in order to channelising more and more credit for the weaker sections of society. These Corporations have been providing margin money and organisational support. With the help of commercial and co-operative banks, these Corporations have been able to extend credit to more than 3 lakhs weaker section beneficiaries.

6. As pointed out above, despite the increases in the advances of commercial banks in Andhra Pradesh, the per capita availability of credit in Andhra Pradesh remains at only Rs. 165 per capita and the total advances in the State are only 4.7% of the All-India advances. Realising the importance of credit in accelerating development, it is our endeavour to ensure that Andhra Pradesh gets its due share of the advances by the end of the Medium Term Plan period. This objective has been kept in view while projecting increases in the deposits and advances. In the Draft Medium Term Plan, the Planning Commission has adopted a growth rate of 18.8%, while projecting the growth of deposits with Banks. This figure is adopted by the Planning Commission on the basis of trends observed from 1969-70 to 1977-78. The trends in Andhra Pradesh have been studied and the following table shows the growth rate.

<i>Year</i>	<i>Deposits</i>	<i>Advances</i>
1969-77	24.3%	20.2%
1972-77	26.2%	23.1%
1974-77	27.5%	19.9%

So far as the economic development of the State is concerned, however, it is advances that are more relevant. Therefore in respect of advances we should have at least our due share of 7.9%. In order to reach the figure of 7.9% of the advances outstanding in the country at the end of the terminal year of the Medium Term Plan, the advances in Andhra Pradesh should grow from Rs. 711.00 crores to Rs. 2,829.00 crores. This requires a growth rate of 31.8% against a

growth rate of 23.1% for the period 1972-77 per annum. To achieve this faster growth in advances, greater efforts must be made to increase deposits also. If deposits grow at 29% per annum, the credit deposit ratio in 1982 will be 0.80. Thus, we have assumed a growth rate of 29% for deposits and 31.8% for advances.

On the basis of the above growth rates, the deposits and advances in Andhra Pradesh have been projected as follows:—

(Rs. in crores)			
Year	Deposits	Advances	Annual increase in Advances
1977	987	711	..
1978	1274	938	227
1979	1643	1236	298
1980	2120	1629	393
1981	2735	2147	518
1982	3528	2829	682

Thus, an additional amount of Rs. 2,118 crores would be available during the period 1978-82 by way of advances by the commercial banks.

7. As earlier pointed out, co-operative credit in Andhra Pradesh has recorded a substantial increase in the Fifth Five-Year Plan period. The estimated growth of co-operative credit in Andhra Pradesh has been taken into account and adequate provision has been made for the debenture programmes for A.D.B. lending and for increasing the share capital of Co-operative Central Banks. The increased availability of credit from the Co-operative Sector would be as follows:

(Rs. in crores)				
Year	Long Term lending	Short Term lending	M. T. lending	Annual increase in resources (ST+MT) loaning
1977-78	47.68	84.72	4.05	88.77
1978-79	55.00	105.00	10.00	30.00
1979-80	55.00	125.00	10.00	30.00
1980-81	60.00	150.00	10.00	35.00
1981-82	60.00	180.00	10.00	40.00
1982-83	70.00	210.00	10.00	40.00
Total	300.00	..	..	175.00

Thus, it is seen that there would be an increase of Rs. 175.00 crores in the availability of Short Term and Medium Terms Credit. In addition an amount of Rs. 300.00 crores would be available as Long Term Loans for investment in Agriculture—mainly on Minor Irrigation and Command Area Development.

#### 8. *Financial assistance by All-India Financing Institutions:*

The question of share of the financial assistance received by each State from the All-India Financing Institutions like I.D.B.I., I.F.C.I., I.C.I.C.I., L.I.C., H.U.D.CO., R.E.C. and A.R.D.C. has been a matter of discussion in the recent past. These institutions have no doubt given considerable assistance for industrial and agricultural development in Andhra Pradesh as also in the rest of the country. However, the flow of financial resources from these institutions to the State is not commensurate with the capacity of Andhra Pradesh to employ such resources for productive uses. In 1976-77, the increase in financial assistance to Andhra Pradesh was more than the increase for the entire country. However, the share of Andhra Pradesh in the total credit made available by all the 7 institutions at the All India level up 1976-77 has increased only marginally from 6.5% to 6.6%. This remains less than the percentage share of the State in terms of total population (7.9%) or in terms of total geographical area (8.1%).

In the Fifth Five-Year Plan period, Andhra Pradesh has received an amount of Rs. 182.44 crores till the end of 1976-77 from the 6 All-India Financing Institutions. It is estimated that by the end of 1977-78, this amount would have increased to Rs. 264.81 crores. The refinance by A.R.D.C. has shown a remarkable increase in 1977-78 when the total disbursements reached Rs. 37.50 crores in one year itself. Similar increase in the industrial sector is now called for.

Andhra Pradesh is one of those States identified as industrially backward by the Planning Commission and it is only through the combined efforts of the State Government and the All-India Financing Institutions that we can strive to eliminate this industrial backwardness. The State has endeavoured, with success, to create the infrastructure and environment necessary for the industrial development. In fact, several industries have already been attracted to our State and a large number of projects are ready for implementation. Thus, it is hoped that investment in industry will grow substantially. Considering the meagre flow of resources in the past, the fact that the infrastructure has now been built up and the resource potential of the State it is necessary that the term lendings by I.F.C.I., I.D.B.I., I.C.I.C.I. grow at an annual rate of 25%. With this, it is projected that Rs. 546.00 crores will be available for investment during 1978-83 as against the estimated flow of Rs. 193.23 crores during 1974-78.



As against the estimated flow of Rs. 43.25 crores during 1974-78 from HUDCO and LIC, it is estimated that a sum of Rs. 90.00 crores will be available from these two institutions for investment in Andhra Pradesh during the Medium Term Plan period. Again it is estimated that Rs. 58.00 crores would be available from the Rural Electrification Schemes of the Andhra Pradesh State Electricity Board.

With the above projected growth in industrial credit, an outlay of Rs. 694.00 crores would be available through the term lendings of the All-India Financing Institutions in Andhra Pradesh. During the same period A.R.D.C. would be providing Rs. 396.00 crores. However, this amount is not added to the availability of credit as it has already been covered by the flow of agricultural credit from both commercial and co-operative banks.

The increased assistance from All-India Financing Institutions is necessary in order to ensure that earlier imbalances are corrected and that economic development in Andhra Pradesh takes place at the desired rate of growth to make up for the existing low level of industrial development of the State.

9. The total availability of institutional finance in Andhra Pradesh during the Sixth Plan period is given in Table 5. It will be seen that total increase in the availability of institutional finance during the Sixth Five-Year Plan period will be Rs. 3,387.00 crores.

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**TABLE—I**

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TABLE — 1

## PER CAPITA CENTRE STATE FINANCIAL FLOWS IN 1969-76 BUDGETARY AND INSTITUTIONAL

States	Net Budgetary Transfers	Commercial Banks			LIC	Term Lending to Indus- try	ARDC	REC	Total institu- tional	Institu- tional and Bud- getary	RBI Advances to Co-ope- rative (Gross)
		Credit	Invest- ment	Total							
1	2	3	4	5	6	7	8	9	10	11	12
Punjab	.. 81	286	147	257	145	72	311	183	224	144	233
Haryana	.. 84	154	175	158	250	172	433	133	180	126	151
Maharashtra	.. 95	255	128	228	118	272	122	100	214	147	285
Gujarat	.. 93	136	159	141	236	236	200	67	162	122	298
West Bengal	.. 100	121	119	120	77	108	..	100	109	104	13
Group-A	.. 94	188	134	1766	141	188	133	100	170	127	190
Tamil Nadu	.. 72	168	144	163	141	156	156	50	156	109	214
Kerala	.. 113	97	125	103	150	72	22	50	99	107	68
Orissa	.. 128	20	97	36	105	44	11	150	46	92	28
Assam	.. 178	33	78	42	73	80	..	83	49	122	1
Karnataka	.. 79	161	119	152	100	148	178	83	146	108	121
Andhra Pradesh	.. 88	68	88	72	73	48	133	100	73	81	69

<b>Group-B</b>	..	99	102	113	105	105	96	111	83	103	101	104
Uttar Pradesh	..	82	51	63	54	68	40	78	67	55	70	36
Rajasthan	..	134	46	100	58	132	60	44	167	68	105	62
Madhya Pradesh	..	68	32	56	37	59	36	78	117	43	57	84
Bihar	..	84	31	56	37	64	44	44	100	42	65	15
<b>Group-C</b>	..	85	41	63	46	73	44	67	100	51	70	43
Himachal Pradesh	..	314	27	81	39	64	52	..	350	50	198	6
Jammu & Kashmir	..	435	60	109	71	68	36	22	300	71	276	16
Tripura	..	375	16	90	23	23	..	..	50	20	220	16
Manipur	..	556	15	153	44	91	..	..	..	40	331	8
Nagaland	..	1,607	21	453	111	273	84	22	117	121	958	6
Meghalaya	..	509	31	200	66	300	24	..	217	87	324	4
<b>Group-D</b>	..	459	37	119	54	91	32	11	267	60	284	11
<b>Grand Total</b>	..	100	100	100	100	100	100	100	100	100	100	100
<b>A+B+C</b>	..	92	107	100	101	100	100	100	100	101	96	102

SOURCE : From the article "Centre-State redistribution through Institutional Finance" by Sri I. S. Gulati and K.K. George in Economic & Political Weekly, Special Number AUGUST-1978

TABLE — 2

## STATEMENT SHOWING NUMBER OF BANK OFFICES FUNCTIONING, THEIR DEPOSITS AND ADVANCES OUTSTANDING AS AT THE END OF JUNE 1974 &amp; DECEMBER 1977

Sl. No.	Name of the District	As at the end of June, 1974			As at the end of December 1977		
		No. of Bank offices	Deposits (Rs. in lakhs)	Advances outstanding (Rs. in lakhs)	No. of Bank Offices	Deposits (Rs. in lakhs)	Advances Outstanding (Rs. in lakhs)
1	2	3	4	5	6	7	8
<i>I. Coastal Andhra Region:</i>							
1.	Spikakulam	47	718	532	84	1,697	1,132
2.	Visakhapatnam	89	3,758	3,112	137	8,812	4,987
3.	East Godavari	106	3,429	2,390	153	7,083	4,778
4.	West Godavari	92	2,407	2,002	130	5,061	4,322
5.	Guntur	99	3,180	6,204	152	6,506	7,640
6.	Krishna	106	3,492	2,261	161	8,008	4,799
7.	Nellore	39	1,296	834	67	3,109	2,002
8.	Prakasam	45	1,070	875	87	3,127	2,017

**II. Rayachota Region**

9. Cuddapah	..	..	..	..	37	526	692	79	1,704	1,469
10. Kurnool	..	..	..	..	63	1,121	1,231	102	2,847	2,402
11. Anantapur	..	..	..	..	51	933	845	78	2,271	1,562
12. Chittoor	..	..	..	..	61	1,619	889	89	4,019	2,147

**III. Telangana Region**

13. Adilabad	..	..	..	..	19	453	201	36	1,040	766
14. Hyderabad	..	..	..	..	194	16,590	11,764	299	34,556	22,014
15. Karimnagar	..	..	..	..	27	551	208	59	1,519	783
16. Khammam	..	..	..	..	20	498	147	67	1,452	1,347
17. Nalgonda	..	..	..	..	24	389	393	66	1,029	1,649
18. Nizamabad	..	..	..	..	35	662	686	51	1,619	1,374
19. Mahabubnagar	..	..	..	..	24	343	130	51	1,062	938
20. Medak	..	..	..	..	23	304	1,916	36	830	1,547
21. Warangal	..	..	..	..	33	851	318	57	2,020	1,487
Total	..	..	..	..	1,550	70,290	50,960	2,041	98,750	71,140

TABLE — 3

## STATEMENT SHOWING ADVANCES TO PRIORITY SECTORS AS AT THE END OF DECEMBER 1977 (AS PER RESERVE BANK OF INDIA REPORT)

(Rs. in crores)

S.No.	Name of the State	ADVANCES IN PRIORITY SECTORS												
		TOTAL			AGRICULTURE			SMALL SCALE INDUSTRIES			OTHERS			
		Amount	Percentage to total	Per capita (total population)	Amount	Percentage to total	Per capita (Rural population)	Amount	Percentage to total	Per capita (urban population)	Amount	Percentage to total	Per capita (total population)	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	
<b>I.</b>	<b>SOUTHERN REGION</b>	..	1095.89	29.6	81	537.69	35.3	51	390.54	25.6	124	167.66	25.6	13
	1. Andhra Pradesh	..	292.15	7.9	68	186.05	12.2	53	72.71	4.8	86	33.39	5.1	8
	2. Kerala	..	137.16	3.7	64	49.79	3.3	28	61.59	4.0	178	25.79	4.0	12
	3. Karnataka	..	321.78	8.7	110	156.63	10.3	71	100.83	6.6	141	64.31	9.8	22
	4. Tamil Nadu	..	344.80	9.3	84	145.22	9.5	51	155.40	10.2	124	44.17	6.7	10
<b>II.</b>	<b>EASTERN REGION</b>													
	1. West Bengal	..	239.95	6.5	55	54.77	3.6	16	118.53	7.9	108	66.65	10.2	15

**III. WESTERN REGION**

1. Gujarat	..	291.29	7.9	109	93.29	6.1	49	150.00	9.8	200	47.99	7.3	18
2. Maharashtra	..	630.09	17.0	125	209.49	13.8	61	313.90	20.7	199	106.69	16.3	22

**IV. NORTHERN REGION**

1. Haryana	..	129.71	3.5	130	63.13	4.2	77	54.60	3.6	308	11.98	1.8	12
2. Punjab	..	222.36	6.0	164	83.68	5.6	81	120.58	7.9	375	18.10	2.8	14

<b>ALL INDIA TOTAL</b>	..	<b>3692.73</b>	<b>100.0</b>	<b>68</b>	<b>1519.47</b>	<b>100.0</b>	<b>35</b>	<b>1519.96</b>	<b>100.0</b>	<b>139</b>	<b>653.30</b>	<b>100.0</b>	<b>12</b>
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TABLE — 4

STATEMENT SHOWING STATE-WISE DEPOSITS OF ADVANCES AS AT THE END OF DECEMBER, 1977  
(AS PER RESERVE BANK OF INDIA REPORT)

(Rs. in crores)

S.No.	Name of the State	DEPOSITS			ADVANCES		
		Amount (Rs. in crores)	Percentage to total	Per capita (Rupees only)	Amount (Rs. in crores)	Percentage to total	Per capita (Rupees only)
1	2	3	4	5	6	7	8
I.	SOUTHERN REGION	4,298.33	20.3	317	3,498.77	23.2	258
	1. Andhra Pradesh	993.81	4.7	228	720.62	4.8	165
	2. Kerala	760.52	3.6	356	466.11	3.1	218
	3. Karnataka	1,117.70	5.3	381	932.48	6.2	318
	4. Tamil Nadu	1,426.30	6.7	346	1,379.56	9.1	334
II.	EASTERN REGION	2,529.39	11.9	570	1,748.40	11.5	394
III.	WESTERN REGION						
	1. Gujarat	1,524.30	7.2	570	824.31	5.5	208
	2. Maharashtra	4,413.94	20.8	875	3,359.15	22.2	666
IV.	NORTHERN REGION						
	1. Haryana	343.77	1.6	342	211.39	1.4	210
	2. Punjab	1,010.72	4.8	745	427.82	2.8	315
	ALL INDIA TOTAL	21,210.50	100.0	387	15,116.00	100.0	275

TABLE — 5

**AVAILABILITY OF INSTITUTIONAL FINANCE IN ANDHRA PRADESH  
DURING SIXTH PLAN PERIOD**

Additional advance by Commercial ..	Rs. 2118 crores	
and Co-operative Banks ..	Rs. 175 crores	Rs. 2293.00 crores
Term loans by All India Financing Institutions ..	Rs. 694 crores	
Agriculture Development Bank ..	Rs. 300 crores	Rs. 994.00 crores

**ANNUAL PHASING OF ADDITIONAL CREDIT FLOWS**

(Rs. in crores)

Year	Increase in advances of Commercial and Co-operative Banks (ST and MT Credit)	Term loans by All India Financing Institutions	Total
1978	257	152	409
1979	328	169	497
1980	428	195	623
1981	558	219	777
1982	722	259	981
<b>TOTAL</b>	<b>2293</b>	<b>994</b>	<b>3287</b>

TABLE - 6

## ANNUAL TERM LENDINGS IN ANDHRA PRADESH FROM 1978 TO 1983

(Rs. in crores)

	1978-79	1979-80	1980-81	1981-82	1982-83	Total
IDBI + IECI + ICICI	73.20	87.70	105.60	126.90	152.60	546.00
HUDCO + LIC	14.81	16.24	17.86	19.60	21.49	90.00
REC	8.94	10.10	11.41	12.90	14.65	58.00
Total	96.95	114.04	134.87	159.40	188.74	694.00
ADD CO-OPERATIVE ADBS	55.00	55.00	60.00	60.00	70.00	300.00
Total	151.95	169.04	194.87	219.40	258.74	994.00

TABLE—7

## PROJECTED GROWTH OF LENDINGS BY THE ALL INDIA FINANCING INSTITUTIONS IN ANDHRA PRADESH

(Rs. in crores)

Sl. No.	Name of the Institution	1974-77 (Actuals)	1974-78 (Estimated)	1978-83 (Projected)
1.	H. U. D. C. O.	7.74	12.10	31.00
2.	L. I. C.	22.15	31.15	59.00
	Total of 1 & 2	29.89	43.25	90.00
3.	I. F. C. I.	19.64	29.64	89.00
4.	I. D. B. I.	94.66	134.66	378.00
5.	I. C. I. C. I.	17.83	28.93	79.00
	Total of 3 - 5	132.13	193.23	546.00
6.	R. E. C.	20.42	28.33	58.00
	Total of 1-6	182.44	264.81	694.00
7.	A. R. D. C.	47.22	84.72	396.00

## 9. EMPLOYMENT

The Planning Commission in its draft Medium Term plan for 1978-83 has set out the National goal as the removal of unemployment and significant reduction in under employment within a period of ten years. The growing unemployment and under employment in the country are largely due to lack of proper man power and employment policies in the past. Unless these policies become an integral part of the strategies of development, the problem of unemployment cannot be tackled effectively. In the context of the above national objective, it becomes necessary to review the employment and unemployment trends in Andhra Pradesh and assess the employment out look during 1978-83.

The population of Andhra Pradesh according to the 1971 Census is 435 lakhs which forms 7.94 per cent of the total population of the Indian Union. The State ranks fifth in All India both in terms of area and population. The sex ratio is 977 females per 1000 males as against 930 in All India. In terms of literacy levels, the State is backward, as only 24.5 per cent of the people were literate in 1971 against 29.5 per cent in All India. The State is predominantly an agricultural oriented one and about 81 per cent of the population is rural in character. Of the total workers of 180.06 lakhs in 1971, the proportion of agricultural labourers to the total workers is very high in the State as compared to All India. The agricultural labourers in Andhra Pradesh constitute as high as 37.9 per cent to the total workers as against 26.3 per cent in All India. Except in Bihar, in no other State in the country, the proportion of agricultural labourers is as high as in Andhra Pradesh. This only indicates the comparatively less opportunities in Andhra Pradesh for employment in other non-agricultural activities. While the proportion of agricultural labourers to the total workers in Andhra Pradesh is very high as compared to All India, the proportion of cultivators to the total workers is low in the State, being 32.2 per cent as against 43.3 per cent in All India.

### *Occupational Characteristics of the Work-Force :*

The composition of workers in different occupational categories and the change in this structure during 1951-71 may be seen in 'Annexure-I'

It is interesting to note that the proportion of cultivators to total workers in the State has increased from 35.1 per cent in 1951 to 40.1 per cent in 1961 and again fell to 32.2 per cent in 1971 while the proportion of agricultural labourers moved directly in the opposite direction over the decades compensating the change in the proportion of cultivators. While the change in the percentages both in respect of cultivators as well as agricultural labourers from 1951 to 1961 Census might be a real one, the change from 1961 Census to 1971 Census is due to changes in Census definitions and concepts. In any case the percentage of total cultivators and agricultural labourers put together remains more or less constant as there is no diversification in the occupation of workers from agriculture to other sectors of economy in the State. This trend is also revealed from the fact that the proportion of workers in manufacturing and house-hold industry sector more or less remained at the same proportion during 1961 and 1971. As mentioned earlier, the proportion of agricultural labourers (37.9) to the total workers is very high

as compared to the All India (26.3) in 1971 indicating larger proportion of workers depending on agriculture in Andhra Pradesh as compared to All India.

*Changes in the Sectoral distribution of the workers :*

The sectoral distribution of workers as shown in the following Table indicates that the percentage of workers in the primary sector has increased in 1971 as compared to 1961 and that of the secondary sector has declined.

**TABLE—1.**

**PERCENTAGE OF WORKERS TO TOTAL WORKERS, 1961 AND 1971.**

Sl. No.	Sector.	Percentage of workers to total workers			
		Andhra Pradesh		India	
		1961	1971	1961	1971
(1)	(2)	(3)	(4)	(5)	(6)
1.	Primary	.. 71.7	74.0	72.3	72.0
2.	Secondary	.. 13.5	10.6	11.7	11.2
3.	Tertiary	.. 14.8	15.4	16.0	16.8
	Total	.. 100.0	100.0	100.0	100.0

The proportion of workers in primary sector in Andhra Pradesh is higher than the corresponding figure in All India, while the proportion of workers in secondary sector in the State is less as compared to All India. The need for reducing the dependence on agriculture and increasing the share of secondary sector in the State income is evident from the following Table :

**TABLE—2.**

**EMPLOYMENT POTENTIAL OF PLAN SCHEMES IN ANDHRA PRADESH IN FIFTH PLAN (1974-78)**

Sl. No.	Sector	India		Andhra Pradesh	
		% of workers	% contribution to national income	% of workers	% contribution to State income
(1)	(2)	(3)	(4)	(5)	(6)
1.	Primary	.. 72.0	51.6	74.0	58.8
2.	Secondary	.. 11.2	19.2	10.6	13.4
3.	Tertiary	.. 16.8	29.2	15.4	27.8
	Total	.. 100.0	100.0	100.0	100.0

It is seen that the primary sector dominates in the structure of the economy of the State; its contribution being 58.8 per cent in the State income as compared to the corresponding share of 51.6 per cent in the National Income in 1974-75. On the other hand the share of secondary sector in Andhra Pradesh in the State Income was only 13.4 per cent as against 19.2 per cent in National Income. The productivity per worker in secondary sector in Andhra Pradesh appears to be low as compared to the productivity in All India. The sectoral contributions in Andhra Pradesh indicate the need for developing the secondary sector.

#### *Employment in the Organised Sector :*

The data on Employment in the organised Sector both in the public and private sectors is being collected by the Directorate of Employment and Training under the Employment Market Information scheme. This data covers all establishments in the public sector and non-agricultural establishments employing 10 or more workers in the private sector. The employment trends in the organised sector may be seen from *Annexure-II*.

Employment in the public sector in the State increased from 6.56 lakhs in 1966 to 9.06 lakhs by 1976 *i.e.*, by 38.1%. The increase in employment in the private sector, however, has not been significant, which increased only by 4.0%. The total employment during the above period has increased by 27.4%.

In any analysis of the changes in the employment position, not only the quantum of employment but also the occupational pattern of the employees should be studied. The occupational pattern of the employees in the public and private sectors in the organised sector as revealed from the Employment Market Information Scheme data, (*Annexure-III*) indicates that the Industry group "Services" provides maximum employment in the public sector. In 1966 this sector accounted for 56.8 per cent of the total employment. In 1976 also this proportion remained the same. Next to Services, the Transport and Communications group is important in the public sector which accounted for about 20 per cent of total employment both in 1966 and 1976. The occupational pattern of employment in public sector during 1966-76 has not changed much except that the share of manufacturing has gone up from 4.1 per cent in 1966 to 7.63 per cent in 1976. In the private sector, the 'Manufacturing' group contributes the maximum employment. Its contribution in 1966 was 72.1 per cent in the total employment which came down slightly to 68.44 per cent in 1976. Next to 'Manufacturing', 'Services' group is important in the private sector, which contributed 12.6 per cent to the total employment in the private sector in 1966. The share of 'Services' in 1976 has increased to 19.28 per cent. The contribution of Construction Sector has come down significantly in 1976 which may be due to slowing down of building construction activity. The contribution of other sectors is marginal.

#### *Employment created due to the Five-Year Plans :*

An attempt has been made to find out the employment potential created during the Fifth Plan period on account of the implementation of the plan schemes. It is estimated that during the four years of the

Fifth Five-Year Plan *i.e.*, 1974-78 the Plan would have created additional 1.39 lakh regular jobs both technical and non-technical nature under different sectors as shown in the following table :

TABLE—3.

SECTORAL CONTRIBUTION TO NATIONAL INCOME/STATE INCOME (1974-75)

(in Numbers)

Sl. No.	Sector	No. of additional jobs created			Total
		Un-skilled	Technical	Non-Technical	
(1)	(2)	(3)	(4)	(5)	(6)
1.	Agriculture and Allied activities	2,825	7,140	8,684	18,649
2.	Irrigation and Power ..	6,993	9,095	6,427	22,515
3.	Industries and Mining ..	20,238	32,299	12,792	65,329
4.	Transport and Communications	5,618	5,714	7,936	19,268
5.	Social and Community Services.	3,529	5,205	4,374	13,108
	Total ..	39,203	59,453	42,213	1,38,869

The above 1.39 lakh jobs should be treated only as direct employment created in the State Government sector.

Apart from generating the above order of jobs on a regular basis, it is also estimated that the Plan Programmes would have created direct employment to the order of 1,000 lakh mandays in 1977-78. This would mean providing jobs to four lakh workers on a regular basis if it is assumed that a person has to be provided with work for 250 days in a year. The above estimates do not include the employment created in Central and the Private sectors and also the indirect employment created in the State on account of Plan investments.

*Estimates of Unemployment :*

The main sources of estimates on unemployment are (i) Decennial Population Census ; (ii) National Sample Surveys of Government of India ; and (iii) Employment Exchange data. But these estimates suffer from certain limitations due to conceptual defects and short reference period. However, in the absence of any other reliable data, these estimates have to be utilised to obtain broad dimension of the problem of unemployment. In the earlier plans, estimates of backlog of unemployment as at the beginning and end of each Plan used to be prepared and



reported by the Planning Commission at the National level. Similar estimates were also attempted at the State level in regard to Andhra Pradesh. But the preparation and use of such estimates has been discarded after the Expert Committee set up under the Chairmanship of Dantwala (1968) had rejected their validity and called for improvement in the methods of assessing the level of unemployment in the country. The Committee felt that the supporting data available for the estimate were not adequate and, therefore, the conclusions arrived on such data were not accurate. In particular, the Dantwala Committee has drawn pointed attention to the fact that so far as rural areas are concerned, the problem is essentially one of under employment. The Committee also felt that the estimates of growth in labour force, of additional employment generated by the plans and of unemployment at the end of the plan period presented in one dimensional magnitudes were neither meaningful nor useful as indicators of the economic situation. It has recommended the giving up of this practice. The Committee has recommended certain steps to be taken by the National Sample Survey Organisation for collecting data relating to the number of mandays available for work and number of mandays actually at work in respect of respondents covered by their surveys. Subsequently, the N.S.S.O. made a beginning in implementing the Committee's recommendations during their 27th round of surveys.

*Employment Exchange data :*

The extent of unemployment in the organised sector can be assessed to some extent from the data from Employment Exchanges. The particulars of Registrations and placements effected through Employment Exchanges indicate that the proportion of placements effected to the number on live registers is declining resulting in the swelling of the number on live register at the end of every year. The number of unemployed persons on the live register of Employment Exchanges increased from 4.92 lakhs at the end of Fourth Plan *i.e.*, 1973-74 to 8.41 lakhs by the end of 1977-78. On the other hand the placements effected through Employment Exchanges have increased only from 31,000 to 51,000 during the above period. The following table shows the number of unemployed persons on the Live Register and placements effected through Employment Exchanges in Andhra Pradesh during 1973-74 to 1977-78.

**TABLE—4**  
**NUMBER OF PLACEMENTS EFFECTED AND NUMBER ON LIVE REGISTERS**

<i>Sl. No.</i>	<i>Year</i>		<i>No. of placements effected (in lakhs)</i>	<i>No. on Live Register at the end of the year. (in lakhs)</i>
(1)	(2)		(3)	(4)
1.	1973-74	.. ..	0.31	4.92
2.	1974-75	.. ..	0.26	5.89
3.	1975-76	.. ..	0.39	6.11
4.	1976-77	.. ..	0.53	7.21
5.	1977-78	.. ..	0.51	8.41

The extent of unemployment among the different categories of educated persons as on 31-3-1978 may be seen from *Annexure—IV*. The matriculates form the bulk of the educated unemployed, the employment programmes have to naturally take into account the present composition of the different categories of the educated unemployed. It is also observed that out of the total 8.41 lakh persons found on the live register about 46 per cent are unskilled who are not educationally qualified and these persons can secure unskilled jobs only in private sector industries etc.

In this connection it is pointed out that all those who are registered with the Employment Exchange can not be treated as unemployed. Some of them might be already in employment and looking for better jobs. Some register their names at more than one Employment Exchange. Some of the studies undertaken recently to study the characteristics of certain categories of educated unemployed in the State revealed that a certain proportion of them was already employed.

The backlog of unemployed according to the Employment Exchanges data at the end of March, 1978 is 8.41 lakhs. Considering all the above limitations of the data of the Employment Exchanges it is estimated that during 1978-83 the number of job seekers through the Employment Exchanges including the educated persons would be about 16.50 lakhs.

#### *Rural Unemployment :*

The National Sample Surveys are the only source which provide some estimates of the dimension of unemployment in rural areas. According to the 27th Round data of the N.S.S., the percentage of persons in the labour force in the rural areas chronically unemployed in Andhra Pradesh is 0.91. On this basis at the end of 1977-78 there would be about 1.75 lakh persons subject to chronic unemployment in the State. This figure when projected would come to 1.98 lakh persons by the end of 1982-83. The chronic unemployment refers to those who are not employed even for a single day in the year based on the usual economic activity status.

However, it may be pointed out here that the problem in the rural areas is one of underemployment rather than absolute unemployment. According to 27th Round of N.S.S. data, there were 173.53 lakh persons in the rural labour force during 1972-73 and out of them 13.34 lakh persons were not having employment on an average on any single day in the year. They constitute about 7.7% of the rural labour force. This is the measure of the extent of underemployment in the rural areas. The estimated figure of underemployment during 1982-83 would be 16.72 lakh persons per day on an average.

#### *Employment outlook during 1978-83 :*

As mentioned earlier the basic approach in the formulation of the State's Medium Term Plan has been to re-orient the Plan in terms of provision of employment and raising the Social consumption of the people below the poverty line. Keeping in view these objectives the development

Departments have formulated their programmes. The following table indicates the employment that would be generated directly during 1978-83 under the State Sector on account of investments under defferent heads of development.

TABLE—5.  
EMPLOYMENT POTENTIAL DURING 1978-83

Sl. No.	Sector of development	Unskilled/Uneducated		Skilled/Educated		Total (Cols. 4-6) No.
		Lakh mandays	Regular employes. No.	Technical No.	Non-Technical No.	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Agriculture and Allied Services	184.99	18,649	29,222	25,480	73,351
2.	Irrigation and Power.	892.02	16,602	59,772	18,513	94,887
3.	Industry and Mining	238.94	1,30,003	95,342	37,197	2,62,542
4.	Transport and Communication	32.20	11,401	9,848	10,256	31,505
5.	Social Economic and Community Services etc.	352.14	7,334	10,925	34,062	52,321
Total		1,703.03	1,83,989	2,05,109	1,25,508	5,14,606

On the whole, the employment situation in the State for the Medium Term Plan period indicates that the demand for additional jobs will increase to about 16.50 lakhs by the end of 1982-83. On the other hand, the jobs which could be provided under the State Plan schemes is estimated at around 5.15 lakhs as shown above. This leaves a balance of 11.45 lakh jobs still to be provided out of which about 5 lakhs would be the demand for jobs for uneducated persons involving manual work. As regards the latter, it is expected that about 3.5 lakh jobs would be generated through the private and joint sector investments including investments in small scale and household industries. Central sector investments would also help fill the remaining gap to some extent.

As regards underemployment which is essentially a rural problem and is especially confined to agriculture, the additional employment opportunities required per year are estimated to reach a level of 4,675 lakh mandays by 1982-83. As against this, the State Plan Schemes are expected to generate an employment of about 2,500 lakh mandays including indirect employment in agriculture. It is estimated that Plan Schemes would create direct employment of a casual nature of the order of 1,700 lakh mandays. During the next Five Years an additional irrigation potential for 8.00 lakh hectares will be created. This can

be expected to generate additional employment of the order of 800 lakh mandays. Thus the level of under employment will be reduced substantially leaving a balance requirement of 2,715 lakh mandays. This could be reduced further by taking up works under Integrated Rural Development Programme and other schemes for weaker sections implemented by Scheduled Castes Co-operative Finance Corporation, Backward Classes Co-operative Finance Corporation, Girijan Development Corporation, etc.

It will, thus, be seen that even with this order of investment envisaged in these proposals while the problem of unemployment and under employment will be tackled to a substantial degree, it will not be fully solved and will have to spill-over to the next plan period.

[Statement

## ANNEXURE—1

COMPOSITION OF WORKERS IN ANDHRA PRADESH BY  
INDUSTRY DURING 1951, 1961 AND 1971

(No. in lakhs)

Sl. No.	Industry	1951	1961	1971
(1)	(2)	(3)	(4)	(5)
1.	Cultivators .. ..	40.49 (35.1)	74.87 (40.11)	57.95 (32.18)
2.	Agricultural Labourers ..	38.50 (33.84)	53.36 (28.59)	68.29 (37.93)
3.	Mining, Quarrying, Live-stock, Forestry, Fishing, Hunting, Plantation, Orchards and allied activities .. ..	3.13 (2.7)	5.61 (3.00)	6.89 (3.83)
4.	Household Industry	11.42 (9.9)	22.91 (12.28)	8.73 (4.85)
5.	Manufacturing other than house-hold industry.			
6.	Construction .. ..	1.71 (1.5)	2.20 (1.18)	2.85 (1.58)
7.	Trade and Commerce ..	5.09 (4.9)	7.98 (4.28)	9.83 (5.46)
8.	Transport, Storage and Communications	1.49 (1.3)	2.38 (1.28)	3.93 (2.18)
9.	Other Services .. ..	12.90 (11.2)	17.32 (9.28)	14.04 (7.80)
	Total .. ..	115.34 (100.00)	186.63 (100.00)	180.06 (100.00)

(Figures in brackets indicate percentages to total).

Source :—Census of India Publications.

## ANNEXURE-II

EMPLOYMENT TRENDS IN ORGANISED SECTOR IN  
ANDHRA PRADESH

(In lakhs)

Sl. No.	Year	Public Sector	%in-crease over the previous year	Private Sector	%in-crease over the previous year	Total	%in-crease over the previous year
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	1966	..	6.56	..	3.01	9.57	
2.	1967	..	6.67	1.68	3.03	0.66	9.70
3.	1968	..	6.68	0.15	2.95	(-)	3.30
4.	1969	..	6.72	0.60	2.88	(-)	1.71
5.	1970	..	6.89	2.53	2.95	2.43	9.84
6.	1971	..	7.14	3.63	2.95	..	10.09
7.	1972	..	7.53	5.46	3.13	6.10	10.66
8.	1973	..	7.74	2.79	3.18	1.60	10.92
9.	1974	..	8.14	5.17	3.24	1.89	11.38
10.	1975	..	8.63	6.02	3.17	(-)	2.16
11.	1976	..	9.06	4.98	3.13	(-)	1.26
							12.19
							3.31

Source :—Employment Market Information, Directorate of Employment and Training, Andhra Pradesh.

## ANNEXURE - III

OCCUPATIONAL PATTERN OF EMPLOYEES IN THE STATE  
IN THE ORGANISED SECTOR

(No. in '00)

Sl. No.	Industry	1966		1976	
		Public	Private	Public	Private
(1)	(2)	(3)	(4)	(5)	(6)
1.	Agriculture, Livestock and Forestry	137 (2.1)	..	166.56 (1.84)	3.15 (0.10)
2.	Mining and Quarrying	340 (5.2)	27 (1.2)	494.37 (5.46)	32.53 (1.04)
3.	Manufacturing ..	268 (4.1)	1,676 (72.1)	691.60 (7.63)	2,444.45 (68.44)
4.	Construction ..	482 (7.4)	209 (9.0)	548.93 (6.45)	50.23 (1.60)
5.	Electricity, Water and Sanitation ..	204 (3.1)	..	24.328 (2.68)	1.86 (0.06)
6.	Trade and Commerce	94 (1.4)	86 (3.7)	34.95 (0.39)	263.55 (8.55)
7.	Transport and Communications	1,309 (19.9)	32 (1.4)	1,819.24 (20.07)	29.24 (0.93)
8.	Services ..	3,727 (56.8)	293 (12.6)	5,027.76 (55.47)	605.15 (19.28)
	Total ..	6,561 (100.0)	2,324 (100.0)	9,062.69 (100.0)	3,139.16 (100.0)

Source : Employment Market Information data, Directorate of Employment and Training, Andhra Pradesh.

## ANNEXURE-IV

## STATEMENT SHOWING CATEGORY-WISE NUMBER OF CANDIDATES REMAINING ON THE ROLLS OF EMPLOYMENT EXCHANGES IN THE STATE AS ON 31-3-1978.

<i>Sl. No.</i>	<i>Category</i>	<i>Number of candidates</i>
(1)	(2)	(3)
I.	Total of Professional and Executive Standard applicants :	21,682
	(a) B.E., (Civil) .. .. .	..
	(b) B.E., (Mechanical) .. .. .	923
	(c) B.E., (Electrical) .. .. .	891
	(d) B.E., (Others) .. .. .	651
	(e) Agricultural Graduates .. .. .	1,086
	(f) Medical Graduates .. .. .	2,848
	(g) Post Graduates .. .. .	13,624
	(h) Other P and E applicants .. .. .	1,659
II.	Graduates .. .. .	62,535
III.	Matriculates .. .. .	2,97,065
IV.	Total Engineering Diploma Holders : .. .. .	5,895
	(a) L.C.E. .. .. .	929
	(b) L.M.E. .. .. .	2,180
	(c) L.E.E. .. .. .	1,706
	(d) Others .. .. .	1,080
V.	Ex-I.T.I. Trainees .. .. .	29,358
VI.	B. Eds. .. .. .	4,096
VII.	Typists .. .. .	17,010
VIII.	Stenographers .. .. .	3,042
IX.	Non-Technical Diploma Holders .. .. .	6,423
X.	All other categories including unskilled .. .. .	3,93,874
	<b>Total</b> .. .. .	<b>8,41,340</b>



## 10. ACCELERATED DEVELOPMENT OF BACKWARD AREAS

The removal of regional imbalances is an important objective of planned development. The problem of poverty, unemployment and low levels of living are largely attributable to the uneven levels of development in different parts of the country. The reduction of these inter-regional disparities has to be an integral part of the strategy for raising the standard of living of the poorest sections of the population and improving their equality of life. In the absence of this the very process of economic development may further accentuate the regional variations. While at the National level, the State should be the unit for assessing the relative levels of development and evolving policies for reducing the disparities between these levels, at the State level, there is an imperative need to study the existence of inter-State disparities. Recognising the existence of intra-regional disparities, the Andhra Pradesh Government had initiated various exercises for evolving suitable strategies of regional development and for formulating programmes in this direction. It may be relevant here to review the steps taken by the State in reducing the regional disparities and for the development of backward areas.

### *Strategies of Regional Development:*

Andhra Pradesh has three distinct regions viz., Telangana, Rayalaseema and Coastal Andhra. These regions differ significantly in resource endowment and levels of development. Each of these regions has the broad characteristics required for being treated as a distinct physical region. Work on the preparation of perspective plans for the three regions commenced in the year 1970 beginning with Telangana. The perspective plans for all the three regions have since been prepared covering a time horizon of 15 years commencing from 1974-75 in case of Telangana and Coastal Andhra and from 1969-70 in respect of Rayalaseema Region. The preparation of the perspective plans for each region has proceeded on the following lines:

First a resource inventory was prepared to indicate the physical potential of the region. Based on the resource endowment and the structure of the economy, the region was delineated into certain economic zones of development. The lead sector of development for each economic region was identified based on the resource potential and programmes were drawn up in terms of the strategy outlined for each sector. The financial implications of the perspective plan have been spelt out in terms of the outlays required in the State Sector, Private Sector, Central Sector and the resources to be met by the financial institutions.

The Perspective Plans of the three regions generally stress the need for (i) full exploitation of the irrigation potential—both surface

and ground water with a view to modernising agriculture, (ii) popularisation of dry farming and multiple farming practices and high yielding variety programme and adoption of soil conservation and plant protection measures with a view to raising the productivity of land (iii) scientific exploitation of the live-stock resources, (iv) provision of economic support programmes in activities allied to agriculture such as dairy farming, poultry farming, sericulture, fishing etc., in order to provide supplementary incomes to the small and marginal farmers, (v) creation of opportunities for self-employment in the rural areas through the establishment of small scale industrial units; (vi) establishment of large and medium industries (both resource-based and non-resource based); (vii) development of power both thermal and hydel in order to increase rural electrification for the development of both industry and agriculture, (viii) connecting all villages by all-weather roads and (ix) improving educational, medical and health and other social facilities.

#### *Central Places:*

In the context of regional development policy, the identification of Central Places assumes importance as these places generate economic growth. Therefore another exercise was also undertaken to identify such places in each region on the basis of a study of the existing settlement hierarchy and the availability of social functions in them. Four levels of centres with hierarchial relationship between them have been differentiated viz., Service Centre, Market-cum-Service Centre, Growth Centre and Growth Pole. On the basis of this exercise, 1,200 Service Centres, 292 Market-cum-Service Centres and 34 Growth Centres and one Growth Pole (Hyderabad City) have been identified. The economic zones identified in each region of the State and the above four levels of hierarchy will constitute the basic planning frame-work for the region. While the zones identified on the basis of economic regionalisation facilitate the drawing up of an overall plan based on resource endowment, the central places would serve as foci of these development zones for location of social facilities and infrastructure. While formulating the sectoral programmes for the mid-term plan 1978-83, the strategies of development indicated in the perspective plans of the three regions are being kept in view.

#### *Identification of Backward Areas:*

In the context of removal of regional imbalances, the identification of backward areas assumes importance since it is only by a policy of accelerated development of such areas that regional imbalances can be removed or at least reduced. The identification of backward areas has to be done on the basis of objective criteria taking into account certain suitable indicators of development. A number of studies have been undertaken by the Planning Department of the State Govern-

ment for identification of backward areas in the State for special purposes based on selected criteria related to these purposes as indicated below:

- (1) Identification of 75 drought affected taluks for preparation of special plan for these areas;
- (2) Classification of Community Development Blocks as Advanced, Ordinary, Backward and Tribal for the purpose of allocation of Community Development Funds;
- (3) Identification of Backward areas for the purpose of providing certain incentives and concessions for establishing industries in such areas;
- (4) Identification of backward taluks for allocation of funds under Six Point Formula Programme.

(1) *Drought affected taluks:*

The Rayalaseema region is a chronically drought affected area where the average rainfall is very low. In Telangana and Coastal Andhra regions also there are certain areas which receive meagre rainfall with the result that the potential for agricultural development in these areas is limited. With a view to formulate special programmes for the development of such areas chronically drought affected taluks have been identified. On the basis of certain criteria which have been adopted in consultation with the Planning Commission, 76 taluks in the State have been delineated as drought affected, of which 33 are treated as hard-core (Annexure-I). The chronically drought affected taluks in the State have been identified on the basis of minimum average annual rainfall of 30" in each taluk for a period of 21 years between 1942-62 as indicated below:

- (i) All taluks where the annual average deficit rainfall was short of the minimum of 30" by 3" or more for 10 years or more during the period of 21 years *i.e.*, 1942-62, to be treated as chronically drought affected;
- (ii) All taluks where the annual average deficit rainfall was short of the minimum of 30" by 7" or more for 7 years or more during the period of 21 years *i.e.*, 1942-62 to be treated as chronically drought affected; and
- (iii) All taluks where the annual average deficit rainfall was short of the minimum of 30" by 7.5" or more for a period of 8 years or more during the period of 21 years *i.e.*, 1942-62 to be treated as 'hard-core' of the drought affected areas.

In these drought affected areas priority is given for Hydrological Surveys. Further, all the Heads of Departments have been instructed to

give priority to schemes in the drought affected areas. Moreover, a special programme viz., the Drought Prone Areas Programme has been taken up in the drought affected areas.

(2) *Classification of Community Development Blocks into different categories for the purpose of allocation of resources:*

With a view to allocate resources among the different Community Development Blocks on a more rational basis, the blocks were classified into advanced, ordinary, backward and tribal in 1965 on the basis of six criteria as recommended by a High Power Committee constituted by the State Government in 1963. These criteria were evolved then with reference to the major purposes for which grants-in-aid were made available such as Education and Communications. The criteria followed in the classification of the blocks and the weightage assigned to each on the basis of the recommendations of the High Power Committee were as follows:

<i>Sl. No.</i>	<i>Indicator</i>	<i>Weightage</i>
1.	Per capita land revenue assessed within the Block ..	15
2.	Percentage of irrigated area to cultivated area ..	25
3.	Percentage of children of the age group of 6-11 years attending Schools .. ..	10
4.	Literacy — District-wise .. ..	10
5.	District-wise Income .. ..	15
6.	Road mileage for 100 sq. Miles area within the Block	25
	Total ..	100

With regard to the blocks delineated as backward etc., the funds are distributed on a varying per capita basis depending on the level of development of each block as shown below:

<i>Category of Block</i>	<i>Rs per head in the Block</i>
(a) Advanced Block ..	3/4th X
(b) Ordinary Block ..	X
(c) Backward Blocks ..	1 1/4 th X
(d) Tribal Blocks ..	2 X

(3) *Identification of Backward Areas for grant of concessions to Industries:*

On the recommendations made by the State Government, the Government of India in 1971 declared the following districts in the State as 'Industrially Backward' for concessions to be offered by the All India Financial Institutions:

Anantapur, Kurnool, Srikakulam, Karimnagar, Nizamabad, Chittoor, Nellore, Khammam, Medak, Warangal, Cuddapah, Ongole, Nalgonda and Mahaboobnagar.

The concessions made available by the All India Financial Institutions to the Industries established in these areas relate to low rate of interest, extension of initial moratorium in the repayment of loans, longer amortisation period for loans, participation in risk capital, reduction in the under-writing commission and reduction in commitment charges and consultant charges. Besides, under this incentive scheme certain areas and tracts in the above districts would also qualify for out-right grant or subsidy by the Central Government amounting 1/10th of the fixed capital investment of new units having a fixed capital investment of not more than Rs. 50.00 lakhs in the area. In 1974, the Government of India in consultation with the State Government extended the Central Scheme of investment subsidy to some more Panchayat Samithi Blocks besides the entire district of Srikakulam.

The State Government had been offering certain incentives for the establishment of new industries in the backward areas from time to time. In 1976 the Government reviewed the entire position of the different incentive schemes offered in the light of subsequent developments and with a view to bring about a rapid industrial growth in all the parts of the State, announced a revised State Incentive Scheme superceding all the earlier State incentive schemes. These incentives include (i) investment subsidy in the identified backward areas under Six Point Formula Programme and Scheduled (Tribal) areas, (ii) interest subsidy under self-employment schemes and interest-free sale-tax loan in the above areas.

(4) *Six Point Formula Programme for the Development of Backward Areas:*

With a view to maintain the integrity of the State against the background of certain political unrest in the State, the Government of India announced a Six Point Formula in 1973. As a part of this formula the Government of India agreed to make available a special Central assistance of Rs. 90.00 crores for the accelerated development of the backward areas in the State during the Fifth Plan period. It was also

suggested that these funds should be allocated between Telangana, Rayalaseema and Coastal Andhra regions in the ratio 5:3:2 respectively. Further, the Six Point Formula also envisaged the constitution of a State Planning Board and a separate Planning and Development Committee for each of the three regions.

The availability of Special Assistance necessitated the identification of the backward areas afresh. It involved a decision regarding (i) unit of identification, (ii) the criteria to be adopted for working out the index of development. The State Government considered that a district could not be a proper unit for any identification of backward areas at the State level as it was too large a unit consisting of both developed and undeveloped areas like in the delta districts. A taluk was therefore, taken as an unit for identifying the backward areas in the State. Compared to the Community Development Block, a Taluk was a convenient unit from the point of availability of the data. As regards selection of indicators for identification of backward areas it was felt that some of the indicators suggested by the Planning Commission earlier in 1966 for the district exercise were not relevant at the taluk level. Therefore, only such indicators were taken into account as would be available and relevant at the taluk level. With a view to facilitate decisions in regard to the selection of criteria for identification of backward areas in the State for utilisation of funds under Six Point Formula, the Planning Department had undertaken 5 different exercises in 1973.

In Exercise No. I the following 7 indicators were selected for identification of backward areas:

- (1) Net area sown per agricultural worker;
- (2) Percentage of agricultural workers to total workers;
- (3) Normal rain-fall;
- (4) Percentage of gross irrigated area to gross sown area;
- (5) Number of workers per lakh population in registered factories;
- (6) Percentage of literates to total populations; and
- (7) Number of hospital beds per lakh populations.

The method followed in this exercise was to rank the taluks with reference to each of the above indicators and then work out the sum of ranks obtained by each taluk in respect of all the seven indicators. The average of the sum of rank in the State as a whole was worked out and those taluks which were having a sum of ranks below this average were treated as forward and those above this figure as backward.

The other exercises, 2-5 were based on construction of indices of development. The indices of development were worked out with State Average taken as 100.

The following 5 indicators of development as suggested by the Planning Commission were common to all the exercises, 2 to 5:

- (1) Gross value of agricultural output per acre, 1970-71;
- (2) Gross value of agricultural output per agricultural worker, 1970-71;
- (3) Percentage of gross irrigated area to gross sown area, 1970-71;
- (4) Normal rain-fall; and
- (5) Percentage of literates to total population (1971 Census).

Exercise 2 included two additional indicators viz., (6) number of workers in registered factories per lakh population and (7) number of hospital beds per lakh population.

Exercise 3 consisted of only 6 indicators excluding the indicator (7) referred to above.

Exercise 4 also consisted of 6 indicators only but in this exercise indicator (6) referred to above was replaced by "workers in manufacturing industries (other than house-hold) per lakh population 1971 Census".

Exercise 5 comprised all the 6 indicators of Exercise 4 and in addition it had a 7th indicator "percentage of villages connected by Road".

All these 5 exercise were placed before the 3 different Regional Planning and Development Committees for Telangana, Rayalaseema and Coastal Andhra regions to decide which taluks could be identified as backward for allocation of funds under Six Point Formula. The exercise based on the ranking method was not considered useful as it did not indicate the State's average level of development. The exercises 2 to 5 based on indices of development considered meaningful for identification of backward areas.

The Planning and Development Committee for Coastal Andhra resolved that all taluks with an index of 125 and below according to exercise 4 be identified as backward. According to this, 49 taluks have been identified as backward out of a total of 80 taluks in the region. Subsequently, three more taluks were declared as backward making a total of 52 taluks in the region.

The Planning and Development Committee for Telangana resolved that exercise 5 should be adopted as the basis for identification and that all taluks with an index of 125 and below be treated as backward. On this basis 68 taluks were declared as backward out of a total of 73 in the region.

The Planning and Development Committee for Rayalaseema resolved that all taluks with an index of 100 and below according to any two of the four alternative exercises and all drought affected taluks be treated as backward. According to this criteria, all the taluks of Rayalaseema region barring two taluks fell under the category of backward taluks and the total number of such backward taluks worked out to 40 for the region. Subsequently, the remaining two taluks were also declared as backward.

The State Planning Board in 1974 decided that the identification of backward areas should be done in each region in accordance with the recommendations of the Planning and Development Committee concerned.

On the basis of the above decision, 162 taluks in the State *i.e.*, 52 in Coastal Andhra, 42 in Rayalaseema and 68 in Telangana were declared as backward taluks (*vide* Annexure II). The population of these 162 taluks constitutes 72.6 per cent of the total population of the State according to 1971 Census.

The Government of India indicated that the special assistance should be utilised primarily for productive programmes which include:

- (a) Agriculture and allied programmes including Forestry, Animal Husbandry, Dairying and Fisheries;
- (b) Minor Irrigation;
- (c) Industries including Small Scale Industries; and
- (d) Rural Electrification.

The State Government earmarked 25 per cent of the assistance available for each of the three regions for the development of Higher Education facilities and for Large and Medium Industries which were regional in nature rather than being restricted to a particular district. The balance of 75 per cent of the outlay in each of the regions was to be utilised for district programmes and the allocation among the district in the region was based on the rural population of the identified backward taluks.

#### *Review of Progress under Six Point Formula Programme:*

The programme implemented during 1974-78 was of the order of Rs. 72.00 crores comprising Rs. 54.05 crores under District-level schemes and Rs. 17.95 crores under Regional Schemes. As against



this, an expenditure of the order of Rs. 52.37 crores under District-level schemes and Rs. 17.95 crores under Regional Schemes was incurred till March, 1978, bringing the total expenditure to Rs. 70.32 crores. Since the programme will be terminating at the end of 1978-79 and the entire amount will have to be spent before the end of 1978-79, the unspent balance amount of Rs. 1.68 crores pertaining to previous years has been again provided in the Budget for 1978-79 towards revalidation of sanctions issued in the previous years. The total Central assistance so far received by the State is of the order of Rs. 67.50 crores.

### I. District Programme:

The details showing the sector-wise, region-wise and district-wise allocations together with details of expenditure incurred up to 31st March, 1978 are given in Annexures III and IV. It is seen from the statements that highest priority has been accorded for Minor Irrigation works. As much as Rs. 20.16 crores has been allocated for Minor Irrigation works, Rs. 15.57 crores for schemes implemented by the Public Works Department and Rs. 4.59 crores for the Panchayati Raj Department. The next priority is accorded for Rural Electrification programmes which have been sanctioned a sum of Rs. 13.71 crores. For Rural Water Supply Schemes, third in priority, an amount of Rs. 7.81 crores has been allotted. Next in priority is Dairying and Animal Husbandry for which an allotment of Rs. 4.78 crores was provided. An amount of Rs. 3.93 crores was allotted for Economic Support Schemes for weaker sections. The progress achieved under important sectors during the first four years i.e., 1974-78 is indicated below briefly:

#### (i) Medium Irrigation:

Two Medium Irrigation Projects viz., (1) Lankasagar Project (Balance work) in Khammam District and (2) Varaha Reservoir Project (Balance work) in Visakhapatnam District were taken up under Six Point Formula Programme for which a sum of Rs. 14.00 lakhs was provided during 1974-76 and the above schemes were completed. An additional potential of 1,000 acres was created by completion of Lankasagar Project. The Varaha Project has created an irrigation potential to an extent of 4,400 acres.

#### (ii) Minor Irrigation (P.W.D.):

In all 698 minor irrigation works were taken up for execution during 1974-78 in all the three regions, out of which 460 works were completed by March, 1978 and the remaining works are at various stages of progress. The works so far completed have stabilised an existing ayacut of 1,44,284 acres besides creating a new ayacut of 72,368 acres. The expenditure under this sector was uniformly good

in all the three regions. An expenditure of Rs. 1,502.57 lakhs was incurred till the end of March, 1978 as against the allocation of Rs. 1,556.61 lakhs.

(iii) *Minor Irrigation (Panchayati Raj):*

In the first four years, as many as 2,555 Minor Irrigation works were taken up of which 2,266 were completed and the remaining are in progress. The works completed could stabilise an extent of 55,207 acres besides creating a new potential of 481 acres. 1,084 community irrigation wells were sunk, against the target 1,487 wells and the remaining wells are in progress. An additional ayacut of 5,917 acres was created by the completion of these wells. 42 electric motors in Hyderabad district and 3 electric motors in Khammam district were supplied to the beneficiaries of community irrigation wells. Similarly, 126 oil engines and 75 electric motors were supplied to the beneficiaries of community irrigation wells in Nalgonda District.

An amount of Rs. 458.78 lakhs was released to Panchayati Raj bodies during 1974-78, under this sector.

(iv) *Rural Water Supply:*

As most of the areas in the backward pockets of the State lack drinking water facility, a sum of Rs. 7.81 crores was earmarked for taking up water supply schemes in the rural areas.

(a) *Open Wells:*—Two thousand, one hundred and sixty-eight wells were dug up to March, 1978, as against the target of 2,629 wells. An amount of Rs. 137.32 lakhs was released during 1974-78 for this sector.

(b) *Rigs:*—In all 5,490 bores were drilled during 1974-78 against the target of 5,962 numbers. The allocation made for this sector during 1974-78 was Rs. 364.21 lakhs.

(c) *Protected Water Supply Schemes:*—One hundred and ninety-nine Protected Water Supply Schemes were included in the Six Point Formula programme during 1974-78 and as against this 103 schemes were completed by March, 1978. Besides the above, 47 mini piped schemes were taken up in Mahaboobnagar district out of which 17 were completed by March, 1978. Forty-seven single point system schemes were completed in the district of Anantapur and a comprehensive Protected Water Supply Scheme for Aluru and other 38 other villages in the district of Kurnool was completed. An amount of Rs. 297.48 lakhs was released during 1974-78 under this sector.

(v) *Rural Electrification:*

The Rural Electrification programme is essential for the development of the backward regions. Out of the allotment of Rs. 13.71 crores made for Rural Electrification, bulk of the provision to an

extent of Rs. 10.03 crores was allotted for systems improvement and release of agriculture services and a sum of Rs. 3.68 crores was allotted for electrification of villages. In all 42 sub-stations, 25 in Telangana, 12 in Rayalaseema and 5 in Coastal Andhra were commissioned during 1974-78. Under village electrification as against the target of 544 villages, 518 villages were electrified.

(vi) *Dairying:*

The Dairy Development Corporation has been provided with Rs. 2.27 crores during 1974-78. The Corporation has taken up the construction of two dairies, one at Khammam in Telangana region and the other at Kakinada of East Godavari district in Coastal Andhra region. The Dairy at Khammam has already been commissioned. The Dairies at Chittoor, Mydukur and Kurnool in Rayalaseema regions are being strengthened with Six Point Formula funds. The Corporation has also taken up the construction of 7 Cooling Centres, 8 Chilling Centres and 2 Food Mixing Plants in the three regions of the State.

(vii) *Economic Support Schemes:*

For the upliftment of the Tribals, Scheduled Castes and other economically Backward Classes in the State, a sum of Rs. 3.93 crores was allotted to the Andhra Pradesh Backward Classes Co-operative Finance Corporation, Andhra Pradesh Scheduled Castes Co-operative Finance Corporation and Andhra Pradesh Scheduled Tribes Co-operative Finance Corporation. These Corporations programmed to utilise these amounts as seed money to attract institutional finances and take up programmes for the betterment of these sections on a large scale.

The Andhra Pradesh Backward Classes Co-operative Finance Corporation has raised an institutional finance of Rs. 3.83 crores benefiting 23,208 persons. The Andhra Pradesh Scheduled Castes Co-operative Finance Corporation has raised an institutional finance of Rs. 2.44 crores benefiting 27,950 persons.

(viii) *Animal Husbandry:*

An amount of Rs. 250.78 lakhs was provided during 1974-78 and as against this, the expenditure incurred up to the end of March, 1978 was Rs. 217.75 lakhs. The main achievements under this sector were the establishment of 36 Minor Veterinary Dispensaries, 13 Veterinary Hospitals, 21 Veterinary Dispensaries, 10 Key Village Centres, 7 Mobile Input Projects, 4 Cattle Development Units, 4 Ambulatory Clinic Centres and 2 Centralised Semen Collection Centres, 74 breeding bulls, 29 murrh buffaloes, 253 milch animals, 363 sheep units, 952 poultry units, 2,120 rams, 24,890 sheep and 3,884 cockrels were distributed under this sector.

*(ix) Agriculture:*

An amount of Rs. 76.22 lakhs was provided during 1974-78 and as against this allocation, an expenditure of Rs. 64.26 lakhs was incurred till the end of March, 1978. 3,990 sets of plant protection equipment including power sprayers, 1,234 agriculture implements, 75 oil engines and electric motors 34 tool kits were distributed. An area of 24,580 acres was covered under green manure seed and 2.85 lakhs of fruit trees were supplied to farmers.

*(x) Fisheries:*

Against the allocation of Rs. 45.03 lakhs during 1974-78, the expenditure incurred up to the end of March, 1978 was Rs. 32.39 lakhs. 17,604 kgs. of Nylon yarn was supplied to fishermen; 26.78 lakhs of fish seed was stocked in different tanks and 90 cement nurseries were constructed. Three vans were purchased under this sector for quick transport of fish seed.

**II. Regional Schemes:**

For the development of Large and Medium Industries and Higher Education, a sum of Rs. 17.95 crores was allotted during the first four years, and this amount has been fully spent.

Under Industries, allocations have been made to the Industrial Development and Industrial Infrastructure Corporations to help in the establishment of industries. The Industrial Development Corporation has been provided with Rs. 6.81 crores. With this amount and with the loan assistance from the financing institutions and other agencies the Corporation has launched upon a big programme for industrialisation of the State. Some of the industries to be established in the State are units for Rayon Grade Pulp at Warangal, Sponge Iron at Khammam, Fibre Glass at Mahaboobnagar, Particle Board at Medak, Paper Board at Bhadrachalam, Khammam district, Solvent Extraction Plants at Nalgonda and Nizamabad, Pulp and Paper at Kurnool, Detergents at Cuddapah, G.L.S. Lamps at Anantapur, Jute Mill at Srikakulam, Salt Complex at Srikakulam, Plywood at East Godavari and Fatty Acids and Glycerene at Guntur and Mint Paper Mill in Krishna district. Further, Sugar Factories are being established at Miryalaguda in Nalgonda district, at Palair in Khammam district, at Pochampad of Karimnagar district, at Tandava in East Godavari district, at Renigunta in Chittoor district and at Hindupur in Anantapur district, and for this a sum of Rs. 329.96 lakhs was provided from the Six Point Formula Funds. The Andhra Pradesh Industrial Infrastructure Corporation has taken up the provision of infrastructure facilities. For this purpose, a sum of Rs. 234.26 lakhs has been provided to this Corporation. For the growth of Small Industries in the backward areas, a sum of Rs. 19.48 lakhs was provided to the Andhra Pradesh Small Scale Industrial Development Corporation. Further,

sum of Rs. 46.00 lakhs was provided to the Leather Industries Development Corporation of Andhra Pradesh and Rs. 101.05 lakhs to the Andhra Pradesh Mining Corporation to take up exploratory mining in the potential mineral based areas.

Under Higher Education, in Telangana region a sum of Rs. 95.00 lakhs was released to the Kakatiya University at Warangal, and Rs. 25.00 lakhs to Osmania University towards starting 3 Post-Graduate Centres, one each in Karimnagar, Khammam and Nizamabad districts. A sum of Rs. 45.00 lakhs was allotted to Post-Graduate Centre, Anantapur, a sum of Rs. 6.00 lakhs was provided towards starting of Post-Graduate Centres at Kurnool and Cuddapah. A sum of Rs. 80.00 lakhs was allotted to Nagarjuna University at Guntur and a sum of Rs. 5.00 lakhs to Andhra University for opening of new Post-Graduate Centres.

For the last year of the Six Point Formula programme *i.e.*, 1978-79, the three Regional Planning and Development Committees have approved a total programme for an outlay of Rs. 18.00 crores for the three regions.

*Programme for the Mid-Term Plan Period:*

The Special Assistance now being provided by the Government of India for the accelerated development of backward areas under Six Point Formula programme will not be available beyond March, 1979. It may, however, be noted that the problem of development of backward areas is a long term problem and no significant reductions in the disparities in the levels of development could be expected to be achieved over one or two five year periods. As mentioned earlier the State Government have identified 162 taluks as backward on the basis of a development index worked out for each taluk taking the State Average as equal to 100. The results of this exercise (Exercise 4) indicate wide disparities in the levels of development among the various taluks. The development index ranged from 46.4 in the case of Boath taluk in Adilabad district to 207.4 in respect of Tanuku taluk in West Godavari District. Thus the range between the highest and least developed taluks in the State was of the order of 161.0 points in terms of development index. Further, it was observed that out of a total of 195 taluks in existence in the State at that time, the development index for as many as 59 taluks was below 75.0 followed, by 56 taluks in the range of 75.0 to 99.9. The number of taluks with an index of 100.0 to 124.9 was 35, while 24 taluks were in the next higher range of 125.0 to 149.9 and 21 taluks had an index of 150.0 and above. It is distressing to note that in respect of as many as 97 taluks, the development index was less than 90.0, thus indicating the intensity of backwardness and the extent of its concentration which extended to as many as half the number of taluks in the State.

The Special Assistance of Rs. 90.00 crores provided by the Government of India for the development of backward areas at the rate of Rs. 18.00 crores per annum for 162 taluks in the State was not adequate considering the size of the area involved and the extent of backwardness. The amount spent during the period might have helped in raising the levels of development of only these marginal taluks which had an index of development around the State average. The number of such taluks having an index of development in the range of 90.0 to 99.9 was only 18 and as such majority of the taluks would not have experienced any major change in their developmental levels. It is, therefore, considered necessary that these backward areas should continue to receive special attention to make up the leeway and that a special assistance of at least Rs. 200.00 crores would be necessary during the Medium Term Plan period. The State Government have also recently constituted a Technical Committee consisting of experts to advise the Government whether any fresh exercise is required to be undertaken for the identification of the backward areas and the criterion to be adopted in this regard.

The special funds would, as in the past be spent on productive works such as Minor Irrigation, Agriculture and allied works, Rural Electrification, Rural Water Supply, Economic Support Programmes for weaker sections of the population and development of Small Scale Village Industries. The programme for 1978-83 would broadly be as follows:

#### 1. *Minor Irrigation:*

Undertaking of intensive agriculture in upland areas has been suggested as one of the methods for the development of backward areas of Coastal Andhra region, while in the case of Rayalaseema region, the provision of irrigation facilities and large scale soil conservation measures to save soil fertility have been suggested in order to avoid the occurrence of famines. In regard to Telangana region, taking into account the potential available for development, irrigation works followed by Rural Electrification have been recommended.

An amount of Rs. 70.00 crores has been allocated in the Draft Plan for Minor Irrigation and large portion of this may go to the backward areas. But this provision has to be supplemented for the accelerated development of the backward areas. Keeping in view the strategy set-out above, highest priority is proposed to be given to Minor Irrigation in the Special Programme for the development of backward areas and a provision of Rs. 50.00 crores is proposed for this sector.

#### 2. *Rural Electrification:*

Out of the total number of 27,445 villages in the State, by the end of 1978-79—16,527 towns and villages will be electrified leaving 10,918 villages yet to be electrified. Out of these balance villages 10,693

villages are located in 162 identified backward taluks. During the next Plan period it is proposed to electrify 7,800 out of these 10,693 villages from out of the normal Plan allocations leaving 2,893 villages yet to be electrified. It is estimated that an outlay of Rs. 45.00 crores is required for electrifying these 2,893 villages. In the draft Plan an amount of Rs. 213.00 crores is provided for Rural Electrification. It is proposed to provide an amount of Rs. 45.00 crores from out of the special allocation for backward areas, so that all the villages in the backward areas could be electrified.

### *3. Agriculture including Animal Husbandry and Fisheries:*

Special Agricultural programmes require to be taken up in such of the backward areas which have the potential for this or where the potential is now being created through Minor Irrigation.

The Dairy Programme has to be supported by a strong Animal Husbandry programme. Further, Animal Husbandry is also itself a paying subsidiary occupation.

Fisheries have also to be developed both under inland fisheries and marine fisheries.

For taking up these schemes during the next Plan period a provision of Rs. 30.00 crores is made under the Special Programme.

### *4. Dairying and Milk Supply:*

Dairying has a vital role to play in improving the levels of income of the weaker sections of the population. The small and marginal farmers and agricultural labourers who may not be able to derive the benefits of the Agricultural Programmes, can look to dairying as a profitable subsidiary occupation. Taking into account that an outlay of Rs. 2.27 crores, only was made under Six Point Formula Programme during the Fifth Plan period, it is now proposed to make a provision of Rs. 20.00 crores for this purpose.

### *5. Rural Water Supply:*

As per the details furnished for Rural Water Supply under the chapter on Revised Minimum Needs Programme, an outlay of Rs. 143.00 crores is required in the next Plan period for solving the Rural Water Supply problem in the State. In our present proposals it has been possible to provide only an outlay of the order of Rs. 113.00 crores under the head 'Rural Water Supply' and the balance of Rs. 30.00 crores is proposed to be provided under this Special Programme.

### 6. Economic Support Programme:

The Scheduled Caste and Backward Classes Co-operative Finance Corporations have been set up for the accelerated economic development of Scheduled Castes and Backward Classes. The primary task of these Corporations is to address themselves to the task of economic upliftment of the weaker sections of the population. The objectives of the Corporations are to plan, promote, undertake and assist programmes of Agriculture, Animal Husbandry, Village Industries, employment-oriented Agro-Industries, Cottage and Small Scale Industries etc. These Corporations provide financial assistance by way of margin money loans to the beneficiaries to the extent of 20 per cent the balance 80 per cent being mobilised through institutional finance.

During the next Plan period, the Scheduled Castes Co-operative Finance Corporation proposes to cover 20 per cent of Scheduled Caste families while the Backward Classes Co-operative Finance Corporation will be implementing economic development programmes, benefitting a vast number of listed Backward Classes families. Also large amounts are also required towards margin money by these Corporations in the next Plan period. It is proposed to provide an outlay of Rs. 15.00 crores in this special Plan for this purpose.

### 7. Small Scale and Village Industries:

The Planning Commission has emphasised the need for the development of Small Scale and Village Industries in the context of providing additional employment opportunities in the rural areas. An amount of Rs. 10.00 crores is therefore proposed for the development of these industries in the backward areas.

The break-up of the total outlay of Rs. 200.00 crores required under the Special Programme for the development of backward areas is, therefore, as follows:

<i>Programme</i>	<i>Outlay</i> (Rs in crores)
1. Minor Irrigation .. .. .	50.00
2. Rural Electrification .. .. .	45.00
3. Agriculture including Animal Husbandry and Fisheries .. .. .	30.00
4. Dairying and Milk Supply .. .. .	20.00
5. Rural Water Supply .. .. .	30.00
6. Economic Support Programme .. .. .	15.00
7. Small Scale and Village Industries .. .. .	10.00
Total .. .. .	200.00



**ANNEXURE—I**

**LIST OF CHRONICALLY DROUGHT AFFECTED TALUKS IN  
ANDHRA PRADESH**

<i>Sl. No.</i>	<i>District/Taluk</i>	<i>Sl. No.</i>	<i>District/Taluk</i>
<b>I. ANANTAPUR :</b>		<b>IV. KURNOOL :</b>	
1.	Anantapur*.	29.	Kurnool*.
2.	Tadpatri*.	30.	Dhone*.
3.	Dharmavaram*.	31.	Nandikotkur.
4.	Kalyandurg*.	32.	Adoni*.
5.	Rayadurg*.	33.	Aluru*.
6.	Penukonda*.	34.	Pattikonda.
7.	Hindupur*.	35.	Koilkuntla*.
8.	Kadiri*.	36.	Banganapalli*.
9.	Madakasira*.	37.	Arlagadda.
10.	Uravakonda*.	38.	Atmakur.
11.	Gooty*.	39.	Nandyal.
<b>II. CHITTOOR :</b>		<b>V. PRAKASAM :</b>	
12.	Chittoor* (including Bangaru- palem sub-taluk).	40.	Ongole (Former).
13.	Chandragiri.	41.	Darsi*.
14.	Madanapalli*.	42.	Podili*.
15.	Vayalpad*.	43.	Kanigiri.
16.	Punganur.	44.	Kandukur*.
17.	Palamaner*.	45.	Giddalur.
18.	Kuppam.	46.	Markapur.
19.	Puttur.	47.	Addanki.
20.	Satyavedu.	<b>VI. NELLORE :</b>	
<b>III. CUDDAPAH :</b>		48.	Udayagiri.
21.	Cuddapah.	49.	Atmakur*.
22.	Kamalapuram.	50.	Kavali.
23.	Rayachoti.	<b>VII. GUNTUR :</b>	
24.	Rajampet*.	51.	Sattenapalli.
25.	Badvel*.	52.	Vinukonda.
26.	Jammalamadugu.	53.	Palnadu.
27.	Proddatur*.	<b>VIII. HYDERABAD :</b>	
28.	Pulivendla.	54.	Hyderabad (West).

## ANNEXURE—1 (Contd.)

<i>Sl. No.</i>	<i>District/Taluk</i>	<i>Sl. No.</i>	<i>District/Taluk</i>
55.	Ibrahimpattam.	X.	NALGONDA :
56.	Hyderabad (East).	68.	Suryapet.
57.	Chevella* (Shabad).	69.	Bhongir.
IX. MAHABUBNAGAR :		70.	Huzurnagar.
58.	Kalwakurthy*.	71.	Deverkonda.
59.	Nagarkurnool.	72.	Miryalguda.
60.	Wanaparthy.	73.	Ramannapet*.
61.	Alampur.	74.	Nalgonda.
62.	Makthal*.	XI. WARANGAL :	
63.	Shadnagar.	75.	Jangaon*.
64.	Achampet.	XII. MEDAK :	
65.	Kollapur.	76.	Narayankhed.
66.	Gadwal.		
67.	Atmakur.		

\*These taluks represent 'hard-core'.

**ANNEXURE—II**

**LIST OF TALUKS IDENTIFIED AS BACKWARD.**

<i>Sl. No.</i>	<i>District/Taluk</i>	<i>Sl. No.</i>	<i>District/Taluk</i>
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**COASTAL ANDHRA**

**I. SRIKAKULAM:**

1. Srikakulam.
2. Cheepurupalli.
3. Bobbili.
4. Salur.
5. Parvathipuram.
6. Palakonda.
7. Pathapatnam.
8. Narasannapeta.
9. Tekkali.

**10. Somipeta.**

**11. Ichapuram.**

**II. VISAKHAPATNAM:**

1. Visakhapatnam.
2. Anakapalli.
3. Yellamanchili.
4. Narsapatnam.
5. Chintapalli.
6. Paderu.
7. Chodavaram.
8. S. Kota.
9. Gajapathinagaram.
10. Bheemunipatnam.
11. Vizianagaram.

**III. EAST GODAVARI:**

1. R. Chodavaram.
2. Yellavaram.
3. Peddapuram.
4. Prathipadu.
5. Tuni.
6. Pithapuram.

**IV. WEST GODAVARI:**

1. Polavaram.
2. Chintalapudi.

**V. KRISHNA:**

1. Nandigama.
2. Jaggayyapeta.
3. Tiruvuru.
4. Nuzvid.

**VI. GUNTUR:**

1. Vinukonda\*.
2. Palnad\*.
3. Sathenapalli\*.

**VII. PRAKASAM:**

1. Ongole\*.
2. Kandukur\*.
3. Kanigiri\*.
4. Podili\*.
5. Darsi\*.
6. Addanki\*.
7. Markapur\*.
8. Giddalur\*.

**VIII. NELLORE:**

1. Gudur.
2. Sullurpet.
3. Venkatagiri.
4. Rapur.
5. Atmakur\*.
6. Udayagiri\*.
7. Kavali\*.

\*Drought affected.

## ANNEXURE—II (Contd.)

Sl. No.	District/Taluk	Sl. No.	District/Taluk
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## RAYALASEEMA

## CHITTOOR :

1. Chittoor\*.
2. Bangarupalem\*.
3. Palamaner\*.
4. Kuppam\*.
5. Punganur\*.
6. Madanapalli\*.
7. Vayalpad\*.
8. Chandragiri\*.
9. Satyavedu\*.
10. Puttur\*.
11. Srikalahasti.

## III. ANANTAPUR :

1. Anantapur\*.
2. Kalyandurg\*.
3. Uravakonda\*.
4. Rayadurg\*.
5. Gooty\*.
6. Tadpatri\*.
7. Dharmavaram\*.
8. Kadiri\*.
9. Penukonda\*.
10. Hindupur\*.
11. Madakasira\*.

## I. CUDDAPAH :

1. Cuddapah\*.
2. Rayachoti\*.
3. Pulivendla\*.
4. Kamalapuram\*.
5. Jammalamadugu\*.
6. Proddatur\*.
7. Badvel\*.
8. Rajampet\*.
9. Sidhout.

## IV. KURNOOL :

1. Kurnool\*.
2. Nandikotkur\*.
3. Atmakur\*.
4. Nandyal\*.
5. Allagadda\*.
6. Koilkuntla\*.
7. Banganapalli\*.
8. Dhone\*.
9. Pattikonda\*.
10. Alur\*.
11. Adoni\*.

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\*Drought affected.

## ANNEXURE—II (Contd.)

Sl. No.	District/Taluk	Sl. No.	District/Taluk
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## TELANGANA.

## I. MAHABUBNAGAR :

1. Mahabubnagar.
2. Shadnagar\*.
3. Kalvakurthy\*.
4. Achampet\*.
5. Kollapur\*.
6. Nagarkurnool\*.
7. Wanaparthy\*.
8. Alampur\*.
9. Gadwal\*.
10. Atmakur\*.
11. Makththal\*.
12. Kodangal.

## II. HYDERABAD :

1. Ibrahimpatnam\*.
2. Chevella\*.
3. Pargi.
4. Tandur.
5. Vikarabad.
6. Medchal.

## III. MEDAK :

1. Sangareddy.
2. Zahirabad.
3. Narayankhed\*.
4. Andole.
5. Narsapur.
6. Medak.
7. Gazwel.
8. Siddipet.

## IV. NIZAMABAD :

1. Yellareddy.
2. Madnoor.
3. Kamareddy.
4. Banswada.

## V. ADILABAD :

1. Adilabad.
2. Utnoor.
3. Asifabad.
4. Sirpur.
5. Chinnur.
6. Laxetipet.
7. Khanapur.
8. Boath.
9. Mudhole.
10. Nirmal.

## VI. KARIMNAGAR :

1. Karimnagar.
2. Sirsilla.
3. Jagtial.
4. Peddapalli.
5. Manthani.
6. Huzurabad.
7. Metapalli.

## VII. WARANGAL :

1. Parkal.
2. Mulug.
3. Narsampet.
4. Mahabubabad.
5. Jangaon\*.
6. Warangal.

## VIII. KHAMMAM :

1. Khammam.
2. Yellandu.
3. Bhurgampad.
4. Nugur.
5. Bhadrachalam.
6. Kothagudem.

\* Drought affected.

## ANNEXURE—II (Concl'd.)

Sl. No.	District/Taluk	Sl. No.	District/Taluk
TELANGANA—(Concl'd.)			
VIII. KHAMMAM—(Contd.):		3. Miryalguda*.	
7. Madhira.		4. Devarakonda*.	
8. Sathupalli.		5. Bhongir*.	
X. NALGONDA:		6. Ramannapet*.	
1. Nalgonda*.		7. Huzurnagar*.	
2. Suryapet*.			

Drought affected.

## ABSTRACT.

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		—

## 11. MULTILEVEL PLANNING AND AREA DEVELOPMENT APPROACH

### *Multilevel Planning:*

Multilevel planning requires a hierarchy of levels with appropriate decision-making authorities at each level. The scope of decision making at each level in regard to planning will however depend upon the objectives of planning at that level within the overall objectives of the organisation as a whole, considerations of administrative and economic efficiency and the constraints of the political system. As the National document on the Draft Five-Year Plan has put it. "It is possible that there should be a hierarchy of planning decisions at different levels."

The planning function itself can be divided into four sub-functions, viz.

Planning—Implementation—(Co-ordination)—Review.

It is not necessary that all these functions are discharged by the same Planning body. It is quite conceivable that the body at one level of hierarchy is responsible for planning, while the body at a lower level is made responsible for the other three functions. The functions, therefore, are separable and assignable to different levels in the multi-level model, except to the extent of co-ordination (which has been put in brackets) which must necessarily go either with the implementation function or the review function or both. The fact that these functions are separable but are part of the overall function necessary for the achievement of any activity means that where they are separated and assigned to different levels there would have to be vertical linkages to ensure proper co-ordination of these different functions and the achievement of the overall objective of the activity concerned. Since the division of these functions between different levels will differ from activity to activity, we have a situation at each level where the functions of the Planning body will vary in regard to the different activities taking place at that level. For instance, in regard to certain activities the Planning body may have all the four functions, whereas with regard to some other activity it may be responsible only for implementation, co-ordination and review, and in respect of others only in regard to co-ordination and review. There may also be certain activities taking place at the same level in regard to which the Planning body has none of these four functions but which impinge upon the other activities of that body and, therefore, must be taken into account at least as exogenous but relevant factors.

This framework can be understood in concrete terms with reference to the planning activity at the State level. The State Government is the Planning organisation which discharges all the four functions mentioned above in regard to activities which constitute

part of the State Plan. It discharges only implementation, co-ordination and review functions in regard to most Centrally Sponsored Schemes. In regard to certain schemes in the Central sector which are both planned and implemented by the concerned Central Ministry the State Government may still have, in certain cases, the co-ordination function at the State level such as, for instance, the provision of infrastructure by the State Government for a major Central project like the Steel Plant. Then there are some activities taking place in the Central sector at the State level in respect of which the State Government does not have any of these four functions but which it will have to take into account as a given exogenous factor in formulating its own Plan, such as, for instance, a decision regarding railway lines within the State. Similarly, to the levels below the State, responsibilities regarding implementation or only co-ordination and review might be delegated in respect of activities for which the State level body still retains the functions of planning or even of implementation. This situation leads to vertical linkages from the District to the State and to the Central level in respect of different State Plans and Centrally Sponsored Schemes. It leads to horizontal linkages at the State level between the State Plan Schemes and Central Sector Schemes.

It has been a curious aspect of the thinking on the planning process so far that while this has been the situation in practice at the State level, whenever District Planning was discussed in the past a presumption was somehow raised very often that delegation to the District Planning body in respect of any activity must necessarily include all the functions mentioned above and to the extent delegation was restricted only to some of these functions and some others were retained at the State level it was taken to be a dilution of the process of District Planning. It is, therefore, a welcome realisation now that it is conceded that "a hierarchy of planning decisions at different levels are possible." District planning also has to be conceived only as part of the above model and in deciding the levels of planning, whether it be Block or District, and the planning functions to be assigned to these levels, this separation of functions and the assignment of different functions to different levels, with suitable vertical and horizontal linkages, has to be taken into account.

Another aspect of the somewhat mistaken view of District Planning that used to be taken in the past is the fact that it was generally assumed that this would precede the State level planning. To the extent the State level planning preceded District Planning or District Planning depended upon certain decisions already taken at the State level, it was assumed that District planning had been vitiated. Here again, it was forgotten that the State level itself Planning began only after, and within the frame work of, a national approach to the Plan that was decided upon first. It was never contended that the



National Plan should be the sum of States Plans but it was for quite some time contended that the State Plan should evolve as the sum of District Plans. The multi-level model shows that this is not a feasible proposition. As is now recommended by the Dantwala Committee the District/Block Level Planning teams would have to be given a broad indication about

- (a) the total State Plan and its priorities,
- (b) the financial parameters within which to plan, and
- (c) the continuing schemes to which a part of the Plan expenditure is committed.

#### **District Plans:**

The decisions regarding District and Block planning will have to be taken within the overall framework mentioned above. Taking into account the availability of the necessary expertise and the span of most planning activities, the proper level for planning below the State level is the District. The Block may be the unit for implementation of several plan activities and for the preparation of detailed employment plans, but the level at which an integration can take place of most plan activities would be the District. As regards the particular organisation that would be responsible for the Plan at this level a final decision will be taken as soon as the reorganisation of our Panchayati Raj set up is finalised, since the final shape of this set up will have an important bearing on the role of those bodies in District Planning.

The National Plan document has itself envisaged that some major investments which have regional implications like large scale irrigation, power and transport must necessarily remain outside the scope of planning for limited areas. But the bulk of the remaining investments in areas such as agriculture, minor irrigation, animal husbandry etc. would be amenable to planning at the local level. In keeping with this line of thinking we had, while formulating the proposals for the next Plan itself, asked the various Heads of Departments to indicate the district-wise segments in respect of their sectoral plans separately. The Heads of Departments were asked to indicate in the district segment all allocations for all schemes located in the district. These will consist of the following two types of schemes:

#### **Part-A**

Schemes located in a district but having importance for or benefiting an area more than the district; for instance, the allocation on a canal of the Nagarjunasagar Project in a district will form part of the district segment but will come under this category since this is part of the Nagarjunasagar

Project; similarly, a major or medium industry will come under this category. So also, a research or training centre etc., intended to cover an area, larger than the district.

#### *Part-B*

Allocations for schemes located in the district and benefiting only the district or a portion thereof; examples of this will be Minor Irrigation, Rural Electrification and Small Scale Industries etc.

The idea is that the schemes falling under Part B above will constitute part of the District Plan in respect of which the District Planning body will have discretion in regard to such matters as locational decisions, rephrasing etc. which they would not have in regard to schemes under Part A. However, the schemes under Part A would also be indicated within the District Plan frame, because they may have an important bearing on the development of the district as a whole and would, therefore, have to be taken into account in preparing the Plans for the items falling under the Part B. For instance, the District Planning body may not have any discretion in regard to the phasing or implementation of the portion of a major irrigation project falling within that district which is a part of a larger and different planning decision, but the phasing of that particular activity would be an important input for the preparation of the District Plan since the agricultural and credit plans, which form part of the District Plan, would have to take this important fact into account.

In the Fifth Plan period 10 per cent of the total Plan allocation, other than the allocation for Power and Major and Medium Irrigation, was being earmarked for backward areas. A similar procedure will be followed for the next Plan period, the actual percentage, which would in any case be not less than 10 per cent, having yet to be decided. This amount would be allocated not on the basis of sectoral outlays but on the basis of the population in the identified backward areas. A Technical Committee has already been set up to review the identification of backward areas as mentioned elsewhere in the document. The plans for such backward areas would have to be integrated in the District Plan.

The district authorities are being asked to take up preliminary work which will enable the following aspects of a District Plan being worked out at this stage itself:—

(a) A profile of the resource endowment of the district—Data in this regard is available both in the regional plans as well as in the earlier work done in this regard at the time of the formulation of the Fifth Plan.

(b) Levels of development reached so far in important sectors—  
With a review where necessary of the on going Plan Schemes in particular of their continued utility or relevance for the future.

(c) Spill-over commitments arising out of the Fifth Plan schemes.

As soon as the Draft Outline of the State Plan is finalised a Plan frame for the District Plan, which will include the allocations for items under 'A' and 'B' of the District segment mentioned earlier, will be prepared with district-wise break-up and will be communicated to the District Planning authorities. The Plan priorities and the important targets adopted for the State Plan would also be communicated. Based on the preliminary study mentioned above and on this information the District Planning authority will be expected to prepare the District Plan. The District Plan will indicate, besides the three items mentioned earlier,

(d) the strategy adopted, based on the district profile and district review mentioned earlier and (i) the regional strategy including spatial aspects and (ii) the Plan frame indicated;

(e) State sector schemes with those falling under Part A of the District segment and their implications for the district;

(f) Sectoral plans for the activities falling under Part B of the District segment together with the actual phasing;

(g) Scheme-wise details of the more important schemes together with physical targets;

(h) Special plans for backward areas in the district; and

(i) Local participation particularly resource mobilisation at the local levels.

On receipt of the District Plans they will be scrutinised by the Planning Department for internal consistency as well as consistency with the overall priorities of the State Plan. In regard to activities falling under Part B of the District segment, any sectoral rephasing necessary as a result of the District Plans will also be considered. On the basis of this, the District Plans as well as the District segment of the State Plan will be ultimately finalised.

#### *Employment Plans—District and Block:*

While the above procedure will be followed so far as the Medium Term Plan is concerned, it was felt that a special effort should be made to acquire technical expertise and experience in regard to special employment-oriented plans. For this purpose, the task of preparing three model district plans, one for each region in the State, has been entrusted to three important research institutes at Hyderabad,

viz., the Administrative Staff College of India for the East Godavari District, the National Institute of Rural Development for Anantapur District and the Small Industries Extension Training Institute for the Hyderabad District. These institutions will prepare a perspective plan for the selected districts for a period of ten years and an operational Plan for the Medium Term Plan period (1978-83) keeping in view the objective of providing full employment within ten years. The model plans would indicate the desired levels of growth, sectoral distribution of the programmes, physical targets for the different sectors and financial outlays required for the implementation of the plan.

As part of the programme to tackle unemployment in the rural areas of the State, Block-level surveys have been undertaken in the State in 21 selected Blocks during 1978-79 at the rate of one Block in each district by the district authorities under the technical guidance of the State Bureau of Economics and Statistics. The objective of the survey had been to find out the incidence of unemployment, the periods and duration of unemployment, skills available in the area, migratory characteristics of rural labour etc. On the basis of these survey results it is proposed to formulate suitable employment-oriented programmes at the Block level, priority being given to productive works. For this purpose an amount of about Rs. 67 crores has been provided in the Draft Plan.

Integrated Rural Development Programme is the latest in the series of area development approaches. In Andhra Pradesh 174 Blocks have been selected under this programme which coincide with Blocks already covered the Drought Prone Area Programme, Small Farmers Development Agency and the Command Area Development. The main objective of the programme is provision of full employment through production programmes in a selected area, defining the "linkages among the various programmes so as to bring about proper co-ordination there of" with a view to deriving maximum results from limited investment. Under this approach, institutional finance will also have an important role to play. There is the fusion of the individual beneficiary approach and the area approach in I.R.D.P. This will also require the formulation of Block Plans for a proper implementation of the programme which is also being taken up.

#### *Regional Development Policy:*

The spatial dimension of the problem of development has been a comparatively neglected aspect of Planning. However, in the recent past, attention is being paid to this aspect in greater measure particularly because of the issue of regional imbalances having come to the fore. Regional Development Policy is essentially a part of the general policies of development. In India, States are cognizable entities with substantial freedom of operation and decision making within their own

territories. Planning at the State level would, therefore, require an understanding of:

- (a) the position of the State as a region in the context of national policies;
- (b) cognizable regions within the State and their relative levels of development, strategies for development and resultant varying policies of development;
- (c) the possibility of identifying micro regions and evolving suitable strategies;
- (d) and lastly, an appropriate methodology of preparation of Plans at levels below the region such as a district.

An understanding on the one hand of the process of Planning and decision making at different levels and on the other, an appreciation of regional development strategies and the process of development of various regions are therefore two inter-dependent aspects of a Regional Development Policy. Such a policy will also have to reconcile the needs of a high overall rate of growth with an acceptable balance in the levels of prosperity of different regions.

Viewing the role of the State in the perspective of the National Plan it can be seen that implicitly, there would be two identifiable sectors of activity namely, the activities of State level importance and activities of extra-State level importance. In regard to social services and infrastructure most of the activities would be State level ones, except some, such as National Highways, Major Ports etc. In regard to production activities those activities which can be undertaken within the State to satisfy the demands for final products generated within the State may broadly be considered as State level activities and those which would be essentially for export outside the State could be considered as extra-State level activities. A rough identification of these two preferably at the national level would enable appropriate aggregate policy orientation in the State Plans. In the context of agriculture, for instance it may be worthwhile to arrive at the more important crops on which this State should concentrate, in the light of its own resource endowment and the projected national demands.

Applying the same logic it would be necessary for the State itself to indicate the broad guidelines in a similar way to the areas below the State.

In Andhra Pradesh, there are three distinct levels which can be identified for purposes of meaningful Planning and evolution of regional development strategies. These are:—

- (a) Broad socio-economic regions already given, namely, Coastal Andhra, Rayalaseema and Telangana;

- (b) Districts within each of these regions—the district in many cases is in itself a fairly homogeneous zone and has the advantage of being the unit for which statistics are available; hence this is a level which can normally be accepted as a unit for Planning; and
- (c) Sub-regions within a district to enable an area approach.

Before elaborating further, some of the implications of the national approach to the next Five-Year Plan needs to be mentioned. Firstly, there is a deliberate policy of tackling unemployment and under-employment on a large scale by providing employment opportunities involving a variety of activities and identification of a series of weaker sections. In this approach the basic problem of regional imbalances in terms of levels of income is taken care of to a substantial extent. The major problem would, therefore, be identification of permanent assets relevant to the area concerned so that appropriate employment oriented schemes could be taken up. Even in the selection of these capital assets to be created and institutional arrangements for exploitation of these capital assets, it has to be ensured that benefits accrue to a large area and to the more vulnerable sections of the people. The logical step would then be to take up follow up measures for exploiting to the optimum these capital assets created.

Secondly, the Revised Minimum Needs Programme has been emphasised involving essential items such as Elementary Education, Adult Education, Medical and Public Health, Rural Water Supply, Drinking Water, Rural Electrification, etc. If these amenities are provided to an acceptable level, implying making available a particular level of public consumption in all areas, one of the important sources of regional imbalance would be removed. A well thought out programme combining employment opportunities and minimum needs should normally result in relieving rural poverty and thus reducing the urban poverty which is essentially an over-flow of the rural misery. The State Plan will, thus, involve a carefully co-ordinated approach between a programme of minimum needs and a programme of employment opportunities on the basis of identified strategies to develop appropriate activities, and the necessary capital assets for different areas.

In terms of the spatial dimension, this would involve an area approach, consisting of—

- (a) a study of the resource base;
- (b) delineation of the lead sector;
- (c) location of a service centre to provide for a minimum level of infrastructural facilities and service facilities;
- (d) provision for a hierarchy of functionally linked settlements for rapid growth—adequate attention will have to be paid to

the internal land use pattern of all the centres particularly higher level centres;

- (e) and lastly, ensuring of decisions on location in regard to each sector based on a meaningful spatial order of development in the light of the considerations mentioned.

In operational terms, therefore, the following lines of action are called for:

- (a) A preliminary identification of the resource potential and an economic analysis of the State of economy of the various areas in the State including zonalisation;
- (b) An indication of the strategies for development of different areas in the State;
- (c) Identification of a series of Service Centres and higher level centres to ensure provision of minimum needs as also of the infrastructure for development in a planned way. This requires delineation of a series of Service Centres, Market Centres, Growth Centres, Growth Poles existing as well as potential. An exercise of this type is to some extent arbitrary since the settlement pattern is not necessarily discreet but is some sort of a continuum. For purpose of convenience, however, discreetness is assumed. Further, in ordering an appropriate level of functions for different levels of settlements also there is an element of arbitrariness. In spite of all these limitations, the apparent advantages of such delineations in terms of integrated and co-ordinated approach are more than apparent.

The first two steps above have already been done in regard to the three major regions of the State, viz., Telangana, Rayalaseema and Coastal Andhra. A resource inventory has been prepared for each region. The regions have been further zonalised on the basis of homogeneity of resource endowment and strategies have been evolved for the different zones. A Perspective Plan for each region has been drawn up based on these strategies. In the implementation of the Medium Term Plan it would have to be ensured that the various sectoral programmes fit in with these broad strategies and the overall perspective, though some adjustments would be required taking into account the constraint of the overall Plan for the State as finally settled and the objectives of the National Plan.

#### *Spatial Planning:*

In regard to the third item mentioned above viz., a spatial study and the identification of an hierarchy of centres also, a detailed study has been carried out in the State which is briefly discussed here,

*Service Centres:*

A Service Centre may broadly be defined as a centre which provides the basic minimum services that are considered essential for civilized existence, which is a point of preliminary outlet for information and technical guidance, and is a point of contact for integration with the economy for its hinterland. Thus, the Service Centres are expected to provide consumer co-operatives, market sub-centres, agricultural, veterinary and agro-service facilities, secondary schools, a dispensary, bus, phone, telegraph facilities etc.

In delineating these Service Centres, the following considerations have been kept in view:

- (a) The Service Centres should be so located that all the services are within a reasonable distance say, at least walking distance for every inhabitant;
- (b) The coverage of population should be reasonable enough,
- (c) The Centre should be already fairly developed or should have a potential to develop these services;
- (d) As far as possible, the Centre should be geographically centrally located to the hinterland proposed; and
- (e) The Service Centre should be so located that the administrative boundaries are not substantially disturbed.

In more definite terms, these considerations involve an effort to study the present level of development of the various settlements. By a system of scoring of the various functions available in all the settlements, a list of centres which could qualify to be the Service Centres by virtue of the present level of development was arrived at. There have been instances where such Service Centres were found even within a distance of 2 to 3 miles from each other. In such cases only one of the two based on the present level of development, the transport convenience and population was selected.

There have been cases where for a large area such as forest and tribal tracts there were no settlements with substantial development. In such cases a centre had to be selected taking into account the population and its geographic dispersal and transport facilities and location even if the level of development was not adequate. Also the Service Centres have been so selected that there is a centre for any human settlement within a distance of 5 to 7 miles and the total population covered by one centre is of the order of 20,000 to 35,000.

In selecting the Service Centres care was taken to ensure that almost every Block Headquarters and urban centre which was not a higher order centre mentioned below was included since substantial



infrastructure was already developed in the Block Headquarters. Theoretically speaking identifying a hierarchy of centres, and relating them to appropriate services and locating them physically in a dynamic context requires a study of the settlement pattern service-wise, distance and population functions as also the frequency of trips required. It is, however, observed, from the preliminary work by Pilot Projects and Growth Centres that the methodology adopted now gives very reliable results:

#### *Market-cum-Service Centres:*

With regard to the Market-cum-Service Centres, it is expected that these centres would provide a higher level of public functions such as Land Mortgage Bank, wholesale trade, industrial estate, hospital with beds etc. On the basis of certain studies following a similar methodology as in the case of Service Centres a number of Market-cum-Service Centres have been identified. However, in certain cases even in Taluk Headquarters were not fully developed to the level of being a Market-cum-Service Centre at present. It was, however, decided, that all the Taluk Headquarters should be treated as Market-cum-Service Centres since the Taluk Headquarter generally possess important governmental services and appropriate facilities. In the case of Telangana, since there are already a substantial number of regulated markets geographically spread over the entire region, all these have been included. Besides these, all Taluk Headquarters which are not higher order centres and which are not already regulated markets have also been included in the light of the potential they have in developing as market foci.

#### *Growth Centres:*

The third level is termed Growth Centre which generally included all the District Headquarters and such other centres which have either reached a fairly high level of development of secondary and tertiary activities or which have the potential to develop into such centres in the near future. In this case also there have been a few District Headquarters in Telangana whose level of development does not justify their being treated as Growth Centres; in those districts some other Centres which have a larger potential for being a Growth Centre have been selected.

#### *Growth Poles:*

As far as Growth Pole is concerned it is a centre with large concentration of industrial and/or commercial complexes. At present in Andhra Pradesh, Hyderabad City alone claims the distinction of being a Growth Pole. However, in future it is possible to develop some

other centres also such as Visakhapatnam, Vijayawada, Guntur, Cuddapah, Proddatur, Nizamabad and Warangal as Growth Pole. For the present, however, these centres are still treated as Growth Centres.

On the above basis the number of centres delineated at various levels is given below:

- (a) For Andhra Pradesh as a whole, 1,200 service centres have been delineated. Of these 560 are in Coastal Andhra, 219 in Rayalaseema and 421 in Telangana;
- (b) In regard to the Growth Centres, there are 34 in the State including more of the District Headquarters, 15 of them are in Coastal Andhra, 7 in Rayalaseema and 12 in Telangana;
- (c) In regard to the Growth Pole, Hyderabad is the existing Growth Pole, Visakhapatnam, Guntur and Vijayawada, Warangal and Nizamabad could be immediately developed while Cuddapah-Proddatur may have a long term base. However, all these centres are included as Growth Centres.

The results of this study have been formally adopted by Government for policy purposes and have been communicated to the various Departments to be taken into account in arriving at locational decisions.



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