

# **Mid Term Appraisal of the XI Plan of Kerala**

## **Study II**

### **Performance of 15 major Centrally Sponsored Flagship Programmes**

Prepared

**for the Planning Commission, Government of India**

at

**Centre for Development Studies,  
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## Preface

The First Draft Report on the Mid-term appraisal of the 11<sup>th</sup> five Year plan of Kerala State was prepared by a team of researchers at the Centre for Development Studies for the Planning Commission of India during mid-September 2009 to June 2010. The present Revised Draft was completed in December 2010. The Report is organized in two parts: Study 1 on the Monitorable Indicators and Study 2 on the Performance of Flagship Programmes. This Draft Report is the outcome of the second part of the Study.

The Eleventh Five Year Plan had identified a list of 15 major centrally sponsored schemes, covering six different sectors, as follows:

### A. Rural Development

- (i) National Rural Employment Guarantee Scheme (NREGS)
- (ii) Pradhan Mantri Gram Sadak Yojana (PMGSY)
- (iii) Indira Awaas Yojana (IAY)
- (iv) National Social Assistance Programme (NSAP)

### B. Health, Nutrition, Drinking Water & Sanitation

- (v) National Rural Health Mission (NRHM)
- (vi) Integrated Child Development Scheme (ICDS)
- (vii) Accelerated Rural Water Supply Programme (ARWSP)
- (viii) Central Rural Sanitation Programme (CRSP)

### C. Education

- (ix) Mid Day Meal (MDM)
- (x) Sarva Shiksha Abhiyan (SSA)

### D. Urban Development

- (xi) Jawahar Lal Nehru National Urban Renewal Mission (JNNURM)

### E. Agriculture & Water Management

- (xii) National Horticulture Mission (NHM)
- (xiii) Accelerated Irrigation Benefit Programme (AIBP)

### F. Power

- (xiv) Rajiv Gandhi Gramin Vidyutikaran Yojana (RGGVY) and
- (xv) Accelerated Power Development & Reforms Programme (APDRP)

The Report attempts to study the performance of the State in these programmes from the year 2002-03 (or from the year of commencement of the programme), subject to data availability.

## **Study Team**

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#### A. Rural Development

1. National Rural Employment Guarantee Scheme (NREGS)
2. Pradhan Mantri Gram Sadak Yojana (PMGSY)
3. Indira Awaas Yojana (IAY)

### **Hrushikesh Mallick**

4. National Social Assistance Programme (NSAP)

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#### B. Health, Nutrition, Drinking Water & Sanitation

5. National Rural Health Mission (NRHM)
6. Integrated Child Development Scheme (ICDS)
7. Accelerated Rural Water Supply Programme (ARWSP)
8. Central Rural Sanitation Programme (CRSP)

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#### C. Education

9. Mid Day Meal (MDM)
10. Sarva Shiksha Abhiyan (SSA)

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11. Jawahar Lal Nehru National Urban Renewal Mission (JNNURM)

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#### E. Agriculture & Water Management

12. National Horticulture Mission (NHM)
13. Accelerated Irrigation Benefit Programme (AIBP)

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#### F. Power

14. Rajiv Gandhi Gramin Vidyutikaran Yojana (RGGVY)
15. Accelerated Power Development & Reforms Programme (APDRP) –  
State's preparedness to adopt the restructured APDRP programme
16. Status of implementation of the Electricity Act and actual performance of the state utilities based on:  
Revenue generation; Capital expenditure; Reduction of T&D losses;  
Elimination of subsidy; Contribution to the State exchequer.

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## **Study 2**

### **Summary of the Chapters in the Study**

#### **Chapter 1**

##### **NREGA**

From the study of implementation of NREGA in the State, it seems that while the programme is being implemented in letter, the spirit of the scheme seems to be missing. The programme falls short of its objective of guaranteeing minimum 100 days of employment to each family, with the average number of days of work through NREGA being 20 per household. The reasons for the underperformance in achieving this vital objective need to be studied. On the positive side, one feature, which stands out in the implementation of NREGA in the State, is the overwhelming participation of women in the programme. The share of women in the number of person-days generated is 86.9% in the State, which is way above the work participation rate of women in the State.

##### **PMGSY**

The performance of Kerala state in achieving the stated goals of PMGSY had been only partially successful. The works completed in Kerala under the scheme stood way behind many other successful states like Rajasthan and West Bengal who had a completion rate of more than 80 percent. The programme was able to connect to 70 percent of the targeted unconnected habitations during the period 2000 to 2009, though not able to complete the works in the targeted time. Estimates show that the average lag in time from the due date of completion for delayed works was nearly 1.7 years, and more than 50 percent of the works in progress were delayed by at least one year. However, in spite of the delays in implementation of the works, all districts recorded a higher share of work completed than the corresponding share of expenditure sanctioned for the purpose. If increased efficiency in completion of the work led to this outcome, then it is a commendable feat, on the other hand if poor budgeting led to this outcome then it has to be revisited.

##### **Indira Awaas Yojana (IAY)**

In all the years from 2002-03 to 2009-10, the State's share in total released funds was around 25% of the total released funds, which is more than the mandatory 20%. The utilization rate was very high during the period 2002-03 to 2007-08 lying above 90 percent. However after that the utilization rate declined and reached 70 percent in 2008-09 and further down to 53 percent in 2009-10. In terms of physical targets achieved, while in the initial years the targets were achieved in their full potential, in the period after 2006-07 achievement started falling behind targets. The percentage share of houses completed for the SCs and STs has been hovering around the stipulated 60%, with the share dropping below 60% in most years. To sum up, the IAY has been implemented in the state in the true spirit of the programme, achieving the targets as designed, though there are marginal shortfalls. However, one worrying fact is the decline in the target achievement in the recent years in case of new houses constructed.

## **National Social Assistance Programme(NSAP)**

It is observed that the number of beneficiaries in Kerala is very less compared to the numerical ceiling fixed in 1998 for the state under the NSAP. As far as funding is concerned, Kerala receives relatively less funding from the central government compared to the project costs which results in financial deficits till 2006-07, but in the recent past for few years since 2007-08, it is seen that some proportion of money has remained unspent with the state government. The reasons need to be studied to understand whether there were lapses on the part of the implementation agencies. Although in the year 2009-10, two other schemes such as Indira Gandhi National Widow Pension Scheme (IGNWPS) and Indira Gandhi National Disability Pension Scheme (IGNDPS) were added under NSAP, but the information on the financial allocations for each of these schemes are not available in order to make any assessment of those schemes with regards to their operations.

## **Chapter 2 National Rural Health Mission (NRHM)**

National Rural Health Mission (NRHM) has played a crucial role in augmenting the financial resources available for the ailing government health system in the state. Share of NRHM fund utilized as a percentage of total state budgetary expenditure on health ranged from 6 percent in 2005-06 to 23 percent in 2008-09. The funds allocated under the NRHM which does not get lapsed after the end of financial year as in the case of other centrally sponsored schemes and the states do have the flexibility to utilize the unused funds in the next financial year. As a result the utilization of funds allocated by centre under NRHM has increased in eleventh plan period from 76 per cent in 2007-08 to 160 % in 2008-09. Of the total expenditure available under the NRHM, 60 percent was for activities under the NRHM flexipool, 33 percent for Reproductive and Child Health(RCH) flexipool and 7 percent for national disease control programmes. The funds available under NRHM have been utilized for augmenting service provisioning in the government health system. There have been sizeable investments in infrastructure at the PHC's, CHC's and district hospital, where the civil works are being monitored with functioning of an engineering wing on a contractual basis under the NRHM. Half of the district hospitals have been equipped with mobile medical units. All the existing sub centres were made functional. Under NRHM, the State has recruited 876 doctors and 1495 staff nurses and trained more than 8000ASHAs to meet the increased demand for health care services.

Even as these achievements are impressive, it appears that the resources available under NRHM are utilized for improving curative care than the intended preventive care services. The NRHM could not make substantial inroads in improvement of RCH Services. Another issue of serious concern is the lack of progress in full immunization of children ever since the implementation of NRHM. These services under the NRHM need to be monitored closely for better progress.

### **Integrated Child Development Scheme.**

There are 32,146 anganwadis (32,268 are sanctioned) functioning in the state, each of them having one anganwadi worker and anganwadi helper. Though the state government's budgetary expenditure under the head ICDS has doubled from about 94 crores in 2002-03 to 190 crores by 2009-10, similar increase is not seen in terms of the proportion of ICDS

expenditure to the total revenue expenditure. ICDS expenditure as a percentage of total revenue expenditure of state is just around 0.6 percent during the entire tenth and eleventh plan period. 80 percent of financial resources coming from the central government under the ICDS (100 % CSS) is utilized for paying salaries of ICDS functionaries. Funds available under the other nutritional programmes of the Central Government are used for providing services at the Anganwadis. To conclude the ICDS programme machinery is fully functional in the state, but with limited resources to accommodate the new beneficiaries included in the eleventh plan period.

### **Accelerated Rural Water Supply Programme**

Kerala is one state which is reported to be having limited access to safe drinking water in India. According to the Indian census 2001 the proportion of households having access to water from tap/hand pump/Tube-well is 17 % in rural Kerala, while the same is 73 percent in rural India. The efforts of State Governments to provide drinking water supplies are supplemented by Government of India by providing financial assistance under the Centrally Sponsored Scheme of Accelerated Rural Water Supply Programme (ARWSP). One of the major coverage norms under AWRSP is 40 lpcd of drinking water for human beings. It was reported to the GoI that all the rural habitations in the State had achieved 40ltrs per capita daily(lpcd) status by including private sources as on 31/12/2008. Kerala Water Authority at present has 90 ongoing Accelerated Rural Water Supply Schemes (ARWSS) under various stages of execution- 85 schemes with central fund and five schemes with state fund.

### **Central Rural Sanitation Programme**

The efforts undertaken by the state under total sanitation campaign during the tenth and eleventh plan periods needs to be complimented. As on 22.12.2009, about 97 percent of the households in the state are having latrine facilities. If this effort continues, the state could attain 100 households with toilet facility within eleventh five year plan period. Through TSC campaign the proportion of schools with toilet has increased to 94 percent. Efforts have to be made to equip all schools with toilet facilities, by the end of eleventh plan period. Only 67 percent of anganwadi's are having toilets, which is another aspect requiring attention in the state. In fact the state is behind all India average (70 percent) in provisioning of toilets to Anganwadi's. To conclude the TSC campaign could be treated as one of the most successful centrally sponsored flagship programme in Kerala.

## **Chapter 3**

### **Education**

Under this chapter, the two flagship programmes taken up for the study include the Mid-Day Meal Programme and the Sarva Shiksha Abhiyan. . In the year 2008-09, the total beneficiaries of the Midday Meal programme were 18.35 lakhs. This was about 95.28 percent of the total enrolment in standards I-V, EGS(Education Guarantee scheme) centres and AIE (Alternative and Innovative Education) centres of that year. In the year 2009-10, the estimated total beneficiaries of Midday meal programme spread over pre-primary, standards I to VIII, special schools and MGLCs(Multi Grade Learning Centres) in Kerala is 29.02 lakhs.

The *Sarva Shiksha Abhiyan* (SSA) launched in India in 2001 aims to extend useful and quality elementary education to all children in the age group of 6-14 years before the end of 2010. At the beginning of the SSA programme the state had been falling behind in the utilization of resources. The utilization of resources during the year 2002-03 was only 28.6% but this has been rising steadily over the years and now stands at 92.67% for the year 2008-

09. . It is also clear that the state is moving towards maximum utilization of resources under *Sarva Shiksha Abhiyan* in recent years. Another feature in the education scenario of the State is that the percentage of unaided private schools in the State is on the rise. The enrolment in schools is on the decline. However, percentage of students who complete school education is on the rise.

## **Chapter 4**

### **Urban Development**

#### **JNNURM**

JNNURM was formally launched on 3rd December 2005 throughout the country for major cities in India. For Kerala, two cities Thiruvananthapuram and Cochin are covered under JNNURM. The duration of the Mission was seven years beginning from the year 2005-06 and would continue until 2011-12. There are two sub-missions under JNNURM: (a) The sub-mission for Urban Infrastructure and Governance (UIG) mainly focuses on infrastructure projects b) The sub-mission for Basic Services to the Urban Poor (BSUP) mainly focuses on integrated development of slums through projects for providing shelter, basic services and other related civic amenities with a view to providing utilities to the urban poor.

In terms of fund outlay it can be seen that the total outlay of Rs 840 cr projected in both the plans(10<sup>th</sup> and 11<sup>th</sup>) falls short of the approved cost of Rs 976cr for the two cities covered under JNNURM in Kerala. As far as implementation of projects is concerned, there is significant shortfall in financial resources especially in the central provisioning of funding the expenditures to the state governments or implementing agencies, leading to either incompleteness of the projects or little surplus money with the state governments. In these cases, the state government perceives that there is no future of running these projects when there is no sufficient flow of resources or funding by the central government as committed or approved. As a result, there is no incentive on the part of the state and local governments to continue the projects with the same speed. Therefore, the success of these programs depends on timely funding and efficiency in the monitoring of the projects.

The BSUP, a component of JNNURM, is being implemented through Kudumbashree in Thiruvananthapuram and Kochi Corporations. The objective of the scheme is to provide basic services to the urban poor viz. solid waste management, water supply, improvement of slums, construction and improvements of drains/storm water drains, sewerage, drainage, street lighting, health care etc. In 2008-09 the BSUP project showed actual expenditure of Rs11.32crores as against the approved outlay of Rs13crores, which meant a shortfall of Rs1.67crores. The major focus of the BSUP projects has been on housing including both new housing and housing upgradation.

## **Chapter 5**

### **Agriculture and Rural Development**

#### **1)National Horticulture Mission**

The State Horticulture Mission has completed five years of its functioning in 2010. The progress and achievements of the scheme in the first two years of its functioning was way short of the targets set, which led to a decrease in the central government release of money to the scheme in the subsequent years. However the programme acquired a new vigour in the

years 2007-10, which is reflected in the physical and financial achievements of the programme.

From the analysis of the implementation of various schemes under the SHM, it can be seen that the mission achieved its objectives to a considerable extent in the creation of infrastructure facilities. It forged a successful partnership with VFPCCK in creating rural markets and contributed to the setting up of a world class perishable goods storage facility at CIAL(Cochin International Airport Limited). However, even in this field, the SHM needs to focus more on the creation of a string of processing facilities (including cold storages and pack houses) and markets in blocks/panchayats to complement the centralised facilities that it has been able to create.

In certain areas like the establishment of new gardens and the production of planting materials, the mission has achieved considerable progress. However in the area of enhancing production and productivity of crops, the achievements of the Mission has been rather low or at best moderate. The SHM needs to evaluate the reasons for the low achievements in this area to understand whether the design of the programme or its implementation or a combination of both led to this result. It also needs to factor in the external factors (environmental, farmer enthusiasm etc) that could be playing a big role in pulling down the results. The improved performance of the Mission over the last two years of its working could be built upon to build a strong foundation for organized horticulture production and marketing in the State.

## 2) Accelerated Irrigation Benefit Programme(AIBP)

In Kerala, during the Tenth Plan Period, assistance under AIBP was awarded to the Muvattupuzha and Kallada projects. Karapuzha project is proposed for assistance under the scheme during 2006-07. The allocation by the Kerala state XIth Plan for the state's share in AIBP has been fixed at Rs. 750 crores for the entire plan period 2007 to 2012. The share of funds for the State from the Centre under the AIBP has been very low. In the period between 2000-01 and 2007-08, a total of Rs. 145.8 crores has been allocated to the state. This constitutes a mere 0.63 percent of the total fund allocation in this period under AIBP. The gross target for irrigation under the Tenth Plan was 1.4 lakh hectares. Out of these, the 0.9 lakh hectares was the target for major and medium projects while the remaining was for minor irrigation projects. The achievement during the period between 2002 and 2007 has been lagging to some extent for major and medium projects (achieved: 0.6 lakh ha.) while that for the minor irrigation projects have been almost met (achieved: 0.48 lakh ha.). The overall achievement has been 77 percent (1.08 lakh ha.) of the set targets during the Tenth Plan. Till March 2009, a cumulative irrigation potential of **33.28 thousand hectares** was created under the AIBP programme in Kerala. The irrigation potential was created under two projects, the Muvattupuzha Project and the Kallada Project(III)C

An evaluation of the individual projects under AIBP in Kerala shows that the Kallada Project has been completed successfully with the AIBP assistance. The Kallada irrigation and Tree crop Development project is the largest irrigation project in Kerala. In the Muvattupuzha project, by March 2008, there has been an approximately 77.8 percent completion of the targeted net irrigated area or the gross irrigated area. It is expected to be completed with AIBP assistance under the current plan period. The Karapuzha Project is to construct an earthen dam across Karapuzha at Vazhavatta in Wayanad district with a storage reservoir and



canal system. The project which is now receiving assistance from the AIBP, is in a comfortable situation with regard to meeting the stipulated targets.

## **Chapter 6 Power**

### **Power Situation in the State**

Kerala power sector is characterised by a high level of household electrification (91%) and high metered sales at 74 per cent of the total units input in the system; metering, including agricultural consumers, is almost 100 %; so is metering at the interface level. The auxiliary power consumption for both hydel and thermal generation stations is at near-normative levels. The recovery ratio improved from 74% in 2001-02 to 104% in 2004-05 primarily because of good hydel generation leading to lower costs. However, the system suffers from inadequate accretions to generating capacity and absence of a perspective planning *per se*. Aggregate technical and commercial losses (about 20 per cent in 2008-09) are high. The manpower employed in transmission and distribution also is very low at 2.98 per 1000 consumers. The system still continues as a vertically integrated public utility, under the banner of a State Electricity Board even in the face of the Electricity Act 2003.

The KSEB has an installed capacity of 2087.23 MW from plants owned by itself, and another 570.016 MW contributed by National Thermal Power Corporation (NTPC) and various private sector producers taking the total installed capacity of State to 2657.24 MW. The KSEB generates majority of its power from the 24 hydel projects it owns within Kerala. Diesel power plants at Brahmapuram and Kozhikode are the other major power generation stations within the state.

The total loss in the system in 2001-02 was 30.76% which was brought down to 20.02% by the end of 2007-08. It is expected that the cumulative reduction in loss would be more than 13 percent by 2009-10. The Board had taken all possible efforts to get the advantage of low interest rate prevailing in the financial market and thus had swapped the high cost outstanding loans with the fresh loans drawn at low interest rates. So far, KSEB has swapped Rs 1954.65 Crore of loans, saving an interest liability of Rs. 265.40 Crore payable during the rest of the repayment period of the loans and the annual savings through swapping alone is Rs 51.37 crore. During the period 2003-03 to 2007-08, the Board registered a steady growth in revenues. With the increase in income, the Board was able to manage its expenditure efficiently to reap a good surplus in 2006-07 and to register 14% rate of return. By way of various economic measures, the Board could reduce the revenue gap to a large extent from Rs. 1316.43 Crore in the year 2001-02 to Rs. 91.28 crore in the year 2007-08, without upward revision of tariff since October-2002.

### **Accelerated Power Development & Reforms Programme (APDRP)**

The Central Government launched a flagship power sector initiative – Accelerated Power Development and Reforms Programme (APDRP), in 2002-2003 with the objective of encouraging reforms, reducing aggregate technical and commercial loss and to improve the quality of supply of power. Over the five years from 2002 to 2007 aggregate technical and commercial (AT&C) losses of SEBs have come down from about 36.6 per cent to 34.5 per cent but that is far short of the intended target of bringing down the subtraction to 15 per cent. The failure of the APDRP prompted the Central Government to introduce the Rs 50,000 crore

Restructured-Accelerated Power Development and Reforms Programme (R-APDRP), as a renewed attempt to revive power sector reforms. The state-run Power Finance Corporation has been appointed as the nodal agency by the Power Ministry under the aegis of the R-APDRP.

What goes in favour of R-APDRP is that the focus will be on actual, demonstrable performance in terms of sustained loss reduction. The establishment of reliable and automated systems for sustained collection of accurate base line data, and the adoption of information technology in the areas of energy accounting will be necessary preconditions before sanctioning any regular distribution strengthening project. Unlike the previous scheme the latest version covers the overall performance of the State as a whole as against a particular area.

### **Rajiv Gandhi Gramin Vidyutikaran Yojana (RGGVY)**

RGGVY, a component of Bharat Nirman Programme which aims at intensive growth to bring about socio-economic transformation and development of rural India, was launched by the Government of India on 5 April 2005 aiming at providing access of electricity to all rural households and electrification of all villages by the year 2009. It was proposed to cover 1.15 lakh villages and provide free connections to 2.35 crore BPL households. Rural electrification Corporation (REC) is the nodal agency for the programme, under which 90% grant is provided by Govt. of India and 10% as loan by REC to the State Governments. So far 46,926 villages have been electrified and 2.13 million free connections have been provided to poor households and Rs.84 billion Government subsidy released under this programme. The performance of the programme in Kerala(as of 1<sup>st</sup> October 2009) was not very great with the intensive electrification of electrified villages achieving a target of just 57.9%(achievement of 22 villages as against coverage of 38 villages), the number of connections to rural households achieving 58.8% and the number of connections to rural households achieving 78.4%.(as against targets set in each of the two cases above).

## **Study II**

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#### **Chapter 1. Rural Development**

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2. Pradhan Mantri Gram Sadak Yojana (PMGSY)
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#### **Chapter 2. Health, Nutrition, Drinking Water & Sanitation**

5. National Rural Health Mission (NRHM)
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#### **Chapter 3. Education**

9. Mid Day Meal (MDM)
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#### **Chapter 4. Urban Development**

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Revenue generation; Capital expenditure; Reduction of T&D losses;  
Elimination of subsidy; Contribution to the State exchequer.

# **Chapter 1**

## **Rural Development**

### **1. National Rural Employment Guarantee Scheme (NREGS)**

#### **Objectives and Goals**

The National Rural Employment Guarantee Act, 2005 of the Indian parliament provides a right to employment to all rural workers. The NREGA guarantees 100 days of employment in a financial year to any rural household whose adult members are willing to do unskilled manual work. The basic objective of the Act is to enhance livelihood security in rural areas. This work guarantee can also serve other objectives: generating productive assets, protecting the environment, empowering rural women, reducing rural-urban migration and fostering social equity, among others. Based on the Act, National Rural Employment Guarantee Scheme, was launched in two hundred selected districts on 2<sup>nd</sup> February 2006 as pilot phase. This was extended to another 130 more districts in 2007-08 and finally to the remaining 285 districts from 1st April 2008 onwards. Every person working under the Scheme shall be entitled to wages at the minimum wage rate for agricultural labourers under the Minimum Wages Act, 1948. Under the Act both male and female workers are eligible for equal pay. In Kerala the minimum agricultural wage rate is Rs. 125 and that is made applicable to the unskilled workers under this scheme.

#### **Implementing agencies**

The NREGA is administered by The Ministry of Rural Development (MORD) through the Central Employment Guarantee Council (CEGC). The CEGC is established for the purpose of regular review, monitoring and evaluation of processes and outcomes. At the state level the State Government formulates a Rural Employment Guarantee Scheme (REGS) and sets up the SEGC (State Employment Guarantee Council), for ensuring that all activities required to fulfil the objectives of the Act are carried out. The District Panchayat will be responsible for finalizing the District Plans and for monitoring and supervising the REGS in the District. It can also execute works from among the 50 per cent that are not to be executed by the Gram Panchayats. The Intermediate Panchayat will be responsible for planning at the Block level, and for monitoring and supervision. It can also be given the responsibility of executing works from among the 50 *per cent* that are not to be executed by the Gram Panchayat. The Gram Panchayat has a pivotal role in the implementation of REGS. It is responsible for planning of works, registering households, issuing job cards, allocating employment, executing 50 *per cent* of the works, and monitoring the implementation of the Scheme at the village level. NREGA authorizes the Gram Sabha to recommend works to be taken up under REGS, to monitor and supervise these works, and to conduct social audits of the implementation of the Scheme. In addition, the Gram Sabha should be used extensively for facilitating the implementation of the Scheme, by acting as a forum for sharing information about the Scheme, and also in ensuring transparency and accountability. In addition to Panchayats, Line Departments, NGOs, Central and State Government Undertakings, and Self-Help Groups (SHGs) can also be identified as Implementing Agencies.

## **Funding Provisions and Funding Agencies**

The central government will be meeting all the expenses of the implementation of the NREGS except for the following provisions that are to be met by the state government.

The State Government will bear the following costs:

- (a) 25 percent of the cost of material and wages for skilled and semiskilled workers.
- (b) Unemployment allowance payable in case the State Government cannot provide wage employment within 15 days of application.
- (c) Administrative expenses of the State Employment Guarantee Council.

## **Coverage in Kerala**

In Kerala, the program was initiated in February 2006 in the rural areas of two districts – Palakkad and Wayanad. The programme was extended to Kasaragod and Idukki by February, 2007 and to the remaining districts by January 2009. The Government of Kerala has issued detailed guidelines for implementing NREGA. The responsibility has been assigned primarily to Local-Self Governments. In Kerala there are elected Village Councils (Grama Panchayats) for an average population of thirty thousand. The agglomeration of a few neighbouring Grama Panchayats (GP) is called a Block Panchayat. For each revenue district, there is an elected District Council (District Panchayat). Thus there is a three-tier system of Local Self Governments, each one with specific functions and responsibilities.

## ***The analysis of the NREGA scheme***

The implementation of the NREGA scheme is evaluated on the following aspects. The main objective being employment generation that would become the first object of evaluation, followed by the works completed, funds received and funds utilized.

## ***Employment generated- patterns***

Table 1 below shows the proportion of households and persons that were offered employment in response to their demand for employment. In the first phase of implementation in Wynad and Palakkad the share of employment offered in 2006-07 was only 71.6 percent of the household demand and 70.6 percent of the person's demand. However, by the next year the proportion of demand met increased to 96 percent and by 2008-09 the scheme was able to offer employment to almost all the households and persons that demanded employment.

The case is similar in case of actual employment provided as a share of employment offered. Except for the initial year of implementation the coverage has been almost hundred percent. Almost all household those were offered employment was actually provided employment as well. Thus it may be stated that the scheme has been successful in providing some employment to all those who demanded employment through the scheme.

**Table 1.1 Indicators of Quantum of Employment Outcome under NREGA -I**

Year	Employment offered/ employment demanded		Employment provided/ employment offered		No. of districts
	Households	Persons	Households	Persons	
2006-07	71.6	70.7	84.8	84.6	2
2007-08	96.2	96.1	101.02	100.6	4
2008-09	99.6	99.4	99.9	99.7	14
2009-10(October 2009)	99.7	99.6	98.3	98.06	14
Total	97.6	97.4	98.5	98.2	34

source:[http://nregalndc.nic.in/netnrega/homestciti.aspx?state\\_code=16&state\\_name=KERALA](http://nregalndc.nic.in/netnrega/homestciti.aspx?state_code=16&state_name=KERALA)

However, where the scheme falls short grossly is in meeting its stated objective of providing 100 days of employment per household on demand. The average number of days of employment per household in Kerala was only 18.8 days through out the period 2006-07 to 2009-10 (See Table 2 below). The average employment per HH was only 11.6 in 2006-07 which increased to 22 days in 2008-09. The figure for 2009-10 is only up to October 2009, so we may expect the figure to increase later in the year. Thus, one can argue that there is a gradual progress in the average number of days of employment per household during the last three years but, the current levels woefully fall short of the guaranteed 100 days of employment. More seriously, the share of households that completed 100 days of employment during the respective years was only 0.01 percent in 2006-07, and the highest was in 2008-09 at 1.4 percent. Thus, there seems to be a drastic shortfall in the implementation of the NREGA scheme in Kerala in providing the guaranteed employment of 100 days. This must be a matter of concern and need to be studied further. It may be possible that the demand for employment is not continuous and may be highly seasonal in nature.

**Table 1.2 Indicators of Quantum of Employment Outcome under NREGA-II**

	Average Number of Days of Employment Provided		Share of HH that completed 100 days of employment	No. of districts
	Per HH	Per person	Percent	
2006-07	11.6	10.5	0.01	2
2007-08	17.2	14.7	0.59	4
2008-09	22.2	19.6	1.44	14
2009-10 (October 2009)	16.9	15.5	0.10	14
Total	18.8	16.8	0.70	34

source:

[http://nregalndc.nic.in/netnrega/homestciti.aspx?state\\_code=16&state\\_name=KERALA](http://nregalndc.nic.in/netnrega/homestciti.aspx?state_code=16&state_name=KERALA)

The regional patterns in the various indicators of NREGA shows that the regions where NREGA was implemented in the first phase and second phase seem to perform better than the other regions, though the variations are not very glaring (Table 3). In Wynad the share of HH that completed 100 days of employment was 2.3 percent compared to the All Kerala average of 0.70 percent. In Palakkad it was 1 percent, Kasargod it was 1.88 and Idukki 1 percent. In all other regions it was abysmally low at less than 0.5 percent. Similarly, the average number of employment per household in Wynad was comparatively high at 31

percent, Kasargod was 23, Idukki was 22.5 and Palakkad was 21 days, while all other regions performed very poor in terms of average number of days. Thus, it can be stated that regions where the NREGA was implemented in the first phase and second phase performed marginally better than the third phase districts. However, it may be noted that none of the districts were able to meet the mandate of the NREGA scheme. All districts were way behind from the guaranteed employment during the period.

**Table 1.3 Regional Variations in the NREGA implementation**

	Share of HH that completed 100 days of employment	Average number of HH that completed 100 days of employment	Average no. of days of work		No. of years
			Per HH	Per person	
	Percent Share	Number	Per HH	Per person	
Alappuzha	0.05	19.5	14.3	13.4	2
Ernakulam	0.06	28	12.1	11.6	2
Idukki	0.96	482.6	22.5	18.1	3
Kannur	0.11	37.5	13.8	13.2	2
Kasargod	1.88	614.6	23.3	21.0	3
Kollam	0.09	32.5	15.1	14.2	2
Kottayam	0.15	20.5	13.4	12.7	2
Kozhikode	0.00	1.5	12.2	11.9	2
Malappuram	0.12	52.5	16.5	15.4	2
Palakkad	0.95	921.5	20.9	18.9	4
Pathanamthitta	0.08	18	15.9	14.9	2
Thiruvananthapuram	0.09	63	14.8	13.5	2
Thrissur	0.43	189.5	19.2	18.4	2
Wynad	2.31	1203.2	31.1	25.1	4
Total	0.70	374	18.8	16.8	34

source:

[http://nregalndc.nic.in/netnrega/homestciti.aspx?state\\_code=16&state\\_name=KERALA](http://nregalndc.nic.in/netnrega/homestciti.aspx?state_code=16&state_name=KERALA)

### Works taken up and completed

The NREGA scheme requires that the focus of work would be on the following works in their order of priority:

- Water conservation and water harvesting.
- Drought proofing (including afforestation and tree plantation)
- Irrigation canals, including micro and minor irrigation works
- Provision of irrigation facility to land owned by households belonging to the Scheduled Castes and Scheduled Tribes or to land of beneficiaries of land reforms or that of the beneficiaries of Indira Awas Yojana programme.
- Renovation of traditional water bodies including desilting of tanks.
- Land development.
- Flood control and protection works, including drainage in waterlogged areas.

- Rural connectivity to provide all weather access. Roads can be taken up as last priority not exceeding 10% value of all types of works taken up.
- Any other work, which may be notified by the Central Government in consultation with the State Government.

The above list of permissible works represents the initial thrust areas. In some circumstances, locations or seasons, it may be difficult to guarantee employment within this initial list of permissible works. In such circumstances, the State Governments may make use of Section 1(ix) of Schedule I, whereby new categories of work may be added to the list on the basis of consultations between the State Governments and the Central Government.

The analysis of the works completed during 2007-08 to 2009-10(up to October 2009) shows that the nearly 42 percent of the works completed were for flood control and protection (Table 4 ). The next important work item was renovation of traditional water bodies (17.1%), followed by irrigation canals, including micro and minor irrigation works(14.4%). Another 10 percent of the completed work was for Land development for SC/ST. Thus all the works taken up for the scheme is well within the priority list mentioned in the guidelines to implementation of the Act.

There are considerable regional variations in the works done. For instance, In Malappuram, more than 80 percent of the works done were for flood control, while for Wynad it was only 16 percent. In most districts rural connectivity was not an important work, while in Wynad it accounted for 12.5 percent of the works completed.

	Flood Control	Rural Conn.	Water Conserv. and Water Harvesting	Renov. of Tradit. Water Bodies	Drought Proofing	Irrigat. Canal	Irrigat. Facillity	Land Dev. for SC/ST	Other works	tot_comp	Total works compl
Alappuzha	72.8	0.4	0.2	11.3	2.0	3.1	2.6	7.4	0.1	100	1192
Ernakulam	49.2	6.2	1.6	15.3	0.3	22.6	0.0	4.0	0.8	100	492
Idukki	40.5	0.6	14.9	10.3	2.5	0.8	3.2	22.0	5.1	100	396
Kannur	51.5	0.1	5.3	12.9	3.3	20.4	2.2	4.2	0.0	100	1855
Kasargod	47.4	9.5	5.6	3.6	1.8	1.8	0.6	29.5	0.1	100	416
Kollam	31.5	0.2	1.6	0.7	10.7	49.7	0.2	5.2	0.2	100	478
Kottayam	26.7	1.5	3.2	38.2	2.4	23.5	0.9	3.6	0.0	100	542
Kozhikode	82.3	0.6	0.8	8.3	0.3	2.8	0.0	4.2	0.6	100	320
Malappuram	80.4	0.4	4.4	3.0	0.0	7.6	0.0	4.2	0.0	100	251
Palakkad	30.5	3.8	5.2	17.6	0.8	31.1	0.6	10.3	0.0	100	1088
Pathanamthitta	40.5	3.8	9.2	37.0	1.9	0.0	0.0	7.6	0.0	100	238
Thiruvananthapur	22.9	4.0	1.6	36.2	0.2	21.0	0.1	5.6	8.4	100	776
Thrissur	52.0	1.4	1.4	23.9	2.9	14.0	3.0	1.4	0.0	100	2713
Wayanad	16.9	12.5	14.5	14.1	7.9	3.0	0.7	26.4	4.0	100	1766
Average	41.7	4.1	5.7	17.1	3.4	14.4	1.5	10.7	1.5	100	897

source:

[http://nregalndc.nic.in/netnrega/homestciti.aspx?state\\_code=16&state\\_name=KERALA](http://nregalndc.nic.in/netnrega/homestciti.aspx?state_code=16&state_name=KERALA)



The patterns described above are visible in case of works in progress as well (Table 5). The most important work was flood control and protection. The next important work item was renovation of traditional water bodies, followed by irrigation canals, including micro and minor irrigation works and Land development for SC/ST. There are considerable regional variations in the works done as well.

**Table 1.5 Total Works completed or in progress or on shelf During 2007-08 to 2009-10**

	Flood Control	Rural Conn.	Water Conserv. and Water Harvesting	Renov. of Tradit. Water Bodies	Drought Proofing	Irrigat. Canal	Irrigat. Facility	Land Dev. for SC/ST	Other works	tot_	Total works
Alappuzha	67.2	0.4	1.2	10.8	2.8	4.0	4.5	8.7	0.2	100	3304
Ernakulam	37.2	3.2	3.3	36.2	0.7	17.0	0.1	2.3	0.2	100	4251
Idukki	43.8	1.2	16.9	3.1	0.9	4.9	7.7	19.8	1.6	100	6445
Kannur	46.2	0.5	7.9	11.8	5.0	19.4	2.9	6.1	0.3	100	2973
Kasargod	46.4	7.6	5.7	4.0	1.2	3.1	1.4	30.5	0.1	100	3765
Kollam	23.8	2.2	3.6	9.6	6.4	47.6	0.3	5.9	0.6	100	2859
Kottayam	25.5	1.8	3.9	36.7	3.6	22.6	1.7	4.3	0.0	100	1205
Kozhikode	62.7	1.2	2.8	14.4	3.1	11.8	0.0	3.9	0.1	100	3522
Malappuram	67.3	1.9	2.7	9.0	2.1	8.7	2.0	6.1	0.2	100	4793
Palakkad	27.9	3.8	13.8	20.1	2.3	22.8	0.8	8.1	0.2	100	12910
Pathanamthitta	44.2	2.8	8.3	32.9	2.2	0.8	0.0	7.9	0.7	100	3228
Thiruvananthapur	16.3	6.5	3.5	43.2	1.6	19.2	0.2	6.8	2.6	100	5767
Thrissur	49.1	1.5	1.6	22.7	4.8	14.4	4.3	1.6	0.0	100	3924
Wayanad	20.2	9.8	14.8	16.1	6.2	3.0	0.3	27.5	2.2	100	10204
Total	36.4	4.3	9.6	17.7	3.1	13.0	1.8	13.2	0.9	100	5363

source:

[http://nregalndc.nic.in/netnrega/homestciti.aspx?state\\_code=16&state\\_name=KERALA](http://nregalndc.nic.in/netnrega/homestciti.aspx?state_code=16&state_name=KERALA)

#### ***Expenses on work completed***

Of the expenses on the works nearly 40 percent was spend on flood control on the average, while another 17 percent was spend on renovation of traditional water bodies, 15.2 percent spend on land development for SC/ST, and another 13.3 percent on micro irrigational canals (Table 6 ). These four works together accounted for more than 85 percent of the total expenses. Though flood control accounted for the largest single share in most districts, it was very low in some districts. For instance, in Idukki it accounted for only 39 percent, Kasargod only 40 percent, Kollam only 30.5 and Kottayam only 20.9, Trivandrum only 18 percent and Wynad only 14 percent.

For Kottayam, Pathanamthitta and Trivandrum the most important share for renovation of traditional water bodies. For kollam it was building micro irrigation, for Wynad it was land development for SC/ST.

**Table 1.6 Share of expenses for works**

District	Flood Control	Rural Conn.	Water Conserv. and Water Harvesting	Renov. of Tradit. Water Bodies	Drought Proofing	Irrigat. Canal	Irrigat. Facility	Land Dev. for SC/ST	Othr works	tot_
Alappuzha	69.3	0.4	0.1	13.2	2.1	3.0	2.8	9.0	0.2	100
Ernakulam	50.0	6.4	1.5	12.5	0.1	23.7	0.0	4.4	1.5	100
Idukki	39.1	0.8	19.0	6.6	1.9	0.6	2.1	22.6	7.4	100
Kannur	48.9	0.3	6.3	12.4	1.4	20.6	3.3	6.7	0.0	100
Kasargod	40.4	10.5	8.7	2.5	1.5	1.5	0.8	34.2	0.0	100
Kollam	30.5	0.1	1.0	0.7	4.1	54.7	0.1	8.6	0.3	100
Kottayam	20.9	1.3	8.1	41.7	1.9	23.7	0.5	2.0	0.0	100
Kozhikode	81.8	0.4	0.7	8.5	0.2	2.3	0.0	5.5	0.8	100
Malappuram	73.2	0.7	9.7	3.3	0.0	8.9	0.0	4.1	0.0	100
Palakkad	28.3	4.6	7.6	24.0	0.5	23.9	0.3	10.9	0.0	100
Pathanamthitta	39.5	3.0	11.9	40.0	0.9	0.0	0.0	4.6	0.0	100
Thiruvananthapuram	17.8	6.9	1.8	41.5	0.1	21.6	0.0	4.2	6.1	100
Thrissur	48.1	1.0	1.6	26.3	1.6	16.1	2.9	2.4	0.0	100
Wayanad	14.0	11.6	15.4	12.5	10.0	0.0	0.5	30.6	3.1	100
Total	34.9	5.2	8.1	17.4	3.8	12.5	1.3	15.2	1.6	100
average	34.9	5.2	8.1	17.4	3.8	13.3	1.3	15.2	1.6	100

source:

[http://nregalndc.nic.in/netnrega/homestciti.aspx?state\\_code=16&state\\_name=KERALA](http://nregalndc.nic.in/netnrega/homestciti.aspx?state_code=16&state_name=KERALA)**Table 1.7 Average Expenses per work in each type of work (Rs Lakh)**

district	Flood Control	Rural Conn.	Water Conserv. and Water Harvesting	Renov. of Tradit. Water Bodies	Drought Proofing	Irrigat. Canal	Irrigat. Facility	Land Dev. for SC/ST	Other works	tot_
Alappuzha	0.26	0.25	0.19	0.32	0.28	0.26	0.27	0.32	0.35	0.27
Ernakulam	0.29	0.44	0.44	0.21	0.06	0.58	0.00	0.26	0.38	0.31
Idukki	0.34	0.44	0.44	0.25	0.40	0.28	0.24	0.36	0.39	0.34
Kannur	0.21	0.48	0.31	0.23	0.23	0.24	0.35	0.37	0.03	0.24
Kasargod	0.34	0.44	0.67	0.28	0.39	0.32	0.57	0.41	0.05	0.37
Kollam	0.31	0.15	0.22	0.58	0.12	0.35	0.10	0.56	0.41	0.32
Kottayam	0.20	0.23	0.83	0.27	0.29	0.26	0.13	0.14	0.00	0.25
Kozhikode	0.21	0.15	0.23	0.27	0.14	0.21	0.00	0.34	0.32	0.21
Malappuram	0.36	0.60	1.00	0.36	0.00	0.41	0.00	0.35	0.00	0.42
Palakkad	0.28	0.37	0.52	0.46	0.21	0.27	0.18	0.28	0.15	0.33
Pathanamthitta	0.25	0.18	0.30	0.28	0.11	0.00	0.00	0.15	0.00	0.25
Thiruvananthapuram	0.23	0.52	0.34	0.38	0.24	0.31	0.02	0.21	0.23	0.30
Thrissur	0.30	0.25	0.28	0.37	0.19	0.38	0.32	0.55	0.00	0.33
Wayanad	0.44	0.64	0.51	0.28	0.45	0.00	0.39	0.76	0.25	0.56
Total	0.31	0.43	0.42	0.33	0.37	0.31	0.23	0.50	0.36	0.36

source:

[http://nregalndc.nic.in/netnrega/homestciti.aspx?state\\_code=16&state\\_name=KERALA](http://nregalndc.nic.in/netnrega/homestciti.aspx?state_code=16&state_name=KERALA)

## Funds Flow and Utilization

The NREGA funds are mostly provided by the Central Government. The Central government would put 90 percent of the budgeted amount and the state share would be 10 percent.

The State Government will bear the following costs:

- 25 percent of the cost of material and wages for skilled and semiskilled workers.
- Unemployment allowance payable in case the State Government cannot provide wage employment within 15 days of application.
- Administrative expenses of the State Employment Guarantee Council.

The five yearly budgeted outlay for the NREGA scheme for the state was Rs 47000 lakhs, for the period 2007-2012 (Table 8). Of this amount during the first three years of the plan period the annual budget outlay earmarked Rs 11500 in toto for the first three years of programme. There are only two more years in the plan period. Up till now the annual outlay has reached only 24.4 percent of the plan fund. Hence, if there are no drastic changes in the planning and funding of the programme in the next two years the budgeted amount may not be utilised in the given period. Moreover, from the budgeted outlay only Rs 5551 lakh have been transferred to districts for the scheme and only Rs. 4405 lakhs has been received in the districts. Thus, the transferred amount represents only about 48.2 percent of the yearly outlay and the received amount is only about 38.3 percent of the annual outlay.

**Table 1.8 State Budget Outlay for NREGA (in Rs Lakh)**

	Yearly budget outlay	Five year plan budget outlay	Funds Transferred to Districts	Funds Received in Districts
2007-08	2500		701.26	67.9
2008-09	5000		2225	2291.05
2009-10	4000		2625	2046.8
2007-12		47000		
Total	11500	47000	5551.26	4405.75

source:

[http://nregalndc.nic.in/netnrega/homestciti.aspx?state\\_code=16&state\\_name=KERALA](http://nregalndc.nic.in/netnrega/homestciti.aspx?state_code=16&state_name=KERALA)

During the period 2007-08 Rs 7040 Lakh were transferred from the State and the Centre to the District Programme Officer at the District who is in charge of implementing the scheme at the District level (Table 9) . The amount increased to Rs 22255 Lakh in 2008-09 and to Rs. 26409 Lakh in 2009-10. During the three years the ratio of sharing the expenditure at 90:10 ratio between the Centre and State is strictly adhered to.

**Table 1.9 Funds transferred to District**

	From Centre	From State	Total	Total Amount ( Rs Lakh)
2007-08	90.04	9.96	100.00	<b>7040.83</b>
2008-09	89.36	10.64	100.00	<b>22255.41</b>
2009-10	90.06	9.94	100.00	<b>26409.18</b>

source:[http://nregalndc.nic.in/netnrega/homestciti.aspx?state\\_code=16&state\\_name=KERALA](http://nregalndc.nic.in/netnrega/homestciti.aspx?state_code=16&state_name=KERALA)

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However, the funds received in the district from the state funds have been much lesser in comparison to the funds transferred from the state funds in the first year, 2007-08. In the later periods the Centre to State ratio of funds at 90:10 is approximately maintained (Table 10).

**Table 1.10 Funds Received in District**

	From Centre	From State	Total	Total Amount
2007-08	98.94	1.06	100.00	<b>6407.16</b>
2008-09	87.81	12.19	100.00	<b>18794.63</b>
2009-10	91.35	8.65	100.00	<b>23662.82</b>

source:

[http://nregalndc.nic.in/netnrega/homestciti.aspx?state\\_code=16&state\\_name=KERALA](http://nregalndc.nic.in/netnrega/homestciti.aspx?state_code=16&state_name=KERALA)

There is a short fall of nearly 10 percent in all the three years in terms of funds that are transferred not receiving in the districts, i.e they remain in transit for a long period. The share of state funds that remained in transit was 22 percent in 2009-10, 3 percent in 2008-09 and 90 percent in 2007-08(Table 11).

**Table1.11 Share of Transferred Funds Received In District**

	From Centre	From State	Total	Funds in Transit
2007-08	90.04	9.64	91.00	9.00
2008-09	74.16	96.72	84.45	15.55
2009-10	81.85	77.98	89.60	10.40

source:

[http://nregalndc.nic.in/netnrega/homestciti.aspx?state\\_code=16&state\\_name=KERALA](http://nregalndc.nic.in/netnrega/homestciti.aspx?state_code=16&state_name=KERALA)

The NREGS programme stipulates that the ratio of wage costs to material costs, wages cost to skilled and semi skilled workers and administrative expenses should be no less than the minimum norm of 60:40. This stipulation has been followed strictly in all years in all districts of Kerala( Table 12). The share of payments made to unskilled workers were more than 80 percent of the expenditure in all the years, with the highest in 2007-08 at 99 percent. The other important expenditure was administrative expenses reaching up to 8 to 9 percent in the years 2008-09 and 2009-10.

**Table 1.12 Distribution of expenditure in the NREGA funds**

Amount Spend in Rs Lakh					
	On Unskilled Wage	On Semi-skilled and Skilled Wage	On Material	Total Adm. Exp	Total
2007-08	<b>2193.9</b>	<b>1.8</b>	<b>18.1</b>	<b>1.03</b>	<b>2214.9</b>
2008-09	<b>18011.1</b>	<b>357.1</b>	<b>1639.8</b>	<b>1983.1</b>	<b>21991.2</b>
2009-10	<b>12735.6</b>	<b>158.5</b>	<b>672.7</b>	<b>1184.7</b>	<b>14751.7</b>
Percent Share					
2007-08	99.1	0.1	0.8	0.0	100
2008-09	81.9	1.6	7.5	9.0	100
2009-10	86.3	1.1	4.6	8.0	100

source:

[http://nregalndc.nic.in/netnrega/homestciti.aspx?state\\_code=16&state\\_name=KERALA](http://nregalndc.nic.in/netnrega/homestciti.aspx?state_code=16&state_name=KERALA)

Though wage share of unskilled workers was way above the stipulated minimum of 60 percent in all districts in some districts the unskilled wage share was low compared to other regions (Table 13). The striking illustrations are Kottayam where only 70 percent was spent on unskilled wages, rest on administrative expenses. Similarly, Alapuzha and Ernakulam also experienced high administrative expenditure.

**Table 1.13 Distribution of expenditure in the NREGA funds: District wise**

district	payment made to unskilled workers	skilled workers	On material costs	Total Administrative Expenses	Total	Total
ALAPPUZHA	78.84	0.51	6.32	14.33	100.00	743.8
ERNAKULAM	74.22	0.25	2.66	22.87	100.00	666.7
IDUKKI	93.38	1.13	2.50	2.98	100.00	1376.4
KANNUR	79.03	0.62	2.29	18.06	100.00	615.0
KASARGOD	93.89	0.90	1.11	4.11	100.00	809.5
KOLLAM	83.27	0.38	4.21	12.14	100.00	764.8
KOTTAYAM	69.82	0.62	2.35	27.21	100.00	323.4
KOZHIKODE	79.22	0.35	2.67	17.76	100.00	655.1
MALAPPURAM	82.73	0.38	2.38	14.51	100.00	966.2
PALAKKAD	87.04	1.72	7.70	3.55	100.00	2825.0
PATHANAMTHITTA	82.82	0.06	0.72	16.40	100.00	514.0
THIRUVANANTHAPUR	87.51	1.40	1.98	9.12	100.00	1477.5
THRISSUR	84.85	0.11	5.04	10.00	100.00	1177.4
WAYANAD	89.46	1.36	7.30	1.88	100.00	2705.8
Total	84.25	0.77	3.66	11.32	100.00	1217.4

source:

[http://nregalndc.nic.in/netnrega/homestciti.aspx?state\\_code=16&state\\_name=KERALA](http://nregalndc.nic.in/netnrega/homestciti.aspx?state_code=16&state_name=KERALA)

**Table 1.14 Details of Participation in NREGS by households and various social groups(Till December 2009)**

1	2	3	4				5	6	10					11	12	13
			a	b	c	d			Cumulative No. of HH demanded employment (Till the reporting month)	a	b	c	d			
S.No	District	Month	SC	ST	Others	Total	Cumulative Labour Budget estimation of employment provided	SC	ST	Others	Total	Women	Cumulative No. of HH completed 100 days (Till the reporting month)	No. of HH which are beneficiaries of land reform/IAY	No. of Disabled beneficiary individuals	
1	PALAKKAD	12	46551	13807	162586	222944	94338	80000	6.5	1.54	19.08	27.12	25.05	482	4605	148
2	WAYANAD	12	7544	33514	88454	129512	55254	64998	1.7	7.47	17.19	26.36	20.88	2325	2572	73
Sub Total			54095	47321	251040	352456	149592	144998	8.2	9.01	36.27	53.48	45.93	2807	7177	221
Phase II																
3	IDUKKI	12	25481	12479	145957	183917	73926	71818	2.71	2.64	21.62	26.97	19.6	2046	2669	229
4	KASARGOD	12	6097	6206	93838	106141	30638	48000	0.85	0.49	8.08	9.42	8.32	348	460	106
Sub Total			31578	18685	239795	290058	104564	119818	3.56	3.13	29.7	36.39	27.92	2394	3129	335
Phase III																
5	ALAPPUZHA	12	28710	1118	195820	225648	50191	55640	1.58	0.04	6.91	8.53	7.9	18	3683	199
6	ERNAKULAM	12	24273	1549	138028	163850	39084	38500	1	0.04	4.18	5.22	4.87	11	2178	82
7	KANNUR	12	6137	6451	130990	143578	28531	54847	0.15	0.31	4.32	4.78	4.44	28	1230	38
8	KOLLAM	12	19075	925	152612	172612	44903	47743	1.15	0.04	7.54	8.73	7.55	59	1166	119
9	KOTTAYAM	12	14426	2648	99715	116789	21614	31499	0.54	0.14	3	3.68	3.47	58	1250	59
10	KOZHIKODE	12	22649	1808	177941	202398	45606	54560	1.17	0.09	5.91	7.17	6.63	21	2170	88

11	MALAPPURAM	12	35421	2777	160754	198952	45150	89024	3.3	0.12	6.3	9.72	8.96	158	1662	241
12	PATHANAMTHITTA	12	20799	1243	62748	84790	28682	54649	1.63	0.06	4.4	6.09	5.64	58	1389	71
13	THIRUVANANTHA PURAM	12	33527	3162	203522	240211	95094	59126	2.85	0.22	15.25	18.32	16.4	145	5587	241
14	THRISSUR	12	38462	1525	134271	174258	53702	60000	3.89	0.09	9.03	13.01	12.48	234	1685	93
Sub Total			243479	23206	1456401	1723086	452557	545588	17.26	1.15	66.84	85.25	78.34	790	22000	1231
<b>Total</b>			<b>329152</b>	<b>89212</b>	<b>1947236</b>	<b>2365600</b>	<b>706713</b>	<b>810404</b>	<b>29.02</b>	<b>13.29</b>	<b>132.81</b>	<b>175.12</b>	<b>152.19</b>	<b>5991</b>	<b>32306</b>	<b>1787</b>

Out of the total job cards issued to families in the State, 13.9% were to SC families, 3.77% to ST families and 82.31% to others. In terms of the the number of persondays generated, the SC HHs have 16% of the total days, SC 7.58% and 75.83% for the others. The participation of SC/ST HHs is greater than their proportionate share of the job cards issued. The share of women in the number of persondays generated is 86.9% which shows the overwhelming participation and acceptance for the scheme among the women of the State.

Even in districts where the NREGS was started in the first and second phases, the cumulative number of HHs which completed 100 days of work is very low. This could either be due to low demand for NREGS work from among the HHs which were issued job cards or the inability of the implementing agencies to generate enough work under the programme.

**Table 1.15 Outlays and Outcomes during the financial year 2009-10 districtwise**

Outlays & Outcomes during Financial Year 2008-2009(Rs in lakhs)

District	Total Availability	Cumulative Expenditure					Employment Provided			Works		Cost Per Personday(in Rs.)	Avg.no of Laboures Per Work	Avg. Persondays Per Work	
		On Unskilled Wage	On Material	Adm.Exp			Total	Household	Persons	Persondays	comp.				In-prog.
				Rec Exp	Non-Rec Exp	Total Adm. Exp									
<u>ALAPPUZHA</u>	969.55	570.06	53.04	129.07	2.70	131.77	754.87	37718	41007	533689	1682	1017	106.82	15.19	197.74
<u>ERNAKULAM</u>	2038.92	693.87	25.75	166.53	1.05	167.58	887.20	46173	48592	672008	1511	2105	103.25	13.44	185.84
<u>IDUKKI</u>	2827.76	1886.86	127.32	118.96	0.48	119.44	2133.61	49977	63838	1526847	872	4090	123.58	12.87	307.71
<u>KANNUR</u>	1536.48	647.03	30.43	132.62	1.55	134.17	811.62	35217	36976	563352	2682	421	114.85	11.92	181.55
<u>KASARGOD</u>	2306.15	1630.40	62.11	84.60	4.42	89.02	1781.53	33256	38381	1309547	914	3346	124.5	9.01	307.41
<u>KOLLAM</u>	866.48	588.88	38.20	107.55	5.70	113.25	740.33	34201	36611	505927	486	1344	116.4	20.01	276.46
<u>KOTTAYAM</u>	695.12	198.65	10.23	100.63	0.00	100.63	309.51	14689	15690	188589	632	364	105.34	15.75	189.35
<u>KOZHIKODE</u>	1004.43	660.66	25.94	143.85	2.78	146.63	833.24	45106	46491	609444	818	2078	108.4	16.05	210.44
<u>MALAPPURAM</u>	1284.45	783.77	24.83	164.82	1.93	166.76	975.35	44195	47632	777194	1238	1855	100.85	15.4	251.28
<u>Palakkad</u>	7718.03	4594.09	656.29	261.32	11.62	272.94	5523.32	98726	113645	3717948	3040	10232	123.57	8.56	280.13
<u>PATHANAMTHITTA</u>	949.30	306.61	4.15	89.73	4.47	94.19	404.95	25065	27140	415153	405	1736	73.85	12.68	193.91
<u>THIRUVANANTHAPURAM</u>	2064.39	1119.18	49.63	149.74	4.40	154.15	1322.96	74810	82902	1225264	1290	2694	91.34	20.81	307.55
<u>THRISSUR</u>	1523.15	1102.04	71.17	165.45	0.20	165.65	1338.86	44471	46584	971442	3624	482	113.44	11.35	236.59
<u>Wayanad</u>	4815.54	3235.06	824.44	127.77	7.43	135.20	4194.70	56383	71698	2600463	4487	5125	124.4	7.46	270.54
<b>Total</b>	<b>38835.58</b>	<b>27247.92</b>	<b>1676.01</b>	<b>1750.53</b>	<b>67.65019</b>	<b>1818.177</b>	<b>30742.11</b>	<b>767775</b>	<b>853083</b>	<b>20676913</b>	<b>19059</b>	<b>78208</b>	<b>131.78</b>	<b>8.77</b>	<b>212.58</b>

The outlays and outcomes of the work during the year 2009-10 shows that 88% of the funds have been spent on wages paid to unskilled labour, 5.4% on material and 6% on admn expenses. Even though the figures seem to fully justify the purpose for which such a programme has been designed, that of providing wage employment to the rural poor, it raises questions as to the durability of the structures that must have been created. 5% of funds on material costs seems too inadequate for this.



## **Conclusion**

While the NREGA programme is being implemented in letter the spirit of the scheme seems to be missing in Kerala. In Kerala, all the stipulations seems to be strictly followed, yet one of the most important outcome of the scheme, namely, 100 days of work, seems to be very far away. To the extent this goal is not fulfilled it may not be called a successful programme in Kerala. Further studies need to be directed to understand the short fall in days of employment created. Further, the financial ramifications also need to be analyzed. Since the average number of days of work through NREGA is about 20 days per worker, it needs to be explored as to what happens to wages that are slotted for the worker for the remaining 80 days of work. Another feature which stands out in the implementation of NREGA in the State is the overwhelming participation of women in the programme. The share of women in the number of persondays generated is 86.9% in the State. This could well be one of the biggest votaries in support of the programme as the wages in the hands of the women get translated into useful investments in the form of education for the children and asset creation for the household.

## **2. Pradhan Mantri Gram Sadak Yojana (PMGSY)**

### **Objective and plan of the Scheme**

The Government of India have launched the Pradhan Mantri Gram Sadak Yojana (PMGSY) on 25th December, 2000 to provide all-weather access to unconnected habitations. The PMGSY is a 100% Centrally Sponsored Scheme. The primary objective of the PMGSY is to provide Connectivity, by way of an All-weather Road (with necessary culverts and cross-drainage structures, which is operable throughout the year), to the eligible unconnected Habitations in the rural areas, in such a way that all Unconnected Habitations with a population of 1000 persons and above are covered in three years (2000-2003) and all Unconnected Habitations with a population of 500 persons and above by the end of the Tenth Plan Period (2007). In respect of the Hill and the Desert Areas as well as the Tribal areas, the objective would be to connect Habitations with a population of 250 persons and above.

The PMGSY will permit the Upgradation of the existing roads in those Districts where all the eligible Habitations of the designated population size have been provided all-weather road connectivity. However Upgradation is not central to the Programme and cannot exceed 20% of the State's allocation as long as eligible Unconnected Habitations in the State still exist. In Upgradation works, priority should be given to Through Routes of the Rural Core Network, which carry more traffic.

The unit for this Programme is a Habitation and not a Revenue village or a Panchayat. A Habitation is a cluster of population, living in an area, the location of which does not change over time. Desam, Dhanis, Tolas, Majras, Hamlets etc. are commonly used terminology to describe the Habitations. An Unconnected Habitation is one with a population of designated size located at a distance of at least 500 metres or more (1.5 km of path distance in case of Hills) from an All-weather road or a connected Habitation. The PMGSY shall cover only the rural areas. Urban roads are excluded from the purview of this Programme. Even in the rural areas, PMGSY covers only the Rural Roads i.e., Roads that were formerly classified as 'Other District Roads' (ODR) and 'Village Roads' (VR). Other District Roads (ODR) are roads serving rural areas of production and providing them with outlet to market centres, taluka (tehsil) headquarters, Block headquarters or other main roads. Village Roads (VR) are roads connecting villages / Habitation or groups of Habitation with each other and to the nearest road of a higher category. Major District Roads, State Highways and National Highways cannot be covered under the PMGSY, even if they happen to be in rural areas. This applies to New Connectivity roads as well as Upgradation works.

### **Financing plan of the scheme**

The Pradhan Mantri Gram Sadak Yojana (PMGSY) is a 100% Centrally Sponsored Scheme. 50% of the Cess on High Speed Diesel (HSD) is earmarked for this Programme.

### **Physical and financial targets and outcome**

Total of 402 New Connectivity roads and 368 upgradation roads were sanctioned under the PMGSY scheme to be completed between 2000-01 and 2008-09. The amount sanctioned by the Central Government was Rs 180.93 Crore for new connectivity and Rs. 312.39 crore for upgradation. Of this amount Rs. 105.2 crore has been utilised for completed new connection

roads and Rs. 66.2 Crore has been utilised for upgradation (table 1). The number of new connection road works in progress is 107 and upgradation work in progress is 265, for which Rs.19.2 crore and Rs. 84.1 crore has already been spend.

**Table 1.16 Annual Work Progress under PMGSY**

year	Works Sanctioned				Works Completed				Works In Progress			
	No. of Road Works		Amount Sanctioned [in Crore]		No. of Road Works		Expenditure Incurred (in crore)		No. of Road Works		Actual Expenditure [in crore]	
	NC	Upg	NC	Upg	NC	Upg	NC	Upg	NC	Upg	NC	Upg
2000-01	33	1	19.42	.47	28	1	13.0	0.5	5	0	3.1	0.0
2001-02	163	15	52.22	4.25	158	15	47.2	4.4	5	0	1.2	0.0
2003-04	52	0	21.56	0.0	39	0	15.1	0.0	13	0	2.3	0.0
2004-05	96	0	52.75	0.0	51	0	23.0	0.0	45	0	11.6	0.0
2005-06	57	29	34.23	14.19	19	16	7.6	7.7	38	13	0.9	3.5
2006-07	1	323	.73	293.47	0	71	0.0	53.7	1	252	0.0	80.6
2007-08	0	0	0.0	0.0	0	0	0.0	0.0	0	0	0.0	0.0
2008-09	0	0	0.0	0.0	0	0	0.0	0.0	0	0	0.0	0.0
All	402	368	180.93	312.39	295	103	105.8	66.2	107	265	19.2	84.1

Source : <http://www.omms.nic.in/government/security/login/dologin.asp?q=se>

This represents 73 percent average annual completion rate in new connections and 28 percent completion rate in roads upgradation during the period. 2000 to 2009 (Table 2 ). The short fall in completion rate for new connections came about as a result of the decline in the completion rate in the later years of the programme. There was a steady decline in completion rate from 97 percent in 2001-02 to 75 percent in 2003-04 and further down to 53 percent and finally 33 percent in 2005-06. This led to the cumulation of work in progress of 107 new connections, to be completed in subsequent years. The upgradation works were not many and was getting fully completed. However, a large number of upgradation work was taken up in 2006-07. This was taken up in a large numbers in 2006-07 as the PMGSY rules gave first priority to new connections and only 20 percent of the total works taken up could be upgradations if there were still pending new connections in the state. However, among the 323 upgradation work taken up only 22 percent were completed in the same year. In terms of the length of the roads completed also these observations stand the same. The share of road length covered and the share of number of roads covered are more or less the same in all the years except in 2000-01.

Yet, in terms of expenditure for works completed only 58.5 percent of the sanctioned amount was utilised for the new connections and only 21.2 percent of the sanctioned amount was utilised for road upgradations. It is only in one year, 2001-02 that we find a 90 percent utilisation of the funds; otherwise in all other years the rate of utilisation for completed works had been very low. It needs to be understood as to why there is a large gap between the works completed, i.e., after completing more than 70 percent of the work only 60 percent of the

budget is utilised. Is it due to more efficient outcome of the programme management, or has there been an excess budgeting in the initial planning needs to be studied further.

**Table1.17 Annual Work Progress Intensity in Kerala under PMGSY**

	Works Completed/works sanctioned*100						Works In Progress/ works sanctioned*100			
	No. of Road Works		Kilometers of Road		Expenditure Incurred		No. of Road Works		Actual Expenditure	
	NC	Up g	NC	Upg	NC	Upg	NC	Upg	NC	Upg
2000-01	84.8	100	70.0	100.0	66.9	106.4	15.2	0	16	0
2001-02	96.9	100	95.7	100.0	90.4	103.5	3.1	0	2.3	0
2003-04	75	0	76.6	0.0	70	0	25	0	10.7	0
2004-05	53.1	0	52.6	0.0	43.6	0	46.9	0	22	0
2005-06	33.3	55.2	32.6	84.9	22.2	54.3	66.7	44.8	2.6	24.7
2006-07	0	22	0.0	25.6	0	18.3	100	78	0	27.5
2007-08	0	0	0.0	0.0	0	0	0	0	0	0
2008-09	0	0	0.0	0.0	0	0	0	0	0	0
All	73.4	28	70.1	32.5	58.5	21.2	26.6	72	10.6	26.9

Source : <http://www.omms.nic.in/government/security/login/dologin.asp?q=se>

During the period 2000 to 2009 a total of 449 habitations were targeted to receive new connections and 438 habitations were targeted to receive upgradations in roads (Table 3). From the targeted figures only 70 percent was provided with new connections, amounting to 315 new connections. The achievement rate of upgradations had been particularly poor amounting to only 26 percent of the target. As noted earlier in the initial years of implementation of the scheme the coverage was higher ranging around 70 to 100 percent for both new connections and upgradations. But after 2003-04, the rates drastically fell. Thus it may be stated that as the prime objective of the scheme to provide connectivity to unconnected habitations it has been only partially successful.

**Table1.18 Habitations connected or benefited due to PMGSY**

	no. of habitations targeted to connect'	no. of habitations targeted to benefit	no. of habitations connected	no. of habitations to be benefitted	share of number of habitations connected	share of number of habitations benifited
2000-01	38	1	30	1	78.9	100.0
2001-02	174	19	168	19	96.6	100.0
2003-04	60	0	43	0	71.7	0.0
2004-05	115	0	53	0	46.1	0.0
2005-06	61	31	21	17	34.4	54.8
2006-07	1	387	0	77	0.0	19.9
2007-08	0	0	0	0	0.0	0.0
2008-09	0	0	0	0	0.0	0.0
All	449	438	315	114	70.2	26.0

Source : <http://www.omms.nic.in/government/security/login/dologin.asp?q=se>

As per the PMGSY scheme at the beginning of the scheme in April 2000, there were 1633 unconnected habitations in Kerala, using the definitions for the scheme, of which 923 of the habitations were in the habitation size of 500 to 999 households ( Table 4 ). Habitations with more than 1000 households were quite large, 555 such habitations were there. During the period 2000 to 2009 a total number of 318 habitations were connected through roads in kerala through new connections. Another 950 roads were upgraded as well. The habitations that remained unconnected after eight years of PMGSY were very high at 1315 habitations, Thus more than 80 percent of the unconnected habitations in 2000 is still not reached in Kerala. .. Compared to the All India at 82.8 percent this represents a marginally better position. However in case of road upgradatation, the performance of kerala has been relatively better. Thus the goal of connecting all unconnected villages in Kerala through this scheme, is yet to be realised.

**Table 1.19 Coverage Ratios**

Size of Habitations ( No.)						
		1000+	500-999	250-499	0-249	Total
Total Number of Habitations	Kerala	10132	4130	603	110	14975
	India	232424	222790	212054	279870	947138
unconnected as on1/4/2000	Kerala	555	923	132	23	1633
	India	61525	83165	87052	120034	351776
Covered so far (as on4-11-2009) N	Kerala	163	144	8	3	318
	India	22458	22702	9580	5736	60476
Covered so far (as on4-11-2009)U	Kerala	498	399	47	6	950
	India	27910	18297	12311	11968	70486
Balance(4-11-2009 )	Kerala	392	779	124	20	1315
	India	42286	61292	77559	114298	291300
( in percent)						
share of covered in 2009 to uncovered in 2000 (N)	Kerala	29.4	15.6	6.1	13.0	19.5
	India	36.5	27.3	11.0	4.8	17.2
share of covered in 2009 to uncovered in 2000 (U)	Kerala	89.7	43.2	35.6	26.1	58.2
	India	45.4	22.0	14.1	10.0	20.0
Share of Balance to unconnected Balance(4-11-2009 )	Kerala	70.6	84.4	93.9	87.0	80.5
	India	68.7	73.7	89.1	95.2	82.8

Source : <http://www.omms.nic.in/government/security/login/dologin.asp?q=se>

### Regional Patterns in Physical and Financial Performance

The largest number of New connection works sanctioned was in Alappuzha , 55 new connections, followed by Trivandrum at 54 new connection works. The least number of new connections sanctioned were in Idukki , only 9. The maximum number of up gradation was sanctioned in Trivandrum at 49, followed by Malappuram, 45 upgradations. During the period 2000 to 2009 295 of the sanctioned works were completed and 103 of the sanctioned upgradations were completed. The rate of completion was 73 percent for new connections and 28 percent for upgradations. The completion rate for all works had been lowest in case palakkad, at 27 percent, Pathanamthitta at 37 percent and Wyanad at 40.6 percent. The rate of completion for all projects was only 51.7 percent.

**Table 1.20 Districtwise performance of the PMGSY in Kerala- Physical Indicators**

district	Work sanctioned		Work Completed		Work in progres		Works Completed /works sanctioned		Work in progress /works sanctioned		Works Completed/works sanctioned*100	Works in progress/works sanctioned*100
	NC	UPG	NC	UPG	NC	UPG	NC(%)	UPG(%)	NC(%)	UPG(%)	(Total)	(Total)
Alappuzha	55	13	33	2	22	11	60	15.4	40	84.6	51.5	48.5
Ernakulam	29	15	23	0	6	15	79.3	0	20.7	100	52.3	47.7
Idukki	9	25	5	11	4	14	55.6	44	44.4	56	47.1	52.9
Kannur	24	38	24	21	0	17	100	55.3	0	44.7	72.6	27.4
Kasaragod	12	28	11	8	1	20	91.7	28.6	8.3	71.4	47.5	52.5
Kollam	29	22	24	1	5	21	82.8	4.5	17.2	95.5	49	51
Kottayam	24	14	16	1	8	13	66.7	7.1	33.3	92.9	44.7	55.3
Kozhikode	29	39	25	16	4	23	86.2	41	13.8	59	60.3	39.7
Malappuram	23	45	22	20	1	25	95.7	44.4	4.3	55.6	61.8	38.2
Palakkad	31	17	13	0	18	17	41.9	0	58.1	100	27.1	72.9
Pathanamthitta	24	22	17	0	7	22	70.8	0	29.2	100	37	63
Thiruvananthapur	54	49	42	14	12	35	77.8	28.6	22.2	71.4	54.4	45.6
Thrissur	39	29	27	9	12	20	69.2	31	30.8	69	52.9	47.1
Wayanad	20	12	13	0	7	12	65	0	35	100	40.6	59.4
Total	402	368	295	103	107	265	73.4	28	26.6	72	51.7	48.3

NC= new connections, UPG =Upgradations,

Source : <http://www.omms.nic.in/government/security/login/dologin.asp?q=se>

**Table 1.21 Work in Progress and Delay in work –District wise performance in Kerala**

	Total work in Progress	delay at least by one year	total delayed works as share of work in progress (%)	average period of delay in years
Alapuzha	33	15	45	2.3
Ernakulam	22	9	41	2.3
Idukki	18	17	94	1.8
Kannur	17	7	41	1
Kasargod	21	20	95	1.1
Kollam	26	26	100	1.6
Kottayam	18	4	22	2
Kozhikode	27	18	67	1.3
Malappuram	26	16	62	1.1
Palakad	35	6	17	2
Pathanamthitta	27	6	22	1.5
Thiruvananthapuram	47	15	32	2.3
Thrissur	33	26	79	2.2
Wyanad	19	19	100	1.7
Total	369	204	55	1.7

Source : <http://www.omms.nic.in/government/security/login/dologin.asp?q=se>

Work in progress if reported in progress. The difference between the due date(year) of completion and year 2009 is taken to be the period of delay for completion. Projects in progress in 2009 is taken to be in time and hence not considered delayed. Projects with the due date falling on 2008 is taken as one year delay , and so on. Average period of delay is the number of years of delay multiplied by the number of projects in each year, which is divided by the number of projects till 2008.

During the period 2000 to 2009 there were 369 road projects that were accounted as work in progress. However, of them 204 were delayed works that could not be completed even after one year of the due date of completion. As a share of work in progress the share of delayed works were in Kollam and Wyanad. Both the districts had all their projects delayed atleast by one year. Idukki and Kasargod also had more than 90 percent of their work in progress as delayed works. Palakkad and Kottayam had very low rates of delayed works at less than 25 percent. On an average the period of delay for projects done in Trivandrum , Alapuzha and Ernakulam was 2.3 years. These regions experienced the longest delay in work completion. The least delay was in Kannur and Palakkad at one and 1.1 years. On the average the projects under works in progress were delayed by 1.7 years.

The total expenditure on works completed was 58.5 percent of the amounts sanctioned in case of new connections and 21.2 percent in case of upgradations. In case of work in progress the expenditure was 10.2 percent of the amount sanctioned fro new connectivity and 27 percent for upgradations. In total expenditure on work completed accounted for 35 percent of the amount sanctioned. It is interesting to note that while the expenditure on works completed was 34.8 the share of work completed was 51.7 percent. All districts recorded a higher share of work completed than the corresponding share of expenditure sanctioned for the purpose. Only Kasargod, Idukki and Palakkad had their share of works completed bveing



more or less equal to that of their share of expenditure. In Thrissur and Kottayam there was a gap of more than 25 percent points between the share of work completed and the share of amount utilised from the sanctioned amount.

## **Conclusion**

From the available information it may be stated that the PMGSY was implemented in the state in the spirit of the programme and within the stipulated guidelines for implementation of the programme.

However, the programme has had mixed success in Kerala. The programme was able to connect to 70 percent of the targeted unconnected habitations during the period 2000 to 2009, though not able to complete the works in the targeted time. There is substantial lag in work completion. Estimates shows the average lag in time from the due date of completion for delayed works was nearly 1.7 years , and more than 50 percent of the works in progress were delayed by at least one year.

The performance of Kerala state in achieving the stated goals of PMGSY had been only partially successful. The works completed in Kerala under the scheme stood way behind many other successful states like Rajasthan and West Bengal who had a completion rate of more than 80 percent.

The rate of utilisation of sanctioned amounts had been much less compared to the work completed. It needs to be studied whether this is the outcome of poor budgeting or increased efficiency in work completion.



**Table 1.22 District wise Cost evaluation of PMGSY programme in Kerala- Financial Indicators**

District	Roads works Sanctioned					Amount cleared by GOI [in lakhs]	STATE Amount [in lakhs]	Per Kilometer cost as per technical scrutiny							
	New Connectivity		Upgradation		Total Length [Km]			New Connectivity		Upgradation		Cross Drainage		Long Span Bridges	
	Nos.	Length	Nos.	Length				Pavement Cost [in lakhs]	Cost per Km pavement [in lakhs]	Pavement Cost [in lakhs]	Cost per Km pavement [in lakhs]	Cost of CDs [in lakhs]	Cost per Km CDs [in lakhs]	Cost of LSBs [in lakhs]	Cost per km LSBs [in lakhs]
Alappuzha	55	71.3	13	20.8	92.1	3336.9	0	1837.0	25.8	805.6	38.8	394.7	4.3	0	0
Ernakulam	29	47.5	15	31.8	79.3	2415.1	0	782.1	16.5	724.5	22.8	305.9	3.9	0	0
Idukki	9	37.7	25	69.8	107.5	4777.3	0	674.0	17.9	3011.3	43.1	427.6	4.0	0	0
Kannur	24	55.3	38	84.3	139.5	4490.6	0	964.4	17.4	2017.5	23.9	478.6	3.4	0	0
Kasaragod	12	36.2	28	49.4	85.6	2705.2	0	720.6	19.9	1169.3	23.7	290.5	3.4	0	0
Kollam	29	53.6	22	53.6	107.2	3015.4	0	824.9	15.4	1251.7	23.4	229.8	2.1	0	0
Kottayam	24	51.0	14	33.1	84.1	2929.8	0	1189.7	23.3	775.1	23.4	547.3	6.5	0	0
Kozhikode	29	54.8	39	90.7	145.5	4642.4	0	805.1	14.7	2438.4	26.9	368.6	2.5	0	0
Malappuram	23	51.2	45	116.7	167.9	5170.3	0	672.9	13.1	2750.1	23.6	606.9	3.6	0	0
Palakkad	31	87.3	17	44.0	131.3	3338.4	0	1170.9	13.4	1082.1	24.6	518.7	4.0	0	0
Pathanamthitta	24	47.0	22	46.6	93.6	3079.8	0	763.0	16.2	1138.5	24.4	254.7	2.7	0	0
Thiruvananthapuram	54	57.7	49	83.9	141.6	4642.6	0	870.1	15.1	1880.4	22.4	771.1	5.4	0	0
Thrissur	39	50.5	29	52.7	103.2	2450.7	0	682.4	13.5	1173.7	22.3	175.3	1.7	0	0
Wayanad	20	41.2	12	43.4	84.6	2339.1	0	746.4	18.1	1132.6	26.1	155.5	1.8	0	0
	402	742.1	368	820.7	1562.9	49333.4	0	12703.5		21350.7		5525.1		0	

Source : <http://www.omms.nic.in/government/security/login/dologin.asp?q=se>

**Table 1.23 Statewise performance of the PMGSY- Physical and Financial Indicators**

Name of State	value of Proposals [In Cr.]	State Cost [In Cr.]	Amount released [In Cr.]	No.of road works	No.of roadworks completed	Percent roadwork Completed	Expenditur [In Cr.]	[%] Expenditure w.r.t value of porposals	[%] Expenditure w.r.t release
Andhra Pradesh	3835.71	0	2403.71	6167	5033	81.61	2518.97	65.68	104.59
Arunachal Pradesh	1212.51	0.9	696.76	624	426	68.26	497.41	41.32	71.28
Assam	8565.09	413	3422.21	4648	1412	30.37	2866.86	33.49	83.47
Bihar	4443.53	16	3720.46	2583	896	34.68	1288.33	28.98	34.02
Chathisgarh	6511.78	0	3968.78	5342	3049	57.07	3870.63	59.44	95.63
Dadar& Nagar	0	0	13.84	0	0	0	0	0	0
Goa	15.35	0	10	84	70	83.33	11.47	74.75	114.76
Gujarat	1423.3	0	894.1	3080	2236	72.59	895.24	62.9	100.13
Himachal Pradesh	2439.14	0.5	1259.93	2080	1289	61.97	1272.74	52.18	100.36
Haryana	1249.13	0	1003.14	358	286	79.88	1070.49	85.69	106.71
Jharkand	1819.79	0	919.64	1446	610	42.18	778.1	42.75	84.28
Jammu Kashmir	2244.9	0	619.91	885	224	25.31	563.71	25.11	90.47
Karnataka	3199.65	0	1995.69	3205	2320	72.38	10196.93	318.7	509.48
Kerala	493.33	0	321.05	770	391	50.77	270.75	54.88	83.88
Meghalaya	301.38	0	158.87	399	301	75.43	114.45	37.97	71.71
Maharastra	5225.66	0.4	2787.77	5253	3479	66.22	2569.97	49.25	91.97
Manipur	662.23	0	258.66	782	24	3.06	141.34	21.37	54.1
Madhya Pradesh	12425.02	37	7642.88	11647	6811	58.47	7643.72	61.49	98.73
Mizoram	708.02	0	365.47	191	97	50.78	345.67	48.82	93.92
Nagaland	375.27	0	319.8	248	212	85.48	278.35	74.17	86.5
Orissa	10036.73	89	4238.81	7569	3338	44.1	4299.13	42.83	100.84
Punjab	1565.05	1.7	1042.67	748	642	85.82	1036.62	66.23	99.42
Rajasthan	8284.52	0	6810.08	11602	10703	92.25	6601.57	79.69	96.52
Sikkim	766.5	0	444.48	597	366	61.3	342.1	44.63	75.67
Tamilnadu	2045.83	0	1088.57	4984	2664	53.45	850.04	41.55	78.09
Tripura	1540.85	12	739.36	947	423	44.66	701.43	45.52	89.54
Uttar Pradesh	9994.42	0	6961.07	15564	13205	84.84	6852.66	68.68	97.68
Uttarakand	1193.86	0	471.8	616	267	43.34	543.31	45.5	114.72
West Bengal	3446.25	0	2645.28	1715	1384	80.69	2543.02	73.79	95.36
Total	96024.8	572	57224.79	94134	62158		60965.01		100.82

Source: <http://www.omms.nic.in/government/security/login/dologin.asp?q=se>

## **Indira Awaas Yojana (IAY)**

### **Objective and goal of the programme**

The objective of Indira Awaas Yojana (IAY) is to provide grant for construction of houses to members of Scheduled Castes/Scheduled Tribes, freed bonded labourers and also to non-SC/ST rural poor below the poverty line. Indira Awaas Yojana (IAY) was launched during 1985-86 as a sub-scheme of Rural Landless Employment Guarantee Programme (RLEGP) and continued as a sub-scheme of Jawahar Rozgar Yojana (JRY) since its launching from April, 1989. It has been delinked from the JRY and has been made an independent scheme with effect from January 1, 1996.

### **Target Group**

The target group for houses under IAY will be people below poverty line living in rural areas belonging to Scheduled Castes/Scheduled Tribes, freed bonded labourers and non-SC/ST subject to the condition that the benefits to non-SC/ST should not exceed 40% of total IAY allocation during a financial year. From 1995-96, the IAY benefits have been extended to ex-servicemen, widows or next-of kin of defence personnel and para military forces killed in action irrespective of the income criteria<sup>1</sup>

### **Funding Pattern and Allocation**

IAY is a Centrally Sponsored Scheme funded on cost-sharing basis between the Government of India and the States in the ratio of 80:20. In the case of Union Territories, the entire resources under this scheme are provided by the Government of India.

Central assistance under Indira Awaas Yojana will be allocated to the States/UTs on the basis of proportion of rural poor in a States/UTs to the total poor in the country. The poverty estimates prepared by the Planning Commission in this regard will be used for this purpose. The proportion of rural SC/ST population in a district to the total rural SC/ST population in the State/UT is the criteria of inter-district allocation of IAY funds within a State/UT. This allocation for every year will be decided by the Government of India on the basis of above criteria subject to availability of funds. Diversion of resources from one district to another will not be permissible.

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<sup>1</sup> This is subject to the condition that (i) they reside in rural areas; (ii) they have not been covered under any other scheme of shelter rehabilitation; and (iii) they are houseless or in need of shelter or shelter upgradation. Priority be given to other ex-servicemen and retired members of the paramilitary forces as long as they fulfill the normal eligibility conditions of the Indira Awaas Yojana and have not been covered under any other shelter rehabilitation scheme. The priority in the matter of allotment of houses to the ex-servicemen and paramilitary forces and their dependents will be out of 40% of the houses set apart for allotment among the non-SC/ST categories of beneficiaries. 3% of the funds have been earmarked for the benefit of disabled persons below poverty line. This reservation of 3% under IAY for disabled persons below the poverty line would be horizontal reservation i.e., disabled persons belonging to sections like SCs, STs and Others would fall in their respective categories.

Payment should be made to the beneficiary on a staggered basis depending on the progress of the work. The entire money should not be paid to the beneficiary in lump-sum. Instalments of payments can be laid down by the State Government or at the district level to be linked to the progress of work.

### Fund Allocation

The central allocation for IAY had been in the range of Rs . 4400 Lakh in 2003-04 to Rs. 14940 Lakh in the 2008-09 (Table 1) . The Kerala state had contributed more than the mandatory 20 percent to be contributed by the state government to the IAY programme. In all the years the state's share in total released funds was around 25 percent of the total released funds. In the total available funds, the share of opening balance ranged from 3.3 percent in 2008-09 to 36.9 percent in 2009-10. Such substantial shares of OB usually occur when there is a large shortfall in target achievement. In this programme too, in the later years it can be seen that there has been a decline in the targets achieved. But this OB in case of years when targets were sufficiently met also, suggests that the targets could be raised within the given funds available.

**Table 1.24 Funds allocation**

Amount in Rs.Lakh							Percent Share		
Year	Opening Balance	Central Releases	State Releases	Misc.	Total Releases	Total Available Funds	share of OB to total available funds	share of central releases to total releases	share of State releases to total releases
2002-03		-	-		-	4940.7	0.0		
2003-04	447.17	4399.03	1396.36		5795.4	6242.6	7.2	75.9	24.1
2004-05	540.49	5760	1912.3		7672.3	8212.8	6.6	75.1	24.9
2005-06	834.29	5169.3	1762.3		6931.5	7765.8	10.7	74.6	25.4
2006-07									
2007-08									
2008-09	712.28	14940.24	4985.625	971.82	19925.87	21610	3.3	75.0	25.0
2009-10	6419.68	8130.79	2632.32	212.2	10763.11	17395	36.9	75.5	24.5

Source: <http://rural.nic.in/rural/menurep.aspx>

### Fund Utilisation

Total funds available for utilization was Rupees 4940 lakh in 2002-03 which increased to Rs. 21610 lakh in 2008-09.( Table 2) The actual expenditure was Rs. 4517 Lakh in 2002-03 representing 91.4 percent of the total funds available. The utilization rate was very high during the period 2002-03 to 2007-08 lying above 90 percent. However after that the utilization rate declined and reached 70 percent in 2008-09 and further down to 53 percent in 2009-10.

**Table 1.25****Total Funds utilized for IAY for both new constructions and upgradations**

	TOTAL FUND	EXPENDITURE					Expenditure as % share of funds
		SC	ST	Minority	OTHER	TOTAL	
2002-03	4940.7	2335.4	199.2		1982.7	4517.3	91.4
2003-04	6242.6	3000.7	287.0		2479.7	5767.4	92.4
2004-05	8212.8	4216.2	406.0		3217.0	7839.2	95.0
2005-06	7765.8	3867.4	384.4		2898.4	7150.2	92.1
2006-07							
2007-08							
2008-09	21610.0	7845.6	927.5	2495.7	3921.7	15190.5	70.3
2009-10	17395.0	4443.2	643.8	1543.5	2604.9	9235.4	53.1

Note : For year 2009-10 all figures corresponds to period upto October 2009

Source: Same as Table 1

More than 50 percent of the expenditure on house construction or upgradation was for the Schedule Caste (Table 3). From 2002-03 to 2005-06 the SC share increased from 51.7 percent to 54.09 percent in 2005-06. Though the share continues to be above 50 percent after 2005-06, there is some decline from the 54 percent to 52 percent in 2008-09. The share of Scheduled Tribes has been consistently around 4 to 7 percent. There has been a gradual increase in the ST share from 4.41 percent in 2002-03 to 6.97 percent in 2009-10. The most important share after SCs were others. Others accounted for 44 percent in 2002-03 to 40.54 percent in 2005-06. The criteria for minority came up after 2008-09. After the criteria from Minorities came up the share of others declined to around 26 to 28 percent.

The IAY criteria lays down that in any circumstances the share of the social groups other than SC and ST should not exceed 40 percent of the houses and expenditure. However, in all the years there has been at least a marginal violation of this criterion. In all the years the share of expenditure has been above 40 percent, In 2002-03 it was higher by 4 percent points, which declined to 0.54 percent points in 2005-06.

**Table 1.26**

	EXPENDITURE				% OF TOTAL
	SC	ST	Minority	OTHER	
2002-03	51.70	4.41	0.00	43.89	100.00
2003-04	52.03	4.98	0.00	43.00	100.00
2004-05	53.78	5.18	0.00	41.04	100.00
2005-06	54.09	5.38	0.00	40.54	100.00
2006-07					
2007-08					
2008-09	51.65	6.11	16.43	25.82	100.00
2009-10	48.11	6.97	16.71	28.21	100.00

Source: Same as Table 1

**Physical targets met**

During 2002-03 18759 new houses were targeted to be completed, of which 19554 houses were completed, which represents a target achievement of 104 percent (Table 4). The number of houses constructed under IAY increased from 19554 in 2002-03 to

24560 in 2005-06. During this period the rate of target achievement was nearly 100 percent. However since 2006-07 the achievements started falling way behind the targets set. During 2006-07 the rate of target achieved was only 80 percent, which declined to 69 percent in 2007-08. This further declined to 52 percent in 2008-09. Thus , while in the initial years the targets were achieved in their full potential, in the period after 2006-07 achievement started falling behind targets.

**Table 1.27 Total Number of House completed and percentage of Targets achieved**

	targets	Houses Completed					Percentage of targets achieved
		SCs	STs	Minorities	Others	Total	
2002-03	18759	9681	996		8877	19554	104.2
2003-04	28042	13278	1653		11444	26375	94.1
2004-05	29511	15900	1383		11547	28830	97.7
2005-06	22305	12925	1467		10168	24560	110.1
2006-07	26799	11898	828	0	8681	21407	79.9
2007-08	39155	14429	1311	4296	6806	26842	68.6
2008-09	70748	19209	1963	6011	9662	36845	52.1
2009-10	79695	6798	877	2643	4026	14344	18.0

Source: Same as Table 1

The percentage share of houses completed for SCs were the highest in 2006-07 at 55.6 percent, while it was the lowest in 2002-03 at 49.5 percent though it was lesser in 2009-10 at 47.4 percent the data is only for the period till October 2009, hence this is not considered (Table 5). After 2006-07 the share of houses newly built reduced to 52.1 percent in 2008-09. However correspondingly the share of houses built for Scheduled Tribes (STs) increased during this period. The share of houses built for STs were in the range of 4 percent to 6 percent. The percentage share of houses built for both together for SCs and STs falls marginally short of the 60 percent stipulations in all the years except in 2004-05 and 2006-07.

**Table 1.28 Percentage Share of houses completed according to social groups**

	Houses completed				
	SCs	STs	Minorities	Others	Total
2002-03	49.5	5.1	0.0	45.4	100
2003-04	50.3	6.3	0.0	43.4	100
2004-05	55.2	4.8	0.0	40.1	100
2005-06	52.6	6.0	0.0	41.4	100
2006-07	55.6	3.9	0.0	40.6	100
2007-08	53.8	4.9	16.0	25.4	100
2008-09	52.1	5.3	16.3	26.2	100
2009-10	47.4	6.1	18.4	28.1	100

Source: Same as Table 1

The total number of houses upgraded in 2002-03 was 12553 against a target of 11730 , achieving 107 percent completion rate (Table 6). In most the completion rate had been above 100 percent. In 2003-04 it even was nearly double of the target set.



During the period 2005-06 to 2007-08 , however there was a short fall in the achievement rate of the target. The lowest achievement rate was in 2005-06 at only 44 percent. It may be noted that it was in 2005-06 the tallest target was set to be achieved and the smallest achievement made in all the reported years.

**Table 1.29 Total Number of Houses upgraded and targets achieved**

District	Annual Target	Houses Sanctioned during the year for					Percentage of target completed
		SCs	STs	Minorities	Others	Total	
2002-03	11730	6529	496	0	5528	12553	107.0
2003-04	7010	7230	778	0	5442	13450	191.9
2004-05	7378	6171	619	0	4211	11001	149.1
2005-06	16902	3609	294	0	2735	7508	44.4
2006-07	10690	4898	251	0	3200	8349	78.1
2007-08	14758	5265	496	1324	2515	9600	65.0
2008-09	14786	10487	849	2831	4682	18849	127.5
2009-10	2338	151	807	1343	4639	6940	296.8

Source: Same as Table 1

In almost all the years the stipulated 60 percent for SC and ST was achieved. Together they reached the stipulation of 60 percent or more share in five of the eight reported years (Table 7) . Even in the years where there is a short fall it does not fall much behind the benchmark.

**Table 1.30 Percentage Share of houses upgraded according to social groups**

District	Houses Sanctioned during the year for				
	SCs	STs	Minorities	Others	Total
2002-03	52.0	4.0	0.0	44.0	100
2003-04	53.8	5.8	0.0	40.5	100
2004-05	56.1	5.6	0.0	38.3	100
2005-06	48.1	3.9	0.0	36.4	100
2006-07	58.7	3.0	0.0	38.3	100
2007-08	54.8	5.2	13.8	26.2	100
2008-09	55.6	4.5	15.0	24.8	100
2009-10	2.2	11.6	19.4	66.8	100

Source: Same as Table 1

### ***Concluding Remarks***

The Indira Awaas Yojana has been implemented in the state in the true spirit of the programme, achieving the targets as designed, though there are marginal shortfalls. However, one worrying fact is the decline in the target achievement in the recent years in case of new houses constructed. This needs to be looked into more carefully. Also, it is felt that since there is a large opening balance at the beginning of all the years, the targets could probably be raised to be achieved with the same funds available.

### **4. National Social Assistance Programme (NSAP)**

NSAP is a significant step towards the fulfillment of the Directive Principles of State Policy enshrined in Article 41 of our Constitution, which enjoin upon the State to provide public assistance to its citizens in case of unemployment, old age, sickness and disablement and in other cases of undeserved want within its economic means. The National Social Assistance Programme (NSAP) which came into effect from 15th August, 1995 introduced a National Policy for Social Assistance benefit for the poor households and aims at ensuring minimum national standard for social assistance in the case of old age, death of primary bread-winner and maternity. *This* is a welfare programme being administered by the Ministry of Rural Development. The programme originally had three components:

(a) *National Old Age Pension Scheme (NOAPS)* for the applicants with 65 years age and having no regular subsistence of income, (b) National Family Benefit Scheme (NFBS) for the families below the poverty line on the death of the primary breadwinner in the bereaved family, and (c) National Maternity Benefit Scheme (NMBS) for the pregnant women of households below the poverty line.

The last component NMBS has been transferred to the Department of Family Welfare from the Financial Year 2001-2002 and thus the Scheme was transferred to that Ministry w.e.f. 1<sup>st</sup> April, 2001.

NSAP at present, mainly comprises of Indira Gandhi National Old Age Pension Scheme (IGNOAPS), Indira Gandhi National Widow Pension Scheme (IGNWPS), Indira Gandhi National Disability Pension Scheme (IGNDPS), National Family Benefit Scheme (NFBS) and Annapurna.

The NSAP is a 100% Centrally Sponsored Programme. The Programme aims at ensuring minimum national standard of social assistance in addition to the benefit that the States are currently providing or might provide in future. The intention in providing 100 percent Central Assistance is to ensure that social protection to the beneficiaries everywhere in the country is uniformly available without interruption. Accordingly, it is ensured that the Central Assistance does not displace States' own expenditure on social security schemes and that the States/UTs may expand their own coverage of social assistance independently wherever they like to do so.

The NSAP provides opportunities for linking social assistance packages to the Schemes for poverty alleviation and provision of basic needs. Specifically, old age

pension can be linked to medical care and other benefits for the old and the poor. Maternity assistance can be linked to maternal and child care Programmes.

It was proposed that the NSAP shall be implemented by the Panchayats and Municipalities in the delivery of social assistance so as to make it responsive and cost-effective. In the process, the Panchayats and the Municipalities will be strengthened and it may be possible for them to mobilize local resources for supplementing benefits from the Government. Panchayats and Municipalities will be encouraged to involve voluntary agencies to the extent possible in taking these benefits to the poor households for whom they are intended. The responsibility for implementation shall, however, rest on the Panchayats and the Municipalities.

### **Implementation of the Programme**

This programme is being implemented in rural areas as well as urban areas. Ministry of Rural Development on its part monitors the effective implementation of the programme and ensures allocation of adequate funds by Planning Commission, timely release of ACA by Ministry of Finance and Ministry of Home Affairs. The schemes under NSAP are implemented through the State/UT Governments with assistance from the Panchayat and Municipal functionaries. Every State/UT has identified a Nodal Department for implementing NSAP as per provisions of the NSAP Guidelines. The Secretary of the Nodal Department is to perform as the Nodal Secretary on NSAP for the State/UT concerned.

At the Districts, there are District Level Committees on NSAP. The States/UTs have notified the constitution of the District level implementing authorities under the Chairmanship of the respective District Magistrate/District Collector to implement the Schemes in their respective areas. The District Collector or the Official given the nodal responsibility thereof, in turn, is responsible for processing applications for sanction of benefits and for arranging the disbursement of the benefits to the beneficiaries.

The Gram Panchayats/Municipalities are expected to play an active role in the identification of beneficiaries under the three NSAP Schemes. The State Government may thus, communicate the targets for NOAPS, NFBS and NMBS to the Panchayats/Municipalities so that the identification of beneficiaries can suitably be made by the Gram Panchayats/Neighbourhood/Mohalla Committees in line with these targets. Further, Central Assistance under NOAPS, NFBS and Annapurna may also be preferably disbursed in public meetings, such as Gram Sabha meetings in the rural areas and Neighbourhood/Mohalla Committee meetings in urban areas. The Panchayats/ Municipalities are responsible for disseminating information about NSAP and the procedures for obtaining benefits under it. In this task, they may encourage the involvement and cooperation of voluntary organisations also.

#### **1. General Conditions in NSAP**

The scales of benefit under the NSAP were as follows as of 2009-10.

(a) National Old Age Pension Scheme (NOAPS): This benefit was being given to the destitute attaining the age of 65 or above. It was Rs.75/- per month per beneficiary till

2005-06 and has been increased to Rs 200-400 per month depending on state's contribution in 2006.<sup>2</sup>

NOAPS is renamed as Indira Gandhi National Old Age Pension Scheme (IGNOAPS) and brought into effect from 19/11/2007. The Eligibility criteria were revised to include all citizens aged 65 years or above who belong to BPL category.

(b)National Family Benefit Scheme (NFBS): The monetary benefit under the scheme to a Below Poverty Line (BPL) household is being given in lump sum amounts on the death of primary breadwinner aged between 18 and 64 years. Rs.10,000/- is being given in case of accidental death of the primary breadwinner and a benefit of Rs. 5,000/- is being given for death due to natural causes to the bereaved households. However, since 1998, the benefits under deaths due to natural causes has been revised to Rs 10,000 per household.

© Annapurna Scheme: A new scheme known as "Annapurna" was launched in the year 2000. Under the scheme, 10 kg of food grains per month are provided free of cost to those senior citizens who, though eligible, have remained uncovered under NOAPS. This Scheme aimed at providing food security to meet the requirement of those senior citizens. The number of persons to be benefited from the Scheme are, in the first instance, 20% of the persons eligible to receive pension under NOAPS in States/UTs.

(d)Indira Gandhi National Widow Pension Scheme (IGNWPS) and Indira Gandhi National Disability Pension Scheme (IGNDPS): Both the schemes were introduced in Feb 2009. While BPL widows aged 40-64 years are eligible for pension under IGNWPS, BPL persons aged 18-64 years with severe and multiple disabilities are eligible for pension under IGNDPS. In both the cases the amount of central assistance for pensioner is Rs. 200/- per month.

Any scheme of social security operated in the State/UT with the Central funds provided for the National Social Assistance Programme (NSAP) will carry the name of the appropriate component of the NSAP such as, the National Old Age Pension Scheme, the National Family Benefit Scheme and Annapurna scheme.

As a result of a review of the Centrally Sponsored Schemes by the Planning Commission, in consultation with the Ministry of Rural Development, it has been decided to transfer the NSAP and the Annapurna to the State Plan from the year, 2002-03. It is expected that the transfer of these Schemes will provide the requisite flexibility to the States/UTs in the choice and the implementation of the Schemes. The funds for the operation of the Schemes are released as Additional Central Assistance (ACA) to the States by the Ministry of Finance and to UTs by Ministry of Home Affairs.

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<sup>2</sup> The amount of pension under NOAPS was raised to Rs. 200/- per month per beneficiary in 2006, and State Governments were urged to contribute equally towards the pension amount.

## 2. Transfer of National Maternity Benefit Scheme to D/o Family Welfare

During the course of deliberations to consider National Population Policy in the second meeting held on 15<sup>th</sup> June, 1999, the Group of Ministers observed that National Maternity Benefit Scheme being implemented by the Ministry of Rural Development could be assigned to the Department of Family Welfare to become part and parcel of the Population Stabilization Programme.<sup>3</sup> On receipt of a communication in this regard from the Planning Commission, the Ministry of Rural Development agreed to transfer NMBS to the Department of Family Welfare from the Financial Year 2001-2002 and thus the Scheme was transferred to that Ministry w.e.f. 1<sup>st</sup> April, 2001.

### **Enhancement of Pension amount under NOAPS during 2006-07**

Finance Minister in his Budget Speech for the year 2006-07 had announced as follows:-

*“Old age pensions are granted under the National Social Assistance Programme(NSAP) to destitute persons above the age of 65 years at Rs.75 per month. This is woefully inadequate. I propose to increase the pension to Rs.200 per month. I have provided Rs.1,430 crore for 2006-07 and additional funds, if required, will be provided during the course of the year. I would urge State Governments to make an equal contribution from their resources so that a destitute pensioner would get at least Rs.400 per month. I also propose to work with the Department of Posts and the banks to establish, within two years, a system under which the pension will be credited directly to the account of the beneficiary in a post office or a bank.”*

Accordingly the budgetary provision was revised from Rs.1190 crore during 2005-06 to Rs.2480.97 crore during 2006-07. Hence, all States and UTs except Uttar Pradesh started disbursing at least Rs.200 per month per beneficiary in 2006-07 under NOAPS.

As per the budget announcement, the Minister of Rural Development had addressed all the State Governments to make an equal contribution from their resources so that a destitute pensioner would get at least Rs.400 per month. As per reports received, the States of Tamil Nadu, Uttrakhand, West Bengal, Rajasthan, NCT of Delhi, UT of Andaman and Nicobar Islands and Pondicherry have already started disbursing Rs.400 per month or above for pensioners under NOAPS.

### **Kerala Context**

This programme was also implemented in Kerela since its time of introduction at the all India level in 1995. Under NSAP, 100 percent Central assistance is made available

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<sup>3</sup> Under the scheme of **National Maternity Benefit Scheme (NMBS)**, the lump sum cash assistance of Rs. 300/- per pregnancy was provided as a maternity benefit to women of BPL households up to 2 live births. The cash assistance under NMBS is increased to Rs. 500/- per pregnancy in 1998.

to the State/UT in accordance with the norms, guidelines and conditions laid down by the Central Government. Funds are released directly to the districts in two installments during a year. These programmes are being implemented through local bodies. And amount of Rs 6621 lakh is provided for the year 2007-08 so as to implement the scheme. It is important to note that the national maternity benefit scheme which was suggested to be transferred to the ministry of family and welfare since 2001 and from the NSAP programme, but this is still continuing as a NSAP program by the Kerala state as reported in the planning commission document and allocations are being made to the initially proposed three schemes by the center which was earlier coming under NSAP. The anomaly is continuing in the state plan.

At the district level, NSAP is implemented by the District Collector/Magistrate/Deputy Commissioner and at the ground level, NSAP is implemented by the Panchayats/Municipalities to make the programme more responsive and cost effective.

NSAP: Numerical Ceiling and Qualifying Financial Entitlement for States/UTs based on population

Table 1.31: Projections as on 1.7.98 and poverty ratios based on (Modified Expert Group) Report for 1993-94

	NOAPS Numerical Ceilings	QFE	NFBS numerical Ceilings	QFE
Kerala	224900	2024.1	9200	920

Table 1.32: NSAP: Revised Basic Parameters for Sates/UTs

	Projected population as on 1-07-1998	Poverty Ratio based on modified expert group report in 1993-94	Ratio of 65+age group in total population	Ratio of 18-64 age group in total population
Kerala	32161800	0.254	0.055	0.59

The following table 3 shows that among the southern Indian states, Kerala gets least share from the central government for its social security schemes such as NOAPS, NBFS and Annapurna. This may be due to its population size comparing with other states. Thus, for a comparative perspective, one has to look into the total population size in each state falling in respective beneficiary categories covered under different schemes for the BPL families. While the number of NOAPS beneficiaries almost remained stagnant in Kerala except the period 2003-04 where the number of beneficiaries is quite minimal, but the other states have significantly added the number to their existing number of beneficiaries in almost every annual plan till 2006-07. It is important to note that the number of beneficiaries is very less compared to the numerical ceiling fixed in 1998. However, although, the number of beneficiaries under NFBS and Annapurna schemes cannot be compared for Kerala with other Southern states due to lack of data for the latter, but it could be seen that a large proportion of people are covered under Annapurna scheme next to NOAPS in Kerala. At the same time, it is very surprising to see that although, Kerala receives relatively less funding from the central government even resulting in financial deficits till 2006-07, but in recent few years it is seen that some proportion of money has remained unspent with the government since 2007-08. It could be due lapse of scheme implementing agencies in efficiently implementing the schemes

at the district and panchayat levels. Although in the year 2009-10, two other schemes are added up with NSAP, but the financial allocation for each these respective schemes are not available in order to make any operational assessment of those schemes

**Table 1.33: Allocations and Beneficiaries under NSAP**

		NSAP and Annapurna (Rs in lakhs)							(As on 14-12-2009)		
Year	States/UTs	Allocation	Total Release	Total Expenditure reported by State				No. of Beneficiaries reported			
				NOAPS	NFBS	Annapurna	Total	Resource Gap	NOAPS	NFBS	Annapurna
2002-03	Andhra Pradesh	6541.26	6541.26	5883			5883	658.26	466000	18343	93200
	Karnataka	3422.13	3422.13	3511.27			3511.27	-89.14	436861	422	NR
	Kerala	1763.32	1763.32	1476.59	221.89	284	1982.48	-219.16	152474	3201	44500
	Tamilnadu	4748.64	4748.64	4157.61		559.85	4717.46	31.18	475066	1066	71974
2003-04	Andhra Pradesh	6540.02	6540.02	7199			7199	-658.98	466000	49717	92600
	Karnataka	3421.49	2566.08	2566.08			2566.08	0	458313	NR	NR
	Kerala	1762.99	1762.99	1557.43	227.62	241.95	2027	-264.01	144053	2327	45645
	Tamilnadu	4747.74	4747.74	4027.74	275.34	509.54	4812.62	-64.88	477181	29997	71974
2004-05	Andhra Pradesh	6742.62	6742.62	4439.07	1555.55	707.95	6702.57	40.05	466000	36752	93200
	Karnataka	5204.61	3903.45	3903.45			3903.45	0	477409		
	Kerala	2872.43	2872.43	3147.26			3147.26	-274.83	131346	1900	46447
	Tamilnadu	7038.76	7038.76	3873.76	2562	534.14	6969.9	68.86	467935	56472	71974
2005-06	Andhra Pradesh	6746.7	6746.7	6746.7			6746.7	0	466000	16492	93200
	Karnataka	5207.76	5207.76	5207.76			5207.76	0	488130	1000	NR
	Kerala	2874.17	2874.17	1871.35	1174.44	233.71	3279.5	-405.33	141768	11744	44980
	Tamilnadu	7043.03	7043.03	7192.34			7192.34	-149.31	481028	48977	71974



2006-07	Andhra Pradesh	14882.08	11975.33	10146.09	1535.95	707.95	12389.99	-414.66	466000	11759	93200
	Karnataka	11238.58	9043.49	8428.94			8428.94	614.55	533334	27224	36644
	Kerala	5040.98	4056.39	5967.85			5967.85	-1911.46	134409	3644	44950
	Tamilnadu	13159.75	13159.76	8055.92	1631.72	69.33	9756.97	3402.79	494996	16214	71974
2007-08	Andhra Pradesh	20232.26	20232.26	17281.93	1623.45	707.95	19613.33	618.93	919230	17261	93200
	Karnataka	21176.47	21176.47	17550.56		187.66	17738.22	3438.25	686666	21246	24218
	Kerala	7497.36	7497.36	7084.47			7084.47	412.89	141956	27611	38587
	Tamilnadu	18479.19	18479.19	18479.19			18479.19	0	580328	6877	71974
2008-09	Andhra Pradesh	28989.21	28989.21	30014.13			30014.13	-1024.92	919230	15067	93200
	Karnataka	22850.2	22850.2	19523.89	1905.37		21429.26	1420.94	821969	19054	
	Kerala	5779.21	5779.21	1135.64	2636	231	4002.64	1776.57	141956	26360	44980
	Tamilnadu	32070.19	32070.19	17721.81	1791.3	366.59	19879.7	12190.49	988761	17913	71974
2009-10	Andhra Pradesh (Oct 09)*	29356.22	24480	12869.22	457.58	417.97	13744.77	10735.23	919230	4576	93200
	Karnataka (Aug 09)	27335.25	22794	8268.31	278.03		8546.34	14247.66	833927	2780	
	Kerala	7127.16	5943	NR	NR	NR	NR	NR	141956	NR	NR
	Tamilnadu (Sept 09)	34319.35	28618	10458.45	392.7	6.52	10857.67	17760.33	888825	3927	71974

Source:www.nsap.nic.in

The following table shows the estimated or budgeted plan outlay for 2006-07 which is lesser than the actual amount released from the central government and the same is also lesser than the actual expenditure incurred for the implementation of NSAP schemes as seen in the previous table. As a result, there is a huge mismatch of actual outlays from their budgeted levels. Another important thing to note is that whatever amount is being projected as the plan outlay for NSAP for the entire plan period 2007-12 is quite minimal than the sum of the proposed outlay for 1<sup>st</sup> three years of the 11<sup>th</sup> plan. This huge statistical discrepancy remains to be understood from the angle of rationality in the fixation of plan expenditures.

**Table 1.34: Plan Outlays under NSAP**

(Rs in lakhs)

	BE	RE	BE	RE	RE	BE			
	2006-07	2006-07	2007-08	2007-08	2007-08	2008-9	2008-9	2009-10	2007-12
NSAP	3448	3448	6621	20	3220	60	9720	10572	16100

Source: Various Kerala Plan Documents

**Table 1.35: Revision in Plan Outlays for NSAP**

(Rs in lakhs)

	2007-08	2008-9	2009-10	2007-12
Approved Outlays	6621	9720	15434	16100
Actual Expenditure	6553.9	4548		
Anticipated Outlays			15434	

Source: Mid term appraisal of 11th plan of the Kerala Planning Board

### Concluding Remarks:

It is observed that the number of beneficiaries in Kerala is very lesser comparing the numerical ceiling fixed in 1998 for the state under the NSAP. Further, although, the number of beneficiaries under NFBS and Annapurna schemes cannot be compared for Kerala with other Southern states due to lack of data for the latter, but it could be seen that a large proportion of people are covered under Annapurna scheme next to NOAPS in Kerala. At the same time, it is very surprising that although, Kerala receives relatively less funding from the central government compared to the project costs which results in financial deficits till 2006-07, but in the recent past for few years since 2007-08, it is seen that some proportion of money has remained unspent with the state government. It could be due to lapse on the part of the scheme implementing agencies in efficiently implementing the schemes at the district and panchayat levels. Although in the year 2009-10, two other schemes such as Indira Gandhi National Widow Pension Scheme (IGNWPS) and Indira Gandhi National Disability Pension Scheme (IGNDPS) are added up under NSAP, but the information on the financial allocations for each these schemes are not available in order to make any assessment of those schemes with regards to their operations. There is a huge mismatch of actual outlays from their budgeted levels. This huge statistical discrepancy remains to be understood from the angle of rationality in the fixation of plan expenditures in the state and central plans.

## Chapter 2

### Health, Nutrition, Drinking Water & Sanitation

#### 1. National Rural Health Mission (NRHM)

Kerala State in India is known for higher public investment in social sector including health ever since its formation in the year 1956. But during last two decades, it's evident that Kerala governments commitment to health sector in its budget has declined. The estimates from the National Health Accounts 2004-05 (MOHFW 2009) reveal that government expenditure on health as a percentage of total health expenditure to be lowest in Kerala (Only 10 percent) than in other Indian States. In fact Kerala has transformed itself from a state that was spending the most for health of its population to a state spending the least on the same. Further the private health expenditure has risen substantially and is nearly three times more than the average Indian situation.

Table 2.1 Public and private expenditure on health Kerala & India, 2004-05

Indicator	Kerala	India
Total Health expenditure (in Rs Crores)	9,698	1,33,776
Public/government health expenditure (in Rs Crores)	943	26,313
Private health expenditure (in Rs Crores)	8,754	104,414
Per capita public (government) exp on health (in Rs)	287	242
Per capita private exp on health (in Rs)	2663	959
Govt. health exp as a % of total health exp	10 %	20 %

Source: Ministry of Health and Family Welfare(2009): National Health Accounts 2004-05

The Kerala government's revenue expenditure on health as a percentage of its total revenue expenditure is around 5 percent during the entire tenth and eleventh plan period. This shows that priorities for health sector have remained static during this period. Here one should note that the same expenditure levels for Kerala was around 9 percent between 1960's and 1980's, which declined to 6 % in 1990's (Duggal, Nandraj and Vadair, 2005). Hence Kerala government is unable to revive its health expenditure in eleventh plan period to the levels it had between spending between 1960-1990.

**Table 2.2 : State budgetary expenditure on health and NRHM fund utilisation**

Financial year	State Budgetary Expenditure on Health (in Rs crores)	Revenue exp on health as a % of total revenue exp	NRHM fund utilisation (in Rs Crores) #	Share of NRHM as % of State budget
2002-03	791	5.1	NA	NA
2003-04	859	5.4	NA	NA
2004-05	934	5.2	NA	NA
2005-06	999	5.1	60	6.0
2006-07	1174	5.3	119	10.1
2007-08	1291	5.0	223	17.3
2008-09 (RE)	1554	5.3	362	23.3
2009-10 (BE)	1681	5.2	235	14.0

Source: Budget documents of Government of Kerala, respective years,

# [http://www.mohfw.nic.in/NRHM/Documents/Non\\_High\\_Focus\\_Reports/Kerala\\_Report.pdf](http://www.mohfw.nic.in/NRHM/Documents/Non_High_Focus_Reports/Kerala_Report.pdf)

<sup>1</sup> Health expenditure includes expenditure under the head medical and public health (2210 & 4210) and family welfare (2211 & 4211).

National Rural Health Mission (NRHM) has played a crucial role in augmenting the financial resources available for the ailing government health system in the state. Funds for Kerala from the NRHM, initiated by the Ministry of Health and Family Welfare, Government of India in 2005-06, are transferred to the State Mission Director, NRHM located at the Director of Health Services, Government of Kerala. In 2009-10 the government of Kerala has allocated Rs 1681 crores for health in its budget and another 235 crores has been allocated by the Government of India under the NRHM. Share of NRHM fund utilized as a percentage of total state budgetary expenditure on health ranged from 6 percent in 2005-06 to 23 percent in 2008-09.

**Table 2.3: Financial Management under NRHM, Kerala**

Year	Financial management under NRHM (in Rs Crores)			% exp against release
	Allocation	Release	Expenditure	
2005-06	117	114	60	52.7
2006-07	177	191	119	62.3
2007-08	219	298	223	75.9
2008-09	235	227	362	159.6
2009-10	235			
Total NRHM	983	829	763	92.16

Source [http://www.mohfw.nic.in/NRHM/Documents/Non\\_High\\_Focus\\_Reports/Kerala\\_Report.pdf](http://www.mohfw.nic.in/NRHM/Documents/Non_High_Focus_Reports/Kerala_Report.pdf)

The funds allocated under the NRHM which does not get lapsed after the end of financial year as in the case of other centrally sponsored schemes and the states do have the flexibility to utilize the unused funds in the next financial year. As a result the utilization of funds allocated by centre under NRHM has increased in eleventh plan period from 76 per cent in 2007-08 to 160 % in 2008-09. This has resulted in the state being left with lesser funds under NRHM in 2009-10 than in the year 2008-09. The flexibility criteria in use of funds released in each year in the NRHM enables the government to utilize the funds in subsequent years,

but this limits us from making any sensible analysis of year wise utilization of funds. Hence in the flowing sections we have used the pooled in NRHM data for the 5 years.

**Table 2.4 : Utilisation of funds under NRHM by type of allocation, Kerala 2005-06 to 2009-10**

Type of allocation/ pool	Amount in Rs Crores			% exp against release	% dist of exp
	Allocations	Releases	Expenditure		
RCH Flexipool	257	169	148	87.6	33.2
NRHM Flexipool	231	277	269	97.1	60.3
National Disease control programmes	81	51	29	56.9	6.5
Total	569	497	446	89.7	100

Source: Compiled from documents available at the MOHFW

Of the total expenditure available under the NRHM 60 percent was for activities under the NRHM flexipool, 33 percent for RCH flexipool and 7 percent for national disease control programmes. Table below shows the allocations under various heads under the mission flexipool during the eleventh plan period (2007-08, 2008-09 and 2009-10). About 45 percent of funds is for infrastructure for rural health care services in the form of untied funds for PHC's CHC's and subcentres, annual maintenance grants.

**Table 2.5 : Allocations under the NRHM during eleventh plan period, Kerala**

	Amount in Rs crores				% dist of exp
	2007-08	2008-09	2009-10	total	
Infrastructure	83.7	63.7	54.2	201.6	45.4
Human resources	--	--	37.6	37.6	8.5
Asha	0.56	5	21.2	26.76	6.0
untied funds, annual maintenance grant & rogi kalyan samithi	48.4	52.8	54	155.2	34.9
Mobile medical units, Referral and emergency services	5.1	11.5	6.6	23.2	5.2
Total	137.76	133	173.6	444.36	100

Source: Compiled from document from MOHFW website

How the NRHM funds are contributing to overall expenditure on various programmes will be know if we examine the state government spending. It can be seen that the largest share within the state budget is for urban health services (mainly tertiary care services) and for medical education training and research (mainly medical education). The funds under NRHM has been effectively utilized for strengthening the rural health care services. The public health is one area which is not receiving substantial funding despite implementation of NRHM.

**Table 2.6 : Distribution of Government expenditure (budgetary + NRHM) on health during eleventh plan period in Kerala,**

Expenditure under each head	% of government expenditure		
	2007-08	2008-09 (RE)	2009-10 (BE)
Urban Health Services- Allopathy	26.8	24.4	26.0
Urban Health Services- Other Systems	7.6	6.4	8.2
Rural Health Services- Allopathy	13.8	11.3	12.1
Rural Health Services Other Systems	0.2	0.3	0.2
Medical education training and research	15.9	14.3	14.7
Public health	6.6	6.2	6.8
General	1.2	6.4	6.9
Capital Expenditure	3.1	1.7	2.3
Family Welfare (revenue + capital)	10.0	10.0	10.5
National Rural Health Mission	14.7	18.9	12.3
Total	100	100	100
Exp in Rs crores	1516	1914	1916

Source: Compiled from the Kerala State budget documents and MOHFW website

Kerala state needs to be complimented for utilizing the NRHM funds in an efficient manner during the eleventh plan period. The financial resources available under the NRHM has been effectively utilised for improvements in infrastructural, human resource, health care and service delivery. Though the government expenditure is low in Kerala, the funds available under NRHM have been utilized for augmenting service provisioning in the government health system. There has been sizeable investments in infrastructure at the PHC, CHC's and district hospital, where the civil works are being monitored with functioning of an engineering wing on a contractual basis under the NRHM. Half of the district hospitals have been equipped with mobile medical units. All the existing sub centres are made functional.

**Table 2.7 : Manpower creation under NRHM as on 15.05.09**

1	ASHA	<b>Selection</b>	22949
		<b>Training</b>	8346
2	Contractual Manpower	<b>Doctors &amp; Specialist</b>	876
		<b>AYUSH Doctors</b>	91
		<b>Staff Nurse</b>	1495
		<b>Paramedics</b>	136
		<b>ANM</b>	0

Massive improvements are made in terms of manpower. Over 8000 ASHAs were trained and another 8450 ASHA's were given medical kits. All the PHC's, CHC were equipped with doctors and nurses on a contract basis. State has recruited 876 doctors and 1495 staff nurses to meet the increased demand for health care services. Even 91 contractual AYUSH doctors were appointed under NRHM. As a result 93 out of 107 CHC's are functioning on 24X7 basis. Here the only question is sustainability issue associated with the appointment of staff especially doctors on a contractual basis. Efforts have to be made to fill in the post of doctors on a regular basis to ensure smooth functioning of public health systems.

With the improvements in infrastructure and availability of doctors and paramedical staff, the utilization of government facilities especially the district Hospitals, CHC's and PHC's has improved. This is evident from the increase in number of inpatient cases, outpatient cases, deliveries attended, Janani Suraksha Yojana(JSY) beneficiaries and sterilization cases ever since the initiation of NRHM in the state. The total number of JSY beneficiaries in the state is 3.55lakhs, as of 15.05.09. However there has not been a major improvement in some of the medically under served areas in the state. These are areas which are not having sub district or district hospitals in near by areas.

Another issue of serious concern is the lack of progress in full immunization of children ever since the implementation of NRHM. According to District Level Health Surveys (MOHFW 2009), the children 12-23 months fully immunized was 89 % in 2007-08 (DLHS-3) and 79 percent in 2002-04 (DLHS-2). No progress could not be made ever since the implementation of NRHM in terms of; mothers receiving full antenatal check up (70 % in 2002-04 to 72 percent in 2007-08), mothers consume 1000 IFA tablets (Static at 74 percent in 2002-04 & 2007-08), Children under 3 years breastfed within one hour of birth (declined from 73 percent in 2002-04 to 65 percent in 2007-08). Hence the reproductive and child health services under NRHM need to be monitored closely for better progress. It appears that the resources available under NRHM are utilized for improving curative care than the intended preventive care services. The state was more focused on utilizing the funds under NRHM for improving infrastructure and filling vacant positions (that too on a contractual basis) in the rural health care systems. This has lead to an increase in demand for curative care services, but at the cost of preventive care services including reproductive and child health services. The NRHM could not make substantial inroads in improvement of RCH Services, which is vital for improvements in Maternal Mortality and Infant mortality situation in the state noted in the earlier section of this report.

Apart from man-power creation through NRHM, it becomes pertinent to reflect upon the existing human infrastructure in the state's health sector. The following table presents in detail the status of human infrastructure that is required as against the number in place in the state. While the sub-centres and PHCs are more than required in number the CHCs fall short of the required number by a margin of 90 CHCs. Such comparison could sometime be having a limitation as health facilities at different levels often get up-graded and areas getting de-notified too could make a designated difference to health infrastructure. However, it is of concern that the human infrastructure is lacking across all types excepting Doctors at PHC and Pharmacists. The shortage of specialists as well as field level staffs like ANMs, MPWs and Health assistants have the potential to hamper effectiveness of a whole host of awareness and intervention programmes.

Table 2.8 : Infrastructure and Human Resource Issues related to health sector in Kerala

<b>Particulars</b>	<b>Required</b>	<b>In position</b>	<b>shortfall</b>
Sub-centre	4761	5094	-
Primary Health Centre	791	909	-
Community Health Centre	197	107	90
Multipurpose worker (Female)/ANM at Sub Centres & PHCs	6003	5320	683
Health Worker (Male) MPW(M) at Sub Centres	5094	2654	2440
Health Assistant (Female)/LHV at PHCs	909	740	169

Health Assistant (Male) at PHCs	909	794	115
Doctor at PHCs	909	1732	-
Obstetricians & Gynaecologists at CHCs	107	28	79
Physicians at CHCs	107	31	76
Paediatricians at CHCs	107	38	69
Total specialists at CHCs	428	115	313
Radiographers	107	15	92
Pharmacist	1016	1017	-
Laboratory Technicians	1016	347	669
Nurse/Midwife	1658	3383	-

Source :

[http://www.mohfw.nic.in/NRHM/Documents/Non\\_High\\_Focus\\_Reports/Kerala\\_Report.pdf](http://www.mohfw.nic.in/NRHM/Documents/Non_High_Focus_Reports/Kerala_Report.pdf)

## 2. Integrated Child Development Scheme (ICDS)

Integrated Child development Scheme a 100 percent central government sponsored scheme has been in operation in Kerala since 1975. ICDS schemes are operationalised through the Anganwadis. The schemes under national nutritional mission, , pre school education, health check up, balika samrithi yojana, nutritional programme for adolescent girls and Kishori Shakthi Yojana are also delivered through the Anganwadi's, but under a different budget allocation than the ICDS. Govt. of India has modified the sharing pattern of ICDS scheme between Centre and the States. The sharing pattern of supplementary nutrition in North-eastern states has been changed from 50:50 ratio between center and the states to 90:10 from the financial year 2009-10. However, in case of other states the sharing pattern of 50:50 continues. Apart from Supplementary nutrition, for all the other components of ICDS scheme, the ratio of center-state share is modified to 90:10 which used to be cent percent central assistance earlier. There are 32,146 anganwadis (32,268 are sanctioned) functioning in the state, each of them having one anganwadi worker and anganwadi helper. Kerala state government is giving rupees 300/- extra (Rs 550 instead of 250/-)as additional honorarium to each of the anganwadi worker and helpers. State has also initiated steps to enroll anganwadi worker/helper in contributory health insurance scheme.

Supplementary Nutrition Programme is an important component of ICDS. Under the schematic pattern of ICDS, states are responsible for providing supplementary nutrition as per nutritional norms. Though the responsibility of providing supplementary nutrition lies with the states, from 2005-06 GOI supported states at the rate of half of of the financial norms laid down for various categories of beneficiaries or 50% of actual expenditure on supplementary nutrition whichever is less.

In Kerala as part of decentralized planning of state Government, the supplementary nutrition through anganwadi centres is transferred to the concerned local self government institutions. The LSGIs are free to identify the food stuffs suited to the local conditions having the prescribed nutritional value as per ICDS norms. Under the rural ICDS projects the expenditure on SNP is met by the Grama Panchayats and the Block Panchayats in the ratio of 2:1.

An amount of Rs.5597.50 lakh has been received from GOI as 50% central assistance on SNP during 2008-09. Since the LSGIs are implementing the SNP, the 50% central assistance received has to be handed over to the LSGIs through the Child Development Project Officer (CDPO) concerned. During 2008-09, 17,11,410 beneficiaries have been given



supplementary nutrition. The number of beneficiaries who have got supplementary nutrition as on 30/09/2009 is 17,59,661

Table 2.9 : Number of beneficiaries and expenditure on ICDS during tenth and eleventh plan periods in Kerala

Financial year	Budget exp in Rs crores <sup>3</sup>			Exp on ICDS as a % total revenue exp <sup>3</sup>
	ICDS	ICDS Phase III	Total	
2002-03 <sup>1</sup>	67	28	94	0.64
2003-04	71	25	96	0.62
2004-05	71	28	99	0.58
2005-06	77	31	107	0.58
2006-07	110	5	115	0.55
2007-08	154	0	154	0.62
2008-09	160	Nil	160	0.56
2009-10	190	Nil	190	0.61

Source: <sup>1</sup> Economic Review, <sup>2</sup> Department of women and Child development web site, <sup>3</sup> Budget of Government of Kerala

For expenditure data the figures for 2008-09 are revised estimates and 2009-10 budget estimates

**Table 2.10 : Number of beneficiaries of ICDS during the tenth and eleventh plan periods in Kerala**

No of Beneficiaries of the Supplementary Nutrition Programme(SNP)			
Year	6 months to 3 years	Children aged 3-6 years	Pregnant and lactating women
2003	397,910	475,769	141,833
2004	385,994	539,160	154,113
2005	358,849	442,732	151,152
2006	377,107	525,848	182,083
2007	521,999	449,617	184,428
2008	539,327	405,989	190,585
2009	545193	429313	203726

As known under-nutrition is severe issue among the women and children in Kerala. The report earlier noted that the risk of under nutrition in Kerala to be increasing between NFHS-2 and NFHS-3. There are three main type of beneficiaries in the ICDS programme; children 6months-3 years requiring nutritional supplementation, children 3-6 years attending the pre school education under ICDS and those women availing the benefits from the nutritional supplementation and pregnant and lactating mothers. Between tenth and eleventh five year

plan period we can notice an overall increase in number of beneficiaries under all these schemes. Increase was more during the eleventh five year plan periods presented, especially in the case of children. Analysis of data in the Economic Review 2008 shows that ICDS covers 37 percent of children aged 0-6 years and 51 percent of pregnant and lactating women, in the project areas of Kerala. Improvement in coverage of ICDS programme since eleventh plan period is expected to reflect in the forth coming nutrition evaluation surveys.

Though the state government's budgetary expenditure under the head ICDS has doubled from about 94 crores in 2002-03 to 190 crores by 2009-10, similar increased is not seen in relative terms. ICDS expenditure as a percentage of total revenue expenditure of state is just around 0.6 percent during the entire tenth and eleventh plan period. It needs to be seen how the increase in number of beneficiaries can be managed with a static allocation of financial resources to ICDS? Perhaps the increased allocation under the 100 percent centrally sponsored scheme under supplementary nutritional programme for children (out side the ICDS budget see table 3), would have partially enabled the state government to augment resources meant for nutritional supplementation of children through anganwadi's.

**Table 2.11: Details of expenditure under the ICDS head in the eleventh plan period, Kerala**

	Expenditure in Rs Crores			% dist of expenditure		
	2007-08	2008-09 (RE)	2009-10 (BE)	2007-08	2008-09	2009-10
Salaries	132	129	152.4	85.7	80.6	80.2
Wages	0.4	0.6	0.7	0.3	0.4	0.4
Travel expenses	0.5	0.6	0.7	0.3	0.4	0.4
Office expenses	0.4	1.1	1.1	0.3	0.7	0.6
Rent rates and taxes	3.7	5	4	2.4	3.1	2.1
Motor vehicles	0.2	0.2	0.2	0.1	0.1	0.1
Other Charges	14.6	23	30.6	9.5	14.4	16.1
POL	0.3	0.4	0.3	0.2	0.3	0.2
Training programme	1.9	0	0	1.2	0.0	0.0
Total ICDS budget	154	160	190	100	100	100

Source: Compiled from Kerala Budget 2009-10 documents

Table 3 reveals that the 80 percent of financial resources coming from the central government under the ICDS (100 % CSS) is utilized for paying salaries of ICDS functionaries. Funds available under the other nutritional programmes are used for providing services at the Anganwadis.

**Table 2.12: Details of expenditure under different nutrition schemes in the eleventh plan period, Kerala**

Nutritional supplementation schemes	Expenditure in Rs Crores			% dist of expenditure		
	2007-08	2008-09 (RE)	2009-10 (BE)	2007-08	2008-09	2009-10
1. ICDS (100 % CSS)	154	160	190	73.7	75.7	80.2
2. Balika Samridhi Yojana (100 % CSS)	0	0.05	0	0.0	0.0	0.0
3. National Nutritional Mission (100 % CSS)	1.7	3	0	0.8	1.4	0.0
4. Nutritional programmes for adolescent girls	5.6	2.9	0	2.7	1.4	0.0
5. Kishori Shakthi Yojana (100 % CSS)	1.7	3	1.8	0.8	1.4	0.8
6. Supplementary Nutritional Programme for Children (100 % CSS)	46	42.5	45	22.0	20.1	19.0
Total	209	211.45	236.8	100	100	100

Compiled from the state budget documents 2009-10

Expenditure on all nutritional supplementation schemes in Kerala are listed in table 3. ICDS is the main scheme whose share has increased from 74 percent in 2007-08 to 80 percent for 2009-10. Supplementary nutritional programme for children is the second largest scheme in terms of financial resources. There is no considerable increase in all the schemes other than ICDS. The state government contribution for nutritional supplementation is meager and restricted to its nutritional programme for adolescent girls, which did not receive any attention in the 2009-10 budget. To conclude the ICDS programme machinery is fully functional in the state, but with limited resources to accommodate the new beneficiaries included in the eleventh plan period.

The following set of tables inform on the status of ICDS functionaries (sanctioned and operational) As can be observed from it, the personnel are given in terms of sanctioned as against the operational component being in terms of projects and no. of Anganwadi centers.

Table 2.13 The Status of ICDS functionaries is as under

Category	No. of post sanctioned
CDPO	163
ACDPO	25
Supervisor	1156
Anganwadi Workers	32146
Anganwadi Helpers	32146

Source : [http://www.kerala.gov.in/dept\\_socialwelfare/ICDS.htm](http://www.kerala.gov.in/dept_socialwelfare/ICDS.htm)

Table 2.14 Operational Status of ICDS projects

1. Total Number of Projects	163
2. Classification of Projects	
a) Rural	151
b) Tribal	1
c) Urban	11
3. Number of Anganwadi Centres Sanctioned	32268
4. Number of Anganwadi Centres Sanctioned	32146

Source : [http://www.kerala.gov.in/dept\\_socialwelfare/ICDS.htm](http://www.kerala.gov.in/dept_socialwelfare/ICDS.htm)

### ICDS projects a district wise assessment

An assessment of the regional spread of the Anganwadi centers across districts it is revealing that there is a reasonable spread across all the districts of the state and they seem to be in keeping with population size and density of population across the districts. Further, an encouraging pattern observed in this domain of ICDS is that the sanctioned level is more or less operational and almost all of them report as well. Apart from the projects and centres being functional, the capacity that the existing AWCs cater to in terms of women and children is also provided for the time period 2008 and 2009.

Table 2.15 Districtwise number of Anganwadi centres

Name of District	No. of Anganwadi Centres		
	Sanctioned	Operational	Reporting
Thiruvananthapuram	3004	2984	2984
Kollam	2655	2655	2655
Pathanamthitta	1355	1355	1355
Alappuzha	2107	2107	2107
Kottayam	1996	1996	1996
Idukki	1498	1484	1484
Ernakulam	2830	2828	2828
Thrissur	2966	2966	2966
Palakkad	2746	2746	2746
Malappuram	3707	3706	3706
Wayanad	809	809	809
Kozhikode	2869	2869	2869
Kannur	2450	2450	2450
Kasargode	1275	1275	1275
<b>Grand Total</b>	<b>32267</b>	<b>32230</b>	<b>32230</b>

Source Economic Review 2009

Table 2.16 District-Wise ICDS beneficiaries in Kerala – 2009

Sl no	Name of ICDS projects	No of AWCs reporting	No of AWCs providing SNP for 21+ days in a month	0-6 years	Pregnant and lactating women	0-3 years	3-6 years	Pregnant and lactating women
1	Thiruvananthapuram	2984	2984	272006	39408	41567	42414	21241
2	Kollam	2655	2655	218271	31708	39607	33171	17564
3	Pathanamthitta	1355	1355	81841	11307	16020	16141	5781
4	Alappuzha	2107	2107	152881	22582	31826	28251	12654
5	Kottayam	1996	1981	136952	18469	24764	24529	9544
6	Idukki	1484	1484	88627	14680	26118	19618	9303
7	Ernakulam	2828	2828	222979	30724	45174	37358	15283
8	Thrissur	2966	2966	244289	33131	44146	37748	14931
9	Palakkad	2746	2746	232937	36859	48600	34162	19018
10	Malappuram	3706	3703	481034	73206	91457	55772	25063
11	Wayanadu	809	809	270986	37727	44681	37170	18527
12	Kozhikode	2869	2869	77921	12717	16731	8182	6227
13	Kannur	2450	2443	212415	33127	55650	34641	20648
14	Kasargode	1275	1275	116843	18932	18852	20156	7942
	Total	32230	32205	2809982	414577	545193	429313	203726

Source – Economic Review 2009

SNP - Supplementary Nutrition Programme

AWC – Anganwadi Centre

### 3. Accelerated Rural Water Supply Programme (ARWSP)

Kerala is one state which is reported to be having limited access to safe drinking water in India. According to the Indian census 2001 the proportion of households having access to water from tap/hand pump/Tube-well is 17 % in rural Kerala, while the same is 73 percent in rural India. The DLHS surveys too indicates this lower access to piped drinking water in rural Kerala, with proportion having access to piped drinking water just increasing from 15.4 % in 2002-04 survey to 16.8 percent in 2007-08 survey. This is because large share of population is dependent on well water for drinking purpose.

The primary responsibility of providing drinking water facilities in the country rests with State Governments. The efforts of State Governments are supplemented by Government of India by providing financial assistance under the Centrally Sponsored Scheme of Accelerated Rural Water Supply Programme (ARWSP). ARWSP has been under implementation since 1972-73. In 1986, the National Drinking Water Mission, renamed as Rajiv Gandhi National Drinking Water Mission in 1991, was launched and further in 1999, the Department of Drinking Water Supply was created, to provide a renewed focus with mission approach to implement programmes for rural drinking water supply. The ARWSP has been renamed as the National Rural Drinking Water Programme(NRDWP) from the eleventh plan onwards

**Table 2.17: Utilization of Funds under the Accelerated Rural Water Supply Programme /National Rural Drinking Water Programme**

Rs in Lakhs

Year	Allocation	Release	Expenditure
2002-03	3698.60	1899.30	4281.97
2003-04	3645.00	3497.76	4197.43
2004-05	2914.00	3946.00	4157.00
2005-06	5386.0	6170.65	6667.55
2006-07	6216.0	6216.0	6312.81
2007-08	8293.00	8293.00	8346.25
2008-09	10333.00	10697.00	9713.90
209-.10	14971.46	14958.97	12169.38*

\*As on Feb 2010

Source – Kerala Water Authority(KWA)

### Physical Targets under ARWSP/NRDWP.

The coverage norms under ARWSP include

- i) 40 lpcd of drinking water for human beings
- ii) 30 lpcd of additional water for cattle in areas under the DDP(drought prone programme)
- iii) One hand pump or stand post for every 250 persons; and availability of water source within 1.6 Kms in plains and 100 metres elevation in hilly areas.

**Table 2.18 : Physical Targets achieved under ARWSP in Kerala**

Year	Target (in nos of Habitations)				Coverage (in nos of Habitations)			
	UC	SB	QA	Total	UC	SB	QA	Total
2002-03								34
2003-04								448
2004-05								1083
2005-06	1676	324	26	2026	1676	324	26	2026
2006-07	1261	710	267	2238	773	557	80	1410
2007-08	1689	857	287	2833	366	368	172	906
2008-09	2456	1682	287	4425	4267	2324	589	7180
2009-10				*514				254

\*for additional coverage

Source – Kerala Water Authority

UC( Uncovered Habitation)

SB (Slipped Back)- Habitations, which have slipped, back from full coverage to partial coverage

QA ( Quality Affected) – Habitations in which the quality of drinking water has been affected due to contamination

Out of the 9763 habitations of Comprehensive Action Plan(CAP) 2091 habitations were fully covered as on 31/03/03. After habitation survey in 2003, the number of habitations became 11265 which include 9763 CAP habitations and remaining slipped back. In 2007-08 the number of habitations became 13289, adding 1124 habitations to tally with census data. It was reported to the GoI that all the rural habitations had achieved 40ltrs per capita daily(lpcd) status by including private sources as on 31/12/2008.

Kerala Water Authority at present has 90 ongoing Accelerated Rural Water Supply Schemes (ARWSS) under various stages of execution- 85 schemes with central fund and five schemes with state fund. NC/PC schemes are proposed to provide water supply to non-covered/partially covered areas. 350 schemes under this category has been completed and works of 209 schemes are under various stages of implementation. As per the Government of India directive, all the rural schools and anganwadis having no drinking water facilities are to be provided with such facilities. The Central and State Governments should share the expenditure for this purpose on 50:50 basis from the funds allocated for ARWSP. Kerala Water Authority has provided water supply to 1834 schools so far and works of 299 schemes are under various stages of implementation.

Government of India provides assistance under Technology Mission for implementing schemes in water quality affected areas. Up to 20% of the ARWSP funds are to be earmarked for new projects designed to address water quality issues. Fifteen schemes have been sanctioned so far for a total estimated cost of Rs.14081.00 lakh. The water supply scheme to Kozhinjampara and adjoining villages in Palakkad District and water supply scheme to Uppala in Kasaragod District have been completed.

#### **4. Central Rural Sanitation Programme (CRSP)**

The Central Rural Sanitation Programme (CRSP) launched in 1986 to improve the coverage of sanitation facilities in rural areas was restructured and was converted into Total Sanitation Campaign with effect from 1.4.1999. Funding for the total sanitation campaign started in Kerala from 2002-03 onwards. According to the 2001 census 9.2 lakh households (19 percent of households in the state) were not having proper latrine facilities. According to the DLHS surveys, the proportion of households in Rural Kerala which are not having toilet declined from 11 percent from 2002-04 (DLHS-2) to 4 percent by 2007-08 (DLHS-3).The CRSP is now called the Total Sanitation Campaign(TSC)

**Table 2.19: Achievements of Physical Components in TSC as on 22.12.2009 in Kerala**

	Approved	Achieved	% Achieved
Individual Household Toilets			96.6
School Toilet	3600	3398	94.4
Toilet for Anganwadi	4957	3324	67.1

Source: Ministry of Rural Development, NIC-Dept. of Drinking Water Supply

The efforts undertaken by the state under total sanitation campaign during the tenth and eleventh plan periods needs to be complimented. As on 22.12.2009, about 97 percent of the households in the state are having latrine facilities. If this effort continues, the state could attain 100 households with toilet facility within eleventh five year plan period. Through TSC campaign the proportion of schools with toilet has increased to 94 percent. Efforts have to be made to equip all schools with toilet facilities, by the end of eleventh plan period. Only 67 percent of anganwadi's are having toilets, which is another aspect requiring attention in the state. In fact the state is behind all India average (70 percent) in provisioning of toilets to Anganwadi's.

**Table 2.20 : Year wise achievements of Physical Components in TSC during tenth and eleventh five year plan in Kerala**

Financial year	IHHL BPL	IHHL APL	TOTAL IHHL(BPL+APL)	Sanitary Complex	School Toilets	Anganwadi Toilets
2002-2003	100867	0	100867	71	112	0
2003-2004	108225	6800	115025	331	757	15
2004-2005	138982	27450	166432	110	435	476
2005-2006	130298	23688	153986	31	320	291
2006-2007	100087	21571	121658	24	221	163
2007-2008	246152	44033	290185	63	672	1416
2008-2009	74297	7568	81865	89	605	713
2009-2010*	45728	11579	57307	89	276	250

Source: Ministry of Rural Development, NIC-Dept. of Drinking Water Supply

IHHL- Individual household latrines; APL- above poverty line, BPL-below poverty line; \* as on 22-12-2009

Table 2 clearly demonstrated the progress in implementation of total sanitation campaign in the state. There was a major boost in implementation of TSC in 2007-08, the initial year in the eleventh five year plan. However the same tempo could not be maintained in 2008-09 and 2009-10.

**Table 2.21 : Details of amount released from centre for TSC Campaign in Kerala**

Year	Rupees in lakhs
2002-2003	439.27
2003-2004	864.13
2004-2005	805.53
2005-2006	736.9
2006-2007	363.18
2007-2008	2229.06
2008-2009	388.99
2009-2010*	975.45
Total	7852.58

Source: Ministry of Rural Development, NIC-Dept. of Drinking Water Supply \* as on 22-12-2009

The Total Sanitation Campaign (TSC) in the state was coordinated and monitored by the Kerala Total Sanitation and Health Mission (KTSHM) and their activities were confined to the rural Panchayats. The Clean Kerala Mission (CKM) was enabling the urban and rural local bodies in establishing solid waste management systems. In order to avoid duplication of efforts and tackle the existing and emerging challenges in various sanitation aspects for an overall health and environmental outcome, it was felt necessary to have a professional institution. Accordingly, the above Missions were integrated as **Suchitwa Mission**, which started functioning since **April 2008**. This institutional reform has enabled the up scaling of



initiatives envisaged in the **Malinya Mukta Keralam**(Waste Free Kerala) Action Plan. The Mission is taking steps to strengthen its technical capabilities in various aspects of sanitation

Kerala government has received an assistance of 79 crores as central government assistance for implementing TSC. In fact the highest central assistance was received in 2007-08, when the state was able to achieve the most (table 2) in terms of provisioning of toilets to households, schools and anganwadi's. However a scrutiny of the state budget document reveals that there was no major contribution from state government revenue towards implementation of TSC. The TSC campaign could be treated as one of the most successful centrally sponsored flagship programme in Kerala.

### **Solid Waste Management in Kerala**

In Kerala , significant importance has been given to implement the Municipal Solid Waste (Management & Handling) Rule, 2000 which envisages segregated storage of waste at source, collection from source, protected transportation to the treatment facility, establishment environmentally safe treatment system and its operation and maintenance and safe disposal of inert rejects. A sectoral status study on MSW management in Kerala, undertaken with the support of WSP- South Asia in 2007, indicated that the total MSW generation in the state is about 8300 tpd. 70-80% of the total waste generated is biodegradable in nature and these putrescible waste needs to be managed within 24 hours. 13% of the waste is generated by the five City Corporations, 23% by the 53 Municipalities and the rest by the 999 Gram Panchayats.

Table 2.22 : Solid Waste Generation in Local Bodies in Kerala

Local Governments	Population 2001	Per capita waste generation(g/day)	Waste generation per day (tonne)	
			2001	2006
5 City Corporations	2456618	400	983	1091
53 Municipalities	5810307	300	1743	1935
999 Grama Panchayats	23574449	200	4715	5312
<b>Total</b>			<b>7441</b>	<b>8338</b>

Source:[http://sanitation.kerala.gov.in/index.php?option=com\\_content&view=article&id=66&Itemid=76](http://sanitation.kerala.gov.in/index.php?option=com_content&view=article&id=66&Itemid=76)

The five City Corporations and 49 Municipalities and 44 Grama Panchayats are being supported for establishing full-fledged integrated MSW management facility with financial support from the plan allocation to the State and the Local Governments, funds under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) and Kerala Sustainable Urban Development Project (KSUDP) and own fund mobilized by the Local Governments. Efforts are also taken to establish solid waste treatment systems in hotspots of 226 urbanized Grama Panchayats by making use of the funds under Total Sanitation Campaign for the purpose of solid and liquid waste management to the tune of about Rs.2000 lakh

The preliminary projects for solid waste management in 49 Municipalities and 44 Grama Panchayats with an outlay of Rs.5362 Lakh have been approved and a state level support of Rs.1919 Lakh has been extended. So far 18 Municipalities and 28 Grama Panchayats have completed the installations and rest is in progress. In addition, Rs.8800 Lakh has been earmarked under JNNURM, Rs.2429 Lakh under UIDSSMT and Rs.3294 Lakh under KSUDP for solid waste management for City Corporations.

### **Kudumbashree Intervention in Solid Waste Management in Kerala.**

Kudumbashree initiated an innovative enterprise namely, 'Clean Kerala Business'. Under this enterprise, women from the poor families who are the members of the Community Based Organisations (CBOs) of Kudumbashree are engaged in door to door household waste collection and transport to the transit points fixed by the Urban Local Bodies. In early 2008, dialogue was held with all ULBs with Solid waste management units and issues of income, hygiene, management support, social security were discussed. Government have issued guidelines enabling local self governments to address the above issues, on the basis of the recommendations of a working group constituted for the purpose.

Already 155 Kudumbashree waste management groups are working with 58 urban local bodies in the state. Kudumbashree not only addressed the environmental pollution arising from solid wastes but also turned it into a means of livelihood of urban women. For collecting garbage the women charge Rs 40 per month from each household.

About 750 women, in 72 micro enterprise units are engaged in solid waste collection in Thiruvananthapuram Corporation area. In 2009, the Corporation announced financial assistance to the tune of Rs.50,000 per unit, to help them upgrade their infrastructure and introduce improved working conditions and practices. Kudumbashree Mission has joined hands with the Corporation to initiate a capacity building programme of group members. The programme will cover all aspects of functioning of the units - waste collection, segregation at source, care in handling waste, account keeping of units and customer relationship

## **Chapter 3**

### **Education**

#### **1. Mid Day Meal (MDM) scheme**

Government of Kerala introduced free mid-day meals in Lower Primary Schools for poor students with the material assistance from CARE in 1961-62. However, the CARE withdrew from assisting the state in the free midday meal programme in 1984. Consequently the CARE School Feeding Programme was converted into 'Kanji Feeding' from that year. It was implemented in Government and aided schools L.P schools in 222 fishermen villages and tribal belts. The programme covered all poor children in all Government and Aided L.P. schools in the state from 1985 onwards.

The programme was extended to poor students in all Upper Primary Schools and Upper Primary sections in High Schools in 1987. It was called as 'people's programme'. Feeding committees were constituted at every school. The committees consisted of the Headmaster of the school, PTA President, a representative of teachers and a nominee of local body. One of the members was chosen as the President of the committee. The midday meals comprised of 60 grams of rice, 30 grams of green grams and one gram of palmolien oil and condiments.

Government of India launched National Programme-National Support to Primary Education (NP-NSPE) in August 1995. Under this programme, Government of India issued 100 gram of rice free of cost to pupils in Standards I to V. But Government of Kerala continued to provide Midday meals to poor students in VI and VII also. A part of the transportation cost of lifting rice from the FCI godowns to Maveli Stores is also financed by the Central Government. The cost of transportation of all these materials from Maveli Stores to schools as well as the fuel charges, cooking charges etc. were met by the state government. Moreover, every beneficiary of Midday meals is given 5 Kg. of rice festival days like Onam, Christmas and Ramzan from 1997-98 onwards.

In the year 2008-09, the total beneficiaries of Midday meal programme in standards I-V, EGS centres and AIE centres were 18.35 lakhs. This was about 95.28 percent of the total enrolment in standards I-V, EGS centres and AIE centres of that year. About 91.54 percent of the students in Standards, I to V participated in the noon meals. About 81.82 percent of the students in EGS centres participated in the noon meals. About 76.83 percent of the students in AIE centres participated in the noon meals.

In the year 2009-10, the estimated total beneficiaries of Midday meal programme spread over pre-primary, standards I to VIII, special schools and MGLCs in Kerala is 29.02 lakhs. Currently the state government is planning to set up common kitchens for preparing the meals at a few places and distribute the food to each school every day. It is said that this method may raise the quality of food in the MDM programme.

## **2. Sarva Shiksha Abhiyan (SSA)**

The development process of Primary Education is a complex and complicated one. It is determined and influenced by various factors and processes. The most significant among them are institutional factors. Institutional factors may refer to the school and school education related factors. These may include the infrastructural and other facilities available in the schools for effective transaction of education in the school. The financial resource available for the school is most important. Equally important is the efficiency of organization, administration, supervision and evaluation of various teaching-learning processes in the classroom and outside. These processes may include not only the curricular but also the co-curricular and extra curricular activities. Indisputably the teaching skills and teacher efficiency are the dominant ones determining the individual educational attainment.

The socio-cultural factors are the next group of dynamics in the development process of Primary Education. The social understanding and social relationships within and among the families and communities influence the health of learning. The children in the minority communities get encouraged and enthused to study if social relationships are good. The relative social and economic distance among the social groups may not stand as a stumbling block in the educational achievement of weaker social groups if the social interactions are good.

The geographical variables are another kind of factors that check or facilitate the growth process of Primary Education. The remoteness of geographical location of certain communities is the basic reason for the poor educational development of such communities. In an urban environment, education of the forward social groups acts as a demonstration effect on the children of socio-economically poor. The physical distance between social groups may be wider even in cities and town. This also influences the educational achievement of the poor.

Lastly the characteristics of individual students influence the educational process very much. In reality some students are slow learners while some are fast learners. If both the groups are put into one and the same environment of learning, the achievement of both will be affected drastically. Children also have physical or mental or emotional difficulties varying in levels and degrees. Children also have economic difficulties. Unless these difficulties are addressed, the learning process may not improve.

Many research studies have shown that school environment can compensate for the poor social and economic background of the children. It is on the basis of this philosophy that the *Sarva Shiksha Abhiyan* (SSA) is introduced. This perspective plan focused on improving the 'learning environment' at school and outside through various strategies with specific targets. Thus all children in the age-group of 6-14 years irrespective of the level of their socio-economic advancement are exposed to a learning environment conducive for developing their skills in primary classes.

The *Sarva Shiksha Abhiyan* (SSA) launched in India in 2001 aims to extend useful and quality elementary education to all children in the age group of 6-14 years before the end of 2010. The SSA programme includes specific schemes for the development of pre-primary education, education of female children, education of children belonging to SC/ST community, education of mentally and physically challenged children, education of the school dropouts and the education of the displaced children. School lunch programme, Computer education at the elementary level, activity oriented education, education through 'Bridge Courses', 'Remedial Courses' and 'Back to School Camps' are some of its other schemes.

The '*Primary Education Development Society of Kerala* (PEDSK) implements and monitors the functioning of SSA in Kerala. The SSA envisages improving the quality of Elementary Education by modernizing the teaching techniques and by providing necessary infrastructure and other amenities to the schools. The following are some of the major activities undertaken under the auspices of SSA in the state every year.

#### **a) Inservice Teacher Training**

In-service teacher training for all teachers in the primary classes was conducted for five days during summer vacation. Prior to this, District Resource Group was given training. Teacher trainers for teachers teaching in Lower Primary classes were oriented at BRC levels; Teacher trainers for teachers teaching in Upper Primary classes were oriented at regional levels; and High School teacher trainers were oriented at educational district levels.

All teachers were given training. For those who could not attend these training programmes due to some reason or other, were given opportunity for training specially conducted for the losers of the training programme later. Special training programmes were arranged for teachers teaching certain subjects identified as difficult one. For example, a special training was arranged for teachers teaching Geography in UP classes for five days in some districts. After the training programmes, feedback from the trainees were also gathered for further improvement of the programmes.

Besides the in-service teacher training conducted during the summer vacation, class wise training and subject wise training were conducted for teachers teaching in LP and UP sections respectively every month. This is a one-day training programme organized at every cluster.

Head teachers in LP schools, UP schools and High schools were also given training during the summer. The total training period is for about 7 days. All Head Teachers had benefited from this programme. Subject experts were given Specialist training at district level for 3 days. Similarly all Resource Persons (RPs) of BRCs were orientation in conducting cluster level training programmes. In order to promote co-curricular activities in schools, a three days training was organized.

## **b) Community Participation**

With the aim of encouraging the local community to participate in monitoring educational activities in schools, an orientation programme was conducted in two to three batches every year. Members of LSG and PTA were invited. Normally, four members from each Panchayath and two representatives of parents from each school took part in the programme. The teaching-learning and evaluation processes in the classrooms, SSA initiatives, changes in curriculum and the need of community monitoring were the major issues discussed in the programme. Besides this programme, class PTAs were organized every month. The results of terminal evaluations and the performance of the students were discussed with the parents in the monthly PTA meetings.

## **c) Encouragement for the Education of SCs and STs**

Many activities were undertaken specifically for the children belonging to Scheduled castes and tribes every year. These activities aimed to encourage as well as to sustain the interest of these children in their education. They were also aimed to raise the quality of education of these children. The following were some of such activities.

### *(i) Learn and earn programme*

A workshop per year was conducted for the SC and ST students to train them to do some useful activities like flower making, paper craft, bookbinding, vegetable gardening, printing, preparing squash, jam, *papped*, pickle, and the like. The duration of the workshop was five days. Students, parents and community leaders very actively participated.

### *(ii) Remedial and enrichment teaching*

After the Half yearly examination, the weak students were identified. A special package of remedial and enrichment teaching programme was arranged for them at the schools. The programme continued from January to March every year.

### *(iii) Residential camp (Sahavasa Camp)*

*Sahavasa* Camps aims to promote socialization among the SC and ST children as well as to improve productive skills in the students. *Sahavasa* Camps were organized in selected BRCs. The camp was based on a particular theme every year. *Nadaka kalaries*, Personality development, Script writing, documentary film making were some of the important themes of the camps.

### *(iv) Awareness programme for parents*

Awareness programmes were conducted for parents of SC and ST students in all *Panchayaths*. Programmes were conducted in the form of seminars. The educational and social status of SC and STs and the reasons and remedies of their backwardness were discussed in detail.

v) *Exposure trips*

Field trips were conducted once in a year. This was one of the ways of socialization among the ST and ST children. Further this gave the children of the marginalised groups an opportunity to visit places of historical and ecological importance which otherwise they could not think off.

(vi) *Library and extra-reading materials*

To motivate as well to improve the reading skills of SC and ST students, the school libraries were strengthened with more varieties of joyful learning materials like story books, folk stories, fairy tales and the specially prepared reading materials. Some of them were in print form and others were in CDs.

#### **d) Girls' Education**

In order to encourage the education of the girl children in the primary education, many programmes were undertaken at the schools. These programmes were similar to the ones organized for SC and ST children as mentioned above. Further in the selection of materials for the school library, gender was given due priority. Bicycle clubs were organized at schools to boost the physical developments of the girls. These clubs were functioning at least with two bicycles. Some schools organized Yoga classes for girls. Some schools conducted special counseling for girls in the age of 12 – 15 years with the help of invited resource persons.

#### **e) Early Childhood Care and Education**

In many ways SSA supported pre-primary education in the state. Some of the government schools had taken initiative to organize pre-primary classes in their premises.

i) *Training anganawadi teachers and helpers*

Training programmes were arranged for *Anganawadi* teachers at the Block levels. The training imparted them with knowledge about handling small children. The training enabled the teachers to change their attitude towards children. The helpers were also informed about their responsibilities. The helpers understood that their responsibility did not get over by preparing food and cleaning the classrooms. They also had a responsibility in handling the pupils in teaching. They familiarized themselves with different techniques of teaching the kids. They learned the importance of drama, puppets, picture stories, rhymes and games in teaching.

(ii) *TLM preparation workshops*

Workshops were organized at the Block levels for the *anganawadi* teachers for training them to prepare and use TLM materials in teaching. This enabled the teachers and helpers prepare many useful TLM materials using low cost materials like papers, pearls, newspapers, threads and waste things.

*(iii) Seminar for parents*

Seminars were conducted for the parents at the cluster levels. They discussed the importance of pre-primary education in the modern world and the intrinsic nature of the child's mind. They also highlighted the importance of parents' role in pre-natal stage.

*(iv) Distribution of toys and learning materials to selected anganwadies*

Selected *anganwadies* were supplied with toys and other learning materials like tricycle, wooden horses, swings and construction blocks.

**f) Children with Special Needs (CWSN)**

Teachers were given training to identify the possible CWSN. One day training was conducted for this purpose at the block level. One teacher from each school was given the opportunity to take part in the training. These trainees with the help of RTs, identified the probable CWSN children in their schools. These children were taken to the medical detection camps. Doctors examined each case and prescribed necessary aids and appliances. Spectacles, Hearing Aids, Ortho equipments and other materials were given to the children with special needs later.

**g) Civil Works**

The scheme has contributed to construction of additional classrooms in schools where the school space was inadequate. It has also provided for electrification of classrooms. Additional facilities like toilet and drinking water were also given to schools.

**h) Free Supply of Text Books**

Free text books were distributed to all SC and ST Students and all Girls in Standards two to eight. Free Workbooks for Mathematics and Science were distributed to students in Std 4 to 7.

**i) Teacher grants**

Each teacher in standards I to VIII was given a TLM grant of Rs. 500 every year. This grant was utilised for the purpose of buying teaching and learning materials required for the classroom transaction.

**j) School grants**

Schools received school grants every year for the purpose of school maintenance. The grants were used properly because the PTA intervenes and collaborates with the school in all activities.



## **Overall performance of *Sarva Shiksha Abhiyan***

There has been a criticism that the centre's allocation to Kerala under *Sarva Shiksha Abhiyan* is very small. It is true. However, the state fails to use even this small amount of resources fully in many years. Not using the resources means it is a loss to the state. For instance, the allocation for Primary Education under *Sarva Shiksha Abhiyan* is around Rs. 86.82 crores during 2002-03. But the state uses only 28.6 percent of it. Out of Rs.127.43 crores allocated for SSA in Kerala during 2003-04, only 47.7 percent is used. The outlay for 2004-05 is Rs.168 crores. Only 54.5 percent is spent. The outlay for 2005-06 is Rs.175 crores. The actual expenditure accounts for only 59.47 percent. The outlay for 2006-07 is Rs.167 crores. The actual expenditure accounts for only 58.78 percent. The outlay for 2007-08 is Rs.149 crores. The actual expenditure accounts for only 89.77 percent. The outlay for 2008-09 is Rs.182 crores. The actual expenditure accounts for only 92.67 percent. It is also clear that the state is moving towards maximum utilization of resources under *Sarva Shiksha Abhiyan* in recent years.

## **Conclusion**

The state has been falling behind in the utilization of resources under *Sarva Shiksha Abhiyan*. It is now moving towards maximum utilization of resources under *Sarva Shiksha Abhiyan*. The percentage of unaided private schools in the state is on the rise. More than two-third of teachers are females. The enrolment in schools is on the decline. However, percentage of students who complete school education is on the rise. In the year 2008-09, the total beneficiaries of Midday meal programme were 18.35 lakhs. This was about 95.28 percent of the total enrolment in standards I-V, EGS centres and AIE centres of that year. In the year 2009-10, the estimated total beneficiaries of Midday meal programme spread over pre-primary, standards I to VIII, special schools and MGLCs in Kerala is 29.02 lakhs.

Table 3.1 Student enrolment and beneficiary of noon meal scheme during 2008-09 and 2009-10

Sl.No.	Name of District	Students of MGLC and standards I-V during 2008-09			Students of MGLC and standards I-V during 2009-10				
		Enrolment	Beneficiaries	Difference	Beneficiaries in MGLC, Pre-primary & stds I-V	% decrease from 2008-09	Beneficiaries in Stds VI-VIII	Total beneficiaries	Districtwise composition of beneficiaries
1	Thiruvananthapuram	174529	157065	10.01	150693	4.06	94488	245181	8.45
2	Kollam	139951	129023	7.81	119188	7.62	77339	196527	6.77
3	Pathanamthitta	47573	42894	9.84	38313	10.68	26179	64492	2.22
4	Alapuzha	105550	91210	13.59	88149	3.36	60881	149030	5.14
5	Kottayam	97033	87690	9.63	79529	9.31	49587	129116	4.45
6	Idukki	64164	56125	12.53	59398	-5.83	36193	95591	3.29
7	Ernakulam	143231	128590	10.22	115508	10.17	72540	188048	6.48
8	Thrissur	182905	162100	11.37	131451	18.91	75589	207040	7.13
9	Palakkad	193732	178150	8.04	177627	0.29	106894	284521	9.80
10	Malappuram	354711	331934	6.42	352679	-6.25	206864	559543	19.28
11	Kozhikode	205540	184538	10.22	195517	-5.95	121805	317322	10.93
12	Wayanad	66464	62190	6.43	63054	-1.39	36403	99457	3.43
13	Kannur	152788	142387	6.81	137988	3.09	89940	227928	7.85
14	Kasargod	90361	81245	10.09	84695	-4.25	53713	138408	4.77
	Total	2018532	1835141	9.09	1793789	2.25	1108415	2902204	100

Table 3.2

Central Assistance towards Cooking Cost for Primary Classes (I-V) during 2007-08 (Rupees in lakhs)

Sl.No	Name of District	Allocation	Opening balance	Total Amount available	Expenditure	Unspent Amount		
						Unspent	Centre Share	State Share
1	2	3	4	5	6	7	8	9
1	Trivandrum	1002	0	1002	782	220	88	132
2	Kollam	851	0	851	636	215	89	126
3	Pathanamthitta	308	0	308	241	67	27	40
4	Alappuzha	628	0	628	478	150	61	89
5	Kottayam	603	0	603	462	141	57	84
6	Idukki	483	0	483	347	136	57	79
7	Eranakulam	851	0	851	669	182	73	109
8	Thrissur	962	0	962	756	206	83	123
9	Palakkad	1218	0	1218	912	306	126	180
10	Malappuram	2315	0	2315	1796	519	210	309
11	Kozhikode	1365	0	1365	1281	84	20	64
12	Kannur	1023	0	1023	771	252	103	149
13	Wayanad	433	0	433	338	95	38	57
14	Kasarcod	617	0	617	483	134	54	80
	Total	12659	0	12659	9952	2707	1086	1621
		12660		12660	9951	2709	1085	1623

Source: Directorate of Education, Thiruvananthapuram.

Table 3.3  
Central Assistance towards Cooking Cost for Primary Classes (I-V) during 2008-09(Rupees in lakhs)

Sl.No	Name of Districts	Allocation	Opening balance	Total Amount available	Expenditure	Unspent Amount		
						Unspent	Centre Share	State Share
1	2	3	4	5	6	7	8	9
1	Trivandrum	1139	220	1139	884	255	120	135
2	Kollam	912	215	912	726	186	87	99
3	Pathanamthitta	299	67	299	241	58	27	31
4	Alappuzha	628	150	628	513	115	54	61
5	Kottayam	617	141	617	494	123	58	65
6	Idukki	389	136	389	316	73	35	38
7	Eranakulam	923	182	923	724	199	93	106
8	Thrissur	1123	206	1123	912	211	99	112
9	Palakkad	1247	306	1247	1003	244	115	129
10	Malappuram	2276	519	2276	1868	408	192	216
11	Kozhicode	1267	84	1267	1039	228	107	121
12	Wayanad	437	252	437	350	87	41	46
13	Kannur	978	95	978	801	177	83	94
14	Kasarcod	559	134	559	457	102	48	54
Total		12794	2707	12794	10328	2466	1159	1307

Source: Directorate of Education, Thiruvananthapuram.

Table 3.4  
Central Assistance towards Cooking Cost for Primary Classes (VI-VIII) during 2007-08 (Rupees in lakhs)

Sl.No	Name of Districts	Allocation	Opening balance	Total Amount available	Expenditure	Unspent Amount		
						Unspent	Centre Share	State Share
1	2	3	4	5	6	7	8	9
1	Trivandrum	914		914	689	225	117	108
2	Kollam	788		788	590	198	103	95
3	Pathanamthitta	313		313	234	79	42	37
4	Alappuzha	621		621	456	165	85	80
5	Kottayam	551		551	412	139	72	67
6	Idukki	313		313	235	78	41	37
7	Eranakulam	833		833	660	173	90	83
8	Thrissur	987	84	987	738	249	130	119
9	Palakkad	988		988	734	254	132	122
10	Malappuram	1694		1694	1266	428	222	206
11	Kozhicode	1075		1075	796	279	145	134
12	Wayanad	297		297	228	69	36	33
13	Kannur	829		829	627	202	105	97
14	Kasarcod	456		456	338	118	61	57
Total		10659		10659	8003	2656	1381	1275

Source: Directorate of Education, Thiruvananthapuram.

Table 3.5  
Percentage of SSA outlay spent on various interventions during 2002-10

S.No.	Interventions	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
1	BRC	15.52	16.30	49.73	70.78	90.50	112.14	162.60
2	CI Centre	5.36	23.29	44.54	85.04	64.39	72.19	88.18
3	Civil Works	57.63	62.00	69.40	53.69	41.87	88.79	83.56
4	AIE	1.16	34.27	47.67	76.73	45.09	74.18	85.90
5	Free Text Book	34.96	61.15	37.05	51.46	64.41	83.45	83.81
6	Innovative Activities	15.06	70.09	67.35	86.75	61.27	87.58	88.40
7	IED	0.69	15.75	43.22	65.69	54.50	79.05	90.20
8	School Repair & Maintenance Grant	63.76	72.01	90.92	94.47	93.27	96.08	98.68
9	Management & MIS	5.45	64.39	49.26	56.66	73.41	110.56	84.66
10	Research & Evaluation	1.32	50.10	54.67	39.66	119.75	139.63	102.18
11	School Grant	138.10	88.02	97.51	99.24	93.92	86.53	97.62
12	Teachers Grant	55.13	81.84	93.75	97.84	96.09	92.02	96.95
13	TLE - UPS Not covered under OBB			89.81	42.86			
14	Teachers Training	8.79	20.73	25.02	38.08	39.03	81.42	93.48
15	Community Mobilisation	101.84	42.52	46.67	73.45	89.57	83.52	72.03
16	SIEMAT		0	0	40	23.81	59.58	0
	Grant Total	28.63	47.70	54.51	59.47	58.78	89.77	92.69

## Chapter 4

### Urban Development

#### 1. Jawahar Lal Nehru National Urban Renewal Mission (JNNURM)

JNNURM was formally launched on 3rd December 2005 throughout the country for major cities in India. For Kerala, two cities such as Thiruvananthapuram and Cochin were covered under JNNURM. The duration of the Mission was seven years beginning from the year 2005-06 and would continue until 2011-12. It was proposed to evaluate the experience of implementation of the Mission before the commencement of Eleventh Five Year Plan and if necessary, the program would be calibrated suitably.

The aim of the Mission is to encourage reforms and fast track planned development of identified cities. Focus is on efficiency in urban infrastructure and service delivery mechanisms, community participation, and accountability of Urban Local Bodies/Parastatal agencies towards citizens.

The Mission encourages the city governments to initiate measures that would bring about improvements in the existing service levels in a financially sustainable manner. The Mission calls upon states/cities to undertake fiscal, financial and institutional changes that are required to create efficient and equitable urban centers, and the Mission is reforms-driven, which would largely meet the challenges of urban governance.

#### 2. Objectives of the Mission

- (a) Focused attention to integrated development of infrastructure services in cities covered under the Mission.
- (b) Establishment of linkages between asset-creation and asset-management through a slew of reforms for long-term project sustainability.
- (c) Ensuring adequate funds to meet the deficiencies in urban infrastructure services.
- (d) Planned development of identified cities including peri-urban areas, outgrowths and urban corridors leading to dispersed urbanization.
- (e) Scale-up delivery of civic amenities and provision of utilities with emphasis on universal access to the urban poor.
- (f) Special focus on urban renewal programme for the old city areas to reduce congestion.
- (g) Provision of basic services to the urban poor including security of tenure at affordable prices, improved housing, water supply and sanitation, and ensuring delivery of other existing universal services of the government for education, health and social security.

#### 3. Sub-Missions Under JNNURM/Scope of JNNURM

There are two sub-missions under JNNURM: (a) The sub-mission for Urban Infrastructure and Governance (UIG) mainly focuses on infrastructure projects relating to water supply and sanitation, sewerage, solid waste management, road network, urban transport and redevelopment of old city areas with a view to upgrading infrastructure therein, shifting industrial and commercial establishments to conforming areas, etc. This is administered by

the Ministry of Urban Development through the Sub-Mission Directorate for Urban Infrastructure and Governance.

(b) The sub-mission for Basic Services to the Urban Poor (BSUP) mainly focuses on integrated development of slums through projects for providing shelter, basic services and other related civic amenities with a view to providing utilities to the urban poor. This is administered by the Ministry of Urban Employment and Poverty Alleviation through the Sub-Mission Directorate for Basic Services to the Urban Poor.

The BSUP, a component of JNNURM, is being implemented through Kudumbashree in Thiruvananthapuram and Kochi Corporations. The funding pattern under BSUP is 80:20 shared by Central and State Governments for Thiruvananthapuram while the sharing of funding is on 50:50 basis for Kochi. The state's share should be equally shared by the state government and LSGIs. The objective of the scheme is to provide basic services to the urban poor viz. solid waste management, water supply, improvement of slums, construction and improvements of drains/storm water drains, sewerage, drainage, street lighting, health care etc.

There are two Central Sanctioning and Monitoring Committees (CSMC) headed by respective Secretaries, for Urban Infrastructure and Governance, and Basic Services to the Urban Poor. CSMCs are entrusted with sanction and monitoring of the projects and associated reforms.

#### **4. Expected Outcomes of the JNNURM**

On completion of the Mission period, it is expected that Urban Local Bodies (ULBs) and parastatal agencies will have achieved.

- ☐ Modern and transparent budgeting, accounting, financial management systems, designed and adopted for all urban service and governance functions
- ☐ City-wide framework for planning and governance will be established and become operational
- ☐ All urban residents will be able to obtain access to a basic level of urban services
- ☐ Financially self-sustaining agencies for urban governance and service delivery will be established, through reforms to major revenue instruments.
- ☐ Local services and governance will be conducted in a manner that is transparent and accountable to citizens.
- ☐ E-governance applications will be introduced in core functions of ULBs/Parastatal resulting in reduced cost and time of service delivery processes.

At the all India level, the major share in JNNURM goes towards water supply (36.8%), Sewerage (25.1%), public transport system (11.1%), drainage and storm water drainage (10.6%), Roads and Flyovers (8.7%) and Solid waste management (5%) etc.

Among the states, share of funds to Kerala is 2.37% of the total allocated/sanctioned funds made by the central government for the implementation of JNNURM, the highest share being made to Maharashtra (25.99%), followed by Gujrat (12.33%), Andhra Pradesh (12.67%), Karnataka (9.23%) and Tamil Nadu (8.70%), West Bengal (5.7%) and Uttara Pradesh (6.41%).

## 5. Investment Criteria

Eligible cities, proposing projects for investment support, shall be eligible for Central assistance not exceeding the following<sup>4</sup>:

- (a) cities with more than four million population: 35 per cent of project cost.
- (b) cities with 1-4 million population: 50 per cent of project cost.
- (c) cities with less than one million population: 80 per cent of project cost.

Kochi belongs to 'b' category of cities whereas Thiruvananthapuram belongs to 'c' category of cities with less than a million population.

Government of India has released Central Grants to Municipalities and Corporations. The pattern of assistance under the JNNURM scheme for Thiruvananthapuram is 80 % by the Government of India and 10% by the State Government and the remaining 10% has to be contributed by the Local Governments concerned. In case of Kochi, 50% would be Government of India's share, 20% State's share and 30% Local Government's Share.

## 6. Financial Assistance under JNNURM

The Government of India has proposed substantial assistance through the JNNURM over the seven-year period. During this period, funds shall be provided for proposals that would meet the Mission's requirements. Assistance under JNNURM is additional central assistance (ACA), which would be provided as grant (100 per cent central grant) to the implementing agencies. Further, assistance from JNNURM is expected to facilitate further investment in the urban sector. To this end, the implementing agencies are expected to leverage the sanctioned funds under JNNURM to attract greater private sector investments through public-private partnership (PPP) that enables sharing of risks between the private and public sector.

To access infrastructure funds, Thiruvananthapuram and Kochi have prepared City Development Plans (CDPs) which have been approved and provided the basis for these cities to undertake urban sector reforms that help direct investment into city-based infrastructure and service delivery with focus on urban poor. The notable feature of JNNURM is that it is focused not merely on asset creation but also the sustainability of assets and achievement of service delivery outcomes. Towards this end the state and respective cities are expected to enter into a Memorandum of Agreement (MoA) with the Ministry of Urban Development, Government of India to commit timelines for implementation of reforms. The Kerala Sustainable Urban Development Project is the State level agency for the JNNURM.

The following table lists out the major projects and the approved costs which come under JNNURM program during 2007, 2008 & 2009 in rupees lakhs. The allocations especially involve creating basic infrastructures on water, roads and transportation in two of cities in Kerala. The government is providing good low floor bus services named as Volvo in two

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<sup>4</sup> Under JNNURM, housing should not be provided free to the beneficiaries by the State Government. A minimum of 12% beneficiary contribution with bank loan should be stipulated (10 per cent in case of SC/ST/BC/OBC/PH and other weaker sections).

cities in Kerala which provide comfort services specifically for the senior citizens although they are found to be relatively expensive for the users than the usual bus fairs.

Table 4.1: Projects Approved under JNNURM in Kerala (During 2007-2009)

Sl. No	Name of project	Approved cost (Rs in Lakhs)
	<b>Thiruvananthapuram</b>	
1	Improvement of Water Supply Scheme-TVM	87.16
2	Improvements to Sewerage Scheme Phase I- TVM	215.41
3	Improvements to Sewerage Scheme Phase II- TVM	121.15
4	Strom Water Drainage- Thiruvananthapuram	40.39
5	Solid Waste Management – Thiruvananthapuram	24.56
6	Purchase of Buses- Thiruvananthapuram	53.40
	<b>Kochi</b>	
7	Improvements of Water Supply Scheme-Kochi	201.17
8	Improvements to Sewerage Scheme-Kochi	78.41
9	Upgrading Surface Water Drainage-Kochi	9.78
10	Solid Waste management- Kochi	88.12
11	Purchase of Buses-Kochi	71.00
12	Traffic& Transportation- Kochi	109.64
13	E-Governance- Kochi	8.70
	<b>Total</b>	<b>1108.89</b>

Source : Economic Review, 2009 & 11<sup>th</sup> Plan Documents of Kerala

The 11<sup>th</sup> plan had projected the plan outlay to be at Rs 750cr during the period 2007-08 to 2009-10. However, the approved project cost during the same period is estimated to be at Rs 975.7cr as of date, including the outlays on the projects during the 10<sup>th</sup> plan. The 10<sup>th</sup> plan projected the outlays at Rs 90cr. Thus the total outlay of Rs 840 cr projected in both the plans falls short of the approved cost of Rs 976cr for the two cities covered under JNNRUM in Kerala.

The Table 2 in the following reflects on the plan outlays projected for 10th and 11<sup>th</sup> plan in Kerala under the JNNURM programme. The 11<sup>th</sup> plan has already upgraded the central government outlays by Rs 9.74 crore during 2009-10 after some revisions on the estimated outlays, given the earlier projected outlay of Rs 750 crore proposed to be made during the entire period of 2007-08 to 2009-10 for the 11<sup>th</sup> plan (2007-12).



**Table 4.2: Plan Outlays for JNNURM Projects in Kerala during 10<sup>th</sup> and 11<sup>th</sup> plan**  
(Rs in Lakhs)

	BE	RE	BE	BE	RE	11th Plan outlays				
	2006-07	2006-07	2007-08	2007-08	2007-08	2007-08	2008-09	2009-10	2009-10	2007-12
JNNURM	9,000	9,000	9,000	19,631	3,272	20340	30769	24865	23891	75000
Central Assistance						15000	20000	18649		
State share						5340	10769	6216		
% central assistance						73.7463	65	75		
% state share						26.2537	35	25		

Source: Various state plan documents of Kerala

Although, almost all the projects initiated in Kochi under JNNRUM show the period of lapse to be 32 months as shown in the following Table 4 but since some projects are of recent venture in Thiruvanthapuram, therefore, the period of lapse is shown to vary from 8 to 32 months depending on the period of starting of the projects. However, it would be difficult to strictly infer on the outcome of different projects under implementation just by looking at their period of lapse and utilization patterns, unless it is backed up by some field observation at the project sites or some information on physical status from the official sources. Nevertheless, only some guess work on physical status can be made out from their financial status. The guesswork is conditional upon that there is a proper estimation of the plan and the cost pattern of the project and proper reporting of release of funds by the government who happens to be the implementing agency. Under such situation, if there are surplus or excess funds utilized on the projects over their approved costs, that may imply that there may be good physical progress of the project. Contrarily, if there is deficit of funds and funds are unavailable to the states'and ULBs' implementing agencies due to delay in their timely release from the concerned governments, it would indicate that the progress is not according to the desired expectation. But a good caution should be taken on the efficiency of expenditure aspect. Otherwise simply excess of expenditure over estimated cost would imply that there might be leakages in the allocation of funds from their proper utilization.

The Table 4 provides the loopholes with the funding pattern of the governments. The projects that have started in 2007 and 2008, the Central government has not yet provided its full funding as on Sept 2009 (as per the Quarterly Performance Report), as committed earlier and as a result of the lapse in timely funding, there is an overall shortfall in the funds available for many projects like improvement of water supply in Kochi and improvement in sewerage schemes for Thiruvananthapuram Municipal corporation and projects remaining incomplete. There is not only failure on the part of the Central government in funding the projects or the sectors but also the same is the case with the state government and ULBs. Since the full required funding is not available for the projects, that might be the reason of unspent money lying in some projects without the projects being completed. This could also be seen from the ratio of funds utilized in the projects to the total funds released by all the governments as per QPR. In almost all projects, it shows that the central funding falls short of its committed funding and so also falls short of the approved cost. For instance, some project in Kochi namely Upgradation of Surface water drainage system of Central area although the state government and ULB have allocated more than their committed shares of funds, but the

central government has only released its 1<sup>st</sup> installment (25%). The utilized fund amount for this project constitutes a negligible proportion of around 26% and 32 months have already lapsed since the release of 1<sup>st</sup> installment.

The part of the reason of lapse in funding and less utilization or underutilisation of allocated funding may be the clause itself with which the Central assistance is being provided under JNNRUM by the central government. As per the JNNRUM guideline, the first installment of 25% is supposed to be released on signing of the Memorandum of Agreement by the State Government/ULB/Para-Statal for implementation of JNNURM projects. The balance amount of assistance shall be released as far as possible in three installments upon the receipt of Utilisation Certificates to the extent of 70% of the grants (Central & State) and subject to achievement of milestones agreed for implementation of mandatory and optional reforms at the State and ULB/Parastatal level as envisaged in the Memorandum of Agreement. Therefore, part of the problem remains with the central government in releasing the 1<sup>st</sup> installment of the committed funds and another part lies with the state government implementing agencies who implement and utilize such funds. Nevertheless, there may be some good progress in Kochi for project/sector such as Solid waste management and drainage/storm water drains and in Thiruvananthapuram for the project on improvement of water supply as reflected from their funding pattern and funds utilisation. At the same time, one needs to evaluate the physical progress of those projects and how close or far are those works from their targets of completion in order to have some complete assessment on the running and operational target and feasibility of further implementation of those ongoing schemes. All the governments should have proper action of plan for completion of projects and implementing agencies should be accountable for timely incompleteness of the projects.

Table 4.3: Project Implementation Status as on Sep 10, 2009

(Rs in lakh)

City	Project title	Approved Cost in lakh Rs	Date of CSMC meeting project approval	Total ACA committed (50% for Kochi, 80% for Trivandrum)	State Share Committed	ULB's Share Commitment	Total Amount released in to project A/C- as per QPR	Released by the Centre/ Committed share of Centre (%)	Released by the state/ Committed share of the State (%)	Released by the ULB/ Committed Share (%)	Utilisation as per Sept 2009 QPR	Amount Utilised / Approved Cost (upto Sept QPR) (%)	Total fund Utilized / Total Amount Released (upto Sept QPR)	Period lapsed since first release (months)
Kochi	Water Supply System in Kochi Part 1	2017	22-Feb-07	10058.5	4023.4	6035.1	950	6.75	6.75	0.00	22.5	0.11	2.37	32
Kochi	Solid waste management in Kochi	8812	5-Mar-07	4406	1762.4	2643.6	4525.9	49.97	59.30	48.39	2234	25.36	49.37	32
Kochi	Upgrading Surface water Drainage system of Central area of Kochi	978	19-Mar-07	489	195.6	293.4	477.67	25.01	284.15	93.31	249	25.46	26.16	32
Kochi	Sewerage scheme for central zone covering six divisions and wards (No. 43,49,50,51, 54,56) of Kochi	7841	26-Mar-07	3920.5	1568.2	2352.3	1327.2	23.85	26.46	0.00	12.5	0.16	0.93	32
Kochi	Road improvement and bridge	10964	13-Feb-09	5482	2192.8	3289.2	0	0.00	0.00	0.00	0	0.00	0.00	8

	Construction at Kochi													
Thiruvananthapuram	Improvement of water supply	8716	26-Mar-07	6972.8	871.6	871.6	2364.9	25.00	67.32	4.00	2270	26.04	95.99	32
Thiruvananthapuram	Improvement of Storm Water Drainage in Zone11 area of Trivandrum	4039	14-Jan-09	3231.2	403.9	403.9	1100.1	25.00	72.37	0.00	11.74	0.29	1.07	9
Thiruvananthapuram	Improvement of sewerage schemes for Thiruvananthapuram Municipal corporation	21541	26-Mar-07	17232.8	2154.1	2154.1	1311	2.97	18.57	18.57	372.8	1.73	28.43	32
Thiruvananthapuram	Extension of sewerage system F&G Block, Southern area of Thiruvananthapuram and rehabilitation of the sewerage systems, procurement of sewerage cleaning machines, sewerage system for Attukal area, STP for government medical college, Thiruvananthapuram	12115	6-Feb-09	9692	1211.5	1211.5	2500	25.00	6.36	0.00	0	0.00	0.00	8
Thiruvananthapuram	Solid waste management in Thiruvananthapuram	2456	18-Jan-08	1964.8	245.6	245.6	606.81	25.00	25.00	22.07	171.9	7.00	28.33	17

Source:<http://jnnurm.nic.in/nurmudweb/cityuser/citystatus.aspx>

Note:

ACA : Additional Central Assistance

ULB - Urban Local Bodies

UIG - Urban Infrastructure and Governance

QPR - Quarterly Performance Review

ULGI- Urban Local Government Institutions

#### 6.1 Kochi gets Heritage Urban Renewal Project under JNNURM

Ministry of Urban Development has approved Broadway & Ernakulam Market Heritage Urban Renewal Project for Kochi in Kerala under Jawaharlal Nehru National Urban Renewal Mission (JNNURM). The Central Sanctioning and Monitoring Committee (CSMC) for sanctioning of projects under Sub Mission-I of UIG under (JNNURM) has approved this new project for Kochi in its 82nd meeting held under the chairmanship of the Secretary, Ministry of Urban Development in February 2010.

The aim of the project is to create integrated pedestrian zone which will bind heritage zone and shopping activities into a well connected urban heritage precinct and will improve traffic and parking management in the area. It will retain heritage importance of the place while improve pedestrian related infrastructure and shopping related facilities. Revenue generation from the area will also improve as a result of environment improvement through betterment charges and other rentals. As a whole it will improve heritage and urban image ability of Kochi Heritage Zone 3 to make it a more popular shopping and safe pedestrian environment. The project will be implemented by Kochi Municipal Corporation and will take a period of 24 months for completion. The details of the project reflecting the approved cost and central sharing of the costs as officially available are as follows. However, the detailed expenditure may be available after 1 year, when the project is anticipated to be completed.

Table 4.4: Heritage Urban Renewal Project under JNNURM

SL No.	Mission City/State	Project name	Approved Project Cost	Central Share	Installment (25% of central share) to be released
1	Kochi, kerala	Broadway & Ernakulam Market Heritage Urban Renewal Project	22.10 crore	Rs.11.05 crore (50% of approved cost)	25% of Central share

## **7. Basic Services to the Urban Poor (BSUP):**

Under this BSUP scheme of JNNRUM programme, the governments need to create basic infrastructures such as housing and health care facility to the urban poor especially for those who are living in slums and deprived of basic amenities in living. Although the government has spent on transportation for public communication in major cities under the broader program of JNNRUM, besides spending on sewerage facility, water supply, lightening of streets, and clearing of rain water logging on roads through proper provisioning of drainage system, but how much expenditure has been incurred in two cities covered under JNNRUM in Kerala in provision of transportation and communications, the information is unavailable in any of the official statistical sources. This may be because of its recent nature of services launched by the government such as launching of Volvo buses into both city roads.

The following table shows the approved and actual expenditures by the government for all ranges of government services covered under JNNRUM and the approved and actual expenditures under BSUP of JNNRUM. It reflects that while there may be an overall surplus fund available for last two years of 11<sup>th</sup> five-year plan, however, there would be a large deficit of Rs 21132.71 lakhs for BSUP service provisioning.

**Table 4.5: Overall Allocation under JNNRUM and the Basic Services to the Urban Poor (BSUP):**

Major Head/Minor Head of Development/Name of Project/Scheme/Programme	Eleventh Five year plan 2007-12 (Outlay)	Annual Plan 2007-08			Annual Plan 2008-09			Annual Plan 2009-10			Balance available for the last two years of the 11th plan Col.2-(4+7+10)
		Approved Outlay	Actual Expenditure	Shortfall	Approved Outlay	Actual Expenditure	Shortfall	Approved Outlay	Anticipated Exped	Likely Percentage of Expenditure during 2007-10	
1	2	3	4	5	6	7	8	9	10	11	12
Jawaharlal Nehru National Urban Renewal Mission(Jnnurm	75000.00	19631.00	7505.53	12125.47	30769.00	19194.50	11574.50	24865.00	24865.00	68.75	23434.97
Basic Services to the Urban Poor (BSUP)					1300.00	1132.71	167.29	20000.00	20000.00	99.21	21132.71

Source: Mid term appraisal of the 11<sup>th</sup> plan, Kerala Planning Board.

<b>Table 4.6 Details of projects Under BSUP-Thiruvananthapuram Corporation(Rs in lakhs)</b>					
Sl. Project Components No	Phase wise split up				Total
	I Phase (2006-07)	II Phase (2006-07)	III Phase (2007-08)	IVth Phase (2008-	
1 New Housing	218.71	3422.69	10570.70	2504.57	<b>16716.67</b>
2 Housing Upgradation	26.75		58.25	83.50	<b>168.50</b>
3 Community facilities	61.00			392.75	<b>453.75</b>
4 Roads	19.47	41.69	437.39	150.58	<b>649.13</b>
5 Solid waste Management	3.80	1.91	48.51	47.31	<b>101.53</b>
6 Storm Water drains	152.70	113.27	330.14	23.88	<b>619.99</b>
7 Electrification	1.96			11.09	<b>13.05</b>
8 Retaining wall	7.80				<b>7.80</b>
9 Sewerage	2.75	9.14	2.31	81.03	<b>95.23</b>
10 Water supply	8.30	64.13	416.55	99.86	<b>588.84</b>
11 Street lighting		6.50	16.11		<b>22.61</b>
12 Community Centre		18.65	290.31		<b>308.96</b>
13 Informal Education		22.00	240.72		<b>262.72</b>
14 Anganawadi		9.00	52.09		<b>61.09</b>
15 Miscellaneous		20.42	46.47	347.84	<b>414.73</b>
16 Informal sector market			77.23	18.50	<b>95.73</b>
17 Community halls				145.58	<b>145.58</b>
18 LandScaping and Tree Planting				48.71	<b>48.71</b>
<b>Total</b>	<b>503.24</b>	<b>3729.40</b>	<b>12586.78</b>	<b>3955.20</b>	<b>20774.62</b>

<b>Table 4.7 Details of projects under BSUP- Kochi Corporation ( Rs in lakhs)</b>				
Sl. Project Components No	Phase wise split up			Total
	I Phase (2006-07)	II Phase (2007-08)	III Phase (2008-09)	
1 New Housing	2007.72	9959.71	151.38	<b>12118.81</b>
2 Housing Upgradation	99.68		119.41	<b>219.09</b>
3 Community facilities	9.65	54.15	25.46	<b>89.26</b>
4 Roads	18.46	15.83	8.86	<b>43.15</b>
5 Solid waste Management	72.04		11.04	<b>83.08</b>
6 Land Scaping			1.60	<b>1.60</b>
7 Water supply	83.04	75.88	41.21	<b>200.13</b>
8 Drainage	13.56			<b>13.56</b>
9 Street lighting	12.88	27.01	1.06	<b>40.95</b>
10 Development of parks	1.48			<b>1.48</b>
11 Informal Education	8.06			<b>8.06</b>
12 Anganwadi	8.06			<b>8.06</b>
13 Common sources (Stair case Lobby)		190.74		<b>190.74</b>
14 Sewerage disposal		60.83	22.77	<b>83.60</b>
15 Miscellaneous	326.61	5.58		<b>332.19</b>
16 Storm water drains		55.21	77.20	<b>132.41</b>
<b>Total</b>	<b>2661.24</b>	<b>10444.94</b>	<b>459.99</b>	<b>13566.17</b>

**Source: Economic Survey, 2009**



## 8. UIDSSMT in KERALA

UIDSSMT is one of the components of JNNURM program launched in December 2005 subsuming IDSMT and AUWSP. The implementation period of the scheme is from 2005-06 to 2011-12. It aims at encouraging reforms and fast track infrastructure development in small and medium towns. It covers all the towns except those covered under UIG of JNNURM. In Kerala, 54 towns (other than Corporations of Kochi & Thiruvananthapuram and Municipalities of Kalamassery & Thrippunithura) are eligible for getting financial assistance under the scheme. The guidelines are largely same as that of UIG of JNNURM.

The objectives of the scheme are to improve the infrastructural facilities and help create durable public assets and quality oriented services in cities & towns. It enhances public-private-partnership in infrastructural development and promotes planned integrated development of towns and cities. The inadmissible components under the scheme include the power and telecommunication works, Rolling stock like buses and trams, Health and educational institutions, Urban Transport (MRTS, LRTS etc.), wage employment programme, staff component and maintenance works.

The admissible components are the Solid Waste Management, Water Supply, Sewerage, Storm Water Drains, Construction/ Upgradation of roads, highways/expressways, Parking lots/ spaces on Public Private Partnership basis, Development of Heritage areas, Urban Renewal and Preservation of water bodies. The priority fixed by Government of Kerala is: Water Supply, Solid Waste Management, Sewerage, Storm Water Drains, *Social Infrastructure* and Roads.

The financing pattern of the projects under this scheme is GOI: GOK: ULB 80:10:10. The central grant is passed on to the State Government as ACA. 50% of central grant is released as 1st installment. The GOI share along with the State share released to ULBs after ascertaining matching ULB share. The balance central grant is released on the utilisation of 70% of 1st installment and implementation of reforms.

The responsibilities of the SLNA (State Level Nodal Agency) include inviting project proposals from ULBs, techno-economic appraisal of the projects, management of funds received from the Central and State Governments, disbursement of the funds, furnishing of utilization certificates and quarterly physical & financial progress reports to the Ministry of Urban Development, maintenance of audited accounts of funds released to ULBs, monitoring of implementation of reforms and infrastructure projects.

Taking a look at the funds released by the Central government shown in Table 4.8 under UIDSSMT scheme, it shows that the center has released almost 41% to 42% of approved cost in all towns in Kerala covered under UIDSSMT. This is released in the 1<sup>st</sup> installment alone and the second installment is yet to be released. The delay in release of the funds by the Center could be due to delays in implementation of the projects and release of fund share by the state and local bodies.

SL.N O.	TOWNS	WATER SUPPLY			SEWERAGE			SOLID_WASTE			Sanctio ned Projects		Total Appro ved Cost	ACA Release d			Funds released as a % of approved cost
		Appro ved Cost	Release d (1st Instl.)	Relea sed (2nd Instl.)	Appro ved Cost	Release d (1st Instl.)	Rele ased (2nd Instl.)	Appro ved Cost	Release d (1st Instl.)	Releas ed (2nd Instl.)	Sanctio ned (1st Instt)	Sancti oned (2ndt Instt)		1st Installm ent includin g 1.5% incentiv e for DPR preparat ion	2nd Install ment	Total Release d (1st +2nd Install ment)	
1	2	3	4		5	6		11	12		22	24	25	26	27		
	Kerala																
1	NEYATTINKARA							349	144.84		1		349	144.84	0	144.84	41.50
2	ATTINGAL							306	126.99		1		306	126.99	0	126.99	41.50
3	PUNALUR							482	200.03		1		482	200.03	0	200.03	41.50
4	CHANGANASSERY	391.91	156.76					390	161.85		2		781.91	318.61	0	318.61	40.75
5	PATHANAMTHITTA							380	157.7		1		380	157.7	0	157.7	41.50
6	PERINTHALMANNA	811	324.4					522	216.63		2		1333	541.03	0	541.03	40.59
7	PAYYANNUR	4019	1667.89								1		4019	1667.89	0	1667.89	41.50
8	ALAPPUZHA	9194	3815.51					423	169.2		2		9617	3984.71	0	3984.71	41.43
9	CHALAKKUDY				4978	2065.87					1		4978	2065.87	0	2065.87	41.50
10	ALUVA							185	74		1		185	74	0	74	40.00
11	KOYILANDY							207.7	83.2		1		207.7	83.2	0	83.2	40.06
12	NEDUMANGAD							229.3	91.6		1		229.3	91.6	0	91.6	39.95
13	NORTH PARAVUR							183	73.2		1		183	73.2	0	73.2	40.00
14	CHAVAKKAD	1900.67	760.27								1		1900.67	760.27	0	760.27	40.00
15	CHITTUR-THATHAMANGALAM	650	260								1		650	260	0	260	40.00
16	GURUVAYAR	3144.33	1257.73								1		3144.33	1257.73	0	1257.73	40.00
17	KALPETTA	3217	1286.8								1		3217	1286.8	0	1286.8	40.00
18	MALAPPURAM	1976	790.4								1		1976	790.4	0	790.4	40.00
19	OTTAPALAM	1800	720								1		1800	720	0	720	40.00
20	THALASSERY	4120	1648								1		4120	1648	0	1648	40.00
21	THIRUVALLA	627.92	251.16								1		627.92	251.16	0	251.16	40.00
22	VADAKARA	2291.75	836.7								1		2291.75	836.7	0	836.7	36.51
	<b>Cost</b>	<b>34143.6</b>	<b>13775.6</b>	<b>0</b>	<b>4978</b>	<b>2065.87</b>	<b>0</b>	<b>3657</b>	<b>1499.24</b>	<b>0</b>			<b>42778.6</b>	<b>17340.7</b>	<b>0</b>	<b>17340.7</b>	<b>40.54</b>
	<b>No. of Schemes</b>	<b>13</b>	<b>13</b>	<b>0</b>	<b>1</b>	<b>1</b>		<b>11</b>	<b>11</b>		<b>25</b>	<b>0</b>					

Table 4.9 reflects the size of the annual plan outlay for the UIDSSMT projects during 11<sup>th</sup> plan period. It shows the balance available during the last two years of the plan period to be negative as the outlay is exceeding the funds available during the 11<sup>th</sup> plan. This could be one of the reasons of delay in the completion of the projects and delays by the central government in timely release of funds.

Major Head/Minor Head of Development /Name of Project/Scheme/Program me	Eleventh Five year plan 2007-12 (Outlay)	Annual Plan 2007-08			Annual Plan 2008-09			Annual Plan 2009-10		Balance available for the last two years of the 11th plan Col.3-5+8+11)	
		Approved Outlay	Actual Expenditure	Shortfall if any, indicating the reason thereof in brief	Approved Outlay	Actual Expenditure	Shortfall if any, indicating the reason thereof in brief	Approved Outlay	Anticipated Expend		Likely Percentage of Expend during 2007-10
2	3	4	5	6	7	8	9	10	11	12	13
Urban Infrastructure Development Scheme for small and medium towns (UIDSSMT) (10 % SS)	6975.00	250.00	780.80	0.00	600.00	10915.00	0.00	3727.00	3727.00		-8447.80

**Table 4.10: STATUS OF ULB LEVEL REFORM AGENDA AS COMMITTED UPTO 5th YEAR (2009-10)**

**(As reported in the QPR ending March 2010 of 17 States)**

Sl. No.	Reform	Kerala	
		No. of ULBs Committed	No. of ULBs Achieved
<b>A.</b>	<b>Mandatory Reforms</b>	15	
1	Full migration to double entry accounting system	21	<b>0</b>
2	E-Governance (Defining monitorable time table for implementation of each e-governance initiative)	6	<b>1</b>
3	Full recovery of O&M cost from User Charges	0	<b>0</b>
4	Internal Earmarking for basic services to poor	20	<b>7</b>
5	Property Tax		
5.1	Achieving 85% coverage ratio	12	<b>4</b>
5.2	Achieving 90% collection ratio	10	<b>3</b>
<b>B.</b>	<b>Optional Reforms</b>		
1	Introduction of Property Title Certification system	0	<b>0</b>
2	Administrative Reforms	8	<b>8</b>
3	Structural Reforms	0	<b>0</b>
4	Encouraging Public Private Partnership	22	<b>1</b>
5	Revision of By-Laws for Streamlining building approval process (State Level)	22	<b>0</b>
6	Simplification of legal procedural framework for conversion of agricultural land for non-agricultural purpose (State Level)	22	<b>22</b>
7	Provision of Rain water Harvesting in all buildings (State Level)	22	<b>22</b>
8	Earmarking of 20-25% of developed land for EWS and LIG category	0	<b>3</b>
9	Introduction of computerized process of registration of land and property	22	<b>0</b>
10	Byelaws on reuse of reclaimed water	0	<b>0</b>

Source <http://urbanindia.nic.in/programme/ud/uidssmtbody.htm>

## **9. Integrated Housing & Slum Development Programme (IHSDP)**

The Integrated Housing and Slums Development Programme (IHSDP) for the holistic development of slums in urban areas, was launched during 2006-07. The basic objective of the scheme is to strive for holistic slum development with a healthy and enabling urban environment by providing adequate shelter and basic infrastructure facilities to the slum dwellers of the identified urban areas. The programme was formulated by combining two erstwhile schemes viz. Valmiki Ambedkar Awas Yojana (VAMBAY) and National Slum Development Programme (NSDP). IHSDP is to be implemented in all towns and cities identified as per 2001 census except cities/towns covered under JNNURM (Thiruvananthapuram and Kochi corporations).

The components for assistance under the scheme include slum improvement/upgradation/relocation of projects including upgradation/new construction of houses and infrastructural facilities, like water supply and sewerage. Cost of land for such projects will not be provided under the programme and has to be borne by the State Government. The other conditionality was that the housing should not be provided as free to the beneficiaries by the State Government. A minimum of 12% beneficiary contribution should be stipulated, which in the case of SC/ST/BC/OBC/PH and other weaker sections shall be 10%. Minimum floor area of dwelling unit is not less than 25 Sq. mtrs. Ceiling cost for dwelling unit will be @ Rs.80,000 per unit for cities other than those covered under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM).

The funding pattern of IHSDP is 80:20 shared by Central and State Governments. The State share (20%) would be equally shared by (10% each) the State government and the participating Urban Local Self Governments. Kudumbashree is the Nodal Agency for IHSDP. The Central assistance released would go directly to the nodal agency as the Additional Central Assistance (ACA). Release of the Central share to nodal agency will depend on the availability of state share and submission of utilization certificates in accordance with the provisions of General Financial Rules. State share has to be deposited in a separate account to become eligible for the central grant. 50% of the Central grant will be released to the State Nodal Agency after verification of the state share and on signing the tripartite Memorandum of Agreement.

The projects of 37 ULBs with total project cost of Rs.188.22 crore have already got approved by the Government of India. An amount of Rs.55.11 crore has already been released to ULBs by GOI as central share of the sanctioned projects.

The following Table 12 shows that both the Central and State governments are falling short in funding the IHSDP projects. This is observed from the projects which started in the year 2006-07.

Table 4.11: Details of IHSDP projects in Kerala During 2006-07- 2008-09 (Rs in lakhs)

Sl.No	Name of Local Body	Total Project cost	State share released to ULB	Central share released	State share plus Central Share/ Total project cost	Central share/ Total project cost
	<b>2006-07</b>					
1	Attingal	156.42	4.62	62.57	42.95487	40.00128
2	South Paravur	264.32	14.91	190.31	77.64074	71.99985
3	Changanassery	347.17	17.36	134.41	43.71633	38.7159
4	Thodupuzha	390.48	18.34	156.19	44.69627	39.99949
5	Kunnamkulam	178.64	8.94	71.46	45.00672	40.00224
6	Chittur-Thattamangalam	1230.92	42.33	488.63	43.13522	39.69632
7	Shornur	994.78	49.74	319.2	37.0876	32.0875
8	Malappuram	1045.58	104.56	803	86.79967	76.79948
9	Kozhikode	696.62	24.88	136.87	23.21926	19.64773
10	Koyialandy	308.1	14.23	149.13	53.02175	48.40312
11	Koothuparamba	82.3	7.84	65.84	89.52612	80
12	Mattanur	131.1	10.41	83.37	71.53318	63.59268
13	Taliparamba	243.43	12.17	97.37	44.99856	39.99918
14	Kanhangad	205.72	17.27	138.24	75.59304	67.19813
15	Kasaragod	127.54	4.06	51.02	43.18645	40.00314
	Sub Total	6403.12	351.64	2947.6	51.52551	46.03381
	<b>2007-08</b>					
1	Punalur	892.96	70.77	625.08	77.92622	70.0009
2	Alappuzha	1003.85	50.19	377.45	42.59999	37.60024
3	Chavakkad	158.89	6.87	80.71	55.11989	50.79615
4	Ottapalam	898.59	68.32	429.08	55.35339	47.75036
5	Perinthalmanna	579.67	32.43	280.96	54.06352	48.46896
6	Kannur	194.91	8.55	73.29	41.98861	37.60197
7	Thalassery	189.21	9.115	67.26	40.3652	35.5478
8	North Paravur	288.81	8.31	114.46	42.50892	39.63159
9	Iringalakuda	109.18	3.675	43.67	43.36417	39.99817
10	Ponnani	439.74	16.53	175.9	43.75995	40.00091
11	Palakkad	2112.67	62.31	346.93	19.37075	16.4214
	Sub Total	6868.48	337.07	2614.79	42.9769	38.06941
	<b>2008-09</b>					
1	Neyyattinkara	797.27	12.99	166.56	22.5206	20.89129
2	Nedumangad	540.18	9.62	216.07	41.78052	39.99963
	Sub Total	1337.45	22.61	382.63	30.29945	28.60892
	Total	14609.05	711.315	5945.02	45.56309	40.694094

Table 4.12: Annual Outlay for the IHSDP project in Kerala during the 11<sup>th</sup> Plan (Rs in lakhs)

Annual Plan 2007-08			Annual Plan 2008-09			Annual Plan 2009-10			Balance available for the last two years of the 11th plan Col.3-5+8+11)
Approved Outlay	Actual Expendr	Shortfall if any, indicating the reason thereof in brief	Approved Outlay	Actual Expend	Shortfall if any, indicating the reason thereof in brief	Approved Outlay	Anticipated Exped	Likely Percentage of Exepr during 2007-10	
4	5	6	7	8	9	10	11	12	13
1000.00	793.03	206.97	1000.00	336.63	663.37	12800.00	12800.00	139.30	-3929.66

Source : Mid Term Appraisal of the 11th 5 year plan -Kerala State Planning Board

The state plan report on IHSDP as indicated in the Table 13 also shows that there is a deficit in funds reflecting the actual expenditure is more than the plan size determined by the government. The status of the IHSDP in Table 14 shows that total ACA released is lesser than what is approved for the project and there is no information how many dwellings units set up against the approved number of units.

Table 4.13: Status of the IHSDP Projects in Kerala as of 30.07.2010 (Rs in crores)

Names of States/ UTS	DPRS received		Projects Approved			1st Installment of Central Assistance	2nd Installment of Central Assistance	Total Dwelling units Approved	Total ACA released by the Central Govt
	No of DPRs received	Proposed Project Costs	No of Projects	Total Approved Cost	Approved Central Share				
Kerala	53	271.56	53	273.32	201.6	100.68	26.75	26295	103.17

[https://jnnurmmis.nic.in/jnnurm\\_hupa/jnnurm/IHSDP-Status.pdf](https://jnnurmmis.nic.in/jnnurm_hupa/jnnurm/IHSDP-Status.pdf)

### 10. Buses Procured in Thiruvananthapuram and Kochi under JNNRUM program

In pursuance of the stimulus package, an Additional Central Assistance (ACA) is provided as a one time measure up to 30.06.2009 for procurement of buses for urban transport systems under JNNURM as per the existing procedures and guidelines:

(i) All JNNURM cities were eligible for Additional Central Assistance (ACA) for procurement of buses for urban transport. This is to provide Urban Transport city bus services exclusively for the major cities covered under JNNRUM program.

After detailed discussions, the CSMC approved 150 buses including 50 BRT buses for Thiruvananthapuram and 200 buses for Kochi with Central Govt. share of Rs. 42.72 Cr. and Rs. 35.50 Cr. Respectively. Each low-floor air-conditioned sleek and ergonomically buses procured at a cost of Rs. 80 lakhs has several unique features and has changed the prevailing concept of buses among the public. However, it is very difficult to provide the actual statistics about how many buses are really procured into two cities of Kerala out of the approved numbers under this program. Since actual statistics are not made available from any official sources, in order to have a rough estimates, we provide only the following details on the required number of buses and the costs thereon projected in the CSMC meetings:



Table 4.14 : Thiruvananthapuram : 69TH CSMC MEETING HELD ON 20.2.2009 and 21.02.2009

<b>Category of Bus</b>	<b>No. bus required</b>	<b>% of bus Required</b>	<b>Cost per bus in Lakh</b>	<b>Total Cost in Crore</b>
Semi low floor (650 mm)	120	80	27	32.40
Low Floor AC	30	20	70	21.00
<b>Total</b>	150	100		53.40

Table 4.15: Kochi: 69TH CSMC MEETING HELD ON 20.2.2009 and 21.02.2009

<b>Category of Bus</b>	<b>No. bus required</b>	<b>% of bus Required</b>	<b>Cost per bus in Lakh</b>	<b>Total Cost in Crore</b>
Semi low floor (900/650mm)	120	60	27	32.40
Low Floor AC-400mm	50	25	70	35.00
Mini buses	30	15	12	3.60
<b>Total</b>	150	100		53.40

The State Government and ULB would commit to put all Government advertisement on the buses and bus stops only subject to relevant legislations until advertisement policy has been framed

#### 11. Concluding Remarks:

In assessing the overall outcome of the projects covered under JNNRUM, it could be seen that most of the programs covered under the JNNRUM the successful completion of which would remarkably benefit the poor as well as the middle-income people in urban areas, there is significant shortfall in financial resources especially in the central provisioning of funding the expenditures to the state governments or implementing agencies, leading to either incompleteness of the projects or little surplus money with the state governments. In these cases, the state government perceives that there is no future of running these projects when there is no sufficient flow of resources or funding by the central government as committed or approved. As a result, there is no incentive on the part of the state and local governments to continue the projects with same speed.

Therefore, the success of these programs depends on timely funding and efficiency in the monitoring of the projects. Once these aspects are taken care of, these would enhance the quality of life of the poor including the middle-income people in the urban cities in India towards achieving a greater welfare. However, certain spending on projects under the JNNRUM is of recent venture, where there is lack of perfect information on the allocation of expenditure and utilization of such funds by the implementing agencies. The effectiveness or benefits out of such projects greatly depend on the accountability of the implementing agencies concerned. The central government and the state governments concerned should oversee the running of the project and verify the physical progress for proper monitoring of the work under different projects.

It is also observed that the center has released the funds amounting to almost 41% to 42% of approved cost in all towns in Kerala covered under UIDSSMT. This is released in the 1<sup>st</sup> installment alone and the second installment is not yet released. The delay in release of the funds by the Center could be due to delays in implementation of the projects and release of funds share by the state and local bodies. The balance available during the last two years of the 11<sup>th</sup> plan period is found to be negative as the outlay is exceeding the funds available during the plan. This could be one of the reasons of delay in the progress and completion of the projects and delays in progress and implementation by the state and local bodies also subsequently results in timely release of funds by the central government.

Looking at the status of ULB level reform agenda committed in the 5th year of scheme (2009-10) in 17 states shows that there is a poor implementation of reforms under the UIDSSMT. So far the reform in the direction of (1) Simplification of legal procedural framework for conversion of agricultural land for non-agricultural purpose (State Level), and (2) Provision of Rainwater Harvesting in all buildings (State Level) has been undertaken as committed but other reform measures have not been significantly implemented as they are committed. The reasons of failure of implementation of reforms are not revealed and difficult to infer unless the ground realities are studied by meeting with implementing agencies at the local level. The central and state monitoring agencies should track the timely progress of the projects for its successful completion.

The IHSDP implementation report similarly indicates that there is a deficit in funds reflecting the actual expenditure is more than the plan size determined by the government. The status of the IHSDP shows that total ACA released is lesser than what is approved for the project and there is no information how many dwellings units are set up so far against the approved number of units. Similarly, although Volvo buses (with lower flooring) are plying into the major cities of Kerala covered under the JNNRUM program, but there is no transparency in implementation of the projects as there is no official information made available on the number of buses bought, the overall expenses on these and the type of additional services to be provided to the public as the fare is usually higher and same for all distances than the normal fare with RTC bus services. In order to avoid these problems in the implementation and for imparting greater services to the city dwellers, the monitoring agencies have to efficiently chart out their roles and responsibilities for maximum welfare of the public.

## **Chapter 5**

### **Agriculture and Rural Development**

#### **1. National Horticulture Mission (NHM)**

The National Horticultural Mission was established in 2005-06 as part of the Xth Plan by the Government of India. The NHM aims at a holistic development of horticulture, ensuring horizontal and vertical linkages and with the active participation of all the stakeholders. The thrust of the Mission is on area based regionally differentiated cluster approach for development of horticultural crops, having comparative advantage. A number of activities are proposed to be taken up for improving production and productivity besides ensuring proper post harvest management of produce so that the farmer is able to harvest and sell his products at competitive rates.

In line with this, the Horticulture Mission was established in Kerala in the year 2005, envisaging an end to end holistic development of the horticulture sector covering production, productivity improvement, post harvest management, value addition and marketing. It is registered under the Travancore-Cochin Literary Scientific and Charitable Societies Registration act 1955. The SHM is headed by a director while the district missions are headed by Deputy Directors of Agriculture(Horticulture). The programmes are mainly implemented by the State Agriculture Department through Krishi Bhavans. The Kerala Agriculture University (KAU), the Kerala State Horticultural Crops Marketing Association(Horticorp) and the Vegetable and Fruit Promotion Council Keralam(VFPCK) are also involved in the implementation of the SHM schemes. The state mission is in its third year of service and is concentrating to extend its service to the farmers spread across Kerala. Even though a few partners entered into association with SHM, most of the partners could not access the schemes due to lack of information on the schemes of SHM. Kerala Social Service Forum, the networking coordinator of the Diocesan Social Service Societies and Faith based institutions at this juncture took the initiative to link SHM with the network partners for helping the farmers to access the schemes of the Horticulture Mission.

The SHM has undertaken a clustered approach covering 14 crops across 14 districts in the state. Table 1 provides the different crop clusters that have been devised for implementation of the programme in 2009-10. There are three clusters of districts. The coverage of Cluster 1 spread across 5 districts, all in South Kerala. There are 10 crops including floriculture that are targeted for development under this cluster. Similarly Cluster 2 and Cluster 3 covered four and five districts respectively. Cluster 2 covered 13 of the 14 crops while Cluster 3 covered 10.

**Table 5.1: SHM Clusters in Kerala: 2009-10**

Sl no	Cluster	District	Crops
1	Cluster 1	Alappuzha, Thiruvananthapuram	Banana
		Pathanamthitta	Cashew, Cocoa , Pepper , Pineapple, Turmeric, Ginger
		Alappuzha, Pathanamthitta, Thiruvananthapuram	Floriculture
		Kollam, Kottayam	Mango
		Alappuzha, Pathanamthitta	Nutmeg
2	Cluster 2	Palakkad	Aonla, Papaya
		Ernakulam Idukki Palakkad Thrissur	Banana, Floriculture, Pineapple
		Palakkad,Thrissur	Mango Cashew
		Ernakulam Idukki	Cocoa Turmeric Nutmeg
		Idukki , Palakkad	Ginger
		Idukki	Pepper
		Thrissur	Spices
3	Cluster 3	Kasargod	Aonla
		Kasargod,Kozhikode,malappuram,Wayanad	Banana
		Kannur,Kasargode,Kozhikode,Malappuram	Cashew
		Kannur,Kasargode,Kozhikode	Cocoa
		Kasargode, Wayanad	Floriculture
		Wayanad	Ginger, Turmeric
		Kannur, Kozhikode,Malappuram	Mango
		Kannur, Kasargode	Pineapple
		Kozhikode	Spices
		<b>Districts = 14</b>	<b>Crops = 14</b>

Source: State Horticulture Mission

The NHM was entirely funded by the Central government in the Xth Plan(2002-07) period from when it started in 2005-06. The horticultural mission switched from a 100 percent centrally sponsored scheme to a 85:15 formula of Centre-State sharing during the XIth plan(2007-12). The Central assistance as per the approved annual action plan(AAP) was allotted based on the utilisation during the previous year and the capacity of the SHM to implement the programme. The money was released directly to the SHM through cheques/demand drafts. The implementing agencies got the money from the SHMs in the form of subsidies or grants, depending on the programmes entrusted to them.

**Table 5.2: Details of Receipt and Utilization of Funds**

**(Rs in Lakhs)**

**FUNDS SANCTIONED, RELEASED AND EXPENDED (UPTO FEBRUARY 2010)**

Year	Sanctioned Amount 1	Opening Balance 2	Released Amount 3			Expenditure 4	Utilisation (Expenditure as a percentage of funds available) 5 (4/(2+3)*100)	Unspent Balance 6 (2+3-4)
			Government of India (GoI) share	Government of Kerala (GoK) share	TOTAL			
2005-06	7582.53	3533.98	3533.98	0.00	3533.98	395.44	11.19	3138.54
2006-07	19372.84	3138.54	7959.53	0.00	7959.53	2428.62	21.88	8669.45
2007-08	19212.76	8669.45	6147.73	300.00	6447.73	7660.04	50.67	7457.14
2008-09	17420.15	7457.14	7517.29	1326.60	8843.89	5533.86	33.95	10767.17
2009-10	6921.44	10767.17	0.00	200.00	200.00	7006.85	63.89	3960.32
<b>TOTAL</b>	<b>70509.72</b>		<b>25158.53</b>	<b>1826.60</b>	<b>26985.13</b>	<b>23024.80</b>	<b>74.40</b>	<b>3960.32</b>

\* The scheme was 100% CSS during 2005-06 and 2006-07

Source : SHM State mission office

As against the total released amount of Rs269.85 over the five years, the total expenditure has been Rs230.24 which gives an expenditure percentage of 85.32%. However, even though the SHM has been able to spend a high percentage of the money released on various projects, if we consider the amounts released against the amounts sanctioned, only Rs269cr has been released over the five years as against the Rs705.09cr sanctioned(only 38% of the funds sanctioned has been released). The release from the GoI has been very low in the last three years of the project. The low percentage of expenditure as against release in the first two years (when it was a wholly centrally sponsored scheme) could have led to the shortfall in the subsequent years.

The utilisation of funds under the programme was very poor in the first two years of the programme, at less than 20%.From then it has improved considerably with 2009-10 showing utilisation figures of 63%. The overall utilisation during the five year period stands at 74.40%.For the year 2009-10, the release from the GoI was zero and from the GoK was Rs200cr which means that the expenditure during the last year was mostly from the unspent balances of the previous years.

### Implementation of Schemes

The schemes earmarked for implementation under the SHM included vegetable seed production, establishment of new nurseries, establishment of new garden, rejuvenation/replenishment of senile pepper plantation, organic farming, post harvest management practices etc. The targets and allocation of funds as per the action plans prepared for the four years are as under

**Table 5.3: Targets and Allocation of funds in Action Plans:  
2005-06 to 2009-10**

		(Rs. In Lakhs)				
		2005-06	2006-07	2007-08	2008-09	2009-10
<b>Area Coverage</b>	<b>Phy. (ha.)</b>	10830.0	17415.0	45952.8	39530.0	6700.0
	<b>Fin</b>	944.3	1450.2	3367.3	3303.0	561.9
<b>Rejuvenation</b>	<b>Phy. (ha.)</b>	7500.0	15600.0	29530.4	33999.0	1500.0
	<b>Fin</b>	1125.0	2340.0	4285.7	5100.0	225.0
<b>Nurseries</b>	<b>Phy. (No.)</b>	48.0	120.0	119.0	196.0	21.0
	<b>Fin</b>	184.5	277.0	553.5	549.0	63.0
<b>Protected Cultivation</b>	<b>Phy. (ha.)</b>	30.0	460.0	330.0	54.0	1.0
	<b>Fin</b>	180.0	183.0	527.5	1270.0	24.9
<b>Organic Farming</b>	<b>Phy. (ha.)</b>	2019.0	3000.0	8000.0	8000.0	2000.0
	<b>Fin</b>	201.9	300.0	800.0	800.0	200.0
<b>Creation of Water resources/ Community tanks</b>	<b>Phy. (No.)</b>	0.0	0.0	100.0	349.0	14.0
	<b>Fin</b>	0.0	0.0	100.0	349.0	14.0
<b>IPM/INM</b>	<b>Phy. (ha.)</b>	3000.0	5000.0	5000.0	12507.0	3200.0

	<b>Fin</b>	30.0	50.0	50.0	125.0	32.0
<b>IPM Infra.</b>	<b>Phy. (No.)</b>	0.0	0.0	35.0	23.0	6.0
	<b>Fin</b>	0.0	0.0	520.0	640.0	180.0
<b>PHM</b>	<b>Phy. (No.)</b>	0.0	0.0	64.0	12.0	13.0
	<b>Fin</b>	0.0	0.0	839.3	107.0	8.1
<b>Markets</b>	<b>Phy. (No.)</b>	0.0	0.0	80.0	25.0	12.0
	<b>Fin</b>	0.0	0.0	787.5	100.0	47.5
<b>Functional Infrastructure for Mkt.</b>	<b>Phy. (No.)</b>	0.0	0.0	30.0	20.0	0.0
	<b>Fin</b>	0.0	0.0	125.0	81.0	0.0
<b>Beekeeping</b>	<b>Phy. (No.of colonies)</b>	0.0	15000.0	20000.0	25000.0	500.0
	<b>Fin</b>	0.0	120.0	160.0	200.0	40.0

Source: Annual Action Plans, Kerala, various years

**Table 5.4 : Physical and Financial achievements under SHM from 2005 to 2010**

<b>TARGET AND Achievement UNDER NHM DURING 2005 to 2010 (All units are in numbers)</b>																				
COMPONENTS	2005-06				2006-07				2007-08				2008-09				2009-10			
	Target		Achievement		Target		Achievement		Target		Achievement		Target		Achievement		Target		Achievement	
	Phy	Fin	Phy	Fin	Phy	Fin	Phy	Fin	Phy	Fin	Phy	Fin	Phy	Fin	Phy	Fin	Phy	Fin	Phy	Fin
<b>Plantation Infrastructure &amp; Development</b>																				
<b>Production of Planting Material</b>																				
<b>1.1 Planting material</b>																				
<b>a) Public Sector</b>																				
i. Model nursery (4ha)	4	72	1	9	3	54	6	92.5	11	168.3	4	26	5	76.5	9	97.81			5	114.19
ii. Small nursery (1 ha)	16	48			17	51	28	17	15	38.25	5	54	23	58.65	19	39.76			12	18.07
iii. Rehabilitation of existing TC Labs	2	16			4	32	4		5	34	0	26	3	20.4	6	43.5			2	16
iv. Rehabilitation of existing TC Labs & related									2	13.6	0	0								
<b>b) Private sector</b>											0	0								
i. Model nursery (4ha)	3	27		0	3	27	0	0	10	76.5	0	0			2	16.25			2	14
ii. Small nursery (1 ha)	25	37.5			97	146	7	7	15	19.13	59	35			35	63.55			70	79.19



iii.Rehabilitation of existing TC Labs									6	20.4	0	0			3	12			1	4
<b>1.2 Vegetable Seed production</b>											0	0								
i. Public sector	30	7.5			30	7.5	30		12	5.1	49.48	34			24.27	5.95			9.77	4.27
ii.Private sector							2.5	2.71 88	10	2.13	0	0			25.28	4.81			4.24	0.76
1.3. Seed infrastructure																				
public sector	30	15			3	325					1	34								
<b>2. Establishment of new gardens</b>											0	0			1	98.7				135
2.1 Fruits a) perennials											0	0								
a											0	0								
i. New Plantation	1300	146.25	700	11.3	2000	225	600	72.7 04	700	51	332.4	0	975	93.23	553	35.45			1388	129.56
ii. 1st yr maintenace											0	0	566	32.47					11.11	11.86
									1100	40.8	0	0	451	17.25					7	4.32
b)Fruits non-perennials											0	0								
i. New Plantation	3000	225	100	7.5	25918	1944	1189 9	124. 27	22.2	650.25	20556	1647	24000	1530	21874	1860			23262	1595.3
ii. 1st yr maintenace									10000	255	0	0							4612	114.57
											0	0							1753	75.14

2.2 Flowers											0	0								
cut flowers											0	0								
i. small /marginal	30	10.5			30	10.5	0	0	108	32.13	0	0	200	59.5	77.11	51.47			208.1	81.92
ii. Others											0	0								
Loose flowers											0	0								
Small scale farmers							0		28	2.86	0	0	51	5.2	179.1	20.41			36.09	5.37
others											0	0								
Spices	3500	393.75			2400	270	3123	267.3	3550	196.03	2924	268	8725	667	2938	284.4			6269	592.81
medicinal plants									14	1.34	99.07	4	47	4.49	34.51	6.48			107.3	8.42
Plantation crops including coastal horticulture											0	0								
New plantation	3000	168.76	600	46.2	1400	78.8	1682	91.79	4200	86.06	1788	48	1000	47.81	941.4	92.64			5276	300.17
Maintenance									1900	36.34	0	0								
<b>Rejuvenation/replacement of senile plantation</b>	7500	1125	600	75	15000	2250	7056	1135	12016	1506.1	20848	3390	23000	2933	21259	1063			13535	1853.1
<b>Creation of water resources</b>											0	0								
Community tanks, ponds, on farm water no.	13	130			12	120			8	6.8	1	1	200	170	38	33.8			123	102.92
<b>Protected cultivation</b>											0	0								

Hi-tech Green House											0	0								
Small/marginal	5	162.51					1	1.83 96	3	82.88	0.19	0	20	553.6	0.42	28.34			0.35	13.02
others											0	0								
Green house											0	0								
Small/marginal									13	138.13	2.293	22	10.4	110.6	1.48	23.27			3.83	9.83
others											0	0								
Mulching							10		90	5.36	15.25	2			24.6	1.52			2.85	0.2
Shade net	25	17.5	0	6.14	100	70	0.00 3	10.3 33	37	22.02	1.023	0	3.7	2.2	24.16	4.42			3.48	2.29
Plastic Tunnel											0	0			0.01	0.16				0.21
<b>precision farming</b>											0	0								11.8
<b>Promotion of INM/IPM</b>											0	0								
Sanitary and Phytosanitary certification project											0	0								
promotion of IPM	3000	30	250	2.5	5000	50	1712	22.5	2617	22.42	0	53	6507	55.31	8718	18.58			3038	27.89
<b>disease forecasting units</b>									5	17	0	0	2	3.4	2	8				
<b>Biocontrol labs</b>											0	0								
Public sector									1	97.52	1	44	1	27.52	4	148.7			1	86.2
Private											0	0							1	37.5

<b>Plant health clinics</b>											0	0								
Public sectors							1		8	168	3	78	3	29.24	5	106.8			4	52.68
<b>Leaf/tissue analysis labs</b>									1	20	1	20	2	28.56	2	34			1	14
<b>Organic farming</b>											0	0								
Adoption of Organic farming	2019	201.91	160	36	3000	300	2598	113.1	1020	86.7	3303	281			2782	398.2			5496	368.02
vermicompost units	1004	301.2	436	153	1420	426	2203	375.2	1368	348.85	0	246	1585	404.2	939	299			1073	321.97
Certification							1				3.806	5			7.19	8.39			7	15.09
<b>HRD including Horticulture institute</b>											0	0								
Training of Supervisors		150.34			3	166			2	33.53	0	0				12.5				5

Continued

Training of gardeners				36.6				36.6	3	107.53	0	84	2	11.5		27.8			21.79
Training of field staffs									99	4.97	0	0				1.5			4.47
Training of farmers									1400	2.94	0	8	6500	87.13		191.9			152.72
within state											0	0							
<b>Pollination support through beekeeping</b>											0	0							
Distribution of colonies with hives	10000	80			30000	240	2000	30	5000	34	0	87	15000	102		43.52			68.43
Technology dissemination through									4	13.85	0	11	4	17.08	9	65.61			20.32
<b>Post harvest Management</b>											0	0							
Pack houses											0	0							
Cold storages units											0	0							
<b>Establishment of marketing Infrastructure</b>											0	0							
Rural market									20	77.76	22	22			1	4.08		3	11.25
Functional Infrastructure										4.58	6	2						2	2.7
<b>Mission management</b>											0	0							

State& districts										0	0		370	157.8				196.84
Institutional Strengthening		168.29		12.5		357		28.76		273.79	0	120						30.57
<b>State Intervention</b>									2	1343.8	0	1007			120.5			253.57
<b>International Collaboration</b>																		17.59
<b>Total</b>		<b>3534</b>		<b>395</b>		<b>7149</b>		<b>2428.6</b>		<b>6147.8</b>		<b>7660</b>		<b>7517</b>		<b>5534</b>		<b>7006.9</b>

Source

-

State

Horticulture

Mission

a) Production of Planting Materials

The establishment of nurseries has shown considerable progress in the last three years of the programme after drastically falling short of the targets in the first two years. As against 25 model nurseries established in the public sector from 2005 to 2010, only 4 such nurseries have been established in the private sector. The picture just reverses itself when it comes to small nurseries. As against 64 small nurseries in the public sector, a total of 171 nurseries have been established in the private sector during the same period. The programme has picked up considerably in the last three years of the period.

b) Establishment of New Gardens

The programme envisaged assistance for bringing new areas under perennial fruit crops (gooseberry, mango), non-perennial fruit crops (banana, pineapple), spices (ginger, pepper, turmeric) and plantation crops (arecanut, cashew, cocoa). The quantum of assistance was fixed at 75% of the cost of cultivation for perennial fruits, spices and plantation crops and 50% for non-perennial crops. A total of 107,547.52 Ha has been brought under new gardens from the year 2005 to 2010 under this programme at a total cost of 76.52 cr. The area brought under new gardens is highest in the case of non-perennial fruit crops. However, when compared to the significance of spices crops, both in terms of arable area and production, the area expansion programme seems to have fallen short of its objective.

c) Rejuvenation/replacement of Senile Plantations

Rejuvenation of pepper plantations by replacement of senile plants, by filling gaps, putting up new standards and adopting scientific management practices was envisaged to improve the productivity of pepper (which stood at 315kg per Ha in 2004-05) to 1000kg per Ha. The targets and achievements of the programme in the selected pepper cultivating districts and the State as a whole are outlined below

**Table 5.5 Targets and Achievements for rejuvenation of Pepper**

Year	Physical target			Physical achievement			Financial target			Financial achievement		
	State	Selected districts		State	Selected districts		State	Selected districts		State	Selected districts	
		Wayanad	Idukki		Wayanad	Idukki		Wayanad	Idukki		Wayanad	Idukki
(in hectare)							(Rupees in crore)					
2005-06	5000	2000	2000	5000	2000	2000	7.50	3.00	3.00	4.86	1.08	3.00
2006-07	10000	3000	3700	8395	3000	3930	15.00	4.50	5.55	11.66	4.49	5.90
2007-08	20000	5000	8375	16496	4985	8375	30.00	7.50	12.56	22.79	7.43	12.56
2008-09	30655	12000	13000	3098	Nil	1899	45.98	18.00	19.50	3.35	Nil	2.85
<b>Total</b>	<b>65655</b>	<b>22000</b>	<b>27075</b>	<b>32989</b>	<b>9985</b>	<b>16204</b>	<b>98.48</b>	<b>33.00</b>	<b>40.61</b>	<b>42.66</b>	<b>13.00</b>	<b>24.31</b>

Source: Audit Reports for the year ended 31 March 2009 placed in the Legislature by the Accountants General Kerala.: Civil

It can be seen from the figures that the physical targets were mostly met during the first three years(from 2005 to 2008) but fell drastically short of the targets set for the year 2008-09.

However it was seen that the production and productivity of pepper decreased during 2007-08 as compared to 2004-05 despite spending Rs34.46cr during the three year period from 2005 to 2008. The details are as under

**Table5.6 Production and Productivity of Pepper**

Name of the district	2004-05 before SHM		2007-08	
	Production (MT)	Productivity (Kg/Ha)	Production (MT)	Productivity (Kg/Ha)
Idukki	38787	471	23311	356
Wayanad	13897	334	4060	158

Source: Audit Reports for the year ended 31 March 2009 placed in the Legislature by the Accountants General Kerala.: Civil

There could be many reasons for not being able to achieve the targeted increase in productivity. However the audit report brings out the fact that the funds under the programme were spread thin among all the farmers without adhering to the targets or the stipulations(of minimum area under the crop). It further states that providing assistance to small land holdings for disease control did not result in rejuvenation and increased productivity of the land.

d) Organic Farming

During the period 2005-10, a total of 14338.29Ha was brought under organic farming practices at a total cost of Rs11.96cr. This programme has also started picking up towards the last three year, with 5496Ha being adopted in the year 2009-10 alone.

e) Marketing Infrastructure

**Table 5.7: Targets and achievements of marketing facilities established during 2005-2009.**

Name of the scheme	Physical target	Financial target (Rs in lakh)	Physical achievement	Financial achievement (Rs in lakh)
Rural Market	156	612.50	22	22.00
Rural Market (Hill area)	18	82.50	1	4.08
Sorting and Grading Unit	8	29.58	6	2.28
Wholesale market	10	500.00	Nil	Nil



Source: Audit Reports for the year ended 31 March 2009 placed in the Legislature by the Accountants General Kerala.: Civil

The construction of rural markets was entrusted to the VFPCCK. Out of the 22 markets as shown in the physical achievements, permanent buildings and essential facilities were constructed in seven markets whereas construction in the remaining works were yet to be completed. It was found that where facilities were provided by VFPCCK, the farmers enjoyed good support, making the case stronger for extension of these facilities to other markets as well.

f) Post Harvest Management

The SHM handed over Rs10cr as part of its share, towards the construction of the Perishable Cargo Unit established at the Cochin International Airport Limited. This centre, a world class facility, inaugurated in Jan2009 is expected to give a huge boost to perishable goods exports of farmers in the State. On the other hand, a subsidy of Rs3.25 cr earmarked for pack houses, mobile processing units and cold storages during 2005-09 was not utilised due to poor response arising out of low subsidy rates. The audit report points out the fact that the cargo unit could be utilised fully, only if the supporting infrastructure in the form of pack-houses etc are created.

**Conclusion**

The State Horticulture Mission has completed five years of its functioning in 2010. The progress and achievements of the scheme in the first two years of its functioning was way short of the targets set, which led to a decrease in the central government release of money to the scheme in the subsequent years. However the programme acquired a new vigour in the years 2007-10, which is reflected in the physical and financial achievements of the programme.

From the analysis of the implementation of various schemes under the SHM, it can be seen that the mission achieved its objectives to a considerable extent in the creation of infrastructure facilities. It forged a successful partnership with VFPCCK in creating rural markets and contributed to the setting up of a world class perishable goods storage facility at CIAL. However, even in this field, the SHM needs to focus more on the creation of a string of processing facilities (including cold storages and pack houses) and markets in blocks/panchayats to complement the centralised facilities that it has been able to create.

In certain areas like the establishment of new gardens and the production of planting materials, the mission has achieved considerable progress. However in the area of enhancing production and productivity of crops, the achievements of the Mission has been rather low or at best moderate. The SHM needs to evaluate the reasons for the low achievements in this area to understand whether the design of the programme or its implementation or a combination of both led to this result. It also needs to factor in the external factors(environmental, farmer enthusiasm etc) that could be playing a big role in pulling down the results. The improved performance of the Mission over the last two

years of its working could be built upon to build a strong foundation for organized horticulture production and marketing in the State.

## **2. Accelerated Irrigation Benefit Programme (AIBP)**

The Accelerated Irrigation Benefit Programme (AIBP) was launched in the country in 1996-97. The major purpose of the AIBP was to hasten the completion of the various incomplete and ongoing irrigation projects in the country. By the end of the VIII Plan, there were 162 Major, 240 Medium and 74 ERM on-going irrigation projects in the country at various stages of construction with an approximate spillover cost nearing Rs. 80,000 crores. These large number of river valley irrigation projects have spilled over their stipulated targets mainly due to the financial constraints that the states were faced with. This led to a widespread concern that such large investments are not producing the desired returns to the economy; a concern which acted as the driving force behind the launching of the AIBP.

Under the AIBP, the pattern of assistance initially was in the ratio 2:1 (Central & State) till the year 2003-04. This was been revised in 2004-05 where the Central assistance was scheduled as a combination of a 30 percent grant and a 70 percent loan. As per the latest revision in 2006, the scheme consists of a 25 percent Central assistance, which is given to those projects having investment clearance by Planning Commission. In Kerala, during the Tenth Plan Period, assistance under AIBP was awarded to the Muvattupuzha and Kallada projects. Karapuzha project is proposed for assistance under the scheme during 2006-07. The allocation by the Kerala state XIth Plan for the state's share in AIBP has been fixed at Rs. 750 crores for the entire plan period 2007 to 2012. The annual plan of 2007-08 allocated Rs. 150 crores for the AIBP Programme.

Looking at the implementation of the AIBP historically since 2002-03, we can note that the allocation of funds under AIBP in Kerala has been much lesser compared to other states. The share of the state in the total AIBP funds has always been quite low but there has been a declining trend also in this share since 2004-05. In the period between 2000-01 and 2007-08, a total of Rs. 145.8 crores has been allocated to the state. This constitutes a mere 0.63 percent of the total fund allocation in this period under AIBP.

If we look at the share of Kerala in the total AIBP funds, we find that there was some improvement in this share between 2002-03 and 2004-05, when it was 1.72 percent. This share declined in the subsequent years (see Table 1) and in 2007-08, there was nil allocation for Kerala under AIBP. Compared to this, neighbouring states like Andhra Pradesh and Karnataka received much higher allocations (Rs. 2846 crores and Rs. 2598 crores respectively between 2000-01 and 2007-08) not only in absolute terms but also in normalized terms.

Table 5.8: Share of Kerala in fund allocation under AIBP  
(in Rs. Crores)

Year	Kerala	Total	Kerala Share(in percentage of total)
2000-01	22.4	1856.2	1.21
2001-02	11.3	2602.0	0.43
2002-03	5.7	3061.7	0.19
2003-04	31.0	3128.5	0.99
2004-05	49.4	2867.3	1.72
2005-06	9.4	1900.3	0.49
2006-07	16.6	2302.0	0.72
2007-08	0.0	5445.7	0.00
2008-09	0.90	7598.22	0.01
2009-10*	3.81	3147.39	0.12
Total	150.51	33909.3	0.44
* till 26 <sup>th</sup> November 2009			

Source: Ministry of Water Resources, GOI

In Kerala, during the Tenth plan period, assistance under the scheme was availed for Muvattupuzha and Kallada Projects. Karapuzha project is proposed for assistance under the scheme during 2006-07. The investment of this project is sanctioned by the planning commission. Government of India has sanctioned a special package for farmers in Wayanad, Palakkad and Kasaragod districts. Assistance from AIBP will be proposed for these three districts for taking up projects approved under the rehabilitation package and for taking up other last mile projects including modernization of canal system.

**Table 5.9: Physical Targets and Achievements under Irrigation during the Tenth Plan period (gross) (in 000 ha)**

Sl no	Sector	Cumulative coverage upto the end of 9th plan	Tenth Plan target	Achievement 2002-07	Actual achievement 2007-08
1	Major and Medium	225	90	60	8
2	Minor	207	50	48	20
<b>Total</b>		<b>432</b>	<b>140</b>	<b>108</b>	<b>28</b>

Source: Kerala Economic Review, 2008

From Table 2, we can observe that the gross target for irrigation under the Tenth Plan was 1.4 lakh hectares. Out of these, the 0.9 lakh hectares was the target for major and medium projects while the remaining was for minor irrigation projects. The achievements during the period between 2002 and 2007 has been lagging to some extent for major and medium projects (achieved: 0.6 lakh ha.) while that for the minor irrigation projects have been almost met (achieved: 0.48 lakh ha.). The overall achievement has been 77 percent (1.08 lakh ha.) of the set targets during the Tenth Plan.

**Table 5.10: Outlay and Achievement under Irrigation during Annual Plan 2008-09**

Sl No	Sub Sectors	Annual Plan 2008-09		
		Outlay	Expenditure	Percentage
1	Major & Medium Irrigation	12041.00	11720.41	97.33
2	Minor Irrigation	7055.00	3414.04	48.39
3	Command Area Development	715.00	405.63	56.73
4	Flood Control & Coastal Zone Management	5951.00	2457.44	41.29
<b>Total</b>		<b>25762.00</b>	<b>17997.52</b>	<b>69.86</b>

Source : Economic Review 2009

The above table shows that the expenditure on all heads, except major and medium irrigation has been about half of the outlay. Flood control and coastal zone management witnessed the least percentage of expenditure as a percentage of outlay with expenditure being just about 41%.

Table 5.11 Total Provision Earmarked and Expenditure under AIBP during eleventh plan  
(Rs Lakhs)

Sl No	Sub Sector/Scheme	2007-08		2008-09		2009-10
		Budget Estimate	Expenditure	Budget Estimate	Expenditure	Budget Estimate
1	Muvattupuzha Valley Irrigation	0.00	0.00	500.00	1088.78	6935.00
2	Karappuzha	0.00	0.00	2500.00	984.28	1500.00
3	Rehabilitation Package	32.46	0.00	2902.00	0.00	7565.00
	<b>Total</b>	<b>32.46</b>	<b>0.00</b>	<b>5902.00</b>	<b>2073.06</b>	<b>16000.00</b>

Source: Economic Review 2009

As per the revised guidelines of the AIBP( revised in 2006), the Central Government provides 25% of the project cost for major/medium irrigation projects as Central Grant to the Non Special Category States( Kerala belongs to this category). The rest of the amount has to be raised by the State government from its own resources or through market borrowings.

The share of Kerala in the Central fund allocation under the AIBP for 2008-09 is Rs3.81 crore. The expenditure under AIBP in the State is Rs20.73 crore for 2008-09.

**Table 5.12 Potential Created under AIBP in Kerala upto 2008-09 (March 2009)**

POTENTIAL CREATED UNDER AIBP UP TO 2008-09 (MARCH 2009)							
(In Thousand hectares)							
Sl. No.	Name of State/Project (Started in Plan)	Potential created upto March, 2006	Potential created during 2006-07	Cumulative potential up to March 2007	Potential created during 2007-08	Potential created during 2008-09	Cumulative potential up to March 2009
<b>Major &amp; Medium Irrigation Projects</b>							
	<b>KERALA</b>						
125	Kallada Project (III) (C)	9.2760	0.0000	9.2760	0.0000	0.0000	9.2760
126	Muvattupuzha (V)	20.7600	2.7120	23.4720	0.9630	0.1170	24.5520
127	Karapuzha	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

128	Kanhirapuzha-ERM					0.0000	0.0000
	<b>Total</b>	<b>30.0360</b>	<b>2.7120</b>	<b>32.7480</b>	<b>0.9630</b>	<b>0.1170</b>	<b>33.8280</b>

Till March 2009, a cumulative irrigation potential of **33.28 thousand hectares** was created under the AIBP programme in Kerala. The irrigation potential was created under two projects, the Muvattupuzha Project and the Kallada Project(III)C.

Let us now look at the different projects that received assistance under the AIBP and their implementation.

***Kallada Project:***

Out of the two projects that gained assistance from the AIBP under the Tenth Plan, the Kallada project has been completed. The Kallada irrigation and Tree crop Development project is the largest irrigation project in Kerala. The command area of this project is distributed over Kollam, Pathanamthitta and Alappuzha district. The Taluks covered under the project are Pathanapuram, Kottarakkara, Kollam, Kunnathur, Karunagappally, Adoor, Mavelikkara and Karthikappally. The project initially aimed to irrigate a net cultivable area of 61630 Ha. A few canals including the Kayamkulam Branch canal were dropped during the course of execution of the project. The completed project now benefits a net cultivable command area of 53514 Ha in 92 villages. Kallada received Rs. Rs.32.51 crores of assistance under the AIBP.

***Muvattupuzha Project:***

Currently, the AIBP in Kerala gives assistance to the Muvattupuzha and the Karapuzha Project. While the Karapuzha Project has been sanctioned in 2006-07, the Muvattupuzha Project has been receiving AIBP assistance from 1998-99 onwards. This project was initiated in 1974 to irrigate a gross area of 34757 ha. in the Ernakulam, Kottayam and Idukki districts. The original cost estimate was Rs.20.86 crores which in accordance to the 2004 schedule of rates is Rs. 684 crores. The cumulative expenditure of the project as on March, 2006 was Rs.607.17 crores. Under the XIth Plan, the state has allocated Rs. 35 crores (2007-2012) for this project, of which, Rs. 14.9 crores is the outlay in the annual plan of 2007-08. There is some lag in meeting the stipulated targets that can be observed for this project.

**Table 5.13 : Targets and Achievements of the Muvattupuzha Project till March, 2008**

	<b>Target area to be Irrigated (Ha)</b>	<b>Physical achievement as on 3/08 (Ha)</b>
Net	19237	14972 (77.8)
Gross	37737	29346 (77.8)

*Source: Chief Engineer, (I&A) Department of Water Resources*

*Note: The figures in the parentheses represent the percentage completion of the targets*

An amount of Rs. 137.22 crores has been availed for this project under the AIBP assistance up to March 2006. While a major portion of the works in the project has been completed, there are some works which still needs to be completed for the winding up of the project. Table 3 exhibits the pending targets for the project. By March, 2008, there has been an approximately 77.8 percent completion of the targeted net irrigated area or the gross irrigated area. An early completion of the project was expected in the Tenth Plan but there are some bottlenecks that needs to be tackled and requires plan support. An amount of Rs. 35 crores is envisaged for first two years of the 11th Plan and Rs. 15 crores for 2007-08 for completing the unfinished works of the project, and to meet the spill over commitments. The project is expected to be completed in 2010.

***Karapuzha Project:***

Karapuzha Project is the first project for irrigation taken up in the Wayanad District during the Fifth Five Year Plan. The scheme is to construct an earthen dam across Karapuzha at Vazhavatta with a storage reservoir and canal system. The target for irrigation in the project is an area of 8721 ha. (gross) in Wayanad district. The Project is approved by the Planning Commission and Administrative Sanction was accorded in 1978. The original estimate of the project was Rs. 7.60 crores and the latest estimate as per the 2004 schedule of rates is Rs. 362 crores. The cumulative expenditure up to June, 2006 is Rs. 235 crores.

The current status of the project is quite encouraging as majority of the works in the Project is completed. The Earthen dam and Saddle dams of the Project are already completed. 97% work of the Spillway is completed. About 96.5 percent of the Right Bank Main Canal is complete while 99.1% of the work of the Left Bank Main Canal is completed. The completion of the remaining branches and distributaries of the project is planned to be expedited during XIth Plan. Assistance from AIBP is expected for the speedy completion of this project during the Plan period.

An overall assessment of the AIBP in Kerala reveals that there has been a moderately small scale of assistance under this scheme in this state, especially when compared to

some of the other states. In terms of the implementation of the different projects under AIBP, there is a mixed result but with more positive trends. The Kallada Project has been completed successfully with the AIBP assistance. On the other hand, the Muvattupuzha Project was not completed under the Tenth Plan period and roughly 20 percent of the project target is still pending. It is expected to be completed with the AIBP assistance under the current plan period. The Karapuzha Project which is now receiving assistance from the AIBP is in a comfortable situation with regard to meeting the stipulated targets, This project will also be hugely beneficial for some of the northern and ecologically sensitive districts of the state. On the whole, there has been a satisfactory utilization of funds under the AIBP scheme in Kerala and there is still a large unexplored potential of the AIBP programme for the development of irrigational facilities in Kerala.



## **Chapter 6**

### **Power**

#### **1. Rajiv Gandhi Gramin Vidyutikaran Yojana (RGGVY)**

Rural electrification has been regarded as a vital programme for the development of rural areas. It is now well accepted that electricity has become one of the basic human needs and every household must have access to electricity. In rural India, supply of electricity is needed for broad based economic and human development. The National Electricity Policy envisages supply of quality power to rural areas for 24 hours. The Rural Electrification Policy aims at providing access to electricity to all households.

The definition of village electrification has been made stricter to ensure availability of sufficient electricity infrastructure in each village before declaring it as electrified. In accordance with the Census 2001, about 1.2 lakh villages were un-electrified in the country.

RGGVY, a component of Bharat Nirman Programme which aims at intensive growth to bring about socio-economic transformation and development of rural India, was hence launched by the Government of India on 5 April 2005 aiming at providing access of electricity to all rural households and electrification of all villages by the year 2009. It was proposed to cover 1.15 lakh villages and provide free connections to 2.35 crore BPL households.

Rural Electrification Corporation (REC) is the nodal agency for the programme, under which 90% grant is provided by Govt. of India and 10% as loan by REC to the State Governments. So far 46,926 villages have been electrified and 2.13 million free connections have been provided to poor households and Rs.84 billion Government subsidy released under this programme.

The RGGVY aims specifically at:

- Electrifying all villages and habitations as per new definition
- Providing access to electricity to all rural households
- Providing electricity Connection to Below Poverty Line (BPL) families free of charge

Infrastructure under RGGVY :

- Rural Electricity Distribution Backbone (REDB) with 33/11 KV (or 66/11 KV) sub-station of adequate capacity in blocks where these do not exist.
- Village Electrification Infrastructure (VEI) with provision of distribution transformer of appropriate capacity in villages/habitations.
- Decentralized Distributed Generation (DDG) Systems based on conventional & non conventional energy sources where grid supply is not feasible or cost-

effective.

#### Implementation Methodology and conditions under RGGVY :

- Preparation of District based detailed project reports for execution on turnkey basis.
- Involvement of central public sector undertakings of power ministry in implementation of some projects.
- Certification of electrified village by the concerned Gram Panchayat.
- Deployment of franchisee for the management of rural distribution for better consumer service and reduction in losses.
- Undertaking by States for supply of electricity with minimum daily supply of 6- 8 hours of electricity in the RGGVY network.
- Making provision of requisite revenue subsidy by the state.
- Determination of Bulk Supply Tariff (BST) for franchisee in a manner that ensures commercial viability.
- Three tier quality monitoring Mechanism for XI Plan Schemes made mandatory.
- Web based monitoring of progress.
- Release of funds linked to achievement of pre-determined milestones.
- Electronic transfer of funds right up to the contractor level.
- Notification of Rural Electrification Plans by the state governments.

During the X Plan, 235 projects for 234 districts were sanctioned at an estimated cost of Rs.9732 Crore to electrify 68,763 villages and to provide free electricity connections to 83.1 lakh BPL households. 38,525 villages were electrified by the end of X Plan.

The continuation of RGGVY in the XI Plan was sanctioned by the Government on 3rd January 2008 with a provision of Rs.28,000 Crore capital subsidy. The states having large number of un-electrified villages and households (Assam, Bihar, Jharkhand, Orissa, Rajasthan, Uttar Pradesh and West Bengal) have been given more emphasis under the scheme. Other areas of focus are special category states of north-east, Himachal Pradesh, Jammu & Kashmir and Uttarakhand, districts having international boundaries and districts affected by naxal activities. Habitations above 100 population are being covered under the scheme.

During XI Plan, 327 projects costing Rs.16,268 Crore have been sanctioned for electrification of 49,383 villages and for providing 162 lakh electricity connections BPL households.

So far, Ministry of Power has sanctioned 562 villages for 534 districts to electrify 118,146 villages and to provide free electricity connections to 2.45 Crore BPL rural households. As on 15th July 2009, 63,040 villages have been electrified and 63.6 lakh free electricity connections have been released to BPL households. It is targeted to complete all the sanctioned projects before March 2012.

**Table 6.1 The performance of the programme in Kerala as on 01/10/2009**

Total Project Cost (in Rs. Cr.)		472.59
Project Cost Sanctioned (in Rs.Cr.)		19.76
Total Amount Released (in Rs.Cr.)		26.36
No. of Villages	Already Electrified	1077
	Un- Electrified	0
	De- Electrified	0
No. of Hamlets	Already Electrified	1847
	Un- Electrified	0
	De- Electrified	
Intensive Electrification of Electrified villages		
Coverage in No.		38
Achievement in No. (%)		22 (57.9%)
No. of connections to Rural Households (including BPL)		
Coverage in No.		23799
Achievement in No. (%)		13989 (58.8 % )
No. of connections to BPL Households		
Coverage in No.		17834
Achievement in No. (%)		13989 (78.4 % )

Source: <http://rggvy.gov.in/rggvy/rggvyportal/plgsheet3.jsp>

**Table 6.2 Amount disbursed under RGGVY in Kerala**

Year	2004-05	2005-06	2006-07	2007-08	2008-09	Total
Rs Crores	0	15	5.12	-	0.84	20.96

Source: Indiatat.com

## **2. Accelerated Power Development & Reforms Programme (APDRP) – State's preparedness to adopt the restructured APDRP (R-APDRP) programme**

While power has been identified as an essential factor for economic growth, 40 per cent of every 10 units of power generated in India continues to be lost due to theft and pilferage. The financial health of State Electricity Boards (SEBs) has become a matter of grave concern with losses reaching an alarming level of Rs 26,000 crore during 2001-02, equivalent to about 1.5 per cent of GDP.

The Central Government therefore launched a flagship power sector initiative – Accelerated Power Development and Reforms Programme (APDRP), in 2002-2003 with the objective of encouraging reforms, reducing aggregate technical and commercial loss and to improve the quality of supply of power.

So far, the Government of India has sanctioned 571 projects in excess of Rs 17,000 crore under the investment component for strengthening and up gradation of sub-transmission and distribution systems of the States. The States have utilised amounts in excess of Rs 12,500 crore. Very clearly the Accelerated Power Development and Reforms Programme has grossly underperformed as it has not been able to bring down the losses to 15 per cent by the end of 2007, as originally targeted in 2000-01. While India's power generation capacity is getting enhanced, from 140,000 MW to around 213,000 MW by 2012, inefficiencies in power transmission and distribution have been hurting the sector. The ugly truth is that only 70 per cent of the power generated reaches users while the remainder is lost in transmission and distribution. The primary reasons for high AT&C losses are poor metering/billing, low investment in power distribution sector, theft in industrial and urban areas, and overloaded distribution network.

Admittedly, over the last five years aggregate technical and commercial (AT&C) losses of SEBs have come down from about 36.6 per cent to 34.5 per cent but that is far short of the intended target of bringing down the subtraction to 15 per cent. Since 2001, nine states have shown reduction of cash loss amounting to Rs 5753.22 crore and have become eligible for the APDRP incentive of Rs 2876.61 crore. The Centre has released Rs 1959.70 crore so far to Andhra Pradesh, Gujarat, Haryana, Kerala, Madhya Pradesh, Maharashtra, Punjab, Rajasthan and West Bengal.

Power Ministry authorities however maintain that there has been a decrease in T&D losses in many of the states where the programme was undertaken but since the decline in overall losses of the SEBs has been less than impressive it has led to a feeling that the programme was a failure.

Another reason for the former projects failure is the lack of timely approvals. Of the Rs 40,000 crore allocation only Rs 17,000 crore worth of projects were sanctioned because the states did not come up with enough projects.

Hence the Central Government has recently introduced the Rs 50,000 crore Restructured-Accelerated Power Development and Reforms Programme (R-APDRP), as a renewed attempt to revive power sector reforms. The state-run Power Finance Corporation has been appointed as the nodal agency by the Power Ministry under the aegis of the R-APDRP.

The Government of India has proposed to continue R-APDRP during the XI Plan with revised terms and conditions as a Central Sector Scheme. What goes in favour of R-APDRP is that the focus will be on actual, demonstrable performance in terms of sustained loss reduction. The establishment of reliable and automated systems for sustained collection of accurate base line data, and the adoption of information technology in the areas of energy accounting will be necessary preconditions before sanctioning any regular distribution strengthening project. This will enable objective evaluation of the performance of utilities before and after implementation of the programme, and will enforce internal accountability leading to pressure to perform

pointers. Unlike the previous scheme the latest version covers the overall performance of the States as against a particular area. Only if the performance of a State is satisfactory will the loan get converted into a grant. Under the new scheme, there would also be incentive for utility staffs in towns where AT&C loss levels are below 15 per cent. The distribution companies will be required to implement an incentive programme for utility employees and a maximum amount of 2 per cent of the grant for the second part of the project is allocated for this purpose.

Eligibility Criteria for R-APDRP assistance:

The States / Utilities will be required to:

- Constitute the State Electricity Regulatory Commission
- Achieve the following target of AT&C loss reduction at utility level:
  - Utilities having AT&C loss above 30 per cent: Reduction by 3 per cent per year
  - Utilities having AT&C loss below 30 per cent: Reduction by 1.5 per cent per year
- Commit a time frame for introduction of measures for better accountability at all levels in the project area
- Submit the previous year's AT&C loss figures of identified project area as verified by an independent agency appointed by Ministry of Power (MoP)

Table 6.3 Outlay and Expenditure in Respect of R-APDRP in Kerala Power Sector.

	Rs Crores	KSEB	KSERC	ANERT	IREP	EMC	APDRP	RGGVY	Flagship	Total
2002-03	Outlay	589.25		6.5	3.5	0.75				600
	Expenditure	672.4488		4.85	1.3125	0.65	60			739.2613
2003-04	Outlay	732.24		6.5	3.5	0.75				742.99
	Expenditure	313.2468		0.16	1.6701	0.6875	15.645			331.4094
2004-05	Outlay	319.37	1.8	6	4	0.25				331.42
	Expenditure	346.4488	0.4265	3.08	1.2125	0.6375	85.42			437.2253
2005-06	Outlay	427.54	1.6	5	5	0.85				439.99
	Expenditure	397.0485	1.4395	1.31	1	0.85	158.14			559.788
2006-07	Outlay	899.69	1.3	8	2	0.3	255	90		911.29
	Expenditure	611.05	1.2307	0.47	1	0.6	255	90*		869.3507
2007-08	Outlay	702.3		7.0	1.5	0.63	168	120	2	997.93
	Expenditure	869.79			1.5	1.63	88	5.12	0.5	966.54
2008-09	Outlay	799.73		9		0.7	95	24.92	5	934.35
	Expenditure									

Note: \* = anticipated

### **3. Status of implementation of the Electricity Act and actual performance of the state utilities based on:**

- Revenue generation**
- Capital expenditure**
- Reduction of T&D losses**
- Elimination of subsidy**
- Contribution to the State exchequer**

“Ensuring financial viability through improvement in operational efficiency and cultivating good relationship with customers by avoiding activities that leave them dissatisfied – these two objectives should be realised by the Board, along with power self-sufficiency by 2000 AD.” **From the Power Policy of Kerala Government, 1998**

Kerala power sector is characterised by a high level of household electrification (91%) and high metered sales at 74 per cent of the total units input in the system; metering, including agricultural consumers, is almost 100 %; so is metering at the interface level. The auxiliary power consumption for both hydel and thermal generation stations is at near-normative levels. The system has a low failure rate of distribution transformers (for example, 4.2 per cent in 2004-'05) and a high availability of transmission lines (99 per cent). In 2001-02, 74% of the consolidated expenditure other than non-cash items like depreciation and extra-ordinary expenses was recovered through revenues other than subsidies. The recovery ratio improved to 104% in 2004-05 primarily because of good hydel generation leading to lower costs. However, the system suffers from inadequate accretions to generating capacity and absence of a perspective planning *per se*. Coupled with the high aggregate technical and commercial losses (about 20 per cent in 2008-09) is the fact that distribution transformers metering remains extremely low. The manpower employed in transmission and distribution also is very low at 2.98 per 1000 consumers. The system still continues as a vertically integrated public utility, under the banner of a State Electricity Board even in the face of the Electricity Act 2003.

The Eleventh Plan does not spell out a power policy except that “The power sector plan has usually been treated as a separate component of the state plan which is the responsibility of the Kerala State Electricity Board and which has simply been added on to the rest of the plan. In the process however sufficient attention has not been paid to a range of options, such as small hydro power projects and bio-mass-based power generation. The entire non-conventional energy sector needs closer examination and integration in the overall plan (Draft Approach paper for Kerala’s Eleventh Five Year Plan: paragraph 7.9). In view of the continuum of the plan process, the objectives of the earlier plans that remain unattained can still have significance; thus the objectives of power development in the 9<sup>th</sup> Plan, viz., achieving self sufficiency in power supply, improving its quality and reliability and bringing about economies and efficiencies, are still relevant for the sector. So are the two-pronged strategies sought to realise these goals, viz., a strategic program of addition to generation and transmission and distribution facilities and a comprehensive program of reforms to transform the power sector into an independent self-reliant entity.

At the time of its inception, in 1957-58, the KSEB had an installed capacity of 109.0 MW, with a total annual internal generation of 441.35 MU. Over the years, as demand increased, the board has imported power from neighbouring states and private entities. The board also set up several more hydel power stations within the state. As of 2008, the KSEB has a total installed capacity of 2657.24 MW and a consumer base of over 91,59,399. The KSEB has an installed capacity of 2087.23 MW from plants owned by itself, and another 570.016 MW contributed by National Thermal Power Corporation (NTPC) and various private sector producers taking the total installed capacity of State to 2657.24 MW.

The KSEB generates majority of its power from the 24 hydel projects it owns within Kerala. Diesel power plants at Brahmapuram and Kozhikode are the other major power generation stations within the state. The plant at Brahmapuram has an installed capacity of 106.6 MW, and the one at Kozhikode has a capacity of 128 MW. A 2.025 MW wind farm located at Kanjikkode is the only power generating station under the KSEB that utilises non-conventional energy resources.

In 2008-09 KSEB introduced a new planning concept called Interactive Planning Process (IPP). Instead of the conventional planning in which the demand growth is predicted through statistical methods, IPP aims to find out the growth in demand through interactive sessions with all the stakeholders conducted in all the districts.

A Demand Side Management Cell under KSEB looks after Energy Conservation activities under the organisation. Large scale awareness programmes have been organised since 2008-09 onwards. This has helped to bring down the maximum demand. The withdrawal of Load Shedding during May 2009 was partly due to the cooperation of the consumers to the Board's efforts.

The growth of the Kerala power system during the last 50 years is given in the Table below.

**Table-6.4**  
**Growth of Kerala Power System**

Year	Installed Capacity MW with in the State				Annual Sales MU	No of Consumers (Lakhs)	Per Capita Conspn kWh	EHT lines Ckt Kms	EHT Substations (No)	HT lines Ckt Kms	LT lines Ckt Kms	Distribution Transformers (No)
	Hydel	Thermal (Incl. IPPs)	Wind	Total								
57-58	109.0	0	0	109.0	363	1.06	19	1600	15	3851	4980	1862
60-61	133.0	0	0	133.0	518	1.75	30	1900	22	5449	8899	2898
73-74	622.0	0	0	622.0	2121	7.77	79	3378	59	9645	25968	8285
80-81	1012.0	0	0	1012.0	4499	15.72	109	4638	92	14189	55963	11656
85-86	1272.0	0	0	1272.0	4172	23.96	136	5317	109	16917	76141	13314
90-91	1477.0	0	0	1477.0	5331	34.50	185	5885	140	20221	101834	17838
97-98	1676.5	85.3	2	1763.8	7716	52.11	239	7074	168	27083	138732	26826
98-99	1692.5	336.2	2	2030.7	9182	56.39	285	7381	177	28090	174196	28058
99-00	1742.5	594.2	2	2338.7	9812	60.30	300	7599	179	28672	180499	29551

00-01	1792.5	614.6	2	2409.1	10319	64.46	311	9085	194	30035	187169	31329
01-02	1795.0	771.6	2	2568.6	8667	66.62	395	9274	204	30971	191931	32585
03-04	1807.0	591.6	2	2400.6	8910	73.00	391	9718	225	33323	201638	34758
04-05	1843.6	591.6	2	2437.2	9384	77.99	400	9924	251	33998	207711	36442
05-06	1849.6	591.6	2	2443.2	10906	82.98	427	10178	269	35060	215152	38193
06-07	1849.6	591.6	2	2443.2	11331	87.14	465	10593	276	37891	223370	39872
07-08	1878.0	591.6	2	2445.2	12050	90.33	470	10650	281	38227	234252	42401

### Physical performance

A gist of various developmental activities carried out by the Board in generation, transmission and distribution sectors during the recent years is given below.

**Table 6.5: Physical Performance**

Particulars	Unit	Addition during the Years						
		2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
(a) Generation								
Capacity Additions	MW	0	12.6	3	14	13	5	27.5
Allocation from CGS	MW	285	72	90	225	0	-141	
(b) Transmission								
EHT Substation	No	8	13	26	21	15	16	18
EHT Lines	Circuit km	184	296	261	259	106	108	176
HT Lines	Circuit km	1083	1226	1062	1062	1819	1807	
(c) Distribution								
No of consumers	Lakh	3.55	3.52	5.48	5.48	4.79	4.82	4.45
LT lines added	Circuit km	5043	4664	6074	7441	8229	8128	7636
No of distribution	No	870	1303	1882	1751	2148	2553	4109

### T & D Loss reduction

Since 2001-02, the Board has been able to consistently achieve significant reduction in losses in the system by replacement of faulty meters and electromechanical meters by electronic meters, adding new substations and lines, strengthening anti-theft activities, system improvement schemes, energy audit, etc.

The total loss in the system in 2001-02 was 30.76% which was brought down to 20.02% by the end of 2007-08. It is expected that the cumulative reduction in loss would be more than 13 percent by 2009-10. The financial savings accrued to the Board through the loss reduction over the years are given in the following table.



Table – 6.6: Impact of T&D loss reduction

Year	Energy sold within the state	Total energy generated and purchased within KSEB (MU)	T & D Loss		Impact of loss reduction (estimate)	
			%	cumulative reduction (%)	Savings in MU	Amount in Rs. Crore (with avg. power purchase cost)
2001-02	8667.32	12518.31	30.76			
2002-03	8873.3	12512.33	29.08	1.68	210.12	46.23
2003-04	8910.84	12280.87	27.44	3.32	407.92	89.74
2004-05	9384.4	12504.79	24.95	5.81	726.44	159.82
2005-06	10269.8	13331.09	22.96	7.8	1039.73	233.94
2006-07	11331	14427.97	21.47	9.3	1341.49	295.13
2007-08	12049.85	15065.15	20.02	10.75	1619.17	356.22
2008-09*	12975.6	15958.95	18.69	12.07	1926.25	423.78
2009-10**	13966.12	16913.43	17.43	13.34	2256.25	496.38

Note: \* = Estimate; \*\* = projected.

KSEB was able to reduce the loss by 10.75% during the period from 2001-02 to 2007-08. It may be noted that increase in requirement of energy could partially be met by way of T&D loss reduction instead of resorting to purchase of costly energy. It is estimated that, there was a saving to the tune of Rs 356.22 crore at average power purchase rate of Rs 2.20 per unit for the year 2007-08 alone.

### Financial Performance

The Board, had taken all possible efforts to get the advantage of low interest rate prevailing in the financial market and thus had swapped the high cost outstanding loans with the fresh loans drawn at low interest rates. So far, KSEB has swapped Rs 1954.65 Crore of loans, saving an interest liability of Rs.265.40 Crore payable during the rest of the repayment period of the loans and the annual savings through swapping alone is Rs 51.37 crore.

### Increase in revenue

The following table shows the revenue earned by the Board from sale of power and other income.

**Table 6.7 : Details of Revenue Earnings**

Particulars	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08*	2008-09
(1) Energy sold (MU)							
Within the State	8873.3	8910.84	9384.4	10269.8	11331	12049.85	12414.32
Outside the state				635.9	1046.89	1346.76	463.33
Total sale	8873.3	8910.84	9384.4	10905.7	12377.99	13396.61	12877.65
(2) Income (Rs in crore)							
From sale within the state	2480.68	2756.09	2917.36	3170.79	3574.84	4251.58	4893.02
Outside the State				196.51	434.86	673.85	(breakup not available)
Non tariff	226.27	304.66	339.65	325.43	406.46	489.89	456.79
Total	2706.95	3060.75	3257.01	3692.73	4416.16	5415.32	5349.82

Note: \* = Revised

Along with the increase in income, the Board was able to manage its expenditure efficiently to reap a good surplus in 2006-07 and to register 14% rate of return. The same trend is expected in the next two years, as the following Table shows:

**Table 6.8 Profit & Loss Account**

Particulars	Rs in crore		
	2006-07 (Actual)	2007-08 (Revised)	2008-09 (Estimate)
<b>I. INCOME</b>			
a. Revenue from Sale of Power	4009.71	4251.58	4451.13
b. Revenue Subsidies and Grants	0.00	0.00	0.00
c. Other Income	406.46	489.89	528.21
d. Revenue gap/Regulatory asset	142.23	251.03	754.69
Total (a+b+c+d)	4558.40	4992.50	5734.03
<b>II. EXPENDITURE</b>			
a. Repairs and Maintenance.	110.99	119.15	131.05
b. Employee Cost	898.09	1034.89	1136.86
c. Administration and General Expense	135.10	128.12	140.06
d. Depreciation	405.98	419.01	459.30
e. Interest and Finance charges	429.34	368.71	357.31
f. Subtotal ( a+b+c+d+e)	1979.50	2069.88	2224.58
g. Less Capitalised Expenses:			
- Interest & Finance Charges	35.13	27.36	25.75
- Other Expenses	43.19	51.70	59.19
h. Other Debits	683.47	449.29	454.03
I. Extra Ordinary Items	0.00	0.00	0.00
j. Purchase of power	1629.30	2098.62	2674.65

k. Generation of Power	111.84	163.47	207.03
Total Expenditure (f-g+h+i+j)	4325.79	4702.20	5475.35
<b>III. Profit /(Loss) before Tax (I-II)</b>	232.61	290.30	258.68
<b>IV. Provision for Income Tax</b>	0.00	0.00	0.00
<b>V. Net Prior period credits (Charges )</b>	-15.19	-72.88	-41.26
<b>VI. Surplus (Deficit )</b>	217.42	217.42	217.42
<b>VII. Net Assets at the beginning of the year (Less consumer's Contribution )</b>	3152.24	3368.71	3590.73
<b>VIII. Rate of Return</b>	14% on Capital	14% on Capital	14% on Capital

### Reduction in Revenue Gap

By way of improvement in physical performance, progressive reduction in losses, economy measures in power purchase, reduction in outstanding liabilities and interest cost as well as other economy measures, the Board could reduce the revenue gap to a large extent from Rs.1316.43 Crore in the year 2001-02 to Rs. 91.28 Crore in the year 2007-08, without upward revision of tariff since October-2002. The details of the reduction in revenue gap are given below.

Table 6.9 : Revenue Gap Rs.in Crore

Year	Income			Total Expenditure	Revenue Gap
	Tariff	Non tariff	Total		
2001-02	1945.99	95.86	2041.85	3358.28	-1316.43
2002-03	2480.69	226.27	2706.96	3722.53	-1015.57
2003-04	2756.09	304.66	3060.75	4068.18	-1007.43
2004-05	2917.36	339.65	3257.01	3599.77	-342.76
2005-06	3367.30	325.43	3692.73	3837.32	-144.58
2006-07 (Prov)	4009.70	406.47	4416.17	4558.40	-142.23
2007-08 (Prov)	4696.95	438.89	5135.84	5227.13	-91.29

Reduction in revenue gap implies less dependence on the State government subsidies, as the following Table shows.

**Table 6.10 : Revenue Subsidies and Grants**

Rs. in crores				
Sl. No	Item	2006-07 (Accounts)	2007-08 (Revised)	2008-09 (Estimate)
1	Subsidies	0.00	0.00	0.00
2	Grants for R&D Expenses	0.00	0.00	0.00
3	Grants for Survey & Investigation	0.00	0.00	0.00
4	Revenue gap/Regulatory asset	142.23	251.03	754.69
	Grand Total	142.23	251.03	754.69

**Capital Expenditure****Table 6.11 Summary of the Capital outlay for Generation for the years 2008-09 and 2009-10**

Rs in Crores			
Sl No	Particulars	2008-09	2009-10
1	Ongoing hydel projects	76.14	74.26
2	Tendered Projects	30.26	64.60
3	Projects proposed to tender before Mar-09	3.86	8.10
4	Projects proposed tendered during 2009	4.00	13.50
5	Capital outlay for existing projects	24.82	16.06
6	Renovation and modernization	19.30	29.30
7	Survey & Investigation works	1.59	2.41
8	Revamping seismic network	0.90	1.17
9	Dam safety works	5.14	15.23
10	R&D Civil works	0.44	2.20
11	Administrative complex		
	(a) Building under construction	0.82	2.65
	(b) Construction of model section offices		9.75
12	Fabrication works in CM division	75.00	95.00
13	Up-gradation of mechanical facilities at Pallom and Angamally	0.25	0.35
14	Bitarni Coal project	35.00	20.00
15	Rehabilitation of Panniar	22.00	6.00
16	Rebuilding of Sabarigiri	6.00	26.00
17	Other Civil works	4.85	16.76
	Total	310.37	403.33

**Table 6.12 Capital outlay for the transmission projects for 2008-09 and 2009-10**

<b>Rs in crores</b>			
Sl No	Name of the Projects	2008-09 (Revised)	2009-10 (Proposed)
1	220 kV Substations and connected lines	50.00	88.50
2	110 kV Substations and connected lines	125.00	150.00
3	66 kV Substations and connected lines	55.00	60.00
4	33 kV Substations and connected lines	30.00	35.00
5	Other works (repairs and maintenance)	10.00	10.00
6	<b>Renovation &amp; Modernisation</b>		
a	Modernisation of Load Despatch	1.54	1.84
b	Relay	1.50	3.86
c)	Modernisation of Communication	3.84	17.53
	<b>Total Transmission</b>	<b>276.88</b>	<b>366.73</b>

**Table 6.13 Capital outlay for distribution works**

<b>Rs in Crore</b>			
Sl No	Name of the Projects	2008-09 (Revised)	2009-10 (Proposed)
1	Normal	155.00	256.00
2	People's Participation Schemes	21.47	31.01
3	APDRP (Additional Central Assistance to APDRP)	184.00	133.06
4	RGVY	12.53	90.37
5	Capital City Development	0.50	0.50
6	Tsunami Projects (TRP)	31.00	12.00
7	Tsunami Emergency Assistance Project	11.00	0.00
8	Improvement of quality of supply in Municipalities & Corporations	0.50	0.50
9	High Voltage Distribution System	0.50	0.50
10	Reconductoring of old LT Lines	1.00	1.00
11	Power Factor Compensation using Shunt and Series Capacitance	0.10	0.10
12	Introducing Automatic Voltage Boosters in Select Area of Low Voltage as an Interim measure	0.10	0.10
13	TCMS	0.45	5.00
14	Automatic Meter Reading System	0.10	8.00
15	Infrastructure for Improving Customer Care	0.50	10.00
16	Special scheme for providing service connections to Socially and Economically Backward Sections	10.00	25.00
	Service connection to SC/ST families	20.00	20.00
	Service connection to BPL families	7.50	7.50
	<b>Total</b>	<b>456.25</b>	<b>600.64</b>

**Table 6.14 Capital outlay for additional capital works in existing projects**  
**Rs in crore**

S1 No	Name of the Projects	2008-09 (Revised)	2009-10 (Proposed)
	<b>Hydel</b>		
1	Chembukadavu-I	0.35	0.12
2	Chembukadavu-II	0.14	0.06
3	Urumi-I	0.72	0.24
4	Urumi-II	0.05	0.02
5	Malankara	0.35	0.00
6	Lower Meenmutty	0.15	0.00
7	Kakkad	0.05	0.00
8	Lower Periyar	6.19	2.23
9	Mattupetty	0.00	0.02
10	Poringalkuthu Left Bank Extension	0.15	0.40
11	Kuttiadi Extension Scheme (50 MW)	0.00	0.93
12	Vazhikadavu diversion	0.12	0.00
13	Kuttiyadi Augmentation	5.17	2.40
14	Vadakkepuzha Diversion	0.56	0.16
15	Transformer - Idukki PH*	3.75	0.00
16	Idukki (providing CCTV at PH)	0.32	0.32
	<b>Thermal</b>		
17	BDPP	5.38	5.35
18	KDPP	1.38	3.82
	Total	24.82	16.06

**Table 6.15 Capital outlay for Renovation and Modernisation**  
**Rs in crore**

S1 No	Name of the Projects	2008-09 (Revised)	2009-10 (Proposed)
1	Neriamangalam	0.25	0.00
2	PPSHUP	0.15	0.05
3	Sabarigiri	25.00	25.00
4	Idamalayar - 110/66 kV Substation	0.10	0.25
5	Porginalkuthu	3.05	3.25
6	Sholayar	0.75	0.75
	Total	29.30	29.30

**Table 6.16 : Capital outlay for ongoing projects****Rs in crore**

Sl No	Name of the Projects	2008-09 (Revised)	2009-10 (Proposed)
1	Kuttiyadi Tailrace	3.30	0.50
2	Neriamangalam Extension	10.39	0.38
3	Kuttiyadi Addl. Extn. Scheme (2x50 MW)	35.00	27.00
4	Azhutha Diversion	1.10	0.00
5	Kuttiyar Diversion	2.35	0.45
6	Pallivasal Extension	24.00	45.00
7	Kuttiyadi Extension Scheme (50 MW)	0.00	0.93
	Total	76.14	74.26

**Power Sector Reforms**

It was acknowledged in the Electric Power Policy of 1998 that the huge capital investment required in the power sector imposed heavy burden on the KSEB with its weaker financial standing. Kerala signed a memorandum of understanding (MoU) with the Union power ministry in August 2001 expressing its willingness to undertake power sector reforms. As per the MoU, the KSEB was to be run on commercial lines and also to securitise all its dues to the central public sector undertakings (CPSUs). And in return for its commitments, the state would be provided by the central government with funds from the Accelerated Power Development Programme (APDP) for renovation and modernisation of thermal and hydro plants of the State and for improvement of sub-transmission and distribution and metering in the identified circles in the State. The MoU required the state government to 'desegregate' the KSEB to make it accountable in respect of its functions of generation, transmission and distribution; accordingly, the KSEB was divided into three 'independent profit centres' having separate administrative set up and accounts in April 2002. The State Electricity Regulatory Commission, with 3 members, also was set up in November 2002.

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**Appendix 1****Scheme-Wise Investment Programme in Power Sector For The Years 2007- 08 And 2008-09**

Sl.	Name Of Scheme / Work	2007-2008 (Annual Plan)			2007-2008 (Revised Estimate)			2008-2009 (Annual Plan)		
		Rs.In Lakhs			Rs.In Lakhs			Rs.In Lakhs		
No		Civil	Elec.	Total	Civil	Elec.	Total	Civil	Elec.	Total
	<b>A. Generation</b>									
	<b>I. H Y D E L</b>									
	<b>Ongoing Schemes</b>									
1	Kuttiadi Tailrace	200	20	220	355	265	620	100	55	155
2	Neriamangalam Extension	100	500	600	100	1100	1200	250	0	250
3	Kuttiady Addl.Extension Scheme (2 X 50)	1800	2600	4400	4600	1000	5600	1650	5000	6650
4	Azhutha Diversion	20	0	20	35	0	35	0	0	0
5	Kuttiar Diversion	100	0	100	250	0	250	50	0	50
	<b>New Schemes</b>			0			0			0
1	Chathankottunada Ii Shep	350	500	850	200	0	200	300	200	500
2	Barapole	1000	1900	2900	1000	1900	2900	600	1300	1900
3	Sengulam Augmentation	1000	0	1000	450	0	450	600	400	1000
4	Vilangad Shep	500	1570	2070	100	135	235	500	500	1000
5	Maniyar Tailrace Shep	300	300	600	300	300	600	300	300	600
6	Perumthenaruvi Shep	300	200	500	500	280	780	400	400	800
7	Chimony	10	0	10	20	0	20	425	100	525
8	Pallivasal Extension	4000	1500	5500	2900	100	3000	2500	2500	5000
9	Thottiar	800	500	1300	400	300	700	1500	610	2110
10	Kakkadampoil-Ii	10	0	10	10	0	10	20	0	20

11	Anakkampoil Ii	10	0	10	0	0	0	0	0	0
12	Marmala	0	0	0	0	0	0	0	0	0
13	Sengulam Tail Race	250	0	250	100	0	100	0	500	500
14	Athirappally (Turnkey)	3330	1500	4830	5000	0	5000	5000	5400	10400
15	Kakkadampoil-I	50	0	50	0	50	50	0	100	100
16	Mankulam	300	500	800	300	0	300	700	300	1000
17	Achankovil	50	0	50	10	0	10	50	0	50
18	Chinnar	50	0	50	50	0	50	400	100	500
	<b>Completed Schemes</b>			0			0			0
1	Chembukadavu I	2	0	2	15	0	15	6	0	6
2	Chembukadavu Ii	2	0	2	5	0	5	0	0	0
3	Urumi I	2	0	2	50	0	50	20	0	20
4	Urumi Ii	2	0	2	0	0	0	0	0	0
5	Malankara	5	0	5	25	0	25	0	0	0
6	Lower Meenmutty	5	0	5	15	0	15	0	0	0
7	Kakkad	5	0	5	0	0	0	0	0	0
8	Lower Periyar	5	0	5	0	0	0	0	0	0
9	Poringal - Idamalayar Diversion	0	5	5	0	0	0	0	0	0
10	Vazhikadavu Diversion	50	0	50	0	0	0	0	0	0
11	Watch Tower Moolamattom Switchyard	0	15	15	0	0	0	0	25	25
12	Transformer-Idukki Power Station	0	250	250	0	0	0	0	370	370
13	Kuttiadi Augmentation	50	0	50	1850	0	1850	450	0	450
	<b>Total Of I</b>	<b>14658</b>	<b>11860</b>	<b>26518</b>	<b>18640</b>	<b>5430</b>	<b>24070</b>	<b>15821</b>	<b>1816</b>	<b>33981</b>
	<b>ii. T H E R M A L</b>									
1	Brahmapuram	0	572	572	0	483	483	0	670	670
2	Kozhikode	0	2	2	0	590	590	0	136	136

	<b>Total Of Ii</b>	0	574	574	0	1073	1073	0	806	806
	<b>Iii.Wind &amp; Non -Conventional</b>			0			0			
1	Ramakkalmedu	200	200	400	200	200	400	0	2000	2000
2	Peechi	25	0	25	150	0	150	500	100	600
3	Pathamkayam	25	0	25	0	0	0	0	0	0
4	Adyanpara	200	75	275	300	50	350	850	650	1500
5	Passukadavu Shep	200	400	600	100	0	100	600	400	1000
6	Poozhithode Shep	400	600	1000	100	0	100	600	400	1000
7	Kandappanchal	50	0	50	0	0	0	0	0	0
	<b>Total Of Iii</b>	<b>1100</b>	<b>1275</b>	<b>2375</b>	<b>850</b>	<b>250</b>	<b>1100</b>	<b>2550</b>	<b>3550</b>	<b>6100</b>
	<b>Iv. Renovation &amp; Modernisation</b>									
	Existing Hydro-Stations									0
1	Neriamangalam	10	100	110	0	50	50	0	50	50
2	Ppshup	0	35	35	0	35	35	0	35	35
3	Sabarigiri	0	1000	1000	0	1000	1000	0	2500	2500
4	Edamalar	0	500	500	0	10	10	0	800	800
5	Idamalar- 110/66 Kv Sub Station	0	10	10	0	10	10	0	10	10
6	Poringalkuthu	0	50	50	0	50	50	0	50	50
7	Sholar	0	50	50	0	50	50	0	50	50
	<b>Total Of Iv</b>	<b>10</b>	<b>1745</b>	<b>1755</b>	<b>0</b>	<b>1205</b>	<b>1205</b>	<b>0</b>	<b>3495</b>	<b>3495</b>
	<b>V. Survey And Investigation &amp; Environmental Studies:</b>	500	0	500	100	0	100	600	0	600
	<b>Total Of V</b>	<b>500</b>	<b>0</b>	<b>500</b>	<b>100</b>	<b>0</b>	<b>100</b>	<b>600</b>	<b>0</b>	<b>600</b>
	<b>Vi. Revamping Seismic Network In Idukki Region</b>	5	0	5	50	0	50	100	0	100
	<b>Total Of Vi</b>	<b>5</b>	<b>0</b>	<b>5</b>	<b>50</b>	<b>0</b>	<b>50</b>	<b>100</b>	<b>0</b>	<b>100</b>

	<b>Vii. Research And Development (Civil)</b>			0						0
1	Dam Safety Works	10	0	10	200	0	200	450	0	450
2	R & D - Civil Including Dam Safety Studies	10	0	10	10	0	10	50	0	50
	<b>Total Of Vii</b>	<b>20</b>	<b>0</b>	<b>20</b>	<b>210</b>	<b>0</b>	<b>210</b>	<b>500</b>	<b>0</b>	<b>500</b>
	<b>Viii. Administrative Complexes</b>									
1	Buildings Under Construction	50	0	50	10	0	10	100	0	100
2	Construction Of New Electrical Section Offices	20	0	20	10	0	10	20	0	20
	<b>Total Of Viii</b>	<b>70</b>	<b>0</b>	<b>70</b>	<b>20</b>	<b>0</b>	<b>20</b>	<b>120</b>	<b>0</b>	<b>120</b>
	<b>Ix. Civil Circle, Pallom</b>									
1	Other Civil Works	20	0	20	75	0	75	70	0	70
2	Fabrication Works In Cm Division	1565	0	1565	0	4500	4500	0	5250	5250
3	Setting Up Of New Fabrication Units	50	0	50	0	50	50	0	30	30
	<b>Total Of Ix</b>	<b>1635</b>	<b>0</b>	<b>1635</b>	<b>75</b>	<b>4550</b>	<b>4625</b>	<b>70</b>	<b>5280</b>	<b>5350</b>
	<b>X. Coal Based Power Project</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1000</b>	<b>0</b>	<b>1000</b>	<b>2000</b>	<b>0</b>	<b>2000</b>
	<b>Xi. Maintenance Of Panniyar Power House</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1000</b>	<b>0</b>	<b>1000</b>	<b>1000</b>	<b>0</b>	<b>1000</b>
	<b>Total Generation (I To Ix)</b>	<b>17998</b>	<b>15454</b>	<b>33452</b>	<b>21945</b>	<b>12508</b>	<b>34453</b>	<b>22761</b>	<b>3129</b>	<b>54052</b>
	<b>B. Transmission</b>									
1	Connected lines of 400 kV S/s	0	0	0	0		0	0	0	0
2	220 KV Substations and connected lines	0	5868	5868	0	6500	6500	0	3000	3000
3	110 KV Substations and connected lines	0	8660	8660	0	9800	9800	0	9600	9600
4	66 KV Substations and connected lines	0	2943	2943	0	2100	2100	0	800	800
5	33 KV Substations and connected lines	0	3763	3763	0	2800	2800	0	3000	3000
6	Other works (repairs and maintenance)	0	251	251	0	250	250	0	500	500
7	Capacitor installations	0	0	0	0	0	0	0	0	0

8	<b>Renovation &amp; Modernisation</b>			0						
a	Modernisation of Load Despatch	0	119.5	119.5	0	80	80	0	150	150
b	Relay	0	173.5	173.5	0	250	250	0	300	300
c	Modernisation of Communication Systems	0	310.8	310.8	0	370	370	0	750	750
d	Others	0	91.19	91.19	0	0	0	0	0	0
	<b>Total Transmission</b>	<b>0</b>	<b>22180</b>	<b>22180</b>	<b>0</b>	<b>22150</b>	<b>22150</b>	<b>0</b>	<b>18100</b>	<b>18100</b>
	<b>C. Distribution</b>									
1	Normal	0	16918	16918	0	22169	22169	0	19669	19669
2	People's Participation Schemes	0	2412	2412	0	2412	2412	0	2385	2385
3	APDRP (Additional Central Assistance to APDRP)	0	7531	7531	0	7531	7531	0	8800	8800
4	RGGVY	0	12646	12646	0	512	512	0	2492	2492
5	Capital City Development	0	460	460	0	200	200	0	200	200
6	Tsunami Projects (TRP)	0	1225	1225	0	715	715	0	4056	4056
7	Tsunami Emergency Assistance Project	0	916	916	0	1800	1800	0	600	600
8	Improvement of Quality supply in Municipalities & Corporations	0	433	433	0	200	200	0	200	200
9	High Voltage Distribution System	0	100	100	0	50	50	0	50	50
10	Reconductoring of Old LT Lines	0	537	537	0	200	200	0	500	500
11	Power Factor Compensation Using Shunt And Series Capacitance.	0	50	50	0	50	50	0	150	150
12	Introducing Automatic Voltage Boosters in Select Area of Low Voltage Asan Interim Mesaures	0	408	408	0	200	200	0	200	200
13	TCMS	0	100	100	0	50	50	0	50	50
14	Automatic Meter Reading System	0	100	100	0	10	10	0	50	50
15	Infra Structure for Improving Customer Care	0	100	100	0	10	10	0	50	50

16	Special Scheme for providing Service Connections to Socially and Economically Backward Sections.	0	2500	2500	0	2500	2500	0	2500	2500
	<b>Total Distribution</b>	<b>0</b>	<b>46436</b>	<b>46436</b>	<b>0</b>	<b>38609</b>	<b>38609</b>	<b>0</b>	<b>41952</b>	<b>41952</b>
	<b>D. Institutional Development Programme</b>	<b>0</b>	<b>100</b>	100	<b>0</b>	<b>250</b>	250	<b>0</b>	<b>300</b>	300
	<b>E. Research &amp; Development (Ele.)</b>	<b>0</b>	<b>50</b>	50	<b>0</b>	<b>50</b>	50	<b>0</b>	<b>50</b>	50
	<b>F. IT Enabled services</b>	<b>0</b>	<b>0</b>	0	<b>0</b>	<b>105</b>	105	<b>0</b>	<b>155</b>	155
	<b>F. Others</b>	<b>0</b>	<b>20</b>	20	<b>0</b>	<b>0</b>	0	<b>0</b>	<b>0</b>	0
	<b>Grand Total (A To G)</b>	<b>17998</b>	<b>84240</b>	<b>1E+05</b>	<b>21945</b>	<b>73672</b>	<b>95617</b>	<b>22761</b>	<b>91848</b>	<b>114609</b>

## Appendix 2

### Power Sector: Technical & Commercial Loss reduction

S1 No.	Items	2001-02 (Actual)	2002-03 (Actual)	2003-04 (Actual)	2004-05 (Actual)	2005-06 (Actual)	2006-07 (Prov)	2007-08 (prov)	2008-09 (Estimate)	2009-10 (proj)
<b>1</b>	<b>KSEB own Generation</b>									
1	Energy generated (MU) (gross incl. Hydro, Wind, KSEB)	7142.18	5475.74	4488.06	6377.06	7600.78	7745.78	8703.55	6735.43	7217.00
1	Auxiliary Consumption	45.63	44.97	48.10	48.08	46.42	50.66	55.86	46.35	48.48
1.( c)	Net energy generation	7096.55	5430.77	4439.96	6328.98	7554.36	7695.12	8647.69	6689.08	7168.52
<b>2</b>	<b>Power Purchase</b>									
2.(a)	Total Power purchase (MU) at Generator Bus (inclu. Ext. loss)	5676.82	7320.37	8015.41	6390.74	6700.27	8149.84	8074.62	8682.56	9223.55
2(b)	Additional power purchase to meet the								1325.92	837.54
2.(c)	External PGCIL Line Loss	255.06	238.81	174.50	214.93	287.64	370.10	310.40	295.40	316.17
2.( d)	Net Power purchase at KSEB bus 2(a) + 2 (b)- 2(c)	5421.76	7081.56	7840.91	6175.81	6412.63	7779.74	7764.22	9713.08	9744.92
<b>3</b>	<b>Total energy generated and power purchased by KSEB 1( c) + 2(a)</b>	<b>12773.37</b>	<b>12751.14</b>	<b>12455.37</b>	<b>12719.72</b>	<b>14254.63</b>	<b>15844.96</b>	<b>16722.31</b>	<b>16697.56</b>	<b>17229.61</b>
<b>4</b>	<b>Energy sales through NVVN &amp; PTC (displacement mode)</b>					<b>635.90</b>	<b>1046.89</b>	<b>1346.76</b>	<b>443.20</b>	
<b>5</b>	<b>Total Energy to be generated &amp; purchased for KSEB for sale</b>	<b>12773.37</b>	<b>12751.14</b>	<b>12455.37</b>	<b>12719.72</b>	<b>13618.73</b>	<b>14798.07</b>	<b>15375.57</b>	<b>16254.36</b>	<b>17229.61</b>
<b>6</b>	<b>Energy sales within the state (est for 08-09 &amp; 09- 10)</b>	8667.32	8873.30	8910.84	9384.40	10269.80	11331.00	12049.85	12975.60	13966.12

7	Total energy loss including PGCIL line loss(MU) = (5)- (6)	4106.05	3877.84	3544.53	3335.32	3348.93	3467.07	3325.72	3278.76	3263.49
8	<b>Total energy Loss (incl. PGCIL Line losses) in percentage - (7)/(5)</b>	<b>32.15%</b>	<b>30.41%</b>	<b>28.46%</b>	<b>26.22%</b>	<b>24.59%</b>	<b>23.43%</b>	<b>21 .63%</b>	<b>20.17%</b>	<b>18.94%</b>
9	Extent of Reduction (%)		1.73%	1.95%	2.24%	1.63%	1.16%	1.80%	1.46%	1.23%
10	<b>Energy generated and Power purchase to the KSEB system (excl. external loss)</b>	<b>12518.31</b>	<b>12512.33</b>	<b>12280.87</b>	<b>12504.79</b>	<b>13331.09</b>	<b>14427.97</b>	<b>15065.15</b>	<b>15958.95</b>	<b>16913.43</b>
11	Energy loss in the KSEB system (internal) (MU) = (10)-(6)	3850.99	3639.03	3370.03	3120.39	3061.29	3096.97	3015.30	2983.35	2947.31
12	<b>Internal energy loss (with in KSEB system) (%) = (11)/(10)</b>	<b>30.76%</b>	<b>29.08%</b>	<b>27.44%</b>	<b>24.95%</b>	<b>22.96%</b>	<b>21 .47%</b>	<b>20.02%</b>	<b>18.69%</b>	<b>17.43%</b>
13	<b>Extent of Reduction of T&amp;D loss within KSEB system (%)</b>		<b>1.68%</b>	<b>1.64%</b>	<b>2.49%</b>	<b>1.99%</b>	<b>1.50%</b>	<b>1.45%</b>	<b>1.32%</b>	<b>1.27%</b>