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FOREWORD

Even though planning has been a central tenet of our approach to economic development since Independence, it has neither become ideologically rigid nor methodologically stultified. Each of our Plans has reflected the changing imperatives of the times and the theoretical and experiential developments from around the world. Some of the changes have been strikingly bold, while others somewhat modest. But change there has been. Never before has this inherent dynamism of the Indian planning process been more in evidence than in the past decade. The economic reforms that came in the wake of the crisis of 1991, and which have progressed steadily ever since, jettisoned some of the basic premises of our development paradigm and practically all of the instruments traditionally used for implementing our Plans. Nevertheless, the need for planning as a unifying strategic approach continued to be felt.

The Ninth and the Tenth Five Year Plans embody the process of transition from the traditional investment allocation form of planning to planning for a modern market economy. This transition involved not only a complete overhaul of planning methodologies, whereby more or less deterministic planning models had to be replaced by more behavioural systems which could better handle the nuances of

policy change, but also the incorporation of a number of issues which had traditionally never been an integral part of planning. Thus, for example, fiscal issues had to be integrated into the planning framework, as also financial markets and governance. By and large, it would be safe to say that the new planning system had to pay considerably greater attention to sectoral specificities and regional idiosyncracies than was the case earlier.

This shift from a directive to an indicative planning approach also required that the operational modalities of the Planning Commission undergo a radical alteration. In earlier years, it was sufficient for the Planning Commission to interact primarily with the Central Ministries and State Governments, which were responsible for the implementation of the Plan in terms of both investment allocations and projects and programmes. In the new economic environment, however, the Plan had to be communicated to a much wider constituency of stakeholders. Although the regular interaction with the various arms of the government at different levels continued to be of great importance, it was equally important that the other actors in the development process, such as industry, non-governmental organizations, trade unions, academics, etc. be made fully aware of the role that they were expected to play in the growth and development of the nation. Thus, wider consultative and communication processes had to be instituted in the functioning of the Planning Commission.

Much of these momentous changes in the Indian planning system were made under the stewardship of Shri K.C. Pant, who, as Deputy Chairman of the Planning Commission, guided the process for a period of over five years from February 1999 to June 2004. He was not only responsible for designing and piloting the reorientation of the Planning Commission, but was also its most visible public face. Along with his regular interaction with Central Ministries and State Governments, Shri Pant made it a point to participate in conferences, seminars and other functions organized by various stakeholder groups in order to explain the Plan in its many dimensions and to receive feedback. His speeches on these occasions explicate the complexities of planning in



India in terms which are accessible to the lay person. They also provide valuable insights into the analyses and thought processes that underlie our Plans and the manner in which our planning has evolved. The Planning Commission felt that compilation and publication of these speeches would be of immense interest, not only in terms of the issues covered, but also as a chronicle of one of the most dynamic periods of Indian planning.

This compilation is in three volumes, and covers speeches made by Shri Pant from April 1999 to December 2002. The first two volumes deal with a wide spectrum of socio-economic issues. They bring out with great clarity the magnitude and complexity of the problems that exist in Indian development, and which must be factored into our planning. The third volume is devoted to discussion of the annual plans of States and Central Ministries, which provides an insight into the way the government at various levels manages its finances and deploys its resources – material, monetary and human – to further developmental objectives.

This is the first time that the Planning Commission has brought out such a compilation. We hope that it will serve as a rich source of information for students, scholars, researchers, policy makers and the general public on the strategies followed by the governments at the Centre and the States, the problems encountered and constraints faced in the different sectors of the economy, and the remedial measures needed.


28/5
(Rajeev R. Shah)

FOCUS OF NINTH PLAN*

Hon'ble Prime Minister, ladies and gentlemen, let me begin by thanking the Prime Minister for his inspiring address, which sets the tone for today's deliberations. This meeting of the National Development Council (NDC) has a heavy agenda on its hands. It consists of (1) consideration and adoption of the Ninth Five Year Plan; (2) consideration of the Report of the NDC Committee on Power; (3) deliberating on the principles for revision of administered prices; (4) deciding upon the criterion for allocation of funds under Rural Poverty Alleviation Schemes; and (5) deliberating on the proposed transfer of Centrally Sponsored Schemes (CSS) from the Centre to the States.

The first item on the agenda is consideration and adoption of the Ninth Five Year Plan. Ladies and gentlemen, this is a historic document in that it represents, like no other, the continuity of governance in the country and the convergence of views on our development strategy among various political parties. It was initiated in 1995 by a Congress government, developed to a substantial extent by the United Front government and brought to finalisation by the present government. During this long process, there has been considerable degree of consultation, both formal and informal, with diverse political parties, civil society representatives and, of course, the state governments. In this respect, it is truly a collective effort and we should be proud of it.

The focus of the Ninth Plan is "growth with social justice and equity". Its objectives, strategy and approach are consistent with those approved by the NDC in the Approach Paper. There are, however, some points to be noted, which have been necessitated by the events of the two intervening years between the adoption of the Approach Paper in January 1997 and today. Although the NDC had originally approved a target of 7 per cent rate of growth, the

actual growth in the first two years fell short of the target for a variety of reasons, both internal and external. However, we propose to return to the target of 7 per cent for the remaining three years of the Plan. This will take the average growth in the Plan period to 6.5 per cent. Consistent with the revised growth target, the public sector plan outlay has been placed at Rs.8,59,200 crore at 1996-97 prices. This is somewhat lower than what had been projected in the Approach Paper because of the slow-down in the first two years. The level of investment in the remaining three years calls for massive and concerted efforts to improve the fiscal situation at both the Centre and the States.

The Plan requires action on several fronts in the public and the private sectors, both at the Centre as well as in the States. Although I will touch on these points briefly in my remarks, I may begin by emphasising the enormity of the fiscal problems as has been briefly indicated by the Prime Minister in his opening remarks. As the attached charts demonstrate, the Centre and every State are borrowing not only to finance their development activities but also to cover a significant portion of their non-developmental expenditure. This is a recipe for fiscal disaster. The mounting interest burden is eating into the revenues available for financing the provision of public goods and services. The problem will become even more unmanageable as more States implement the Fifth Pay Commission award. Unless concrete measures are taken expeditiously, the situation will soon become intolerable. It is sometimes felt that the solution to the problem lies in increasing the level of assistance from the Centre. Central assistance is an important part of our planning process and the Centre should do its utmost to help. However, due account has to be taken of the Centre's fiscal position, which is also extremely difficult with a fiscal deficit which has become too large. Both the Centre and the States have to make massive efforts to augment their own resources to bring us out of this situation. It is heartening to note, however, that a number of States have in recent years managed to increase their tax-SDP ratios. Some others, on the other hand, have slipped sharply and would need to reverse the trend.

The Ninth Five Year Plan explicitly recognises that the main constraint to growth and development in the country is not the overall or aggregate availability of investible resources but the efficiency with which the resources are used and the ability of the Government at all levels—Central, State and Panchayati Raj Institutions—to mobilise a sufficient proportion of these resources for public intervention in certain critical sectors, which are unlikely to receive adequate flow of private investment. The Plan has proposed a number of measures to tackle this problem.

Increasing revenues is clearly the first task. As the Plan points out, we have yet to tap a number of sources of revenue in adequate measure. I will not elaborate on this. But one important issue that I would like to highlight is the deleterious effect of the inter-State competition in taxation, which is becoming increasingly acute. It is necessary for us to harmonise our tax systems in a manner that benefits all of us. The second point that I would like to make is that each State needs to benchmark its tax performance to the best performing State in the country in order to ensure that the loopholes are plugged and the tax administration is made more efficient. In addition to tax revenues, user-charges are extremely important. We cannot continue to undercharge for power and irrigation, tolerating huge losses on these accounts. Despite all these measures, our developmental resources are unlikely to increase significantly unless we can control the growth in our non-developmental expenditures. For this political will is imperative and we will have to collectively resolve to eschew competitive populism.

Given the scarcity of resources, the deployment of public funds will have to become much more efficient if we are to meet our development targets. Over the years there is a growing public scepticism about the linkage between expenditure on Plan schemes and the physical outcome in terms of delivery of benefits. Our systems today simply do not ensure that expenditure is efficiently deployed with adequate monitoring to prevent leakage and deliver results effectively on time. There is little accountability in the system, which makes it difficult in practice to identify the precise causative factors. As a result, no one is held responsible for poor performance.

As we add new capacities, old capacities deteriorate faster than warranted, leading to a situation where the net addition to capacity may in fact be fairly small. We must tackle this problem of erosion of existing capacities due to improper or inadequate maintenance and upgradation. There is also considerable wastage of resources through duplication of both schemes and agencies, which leads to sub-optimal patterns of expenditure. Convergence of schemes and agencies is of utmost importance.

Another problem relates to the gap between the projected size of the Annual Plan and its realisation. Projection of a Plan size far beyond what the resources would warrant leads to distortion of priorities and to thin spread of resources. I must hasten to add that a number of States are exceptions to this, such as Goa, Gujarat, Karnataka, Kerala, Maharashtra and Tamil Nadu. Their prudence in setting the Plan size and realizing it, I am sure, makes a better impression on the public than announcing large Plans and not realising them.

Finally, greater emphasis has to be placed on the delivery mechanisms. The Ninth Plan has laid considerable emphasis on this point. But the suggestions made in the Plan will need to be translated into policy and institutional action. In this regard, the most important insight contained in the Plan document is that the responsibility for delivering local services should be devolved on Panchayati Raj Institutions and local authorities rather than being managed from the higher tiers of Government. This suggestion is consistent with the 73rd and the 74th Constitution Amendments and should therefore be carried out as part of our constitutional responsibilities. A related issue concerns the reform of the civil administration system in the country in order to make it consistent with the changing responsibilities for public provision of social and economic services. Greater transparency and accountability in the implementation of government programmes are also critical. This can be done through a process of democratic decentralisation, sharing of information with the public and Gram Sabhas and operationalisation of the scheme of social audit. Another element is the concept of joint monitoring, which requires close interaction between the various tiers of Government.

The biggest challenges that would face the country in the coming years are provision of employment for our growing workforce and eradication of poverty and other forms of deprivation. I would like to draw your attention to the fact that despite a decline in the expected growth rate of population, the growth rate in labour force would reach a peak level of 2.5 per cent per annum during the Ninth Plan period. This would be the highest that ever reached and ever likely to attain. This presents both a challenge and an opportunity. If we can provide adequate employment opportunities to our people over the next ten years, we would have made a significant dent on the incidence of poverty in the country. In order to achieve this, the economy would have to grow at over 7 per cent per year in a sustained manner. There is, however, a regional dimension to this problem, which we cannot ignore. Certain regions of the economy are likely to experience growth in population and workforce considerably in excess of the national averages. It has to be our objective to ensure that work opportunities are created in these locations commensurate with the skill profile of the emerging workforce.

The Ninth Plan accords a place of primacy to agriculture, recognising the fact that the objectives of food and nutritional security, poverty eradication and adequate employment generation are all intimately related to agricultural development. Agriculture contributes substantially to growth and lends a degree of stability to the growth process. The emphasis during the Ninth Plan will be on regionally differentiated strategies of agricultural development, diversification both in terms of activities and regions and acceleration of productivity growth. Towards this end, investment in agricultural research, infrastructure, strengthening of appropriate people-oriented institutions and expansion of markets is being emphasised.

The economic reforms, which have been pursued by all Governments in the past several years and which will continue, have created a new and more competitive environment. Industrial growth and modernisation in future will be driven by the micro-level decisions of individual corporations and firms. Foreign investment will also play an important catalytic role in this process. The biggest contribution,

which public investment can make to stimulate rapid industrial growth, is the development of high-quality and efficient infrastructure.

Rapid industrial growth needs a massive improvement in infrastructure, especially power, roads, railways, ports and telecommunications. The Ninth Plan places a major emphasis on these areas. These are also areas where public investment has to play a major part, supplemented by private investment as far as possible. I would emphasise that State Governments have a major role in the development of infrastructure, especially power and roads. States wishing to attract new investment, whether from home or abroad, need to focus on offering investors better infrastructure. States must also work towards creating an investor-friendly environment. The Central Government has taken steps to streamline clearances needed by investors. Some State Governments have also taken impressive steps in this direction. It will be necessary for all States to take initiatives in this area.

Human development and improvement in the quality of life of the population are the ultimate objectives of planned development. Social sector planning enjoins on the State to make adequate investments and introduce appropriate programmes and policies for providing access to basic services to all. In the Fifth Plan the Minimum Needs Programme was introduced with the objective of establishing a network of facilities and services in respect of selected items of social consumption within a stipulated timeframe. A review of various programmes revealed that while in some sectors considerable progress had been achieved, there were significant inter-State differences in the level of achievement. A conference of Chief Ministers held in 1996 identified seven basic minimum services for priority attention. These were access to primary health care, primary education, safe drinking water, shelter for the poor, provision of nutrition to selected vulnerable groups, provision of connectivity to all unconnected villages and streamlining of the public distribution system. To support the efforts of the States in these areas, the Central Government allocated funds in the form of Additional Central Assistance specially earmarked for the basic minimum services. In the Ninth Plan, special action plans

have been drawn up in the areas of primary health care, primary education, housing, water supply and sanitation in order to achieve substantial expansion and improvement in the availability and access to social infrastructure facilities in a time-bound manner.

It is now widely accepted that human development creates the necessary preconditions for sustainable economic growth. The Human Development Reports prepared by the UNDP have drawn attention to the relatively low level of achievement in several developing countries including India. The Government of Madhya Pradesh took the initiative to prepare a State-level HDR with disaggregated data at district and sub-district levels. The Planning Commission has decided to support the preparation of State-level HDRs, which would be an important tool for identifying areas, which are deficient in social infrastructure, with a view to increasing the flow of funds to these areas and improving the delivery systems. It is proposed to hold a Workshop on this subject in the near future to identify certain common parameters and social indicators in order to enable comparisons over space and time and evolve a human development index appropriate for Indian conditions.

Balanced regional development has always been an essential component of Indian development strategy since independence. Since not all parts of the country are equally endowed with social and physical infrastructure to take advantage of growth opportunities and historical inequalities have not been eliminated, intervention is required in future to ensure that regional imbalances do not occur. With greater freedom and choice of location that is now available in the present development strategy and given the many prevailing market imperfections, it is more likely that comparatively better-off States would be able to attract more investment than others. There is a strong probability that under market-based growth, many less-developed regions may remain out of the mainstream of development and fail to get the benefits of its present tempo. Therefore, the Plan has to ensure better opportunity for public and private investment in social and physical infrastructure by appropriate policies in favour of less well-off States. It is well appreciated that the problem of imbalance is an issue, which operates

not only at the inter-State but also at the intra-State level. Therefore, there is a need to address each in a framework that is more flexible than the political and administrative boundaries of each individual State.

With these words, I commend the draft Ninth Plan document for endorsement and approval by this august body.

The second item on the agenda is the Report of the NDC Committee on Power. Although the Report of the NDC Committee on Power is being placed before the NDC after some delay for adoption and implementation, it needs to be stressed that the Centre has already taken a number of steps that have been recommended by the Committee. Several States have also begun the process of implementation of these recommendations. Given the importance of this issue and the precarious financial state of most of the State Electricity Boards, I would urge the NDC to endorse the recommendations. I would also call upon all the States to implement the recommendations as early as possible.

The third item on the agenda has to do with the revision in administered prices of certain essential commodities. This is indeed a vexing issue. There is a need to depoliticise this issue and recognise that a balance has to be struck between the interest of farmers on the one hand and that of consumers, particularly the poorer sections of society, on the other within the limitations placed by the macro-economic imperatives of growth and stability. I am sure my colleague, the Finance Minister, will address this issue in the course of his remarks.

The fourth agenda item relates to the criterion for allocation of funds under the rural poverty alleviation programmes. This issue has arisen because of the change in the methodology of poverty estimation adopted by the Planning Commission recently. While there is near unanimity on the superiority of the new methodology, the proposed shift has led to a re-ordering of allocations between States. As a result, the gainers and losers from the proposed shift are on two sides of the fence. The methodology that has been proposed to tackle this problem, namely, using the average of the two sets of poverty estimates, appears to be a fair compromise and may satisfy both the parties. The proposal is now before the Council for consideration.

The final agenda item is on the issue of transfer of Centrally Sponsored Schemes (CSS). This is an issue where there is considerable divergence of opinion not only among the States but also between the States on the one hand and the Central Ministries on the other. These differences pertain not only to the selection of the schemes to be transferred but also to the modalities of transfer. With these words, I request the Hon'ble Prime Minister to conduct the proceedings.

*Speech at the 48th meeting of the National Development Council held on February 19, 1999 in New Delhi

ANDHRA PRADESH PLAN FOR 1999-2000

I welcome the Chief Minister and his colleagues to this meeting for finalisation of Annual Plan 1999-2000 of Andhra Pradesh.

At the very outset I would like to compliment the Chief Minister of Andhra Pradesh for having brought out AP Vision-2020 with a sharply focussed agenda for future action. It seeks to identify not only the goals to be achieved but also the legislative and policy initiatives, resource mobilisation and fiscal management measures to achieve them. The document has generated a great interest in the country and initiated a debate on the whole paradigm of development. We have recommended that other States should emulate Andhra Pradesh and prepare such a Vision Document in the context of their situation, priorities and direction of development they wish to pursue. We would like to suggest that Andhra Pradesh also come up with a complementary document in the form of Human Development Report on Madhya Pradesh pattern so that macro connections between economic growth and human attainments and inter-region impact can be monitored. The real challenge, however, would be in the field of resource mobilisation to implement this vision. We hope Andhra Pradesh would expeditiously finalise this document on the basis of comments and suggestions received from various quarters along with a plan of action including linkage of resources to operationalise this vision from year to year. We would also request that Andhra Pradesh host an inter-State workshop on preparation of Vision 2020 so that the representatives of other States can benefit from their experience.

Andhra Pradesh has the distinction of being the third in India, which is likely to achieve by the end of the Ninth Plan the Net Reproduction Rate of One despite relatively low per capita income, low literacy and relatively high infant mortality in the State. The steps taken by the State Government to improve health and nutritional status, generate employment among rural women and ensure their empowerment have provided the environment, which had made this possible. However, the efforts to reduce infant and maternal mortality need to be stepped up.

It gives me satisfaction to mention that Andhra Pradesh has performed well during the Eighth Plan in terms of percentage of utilisation of expenditure relative to the projected outlay though the rate of growth of State income has fallen short of the national average due to relative sluggishness of agriculture to forge ahead sufficiently. This has, however, been achieved with a heavy dose of borrowings. In the total resources for the Plan during 1998-99, central assistance constituted 65.6% and State's own funds had been 44.5%, while borrowings by the State other than the debt component of central assistance accounted for 78.9 per cent. It is estimated that during 1999-2000 borrowings of the State will further increase. The above situation is clearly unsustainable in the long run as the percentage of non-Plan revenue expenditure and the interest liability of the State are likely to increase substantially in 1999-2000. It is therefore necessary for the State to improve its revenue receipts, both tax and non-tax. There exists a substantial scope for improvement here as per the study carried out by NIPFP. The State also needs to discipline non-Plan expenditure as this is growing at a faster pace than the revenue receipts. The contribution of the two crucial PSUs, i.e. the State Electricity Board and the State Road Transport Corporation, has deteriorated. These are the suggested areas of reform for necessary corrective action. I would also like to highlight some areas of concern.

A study of the population statistics in some districts of Andhra Pradesh has revealed that the share of the tribal population in proportion to the general population has come down drastically in some districts. This indicates that there has been a large-scale non-tribal migration into these areas. This has adverse implications for the interests of the tribal population because it would have certainly led to a large-scale alienation of tribal land and other forms of exploitation. The State Government may look into the matter and take necessary measures to check this trend. Expeditious steps may be taken for the survey of alienation of tribal land and its restoration as well as other developmental measures for improving the conditions of the tribal inhabitants.

While the State Government deserves credit for being the first, and as now the only State, which has enacted legislation exclusively for farmers' management in irrigation system and also for enhancing the irrigation water rates so as to fully cover the O&M charges, there has

been a huge backlog of 15 major and 22 medium ongoing irrigation projects requiring a total spill-over cost of Rs.4400 crore for completion at the beginning of the Ninth Plan. Among the ongoing major irrigation projects nine were started in, and prior to, the Fifth Five Year Plan, which needed about Rs.1110 crore for completion. These projects need to be given the highest priority in funding so that they are completed by the end of the Ninth Five Year Plan. It has also been observed that during the Eighth Plan the expenditure incurred on major and medium irrigation was 128% and that on minor irrigation was 151% of the approved outlay while the corresponding physical achievement was merely 11% and 5% respectively. The State Government may go into the reasons for such low level of physical achievement *vis-a-vis* financial expenditure.

During 1992-98 the number of mandals having 85-100% ground-water exploitation increased from 24 to 55 and the number of mandals with over-exploitation, i.e. more than 100%, increased from 6 to 88. This has serious implications for future availability of groundwater even for drinking purpose in affected areas. The State Government may consider enacting a comprehensive legislation for the development and regulation of groundwater for which a Model Bill has been circulated by the Central Government to arrest the alarming rate of excessive use of groundwater in these areas as well as high Nitrate and Fluoride content in ground water in the affected 15 districts.

Though all the 16,000 problem villages identified as on 1.4.85 were provided with drinking water supply facilities during the Seventh Plan itself, the survey carried out in 1991-94 showed that as many as 4055 habitations were again identified as 'not covered' and 19596 habitations as 'partially covered'. Besides this, 13127 habitations were identified where drinking water was affected by fluorides and salinity. The number of partially covered villages has further gone up sharply to 28083 as on 1.4.1998. The State government should take steps to make the water supply system sustainable with a view to preventing the emergence of problem villages/habitations again and again.

Andhra Pradesh is also the biggest recipient of central assistance under the Sub-Mission on quality problem habitations of the Rajiv Gandhi National Drinking Water Mission. Thirty-five projects involving Rs.425 crore, out of a total 87 projects costing Rs.1100 crore sanctioned by the Mission, are from Andhra Pradesh where 75% of

the assistance is given by the Central Government. These projects need to be completed on a sustainable basis.

While it is satisfying to note that joint management of forests has taken deeper roots in Andhra Pradesh as compared to the other parts of the country, the loss of nearly 4,000 sq. km. of forest cover—one of the largest in the country—is a source of grave concern. The State Government may take appropriate development measures to increase the forest cover with the active participation of the people. The control of Panchayats over minor forest produce and other common property resources as per the provisions of law also needs to be operationalised in order to give the local tribal population their rightful share of benefits from these assets.

Andhra Pradesh has been an educationally backward State for a long time. In 1991 the general literacy rate was 44%, much below the national average of 52 per cent. By 1997 even the so-called BIMARU States had witnessed a remarkable increase in the literacy percentage. But Andhra Pradesh could go up to 54%, still 8 percentage points below the national average. The gender divide, which was 22.4 points in 1991, narrowed only marginally to 21 points by 1997. The rural-urban disparity actually went up from 30 to 31 points during the same period. The dropout rate in classes I to V actually went up from 54.28% in 1991 to 55.44% in 1995-96. In classes I to VIII the increase was even sharper from 68.84% to 72.73 per cent. In 1995-96 the Educational Development Index rated Andhra at 22nd position among the States. The Vision document has ranked it 26th in terms of overall literacy and 29th in literacy for Scheduled Castes & Scheduled Tribes.

This underlines the need for a massive effort in the field of education with special emphasis on elementary education, particularly among weaker sections. Currently, the total expenditure on education is just 2% of the State Domestic Product. This needs to go up to 6 per cent. Only 9% of the State's Plan outlay is spent on education, which should go up to 15 per cent. The per capita expenditure on education is only Rs.335. Similarly, the percentage of revenue expenditure on education that is spent on elementary education is just 42% against the recommended level of 60 per cent. The Chief Minister has very ambitious plans for the economic growth of the State. This would not materialise without a solid educational base.

The State Government deserves credit for the speed with which reforms in the power sector have been introduced. The Electricity Board has been restructured into two separate Corporations, one for generation and the other for transmission. The setting up of Electricity Regulatory Commission is in the process. However, the average tariff charged for the year 1998-99 was about 174 paise as against the cost of supply of 279 paise, accounting for recovery of 62% only. The average tariff charged from the agricultural consumers continued to be very low and for 1998-99 the tariff was about 17 paise while the power consumption in agriculture sector was 36 per cent. This has resulted in a large outgo of State's resources as subsidy and in the depressing of demand from industrial consumers. The rationalisation of tariff for agricultural consumers should therefore assume top priority. The estimated commercial losses (without subsidy) would be around Rs.2263.14 crore during 1998-99 and are likely to go up further during 1999-2000. It is hoped that with the restructuring of the Electricity Board the net losses will come down and the T&D losses, which are 32% at present, will also be scaled down. The State should also implement the recommendations of NDC Committee on Power generally endorsed during the NDC meeting held recently.

The performance of Andhra Pradesh State Road Transport Corporation in terms of non-financial indicators is commendable. The fleet utilisation is 98% and vehicle productivity is 360 kilometres as against the all-India average of 89% and 280 kilometres respectively. However, compared to the fare level of 35 paise per passenger kilometre of some of the undertakings the average fare charged by APSRTC is only 26.61 paise. This needs to be increased, which would help in wiping off the losses of the undertaking. The load factor of the Corporation is declining due to increase in number of unauthorised operation of vehicles. The State Government should tone up the regulatory machinery to check this phenomenon.

ARUNACHAL PRADESH PLAN FOR 1999-2000*

I extend a warm welcome to the Chief Minister and his colleagues to this meeting in the Planning Commission, which provides a welcome opportunity to discuss the developmental needs of Arunachal Pradesh in the context of determining the size of the Annual Plan of the State for the year 1999-2000. The State Government could at this stage also consider formulating a Vision 2020 Document to provide a long-term direction to their socio-economic goals. The Planning Commission would be glad to assist the State authorities in undertaking this exercise and officials of the Commission will look forward to visiting the State from time to time for in-depth reviews and discussions.

Arunachal Pradesh is endowed with vast natural resources whose harnessing can ensure speedy development of the State and of the North Eastern Region as a whole. To assist infrastructure projects in the State an amount of Rs.15 crore has been earmarked from the Non-lapsable Central Pool of Resources for the Ranganadi-Along transmission line and the Itanagar-Naharlagun Water Supply Scheme Phase-II. In addition, an allocation of Rs.11 crore had been made in 1998-99 under the Border Areas Development Programme (BADP) for the development of infrastructure in the areas bordering China and Myanmar.

You would recall that an allocation of Rs.625 crore was made for the Annual Plan 1998-99 as against Rs.600 crore for the previous year. Factors like non-materialisation of the estimated revenue from forest timber, mounting losses in the power and road transport sectors and the reduced level of negotiated loans from various agencies have contributed to the financial difficulties being faced. It would seem imperative in the coming years to downsize the government machinery and reduce the heavy burden of salaries etc. as also to initiate measures in the direction of mobilisation of additional resources.

Jhumming cultivation, which continues to be the prevalent agricultural practice, still accounts for about 60% of the cultivated area and has been affecting agricultural productivity and contributing to the loss of forest cover. Arunachal Pradesh being deficient in the production of foodgrains, the State Government would like to take steps to bring more area under settled cultivation and to introduce improved farming practices so as to raise production within a reasonably short period of time.

Congenial climatic conditions offer considerable potential for the development of horticulture, floriculture and plantation crops. Given proper technical and financial support, this sector could emerge as an important source of employment within the State.

Arunachal Pradesh is endowed with a diversity of eco-systems and an abundance of green pastures to support livestock development. This potential needs to be fully exploited alongside the development of fisheries on a larger scale.

The performance of Rural Poverty Alleviation Programmes needs to be improved through higher per family investment under IRDP and better utilisation for rural infrastructure development under the Jawahar Rozgar Yojana (JRY) and the Employment Assurance Scheme (EAS). In the field of rural housing, the uncovered gap is substantial and the State authorities have to endeavour to optimally utilise the funds available under the Indira Awas Yojana (IAY).

The irrigation potential developed and utilised is only about 32% and 28% respectively out of an ultimate potential of 2.60 lakh hectares. Attention needs to be accorded to improving the level of utilisation of the facilities created. The State authorities could consider appropriate legislation to facilitate the collection of water charges and the preparation of a Master Plan for Flood Plain Zoning.

Arunachal Pradesh has an assessed hydro-electric potential of about 26,755 MW at 60% load factor, which is about 32% of the total hydro-electric potential of the country. The average tariff of 200 paise per unit, as against cost of supply of 409 paise per unit, leaves a very

substantial uncovered gap. Rationalisation of the power tariffs, therefore, calls for early attention. Transmission and distribution losses are high and should be brought down on a time-bound basis. An Action Plan could also be drawn up for accelerated completion of the on-going projects and the requisite systems for evacuation of power.

Improvement of the existing roads by way of strengthening and widening also requires expeditious action. More than half the villages are yet to be connected by all-weather roads. There is reported to be a large spillover liability on account of schemes taken up prior to the Ninth Plan. The State authorities would, no doubt, like to accord priority to the completion of these schemes.

It is encouraging to note that the overall literacy level has increased from 41.6% in 1991 to about 60% in 1997, which is close to the national average. The gender divide is, however, still high at 21% and special steps are necessary to foster girls' education. The State has built up a functional primary health care infrastructure and the health indices in terms of birth and death rates and infant mortality are substantially better than the national average.

As you are aware, the women's component has been introduced for the first time in the Ninth Plan. To empower women economically the State Government would like to formulate income-generating schemes for them and to impart training in different trades to facilitate gainful employment.

To sum up, concerted action needs to be initiated in a definite time-frame to progressively reduce administrative costs, increase the functional efficiency of undertakings like the State Road Transport Corporation urgently, strengthen and streamline the monitoring arrangements for programmes and schemes and maximise the collection of revenues, including from the supply of power.

* Opening Remarks at the discussion on Annual Plan of Arunachal Pradesh for 1999-2000

ASSAM PLAN FOR 1999-2000*

I warmly welcome the Chief Minister and his colleagues to the Planning Commission and am confident that this meeting will afford a useful opportunity for meaningful interaction in regard to the developmental needs of Assam in the context of determining the size of the Annual Plan of the State for the year 1999-2000. The State Government may also like to formulate a Vision 2020 Document to provide direction to its long and medium-term developmental goals, with which exercise the Planning Commission would be glad to associate itself.

We are all aware of the problems of internal security being encountered in the State, which have adversely affected its economic progress. Recurring floods have also contributed to the difficulties being faced. You would recall that funds of the order of Rs.23.96 crore have recently been released to the Government of Assam from the Non-lapsable Central Pool of Resources to assist infrastructure development in the State keeping in view, *inter alia*, the recommendations of the Shukla Commission.

An allocation of Rs.1650 crore was made for the Annual Plan 1998-99 as against Rs.1510.28 crores for the previous year. However, the State expects to utilise only Rs.1389.37 crore or so in view of the deterioration in the State's own resources caused by factors like low contributions from State PSUs and the reduced level of negotiated loans. The State Government has, therefore, to step up efforts to mobilise additional resources. Funds earmarked for specific projects or programmes should not be diverted to other areas.

It is encouraging to note that the State has made advances in rural development through various programmes like the Integrated Rural Development Programme (IRDP) and the Jawahar Rozgar Yojana (JRY) during the Eighth Plan and in the beginning of the Ninth Plan. The State Government is implementing the Assam Rural

Infrastructure and Agricultural Services Project with the assistance of the World Bank. Under the Employment Assurance Scheme (EAS) accelerated implementation of works in areas, where there is concentration of the poor and unemployed, would help to provide up to 100 days of wage employment.

The term of the Panchayats in Assam had expired in October 1997. Elections have not been held since then. Consequently, a sum of Rs.33.34 crore due to the State on account of the Tenth Finance Commission Award has not been released in the current year. In 1997-98 also, only Rs.8.33 crore had been released against Rs.33.34 crore due. In 1999-2000 another Rs.33.34 crore will become due. You would, no doubt, be aware of the revenue forgone and may like to hold elections to the Panchayats soon. From the next year 20% of the funds under JRY and EAS would also be held back if duly elected Panchayats are not in place. Under the Employment Assurance Scheme (EAS), while all the 218 Blocks in the State received the first instalment of funds for the year 1998-99, there has been no release of the second instalment to any of the Blocks so far. This is, indeed, revenue forgone on the part of the State as with 20% of funds coming from the State Plan, Assam could have accessed 80% from the Centre.

The production of rice, which is the major crop in Assam, has been increasing, even though only marginally. The agriculture sector provides employment to nearly 71% of the population of the State and has potential for future growth, which can be achieved through increased productivity, which, at present, is lower than the national average.

The sustained development of irrigation in Assam is crucial to achieving a perceptible improvement in agricultural productivity. For the early accrual of benefits more emphasis needs to be laid on the sinking of shallow tube-wells and on low lift minor irrigation schemes through institutional finance. Flood control measures also need to be accorded priority.

The congenial climatic conditions of the State offer promising possibilities for the development of horticulture and plantations like tea, rubber and spices. Productivity in this sector, however, remains

low owing to lack of good quality planting materials, weak extension infrastructure and post-harvest operations, including marketing, storage and processing. These areas of activity have to be strengthened.

The fishery laws in Assam, as enforced on the fishermen of the Brahmaputra, do not appear to be in the best interests of fishermen. At present, each sector of the river is leased out and the lessees have little interest in the conservation of fish stock. The State Government may like to review the existing arrangements and the legal provisions.

On the industrial front the process of deceleration is noticeable. Many industrial units in the State have become sick. By initiating the process of privatisation of State Undertakings a step in the right direction has been taken. I am told that, barring Assam Petrochemicals Limited, most of the other fully owned State units are saddled with cumulative losses. At the same time the promotion of village and small industries (VSI) merits higher priority so as to augment employment opportunities. The State could take fuller advantage of the concessions and exemptions being offered to promote industrial growth in the North Eastern Region.

Adequate availability of power can lead to speedy industrialisation. The installed capacity in Assam, combined with the State's share in the Central Sector projects, is about 900 MW, which is considerably less than the requirements. At present there is reported to be a shortfall of some 260 MW. Projects like the Karbi-Langpi Hydro Electric Project (2x50 MW) and the Dhansiri Hydel Project (15x1.33 MW) should be expeditiously completed.

As against the all-India average of 83.3%, the State achieved 77% coverage under the Rural Electrification Programme. The financial performance of the Assam State Electricity Board (ASEB) continues to be a critical factor constraining power development. Institutional reforms have, therefore, to be initiated during the Ninth Plan to make the Electricity Board financially viable. Priority has to be accorded to the early completion of the ongoing projects, measures to facilitate

investment in new projects, maximisation of benefits from the existing plants, improvement in operational efficiency and capacity utilisation, augmentation of T&D network and reduction in line losses and theft of power.

I should congratulate the State Government for its achievement on the literacy front. The general literacy rate has shot up from 52.9% in 1991, which was 0.7% higher than the national average, to 75% in 1997, which was 13 % higher than the national average. The State needs to launch a major initiative in the sphere of women's education and to optimise the utilisation of the funds spent on education through better implementation and convergence of schemes in the field.

Concern must be expressed in regard to the negative BCR obtaining in Assam for quite sometime now. The SOR of the State has not shown any appreciable increase in recent years. Much greater stress has, therefore, to be laid on additional resource mobilisation for the 1999-2000 Annual Plan.

The Central Assistance to Assam has increased over the years from Rs.760 crore in 1992-93 to Rs.1443 crore in 1998-99. At present, after meeting the revenue expenses not much may remain to fund developmental works. Progressive reduction in the size of the government machinery over the next few years and steps to privatise the sick public sector units could reduce the strain on the State's resources.

In specific terms, focussed attention should be directed during 1999-2000 to achieving much better results in the power sector. The State Electricity Board must ensure concerted and time-bound action to appreciably improve the Plant Load Factor (PLF) of the thermal plants. The concerned Central agencies can be of help to the Electricity Board in this regard. Similarly, the T&D losses should be brought down within a reasonably short period of time.

It is suggested that the State Government may consider a revision of water rates, which were last notified as far back as in 1993, and a further upward revision of the power tariffs. The losses of the State

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Road Transport Corporation should be curtailed and fleet utilisation improved in the coming months. The very high bus-staff ratio needs to be urgently corrected. The Planning Commission would be happy to assist the State Government in monitoring the progress made in these important areas on continuing basis and hold in-depth consultations with the State authorities from time to time.

** Opening Remarks at the discussion on Annual Plan of Assam for 1999-2000*

बिहार की वार्षिक योजना 1999-2000

बिहार के संबंध में 1999-2000 की वार्षिक योजना को अन्तिम रूप देने के लिए इस बैठक में उपस्थित बिहार के मुख्य मंत्री और उनके सहयोगियों का मैं स्वागत करता हूँ.

यह केवल ऐसा अवसर नहीं है जिसमें सूचना का आदान-प्रदान मात्र किया जाए अपितु राज्य के प्रशासन और अर्थ-व्यवस्था के बारे में कुछ चिन्तनीय क्षेत्रों की ओर भी ध्यान आकृष्ट करने के लिए एक मौका है.

बिहार, जिसकी प्राचीन राजधानी पाटलीपुत्र थी, हमारी पुरातन भारतीय सभ्यता का केन्द्र था और इसकी समृद्ध सांस्कृतिक परम्परा हमारे राष्ट्र की गौरवशाली धरोहर है. दुर्भाग्यवश, राज्य की अर्थव्यवस्था अब गिरकर बुरी स्थिति में आ गई है. हालांकि जनसंख्या की दृष्टि से, बिहार दूसरा सबसे बड़ा राज्य है, तथापि विकास के लगभग प्रत्येक दृष्टिकोण से यह सबसे ज्यादा पिछड़ा हुआ है. इसकी प्रति व्यक्ति आय सभी राज्यों की औसत आय के आधे से भी कम है और गरीबी की रेखा के नीचे रहने वाले लोगों का प्रतिशत इसमें सबसे अधिक है. सामाजिक विकास की दृष्टि से, चाहे यह साक्षरता का स्तर हो, स्वास्थ्य सेवाओं की कमी हो, बिहार की स्थिति सबसे पीछे है. यह स्थिति हमेशा इतनी चिन्ताजनक नहीं रही. आठवें दशक के दौरान बिहार के एस.डी.पी. का विकास दर लगभग 5 प्रतिशत वार्षिक था जो 5.6 प्रतिशत के अखिल भारतीय विकास दर से थोड़ा कम था. दुर्भाग्यवश, आठवीं योजना में बिहार के विकास संबंधी निष्पादन में अनेक दृष्टियों से भारी गिरावट आई है जिसके कारण विकास संबंधी संकट उत्पन्न हो गया है. नवें दशक के दौरान, जबकि आठवीं योजना के दौरान राष्ट्रीय आय की औसत वार्षिक वृद्धि 6.5 प्रतिशत से भी बढ़ गई थी, बिहार का औसत मुश्किल से 0.5 प्रतिशत रहा है जो देश में सबसे कम है. जहाँ देश के अन्य राज्यों में प्रति व्यक्ति आय में उल्लेखनीय वृद्धि हुई है, बिहार में इसमें काफी गिरावट आई है.

बिहार 1990-91 से लेकर आठ वर्षों में से किसी भी वर्ष में अनुमोदित वार्षिक योजना परिचय का उपयोग नहीं कर सका. वास्तविक व्यय अनुमोदित परिचय के 35 से 79 प्रतिशत तक था. यह मुख्यतः राज्य सरकार द्वारा संसाधन सृजन में आयी कमी के कारण था. जबकि बिहार में राज्य के स्वयं के संसाधन आठवीं

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योजना व्यय के केंदल 3 प्रतिशत थे, यह सभी 15 प्रमुख राज्यों के लिए समग्र रूप से राज्यों के योजना व्यय के 56 प्रतिशत थे.

बिहार कम किए गए योजना परिव्यय को भी कुशलता से खर्च नहीं कर पाया. महत्वपूर्ण आधारीक संरचना परियोजनाओं जैसे बिजली, पानी, सड़क, सिंचाई आदि में खर्च आवश्यकता से कम है. राजस्व योजना पर अत्यधिक खर्च होता रहा है. अभिनिर्धारित सेक्टरों में अपेक्षा से कम उपलब्धि के कारण बिहार को आठवीं योजना में लगभग प्रत्येक वर्ष केन्द्रीय सहायता में कटौती का सामना करना पड़ा.

कृषि समूचे उत्तरी बिहार का मुख्य आधार है, हालांकि राज्य के दक्षिणी भाग में मजबूत औद्योगिक आधार है, बिहार कोयला और लौह-अयस्क जैसे प्रमुख खनिजों में समृद्ध है. हालांकि बिहार में देश का 12 प्रतिशत धान का क्षेत्र है, तथापि निम्न उत्पादकता के कारण बिहार का उत्पादन में हिस्सा 9 प्रतिशत से भी कम है. राज्य में गरीबी रेखा से नीचे रहने वाले लोगों का हिस्सा, 36 प्रतिशत की राष्ट्रीय औसत की तुलना में लगभग 55 प्रतिशत है. चूंकि राज्य की अधिकांश श्रम शक्ति कृषि पर निर्भर करती है, इसलिए राज्य में गरीबी के स्तर में कमी लाना मुख्यतः कृषि का उत्पादन बढ़ाने पर निर्भर करता है.

बिहार के लिए गंभीर रूप से चिन्तनीय अन्य विषय यह है कि राज्य में भूमि सुधारों के क्षेत्र में बहुत ही कम प्रगति हुई है जबकि 1950 में भूमि सुधार अधिनियमित करने वाला यह पहला राज्य था. लम्बे खिंचते गए मुकदमों ने लगभग 1.52 लाख एकड़ (अधिशेष घोषित क्षेत्र का 30 प्रतिशत) भूमि को सरकार के हाथों में जाने से रोके रखा है. ग्रामीण संघर्ष का कारण अधिकांशतः भूमि के अत्यंत असमान वितरण को ठहराया जा सकता है. इस पर राज्य सरकार द्वारा सकेंद्रित रूप से ध्यान दिए जाने की आवश्यकता है. इस मामले में राज्य सरकार बेहतर निर्णायक है परन्तु अन्य राज्यों में सफल प्रयोगों के कुछ सुझाव इस बारे में मददगार हो सकते हैं. इनमें शामिल है: बटाईदारों का पंजीकरण, जनजातियों द्वारा भूमि के हस्तांतरण को रोकने हेतु उपयुक्त सुझा उपाय, भूमि रिकार्डों का अद्यतनीकरण, भू-दान भूमि का वितरण आदि.

कल्याण के दो अन्य प्रमुख मापदण्ड हैं। साक्षरता का स्तर एवं स्वास्थ्य स्था. वर्ष 1991 में संपूर्ण भारत की साक्षरता 52.11 प्रतिशत (स्त्री व पुरुष दोनों) थी जिसके मुकाबले बिहार का स्तर 38.54 प्रतिशत था. वास्तव में, राज्य में स्त्रियों की तीन चौथाई से अधिक आबादी निम्नतर है. सामान्य शिक्षा के अंतर्गत (जिसमें प्राथमिक,

माध्यमिक और प्रौढ़ शिक्षा शामिल है), इस वर्ष के संशोधित परिव्यय के व्यय में कमी 88.74 करोड़ रूपए से अधिक रही है।

आठवीं योजनावधि से राज्य के सार्वजनिक क्षेत्र के उपक्रमों का निष्पादन, गिरावट दर्शाता आ रहा था, सर्वाधिक असफलता राज्य के विद्युत क्षेत्र में रही है, 64 प्रतिशत के अखिल भारतीय आंकड़े की तुलना में, बिहार के ताप विद्युत केन्द्रों का प्लांट लोड फैक्टर केवल 15 प्रतिशत है।

1998-99 (संशोधित अनुमान) में विद्युत पूर्ति की औसत लागत और टैरिफ के बीच का अंतर 99.1 पैसा प्रति यूनिट है और इसके परिणास्वरूप 1998-99 (संशोधित अनुमान) में वाणिज्यिक घाटा 513.51 करोड़ रूपए का रहा है, टैरिफ ढांचे को युक्तिसंगत बनाकर और लाइन घाटे को कम करके इस अंतर को कम किया जा सकता है।

जहां तक परिवहन क्षेत्र का संबंध है, राज्य में ग्रामों को सड़क द्वारा जोड़ने की स्थिति संतोषजनक नहीं है, बिहार राज्य सड़क परिवहन निगम (बीएसआरटीसी) का संचालन भी सन्तोषजनक नहीं है, वाहन उत्पादकता इतनी कम है कि वह प्रति बस प्रति दिन 16 किलोमीटर है जबकि राष्ट्रीय औसत 278 है, प्रत्येक बस पर 60 व्यक्ति कार्यरत हैं जबकि राष्ट्र के स्तर पर यह आंकड़ा 7.5 है, यह आवश्यक है कि सरकार बीएसआरटीसी के संचालन में सुधार लाने के लिए कदम उठाए।

पंचायतों के चुनाव अभी तक नहीं कराए जा सके, क्योंकि यह मामला उच्चतम न्यायालय में लम्बित है, बिहार सरकार को यह चाहिए कि वह इस याचिका का शीघ्र निष्पादन के लिए प्रयास करें, मैंने इस बात का उल्लेख इसलिए किया है कि इससे बिहार को 500 करोड़ रुपए का नुकसान उठाना पड़ सकता है।

स्थिति चिन्ताजनक हो सकती है परन्तु निराशाजनक नहीं है बिहार अति समृद्ध प्राकृतिक सम्पदा से सम्पन्न है जिसका दोहन किया जा सकता है, मैं आपके विचारार्थ यह सुझाव दूंगा कि सन् 2020 में बिहार का रूप क्या हो? इसकी "परिष्कारण" दस्तावेज तैयार करें योजना आयोग आपके इस प्रयास में सहयोग दे सकता है।

DELHI PLAN FOR 1999-2000*

I welcome the Chief Minister and her team of officials to this meeting. The Planning Commission Secretary has already had a meeting with the Chief Secretary and other officials of Delhi and some understanding has been reached with regard to the Annual Plan for 1999-2000.

In the recently held meeting of NDC you had referred to the special problems of Delhi, being the national capital, and the problems created by the burgeoning pressure of population on the urban infrastructure. Not being fully a State, Delhi is not in a position to raise resources like any other State. These are the constraints and we have to endeavour for better and more effective resource mobilisation within the existing framework.

Being predominantly urban, Delhi's problems are of a different nature than the other States of the country. While urbanisation is an integral part of socio-economic development, the nature of its expansion is creating the problem of urban poverty. This is manifested in the mushrooming of slums and squatter settlements.

Delhi is ranked among one of the most polluted cities of the world. In a WHO report in 1989 Delhi has been classified as the fourth most polluted city of the world. With rapid increase in the population of the Capital, which is rising at an alarming rate, the position is likely to deteriorate further. Environmental pollution is a matter of serious concern. To minimise pollution, industrial waste management and recycling of urban solid waste need greater attention. Protection and survival of trees planted and preservation and management of ridges are also important in this context. There is an urgent need to encourage suitable non-polluting industries in the NCT of Delhi and to set up common effluent treatment plants at various industrial estates. The State Government may focus on these issues.

A Women Component has been introduced for the first time in the Ninth Plan. The Government of Delhi should provide sufficient funds for women empowerment programmes and ensure effective convergence of all the existing women-related services available at the ground level for empowering women both socially and economically through self help groups.

The nutrition component under the Integrated Child Development Services (ICDS) programme has received setback, as the State Governments are not able to provide adequate funding in their State budgets. The flow of funds under the Special Component Plan (SCP) for SCs during the Eighth Plan and the Annual Plan 1997-98 has been only 9.12% and 9.15% respectively, which is less than the SC population of 19.05 per cent.

Delhi has a literacy level of 85% with a corresponding female literacy level of 76 per cent. The drop-out rates are high in spite of the fact that the Government of Delhi has been implementing various schemes in terms of providing scholarships, free bus passes, free text books etc.

The proportion of health sector outlay as percentage of State's total Plan outlay has declined during the Ninth Plan as compared to the Eighth Plan. This proportion has declined sharply in the Annual Plan 1997-98 as compared to Annual Plan 1996-97. Adequate funds need to be provided to the health sector to develop and maintain the urban primary health care services with appropriate strengthening of secondary and tertiary care facilities.

Apart from the problems of providing basic infrastructure inputs namely water, sanitation, health services, education, transportation, electricity etc., the emerging patterns of settlements in Delhi are leading to economic and psychological tensions. The scale, on which the complex urban problems have to be addressed, is unparalleled.

The migration into Delhi has occurred largely because the Capital is perceived by people to offer a wide range of choices and opportunities with relatively better access to services than in rural areas. It points to the potential of the State, which has to be exploited in an equitable manner.

Delhi's Plan is financed significantly by its own resources, which is proof of its strength. The finances show a positive Balance from Current Revenues (BCR). However, the positive BCR should not make Delhi Government complacent as the Centre is shouldering the expenditure responsibilities in respect of public order, police and land. Moreover, the BCR, as per the latest estimates for 1998-99, shows deterioration in comparison with the approved BCR. This is mainly due to the shortfall in State's own tax revenue, especially sales tax and motor vehicle tax. Appropriate measures to ensure collection of State's own tax revenues to the projected level should be taken so that the Plan resources do not fall short of the target. It may be pertinent to note that the ratio of State's own revenue to Gross State Domestic Product (GSDP) of Delhi is much lower than the own revenue to non-agricultural GSDP ratio of other States.

There is room for a significant improvement in the management of agencies, which provide the basic services viz. Delhi Vidyut Board (DVB), Delhi Transport Corporation (DTC), Delhi Jal Board (DJB) etc. For example, the contribution of DVB and DTC to the financing of Annual Plan 1999-2000 is estimated to be (-) Rs.240 crore.

I would like to draw your attention to the problem of the power sector in particular, which I am sure is already occupying your attention. The PLF of the Delhi Vidyut Board is about 47% against the national average of 65 per cent. The DVB's transmission and distribution losses at 43% are staggeringly high, especially for a predominantly urban area. The financial position of the DVB is correspondingly poor with large amounts owed to other organisations. The revenue arrears of the DVB for sale of power are Rs.2500 crore. As you know, a large number of States have begun the process of reform of the power sector along the lines outlined in the NDC Report, which was endorsed at the recent meeting of the NDC. Delhi with a high concentration of urban population and high level of awareness among the citizens should be an ideal place to initiate reforms in this area. I understand that the State Government has come out with a White Paper on this subject. I would strongly urge you to initiate the necessary process of reforms as early as possible. Reforms in distribution are particularly important.

The DTC has a large number of over-aged buses though the share of such buses in the total fleet is likely to go down from 50% in 1997-98 to 38% in the current year. According to the projections made by the DTC, the number of conductors will go up from about 10400 in 1997-98 to 17500 in 1999-2000, an increase of almost 70 per cent. This, as I understand, is mainly due to the induction of private buses under the kilometre scheme. The employees so recruited would be a permanent financial liability on the Corporation. This aspect needs to be looked into along with the detailed review of the working of the Corporation.

**Opening Remarks at the discussion on the Annual Plan of Delhi for 1999-2000*

GUJARAT PLAN FOR 1999-2000*

I welcome the Chief Minister and his colleagues to this meeting for the finalisation of Gujarat's Annual Plan for 1999-2000.

Gujarat State is to be commended for maintaining a high rate of growth with reasonable financial discipline and efforts in resource mobilisation. Gujarat ranks second in the country in terms of annual compound rate of growth of Net State Domestic Product (NSDP). Among the States categorised in terms of relative performance since 1991 as high income, middle income and low income, it is positioned in the high-income bracket. It has had positive BCR in all the five years of the Eighth Five Year Plan and this position has been maintained during the first two years of the Ninth Plan as well. The State is one of the few to have a positive BCR as per the estimates for Annual Plan 1999-2000 despite the pay revision impact. The State also shares the distinction along with a few others as having maintained 70% or more share of development expenditure in the total expenditure. The declining tax-SDP ratio, however, is a matter of concern.

I would like to suggest that the State Government may bring out "Gujarat Vision - 2020" with sharply focussed agenda for future development, which may identify not only the goals to be achieved but also the legislative and policy initiatives, resource mobilisation and fiscal management measures to achieve them. I would also like to suggest that the State Government may come up at the earliest with their Human Development Report so that macro connections between economic growth, human attainments, welfare indices and inter-region impact can be monitored. The Planning Commission would be glad to assist the State Government in this task.

It is a matter of great satisfaction that the Net State Domestic Product shows a significant change in the growth pattern as reflected in the continuing upward share of industry, trade and services and, therefore,

modernisation of the State's economy. However, the State has been lagging behind in the pace of agricultural development particularly in the foodgrains production. Due to its inability to achieve the targets set for production of foodgrains through the Eighth Five Year Plan, the State has retained the same level of targets during the Ninth Five Year Plan. The productivities of rice, jowar and maize are below the national average and the production of pulses is not picking up substantially. The yield of cotton is also lower than even in the neighbouring State, Rajasthan, while there are wide fluctuations in the production of groundnut. The State Government would, therefore, need to focus special attention on achieving stability in the production and productivity of foodgrains. Soil and water conservation through integrated watershed development programme, improvement in canal irrigation management through modernisation, enforcement of rotational water supply and encouraging conjunctive use of canal and ground water particularly in south and middle Gujarat, restriction of over-withdrawal of ground water in north Gujarat and Saurashtra would be necessary for this purpose. Simultaneously, rationalising the cropping patterns through relevant crop substitution and diversification so as to minimise the risk of total crop failure and income in arid areas, correction of problem soils, both coastal and inland, and vigorous and co-ordinated efforts at checking salinity ingress should constitute the strategic interventions in this sector. While the improvement of livestock development chiefly hinges upon augmenting fodder supply through grassland development, fishery development can be substantially achieved through modernisation of fishing gear and infrastructure.

It is a matter of satisfaction that there has been a decline in the percentage of rural poor in Gujarat from 29.8 in 1983-84 to 22.2 in 1993-94 and that the extent of rural poverty in Gujarat is considerably lower than the all-India level of 37.3 per cent. However, there are considerable intra-State differences in the extent and nature of poverty, which need to be addressed. Attention, therefore, needs to be focussed on pockets of acute poverty and under-employment. The funds under the Rural Employment Programmes should, therefore, be utilised for

concentrating on efforts in such pockets and the State may access more EAS funds for such backward areas. A mere 6% utilisation of funds under computerisation of land records since the inception of the scheme in 1988-89, which is a hundred per cent centrally funded scheme, needs to be looked into for taking corrective action.

Though the State of Gujarat has a long tradition of decentralised planning, it has not constituted District Planning Committees as mandated by the 73rd Constitution Amendment Act. Unlike the Zilla Parishads, the role of Gram Sabhas has been negligible. The State should take steps to empower the Gram Sabhas and make the Panchayats more responsive to the priorities and felt needs of the community. Steps should be taken to devolve funds on the different tiers of the Panchayats expeditiously.

One of the offshoots of growing industrialisation is the attraction the State holds for the unemployed and low-wage earners from other States as also from the depressed wage and low employment pockets in the State. This is reflected in the higher level of migrant labour in the State as also in the considerable increase in the growth of slums. The distressing aspect of the labour situation is a very large female child labour segment in urban Gujarat even when a decreasing trend of such labour is discernible in the country. The State, therefore, has to mount special efforts on improving the working and living conditions of migrant labour and slum dwellers and enhance the coverage and quality of its poverty alleviation programmes in urban areas with special focus on female child labour households. At the same time, it should vigorously implement laws relating to employment of child labour with the help of NGOs, which have good track record in this field.

Gujarat has done very well in industrial development. It ranked second in the industrial investment proposals sanctioned during 1991-98. However, there is also need to encourage suitable non-polluting industries, handlooms, handicrafts, khadi and village industries, which have a large potential for generating employment. As the efforts of poverty alleviation and employment generation in the unorganised sector are constrained by many stifling regulations and unsatisfactory

linkages, a serious agenda for reform should be pursued to enable the fruits of industrial development trickling down to this segment.

The increasing industrialisation and urbanisation are taking their toll on the quality of environment and suitable safeguards need to be taken to mitigate the problems. The ambient air quality in the metropolitan cities of Gujarat State, especially Ahmedabad, with regard to suspended particulate matter is not satisfactory. Similarly, disposal of industrial waste and sewage into coastal waters is a cause of marine pollution affecting the marine eco-systems, which will in the long term affect the livelihood of people dependent on marine resources. Another area of concern is the low level of forest cover in the State, which is only 6.4 per cent of the geographical area. The quality of this forest cover also needs to be improved because 50 per cent of the forests are degraded. Joint forest management (JFM) with the involvement and participation of local community has to be given a greater push for the protection and management of forests.

Gujarat has had a medium-level performance in the field of education. In the 1990-91 census its literacy rate was 61.3 %, nine percent higher than the national average. This had slipped somewhat by 1997 when the NSSO survey revealed an advantage of only 6 percentage points over the national average. The gender divide even then was quite considerable, with males having a literacy rate of 80% and females 57 per cent. The State had a ranking of 15th in terms of Educational Development Index formulated by the Planning Commission. There were other problems as well. The dropout rates in the State were high at 45.97% for classes I to V and 59.39% for classes I to VIII. The State's expenditure on education was 4.07% of the State Plan outlay and it spent only 4.12% of the State Domestic Product as against the norm of 6 per cent. The State, therefore, has to put in more resources as well as efforts to achieve a higher performance in the field of education commensurate with, and contributing to, the overall developmental level. It also needs to devise area-specific and community-specific strategies to tackle the low literacy level among girls and in particular among girls in scheduled tribes, where the literacy rate of 24.20% is almost half that of the scheduled tribe males, which was 48.25 per cent.

The relatively satisfactory position of overall infrastructure of health services in the State has not shown commensurate performance in respect of infant mortality and birth rate. This may be because Gujarat has considerable regional variations in the availability of health care services. The districts with poor health indices also lag behind in primary health care infrastructure and emergency services. Further, during the Eighth Plan the expenditure on health and basic minimum services (BMS) was lower than the outlays. This has to some extent been corrected by increase in BMS allocation for health during the Annual Plan 1997-98. However, lack of specialists in the health care institutions severely constrains access to health care. There is an urgent need, therefore, to make the existing Community Health Centres (CHC) fully operational by posting specialists, particularly obstetricians and required number of paramedical personnel. The existing rural dispensaries may be re-designated into Primary Health Centres (PHC) and the existing sub-district, regional and taluk hospitals into CHCs to bridge the existing gap in infrastructure. The State also needs to equip its health care infrastructure with facilities to cope with preliminary detection and screening of AIDS cases by optimally utilising the allocations under the national programme.

The health check-up in schools by the State Government has brought out that the incidence of dental caries is very high among the school children. This is on account of indiscriminate use of Gutka, which can lead to oral cancer on a large scale. Even children as young as 8 years of age were found affected by it. This is an extremely disturbing situation and needs to be given priority attention for devising appropriate strategy to effectively counter the consumption of tobacco and tobacco products among the population, particularly among the young. The Panchayati Raj institutions, NGOs and community-centred institutions should be enlisted in this campaign.

It is observed that the cost of a number of projects, some of which have been pending for more than 25 years, has increased manifold ranging from 390% to as high as 2571 per cent. It is somewhat surprising that projects originally costing as low as Rs. 2 to 5 crore were allowed to spill over for such a long time even when the State

was spending huge outlays on irrigation. There also appears to be a skewed distribution of resources across the projects. The State Government also needs to focus its priority on completing the long-pending projects.

The available information indicates that the losses incurred from irrigation projects have increased from Rs.1259.81 crore in the Seventh Plan to Rs.2164.06 crore in the Eighth Plan. There is a pressing need to reduce this loss in the Ninth Plan by a revision of the rates, which have not been revised since 1983, as well as efficiency in the recovery administration.

In view of the fact that 12 taluks in the State have been identified as over-exploiting ground water with more than 100% extraction and 14 taluks as dark with 85% to 100% extraction, the State Government should take strong measures to prevent over-exploitation in such areas on the one hand and carry out developmental measures for recharging ground water through rainwater harvesting and watershed management to augment drinking water sources on the other hand. The State is reported to have 3090 quality problem habitations constituting 10.2% of the total habitations in the State where the water is affected mainly by fluoride and salinity. Mehasana and Banaskanta are the districts severely affected. As such habitations are generally provided with safe drinking water from distant sources, steps would have to be taken to ensure minimum loss through conservation measures as also long-term sustainability.

* Opening Remarks at the discussion on Annual Plan of Gujarat for 1999-2000

HARYANA PLAN FOR 1999-2000*

I welcome the Chief Minister of Haryana and members of his entourage to this meeting. I am aware that the State Vidhan Sabha for Haryana has already passed the Annual Budget for 1999-2000, with a Plan size of Rs. 2300 crore. Our meeting, therefore, will involve an *ex post facto* consideration of events that have already taken place. This is a legacy from the past. Hopefully, we will be able to restore the calendar from the next year so that the contours of the Annual Plan are determined well before the presentation of the State budget.

As far as the resources for the Plan are concerned, I will ask the Secretary to give us a resume of his discussions with the Chief Secretary, Haryana and we shall thereafter try to resolve the differences that may still persist.

Haryana is one of the most prosperous States of the country and retains its position at No. 4 as far as per capita income is concerned. During the next year, we would like to interact closely with the State Government to understand what its Vision 2020 is like and how it can be achieved through the instrumentality of the Plan and otherwise. The Planning Commission would like to share the burden of perspective planning for the State in a spirit of co-operation and sharing of knowledge and expertise.

Agriculture continues to be the mainstay of Haryana's economy. The State seems to have done well in respect of production of foodgrains, having achieved 98.5% of the target in 1997-98. With regard to the per capita consumption of fertiliser, the State is ranked at the 3rd place in the country. There are, however, some aspects, which need attention. The production of oilseeds fell by 63% in 1997-98 over the previous year. The performance of fisheries sub-sector has not been fully satisfactory. About 40% less expenditure than the agreed outlay was incurred on agricultural research, which is not a desirable trend.

The forest cover in the State has declined to just 3.8 per cent. There seems to be a need for greater emphasis on the use of biofertilisers and improvement of soil health.

Haryana has an extensive network of irrigation facilities and the created potential is 80% of the ultimate potential. However, most of the irrigation systems are old and the average efficiency of the government irrigation system is as low as 32 to 35 per cent. The State Government is incurring substantial losses on its tube-wells. It would be desirable to hand over these to farmers' associations for management. The irrigation water rates were last raised in May 1996 and further modification could be considered at this stage. The State Government should submit a revised project report for a water channel from Munak Head to Haiderpur in order to resolve the drinking water problem of Delhi.

We want to bring some points to your attention with regard to rural development programmes. The most basic point relates to the devolution of administrative and financial powers to Panchayati Raj institutions. Although the State Finance Commission has submitted its report long ago, no action seems to have been initiated. There are provisions in the State Panchayati Raj Act that run counter to the spirit of the 73rd Constitution Amendment. These need to be modified. The State Government has also not constituted District Planning committees, which are so vital for decentralised planning. It has used only 17.07% of the funds released to it under the 100% Centrally funded scheme for computerisation of land records. It is not clear why there was an unspent balance of Rs. 31.06 crore under the Employment Assurance Scheme as on 1.4.1998.

We welcome the reforms already introduced by the State Government in the power sector. The Electricity Board has been converted into two separate entities, one for generation and the other for transmission of power. An Electricity Regulatory Commission has been set up on the Orissa model. A consultant has been appointed for the privatisation of distribution. However, there are several improvements that are yet to be made. The T & D losses are very high at 33.37% and the Plant

Load Factor is very low at 49.40 per cent. The SEB has to take necessary measures to improve its technical performance. With regard to tariff structure it is necessary to revise the average rate for agricultural consumption from its present level of 55 Paise/kwh. The State Government has to facilitate the inflow of private investment, which is supposed to add 900 MW of capacity during the Ninth Plan period.

In the road transport sector there are features like 95% fleet utilisation and vehicle productivity of 285 km/bus. If the estimates for 1998-99 still show a net loss of Rs. 106.70 crore, the fault lies in the high rate of taxation, which is nearly 60% of the revenue, against 45% in Punjab and Himachal Pradesh. The other reason is the clandestine plying of about 2000 private buses and this obviously calls for tightening of the regulatory mechanisms.

Coming to education, one feels happy to note from the 53rd Round of the National Sample Survey that the literacy rate in Haryana had risen to 65% in 1997. If the trend continues, Haryana will reach 75% by the year 2004. On the other hand, Haryana is not doing as well as other States. The Planning Commission's Educational Development Index rates it at No.16 among the States. More funds need to be pumped into the education sector, especially for elementary education. The Gross Enrolment Ratio for girls at 84% is below the national average of 93.3 per cent. If a teacher-pupil ratio of 1:40 is to be maintained, 14000 additional teachers have to be appointed. It will also be appreciated if 25% of JRY funds are reserved for construction of school buildings and facilities.

I have touched upon only some of the sectors. It is not because the other sectors are unimportant. We shall separately convey our written views to you with respect to all the sectors. You may kindly consider our observations not as criticism but as friendly advice emanating from an expert body, which has also necessarily to function as a thinktank for the whole country.

HIMACHAL PRADESH PLAN FOR 1999-2000*

I welcome the Chief Minister of Himachal Pradesh and his colleagues to this meeting for finalising the State's Annual Plan for 1999-2000. The formulation of the Annual Plan is a co-operative endeavour between the Planning Commission and the concerned State Government. Ideally, this exercise should precede the presentation of the Budget. This time, however, it has not been possible. There is need for continuous dialogue and interaction between the Planning Commission and the State Government. My colleagues and I would be happy to have such meetings.

I would like to compliment Himachal Pradesh for being among the few States to have achieved the Eighth Plan in full measure and also for achieving higher Plan size successively in the first two years of the Ninth Plan. The approved outlay for 1998-99 at Rs 1440 crore was 43% higher than the outlay approved for 1997-98. The actual expenditure during 1997-98 and 1998-99 had been Rs 1294 and 1447 crore respectively. I also note that the State Domestic Product of Himachal Pradesh has increased by 6.2% in 1997-98 against the all-India figure of 5% per annum. However, the State Government appears to have relied on a high proportion of borrowed funds for financing their Annual Plans, which has led to a situation where the interest payments have been estimated to reach the level of about 26% of the total non-Plan expenditure in the current year. The worsening of the contribution by State public enterprises and realisation under miscellaneous capital receipts appear to have adversely affected the State's own resources (SOR). The SOR position seems to have further deteriorated by an increase of 18.7% in the estimated non-Plan revenue expenditure in 1999-2000 over the budget estimate of 1998-99 against an increase of only 3.8% in the revenue receipts during the period.

I am also happy to note that as part of the MoU signed between the State Government and the Ministry of Finance on April 10, 1999, the Government of Himachal Pradesh has taken initiatives in the fiscal sphere for reducing the revenue deficit, downsizing the Government, exercising economy measures on administrative expenses, increasing user charges for various services etc. I also understand that the State Government is taking concrete steps towards tax reforms and undertaking disinvestment programmes in the public sector undertakings. I sincerely hope that the State Government would be able to adhere to the time schedule mentioned in the MoU.

I am aware of the major issues being raised by the State Government for quite some time with regard to the power sector. On the issue of levying generation tax on electricity, the President's assent to the Himachal Pradesh Electricity (Taxation on Generation) Bill, 1995 has been withheld in public interest. I understand that the Ministry of Power has not taken the final view on the demand of the State for enhanced share in Bhakra-Beas Management Board (BBMB) power projects and the matter is now pending in Supreme Court. As regards the issue of 12% free power on the hydel installations in the State, the Ministry of Power has agreed to provide 12% free power in case of Baira Suil and Chamera hydro electric projects but not to BBMB projects as they are owned by the partner States and not by the Central Government.

I note that HPSEB is one of the few electricity boards where the gap between the average tariff rate and the average cost is marginally smaller and the agriculture tariff is fixed at a minimum rate of 50 paise/kwh. However, the steep increase in the commercial losses of HPSEB to Rs 33.14 crore in 1998-99 from a net profit of about Rs. 10 crore in the previous year is a cause of concern. I would, therefore, suggest that the State Government may take appropriate measures, particularly with regard to containing the establishment and administrative cost of the Board, which appear to be very high at the level of about 40% of its total revenue expenditure.

With regard to the State Road Transport Corporation of Himachal Pradesh, I observe that although the physical performance of the

Corporation in terms of various indicators such as fleet utilisation, vehicle productivity, bus-staff ratio etc. has been relatively better than the national averages, the resource estimate for 1998-99 indicates that the Corporation is likely to incur a net loss of Rs. 38 crore. I would, therefore, suggest that the State Government might take appropriate measures to make the Corporation commercially viable and financially sustainable. As far as the connectivity of villages by road is concerned, the State is lagging behind as out of total 16997 villages only 7627 villages, representing 44.87%, have been connected up to 31st March 1997. The State Government may speed up the village connectivity programme in the State.

Forests are an important source of the State. Although the area classified as "Under Forests" is 67% of the total area of the State, the effective forest area constitutes only 22.5% of the geographic area. The State Government needs to take steps to bring 50% of the total area under actual forest cover as envisaged in the Ninth Plan.

The performance of the rural development programmes particularly of IRDP and JRY has been satisfactory. However, the utilisation of funds under the two centrally sponsored schemes, namely Strengthening of Revenue Administration and Updating of Land Records and Computerisation of Land Records, had been only 75.3% and 13.33% respectively during last ten years. The process of computerisation of land records needs to be speeded up in the State.

I appreciate that though significant changes have been witnessed in the composition of State Domestic Product since 1980-81 and the poverty ratio has been brought down from 35.15% in 1987-88 to 27.4% in 1993-94, the economy of Himachal Pradesh is still mainly dependent on rainfed agriculture and allied activities. Foodgrains production is stagnating at the level of 12-13 lakh tonnes since 1990-91 and the fruit production in 1997-98 was at the same level achieved during the period 1985-90. The State Government may speed up the programmes relating to extensive use of the package of HYV seeds, fertilisers, pesticides, improved irrigation and modern techniques of cultivation.

The availability of assured irrigation facilities is one of the essential pre-requisites for improving the agricultural productivity and diversification of agricultural activities. The low water rate of Rs 6 per hectare, which was last revised in 1977, has affected adversely the operation and maintenance of irrigation projects. I would urge the State Government to revise the existing water rate and utilise the funds made available under AIBP in accordance with the revised criteria to include the minor surface irrigation facilities for the North East and hilly States including Himachal Pradesh.

I must convey my appreciation of the efforts made by the State Government in achieving the Health Indices, which are substantially better than majority of North Indian States. It is heartening to note that the State has built up functional rural health care infrastructure and been utilising practitioners specialised in indigenous system of medicines for improving the availability of primary health care. Investment has also been made on herbal gardens to provide ready access to drugs required in Ayurvedic dispensaries at affordable cost.

In the sphere of education Himachal Pradesh is reckoned to be one of the educationally forward States. With the literacy rate at 77%, as per the 53rd Round of National Sample Survey Organisation (January-December 1997) and the per capita expenditure at Rs 661.19 as compared to all-India average of Rs 390.64, Himachal Pradesh occupies the 11th rank in total literacy rate and 7th rank in terms of Educational Development Index among all States/UT's. I also appreciate the efforts of the State Government in achieving the goals of universalisation of primary education.

Drinking water is the main problem in the rural areas of Himachal Pradesh. Though the number of "Not Covered" habitations has dropped from 6402 as on 1.4.94 to 3750 as on 1.4.99, the number of "Partially Covered" habitations has increased during these years from 12878 to 13592. The population coverage was also lower at 86% as on 1.4.98 against the all-India average of about 92 per cent. Central Assistance of the order of Rs.10.02 crore is lying with the State Government as unspent balance as on 1.4.99 under Accelerated Rural Water Supply Programme (ARWSP). I would urge the State Government to make increased efforts to cover all the habitations during

the Ninth Plan period as per the national objective and also utilise the unspent balance so that future releases of central assistance are not affected.

Urban housing is one of the important components of the Prime Minister's Special Action Plan (SAP) and, therefore, requires special attention. As per the 1991 Census, the urban housing shortage in the State was estimated at 0.10 lakh. The programmes carried out through the intervention of HUDCO could add only 2871 units during the Eighth Plan period. I would request the State Government to update the estimate of the urban housing shortage and initiate necessary steps to build/upgrade them through appropriate interventions.

As regards industrial development of the State, it is observed that the process of industrialisation is yet to pick up due to inherent geographical problems and constraints such as under-developed markets, lack of infrastructure and other critical inputs, growing regional disparities, low deposit rates and location disadvantages. The State Government may, therefore, have to shift its emphasis from fiscal incentives and concessions to accelerating the pace of development of physical, economic and social infrastructure to promote industrialisation in the State.

I have touched upon only some of the sectors and the relevant issues, which have emerged. It is essential to have a holistic vision of the development efforts, which need to be mounted. I am happy to note that the State Government has thought of a perspective Plan for the State for the year 2020 and has set the targets in specific areas such as power generation, fruits and vegetable production, irrigation facilities, village connectivity and tourism etc. However, rather than relying on incremental approach, it is desirable that a long-term perspective in the nature of a "Vision 2020" Document is adopted. Such an exercise, which could be the joint effort of the State Government and the Planning Commission, would focus on a wide gamut of issues covering legislative and policy initiatives, resource mobilisation, fiscal management, social infrastructure etc. both in the government and the non-governmental sectors.

* Opening Remarks at the discussion on Annual Plan of Himachal Pradesh for 1999-2000

JAMMU & KASHMIR PLAN FOR 1999-2000*

I welcome the Chief Minister of Jammu & Kashmir and his colleagues to this meeting on the State's Annual Plan for 1999-2000.

I must begin by congratulating the Chief Minister and the State administration for the marked improvement, which has taken place in the overall security situation. The integrated approach adopted by the armed and paramilitary forces and the local police has paid rich dividends, as has the restoration of the democratic process. The approach of normalcy is exemplified by the enhanced tourist traffic and the renewed visits by film units to the beautiful valley. We cannot, however, afford to be complacent and, despite the apparent climate of détente between India and Pakistan, we must continue to remain on our guard against cross-border terrorism.

In the Eighth Plan the total expenditure was Rs. 4529.07 crore against the outlay of Rs. 4000 crore (at 1992 prices). The physical progress was initially slow due to the disturbed conditions but gradually picked up from 1994-95 onwards. The Net State Domestic Product recorded an average growth of 4.75% during the Plan period.

The Ninth Plan size has been fixed by the Planning Commission at Rs. 9,500 crore. The State Government has been pleading for an enhancement of the outlay to Rs. 10,000 crore. Taking into account the fact that the pre actuals for 1997-98 came to Rs. 1496.29 crore and the latest estimates for 1998-99 show a figure of Rs. 1750, even the figure of Rs. 9,500 crore seems to be unachievable for the Ninth Plan period. I would, therefore, request the Chief Minister to accept the figure already approved so that the Ninth Plan document for the State could be finalised.

Although the hydroelectric potential of J&K is 7487 MW, the potential developed so far is only 4.16% of the total. The performance of the Electricity Department is particularly unsatisfactory. The average tariff was 71 paise per unit in 1998-99 against the cost of supply of Rs.

3.04 per unit. The transmission and distribution losses were very high at 48% during 1997-98. The Department had to recover as much as Rs. 125.88 crore as revenue arrears from the consumers. As a result, the net commercial losses of the Department soared to Rs. 643.43 crore during 1998-99.

The other areas of concern in the power sector were the nonimplementation of reforms suggested by the Power Committee and agreed to in the NDC and delay in the completion of the power projects in the State sector. The State Government was keen to involve the private sector in the generation of power but the Central Government has taken a policy decision not to extend counter-guarantees to such projects. This matter can be discussed further with the Ministries of Finance and Power. Meanwhile, I am glad to note that the State Government has taken steps to mobilise additional resources in the power sector.

The State Road Transport Corporation is also a loss-making unit. It has a high bus-staff ratio, low fare rates and a high percentage of overaged buses. The fleet utilisation is 73% as compared to the all-India average of 91 per cent. Vehicle productivity is 76.64 revenue earning kms per bus per day against the all-India figure of 284 kms. The revenue earning kms per worker is as low as 13.36 kms as compared to 41.3 kms for the country. Thus, the Corporation is expected to incur a net loss of Rs. 31.59 crore during 1998-99. The State Government would need to pay considerable attention to improvement in the functioning of this Corporation.

In agriculture there is a need to increase the area under foodgrain crops, enhance the percentage of irrigated area, increase the consumption of fertilizers and raise the yield per hectare of paddy from the present low level of 1567 kgs. High-yielding varieties of pulses also need encouragement.

Apple is the main horticultural crop. There is great scope for varietal improvement and supply of improved planting material to the fruit growers. Diseases have to be tackled on a priority basis and the results of research in the other apple growing areas utilised. The State needs

to develop an integrated strategy for processing of substandard apples. There is also an urgent requirement for research into replacement of old walnut trees with fresh genetic material.

The creation of irrigation potential through minor irrigation schemes is much below the national average. Greater allocation and priority need to be accorded to the irrigation sector. Tube-wells should be handed over to the beneficiaries for operation and maintenance. The water charges were last raised in 1976 and, as of now, are the lowest the country. Also, the rate structures for flow and lift irrigation schemes are quite divergent and need rationalisation.

The performance indicators of IRDP, both in physical and financial terms, have been unsatisfactory but in all other programmes of poverty alleviation the utilisation of funds has been very good.

In the absence of census figures it is imperative for the State Government to update its actual shortage of rural housing as the allocation of funds from the next year is also to be partly based on such information.

In education the State should have surged forward as it has been providing free education from the primary to university levels for a long time. However, in terms of literacy, the State had reached only 59% by 1997 against the national average of 62 per cent. The gender divide was quite significant at 23 per cent. The State is ranked 25th in the Educational Development Index. It also spent on elementary education only 4.9.71% of its revenue expenditure on education. This is required to be raised to 60% as per the nationally accepted norms.

There is no recent information on health and demographic indices as Census 1991 and Sample Registration system were not conducted in the State of J&K. There is an urgent need to take up this work so that health care can then be planned. The performance and utilisation of funds in the Central programmes for control of diseases like blindness, tuberculosis and AIDS have been poor. The performance in family welfare has also been unsatisfactory, especially since the abolition of method-specific targets. This programme merits priority attention. I

have touched upon only a few sectors in this meeting but we have now decided that the contact between the Planning Commission and the State Governments would be a continuing process, spread over the entire year. The Principal Adviser incharge of the State will be expected to visit the State now and then and interact with the State Government officials. It would be good if he is involved in the quarterly meetings taken by the Chief Secretary for reviewing the progress of Plan schemes.

The Planning Commission would also request the State Government to pay special attention to two major areas, namely, the empowerment of the people through their elected Panchayati Raj representatives and the downsizing of the bureaucracy. These steps will go a long way in speeding up the economic development of the State and stabilising the fiscal situation of the State Government.

We are also requesting all the State Governments to formulate a perspective plan with a longer timeframe, say up to 2020 AD. A similar exercise is on at the national level. We will be happy to collaborate with the State Government in this difficult but necessary exercise.

* *Opening Remarks at the discussion on Annual Plan of Jammu & Kashmir for 1999-2000*

KARNATAKA PLAN FOR 1999-2000*

I welcome the Chief Minister and his colleagues to this meeting for finalisation of Karnataka's State's Annual Plan for 1999-2000.

I note that your officials have had a satisfactory round of discussions. According to estimates made earlier in the Planning Commission, Karnataka was able to sustain a Plan size of Rs.4004.81 crore in 1999-2000. These figures have now undergone a change. In the context of State's resource position, I want to draw your attention to the following issues. Karnataka is making substantial borrowings for funding their Plan. This would mean larger loan servicing liability in the years to come. The interest liability as a percentage of non-Plan revenue expenditure works out to be 17.47% at pre-actual in 1997-98 and is expected to increase to 18.19% in 1999-2000. To improve the debt position further special steps need to be taken by the State to increase reliance on its own funds. This would involve jacking up both the tax revenue and the non-tax revenue of the State. The revenue receipts of the State have been growing at a rate lower than the non-Plan revenue expenditure. The revenue receipts in 1999-2000 is expected to deteriorate and have a negative growth rate of 1.17% over 1998-99 (latest estimates). By contrast, the non-Plan revenue expenditure is estimated to grow at 16.5% in 1999-2000 over 1998-99 (latest estimates). The State Government needs to improve its tax revenue and non-tax revenue so as to meet the increasing non-Plan revenue expenditure.

At the outset I would like to congratulate Karnataka because the health indices of the population are good. The State should redouble its efforts to meet all the felt needs for contraception and achieve the replacement level of fertility by 2005. The funds available through the State Plan, ACA for BMS and the Externally Assisted Projects should be utilised to improve the health care facilities in the districts with poor infrastructure and reduce the inter-district variation in health indices.

Although during the Eighth Five Year Plan Karnataka recorded a slower growth rate of 4.7 per cent per annum on the average than the national figure of 6.8%, in the first year of the Ninth Plan (1997-98) its performance has improved. The available data indicates that the growth rate of Karnataka's GDP in 1997-98 is likely to be 5.1% as compared to the national average of 5.0 per cent.

Although Karnataka had a literacy rate of 56% in 1991, which was higher than the national average of 52.2%, the situation had deteriorated by 1997. The 53rd Round of the National Sample Survey, although not exactly comparable with the 1991 Census data, found the literacy rate up by 2 per cent but below the national average of 62% by 4 per cent. Karnataka is also the only State to have a negative growth of 1.3% for male literacy between 1991 and 1997. There is still a wide gap of 16% between males and females and the rural-urban divide is also 15 per cent. The dropout rates are still very high at 19.69% for classes I to IV and 46.81% for classes V to VIII. As far as the Plan outlay on education is concerned, it was only 6.17% of the State Plan outlay during 1998-99. The total expenditure, both Plan and non-Plan, constituted 3.93% of the Gross SDP and the per capita expenditure was just Rs.439. The State Government needs to increase its expenditure on education.

The term of Gram Panchayats had expired in December 1998. I am sure you have taken note of the fact that if elections to Panchayats are held soon, the State would be able to access Rs.55.44 crore in 1999-2000 on account of the Tenth Finance Commission's award. I would also like to draw your attention to the fact that in the absence of duly elected Panchayats, 20% of the allocation under JRY and EAS would have to be forgone. Therefore, I would like to reiterate the need for early Panchayat elections, particularly as Karnataka is one of the States, which has made considerable progress in empowering Panchayats and facilitating decentralisation of development.

I would suggest for your consideration that the State should prepare a Vision 2020 document for Karnataka. The Planning Commission can assist the State in this endeavour. The Vision would focus on

policy issues both in the Government and non-Governmental sector and would give a holistic perspective plan. Such an exercise could have separate sections devoted to legislative and policy initiatives, resource mobilisation and fiscal management measures.

We are concerned about certain aspects of the irrigation sector of your State. The prevailing water rates, which were revised as far ago as 1987, need revision. There is also the problem of excessive use of ground water. I understand that in 6 blocks ground water is over-exploited to the extent of more than 100% and in 12 other blocks ground water utilisation is in the range of 85% to 100 per cent.

Regarding the power sector, you may give serious consideration to the Report of the NDC Committee on Power, which was endorsed at the last meeting of the NDC, for carrying out reforms in the power sector. The average tariff for the year 1998-99 is about 169 paise per unit against the cost of supply of 208 paise per unit, which implies recovery of only 81.2 per cent. The average tariff charged from agricultural consumers continues to be low and for 1998-99 the tariff was 15 paise per unit. This calls for rationalisation of tariff, particularly in the agriculture sector. The estimated net commercial losses for 1998-99 (RE) and 1999-2000 are of the order of Rs.603 crore and Rs.365 crore respectively.

I would like to draw your attention to the performance of the State Road Transport Corporation. The State Road Transport Corporation of Karnataka has made commendable progress in implementing the pollution control scheme for their vehicles. On the financial side, however, suitable measures are required to bring down the interest payment burden through reduced borrowing and by increasing the operating revenues by suitable revision in bus fare. The bus fare in your State is one of the lowest in the country.

I have touched upon only some of the important sectors. During the course of the year, the Planning Commission would like to hold consultations with the State Government on a continuing basis.

* Opening Remarks at the discussion on the Annual Plan of Karnataka for 1999-2000

KERALA PLAN FOR 1999-2000*

I welcome the Chief Minister and his colleagues to this meeting for finalisation of Kerala's Annual Plan for 1999-2000.

I note that your officials have had a satisfactory round of discussions. According to estimates made earlier in the Planning Commission, Kerala will be able to sustain a Plan size of Rs.2488.79 crore in 1999-2000.

I would like to congratulate Kerala, which has the distinction of being the first Indian State to achieve the replacement level of fertility. The health and demographic indices of the State are comparable to the developed countries and have been achieved at costs affordable to the population and the health services. The State has now to set the pace in terms of initiatives such as providing integrated communicable and noncommunicable disease prevention and control, disease surveillance and response at district level, hospital infection control and waste management and 100% registration of vital events, compilation and analysis of the data at district level and utilisation of this data for PHC-based reproductive and child health care, planning and impact assessment and ensure that they are fully operationalised within a short time-frame.

The State has made considerable progress in the empowerment of Panchayat Raj Institutions. Under the Employment Assurance Scheme the performance has been rather low. In the current year 1998-99, the second instalment of Central release was made to 6 blocks only out of a total of 150 blocks in the State. Though rural poverty has declined in the State there is a need to implement the rural poverty alleviation programmes vigorously, especially the Employment Assurance Scheme.

I would suggest for your consideration that the State should prepare a 'Vision 2020' document for Kerala. The Planning Commission can assist the State in this endeavour. The Vision would focus on policy

issues both in the Government and non-Governmental sector and would give a holistic perspective plan. Such an exercise could have separate sections devoted to legislative and policy initiatives, resource mobilisation and fiscal management measures.

We are concerned about certain aspects of the irrigation sector of your State. The prevailing water rates, which were revised as far ago as 1987, need revision. There is also the problem of excessive use of ground water. I understand that in 6 blocks ground water is over-exploited to the extent of more than 100% and in 12 other blocks ground water utilisation is in the range of 85% to 100 per cent.

Regarding the power sector, you may give serious consideration to the Report of the NDC Committee on Power, which was endorsed at the last meeting of the NDC, for carrying out reforms in the power sector. The average tariff for the year 1997-98 in your State was about 124.6 paise per unit against the cost of supply of 196 paise per unit, which implies recovery of only 63.5 per cent. The gross hidden subsidy for the year 1997-98 was Rs.487.79 crore. This calls for revision of tariff, particularly for the domestic and agriculture sectors. The revenue arrears at the end of 1997-98 were Rs. 199.21 crore, which works out to 21% of total sales revenue of the year. The State Government should make all efforts to improve the realisation of receivables.

I would like to draw your attention to the performance of the State Road Transport Corporation. The State Road Transport Corporation of Kerala is doing well so far as the physical performance is concerned. It is, however, not doing well in terms of financial performance. The reason, as you are aware, is that the fare in the State is very low. The fare has not been revised after 19th August 1996.

I have touched upon only some of the important sectors. During the course of the year the Planning Commission would like to hold consultations with the State Government on a continuing basis.

MADHYA PRADESH PLAN FOR 1999-2000*

I welcome the Chief Minister and his colleagues to this meeting for finalisation of the Annual Plan of Madhya Pradesh for 1999-2000. The formulation of Annual Plan is a co-operative endeavour between the Planning Commission and the concerned State Government. Ideally, this exercise should precede the budget presentation, which has not been possible this time. There is need for continuous dialogue and interaction between the Planning Commission and the State Government.

Madhya Pradesh is among the few States, which have implemented the provisions of the 73rd and the 74th Constitution Amendment Act, 1992. District Planning Committees (DPCs) have been constituted to prepare draft development plans at the district level. Powers have been devolved to the Panchayats in the sectors of education, health and natural resource management.

It is significant to note that financial resources of the order of Rs. 1300 crore have been transferred to the local bodies during 1998-99. The State is acclaimed as having restructured and remodelled the administrative structure of governance. The Panchayati Raj institutions (PRIs) and urban local bodies (ULBs) are expected to have contributed over Rs.250 crore during 1998-99 to the financing of the State Plan outlay and the trend is on the ascendancy. The State deserves to be complimented on its effort in the direction of democratic decentralisation.

The tribal population of the State constitutes approximately 22% of the total tribal population of the country and investment of 50% of the Ninth Plan outlay of the State in rural development and social services sectors has been approved. It may be instructive to share the experience of the Government of MP regarding the involvement of the poor and the disadvantaged sections of society in the reorganised PRIs and ULBs for possible replication in other States.

The State has made impressive strides in spreading literacy. As per the latest survey (1997) carried out under the National Literacy Campaign, the State has registered a differential of 11.8% from the time of the last census (1991) and its present literacy rate at 56% compares with the all-India literacy rate of 62 per cent. The female literacy rate has also increased from 28.8% in 1991 to 41% in 1997. This progress has to be stepped up and sustained.

The priorities of the Government of MP, as reflected in the sector-wise allocation of the outlay during 1997-98, are in the areas of increasing agriculture production and productivity, development of infrastructure and provision of basic amenities including primary health care, safe drinking water and housing assistance etc. However, the utilisation of funds has not been satisfactory in some of these areas, e.g. 38% in housing, 60% in water supply and sanitation, 54% in agricultural programmes, 28% in science and technology and environment, 21% in dairy development and 28% in industries and minerals. The aspect of efficiency and effectiveness of the delivery mechanisms in these crucial areas hardly needs to be over emphasised.

As per the Report of National Crime Records Bureau (NCRB) in 1996, MP ranks 3rd in the country in terms of crimes committed against women. Twenty-two per cent of the rape cases and 7.2% of the total dowry deaths reported all over the country are from this State. The women's component has been introduced for the first time in the Ninth Plan. While adequate provisions have to be made for this component, there is a crying need to effectively implement the programmes for the welfare, development and empowerment of women. Provisions may also have to be made in the Annual Plan for 1999-2000 for the new scheme of Rehabilitation of Persons with Disabilities.

I understand that your State produces the best quality wheat. However, the low wheat productivity of 1.8 tonne/hectare, which is mainly because of less coverage under HYV seeds and inadequate irrigation facilities, definitely needs to be stepped up. Similarly, the productivity of rice, which has remained stagnant for long at around

one tonne per hectare and, of coarse, cereals, which has been stagnating at around 850 kg/hectare in this decade, has to be increased. On the other hand, the State has made a spectacular achievement in soyabean production, which has reached the level of 49.2 lakh tonnes. This has to be sustained by propagating varieties tolerant to rust disease.

The flow of funds to the Special Component Plan (SCP) and the Tribal Sub Plan (TSP) from the State Plan outlay during the Eighth Plan and during the Annual Plan 1997-98 has not been proportionate to the population of SCs and STs. The Special Central Assistance (SCA) to SCP and TSP has been extended to the State as an additive to fill the critical gaps in SCP and TSP, especially for family-based income generation activities. Hence, top priority has to be accorded to such activities. In this context, I would like to refer to the sensitive Bastar tribal region where the unemployed youth may be easily lured to subversive activities. I need hardly to point out how important it is to attend to the development aspirations of these areas and particularly to the programmes for generation of employment opportunities.

The State's own resources (SOR) have been dwindling over the years. In 1997-98 Annual Plan, they constituted 60% of the approved outlay. However, in 1998-99 (latest estimates) they have come down to 37.4% and the estimate for 1999-2000 is 25 per cent. This has necessitated increased dependence on central assistance. Besides the normal central assistance, a sizeable amount of Rs. 593.88 crore of central assistance has been provided to the State for basic minimum services, slum development, Tribal Sub-Plan and Accelerated Irrigation Benefit Programme (AIBP) during 1998-99.

The balance from current revenues (BCR) has been deteriorating over the years and this is an area of serious concern. The State, which was able to maintain a positive BCR through out the Eighth Plan period, has slipped to a position of negative BCR to the tune of Rs 1960 crore during 1998-99 (LE) against (-)Rs. 825.60 crore in the Annual Plan. The interest liability as percentage of non-Plan revenue expenditure is estimated to have increased from 13.94% in 1998-99 to 16.47% in 1999-2000. There has been an inadequate growth in

revenue receipts. A study by the National Institute of Public Finance and Policy (NIPFP) shows that the State Government is utilising only 47% of the sales tax potential of the State. While the tax revenues have to be improved to meet the increasing non-Plan revenue expenditure, there is also scope for improving the non-tax revenue.

The performance of MPEB and MPSRTC, which is responsible for the negative contribution of the order of Rs. 630 crore to the 1998-99 Plan, has to be improved substantially. The average unit cost of power in 1999-2000 is estimated at 252.72 paise per unit against the average selling rate of 156.30 paise per unit, which is non-viable. The notification of the setting up of the State Electricity Regulatory Commission is a positive step.

It is essential to have a holistic vision of the development effort, which is required. Hence, rather than following an incremental approach, it is desirable that a long-term perspective in the nature of a 'Vision 2020' document is adopted. Such an exercise, which could be the joint effort of the State Government and the Planning Commission, would focus on the wide gamut of issues, e.g. legislative and policy initiatives, resource mobilisation, fiscal management, social infrastructure, etc. both in the government and the non-government sectors.

With the growing emphasis on the expansion of social infrastructure, the continually increasing revenue component of social sector schemes calls for larger resource mobilisation effort on the part of the State Government. There are some important announcements that have been made in the 1999-2000 budget of the Government of MP. These relate to the revision in the rates of commercial tax, doubling the irrigation rate from the existing level of Rs. 24 per acre and the simplification and rationalisation of tax structure, which is expected to yield an additional Rs. 150 crore per annum. Such initiatives are desirable if the development effort has to be sustained.

* *Opening Remarks at the discussion on the Annual Plan of Madhya Pradesh for 1999-2000*

MAHARASHTRA PLAN FOR 1999-2000*

I would like to welcome the Chief Minister and his colleagues to this meeting for the finalisation of the Annual Plan for 1999-2000 of Maharashtra.

Let me begin by congratulating Maharashtra for achieving not only the annual growth rate of 7.8% and 9.4% during the Seventh and the Eighth Plan respectively but also for reaching a per capita income level, which is higher than the average per capita national income. Maharashtra today ranks among the group of advanced States in the Union of India.

Commendable progress has also been achieved in the field of education. Ninety-eight per cent of the habitations have primary schools within a distance of 2 kms and the ideal ratio of 2:1 has been established between primary and upper primary schools. The latest NSSO estimates show a literacy rate of 74% in 1997, which is 9.13 percentage points higher than in 1991. However, the gender divide is still considerable at 21 percentage points. The total expenditure on education is 3.95% out of the total Plan expenditure and the dropout rates from Class I to Class VIII is still very high at 45.25% for boys and 50.72% for girls. There is need to spend more on elementary education as also to spend it better.

Maharashtra has built up a good functional health care infrastructure with a low level of Birth Rate (23.1 per thousand), Death Rate (7.3 per thousand) and Infant Mortality Rate (55 per thousand). The State has the distinction of having the lowest IMR in the country next to Kerala. However, it must gear up to fully meet all the unmet needs for contraception and achieve replacement level fertility by 2005.

The performance of the State in the centrally sponsored health sector programmes has been satisfactory. The State has been in the forefront in the implementation of the AIDS Control Programme. It is essential that the State utilises the available funds under the State Plan, ACA

for BMS and externally assisted project for improving the health facilities in under-served and poorly performing districts to diminish the regional disparities in health status.

We are also concerned about certain aspects of the irrigation sector in Maharashtra. Many schemes relating to irrigation sector are continuing since the Sixth and the Seventh Plans. The physical performance of major, medium and minor irrigation projects has not been up to the mark. Only 70% of the target has been achieved in the creation of irrigation potential, 57% utilisation level has been reached as far as major schemes are concerned and 40% as far as minor schemes are concerned. The spill over cost of irrigation projects into the Eighth Plan was of the order of Rs. 11570.11 crore. Taking into account the anticipated expenditure on irrigation projects during the Eighth Five Year Plan, the likely spill-over cost into the Ninth Plan is expected to be Rs. 7429.65 crore. Twenty-four major projects, which were taken up prior to 1974 and expected to be completed during the Eighth Plan, are still spilling over into the Ninth Plan. I would emphasise that these projects should receive full requirement in allocation of funds over new irrigation projects.

There is also low utilisation of funds allocated to the State under the Accelerated Irrigation Benefit Programme (AIBP). Only 61% and 33% of the funds allocated during 1997-98 and 1998-99 respectively had been reported to be utilised by the State. The State Government may take necessary steps for speedy implementation of the irrigation projects.

It is encouraging to note that the share of secondary and tertiary sectors is increasing in the State Domestic Product. However, the declining share of agriculture is still accompanied with 62% of the working force being employed in agriculture reflecting the fact that the rate of growth in agricultural productivity is either low or stagnating, which is a matter of serious concern and needs the attention of the State Government.

Several parts of Maharashtra have water scarcity problem, especially the districts of Marathwada and Ahmednagar and the State

Government is apparently taking suitable measures to prevent further depletion of the water table. In order that no new water source is created within a radius of 500 metres the Maharashtra Ground Water legislation is in force and recharging efforts are being continuously made through watershed management, rainwater harvesting etc. The urban water supply coverage is 98% and only 3000 habitations have to be accessed in the rural areas. The State Government may like to see whether the present cropping pattern on the agricultural front requires a re-look or has any adverse impact on the ground water table. Another good practice in the area of drinking water supply is that it is decentralised for maintenance and repair purpose in the rural as well as urban areas and collection of water tariff is better than in many parts of the country.

As much as 38.7% of the population of Maharashtra lives in the urban areas as compared to the all-India average of 25.7 per cent. Moreover, the total slum population of the State as per the 49th National Sample Survey is 72.97 lakh, thereby posing a major challenge to the town planners and the housing agencies. As per the NBO estimates (1991) the housing shortage in Maharashtra was 8.75 lakh. Though the State Government is reportedly making several efforts through its agencies, especially MAHDA, the gap between demand and supply is clearly a challenge to be met in the coming years. The development and up-gradation of small and medium towns would require more focussed attention both in order to lessen the thrust towards regional backwardness as also to prevent migration from the less developed to the more developed parts of the State.

As you are aware, the Panchayats have been empowered by the 73rd & the 74th Amendments to the Constitution. The State Government has enacted legislation to this effect but it is still required to constitute DPCs to facilitate decentralised planning. The constitution of DPCs must receive top priority. The State Government is also against the merger of DRDS with Zila Parishads and bureaucracy is exercising excessive control over the PRLs. These aspects need special attention.

I would also like to draw your attention to the problem in the power sector, which affects all States. Maharashtra's performance in the power sector is better than the national average in terms of productivity and efficiency parameters. However, revenue arrears receivable by your State Electricity Board during 1997-98 and 1998-99 have been about 25% of the total sales revenue, as a result of which the outstanding payments to the Central Sector Undertakings have also increased. The State Government has posed a number of projects with private sector participation but it must ensure that matching evacuation facilities come up simultaneously to avoid cost and time over-runs in the power sector projects.

I would also like to draw your attention to the performance of the State Road Transport Corporation. The losses of MSRTC, which were Rs. 169.64 crore in 1997-98 (LE), are expected to further go up to Rs. 206.69 crore in 1998-99. Although the marginal increase in fare announced by the State Government recently might have a favorable impact on the financial health of the Corporation, the State Government may have to look into the other indicators of performance of the SRTC and take all necessary steps to minimise losses. Otherwise, the losses of the Corporation will mount to unsustainable levels in the near future.

I note that despite the high growth rate of State Domestic Product the regional disparities still persist in Maharashtra and some parts of Vidarbha are still relatively more backward than the other parts of the State. Although regional development boards have been constituted for Marathwada, Vidarbha and the rest of Maharashtra with the objective of assessing the impact of various development efforts and achieving overall development within the area, there is a gap between the utilisation of funds and its impact on the ongoing programmes in the different regions of the States. The State Government may, therefore, see whether regional backwardness has decreased over the course of the last few years.

Let me now turn to the Annual Plan. I believe that your officials have had a satisfactory discussion in the forenoon with the officials of the

Planning Commission in which they have proposed a size of Rs. 12162 crore for Annual Plan 1999-2000. However, given the resource position of the State and the additional ARM of Rs. 587 crore indicated by your officials and also taking into account the additionalities under different components of Central Assistance and the additional funds to be given to the States out of the current budget there still remains a gap of Rs. 636 crore. I would therefore request you to further intensify your ARM efforts to mobilise the resources to fill this gap if the proposed size of the Plan is to be maintained.

**Opening Remarks at the discussion on Annual Plan of Maharashtra for 1999-2000*

MANIPUR PLAN FOR 1999-2000*

I warmly welcome the Chief Minister and his colleagues to this meeting, which will, as part of a continuing process of interaction between us, provide a useful opportunity to address the developmental needs of Manipur in the context of determining the size of the Annual Plan of the State for the year 1999-2000. I feel that at this stage the State Government should also consider formulating a Vision 2020 Document to provide a clear focus to their long and medium-term objectives. The Planning Commission would be happy to assist the State authorities in undertaking this exercise.

We are all aware of the problems of internal security being faced in the State, which have affected its economic progress. I should congratulate the Government of Manipur on the successful organisation of the Fifth National Games at Imphal and on the State's own excellent performance in the Games. A gifted young man of Manipur, Nagangon Dingko Singh, has won laurels for the country with a Gold Medal in Boxing in the recent Bangkok Asiad Games.

You would recall that Plan assistance of Rs.15 crore, including Rs.10 crore from the Non-lapsable Central Pool of Resources, has been provided during the current financial year for infrastructure facilities for the National Games. Funds of the order of Rs.10.34 crore have also been released to the Government of Manipur from the Central Pool for the Leimakhong Heavy Fuel Based Power Project.

An allocation of Rs.425 crore was made for the Annual Plan 1998-99 as against Rs.410 crore for the previous year. However, it appears that only Rs.406 crore or so may be utilised in the current year on account of the deterioration in the State's Own Resources (SOR) caused by factors such as low contributions from State PSUs and reduced level of negotiated loans from various agencies. The State Government has, therefore, to step up their efforts in the direction of more judicious

financial management, speedy reduction in the administrative costs and control of non-Plan expenditure.

I compliment the State Government on having conducted the Panchayat elections in the Valley District. The Hill Districts, however, have not had elections for several years. The Central Government attaches importance to local self-government and to decentralisation of powers for better planning and implementation of socio-economic programmes. It is necessary to think in terms of making local institutions financially viable and effective. The setting up of a State Finance Commission, whose recommendations could be sought at an early date, would provide a valuable input to the Eleventh Finance Commission in examining the needs and priorities of the State.

It is encouraging to note that there has been a steady expansion in the agricultural area covered by the major crops of the State leading to an increase in production. Adoption of more efficient farming techniques would result in increasing the productivity as well. More intensive cultivation of vegetables and tropical fruits could also be profitably pursued in the coming years.

Achievements in the field of animal husbandry and fisheries have fallen short of the targets determined by the State Government. This sector needs to be accorded higher priority in view of its potential for creating sustainable employment opportunities within the State.

The prevalent practice of *Jhumming*, accompanied by felling of trees, has resulted in degradation of forest land, causing extensive soil erosion which, in turn, has led to rise of river-beds and flash-floods. The implementation of the Central Sector Scheme for 'Shifting Cultivation Control' has been inadequate. Working plans have been prepared only for the reserved forests and considerable areas of protected forests are yet to be covered by intensive forestry practices with artificial regeneration techniques.

Manipur has an assessed hydro-electric potential of about 1176 MW at 60% load factor, of which only about 10% has been developed. The transmission and distribution losses need to be brought down. The average tariff is 135.07 paise per unit, as against the cost of supply

of 225.00 paise per unit, which leaves a substantial uncovered gap. Rationalisation of the power tariffs, therefore, merits early attention. An Action Plan ought also to be drawn up by the State authorities for accelerated completion of the on-going projects. It is a matter of concern that several mini hydro projects have been abandoned midway after investments had been made.

Improvement of the existing roads by way of strengthening and widening also calls for expeditious action. Half of the villages are yet to be connected by all-weather roads. The focus during the Ninth Plan could, therefore, be on the coverage of such villages as early as possible.

The progress in the housing sector, particularly in regard to housing for the economically weaker section (EWS) and lower income group (LIG) categories, needs to be stepped up appreciably. Construction of houses under the Indira Awas Yojana (IAY) has fallen short of the target.

While the literacy level in the State at 76% is above the national average, there are significant inter-district disparities, which should be progressively corrected, along with steps to control the dropout rates.

Drug abuse is emerging as a serious problem, contributing to high HIV infection rates. Drug de-addiction programmes merit priority in the health sector, alongside proper utilisation of funds in the tuberculosis and blindness control programmes.

In short, concerted action has to be taken during the year 1999-2000 towards achieving better results, all-round, and more specifically in the power, road, housing and animal husbandry sectors. The losses being incurred by the State Road Transport Corporation should be curtailed and fleet utilisation improved. The Planning Commission would be glad to assist the State agencies monitoring the action taken in these important areas.

MEGHALAYA PLAN FOR 1999-2000*

I warmly welcome the Chief Minister and his colleagues to this meeting, which will, as part of a continuing process of interaction between us, afford a useful opportunity to address the developmental needs of Meghalaya in the context of determining the size of the Annual Plan of the State for the year 1999-2000. I feel that at this stage the State Government should also consider formulating a Vision 2020 Document to provide a clear focus to its long and medium-term objectives. The officials of the Planning Commission would be happy to help the State authorities in undertaking this exercise and will look forward to visit Meghalaya from time to time for in-depth reviews and field visits.

With a view to promoting speedier development of infrastructure, an amount of Rs.8.79 crore was earmarked from the Non-lapsable Central Pool of Resources for National Highway-51 for widening the formation and strengthening and for the Greater Shillong Water Supply Scheme in the financial year 1998-99, together with an additional Central Assistance of Rs.2.00 crore for the construction of an airport at Tura. An allocation of Rs.4.11 crore was also made in 1998-99 under the Border Areas Development Programme (BADP) for the areas bordering Bangladesh.

It may be recalled that in the Eighth Plan the financial performance was considerably below the approved outlay with significant shortfalls in the energy, irrigation, transport and agriculture sectors. An assessment should be made as to whether the expenditure incurred has actually helped in the creation of assets, whether these are being utilised for the welfare of the people at large and whether there has been any increase in rural poverty in recent years.

The agreed outlay of Rs. 400 crore for the Annual Plan 1998-99 was enhanced by Rs.2.50 crores by way of additional Central Assistance,

against which the revised outlay is Rs.302.50 crore. It is imperative that concerted measures are initiated to progressively downsize the Government machinery and reduce the burden of salaries etc., as also to initiate steps for the mobilisation of additional resources.

Jhumming cultivation has adversely affected the soil fertility and crop productivity and has led to loss of forest cover, which was assessed at about 75 sq.kms between 1995 and 1997. The State authorities have to adequately utilise the assistance available under the "Shifting Cultivation Control Scheme" introduced in 1994-95 with 100% Central Assistance. They would also like to adopt a "Watershed Development" approach for soil and water conservation, take steps to bring a larger area under settled cultivation and introduce high-value crops and improved farming practices.

A good potential exists for the development of horticulture, particularly fruit crops like oranges, pineapple and banana. With proper marketing support, this sector can emerge as an expanding source of employment within the State.

Notwithstanding the availability of water resources and the appreciable demand, fish production has not picked up. The State authorities would like to assist the autonomous District Councils through the involvement of the Fisheries Department for imparting a fillip to fish production in Meghalaya.

The performance, as reported, of the rural poverty alleviation programmes has not been satisfactory, especially IRDP, JRY and the EAS. This needs to be improved through higher per family investment under the IRDP and better utilisation of funds for the development of rural infrastructure under the Jawahar Rozgar Yojana (JRY) and the Employment Assurance Scheme (EAS).

In the field of Rural Housing the uncovered gap is substantial and the State authorities need to ensure optimal utilisation of the funds available under the Indira Awas Yojana (IAY).

The irrigation potential developed and utilised constitutes about 39% and 34% respectively of an ultimate potential of 1.20 lakh hectares,

which is better than in the other North Eastern States. It is felt that priority may also be accorded to the preservation of natural springs and to the development of water harvesting. The State Government may consider preparing a Master Plan within the framework of the National Water Policy 1987 and introducing appropriate user charges for supply of water.

Meghalaya has an assessed hydro-electric potential of about 1070 MW at 60% load factor, of which only about 11% has so far been developed or is being developed. The average tariff of 134 paise per unit in 1998-99, as against the cost of supply of 220 paise per unit, leaves an uncovered gap of 86 paise per unit, which is anticipated to rise sharply. The rationalisation of the power tariffs, therefore, merits early consideration.

It is commendable that the State Electricity Board has been able to reduce the transmission and distribution losses. There has, however, been poor utilisation of the allocated outlay for the energy sector, which was as low as 8.6% in 1997-98 and only about 20% in 1998-99. The problems associated with land acquisition for the Upper Khri Diversion Project need to be resolved expeditiously.

Achievement of the Eighth Plan target of 76% connectivity of villages with a population 1000 and above has been reported. The deterioration in the performance of the State Road Transport Corporation should be arrested through improved fleet utilisation and vehicle productivity.

For the Greater Shillong Water Supply Scheme an assistance of Rs.3.79 crore has been earmarked from the Non-lapsable Central Pool of Resources, which should be employed to accelerate the progress of works on this project.

I would like to compliment the State Government on the impressive progress registered in the field of education. The overall literacy level has increased from 49.1% in 1991 to about 77% in 1997, overtaking the national average by 15 percentage points. However, the physical infrastructure and the ancillary facilities require to be augmented.

The funds available under the Centrally Sponsored Schemes (CSS) could be profitably utilised for upgrading primary school buildings.

Meghalaya has a functional primary health care infrastructure and the health indices, in terms of birth and death rates and infant mortality, are comparable to the national average. The State authorities have to take urgent steps to tackle the spread of malaria, drug abuse and HIV / AIDS and to improve performance under the Centrally Sponsored Programmes.

As you are aware, the Women's Component Plan has been introduced for the first time in the Ninth Plan. To empower women, economically, the State Government may formulate income-generating schemes for them and to arrange training in different trades. Action has to be initiated by the State authorities to implement the Persons with Disabilities (Protection of Rights, Equal Opportunities and Full Participation) Act, 1995.

To sum up, concerted action has to be taken in a definite time-frame to achieve all-round better results, reduce administrative costs, enforce financial discipline, strengthen the delivery systems and monitoring arrangements for programmes and schemes and maximise the collection of revenues.

MIZORAM PLAN FOR 1999-2000*

It gives me great pleasure to welcome the Chief Minister and his colleagues to this meeting in the Planning Commission, which provides a welcome opportunity to discuss the developmental needs of Mizoram in the context of determining the size of the Annual Plan of the State for the year 1999-2000. The State Government could at this stage also consider formulating a Vision 2020 Document to provide long-term direction to their socio-economic goals. The officials of the Planning Commission would be happy to help the State authorities in undertaking this exercise and will look forward to visiting Mizoram from time to time for in-depth reviews and discussions on the monitoring arrangements being put in place for the timely implementation of projects.

With a view to promoting speedier development of infrastructure, an amount of Rs.9 crore was earmarked from the Non-lapsable Central Pool of Resources for the State Referral Hospital and the Aizawl Urban Water Supply and Sewerage Scheme, Phase-II in the financial year 1998-99. In addition, an allocation of Rs.6.82 crore was made in 1998-99 under the Border Areas Development Programme (BADP) for the areas bordering Myanmar.

While the financial performance had exceeded the approved outlay in the Eighth Plan, an assessment ought to be made as to whether the expenditure incurred has actually helped in the creation of assets and whether these are being utilised for the welfare of the people at large. The underlying causes of a reported increase in rural poverty between 1987-88 to 1993-94 need to be looked into.

You would recall that the agreed outlay of Rs.333 crore for the Annual Plan 1998-99 was enhanced by Rs.10 crore by way of additional Central Assistance. As against this, the revised outlay was Rs.284.55 crore, which was again sought to be revised downwards. It is imperative

in the coming years to significantly downsize the government machinery and reduce the burden of salaries etc, as also to initiate measures in the direction of mobilisation of additional resources.

Jhumming cultivation still accounts for about 56% of the cultivated area. It has been affecting soil fertility and crop productivity and contributing to loss of forest cover, which was assessed at 292 sq.kms in 1995-97. The State authorities have to fully utilize the assistance available under the "Shifting Cultivation Control Scheme" introduced in 1994-95 with 100% Central Assistance. The State Government would also like to adopt a "watershed development" approach for soil and water conservation, take steps to bring a larger area under settled cultivation and progressively introduce high-value crops and improved farming practices.

A good potential also exists for the development of horticulture and plantation crops but only a fraction of the suitable slopes have, so far, been developed for the purpose. Given proper technical and financial support, this sector could emerge as an expanding source of employment within the State. The National Horticulture Board could also be approached for assistance in this behalf.

The State Government is implementing several schemes pertaining to animal husbandry. Particular attention should be directed towards pig breeding on scientific lines. It may be recalled that the Government of India is providing 100% assistance to State Governments for piggery development under a Centrally Sponsored Scheme. While progress has been registered in the production of fish seed, the State authorities may like to concentrate on increasing the efficiency of the existing infrastructure for this purpose and encourage the setting up of additional infrastructure in the private sector.

Though the reported performance of rural poverty alleviation programmes has been generally satisfactory, this could be improved further through higher per family investment under the IRDP and better utilisation of funds for the development of rural infrastructure under the Jawahar Rozgar Yojana (JRY) and the Employment Assurance Scheme (EAS). A recent field-visit to the State by the

Economic Adviser (Development Policy) in the Planning Commission revealed that only 56% of the BMS funds could be spent up to December 1998. We hope that the State Government would be able to utilise the entire amount by the end of March 1999.

In the field of rural housing the uncovered gap is substantial and the State authorities need to ensure optimal utilisation of the funds available under the Indira Awas Yojana (IAY).

The irrigation potential developed and utilised is just about 19% and 16% respectively of an ultimate potential of 70,000 hectares. Priority should be accorded to accelerating the development of the available potential. The State Government may consider levying appropriate water charges and formulating a Water Policy as well as a Master Plan within the framework of the National Water Policy 1987.

Mizoram has an assessed hydro-electric potential of about 1455 MW at 60% load factor, of which only about 14% has been developed or is under development. The average tariff of 99 paise per unit in 1998-99, as against the cost of supply of 515 paise per unit, leaves a very substantial uncovered gap. The rationalisation of the power tariff, therefore, merits early attention. The transmission and distribution losses, which are estimated at 47% in 1997-98, are extremely high and need to be brought down on a time-bound basis.

The State has achieved rural connectivity of 87 per cent. However, the construction of requisite bridges and culverts should also be taken up. The cost of road construction in Mizoram appears to be quite high and the State authorities would, therefore, like to more closely examine the various components of the cost.

The performance of the State Road Transport Undertaking has not been satisfactory. It is necessary to improve the fleet utilisation and vehicle productivity. The bus-staff ratio is particularly high at 20.83, as compared to the All-India average of 7.6 persons.

We are glad to note that the Lengpui Airport, for which the Planning Commission had provided an allocation of Rs.40.92 crore, has been commissioned. The remaining minor construction works need to be completed expeditiously.

Some headway has been made on the Aizawl Urban Water Supply and Sewerage Scheme, Phase-II. The assistance of Rs.4 crore, recently earmarked from the Non-lapsable Central Pool of Resources, should be utilised to accelerate works on this project.

I would like to compliment the State Government on the excellent progress achieved in the field of education as a result, *inter alia*, of the high priority accorded to investment in human resource development. The State figures at serial number 1 in the Educational Development Index. The overall literacy level has increased from 81.2% in 1991 to about 95% in 1997 and the gender divide has been almost entirely eliminated. However, the physical infrastructure and the ancillary facilities available need augmentation. The funds available under Centrally Sponsored Schemes (CSS) could be profitably used for upgrading primary school buildings.

The State has a functional primary health care infrastructure and the health indices, in terms of Birth, Death and Infant Mortality Rates, are better than the national average. The State authorities have to take urgent steps to tackle the spread of malaria, drug abuse and HIV/AIDS. The work on the State Referral Hospital should also be taken up, for which assistance, as mentioned earlier, has been allocated from the Non-lapsable Central Pool of Resources.

As you are aware, the Women's Component has been introduced for the first time in the Ninth Plan. To empower women economically the State Government would like to formulate income-generating schemes for them and to impart training in different trades to facilitate gainful employment.

To sum up, concerted action needs to be initiated in a definite time-frame to reduce the administrative costs, enforce financial discipline, enhance the functional efficiency of organisations like the State Road Transport Undertaking, strengthen the monitoring arrangements for programmes and schemes and maximise the collection of revenues, including from the supply of power.

NAGALAND PLAN FOR 1999-2000*

It gives me great pleasure to extend a warm welcome to the Chief Minister and his colleagues to this meeting in the Planning Commission, which affords a useful opportunity to address the developmental priorities of Nagaland in the context of determining the size of the Annual Plan of the State for the year 1999-2000. I feel that, at this stage, the State Government may also consider formulating a Vision 2020 Document to provide long-term direction to its socio-economic goals and objectives. The officials of the Planning Commission would be happy to assist the State authorities in undertaking this exercise and to interact with them from time to time. The State Plan Adviser for the North Eastern Region and other officials of the Commission were in Nagaland in November 1998 for detailed reviews and discussions on the monitoring arrangements being put in place for the speedier implementation of projects.

It may be recalled that in the Eighth Plan the financial performance was considerably below the approved outlay, with shortfalls in agriculture, irrigation and transport sectors. An assessment needs to be made as to whether the expenditure incurred has actually helped in the creation of assets and whether there has been any increase in rural poverty in recent years. It is important to ensure that sustained action is taken in the direction of prudent fiscal management and progressive downsizing of the Government machinery as also for the mobilisation of additional resources.

During the first three years of the Ninth Plan the State authorities were able to realise about 23 per cent of the agreed Plan outlay for the Plan period. It is encouraging to note that an agreement in respect of a "Fiscal Reform Programme for Nagaland" has recently been concluded between the State Government and the Union Ministry of Finance. The agreement mentions, *inter alia*, that the State ended the financial year 1998-99 with a cash deficit of about Rs.274 crore and that more

responsibilities need to be transferred to the Village Councils. We are confident that the State authorities would take concrete steps in respect of the various commitments indicated in the agreement and would have an Action Plan in place for the second round of discussions in September 1999.

With a view to accelerating the development of infrastructure, an amount of Rs.20.01 crore was earmarked from the Non-lapsable Central Pool of Resources during the financial year 1998-99 for the Likimro Hydro Electric Project, the Kohima Hospital and the Administrative Training Institute, together with additional Central Assistance of Rs.5.46 crore and an allocation of Rs.4.00 crore under the Border Areas Development Programme (BADP) for the areas bordering Myanmar.

Jhumming cultivation has adversely affected the soil fertility and crop productivity and has led to loss of forest cover. The State authorities need to utilise the assistance available under the "Shifting Cultivation Control Scheme", initiated in 1994-95 with 100% Central Assistance, assess the progress achieved in the "Tree Farming" scheme introduced in the Ninth Plan to promote the growth of eco-friendly trees and promote plantation crops like tea and rubber. They would also like to take steps to adopt a "watershed development" approach for soil and water conservation, bring larger areas under settled cultivation and encourage improved farming practices.

A good potential exists for the development of fruit crops and flowers which, given proper marketing support, can become an expanding source of employment within the State, alongside the promotion of agro-industries based on local produce and of handicrafts.

It is encouraging to note that the State has been doing well in respect of the Special Livestock Breeding Programme (SLBP). However, efforts will have to be made to grow enough feed and increase the production of maize.

Under the IRDP the per-family level of investment needs to be improved. The execution of the JRY programme by the Village

Development Boards has been commendable and more resources could be allocated to the village-level institutions for decentralised implementation.

In the field of rural housing the uncovered gap is considerable and the State authorities have to endeavour to optimally utilise the funds available under the Indira Awas Yojana (IAY).

The forest cover in the State constitutes about 86% of the geographical area. However, the dense forest is only about 24.5% of the forest cover, while the remaining area is open or degraded forest. Efforts have to be made to improve the quality of forest cover.

The irrigation potential developed and utilised constitutes about 36% and 31% respectively of an ultimate potential of 1.89 lakh hectares. The State Government could consider introducing appropriate user charges for the supply of water and formulating a Water Policy, as well as a Master Plan, within the framework of the National Water Policy 1987.

Nagaland has an assessed hydro-electric potential of about 1040 MW at 60% load factor, of which only about 8% has so far been developed or is being developed. The average tariff of about 190 paise per unit in 1998-99, as against the cost of supply of about 396 paise per unit, leaves a substantial uncovered gap. The rationalisation of the power tariff, therefore, merits early consideration. The transmission and distribution losses have been considerably higher than the All-India average and have to be brought down. An Action Plan should be drawn up for the early completion of the on-going schemes, including the Likimro Hydro-Electric Project, for which an allocation of Rs.11.01 crore was earmarked from the Non-lapsable Central Pool of Resources in 1998-99.

While an achievement of 89% connectivity of villages has been reported in the Eighth Plan, the maintenance of roads warrants higher priority. The deterioration in the performance of the State Road Transport Corporation also needs to be arrested through improved fleet utilization and vehicle productivity.

I would like to compliment the State Government on the impressive progress registered in the field of education. The overall literacy level

has increased from 61.3% in 1991 to about 84% in 1997, overtaking the national average by 22 per centage points. However, regional and gender differentials still persist. The additional Central Assistance (ACA) of Rs.1.46 crore provided in 1998-99 for the construction of primary schools and hostels should be used to improve the educational infrastructure, especially in the Mon and Tuensang districts where the literacy levels are below the State average. The funds available under the Centrally Sponsored Schemes could be profitably utilised for upgrading the physical infrastructure and ancillary facilities in the schools.

The number of "Not Covered" (NC) habitations has been going up and concerted steps are required to ensure that all the NC habitations are extended the facility of water supply during the Ninth Plan period, coverage with sanitation is extended in the urban areas and the unspent balance under the Centrally-sponsored Accelerated Rural Water Supply Programme, as well as the new release of Central Assistance, are utilised during the current year.

Nagaland has a functional primary health care infrastructure and the health indices, in terms of Birth, Death and Infant Mortality Rates, compare favourably with the national average. Steps are required to be taken to tackle the spread of drug abuse and HIV/AIDS and to improve performance under the Centrally Sponsored disease control programmes.

As you are aware, the Women's Component has been introduced for the first time in the Ninth Plan. To empower women economically the State authorities would like to formulate income-generating schemes for them and to arrange training in different trades.

In specific terms, focussed attention has to be directed to improving performance, productivity and efficiency in key sectors like agriculture, power and transport, reducing the administrative costs, enforcing financial discipline and strengthening the delivery systems and monitoring mechanisms for programmes and schemes.

* Opening Remarks at the discussion on the Annual Plan of Nagaland for 1999-2000

ORISSA PLAN FOR 1999-2000*

I extend my warm welcome to the Chief Minister and his colleagues to this meeting to finalise the size of the State's Annual Plan for 1999-2000. The formulation of Annual Plan is a co-operative endeavour between the Planning Commission and the concerned State Government. Ideally, this exercise should precede the Budget presentation, which has not been possible this time for some reasons. The formulation and implementation of the Plan call for a continuous dialogue and interaction between the Planning Commission and the State Government.

I should, at the outset, like to note that the State has taken welcome initiatives to step up the growth process and to improve the fiscal situation in the State. The State has taken measures to mobilise additional resources by way of increasing Sales Tax as also Excise and other revenues. As a result, there has been some improvement. The State has taken bold steps to improve its fiscal situation by closing 8 PSUs and has drawn up a programme to divest, sell, close or restructure 29 more units in the next 4 years. As you are aware, in consultation with, and with the active assistance of, the State Government, the Union Ministry of Finance and the Government of Orissa have recently signed a Memorandum of Understanding on a set of time-bound fiscal reform measures. These reform measures have important implications for the State Government and since these have been worked out in consultation with them, we have no doubt that the State Government will make every possible effort to implement them.

Another area where the State has taken the lead is the power sector. The Reform and Restructuring Programme in the power sector commenced with effect from 1.4.96. The organisational restructuring has already been done. Action to hand over the power distribution to the private sector is under way. A World Bank loan of US \$ 350 million for the Programme has already been sanctioned. The State

Government should simultaneously expedite action to reduce the technical commercial losses. The T&D losses in Orissa at 34.8% are much higher than the all-India average of 20.6% in 1997-98. The gap between the average unit cost of supply and tariff is 81.01 paise in 199899 (RE). The estimated net commercial loss is to the extent of Rs. 378.41 crore in 1998-99 (RE). The State will have to further rationalise the tariff structure so as to reduce this gap.

On the other hand, the agriculture sector has not received the attention it deserves. The productivity of foodgrains, pulses and oilseeds as also consumption of fertilisers are all well below the national average. The productivity of groundnut in the State, one of the highest in the country at 1400 Kg/ha during 1991-92, has come down to 946 Kg/ha in 1997-98. There is a need to develop micro watersheds in the identified drought-prone areas to improve agricultural productivity and to generate more employment. Also, horticulture, dairy farming, backyard poultry and inland and marine fisheries clearly have considerable untapped potential.

Further, Orissa continues to lag far behind other States as far as literacy is concerned. In 1991 the literacy level was just 49.1% as compared to the all-India figure of 52 per cent. The recent survey of NSSO shows a remarkable increase in the literacy levels of the most educationally backward States, i.e. UP (14.4%), Bihar (10.5%), Rajasthan (16.5%) and MP (11.8%). The increase in the case of Orissa is just 1.9% in the last six years. The literacy level in Orissa in 1997 was 51%, against the national average of 62 per cent. The gender divide is huge at 26 percentage points, the literacy among women being 38% against 64% for men. This is a matter of serious concern. The State will clearly have to give much more attention and earmark much higher resources for education than is the case at present.

The health status of the population as indicated by health and demographic indices, i.e. Crude Birth Rate of 26.5 per 1000 and Crude Death Rate of 10.9 per 1000, is poor. The Infant Mortality Rate at 96 per 1000 is the highest in India. In spite of special efforts made to provide funds to the State under several externally assisted

projects as well as from the domestic budget, the performance in the health sector continues to be suboptimal. The State should ensure optimal and timely utilisation of funds to improve health services so that the health status of the population improves.

In view of the fact that adequate health services do not exist in the KBK districts because of inhospitable terrain, lack of communication and reluctance of health personnel to live and work in these areas, the State Government had proposed interventions for health as part of the long-term Action Plan for KBK districts. The Planning Commission has provided Rs. 2 crore for Mobile Health Units to provide primary health care services in these areas and an amount of Rs. 7.00 crore for Emergency Feeding Programme from ACA for BMS during the Annual Plan 1998-99. The progress in implementation has to be carefully monitored by the State Government and reports sent to Planning Commission for review.

The State is richly endowed and has 30% of the country's mineral reserves. Yet it has not been able to reap the benefits of nature's bounty mainly for want of adequate infrastructure. The State Government is now taking steps to strengthen the physical and social infrastructure by attracting investment including from the private sector. The rate of economic growth has to be stepped up. Regional disparities within the State have to be reduced.

Some of the major issues relate to the effective implementation of laws pertaining to minimum wages, untouchability, land restoration to SC/ST, small and marginal farmers, checking the exploitation of SC/ST people by money lenders, amendment of anti-poor provisions dealing with non-timber forest products and their lease to traders, etc. Community participation in planning and development of a practicable rehabilitation and resettlement (R&R) package needs to be encouraged. The legal requirement relating to consultation with the Gram Sabhas, envisaged in the Extension of Panchayats (Scheduled Areas) Act 1996, has to be enforced while acquiring land and thereby the misgiving regarding alienation of land should be removed. The quest for development has to be translated into provision of sustainable

livelihood opportunities to the poor. It is essential that the State Government should adopt a proactive role in ensuring that the poor are not alienated from their land owing to indebtedness.

The revised long-term Action Plan for KM Districts has been formulated specifically for the speedy development of the extremely backward districts. The Government of India has in the recent past taken measures to step up the flow of resources to these districts. While framing the revised long-term Action Plan it had been agreed that the State Government would position on the ground an effective implementation machinery. Our impression is that the arrangements so far made are not adequate. I would urge the State Government to urgently streamline the administrative arrangements so as to have better convergence and co-ordination at the field level.

I am constrained to point out that the implementation of the 73rd and the 74th Constitution Amendment Act has been tardy. The implementation of the Panchayat Act in Schedule 5 areas is also not quite in tune with the directions of the Government of India. The District Planning Committees are yet to be constituted in the State. The involvement of Gram Panchayats in the development process needs to be improved.

I have touched upon only some of the sectors and the specific issues, which have emerged. It is essential to have a holistic vision of the development effort, which is required. Hence, rather than abide by only an incremental approach on a year-to-year basis, it is desirable that a long-term perspective in the nature of a 'Vision 2020' document be adopted. Such an exercise, which could be the joint effort of the State Government and the Planning Commission, should focus on the wide gamut of issues, i.e. legislative and policy initiatives, resource mobilisation, fiscal management, social infrastructure, etc., both in the government and the non-government sectors.

* *Opening Remarks at the discussion on the Annual Plan of Orissa for 1999-2000*

PONDICHERRY PLAN FOR 1999-2000*

I take great pleasure in inviting the Chief Minister of Pondicherry and his colleagues to this meeting for the finalisation of the Annual Plan for 1999-2000 of the Union Territory of Pondicherry.

At the outset I would compliment the Chief Minister for the excellent health indices achieved by the UT of Pondicherry. The Birth Rate has been 18.4 per thousand against the all-India average of 27.2 per thousand in 1997 and the Infant Mortality Rate has been 22 per thousand against the national average of as high as 71 per thousand during the same period. I also find that the UT has a good track record of managing the AIDS control program.

It is heartening to note that as in the health sector, the UT Administration has performed very well in the field of education as well. The overall literacy level in the UT has jumped from about 75% in 1991 to 90% in 1997 against the all-India average of 62% with the additional feature of gender divide coming down from 14.5 percentage point to 8 percentage point during the same period. In its otherwise commendable performance in the field of education, the UT needs to pay more attention to improve literacy among the Scheduled Caste population, whose literacy level continues to be about 56 per cent. I would urge the UT Administration to pay urgent attention to this problem.

Agriculture continues to be the backbone of Pondicherry's economy with 50% of income coming from this sector, which also supports 70% of the rural population. However, with progressive urbanisation and other industrial activities the net cultivated area is likely to decline by around 10% by the end of the Ninth Plan, which underscores the need for ensuring that such diversion does not adversely affect the rural population. The UT has a high level of fertiliser consumption,

which would call for soil testing and if such a testing indicates adverse effect on the soil, the same needs to be corrected by use of bio-fertilisers and organic manure.

Another area of concern is the increase in salinity and over-exploitation of ground water in Pondicherry. There is an urgent need for recharging the ground water as also for the regulation of exploitation of ground water, particularly along the coastal area.

It is noticed that the performance of the Administration under the Rural Poverty Alleviation Programmes is not up to the mark with the Employment Assurance Scheme showing particularly poor performance. Considering the importance of the programme, I need hardly emphasise that the Administration should pay serious and urgent attention to this programme for the rural population. This also underscores the need for elected Panchayats so that the problems of rural people get adequate attention. I would urge upon the Chief Minister to ensure that elections to the Gram Panchayats are held at the earliest.

Even though Pondicherry is an industrially backward area, it has been able to make steady progress towards industrialisation due to the sustained efforts of the Administration. In this connection, I would especially refer to the success of the Pondicherry Textile Corporation, a State-owned Company, which was started during 1985-86. The Corporation took over a sick textile mill, Anglo French Textiles, and with a successful revival process the Unit is now competing with other mills in the organised sector. I am sure that with this example of success the UT Administration would be able to accelerate industrialisation. In this context, the UT Administration would like to consider setting up effluent treatment plants at the existing industrial sites and encourage the setting up of non-polluting industries.

In the power sector, the financial performance of the Pondicherry Electricity Department has been noteworthy with the average tariff charged being more than the cost of supply of power in the past. However, I find that for the year 1999-2000 the average tariff rate is

lower than the average cost of supply. There is need to reduce the gap by rationalisation of tariff so that Pondicherry restores and maintains its healthy past record of recovery. The average agricultural tariff continues to be very low with 7 paise per unit and this calls for immediate revision of agricultural tariff.

I find that the record of providing Basic Minimum Services (BMS) in the UT has been satisfactory. The number of primary schools as per norm has been set up. So far as primary health care is concerned, there are very small gaps in the number of Sub-Centres, Primary Health Centres and Community Health Centres. However, there is a substantial gap in the availability of staff. All the villages have been connected with roads and safe drinking water has been provided to these habitations. In so far as urban water supply is concerned, out of nine zones in Pondicherry region, improvement work in three zones has been completed. Substantial progress has been made in the housing sector.

Pondicherry has already a network of 576 kms of road. The emphasis in the Ninth Plan should, therefore, be on improvement and upgradation of the existing roads and qualitative upgradation of bridges, etc. It is noticed that the Tourism and Transport Corporation, a Government agency, has been incurring losses. Considering the prospect of tourism, the Administration may explore the feasibility of private sector participation in road transport and tourism sector.

Mr. Chief Minister, to-day's meeting is for finalisation of Annual Plan for 1999-2000 but I take this opportunity to urge upon you to prepare a Vision 2020 Document for Pondicherry in which the Planning Commission would be glad to cooperate. The Vision would focus on policy issues, both in the government and non-government sectors and give a holistic perspective Plan. I would also emphasise the need for close interaction between the officers of UT of Pondicherry and the Planning Commission on a regular basis.

* *Opening Remarks at the discussion on the Annual Plan of Pondicherry for 1999-2000*

PUNJAB PLAN FOR 1999-2000*

I would like to begin by welcoming the Chief Minister of Punjab and his colleagues to this meeting on the Annual Plan of the State for 1999-2000. There can be further meetings during the course of the year as part of the continuing dialogue between the Planning Commission and the State Government.

This year marks the tercentenary celebrations of the Khalsa Panth. I am glad that the State Government is celebrating the momentous occasion in a befitting manner. We wish it all success.

Punjab is known for its brave soldiers and sturdy farmers. The State has been successful in exceeding the targets of production of rice and total foodgrains during 1997-98. The achievement in respect of wheat is also close to the target.

However, there are several points in the agricultural sector, that are a cause for concern. The yield of rice and wheat has reached a plateau and unless some high-yielding varieties are developed through an intensive research effort it would not be possible to break the existing yield barrier. The production of cotton and oilseeds has also been lower than what was targeted. The consumption of fertilisers in 1997-98 was 13.52 lakh tonnes against the target of 14.05 lakh tonnes.

There is a need for diversification in agriculture away from wheat and paddy to high-value crops like oilseeds, pulses, vegetables, fruits, sugarcane, cotton, etc. We should move towards crops that are less intensive in respect of irrigation than paddy. The excessive use of chemical fertilisers should yield place to the use of green manure and compost so as to improve the soil structure and fertility. The productivity of sugarcane also needs to be raised at least to the level of the all-India average. There is a need for infrastructure support to agriculture in the form of post-harvest technology, development of warehousing facilities, setting up of agro-based industries, etc.

With regard to irrigation, it has been noted that the State Government decided in February 1997 to provide free canal water for agricultural purposes. The then Deputy Chairman had expressed serious concern at this development and pointed out the far-reaching consequences of the decision. One important result is that the World Bank and any other international aid agency would not be willing to finance any irrigation project in the State. I would, with all earnestness, urge the State Government to reconsider this matter. It is a matter of concern that barrenness and land degradation are becoming a feature of even some very fertile areas in Punjab because of over-irrigation, leading to salinity and water logging. This calls for immediate corrective measures for judicious use of flow irrigation in particular. It is estimated that degraded lands, affected by water logging and salinity, account for as high as about 16% of State's net sown area. The State also needs to take measures against the depletion of the ground water table in view of the excessive ground water exploitation in the State.

The progress, both physical and financial, in respect of the centrally sponsored poverty alleviation programmes has been relatively satisfactory. As there is a shift towards a group/cluster approach under IRDP, the State Government needs to adopt the same. The State should survey the actual shortage of housing units in the rural areas as the allocation of funds under the Indira Awas Yojna for 1999-2000 would be made on the basis of the State-specific housing shortage.

The State Government has used only 76.39% of the funds released under the scheme for strengthening of revenue administration and updating of land records. For the 100% centrally funded scheme of computerisation of land records, the fund utilisation is very low at 15.28 per cent. These need to be improved.

The State Government should also pay greater attention to devolution of powers and funds to Panchayati Raj institutions. Elections for Gram Panchayats were due in 1998 and those for Panchayat Samities and Zilla Parishads are due in 1999. Such elections should be held on schedule. No action has also been taken to constitute District Planning Committees to facilitate the process of decentralised planning.

The major issue in the power sector is that of reforms. The problem in Punjab has been the decision again taken in February 1997 to supply free power for agricultural purposes. Considering that 32% of the electricity available to the Board is being supplied free to the agricultural sector, it is impossible to launch any reforms worth the name unless the State government progressively reduces the subsidy with a view to finally eliminating it. I am happy to learn that the State Government has decided to set up a State Electricity Regulatory Commission.

While on the subject, it may be pointed out that the outstanding dues, which the Electricity Board is to pay to various Central PSUs were of the order of Rs. 200 crore as on 30th September 1998. The State Government may like to clear the outstanding dues at the earliest. It may also realise the revenue arrears, which the Board has to collect from the Departments of the State Government and which had accumulated to the extent of Rs. 304 crore at the end of 1997-98.

As regards the Road Transport Corporation, it has favourable physical parameters. In 1998-99 the fleet utilisation was 92% against the national average of 89% and the vehicle productivity was 273 kms per bus held per day against the national average of 278 kms. The staff productivity and bus-staff ratio were far better than the national average. Even then, during 1998-99, the RTC was expected to incur a net loss of Rs. 72.57 crore. It is heartening to note that the contribution of the road transport undertakings to the Plan has been assumed as zero for the year 1999-2000. This augurs well for the future of the road transport in the State.

The State Government is naturally concerned about the upgradation of Amritsar Airport to international standards. We had earlier written to the Ministry of Civil Aviation requesting them to earmark a budgetary support of Rs. 75 crore during the Ninth Five Year Plan for the project. In the Annual Plan 1998-99, a sum of Rs.32 crore had been provided in the Plan of the Airports Authority of India but this was scaled down since the State Government gave the land free of cost. A provision of Rs. 2.49 crore has been earmarked by the AAI for

1999-2000 but this will be reviewed in the middle of the year depending on PIB clearance of the project.

In the field of education Punjab's performance has been better than the national average. The Census of 1991 showed a general literacy level of 58.51% compared to 52% for the country. While the NSSO survey of 1997 had improved the national average to 62%, Punjab had also gone ahead to 67 per cent. Even so, it has been estimated that the State will achieve a literacy level of 90% by the year 2018. Females are also 10 percentage points behind the males in the matter of literacy.

There are other disturbing signs too. The drop-out rates for classes I to V and classes VI to VIII are still as high as 22.97% and 33.41% respectively. The total expenditure on education in the State is just 3% of the State Domestic Product as against a normative level of 6 per cent. The per capita investment in education is only Rs.426.08. The revenue expenditure on elementary education is a mere 29.97% of the total revenue expenditure on education, although it should be in the neighbourhood of 50 to 60 per cent. No wonder, the State ranks at Serial No. 13 in the Educational Development Index. I would request the Chief Minister to give priority attention to education, as investment in manpower is universally acknowledged as the best guarantee for rapid economic development.

The State has created a good health care infrastructure, provided adequate staff in primary health care institutions, has a high female age at marriage (20.3 years) and a high contraceptive acceptance (76.9%). However, the Birth Rate is also high at 23.4 per 1000 population and the Infant Mortality Rate is similarly excessive at 51 per 1000 live births. As a result, the State is likely to achieve the replacement level of fertility by the year 2019 as against Tamil Nadu, which with similar parameters has already achieved the replacement level in 1993. This is something the State should place at a high priority, as continued population growth nullifies the gains in all other sectors.

There are two other matters to which I would like to draw your attention. One is the need for a perspective plan for the State of Punjab with a time horizon of the year 2020. We have requested all the State Governments to prepare Vision 2020 documents and we are ourselves engaged in the task of preparing a similar document for the country as a whole. We shall be glad to collaborate with the State Government in this regard.

The other point relates to the Y2K problem. The millennium year is only a few months away and all issues relating to the Y2K problem need to be addressed with speed well before the Day. The Central Government is already fully seized of the matter and we have advised all the State Governments to take the necessary measures so that they are not overtaken by events.

* *Opening Remarks at the discussion on the Annual Plan of Punjab for 1999-2000*

RAJASTHAN PLAN FOR 1999-2000*

I welcome the Chief Minister and his colleagues to this meeting for the finalisation of the Annual Plan for 1999-2000 of Rajasthan.

I would like to compliment Rajasthan State for achieving higher Plan size successively, especially in 1997-98 when the revised outlay was about 28% higher than the approved outlay of 1996-97. However, while doing so, the State appears to have relied on a high proportion of borrowed funds. For instance, the latest estimate for 1998-99 indicates that the borrowings amount to 130% of the aggregate Plan resources, which is estimated to go up further to 139% in 1999-2000. This has led to a situation where interest payments have been estimated to reach an unsustainable level of about 26% of the total non-Plan expenditure.

I also note that the worsening of the contribution by State Electricity Board (SEB) and realisation under Miscellaneous Capital Receipts (MCR) appear to have adversely affected the State's resources. The estimated net commercial loss of the Rajasthan State Electricity Board (RSEB), according to the latest estimates for 1998-99, is Rs. 577.14 crore and this is estimated to go up to Rs. 882.33 crore in 1999-2000. Given the fact that power is supplied to agricultural consumers at 33 paise per unit and the share of agricultural consumption is around 33%, I would suggest to you to consider raising the agriculture tariff to a minimum of 50 paise per unit. Although the physical performance of State Road Transport Corporation has been satisfactory in terms of fleet utilisation, vehicle productivity and bus-staff ratio as compared to the all-India average, the decision of the State Government to reduce the bus fare from 29 paise to 24 paise per km with effect from 24.5.98 would have an adverse impact on the revenue of the Corporation. If the commercial viability of the Corporation has to be restored, this decision would require a review.

I would also like to share our concern about certain aspects of the irrigation sector. The IGNP is a very important project for the State and its performance is reported to be relatively satisfactory with regard to the earthwork and engineering works. The poor performance in its CAD work has, however, resulted in a large gap between the irrigation potential created and its utilisation. I would also like to draw your attention to the water logging conditions in the IGNP, created particularly by liberal use of water in the critical reaches of the canal. The low water rates, which were last revised in 1982, have also created large operational losses in the irrigation projects, which in turn would affect adversely their maintenance. I note that the State's allocation for maintenance of irrigation projects is only Rs. 60 per hectare as against the Ninth Finance Commission norm of Rs. 180 per hectare and even out of this meagre amount Rs. 57 per hectare is set for establishment. This is a matter of serious concern and needs your attention.

I would like to appreciate the efforts of the State Government in bringing down the incidence of rural poverty in the State from 33.50% in 1983-84 to 26.46% in 1993-94 as compared to the corresponding all-India figures of 45.65% and 37.27% respectively. I, however, note that the State is educationally backward with a literacy level of 38.55% and wide gender divide as per the 1991 Census. This is much below the national average of 52.21%, thus placing your State at the 30th and 31st rank amongst all States and Union Territories in terms of average literacy level and female literacy level respectively. Special attention may be given to improve the educational profile of the State, particularly female's education.

Realising that the health and family indices are poor, I am happy to note that the State Government has invested heavily in building up the primary health care infrastructure during the Eighth Plan period and has shown sustained improvement in the performance of the family welfare programmes. As you are aware, population control is vital for our economic progress and the Birth Rate at 32.1 per thousand in

your State is relatively higher than the all-India average of 27.2 per thousand. I would emphasise that you should further intensify your efforts in implementing the family welfare programmes in the State and also in improving the female literacy levels in the backward areas of the State.

Rajasthan is a State with complex problems with regard to drinking water. Declining water table and poor quality with high fluoride and salinity content in ground water as also accessing the population who have not been provided potable drinking water are issues of concern to you and us. Keeping this in mind, the Planning Commission had given additional Central Assistance of Rs. 104.10 crore for drinking water supply and sanitation projects in some difficult areas of your State during 1998-99. I am sure steps have already been taken to complete these projects in a time-bound manner.

I would also suggest for your consideration that the State should prepare a Vision 2020 Document for the State. This could, if you wish, be a joint effort of the State Government and the Planning Commission. It could focus on policy issues both in the Government and non-governmental sectors and it would give us a holistic perspective plan, of which the five-year plans would be milestones. Such an exercise could have separate sections devoted to legislative and policy initiatives, resource mobilisation and fiscal management measures.

* Opening Remarks at the discussion on the Annual Plan of Rajasthan for 1999-2000

SIKKIM PLAN FOR 1999-2000*

I would, at the outset, like to extend a warm welcome to the Chief Minister and his colleagues. We, in the Planning Commission, have looked forward to this opportunity to discuss the developmental needs of Sikkim in the context of determining the size of the Annual Plan of the State for the year 1999-2000. I should add, as I have mentioned to other State Governments, that you may also consider formulating a Vision 2020 Document, outlining Sikkim's long and medium-term socio-economic goals. The Planning Commission would be happy to be of assistance to the State authorities in this behalf.

The Ninth Plan outlay for Sikkim was determined at Rs.1600 crore. The Annual Plan outlay for 1998-99 is of the order of Rs.237 crore, as against Rs.222 crore for 1997-98. Deterioration in the State's own resources has, over the years, been a major area of concern. The financial difficulties have mainly arisen on account of heavy over-staffing and, consequently, excessive burden of payment of salaries etc. No State can expect to sustain its development programmes in the long run without judicious financial management. Progressive downsizing of the government machinery needs, therefore, to be seriously pursued.

The Central Plan Assistance for Sikkim has risen steadily and the State Government has now to accelerate its efforts to mobilise additional resources. A release of Rs.10 crore is being made during the current financial year from the Non-lapsable Central Pool of Resources for rural water supply schemes in the State.

It is encouraging to note that progress is being achieved in various rural development programmes, which have a direct impact on poverty alleviation. I congratulate the State Government on the successful implementation of the Basic Minimum Services (BMS) programme.

Sikkim offers considerable possibilities in respect of tea plantations and production of spices, including large-size cardamom. Given proper technical and financial support, this sector could emerge as an important earner of foreign exchange. Another promising activity is the expansion of horticulture and floriculture, which would create more employment opportunities within the State.

In the power sector priority needs to be accorded to progressively exploiting the available hydro potential. There has been a wide gap between the overall tariff and the cost of supply. In these circumstances a revision of the power tariffs merits consideration. Steps should also be initiated to reduce the line losses and to expedite the completion of the Rolep hydroelectric project and other on-going schemes.

As you are aware, the helicopter service between Gangtok and Bagdogra has been restored with 75% subsidy from the Government of India. The National Highway 31-A being the lifeline of the State, it is necessary to provide an adequate drainage system to avoid damage to the road formation.

Central funds have been provided to the State for flood control and river training (FCRT). This year an amount of Rs.2.00 crore has been sanctioned as additional Central Assistance. In the field of rural housing, the uncovered gap is fairly substantial. The State Government has to optimally utilise the funds available under the Samagra (Indira) Awas Yojana.

Sikkim is rich in bio-diversity. The actual forest cover, as per the latest assessment, is around 44% of the total geographical area. However, out of this only some 77% is covered by dense forests. Efforts need to be made to improve the quality of forest cover in the remaining area and to increase the overall coverage.

I am glad to say that overall literacy level in Sikkim has increased significantly to 79% and is higher than the all-India figure of 62 per cent. Special attention needs, however, to be directed to improve the quality of education. The drop-outs in primary and upper primary classes remain high.

You would recall that the Women's Component has been introduced for the first time in the Ninth Plan. To empower women economically the State Government would like to initiate income-generating schemes for them and to impart training in different trades to facilitate gainful employment. A Plan of Action could also be formulated for the welfare of children and to tackle the problem of drug abuse through the combined efforts of governmental and non-governmental agencies.

Having identified the BPL (Below Poverty Line) and the APL (Above Poverty Line) families, the present subsidy on consumption of rice may be considered to be confined to the BPL families in line with the Government of India's policy in this regard.

* *Opening Remarks at the discussion on Annual Plan of Sikkim for 1999-2000*

TAMIL NADU PLAN FOR 1999-2000*

I welcome the Chief Minister and his colleagues to this meeting for finalising the Annual Plan of Tamil Nadu for 1999-2000.

I would like to begin by congratulating Tamil Nadu for achieving the distinction of being the second in the country to achieve the replacement level of fertility. Population control is vital for our economic progress and I hope your achievement will encourage other States to redouble their own efforts. I also note that there has been a substantial reduction in the severe grades of under-nutrition among children and that blindness due to vitamin-A deficiency has become rare. I must mention, however, that although the Crude Birth Rate has remained below 20 per 1000 for the last five years, the maternal and infant mortality rates are high. The State should operationalise fully the primary health care institutions, especially the first referral units and achieve a rapid reduction in IMR.

Tamil Nadu has also shown a commendable progress in the field of education. The latest NSS estimates show a literacy level of 70% in 1997, which is 7.3 percentage points higher than in 1991. However, the gender divide is still considerable at 20 percentage points. The Educational Development Index devised in the Planning Commission shows that the State ranks No. 10. Its total expenditure on education is just 4% of the total Plan expenditure. The drop-out levels are still very high at 26.4% for boys and 34.8% for girls for classes I to VIII. There is a need to spend more on elementary education and also to spend it better.

I would suggest for your consideration that the State should prepare a Vision 2020 Document. This could, if you wish, be a joint effort of the State Government and the Planning Commission. It would focus on policy issues both in the Government and non-governmental sector and it could give us a holistic perspective plan, of which the Five Year

Plans would be milestones. Such an exercise could have separate sections devoted to legislative and policy initiatives, resource mobilisation and fiscal management measures.

Let me also mention some problem areas. We are concerned about certain aspects of the irrigation sector in Tamil Nadu. The prevailing irrigation water rates were last revised 37 years ago, i.e. in 1962. They are one of the lowest in the country. During the Eighth Plan the gross receipt of irrigation charges was a meagre 1.8% of the working expenses and consequently the estimated financial loss was about Rs.670 crore.

There is also the problem of excessive use of ground water. In 25% of the total number of blocks in the State the ground water exploitation exceeds 100% of the yearly replenishment, thereby causing a serious problem of high content of nitrate in water. This problem affects 10 districts in the State. In this context the State may like to reconsider the policy of zero power tariff for agricultural purposes, which encourages excessive use of water. There is a case for enacting legislation for comprehensive regulation of the use of ground water.

I would also like to draw your attention to the fact that the World Bank-aided Water Resource Consolidation Project needs to be expedited. The pace of implementation has been very slow. With only two years left for the closure of the World Bank funding, special steps need to be taken for completing the project.

May I also draw your attention to the problem in the power sector, which affects all the States. The performance of Tamil Nadu in the power sector is better than the national average in terms of productivity and efficiency parameters but the volume of subsidy remains very high. In view of the resource constraints that lie ahead I would suggest that you give serious consideration to the Report of the NDC Committee, which was endorsed at the last meeting of the NDC. I have already mentioned the need to reconsider the zero-tariff for power in agriculture. There is also the issue of over-charging the industrial sector in order to cross-subsidise other sectors. While cross-

subsidisation may appear to improve the financial position of the Electricity Board, it does make industry non-competitive. Tamil Nadu is in a position to be a leader in industrial production. It will not be able to achieve this if its industrial sector is burdened with higher tariff. You may like to move quickly to set the tariff structure on a rational basis.

I would also like to draw your attention to the performance of the State Road Transport Corporations. The losses of the SRTCs have increased from Rs.51 crore in 1991-92 to Rs.367 crore in 1998-99. I recognise that the problem of adjusting the fares is difficult but the level of fares in Tamil Nadu is much lower than in most States. What is worrying is that if the present trend continues the losses of the SRTCs will mount to unsustainable levels in the near future. I wonder if some thought is being given to this problem in order to rectify the position within a relatively short period of time.

Let me now turn to the Annual Plan. I note that your officials have had a satisfactory round of discussions and we have agreed on a Plan size of Rs.5250 crore for the year 1999-2000. In the field of resource mobilisation I would like to make a suggestion. Just as the Centre is mobilising resources from disinvestment of equity in the public sector undertakings, I wonder if Tamil Nadu is considering a similar initiative. A well-planned disinvestment policy could make a substantial contribution to resource mobilisation in the years ahead.

The Planning Commission would like to know what the Government of Tamil Nadu is doing to tackle the problem of pollution created by the leather and textile units, especially regarding the setting up of common effluent treatment plants and upgradation and induction of clean technologies. Leather is a major export item and developed countries are rapidly going in for eco-friendly varieties. I hope the State has geared itself up to face the challenges of the export market of the future.

Regarding the Sethu Samudram Project in the Central Sector, I understand that the Prime Minister has announced taking up this project and the Ministry of Surface Transport has proposed an outlay

of Rs.5 crore for the preparation of a Detailed Project Report and Environmental Impact Assessment Study in 1999-2000. The Commission would support the study.

I have touched upon only some of the important sectors. During the course of the year the Planning Commission would like to hold consultations with the State Government on a continuing basis.

* *Opening Remarks at the discussion on Annual Plan of Tamil Nadu for 1999-2000*

TRIPURA PLAN FOR 1999-2000*

It gives me great pleasure to welcome the Chief Minister and his colleagues to this meeting in the Planning Commission, which affords a welcome opportunity to discuss the development needs of Tripura in the context of determining the size of the Annual Plan of the State for the year 1999-2000. I feel the State Government should, at this stage, also consider formulating a Vision-2020 Document to provide long-term direction to its socio-economic goals. The officials of the Planning Commission would be glad to assist the State authorities in undertaking this exercise and to interact with them from time to time. The State Plan Adviser for the North East Region and other officials of the Commission had visited the State in October 1998 for in-depth reviews and discussions on the monitoring arrangements being put in place for the speedier implementation of projects.

An allocation of Rs.440 crore was made for the Annual Plan 1998-99. The State authorities could, however, utilise only about Rs.379 crore of the Plan funds. The State Government has to step up its efforts in the direction of judicious financial management, correcting the serious fiscal imbalance, progressively reducing the administrative costs and controlling the non-Plan expenditure.

It may be recalled that an amount of Rs.10 crore was earmarked during the year 1998-99 from the Non-lapsable Central Pool of Resources for taking up transmission schemes in the power sector. You would agree that the infusion of financial resources alone cannot achieve the objectives of planned development for which the key lies equally in the efficient and timely execution of schemes. The allocation of more funds from the Non-lapsable Central Pool of Resources is proposed to be considered shortly for supporting viable projects in the infrastructure sector in Tripura.

The Planning Commission places great emphasis on the execution of poverty alleviation programmes in the State. As per the information available, a fair degree of progress was achieved under the IRDP in

1997-98 in respect of per-family investment. As regards JRY and EAS, while the tempo of expenditure was encouraging, the physical progress was less so. In the field of rural housing under IAY the State has yet to cover a substantial gap.

A large proportion of the population of the State depends largely on agriculture but the efforts made to bring larger areas under high-yielding varieties, including of rice, which is the major crop, and to increase agricultural productivity have not met with much success as yet. A good potential exists for the development of horticulture and plantation crops like tea, rubber and spices. Given proper technical and financial support, this sector could emerge as an expanding source of employment within the State. The National Horticulture Board could also be approached for assistance in this behalf.

You will be happy to know that new as well as on-going minor surface irrigation works have become eligible for assistance under the Accelerated Irrigation Benefit Programme (AIBP). The funding pattern has now been liberalised in favour of Special Category States, including the North East States, to the extent of 3:1 between the Centre and the State in lieu of the earlier funding pattern of 2:1.

The State authorities have to ensure that the benefits accruing from the schemes are commensurate with the investments made. Users' associations could be organised to handle the responsibility of equitable and efficient use of water, maintenance and repairs etc, with technical support from the Government. No water charges are being collected and the State authorities would like to consider enacting appropriate legislation in this regard.

It is heartening to note that Tripura has a literacy level of 73%, which is considerably higher than the all-India level. The female literacy level has also increased to 66 per cent. However, the literacy level of the Scheduled Tribes population is reported to be about 20% lower than the State average.

The per capita consumption of power in the State was about 80 units in 1996-97, which was considerably lower than the national average of 338 units. Gas-based power generation holds promising prospects. The power tariffs have been recently revised, which will help to reduce the losses being incurred by the State Electricity Department.

Only about 12% of the workforce is reported to be engaged at present in the industrial sector. The planned development of natural resources including the gas reserves and of handicrafts and handlooms can contribute significantly to the growth of employment opportunities in the State. The development of skilled manpower also merits priority.

I am glad to know that the health and BMS outlays are being well utilised in the State and that the health indices in terms of Birth, Death and Infant Mortality Rates are better than the national average. However, there appears to have been a decline in the proportion of the health sector outlay during the Ninth Plan period as compared to the Eighth Plan, even though the actual amount has increased. The shortfall in respect of Sub-centres, PHCs and CHCs, as per the norms of 1991 population, needs to be bridged so as to further extend the health care facilities in Tripura. In view of the high HIV infection rates in the neighbouring areas, greater attention will need to be accorded to AIDS prevention and control activities in the State.

The forest cover in the State constitutes about 53% of the geographical area. However, the dense forest is only about 33% of the forest cover, while the remaining area is degraded forest. Efforts need to be made to improve the quality of forest cover. The orders of the Supreme Court in respect of fresh felling etc. have to be scrupulously complied with.

The performance of the Tripura State Road Transport Corporation (TSRTC) has not been satisfactory. Both the fleet utilisation and vehicle productivity need to be improved. The Corporation has been incurring heavy losses, to curtail which the possibility of increasing passenger fares could also be explored.

To sum up, concerted action should be initiated in a specific time frame to reduce the administrative costs, enforce financial discipline, make the delivery systems more effective, strengthen the evaluation arrangements for programmes and schemes and maximise the collection of revenues.

उत्तर प्रदेश की वार्षिक योजना 1999-2000

राज्य की वार्षिक योजना 1999-2000 को अन्तिम रूप देने के लिए हो रही इस बैठक में, मैं उत्तर प्रदेश के मुख्यमंत्री जी और उनके सहयोगियों का स्वागत करता हूँ। वार्षिक योजना को तैयार करना योजना आयोग और संबंधित राज्य सरकार का एक सहयोगी प्रयास है। आदर्श रूप में यह प्रक्रिया बजट प्रस्तुति से पूर्व होनी चाहिए, पर इस बार ऐसा करना संभव नहीं हो पाया है। योजना आयोग और राज्य सरकार के मध्य लगातार विचार-विमर्श की आवश्यकता हैं। इस प्रकार समय-समय पर बैठकों के आयोजन से मुझे और मेरे साथियों को प्रसन्नता होगी।

दुनिया की सम्पूर्ण जनसंख्या का छठवाँ हिस्सा भारत में रहता है और उत्तर प्रदेश में भारत की जनसंख्या का छठवाँ हिस्सा है। राज्य की 40% के लगभग जनसंख्या गरीबी रेखा से नीचे रहती है। राज्य में क्षेत्रीय और अन्य विसंगतियाँ हैं। ये प्रारम्भिक तथ्य विकास की कमियों की ओर संकेत करते हैं और इन्हें सुधारने की आवश्यकता है। राज्य प्राकृतिक और मानव संसाधनों से सम्पन्न है फिर भी यह विरोधोक्ति हमारे सामने है कि उत्तर प्रदेश आर्थिक दृष्टिकोण से पिछड़ा है। राज्य की प्रति व्यक्ति आय जो 1950 में लगभग राष्ट्रीय औसत के बराबर थी, अब राष्ट्रीय औसत से 40% नीचे है।

उत्तर प्रदेश उन प्रमुख राज्यों में से है जिन्होंने 73 वें और 74 वें संवैधानिक संशोधन अधिनियम, 1992 के प्रावधानों को कार्यान्वित किया है। यह हर्ष का विषय है कि उत्तर प्रदेश सरकार ने पंचायती राज संस्थानों को अधिकार प्रदान करने की दिशा में कतिपय महत्वपूर्ण कदम उठाए हैं। लगभग दस विभागों का कार्य कर्मचारी वृन्द सहित पंचायतों को हस्तांतरित कर दिया गया है। इस प्रक्रिया को इसकी तर्कसंगत सीमा तक ले जाना है। सभी स्तरों पर पंचायतों के अधिकारों, कार्यों और दायित्वों के बीच समुचित संतुलन प्रदान किए जाने की आवश्यकता है। कार्यक्रमों के आंतरिक उत्तरदायित्व और बाह्य अनुश्रवण, दोनों को सुदृढ़ किए जाने की भी आवश्यकता है। इस उद्देश्य के लिए, जिला और ब्लॉक स्तरों पर स्वतंत्र और पारदर्शी निष्पादन, लेखा परीक्षा कार्यविधियों और स्वतंत्र अनुश्रवण समितियों के सृजन पर विचार किया जाना चाहिए। मुझे कोई संदेह नहीं है कि इन मामलों की ओर आप पहले से ही ध्यान दे रहे होंगे।

राज्य में स्वास्थ्य और जनसांख्यिकी सूचकांक अर्थात् असोषित जन्म दर (सी बी आर) प्रति हजार 33.5, असोषित मृत्यु दर (सी डी आर) प्रति हजार 10.3 और शिशु मृत्यु दर (आई एम आर) प्रति हजार 85, देश में सबसे अधिक चिन्ताजनक है। तथापि, राज्य में ही कुछ जिले ऐसे हैं जहां उपलब्धियां कहीं अधिक उत्साहवर्धक एवं अनुकरणीय हैं। उदाहरण के लिए, अल्मोड़ा का आई एम आर 41 और कानपुर का सी बी आर 25.2 हैं। इन जिलों के उत्साहवर्धक निष्पादन के उत्तरदायी कारणों का, राज्य में अन्यत्र संभव दोहराव के लिए निकट रूप से अध्ययन किए जाने की आवश्यकता है। स्वास्थ्य की स्थिति में तीव्रता से सुधार लाने के लिए उपलब्ध निधियों के प्रभावी रूप से उपयोग हेतु सघन प्रयासों की आवश्यकता है। स्वास्थ्य और परिवार कल्याण कार्यक्रमों में राज्य का निष्पादन उपलब्ध कराए गए संसाधनों के अनुरूप नहीं है। कदाचित् आप इसकी पुनरीक्षा करना चाहें।

राज्य ने साक्षरता प्रसार में प्रभावशाली कदम उठाए हैं, और इसके लिए यह प्रशंसा का पात्र है। राष्ट्रीय प्रतिदर्श सर्वेक्षण (1997) के अनुसार राज्य में पिछली जनगणना (1991) के समय से साक्षरता दर में 14.4% की वृद्धि हुई है। इसकी वर्तमान साक्षरता दर जोकि 56% है, 62% की अखिल भारतीय साक्षरता दर से तुलनीय है। महिला साक्षरता दर भी 1991 के 25.3 % से बढ़कर 1997 में 41% हो गई है। इस प्रगति को आगे बढ़ाया जाना और बनाए रखा जाना है क्योंकि शिक्षा विकास का एक महत्वपूर्ण अवयव है।

राज्य में कृषि उत्पादन को, सिंचित क्षेत्र में वृद्धि करके, बढ़ाये जाने की आवश्यकता है। जो विशेषरूप से पूर्वी उत्तर प्रदेश में भूजल के दोहन के माध्यम से किया जा सकता है। उत्तर प्रदेश में धान की कम उत्पादकता का मुख्य कारण यह है कि धान उत्पादन के अन्तर्गत 55.50 लाख हेक्टेयर क्षेत्र में से, केवल 11.67 लाख हेक्टेयर ही आश्वासित सिंचाई के अन्तर्गत आता है। गेहूँ के संबंध में उत्तर प्रदेश, हरियाणा और पंजाब राज्यों में प्राप्त किए जा रहे स्तरों से बहुत नीचे है जबकि उत्तर प्रदेश में गेहूँ के लिए मृदा सिंचाई सुविधाएं इन राज्यों की तुलना में अधिक हैं। अतः उत्तम गुणवत्ता वाले बीजों का गहन उपयोग, उर्वरकों और माइक्रो-न्यूट्रियेंट का संतुलित प्रयोग तथा समय पर बोआई अपेक्षित है। इसके अतिरिक्त दूध के उत्पादन, उन्न, कुक्कुट और मत्स्य-पालन जैसे कार्यकलापों की संभावनाओं को पूरी तरह से काम में लाए जाने की आवश्यकता है। उद्यान कृषि और पुष्प उत्पादन के उज्ज्वल भविष्य के लक्षण दिखाई देते हैं।

ऊर्जा क्षेत्र में, जबकि मध्यक टैरिफ प्रति एकक (1998-99) संशो. अनु. 187.02 पैसे है, आपूर्ति की लागत प्रति एकक 270.29 पैसे है। इसके अतिरिक्त प्रतिप्रति

केवल 69.2% है। टैरिफ संरचना के युक्तिकरण और देयताओं की सुधारी गई प्रतिप्राप्ति के माध्यम से इस अन्तराल को कम करने की आवश्यकता है। वर्ष (1998-99) संशो. अनु. एवं 1999-2000 की अनुमानित निवल वाणिज्यिक हानियां, क्रमशः 1991.14 करोड़ एवं 2142.14 करोड़ रु. है। वर्ष 1997-98 में उ.प्र. राज्य विद्युत परिषद की पारेषण व वितरण हानियां 25.54% थी जबकि राष्ट्रीय औसत 20.60% का था। औसत संयंत्र भार घटक (पी एल एफ) 65% के राष्ट्रीय औसत के मुकाबले 49% का है। उOप्रO राज्य विद्युत परिषद द्वारा अपने संयंत्र भार घटक में सुधार लाने के लिए, उपयुक्त नवीकरण एवं आधुनिकीकरण स्कीमें प्रारंभ करके आवश्यक उपाय किए जाने चाहिए।

बढ़ते हुए योजनेत्तर, परिवृद्धि-रहित व्यय, जोकि 9वीं योजना के प्रथम 2 वर्षों के प्रत्येक वर्ष के दौरान प्राप्त योजना परिव्यय का दुगुना है, के चलते राज्य की राजकोषीय स्थिति चिंताजनक हो गयी है। राज्य के अपने संसाधनों में भी इन वर्षों में गिरावट होती आ रही है। संसाधनों का प्रतिशत 1997-98 के 36.7% से 1998-99 में 34.9% तक नीचे आ गया है एवं 1999-2000 में यह और घटकर 20% रह गया है। परिणामस्वरूप, योजना केन्द्रीय सहायता पर और भी अधिक निर्भर होती जा रही है। अतिरिक्त संसाधन जुटाव (ए आर एम) के विषय में भी प्रगति अपेक्षानुसार नहीं दिखती है। उOप्रO सरकार द्वारा निर्गत किए गए श्वेत पत्र से भी उस गंभीर राजकोषीय तनाव की झलक मिलती है जिसका राज्य सामना कर रहा है।

राज्य में मानव व पशुओं की अधिक जनसंख्या की वजह से वनों पर बहुत भारी जैवीय दबाव है। पहाड़ी क्षेत्रों में बहुत से भू-स्खलन हुए हैं। भंगुर क्षेत्रों का वनीकरण किया जाना एवं भूस्खलनों का रोकना जाना आवश्यक है। राष्ट्रीय नदी संरक्षण योजना के अन्तर्गत नदियों के संरक्षण से संबंधित स्कीमों को और प्रभावी बनाने की आवश्यकता है। ताज की सुझा हेतु स्कीमें चलाने के लिए विद्युत परियोजनाओं, वनीकरण एवं अन्य परियोजनाओं के संबंध में कार्य को सहायता पहुंचाने हेतु 1998-99 में 50 करोड़ रु० का आबंटन किया गया। सृजित सम्पत्तियों के प्रबन्धन एवं रखरखाव को भी सुधारा जाना है।

मैंने मात्र कुछ क्षेत्रों एवं उमरे संगत मुद्दों पर ही ध्यान आकर्षित करवाया है। विकासात्मक प्रयासों, जिन्हें बढ़ाये जाने की आवश्यकता है, के विषय में समग्र दृष्टि रखना अनिवार्य है। अतः एक अल्पकालीन दृष्टिकोण अपनाते की बजाय, यह वाधनीय है कि "निरूपण 2020" प्रलेख की प्रकृति का एक दीर्घावधिक

परिदृश्य अपनाया जाए। ऐसे एक प्रयास से जोकि राज्य सरकार एवं योजना आयोग का एक संयुक्त प्रयत्न हो सके, सरकारी व गैरसरकारी दोनों क्षेत्रकों में वैधानिक एवं नीतिगत पहलें, संसाधन जुटाव, राजकोषीय प्रबंधन, सामाजिक आधारसंरचना आदि को समावेशित करने वाले अनेकों मुद्दों पर ध्यान केंद्रित किया जा सकेगा।

यह हर्ष का विषय है कि उOप्रO सरकार ने राजकोषीय सुधारों के क्षेत्र में साहसिक पहलें करना प्रारंभ किया है तथा उन्होंने पिछले 6 महीनों के दौरान राजस्व घाटा कम करने, सरकारी मशीनरी में लोगों की संख्या कम करने, प्रशासनिक व्ययों के संबंध में मितव्ययी उपाय करने, विविध सेवाओं हेतु प्रयोगकर्ता प्रभारों में वृद्धि करने, गैर अनिवार्य क्षेत्रकों में एवं प्रशासन के विकेन्द्रीकरण के लिए सार्वजनिक क्षेत्रक उपक्रमों, में विनिवेश कार्यक्रमों को करवाने की दिशा में ठोस कदम उठाये हैं। मैं समझता हूँ कि राज्य सरकार, कर सुधारों की ओर भी ठोस कदम उठा रही है। प्रशासन का पंचायत स्तरों तक विकेन्द्रीकरण करने का राज्य सरकार का निर्णय एवं 80,000 सरकारी कर्मचारियों तथा 3 लाख प्राथमिक अध्यापकों को इन संस्थानों में स्थानान्तरित करने में की गयी साहसिक पहल सराहनीय है। मैं आशा करता हूँ कि राज्य सरकार, वित्त मंत्रालय के साथ हस्ताक्षरित अनुबंध पत्र में उल्लिखित समय-अनुसूचियों का पालन कर पायेगी। वे राजकोषीय सुधारों के मामले में गति निर्धारक होंगे।

WEST BENGAL PLAN FOR 1999-2000*

I welcome the Finance Minister and his colleagues to the meeting for finalisation of Annual Plan of West Bengal for 1999-2000.

The position of fiscal health of the State is an area of concern. The State has shown a drastic deterioration in the State's own resources (SOR). This is mainly due to the sharp deterioration in BCR, which is consistently negative. There has been a continuing deterioration and negative contribution by public enterprises especially the RTCs. The MCR is also negative. The result is that loan financing of the State has been sharply increasing to meet the revenue deficit. If the total loan financing of the State is taken, together with the loan component of Central Assistance, it is estimated to be around Rs.8500 crore in 1998-99, which may go up to Rs.11000 crore in the current year. The borrowings as percentage of Plan resources are the highest in West Bengal among all the States. This calls for strong measures to restore the fiscal health by raising tax and nontax revenue, improving the functioning of PSUs and cutting down non-developmental expenditure.

The State Government is to be complimented for achieving a rapid growth rate of agricultural output, particularly in the production of rice, oil seeds, potato and fish. However, there are inter-regional variations with northern districts, especially Coochbehar and Jalpaiguri, lagging behind the western and central districts in the output growth.

To achieve higher growth and productivity in the agriculture sector we would suggest for the State's consideration key strategies focussing on irrigation development through dugwells, wherever feasible, soil and water conservation in hills, production of pulses in rabi fallows under residual moisture, increase in area under rapeseed and mustard in Terai region and sunflower and groundnut in costal areas and lateritic belt.

There is further scope for potato cultivation in West Dinajpur and Malda Districts. The State Government may like to review the law relating to cold storages so that the rentals become viable enough to attract fresh investment. Horticulture development needs some push for which availability of quality planting material and facilities for storage, processing and marketing are needed. Milk production in the State has increased marginally. With the development of a network of artificial insemination centres and special breeding programmes with animal health cover, this could go up significantly.

The area needing attention in fisheries is the marine sector where motorisation of traditional crafts with the assistance available under the ongoing Centrally Sponsored Scheme could lead to better harvests.

The water charges in the State are very low and were last revised in the year 1977. The average revenue realisation in the State is a meagre Rs.13 per ha against the estimated average working expense of Rs.143.97 per ha. The operational losses for irrigation projects have been consistently rising and have reached Rs.262.3 crore during the Eighth Plan. The revision of water charges and improvement in revenue realisation should assume priority. The State should also review the Command Area Development Programme and accelerate the work relating to construction of field channels, warabandi and land levelling. The State Government also should give higher priority to flood control and drainage programmes particularly in North Bengal.

The estimated net commercial loss in the power sector is of the order of Rs. 630.55 crore during 1998-99. This needs to be reduced by rationalising the tariff structure. The average agricultural tariff is 20-24 paise per kwh. This needs to be brought to a minimum of 50 paise per kwh as agreed to in the Chief Ministers' Conference on Power and endorsed by the NDC. The State Government also needs to improve the plant load factor (PLF) by modernisation of old thermal power plants. It is, however, a matter of satisfaction that the execution of new power plants under the State sector is ahead of schedule.

Maintenance of roads is an area of neglect. The resources allocated by the State Government for maintenance of roads are inadequate and constituted 31% of the total requirement. This needs to be stepped up.

The physical performance of the three State Transport Corporations is not very satisfactory. The level of fleet utilisation and vehicle productivity, which is lower than that of national average, needs to be improved. In the case of Calcutta STC, the bus-staff ratio is exceptionally high, i.e., 11:7 as against the all-India average of 7:6. All the three Transport Undertakings are consistently incurring operating losses. The existing bus fare in the State Transport Undertakings is in the range of 18-24 paise per passenger kilometre, which is very low. The State Government may undertake the fare revision expeditiously to wipe out the losses.

It is satisfying to note that all 'not covered' habitations in the State as on 1.4.98 have been provided with a drinking water source, though the number of 'partially covered' habitations, i.e. 26109, is rather large. The State Government proposes to cover only 4713 "partially covered" habitations during 1998-99. The State Government needs to accelerate its effort to achieve total coverage of "partially covered" habitations by the end of the Ninth Five Year Plan.

The State has a major problem of arsenic contamination in ground water in an area of approximately 40,000 sq. kms. About 2 lakh people are actually affected and 53 lakh population is estimated to be at risk. The progress of projects taken up to tackle this problem by providing spot sources through big diameter tube wells, piped water supply schemes etc. is slow. This, along with progress in installation and functioning of iron removal and desalination plants and upgradation of district level water testing laboratories sanctioned by Central Government, needs to be reviewed.

Though there are inadequacies in the primary health care, the health and demographic indices of the State are substantially better than the all-India level. During the Eighth Plan the State's investment in the health sector, especially in Basic Minimum Services, has been low. Funds from the ongoing secondary health project should be optimally utilised to fill critical gaps in CHCs and district hospitals and improve availability of health services. The State Government also needs to optimally utilise the Central allocations under various Disease Control Programmes. Water-borne diseases, which have been major public health problems in West Bengal, have to be addressed on a sustained basis by strengthening water quality monitoring, disease surveillance and management.

Despite the announcement of a new Industrial Policy by the State Government and signing of a number of MoUs, the commensurate gains in terms of implementation of industrial projects, flow of investment and generation of employment in the State are not evident. A large number of State PSUs are sick. The revival of sick industrial units has not been encouraging. The recovery of outstanding dues by the State Financial Corporation requires vigorous efforts. The State Government should take up development programmes for the service sectors like software and information technology. The State Government should pay special attention to the unorganised sector such as handlooms, handicrafts, sericulture, khadi & village industries, where the potential of employment generation is high, by changing the stifling regulations, improving linkages and better training etc.

Surprisingly, West Bengal is in the list of educationally backward States. Although its literacy level in 1997 was 72% as compared to 62% for the country, female literacy still lagged 18 percentage points behind the male literacy and is far lower among females belonging to SCs/STs. The dropout rates at 40.43% for classes 1 to V and 46.76% for classes I to VIII were very high.

The State spends a mere Rs.360.87 per capita on education. That the State Government did not accord high priority to education may be gauged from the fact that against the approved outlay of Rs.691.62 crore during the Eighth Plan the actual expenditure was only Rs.254.81 crore. In 1997-98 the State revised its outlay on education from Rs.185.86 crore to Rs.94.05 crore and in 1998-99 we have received a proposal for scaling down the outlay from Rs.200.60 crore to Rs.143.49 crore. There is need for the State Government to reorient its priorities and spend a much larger amount on education.

Despite a strong Panchayati Raj set up, the performance of the State in the implementation of poverty alleviation programmes is discouraging. The problem is not really paucity of funds for poverty alleviation but a low absorptive capacity reflected in poor utilisation of funds by the State Government. This underlines the need to review the district-level position in regard to poverty alleviation programmes for taking corrective action, including strengthening the machinery for implementation of these programmes.

West Bengal has been a pioneer in participatory management of forests and Joint Forest Management (JFM) has been very successful in certain areas. This however cannot be said for areas in North Bengal. The scope of JFM needs to be improved along with efforts to increase the forest cover and its quality.

The increasing environmental degradation as reflected in rising pollution levels pose serious problems for sustaining the quality of life. The ambient air quality in metropolitan cities of Calcutta and Howrah in terms of suspended particulate matter is very high. Vigorous efforts are needed to tackle this problem.

The incidence of educated unemployment in the State is very high and in respect of educated females in rural areas it is the highest in the country. This is largely on account of near stagnation in organised sector employment both public and private. Further, the incidence of child labour among girls aged below 14 years in urban areas is very high even though there is declining trend at all-India level.

Specially targeted interventions are needed for generating employment for the educated, particularly in the non-farm sector. The State Government should also take up specific projects for girl child labour below 14 engaged in occupations not covered by the Central Scheme.

It is suggested that the State Government may bring out West Bengal Vision 2020 with sharply focussed agenda for future development, which may identify not only the goals but also legislative and policy initiatives, resource mobilisation and fiscal management measures to achieve them. We would also like to suggest that the State Government should come up at the earliest with their Human Development Report so that macro-connections between economic growth, human attainments, welfare indices and interregion impact can be monitored. The Planning Commission would be glad to assist the State Government in this task.

I would also refer to the problem of Y2K. The millennium year is only a few months away and all issues relating to Y2K need to be addressed with speed well before the D-Day.

* Opening Remarks at the discussion on the Annual Plan of West Bengal for 1999-2000

NINTH PLAN MID-TERM APPRAISAL *

Hon'ble Prime Minister, my colleagues and friends,

Let me begin by thanking the Prime Minister for convening the meeting of the full Planning Commission and giving us time today. This meeting has a heavy agenda on its hands.

The first item for consideration today is the Draft Mid-Term Appraisal of the Ninth Plan. Although the Ninth Plan period began in April 1997 the Plan was approved by the NDC only as recently as February 1999. Nevertheless, we felt that it would be appropriate to prepare a mid-term appraisal as it gives us an opportunity to review the performance in the first three years of the Plan; introduce such mid-course corrections as are possible at this late stage and identify the emerging challenges and issues at sectoral and regional levels that need to be addressed over the medium term. In this respect, the mid-term appraisal serves as the basis for the exercise to formulate the Tenth Five Year Plan, which must begin almost immediately.

The document, that has been circulated, presents an objective assessment of the performance of the economy as a whole as well as the performance in individual sectors in the Ninth Plan period. It presents our achievements, which are considerable. It also focuses on the weaknesses and highlights some critical problems that need to be addressed. A short slide presentation on the essential elements of the appraisal has been organised to facilitate discussion on some of these issues today.

The second item on the agenda is the proposal on reorientation of planning and restructuring of the Planning Commission. The role of planning in a market economy, in which the private sector will increasingly play a lead role, is obviously very different from what it is in a control economy. We have been giving thought to this issue for

quite some time and some decisions have already been taken internally. There are other decisions, which need the approval of the full Planning Commission and the matter is therefore being brought for consideration in today's meeting.

Our basic approach is that the role of planning must change *pari passu* with the changed role of government in the new circumstances. The shift to a market economy does not mean the disappearance of government. On the contrary, it is widely recognised that government has a major responsibility for accelerating the pace of development and ensuring that the benefits of development are more equitably distributed and reach the poor in substantial degree. The nature of government activity must change. It must shift progressively, as it is indeed doing, from direct involvement in commercial production to being a facilitator creating the environment in which the private sector can reach its full potential for production and growth. The government also has a large role in the areas where private sector is unlikely to respond. The new role implies a very different way of functioning for each Ministry and a corresponding new role for the Planning Commission.

Since resources are scarce, we must pay much more attention to efficiency and accountability. This means that the Plan assistance must be more and more linked to performance to ensure accountability both in the Central and the State governments. The contribution of the Commission to planning and evaluating policies and programmes must also be strengthened.

The Commission must also focus on the longer-term problems, which will pose major challenges to our system. How should we address the challenges of globalisation on the one hand and the imperatives of decentralised development on the other? How do we ensure an even spread of development with the slower growing States accelerating their growth to keep up with rapid growth elsewhere? What are the implications of the massive urbanisation that is likely to take place? These are some of the difficult issues we must face. In our view, the Planning Commission could make a useful contribution in evolving a strategy to deal with these problems.

I am happy to say that we have already initiated action in some areas. To name a few, the Planning Commission has initiated work on the national 'Vision 2020'. It is preparing a National Human Development Report. It has initiated work on preparation of State Development Reports for five States this year. Task Forces under Members are addressing concerns, such as employment, small-scale industries, anti-poor laws, agro-forestry etc.

The third item on the agenda is the Report of the NDC Sub-Committee on the Criteria for Allocation of Funds under major rural poverty alleviation schemes. I am happy to inform that the Committee has agreed through consensus on the continuation of the presently used criteria for the allocation of funds at least till the end of the Ninth Plan.

With these words, I request the Hon'ble Prime Minister to give us the benefit of his views.

** Welcome Address on the occasion of the meeting of the Full Planning Commission held on September 30, 2000*

ANDHRA PRADESH PLAN FOR 2000-01*

I welcome the Chief Minister of Andhra Pradesh and his colleagues to this meeting for the finalisation of the Annual Plan of the State for 2000-2001.

The State is to be complimented for pursuing economic reforms earnestly. It also has to its credit a number of other noteworthy achievements. The rural poverty has been brought down considerably, the more appreciable feature of which has been the massive mobilisation of women under the programmes of DWACRA and Self-help Groups all over the State. The Janmabhoomi Programme has genuinely enthused the people to participate in rural development activities. The Clean and Green Campaign is an innovative attempt at environmental improvement in this process. Andhra Pradesh is likely to be the 3rd State in the country to achieve the replacement level of fertility by the year 2002 despite not so favourable attainments in per capita income, literacy and infant mortality. While it has made modest gains in the spread of literacy, it is the only State, which has enacted legislation exclusively for farmers' participation in the management of irrigation systems. It has taken up a large programme of integrated watershed development in rain-fed areas. The performance of the State transport network is one of the most efficient in the country. The State has also created institutional arrangement for people's participation in a large number of sectors, such as water resources and forest management, primary education, nutrition and rural development.

The Government of Andhra Pradesh has done exceedingly well in development and promotion of information technology. It was satisfying to note that high quality information technology infrastructure like High-Tech City has been created by leveraging the private sector initiative. Cyberabad is poised to take a lead in the creation of technology products and services that can reach out to growing markets in a globalising

economy. The State has been a major contributor of skilled IT professionals in the global market. The efforts of the Chief Minister in the setting up of high-tech business management and technology research institutions in the field with private sector participation are very strategic initiatives. More significantly, however, Andhra Pradesh has done pioneering work in using information technology for improving governance, providing efficient services to people and establishing direct grassroots-level contacts with people for redressing grievances.

There are, however, some areas of concern. The trend of increasing dependence on borrowing for mobilising Plan resources has continued during the year despite the attempts made to increase tax and non-tax revenue and initiate efforts at reduction of non-Plan expenditure. The recovery ratio in the irrigation sector is rather low and the contribution of the State Electricity Board has further deteriorated to minus Rs. 3565.51 crore during the current year. The State Government would need to vigorously pursue various measures already outlined for improving the fiscal health to reverse this trend.

Agriculture continues to be an important sector in the economy contributing 28.3% towards the State GDP in 1998-99 and in which 71% of the population are engaged for livelihood. Agricultural growth has also been recognised as the route to poverty alleviation in rural areas of the State. Yet, the share of allocation that the agriculture sector has received in the State Plan is not commensurate to its importance. Further, the private sector investment in agriculture infrastructure is not showing up while the public sector investment is declining. On the productivity front, while the maize crop is doing well and the fisheries and poultry sectors have recorded a very high growth rate, the productivity of rice is declining. The cultivated area along with productivity of coarse cereals production, especially that of Jowar, is coming down, which may have adverse effects on the consumption pattern and nutrition levels of the people in the rain-fed areas. Although the area under cotton cultivation is increasing, the yield of cotton is declining. The question of farmers in Andhra Pradesh going in for other remunerative crops may be explored in view of the high risk

attached to cotton. The regulatory and fiscal measures such as movement restrictions, marketing taxes etc., which may be creating disincentives for increasing productivity and private sector investment in agriculture, may be reviewed. A more effective strategy should be chalked out to protect the farmers from the impact of extreme market fluctuations.

As per the economic indicators, the incidence of poverty is higher in the rural areas of the State. The expansion of training and skill development opportunities do not seem to have made any dent on the problem of creating employment opportunities in the rural areas. Growth in real wages has declined. Malnutrition is still a problem notwithstanding the existence of a comprehensive public distribution system. There has been a steady decline in cereals and milk consumption. The pace of decline in infant mortality has also been slower. On an average, only 35% of the State's children complete elementary education and the percentage is even less in respect of SC and ST children. My attention has been drawn to a recent Task Force Report on reduction of poverty by the World Bank, according to which the incidence of poverty and under-development is concentrated in certain regions of the State. To tackle this, the problem of poverty reduction should be addressed in a holistic manner with efforts to bring about convergence of programmes across the sectors and with greater emphasis on seeking out synergies of intervention with geographical targeting of resource allocation, social mobilisation and empowerment programmes.

A large number of committees and structures have come up at the village level in respect of various sectoral programmes for facilitating people's participation, such as Van Samrakshan Samithi, Mothers Committee, Education Committee, Water Users Association, Watershed Committee etc. There is a need to harmonise these structures with the PRI set-up so that the synergies created can reinforce the attempts at more effective people's participation. The process of decentralisation may be further accelerated with transfer of power, resources and administrative control of staff.

I would like to draw your attention to two indicators of labour market, i.e., wages of agricultural workers and incidence of child labour, which show a low annual growth in real wages of unskilled agricultural labour and high incidence of child labour. Also the State has not been able to set up a Welfare Board for the construction workers as the Rules under the Buildings and Other Construction Workers Act, 1996 are yet to be framed. The State has to take steps to strengthen the labour market institutions for the unorganised workers. This requires fixation of appropriate level of minimum wages, their rigorous enforcement, some effective social security system and the setting up of Welfare Board for the construction workers. The State should also take the initiative for the rehabilitation of child workers to supplement the national efforts.

The State deserves commendation for creating an investor-friendly environment by its reform efforts and initiatives at radically restructuring the style of governance, which have earned recognition even from by acclaimed international financial institutions. The new industrial policy of the State Government aims at a high annual growth with emphasis on increasing employment generation. This vision, however, is not consistent with recent trends in investment proposals and grounding of projects. The State may look into the factors that have contributed to this situation and take corrective measures without resorting to escalation of incentives.

The State has done well to bring out a "State of Environment Report", which identifies six areas of concern. The task now is to draw up policies and programmes to address these issues. Since the agenda for action would have to be based on rigorous studies embedded in epidemiology and natural resources accounting, appropriate financial provisions would have to be made for this purpose. In certain areas however, action can be taken straightaway by appropriate convergence of existing programmes and strengthening of institutional arrangements for stricter enforcement of environmental laws. For example, the steep escalation of death toll due to diarrhoea from 1707 in 1986 to 9004 in 1993 mentioned in the Report can be tackled by providing sanitation

and safe drinking water facilities in areas where the incidence of diarrhea deaths is very high.

As per the reports of the State Government, 11602 habitations are affected mostly with fluoride and salinity in the drinking water sources. The Central Government had sanctioned 56 projects covering 4216 habitations in Andhra Pradesh at a cost of Rs. 571.02 crore. However, virtually the entire funds have been spent covering only 2117 habitations. Further, out of the total 293 de-flouridisation plants installed with Central assistance, only 10 are reported to be functional at present. There is need for a critical review of the entire quality control projects. Also, more concentrated efforts need to be made to complete the projects already sanctioned for the remaining habitations and to bring the defunct plants into beneficial use.

* *Opening Remarks at the discussion on the Annual Plan of Andhra Pradesh for 2000-01*

ARUNACHAL PRADESH PLAN FOR 2000-01*

I welcome the Chief Minister of Arunachal Pradesh and his colleagues to the Planning Commission. We, in the Planning Commission, look forward every year to this opportunity to discuss the developmental needs of the States. This time, however, we have made a little departure in that senior officers of the Planning Commission have visited the States prior to these discussions. You might recall that a team of Planning Commission headed by Dr. A.K. Kundra, formerly Principal Adviser (State Plans), had visited Arunachal Pradesh and held a fruitful official-level discussion in the State Capital. This has given us a somewhat better perception of your potential, genuine difficulties and constraints, which we would together try to address.

It is heartening to note that the per capita Net State Domestic Product (NSDP) of Arunachal Pradesh has registered a growth of 5.2% at constant (1980-81) prices since 1987-88. Notable progress has been achieved in the creation of physical and social infrastructure. The overall literacy level has increased to 60%, 58.8% of the villages have been electrified and 98% of the villages receive potable water supply. The health indices in terms of birth and death rates and the infant mortality rate are substantially better than the national average.

The mid-term review of the Ninth Plan has revealed that achievements in some sectors are much below the targets both in physical and financial terms. During the first three years, against a total Plan allocation of Rs.1890 crore an expenditure of Rs.1421 crore is anticipated to be incurred, whereas a total Central Assistance of Rs.1572 crore (i.e. 10.6% higher than the expenditure) was provided during this period.

I understand that the performance in the agriculture sector has fallen far short of the targets. Jhumming cultivation still accounts for about 60% of the cultivated area. The State is deficient in the production of

foodgrains, which has registered a meagre growth of 3% in 1999-2000 over 1996-97. To ensure sustainable development of agriculture, measures are required to be taken to expand the net cultivable area and increase the irrigated area along with other support services.

It is heartening that a significant progress has been achieved in terms of coverage of area in the production of fruits and spices during the period 1997-2000. Given proper technical and financial support, this sector could emerge as an important source of employment in the State.

While the progress in the creation of irrigation potential is satisfactory, there is a huge gap of about 50% between creation and utilisation of minor irrigation potential. This calls for expeditious execution of command area development works and higher utilisation of ground water potential. The State authorities could consider the preparation of a Master Plan for flood plane zoning for flood control.

I appreciate the action taken on power sector reforms, revision of power tariff to reduce the losses, prioritisation of the ongoing micro and mini hydel schemes for their accelerated completion and construction of transmission lines. The transmission and distribution losses have, however, remained high and should be brought down.

The progress regarding connectivity of villages during the period 1997-2000 has been good. Yet, more than half the number of villages remains to be connected by all-weather roads. Efforts need to be made towards improving the functional efficiency of the State Road Transport Corporation.

I find that during 1999-2000 as against an outlay of Rs.665.00 crore the anticipated expenditure was Rs.503.00 crore only. While appreciating the action taken to mobilise additional resources through levy of Sales Tax, revision of power tariff, increase of bus fares etc., I would urge you to make a realistic assessment of the resources for determining the Plan size. I find that the establishment costs have been increasing over the years and account for a sizeable proportion of

the expenditure. I would reiterate my earlier suggestion that it is high time to progressively reduce the administrative costs, particularly the non-Plan expenditure.

In 1999-2000 a total allocation of Rs.124.08 crore was made for 17 projects out of the Non-lapsable Central Pool of Resources, against which only Rs.19.65 crore could be released due to non-availability of DPRs for other projects. So far, utilization certificates for the funds already released have not been made available. May I add here that monitoring of projects needs to be streamlined to contain cost and time over-runs and ensure their completion on time.

Last year I had advised you to formulate a Vision 2020 Document for Arunachal Pradesh to provide a clear focus to the long-term and medium-term strategies to ensure faster development of the State. I understand that this could not be done so far. I hope that the State Government will take it up this year.

* *Opening Remarks at the discussion on Annual Plan of Arunachal Pradesh for 2000-01*

ASSAM PLAN FOR 2000-01*

I welcome the Chief Minister and his colleagues to the Planning Commission and am confident that we will have a meaningful interaction in regard to the development needs of Assam. This time I have made a departure from the earlier practice. A team of officers headed by former Principal Adviser (State Plans), Planning Commission visited Guwahati to hold an official-level discussion on the Plan performance of the State Government during the first three years of the Ninth Plan. The visit of the team has helped us to make an objective assessment of the achievements and shortfalls in various sectors of the State's economy and also the financial resources that would be available for the Annual Plan for 2000-01. We would like to continue this interaction on a regular basis.

I notice that the Government of Assam has signed in November 1999 an MOU with the Union Ministry of Finance for a comprehensive fiscal reform and stringent economic measures to prune drastically, *inter alia*, the administrative expenses, which are considerable. While the intention of our discussions is to help the State Government in achieving a sustainable development, you will appreciate that this will be feasible only if the Plan allocations are fully utilised. I notice that in 1999-2000, as against the Annual Plan outlay of Rs. 1750 crore, the State Government could spend only Rs. 1404 crore. I note that there has been an alarming increase in the non-Plan, non-development expenditure, which has gone up by as high as 44% in one year between 1998-99 and 1999-2000. It is a matter of concern that the SOR of the State has deteriorated considerably. I would urge the State Government to make an earnest endeavour to mobilise additional resources and reduce the establishment cost, if the Planning exercise has to be made meaningful.

I find that the agriculture sector, which employs nearly 82% of the total population in Assam and had remained stagnant for quite some time, has recently shown buoyancy with the launching of the "One Lakh Shallow Tube-wells" programme' and this will usher in a good measure of progress in agricultural production.

I note that the percentage of rural population living below the poverty line in the State, which had declined from 42.6% in 1983 to 39.3% in 1987-88, has increased to 45.01% in 1993-94.

It is a matter for concern that the incidence of unemployment among the youth and the educated in the State has remained very high. The State Government will need to encourage the promotion of village and small industries, especially sericulture, pisciculture, handicrafts, handloom etc., which not only hold out promise of generation of employment opportunities and income at a very low capital investment but are also based on locally available resources and skills. Tourism is another area for generation of employment and income and this needs to be promoted following a well laid-out programme based on private investment and suitable tour packages.

I find that the installed power generating capacity in the State is presently 621.69 MW, besides its share of 320.8 MW in the Central sector hydro and thermal power stations. Still, there is a shortfall of some 260 MW. Projects like Karbi-Langpi HEP and the Dhansiri HEP need to be completed early.

I understand that the increase in facilities for T&D has not kept pace with the increase in power available for distribution because of inadequate transmission lines. In addition to new transmission lines, the renovation work of the existing power plants and transmission lines warrants speedy completion so as to drastically reduce the transmission and distribution losses and raise the Plant Load Factor (PLF) substantially. The CAG Report for the period ending March 1999 has revealed that during the period from 1993 to 1998 the overall system loss in excess of norms prescribed by CEA was 1217.25 MU valued at Rs. 224.61 crore. I would urge you to look into this.

While I note the recent step taken by the State Government to hike the power rates, the gap between the rates and the cost of supply still remains very large. I would urge the State Government to make determined efforts to recover the cost of power supplied and also eliminate the high incidence of pilferage of power, if the liabilities of the ASEB to other agencies have to be liquidated.

It is encouraging to note that Assam has made considerable headway on the human resource development front. The general literacy level has improved from 52.9% in 1991 to 75% in 1997, which is 13 percentage points higher than the national average. However, the drop-out rate at the primary school level still remains as high as 42 per cent.

While there has been an improvement in Infant Mortality Rate, Crude Birth Rate and Crude Death Rate, there is a need to upgrade the health infrastructure and specialist care in the hospitals.

The climatic conditions of the State offer promising possibility for the development and promotion of horticulture and plantations like tea, rubber and spices. Productivity in this sector is required to be raised by making provision for good quality planting material, efficient extension network through training of educated youths and post-harvest operations, including marketing, storage and processing.

I notice that funds to the extent of Rs. 29 crore and about Rs. 150 crore have been released from the Non-lapsable Central Pool of Resources for various programmes during 1998-99 and 1999-2000 respectively. It will be necessary for the State Government to send quarterly physical and financial progress reports, which will facilitate release of further funds.

You will be happy to know that the Planning Commission has constituted a Core Group for the preparation of a State Development Report of Assam as a credible document to set the agenda for speedy economic growth of the State.

* Opening Remarks at the discussion on Annual Plan of Assam for 2000-01

बिहार की वार्षिक योजना 2000-2001

में बिहार के मुख्य मंत्री और उनके सहयोगियों का राज्य की वार्षिक योजना 2000-01 को अंतिम रूप देने के लिए बुलाई गई इस बैठक में स्वागत करता हूँ। इस वार्षिक प्रक्रिया का मुख्य उद्देश्य राज्यों के साथ उनकी विकास संबंधी समस्याओं पर विचार-विमर्श करना और वार्षिक योजना के आकार का निर्धारण करना है। इसके अलावा मैं इस अवसर पर राज्य के प्रशासन और अर्थ-व्यवस्था के बारे में कुछ विशेष बिन्दुओं की ओर भी ध्यान आकृष्ट करना चाहूँगा।

बिहार पिछले दशक में किसी भी वर्ष में अनुमोदित वार्षिक योजना परिव्यय का उपयोग नहीं कर सका, वास्तविक व्यय अनुमोदित परिव्यय के 35 से 79 प्रतिशत तक ही हो पाया। इसका मुख्य कारण है राज्य सरकार द्वारा संसाधन जुटाने में कमी। राज्य सरकार कम किए गए योजना परिव्यय को भी खर्च नहीं कर पाई। महत्वपूर्ण आधार संरचना परियोजनाओं जैसे बिजली, पानी, सड़क, सिंचाई आदि में खर्च निर्धारित आवश्यकता से कम है। अभिनिर्धारित क्षेत्रकों में अपेक्षा से कम व्यय के कारण बिहार की आठवीं योजना व नवीं योजना के प्रथम वर्ष में केन्द्रीय सहायता में कटौती करनी पड़ी है।

यह विशेष प्रसन्नता की बात है कि बिहार सरकार ने यथार्थ पर आधारित "कोर प्लान" बनाने में अगुवाई की है। इससे योजनाओं के कार्यान्वयन में वित्तीय अनुशासन आएगा, साथ ही साथ अनुपयोगी प्रयोजनों (non-productive schemes) पर होने वाले खर्च में भी कमी आयेगी। पिछले वर्ष योजना का आकार तथा उपलब्ध संसाधनों में बहुत अंतर था। मैं इस बात का स्वागत करता हूँ कि मुख्य मंत्री जी ने इस वर्ष राज्य के बजट में वार्षिक योजना का आकार यथार्थ पर आधारित रखा है। कागज पर बड़ी योजना बनाने का कोई लाभ नहीं है जब तक पर्याप्त संसाधन न हों।

जनसंख्या के दृष्टिकोण से बिहार भारत का दूसरा सबसे बड़ा राज्य है जिसमें देश की 10.2 प्रतिशत जनसंख्या निवास करती है। राज्य अन्य राज्यों की तुलना में आर्थिक रूप से पिछड़ गया है। राज्य में गरीबी रेखा के नीचे रहने वालों का प्रतिशत वर्ष 1993-94 में 55 था जो सभी राज्यों के प्रतिशत की तुलना में सबसे

अधिक है व समग्र भारत के 36 प्रतिशत से कहीं अधिक है। प्रति व्यक्ति राज्य धरेलू उत्पाद की विकास दर वर्ष 1980-81 और 1990-91 के बीच 2.45 थी, जो 1991-92, 1997-98 के बीच घट कर 1.12 रह गई जब कि 14 बड़े राज्यों का प्रति व्यक्ति राज्य धरेलू उत्पाद इसी अवधि में 3.03 से बढ़कर 4 हो गया। सामाजिक एव मानव विकास की दृष्टि से, चाहे यह साक्षरता का स्तर हो या स्वास्थ्य सेवाओं की कमी, बिहार की स्थिति सबसे पीछे है।

ii?)

कल्याण के दो अन्य प्रमुख मापदण्ड हैं साक्षरता का स्तर एवं स्वास्थ्य रक्षा, संपूर्ण भारत में वर्ष 1997 में साक्षरता का स्तर लगभग 62 प्रतिशत (स्त्री व पुरुष दोनों) था जबकि बिहार का स्तर केवल 49 प्रतिशत था। राज्य में स्त्रियों की दो तिहाई आबादी निरक्षर है। सामान्य शिक्षा के अंतर्गत (जिसमें प्राथमिक, माध्यमिक और प्रौढ़ शिक्षा शामिल है), वर्ष 1999-2000 के संशोधित परिचय के व्यय में कमी 23.83 करोड़ रुपये से अधिक रही है। शिक्षा स्वास्थ्य जैसे बुनियादी विषयों पर सुधार लाना किसी भी सरकार की प्रथम जिम्मेदारी है, और मेरी अपेक्षा है कि बिहार सरकार भी इस जिम्मेदारी को प्रभावी रूप से सम्भालेगी।

पूरे देश में वर्ष 2010 तक कुल जनन दर (Total Fertility Rate) 2.1 प्राप्त करने का लक्ष्य रखा गया है। यदि बिहार के जन्म दर में गिरावट की वर्तमान प्रवृत्ति जारी रही तो यह लक्ष्य वर्ष 2039 तक ही प्राप्त हो सकेगा। शिशु मृत्युता दर (infant mortality rate) को घटाना आवश्यक है जो कि इस समय प्रति 1000 बच्चों पर 67 है, जबकि केरल में 16, महाराष्ट्र में 49, जम्मू एवं कश्मीर में 45 और पश्चिमी बंगाल व तमिलनाडु में 53 है। ग्रामीण क्षेत्रों में चिकित्सकों तथा अनिवार्य स्वास्थ्य सेवाएं प्रदान करने के लिए ए.एन.एम. का पर्याप्त संख्या में न होना एक कारण हो सकता है। जनसंख्या को स्थिर करने के लिए वैैच्छिक संगठनों की भागीदारी से ग्राम, क्षेत्र और जिला पंचायतों को एक कार्य योजना को कड़ाई से कार्यान्वित किए जाने की आवश्यकता है।

कृषि समूचे बिहार का मुख्य आधार है। चूंकि राज्य की अधिकांश श्रम शक्ति कृषि पर निर्भर करती है, इसलिए राज्य में गरीबी के स्तर में कमी लाना मुख्यतः कृषि का उत्पादन बढ़ाने पर निर्भर करता है। कृषि पर आधारित उद्योग भी राज्य में लगाने की पहल होनी चाहिए ताकि राज्य के सकल उत्पाद में वृद्धि हो सके और रोजगार के अवसर भी उपलब्ध कराए जा सकें।

बिहार के लिए एक प्रमुख चिंता का विषय यह है कि राज्य में भूमि सुधारों के क्षेत्र में बहुत ही कम प्रगति हुई है जबकि 1950 में भूमि सुधार अधिनियम बनाने

वाला यह पहला राज्य था। लम्बे खिंचते गए मुकदमों के कारण लगभग 1.52 लाख एकड़ (अधिशेष घोषित क्षेत्र का 30 प्रतिशत) भूमि सरकार को प्राप्त नहीं हो सकी है जिससे आगे इसका आबंटन नहीं हो सका। इस पर राज्य सरकार द्वारा विशेष रूप से ध्यान दिए जाने की आवश्यकता है। अन्य राज्यों में सफल प्रयोगों के अनुभव इस बारे में मददगार हो सकते हैं। इनमें शामिल है: बटाईदारों का पंजीकरण, जनजातियों की भूमि के हस्तांतरण को रोकने हेतु उपयुक्त सुरक्षा उपाय, भू-अभिलेखों का अद्यतनीकरण, भू-दान भूमि का वितरण आदि।

राज्य में विद्युत एक ऐसी बुनियादी आवश्यकता है जिसके विकास पर पूरी अर्थव्यवस्था की प्रगति निर्भर करती है। राज्य के विद्युत क्षेत्र में स्थिति चिंताजनक है। 65 प्रतिशत (वर्ष 1997-98) के अखिल भारतीय आंकड़े की तुलना में, बिहार के ताप विद्युत केन्द्रों का प्लांट लोड फैक्टर केवल 23 प्रतिशत (वर्ष 1999-2000) है। राज्य में औसत टैरिफ रेट 2 रुपये है जबकि विद्युत की आपूर्ति की लागत अगले साल 3.55 रुपये अनुमानित है। अतः दोनों में काफी अंतर होने के कारण बोर्ड को बहुत घाटा हो रहा है। अन्य स्रोतों से बिजली उपलब्ध होने के बावजूद, अपर्याप्त पारेषण - वितरण व्यवस्था के कारण शासन प्रदेश-भर में बिजली पहुंचा नहीं पा रहा है। विद्युत क्षेत्र में सुधार कार्यक्रम लागू करने की नितांत आवश्यकता है। ऐसा करने पर भारत सरकार द्वारा विशेष सहायता की तथा विदेशी सहायता प्राप्त करने की सम्भावनाएँ भी हैं। मैं राज्य सरकार से यह भी अनुरोध करूँगा कि उन दूर-दराज के क्षेत्रों में जहाँ परम्परागत स्रोतों से बिजली उपलब्ध कराना महंगा हो, वहाँ ऊर्जा के गैर-परम्परागत और सतत स्रोतों का विकास करके बिजली उपलब्ध कराने की दिशा में पहल किया जाय।

बिहार में पंचायतों के चुनाव अभी तक नहीं कराए जा सके हैं। बिहार सरकार ने विधान सभा को सूचित किया है कि फरवरी 2001 तक यह चुनाव अवश्य ही करवाए जाएंगे। मुझे आशा है कि चुनाव करवा कर राज्य सरकार पंचायती राज संस्थाओं के गठन का पूरा लाम उठा पाएगी।

ऐसा बहुत कुछ है जो किया जा सकता है और किया जाना आवश्यक है। बिहार का अतीत गौरवशाली रहा है। दुर्भाग्यवश, राज्य की अर्थव्यवस्था अब गिरकर बुरी स्थिति में आ गई है जिसे फिर से सशक्त बनाने की आवश्यकता है। राज्य सरकार को ऐसा वातावरण तैयार करना होगा, जिससे आगे बढ़ने में आसानी हो, और वर्तमान स्थिति में सुधार हो। विकास दर में तेजी लाने के लिये कई और साहसिक कदम उठाने की आवश्यकता है। कई राज्यों ने निजी पूंजी निवेश प्राप्त करने में

सफलता पायी है। इससे इन राज्यों में विकास की दर बढ़ी है, और लोगों को रोजगार मिला है। बिहार को भी निजी पूंजी आकर्षित करने के प्रयास करने चाहिए। निजी निवेश को आकर्षित करने हेतु बिजली, परिवहन तथा अन्य आधुनिक संरचना (infrastructure) संबंधी सेवाओं में सुधार की आवश्यकता होगी। प्रशासन में चुस्ती तथा पारदर्शिता, शासन के अधिकारों में विकेन्द्रीकरण और जन-भागीदारी बढ़ाना, शान्ति व्यवस्था में सुधार, कुछ अन्य ऐसे विशिष्ट समयबद्ध उपाय हैं, जिनकी ओर मैं मुख्य मंत्री जी का ध्यान आकर्षित करना चाहूंगा।

मुझे पूरा विश्वास है कि बिहार की सरकार इस चुनौती को स्वीकार करेगी और राज्य में बहुमुखी विकास का एक नया अध्याय आरम्भ होगा। योजना आयोग, अपनी ओर से, राज्य के तीव्र विकास हेतु आवश्यक नीतिगत इनपुट प्रदान करने के लिए तत्पर है। हमने राज्य सरकार के सक्रिय सहयोग से विकास की गति बढ़ाने के उपाय सुझाने के लिये बिहार विकास रिपोर्ट तैयार करने का प्रस्ताव रखा है। इस उद्देश्य हेतु, एक कोर समिति का गठन किया जा चुका है। मुझे सूचना दी गई है कि इसकी पहली बैठक कल यानि 18 अगस्त को होने वाली है।

DELHI PLAN FOR 2000-01*

I extend my warm welcome to the Chief Minister and her colleagues to this meeting to finalise the Annual Plan 2000-01 of the National Capital Territory of Delhi. The formulation of the Plan and its implementation call for continuous dialogue and interaction between the Planning Commission and the Delhi Government.

At the outset, I compliment the Delhi Government for maintaining a basically strong financial profile. The Balance of Current Revenues of the State is positive. However, Delhi is uniquely placed by virtue of being the National Capital Territory. You must draw upon these advantages to the full to improve the lives of the people. People all over the country look to Delhi to provide a model of service to the public. This implies a greater responsibility on the Delhi Government to live up to the expectations of those who live here as also of the large number of domestic and foreign visitors. The image of the country is conditioned by the situation in Delhi.

We are concerned that during the Ninth Plan period, the Plan performance of Delhi has been substantially below the originally approved outlays in all the three years. While there does not appear to be a problem in resource mobilisation, inadequate utilisation is obviously a matter of concern. This may require a closer look at the implementation issues in order that the implementation capacities are enhanced.

The apparently healthy fiscal position of Delhi tends to convey a somewhat misleading picture, particularly when viewed against the backdrop of the host of unmet needs and urgent priorities. In the areas of water supply, power, transport and pollution control, large financial implications are involved. A relatively low tax-SDP ratio and a comparatively modest level of user charges point to considerable potential for increasing the revenue effort, which is necessary to tackle the large number of problems, that Delhi is faced with.

In the power sector, I am happy to note that the Delhi Government is vigorously pursuing reforms. The State Electricity Regulatory Commission has been set up and the blueprint for restructuring announced. A difficult road lies ahead, particularly in view of the large outstanding dues of DVB and the extraordinarily high level of transmission and distribution losses, the highest in the country. You would need to address these challenges in the days to come for a successful restructuring exercise.

Transportation is another major area of concern for the citizens of Delhi. While the performance of the Delhi Transport Corporation is reportedly improving, it is still burdened with heavy losses and inefficiencies. Till such time as the Metro system is operational, we will have to continue to rely heavily on road-based public transport to meet the needs of the public. You may like to consider in this context whether future expansion of public transport should be led by DTC or by the private sector.

In the health sector, there remain many areas of concern. For one, routine immunisation coverage has been falling. Further, despite considerable efforts in the Pulse Polio Campaign, there remain a significant number of polio cases in Delhi. You will agree that the Government needs to intensify its efforts in this direction.

Similarly, while educational levels are generally better than in other States, you may like to look more closely at the problem of low literacy among Scheduled Castes. One of our evaluation studies has indicated that in some schools, midday meals are available for less than 200 days for which they are supposed to be provided. You may like to consider drawing up a plan of action to tackle these issues.

The problems relating to air and water pollution in Delhi are threatening to reach alarming proportions. Even the Supreme Court has been constrained to take note of this. While some of these issues are being tackled, it is necessary for the Delhi Government to clearly articulate its strategy for tackling the various environmental problems that affect the people and build up public support for the same. The

Planning Commission had suggested earlier that the Government might prepare a State of the Environment Report for this purpose and have been since informed that steps are being taken in this direction. We look forward to the formulation of this strategy.

We had requested the Delhi Government to prepare a Vision 2020 to set out the road map for the future direction of development of Delhi. I would appreciate being informed of the status of this exercise. You may also like to consider bringing out a State Development Report with a view to setting out the steps needed to be taken to accelerate the growth process in the State.

* *Opening Remarks at the discussion on the Annual Plan of Delhi for 2000-01*

GOA PLAN FOR 2000-01*

I have great pleasure in welcoming the Chief Minister and his colleagues to this meeting for the finalisation of the Annual Plan for 2000-01 of Goa.

Goa is in many ways a developed State. It has the highest per capita income in the country and has been maintaining a rate of growth of around 6% in the last two decades. In the fields of education and health care Goa's record is far better than many other States. The literacy level, which was 75.5% in 1990-91, rose to 86% in 1997. The Educational Development Index prepared by the Planning Commission places Goa at number two position among all the States in India. The State has adequate rural health care infrastructure, though there is a shortage of specialists at the Community Health Centres.

However, there are some items on the debit side also. First of all, I would like to mention the substantial gap between the Plan outlay and the Plan expenditure in the first three years of the Ninth Plan. The expenditure fell short by Rs.32 crore in 1997-98, by Rs.71 crore in 1998-99 and by Rs.40 crore in 1999-2000.

In the agriculture sector the important plantation crops are coconut and cashew. As I have pointed out last year, the existing productivity levels are low and replanting and rejuvenation measures need to be taken to increase the yield levels of these crops, which could fetch good income to the farmers. In the irrigation sector the Tillari Irrigation Project, which is one of the two major projects, has been languishing for the last few years without getting investment clearance and lack of funds for execution of the project, which incidentally has contributed to lower Plan expenditure. Now that the investment clearance has been issued by the Planning Commission for this project, the State should be able to avail financial assistance under AIBP and also raise funds through financial institutions.

The proportion of population below poverty line in Goa is comparatively smaller, i.e. only 17% in 1997-98. The performance of rural development schemes in Goa has been, on the whole, satisfactory. We are pleased to note that the Zila Parishad elections have been held. We would urge the State Government to devolve more funds and powers to the Panchayati Raj institutions in order to empower them as mandated by the 73rd Constitution Amendment Act.

As I pointed out last year, the transmission and distribution losses in the power sector continue to be high. I understand that some measures are being taken to improve the quality of power supply and to connect the Goa system with 400 KV lines.

At the meeting held last year, I had also pointed out that mining activities in Goa, besides causing environmental hazards like air pollution, deforestation and damage to agricultural land, pose a constant threat of accidents. It was mentioned that adequate safeguard measures should be taken to protect the environment. We would like to know the progress in this regard.

Even in the health and education sectors, in which the overall record of the State has been excellent, there are certain areas, which require special attention of the State Government. For example, Goa, being a tourist centre, has a high reported seropositive rate and the AIDS control programme needs to be strengthened. In the education sector the female literacy still lags behind male literacy. The State also needs to improve the standard of science education and introduce more employment-oriented vocational courses.

The problem of drug abuse continues to be a major social problem and I would like to know the steps taken by the State to contain the spread of this social malaise.

As I appealed to you last year we should look beyond the current Five Year Plan and prepare a perspective plan for the next 20 years. This should be a joint effort of the State Government and the Planning Commission for preparing a 'Vision 2020' Document, which would spell out the essential ingredients of the State's development envisioned

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for the next two decades. This would encompass both Government and non-Government sectors and would include, among others, legislative and policy initiatives, resource mobilization and fiscal management measures. This would no doubt require interaction and consultations between the State Government and the Planning Commission on a continuing basis.

** Opening Remarks at the discussion on Annual Plan of Goa for 2000-01*

GUJARAT PLAN FOR 2000-01*

I welcome the Chief Minister of Gujarat and his colleagues for the finalisation of the Annual Plan of the State for 2000-01.

It is a matter of great satisfaction that Gujarat has shown a consistently high growth rate during the three years of the Ninth Plan, as reflected in its rising State Domestic Product, and a per capita NSDP (at current prices) higher than that of the country. The State has also been able to utilise its Plan allocations, indicating its better absorptive capacity. However, certain aspects of the financial management, particularly its increasing reliance on borrowings for financing the Annual Plans, are causing anxiety. Borrowings and debts constituted 69% of the Plan resources during the first three years of the Ninth Plan. The BCR realisation has been negative during the past three Annual Plans and the overall contribution of the public sector enterprises has also turned negative. It is hoped that strong measures would be taken to retain the BCR at a positive level, reduce the level of borrowings and improve the contribution of public sector enterprises and non- tax collections.

The State has taken a welcome initiative in preparing Agro-Vision-2010, which would give the desirable thrust to diversification in the agriculture sector towards high-value commercial crops and other allied activities by building up necessary infrastructure support. The efforts for setting up agro processing units by bringing the farmers, the co-operative banks and agricultural produce marketing societies together would raise production and help generate higher farm income through value addition. It is, however, necessary to protect the farmers from recurring droughts by taking up on a massive scale low-cost land and water management practices through a watershed mode and with institutionalised beneficiary participation.

The current drought has brought to the fore the acute scarcity of drinking water, which, despite the huge investments made over the

years, has not led to sustainable improvement. Excessive exploitation of ground water and inefficient use of both surface and ground water is responsible for this situation. Strong regulatory provisions backed by law are needed to check over-exploitation of ground water and promote disciplined use of surface water. A decisive policy thrust is also required for giving priority to drinking water needs, as against the use of available water for agriculture, and for improving the quality of water in a large number of habitations affected by fluoride and salinity. A comprehensive water policy needs to be formulated for this purpose and implemented with the people's participation. I understand that Gujarat had enacted a legislation on the subject in 1986, which has not yet been notified for enforcement. This needs to be seriously looked into. The State may also critically review its industrial policy so as to promote sustainable use of water resources, both ground and surface, and monitor their quality. There is no escape from the State Government taking up a massive programme of rain water harvesting through traditional methods in every village, the utility of which has already been demonstrated wherever this had been undertaken with the people's own initiative.

Gujarat has an Infant Mortality Rate of 64 per 1000 and Crude Birth Rate of 25.3 per 1000 in spite of contraceptive prevalence of 54.5 per cent. The State should make every effort to reduce the IMR and meet all the unmet needs for contraception, estimated at 13.1%, for achieving the replacement level of fertility in the next five years instead of by 2014 as projected. In this context the posting of doctors against the vacant posts and filling critical gaps in PHCs and CHCs in tribal areas during the current year are welcome steps. However, the availability of specialists in the first referral units and of technicians in laboratories needs to be ensured for improving the performance of the health programmes. The State has brought health and nutrition programmes under a single department, which would promote better inter-sectoral coordination between the two. The State is also to be complimented for organising massive re-constructive surgery camps for treating deformities in leprosy cases, which would greatly facilitate the speedy rehabilitation of those covered. Special efforts may now be

focussed on the socio-economic rehabilitation of the inmates of leprosy colonies and those who cannot benefit from re-constructive surgery.

The outreach of health, education and nutrition programmes has greatly suffered due to large-scale migration of the poor from tribal and other backward areas for long periods in search of work outside their district. It is therefore suggested that appropriate institutional arrangements may be made so that these migrants are able to access all these programmes wherever they may be.

Linked with the State's impressive industrial growth is the problem of environmental pollution and the appurtenant danger to public health. Gujarat's industrial estates, around 280 in number, have become environmental health hazards, as about 70% of the industrial investment in the State is in the chemical sector. The 400-kilometre stretch between Vapi in Southern Gujarat and Varva in Northern Gujarat, known as the 'Golden Corridor', requires rigorous environmental governance as does Alang, the largest ship-breaking yard of the world. Gujarat's Infrastructure Vision 2010 does not even attempt to address the problem of ground and river water pollution. Factories, prevented from dumping industrial effluents into rivers, resort to reverse boring, pumping untreated effluents directly into the aquifers causing farmers to irrigate their fields with untreated effluents. The common effluent treatment plants are often overloaded, ill-designed or incapable of dealing with the toxins in the effluents. Unless primary treatment of the effluent is undertaken by the industrial unit concerned, the effluent bypasses the CETP and is dumped into the river without any treatment. It is of the utmost importance for the Government to provide effective environmental governance to safeguard the health of the villagers who have to depend on polluted water.

In the urban areas of the State the incidence of female child labour has nearly doubled though there is a decreasing trend at the national level. The State Government should mount a special programme to attract female children to specialised schools even though parental poverty forces them to work for some part of the day. Simultaneously,

the implementation of poverty alleviation programmes and establishing a social security system, focussed on the families of these children, would greatly help in protecting the poorer households from the impact of the changing economy, which contributes to this situation.

The State has taken measures to improve the infrastructure for primary schooling and to enhance the quality of teaching imparted therein. Greater attention is, however, needed for improving the level of education among ST girls and checking the high rate of dropouts after standard VII through an appropriate package of measures. The expansion of science stream teaching in the secondary schools in tribal areas and a larger intake of SC and ST students in schools with such facilities would enable them to pursue technical courses, which would qualify them for professional jobs in Government as well as private sector.

The State has taken a lead in tapping private sector resources and talent for development of transport infrastructure. It has also been able to mobilise institutional funds for road and bridge construction. The State is making a steady progress in matters of public sector restructuring programme and has even begun to tackle sickness in small-scale units after carrying out a comprehensive survey. However, the tiny sector and cottage industries and home-based occupations, which sustain a large number of artisans and rural poor, deserve greater attention and resources.

It is learnt that the Gujarat Government has already prepared a Human Development Report but has not been able to publish it so far. The Planning Commission would be glad to provide funds for the publication of this Report. The State may use HRD-GIS interface for better regional planning and more equitable social development.

* *Opening Remarks at the discussion on Annual Plan of Gujarat for 2000-01*

हरियाणा की वार्षिक योजना 2000-2001

में हरियाणा के माननीय मुख्यमंत्री और उनके सहयोगियों का आज की बैठक में स्वागत करता हूँ।

आज हम हरियाणा की 2000-2001 की वार्षिक योजना को अंतिम रूप देने के लिए मिल रहे हैं। इस वर्ष 11वें वित्त आयोग की संस्तुतियां हाल ही में प्राप्त हुई हैं, इसलिए यह बैठक पहले नहीं बुलाई जा सकी। योजना आयोग यह सुनिश्चित करना चाहता है कि अगले वर्ष से योजना सम्बन्धी विचार-विमर्श के कार्यक्रम जनवरी, 2001 तक पूरे हो जायें।

आपको स्मरण होगा कि 80 के दशक में हरियाणा के आर्थिक विकास की दर 6.5% प्रतिवर्ष रही थी। 8वीं पंचवर्षीय योजना में यह घटकर 5 प्रतिशत, और 9वीं पंचवर्षीय योजना के प्रथम दो वर्षों में इससे भी कम 3.6 प्रतिशत हो गई। यह चिंता का विषय हैं। मुझे विश्वास है कि आप इस स्थिति में सुधार लाने के लिये शीघ्र ही उपाय करेंगे। मैं समझता हूँ कि हरियाणा प्रदेश के पास एक सुदृढ़ आधारभूत ढाँचा विद्यमान है और उसकी अर्थव्यवस्था अपेक्षित गति से प्रगति करने की क्षमता रखती है। हरियाणा की प्रति व्यक्ति आय 1997-98 में 17626 रुपये थी जो कि देश की प्रति व्यक्ति आय से बहुत अधिक है, और केवल पंजाब और महाराष्ट्र के बाद आती है।

नौवीं योजना के प्रथम तीन वर्षों में हरियाणा का वास्तविक योजना व्यय, सहमत परिव्यय से बहुत कम रहा है। परिव्यय का उचित उपयोग न होना इसका एक मुख्य कारण रहा है। गैर-योजना राजस्व व्यय में कमी के बावजूद, घाटू राजस्व अवशेष BCR— की स्थिति में अनुमानित सुधार नहीं हुआ है। राज्य के घरेलू उत्पाद में करों का हिस्सा घट रहा है। यह हिस्सा 1997-98 में केवल 7.12 % रहा, जबकि यह केरल (14.3%), कर्नाटक (12.2%) और गुजरात में 10.5 % था। हरियाणा केन्द्रीय सहायता का पूर्ण उपयोग नहीं कर सका है। हरियाणा की

उधार निधियों पर निर्भरता बढ़ रही है। इन चिन्ताजनक स्थितियों की ओर आपका ध्यान अवश्य गया होगा।

गत कुछ वर्षों में राज्य की अर्थ व्यवस्था में औद्योगिक और सेवा क्षेत्रकों के योगदान में वृद्धि होना एक अच्छा लक्षण है। परन्तु अभी भी हरियाणा की अर्थव्यवस्था में कृषि एवं कृषि से सम्बन्धित कार्यकलाप एक महत्वपूर्ण भूमिका अदा करते हैं। कुल पैदावार क्षेत्र में विस्तार के कारण तथा उन्नत Inputs के प्रयोग की वजह से खाद्यानों तथा तिलहनों के उत्पादन में अदृश्य वृद्धि हुई है, लेकिन कपास व गुड़ का उत्पादन कम रहा है, पशुपालन, मत्स्य पालन एवं वनारोपण में राज्य का कार्य प्रोत्साहक रहा है, तथापि पशुपालन क्षेत्र में राजस्व व्यय अधिक प्रतीत होता है।

हरियाणा अपनी सिंचाई व्यवस्था के आधुनिकीकरण के लिये काफी हद तक विदेशी सहायता पर निर्भर है। अतएव यह आवश्यक है कि इस क्षेत्र में आपका वास्तविक निष्पादन वित्तीय व्यय के समनुरूप हो, पर 9वीं पंचवर्षीय योजना के प्रथम तीन वर्षों पर दृष्टि डालने से ऐसा प्रतीत नहीं होता। त्वरित सिंचाई लाभ कार्यक्रम के लिए उपलब्ध केन्द्रीय ऋण सहायता के उपयोग में भी आपका राज्य पिछड़ रहा है। हरियाणा के लगभग आधे विकास खण्डों में भू-जल का अति दोहन हुआ है।

विद्युत क्षेत्र में बिजली के पारेषण एवं वितरण में हो रही हानि अत्यंत चिन्ताजनक है। वर्ष 1998-99 में हानि का यह आंकड़ा 33.8 प्रतिशत रहा है, जो पूरे देश के औसत 20.8 प्रतिशत से काफी अधिक है। आपका प्लांट लोड फैक्टर (PLF) भी अपेक्षाकृत कम है; विद्युत क्षेत्र में सुधारों की पहल का जो काम आपने शुरू किया है वह स्वागत योग्य है। इस क्षेत्र की वाणिज्यिक व्यवहार्यता सुधारने के लिए परिचालन कुशलता में सुधार तथा टैरिफ दरों का युक्तिकरण अत्यंत आवश्यक हो गया है।

हरियाणा के पास सड़कों का व्यापक जाल उपलब्ध है, परन्तु तीव्र गति से इसका उन्नयन व सुधार किया जाना जरूरी है। सम्भवतः आपकी सरकार ने विदेशी सहायता से इसके लिए कार्यक्रम भी बनाया हुआ है, जिसे गतिशील किया जाना चाहिये। हरियाणा राज्य परिवहन निगम के अच्छे प्रचालन निष्पादन (operational performance) के बावजूद भी इसका बढ़ता वाणिज्यिक घाटा चिन्ता का

विषय है। मैं राज्य सरकार से आग्रह करता हूँ कि वाणिज्यिक दृष्टिकोण से इस मुद्दे पर विशेष रूप से विचार करें क्योंकि बड़ी संख्या में निजी आपरेटर भी इस प्रकार की सेवाएं उपलब्ध कराने में लगे हुए हैं।

मानव संसाधनों के विकास, विशेष रूप से कमज़ोर वर्गों की क्षमता बढ़ाने हेतु राज्य सरकार द्वारा चलाई जा रही सामाजिक सेवाओं के लिए संस्थागत ढाँचे का निर्माण और उनके एकीकरण के लिए प्रावधान किये जाने चाहिए। राजस्व व्यय में वृद्धि तथा लाभग्राहियों को घन दिए जाने मात्र से काम नहीं चलेगा।

ग्रामीण विकास के क्षेत्र में, मैं आपका ध्यान प्रधान मंत्री की ग्रामोदय योजना (पीएमजीवाई) की ओर दिलाना चाहूंगा जो पहले के बीएमएस के स्थान पर एक नई पहल है। इसका लक्ष्य ग्राम स्तर पर सतत मानव विकास सुनिश्चित करना है और इस उद्यम को अधिक सफल बनाने के लिए मैं आपसे पूर्ण सहयोग की आशा करता हूँ। पंचायती राज संस्थाओं को अब बड़ी संख्या में सामाजिक क्षेत्रक एवं ग्रामीण विकास कार्यक्रमों का सारा कामकाज सौंपा गया है। इसलिये इन संस्थाओं को पर्याप्त अधिकार और निधियां प्रदान करना आवश्यक हो गया है।

हरियाणा में देश के अन्य भागों की अपेक्षा गरीबी कम है। यह संतोष की बात है। परन्तु हाल ही में प्रकाशित वर्ष 1993-94 के आंकड़ों के अनुसार हरियाणा के पूर्वी क्षेत्र में गरीबी की रेखा से नीचे रहने वालों का प्रतिशत 31.9 और पश्चिमी क्षेत्र में 22.3 प्रतिशत है। इस अन्तर को कम किया जाना चाहिये।

शिक्षा के क्षेत्र में विस्तार तथा उच्चीकरण के लिए, विशेष रूप से प्राथमिक शिक्षा में, आपके द्वारा उठाए गए कदम सराहनीय हैं। हरियाणा ने मार्च, 2002 तक शत प्रतिशत प्राथमिक शिक्षा का लक्ष्य प्राप्त करने के लिए कार्यक्रमों को बढ़ावा दिया है, फलस्वरूप 1999-2000 तक 6-11 वर्ष के आयु वर्ग में 27.81 लाख छात्रों (13.03 लाख छात्राओं सहित) का नामांकन हुआ है जो कि नौवीं योजना के लक्ष्यों की अपेक्षा में कम नहीं है। फिर भी छात्राओं के लिए कुल नामांकन प्रतिशत 84 है जो कि राष्ट्रीय प्रतिशत 93.3 से कम है। यह भी कहना जरूरी है कि I-VIII कक्षाओं में लड़कियों की स्कूल छोड़ने की दर राष्ट्रीय औसत से ऊपर है। शिक्षक : छात्र अनुपात को 1: 40, यानि राष्ट्रीय मानक, पर लाने के लिए हरियाणा की नौवीं योजना काल में 14,600 अतिरिक्त अध्यापकों की नियुक्ति करनी है। 8600 सरकारी प्राथमिक स्कूलों में से 355 स्कूलों में स्कूल भवन नहीं है और 344 स्कूलों में केवल एक कमरा है। प्राथमिक शिक्षा हेतु आधारिक संरचना

को सुधारने के लिए हरियाणा सरकार को चाहिए की वह जवाहर रोजगार योजना (JRY) की सुविधा का लाभ उठाए।

प्रजनन और बाल स्वास्थ्य से संबंधित 1998 की परिवार सर्वेक्षण रिपोर्ट से ज्ञात हुआ है कि हरियाणा में बड़ी संख्या में महिलाओं की परिवार नियोजन आवश्यकताओं की पूर्ति नहीं हो पाई है। इस स्थिति में सुधार लाने के लिए राज्य सरकार को प्रभावी और ठोस कदम उठाने चाहिए।

यह संतोष की बात है कि हरियाणा सरकार ने राज्य में मेवात और शिवालिक पहाड़ियों के पिछड़े क्षेत्रों के विकास में यथोचित सावधानी बरती है। समुदाय के आर्थिक और सामाजिक कल्याण में सुधार लाने के लिए, “मेवात क्षेत्र विकास परियोजना” के अन्तर्गत विदेशी निधियां भी उपलब्ध कराई जा रही हैं। पर्वतीय क्षेत्रों के लिए प्राप्त विदेशी सहायता से समेकित जल संग्रह विकास परियोजना (Integrated Watershed Development Project-Hills) के द्वितीय चरण का क्रियान्वयन किया जाना भी एक प्रशंसनीय कदम है।

प्रदेश के नियोजित विकास के लिए आप व्यापक प्रयास कर रहे हैं। एक ओर तो आपने उत्साहजनक उपलब्धियां हासिल की हैं, दूसरी ओर कुछ प्रवृत्तियां चिंताजनक भी हैं। मैंने तो केवल कुछेक चुने हुए मुद्दों पर ही प्रकाश डाला है। इसका यह अर्थ नहीं है कि इनके अतिरिक्त अन्य मुद्दे कुछ कम महत्वपूर्ण हैं। योजना आयोग की ओर से मैं कहना चाहूंगा कि राज्य के विकास के लिए परामर्श अथवा रचनात्मक सहायता देने में हमें खुशी होगी।

HIMACHAL PRADESH PLAN FOR 2000-01*

I welcome the Chief Minister and his colleagues to this meeting for the finalisation of the Annual Plan for 2000-01 of Himachal Pradesh.

I will begin by noting some of the positive features. The overall performance of the Himachal Pradesh economy has been satisfactory. The growth rate of Net State Domestic Product at 1993-94 prices was 6.4% and 7.4% during 1997-98 and 1998-99 respectively against the national average of 4.8% and 6.8% respectively.

In some specific sectors there have been instances of good performance. The physical performance of Himachal Pradesh State Road Transport Corporation has been encouraging with its fleet utilisation and bus-staff ratio at 97% and 5.41 respectively in 1999-2000 as compared to the all-India averages of 90% and 7.41 respectively. However, the vehicle productivity, staff productivity and fuel efficiency are lower than the all-India averages. Allotment of profit making routes to private operators, compulsory operation by HPRTC on loss-making routes on account of social considerations and concessions extended to a number of categories of persons have resulted in a reduction of earnings and these require reconsideration.

The performance of the State in social sectors, namely, health and education is worth appreciating. The State, with 77% literacy level as against the all-India average of 62%, according to the 1997 NSSO Survey, ranks 11th in the country. The Crude Birth Rate at 22.6 per thousand, the Crude Death Rate at 7.7 per thousand and Infant Mortality Rate at 64 per thousand in 1998 are lower than the all-India levels. Life expectancy in the State is also higher than the all-India level and is indicative of a healthier society.

Himachal Pradesh has been blessed with large hydroelectric potential in its five river basins, namely Yamuna, Satluj, Beas, Ravi and Chenab.

So far a potential of 11647 MW has been identified. Out of this available hydel potential only 3139.48 MW has been exploited by various agencies by March 1998. The State Government may, therefore, take necessary steps to accelerate exploitation by all possible methods, including private sector investment for which preparatory and facilitating steps would have to be taken. Simultaneously, the financial position of Himachal Pradesh State Electricity Board requires to be improved. The rate-of-return (ROR) on capital employed in 1998-99 and 1999-2000 (RE) has been (-) 5.41% and (-) 1.82% respectively and is projected at (-) 3.51% in the 2000-01 Annual Plan. The average revenue (203.40 paise/kwh) covers only 86% of the average unit cost (236.42 paise/kwh) of supply as projected in the Annual Plan 2000-01 and the gap needs to be further bridged.

I would also like to mention some areas in which efforts would have to be made more vigorously. There is stagnation in foodgrains production at around 14 lakh tonnes. Only 17.6% of the gross cropped area in the State has been provided with the facility of assured irrigation and consumption of fertiliser per hectare of cropped area at 34.63 kg, is quite low as compared to the all-India level of 75.68 kg. The State Government is required to take steps to increase the area under irrigation. The irrigation projects that are stuck or delayed have to be accelerated. Also, enlarged use of land for agriculture and horticulture should be made and horticulture crops should be diversified to improve the agricultural scenario.

Drinking water continues to be the main problem in the rural areas of Himachal Pradesh. Though the number of 'not covered' habitations have reduced from 6402 to 2738 between 1994 and 2000, the 'partially covered habitations' have increased during these years from 12878 to 12961. The population coverage was also lower at 86% as on 1.4.98 against the all-India average of about 92 per cent. I would urge the State Government to make increased efforts to cover all the habitations by 2004 as per the national objective.

An area of concern is the performance in regard to mobilisation of resources during the Ninth Plan, which has not been satisfactory as the State has been able to mobilise only about Rs.836.48 crore as its

own resources during the first three years of the Ninth Plan as against the Ninth Plan projection of Rs. 1959.93 crore. The increasing reliance on borrowings and the deterioration in the State's own funds are not a happy situation. The outstanding public debt at 95% of Gross State Domestic Product as on March 2000 is neither desirable nor sustainable.

However, I am happy to note that after the MOU was signed between the State Government and the Ministry of Finance in April 1999 your Government has taken initiatives in the fiscal sphere for reducing the revenue deficit by reducing non-Plan revenue expenditure through a ban on upgradation of posts, cut in government's vehicular fleet and enhancement of revenue receipts through rationalisation of Sales Tax, hike in electricity duty and Sales Tax on diesel as well as initiating reforms in the public sector undertakings. I would urge you to ensure that the State Government adheres to the targets and the time schedule stipulated in the MOU.

The State Government should adopt a suitable strategy for development by investment in growth and development activities to generate employment outside the government sector as at present the size of bureaucracy in the State is quite large and the possibility of further employment in the State sector is limited.

I have touched upon only some of the important sectors and mentioned some steps that may improve the situation in those sectors that are lagging behind. I can assure you that the Planning Commission will continue to hold consultations with the State Government on a regular basis and give all the support that is possible in the endeavour of the State Government to build up the economy of the State at a faster pace.

As was suggested during the Annual Plan discussion last year, you may kindly take urgent steps to prepare Vision-2020 Document for the State as early as possible.

* *Opening Remarks at the discussion on the Annual Plan of Himachal Pradesh for 2000-01*

JAMMU & KASHMIR PLAN FOR 2000-01*

I have great pleasure in welcoming the Chief Minister of Jammu & Kashmir, his colleagues and officers of the State to this meeting for the finalisation of the State's Annual Plan for 2000-01.

As you are, no doubt, aware, this meeting had to be deferred because of some constraints including delay in the receipt of the 11th Finance Commission's recommendations. However, I do hope that the Annual Plan 2001-02 of the State would be finalised well in time.

The State of Jammu & Kashmir had to face the brunt of insurgencies in extensive areas retarding the socio-economic development, which could otherwise have been better. Given the difficult circumstances, we must appreciate the efforts made by the State Government for sustaining the pace of development during the Eighth Five Year Plan. The annual average growth rate recorded during the Eighth Five Year Plan (1992-97) was 4.7 per cent. It is encouraging to note that as per the State Government document, it has recorded 5.3% growth rate during 1997-98. This is to be welcomed.

However, the financial performance of the State during the first three years of the Ninth Plan is a matter of great concern. After an up-trend in the Eighth Plan, the Plan expenditure has stagnated during the last three years. In fact, the Plan expenditure has been about 20% less than the outlay during the period. The total revenue receipt has increased at a moderate rate but the State's own revenue contribution continues to hover at around 25% of the total revenue receipts. The non-Plan revenue expenditure, on the other hand, has been increasing at a disturbingly high rate. Consequently, the already negative BCR has been further aggravated. The financial position of the State Public Sector Enterprises is not very satisfactory. The Government has reached a stage where borrowed funds, otherwise meant for planned

development, are being utilised for other purposes with the net result that the State's own resources, which were Rs. (-) 1604.41 crore in 1997-98 had dipped to Rs. (-) 2045.28 crore in 1999-2000.

You would appreciate that the Union Government has provided the State with special allocations well above the normally allocable amount. The per capita Central Assistance given to J&K in recent years is substantially higher than even those for other Special Category States. The objective of the Union Government in extending special financial assistance has essentially been to accelerate the pace of development in the State. It is, however, noted with concern that a substantial part of it has been diverted to cover a yawning revenue gap. The debt burden of the State is also increasing. I am confident that you are fully briefed about these disquieting features of the State's fiscal health. I note that the Government of J&K has recently entered into a MOU with the Government of India outlining definite measures for improving the fiscal condition of the State. It is, however, stressed that the measures need to be implemented with the required earnestness and speed.

Agriculture and allied activities support more than 75% of the State's population and contribute around 37% of the State's income. There is a need for crop diversification and the use of modern inputs. Assured irrigation facilities constitute an important input for increasing agricultural productivity. The State Government should take necessary steps to utilise better the AIBP loan assistance to strengthen its irrigation network.

About 25 lakh people are directly or indirectly engaged in various horticultural activities in the State. There is great scope of varietal improvement in apple cultivation, the main horticultural crop of J&K. Genetic improvement in livestock population could prove beneficial to the economy of J&K with its natural advantage in animal husbandry activities.

The resource constraint of the Government of J&K is a limiting factor in harnessing its large potential for power generation. The operational

performance of J&K Power Development Department is evidently poor. I would earnestly urge the Government of J&K to opt for power sector reforms at an early date. Improvement in financial viability of the Power Department calls for rationalisation of power tariff and strengthening of the mechanism for collection of power dues.

Handloom, cottage industries and handicrafts are activities providing good opportunities for employment and earnings in the State. These need to be boosted further by providing the required infrastructure and marketing facilities. As you are well aware, focused attention on poverty alleviation programmes is essential. I urge you to ensure that the Government of J&K avails fully of the advantage of the revamped programmes.

On an average Rs.450 crore is being spent annually on social services for the last three years and more than half of it is meant for earmarked basic services. However, the State is ranked nationally 25th in terms of Educational Development Index. The enrolment ratio at the primary level is inadequate and the drop-out rate is also high as compared to the all-India position. A large number of educational institutions have been damaged due to militancy and the restoration work in this regard needs to be speeded up. Consolidation of existing health infrastructure and more effective implementation of a number of Centrally Sponsored Schemes are the need of the hour.

The PMGY is essentially a reoriented approach to improve the socio-economic conditions in the rural areas. It also aims at more effective implementation and monitoring of programmes so that the welfare of vulnerable rural groups is enhanced on a sustainable basis. The PMGY is cooperative in its approach. I would, therefore, urge you to take measures to make the PMGY a success.

I hope that the border villages are receiving the attention they deserve within the framework of your integrated planned efforts. A substantial amount of Special Central Assistance is being provided annually under BADP to implement identified programmes. This allocation is, of course, meant for supplementing the efforts of the State Government and not for substituting them.

A review of the Plan performance ought to take stock of the achievements as well as the areas of concern and this is what I have tried to do while touching upon a few developmental issues in respect of your State. We shall be happy to extend our constructive support to sustain, and even accelerate, the pace of development in J&K.

**Opening Remarks at the discussion on the Annual Plan of Jammu & Kashmir for 2000-01*

KARNATAKA PLAN FOR 2000-01*

I welcome the Chief Minister and his colleagues to this meeting for the finalisation of the Annual Plan for 2000-01 of Karnataka.

I would congratulate the Government of Karnataka for its excellent performance in almost all the sectors of the economy. It is heartening to note that the Plan expenditure in the first two years of the Ninth Five Year Plan has been more than the Plan outlays approved for the respective years. It is noted that there has been some shortfall in the expenditure during the third year, i.e. 1999-2000, compared to the Plan outlay, even though the aggregate resources as per the latest estimates are more than the Plan outlay approved due to rise in SOR on account of improvement in the contribution of State Public Enterprises, especially the State Electricity Board and the Road Transport Corporation. However I cannot help drawing the attention of the Chief Minister to certain areas of concern in the otherwise commendable performance in Plan expenditure. It is noted that for financing the Annual Plan Karnataka has been increasingly depending on borrowings rather than State own funds, which, if not checked, will deteriorate further and put a heavy debt burden on the State exchequer. I understand that the State Government has decided to increase the user charges in the irrigation and education sectors. These are welcome steps but it is understood that the proposed revised rates would still be inadequate, which will affect mobilisation of State own resources.

It is noted with appreciation that during the first three years of the Ninth Five Year Plan Karnataka recorded a growth rate in GDP, at factor cost, of 5.0%, 10.5% and 5.0% respectively against the national average of 5.0%, 6.8% and 5.9% respectively, although the average growth rate recorded for the three years is 6.8% and the growth rate for the next two years of the Ninth Plan is anticipated to be 6.5% against the Ninth Plan target of 7%, implying a marginal shortfall. I

have no doubt that under your able stewardship the State Government will keep up this tempo of growth.

Karnataka also deserves appreciation for its excellent performance in the health and family welfare sector. The health indices in the State are better than the national average and I understand that the State is likely to achieve a NRR of 1 by 2009. The State has also a good primary health care infrastructure even in tribal areas and it has more than the required number of Sub-Centres and PHCs as per the national norms based on 1991 population. However, the CHCs and district hospitals need strengthening, as the performance in certain districts has not been satisfactory. Large gaps exist in critical para-medical staff in the primary health care institutions. I also note that the performance of the State in the Revised National Tuberculosis Control Programme is sub-optimal. Further, there has been a decline in the number of acceptors of family planning methods and the coverage of immunisation has been progressively decreasing. Therefore, it goes without saying that the State needs to improve the performance in family welfare programme so as to achieve the desired NRR of 1 by 2009.

Although Karnataka had a literacy level of 56.04% in 1991, which was higher than the national average of 52.21%, this situation has deteriorated by 1997. Despite extensive educational systems for the SCs and STs implemented by the State Government, the literacy levels of SCs / STs in 1991, particularly those of females, continued to be lower than that of general female population. The State Government needs to take urgent steps to arrest this trend and restore the good performance on the past with special emphasis on the education of SCs / STs, especially females. I notice that the share of the education sector in the total sectoral outlay during the first three Annual Plans of the Ninth Plan remains almost static at about 6%, which could be one of the contributory factors to the somewhat low performance in this sector.

The percentage of rural population living below the poverty line in Karnataka has declined from 36.33% in 1983 to 29.88% in 1993-94 compared to the all-India figures of 45.65% and 37.27% respectively. It is also noted that as per the latest estimates (1993-94)

33.16% of the families were living below poverty line in the State against the all-India average of 35.97 per cent. Mr. Chief Minister, undoubtedly these represent a commendable performance by the State Government. However the Impact Assessment Study undertaken by TECSOK during September 1999 for the various programmes under the Ministry of Rural Development in four blocks of the erstwhile Mysore district has revealed certain shortcomings, which need to be addressed expeditiously so as to take the maximum benefits out of these schemes. I understand that the study has made certain important recommendations and I cannot over-emphasise the imperative need for taking follow-up action on these recommendations.

I am happy to note that the State Government has taken up very seriously the power sector reforms. The State Electricity Regulatory Commission has become operational and the first proposal for tariff fixation is under the consideration of the Commission. However, I would urge upon the State Government to plead before the Commission for fixing a rational tariff structure so that the power sector reforms can become an effective tool in providing quality power at affordable rates to the consumers. I cannot but draw your pointed attention to the extremely low agricultural tariff as against the large share of 45% of consumption by this sector. Even the rate of 109 paise per unit, proposed during the current year, is quite low compared to the average cost of supply of 321 paise. Should the State Government feel that subsidy cannot be eliminated overnight it would be worthwhile to take a bold decision that subsidy is only provided to the deserving targeted lot and adequate State subvention is provided to compensate the loss by the power utilities.

Agriculture and allied activities account for 37.6% of the State income and 69% of the population of the State are engaged in these sectors. I understand that a new agricultural policy was announced by the State Government focussing on efficiency in the use of resources through integration of land, animal and water-based activities to raise productivity on a sustainable basis and improve the living conditions of farmers. Karnataka also grows a wide variety of crops including rice, jowar, ragi, maize, gram etc. However, it has been noted that the

average production of coarse cereals is fluctuating from year to year. I have been told that even though in certain areas the production has declined, the average agricultural production has improved as the State Government has taken a deliberate policy of changing the cropping pattern for better yield. However, it is noted that fertiliser consumption is on the rise in the State and compares unfavourably on an all-India basis.

There are a few points of concern in the irrigation sector. I understand that the prevailing water rate in force from 1985 is very low and even though the new rate proposed by the State Government represents a sharp increase over the existing rate, it is still not up to the desired level. There is also the problem of extensive use of ground water. I understand that there is over-exploitation of ground water in 6 blocks and there are about 12 dark blocks in the State. I would urge upon the Chief Minister to pay urgent attention to these problems.

The industrial sector contributes about 1/5th to the State's Gross Domestic Product and in the Eighth Plan the industrial growth has been about 6% per annum. Though Karnataka has been ahead of others in the availability of skilled engineers and technicians from educational and research institutions and trouble-free industrial relations, the State needs to provide improved infrastructure facilities like power, water and roads so as to keep up its tempo of accelerated industrial development. I am happy to note that the State Government has initiated a move for disinvestment and already some PSUs like Mangalore Chemicals and Fertilizers and J.K. Tyres have been privatised. The State has also set up a Restructuring Commission and cases of 8 units for disinvestment are under the consideration of the Commission.

I am happy to note that the State Government has identified education, housing and irrigation as the thrust areas for improving the lot of SCs/STs and the schemes taken up in these areas have received greater attention in the Ninth Plan. However, it is a matter of great concern that in an otherwise well-administered State like Karnataka it remains to rehabilitate only 1820 scavengers out of the identified 8800

scavengers. I don't want to over-emphasise the fact that the existence of scavengers even after more than 50 years of Independence is the greatest evil in our society.

Mr. Chief Minister, I have touched upon certain important issues and I do not want to take your valuable time by going into more details. During the last Annual Plan discussion with the State Government we have suggested the preparation of a Vision 2020 Document for the State. I understand that the State Government has already constituted a number of Task Forces to prepare the Vision Document for different sectors, which, I presume, are steps to the preparation of Vision 2020 document as suggested by us.

** Opening remarks at the discussion on the Annual Plan of Karnataka for 2000-01*

KERALA PLAN FOR 2000-01*

I extend my warm welcome to the Chief Minister and his colleagues to this meeting to finalise the size of the State's Annual Plan for 2000-01. The formulation of Annual Plan is a cooperative endeavour between the Planning Commission and the concerned State Government. Ideally, this exercise should precede the Budget presentation, which had not been possible this time for unavoidable reasons. The formulation of the Plan and its implementation call for continuous dialogue and interaction between the Planning Commission and the State Government. I hope that during the course of this year we will get many more opportunities to hold consultations with the State Government on a continuing basis.

I must, at the outset, compliment the State Government for its excellent performance in social development. Kerala has the lowest Birth and Death Rates in the country and has achieved the replacement level fertility rate. The Infant Mortality Rate has also been the lowest. It is well known that the Literacy Rate in the State, including female literacy, is among the highest in the country. Education up to the higher secondary stage is free and Kerala has also a good infrastructure to provide free health care. I am also pleased to note that the female child is generally not discriminated against in Kerala where the population of women outnumbered that of men. The high literacy, especially of women, has had a salutary effect on the demographic transformation in the State.

I must also congratulate the State for the considerable progress made in decentralised planning. I have taken note of the efforts made by the State to prepare district plans, which incorporate the development plans prepared at village and block level panchayats. I would, however, recommend that this process should be strengthened by harmonising local perspectives and national priorities. I would also suggest that

periodic evaluation may be undertaken, which would bring out the inadequacies in the field level for preparing local plans and enable us to find out how far rural poverty has declined in the State.

The economic development of the State has, however, been quite slow. The State does not produce even half of its food requirements but depends on import from other States. Over the years, there has in particular been a decline in the net sown area and the area under foodgrains has been declining at the rate of around 3.58% per annum. There has also been stagnation in the average yield of rice during the last 5 years. The plantation sector, though generally performing well, has been susceptible to fluctuation in export prices.

The State has also lagged behind in industrial growth and development except in the development of the tourism industry where impressive growth has been recorded. I do not know whether the State is satisfied with the quantum of private investment in the State so far. A large number of public sector industrial units, I am told, are making a negative contribution to the State's economy. Lack of private sector investment in the large and medium industries coupled with inadequate progress in the development of small-scale, cottage and traditional industries have resulted in a high unemployment rate.

We are also concerned about the irrigation and power sectors in your State. Several irrigation projects have been continuing from one Plan to the other without getting completed in a time-bound manner. The prevailing water rates do not cover even a small portion of the maintenance cost. In the power sector, the reforms are yet to be carried out. While the physical parameters have improved, the Electricity Board is continuing to incur losses mainly because of the gap between the unit cost of supply and the average revenue per unit, despite the tariff revisions made recently. The coverage of rural water supply and sanitation under the Rajiv Gandhi National Drinking Water Mission is also reported to be lower than the national average.

The Kerala State Road Transport Corporation has been incurring losses in spite of satisfactory physical performance. The revision in fare in October 1999 is a step in the right direction. In order to wipe out the

losses, it is necessary for the Corporation to improve its efficiency further. It is equally important to rationalise the concessions totaling Rs.36 crore extended to special categories of commuters.

I have touched upon a few sectors and some specific issues, which have emerged over the years in the Plan implementation in Kerala. We need to take a holistic view of our developmental efforts to take the State's growth still further. It is desirable that a long-term perspective plan in the nature of a 'Vision 2020' be adopted. Such an exercise can be a joint effort of the State Government and the Planning Commission and can focus on a wide gamut of issues, both in the government and non-government sectors. I would welcome your reaction in this regard.

* Opening Remarks at the discussion on the Annual Plan of Kerala for 2000-01

MADHYA PRADESH PLAN FOR 2000-01*

I welcome the Chief Minister of Madhya Pradesh, his colleagues and the officers accompanying him in today's meeting. As a part of this Annual Plan exercise the Principal Adviser and other officials of the Planning Commission had visited Madhya Pradesh. Detailed discussion has taken place with your officials on the schemes of your State.

I am glad that in several areas, Madhya Pradesh has taken very good initiatives and efforts. I have seen that Madhya Pradesh has Accelerated much of its developmental growth during the Nineties as compared to the Eighties. It is also remarkable that in Madhya Pradesh concrete steps have been taken to implement the 73rd and the 74th Amendments to the Constitution and 18 subjects have been transferred to the Panchayati Raj. In the field of literacy also Madhya Pradesh has made good progress. In the last decade female Literacy Rate has increased from 28.85% to about 41 per cent. I welcome this achievement. But it is a matter of concern that about 65% of the Scheduled Caste and about 80% of the Scheduled Tribe women are still illiterate. The drop-out rate of students belonging to the Scheduled Castes and Scheduled Tribes between the 5th and the 8th classes is 66 per cent. This needs special attention.

Your State has made good efforts to provide health care facilities. But the health and demographic indices of the State still remain well below the national level. I am glad that your State has brought out a State Population Policy, which has set ambitious targets for reduction in Birth Rate and improvement in health status. I fully believe that you must achieve the set aims and goals within the scheduled time-frame.

Wheat produced in Madhya Pradesh is of very good quality but the per unit area productivity is quite low. The productivity levels of paddy and other crops are far below the national averages. This requires special

attention by taking immediate steps so that production can be increased and Madhya Pradesh too would become at par with other States in the field of agriculture productivity.

I have been informed that the soyabean farmers are facing difficulties in getting proper price for their product. The possible reason is that soyabean cake fetches low price in the international market. We should also think of how soyabean can be transformed into a high-priced product so that the farmers need not depend only on the export of cake.

I am glad that the State has set up a Power Regulatory Commission and the Central Ministry of Energy has approved the draft for dividing the State Electricity Board into separate units. Now the State Government can accelerate the re-structuring process. There was a difference of about one rupee between the average power tariff and the average cost of supply in 1999-2000. The difference is more pronounced in the case of agricultural tariff. The share of agriculture in power consumption is about 43 per cent. In order to reduce the commercial deficit, the tariff needs to be revised.

The State Government has done commendable work of transforming the Open Cast Manganese Mine area, situated at Tirodi of Balaghat district and in Jhabua district into green plains. The use of wastewater, especially in the waterlogged areas, can be of great help in developing oxidation ponds, which would be useful for the development of fishery and conservation of environment. They can also become economic resource.

Madhya Pradesh has the largest number of tigers in the country and this is the most sensitive area as far as illegal smuggling of wild life is concerned. For wild life preservation it is necessary to ensure the co-operation of the people living in the surrounding areas. Towards achieving this purpose, it may be necessary to make adequate efforts to tackle the problem of destruction of crops by Cheetals, Neelgai and wild pigs.

The Planning Commission has decided to prepare the "State Development Report" for several States and a Core Group for Madhya Pradesh has already been formed. Work will start on this report very soon.

This year the Planning Commission has decided that a "Core Plan" may be determined based on the identifiable financial resources. The Core Plan for the year 2000-01 should be fixed on this basis.

I assure that the Planning Commission would try to give all possible assistance to Madhya Pradesh. As you are aware, an amount of Rs.6 crore has been given as Additional Central Assistance to the State for the development of Orchha a few months ago. It is the responsibility of the State that this additional grant is utilised in a time-bound and effective manner.

** Opening Remarks at the discussion on the Annual Plan of Madhya Pradesh for 2000-01*

MAHARASHTRA PLAN FOR 2000-01*

I extend my warm welcome to the Chief Minister and his colleagues to this meeting to finalise the Annual Plan of Maharashtra for 2000-01.

I would like to congratulate the State Government for achieving an annual growth rate of 7.1% during the year 1999-2000 as also a per capita income level, which is higher than the per capita national income. As compared to other States, the resource mobilisation in Maharashtra has been commendable and the State has been able to realise 65% of the Ninth Plan projections during the first three years. However, the State has not been able to adhere to the projected structure of financing, which envisaged 3% of the resources as State's own funds, 57% as State's own borrowings and about 40% as Central Assistance. The total borrowings, however, exceeded the total resources mobilised during the three Annual Plan periods and consequently the interest liability rose from 16% in 1997-98 to 23% in the Budget estimate for 2000-01. The other areas of concern on the financial front are the negative BCR since 1999-2000 and the increased negative contribution of the public sector enterprises during the first three years of the Ninth Plan. Moreover, the annual expenditure during the first two years of the Ninth Plan have substantially fallen short of the Plan outlays, although I am told that the resources mobilised during the year 1999-2000 is in consonance with the approved Plan.

Maharashtra today ranks as one of the advanced States in the Union of India. The progress in education is commendable. According to the 53rd round of NSSO (1997) the literacy level stands at 74% as against the national average of 62 per cent. Large gaps, however, exist between the urban and rural areas and in 103 backward blocks, the female literacy level is lower than the national average. I am also happy to note that the health indices are much better than the all-India average with the Crude Birth Rate at 22.3, Crude Death Rate at 7.6,

Infant Mortality Rate at 49 and life expectancy at 63.4. The comparative position has already been shown to you in the presentation made by the Planning Commission. The State must, however, gear up to fully meet all the unmet needs for contraception as also the replacement level fertility by 2005. Steps may also be taken to meet the health facilities in the backward areas as also poorly performing districts to reduce the regional disparities in the health sector.

As per the Economic Survey of Maharashtra, the foodgrains production has declined and the yield per hectare is below the national average. Though wheat production has shown improvement, rice production is stagnating around 23-25 lakh tonnes. We are also concerned about certain aspects of the irrigation sector since many schemes are continuing since the Sixth and the Seventh Plan. There is also a wide gap between the irrigation potential created and its utilisation. I was told that the State Government had already been advised by the officials of the Planning Commission, when they visited the State last, to re-prioritize the allocations so that funds could be made available to meet the requirements of the ongoing programmes, which should be completed at the earliest.

Though the Maharashtra SEB has been one of the few SEBs, which has been operating efficiently and earning cash profits, its performance has deteriorated during the past one year. The MSEB, which had a net commercial profit of Rs.160.36 crore without subsidy in 1998-99, is now reporting a net loss of Rs.960.26 crore in 1999-2000 (RE). The average recovery, which was 96.7% of the unit cost of supply during 1998-99, is now reported to be 88% in 1999-2000 (RE). The SEB achieved a rate of return (without subsidy) of 1.9% during 1998-99. However, the revised estimate for 1999-2000 indicates a negative ROR of 10.72 per cent.

The physical performance of MSRTC in terms of accepted indicators is better than the national average. The fleet utilisation, vehicle productivity and bus-staff ratio of MSRTC for 1998-99 are 92.07%, 306.94 kms. and 7.05 respectively as against the national average of 89%, 278 kms and 7.6. Although MSRTC is showing operational

surplus, the financial health of the Corporation is not satisfactory. The Corporation incurred a net loss of Rs. 169.64 crore in 1997-98, which is estimated to go up to Rs. 353.58 crore in 2000-01.

As much as 38.7% of the population of Maharashtra live in the urban areas as compared to the all-India average of 25.7%, putting a severe strain on the existing urban infrastructure and services including housing. The total slum population of the State as per an estimate based on the 49th National Sample Survey is 72.97 lakh and poses a major challenge to the town planners and the housing agencies. Though the State Government is reportedly making efforts through its agencies for meeting the housing requirement of the poor, the gap between demand and supply is clearly a challenge for the future. The development and upgradation of small and medium towns would require more focussed attention both in order to lessen regional backwardness as also to check migration from the less developed to the more developed parts of the State.

The Planning Commission is aware of the problems of the metropolitan areas like Mumbai and also the problems relating to the six naxalite-affected districts. The special areas of concern have already been focussed during the presentation made by the Planning Commission as also the Government of Maharashtra.

I have touched upon only some of the important sectors. I understand that you have considered the recent visit of a team of officials from Planning Commission to your State useful. I can assure you that the Planning Commission will continue to hold consultations with the State Government on a regular basis.

As was suggested during the Annual Plan discussion last year, the State Government may kindly take urgent steps to prepare Vision-2020 Document for the State.

* *Opening Remarks at the discussion on the Annual Plan of Maharashtra for 2000-01*

MANIPUR PLAN FOR 2000-01*

I welcome the Chief Minister, his colleagues and officers to this meeting for the finalisation of the Annual Plan for 2000-01 of Manipur. We in the Planning Commission look forward for an opportunity to discuss the developmental needs of your State from time to time. This time I made a little departure from the previous meeting. Official-level discussions were held by senior officers of the Planning Commission led by Dr. A. K. Kundra, former Principal Adviser, at Imphal on 4th May 2000. This has given us a better perception of your problems and constraints, which we would like to address.

I find that Manipur's per capita State Domestic Product (SDP) at current prices has slid down. The internal security problems have also adversely affected the economic progress in the State. The progress achieved under Indira Awas Yojana is quite encouraging. The State Government may now carry out housing census to know the exact housing shortage in the rural area.

It is heartening to note that the overall literacy level in Manipur has increased significantly to 76%, which is higher than the all-India average of 62 per cent. But at the same time it is a matter of concern that the drop-out rates in the primary sections are as high as 65 per cent. Moreover, there are significant inter-district disparities, which should be progressively corrected.

In spite of the low population density and difficult terrain, the State has achieved health and demographic indices, which are better than the national average. However, it is disturbing that drug abuse is emerging as a serious problem, contributing to high HIV infection rates. The State Government has to accord a higher priority for the drug de-addiction programmes and containment and control of HIV infection.

It is a matter of concern that though there has been a steady expansion in the agricultural area covered by the major crops of the State, the production has fallen down. More efficient farming techniques, which would result in increased productivity, will need to be adopted. Besides, more intensive cultivation of vegetables and tropical fruits could also be profitably pursued in the coming years. Manipur offers considerable possibilities in respect of horticulture, orchids and spices. It has commercial potential of production of medicinal and aromatic plants and herbs. I suggest that you may work out schemes in each of these areas and also involve the private sector with a view to earn valuable foreign exchange for the country and generate sustained employment opportunities in the State.

There is a wide gap between the overall tariff and the cost of supply of power, even after the recent revision. This merits re-examination and suitable rationalisation.

The State Government has not fully utilised its irrigation potential. As per the CAG Report, despite the passage of 16 years, the Khuga Multipurpose Project, which was initially scheduled for completion by 1987-88, is still under construction mainly because of inadequate funding by the Government, poor planning and implementation. I understand that Bailey Bridge components, costing Rs. 54.64 lakh, procured during March 1987 to February 1989 are still lying unutilised. This needs to be looked into.

In 1999-2000 a total amount of Rs. 121.67 crore was provided to the State Government from the Non-lapsable Central Pool of Resources for infrastructure development in the State. It is necessary that the State Government should send the utilisation certificates and the quarterly progress reports in time to facilitate timely release of funds.

I understand that the State Government, in pursuance of the MOU signed with the Ministry of Finance, has revised the tax structure and initiated measures to bring down the non-Plan, non-developmental expenditure. The State Government should increase the States' own

resources by strict financial management, better supervision of revenue collection and bringing some more items and services in the tax net to generate more income. The State should also reduce its administrative expenses and create assets, which would generate income to the State Government.

* *Opening Remarks at the discussion on the Annual Plan of Manipur for 2000-01*

MEGHALAYA PLAN FOR 2000-01*

I extend my hearty welcome to the Chief Minister of Meghalaya and his colleagues to the Planning Commission to discuss the developmental needs of the State and finalise the State's Annual Plan for 2000-01. This year we made a little departure from the earlier practice. The official-level discussions were held by a team of senior officers of the Planning Commission at Shillong earlier this year, which provided us an opportunity to have a better perception of your difficulties and constraints.

The mid-term review of the Ninth Plan has revealed that out of the Ninth Plan allocation of Rs. 2500.62 crore, Rs. 1247 crore were allocated during the first three years but the actual expenditure has been only Rs. 891.20 crore, which was 35.6% of the Ninth Plan allocation. For the Annual Plan 1999-2000, the agreed outlay was Rs.465 crore. At the request of the State Government, made in February 2000, this was revised to Rs 350 crore. The actual expenditure was only Rs. 343.28 crore.

During the Ninth Plan the State Government has put more emphasis on the development of agriculture as 80% of the State's population is engaged in agriculture and related activities. The State Government has been diversifying the area to horticulture, including vegetable crops, which is gaining momentum. The farmers are being encouraged to grow spices, rubber and tea under various schemes so that the State could get the benefit of value-addition. Nonetheless, this sector needs to be further diversified by accelerating the development of horticulture, floriculture, plantation crops, aromatic and medicinal plants and mushrooms with necessary processing and marketing facilities.

In spite of the difficulty in access to primary health care because of poor connectivity, the State has low IMR compared to the national

average. The decline in the immunisation coverage and the rising trends in malaria cases need to be effectively tackled. There is a need to improve the performance under all the centrally sponsored schemes.

I find that the road intensity in Meghalaya is low at 31 KM/100 Sq. KM as against the all-India average of 61 KM/100 Sq. KM and only 47% of the roads are surfaced.

Though the State is surplus in power generation, it has not been able to provide electricity to all the villages, as the villages are scattered and have very low population. I hope you will speed up electrification of these scattered villages possibly by using non-conventional energy sources. I note that over the years the gap between the average tariff and the cost of supply has increased from 50.74 paise per unit in 1997-98 to 98.47 paise per unit in 1999-2000. As a result, the net commercial loss of Meghalaya State Electricity Board during 1999-2000 stands at Rs. 52.26 crore.

I note that the State Government has not resorted to ways and means advances and overdrafts due to cautious approach in regard to its finances. While the State has been making efforts for increasing tax and non-tax revenue, there is also a need to restrict its non-Plan expenditure so that the developmental work could be taken up on a larger scale.

* Opening Remarks at the discussion on the Annual Plan of Meghalaya for 2000-01

MIZORAM PLAN FOR 2000-01*

I welcome the Chief Minister, his colleagues and officers to this meeting for the finalisation of the Annual Plan for 2000-01 of Mizoram. We in the Planning Commission look forward for an opportunity to discuss the developmental needs of your State from time to time. This time, however, I have made a little departure from the previous meeting. A team of the Commission led by Dr. A.K. Kundra, former Principal Adviser, with his officers had official-level discussions at Aizawl on 30th May 2000. This has given us a better perception of your problems and constraints, which we would like to address.

I am happy to note that Mizoram has achieved the highest literacy level of 95 per cent but at the same time it is a matter of concern that the drop-out level in the primary sections is as high as 75 per cent.

The State Government, under your leadership, has been able to maintain peace, which is very important for the development of the State. The Central Government has recognised this fact by allotting Rs.180 crore to tide over your financial problems. Besides, during 1999-2000 the Government has released Rs. 62.15 crore from the Non-lapsable Central Pool of Resources for specific infrastructure development projects. I would urge the State Government to send the utilisation certificates and quarterly progress reports in time to facilitate timely release of funds.

It is heartening to know that the Government has accorded priority to agricultural production including food production. The State Government's effort to increase the irrigated area under cultivation needs a further step-up with the assistance of NABARD and the scheme of AIBP. I am glad to see that another area, in which the State Government is making appreciable effort, is development of

horticulture and vegetables. I am happy to note that the State Government is putting greater emphasis on the construction of link roads for developing better marketing facilities to the farmers. It is necessary to recognise the large scope that exists for fruit processing and marketing.

Bamboo grows in abundance in Mizoram. The Government is providing facilities for the development of handicrafts for utilising the bamboo. We appreciate the State Government's initiative in proposing the setting up of an integrated bamboo processing industry and are awaiting the State Government's revised project report on the lines discussed with the officers in the Planning Commission. I hope you will formulate bankable projects to tap all the resources available with North Eastern Development Bank.

I understand that the State Government, in pursuance of the MOU signed with the Ministry of Finance, has revised the tax structure and initiated measures to bring down the non-Plan and non-development expenditure. The State Government should increase the State's own resources by bringing some more items and services in the tax net to generate more income. The State should also reduce its administrative expenses and create assets, which would generate income to the State Government.

I am happy to note that the State Government has revised the power and water tariff from 1.3.2000 and that it has issued instructions for metered water supply to some of the consumers. I note that the Government has also raised the water charges for all non-metered consumers by 33.3 percent.

The State Government will generate additional revenue of Rs.9.00 crore with the upward revision of the power tariff. Nevertheless, there will still be a gap of Rs. 42 crore. I understand that the State Government has issued a notification for the upward revision of land revenue. The passenger fares have also been revised. I hope that you will fulfill all the commitments you have undertaken while signing

the MoU. I also hope that the State Government would reinforce financial discipline and mobilise resources in line with the size of the Plan you would like to implement.

You will recall that I have already stressed the need for a realistic assessment of the resources for determining the Plan size. An allocation of Rs. 360 crore was made for the Annual Plan 1999-2000, which was revised to Rs. 380 crore at RE stage. I am happy that the State has utilised Rs. 378 crore during 1999-2000.

* *Opening Remarks at the discussion on the Annual Plan of Mizoram for 2000-01*

NAGALAND PLAN FOR 2000-01*

I welcome the Chief Minister of Nagaland and his colleagues to this meeting, which will provide a useful opportunity to both of us to address the developmental needs of your State in the context of determining the size of the Annual Plan for 2000-01. As you are probably aware, this time we have made a little departure from the earlier practice. Official-level discussions were held by a team of senior officers of the Planning Commission headed by Dr. A.K. Kundra, former Principal Adviser (State Plans), in the State Capital earlier this year. This has given us a better perception of your genuine difficulties and constraints.

I am happy to note that significant progress has been achieved in the social sectors as reflected in literacy level of 84%, rural connectivity of 90%, electrification of 96% villages and potable water supply to 81% villages, besides sound health indicators. It is, however, a matter for concern that the performance of the State in the acceptance of family planning methods has of late shown a sharp decline. Moreover, the coverage of immunisation has also declined.

The mid-term review of the Ninth Plan has brought out the fact that the progress, both in physical and financial terms, in many sectors, particularly in the poverty alleviation programmes and agriculture sector, is far below the targets. During the first three years the production of foodgrains and commercial crops was about half of the Ninth Plan target, whereas the production of oilseeds and pulses was only 18% and 11% of the respective targets. It has been noticed that according to a study done by the Tata Economic Consultancy the extent of diversion of the supplies under PDS in your State has been 100% for wheat, 40% for rice and 24% for sugar. I would like your Government to take steps to curb these diversions. The long-practised Jhumming cultivation has resulted in a sharp decline in soil fertility

and crop productivity. Soil conservation needs to be accorded top priority. For sustainable development of agriculture action needs to be initiated to utilise the irrigation potential created and increase agricultural production and productivity.

The congenial climatic conditions in the State offer considerable potential for horticulture development. Efforts being made by the State Government by way of financial and technical support for the development of orchards and production of spices and cut flowers are commendable. I hope this would facilitate rapid development of horticulture and, in turn, generation of employment and incomes in rural areas. I am happy to note that the State Government is making efforts to encourage tree plantation by creating awareness and facilitating technology transfer so that it can become a people's movement. I hope this would help in enlarging the area under forest.

The Indo-Myanmar Border Trade Agreement has opened up new opportunities to exploit trade potential. It is satisfying that the trade points have been identified and the building up of necessary infrastructure has already started. I hope that the State Government would take full advantage of this opportunity to generate income and employment.

Development of tourism, especially the eco-tourism, provides avenues of raising income and employment opportunities for the youth of Nagaland. Action needs to be initiated to encourage tourism, including training programmes to inject professionalism in tourism-related activities. However, adequate infrastructure would have to be built with the participation of the private sector. Above all, it would be necessary to create a climate of peace to take full advantage of the potential of tourism.

I understand that the operating loss of power utility has increased from Rs.16.08 crore in 1997-98 to Rs.28.35 crore in 1999-2000 and the T&D losses remain much higher than the all-India average. Against the average tariff of 190 paise/kwh, the average cost of supply was 399 paise/kwh in 1999-2000, leaving a large gap of 209 paise/kwh to be bridged. There is an urgent need to revise the power tariff

suitably, which has not been revised since 1995. The completion of the Likim-ro hydel project, partly funded out of the Non-lapsable Central Pool of Resources, should be expedited.

A total allocation of Rs.61.08 crore was made for Nagaland from the Non-lapsable Central Pool of Resources in 1999-2000 for 12 projects in different sectors against which Rs.46.08 crore have been released. Till date, the utilisation certificates for three projects only have been received. It is essential that these projects are monitored closely and the utilization certificates sent to us to enable the release of further installments well in time.

A Memorandum of Understanding was signed by the State Government in April 1999, which provided for various measures to control fiscal deficit, including expenditure and cost management, additional resource mobilisation by way of enhancing tax and non-tax revenue, effecting reforms in power and transport sectors, etc. To implement the MOU, the State Government has informed us of some measures they have taken for curtailing of non-Plan expenditure, increasing the role and responsibilities of Village Councils, raising tax and non-tax revenues and setting up expert/high-powered committees for rationalisation and redeployment of manpower and suggesting measures to effect reforms in power and transport sectors. However, it appears that the implementation of these measures during 1999-2000 has not been effective. I hope that the State Government agrees that these measures need to be pursued much more vigorously so that the MOU is implemented in letter and spirit.

* *Opening Remarks at the discussion on the Annual Plan of Nagaland for 2000-01*

ORISSA PLAN FOR 2000-01*

I welcome the Chief Minister and his colleagues to this meeting to finalise the Annual Plan for 2000-01 of Orissa.

It is heartening to know that the State has taken a number of measures to promote prudent fiscal management in order to address the grave financial position of the State. The withdrawal of existing Sales Tax concessions, levy of Entry Tax, withdrawal of subsidies to major and medium industries, simplification of regulations regarding the settling up of Sales Tax disputes, abolition of 50% of the base level vacancies, reduction of the existing manpower in government departments and other such measures will definitely help the State to tide over its current financial crisis.

Orissa was the first in the country to take up power sector reforms. I must compliment you for this. The State Electricity Regulatory Commission has been in position since 1996. Although three tariff orders have been passed and implemented, the financial viability of the power sector has not yet been achieved. This is mainly due to the high level of the T&D losses of about 48 per cent. In order to make the Orissa Grid Corporation financially viable, it is essential to take appropriate steps to reduce these losses. I am confident that you must already be taking the corrective measures for this.

We have been informed that the progress in the disinvestment process, as spelt out in the MOU signed by the State Government, has been proceeding at an uneven pace. I would request you to ask the concerned departments to ensure compliance with the MOU so that the financial position of the State improves. The State Road Transport Corporation with just 250 buses and over 4500 employees provides only 4% of the transport service in the State. The operational viability of this Corporation needs to be reviewed on a priority basis.

Coming to the social sector, I am constrained to point out that the social indicators of the State are a cause for concern. The Infant Mortality Rate at 98 per thousand is the highest in the country. The literacy level is low at 51% against the national average of 62 per cent. The level of female literacy is only 38% compared to the all-India average of 50 per cent. The percentage of rural population living below the poverty line as per the Expert Group estimates of 1993-94 is 49.72% as compared to the all-India average of 37.27 per cent.

School education needs special attention so that the existing high drop-out rate is reduced. The 13,000 vacancies of teachers in schools should be filled at the earliest and the primary school system should be suitably linked up with the ICDS so that the girl child can attend the school. Per capita expenditure on education, which is Rs.396 compared to the all-India average of Rs.535, needs to be increased.

The health facilities, particularly in the remote areas, need to be strengthened. The problem of vacancies in the health and education sectors is especially severe and needs to be tackled through innovative methods. In the discussions held recently in the State capital by our officers it was learnt that out of the 80 Mobile Health Units in the KBK area, 40 Units did not have doctors. I hope that the existing vacancies will be filled in on a contractual basis through the Zila Swasthya Samitis immediately.

The economy of the State has unfortunately been a victim to a series of natural calamities. In six out of the last ten years the State witnessed either drought or floods or cyclones. These have ravaged the State. We note, however, that the KBK area of the State has an average rainfall of 1150 mm-1200 mm from June-end to September. If properly harnessed, keeping the topographical characteristics in view, this area inhabited by extremely poor people can be drought-proofed, which will eventually lead to agricultural prosperity. It will make an appreciable dent on the poverty of the area.

We are concerned that agriculture, which is the mainstay of the economy, has suffered and agricultural productivity has not kept pace

with the average for the country. Foodgrain production has actually declined from 78.3 lakh tonnes in 1995-96 to 57.90 lakh tonnes in 1998-99. This is against the target of 158.10 lakh tonnes for the Ninth Plan. This requires a multi-pronged approach including the use of better quality seeds, increase in the use of fertilizers and disaster proofing, particularly drought proofing through watershed development and afforestation. The target for milk production for the Ninth Plan is 40.30 lakh tonnes. Against this only 7.50 lakh tonnes is estimated to have been achieved in 1999-2000. Further, the State has barely exploited about a quarter of its production potential in the fisheries sector. This also has a tremendous employment potential, particularly for poor fishermen. It requires very little capital investment to achieve this.

Although the State Government has made efforts to change some of its policies, such as the policy for non-timber forest products, whereby 60 items of NTFP have been transferred to the control of Gram Panchayats, the present policy of nationalisation of certain critical NTFPs such as bamboo, sal seeds and tendu leaves also needs to be reviewed. The discussions with the State Government departments have also shown that the problem of timely release of LCs, particularly to the forest department, continues. As a result, the afforestation programmes continue to suffer.

We are happy to note that amendments are being made in the regulations relating to alienation of tribal lands in the scheduled areas of the State. We hope that letter will be matched with spirit so that the tribals are able to regain control over their land and retain it as well. The resettlement and rehabilitation policy needs to be reviewed. Whenever a large project is planned, transparency in land acquisition and rehabilitation measures may be ensured and the local people taken into confidence.

I am pleased to learn about the strides made in information technology, particularly the setting up of the Gramsat project. This system should be used to increase transparency at the grassroots level by transmitting information on the type of projects being funded and the amount of

funds flowing into each Gram Panchayat. The State Government has made laudable efforts in attracting software export units. This will go a long way in mitigating the problem of unemployment among the educated youth.

I need hardly say that the KBK districts of Orissa need special attention. While it is important that adequate fund flow is maintained to this region, the administrative arrangements for implementation of development programmes need to be streamlined. The office of the Administrator, Special Projects is yet to be shifted to Koraput although a decision to this effect was taken long ago. I would request you to take immediate steps in this direction, as it is important that a nodal officer takes an overview of the development problems as well as the funds available for development. The High-Level Committee that has been set up for the area should be activated. This Committee would provide a very useful common forum for representatives of the Central Government and the State Government to discuss the problems of the area and chalk out an Action Plan with elected representatives. We are concerned about the endemic poverty of the region. The region is being treated at par with Special Category States for AIBP loans. It is only the joint effort of the State and Central Governments and the people of the region, which would help mitigate the problem through an approach, which includes drought proofing, improvement in the education and health facilities and more responsive and effective administrative arrangements.

The preliminary work on the Orissa State Development Report has started. This Report would give us the status of the socio-economic development of the State and also serve as a policy advocacy document. This will be a joint effort of the State Government and Planning Commission and I hope that work on this Report will be completed as per schedule.

* *Opening Remarks at the discussion on the Annual Plan of Orissa for 2000-01*

PONDICHERRY PLAN FOR 2000-01*

I take great pleasure in inviting the Chief Minister of Pondicherry and his officers to this meeting for the finalisation of the Annual Plan for 2000-01 of the Union Territory of Pondicherry.

At the outset, I would compliment the Chief Minister for the excellent health indices achieved by the UT of Pondicherry. The Birth Rate has been 18 per thousand as against the all-India average of 26.4 per thousand in 1998 and the Infant Mortality Rate has been 22 per thousand against the national average of as high as 71 per thousand during 1997. I also find that the UT has been maintaining excellent track record of managing the AIDS control programme.

I would also like to compliment the Chief Minister for the increased revenue collection of Rs.478.91 crore against the Budget Estimate of Rs.411.71 crore during 1999-2000.

It is gratifying to note that as in the health sector, the UT Administration has performed very well in the field of education as well. The overall literacy rate in the UT has jumped from about 75% in 1991 to 90% in 1997 against the all-India average of 62% with additional feature of gender divide coming down from 14.5 percentage point to 8 percentage point during the same period. In its otherwise commendable performance in the field of education, the UT needs to pay more attention to improve literacy among the Scheduled Caste population whose literacy level continues to be about 56 per cent. I would urge the UT Administration to pay urgent attention to this problem. One more programme of the UT worth mentioning in the context of education is that the UT Administration has been implementing various schemes including 15 self-help groups formed with the assistance of Southern Regional Centre, Chennai, in which economic activities are also involved, so that the targeted neo-literates, basically women, are encouraged to continue studies.

Agriculture continues to be the backbone of Pondicherry's economy with 50% of income coming from this sector, which also supports 70% of the rural population. However, with progressive urbanisation and other industrial activities the net cultivated area is likely to decline by around 10% by the end of the Ninth Plan, which underscores the need for ensuring that such diversion does not adversely affect the rural population. The UT has a high level of fertilizer consumption, which would call for soil testing and if such a testing indicates adverse effect on the soil, the same needs to be corrected by use of bio-fertilizer and organic manure. I understand that the UT Administration is seized of these problems and is taking necessary corrective steps.

Another area of concern is over-exploitation of ground water in Pondicherry. There is an urgent need for recharging ground water as also for regulation of exploitation of ground water. I understand that a Bill to regulate the use of ground water in Pondicherry was presented in the last session of the Assembly in April 1999. This needs to be enacted as a law for attaining the desired result.

It is noticed that the performance of the Administration under the Rural Poverty Alleviation Programmes is not up to the mark with Employment Assurance Scheme showing particularly poor performance causing concern. Considering the importance of the programme, I need hardly emphasise that the Administration would pay a serious and urgent attention to this programme for the benefit of the rural population. This also underscores the need for elected Panchayats so that the problems of rural people get adequate attention. I would urge upon the Chief Minister to ensure that elections to the Gram Panchayats are held at the earliest.

Even though Pondicherry is an industrially backward area, due to the sustained efforts of the Administration, it has been able to make steady progress towards industrialisation. But, I am told that the State-owned Anglo French Textiles Corporation, which was hitherto competing with other mills in the organised sector, has now been incurring losses for the sixth consecutive year due to various factors. The problems need to be sorted out on priority basis and the health of the mill improved at

the earliest. The UT Administration would like to consider setting up effluent treatment plants at various industrial sites so as to keep the environment eco-friendly. The UT Administration may also give due priority to prevention of soil and coastal erosion by planting of tree saplings on the banks of rivers, channels, tank bunds, road sides and coastal areas, in a big way.

In the power sector, the financial performance of the Pondicherry Electricity Department has been noteworthy with average tariff charged being more than the cost of supply of power in the past. However, I find that for the year 2000-01 the average tariff rate is lower than the average cost of supply. There is a need to reduce the gap by rationalisation of tariff so that Pondicherry restores and maintains its past healthy record of recovery. The average agricultural tariff continues to be very low at 8 paise per unit and this calls for immediate revision. The Electricity Regulatory Commission needs to be in position at the earliest to expedite power sector reforms.

I find that the record of providing Basic Minimum Services (BMS) in the UT has been satisfactory. The number of primary schools as per norm has been set up. So far as primary health care is concerned, there are more Sub-Centres and PHCs than required as per the norms for 1991 population. Also it has more manpower than the required number, except specialists, at the CHCs. It is important that the UT builds up appropriate referral linkages between the primary, secondary and tertiary care institutions to meet the complex health care needs of the population, including management of non-communicable diseases. All the 264 villages have been connected with roads and safe drinking water has been provided to these habitations. However, all the four regions of the UT, being located in the seacoast with ferro geological formations, frequently meet with qualitative problems of salinity, iron and fluoride in water, which needs focused attention. It is heartening to note that the UT of Pondicherry has already eradicated manual scavenging.

Pondicherry has a network of 577 kms of bus-plying road under PWD. The emphasis in the Ninth Plan should be on improvement and up-

gradation of the existing roads and qualitative upgradation of bridges, etc. It is noticed that Tourism and Transport Corporation, a Government agency, has been incurring losses. Considering the prospect of tourism, the Administration may explore the feasibility of private sector participation in road transport and tourism sectors.

In view of the resource constraints I would urge upon the Chief Minister to prepare a core Plan, which should get priority in resource allocation vis-à-vis the non-core Plan.

Mr. Chief Minister, to-day's meeting is for finalisation of the Annual Plan 2000-01 but I take this opportunity to appreciate that your UT Administration has initiated action on the preparation of Vision 2020 Document for Pondicherry.

* Opening Remarks at the discussion on the Annual Plan of Pondicherry for 2000-01

PUNJAB PLAN FOR 2000-01*

I extend a cordial welcome to the Chief Minister of Punjab, his colleagues and the team of officers to this meeting.

Annual Plans are operative means for fructification of long and medium-term development objectives. Meaningful attainment of targets and objectives is possible if such Plans are carefully formulated and then implemented in time. In seeking to objectify this process, the Planning Commission has always endeavoured to play a supportive role. By way of providing a new orientation to this role, I have asked the officers of the Planning Commission to undertake frequent tours of the concerned States so that they can be more interactive with the State Government and I have every reason to believe that this has proved useful. I would also add that the presentation we have just seen about your State is another feature introduced from this year, which will help to make the Annual Plan discussions with the States more interactive.

I must reiterate that the formulation of a realistic Plan and its effective implementation will always pay dividends. As a starting point, I think we could observe that Punjab's Plan expenditure in the first three years of the Ninth Plan has been rather less than the agreed outlay. It is also a matter for concern that the committed expenditure has been increasing rapidly in comparison to the moderate growth in revenue receipts. The tax-SDP ratio for Punjab is declining over time. In 1997-98 this share has been 7.3% and is substantially less than that for Kerala (14.3%), Karnataka (12.2%) and Gujarat (10.5%). Large sums of borrowed funds are being drawn upon, *inter alia*, to sustain PSEs. Let us also note that Punjab could not fully avail of the conditional portions of agreed Central Assistance mainly relating to EAPs and AIBP. It would be advisable for Punjab to take up more EAPs, as is the case in States with comparable economic setting like Maharashtra, Karnataka and Tamil Nadu.

The growth rate of the State economy, which was 5.4% during the eighties, has dropped to 4.1% in the first two years of the Ninth Plan. Punjab, with its commendable level of human development performance and infrastructure base, is expected to play a leading role in the country. Punjab's per capita income (viz. NSDP at current prices) of Rs.19500 for 1997-98 continues to be the highest followed by that of Maharashtra, Haryana and Gujarat. Its level of foodgrains production continues to be excellent. Consolidation, diversification and further augmentation of a multi-faceted developmental thrust in agro-marketing activities will need an assured provision of input services by the State Government. I am confident that Punjab will rise to the occasion and will simultaneously address problems like depletion of water table in some areas, excessive use of chemical fertilizers and deteriorating soil health.

In one prioritised area, that of modernising an extensive irrigation network, Punjab seems to have been depending rather heavily on loan assistance in recent years. The State's Irrigation Department is also incurring operating losses. Viewed in this perspective, your policy of supplying water for irrigation free of cost does not seem to be advisable, quite apart from the question of wasteful use of a precious natural resource. In such circumstances there is a strong case for levying rational irrigation charges and adoption of better water conservation techniques.

Punjab has already augmented its installed power generation capacity by 420 MW in the first two years of the Ninth Five Year Plan. It is unfortunate that the time and cost overruns for the Ranjit Sagar Project have been excessive but this negative picture is mitigated somewhat by the expectation that all the four units of the Project are to be commissioned during the present financial year. There is concern about the deteriorating financial performance of Punjab SEB with its net commercial loss of Rs.1340 crore in 1999-2000. The Planning Commission feels that the present policy of supplying free power to farmers is not in the larger interest of either farmers or the State exchequer. Under the circumstances the State should go in for

rationalisation of power tariff, which, it may be recalled, is one of the items of the MOU for fiscal reforms. The goal of providing continuous good quality power to consumers at a reasonable price raises the question of power sector reforms. It would be encouraging to know that Punjab has initiated steps in this direction.

Priority should be given to the creation of infrastructure. However, the State is relying heavily on NABARD and HUDCO loan assistance for financing the prioritised works of construction, modernisation and upgradation of infrastructure. The State's road transport undertakings have been able to show good operational performance in terms of fleet utilisation and staff productivity but they are simultaneously incurring losses. Streamlining of overhead expenses and rationalisation of fare structures seem unavoidable.

The efforts of the State Government aimed at industrialisation appear to be mainly directed towards providing incentives to prospective entrepreneurs in large and medium scale industries. However, the agro-based and small-scale industries, with their employment potential, deserve the special attention of the State Government.

Improved provision of social services to all, with special attention to the vulnerable groups, is a must for a progressive and caring society. I would urge that development of institutions and infrastructure for social services and their consolidation should be comprehensively prioritised in the Plans. Disbursement of money to beneficiaries should not be the sole indicator of achievement. We must also recall that Punjab has a proud tradition of meaningful private initiatives for providing help in such fields as welfare of the disabled, help for destitute and medical attention to victims of accidents. These initiatives must be nurtured and strengthened.

A great deal remains to be done for villages. Here I would draw your attention to the Pradhan Mantri's Gramodaya Yojana (PMGY). It is a new initiative in place of the earlier BMS from this financial year and it aims at assured provision of sustainable human development at the village level. I solicit your full cooperation to make this venture a major success. The Panchayati Raj Institutions (PRIs) are now entrusted

with planning and implementation of a large number of social sector and rural development programmes. I would urge that PRIs should be functionally empowered with devolution of adequate funds. You may recall that the Government of Punjab was given ACA of Rs.20 lakh in 1998-99 for the preparation of State Human Development Report. I would request the State Government to get the report prepared expeditiously.

It appears that you have scheduled the NABARD-aided rural water supply scheme for implementation from the current financial year. While on this subject, it is also suggested that the Government of Punjab may fully utilise the Central funds available under the Rajiv Gandhi National Drinking Water Mission.

Your performance in the education sector deserves special mention. Punjab has fully achieved the national norms for establishment of schools at different levels. Punjab also has in position a good network for imparting technical education. I am happy to know about your programme for setting up the first ITI for disabled at Patti in Amritsar district. Your programme for prioritising information technology (IT) development in the State is also well appreciated. You will, however, have to make special efforts to improve female literacy in Ferozpur, Bhatinda, Sangrur and Faridkot districts.

There are certain areas with special developmental problems because of geographical location or topographical features. In the vicinity of the Kandi Hills, the Government of Punjab is implementing the second phase of the WB-aided Integrated Watershed Development Project. Supplementary developmental efforts for the area should be strengthened under State Plans too. Developmental programmes for areas in Punjab along the international border also deserve more focussed attention under the State Plans.

Coming now to the environment, I would like Punjab to initiate the Agenda 21 process across the State, both in the countryside and in the towns and cities. Let the municipalities and local authorities chalk out a sustainable future for the cities. Let Punjab, one of the most prosperous States in the country, lead the way in providing clean air,

water and civic amenities to its citizens. Let it develop efficient, effective and sustainable waste management systems, set up oxidation ponds for sewage treatment in every town and city and ensure the treatment of industrial effluents to prevent contamination of soil and water from which it draws sustenance. Let an Award on the lines of the "Green Panchayat" Award be introduced for the cleanest and greenest city in the State and let local participation be encouraged. Such an Action Plan would be particularly desirable for some of its older cities where the problem of ground water pollution needs to be seriously addressed. Fluoride pollution in Ludihana and Sangrur, nitrate pollution in Patiala, Faridkot, Ferozpur, Sangrur and Bhatinda and chromium pollution in Ludhiana are causes for great concern.

Punjab has been through a very difficult and challenging period. You have applied the healing touch and brought the smile back on the face of Punjab. The time has now come to take tough decisions to mobilise resources to steer the State back to its rightful place on the path of progress. The brave land of the Gurus deserves no less. Punjab has for long been the pride of the nation, its valiant sword-arm, capable of the highest achievements and the greatest sacrifices. I am confident that it will yet again take the lead in many areas of development.

Let me wish you all success in holding the XI National Games. Before I conclude, I must congratulate you for the success of the various programmes organised for celebrating the Tercentenary of the Khalsa.

* *Opening Remarks at the discussion on the Annual Plan of Punjab for 2000-01*

राजस्थान की वार्षिक योजना 2000-2001

में राजस्थान की वार्षिक योजना 2000-2001 को अंतिम रूप देने के लिए बुलाई गई इस बैठक में मुख्यमंत्री और उनके सहयोगियों का स्वागत करता हूँ।

में राज्य सरकार को बधाई देना चाहूँगा कि आठवीं योजना के आकार को बढ़ाने के लिए राज्य ने स्वयं के संसाधन जुटाने का सफल प्रयास किया। लेकिन नौवीं योजना के दौरान संसाधनों को जुटाने के संबंध में राज्य की उपलब्धि संतोषजनक नहीं रहने की संभावना है क्योंकि राज्य द्वारा पंचवर्षीय योजना के 22525.83 करोड़ रूपए के अनुमान की तुलना में पहले तीन वर्षों के दौरान केवल लगभग 8216.42 करोड़ रूपए (36.5%) ही जुटाए जाने की संभावना है। नौवीं योजना के लिए अनुमानित funding pattern की तुलना में योजना के पहले तीन वर्षों की संभावित उपलब्धियाँ उत्साहजनक तस्वीर प्रस्तुत नहीं करती क्योंकि कुल योजना संसाधनों के प्रतिशत के रूप में राज्य के उद्योग 1997-98 में 94.26% से बढ़कर 1999-2000 में 299.66% हो गए। इसी प्रकार राज्य के अपने संसाधन (एसओआर) 1997-98 में (-) 20.49% से घटकर 1999-2000 में (-) 262.77% रह गए और गैर-योजना राजस्व व्यय के प्रतिशत के रूप में अनुमानित ब्याज भुगतान में भी पर्याप्त वृद्धि हुई है। तथापि, मुझे प्रसन्नता है कि राज्य ने बिक्री कर और विद्युत दरों में वृद्धि का संशोधन करके और गैर योजना व्यय में 10% कटौती के द्वारा व्यय का नियंत्रण करके तथा विभिन्न काडरों में 5526 पदों को समाप्त करके राजस्व आधार में सुधार करने के लिए कुछ राजकोषीय उपाय शुरू किए हैं। मुझे आशा है कि राज्य इस दिशा में और आगे बढ़ेगा।

राजस्थान राज्य सड़क परिवहन निगम का वास्तविक निष्पादन सराहनीय है। 1998-99 के लिए फ्लीट उपयोगिता, प्रति बस प्रतिदिन वाहन उत्पादकता और निगम का बस स्टाफ अनुपात, अखिल भारत औसत के 89%, 278 किलोमीटर और 7.6 व्यक्ति की तुलना में क्रमशः 90%, 280 किलोमीटर और 5.9 व्यक्ति है, जो उनके बेहतर कार्य निष्पादन को दर्शाता है। लेकिन दिनांक 24.5.1998 से लागू साधारण बस किराए को प्रति किलोमीटर 29 पैसे से कम करके 24 पैसे कर दिए जाने के निर्णय पर पुनः विचार करने की आवश्यकता है, अन्यथा इससे निगम की वित्तीय स्थिति पर उल्टा प्रभाव पड़ेगा।

राजस्थान राज्य विद्युत बोर्ड की वित्तीय स्थिति में सुधार किए जाने की आवश्यकता है। वर्ष 1999-2000 (सं.अ.) और वार्षिक योजना 2000-01 में निवल नियत परिसम्पत्तियों पर प्रतिलाभ की दर, न्यून कृषि टेरिफ दर और औसत राजस्व और विद्युत की प्रति यूनिट की औसत लागत के बीच बड़े अन्तर के कारण निषेधात्मक रहने की संभावना है। इसमें आपूर्ति की औसत यूनिट लागत का केवल 62% सम्मिलित है। वाणिज्यिक घाटा जो 1992-93 (वास्तविक) में 259.50 करोड़ ₹ था, वर्ष 1999-2000 (संशोधित अनुमान) में बढ़कर 1512.85 करोड़ ₹ बताया गया है।

मै, ग्रामीण गरीबी के विस्तार के अखिल भारतीय आंकड़े, जो वर्ष 1983-84 और 1993-94 में क्रमशः 45.85% और 37.27% थे, की तुलना में राज्य सरकार को वर्ष 1983-84 के 33.50% से वर्ष 1993-94 में 26.46% तक कम करने के प्रयास की सराहना करना चाहूंगा। तथापि, 12729 रुपये की प्रति व्यक्ति राष्ट्रीय आय की तुलना में वर्ष 1997-98 में 9356 रुपये (वर्तमान कीमतों पर) की निम्न प्रति व्यक्ति आय पर राज्य सरकार द्वारा गंभीर रूप से प्रयास किए जाने की आवश्यकता है।

कुछ सामाजिक सूचकों में भी सुधार किया जाना अपेक्षित है। पुरुष और महिला साक्षरता दर 54.98% और 20.44% है जबकि अखिल भारतीय साक्षरता औसत क्रमशः 52.21%, 64.13% और 39.29% है। महिला साक्षरता दर पर विशेष ध्यान दिए जाने की आवश्यकता है चूंकि लड़कियों का कुल पंजीकरण अनुपात, अखिल भारतीय औसत से कम है। इसके अतिरिक्त, अखिल भारतीय स्तर पर अशोधित जन्म दर एवं शिशु मृत्यु दर राजस्थान में अधिक है। मृत्यु दर और जीवन प्रत्याशा भी अखिल भारतीय स्तर से कम है। इस पृष्ठ भूमि में राज्य सरकार की राजलक्ष्मी यूनिट स्कीम और जनमंगल स्कीम, जो महिला कल्याण कार्यक्रम के निष्पादन में सुधार पर लक्षित है, सराहनीय है।

भारत का आर्थिक सर्वेक्षण (वर्ष 1999-2000) खाद्यान्नों के उत्पादन विशेषकर अनारजो और दालों के उत्पादन में गिरावट की ओर संकेत करता है। हालांकि, चावल और गेहूँ दोनों के उत्पादन में 1997-98 के 1.90 लाख टन के मुकाबले 1998-99 में 2.05 लाख टन तक वृद्धि तथा उसी अवधि के दौरान गेहूँ उत्पादन में 67.01 लाख टन के मुकाबले 68.80 लाख टन तक वृद्धि हुई है। अनाज उत्पादन को और अधिक बढ़ाने के लिए फसल क्षेत्र के प्रति हैक्टेयर उर्वरक उपयोग को

प्रोत्साहित किए जाने की आवश्यकता है। इस स्थिति में सुधार के लिए आवश्यक उपाय किए जाने की आवश्यकता है। 1999 में बड़ी व मझौली परियोजनाओं हेतु जल दरों में हाल ही में किया गया संशोधन और लंबित पड़ी सिंचाई परियोजनाओं को पूरा करने के सम्बन्ध में प्राथमिकताएं पुनः निर्धारित करना इस दिशा में सही कदम है।

राजस्थान में बार-बार पड़ने वाले सूखे, पेयजल की गंभीर कमी और इसके साथ ही अधिकांश आवासों में पानी की गुणवत्ता संबंधी समस्याओं जैसे पानी में फ्लोराइड होने और उसके खारेपन की समस्या को ध्यान में रखते हुए, राज्य के लिए यह आवश्यक है कि वह अभी हाल में तैयार की गई जल एटलस की सहायता से एक व्यापक जल प्रबंधन कार्यक्रम के लिए अध्ययन करवाए। अत्यधिक मात्रा में भूजल निकालने तथा सतही जल एवं भूजल के अकुशल उपयोग से राज्य के कई भागों में भूमि जल-स्तर में गिरावट आई है और अध्ययनों से पता चलता है कि उन आवासीय स्थलों में जहां पहले से ही जल की गुणवत्ता से जुड़ी समस्याएं हैं, अत्यधिक मात्रा में जल निकालने तथा उपयोग के कारण पानी में आ रहे खारेपन एवं फ्लोराइड से स्थिति और भी खराब होती जा रही है। योजना आयोग के अधिकारियों की एक टीम द्वारा अभी हाल ही में किए गए दौर के दौरान यह देखा गया कि मीजूदा हैण्डपम्पों में से यद्यपि लगभग 35% बेकार पड़े थे तथापि उन्हें बहुत ही कम समय के अंदर चालू हालत में लाया जा सका। यदि रख-रखाव का संतोषजनक कार्य पहले किया गया होता तो शायद यह संभव था कि बहुत से सूखाग्रस्त क्षेत्र पीने के पानी से वंचित रहने से बच जाते। अतः हम सुझाव देना चाहेंगे कि इन हैण्डपम्पों का प्रचालन एवं रख-रखाव और अधिक कुशलता से किया जाना चाहिए। सरकारी एजेंसियों द्वारा समय पर हस्तक्षेप, समस्या के समाधान को निश्चित रूप से आसान बनाएगा, विशेषकर जबकि राज्य निरन्तर सूखे की स्थिति का सामना कर रहा हो। राज्य के लिए यही सुझाव है कि वह रोजगार आश्वासन स्कीम के अंतर्गत पानी इकट्ठा करने के उपाय, जलसंभर प्रबंधन कार्यक्रमों, गैर-घरेलू प्रयोग के लिए शोधित गन्दे जल को पुनः उपयोग करने लायक बनाने तथा भूजल के अतिविक्रमपूर्ण एवं अवैज्ञानिक उपयोग को नियंत्रित करने के लिए नियामक उपाय अपनाने के लिए भी अध्ययन करवाए। ऐसा करना जलापूर्ति प्रणाली को बनाए रखने के लिए ही आवश्यक नहीं है बल्कि यह भी सुनिश्चित करने के लिए आवश्यक है कि जहां पानी की व्यवस्था की जा चुकी है, वहां पुनः पानी का अभाव न हो जाये, जैसाकि दुर्भाग्यवश, अभी हो रहा है।

उद्योग के क्षेत्र में, चीनी मिट्टी, कांच एवं चमड़ा उद्योग के विकास की राज्य में विशाल सम्भावनाएं हैं। हालांकि, इस समय, अधिकांश कच्चा माल मूल्य बढ़ाए बिना ही राज्य के बाहर चला जाता है। जैसे कि पहले भी सलाह दी जा चुकी है मैं यही सुझाव दूंगा कि राज्य के अंदर ही इन उद्योगों को प्रोत्साहन दिया जाए। इसके अलावा मैं राज्य सरकार से अनुरोध करूंगा कि वह शेष 4 विकास केन्द्रों के कार्यान्वयन को तेज करे।

मानव विकास रिपोर्ट तैयार करने में राज्य सरकार द्वारा किए गए प्रयासों की भी सराहना करते हुए मैं यह चाहूंगा कि इस रिपोर्ट को अंतिम रूप दिया जाए तथा इसका विवरण हमें उपलब्ध कराया जाए।

मैं आगे यह कहना चाहूंगा कि राष्ट्रीय ग्रामीण सड़क कार्यक्रम, सड़कों एवं पुलों तथा प्रधानमंत्री की ग्रामोदय योजना के अंतर्गत किए जाने वाले आबंटनों से राजस्थान को लाभ पहुंचेगा। ब्यौरे संबंधित मंत्रालय के साथ विचार-विमर्श से तैयार किए जा रहे हैं।

मैंने कुछ महत्वपूर्ण क्षेत्रों के बारे में ही बात की है। मैं समझता हूँ कि आपने, योजना आयोग के अधिकारियों द्वारा अभी हाल ही में किए गए दौर को अपने राज्य के लिए उपयोगी माना है। मैं आपको विश्वास दिला सकता हूँ कि योजना आयोग राज्य सरकार के साथ नियमित आधार पर विचार-विमर्श जारी रखेगा।

जैसाकि पिछले वर्ष हुई हमारी वार्षिक योजना चर्चा के दौरान सुझाया गया था, राज्य सरकार राज्य के लिए विज़न 2020 तैयार करने के लिए, कृपया आवश्यक कदम उठाए।

इन शब्दों के साथ मैं राजस्थान के मुख्यमंत्री जी को आमंत्रित करता हूँ कि वे आएँ और वार्षिक योजना 2000-01 तथा उससे संबंधित विभिन्न मुद्दों के संबंध में अपने विचार प्रकट करें।

SIKKIM PLAN FOR 2000-01*

I welcome the Chief Minister and his colleagues to the Planning Commission. We, in the Planning Commission, look forward every year to this opportunity to discuss the developmental needs of States. This time, however, I have made a little departure in that senior officers of the Planning Commission have visited the States prior to these discussions. You might recall that a team of Planning Commission officers headed by Dr. A. K. Kundra, formerly Principal Adviser, State Plans, had visited Sikkim and held useful official-level discussions in the State Capital. This has given us a better perception of your potential, genuine difficulties and constraints, which we would together try to address.

I find that Sikkim's per capita State Domestic Product (SDP) at current prices has grown at a rate of 12.6 per cent. The progress achieved under Integrated Rural Development Programme, which has a direct impact on poverty alleviation, is quite encouraging. Sikkim has also been able to implement the basic minimum services programme successfully.

It is heartening to note that the overall literacy in Sikkim has increased significantly to 79%, which is higher than the all-India average of 62 per cent. In spite of low population density and difficult terrain, the State has achieved health and demographic indices, which are better than the national average. The State is likely to achieve the replacement level of fertility shortly.

Sikkim offers considerable possibilities in respect of horticulture, floriculture, orchids and spices, which, if given proper support, would create more employment opportunities within the State. Sikkim tea is known world-wide for its aroma. However, production is limited to only 300 acres of land. Similarly, there is a need to fully exploit the

commercial potential of production of medicinal and aromatic plants and herbs in the State. I suggest that you may work out schemes in each of these areas and also involve the private sector with a view to help earn valuable foreign exchange for the country and generate employment opportunities.

Sikkim has a large potential for development of fisheries. The limited availability of trained personnel being a constraint, it is imperative to strengthen the extension facilities through training of educated youths.

Sikkim being a land of natural beauty has attracted domestic and foreign tourists. Owing to the State's inherent strength, tourism has become a promising area with considerable potential for generation of employment and income. I am happy to learn that the State Government has already taken a number of initiatives to promote tourism of various kinds like heritage and adventure tourism and has formulated a Master Plan for tourism development in Sikkim. The State Government may also explore the possibilities of involving private sector participation in financing and effective tourist management in the State.

In the power sector there are a number of ongoing schemes, which have not been completed for a considerable period of time. I would advise that these schemes should be expeditiously completed before taking up new projects during the Ninth Plan period. There is a wide gap between the overall tariff and the cost of supply, even after the recent revision. This merits re-examination and suitable rationalisation.

Sikkim is rich in bio-diversity. The latest Forest Survey indicates an increase in the green cover. Sustained efforts need to be made to improve the quality of forest cover further.

I understand that the Government of Sikkim has made the Annual Plan document 2000-01 available only this week. You will appreciate that it is in the interest of the State to ensure that Annual Plan documents are prepared in time.

You will recall that I have already stressed the need for a realistic assessment of resources for determining the Plan size. You will

appreciate that Plans must be realistic to be sustainable. An allocation of Rs. 250 crore was made for the Annual Plan 1999-2000, as against Rs.237 crore for the previous year. However, the State is expected to utilise only Rs. 176.08 crore during 1999-2000.

You will agree that the people of the State can derive the full benefit of Plan implementation only when Plan programmes and personnel requirements are closely monitored in professional manner. This is not possible in a situation when a State Government has no organised cash management. Besides, there is not a single officer responsible for budget formulation and there is very little review of budget estimates. I would strongly urge you to remedy this situation.

I understand that a sum of Rs.32.01 crore was released under the Non-lapsable Central Pool of Resources during 1999-2000 but no utilisation certificate has been made available till date for any of the schemes.

I am told that the State Government, in pursuance of the MOU signed with the Ministry of Finance, has revised the tax structure and initiated measures to bring down non-Plan non-development expenditure. These efforts would lead to mobilisation of additional resources of Rs. 2.25 crore and a saving of Rs. 10 crore owing to economy measures. It is heartening that the proposed rationalisation of subsidy on foodgrains sold through PDS will result in a saving of Rs. 30 crore.

* Opening Remarks at the discussions on the annual plan of Sikkim for 2000-01

TAMIL NADU PLAN FOR 2000-01*

I welcome the Chief Minister, his colleague and his officers to this meeting for finalisation of the Annual Plan for 2000-01 of Tamil Nadu.

I would like to begin by congratulating Tamil Nadu for achieving the distinction of being the second major State to achieve the replacement level of fertility. Population stabilisation is vital for our economic progress and I hope your achievement will encourage other States to augment their own efforts. I also note that there has been a substantial reduction in the severe grades of malnutrition in children and that blindness due to vitamin-A deficiency has become rare. I must mention, however, that although the Crude Birth Rate has remained below 20/1000 for the last five years, Maternal and Infant Mortality Rates continue to be relatively high. The State has to fully operationalise the primary health care institutions, especially the first referral units and achieve rapid reduction in IMR.

Tamil Nadu has also shown commendable progress in the field of education. The latest NSS estimates show a literacy rate of 70% in 1997, which is 7.34 percentage points higher than it was in 1991. However, the gender divide is still high at 20 percentage points. I note with satisfaction that the drop-out rate in I-V classes during 1998-99 was as low as 14.52 per cent. However, the dropout rates in classes I to VIII were still high at 26% for boys and 34.6% for girls. I am told that the policy of the State Government is to provide elementary school education in all the hamlets with the population of more than 300 within a radius of one kilometre. I am also happy to know that computer education at senior school level is being given top priority by the State Government. Further, it is heartening to note that the State Government has taken a number of steps in the field of information technology by setting up Technological Park near Chennai.

I am glad to know that State Government undertakings like TIDCO and SIPCOT are channelising their investments in creating infrastructural facilities rather than direct investment in the projects. This will undoubtedly encourage private investors to set up industries in your State.

Let me also mention some problem areas. Regarding the performance of the State Government in the mobilisation of resources for Plan financing during the past three years of Ninth Plan, I observe that the overall level of realisation of resources has been generally consistent with the projected levels. However, it may be noted that while there is an appreciable growth in tax revenue, the State can further increase its level of non-tax revenue through upward revision of various user charges. It is a matter of concern that since the level of borrowings are already high, the dependence on borrowings may have to be reduced in view of the growing debt burden of the State Government.

We are concerned about certain aspects of the irrigation sector in Tamil Nadu. The prevailing irrigation water rates were last revised 37 years ago, i.e. in 1962. They are one of the lowest in the country. I am confident that you will agree with me that it is advisable to revise the water rates upward at the earliest.

There is also the problem of excessive use of ground water. In 25% of the total blocks in Tamil Nadu, the ground water exploitation exceeds 100% of the yearly replenishment, thereby causing a serious problem of high content of nitrate in water. This problem affects 10 districts in the State. In this context, the State may like to reconsider the policy of zero power tariffs for agricultural purposes, which contributes to excessive use of ground water. There is a case for enacting legislation for comprehensive ground water regulation.

As regards free movement of foodgrains within the country, I find that there are still some restrictions imposed by the Government of Tamil Nadu on the movement of paddy and rice outside the State. I would request the Chief Minister to consider lifting the restriction on the movement of paddy and rice as the idea is to treat the entire

country as one single food zone so as to bring about uniformity and some stabilisation in the price of foodgrains throughout the country.

I find that there is immense scope to speed up the utilisation of funds allocated under Centrally Sponsored Scheme for development of horticulture.

I would also like to draw your attention to the fact that the World Bank-aided Water Resource Consolidation Project needs to be expedited.

May I also draw your attention to the problem in the power sector, which affects all States. The power sector in Tamil Nadu is better than the national average in terms of productivity and efficiency parameters but the volume of subsidy remains very high. I would request the Chief Minister to implement the recommendations of the NDC Committee on Power at least in fixing agricultural tariff. Overcharging the industrial sector in order to cross-subsidise other sectors makes industry un-competitive. You have made successful efforts to attract private investment in your State and therefore high industrial power tariff should not act as a deterrent. There is therefore a need to have a rational tariff structure. The Electricity Regulatory Commission needs to be made fully operational at the earliest.

The physical performance of the State Road Transport Undertakings has been consistently excellent. With the recent increase in fares, the deteriorating financial performance has considerably improved. However, the fare level of road transport services is still lower than what is prevailing in other States. A slight increase in fares would make the contribution of State Road Transport Undertakings positive.

Water being a scarce resource has to be protected from getting polluted. The setting up of common effluent treatment plants for leather units has improved the economy and ecology of the area. Efforts may be made to set up such plants for other industries.

I have touched upon only some of the important sectors. I understand that you have considered the recent visit of a team of officials from

Planning Commission to your State useful. I can assure you that the Planning Commission will continue to hold consultations with the State Government on a regular basis.

As was suggested during our Annual Plan discussion last year the State Government may kindly take urgent steps to prepare Vision-2020 Document for the State.

** Opening Remarks at the discussion on the Annual Plan of Tamil Nadu for 2000-01*

TRIPURA PLAN FOR 2000-01*

I welcome the Chief Minister and his colleagues to the Planning Commission and I am sure that this occasion would afford an opportunity to deliberate on the developmental needs of Tripura in the context of determining the size of the Annual Plan of the State for the year 2000-01. I am happy to note that the State Government has made an attempt to formulate its Vision-2020 Document providing a long-term perspective of its socio-economic goals.

This time the Planning Commission has made a departure from the earlier practice. Ms. Somi Tandon, Adviser (State Plan), Planning Commission recently visited Agartala to hold an official-level discussion on the Annual Plan 2000-01. The visit has given us a good idea about the achievements in various sectors of the State's economy and also the financial resources that would be available for the Annual Plan 2000-01. Till last year, Tripura could spend about 49% of the Ninth Plan outlay. You would recall that we had agreed to an outlay of Rs. 475 crore for the Annual Plan 1999-2000. The actual expenditure as reported by the State Government is placed at Rs. 452.51 crore, significantly higher than the previous year's performance at Rs. 392.25 crore.

I, in my DO letter dated 22nd February 2000, had stressed the need for a realistic assessment of resources for determining the Plan size. You will appreciate that the Plan exercise must be realistic. Otherwise, any outlay determined would not be sustainable. Despite a significant increase in the transfer of funds from the Central Government of the order of Rs.180 crore on account of the award of Eleventh Finance Commission, the Plan resources of the State for the current year have come down. This is on account of a substantial increase projected in the non-Plan revenue expenditure.

It may be recalled that an amount of Rs. 10 crore was earmarked during the year 1998-99 from the Non-lapsable Central Pool for taking up transmission schemes in the power sector. During last year, a sum of Rs. 51.41 crore was allocated for a number of schemes in regard to power, schools, irrigation and the new capital complex projects at Agartala but only Rs.22.50 crore were released, since the DPRs for other projects were not received. You would agree that infusion of financial resources alone cannot achieve the objective of Plan development for which the key lies equally in the efficient and timely execution of schemes.

I am happy to know that as a step towards decentralization of the process of Plan formulation, implementation and monitoring, the State Government has launched on 7th February 2000 in West Tripura district a programme for resource-based participatory planning and in subsequent years this is supposed to be extended to other districts as well. It is reported that rural development programmes have fared well during the first three years of the Ninth Plan.

While a sizeable portion of the population depends on agriculture, efforts made to bring larger areas under high-yield varieties, including rice, which is the major crop, as well as to increase agricultural productivity have not met with much success as yet. A good potential exists for the development and promotion of horticulture crops and plantation crops like tea, rubber and spices. Given proper technical and financial support, this sector could emerge as an expanding source of employment within the State.

It is quite heartening to note that the State has accorded priority to minor irrigation schemes. Besides, minor irrigation works have become eligible for assistance under the Accelerated Irrigation Benefit Programme (AIBP). The funding pattern has also been liberalised in favour of the Special Category States, including the North Eastern States, to the extent of 3:1 between the Centre and the States instead of the earlier funding pattern of 2:1. I would advise that the Government of Tripura to consider the "One Lakh Shallow Tube Wells Scheme" adopted by Assam, which involve active participation of beneficiaries in terms of finance and subsequent maintenance of assets.

I understand that Tripura has a literacy rate of 73%, which is significantly higher than the all-India average. The female literacy rate has also increased to 66 per cent. However, the literacy rate of the weaker sections of society, i.e., Schedule Castes and Schedule Tribes, has registered a growth rate, which is 20% less than the State level.

As on 31st March 1999 in Tripura 806 villages have been electrified, i.e., 94.3% against the village electrification position of other North Eastern States, which is 73.08% and against the all-India level of 86 per cent. However, per capita consumption of power in the State is considerably lower than the national average of 338 units. Gas-based power generation holds out promising prospects. With the recent revision in the power tariff and also improvement in transmission, it is expected that the State will be able to reduce the losses being incurred by the State Electricity Department.

Only about 12% of the workforce is reported to be engaged in the industrial sector. Tripura, however, has scope for growth of agro-horticulture-based and plantation industry. Its handicrafts and handlooms are also famous for their fine artistry and motifs. Tripura is also the second largest rubber growing State in the country. Natural gas in non-associate form is the major mineral resource of the State. Planned development of natural resources, including the gas reserves, can facilitate the process of growth of industries and create employment opportunities in the State. The development of skilled manpower also merits priority.

The performance of the Tripura State Road Transport Corporation (TSRTC) has not been satisfactory. Both fleet utilization and vehicle productivity need to be improved. The Corporation is incurring heavy losses and to arrest that situation the existing passenger fares need to be rationalised.

I am happy to learn that Tripura is making the best use of the outlays available for health. The health indices in terms of Birth, Death and Infant Mortality Rates are better than the national average. However, the shortfall in respect of sub-centres, PHCs and CHCs, as per the norms of 1991 population, needs to be bridged in order to extend

further the health care facilities in Tripura. Besides, in view of high HIV infection rates in the neighbouring States, Tripura has to improve its ongoing AIDS prevention and control activities.

The forest cover in the State constitutes about 53% of the geographical area. However, the dense forest is only about 33% of the forest cover, while the remaining area is degraded forest and a well-conceived action plan needs to be prepared to improve the quality of the forest sector.

At the end, I must emphasise the need for a cut in administrative expenses to a reasonable extent and a prudent fiscal policy to mobilise additional resources, so that the Central Plan Assistance is fully utilised for developmental activities only and for the creation of infrastructure in areas like communication, roads, power and the like. Such investment in infrastructure would facilitate the process of agricultural and industrial growth and thus create employment opportunities in the State. Funds being made available from the Non-lapsable Central Pool need to be utilised effectively and timely. I understand that, barring the transmission scheme, utilisation certificates for the other schemes have not been made available.

**Opening Remarks at the discussion on the Annual Plan of Tripura for 2000-01*

UTTAR PRADESH PLAN FOR 2000-01*

I welcome the Chief Minister of UP and his colleagues to this meeting for finalising the Annual Plan for 2000-01 of the State. The principal objective of this annual exercise is to exchange views with the States on their developmental problems and, of course, to settle the size of the Annual Plan.

It is a pleasure that the Government of Uttar Pradesh has accepted our suggestion on the concept of a "Core Plan". This should encourage financial discipline in the implementation of the plans and would, *inter alia*, help in reducing the expenditure on non-productive schemes. Last year there was a wide gap between the Plan size and the resources available. I am grateful to the Chief Minister that in this year's budget of the State he has kept the Annual Plan size on a feasible scale. This bold step of the Government of the Uttar Pradesh should be an example for other States to follow. Large schemes on paper are worthless unless backed by adequate resources.

I am happy that the Uttar Pradesh Government has taken commendable steps in the field of financial reforms and has taken solid steps towards reducing the fiscal deficit, reducing the number of Government employees, taking economy measures in respect of administrative expenses, increasing the fee of higher education and strengthening the Panchayats for decentralisation of administration over the last six months. The bold step of transferring 80,000 Government employees and 3 lakh primary teachers to the Panchayats is appreciable. I hope that the State Government will be able to adhere to the time schedule mentioned in the Memorandum of Understanding signed with the Ministry of Finance.

One-sixth of India's total population lives in Uttar Pradesh. This State is abundant in natural and human resources. Still it is backward economically in comparison with other States. The per capita income

of the State, which was near the national average in 1950, is about 40% below the national average now. Thirty-five per cent of the total population of the State was below poverty line in 1987-88 but after 6 years this has increased to 40% in 1993-94. A large number of bold steps are needed to accelerate the growth rate. I would like to draw the attention of the Chief Minister to the fact that in order to attract private investment, improvement in power, transport and other infrastructure sectors as well as improvement in law and order will be necessary.

Agriculture productivity should be increased in the State, particularly through increase in area under irrigation by recharging and scientifically exploiting the ground water resources. Also, all the obstacles in the way of processing and marketing of agricultural produce are required to be removed. There is a prospect for increasing vegetable and flower production in the State but the infrastructure relating to transport should be improved. This year we have provided adequate funds for rural roads, which should be made use of by the State.

There is a need to focus on the benchmarking of the State's key industries against its competitors at home and abroad. Modernisation programmes need to be taken up to make the State's traditional industries more competitive. The State has for long produced some of the finest weavers in the land but they have not found their rightful place in the world market. The possibility of collaborating with Institutes of Fashion Technology and fashion houses needs to be explored to elevate the handloom product to the international fashion market. The State must not allow its traditional areas of strength to decline but should focus on developing niches for them and help their developmental efforts.

Tourism, recognised as the world's largest industry, has vast developmental potential in UP. Tourism generates larger employment opportunities than any other sector of the economy. Many countries have regarded it as an answer to their economic problems and used it as an engine of economic growth. There is tremendous scope in UP for developing health and meditation centres for international tourists

apart from the Buddhist circuit. Heritage tourism would also stimulate employment in remote and backward areas and reduce pressure on the agriculture sector.

While the whole country is expected to achieve the Net Reproduction Rate of 1 by the year 2010, UP is expected to go beyond the year 2100 to achieve this rate, if the present trend continues. For UP to achieve a significant reduction in the birth rate, it is important to reduce its Infant Mortality Rate, which is at present 85 per 1000. The low percentage of institutional deliveries (15.7%), the large number of vacancies of doctors existing in rural areas and inadequacy of ANMs to provide essential health services are some of the constraints to reducing the Infant Mortality Rate. Also, 49.9% of girls continue to get married below the age of 18. The percentage of births of the order of 3 and above remains as high as 59.8% and inadequately met needs for contraception are some other factors that require attention. Therefore, for population stabilisation, ensuring health and maternity services according to demand as well as an action plan needs to be rigorously implemented through gram, kshetra and zila panchayats in partnership with voluntary agencies.

On the whole, the State has made impressive progress in spreading literacy and registered an increase of 14.4% in the literacy rate between 1991 and 1997. Even then, special attention needs to be paid to female literacy among the Scheduled Castes. Against the State's average female literacy rate of 41%, the literacy rate among the Schedule Caste women is reported to be only 8 per cent. An area, gender and community-specific approach is required to spread literacy in the State.

The position regarding natural resources is also a matter of concern. Since degraded natural resources impair economic development and physical well-being, an action plan in the nature of the Agenda 21 needs to be formulated for each region of the State to enable remedial action to be taken up. At present UP has a forest cover of 11.5 per cent. After the exclusion of the hill areas from the State, this will decline to about 3 or 4% only. A forestry action plan would have to be prepared for the development of forests and agro-forestry should

be encouraged to meet the heavy demand for fuel, fodder and industrial wood. With 11 lakh hectares of degraded land at its disposal besides a base of 60 social forestry divisions, 4 agricultural universities, 30 agricultural colleges, 71 Van Chetna Kendras and 45000 Gram Sabhas, it is not difficult for the State to achieve success in this area.

There is a lot, and much more, that could be done and needs to be done. UP is the heart of India and the heart of India must be strong and resurgent. What is required is the will to harness its talents and the capacity to move towards the desired objective. I am fully confident that the UP Government would accept this challenge and a new era of all-round development would begin. The Planning Commission, on its part, proposes to prepare an Uttar Pradesh Development Report with the active cooperation of the State Government to provide the necessary policy input for the accelerated development of the State. A Core Committee will soon be set up for the purpose and a thorough study of the State initiated.

* *Opening Remarks at the discussion on the Annual Plan of Uttar Pradesh for 2000-01*

उत्तर प्रदेश की वार्षिक योजना 2000-2001

मैं उत्तर प्रदेश के मुख्य मंत्री और उनके सहयोगियों का राज्य की वार्षिक योजना 2000-01 को अंतिम रूप देने के लिए बुलाई गई इस बैठक में स्वागत करता हूँ। इस वार्षिक प्रक्रिया का मुख्य उद्देश्य राज्यों के साथ उनकी विकासात्मक समस्याओं पर विचार-विमर्श करना और वार्षिक योजना के आकार का निर्धारण करना है।

यह प्रसन्नता की बात है कि उत्तर प्रदेश सरकार ने "कोर प्लान" का हमारा सुझाव स्वीकार कर लिया है। इससे योजनाओं के कार्यान्वयन में वित्तीय अनुशासन आएगा, साथ ही साथ अनुपयोगी प्रयोजनों (non-productive schemes) पर होने वाले खर्च में भी कमी आयेगी। पिछले वर्ष योजना का आकार तथा उपलब्ध संसाधनों में बहुत अंतर था जो व्यावहारिक नहीं है। मैं मुख्य मंत्री जी का आभारी हूँ कि उन्होंने इस वर्ष राज्य के बजट में वार्षिक योजना का आकार यथार्थ पर आधारित रखा है। उत्तर प्रदेश सरकार का यह साहसिक कदम अन्य राज्यों के लिए भी अनुकरणीय उदाहरण है। कागज पर बड़ी योजना बनाने का कोई लाभ नहीं है जब तक पर्याप्त संसाधन न हों।

यह हर्ष का विषय है कि उत्तर प्रदेश सरकार ने वित्तीय सुधारों के क्षेत्र में प्रशंसनीय कदम उठाये हैं तथा उन्होंने पिछले 6 महीनों के दौरान राजस्व घाटा कम करने, सरकारी मशीनरी में लोगों की संख्या कम करने, प्रशासनिक व्ययों के संबंध में मितव्ययी उपाय करने, उच्च शिक्षा के शुल्क में वृद्धि करने एवं प्रशासन के विकेन्द्रीकरण के लिए पंचायतों को सुदृढ़ करने की दिशा में ठोस कदम उठाये हैं। 80,000 सरकारी कर्मचारियों तथा 3 लाख प्राथमिक अध्यापकों को इन पंचायतों में स्थानान्तरित करने का साहसिक कदम सराहनीय है। मैं आशा करता हूँ कि राज्य सरकार, वित्त मंत्रालय के साथ हस्ताक्षरित अनुबंध पत्र में उल्लिखित समय-अनुसूचियों का पालन कर पायेगी।

भारतवर्ष की सम्पूर्ण जनसंख्या का छठवाँ हिस्सा उत्तर प्रदेश में रहता है। यह राज्य प्राकृतिक और मानव संसाधनों से सम्पन्न है फिर भी अन्य राज्यों की तुलना में आर्थिक रूप से पिछड़ गया है। राज्य की प्रति व्यक्ति आय जो 1950 में राष्ट्रीय औसत के आसपास थी, अब राष्ट्रीय औसत से लगभग 40 प्रतिशत नीचे है।

1987-88 में प्रदेश की कुल जनसंख्या का 35 प्रतिशत भाग गरीबी रेखा के नीचे था, परन्तु 6 वर्ष बाद, 1993-94 में यह प्रतिशत बढ़कर 40 प्रतिशत हो गया। विकास दर में तेजी लाने के लिये कई साहसिक कदम उठाने की आवश्यकता है। निजी निवेश को आकर्षित करने हेतु बिजली, परिवहन तथा अन्य आधारिक संरचना (infrastructure) संबंधी सेवाओं की उपलब्धि, प्रशासन में चुस्ती तथा पारदर्शिता, शान्ति व्यवस्था में सुधार, कुछ ऐसे ही विशिष्ट समयबद्ध उपाय हैं, जिनकी ओर मैं मुख्य मंत्री जी का ध्यान आकर्षित करना चाहूंगा।

राज्य में सिंचित कृषि उत्पादन को, विशेष कर भूजल के संभरण तथा वैज्ञानिक दोहन (recharge and scientific exploitation of groundwater) के माध्यम से, बढ़ाने की आवश्यकता है। साथ ही साथ कृषि उत्पाद के प्रसंस्करण (processing) और विपणन (marketing) के रास्ते में आने वाली सभी रूकावटों को हटाना भी आवश्यक है। प्रदेश में फल, सब्जी तथा पुष्प उत्पादन का अच्छा भविष्य है परन्तु इसके लिये परिवहन संबंधी आधारिक संरचना को सुधारने की आवश्यकता है। इस वर्ष हमने ग्रामीण सड़कों के लिये पर्याप्त धन उपलब्ध कराया है जिसका लाभ प्रदेश को उठाना चाहिए।

राज्य के प्रमुख उद्योगों को, देश व विदेश में उनके प्रतियोगियों के मुकाबले तक लाने पर ध्यान केंद्रित किए जाने की आवश्यकता है। राज्य के परंपरागत उद्योगों को और अधिक प्रतियोगी बनाने के उद्देश्य से आधुनिकीकरण कार्यक्रम शुरू किए जाने की जरूरत है। राज्य में एक लम्बे समय से बेहतरीन बुनकर रहे हैं परन्तु विश्व बाजार में उन्हें यथोचित स्थान हासिल नहीं हुआ है। अंतरराष्ट्रीय फैशन बाजार तक हथकरघा उत्पादों को ले जाने के लिए फैशन प्रौद्योगिकी संस्थानों तथा फैशन हाउसों के साथ सहयोग की सम्भावना की खोज करने की आवश्यकता है। राज्य को अपने परम्परागत सुदृढ़ क्षेत्रों का पतन नहीं होने देना चाहिए बल्कि अपने विकासात्मक प्रयासों को सहायता प्रदान करने के लिए उन्हें एक ख्यातिपूर्ण स्थान दिलाने पर ध्यान केंद्रित करना चाहिए।

पर्यटन, जिसे विश्व के सबसे बड़े उद्योग के रूप में मान्यता प्राप्त है, के विकास की उत्तर प्रदेश में बहुत अधिक सम्भावना है। अर्थव्यवस्था के किसी अन्य क्षेत्रक की तुलना में पर्यटन अधिक रोजगार अवसरों का सृजन करता है। कई देशों ने इसे अपनी आर्थिक समस्याओं का एक समाधान माना है तथा इसे आर्थिक विकास के एक साधन के रूप में प्रयोग किया है। उत्तर प्रदेश में अंतरराष्ट्रीय पर्यटकों के लिए बौद्ध क्षेत्रों के अलावा स्वास्थ्य एवं ध्यान केंद्रों का विकास

करने की विशाल संभावना है। “हेरिटेज टूरिज्म” (heritage tourism) से दूरदराज के एवं पिछड़े क्षेत्रों में रोजगार के अवसर बढ़ेंगे तथा कृषि क्षेत्रक पर दबाव कम होगा।

जबकि पूरे देश में मूल जनम दर (crude birth rate) वर्ष 2010 तक 2.1 हो जाने की आशा है, उत्तर प्रदेश को यह दर प्राप्त करने में वर्ष 2100 से भी अधिक समय लगेगा, यदि वर्तमान प्रवृत्ति जारी रही तो। उत्तर प्रदेश की जन्म दर में कमी लाने के लिए शिशु मृत्युता दर (infant mortality rate) को घटाना बहुत महत्वपूर्ण है जो कि इस समय प्रति 1000 बच्चों पर 85 है। संस्थानिक प्रसव (institutional delivery) का कम प्रतिशत (15.7%), ग्रामीण क्षेत्रों में चिकित्सकों के बड़ी संख्या में खाली पड़े पद, तथा अनिवार्य स्वास्थ्य सेवाएं प्रदान करने के लिए ए.एन.एम. का पर्याप्त संख्या में न होना कुछ ऐसे कारक हैं जो शिशु मृत्युता दर को सुधारने की दिशा में बाधक हैं। इसके अलावा अभी भी 49.9 प्रतिशत बालिकाओं का विवाह 18 वर्ष से कम आयु में होते रहना, 3 व इससे भी अधिक क्रम में बच्चों के जन्म की प्रतिशतता 59.8 प्रतिशत तक ऊंची बनी रहने तथा गर्भ निरोधकों की आवश्यकताएं अभी भी पर्याप्त रूप से पूरी न होना कुछ अन्य कारक हैं। अतः जनसंख्या स्थिरीकरण के लिए मांग के अनुसार स्वास्थ्य एवं प्रजनन सेवाओं की उपलब्धता सुनिश्चित कर पाने के साथ-साथ स्वीच्छिक एजेंसियों की भागीदारी में ग्राम, क्षेत्र और जिला पंचायतों के माध्यम से एक कार्य योजना को कड़ाई से कार्यान्वित किए जाने की आवश्यकता है।

कुल मिलाकर, राज्य ने साक्षरता प्रसार की दिशा में अच्छी प्रगति की है तथा साक्षरता में 1991 से 1997 के बीच 14.4 प्रतिशत की बढ़ोत्तरी हासिल की है। फिर भी, अनुसूचित जातियों की महिलाओं की ओर विशेष ध्यान दिए जाने की आवश्यकता है। राज्य की महिला साक्षरता दर के 41 प्रतिशत के औसत के मुकाबले अनुसूचित जातियों की महिलाओं में यह दर 8 प्रतिशत बताई जाती है। राज्य में साक्षरता का प्रसार करने के लिए क्षेत्र, लिंग (gender) एवं समुदाय विशिष्ट एप्रोच की आवश्यकता है।

उत्तर प्रदेश के प्राकृतिक संसाधनों की स्थिति भी चिंता का विषय है। चूंकि निकृष्ट प्राकृतिक संसाधन (degraded natural resources) आर्थिक विकास एवं भौतिक कल्याण को क्षीण करते हैं, उपचारात्मक कार्रवाई कर पाने के लिए राज्य के प्रत्येक क्षेत्र हेतु एजेण्डा-21 जैसी ही एक कार्य योजना प्रतिपादित किए जाने की आवश्यकता है। वर्तमान में, उत्तर प्रदेश में 11.5 प्रतिशत वन क्षेत्र हैं।

पर्वतीय क्षेत्रों के राज्य से अलग हो जाने के बाद, यह मात्र 3 अथवा 4 प्रतिशत तक ही रह जाएगा। वनों के विकास एवं राज्य में ईंधन, चारे तथा औद्योगिक लकड़ी की भारी मांग को पूरा करने के लिए कृषि वानिकी को प्रोत्साहित किए जाने हेतु एक वानिकी कार्य-योजना तैयार करनी होगी। राज्य के पास 11 लाख हेक्टेयर बंजर भूमि होने, 60 सामाजिक वानिकी प्रभागों के आधार, 4 कृषि विश्वविद्यालयों, 30 कृषि कालेजों, 71 वन चेतना केन्द्र, 45000 ग्राम समाओं के साथ राज्य के लिए इस क्षेत्र में सफलता प्राप्त करना कठिन नहीं होना चाहिए।

ऐसा बहुत कुछ है जो किया जा सकता है और किया जाना आवश्यक है। उत्तर प्रदेश भारत का हृदय है और इसे सशक्त एवं पुनरुत्थानशील होना चाहिए। जरूरत है तो सिर्फ इस वांछनीय उद्देश्य को प्राप्त करने के लिए राज्य की प्रतिभाओं एवं क्षमताओं के उपयोग की इच्छाशक्ति की। मुझे पूरा विश्वास है कि उत्तर प्रदेश की सरकार इस चुनौती को स्वीकार करेगी और राज्य में बहुमुखी विकास का एक नया दौर आरम्भ होगा। योजना आयोग, अपनी ओर से, राज्य के तीव्र विकास हेतु आवश्यक नीतिगत इनपुट प्रदान करने के लिए राज्य सरकार के सक्रिय सहयोग से उत्तर प्रदेश विकास रिपोर्ट तैयार करने का प्रस्ताव रखता है। इस उद्देश्य हेतु एक कोर समिति का शीघ्र ही गठन किया जाएगा तथा राज्य का विस्तृत अध्ययन शुरू किया जाएगा।

WEST BENGAL PLAN FOR 2000-01*

I welcome the Chief Minister and the Planning Minister of West Bengal and his colleagues to this meeting for the finalisation of the Annual Plan for 2000-01.

It is a matter of satisfaction that per capita NSDP at current prices is progressing consistently for the past few years though it is still lagging behind the all-India level. The fiscal health of the State, which has led to the downward revision of the Annual Plan over the past three years, is causing anxiety. The State has been increasingly depending upon borrowings rather than State's own funds for financing the Annual Plans. The State's own funds as a percentage of aggregate resources have been deteriorating. The non-Plan revenue expenditure is growing at a faster rate than the revenue receipts. The interest liability as a percentage of the revenue receipts is growing at an alarming rate and is likely to cross 48% during the current year, which would be the highest in the non-Special Category States. Equally alarming is the fact that the tax-SDP ratio has been declining. The recovery ratios remain low and there is a large negative MCR (net). We hope that the State Government would be taking strong measures to raise tax and non-tax revenues, improve the functioning of PSUs and cut down non-development expenditure.

In the field of agriculture, the State has made noteworthy progress in the production of rice, potato and fish. Though the State is the largest producer of rice, in overall productivity it ranks 8th in the country. This can be improved by popularising hybrid rice cultivation and increasing coverage under high-yielding varieties as also by using green manure, biofertilizers and plant residues to improve soil health. The productivity of wheat has remained stagnant since long and pulses production has declined because of area reduction. This could be increased by encouraging cultivation in rabi fallows. The increase in area coverage and productivity levels of oil seeds needs to be further

pushed up by increasing the area of rabi oil seeds and encouraging integrated nutrient management. Diversification to horticulture production is constrained by lack of good quality planting material, storage and processing facilities and marketing infrastructure, which require focussed attention. Further increase in potato production seems to be constrained by lack of agro processing facilities, which may be explored through private investment. The regulatory arrangements for cold storage also need to be reviewed in the light of the provisions introduced in other States. The jute production is not likely to stabilise unless the procurement operations are effective and the retting facilities are extended on a much wider scale. The possibilities of collaboration with Bangladesh for increasing productivity, value-addition and pricing may also be explored.

In livestock development milk availability can be increased by increasing fodder production, improving the productivity of local non-descript cows and buffaloes through breed improvement programme and better health cover. Though the State ranks first in inland as well as total fish production in the country, there is urgent need for enhancing the productivity through desiltation of tanks and ponds.

In the field of irrigation the State Government needs to give priority to the completion of projects, which have been continuing since the Fifth Five Year Plan. There is a pressing need to revise the water rates and to improve revenue collection with a view to reducing the mounting losses on account of the gap between the average revenue realisation and estimated average working expenses per hectare. The CAD activities in the State have not received adequate attention. The under-provisioning of State share has constrained the drawing of adequate Central funds. The State also needs to vigorously pursue the concept of participatory irrigation management to improve efficiency of water use, maintenance of field channels, distributories and branch canals with funds raised by farmers through fixation and collection of water rates themselves. While the level of realisation of minor irrigation potential is extremely high in the State there is considerable scope for developing ground water resources for agriculture in the State. The use of Treadle Pumps, which are quite successful in Bangladesh, may

also be considered. In respect of Watershed Development Programmes in rain-fed areas there is need for convergence of different schemes at district and sub-district level so as to avoid duplication of efforts or resources.

We are aware that the Government of West Bengal is seized of the problem of arsenic contamination in ground water and measures are being taken by them to tackle it with their limited resources, supplemented by the Central Assistance from Rajiv Gandhi National Drinking Water Mission. While the projects taken up in this regard should be completed expeditiously, there are several options to supply safe drinking water in arsenic-affected areas such as deep tube-wells, utilisation of surface sources, arsenic removal technique through domestic filters and handpump-attached arsenic removal plants in piped water supply schemes. The domestic filter devised by the All India Institute of Hygiene & Public Health, Calcutta costs around Rs. 300-400 and a large number of such filters installed in villages of West Bengal are reported to be working well. In order to provide immediate relief to the affected villages, the Government may consider such short-term options also. Even though there is no over exploited or dark block in the State in terms of ground water resources, the State Government should draw up a plan for recharging natural drinking water sources, which may also help in dilution of arsenic content in areas where the problem is marginal. There is also a need to take up rainwater harvesting seriously as a cheap and sustainable source of drinking water supply. The performance in the field of sanitation requires to be improved.

The expenditure under major rural development programmes for the year 1998-99 was only 65.4% of the total allocation and with respect to the total available funds, it was even lower at 58.73 per cent. During the same period, the total allocation under the major rural development programmes was Rs. 560.88 crore while the total release was much lower at Rs.374.20 crore. The opening balance at the beginning of 1998-99 was also huge at Rs.250.28 crore. It is also observed that the State had a huge opening balance of Rs.255.18 crore at the beginning of the financial year 1999-2000. This is a

matter of concern as it indicates a low absorptive capacity of the State. The decision taken by the State Government for devolution of financial resources to the PRIs is a step in the right direction of empowering these bodies. It is suggested that the programme for training of PRI functionaries may be speeded up for effective utilisation of resources allocated to them.

The State needs to take up a comprehensive programme for the development of primitive tribal groups (Lodha, Birhor and Toto) through enhanced share of allocations. It should attach top priority to eradication of manual scavenging and rehabilitation of liberated scavengers. We are glad to note that the State Government has taken steps to implement the recommendations of the State Commission on Women to ameliorate the conditions of widows from West Bengal residing in Vrindavan and other parts of Uttar Pradesh.

In spite of low per capita income and high population density the health and demographic indices of the State are substantially better than those at the all-India level. West Bengal with Crude Birth Rate of 21.3, Crude Death Rate of 7.5 and IMR of 53 per 1000 can achieve the replacement level of fertility within the next two years if the unmet needs for contraception estimated at 17.4% are met. It is suggested that the State Government may focus its efforts to provide for them. It is also essential that funds available under various health programmes and World Bank-assisted Secondary Health System Project are optimally utilised to improve the quality and access of health services to achieve a further decline in both IMR and fertility. The large ISM&H infrastructure available in government and private sector needs to be effectively utilised and healthy lifestyles encouraged and sustained to reduce the non-communicable disease burden. Sufficient allocation should be provided to the nutrition component of ICDS.

The State Government's commitment to achieve universalisation of education by the end of the Ninth Five Year Plan has been noted. We hope that there would be adequate resource allocation for this purpose. The thrust on the construction of school buildings, qualitative improvement of teaching by involving Village Education Committees,

alternative forms of schooling to cover out-of-school children and improving the ratio between primary and junior high school facility reflects sound decisions. However, the literacy rate among SCs and STs, particularly among their women, needs to be increased by appropriate measures. Vocational training facilities need to be enlarged by optimal utilisation of existing training facilities as also by greater utilisation of 10+2 vocational stream. The efforts towards vocationalisation of education have not received encouraging response so far and the matter needs a close look. There is also a need to raise the standard of syllabi and of teaching to bridge the gap between acquired and demanded knowledge.

In the power sector, while the generation capacity has improved with commercial generation having started in the first unit of Barkreshwar Thermal Station, the utilisation of funds under EAPs for T&D works and Purulia Pump Storage Scheme needs to be improved. The gap between tariff and cost of supply needs to be reduced and the recovery of outstanding revenue arrears of West Bengal Power Development Corporation and West Bengal State Electricity Board need urgent attention. The Regulatory Commission set up by the State Government should be effectively utilised for revising the tariff. I hope that the steps taken for energy audit to identify areas of maximum losses, as also for surveillance against theft of power to reduce T&D losses of WBSEB, would be vigorously pursued. The State Government has taken a commendable initiative to set up Rural Energy Development Corporation by involving local PRIs for taking electricity to remote rural areas. The sustainability aspects of the projects taken by the Corporation may, however, be kept in view.

The State Government's efforts to improve the operational efficiency of STUs through better management, replacement of over-aged fleet and improving facilities available to the passengers are appreciated. However, there is a need to enhance the bus fares and reduce the surplus manpower to reduce losses. The decisions of the State Government to increase the bus fare of diesel-run vehicles ranging from 6% to 20%, introduce VRS in the Corporation and one-door bus for reduction of staff requirement have been noted in this regard.

We assign high priority for development of roads both for facilitating mobility and improving the accessibility. The National Highway Development Project costing over Rs.53,000 crore has been launched. Out of the dedicated fund, which will be financed from cess on fuels, a sum of Rs. 990 crore has been earmarked for the current year as assistance to States and UTs. An outlay of Rs. 2,500 crore has been earmarked for development of rural roads to improve connectivity to villages in various States and UTs. This will be a part of Pradhan Mantri Gramodaya Yojana. I am sure that the State of West Bengal will immensely benefit through these schemes.

We are glad to note that the State has taken steps to improve the position of sick PSUs by strengthening management and bringing down losses and it has set up a small strategic group of business experts to advise in this regard. Based on the steps taken, positive results have been achieved in respect of some sick PSUs. It is hoped that it would be possible to progressively reduce the losses and, where necessary, to close down such units. Also welcome is the decision of the State Government to stop concessions to attract investment in industry with effect from the current year. The State Government should create adequate opportunities for providing necessary skills to the youth for absorption in the up-coming areas of new industrial investment like information technology. There is also need to provide adequate allocation to cottage and small-scale sector as it has greater employment potential and spread and at relatively lesser cost.

The State Government needs to carry out a survey to estimate the present level of urban housing shortage and to prepare a comprehensive urban housing strategy to mitigate the shortage for people living below poverty line. We appreciate the efforts of the State Government to effect convergence of various schemes operated in slum areas.

The implementation of projects under Integrated Development of Small and Medium Towns needs to be reviewed with a view to dropping projects, which have either not been started or not making adequate progress. Institutional finance also needs to be tied up for increasing the potential for development in these towns.

We have learnt with satisfaction that the municipalities under the jurisdiction of CMDA have been made scavenger-free by conversion of dry latrines into wet latrines. The management of solid waste generated in the slums continues to be a major problem, which needs to be tackled on priority basis and in a manner that the waste is converted into a resource-generating product. It is hoped that this would receive attention under the proposed phase II of the DFID-assisted project. The measures to improve the financial position of the urban local bodies through revised water tariff, enhanced property tax, land use fees etc., need to be pursued vigorously.

The State has a low overall forest cover though its increase observed in the 1997 assessment is encouraging. However, the allocations for afforestation have been reduced. There is a need for higher allocation and timely release of the allocated funds for improving the coverage of the afforestation programmes. Detailed guidelines need to be issued in order that funds earmarked for the Panchayats for this sector are not diverted to other activities. The dynamism of the Joint Forest Management movement of the initial years needs to be sustained to realise its potential for forest conservation.

The State needs to take stringent measures to improve the quality of environment in air, water and in the coastal areas, which is deteriorating. The capability of State Pollution Control Board should be strengthened financially and technically to discharge this responsibility. In this connection, the situation arising out of non-payment of the water cess proceeds to the State Pollution Control Board by municipalities requires improvement. Necessary steps may be initiated for setting up facilities in consultation with industry, and through its participation, for management of chemical and hazardous waste. The institutional arrangements for effectively and comprehensively assessing various development projects from environmental angle would need to be strengthened. Considerable thought should be given to promote and facilitate local-level participation in environmental improvement programmes for getting better results.

The Planning Commission had suggested to the State Government last year to prepare a Vision Document regarding the development perspective of the next 20-25 years and also a Human Development Report indicating the status and progress in respect of various social indicators of development. We hope, it would be possible to complete the work during the current year and utilise the information and proposal emanating from these documents to make special efforts for speeding up the development of backward areas such as North Bengal. We would also suggest that the State Government may prepare material for visual presentation concerning development activities, reform measures, administrative innovations and areas of social mobilisation where considerable progress or success has been achieved, which could be suggested to other States for adoption.

* *Opening Remarks at the discussion on the Annual Plan of West Bengal for 2000-01*

APPROACH TO TENTH PLAN*

Hon'ble Prime Minister, my colleagues and friends,

Let me begin by thanking the Prime Minister for convening this meeting of the Full Planning Commission and giving us time on two separate dates. The focus will be on the approach paper to Tenth Five Year Plan. As you are aware the Tenth Plan period begins from 1st April 2002. We hope we will obtain the approval of the Prime Minister and the Full Planning Commission to the Approach Paper after which it will be submitted to the Cabinet. Thereafter, we will seek the approval of the National Development Council and prepare the Plan in time for its scheduled launching.

We initiated the preparation of the Tenth Five Year Plan some time in October last year. In fact, the work on the Tenth Plan started after the mid-term appraisal of the Ninth Five Year Plan was presented to the Full Planning Commission in September 2000. The Tenth Plan is going to be perhaps the most ambitious of all our Plans. It was not very long ago when the GDP growth target of 6% per annum seemed unattainable. The traditional barrier of 3.5% to 4% growth was broken in the Eighties and the post-reform period has seen an average of 6% plus growth in GDP. The Nineties have demonstrated the resilience of our economy in the face of several shocks. India has been one of the ten fastest growing economies in this period.

Despite the improved growth performance our progress in the other dimensions of well-being, such as poverty, health and educational indicators, has not been as satisfactory. In order to meet the aspirations of our people, we have to improve the social conditions of living, which would include adequate high quality employment, reduction in gender gaps, improvements in health and education and a healthy environment. These objectives depend, to some extent, on our ability to raise appropriate economic resources through higher growth.

The Prime Minister had directed us to take on the challenge of doubling the per capita income in ten years. We have responded to the challenge by proposing that the Tenth Plan growth target should be 8 per cent. Raising the growth rate of the economy from 6 to 8% is achievable but I must emphasise that it is far from easy. In fact, the economy is currently decelerating and the international environment is not ideal. Major efforts will be needed to achieve acceleration. This will involve a significant increase in investment rate as also a major improvement in efficiency.

Growth *per se* cannot be the only objective. We also need to redress regional disparities in social and economic attainments. The Plan has to address with greater vigour the need to release the latent energies and stimulate private initiative in various facets of our development process. Ultimately, we have to plan for an environment that provides ample opportunities for all to actualise their potential individually as also collectively for the nation as a whole.

This is possible provided we stretch ourselves to the maximum. We had to raise more tax and non-tax revenues, reduce non-Plan expenditure and provide more funds for Plan, which can no longer be considered as a residual part of expenditure. We have to usher and implement many more policy and procedural reforms, particularly in the States, which impact upon investment and improve the level of governance.

There are some other related issues also that need to be considered by NDC and hence have to be considered in the meeting today. Most of these are consistent with the proposed Plan approach and include the following items:

1. Special Category Status to the States of J&K and Assam with retrospective effect from 1969;
2. Placing Uttaranchal on the Special Category List;
3. Status Report of the NDC Sub-Committee on Transfer of CSS;
4. Performance of Core Plans;

5. Revision of Gadgil Formula and Change in the Loan-Grant Ratio in respect of Central Assistance to State Plans;
6. Draft Approach Paper to the Tenth Plan; and
7. Agenda for the NDC Meeting

With the permission of the Chairman, I would suggest that we consider these other issues before we take up the draft Approach paper for discussion. We thought that it might be a good idea to take up our discussion of Approach paper in two parts. Today we would have a brief presentation on the macro dimensions including objectives, targets and strategy for the Tenth Plan. This could be followed on the 29th by a discussion on the major issues and decisions that need to be taken in the light of the objectives that we had set before us for the Tenth Plan.

* Opening Remarks at the meeting of the Full Planning Commission held on June 27, 2001

STRATEGIES FOR TENTH PLAN *

It gives me great pleasure to welcome you all to the 49th meeting of the National Development Council.

Since Independence, the process of planned development has harmonized our aspirations with available resources for a common national goal. The National Development Council, at the apex of our policy making structure, has been guiding the course of this development process. It is a forum, which has fostered consensus-building amidst diverse and varying perspectives. The Plans embody this spirit of cooperation and mutual understanding. We can be proud of this unique example of democratic decision-making in a federal polity.

The Five Year Plans lay down the road map and strategy for realising our developmental aspirations. They seek to bring together various development agencies in both the public and private domains for the attainment of our goal. They provide the basis for the Centre and the States to act in concert. We have gathered here today, on this momentous occasion, to primarily discuss the Approach Paper to the Tenth Five Year Plan, the first of this millennium. There are some other items also on the agenda.

While preparing this Approach Paper, we were conscious of two issues. First, that it should reflect a broad cross-section of public opinion and expertise in identifying the objectives and also the instrumentalities for realising them. We have, accordingly, carried out consultations with experts, academicians and representatives of agriculture, industry, social sectors, voluntary organisations and labour unions. We took note of their suggestions and circulated a draft to all the State Governments and Central Ministries for comments. Most of these views are reflected in the draft that is now before you.

Secondly, we have a definite time frame for completing our exercise. After the endorsement of the Approach Paper by the NDC today, with your cooperation, we shall press ahead to launch the Tenth Five Year Plan on schedule, i.e., on 1st April 2002.

I now have great pleasure in requesting the Hon'ble Prime Minister to give his inaugural address.

PRESENTATION

Let me begin by thanking the Prime Minister for his inspiring address and setting the tone for today's deliberations. As he has pointed out, there has been progressive convergence in our ideological and conceptual positions on economic and social policies. We have to channelise this consensus into decisive action for the welfare of the people. The country expects this apex body to send a clear signal of our collective political will to pool our resources and energy for the greater good of the nation.

The first item on the Agenda is the consideration of the Draft Approach Paper to the Tenth Five Year Plan. In proposing that the Tenth Plan GDP growth target should be 8% per annum we are, no doubt, stretching ourselves. We do so as we are acutely aware of the urgency to meet the needs and aspirations of our people. We consider this achievable. After all, as Slide 2 indicates, we have succeeded in raising our growth rate from about 3.5% in the first three decades of our Independence to nearly 6% in the next two.

The Approach Paper stipulates monitorable targets covering economic, social and environmental dimensions of human development. Slide 3 gives the objectives and Slide 4 the monitorable targets of the Plan. For the first time, as you can see, explicit targets on issues like accessibility to drinking water and primary education, and indicators like infant mortality rate and maternal mortality ratios are being specified. Policy constraints, which discourage growth of employment, have to be addressed.

The Tenth Plan Approach Paper also envisages a State-wise break-up of these targets to enable the requisite policy focus for reducing disparities. As you can see from Slide 5, a multi-pronged approach has been adopted to integrate growth with equity and social justice. Agriculture development is appropriately a core element of the Plan. There is also an added emphasis on bringing about rapid growth in sectors with high quality employment opportunities. The sectors that need special focus include information technology-enabled services, entertainment, real estate and housing, modern retailing, tourism and transport.

We, however, have to take note of some recent trends. Of late, there have been visible signs of deceleration in economic growth. The global economic environment, at present, is also far from ideal. The fiscal position of the Government, both at the Centre and the States, is rather precarious. Today, the governments, across the country, borrow not only for investment but also to meet a substantial portion of their revenue expenditure. This is an unsustainable situation and severely restricts our ability to raise public investment to the desired levels. These and related concerns were highlighted in the mid-term appraisal of the Ninth Five Year Plan. In the slides that follow, we have attempted to bring out the essence of these concerns and proposed corrective action.

Slide 6 lists some macro issues. You will see in Slide 7 that States with higher per-capita income such as Maharashtra, Punjab and Haryana have not done as well as Gujarat, Tamil Nadu, Karnataka and West Bengal in the 1990s in terms of growth rates. Madhya Pradesh, Rajasthan, Orissa and Bihar continue to lag behind.

Slide 8 highlights the deterioration in the fiscal situation of Centre and States in the 1990s. The deterioration has been sharper in the States.

As you can see in Slide 9, the States had a positive balance from their current revenue up to 1990. The situation was manageable till 1997-98, after which point the adverse impact of the Fifth Pay Commission becomes obvious. At an aggregate level, for both Central Government and States, the deficit from current revenue at the

beginning of 1990s was around Rs.5000 crore. This deficit is now a staggering Rs.90,000 crore.

Slide 10 shows that at the Central level the ratio of revenue deficit to fiscal deficit has risen sharply from about 20% in 1993-94 to 65% in 1999-2000. As against the 1980s, when we were borrowing only to meet our capital expenditure, we are now borrowing more and more just to meet our current expenditure on salaries, interests and subsidies.

We see in Slide 11 that there has been a 200-fold increase in the Pension Bill of just 15 major States. It has gone up from around Rs.100 crore to nearly Rs. 19,000 crore in the last 25 years.

In Slide 12 you see a continuous decline in the ratio of Plan outlay to GDP both in the Centre and the States. The decline is sharper in the case of the Centre. As a result, we are not investing enough for our future. Nor, unfortunately, are we adequately maintaining our existing assets.

As shown in Slide 13 there are other concerns, namely the persistence of many controls in agriculture, trade and industry. The flow of private investment in infrastructure is also below expectations. More importantly, the institutional framework and delivery mechanism are acting as a drag on the pace of our development. Growth in investment must go hand in hand with growth in efficiency.

The stipulated growth rate and changes in its sectoral composition require a significant increase in the investment rate to 30-32 per cent. I would like to emphasise that neither the growth target nor the social indicators of well-being can be attained merely by increasing the quantum of financial resources. Efficiency and effectiveness must be the touchstone of our policies and programmes.

Slide 14 shows the deterioration in the composition of public expenditure of the States. Not only has the Plan expenditure component of the total expenditure declined but also the share of capital expenditure has fallen even further.

Fiscal correction in both the Centre and the States is a critical element for raising the investment rate. The agenda for fiscal correction shown in Slides 15 & 16 highlights the importance of improving government

savings by nearly 3% of GDP. This would require not only raising revenues through improved tax-GDP ratio but also realising user charges on a number of publicly provided services. Growth of non-Plan expenditure also needs to be moderated.

Slide 17 highlights the approach to mobilising resources for the Plan.

Disinvestment has been identified as an important source for funding the Plan. Our recent experience has not been encouraging. These resources are critical for the Plan. For the success of the disinvestment programme it may well be necessary to de-link the functional control over public sector undertakings identified for disinvestment from their administrative ministries. There is also need to sensitise labour to the proposed disinvestments and to generate awareness and create consensus on the rationale and long-term benefits of disinvestment.

There are too many policies and regulations, which stifle initiative and private investment in many sectors. These need to be addressed expeditiously.

Improving government's interface with the public, quality of public expenditure and, above all, enhancing the productivity of existing assets have to be the cornerstone of our strategy. The Approach Paper has outlined a number of measures in this regard, as shown in Slides 18 and 19.

One of the important issues that also figures later in the agenda is the increase in the number of Central and Centrally Sponsored Schemes over the last few decades

I have, since last year, taken personal interest in pursuing an exercise to undertake a ministry-wise evaluation of all the ongoing Central and Centrally Sponsored Schemes, even subjecting them to principles of Zero-Based Budgeting, with a view to deciding on their transfer or convergence or weeding out, as the case may be, prior to the formulation of the Tenth Five Year Plan. With the cooperation of my colleagues in the Union Cabinet I hope we would be able to complete this exercise in the next few months.

Our experiment with the concept of Core Plan has been encouraging. In this approach critical programmes in each sector are protected from any inadequacy of resource allocations so that the intended benefits from these projects are fully realised.

We have to optimise the use of our limited resources. There is significant scope for improving the delivery-mechanism for poverty alleviation schemes. We need to improve accountability at the local level by involving the Panchayati Raj institutions.

I now turn to sectoral issues. The Approach Paper recognises the serious gaps that are emerging in infrastructure, particularly in power, railways, agriculture and irrigation. Slides 20 and 21 show the concerns and the Tenth Plan approach in the power and railways sectors.

The flow of private investment in infrastructure has been below expectation. In many instances the requisite enabling policies are not yet in place. The Central Government at the initiative of the Prime Minister has launched the National Highway Development Programme, which is progressing well. There is a similar initiative on rural roads. Power sector reforms should get a new impetus through the Accelerated Power Development Programme.

Incidentally, let me draw the attention of this august body to the developments in China. Like us, they are also in the process of formulating their Tenth Five Year Plan. They have demonstrated successfully that even a developing country with similar constraints such as ours can sustain high rates of economic growth over extended periods.

Agricultural development has been recognised as the core element of the Plan. As indicated in Slide 22 inadequate capital formation and effective credit support are some of the major concerns in this sector. The Approach Paper has identified the need to have a comprehensive land-use policy, as also a fresh strategy for irrigation and water use. Regulatory controls and policy framework rooted in the era of food scarcity have limited relevance in today's context. The management of our food economy needs a fresh look. There is, now, a general

support for disbanding export, trade and credit restrictions on agricultural and agro-forestry products. These will have to be pursued in the course of the Tenth Plan.

The key to the success is given in Slide 23

A National Blueprint for administrative and procedural reforms needs to be devised and implemented. Our administrative framework and the delivery mechanism have to be transparent, accountable and non-discriminatory. Corruption and inefficiency cannot be tolerated. There must be rewards for performance and penalties for failure. Reforms and strengthening of the judicial system and procedures is an important element of this strategy. Let us resolve to meet these challenges. Let us make the Plan a true success.

The consequences of inaction are too serious to contemplate. I draw your attention to the Slide 24. Not only would growth falter and unemployment rise, but also it could well threaten the cohesiveness of our social fabric. We cannot afford to fail.

India of the 21st century has to be a nation of growing capabilities and equal opportunities for all. It has to take steps for mainstreaming of the deprived and the excluded. It has to make an all-out effort for empowerment of Scheduled Castes, Scheduled Tribes and weaker sections. It also has to address gender concerns. It has to be a land where regional and sectoral perspectives are not allowed to cloud a holistic national vision.

With these words, I commend the Draft Approach to the Tenth Five Year Plan for endorsement and approval by this august body.

The second item on today's agenda is the Report of the NDC Sub-Committee on Criteria for Allocation of Funds under Major Rural Poverty Alleviation Programmes. It may be recalled that this Committee was set up in pursuance of a decision taken at the last NDC meeting. The Committee discussed various criteria for allocation of funds for poverty alleviation and there was agreement on continuation of the presently used criterion, i.e. 15% adjusted shares as approved by the

Full Planning Commission under the Chairmanship of the Prime Minister. This criterion would form the basis of allocation till the end of the Ninth Plan. The Planning Commission has set up an Expert Group to re-examine this criterion in the light of the latest estimates on incidence of poverty as also the observations made by some State Governments.

The third agenda item pertains to the Status Report of the NDC Sub Committee on Transfer of Centrally Sponsored Schemes (CSS), which was also set up in pursuance of the decision taken at the last NDC meeting. Several exercises have been carried out in the Planning Commission in consultation with the Central Ministries and Departments both to identify the CSS that could be transferred to States or could be converged or weeded out. In a meeting of this NDC Committee, some State Governments were of the view that there was need for further work before the Committee could make any recommendations for the consideration of the NDC. This issue is being pursued. We hope to complete this exercise prior to the commencement of the Tenth Plan.

The fourth agenda item relates to placing Uttaranchal on the list of Special Category States. The newly formed State of Uttaranchal conforms to the characteristic of Special Category States. The Union Cabinet has already approved according it the "special category" status. It is now put up to the National Development Council for endorsement.

The last item of the agenda is the Mid-Term Appraisal of the Ninth Five Year Plan. It may be recalled that this Document was circulated by the Planning Commission some time in December last year to all the Members of the NDC. This is now being formally placed before the NDC.

I now request the Hon'ble Prime Minister to guide the deliberations.

* *Welcome Speech and detailed presentation at the 49th National Development Council Meeting on September 1, 2001*

NDC APPROVAL OF TENTH PLAN APPROACH EXPLAINED*

As most of you are aware, the Approach Paper to the Tenth Five Year Plan received the unanimous approval of the National Development Council (NDC) on Saturday, the 1st of September 2001. Since all the relevant documents – copies of the final approved Approach Paper, the Prime Minister's opening address, my opening presentation and the Prime Minister's closing remarks – have been made available to you, I will not take the time to go over these in any detail. Instead, I will briefly take you through the developments that have occurred since we met last on June 30, 2001, when the Approach Paper had received the approval of the full Planning Commission and will give you a flavour of the discussions that took place in the NDC meeting.

Prior to placing the Approach Paper before the NDC, the Union Cabinet met on 17th August 2001 to consider the document. During the course of this Cabinet meeting, a number of very useful suggestions were made by various Ministers, which went towards substantially strengthening the Approach Paper. In particular, issues like urban development and strengthening of power and telecommunication infrastructure in rural areas were highlighted. Recent calamities have also shown the vulnerability of livestock and its effect on the poor. Given the importance of the animal husbandry sector to our growth and poverty reduction targets, such situations need to be addressed. These and many other suggestions were suitably incorporated in the draft Approach Paper before it was sent to the National Development Council.

In the NDC meeting, we had frank discussions on many issues and the Prime Minister's closing remarks reflect the consensual thinking that emerged through the interaction. All the members were conscious that business as usual would no longer serve the purpose. The need and desirability of accelerating the growth rate of the economy were shared by all and it was recognised that this would require a paradigm shift.

To be completely honest with you, I was somewhat apprehensive about the course that the NDC meeting could take, as the draft Approach Paper is frank and direct in its analysis and calls for a number of difficult political decisions. As it happened, the discussions were refreshingly businesslike and constructive. There was practically no dispute or disagreement on the major objectives and strategy of the Approach Paper and almost all the Chief Ministers were fully supportive of our proposals. I had of course been aware of the fact that over the past few years there has been a steady convergence of views among different political parties on the broad strategy of economic development and the need for reforms. What has come as a surprise is that this convergence now appears to be an almost complete congruence.

One point that emerged very clearly, however, is that despite this unanimity of views, progress towards a more rapid implementation of the reform agenda is being held up by competitive politics. A number of Chief Ministers observed that every political party would be opposing reforms in the State where it was in opposition, while pushing for exactly the same reform in the State where it was in power. A similar problem could be seen at the Centre as well. The Chief Ministers, therefore, suggested that an all-party meeting should be convened under the Chairmanship of the Prime Minister on the major reform issues. I am happy to report that the Prime Minister has agreed to this proposition and steps will be taken to convene such a meeting. At the top of this agenda are labour and power reforms. Hopefully, future meetings will further widen the agenda for discussions.

Another issue, which was repeatedly highlighted by almost all the Chief Ministers, was the need to reduce the number of Centrally Sponsored Schemes and to provide greater flexibility to the States in the selection and design of their implementation. As you are perhaps aware, this is not a new issue. At the time when NDC had approved the Ninth Five Year Plan, it was agreed that a sub-committee of the NDC under my Chairmanship would examine the feasibility of such a transfer. There has been some progress but apparently not enough to satisfy the States. In the Approach Paper to the Tenth Plan too we have emphasised the need to effect a significant reduction in the number

of Centrally Sponsored Schemes and to provide greater flexibility to the States. The Planning Commission is supervising the process of identifying the schemes for transfer, convergence and weeding out. I hope that by the time the Tenth Plan document is ready we would have made a substantial progress in this regard.

Many States also raised the issue of the high interest burden that they were facing, particularly on Central Government debt. There was a plea both to reduce the interest rate on Central Government loans to States and to change the loan-grant ratio for non-special category States from the existing 70:30 to 50:50. Rescheduling of debt was also suggested by some. These demands would need to be examined in the light of their implications on Central finances. The Finance Minister is seized of this problem and it will be our effort to come up with a formulation that would meet both these conflicting requirements.

One of the other items of the agenda was granting of Special Category State status to the newly created State of Uttaranchal. Expectedly this was unanimously endorsed. However, some other States also expressed their desire to be given the same status. This too is not new. We have agreed to the suggestion that the criteria for granting special category status to States may be examined afresh.

All in all, I must say that this NDC meeting has been a very pleasant and encouraging experience. Our political leadership has displayed great courage and willingness to rise above partisan politics. The kind of support that the Approach Paper has received from the NDC has greatly bolstered my confidence in the nation's ability to achieve the targets set for the Tenth Plan. The Centre will no doubt have to lead by example and also provide the forum for resolution of differences.

The net outcome of the NDC meeting is that the Planning Commission will now take up the formidable task of preparing the Tenth Plan document with renewed vigour and a heightened sense of purpose and commitment.

* *Opening Remarks at Press Conference on National Development Council Meeting on September 3, 2001 in New Delhi*

ANDHRA PRADESH PLAN FOR 2001-02*

I welcome the Chief Minister of Andhra Pradesh and other members of the State's delegation to this meeting convened for the finalisation of the Annual Plan for 2001-02.

First of all, I would like to compliment the State for its earnest pursuit of the economic reforms. We note that the State has taken initiatives like single-window clearance, electronic governance, water users' associations and other people-centred measures. It is noteworthy that private investment has been attracted for infrastructure and health care. Andhra Pradesh leads other States in the production of poultry and is among the front-runners in the production of rice, fish and fruit too. As per the Census 2001 the State has achieved a decadal growth rate of population of 13.86%, against the national average of 21.34 per cent.

The State has made a remarkable achievement in the field of information technology and also attracted indigenous, as well as, foreign investors to this knowledge-based sector. Hyderabad has now been brought on the global map of information technology. The Indian Institute of Information Technology symbolises the creative collaboration between the State Government and the private sector.

There are, however, some areas of primary concern, needing priority attention of the State Government. The average annual growth rates of GSDP and per capita SDP have been lower than the all-India average. As per the Census 2001, in literacy the State ranks 28th among 35 States/UTs. In respect of key health indicators like Crude Birth Rate, Crude Death Rate, Infant Mortality Rate and Life Expectancy, the State lags behind many States though its position is better than the national average.

The State has been facing financial crisis due to growing debt as a result of rising public expenditure on subsidies, salaries and pensions.

1302 Andhra Pradesh Plan for 2001-02

The State Government has signed a MOU with the Government of India on fiscal reforms. I am confident that the State Government will pursue the implementation of the reforms.

The State's economy is mainly agrarian with 71% of the population depending upon agriculture. As against this, the Plan allocation of 2.25% for this sector is very low and in the irrigation sector also the public investment has stagnated, inhibiting the exploitation of the agricultural potential.

I am glad to see that the rural population below poverty line in the State has declined from 15.82% in 1993-94 to 11.05% (30-day recall period) in 1999-2000, against the corresponding all-India figures of 37.27% and 27.09 per cent. It is notable that women-empowering Self Help Groups with their large membership and extensive coverage have built up a sizeable corpus of funds and are contributing to the alleviation of poverty by their economic activities, which are fetching them sizeable additional incomes.

As indicated above, the literacy level in the State is lower than the national average and there is a wide gap between rural and urban literacy rates. About 40 lakh children are still outside the school network and the drop-out rates in the primary and upper primary classes are also very high. The State Government needs to take suitable measures to tackle these issues on priority. Success in achieving the goal of universal elementary education, in conjunction with other rehabilitative measures, would go a long way in addressing the problem of large child labour also.

Many of the State PSUs are incurring losses. It is essential for the State Government to take vigorous steps to reduce the burden on the State exchequer. At the same time, the State Government should encourage handlooms, handicrafts, khadi and village industries, which have large potential of generating additional employment.

In the transport sector the performance of the Andhra Pradesh State Road Transport Corporation is certainly good in terms of fleet utilisation, vehicle productivity and fuel efficiency and up to 1996-97 it was one

of the two profit-making Corporations. However, after 1997-98 it has become a loss-incurring entity, which is a cause for concern.

In the irrigation sector the taking up of so many new schemes without completing the spillover schemes would result in raising the cost and delaying the benefits. Water conservation measures, like Neeru-Meeru, are indeed laudable. Properly implemented, this scheme would help augment the ground water resources.

* *Opening Remarks at the discussion on the Annual Plan of Andhra Pradesh for 2001-02*

ARUNACHAL PRADESH PLAN FOR 2001-02*

I am glad to welcome the Chief Minister of Arunachal Pradesh and his colleagues to the Planning Commission. As you are aware, a team of Planning Commission headed by Somi Tandon, Adviser (State Plans) visited Arunachal Pradesh in October 2000 and held a fruitful official-level discussion. This has given us a better perception of your potential, genuine difficulties and constraints, which we would together try to address.

It is heartening to note that appreciable progress in the creation of social and physical infrastructure has been achieved. While the overall literacy level has increased to 60%, 59.5% of villages have been electrified and 90% of the villages receive potable water supply. The health indices in terms of Birth Death Rates and Infant Mortality are substantially better than the national average. Increasing trends in per capita Net State Domestic Product in 1997-98 and 1998-99, both at current and constant prices, are positive signs of development of the State's economy.

However, a review of the performance in the first four years of the Ninth Plan revealed that the achievements in some sectors are much below the targets, both in physical and financial terms. During the period 1997-2001, a total outlay of Rs.2530 crore, including a total Central Assistance of Rs.2197 crore, was provided. The expenditure of Rs.1421 crore, reported for the first three years of the Ninth Plan, is 10.5% less than the Central Assistance of Rs.1587 crore, provided during the same period. This scenario calls for a realistic assessment of resources for determining the Plan size, as well as vigorous efforts to mobilise additional resources.

While agriculture and allied activities are the mainstay of the people of the State and have the potential for rapid economic growth and

income and employment generation, these sectors have not been given due priority in terms of allocation of outlays, which has been only 8% of the total outlay during the first four years of the Ninth Plan. With administrative cost accounting for about 50% of the expenditure, very little is left for development schemes and programmes. Performance in the agriculture sector has fallen short of the targets. With the prevailing practice of Jhum cultivation, soil and water conservation programmes assume significance. However, the progress has been tardy and needs to be improved.

A huge gap of 48% between the creation and utilisation of minor irrigation potential, is a matter of concern. I find that inadequate attention has been paid to the command area development and, as a result, even after the completion of irrigation works, the benefits of growing minimum two crops have not reached the farmers. This requires immediate corrective action.

As you are aware, the Border Area Development Programme has been designed to tackle the special problems of the people living in the border areas with the objective of strengthening the social infrastructure and filling up critical gaps in physical infrastructure. Progress in the implementation of BADP schemes and utilisation of funds has also been poor and needs to be improved.

While the State Government has taken some tentative steps for power sector reform, it should make the State Electricity Regulatory Commission functional as soon as possible. Though power tariff has been revised in April 2000, it is still way below the cost of supply, which is very high. The Government should try to reduce the cost of supply by minimising the administrative cost, operating and maintenance cost and T&D losses. It is appreciated that the construction of some of the ongoing micro-mini hydel schemes has been handed over to NHPC/NEEPCO for their accelerated completion and construction of transmission lines to power grid. It should be ensured that the transmission line is complete by the time the projects are ready.

1306 Arunachal Pradesh Plan for 2001-02

The progress regarding connectivity of villages during the period 1997-2000 has been good. Yet, more than half the villages remain to be connected. With the provision of Rs.35.00 crore for rural roads under PMGY in 2000-01, priority should be accorded to the construction and improvement of rural roads. Efforts should be made towards repair and maintenance of mule tracks and suspension bridges as well as improvement of the functional efficiency of the State Road Transport Corporation.

The level of ground water development in the State is only 23.64% as against the all-India average of 31.92 per cent. The State should implement rainwater harvesting and watershed development programmes for recharging the springs and streams as also to provide a supplementary source of water.

Since 1998-99 a total of 18 projects involving an investment of Rs.325.38 crore have been approved for funding out of Non-lapsable Central Pool of Resources and an amount of Rs.65.84 crore has been released for 13 projects. In the current year a sum of Rs.4.48 crore was released for the electrification of 60 tribal villages and Rs.3.70 crore for strengthening the sub-transmission and distribution system. The progress in most of these projects has not been reported, except for two projects namely Ranganadi transmission line and Kathalguri Deomali transmission line. The utilisation certificate has been received for only one project, namely Itanagar Naharlagun Water Supply Scheme. May I add here that monitoring of projects needs to be streamlined to contain the cost and time overruns and ensure their completion on time.

* Opening Remarks at the discussion on the Annual Plan of Arunachal Pradesh for 2001-02

ASSAM PLAN FOR 2001-02*

I welcome the Chief Minister and his colleagues to the Planning Commission for Annual Plan 2001-02 discussions. I congratulate you for your victory in the recently held elections in the State and hope that under your leadership the pace of development in the State would accelerate.

You have taken over at a time when the State is facing an extremely difficult fiscal situation. During the last financial year, the State was in overdraft for 283 days, which is the highest in the country. More than 87% of your revenue receipts are absorbed by committed expenditure on salaries, wages, pensions and interest payments, leaving very little room for maneuver. I am informed that the debt-servicing burden of Assam will increase significantly during the period 2003 to 2006. It will be extremely difficult for the State to spend on development and fulfil the aspirations of the people unless drastic measures are taken to curtail administrative expenditure and raise revenues.

I am happy to note that the growth of population in the State has come down from 2.17% in 1991 to 1.74% in 2001. The State has also achieved lower decadal growth of 18.85% than that of 21.34% for the country. The sex ratio, which was 923 females per thousand males in 1991, has also improved to 932 in the Census 2001, which is almost equal to the national level.

The efforts of the State Government in the field of literacy have resulted in increasing the literacy rate from 52.89% in 1991 to 64.28% in 2001. The State has made progress in the field of male and female literacy. However, the State needs to check the drop-out rate in standard I to VIII, which is very high.

The percentage of population living below the poverty line in the State declined from 40.86% during 1993-94 to 36.09% during

1999-2000. Rural poverty, which had increased from 42.6% during 1983 to 45.01% during 1993-94, has come down to 40.04% in 1999-2000, which is much higher than the all-India estimate of 27.09 per cent. The Government should make efforts to reduce this further by improving the implementation of anti-poverty programmes and enhancing productive employment in agriculture.

The Mid-Day Meal Programme in the State has not been working successfully as the State Government is unable to lift the quantities offered to it due to inability to meet the high transportation cost. The State Government is urged to review the programme and ensure that the children in the schools get the much-needed nourishment that they are entitled to.

The agriculture sector, which provides employment to about 82% of population, is not able to sustain it. The agro-climatic conditions of the State hold promise for the development and promotion of horticulture and plantation. This sector can be made more effective by making provision for good quality planting material, efficient extension network and post-harvest plantation including processing storage and marketing of these crops. I have been informed that the scheme "Krishak Samaridha Yojana", under which 1 lakh shallow tube wells would be installed and which was taken up by the State Government with the help of Planning Commission and NABARD, has borne promising results with an increase in the area and production of rice. I would urge the State to keep up the good work.

The reforms and restructuring of the power sector is a welcome step. The restructuring of the Assam State Electricity Board would definitely bring in viability in the power sector. Immediate attention needs to be paid to increase the PLF, which is very low. The T&D losses also need to be restricted. The rural electrification programme in the State needs to be stepped up, as the percentage of villages electrified in the State is much lower than the all-India average. I also find that there is a gap between the average cost of supply and the average tariff, which is also widening. Therefore, the State may consider increasing the average tariff and reducing the losses of the Assam State Electricity

Board. I would also suggest that the State Electricity Board might make efforts to eliminate the incidence of pilferage of power, which is a critical action in support of any reform.

The tourism sector, if promoted effectively, would provide not only employment but also add to the income of the State. The State may also consider a tourism policy to encourage private investment. Suitable incentive packages may be offered to the tourists through these agencies to attract them.

Finally, I am glad to note that the State Government, with the help of the Planning Commission, has made considerable progress in the preparation of the Assam State Development Report. This Report is expected to set out the blueprint for increasing the growth in the State. We look forward to its early completion.

* *Opening Remarks at the discussion on the Annual Plan of Assam for 2001-02*

बिहार की वार्षिक योजना 2001-2002

बिहार राज्य की वार्षिक योजना 2001-2002 को अन्तिम रूप देने के उद्देश्य से बुलाई गई इस बैठक में उपस्थित बिहार की मुख्य मंत्री और उनके सहयोगियों का मैं स्वागत करता हूँ। यह वर्ष नौवीं पंचवर्षीय योजना का अंतिम वर्ष है परन्तु पुनर्गठित बिहार राज्य की यह पहली वार्षिक योजना है।

यह केवल सूचना का आदान-प्रदान करने का अवसर नहीं है अपितु राज्य के प्रशासन और अर्थव्यवस्था के बारे में ध्यान आकृष्ट करने का भी एक अवसर है।

वर्ष 2001 में राज्य की जनसंख्या देश की कुल जनसंख्या का 8.07 प्रतिशत है, जिससे विभाजन के पश्चात भी, यह देश का तीसरा बड़ा राज्य बन गया है। नये राज्य के सामाजिक और आर्थिक संकेतक चिन्ता के कारण हैं। हमारे दृष्टि में, सबसे बड़ी समस्या जनसंख्या में अनियंत्रित वृद्धि है। वर्ष 1991-2001 के दशक में जहाँ राष्ट्रीय जनसंख्या में 21.34 प्रतिशत की वृद्धि हुई, बिहार की जनसंख्या में 28.43 प्रतिशत की वृद्धि हुई। सम्भवतः स्वास्थ्य और परिवार कल्याण कार्यक्रमों का ओर किए गए अन्य उपायों का राज्य में जनसंख्या के स्थिरीकरण पर कोई प्रभाव नहीं पड़ा है।

जनसंख्या वृद्धि में विशेष रूप से 0-6 आयु वर्ग के बच्चों का अधिक अनुपात है जो 15.42 प्रतिशत के राष्ट्रीय औसत की तुलना में बिहार में 19.59 प्रतिशत है। बिहार में लगभग 46.68 प्रतिशत लोग गरीबी की रेखा से नीचे जीवनयापन करते हैं। नाजुक आयु वर्ग के 1.62 करोड़ बच्चों को पोषण आहार उपलब्ध कराना एक चुनौती है। साक्षरता बढ़ाने हेतु ठोस प्रयास आवश्यक है। बिहार सभी योजनाओं में प्रति व्यक्ति न्यूनतम राशि खर्च करता है जिसमें प्रयाप्त वृद्धि आवश्यक है।

विशिष्ट सुझावों के लिए मैं केवल कुछ ही क्षेत्रों की ओर संकेत करूंगा। योजना आयोग बार-बार योजना स्कीमों को विकास का प्रभावी साधन बनाने में अच्छे शासन की भूमिका पर बल देता रहा है। हमें इस राज्य की 46.68 प्रतिशत जनसंख्या को, जो गरीबी रेखा के नीचे है, विकसित करना है और राज्य की प्रति व्यक्ति आय को बढ़ाना है; हमें ऐसा करने के लिए राज्य की विकासदर में तेजी लानी होगी।

सामाजिक एवं मानव विकास की दृष्टि से बिहार की स्थिति विन्ता का विषय है। 2001 की जनगणना के अनुसार बिहार का साक्षरता स्तर केवल 47.53 प्रतिशत है जो कि न केवल सम्पूर्ण भारत के औसत स्तर से कम है बल्कि सभी राज्य और केन्द्र शासित प्रदेशों की तुलना में भी कम है। यही स्थिति बिहार में स्त्रियों की साक्षरता की है जो मात्र 33.57 प्रतिशत है। राज्य में प्राथमिक शिक्षा की स्थिति अच्छी नहीं है। बहुत से स्कूलों की इमारतें कच्ची हैं। 26 प्रतिशत प्राथमिक स्कूल केवल एक अध्यापक द्वारा ही चलाये जा रहे हैं। मुख्यतः इन्हीं कारणों के फलस्वरूप कक्षा 1 से 5 तक स्कूल छोड़ने वाले विद्यार्थियों की दर राज्य में 66.33 प्रतिशत है जो कि राष्ट्रीय औसत 50.25 प्रतिशत से काफी अधिक है। यदि हम कक्षा आठ तक इस दर का अवलोकन करें तो कक्षा एक में दाखिला लेने वाले 100 विद्यार्थियों में से केवल 13 विद्यार्थी ही कक्षा 8 तक पहुँचते हैं। इसके अतिरिक्त राज्य को व्यावसायिक एवं तकनीकी शिक्षा की ओर अधिक ध्यान देने की आवश्यकता है।

स्वास्थ्य सेवाएं प्रदान करने हेतु नौवीं पंचवर्षीय योजना के प्रारंभिक चार वर्षों में कुल परिव्यय का 3 प्रतिशत से थोड़ी अधिक धनराशि आवंटित की गयी थी जिसमें से 70 प्रतिशत धनराशि ही खर्च की गयी। ग्रामीण क्षेत्रों में चिकित्सकों तथा अनिवार्य स्वास्थ्य सेवायें प्रदान करने के लिए चिकित्सकों एवं एओएनओएमओ के रिक्त पदों को भरा जाना आवश्यक है। जनसंख्या को स्थिर करने के लिए ग्राम, क्षेत्र और जिला पंचायतों को चाहिए कि वे स्वैच्छिक संगठनों की भागीदारी से एक कार्य योजना बनाएं तथा कड़ाई से इसे कार्यान्वित करें। आई.सी.डी.एस. जैसे लाभकारी कार्यक्रमों का विस्तार जैसे ही संभव हो, सभी ब्लकों तक किया जाना चाहिए।

राज्य में भूमि सुधारों के क्षेत्र में बहुत ही कम प्रगति हुयी है जबकि बिहार 1950 में भूमि सुधार अधिनियम बनाने वाला पहला राज्य था। अधिकांश ग्रामीण संघर्ष भूमि के अत्यन्त असमान वितरण के कारण होते हैं।

राज्य में बिजली एक ऐसी बुनियादी आवश्यकता है जिसके विकास पर पूरी अर्थव्यवस्था की प्रगति निर्भर करती है। राज्य में टैरिफ रेट का पुनर्निर्धारण, व्यावसायिक घाटों को कम करना, सुधार कार्यक्रम लागू करना, बकाया वसूलना तथा पारेषण - वितरण व्यवस्था में सुधार लाने आदि की नितान्त आवश्यकता है। मैं राज्य सरकार से यह भी अनुरोध करूँगा कि उन दूर दराज़ के क्षेत्रों में जहां बिजली उपलब्ध कराना मंहगा हो, वहां ऊर्जा के गैर परम्परागत और सतत स्रोतों का विकास करके बिजली उपलब्ध कराने की स्थिति में सुधार लाएं।

परिवहन के क्षेत्र में यह राज्य अत्यन्त पिछड़ गया है। इसमें सुधार लाने की आवश्यकता है। राज्य में सड़कों का जाल बिछाने एवं इन्हें कृषि मंडियों से जोड़ने के लिए एक दीर्घकालीन योजना बनायी जानी चाहिए ताकि विभिन्न चरणों में इस कार्य को पूरा किया जा सके।

कृषि इस राज्य की जनसंख्या का मुख्य आधार है। चूंकि राज्य की अधिकांश श्रम शक्ति कृषि पर निर्भर करती है, इसलिए राज्य में गरीबी के स्तर में कमी लाना मुख्यतः कृषि एवं कृषि-वानिकी के उत्पादन बढ़ाने पर निर्भर करता है। यह प्रसन्नता की बात है कि कृषि उत्पाद में राज्य आत्म निर्भरता की स्थिति में पहुँच गया है। कृषि-वानिकी के विकास हेतु कटाई, दुलाई एवं विक्रय के नियमों को सरल बनाना होगा।

राज्य में पंचायत चुनाव हो चुके हैं। मैं आशा करता हूँ कि राज्य सरकार संवैधानिक व्यवस्थाओं के अनुस्यू उन्हें सशक्त बनाकर लोगों को मौलिक सुविधा उपलब्ध कराने का अवसर प्रदान करेगी।

विकास दर में तेजी लाने के लिए कई प्रभावी कदम उठाने की आवश्यकता है। उपयुक्त अनुवर्ती कार्रवाई और शासन में सुधार करके बहुपक्षीय और द्विपक्षीय एजेंसियों से पर्याप्त निधियाँ प्राप्त करना भी संभव होना चाहिए। कई राज्यों ने निजी निवेश प्राप्त करने में सफलता पायी है जिससे विकास की दर में बढ़ोतरी हुयी है और लोगों को रोजगार मिला है। बिहार को भी निजी पूंजी आकर्षित करने हेतु प्रयास करने चाहिए। इस उद्देश्य की पूर्ति हेतु बिजली, परिवहन तथा अन्य आधुनिक संरचना संबंधी सेवाओं में सुधार की आवश्यकता होगी। प्रशासन में चुरती तथा पारदर्शिता शासन के अधिकारों में विकेन्द्रीकरण और जन भागीदारी बढ़ाना, शान्ति व्यवस्था में सुधार, कुछ विशेष समयबद्ध उपाय हैं जिनकी ओर मैं मुख्यमंत्री जी का ध्यान आकर्षित करना चाहूँगा। यह संतोषजनक मामला है कि राज्य की वार्षिक योजना 2001-02 का आकार नवीं पंचवर्षीय योजना के प्रारम्भिक वर्षों की तुलना में बढ़ा है तथा राज्य के आय के स्रोत भी वृद्धि दिखा रहे हैं।

जैसा कि आपको अवगत है कि योजना आयोग राज्य विकास रिपोर्ट बनवा रहा है जिसमें राज्य के समग्र विकास की रूपरेखा होगी। आशा है राज्य सरकार इससे पूरा लाभ उठा पायेगी।

CHHATTISGARH PLAN FOR 2001-02

I welcome the Chief Minister and his colleagues to this meeting for the finalisation of Annual Plan for 2001-02 of Chhattisgarh. The creation of the new State of Chhattisgarh with effect from 1st November 2000 provides an opportunity to the State Government as well as its people for better administration and faster development of the State. There are many teething problems that a new State would be facing but I am sure that they are being resolved effectively and in a manner that is administratively sound.

For working out the Annual Plan 2001-02 the Principal Adviser and other officers from the Planning Commission visited Raipur on 31st January 2001 and had detailed discussions with the Chief Secretary and other senior officers of the State Government. I understand that the situation of resources has improved in the meanwhile. This is a happy situation. I appreciate that the State has been able to create a positive balance from current revenues for 2001-02. Since the year 2001-02 is the last year of the Ninth Plan I would suggest that special efforts should be made to complete the ongoing schemes within the stipulated time so that spillovers to the Tenth Plan are minimised.

Chhattisgarh possesses most of the rich mineral resources of the composite State of Madhya Pradesh. The world-famous reserves of iron ore in Bailadila and coal, limestone, dolomite, bauxite, tin, gold and diamonds and many other valuable minerals are found in the State. With these abundant natural and mineral resources, the State should set about further exploring and fully utilising them for faster industrialisation of the State for generation of employment opportunities and wealth and for reducing regional disparities. The State Government should also explore new areas of growth and employment such as IT-based activities and services and involve private sector participation in a big way.

The State is better placed in regard to power position. Chhattisgarh generates 779 MW, i.e. 35.7% of the power of the composite Madhya

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Pradesh, while it consumes only 21.8% of the total power generated in the composite State. Thus, it will have surplus power of 13.9%, which it can utilise for industries in the State. The constitution of Chhattisgarh Electricity Board is a welcome step.

I appreciate the review of agricultural policy by the State Government, which proposes to bring fundamental changes in the cropping pattern and aims at increasing the area under double cropping, oil seeds and pulses. So far, only 12% of the total cultivable area is irrigated in the State, which has also resulted in low productivity per hectare. There is utmost need for the creation of additional irrigation facilities. I, however, feel happy that the State Government has given priority for the completion of Hasdeo-Bango major irrigation project in two years to create an additional irrigation potential of 1.29 lakh hectares. However, the water rates, which were revised in 1992 by the Madhya Pradesh Government, require further revision.

As per the Census 2001 the literacy rate in Chhattisgarh at 65.18% in relation to 65.38% at national level is satisfactory. However, the gap between male and female literacy rate is very high, which needs to be bridged. The districts such as Bastar, Sarguja and Raigarh, where literacy rates are low, would require faster development of educational facilities. There is a need for reorientation of the programmes towards the education of girls and empowerment of women in various productive activities. The State Government initiatives to provide free computer education to girl students in the 9th to 12th standard under Indira Suchna Shakti Pariyojna is noteworthy.

I would like to assure that the Planning Commission would provide its full support and cooperation from time to time for rapid and balanced development of the new State. The Planning Commission provided Rs.30 crore as Additional Central Assistance for infrastructure requirements of the State's capital during the last financial year and I hope that infrastructure improvement would become visible in the current financial year.

DELHI PLAN FOR 2001-02*

I extend a warm welcome to the Chief Minister and her colleagues to this meeting to finalise the Annual Plan 2001-02 of the National Capital Territory of Delhi. We are now in the final year of the Ninth Five Year Plan. There is need to take a closer look at what we have so far achieved in order to prioritise our efforts for the Tenth Plan.

The Government of Delhi has been maintaining a basically strong financial profile during the first four years of the Ninth Plan. However, the scope for improvement in the realisation of its revenue potential needs to be fully explored as Delhi has one of the best revenue bases in the country. Special efforts need to be made in improving non-tax receipts. In the backdrop of unmet needs and urgent priorities, there is a need to enhance the Government's development efforts and step up the pace of implementation of schemes and projects by fully utilising and making efforts to mobilise additional resources. Delhi is in a position to set an example for the rest of the country in systematically and consistently raising resources.

Delhi has taken the first step in power sector reforms by setting up the Electricity Regulatory Commission. But it has yet to traverse the path of unbundling the Delhi Vidyut Board. The transmission and distribution losses, one of the highest in the country, are a matter of serious concern. This has to be addressed on priority.

Crying out for attention is improvement in the transport sector. I am glad that there is progress regarding construction of Mass Transport System. However, the pace of implementation needs to improve. A master plan for mapping of the underground systems of power, water, communications etc., is an urgent necessity to reduce disruptions in daily life of the public due to construction activities.

Delhi has an extensive road transport system with buses carrying 62% of commuters. However, the performance of Delhi Transport

Corporation leaves much to be desired. The vehicle productivity, staff productivity and fleet utilisation of Delhi Transport Corporation are lower than the national average. All this suggests that the task of overhauling the Corporation needs to be taken up at the earliest.

While the educational levels are generally better than in other States, primary education needs greater attention. I learn that the gross enrolment ratio in primary schools is around 80% only. Added to this is a high drop-out rate of around 23% overall and 55.17% for Scheduled Castes. In this context, the effectiveness of the Mid-day Meal programme to address these problems needs to be evaluated.

We are faced with a different situation in the case of secondary education. A study conducted in 1998-99 showed that in 58 schools where the pass percentage in Class X was less than 10%, the physical and academic infrastructure was poor. The Delhi Government may like to consider addressing these issues suitably.

In the health sector, although Delhi was the first State to initiate the Pulse Polio campaign, there has been a progressive decline in the immunisation coverage over the last three years. There is a need to strengthen routine immunisation.

Sewerage and waste disposal systems are inadequate in relation to the requirement and need considerable investments to improve. I notice that long-term plans have been drawn up for sewerage disposal and to augment water availability in Delhi. While these programmes would take some time to materialise, I would like to draw the attention of the Delhi Government to the need for a closer look at the distribution system of available water in Delhi. Efforts need to be made to restore balance in water distribution and provide safe drinking water to the 4.22% of Delhi's population for whom wells, rivers and canals are still the only sources of drinking water.

Finally, I welcome your initiatives such as Right to Information and Citizen's Charters to bring about responsiveness in the administration and good civic governance with public participation. You now need to take up the challenge of ensuring that these initiatives actually

translate into a more positive experience for your citizens in their interface with public servants at the cutting-edge level. According priority attention to the difficult task of reducing delays, harassment and corruption in provision of public utility services such as electricity, water and public distribution would boost the image of the city and be a signal achievement for the Government.

**Opening Remarks at the discussion on the Annual Plan of Delhi for 2001-02*

GOA PLAN FOR 2001-02*

I welcome the Chief Minister and his colleagues to this meeting for finalising the Annual Plan for 2001-02 of Goa.

Goa is a small State that came into being very recently but is already in many ways a developed State. It has the highest per capita income in the country and has been maintaining a rate of growth of around 6% in the last two decades. It is the first State in the country to have achieved the replacement level of fertility. Goa is the second State in the country to enact a Tourist Trade Act to regulate and control tourist activities in the State. In the field of education also Goa's record is far better than many other States. The literacy rate, which was 75.5% in 1990-91, rose to 82.32% according to 2001 Census. The Educational Development Index prepared by the Planning Commission places Goa at number two position among all the States in India.

The proportion of the population below the poverty line in Goa is fairly small compared to other States. The performance of the rural development schemes has been satisfactory on the whole. I would only like to reiterate, what I had said during my discussions with your predecessor last year, that you should take early action to devolve more funds and powers to the Panchayati Raj institutions to empower them suitably.

I would like to mention that there was a substantial gap between Plan outlay and Plan expenditure in the first three years of the Ninth Plan. The State Government has to make concerted efforts to utilise the Plan funds in executing the developmental programmes in a time-bound manner. Along with this, steps need to be taken to reduce the non-Plan revenue expenditure further. An assurance was given to me last year during the Plan discussions that Goa would go in for a big VRS. I presume that necessary steps in that direction are continuing.

In the agriculture sector the important plantation crops are coconut and cashew. As I had pointed out last year, the existing productivity levels are low and replanting and rejuvenation measures need to be taken to increase the yield levels of these crops, which could fetch good income to farmers. I hope that the State Government is taking necessary action in this regard. Moreover, keeping the interest of the farmers in view, there should be a judicious check on the conversion of agricultural land for other purposes. You may need to adopt stringent measures to ensure that the farmers do not deliberately leave their land fallow with a view to eventually having it converted.

In the irrigation sector the Tillari Irrigation Project has been under way for a long time and needs to be completed early so that benefits flow to the farmers. You may also like to introduce bye-laws for rainwater harvesting to avoid drinking water supply problem in the years to come.

As I had pointed out last year, the transmission and distribution losses in the power sector continue to be high. I understand that some measures have already been taken to improve the quality of power supply and to connect the Goa system with the 400 KV lines.

Tourism is one of the mainstays of Goa's economy. The tourist traffic to Goa almost corresponds to the population of the State. There is a need for a comprehensive Master Plan for sustainable development of tourism. Care will have to be taken that the mining activity in Goa does not cause environmental hazards like air pollution, deforestation etc., which would not only be harmful to the people of Goa but would be a deterrent for tourism. Further, I feel that the State needs to put in more efforts in its urban planning and particularly in providing underground sewerage. Funds for the latter could be raised by increasing the water rates to a reasonable level as also charging the house owners for this facility.

In the health and education sectors, where the overall record of the State has been excellent, there are some areas that require a little more focused attention. In the education sector female literacy still lags

behind male literacy. With regard to the vocational courses being run in the State there is a need for better linkages with industry and trade so that employable youth come out of these schools. Further, Goa, being a tourist centre, has a high reported sero-positive rate and the AIDS Control Programme needs to be strengthened. Drug abuse is another issue that requires the attention of the State Government.

To tackle the problem of unemployment in the State full advantage should be taken of the comparatively pollution-free environment to encourage software development parks as has been done in other similarly situated States. In addition, Goa could prepare the ground for taking advantage of its vast biodiversity and go in for promotion of biotechnology and Indian Systems of Medicine. Floriculture and horticulture are two other areas offering employment potential in your beautiful State.

* *Opening Remarks at the discussion on the Annual Plan of Goa for 2001-02*

GUJARAT PLAN FOR 2001-02*

I welcome the Chief Minister of Gujarat and other members of the State's delegation to this meeting, convened for finalising the State's Annual Plan for 2001-02.

First of all, I must compliment the State for expecting an annual growth rate of more than 7% during the Ninth Plan period in spite of two successive years of drought and a devastating earthquake during 1999-00 and 2000-01. The State's Gross State Domestic Product (GSDP) grew by 2.8% during 1997-98, by 8.9% during 1998-99 and by (-) 2.7% during 1999-2000. To achieve the projected growth during the Ninth Plan the State's growth during 2000-2002 would have to be substantially higher.

However, I note with concern the lower realisation of State's aggregate Plan resources in the last four years at about 61% and the worsening of State's Own Revenues, which may, in the long run, reflect on the overall performance of its economy. I understand that the State has resorted to heavy borrowings and shown some of the non-Plan expenditures under the Plan because of the difficult times it has passed through in the recent past. However, it is required to make more serious efforts in increasing the realisation of revenue receipts, non-tax receipts and at the same time, contain non-Plan, non-developmental expenditure and revision of pay in the revenue expenditure side.

An area, which requires the pointed attention of the State, is the poor performance of the agriculture sector in general and crop husbandry in particular. The productivity of crops, on an average, is very low. The potential in the productivity levels of coarse cereals like jowar, bajra, small millet has not been fully exploited. The same is true of the other crops like maize, groundnut, tur, soyabean, castor seed etc. The State is, therefore, advised to attempt a complete overhaul of its

agricultural policy, which may encourage growing crops appropriate for particular agro-climatic conditions. Analysis shows that wrong crops are being grown in wrong locations without reference to agro-climatic resource endowments. For example, out of about 6.5 lakh hectares of paddy, only about 2 lakh hectares are under right conditions. The balance is either upland or rainfed, an environment, which is hostile for paddy cultivation. Gujarat is the only State, which is not implementing the Marine Fishing Regulation Act, which affects, among other things, the fish catch very badly. The State is not observing the closed season during the breeding period – a practice, which is biologically and environmentally improper. The productivity of inland fisheries, even in the areas of Fish Farming Development Agencies (FFDAs), is the lowest in the country. There are vast tracts of vacant semi-arid and arid lands, which can be greened by putting under economically useful trees. Gujarat, famous for its great strides in the field of dairy the world over achieved by better management input, has not taken steps for conserving its indigenous animal wealth, like Zafarabadi, Surti and Mehsana buffalos, Gir and Kankrage cows, Patanwadi and Marwadi sheep and Zalewadi, Kachchi, Mehsani, Marwadi and Surti goats, which are world famous. The dairy movement seems to have bypassed the Saurashtra region altogether. Absence of cooperative or public sector organisations in the region leaves the very poor dairy farmers of the area at the mercy of private traders. I am confident that if this alone is taken care of as a poverty alleviation measure, the already low poverty figures of the State will come down further. I have no doubt that the State Government will address these problems on priority.

It is gratifying to see that the State has been showing consistently good performance in the industrial sector as it makes the second largest contribution to the net value addition in the country. The State's new Industrial Policy, announced in 2000, should also give a phillip to this growth rate. The progress in the case of disinvestments and closure of unviable public sector units is also commendable.

The State's performance in terms of health indices namely, Birth Rate, Death Rate, Infant Mortality Rate and Life Expectancy has been better

than the all-India average. However, the decadal growth rate of population, as per 2001 Census, is higher at 22.48%, as against 21.34% at all-India level. Ten districts of Gujarat out of a total of 25, i.e. 40%, are in the lower half of 569 districts of the country in regard to this social indicator. In fact, Dohad, the Dangs, Valsad and Surat are in the bottom 25% at serial numbers 463, 479, 480 and 555 respectively. Similarly, 5 districts of Gujarat have higher percentage of birth order in 3+ category. The unmet needs for family planning services in the State are high at 8.5% and need to be bridged. Districts like Panchamahar, Banaskantha, Dohad and the Dangs have very poor indices from demographic point of view. Only 20.9% children are reportedly immunised in Dohad and Panchamahar and 45.6% in Banaskantha, against 53.3% children immunised at national level, Amreli (46.3%), Kheda (43.5%), Bhavnagar (41.5%) are also below the national average.

Gujarat has an overall literacy rate of 69.97%, which is above the national average of 65.38% as per 2001 Census. The State ranks 15th amongst all States/UTs in total literacy and in fact has slipped down from 14th position as per the 1991 Census. Among the districts, Banaskantha, Patan, Surendranagar, Jamnagar, Junagadh, Kheda, Panchamahar, Dohad, Narmada and the Dangs are more backward.

In 8 districts out of 25, the female literacy rate is less than the national average and should, therefore, be cause for concern. The literacy rates are 80.5% and 58.6% for male and female respectively. This gender disparity is observed to be more glaring in the Schedule Tribe population.

The State, however, is to be complimented for making rapid strides in elementary education. The State has been able to provide a primary school in every revenue village and thus has achieved the national norm of access to a primary school within one kilometer of a village. The growth of enrolment of Scheduled Caste and Scheduled Tribes students has also been impressive. However, the poor enrolment ratio at the upper primary level, reflecting high drop-out rates in I-V classes, more than 50% for boys and 60% among girls, is a matter of serious

concern. The State Government may like to examine whether this is connected to poor implementation of the Mid-Day Meal Scheme under which the State barely lifts 30% of its allocation.

I am happy to learn that the State Government has now taken the initiative for setting up an exclusive Department of Women & Child Development. It is hoped that the schemes meant for the welfare and development of women and children, which are now being implemented by other departments, have been brought under the proposed W & C Department to give the much-wanted thrust and attention for effective implementation of these very schemes.

As per the new Gujarat pattern for the Tribal Sub-Plan (TSP), the State Government has decided to earmark 17.57% of the outlay of State's Annual Plan every year for TSP. It is, however, observed that the flow to TSP in the State has been reduced from the allocation level of 14.32% in 1999-2000 to 13.25% in 2000-01 and is proposed to be brought down to 9.76% during the current year (2001-02). The allocation for the Special Component Plan (SCP) meant for welfare of Scheduled Caste, has similarly been brought down from Rs.125 crore in 2000-01 to Rs.101.70 crore in 2001-02. These are also matters, which need pointed attention of the State Government.

At the end, I would suggest that the State Government should rationalise and minimise the number of schemes, either by converging or by weeding out the redundant schemes in the interest of better governance.

* Opening Remarks at the discussion on the Annual Plan of Gujarat for 2001-02

हरियाणा की वार्षिक योजना 2001-2002

में, इस बैठक में हरियाणा के माननीय मुख्यमंत्री, उनके सहयोगियों और अधिकारियों का हार्दिक स्वागत करता हूँ।

हरियाणा भारत के समृद्ध राज्यों में से एक है। गरीबी रेखा से नीचे रह रहे लोगों का प्रतिशत सबसे कम में से है। यह चिन्ता का विषय है कि पूर्व पंचवर्षीय योजनाओं की तुलना में, नौवीं योजना में, हरियाणा के विकास दर में कमी आयी है। मुझे विश्वास है कि अपनी मजबूत कृषि और अघो-संरचना के बल पर हरियाणा की अर्थव्यवस्था में उच्चतर विकास दर प्राप्त करने की सम्भावनाएँ हैं। आगामी वार्षिक योजना तथा दसवीं योजना के दौरान विकास की गति बढ़ाने के इस उद्देश्य को प्राप्त करने के लिये सरकार को भरपूर प्रयास करने होंगे।

हरियाणा की नौवीं योजना के लिए कुल अनुमोदित परिव्यय 9310 करोड़ रुपये है। प्रथम चार वर्षों में पूर्वानुमानित व्यय अनुमोदित परिव्यय का लगभग 78 % बनता है। परन्तु यह नौवीं योजना के कुल परिव्यय का केवल 58 % है। इससे पता चलता है कि अतिरिक्त संसाधन अपेक्षित सीमा तक मुहैया नहीं कराए गए और क्रियान्वयन क्षमता को और सुदृढ़ करने की आवश्यकता है। इस पहलू को मद्दिष्ट में योजना आकार तय करते समय ध्यान में रखा जाना चाहिये।

वर्ष 1992-93 में हरियाणा के राज्य घरेलू उत्पाद में कर का हिस्सा 8.34 % था जो वर्ष 1999-2000 में घटकर 7.7 % हो गया है। उधार निधियों पर राज्य की निर्भरता बढ़ रही है। गैर-योजना राजस्व व्यय में ब्याज भुगतान का प्रतिशत वर्ष 1997-98 में 13.7 % से बढ़कर वर्ष 2000-01 में 22.3 % तक हो गया है। इसी प्रकार, राज्य सरकार द्वारा समर्थित गारंटी का बकाया स्तर मार्च 1992 के अंत तक 1264 करोड़ रुपये से बढ़कर मार्च 2000 के अंत तक 4246 करोड़ रुपये हो गया है। तथापि, वर्ष 1999-2000 से BCR में सुधार हुआ है। राज्य सरकार मद्दिष्ट में व्यय पर नियंत्रण रखकर और अतिरिक्त संसाधन जुटाकर BCR में सुधार को जारी रख सकती है।

यह जानकर प्रसन्नता हुई है कि राज्य ने नौवीं योजना के खाद्यान्न उत्पादन लक्ष्य को प्राप्त कर लिया है। यह मुख्य रूप से विभिन्न प्रकार के चावलों और गेहूँ बीजों

के उत्पादन के कारण हुआ है। हरियाणा में चावल का उत्पादन अखिल भारतीय औसत की तुलना में उच्चतर है, फिर भी यह चीन की उत्पादन दर (लगभग 50 %) से काफी नीचे है। अच्छी निर्यात मांग के कारण सुपरफाइन चावलों की उच्च उत्पादकता वाली विभिन्न प्रकारों के उत्पादन को बढ़ाने की भी संभावना है। दालों, कपास और ईख का उत्पादन संतोषजनक नहीं है। क्षारीय (ऊसर) जल जमाव और सूक्ष्म पोषाहार कमी में हो रही वृद्धि मृदा स्वास्थ्य को प्रभावित कर रहा है।

कृषि को और आधुनिक बनाने की भी आवश्यकता है। वर्तमान स्कीमों को एकीकृत करके और नये घटकों को शामिल करते हुए 10वीं योजना के दौरान कार्यान्वयन के लिए इस संबंध में एक व्यापक स्कीम बनायी जाए। मुझे यह जानकर खुशी हुई है कि राज्य सरकार ने फसल प्रणाली में परिवर्तन के लिए विकल्पों का अध्ययन करने हेतु एक विशेषज्ञ दल गठित किया है और आगामी 10 वर्षों में खाद्यान्न उत्पादन को दोगुना करने के उद्देश्य से अग्रगामी और पश्चगामी सम्पर्कों पर समुचित विचार करने के लिए विजन 2020 दस्तावेज बना रही है। यद्यपि राज्य सरकार ने पशुपालन और मत्स्य उद्योग के क्षेत्र में काफी प्रगति की है, तथापि, मुरग मैसों के जेनेटिक संसाधनों को सुरक्षित बनाए रखने के लिए उपयुक्त उपाय किए जाने की आवश्यकता है। राज्य में पुष्प खेती के विस्तार की भी संभावनाएं हैं।

राज्य ने अच्छी सिंचाई संभावनाओं का सृजन किया है। अधिकतम संभावना के प्रतिशत के रूप में सृजित संभावना देश के लिए 78.77% की तुलना में 84.34% है। तथापि, सतलुज यमुना लिंक (SYL) नहर, इसकी अन्तःराज्यीय प्रकृति होने के कारण, इसका पूरा होना अवश्य ही एक कठिन समस्या है। वास्तव में, देश में तथा राज्य में, कृषि उत्पादन के हित में इसका शीघ्र समाधान आवश्यक है। यह चिन्ता का विषय है कि कुछ क्षेत्रों में भू-जल का अति-दोहन हो रहा है, जिस पर रोक लगाने की आवश्यकता है।

राज्य विद्युत क्षेत्रक सुधारों के मार्ग पर अग्रसर है। आपने राज्य विद्युत विनियमन आयोग स्थापित किया है, जिसने टैरिफ निर्धारण आदेश भी जारी कर दिए हैं। कृषि टैरिफ केवल 82 पैसे किलोवाट ऑवर (KWH) है। इस प्रकार कृषि टैरिफ में और वृद्धि की अभी भी गुंजाइश है। पारेषण और वितरण (T&D) हानियाँ बहुत अधिक हैं। वर्ष 1999-2000 में हरियाणा के लिए प्लांट लोड फैक्टर 87.3 % के अखिल भारतीय आंकड़े की तुलना में बहुत कम (53 %) है। उत्पादकता में सुधार के अतिरिक्त उत्पादन परियोजनाओं में अनुसंधान और विकास (R&D) कार्यों

पर अधिक बल दिया जाना आवश्यक है। राज्य सरकार त्वरित विद्युत विकास कार्यक्रम (APDP) के अन्तर्गत अधिक से अधिक वित्तीय सहायता का लाभ उठा सकती है।

हरियाणा के पास सड़क आधारीक संरचना का व्यापक नेटवर्क है। आवश्यकता इसके तत्काल उन्नयन की है। यह चिन्ता का विषय है कि हरियाणा रोडवेज को भारी हानि हो रही है। मैं, राज्य सरकार से इसे वाणिज्यिक परिवेश में देखने का अनुरोध करता हूँ। मैं, हरियाणा रोडवेज के अतिशेष कर्मचारियों के लिए स्वेच्छिक सेवा निवृत्ति (VRS) का प्रस्ताव रखना चाहूँगा। निगम का निजीकरण की संभावनाओं का भी परीक्षण होना चाहिए।

यह संतोष का विषय है कि राज्य सरकार ने मार्च 2002 तक प्राथमिक शिक्षा के सार्वजनिककरण का लक्ष्य निर्धारित किया है। मुझे बताया गया है कि इसे 2001 तक स्वतः पंजीकरण लक्ष्य की उपलब्धि की आशा है। मुझे यह जानकर संतोष हुआ है कि आपको डीपीईपी के सभी जिलों में प्राथमिक स्कूलों के प्रबन्धन को 1 अप्रैल, 2001 से पंचायती राज संस्थानों को सौंपने का प्रस्ताव है।

राज्य में शिशु मृत्यु दर और जीवन प्रत्याशा संतोषजनक है। लेकिन अशोधित जन्म दर में सुधार की गुंजाइश है। तथापि, गम्भीर चिन्ता का विषय महिलाओं की तुलना में अधिक विषमता (अखिल भारत 927 पर 1000) की तुलना में 885 है। राज्य सरकार को इस तथ्य के कारणों पर ध्यान देना चाहिए और इस असंतुलन, जिसके अन्वया गम्भीर सामाजिक-आर्थिक परिणाम हो सकते हैं, में सुधार के लिए कार्यनीति और कार्य योजना बनानी चाहिए।

मैंने विकास के कुछ ही मुद्दों को लिया है। इसका यह अर्थ नहीं है कि अन्य मुद्दे महत्वपूर्ण नहीं हैं। निःसन्देह राज्य सरकार राज्य के विकास की व्यापक योजना तैयार करने की स्थिति में है। राज्य के विकास की गति को तेज करने में रचनात्मक सहायता प्रदान करने में हमें प्रसन्नता होगी।

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HIMACHAL PRADESH PLAN FOR 2001-02*

I welcome the Chief Minister and his colleagues to this meeting for the finalisation of Annual Plan for 2001-02 of the State of Himachal Pradesh. The meeting for the finalisation of Annual Plan 2000-01 was held in November 2000. So, significant changes in the developmental position of the State or its resources may not have occurred in this short time. For the Annual Plan 2001-02, the Principal Adviser and other officers visited Shimla on 12th January 2001 and had detailed discussions. Since 2001-02 is the last year of the Ninth Plan, I would suggest that special efforts should be made to complete the on-going schemes within the stipulated time so that the spillovers to the Tenth Plan are minimised.

The overall performance of the State in the first four years of the Ninth Plan has been encouraging. Against an approved outlay of Rs. 5430 crore, the expenditure was Rs.5817 crore. However, the overall resource mobilisation at Rs.3935.25 crore during the first four years of the Ninth Plan as against the projected aggregate resource of Rs.5700 crore, which works out to only 69.04%, is a matter of concern. The resources mobilised by the State, which showed an improvement in 1999-2000, rather declined in 2000-01. The borrowings at 108.03% during the first four years of the Ninth Plan, as against projection of 68%, to finance the Plan outlay may put the State Government in a debt trap. The increase in interest liability as a ratio of revenue receipt from 40.5% in 1999-2000 to 47.5% in 2000-01 points to this danger. This cannot be permitted and steps must be taken to reduce the revenue expenditure immediately. There is a great urgency to have a serious and critical look at the number of employees of the Government including those on work-charged system.

I am aware that the State Government has embarked upon wide ranging fiscal reforms such as private sector participation in core

sectors, rationalisation of user charges, better targeting of subsidies, decentralisation and delegation of powers and constitution of regulatory commissions. These efforts may, however, take some time to yield any significant results. The diversification in the farm sector, specifically efforts regarding growing off-season vegetables, exploitation of the potential of tea plantation, citrus fruits, kiwi, mango, litchi and nut crops, are steps in the right direction. To make the dairy operation viable, the State may concentrate on value-addition activities.

The State Government should explore new areas of growth and employment such as IT-related industries and services and offer locational advantages to private sector rather than incentives of tax concessions alone. In order to make the State more attractive for tourists it would be necessary to ensure private sector participation in tourism in a big way. In the case of power generation and distribution, transport and maintenance of ecology, the participation of private sector is inescapable and preparatory action should be taken to make a big leap possible in the Tenth Plan.

There are Centrally Sponsored Schemes under implementation in the State, which include a Growth Centre at Kangra, Export Promotion Industrial Park at Baddi, Entrepreneur Development Centre at Parwanoo, etc. The State Government should complete the Centrally Sponsored Schemes expeditiously and facilitate development of related infrastructure for boosting industries in the State.

I am told that there are about 1600 small-scale industrial units in the State, which have not installed proper pollution control equipment. According to a study by the National Environmental Engineering Research Institute, common effluent treatment plants are not feasible for these units, as the effluents generated are heterogeneous in nature. Therefore, appropriate individual methods should be used to check the pollution from these units. The State should also work out an industrial siting policy.

Though there has been a significant growth in literacy in the State, the difference between male and female literacy is still high at 17%,

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as per the 53rd round of NSSO in 1997. Special attention is, therefore, required to increase rural female literacy. The gross enrolment ratio during 1998-99 for tribals in the age group 11 to14 was quite low at 58.56% for male and 51.33% for female. Concerted efforts are, therefore, also required in this direction. There has been no growth in technical institutions like Regional Engineering College, Polytechnics and Industrial Training Institutes in Himachal Pradesh since 1997. The State Government may encourage private entrepreneurs to open engineering colleges and technical institutions.

The financial position of Himachal Pradesh State Electricity Board has been a cause for concern and needs to be improved. A strategy to improve the negative rate of return on capital employed needs to be evolved besides reducing the gap between the average tariff of 221 paise per unit and the average cost of 260 paise per unit, which covers only 85% of the cost of supply. Similarly, the financial performance of Himachal Pradesh State Road Transport Corporation needs improvement by reorientation of policies.

* Opening Remarks at the discussion on the Annual Plan of Himachal Pradesh for 2001-02

KARNATAKA PLAN FOR 2001-02*

I welcome the Chief Minister and his colleagues to this meeting for finalising the Annual Plan for 2001-02 of Karnataka.

I would like to begin by congratulating Karnataka for its achievements in almost all the sectors of economy. However, regarding the performance of the State Government in mobilisation of resources for financing of the Plan, we have some concerns. The State has been increasingly depending on borrowings to finance its Plan and the dependence on its own funds has been progressively decreasing over the past four years. This is a matter of concern. Unless efforts are made at this stage itself to increase the State's own funds for financing the Plan and for containing the non-Plan revenue expenditure, the fiscal health of the State may deteriorate in the long run.

Crop productivity in the State has remained stagnant over the last 25 years. The focus should be on increasing productivity by appropriate package of agricultural practices and better water management practices, more specifically in view of the rainfed farming in large areas of the State.

It is gratifying that the State Government has initiated the programme of setting up Raitha Mitra Kendras, which will eventually cover all the revenue circles in a phased manner. I am told that these Centres, through the cooperative efforts of the private and public sector, will extend the benefit of the latest technologies to the farmers and also serve as useful centres of information to the farmers regarding their input and output. That the State Government has decided to involve the public and private sectors in running of these Kendras is a progressive measure.

The State seems to have done a commendable job in the area of watershed development and by involving non-governmental

organisations in this gigantic task. The State Government's assessment is that a sum of Rs. 2500 crore is required to tackle the development of all watersheds. I would like to congratulate the Chief Minister that a comprehensive watershed development project costing about Rs. 700 crore has been launched on September 22, 2001. I am also told that an ambitious scheme regarding rejuvenation of old irrigation tanks is also under negotiation. These are measures for which the State needs to be congratulated.

I am also happy that the State Government has taken initiative to improve veterinary services by allowing the use of the public infrastructure by private professionals. I would, however, like to mention that, as against an amount of Rs. 160 crore earmarked for purchase of medicines, only about Rs. 32 crore were spent last year. There is thus a big gap between the earmarked funds and the expenditure. These would have affected the veterinary services in the State.

Provisioning of agricultural credit also needs serious look. Although the recovery of the short-term cooperative credit is satisfactory at 70%, it is extremely poor at 20% in respect of medium and long-term loans. The Kisan Credit Cards scheme is an innovation meant to improve the availability of credit to the farmers. However, there is a need for close monitoring to ensure that the objectives of the scheme are met in letter and spirit.

The health indices of the State are better than the national average. The current trends suggest that the State is likely to achieve the NRR of 1 by 2009. However, there has been a decline in the number of acceptors of family planning methods in the State in 2000-01 (up to January 2001) as compared to the corresponding period of 1999-2000. This is a matter of concern.

Though Karnataka has higher literacy rates compared to the national average, the decadal growth of literacy during the period 1991-2001 is not as impressive. Besides, there is a gap of 19% between male and female literacy levels. Literacy level of SCs/STs is also low. This situation calls for special attention of the State Government.

At primary level, the drop-out rate in Karnataka is lower than the national figures. However, it is higher at the middle level. During 1999-2000, the drop-out rate at middle level for boys was 59.82% and for girls it was 65.35% and both combined, it was 62.47 per cent. The corresponding all-India figures are 51.96%, 58.00% and 54.53% respectively. Studies have shown that the serving of hot cooked meal everyday ensures better attendance and retention of children in schools. It is surprising to note that in your State, under the Mid-Day Meal Programme, of the 3 kg of foodgrains per student per month, only 2 kg is being given once a month. The remaining is sold to meet the cost of local transportation. This practice is against the provisions in the scheme and needs early remedial action. Steps should also be taken to provide hot cooked meal to the children.

Another area of concern is the large number of vacant posts of teachers in the primary, secondary and higher secondary schools. To compound this is the problem of absenteeism. I am happy to note that your State has introduced a scheme, *Minchina Sanchara*, to ensure the presence of teachers in schools. The joint inspection by the officials and non-officials will have a good effect. However, the State Government may like to consider empowering parents' associations and the local Panchayat to check the attendance of teachers and take action against defaulters. The problem of absenteeism among the functionaries, both in the education and health sectors, in rural areas has become endemic and calls for strong measures.

There was a serious shortfall in the construction of classrooms in the State. In spite of funds being allocated, the construction lagged behind. This needs immediate attention.

I find that there are wide variations in the socio-economic indices of the different regions of the State. For example, the districts of Gulbarga, Bidar, Bellari, Raichur, Bijapur, Koppal and Bagakote have poor health and educational indices. Special measures are needed to take care of this problem.

The prevailing irrigation rates in force from 1.7.1987 need revision. There is also the problem of excessive use of ground water. I understand

that there is over-exploitation of ground water in 6 blocks and there are about 12 dark blocks in the State.

The State has launched power sector reforms and enacted the Karnataka Electricity Reform Act in 1999. The Electricity Regulatory Commission, which has been set up, has already started functioning. These are progressive steps. However, in spite of decisions at the Chief Ministers' Conference to charge at least 50 paise per unit from agricultural consumers, in Karnataka it still continues to be as low as 31 paise. The estimated net commercial losses, without subsidy, for the years 2000-01 and 2001-02 are of the order of Rs.1674.9 crore and Rs.2340.10 crore respectively. The situation calls for urgent attention of the State Government if the basic strength of the power sector is to be restored.

I have touched upon only some of the important sectors. As was suggested during the Annual Plan discussions last year, the State Government may kindly take urgent steps to prepare Vision 2020 document of the State.

KERALA PLAN FOR 2001-02*

I take great pleasure in welcoming the Chief Minister of Kerala and his colleagues to this meeting organised for finalising the Annual Plan for 2001-02 of the State of Kerala.

At the outset, I must compliment the Chief Minister for Kerala for the excellent achievements in the fields of health and literacy. The State has the highest Literacy Rate in the country, i.e. 90.92% according to the 2001 Census against the all-India average of 65.38%, the lowest Infant Mortality Rate of 14/1000 against the all-India average of 70/1000 as per SRS 1999 and the highest female-to-male population ratio 1058 females to 1000 males against the all-India average of 933:1000 as per the 2001 Census. Further, it is noteworthy that there is very little difference in health indices between urban and rural areas in the State. Kerala is the only State with a decadal population growth rate of less than 10%, against the national average of 21.34 per cent. Kerala is the first State to have achieved the replacement level fertility (TFR of 2.1) by investing heavily in the social sector. The State has retained its pre-eminent position in the sex ratio with females continuing to outnumber males.

I also note that under the National Literacy Mission (NLM) the State has made continuing education a necessary component of its activities in order to achieve the goal of universal literacy. However, concerted efforts are required to see that the achievements of NLM in the last decade are sustained and that the learners do not lapse back into illiteracy.

It is also heartening to note that Kerala has been doing well in the implementation of decentralised planning. Roughly 30% of the Plan outlay is passed on to the local bodies for implementation of various schemes at the local level. The preparation of village resource maps by

the Panchayats is an initiative that deserves replication in other States. The Self Help Groups (SHGs) formed with women below poverty line are doing remarkably well and these women are actively participating in the village-level development. The State has also constituted the State Finance Corporation (SFC) to review the financial position of the Panchayats.

I also find that the percentage of rural population living below poverty line in the State has declined from 25.76% in 1993-94 to 9.38% in 1999-2000 as against the all-India figures of 37.27% and 27.09 per cent. This is indeed praiseworthy.

The agriculture development in the State has, however, not been very impressive. The production of foodgrains has fallen from 12.98 lakh tonnes in 1980-81 to 7.9 lakh tonnes of which rice accounts for 7.7 lakh tonnes in 1999-2000. This was mainly due to diversion of area to high-value non-food crops. The State's efforts at maximising rice production have, however, not yielded any tangible results. The State's coconut and cashew nut plantations are old and in certain areas are severely affected by pests and diseases. It is also a matter of concern that the sharp fall in the price of graded natural rubber from Rs.39.88 per kg in 1997 to Rs.29 per kg in 1999 has affected over 7 lakh farming communities of Kerala. Moreover, demographic pressure on the limited land resource has been leading to extreme sub division and fragmentation over the years.

The growth of industrial sector in Kerala has been slow as compared to some of the other States. The State Government, however, has reoriented its industrial development strategy in recent years by moving away from direct manufacturing activity and concentrating on the provision of suitable infrastructure to stimulate private sector investment. It has recently set up an Electronic Technology Park. In so far as the PSUs are concerned it is noted that only 3 out of the 72 units are making profits. Although the State is proposing to restructure, modernise and make all efforts to revive these units, I hope that early positive action will be taken in this direction. Due to shortage of land

the State Government cannot attract very large industry and has very rightly chosen to promote tourism as an industry. The State has vast potential in this area and all-out efforts are required to provide world-class facilities but at the same time preserving and protecting the eco system.

The other sectors causing concern are irrigation and power. The achievement in the irrigation sector is neither commensurate with the additional investment made during this Plan period nor anywhere near the Plan target. Several irrigation projects have been dragging from one Plan to another without getting completed in a time-bound manner. The water rate recovery is only around 29% of the O&M charges. Lift irrigation schemes have not been successful due to very low rates. The process of restructuring and reforms initiated by the State Government in the power sector has been very slow. Although the Power Department has been divided into three wings for generation, transmission and distribution, all of them continue to be in the public sector. Besides, the tariff for both agriculture and domestic purpose is very low.

The performance of Kerala Road Transport Corporation is not encouraging both in physical and financial terms. The operating expenditure of the Corporation is more than the operating revenue on account of introduction of pension scheme for the staff and also the commercial borrowings to meet the shortfall, etc. The fare structure requires further upward revision. The concessional travel scheme causing an annual loss of around Rs.50 crore may have to be rationalised or the amount should be reimbursed by the State Government. I am sure these issues are already getting your attention.

**Opening remarks at the discussion on the Annual Plan of Kerala of 2001-02*

मध्य प्रदेश की वार्षिक योजना 2001-2002

मध्य प्रदेश राज्य की वार्षिक योजना 2001-02 को अंतिम रूप देने के लिए मैं इस बैठक में माननीय मुख्यमंत्री और उनके सहयोगियों का स्वागत करता हूँ।

इस राज्य का दिनांक 1 नवम्बर, 2000 को पुनर्गठन हुआ है। छत्तीसगढ़ राज्य बनने का प्रभाव खनन क्षेत्रक से राजस्व अर्जन में कुछ कमी के रूप में और विद्युत आपूर्ति प्रबंधन में भी होगा क्योंकि छत्तीसगढ़ में आनेवाले विद्युत उत्पादक संयंत्र संयुक्त मध्य प्रदेश की विद्युत का 35.66% उत्पादन करते हैं। तथापि, छत्तीसगढ़ संयुक्त राज्य में कुछ उत्पादित विद्युत का मात्र 23.86% उपभोग करता है। इस प्रकार, मध्य प्रदेश 11.8% विद्युत खो देगा जिसे उसे छत्तीसगढ़ अथवा दूसरे राज्यों से खरीदना पड़ेगा। मध्य प्रदेश को खनन से होने वाली हानि का अनुमान 46% लगाया गया है। इसी प्रकार, वन क्षेत्र में हानि का अनुमान 41% लगाया गया है। तथापि, वर्तमान मध्य प्रदेश राज्य के पास वृहद जनशक्ति संसाधनों के अलावा काफी वन संसाधन, जल, बेहतर जलवायु परिस्थितियाँ और कृषि उत्पादन में सहायक मृदा है। इसके पास सुविकसित वित्तीय क्षेत्रक, संगठित बाजार, बढ़ता हुआ औद्योगिक क्षेत्र और बेहतर शैक्षिक संस्थान हैं। इसके बावजूद, राज्य के विभाजन के कारण राजस्व एवं विद्युत में कमियों को पूरा कर पाना मध्य प्रदेश के लिए अधिक कठिन नहीं होगा।

मुझे प्रसन्नता है कि मध्य प्रदेश ने पंचायती राज के रूप में आधारिक शासन प्रणाली को सफलतापूर्वक लागू किया है। सरकार द्वारा लागू की गयी उदार नीतियों की वजह से राज्य में औद्योगिक निवेश में वृद्धि भी साक्ष्य हुई है। इससे मध्य प्रदेश औद्योगिक निवेश के संदर्भ में महत्वपूर्ण राज्य बन गया है। अब मध्य प्रदेश में जो कार्य किया जाना है, वह यह है कि विकास के कुछ विशिष्ट पहलुओं पर ध्यान दिया जाए।

1993-94 और 1999-2000 के बीच विकास दर राज्य में राष्ट्रीय औसत सहित कृषि विकास की उच्च वृद्धि मात्र 1.8 प्रतिशत से घट कर महत्वपूर्ण गिरावट स्तर पर आ गई। मध्य प्रदेश में प्रति एकड़ उत्पादकता संभवतः दुनिया में सबसे कम है। यह मुख्य रूप से अपर्याप्त सिंचाई सुविधाओं, कम गुणवत्तावाले बीजों और

प्रति एकड़ ऊर्बरकों के न्यून प्रयोग के कारण है। मैं आशा करता हूँ कि राज्य सरकार इस पर समुचित ध्यान देगी।

आज मध्य प्रदेश में इलेक्ट्रॉनिक्स, दूरसंचार, खाद्य प्रसंस्करण एवं आटोमोबाइल्स जैसी उच्च प्रौद्योगिकी वाले उद्योग हैं। यह देश में पहला राज्य है जहाँ दूरसंचार के लिए ऑप्टिकल फाइबर का उत्पादन शुरू हुआ है। राज्य सरकार ज्ञान आधारित उद्योगों पर आधारित औद्योगिक विकास के लिए भावी कार्यनीति पर विचार कर सकती है क्योंकि इसमें कुशल और सक्षम जनशक्ति का अंतर्निहित लाभ है। यह सूचना प्रौद्योगिकी (Information Technology) जैव-प्रौद्योगिकी (Bio-Technology) एवं औद्योगिक अनुसंधान और विकास पर ध्यान केंद्रित कर सकती है। राज्यों को स्वयं निजी और विदेशी निवेश आकर्षित करने के लिए विपणन करने की आवश्यकता है। राज्य में पर्यटन उद्योग के विकास के लिए अधिक संभावनाएँ हैं जिनका पहले भी दोहन किया गया है। भारत में यह एकमात्र राज्य है जहाँ विश्व के तीन विरासत शहर—खजुराहो, सांची और मांडू हैं। पर्यटन के समुचित विकास से आघारिक संरचना, होटल उद्योग और कुटीर उद्योग का स्वतः विकास होगा।

जैसाकि पिछले वर्ष की वार्षिक योजना चर्चाओं में उल्लेख किया गया है, औसत आपूर्ति लागत और औसत विद्युत शुल्कदर के बीच जो 65% का अंतर है, उसे समाप्त किए जाने की आवश्यकता है। इसके अलावा, राज्य सरकार 7.20 पैसे प्रति यूनिट की न्यून कृषि विद्युत शुल्कदर में 50 पैसे प्रति यूनिट की वृद्धि करने पर विचार कर सकती है। पारेषण और वितरण हानियाँ जो 31% हैं, को पारेषण एवं वितरण प्रणाली में चोरी को कम करके 23% राष्ट्रीय औसत तक लाए जाने की आवश्यकता है। इसी प्रकार, मध्य प्रदेश सड़क परिवहन निगम के निष्पादन में और अधिक सुधार किए जाने की आवश्यकता है।

वर्ष 1999 के अनुमानों के अनुसार, राज्य में 30.7 प्रति हजार जन्मदर राष्ट्रीय स्तर पर 26.1 प्रति हजार जन्म दर की तुलना में बहुत अधिक है। राज्य में 91 की दर से शिशु मृत्यु-दर राष्ट्रीय स्तर पर 70 की तुलना में अधिक है। वर्ष 1998-99 के दौरान आयोजित कराए गए राष्ट्रीय परिवार स्वास्थ्य सर्वेक्षण-II से पता चलता है कि राज्य में केवल 20.1% प्रसूतियाँ चिकित्सा संस्थानों में और 29.7% स्वास्थ्य व्यावसायिकों द्वारा कराई जाती है। चिन्ता का अन्य विषय यह है कि 12-24 माह आयु वर्ग के बच्चों में से केवल 22.4 % बच्चे ही सभी वैक्सीन निरोधक बीमारियों के विरुद्ध टीका प्राप्त कर रहे हैं।

शिक्षा के क्षेत्र में, महिला साक्षरता दर में और अधिक सुधार किए जाने की आवश्यकता है क्योंकि अब भी अखिल भारत स्तर के 25% की तुलना में पुरुष-महिला साक्षरता दर में लगभग 30% का बड़ा अन्तर है। मध्य प्रदेश में अनुसूचित जाति/जनजाति महिला साक्षरता दर भी बहुत कम है अर्थात् क्रमशः 18.11% और 10.73% है। प्राथमिक और माध्यमिक दोनों स्तरों पर भी, पुरुष शिक्षकों की तुलना में महिला शिक्षकों के प्रतिशत को बढ़ाने की आवश्यकता है।

मध्य प्रदेश में 30-दिवसीय प्रत्याह्वान आधार पर 55वें दौर के उपभोक्ता व्यय डाटा के अनुसार वर्ष 1999-2000 के दौरान गरीबी रेखा से नीचे की जनसंख्या का प्रतिशत अखिल भारत स्तर के 26.10% की तुलना में 37.4% है और यह निश्चित रूप से चिन्ता का विषय है। रोजगार की वृद्धि दर जो पिछले कुछ वर्षों में गिरी है, उसे भविष्य में श्रम सघन क्षेत्रक पर ध्यान देते हुए सुधारा जाना चाहिए।

चिन्ता का दूसरा क्षेत्र इसकी वार्षिक योजनाओं के वित्त-पोषण के लिए उधारों पर राज्य की बढ़ती हुई निर्भरता है। राज्य के उधारों का शेरर वर्ष 1997-98 में 46.38% से वर्ष 2000-01 में 74.27% तक बढ़ गया है। योजना संसाधनों के प्रतिशत के रूप में राज्य की निजी निधि वर्ष 1997-98 में 20.36% से वर्ष 2000-01 में घटकर (-) 23.18% हो गई। राजस्व प्राप्तिओं के प्रतिशत के रूप में ब्याज देय निरन्तर बढ़ रहा है। वर्ष 1997-98 में यह 15.5%, वर्ष 1998-99 में 17.1%, वर्ष 1999-2000 में 17.4% और वर्ष 2000-01 में 19.2% था। इन स्थितियों को और बढ़ने से रोका जाना है जिससे ऋण जाल में फँसने से बचा जा सके और ऐसी प्रवृत्तियों को भविष्य में समय पर रोकना है।

मैं आशा करता हूँ कि राज्य सरकार पदधारियों की भागीदारी के साथ श्री सोमपाल, सदस्य योजना आयोग की अध्यक्षता में कोर ग्रुप द्वारा मध्य प्रदेश राज्य हेतु राज्य विकास रिपोर्ट की तैयारी से मध्य प्रदेश के विकास हेतु बेहतर कार्यनीति विकसित करने में सहायता मिलेगी।

MAHARASHTRA PLAN FOR 2001-02*

I welcome the Chief Minister of Maharashtra and other members of his delegation to this meeting, convened for finalising the State's Annual Plan for 2001-02. As the meeting is taking place during the peak of Ganesh Chaturthi celebrations, I avail this opportunity to offer my greetings to the Chief Minister and the people of the State on this occasion.

Consistently a front-runner in industrial production, Maharashtra, which is the second largest State in area, with the creation of three new States, has become the second most populous State of the Country. It is among the top five States in regard to achievement in literacy. The health indices of Crude Birth Rate, Crude Death Rate, Infant Mortality Rate and Life Expectancy are better than the all-India average. The decadal growth rate of population, though lower than that of the preceding decade, is still higher than the all-India rate. The State should now gear up to achieve the replacement level fertility by 2008.

However, it is a matter of concern that according to the India Rural Development Report-1999, prepared by the National Institute of Rural Development (NIRD), Hyderabad, the levels of poverty and social infrastructure development vastly differ as between the different regions of the State. Some regions of Maharashtra have high ratio of poverty going up to 50 per cent. Similar regional imbalances have also been noticed in regard to rural health infrastructure. Some districts have low literacy rates. In some other districts, female literacy is significantly lower. The State Government should formulate suitable policy initiatives to mitigate rural-urban, as well as inter-regional disparities.

Maharashtra is the richest State in the country in terms of gross domestic product as well as per capita income. It has been the leading

State in terms of public and private investment. Maharashtra had been a model State in terms of fiscal management until recently. The debt burden of Maharashtra, in terms of State domestic product, remained the lowest among all States. However, of late, the fiscal situation of the State has deteriorated considerably and fast.

In the past a substantial share of the Plan financing was done by own funds of the State. The balance from current revenues used to be invariably positive. However, the performance of the State during the first four years of the Ninth Plan indicates a depressing picture. The total borrowings during this period exceeded the total Plan outlay. Over 18% of the borrowed funds have been used to meet the revenue expenditure on the non-Plan side. The State had been principally depending upon bonds and debentures, small savings and negotiated loans. The borrowings through bonds and debentures by parastatals with State guarantees during the first four years of the Ninth Plan work out to almost three times the projected bonds and debentures for the entire Ninth Plan period. As a result, the outstanding debts of the State, both direct and contingent, have been mounting. I urge the Chief Minister to take early steps to contain the debt over-hang of the State.

The heavy dependence on borrowings to meet Plan and non-Plan expenditure is a result of the slow growth in State's own revenues and its inability to contain soaring establishment expenditure. My impression is that with appropriate policies for shoring up tax and non-tax revenues and containing establishment expenditure, the State should be able to reverse the recent trend in a couple of years and re-establish its primacy as a fiscally prudent State.

The State provided the highest priority to irrigation sector during the Ninth Plan. However, the State has undertaken works simultaneously on a large number of new major and medium irrigation projects without completing the ongoing projects, some of which had commenced even prior to the Fifth Plan. This has been so in spite of AIBP funding being available for such projects. Thus, creation of

potential and its utilisation are low. The State should complete the old projects at the earliest and also prioritise other projects for their early completion so that the return on such large public investments start flowing in. The State is advised to take prompt measures to broad-base the membership and activities of the water users' associations also.

The Maharashtra State Electricity Board (MSEB) used to be one of the better-managed Boards in the country in terms of both physical and financial performance. However, the financial performance of MSEB has started deteriorating over the last four to five years. The net commercial loss without subsidy has increased from Rs.10.77 crore in 1997-98 to Rs.1403.60 crores in 2000-01 (RE). This is primarily due to the increase in the gap between the cost of supply and average tariff from 7p/KWh in 1997-98 to 48p/KWh in 2000-01 and due to the increase in revenue arrears as percentage of sales revenue from 26.11% in 1996-97 to 48% 2000-01. The T&D losses, which used to be 15% in 1996-97, have increased to 30% in 2000-01 (RE). The MSEB is yet to initiate significant reform measures. In fact, it is yet to decide on unbundling of generation, transmission and distribution as a practice, which has been followed by some SEBs. Given the critical importance of health of MSEB for development and financial health of Maharashtra, the power sector reforms deserve the highest priority.

The financial performance of Maharashtra State Road Transport Corporation (MSRTC) is not satisfactory even though the parameters of performance, i.e. 92.5% fleet utilisation, 315 kms physical productivity and 7.15 bus-staff ratio, in 2000-01 have registered improvement. The net loss, estimated to have been suffered by the Corporation in 2000-01, is Rs. 118.14 crore

As per Census 2001, the 41 million urban population of the State, which is 42.4% of its total population, in absolute numbers is the highest in the country. This has severely strained the existing infrastructure and services, including housing. The incidence of urban

poverty in Maharashtra is higher than the national average. Suitable measures would, therefore, need to be taken in this regard. The development and upgradation of small and medium towns would require more focussed attention with a view to mitigating regional disparities. For the mega city of Mumbai 47 projects costing Rs.808.30 crore were approved and the Centre has released Rs. 141.86 crore of its share up to 2000-01. It is suggested that the remaining projects may be pushed up for early completion. As Maharashtra is having a strong GDP base, it should not be difficult for them to finance the development of the Mega city. It is understood that Mumbai Urban Transport Project is going to be appraised by the World Bank shortly. Fast completion of the Mumbai Sewage Disposal Project will improve sanitation in selected slums and the quality of near-shore water.

As was suggested during the Annual Plan discussion last year the State Government may take urgent steps to prepare Vision-2020 document for the State.

** Opening Remarks at the discussion on the Annual Plan of Maharashtra for 2001-02*

MANIPUR PLAN FOR 2001-02*

I welcome the Governor of Manipur, Adviser and officials of the State Government to this meeting for the finalisation of the Annual Plan for 2001-02. As you may be aware, a Planning Commission team had visited Imphal in December 2000 and held official-level discussions with the State Government. This provided us with an opportunity to have a better perception of your difficulties and constraints.

Manipur has made considerable progress in the development of basic social and economic infrastructure in recent years, although the gap between the per capita income of the State and at the national level continues to be fairly wide. The literacy rate in the State is above the national average and health indicators also compare favourably with the all-India averages. The yield levels of rice and maize are also higher than the corresponding all-India levels.

At the same time there are at least two over-riding concerns that are affecting the development process in the State. The first is the law and order situation and the alleged interference of underground elements in the collection of revenues and implementation of development works taken up by the State Government. Such a situation impinges unfavourably on the level of economic activity. I trust the State Government is taking all necessary steps to improve the ground situation. It is also desirable to demonstrably highlight the improvements made in the law and order situation, as this is necessary for attracting outside investments.

The second major area of concern is the grave condition of State finances, which is now threatening the development process. I am informed that in the case of a number of departments the Plan funds are being largely utilised for payment of salaries. The State has been

in overdraft for a record number of 263 days in the last year. The State has not even been able to avail of its entitlement of various Centrally Sponsored and Central Sector Schemes.

There is a need to insulate the development process from the consequences of the weak financial position and other difficulties. For this the State Government would need to ensure that the schemes for which Central financing is available are fully provided for and the State's share protected. This would at least enable a minimal flow of funds for development on account of these schemes.

The recovery of user charges in electricity, water for irrigation, technical education etc. needs to improve considerably. Downsizing of the administrative machinery is also necessary since it is clearly not financially sustainable at present.

Alternative employment opportunities must be identified and encouraged. Young people need to be gainfully employed by encouraging land-based productive economic activities suited to the region, such as fisheries, dairy development and animal husbandry. The number of educated unemployed is also high. For them it is necessary to promote activities related to sectors such as information technology, which have the potential to grow in spite of the geographical disadvantages of the State.

Under the Non-lapsable Central Pool of Resources eleven projects with a commitment of over Rs. 240 crore are under implementation in the State. The State Government needs to expedite the implementation and submission of utilisation certificates for these projects. There is also potential for taking up a few more good infrastructure projects with short gestation, preferably entrusted to competent Central agencies for execution. This would ensure that the projects are not affected by financial and other local constraints and get implemented in time and within cost. The Leimakhong HFO Based 6X6 MW Thermal Power Project is a good example of this.

Manipur is presently facing a window of opportunity, in which the pace of development can be accelerated. I urge the Governor and the State Government officials to make a determined effort to bring this about. Planning Commission will be happy to support the State Government in its endeavours in whatever way feasible.

** Opening Remarks at the discussion on the Annual Plan of Manipur for 2001-02*

MEGHALAYA PLAN FOR 2001-02*

I welcome the Chief Minister of Meghalaya, his colleagues and the officials to this meeting for discussing the State's Annual Plan for 2001-02. As you may be aware, with a view to further the process of State-level interaction a team of Planning Commission led by State Plan Adviser Ms. Somi Tandon visited Meghalaya in December 2000 and held discussions with the officials of the State Government. This has provided us with an opportunity to have a better perception of your difficulties and constraints.

Meghalaya has made considerable progress in the development of basic social and economic infrastructure in recent years. The road density has increased considerably. The health statistics of the State are more or less comparable with the national level. Above all, the State is surplus in power generation.

I am glad to know that the Government of Meghalaya has encouraged the cultivation of Oyster and Button Mushroom. The farmers have absorbed the technology and are growing the same in locally designed low-cost mud houses. However, it would be desirable that the subsidy element is withdrawn in a phased manner from these schemes and these are encouraged to run more on commercial lines.

There are certain areas of concern. As per the latest assessment, the forest cover in the State has shown a decline of 24sq. km compared to the previous assessment done five years ago. Increasing the forest cover should be given its due priority.

I find that during the ten-month period, April 2000 to January 2001, the Government of Meghalaya has lifted only 86.76% of their allocation of rice for BPL families. I also notice that as per a study conducted by Tata Economic Consultancy Services, there was diversion of 54% of rice in the State of Meghalaya. This will need to be looked into.

It is good to note that the transmission and distribution losses in the power sector have been maintained at 20-22 per cent. But the gap between the cost of per unit production of electricity and the tariff at paise 75 per kWh is quite large. As a result the MSEB is continuously incurring losses.

The Planning commission has been responding positively to the needs of the State. We have already agreed to release Rs 32.63 crore from the Non-lapsable Fund during the current financial year. The State Government would need to monitor these projects and make available the utilisation certificates and quarterly progress reports well in time, which will entitle them to draw further installments.

I find that the total expenditure during the first four years of the Ninth Plan is only 78.68% of the Plan outlay of Rs 1727 crore.

While I appreciate the efforts made by the State Government to increase the tax and non-tax revenue I find that the financial position of the State has been deteriorating over the last three years. The gross fiscal deficit in 1999-2000 was more than double of the 1998-99 level and was budgeted to increase by 30% in 2000-01.

In spite of considerable progress made in social and economic infrastructure in recent years, the gap between the per capita income of the State and at the national level has been widening. This necessitates that focused attention is given towards better utilisation of social and economic infrastructures already created in recent years for income-generating activities. In order to achieve this, the State may have to increase its role as a catalyst for income generation in the private sector, adopt more comprehensive fiscal reforms and tune up its planning procedures. At the same time, special efforts would need to be made to increase income levels of people through special livelihood projects especially in rural areas. I am confident that with your vision, will and determination the State would be able to meet these challenges and embark on a sustainable development.

* Opening remarks at the discussion on the Annual Plan of Meghalaya for 2001-02

MIZORAM PLAN FOR 2001-02*

I welcome the Chief Minister, his colleagues and officers of the Government of Mizoram to this meeting for the finalisation of the Annual Plan for 2001-02. As you know, a team of Planning Commission headed by Ms. Somi Tandon, State Plan Adviser, visited Mizoram in November 2000 and held discussions with State Government officials for the Annual Plan 2000-01.

Mizoram has mainly agriculture-based economy. Its secondary sector is very weak but has a very large service sector, with public administration accounting for 15.9% of the NSDP at current prices in 1997-98 as against the all-India figure of 5.8 per cent. The contribution of electricity, gas and water supply has increasingly been negative indicating a trend towards increasing subsidisation and inefficiency. This calls for immediate reform of the power sector in the State.

I am happy to note that the progress of Mizoram in terms of human development indicators has been commendable. Mizoram has achieved the highest literacy rate in India. Unemployment rates for Mizoram are much lower than the all-India averages in 1999-2000, as per 55th round of NSS, and the rural unemployment rate has declined compared to 1993-94. The IMR is the second lowest in India, next only to Kerala. Living conditions in Mizoram are ahead in many respects with Mizoram standing first in houses with toilet facility, as per National Family Health Survey-2 (NFHS-2). Mizoram has done reasonably well in child immunisation also.

However, there are areas of concern. The quality of education needs a lot to be desired with drop-out rates much above the national average. Urban unemployment rates are on the increase from 1987-88. Fertility rates have been increasing with natural growth rate of population

increasing from 10.2 in 1998 to 11.5 in 1999. The percentage of households with drinking water that is piped or from a hand pump is much lower than the all-India average. I am sure that the Government of Mizoram will assess these trends and initiate appropriate remedial action.

As per the latest assessment, the forest cover in the State has shown a decline of 437 sq.kms, as compared to the previous assessment, which is a matter of serious concern. Increasing the forest cover should be a priority area for the State Government.

Mizoram has a weak industrial base. State-led industrialisation will not be able to sustain this sector in the new liberalised environment. The State has ample potential in food processing and bamboo-based industries. The State should come up with a development model wherein the role of private investment should become a critical component.

To avoid loss of precious human life and property arising out of natural calamities, it will be essential to establish proper legal framework for the orderly and planned development of crowded human habitations. The State Government needs to put in place such a framework in respect of Aizawl and other urban areas.

You will recall that I have been stressing the need for a realistic assessment of the resources for determining the Plan size. You will appreciate that Plans must be realistic and sustainable. This necessitates the State Government widening its tax base and reducing the revenue expenditure so that the Central Assistance is fully utilised for Plan schemes.

So far 14 schemes at a committed liability of Rs.296.5 crore have been sanctioned under Non-lapsable Central Pool of Resources and Rs. 87.87 crore has been released. Besides, a sum of Rs. 10 crore has been released for strengthening sub-transmission and distribution lines and Rs. 0.34 crore for electrification of tribal villages. It is essential that the implementation of projects should be properly

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monitored so that there are no cost and time overruns. Release of further funds to the on-going projects will be linked to achievement of specific physical targets in each quarter.

**Opening Remarks at the discussion on the Annual Plan of Mizoram for 2001-02*

NAGALAND PLAN FOR 2001-02*

I am glad to welcome the Chief Minister of Nagaland and his colleagues to the Planning Commission. As you are aware, a team of Planning Commission headed by Somi Tandon, Adviser (State Plans) visited Nagaland in December 2000 and held a fruitful official-level discussion. This has given us a better perception of your potential, genuine difficulties and constraints, which we would together try to address.

It is heartening to note that an appreciable progress in the creation of social and physical infrastructure has been achieved. The overall literacy level has increased to 84%, as much as 90% of the villages have been connected with approach roads, 96% have been electrified and 75% of the habitations receive potable water supply. The health indices in terms of birth and death rates and the infant mortality are substantially better than the national average.

However, a review of performance in the first four years of the Ninth Plan revealed that Plan funds were being diverted for non-Plan purposes. The Plan expenditure of Rs.784 crore, reported for the first three years of the Ninth Plan, is 29% less than the Central Assistance of Rs.1103 crore provided during the same period. The scenario calls for a reduction of non-Plan expenditure and for vigorous efforts to be made to mobilise additional resources.

While agriculture and allied activities are the mainstay of the people of the State and have potential for rapid economic growth and income and employment generation, these sectors have not been given due priority. As administrative cost accounts for a substantial proportion of the expenditure, very little is left for development schemes and programmes. The performance in agriculture sector has fallen short of targets. With the prevailing practice of Jhum cultivation, soil and

water conservation programmes assume significance. However, the progress has been tardy and needs to be improved.

While congenial climatic conditions offer considerable potential for development of horticulture and plantation crops, the achievements during the period 1997-2000 have been far below the targets. The potential of floriculture has also remained to be exploited. With proper financial and technical support, this sector could emerge as a major source of generation of employment and income in rural areas.

Both physical and financial progress with regard to poverty alleviation programmes like SGSY, JGSY, EAS and IAY etc. has been much below the targets. One of the reasons cited for the poor performance is reduction in State's share. I would like to request you to ensure full provision for the State's share to avail of the Central share so that the poverty alleviation programmes are implemented effectively.

The Indo-Myanmar Border Trade Agreement has opened up vast opportunities to exploit the trade potential. It is satisfying that the trade points have been identified and building up of necessary infrastructure has already started. I hope that the State Government would take full advantage of this opportunity to generate income and employment.

The operating deficit of power utility has increased from Rs.19.80 crore in 1997-98 to Rs.26.92 crore in 1999-2000 and T&D losses have been higher than the all-India average. Against the average tariff of 190 paise/kwh, the average cost of supply was 505 paise/kwh in 1999-2000, leaving a huge gap of 315 paise/kwh to be bridged. There is urgent need to revise the power tariff suitably, which has not been revised since 1995. The State Government needs to initiate action to reform and restructure the power sector and take steps to set up State Electricity Regulatory Commission on its own or as a joint commission with other North Eastern States.

Since 1998-99, a total of 14 projects involving an investment of Rs.153 crore have been approved for funding out of Non-Lapsable Central

Pool of Resources and an amount of Rs.68 crore has been released for 13 projects. In the current year, Rs.6.63 crore has also been released for strengthening of sub-transmission and distribution system and Rs.0.35 crore for electrification of tribal villages. Review of progress of these projects indicates that work has started late due to delayed release of funds to the implementing agencies. May I add here that timely release of funds needs to be ensured, besides streamlining of monitoring of projects to contain cost and time overruns.

To implement the MOU signed in April 1999 the State Government has taken some measures for curtailing of non-Plan expenditure, increasing the role and responsibilities of Village Councils, raising tax and non-tax revenue and setting up Expert/High-Powered Committees for rationalisation and re-deployment of manpower and suggesting measures to effect reforms in power and transport sectors. But I understand that during 1999-2000 and 2000-01 their implementation in reality has not been effective. I would suggest that the State Government should pursue these measures much more vigorously.

**Opening Remarks at the discussion on the Annual Plan of Nagaland for 2001-02*

ORISSA PLAN FOR 2001-02*

I welcome the Chief Minister and his delegation to this meeting to finalise the Annual Plan of the State for 2001-02. This Annual Plan is being drawn up at a point in time when the State is going through a severe financial crisis. The problems have been compounded by the rebuilding required after the October 1999 cyclone and the drought and floods, which have ravaged the State recently.

I must congratulate the State Government for taking a series of measures to maintain fiscal discipline and prudent management of the State's finances. The White Paper on Orissa State's finances is a bold attempt to recognise and address the current fiscal situation. Measures such as rightsizing the bureaucracy through a complete ban on the creation of any new post, selective ban on filling up base-level vacant posts with the objective of abolishing 50% of these posts by September 2001 and the introduction of various austerity measures would help in cutting down the non-Plan expenditure of the State Government. Revenue generation measures such as withdrawal of Sales Tax incentives, uniform floor rates of Sales Tax, introduction of a broad-based Entry Tax and Profession Tax, steps to prevent leakage of excise revenue, etc. are moves in the right direction.

Orissa was the first State to take up power sector reforms. The introduction of any new system has teething problems but I am sure you will overcome them and retain your position as the pioneer of power sector reforms. For this the financial position of GRIDCO will have to be strengthened. Moreover, transmission and distribution loss has to be reduced, energy audit put in place and 100% metering of consumers ensured.

The State Government has made a beginning in the process of disinvestment in Public Sector Undertakings. It has already closed 8 units and has drawn up a programme to divest, sell, close or restructure

29 more units in the next four years. Steady progress in this regard and close follow-up are required in this regard so that these enterprises do not become a further drain on the State's finances. The State Government also needs to take immediate remedial action regarding the State Road Transport Corporation and the Orissa Lift Irrigation Corporation.

The literacy rate in the State has shown considerable improvement in the last decade and has increased by over 14 percentage points to 63 per cent. However, this is still below the all-India level. Compounding the problem are the large variations at the district level and the low female literacy rates in some of the districts. Other social indicators also continue to be a cause of concern. Orissa has a very high death rate and infant mortality rate – highest in the country; severe grades of undernutrition and high morbidity due to malaria are major problems especially in the tribal districts.

Though the State Government has taken steps such as centralisation of purchase of drugs and filling up vacancies in the tribal and rural areas, the health care in remote and rural areas still requires considerable improvement. I am pleased to learn that all the 80 Health Mobile Units in the KBK districts are functional and weightage has been given to posting in these areas for admission to post-graduate courses. The State Government needs to continue the ongoing reform processes such as levy of user charges, ensuring maintenance and cleanliness through innovative schemes to improve the quality of care.

In the education sector also the State Government has taken a number of measures such as introduction of the Orissa School Adoption Programme, Enactment of the Orissa School Education (Community Participation) Act and introduction of computer education in high schools with private sector participation. However, strict monitoring is required at the field level to ensure actual progress at the village level.

Agriculture in the State has suffered a major set back because of drought conditions followed by floods. As agriculture is the mainstay of the

economy of the State, the problems faced in increasing productivity need to be addressed immediately. Steps also need to be taken to ensure smooth functioning of the Public Distribution System so that the farmers get a fair price for their produce. Further, the distribution of foodgrains to BPL families has to be streamlined in order to tackle the problem of malnutrition. It is our joint responsibility to see that nutrition levels are raised to a point where the scope for putting labels on malnutrition deaths do not remain. The State should take full advantage of schemes like Antayodaya Anna Yojana, Annapurna, NSAP and other such schemes. The food for work programmes also need to be geared up in the drought/flood-prone regions.

Low productivity is a major obstacle in both the primary and secondary sectors. The industrial sector needs special attention. The development of this sector as well as other crucial sectors such as tourism depend on good infrastructure and a well-developed information system. The establishment and widespread use of the GRAMSAT System will go a long way in ensuring transparency, dissemination of information as also help in disaster management.

I am pleased to note that a senior officer has been posted as the Chief Administrator, Special Area Development (KBK Project) at Koraput and is monitoring and supervising the implementation of various programmes. I am also glad to note that the line departments have evolved their own monitoring mechanisms to strengthen the implementation of programmes in the KBK region. It is only through sincere efforts and constant supervision that this area can be developed. The State Government has made sincere attempts to address the policy issues raised by us. Though fund constraints are a bottleneck, good governance and an efficient delivery mechanism will go a long way in helping the common man in the rural and remote areas of the State.

* Opening remarks at the discussion on the Annual Plan of Orissa for 2001-02.

PONDICHERY PLAN FOR 2001-02*

I take great pleasure in inviting the honourable Chief Minister of Pondicherry and his officers to this meeting for finalising the Annual Plan for 2001-02 of the Union Territory of Pondicherry.

At the outset, I compliment the Chief Minister for the excellent health indices achieved by the UT of Pondicherry. The Birth Rate has been 17.7 per thousand, as against the all-India average of 26.1 per thousand in 1999 and Infant Mortality Rate has been 22 per thousand, as against the national average of as high as 70 per thousand during 1999. I also find that the Union Territory has a favourable sex ratio – i.e. the number of females per thousand males—which has registered an increase from 979 in 1991 to 1001 in 2001. The UT has also been maintaining an excellent track record of managing the AIDS control programme. I would also like to commend the UT for consistently utilising the Plan funds over various Annual Plans.

I am happy to note that the bio-village developmental programme, being implemented in 19 villages, is aimed at utilising the natural endowments in the Union Territory optimally. If implemented successfully, this programme will go a long way in transforming the village economy.

With progressive urbanisation and other industrial activities the net cultivated area in Pondicherry is likely to decline by around 10% by the end of the Ninth Plan. There is, therefore, a need for ensuring that such diversion does not adversely affect the rural farmers. It is reported that the UT has a high level of fertilizer consumption, which would call for soil testing and if such testing indicates adverse effect on the soil, the same needs to be corrected by use of bio-fertilizer and organic manure. I understand that the UT Administration is seized of these problems and is taking necessary corrective steps.

Another area of concern is the over-exploitation of ground water. There is an urgent need for recharging the ground water as also for regulating the over-exploitation of ground water. I understand that a Bill to regulate the use of ground water in Pondicherry was presented in the Assembly in April 1999. I presume that this Bill must have been enacted by now for attaining the desired result.

It is a matter of concern that the performance of the Administration under the rural poverty alleviation programmes is not up to the mark with the Employment Assurance Scheme showing particularly poor performance. Considering the importance of the programme, I need hardly emphasise that the Administration should pay serious and urgent attention to this programme for the benefit of the rural population. This also underscores the need for elected Panchayats so that problems of rural people get adequate attention. I would urge upon the Chief Minister to ensure that elections to the Gram Panchayats are held at the earliest. It is also noticed that the Central funds allocated for computerisation of land records have not been utilised fully, which needs immediate attention.

Due to sustained efforts, the Pondicherry Administration has been able to make a steady progress towards industrialisation. But it is learnt that the State-owned Anglo French Textiles Corporation, which was hitherto competing with other mills in the organised sector, has now been incurring heavy losses due to various factors. The Mill needs to be modernised on a priority basis and its health improved at the earliest.

In the power sector I find that from the year 1998-99, the average tariff is lower than the average cost of power supply. There is a need to reduce the gap by rationalisation of tariff. The average agricultural tariff continues to be very low with 8 paise per unit and this calls for immediate revision. This would help better management of the precious water resources. The Electricity Regulatory Commission needs to be in position at the earliest to expedite power sector reforms.

It is heartening to know that all the 264 villages have been connected with roads and safe drinking water has been provided to these habitations. However, all the four regions of the UT, being located along the seacoast, frequently meet with qualitative problems of salinity, iron and fluoride, which need focused attention. Pondicherry, being a flood-prone UT, the Administration should continue its efforts to give due priority to prevention of soil and coastal erosion by planting tree saplings on the banks of rivers, channels, rank bunds, road sides and coastal areas in a big way.

It is noted that while the literacy rate of the UT in 1991 was 74.74%, it showed an increase to 81.49% in 2001. This is definitely higher than the all-India average but more attention needs to be paid for improvement of literacy among women, which stands at 74.13%, and of the Scheduled Caste population, whose literacy continues to be below the literacy rate of the male population.

In order to cope with the unemployment problem the UT Administration has to expedite the networking of training institutes with the industry and change over to market-driven trades to improve employability of those who pass out from ITI and Polytechnic. For the development of industrial infrastructure, a Growth Centre under the Centrally Sponsored Scheme has been approved for the UT. The UT Administration has to provide infrastructure facilities, like power, water, telecommunication and road connectivity etc., for this Growth Centre. Keeping in view the growing demand for employment by the unemployed youth, the UT Administration needs to take steps to facilitate the setting up of consumer industries and create more opportunities for providing necessary skills to the youth for absorption in the up-coming areas of new industrial investment like information technology. Handlooms generate the largest employment next only to agriculture and provide employment to about 10,000 persons in the UT. This sub-sector has great potential to enhance production, employment and exports and therefore, needs attention.

I understand that infrastructure development and improvement of Pondicherry port will attract many private companies to use the port for cargo movement and this will be a source of earning foreign exchange for the country. Further, the natural endowment of long stretches of inshore water, inland water and brackish water of Pondicherry offers a vast scope for development of fisheries and this needs to be tapped fully. Early construction of the fishing harbour at Pondicherry will help provide basic amenities for berthing a larger number of fishing vessels, which will be a boon for the fishermen community.

Tourism is another area with potential for this UT. You may like to explore the possibility of private sector participation in road transport and tourism sector with a view to providing world-class amenities so as to make Pondicherry a tourist destination beyond "Aurobindo Ashram".

** Opening Remarks at the discussion on the Annual Plan of Pondicherry for 2001-02*

PUNJAB PLAN FOR 2001-02*

I extend a cordial welcome to the Chief Minister of Punjab, his colleagues and the team of officers from the State Government to this meeting.

Punjab is one of the prosperous States of India. Its per capita income is one of the highest and the percentage of people below poverty line is one of the lowest in the country. This is a tribute to the entrepreneurial spirit of its people. However, the annual growth rate of the State economy, which was 5.3% in the eighties, was followed by a decelerated pace of 5.1% during the Eighth Plan. It is a matter of concern that it has further gone down to 4.4% during the first two years of the Ninth Plan. I am confident that the economy of Punjab, with its strong agriculture and infrastructure base and human resources, has the requisite resilience to spring back to a higher growth trajectory.

The anticipated expenditure in the first four years works out to around 80% of the approved outlay. But it is only 58.8% of the Ninth Plan outlay. The committed expenditure is increasing rapidly in the face of a moderate growth in revenue receipt. A phenomenal growth in BCR gap of the State is a matter of concern. The State's dependence on borrowing is also increasing.

During 1997-2000 the tax revenue of the State has recorded a reasonable growth of 13.8% but the receipt of non-tax revenue has fallen substantially. The share of tax in the State Domestic Product, which was 6.69% in 1992-93, has gone down to 6.38% in 1999-2000. Interest payment as a percentage of non-Plan revenue expenditure has increased from 28% in 1997-98 to an estimated figure of 33.31% in 2000-01.

The State's economy is primarily agrarian even though the contribution of the primary sector to the GSDP has declined from 49.13% in 1980-81 to an estimated 40.49% in 1998-99 with corresponding increase in the percentage share of the secondary sector. Services sector has not expanded, as it should have. The State has achieved the Ninth Plan target of foodgrains production mainly due to high yields in rice and wheat. However, wheat-paddy rotation has its adverse effect on the health of the soil. There has been over-exploitation of ground water. The production of cotton and oilseeds as well as maize has fallen in recent years due to shrinkage in area. The production of fruits and vegetables is commercially viable but needs adequate cold-storage support. The WTO regime calls for a fundamental rethinking on the minimum support price system. The State Government has drawn up a programme, called the Second Push to Agriculture and Allied Sectors, during 2000-01. There is obviously a need for taking a comprehensive look at the agricultural scenario in the changed context since the heydays of the Green Revolution. The programme, 'Second Push to Agriculture', should be for a period of five years. While designing the programme, the existing schemes should be dovetailed and new elements included. Biotechnology should form an important component of the programme.

In the forestry sector, the OECF (Japan)-aided Forestry Development Project is the most important one. The Forest Survey Report 1999 indicated 2.8% area under forest cover but the State Government has reported it as 12% and half of it as the Government forestry. There is obviously a need for reconciliation of these figures as there is a large difference between the two estimates. It is heartening to note that the State Government has introduced cultivation of medicinal plants as well as plantation of bamboo. These have great potential and should be encouraged.

Better management of water resources through upgradation and improvement in the intensive irrigation network is an item of priority in the State. Water for irrigation is now free. Pricing of irrigation water is essential for its economic use. There are about 1500 Water

Users' Associations to supervise the construction and maintenance of water-courses and imparting awareness among the farmers in about 1000 villages. However, the revenue component of O&M charges is high due to 11,000 surplus staff. The State Government may have to think of offering VRS to the surplus staff.

It is a matter of concern that the net commercial loss of the Punjab State Electricity Board is on the increase. The average tariff charged during 1999-2000 accounted for only 62.38% of the average cost of supply. About 37% of the available electricity goes to the farm sector, which is perceived to be non-remunerative. However, the State Government would be well advised to abide by the decision of the Chief Ministers/Power Ministers Conference of 1996 and 2001 to charge at least 50 paise per kwh. Unmetered supply of power to agriculture conceals the actual level of T&D losses, which apparently seem to be comfortable as compared to the all-India figure. The State Government may go in for energy audit measures and install meters for all the consumers by December 2001. The State Government has recently set up the State Electricity Regulatory Commission. The Government may, however, ensure that it is made functional without further delay.

The Punjab Roadways Corporation has been incurring losses reportedly due to a large fleet of over-aged buses and large revenue expenditure coupled with sluggish revenue receipts due to concessional fares. Concessional fares to various categories of commuters account for about 50% of loss. The Corporation may rationalise the bus fares and consider offering VRS to its surplus employees. The State Government may seriously examine if the Corporation should not be privatised.

Even though the literacy rate in the State at 69.95% is slightly higher than the all-India average of 65.38%, the literacy rates in four districts are below 50 per cent. No district is covered under DPEP now. There is a preponderance of SC students and those belonging to low income groups among the drop-outs. The State Government representative said during the Annual Plan discussion at Chandigarh that the mid-day meal scheme is not well accepted. Perhaps, suitable alternatives

to it like supply of uniforms, books etc. may be explored. It is commendable that the Government of Punjab is involving the village education committees with a view to improving the quality of education imparted in schools.

The demographic and health indices are generally satisfactory. However, the sex ratio in the State is highly skewed. The female to male ratio, which was 882:1000 against the all-India sex ratio of 927:1000, has, according to 2001 Census, dropped to 874 against slight increase in the all-India average to 933. This is a matter of serious concern and poses a challenge for empowerment of women. The State Government should go deep into the causes of this phenomenon and formulate a strategy and an action plan to correct this imbalance, which, if not corrected in time, will have serious socio-economic implications.

According to the India Rural Development Report 1999 prepared by NIRD, Hyderabad, poverty ratio in the southern region of Punjab is 17.5%, which is notably higher than that of northern Punjab at 7.6% in 1993-94. The State Government may like to initiate corrective measures to redress this regional imbalance.

About 28% of the population in the State belongs to Scheduled Caste and more than half of them live below poverty line. The SC Component Plan, however, is in the range of 7-8% of the total Plan funds of the State. The Government should take steps to correct this imbalance.

I have tried to mention some of the areas of concern. However, I am sure the State Government will take measures to inject buoyancy in the State's economy and work out the road map for faster development of the State during the Tenth Plan.

RAJASTHAN PLAN FOR 2001-02*

I welcome the Chief Minister and his colleagues to this meeting for the finalisation of the Annual Plan for the year 2001-02 of Rajasthan.

A team of the Planning Commission visited the State on 22nd and 23rd May 2001 and sector-wise discussions were held by the Principal Adviser with the State Government officials.

At the last meeting, held in connection with the finalisation of the Annual Plan for 2000-01 I had mentioned that whereas the State had mobilised 73% of the Eighth Plan projections, the mobilisation of the resources during the Ninth Plan had deteriorated considerably. The financing pattern of the Ninth Plan had projected the Central Assistance at 43.3% and borrowings at 51%, with the own funds of the State contributing 5.7% of the aggregate resources. Against this, the likely achievement during the first four years of the Plan indicates that the borrowings of the State would be 169.93% and the State's own resources would be (-) 104.45 per cent. The high liability of interest payment, as a percentage of non-Plan revenue expenditure and revenue receipt, is a matter of serious concern. However, I am happy that the State Government has taken some stringent steps for effecting economy in non-Plan expenditure and for improving the overall financial position of the State. The State has experienced drought conditions for the last three years successively and I understand that this has constrained the State's finances due to priority expenditure on drought relief work.

It is a matter of satisfaction that the latest estimates for 1999-2000 indicate that the number of persons below the poverty line is 15.28%, which is one of the lowest in the country. The efforts of the State Government in improving the educational level also deserve appreciation. The literacy rate has improved from 38.55% in 1991 to 61.03% in 2001. However, this is still below the all-India average

and special efforts are required to raise the female literacy rate, which is only 44.34 per cent.

In spite of good physical performance of the State Road Transport Corporation as reflected in fleet utilisation at 92% and the vehicle productivity at 299 Km per bus per day, the financial health of the Corporation is not satisfactory. The Corporation has not been in a position to generate enough revenues to meet its fleet acquisition requirement.

In the power sector Rajasthan is one of the few States to attempt reforms and create five companies including three distribution companies. It is necessary to introduce proper monitoring systems for these new companies, especially for parameters like T&D losses, which are quite high at about 31% and need to be brought down appreciably. The average tariff is considerably lower than the cost of supply and the distribution companies are incurring commercial losses touching Rs.1676 crore during 2001-02. The State Government departments owe about Rs.521 crore to the erstwhile RSEB, which in turn owes Rs.516 crore to various Central Government undertakings. If this is realised, it would help in clearing the dues of the RSEB. I would also suggest that the State should exploit the deposits of lignite and go in for new power generation programmes, as it would avoid transporting coal from far off places for the thermal power stations.

The health indicators of the State point to a lower level of health services. The Infant Mortality Rate is as high as 81. Although the State has more than the number of Sub Centres and PHCs required as per norms of population, in many of the remote rural areas the existing Centres are not operational. There is also a shortfall of 49 Community Health Centres and even the existing Centres are not functioning as first referral units because of lack of specialists. These deficiencies need correction expeditiously.

We are in the last year of the Ninth Plan but the integration of various health institutions such as rural hospitals, sub-district post-partum centres, sub-divisional hospitals and centre of Indian system of medicine

& homeopathy into a well knit three-tier rural primary health system, envisaged in the Ninth Plan, is not being effectively achieved. The health care programme for women and children also needs improvement. The total fertility rate (TFR) of the State is 4.2 against the all-India average of 3.3 and the unmet needs for contraception are higher than the all-India average.

In the area of agriculture the State, being predominantly rain-fed, wide fluctuations are observed in the production of crops over the years. There is a need for better utilisation of the existing irrigation potential and reduction of water losses during conveyance in addition to popularisation of water saving devices. Allied agricultural activities, like fish production, have a lot of scope but they have not been exploited adequately.

In order to take a composite look at the development status and potential of the State, the Planning Commission has decided to finance the preparation of State Development Report for Rajasthan and some other States. The Social Policy Research Institute, Jaipur has been given the assignment, as was recommended by the State Government, and it is hoped that it would produce a useful report spelling out the constraints and possibilities of development of the State as well as an implementable time-bound action plan.

I have touched upon some of the important aspects and I would assure you that the Planning Commission will continue to help the State as much as possible and that consultation and interaction between the Planning Commission and the State will continue on a regular basis.

* *Opening Remarks at the discussion on the Annual Plan of Rajasthan for 2001-02*

SIKKIM PLAN FOR 2001-02*

I welcome the Chief Minister, his colleagues and officers of Government of Sikkim to this meeting for the finalisation of the Annual Plan 2001-02. As you may be aware, with a view to further the process of State-level interaction in the formulation of Annual Plan 2001-02, a team of the Planning Commission, headed by the State Plan Adviser, visited Sikkim in October-November 2000 and held discussions with State Government officials.

The available data on the Net State Domestic Product of Sikkim indicate that the economy of the State is coming down with the Net State Domestic Product at current prices registering a nominal growth of 8.4 % in 1997-98 as against the growth of 25.1% in 1995-96 and 18.7% in 1996-97. The slow-down has been substantial in the case of primary and secondary sectors. I am aware of the efforts that the Government of Sikkim is making to strengthen the State economy and its desire to create an environment conducive for the flow of private capital into the State. I hope that the result of this effort would get reflected in the economic aggregates of recent years.

The achievements of Sikkim in terms of human development indicators have been noteworthy. Sikkim has achieved a Literacy Rate of 79%, which is higher than the all-India average of 62 per cent. The Birth Rate, Death Rate and Infant Mortality Rate are lower than the all-India averages. The living conditions in Sikkim are ahead in many respects, particularly in respect of households having electricity, toilet facility and pucca houses as per the National Family Health Survey-2.

However, there are areas of concern. The reported drop-out rates for the primary and upper primary levels are quite high. The quality of education needs to be improved substantially. Unemployment rates in Sikkim are much higher than the all-India averages. Compared to 1993-94, the unemployment rates in rural areas as well as in urban

areas have increased in 1999-2000 indicating a worsening of the unemployment situation in the State. The National Family Health Survey-2 has brought out the fact that the morbidity indicators in Sikkim in respect of tuberculosis, asthma and jaundice are not favourable. I am sure that the Government of Sikkim will look into these areas and initiate appropriate remedial action. As per the latest assessment, the forest cover in the State has shown a decline of 60 sq. Kms compared to the previous assessment, which is a matter of serious concern. Increasing the forest cover should be a top priority.

In an era of integrating markets each State has to evolve its own development strategy based on its natural endowments and comparative advantages. Resources should not be spread thinly but directed towards the focus areas. Sikkim has potential in areas like horticulture, cash crops, medicinal plants and herbs, animal husbandry, precision industries, hydel power and tourism. I understand that the State Government has identified these areas for focused development. Since many of these sectors are labour intensive, these will address the problem of rising unemployment in the State. I would like to impress upon you the need for having a perspective plan for the development of these areas. I am glad that a Master Plan for development of tourism has been drawn up.

I need hardly to emphasise the importance of the responsibility of the State towards the people below poverty line. Identification of BPL families and providing them food and other security is very important. The C & AG Report for the year ending 31st March 1999 has drawn attention to the non-implementation of the TPDS and called for identification of BPL families in a time-bound manner. I understand that the State Government has carried out a survey to identify the BPL families. I urge the State to complete the work of identification of BPL families expeditiously, if not done already. I find that during the ten months ending January 2000-01, the Government of Sikkim has lifted only 49.5% of its allocation of rice for BPL families, thus losing a vital resource destined for the poor families.

The C & AG Report has strongly felt the need for making arrangement for distribution of cooked food instead of foodgrains under Nutritional

Support to Primary Education. This needs to be looked into. The State has lifted only 21.4% of the allocation of foodgrains under this programme in 1999-2000.

The Sikkim National Transport has been incurring losses over the years. Even in the transportation of PDS commodities, the cost is reportedly very high. There is an urgent need to undertake reform of this sector. The freight transport requirements of various Government Departments and others should be increasingly met through private sector operations.

The fiscal health of the Government is a pre-requisite for a sustained economic development. The award of the Eleventh Finance Commission has eased the fiscal situation of Sikkim. However, fiscal reforms touching upon the areas of tax revenues and tax administration, levy of user charges, curbing non-merit subsidies and rightsizing of the government would need to be pursued. Efforts initiated by the State Government have resulted in an increase in the State's own tax revenue. However, the growth rates have slowed down in the past few years. The State has one of the lowest ratio of own tax revenue to revenue expenditure among the States in India. There is a need to make serious efforts to expand the tax base. The debt position of the State is alarming and debt, as a percentage of GSDP, was 53.6% as on 31st March 1998 as against the all-State average of 20.3 per cent.

So far 11 projects have been approved for financial support under Non Lapsable Central Pool of Resources at a committed liability of Rs. 121.76 crore. A sum of Rs. 64.29 crore has been released. Besides, a sum of Rs.1.5 crore has been released for strengthening the sub-transmission and distribution systems. It is essential that the projects are properly implemented so that there are no time and cost over-runs and for this, the State Government must regularly submit the quarterly Progress Reports and utilisation certificates.

* *Opening Remarks at the discussion on the Annual Plan of Sikkim for 2001-02*

TAMIL NADU PLAN FOR 2001-02*

I welcome the Chief Minister and her officers to this meeting for the finalisation of the Annual Plan for 2001-02 of Tamil Nadu.

I would like to begin by congratulating Tamil Nadu for achieving the distinction of being the second major State to achieve the replacement level of fertility. The State has undertaken several initiatives in improving health and nutrition services for the vulnerable population. Measures like integrated nutrition programme and reorganisation of primary health care services have helped achieve substantial improvement in ante-natal registration, institutional deliveries and immunisation coverage. There is very little urban-rural difference in the birth rate suggesting that the access to contraceptive services in rural areas is improving. However, there is a need to improve the availability of referral services in the rural areas to reduce the urban-rural gap in infant mortality rate, which is 39% in the urban areas and 58% in the rural areas.

Tamil Nadu has also recorded a commendable progress in the field of education. The literacy rate in the State has increased to 73.47% in 2000-01 from 63.7% in 1991. The rise in female literacy from 51.33% in 1991 to 64.55% in 2000-01 has had an enormous impact on various demographic indicators of the State. However, the gender-divide, which is still high at 18 percentage points, has to be bridged. I note with satisfaction that the State has hundred per cent trained teachers at primary and higher secondary levels of education. Efforts have, however, to be stepped up to provide regular refresher courses for these teachers. I am also happy to know that computer education at senior school level with active private participation is being given top priority by the State Government

I am glad to know that the Government of Tamil Nadu has taken certain initiatives to secure new investments through provision of infrastructure facilities, funding and other assistance necessary for orderly growth of the private sector. This will certainly attract and encourage many national and multinational private investors to set up industries in your State. Further, it is heartening to note that the information technology industry has opened up tremendous opportunity for the promotion of software export. Also, the proposal for establishment of a Bio-Technology Park will be a feather in the cap of the State Government.

Regarding the performance of the State Government in the mobilisation of resources for Plan financing during the past four years of the Ninth Plan, I observe that the overall level of realisation of resources has been generally consistent with the projected levels. However, it may be noted that while there is an appreciable growth in tax revenue, the State can further increase its level of non-tax revenue through an upward revision of various user charges. Further, as the level of borrowings is already high, the dependence on borrowings may have to be reduced in view of the growing debt burden of the State Government.

The initiative of the State Government to form Farmers' Groups for maintaining irrigation system is certainly a step in the right direction. I am confident, and you will agree with me, that it is advisable to revise the water rates upward on a regular basis to restrict misuse of this scarce resource in your State.

There is also the problem of excessive use of ground water. In 25% of the blocks in Tamil Nadu ground water exploitation exceeds 100% of yearly replenishment, thereby causing a serious problem of high content of nitrate in water. This problem affects about 10 districts in the State. There is also a case for enacting legislation for comprehensive ground water regulation.

Water, being a scarce resource, has to be protected from getting polluted. The setting up of common effluent treatment plants for leather units has improved the economy and ecology of the area. Efforts should be made to set up such plants for other industries.

I am happy to note that you are planning to provide cold chains and cold storages for horticulture produce and that you are working on specifications for exportable items. I find that there is immense scope to speed up the utilisation of funds allocated under the Centrally Sponsored Scheme for development of horticulture. The potential in this area is enormous if properly exploited.

I am told that the State Government has devolved 29 items of functions as listed under XI Schedule of the Constitution to the PRIs. I hope that along with this, the administrative and financial powers will also be delegated to the PRIs.

I would like to draw your attention to the problem in the power sector, which affects all States. In Tamil Nadu the power sector performance is better than the national average in terms of productivity and efficiency parameters but the volume of subsidy remains very high. Overcharging the industrial sector in order to cross-subsidise other sectors makes the industrial sector un-competitive. You have made successful efforts to attract private investment to your State and, therefore, high industrial power tariff should not act as a deterrent. There is, therefore, a need to have a rational tariff structure. The Electricity Regulatory Commission needs to be made fully operational at the earliest.

The physical performance of the State Road Transport Corporations has been consistently excellent. But with a low fare rate of 22 paise per k.m. with effect from October 1999 all your State Road Transport Corporations are incurring losses. A slight increase in fares would make all the difference.

Tamil Nadu has great tourism potential, which has to be tapped by providing basic infrastructure to encourage private sector to participate in this area. Innovative market management and publicity based on a long-term vision will go a long way in making your State a major tourist destination. The preparation of a Master Plan would help in this direction.

An area of concern is the continued prevalence of child labour involved in match making and fireworks in places like Sivakasi. Figures show that there is a marked decline in number due to various interventions. But you will agree that stringent punishment needs to be imposed on the offending employers in order to get rid of this social blemish, which has been drawing adverse media attention all over.

I have touched upon only some of the important sectors.

* *Opening Remarks at the discussion on the Annual Plan of Sikkim for 2001-02X*

TRIPURA PLAN FOR 2001-02*

I am glad to welcome the Chief Minister and his colleagues to the Planning Commission.

As you know that a team of the Planning Commission headed by Ms. Somi Tandon, Adviser (State Plans) visited Agartala in October 2000 and held fruitful official-level discussions. This has given us a good idea about the Plan performance, State's potential, genuine difficulties and constraints, which we would together try to address.

I am happy to know that the State Government has accorded priority to agriculture, which provides employment opportunities to a sizeable proportion of the population. The Perspective Plan prepared by the State Government for achieving self-sufficiency in food by 2010 is a step in right direction. As I said last year, a good potential exists for the development and promotion of horticulture crops and plantation crops like tea, rubber and spices. I would emphasise that the private sector, if properly motivated, would help facilitate investment and transfer of appropriate technology in agriculture and allied sectors. These sectors would emerge as an expanding source of employment, especially of educated youth within the State.

It is heartening to note that on my advice the State has taken up a Shallow Tube Well Scheme on the pattern of Assam, involving the active participation of the beneficiaries in terms of finance and subsequent obligations for maintenance of the assets. You will, however, need to tie this up with NABARD's RIDF before your proposal for financial assistance from the Non-Lapsable Central Pool is considered.

I am glad to know that pisciculture has been given priority next to agriculture in your Plan proposals for 2001-02. Given the area of water bodies in the State, it is important to concentrate more on scientific aqua farming to boost fish production.

In view of the special characteristics of the North East the new Industrial Policy has focussed on industrial units based on locally available raw material and skills. Given the industrial climate in Tripura, small units, especially with agro-horticulture base, and household units like handlooms and handicrafts need special attention. Sericulture is another area, which has tremendous potential in terms of employment and income. Bamboo holds considerable promise for Tripura. The Prime Minister has also highlighted its importance by launching a Bamboo Development Programme on the occasion of the 'World Environment Day'. I appreciate the interest taken by the State Government to develop this valuable natural resource so that its full potential is realised for the benefit of the State economy. I wish all success to the two-day Workshop being organized at Agartala this month for this purpose.

Tripura has a literacy rate significantly higher than the all-India average. The female literacy rate is also higher. The literacy rate of the weaker sections of society is, however, depressing and the drop out rate of 51.24% at the primary school level is alarming. I feel that this problem needs to be addressed immediately by conducting a study to identify the reasons and by initiating suitable measures for its rectification.

In Tripura 94.3% of villages are electrified, compared to 73.08% in other North Eastern States and the all-India average of 86 per cent. Funds have been released from the Non-Lapsable Central Pool for electrification of 10 tribal villages in Tripura. Gas-based power generation holds promising prospects. The Rokhia Gas Thermal Project (Extension) for 21 MW, being funded from the Non-Lapsable Central Pool, warrants speedy completion. With the recent revision in the power tariff and also improvement in transmission, it is hoped that the losses of the State Electricity Department would be reduced, if not eliminated.

The performance of the Tripura State Road Transport Corporation has not been satisfactory. Both fleet utilisation and vehicle productivity

need to be improved. The Corporation is incurring heavy losses and to arrest this situation the existing passenger fares need to be rationalised.

Forest cover in the State constitutes about 53% of the geographical area, of which dense forest is only about 33% leaving the remaining area as degraded forest. The State is now permitted to use certain portion of degraded forest for growing bamboo and rubber. An Action Plan should, therefore, be prepared quickly for this purpose.

At the end, I must emphasize the need for a cut in administrative expenses and a prudent fiscal policy to mobilise additional resources so that the Central Plan Assistance is fully utilised for developmental activities and creation of infrastructure in areas like communication, roads, power etc.

We have approved ten projects at an estimated cost of Rs. 505 crore for funding from the Non-Lapsable Central Pool and so far a sum of Rs. 94.58 crore has been released for eight projects. Besides, a sum of Rs. 7.96 crore has been released for sub-transmission and Rs. 72 lakh for electrification of tribal villages. I am happy to note that the State Government has promptly responded to my advice for sending the requisite DPRs and UCs, where necessary. This has facilitated us in making timely release of funds for new and the ongoing projects. I appreciate that the State Government has supported our suggestion to involve the Border Roads Organisation for improvement and construction of roads to ensure their timely completion and quality.

* *Opening Remarks at the discussion on the Annual Plan of Tripura for 2001-02*

उत्तर प्रदेश की वार्षिक योजना 2001-2002

उत्तर प्रदेश राज्य की वार्षिक योजना 2001-2002 को अंतिम रूप देने के लिए बुलाई गई इस बैठक में, मैं उत्तर प्रदेश के मुख्यमंत्री और उनके सहयोगियों का स्वागत करता हूँ।

उत्तर प्रदेश ने विकास के लक्ष्य को प्राप्त करने के लिए कई साहसिक और प्रशंसनीय कदम उठाए हैं। सरकारी कर्मचारियों की संख्या कम करने के लिए निष्ठापूर्वक प्रयास, उच्च मेडिकल शिक्षा के शुल्क में वृद्धि, विकेन्द्रीकरण में प्रगति, पंचायतों का प्रशासनिक और वित्तीय विनियमन तथा सचिवालयीन सुधारों में उन्नति, सिंचाई और विद्युत क्षेत्र में सुधार आदि कुछ ऐसे कदम हैं जो निहित स्वार्थी तत्वों को नापसन्द हैं।

मुझे प्रसन्नता है कि राज्य सरकार ने प्राथमिक तौर पर राजकोषीय और राजस्व घाटे को कम करने के प्रयास किये हैं और कर एकत्रीकरण को बढ़ाने के लिए भी कदम उठाए हैं। संतोष की बात है कि इस वर्ष राज्य के बजट में वार्षिक योजना को यथार्थ पर आधारित रखा है। ऐसा करने से विकास व्यय को उपयुक्त संस्मरण मिलता है जो कि सराहनीय है। यद्यपि, राज्य सरकार ने अपनी ओर से वित्तीय संतुलन लाने में प्रयास किये हैं, परन्तु वित्त मंत्रालय के साथ राज्य द्वारा निष्पादित अनुबंध के अनुसार अभी कार्यवाही शेष है।

राज्य ने अपनी जनसंख्या नीति में लक्ष्य और उद्देश्य निर्धारित किए हैं जिनकी प्राप्ति के लिए राज्य को ठोस कदम उठाने होंगे। हालांकि, राज्य में कुल प्रजनन क्षमता दर 3.99 है लेकिन शिशु मृत्यु-दर अभी भी स्थिर है और मातृत्व मृत्यु-दर देश के अन्य राज्यों की तुलना में सबसे ऊंची है। ग्रामीण क्षेत्रों में शिक्षितकों के बढ़ी संख्या में खाली पड़े पद, सांस्थानिक प्रसवों का कम प्रतिशत, 4 व इससे अधिक क्रम में बच्चों के जन्म की प्रतिशतता का 39.8 प्रतिशत होना, कुछ विन्सा के विषय है। प्रतिरक्षण और बाल-पोषण में सुधार की गति को तेज किए जाने

की जरूरत है। यह भी चिन्ता का विषय है कि पश्चिमी उत्तर प्रदेश में जहां वास्तविक विकास सबसे अधिक हुआ है वहां पर महिला और पुरुषों के अनुपात में असमानता सबसे अधिक है। इसका अर्थ यह है कि विकास परम्परागत दोष को बढ़ावा दे रहा है। अतः राज्य को पुरुष और महिलाओं के अनुपात की असमानता की ओर विशेष ध्यान देना होगा और इस प्रवृत्ति को रोकना होगा। उपलब्ध संसाधनों से ही गांवों में दाइयों आदि की व्यवस्था की जा सकती है जो बहुत सीमा तक परिवारक के बिना होने वाले प्रसवों की समस्या का समाधान करने में सहायक हो सकती है। ऐसा करने से शिशु मृत्यु दर को घटाने में सहायता मिलेगी जिससे कुल प्रजनन क्षमता दर कम होने की संभावना है।

राज्य ने साक्षरता प्रसार की दिशा में अच्छी प्रगति की है और महिला साक्षरता दर भी बढ़ी है लेकिन अनुसूचित जातियों की महिलाओं के लिए खास प्रयास किए जाने की आवश्यकता है। प्राथमिक शिक्षा में भी राज्य ने प्रगति की है। शिक्षा-मित्र नियुक्त करने का अच्छा निर्णय लिया है लेकिन माध्यमिक एवं उच्चतर माध्यमिक शिक्षा पर ज्यादा ध्यान दिए जाने की आवश्यकता है। विज्ञान प्रयोगशालाओं की सख्त जरूरत है। कम्प्यूटर शिक्षा का मजबूत आधार बनाने की आवश्यकता है और ऐसा करने के लिए फीस के ढांचे का पुनरीक्षण किया जाना एवं उसे उदार बनाया जाना अनिवार्य है। बच्चों में विज्ञान के प्रति रुचि पैदा करना आवश्यक है क्योंकि इसके बिना उनकी शिक्षा अधूरी रह जाएगी और वह अन्य राज्यों के बच्चों से स्पर्धा नहीं कर पाएंगे। जिस प्रकार राज्य ने मेडिकल शिक्षा के क्षेत्र में फीस के ढांचे में संशोधन करने के लिए कदम उठाए हैं उसी प्रकार माध्यमिक और उच्चतर माध्यमिक शिक्षा के लिए भी उन्हें कदम उठाने पड़ेंगे और कमजोर वर्ग के बच्चों के लिए क्रास सब्सिडी पर आधारित स्कीम बनानी होगी।

आशा है राज्य ने निकृष्ट प्राकृतिक संसाधनों की ओर ध्यान दिया होगा और एजेण्डा-21 जैसी ही एक कार्य योजना बनाने के लिए विचार-विमर्श किया होगा। जल- प्रदूषण और घर के भीतर के प्रदूषण से जूझने के लिए एक कार्य योजना बनाने की जरूरत है क्योंकि इस प्रदूषण का सीधा संबंध अतिसार (diarrhoea) श्वसन संबंधी बिमारियों (respiratory diseases) और मोतियाबिन्द (cataract) से है और ऐसी बीमारियां उत्तर प्रदेश में काफी मात्रा में पायी जाती हैं।

सफाई व्यवस्था पर भी ध्यान देने की जरूरत है। उदाहरणार्थ मशालची टोला, लखनऊ में मानव-मल पर आधारित बायोगैस डायजेस्टर के निर्माण से उस क्षेत्र के निवासियों को खाना पकाने और लैम्प जलाने हेतु गैस भी सुलभ हुई है। इसी तरह गांवों में भी ऐसी योजनाएं ग्रामीण विकास के क्षेत्र में ली जा सकती हैं। ऐसा करने से गांव में स्वच्छता के क्षेत्र में सफलता प्राप्त करना कठिन नहीं होगा और ईंधन/लकड़ी की भारी मांग में कमी आएगी। उत्तर प्रदेश में अब 4 प्रतिशत से भी कम वन क्षेत्र रह गया है। इसलिए राज्य सरकार को एक कृषि दानिकी कार्य योजना बनानी होगी जिससे औद्योगिक लकड़ी की भारी मांग को पूरा किया जा सके।

कृषि उत्पादन के क्षेत्र में इस वर्ष राज्य में 1996-97 से भी अधिक उत्पादन हुआ है। परन्तु लक्ष्य की दृष्टि से, उत्पादन में फिर भी कमी रही है। राज्य को क्षेत्रीय आयोजना की आवश्यकता है ताकि क्षेत्र की जरूरतों के मुताबिक जल प्रबंधन किया जा सके। बुन्देलखंड में जल संग्रहण और पूर्वी उत्तर प्रदेश में भू-जल के वैज्ञानिक दोहन की सबसे अधिक जरूरत है। जहां तक हो सके कृषि क्षेत्र को अग्रिम रूप से बाजार-रुख और बाजार-मांग की सूचना उपलब्ध करायी जानी चाहिए। कृषि के विविधीकरण की योजना बनानी चाहिए ताकि फल, सब्जी तथा पुष्प उत्पादन को बढ़ावा मिले और ग्रामीण सड़कों के लिए प्राप्त धन पूरी तरह से उपयोग में लाया जा सके।

राज्य में कृषि पर बहुत अधिक जनसंख्या निर्भर करती है। इसलिये कृषि उत्पादकता बढ़ाने के लिये ठोस कदम उठाने होंगे। साथ ही औद्योगिक विकास को शीघ्रता से बढ़ाने की आवश्यकता है। जैसाकि मैंने पिछले वर्ष भी सुझाव दिया था, पर्यटन भी एक ऐसा क्षेत्र है जिसमें तेजी से विकास किया जा सकता है क्योंकि यह तुरंत लाभ और रोजगार प्रदान करता है। अतः उत्तर प्रदेश को पर्यटन पर एक मास्टर-प्लान बनाना चाहिए और निजी निवेश को आमंत्रित करते हुए निवेशक-मित्र नीति अपनानी चाहिए। इससे पिछड़े क्षेत्रों में रोजगार को बढ़ावा मिलेगा और कृषि क्षेत्र पर दबाव कम होगा। इसी तरह राज्य के परम्परागत उद्योगों को अधिक प्रतियोगी बनाने, नई मार्किटों और डिज़ाइनों से रोजगार और आमदनी को बढ़ावा मिल सकता है।

उत्तर प्रदेश की जनसंख्या और क्षेत्रफल को देखते हुये प्रदेश का विकास राष्ट्रीय विकास दर को काफी हद तक प्रभावित करेगा। उत्तर प्रदेश की 31.15% जनसंख्या को गरीबी रेखा से ऊपर लाना और राज्य की प्रति व्यक्ति आय को आगे बढ़ाना आवश्यक है। ऐसा करने के लिए राज्य को 7% से ऊंची दर पर विकास करना होगा।

उत्तर प्रदेश को आगे बढ़ाने का कार्य एक गंभीर चुनौती है और इस कार्य में हम आपको पूरी तरह से सहयोग देना चाहते हैं। राज्य के विकास दर को दुगुनी करने की रणनीति तैयार करने के लिये योजना आयोग द्वारा राज्य सरकार के सहयोग से एक विकास रिपोर्ट तैयार की जा रही है। रिपोर्ट की तैयारी में देश की जानी मानी संस्थाओं और परामर्शदाताओं से सहायता ली जा रही है। हमें अपेक्षा है कि उत्तर प्रदेश विकास रिपोर्ट इस दिशा ल राज्य के सर्वतोमुखी विकास की दिशाएं रेखांकित करने में सफल होगी।

उपाध्यक्ष योजना आयोग का उद्घाटन भाषण: उत्तर प्रदेश की वार्षिक योजना 2001-2002

उत्तरांचल की वार्षिक योजना 2001-2002

मैं उत्तरांचल के मुख्यमंत्री तथा उनके दल के अन्य सदस्यों का राज्य की वार्षिक योजना 2001-02 को अंतिम रूप देने सम्बन्धी इस बैठक में स्वागत करता हूँ। इस बैठक को आयोजित करने में देशी का मुख्य कारण राज्य का अनिश्चित वित्त तथा परिणामस्वरूप योजना प्रक्रिया को तेज करने में इसकी असमर्थता रही है। कर्मचारियों, देयताएं तथा सम्पत्ति के विभाजन से भी राज्य की प्रारंभिक समस्याएं बढ़ी हैं। मुझे विश्वास है कि अब ये मुद्दे अधिकांशतः हल कर लिए होंगे तथा अब राज्य बेहतर विकास योजना के कार्य में अग्रसर होगा। राज्य ने वर्ष 2001-02 के लिए एक हजार करोड़ रुपये का योजना परिव्यय रखा है।

राज्य का सकल घरेलू उत्पाद इसके प्राथमिक क्षेत्र में 29.7 प्रतिशत के योगदान को दर्शाता है जिसमें 95 केवल वानिकी तथा लट्टों से, 20.3% गौण क्षेत्र से तथा 50% तृतीयक क्षेत्र से आता है जिसका 18.9% व्यापार, होटल एवं रेस्टोरेंटों से 9.7% परिवहन, स्टोरेज एवं संचार से तथा 14.2% समुदाय, समाज एवं कार्मिक सेवाओं से आता है। हालांकि राज्य की प्रतिव्यक्ति आय के अनुमान उपलब्ध नहीं है, वर्ष 1996-97 के लिए केन्द्रीय सांख्यिकीय संगठन द्वारा उपलब्ध कराए गए प्रति व्यक्ति राज्य सकल घरेलू उत्पाद राष्ट्रीय औसत 12,805 रुपये की तुलना में प्रचलित मूल्यों पर 15,232 थी। तथापि, यह राज्य में बिगड़ती हालत की वास्तविक स्थिति को प्रस्तुत करता है। राज्य के ग्रामीण विकास विभाग द्वारा आयोजित किए गए सर्वेक्षण के अनुसार सभी ग्रामीण परिवारों में से 36.44S गरीबी की रेखा से नीचे जीवनयापन कर रहे हैं। क्योंकि विश्वसनीय असाधारित सांख्यिकीय सूचना उपलब्ध नहीं है, मुझे बताया गया है कि राज्य ने इस प्रयोजन के लिए हाल ही में सीएमआईई के साथ एक समझौता ज्ञापन पर हस्ताक्षर किए हैं। अर्थव्यवस्था के विभिन्न क्षेत्रों हेतु विकास दरें संभवतया आगामी वर्ष में उपलब्ध होंगी।

राज्य का जनसांख्यिकीय सूचकांक राष्ट्रीय औसत से काफी मिलता-जुलता है तथा कम दसकीय जनसंख्या वृद्धि दर और अच्छे लिंग अनुपात को दर्शाता है।

राष्ट्रीय अनुपात की तुलना में अनुमानित जन्म दर, मृत्यु दर तथा प्राकृतिक विकास दर भी अच्छी है। जबकि शहरी क्षेत्र में 3.5 मृत्युदर कम है, ग्रामीण क्षेत्रों में 10.5 का मृत्यु दर राष्ट्रीय औसत 9.4 की अपेक्षा अधिक है। हालांकि कुल शिशु मृत्यु दर 52 राष्ट्रीय औसत के मुकाबले कम है, ग्रामीण शिशु मृत्यु दर राष्ट्रीय औसत के समकक्ष 75 है जिसकी ओर राज्य को ग्रामीण क्षेत्रों में उत्कृष्ट चिकित्सा सुविधाओं के माध्यम से विशेष ध्यान दिलाए जाने की आवश्यकता है। यह काफी अच्छा है कि बालिका मृत्यु दर बालक मृत्यु दर की अपेक्षा कम है यह बालिका शिशु की प्रगति का सूचक है।

साक्षरता दर राष्ट्रीय औसत 65.38 प्रतिशत से भी उम्र 72.28 प्रतिशत है। जबकि मानव विकास सूचक तथा लिंग विकास सूचक स्पष्ट रूप से प्रगति की ओर संकेत करता है, राज्य में तीन जिलों हैं जो साक्षरता के मामले में अभी भी पीछे हैं। ये उत्तरकाशी, टिहरी गढ़वाल और हरिद्वार हैं। अनुसूचित जातियों/अनुसूचित जनजातियों के बीच महिला साक्षरता दर भी चिन्ता का विषय है। राज्य में दो मूल आदिम जातियाँ हैं - राजी तथा बक्शा। उनके विकास के लिए संरक्षण तथा विकासप्रद योजनाएं तैयार की जानी चाहिए तथा इसके लिए शत-प्रतिशत केन्द्रीय निधि उपलब्ध हो। इस संबंध में हुई प्रगति की दक्षिण अफ्रीका में वर्ष 2002 में होने वाले रियो +10 सम्मेलन में भी समीक्षा होगी।

राज्य वार्षिक योजना में यह उचित पाया गया है कि उत्तरांचल क्षेत्र अति नाजुक और संवेदनशील है। अतः वातावरणीय प्रबंधन, वन, गहनता और जल संसाधन प्रबंधन जैसे मुद्दे बहुत ही महत्व रखते हैं। राज्य के लिए यह महत्वपूर्ण है कि जिलावार पारिस्थितिकीय प्रबंधन योजनाएं तैयार करे तथा उन्हें कड़ाई से कार्यान्वित करें। राज्य को चाहिए कि वे अपनी दीर्घ परम्परा बनाए तथा सामुदायिक भागीदारी का अनुभव और वन प्रबंधन करें। राज्य में 1931 से वन पंचायतें विद्यमान हैं। विगत में उन्हें पंचायत वनों के प्रबंधन पर सम्पूर्ण नियंत्रण की अनुमति थी बशर्ते कि स्वामित्व राज्य सरकार का ही बना रहे। मौजूदा उत्तरांचल पंचायत वन अधिनियम 2001 ने इन वनों पर वन विभाग के बढ़ते हुए नियंत्रण के बारे में लोगों के बीच कुछ गलतफहमियाँ पैदा की हैं। अतः अधिनियम को व्यापक रूप से प्रचारित करना चाहिए तथा राज्य की अनुचित आलोचना से बचने और जनता का सहयोग सुनिश्चित करने के लिए स्थानीय जनता के साथ इस पर विचार-विमर्श किया जाना चाहिए। यह परामर्श योग्य है कि सभी गांवों को संयुक्त वन प्रबंधन के अंतर्गत लाया जाए। अनधिकृत चारागाह, जंगल में लगने

वाली आम, गैर-कानूनी कटाई और वन क्षेत्रों पर अतिक्रमण का राज्य के वनस्पति और वन्य जीवन के लिए बहुत बड़ा खतरा है। प्रभावी सुरक्षा उपायों को बढ़ाने के लिए बेहतर परिवहन तथा संचार और स्थानीय समुदाय की भागीदारी मानव-पशु विवाद से बचने के लिए भी आवश्यक है जो वन क्षेत्र तथा वन्य जीव आखेट की गैर-उपलब्धता में कटौती के कारण इस समय बढ़ रहे हैं। अतः वन्यजीव प्रबंध हेतु सतत, वैज्ञानिक तथा एकीकृत योजना की आवश्यकता है।

यह देखकर मुझे खुशी हुई है कि राज्य ने अपनी योजना में अभावग्रस्त क्षेत्रों की पहचान की है। आपदा प्रबंधन केन्द्र की स्थापना, नई वन पंचायतों का गठन, खाली जलसंसाधनों को पुनः भरना, वर्षा जल, कृषि तथा बागवानी गतिविधियों का प्रत्यावर्तन, पर्यटन को बढ़ावा देना, ऊन बैंक की स्थापना, हस्त शिल्प प्रौद्योगिकी संस्थान तथा हस्तकला और हस्तशिल्प के एकीकृत विकास के लिए काशीपुर डिजाइन केन्द्र को फिर से चालू करना और उसका आधुनिकीकरण इस दिशा में सही कदम है। अन्य अभावग्रस्त क्षेत्रों में सूचना प्रौद्योगिकी, मत्स्य पालन, भेड़-बकरी पालन, सुगंधी तथा औषधीय पौधों की खेती, स्मारिका उद्योग, पुष्पोत्पादन, मधुमक्खी पालन तथा कस्तूरी मृग फार्मों के विकास की मैं सिफारिश करना चाहूंगा। राज्य को प्राकृतिक लाभ क्षेत्रों के विकास की ओर ध्यान देना चाहिए।

रिपॉर्टर!
T ^Tf

मुझे यह जानकर प्रसन्नता हुई है कि राज्य ने मुख्य मंत्री की अध्यक्षता में एक बोर्ड का गठन किया है जो सुगंधी तथा औषधीय पौधों के विकास का सुव्यवस्थित और सुनियोजित तरीके से निर्देशन करेगा तथा जड़ी-बूटी शोध संस्थान को बोर्ड की कार्यन्वयन एजेंसी के रूप में पदनामित किया गया है। राज्य में औषधीय तथा सुगंधी पौधों पर एक व्यापक दस्तावेज तैयार किया जाना चाहिए और खतरों को ध्यान में रखते हुए भावी कार्यनीति बनाई जाए। राज्य में आयुर्वेदिक फार्मेशियों को भी क्रियाशील बनाया जाना चाहिए।

राज्य को भेड़ विकास, जो राज्य के स्थलाकृति के अनुकूल एक क्रियाकलाप है, पर अधिक बल देना चाहिए। वर्तमान भेड़ फार्मों व ऊन विस्तार केन्द्रों को मजबूत बनाया जाना चाहिए। इसी प्रकार, शीतजल मत्स्य उद्योग को बढ़ावा देना चाहिए तथा आईसीएआर की सहायता से मत्स्यपालन हेतु एक रुपरेखा तैयार करनी चाहिए। मछली उत्पादकों के लिए वृहत्तर तकनीकी सलाह एवं विस्तार सेवाओं का सामयिक प्रावधान राज्य में नीली क्रान्ति लाने में सहायता कर सकता है।

राज्य का प्राकृतिक विन्यास, इसे पारिस्थितिकी, साहसिक कार्यों, स्वास्थ्य एवं आध्यात्मिक पर्यटन का प्राकृतिक स्थान बनाता है। मुझे यह जानकर प्रसन्नता है कि उत्तरांचल में पर्यटन विकास में निजी क्षेत्रकों की भागीदारी व निवेश के दृष्टिकोण से एक पर्यटन बोर्ड की स्थापना की जा रही है तथा इस कार्य के लिए अधिनियम पहले ही पास किया जा चुका है। स्थानीय लोगों के लाभ हेतु उच्च व्यय वाले पर्यटकों को आकर्षित करने के लिए शुद्ध वातावरण बनाए रखने हेतु आधारिक संरचना में निवेश विशेष रूप से आवश्यक है।

हरिद्वार धार्मिक पर्यटकों के लिए राज्य का प्रवेश द्वार है। मुझे खुशी है कि शहर में दिभिन्न त्यौहारों पर प्रतिवर्ष तथा विशेषकर मुख्य अवसरों जैसे कुंभ एवं अर्घकुम्भ के समय अधिक संख्या में यात्रियों को ध्यान में रखकर राज्य ने एक विश्वस्तरीय, स्थायी आधारिक संरचना तैयार करने का प्रस्ताव किया है।

सूचना प्रौद्योगिकी हेतु अबसंरचना को विकसित करने पर राज्य का दबाव, शिक्षा में सूचना प्रौद्योगिकी, सूचना प्रौद्योगिकी-समर्थ सेवाएं तथा ई-गवर्नेंस एक स्वागत योग्य कदम है। यह जानकर मुझे खुशी है कि राज्य का प्रथम भू-केन्द्र चालू वित्त वर्ष में ही काम करना शुरू कर देगा। इस क्षेत्रक में निजी क्षेत्रक भागीदारी को भी बढ़ावा देना चाहिए।

योजना आयोग यह देखना चाहेगा कि राज्य अपने विकासात्मक उद्देश्यों को प्राप्त करने में तेजी से प्रगति करे। नये राज्य के रूप में, यह दोषपूर्ण नौकरशाही से दूर रहते हुए, तथा अपने सीमित संसाधनों के प्रभावी प्रयोग से अपनी वित्तीय स्थिति के उचित प्रबंधन द्वारा दूसरे राज्यों जैसी गलतियों से बच सकता है। राज्य को अपने अभावग्रस्त क्षेत्रों पर ध्यान देना चाहिए, स्कीमों की प्रचुरता से बचना चाहिए तथा सावधानीपूर्वक मानीट्रिंग एवं प्रमादी क्रियान्वयन सुनिश्चित करने हेतु इसकी प्रगति की समीक्षा करनी चाहिए। मैं राज्य के प्रयासों की सफलता की कामना करता हूँ।

UTTARANCHAL PLAN FOR 2001-02*

I welcome the Chief Minister of Uttaranchal and other members of his delegation to this meeting to finalise the State's Annual Plan for 2001-02. The delay in holding this meeting is primarily due to the uncertain finances of the State and its consequent inability to expedite the planning process. The division of staff, liabilities and assets has also contributed to the teething troubles of the State. I believe that these issues have now been resolved for the most part and the State can now proceed with the business of sound development planning. The State has budgeted for a Plan outlay of Rs.1000 crore for 2001-02.

The State's Gross Domestic Product shows a contribution of 29.7% by the primary sector, of which 9% comes from forestry and logging alone, 20.3% from the secondary sector and 50% from the tertiary sector, of which 18.9% comes from trade, hotels and restaurants, 9.7% from transport, storage and communication and 14.2% from community, social and personnel services. Although the State's per capita income estimates are not available, the per capita State Gross Domestic Product provided by the CSO for 1996-97 was Rs.15,232 at current prices against the national average of Rs.12,805. This, however, may present a somewhat distorted picture of the actual conditions in the State. According to a survey conducted by the Rural Development Department of the State, 36.44% of rural families live below the poverty line. As reliable disaggregated statistical information is not available, I am informed that the State has recently signed an MOU with CMIE for the purpose. The growth rates for different sectors of the economy would presumably become available next year.

The State's demographic indices compare favourably with the national averages and show a lower decennial population growth rate and a better sex ratio. The estimated birth rate, death rate and natural growth

rate are also better than the national average. While the death rate of 3.5 in the urban areas is low, the death rate of 10.5 in the rural areas is higher than the national average of 9.4. Again, though the total Infant Mortality Rate of 52 is lower than the national average, the rural Infant Mortality Rate of 75 is at par with the national average and requires the special attention of the State through improved medical services in rural areas. Interestingly enough, the female infant mortality rate is lower than the male infant mortality rate in the State indicating a progressive attitude towards the girl-child.

The literacy rate of 72.28% is also above the national average of 65.38 per cent. While the Human Development Index and the Gender Development Index clearly show a progressive trend, there are three districts in the State, which still lag behind in literacy. These are Uttarkashi, Tehri Garhwal and Haridwar. Also the female literacy rate among Scheduled Castes and Scheduled Tribes is a cause for concern. The State has two primitive tribes, the Rajis and the Buxas. A conservation and development micro plan should be formulated for their development and 100% central funding availed of. The progress made in this regard would also be reviewed at the Rio + 10 summit to be held in South Africa in 2002.

It has been rightly observed in the State Annual Plan that the Uttarakhand region is extremely fragile and sensitive. Therefore, issues relating to environmental management, forest cover and water resource management assume great significance. It is important for the State to prepare district-wise ecological management plans and to implement them strictly. The State must build on its long tradition and experience of community participation and management of forests. Van Panchayats have been in existence in the State since 1931. In the past they were allowed complete control over the management of the Panchayat forests even though the ownership continued to remain with the Government. The recent Uttarakhand Panchayat Forest Rules 2001 have created some misgivings in the minds of the people with regard to the increased control of the Forest Department over these forests. The Rules should, therefore, be widely disseminated and discussed

with the local population to avoid ill-informed criticism of the State and to secure the co-operation of the people. It would be advisable to bring all the villages under joint forest management. Unauthorised grazing, forest fires, illegal felling and encroachments on forest areas are a major threat to the flora and fauna of the State. Effective protection measures and community support are essential for the prevention of man-animal conflicts, which are presently on the increase on account of a reduction in the forest cover and non-availability of prey for wildlife. A sustained, scientific and integrated plan for wildlife management is, therefore, necessary.

I am happy to observe that the State has identified its thrust areas in the Plan. The establishment of a Disaster Management Centre, the setting up of new Van Panchayats, the recharging of depleted water resources, rainwater harvesting, the diversification of agricultural and horticultural activities, the promotion of tourism, the setting up of a wool-bank, the revival and modernisation of the Kashipur Design Centre for the integrated development of handlooms and handicrafts are steps in the right direction. Other thrust areas that I would recommend are in the field of information technology, fisheries, sheep rearing, medicinal and aromatic plants, development of a souvenir industry, floriculture, bee keeping and musk deer farms. The State should concentrate on the development of areas in which it has a natural advantage.

I am glad to learn that the State has set up a Board headed by the Chief Minister to guide the development of aromatic and medicinal plants in a systematic and planned manner and that the Jari Buti Shodh Sansthan has been designated as the implementing agency of the Board. A status paper should be prepared on medicinal and aromatic plants in the State and the future strategy chalked out keeping in view the endangered species. The ayurvedic pharmacies in the State should also be activated.

The State should place greater emphasis on sheep development, an activity suited to the topography of the State. The existing sheep farms and wool extension centres should be strengthened. Similarly, cold water fisheries should be encouraged and a blueprint for pisciculture prepared

with the help of ICAR. Sound technical advice and the timely provision of extension services to fish cultivators can help the State to bring about a 'blue' revolution.

The State's natural endowments make it a natural destination for eco, adventure, health and spiritual tourism. I am happy to learn that a Tourism Board is being set up with a view to enabling investment and participation of the private sector in the development of tourism in Uttaranchal and that an Act for this purpose has already been passed. Investment in the infrastructure required for maintaining a clean environment is particularly essential for attracting the high spending tourists to the benefit of the local population.

Haridwar is the gateway of the State for religious tourism. I am glad that the State proposes to create world-class, permanent infrastructure in view of the large numbers that visit the city every year on various festivals and more particularly during major events such as the Kumbh and Ardh Kumbh.

The State's thrust on developing an infrastructure for information technology, IT in education, IT-enabled services and e-governance is a welcome step. I am happy to learn that the first Earth Station in the State will be operationalised within the current financial year. Private sector participation in this sector should also be encouraged.

The Planning Commission would like to see the State make steady progress in the achievement of its developmental objectives. As a new State it can avoid the mistakes of other States by eschewing a bloated bureaucracy and managing its finances judiciously to make effective use of limited resources. The State should focus on its thrust areas, avoid proliferation of schemes and carefully monitor and review its progress to ensure effective implementation. I wish the State all success in its endeavours.

** English Version of the opening remarks made in Hindi at the discussion on the Annual Plan of Uttaranchal for 2001-02*

WEST BENGAL PLAN FOR 2001-02*

I welcome the Development and Planning and the Finance Minister of West Bengal and other members of the delegation to this meeting for finalising the State's Annual Plan for 2001-02.

Though it is a matter of great satisfaction that the State Domestic Product (SDP) and per capita SDP have been showing consistent growth in real terms for the last 3-4 years, the weak fiscal position of the State is a matter of concern. In fact, this has been responsible for the downward revision of the Plan size during each of the last four years. This may also impinge upon the real growth of the State economy and adversely affect the programmes and projects being implemented by the State Government in the long run. Public debt has been growing at an alarming rate during the recent years. The accelerated growth of Non-Plan revenue expenditure during the last three years is mainly responsible for this. We sincerely hope that the State Government would make serious efforts to contain the Non-Plan, non-developmental expenditure and mobilise both tax and non-tax revenues by making them more broad-based.

The progress made by the State in the production of rice, oilseeds, potato and fisheries is praiseworthy, whereas the potential in the production of wheat, pulses, animal husbandry and dairy has not been adequately exploited. West Bengal is the largest producer of rice with the overall productivity of 2243 kg/ha ranking fourth in the country. However, with a view to further improving the productivity and raising production of rice, the State could bring more area under Boro/Summer rice by creating additional irrigation facilities, introducing and popularising hybrid rice cultivation and increasing the coverage under the high-yielding varieties, especially in

unfavourable uplands and low lands. The productivity of wheat has remained more or less stagnant for long and now it is below the national average. The State Government must adopt suitable varieties and encourage increased use of micro nutrients in the deficient areas. The reduction of area under pulses could be made up by encouraging their cultivation in rabi fallows. No doubt, the State has been successful in increasing oilseeds production by bringing more area under oilseeds and raising the productivity level. However, there is scope for further increasing the area under Rabi oilseeds and for raising productivity by encouraging the use of gypsum.

Let me again insist that the State Government should give priority to the completion of the ongoing irrigation projects, which have been continuing since the Fifth Five Year Plan and enhance the utilisation of its ground water potential. Looking at the current Five Year Plan, the pace of achievement of irrigation potential has been very slow, which should be speeded up. In minor irrigation, the over-exploitation of ground water due to Boro cultivation is a cause for worry and would warrant exploration of alternative methods. It is seen that there is a wide gap between the average revenue realisation against the estimated working expenses, which could be bridged by revising the water rates that were fixed way back in 1977. The pace of command area development activities in the State in general is slow. Survey of the command area and micro-level planning are lagging behind, in particular. The State Government is advised to review the CAD Programme and accelerate the work relating to construction of field channels, warabandi and land leveling under the Centrally Sponsored CAD Programme.

It is heartening to note that the percentage of rural population living below the poverty line in the State has declined from 40.80% in 1993-94 to 31.85% in 1999-2000. I am, however, constrained to point out that the financial performance in terms of utilisation of funds, as against the total available funds, in the implementation of

poverty alleviation programmes has been low and the State has lost considerable amount of money due to its inability to provide matching share or because of large opening balances at the beginning of the year, which has led to shortfall in releases against the amount sanctioned.

It is seen that the commercial losses of West Bengal State Electricity Board have further increased in the current year. The main factor responsible for this is the large gap between the tariff and the cost of supply. The State Government should take suitable policy initiatives to make the Board commercially viable. The revenue arrears of WBPDCCL outstanding against WBSEB should be released on priority basis. Steps should also be taken to reduce T&D losses, which are likely to increase to 30% in the current year, as against last year's 28 per cent.

It is satisfying to note that in terms of health and demographic indices, the State compares favourably with the national figures. In terms of CBR, CDR, IMR and life expectancy, the performance of the State is better than the national average. The State is likely to achieve NRR of 1 by 2009. Though the State has provided a substantial increase in outlay for health sector in the successive Annual Plans— for example 136.9% increase in 2000-01 over the previous year— the outlay for primary health care has been decreasing over the years. Adequate funds should be provided for primary health care to bridge the critical gaps in the infrastructure.

In the education sector it is hoped that the State Government would be able to fulfill its commitment to achieve universalisation of education by the end of the Ninth Five Year Plan. It is appreciated that the literacy level of the State is above the national average. But one discouraging feature is the persistent high drop out rate at the primary, as well as, upper primary level, which should be gone into at length.

The steps taken by the State Government for attracting industrial investment are to be appreciated. The efforts being made by the State to encourage the now all-important IT sector are also appreciated. It is also necessary that the State should create adequate infrastructure for imparting to the youth the skills required for their taking up new challenges.

Under the Centrally Sponsored Scheme of Mega City, the funds made available have not been fully utilised. Though various projects are being taken up under the Scheme, many of the problems in their implementation have been observed to be common. Many of the projects under the Integrated Development of Small and Medium Town, which have either not taken off or not made much progress, should be reconsidered by the State. The poor response from the commercial banks to the 'self employment' component under Swaran Jayanti Shahari Rojgar Yojana is affecting the other components of the scheme. The reasons for such response should be looked into.

The State Government's initiative to decentralise planning for the construction of roads through the elected Panchayat bodies and Municipalities in the rural and urban areas respectively is a welcome step. The State needs to speed up connectivity programme in the remaining villages under PMGSY.

The factors responsible for the continuous losses being incurred by all the Road Transport Corporations should be identified. Though some steps in this direction have been taken by the State Government, they must strive harder to improve both physical and financial performance of these corporations.

* Opening remarks at the discussion on the Annual Plan of West Bengal for 2001-02

TENTH PLAN & ANNUAL PLAN 2002-03 OF ANDHRA PRADESH*

I welcome the Chief Minister of Andhra Pradesh and other members of the State's delegation to this meeting for the finalisation of the Tenth Five Year (2002-07) Plan and the Annual Plan for 2002-03 of the State.

Andhra Pradesh has initiated a number of economic reforms and the State deserves to be complimented for pursuing them earnestly. The effects of privatisation, increase in foreign direct investment (FDI) and other allied reforms, however, are yet to start reflecting in the composition of the Gross State Domestic Product (GSDP). The primary sector continues to contribute almost one third of the State Domestic Product. Although the State's GSDP as well as per capita income have been registering annual increases, the growth has not followed any consistent pattern. In the first two years of the Ninth Plan the utilisation of Plan outlays was very good but the same tempo could not be maintained in the subsequent two years and the utilisation fell short of the agreed outlays. The State expects a better performance in the terminal year of the Ninth Plan.

The aggregate resources for the Ninth Plan were approved at Rs.25,150 crore at 1996-97 prices. The actual realisation is about 102.2% of the Ninth Plan projections. However, the financing of the Ninth Plan has undergone significant changes. As against projection, there is massive deterioration in State's own fund and a shortfall in realisation of Central Assistance. As a result, the State has resorted to a high level of borrowing to finance the Plan. The borrowing far exceeds the Ninth Plan projections. For instance, the negotiated loans and other finances were 243.%, debentures and bonds 263%, SLR-based net market

borrowings 197% and loans against small savings 150 percent. Similarly, the Tenth Plan projections of financing are more or less on the pattern of the Ninth Plan realisation. The Plan is being financed by borrowings to the extent of 59% and Central Assistance of 48% while the contribution of State's own fund continues to be negative. This is a matter of serious concern for a forward-looking State like Andhra Pradesh.

Andhra Pradesh has achieved a remarkable reduction in the population growth rate during the 1990s. The decadal growth rate has come down from 24.2% in 1981-91 to 13.86% in 1991-2001. It is even more creditable that this has been accomplished in spite of relatively low per capita income, literacy and age at marriage. Keeping in view the response of the people during the nineties, the State should redouble its efforts to achieve the social indicators like IMR, MMR and improve the nutrition level so that the decline in fertility and mortality is sustained.

The achievements of Andhra Pradesh in the field of information technology and its use in the day-to-day governance are widely acknowledged. However, the State's literacy rate of 61.11%, as against the national average of 65.38%, does not go well with the IT image of the State. Moreover, the gender gap is even more than twenty percentage points with 71.85% of male literacy rate against 51.17% of female literacy rate and the drop out rate is as high as 66.5% in classes VI -VIII.

Overall the State has succeeded in bringing down the poverty level. However, pockets of high poverty do still exist and intra-State disparities are sharp. I note that the State has identified districts and mandals where special attention needs to be devoted to poverty alleviation programmes. The State has also achieved noteworthy success in promoting and nurturing self-help movement and organisations of women. The self-help groups deserve every encouragement as they

have provided new opportunities to a wide cross-section of poor families. The progress made by the State through the Janmabhumi and Clean & Green Campaigns is noted. Whereas most of the States have constituted District Planning Committees (DPCs), Andhra Pradesh is yet to take action in this regard. I would urge the State Government to set up the DPCs at the earliest.

The agriculture sector contributes nearly one third of the GSDP and supports 71% of the State's population. The State has improved crop productivity during the Ninth Plan. The State's effort to increase the per capita availability and consumption of milk, meat, eggs and fish during this period is also noted. Andhra Pradesh has been the pioneer in palm oil production. Similarly, the State ranks second in inland fisheries as well as silk production. I note that the State's Tenth Plan strategy rightly help the development of agriculture sector. In this context, there is need to increase the flow of credit to farmers.

While recognising the importance of irrigation development in the successive Plans, there has been a tendency to take up more schemes than are warranted by available resources. It is a matter of concern that major irrigation projects are languishing without completion. However, the State Government has availed the fast track facility under AIBP to complete three major irrigation projects in a year's time.

The State's industrial sector contributes 16% of the GSDP. The State ranks third in the country in mineral production. It is heartening to note that industrial growth rate, which has been 5.41% during Ninth Plan period in the State, is being targeted at 10.7% during Tenth Plan period. Industrial dispersal in the State, however, is not even. The State Government should take special measures to promote industrialisation in the backward areas.

Andhra Pradesh is one of the progressive States, which has initiated power sector reforms. It has unbundled the APSEB and also formed four distribution companies. The State Electricity Regulatory

Commission has issued two tariff orders in the meantime. However, even after two tariff orders, the average tariff rate is only 65% of the average cost of supply per unit. The net commercial losses for 2001-02 (RE) stand at Rs.2,429.45 crore. The share of agricultural sector in total consumption is stated to be around 40% during the previous year but the exact share is not known as most of the agricultural consumers are not metered and are charged average rates. The average agricultural tariff is only 31 paise per unit. The State may like to pay attention to these issues to improve the financial health of the power utilities in the State.

The performance of Andhra Pradesh Road Transport Corporation, in terms of fleet utilisation, vehicle productivity and fuel efficiency, is commendable. However, revenue generation is a matter of concern. There has also been some shortfall in achievement of targets in respect of Andhra Pradesh State Highway Project. I hope the shortfall of this externally aided project would be made good during the current year.

Andhra Pradesh has set itself an ambitious vision – Vision 2020. The challenge before it is to turn this into reality.

** Opening Remarks at the discussion on the Tenth Plan and Annual Plan 2002-03 of Andhra Pradesh.*

TENTH PLAN & ANNUAL PLAN 2002-03 OF ARUNACHAL PRADESH*

I welcome the Chief Minister of Arunachal Pradesh and his colleagues to this meeting for discussions on the Tenth Plan and finalisation of the Annual Plan for 2002-03 of the State. Arunachal Pradesh is among the first few States to be invited for these discussions, indicating the importance we attach to the efforts being made by the State.

Looking back, I find that the performance of the State during the Ninth Plan has left much to be desired. In overall terms there is likely to be a shortfall of between 20-25% in the achievement of the outlay targeted for the Ninth Plan. In each and every year of the Ninth Plan so far, the State has been unable to fully utilise the Annual Plan outlays. This has been both due to inability to mobilise adequate resources as well as weaknesses in project implementation. For instance, under the Non Lapsable Central Pool of Resources, only 60% of the funds released so far for priority projects identified by the State have been utilised.

There is a need to gear up the administrative machinery to improve the pace of project implementation to increase utilisation of Central funds allocated to the State. Monitoring and supervision of works and proper preparation of projects are equally important. The Planning Commission has made arrangements with the Indian Institute of Management, Kolkata for providing training to the officers of North Eastern States in the skills of project preparation and appraisal. Slots provided in this programme for the Arunachal Government last year were not fully utilised. I would urge the State Government to take full advantage of this facility. I trust that during the Tenth Plan serious efforts will be made to have more realistic Annual Plans and improve Plan performance.

The State has made progress in the social sectors, particularly education. The literacy rate has risen to 54.7% in 2001, with the reported provision of access to primary education within 2 kms for 84% of the population. There remain, however, areas of concern. Among these are the high drop-out rate of over 50% at the primary level and the gender gap of about 20% in male and female literacy. The State has also not been utilising its allocations for the mid-day meal programme for school children.

In the health sector, no information is available on the progress of disease control and family welfare programmes in the State. This needs urgent attention. The State was unable to set up the State Referral Hospital within the required five years period for which Rs. 50 crore had been provided by the Tenth Finance Commission. Agriculture is the main occupation of the State with two-thirds of the work force engaged in this sector. In the Ninth Plan, agriculture received relatively less emphasis in the Plan outlays. While the State has to contend with extreme climatic conditions and difficult terrain, there is considerable room for improvement in both production and productivity of major crops. In the Ninth Plan, there were shortfalls of over 50% in the target for foodgrains as well as oilseeds. Jhooming continues to be a major agricultural practice. The State needs to better appreciate its adverse environmental effects and take steps accordingly to stabilise cultivation practices.

The State has congenial conditions for development of horticulture. In the Ninth Plan the area under horticulture increased more than the target but the production was below target, indicating continuing poor productivity in this sector. Medicinal and aromatic plants have the potential of value-addition, which the State can capitalise on. Efforts would also have to be made to bring about convergence of research support as well as development of post-harvest infrastructure in order to promote horticulture development in a big way. In this context, the indication by the State of the agriculture sector being a high priority for the Tenth Plan is welcome.

In the case of various Centrally funded rural development programmes, like SGSY, SGRY, JGSY, the performance of the State has not been

satisfactory. In none of the years of the Ninth Plan were the available Central funds fully utilised. At the same time, in the period 1993-94 to 1999-2000, the reduction of percentage of people in the State living below poverty line has been only 6% as against the all-India drop rate of about 10 per cent. There is, therefore, a need to attach greater importance to these programmes.

Poor rural connectivity remains a major infrastructural bottleneck in the implementation of programmes and providing necessary services to the people. I understand that only 45% of habitations are connected by road. I would urge the State to take full advantage of the Prime Minister's Gram Sadak Yojana (PMGSY) under which all habitations with over 250 populations can be connected with Central Assistance.

In the power sector, transmission and distribution losses are presently as high as 45 per cent. Similarly, against the all-India average of 54 paise per unit, the establishment and administration charges of the Arunachal Electricity Department are Rs. 4 per unit. These matters need to be looked into.

Finally, I would like to touch upon the need for the State to tap the possibilities for promoting eco-tourism and adventure tourism in the State. This would help create non-traditional employment opportunities in the rural areas. The State may like to think over the issue and develop a coherent private sector-led strategy for putting Arunachal on the tourist map of India. In this, as in all other sectors of importance to the development of the State, the Planning Commission will be happy to support the efforts of the State in any way possible.

TENTH PLAN & ANNUAL PLAN 2002-03 OF ASSAM *

I welcome the Chief Minister, his colleagues and officers of the Government of Assam to this meeting for discussions on the Tenth Plan and the finalisation of the Annual Plan for 2002-03.

The Ninth Plan is now in its terminal year. As against Rs. 8983 crore agreed for the Ninth Plan at 1996-97 prices, the aggregate outlay for all the five Annual Plans put together was only Rs. 8172 crore in nominal terms, mainly due to the inability of the State to mobilise its own resources as projected. Out of this, the State is expected to be in a position to spend only about 80%, indicating a need to gear up project implementation.

The fiscal situation of the State continues to be worrying. In the last financial year the State was in overdraft for the highest number of days among all the States in the country. The committed expenses on salaries, wages, pensions and interest payments are more than the entire revenue receipts of the State from all sources, leaving no room for manoeuvre. Debt servicing is projected to increase substantially between 2003 and 2006. The fiscal crisis is impacting severely on the development programmes. The State has lost hundreds of crores of Central funds for various poverty alleviation programmes because it has not been able to provide the matching State share. Downsizing of administration, outsourcing of services, increased cost recovery and revenue mobilisation and restructuring of finances should be the highest developmental priority of the State Government.

In this connection, I am happy to note that the State Government has formulated a medium-term fiscal reform programme and is also in dialogue with multilateral agencies for obtaining external assistance to support fiscal reform. We would strongly encourage the State to

follow through these initiatives. The Planning Commission is ready to assist the State in the implementation of the reform initiatives.

Agriculture is the mainstay of the people of the State. As a result of the Krishak Samriddhi Yojana, rice production has increased and the State is now marginally surplus in foodgrains. There is a need now to look at diversification of agriculture with a view to obtaining the maximum benefit out the increased irrigation capacity created. Greater attention needs to be paid to storage, marketing and creation of necessary post-harvest infrastructure.

With a large area under water bodies and high internal demand for fish, pisciculture is a potential sector of growth. The local demand for fish far outstrips the supply and the State reportedly imports over 25,000 tonnes of fish annually from Andhra Pradesh. Little public investment is needed to spur the growth in this sector. One of the factors limiting expansion of fish production is the policy of giving water-bodies only on short-term leases, which discourages investment by private entrepreneurs. The State may like to consider long-term leases of "beel" fisheries to encourage investment by private operators. This alone may help increase production in a short period.

Reports indicate that the State has lost 820 sq. kms of forest area during the period 1993-99. This is a cause for concern. There is a need to strengthen the joint forest management, get all the forest divisions to prepare working plans and look at ways and means to stabilise cultivation practices and find alternatives to Jhooming in the hill areas.

Despite steady growth in overall literacy in the State, the literacy level of 64.28 % in 2001 is still lower than the national average. More than 5000 habitations with over 200 population reportedly still do not have access to primary education. The drop-out rates are high at 69% at the primary level. The State is unable to take advantage of the mid-day meal programme and is lifting less than 10% of its entitlement. These areas need attention. Among other things, the State needs to look at innovative schemes adopted in other States like

the Education Guarantee Scheme for providing universal access to elementary education.

In the power sector I am concerned to note that there remains a large gap of Rs. 3 per unit between the average cost of supply and the average tariff being recovered by the State. The Plant Load Factor (PLF) of thermal plants of Assam State Electricity Board is only about 18%, which is among the lowest in the country. Action needs to be taken to ensure that the power sector is restored to commercial viability and health.

The river Brahmaputra is the lifeline of the State. Yet its potential as an inland waterway is largely untapped. The cost of transportation of goods by river is almost half that of transportation by rail. You may like to look into the matter and consider initiating steps for revival of communication along the Brahmaputra river and its integration with other modes of transport. This has the potential to spur the development of region and also give a boost to river-based tourism, which should ideally be a unique selling point of Assam.

Finally, I am heartened to note that the State is projecting a 6.3% rate of growth of State Domestic Product over the Tenth Plan, which, if achieved, would be more than double the recent trend. To enable the State to devise strategies to achieve a doubling of historical growth rate, the Planning Commission along with the State Government is preparing an Assam Development Report. Recently, a Workshop was held for the purpose in Guwahati under the guidance of Dr. K. Venkatasubramanian, Member, Planning Commission. We hope that this Report will be finalised shortly and be of assistance to the State in forging a new growth path over the Tenth Plan and beyond.

* Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Assam

बिहार की दसवीं योजना और वार्षिक योजना 2002-03

मुझे बिहार राज्य की दसवीं योजना और वार्षिक योजना 2002-2003 हेतु चर्चा में मुख्यमंत्री और वरिष्ठ अधिकारियों का स्वागत करने में बड़ी प्रसन्नता का अनुभव है। बिहार का इतिहास गौरवशाली है परन्तु इन दिनों राज्य बहुत सी समस्याओं से घिरा हुआ है। निःसंदेह बिहार के मुख्य मंत्री के सामने अनेक चुनौतीपूर्ण कार्य हैं, और विकास के कार्यों में हमारी शुभकामनाएं और सहयोग हमेशा उनके साथ है।

मैं इस अवसर पर अखिल भारतीय स्तर की तुलना में बिहार में विकास के विभिन्न आर्थिक और सामाजिक सूचकों पर प्रकाश डालना चाहता हूँ। बिहार भारत संघ के अन्य राज्यों की तुलना में अत्यधिक पिछड़ा है। मानव विकास सूचकांक और लिंग असमानता सूचकांक के सन्दर्भ में इसकी श्रेणी सभी राज्यों में निम्नतम है। बिहार में गरीबी रेखा से नीचे रह रहे लोगों का प्रतिशत वर्ष 1999-2000 में अखिल भारतीय स्तर के 26.10% की तुलना में 42.60% है।

मानव कल्याण के अन्य सूचक शिक्षा एवं स्वास्थ्य है। वर्ष 2001 की जनगणना के अनुसार बिहार में साक्षरता दर अखिल भारतीय स्तर के 65% की तुलना में 48% है। महिला साक्षरता दर अधिक उल्लेखनीय है जोकि बिहार में 34% है और अखिल भारतीय स्तर पर 56% है। इस प्रकार बिहार को अखिल भारतीय मानकों तक पहुंचने में काफी समय लग जाएगा। प्रायः सभी आर्थिक और सामाजिक सूचकों में बिहार का स्थान सबसे नीचा है। इन तथ्यों की ओर तीव्र दृष्टि डालने का समय आ गया है। बिहार की विकास की गति को बढ़ाना होगा ताकि हम देश के आर्थिक विकास के लक्ष्य को प्राप्त कर सकें।

बिहार को चाहिए कि वह चाहे राज्य निधि हो अथवा केन्द्रीय निधि हो, उसका अधिकतम उपयोग करे। नौवीं पंचवर्षीय योजना के पांच वर्षों में से किसी भी वर्ष में बिहार अपने सहमत योजना परिषद को उपयोग करने में सक्षम नहीं रहा है और अनुमोदित योजना आकार की तुलना में व्यय में कुल कमी 5000 करोड़ रुपये से अधिक की रही है। इसी प्रकार, केन्द्रीय निधियों के उपयोग में भी अत्यधिक कमी रही। केवल ग्रामीण गरीबी उन्मूलन कार्यक्रम में, नौवीं योजना के

प्रथम चार वर्षों में 885 करोड़ रुपये तक केन्द्रीय रीलिज में कमी रही है। योजना व्यय में समुचित सुधार लाने के लिए शक्तियों के प्रत्यायोजन और मंजूरी मैकेनिज्म को सुदृढ़ करना होगा जिसके लिए राज्य सरकार को कई बार सलाह दी गई है।

दसवीं पंचवर्षीय योजना में राज्य के विकास के लिए प्रमुख समस्याओं का निराकरण करना होगा एवं इसे प्रगति के पथ पर अग्रसर करना होगा ताकि यह राज्य अन्य राज्यों के समकक्ष हो जाए। नई पंचवर्षीय योजना के लिए राज्य सरकार द्वारा तैयार किया गया योजना दस्तावेज एक अच्छी शुरुआत है, इसमें राज्य की समस्याओं, प्राथमिकताओं का ईमानदारी से पुनर्मूल्यांकन किया गया है और कुछ निर्णायक कार्यनीतियों की पहचान की गई है। इसे और आगे बढ़ाया जाना चाहिए ताकि अधिक विस्तृत विश्लेषण और मुख्य क्षेत्रकों के लिए नीति एवं कार्यक्रम के निरूपण को गति दी जा सके। योजनाओं के प्रभावकारी कार्यान्वयन, राज्य के संसाधनों के विस्तार के उपायों और केन्द्र एवं आर्थिक सहायता करने वाली एजेंसियों से प्राप्त सभी उपलब्ध वित्तीय संसाधनों के पूर्णतः उपयोग, तथा पंचायती राज संस्थाओं में उचित विकेन्द्रीकरण से राज्य के विकास लक्ष्य को आगामी दस वर्षों में प्राप्त किया जा सके।

मुझे यह जानकर प्रसन्नता हुई कि दसवीं पंचवर्षीय योजना में राज्य ने योजना प्रस्तावों में उपलब्ध संसाधनों के अंतर्गत विविध मांगों को संतुलित करने का प्रयास किया है। परन्तु वर्ष 2002-03 की योजना में कई मुख्य क्षेत्रक जैसे ऊर्जा, सामान्य शिक्षा आदि में आबंटन (Allocation) बहुत कम है। बड़े पैमाने पर ग्रामीण और कृषि प्रधान होने के कारण राज्य को उन उपायों को उच्च प्राथमिकता देनी है जिनसे कृषि उत्पादकता और ग्रामीण विकास में सुधार लाया जा सके। जलसंभर प्रबन्धन और भूजल एवं भूमिगत जल के संयुक्त प्रयोग के बीच परस्पर सम्पर्क और राज्य के कुछ भागों में उपलब्ध जल की बहुलता से प्राप्त किए जाने वाले बहुत से आर्थिक लाभों को योजना में शामिल किया गया है।

राज्य में 60% जमीन में सिंचाई सुविधाएं हैं। अभी भी बड़े आकार में भूजल की संभाव्यता है जिसका अभी उपयोग नहीं किया गया है। मिलियन शैलो ट्यूबवेल स्कीम जिसे आपने कार्यान्वित करना शुरू किया है, के भली-भांति कार्यान्वयन से सिंचाई क्षेत्र एवं उत्पादन में वृद्धि हो सकती है। डीजल पम्प देने के बजाए बिजली की सुनिश्चित आपूर्ति बेहतर समाधान होगा परन्तु अभी राज्य में ग्रामीण विद्युतीकरण की वर्तमान स्थिति को देखते हुए, इसमें और अधिक समय लग सकता है। कृषि प्रसंस्करण उद्योगों के विकास हेतु भी ऊर्जा एक महत्वपूर्ण इनपुट है।

पिछली वार्षिक योजना (2001-02) के समय हमने भूमि सुधार, विद्युत क्षेत्रक में सुधार राज्य के जल संसाधनों के समग्र दोहन जैसे मुद्दों पर बल दिया था। राज्य के विकास के लिए यह क्षेत्र अभी भी प्राथमिकतावाले क्षेत्र हैं। भूमि, जल, वनस्पति संपदा जैसे प्राकृतिक संसाधनों का विकास करना ऐसे कार्य हैं जहाँ राज्य द्वारा अग्रणी भूमिका निभाए जाने की आवश्यकता है। मैं, सिंचाई और बाढ़ नियंत्रण में राज्य सरकार से बाढ़ कार्यक्रमों के लिए एआईबीपी और सीएसएस के अंतर्गत केन्द्रीय निधियों का समग्र रूप से उपयोग करने का आग्रह करूंगा। अब तक की उपलब्धियों की तुलना में इन स्कीमों के अंतर्गत राज्य के लिए अधिक निधियों का उपयोग करने की गुंजाइश है, चालू पुरानी सिंचाई परियोजनाओं और बाढ़ संभावित क्षेत्रों, जो बार-बार राज्य में समस्याएं पैदा करते हैं, के बचाव के लिए भी गंभीर प्रयास होने चाहिए। राज्य में अब कुल क्षेत्रफल का केवल 6.4 प्रतिशत ही वन क्षेत्र बचा है। आपने अगले 20 वर्षों में 12800 वर्ग कि० मी० के गैर-वन क्षेत्र को वृक्ष-क्षेत्र के अंतर्गत लाने का प्रस्ताव किया है, यह सराहनीय है।

विभाजन से पहले बिहार 355 किलोवाट आवर (केडब्ल्यूएच) के राष्ट्रीय औसत की तुलना में 141 कि० वाट आवर (केडब्ल्यूएच) का प्रतिव्यक्ति विद्युत उपभोग किया करता था और यह विचार करते हुए कि बहुत से उद्योग और शहरी क्षेत्र झारखंड के हिस्से में चले गए हैं, नए बिहार का आंकड़ा और भी कम हो सकता है। राज्य ने विकेन्द्रीकृत विद्युत उत्पादन और अपारंपरिक ऊर्जा स्रोतों को प्रोत्साहित करने का प्रस्ताव किया है, जो सराहनीय है तथापि, विद्युत ट्रान्समिशन और वितरण प्रणालियों को सुदृढ़ करना, और विनियमन प्राधिकरण के सृजन के साथ राज्य बिजली बोर्ड की पुनः संरचना, ऐसे उपाय हैं जिनमें विलम्ब नहीं किया जा सकता। विद्युत आपूर्ति प्रमुख आघारिक संरचनाओं में से एक है जिसकी उपेक्षा अथवा विलम्ब विकास के लक्ष्यों की प्राप्ति में बाधक होगा।

समापन से पूर्व मैं मुख्यमंत्री जी को यह आश्वासन देना चाहूंगा कि हम राज्य के लिए परियोजना तैयार करने में लगे हैं। एक परामर्शदाता परियोजनाओं की पहचान में कार्यरत है और हम केन्द्रीय निधियों के प्रबन्ध और उन्हें प्राप्त करने के लिए वित्तीय संस्थाओं को सहबद्ध करने हेतु प्रयासरत हैं। इन सभी प्रयासों में हम राज्य सरकार की सहभागिता चाहते हैं। मुझे विश्वास है बिहार के लिए आर्बिट्रि अतिरिक्त वित्तीय सहायता से बिहार के विकास एवं लोगों के कल्याण की योजनाओं को सफलतापूर्वक कार्यान्वित किया जा सकेगा।

TENTH PLAN & ANNUAL PLAN 2002-03 OF CHHATTISGARH*

I welcome the Chief Minister and his colleagues to this meeting for the finalisation of the Tenth Plan and the Annual Plan for 2002-03 of Chhattisgarh.

During the Annual Plan 2001-02 the State Government succeeded in achieving the Plan target with an anticipated Plan expenditure of Rs.1,409 crore as against the approved outlay of Rs.1,312 crore. With more determined efforts at resource mobilisation, the per capita Plan outlay of the State, which is still only Rs. 700, can be raised further. For raising the level of development expenditure, the State Government could consider working out measures to rationalise the size of its workforce as well as the salary component of grant-in-aid institutions.

Human development has to be a continuing area of attention for the State Government. A number of initiatives have been taken by the State to expand access to education and the literacy rate of the State as a whole has increased to 65.2% in 2001. However, the levels of literacy, particularly female literacy, continue to be relatively low in the predominantly tribal districts and special efforts should be made to put this right as soon as possible.

The health indices of the State—Crude Birth Rate, Crude Death Rate and Infant Mortality Rate— are less favourable in relation to all-India levels and efforts should be made for their improvement. In particular, I would like to draw your attention to the information recently brought out by the National Commission on Population, according to which the percentage of women receiving skilled attention during delivery is as low as 22.4% in the State, which is only about half of the all-India average. Similarly, only 59% of the children in the State are reported to be fully immunised, which is a matter for concern.

I note that the strategy proposed by the State Government for increasing production and productivity of agricultural crops and changing the cropping pattern by increasing the area under cash/commercial crops, pulses, oilseeds and horticulture are steps in the right direction. However, for development of horticulture, the State Government may have to pay special attention to an adequate supply of planting material of assured quality to farmers. There is also a need for a cross breeding programme supplemented by fodder and feed development and disease control for accelerating the production in the animal husbandry sub-sector. Along with this, the State Government should develop co-operatives for procurement, processing and marketing of milk.

Forty-four per cent of the geographical area of the State is covered by forests, which are rich in minor forest produce including medicinal plants. The development and sustainable management of forest resources can contribute very effectively to the economic development of local people and the region as a whole. The declaration of Chhattisgarh as "Herbal State" and setting up a network of protected areas to develop and conserve medicinal plants are steps in the right direction.

In the power sector, transmission and distribution losses reported at 30.6% are on the higher side and need to be reduced. I hope the State Government would initiate reform measures for restructuring the Chhattisgarh State Electricity Board and setting up the State Electricity Regulatory Commission.

As one of the few States with a power surplus, the State is well placed to attract industry and become a major industrial hub. A conscious effort at the highest level of the State Government to send welcoming signals to the private sector would reinforce this advantage. I note that in the Tenth Plan the State intends to promote agro-based, forest-based and mineral-based industries as well as traditional and sunrise industries. The State's policy to rely more on development of infrastructure than incentives should encourage sustainable industrialisation. I wonder if the State Government has considered the creation of a single window clearance mechanism for making it easier to invest.

Development of roads is important for the State. The State Government may formulate a long-term Master Plan, identify deficiencies in the existing road network and chart out an action plan. It will also help the State in prioritising its outlays so that expansion in road communications may have the maximum impact on development. Tourism is a potential growth sector for the State provided the State Government exploits it by providing better transport and communication facilities and promotional and publicity efforts.

You are aware that the preparation of a State Development Report for Chhattisgarh under the aegis of a Core Group headed by Shri Som Pal, Member, Planning Commission is under way. This exercise is meant to help the State in accelerating its growth rate and evolving a better strategy for its future development.

** English version of the Opening Remarks made in Hindi at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Chhattisgarh*

छत्तीसगढ़ की दसवीं योजना और वार्षिक योजना 2002-2003

में इस बैठक में छत्तीसगढ़ राज्य की दसवीं योजना और वार्षिक योजना 2002-03 को अंतिम रूप देने के लिए मुख्यमंत्री और उनके सहयोगियों का स्वागत करता हूँ।

वार्षिक योजना 2001-02 के दौरान राज्य सरकार ने 1,312 करोड़ रुपये के अनुमोदित परिव्यय की तुलना में 1,409 करोड़ के पूर्वानुमानित योजना व्यय के साथ योजना लक्ष्य को प्राप्त करने में सफलता प्राप्त की। संसाधन जुटाने की दृढ़ कोशिश के बावजूद राज्य का प्रति व्यक्ति योजना परिव्यय जो अभी भी मात्र 700 रुपये है, को और अधिक बढ़ाया जा सकता है। विकास व्यय के स्तर को बढ़ाने के लिए सरकारी स्थापना और सहायता अनुदान प्राप्त संस्थानों के वेतन घटक को युक्तियुक्त बनाने के लिए राज्य सरकार को आवश्यक उपायों पर विचार करना चाहिए।

राज्य सरकार के लिए मानव विकास पर ध्यान देना एक सतत लक्ष्य रहेगा। समग्र रूप से शिक्षा की पहुँच और राज्य की साक्षरता दर को बढ़ाने के लिए बहुत सी पहलें की गई हैं, और वर्ष 2001 में साक्षरता दर 65.2 प्रतिशत तक पहुँच गयी है। बहरहाल, विशेषरूप से महिला साक्षरता तथा जनजातीय बहुल जिलों में सापेक्ष साक्षरता का स्तर निरंतर कम रहा है जिसके लिए सुधारात्मक कार्रवाई आवश्यक है।

राज्य के स्वास्थ्य सूचकांक (जन्म दर, मृत्युदर और शिशु मृत्यु दर) अखिल भारतीय स्तर की तुलना में कम अनुकूल है और इनके सुधार के लिए कोशिश की जानी चाहिए। इस सम्बन्ध में, मैं आपका ध्यान राष्ट्रीय जनसंख्या आयोग द्वारा हाल में प्रकाशित जानकारी की ओर दिलाना चाहता हूँ, जिसके अनुसार राज्य में सुरक्षित प्रसव (Safe Delivery) का प्रतिशत 22.4 से भी कम है, जो कि अखिल भारत औसत की तुलना में लगभग आधा है। इसी प्रकार, राज्य में मात्र 59 प्रतिशत बच्चों को आवश्यक टीकाकरण प्राप्त हो रहा है, जो कि चिन्ता का विषय है।

में समझता हूँ कि कृषि फसलों का उत्पादन और उत्पादकता बढ़ाने और नकद/वाणिज्यिक फसलों, दालों, तेलहनों और बागवानी के अंतर्गत क्षेत्र को बढ़ाकर फसल प्रक्रिया को बदलने के लिए राज्य द्वारा प्रस्तावित कार्य योजना उचित है। बहरहाल, बागवानी के विकास के लिए राज्य सरकार को किसानों को सुनिश्चित गुणवत्ता वाली पौधरोपण सामग्री की पर्याप्त आपूर्ति पर ध्यान देना होगा। पशुपालन उपक्षेत्र में प्रजनन बढ़ाने के लिए भोजन चारा विकास और बीमारी नियंत्रण द्वारा सम्पूरित वर्ण-संकर कार्यक्रम की भी आवश्यकता है। इसके साथ-साथ राज्य सरकार को दूध की प्राप्ति, प्रसंस्करण और विपणन के लिए सहकारी समितियाँ विकसित करनी चाहिए।

राज्य के भौगोलिक क्षेत्र का 44 प्रतिशत वन क्षेत्र है, जो औषधीय पौधों के साथ-साथ लघु वन उत्पाद में सम्पन्न है। वन संसाधनों का विकास और सतत प्रबंधन स्थानीय लोगों और समग्र रूप से क्षेत्र के आर्थिक विकास में प्रभावकारी ढंग से योगदान कर सकता है। हर्बल स्टेट के रूप में छत्तीसगढ़ को घोषित करना, और औषधीय पौधों का विकास एवं संरक्षण करने के लिए प्रतिरक्षित क्षेत्रों का एक नेटवर्क स्थापित करना सही दिशा में उठाए गए कदम हैं।

विद्युत क्षेत्र में, पारेषण एवं वितरण घाटा 30.6 प्रतिशत होने की सूचना मिली है, जो कि बहुत अधिक है, और जिसे कम किए जाने की आवश्यकता है। मैं आशा करता हूँ कि राज्य सरकार छत्तीसगढ़ राज्य बिजली बोर्ड के पुनर्गठन, और साथ ही राज्य विद्युत नियामक आयोग के गठन के लिए सुधारात्मक उपायों की पहल करेगी।

छत्तीसगढ़ विद्युत सरप्लस होने वाले गिने-चुने राज्यों में से एक है, और उद्योगों को आकर्षित करने और प्रमुख औद्योगिक केन्द्र बनने के लिये राज्य की स्थिति अच्छी है। निजी क्षेत्रों को स्वागत के संकेत भेजने के लिए उच्चतम स्तर से प्रयास करना राज्य के लिये लाभदायक होगा। मैं समझता हूँ कि दसवीं योजना में राज्य को कृषि आधारित, वन आधारित और खनिज आधारित उद्योगों के साथ-साथ परंपरागत एवं नवीन उद्योगों को प्रोन्नत करना चाहिये। प्रोत्साहनों के अलावा अदसंरचना के विकास पर अधिक निर्भर करने की राज्य की नीति से सतत औद्योगीकरण को प्रोत्साहन मिलेगा और मुझे उम्मीद है कि राज्य सरकार निवेश को आसान बनाने के लिए सिंगल विन्डो क्लीअरेन्स मेकेनिज्म बनाने पर विचार करेगी, जो कि एक प्रगतिशील कदम होगा।

1414 छत्तीसगढ़ की दसवीं योजना और वार्षिक योजना 2002-2003

राज्य के लिए सड़कों का विकास महत्वपूर्ण है। मेरा सुझाव है कि राज्य सरकार एक दीर्घकालिक मास्टर प्लान बनाए, वर्तमान सड़क नेटवर्क में कमियों का पता लगाए, और एक कार्य योजना की रूप-रेखा तैयार करें। इससे राज्य को इसके परिस्थित को प्राथमिकता प्रदान करने में मदद मिलेगी, जिससे कि सड़क संचार में विस्तार से विकास पर अधिक से अधिक अनुकूल प्रभाव पड़ सकता है। पर्यटन राज्य के लिए संभावित वृद्धि क्षेत्र है, बशर्ते कि राज्य सरकार बेहतर परिवहन एवं संचार सुविधाओं, और इसके प्रचार-प्रसार की व्यवस्था करें।

आपको ज्ञात है कि श्री सोमपाल, सदस्य, योजना आयोग की अध्यक्षता में एक कोर ग्रुप के तत्वाधान में छत्तीसगढ़ राज्य के लिए राज्य विकास प्रतिवेदन तैयार किया जा रहा है। इस प्रक्रिया से राज्य को विकास दर को बढ़ाने में, तथा भविष्य के विकास के लिए बेहतर कार्यनीति विकसित करने में मदद मिलेगी।

TENTH PLAN & ANNUAL PLAN 2002-03 OF DELHI*

I extend a warm welcome to the Chief Minister and her colleagues to this meeting to discuss the Tenth Plan and the Annual Plan 2002-03 of the NCT of Delhi. We are now in the final year of the Ninth Five Year Plan. We need to build upon our achievements in the Ninth Plan and prioritise our efforts accordingly for the coming year as well as the Tenth Plan.

In the Ninth Plan, against the originally approved outlay of Rs. 15,541 crore the achievement is likely to be around Rs. 10,801 crore at constant 1996-97 prices, which is about 70% of the original Ninth Plan outlay. This is generally satisfactory, although a Territory like Delhi could have done better.

Delhi Government is fortunate in having a basically strong financial profile and one of the best revenue bases in the country. On the other hand, there are many pressing needs and urgent priorities, which the Delhi Government is expected to meet. For this, Delhi must focus on raising resources and stepping up the pace of implementation. There is scope for improvement in realisation of revenue potential, which needs to be fully explored. For example, the tax-SDP ratio of a small urban Union Territory like Delhi was only 7.00% in 1999-2000, as against the tax SDP ratio of 9.27% for a large, relatively less prosperous State like Tamil Nadu. Special efforts also need to be made in improving non-tax receipts.

Certain issues relating to human development need attention. The gross enrolment ratio in primary schools is only around 80% and

there is a high drop-out rate of 23% on the average, rising to 53% in the case of Scheduled Caste students. In this context, I am pleased to note that efforts are now being made by the Government to seriously implement the mid-day meal programme, in line with our discussions at the last Annual Plan meeting.

I had also drawn attention last year to the situation regarding the progressive decline in the immunisation coverage over the last three years. The position remains much the same. Campaigns such as Pulse Polio are good but there is need to strengthen routine immunisation efforts.

Steps have been taken for unbundling the Delhi Vidyut Board and privatisation of distribution entities. Concerns have been expressed about the monopoly nature of the post-privatisation scenario proposed, which may lead to passing on of excessive burden to the consumers. I trust that these matters are being looked into. At the same time, the political and administrative will required to reduce transmission and distribution losses, perhaps the highest in the country, has yet to be expressed.

The needs of urban infrastructure and sanitation in the city are vast and compelling. Due to inadequate sewerage capacity, more than 20% of the sewerage goes untreated. According to a recent study, more than 30% of the solid waste generated by the city every day is not cleared. Clearly, sewerage and waste disposal systems presently in existence are inadequate in relation to the needs and require considerable investments and effective implementation for any improvement to be visible. Early implementation of plans that have been drawn up for improving sewerage disposal in the city should be a high priority for the Government. In urban planning greater attention needs to be paid to the problems of housing and livelihood of the urban poor, recognising the reality of migration.

I note that you have followed up the earlier initiatives for increasing transparency with mechanisms for greater public participation such as the Bhagidari Scheme and District Development Committees. However, despite these initiatives, the general public perception of civic governance remains poor. There is a need to constantly focus on improving the interface of public servants at the cutting edge level with the citizens of Delhi, particularly in areas relating to the provision of municipal and public utility services. The test is to be able to do so effectively enough to alter the negative public perception on this account.

* *Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of NCT of Delhi*

TENTH PLAN & ANNUAL PLAN 2002-03 OF GOA*

I welcome the Chief Minister and his colleagues to this meeting organised for the finalisation of the Tenth Plan (2002-07) and the Annual Plan (2002-03) of Goa.

I note that the grant of statehood to Goa in 1987 has led to a significant development in many crucial sectors. It has the highest per capita income (Rs. 30,000/-) in the country and has been maintaining a rate of growth of about 6% in the last two decades. It has achieved commendable demographic and human development indices in the fields of education and health. It reached the replacement level of fertility in the early 1990s. It is the only State in the country to have compulsory registration of birth and death in practice. In other words, its vital rates are based on 100% registration system of births and deaths unlike the other States of the country, which are dependent on sample registration system.

The financial position of the State, however, is a matter for deep concern. There was a substantial gap between the Plan outlay and the Plan expenditure in the first three years of the Ninth Plan, the average rate of utilisation of Plan funds being around 82% only. Further, on the resource mobilisation side, against the Ninth Plan projection of Rs.1500 crore the actual realisation is only Rs.1,228 crore, i.e, 82% realisation. You will agree that the State Government has to make concerted efforts to utilise the Plan funds in full while executing the development programmes in a time-bound manner. The Tenth Plan proposals have to be examined in the above backdrop and the higher level of Plan size proposed will be achievable only if you take steps to reform the State economy by restructuring the power sector, transport

sector, State public sector enterprises and reduction in non-Plan expenditure. I hope that the State Government has taken necessary steps for rationalising the size of its work force as reported during last year's Plan discussions. This will certainly help reduce non-Plan expenditure. You may like to indicate whether you are considering an upward revision of excise duty as it is bound to fetch substantial revenues for the State exchequer.

We understand that the State Government proposes to recover almost 100% of the average cost of power in 2002-03 due to reduction in quantum of power purchase from the IPP and consequent reduction in the cost of supply. It is seen that an MOU was signed on the 4th October 2001 between the Ministry of Power, Government of India and the Government of Goa to reform the power sector in the State. I hope your Government would initiate the reform measures for early restructuring and also set up the State Electricity Regulatory Commission without further delay.

The contribution of the industrial sector to the State economy is not satisfactory. The State has as many as 13 public sector corporations, whose commercial viability needs to be reviewed in order to ensure that they do not become a burden on the State exchequer. It is hoped the State Government is seriously considering to modernise, downsize and restructure the State public sector enterprises. Efforts to revive the sick units, if any, should be guided purely by commercial considerations. I wish to also point out that mining activities in Goa, in addition to causing environmental hazards like air pollution, deforestation and damage to agricultural land, pose a constant threat of physical accidents to around sixteen thousand persons employed in the mining sector in the State. It is essential that the Annual Plans have appropriate provisions for safeguard measures to prevent accidents apart from checking environmental pollution and degradation of agricultural land.

The tourism industry, which is estimated to be employing 20% of the State's population, needs further focused attention. The State Government has to act as a judicious facilitator for the private sector to participate in a big way in promoting and upgrading the facilities to both domestic and foreign tourists, simultaneously keeping in view the impact of increased tourist traffic on the socio-economic and fragile ecosystem of the State in the years to come. I am happy to note that Goa is the second State in the country to enact a Tourist Trade Act to regulate and control tourism-related activities in the State.

The Kadamba Road Transport Corporation has been incurring net losses over the past several years on account of a large number of over-aged buses resulting in a decline in total revenue earnings. During the Tenth Plan there is need for improvement in the physical performance of the Corporation by replacement of the over-aged buses, less dependence on market borrowings and review of subsidised fare structure. The reasons for the poor performance of KRTC *vis-à-vis* the private sector need to be identified and suitable steps taken to improve the performance in both physical and financial terms.

In the education sector the reasons for low literacy levels in talukas like Canacona, Sanguem, Quepin, Satari and Pernem require to be identified and removed. The lifting of foodgrains under mid-day meals programme in the State during the Ninth Plan, except in 1999-2000, was not satisfactory, which needs to be looked into.

I am happy to note that the percentage of rural population living below poverty line in Goa, as per the poverty estimate of 1999-2000, is only 1.35 compared to all-India estimate of 27.09. This is indeed praiseworthy. You should however strengthen the Panchayati Raj institutions with adequate administrative and financial powers delegated to them.

The State's coconut and cashew plantations, which are old, need to be replanted and rejuvenated with good quality planting material for

increasing productivity. It is learnt that there is a tendency among the farmers in Goa to keep large agricultural areas fallow in order to convert it for non-agricultural purposes later for reaping higher land prices. If unchecked, this trend could lead to imbalance in agricultural development, hampering the interests of the farming community in the long run.

Irrigation projects like Salaulim and Tillari need to be completed without incurring further cost and time overrun so that the planned benefits flow to the farmers.

I am sure these issues are already receiving your attention.

* Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Goa

TENTH PLAN & ANNUAL PLAN 2002-03 OF GUJARAT*

I welcome the Chief Minister of Gujarat and members of the delegation to finalise the outlays for the Tenth Five Year (2002-07) Plan and the Annual Plan for 2002-03.

Gujarat has proven its potential to be a front-ranking State in economic growth and development. The GSDP witnessed an annual growth rate of 7.62% in the Seventh Plan (1985-90) and 9.28% in the Eighth Plan (1992-97). However, the growth rate has come down sharply in the Ninth Plan (1997-2002). The resource mobilisation of Gujarat for the Ninth Plan, as per revised estimates, is about 84 per cent. It is important to note that for every rupee of Plan outlay, the State had to borrow about one rupee and fifteen paise during the Ninth Five Year Plan. The Tenth Plan projected resources are only marginally higher than the corresponding Ninth Plan projections. The State's dependence on borrowings for financing the Plan is likely to further go up during the Tenth Plan. This is a matter of concern from the point of view of fiscal sustainability. However, I am confident that with its resilience, the State would recover fast and achieve the targeted annual growth rate of 10.17% in the Tenth Plan.

I am glad to note that the State is committed to meet its Tenth Plan targets of social development, such as, access to education and health facilities, availability of drinking water, basic sanitation and reduction of poverty ratio by 5 percentage points. The State has also committed itself to the target of bringing down its total fertility rate to 2.1 by 2010 as per the Gujarat Vision-2010. However, the same would require consistent and sustained effort, keeping in view the high decadal growth rate of 22.48%, registered by the State during 1991 to 2001, which, besides being higher than the national population growth rate of 21.34%,

is 1.29 percentage points higher than its own rate of the preceding decade.

In the agriculture sector the State occupies the first place in the country in the production of cotton and groundnut and second in the production of tobacco. It is also famous for its various horticulture products. Valsad has become India's first integrated horticultural district, which is likely to give a strong boost to the export of vegetables, fruits and flowers. While the State is doing well in marine fish production, its potential for inland fish production needs to be exploited better. The State's achievement in the dairy sector is excellent. It also accounts for nearly 63% of the country's infant milk production. Though the Gujarat State is a pioneer in the White Revolution, this movement does not appear to have benefited the Saurashtra region. The State may like to remove this lacuna.

The State Government has all along accorded a high priority to industrial development and its achievements are no doubt impressive. It ranks second in the country in respect of percentage share in Net Value Added by manufacture. It is now diversifying its industrial base. Lately, manufacturing units are coming up in the chemicals, petro-chemicals, fertilizer, drugs and pharmaceuticals, dye-stuffs and engineering industry. Gujarat has the country's largest petro-chemical complex. It tops in the production of chemical and petro-chemical products and accounts for 31.3% share in the total production. Exploration and production of oil and natural gas in Ankleshwar, Cambay and Kalol and oil refinery at Kayali are the other industrial milestones. The mother industries have helped in the growth of various allied and subsidiary industries. The State has more than 20000 running factories and 2.5 lakh small-scale industrial (SSI) units. It accounts for 85% of the country's salt output. The State Government may, however, review the existing provision for grant of subsidies. Some subsidies need to be scaled down gradually and weeded out eventually. The village and small industries sector needs to be further encouraged in view of its employment potential. The infrastructure facilities relating to road transportation, education and health care etc. are well developed in Gujarat.

I note that the State Government has successfully taken up a couple of road development projects with the private sector participation on BOT basis. The experience gained should help in speeding the process of private sector participation in the development of roads in the State.

The mounting losses of State Road Transport Corporation continue to be an area of concern. The State Government may consider measures, which may include suitable revision in fares, rationalisation of taxation and improvement in the fleet utilisation to improve the financial health of the State Road Transport Corporation.

Gujarat's literacy rate at 69.97% is above the all-India average of 65.38 per cent. However, what is disturbing is the wide gender and regional gaps in literacy and the high drop-out rate in respect of I to VIII classes. As per the EDI prepared by the Ministry of Human Resources Development, Gujarat ranks 15th among the States. Vocational education is to be strengthened to provide better employment opportunities to the youth.

In the irrigation sector, I am happy to note that 7 major projects have been reported as completed during the Ninth Plan. However, the taking up of a large number of unapproved medium schemes and over-exploitation of ground water resources in some areas are matters of concern.

The net commercial loss of Gujarat Electricity Board without subsidy is estimated to be Rs. 3,946 crore during 2001-02 (RE) and it is a matter of concern. Against the average cost of supply of Rs.3.56 per unit, the average tariff is only Rs.2.18 per unit. Agriculture's share in total consumption of electricity is stated to be about 49 per cent. The power tariff for agriculture in 2001-02 (RE) is only 55 paise per unit. It is necessary to take measures for energy audit not only to determine the exact share of agriculture in the total electricity consumption but also to take effective steps to reduce the transmission and distribution losses, leading to increased revenues for the GEB. There is obviously need for a rational tariff policy.

In contrast to the all-India trend of increase, the incidence of unemployment has come down in recent years (1994-2000) in Gujarat among the youth, the educated and the State's entire labour force. Similarly, the private sector organised employment has been more buoyant with 12.5% increase during 1994-1999 in comparison to the all-India average of 9.7% increase. To place the youth in jobs, the State has been taking initiatives like Bharti Melas and Prerna Shivirs for the self-employment seekers.

Given the dynamism of work opportunities in Gujarat, the State attracts a large number of immigrant workers. The State Government may consider some effective steps for the welfare of migrant workers in the unorganised sector. This would help to attract better skilled workers to the State and thus improve productivity.

* *Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Gujarat*

TENTH PLAN & ANNUAL PLAN FOR 2002-03 OF HARYANA*

I extend a hearty welcome to the Chief Minister of Haryana, his colleagues and the team of officers to this meeting.

Haryana is one of the prosperous States of India. Its per capita income is one of the highest and the percentage of people below poverty line is one of the lowest in the country. It has registered a significant growth performance of about 6.5% during the 1980s. However, the rate of growth during the Eighth Plan was somehow sluggish at 5 per cent. It is a matter of concern that it has further gone down to 4.5% during the first three years of the Ninth Plan. I am confident that the Government of Haryana would incorporate appropriate measures in their Tenth Plan to reverse this trend. The economy of Haryana with its strong agricultural and infrastructural base and human resources has the requisite resilience to spring back to a higher growth trajectory.

The Government of Haryana expects to spend Rs. 8,057.91 crore during the Ninth Plan. On an average, the Plan expenditure could be only about 79% of the approved outlay for the period. The actual expenditure on externally aided projects has been as low as 48.5% of the Ninth Plan outlay. The expenditure on other earmarked schemes has also been notably less.

So far as the mobilisation of resources is concerned, it works out to about 69% of the projected resources of Rs. 9,310 crore for the Ninth Plan of the State. The actual amount of project/scheme-linked Central Assistance, including EAP funds, availed was significantly less. Even though the net contribution from State undertakings continued to be negative, the realised level has improved by about 35 per cent. What is most disheartening is that the realised negative balance of current revenue (BCR) of Haryana during Ninth Plan dipped by 2.66

times the projected level. The State had, therefore, to resort to substantially increased borrowings. It has adversely impacted the fiscal health of the State.

It is noted with satisfaction that the State has achieved the Ninth Plan target of foodgrains production. Concrete steps need to be taken to change the cropping pattern in favour of commercial crops and also of crops with less water intensity. Even though its yield of rice is higher than the all-India average, it is well below (about 50%) the yield rate in China. The steps taken to intensify horticultural and floricultural activities have apparently started yielding results. However, the State needs to focus on the production of export-oriented horticulture crops. Though the State Government has done well in the animal husbandry and fisheries sectors, appropriate measures need to be taken to preserve and sustain the genetic resources of Murra buffalows. Fish seed production in private sector may be encouraged. The programme envisaged for the Tenth Plan of Haryana with emphasis on R&D for technological upgradation and intensive use of modern inputs would hopefully help the State in realising its targets of higher production of foodgrains, horticultural produce and livestock.

The State has created good irrigation potential. As in 2000-01, the net irrigated area in Haryana (29.45 lakh hectares) accounts for about 83.5% of its net sown area. About 84% of ground water resources available for irrigation purposes have been tapped. However, out of 108 blocks, the ground water resources in 45 blocks are being over exploited, i.e. more than 100% and 6 are dark blocks with more than 85% exploitation. This is a matter of concern. The revenue accrued from the water charges is not enough even to meet the O&M charges of the department. This calls for a revision in water rates.

Haryana is one of the early birds opting for power sector reforms. The conversion of the State Electricity Board into four corporate bodies for power generation, transmission and distribution works are steps in the right direction. What is needed is improvement in their administrative and operational efficiencies at a steady pace. Agricultural tariff was about 50 paise/kwh in 2001-02. The effective subsidy to

the agriculture sector during 2001-02 (RE) is nearly Rs. 1412 crore. A recent World Bank study on Haryana reveals that over a period of about six years, the farmers' average income would be more than double as a result of power reforms even if the agricultural tariff were increased to a level equivalent to about 2/3rd of the cost of supply. Thus there is still vast scope for further increase in the agricultural tariff. The T&D losses are very high at 34.29% in 2000-01. The Plant Load Factor of power plants in Haryana in 2000-01 is very low at 50% against the all-India figure of 69 per cent. More emphasis on R&M works in the generation projects, apart from improvement in productivity, is called for.

In the face of the general global recession in industrial activities Haryana's performance in industrial production with an annual growth rate of 6.9% during the first three years of the Ninth Plan, is commendable. However, it should take steps to meet the challenges of WTO regime.

Haryana has got an extensive network of road infrastructure. What is needed urgently is its upgradation. It is a matter of deep concern that Haryana Roadways has been incurring huge losses. Economic user charge is not levied. I urge upon the State Government to view this from a commercial perspective. It may like to offer VRS to surplus manpower of the Haryana Roadways. Healthy competition from private operators should be encouraged.

The literacy rate in Haryana, as per 2001 census, is 68.59%, which is marginally higher than the national average of 65.38 per cent. The female literacy rate at 56.31% is also slightly higher than the national average of 54.16 per cent. The State has proposed to cover all the districts under DPEP by April 2003 with a view to universalising primary education by 2010. The PRIs have been given the supervisory role in the field of primary education. However, the Government should provide the requisite infrastructure support to a large number of primary schools deficient in buildings/accommodation.

Institutional support may also have to be provided to the middle schools to meet the impending pressure from those who pass out from the primary schools.

The State has satisfactory infant mortality rate and life expectancy. But there is scope for improvement in the crude birth rate. However, what is of serious concern is that the sex ratio, which is 861 against all-India 933 per 1000 males, is highly skewed against the females. The State Government should look into the causes of this phenomenon and formulate a strategy and action plan to correct this imbalance, which could otherwise have serious socio-economic consequences.

The Government of Haryana has taken care to develop the backward regions of Mewar and Shivalik hills and is availing of external funds under Mewar Area Development Project. However, it is noted that there is difference in the incidence of poverty between the eastern and the western regions of the State. This issue needs to be addressed during the Tenth Plan.

I have touched upon only a few major issues of development. But it does not imply that others issues are less important. My intention is to draw the attention of the State Government to some of the developmental issues, which should be addressed during the Tenth Plan. We would be happy to extend our constructive support in accelerating the pace of development of the State.

* English version of the Opening Remarks made in Hindi at the discussion on the Tenth Plan and Annual Plan 2002-03 of Haryana.

हरियाणा की दसवीं योजना और वार्षिक योजना 2002-03

मैं, इस बैठक में हरियाणा के माननीय मुख्यमंत्री, उनके सहयोगियों और अधिकारियों का हार्दिक स्वागत करता हूँ।

हरियाणा भारत के समृद्ध राज्यों में से एक है। देश में यह प्रति व्यक्ति अधिक आय तथा गरीबी रेखा से नीचे रह रहे लोगों के सबसे कम प्रतिशत वाले राज्यों में से भी एक है। 1980 के दशक के दौरान इसने लगभग 6.5% का अत्यधिक विकास निष्पादन दर्ज किया है। फिर भी आठवीं योजना के दौरान विकास दर किसी न किसी कारण से 5% रही। यह चिन्ता का विषय है कि नौवीं योजना के प्रथम तीन वर्षों के दौरान यह इससे भी घटकर 4.5% हो गई। मुझे विश्वास है कि हरियाणा सरकार ने इस रुझान को बदलने के लिए अपनी दसवीं योजना में उपयुक्त उपाय शामिल किए हैं। हरियाणा के पास अपनी मजबूत कृषि और आधुनिक संरचना के सहारे उच्च विकास पथ पर पुनः वापस लौटने की आवश्यक शक्ति है।

नौवीं योजना के दौरान हरियाणा सरकार 8,057.91 करोड़ रुपए खर्च होने की आशा करती है। औसतन, इस अवधि के लिए योजना व्यय अनुमोदित परिव्यय का लगभग 79% है। विदेशी सहायता प्राप्त परियोजनाओं पर वास्तविक व्यय नौवीं योजना के लिए आवंटित परिव्यय से 48.5% कम रहा है। अन्य earmarked स्कीमों पर व्यय पर्याप्त मात्रा में कम रहा है।

जहां तक संसाधनों की प्राप्ति का संबंध है, यह राज्य की नौवीं योजना के लिए 9,310 करोड़ रुपए के अनुमानित संसाधनों का लगभग 68% होता है। केन्द्रीय सहायता से जुड़ी परियोजनाओं/स्कीमों की वास्तविक राशि सहित ई.ए.पी. निधियां बहुत कम प्रयुक्त की गईं। यद्यपि, राज्य उपक्रमों का निवल योगदान लगातार नकारात्मक रहा, तथापि प्राप्त स्तर में लगभग 35% तक का सुधार हुआ है। सर्वाधिक हताश करने वाली बात यह है कि नौवीं योजना के दौरान हरियाणा का प्राप्त नकारात्मक चालू राजस्व शेष (B.C.R.) अनुमानित स्तर से 2.66 बार गिरा है। अतः राज्य को अधिक उधार का सहारा लेना पड़ा था, इसका राज्य की अर्थव्यवस्था पर प्रतिकूल राजकोषीय प्रभाव है।

यह जानकर प्रसन्नता हुई है कि राज्य ने नौवीं योजना के खाद्यान्न उत्पादन लक्ष्य को प्राप्त कर लिया है। व्यावसायिक फसलों एवं कम जल तीव्रता वाली फसलों के लिए भी फसलोत्पादन पद्धति में परिवर्तन हेतु ठोस कदम उठाए जाने की आवश्यकता है। हालांकि हरियाणा में चावल का उत्पादन अखिल भारतीय औसत की तुलना में उच्चतर है, फिर भी यह चीन की उत्पादन दर से (लगभग 50%) काफी नीचे है। बागवानी और पुष्प खेती को बढ़ाने के लिए उठाए गए कदमों के परिणाम आने लगे हैं तथापि, राज्य को निर्यातोन्मुख बागवानी फसलों के उत्पादन पर ध्यान केंद्रित करने की आवश्यकता है। यद्यपि, राज्य सरकार ने पशुपालन और मत्स्य उद्योग के क्षेत्र में काफी प्रगति की है, तथापि, मुराई मत्स्य के जेनेटिक संसाधनों को सुरक्षित और सतत बनाए रखने के लिए उपयुक्त उपाय किए जाने की आवश्यकता है। निजी क्षेत्रक में मत्स्य बीज उत्पादन को बढ़ावा दिया जा सकता है। हरियाणा की दसवीं योजना के लिए सुविचारित कार्यक्रम जिसमें तकनीकी उन्नयन और आधुनिक निविष्टियों के सघन उपयोग के लिए अनुसंधान एवं विकास (R&D) कार्यों पर जोर दिया गया है, से राज्य को खाद्यान्न, बागवानी और पशुधन के अधिक उत्पादन के इसके लक्ष्यों को प्राप्त करने में आशातीत मदद मिलेगी।

राज्य ने अच्छी सिंचाई संभावनाओं का सृजन किया है जैसाकि वर्ष 2000-01 में हरियाणा में निचल सिंचित क्षेत्र (29.45 लाख हेक्टर) इसके निचल बुआई क्षेत्र का लगभग 83.5% है। सिंचाई के लिए उपलब्ध भूजल संसाधनों का लगभग 84% अलग कर दिया गया है। तथापि, 108 ब्लॉकों में से 45 ब्लॉकों में भूजल संसाधनों का अधिक (100% से अधिक) दोहन किया जा रहा है और 6 (85% से अधिक दोहन किए गए) डार्क ब्लॉक है। यह चिन्ता का विषय है। जल प्रभारों से प्राप्त राजस्व, विभाग के ओ एण्ड एम प्रभारों को पूरा करने के लिए पर्याप्त नहीं है। इसके लिए जल दरों में संशोधन की आवश्यकता है।

हरियाणा बिजली क्षेत्र में सुधारों को अपनाने वाले राज्यों में से एक है। बिजली उत्पादन, पारेषण और वितरण के लिए राज्य बिजली बोर्ड को चार निगमित निकायों में बनाया जाना सही दिशा में उठाए गए कदम हैं। आवश्यकता निरन्तर गति से उनकी प्रशासनिक और प्रचालनात्मक कुशलता में सुधार करना है। वर्ष 2001-02 में कृषि शुल्क दर लगभग 50 पैसे किलोवाट (KWH) थी। वर्ष 2001-02 (संशोधित अनुमान) के दौरान कृषि क्षेत्रक में प्रमावी सन्विद्धी लगभग 1,412 करोड़ रुपये है। हरियाणा के संबंध में हाल के विश्व बैंक अध्ययन से पता चलता है कि लगभग छह वर्षों में किसानों की औसत आय बिजली में सुधार के

परिणामस्वरूप दुगुने से अधिक हो जाएगी, तथापि कृषि शुल्क-दर आपूर्ति लागत के लगभग 2/3 के समान स्तर तक बढ़ गई थी। इस प्रकार कृषि शुल्क-दर में और वृद्धि की अमी भी गुंजाइश है। पारेषण और वितरण (T&D) हानियाँ (वर्ष 2000-01 में 34.29%) बहुत अधिक हैं। वर्ष 2000-01 में हरियाणा के लिए प्लान्ट लोड फैक्टर बहुत कम है (अखिल भारतीय आंकड़े 69% की तुलना में हरियाणा 50%)। उत्पादकता में सुधार के अतिरिक्त उत्पादन परियोजनाओं में अनुसंधान और प्रबंधन (R&M) कार्यों पर अधिक बल दिया जाना आवश्यक है।

औद्योगिक क्रियाकलापों में सामान्य विश्वव्यापी मन्दी के बावजूद, औद्योगिक उत्पादन (नीची पंचवर्षीय योजना के प्रथम तीन वर्षों के दौरान 8.9% की वार्षिक विकास दर) में हरियाणा का निष्पादन प्रशंसनीय है तथापि, इसे डब्ल्यू.टी.ओ. की चुनौतियों से निपटने के लिए उपाय करने चाहिए।

हरियाणा के पास सड़क आधारीक संरचना का व्यापक नेटवर्क है। आवश्यकता इसके तत्काल उन्नयन की है। यह चिन्ता का विषय है कि हरियाणा रोडवेज को भारी हानि हो रही है। किफायती उपभोक्ता प्रभार नहीं लगाए गए हैं। मैं, अनुरोध करता हूँ कि राज्य सरकार इसे वाणिज्यिक दृष्टि से देखे। वह हरियाणा रोडवेज के अतिशेष कर्मचारियों के लिए स्वेच्छिक सेवा निवृत्ति (VRS) का प्रस्ताव रख सकती है। निजी प्रचालकों में स्वस्थ प्रतियोगिता को प्रोत्साहित किया जाना चाहिए।

INDPT

वर्ष 2001 की जनगणना के अनुसार हरियाणा की साक्षरता दर राष्ट्रीय औसत (65.38%) की तुलना में कुछ (68.59%) उच्च है। महिला साक्षरता दर भी (54.16%) की राष्ट्रीय औसत की तुलना में (56.31%) कुछ उच्च है। प्राथमिक शिक्षा को वर्ष 2010 तक सार्वजनिक बनाने के उद्देश्य से, अप्रैल, 2003 तक डी. पी.ई.पी. के अंतर्गत सभी जिलों को शामिल करने के लिए राज्य ने प्रस्ताव किया है। प्राथमिक शिक्षा के क्षेत्र में पंचायती राज संस्थाओं को पर्यवेक्षक की भूमिका दी गई है। तथापि, सरकार को चाहिए कि वह बहुत से प्राथमिक विद्यालयों को जिनके पास भवन/स्थान का अभाव है, उन्हें आवश्यक आधारीक संरचना सहायता मुहैया कराए। माध्यमिक विद्यालयों में भी संस्थागत सहायता प्रदान की जानी चाहिए ताकि प्राथमिक विद्यालयों से प्रवेश करने वाले विद्यार्थियों के बढ़ते दबाव को पूरा किया जा सके।

राज्य में शिक्षा मृत्यु दर और जीवन प्रत्याशा संतोषजनक है। लेकिन अशोषित जन्म दर में सुधार की गुंजाइश है। तथापि, गम्भीर चिन्ता का विषय महिलाओं की तुलना

में लिंग अनुपात अधिक विषम (अखिल भारत 933 प्रति 1000 पुरुष की तुलना में 861) है। राज्य सरकार को इस तथ्य के कारणों पर ध्यान देना चाहिए और इस असंतुलन, जिसके अन्वयात् गंभीर सामाजिक-आर्थिक परिणाम हो सकते हैं, में सुधार के लिए कार्यनीति और कार्य योजना बनानी चाहिए।

हरियाणा सरकार ने मेवात और शिवालिक पहाड़ियों जैसे पिछड़े क्षेत्रों के विकास पर ध्यान दिया है और मेवात क्षेत्र विकास परियोजना के तहत विदेशी निधियों का उपयोग कर रही है। तथापि, इस पर ध्यान दिया जाए कि राज्य के पूर्वी और पश्चिमी क्षेत्र के बीच गरीबी के प्रभाव में अन्तर है। इस समस्या का राज्य की दसवीं योजना के दौरान समाधान किया जाना चाहिए।

मैंने विकास के कुछ ही मुख्य मुद्दों को लिया है परन्तु इसका यह अर्थ नहीं है कि अन्य मुद्दे कम महत्वपूर्ण हैं। मेरा अभिप्राय राज्य सरकार का ध्यान उसकी 10वीं योजना के दौरान समाधान की जाने वाली मुख्य विकासात्मक समस्याओं की ओर दिलाना है। राज्य के विकास की गति को तेज करने में रचनात्मक सहायता प्रदान करने में हमें प्रसन्नता होगी।

उपस्थित, योजना आयोग का उद्घाटन भाषण: हरियाणा की दसवीं योजना और वार्षिक योजना 2002-2003

TENTH PLAN & ANNUAL PLAN 2002-03 OF HIMACHAL PRADESH*

I welcome the Chief Minister and his colleagues to this meeting for the finalisation of the Tenth Plan and the Annual Plan for 2002-03 of Himachal Pradesh.

The overall performance of the State during the Ninth Plan towards achievement of the Plan targets has been encouraging. As against an approved outlay of Rs.5,700 crore at 1996-97 prices, the likely expenditure stands at Rs.6,737.27 crore, which works out to 118.2% of the approved outlay. The expected aggregate resource mobilisation at Rs.6,087.8 crore is also higher by 6.8% of its projected level.

The increased reliance on borrowings to finance the Plan is however a matter of serious concern. Borrowings at Rs.6,381 crore are 105% of the total resource mobilisation during the Ninth Plan. The interest liability has nearly trebled from Rs.455 crore in 1997-98 to Rs.1,227 crore in 2001-02. These trends are unsustainable and threaten to lead the State into debt trap.

The progress made by the State Government in the sphere of human development is noteworthy. From an abysmal literacy rate of merely 32% in 1971—43.2% for males and 20.2% for females—the State has progressed to 77.1% in 2001—86% for males and 68.1% for females. The gross enrolment ratio for classes VI to VIII is also satisfactory at 85.2 as against the national average of 58.8. Attention needs to be paid to reducing the drop-out rate for classes I to X, which is still rather high at 40.4 per cent.

Similarly, the health indices of the State as judged by lower crude birth rate (23.8), crude death rate (7.3) and infant mortality rate (62) are better in relation to all-India figures. Life expectancy at 63.3 is also higher than the all-India level of 58.7. The sex ratio at 970 in

relation to 933 at all-India level is also favourable. The decline in coverage under immunisation programme, decline in vasectomies over the years and fall in the number of persons accepting sterilisation, however, are worrying and require efforts for reversal.

There is need to arrest the decline in the production of foodgrains, which decreased from 14.33 lakh tonnes in 1990-91 to 12.1 lakh tonnes in 2000-01. Further, the growth in the production of eggs is not commensurate with the good population of poultry in the State. Artificial insemination activity needs to be strengthened in the co-operative sector. There is also good potential for rabbit breeding. The State may be developed as a model, especially, for Angora breed rabbit.

The physical progress of major and medium irrigation projects in the State in the Ninth Plan was not commensurate with the expenditure incurred on them. I am informed that the physical achievement was just 25% of the target in the first four years of the Ninth Plan, whereas the expenditure incurred was about 150% of the target during this period. The water rates, which were last revised in 1981, need early revision. The State Government should also take steps for downsizing the establishment in this sector.

In the power sector, some progress has been made by the State in the reduction in transmission and distribution losses of Himachal Pradesh State Electricity Board. However, the State Government should take necessary steps to reduce the gap between the average cost of supply of electricity at Rs.2.87 per unit and the average tariff for supply at Rs.2.49 per unit projected for 2002-03 and also bring down the cost on establishment and administrative charges, which are quite high at 42% of the total revenue expenditure.

Tourism is a potential growth sector for the State, in which it has been making efforts. The 13.7% increase in the arrival of domestic tourists between 1997 and 1999 and 46.3% increase in foreign tourists as against the national-level increase of 10.1% and 5.8% respectively in the same period are noteworthy. The State Government may consider increasing accessibility of flora and fauna-rich alpine regions of the

State by providing better transport and communication and through promotional and publicity efforts.

As you know, the preparation of a State Development Report for the State under the aegis of a Core Group headed by Shri Kamaluddin Ahmed, Member, Planning Commission is under way. I hope that this exercise will help the State in accelerating its growth rate and evolving a better strategy for its future development.

I would like to close with a caution. At the core of the fiscal problems of the State, to which I had briefly mentioned earlier, lies the heavy burden of government's own establishment. As you are aware, Himachal has 22 government servants per 1000 of population, which is among the highest for any State in the country. All of government's revenue receipts are eaten away by committed liabilities such as salaries, pensions and debt servicing leaving no room for development. If not corrected, this will seriously impact the development efforts of the State in the Tenth Plan.

** Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Himachal Pradesh*

झारखंड की दसवीं योजना और वार्षिक योजना 2002-03

झारखंड राज्य की वार्षिक योजना 2002-03 को अंतिम रूप देने के उद्देश्य से बुलाई इस बैठक में, मैं झारखंड के मुख्यमंत्री और उनके सहयोगियों का स्वागत करता हूँ। यह वर्ष दसवीं पंचवर्षीय योजना का प्रथम वर्ष है। परन्तु झारखंड राज्य की दूसरी वार्षिक योजना है।

झारखंड राज्य की कुछ विशेषताएं ऐसी हैं जो अधिकांश राज्यों से भिन्न है। इस राज्य में वनों का अपेक्षाकृत उच्च अनुपात है जो कुल क्षेत्रफल का 29 प्रतिशत से भी अधिक है। प्रतिवर्ग कि०मी० जनसंख्या घनत्व 338 व्यक्ति है, जो तुलनात्मक दृष्टि से कम है। हालांकि 80 प्रतिशत लोगों का व्यवसाय कृषि है, कुल क्षेत्र के लगभग 25% में ही कृषि की जाती है और इसका केवल 8 प्रतिशत फसली क्षेत्र में ही सिंचाई सुविधाएं उपलब्ध हैं। राज्य की जनसंख्या में 27.1 प्रतिशत जनजातीय और 11.9% अनुसूचित जाति है।

राज्य प्राकृतिक संपदा-वन और खनिज की दृष्टि से धनी हैं। झारखंड को अविभाजित बिहार राज्य के अधिकांश उद्योग तथा विद्युत उत्पादन क्षेत्र प्राप्त हुए हैं। राज्य की प्रति व्यक्ति आय को बढ़ाना है, और राज्य में गरीबी रेखा के नीचे जनसंख्या के प्रतिशत में कमी लानी है। ऐसा करने के लिए राज्य की विकास दर में गति लानी होगी।

राज्य में पंचायत चुनाव व स्थानीय निकायों के चुनाव कराये जाने हैं जो अप्रैल, माह 2002 में प्रस्तावित है। मैं आशा करता हूँ कि राज्य सरकार संवैधानिक व्यवस्थाओं के अनुरूप उन्हें सशक्त बनाकर लोगों की सेवा का अवसर प्रदान करेगी।

राज्य विद्युत बोर्ड की स्थापना कर ली गयी है। राज्य के औद्योगिक विकास के लिये उपयुक्त ऊर्जा नीति परम आवश्यक है। बिजली क्षेत्र में सुधार लाने के लिए

बिजली पैदा करने का और वितरण करने का कार्य अलग-अलग निकायों को सौंपने पर आप विचार करें। नये राज्य का प्रयास होना चाहिये कि शुरू से ही अच्छी व्यवस्था, प्रबंध और हालात पैदा करे जिससे इस महत्वपूर्ण क्षेत्र की प्रगति का पथ प्रशस्त हो सके। मैं माननीय मुख्यमंत्री से अनुसोध करना चाहता हूँ कि वे इस विषय पर व्यक्तिगत ध्यान दें। विद्युत क्षेत्र में तुरंत रेगुलेटरी कमीशन बनाया जाना चाहिए और टैरिफ का भी पुनर्निर्धारण शीघ्रतिशीघ्र होना चाहिए। प्लांट लोड फैक्टर, जो इस समय केवल 20% है, में सुधार लाना प्राथमिक लक्ष्य होना चाहिये।

राज्य ने तकनीकी शिक्षा और पर्यटन क्षेत्र के विकास की शुरुआत की है, उसका मैं स्वागत करता हूँ।

योजना को यथार्थ पर आधारित रखने से विकास व्यय को उपयुक्त संरक्षण मिलता है। मुझे आशा है कि राज्य सरकार बजट बनाते समय इस बात को ध्यान में रखेगी।

खाद्यान्न की उत्पादकता देश के अन्य राज्यों की तुलना में काफी कम है। यह चिन्ता का विषय है। कृषि विकास से गरीबी रेखा के स्तर में कमी लाई जा सकती है। कृषि विकास हेतु राज्य को उन्नतशील बीजों, उत्तम खाद व आधुनिक तकनीक को कृषकों तक पहुंचाना चाहिए ताकि खाद्यान्नों की उत्पादकता में वृद्धि हो। राज्य की एक्सटेंशन मशीनरी को पुनर्जीवित करने की आवश्यकता है।

एक अन्य चिन्ता का विषय राज्य में सिंचाई सुविधाओं की बहुत कमी है। कृषि अधिकतर वर्षा पर ही निर्भर है, तथा आवश्यकता है कि सार्थक योजनाएं बनाकर राज्य की पानी से संबंधित सभी समस्याओं का निदान किया जाए। राज्य में औसतन प्रतिवर्ष 1500 मिलीमीटर वर्षा होती है। किसी भी मापदंड के अनुसार यह कम नहीं है। राज्य सरकार नदियों व नालों पर बैक डैम बनाकर, नलकूप व अन्य सिंचाई साधनों को क्रियान्वित कर तथा भूमिगत पानी का वैज्ञानिक दोहन करके काफी हद तक इस समस्या का समाधान कर सकती है। वाटरशेड क्षेत्रों के विकास के लिए साधन उपलब्ध है। झारखंड राज्य में वैसे भी संविधान की शेरुधूल 5 के क्षेत्र है, जिसके सर्वांगीण विकास के लिए संसाधन ट्राइबल प्लान से उपलब्ध हैं।

राज्य के अधिकांश भाग में पीने के पानी का अभाव अत्यधिक विन्ता का विषय है। इस स्थिति का शीघ्र निराकरण आवश्यक है। मुझे प्रसन्नता है कि राज्य सरकार ने कुछ क्षेत्रों के विकास के लिए एक प्रोजेक्ट बनाकर विश्व बैंक से बात की है। अन्य क्षेत्रों के लिये भी इस प्रकार के प्रोजेक्ट बनाये जाने चाहिये।

हालांकि 1950 में भूमि सुधार कानून बनाने वाला बिहार पहला राज्य था, झारखंड में भूमिसुधारों के क्षेत्रों में बहुत कम प्रगति हुई है। जैसाकि आप जानते हैं, ग्रामीण संघर्ष के कारणों में भूमि के अत्यंत असमान वितरण को भी एक कारण ठहराया गया है। इस राज्य में आदिवासियों की बड़ी संख्या है, और भूमि संबंधी उनके अलग कानून है। इन सभी कानूनों को प्रभावपूर्ण ढंग से लागू किया जाना चाहिए। यह प्रशंसनीय है कि राज्य सरकार ने इस ओर ध्यान दिया है।

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परिवहन क्षेत्र के विकास की राज्य में बहुत आवश्यकता है। गांव की कनेक्टिविटी भी बहुत कम है। इसमें सुधार लाने की आवश्यकता है। राज्य में सड़कों का जाल बिछाने हेतु एवं कृषि मंडियों के लिए एक दीर्घकालीन योजना बनायी जानी चाहिए, ताकि विभिन्न चरणों में इस कार्य का सम्पादन हो सके।

कल्याण के दो प्रमुख मापदंड हैं। साक्षरता का स्तर एवं स्वास्थ्य रखा। 2001 की जनगणना के अनुसार राज्य में साक्षरता का स्तर 54.13 प्रतिशत है, जबकि पूरे भारत का 65.38 प्रतिशत है। पुरुषों की साक्षरता दर राज्य में 67.94 प्रतिशत है, जबकि महिलाओं की केवल 39.38 प्रतिशत है। अनुसूचित जाति और अनुसूचित जनजाति की साक्षरता दर राज्य के औसत से भी कहीं कम है। राज्य को इस ओर विशेष ध्यान देने की आवश्यकता है। प्राथमिक, माध्यमिक शिक्षा के साथ-साथ, कम्प्यूटर शिक्षा और प्रौद्योगिक शिक्षा को भी बढ़ावा देने की नितांत आवश्यकता है।

राज्य में कुल प्रजनन क्षमता दर, शिशु मृत्यु दर एवं मातृ मृत्युदर अन्य राज्यों की तुलना में अधिक है इसमें सुधार लाने की आवश्यकता है। ग्रामीण क्षेत्रों में चिकित्सकों, दार्डियों, पत्रिचारिका आदि के पद काफी मात्रा में खाली पड़े हुए हैं। मेडीकल कालेजों तक में चिकित्सकों के पद खाली पड़े हुए हैं। इन सबको भरना जाना लोकहित में श्रेयस्कर होगा। ग्रामीण क्षेत्रों में समुचित चिकित्सा व्यवस्था का अभाव है। सरकार को इस ओर विशेष ध्यान देकर ग्रामीण क्षेत्रों में बसे गरीब व्यक्तियों को समुचित चिकित्सा दिलाने के प्रयास करने चाहिए।

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राज्य में उद्योग इकाइयों की दशा चिन्तनीय है। रूग्ण इकाइयों का सर्वेक्षण करके उनको पुनर्जीवित करने की योजना बनाई जानी चाहिए।

बेरोजगारी की समस्या राज्य में दिनोंदिन बढ़ती जा रही है। सरकार को शहरी/ग्रामीण रोजगार प्रदत्त करवाने की ओर विशेष ध्यान देना चाहिए एवं रोजगार के लिए उपयुक्त साधन उपलब्ध करवाने की विशेष प्रयास किए जाने की आवश्यकता है।

आप जानते हैं कि योजना आयोग राज्य विकास रिपोर्ट बनवा रहा है। हमें आशा है कि यह रिपोर्ट राज्य के विकास में लाभदायक और उपयोगी सिद्ध होगी।

उपाध्यक्ष का उद्घाटन भाषण: झारखण्ड की दसवीं योजना और वार्षिक योजना 2002-2003

TENTH PLAN & ANNUAL PLAN 2002-03 OF KARNATAKA*

I welcome the Chief Minister of Karnataka and his colleagues to this meeting organised for finalising the Tenth Plan (2002-07) and the Annual Plan for 2002-03 of the State.

I would like to congratulate the Chief Minister for achieving a realisation of about 111% the projected resources in the Ninth Plan. Karnataka is one of the four States among 15 major States, which had been able to realise more resources than projected during the Ninth Plan. However, I would like to say that this achievement was due to the State's own efforts brought about by a rise in borrowings, including State Provident Fund, loans against small savings, net market borrowings (SLR), negotiated loans and other finances, debentures/bonds. The State has also been able to realise more Central Assistance for Externally Aided Projects. One of the areas of concern is realisation of BCR, which is 16.8% of the Ninth Plan projection only. The State is advised to contain the net borrowing to a sustainable level as suggested in the *medium-term fiscal policy* signed by the State with the Department of Expenditure. It is also suggested that the pension liabilities may be accommodated within the corpus of Pension Fund. The State may strive to increase the share of project-based finance in aggregate Plan resources and progressively reduce the share of untied grants and loans in aggregate Plan resources.

I am happy to state that the level of village connectivity at 99.62%, achieved by the State, is very satisfactory and only 103 out of a total of 27,066 villages remained to be connected by all-weather roads. I hope that 78 villages would have been connected with rural roads up to now. I am also happy to note that after bifurcation of KSRTC into four corporations, the financial performance has improved substantially from 1998-99 onwards. The fleet utilization of all the four corporations

taken together is more than 90% and is slightly higher than the national average of 89 per cent.

I am happy to know that the Government of Karnataka has signed an MOU with the Ministry of Power to affirm its commitment for power sector reforms and enacted Karnataka Electricity Reform Act in 1999. A ten-year financial restructuring plan has been prepared with a commitment to extend financial support of Rs. 8,999 crore up to 2005. The Electricity Regulatory Commission has been set up and the same has become functional. It has issued its first tariff order in December 2000. The average tariff for sale of power for 2002-03 is estimated at Rs. 2.70 per unit while the cost of supply is projected at Rs. 3.70 per unit. Thus the State recovers the revenue to the extent of 73% only. The revenue arrears of the Corporation for 2000-01 are estimated at Rs.1,166.35 crore, including about Rs. 400 crore receivable from agricultural consumers. The State Government is providing a subsidy of Rs. 2,389.48 crore on the recommendation of State Electricity Regulatory Commission.

The crop productivity in the State has remained stagnant over the last 25 years. The focus should be on increasing productivity by appropriate package of agricultural practices and better water management practices, more specifically in view of the rain-fed farming in large areas of the State. There is a need for diversification of the cropping pattern.

I am told that horticulture is a thriving sector in the State. Due to the focus given to this sector by the State Government, the achievement of productivity of citrus fruits, grapes, guava, papaya, sapota and many vegetables has become far above the all-India average. The National Dairy Development Board has taken up a pilot project for setting up a Horticulture Terminal Market and associated facilities at Bangalore. This will help in establishing alternative marketing having backward linkage with farmers and forward linkages with the retailers. The Government of Karnataka has already signed a MOU with the National Dairy Development Board in this regard. I hope this Market, when completed in 2003, will handle 1.1 million kg per day or 30% of the

estimated demand. This will give a tremendous boost to the farmers engaged in the horticulture sector.

I am happy to note that the State has taken action to set up Raitha Mitra Kendras. These Centres will provide technical assistance at the doorstep of the farmers and also serve as useful centres of information to the farmers regarding farm input and output. The involvement of the public and private sectors in running these Kendras is a progressive measure adopted by the State Government.

The State has done a commendable job in the implementation of watershed development programme during the last two decades. The Karnataka Watershed Development Project is being implemented since September 2001 in five districts. I am happy to note that the participation of the all the stakeholders, including the public, by contributing towards the cost is an important feature of this programme. I congratulate the State for taking such progressive measures.

The health indices of the States are better than the national average. However, the life expectancy for the men is slightly lower than the all-India average. The current trend suggests that the State is likely to achieve the NRR of 1 by 2009. The NFHS-II, however, has shown an unmet need of spacing at 8.3%, which is among the highest in the country, which needs to be bridged. It has been noticed that the number of acceptors of various family planning methods has shown a decline in recent years. Ten districts in the State have been identified with a high prevalence of HIV in the high-risk group. It is suggested that suitable steps should be taken for containing this dreaded disease.

Karnataka has higher literacy rate than the national average. The decadal growth of the State literacy level during the last decade is however not as impressive. The national literacy rate increased by 13.17% as compared to Karnataka's 11.00 per cent. There is a gap of 19% between the male and female literacy levels, which needs to be bridged by special measures. It has also been noticed that 13 out of 27 districts of the State have a literacy rate lower than the national average. The

State Government is advised to implement the goal of universal elementary education and full literacy within the stipulated time.

During 2000-01 the drop-out rate at primary level was 13.30 per cent. The data shows that the drop-out rate for the girls in the primary classes was lower than for the boys. These rates were about 1/3rd of the national average, which is a matter of pride. However, the drop-out rate at the middle level classes were 62.47%, which is higher than the all-India figure of 54.53 per cent.

The mid-day meal scheme is being implemented in seven educationally backward districts of North East Karnataka. In view of the recent Supreme Court judgment, the State Government is bound to provide hot cooked meal to all children in the target groups by 28th May 2002. It is suggested that tremendous efforts are required on the part of the State Government to implement the judgment of the Hon'ble Supreme Court.

I am happy to note that the Karnataka Government has issued the Notification on the revision of water rates in April 2001 after a gap of 15 years. As a result of this revision the revenue is expected to increase roughly by about 2-1/2 times from the existing level. There is over-exploitation of ground water in six blocks and there are about 12 dark blocks in the State. The State Government is requested to introduce some legislation to restrict further exploitation of ground water and take suitable measures for rainwater harvesting.

I have touched upon only some of the important sectors. I have reiterated my suggestion during our Annual Plan discussions last year. The State Government may kindly take urgent steps to prepare "Vision 2020" Document of the State.

* Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Karnataka

TENTH PLAN & ANNUAL PLAN 2002-03 OF KERALA*

I welcome the Chief Minister of Kerala and his colleagues to this meeting organised for finalising the Tenth Plan (2002-07) and the Annual Plan for 2002-03 of the State.

Kerala has achieved commendable demographic and human resource development indices in the fields of education and health and it is the envy of other developing States. However, we are concerned about the financial position of the State. In spite of commendable demographic indices, the State has become a high-cost, low-investment, low-employment and low-productivity economy. As against the Ninth Plan projection of Rs.11,406.83 crore of State's Own Resources (SOR) and aggregate Plan Resources of Rs.16,100 crore, the expected realisation will be Rs.7,855.58 crore (about 68.87%) and Rs.10,487.13 crore (65.14%) respectively. The revised outlay for the current financial year 2001-02 has been downsized by 25% from Rs.3,015 crore to Rs.2,260 crore.

The tax-SDP ratio of Kerala decreased from 9.83 in 1993-94 to 8.85 in 1999-2000. As mentioned earlier, the Ninth Plan performance in resource mobilisation was far below the target. Therefore, your Tenth Plan proposals have to be examined in the above backdrop. The State Government, it appears, wishes to increase the outlay for the Annual Plan 2002-03 by 78% as compared to the Annual Plan 2001-02 and the Tenth Plan outlay by 63% as compared to the Ninth Plan. This level of Plan size will be achievable only if you reform the State economy by restructuring the power sector, transport sector and State public sector enterprises and by reducing expenditure etc.

We understand that in spite of the tariff revision, the gap between the average cost of supply and average tariff realised in the power sector continues to be about 86 paise per unit sold. Even though the Government of Kerala has signed an MOU with the Ministry of Power, Government of India, the State Government has to initiate reform and restructuring of the State Electricity Board (SEB). It also needs to set up State Electricity Regulatory Commission without further delay. The tariff structure has to be reviewed suitably to make it commercially viable so as to make the SEB internally generate the required resources.

The contribution of the industrial sector to the State economy is not satisfactory. Steps need to be taken immediately for making the State economy investment-friendly and concentrate on proper and suitable infrastructure development to facilitate and stimulate private sector investments. We hope that the State Government will seriously consider the recommendations of the newly constituted Enterprise Reforms Committee to modernise, downsize and restructure the State public sector enterprises. Efforts to revive the sick units, if any, should be guided purely by commercial considerations.

The tourism industry, which has generated 1.5 lakh jobs directly and 5.5 lakh jobs indirectly, needs a further boost by providing world-class facilities to the tourists but at the same time preserving and protecting the fragile eco system.

We are equally concerned with the poor performance of Kerala State Road Transport Corporation (KSRTC). The net annual loss of the Corporation is over Rs. 100 crore. During the Tenth Plan there is a need for improvement in the physical performance of the Corporation by replacement of the over-aged buses, less dependence on market borrowings and review of subsidised fare structure. The reasons for poor performance of KSRTC *vis-à-vis* the private sector need to be identified and suitable steps taken to improve its performance in both physical and financial terms.

We find that the education sector in Kerala is facing the problem of uneconomic schools and surplus teachers. This problem has to be solved by re-deploying the surplus teachers suitably and productively.

We are happy to note that you have transferred as many as 28 out of 29 subjects to the Panchayat Raj institutions and are also proposing to earmark 1/3rd of the Plan funds as untied resources. In this context, care should be taken to re-deploy the idle manpower in the Government who were hitherto engaged in the activities transferred to local bodies.

I find that the percentage of rural population living below poverty line in the State has declined from 25.76% in 1993-94 to 9.38% in 1999-2000 as against the corresponding all-India figures of 37.27% and 27.09% respectively. This is indeed praiseworthy. I am confident that the State is taking necessary steps to minimise the intra-State disparity in the levels of poverty and social infrastructure development. The State has made important strides in the reduction of poverty through local self-governments and the State Poverty Eradication Mission called "Kundumbashree" (SHG).

The agriculture development of the State has, however, not been very impressive. The production of foodgrains has fallen from 12.98 lakh tonnes in 1980-81 to 7.9 lakh tonnes, of which 7.7 lakh tonnes are rice, in 1999-2000, mainly due to diversion of area to high-value non-food crops. The agriculture sector recorded a growth rate of 3.60% during the Eighth Plan whereas its annual average growth rate for the first three years of the Ninth Plan was only 2.27 per cent.

The State's coconut and cashew nut plantations are old and in certain areas severely affected by pests and diseases. There has been a severe incidence of coconut mite in the State. I would request the Chief Minister to take initiatives for production of bio-control agent, in collaboration with the ICAR research institutes to control or prevent this pest.

The other sector causing concern is irrigation. Several irrigation projects have been dragging from one Plan to another without getting completed in a time-bound manner. The water rate recovery is only around 29% of the O&M charges. Lift irrigation schemes have not been successful due to very low rates. User groups have to participate in management of assets in irrigation as well as water supply.

We are aware of the reform process initiated in the State. Success will be achieved only if you move forward despite difficulties and to the extent possible the Planning Commission would help you.

I am sure these issues are already receiving your attention.

** Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Kerala*

TENTH PLAN & ANNUAL PLAN 2002-03 OF MADHYA PRADESH*

I welcome the Chief Minister and his colleagues to this meeting for finalising the Tenth Plan and the Annual Plan for 2002-03 of Madhya Pradesh.

With the re-organisation of the State on 1st November 2000, the projections of the Ninth Plan with the actual realisation in terms of resource mobilisation and expenditure are not comparable. However, the performance of Madhya Pradesh during the last two years of the Ninth Plan is satisfactory. The expenditure as proportion of the approved outlay during 2000-01 and 2001-02 stood at 96.4% and 104.7% respectively. The State's Own Resources also shows improvement from Rs.1,781 crore, as indicated at the time of the finalisation of the Annual Plan for 2001-02, to Rs.1,878 crore.

I note that there has been a negative growth rate in the Net State Domestic Product at constant prices of 1993-94 in 2000-01 at 10.4% as against a positive growth of around 6% between 1994-95 and 1999-2000. This is a cause for concern and needs to be analysed and explained. Steps should be taken to get this trend reversed.

I would also like to draw the attention of the State Government to the marginal decline in the percentage of rural population living below the poverty line in the State from 40.6% in 1993-94 to 37.1% in 1999-2000, as against the sharp decline at the all-India level from 37.3% to 27.1 per cent.

The new Economic Development Policy 2001 of the State envisages an integrated effort towards economic development by laying thrust on linkage of industry to markets and suppliers, to infrastructure, technology and to skilled manpower. I hope the potential of setting up industries relating to petrochemicals, automobiles, electronic and

telecommunications will be realised during the Tenth Plan. The State Government may further encourage handlooms, handicrafts, khadi and village industries, which have a large potential of generating employment.

The agriculture sector requires due attention, as 77% of the population is still dependent on it, while it contributes only 34.9% to the State Domestic Product. The productivity of rice, wheat and sugarcane are 60%, 66% and 59% respectively of the all-India levels. These need to be improved further by enhancing the irrigation facilities and consolidation of agricultural holdings.

The level of ground water development in the State is 16.5% against the all-India average of 31.9 per cent. The State has 3 dark blocks out of the total 459 blocks. Necessary steps should be taken to stop unscientific extraction of ground water and to promote rainwater harvesting and watershed development in the dark blocks.

The measures, such as Padhana-Badhana Andolan and Education Guarantee Scheme, taken by the State Government to revitalise the literacy movement have led to an improvement in the literacy rate from 44.2% in 1991 to 64% in 2001, which is appreciable. However, rural female literacy disparity, which is the heart of illiteracy problem in the State, requires due attention. More than 75% of the districts in the State have a literacy rate of less than 40 per cent. Nearly half of the State's total districts have a rural female literacy rate of less than 30 per cent. The SC/ST female literacy rate too is very low, i.e. 18.1% and 10.7% respectively.

The decadal growth rate of population in the reorganised Madhya Pradesh is 24.34% during 1991-2000, which is higher than the all-India average of 21.34 per cent. The health and demographic indices of the State, such as birth rate, death rate and infant mortality rate are above the national level. There is thus a need to improve further the quality, content and coverage of health care facilities.

The power supply position has come under stress after the creation of Chhatisgarh. Therefore, redoubled efforts need to be made by the

State Government for power sector reform and financial sustainability. In this context, the gap of more than Rs.2 per unit between the cost of supply and the average tariff for electricity and the transmission and distribution losses, which stand at 50.9% against the national average of 28.8%, need to be reduced urgently.

In the area of road transport, Madhya Pradesh State Road Transport Corporation is incurring huge losses, which might be due to high percentage (43%) of over-aged buses, poor fleet utilisation, low vehicle productivity and tough competition from the private operators. The State Government may examine the possibilities of the restructuring or disinvestment of the Corporation to avert the losses to the exchequer.

I am happy with the progress that Madhya Pradesh has achieved in respect of devolution of power, both financial and administrative, to the Panchayats and urban local bodies. I understand that progress has been made by transferring the functions of 23 Departments to the Panchayati Raj institutions and financial powers for approval of schemes up to different levels by Gram Panchayats, Janpad Panchayats and Zila Panchayats, besides allocation of 2.9% share of gross tax and non-tax revenue to the Gram Panchayats. Innovative schemes based on popular participation, such as Gyandoot, Rogi Kalyan Samiti, etc., have given a fillip to the development efforts of the State.

I hope the preparation of State Development Report for Madhya Pradesh by the Core Group headed by Shri Som Pal, Member, Planning Commission will help the State in accelerating its growth rate and evolving a better strategy for its future development.

* English version of the Opening Remarks made in Hindi at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Madhya Pradesh

मध्य प्रदेश की दसवीं योजना और वार्षिक योजना 2002-03

मैं, मध्य प्रदेश राज्य की वार्षिक योजना 2002-03 तथा दसवीं योजना को अंतिम रूप देने के लिए आयोजित इस बैठक में मुख्यमंत्री जी और उनके सहयोगियों का स्वागत करता हूँ।

1 नवम्बर, 2000 को राज्य के पुनर्गठन के साथ, संसाधन जुटाव और व्यय के अर्थ में वास्तविक वसूली सहित नौवीं योजना का योजना अनुमान तुलनीय नहीं है। तथापि, नौवीं योजना के पिछले 2 वर्षों के दौरान मध्य प्रदेश का निष्पादन संतोषजनक है। वर्ष 2000-01 और 2001-02 के दौरान अनुमोदित परिच्यय के अनुपात के रूप में व्यय क्रमशः 96.4% और 104.7% था। राज्य के निजी संसाधनों में भी वार्षिक योजना 2001-02 की अंतिम तैयारी के समय में 1781 करोड़ रूपए से बढ़कर 1878 करोड़ रूपए तक का सुधार दर्शाया गया है।

मैंने देखा है कि वर्ष 1994-95 और 1999-2000 के बीच लगभग 8% की सकारात्मक विकास दर की तुलना में वर्ष 2000-01 में 1993-94 के स्थिर मूल्यों पर निवल राज्य घरेलू उत्पाद में 10.4% की नकारात्मक विकास दर रही है। यह चिन्ता का विषय है और इसके विश्लेषण और व्याख्या किए जाने की आवश्यकता है तथा इस प्रवृत्ति को बदलने के लिए कदम उठाए जाने चाहिए।

मैं राज्य सरकार का ध्यान मध्य प्रदेश राज्य में गरीबी की रेखा से नीचे रह रही ग्रामीण जनता के प्रतिशत में आयी सीमान्तक कमी की ओर भी दिलाना चाहता हूँ जो 1993-94 के 40.6 प्रतिशत से घटकर 1999-2000 में 37.1 प्रतिशत रह गई है इसकी तुलना में अखिल भारतीय स्तर पर यह गिरावट बड़ी तेजी से आयी है जो 1993-94 में 37.3 प्रतिशत से घटकर 1999-2000 में 27.1 प्रतिशत रह गई है।

राज्य की नयी आर्थिक विकास नीति 2001, जो उद्योग की बाजारों और आपूर्तिकर्ताओं के साथ, अवसंरचना, प्रौद्योगिकी और दक्ष जनशक्ति के साथ सहलग्नता पर जोर देते हुए आर्थिक विकास की ओर एकीकृत प्रयास करती है, ध्यान देने योग्य है। मैं आशा करता हूँ कि पेट्रोसायन, आटोमोबाइल, इलेक्ट्रॉनिक

और दूरसंचार से संबंधित उद्योगों की स्थापना करने की संभावना को दसवीं योजना के दौरान साकार किया जाएगा। इसके अलावा राज्य सरकार हथकरघा, हस्तशिल्प, खादी और ग्राम उद्योगों को जिनमें रोजगार सृजन करने की काफी संभावना है, को प्रोत्साहित करे।

कृषि क्षेत्रक पर समुचित ध्यान दिए जाने की आवश्यकता है, क्योंकि 77 प्रतिशत जनसंख्या अभी भी इस पर निर्भर करती है जबकि राज्य घरेलू उत्पाद में इसका मात्र 34.9 प्रतिशत का योगदान है। चावल, गेहूँ और गन्ने की उत्पादकता जो अखिल भारतीय स्तर के अनुक्रम क्रमशः 60%, 66% और 59% प्रतिशत है, को सिंचाई सुविधाएं बढ़ाकर और कृषि जोतों की चकबंदी करके और अधिक सुधार किए जाने की आवश्यकता है।

राज्य में, भूजल विकास स्तर अखिल भारतीय औसत 31.9% की तुलना में, 18.5% है। राज्य में कुल 459 ब्लॉकों में से 3 डार्क ब्लॉक हैं। भूजल के अद्वैज्ञानिक कर्षण को रोकने और वर्षा जल संग्रहण तथा डार्क ब्लॉकों में जलसंभार विकास को प्रोत्साहित करने के लिए आवश्यक कदम उठाए जाने की आवश्यकता है।

साक्षरता अभियान को पुनर्जीवित करने वाला पढ़ना बढ़ाना आंदोलन जिससे 1991 में साक्षरता दर 44.2% से बढ़कर 2001 में 64% हो गयी, प्रशंसनीय है। तथापि, ग्रामीण महिलाओं की साक्षरता में असमानता, जोकि राज्य में निरक्षरता समस्याओं का मूल है, पर समुचित ध्यान दिए जाने की आवश्यकता है। राज्य में 75% से अधिक जिले 40% की साक्षरता दर से भी नीचे है। लगभग मध्य प्रदेश के कुल जिलों में से आठ जिलों की ग्रामीण महिलाओं की साक्षरता दर 30% से भी नीचे है। अनुसूचित जाति/अनुसूचित जनजाति की महिलाओं की साक्षरता दर भी बहुत ही कम है, अर्थात् क्रमशः 18.1% और 10.7% है।

1991-2000 के दौरान पुनर्गठित मध्य प्रदेश में जनसंख्या की दशकीय वृद्धि दर 24.34 थी, जो अब अखिल भारतीय औसत 21.34 से भी उच्च है। राज्य के स्वास्थ्य और जनसांख्यिकीय सूचकांक जैसे कि जन्म दर, मृत्यु दर और शिशु मृत्यु दर अभी भी राष्ट्रीय स्तर से ऊंचे हैं। इस प्रकार स्वास्थ्य रक्षा सुविधाओं की गुणवत्ता, विषय वस्तु और कवरेज में और अधिक सुधार की आवश्यकता है।

छत्तीसगढ़ बनने के पश्चात् विद्युत् आपूर्ति पर भी दबाव आ गया है। विद्युत् क्षेत्रक सुधार और विद्युत् क्षमता के लिए राज्य सरकार द्वारा दुगुने प्रयास किए जाने

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की आवश्यकता है। इस संदर्भ में लागत और बिजली के औसत प्रभुत्व में 2 रुपये प्रति यूनिट से अधिक के अंतर को परिषण और वितरण घाटे में कमी करके कम किए जाने की आवश्यकता है, जो राष्ट्रीय औसत 28.8% की तुलना में 50.9 % है।

सड़क परिवहन के क्षेत्र में, मध्य प्रदेश राज्य सड़क परिवहन निगम को बहुत अधिक घाटा हो रहा है जिसका कारण 43% पुरानी बसों की घटिया उपयोगिता, न्यून वाहन उत्पादकता और निजी प्रचालकों की कड़ी प्रतियोगिता का होना हो सकता है। राज्य सरकार राजकोषीय हानि से बचने के लिए निगम के पुनर्गठन अथवा विनिवेश की संभावनाओं की जांच कर सकती है।

मध्य प्रदेश ने पंचायतों और शहरी स्थानीय निकायों को वित्तीय और प्रशासनिक दोनों प्रकार की शक्तियों का हस्तांतरण करने में प्रगति की है, मैं उससे प्रसन्न हूँ। मुझे मालूम है कि यह प्रगति 23 विभागों के कार्यों को पंचायती राज संस्थाओं को हस्तांतरित किये जाने और ग्राम पंचायतों, जनपद पंचायतों तथा जिला पंचायतों को विभिन्न स्तरों पर स्कीमों के अनुमोदन के वित्तीय अधिकार दिए जाने तथा सकल कर और गैर-कर राजस्व के 2.9% हिस्से का ग्राम पंचायतों को आवंटित किये जाने से हुआ है। लोकप्रिय भागीदारी जैसे ज्ञानदूत, रोगी कल्याण समिति आदि पर आधारित नवीन स्कीमों ने राज्य सरकार के विकास प्रयासों को बढ़ावा दिया है।

मुझे उम्मीद है कि श्री सोमपाल, सदस्य, योजना आयोग की अध्यक्षता में कोर दल द्वारा मध्य प्रदेश राज्य के लिए राज्य विकास रिपोर्ट तैयार की जा रही है जिससे राज्य को इसके विकास दर को बढ़ाने में और इसके भावी विकास के लिए बेहतर कार्यनीति विकसित करने में मदद मिलेगी।

उपाध्यक्ष, योजना आयोग का उद्घाटन भाषण: मध्य प्रदेश की दसवीं योजना और वार्षिक योजना 2002-03

TENTH PLAN & ANNUAL PLAN 2002-03 OF MAHARASHTRA*

I welcome the Chief Minister of Maharashtra and his colleagues to this meeting organised for the finalisation of the Tenth Plan (2002-07) and the Annual Plan for 2002-03 of the State.

As per the National Human Development Report 2001, prepared by Planning Commission and released by the Prime Minister on 23rd of April this year, Maharashtra ranked third among the 15 major States in 1981 in the Human Development Index (HDI). Though the Index improved in 1991 and 2001, the State occupied the 4th position in both years.

Consistently a front-runner in industrial production, Maharashtra, which is the second largest State in area after the creation of three new States, has become the second most populous State of the country. It is among the top five States in regard to achievement in literacy. The health indices of crude birth rate, crude death rate, infant mortality rate and life expectancy compare favourably with the all-India average. The decadal growth rate of population, though lower than that of the preceding decade, is still higher than the all-India average. However, taking a cue from the fall in the CBR from 23.1 per thousand in 1997 to 20.9 per thousand in 2000, the State can be expected to achieve the replacement level fertility well before the target year of 2008.

It is, however, a matter of concern that according to the India Rural Development Report – 1999, prepared by the National Institute of Rural Development (NIRD), Hyderabad, the levels of poverty and social infrastructure development in different regions of State differ greatly. While in some regions, poverty was as high as 50% in 1993-94, in some regions it was 14.8%. Regional imbalances also existed

in rural health infrastructure. Some districts have low literacy rates. In some other districts, female literacy is significantly lower. From the Annual Plan 2002-03, the outlay for three Development Boards has been enhanced to reduce the regional disparities.

Maharashtra is the richest State in the country in terms of Gross Domestic Product as well as per capita income. It has been a leading State in terms of public and private investment. Maharashtra, not so long ago, used to be a model State in fiscal management with its debt burden being the lowest in proportion to the State Domestic Product among the all States. However, of late, the fiscal situation of the State has deteriorated considerably and fast.

During the Ninth Plan, the performance of Maharashtra in terms of resource mobilisation and Plan expenditure was about 115% of the projections in the Plan, which can be rated as one of the best among the major States. The distressing fact, however, is that for every rupee of Plan outlay, the State Government had borrowed almost a rupee and a half. This was on account of steep deterioration in the Balance from Current Revenues and contributions from public sector enterprises and also due to lower absorption of external assistance. The State Government depended heavily on high-cost sources of borrowings like small savings, bonds and debentures. As a result, the outstanding debt liability, both direct and contingent, of the State went up steeply during the Ninth Plan period. Further, the interest liability has been steeply rising year after year.

The State accorded the highest priority to irrigation sector during the Ninth Plan. However, the State has taken up a large number of new major and medium irrigation projects without completing the ongoing projects. In spite of AIBP funding being available for the completion of ongoing projects, some of the projects sanctioned prior to the Fifth Plan are yet to be completed. The intended beneficiaries are, thus, deprived of the benefits of irrigation. The State should complete the old projects on overriding priority basis and also prioritise other projects for speedy completion so that the returns on such large public investments start flowing in. The State is also advised to take

prompt measures to broad-base the membership and activities of the water users' associations.

The Maharashtra State Electricity Board (MSEB) was one of the few SEBs, which had been operating efficiently and earning cash profits. But in the past few years its performance has deteriorated sharply. The State has signed MOU with the Ministry of Power on the 16th March 2001 for further reforms in the power sector. The Maharashtra State Electricity Regulatory Commission is already in position and it has issued a tariff order in May 2000. The T&D losses in the State, which are already very high, are estimated to touch 38% during 2001-02. These losses have been targeted to be brought down to a level of 36% during 2002-03. The cumulative revenue arrears, excluding bad debts, receivable as on March 31, 2002 have been estimated at Rs. 6,678.13 crore. I would urge the State Government to take appropriate steps to realise the revenue arrears. The net commercial loss without subsidy has been reported to be Rs. 2,629.90 crore in 2000-01 and Rs. 1,068.5 crore in 2001-02(RE).

The Maharashtra State Road Transport Corporation is among the foremost State-run Transport undertakings in the country in terms of physical performance indicators, such as fleet utilisation, vehicle productivity (revenue earning km. per bus per day). However, the load factor of 62% as against the all-India average of 74% needs to be improved. The overall financial performance of MSRTC is not satisfactory. The losses incurred by the Corporation are expected to go up to Rs. 236.53 crores (2002-03 estimates). This is, perhaps, due to tariff revision not keeping pace with the ground realities, pilferage of funds and operation of unauthorised vehicles on the routes.

As per the Census-2001 the urban population of the State constitutes 42.4% of the total population. This has imposed a heavy burden on the existing infrastructure and services, including housing. The incidence of urban poverty in Maharashtra is higher than the national average. Suitable measures would, therefore, need to be taken in this regard. The development and upgradation of small and medium towns

would require more focussed attention with a view to mitigating regional disparities.

For the mega city scheme, the expenditure was only 61% of the approved outlay. It is suggested that the remaining projects, approved for the city of Mumbai, may be expedited. Maharashtra, which has a strong GDP base, is perhaps in a better position to tap resources for the development of the mega city rather than divert resources from other regions of the State or country. It is understood that Mumbai Urban Transport Project is going to be sanctioned by the World Bank shortly. Speedy completion of the Mumbai Sewage disposal project will improve sanitation in selected slums as also the quality of near shore water.

As you know, the State Development Report for Maharashtra is under preparation under supervision of a Core Group headed by Shri N. K. Singh, Member, Planning Commission. This exercise is meant to help the State to evolve a better strategy for growth and development.

** Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Maharashtra*

TENTH PLAN & ANNUAL PLAN 2002-03 OF MANIPUR*

I welcome the Chief Minister of Manipur, his Cabinet colleagues and officials of the State Government to this meeting for the finalization of the Tenth Five Year Plan and the Annual Plan for 2002-03 of Manipur.

During the Ninth Five Year Plan, the performance of the State fell short of expectations. As against the originally agreed outlay of Rs.2,426 crore at 1996-97 prices, the expenditure is anticipated to be only around Rs.1,629 crore at constant prices, indicating an achievement of just 67% of the originally agreed target. In the last year of the five year plan, the originally approved outlay of Rs. 520 crore for Annual Plan 2001-02 was revised downward by the State to Rs. 352.65 crore, which represented a shortfall of 32% from the targeted outlay.

Similarly, in other areas, the pace of project implementation in the State needs to pick up. Under the Non Lapsable Central Pool of Resources (NLCPR), the State Government was able to utilise only 42.2% of all the amounts released to the State up to 2001-02. This is affecting further releases from the Pool. For example, in 2001-02 Manipur could secure releases of only Rs. 18.56 crore. Under NLCPR the State should consider taking a few good infrastructure projects with short gestation and entrust them to competent Central agencies for execution. This would ensure that the projects are not affected by financial and other constraints and get implemented in time and within the cost.

Manipur has made considerable progress in human development in recent years, although the gap between the per capita income of the State and the national level continues to be quite wide. The literacy rate in the State is above the national average and the health indicators

also compare favourably with all-India levels. In the recently released National Human Development Report, the State stands at the ninth position among all Indian States in terms of human development, and a high third position in terms of the gender equality index. These achievements are noteworthy.

The information given by the State Government indicates that the number of persons on the live registers in employment exchanges in the State is increasing. A majority of these are educated unemployed. Historically, the main source of employment in the organised sector has been government, with private sector accounting for less than 3% of such employment. This needs to change. Alternative employment opportunities need to be identified. Young people need to be gainfully employed by encouraging land-based productive activities suited to the region, such as fisheries, dairy development and animal husbandry. Consideration should also be given to promoting new sectors like information technology, which can absorb educated unemployed and have the potential to grow in spite of geographical disadvantages of the State.

Although 66% of the area of the State is under forest, a large part of these are barren and denuded. This is largely due to the practice of shifting cultivation. I understand that Jhoom cultivation presently covers about 90,000 hectares and involves 70,000 families. The neighbouring States in the region have taken initiatives for controlling the shifting cultivation. Manipur also need to consider ways and means of encouraging sustainable farming practices and reducing deforestation in the State.

Despite the progress made by the State in past years, the development process in the State is currently threatened by two overriding concerns that need urgent and determined attention. The first is the law and order situation and its adverse impact on the collection of revenues and implementation of development works. This also discourages outside investments necessary for stepping up the pace of employment and economic activity in the State. I trust that the State Government is taking all necessary steps to improve the ground situation. It is also desirable to demonstrably highlight the improvements made in the

law and order situation and attempt to change the negative perceptions that have gained ground over the last few years.

The other equally important area of concern is the grave condition of State finances, due to which the development process in the State seems to have virtually been grounded. I am informed that in the case of a number of departments, the Plan funds are largely being utilised for payment of salaries. The State has been in overdraft for a record number of 320 days in the last financial year, leaving no maneuverability for the Government. Not surprisingly, the State has not been able to avail of its entitlements of various Centrally Sponsored Schemes and Central sector schemes.

To remedy the situation, the most urgent action needed is to take steps for reduction in the financial burden imposed by the huge government establishment. Maintaining the existing government machinery pre-empts the ability of the State to spend on development. Downsizing of the administrative machinery is a must. There is also need to review, restructure and close down the loss-making public sector undertakings, wherever necessary. The recovery of user charges in electricity, water for irrigation, technical education etc. needs to be improved considerably.

Efforts must be made to insulate the development process from the weak financial position. This could be done by encouraging project implementation of Centrally funded schemes through Central agencies wherever possible and ensuring that the schemes in which Central financing is available should be fully provided for and the State's share protected on priority.

With a new government at the helm, Manipur is presently facing a window of opportunity. However, a great deal of courage and determination will be needed to take steps necessary to accelerate the pace of development. I urge the Chief Minister and his colleagues to make a determined effort to bring this about by taking the tough decisions required. The Planning Commission will be happy to support the State Government in its efforts in whatever way feasible, as always.

** Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Manipur*

TENTH PLAN & ANNUAL PLAN 2002-03 OF MEGHALAYA*

I welcome the Chief Minister of Meghalaya, his colleagues and officials to this meeting for discussions on the Tenth Plan and finalisation of the State's Annual Plan for 2002-03. As you are aware, this is the terminal year of the Ninth Five Year Plan and it is the right time to take stock of the performance made in the Ninth Plan and plan for strengthening the State's economy for the next five years.

The Ninth Plan of the State was originally approved for Rs. 2,500.62 crore. The total approved outlays during the five Annual Plans of the Ninth Plan were Rs. 2,214 crore. The expenditure during these five Annual Plans is anticipated to be Rs. 1,830 crore, which is only 73% of the originally approved outlay for Ninth Five Year Plan. Inability to mobilise adequate resources and the slow pace of project implementation seem to be the main causes for the poor utilisation of the Plan funds.

The weaknesses in project implementation are indicated in the performance of the State in the projects financed from Non Lapsable Central Pool of Resources (NLCP) as well. So far 13 projects have been approved for financial support under Non Lapsable Central Pool of Resources. The State has been able to utilise only 29% of the funds released to it since 1998-99.

There is a need to gear up the administrative machinery to improve the pace of project implementation to increase utilisation of Central funds allocated to the State. Monitoring and supervision of works and proper preparation of projects are equally important. The Planning Commission has made arrangements with the Indian Institute of Management, Kolkata for providing training to officers of North Eastern States in the skills of project preparation and appraisal. Of

the four slots reserved in this programme for Meghalaya only one slot was availed of by the State Government. I would urge the State Government to take full advantage of this facility. I trust that during the Tenth Plan serious efforts will be made to have more realistic Annual Plans and improve Plan performance.

The per capita income of Meghalaya is less than the all-India average. What is worrying is that the gap between the two has increased from 13% in 1993-94 to about 21% in 1998-99, indicating a sluggish growth performance. The reasons for this need to be looked into and the trend reversed. On the other hand, it is heartening that rural unemployment in the State is the lowest among all the North Eastern States and this is a situation that the State needs to build upon.

The human development indicators of the State compare well with all-India levels. There has been a significant growth in literacy in the last decade and the overall literacy level of 68.8% is around the national average. The IMR of 56 is considerably better than the all-India IMR of 70. A matter of concern, however, is the finding of the NFHS-II that the TFR for Meghalaya is as high as 4.57, which is the highest among all the North Eastern States.

There are a few other areas to which I would like to draw your attention. Agriculture is the mainstay of the people of the State, with 75% of the workforce employed in this sector. This is a sector that has not progressed enough. For example, though rice is the staple food of the people, the production of rice in the State has been stagnant at about 1.5 lakh tonnes during the Ninth Plan. The productivity of rice is also much less than the all-India average.

Among other things, productivity is relatively low because the irrigation potential has not yet been adequately exploited. Only 11% of the ultimate irrigation potential of the State had been tapped so far. A related issue is that of the urgent need to control Jhooming cultivation particularly in view of the steadily declining forest cover. The forest cover in the State has shown a decline of 54 sq. kms between 1994 and 1999. This is a matter of serious concern. The State

Government should go in for joint forest management, afforestation and make an effort to stabilise cultivation practices on a priority basis so that the decline in forest cover could be arrested.

The climatic conditions of the State offer considerable potential for development of horticulture and plantation crops. However, the achievements during the period 1997-2001 have been far below the targets. There is also potential of floriculture, as well as expansion of medicinal plants and bamboo cultivation. With proper financial and technical support and requisite marketing and infrastructure linkages, these sectors could emerge as a major source of generation of employment and income in rural areas.

In the power sector Meghalaya was one of the few States in which the SEB was reported to be in reasonably good condition but of late its performance has been deteriorating. The gap between the cost of supply and average tariff has risen to about Rs. 1.00 per unit. This gap needs to be closed. There is also a need to bring down the high level of O&M and administrative costs. The State Government needs to take action to reform the power sector in the State. The State should also expedite the signing of an MOU for power sector reforms with the Ministry of Power.

** Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Meghalaya*

TENTH PLAN & ANNUAL PLAN 2002-03 OF MIZORAM

I welcome the Chief Minister, his colleagues and officers of the Government of Mizoram to this meeting for discussions on the Tenth Five year Plan and the finalisation of the Annual Plan for 2002-03.

The State Government has done reasonably well in the utilisation of Plan funds in the Ninth Plan. The Planning Commission had originally approved the Ninth Plan outlay of Rs. 1618.51 crore. This commitment to Mizoram was met. The actual allocations for the Annual Plans 1997-98 to 2001-02 over the five-year period have totalled Rs. 1794.26 crores, which is higher than the originally agreed outlay. The State Government has utilised Rs. 1727.00 crore which is 96% of the total Annual Plan allocations and 6.7% higher than the approved outlay of Rs. 1618.51 crore.

Besides this, the State Government has been receiving more than the Rs.50 crore per annum promised to it under PM's package from the Non Lapsable Central Pool. The utilization of funds released from the Pool is however 67% and needs to be stepped up.

The growth rate of NSDP in the State has come down from 27.8% in 1995-96 to 4.0% (Provisional) in 1997-98, which is a matter of concern. These estimates are at current prices, which suggests that Mizoram's SDP is not increasing with the pace of the national economy. The State needs to review its development strategy and seek to improve efficiencies through wide ranging reforms keeping in view the liberalised economic environment of the country.

The progress of Mizoram in terms of human development indicators has been commendable. Mizoram has achieved the second highest literacy rate of 88.49% in the country after Kerala. However, the

drop-out rate at 63.36% for classes I-VIII is quite high. This needs to be closely examined and remedial action taken. The State Government has been provided funds from Non Lapsable Central Pool of Resources for primary, secondary and higher education in order to improve the quality of education in the State.

Similarly, the health indicators of the State are also fairly good as compared to all-India figures. The infant mortality rate (IMR), crude birth rate (CBR) and crude death rate (CDR) are at much lower levels than the North Eastern States and the all-India average. There remains considerable scope for improvement. In Mizoram, according to NFHS-2 (1998-99), the number of persons per lakh suffering from tuberculosis, jaundice and malaria are about double the all-India averages. The performance with regard to acceptance of family planning methods after the abolition of defined method specific targets has shown a sharp decline. The coverage under immunisation has also fallen over the years. These are matters of serious concern.

The agriculture sector provides employment to 67.8% of the work force and accounts for 29.4% of the State NSDP. This sector needs to be accorded higher priority by the State Government. Jhum cultivation is still a problem that has not yet been satisfactorily addressed. The foodgrain production has remained stagnant at around 1.34 lakh tonnes since 1996-97 and the State has fallen far short of the Ninth Plan target of 2.40 lakh tonnes.

While congenial climatic conditions offer considerable potential for development of horticulture and plantation crops, the achievements during the period 1997-2001 have been far below the targets. The potential of floriculture has also remained to be exploited. With proper financial and technical support, this sector could emerge a major source of generation of employment and income in rural areas.

The forest cover in the State has shown a decline of 437 sq. kms compared with the previous assessment. This is a matter of serious

concern. The State Government should go in for joint forest management, afforestation and make an effort to stabilise cultivation practices on a priority basis so that the decline in forest cover could be arrested.

The power sector in the State needs to be put on a sustainable basis. The gap between the cost of supply and the average tariff is very high at Rs. 4.62 per unit. This gap needs to be closed. There is also a need to bring down the high level of O&M and administrative costs. Meeting a long-standing demand of the State, the Planning Commission recently approved full financing for the 22.5 MW Thermal Power Plant at Bairabi in Mizoram. The State Government in turn now needs to take action to reform the power sector in the State. The State should also expedite the signing of an MOU for power sector reforms with the Ministry of Power.

I note that the decentralisation of the development process is being encouraged by the State Government. The State has devolved functions to 701 village Councils and 3 Autonomous District Councils. The three Autonomous District Councils in the State have been repeatedly making representations that they have not been able to take up the developmental activities in their areas due to inadequate resources at their disposal. I would request the Chief Minister to take steps to remove these difficulties and ensure all-round balanced development of the State. I hope the Chief Minister will agree that the time has come for the Reangs to contribute to, and share in, the dynamic process of development, which has been initiated in the last few years and is now bearing fruits.

I am happy to note that efforts have been initiated to improve the State finances and the State has initiated many measures to increase its own revenue and reduce expenditure under the MOU signed with the Ministry of Finance. However, a lot more needs to be done in order to make the finances sustainable. The State Government should

cover more items under various taxes and also increase user charges for drinking water, power, irrigation, transport etc., so that the cost of the services provided by the Government could be recovered and more revenue could be generated. A potential source of income to the State can be house tax in the most populated cities of the State. This will bring more revenue and the resources for the Plan activities.

Under the fiscal reforms which the State has already started, there is a need to check mounting non-Plan expenditure, especially expenditure on Government establishment, and find ways of downsizing staff and reducing committed non-Plan expenditure in order to free more and more resources for developmental activities. Ultimately, the success of your development efforts will depend largely on how effectively the State is able to stabilise and reform its finances.

* *Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Mizoram*

TENTH PLAN & ANNUAL PLAN 2002-03 OF NAGALAND*

I welcome the Chief Minister of Nagaland and his colleagues to this meeting for the finalisation of the Tenth Plan and the Annual Plan for 2002-2003 of the State. Nagaland is the first State to be invited for the Tenth Plan discussions with States. This reflects the importance we attach to the State as well as the preparedness of the State to take up the challenges of the Plan.

Looking back at the progress of the State during the Ninth Plan, it can be said that the State has done well in the creation of physical infrastructure and provision of social services in a relatively difficult environment. Human development levels of the State are satisfactory compared to all-India levels. At the same time, despite high overall literacy rates, I find that the drop-out rate at the primary school is reportedly as high as 46 per cent. Literacy in the districts of Mon and Tuensang are significantly below the State averages. On the health side, increasing incidence of HIV/AIDS, as well as poor utilisation of funds available for fighting TB and blindness are matters of urgent attention.

There are a few other areas to which I would like to draw your attention. Agriculture is the mainstay of the people of the State, with 73% of the workforce employed in this sector. This is a sector that has not progressed enough. For example, though rice is the staple food of the people, the State is not self-sufficient in rice. The productivity of rice is much less than the all-India average. Moreover, against the Ninth Plan target of 4.5 lakh tonnes of foodgrains, only 3.40 lakh tonnes production could be achieved.

Among other things, productivity is relatively low because the irrigation potential has not yet been adequately exploited. A related

issue is that of the urgent need to control Jhooming, particularly in view of the steadily declining forest cover. It will be necessary to focus on stabilising the cultivation practices, productivity increases and income generating potential as the touchstone of the schemes being implemented in agriculture and allied sectors during the Tenth Plan.

You would appreciate that poor project implementation in the State remains a cause for concern, with time and cost overruns being common. Examples of such projects are the State Referral Hospital (a Sixth Plan Project), Likimro Hydro Electric Project, Dimapur Water Supply Augmentation by Pumping System, Indira Gandhi Sports Complex, Kohima. Whether it is in road, power or other civil construction sectors, there is a need to intensify supervision and monitoring of works to get things done on time and put in place procedures and checks to enforce accountability and control leakages.

Another disturbing trend has been revealed by the recent 2001 Census. Compared to 1991 the population of the State has recorded the highest increase in the decade among all States in the country. The density of population has correspondingly gone up from 73 per sq. km to 120 per sq. km, increasing the pressure both on land and also on employment opportunities. Over 40,000 educated young people are reported to be unemployed. I do hope that you will be able to address the problem of rapid population growth appropriately and devote attention to correcting these worrying trends.

On the other hand, the State's proposals for the Tenth Plan mark a welcome departure from the stereotype and set out a clear economic agenda. I appreciate your recognition of the fact that the Plan size in past years has tended to be unrealistic, due to inability to mobilise adequate resources and that the core Plan concept, based on identifiable resources, is necessary to plan and prioritise development activities effectively.

Moreover, there is in the Tenth Plan proposals an upfront indication of the State's determination to rationalise and rightsize the large

government establishment. As your Plan correctly points out, the cost of this establishment is not in tune with the requirement of the times nor is it in the interest of the people of the State. The Tenth Plan also sets out a clear policy direction towards decentralisation, increasing community involvement in programme implementation as well as enhancing the scope for the private sector.

These initiatives are desirable and should be pursued systematically and with determination, as they will call for tough decisions. I do hope that you will be able to carry through and implement these initiatives. You may be assured of our encouragement and support for reform measures throughout the course of the Five Year Plan.

* *Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Nagaland*

TENTH PLAN & ANNUAL PLAN 2002-03 OF ORISSA

I welcome the Chief Minister and his delegation to this meeting for finalisation of the Annual Plan of Orissa for 2002-03.

During the Ninth Plan period there was a substantial gap between the Plan outlay and Plan expenditure. The actual realisation of the Ninth Plan outlay was about 63.5% against the all-States average of 81 per cent. The average level of annual expenditure has been around Rs.2500 crore. If the State wishes to have a higher Annual Plan and a larger Tenth Plan then concerted efforts for additional resource mobilisation and effective governance are a must. I am sure you are already looking into issues like rightsizing of the staff structure, control of non-Plan expenditure and the strengthening of the reform process. I also note that externally aided projects account for one-third of the total proposed outlay for the current year's Plan, which underlines the need for the implementation of these projects in a time-bound manner.

Though the State was the first to undertake reforms in the power sector, certain inherent problems continue to affect the financial viability of the sector. The losses of GRIDCO have accumulated to over Rs. 4000 crore. I am sure that the State Government is engaged in evolving financial measures to improve the viability of GRIDCO. The success of power sector reforms would depend to a large extent on good governance leading to efficiency gains.

During the Ninth Plan, the losses of the State Road Transport Corporation stood at over Rs. 67.00 crore, which calls for better fleet utilisation, vehicle productivity and staff productivity. Similarly, there are a number of public sector undertakings which are in the red. We hope you are considering steps to restructure, rightsize or even close down these enterprises, if need be.

In the irrigation sector, I would impress on you to ensure time-bound completion of schemes so that the 100% Central Loan Assistance available under the Accelerated Irrigation Benefits Programme for the KBK districts can be effectively utilised. For this, it is imperative that all projects are completed in fast-track mode with recovery of O&M costs.

The agriculture sector needs immediate attention. I note that rice yields have stagnated/ declined during the last few years. For improving overall agricultural productivity a multi-pronged approach is essential, namely, (i) increase in irrigated area; (ii) soil conservation (iii) watershed development; (iv) a vibrant extension system involving the agricultural universities, Krishi Vigyan Kendras, Panchayati Raj bodies and the private sector; (v) adequate credit arrangements and (vi) food processing and marketing facilities. I am glad to understand that watershed development is being taken up on mission mode. I request you to impart the same sense of urgency to all schemes related to increasing agricultural productivity as this would substantially help to raise the levels of income of the people of the State.

Although the literacy rate for the State as a whole is only marginally lower than the all-India average, female literacy is a matter of concern particularly in the KBK districts where Malkangiri and Nabarangpur have female literacy rates of only 21 per cent. Issues such as teacher vacancies, poor condition of buildings and infrastructure for schools and the female drop-out rate, particularly among Scheduled Castes and Scheduled Tribes need to be urgently addressed.

The health indicators are disturbing. The Infant Mortality Rate at 96 per thousand continues to be the highest in the country. Prevalence of undernutrition, malaria and many other communicable diseases continue to be a matter of concern. Outreach of health services is poor, especially in tribal and remote areas. We have been allocating Additional Central Assistance for mobile health units in the KBK districts. These must be deployed in the most effective manner.

Vacancies and absenteeism continue to upset the delivery of services in the backward areas of the State. Innovative methods of recruitment and incentives may be evolved and used to ensure that health, education and other services are available to the general public, especially in these areas.

The continuing high levels of illiteracy and poor delivery of services are perpetuating poverty in the State. Over forty seven percent of the population is below the poverty line. A further disturbing trend is that the actual number of poor increased from 140.90 lakh in 1993-94 to 143.69 lakh in 1999-2000. The poverty levels continue to be high because tribal groups do not have access to means of livelihood and basic amenities and services. Much of this can be tackled by meaningfully involving Panchayati Raj Institutions, non-Government Organisations and Self-Help Groups.

A comprehensive integrated plan needs to be evolved for the Scheduled Caste and Scheduled Tribe population, which together account for over 38% of the population of the State. The State Government should ensure adequate flow of funds under the Special Component Plan (SCP) and Tribal Sub-Plan (TSP) for sectors like agriculture, industry, rural development and irrigation.

Keeping in view the need for a Special Plan for the KBK districts, we have decided to make available special assistance of Rs. 200 crore for the development of these districts in the current year. It has to be ensured that these funds are used to fill in critical gaps to supplement the ongoing development efforts by the State Government and the Central Ministries giving the required fillip so that the benefits flow in full measure to the intended beneficiaries. The focus naturally has to be on schemes related to drought proofing through integrated watershed management, irrigation, joint forest management, provision of drinking water and sustainable livelihood systems, which would show visible results in the next two to three years. The State Government needs to ensure that the office of the Administrator, KBK

districts is strengthened through the devolution of greater financial and administrative powers backed by a strong Management Information System. We expect concerted measures to be taken by the State Government so that the results are visible on the ground, say within a year, which would help us to decide further continuation of the special assistance.

I am sure that all the issues listed above are already receiving your attention.

** Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Orissa*

TENTH PLAN & ANNUAL PLAN 2002-03 OF PONDICHERRY*

I welcome the Chief Minister of Pondicherry and his officers to this meeting for the finalisation of the Tenth Plan (2002-07) and the Annual Plan for 2002-03 of the Union Territory of Pondicherry.

I compliment the Chief Minister for the excellent health indices—birth rate, death rate and infant mortality rate—achieved by the Union Territory of Pondicherry. I also find that the UT has a favourable sex ratio, showing an upward trend from 979 females per 1000 males in 1991 to 1001 females per 1000 males in 2001. I am glad that the UT has been consistently utilising the entire Ninth Five Year Plan funds over the Annual Plans.

I note that the bio-village development programme, being implemented in 19 villages of Pondicherry, is aimed at utilising the natural endowments in the Territory optimally. If implemented successfully, this programme will go a long way in transforming and sustaining the village economy and will be a model development programme for other States to follow.

With progressive urbanisation and other industrial activities, the net cultivated area in Pondicherry is likely to decline over the years. There is therefore a need to see that such diversion does not adversely affect the rural farmers.

An area of concern is the over-exploitation of ground water in Pondicherry. There is an urgent need for recharging the ground water as also for regulating the exploitation of ground water. It is desirable to have a complete resource mapping of the area to study the salinity of water and chalk out remedial policy measures like afforestation of mangroves and farm forestry to check the intrusion of saline water. Legislation for regulation of ground water exploitation should be

enacted and implemented in letter and spirit for attaining the desired result.

The elections to the Gram Panchayats were discussed last year. I would like to be informed about the likely time by which the elections will be held.

Due to sustained efforts the Pondicherry Administration has been able to head towards industrialisation. But it is learnt that the State-owned Anglo French Textiles Corporation has been incurring heavy losses. The Mill needs to be modernised on priority basis and its health improved at the earliest.

In the power sector I find that from the year 1998-99 the average tariff is lower than the average cost of power supply. In fact it is lower than the national average. There is a need to have a regular review and rationalisation of tariff to make it economical. The average agricultural tariff continues to be as low as 8 paise per unit and this calls for immediate revision. This would help better management of the scarce water resources.

It is heartening to know that all the 264 villages of Pondicherry have been connected with roads and safe drinking water has been provided to these habitations. However, all the four regions of the UT, being located along the seacoast, frequently have problems of salinity, iron and fluoride contents in water, which need focused attention. Pondicherry, being a flood-prone UT, the Administration should continue its efforts to give due priority to prevention of soil and coastal erosion by planting tree saplings on the banks of rivers, channels, tank bunds, road sides and coastal areas.

The continuing urbanisation of the small Union Territory of Pondicherry calls for long-term perspective planning in the areas of public health, medical services, water supply, garbage and sewerage management etc.

In order to cope with the unemployment problem, the UT Administration has to expedite networking of training institutes with the industry and change over to market-driven trades to improve the

employability of those passing out from ITIs and Polytechnics. For the development of industrial infrastructure, a growth centre under the Centrally Sponsored Scheme has been approved for the UT. The UT Administration has to provide the infrastructure facilities like power, water, telecommunication and road connectivity etc. for this growth centre. Handlooms generate the largest employment next only to agriculture and provide employment to about 10,000 persons in the UT. This sub-sector has great potential to enhance production, employment and exports and therefore needs greater attention.

I understand that infrastructure development and improvement of Pondicherry port will attract many private companies to use the port for cargo movement and this will be a source of earning foreign exchange for the country. Further, the natural endowment of long stretches of inshore water, inland water and brackish water of Pondicherry offers vast scope for development of fisheries and this needs to be tapped fully. Early construction of the fishing harbour at Pondicherry will help provide basic amenities for berthing a larger number of fishing vessels, which will be a boon for the fishermen community.

Tourism is another area with good potential. You may like to explore the possibility of private sector participation in road transport and tourism sectors with a view to providing world-class amenities so as to make Pondicherry a tourist destination.

The thrust area identified to be addressed by the UT Administration during the Tenth Plan is the development of infrastructure facilities such as roads, electricity, port, transport, irrigation etc. Investment in the new areas coupled with consolidation of the gains made during the Ninth Plan would require higher level of investments. It is, therefore, necessary for Pondicherry to broaden its resource base as far as possible by levying user charges in every service provided so as to make the economy self-sustaining.

* Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Pondicherry

TENTH PLAN & ANNUAL PLAN 2002-03 OF PUNJAB*

I extend a cordial welcome to the Chief Minister of Punjab, his colleagues and team of officers to this meeting.

Punjab is one of the most prosperous States of India. It has one of the highest per capita incomes in the country. This is a tribute to the entrepreneurship and drive of its people. However, the annual growth rate of the State economy, which was 5.2% during the period from 1980-81 to 1996-97 has decelerated to 4.67% during the first three years of the Ninth Plan. I am confident that the economy of Punjab with its strong agricultural and infrastructural base and rich human resources could spring back to a higher growth trajectory.

The structure of the economy has undergone some change in the last two decades. The contribution of the primary sector to the GSDP has declined from 49.13% in 1980-81 to an estimated 40.49% in 1998-99 while the contribution of the secondary sector has gone up from 20.01% to 29.44% during the same period. The share of the services sector has virtually remained stagnant at around 30% during the corresponding period. Normally, the contribution of the services sector should have gone up as the State had made strides on the development path.

About 83% of the approved outlay for the Ninth Plan would have been spent. The committed expenditure is increasing rapidly in the face of a moderate growth in revenue receipt. A phenomenal increase in BCR gap of the State is a matter of concern. The State's dependence on borrowing is also disquieting.

The State has achieved the Ninth Plan target of foodgrains production mainly due to high yields in rice and wheat. However, wheat-paddy rotation has its adverse effect on soil health. There has been

overexploitation of groundwater. Production of cotton, oilseeds and sugarcane has not increased satisfactorily. Production of fruits and vegetables should be encouraged with adequate cold-storage backup. The private sector could play a significant role in this field. The WTO regime calls for a fundamental shift in the approach to development of agricultural and allied activities in the State. The State Government has launched a programme called the Second Push to Agriculture and Allied Sectors in 2000-01. While designing the programme, the existing schemes should be dovetailed and new elements included. Biotechnology should form an important component of the programme. It is heartening to note that the State Government has introduced cultivation of medicinal plants as well as plantation of bamboo.

Punjab has harnessed about 98% of its irrigation potential. The focus now should be better management of water resources through upgradation and improvement in the irrigation network. Water for irrigation is now free. Pricing of irrigation water is essential for its economic use.

The Punjab State Electricity Board has been incurring commercial losses. The average tariff charged during 2001-02 (RE) accounted for only 65.4% of the average cost of supply. About 28.47% of the available electricity goes to the farm sector but the farmers are not being charged for it. Unmetered supply of power to agriculture conceals the actual level of T&D losses. The State Government may operationalise the decision of the Chief Ministers and Power Ministers' Conference of 1996 and 2001 to charge at least 50 paise per kwh for agricultural consumption. The State Government may go for energy audit measures and install meters for all consumers. The State Government has set up the State Electricity Regulatory Commission but the Commission is yet to pass the tariff order. In fact, the PSEB is yet to file the tariff revision petition. The Government may initiate power sector reforms in right earnest.

The Punjab Roadways has been incurring losses to the tune of Rs. 89.35 crore during 2001-02 reportedly due to large fleet of over-

aged buses and huge revenue expenditure coupled with sluggish revenue receipts due to concessions in fares. The State Transport Undertakings may rationalise the bus fares and consider offering VRS to the surplus employees. The State Government may also examine if the undertakings should not be privatised.

Even though the literacy rate of 69.95% in the State is slightly higher than the all-India average of 65.38%, the literacy rates in seven districts are below the national and State averages. No district is covered under DPEP now. There is a preponderance of SC students and those belonging to low-income groups among the dropouts. Specific steps need to be taken to improve the position in this regard. It is commendable that the Government of Punjab is involving the village education committees with a view to improving the quality of education imparted in schools.

The demographic and health indices for Punjab are generally satisfactory. However, the sex ratio in the State is highly skewed. The female to male ratio, which was 882:1000 against the all-India sex ratio of 927:1000, has, according to 2001 Census, dropped further to 874 against a slight increase in the all-India average to 933. This trend will have serious consequences for the society unless it is reversed early. The State Government may chalk out an action Plan including an awareness campaign to arrest the declining female to male ratio.

I have tried to mention some of the areas of concern. I am sure the State Government would take a holistic view of the developmental issues at this stage when the Tenth Plan of the State is being launched so that Punjab would surge ahead on a high growth path.

* *Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Punjab*

TENTH PLAN & ANNUAL PLAN FOR 2002-03 OF RAJASTHAN*

I welcome the Chief Minister and his colleagues to this meeting for the finalisation of the Tenth Plan and the Annual Plan for 2002-03 of Rajasthan.

The overall performance of the State during the Ninth Plan towards achievement of Plan targets has not been encouraging. As against an approved outlay of Rs. 22,525.83 crore at 1996-97 prices, the likely expenditure stands at Rs. 16,319.74 crore, which works out to 72.5% of the approved outlay. The expected aggregate resource mobilisation at 67% of the projected level is also lower. The increased reliance on borrowings to finance the Plan is also a matter of serious concern. Borrowings stand at 162% of the total resource mobilisation during the Ninth Plan and the BCR deteriorated from the Plan projection of (-) Rs.345.2 crore at 1996-97 prices to (-) Rs.9,193.1 crore. These trends are unsustainable and threaten to lead the State into a debt trap.

It is a matter of some satisfaction that as per the latest estimate of poverty for 1999-2000, the percentage of rural population living below the poverty line in the State is 13.7%, which is lower than the all-India estimate of 27.1 per cent.

According to 1999 Forest Survey of India Report, there is an increase in forest cover by 518sq. km. during 1997-99, which is quite impressive. In tribal areas, the non-timber forest products (NTFPs) are purchased by the Tribal Development Corporation, which pays the tribals different rates for different NTFPs. Efforts are required to be made to allow the tribals to sell the NTFPs in the open market. The Tribal Development Corporation should only undertake support price operations as and when required.

It is heartening to note that the general literacy rate has shown an increasing trend from 38.6% in 1991 to 61% in 2001. However, the

overall literacy rate and female literacy rate at 61% and 44.3% are lower than the all-India level of 65.4% and 54.2% respectively. The progress made by the State Government in the sphere of gross enrolment ratio and drop-out rates is better than the national average. The gross enrolment ratio for Classes VI to VIII at 78.9% is higher than the national average of 58.8 per cent. The drop-out rate in Classes I to VIII is 44.9%, which is lower than the national average of 54.5 per cent.

The death rate of 8.4 is slightly lower than all-India level of 8.7. However, the birth rate at 31.1 and infant mortality rate at 81 are worse than all-India figures of 26.1 and 70 respectively. There is a shortfall of 49 Community Health Centres and the existing ones are not functioning as first referral units because of lack of specialists. It is imperative that these deficiencies are corrected expeditiously so that the State could achieve substantial reduction in the IMR and MMR and the health indices improve.

The average productivity of foodgrains in Rajasthan at 976 kg. per hectare, as against the all-India average of 1697 kg. per hectare, is quite low. The milk production at 72 lakh tonnes in relation to livestock population of 5.43 million in the State is also low. There is a need for intensification of both cross breeding and fodder development programmes to reach the national level. The decline in the ground water table, which has created severe problem of water shortage, is also a matter of concern. There is an urgent need for recharging of ground water to raise the underground water level. Watershed development programme should be started in rain-fed areas on a war footing for conservation of water, soil and ecology for sustainable development of agriculture.

There is a large gap between the irrigation potential created and its utilisation. During the Ninth Plan, the utilisation in respect of major and medium irrigation works has been reported to be 1 lakh hectares as against the potential of 1.78 lakh hectares. For minor irrigation works, the utilisation has been reported to be 0.20 lakh hectares as against the potential of 0.33 lakh hectares. Similarly, there are a number of ongoing projects, which were started prior to the Fifth Plan period

but are yet to be completed. The State Government may take necessary measures for their early completion.

The State has a vast potential for the development of mineral-based industries and leather and leather goods industry. However, most of the raw material goes outside the State for processing and value-addition. The State Government may consider encouraging and developing these industries in the State to realise value-addition and employment generation for the downtrodden people.

The physical performance of the Rajasthan State Transport Corporation is on the whole satisfactory. The fleet utilisation, vehicle productivity (per bus per day) and bus-staff ratio of the Corporation for 2001-02, according to the latest estimate, is 92%, 310 km. and 6.07 persons against the all-India average of 89%, 291 km. and 7.26 persons respectively. However, the financial health of the Corporation requires to be improved. The State Government may invite corporate bodies and co-operatives in the transport sector to reduce its burden.

In the power sector, Rajasthan is one of the few States to attempt reforms and create five companies including three distribution companies. However, the transmission and distribution losses continue to be high and need to be progressively reduced.

With its known diversity of natural resources, history and people, Rajasthan is one of the most attractive tourist destinations in the country. The forts and palaces, heritage hotels, *Palace on Wheels* and the colourful fairs and festivals continue to be the USPs of State tourism. Though the State continues to attract a sizeable number of foreign travellers, there is a need for qualitative improvement in product and services to ensure sustainable tourist flow.

You are aware that the preparation of a State Development Report for Rajasthan under the aegis of a Core Group headed by Shri Som Pal, Member, Planning Commission is under way. This exercise is meant to help the State in accelerating its growth rate and evolving a better strategy for its future development.

**English version of the Opening Remarks made in Hindi at the discussion on the on the Tenth Plan and the Annual Plan 2002-03 of Rajasthan*

राजस्थान की दसवीं योजना और वार्षिक योजना 2002-03

में इस बैठक में राजस्थान राज्य की दसवीं योजना और वार्षिक योजना, 2002-03 को अंतिम रूप देने के लिए मुख्य मंत्री और उनके सहयोगियों का स्वागत करता हूँ।

नौवीं योजना के दौरान योजना लक्ष्यों की प्राप्ति में राज्य का समग्र निष्पादन उत्साहजनक नहीं रहा है। वर्ष 1996-97 के मूल्यां पर 22, 525.83 करोड़ रुपये के अनुमोदित परियोजना की तुलना में संभावित खर्च 16,319.74 करोड़ रुपये है जो अनुमोदित परियोजना का 72.5% है। अनुमानित स्तर से 67% का संसाधन जुटाव भी कम ही है। योजना को वित्तपोषित करने के लिए उधारों पर बढ़ती निर्भरता भी एक गंभीर चिन्ता का विषय है। नौवीं योजना के दौरान उधार कुल संसाधन जुटाव का 182% है और बीसीआर 1996-97 के मूल्यां पर (-)345.2 करोड़ रुपये के योजना अनुमान से बढ़कर (-)9,193.1 करोड़ रुपये हो गया। ये प्रवृत्तियाँ अघोरणीय हैं और इससे राज्य को कर्ज के जाल में फँस जाने का गंभीर खतरा है।

यह कुछ संतोष का विषय है कि वर्ष 1999-2000 के लिए गरीबी के नवीनतम अनुमान के अनुसार राज्य में गरीबी रेखा से नीचे जीवन-यापन कर रही ग्रामीण जनसंख्या का प्रतिशत 13.7% है जो अखिल भारतीय अनुमान 27.1% की तुलना में कम है।

वर्ष 1999 की एफएसआई रिपोर्ट के अनुसार, वर्ष 1997-98 के दौरान वन क्षेत्रफल में 518 वर्ग किलोमीटर की वृद्धि हुई है जो उत्साहवर्धक है। जनजातीय क्षेत्रों में, गैर-टिम्बर वन उत्पाद जनजातीय विकास निगम द्वारा खरीदे जाते हैं जो जनजातियों को भिन्न भिन्न गैर-टिम्बर वन उत्पादों (एनटीएफपी) के लिए भिन्न-भिन्न दरों पर मुगलान करता है। जनजातियों को खुले बाजार में गैर-टिम्बर वन-उत्पादों (एनटीएफपी) को बेचने की अनुमति देने के लिए प्रयास की आवश्यकता है, और जनजातीय विकास निगम को चाहिए कि वह जैसे और जब आवश्यक हो केवल समर्थन मूल्यां के परिचालन का कार्य करे।

राज्य में सामान्य साक्षरता दर में वृद्धि हो रही है। फलस्वरूप वर्ष 1991 में साक्षरता दर 38.6% से बढ़कर वर्ष 2001 में 61% हो गई है। फिर भी, क्रमशः 61% और

44.3% पर समग्र साक्षरता दर और महिला साक्षरता दर अखिल भारतीय स्तर पर क्रमशः 65.4% और 54.2% की तुलना में काफी कम है। सकल नामांकन और बीच में पढ़ाई छोड़ देने वालों की दरों में राज्य सरकार द्वारा की गई प्रगति राष्ट्रीय स्तर की तुलना में बेहतर है। छठी से आठवीं कक्षा में सकल नामांकन अनुपात 78.9% है जो राष्ट्रीय औसत 58.8 प्रतिशत की तुलना में काफी अधिक है। पहली से आठवीं कक्षा में बीच में पढ़ाई छोड़ देने वालों की दर 44.9% है जो राष्ट्रीय औसत 54.5% की तुलना में भी काफी कम है।

मृत्यु दर द्वारा यथामापित राज्य का स्वास्थ्य सूचकांक (8.4) है जो कि अखिल भारतीय स्तर 8.7 की तुलना में थोड़ा सा कम है। फिर भी, जन्म दर (31.1) और शिशु मृत्यु दर (81) क्रमशः 26.1 और 70 प्रतिशत के अखिल भारतीय आंकड़ों की तुलना में खराब है। राज्य में 49 सामुदायिक स्वास्थ्य केंद्रों की कमी है और वर्तमान में सामुदायिक स्वास्थ्य केन्द्र, विशेषज्ञों के अभाव में, प्रथम रेफरल युनिट के रूप में कार्य नहीं कर रहा है। यह अनिवार्य है कि इन कमियों को शीघ्रतापूर्वक ठीक कर लिया जाए जिससे कि राज्य आईएमआर, एमएमआर और स्वास्थ्य सूचकांकों में आ रही निरन्तर कमी को सुधार सके।

राजस्थान में खाद्यान्नों की औसत उत्पादकता प्रति हेक्टर 976 किलोग्राम है जो कि अखिल भारतीय औसत 1697 किलोग्राम की तुलना में काफी कम है। राज्य में 5.43 मिलियन पशुधन संख्या की तुलना में 72 लाख टन दूध का उत्पादन भी कम है। राष्ट्रीय स्तर तक पहुंचने के लिए वर्ण-संकर और चारा विकास कार्यक्रम दोनों को तीव्र करने की आवश्यकता है। भूजल स्तर में कमी, जिससे पानी की कमी की गंभीर समस्या उत्पन्न हो गयी है, भी चिंता का विषय है। भूजल स्तर को बढ़ाने के लिए, जमीन के ऊपर के जल को संग्रहण करने की तत्काल आवश्यकता है। कृषि के सतत विकास के लिए तथा जल, मिट्टी और पर्यावरण के संरक्षण के लिए, वर्षा वाले क्षेत्रों में, जलसंभर विकास कार्यक्रमों को प्राथमिकता पर शुरू किया जाना चाहिए।

सृजित सिंचाई संभावना और इसके उपयोग के बीच व्यापक अंतराल है। नवीं योजना के दौरान, बड़े और मध्यम सिंचाई कार्यों के लिए उपयोग 1.78 लाख हेक्टेयर की संभाव्यता की तुलना में 1 लाख हेक्टेयर में किए जाने की सूचना मिली है। लघु सिंचाई कार्यों के लिए उपयोग 0.33 लाख हेक्टेयर की संभाव्यता की तुलना में 0.20 लाख हेक्टेयर होने की सूचना मिली है। इसी प्रकार, बहुत सी चालू परियोजनाएं हैं, जो पांचवीं योजना अवधि के प्रारम्भ में शुरू की गयी थीं और वे अभी पूरी की जानी हैं। मुझे उम्मीद है कि राज्य सरकार उनको शीघ्र पूरा करने के लिए आवश्यक कदम उठाएगी।

राज्य के पास खनिज आधारित उद्योगों और चमड़ा एवं चमड़ा निर्मित वस्तु उद्योग के विकास की भरपूर संभावना है। फिर भी, संसाधन और मूल्य वर्धन के लिए अधिकांश कच्चे माल राज्य से बाहर जाते हैं। मूल्य वर्धन तथा दलितों के लिए रोजगार सृजन हेतु राज्य सरकार को राज्य में ही इन उद्योगों को प्रोत्साहित करने और विकसित करने पर विचार करना चाहिये।

राजस्थान राज्य परिवहन निगम का वास्तविक निष्पादन कुल मिलाकर काफी अच्छा है। वर्ष 2001-02 (नवीनतम अनुमान) के अनुसार, निगम का बेड़ा उपयोग, वाहन उत्पादकता (प्रति बस प्रति दिन) और बस स्टाफ अनुपात क्रमशः 92%, 310 कि० मी०, और 6.07 व्यक्ति, अखिल भारतीय औसत की तुलना से क्रमशः 89%, 291 कि० मी० और 7.26 व्यक्ति, काफी बेहतर है। फिर भी, निगम की वित्तीय स्थिति में सुधार की आवश्यकता है। इसके बोझ को कम करने के लिए, राज्य सरकार परिवहन क्षेत्र में निगमों/सहकारी संस्थाओं को आमंत्रित कर सकती है।

विद्युत क्षेत्र में, राजस्थान सुधार के प्रयास करने वाले कुछ राज्यों में से एक है और इसने पांच कम्पनियों जिसमें तीन वितरण कम्पनियाँ शामिल हैं, का सृजन किया है। फिर भी, ट्रांसमिशन और वितरण घाटे ज्यादा हैं, जिन्हें क्रमशः कम किए जाने की आवश्यकता है।

प्राकृतिक संसाधनों, इतिहास और जनता की अपनी सुपरिचित विविधता के कारण, राजस्थान देश में सर्वाधिक आकर्षक स्थानों में से एक है। किले और महल, परंपरागत होटल, पेलेस आन खील्स और रंगबिरंगे मेले एवं पर्व राज्य पर्यटन के मुख्य आकर्षक केन्द्र रहे हैं। यद्यपि, राज्य विदेशी यात्रियों की बहुत बड़ी संख्या को आकर्षित करता रहा है, तथापि सतत् पर्यटन प्रवाह को बनाए रखने के लिए वस्तु और सेवाओं में गुणात्मक सुधार लाने की आवश्यकता है।

आपको ज्ञात है कि श्री सोमपाल, सदस्य, योजना आयोग की अध्यक्षता में एक कोर ग्रुप के तत्वाधान में राजस्थान राज्य के लिए राज्य विकास रिपोर्ट तैयार की जा रही है। यह प्रक्रिया राज्य को विकास दर बढ़ाने तथा भविष्य के विकास के लिए बेहतर कार्यनीति विकसित करने में मदद करेगी।

उपाध्याय, योजना आयोग का उद्घाटन भाषण: राजस्थान की दसवीं योजना और वार्षिक योजना 2002-03

TENTH PLAN & ANNUAL PLAN 2002-03 OF SIKKIM*

I welcome the Chief Minister, his colleagues and officers of the Government of Sikkim to this meeting for discussions on the Tenth Plan and finalisation of the State's Annual Plan for 2002-03.

The Ninth Plan of the State was originally approved for Rs.1600 crore. The total approved outlays during the five Annual Plans of the Ninth Plan were agreed at Rs.1257 crore. The expenditure during these five Annual Plans is anticipated to be Rs. 922.82 crore, which is 73.4% of the outlay agreed to for the five Annual Plans and only 57.7% of the originally approved outlay for the Ninth Five Year Plan. Inability to mobilise adequate resources and the slow pace of project implementation seem to be the main factors resulting in poor utilisation of Plan funds.

The weaknesses in project implementation are indicated in the performance of the State in the projects financed from Non Lapsable Central Pool of Resources (NLCPFR) as well. So far 16 projects have been approved for financial support under Non Lapsable Central Pool of Resources. The State has been able to utilise only 55.5 % of the funds released so far.

There is a need to gear up the administrative machinery to improve the pace of project implementation to increase utilisation of Central funds allocated to the State. Monitoring and supervision of works and proper preparation of projects are equally important. The Planning Commission has made arrangements with the Indian Institute of Management, Kolkata for providing training to officers of North Eastern States in the skills of project preparation and appraisal. Slots provided in this programme for the Sikkim Government have not been fully utilised. I would urge the State Government to take full

advantage of this facility. I trust that during the Tenth Plan serious efforts will be made to have more realistic Annual Plans and improve the Plan performance.

Sikkim has been progressing in terms of human development indicators. The State has achieved a literacy rate of 69.68%, which is higher than the all-India average of 65.38 per cent. However, the drop-out rate of 60% for the primary and upper primary levels is quite high. This needs to be improved.

The birth rate, death rate and infant mortality rate in the State are lower than the all-India averages. The National Family Health Survey indicates that the living conditions in Sikkim are ahead of other States of the Region in respect of households having basic amenities like electricity, toilet facility and pucca houses. However, the sex ratio in the State is 875 per thousand against the all-India level of 933. The decadal growth of population of 32.98% in the nineties is much higher than 28.47% in the earlier decade. At the same time, I am happy to learn that Sikkim has recently brought out a Human Development Report as a signal of its desire to improve matters in this area.

The CAG Report for the year ended 31st March 1999 has drawn attention to the non-implementation of the Targeted Public Distribution System (TPDS) and called for identification of BPL families in a time-bound manner. I hope that the State has now identified the BPL families. The same Report has also strongly felt the need for making arrangement for distribution of cooked food under the mid-day meal scheme for nutritional support to primary education. The lifting of foodgrains on this account was only 21.4% in 1999-2000. I would urge the Chief Minister to look into the matter and take remedial action.

The 1999 Forest Survey of India registered a decline of 60 sq. kms in the forest cover of the State from the earlier assessment in 1997. This is a matter of concern for the ecological balance of a hill State like Sikkim and needs to be addressed. I would suggest that the State

should accord priority to this aspect by going in for joint forest management and stepping up afforestation efforts.

I am informed that the State has successfully undertaken an initiative for making Gangtok a plastic-free city by community mobilisation and proper waste management. This is a commendable effort by the State, which would serve as an example to others.

At a time of integrating markets each State has to evolve its own development strategy based on its natural endowment and comparative advantages. Sikkim has potential in areas like horticulture, cash crops, medicinal plants and herbs, animal husbandry, precision industries, hydel power and tourism. Many of these sectors are labour intensive and will address the problem of unemployment. I am told that the State has identified these areas for focused development. I would recommend that the State prepare perspective plans for private sector-led development of these sectors and take action accordingly.

A sound fiscal health is a pre-requisite for sustained economic development. The award of the Eleventh Finance Commission has eased the fiscal situation of Sikkim. Efforts initiated by the State have resulted in an increase in the State's own tax revenue of 33% in 2000-01. Even then, the State still has one of the lowest ratios of own tax revenue to revenue expenditure among the States in India. There is a need to make serious efforts to expand the tax base. Fiscal reforms for increasing tax revenues and streamlining tax administration, levy of user charges, curbing non-merit subsidies and rightsizing of staff need to be pursued to enable the State to sustainably finance its development plans and aspirations.

* *Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Sikkim*

TENTH PLAN & ANNUAL PLAN 2002-03 OF TAMIL NADU*

I welcome the Chief Minister and her officers to this meeting for the finalisation of the Tenth Plan (2002-07) and the Annual Plan for 2002-03 of Tamil Nadu.

Tamil Nadu is the second major State to have achieved the replacement level of fertility. The State has undertaken several measures for improving access to health, nutrition and family welfare services. The State has reorganized primary health care institutions to achieve substantial improvement in antenatal registration, institutional deliveries and immunisation coverage. There is a need for further improvement in referral linkages in the rural areas to reduce infant mortality rate and maternal mortality.

Tamil Nadu has shown a commendable progress in the field of education. The literacy rate of the State has increased to 73.47% in 2000-01 from 63.7% in 1991. The rise in female literacy from 51.33% in 1991 to 64.55% in 2000-01 has had significant impact on various demographic indicators of the State. However, the gender-divide, which is still high at 18 percentage points in literacy among male (82.33%) and female (64.55%), has to be bridged. The popular scheme of providing hot cooked mid-day meal to school going children on all days, including holidays, has been responsible for increased enrolment and reduction in drop-outs. I also note with satisfaction that the State has hundred per cent trained teachers at primary and higher secondary levels of education. Efforts have, however, to be stepped up to provide regular refresher courses for these teachers.

Tamil Nadu has, over the years, developed a strong industrial base, availability of skilled manpower and peaceful industrial climate. The

proposal of the Government to set up a consortium for promoting foreign investment and technology transfer will go a long way to secure new investments. This will certainly attract and encourage many multinational private investors to set up industries in your State. Further, it is heartening to note that the information technology industry has opened up tremendous opportunity for the promotion of software export. I understand that a Tamil Nadu IT Council, under the Chairpersonship of the Chief Minister, has been constituted, which will address all policy issues relating to the IT industries.

The State has a large number of tanks, which can be used for irrigation and ground water recharge.

The Government should encourage greater community participation in irrigation management for bringing about awareness of the need for judicious utilisation of water. The initiative of the State Government to form Farmers' Groups for maintaining irrigation system is certainly a step in the right direction. It is advisable to revise the water rates upwards on a regular basis to ensure that this resource is put to the best use.

There is a problem of excessive use of ground water. In about 54 blocks in Tamil Nadu, ground water exploitation exceeds 100 per cent of yearly replenishment and 43 blocks are in dark category, thereby causing a serious problem of lowering the level of water table. The power supply to agriculture consumers is free of cost. In the interest of long-term sustainability of water for drinking and agriculture, there is a case for comprehensive ground water regulation and reasonable electricity tariff on water.

Water, being a scarce resource, has to be protected from getting polluted. The setting up of common effluent treatment plants for leather units has improved the economy and ecology of the area. Efforts need to be made to set up such plants for other industries.

The area under foodgrains declined from 49.1 lakh ha in 1974-75 to 44.28 lakh ha in 1984-85 and remained at 41.0 lakh ha in 1999-

2000, mainly due to the decline in the area under coarse cereals like jawar, bajra, etc. As much as 9.1 lakh ha of wasteland, largely in central and southern coastal regions, can be developed to supplement production of fuel woods, fruits and fodder.

I find that there is immense scope for development of horticulture in the State. In order to provide a boost to this sub-sector, extension activities, post-harvest management and infrastructure development need to be stepped up. I am happy to note that you are planning to provide cold chains and cold storages for horticulture produce.

As the development of livestock sector is directly related to the economic upliftment of the poor in rural area, the State Government may enhance development of fodder production as well as productivity of sheep, goat and poultry.

I would like to draw your attention to the problem in the power sector, which affects all States. Tamil Nadu power sector is better than the national average in terms of productivity and efficiency parameters but the volume of subsidy remains very high. Overcharging the industrial sector in order to cross-subsidise other sectors makes industry un-competitive. You have made successful efforts to attract private investment in your State. There is, therefore, a need to have a rational tariff structure. The Electricity Regulatory Commission needs to be made fully operational. Early decision is required to be taken on the restructuring of Tamil Nadu Electricity Board.

An area of concern is the continued prevalence of child labour in match making and fireworks in places like Sivakashi. Figures show that there is a marked decline in numbers due to various interventions. But you will agree that stringent punishment needs to be imposed on the offending employers to get rid of this social blemish.

* Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Tamil Nadu

TENTH PLAN & ANNUAL PLAN 2002-03 OF TRIPURA*

I extend a hearty welcome to the Chief Minister of Tripura and his colleagues to this meeting for discussion on the Tenth Plan and finalisation of the Annual Plan 2002-03 of Tripura.

The originally approved outlay for the State for the Ninth Plan was Rs. 2,577.40 crore at 1996-97 prices. Against this, the State is expected to achieve utilisation of Rs. 2,279 crore, i.e., 88 per cent of the total agreed outlay at current prices, and Rs. 1,876 crore at 1996-97 prices, which is about 72% of the total agreed outlay. On the whole, the performance in achieving Ninth Plan targets can be said to be fairly satisfactory.

The project implementation in the State has been generally better than other States in the North Eastern Region. Under the Non Lapsable Central Pool of Resources, for example, the State has secured releases of Rs. 111.04 crore in the current financial year, which is significantly more than the releases for any other North Eastern State. I understand that this is largely due to good disbursements on the ongoing projects.

Tripura is primarily an agrarian economy, with two-thirds of the population depending on agriculture. However, only 26% of the total geographical area is under cultivation. Emphasis therefore needs to be given on increasing productivity, particularly in crops like maize, pulses and vegetables, where the yield levels are significantly lower than all-India levels. Due to the hilly terrain in large parts of the State, protection of land from soil erosion as well as checking deforestation has to be a continuing priority for the State. The potential for plantation crops on the one hand and bamboo on the other needs to be fully exploited. In this context, I note that Tripura has made good progress in the promotion of rubber plantations.

In the health sector, there are several areas of concern. Incidence of drug abuse and AIDS is reported to be on the rise. Malaria continues to be endemic to the State. The performance of the State in the implementation of the immunisation programme, as also antenatal care, has been sub-optimal. There is a need to improve performance in this regard.

The overall literacy level of the State is 73.66% as per the 2001 Census, which is better than the national average. However, the drop-out rates continue to be high, with the drop-out rates for primary classes being about 50% more than the all-India averages. On the other hand, the implementation of the mid-day meal programme, which can help check the high drop-out rates, is yet to be taken up in right earnest by the State. In the current financial year, the State Government has lifted only 37% of the total foodgrains allocated to it under this scheme.

The State Government needs to review the performance of its public sector undertakings, which are all running into losses. Tripura Jute Mills alone is reported to have accumulated losses of Rs. 62 crore. The Tripura State Road Transport Corporation continues to be a drain on the exchequer. The State Government needs to review each enterprise and consider the possibilities of different management and ownership structures to improve the performance of these undertakings.

The power sector performance is also a cause for concern. Transmission and distribution losses are estimated to be over 40% and there are reported to be a large number of unregistered consumers directly hooked to the distribution lines. The gap between the cost of supply of power and the average tariff is as high as Rs. 1.67 per unit. This is an unsustainable situation, which warrants urgent attention.

On the fiscal front, it is alarming to note that salaries alone now are greater than the total revenue receipts of the State. This calls for a concerted effort by the State at downsizing to enable the State to free adequate resources to finance the development efforts. The Government

may like to consider a policy of reducing the staff strength through attrition, as well as tightening up fiscal control over grants-in-aid supported institutions. We would also suggest early finalisation of the mid-term fiscal restructuring programme with the Ministry of Finance to enable the State set its finances in order as well as draw upon the incentive amounts recommended by Eleventh Finance Commission.

** Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Tripura*

उत्तर प्रदेश की दसवीं योजना और वार्षिक योजना 2002-03

उत्तर प्रदेश राज्य की दसवीं योजना एवं वार्षिक योजना 2002-03 को अंतिम रूप देने के लिए बुलाई गई इस बैठक में, मैं उत्तर प्रदेश के मुख्यमंत्री और उनके सहयोगियों का स्वागत करता हूँ। उत्तर प्रदेश को आगे बढ़ाने के कार्य में हम आपको पूरी तरह से सहयोग देना चाहते हैं। हमें मिलकर उत्तर प्रदेश की 31.15% जनसंख्या को गरीबी रेखा से ऊपर लाना है तथा राज्य की प्रति व्यक्ति आय जो राष्ट्रीय औसत से 41% नीचे है, को बढ़ाना है। ऐसा करने के लिए राज्य को ऊँची दर पर विकास करना होगा एवं रोजगार के नये अवसर जुटाने होंगे। राज्य को अपने लक्ष्य प्राप्त करने के लिए अपने राजस्व और अन्य वित्तीय संसाधनों को सुधारने की ओर विशेष ध्यान देना होगा।

उत्तर प्रदेश का मानव विकास सूचकांक 2001 में 13वें स्थान पर है। इसको उन्नत करने के लिए राज्य सरकार को गंभीर प्रयत्न करने होंगे। उत्तर प्रदेश में सकल प्रजनन क्षमता दर 4.6 है जोकि 16 प्रमुख राज्यों में सर्वाधिक है। शिशु मृत्यु दर 83 है जो केवल उड़ीसा और मध्य प्रदेश से कम है। मातृत्व मृत्यु-दर देश के अन्य राज्यों की तुलना में सबसे ऊँची है। इस स्थिति को सुधारने के लिए ग्रामीण क्षेत्रों में चिकित्सकों के बड़ी संख्या में खाली पड़े पदों को भरने की ओर ध्यान देने की आवश्यकता है। इसके अतिरिक्त एक समग्र स्वास्थ्य के दृष्टिकोण की जरूरत है, जिसमें स्वच्छता, स्वच्छ पेयजल तथा गर्भवती माताओं एवं बच्चों को पोषक आहार की आपूर्ति सुनिश्चित हो। ऐसा करने से शिशु मृत्यु दर को घटाने में सहायता मिलेगी जिससे सकल प्रजनन क्षमता दर कम होने की संभावना है।

उत्तर प्रदेश में 2001 जनगणना के अनुसार साक्षरता दर 57.36% थी जो कि राष्ट्रीय औसत 65.38% से बहुत कम है। महिलाओं की साक्षरता दर केवल 42.98% है। अतः राज्य सरकार को बालिकाओं की शिक्षा की ओर विशेष ध्यान देने की आवश्यकता है। राज्य में 58.64% बच्चे मर्ती होने के बाद प्राथमिक स्तर की शिक्षा पूरी नहीं कर पाते हैं, जो राष्ट्रीय औसत 40.25% से काफी अधिक है। इसको कम करना राज्य की प्राथमिकता होनी चाहिए। स्कूलों में दोपहर के भोजन (मिड डे मील) के अंतर्गत छात्राणों की उठाव दर 1998-97 में 96% से घटकर 2001-02 में केवल 38% ही रह गयी जोकि चिन्तनीय है।

उत्तर प्रदेश पावर कार्पोरेशन लिमिटेड की वित्तीय स्थिति असंतोषजनक है। वर्ष 2001-02 में कार्पोरेशन को 3,089.48 करोड़ रुपये का घाटा होने का अनुमान है। प्रति यूनिट औसत सप्लाई लागत 3.84 रुपये की तुलना में औसत वसूली 2.54 रुपये ही है जोकि कार्पोरेशन के घाटे का एक मुख्य कारण है। उत्तर प्रदेश में 2000-01 में टी एण्ड डी घाटा 40.4 प्रतिशत था जोकि राष्ट्रीय औसत से काफी अधिक है। व्यापारिक तथा टी एण्ड डी घाटों को कम करने एवं राजस्व की वसूली में सुधार करके नकद घाटे को कम करने की दिशा में सुधारात्मक कदम उठाने की आवश्यकता है। उत्तर प्रदेश के लगभग 20,000 गांवों में अभी भी बिजली नहीं पहुँची है। इनमें से 3600 दूर-दराज के गाँवों को केवल अपरम्परागत ऊर्जा के साधनों द्वारा बिजली पहुँचायी जा सकती है तथा राज्य को समयबद्ध कार्यक्रम के अनुसार इन गांवों में बिजली पहुँचानी चाहिए।

राज्य के विभिन्न अंचलों में क्षेत्र की जरूरतों के अनुसार विकेन्द्रीकृत योजना बनाने की आवश्यकता है। बुन्देलखण्ड अंचल में संरचना विकास पर ज्यादा ध्यान देने की जरूरत है। राज्य का पूर्वांचल क्षेत्र जहाँ राज्य की 40.11% जनता रहती है, आर्थिक दृष्टि से काफी पिछड़ा है। इस क्षेत्र में 12% से कम लोग शहरों में रहते हैं। 83% कृषि जोतों (1995-96) का औसत क्षेत्रफल 0.6 हेक्टेअर है। 88% ग्रामीण जनता के कृषि पर निर्भर होने के कारण कृषि योग्य भूमि पर दबाव बहुत है। राज्य सरकार को ग्रामीण क्षेत्रों में रोजगार बढ़ाने के लिए विशेष कार्य योजना बनानी चाहिए। कृषि उत्पादन व उत्पादकता बढ़ाने के अतिरिक्त मछली पालन, हैण्डलूम व हैण्डिक्राफ्ट में परम्परागत कारीगरों को नये डिजाइन उपलब्ध करशकर उनकी दक्षता में सुधार कृषि वानिकी एवं दूरदराज तथा पिछड़े क्षेत्रों में ऐतिहासिक धरोहर पर आधारित पर्यटन को बढ़ावा देकर रोजगार के नये अवसर उपलब्ध कराये जा सकते हैं। निजी निवेश को आमंत्रित करते हुए राज्य को निवेशक-मित्र नीति अपनाने से बहुत सहायता मिल सकती है। इससे राज्य के विकास पर बहुत अच्छा असर पड़ सकता है।

TENTH PLAN & ANNUAL PLAN 2002-03 OF UTTARANCHAL*

I welcome the Chief Minister of Uttaranchal and his colleagues to this meeting for finalising the Tenth Five Year Plan (2002-07) and the Annual Plan for 2002-03 of the State. While I am happy to note that Uttaranchal has expended its Plan allocation fully, the progress of physical achievements needs careful monitoring and review to ensure that the benefits expected to accrue from the expenditure incurred are realised to the extent envisaged.

For the Tenth Plan, the Planning Commission has envisaged a GSDP growth rate of 6.8% for the State—3.50% in the primary sector, 7% in the secondary sector and 8.70% in the tertiary sector. I am happy to learn that the State expects to exceed the growth rate envisaged for the primary sector.

Today, the State is poised at a defining moment in its developmental efforts. The route it takes now will determine the safety and prosperity of its future. Its ecological sensitivity makes it susceptible to accelerated soil erosion, landslides, rapid loss of genetic resources and environmental degradation. Its developmental concerns, therefore, require careful integration with environmental imperatives. Chapter 13 of Agenda 21 formulated at Rio in June 1992 to which India is a signatory is also relevant here. It presents a broad framework for sustainable mountain development while emphasising and elaborating the need to generate and strengthen knowledge about the ecology of mountain ecosystems and the need to promote integrated watershed development and alternative livelihood opportunities. To ensure sustainability, the State could seriously consider presenting a State of the Environment Report and a natural resources budget before its legislative assembly every year. This would entail an accounting of

natural resources, strict environmental regulations enforced by a strong enforcement authority and a high level of environmental awareness and local support. This has to be one of the highest priorities of the State to avoid irreversible damage to its mountain ecosystem.

Another issue of concern is unemployment, particularly in the hill areas of the State. It would be useful to prepare an action plan for creating employment opportunities outside Government. Efforts under the rural development employment schemes could be considerably stepped up and vocational training given an impetus.

Although Uttaranchal's health indices are better than the average all-India indices, the infant mortality rate for female children in the rural areas is an alarming 87 per 1000 live births as against the State average of 52. The sex ratio of 906 in the 0-6 age group is also a cause of concern requiring the serious attention of the State. The wide disparity between districts in the family health indicators of the State needs to be reduced. The reliability of statistics pertaining to provision of safe drinking water needs to be thoroughly checked as the situation on the ground appears to be quite different from the one reported. I am glad the State proposes to revise these statistics for a correct picture of the situation. A special drive is needed against tuberculosis, the incidence of which is much higher in Uttaranchal than in other States.

While Uttaranchal's literacy rate is better than the average all-India rate, there is a wide disparity among the districts in the female literacy rate, which varies from 47.48% in Uttar Kashi to 71.22% in Garhwal. The mismatch in the availability of primary, secondary and higher education is large and needs improvement. The State's effort to introduce computer literacy at the inter-college level is a welcome step.

The State Government has clearly identified its thrust areas and prepared its policy framework with regard to most of them. I expect that the implementation of the programmes thereunder will gain momentum during the Tenth Plan particularly with regard to power generation, micro hydel projects, water harvesting, horticulture,

sericulture, floriculture, the cultivation of medicinal and aromatic plants, biotechnology, tourism, fisheries, dairy development, information technology, wildlife management etc.

The State may like to utilise the project preparation facility of the Planning Commission under which assistance is provided for engaging consultants if the total Additional Central Assistance obtained by a State for externally aided projects is less than Rs. 500 crore. Uttaranchal can pose projects for assistance in several areas such as management of mountain ecosystems, natural resource accounting, environmental controls, sanitation infrastructure, tourism, fisheries, livestock upgradation, development of Haridwar as a heritage city etc. The year 2002 being the International Year of the Mountain, external aid may be more readily forthcoming.

* *Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of Uttaranchal*

TENTH PLAN & ANNUAL PLAN 2002-03 OF WEST BENGAL *

I welcome the Development and Planning Minister and the Finance Minister and officers of West Bengal Government to this meeting to finalise the Tenth Five Year Plan (2002-07) and the Annual Plan (2002-03) outlays of the State.

It is a matter of satisfaction that the State Domestic Product (SDP) has consistently been showing an encouraging growth of over 7% during the Ninth Plan period. The Tenth Plan target of growth rate for the State has been set at 8.8%, which is expected to be within the reach of the State, keeping in view its potential and dynamism.

The State Government mobilised Rs. 18,216 crore in terms of resources for the Ninth Plan against the projection of Rs. 16,900 crore. There is a sharp deterioration in the State's Own Funds and shortfall in the realisation of the Central Assistance. The State has resorted to massive borrowing, which goes far beyond the Ninth Plan projections. Another matter of concern is the fact that year after year the approved Annual Plans were revised downwards significantly. This was mainly on account of over-optimistic estimates of external aid inflows.

During the Ninth Plan period the State did well in the production of rice. West Bengal, which is the largest producer of jute in the country, lagged behind the target. Well placed in the production of inland fish, the State may also further explore its potential for marine fish production and export. West Bengal is the largest producer of rice in the country. In the matter of productivity it has come up from the eighth to the sixth place. It would, perhaps, be desirable to bring more area under Boro rice in which the State has a clear yield advantage.

I would urge the State Government to give priority to the completion of the long ongoing major and medium irrigation projects. The

physical achievement in respect of major and medium projects during the Ninth Plan has been less than 50 per cent. The pace of creation of irrigation potential has been very slow and needs to be speeded up. Participatory irrigation management has been introduced in the minor irrigation sector with success. The wide gap between the average revenue realisation against the estimated working expenses, causing losses in the irrigation sector, could be bridged by suitably raising the water rates that were fixed way back in 1977.

With 11.52 percentage point decadal increase in the literacy rate from 1991 to 2001, which is the highest such increase in the last century, West Bengal has achieved a literacy rate of 69.22% as per Census 2001. However, the gender disparity in the literacy rates remains at a high rate of over 17.4 percentage points. Attention needs to be paid to improving the female literacy rate, particularly, of those belonging to the Scheduled Castes and Scheduled Tribes. It is also observed that the school drop-out rates in West Bengal are much higher than the all-India average. This needs urgent attention. The per capita expenditure of Rs. 415 on education in West Bengal stood much lower in comparison with the corresponding all-India average of Rs.620 in 1998-99.

It is satisfying to note that in terms of health and demographic indices, the State compares favourably with the national figures. In terms of CBR, CDR, IMR and life expectancy the performance of the State is better than the all-India average. West Bengal, with a birth rate of 20.7 per thousand in 1999 is likely to achieve TFR of 2.1% within the next two or three years. The sex ratio, which was 917 in 1991, has improved to 934 in 2001.

The State Government has taken several steps to encourage investment in industry through their new Industrial Policy, which has further been extended to new units in the area of biotechnology, jute diversification, agricultural implements, tanneries and hosiery. The State Government needs to adopt special measures to attract research and development and software/IT knowledge-based industries like training, education and infotainment. More technology parks may

be set up in the field of software and electronic hardware. The Growth Centres at Jalpaiguri and Malda are not functional and the State government needs to expedite the setting up of these Growth Centres.

It is a matter of satisfaction that the State is according priority to the development of transport infrastructure. The proposed West Bengal corridor project, connecting Kolkata with North Bengal, would promote economic development of that region through increased trade, commerce and industrial activities. The proposal to ensure private sector participation in road development would also help in establishing reliable road network in the State. Care would, however, require to be taken that the maintenance of the existing network does not get relegated due to the added emphasis on new construction. The mounting loss of State Road Transport Corporations is a matter of concern. Rationalisation of fares and routes and improvement in the fleet utilisation may help in reducing the losses of State Road Transport Corporations.

It is a matter of concern that commercial losses of West Bengal State Electricity Board are estimated at Rs.1,250 crore during 2001-02. There is a large gap between the average tariff and the cost of supply, which needs to be bridged. The T&D losses have increased from a level of 20% in 1997-98 to about 36% in 2001-02. The PLF of WBSEB at 38.3% and that of WBPDC at 56.7% are way below the all-India average of 69 percent. Payments worth Rs.3,965 crore were overdue as on 30.9.2001 in favour of concerned Central PSUs. As per the decision of the Cabinet on one-time settlement of dues of CPSUs, Government of West Bengal has to sign the fresh tripartite agreement. Recognising the urgent need for restructuring and reforming the power sector the State Government has set up SERC, which has given its tariff award in October/November 2001.

As per NSSO estimates for 1999-2000, based on Central Sample, the incidence of unemployment on current daily status basis among the youth in West Bengal is 27% in the rural areas and 24% in the urban areas. This is one of the highest in the country. Data from the corresponding State sample is awaited. Creation of employment

opportunities for the youth should be a matter of high priority for the State Government in the Tenth Plan.

I note that West Bengal has made efforts towards welfare of the unorganized workers. Notable among these are the State's support to group insurance of agricultural labour and construction workers and a matching contribution towards provident fund of low-income wage-employed workers in the unorganised sector.

Reduction of inter-regional imbalance in the level of development is now engaging the attention of the State Government. Steps taken in this behalf include the setting up of Uttar Banga Krishi Vishvavidyalaya in 2001 and the Uttar Banga Unnayan Parishad in 2000-01 for comprehensive and integrated development of the six North Bengal districts, for which a provision of Rs. 112.53 crore has been proposed for the Tenth Plan period. The Government may like to take suitable measures to enable the Parishad to respond adequately to the needs of the region. Flood control and drainage programme in the North Bengal districts deserves to be accorded a higher priority.

* *Opening Remarks at the discussion on the Tenth Plan and the Annual Plan 2002-03 of West Bengal*

KEY ISSUES IN TENTH PLAN*

OPENING REMARKS

It gives me great pleasure to welcome you to this meeting of the full Planning Commission. We have only one important substantive issue on our agenda. The draft of the Tenth Five Year Plan has been completed and is now before you for your consideration and approval.



As far as the Planning Commission is concerned, this is the single most important responsibility that is discharged by us. Planning has been one of the pillars of our approach to economic development and growth since Independence and it has stood us in good stead. Our collective faith and belief in the institution of planning has never faltered. Even today, when the economy has moved substantially in the direction of greater market orientation, the country looks to the planning system to provide direction for the way forward. It is an onerous responsibility but one in which we take pride and towards which we direct our best efforts.

We know full well that meeting the aspirations of our people requires us to consider the role of not only the government but also of every other segment of our economic and social system. Planning for the country demands that we look at our economy in a holistic manner in which every organisation and every individual has an integral role to play. We believe that policies, which carry the people with them, stand a better chance of enduring than any top-down approach. The liberalisation and economic reforms that were initiated in the early 1990s have endured precisely because of the democratic process through which they were implemented.

The process of Plan preparation reflects our democratic tradition. The degree of involvement of, and range of consultations with, various constituents of our society, that have gone into the making of the Plan, is probably unparalleled in the world. Central ministries, State Governments, local bodies, academics, sectoral experts, trade unions, private sector agencies and civil society organisations have all been involved at one stage or another. We have tried to ensure that our planning involves the people and is demand-based to the extent possible.

The most pressing issue facing us today is the rapid growth in the labour force that we are likely to experience over the next decade. At the current rates of growth and with the current labour intensity in production, we face the possibility of rising unemployment, which could lead to social unrest. All the objectives and targets of the Tenth Plan must, therefore, take this possibility into account and ensure that it does not occur. While doing so, we also have to address the issues of poverty and the unacceptably low levels of our social indicators. Although these have been the objectives in the earlier Plans, in the Tenth Plan we are working towards specific monitorable targets, which will need to be attained along with the growth target.

We have also been conscious of the fact that national targets do not necessarily translate into balanced regional development. The potentials and constraints that exist at the State-level vary significantly and these must be taken into account while assessing the feasibility of the proposed development strategy. Therefore, for the first time we have broken down the national targets to the State-level in consultation with them. We hope that this will enable the States to focus better their own development plans.

Traditionally our Plans have focussed on sectoral policies and programmes for implementing the Plan objectives. In a market-oriented economy, however, it is necessary for the Plan to also take into account the conduct of macroeconomic policies and instruments. A carefully crafted medium-term macroeconomic policy stance, both for the Centre and the States, is therefore a feature of the Tenth Plan.

The year 2002-03 marks the beginning of the Tenth Five Year Plan period. The growth performance of the economy in the previous year was below expectations and the vagaries of the monsoons this year have also led to a certain amount of diffidence. Nevertheless, it is our firm belief that our country has the potential to effect a significant turn-around within a short span of time and to achieve improvements in our economic and social indicators, which have never before been achieved. Efforts will have to be made to ensure that the growth momentum in the non-agricultural sectors that has been in evidence in the first quarter of this year is maintained. This will not be an easy task and will call for a strong and coordinated effort by all Central Ministries, including of course the Ministry of Finance and the Planning Commission, and of every State of the Union so that we can get the best out of the potential that we possess.

I have flagged the broad issues that have figured in our deliberations while framing the Tenth Plan Document and I shall be making a more detailed presentation on the salient features of the Plan Document. Before I do so, however, I would request the Hon'ble Prime Minister to say a few words and set the tone for the further deliberations of this meeting.

CLOSING REMARKS

As would be evident from my presentation, action has to be taken on a wide range of issues across a very large number of sectors. In the case of the States the two most critical areas are fiscal correction and power sector reforms, without which the availability of resources would prove to be an insurmountable hurdle. From the national perspective, however, the role of the States in creating a common economic space, in which all citizens of the country can take advantage of the opportunities that become available, is perhaps even more important. We need to urge upon the States to carefully review all the laws, rules, regulations and procedures, which retard the expression of individual entrepreneurial initiatives, and to remove them as expeditiously as possible.

At the Centre it is necessary for the various Ministries to prepare a detailed list of the actions that need to be taken both in terms of policies and programmes and to ensure that these are undertaken on a time-bound basis. Since we are contemplating a considerably greater degree of engagement between the Centre and the States in the process of reforms, the Ministries will also have to take the responsibility for monitoring the progress of the reform process and to take corrective actions if and when needed.

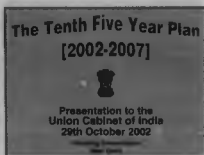
Some of the measures, that we feel are necessary for meeting the Plan objectives, no doubt involve taking hard decisions but I am certain that with appropriate dialogue with the States and with other political parties we can evolve a consensus for meeting the national aspirations.

* *Opening and Closing Remarks at the Meeting of the Full Planning Commission under the Chairmanship of Prime Minister on October 5, 2002 in New Delhi*

PRESENTATION TO CABINET ON TENTH PLAN*

It gives me great pleasure to place before you the draft of the Tenth Five Year Plan which has been approved by the full Planning Commission under the chairmanship of the Prime Minister. It is now before you for your consideration and approval.

The process of Plan preparation reflects our democratic tradition. The degree of involvement of, and the range of consultations with, various constituents of our society that have gone into the making of the Plan are probably unparalleled in the world. In particular, the Central Ministries and State Governments have been intimately involved in the process of Plan formulation right since inception. We have also taken care to discuss the draft chapters of the Plan with the concerned Ministries so that their views are suitably reflected in the Plan document.



The Tenth Plan has a number of new features to which I would like to draw your attention. First and foremost, it recognises that the most pressing issue facing us today is the rapid growth in the labour force that we are likely to experience over the next decade. At the current rates of growth and with the current labour intensity in production, we face the possibility of rising unemployment, which could lead to social unrest. This has been very much on our minds while fixing the targets of the Tenth Plan. Our studies have brought out that the 8 per cent growth target mandated by the NDC is essential to ensure that unemployment does not grow.

Secondly, we also have to address the issues of poverty and the unacceptably low levels of our social indicators. Although these have

been the objectives in the earlier plans, in the Tenth Plan we have set specific monitorable targets, which are both consistent with, and necessary for attainment of, the growth target. It needs to be emphasised that achieving these targets will be difficult unless the growth target is met.

Thirdly, we have also been conscious of the fact that the national targets do not necessarily translate into balanced regional development. The potentials and constraints that exist at the State level vary significantly. Therefore, for the first time we have broken down the national targets to the State level in consultation with the States. We hope that this will enable the States to better focus their own development plans.

Finally, in addition to the traditional focus on sectoral investments and on schemes and programmes, the Tenth Plan lays out the policy and institutional reforms that are required for each sector both at the Centre and in the States. In particular, we believe that improvement in the quality of governance forms the essential ingredient for success.

Achieving the targets set for the Tenth Plan will not be an easy task. It will call for a strong and coordinated effort by all the Central Ministries, including of course the Ministry of Finance and Planning Commission, and of every State of the Union so that we can get the best out of the potential that we possess.

In order to focus our attention on the key issues, I will make a brief presentation on the salient features of the Tenth Plan.



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Slide 2: During the past two decades, India has been one of the ten fastest growing economies in the world. The Tenth Plan aims to take the country even further ahead, potentially to become the fastest growing country by the end of the Plan period.

Slide 3: The National Development Council, while approving the Approach Paper to the Tenth Plan, mandated a set of objectives and targets which would enable us to focus on accelerating growth not only as an end in itself but also as the means to achieve success in other dimensions.

NDC MANDATED OBJECTIVES FOR THE TENTH PLAN

1. Doubling per capita income in ten years
2. Growth rate of GDP to be 8% per annum
3. Harness the benefits of growth to improve the quality of life by:
 - Reduction in poverty ratio by 5 percentage points by 2007 from 26% to 21%
 - Growth in gainful employment to, at least, keep pace with addition to labour force
 - All children in school by 2003, all children to complete 5 years of schooling by 2007
 - Reducing gender gaps in literacy and wage rates by 50%
 - Providing potable drinking water in all villages
 - Closing of major unaided chair stretches

Slide-3

NDC MANDATED OBJECTIVES			
Indicators	1991-1999	2001	2007
Unemployment Rate*	10%	10%	10%
Labour Absorbing Rate**	75	80	85
Household Monthly Expenditure***	4	5	7
Services/Personal/Total/Per Capita	10%	20%	20%
Domestic Credit/GDP/Growth	21.2%		19.2%

* per thousand total labour force
** for 1991-01 & 2001-11

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Slide 4: The NDC also mandated targets for significant improvements in critical indicators of the quality of life. These include health and education indicators and also on environment. The Tenth Plan is designed to achieve these mandated objectives.

Slide 5: The targeted growth rate of 8 per cent per annum is essential to achieve a significant reduction in poverty from 26% to 21% and to generate substantial employment opportunities. Nevertheless, special focus will have to be placed on a few critical sectors, which have high employment potential. Encouragement to the tourism activity, in particular, can have large multiplier effects on a number of sectors.

FIFTY MILLION EMPLOYMENT OPPORTUNITIES

- 8% growth with business as usual will contribute only 30 million employment opportunities
- 8% growth with emphasis on employment intensive sectors and programmes will yield 50 million employment opportunities
- Special emphasis on agriculture, irrigation, agro-forestry, small and medium enterprises, information communication technology and other services
- Tourism - an important stimulus to employment - retrograde taxes and entertainment taxes

Slide-5

Slide 6: In order to achieve the 8 per cent annual growth target, we

CONDITIONS NECESSARY FOR 8% GROWTH	
•	Larger public investment in infrastructure and social sectors
•	Emphasis on:
✓	Allocative efficiency
✓	Policy reforms for investor friendly environment
✓	Improvement in governance
•	Efficient delivery systems

need to increase public investments in physical and social infrastructure. It is also necessary to bring about better allocation of our resources and improve the efficiency of investment and delivery of critical social services. Policy, procedural and institutional changes will be needed to

Slide-6

increase private investments.

Slide 7: The success of the Plan, both in achieving its macroeconomic targets and meeting the desired improvements in social indicators, rests critically on the necessary resources being made available.

The gross budgetary support to the Central Plan needs to

NDC APPROVED GBS AND TIME PHASING					
	(Rs. Crore)				
	2002-03	2003-04	2004-05	2005-06	2006-07
Gross Budgetary Support for the Plan	113,654	154,064	159,201	191,241	221,504

(Figures are at current prices, assuming 9% annual inflation)

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be stepped up steadily over the Tenth Plan period. This is a commitment that we had made before the NDC and we need to reaffirm it in order to generate the level of confidence necessary among all arms of the government and among the public at large.

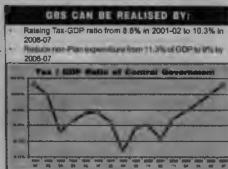
GBS TO CENTRAL MINISTRIES Demand vs Resources		
(Rs. Crore at 2001-02 Prices)		
NINTH PLAN		TENTH PLAN
Realisation	Demands of Ministries	Proposed Allocations
333,272	733,187	405,138

Slide-8

Slide 8: Despite the best efforts of the Finance Ministry and the Planning Commission, the fiscal constraints on Plan resources do not allow us to fully provide for the demands placed on us by the Ministries. Even though

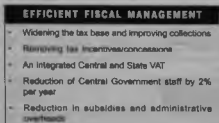
there is a significant gap between what has been sought and what we have been able to provide, the proposed allocations can be seen to be substantially higher than the Ninth Plan realisation. The need to improve the efficiency of expenditures, therefore, becomes even more compelling.

Slide 9: We are conscious of the fact that fiscal sustainability is essential and the Plan resources have to be tailored to what is possible. We have undertaken a fairly detailed analysis of public finances on the basis of achievable parameters. The most important measure is to raise the Tax-GDP ratio back to the level that it had attained in the early 1990s. It is necessary to point out that raising resources of this magnitude will not be easy unless all other measures necessary to raise the growth rate are taken in the early years of the Plan.



Slide 9

Slide 10: The steps needed for efficient fiscal management are fairly well known and I will not dwell on them. I will only reiterate that the fiscal targets are achievable but it will require collective commitment to the policies and their timely implementation. The expenditure control measures will require cooperation of all



Slide-10

the ministries.

Slide 11: I have already referred to the need to stimulate investment activity in the country. We believe that at the present time, public investment in infrastructure will "crowd in" private investments. This

will require strengthening of the institutional capacity to undertake public investment. We need to simplify the rules, regulations and procedures, which unnecessarily hamper private investment activity in the country. Every Ministry and State Government needs to focus on these issues so that early action can be taken to bring about policy and procedural reforms.

STIMULATING INVESTMENT

- Public investment necessary to increase private investment
- Developing institutional capacity for public investment
- Reversing the public works structure at Centre and States
- Simplifying laws and procedures for investment
- Restoring Development Finance Institutions for long term financing of small and medium enterprises
- Increasing annual FDI flows to at least US \$7.5 billion

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UNLEASHING ENTREPRENEURIAL ENERGY

- Empowering farm-own farmers to trade and commerce
- Essential Commodities Act to be amended
- Amending Agriculture Produce Marketing Act
- Liberalising non-rainfed, agriculture and exports
- Encouraging contract farming
- Integration of various acts dealing with 'open only and Forward Act'
- Permit future trading in all commodities
- Removal of Government & Reserve Bank of India members on financing of stocking and trading

Slide-12

brought considerable reforms in the industrial arena but the agricultural sector continues to be governed by regulations, which were framed during an era of shortages. This must change.

Slide 13: Even for the non-agricultural sectors there are a number of critical reforms, which are still pending and which need to be implemented as soon as possible.

Slide 12: There are numerous barriers to the free expression of entrepreneurial energies in the country; some of which are in the Centre and some in the States. In particular, our agricultural sector is hamstrung by a plethora of controls, which prevent our farmers from realising the full value of their efforts. We have

UNLEASHING ENTREPRENEURIAL ENERGY

- Repeal of SICA, Monopolies and strengthening of Competition and foreclosure laws to facilitate transfer of assets
- Reform Labour Laws
- Policy reforms for village and small scale sectors
- Phased deregulation of small scale industries
- Early enactment of Electricity Bill, Coal Nationalisation Amendment Bill, and Communication Convergence Bill
- Remove restrictions and encourage development of private road transport passenger services and provide local participation in road maintenance

Slide-13

Slide 14: In our opinion, the rural sector holds the key to our future growth efforts. It is home to 70% of our people and nearly 80% of our poor. Thus it offers the greatest potential for widespread development. The two main areas of focus should be connectivity and water management in all parts of the country. In particular, we need to pay attention to the regeneration and revival of the old irrigation systems and projects. In the dryland areas of the country appropriate water-shed development is critical.

INVIGORATING RURAL INDIA
<ul style="list-style-type: none"> • Growth oriented strategy with focus on farm services and other anti-poverty programmes, and active involvement of the people • Rural connectivity to all villages of 500 or more population by end of Tenth Plan • Expanding area under irrigation through minor irrigation and watershed management • Priority for completion/revival of old irrigation projects • Regulating ground water use to sustainable levels

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Slide 15: There is also a need to change our strategic and policy approach to agricultural development. In particular, we need to bring the wastelands and degraded lands into productive use either under crops or agro-forestry and to improve credit flows to our farmers through innovative methods.

INVIGORATING RURAL INDIA
<ul style="list-style-type: none"> • Rationalise irrigation charges and secure community participation in maintenance • Consolidate or Fluid Management strategy especially for Command Areas • Utilising waste and degraded lands • Schemes for agro-forestry • Increasing credit flows & simplifying procedures • Universalisation of Kisan Credit Cards

Slide-15

Slide 16: Technological interventions are essential to improve agricultural productivity and widen the range of products. Institutional structures governing rural activities also need to be reformed and strengthened. We cannot expect improvement in the quality of life unless improved drinking water supply and proper hygiene and sanitation are provided in all our villages.

INVIGORATING RURAL INDIA
<ul style="list-style-type: none"> • Distribution of cropping systems and production of medicinal and aromatic plants • Application of advanced technology for improving agricultural productivity • Adoption by States of new measures of Multi-States Co-operative Act 1984 • Integrated agriculture extension, education and co-operative sectors • Complete coverage of all farming, fish, livestock and poultry covered Sub-sectors with concrete water supply • Promotion of animal husbandry and sericulture

Slide-16

Slide 17: The power sector can potentially be a constraint on our growth process. During the Eighth and Ninth Plans we were able to achieve less than half the targeted capacity addition mainly due to the infirmities of the State Electricity Boards. Despite the fact that a lot of attention has been devoted, the status of this sector continues to cause concern. We need to make vigorous efforts to complete the restructuring of our power sector so that the ambitious targets that we have set for the Tenth Plan are realised.

CREATING THE PRODUCTIVE BASE

- Capacity addition of 41,110 MW comprising 22,800 MW in Coal sector and 11,107 MW in State sector and 7,203 MW in private sector.
- Reduce gap between cost of supply and pricing of power.
- Reform our generation distribution and power development programmes (New WDP).
- Security of 100% foreign exchange procurement by end of Tenth Plan and 100% domestic supply by end of Twelfth Plan through diversification and efficiency.
- Actively promote R&D on fast breeder reactor and thorium-based technologies for nuclear power.

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CREATING THE PRODUCTIVE BASE

- 1. Railways to focus on provision of transport services - other peripheral activities to be self-sustained.
- 2. Setting up of Rail Tariff Regulatory Authority.
- 3. Expansion of National Highway Development Programme and strengthening of state highways and district roads.
- 4. Make Tariff Authority for Major Ports (TAMP) an appellate body and extend its jurisdiction to all ports.
- 5. Early adoption of a Civil Aviation Policy & establishment of regulatory framework for the sector.
- 6. Auction international air routes to private Indian operators and early privatisation of major airport services.

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transport sector also need policy changes to enable them to perform better. However, we should take note of the success of the National Highways Programme in terms of not only what it has achieved but also the multiplier effects that it has had on the rest of the economy.

Slide 19: Construction is one of the most labour-intensive sectors but has been hamstrung by excessive controls on land use. The state of our urban centres too needs consideration.

Slide 18: The financial condition of the Railways is precarious and it is necessary for us to create a policy environment, which would address the issue effectively. We need to further intensify our efforts in this direction.

The other components of the

CREATING THE PRODUCTIVE BASE

- Removal of urban land ceiling to ease supply of land, reform of rent control to promote housing stock, rational stamp duty rates etc.
- Improvement of municipal resources (property taxes, user charges), access to financial markets for infrastructure schemes; restructuring of utilities for higher efficiency.
- Simplify and computerise registration of property transactions etc.

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For the construction activity and urban development to gain momentum, significant changes in land use policies and municipal functioning will have to take place. The Tenth Plan proposes to intensify this process.

CREATING THE PRODUCTIVE BASE

- Education for All through Sarva Shiksha Abhiyan - total enrolment by 2003, universal retention and achievement (elementary) by 2010
- Plan for strengthening secondary stream (8th to 12th)
- Promote vocational education to cater to increased numbers from elementary and secondary streams
- Quality improvement of technical education - IITs, IITs, other Engineering Colleges and Polytechnics
- Greater autonomy to UGC and higher technical institutions, IIS, IIMs, IITs etc.

Slide 20

Slide 20: One of the most important decisions that has been taken is to provide education for all through the Sarva Shiksha Abhiyan. We must, however, bear in mind that the turnout from elementary education would be looking for further training in order to access the job

market. We must, therefore, begin the process of strengthening the secondary stream and our institutions of higher learning. Special focus must be laid on vocational education.

Slide 21: One of the most disturbing facts about the current situation is the prevalence of under-nutrition among a large segment of our people despite sufficient availability of food in the country. The vulnerable groups, particularly women and children and people living

IMPROVING THE QUALITY OF LIFE

- Nutrition Mission for correcting nutrient deficiencies
- Cash banks in remote areas
- Provide essential public health and family welfare services
- District-based differential strategy for providing family welfare and health care
- Mainstream Indian systems of medicine and homoeopathy in health care system
- Medicines Patent Board to realize the full potential of herbal products

Slide 21

in remote areas, need special attention to meet their dietary requirements. In addition, the primary health system needs to become more sensitive to the specific requirements both in terms of differences in disease incidence and in the nature of medical care.

Slide 22: There are a number of special groups in the country whose needs may not necessarily be met through the normal process of growth and development. Attention has to be paid to meeting these needs

IMPROVING THE QUALITY OF LIFE

- Women's empowerment and gender equity
- Continuing focus on disadvantaged sections (the housing and Scheduled Castes, Scheduled Tribes, Urban Battered Classes, Minorities and Differently Abled)
- Projected improvement of slums through NSDP, dovetailed with Valmiki Ambedkar Awas Yojana
- Eradication of manual scavenging by 2007
- National Commission for Children to ensure protection of their rights to be set up
- Protection of life and property of the Aged
- Special focus on unorganised labour

Slide-22

globalising world we need to ensure that not only technologies are accessed and assimilated as rapidly as possible but also appropriate technologies are developed to suit our specific requirements. During the Tenth Plan a few critical S&T missions are being proposed.

**SCIENCE AND TECHNOLOGY
Catalysing and Accelerating Development**

- Operationalization of National Natural Resource Management System (NNRMS)
- Major mission-mode initiatives, e.g.
 - ✓ Nano Science & Technology
 - ✓ Technology for bamboo products
 - ✓ Exploration and exploitation of microbial wealth
 - ✓ Carcass utilisation and eco-friendly leather processing
 - ✓ Vehicle in and testing of new drugs from med. plants

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**ENVIRONMENT
FOR SUSTAINABLE DEVELOPMENT**

- National Environment Plan to be reviewed annually
- Action Plan for reducing air and water pollution
- Expand treatment and improve management of urban waste
- Conserve and sustainable use of biodiversity and wildlife of ecologically sensitive areas
- Green mission of next Five Year Plan to ensure food and economic growth by 2010
- Framing of bio-based drugs by using medicinal plants, herbs, mushrooms

Slide-24

and empowering these groups to integrate more effectively into the development process. The living condition of our slum-dwellers also needs to be improved significantly.

Slide 23: Science and technology touch every aspect of development and every sector of the economy. In a

Slide 24: India has always been at the forefront of the movement to protect the environment and ensure sustainability of development. Despite this, there are a number of areas of concern. The Tenth Plan has specifically taken these into account while framing the development strategy.

Slide 25: Although the issue of regional balance has been an integral component of almost every Five Year Plan, there has been perceptible increase in regional imbalances over the years. In recognition of this

fact, the Tenth Plan explicitly takes into account the potentials and limitations of the different States of the country and proposes differential growth strategies for them. As you would notice, not only do we have a separate volume on the States, a number of the other sections of the Plan also address State-related issues. We have also proposed a number of initiatives for reducing both inter-State and intra-State imbalances.

ENVIRONMENT FOR SUSTAINABLE DEVELOPMENT

- * Planning Commission's focus is to promote balanced and equitable regional development
- * Some steps in this regard include:
 - ✓ For the first time state-wise sectoral growth rates determined in consultation with states
 - ✓ Rashtriya Sam Vikas Yojana - Special plans for most of Orissa and a Reforms agenda
 - ✓ Special focus on the North East
 - ✓ State Development Reports to lay down road map for accelerating growth
 - ✓ On-Farm Water Management for Eastern India

Slide-25

ENHANCING THE IMPACT OF PLANNING

Some Major Initiatives include:

- * One plan strategy for States
- * Rationalised initiatives in crucial sectors
- ✓ Accelerated Irrigation Benefits Programme
- ✓ Accelerated Power Development and Reform Programme
- ✓ Medium Term Fiscal Reforms Programme
- ✓ Urban Inward Fund

Slide-26

Slide 26: As I mentioned at the very start, reforms for improvement of efficiency lie at the heart of the Tenth Plan. In particular, we believe that the States need to be provided incentives in order to carry out the requisite reform agenda.

Slide 27: We have also taken a number of initiatives which would introduce greater focus and rationality in our planning and implementation processes.

ENHANCING THE IMPACT OF PLANNING

- * First National Human Development Report - early with development analysis built in
- * Better monitoring through Quarterly Progress Reviews by Members of PC
- * Low - indexed to existing resulting in reduction/convergence CSEs and CSe from 380 to 188 and from 2247 to 822 respectively

Slide-27

Slide 28: Finally, the most critical factor in achieving the objectives of the Plan is the quality of governance in the country. No matter how good the plans and programmes, they can all flounder on poor implementation. Bringing about transparency

GOVERNANCE
The Essence of Success

- Improved people's participation, especially through strengthening Panchayati Raj Institutions and urban local bodies
- Involvement of civil society, especially voluntary organisations, as partners in development
- Enactment of the Right to Information Act
- Civil service reforms for improving transparency, accountability & efficiency; security of tenure; a more equitable system of rewards and punishments
- Right-sizing both the size and role of Govt.
- Revenue and Judicial reforms
- Using Information Technology for good governance

Slide-28

and accountability in all our public institutions is the key to success. A number of initiatives regarding public-private partnerships and e-governance are already under consideration by the Government.

Slide 29: Given the constraints of time, I have been able to give you only the key elements of

the Plan document, which runs into about 1600 pages. As would be evident from my presentation, action has to be taken on a wide range of issues across a very large number of sectors. In the case of the

States, the two most critical areas are fiscal correction and power sector reforms, without which the availability of resources would prove to be an insurmountable hurdle.

From the national perspective, however, the role of the States in creating a common economic space in which all citizens of the country can take advantage of the opportunities that become available is perhaps even more important. We need to urge upon the States to carefully review all laws, rules, regulations and procedures, which retard the expression of individual entrepreneurial initiatives and to remove them as expeditiously as possible.

At the Centre, it is necessary for the various Ministries to prepare detailed list of the actions that needs to be taken in terms of both

THE COLLECTIVE FOCUS

FOR THE STATES:

- Fiscal correction
- Power sector reforms
- Removing barriers to inter-State commerce

FOR THE CENTRE:

- Time bound Action Plans for policies and programmes
- Monitoring reforms and programme implementation in states

Slide-29

policies and programmes and to ensure that these are undertaken on a time-bound basis. Since we are contemplating a considerably greater degree of engagement between the Centre and the States in the process of reforms, the Ministries will also have to take the responsibility for monitoring the progress of the reform process and to take corrective actions if and when needed.

Some of the measures that we feel are necessary for meeting the Plan objectives no doubt involve taking hard decisions but I am certain that with appropriate dialogue with the States and with other political parties we can evolve a consensus for meeting the national aspirations.

**Opening Remarks at the meeting of the Union Cabinet on the Tenth Five Year [2002-07] on October 29, 2002*

PRESENTATION TO NDC ON TENTH PLAN*

It gives me great pleasure to welcome you all to the 50th meeting of the National Development Council, which is the highest decision-making authority in the country on development matters. We can draw strength from the effectiveness of the NDC, which is an affirmation of the democratic and federal ideals that are enshrined in this unique institution. Fifty times we have met and fifty times we have shown to the world that whatever be our differences we are united in our efforts to build the best possible future for our people.

Today we have the opportunity of placing our country on a course of development, which should culminate in a significant improvement in the living standards of our people over the next decade. As you are aware, the draft of the Tenth Five Year Plan, covering the period 2002 to 2007, has been approved both by the Full Planning Commission under the chairmanship of the Prime Minister and by the Union Cabinet. It is now before you for your consideration and adoption.

It was a little over a year ago, in September 2001, that we met to discuss and approve the Approach Paper to the Tenth Plan and to give broad directions for the formulation of the Plan. At that time we had collectively decided that it was time for us to stretch beyond our immediate capabilities and set targets which would be in consonance with our needs and the evident aspirations of our people. We had no illusions about the magnitude of the effort that would have to be made by each one of us. The Approach Paper had clearly laid out a preliminary assessment of the conditions under which these targets could be met and the measures that we would have to adopt. Accepting this challenge, the NDC directed the Planning Commission to prepare the Tenth Five Year Plan with a growth rate target of 8 per cent per annum along with significant improvements in social and environmental indicators.

Over the past one year the Planning Commission has worked long and hard to flesh out the skeleton presented in the Approach Paper on the basis of the directions given by the NDC. Having taken into account the recent economic developments, both positive and negative, the detailed analysis undertaken reveals that these targets continue to be feasible. There is, therefore, no need for us to waver at this stage.

However, this is not to say that the task at hand will be easy or will not require considerable effort. The Tenth Plan document lays down in detail the measures that will have to be taken both on the policy front and in our programmes. It is a substantial agenda, which will have to be completed within a well-defined time frame. It will call for a strong and coordinated effort by all the Central Ministries and by every State so that we can get the best out of the potential that we possess.

The process of Plan preparation reflects our democratic tradition. The degree of involvement of, and the range of consultations with, various constituents of our society that have gone into the making of the Plan are probably unparalleled in the world. We have involved the Central Ministries and State Governments fully in this process. Academics, subject experts, civil society organisations, trade unions and industrialists have been involved at various stages of preparing the Plan in order to take full advantage of their expertise and ideas.

The most pressing issue facing us today is the rapid growth in the labour force that we are likely to experience over the next decade. At the current rates of growth and with the current labour intensity in production we face the possibility of rising unemployment, which could lead to social unrest. Our studies have brought out that the composition of the 8 per cent growth target mandated by the NDC would have to favour certain key labour-intensive sectors in order to reduce the backlog of unemployment in the country.

We have also been conscious of the fact that national targets do not necessarily translate into balanced regional development. The

potentials and constraints that exist at the State level vary significantly. Therefore, for the first time, we have broken down the national targets to the State level in consultation with the State Governments. The Tenth Plan contains a separate volume on States as a reflection of the importance we place on the role of the States in our development process.

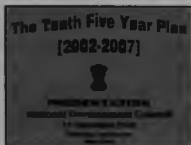
We hope that this will enable the States to better focus their own development plans by more careful consideration of the sectoral pattern of growth and its regional dispersion within the State. In order to facilitate this process, the Planning Commission is preparing a series of State Development Reports, which will take stock of the capabilities of each State and develop appropriate strategies.

Finally, in addition to the focus on sectoral investments and on schemes and programmes, the Tenth Plan lays out the policy and institutional reforms that are required for each sector, both at the Centre and in the States. In particular, we believe that improvement in the quality of governance forms the essential ingredient for success. We have, therefore, prepared a separate chapter on the issues of governance and implementation. We have also recently brought out a compendium of State government initiatives in this regard, entitled – *“Successful Governance Initiatives and Best Practices – Experiences from Indian States”* – a copy of which is being made available to all the Chief Ministers.

India is in the midst of transforming an agrarian economy into a modern multi-dimensional economic powerhouse and a traditional stratified society into an egalitarian society through consultative politics. It is inevitable that such a rapid social, economic, technological and political development of one billion people would generate turbulence. Yet it is essential that this turbulence be managed and confined within limits that preserve the social fabric and permit the nation's transformation to continue apace. Our Five Year Plans are a central component of this process in that they lay out a vision, which we can all share and work towards in a spirit of cooperation and purpose.

Let me once again extend a hearty welcome to all of you. I would now request the Chairman of the National Development Council, Prime

Minister Shri Atal Bihari Vajpayee, to address this 50th meeting of the Council.



Slide-2

Slide 2: During the past two decades, India has been one of the ten fastest growing economies in the world. The Tenth Plan aims to take the country even further ahead, potentially to become the fastest growing country by the end of the Plan period.

Slide 3: You will all recall that at our last meeting in September 2001, while approving the Approach Paper to the Tenth Plan, the National Development Council had mandated a set of objectives and targets, which would enable us to focus on accelerating growth not only as an end in itself but also as the

NDC MANDATED OBJECTIVES FOR THE TENTH PLAN

1. Doubling per capita income in ten years
2. Growth rate of GDP to be 8% per annum
3. Harness the benefits of growth to improve the quality of life by:
 - Reduction in poverty ratio by 5 percentage points by 2007 from 28% to 21%
 - Growth in gainful employment to, at least, keep pace with addition to labour force
 - All children in school by 2003; all children to complete 5 years of schooling by 2007
 - Reducing gender gaps in literacy and wage rates by 50%
 - Providing potable drinking water in all villages
 - Cleansing of major polluted river stretches

Slide-3

means to achieve success in other dimensions such as poverty reduction and employment creation.

Slide 4: The NDC also mandated targets for significant improvements in critical indicators of the quality of life. These include health and education indicators and environment. The Tenth Plan is designed to achieve these mandated objectives that we had set for ourselves and for the nation.

NDC MANDATED OBJECTIVES			
Indicators	1999-2000	2007	2011
Literacy Rate	65%	75%	80%
Infant Mortality Rate*	80	45	30
Maternal Mortality Rate*	11	7	5
Increase in Annual Growth	10%	25%	33%
Decade Population Growth*	21.3%		18.2%

* per thousand live births # for 1991-01 & 2001-11

Slide-4

FIFTY MILLION EMPLOYMENT OPPORTUNITIES

- 35 million people to be added to labour force during 10th Plan period
- 8% growth with business as usual will contribute only 30 million employment opportunities
- 8% growth with emphasis on employment intensive sectors and programmes will yield 50 million employment opportunities

Slide-5

Slide 5: The growth rate target of 8 per cent per annum is essential to generate substantial employment opportunities. But it will not be enough. Our projections show that during the Tenth Plan period the labour force will increase by 35 million, whereas the growth process by itself will generate 30 million job opportunities. Therefore, special focus will have to be placed on a few critical sectors, which have high employment potential. By doing so we should be able to generate 50 million work opportunities, which will not only take care of the additions to the labour force but also significantly reduce the backlog of unemployment.

Slide 6: The areas of focus will have to be agriculture and its related activities and a number of services. Special attention will have to be paid to the needs of

EMPLOYMENT INTENSIVE SECTORS

1. Special emphasis on agriculture, irrigation, agro-forestry, small and medium enterprises, information communication technology and other services
2. Tourism - an important stimulus to employment
 - Strengthening tourism infrastructure
 - Rationalise tax structure
 - Project India as an attractive tourist destination

Slide-6

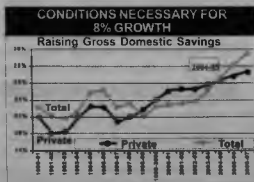
the small and medium enterprises in almost all activities. Encouragement to tourism activity, in particular, can have large multiplier effects on a number of sectors.

Slide 7: In order to achieve the 8 per cent annual growth target we will have to increase our savings and investment rates significantly but perhaps by not as much as we had initially estimated in the Approach Paper. Subsequent analysis has revealed that

MACRO PARAMETERS FOR THE TENTH PLAN (2002-07)			
	IX Plan	X Plan	
	Actual	Approach Paper	Target
1. Domestic Savings Rate (% of GDP mp)	23.31	29.80	28.84
2. Current Account Deficit (% of GDP mp)	0.81	2.80	1.57
3. Investment Rate (% of GDP mp)	24.23	32.60	28.41
4. Incremental Capital Output Ratio (ICOR)	4.53	4.08	3.58
5. GDP Growth Rate (% per annum)	5.35	8.00	8.07

Slide 7

there is substantial excess capacity in some of the sectors and therefore it should be possible to increase output without a commensurate increase in investible resources. This, along with improvements in efficiency and better sectoral focus, should lead to a drop in the incremental capital-output ratio. I should mention here that the ICOR was even lower during the Eighth Plan period and increased in the Ninth due to lower capacity utilisation.

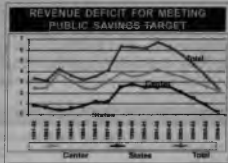


Slide 8

Slide 8: The first issue is how to raise the savings rate of the economy. As you may notice from the slide, private savings have grown more or less steadily since the early 1990s. However, public savings, i.e. the difference between total

savings and private savings, turned sharply negative from 1998-99 onwards. This must be corrected and from 2004-05 onwards we must aim at achieving positive and growing public savings.

Slide 9: In order to generate sufficient public savings it is necessary to bring about significant improvement in the revenue deficit of the Government. Both the Centre and the States have to contribute to this process.



Slide-9

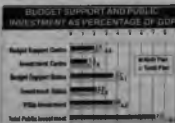
- CONDITIONS NECESSARY FOR 8% GROWTH**
- Larger public investment in infrastructure and social sectors
 - Emphasis on:
 - Allocative efficiency
 - Policy reforms for investor friendly environment
 - Improvement in governance
 - Efficient delivery systems

Slide-10

Slide 10: Realising the desired level of investment will require an increase in public investments in physical and social infrastructure. This is essential for encouraging a revival in private investment. It is also necessary to bring about better allocation of our resources and to

improve the efficiency of investment and delivery of critical social services. Policy, procedural and institutional changes will be needed to increase private investments.

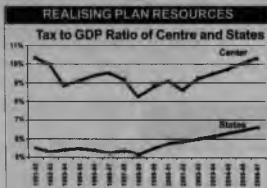
Slide 11: The success of the Plan, both in achieving its macroeconomic targets and meeting the desired improvements in social indicators, rests critically on the necessary



Slide-11

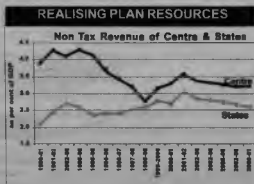
resources being made available for financing the Plan activities, including both public investment and current expenditures.

Slide 12: We are conscious of the fact that fiscal sustainability is essential, and Plan resources have to be tailored to what is possible. We have undertaken a fairly detailed analysis of public finances on the basis of achievable parameters. The Centre's Tax-GDP ratio needs to be raised back to the level that it had attained in the early 1990s.



Slide-12

Slide 13: The need to raise tax collections becomes even more compelling since our projections indicate that the non-tax revenue to GDP ratio of both the Centre and the States is likely to decline somewhat during the Tenth Plan period.

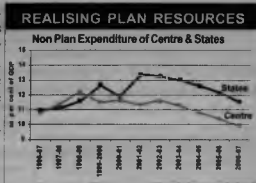


Slide-13

Slide 14: Raising revenues alone, however, will not be enough to reduce the revenue deficits sufficiently. Efforts will also have to be made to curtail the growth

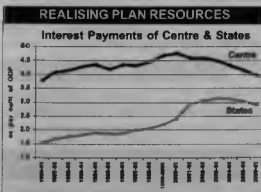
The States too will need to augment their tax collections. It is necessary to point out that raising resources of this magnitude will not be easy unless all other measures needed to raise the growth rate are taken in the early years of the Plan.

rate of non-Plan expenditures. This should be facilitated by the fact that the main impact of the implementation of the Fifth Pay Commission award is behind us. Our projections indicate that the ratio of government salaries and wages to GDP should decline steadily, provided that recruitments are held down to the minimum necessary.



Slide-14

Slide 15: The other large component of non-Plan revenue expenditure is interest payments.



Slide-15

Here again our projections indicate that the interest payments to GDP ratio will show a declining trend even if the interest rates harden a little from their current levels. This trend is of course conditional on the fiscal deficits of the

Centre and the States being maintained at the levels indicated in the Plan document.

Slide 16: The steps needed for efficient fiscal management are fairly well known and I will not dwell on them. I will only reiterate that the fiscal targets are achievable but it will require collective commitment to the policies and their timely implementation. The expenditure

control measures will require cooperation of all the Central Ministries and State departments.

Slide 17: I have already referred to the need to stimulate investment activity in the country. We believe that at the present time public

investment in infrastructure will "crowd in" private investments. This will require strengthening of the institutional capacity to undertake public investment. We need to simplify the rules, regulations and procedures, which unnecessarily hamper private investment activity in the country. Every Ministry and State Government needs to

STIMULATING INVESTMENT

- Public investment necessary to stimulate private investment.
- Developing institutional capacity for public investment.
- Revamping the public work structures at Centre and States
- Simplifying laws and procedures for investment.
- Reforming Development Financial institutions for long-term financing of small and medium enterprises.
- Additional annual FDI flows to reach US \$ 7.5 billion.

Slide-17

focus on these issues so that early action can be taken to bring about policy and procedural reforms.

Slide 18: There are numerous barriers to the free expression of entrepreneurial energies in the country; some of which are in the Centre

EFFICIENT FISCAL MANAGEMENT

- Widening the tax base and improving collections.
- Rationalising tax incentives/concessions
- An integrated Central and State VAT
- Reduction of Government Staff
- Reduction in subsidies and administrative overheads.
- Increasing user charges

Slide-16

UNLEASHING ENTREPRENEURIAL ENERGY

- Eliminating inter-State & intra-State barriers in trade and commerce.
- Essential Commodities Act to be amended
- Amending Agriculture Produce Marketing Act
- Liberalising agri-trading, agri-industry and exports
- Encouraging contract farming
- Integration of various acts dealing with food into one "Food Act"
- Permit futures trading in all commodities
- Removal of Government & Reserve Bank of India restrictions on financing of stocking and trading.

Slide-18

and some in the States. In particular, our agricultural sector is hamstrung by a plethora of controls, which prevent our farmers from realising the full value of their efforts. We have brought considerable reforms in the industrial arena but the agricultural sector continues to be governed by regulations, which were framed during an era of shortages. This must change.

Slide 19: Even for the non-agricultural sectors, there are a number of critical reforms, which are still pending and which need to be implemented as soon as possible. Many of these are no doubt in the domain of the Centre but the States would also have to cooperate fully in order to make them

UNLEASHING ENTREPRENEURIAL ENERGY

- Repeal of SICA, Introduction and strengthening of bankruptcy and foreclosure laws to facilitate transfer of assets.
- Reform Labour Laws
- Policy reforms for village and small scale sectors
- Phased deregulation of small scale Industries.
- Early enactment of Electricity Bill, Coal Nationalisation Amendment Bill, and Communication Convergence Bill.
- Abolish restrictions on private road transport passenger services and encourage private sector participation in road maintenance.

Slide-19

INVIGORATING RURAL INDIA

- Growth mediated strategy with focus on basic services and direct anti-poverty programmes, and active involvement of the people.
- Rural connectivity to all habitations of 500 or more population by end of Tenth Plan.
- Expanding area under irrigation primarily through minor irrigation and watershed management.
- Priority for completion of ongoing irrigation projects and revival of old irrigation projects.
- Regulating ground water use on sustainable basis.

Slide-20

effective.

Slide 20: In our opinion, the rural sector holds the key to our future growth efforts. It is home to 70% of our people and nearly 80% of our poor. Thus it offers the greatest potential for widespread development.

The two main areas of focus

should be connectivity and water management in all parts of the country. In particular, we need to pay attention to the regeneration and revival of old irrigation systems and projects. In the dryland areas of the country, appropriate watershed development is critical.

Slide 21: There is also a need to change our strategic and policy approach to agricultural development. In particular, we need to bring

wastelands and degraded lands into productive use either under crops or agro-forestry and improve the credit flows to our farmers through innovative methods.

Slide 22: Technological interventions are essential to improve agricultural productivity and to widen the range of products.

- | INVIGORATING RURAL INDIA |
|--|
| <input type="checkbox"/> Diversification of cropping systems and production of medicinal and aromatic plants. |
| <input type="checkbox"/> Application of Science & Technology for improving agricultural productivity. |
| <input type="checkbox"/> Adoption by States of key features of Multi-State Cooperative Act, 1984. |
| <input type="checkbox"/> Integrated agriculture markets in private and co-operative sectors. |
| <input type="checkbox"/> Complete coverage of all remaining 'not covered' and 'partially covered' habitations with potable water supply. |
| <input type="checkbox"/> Promotion of proper hygiene and sanitation. |

Slide-22

constraint on our growth process. During the Eighth and Ninth Plans we were able to achieve less than half the targeted capacity addition mainly due to the infirmities of the State Electricity Boards. Despite the fact that a lot of attention has been devoted to it, the status of this sector

INVIGORATING RURAL INDIA

- | |
|---|
| <input type="checkbox"/> Rationalise irrigation charges and ensure community participation in maintenance |
| <input type="checkbox"/> Comprehensive Flood Management Strategy especially for Eastern India. |
| <input type="checkbox"/> Utilising waste and degraded lands |
| <input type="checkbox"/> Reforms for agro-forestry |
| <input type="checkbox"/> Improving credit flows & simplifying procedures |
| <input type="checkbox"/> Universalisation of Kisan Credit Cards |

Slide-21

Institutional structures governing rural activities also need to be reformed and strengthened.

We cannot expect improvement in the quality of life unless improved drinking water supply and proper hygiene and sanitation are provided in all our villages.

Slide 23: The power sector can potentially be a serious

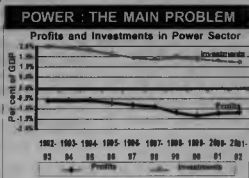
CREATING THE PRODUCTIVE BASE

- | |
|---|
| <input type="checkbox"/> Capacity addition of 41,110 MW comprising 22,832 MW in Central sector and 11,157 MW in State sector and 7,121 MW in private sector. |
| <input type="checkbox"/> Reduce gap between cost of supply and pricing of power. |
| <input type="checkbox"/> Electrify 62,000 villages through grid extension, by end of Tenth Plan and 18,000 remote villages by end of Eleventh Plan through renewable sources of energy. |
| <input type="checkbox"/> Actively promote R&D on fast breeder reactor and thorium based technologies for nuclear power. |

Slide-24

continues to cause concern. We need to make vigorous efforts to complete the restructuring of our power sector so that the ambitious targets that we have set for the Tenth Plan are realised.

Slide 24: The pace of investment in the power sector cannot be accelerated unless there is a significant improvement in profitability and internal resource generation. The financial condition of the State Electricity Boards not only limits their own ability to invest but also



Slide-24

discourages private investments. As can be seen from this slide, the increasing losses in the power sector are mirrored by the declining rate of investment.

Slide 25: The various components of the transport sector also need

CREATING THE PRODUCTIVE BASE

- Railways to focus on provision of transport services - other peripheral activities to be outsourced.
- Expansion of National Highways Development Programme and strengthening of State highways and district roads.
- Make Tariff Authority for Major Ports (TAMP) an appellate body and extend its jurisdiction to all ports.
- Early adoption of a Civil Aviation Policy & establishment of a regulatory framework for the sector.

Slide-25

policy changes to enable them to perform better. We should take note of the success of the National Highways Programme in terms of not only what it has achieved but also the multiplier effects that it has had on the rest of the economy. This success can be replicated in other sectors as well.

Slide 26: Construction is one of the most labour-intensive sectors but has been hamstrung by excessive controls on land use and poor urban infrastructure. For the construction activity and urban development to gain momentum, significant changes in land use policies and municipal functioning will have to take place. The Tenth Plan proposes to intensify this process and the role of the States is crucial.

CREATING THE PRODUCTIVE BASE	
<input type="checkbox"/>	Removal of urban land ceiling to ease supply of land, reform of rent control to promote housing stock, rational stamp duty rates etc.
<input type="checkbox"/>	Improvement of municipal resources (property taxes, user charges); access to financial markets for infrastructure schemes; restructuring of utilities for higher efficiency
<input type="checkbox"/>	Simplify and computerise registration of property transactions etc.

Slide-26

Slide 27: One of the most important decisions that has been taken is to provide universal elementary education. We must, however, bear in

IMPROVING THE QUALITY OF LIFE	
<input type="checkbox"/>	'Education for All' through Sarv Shiksha Abhyan - Total enrolment by 2003; universal retention and achievement (elementary) by 2010.
<input type="checkbox"/>	Plan for strengthening secondary stream (9th to 12th)
<input type="checkbox"/>	Focus on vocational education to cater to increased numbers from elementary and secondary streams.
<input type="checkbox"/>	Quality improvement of technical education - IITs, RECs, other Engineering Colleges and Polytechnics.
<input type="checkbox"/>	Greater autonomy to UGC and higher technical institutes like IIMs, IITs etc.

Slide-27

ensure that there is consistency between the demand for and supply of skills.

mind that the turnout from elementary education would be looking for further training in order to access the job market. We must, therefore, begin the process of strengthening the secondary stream and our institutions of higher learning. Special focus must be laid on vocational education in order to

Slide 28: One of the most disturbing facts about the current situation is the prevalence of under-nutrition among a large segment of our people despite sufficient availability of food in the country. The

vulnerable groups, particularly women and children and people living in remote areas, need special attention to meet their dietary requirements. In addition, the primary health system needs to become more sensitive to the specific requirements of different parts of our country both in terms of differences in disease incidence and in the nature of medical care.

Slide 29: Shelter is a basic necessity and we must resolve to provide shelter to all by the end of the Eleventh Plan period. Housing apart, the living condition of our slum-dwellers also needs to

be improved significantly. The majority of our people work in the unorganised sector with no social security or protection. We must devise measures, which will reduce the risks and uncertainties faced by them.

IMPROVING THE QUALITY OF LIFE

- Nutrition Mission for correcting nutrient deficiencies.
- Grain banks in remote areas.
- Provide essential public health and family welfare services.
- District-based differential strategy for providing family welfare and health.
- Mainstream Indian systems of medicine and Homeopathy in health care system.
- Medicinal Plants Board to realise the full potential of herbal products.

Slide-28

IMPROVING THE QUALITY OF LIFE

- Shelter for all by 2012
- Projectised improvement of slums through National Slum Development Programme (NSDP), dovetailed with Velmiki/ Ambedkar Awas Yojana
- Special attention to the needs of unorganised labour.
- Social security cover to workers in agriculture, small establishments and in informal sector in a perspective of 10 to 15 years.

Slide-29

- IMPROVING THE QUALITY OF LIFE**
- Women's empowerment and gender equity
 - Continuing focus on disadvantaged sections of the population like Scheduled Castes, Scheduled Tribes, other Backward Classes, Minorities and Differently Aabled
 - Eradication of manual scavenging by 2007
 - National Commission for Children to ensure protection of their rights to be set up
 - Protection of life and property of the Aged

Slide-30

groups to integrate more effectively into the development process.

Slide 31: India has always been at the forefront of the movement to protect the environment and ensure sustainability of development. Despite this, there are a number of areas of concern. The Tenth Plan has specifically taken these into account while framing the development strategy.

- ENVIRONMENT FOR SUSTAINABLE DEVELOPMENT**
- National Environment Plan to be prepared annually
 - Action Plan for reducing air and water pollution
 - Expand treatment and improve management of urban waste
 - Conservation and sustainable use of biodiversity and protection of ecologically sensitive areas
 - Universalisation of Joint Forestry Management to ensure food and economic benefits to tribals
 - Greening of degraded lands by planting medicinal plants, bamboo, jatropha etc.

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- IMPROVING REGIONAL BALANCE**
- ◆ Planning Commission's Focus is to promote balanced and equitable regional development
 - ◆ For the first time, State-wise sectoral Growth Rates determined in consultation with States
 - ◆ Separate volume on States for the first time
 - ◆ State Development Reports to lay down Road Map for accelerating growth

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Slide 32: The Tenth Plan explicitly takes into account the potentials and limitations of the different States of the country and proposes differential growth strategies for them. As I have already mentioned,

not only do we have for the first time a separate volume on the States, a number of the other sections of the Plan also address State-related

issues. We have also proposed a number of initiatives for reducing both inter-State and intra-State imbalances.

Slide 33: Although the issue of regional balance has been an integral component of almost every Five Year Plan, there has been perceptible increase in regional imbalances over the years. The extent of income disparities that exists today becomes clear from this slide.

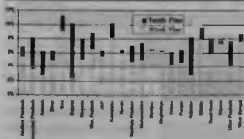


Slide-33

There are parts of our country where the per capita incomes are more than double the national average and others where it is nearly half.

Slide 34: The State-wise growth rates, which are targeted in the Plan through consultations with State Governments, attempt to narrow

STATE-WISE GROWTH: ACHIEVEMENTS AND TARGETS



Slide-34

the range in which these growth rates are distributed. Of course, there are States, which have the potential to grow faster than others, and no limitation should be placed on their efforts. At the same time, however, greater focus has to be brought to bear on the relatively slow-growing States and

regions.

Slide 35: You may recall that in the Approach Paper we had estimated that an 8 per cent growth rate would lead to the poverty ratio dropping to 21 per cent by the end of the Plan. We now believe

that it may be possible to bring it down to nearly 19 per cent with the regionally differentiated strategy proposed in the Plan. Nevertheless, there will still be a number of States where the incidence of poverty will continue to be high. Most of the other States, however, should be well on the way to eradicating poverty by the end of the Eleventh Plan period.

Slide 36: These estimates provide yet another compelling reason to bring about greater regional focus both in our strategy and

POVERTY RATIOS		
1	Bihar	43.18
2	Orissa	41.04
3	Sikkim	33.78
4	Assam	33.33
5	Tripura	31.88
6	Nagaland	31.86
7	Meghalaya	31.14
8	Manipur	30.52
9	Madhya Pradesh	29.52
10	Arunachal Pradesh	29.33
11	Uttar Pradesh	24.67
12	Mizoram	20.76
13	West Bengal	18.30
14	Maharashtra	16.18
15	Rajasthan	12.11
16	Andhra Pradesh	8.49
17	Karnataka	7.85
18	Pondicherry	7.72
19	Tamil Nadu	6.61
20	Andaman & Nicobar Island	5.82
21	Lakshadweep	4.59
22	Kerala	3.61
23	Himachal Pradesh	2.00
24	Haryana	2.00
25	Gujarat	2.00
26	Punjab	2.00
27	Chandigarh	2.00
28	Jammu & Kashmir	Not available
29	Daman & Diu	Not available
30	Goa	Not available
31	Delhi	Not available

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IMPROVING REGIONAL BALANCE

Other steps in this regard include:

- * Rashtriya Sam Vikash Yojana - Special Plans for (i) Most Backward districts (ii) Bihar (iii) KBK region of Orissa and a Reforms agenda
- * Special focus on the North East
- * On-Farm Water Management for Eastern India

Slide-36

to our anti-poverty programmes. The Tenth Plan proposes a number of steps for bringing about such focus on backward areas.

Slide 37: As I mentioned at the very start, reforms for improvement of efficiency lies at the heart

of the Tenth Plan. In particular, we believe that the States need to be provided incentives in order to carry out the requisite reform agenda and several steps have been proposed in this direction.

ENHANCING THE IMPACT OF PLANNING

Some Major initiatives include:

- * Core plan strategy for States
- * Reform based initiatives in crucial sectors
 - ◆ Accelerated Irrigation Benefit Programme
 - ◆ Accelerated Power Development and Reform Programme
 - ◆ Medium Term Fiscal Reforms Programme
 - ◆ Urban Incentive Fund

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ENHANCING THE IMPACT OF PLANNING

- * First National Human Development Report – inter-State development analysis and benchmark
- * Better monitoring through Quarterly Progress Reviews by Members of Planning Commission
- * Zero-based budgeting resulting in reducing/converging CSSs and CSs from 360 to 188 and from 2247 to 922 respectively

Slide-38

Slide 38: We have also taken a number of initiatives, which would introduce greater focus and rationality in our planning and implementation processes.

Slide 39: Finally, the most critical factor in achieving the objectives of the Plan

is the quality of governance in the country. No matter how good the plans and programmes, they can all flounder on poor implementation. Bringing about transparency, accountability and efficiency in all our public institutions is the key to success.

Slide 40: Given the constraints of time, I have been able to give you only the key

GOVERNANCE The Essence of Success

- * Improved people's participation, especially through strengthening Panchayati Raj institutions and urban local bodies
- * Involvement of civil society, especially voluntary organisations, as partners in development
- * Enactment of the Right to Information Act
- * Civil service reforms for improving transparency, accountability & efficiency, security of tenure; a more equitable system of rewards and punishments
- * Rightsizing both the size and role of Govt.
- * Revenue and judicial reforms
- * Using Information Technology for good governance

Slide-39

elements of the Plan document, which runs into about 1600 pages. As would be evident from my presentation, action has to be taken on a wide range of issues across a very large number of sectors.

In the case of the States the two most critical areas are fiscal correction and power sector reforms, without which the availability of resources would prove to be an insurmountable hurdle. In a situation when countries are coming together for creating

a common economic space, restrictions on inter-State and intra-State trade have become anachronistic. We need to create conditions in which all citizens of our country can take advantage of the opportunities that become available. We urge upon the States to carefully review all laws, rules, regulations and procedures which retard the expression of individual entrepreneurial initiatives and remove them as expeditiously as possible.

At the Centre, it is necessary for the various Ministries to prepare a detailed list of the actions that needs to be taken both in terms of policies and programmes and to ensure that these are undertaken on a time-bound basis. Since we are contemplating a considerably greater degree of engagement between the Centre and the States in the process of reforms, the Ministries will also have to institutionalise a consultation process with the States so that both implementation and monitoring of the Plan programmes can be carried out in a spirit of cooperation.

Some of the measures, that we feel are necessary for meeting the Plan objectives, no doubt involve taking hard decisions but I am certain that with appropriate coordination between the Centre and the States and with cooperation of all political parties we can achieve the targets that we have set for ourselves and thereby meet the aspirations of our people.

THE COLLECTIVE FOCUS

FOR THE STATES

- Fiscal correction
- Power sector reforms
- Removing barriers to inter-State commerce

FOR THE CENTRE :

- Time-bound Action Plans for policies and programmes
- Monitoring reforms and programme implementation in states

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OUTCOME OF NDC MEETING ON TENTH PLAN*

As you are all aware, the National Development Council (NDC) met on Saturday, the 21st of this month and unanimously adopted the Tenth Five Year Plan. It is a source of great personal satisfaction that this meeting of the NDC was both positive and constructive. It was clear from the deliberations that the NDC shared a common determination to accelerate the growth rate of our economy in a spirit of constructive cooperation and that it considered the Tenth Five Year Plan document as a blue-print that is acceptable to all.

While announcing the unanimous endorsement of the Plan by the NDC, the Prime Minister in his concluding remarks laid stress on the implementation of the mandate of the Plan in a spirit of strong partnership between the Centre and the States. His initiative in constituting four Empowered Sub-Committees of the NDC on (a) Governance Reforms; (b) Removal of Inter-State Barriers to Trade; (c) Creation of an Investor-friendly Climate; and (d) Empowerment of PRIs has sharply focused on certain key issues in the effective implementation of the Plan. These are contentious issues and little progress can be made unless they are guided at the highest political level. We shall be moving quickly on drawing up the constitution and terms of reference of these Empowered Sub-Committees so that they can begin functioning in the shortest possible time.

The Prime Minister has also directed that a Priority Agenda of Action for 2003-04 be drawn up on the specific directions contained in the Tenth Plan document, whose time-bound implementation will be monitored by the Cabinet Committee on Economic Reforms. He briefly touched upon some of the areas that would have to be addressed in this Agenda, such as labour reforms, minimum agenda for fiscal reforms, changes in environment and forest laws, which have been highlighted by the Chief Ministers and which require a national

consensus. I have already instructed the Planning Commission to begin work on drawing up this Priority Agenda of Action so that it is ready prior to the commencement of the next financial year.

The success of our initiatives on reform-linked support to the States on irrigation, power, urban infrastructure, etc: prompted the Prime Minister to suggest that the ambit of such initiatives be broadened to include other areas as well. We have already proposed the inclusion of a reform agenda in the Rashtriya Sam Vikas Yojana, which we will carry forward with greater vigour now. In addition, I have directed the various sectoral divisions of the Planning Commission to identify the specific areas of reform, which can be brought under this discipline.

The most critical aspect of Plan implementation is that each ministry/department draws up a detailed list of action that needs to be taken in terms of both policies and programmes. We have laid emphasis on this in the Plan document and I will be taking up the matter with the concerned Ministers so that we have full clarity on the phasing of the wide range of initiatives that are needed to achieve the objectives of the Plan. Some of these will also undoubtedly find place in the Priority Agenda of Action and we will have to ensure consistency between the two.

There were of course, as was to be expected, certain other issues that were raised by the Chief Ministers, which have been mentioned in the Press Release that has been distributed to you. We will be responding to these after due consideration by the Government.

** Opening Remarks at the Press Conference on the 50th meeting of the National Development Council on 23rd December 2002 in New Delhi*