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THE PLANNING COMMISSION

A DESCRIPTIVE ACCOUNT

THE PLANNING COMMISSION
A DESCRIPTIVE ACCOUNT

H. K. PARANJPE



THE INDIAN INSTITUTE OF PUBLIC ADMINISTRATION
NEW DELHI

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FOREWORD

There has been a growing interest in recent years both within the country and abroad in the methods and processes of formulation and implementation of our national plans of development. Development is a process of continuing directed change towards constantly rising national goals; and planning is the tool for the mobilization of the necessary technical, financial, human and administrative resources for the attainment of these goals. Planning has emphasised, more than ever before, the basic problem of gearing the existing administrative organisation and practice to the requirements of carrying out the steadily increasing developmental tasks. It will be useful to find out how far the gaps between planning and implementation, that we are facing today, stem from certain inadequacies in our planning process and machinery.

Recognizing the importance of planning for development, the Five-Year programme of research and training of the Indian Institute of Public Administration, formulated in 1961, provided for a depth study of India's experience in development planning. The Ford Foundation kindly agreed in 1962 to finance the study as a part of its support to the Institute's Five-Year programme. It took the Institute some time for making arrangements for initiating this large, complex, and comprehensive study project.

In October 1963, Shri Tarlok Singh, Member, Planning Commission, suggested that the Institute should initially undertake the task of preparing a descriptive account of the Planning Commission's organisation, as a part of its proposed fuller study of the planning organisation and process. The Institute welcomed the suggestion. The Planning Commission agreed to provide facilities for the collection of data. In November 1963 Dr. H. K. Paranjape, Professor of Economic Policy and Administration, Indian School of Public Administration, was appointed Project Director of the comprehensive study. He completed the descriptive survey by the end of April 1964. The present volume contains the result of this survey. It is

the initial report in a series of studies, much wider in scope and deeper in content, which are necessary for a fuller understanding of our planning organisation and its functioning, on which Dr. Paranjape and his associates are currently engaged. Despite its limitations, this descriptive monograph, it is to be hoped, will be of some interest and use to all those interested in problems of planning and administration. There has hardly been any recent development in the sphere of governmental organisation, in India, comparable, in its practical importance and general significance, to the growth of the Planning Commission.

We are grateful to the Planning Commission, in particular to Shri Tarlok Singh, for their co-operation and support in this study. As is the case with our other publications the responsibility for the presentation and analysis is that of the author, and not of either the Institute, which sponsored the study, or the Commission, which supported it.

J N. KHOSLA
Director.

September 1, 1964
Indian Institute of
Public Administration,
New Delhi.

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I am grateful to Shri Tarlok Singh, Member, Planning Commission, who suggested that this work may be undertaken and provided continuous support and help in conducting it. With his unique knowledge about the Commission, his advice and guidance were invaluable in preparing this account.

From the time this work was undertaken, the Planning Commission gave me all the necessary facilities for conducting it. I am grateful to the Commission, and specially to Shri Asoka Mehta, Deputy Chairman, and Shri T. P. Singh, Secretary, of the Commission for this co-operation.

A large number of officers in the Planning Commission, both on the technical and the administrative sides, rendered valuable help by furnishing the material and data that I required for compiling this account and also by checking the sections of the first draft relating to their units and suggesting modifications. The Statistics and Surveys Division helped me in preparing the statistical analysis regarding staff and expenditure. Shri B. N. Datar, Shri Pitambar Pant, Shri R. P. Sachdev, Dr. S. R. Sen and Shri T. P. Singh were kind enough to go through the first draft and made valuable suggestions for improving it. I also had the benefit of discussing certain aspects of the Commission's organisation with Shri C. D. Deshmukh, Shri S. S. Khera, Shri G. L. Nanda, Dr. V. K. R. V. Rao, Shri T. N. Singh and Shri L. P. Singh. I am grateful to all of them. I am also grateful to Prof. V. K. N. Menon, our former Director, and Dr. J. N. Khosla, our present Director, for their encouragement and help.

Shri Eashwar Rao, Research Scholar at the Indian School of Public Administration, assisted me in the earlier stages of this work. Shri B. D. Chopra, my stenographer, has had to work specially hard to get this work completed.

In expressing my gratitude to the Planning Commission and to all these persons, I should not be assumed as making them

share the responsibility for any errors that may be found in this Descriptive Account; the responsibility for the presentation and analysis of data provided in this Account is entirely mine. I should add that this work is only the initial and preliminary step in a larger study-project on "India's Experience in Development Planning" that the Institute has undertaken on the basis of a financial grant given by the Ford Foundation.

H. K. PARANJAPE

Indian Institute of Public Administration,
New Delhi, April 30, 1964.

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INTRODUCTION

This monograph attempts to provide a descriptive account of the organisation of the Planning Commission of India. The intention is to provide information about how it came to be set up, how it has evolved in the fourteen years since it was set up and what its organisation looks like at the time this is being written, *viz.*, March, 1964.

As the sub-title of the monograph - "A Descriptive Account" — indicates, our purpose here is to provide facts about the Commission and not to evaluate its working. To observe certain limits regarding the dimensions of a monograph of this kind, some selection is inevitable; it is also necessary to arrange factual data in such a manner as to make it possible for the reader to answer certain obvious questions. Thus some exercise of the author's discretion becomes inevitable even in a descriptive account. But except for this, the maximum possible attempt has been made to eschew any evaluation or judgment. If some comment of that kind has crept in, that should be treated as incidental and inadvertent.

A logical corollary of this approach is that when the evolution of the Commission and its different units and aspects is described, together with the thinking that lay behind the decisions that were taken, only the alternative approaches suggested and the decision finally taken are explained. No attempt is made to evaluate the decisions or their implementation. Similarly, in describing the work of the various units of the Commission, we have confined ourselves to indicating what the functions assigned to the units are. We have not examined to what extent and in what manner these functions are being carried out.

Such information about the organisation of the Commission was not fully available up to now in any one document. Some information on this was available in articles written by senior

officers of the Commission.¹ A connected account was provided in a mimeographed document entitled "Organisation and Working of the Planning Commission", prepared in 1958 by Shri P. P. Agarwal, who was then a Joint Secretary in the Commission. Some information about the Commission is also available in other documents relating to Indian Planning such as the Report of the Estimates Committee of Parliament on the Planning Commission² and a work entitled "Fundamentals of Planning In India" written by the late Shri V. T. Krishnamachari.³ The Commission has recently published a brochure entitled "The Planning Process"⁴ which gives a brief account of the whole process of planning in India including the role played by the Commission. But none of these was written for the purpose of providing a connected and historical account of the Commission's organisation. The necessity of such an account has been felt for long

India's economic development and her plans have aroused considerable interest all over the world because of the attempt to carry out planned economic development in a political set up based on parliamentary democracy and a federal structure and that too in a country of continental dimensions and having a level of national income that is one of the lowest in the world. As a part of this, the Planning Commission, the principal instrument for devising Indian plans, has also aroused considerable interest.

The Five Year Plans have become one of the major topics of public thinking and discussion in India. As a result, the

¹ Tarlok Singh : "Administrative Relations in Planning", *Indian Journal of Public Administration*, Vol. I (1955), pp. 137-151.

P. P. Agarwal : "The Planning Commission", *Indian Journal of Public Administration*, Vol. III (1957), pp. 333-345.

S. R. Sen : "Planning Machinery in India", *Indian Journal of Public Administration*, Vol. VII (1961), pp. 215-235.

² Estimates Committee, 1957-58 (Second Lok Sabha), Twenty-first Report, Planning Commission; New Delhi, 1958.

³ V. T. Krishnamachari : *Fundamentals of Planning in India*; Bombay, 1962.

⁴ Government of India, Planning Commission : *The Planning Process*; Delhi, 1963.

Planning Commission has also come to be an important focus of public debate. The discussion and evaluation have ranged all the way from fulsome praise to severe condemnation. Fears had been expressed even before the Commission was set up that it may become a "parallel cabinet". Similar fears have continued to be expressed from time to time. Criticism has also been levelled at the Commission by academics, journalists and others and also by the Estimates Committee of Parliament and by individual Members of Parliament regarding its composition and manner of functioning, the growth of its staff and the increase in its expenditure.

To analyse the actual working of the Planning Commission would require a study much more elaborate than this one. Such an analysis would also be incomplete without a study of the planning machinery in the country as a whole. The Indian Institute of Public Administration is now undertaking such a full-scale study. But as an essential preliminary task, it was considered worthwhile to collect basic facts about the organisation of the Commission together in a systematic way. These have been presented in this monograph. It is hoped that this presentation will help all interested persons to understand the organisation of the Commission and that the availability of these essential facts will help public discussion about the plans and the planning machinery to be better informed and thus more fruitful.

The Descriptive Account is presented as follows:

After giving a resume of the main events that led to the setting up of the Commission (Chapter I), we describe the composition of the Commission at its highest level, *i.e.*, its Members (Chapter II) and indicate how work is organised at this level. The relationships between the Commission on the one hand and the Union Governments, the State Governments and the Parliament on the other and the various links between them are described in the next chapter (Chapter III). We then trace (Chapter IV) the evolution of the organisation of the Commission, the original structure, the various ideas and prescriptions put forward at periodical reviews and the changes

both in the size and the structure of the organisation from time to time. In the next chapter (Chapter V) the principal units of the Commission and its associated agencies are described—how they evolved, what functions have been prescribed for them, how they are organised and with what agencies—official and non-official—they collaborate in their work, including any special advisory bodies that the Commission may have set up for assisting it in the functions relating to the subjects handled by the units. In the next two chapters, information is given about the Personnel (Chapter VI) and the Expenditure (Chapter VII) of the Commission; information is provided both about the overall growth in staff and increase in expenditure and about the changes in the staff structure and expenditure pattern. Details of factual information and statistical data and analysis are presented in a series of appendices at the end of the monograph.

I. THE GENESIS OF THE PLANNING COMMISSION

Early History

The importance of planning for carrying out the task of economic and social transformation had come to be emphasised in India from the early thirties. In 1934, Shri M. Visveswaraya had published a Ten Year Plan with the objective of doubling the national income.¹ Five years later, in 1938, at a conference of the Provincial Ministers of Industries held under the Chairmanship of the then Congress President, Shri Subhash Chandra Bose, a resolution was passed which stated that industrialisation was essential for meeting the problems of poverty, unemployment, national defence and economic regeneration and a comprehensive scheme of national planning had to be formulated as a step towards such industrialisation. The Conference also recommended that a commission called the All India National Planning Commission should be appointed for this purpose and that it should consist of representatives of the Governments of Provinces and States in the country, the Federation of Indian Chambers of Commerce and the All India Village Industries Association. The Conference also decided to appoint a Planning Committee with a view to doing preliminary work regarding the preparation of a National Plan. It was contemplated that the members of this Committee would also be appointed later as Members of the proposed All India National Planning Commission.

A National Planning Committee was then constituted by the President of the Congress with Shri Jawaharlal Nehru as Chairman. Shri K. T. Shah was appointed Honorary General Secretary. The Committee discussed certain basic issues about economic policy and planning in its plenary sessions and also appointed 29 Sub-Committees to study and report on different sectors of the economy and on certain special problems relating to national planning. Though the work of the Committee was interrupted with the outbreak of the Second World War and

¹ M. Visveswaraya : *Planned Economy for India* (Second edition); Bangalore, 1936. The First edition was published in December, 1934.

the arrest and imprisonment of its Chairman, a number of Sub-Committees prepared reports relating to their respective fields, some in 1939 and 1940 and some others in 1945 and 1946. These reports and the work of the Committee generally led to considerable discussion and interest in the problems of national planning.

Another important development was the publication in 1944 by eight prominent Indian industrialists of "A Brief Memorandum Outlining a Plan of Economic Development for India". The object of the Memorandum, as the authors put it, was merely "to put forward, as a basis of discussion, a statement in as concrete a form as possible, of the objectives to be kept in mind in economic planning in India, the general lines on which development should proceed and the demands which planning is likely to make on the country's resources". The authors' idea was to publish their views "regarding some of the more fundamental aspects of planning so as to stimulate discussion and criticism" of their proposals.² This document aroused a great deal of interest and helped further to emphasise the importance of planning for the economic betterment of the country. About the nature of the planning organisation, it was indicated in the Memorandum that there should be under the Central Government a national planning committee in which the various interests concerned would be represented and to which the responsibility for drawing up the plans would be delegated. The actual execution of the Plans would be the function of a supreme economic council working alongside the national planning committee under the authority of the Central Government.³

Two other documents that also aroused some interest at that time were "The Peoples' Plan" prepared by the Indian Federation of Labour under the leadership of Shri M. N. Roy and "The Gandhian Plan" prepared by Shri Shriman Narayan.

Another significant development during this period was the increasing awareness shown by the Government of India of the importance of preparing development plans for post-war

² Sir Purshotamdas Thakurdas and others: A Plan of Economic Development for India; Bombay, 1944, pp. 1 & 2.

³ *Ibid.*, pp. 2 & 3.

reconstruction. Post-war Reconstruction Committees were appointed both by the Central Government and by the Provincial Governments and development plans were prepared under their auspices. Study reports were prepared regarding the problems of development in different sectors, the more well-known amongst which were the Burns Memorandum on the technological possibilities of agricultural development, the reports of various industrial panels on the development of particular industries, a report on the Location of Industry in India by the Economic Adviser to Government, the Report of the Bhore Committee on Medical and Health programmes and the Sargent Report on educational development. The Government of India had also created in 1944 a Planning and Development Department for co-ordinating the work regarding post-war reconstruction.

Advisory Planning Board

The process of the transfer of power from Britain to India began with the appointment in September, 1946, of an interim government under the leadership of Shri Jawaharlal Nehru. An Advisory Planning Board was appointed by the Interim Government in October, 1946, with Shri K. C. Neogy as Chairman, for reviewing the work that had already been done in the field of planning and to make recommendations for the future including the future machinery for planning. The Board, in its Report submitted in December, 1946, recommended the appointment of a single, compact and authoritative organisation for the purpose of planning. The Board also suggested that the proposed Planning Commission should be mainly advisory in character, the final decisions resting with Government; only in the allocation of scarce material resources was the Commission's decision to be final, and subject only to an appeal to Government. The Commission was to be a non-political body whose members would not fluctuate with changes in political fortunes. It was further suggested that in many matters it would be necessary for the proposed Commission to call in other persons for advice and consultation and to set up Committees of Experts to assist it. "In regard to certain of these matters, e.g., those connected with

the development of Agriculture, Industry, Transport, etc., it might even be made obligatory on the Commission to consult representatives of the interests concerned. In regard to the planning of industries which relate to Defence requirements, it would be essential for the Commission to work in close contact with the Defence Committee of India".⁴

It was specifically recommended that a consultative body of 25 to 30 members should be set up which would meet half yearly or, if necessary, quarterly. The body was to consist of the Members of the Planning Commission, representatives of the Provinces and States and also representatives of agriculture, industry, commerce, labour, science and other interests. The Commission was to lay progress reports before this body, and matters requiring co-operative action by voluntary agreement could also be conveniently discussed by this body. The consultative body was to be authorised to initiate discussion on any subject and to make specific recommendations for consideration by the Planning Commission. The Board also mentioned that the proposed Commission would have to be in close touch with bodies like the Scientific Consultative Committee, the Tariff Board and the Central Statistical Office.⁵

One of the members (Prof. K. T. Shah) had raised the question of the procedure by which the proposed planning machinery was to be created—by specific legislation, by executive orders or by the process of evolution, convention or *ad hoc* agreement. He had suggested that the best procedure would be to establish this machinery through legislation.⁶

1947 to 1950

By the time the Report of the Advisory Planning Board was available, the Muslim League Party had joined the Interim Government⁷ and no progress was then possible regarding

⁴ Report of the Advisory Planning Board, Delhi, 1947, p. 24.

⁵ The Report pointed out that a Central Statistical Office did not exist; but it was vitally necessary for planning to create it. See *ibid.*, p. 25.

⁶ *Ibid.*, pp. 55-57.

⁷ The appointment of the Advisory Planning Board was announced on the same day as the swearing-in of the Muslim League members of the Interim Government, *wz.*, October 26, 1946.

the setting up of a planning organisation because of the basic difference of approach between the Congress and the Muslim League wings of Government. The partition of the Indian sub-continent at the time of Indian Independence in 1947 and its aftermath created difficult problems for the new Government of India and this delayed any constructive and long-term approach to economic problems. Some initial steps towards development planning were taken through the setting up of Economic and Statistical Units attached to the Cabinet Secretariat. The Cabinet also appointed an Economic Committee of its own and, to advise it, an informal Committee of Secretaries also began to function. Committees of statisticians and economists working in Government Departments were also set up to advise Government. However, no machinery for drawing up an overall plan for the country was created for over three years after the Report of the Advisory Planning Board.

The idea that a planning organisation was needed in the country however gathered increasing support. The All India Congress Committee had emphasised the importance of "planned Central direction" in a resolution passed by it in November, 1947. The Economic Programme Committee appointed by this body under the Chairmanship of the Prime Minister, Shri Jawaharlal Nehru, recommended in 1948 that a permanent Central Planning Commission should be appointed for the purpose of advising and assisting Congress Governments in the practical steps that should be taken for implementing the programme that the Committee had recommended.⁸ The Working Committee of the Congress Party in a resolution passed in January, 1950, recommended to the Government of India that a statutory Planning Commission should be set up.

Dr. Solomon Trone, who had been requested by the Prime Minister to advise him on certain aspects of the Indian economic problem, seems to have made a series of proposals in 1949 about the economic development of India. Among these proposals, an important one was regarding the

⁸ All India Congress Committee : *Report of the Economic Programme Committee, 1948*; Delhi, p. 23.

formulation of a small expert body with authority to prepare a five-year plan under the Prime Minister's supervision, with a number of regional and functional planning groups organised throughout the country. He envisaged that this agency should have a relatively free hand in implementing the plan though it would be ultimately responsible to the Cabinet.⁹ In a Press Conference addressed by the Prime Minister early in January, 1950, he mentioned in connection with questions about Dr. Trone's report that it was proposed to have some kind of a planning machinery for overall planning for the country. He indicated that Dr. Trone's findings had only supported what the Government had been thinking for some time, viz., that it was essential to create machinery for overall planning.¹⁰

The Setting-up of the Commission

The Government's intention to establish a Planning Commission was announced in the President's Address to Parliament at the end of January, 1950.¹¹ The President mentioned that the Planning Commission was to be established "so that the best use can be made of such resources as we possess for the development of the nation". The importance of statistical information for planning was recognised and it was therefore simultaneously announced that the Government proposed to establish a Central Statistical Organisation. The actual announcement of the composition of the Commission was made by the Central Finance Minister in his Budget speech on 28th February, 1950.

The Planning Commission was established by a Resolution of the Government of India dated 15th March, 1950.¹² "For some years past", the Resolution said, "the people of India have been conscious of the importance of planned development as a means of raising the country's standard of living".

⁹ See M. Brecher : *Nehru, a Political Biography*; London, 1959, p. 515.

¹⁰ Press Conference addressed by the Prime Minister on Friday, January 6, 1950.

¹¹ Parliamentary Debates (India), Part II, Volume I, 1950, p. 24.

¹² Government of India, Cabinet Secretariat, Resolution No. I-P (C)/50.

“During the last three years”, the Resolution further said, “the Centre as well as the Provinces have initiated schemes of development but experience has shown that progress has been hampered by the absence of adequate co-ordination and of sufficiently precise information about the availability of resources’. As a result of various problems that the country was facing, “the need for comprehensive planning based on a careful appraisal of resources and on an objective analysis of all the relevant economic factors has become imperative. These purposes can best be achieved through an organisation free from the burden of the day-to-day administration, but in constant touch with the Government at the highest policy level”.

The Resolution referred to the Constitution of India, and especially to certain Directive Principles of State Policy, and stated that in view of these and the “declared objective of the Government to promote a rapid rise in the standard of living of the people”, a Planning Commission was being set up with the following functions:

- (1) make an assessment of the material, capital and human resources of the country, including technical personnel, and investigate the possibilities of augmenting such of these resources as are found to be deficient in relation to the nation's requirements;
- (2) formulate a Plan for the most effective and balanced utilisation of the country's resources;
- (3) on a determination of priorities, define the stages in which the Plan should be carried out and propose the allocation of resources for the due completion of each stage;
- (4) indicate the factors which are tending to retard economic development, and determine the conditions which, in view of the current social and political situation, should be established for the successful execution of the Plan;
- (5) determine the nature of the machinery which will be necessary for securing the successful implementation of each stage of the Plan in all its aspects;

- (6) appraise from time to time the progress achieved in the execution of each stage of the Plan and recommend the adjustments of policy and measures that such appraisal may show to be necessary; and
- (7) make such interim or ancillary recommendations as appear to it to be appropriate either for facilitating the discharge of the duties assigned to it or on a consideration of the prevailing economic conditions, current policies, measures and development programmes, or on an examination of such specific problems as may be referred to it for advice by Central or State Governments.

The Resolution indicated that the Commission would be essentially an advisory body and would make recommendations to the Cabinet. "In framing its recommendations", the Resolution stated, "the Commission will act in close understanding and consultation with the Ministries of the Central Government and the Governments of the States. The responsibility for taking and implementing decisions will rest with the Central and the State Governments". The Resolution expressed confidence that the States would give the fullest measure of help to the Commission so as to ensure the maximum co-ordination in policy and unity in effort. It stressed the importance of the work of the Commission for the future welfare of the people in every sphere of national life and emphasised that its success would depend on the extent to which it enlisted the association and co-operation of the people at all levels. The Government therefore expressed the hope that in carrying out this task, the Commission would receive the maximum support and goodwill from all interests and, in particular, from industry and labour.

II. THE MEMBERS OF THE COMMISSION

Composition of the Commission

The Advisory Planning Board had suggested the setting up of a single and compact organisation for the purpose of planning, *i.e.*, for (1) scrutiny and co-ordination of States' Plans; (2) formulating Plans for the development of major industries and important minerals; and (3) making recommendations for State aid to and control of Industry, Monetary and Financial Policy, Trade—both internal and external etc. It also expected this body to review the implementation of the plans and to suggest adjustments and modifications in them

As regards the organisation, the Board had suggested that it should take the form of a small full-time Planning Commission, composed of between three and five members and furnished with all the necessary secretariat facilities and with appropriate technical assistance. It was to be responsible to the Cabinet or to a Committee of the Cabinet, and not to any one Minister.

As regards the composition of the Planning Commission, the Advisory Planning Board had stated as follows:

“it has been suggested that the Chairman should be a senior Minister, holding no portfolio, like the Lord President of the Council in England. Some of us think that such an arrangement has much to commend it, but are doubtful whether in view of the existing political conditions in India, it would be practicable; while others think that it is better in any case to dissociate the Commission entirely from the vicissitudes of politics. We recommend, therefore, that no Minister should be a Member of the Planning Commission and that it should be, as far as possible, a non-political body, whose Members will not fluctuate with changes in political fortunes.”¹

¹ *Op. cit.*, p. 24.

If the Planning Commission was to consist of five Members, it was suggested that its composition should be as follows :

- (1) A person of standing with general experience of public affairs, who would be the Chairman.
- (2) Two non-officials with knowledge and experience of industry, agriculture or labour.
- (3) A government official with knowledge and experience of finance and general administration.
- (4) A person eminent in the field of science and technology.

Alternatively, if a body of only three Members was to be appointed — and some members of the Board thought that such a body would be more compact and effective—its composition might be:

- (1) A person of standing with general experience of public affairs, who would be the Chairman.
- (2) A non-official with knowledge and experience of industry.
- (3) A government official preferably with some experience of finance.

An alternative approach that was sometimes suggested was that the Planning Commission should have a very close relationship with the Cabinet and that the best way to ensure this would be to have some of the senior Ministers as Members of the Planning Commission. This, it was thought, would give the Commission sufficient prestige and authority to ensure maximum co-operation between the Commission and various Governmental organisations and also help the Commission by keeping it in touch with the main trends of thinking at the highest levels in Government.

¹ The actual composition of the Commission⁴ seems to be an attempt at a compromise between these two approaches. At the beginning, the composition leaned more on the side of the suggestions of the Advisory Planning Board. The Prime Minister constituted the only link with the Cabinet. All the other Members were working full time for the Commission. The first Deputy Chairman, Shri Gulzarilal Nanda, was a long

⁴ For a list of the past and present Members, see Appendix A(1).

time political worker in the Congress Party with considerable experience of labour organisation and labour administration, particularly as Labour Minister in a State. Of the other four Members, one (Shri V. T. Krishnamachari) was a veteran administrator with long experience of administration both in British India and in Princely States. He had also worked as the Chairman of the Fiscal Commission (1949) and the States Finances Enquiry Committee (1948-49). The second one (Shri C. D. Deshmukh) was a retired officer of the I. C. S. with experience of general and financial administration and in addition had worked as the Governor of the Reserve Bank of India for many years. The third one (Shri G. L. Mehta) was a person with long experience as a business executive and had worked as the President of the Indian Tariff Board (1947-50). The fourth one (Shri R. K. Patil) was at one time an officer of the I.C.S., had later worked in the Congress Party and was known as a constructive worker, had experience of working as a Minister in a State and was working as Food Commissioner to the Government of India when he was appointed to the Commission.

Minister-Members

However, this composition soon underwent a change, not so much because of any pre-conceived thinking about the necessary pattern of membership as because of *ad hoc* considerations. Within three months of the appointment of the Commission, one of the Members (Shri C. D. Deshmukh) was appointed Finance Minister. It was decided that he should continue to be a Member of the Commission.³ Since that time, a convention has grown up that the Union Finance Minister

³ His predecessor as Finance Minister, Dr. John Mathai had not been appointed a Member of the Commission; as a matter of fact, the role of the Commission seems to have been one of the points of difference that led to Dr. Mathai's resignation. In a speech at Trivandrum on June 1, 1950, the Prime Minister had mentioned that Dr. Mathai's resignation had been due to his opposition to the formation of the Planning Commission with which he was not in sympathy, and whose creation he regarded as neither desirable nor necessary at that stage. He added that whereas he had felt himself bound, in the matter of the Planning Commission, to carry out the policy enunciated by the Congress Working

should be a member of the Commission. Thus, when Shri C. D. Deshmukh resigned as Finance Minister, he also resigned from the Commission. This tradition has been continued, every succeeding Finance Minister being appointed a Member of the Commission.

In 1951, the hitherto full-time Deputy Chairman (Shri G. L. Nanda) was appointed Union Minister of Irrigation and Power. Shri Nanda also continued to be Deputy Chairman (till 1953) and Member of the Planning Commission. At the same time, it was decided to have a Minister of Planning mainly to act as a spokesman of the Commission who would be answerable to Parliament about the Commission's work and Shri Nanda was appointed as Minister of Planning. One can now say that it has become a convention that the Union Minister of Planning should be a Member of the Commission. Shri Nanda continued to be a Member of the Commission and the Minister of Planning even after his other portfolios underwent a change from Irrigation and Power to Labour and Employment, and then to Home Affairs. In 1963, Shri B. R. Bhagat was appointed in place of Shri Nanda as Minister of Planning and also as a Member of the Commission.

In addition to the Finance Minister and the Minister of Planning, other Union Ministers have been appointed from time to time as Members of the Commission on special considerations. Even after Shri Nanda ceased to be Minister for Planning, he has continued to be a Member. Thus his appointment as Member can be seen to be not necessarily related to the portfolio allotted to him or the position occupied by him *vis a vis* the Commission, viz., as Deputy Chairman or as Minister for Planning. Shri V. K. Krishna Menon was appointed as a Member of the Commission when he became Minister Without Portfolio in 1956 and continued to be a Member after becoming Minister of Defence. In 1963, Shri

Committee. Dr. Mathai had felt that the Government should for the moment "go slow" and husband its resources before embarking on large scale planning. Dr. Mathai in a statement on June 2, 1950, agreed that he was opposed to the Planning Commission, which he regarded as "ill-timed and ill-conceived" and which he feared might develop into a "parallel Cabinet". (See Keesing's Contemporary Archives, 1948-1950, p. 10755).

Swaran Singh, Minister for Food and Agriculture, was appointed as a Member of the Commission. That these appointments should be treated either as personal to the individuals or as arising out of special considerations is indicated by the fact that neither Shri Menon's successor as Defence Minister nor Shri Swaran Singh's predecessor as Food and Agriculture Minister was appointed as a Member of the Commission. Another case in the same category is that of Shri T. T. Krishnamachari who was appointed as a Member of the Commission when he was appointed in 1962 as Minister Without Portfolio. He continued to be a Member of the Commission on his appointment as Minister for Economic and Defence Co-ordination and later on as Finance Minister.

It can thus be said that the position as it has developed in practice and by convention is that the Prime Minister is the Chairman of the Commission* and the Minister of Finance and the Minister of Planning are appointed *ex-officio* as Members of the Commission. In addition, other Ministers of the Government of India are appointed as Members in their individual capacities or for certain special reasons connected with the portfolios that they are holding. The total number of Minister-Members of the Commission was three from 1951 to 1956.⁴ It was four since then and it has increased to five recently.

*Shri Jawaharlal Nehru, Prime Minister, and Chairman of the Commission since its inception, died on May 27, 1964. Shri Gulzarilal Nanda, who acted as a care-taker Prime Minister, did not take charge as Chairman of the Commission. But Shri Lal Bahadur Shastri, who then became the Prime Minister, assumed charge as Chairman on June 10, 1964. The original Resolution about the appointment of the Commission had only mentioned "Shri Jawaharlal Nehru" (not "Prime Minister") as the Chairman of the Commission. The notification about Shri Shastri reads as follows:

"Shri Lal Bahadur Shastri, Prime Minister, assumed charge also as Chairman, Planning Commission .."

This supports the conclusion that it has now become the convention that the Prime Minister is *ex-officio* the Chairman of the Commission.

⁴ For a short period in 1951-52, at the time of the first General Election, all the Minister-Members of the Commission had relinquished their membership because of an apprehension that membership of the Commission might be treated as an office of profit and, therefore, as a disqualification for contesting the election. Since then, it seems to have been

Deputy Ministers

In addition to the Minister for Planning, there have been Deputy Ministers of Planning—one or two—from time to time. While the main function of the Deputy Ministers is to assist the Minister of Planning in his task of rendering an account to Parliament on behalf of the Planning Commission, for purposes of the internal functioning of the Commission, they are given all the facilities as Members. They are invited to attend all meetings of the Commission and from time to time they also hold charge of particular Divisions. This latter practice seems to have started in August, 1960, when the then Deputy Chairman (Shri Nanda) decided that the work of the Divisions which were being looked after by him would thenceforward be mainly looked after on his behalf by the Deputy Ministers and that most of the cases should be disposed of by them, only the more important cases requiring policy decisions being referred to him.

Full-time Members

As regards the full-time Members, their number has normally varied between three and seven. There have been short periods when their number was smaller, but these were essentially periods between the departure of one Member and the appointment of another. As regards the type of persons appointed as full-time Members, some information about this is given in Appendix A(2). Among the first batch of Members, there was one who had close association with private sector industry. Persons with experience of administration have always found a place on the Commission, there being no period when a person with such experience was not a Member of the Commission. Two persons, who came from a background of political work were appointed to the Commission when it was formed; one of them became a Union Minister and continued as a Member and the other resigned. Then, after an interregnum, another person of this category (Shrimati Durgabai) was appointed as a Member. Soon afterwards, another person (Shri K. C. Neogy) with a long experience of public affairs, decided that this was not necessary as these persons are appointed as Members in virtue of their position as Ministers.

including that of working as a Union Minister, was appointed as a Member. Shrimati Durgabai resigned in 1954 to take up another assignment. Shri Neogy resigned in 1958. From 1958 onwards, there have continuously been two such persons as Members of the Commission. No professional scientist or economist was appointed to the Commission as a Member in its earlier years. In 1955, the Honorary Statistical Adviser to the Union Cabinet (Prof. P. C. Mahalanobis) began to function as a *de facto* Member⁵ of the Commission and he has continued in that capacity since then. In the same year, a professional scientist (Dr. J. C. Ghosh)—who had also worked in an administrative position in Government—was appointed as a Member of the Commission. When he ceased to be a Member, a professional engineer (Dr. A. N. Khosla) was appointed and on his departure, another professional engineer-scientist (Prof. M. S. Thacker) has been appointed as a Member. In 1963, for the first time, a professional economist (Dr. V. K. R. V. Rao) was appointed as a Member. The present⁶ composition of the full-time Members (including the *de facto* Member) shows that one Member (Shri Tarlok Singh) has experience of general administration and rural development with specialised experience of plan administration for over 12 years, three (Shri T. N. Singh, Shri Shriman Narayan and Shri Asoka Mehta) of political and social work, and three (Prof. P. C.

⁵ This arrangement was made because Prof. Mahalanobis was unwilling to become a full-time Member. Cf. "The arrangement under which the Honorary Statistical Adviser to the Government of India functions as a *de facto* Member of the Planning Commission was made mainly because his close association with the work of the Planning Commission was considered to be necessary. Prof. Mahalanobis is in charge of two Divisions in the Planning Commission, the Statistics and Surveys Division and the Perspective Planning & Scientific and Technical Manpower Division. His association with the Planning Commission is helpful in making available the resources of the Central Statistical Organisation and the Indian Statistical Institute to the Planning Commission. On account of his other commitments, Prof. Mahalanobis has not felt it possible to serve in the Planning Commission on a full-time basis". [Planning Commission's O. M. No. ADMI/10(62)/59, dated 19th March, 1959, quoted in Estimates Committee (1962-63), Fifteenth Report (Third Lok Sabha); New Delhi, 1963, pp. 18-19.]

⁶ March, 1964.

Mahalanobis, Prof. M. S. Thacker and Dr. V. K. R. V. Rao)
of professional scientific and technological work.

Age of Members

Because even the full-time Members of the Planning Commission are treated as executive appointments equivalent in rank and status to those of Ministers, no minimum or maximum age limits are laid down for them. Thus we find [See Appendix A(3)] that of the full-time Members appointed to the Commission (including two, who later on became Ministers) five were in the age group of 40 to 49 at the time of their first appointment, six in the age group of 50 to 59, and seven in the age group of 60 to 69. Of these last seven, whose age at the time of appointment was above 60, six were appointed in the period between 1953 and 1962. Only one such Member was appointed before 1953. As regards Minister-Members, they being appointed as Members in their capacity as Ministers, the age at the time of appointment cannot be said to be of any special significance from the point of view of the Commission.

The age composition of the Members of the Commission in 1950, 1955, 1960 and 1964 shows [See Appendix A (4)] that the average age of all Members taken together was 55 in 1950, 63 in 1955, 64 in 1960 and 58 in 1964. The average age of full-time Members shows even a more substantial increase in 1955 as compared to 1950 (from 52 to 67). It then shows a decline to 64 in 1960 and 57 in 1964. The average age of Minister-Members was 60 in 1950 (when there was only one Minister-Member) and 1955; it was 64 in 1960 and is again 60 in 1964. Though the average age of Members of both the categories and also of all Members taken together is lower in 1964 as compared to 1960, in the case of full-time Members and also taking all Members together, the average age in 1964 is higher than in 1950.

Policy about Composition

The composition of the Planning Commission, especially in regard to the Prime Minister and other Union Ministers including the Finance Minister being Members of the Commission, has been questioned in some quarters. The

Estimates Committee of Parliament in its examination of the Commission had suggested reconsideration of the existing policy in this matter.⁷ The view taken by the Commission and the Government of India has however been that the balance of advantage lies in continuing the present practice. It has been thought that in the Indian context, planning must have the closest connection with the administration if it is not to risk becoming a more academic exercise. It was therefore desirable that Ministers should continue to be associated with the Commission. It was felt that the idea of the Commission functioning as a completely detached body was not likely to be very useful in practice and that if the Commission was out of touch with the Government for want of close association with the thinking on the broader issues of policy, it may make for ineffectiveness in planning.

Method of Appointment

The appointment of the Members of the Commission is treated as a purely executive decision. The Prime Minister decides, in consultation with the Deputy Chairman, that a particular person is to be appointed as a Member and, after consulting the person concerned, instructs the Commission to arrange for the assumption of office by the proposed Member. The only formal step taken is that on the assumption of office by a Member, a gazette notification is issued stating that the Member has assumed office. This is done invariably not only in the case of full-time Members but also in the case of Ministers who are appointed as Members. Similarly, when a Member gives up his office, a gazette notification is issued saying that he has relinquished his office as a Member of the Commission. Thus, appointment of persons as Members seems to be a matter for the Prime Minister (who is also the Chairman of the Commission) to decide and no formal reference to the Cabinet seems to be required. The President is always informed by the Prime Minister about the appointment being made.

See, in this connection, Estimates Committee (1957-58), Twenty-first Report, op. cit., pp. 7-9 and Estimates Committee (1962-63), Fifteenth Report, op. cit., pp. 16-17.

Terms of Appointment

When the Commission was set up in March, 1950, the terms of appointment were settled differently for individual Members. The basis was that the Deputy Chairman was to have the same salary, allowances and other facilities as a Cabinet Minister, and the other full time Members were to continue to have the same terms as they were entitled to in the Government positions that they were holding immediately before joining the Commission—Shri V. T. Krishnamachari as Chairman of the Fiscal Commission, Shri C. D. Deshmukh as India's Financial Representative in Europe and America, Shri G. L. Mehta as President of the Tariff Board and Shri R. K. Patil as Commissioner of Food Production. In 1953, it was decided that the salary, allowances and other facilities like housing provided to full-time Members should be the same as those prescribed for a Minister.⁸

Since then all full-time Members have been given terms of appointment in regard to salary, travelling and daily allowances, official residence, etc., on the same scale as are admissible to the Union Ministers.⁹ For purposes of leave, however, Members are treated on terms applicable to temporary employees of Government.¹⁰ All this of course applies only to the full-time Members of the Commission and not to Minister-Members, whose terms and conditions are governed by the Salaries and Allowances of Ministers Act, 1952.

Tenure

Members are appointed without any specific period being indicated regarding their tenure. No rules have been framed in regard to the term of appointment or age of retirement. Members continue in office as long as they are willing to serve the Commission and their services are considered beneficial to

⁸ In the Warrant of Precedence, full-time Members of the Commission are equated to Union Ministers of State and not to Union Cabinet Ministers.

⁹ Prof. P. C. Mahalanobis, *de facto* Member, does not receive any remuneration or allowances from the Planning Commission.

¹⁰ When retired officials of the Government have been appointed as Members, they have usually been permitted to continue to draw their pensions in addition to their pay as Members.

the Commission by the Prime Minister. As regards Minister-Members, even in the case of the Ministers for Finance and Planning in whose case it has now become a convention that incumbents of these offices are always appointed as Members of the Commission, a special notification is invariably issued about their appointment as Members. A convention has also developed that a Minister, who for any reason ceases to be a Minister, relinquishes charge of his membership of the Commission. This is obviously necessary if the ex-Minister is to continue to be a Member of Parliament, full-time membership of the Planning Commission being an office of profit under Government. No case has arisen up to now of a Minister-Member relinquishing his membership in the Commission, but continuing as a Minister.

As regards full-time Members, they seem to have relinquished their office as Member for various reasons. Leaving aside one case where a Member died while holding that office, the other Members who relinquished office seem to have done so usually for the purpose of assuming charge of some other office—Minister of State Government, Ambassador, Chairman of a Semi-Government Organisation, Governor of a State, etc. Three Members (Shri V. T. Krishnamachari, Shri K. C. Neogy and Shri C. M. Trivedi) retired after working on the Commission for ten, five and six years respectively.

In practice, of the full-time Members who have left the Planning Commission up to now, one served as a Member for less than five months; four for between one and three years; one for about three and a half years; two for between five and seven years and one for over ten years out of which for seven years he was Deputy Chairman. Of the present full-time Members, only one—the *de facto* Member—has served for over eight years. Of the others, two have served for over five years, two for about a year and a half, and two for less than a year.

The Commission has had the same Chairman from its inception, the Prime Minister having held this position from the beginning. [There is a new Chairman from June 1964.] See foot note (*) on page 17]. Three persons have acted as Deputy Chairmen up to now. Shri G. L. Nanda was full-time Deputy Chairman

for a short time and continued in that capacity for over two years after becoming a Union Minister. He gave up that position as it was thought that a full-time Deputy Chairman was necessary to look after the expanding work of the Commission. Shri V. T. Krishnamachari took over as Deputy Chairman from him and continued in that office for over seven years. On his retirement, Shri Nanda again took over as Deputy Chairman even though he was not a full-time Member and continued to hold that office for three years. Shri Asoka Mehta has taken over as full-time Deputy Chairman from December, 1963.

Functioning of the Commission

While different subjects dealt with by the Commission are distributed amongst the different Members [See Appendix A(5)] who are expected to look after and guide the activities of the Divisions and Sections dealing with those subjects, for all important matters the Commission works as a collective body. A number of formal and informal meetings are held through which the business of the Commission is transacted, the number of meetings varying according to the work that has to be disposed of. The main responsibility for carrying out the work of the Commission devolves on the full-time Members and it is they who meet frequently, formally and informally, for disposing of business. This continuous and informal contact and association is very much facilitated by the arrangements under which all Members' offices are situated in physical proximity to each other. The Honorary Statistical Adviser to Government who functions on a *de facto* basis as a Member mainly concerns himself with certain specific responsibilities that he has undertaken in the Commission. The present practice seems to be that Minister-Members usually attend only when either some subject which is of special interest to them or some important issues of general policy are to be discussed. While the actual attendance varies from Minister to Minister, it seems that in the earlier years, Minister-Members used to attend the meetings of the Commission more regularly than they do now. The Prime Minister as well as the Finance Minister then used to attend

all the important meetings of the Commission but in recent years the practice has been that they attend very few meetings. The Minister of Planning usually attends all meetings. Most other Minister-Members now seem to attend meetings only infrequently. Of course all important papers relating to the Commission's work are circulated to all members, including Minister-Members. In addition to these meetings of the Commission as such, the Deputy Chairman generally holds meetings once or twice a week with full-time Members and Heads of Divisions for reviewing the progress of work and considering important developments.

In early 1963, it was decided that regular meetings of the Commission would be held on two days in a week. One of these meetings, to be held once in a month, was to be regarded as the formal meeting which all the Members of the Commission, both part-time and full-time, were expected to attend. Other regular meetings were to be treated as informal. In addition to these regular meetings, other meetings, when necessary, were also to be held as far as possible on the same two days. It was also decided that Members will meet for informal discussions for a short time every day.¹¹ However, it seems that it has not been possible in practice fully to adhere to the system of confining the regular meetings to two days in a week.

Procedure relating to Work

As each Division or Section works in regard to particular subjects under the guidance of a Member of the Commission, most of the work done by them has to be, at some stage or the other, brought to the notice of the Member in charge. The Member in charge has invariably to be consulted regarding subjects which are required to be considered at a meeting of the Commission, major adjustments in the plans of a State Government or a Central Ministry (this has up to now been taken to mean adjustments involving a sum of Rs. 10 lakhs or more), appointments of and above the rank of Assistant Chief in the Divisions in charge of the Member and Parliamentary work relating to the Division. The Deputy Chairman,

¹¹ Planning Commission, Office Order No. 8 of April 12, 1963.

in addition to the subjects allotted to him as a Member, is concerned with general co-ordination and administration. Therefore, all matters involving a departure from the policy laid down in the Five Year Plan, all administrative matters of importance, all cases of appointments of and above the rank of Assistant Chief and all matters to be placed before the National Development Council or its Standing Committee have to be referred to the Deputy Chairman. All matters concerning discussions in Parliament or any Committees of Parliament have to be put up to the Minister of Planning or his Deputy. All cases involving financial policy or foreign exchange commitment have to be submitted to Member (Finance).

The Planning Commission as a whole considers matters of policy which include policy recommendations proposed to be made in plan documents, problems relating to the formulation of plans, large adjustments in State or Central plans (this has up to now been taken to mean adjustments involving a sum of Rs. 50 lakhs or more), formulation of the Commission's views for communication to the Government of India for the consideration of the Cabinet, problems regarding the organisation and functioning of the Commission and matters involving a departure from the policy laid down in the Plan and accepted by Government. Except for urgent cases which may be decided by circulation, most matters are decided in the regular meetings of the Commission.

The Allocation of Work among Members

From the very beginning, no special subject has been allotted to the Chairman. As regards other Members, in the earlier years the practice was that a Member looked after one subject which at that time meant one Division of the Commission.¹² As the number of Subjects and Divisions increased, the number

¹² In the early years of the Commission, a procedure prevailed under which, while one Member was in charge of a division, when a decision had to be taken and it was not considered to be of sufficient importance to bring before the whole Commission, he was expected to consult one other Member, who was given the specific subsidiary charge of that division, before the matter was decided.

looked after by each Member also increased and this addition to work seems to have devolved mainly on full-time Members. Shri C. D. Deshmukh as full-time Member (Finance) looked after Resources and Economic Survey (Div. I) and Finance (Div. II). Even after becoming Finance Minister, he continued to look after the same subjects. Later on, the work allotted to Member (Finance) was described from time to time as "Economic and Financial Resources", "Economic, Finance and Resources", "Economic Division (including Financial Resources and Foreign Exchange)", and, as at present, "Financial Resources". With the creation in 1960 of a special unit on "Economic Policy and Growth", and its allotment to the Deputy Chairman, the responsibility for work on this subject no longer remains with Member (Finance), *i.e.*, the Finance Minister. The responsibility for work relating to Foreign Exchange and Balance of Payments has been recently given to Member (Education, Social Planning and International Trade). But the Finance Minister as Member (Finance) continues to look after the subject of Financial Resources. Other Minister-Members have generally held very limited responsibilities for the working of particular Divisions of the Planning Commission. Thus, Shri V. K. Krishna Menon, when he was a Minister-Member, was looking after one Section, *viz.*, International Trade and Development.¹³ Shri T. T. Krishnamachari, when he was Minister Without Portfolio and Member of the Planning Commission, had no particular Division working under him. Shri Swaran Singh and Shri B. R. Bhagat who have recently been appointed as Members have also not been given charge of any particular subjects or Divisions. The only exception to this has been Shri G. L. Nanda who, as Minister of Planning and Member, looked after a number of Divisions even when he was not Deputy Chairman. Even now, when he has ceased to be the Deputy Chairman and also the Minister of Planning, he is looking after the Public Co-operation Division.

Full-time Members are at present designated as Member (Agriculture), Member (Industry), Member (Natural Resour-

¹³ This Section was created only after Shri Menon became a Member and it was merged with the Foreign Exchange Section of the Economic Division after a few years.

ces), Member (Administration and Transport) and Member (Education, Social Planning and International Trade) and they look after the Subjects and the Divisions indicated by these designations. The *de facto* Member, Prof. Mahalanobis, is designated as Member (Perspective Planning). General Divisions like Administration, Plan Co-ordination and Programme Administration are usually looked after by the Deputy Chairman in addition to particular Subject Divisions that he may be interested in. The Research Programmes Committee and the Economic Policy and Growth Section are being looked after by the Deputy Chairman from their inception.

The distribution of work among Members has naturally changed from time to time according to the strength and composition of the Commission. While the allotment of certain Divisions to particular Members has been obviously related to the broad field which was expected to be looked after by the Member, there are instances of Divisions or parts of Divisions being looked after by particular Members because of their special interest or historical association with that subject area. Thus, Public Co-operation has been under Shri G. L. Nanda from the inception of the Division. Similarly, Land Reforms and Public Management Studies used to be looked after by him and not, in the former case, by the Member who was mainly looking after agricultural problems or, in the latter, by the Member (Industry). The sections on Economic Policy & Growth and International Trade & Development though these are supposed to work under the general guidance of the Economic Adviser and form part of the Economic Division, have been placed under the Deputy Chairman in the former case and the Minister of Defence till he was a Member and now under Member (Education, Social Planning and International Trade) in the latter case. The section on Oil and Minerals was being looked after till recently by Member (Natural Resources), though it was a part of the Industries Division which was otherwise being looked after by Member (Industry). Transport was also being looked after by Member (Industry) and Administration by the Deputy Chairman till an additional Member was appointed to look after both these subjects. Member (Perspec-

tive Planning) looks after Scientific Research and Member (Natural Resources)¹⁴ after Natural Resources¹⁵ even though these subjects are being looked after by one Division—Resources and Scientific Research—working under a common Adviser. All social services were being dealt with by one Division in the earlier years of the Commission and were under the charge of one Member. Gradually, specialised divisions and sections came to be set up for the different services and they were divided among different Members. Thus the Member (Education) used to look after Education and Health and the Minister of Planning after Housing and Social Welfare till recently. Now all the divisions relating to labour and social services (except housing) have been brought under one Member (E. S. & I. T.). The Programme Evaluation Organisation, which was being looked after by the Deputy Chairman for long is now being looked after by Member (E. S. & I. T.) who was the Chairman of the Evaluation Advisory Board when he became a Member of the Commission.

This indicates that the distribution of subjects and Divisions among Members has not always been the result so much of a logical pattern as of historical developments and the special interests of Members. A Member who has been looking after a particular subject area many times wishes to continue to look after it even when some reorganisation takes place as a result of a change in the strength and composition of the Commission. Sometimes a particular kind of personality may be considered important for effectively doing a particular kind of work. In the case of the Land Reforms Division, for example, it was probably at one time thought important that if the basic policy supported by the Commission was to be executed in practice by State Governments, a person with considerable political influence should be in charge of the division. Members of a body of this kind have special interests in particular subject areas, and the distribution has to be related to these inter-

¹⁴ He was called Member (Education) till 6th January, 1964.

¹⁵ This seems to be a recent development. Earlier, in the times of Dr. J. C. Ghosh and Shri A. N. Khosla, the same Member used to look after both these subjects.

ests. However, the problem of distributing and re-distributing subjects seems to have occasionally given rise to difficulties resulting in delays. For example, on one occasion, it took nearly four months to finalise the distribution of work to a new Member as some question arose about whether he should take over all the subjects that his predecessor was looking after or not.¹⁶

¹⁶ It is interesting to note that recently when there was reallocation of work among Members due to some changes in Members, a revised order was issued in three days, allotting the subject of "Scientific and Technical Manpower" to one Member instead of another. (Planning Commission, Office Orders Nos. 1 and 3, dated the 3rd January, 1964 and the 6th January, 1964, respectively).

III. LINKS WITH THE UNION AND STATE GOVERNMENTS AND WITH PARLIAMENT

The Planning Commission occupies a somewhat unique position in the Indian administrative structure. By its charter it has to bear responsibility for formulating a National Plan and for recommending the policies and programmes required for its implementation. It has also to make recommendations from time to time in the light of the current situation for the purpose of ensuring that the principal objectives of the Plan are realised as best as possible. At the same time it is purely an advisory body and can only make recommendations to the Union Government and the State Governments. For most of the data required by it for formulating the Plan as well as for ensuring that the proposals are accepted and carried out, it has to depend on the close co-operation, collaboration and goodwill of the Union Government and the State Governments.

On the other hand, because of the position that the Plans have come to occupy in the economic and administrative life of the country, the Union Ministries and the State Governments have also come increasingly to depend on the Commission for support and advice. Because of the importance that has come to be attached to the advice of the Commission in matters relating to economic policy and development, a convention has grown up that important proposals relating to the economic field should be referred to the Commission for advice. Because of various factors into which we need not go here, the State Governments have come to rely increasingly on the Union Government for financing their development plans and the recommendations of the Commission carry considerable weight in the Union Government's decisions about such assistance.

As a result of these developments, from the point of view of the Planning Commission and that of the executive organs both at the Union and the State levels, close understanding and co-ordination between them are required if they have to carry out their functions efficiently. The organisational links

between them thus have considerable significance. We propose to explain in this Chapter the principal organisational devices that have been developed for this purpose.

UNION GOVERNMENT

As mentioned earlier, at the very inception of the Commission, it was decided that the Prime Minister should be its Chairman. Thus a link was provided at the highest levels between the Cabinet and the Commission. With other Ministers coming to be appointed as Members of the Commission, such links have increased. The fact that the Minister for Finance is also the Member in charge of financial resources in the Commission is expected to help in ensuring that on one of the most difficult aspects of planning— that of resources

there is close connection and liaison between the Government and the Commission. This does not, however, mean that the views of the Commission are binding on the Government. The Prime Minister, especially in recent years, attends only a few meetings of the Commission dealing with problems of overall policy and thus maintains a certain amount of detachment from its day to-day work. The Finance Minister usually attends meetings that are concerned with key problems of economic and financial policy but it is understood on both sides that his membership of the Commission and his participation in its deliberations does not commit the Ministry of Finance to the proposals put forward by the Commission. The advantage claimed from these arrangements is, therefore, not that the Commission's views are automatically accepted by the Cabinet but that there is a possibility of co-ordinated thinking at various stages so that there is not much room left for controversies and difficulties that may delay plan formulation and implementation.

In order to help the process of mutual understanding and co-ordinated thinking, a convention has been established that whenever the Planning Commission is considering any matter which directly concerns one or more Ministries, representatives of those Ministries are closely associated with its deliberations and are usually invited to participate in its meetings. There is also a convention that the Deputy Chairman

is invited to attend all meetings of the Economic Committee of the Cabinet; other Members are also invited to attend the meetings of the Economic Committee when any proposals relating to their respective fields of works are taken up for consideration.

At the official level, till recently, the principal formal link between the Government of India and the Commission was expected to be provided through the Secretary to the Cabinet who, from the very inception of the Commission, had been the *ex-officio* Secretary to the Commission. Even though the participation of this officer in the actual working of the Commission used to vary according to the interest and aptitude of the particular officer and also his other responsibilities and preoccupations, the Government's approach up to recently had been that by and large this arrangement was a useful one. The fact that the Prime Minister is the Chairman and the Cabinet Secretary, who is one of the most senior officers in the country's Civil Services, was the Secretary of the Planning Commission might have also been considered to be useful at least in the early stages of the Commission to establish its status and position *vis-a-vis* the more established Ministries and Departments of the Government of India. The question whether it was worthwhile to have this kind of common official at the highest level had been posed from time to time and the Estimates Committee amongst others had suggested that this was not necessary.¹

The advantages claimed from this arrangement were that "the Secretary of the Commission being also the Cabinet Secretary was able to get the views of the Ministries and in his dual capacity could do things by way of discussion on difficult questions at official level at the meetings of Secretaries, etc." The Estimates Committee had further been informed that "there was also some difficulty in getting a person who would make a good Secretary and if a suitable person could be got, it should be possible to have a separate Secretary". It was however thought at that time that the balance of advantage was in favour of this arrangement of the Cabinet

¹ See Estimates Committee (1957-58), *op. cit.*, pp. 9-10 and Estimates Committee (1962-63), *op. cit.*, pp. 2-3.

Secretary being the Secretary of the Commission. The Estimates Committee considered that such an arrangement was neither necessary for high level contacts nor conducive to efficiency. This arrangement, in its opinion, left very little time for the Cabinet Secretary to give adequate attention to the Commission. The Government in its reply mentioned that it accepted the principle underlying the Committee's recommendation. At one time, in 1958, it was almost decided that there should be a whole-time Secretary. But the Government then decided to appoint an Additional Secretary to the Commission to relieve the Cabinet Secretary of many of his duties in relation to the Commission. This arrangement was expected to enable the bulk of the work of the Secretary to be done by the full-time Additional Secretary while permitting the continued association of the Cabinet Secretary with the Commission's work in a capacity which could enable him to co-ordinate its work with other Ministries and also facilitate contact between the Commission and the Cabinet.

In January, 1964, this practice was given up and a full-time Secretary to the Commission was appointed.

Another important link between the Union Government and the Commission used to be that the Chief Economic Adviser of the Ministry of Finance was also the Economic Adviser of the Commission. This development seems to have been partly fortuitous in that the first incumbent of the post was already working in the Commission as the Chief of the Economic Division and it was thought worthwhile by the then Minister of Finance, who was also Member (Finance), to use him as Chief Economic Adviser in the Ministry also. The succeeding Finance Ministers also seem to have thought that having a common adviser in both their functions was useful. Thus even when the first incumbent of these posts left, the practice was continued in the case of his successor. However, it has recently been decided that these posts should be separated. The Commission would in future have a full-time Economic Adviser.

There are two other cases of officers performing dual functions. The Chief of the Labour and Employment Division in the Commission is also working as Labour Adviser in the

Ministry of Labour and the Joint Secretary in charge of the Land Reforms Division in the Commission is also Joint Secretary in the Department of Agriculture. Both of them were initially working only in the Commission. In the case of the Chief of the Labour and Employment Division, the decision that he should also work for the Ministry was taken at a time when the Member in charge of this Division was also the Minister for Labour. In the case of the other officer, this arrangement was arrived at without there being any such link at the Minister-Member level. Anyway these arrangements seem to be somewhat special in character and it does not seem as if this will provide a pattern of the future links between the Government of India and the Commission.²

Another way in which close links are maintained between the Union Government and the Commission is through the membership held by officers of the Commission on various Committees of the Government and *vice versa*. For example, the Secretary of the Commission attends (and when the Commission did not have a full-time Secretary, the officer who was the full-time executive head of the Commission's administration used to attend) the meetings of the Economic Secretaries of the Government. Officers of the Commission work as

² The Estimates Committee had criticised these arrangements and had said: "The Committee feel that it is neither in the interest of efficiency of the work of the Planning Commission nor fair to the officers themselves that they should be required to play a dual role by working part-time in the Ministry and in the Planning Commission. They are of the view that the officers who are engaged in Planning should be free from the burden of day-to-day administration. Even though Planning has to be done in close co-ordination with practical administration, it requires a freshness of outlook and independence of judgment which are difficult to secure if officers have to serve simultaneously both the Planning Commission and the administrative Ministries. The Committee would, therefore, suggest that except when it is unavoidable, officers should be full-time in the Planning Commission". The Commission, while agreeing with the principle enunciated by the Committee, had said that in the cases of the Economic Adviser, the Chief of the Labour and Employment Division and the Chief (as he then was) of the Land Reforms Division, the existing arrangements were desirable in the mutual interest of the Commission and the Ministries concerned and that any alternative arrangements, in its view, would be less satisfactory. See Estimates Committee (1962-63), *op. cit.*, pp. 19-20.

Members of various Committees of Government. An important example is that of a Committee on Price Stabilisation that has been set up by the Government with the Secretary, Department of Economic Affairs, as Chairman and the Chief, Economic Growth and Policy Section of the Commission, as Secretary. Senior officers of Government are members of the Working Groups appointed by the Commission for the formulation of both Five Year and Annual Plans.

One of the essential requirements for effective planning is the availability of statistical data. The Central Statistical Organisation of the Government of India, which was organised at the same time as the setting up of the Commission, works in close relationship with it. The Honorary Statistical Adviser to the Government is a *de facto* Member of the Commission and the Statistics and Surveys Division of the Commission is essentially a wing of the Central Statistical Organisation headed by its principal officer. Since a few years ago, the Central Statistical Organisation is physically located in the same building as the Commission.

The fact that some of the key officers of the Commission, especially those at senior levels, are drawn from the services of the Government of India and the State Governments is also expected to help in establishing mutual understanding between the officers of the Commission and those in the Central and State Governments.

In order to help government officers—both in Central Ministries and in the States—to develop a better understanding of the planning process, the Commission has occasionally sponsored or collaborated in training courses for such officers. One such course for Central Government officers was organised by the Commission; the Commission collaborated in two such courses organised principally for State officers, one by the Indian Institute of Public Administration and the other by the National Council of Applied Economic Research.

THE STATES, THE UNION AND THE COMMISSION

National Development Council

One of the problems of planning in a federal set-up is that of building up a plan for the whole country and obtaining

the consent and co-operation of both the Federal and the State Governments in this task. The Commission was set up by the Government of India and continues to be directly responsible only to it. But if the plan was to be a National Plan, some machinery had to be devised by which the State Governments could be enabled to participate in the formulation of the Plan and the overall policies underlying it. This problem was attempted to be solved through the establishment of the National Development Council.

The legal basis for co-ordinated planning for the country as a whole had already been provided in the Constitution of India which included "Economic and Social Planning" in the Concurrent Legislative List. Parliament could have passed legislation on this basis to ensure that the National Plan was accepted and implemented by State Governments. This however was not the approach that was favoured. It was probably felt that legislative action of this kind would be less useful than the creation of an institution which would provide a common basis for discussion and establish a convention of co-operative endeavour and carrying out of commonly agreed plans and programmes.

Official discussion on planning machinery in the Government of India had even in 1949 envisaged the creation of some kind of a National Economic Council which would work as an organ of inter-governmental co-operation in the economic and social field. It was to consist of representatives of the Union Government and all other constituent governments of the Indian Union at ministerial level.

The Planning Commission realised the necessity of creating a body of this kind in the last stages of its thinking about the Draft Outline of the First Plan. It, therefore, recommended as follows: "In a country of the size of India where the States have under the Constitution full autonomy within their own sphere of duties, it is necessary to have a forum such as a National Development Council at which, from time to time, the Prime Minister of India and the Chief Ministers of States can review the working of the Plan and of its various aspects".³

³ The First Five Year Plan—A Draft Outline, p. 253.

On this recommendation, the Government of India set up in August, 1952, the National Development Council.

The Council is an advisory and reviewing body set up "to strengthen and mobilise the effort and resources of the nation in support of the Plan, to promote common economic policies in all vital spheres, and to ensure the balanced and rapid development of all parts of the country".⁴ Its functions are :

- (i) to review the working of the National Plan from time to time ;
- (ii) to consider important questions of social and economic policy affecting National development; and
- (iii) to recommend measures for the achievement of the aims and targets set out in the National Plan, including measures to secure the active participation and co-operation of the people, improve the efficiency of the administrative services, ensure the fullest development of the less advanced regions and sections of the community and, through sacrifice borne equally by all citizens, build up resources for National development.

It is composed of the Prime Minister of India, the Chief Ministers of all States and the Members of the Commission. Union Ministers who are concerned with the problems that are being discussed by the Council and also other State Ministers concerned with State Plans, specially the Ministers for Planning and Finance, are usually invited to attend the meetings of the Council. The recommendations of the Council are submitted to the Central and State Governments.

As it was felt that the Council was too large a body⁵ for effective discussion of certain problems and with the object of making it possible for meetings to be held more frequently, a Standing Committee of the Council was created in 1954. This was to consist of the Members of the Planning Commission and the Chief Ministers of nine States. It was also decided that the Chief Ministers of one or more of the remaining

⁴ Government of India Resolution No. 62/CF/50 of August, 1952.

⁵ For example, 22 States and three Centrally Administered Territories were represented at the Third Meeting of the Council held in November, 1954.

States could also be invited to attend the meetings of the Committee. The result of this last provision has been that no clear distinction has existed between the Standing Committee and the Council. For example, a meeting of the Standing Committee had been convened in September, 1955, but as almost all the Chief Ministers were in Delhi and present at the meeting, it was agreed to regard it as a meeting of the Council. The Standing Committee as such functioned somewhat effectively at the time of the formulation of the Second Five Year Plan and held four meetings for this purpose between January, 1955 and January, 1956. Since then, however, not many meetings of the Standing Committee have been held,⁶ there being only one meeting each held in 1957 and 1958. A meeting of the Standing Committee was then held after a gap of five years in 1963.

The Council as a whole has been meeting more regularly. The meetings are more frequent at the time of the formulation of the Five Year Plan while, at other times, meetings for reviewing the progress of the Plan are confined to one or two a year. Thus, only one meeting each was held in 1952, 1953, and 1954. There were two meetings in 1955 and three in 1956. Since then, ordinarily there have been two meetings a year. However, there were three meetings in 1960 and two in 1961 and 1963, but there was only one meeting in 1962.

The attendance at the meetings of the Council is very large. In addition to the Members of the Commission and Chief Ministers, a number of Union Ministers, Deputy Ministers and State Ministers attend a meeting. A number of officials of the Commission, different Ministries of the Government of India and State Governments are also present to assist the participants. Occasionally, a few outside experts have been invited to attend the meetings of the Council or its Standing Committee. These have included persons like Prof. D. R. Gadgil, Dr. B. K. Madan, Dr. V. K. R. V. Rao (when he was not a Member) and Shri P. C. Bhattacharya (Governor, Reserve Bank of India).

⁶ One reason for this may be that as a result of the reorganisation of States, the number of States declined and therefore it became less necessary to use the device of a Standing Committee.

The main purpose of the meetings of the National Development Council has been to discuss the policy approaches underlying the Five Year Plans, to review plan progress and suggest measures to meet difficulties. But the Council has also served as a forum where, on the one hand, the leaders of the Commission and the Union Government emphasise the importance of certain policies vital to the national interest which require the co-operation of State Governments and, on the other, representatives of States put forward their special difficulties and problems. At a number of meetings, the problems of inter-State and inter-regional disparities in levels of income and economic growth have been brought up for discussion by representatives of States. They have also pointed out their difficulties *vis-a-vis* the Commission and the Union Government in regard to the size of the State Plans, the approval of annual plans, the sanctioning of Central assistance, etc. Representatives of the Commission and the Union Government have on the other hand emphasised the importance of looking at the problems from the All-India level. The Prime Minister has emphasised the importance of the Council as a body which enables all States to develop an integrated outlook in considering the problems facing the country and the planning approach to them. Direct confrontation of this kind and at this level seems to be a way of getting the top political leadership of the States to understand the problems of national planning and on the other side of helping the Commission and the Union Government to understand and give attention to the problems facing the States.

The Council was set up only after the Draft Outline of the First Plan had been published. By the time its first meeting was held in November, 1952, the work regarding the formulation of the First Five Year Plan had been largely completed. It could only consider the draft Plan at this final stage.

But it discussed the problems relating to the Second Five Year Plan at a number of meetings. Similarly, problems relating to the basic approach for the Third Five Year Plan were discussed by it, the intention of the Planning Commission being, as indicated by its representative in November, 1958, that the Council should be associated with the consideration

of the Third Five Year Plan from its earlier stages. It is also intended that the Council will be kept fully informed about the progress of work relating to the Fourth Five Year Plan and will be consulted about the major issues regarding its formulation.

The Council has also discussed from time to time other special problems relating to the Plan and generally to economic development like land reforms, price policy, food policy, employment policy, community projects and National Extension Service, the role and scope of the public sector, manpower requirements, etc. Occasionally, it has given a lead or at least helped through its deliberations to bring to fruition certain proposals as for example that regarding the replacement of the Sales Tax in respect of certain commodities by Union Excise Duties. The Council is consulted when certain new plan activities are to be organised involving both the Centre and the States. Thus the Committee on Plan Projects, which was to make a study of projects and schemes both in the Centre and in the States, came to be set up on the basis of discussion in the Council.

The National Development Council has occasionally appointed sub-Committees for formulating policies on important problems. Such sub-Committees were appointed on the problem of food policy and that of increasing savings. The Committee on Savings produced a preliminary report in May, 1961. In November, 1963, the Council appointed a Committee on Land Reforms to assess the progress of Land Reforms in different States and to suggest measures for strengthening and improving implementation.

Programme Advisers

At a very early stage of the working of the First Five Year Plan, it came to be realised that there was no machinery available in the Commission for making an assessment of the implementation of Development Plans in the States. Implementation depends on many factors—whether the finance required is available at the right time and in the right amount, whether the administrative machinery is competent and well organised, whether the methods and policies adopted are

effective and whether there are any special difficulties that are being faced in the implementation of the programmes such as shortage of foreign exchange or other scarce resources. Correspondence and occasional discussions were not considered to be adequate for the purpose of examining such problems effectively and in time to ensure that remedial measures were taken. It was also essential to develop an agency in the Commission which would be sufficiently knowledgeable about the problems, prospects and actual developments in various States to be able to advise the Commission on the proposals put forward by the State Governments for their annual as well as Five Year Plans. As considerable assistance was being provided by the Union Government for the State plans, it was also essential for the Ministries of the Union Government to obtain advice on the proposed State schemes. Because of various difficulties, schemes had been approved for financial assistance without sufficiently detailed on-the-spot examination from the technical, financial and administrative angles. It was also felt that the Union Government and the Commission should have an agency which would keep them posted with adequate information about economic conditions in different regions; this was necessary for effectively formulating overall policy.

The Commission therefore decided in 1952 to appoint three officers as Advisers on Programme Administration. The approach was that the Advisers would be primarily touring officers and would try to study at first hand the working of development schemes included in the Five Year Plan, giving necessarily greater attention to the more important projects and to projects in which the Union Government gave specific financial or other assistance. In the course of their work, they would give special attention to the problems of administration, finance and public co-operation in implementing the Plan. Whenever necessary, they would secure the assistance of technical officers from the Union Ministries and the Commission. They would work in the closest co-operation and consultation with the State Governments and the authorities in charge of individual projects and their advice and assistance would be fully available to the State Governments. It was

expected that, as their work developed, they would be able not only to assist in the implementation of various development projects but would also be able to help in the study of special problems in which the Union and State Governments might be interested. Officers with wide experience, knowledge and ripe judgement were to be specially selected for these posts. Such officers, it was felt, would serve as the most important link between the Planning Commission, the Union Ministries and the States. With the knowledge that they would obtain of the actual implementation of the Plan in the field, their advice and assistance would be of great value to all the three.

The original idea was that for purposes of the Advisers' work, the country was to be divided into three regions—North, East and South and each Adviser was to specialise in the problems relating to the States in one of the three regions. As further experience was gained regarding the use that could be made of Programme Advisers, it was decided that these Advisers should function as the Co-ordinating Officers for purposes of the formulation of the Five Year and Annual Plans of States. They are responsible for considering the proposals made in the different Working Groups for the development programmes in different sectors and making recommendations to the Commission regarding the outlays under different sectors in the State Plans. While they are expected to assist the Commission in this way in the formulation both of Five Year Plans and Annual Plans, their role is expected to be specially important in the formulation of the annual plans of States.

Proposals emanating from State Governments for adjustments in the State Plans under different sectors or proposals emanating in pursuance of the recommendations of the Commission on subjects like Land Reforms, Community Development, etc., are also first considered by these Advisers who are expected to act as an important channel of communication and discussion between the Commission and the States. It has also been decided that these Advisers would be kept in touch with projects of the Central Government proposed or undertaken in the States with which they are concerned.

The Advisers are ordinarily expected to spend about 15 days in a month on tour in the areas allocated to them. In the course of these tours, they hold discussions at State Headquarters with the Development, Planning and Finance Departments of the States, reviewing the progress of the plan in different sectors and particularly of those projects which are assisted by loans and grants from the Union Ministries. The discussions at the headquarters are expected to be supplemented by field inspection of projects. The problems that come to their notice in the course of these discussions and field inspections are dealt with in the periodical reports that they submit to the Commission and when these reports are analysed in the Commission, attention of the Ministries concerned is drawn to these problems. Sometimes the Advisers lead teams of experts from different Ministries to examine particular problems of urgent importance in the concerned regions and make recommendations to the Government of India. In order to pool the experience of plan implementation in different States, a practice has been established of important points from the reports of one Adviser being circulated to the others. Moreover, it has been laid down that the Advisers should be kept closely in touch with the thinking of the Commission as well as with the studies, proposals and recommendations being undertaken in the various Divisions of the Commission.

As mentioned earlier, it was proposed that there should be three posts of Programme Advisers and that the officers to be selected for these posts should be of considerable seniority and selected with special care. Since the creation of these positions in 1952-53, their number remained at three except for a short time in 1958-59 when there were four Advisers. Recently, the number of Advisers has again been increased to four. All officers appointed to these positions up to now except two (appointed recently) have belonged to the Indian Civil Service; one of them was appointed when he had already retired from the Service. The officers have usually been of a seniority which entitled them to be considered for the position of Additional Secretary or Secretary to the Government of India.

The length of time during which persons have worked as Advisers has ranged between less than a year in two cases to over eight years in another. [See Appendix B(1)]. Two Advisers worked for between one and two years, one for exactly two years, two for between two and three years and one for between four and five years. Of the persons working as Programme Advisers at present, one has worked for over six years ; the other three have recently joined these positions. It thus seems that out of nine persons who have joined and left the posts of Programme Advisers in the eleven years since the posts were sanctioned, seven have worked for less than three years.

This high rate of turnover as well as the fact that on certain occasions many weeks have lapsed before a new Adviser could be appointed to take the place of one who had left, have resulted in many changes in the Advisers looking after different areas in the country. In Appendix B, we have given some information about the allocation of different State and Union territories among the Programme Advisers from time to time. In the period of four years from the creation of these positions to the Reorganisation of States, there were not many changes in the persons looking after different areas. The Southern region had the same Adviser all through. For the other two regions, there were two Advisers each in this period. In the case of a few States, however, there were more changes and they had three Advisers in this period, two of them in the last two years.

The allocation of States among Advisers had to be revised after the Reorganisation of States and this was done in November, 1956. In the period since then there have been more changes in the allocation and these have affected certain States much more than others. A few States like Madhya Pradesh and Uttar Pradesh have had five or six Advisers (in addition to the present one) looking after them in this period of seven and a half years; many have had four and only a few have had a smaller number. The turnover in the persons appointed as Programme Advisers and also certain modifications in allotment have both contributed to these changes in allotment of States amongst the different Advisers during this period.

As mentioned earlier, the original idea was that all the States and Union territories in the country were to be divided into three compact regions—North, East, and South—and these were to be distributed amongst the three Advisers. Later on, instead of these three groupings, five groupings—West, North, Central, South and East—came to be used. But these groupings have not been consistently observed in the allocation of States amongst the different Advisers. It seems that a new approach regarding the allocation of States amongst different Programme Advisers is likely to be accepted in the future. The Planning Commission seems to have agreed to a suggestion made by the Estimates Committee that an Adviser should not be put in charge of a State to which he belongs.⁷

On certain occasions, the allocation of States amongst the different Advisers does not seem to have been on the basis of an even distribution of areas amongst them. The Estimates Committee had made a reference to this in its study of the Planning Commission.⁸

PLAN DISCUSSIONS

In addition to the continuous consultation that goes on between governmental agencies, both at the Centre and in the States, and the Commission regarding important economic problems, policies and programmes, an elaborate procedure for consultation and discussions has gradually evolved for the formulation of the five year and annual plans.

Five Year Plans

When the First Five Year Plan was being prepared, the Planning Commission had just been set up and the Plan had to be prepared in a short time. Therefore, the consultations and discussions organised at that time were somewhat *ad hoc* in nature. When the Second Five Year Plan was being formulated, a more elaborate procedure was however followed.

In April, 1954, the Commission asked all Union Ministries to prepare memoranda for discussion with the Commission about the broad outlines of the next plan. In regard to

⁷ See Estimates Committee (1962-63), *op. cit.*, pp. 44 and 45.

⁸ See Estimates Committee (1957-58), *op. cit.*, pp. 21-23.

Industrial Development Programmes, representatives of the principal Ministries concerned were brought together into a steering Group with the Member of the Commission in charge of Industries as Chairman. The Steering Group was asked to consider and advise the Commission on basic questions of industrial development. Within the framework suggested by this Group and approved by Government, individual Ministries were expected to undertake detailed planning in their particular fields. The Central Advisory Council for Industries was also closely associated with this Steering Group. In March, 1955, the Union Ministries were asked to submit their draft proposals to the Commission and these were discussed between the Commission and the Ministries in June and July, 1955. On the industrial plans, the Ministry of Commerce and Industry and the Industry Division of the Commission co-operated in the preparation of the plans for various individual industries. Meetings with representatives of 22 different industries were held during 1955. Proposals relating to industrial targets and programmes were considered by the Commission, the Steering Group and the Central Advisory Council for Industries during August and September, 1955.

State Governments were similarly asked in March, 1955, to send their proposals to the Commission. These proposals were then discussed between the Commission and the State Governments in July, August, September and October, 1955. Discussions were held between the Finance Secretary of each State on the one hand and the Commission and the Ministry of Finance on the other for discussing the assessment of financial resources. Discussions were then held between the Members of the Commission and the Chief Minister, the Finance Minister and other Ministers of the State Governments for considering the State plans. This exchange of views was followed by an examination of the programmes for different sectors through Working Groups⁹ which included officials from

⁹ Working Groups were constituted in the case of each State Plan for agriculture and community development, irrigation and power, village and small industries, roads and road transport, education, health, housing and welfare of backward classes, social welfare and labour welfare.

the State Government concerned, the Union Ministry dealing with the subject and the relevant Division in the Commission. These discussions were co-ordinated by the Programme Administration Adviser concerned with the particular State. As a rule, the Secretary of the Ministry concerned served as Chairman of the Working Group and he kept in touch with the Member of the Planning Commission in charge of the subject. The reports of the Working Groups then came before a meeting between the Commission and the Chief Minister of the State for decision about the main lines on which the draft State plan needed to be modified.

Similarly for the Third Plan, after the basic preliminary work was completed, the Commission set up a series of Working Groups¹⁰ composed of its own specialists and those of the Union Ministries and their associated agencies. While the Groups were expected to report to the Planning Commission and to function on its behalf they were usually headed by Secretaries of the Ministries and a considerable part of the technical study in each field was undertaken by experts in the Ministries and their associated agencies. The reports of the Working Groups provided the basic material for the preparation of the draft memorandum on the plan by the Commission. Later on, when the draft outline of the plan was prepared and also when the draft of the final plan was prepared, the Ministries were again invited to make comments on these.

At the same time as the Working Groups began to work at the Centre, State Governments were also advised to constitute similar Working Groups and arrangements were made for the Groups at the Centre and in the States to be in informal contact with one another. On the basis of the draft outline of the five year plan and the proposals of the Working Groups, State Governments prepared their draft plans and submitted them to the Commission. These were examined by the Divisions in the Commission. In the meanwhile, on the basis of studies and discussions conducted within the Commission, the

¹⁰ Working Groups had been constituted for studying financial resources, agriculture, irrigation, power, steel, fuel, general education, technical education, scientific research, health and family planning, housing and urban and rural planning and welfare of backward classes.

Commission had formulated certain tentative conclusions in regard to outlays and Central assistance for State plans. Discussions were then held in October, November and December, 1960, between the State Governments and the Commission. The discussions with each State were spread over three days. A Working Group on Financial Resources with representatives of the Commission, the State Government and the Ministry of Finance considered the estimate of financial resources and recommended tentative ceilings regarding outlay on the State Plan. The Adviser (Programme Administration) for the State would then indicate to the State officials the Commission's conclusion regarding the ceiling on plan outlay and its distribution between different heads of development. After this, Working Groups were set up with representatives from the Union Ministry concerned, the appropriate Division in the Commission and the officers of the particular State Government. The Working Groups were presided over by the Secretaries of the Union Ministries. They examined the proposals of the State Government relating to various sectors and, keeping in mind the aggregate ceiling and the group ceiling, made their own proposals. The reports of the Groups were submitted to the Adviser (Programme Administration) and to senior officers of the State Government. After studying these reports, the Adviser (Programme Administration) consulted senior officers of the State Government and made his own recommendations to the Commission. Finally, there was a meeting between the Commission and the Chief Minister of the State Government and the plan allocation for the State concerned was finally settled.

As regards the Fourth Plan, in May, 1962, the Commission made arrangements for commencing the preparatory work. Working Groups for some important sectors like steel, coal, power, heavy engineering, basic chemicals, fertilizers, transport and technical education were established in co-operation with the Ministries concerned. The question of setting up Working Groups for other sectors was taken up in May, 1963. Some 45 Working Groups have so far been set up and these have further constituted over 100 sub-groups. These Groups were asked to prepare by December, 1963, preliminary reports which

would provide (i) a provisional list of important projects which were proposed to be started during the first and second years of the Fourth Plan and the broad supply and demand position in their respective sectors during those years, (ii) the provision that had to be made in the Annual Plan for 1964-65 for advance action in regard to these projects and for meeting the anticipated demand, and (iii) a broad idea of the objectives and tentative targets for the sector for the Fourth Plan period. The Working Groups would prepare their final reports in 1964 and these would include information regarding programmes and projects proposed for inclusion in the Fourth Plan, their objectives, targets, outlays and phasing, as well as a list of supplies, services and training facilities which may have to be provided to the concerned sector from other sectors of the economy.

It has also been contemplated that Steering Groups might be set up for two or more Working Groups in related fields so that the proposals of the different Working Groups may be brought together in order to have a cogent and fairly unified programme for the sector as a whole.

In the meanwhile, the Commission has to provide to the Working Groups some further indication about the broad framework of the Fourth Plan, viz., its size and structure. The Commission has been engaged on this task in the early months of 1964. It has been recommended to the State Governments that they should similarly form Working Groups and arrangements are being made to maintain close liaison between the Groups at the Centre and those in the States. The reports of these Groups are expected to be followed by discussions between the Ministries and the State Governments on the one hand and the Commission on the other as in the case of the Third Five Year Plan ¹¹

¹¹ The fact that the process of consultations and discussions between the Union and State Governments and the Commission regarding the Five Year and Annual Plans is now largely as it was built up for the Second Five Year Plan does not necessarily mean that the techniques of planning have remained unchanged. In this study, however, we are only explaining the organisation and procedures and not the techniques followed by the Commission. The work done by different units in the

Annual Plans

The system of annual plans had also not been very much evolved in the period of the First Five Year Plan. However, as far as the Union Government is concerned it has been the practice from a very early stage that the Commission is closely associated with the preparation of the Union Government's Budget especially in regard to developmental outlay. To that extent, there used to be some discussion between the Commission and different Ministries regarding their proposals for developmental outlay for the next year. In recent years, an attempt is being made to systematise these discussions.¹² The Commission

Commission for plan formulation is not explained here. Information on this aspect will be found in Chapter V.

¹² The approach of the Commission regarding the annual plans for Union Ministries will be indicated by the following extract from a Memorandum issued in 1961 to all Ministries of the Government of India regarding their plan proposals for 1962-63 :

"As Ministries are aware, the preparation of Annual Plans is of crucial importance in the execution of the Third Five Year Plan. In the past, more attention was given to these plans in relation to the States than the Centre. From this year onwards, it is intended that the emphasis should be put on the annual plans of Central Ministries as well. In the preparation of the annual plans, each Ministry is, therefore, requested to visualise, besides the tasks which it may itself be carrying out or sponsoring through the States, also those tasks which other public or private agencies are expected to execute in the concerned sector during the coming year. Attempts should also be made to ensure that the programmes included in these annual plans are properly synchronised with those of related sectors. Further, in view of the large number of major projects being undertaken, the annual plan should be regarded as an essential instrument of advance Planning for the succeeding years. The annual plan has, therefore, to be set out in fair detail, defining the tasks and obligations of all concerned, and indicating time schedules which must be adhered to as closely as possible.

"Moreover, it will be necessary for the Planning Commission, with the help of the Ministries, C.S.O. and the Reserve Bank of India, to project the growth of the economy over the next year, identify the principal tasks and problems ahead and formulate appropriate policies in advance. For this purpose, it is requested that the Ministries may supply to the Planning Commission by the end of November, 1961, any data they have on projections of output

requests the Ministries to submit their proposals for the next year's annual plan by October or early November. While doing so, the Commission asks them to keep in view the important considerations relating to the next year's annual plan. These proposals are examined by the concerned divisions in the Commission and discussions are arranged between the Member concerned with the particular subject and the representatives of the Ministry. The expectation is that the results of the discussion should be available before the Ministry formulates its Demands for inclusion in the Budget of the Union Government.

As regards the States there has been similar but more systematic evolution of annual plan discussions. There was no annual phasing of the First Plan and the quantum of Central assistance to be given to the States over the plan period had been determined at the time of the formulation of the Plan. Discussions were arranged, however, between the officers of State Governments like the Development Commissioner and the Finance Secretary on the one hand and representatives of the Commission the Union Finance Ministry and the Ministries concerned with particular schemes on the other for deciding the allotment to be given to the State in a particular year. In the Second Five Year Plan period, a change took place in this practice because of two reasons. One was that the demand as well as appraisals of existing or anticipated difficulties in accelerating the rate of growth in their sectors.

"Thus, preliminary work on the annual plan at the Centre for 1962-63 has to provide the broad frame within which State and sectoral plans may be worked out and implemented. The plan at the Centre should also take into account the growth of the private sector of the economy, both organised and unorganised, and should initiate the process of formulating definite programmes for all important industries in the private sector with the help, where necessary, of Development Councils and other agencies.

"The Ministries concerned with Special Services may present schemes for the Annual Plan according to the accepted 'programme limits', subject to the undertaking that these schemes may have to be revised later in the light of the financial provision for 1962-63 which the Ministry of Finance may indicate on the basis of an assessment of the overall financial situation."

[Planning Commission O. M. No. PC (P) 2 (2)/MIN/61, dated October 28, 1961.]

amount of Central assistance to be given to the States was not individually fixed; all that was done was to fix the size of each State plan and to indicate the order of the resources of the State. The gap between the two was to be made up both through the State raising additional resources and through Central assistance. The latter was to be decided on a year to year basis in the light of the resources position in the Centre and in the States and the requirements of the Plan at that stage. The second reason was the emphasis in the Second Five Year Plan on annual phasing.¹³

As a result, the practice began from 1957-58 of annual plan discussions between the Commission and various State Governments. The resources position at the Centre and in the States was reviewed and an assessment was made of the requirements of the plan for the coming year. The amount of aggregate Central assistance was then worked out by the Commission in consultation with the Ministry of Finance and this was distributed over different States. The figure of Central assistance for a particular State thus arrived at plus the resources that the State itself could raise represented

¹³ Cf. "However important the strides in the future, the next step ahead is, for the moment, the most crucial. A five year plan has, therefore, to be broken up into annual plans or programmes, and performance must be judged more and more in terms of the tasks executed on an annual basis. This is not to say that there should be no flexibility in the matter of taking on and seeing through programmes or projects, but this flexibility must be part of the annual plans themselves rather than in the nature of *ad hoc* adjustments. The Central and State Governments operate in terms of an annual budget, and this offers a natural opportunity for reviewing and adjusting the broad annual phasing indicated in the five year plan. But this review has to be undertaken by the planning authorities on a consideration of the overall needs of the economy and the experience in respect of the fulfilment of tasks for the year about to end . . .

"Planning is not a once-for-all exercise for a five year period; it requires a continual watch on current or incipient trends, systematic observations of technical, economic and social data and adjustments of programmes in the light of new requirements . . .

"The plan has to be regarded as a framework within which programmes for each year have to be worked out in detail and implemented."

The Second Five Year Plan, 1956, pp. 18-19.

the size of the annual plan of the State. Details of the annual plans were settled in consultation with the officers of the State Governments and Union Ministries. The system of discussion followed was broadly similar to that followed for deciding the Second Five Year Plan for each State.

For the Third Plan, the Central assistance for each State for the five year period as a whole has been determined in advance. To that extent, the annual plan discussions between the Commission and the State Governments are limited in their scope. Otherwise the pattern of discussions continues to be similar. Around September each year, the Planning Commission indicates to the State Governments the more important objectives towards which the following year's plan should be oriented and the Central assistance they can expect and asks for their draft proposals within the framework of their approved Five Year Plan. They are also asked to send their proposals for raising additional resources for financing their plans in accordance with the broad targets of the Five Year Plan. These proposals are expected to be received by October or November and are then examined by the Commission through its appropriate divisions and in consultation with the Union Ministries.¹⁴ The draft State plans for the coming year are then discussed through meetings held in New Delhi¹⁵ between the State Government concerned and the Commission during November and December, about two days being allotted for each State discussion. The Financial Resources Section of the Commission in association with the Ministry of Finance discusses with the State Governments the problem of their resources. On the basis of this discussion, the

¹⁴ The experience up to now seems to be that the State Plan proposals are received so late that barely a few days are available for this examination.

¹⁵ For the year 1963-64, due to the Emergency, the venue of discussion was shifted from New Delhi to State capitals. The discussions were conducted on behalf of the Commission by the Programme Adviser concerned, assisted by officers from the Economic and Programme Administration Divisions in the Commission. Some States seem to have considered that this was a better arrangement. The discussions for the annual plans of 1964-65 were, however, again held in New Delhi.

Commission takes a tentative view of the size of the State plan and this is communicated to the State representatives. Then Working Groups are formed on different sectors, with representatives of the Union Ministry concerned, the Commission and the State Government, and these examine the programmes for different sectors and make their recommendations. The State plan outlay including the amount of Central assistance to be recommended by the Commission is then settled in a meeting between the Commission and the representatives of the State Government. In the case of a State which may be faced with some special problems, an informal discussion is arranged between the State's Chief and Finance Ministers and the Members of the Commission.

For the Union Territories, the proposals for schemes to be included in their annual plans are similarly discussed by the Commission with the Territory Administrations and the Ministry of Home Affairs and the ceilings of plan outlay settled.

After the discussions between the Commission on the one hand and the Union Ministries and State Governments on the other regarding the annual plans are completed, the Commission puts forward its proposals to the Government of India for inclusion in the next annual budget of the Union Government. Even at this stage, the entire position may have to be again reviewed by the Commission in consultation with the Union Ministry of Finance so as to keep the annual plan outlay within the limits of expected financial resources. For the finalisation of the capital budget of the Union Government, and the Central assistance to States, the Commission works closely with the Union Ministry of Finance. Pruning of the State plan outlays, agreed in the discussions, has also to be occasionally suggested. The State Governments are informed in January about the approved plan outlays by major heads of development and the amount of Central assistance available to them. These agreed decisions regarding the State plans become the basis of the budgetary provisions of the States for the following year. Thus, in advance of the presentation of the Union and State Budgets, provisions to be included in the annual plan are made known

by the Commission so that they can be taken into account in framing the budget estimates. It is expected that the budget estimates will conform to the ceiling figures agreed to with the Commission.

PARLIAMENT AND THE COMMISSION

For a short time after the inception of the Commission, the Prime Minister as the Chairman of the Commission was the only spokesman of the Commission in Parliament. Soon, however, the Finance Minister who was also a Member of the Commission began to share that responsibility. In 1951, as mentioned earlier, it was decided that there should be a Minister of Planning who would bear the principal responsibility of answering in Parliament on behalf of the Commission. The Minister is sometimes assisted by one or two Deputy Ministers.

In addition to the normal accountability of the Commission to Parliament which is ultimately reflected in the Parliament having the right to vote the demands for meeting the expenditure on the Commission, the Parliament is consulted in various ways on the policies and programmes that are being formulated by the Commission. The practice has been that both the Houses at Parliament hold discussions on the draft outlines of the Five Year Plans and, later, on the final reports on the Five Year Plans. A more elaborate procedure was followed at the time of formulating the Third Five Year Plan. In September, 1960, five Committees of Parliament were constituted for considering different aspects of the draft plan. The subjects allotted to these Committees were as follows :

- Committee (A)— Policy, Resources and Allocations
- Committee (B) Industry, Power and Transport
- Committee (C) -Agriculture and rural economy
- Committee (D)- Social Services
- Committee (E) -Technical Manpower and Scientific Research.

Each Committee was to consist of such Members of Parliament as wished to participate in the discussion of the subjects allotted to that Committee. The membership of the

Committees varied from 158 in the case of Committee (C) to 34 in the case of Committee (E). The Committees met a number of times during September, 1960. In addition to the relevant chapters of the draft outline of the plan, special notes on problems raised by members were circulated to them. A few members also submitted notes and memoranda for circulation and discussion. The Minister of Planning had mentioned during his intervention in the working of Committee (A) that the Commission attached considerable importance to the deliberations of the Committee and treated this as a very important stage in the preparation of the Third Five Year Plan. The earlier discussion in Parliament and its general endorsement of the draft outline had not obviated the need for free exchange of views and informal and close consideration of various problems at issue. Such discussion was only possible, the Minister mentioned, in Committees of this kind.¹⁶ The synopses of the proceedings were taken note of by the Commission and they were also circulated amongst Members of Parliament.

A further step¹⁷ to consult important sections in Parliament regarding the formulation of the Third Plan had been taken by the Prime Minister in November, 1958, by constituting a small informal Committee of Members of Parliament belonging to various political parties for the purpose of discussing with them and keeping them in touch with the thinking about the Third Plan. The members were appointed after consulting the leaders of major groups and parties represented in Parliament. Some of the senior Ministers concerned with planning were also invited to attend the meetings of the Committee. The Committee consisted of

¹⁶ Committee (A) on Draft Third Five Year Plan—Synopsis of Proceedings (10th, 11th, 12th and 13th November, 1960), New Delhi, 1960, p. 3.

¹⁷ Informal discussions with selected Members of Parliament about the Five Year Plan were organised earlier also. For example, in October, 1952, an informal discussion was held with a selected group of Members of Parliament on the draft of the final report on the First Five Year Plan. But this kind of consultation in an organised way and through a series of meetings was attempted only at the time of formulating the Third Plan.

14 members belonging to different political parties and was presided over by the Prime Minister. The Committee held nine meetings between December, 1959, and August, 1960. A number of papers prepared in the Commission regarding the formulation of the Third Plan were circulated to the members of the Committee. The Committee considered the proposed programmes for power, industry, mineral development and the development of iron and steel. It held special discussions on the problem of resources, on the relative role of agriculture and industry and on the problems of increasing agricultural production and also held discussions on the Draft Outline of the Third Plan.

In addition to these discussions on the Five Year Plans when they are formulated, the Parliament also holds discussions from time to time for reviewing the progress of the Plan. The latest examples of such discussion were those held in both Houses in 1963-64 on the Mid-term Appraisal of the Third Five Year Plan. In addition to these discussions relating to the Plan as such, some other discussions on problems of economic development and policy are handled by the Minister of Planning on behalf of the Government. For example, in 1963, the Minister of Planning answered the discussions on behalf of the Government on subjects like the distribution of national income, concentration of economic power, regional disparities, rising prices and land reforms. There was also a discussion in the Rajya Sabha in 1963 on a Resolution suggesting the appointment of a Standing Committee of Parliament to keep a watch on the working of the Five Year Plans.

There is also an Informal Consultative Committee of Parliament relating to the Planning Commission. This was established in 1954 together with similar Committees for various Ministries of the Government of India. The Committee consists of members from both Houses. The present Committee constituted in 1962 has 62 members from the Lok Sabha and 24 from the Rajya Sabha. The expectation is that about seven meetings of this Committee would be held during the year, three in the Budget Session and two each in the Monsoon and Winter Sessions. In practice, the Consultative

Committee relating to the Planning Commission has usually had only one meeting a session, the only exceptions in recent years being the Budget Sessions of 1962 and 1963 when two meetings each were held. The Deputy Chairman in a recent meeting emphasised the complementary role that the Parliament and the Commission have to play in ensuring that economic development proceeds on right lines and observed that it would be advantageous to have more frequent meetings with members of Parliament on specific issues.

The subject for discussion is decided by informal discussion between the members and the Minister of Planning. Notes on the subject to be discussed are circulated to members. The subjects discussed in recent years at the meetings of this Committee have included the approach to agricultural production in the Third Plan, the approach and objectives of the Third Plan, principal changes in the proposals for the Third Plan since the Draft Outline, measures being taken to speed up the implementation of the Plan, developments during 1961-62 and programmes for 1962-63, measures for maintaining prices of essential commodities, the Plan for 1963-64, review of agricultural programmes and the recommendations of the agricultural production teams, problems of industrial development and concrete steps taken or proposed to be taken to overcome the shortcomings highlighted in the report on the Mid-term Appraisal.

The attendance at the meetings of the Informal Consultative Committee is not very large as compared to the numbers of members; in recent years it seems to have varied from 16 to 38. The Committee is expected to serve the purpose of establishing liaison between the Commission and the Members of Parliament and providing a forum for discussion of points that may be of special interest to the latter.

The Commission has also to prepare material for questions that have to be answered in Parliament by the Minister of Planning. The questions relate not only to the working of the Commission and the Plans and policies formulated by it, but sometimes also to various aspects of the working of the economic system [See Appendix B(3)].

IV. THE ORGANISATION OF THE COMMISSION

The Growth of Units

It was recognised at the very inception of the Commission's organisation that for the kind of work that the Commission had to undertake, its internal organisation had to be different from that in normal Government Ministries or Departments. It was suggested that while there would be Under Secretaries in charge of the Administration and Co-ordination Branches which would be carrying out the house-keeping functions of the Commission, the main work of the Commission should be organised through six Divisions as follows:

- (1) Resources and Economic Survey;
- (2) Finance;
- (3) Industry, Trade and Transport;
- (4) Food and Agriculture;
- (5) Development of Natural Resources; and
- (6) Employment and Social Services.

As mentioned earlier, it was decided that the Cabinet Secretary would also work as Secretary of the Commission. He was to be assisted by a Deputy Secretary. Both of them were to be intimately concerned with the work of all sections in the Commission and through them the work of the Commission was to be co-ordinated. It was recognised that "if officers of the status of Under Secretaries are placed in charge of different Divisions or Sections, it will not be possible to get in each Branch the quality required" and it was therefore decided that the Divisions of the Commission should be placed each under a Chief of Division supported by an Assistant Chief. From the very beginning, as the same Member was expected to look after both the Resources and Economic Survey Division and the Finance Division and as one Chief of Division was appointed to be in charge of both the Divisions, in practice, the two Divisions worked as one unit.

The organisation of the Commission came under review when work relating to the Second Five Year Plan began to

gather momentum. Taking into account the nature of the work that had to be undertaken by the Commission for the formulation of the Second Five Year Plan and especially in view of the fact that the Second Plan was expected to be formulated in much greater detail and with a much larger magnitude than the First Plan, it was suggested that the Commission had to be properly organised for discharging its increasing responsibilities. As a result of the analysis of the nature of the Commission's work it was suggested, that the Commission needed three categories of units, viz.,

- (a) General Planning Divisions, *i.e.*, units which were concerned from different aspects with a comprehensive study of the country as a whole and whose work and conclusions were pre-requisites for studies relating to individual sectors ;
- (b) Special Planning Divisions, *i.e.*, units which were concerned with the study of particular sectors of social and economic development ; and
- (c) Programme Administration Divisions,¹ *i.e.*, units which were concerned with the formulation and watching of the implementation of detailed programmes, especially in the States.

In addition, the Commission would continue to have sections concerned with its internal administration and similar services.

As a result of this line of thinking and the increasing pressure of work, a number of new Divisions and Sections were set up and some of the old ones were re-organised. A separate Statistics and Surveys Division was created² and the remaining work under the former Resources and Economic Survey Division was left with the renamed Economic, Finance and Resources Division, the former Finance Division being merged with this Division. The subjects dealt with by the Industry, Trade and Commerce Division came to be divided

¹ At one stage, the proposal was to have three Programme Administration Divisions, one to serve each Programme Adviser; it was however decided that there should be only one such Division and that it would serve all the Programme Advisers

² From the very beginning, this Division has worked as part of the Central Statistical Organisation, though working for the Commission and the Director of the C.S.O. has been *ex-officio* Chief of the Division.

amongst three Divisions, viz., Industries and Minerals, Transport and Communications and Village and Small Industries, and two Sections, viz., Public Management Studies and International Trade and Development. The work done by the Division on Development of Natural Resources came to be looked after by (i) the Division on Natural Resources (Irrigation and Power) and (ii) a Section on Scientific and Industrial Research. Out of the Division on Employment and Social Services arose a number of new Divisions and Sections—Divisions on Labour and Employment, Health and Education and Sections on Housing, Social Welfare and Prohibition. The subject of scientific and technical man-power was first allotted to the Employment and Social Services Division but later on a special Section was created to look after it and still later, it was added to the work of the Perspective Planning Division which was newly organised. Out of the Division on Food and Agriculture arose two new Divisions, one dealing with Food and Agriculture and the other with Land Reforms. Out of the Branches on Co-ordination and work relating to Indo-US Technical Co-operation Agreement arose the following new Divisions:

- (1) Plan Co-ordination (with a separate Section for General Co-ordination added to it later);
- (2) Programme Administration; and
- (3) Public Co-operation.

Special Sections were organised for Charts and Maps and for the Library. In addition to these Divisions and Sections, there were Branches dealing with (i) Administration, (ii) Organisation and Methods and (iii) Local Works which were being directly executed under the auspices of the Commission.

There was a prolonged review and examination of the organisation of the Commission in 1957-58 when the work relating to the formulation of the Second Five Year Plan had been completed. There was a further review undertaken in 1961-62 after the formulation of the Third Plan. Proposals for reorganisation and addition to the units in the Commission during this period were based on the following considerations:

- (1) There should be no duplication in the Commission of work which was being done in the Central Ministries.
- (2) The Commission should have adequate and competent staff for the functions that it had to carry out both for a continuing review of plan developments and for the formulation of the next Five Year Plan and long-term plans.

At present³, the Planning Commission is divided into two Co-ordinating Divisions, six General Divisions, ten Subject Divisions and two Divisions concerned with specific development programmes or organisational work as follows:

Co-ordination Divisions :

- (1) The Programme Administration Division, and
- (2) The Plan Co-ordination Section.

General Divisions:

- (1) Economic Division with Sections for Financial Resources, Economic Policy and Growth, International Trade and Development, Price Policy and Inter-Industries studies;
- (2) Perspective Planning Division;
- (3) Labour and Employment Division;
- (4) Statistics and Surveys Division;
- (5) Resources and Scientific Research Division with Sections on (i) Natural Resources and (ii) Scientific Research.
- (6) Management and Administration Section.

Subject Divisions:

- (1) Agriculture Division which also includes Co-operation and Community Development;
- (2) Irrigation and Power Division;
- (3) Land Reforms Division;
- (4) Industry and Minerals Division (with Sections on Industries, Minerals and Public Enterprises);

³ For further information about the growth of units in the Commission, see Appendix C.

- (5) Village and Small Industries Division;
- (6) Transport and Communications Division;
- (7) Education Division;
- (8) Health Division;
- (9) Housing Division which is also responsible for Urban development; and
- (10) Social Welfare Division which is also concerned with the Welfare of Backward Classes.

Divisions concerned with specific development programmes:

- (1) Rural Works Division; and
- (2) Public Co-operation Division.

In addition, there are three agencies which work in the Planning Commission but which function as associate bodies rather than as integral parts of the Commission. These are (i) The Programme Evaluation Organisation; (ii) The Research Programmes Committee; and (iii) The Committee on Plan Projects.

The Planning Commission has branches looking after Administration, General Co-ordination, Information, Publicity and Publications, Organisation and Methods, Charts and Maps, and the Library. These are house-keeping organs, organised for supporting the main functions of the Commission.

The terms "Division", "Section", "Unit" and "Branch" have not always been used in the Commission with clear and identifiable distinctions drawn among them. Broadly speaking, a Division connotes a unit which is somewhat large, deals with important subjects and is headed by a "Chief" or similar officer. A Section may either be a part of a Division or may be independent but it is usually small and headed by an officer of a lower status (Assistant Chief or Director). The term "Branch" has been principally confined to describing the "house-keeping" units in the Commission. In a few cases (for example, Inter-Industries Unit), the term "Unit" has also been used.

Hierarchy and Co-ordination

As mentioned earlier, the terms "Chief" and "Assistant Chief" of Division were brought into use specifically to

provide a measure of flexibility regarding the staffing pattern and it was decided that Secretariat designations should, as far as possible, be avoided in the Commission's own organisation. The Chiefs of Divisions were expected to be fully responsible for the working of the Divisions under them. In 1954, it came to be suggested that special staff assistance should be provided to the Deputy Chairman and the Members of the Commission. "Though the Members will bring a good deal of experience of public affairs and judgment to their tasks", it was pointed out, "their work is difficult and they should have enough time for study and thought and discussions between themselves and others and for visiting different parts of the country. Together they have to ensure that all Sections in the organisation work in step and that programmes and policies at the Centre and in the States and in the private sector conform to the approved plan". It was therefore thought that if each full-time Member had an experienced officer to help him in co-ordinating and guiding the work of the Divisions responsible to him and at the same time in keeping their work in line with work in other Divisions, this would be very useful. It was suggested that such staff officers attached to Members should ordinarily be of the rank of Joint Secretaries. It was not intended that they should come between the Division Chiefs and the Members but rather that they should assist the Members continuously, participate on their behalf and when necessary on behalf of the Commission in inter-Departmental discussions, and facilitate the work of the Divisions with which a Member was concerned. It was also proposed that under the leadership of the Secretary, these staff officers, the Chiefs of the Economic and the Policy and Co-ordination Divisions and the Programme Advisers could together function as a general staff, meeting frequently and carrying out the directions and policies approved by the Commission and the Cabinet in the field of planning.

As a result of this suggestion, the number of officers of the rank of Joint Secretaries gradually came to increase. Already the Deputy Secretary, who was assisting the Cabinet Secretary in the work of co-ordinating the work of all the units in the

Commission, had been promoted to the position of a Joint Secretary. An Adviser (Planning) was appointed and he was made responsible for the working of a few Divisions which did not have sufficiently experienced staff at the top. In order to provide some relief to the Joint Secretary, one more Joint Secretary was appointed in 1955 to look after the general administration of the Commission and also to provide guidance and direction to a few Divisions. In a short time thereafter another Joint Secretary was appointed mainly as a Staff Officer to assist the Minister of Planning. But unlike what was intended earlier, it was decided that he should supervise and direct the working of some of the Divisions under the Minister of Planning. Gradually in this manner a system came to be built up under which a hierarchical level between the Heads of Divisions and the Members was created and Secretariat officers with the designation of Joint Secretary came to be appointed for this work. The Staff Officer idea came to be replaced by the introduction of a new level in the hierarchy.

In the prolonged discussions that went on about the reorganisation of the Commission in 1957-58, this problem was again taken up. It was pointed out that the Secretary of the Commission could not possibly deal directly with the Heads of 20 odd Divisions and this limitation regarding "span of control" necessitated the creation of a level in the hierarchy between the Secretary and the Head of the Division. It was also pointed out that the Commission's office had thus far been "a loosely knit organisation with no adequate co-ordination and direction". It was, therefore, proposed that the various units in the Commission should be divided into suitable Groups on the basis of the inter-relationships between the subjects that were being handled by these units. It was proposed that there should be a Group Leader or Co-ordinating Officer who would be responsible for the satisfactory working of the units in the Group and would be responsible to the Secretary. It was also decided to create a Co-ordination Committee consisting of such Group Leaders and Programme Advisers and this Committee was to be responsible to the Commission for the implementation of its decisions.

A question was raised whether officers put at this new level

in the hierarchy should be called Joint Secretaries or should be given some other designation. It was pointed out that the term "Joint Secretary" would give a correct description of the officers whose primary function would be to assist the Secretary of the Commission in managing his charge. On the other hand, it had the disadvantage of creating administrative and other complications in regard to fixation of pay and psychological reactions among senior technical Chiefs of Divisions. The suggestion that these officers may be called Advisers came against the objection that this designation suggested functions quite different from those actually to be discharged by the Group Officers.

Group Co-ordinating Officers

The creation of these Group Officers was an innovation in the Commission's organisation because hitherto the Commission had not accepted the principle that Heads of Technical Divisions should be placed under Secretariat Officers. Such arrangements were made only where for some reason particular Divisions or Sections were not adequately staffed. They were conceived as temporary expedients and not as permanent organisational arrangements. But under these proposals this feature was expected to be a permanent one.

However, as a result of the various discussions about reorganisation that went on, it came to be decided that the system which had already come into existence of putting senior officers in charge of different units in the Commission should be systematised. By September, 1956, a large number of the technical units had been put under the charge of three Joint Secretaries and one Adviser (Planning). The Economic, Finance and Resources Division, the Irrigation and Power Division, the Food and Agriculture Division and the Land Reforms Division, however, continued at that time to be unallocated to any of the above-mentioned officers. The position as it existed in September, 1957, was that there were three Joint Secretaries who supervised the working of a large number of units in the Commission, one Joint Secretary was looking after the Food and Agriculture Division, one Adviser (Planning) was looking after certain Divisions while the Chief (Economic) looked after the

Economic, Finance and Resources Division and the International Trade and Development Section. The Irrigation and Power Division continued to be looked after by its own Chief, the Research Programmes Committee by its Member-Secretary and the Scientific and Technical Research Section directly by the officer in charge of the Section.⁴

The system of grouping was formally put into force from April, 1958.⁵ Divisions dealing with allied subjects were grouped together and one officer was designated as a Co-ordinating Officer for each Group. Eight such Groups were formed dealing with:

- (1) Plan Integration;
- (2) Economic problems;
- (3) Perspective Planning;
- (4) Agriculture;
- (5) Industry;
- (6) Irrigation and Power;
- (7) Social Services; and
- (8) Administration and General.

Four Joint Secretaries, one Adviser and three Chiefs of Divisions were named as Co-ordinating Officers. It was laid down that the Group Co-ordinating Officers "will be in overall charge of the Divisions in their respective groups and will be responsible for their satisfactory working. At discussions with other Ministries, the Co-ordinating Officer will represent the Divisions in his Group, assisted by the Head of the Division wherever necessary. The Head of the Division within the Group will be responsible to the Member concerned and not necessarily through the Co-ordinating Officer. He (Head of the Division) will submit papers direct to the Member concerned but on their return, the papers will be routed through the Co-ordinating Officer. Important cases or cases involving policy matters should, however, be submitted to the Member through the Co-ordinating Officer".

Certain changes were made in the distribution of Divisions

⁴ Planning Commission, O. M. No. ADM. 1/13(220)/57 of 5th/13th September, 1957.

⁵ Planning Commission, Office Order No. 10, dated 1st April 1958.

into Groups just after two months.⁶ The Perspective Planning and Scientific and Technical Manpower Divisions which were formerly a separate Group were put under the Joint Secretary (Plan Integration). A few further changes occurred in October, 1958, as a result of the Joint Secretary (Plan Integration) being appointed Additional Secretary. The grouping was once again considerably revised in December, 1958.⁷ Under the new scheme, Divisions in the Commission were divided into 11 Groups. Six of these consisted basically of only one Division each and thus the Heads of these Divisions became their own Group Co-ordinating Officers. One group consisted of two Divisions out of which only one Division had a Chief and the Chief of that Division was made the Co-ordinating Officer. There were only three Groups which included a number of Divisions and some of these were headed by Chiefs. In these cases, a Joint Secretary or an Adviser was put in charge as a Co-ordinating Officer and it was decided that he should, in consultation with the Chiefs concerned, determine the arrangements needed for carrying out the tasks assigned to the Divisions in the Group.

Further changes in these arrangements took place as the number of Advisers increased. Even in earlier years, persons had been appointed as Advisers in the case of certain Divisions or groups of Divisions when it was thought necessary to give a designation which was different from and perhaps superior to that of the Chief. But now the number of Advisers increased and, therefore, the importance of the institution of Group Co-ordinating Officers declined. At present the position is that most Joint Secretaries and Advisers look after only one Division. Thus the Joint Secretary (Agriculture) looks after the Agricultural Division, the Joint Secretary (Land Reforms) looks after the Land Reforms Division, the Economic Adviser looks after the Economic Division, the Adviser (Industries and Minerals) looks after the Industries and Minerals Division, the Adviser (Resources) looks after the Natural Resources and Scientific Research Division and the Adviser

⁶ Planning Commission, O.M. No. ADM. 1/2(11)/57, dated June 3/6, 1958.

⁷ Planning Commission, Office Orders Nos. 25, 30 and 1, dated December 14 and 16, 1958 and January 7, 1959.

(Irrigation and Power) looks after the Irrigation and Power Division. The Chiefs of the Labour & Employment and Perspective Planning Divisions have no other Group Co-ordinating Officer as they continue to constitute a separate Group each. The Adviser (Industries and Minerals) formerly used to look after the Transport Division also but now the Director of the Transport Division also has no Group Co-ordinating Officer above him. There are, however, some Divisions which are grouped together under a Group Co-ordinating Officer. These Divisions are mostly those which have no senior officer looking after them. Thus the Joint Secretary (Research and Small Industries) is the Group Co-ordinating Officer for Education, Health and Village and Small Industries Divisions, the Joint Secretary (Plan Co-ordination) is the Group Co-ordinating Officer for the Plan Co-ordination Division and for all the administrative branches including O. & M. and General Co-ordination, and the Secretary acts as the Group Co-ordinating Officer for the Divisions on Housing, Public Co-operation, Rural Works, Social Welfare and Programme Administration. Only in the case of the last mentioned Division is there a Chief of Division looking after the Division and still the Division is put under the charge of another Co-ordinating Officer. In the case of a few other cases also there are persons designated as Chiefs who work under the overall supervision of other Group Co-ordinating Officers. Thus there are two Chiefs each under the Economic Adviser, the Adviser (Irrigation and Power) and the Adviser (Industries and Minerals). It is now contemplated that as far as possible each Division will have a senior officer—Adviser or Joint Secretary—looking after it. Only in the case of a few small units would there continue to be a common co-ordinating officer.

Designations, etc., of Senior Officers

It has been mentioned earlier that the idea at the inception of the Planning Commission was that secretariat designations should not be used for technical work in the Commission. This seems to have been adhered to in the earlier years. But gradually as more and more persons from the Secretariat and other Government Services were brought in, the use of

designations like Deputy Secretary and Joint Secretary seems to have become more common. For some time (even as late as 1958), it was contended that the term "Joint Secretary" should be confined in the Commission to the officer looking after the purely administrative side of the Commission. However, this idea does not seem to have prevailed. Thus at present the Commission has one Secretary, four Joint Secretaries and four Deputy Secretaries. This would be considered peculiar if it was not known that in reality three of the four Joint Secretaries are carrying out work which in respect of other Divisions or groups of Divisions is being carried out by Chiefs or Advisers. Of the four Deputy Secretaries, two are essentially working as Heads of technical Sections, one is spending about half of his time as the Head of another technical Section, and only one is looking after purely administrative matters.

Thus, in practice, there is no longer any clear distinction in the Commission between persons who carry secretariat designations and those who carry the special designations used in the Commission. Certain Divisions or groups of Division are looked after by Joint Secretaries (a few directly by the Secretary), some by Advisers and some by Chiefs. As mentioned earlier, it was originally decided that the salaries of persons appointed as Chiefs should be fixed *ad hoc* in each case. Later, a decision was taken to fix it in a regular scale intermediate between the scales of Deputy and Joint Secretaries (Rs. 1,600 to Rs. 2,000 per month). But there is at least one Chief whose salary is the same as that of a Joint Secretary. The salaries of Advisers seem to be fixed on an *ad hoc* basis. This indicates that at the senior levels there is still a certain degree of flexibility observed regarding the appointment of personnel. Some of the smaller Divisions or Sections are headed by Deputy Secretaries, some by Directors and some by Assistant Chiefs. Some Divisions have a number of senior officers; for example, the Economic Division has one Adviser, two Chiefs, one Director and three Assistant Chiefs and the Irrigation and Power Division has one Adviser, two Chiefs and two Assistant Chiefs. On the other hand, the Transport Division is only headed by a Director and the Divisions on Village and Small Industries,

Housing and Social Welfare are headed only by Assistant Chiefs. This variation seems to depend both on the importance of the subject and the nature and magnitude of the work that has to be conducted and also on the availability of suitable personnel. Each Division or Section has a complement of Senior Research Officers, Research Officers and Investigators. It may be mentioned that this last category of personnel are all called Economic Investigators though in actual practice the Investigators are drawn from persons with varied fields of specialised training and not necessarily economics.

The Secretary⁸ is in overall charge of co-ordinating the work of all the units in the Commission. On the technical side of the work, the senior officers in charge of Divisions or groups of Divisions (Joint Secretaries, Advisers, Chiefs or, in one case, Director) deal in most cases directly with the Members of the Commission who are looking after the particular subjects. In administrative matters and problems pertaining to policy, they are expected to send their proposals through the Secretary for putting up to the Deputy Chairman or to the Commission as a whole.

In order to ensure that the technical units should be able to manage their own work as independently as possible, it was decided in 1955 to create office sections with the appropriate complement of administrative and office staff for the purpose of providing secretariat assistance to each individual unit or, in the case of small units, to a group of units. Recent thinking in the Commission seems to be that this system has been responsible for increasing the number of clerical staff in the Commission and also reducing the efficiency in the disposal of work. It is therefore contemplated that it would be significantly modified in the near future.

Advisory Committees

From its very beginning, the Commission has attempted to use persons from different walks of life in an advisory capacity so as to increase its own understanding of problems

⁸ Before the creation of the post of a full-time Secretary for the Commission, this work was being done by the Additional Secretary.

and also to create a greater awareness and acceptability of the policies and programmes recommended by it.

The Advisory Committees appointed by the Planning Commission can be divided into two broad types:

- (1) *Ad hoc* groups set up for examining and making recommendations regarding particular problems; and
- (2) Standing Committees established for the purpose of assisting the Commission on a continuous basis.

A number of *ad hoc* studies have been organised by the Planning Commission, sometimes through individual experts and sometimes through committees of experts. For example, Shri A. D. Gorwala was asked in 1950-51 to study and make recommendations regarding improvements in administrative machinery and the efficient conduct of state enterprises. The Prohibition Enquiry Committee was appointed in December, 1954, to review the experience gained and to suggest measures for implementing prohibition on a national basis. The prohibition policy as laid down in the Second Plan was based on its recommendations. In 1963, the Commission appointed a Study Team on Prohibition for studying the prohibition programme in the country as a whole. It submitted the first part of its Report in April, 1964. A committee was set up in June, 1955, to prepare schemes, industrywise and whenever possible Statewise, for the development of village and small scale industries as an integral part of the Second Five Year Plan. Other committees set up by the Planning Commission were the Coke Oven Projects Enquiry Committee (1954-55) and the Engineering Personnel Committee (1955-56). In July, 1959, a Committee on Transport Policy and Co-ordination was appointed. It submitted a preliminary report in 1961. Its final report has not yet been submitted. Under the direction of the National Development Council, a committee to examine the problem of savings was set up in January, 1961, and it submitted its preliminary report in May, 1961. In October, 1960, a committee was appointed for the purpose of reviewing changes in levels of living during the First and Second Five Year Plans, studying recent trends in the distribution of income and wealth and, in particular, ascertaining the extent to which the operation of the economic

system had resulted in the concentration of wealth and means of production. The Committee submitted part I of its Report in February, 1964, and it is expected to submit part II of its report later in the year.

As regards Standing Committees, within a short time of its appointment, the Commission constituted an Advisory Board. This was done with a view to securing in the work of the Commission the association of officials and non-officials who have special knowledge and experience and with the object of obtaining their constant help and advice. Eight members of the Board⁹ were appointed in their individual capacity; of these, three were economists, two were industrialists, one was a health specialist, one an educationist and one an engineer. The other members represented different organisations the Associated Chamber of Commerce, the All India Manufacturers' Association and the Federation of Indian Chambers of Commerce, the Hind Mazdoor Sabha and the Indian National Trade Union Congress, the Indian Society of Agricultural Economics, the Institution of Engineers and the Sarva Seva Sangh. In addition to these members, prominent personalities were specially invited to attend some meetings.

The Board held a few meetings during 1951 and 1952, mainly to discuss the Draft Outline and later the draft Report of the First Five Year Plan. The Board also decided to constitute panels for considering in detail policies and programmes in the following fields:

- (1) Industry
- (2) Transport
- (3) Commerce
- (4) Technical Consultants
- (5) Agriculture
- (6) Cottage Industries
- (7) Coal and Minerals

⁹ It is interesting to note that of the members of this Advisory Board, three came later to be appointed as Members of the Commission, one of them being the present Deputy Chairman. Two other Members continue up to now to be closely associated with the Commission in an advisory capacity.

- (8) Health programmes
- (9) Educational programmes
- (10) Housing and Social welfare

Most of these panels met a few times for advising the Commission at the time of the formulation of the First Five Year Plan. The panel of Technical Consultants and those on Coal & Minerals, Irrigation & Power and Scientific & Technical Manpower were not set up. It was also decided at this time that a panel on Land Reforms should be set up but this was not constituted at the time of the formulation of the First Five Year Plan.

The idea of having a general Advisory Board seems to have been given up later and the Commission decided only to constitute specialised panels on various subjects so that advice and assistance of experts who have special knowledge and experience in various specialised fields of work would be available to the Commission.

This system was brought into force in 1955. At the time of the formulation of the Second Five Year Plan, the following panels were set up:

- (1) Panel of Economists
- (2) Panel on Land Reforms
- (3) Panel of Scientists
- (4) Panel on Housing and Regional Planning
- (5) Panel on Labour
- (6) Panel on Education
- (7) Panel on Health

Most of these panels were reconstituted for advising the Commission on the Third Five Year Plan. New panels on Agriculture and Ayurveda were also set up at that time. The Panel on Labour was discontinued and instead the Standing Committee of the Indian Labour Conference with the addition of some experts was used for obtaining advice on problems of labour policy.

The panels are usually large in size, the number of members varying between about 20 and 35. The Member in charge of the subject is usually the Chairman of the Panel. The membership usually consists of technical experts in the subject of the panel. Some panels also have as members

representatives of various bodies connected with the subject and public men including members of legislatures. The panels are active at the time of the formulation of the Five Year Plan; but they are not usually called upon to tender advice at other times. Some panels, for example, the Panel of Scientists, have not met at all for a long period and some others like the Panel on Ayurveda have met very rarely. The only panel which was used somewhat more regularly for obtaining advice, for formulating both the Second and the Third Plans, was the Panel of Economists.

The Planning Commission has also constituted some other Standing Committees such as the National Advisory Committee on Public Co-operation and the Co-ordination Committee for Public Co-operation, the Technical Advisory Committee on Irrigation, Power and Flood Control, the Central Advisory Committee on Agricultural Labour, the Co-ordination Committee for Planning Forums, the Economic Policy Advisory Committee and the Central Committee on Land Reforms. The Commission also appointed in June, 1962, a Committee for studies on Economic Development in India and Japan for guiding the studies being undertaken in this field under the joint auspices of the Commission and the Indian Statistical Institute. More information about some of these standing bodies is given in Chapter V.

V. THE PRINCIPAL UNITS IN THE COMMISSION

As mentioned earlier, the main work of the Commission is carried out through a number of units. Each unit is expected to carry out work in relation to the subjects assigned to it by way of assessing past trends, taking account of the developments required in the given field in the total context of development programmes, working out targets for the given sector to be achieved over different periods of time and the resource requirements both in financial terms and in terms of material resources, examining the experience regarding implementation and working out the corrections and improvements required and keeping in touch with scientific and technological advances bearing on the developments in the given field. Each unit has to carry out its work in relation to the long-term plans, five year plans and annual plans and thus the work in each field is of a continuous nature. It is also necessary that the various units should work to a common purpose and policy and, as problems of development overlap, it is expected that different units in the Commission should work in close collaboration with each other and also with various agencies in Government and in the country generally for carrying out their respective functions.

The principal units in the Commission can be divided into (i) those which are integral parts of the Commission, including what we have described as Co-ordinating Divisions, General Divisions, Subject Divisions and Divisions concerned with specific development programmes, and (ii) associated agencies. The organisation and functions of both these types of units are described in this chapter together with those of the important advisory bodies associated with them.

CO-ORDINATING DIVISIONS

Programme Administration Division

At the inception of the Commission, the work relating to State Plans was mainly being looked after by the Development Plans Section. After certain transitional arrangements, and

especially after the institution of Programme Advisers was created, the Programme Administration Division was specially set up in 1955. It was expected that this Division, working closely with the Programme Advisers, would be able to scrutinise State Plans and programmes, especially those where Central assistance had to be provided on a large scale, on the basis of detailed knowledge and a comprehensive view regarding the States. This was specially necessary in view of the increasing importance attached to State plans in the Second (and also the Third) Five Year Plan. With the emphasis on rapid economic growth and industrialisation, the creation of social and economic overheads assumed greater urgency, and as these were largely in the States, sphere, the formulation and implementation of the State plans in co-ordination with the overall national plan had to be given better attention. It was envisaged that the Programme Administration Division would assist the Programme Advisers and the Commission in the study of State Programmes of Development from an overall economic, technical and financial point of view. This was also expected to relieve the special planning divisions to some extent of the burden of scrutinising State plans and programmes in detail.

The Division is mainly concerned with the co-ordination of work relating to the five year and annual plans of States and Union Territories and it is the principal Division which organises the discussions between the Commission and the State Governments regarding State plans. It works in close collaboration with the Financial Resources Section of the Economic Division in dealing with the problems regarding Central assistance for State plan and also in co-ordinating the work relating to the plan outlays of the Central Government. It also co-ordinates the discussions between the Commission and the Central Ministries regarding their annual plans and is responsible for presenting the overall picture regarding the proposed annual plan outlays. This Division also provides secretariat assistance to the Programme Advisers and is in charge of analysing the reports submitted by them and the follow-up of recommendations contained therein.

A new element has been recently added to the work of this Division because of the increasing emphasis on balanced

regional development. The Division is expected to carry out the functions of identifying the more backward areas within a State and formulating programmes of accelerated growth in these areas. The Division is also expected to study the patterns and procedure of Central assistance to States and suggest improvements with a view to facilitating effective plan implementation.

The Division works under the direction of a Chief. He is an economist who joined the Commission in 1950 as Assistant Chief and has been in charge of this work since then.

Plan Co-ordination Section

In the very first year of the working of the Commission, two special Sections were set up :

- (1) Co-ordination; and
- (2) Development Plans.

These sections were expected to be in charge of co-ordination with Ministries and States, work relating to the Central Statistical Office and the National Income Unit and various advisory bodies and conferences. The Development Plans Section later developed into the Programme Administration Division. The Co-ordination Section continued mainly to work as a branch of Administration. In a few years time, a Progress Division was set up for the purpose of maintaining a continuous check on the progress of the execution of programmes under the Plan, both at the Centre and in the States and also in the private sector. This Division was also expected to co-ordinate the monthly and other periodical reports and special reviews of plan progress and to undertake work relating to the preparation of National and State Statistical Tables for control purposes. In 1955, the Plan Co-ordination Section was set up for the purpose of co-ordinating the work being done in the different Divisions and Sections relating to the preparation of the Second Five Year Plan. The Section was continued afterwards for the purpose of maintaining a review of the progress of the plan as a whole, providing an element of co-ordination amongst the various Divisions and Sections in the Commission. The Progress Division was merged with this Section.

At present, the Plan Co-ordination Section is principally in

charge of all work that requires the co-ordination of action involving several divisions in the Commission. It has a special role to play therefore in the formulation of the Five Year Plan, co-ordinating the work being done by different agencies both inside and outside the Commission, and bringing all this work together to bear on the final report relating to the Plan. This Section also co-ordinates the work of preparing monthly and other progress reports and reviews relating to the plans. It is also in charge of the maintenance of the Intelligence Room and the Progress Room which have been specially set up for the purpose of preparing and displaying charts which provide information about the national economy and the progress of various plan programmes.

There is also a General Co-ordination Section which was created in 1955 and which carries out work mainly relating to the meetings of the Commission and the National Development Council and the follow up of the decisions taken at their meetings.

Because of the nature of the work that these sections have to carry out, they have to work in close association with the officials in charge of directing and co-ordinating the work of the Commission as a whole. These Sections have for this reason always been the responsibility of the officer who acted as the principal executive of the Commission, whether called Joint Secretary, Additional Secretary or Secretary. While at present, the Joint Secretary (Plan Co-ordination) is the Co-ordinating Officer for these sections, they have to work in close association with the Secretary of the Commission.

The two Sections work under officers of the rank of Directors. The Director of the Plan Co-ordination Section is an economist with previous experience of economic administration and has been in the Commission since 1959. The Director of the Co-ordination Section has mainly a background of administrative experience and has been working in the Commission from 1957, as an Under Secretary for about five years and since then in the present position.

GENERAL DIVISIONS

Economic Division

The Economic Division was organised right at the inception of the Commission. As mentioned earlier, it was originally contemplated that there would be two divisions, one on Resources and Economic Survey and one on Finance, but these two gradually came to be treated as one division. A separate section on International Trade and Development was created in 1957 for conducting special studies relating to economic developments abroad and also their impact on India's foreign trade; it was merged in 1962 with the Foreign Exchange Section in the Economic Division. A special section on Economic Policy and Growth was organised in 1961.

At present the Division has three principal sections. The Section on Financial Resources is mainly concerned with the problems of financial resources for the plan and is one of the units very closely associated with the Programme Administration Division in carrying out discussions with State Governments about their plans. The Section works in close collaboration with the Ministry of Finance, especially its Department of Economic Affairs and Budget Division. The Foreign Exchange and Trade Section deals with the problems relating to the requirements and availability of foreign exchange for the plans and various other connected problems like imports and exports, external assistance, etc. The Section works in close collaboration with the Ministry of Finance (Department of Economic Affairs) and the Ministry of International Trade. The Economic Policy and Growth Section deals with problems of economic policy not directly related to financial resources and foreign exchange and trade. It is specifically expected to deal with problems of price and monetary policy, institutional changes connected with development, analysis of national income accounts and work connected with planning techniques and long-term plans. It works in close co-operation with the Perspective Planning Division in regard to the last mentioned area. It also co-operates with the Plan Co-ordination Section in regard to the assessment of progress under the plan. Two other units have grown up recently—one for studying price trends and related problems and the other for conducting work relating to

inter-industry analysis. Both these units work under the guidance of the Chief of the Economic Policy and Growth Section. There is a Committee on Prices which was appointed by Government in December, 1962, and the Chief of the Economic Growth and Policy Section works as the Member-Secretary of the Committee. The inter-industry studies unit came to be organised early in 1962.

Co-operation and co-ordination of work between the various Sections of the Economic Division and the Ministry of Finance and also the Reserve Bank of India was expected to be ensured through the Economic Adviser who is the Co-ordinating Officer for all the sections in this Division and who also used to hold the position of Chief Economic Adviser in the Ministry of Finance. The Commission has now decided to appoint a full-time Economic Adviser. The first Chief of the Division, who later came to be designated as Economic Adviser, was a senior economist who had worked for some years in the Reserve Bank of India before joining the Commission. He continued in this position for about eleven years. His successor was also an economist and had worked as Deputy Economic Adviser in the Ministry of Finance before being appointed to the joint positions of Chief Economic Adviser in the Ministry of Finance and Economic Adviser to the Commission. He worked in these positions for about a year.

The work of the three main units is directed by a Chief (Finance), a Chief (Economic Policy and Growth) and a Director (Foreign Exchange). All the three officers are economists. The Chief (Finance) is an officer who started in the Commission as a Research Officer in the Economic Division in 1952 and has gradually come to occupy his present position. The Chief (E. P. & G.)¹ had worked for many years on the research staff of the Reserve Bank before he was appointed as Chief in the Commission in 1961. The Director (Foreign Exchange) has been with the Economic Division for over nine years, first as Assistant Chief and now as Director.

As mentioned earlier, one of the panels which was set up earliest was the Panel of Economists. This was constituted in

¹This officer was appointed as Economic Adviser to the Commission at the beginning of April, 1964.

March, 1955. It consisted of 20 economists—officials as well as non-officials—with the Minister of Finance as its Chairman and the Chief of the Economic Division as its Member-Secretary. The Panel had a small Standing Committee consisting of ten members which could meet more frequently than the Panel as a whole. The function of the Panel was to advise the Commission on problems connected with the preparation of the Second Five Year Plan. In April, 1955, it prepared a memorandum on basic considerations relating to the "plan-frame". Members of the Panel individually prepared a number of other papers on subjects of importance and interest to the Commission. Some of these papers were later published in the volume entitled "Papers Relating to the Formulation of the Second Five Year Plan". The Panel did not meet for some time after the formulation of the Second Plan. It was activated again in 1957-58 for discussing problems connected with the re-phasing of the Second Plan.

The Panel was reconstituted in February, 1959, in connection with the work relating to the Third Plan and then consisted of 26 economists. The panel set up working groups on different aspects relating to the formulation of the Third Five Year Plan and the Panel as a whole met a number of times in the years 1959 and 1960 for discussing problems relating to the formulation of the Third Plan. Since then the Panel has again not met for over three years. The approach in this regard seems to be that the Panel which is a comparatively large body should only be consulted on major occasions such as the formulation of a Plan or major changes in the current Plan.

Economic Policy Advisory Committee

The idea that the size of the panel being too large, there should be a small committee to advise the Commission on a more regular footing had been suggested to the Commission in 1958. To some extent, of course, the Standing Committee of the Panel of Economists served this purpose. But it was thought that it would be useful to have a small body of economists who could be consulted frequently and could be kept informed about the tentative thinking in the Commission. The Commission agreed that it would be valuable to secure the intimate

and continuous association in its work of a small number of distinguished economists. With this in view, an Advisory Committee on Economic Policy was constituted in September, 1962. The idea was that the Committee would meet at frequent intervals (ordinarily once in two months) and the Commission would confer with them on important questions of policy relating to subjects like prices, mobilisation of resources, distribution of income and wealth, planning of foreign trade, balanced development in different sectors of the economy and in different regions and the preparation of long-term plans. The Committee consisted of five senior economists. One of the members of the Committee has since been appointed as a Member of the Commission. The Committee has met six times between September, 1962, and March, 1964. In addition to the members of the Committee, a senior economist who is the Executive Director of the Reserve Bank and Economic Advisers in different Ministries also attend its meetings.

Perspective Planning Division

The importance of thinking of Five Year Plans in the context of a long period perspective of development had been mentioned by the Commission in its report on the First Five Year Plan. This approach received added emphasis at the time of the formulation of the Second Five Year Plan. One of the fields in which planning on the basis of long period requirements was found to be essential was that of scientific and technical manpower. Some work had been done on this problem in the Labour and Employment Division, mainly for assisting the Engineering Personnel Committee (1956). As it was felt that more detailed studies should be conducted in this field, with much greater attention on the perspective of long-term requirements, a separate Division was set up for carrying out such studies in February, 1957. At the same time it was decided to create a Division on Perspective Planning. The functions of this Division were not outlined in detail at the time of its establishment. It was expected to present ever-improving sets of targets or goals for the future, keeping in view the long range and short range aspects of the problem. Staff was sanctioned for the Division in May, 1957. In

November, 1957, the work of the Scientific and Technical Manpower Division was combined with the Perspective Planning Division. From its inception, the Division has worked under the direction of the same Chief. This officer, who held the position of Private Secretary to the Chairman, was already connected with this work in his capacity as Honorary Joint Secretary of the Indian Statistical Institute, studies of this kind being initially organised at the time of the formulation of the Second Plan under the auspices of that Institute.

The Division is primarily concerned with problems and policies of long period development. Its functions include consideration of the implications of alternative goals and strategies of long-term development, preparation of the overall framework for a long-term plan and examination of current policies and programmes from the long-term viewpoint. In its task of preparing a long-term plan for the economic development of the country, the Division attempts to provide a quantitative framework of the possible course of economic development related to defined social objectives and to study the implications of such development in terms of physical, financial and organisational measures for achieving these goals.

In the formulation of long-term plans the following types of studies are undertaken:

- (a) Patterns of consumption in relation to rising levels of living;
- (b) Strategy for long-term development of agriculture and related activities;
- (c) Projection of the long-term demand for manufactures, industrial raw materials, power, transportation, etc., ensuring consistency and efficiency;
- (d) Long-term aspects of greater equality of opportunity and the role of education and health in this respect;
- (e) Principles of regional planning and optimum allocation of resources;
- (f) Organisational and other measures required to ensure smooth and co-ordinated development of critical sectors, keeping time lags in view;
- (g) Policies relating to balance of payments, pricing, taxation and generally mobilisation of resources for investment;

- (h) Long-term changes in labour force, requirements of specialised manpower and their implication for programmes of education and technical training; and
- (i) Effective organisation and method of planning.

As the Division is concerned with long-term planning in all its aspects, the scope for its work is wide. The Division concentrates its attention on the most crucial areas where advance action is necessary and conducts studies and makes recommendations about programmes to be undertaken in such areas in good time so as to prevent bottlenecks which would impede progress. The Division has to work in close collaboration with various Divisions in the Commission and key technical organisations in the country, official as well as non-official, which are concerned with different areas and aspects of development. Because of the nature of its work the Division is usually represented on most of the Study Groups set up for working out different aspects of the Plan. It works in close collaboration with the Planning Unit of the Indian Statistical Institute which has a continuing programme of work embracing various aspects of the problem and which is housed in the same building as the Commission. The titles of some of the major studies conducted by the Division are given in Appendix F.

Labour and Employment Division

This Division was a part of the Employment and Social Services Division which was set up at the inception of the Commission. Gradually as the work relating to different social services increased, separate sections were organised to look after them and later on they were fully separated and constituted into independent divisions. This division then came to be known as the Labour and Employment Division. It has been working under the same officer from the beginning. This officer, who is a statistician by training, and had experience of working in the field of Labour Administration, was originally appointed as an Assistant Chief and has since been promoted to the position of a Chief. He also works as Adviser (Labour and Employment) to the Ministry of Labour and Employment and close liaison is thus maintained between the Division and the Ministry. Direct communication is also maintained with various

organisations under the Ministry like the Directorate General of Employment and Training, the Labour Bureau, the Employees' State Insurance Corporation and the Employees' Provident Fund Organisation.

The main function of the Division is to conduct analytical studies relating to (i) the employment situation in the country as a whole and in various States from time to time, (ii) increasing employment opportunities and specially the employment potential of different schemes and programmes, (iii) special categories of unemployed persons such as educated unemployed, the unemployed amongst Scheduled Castes and Scheduled Tribes, etc., and (iv) schemes like craftsmen training schemes, workers' education, expansion of national employment service and University Employment Bureaus. The Division also undertakes studies of labour policies in general and specially of problems affecting industrial and agricultural labour on matters such as working conditions, wages, social security and industrial relations.

Manpower Planning was first being handled in the Commission by this Division and it provided the principal secretariat and technical assistance for the Engineering Personnel Committee (1956) appointed by the Commission. While Manpower Planning as such has since then been transferred to another division, this Division continues to study certain problems relating to technical manpower. It has prepared a number of studies and papers on problems of employment, the more important amongst which are (i) outlook on employment and related problems, (ii) employment trends and prospects, (iii) the census and its implications in terms of growth of labour force, working population etc., and a series of studies relating to the employment position in different States. The Division has also brought out a Study Report on unemployment amongst educated persons.

A Panel on Labour was set up in 1955 to examine problems relating to labour policy for the Second Plan. The panel met once each in 1955 and 1956. It consisted of the Minister of Planning (who was also the Member in charge of the subject) as Chairman and 18 other members including the Labour Minister. It has not been reconstituted and has not met since then.

The Commission's approach in this respect now seems to be that the Tripartite Committees constituted by the Ministry of Labour and Employment like the Indian Labour Conference, the Standing Labour Committee and the Central Committee on Employment adequately provide the advice required for formulation of policies in this field, if necessary by enlarging the composition of these Committees to serve the purpose; e.g., the Labour Policy for the Third Plan was evolved through discussion in the Standing Labour Committee to which some experts were added specially for the meetings which advised the Commission in this respect.

Statistics and Surveys Division

While the Central Statistical Organisation came into existence at the same time as the Planning Commission and close contacts were maintained between the two agencies, the responsibility for statistics in the Commission initially rested with the Resources and Economic Survey Division. In 1954, the Commission suggested that a special cell should be organized in the C.S.O. to deal with the statistical work relating to planning and that this cell should work in close collaboration with the Commission, the Ministries and the Indian Statistical Institute. In accordance with these suggestions, a Planning Cell was created in the C.S.O. in 1955. From February, 1957, this Cell came to be called the Statistics and Surveys Division of the Commission. The Division, though working for the Commission, is an integral part of the C.S.O., and almost from the beginning its work has been supervised by the Director of the C.S.O.

The Division is required to prepare various statistical studies relating to planning. A number of papers have been prepared in the Division, sometimes in collaboration with other Divisions of the Commission, Central Ministries and State Governments. Another function of the Division is to maintain liaison between the C.S.O. on the one side and the Commission on the other. Any statistical information or data required by any Division of the Planning Commission are arranged through this Division by the C.S.O. To achieve similar liaison between the Statistical Bureaus of State

Governments and the Commission, a Committee on Planning Statistics was constituted in 1958. The Division is also in charge of preparing statistical publications and reports on planning. It has brought out series of two statistical publications, viz., "Basic Statistics relating to Indian Economy" and "Selected Plan Statistics". The Division has also been bringing out quarterly reports on economic trends in the country.

Natural Resources Section

The Draft Outline of the Third Plan² had drawn attention to the necessity of taking a comprehensive view of "the extent and quality of the information available" about natural resources, the principal gaps in information, and the further steps needed for the conservation and development of these resources. In the report on the Third Plan,³ it was further emphasised that necessary steps had to be taken well in advance if the long-term goals of development in different sectors had to be attained. Moreover, for balanced development, it was necessary to assess the availability, requirements and possibilities regarding resources in relation to each of the principal regions within the country.

Keeping this in view, the Commission in December, 1961, constituted a high level Committee on Natural Resources for the purpose of assessing available information regarding the natural resources in the country and identifying gaps in it in relation to the programmes of development. The Committee was also expected to arrange in collaboration with the various organisations concerned, for the formulation of co-ordinated programmes for surveys of natural resources in different parts of the country, to initiate studies on problems relating to natural resources, to make recommendations bearing on the conservation, utilisation and development of natural resources and to disseminate information about resources through publications. The Committee has established a Standing Committee and four Technical Committees on Land, Water, Mineral and Energy Resources. Each Technical Committee has

² Third Five Year Plan—A Draft Outline, p. 9.

³ Third Five Year Plan, pp. 181-183.

appointed Sub-Committees and Working Groups for carrying out particular studies.

The Adviser (Resources)⁴ of the Commission acts as the Member-Secretary of the Committee. The Natural Resources Section bears responsibility for the conduct of the various studies approved by the Committee, maintaining liaison with the Central Ministries and State Governments and also for the implementation of the recommendations made in the studies. In addition to an officer of the I.A.S. who has had special training in economic geography and works as the head of the Section, there are two Senior Specialists—one on Land and one on Minerals—working in the Division. The work relating to studies on Water resources and Energy resources is being looked after by the Chief of the Irrigation Section and the Chief of the Power Section respectively. A Senior Specialist on Forests is expected to be appointed.

The Section works in close collaboration with the Ministries and the specialised organisations concerned with the studies and problems relating to particular resource fields. Representatives of such organisations are included as Members of the Sub-Committee and Working Groups appointed by the Committee on Natural Resources.

As the first step in its work the Committee made a comprehensive review of the existing arrangements regarding surveys of natural resources. The review covered the various survey organisations, the scope and area covered in the surveys conducted by them and the principal gaps in coverage and other deficiencies. On the basis of this study the Committee has suggested a number of steps for strengthening the existing survey agencies, for more effective co-ordination among them and for undertaking surveys in new fields. A number of studies relating to land resources, crops, minerals, energy and water have been undertaken and a few of these have already been completed.

⁴The person who worked as Adviser (Resources) from March, 1961 to March, 1964, was a senior officer of the I.C.S., who had worked as the Vice-President of the Indian Council of Agricultural Research for some years before joining the Commission.

Scientific Research Section

In order to give adequate emphasis to the development of scientific and industrial research, a special Section on this subject came to be organised in the Commission in August, 1955. The Section is concerned with the development of such research in relation to planned development. It keeps in touch with the research work that is being done in different research institutions in the country, examines the manner in which the results of such research are being applied and ensures that information regarding developments in such research is available to the Commission. The Section also co-operates in formulating the development programmes of various research institutions and assists the Commission and the Government in deciding on the priorities to be given in the allocation of funds for research. In addition to the work for the Fourth Five Year Plan, the Section is now assisting a Preparatory Group in collecting basic information relating to scientific research.

The work of the Section was till recently looked after by a senior scientist who had been with the Commission since 1956. Recently another senior scientist has been appointed as Senior Specialist (Scientific Research).

The Commission had appointed a Panel of Scientists in December, 1956, to advise and assist it in co-ordinating the research in National Laboratories, universities and other institutions with the requirements of national planning. It consisted of 32 scientists as members. The panel met once in 1956 and once in 1959. It has not met since then.

Management and Administration Section

The Planning Commission had given considerable attention to the problem of administrative reform at the time of formulating the First Five Year Plan. It gradually came to be thought that there should be a Section in the Commission to deal with problems of public administration, for the purpose of maintaining liaison with organisations like the O. & M. Division, various Ministries and State Governments, the Indian Institute of Public Administration and other similar agencies and for keeping in touch with developments in the States regarding changes in administrative machinery. With the

expansion of the public sector, a suggestion was also made that there should be a division in the Commission devoted specially to the study of the common problems facing public sector undertakings. As a result of this a Section on Public Management Studies was set up in the Commission. It was concerned with studies relating to management of public undertakings as well as with problems of district and *Panchayat* administration. The Estimates Committee, however, thought that there was not enough work for the separate Section to be maintained in the Commission for this purpose. The Section was then wound up.

In October, 1962, a new Section on Management and Administration was created in the Commission. Its functions are :

- (1) Management studies relating to public enterprises;
- (2) problems of district and lower level administration and study of planning machinery in the States; and
- (3) the follow up of recommendations contained in the Third Plan relating to administrative reforms and improvements.

A pilot study in programming and reporting in public enterprises has been undertaken by this Section. The Section works under the direction of a Deputy Secretary.

It is now contemplated that a Division on Management and Administration will be created in the Committee on Plan Projects (*See* later in this Chapter). It will consist of two units—one for Management and one for Administration. The Management unit will undertake specific studies on topics like project appraisal and evaluation, programming systems in public enterprises, management information and reporting, materials planning and management, financial planning, production planning and control, applications of statistical techniques and project organisation and structure. Case studies of public enterprises will also be undertaken. The Administration unit will focus its attention on problems of Development Administration and conduct studies in areas like planning machinery and methods at various levels, area programmes, training of development personnel, reporting systems for development programmes, performance budgeting and evaluation, administrative

developments in relation to *Panchayati Raj*, communication processes in relation to development plans and public opinion and response in relation to development policies and programmes.

SUBJECT DIVISIONS

Agriculture Division

The Agriculture Division was created in 1950. It was responsible for all problems of agriculture including problems of increasing agricultural production, minor irrigation works, land reclamation, animal husbandry, dairying, fisheries, forest and soil conservation, land reforms, co-operation and community development. These last three functions were later on separated from the work of this Division and were being looked after by other units in the Commission. Recently, the Section on Co-operation and Community Development has been put back under the Agricultural Division.

At present, the Division is working under the direction of a Joint Secretary (Agriculture) who is assisted by one Chief and two Assistant Chiefs. The Joint Secretary is an officer of the Indian Administrative Service who had previously worked on a special assignment regarding Community Development. He has been in charge of the Division from October, 1961. The Chief of the Division, appointed recently, is a retired officer of a State Agricultural Service and had held the posts of State Director of Agriculture and the Director of Extension in an agricultural university before joining the Commission.

A Panel on Agriculture was constituted in December, 1959, to assist the Commission in framing the agricultural plans and programmes for the Third Plan. It was reconstituted in 1962 and now advises the Commission on the implementation of agricultural programmes under the Plan and reviews the progress thereof. It consists of the Member (Agriculture) as Chairman and 37 other members. It has been usually meeting once a year.

Irrigation and Power Division

At the inception of the Planning Commission, a Division on Natural Resources was created. It was expected to deal

with all natural resources, and their development; but in practice, attention came to be principally focussed on three main subjects, viz., Irrigation, Power and Minerals. Work relating to minerals was transferred from this Division to the Industry Division in 1956. The Division continued however to be called the Natural Resources (Irrigation and Power) Division. It came to be designated as the Irrigation and Power Division in August, 1962.

The Irrigation and Power Sections deal with the planning of irrigation and power facilities respectively both by way of examination of the long-term requirements and scrutiny of particular schemes submitted by different authorities for inclusion in the Plan. The Power Section deals with the problems of power generation from different sources like water, coal, oil or atomic fission, including that of comparative costs, and also of power tariffs and finance for power programmes. The Irrigation Section deals with irrigation and flood control schemes and the utilisation of irrigation facilities, the financial aspects of irrigation and flood control, and schemes of drainage, anti-water logging and anti-sea erosion measures.

The Division works in close collaboration with the Ministry of Irrigation & Power and the Central Water & Power Commission. It has also to work closely with various other divisions in the Commission, Central Ministries and other technical organisations on problems of common interest like agricultural production, energy survey, power survey, examination of natural resources, the development of atomic energy, the production of electric power equipment and co-ordination of coal transport.

The Division used to work under the guidance of a Chief of Division from 1950 to 1958. In 1958, an Adviser (Irrigation and Power) was appointed and since then the Division works under his overall guidance. At present there are two Chiefs—one looking after Irrigation and one after Power. All the three are senior engineers. The Adviser has been in charge of this Division first as Chief and then as Adviser for about six years; the Chief (Irrigation) has been with the Commission for about five years and the Chief (Power) for about six years.

The First Five Year Plan took note of the fact that a situation had arisen "under which a number of projects had been simultaneously taken up in different States without careful project reports and financial and other estimates, or an assessment of their aggregate effects on the overall economy of the country". It was therefore recommended that "an appropriate body should be set up to advise on the relative priority of different projects on an all-India basis after examining the projects and satisfying itself that the schemes have been prepared after detailed investigation, that the estimates are reasonably correct and that the financial forecasts are reliable. Only those schemes would be eligible for consideration which have been fully investigated and are ready for execution".⁵

In pursuance of this recommendation, the Commission constituted in February, 1954, a Technical Advisory Committee on Irrigation and Power Projects. The Committee was to examine projects proposed for inclusion in the plans in order to ensure:

- (i) that the schemes had been prepared after detailed investigation;
- (ii) that the estimates were technically complete and correct; and
- (iii) that the financial forecasts and estimates of derived benefits were based on correct data and were reliable, and, on the basis of such examination, to advise the Commission on the merits of projects for inclusion in the Plan.

The Committee was originally constituted only for advising the Commission regarding the inclusion of projects in the Second Five Year Plan and its term expired in February, 1956. But as it was found that detailed project reports had not been received for a large number of schemes and that further examination of many such schemes provisionally included in the Second Five Year Plan was necessary, the Committee was reconstituted in July, 1956. It was again reconstituted in April, 1959, for examining the proposed projects for the Third Plan, and its functions were enlarged to include Flood Control and other River Valley Projects.

⁵ The First Five Year Plan, pp. 365-66.

The Committee as originally constituted consisted of the Deputy Minister of Irrigation and Power as Chairman and a number of senior engineering experts and an officer of the Ministry of Finance as members. On reconstitution in 1956, its membership was expanded and the Secretary of the Ministry of Irrigation and Power was appointed as its Vice-Chairman. From 1962, the Minister of State for Irrigation and Power acts as the Chairman of the Committee.

All medium and major projects in the field of irrigation (including flood-control, drainage, anti-waterlogging and anti-sea-erosion schemes) and power have to be examined by the Committee before they can be included in the Plan. If any major modifications become subsequently necessary, these are also examined. The technical scrutiny is carried out by the Central Water & Power Commission on behalf of the Committee. The intensity of the scrutiny varies according to the magnitude and other such features of the project. The Committee has to examine a large number of proposals and therefore usually meets once every two or three months.

Land Reforms Division

In the early years of the Commission's existence, the work on land reforms was being looked after by the Agricultural Division. With the considerable emphasis placed in the First Five Year Plan on land reform measures, it was considered necessary to have a separate unit to concentrate attention on the implementation of the policy recommended by the Commission.⁶ Therefore, a separate Land Reforms Division was set up in September, 1953. The Division is expected to assist State Governments in carrying out the programmes of land reforms, to carry out a continuous study of the situation regarding ownership and management of land, to evaluate the operation, progress and effects of land reform measures and to advise on schemes of co-operative resettlement of land. In addition to the above-mentioned functions, the Land Reforms

⁶ The First Five Year Plan had emphasised the importance of setting up a land reforms organisation at the Centre for the purpose of pooling the knowledge and experience gained in different States and suggesting lines for further investigation. (See pp. 197-198).

Division is also assigned additional functions like examining legislation relating to land acquisition, studying the *Bhoodan* and *Gramdan* movements and their effects and the problems of settlement of landless agricultural workers.

From its inception, the Division has been working under the direction of a Chief of Division who is now designated as Joint Secretary (Land Reforms). It works in close collaboration with the Ministry of Food and Agriculture. The Chief of the Land Reforms Division has also been working as the Officer in charge of the Land Reforms Unit in the Ministry and this ensures that there is close co-operation between the Ministry and the Commission on this subject.

In order to provide guidance to the land reforms measures being undertaken in different parts of the country, the Commission set up a Committee on Land Reforms in 1953. It consists of the Chairman and Members of the Commission, the Minister for Home Affairs, the Minister for Food and Agriculture and the Minister for Agriculture. The idea was that such a high level committee would be able to ensure that the pace and nature of land reforms in different parts of the country were co-ordinated and guided as parts of a national programme. The State Governments are expected to consult the Committee concerning their proposed land reform legislations at an early stage and as far as possible prior to the introduction of the legislation in the State Legislatures. The Committee has met over sixty times during the last ten years to consider land reform proposals of different State Governments.

The Commission also constituted in May, 1955, a Panel on Land Reforms to review the progress in the implementation of the land policy proposed in the First Five Year Plan and to consider further steps in connection with the Second Plan. It had 16 members. The Panel worked mainly through four sub-committees, one on the size of holdings, one on tenancy reforms, one on reorganisation of agriculture and one on *Bhoodan*. All these sub-committees submitted their reports to the Commission.

In August, 1959, the Panel was reconstituted for reviewing the progress made during the Second Five Year Plan and suggesting further steps in the field of land reform and agrarian reorganisation, particularly in relation to the problems of

implementation of the policies suggested by the Commission. The Minister of Planning was the Chairman of the Panel and it had 37 other members. The Panel constituted four sub-committees--one on tenancy reform, one on the problem of ceiling on land holdings, one on resettlement of landless agricultural workers, and one on consolidation of holdings. All the four sub-committees submitted their reports to the Commission.

A Central Advisory Committee on Agricultural Labour was constituted by the Commission in April, 1961, to assist it in considering questions of policy and organisation relating to the settlement of agricultural labour and of the measures needed for meeting their problems. It consists of the Member (Agriculture) as Chairman, the Union Minister for Agriculture as a member and 12 other members including Government officials, economists and political and social workers.

Industry and Minerals Division

A Division on Industry, Trade and Communications was set up in the Commission at its inception. It was entrusted with all work relating to industries (organised and decentralised, public and private), internal and external trade and all forms of transport and communications. In 1953, a separate unit was set up to look after the work relating to transport and communications and in 1955, another unit was set up to look after the work relating to village and small industries. The subject "Minerals", which was being dealt with by the Natural Resources Division was transferred to the Industry Division and taking into account all these changes, the Division was re-designated as "Industry and Minerals Division". At present, the Division has separate sections for industries, minerals and public enterprises, the last of which was added to it in 1961.

The primary tasks of the Division are to assist in the formulation of the plan and the individual development programmes for the industrial and mineral sectors under successive Five Year Plans and to make an appraisal of the progress of these Plans periodically. In this context, its functions are to make forecasts of demand estimates, conduct studies regarding technological and economic aspects of industrial units, capital formation in the organised industrial sector and the sources of supply of

funds and undertake work connected with the co-ordination of industrial programmes with related sectors like power and transport. The Division is also expected to assist in a review of the Industrial Policy in relation to its economic and social aspects. Since the re-appraisal of the Second Plan in 1957, the study on maintenance imports has become an important part of its work. The Division has been responsible for bringing out the volumes on Programmes of Industrial Development accompanying the Five Year Plans.

The Division works in close collaboration with the Union Ministries dealing with industries and minerals and with specialised agencies like the Directorate General of Technical Development, the offices of the Textile Commissioner, Jute Commissioner, Coal Controller, the Economic Advisers of the Ministries of Industry and Finance and the Reserve Bank and also the Oil and Natural Gas Commission. It also maintains contacts with leading industrial associations in the private sector and the Development Councils for industries. Further, the Division assists the Adviser at the apex of its organisation in the functions discharged by him as a Member of the Licensing Committee under the Industries (Development and Regulation) Act, the Foreign Agreements Committee, the Capital Goods Committee as well as *ad hoc* bodies set up from time to time.

In the discharge of its responsibilities, the Division is guided by an Adviser. From 1952 until the middle of 1961, the Adviser in charge was designated "Adviser (Planning)" and his responsibilities covered a much wider field than the scope assigned to this Division. The present Adviser (Industry and Minerals) was formerly the Chief Industrial Adviser and Joint Secretary to the Government of India and also worked as the Chairman of the Heavy Engineering Corporation for over five years before joining the Commission in March, 1964.

Until February, 1964, the charge of the Division was held by a Chief designated "Chief (Industry)". There are at present two officers working as Chiefs; one of these has been associated with this Division since the inception of the Commission; the other one was the Principal of a University College of Mining and Metallurgy before joining the Commission in 1962. In the top ranks of the Division, there is currently provision for four

Directors for devoting special attention to engineering industries, chemical industries, minerals and public enterprises. These officers are expected to be technical specialists in their respective fields.

There is no Panel or other type of advisory committee for this Division. It draws upon the advice provided in the deliberations of the Development Councils for different industries set up under the Industries (Development and Regulation) Act and other *ad hoc* agencies.

Village and Small Scale Industries Division

Under the Industries Division, a Section on cottage industries came to be created in 1950. In view of the importance attached to the programme for developing village and small scale industries in the Second Five Year Plan, a special Division on the subject was set up in 1955. The functions of the Division include assistance in the formulation of the Five Year Plans for this sector and conducting studies on problems relating to it. The Division is expected to co-ordinate and review the programme for the development of village and small scale industries including the programmes put forward by the six All India Bodies, *viz.*, Small Scale Industries Board, Khadi and Village Industries Board, Handloom Board, Handicrafts Board, Coir Board and Central Silk Board.

The work of the Division is directed by an Assistant Chief who works under the supervision of the Joint Secretary (Research, Small Industries and Social Services); the latter also works as the Member-Secretary, Research Programmes Committee.

There is no panel or advisory board specially assisting this Division. But the Division keeps in touch with the all-India bodies and other non-official agencies working in this field. Further, the Commission has set up a high-level Committee for carrying out certain pioneering work relating to the field of Rural Industrialisation.

Rural Industries Planning Committee

One of the main objectives of the Third Five Year Plan in implementing programmes relating to village and small scale

industries is the promotion of such industries, and generally of non-agricultural employment opportunities, in rural areas. The Report on the Plan makes a specific reference to evolving a programme of rural industrialisation taking into account the various aspects of development in each area and through securing close co-operation among the various institutions and agencies working at the regional or block levels in preparing local plans and implementing them. Following this recommendation, the Commission set up in April, 1962, a high level body called the Rural Industries Planning Committee for reviewing the progress of industries in rural areas, advising on problems of policy and planning relating to them and recommending programmes for the intensive development of small industries in rural areas, including co-ordinated plans, areawise and regional, of development.

The Committee has the Deputy Chairman of the Commission as its Chairman, and Members for Agriculture and Industry, Union Ministers of Industry and Community Development, the Chairmen of the Khadi and Village Industries Commission and the All India Handicrafts Board, some leading non-officials and social workers interested in this programme and an economist as members. The Joint Secretary (Research, Small Industries and Social Services) of the Commission is the Secretary of the Committee. There is a Standing Committee with a leading non-official social worker as its Chairman and representatives of the Ministries of Industry, Community Development and Co-operation and Home Affairs and of some of the All India Bodies working in this field as members.

At the present stage, projects are being undertaken with a view to experimenting and accumulating necessary experience for a larger programme in the future. The present projects are also expected to help the development of small industries based on agriculture. Projects for development of rural industries are being experimentally developed in different types of areas with varying conditions as for example:

- (a) where agricultural conditions are favourable and at the same time there is heavy population pressure;
- (b) where agriculture is undertaken without irrigation facilities and where there is need for additional employment;

- (c) where there is considerable unemployment, unfavourable natural conditions and lack of development potential by way of natural resources;
- (d) tribal and such other specially backward areas;
- (e) areas where industrialisation has already been initiated; and
- (f) areas in the neighbourhood of rural universities and similar institutions.

In all, forty-five areas have been selected for the first series of projects in different regions of the country.

The programme is organised directly under the auspices of the Committee. The Committee indicates the overall policy and direction of the programme. The Standing Committee is expected to provide continuous guidance to the programme which is implemented through the State Governments and other authorities. For this purpose, Advisory Committees have been constituted at the State level with the Chief Minister or the Minister for Industries in the State as Chairman. Further below this, there are Project Committees which are directly in charge of formulating and executing the programme in a particular area. It is expected that the programme will be carried out on the basis of close and continuous collaboration with various local authorities and organisations like *Zila Parishads*, *Panchayat Samitis*, Co-operative agencies and institutions associated with the various small industries programmes.

Transport and Communications Division

The work relating to Transport and Communications which was being done in the Division on Industries, Trade and Transport earlier was allotted to a separate Unit in December, 1953, when a retired Railway Officer was appointed by the Commission as Adviser (Transport). The unit gradually came to be designated as the Transport and Communications Division. It deals with development programmes and problems relating to various forms of transport and communications.

An important function of the Division is to project the development of transport in co-ordination with the projected

developments in other sectors like agriculture, mining and industry. The Division has prepared certain special studies on transport problems. An important aspect of the Division's work is to assist in the studies being conducted in this field by various committees and study-groups appointed by the Commission.

The first of these is the Committee on Transport Policy and Co-ordination. This was constituted by the Commission in July, 1959, with the following terms of reference:

"Taking into account the existing stage of development of the various means of transport and the economic, political, social and strategic purposes which the transport machinery is designed to serve, the Committee should recommend:

- (a) what broadly should be the long-term transport policy of the country, so that the development of the transport machinery may be effected in consonance with our growing needs, with economy and efficiency, avoiding duplication to the maximum extent practicable;
- (b) in keeping with the policy defined under item (a) what should be the role of the various means of transport in the country during the next 5 to 10 years; and
- (c) what is the best mechanism for the regulation and co-ordination of the various means of transport, so that the transport needs of the country are met in an efficient and economic manner consistent with the larger interests of the country?"

The Committee had Shri K. C. Neogy, former Union Minister and Member of the Commission, as Chairman and the Secretaries of the Planning Commission, the Department of Transport, the Department of Economic Affairs and the Ministry of Commerce and Industry, the Chief Economic Adviser to the Ministry of Finance and the Commission, and Member (Transportation), Railway Board, as members. The Committee had for some time a full-time secretary but for most of the time, the Director of the Transport and Communications Division of the Commission has been working as part-time Member-Secretary of the Committee.

The Committee submitted its preliminary report in February, 1961. Its terms of reference had referred specially to the

problems relating to co-ordination between the railways and the mechanised road transport which had been under discussion between the Commission and the Ministries of Railways and Transport for quite some time previous'y. The preliminary report was accordingly confined largely to these problems.

Since submitting the preliminary report, the Committee has been studying various aspects of the long-term policy in respect not only of railways and road transport, but also other forms of transport, such as coastal shipping, inland water transport and air transport. The Committee organised sample surveys on six selected routes in the country with a view to collecting data pertaining to the volume and type of traffic carried by road transport. The Committee also had a study conducted by the Programme Evaluation Organisation of the Commission on the role of bullock carts in the economy. The Committee has brought out papers on several subjects such as railway rating policies, estimation of future transport requirements, road transport licensing policies followed by the State Governments, road taxation and finance, etc.

There seem to have been some differences of opinion between Shri Neogy and the Commission regarding the composition of this Committee. The Committee as such met a number of times for the completion of the Preliminary Report; but since then the work of the Committee was largely conducted under the direction of its Chairman, Shri K. C. Neogy. He resigned the Chairmanship of the Committee in February, 1964, due to his differences with the Commission.⁷ After his resignation, the Committee has been reconstituted with the Member (Administration and Transport) of the Commission as its Chairman. It is now expected to complete its work in the course of the next few months.

The Commission also set up in 1962 a Planning Committee for Transport of which the Member (Administration and Transport) is the Chairman. This Committee has the

⁷ Press Statement by Shri K. C. Neogy, dated February 7, 1964. Also see statement laid on the Table of the House (Lok Sabha) by the Deputy Minister for Planning in answer to starred question No. 344 on February 27, 1964.

Secretaries of the Ministries of Transport, Iron and Steel, Heavy Engineering, Industry, International Trade, Petroleum & Chemicals and Finance (Departments of Economic Affairs and Co-ordination) and the Chairman and Member (Transportation) of the Railway Board, as members. It is expected to advise the Commission on the formulation and review of development programmes relating to transport. The Committee is assisted by the Joint Technical Group for Transport Planning which was appointed by the Commission in September, 1962. The terms of reference of the Group were indicated as below:

- (i) The Group will collect factual data and work out projections of transport requirements for the formulation of plans in the transport sector;
- (ii) The Group will undertake detailed surveys of various regions in the country with the help of Zonal Railways and State Governments where necessary, and make an assessment of the transport requirements of each region in the Fourth Plan and in relation to the long-term plan of economic development;
- (iii) Depending upon their assessment of requirements of transport on a regional basis and in consultation with the Ministries concerned and their technical units, the Group may examine comparative suitability and economies of the various means of transport for meeting these requirements and offer suggestions regarding the broad lines on which development of future facilities should be planned; and
- (iv) The Group will consider the existing arrangements for collection of statistical and factual data by various agencies in the field of transport, suggest what further data should be collected on a regular basis and how the collection should be arranged at various levels.

It was also recognised that studies of locations of basic industries in the future would be specially important from the point of view of transport planning.

The Joint Technical Group now includes senior officials deputed by the Ministries of Railways and Transport and the Planning Commission. Arrangements to strengthen the Group are in hand. For studies relating to specific commodities,

appropriate officials from the Ministries concerned will work with the Group. The working of the Group is so conceived that its members and officers from the Ministries working with it should be able freely to draw upon data and personnel available in different organisations and at each stage there should be the fullest interchange of information. In working out the details of its programme of technical and economic studies, the Joint Technical Group is attempting to make available such material as may assist in the preliminary formulation of the Fourth Plan.

The Group has, as its Chairman, a senior officer from the Railways working on a full-time basis. The Chairman of the Inter-State Transport Commission who is also *ex-officio* Joint Secretary in charge of road transport in the Ministry of Transport, represents that Ministry in the Group. The Director of the Division is also a member of the Group. The Group has been entrusted with special studies in connection with the formulation of long-term transport plans. Four posts of Transport Specialists have been created for working on the studies that are being conducted by the Group. The Group has already completed a preliminary report on the study of the movement pattern of cement and is engaged in the study of movement patterns of other bulk commodities. It is also carrying out regional studies and studies relating to locations from the point of view of transport planning. The Group is also expected to organise studies of comparative costs of development of different means of transport.

Education Division

Education like other Social Services was being looked after by the Employment and Social Services Division in the earlier years of the Commission. A separate Section on Education came to be established in a short time and later on it came to be designated as a Division. The Division is expected to work out programmes for the development of education of different types and at various levels, from pre-primary to university education including technical and vocational education, adult education, women's education, and the development of cultural activities. It is expected to assist in the formulation of education plans,

defining the stages in which they should be carried out, and the priorities to be observed, indicating the machinery required for their implementation and suggesting the resources that would have to be allocated for the purpose. It is also expected to suggest the changes in current educational policies necessitated by the nature of the development plans.

The post of a Director was created for looking after the Education Section in 1955 and later on in 1961 the post of a Chief was created. At present, the Division is working under the direction of one Director and one Assistant Chief, the post of Chief being vacant. Both these officers started working in the Education Division of the Commission as Research Officers and have been with the Division for over ten years.

The Division is advised by a Panel on Education which was set up in 1952, with 15 members. It held two meetings in 1952, one in 1955 and one in 1957. It was reconstituted in 1960 and the number of members increased to 35. The reconstituted panel met in 1960 and appointed sub-committees for making recommendations on different aspects of educational planning in the Third Plan.

Health Division

A section on health planning was created in the Employment and Social Services Division of the Commission in October, 1951. In April, 1956, it was set up as a separate Division. The main functions of the Division are to assist in the formulation of the health programmes to be included in the Five Year Plan and Annual Plans and to make periodical assessment of the progress achieved. The Division is also expected to undertake studies on problems of special interest from the point of view of health planning such as manpower requirements of health programmes, health education, vital statistics, control of communicable diseases and development of indigenous systems of medicine.

The Division normally works under a Chief of Division (a public health expert) but at present is headed only by an Assistant Chief. The latter is a public health specialist and has been working with the Commission for over four years. The Division also used to have an honorary medical consultant for

advising it on the medical side, but this arrangement was terminated last year.

A Panel on Health consisting of 42 members had been constituted to advise the Commission on the First Plan. The Panel constituted 11 sub-committees and made recommendations to the Commission on the basis of the reports of these sub-committees. A Panel on Health was again set up in September, 1955, to advise the Commission regarding the priorities and targets in the Plans and programmes relating to health, the resources in men and materials required, the training programmes to be initiated, standards of construction and equipment for health facilities and the development of medical research. The panel consisted of 47 members. It was reconstituted in June, 1960, with 39 members. The reconstituted panel met once in 1960.

At the time of formulating the first two Plans, schemes regarding the development of indigenous systems of medicine were considered by the Panel on Health which had a few *Vaidyas* and *Hakims* as members. At the time of the formulation of the Third Plan, it was decided that greater emphasis should be laid on programmes in this field. Therefore a separate panel on *Ayurveda* was constituted in June, 1960, to review the progress of plans in the field of indigenous systems of medicine and advise the Commission on further programmes. It consisted of the then Minister of Planning as Chairman, the Member in charge of the subject as a member and 33 other members. The Panel met once in 1960.

Housing Division

The problem of housing was being looked after initially by the Division on Employment and Social Services. Gradually a special Section came to be established for the study of this problem and in 1955, the Section was re-designated as a Division.

The Division deals with the subjects relating to housing, town and country planning, urban development and regional planning. It mainly deals with programmes like housing for special groups—industrial workers, plantation workers, low and middle income groups, etc., village housing and co-operative housing, problems of land acquisition and development, economy in construction costs and research in building materials.

The Division had for some time a professional architect as its Director. But since he left, its work is being directed by an Assistant Chief who has been trained in economics.

There is a Panel on Housing and Regional Planning to advise the Division. It was set up in 1955 to review the progress made in the implementation of the Housing schemes included in the First Five Year Plan and to consider the programmes to be undertaken in the Second Five Year Plan. The Panel had 35 members. It held three meetings in 1956 and 1957. The Panel was reconstituted in July, 1960, and its membership was increased to 40. It was expected to review the progress made in the field of housing and regional planning and advise the Commission on programmes for the Third Plan. The Panel met in September, 1960, and formed four sub-committees. All the sub-committees submitted their reports to the Commission.

Social Welfare Division

In 1950, the work relating to social welfare formed part of the work allotted to the Employment and Social Services Division. Soon afterwards a separate Section on Social Services came to be developed which looked after social welfare as well as various social services. In 1953, for the work regarding Social Welfare a separate Section was created which later on was designated as the Social Welfare Division. The main functions of the Division are to make an assessment of the problems facing the weaker sections of the population, to formulate a plan for the implementation of welfare schemes and to propose the allocation of resources for carrying out these schemes, to examine the organisational problems regarding the successful implementation of the welfare programmes and to recommend adjustments in policies and programmes in the light of experience.

The programmes of social welfare including the welfare of backward classes are being executed through various Ministries and also other organisations like the Central Social Welfare Board. There is, therefore, no organisation in the Government of India other than the Commission where a co-ordinated view

of social welfare as a whole could be taken. It is therefore felt that this Division has a special role to play in this field.

An Adviser on social programmes was appointed for some time in 1952 for assisting the Commission in working out the programmes on social services to be included in the First Five Year Plan. In 1953, when a special section to look after social welfare came to be created, an Assistant Chief was appointed to look after it. A Director was appointed to look after the Division in 1958. From December, 1963, when the then Director retired, the Division is being looked after by an Assistant Chief.

The Adviser who prepared the ground for the work of this Division was a specialist in social welfare. The Director had experience of organising welfare activities for women in a State before she joined the Commission. The present Assistant Chief is a specialist in Social Welfare and has been with the Division for about twelve years.

No special panel or standing advisory committee has been appointed for advising this Division. There are however a number of committees appointed by the Ministry of Education on subjects like child welfare, the problems of the handicapped and research in social welfare. There is also the Central Social Welfare Board comprising predominantly of non-official social workers and experts. The Division makes use of these and other such bodies for obtaining advice and guidance about its functions.

DIVISIONS CONCERNED WITH SPECIFIC DEVELOPMENT PROGRAMMES

Rural Works Division

Under the First Five Year Plan, a special provision of Rs. 15 crores had been made for Local Development works. A similar provision was made under the Second Five Year Plan. This programme was intended to cover schemes which had their origin in the people of a locality themselves working through voluntary associations or *Panchayats* on projects for local benefit. Such projects could include schemes for drinking water supply, permanent works for improvement of agriculture, rural sanitation or communications, improvements in school or dispensary buildings and the provision of

children's parks, construction of godowns, etc. The grants under this programme were normally confined to areas that did not stand to benefit directly from schemes included in other programmes like Community Development and National Extension. The Central grant for such schemes used to be given on a matching basis subject to a maximum of Rs. 10,000, the counterpart contribution being found by the people either in cash, kind or voluntary labour and assisted, if necessary, by local bodies or State Governments. The programme was implemented through the agency of State Governments subject to certain conditions laid down by the Commission. Direct *ad hoc* grants were also given for schemes sponsored by voluntary organisations like the Bharat Sevak Samaj.

Under the Third Five Year Plan, the approach to the programme has been changed. While the types of development works that were undertaken under this programme up to now would continue to be undertaken under other plan programmes, the Local Development Works programme would be confined to village water supply schemes. Special priority in this scheme is being accorded to backward areas including areas predominantly inhabited by Scheduled Castes.

The Third Five Year Plan also included a new "rural works programme" which was expected to provide work for an average of about 100 days in the year for about 2.5 million persons. It was emphasised that this programme was significant "not merely for creating the additional employment opportunities which are required" to reduce the incidence of underemployment and unemployment in rural areas, "but even more as an important means for harnessing the large manpower resources available in rural areas for the rapid economic development of the country".⁸ Its objective is to supplement the other development programmes in blocks having high incidence of unemployment and underemployment. The schemes to be selected under it have to be labour intensive and also such as would assist in increasing agricultural production. The execution is usually entrusted to the Community Development organisation which works under the overall supervision of the State Government concerned.

⁸ The Third Five Year Plan, pp. 160-165.

The Local Works Branch was created in the Planning Commission in 1953-54 for the purpose of implementing the Local Development Works programme. Its functions were to lay down the policy and procedure for the programme, allocate funds to various State Governments, scrutinise and approve schemes directly financed by the Commission, scrutinise the expenditure statements received from State Governments about the scheme and assess the progress made in the implementation of the programme. The Branch was working for a long time as a part of the administration side of the Commission under the supervision of Secretariat officers.

With the introduction of the Rural Works Programme in 1961, it was decided to create a separate Rural Works Division for looking after both the Rural Works Programme and the modified Local Development Works Programme. Scrutiny and approval of proposals sent by State Governments, allotting blocks, releasing funds and reviewing progress are some of the main functions of the Division. The Division works under a Chief who is an officer of the I.A.S., has worked with the Commission since 1959, and has been connected with the Rural Works Programme almost since its inception.

The programme is being directly administered by the Commission because it was sponsored as a special feature of the Third Plan, is still in its initial stages and embodies a new approach to the working of development programmes in that it attempts to tackle the unemployment problem at the local level through integrated area planning. It has been kept in charge of the Commission so as "to see what changes in the planning techniques had to be made. Only when the scheme had been put on a firm basis after gaining experience, a decision could be taken about the Ministry which should take charge of it". The Ministry of Community Development and Co-operation has informally proposed to the Commission that the Ministry would be glad to undertake the Rural Works Programme at the Central level.*

* Estimates Committee, 1963-64 (Third Lok Sabha), Fifty-fifth Report
—Planning Commission: Rural Works Programme; New Delhi, 1964, pp. 6-7.

There is a Steering Committee for the programme consisting of senior officers of the Commission and the Government of India (Ministries of Food & Agriculture and Community Development & Co-operation, the Directorate of Employment and Training); it advises the Commission on the policy regarding various aspects of the Rural Works Programme. The Steering Committee was set up in April, 1961.

Public Co-operation Division

The Resolution setting up the Planning Commission had emphasised the fact that the success of the Commission "will depend on the extent to which it enlists the association and co-operation of the people at all levels". In a note prepared in May, 1950,¹⁰ Shri G. L. Nanda, the Deputy Chairman of the Commission, had pointed out that public co-operation was needed both because it was necessary that the real and felt needs of the people should receive the fullest consideration in the formulation of the plan and because the people should play an important part in the implementation of the plan. It was necessary to ascertain public opinion through a proper machinery devised for the purpose and also to educate and re-train "the minds of the people so that they have a better understanding of facts and their own needs and problems, and may be ready to join in a large-scale constructive effort". It was also necessary to evolve a method and an agency for making the best use of the hitherto untapped energy and resources of the people. The idea of evolving a new national non-official agency for this purpose was suggested for meeting these requirements. The Commission's Panel on Social Welfare in June, 1951, approved of the proposal to set up the *Bharat Sevak Samaj*, a non-political and non-official voluntary organisation, to meet these requirements. The Planning Commission, in its Draft Outline of the First Five Year Plan, endorsed the proposal.¹¹ The constitution of the proposed *Samaj* was considered by the National Advisory Committee on Public Co-operation that was set up by the

¹⁰ See Planning Commission : *Bharat Sevak Samaj—Public Co-operation for National Development*, Delhi, 1952, pp. 10-17.

¹¹ *The First Five Year Plan—A Draft Outline*, pp. 237-38.

Commission (*see* below) and the *Samaj* was then set up in 1952. The *Bharat Sevak Samaj* was thus set up as the result of the thinking initiated in the Commission and it continues to work closely with the Commission in the furtherance of their common objectives.

The principal methods by which public co-operation could be organised for plan purposes were briefly mentioned in the Draft Outline of the First Plan. These were further explained and emphasised in succeeding plan documents.¹² The policies in this field were to be worked out by a National Advisory Committee on Public Co-operation. The actual work was to be done by various field agencies. The Commission's task was to provide the necessary stimulus for thinking, encourage new lines of activities, review the progress achieved and co-ordinate the work in the light of national requirements.

This work was being originally looked after by the Social Services Division. In 1956, it was decided that there should be a special section in the Commission to watch the progress made and to study the methods and techniques developed in mobilising public co-operation; thus in November, 1956, a separate Division on Public Co-operation was created.

The main functions of this Division have been to develop new ways of mobilising and securing public support and co-operation in the various development programmes. The Division has sponsored the *Lok Karya Kshetra* (Voluntary welfare project) programme, which is intended to build up a cadre of trained wholtime and voluntary workers with the established voluntary organisations, educational institutions and other non-official agencies. Such *Kshetras* are now functioning both in rural and urban areas. The Division has also strengthened the voluntary organisations and other non-official agencies by giving them financial assistance and facilities for research and training. A Central Training and Research Institute is being set up shortly.

The Division has sponsored research studies in fields like the working of District Administration, Panchayats and Co-operatives and charitable institutions; community support

¹² The First Five Year Plan, pp. 144-151; the Second Five Year Plan, pp. 141-145; The Third Five Year Plan, pp. 291-300.

in the rural development programmes—in particular, utilisation of irrigation facilities, improved agricultural implements, etc. In collaboration with the Central Social Welfare Board, the Division is sponsoring the preparation of the “Encyclopaedia of Social Work in India” which will give comprehensive information about the organisation and activities of a large number of social service agencies in the country. Mid-day meal scheme, school improvement scheme, night shelters, urban community development, Rural Health Insurance, training of rural women, suppression of immoral traffic, etc., are some of the other schemes sponsored by the Division. National Seminars have been organised for pooling information about the successful methods and techniques of securing public co-operation.

A very important activity of this Division has been the organisation of Construction Service of Voluntary Organisations and labour co-operatives for securing a better deal for the workers and ensuring increased employment opportunities and economies in construction costs. The activities of the service are expected to help in maintaining prices of bricks and building material at reasonable levels, influencing rates of the construction industry, maintaining standards of work and inducing public authorities to simplify administrative and financial procedure. Works of a value of Rs. 10 crores have been executed mainly through the Bharat Sevak Samaj Construction Service. A Senior Engineer has been appointed as Director, Construction Service, in the Division from June, 1962, for providing the technical guidance necessary for such work.

The organisation of Planning Forums in Universities and Colleges has been another important programme. These Forums now numbering 650 have attempted to create Plan consciousness among teachers and students through discussions, symposia, seminars, etc. Besides participating in activities like the small savings drive, adult education and extension work in village and slum areas, the Planning Forums have occasionally undertaken research studies and surveys on important aspects of planning and development.

During the emergency, the Division undertook certain special programmes such as execution of major defence works

for which private contractors were not coming forward, construction of 1,000 short distance rifle ranges, opening *Lok Karya Kshetras* and organising training camps in border areas, and setting up of consumer councils in selected areas for creating consumer consciousness and collecting information about the prices paid for essential commodities by consumers.

As a result of a Resolution passed in the Lok Sabha in March, 1956, a Prohibition Section was set up in the Planning Commission to look after the implementation of Prohibition Policy. The work of this Section was later on taken over by the Public Co-operation Division. The Division co-ordinates and advises the State Governments regarding the implementation of the Prohibition Policy in the Plan. It has also sponsored a programme of educational and promotional work on Prohibition and training of workers of voluntary organisations. It has undertaken studies and organised seminars on problems relating to prohibition.

Besides the programmes mentioned above for which assistance is directly given by the Division, it also advises the Central Ministries and the State Governments in regard to the schemes for public co-operation prepared by various non-political and non-official voluntary organisations. The co-ordination of such programmes is done through the Co-ordination Committee on Public Co-operation on which the various Central Ministries are represented.

Where schemes of public co-operation can be directly related to any particular development project or programme, the expenditure on such schemes is debited to such projects or programmes provided the authorities in charge agree to this. The Division enters the picture mainly as a liaison and recommendatory agency. It is only in the other types of schemes that the Division acts as a grant sanctioning authority. The funds made available in this way are mainly for the purpose of stimulating and mobilising public co-operation for the achievement of plan objectives. The grants enable voluntary organisations to secure the services of a few full-time workers, to meet some of the organisational expenditure, to buy ancillary

tools and equipment and to train voluntary workers in the technique of public co-operation.

The Estimates Committee in its report on the Planning Commission had expressed the view that the Central direction and co-ordination of public co-operation activities and the sanction of grants-in-aid to various agencies were executive functions and, therefore, recommended that the Commission should be divested of this responsibility. The Committee thought that the Commission should confine itself to giving a general outline and suggestions for enlisting co-operation for various purposes. The Commission took the view that with the stress laid on the role of public co-operation in the plans, it was necessary to have a small section in the Commission "to watch the progress made and to study the methods and techniques developed in mobilising public co-operation". Regarding sanctions for grants-in-aid being issued from the Commission, the view taken was that "so long as there is no other agency or Department to which the work could be transferred, this may continue to be dealt with by the Public Co-operation Section in the Planning Commission."¹⁸

The Division's work is directed by an officer designated as Director who has been closely associated with its work from its inception. The Division is guided and assisted in its functions by the National Advisory Committee on Public Co-operation and the Co-ordination Committee for Public Co-operation.

National Advisory Committee on Public Co-operation

One of the subjects on which a panel was proposed to be appointed under the Planning Commission's Advisory Board was that of Public Co-operation. It was later decided that it would be preferable to appoint a high level representative body for advising the Commission on important policy issues and in chalking out programmes in regard to Public Co-operation. A National Advisory Committee on Public Co-operation was therefore constituted in August, 1952. As originally constituted, it consisted of the Prime Minister as Chairman and 33 members from different walks of life such as political and

¹⁸ Estimates Committee (1962-63), *op. cit.*, pp. 21-22.

social work, business, labour, constructive work, universities, etc. The Committee met only twice, once in 1952 and once in 1953.

The Committee was reconstituted in September, 1958. While originally the composition was such as to include a large number of top leaders, on reconstitution, the approach was to make it more representative of the principal voluntary agencies working in the country. Therefore the Committee now has as its members one representative each from 19 all-India voluntary organisations in addition to all Members of the Planning Commission, seven Members of Parliament, one economist, one labour leader, one former Army Chief and two social workers. The Prime Minister continues to be the Chairman of the Committee. Since its reconstitution the Committee has usually been meeting once a year.

Co-ordination Committee for Public Co-operation

In order to facilitate systematic and integrated action on the part of various Central Ministries which were concerned with programmes of public co-operation and to approve proposals to be financed from funds specifically provided for this purpose, a Co-ordination Committee was constituted in November, 1956. It consists of the Planning Minister as Chairman, the Deputy Chairman of the Commission, the Deputy Ministers for Planning and Irrigation and Power, and representatives of the concerned Ministries and the Central Social Welfare Board. The Committee usually meets once or twice a year. There is a sub-committee of the Co-ordination Committee which meets frequently and carries out most of its functions.

It should be added that for guiding the various projects undertaken at the instance of the Public Co-operation Division, Project Committees are also appointed from time to time.

ASSOCIATED AGENCIES

Programme Evaluation Organisation

In the context of the administrative reforms envisaged in the First Five Year Plan, evaluation was emphasised as an

instrument for continuously improving the execution of development programmes. As the Community Projects programme was an innovation introduced in the First Five Year Plan it was thought necessary to create simultaneously with it an organisation for evaluating its working. The P.E.O. was, therefore, established in October, 1952, as an independent organisation working under the general guidance and direction of the Planning Commission for the purpose of evaluation of the Community Development Programme and other intensive area development schemes. The Organisation was also expected to make a contribution towards developing methods and techniques of evaluation. It was initially established under an agreement between the Government of India and the Ford Foundation and the expenditure of the Organisation for an initial period of three years was met from a grant given by the Foundation. Since the termination of the grant from the Foundation, the entire cost of the Organisation is being borne by the Government of India.

When the P.E.O. was set up in 1952, its work was defined by the Planning Commission as including the following :

- (i) keeping all concerned apprised currently of the progress being made towards accomplishing the programme (community development programme) objectives;
- (ii) pointing out those extension methods which are proving effective and those which are not;
- (iii) helping explain why some recommended practices are adopted while others are rejected by the villagers; and
- (iv) furnishing insight into the impact of the community development programme upon the economy and culture of India.

In its report on the Second Five Year Plan and in the Resolution in December, 1956, setting up the Programme Evaluation Board, the Commission envisaged a wider scope for evaluation studies. It was stated that "During the second five year plan, the organisation of the national extension service will spread over the entire country. Evaluation will therefore encompass the entire field of rural development and the bulk of the activities which are comprised in the district plan."

The actual functions of the P.E.O., as these have developed over the years, may probably be re-stated, with reference to the entire field of rural development programmes as follows :

- (i) to study the progress of a programme and to assess its impact on the socio-economic life of the rural people;
- (ii) to ascertain the reasons for the success or failure in respect of different items of the programme ; and
- (iii) to indicate the directions in which improvements may be sought.

It should be noted that the P.E.O. has not been expected to take up normal checking and inspection work which generally falls within the sphere of day-to-day administration, but to undertake studies with a view to providing an independent and detached assessment of a programme by a body not concerned with its implementation.

From the very beginning there was emphasis on the establishment of field units for observation, investigation and survey in different areas in the country. The Organisation therefore had, in addition to the headquarters establishment, three regional offices and nineteen field units spread over different parts of the country. As the area covered by Community Development and National Extension Programme expanded and the scope of evaluation widened, this number of field units proved to be inadequate for providing an adequate coverage for evaluation. The need for strengthening the Organisation was stressed by a number of bodies including the Estimates Committee of Parliament. This and other issues were referred to a Reorganisation Committee (1958), the recommendations of which were considered by the Commission. As a result of these and subsequent reviews by the Commission, the number of field units has been increased to forty-two and these work under five regional officers.

Each field unit is under a Project Evaluation Officer who is assisted by a small staff of investigators. This unit is mainly responsible for reporting on the working and progress of the development programmes in the given area and for conducting the socio-economic surveys and other enquiries taken up for study. Until 1959 the normal area of observation and study through a unit used to be the Community

Development Block in which the unit was located, though for certain special enquiries other blocks in the district also used to be covered. From 1959, however, the units began to be shifted from their old locations to district headquarters. This re-location has been done mainly with a view to securing reasonable representation of different regions within a State. Within the region allocated to each unit the staff is expected to cover any area selected on the sampling or other basis for the purpose of evaluation investigations.

The Regional Evaluation Officer guides and supervises the work of the field units in his region and checks up and supplements the observations made by them. He is also primarily responsible for maintaining contacts with State Governments ascertaining and analysing important developments in their policies and programmes and keeping the headquarters informed about these.

The headquarters organisation is responsible for processing, analysing and interpreting the quantitative data and the qualitative information provided by the field organisations. There is a Director¹⁴ who is the executive head of the Organisation and he is responsible for the planning of surveys and investigations and for preparation of reports.

As the scope of the evaluation work to be done by the Organisation came to expand, the Commission decided in December, 1956, to set up a Programme Evaluation Board to plan and direct the work of the Organisation. For various reasons, however, the Board could not be fully constituted and gradually ceased to exist. The person who was appointed as Chairman of the Board in August, 1957, however, continued to work for the Organisation up to 1961.¹⁵

In May, 1962, the Commission decided to constitute an Evaluation Advisory Board¹⁶ to provide advice and guidance

¹⁴ Three persons have worked as Directors of the Organisation since its inception : Prof. D. G. Karve from 1-10-52 to 9-5-55, Dr. V. Nath from 10-6-55 to 7-8-58 and Dr. J. P. Bhattacharjee from 28-3-60 to date. There was no Director from 7-8-58 to 28-3-60.

¹⁵ Prof. V. K. R. V. Rao was appointed the Chairman of the Board. But he resigned in July, 1957. Prof. D. Ghosh, who was then Member-Secretary, Research Programmes Committee, took over as Chairman in August, 1957. He resigned in May, 1961.

¹⁶ Prof. V. K. R. V. Rao was appointed Chairman of the reconstituted Evaluation Advisory Board in May, 1962.

to the Organisation in selecting problems for investigation, planning and designing evaluation studies and presentation of their results. It consists of a senior economist (who has since then become a Member of the Commission) as its Chairman and three members—two of them Professors of Agricultural Economics and Sociology respectively, and one specialist in problems of agricultural administration—with the Director of the Organization as the Member-Secretary.

The nature of the study reports prepared by the Organisation have undergone a certain evolution. When it was established in 1952, the main function assigned to it was continuous evaluation of the Community Development Programme. The earlier years of the Community Development Programme were characterised by a pre-occupation with administrative and organisational problems. The first three annual reports of the P.E.O. bear testimony to this, in that they deal mainly with the achievements and shortfalls in creating the social overheads and the infra-structure for this programme, sounding caution against rapid administrative expansion and issuing danger signals about pitfalls in the organisational structure. The Organisation was also emphasising at this time the importance of regular reporting on the progress of the programme. A number of special studies were also conducted during this period with a view to obtaining an insight into the social aspects of extension methods. From 1954-55, the Organisation turned its attention to an assessment of the achievements and impact of this programme. The emphasis shifted in the direction of the coverage of the Community Development Programme, the problems and difficulties cropping up at the field level in its implementation and the impact of the programme on the beneficiaries. The Organisation also conducted during this period case studies on the working of institutions like Co-operative Societies and Village Panchayats.

From 1960-61, a further shift took place in the orientation and approach of the studies. These were no longer restricted to the Community Development Programme. A decision was taken to select a few of the important plan programmes

for rural development for intensive study and to undertake problem-orientated evaluation studies. The Organisation was also charged with the responsibility of providing assistance and help to the evaluation units being set up in the States and to create facilities for training in the method of evaluation.

The approach to evaluation has mainly been to find out the extent to which the rural development programme or any aspect of it is achieving its ultimate objective, the measure in which it is reaching the different sections of the rural community, the peoples' reaction and attitudes and the nature and magnitude of the main difficulties and obstacles. The Organisation has attempted through its studies not only to analyse the data and derive factual conclusions but also to draw inferences regarding the strength and weakness of the programme and give suggestions about the directions in which improvements may be effected. These suggestions have, in many cases, led to modifications or changes in the implementation of the programmes studied.

Research Programmes Committee

In the First Five Year Plan, a provision of Rs. 50 lakhs was made for research and investigation of socio-economic and administrative problems relating to national development. This was considered necessary because in many fields, sufficient data were not available to enable Plan policies to be properly formulated. The Commission's idea, therefore, was to organise in co-operation with the Universities and other institutions, special investigations into selected problems of development. For meeting this need, the Commission established the Research Programmes Committee to work out and arrange for suitable schemes of research and investigation into socio-economic and administrative problems relating to national development. The basic idea underlying the approach to the work of the Committee was that co-ordinated research in various aspects of development—social, institutional and administrative—was necessary and that the best way to carry this out was to make use of the staff and facilities already available with the Universities and other research institutions. It was also necessary to provide financial assistance for enabling such institutions to

employ more staff and carry out specific research schemes; it was expected that this would also help to increase the number of persons available in the country with training and experience of socio-economic research.

The Committee as constituted at the beginning had the Deputy Chairman of the Commission as its Chairman, nine social scientists appointed in their individual capacity, seven *ex-officio* members including Statistical and Economic Advisers in various Government organisations and an official of the Planning Commission as the Member-Secretary. The membership of the Committee has been gradually expanding and now it consists of twenty-three social scientists, and ten officials. Seven of the original members continue to be members of the Committee. The Committee has had three Member-Secretaries since 1953. All of them have been economists. For about four out of the ten years of the Committee's existence, the Member-Secretary was a whole-time officer looking after the work of the Committee. The present Member-Secretary is also a Joint Secretary to the Commission and looks after the work of some other units in the Commission in addition to the work of the Committee. The Member-Secretary is assisted by a small complement of research and other staff.

The Committee has appointed a number of Technical Sub-Committees¹⁷ for the purpose of scrutinising proposed schemes of research in different fields. In addition, there are Regional Committees which serve the purpose of bringing together the Directors of Projects in the given region and the members of the Committee to facilitate better discussion of the progress of their projects and of the difficulties and problems experienced by them. The Regional Committees also help in stimulating new research projects in the given region and an

¹⁷ Such sub-committees have been appointed to deal with the following subject areas selected for the Third Plan period:

- (i) Macro-economic aspects of the Indian economy;
- (ii) Regional Development;
- (iii) Land Reforms, Rural Development and Co-operation;
- (iv) Social Change and Welfare;
- (v) Organisation and Administration in relation to planned development; and
- (vi) Labour Problems.

attempt is being made to organise under their auspices discussions and seminars on subjects suitable for research. The Committee also appoints Committees of Direction or Study Groups from time to time for the purpose of co-ordinating and guiding research projects in particular subject areas.

The Research Programmes Committee has encouraged research in various regions of the country on problems of socio-economic development. It has helped not only institutions which were already conducting such research to expand their work further and in new directions, but has also made it possible for individuals and institutions who might have otherwise found it difficult to undertake research on socio-economic problems. The number of research projects sponsored by the Committee in different major subject areas is as follows:

(1) Studies in Land Reforms, Rural Development and Co-operation	...	22
(2) Farm Management Surveys	... ..	6
(3) Studies in Rural Economy	.. ..	3
(4) Problems of Urban Development and Employment	...	23
(5) Surveys of Cottage and Small Scale Industries	...	15
(6) Studies in Benefits of Irrigation Projects	... ..	10
(7) Analytical Studies of Economic Development	.. ..	12
(8) Problems of Regional Development	... ..	5
(9) Problems of Social Dynamics and Social Welfare	...	37
(10) Studies in Political Science and Public Administration	...	12
(11) Resources for Development	... ..	4
(12) Labour Problems	... ..	18

The progress of the research projects sponsored by the Committee up to now is as follows:

(1) Schemes in respect of which reports have been published	...	50
(2) Schemes in respect of which reports are in press	...	13

(3) Schemes for which reports have been approved for publication	...	11
(4) Schemes for which reports have been mimeographed	...	5
(5) Schemes on which reports have not been approved for publication	...	7
(6) Schemes in respect of which reports are under revision	...	15
(7) Schemes in respect of which reports are under scrutiny	...	6
(8) Schemes for which reports are under preparation	...	22
(9) Schemes for which tabulation is in progress	...	5
(10) Schemes for which field work is in progress	..	26
(11) Schemes for which field work is due to commence.	...	10
	Total	... 170

The procedure for the selection of research schemes has been as follows :

The areas of research are indicated by the Committee in consultation with the Planning Commission and these are mainly those where it is observed in the Commission that adequate data for formulation of plan policies are not available. These are then communicated to the Universities and other institutions and they are invited to submit research schemes on the standard pattern of assistance laid down by the Committee. Research sponsored by the Committee in the last ten years has been principally concentrated around such specially selected subjects. For example, for the First Five Year Plan period, the Committee had indicated in 1953 that research should be sponsored mainly in the following fields :

- (i) Land Reforms, Co-operation and Farm Management;
- (ii) Regional Development and Urbanisation; and
- (iii) Savings, Investment and Employment.

In 1955, problems of social welfare were added to the list. When the question of formulating research schemes during the

Second Five Year Plan period came up, the Committee decided to shift the emphasis from extensive field investigations to the more analytical type of studies.

The following revised list of subjects was then drawn up :

- (1) Analytical studies of macro-economic aspects of the Indian economy;
- (2) Studies in decentralisation and industrial dispersal;
- (3) Resources for development;
- (4) Analytical studies of cultural change in rural and tribal life;
- (5) Changes in family structure;
- (6) Social hierarchy and leadership;
- (7) Machinery for planning and implementation;
- (8) Working of village agencies; and
- (9) Problems of Public Administration and Parliamentary Control of Public Enterprises.

In October, 1957, the Committee approved a new programme of studies in Labour-Management relations. In 1958, the Committee sponsored a programme of studies regarding the benefits of irrigation projects. In this way the scope of studies sponsored by the Committee has been expanding keeping in view the problems of planning as they arise. Sometimes the Planning Commission and the Committee have specially attempted to get a research scheme going in vitally important subject areas such as, for example, socio-economic studies regarding certain border districts. The Committee has conducted through its own staff one research project. This was about the evaluation of benefits from an irrigation project.

When a number of studies are being made in the same subject area, an attempt is made to integrate or co-ordinate the design of the research schemes and, when the schemes are completed, to present the results in a form which would facilitate ready reference and utilisation. For example, a number of studies on Land Reforms have been sponsored. It was observed that while most of the States were covered, some gaps remained. Moreover, these studies were undertaken at different periods of time and two aspects of the problem, viz., *transitional evaluation* in the sense of an appraisal of the extent to which land reform measures have been implemented

and their immediate effects and *subsequent evaluation* in the sense of assessment of the more remote socio-economic effects of the measures were not always clearly differentiated. The Committee is therefore now thinking of sponsoring special transitional evaluation studies with adequate coverage. Similarly, a series of studies on the evaluation of benefits of irrigation projects and on metropolitan cities have been completed. The Committee is now engaged in the task of bringing together the findings of these studies for use by the Commission. The Committee has also recently begun to give some thought to changes in priorities in the subjects to be covered in view of the areas in which considerable research has already been completed.

As the number of projects completed has increased the question of preserving the raw data of the completed schemes has become important and the Committee has been making arrangements for this purpose.

The Committee has also attempted to put together information about the economic and social research undertaken by various institutions and agencies all over the country, the idea being that the Committee might function as a repository and clearing house of such information. Due to various reasons including poor response and paucity of staff, this effort has not as yet very much succeeded.

Programme for Research in Problems of Planning and Development

In addition to the research sponsored through the Research Programmes Committee, the Planning Commission suggested in 1955 the creation of certain University centres for systematic training in advanced research methods. Centres in Social Science Research Methods were then established at six places in the country on an endowment from the Ford Foundation. On the basis of this experience, suggestions for a course in research methodology were prepared and circulated among Universities.

The Massachusetts Institute of Technology (Centre for International Studies) had undertaken special studies regarding economic development in India from 1955 and the Commission

had provided some assistance to it. From 1958, a special programme of research studies on social and economic development in India was undertaken by the M.I.T. Five major research organisations in the country were expected to collaborate with the M.I.T. and a co-ordination committee of the heads of these institutions was formed for that purpose under the auspices of the Research Programmes Committee. A Senior Officer of the Commission was also asked to work as Liaison Officer for the programme. The Commission supported the programme in various ways and the visiting research staff which worked under the auspices of the M.I.T. Centre worked closely with some of these institutions and with the Commission. The main object of the programme was that research studies both fundamental and operational in character should be undertaken on the basis of collaboration between Indian research institutes and the M.I.T. A number of studies were undertaken by the visiting research staff of the M.I.T., some in collaboration with Indian research institutions, and the results of these were made available to the Commission.

As further experience was gained, it was felt that the Commission should play a more active role in strengthening the research competence available in the country for long-term work on economic development and planning. This was to be done both through developing a special research centre within the Commission and through assisting specialised research units on development planning to be organised in the leading institutions in India already working in this field. The Ford Foundation which has been financing the research programme of the M.I.T. Centre in India agreed to finance this programme also. The following five institutions have been selected for developing in them special facilities for research in planning:

- (i) The Gokhale Institute of Politics and Economics, Poona;
- (ii) The Institute of Economic Growth, Delhi;
- (iii) Department of Economics, Bombay University;
- (iv) The Indian Statistical Institute; and
- (v) The National Council of Applied Economic Research.

Broadly speaking, the intention of this special programme of research is that while these institutions will continue to be

engaged in research projects of their own choice, it would be possible for them under this programme to develop studies in basic problems of planning and development, specially concentrating on problems that would be of immediate interest to the Planning Commission from the point of view of formulating policies, plans and programmes.

To assist the institutions participating in this programme in establishing priorities in research and co-ordinating their research programmes, the Planning Commission constituted in 1962 a Committee for Research in Planning and Development. The Deputy Chairman of the Commission acts as its Chairman and its members include all the whole-time Members of the Commission, the heads of the Research Institutions participating in the programme and some officials of the Commission. A senior officer of the Commission acts as liaison with the participating institutions and secretariat assistance is provided by the staff of the Research Programmes Committee. It has been decided that in conducting these studies, the participating institutions will receive full co-operation from the Commission and various other governmental agencies specially through providing information and data bearing on the research projects undertaken by them.

The Committee has, in consultation with the Commission, drawn up a list of topics on which research studies need to be conducted. The research studies to be undertaken under this programme are expected to be of two types:

- (i) Studies of an urgent nature whose results should be available within a comparatively short period of time so that they can be utilised in the formulation of the Fourth Plan; and
- (ii) Studies of a more fundamental character which will take a longer period for their completion.

The institutions are now taking up research projects in the areas indicated, and their activities in this field are expected gradually to expand. For the time being, financial support for this special programme is expected to be available for a period of eight years.

Committee on Plan Projects

The Taxation Enquiry Commission (1953-54) in its Report had drawn attention to the fact that "during a phase of intensive development effort . . . there is likely to be, even within the developmental sector of expenditure, some loss in effectiveness and possible room for economy and avoidance of waste". It had therefore emphasised the need for thorough and careful enquiry into the whole question of public expenditure and recommended that such enquiries should be undertaken and entrusted to sufficiently high-powered bodies.¹⁸

The proposal to set up a special high-powered Committee of Ministers to organise a thorough investigation, including inspection in the field of the important projects both at the Centre and in the States was first mentioned by the Central Finance Minister while presenting the Budget for 1956-57. He stated that with the large and growing outlay in the context of the Second Five Year Plan the question of securing the maximum possible economy and avoiding wastage assumed added importance. The proposal was discussed at a meeting of the National Development Council in May, 1956. The Council approved the proposal and subsequently a Committee on Plan Projects was set up with the Union Minister for Home Affairs as Chairman and the Deputy Chairman of the Planning Commission and the Union Ministers of Planning and Finance as members. In addition, it was also contemplated that the Prime Minister who is also the Chairman of the N.D.C. would nominate some Chief Ministers to work as members of the Committee for various classes of projects. The Union Minister concerned with a project or a class of projects under investigation was also expected to act as a member of the Committee for that particular sector.

The functions assigned to the Committee were as follows :

- (i) to organise investigations, including inspection in the field of important projects, both at the Centre and in the States, through specially selected teams;
- (ii) to initiate studies with the object of evolving suitable forms of organisation, methods, standards and

¹⁸ See Report of the Taxation Enquiry Commission (1953-54), Volume I, Delhi, p. 34.

- techniques for achieving economy, avoiding waste and ensuring efficient execution of projects;
- (iii) to promote the development of suitable machinery for continuous efficiency audit in individual projects and in agencies responsible for their execution;
 - (iv) to secure the implementation of suggestions made in the reports submitted to the Committee on Plan Projects and to make the results of studies and investigations generally available; and
 - (v) to undertake such other tasks as the National Development Council may propose for the promotion of economy and efficiency in the execution of the Second Five Year Plan.

While there has been no change in the functions of the Committee since its inception, in practice the Committee has concentrated on the functions indicated in (i) above, *viz.*, those relating to the study of selected projects.

The organisation of the Committee may be broadly divided into two parts: the Secretariat and the Teams. The Secretariat consists of a Secretary who has the status of Joint Secretary to Government. Till recently the Joint Secretary (Economy) in the Ministry of Finance in charge of its Special Reorganisation Unit (who also acted as the Director of the O & M. Division of the Cabinet Secretariat) was the Secretary of the Committee. Recently, however, a whole-time Secretary for the Committee has been appointed. He is assisted by a Deputy Secretary who is also functioning as a member of a Team.

The Committee has set up Teams up to now on the following types of projects:

- (1) Community Projects and National Extension Service.
- (2) Irrigation and Power.
- (3) Selected building projects.
- (4) Social Welfare.
- (5) Seed multiplication.
- (6) Irrigation.
- (7) Education.
- (8) Improved Agricultural Implements.
- (9) Public Industrial and Mining Enterprises.

Some of the Teams have appointed Panels for studying particular types of schemes and projects. For studies, the scope of which is somewhat limited, such as School Buildings in Delhi or Science Laboratories and Equipment in Secondary Schools, independent Panels for study have been appointed by the Committee.

The Teams and Panels have been constituted in such a way that technical and non-technical elements are combined together in the study of a project. The usual pattern in the composition of all teams has been that there was a non-official Leader (sometimes he was a Member of Parliament) while the other members were technical experts, public men and government officials. The Team approach was adopted for conducting these studies because it was thought that this would provide an appropriate instrument for competent, impartial and objective field assessment of programmes and projects. It was also felt that this instrument would be economical from the point of view of expenditure as compared to the results both in the short and long run. The majority of full-time Members have been either officials of other departments or non-officials who worked in an honorary capacity.

The whole Committee as such does not meet frequently. The nature of work was defined by the Committee in the course of its meetings in 1956 and, within the broad framework indicated, the day to day work has been carried on by the Secretary of the Committee under the guidance of its Chairman and the Deputy Chairman of the Commission. A few meetings of the Committee were also held subsequently to consider some of the reports prepared by Study Teams. The Committee as such does not have much permanent staff but specialists are recruited from time to time for conducting particular studies.

A number of detailed studies have been completed by the different Teams and their Panels. The Report of the Team on Community Projects and National Extension Service led by Shri Balwantray Mehta is one of the best known of the studies prepared under the auspices of the Committee. This Study-report was responsible for giving a new turn to the Community Development Programme. Studies have been

conducted on Seed Multiplication, Minor Irrigation work, the use of improved agricultural implements in certain States, the execution of major irrigation and power projects and construction of different types of buildings. In the field of Social Services, studies have been conducted on the programmes of social welfare and welfare of backward classes and on selected educational schemes, viz., teacher training, equipment for science laboratories, social education, and rural institutes. The Team on Public Industrial and Mining Enterprises has organised studies on various public industrial undertakings specially in regard to purchasing policy and inventory control, plant maintenance practices and management accounting.

As a result of a large number of studies conducted in a particular field, certain general reports recommending improved methods have been prepared such as the Report on Public Works Administration, the digest of Studies on State Transport Undertakings in relation to inventory control and vehicle maintenance, and the brochure on Cost Reduction. The Buildings Projects Team attempted to popularise a technique known as "the Line of Balance Technology" for effective planning and programming of construction works. The importance of improved inventory control has come to be emphasised as a result of the studies undertaken by the Industry and Mining Team. It organised a Seminar on Materials management and is collaborating with the National Productivity Council in several training programmes for purchase and stores officers. Work study techniques have been popularised through the efforts of the Committee's Teams and courses on Work Study are being organised with the assistance of the Committee.

The Teams on Community Development, Irrigation and Power, Social Welfare, Seed Multiplication and Education were wound up when the studies that they were expected to carry out had been completed. The Teams at present functioning are Buildings Projects Team, Agriculture Team, Minor Irrigation Team (since re-designated as Irrigation Team) and Industry and Mining Team, besides a few Panels.

The reports of the COPP Study Teams have generally been well received. They have covered important subjects like

production planning, stores management and maintenance planning and control in public undertakings. Norms and standards have been evolved as a result of these studies and their adoption can be expected to lead to substantial economies both in capital outlay and operational expenditure.

As mentioned earlier, the Committee concentrated on conducting studies on specific projects. While its functions continue to be as originally defined, it has not been able to devote much attention to the other functions assigned to it and specially to the question of implementation of the recommendations made by the Study Teams. This has been left to the administrative Ministries and the State Governments concerned. Also, the working of COPP Teams has not led to the building up of a permanent expertise for use on a continuing basis.

It is now contemplated that the pattern of work in the future will be significantly modified. This is because it is felt that as compared to a few years ago, much more is now known about the main factors responsible for failures in efficiency and waste in the use of resources. Therefore it is now less a question of defining broad approaches and objectives and more one of finding the right means and instruments for achieving definite purposes. The Ministries are now better organised. There are also now a number of non-official agencies which by themselves or in co-operation with one another and the Government are in a position to contribute to the task of identifying problems and evolving solutions. On these grounds, it has now been decided that in future the approach to the setting up of Study Teams will be more selective. Only in very special cases, examination of projects through Study Teams will be organised. Attention will be mainly devoted to studies relating to management and administration and to economies in construction costs. It is expected that a special division on Management and Administration¹⁹ and a unit on Construction Economies will be set up in the near future.

¹⁹ For more information about this proposal, see the account of the "Management and Administration Section" given earlier in this Chapter.

VI. PERSONNEL OF THE COMMISSION AND ASSOCIATED AGENCIES

From the very beginning, certain basic ideas came to be emphasised in respect of the personnel to be recruited for the Commission. The Prime Minister had indicated a few days before the Commission was formally set up that the emphasis should be mainly on recruiting enthusiastic youngmen from outside the Service especially for research posts. He had thought that the approach should be that they would be engaged for short periods and their pay would be more in the nature of allowances, *i.e.*, while they may get a lesser pay, their status would be higher. It was not necessary that the normal rules of Government in regard to scales of pay and allowances should be followed. He also mentioned that it would be desirable to give such persons designations different from those in vogue in the Secretariat.¹

The importance of having some flexibility regarding the type of persons to be engaged for the technical work of the Commission had also been emphasised by the officers who were placed in charge of the Commission from its early stages. The designations of Chief and Assistant Chief of Division were proposed specifically so that there would be scope for wide choice and a measure of flexibility. It was decided that the pay for these posts should be fixed *ad hoc* in each case. The policy was to get the most suitable persons of proved competence for the top technical posts in the Commission.

Even on the secretariat side of the Commission it was emphasised that the Commission should set higher standards

¹ The nature of the staff that the Prime Minister visualised for the Planning Commission is indicated by the fact that when a difficulty was raised about the availability of housing for the staff of the Commission, if a large number was engaged from outside government services, he remarked (in a note dated 22-3-50) that "it is possible that a number of such new officers and research assistants might be made to mess together in a house". He had also advised that the Commission should "go slow about the engagement of staff. Only persons absolutely needed should be engaged".

of efficiency, dispatch, office management and "neatness" in the manner in which it conducted its routine business. Therefore, while recruitment for the administrative staff was to be confined mainly to persons already employed in the Central Government, it was proposed to attract good men to the Commission by a process of special selections and incentives.

The Commission was set up in March, 1950, with a small nucleus staff and this was strengthened gradually as work expanded. A general review of the staff position was made in 1954-55 when the work on the Second Five Year Plan began to gather momentum. Certain broad principles regarding the organisation of the Commission were emphasised in this discussion. The first was that the personal decisions of Members at least on important issues were most important. The Planning Commission was not another Ministry; it had to deal with the Central Ministers and State Ministers on a personal basis through its Members. It followed, therefore, that important questions would have to be dealt with at the highest level in the Commission, *i.e.*, by Members, with the assistance of senior officers, the minimum possible time being spent in routine secretariat examination. Speed was of the essence, both in decision and in action. Therefore, it was necessary to have in the Commission a small number of highly competent men instead of surrounding the Commission with large numbers of Research Officers, Investigators and other staff "of varying degrees of inefficiency"! The question also arose about the nature and number of experts to be appointed in the Commission. It was observed that while at the beginning of the Commission, the approach had been to secure the best possible persons as Chiefs and to give them opportunity to handle the entire work of their Divisions, and the first set of Chiefs on the whole met the conditions which the Commission had in view, the Commission had gradually lost some of these senior specialists and had therefore become somewhat weaker on the technical side of its work. It was suggested that, especially in the field of industries, the Commission had little of technical expertise and if the Commission had to make any significant contribution, this deficiency had to be made up. It was, however, pointed out that experts of the requisite calibre

were not available in the country. If the Commission surrounded itself with a multitude of experts—who might in most cases be less competent than the experts in the Ministries—there would be conflict between the two sets of experts and work would suffer. It was, therefore, decided that the Commission should, as far as possible, use the expertise available in the Ministries. Only for a few important subjects should it attempt to build up high quality technical expertise of its own. The aim should be to avoid taking either too many persons or persons of insufficient calibre.

One other issue that was specifically posed at this time was that of providing adequate secretariat assistance to the senior and technical officers of the Commission. It was pointed out that the Commission had developed very heavy correspondence with the State Governments, the Central Ministries and the public and a considerable amount of routine work had to be done. It was wasteful to use technical staff for this kind of work which could be better done by trained secretariat staff.

Another review of the organisation and staffing of the Commission was carried out in 1957-58 after the work of formulating the Second Five Year Plan had been completed. The conclusion was that many of the Divisions needed strengthening especially at the top. Moreover, with the increasing responsibilities that had to be borne by the Commission, new Sections and Divisions had to be created. It was emphasised that in order to secure improvement in the quality of work, personnel had to be strengthened at those points at which thinking and study were specially required. On the other hand, the number of lower grade personnel such as Investigators and those who were employed in ancillary duties not directly related to study and research had to be reduced. "The Planning Commission does not desire its organisation to be too large", it was said, "and considers that an organisation of moderate size with competent personnel working under proper conditions is likely to give the best results".

A further review of the staffing of the Commission was undertaken in 1961-62, after the completion of the work of formulating the Third Five Year Plan. It was again emphasised that in the matter of staff, the Commission's approach

was to avoid undue expansion since beyond a point large staff are themselves an impediment to efficient functioning. However, some strengthening of staff was considered necessary as work had to be undertaken by the Commission for studies in new fields like Natural Resources, Public Enterprises, Rural Works, Development of Backward Regions, etc.

At one stage, there was some discussion about the staffing pattern of the Commission being examined by the Special Reorganisation Unit. The Estimates Committee of Parliament had referred in its Report to the considerable increase in the strength of the Commission's staff and suggested that "with the experience gained so far, standards should be laid down and the creation of new posts judged against those standards".² The Special Reorganisation Unit conducted studies in regard to two Divisions of the Commission. The conclusions suggested were, however, not fully acceptable. It was thought that the methods used for the studies were not adequate for a proper assessment to be made of the work of an organisation like the Commission. This experiment did not go any further.

Recruitment to all gazetted, *i.e.*, superior, posts in the Commission is made through and in consultation with the Union Public Service Commission. The other posts are filled through the Employment Exchanges. Recruitment to the Secretariat and Administrative posts from existing services like All India Services or the Central Secretariat Services is made through the Ministry of Home Affairs. No special training programmes for newly recruited personnel have been organised by the Commission.

Increase in the Staff of the Commission³

The sanctioned staff strength⁴ of the Commission has increased from 244 in 1951-52 (*i.e.*, the second year of the

² Estimates Committee, 1957-58, *op. cit.*, p. 12.

³ This includes the staff of the Research Programmes Committee.

⁴ For details, see Appendix D-1. In this section, by higher level administrative staff, we mean all officers with Secretariat designations up to the level of Deputy Secretaries and also Programme Advisers; by lower level administrative staff, we mean Under Secretaries and Section Officers; by clerical staff, all Assistants, Upper and Lower Division Clerks and Stenographers; by higher level research and technical staff, all officers

Commission's work) to 1,131 in 1963-64, an increase of over three and a half times. If we compare the rates at which staff belonging to different categories increased during this period, we find that, leaving aside the higher level administrative staff whose strength increased from 1 to 11, the largest single increase is to be found in the case of clerical staff whose sanctioned strength has increased by over five and a half times. The lower level research and technical staff increased by about four and a half times and the lower level administrative staff by about four times. The smallest increase was in the lowest level service staff (Class IV) in whose case the sanctioned strength increased by less than twice. The increase in the strength of the higher level research and technical staff was about the same as that in the total staff of the Commission (by three and a half times).

In spite of the very high rate of increase in the strength of the clerical staff the increase in the "house-keeping" type of staff taken together is somewhat less than that of persons who can be said to be doing the real work of the Commission (if we include even the lower level research and technical staff in this latter category). This is because of the comparatively low rate of increase in Class IV staff. The rate of increase in the lower levels of the research and technical staff has been generally larger than that in the higher levels.⁵ The sanctioned number of senior officers like Chiefs and Advisers has increased from 6 to 23, that of middle level officers like Directors and Assistant Chiefs from 7 to 44, that of Senior Research Officers, Research Officers, etc., from 28 to 134 and that of Investigators, etc., from 25 to 141. The rate of increase in lower level administrative staff has been larger than that of higher level research and technical staff but smaller than that of clerical staff. In the clerical staff, the increase in the strength of general purpose clerks (Assistants and Upper and Lower Division Clerks) has been larger (over six times) than that designated as Advisers, Chiefs, Directors, Assistant Chiefs, Senior Research Officers and Research Officers; and by lower level research and technical staff, Economic Investigators (both Grade I and Grade II), Technical Assistants, etc.

⁵ See Appendix D-1 (d).

in the strength of Stenographers and Steno-typists (over five and a half times).

Analysing the increase in staff strength periodwise, we find that in the period between 1951-52 and 1955-56, while the overall rate of increase was about 35 per cent⁶ per annum, there were three categories in which the rate was higher, viz., clerical (60%), higher level research and technical (41%) and lower level research and technical (37%).

In the period between 1955-56 and 1960-61, the overall rate of increase in staff strength was 38 per cent per annum. The rate of increase in clerical staff was again very high (60%) and that in the lower level research and technical staff was almost equally high (58%). The lower level administrative staff increased at the rate of 40 per cent per annum. The higher level research and technical staff only increased at the rate of 25 per cent per annum.

In the period since 1960-61, we find that the overall rate of increase has been lower (10% per annum) and most of this increase has been in the higher level research and technical staff. There was no increase in this period in the sanctioned strength of the lower level research and technical staff and only a small increase in the house-keeping categories, the only such category with some perceptible increase in strength during this period being that of lower level administrative staff.

Staff Structure⁷

In 1951-52, i.e., the second year of the Commission's functioning, only about 29 per cent of the total staff was engaged in doing the real work assigned to the Commission. As against this, over 70 per cent of the staff was engaged in ancillary and house-keeping duties so as to enable the research and technical and the high level administrative staff to carry out the work of the Commission. Over 26 per cent constituted

⁶ The proportions regarding increases have been calculated taking 1951-52 as the base year. See Appendix D-1(b).

⁷ Reference is invited to the account given in Chapter IV of the Organisational Structure of the Commission, and also to the Organisation Chart provided in the Appendices.

the clerical staff and over 35 per cent were in Class IV, working as messengers, sweepers, etc.

The position regarding sanctioned staff in 1963-64 shows broadly a similar picture. The total proportion of staff engaged in work directly related to planning is about 31 per cent. About 68 per cent of the staff-strength is sanctioned for house-keeping purposes. While the proportion of Class IV staff in the sanctioned strength has declined from about 35 per cent to about 22 per cent, that of clerical staff has increased from about 26 per cent to about 38 per cent.

Further analysis of the structure of the Research and Technical staff reveals [Appendix D-1(d)] that in 1951-52, out of a total of 66 posts sanctioned for research and such other work, only 13 were at levels (Advisers, Chiefs, Directors or Assistant Chiefs) which were senior enough for the persons appointed to do some positively creative work on their own; 28 were at levels (Senior Research Officers and Research Officers) where they could be expected to conduct some work on their own but under supervision and guidance; 25 were merely in a position (Investigators) to provide assistance to the others. The situation in this respect is broadly unchanged in 1963-64, the numbers in the three categories being 67, 134 and 141 making a total sanctioned strength of 342.

If we deduct the category of Investigators from the staff sanctioned for work relating to planning, the proportion of such staff is seen to have been about 19 per cent both in 1951-52 and 1963-64. The proportion of sanctioned posts both on the research and the administrative sides at levels where the appointed persons may be expected to make a real contribution to the planning process⁸ has been about seven per cent both in 1951-52 and 1963-64. This conclusion is also indicated by the average emoluments of the personnel employed in the Commission.⁹

⁸ This will include whole-time Members, Administrative Officers up to the level of Deputy Secretaries and Research and Technical Officers up to the level of Assistant Chiefs.

⁹ The average salary of the staff category known as "gazetted officers" (which includes administrative personnel from Secretary to Section Officers and all technical & research personnel from Advisers to Research Officers who are expected to carry the real responsibility for the technical work of

Up to now we have been dealing with the staff *sanctioned* for the Commission. The *actual* staff strength of course is not always the same as that sanctioned. The Commission's approach has always been that the sanctioned posts should be filled only gradually as actual requirements and experience indicate. There is also the problem of the availability of suitable personnel, especially at the higher levels of the research and technical staff. Comparing the sanctioned staff and the staff actually in position for the year 1963-64, we find that in November, 1963, over 9 per cent of the sanctioned posts in the Commission were vacant. The proportion of vacant posts was about 5 per cent in the house-keeping categories and about 17 per cent in the other (*i.e.*, mainly the research and technical) categories. The result of these vacancies is that in the structure of the staff actually in position, the proportion of those engaged in the planning functions proper gets to be slightly lower (29%) and that of the house-keeping categories slightly higher (71%) as compared to the sanctioned strength.

The proportion of vacancies was larger (21%) in the lower level research and technical staff than in the higher level research and technical staff (14%). In the latter category itself, the proportion of vacancies was larger in the category of Advisers and Chiefs (21%) than that among either Directors and Assistant Chiefs (13%) or Senior Research Officers and Research Officers (14%). As a result, out of 29 per cent of the total staff of the Commission which is engaged in work relating to planning, about 11 per cent are in positions where they are only doing certain routine kind of technical work, another 11 per cent are in positions where they conduct some work on their own but under supervision or direction and only about 7 per cent are directly involved in conducting the real work of the Commission. The Commission is now engaged in finding ways and means of changing

the Commission as also its own administration) was about Rs. 570 p.m. in 1951-52, Rs. 590 p.m. in 1955-56, Rs. 690 p.m. in 1960-61, and Rs. 750 p.m. in 1963-64. For the "non-gazetted" categories which include all the lower level staff, both on the research and house-keeping sides, the average salary per month was Rs. 102, Rs. 119, Rs. 154 and Rs. 166 respectively. These figures do not include dearness and other allowances.

the staff structure so as to increase the effectiveness of its work. The main objective will be to reduce the number of office staff and also somewhat that of lower level research staff and to increase to some extent the number of higher level research staff.

Distribution of Staff

The distribution of lower administrative and clerical staff amongst different types of units in the Commission is shown in Appendix D-2. The Section Officers and Assistants are divided almost equally between the technical units and the administrative branches. Of the Upper Division Clerks, about one-third are attached to technical units and two-third to administrative branches. Of the Lower Division Clerks, about 40 per cent are attached to technical units and 53 per cent to administrative branches. A few are also attached individually to some Members of the Commission. About one-third of the Stenographers are attached to different technical units and service the Research Staff in these units. The others are attached to individual officers—52 to officers on the technical side, 16 to administrative officers and 11 to Members of the Commission.

The distribution of the Research and Technical staff among different units of the Commission is shown in Appendix D-3. This shows that the Economic Division has the largest complement of staff (36), the other Divisions having large staff complements being Perspective Planning (24), Industry and Minerals (21) and Programme Administration (18). There are some units which have very small staff complements; in this category are the Divisions on Land Reforms and Village and Small Industries (6 each), Housing and Rural Works (5 each) and Management and Administration (3, of whom 1 is part-time).

The Senior Officers in the Commission

It is usually said that the nature of the Commission's work being what it is, the effectiveness of the Commission depends on its senior officers. In this section, some information is provided about the senior personnel of the Commission, *i.e.*,

officers holding positions like Directors, Chiefs and Advisers, Deputy and Joint Secretaries and Secretary.

Information about the age composition of these officers is given in Appendix D-4. This shows that about half of the senior officers are below 50 in age, about one-fifth are in the age group 36—40 and there is no officer below the age of 35 in this category. Out of the nine senior officers who belong to the age group 36—40, seven hold positions of Directors, one of Deputy Secretary, and one of Chief. The only person in the age group above 60 is a senior technical specialist.

The information given in Appendix D-5 about the total continuous service put in by these officers in the Commission shows that 13 of the 43 senior officers have worked in the Commission for over ten years, ten for between five and ten years, eight for between two and five years and twelve for less than two years. Eight have been with the Commission for less than a year. Out of the thirteen officers who have been in the Commission for over ten years, twelve belong to the categories of Directors and Chiefs and only one is a Joint Secretary. (Even this officer who now works only part time for the Commission started his career here as the Chief of the Land Reforms Division)

Of the fifteen persons holding the position of Director, six have been working in that position for over four years, five for between one and two years and four for less than a year. Two of these persons were appointed straightaway as Directors, two as Under Secretaries and five as Assistant Chiefs. Five originally joined the Commission as Research Officers and one as Economic Investigator (Grade II).

As mentioned earlier, two out of the four Deputy Secretaries work essentially as Heads of Technical Units and one is in charge of a Technical Unit in addition to his administrative functions. Only one Deputy Secretary is doing purely administrative work. Two of these Deputy Secretaries belong to the Indian Administrative Service. One of them worked for a number of years in the Commission as a Research Officer, Senior Research Officer and later as Director of the Programme Evaluation Organisation. After joining the I.A.S. and taking up other assignments for some years he has returned to the

Commission and is in charge of the Natural Resources Section. The other I.A.S. officer has been in the Commission for over four years as Deputy Secretary, has been in charge of different assignments and is at present looking after the Rural Works Division. The two other Deputy Secretaries have been in the Commission for about eight and five years respectively.

Out of thirteen officers working as Chiefs, Senior Specialists, etc., six joined the Commission in the positions that they occupy at present (three as Chiefs and three as Senior Specialists). Two were originally appointed as Directors, one as Private Secretary to the Chairman, two as Assistant Chiefs, one as Private Secretary to a Member, and one as Research Officer. Four Chiefs have been in charge of the units whose work they supervise and direct from the inception of those units (Labour and Employment, Programme Administration, Perspective Planning and Economic Policy & Growth). Of these thirteen officers, one has held his present position for seven years, two for four to five years, three for two to three years and six for less than two years; one Chief has been in that post from 1959 but he was away on another assignment for about two years and has recently rejoined.

Of the two persons designated as Advisers, one started as the Chief of a Division and was later designated as Adviser in charge of the same Division (Irrigation and Power). He has been working with that Division for over five years. The Adviser (Industries and Minerals) has joined only in March, 1964. Two posts of Advisers (Economic Adviser and Adviser, Natural Resources) have been vacant since January and March, 1964 respectively.¹⁰ The position about Programme Advisers has already been stated earlier.

Of the four Joint Secretaries, three belong to the Indian Administrative Service. One of them joined the Commission over ten years ago as Chief of the Land Reforms Division and was later on designated as Joint Secretary; the second joined the Commission in 1961 as Chief (Agriculture) and was later designated as Joint Secretary; and the third joined in January, 1964, as Joint Secretary (Plan Co-ordination). The fourth Joint

¹⁰ These vacancies were filled in April, 1964, and May, 1964, respectively.

Secretary is an economist who joined the Commission as Deputy Secretary. Later on he was designated as Joint Secretary. He also acts as the Member-Secretary of the Research Programmes Committee. The present Secretary of the Commission belongs to the Indian Civil Service and joined the Commission as Additional Secretary in August, 1963.

Changes in Personnel at Higher Levels

To some extent the effectiveness of the senior personnel may depend upon the period for which they continue to occupy directing positions in respect of the functions which they are looking after in the Commission. What is the extent of continuity of personnel at these levels?

As regards the officer in charge of bringing about overall co-ordination in the work of the Commission, the same officer was doing this work in the Commission for over twelve years (1950—1962), as Deputy Secretary at the beginning and later on as Joint Secretary and as Additional Secretary. He later became a Member of the Commission. After he gave up the post of Additional Secretary in 1962, another officer worked as Additional Secretary for about eight months. The next incumbent of the post joined in August, 1963, and he was appointed as Secretary in January, 1964.

The officers looking after certain divisions or groups of divisions have continued for long periods in the Commission. These have included the first Chief of the Economic Division (later called Economic Adviser) who looked after that work for over ten years and the Adviser (Planning) who looked after the Industries and Minerals Group for a similarly long period of time. Other divisions which have had few changes at their top levels are Irrigation and Power, Labour and Employment, Programme Administration, Land Reforms and Perspective Planning. On the other hand, certain divisions and groups of divisions have had a large turnover in the top personnel. Probably the worst sufferer in this respect has been the Agriculture Division. It had two Chiefs between 1950 and 1955, one for a short time in 1955-56 and then no Chief or Director was appointed till 1961 as a Joint Secretary was expected to look after the Division. In the latter year, one officer was appointed

as Chief and worked for a short while; another officer was then appointed in that position and he has continued since then to look after the division though he has been designated now as Joint Secretary (Agriculture). There was also a Director who worked for a short time in 1962-63. A Chief for the Agriculture Division has again been appointed in March, 1964. At the co-ordinating level, the Adviser (Planning) was looking after this Division from 1951 to 1956. Between 1955-56 and 1961, there were eight changes in the persons looking after this Division at the level of Adviser-cum-Joint Secretary and it is only since 1961 that the present Joint Secretary has been looking after it.

Taking the top-level officers of the Commission (Secretary and Joint Secretaries, Advisers and Chiefs), we find that out of 24 officers working at this level, only three have occupied the same or substantially the same positions of responsibility for over ten years, five have occupied such positions for between five and nine years, five for between two and five years and eleven for less than two years. Eight out of these 24 officers have held such positions for less than a year; these include the Secretary, the Joint Secretary (Plan Co-ordination), Chief (Agriculture), Adviser (Industry and Minerals) and two Programme Advisers, one Senior Specialist and one Director.

Staff of the Programme Evaluation Organisation

Information about the staff strength of the Programme Evaluation Organisation is given in Appendix D-6. Between 1952-53 and 1963-64, there has been an increase in the sanctioned strength by over 200 per cent. A very large part of this increase is due to the additional posts created on the research and technical side. In the research and technical category, the increase in the lower level posts is very much larger than that in the higher level posts. Even if we compare the position of sanctioned strength in 1963-64 with that in 1955-56, the increase in the lower level research staff is about 125 per cent while that in the higher level is about 80 per cent. Between 1952-53 and 1963-64, the strength of clerical staff has increased by about 175 per cent and that of Class IV staff by about 40 per cent. As explained earlier, there has been a

significant increase in the number of field units of the Programme Evaluation Organisation for the collection of data for evaluation studies. This increase is said to be the main factor responsible for the large increase in the number of lower level research staff (field investigators) and clerical staff.

In 1952-53, about 18 per cent of the total staff consisted of higher level research and technical personnel with only 5 per cent lower level research staff to assist them. This was due to the fact that the field units were still being set up. In 1955-56, by which time the first phase of the setting up of the organisation had been completed, 13 per cent of the staff consisted of higher level research personnel and 24 per cent of lower level research personnel for assisting them. 63 per cent of the staff was sanctioned for "house-keeping" and ancillary duties. In 1963-64, about 14 per cent of the total staff consisted of higher level research and technical personnel and 34 per cent of lower level research staff assisting them. About 52 per cent of the staff was sanctioned for "house-keeping" and ancillary duties.

A comparison between the sanctioned and actual staff strength in 1963-64 shows that about 14 per cent of all sanctioned posts were vacant and the proportion of vacancies was 8 per cent in the higher level research and technical staff, 17 per cent in the lower level research and technical staff and 17 per cent in the clerical staff. As a result, in the staff actually in position in 1963-64, 15 per cent were at higher level research and technical posts, 32 per cent in lower level research posts for assisting them and 53 per cent were engaged in ancillary and "house-keeping" work.

Staff of the Committee on Plan Projects

As mentioned earlier, the Committee has functioned mainly through the setting up of *ad hoc* study teams for the study of particular problems. As a result, the staff continuously employed by the Committee has not very much increased. The sanctioned strength (*See Appendix D-7*) has increased only by about 16 per cent between 1958-59 and 1963-64. Most of this increase is accounted for by the addition to the strength of the research and technical staff, the rate of increase in the lower level posts in this category being more than double that in the

higher level posts. There has been little increase in the sanctioned strength of clerical and miscellaneous staff and there is a reduction in the strength of Class IV staff. While both in 1958-59 and 1963-64 only about 14 per cent posts were sanctioned at the higher levels on the research and technical side, the posts at lower levels increased from about 18 per cent to about 24 per cent of the total sanctioned strength during this period. The sanctioned strength of the "house-keeping" and ancillary staff declined from about 66 per cent to about 58 per cent.

In 1963-64, about 36 per cent of the sanctioned posts were left vacant. The reasons for this probably were that (i) a number of Study Teams had completed their work by this time and were wound up and (ii) new Teams were not appointed and posts were left unfilled so as to facilitate the proposed reorganisation of the Committee's work. The proportion of vacancies was much higher among the higher level research and technical staff (58%) than that among the lower level staff (41%) and also that among the clerical staff (28%). As a result, in actual practice, only about 10 per cent of the total staff in 1963-64 were in positions where they could be expected to be carrying out the real functions of the Committee, 23 per cent were assisting them in their technical work and 66 per cent were carrying out "house-keeping" and ancillary functions.

VII. EXPENDITURE ON THE COMMISSION AND ASSOCIATED AGENCIES

Expenditure on the Commission

The expenditure on the Planning Commission was Rs. 8.56 lakhs in 1950-51, the first year of the Commission's working. It was Rs. 10.98 lakhs in 1951-52. It was Rs. 59.90 lakhs (Revised Estimates) in 1963-64 and is expected to be Rs. 67.02 lakhs (Budget Estimates) in 1964-65. Further information about the yearwise expenditure on the Planning Commission is given in Appendix E-1. This shows that as compared to the expenditure in 1951-52, *i.e.*, the second year of the working of the Commission, the expected expenditure in 1964-65 would be about six times. (If the expenditure on the Rural Industries Planning Committee is excluded, it would be slightly less). Taking the whole period into account, it will be found that there is no year in which the increase in expenditure is less than Rs. 1 lakh. Only in one year (1963-64) was the increase as small as Rs. 1,20,000. In 1957-58, the increase was less than Rs 2 lakhs. In all other years the increase in expenditure over the previous year has exceeded Rs. 2 lakhs.

The increase in the Commission's expenditure was specially large in 1955-56, which year was the culmination period of the work regarding the formulation of the Second Five Year Plan. As regards the formulation of the Third Five Year Plan, we do not find such a very large increase in any one year but there were substantial increases in expenditure in 1959-60 and 1960-61. After the formulation of the Second Five Year Plan, we find that the rate of increase in expenditure declined for two years. On the other hand, after the formulation of the Third Plan, there were large increases in expenditure in 1961-62 and 1962-63. These were mainly due to the creation of some new units and the setting up of special groups like the Committee on Natural Resources, the Study-team on Prohibition and the Rural Industries Planning Committee. The budget for 1964-65 again shows a large increase in expenditure probably because the Commission would now be equipping itself for the additional

work regarding the formulation of the Fourth Five Year Plan.

Taking the period since 1951-52 as a whole, the rate of increase in the "pay of officers" and the "pay of establishment"¹ has been higher than that in the total expenditure of the Commission. The increase in staff employed, revised rates of pay and merger of dearness allowance with pay and normal annual increments in salaries have all played a part in bringing this about.² The increase in the "pay of establishment" is higher than that in the "pay of officers" up to 1960-61. Since then the increase in the "pay of officers" is faster than that in the "pay of establishment". The expenditure on "allowances and honoraria" increased quite substantially up to 1959-60. There was a substantial decline in it in 1960-61 because of the merger of the dearness allowance in the pay as a result of the recommendations of the Second Pay Commission. Since then the expenditure on the item again shows a certain increase. This is due to some recent increases in dearness and house rent allowances and the grant of a compensatory allowance because of the re classification of Delhi. Liberalisation of concessions like the children's education allowance and also of the overtime allowance has contributed to the increase in expenditure under this item. The expenditure on official tours has also been increasing.³

¹ In official terminology, "Officers" are higher level personnel, sometimes called "gazetted" officers. "Establishment" consists of all the other—"non-gazetted"—personnel.

² An additional amount of Rs. 1,46,000 was provided in the budget estimates of 1960-61 for giving effect to the recommendations of the Second Pay Commission; the actual increases in expenditure were spread over the next year and to some extent even the year after. The following provisions made in budget estimates on account of annual increments give an idea of the increase in expenditure on this account :

1961-62	...	...	Rs.	92,000
1962-63	...	...	"	99,000
1963-64	...	...	"	105,000
1964-65	...	...	"	111,000

It may be noted that these factors also affected the expenditure on staff of the associated agencies like the R.P.C., P.E.O., and C.O.P.P.

³ Figures of expenditure on travelling and overtime allowances for a few years are given below :

“Other charges” include a number of miscellaneous items and, therefore, do not show any very consistent trend regarding the growth of expenditure. The increase in this item, however, has been very much lower than that in the other items and also than that in the total expenditure of the Commission.

As a result of this slow increase in the expenditure on “other charges”, its proportion to total expenditure has gone down from about 21 per cent in 1950-51 and 17 per cent in 1951-52 to about 6 per cent in 1963-64. The expenditure on “allowances and honoraria” which constituted about one-fourth of the total expenditure on the Commission in the first ten years has gone down to about 19 or 20 per cent in recent years. This is mainly due to the merger of dearness allowance with pay as mentioned earlier.

As compared to 1950-51 or 1951-52, the “pay of officers” as well as the “pay of establishment” show substantial increases in recent years in the proportion of total expenditure on the Commission that they take up. The pay of non-gazetted personnel constituted only 18 per cent of the expenditure of the Commission in 1950-51 while in 1963-64 it constituted 28 per cent. The “pay of officers” constituted 37 per cent of the total expenditure of the Commission in 1950-51 while in 1963-64 it constituted 45 per cent. The average pay of non-gazetted staff increased much faster than that of gazetted staff employed in the Commission up to 1960-61. The total number in the former category also increased faster up to that time than that in the latter category. These factors mainly explain why the increase in the “pay of establishment” was greater than that in the “pay of officers”. However, from 1961-62, the increase in the “pay of officers” is found to be much more rapid than that in the “pay of establishment”. Actually, the expenditure on the “pay of establishment” as a proportion of the total expenditure of the

Year	T.A.	Overtime
	Rs.	Rs.
1959-60	3,48,844	33,840
1960-61	2,82,849	63,720
1961-62	3,37,600	1,14,100
1962-63	3,59,800	1,41,400
1963-64	4,14,000	1,40,600

The overtime allowance was liberalised from June 1, 1961.

Commission has declined while that on the "pay of officers" has increased since 1960-61. This is because of a larger increase in the number of officers during this period and also a somewhat faster increase in the average pay of officers as compared to "establishment". The fact that about 45 per cent of the total expenditure of the Commission is incurred on the pay of higher level staff as compared to about 28 per cent incurred on the pay of lower level staff indicates a pattern of expenditure which is different from that to be found in the normal type of governmental organisations.⁴

Expenditure on the Programme Evaluation Organisation

The trends in the growth of the expenditure of the Programme Evaluation Organisation are indicated by the information given in Appendix E-2. In the year 1952-53, the expenditure was small as the organisation was set up only in October, 1952. The next two years saw an increase in the expenditure since a large part of the recruitment to the sanctioned posts was made during the years 1953 and 1954.

From 1954-55 to 1958-59, the total expenditure remained largely stable. The expenditure under "pay of establishment" increased slowly due to provision of annual increments for the staff and filling of some vacant posts, etc. The expenditure on the "pay of officers" declined from 1954-55 to 1956-57 mainly due to some personnel changes and began to increase in 1957-58. The total expenditure increased considerably in 1959-60 and has continued to rise since then. This has been due to the expansion of the Organisation. The expansion scheme involved an addition of 119 posts with an annual expenditure of Rs. 7 lakhs. As a measure of economy, however, it was not given full effect in 1959. This was done in 1962. This led to a significant increase in expenditure, especially that on the "pay of officers", in 1961-62.

Taking the period since 1954-55 as a whole, the expenditure on the "pay of establishment", *i.e.*, non-gazetted staff, has increased faster than that on "officers". In 1954-55, the "pay of

⁴ For example, in the case of the Ministry of Finance (Budget Estimates), for 1964-65, the "pay of officers" constituted 36 per cent and the "pay of establishment" 38 per cent of the total budgeted expenditure.

officers" constituted 24 per cent of the total expenditure of the Organisation as against 30 per cent for the "pay of establishment". In 1962-63, the "pay of officers" constituted 26 per cent and the "pay of establishment" 39 per cent of the total expenditure. This may be partly explained by the fact that the Organisation has from the beginning had a number of field units and therefore had a large complement of investigators and such "non-gazetted" staff, and its expansion has also mainly taken the form of increase in the number of field units.

Regarding "other charges", during the years 1954 to 1957, the annual expenditure was over Rs. 1 lakh; it then dropped over the next two years. This was because during the period 1954 to 1957, and to some extent during 1957-58, a large amount was spent on mechanical tabulation of data. Initial expenditure on providing necessary office equipment and stores to the new units was also responsible for increases under this item. With the expansion of the Organisation from 1959-60 onwards, the expenditure on "contingencies" also increased correspondingly.⁵

Expenditure on the Research Programmes Committee

The bulk of the expenditure of the Research Programmes Committee (See Appendix E-3) consists of grants given to various institutions for the conduct of research projects approved by the Committee. Thus in 1954-55, 93 per cent of the total expenditure on the Committee was spent for this purpose; in 1963-64 (R.E) and 1964-65 (B.E.), about 90 per cent of the

⁵ On account of hiring of private premises, provision of telephones, increased rates of postage charges, purchase of steel almirahs, electric fans, type-writers, cycles, etc., see the figures given below :

Year	Expenditure	Expenditure on	Total
	on contingencies	Bench Mark Survey and other schemes	
	Rs.	Rs.	Rs.
1960-61	83,622	230	83,852
1961-62	1,07,422	—	1,07,422
1961-62	1,33,437	20,000	1,53,437
1962-63	1,39,900	42,216	1,82,116

expenditure is expected to be spent on such grants.⁶ The expenditure on Research Programmes was over Rs. 8 lakhs in 1954-55; it exceeded Rs. 9 lakhs in 1955-56 and 1956-57 and then declined. Only in 1963-64 it is expected that it would again have exceeded Rs. 9 lakhs and, for 1964-65, a still larger amount has been provided in the budget. The main variations in expenditure have arisen because of the variation in the number of schemes sponsored from time to time and the progress of these schemes. It seems that the number of research schemes did not always keep pace with the amount available for providing grants. This is indicated by the fact that during the whole period since the establishment of the Committee, the actual expenditure has been significantly less than the amount provided in the budget⁷ In 1963-64, however, it was found that the number of schemes submitted and approved was exceeding expectations and therefore an additional amount was provided through supplementary grants.

The expenditure on its own staff constitutes only a small proportion of the total expenditure of the Committee. It was negligible in the very first year of the Committee because it took some time after the Committee was established for the staff to be appointed. The expenditure on this account increased gradually on account of some additions to staff. It jumped up

⁶ This proportion has been worked out after excluding expenditure on items like the Committee on Indo-Japanese Collaboration, the Committee on Income Distribution and non-official experts which, for some reason, are shown under the R.P.C. in budgetary statements but have no real connection with its work.

⁷ Year	Budget Estimates Rs.	Actual Expenditure Rs.
1954-55	20,00,000	8,99,094
1955-56	17,00,000	9,66,975
1956-57	15,00,000	10,23,855
1957-58	8,83,800	8,09,791
1958-59	11,17,500	6,76,189
1959-60	10,00,000	8,01,747
1960-61	11,00,000	8,26,351
1961-62	9,47,500	7,46,483
1962-63	10,16,200	8,75,326
1963-64	8,94,300	12,16,300*

*Revised Estimates.

in 1960-61 because a large number of temporary staff were appointed for a special study that was undertaken by the Committee directly in 1959-60. After this work was over, the expenditure on staff again declined in 1962-63. There is, however, some permanent increase especially in the technical staff in the last few years and this is reflected in the fact that the estimates for 1963-64 and 1964-65 show a significant increase in expenditure on this account. Even with this increase, however, the expenditure on this account constitutes only about six or seven per cent of the total expenditure of the Committee.

Expenditure on the Committee on Plan Projects

The expenditure on the Committee on Plan Projects (See Appendix E-4) does not show any consistent tendency towards an increase or decrease since its inception in September, 1956. The total expenditure, after increasing in 1958-59 by about one-third over the 1957-58 level, declined again to about the 1957-58 level in the next year and continued at about the same lower level till 1961-62. It increased in 1962-63 and in 1963-64 it is again expected to decline to the 1957-58 level. Looking at the changes in the major items of expenditure, we find that the "pay of officers", after registering an increase in 1958-59, has since then been consistently less than in the first year (1957-58) of the working of the Committee. The number of officers appointed varies according to the studies undertaken by the Committee and the nature of persons appointed as Members. As a number of Study-teams have completed their work and new teams have not been appointed, the number of officers and the expenditure on their pay has been smaller. This is especially so in 1963-64 when the nature of the future work of the Committee has been under examination. These seem to be the reasons why there is such fluctuation and decrease in the expenditure on the "pay of officers".

Similar trends should have also been observable in the expenditure on the "pay of establishment". This is, however, not found to be so probably because of:

- (i) the merger of dearness allowance in 1960-61 with the pay; and

(ii) a larger and permanent increase in the "non-gazetted" as compared to the "gazetted" staff.

The fluctuations in the expenditure on "allowances and honoraria" can be ascribed partly to the merger of dearness allowance in pay and the increases in various allowances since then and partly to variations in expenditure on official tours.

The work of the Committee on Plan Projects being somewhat *ad hoc* in character and as the projects to be taken up for study cannot always be confidently foreseen, significant variations between budget provisions and actual expenditure are to be observed in the finances of the Committee. Thus, while in 1957-58 and 1958-59, the actual expenditure incurred was significantly higher than that estimated at the time of the budget, in the subsequent years the actual expenditure has been considerably less than that estimated in the budget. Moreover, it takes time before the staff required for the teams can be secured and put on the job; many times there is a gap between the sanctioned staff and staff actually in position. This may also explain to some extent the large variations between the actual expenditure and the budget estimates.⁸

⁸ Year	Budget Estimates Rs.	Actual Expenditure Rs.
1957-58	5,00,000	7,46,591
1958-59	9,00,000	9,96,480
1959-60	12,00,000	7,97,423
1960-61	10,00,000	7,83,834
1961-62	9,34,000	7,91,728
1962-63	9,70,000	9,08,361
1963-64	8,73,000	7,47,800*

*Revised Estimates.

VIII. CONCLUDING OBSERVATIONS

The importance of economic planning for ensuring economic development had come to be recognised in India even before Independence, and Shri Jawaharlal Nehru had played an important part in the development of this line of thinking. The necessity of planning had come to be accepted not only by Shri Nehru and other like-minded political workers but also by professional and business groups. Shri M. Visveswaraya had given a lead in this. The group of top industrialists who published the "Bombay Plan" had endorsed the idea of planning and even the pre-Independence Government of India gave some recognition to this line of thinking in its last years. It was inevitable therefore that the post-Independence Government of India, with Shri Nehru as the Prime Minister, should adopt a policy of planned development of the country. The Constitution of India, promulgated in January, 1950, contained a special chapter on the Directive Principles of State Policy, and it was enunciated therein that the State shall strive to promote the welfare of the people by securing a social order based on social, economic and political justice and by directing its policy towards securing, among other things, that the citizens have the right to an adequate means of livelihood. Following this, the Planning Commission was established in March, 1950. India thus became the first non-Communist country to take up planned economic development.

The tasks faced by the Indian planners were vast and complex. Here was a country of continental dimensions, with a very large population. It had a centuries-old civilisation with a social structure which had a long historical tradition and therefore a certain sanctity and also rigidity about it, but which was not well suited to economic dynamism and progress. It was also one of the poorest countries in the world. Undoubtedly the post-Independence Government of India had certain advantages as compared to those of many other newly independent and backward countries. Some elements of modernisation had been introduced in the economy in the period

of British rule. A few large modern industries had been established; a railway and communications network had been created; some irrigation facilities had been developed; a beginning had been made in the field of developing electric power resources; the foundations of a modern educational system had been laid. But all these touched only a small fringe of the population. A working system of administration which was quite competent in the traditional tasks of administration had been created but it hardly had the expertise and the organisation required for conducting the complex and enormous task of economic and social development. Moreover, as India was the first country to adopt the combined path of democracy and planned development, there was no model which could provide any significant guidelines regarding the methods to be followed.

The Planning Commission had to set about its task at a time when the instruments essential for effective planning hardly existed in the country. Not only were the various operating Ministries and the State Governments lacking in the expertise required for working out planned programmes for development, they also did not have any clear notion of how to organise themselves for the purpose. There was dearth of specialised agencies which could work out development programmes and projects in major functional areas where development was to be undertaken. While some specialised expertise and organisation, however inadequate, existed for such work in areas like agriculture, transport, irrigation and power, they were almost totally lacking in other crucial areas like mining, steel, machine building and chemical industries. It was necessary for the Commission therefore in formulating Plans to do the best it could in these circumstances and at the same time attempt to create the organisations and expertise necessary for adequately and competently conducting such work in the future.

Very little work had been done regarding the study of resources. The few organisations that already existed had to be considerably strengthened and in certain areas new agencies and expertise had to be created. Realising the importance of scientific and social research which had been largely neglected

before Independence, special programmes had to be undertaken for getting over this deficiency.

As India had chosen the path of democracy, it was the planners' responsibility to evolve a strategy of development which would strengthen democracy and which would be based on as wide a measure of acceptance in the country as possible. The planning authorities had to secure a national consensus about the Plans and this involved securing the co-operation not only of the ruling party but also of the other political parties and groups in the country.

Because of the large size of the country and also because of the existence of cultural diversity, the Constitution-makers of the country had decided to adopt a federal type of Constitution. For the planners, this involved the necessity of working out development plans in such a way as to satisfy not only national aspirations but also the aspirations of the constituent units of the Union. A National Plan for the country had to be prepared in consultation with and with the willing consent of the States. In many important fields, the executive authority was vested in the States but the growth and development in them were of crucial importance in the overall economic growth of the country. Therefore State Plans had to be integrated with the National Plan and this had to be done when the States did not have (even now many of them do not have) adequate planning expertise and organisation.

The Commission also had a special role to play *vis-a-vis* the Ministries at the Centre. The Ministries were the main executive agencies for many of the development programmes. They were headed by powerful political personalities and had more technical expertise, administrative competence and traditional authority in their respective fields than the Commission had or has. The Commission had to find ways of working with them at the same time advising and guiding them to work along lines that might not always appeal to them. And it had to do this without any definite and formal authority over them. The Commission was set up as and continues to be only an Advisory Body.

The Commission has sought to meet these difficulties and problems in various ways. It has given considerable guidance

and support to the setting up of organisations for the study of Natural Resources, for the conduct of scientific and social science research and for the establishment and strengthening of organisations in the States and in functional areas for working out development projects, programmes and plans. It has organised a process of discussion and consultation about the Plans which attempts to cover large sections of the population. It has acted to some extent as a constructive but informal mediator regarding development problems that involve inter-State or Union-State differences. It has evolved organisational devices and working processes whose object is to ensure that the different operating agencies are in various ways involved in the planning process. Because of its composition, especially the fact that the Prime Minister and some other senior Ministers have been its members, and also because of the approach, the expertise and the working methods developed by it, the Commission has acquired prestige and has built up for itself a position of influence in the machinery of State. Not having any formal executive authority of its own has therefore not proved to be a handicap in the functioning of the Commission in regard to formulation of Plans. The implementation of Plans naturally rests with the executive organs of Government, both at the Centre and in the States, and the Commission does not seem to have always been able to ensure that these operate in a way which would lead to successful and effective implementation.

In these fourteen years, the Commission has produced three Five Year Plans and it is now engaged in formulating the Fourth one. The success of these, especially the Second and now the Third Plans, is a matter of some debate. But it would be difficult for anyone to question the fact that the magnitude and the direction of development effort would have been quite different but for the Planning Commission. The Plans have been accepted by most sections of the population as based upon a broad popular consensus. Regarding the main objectives and strategy of development outlined in the Plans, the Union Ministries as well as State Governments, the public as well as the private sectors and leaders of most political parties have expressed their basic agreement. Development planning has come to be accepted as a basic function of administrative units

at all levels, and functional units like factories if not individual farms have begun to be aware of this process. Discussion about the Plans and about economic and social development in its various aspects dominates public discussion in India. The Commission has served as the focal point and also as a leading organ for this great and continuous national debate.

All this does not mean that the Commission is generally accepted as having succeeded in the tasks assigned to it. There is no dearth of critics and, especially in recent years, criticism regarding the organisation and functioning of the Commission has been increasing. In view of the increasing complexity of the functions that have to be carried out by the Planning Commission, even persons who took a sympathetic view about the Commission's working up to now are beginning to think it necessary to take a new look at the Commission and the planning machinery in the country as a whole. This view seems to be shared to some extent even by persons who have been and continue to be closely associated with the Commission.

To what extent it is necessary to bring about changes in the organisation and functioning of the Commission can only be decided on the basis of an objective study of the situation as it has evolved up to now and further taking into account the expected requirements in the future. It is hoped that the information and analysis provided in this monograph will be of some assistance in this process of discussion and examination.

APPENDICES

APPENDIX A

(1) List of Members (from March, 1950 to March, 1964)

—	Date of joining	Date of leaving
1. Shri Jawaharlal Nehru*†	28-3-50	Continuing
2. Shri Gulzarilal Nanda*‡	(i) 28-3-50	20-11-51
	(ii) 1-8-52	Continuing
3. Shri V. T. Krishnamachari§	28-3-50	22-6-60
4. Shri G. L. Mehta	28-3-50	28-8-52
5. Shri R. K. Patil	28-3-50	10-11-51
6. Shri C. D. Deshmukh*	(i) 28-3-50	20-11-51
	(ii) 1-8-52	24-7-56
7. Smt. Durgabai (Deshmukh)	23-6-52	1-3-54
8. Shri K. C. Neogy	21-5-53	15-7-58
9. Prof. P. C. Mahalanobis (<i>de facto</i> Member)	31-1-55	Continuing
10. Dr. J. C. Ghosh	18-5-55	21-1-59
11. Shri T. T. Krishnamachari*	(i) 1-9-56	18-2-58
	(ii) 9-6-62	Continuing
12. Shri V. K. Krishna Menon*	3-9-56	9-11-62
13. Shri C. M. Trivedi	28-10-57	2-12-63
14. Shri Morarji Desai*	22-3-58	31-8-63
15. Shri Shriman Narayan	15-7-58	Continuing
16. Shri T. N. Singh	10-9-58	"
17. Dr. A. N. Khosla	18-12-59	15-9-62
18. Shri Vishnu Sahay	15-4-62	8-9-62
19. Shri Tarlok Singh	8-9-62	Continuing
20. Prof. M. S. Thacker	8-10-62	"

* Minister-Members.

† Chairman from the inception of the Commission till his death on 27-5-64.

‡ Deputy Chairman	...	...	(i) 28-3-50	20-11-51
			(ii) 1-8-52	16-2-53
			(iii) 22-6-60	21-9-63
Minister of Planning	...	...	24-9-51	21-9-63
§ Deputy Chairman	...	...	16-2-53	22-6-60

			Date of joining	Date of leaving
21.	Prof. V. K. R. V. Rao	...	3-5-63	Continuing
22.	Shri B. R. Bhagat*†	...	21-9-63	"
23.	Shri Swaran Singh*	...	5-9-63	"
24.	Shri Asoka Mehta‡	...	2-12-63	"

* Minister-Members.

† Minister of Planning 21-9-63 Continuing

‡ Deputy Chairman 2-12-63 "

(2) Analysis of the Background of Members from year to year

Date	Minister-Members	Full-time Members* Previous experience				TOTAL
		General Administration	Technical and scientific work	Political and social work	Business and industry	
1-1-51	2	1	—	2	1	6
1-1-52	1†	1	—	—	1	3
1-1-53	3	1	—	1	—	5
1-1-54	3	1	—	2	—	6
1-1-55	3	1	—	1	—	5
1-1-56	3	1	2	1	—	7
1-1-57	4	1	2	1	—	8
1-1-58	4	2	2	1	—	9
1-1-59	4	2	1	2	—	9
1-1-60	4	2	2	2	—	10
1-1-61	4	1	2	2	—	9
1-1-62	4	1	2	2	—	9
1-1-63	4	2	2	2	—	10
1-1-64	5	1	3	3	—	12

* Including the *de facto* Member.

† The Minister-Members (except the Prime Minister) had resigned for contesting the General Election. Shri R. K. Patil had resigned for the same reason.

(3) *Age at First Appointment as Member*

Age group	Minister-Members	Full-time Members
60—69	Jawaharlai Nehru (60) Morarji Desai (62)	V. T. Krishnamachari (69) K. C. Neogy (65) P. C. Mahalanobis (61) J. C. Ghosh (60) C. M. Trivedi (64) A. N. Khosla (67) Vishnu Sahay (60)
50—59	T. T. Krishnamachari (57) V. K. Krishna Menon (59) Swaran Singh (56)	G. L. Nanda (51) C. D. Deshmukh (54) T. N. Singh (54) M. S. Thacker (58) V.K.R.V. Rao (54) Asoka Mehta (52)
40—49	B. R. Bhagat (40)	R. K. Patil (42) G. L. Mehta (49) Smt. Durgabai (41) Shriman Narayan (46) Tarlok Singh (49)

NOTES.—(i) The figures in brackets indicate the age at appointment of the Member.

(ii) Shri Nanda and Shri Deshmukh were first appointed as full-time Members.

(4) *Average Age of Members—1950 to 1964*

Date	Minister-Members	Full-time Members	All Members
1-4-50	60	52	55
1-4-55	60	67	63
1-4-60	64	64	64
1-4-64	60	57	58

NOTES.—(i) Figures are rounded up.

(ii) *De facto* Member has been included in the category of "Full-time Members".

(5) Distribution of Work among Members**(i) As in June, 1951 :**

Deputy Chairman Nanda)	(G. L. Administration and Co-ordination Employment and Social Services
Member (C. D. Deshmukh) ...	Resources and Economic Survey Finance
Member (V. T. Krishnamachari)	Development of Natural Resources
Member (G. L. Mehta) ...	Industry, Trade and Communica- tions
Member (R. K. Patil) ...	Food and Agriculture

(ii) As in April, 1954 :

Deputy Chairman Krishnamachari)	(V. T. Administration and Co-ordination Progress Division Land Reforms Irrigation and Power Food and Agriculture
Minister of Planning (G. L. Nanda)	Employment and Labour Housing Social Welfare
Member (Finance) (C. D. Deshmukh)	Economic Policy, Finance and Re- sources
Member (Industry) (K. C. Neogy)	Industry Transport and Communications Village Industries Minerals Education Health

(iii) As in October, 1957 :

Deputy Chairman Krishnamachari)	(V. T. Administration and Co-ordination Food and Agriculture Irrigation, Power and Natural Resources Public Administration Programme Administration and Evaluation Information and Publication Foreign Aid Local Development Works Research Programmes
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Minister (Planning) Nanda)	(G. L.	Labour and Employment Housing Social Welfare including Prohibition Land Reforms Public Co-operation Parliamentary Business Integrated Publicity Public Management Studies Regional Planning and Town Planning
Member (Finance) Krishnamachari)	(T. T.	Economic and Financial Resources
Member (Industry) Neogy)	(K. C.	Industry and Trade Village and Small Industries Transport and Communications in- cluding Broadcasting Rehabilitation Minerals
Member (Education) Ghosh)	(J. C.	Education Health and Local Bodies
Minister of Defence Krishna Menon)	(V. K.	International Trade and Develop- ment
<i>De facto</i> Member Mahalanobis)	(P. C.	Statistics and Surveys Scientific and Technical Manpower Perspective Planning
(iv) As in November, 1960 :		
Minister (Planning) Deputy Chairman Nanda)	and (G. L.	Co-ordination Plan Co-ordination Administration Programme Administration Public Administration Programme Evaluation Organisa- tion Information, Publicity and Publica- tions Foreign Aid Local Development Works Research Programmes Committee Parliamentary business Integrated publicity

Member (Finance) (Morarji R. Desai)	Economic, Finance and Resources
Member (International Trade and Development) (V. K. Krishna Menon)	International Trade and Development
Member (Natural Resources) (C. M. Trivedi)	Irrigation and Power Minerals
Member (Agriculture) (Shri-man Narayan)	Food and Agriculture Co-operation
Member (Industry) (T. N. Singh)	Industry Village and Small Industries Transport and Communications (including Broadcasting) Rehabilitation
Member (Education) (A. N. Khosla)	Education Health Scientific and Industrial Research
Member (Perspective Planning) (P. C. Mahalanobis)	Statistics and Surveys Scientific and Technical Manpower Perspective Planning
Deputy Minister (Planning) (S. N. Mishra)	Housing Social Welfare including Prohibition Land Reforms Planning Forums
Deputy Minister (Labour and Planning) (L. N. Mishra)	Labour and Employment Public Co-operation

(v) As in October, 1962 :

Deputy Chairman and Minister (Planning) (G. L. Nanda)	Plan Co-ordination Administration and Co-ordination Programme Administration Programme Evaluation Organisation [Member (Agri.) to assist in this.] Economic Policy and Growth Information and Publicity [Member (Ind.) to assist in this.] Foreign Aid
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	Research Program- mes Committee Parliamentary business Housing Social Welfare Land Reforms Labour and Em- ployment Public Co-opera- tion (including Planning Forums and Prohibition)	Deputy Minis- ter (C.R. Patta- bhi Raman) to assist in work relating to these subjects.
Member (Natural Resources) (C. M. Trivedi)	Irrigation and Power Minerals	
Member (Agriculture) (Shri- man Narayan)	Agriculture (including Food) Community Development and Co- operation Rural Works (including Local Development Works)	
Member (Finance) (Morarji R. Desai)	Economic Division (including Fin- ancial Resources and Foreign Exchange)	
Member (Industry) (T. N. Singh)	Industry Village and Small Industries Rehabilitation	
Member (International Trade and Development) (V. K. Krishna Menon)	International Trade and Develop- ment	
Minister Without Portfolio (T. T. Krishnamachari)	.....
Member (Perspective Planning) (P. C. Mahalanobis)	Perspective Planning Statistics and Surveys Scientific Research	
Member (Education) (M. S. Thacker)	Education Health Natural Resources, including Com- mittee on Natural Resources Scientific and Technical Manpower	

Member (Administration and Transport) (Tarlok Singh)	Transport and Communications Public Administration Assistance to Deputy Chairman in specific matters*
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(vi) As in January, 1964 :

Deputy Chairman (Asoka Mehta)	Plan Co-ordination Administration and Co-ordination Programme Administration Economic Policy and Growth Information and Publicity Research Programmes Committee
Member (Agriculture) (Shri-man Narayan)	Agriculture (including Food) Community Development and Co-operation Rural Works (including Local Development Works) Land Reforms Prohibition
Member (Industry) (T. N. Singh)	Industry Village and Small Industries Rehabilitation Oil and Minerals
Member (Perspective Planning) (P. C. Mahalanobis)	Perspective Planning Statistics and Surveys Scientific Research
Member (Natural Resources) (M. S. Thacker)	Natural Resources, including Committee on Natural Resources Housing Irrigation and Power Construction Economies Water Supply
Member (Administration and Transport) (Tarlok Singh)	Transport and Communications Management and Public Administration Committee on Plan Projects (excluding Construction Economies)

*Relating to Plan Co-ordination, economic policy, State plans and regional development, employment programmes, reduction in construction costs and research programmes.

APPENDICES

Member (Education, Social Planning and International Trade) (V. K. R. V. Rao)	Manpower Planning including Scientific and Technical Manpower Education Health excluding Water Supply Labour and Employment Social Welfare (including Backward Classes) Foreign Aid, Foreign Exchange and Balance of Payments International Trade & Development Social and Economic Research Programme Evaluation Organisation
Member (Gulzarilal Nanda)	Public Co-operation including Planning Forums
Member (Finance) (T. T. Krishnamachari)	Financial Resources
Member (Swaran Singh)	.....
Member and Minister of Planning (B. R. Bhagat)	Parliamentary Business (Deputy Minister assists in this).

APPENDIX B

(1) *List of Advisers (Programme Administration) (October 1952 to March 1964)*

Name	Date of joining	Date of leaving
1. Shri P. S. Rau, I.C.S.	15.10.52	9.3.53
2. Shri S. V. Ramamurthy, I.C.S. (Retd.)	22.10.52	15.11.60
3. Shri P. N. Thapar, I.C.S.	1.5.53	18.12.54
4. Shri V. S. Hejmadi, I.C.S.	15.9.53	10.12.55
5. Shri B. R. Tandon, I.C.S.	24.12.54	9.11.56
6. Shri Nawab Singh, I.C.S.	9.1.56	1.4.61
7. Shri M. S. Sivaraman, I.C.S.	14.1.57	Continuing
8. Shri M. R. Bhide, I.C.S.	25.3.58	6.1.59
9. Shri B. P. Patel, I.C.S.	8.10.60	1.10.63
10. Shri R. S. Krishnaswamy, I.C.S.	1.7.61	1.7.63
11. Dr. S. R. Sen	5.9.63	Continuing
12. Shri P. P. I. Vaidyanathan, I.C.S.	4.11.63	„
13. Raja Surendra Singh	12.11.63	„

(2) Allocation of Areas to Programme Advisers

(a) From the creation of these Posts to October, 1956

North	East	South
P. N. Thapar (from 1.5.53 to 18.12.54)	V. S. Hejmadi (from 15.9.53 to 9.1.55)	S. V. Ramamurthy (from 22.10.52 to 31.10.56)
Jammu and Kashmir, Punjab, Himachal Pradesh, Bilaspur, Pepsu, Rajasthan, Delhi, Ajmer, Bihar, West Bengal, Uttar Pradesh.	Madras, Andhra, Orissa, Assam, Tripura, Manipur, NEFA, Madhya Bharat, Bhopal, Vindhya Pradesh, Andaman and Nicobar Islands.	Kutch, Saurashtra, Bombay, Madhya Pradesh, Hyderabad, Mysore, Coorg, Travancore-Cochin.
B. R. Tandon (from 10.1.55 to 31.12.55)	(from 10.1.55 to 10.12.55)	
Jammu and Kashmir, Punjab, Uttar Pradesh, Pepsu, Rajasthan, Delhi, Ajmer, Bihar, Madhya Bharat, Bhopal, Vindhya Pradesh.	Madras, Andhra, Orissa, Assam, Tripura, Manipur, NEFA, Andaman, and Nicobar Islands, West Bengal, Pondicherry.	
(from 31.12.55 to 31.10.56)	Nawab Singh (from 9.1.56 to 31.10.56)	
Jammu and Kashmir, Punjab, Himachal Pradesh, Bilaspur, Pepsu, Rajasthan, Delhi, Ajmer, Uttar Pradesh, Bihar, West Bengal.	Madras, Andhra, Orissa, Assam, Tripura, Manipur, NEFA, Madhya Bharat, Bhopal, Vindhya Pradesh, Andaman and Nicobar Islands, Pondicherry.	

(b) From November 1, 1956 up to March 31, 1964

	1	2	3	4	5	6	7	8	9	10
			Bihar, West Bengal, Orissa, Assam, Manipur and Tripura, NEFA, and Andaman & Nicobar Islands. Also Naga Hills and Tuensang Area (later called Nagaland) from 17.1.59				Kerala, Andhra Pradesh, Pondicherry and Laccadive, Minicoy and Amindive Islands	Bombay (later Maharashtra and Gujerat)	Punjab, Jammu and Kashmir, Delhi and Himachal Pradesh	Goa, Daman and Diu
	Uttar Pradesh	Madhya Pradesh		Mysore	Madras	Rajasthan				
	1	2	3	4	5	6	7	8	9	10
B.R. Tandon	B.R. Tandon	B.R. Tandon	Nawab Singh	S. V. Ramamurti	Nawab Singh	B.R. Tandon	Nawab Singh	S.V. Ramamurti	B.R. Tandon	B.P. Patel
(1.11.56 to 9.11.56)	(1.11.56 to 9.11.56)	(1.11.56 to 9.11.56)	(1.11.56 to 9.2.57)	(1.11.56 to 30.10.60)	(1.11.56 to 1.4.61)	(1.11.56 to 9.11.56)	(1.11.56 to 1.4.61)	(1.11.56 to 30.10.60)	(1.11.56 to 9.11.56)	(21.4.62 to 1.10.63)
M.S. Sivaraman	M.S. Sivaraman	M.S. Sivaraman	M.S. Sivaraman	B.P. Patel	B.P. Patel	Nawab Singh	B.P. Patel	B.P. Patel	Nawab Singh	Raja Surendra Singh
(9.11.56 to 5.4.58)	(9.2.57 to 5.4.58)	(9.2.57 to 11.7.61)	(9.2.57 to 11.7.61)	(18.4.61 to 11.7.61)	(18.4.61 to 1.4.61)	(9.2.57 to 1.4.61)	(18.4.61 to 11.7.61)	(30.10.60 to 1.10.63)	(9.2.57 to 1.4.61)	(12.11.63 to date)

(3) *Parliamentary Questions handled by the Planning Commission*

(RAJYA SABHA AND LOK SABHA)

(i) Total Number handled

Year	Number of Questions received	Number of Questions answered
1959	830	202
1960	819	165
1961	984	224
1962	1,066	244
1963	381	206

NOTE.—“Number of Questions received” : This indicates the number of questions of which notices are received and which are sent for preliminary consideration to the Commission. Of these, some are disallowed by the Speaker or withdrawn by the Members; some others are passed on to other Ministries/Departments as falling within their scope. That is why there is a difference between the “Number of Questions received” and the “Number of Questions answered”.

The Speaker of the Lok Sabha decided in November, 1962, that instead of sending to the Ministries advance copies of all questions for which notices are received, only copies of the questions admitted by the Speaker would be sent to them. That is probably the main reason for the decrease in the “Number of Questions received” in 1963.

(ii) Analysis of Questions answered during three Sessions (Winter Session, 1962 and Budget and Monsoon Sessions, 1963)

Relating to Planning Commission	Relating to Central Plan and State Plans	General Economic Problems	Problems relating to particular sectors of the economy	TOTAL
56	58	19	50	183

APPENDIX C

*The Growth of Divisions/Sections in the Planning Commission**

1950	1954	1957	1963
Resources and Economic Survey (D)	Economic (Divs. I & II)	Economic, Finance and Resources (D)	Economic (D) (With Sections for Financial Resources, Economic Policy and Growth, International Trade and Development, Price Policy and Inter-industries Studies)
Finance (D)		International Trade and Development (S)	Statistics and Surveys (D)
Industry, Trade and Communications (D)	Industry (D) [Industry (S) (including Small scale) Transport and Communications (S) Village Industries (S)]	Industries and Minerals (D) Transport and Communications (D) Village and Small Industries (D) Public Management Studies (S)	Industries and Minerals (D) (Units for Industries, Minerals, Public Enterprises) Transport and Communications (D) Village and Small Industries (D) Management and Administration (S)
Development of Natural Resources (D)	Natural Resources (D) [Irrigation and Power (S) Minerals (S)†]	Natural Resources (Irrigation and Power) (D) Scientific and Industrial Research (S)	Irrigation and Power (D) Natural Resources and Scientific Research (D)

* (D) = Division ; (S) = Section ; (B) – Branch.

† This Section has since then been transferred to the Industries Division.

1950	1954	1957	1963
Employment and Social Services (D)	Employment and Labour (S)	Labour and Employment (D)	Labour and Employment (D)
	Housing (S)	Housing (S)	Housing (D)
	Social Welfare (S)	Social Welfare (S)	Social Welfare (D)
	Education (S)	Education (D)	Education (D)
	Health (S)	Health (D)	Health (D)
		Prohibition (S)*	
Food and Agriculture (S)	Agriculture (D) [Food (S) Agriculture (S)]	Food and Agriculture (D)	Agriculture (D) (including Co-operation and Community Development)
	Land Reforms (D)	Land Reforms (D)	Land Reforms (D)
Co-ordination (S)	Co-ordination (S) (I-II-III)	Co-ordination (B)	Co-ordination (S)
		Local Works (B)	Rural Works (D)
Development Plans (S)	Progress Division	Plan Co-ordination (D)	Plan Co-ordination (S)
		Programme Administration (D)	Programme Administration (D)
		Public Co-operation (S)	Public Co-operation (D)
		Scientific and Technical Manpower and Perspective Planning (D)	Perspective Planning (D)

* This work is now being looked after by the Public Co-operation Division.

APPENDIX D

(1) (a) Planning Commission—Sanctioned Staff

	1951-52	1955-56	1960-61	1963-64	1963-64 (Actual on 29-11-63)
(A) (i) Members	4	4	5	7	7
(ii) Higher Level Administrative Staff	1	8	11	14	11
(iii) Higher Level Research and Technical Staff	41	109	161	196	168
(iv) Lower Level Research and Technical Staff	26	65	141	141	111
Total of (A) (i) to (iv)	72	186	318	358	297
(B) (v) Lower Level Administrative Staff	13	27	52	65	62
(vi) Clerical Staff	65	222	418	427	390
(vii) Miscellaneous Staff	7	11	26	26	25
(viii) Class IV Staff	87	138	241	255	251
Total of B (v) to (viii)	172	398	737	773	728
GRAND TOTAL	244	584	1,055	1,131	1,025

NOTE.—(i) includes Additional Secretary, Joint Secretaries, Deputy Secretaries and Programme Advisers.

(ii) includes Advisers, Chiefs, Deputy and Assistant Chiefs, Directors, Senior Specialists, Senior Research Officers and Research Officers.

(iv) includes Economic Investigators (Grades I and II) and Technical Assistants, etc.

(v) includes Under Secretaries and Section Officers.

(vi) includes Assistants, Upper and Lower Division Clerks and Stenographers.

(1) (b) Planning Commission—Sanctioned Staff (Index)

(1951-52 = 100)

	1951-52	1955-56	1960-61	1963-64
(A) (i) Members ...	100	100	125	175
(ii) Higher Level Administrative Staff ...	100	800	1,100	1,400
(iii) Higher Level Research and Technical Staff ...	100	266	393	478
(iv) Lower Level Research and Technical Staff ...	100	250	542	542
Total of (A) (i) to (iv) ...	100	258	441	497
(B) (v) Lower Level Administrative Staff ...	100	200	400	500
(vi) Clerical Staff ...	100	341	643	657
(vii) Miscellaneous Staff ...	100	157	371	371
(viii) Class IV Staff ...	100	159	277	293
Total of (B) (v) to (viii) ...	100	231	428	449
GRAND TOTAL ...	100	239	432	463

(1) (c) *Planning Commission—Sanctioned Staff—Distribution in different Categories (per cent)*

	1951-52	1955-56	1960-61	1963-64	1963-64 (Actual on 29-11-63)
(A) (i) Members	1.6	0.7	0.5	0.6	0.7
(ii) Higher Level Administrative Staff	0.4	1.3	1.0	1.2	1.1
(iii) Higher Level Research and Technical Staff	16.8	18.7	15.2	17.3	16.4
(iv) Lower Level Research and Technical Staff	10.7	11.1	13.4	12.5	10.8
Total of (A) (i) to (iv)	29.5	31.8	30.1	31.6	29.0
(B) (v) Lower Level Administrative Staff	5.3	4.6	4.9	5.7	6.0
(vi) Clerical Staff	26.6	38.0	39.6	37.8	38.1
(vii) Miscellaneous Staff	2.9	1.9	2.5	2.3	2.4
(viii) Class IV Staff	35.7	23.6	22.8	22.5	24.5
Total of (B) (v) to (viii)	70.5	68.1	69.8	68.3	71.0
GRAND TOTAL	100.0	100.0	100.0	100.0	100.0

(1) (d) *Planning Commission—Sanctioned Strength of Research and Technical Staff in different Categories*

	1951-52	1955-56	1960-61	1963-64	1963-64 (Actual on 29-11-63)
(a) Advisers, Honorary Advisers, Member-Secretary (R.P.C.), Chiefs, Senior Specialists.	6	7	13	23	18
(b) Directors, Assistant Chiefs, Transport Specialists, Assistant Secretary (R.I.P.C.), Officers on Special Duty.	7	22	33	44	38
(c) Senior Research Officers, Research Officers, Technical Officers, Econometrician, etc.	28	80	115	134	115
(d) Investigators, Technical Assistants, etc. ...	25	65	141	141	111

(2) *Planning Commission—Distribution of Clerical Staff*
 (January, 1964)

	Section Officers	Assistants	Upper Division Clerks	Lower Division Clerks	Steno- graphers	TOTAL
Technical Units ...	9	32	17	67	36	161
Chiefs and other Technical Officers	—	—	—	—	52	52
Administrative Units	11	34	30	81	—	156
Administrative Officers	—	—	—	—	16	16
Members	—	—	—	4	11	15
GRAND TOTAL	20	66	47	152	115	400

(3) *Planning Commission—Statement showing the position regarding the Actual Strength of Research and Technical Staff in each Grade (Division-wise)*

(As on 12-12-63)

	Adviser/ Jt. Secy.	Chief/ Senior Specialist	Dy. Secy./ Director	Asstt. Chief	Senior Research Officer	Research Officer	Economic Investigator, Grade I	Economic Investigator, Grade II	TOTAL
(1) Agriculture ...	1	—	—	2	1	4	4	2	14
(2) Economic ...	1	2	1	3	6	9	12	2	36
(3) Education ...	—	—	1	1	3	4	2	1	12
(4) Health ...	—	—	—	1	1	2	3	—	7
(5) Housing ...	—	—	—	1	—	2	2	—	5
(6) Industry and Minerals	1	1	3	—	5	6	3	2	21
(7) Irrigation and Power	1	2	—	2	2	5	1	—	13
(8) Labour and Employment	—	1	—	1	2	2	2	2	10
(9) Land Reforms ...	1	—	1	—	1	2	1	—	6
(10) Management and Administration.	—	—	1*	—	—	1	1	—	3
(11) Perspective Planning	—	1	1	2	1	7	6	6	24
(12) Plan Co-ordination ...	—	—	1	—	2	4	4	—	11
(13) Co-ordination ...	—	—	1	—	—	—	1	—	2
(14) Programme Administration	—	1	—	1	4	5	2	5	18

(15) Public Co-operation	—	—	2	—	—	5	1	1	9
(16) Research Programmes Committee	1†	—	—	2	1	1	2	—	7
(17) Resources and Scientific Research	1	3	1	1	1	3	2	—	12
(18) Rural Industries Planning Committee	—	—	—	1	—	2	2	—	5
(19) Rural Works ...	—	1‡	—	—	1	3	—	—	5
(20) Social Welfare ...	—	—	—	1	—	3	2	3	9
(21) Transport and Communications	—	—	1	—	1	4	3	1	10
(22) Committee on Transport Policy ... and Co-ordination.	—	—	—	1	2	1	1	5	10
(23) Village and Small Industries ...	—	—	—	1	1	1	1	2	6
(24) Deputy Chairman and Members	—	—	1	—	2	3	1	2	9
TOTAL ...	7	12	15	21	37	79	59	34	264

* Deputy Secretary (M) also deals with some administrative work of the Commission.

† The post of Member-Secretary, Research Programmes Committee, is being held by Joint Secretary (Research, Small Industries and Social Services).

‡ The officer is also called Deputy Secretary (R. W.).

(4) *Age Composition of Senior Officers (March, 1964)*
(Age as on 31-12-63)

	36-40	41-45	46-50	51-55	56-60	61-65	TOTAL
Directors	7	2	3	3	—	—	15
Deputy Secretaries	1	1	1	1	—	—	4
Chiefs and Senior Specialists	1	2	—	5	4	1	13
Advisers (including Programme Advisers)	—	1	2	1	2	—	6
Secretary and Joint Secretaries	—	1	1	2	1	—	5
GRAND TOTAL	9	7	7	12	7	1	43

(5) *Senior Officers—Total Continuous Service in the Planning Commission*
(March, 1964)

	Years					TOTAL
	Less than 2	2-5	5-10	Over 10		
Directors	2	3	3	7	15	
Deputy Secretaries	1	1	2	—	4	
Chiefs and Senior Specialists	4	3	1	5	13	
Advisers (including Programme Advisers)	3	—	3	—	6	
Secretary and Joint Secretaries	2	1	1	1	5	
GRAND TOTAL	12	8	10	13	43	

APPENDICES

(6) Programme Evaluation Organisation—Sanctioned Staff

	1952-53	1955-56	1960-61	1963-64	1963-64 (Actual as on 29-11-63)
(A) (i) Higher Level Administrative Staff	—	1	1	—	—
(ii) Higher Level Research and Technical Staff	30	39	62	70	64
(iii) Lower Level Research and Technical Staff	9	75	116	170	141
Total of (A) (i) to (iii)	39	115	179	240	205
(B) (iv) Lower Level Administrative Staff	1	1	2	4	4
(v) Clerical Staff	64	115	155	179	148
(vi) Miscellaneous Staff	3	4	6	6	6
(vii) Class IV Staff	54	81	77	77	71
Total of (B) (iv) to (vii)	122	201	240	266	229
GRAND TOTAL	161	316	419	506	434

(7) Committee on Plan Projects—Sanctioned Staff

	1958-59	1960-61	1963-64	1963-64 (Accrual as on 29-11-63)
(A) (i) Higher Level Administrative Staff ...	—	1	1	1
(ii) Higher Level Research and Technical Staff ...	23	25	29	12
(iii) Lower Level Research and Technical Staff ...	31	42	49	29
Total of (A) (i) to (iii) ...	54	68	79	42
(B) (iv) Lower Level Administrative Staff ...	3	3	3	2
(v) Clerical Staff ...	63	63	68	49
(vi) Miscellaneous Staff ...	13	13	13	4
(vii) Class IV Staff ...	38	35	35	28
Total of (B) (v) to (vii) ...	117	114	119	83
GRAND TOTAL ...	171	182	198	125

APPENDIX E
(1) (a) Expenditure on the Planning Commission

Year	Pay of Officers	Pay of Establishment	Allowances and Honoraria		Other charges	Miscellaneous	TOTAL
			Rs.	Rs.			
1950-51	3,19,354	1,57,676	2,01,685	1,77,821	...	...	8,56,536
1951-52	4,05,426	2,25,911	2,76,586	1,91,029	...	...	10,98,952
1952-53	4,83,848	2,82,719	3,47,687	2,10,992	...	...	13,25,246
1953-54	7,02,648	3,18,462	4,13,345	2,33,898	...	...	16,68,353
1954-55	8,03,331	4,26,490	5,31,109	3,04,363	...	...	20,65,293
1955-56	10,51,160	6,22,664	7,76,551	6,10,215	...	...	30,60,590
1956-57	13,10,860	7,59,442	9,83,850	3,75,377	...	...	34,29,529
1957-58	14,04,784	8,86,164	9,77,086	3,53,225	...	...	36,21,259
1958-59	15,36,852	9,87,624	10,52,341	3,47,327	...	...	39,24,144
1959-60	17,12,583	10,57,200	11,90,988	5,18,135	...	...	44,78,906
1960-61	18,94,626	15,27,307	8,95,465	5,46,893	11,651	...	48,75,942
1961-62	21,61,196	16,49,340	9,80,149	5,22,104	6,638	...	53,19,427
1962-63	24,63,020	16,56,629	12,12,871	5,36,235	1,416	...	58,70,171
1963-64*	27,06,000	16,82,000	12,55,000	3,40,000	5,000	...	599,0,000
1964-65†	29,20,000	18,15,000	12,16,000	4,50,000	22,000	...	64,23,000
1964-65‡	30,05,500	18,66,800	13,27,700	4,80,000	22,000	...	67,02,000*

* Revised Estimates.

† Budget Estimates.

‡ Budget Estimates inclusive of estimates for the Rural Industries Planning Committee which are shown separately from 1964-65 (Budget).

(1) (b) *Indices of Growth of Expenditure on the Planning Commission*

(Base : 1951-52 = 100)

Year	Pay of Officers	Pay of Establishment	Allowances and Honoraria	Other charges	Miscellaneous	TOTAL
1950-51	78·8	69·8	72·9	93·1	...	77·9
1951-52	100·0	100·0	100·0	100·0	...	100·0
1952-53	119·3	125·1	125·7	110·5	...	120·6
1953-54	173·3	141·0	149·4	122·4	...	151·8
1954-55	198·1	188·8	192·0	159·3	...	187·9
1955-56	259·3	275·6	280·8	319·4	...	278·5
1956-57	323·3	336·2	355·7	196·5	...	312·1
1957-58	346·5	392·3	353·3	184·9	...	329·5
1958-59	379·1	437·2	380·5	181·8	...	357·1
1959-60	422·4	468·0	430·6	271·2	...	407·6
1960-61	467·3	676·1	323·8	286·3	...	443·7
1961-62	533·1	730·1	354·4	273·3	...	484·0
1962-63	607·5	733·3	438·5	280·7	...	534·2
1963-64*	667·9	744·5	453·7	178·0	...	545·1
1964-65†	720·2	803·4	439·6	235·6	...	584·5
1964-65‡	741·3	826·3	480·0	251·3	...	609·8

* Revised Estimates.

† Budget Estimates.

‡ Budget Estimates inclusive of estimates for the Rural Industries Planning Committee.

(1) (c) *Expenditure on the Planning Commission (Percentage distribution)*

Year	Pay of Officers	Pay of Establishment	Allowances and Honoraria	Other charges	Miscellaneous	TOTAL
1950-51	37.3	18.4	23.5	20.8	...	100.0
1951-52	36.9	20.5	25.2	17.4	...	100.0
1952-53	36.5	21.3	26.3	15.9	...	100.0
1953-54	42.1	19.1	24.8	14.0	...	100.0
1954-55	38.9	20.7	25.7	14.7	...	100.0
1955-56	34.3	20.3	25.4	20.0	...	100.0
1956-57	38.2	22.1	28.7	11.0	...	100.0
1957-58	38.8	24.5	27.0	9.7	...	100.0
1958-59	39.2	25.2	26.8	8.8	...	100.0
1959-60	38.2	23.6	26.6	11.6	...	100.0
1960-61	38.9	31.3	18.4	11.2	0.2	100.0
1961-62	40.6	31.0	18.5	9.8	0.1	100.0
1962-63	41.9	28.2	20.6	9.1	0.2	100.0
1963-64*	45.2	28.1	20.9	5.7	0.1	100.0
1964-65†	45.5	28.3	18.9	7.0	0.3	100.0
1964-65‡	44.8	27.9	19.8	7.2	0.3	100.0

* Revised Estimates.

† Budget Estimates.

‡ Budget Estimates inclusive of estimates for the Rural Industries Planning Committee.

(2) (a) Expenditure on the Programme Evaluation Organisation

Year	Pay of Officers	Pay of Establishment	Allowances and Honoraria	Other charges	TOTAL
	Rs.	Rs.	Rs.	Rs.	Rs.
1952-53	11,250	3,346	5,916	3,954	24,466
1953-54	1,41,420	68,883	1,15,952	85,897	4,12,152
1954-55	2,12,193	2,59,822	2,77,148	1,23,596	8,72,759
1955-56	1,81,437	2,58,532	2,73,484	1,43,237	8,56,690
1956-57	1,77,217	2,70,886	2,59,838	1,12,680	8,20,621
1957-58	1,87,595	2,69,430	2,80,555	93,235	8,30,815
1958-59	2,02,113	3,00,774	3,15,896	67,667	8,86,450
1959-60	2,49,775	3,82,786	4,19,243	83,852	11,35,656
1960-61	3,09,279	6,76,102	2,76,633	1,07,442	13,69,456
1961-62	4,20,747	6,79,361	3,53,536	1,53,437	16,07,081
1962-63	4,51,451	6,93,315	4,25,989	1,82,117	17,52,872
1963-64*	5,04,900	7,83,000	4,53,000	1,50,000	18,90,900
1964-65†	5,52,600	8,75,100	5,04,000	1,70,000	21,01,700

* Revised Estimates.

† Budget Estimates.

(2) (b) *Indices of Growth of Expenditure on the Programme
Evaluation Organisation*

(Base : 1954-55 = 100)

Year	Pay of Officers	Pay of Establish- ment	Allowances and Hono- raria	Other charges	TOTAL
1952-53	5.3	1.3	2.1	3.2	2.8
1953-54	66.6	26.5	41.8	69.5	47.2
1954-55	100.0	100.0	100.0	100.0	100.0
1955-56	85.5	99.5	98.7	115.9	98.2
1956-57	83.5	104.3	93.8	91.2	94.0
1957-58	88.4	103.7	101.2	75.4	95.2
1958-59	95.2	115.8	114.0	54.7	101.6
1959-60	117.7	147.3	151.3	67.8	131.1
1960-61	145.8	260.2	99.8	86.9	156.9
1961-62	198.3	261.5	127.6	124.1	184.1
1962-63	212.8	266.8	153.7	147.3	200.8
1963-64*	237.9	301.4	163.5	121.4	216.7
1964-65†	260.4	336.8	181.9	137.5	240.8

* Revised Estimates.

† Budget Estimates.

(2) (c) Expenditure on the Programme Evaluation Organisation**(Percentage distribution)**

Year	Pay of Officers	Pay of Establish-ment	Allowances and Hono-raria	Other charges	TOTAL
1952-53	46·0	13·7	24·2	16·1	100·0
1953-54	34·3	16·7	28·1	20·9	100·0
1954-55	24·3	29·8	31·7	14·2	100·0
1955-56	21·2	30·2	31·9	16·7	100·0
1956-57	21·6	33·0	31·7	13·7	100·0
1957-58	22·6	32·4	33·8	11·2	100·0
1958-59	22·8	33·9	35·7	7·6	100·0
1959-60	22·0	33·7	36·9	7·4	100·0
1960-61	22·6	49·4	20·2	7·8	100·0
1961-62	26·2	42·3	22·0	9·5	100·0
1962-63	25·8	39·5	24·3	10·4	100·0
1963-64*	26·7	41·4	24·0	7·9	100·0
1964-65†	26·3	41·6	24·0	8·1	100·0

* Revised Estimates.

† Budget Estimates.

(3) (a) Expenditure on the Research Programmes Committee

Year	Pay of Officers	Pay of Establishment	Allowances and Honoraria	Other charges (mainly grants for Research Programmes)*	TOTAL
	Rs.	Rs.	Rs.	Rs.	Rs.
1953-54	—	222	97	1,33,133	1,33,452
1954-55	24,507	9,569	30,243	8,34,775	8,99,094
1955-56	23,479	13,101	24,816	9,05,579	9,66,975
1956-57	13,943	17,236	21,352	9,71,324	10,23,855
1957-58	39,877	17,112	22,450	7,30,352	8,09,791
1958-59	49,447	24,910	35,392	5,66,440	6,76,189
1959-60	42,639	36,306	62,767	6,58,035	8,01,747
1960-61	64,069	30,998	42,054	6,89,230	8,26,351
1961-62	69,851	21,062	37,835	6,17,735	7,46,483
1962-63	36,602	25,560	33,591	7,81,573	8,75,326
1963-64†	48,000	25,000	32,400	11,10,900	12,16,300
1964-65‡	50,000	40,800	34,700	11,92,000	13,17,500

* The actual expenditure on Research Programmes sponsored by the Research Programmes Committee was the same as shown in this column from 1953-54 to 1958-59. From 1959-60, some other expenditure was also included under this heading. This includes expenditure on M.I.T. experts, Committee for Indo-Japanese Collaboration, Committee on Income Distribution, etc. The actual expenditure on Research Programmes sponsored by the Committee from 1959-60 is shown below :

	Rs.
1959-60	6,05,325
1960-61	5,76,070
1961-62	4,95,186
1962-63	6,77,019
1963-64 (R.E.)	9,42,000
1964-65 (B.E.)	10,02,000

† Revised Estimates.

‡ Budget Estimates.

(3) (b) *Indices of the Growth of Expenditure on the Research Programmes Committee*

(Base : 1955-56 = 100)

Year	Pay of Officers	Pay of Establish-ment	Allowances and Hono-raria	Other charges (mainly grants for Research Program-mes)	TOTAL
1953-54	--	1.7	0.4	14.7	13.8
1954-55	104.4	73.0	121.9	92.2	93.0
1955-56	100.0	100.0	100.0	100.0	100.0
1956-57	59.4	131.6	86.0	107.3	105.9
1957-58	169.8	130.6	90.5	80.7	83.7
1958-59	210.6	190.1	142.6	62.6	69.9
1959-60	181.6	292.4	252.9	72.7	82.9
1960-61	272.9	236.6	169.5	76.1	85.5
1961-62	297.5	160.8	152.5	68.2	77.2
1962-63	155.8	179.8	135.4	86.3	90.5
1963-64*	204.4	190.8	130.6	122.7	125.8
1964-65†	213.0	311.4	139.8	131.6	136.3

* Revised Estimates.

† Budget Estimates.

(3) (c) Expenditure on Research Programmes Committee

(Percentage distribution)

Year	Pay of Officers	Pay of Establish-ment	Allowances and Hono-raria	Other char-ges (mainly grants for Research Programmes)	TOTAL
1953-54		0·2	0·1	99·7	100·0
1954-55	2·7	1·1	3·4	92·8	100·0
1955-56	2·4	1·4	2·6	93·6	100·0
1956-57	1·3	1·7	2·1	94·9	100·0
1957-58	4·9	2·1	2·8	90·2	100·0
1958-59	7·3	3·7	5·2	83·8	100·0
1959-60	5·3	4·8	7·8	82·1	100·0
1960-61	7·8	3·7	5·1	83·4	100·0
1961-62	9·4	2·8	5·1	82·7	100·0
1962-63	4·2	2·7	3·8	89·3	100·0
1963-64*	3·9	2·1	2·7	91·3	100·0
1964-65†	3·8	3·1	2·6	90·5	100·0

* Revised Estimates.

† Budget Estimates.

APPENDICES

(4) (a) Expenditure on the Committee on Plan Projects

Year	Pay of Officers		Pay of Establishment		Allowances and Honoraria		Other charges		TOTAL	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1956-57	7,018	16		4,791	2,870	44,695				
1957-58	2,60,593	1,15,724		3,11,107	59,167	7,46,591				
1958-59	3,04,361	1,86,135		4,42,507	63,477	9,96,480				
1959-60	2,51,247	1,78,068		3,01,065	67,043	7,97,423				
1960-61	2,26,465	2,26,204		2,72,243	58,922	7,83,834				
1961-62	2,00,260	2,68,542		2,60,010	62,916	7,91,728				
1962-63	2,44,018	2,74,144		3,28,858	61,341	9,08,361				
1963-64*	2,04,200	2,62,000		2,41,600	40,000	7,47,800				
1964-65†	2,27,000	3,20,000		2,90,000	95,000	9,32,800				

* Revised Estimates.

† Budget Estimates.

(4) (b) *Indices of the Growth of Expenditure on the Committee on Plan Projects*

(Base: 1957-58 = 100)

Year	Pay of Officers	Pay of Establishment	Allowances and Honoraria	Other charges	TOTAL
1956-57	2·7	—	1·5	55·6	5·2
1957-58	100·0	100·0	100·0	100·0	100·0
1958-59	116·8	160·8	142·2	107·3	133·5
1959-60	96·4	153·9	96·8	113·3	106·8
1960-61	86·9	195·5	87·5	99·6	105·0
1961-62	76·8	232·1	83·6	106·3	106·1
1962-63	93·6	236·9	105·7	103·7	121·7
1963-64*	78·4	226·4	77·7	67·6	100·2
1964-65†	87·1	277·2	93·2	160·6	124·9

* Revised Estimates.

† Budget Estimates.

(4) (c) *Expenditure on the Committee on Plan Projects*

(Percentage distribution)

Year	Pay of Officers	Pay of Establishment	Allowances and Honoraria	Other charges	TOTAL
1956-57	15·7	—	10·7	73·6	100·0
1957-58	34·9	15·5	41·7	7·9	100·0
1958-59	30·5	18·7	44·4	6·4	100·0
1959-60	31·5	22·3	37·8	8·4	100·0
1960-61	28·9	28·9	34·7	7·5	100·0
1961-62	25·3	33·9	32·8	8·0	100·0
1962-63	26·9	30·2	36·2	6·7	100·0
1963-64*	27·3	35·0	32·3	5·4	100·0
1964-65†	24·3	34·4	31·1	10·2	100·0

* Revised Estimates.

† Budget Estimates.

APPENDIX F

Important Documents published by the Planning Commission and its Associated Agencies

A.—DOCUMENTS ON THE FIVE YEAR PLANS

1. First Five Year Plan—A Draft Outline (1951).
2. First Five Year Plan (1952).
3. Development Schemes in the First Five Year Plan (1952).
4. Programmes of Industrial Development, 1951-56 (1953).
5. First Five Year Plan—Progress Report, 1951-52 and 1952-53 (1953).
6. First Five Year Plan—Progress Report, 1953-54 (1954).
7. First Five Year Plan—Progress Report, April-September, 1954 (1955).
8. First Five Year Plan—Progress Report, 1954-55 (1956).
9. Review of the First Five Year Plan (1957).
10. Important Communications relating to the Second Five Year Plan (1955).
11. Second Five Year Plan—A Draft Outline (1956).
12. Papers relating to the Formulation of the Second Five Year Plan (1955).
13. Second Five Year Plan (1956).
14. Programmes of Industrial Development, 1956-61 (1956).
15. State Development Plans—A Review of Progress (1958).
16. Appraisal and Prospects of the Second Five Year Plan (1958).
17. Reappraisal of the Second Five Year Plan : a resume (1958).
18. Plan Resources and Outlay—A Review (1959).
19. Second Five Year Plan—Progress Report, 1958-59 (1960).
20. Second Five Year Plan—Progress Report, 1959-60 (1962).
21. Proceedings of the Seminar on Approach to the Third Five Year Plan (1959).
22. Third Five Year Plan—A Draft Outline (1960).
23. Problems in the Third Five Year Plan—A Critical Miscellany (1961).
24. Third Five Year Plan (1961).
25. Programmes of Industrial Development, 1961-66 (1962).
26. Towards a Self-reliant Economy—India's Third Five Year Plan (1961).
27. Third Five Year Plan—Review of Progress in 1961-62 : a background note (1962).
28. Third Five Year Plan—Progress Report, 1961-62 (1963).
29. Third Five Year Plan—Mid-term Appraisal (1963).

B.—OTHER STUDIES AND REPORTS

I.—Agriculture and Allied Topics

1. Consolidation of holdings—methods and problems (1957).
2. Memorandum on Consolidation of holdings—suggestions and recommendations (1957).
3. Report of the Indian Delegation to China on Agrarian Co-operatives (Chairman : R. K. Patil) (1957).

4. Report on certain aspects of Co-operative Movement in India (by Sir Malcolm Darling) (1957).
5. Report of the Committees of the Panel on Land Reforms (Chairman : G. L. Nanda) (1959).
6. Progress of Land Reforms (1963).
7. Rural Works Programme (1964).

II.—Irrigation and Natural Resources

1. Utilisation of Krishna and Godavari Waters (1952).
2. Report of the Technical Committee for Optimum Utilisation of Krishna and Godavari Waters and connected papers (Chairman : A. N. Khosla) (1953).
3. Report of the Technical Committee to examine Ukai Project (Chairman : M. S. Thirumale Iyengar) (1958).
4. Natural Resources of India and Organisation for their Co-ordinated Survey, assessment and studies (Resources and Scientific Research Division) (1961).
5. Report on Natural Resources (Chairman : G. L. Nanda) (1962).
6. Co-ordinated Study of Surveys of Natural Resources which are being carried on by the Survey of India, Geological Survey of India, Soil and Land Use Surveys, Forest Surveys, Cadastral Surveys and Town Planning Surveys (Committee on Natural Resources) (1962).
7. Co-ordinated Study of organisations concerned with the Surveys of Natural Resources by the Survey of India, Geological Survey of India, Soil and Land Use Surveys, Forest Surveys, Cadastral Surveys and Town Planning Surveys (Committee on Natural Resources) (1963).
8. Study on Waste lands including Saline, Alkali and Waterlogged lands and their Reclamation Measures (Committee on Natural Resources) (1963).
9. Study of Cotton in India (Committee on Natural Resources) (1963).
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2. Report of the Engineering Personnel Committee (Chairman : Y. N. Sukthankar) (1956).
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1. Selected Plan Statistics (1959).
2. Basic Statistics relating to Indian economy, 1950-51 to 1955-56 (1957).
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2. Memorandum on existing patterns of Central assistance to States (1957).
3. Fall in Foreign Exchange Reserves (1958).
4. Development Schemes—Itemisation and Unit Specification for Physical targets (Statistics and Surveys Division) (1958).
5. Public Co-operation (1960).
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7. The Planning Process (1964).
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**C. REPORTS OF THE TEAMS/PANELS SET UP BY THE
COMMITTEE ON PLAN PROJECTS**

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| 1. Community Projects and National Extension Service Team. | 1. Report on Community Projects & N. E. S., Vols. I, II, III (Parts I & II). |
| 2. Irrigation and Power Team. | 1. Report on Lakkavalli Project.
2. Report on Chambal Project.
3. Report on Koyna Project.
4. Report on Nagarjunasagar Project.
5. Report on Rihand Project. |
| 3. Social Welfare Team. | 1. Report on Social Welfare and Welfare of Backward Classes. |
| 4. Seed Multiplication Team. | 1. Report on Seed Multiplication Schemes in Madhya Pradesh.
2. Report on Seed Multiplication Schemes in Maharashtra State.
3. Report on Seed Multiplication Schemes in Rajasthan State.
4. Report on Seed Multiplication Schemes in Madras State.
5. Report on Seed Multiplication Schemes in Mysore State.
6. Report on Seed Multiplication Schemes in Himachal Pradesh.
7. Report on Seed Multiplication Schemes in West Bengal.
8. Report on Seed Multiplication Schemes in Punjab.
9. Report on Seed Multiplication Schemes—All India. |

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| 5. Education Team ... | <ol style="list-style-type: none"> 1. Report on Social Education. 2. Report on Rural Institutes. 3. Report on Teacher Training. |
| 6. Panel for Science Laboratories and Equipment. | <ol style="list-style-type: none"> 1. Report on Science Laboratories and Equipment in High/Higher Secondary Schools. |
| 7. Panel for Primary School Buildings in Delhi. | <ol style="list-style-type: none"> 1. Report on Primary School Buildings in Delhi. |
| 8. Panel for Secondary School-cum-Hostel Buildings in Rural Areas. | <ol style="list-style-type: none"> 1. Report on Secondary School-cum-Hostel Buildings in Rural Areas. |
| 9. Irrigation Team ... | <ol style="list-style-type: none"> 1. Interim Report on Minor Irrigation Works in Mysore State. 2. Main Report on Minor Irrigation Works in Mysore State. 3. Report on Minor Irrigation Works in Madras State. 4. Report on Minor Irrigation Works in Andhra Pradesh. 5. Report on Minor Irrigation Works in Kerala State. 6. State Tubewells (U.P.). 7. State Tubewells (Punjab). 8. Report on Minor Irrigation Works in Gujarat State. 9. Report on Minor Irrigation Works in West Bengal. 10. Report on Minor Irrigation Works in Maharashtra State. |
| 10. Selected Buildings Projects Team. | <ol style="list-style-type: none"> 1. Report on Grain Storage Structures. 2. Report on Slum Clearance. 3. Advance Report on Heavy Electrical Project, Bhopal and Fertilizer Factory, Nangal. 4. Report on Multi-storeyed Buildings. 5. Report on Industrial Estates. 6. Report on Industrial Training Institutes and Central Training Institutes. 7. Planning and Programming of Works—Application of the Line of Balance Technology. 8. Report on Delhi School Buildings (Permanent School Buildings). |

9. Report on Residential Buildings.
 10. Report on National Water Supply and Sanitation Schemes.
 11. Report on Storage Structures.
 12. Report on Temporary School Buildings in Delhi.
 13. Scheme of Cost Reduction.
 14. Report on Public Works Administration.
 15. Report on Court Buildings.
 16. Report on Industrial Townships.
 17. Report on Conservation of Water Resources and Control of Water Pollution.
 18. Guide to Project Management (Programme Evaluation and Review Technique).
11. Industry and Mining Team.
1. Digest of a study conducted at the Hindustan Cables (P) Ltd., Rupnarainpur.
 2. Digest of studies conducted at the State Road Transport Undertakings.
 3. Summary of Proceedings of Materials Management Seminar 1962.
12. Agriculture Team ...
1. Report on the Study of improved agricultural implements in Punjab State.

D. STUDIES MADE BY THE PROGRAMME EVALUATION ORGANISATION

1. Group Dynamics in a North Indian Village (1954).
2. Evaluation Report on First Year's Working of Community Projects (1954).
3. Community Projects - First Reactions (1954).
4. Training of Village Leaders in Bhopal (1954).
5. Cotton Extension in P. E. P. S. U. —A case study (1955).
6. Evaluation Report on Second Year's Working of Community Projects (Vols. I and II) (1955).
7. Evaluation Report on Second Year's Working of Community Projects (Summary) (1955).
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9. Leadership and Groups in a South Indian Village (1955).
10. Evaluation Report on Working of Community Projects and N. E. S. Blocks (1956).
11. Evaluation Report on Working of Community Projects and N. E. S. Blocks (1956 Summary).
12. Bench Mark Survey Report—Batala (Punjab) (1956).
13. Bench Mark Survey Report—Bhadrak (Orissa) (1956).
14. Three Years of Community Projects (1956).
15. Study of Village Artisans (1956).
16. Bench Mark Survey Report—Kolhapur (Bombay) (1956).

17. Bench Mark Survey Report—Morsi (Madhya Pradesh) (1956).
18. Studies in Co-operative Farming (1957).
19. Fourth Evaluation Report on Working of Community Projects and N.E.S. Blocks, Vol. I : includes studies on—
 1. Achievements and Problems of the Community Development Programme.
 2. Some Aspects of the Community Development Programme (1957).
20. Fourth Evaluation Report on Working of Community Projects and N.E.S. Blocks, Vol. II: includes studies on—
 1. Some Aspects of Social change;
 2. Enquiry into coverage by Project Programme (1957).
21. Bench Mark Survey Reports—Malavalli (Mysore) and Chalakudy (Kerala) (1957).
22. Bench Mark Survey Reports—Banswada (Andhra), Samalkot (Andhra), and Erode (Madras) Blocks (1957).
23. Bench Mark Survey Reports—Pusa (Bihar), Mohd. Bazar (West Bengal) and Arunachal (Assam) Blocks (1957).
24. Bench Mark Survey Reports—Pounta (Himachal Pradesh), Bhadson (Punjab) and Bhathat (Uttar Pradesh) Blocks (1957).
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26. Fifth Evaluation Report on Working of Community Development and N.E.S. Blocks : includes studies on—
 1. Current Evaluation Study,
 2. Acceptance of Practices,
 3. Study of Panchayats,
 4. Block Records (1958).
27. Fifth Evaluation Report on Working of Community Development and N.E.S. Blocks—Summary and Conclusions (1958).
28. A Study of Panchayats (1958).
29. Evaluation Report on the Working of the Welfare Extension Projects of the Central Social Welfare Board (1959).
30. Evaluation Report on the Working of the Large and Small Sized Co-operative Societies (1959).
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 2. Cottage Industries,
 3. Social Education,
 4. Study of Co-operatives—Large and Small (1959).
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 1. Current Evaluation Study of 18 selected blocks,
 2. Evaluation of the 1958-59 Rabi Crop Campaign in selected areas in Punjab, Rajasthan and Uttar Pradesh,
 3. Case Studies—Panchayats and Co-operatives,
 4. Some Aspects of Rural Unemployment (1960).

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34. Some Successful Panchayats—Case Studies (1960).
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36. A Study of the Lok Karya Kshetras of the Bharat Sevak Samaj (1960).
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38. Evaluation of the Gram Sahayak Programme (1961).
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7. "Studies in Economics of Farm Management in Bombay, 1954-55", by P. N. Driver and D. K. Desai, Agricultural College, Poona, 1957.
8. "A Socio-Economic Survey of Hyderabad-Secunderabad City Area", by S. Kesava Iyengar, the Indian Institute of Economics, Hyderabad, 1957.
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10. "Small Scale Industries in Sivakasi and Sattur", by E. K. Warriar, Sri Venkateswara University, Tirupati, 1957.
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38. "The City of Calcutta—A Socio-economic Survey, 1954-55 to 1957-58", by S. N. Sen, Calcutta University, Calcutta, 1960.
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9. "Socio-Economic Survey of Bhilai Region, Part I", by M. M. Mehta, Director, Directorate of Economics and Statistics, Bhopal, Madhya Pradesh, 1962.
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31. "A Study of Prostitutes in Bombay", by S. D. Puneekar and Miss Kamala Rao, Association for Moral and Social Hygiene, Maharashtra Branch, Bombay, 1962.
32. "Studies in the Economics of Farm Management in the Punjab (Combined Report 1954-55 to 1956-57)", by Ajaib Singh, Deputy Director of Agriculture, Punjab, 1963.
53. "Studies in Economics of Farm Management in West Bengal" (Combined Report for the years 1954-55 to 1956-57)", by K. C. Basak, Indian Central Jute Committee, Calcutta, 1963.
54. "Land Reforms in West Bengal", by S. K. Basu, University of Calcutta, Calcutta, 1963.
55. "Evaluation of Damodar Canals (1959-60)", by S. K. Basu and S. B. Mukerjee, 1963.
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- "Benefit-Cost Evaluation of the Cauvery-Mettur Projects", by K. S. Sonachalam, Annamalai University, Annamalai Nagar, 1963.
62. "A Pilot Study of Field Labourers' Co-operative Societies in Andhra Pradesh", by S. V. Ayyar, the Indian Institute of Economics, Hyderabad, 1964.

APPENDIX G

Location of Planning Commission Offices

1950—1964

1950-52	...	..	(a) Rashtrapati Bhavan (b) 'M' Block Hutments
1953	...	...	(a) Rashtrapati Bhavan (b) 'M' Block Hutments (c) Darbangha House
1955	...	...	(a) Rashtrapati Bhavan (b) 'M' Block Hutments (c) Darbangha House (d) Jamnagar House Hutments (e) Man Singh Road Hutments
1956	...	...	(a) Rashtrapati Bhavan (b) 'M' Block Hutments (c) Darbangha House (d) Jamnagar House Hutments (e) Man Singh Road Hutments (f) Prithvi Raj Road
1958	...	...	(a) Udyog Bhavan (b) Krishi Bhavan (c) 'P' Block
1960 onwards	...	...	Yojana Bhavan