

CHAPTER 2

REVIEW OF FIVE YEAR PLANS

2.1 The basic objectives of the successive Five Year Plans has been to achieve a significant step up in the rate of growth of the State's economy, optimum utilisation of benefits from potential already created, and improving the living conditions of the people specially of the weaker sections. In the First Five Year Plan the emphasis was on increasing agriculture production, extension of facilities for irrigation and power, and provision for basic social services i.e. education, medical facilities and arrangement for drinking water supply. The outlay for First Plan was kept at Rs 64.50 crores. Against this, an expenditure of Rs. 54.15 crores was incurred.

2.2 In the Second Five Year Plan, Agriculture, Irrigation, Power and Social Services continued to receive attention. The Panchayati Raj Institutions were activated and Rajasthan become a pioneer State in introducing 3 tier Panchayati Raj System comprising of Zila Parishads, Panchayat Samities and Panchayats, from 2 October, 1959. The outlay for the Second Five Year Plan was kept at Rs. 105.27 crore. Against this an expenditure of Rs. 102.74 crores was incurred.

2.3 In the Third Five Year Plan, creation of infrastructural facilities i.e. irrigation and power, were accorded highest priority. An elaborate programme for the industrial development of the State was also initiated. The expenditure incurred in Third Plan was to the extent of Rs. 212.70 crores against the outlay of Rs. 236.00 crores.

2.4 The concept of area development was introduced in the Fourth Plan. The State Government embarked on an ambitious programme for specific areas such as that for the drought prone areas and Command Area Development (CAD). The latter also attracted external assistance. Besides this, emphasis was laid on taking up programmes for the creation of employment opportunities and for the upliftment of the weaker sections of the society. In this Plan, a sum of Rs. 308.79 crores was spent against the outlay of Rs. 306.21 crores.

2.5 The process of grass roots planning conceived earlier was given a new thrust in the Fifth Plan. Economic emancipation of the weaker sections was accorded a very high priority and target groups oriented programmes were introduced. These target groups consisted of small farmers, marginal farmers, agricultural labourers, scheduled castes and scheduled tribes, etc. Minimum Needs Programme was introduced for providing basic social services like elementary education, adult education, rural health, rural roads, rural water supply, rural electrification, rural housing and environmental improvement of urban Kachi bastis and nutrition for children and women. Funds were earmarked under these programmes. Concept of area development was further strengthened by formulating a special plan for the tribal areas for accelerating the pace of economic upliftment of the tribals in the predominantly tribal belt of southern Rajasthan.

2.6 In the Fifth Plan, against the outlay of Rs. 847.16 crores, the total expenditure incurred was to the extent of Rs. 857.62 crores.

2.7 The programmes designed for rural development with the emphasis on poverty eradication and employment generation were accorded high priority in the Sixth Five Year Plan. The new Twenty Point Programme which aimed at accelerating the pace of development of the economy and the upliftment of the weaker sections of the society was also adopted in this Plan. The Rural Landless Employment Guarantee Programme and Massive Programme of Assistance for Development of Small and Marginal Farmers was also started in this Plan, to attain the objective of providing employment opportunities and raising the income levels of the rural poor. A sum of Rs. 2120.45 crores was incurred against the outlay of Rs. 2025.00 crores in the Sixth Plan.

2.8 The main objectives of the Seventh Five Year Plan were food, work and productivity. Maximisation of production in key sectors of the economy with special emphasis on rural economy, progressive reduction in poverty and an increasing emphasis on employment oriented programmes. The latter included programmes covered under MNP and Twenty Point Programme. In spite of recurrent droughts in the State in the past and particularly during the first three years of the Seventh Plan, the State, by and large was successful in attainment of the objectives as laid down in the Seventh Five Year Plan. As against the outlay of Rs. 3000.00 crores, the expenditure incurred was Rs. 3106.18 crores.

2.9 In conformity with the national objectives and keeping in view the aspirations and development needs of the State, the State's Eighth Five-Year Plan aimed at faster growth, generation of larger employment opportunities, substantial reduction in poverty and regional disparities, provision of basic minimum facilities and greater peoples participation. The Plan has been growth oriented, with a rural bias aimed at better and fuller utilisation of natural endowments.

2.10 Priority areas of the Eighth Plan included reduction in the rate of growth of population and completion of on-going projects on time to avoid cost and time over-run. Emphasis was on diversification of the agricultural base with greater thrust on the sectors like horticulture, livestock, fisheries, agro- processing, etc.

2.11 The size of the State's Eighth Five Year Plan (1992-97) was kept at Rs. 11500.00 crores. Compared with the size of the Seventh Five-Year Plan, it was higher by 283 per cent. This substantial step up was necessary in view of the comparative backwardness of the State. Sector-wise, the highest priority had been assigned to the Power sector, for which 28.31 per cent of the total Plan size had been earmarked. Social and Community Services (21.41 per cent), Irrigation and Flood Control (16.70 per cent), Agriculture and Allied Activities (11.19 per cent) and Rural Development (8.88 per cent) followed. Among other sectors, Transport claimed 6.82 per cent, Industry and Minerals 4.66 per cent, Special Area Programmes 0.73 per cent and Economic and General Services and Scientific Services 1.30 per cent.

2.12 The Basic Minimum Services programme has also been started during the last year of the Eighth Plan. The programme includes providing safe drinking water in every habitation according to the national norms, primary health care for every group of 5000 people, public housing assistance to all the shelter less poor persons, connectivity to all villages/habitation by providing an all weather road from every village to the nearest market or main road leading to the market, nutrition support to every child from the poor families at pre-school and elementary education levels, fair price shop system in every village/Panchayat and

adequate arrangements for universal as well as compulsory primary education specially of women and girl child in every village together with related measures for the spread of literacy.

Ninth Five Year Plan

2.13 The basic objectives of the Ninth Five Year Plan are to reduce the gap between the per capita income in the State and the national average. For this a higher rate of growth is necessary. This in turn calls for substantial increases in agriculture production, more effective water management and general improvements in capacity utilisation in all sectors. Stress was laid therefore on completion of ongoing infrastructure projects, especially on power and water resources alongwith a focused thrust on sectors such as horticulture, livestock, fisheries, agroprocessing etc. The provision of basic minimum services, namely primary education, primary health, safe drinking water, housing, nutrition, village road connectivity and the public distribution system those related to particular attention.

2.14 The total resources available for the State Ninth Five Year Plan were of the order of Rs. 22525.83 crores at 1996-97 prices. These resources included an additionality of Rs. 950.00 crores expected on account of the alternative schemes of devolution of 29% share in central taxes and a further Rs. 700.00 crores on account of the transfer of Centrally Sponsored Schemes alongwith associated resources to the state. The State however did not receive these additionalities.

2.15 The resources of Rs. 22000 crores at 1996-97 prices gets converted to Rs. 27000 crores at current prices.

2.16 Finally, the Ninth Plan size was fixed at Rs. 27650 crores at current prices with the additionality of Rs. 650 crores to be funded through additional resource mobilisation by the State. As per the norms of the Planning Commission, the yearwise plan size and expenditure were expected to be as follows :-

			(Rs. in crores)
Year	Percentage	Amount	
1997-1998	14	3871.00	
1998-1999	17	4700.50	
1999-2000	20	5530.00	
2000-2001	23	6359.50	
2001-2002	26	7189.00	
Total	100	27650.00	

2.17 However the actual Annual Plan outlays and actual expenditure during the first four years of the Ninth Five Year Plan have been as under:

			(Rs. in crores)
Year	Initial Outlay	Revised Outlay*	Expenditure
1997-1998	3504.13	4259.39	3987.35
1998-1999	4300.00	4025.00	3832.83
1999-2000	5022.18	3855.14	3600.95
2000-2001	4146.15	4237.94	3772.90
2001-2002	4515.61	4642.35	4642.35 (expected)
Total	21488.07	21019.82	19836.38

* As approved by Planning Commission

2.18 Thus, the initial outlays made in the Annual Plans did not match up to projection from the very outset owing to resource constraints. The cumulative gap on this account itself is Rs. 6161.93 crores. The shortfall in terms of actual expenditure from the Ninth Five Year Plan projections is likely to be of the order of Rs. 7813.62 crores.

2.19 According to the Planning Commission percentage norms, shown above, Plan expenditure during the first 4 years should have been Rs. 20461.00 crores. However, the actual expenditure during these 4 years has been approximately Rs. 15194.03 crores. (The year-wise/sector-wise details of expenditure are enclosed at Annexure 'A'). Thus there has been a shortfall in expenditure of approximately of Rs. 5266.97 crores during the first 4 years of the Ninth Five Year Plan, when measured against initial projections. However, the shortfall in expenditure against the actual Annual Plan outlays of these 4 years is a more modest Rs. 1778.43 crores.

Progress of Extranally Aided Projects

2.20 With regard to externally aided projects(EAPs), external resources estimated originally for the Ninth Five Year Plan were around Rs. 4400.00 crores. However, due to the completion of a number of ongoing EAPs in last four years and also for want of new projects hereafter the realisation of additional resources on account of EAPs has been much lower than the forecast for the Ninth Five Year Plan.

2.21 The major reasons for the shortfall were as under:-

- The sanctions imposed by many donor countries and agencies following the atomic explosions carried out by India in 1998.
- Elaborate and different preconditions set for sanctioning and disbursement/reimbursement by the funding agencies.

2.22 ACA received during the first four Annual Plans and estimates for the Annual Plan of 2001-2002 of EAPs are shown in the table given below:-

(Rs. in crores)

S.No.	Year	Additional Central Assistance
1	1997-1998	230.74
2	1998-1999	226.30
3	1999-2000	188.73
4	2000-2001	249.01
5	2001-2002 (Estimated)	453.26 (Actual Rs. 85.99 crores upto Dec,2001)
	Total	1348.04

2.23 Thus the gap between ACA as received and that originally expected may be of the order of as much as Rs. 3051.96 crores.

Reasons for shortfall against outlay

2.24 Main reasons for the shortfall have been identified as follows:-

- Mobilising the additional resources required to fill the resource gap in the last three years of the Ninth Five Year Plan proved difficult as the State Government had to limit its revenue collection measures in view of arcesent and severe drought conditions in the State.

- Owing to the scarcity conditions already referred to a substantive proportion of the funds allocated under schemes using the State's own resources finally could not be committed to the schemes. Also a ban had to be imposed on new starts during 2000-2001 looking to the requirement of funds for famine relief works and related arrangements for drinking water.
- There was also increased expenditure on account of scarcity and consequent higher levels of support given to the Rajasthan Vidyut Prasaran Nigam Ltd., for purchase of power in order to meet the additional demands of the farm sector.
- One of the primary reasons for the shortfall in State's own resources for funding of the Ninth Five Year Plan has been on account of the increased financial burden on account of the implementation of the recommendations of the Fifth Pay Commission. The recommendations of the Fifth Pay Commission were accepted by the Central Government and in some cases were further improved upon. Once these were implemented in respect of Central Government employees, the States generally had to follow suit. The Tenth Finance Commission, although perhaps not unaware of the burden likely on account of the Fifth Pay Commission, exercise, did not take this into account adequately thus resulting in the projection of unrealistically low estimates of revenue expenditure and consequently provisioning in terms of revenue gap filling grants from the Centre. The inevitable outcome was a heavy revenue deficit which, in turn, yielded increasingly negative balances from current revenues and thus shrank the State's capability to fund the Plan from its own resources. The additional liabilities on account of the implementation of the recommendations of the Fifth Pay Commission during the Ninth Five Year Plan period is estimated at approximately Rs. 6000.00 crores.
- Expenditure incurred under several Externally Aided Projects has been much lower than provided for in the original proposals. While there were a large number of EAPs which were pending clearance with external funding agencies like World Bank and OECF on the eve of the Ninth Five Year Plan, the sanctions imposed and change in the attitude of these agencies after the nuclear explosion in 1998 saw these pipeline projects virtually come to a stand still. Consequently, the expenditure under the EAPs has been substantially lower than projected.
- Due to the financial crunch, Finance Department imposed bans on purchases and filling up vacant posts and this in turn delayed the implementation of Plan Projects.

2.25 Details of the year-wise outlay and expenditure during the Ninth Five Year Plan period and important physical achievements may be perused at annexures A and B.

Annexure - A

Outlay and Expenditure during Ninth Plan

(Rs. in crores)

Head of Development / Sector	1997-02	1997-98			1998-99			1999-2000		
	IX Plan Outlay	Outlay	R.E.	Exp.	Outlay	R.E.	Exp.	Outlay	R.E.	Exp.
1	2	3	4	5	6	7	8	9	10	11
1. Agriculture & Allied Services	1953.24	316.98	293.91	253.32	364.35	331.52	290.37	355.92	255.18	238.55
2. Rural Development	1963.21	287.64	229.01	209.06	300.93	273.73	226.95	358.13	279.77	328.16
3. Special Area Programme	140.60	27.80	26.04	26.95	28.42	28.91	28.91	56.97	30.17	30.17
4. Irrigation and Flood Control	3027.17	515.92	579.59	514.18	658.30	559.85	564.98	664.71	438.39	458.76
5. Power	6528.00	756.24	1520.97	1502.03	806.32	846.37	796.78	948.80	900.00	773.54
6. Industry and Minral	2152.22	224.46	215.66	188.15	251.00	184.87	174.97	207.56	111.26	110.93
7. Transport	2689.19	323.32	417.92	379.79	506.80	431.14	385.58	653.10	403.83	349.20
8. Scientific Services	38.40	6.95	4.05	3.87	6.80	3.55	3.38	4.36	1.27	1.03
9. Social and Community Services	7519.97	898.78	855.22	796.97	1225.37	1235.25	1234.57	1652.93	1379.73	1270.04
10. Economic Services	769.00	24.61	19.27	17.71	22.52	14.69	13.24	77.00	8.63	5.96
11. General Services	169.00	121.43	97.75	95.32	129.19	115.12	113.10	42.70	46.91	34.61
12. Transferred to Centrally	700.00	-	-	-	-	-	-	-	-	-
Total	27650.00	3504.13	4259.39	3987.35	4300.00	4025.00	3832.83	5022.18	3855.14	3600.95

(3514.42)

(4300.00)

(4750.00)

Figures in brecket indicate Planning Commission's Outlay

Head of Development / Sector	2000-2001			2001-02			Total IX Plan		
	Outlay	R.E.	Exp.	Outlay	R.E.	Likely Exp.	Outlay	R.E.	Exp.
1	12	13	14	15	16	17	18	19	20
1. Agriculture & Allied Services	258.88	169.65	150.27	112.66	122.82	122.82	1408.79	1173.08	1055.33
2. Rural Development	324.03	370.74	326.33	380.93	500.35	500.35	1651.66	1653.60	1590.85
3. Special Area Programme	31.17	31.04	31.05	29.67	32.32	32.32	174.03	148.48	149.40
4. Irrigation and Flood Control	337.88	382.76	355.88	425.64	398.75	398.75	2602.45	2359.34	2292.55
5. Power	979.60	1100.60	1021.57	1381.00	1228.30	1228.30	4871.96	5596.24	5322.22
6. Industry and Minral	111.39	85.26	80.34	93.20	103.33	103.33	887.61	700.38	657.72
7. Transport	500.66	500.68	378.97	381.01	469.50	469.50	2364.89	2223.07	1963.04
8. Scientific Services	1.50	1.17	1.12	0.80	0.71	0.71	20.41	10.75	10.11
9. Social and Community Services	1491.87	1527.14	1396.15	1578.16	1678.56	1678.56	6847.11	6675.90	6376.29
10. Economic Services	72.08	38.53	14.43	87.48	54.09	54.09	283.69	135.21	105.43
11. General Services	37.09	30.37	16.79	45.06	53.62	53.62	375.47	343.77	313.44
12. Transferred to Centrally	-	-	-	-	-	-	-	-	-
Total	4146.15	4237.94	3772.90	4515.61	4642.35	4642.35	21488.07	21019.82	19836.38

(4146.15)

(5031.00)

(21741.57)

Figures in bracket indicate Planning Commission's Outlay

Important Physical Achievements during Ninth Plan

S.No.	Scheme	Ind./Cum	Unit	1997-98	1998-99	1999-2000	2000-2001	Target 2001-2002
I	Agriculture							
I	Area Under							
	a. Foodgrains	Level	Lakh Ha.	137.21	126.02	109.69	105.06	102.20
	b. Oilseeds	Level	Lakh Ha.	44.24	40.88	35.73	28.50	38.50
	c. Sugarcane	Level	Lakh Ha.	0.23	0.23	0.20	0.17	0.20
	d. Cotton	Level	Lakh Ha.	6.45	6.38	4.64	4.82	3.50
2	Production							
	a. Foodgrains	Level	Lakh Tonnes	140.02	122.39	106.59	89.35	119.95
	b. Oilseeds	Level	Lakh Tonnes	33.13	38.75	36.03	24.63	39.85
	c. Sugarcane	Level	Lakh Tonnes	11.59	10.78	12.15	7.64	10.00
	d. Cotton	Level	Lakh Bales	8.67	9.86	11.04	9.86	7.00
3	Fertilizer Distribution	Ind.	000 Tonnes	786.66	725.00	820.00	664.00	896.00
4	Annual Milk Collection	Ind.	Lakh Litre	2413	2617	2847	3231	3727
5	Cooperation							
	a. Short Term Loan	Ind.	Rs.in Crores	639.52	809.10	868.68	818.30	1100.00
	b. Medium Term Loan	Ind.	Rs.in Crores	54.08	85.17	88.80	80.37	100.00
	c. Long Term Loan	Ind.	Rs.in Crores	191.01	241.33	243.34	234.47	267.50
II	Rural Development							
	a. I.R.D.P.- Families Benefitted	Ind.	Lakh No.	0.61	0.63			
	b. SGSY - No. of Swarojgaries benefitted	Ind.	Nos.			31017	44504	NF
	b. Indra Awas Yojana	Ind.	Nos.	34858	32955	31682	29265	17059
	c. Jeevan Dhara (MWS)	Ind.	Nos.	2420	2838	-	-	-
	d. JRY/JGSY - EmPLY. Generated	Ind.	Lakh Mandays	199.43	148.30	104.22	96.71	NF

S.No.	Scheme	Ind./Cum	Unit	1997-98	1998-99	1999-2000	2000-2001	Target 2001-2002
III	Irrigation & Flood Control							
1	Potential Created by							
	a. IGNP	Ind.	Ha.	55000	58000	30000	15000	25000
	b. Mahi	Ind.	Ha.	540	330	445	200	1000
	c. Other Projects -Multi Purpose and Major)	Ind.	Ha.	-	5000	500	10750	25000
	d. Modernisation & Medium	Ind.	Ha.	3365	9772	5419	3500	4500
	e. MI-Surface	Ind.	Ha.	7350	4127	6236	3508	10000
IV	Power							
	a. Installed Capacity	Level	MW	3086.37	3355.99	3689.49	4097.81	4351.32
	b. Wells Energised	Ind.	No.	25306	25051	22942	26070	15000
	c. Villages Electrified	Ind.	No.	724	745	540	501	500
V	Industries & Mines							
1	Registration of							
	a. SSI Units	Ind.	No.	3350	3824	4027	4221	4200
	b. Artisan Units	Ind.	No.	4750	4974	5067	5427	5250
	c. PM Rojgar Yojana	Ind.	No.	12844	14625	15996	16811	16600
2	RFC							
	a. Unit Assisted	Ind.	No.	1290	581	1429	NA	NA
	b. Loan Sanctioned	Ind.	Rs.in Crores	165.77	92.61	204.54	196.29	210.00
	c. Loan Disbursed	Ind.	Rs.in Crores	127.78	96.37	127.80	145.95	160.00
3	RIICO							
	a. Plot Alloted	Ind.	Nos.	733	1258	1006	3314	1500
	b. Loan Sanctioned	Ind.	Rs.in Crores	82.49	89.93	93.56	98.85	100.00
	c. Loan Disbursed	Ind.	Rs.in Crores	49.54	54.26	44.32	96.26	60.00

S.No.	Scheme	Ind./Cum	Unit	1997-98	1998-99	1999-2000	2000-2001	Target 2001-2002	
VI	Transport								
	a. RSRTC - Total Fleet	Cum	Nos.	5014	4912	4557	4617	4683	
	b. Roads								
	i. Road Length	Ind.	Kms.	4307	3689	1967	1718	2584	
	ii. Village Connectivity	Ind.	Nos.	1075	495	160	60	452	
VII	Socail & Community Services								
	1 Education								
	a. Opening of Primary Schools *	Ind.	No.	496	550	12160	7301	14000	
	b. Upgradation of PS To UPS	Ind.	No.	659	100	1000	1000	-	
	c. Upgradation of UPS To Sec. Schools	Ind.	No.	232	181	400	190	-	
	d. Upgradation of Sec. to Sr, Sec	Ind.	No.	137	85	200	190	-	
	2 Enrolment								
	a. 6-11 Years	Level	000 No.	7145	7381	7544	7651	7558	
	b. 11-14 Years	Level	000 No.	2249	2314	2327	2354	2342	
	3 College Education								
	a. New Colleges \$	Ind.	No.	11	4	14	-	-	
	4 Technical Education								
	i. No. of ITI's	Ind.	No.	-	1	1	-	-	
	5 Medical								
	a. Institutions	Ind.	No.						
	i. Sub- Centres	Ind.	No.	250	201	75	-	-	
	ii. PHC's	Ind.	No.	50	20	17	-	-	
	iii. CHCs	Ind.	No.	1	1	-	-	-	
	iv. MCW Centres	Ind.	No.	15	11	-	-	-	
	* Including Rajiv Gandhi Pathshala for the year 1999-2000 and 2000-2001								
	\$ Including upgradation for the year 1997-1998 to 1999-2000								

S.No.	Scheme	Ind./Cum	Unit	1997-98	1998-99	1999-2000	2000-2001	Target 2001-2002
	b Beds	Level	No.	37486	37766	37918	37918	37918
	c. Medical Colleges	Level	No.	6	6	6	6	6
6	PHED							
	a. Villages Covered	Ind.	No.	513	3178	3933	956	3075
	b. Hemlets/Dhanies,Majras	Ind.	No.	4923	2362	2225	-	-
7	Housing							
	a. Const. of Houses by Housing Board	Ind	Nos.	6891	5846	3092	2565	2049
8	Social Welfare Deptt.							
	a. Post Matric Scholarship							
	i. SC	Ind.	Nos.	26218	49789	48650	50650	51090
	ii. ST	Ind.	Nos.	20822	40792	40700	42150	43850
	iii. OBC (DT &NT)	Ind.	Nos.	-	-	100	-	-
	b. Handicapped Scholarship	Ind.	Nos.	23608	26504	19564	21240	25000
9	ICDS							
	a. Opening of New Blocks	Cum	Nos.	191	223	257	257	257
	b. Beneficiaries	Cum	Lakh Nos.	14.82	14.42	11.76	12.82	27.44