

CHAPTER 7

FIVE YEAR PLAN

7.1. In India, the Five Year Plans have helped strengthen the foundations of economic and social life and stimulated Industrial and Economic Growth as well as promoted Scientific and Technological advancement. Each Five Year Plan is both an assessment of the past and a call for the future. The Five Year Plans seek to translate the aspirations and ideas of the millions in the country into practical action and also generate opportunity of service in the common cause of elimination of poverty and raising standards of living. While the first and the second Five Year Plans have helped strengthen the foundations of the Economy, the third Five Year Plan sought to give a more precise content of the social objective of the constitution. It took into account the successes and failures in the first two plans and set a task to be fulfilled in the perspective development in the subsequent years. However, planning is not a static concept and each five year plan has reflected the changing imperatives of the times.

7.2. The 10th Plan identified specific targets for a few key indicators of human development. These targets reflect the concern that economic growth alone may not lead to the attainment of long-run sustainability and of adequate improvement in social justice. Earlier Plans have had many of these issues as objectives, but in no case were specific targets set. As a result, these were viewed in terms of being desirable but not essential. Thus a 'best endeavour' approach was usually adopted in this regard. In the Tenth Plan, however, these targets are considered to be as central to the planning framework as the growth objective.

7.3. The Eleventh Plan outlines the new priorities for the public sector. These relate to reviving dynamism in agriculture and building the necessary supportive infrastructure in rural areas, expanding access to health and education, especially in rural areas, undertaking programmes for improving living conditions for the weaker sections and for improving their access to economic opportunity. It also includes a major thrust for infrastructure development in general, which is a critical constraint to our development.

7.4. Improved performance in agriculture is necessary if our growth is to be inclusive. The Eleventh Plan adopts a multipronged approach towards this end. It provides for a major expansion in the programmes for irrigation and water management. The Rashtriya Krishi Vikas Yojana (RKVY) has been launched to assist the States in development and implementation of district level agricultural plans, based on local agro-climatic conditions. As a step towards food security, which has assumed special relevance in view of recent international developments, the National Food Security Mission aims at increasing cereal and pulses production by 20 million tons over a five year period.


7.5. There is massive thrust in the Eleventh Plan on access to education and health, which are critical to social and economic empowerment of the people. The Eleventh Plan works towards policies for various energy sectors that are consistent with the optimal use of the different sources of energy. The Plan emphasizes the need for energy conservation, increasing energy efficiency, and development of renewable sources of energy. Rational pricing of energy is necessary for a number of reasons and this requires permanent changes in policy of prices to consumers while at the same time protecting the vulnerable sections of the society through appropriate interventions.


7.6. An important aspect of the Eleventh Plan is that most of the public sector programmes are in areas that are normally in the domain of State Governments and where implementation depends upon the active involvement of local level bodies including the Panchayati Raj Institutions. More than any other Plan, the eleventh Plan places a much greater reliance upon the involvement of the Panchayati Raj Institutions.

7.7. While the Eleventh Plan began in very favorable circumstances with the economy having grown at the rate of 7.7% per year in the Tenth Plan period, too many of our people still lack the basic requirements for a decent living in terms of nutrition standards, access to education and basic health, and also to other public services such as water supply and sanitation. Disadvantaged groups, especially the Scheduled Castes and Scheduled Tribes and the minorities have benefited less than they should have. Regional imbalances have emerged across and even within States.

7.8. The Eleventh Plan seeks to remedy these deficiencies by seeking to accelerate the pace of growth while also making it more inclusive. The growth objective is to achieve an average growth rate of 9% per annum for the Plan period. The objective of inclusiveness is reflected in the adoption of 26 other monitorable targets at the national level relating to (i) income and poverty, (ii) education, (iii) health, (iv) women and children, (v) infrastructure, and (vi) environment. Some of these national targets have also been disaggregated into 13 state level targets and it is expected that the state governments design policies and programmes to achieve them.

7.1. The highlights of the present Chapter are as follows :

-  The total outlay of 11th Plan (2007-12) is to the tune of ₹3644719 crores which include ₹2156572 crores (59.16%) for Central Plan and ₹148147 Crores (40.83%) for State Plan at 2006-07 prices. During the Tenth Plan, the actual expenditure under the Central Plan was ₹636317 Crore (50.93%) and under State plan it was ₹613005 Crore (49.07%) at 2001-02 prices.

-  During the first three year of the 11th Plan (2007-12), that is from 2007-08 to 2009-10 the actual expenditure under the Central Plan

was ₹560529 Crores which was 26% of the total Central Plan out lay. In case of State Plan the actual expenditure during the same period was 55% of the total State Plan out lay.

- ✚ 11th Plan allocation under Social Services was ₹578864 Crores which was nearly 27% of the Central Plan out lay. During the first three year of the 11th Plan, that is from 2007-08 to 2009-10 the actual expenditure under this sector was ₹234210 Crores which is about 40% of the total out lay under this sector. Under the State Plan sector the actual expenditure was 57% during the same period.
- ✚ While under the Transport sector the 11th Plan allocation (Central plan) was 386306 Crores which was nearly 18% of the Central Plan out lay , the actual expenditure during the first three year of the 11th Plan was 103641 Crores which is merely 27% of the allocation for the Transport sector.. However, under State Plan, the actual expenditure during the first three year of the 11th Plan was 59% Of the plan allocation.
- ✚ In the Energy Sector, the 11th Plan allocation is ₹ 628739 Crores (Central Plan) which is 29% of the total Central Plan allocation. However, during the first three year of the 11th Plan, actual expenditure was extremely poor which is less than 4% of the Central Plan allocation Even in the State Plan sector also the actual expenditure during the same period was around 40% of the Plan allocation.

7.1. This chapter contains the following tables:

Table 7.1 : Plan Outlay and Expenditure in Centre, States and Union Territories.

Table 7.2 : Plan/Expenditure for Public Sector by Heads of Development.

Table 7.3 : Plan/Expenditure for Public Sector by Heads of Development Actual Expenditure 2007-08.

Table 7.4 : Plan and Expenditure for Public Sector by Heads of Development Actual Expenditure 2008-09.

Table 7.5 : Plan and Expenditure for Public Sector by Heads of Development Actual Expenditure 2009-10.

Table 7.6 : State wise revised State plan way by Head of development revised Plan outlay 2010-11.