

# **Arunachal Pradesh**

## **Annual Plan Discussions 2011-12**

**Plan Finalization meeting**

**Planning Commission of India, Yojana Bhawan, New Delhi**

**13<sup>th</sup> June 2011**

# Structure of the Presentation

- Part I – Socio-Economic Indicators and Plan Performance
- Part II – Reforms, 3<sup>rd</sup> Party Monitoring, Specific Requests
- Part III – Thrust Areas for 2010-11

# Part - I

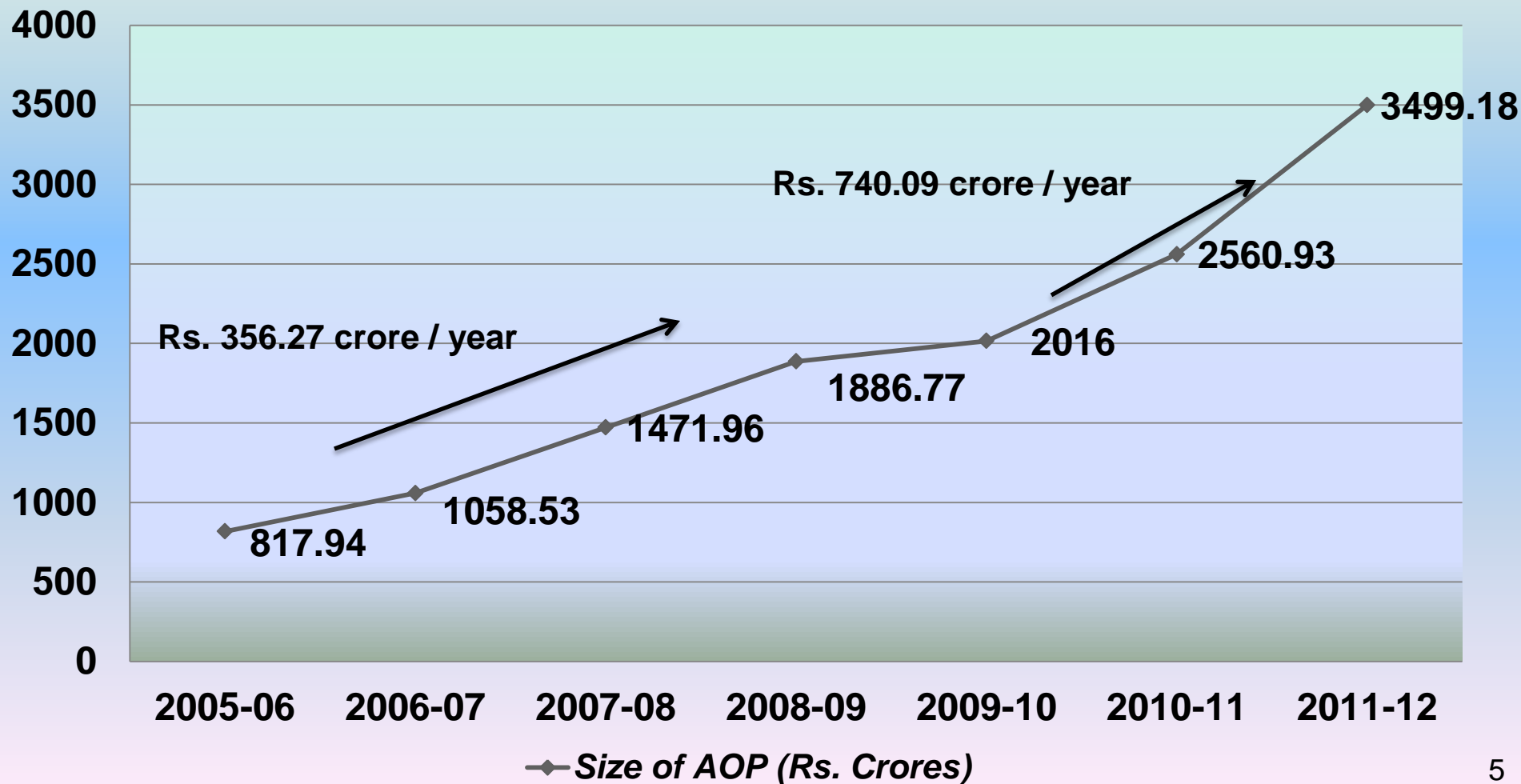
## Socio-Economic Indicators and Plan Performance

# Abstract of Scheme of Financing Of Arunachal Pradesh State for Annual Plan 2011-12

<i>S.no</i>	<i>Source</i>	<i>Amount (Rs. crores)</i>
1	State's Own Resources	227.36
2	State Govt's Budgetary Borrowings	271.00
3	Normal Central Assistance	1055.82
4	Scheme-wise ACA	350.00
5	SPA	1625.00
6	Less Adjustment for advance SPA	30.00
	<b><i>Total</i></b>	<b>3499.18</b>

# Trends in Plan Size of the State

## Size of AOP (Rs. Crores)



# Break-up of State's Own Resources (2011-12)

<b>S.no</b>	<b>Item</b>	<b>Amount (Rs. crores)</b>
1	BCR	-316.95 (-149.86)
2	MCR (excluding deduction for loan repayment)	5.48 (4.70)
3	Plan Grants from GoI (TFC)	174.38 (95.38)
4	Additional Resource Mobilization (SONTR)	364.45 (128.46)
5	Adjustment of opening Balance	---
	<b>Total</b>	<b>227.36 (78.68)</b>

**Figures in brackets in red are Latest Estimates for the year 2010-11**

# Break-up of State BCR (2011-12)

<b>S.no</b>	<b>Item</b>	<b>Amount (Rs. crores)</b>
<b>1</b>	<b>Non-Plan Revenue Receipts</b>	<b>1828.00 (1877.60)</b>
	Share of Central Taxes	865.16 (686.37)
	State's Own Tax Revenue	227.56 (199.56)
	State's Own Non-Tax revenue	105.54 (313.98)
	Grants From Center	629.74 (677.69)
<b>2</b>	<b>Non-Plan Revenue Expenditure</b>	<b>(-)2144.95 ((-)2027.46)</b>
	Non-Development Expenditure	1026.19 (895.60)
	Development Expenditure	1118.76 (1131.86)
<b>3</b>	<b>BCR (Receipts – Expenditure)</b>	<b>-316.95 (-149.86)</b>

*Figures in brackets are Latest Estimates for the year 2010-11*

# Break-up of State Govt.'s Budgetary Borrowings (2011-12)

<b>S.no</b>	<b>Item</b>	<b>Amount (Rs. crores)</b>
1	State Provident Fund	124.28 (110.01)
2	Small Savings	30.0 (66.92)
3	Market Borrowings	53.00 (35.67)
4	Gross Negotiated Loans (NABARD and REC etc.)	214.53 (75.56)
5	Repayments	(-)150.81 (-124.16)
	<b>Total</b>	<b>271.00 (164.00)</b>



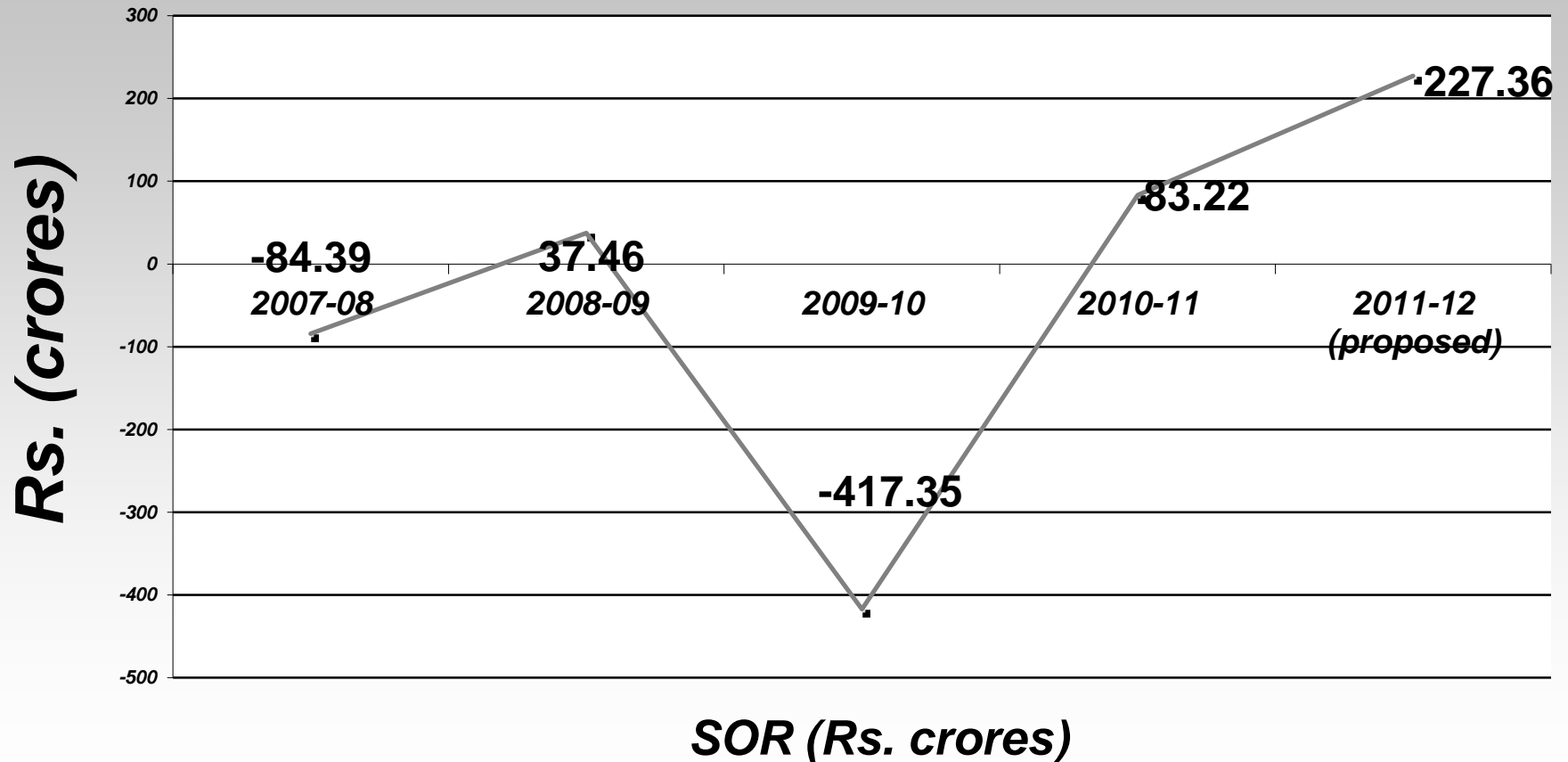
# Impact of 6<sup>th</sup> Pay Commission Recommendations on State's Finances in 2009-10

	Annual Salary (Rs. Crores)	Total Arrears Paid (Rs. Crores)	Annual Pensions (Rs. Crores)
Before 6 PC	Rs. 612.51	-N.A.-	130.75
After 6 PC	Rs. 1207.83	Rs. 702.82	155.00

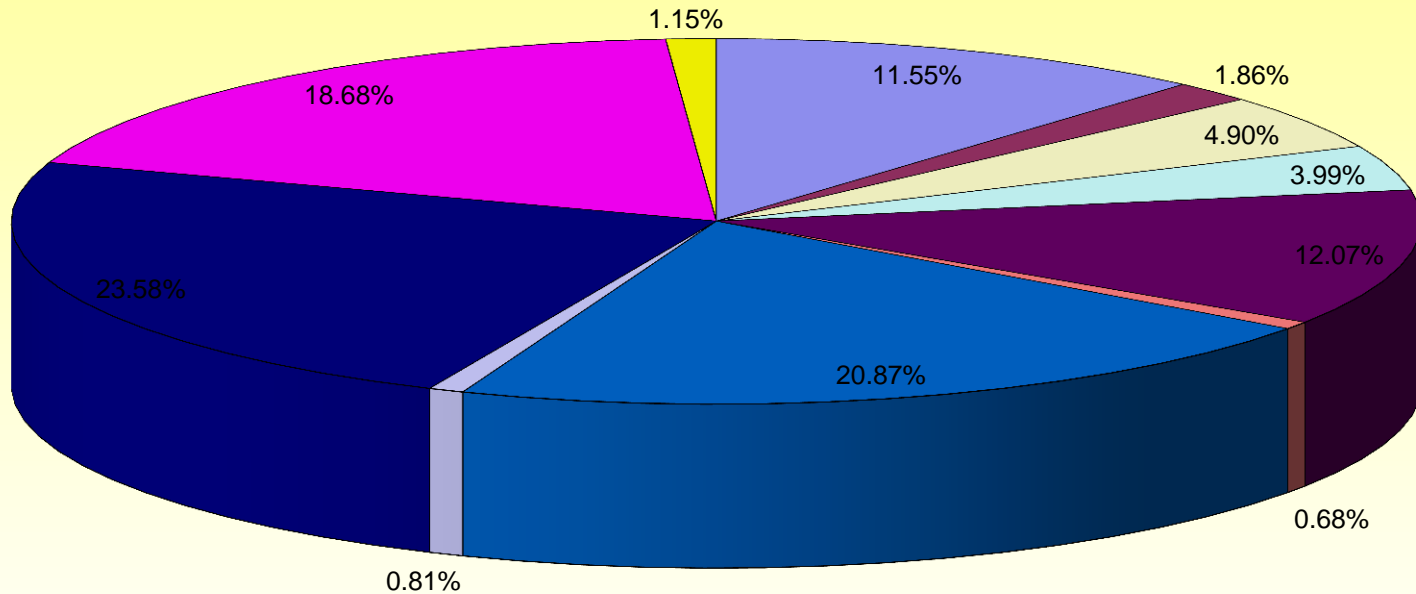
- *Total additional impact of implementation of 6 PC last year – **Rs. 1450 crores** (including Rs. 128 crores additional for Work Charged Staff)*
- *Total Annual Liability from 2011-11 onwards due to increased salaries is of the order of **Rs. 615.00 crores***

# Trends in State's Fiscal Indicators -SOR

## *Trends in State's Own Resources*



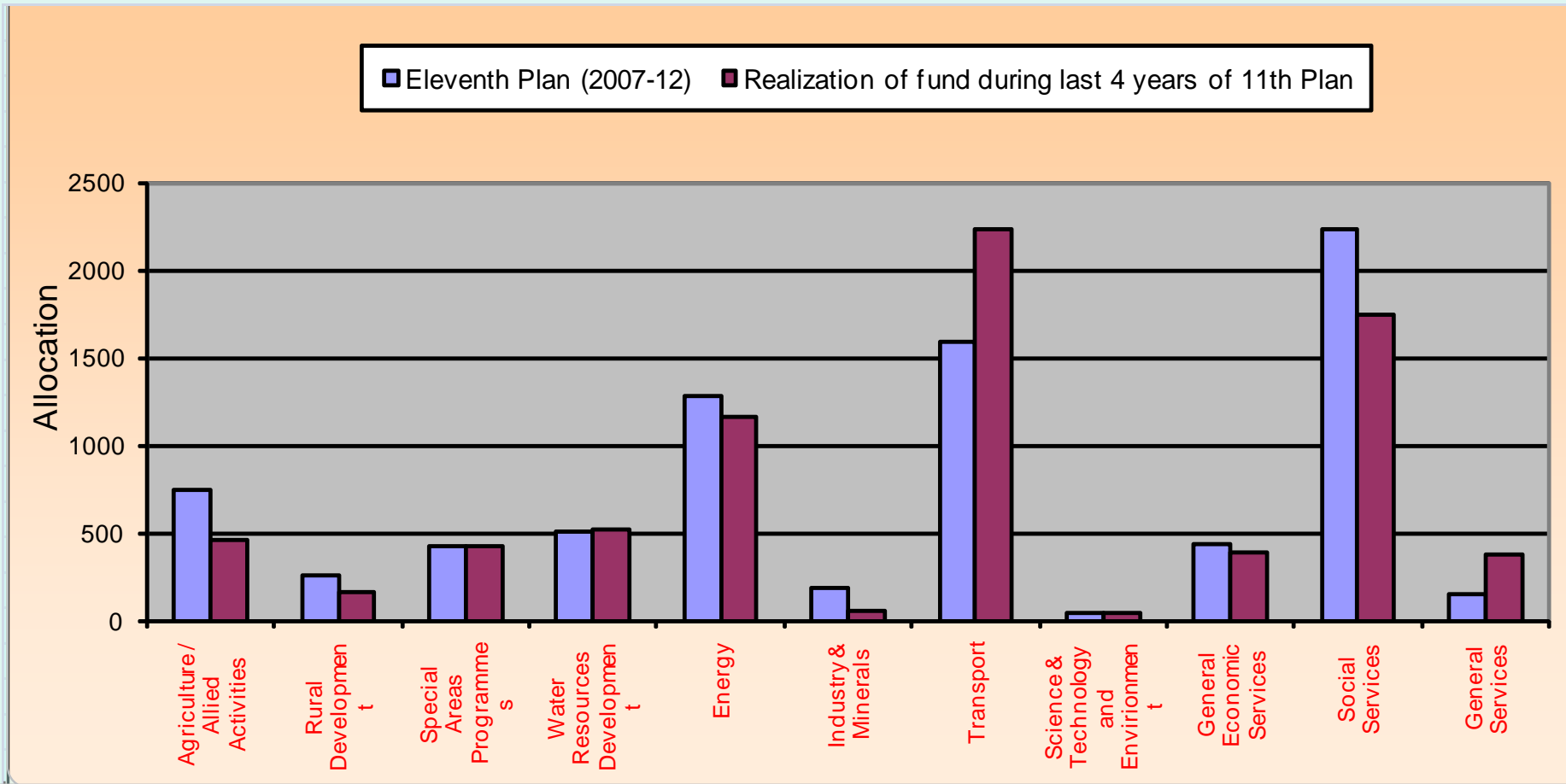
# Sectoral Allocations for 2011-12



- |                                     |                          |                             |
|-------------------------------------|--------------------------|-----------------------------|
| ■ Agriculture and Allied Activities | ■ Rural Development      | ■ Special Areas Programme   |
| ■ Water Resources Development       | ■ Power                  | ■ Industries & Minerals     |
| ■ Road Transport                    | ■ Science and Technology | ■ General Economic Services |
| ■ Social Services                   | ■ General Services       |                             |

**Highest Allocation proposed for General Economic Services (23.58%) followed by Road Transport/ Connectivity (20.58%), Social Sector (18.68%) and Power (12.07%)**

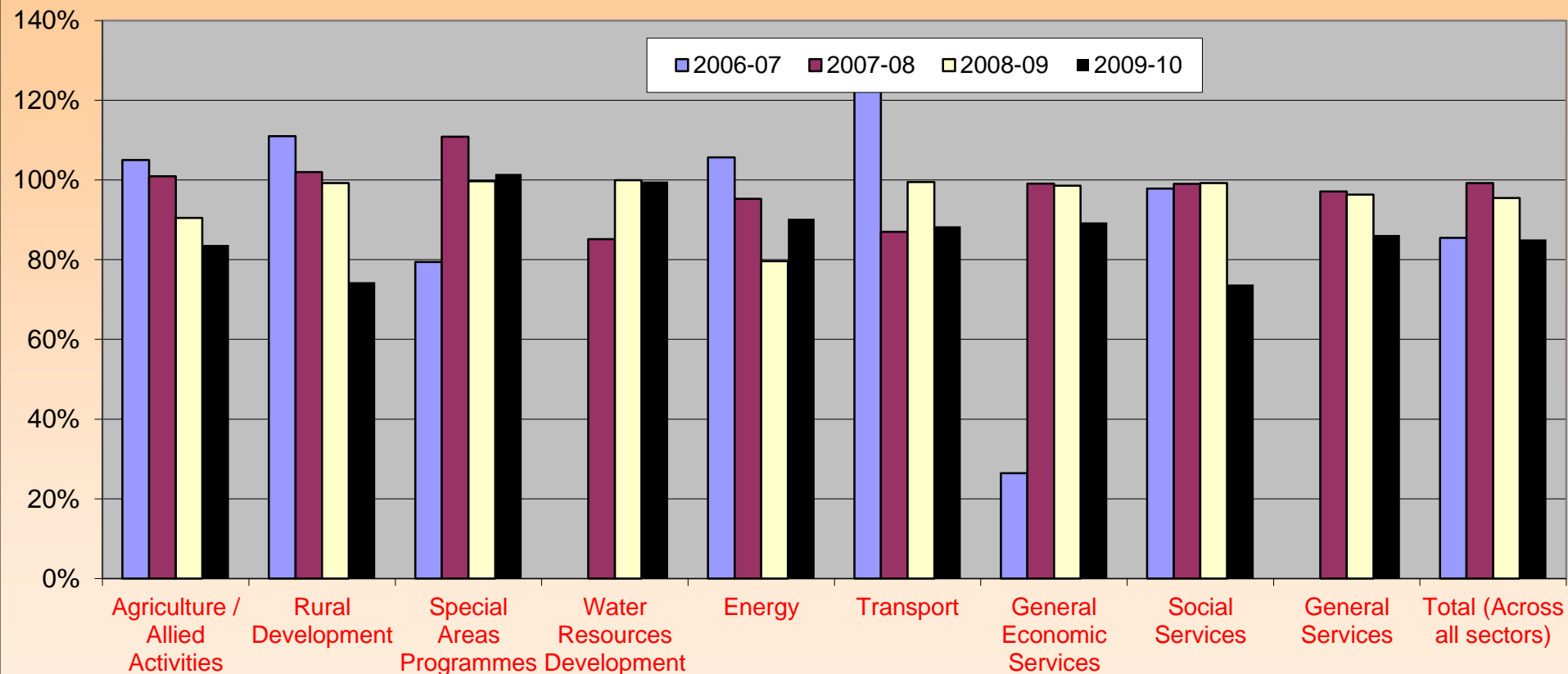
# Comparative Sectoral Allocations for 11<sup>th</sup> Plan and actual realization of fund During last 4 Annual Plan



Against agreed outlay of 11<sup>th</sup> Plan 2007-11 of Rs.7901.00 crore, actual realization of fund during last 4 years Annual Plan is Rs. 7635.28 crore (i.e. 96.64 %)

# % Sectoral Expenditure over last 4 Plan years

% Expenditure incurred Sector-wise (w.r.t. allocation)

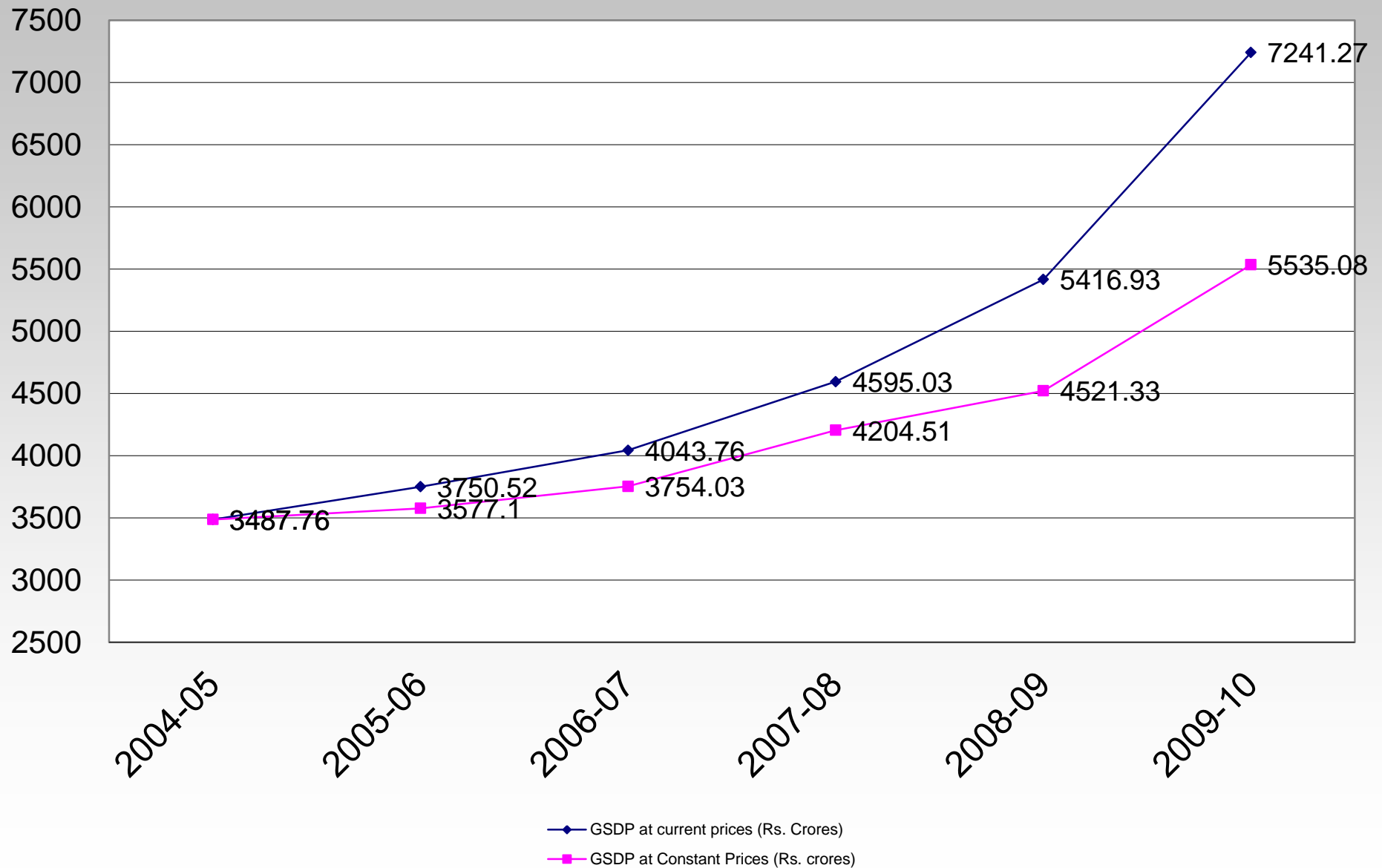


For 2010-11, the total expenditure as on 28<sup>th</sup> Feb. 2010 is Rs. 1024.37 crores out of the total plan size of Rs. 2500.00 crores (40.98%). This is primarily because of the late release of SPA (Rs. 1020.00 crores) in March 2010

# Utilization of SPA / ACA

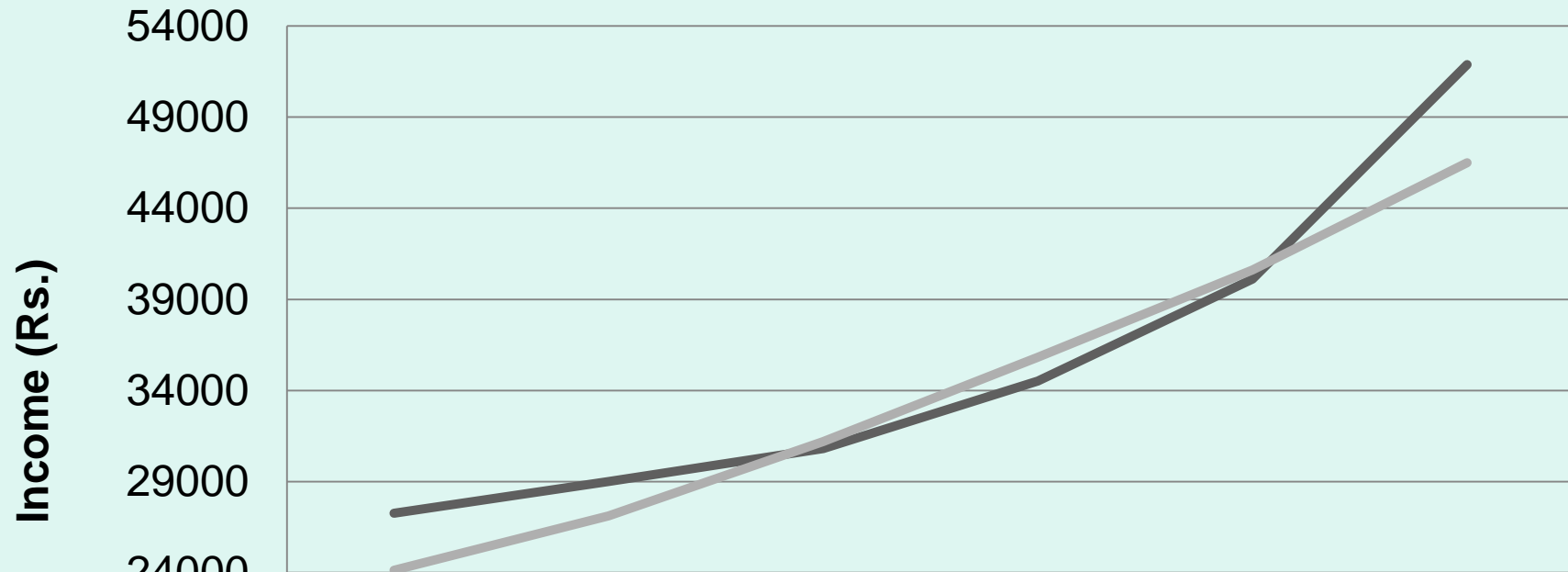
Year	No. of approved Projects	Amount (Rs. Crores)	Total Expenditure (Rs. Crores)	Physical Achievement	Amount for which UCs submitted (Rs. Crores)
2007-08	94	149.88	148.86 (99%)	100%	147.03 (98.1%)
2008-09	330	561.00	501.45 (90%)	91%	481.76 (86%)
2009-10	313	954.02	773.69 (82%)	86%	622.18 (65%)

# State GSDP at constant and current Prices



# Trends in Per Capita Income (Current Prices)

Per Capita Income (Rs.)



— Arunachal Pradesh

— India

2004-05

2005-06

2006-07

2007-08

2008-09

2009-10

27271

28999

30811

34518

40108

51881

24143

27123

31198

35820

40605

46492



# Other Economic Indicators – Growth Rates

<b>Sector</b>	<b>Growth rate (%) (2004-05 prices)</b>				
	<b>9<sup>th</sup> Plan (97-2002)</b>	<b>10<sup>th</sup> Plan (02-07)</b>	<b>11<sup>th</sup> Plan 07-08</b>	<b>11<sup>th</sup> Plan 08-09</b>	<b>11<sup>th</sup> Plan 09-10</b>
<b>Agriculture</b>	<b>0.54 (2.50)</b>	<b>3.13 (2.47)</b>	<b>7.34 (4.9)</b>	<b>-4.05 (1.6)</b>	<b>2.94 (0.22)</b>
<b>Industry</b>	<b>15.05 (4.50)</b>	<b>12.05 (8.0)</b>	<b>4.27 (8.2)</b>	<b>19.58 (3.87)</b>	<b>24.36 (9.27)</b>
<b>Services</b>	<b>9.23 (8.1)</b>	<b>6.27 (9.5)</b>	<b>7.48 (6.8)</b>	<b>8.65 (9.75)</b>	<b>38.50 (8.53)</b>
<b>AVERAGE GROWTH RATE</b>	<b>6.61 (5.52)</b>	<b>6.52 (7.77)</b>	<b>6.36 (9.3)</b>	<b>7.54 (6.72)</b>	<b>22.42 (7.44)</b>

\* Agriculture Growth Rate in 2008-09 remained low due to drought like conditions in most parts of Arunachal Pradesh

\*\* Industrial Growth Rate showed a decline in 2008-09 in lines with other parts of the country / world  
Figures in Red in Brackets are national averages

# Growth Rates (%) during Eleventh Five Year Plan (2007-08 to 2009-10)

<b>Sector</b>	<b>Arunachal Pradesh</b>	<b>India</b>
Agriculture / Allied	4.02	2.02
Industry	19.82	7.33
Service	17.48	10.16
<b>Total (GDP / GSDP)</b>	<b>13.7</b>	<b>8.02</b>

All Figures at Constant Prices (2004-05) base year

# Monitorable Indicators for 11<sup>th</sup> Plan – IMR

	<i>Infant Mortality Rate (IMR)</i>								
	<i>2006</i>			<i>2007</i>			<i>2008</i>		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<i>Arunachal Pradesh</i>	<b>38</b>	<b>43</b>	<b>40</b>	<b>41</b>	<b>15</b>	<b>37</b>	<b>30</b>	<b>34</b>	<b>32</b>
<i>India</i>	<b>56</b>	<b>59</b>	<b>57</b>	<b>61</b>	<b>37</b>	<b>55</b>	<b>52</b>	<b>55</b>	<b>53</b>

Source: Economic Survey of India. 2008, 2009 and 2010

This data is based on SRS Bulletin Estimates. The NFHS-3 data (2005-06) estimates IMR in Arunachal Pradesh to be 61.

# Monitorable Indicators for 11<sup>th</sup> Plan – Child Malnutrition

<i>Child Malnutrition</i>	<i>NHFS-2 (1998-99) (%)</i>	<i>NHFS-3 (2005-06) (%)</i>
Stunted (Too short for Age)	30.3 (51)	37 (44.9)
Wasted (Too thin for Height)	10.3 (19.7)	17 (22.9)
Underweight (Too thin for age)	21.5 (42.7)	29.7 (40.4)

NHFS – National Family Health Survey; Figures in Red are All India Averages

# Monitorable Indicators for 11<sup>th</sup> Plan – Anemia Among Women and Girls

<i>Anemia Among</i>	<i>NHFS-3 (2005-06) (%)</i>	<i>NHFS-2 (1998-99) (%)</i>
Ever-Married Women (age 15-49)	50.6 (56.2)	62.5 (51.8)
Pregnant Women (Age 15-49)	51.8 (57.9)	49.2 (49.7)

NHFS – National Family Health Survey; Figures in Red are All India Averages

# Monitorable Indicators for 11<sup>th</sup> Plan – Institutional Deliveries

<i>Institutional Deliveries</i>	<i>NHFS-3 (2005-06) (%)</i>	<i>NHFS-2 (1998-99) (%)</i>
India	40.8	33.6
Arunachal Pradesh	31.7	31.2

In Arunachal Pradesh, the Institutional Deliveries in 2008-09, 2009-10 and 2010-11 (Feb. 2011) were 10154, 9422 and 9244 respectively.

# Monitorable Indicators for 11<sup>th</sup> Plan – Total Fertility Rate

- NHFS – 3 (2005-06) estimates the TFR in Arunachal Pradesh to be 3.0, and it has grown from the NHFS-2 (1998-99) figure of 2.5. No other estimates of TFR are available as SRS does not project the figures because of acute variations in a small sample size
- TFR is higher than the National Average of 2.7
- However, it has now stabilized and the current population levels are not really a concern in Arunachal Pradesh

# Monitorable Indicators for 11<sup>th</sup> Plan – Poverty Ratio

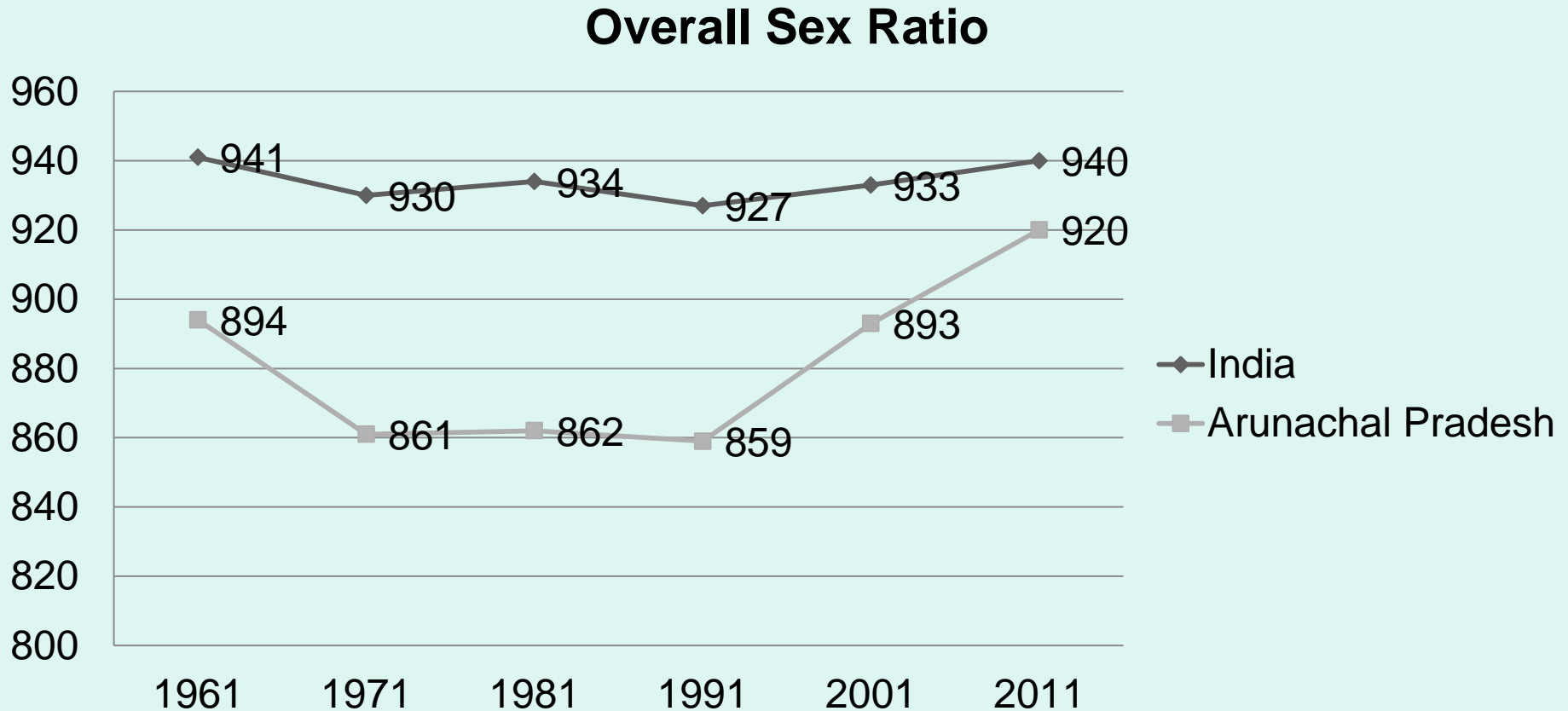
	<i>URP</i> (%)	<i>MRP</i> (%)
MoRD estimates (BPL census 2002)	65.82% (Rural households only)	
Planning Commission Estimates (61 <sup>st</sup> Round of NSSO)(2004-05)	17.6 (27.5)	13.4 (21.8)

Figures in Red are All India Averages

URP – Uniform Reference Period; MRP- Mixed Reference Period



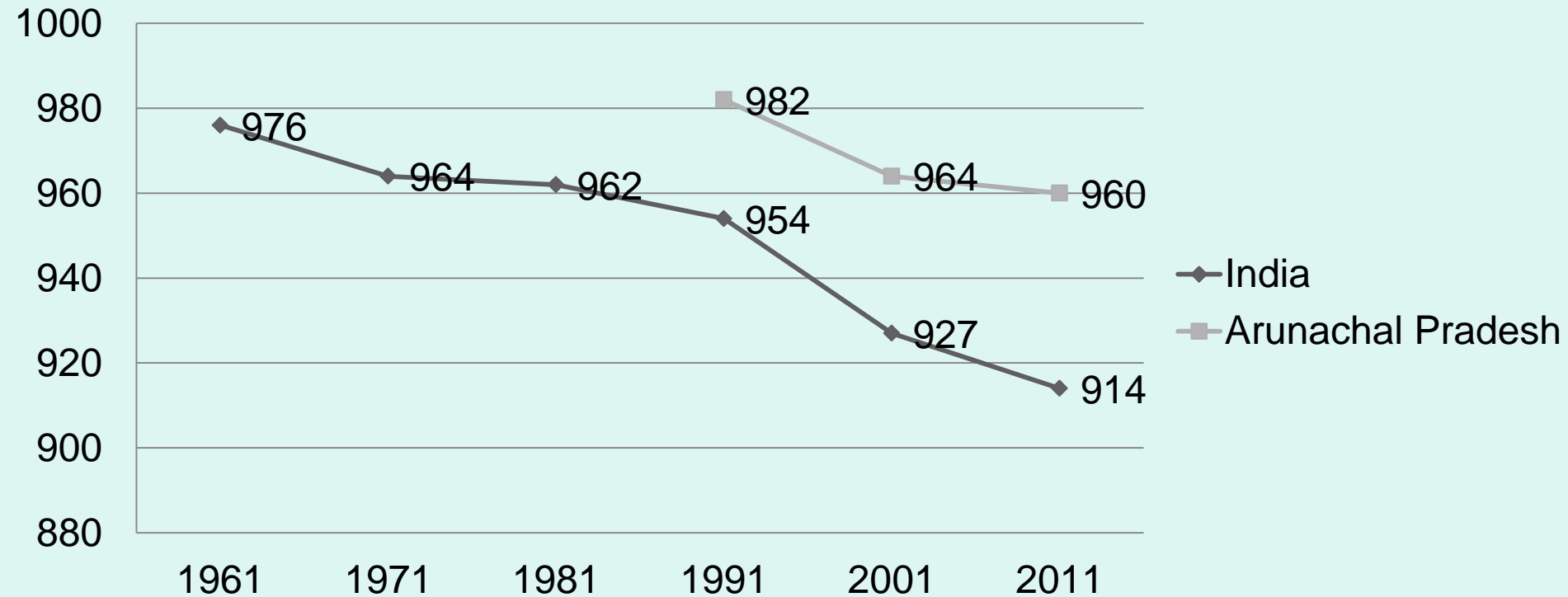
# Monitorable Indicators for 11<sup>th</sup> Plan – Sex Ratio



*However, the sex-ratio amongst STs is 1003 and amongst General Category Population is 723 (as per 2001 census). This is mainly because the General Category population (36% of total population) is mainly comprised of migrants / descendants. All India Sex Ratio is 933.*

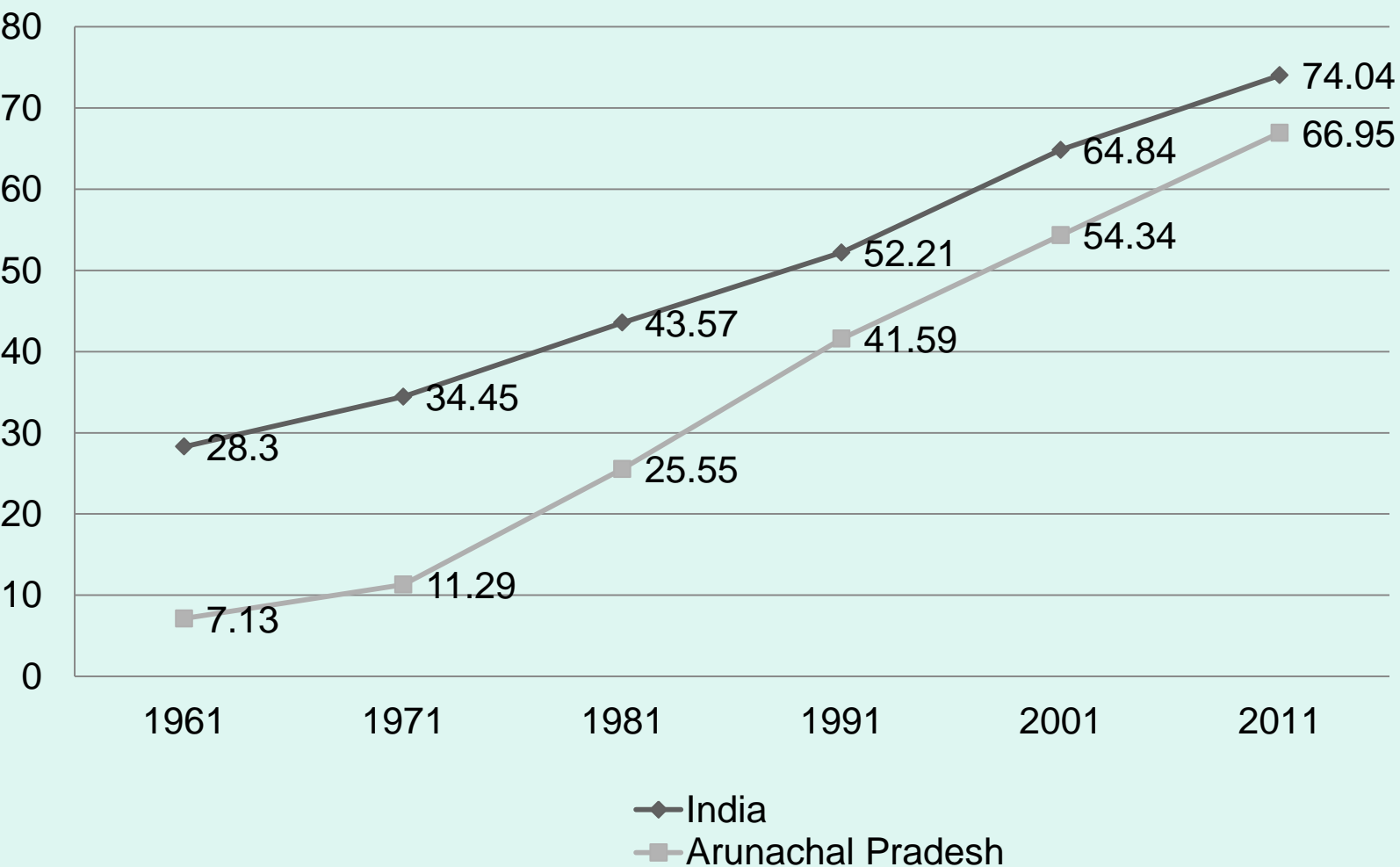
# Monitorable Indicators for 11<sup>th</sup> Plan – Child Sex Ratio

## Child Sex ratio



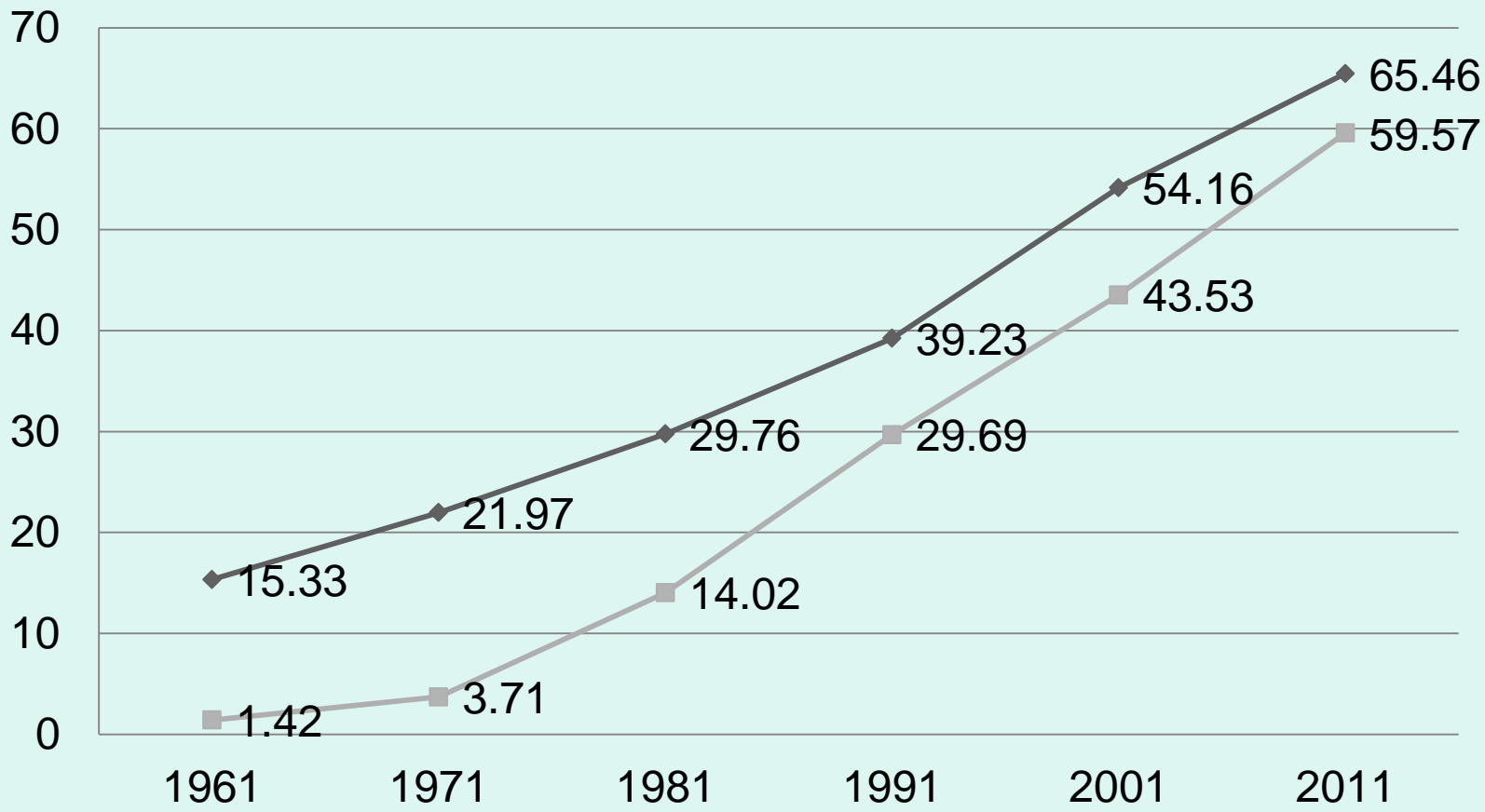
# Monitorable Indicators for 11<sup>th</sup> Plan – Literacy rate

Literacy Rate (%)



# Monitorable Indicators for 11<sup>th</sup> Plan – Female Literacy rate

## Female Literacy Rate (%)



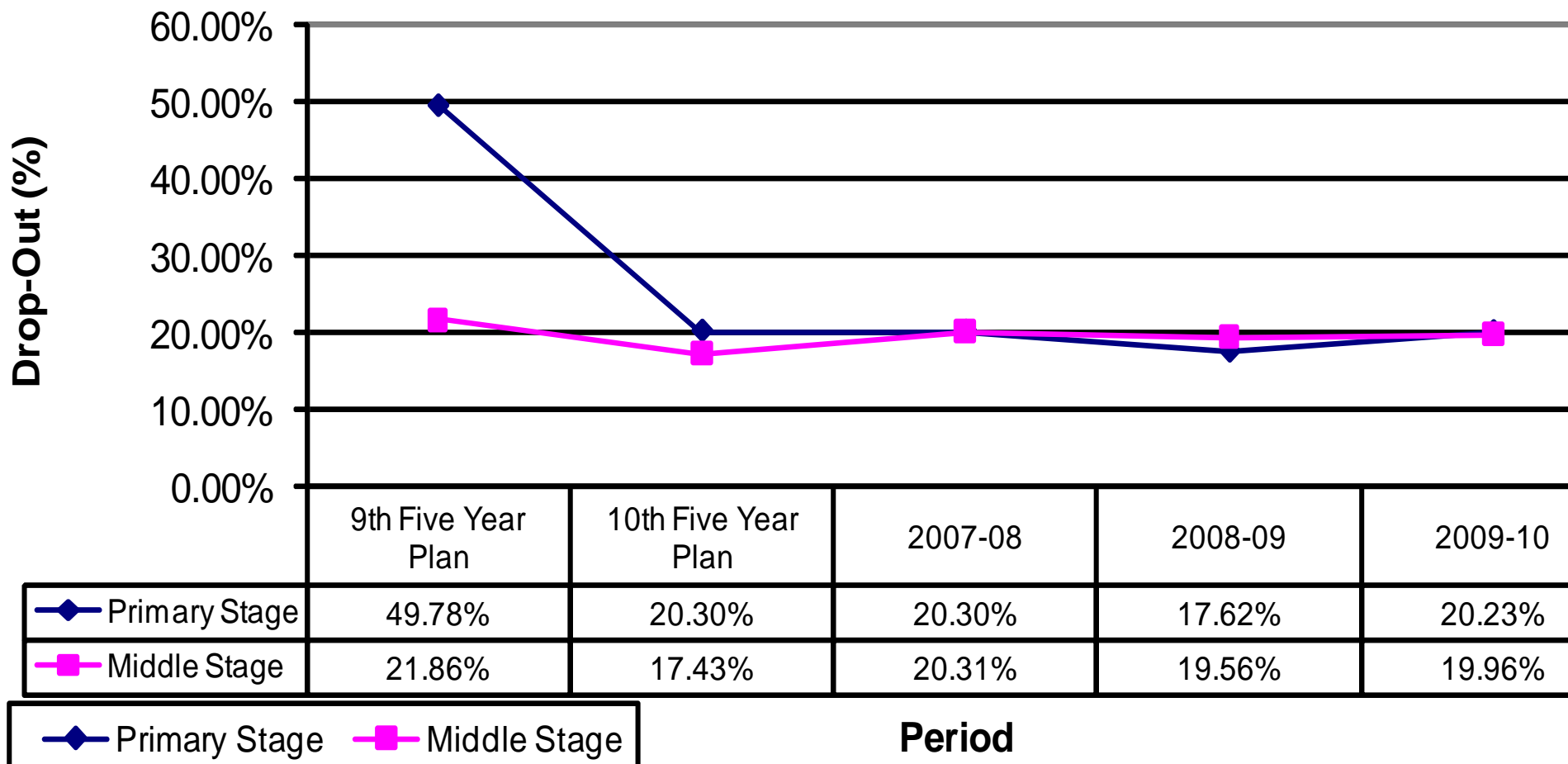
◆ India  
■ Arunachal Pradesh

# Gender Gap in Literacy Rate

Year	India			Arunachal Pradesh		
	Male (%)	Female (%)	Gender Gap (%)	Male (%)	Female (%)	Gender Gap (%)
2001	75.96	54.16	<b>21.8</b>	63.83	43.53	<b>20.3</b>
2011	82.14	65.46	<b>16.68</b>	73.69	59.57	<b>14.12</b>

# Monitorable Indicators for 11th Plan – Drop-out Rate in Elementary Schools

## Elementary Drop-out Rate



All India Figure is about 25%

# Expenditure on specific sectors

<b>Sector</b>	<b>Per-capita expenditure in Arunachal Pradesh</b>	<b>Ratio to National per capita expenditure</b>	<b>National Ranking</b>
<b>Social Services</b>	<b>Rs. 9,975</b>	<b>3.7</b>	<b>3rd</b>
<b>Education</b>	<b>Rs. 5,050</b>	<b>3.8</b>	<b>2nd</b>
<b>Agriculture</b>	<b>Rs. 3,708</b>	<b>9.7</b>	<b>1st</b>
<b>Health</b>	<b>Rs. 1,750</b>	<b>5.1</b>	<b>4th</b>
<b>Rural Development</b>	<b>Rs. 783</b>	<b>3.2</b>	<b>2nd</b>
<b>Transport</b>	<b>Rs. 1,858</b>	<b>9.7</b>	<b>1st</b>

## **Part - II**

# **Reforms, 3<sup>rd</sup> Party Monitoring and Observations of PC**



# Reforms

- Ban on creation of Non-Plan Posts (except with prior Cabinet Approval)
- Creation of Online Employee Databases
- Treasury System of withdrawal for salary / wages of Line Departments
- Process Re-engineering in Planning / Finance Departments
- Computerization of Treasuries / Inter-linking and Expenditure Monitoring
- Progressive decline in Non-Plan expenditure
- Revival of SLSC for NEC / NLCPR projects
- Focus on monitoring of CSS Schemes

# Reforms - Efforts to streamline SPA

- Tendering made compulsory for all SPA projects
- Flood Control Projects restricted to within 1% of the total SPA amount
- No projects for minor irrigation, land development, retention walls etc. being proposed under SPA
- Minimum size of project increased to Rs. 100.00 lakhs
- Consultant engaged to further suggest improvements in utilization of funds (Ms. PWC – Process re-engineering within the Planning Dept.)
- Non-duplication certificate, technical certification, viability and priority certification made mandatory as a part of project concept note.
- Submission of UCs to PC streamlined

# 3<sup>rd</sup> Party Monitoring for SPA 2008-09 : Results

1	Total no. of SPA Projects in 2008-09	330
2	No. of projects on which 3 <sup>rd</sup> Party adverse observations received	87 (28.65%)
3	Of which, rectifiable observations	77
4	Non-rectifiable Observations	10
5	Of (3), number of projects for which rectification carried out by Dept. and action taken confirmed	57 (74%)
6	Of (5), number of projects which have been independently verified by concerned DC	34
7	Of (3), number of projects for which action pending	20

## **Part - III**

# **Thrust Areas / Shelf of Projects for 2011-12**

# Shelf of Projects

S.no	Name of Project
1	Construction of 2-lane cement roads in all Dist HQ
2	Construction of office and residential buildings of DCs / ADCs / SDOs / EACs / COs
3	Augmentation of T & D Network and SLDC
4	Completion of MLA Apartments
5	State Share against Central Schemes (untied)
6	Upgradation of 11 District Hospitals (to latest state-of-the-art prescribed norms)
7	Const. of RCC teachers' quarters in interior areas
8	Completion and modernization of hydel stations (incl electrical data monitoring and collection system)

# Shelf of Projects

S.no	Name of Project
9	Water Supply Schemes in Urban / Rural Areas
10	Infrastructure / Asset creation schemes of 25 non-works Departments
11	Rural Roads / Bridges / Office / Buildings
12	Untied Fund for taking up smaller but inevitable projects which cannot be funded out of State Plan due to resource constraint
	<b>TOTAL</b>

# Specific Requests

- Non-release of SPA funds to the tune of Rs. 40.00 crores by Ministry of Finance, Gol due to last minute objections may kindly be compensated.
- Release of funds for Itanagar Water Supply Project
- Sanction of projects submitted on 8<sup>th</sup> Sep. 2010
  - Connectivity to 22 unconnected administrative centers
  - Construction and upgradation of porter tracks, log bridges and foot suspension bridges
  - Drinking water facilities in Border Blocks

# Specific Requests

- Mis-match between ACA ear-marked by Planning Commission and that released by the Ministry (e.g. JNNURM)
- Release of funds for providing State Share as SCA / untied funds out of the total SPA grant for 2011-12
- A one week long course / training on PPP projects in New Delhi or any of the IIMs for the newly established PPP cell in Planning Department



# Specific Requests

- Upgradation of Naharlagun General Hospital pending with the Ministry of Health and Family Welfare
- Gap-funding for Mini / Small-Hydel Projects may be approved
- Change in CSS guidelines
- UID project
- Non-plan Revenue Deficit Grant (Rs. 2855.61 crores)
- RK Mission Along – Rs. 20.00 crores corpus funds

**Thank you**