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**WORKSHOP ON PLANNING  
AT  
THE STATE LEVEL**

**BACKGROUND PAPERS AND SUMMARY  
OF PROCEEDINGS  
(May 19-21, 1968)**



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**RESEARCH UNIT ON PLANNING  
INDIAN INSTITUTE OF PUBLIC ADMINISTRATION  
INDRAPRASTHA ESTATE  
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WORKSHOP ON PLANNING  
AT THE STATE LEVEL

(May 19-21, 1968)

BACKGROUND PAPERS AND  
SUMMARY OF PROCEEDINGS



September 1, 1968  
Research Unit on Planning  
Indian Institute of Public Administration  
Indraprastha Estate  
New Delhi-1.

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I M P O R T A N T

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One of the main recommendations of the Administrative Reforms Commission in its final Report on the Machinery for Planning relates to the machinery and procedures for Planning at the State level. The Institute has been closely associated with the work of administrative reforms and particularly with the various studies initiated by the Administrative Reforms Commission. It was specially associated with the ARC's work relating to the Machinery for Planning. The Institute's Research Unit on Planning provided the basic research assistance to the Study Team constituted by the ARC on this subject and the Project Director of the Unit, Dr. H.K. Paranjape, was also the Member-Director of the Study Team. As a part of the Institute's efforts to contribute to the implementation of the administrative reforms proposals made by the ARC, a Workshop on Planning at the State level was organised from May 19 to 21, 1968, with a view to exploring the best ways in which the recommendations made by the ARC in respect of Planning at the State level could be implemented.

2. One of the major difficulties in the way of the States taking up plan formulation more systematically has been a certain scepticism about whether there is really any specific task in this regard that is required to be done at the State level. The towering organisation of the Planning Commission, the personality of Jawaharlal Nehru and the methods of Central financial assistance all combined to overawe the States in the past and there was a marked tendency to put all States' plan efforts in a common mould. It is now being increasingly realised that this is neither

any longer possible nor any way desirable. The Planning Commission is now keen that the States should show greater initiative in planning their development. We in the Institute, therefore, felt that it would be useful to arrange a dialogue so as to enable interchange of ideas and experience among different States and between planners at the Centre and in the States. It was believed that the Institute could provide a neutral academic forum for discussion. The Planning Commission lent its support to the idea of holding this Workshop.

3. Planning Secretaries of State Governments, Members and senior officials of the Planning Commission and Union Ministries, and a few academicians were invited to participate in the Workshop. The response was indeed heartening. Fourteen States - Andhra Pradesh, Bihar, Haryana, Jammu & Kashmir, Kerala, Mysore, Madhya Pradesh, Madras, Orissa, Punjab, Rajasthan, Uttar Pradesh, West Bengal and Nagaland were represented at the Workshop. In addition to the Members of the Planning Commission and some senior officials, a few officials of the Union Ministries and some academics also participated. In all thirty-seven persons participated in the Workshop.

4. The Workshop was inaugurated by Shri Morarji Desai, Deputy Prime Minister and Finance Minister. The concluding session was addressed by Shri Asoka Mehta, Union Minister of Petroleum and Chemicals and Social Welfare. In addition to the main sessions, there were three lunch sessions. These were addressed by Shri E.M.S. Namboodripad, Chief Minister of Kerala, H.E. Dr. Flavko Komar, Yugoslav Ambassador in India and H.E. Mr. Richard Dovrak, Czechoslovak Ambassador in India.

5. There were four main sessions. One on the Nature and Scope of State Planning, another on the Organisation and Personnel for State Planning, the third on Planning at levels below the State and the fourth on Plan evaluation. The discussions were informal and took place under the guidance of four Members of the Planning Commission. A fifth session, presided over by the Secretary of the Planning Commission, was devoted to exploring steps to carry the discussions further. In all these sessions, the approach was mainly to elicit the experience and views of all the States represented at the Workshop. Interventions from officials of the Planning Commission or others were limited to asking for clarifications or indicating an alternative way of looking at problems. This approach succeeded well in throwing up useful material about how the planners in the States view their own problems. The Workshop has helped to enlighten on these points officials and others working at the Centre and also the State Planning officials because of the opportunity it gave them to learn about what is happening in other States.

6. A detailed summary record of the proceedings of the Workshop and the background papers prepared in this connection have been included at appropriate places in this Report. We may briefly recapitulate here the main conclusions reached in the Workshop.

7. On the subject of Nature and Scope of State Planning, while there was some disagreement about whether the criticism of State Planning in the past made by the Study Team is justified, there was

near unanimity that significant improvements in the Nature and Scope of State Planning were essential. A much better survey of natural resources of States had to be undertaken; physical prospects of development of these resources had to be worked out; alternative possibilities of development had to be examined; projects and programmes had to be worked out on a much more systematic basis and the relative advantages of different schemes analysed; techno-economic analysis of a deeper nature than had been attempted in the past was essential. Some participants stressed the importance of States preparing a long-term perspective of development of their own. All emphasised the urgent need for developing adequate institutional arrangements providing for a regular flow of information and data for Plan purposes, their compilation and analysis. Activities in the private sector and the money flows were neglected in State Planning and this position needed to be rectified. It was also pointed out that if the broad outlines of the National Plan are clear sufficiently well in advance, it would greatly facilitate the States' own plan thinking and formulation.

8. On the Machinery for Planning at the State level, most State officials, while realising the importance of improvement in the Planning machinery available in the State, expressed scepticism about the idea of a State Planning Board. They thought that the existing deficiencies in State Planning were not likely to be surmounted through the creation of such an organisation. Doubts were also expressed about whether competent personnel for manning Board membership or even specialised positions in any kind of Planning

Organisations in the States would be available, and also whether State Governments could afford such personnel. The other point of view was that the important thing was not so much the particular form of Planning organisation as the basic improvement in the quality of Planning work that had to be carried out both at the Centre and in the States. Competence at each level had to be significantly improved through appropriate training. There was also the need for involving non-officials in the planning process in various ways. The consensus was that the existing machinery suitably strengthened, should be able to deliver the goods. There was agreement about the importance of improving the machinery for detailed planning in the more important sectoral departments of States. Most participants felt that the Planning cells should preferably be located in the Directorates rather than in the Secretariat departments. Personnel for manning such cells had to be carefully developed.

9. Regarding planning at the levels below the State, most participants took the pragmatic line that, while in certain sectors, and especially in certain distinct aspects of developments in those sectors, decentralised planning might be useful, it may not be really worthwhile trying to have full scale district or lower level plans. This would be neither necessary nor possible. The approach had to be selective and based on a careful assessment of the physical potential of each District; uniformity would be dangerous. It was also pointed out that unless some kind of indication of financial resources could be given to the Districts, realistic planning there would not be possible; and such an indication could

not be given by the States until the State Plan outlays were finalised between the Planning Commission and the State Governments. An important point mentioned was that unless planning authorities at levels below the State were given both the authority to collect certain resources and the responsibility for development in certain sectors, the talk of district or Panchayati Raj Planning was bound to remain empty. It was also stressed that it was essential to have a district development team which was more stable than happens to be the case at present, that the attempt should be to work out a development programme based on local knowledge and experience and further that local planning may provide a possibility of mobilising increased rural incomes for developmental purposes. This may perhaps be politically less difficult than mobilisation by the States though it would have other handicaps. Certain practical difficulties in the way of such efforts were also mentioned. The need for evolving composite plans for the District with proper dovetailing of the plans of the neighbouring districts and those of the municipal authorities was stressed by some participants. The importance of popular participation was recognised. A number of participants pointed out that in view of the limited time left for the formulation of the Fourth Plan, not much by way of district planning was going to be possible in the near future. It was however, appreciated that the work done in this regard earlier at the time of the preparation of the erstwhile Fourth Plan could be drawn upon to some extent with suitable modifications.

10. Regarding Plan Evaluation it was agreed that this was an essential part of the planning process. It was also agreed that

with a few exceptions, (evaluation had not received adequate attention in most States and considerable improvement in the machinery, personnel and methods of evaluation were necessary.) It was also agreed that progress reporting and appraisal of plan performance had also remained weak in practically all the states. For this purpose it was suggested that the basic necessity was to improve the machinery for data collection and processing. The development of trained staff for evaluation work was stressed and it was noted that the PEO had recently started a training programme for State Evaluation officers. While this and other attempts made by the PEO to maintain liaison with State Evaluation Organisations were recognised, it was felt that the PEO had to do much more to help strengthen the State Evaluation Organisations. In view of the inadequate attention given by many State Governments to evaluation, it was also suggested that hundred per cent Central assistance for improving evaluation organisation may be worth considering. It was agreed that the completion of Evaluation Reports in as short a time after the completion of a project as possible was important. Some participants felt that the publication of the Reports need not wait for Government acceptance of them; they actually felt that publication and distribution of the Reports would itself have the desired effect on officials and others who read them. Other participants felt that the much more important thing was to get the departments concerned and other authorities to take cognizance of the findings and improve their methods of operation. Regarding the recommendation that Plan Appraisal Reports should be published every year, within six months of the completion of the year, it was suggested that it might be better to think of

mid-term and five-year appraisals to be completed within one year of the completion of these periods.

11. At the conclusion of the Workshop, the participants expressed their appreciation of the effort undertaken by the Institute in bringing together Planners from the Centre and the States at a common academic forum where the participants could speak in their personal capacity. This contributed to a free and frank exchange of views and experience, apart from the opportunity to learn a good deal of what was happening in other States and how different States looked at common problems. It was felt that discussions of this nature under the auspices of a neutral, academic, research institution would go a long way in promoting mutual education and sharing of ideas and experience not only among administrators and planners at the Centre and the States, but also of academic persons keenly interested in the problems of planned development.

WORKSHOP ON PLANNING AT THE STATE LEVEL

PROGRAMME SCHEDULE

<u>Day &amp; Date</u>	<u>Topic for Discussion</u>
<u>Sunday, the 19th May, 1968</u>	
9.30 a.m.	Inauguration by - Shri Morarji Desai, Deputy Prime Minister and Finance Minister.
Morning Session 11.00 a.m. to 12.45 p.m.	Nature and Scope of Planning at the State Level - A Review of the Past and Suggestions for the Future.  (Session Chairman - Shri Pitambar Pant)
Lunch Session 1.00 p.m. to 2.45 p.m.	Speaker - Shri E.M.S. Namboodripad Chief Minister, Kerala.
Afternoon Session 3.00 p.m. to 5.30 p.m.	Above topic continued.
<u>Monday, the 20th May, 1968</u>	
Morning Session 9.30 a.m. to 12.45 p.m.	• Organisational and Personnel Problems of Planning at the State level.  (Session Chairman - Shri B. Venkatappiah)
Lunch Session 1.00 p.m. to 2.45 p.m.	Speaker - His Excellency Dr. Flavko Komar, Yugoslav Ambassador in India
Afternoon Session 3.00 p.m. to 5.30 p.m.	Planning at Levels Below the State - the Existing Practice; Scope for Further and More Effective Decentra- lisation.  (Session Chairman - Shri R. Venkataraman)

Tuesday, the 21st May, 1968

Morning Session

9.30 a.m. to 12.45 p.m.

Arrangements for Evaluation of  
Plan Implementation; Use of  
Evaluation Studies for Better  
Planning.

(Session Chairman -  
Shri B.D. Nag Chaudhari)

Lunch Session

1.00 p.m. to 2.45 p.m.

Speaker - His Excellency,  
Mr. Richard Dvorak, Czechoslovak  
Ambassador in India.

Afternoon Session

3.00 p.m. to 4.00 p.m.

Steps to Carry this Discussion  
Further.

(Session Chairman -  
Shri B.D. Pande)

Concluding Session

4.00 p.m. to 5.30 p.m.

Address by Shri Asoka Mehta,  
Union Minister of Petroleum and  
Chemicals & Social Welfare.

### LIST OF PARTICIPANTS

1. Shri Pitambar Pant, Member, Planning Commission
2. Shri B. Venkatappiah, Member, Planning Commission
3. Shri R. Venkataraman, Member, Planning Commission
4. Shri B.D. Nag Chaudhuri, Member, Planning Commission
5. Shri D.S. Joshi, Cabinet Secretary
6. Shri B. Sivaraman, Secretary, Ministry of Food & Agriculture, Deptt. of Agriculture.
7. Shri I.D.N. Sahi, Additional Secretary, Deptt. of Community Development & Co-operation.
8. Dr. B.S. Minhas, Indian Statistical Institute
9. Shri B.D. Pande, Secretary, Planning Commission
10. Shri D.D. Sathe, Programme Adviser, Planning Commission
11. Shri R.R. Bahl, Programme Adviser, Planning Commission
12. Shri C.S. Ramachandran, Programme Adviser, Planning Commission
13. Shri V.M. Bhide, Joint Secretary, Planning Commission
14. Dr. P.K. Mukherjee, Chief, Planning Commission
15. Shri M.V. Desai, Adviser, Planning Commission
16. Shri Anand Sarup, Deputy Secretary, Planning Commission
17. Shri B.P.R. Vithal, Planning Secretary, Govt. of Andhra Pradesh
18. Shri H.N. Thakur, Development-cum-Agricultural Production Commissioner, Government of Bihar
19. Shri M.K. Mukharjee, Planning Secretary, Government of Bihar
20. Shri B.S. Menchanda, Planning & Finance Commissioner, Government of Haryana
21. Shri S.K. Sahgal, Planning Commissioner and Secretary Finance & Planning, Government of Jammu & Kashmir
22. Shri V. Ramachandran, Planning Secretary, Government of Kerala

23. Shri V.S. Bhat, Deputy Secretary, Planning & Social Welfare Department, Government of Mysore.
24. Shri R.N. Malhotra, Planning & Finance Secretary, Government of Madhya Pradesh
25. Shri G. Ramachandran, Planning and Finance Secretary, Government of Madras
26. Shri S.K. Bose, Additional Chief Secretary & Additional Development Commissioner, Government of Orissa.
27. Shri K.W. Narang, Planning Commissioner and Secretary to Government, Government of Punjab.
28. Shri M.S. Mogra, Progress Officer, Government of Rajasthan
29. Shri A.R. Siddiqi, Planning Secretary, Government of Uttar Pradesh
30. Shri B.C. Ganguli, Development Commissioner, Government of West Bengal
31. Shri H.C. Dutt, Joint Development Commissioner, Government of West Bengal.
32. Shri L.G. Goswami, O.S.D. (Planning), Government of Nagaland
33. Dr. J.N. Khosla, Director, Indian Institute of Public Administration
34. Dr. H.K. Paranjape, Professor of Economic Administration, and Project Director, I.I.P.A.  
Administration
35. Shri G. Mukharjee, Director, Centre for Municipal Studies, I.I.P.A.
36. Dr. S.K. Goyal, Senior Research Associate, I.I.P.A.
37. Shri K.N. Butani, Project Director, I.I.P.A.

INAUGURAL SESSION

(19th May, 1968)

1. Welcome Speech by Dr. J.N. Khosla, Director, I.I.P.A.
2. Inaugural Address by Shri Morarji Desai, Deputy Prime Minister & Finance Minister.

## INAUGURAL SESSION

### Welcome Speech by Dr. J.N. Khosla, Director, I.I.P.A. - A Resume

Welcoming the participants to the Workshop, Dr. Khosla particularly expressed the Institute's indebtedness <sup>to</sup> the Deputy Prime Minister, Shri Morarji Desai, for having agreed to inaugurate the Workshop. He referred to Shri Morarji Desai's long association with Planning, as Finance Minister and Member of the Planning Commission as also the Chief Minister of a State and Chairman of the ARC, and said that Shri Desai's knowledge and experience would be of immeasurable help in giving a proper perspective to the deliberations to follow in the Workshop.

Dr. Khosla explained in brief the Institute's interest and association with the subject of Planning from 1962. He particularly referred to the publication on "Planning Commission - A Descriptive Account" which Dr. H.K. Paranjape, Professor of Economic Administration & Project Director of the Planning Unit in the Institute, brought out in 1964 and also the Planning Unit's work relating to the Study Team on the Machinery for Planning appointed by the Administrative Reforms Commission. Dr. H.K. Paranjape was the Member-Director of the ARC's Study Team.

Speaking about the various issues connected with State Planning before the Workshop, Dr. Khosla said that he would like to raise only one basic issue which was going to assume greater importance in the near future. He said that we had not yet tackled the problem of operating a Concurrent Subject under a

Federal Constitution. So far there had not been insurmountable difficulties in the sphere of Centre-State Relationship in the field of Planning because one party had been in power throughout the country. The undisputed leadership of Jawaharlal Nehru was no less significant in contributing to <sup>a</sup> consensus on Planning. However, in the newly emerging political set-up in the country, it had become imperative to start thinking of the Plan as representing the main line of advance for the community as a whole. If this was to materialise, considerable amount of latitude than in the past would have to rest with the States. This however increased the responsibility of the States themselves. It was therefore very essential, as suggested by the Study Team and the Administrative Reforms Commission, that the States had their own planning organisations capable of functioning at a high level of expertise and above party politics. Between the Commission at the Centre and the planning bodies in States, it was necessary to establish a far more purposeful and continuous dialogue for achieving a certain degree of agreement on clearly defined points of action. Dr. Khosla said that this in his view was the crux of the problem of successful State Planning.

Dr. Khosla said that the Institute had an obligation to contribute to the process of implementing the suggested administrative reforms. The Administrative Reforms Commission itself had specially stressed the Institute's role in organising training developing for expert planning personnel that would be required for manning

planning organisations at various levels. He referred in this connection to the Executive Development Programme for State Planning Officers which the Institute conducted in April, 1968. He also mentioned that the idea of the Workshop was mooted in consultation with the Deputy Chairman and Members of the Planning Commission and the Institute had the active cooperation of the Commission in organising the Workshop.

He then requested the Deputy Prime Minister to inaugurate the Workshop.

Inaugural Address by Shri Morarji Desai, Deputy Prime Minister & Finance Minister - A Resume

Shri Morarji Desai said that it was necessary to realise that Planning provided no reason for conflict or contradiction between the Centre and the States. "After all, people live in the States and not at the Centre". The States must make the Centre strong in the overall national interest. The Centre cannot drive the States. Their needs differ. All that the Centre does is to take a national view and coordinate the planning activities of States so as to subserve the basic national interest. He decried the emergent tendency to attach unduly greater importance to planning at the State level, without at the same time realising the need for a national approach to planning. The latter necessarily implied that the Centre had to play a crucial role in the determination of priorities and allocation of resources. Unless we plan for the country as a whole, taking into account the needs of the entire country, there would be stresses and strains which would

continue to hamper planning and its implementation. Planning both at the Central and State levels had to take into account the needs of both and also the availability of resources. Every State had to realise that its welfare lay in the welfare of the whole country. Otherwise, planning would lose its purpose and its efficiency would be seriously affected. There were no doubt imbalances among the different regions and different States in the country. These could only be progressively reduced and ultimately removed; but this was not something which could be done at once.

The Deputy Prime Minister therefore advised the States to plan within the framework laid down by the Central machinery, which always endeavoured to plan for the country as a whole, after taking into consideration both the general needs of the country and the special needs of individual States. As senior officials in charge of Planning in the States, he said, the Planning Secretaries attending the Workshop had a special obligation to advise the political leadership in States in such a manner that planning could proceed harmoniously.

Shri Desai said that he was personally against any elaborate planning machinery at the State level. Machinery for Planning at the State level should be available in the Secretariat itself. The Chief Ministers should be in overall charge of the Planning portfolio with a full time Secretary attending to the work of the Planning Department. The detailed programme planning should be undertaken in the different development departments of the State Government.

He said that while he did recognise the need for Planning at the District level, he did not quite understand what was actually meant by Village Planning. He felt that the smallest unit for Planning should be a District. The Planning machinery at this level would however be concerned more with plan implementation rather than with plan formulation. He particularly stressed the importance of fully involving the Panchayati Raj Institutions in the Planning effort.

The Deputy Prime Minister said that he was very happy that a Workshop of this kind was being organised by the Indian Institute of Public Administration. There was need for greater understanding between the States and the Centre as well as among the States themselves about the imperatives and discipline which planning imposes on all concerned. This could be done by cultivating the capacity to think in terms of the country as a whole. We could always benefit by sharing the thoughts and ideas of each other, he said. He suggested that it would be useful if the Institute could organise a conference in which it could get the Chief Ministers also to participate along with State officials and the concerned Central Government officials, so that the education of everybody concerned was attempted simultaneously.

SESSION - I

(19th May, 1968)

Topic for Discussion

: Nature and Scope of Planning at the State Level - A Review of the Past and Suggestions for the Future.

Session Chairman

: Shri Pitambar Pant,  
Member, Planning Commission

## SESSION-I

### BACKGROUND NOTE

#### NATURE AND SCOPE OF PLANNING AT THE STATE LEVEL

State Plans account for nearly half of the public sector Five Year Plan outlay\*. This provides a broad indication of the importance of State Planning in the context of the total planning effort.

There are certain special characteristics of State Planning. Firstly, nearly 85 per cent of the State Plan outlay is concentrated on three heads of development viz., i) Agriculture and Community Development; ii) Irrigation and Power; and iii) Social Services.<sup>®</sup> The sectoral distribution pattern of States plan outlay indicates that the State plans are oriented towards increasing agricultural production, securing more employment, developing social services and providing amenities.

Secondly, considering that nearly 82 per cent of our population lives in rural areas and 70 per cent are dependent on agriculture, States have a much larger direct developmental responsibility than the Centre in terms the coverage of population as well as area. The coverage of State Plan programmes is dispersed over large areas and numbers. Detailed knowledge of the local conditions and local needs and aspirations therefore becomes an important pre-requisite of successful State Planning.

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\* First Plan - 50.1%; Second Plan - 43%; Third Plan - 47.5%; and Fourth Plan (Draft Outline) - 44.2%.

® First Plan - 82.8%; Second Plan - 84.6%; Third Plan - 85.7%; and Fourth Plan - (Draft Outline) - 88.5%.

Thirdly, the closeness of State administration to the field, on the one hand, opens out possibilities of popular participation but, on the other, exposes the administration to local pressures. The advantage of the former and the apprehension regarding the latter grow further as one approaches grass roots levels.

Fourthly, as we move from the National level to the State level and lower, the nature of planning effort has to undergo a significant change. Plan formulation no more remains an aggregative exercise; detailed formulation of projects and programme planning assume greater importance. Problems of phasing and location are in the forefront.

Fifthly, the resource potential of different States differs from one another. Some States have a higher potential for agricultural growth; others a comparatively larger potential for industries or mining. Even within agriculture, States have their own individual characteristics. Plan programmes of States have therefore to be worked out after taking into consideration the physical resource potential of States; this has to be done in such a manner that the State Plans taken together are designed to attain the over-all national priorities and targets.

Last, but not the least important, point is the heavy dependence of States on the Centre for the financing of their Plans.\*

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\*Central assistance as percentage of combined States' outlay was 61.6, 51.1 and 61.7 per cent for the First, Second and Third Plans respectively. During the First Plan Central assistance to individual States varied from 35 (Old Bombay State) to 91 (Orissa) per cent. The corresponding percentages during the Second Plan were 33.2 (old Bombay State) and 78.6 (Orissa); and in the Third Plan. 42.6 (Maharashtra)

It is a widely shared view that there has been little of effective planning at the State level. The State plans at best are only miniature National Plans; at worst, they are a mere conglomeration of schemes and projects. This has been attributed to a variety of factors. It is said that the Planning Commission has attempted to go into too many things in too detailed a way; has tried to work on the basis of authority; and has tended to impose a pre-conceived plan on States. States on their part have tended to accept the norms and standards emanating from the Centre without a closer examination of the suitability of the programmes either to their needs or development potential. Lack of adequately developed planning organisation in States has been said to be the cause (and at the same time the consequence) of this tendency. The second important reason is said to be that Central assistance has been used as a lever to force Centrally conceived plan priorities and programmes on States. The rigidity of the patterns of assistance left States no choice but to accept the package and then, if necessary, divert the assistance so obtained to purposes they thought better but could not put in their Plans because of the compulsive authority of the Centre. The net result has been a distortion of State plan priorities, erosion of States' initiative and wasteful expenditure. The States on the other hand have many times failed in mobilising financial resources as agreed to by them. The Study Team on Machinery for Planning has referred to a number of defects in State Planning. Some of these are: the growing similarity in States' Plan priorities (para 7.11), considerable shortfalls in physical targets though financial targets have been met or exceeded (para 7.21), lack of proper phasing (para 7.32)

and faulty location of projects (para 7.41).

The Study Team on Machinery for Planning has attempted to provide a framework delineating the respective roles of the Planning Commission, Central Ministries and States in the over-all planning process (paragraph 2.11). It has suggested that the Commission should only be responsible for formulating the objectives, laying down priorities, indicating broad sectoral outlays, fixing the basic targets and approving the main programmes and projects having certain specified special features. Detailed sectoral planning including elaboration of the targets and formulation of individual projects and schemes should be the responsibility of the Central Ministries and States. It has further recommended that, as a general rule, greater freedom of action than in the past should be permitted to States in the matter of State subjects except in matters involving national priorities. The Administrative Reforms Commission has, in its final Report, endorsed this approach (Recommendation No. 9 and 12(1)).

The Workshop may consider this approach and may also like to spell out concrete steps for this purpose.

Some of the important issues in this connection are:

- 1) What are the specific objectives of planning at the State level? How would these be related to those of the National Plan?
- 11) What are the main improvements in Planning at the State level that are urgently necessary? Which of these can be carried out for the formulation of the Fourth Plan and which over the next two or three years?

This question may perhaps be discussed for the State Plan as a whole and also for a few important sectors such as agriculture, power, education, small industries.

- iii) For achieving more effective and realistic planning, what improvements are necessary in the present pattern and instruments of Centre-State relations in planning?

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SESSION - I

SUMMARY OF PROCEEDINGS

Shri Pitambar Pant: (Member, Planning Commission)

Shri Pant said that acceptance by the National Development Council of the paper on the Approach to the Fourth Plan had placed a great burden on the State Planning Organisations. The primary tasks of planning at the State level are: (i) maximum rate of agricultural growth, (ii) balanced regional development, (iii) greater employment, (iv) development of certain minimum social services, and (v) fulfilment of certain basic responsibilities in regard to the weaker sections of the Community.

Shri Pant said that all these tasks had to be performed under the constraint of resources. The basic issues which arose were thus: (i) what should be the right decision making body in the field of planning at the State level; (ii) in what manner could such an agency secure the expertise required for attending to planning work; and (iii) co-ordination of the activities of the development departments for the successful achievement of the objectives set out in the State Plan.

Shri Pant said that practically at all levels, trained people properly motivated were not available in the number required. Planning needed information of various kinds to enable proper choices to be made. The position in this regard is extremely weak in all States. Another deficiency was the absence of competent project formulating organisations in States. These were some of the problems facing the States in the sphere of Planning.

He said that there was no doubt that considerable variety in organisation for attending to Planning work had to be permitted to States; but certain basic ingrediants had to be there. It was necessary that each State planned with a bolder vision and a broader perspective. Without this a 5 to 6 per cent rate of growth for each State - decision endorsed by the NDC - would be difficult to achieve. To think merely in terms of immediate gains would be giving a wrong focus to the planning effort. Mobilisation of adequate resources was a consideration of paramount importance.

He said that there were reasons to believe that in some States, considerable amount of expenditure had been incurred on creating infra-structure which has not been fully utilised. He called for specific studies to be undertaken in this regard so that future outlays on infra-structure in States could be more rationally planned. Another important aspect was in relation to evolving a proper scale of priorities in the entire field of social services. He emphasised that a time had come when economic considerations must weight heavily in selection of projects and programmes.

Shri Pant said that each State must identify on a scientific basis its major growth potential. It was no use taking up schemes of development which were not consciously related to the potential of the State. He said that the potential of the State should be viewed from the point of view of breaking the major bottlenecks in so far as the individual State is concerned. A cautious approach involving balanced spending on all sectors with marginal increases everywhere

was not going to be of much use. It was necessary that each State had enough information about the specific areas in which they had a decided advantage in development. The logical corollary of this proposition was that the States must undertake a comprehensive survey of their natural resources. Apart from a study of natural resources, discovery of various sources of water and its conservation and effective management must also receive far greater attention. The Planning Organisations in States must be such as to take care of all these considerations. Another area in which the States had to do a lot more was the sphere of manpower. A time has come in our development process when systematic studies have to be initiated to project the manpower needs in a more systematic manner. In the past, when <sup>we</sup> were faced with shortages of trained manpower in almost every field, this <sup>might</sup> not have been so much important. But unless we tackle this problem scientifically now, we shall be faced with a situation where we may have surplus of certain categories of manpower and an acute shortage of others.

Shri Pant said that so far the States had not attempted to build up a long term picture of the development of their States with due regard to their own individual characteristics. The first pre-requisite of such a perspective was a clearer picture about the potentialities of the States for development. A comprehensive study of the natural resources of States would facilitate the working out of such long term perspective.

He then requested the participants from various States to express their views on the subject under consideration.

Shri B.C. Ganguly: (Development Commissioner, West Bengal)

Shri Ganguly said that no generalisation was possible in regard to Planning Organisation at the State level as there were a variety of factors governing the constitution of machinery for Planning at the State level, and these differ from State to State. Before one could think of appropriate Planning machinery at the State level, the question to be answered was as to what was the task of a State Planning agency. The character of Planning at the State level was not as sophisticated as it had necessarily to be at the National level. Data collection for the purposes of planning was an important consideration at the State level. After having collected all relevant information, the States had to prepare a Plan, within the broad framework of the National Plan, with some changes in emphasis and priorities as may be called for in the light of the individual characteristics of each State. In this specific task there was little that high level experts could contribute at the State level. There was also the question whether the States had the means to pay for expertise of a very high order. Then there was also the consideration whether the States were really in a position to make an effective use of these experts. The area in which experts could really play an effective role was one of working out alternative ways of meeting the defined objectives. In the present stage of our development it was doubtful whether purely objective expert advice would be palatable to the powers that be. He also pointed out that the actual effects of Central schemes on State Plans needed to be examined.

Shri S.K. Bose: (Additional Chief Secretary and Additional Development Commissioner, Orissa):

Shri Bose said that the concept of planning at the State level was not so academic or abstract as at the National level. It was more practical; no model building as such was involved. Two main considerations were (i) the employment-output ratio; and (ii) the investment-output ratio. High level expertise was not necessary for attending to this kind of work. He said that the primary difficulties at the State level were not so much in the fixation of priorities and allocation of resources. The real difficulties arose at the operational level. Esoteric expertise was therefore of little practical use to States. He said that Orissa had a Planning Board with Chief Minister as Chairman and 10 other Members, 8 of which were Ministers and 3, officials. This Board lays down the basic principles governing the formulation of a Plan and also evaluates performance. The Planning and Co-ordination department coordinates the activities of the development departments. There no doubt were stresses and strains but these could always be solved through the constitution of appropriate Working Groups.

He said that the real difficulty arose when, after the formulation of the Plan and its acceptance by the Cabinet, Ministers made public commitments which necessarily involved raising the allocations for certain sectors. In such situations the Planning Department was put in an embarrassing position; because of the overall resource constraint, it can increase the allocation

for a particular sector only by diverting funds meant for other sectors. This created conflicts and friction. In his view there was not much of a difficulty at the policy level; but at the implementation level, or what he would prefer to call the discipline level, many difficulties arose. In so far as expertise for Planning is concerned, they did not have difficulties. They did not really need very high level experts and there was no difficulty in securing the required kind of moderate expertise.

Shri Bose said that they had solved the problems of departmental rivalry <sup>by</sup> raising the status of the Planning and Co-ordination Department, by making the Chief Secretary, Development Commissioner and the Additional Chief Secretary, Additional Development Commissioner and Secretary of the Planning Department.

He said that in a backward State like Orissa, the problem of resource mobilisation was really very difficult. In a State where the majority of the people had a per-capita income below the National average, scope for additional taxation was extremely limited. Despite little increases in income due to development, most of the people would still be living at the poverty line. He said that the concept of Planning was necessarily affected by State objectives. One of the main objective of Planning in Orissa was to raise per-capita income. The distributional aspect therefore became more important than merely the volume aspect of income generation.

Shri Bose said that a resource estimate which was not acceptable for the purpose of budget formulation was of little practical use. Orissa had therefore constituted a permanent resources group with the Chief Secretary, Additional Chief Secretary, Finance Secretary and Secretaries of major Administrative Departments as members. With a group of this kind, he said, they had been able to arrive at a realistic estimate of resources.

Outlining the various steps taken by the Government of Orissa for the formulation of the Fourth Five Year Plan, Shri Bose said that they had undertaken a comprehensive review of performance of Plans since 1952. They had also undertaken wide surveys of the natural resources of the State. He emphasised that the concept of regional balance had not yet been translated into practice. This was going to be one of the major objectives of Orissa's Fourth Plan. They had decided upon a growth rate of 8 to 9 per cent for agriculture. Fuller utilisation of the Irrigation potential was also going to be one of the most important considerations,

Shri Bose said that as long as the Planning Commission and the Central Ministries continued to provide technical guidance and leadership to the States, the States would not need Planning Boards of the type envisaged by the Administrative Reforms Commission. Creation of such organisations at the present juncture would only amount to adding a Fifth or Sixth wheel to the chariot. The States were more concerned with details and not with planning

methodology in the wider sense of the term. A multiplicity of bodies will only create friction all round and add little to the successful operation of the Planning process at the State level.

He said that technical problems relating to the translation of the rate of growth into concrete schemes and projects for achieving the targets laid down and the appropriate time phasing of the various tasks envisaged must engage closer attention of States. In Orissa they had so far been influenced too much by quantitative production. This had to be accompanied by the increase in the net income of the less well-to-do farmers. Pockets of under-development had to be eliminated. This, he said, would receive greater attention in the Fourth Plan of the State Government. All spill-over schemes will be completed. He was of the view that projects involving long periods of gestation should not ordinarily be the responsibility of States.

As regards the relationship of the State Plan to the National Plan, Shri Bose was of the view that the State objectives must complement and supplement the National objectives; but for a proper fulfilment of the National objectives, certain deviations from the general priorities laid down in the National Plan were necessary in the context of the special development potential of each State.

He was of the view that the Centrally Sponsored Schemes should be few in number. No diversion or reappropriation of funds from the Centrally Sponsored Schemes should be permissible.

The balance of Central assistance should be in the form of block grants.

Shri Bose said that his State was contemplating various steps to mobilise maximum resources for the Plan. Larger beneficiaries in the Rural sector would be appropriately tapped for this purpose.

Shri G. Ramachandran (Planning & Finance Secretary, Madras)

Shri Ramachandran said that he would like to begin by offering his comments on some of the observations made by the Study Team on the Machinery for Planning and the ARC on the Nature of Planning at the State level. He said that the criticism of the Study Team that the present scheme of Central assistance had resulted in stifling the initiative of States was not wholly justified. It was also not wholly correct that the Centre had imposed certain pre-conceived priorities on States. Rural electrification programme of Madras was a case in point. Despite resistance from the Centre, the Government of Madras had been able to push through this programme on the scale it thought best. In so far as the Centrally assisted schemes were concerned, there was not much of a difficulty; though the criticism of the Study Team would be certainly valid in the case of the Centrally Sponsored Schemes. On the whole, there was considerable freedom to States to plan in the manner they thought fit, even to-day, and on this score the States did not need Planning Boards.

He said that the various defects referred to by the Study Team were also not going to be rectified merely by the establishment of a Planning Board. A Board was not going to help in correcting the general tendency of under-estimating the costs of projects. That will go on so long as bargaining goes on for the selection of projects for inclusion in the Plan. He said that everybody knew that the location of Sugar Factories in Madras was faulty. Objective studies had been made but the inferences from these were over-ruled for certain other considerations. Mere establishment of Planning Boards was no panacea to cure the ills of State Planning.

Shri Ramachandran said that this does not mean that there were no deficiencies in Planning at the State level. Some of these were: (i) the flow of information and data required for Planning was not smooth and regular. Existing arrangements in this regard needed to be strengthened considerably. The statistical branches in the different administrative departments had to be greatly improved. The Bureau of Economics and Statistics also needed to be strengthened; (ii) competence at each level had also to be greatly improved; (iii) in many spheres economic infra-structure had been built up too far in advance and this had resulted in locking up of capital. Systematic studies were called for in this particular area; (iv) comprehensive studies of the natural resources including Forests and Water were urgently required; and (v) future manpower needs also required to be studied on a more scientific and rational basis.

As regards the problem of estimation of resources, Shri Ramachandran said that the experience of Madras showed that close association of Finance with Planning had helped to raise more resources for the Plan. Ruthless control of non-plan expenditure had become possible. The Finance Department can take a dynamic view when it views the Plan as its own child. He said that constitution of a Planning Board is not going to help in more effective resource mobilisation. Even now, the Finance Departments do suggest to political leadership various ways for raising more resources, but the decisions are not always taken in the manner suggested by the Department of Finance as there are other considerations influencing the final decisions in this regard. He also said that at the present juncture, no State was likely to think of establishing sophisticated Planning Machinery till the economy picks up.

Dr. H.K. Paranjape (Indian Institute of Public Administration) intervened and drew the attention of the participants to the fact that the basic issue which should be considered was as to what was really required by way of Planning at the State level. Only a proper answer to this question would help determine the kind of Planning machinery needed to be established at the State level. Whether it should be in the nature of a Planning Board as suggested by the Study Team and the ARC, or something else could only be decided after this basic issue was resolved.

Shri B.P.R. Vithal (Planning Secretary, Andhra Pradesh)

Shri Vithal said that it was not quite correct to say that

an overall view was lacking in State Plans. Initial documents prepared in connection with the preparation of the Fourth Plan of Andhra Pradesh were based on a certain overall approach. A few other States had also started thinking in terms of per-capita income which necessarily meant that they had commenced taking an overall view of the Plan for the State. The backward States are now consciously trying to attain the all-India average of per-capita income.

He said that the main difficulty was that the States did not have a clear idea of what the Central Plan was going to be when preparing their own Plans. He said that the National Development Council did not generally discuss the details of the Central Plan. This was a handicap for the States in preparing their own Plans.

Shri Vithal said that at the present moment, Planning was on the defensive especially in the States. The Fourth Plan was going to be largely a spill-over Plan. That being the position it was unlikely that the State Governments would go in for any sophisticated or elaborate machinery for Planning right now.

Shri V. Ramchandran (Planning Secretary, Kerala)

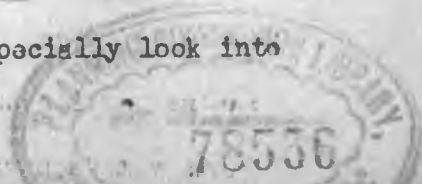
Shri Ramchandran said that it was absolutely wrong to conceive of State Planning as merely the working out details of something which is decided basically at the National level. He said that the States must accept wider responsibilities. They

must have long term and medium term objectives of their own. Effective National planning was impossible without detailed information. Statistical information of the type required regarding the possibilities of development in individual States as also relating to the performance of Plans under operation was not available with the Centre. This was a serious defect. He was doubtful whether the present tendency of States to go on raising demands with the Centre was going to be curbed merely by structural changes.

Shri B. Sivaraman (Secretary, Ministry of Food and Agriculture, Department of Agriculture) :

Shri Sivaraman said that Centre-State relationship in Planning needed to be spelt out in greater detail. He said that State Plans should not relate merely to State resources. Activities of the private sector and money flows were two aspects which were totally neglected in State Planning. Shri Sivaraman said that unless the States knew what the Centre was going to do in sectors like industry, exploitation of natural resources, development of power, etc. it would be very difficult for them rationally to plan their own developmental activities. These were sectors which would not grow further without the aid of Central thinking and finance. At the same time the States should realise that without proper Central cooperation they would be in difficulties.

He said that the problem of spill-over has assumed such alarming proportions that the States must specially look into



all their spill-over schemes and do some rethinking on the subject. Much of 'spill-over' was actually a spill-over only on paper.

Shri Sivaraman said that nothing should be done to dilute the responsibility of administrative departments charged with implementation of projects and programmes. As it is, the Finance Departments and the Account<sup>ants</sup>-General tend to function in such a manner as to be a drag on speedy implementation. The Planning Board, he was afraid, might prove to be yet another body in the game of passing the buck. Parsons who are not in close touch with grass-roots, however wise and competent they may be, would hinder rather than help the development process. He was of the view that departmental heads must be squarely responsible for the respective areas under their jurisdiction.

Shri Sivaraman said that the benefits of development have accrued so far to a very small minority. Those, who have had the benefits must now pay for helping those who have not had them. This principle must become a major plank of our Planning effort. He said that too much was being made of the alleged limitation of resources. It is the limitation of our administration, as it functions to-day, which is responsible for the lags in implementation.

Shri Sivaraman said that we had sometimes devised instruments of which we had little use. The Cooperatives had become centres of irresponsibility. The small man got nothing out of them; yet we persist with these.

He said that Planning for agriculture will have to be done in the fields. It just cannot be done from the Centre. There can not be centrally laid down rates for growth in agriculture.

Shri S.K. Sahgal, (Planning Commissioner and Secretary, Finance & Planning Department, Jammu & Kashmir)

Shri Sahgal said that the view that there has been very little of planning at the State level is not correct, especially in so far as the work relating to the formulation of the Fourth Plan is concerned. It is also not correct to say that there is a growing tendency towards similarity in State Plans. Priorities of State Plans do differ.

In his view there was considerable scope for strengthening the machinery for planning at all levels. The development departments had to be strengthened suitably so as to be able to prepare well worked out projects. For this purpose, Planning cells in key departments might be useful. It would be necessary however to inject economic talent into the planning cells.

Shri Sahgal said that the economic analysis side of planning needed considerable improvement. The States must undertake overall aggregative studies for longer periods into which the sectoral programmes for the medium term <sup>could be</sup> properly fitted. It was necessary that States get a fairly early idea about financial resources for the ensuing Plan. Also, if the broad outlines of the National Plan are clear sufficiently well in advance, there would not be many difficulties in preparing well-thought out State Plans.

Shri M.S. Mogra: (Progress Officer, Rajasthan)

Shri Mogra pleaded for greater autonomy to States. He outlined the various steps his Government is taking for the formulation of the Fourth Plan. He deplored the dual control at the level of democratic decentralisation. As regards the escalation of costs of irrigation and power schemes, he thought that the Central Water and Power Commission must share the blame as these projects are cleared by the CWPC.

Prof. B.S. Minhas: (Planning Unit, Indian Statistical Institute)

Prof. Minhas said that agriculture is not merely an administrative problem. Greater use of the techniques of forecasting in the field of agriculture is essential. All objectives could be reduced to demand projections. After this came the question of land use. It was necessary to draw a district by district balance sheet of land together with the prospects of the use of water in these areas. Next followed the problem of allocation of land among different crops. The principle of comparative advantage in production should be employed. He said that different strategies were possible. For example, to a certain extent, water could be substituted by fertilisers. It was, therefore, necessary to undertake detailed studies of these kinds in order to draw up a rational agricultural Plan.

Shri C.S. Ramachandran (Adviser, Programme Administration,

Planning Commission) intervened to say that it was necessary to undertake studies as to why certain things had failed and why certain others had succeeded in the strategy for agricultural development.

Dr. S.K. Goyal: (Planning Unit, I.I.P.A.)

Dr. Goyal said that one of the major defects in State Planning has been almost a total absence of the appreciation of the private sector activity while drawing up a State Plan. He said that whether for good or bad, there was no doubt that the State Plans were assuming a similarity with each other. This conclusion is based on detailed studies undertaken by the Planning Unit of the Indian Institute of Public Administration of our Three Plans so far.

Shri V.S. Bhat: (Deputy Secretary, Planning & Social Welfare, Mysore)

Shri Bhat said that the only rate of growth relevant for States is the growth rate for agriculture. It was difficult to think of a similar growth rate for industry as far as the State Plans are concerned. In the field of industry what the States can decide upon was what industries the States should establish in a given plan period. (Shri Pitambar Pant explained that this was not quite correct. He said that small industries contribute considerably to the total national product. Also planning for Power cannot be rationally undertaken without an intelligent anticipation of its requirement which necessarily meant that the States must have an idea of the growth rate of industry).

Shri Bhat said that the Planning Department at present worked more or less as a coordinating agency. After getting a firm resource estimate from the Finance Department, the Planning Department works out sectoral allocations; detailed programme planning

is left to the administrative departments. He was of the view that an expert planning body at the State level would not be in a position to counter certain in-built factors which really account for some of the irrational decisions in State Planning.

He was of the view that at the time of the Annual Plan discussions, the Planning Commission should give the sectoral working groups an indication of the resources which might be available to the sectors with which they are concerned. In the absence of such an indication, the recommendations of the different Working groups were sometimes unrealistic with the result that the Programme Advisers ignored the Working Group's recommendations while making their own suggestions to the Planning Commission. He also felt that the present time scheduling of the Annual Plan discussions needed to be set right. The whole thing was cramped into a matter of two days or so. He was in favour of the establishment of Planning cells in key departments of the State Government.

Shri A.R. Siddiqi: (Planning Secretary, Uttar Pradesh)

Shri Siddiqi said that his Government was doing everything possible for mobilising maximum resources for the Fourth Plan. The small savings drive had been intensified. Land mortgage banks have been activated. He was, however, of the view that if the State Government was to achieve what the Planning Commission expected it to do, they would need an additional 400 to 500 crores.

He said that State objectives have to be within the framework of the National objectives. He was doubtful about the feasibility of 8 to 9 per cent rate of agricultural growth proposed to be adopted by Orissa in the Fourth Plan. In his view, under the prevailing circumstances and considering his State's resources, the agricultural growth rate of about 4 per cent only was attainable.

Shri Siddiqi then explained in some detail the existing organisational arrangements for attending to Planning work in U.P. He said that they had a network of offices under the Directorate of Economics and Statistics from the block level upwards. The Finance and Planning Departments worked in close cooperation with each other. If there were any differences, the matters went to the Chief Secretary for his decision. The existing arrangements had worked out satisfactorily in this regard. He emphasised the necessity for making proper arrangements for the survey of natural resources.

Shri Siddiqi said that it was necessary to impart proper training to middle and senior level officers engaged on planning work in States. He commended in this connection the recent Executive Development Programme for State Planning Officers organised by the Indian Institute of Public Administration.

Shri H.N. Thakur: (Development-cum-Agricultural Production Commissioner, Bihar)

Shri Thakur said that the necessity for a comprehensive survey of natural resources had been rightly emphasised by many. He particularly stressed the need for conducting soil surveys. He was of

the view that technology in agriculture could not be left to administrators. Proper motivation of farmers was an important factor affecting the rate of agricultural development.

He deplored the cut-throat competition among States to get large industries located in States by offering the industrialists all kinds of incentives. He stressed the need for laying down some kind of code of conduct which should be followed by all States in this regard.

Shri Thakur said that in his view the small farmers had not got their due from planning so far. This problem as also the problem of landless labourers must receive greater attention. He said that area development approach had paid rich dividends in Bihar. As regards resource mobilisation he favoured an imposition of development cess and an increase in the royalties on coal and minerals.

Shri Thakur then explained briefly the existing arrangements for attending to Planning work in his State. He particularly referred to a Resource Committee which they had set up to explore the possibilities of mobilising maximum resources for the Fourth Plan. He said that a matter like resource mobilisation should not be left to the Finance Department alone. A broader Committee of the kind Bihar had for this purpose might be adopted by others with profit.

Shri R.R. Bahl (Programme Adviser, Planning Commission)

Referring to Shri Bhat's (Mysore) criticism of the Annual Plan discussions Shri Bahl explained that while drawing up the Annual Plan for 1967-68, the Programme Advisers had gone around the

States and finalised the details. This was not liked by many including States themselves. Certain improvements in the Annual Plan process have been made while formulating the Annual Plan for the year 1968-69. The resources position was discussed well in advance of the discussions on Annual Plan proposals. This gave States enough time to revise their proposals in the light of the resource position. He said that the real trouble was that some States inflated their Plan proposals to such an extent that drastic pruning had to be done by the Programme Advisers. Often the Working Groups were carried away by their own enthusiasm which made the task of the Programme Advisers quite difficult. It should, however, be noted that the recommendations made by the Programme Advisers are made in full consultation with the Development Commissioner of the State concerned and then the Programme Adviser's recommendations are put up before the Planning Commission in a meeting which is attended by the Chief Minister of the concerned State. (Shri C.S. Ramachandran, Programme Adviser, also specially emphasised that the reports of the Working Groups are treated with the fullest respect by the Programme Advisers).

Shri Pitambar Pant: (Member, Planning Commission)

Shri Pant said that there was a lot of dissatisfaction with the operation of the Working Groups. This happened mainly because of the time factor. The Working Groups hardly have a day or two to develop their proposals. He saw no reason why such discussions should not be extended over a period of even three to four months. It was not enough, he said, to ask for the proposals merely for

the next year. In the United Kingdom, the practice is to obtain the proposals of different departments for the next two years. If a similar practice was to be followed, the availability of advance information would enable both the Working Groups as well as the Planning Commission to take a proper view of future needs, and this would greatly improve the system of preparation of Annual Plans.

Dr. H.K. Paranjape: (Planning Unit, I.I.P.A.)

Dr. Paranjape referred to certain peculiarities about Annual Plan thinking in States. He said that the studies made by the Planning Unit revealed that the States' demands for comparatively less important sectors were out of tune with the demands for sectors which were really significant from the States' point of view. Persistent attempts by the States to secure greater Central assistance by way of inflating the size of their Plans together with the overall limitations of Central resources leads to a situation where a gap between the size of the plan as proposed by the States and as found feasible by the Planning Commission is so wide that drastic pruning becomes inescapable. Considering the short time in which the State Annual Plans are finalised, a certain amount of arbitrariness in cutting down the sectoral proposals of States is therefore actually built in the system as it exists to-day. He said that unless the Five Year Plan is worked out more systematically and properly phased it was doubtful whether the Annual Plan process can really be improved.

SESSION - II  
(20th May, 1968)

Topic for Discussion:

Organisational and Personnel Problems  
of Planning at the State Level

Session Chairman:

Shri B. Venkatappiah, Member,  
Planning Commission.

## SESSION - II

### BACKGROUND NOTE

#### ORGANISATIONAL AND PERSONNEL PROBLEMS OF PLANNING AT THE STATE LEVEL

The major assumption underlying the ARC's recommendations regarding greater initiative and freedom to States and the introduction of greater flexibility in the scheme of Central Assistance is that States would have a well-organised and equipped planning set-up capable of bringing out rationally prepared plans, uninfluenced by extraneous considerations. It is also increasingly recognised that existence of an appropriate planning apparatus in States would go a long way in facilitating much greater and meaningful, communication between the Centre and States in the field of planning.

It is generally accepted that there is no specialised planning agency in States. States have largely tried to prepare the Plans through the normal secretariat organisation. The principal planning agency in many States is the Planning Department in the State Secretariat. In some States Planning is a subject assigned to a department looking after certain other subjects. Most States also have separate Bureaus of Economics and Statistics. Para 7.52 of the Report of the Study Team on Machinery for Planning describes in brief the existing organisational arrangements in this respect. (Notes giving in detail existing arrangements in some States have been circulated separately. (See Appendix )

Not all Planning Departments are headed by a full-fledged Secretary. Day-to-day work on planning in such departments is usually attended to by a Deputy Secretary. In some States the Finance Secretary is also ex-officio Planning Secretary; in some others, the Chief Secretary is in charge of the Planning work. Paragraphs 7.61 to 7.64 of the Study Team's Report describe in greater detail the staffing pattern and personnel composition of the State Planning departments. It is indicated therefrom that the Planning Departments have not usually been organised with conscious design and are many<sup>a</sup> times under the charge of junior officers, predominantly drawn from the administrative services, and without any specialised training or experience in this field. The Study Team's conclusion was that the "Planning Departments are thus not very different from the other secretariat departments in the States". (para 7.64).

As early as 1962, the Planning Commission suggested to State Governments the appointment of State Planning Boards. The reasons for this suggestion have been described in para 7.71 of the Study Team's Report. Paragraphs 7.81 to 7.111 of the Report explain the action taken by States in this regard including the membership and composition of such Boards as were set up, the functions assigned to them and the manner in which they have so far functioned. The Study Team's conclusion was that the Planning Boards, in the manner constituted by States, have usually served as 'public Relations Committees'. They have not "helped

strengthen either the Planning machinery or the process of planning in States" (para 7.111).

The Study Team has discussed the alternatives of Planning Boards or Departments (paras 8.31 to 8.34) and concluded in favour of the Board. The suggested functions of the Boards, their composition and organisation are indicated in paragraphs 8.41 to 8.65 of the Study Team's Report. The Boards have been conceived as expert advisory bodies, with the Chief Minister as Chairman and four full time members. The ARC has broadly endorsed this recommendation (Recommendation no. 19).

The Study Team as well as the ARC have also recommended the constitution of Planning Cells in important executive departments of State Governments. (Study Team Report - para 8.71 and ARC's Recommendation No. 19(3)).

Another important question is that of developing appropriate technical agencies both for surveys of natural resources and for designing of projects especially in the Irrigation and Power Sectors. The Study Team has referred to this aspect in para 5.72 of its Report.

Both the Study Team and ARC have specially emphasised the importance of developing suitable personnel for manning the planning positions in States (Study Team Report paras 8.81 and 8.95 and para 116 of the ARC's Report).

The Study Team has also suggested that the Planning Boards should actively involve available non-official talent in the State, whether in industry, professions, Universities or research institutions in the process of plan formulation and evaluation. (para 8.05).

The Workshop may apply its mind to:

- i) What would be the appropriate planning organisation for a State - in the short run and in the long run?
- ii) Constitution of State Planning organisation - Departments or Boards - their composition, functions and internal organisation;
- iii) Constitution of Planning Cells in Departments of State Governments; development of other technical agencies - especially for surveys and designs of projects;
- iv) Developing suitable personnel for manning positions in plan organizations;
- v) Involvement of available non-official talent in the States in the process of plan formulation and evaluation.

STATEMENT SHOWING EXISTING ORGANISATION FOR PLANNING AT THE STATE LEVEL

State	Name of the Agency	Chairman	STATE PLANNING BOARD/COMMITTEE, etc.				Non-officials
			Total No.	Ministers	Officials	Memberships	
			4	5	6	7	
1. Andhra Pradesh	-	-	-	-	-	-	-
2. Assam	(A proposal to set up State Planning Board with C.M. as Chairman, P.M. and three non-official experts as Members is under consideration).	-	-	-	-	-	-
3. Bihar	State Planning Committee	Minister I/C of Planning	18	-	10	8 (including one M.P.)	
4. Gujarat	(See remarks col.)	-	-	-	-	-	
5. Haryana	State Planning Board	Chief Minister, Planning Minister (DY. Chairman)	-	Cabinet Ministers and Ministers in independent charge	1	-	
6. J & K.	Planning Board	(Whole-time Chairman and a Vice-Chairman)					

(1) (2) (3) (4) (5) (6) (7)

7. Kerala	Planning Board	Chief Minister	8	2	2	4
8. Madhya Pradesh	Planning Advisory Group	Chief Minister	-	All Ministers	2	20 persons from amongst economists, engineers, industrialists, labour and business interests, one M.P. from the State, one Member from Vidhan Sabha representing each division and one representative from each district to be selected by the District Advisory Committee.
9. Madras	State Development Committee	Chief Minister	All Ministers	-	-	-
10. Maharashtra *	Planning Sub-Committee of the Cabinet	Chief Minister	6	6	-	-
11. Mysore *	State Development Council	Chief Minister	-	All Ministers, All Deputy Ministers Parliamentary Secretary	All Secretary	A few legislators, leader of the opposition, presidents of Chambers of Commerce, Vice-Chancellors, etc.
12. Orissa	Planning Board	Chief Minister	11	8	3	-
13. Punjab	Planning Board	Chief Minister	-	All Cabinet Ministers	-	-

(1)	(2)	(3)	(4)	(5)	(6)	(7)
14. Rajasthan	Planning Advisory Council	Chief Minister	-	All Cabinet Ministers and Minister of Planning	4	Prominent M.Ps., educationists, industrialists, etc. are members.
15. Uttar Pradesh	-	-	-	-	-	-
16. West Bengal	Development and Planning Board	Chief Minister	27	10	7	1) Members of State legislature (6) 2) other non-officials (4)
17. Nagaland	-	-	-	-	-	-

States	Name of the Agency	Head of the Agency	Planning Departments		Evaluation	Planning Cells	Remarks			
			Units	Staff Position						
Andhra Pradesh	Planning Deptt.	Plg. Secy. (Dept. functions under general guidance of Chief Secy. who is Int. Dev. Comm.)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
			<ul style="list-style-type: none"> <li>i) Economic Resources</li> <li>ii) Planning &amp; Review</li> <li>iii) Progress Evaluation</li> <li>iv) Manpower</li> <li>v) There is Bureau of Eco. and Statistics.</li> </ul>	Dy. Secy. (2) Asst. Secy. (1)	Dy. Director (3) Asst. Director (1) R.O. (2)	<p>Review &amp; Progress Wing is under the charge of a Dy. Secy. and a Dy. Director. There is a separate Evaluation Wing with one Dy. Secy. and two Dy. Directors. There is also a State Evaluation Committee with Ch. Secy. as Chairman.</p>	<p>1. There is a State Dev. Board with Ch. Secy. as Chairman.</p> <p>2. There is a State Advy. Committee on Plg. with State Legislature, MPs., &amp; representatives of various interests as Members.</p>			
Assam	Planning & Dev. Deptt.	Addl. Ch. Secy. (There is a post of Secy. for the Deptt.)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
		<ul style="list-style-type: none"> <li>i) Research</li> <li>ii) Statistical Manpower</li> <li>iii) Evaluation</li> </ul>	Addl. Secy. (1) U/Secy. (1)	R.O. (5)	<p>There is an Evaluation Wing referred to in Col. 10. Director (1); Dy. Directors (2); Research Officers (unspecified). There is a State level Evaluation Committee with Ch. Secy. as Chairman. A State Dev. Committee with C.M. as Chairman &amp; Ministers as member to review plan performance.</p>	<p>Planning Cells exist in C.M. as Chairman different functions as dev. sub-committees of the Cabinet.</p>	<p>1. State Planning Committee with exist in C.M. as Chairman</p> <p>2. A State Planning Advisory Council with C.M. as Chairman, MPs., selected MLAs and representatives of various parties and professional interests advise Govt. on preparation of Five Year Plans. Council meets once in five years.</p>			

(8) (9) (10) (11) (12) (13) (14) (15)

3. Bihar Planning Deptt. There is a manpower (Dev. Comm. is the Principal Secy. of all Dev. Dep'ts. and is in over-charge of Planning and Co-ordination).

Planning Officers (3) Statistical officer (1)

There is a Directorate of Evaluation under the Administrative control of Finance Deptt.

Bigger Dev. Depts. have Planning Cells.

4. Gujarat Planning Section is a part of General Admn. Deptt.

Chief Secy. (Planning Advt- ser is over-charge of section)

Under Secy. (2)

i) Programme Branches (2)  
 ii) District Plans  
 iii) Progress & Evaluation  
 iv) Manpower

Also there is  
 1) Bureau of Economics and Statistics  
 ii) Directorate of Evaluation.

1) Planning Advisor (1)  
 ii) O.S.D. (1)  
 iii) Deputy Director  
 iv) R.O. (2)

1. State Planning Advisory Board with C.M. as Chairman and Ministers, M.P's, MLAs, noted economists, industrialists, scientists and senior officers of Govt. as members; Dy, Secy. acts as the member-Secretary. The main function of the Board is to review the plan progress and advise Govt. on policy matters.

2. A Standing Committee with C.M. as Chairman and Minister, Public Works, Minister Revenue, Minister Finance and Dy. Minister Revenue as Members, the Chief Secy. acts as secretary.

There is a full-fledged Directorate with a strength of 52 officers - 14 gazetted and 38 non-gazetted. Director (1); Deputy Director (2); Asstt. Director (1); Evaluation Officer (1); R.O. (9)

There are Departmental Evaluation Committees with 6 members each, with secy. of the concerned Deptt. as chairman. Also an Evaluation Co-ordination Committee (11 members with Chief Secy. as Chairman)

States	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
5. Haryana	Planning Deptt.	Commissioner for Planning and Finance.	(No details) There is an economic and statistical Org., a manpower cell and evaluation Orgn.	Addl. Secretary for Planning & Finance (1) Dy. Secy. Planning (1) U/Secy. (1)	-	There is a State Dev. Board consisting of Secretaries to periodically review plan performance. Planning Deptt. undertakes evaluation work. There is also a State Evaluation Committee with Commissioner for Planning and Finance as Chairman and few other officials.	-	There is a State Adv. Committee on planning consisting of non-officials and M.L.As.
6. J.&K.	Planning Deptt.	Commissioner for Planning and Dev. functions as Planning Secy.	i) Map power Planning Cell ii) Directorate of Evaluation There is also a Directorate of Economics and Statistics. Staff (Director (1); Dy. Director (3); Asstt. Director (1).	Addl. Secy. (1) Dy. Secy. (1) U./Secy. (2)	-	The Director is common for evaluation and Statistics directorates. Dy. Director (1); Evaluation Officers (2). There is a State level Officers Committee headed by the Planning Commissioner who recommends evaluation studies. Evaluation reports are submitted to a Cabinet Sub-Committee.	-	A State Development Committee with C.M. as Chairman, Ministers as Members and Chief Secy. as its Secretary functions like a council of Ministers in respect of all Plan schemes and programmes. This Committee meets the Secys. every quarter to review the progress of implementation of plan schemes. The State has constituted State level committees consisting of Secretaries to Govt. and Heads of Departments for guiding development programmes.

States	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
7. Kerala	Planning Deptt.	Planning & Finance Secy.	1) Manpower 2) Evaluation 3) Resources There is a Bureau of Economist & Statistics.	N.A.	1) Deputy Director (1) ii) R.O. (3)	The Evaluation Unit is attached to the Bureau.	N.A.	The main function of the Planning Deptt. after the constitution of the Board is to maintain liaison between implementing depts. The question of residual functions of the Planning Deptt. is under discussion.
8. Madhya Pradesh	Planning & Dev. Deptt.	Planning Wing under the direct charge of Finance Secy.	There are two secretariat sections	Dy. Secy. (1) Under Secy. (1)		Evaluation Studies conducted by Evaluation Wing of the Directorate of Economics & Statistics (Separate organisation under consideration)		There is a Cabinet Committee known as State Dev. Committee with C.M. as Chairman, a few Ministers as Members, and Secy. Planning & Dev. Deptt., to advise Govt. on formulation of Five Year Plans.
9. Madras	Finance Deptt.	Planning & Finance Secy.	There is a Directorate of Statistics	Deputy Secys. (5) in the Finance Deptt. deal with both plan and non-plan work.	Planning Adviser	Evaluation work entrusted to Director of Statistics. For each programme of evaluation a member of the Board of Revenue is attached as evaluation officer		State Development Committee co-ordinates and reviews implementation of plan programmes.

(3) (9) (10) (11) (12) (13) (14) (15)

<p>10. Mahara- shtra</p>	<p>Planning and Finance Secy.</p>	<p>i) Programmes ii) Resources iii) Evaluation iv) Manpower v) District and Regional Plans There is a Bur- den of Econo- mic and Statistics.</p>	<p>Deputy Secy. (2)</p>	<p>USD (1) Special Officer (1) Adl. Man- power Officer (1) Research Officer (unspeci- fied)</p>	<p>There are two Committees: 1) Project Evaluation Commis- sioner as Chair- man with Addi- tional Develop- ment Commis- sioner as Chair- man with two officials and one non- official ii) State Plan Evaluation Committee with Chief Secy. as Chairman and few officials</p>	<p>Planning cells exist in major development departments.</p>
<p>11. Mysore</p>	<p>Deptt. of Planning, Health &amp; Social Wel- fare. Development Commissioner is Special Secy. for Planning &amp; Agricultural Production.</p>	<p>N. A.</p>	<p>Deputy Secretary Planning &amp; Social Welfare (1) Under Secy (1)</p>	<p>N. A.</p>	<p>Directorate of Evaluation with a Statistician, Economist, R.Os and Evaluation officers. Director of Evaluation is also the Manpower Officer.</p>	<p>There is a Steering Group with Chief Secy. as Chairman, Secy. of Development Deptts. as members. There are advisory Panels on i) Economics, Resour- ces and Welfare, ii) Industry, Power and Transport iii) Agriculture.</p>

States	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
12. Orissa	Planning & Co-ordination Deptt.	Addl. Chief Secy. (Chief Secy. is in charge of Development Commissioner)	i) Planning Statistical Bureau of Economics & Statistics. ii) Co-ordination Evaluation iii) Minor Irrigation iv) Manpower v) Also there is a Bureau of Economics & Statistics.	1) Director of Evaluation (1) ii) R.O. (6)		There is the evaluation Unit referred to in Col. 10, with a Director and one R.O.		Chief Minister is in charge of the Planning portfolio; assisted by a Dy. Minister.
13. Punjab	Planning Deptt.	Comm. for Pkg. & Finance	i) Planning Resources Unit ii) Planning Cell and Manpower Unit. iii) Economic & Stat. Org.  Staff - Eco. & Stat. Organisation Adv. (1) Jt. Adv. (1) Dy. Adv. (4) E.O. (10) Distt. Stat. Officers (11)	Dy. Secy (2)	Dy. Adv. (1) R.O. (3) (excluding Eco. & Stat. Org. staff).	There is a State Evaluation Committee with Pkg. Comm. as Chairman and Secys. of important Deptts. as Members.		1. There is a State Dev. Board with Pkg. Comm. as Chairman & all Administrative secys. & Heads of Deptts. as Members. The Board will also function as a steering body for formulation of 4th Plan and associate experts for this purpose. 2. There is a Board of Eco. Enquiry with Minister in charge of Statistics as Chairman, a few other Ministers and non-officials as Members.

State	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
14. Rajasthan	Planning Department	Chief. Secy.	i) Planning ii) Manpower & Evaluation	Dy. Secy. (1) Asst. Secy. (1)	Progress Officer (1) Director of Evaluation & Manpower (1)	Refer to Col. 10 & 12. The Evaluation reports are discussed in co-ordination committees.	Planning Advisory Council reviews progress of Plans and advises Govt. on priorities and objectives of Plans.	
15. Uttar Pradesh	Planning Deptt.	Planning Secy. (He is also State man-power officer).	There are three Sections. Planning (A) Planning (B) Planning (C) There is also a Directorate of Economics and Statistics.	Jt. Secy. (2) Dy. Secy. (2) (one more Dy. Secy. to be appointed).	R.O. (2) Dy. Manpower officer (1)	One Jt. Secy. is also Director of Evaluation and Director of Planning Research and Action Instt. There is a State Evaluation Board.	Planning cells exist in Engg. Deptt. for survey and project preparation.	
16. West Bengal	Development and Planning Deptt.	Development and Planning Commissioner		Joint Secy. (2) Deputy Secy. (2)	Deputy Regional Director (1) Director of Evaluation (3) Senior Economist (1) Junior Economist (1) Statistician (1) Lactographer (1) S.R.O. (4) R.O. (1)	Evaluation Wing	Planning cells exist in major Development Deptts.	There is a Steering Group with Chief Secy. as Chairman and eight non-officials.
17. Nagaland	Fig. & Coordination Deptt.	Dev. Commr. & Plg. Secy.	i) Planning Branch ii) Community Dev. Branch iii) General Branch.	Dy. Secy. (1)	OSD (1)	There is a high powered Evaluation Committee with Dev. Commissioner as Chairman and Secys. as Members.		

\*Note: As the Governments of Maharashtra and Mysore did not furnish up-to-date information, the position in respect of them is based on the material supplied by them to the Study Team on the Machinery for Planning in July 1966.

## SESSION - II

### SUMMARY OF PROCEEDINGS

#### Shri B. Venkatappiah (Member, Planning Commission)

Shri Venkatappiah said that the issues relating to organisation for planning at the State level flow from the functions of State planning as also the requirements of the individual States. The basic issues could be spelt out as follows:

- i) What should be the nature of planning organisation at the State level?
- ii) What should be the composition of the planning agency at the State level?
- iii) What should be the organisational arrangements for doing planning work at the departmental level?
- iv) In what way can the technical and other personnel required be developed; and
- v) In what manner and in what spheres should non-official expertise be associated with plan formulation?

Shri Venkatappiah said that the Study Team on Machinery for Planning as well as the Administrative Reforms Commission had recommended constitution of Planning Boards in States and Planning Cells in key development departments of the State Governments. The National Development Council has not yet been able to give much thought to the recommendations made by the Administrative Reforms Commission. Speaking about the existing Boards in some of the State Governments, Shri Venkatappiah said that these were mainly concerned with coordination and implementation rather than plan formulation. He invited the participants to express their views

on the recommendations of the Administrative Reforms Commission - whether they were in favour of setting up Planning Boards of the type suggested by the Administrative Reforms Commission or they would prefer having some other arrangements.

Shri B.S. Manchanda (Planning and Finance Commissioner, Haryana)

Shri Manchanda said that it was not necessary for the States to reproduce the planning apparatus existing at the Central level. The States have an organisation which, properly guided and directed from the Centre, would be able to deliver the goods. Haryana has a Planning Board. It is a Board purely consisting of Ministers with the exception of one official. Planning-cum-political decision-making is its primary function. The State also has a Development Board consisting of Secretaries to take a periodical review of plan performance. There is also an Advisory Board consisting of non-officials and a few Members of the Legislative Assembly.

Shri Manchanda said that at the State level, Planning is predominantly financial planning. The Planning department takes a view on priorities and sectoral allocations. Programme planning is done in the administrative departments concerned. One serious defect in State Planning as is being attempted today is the lack of an overall economic view of the plan as a whole. This situation has to be remedied.

Regarding the establishment of Planning Boards of the kind envisaged by the Administrative Reforms Commission, Shri Manchanda said that opposition to acceptance of this suggestion rested on three main counts. Firstly, there is an apprehension that there would be occasions of conflicts and frictions between the Board's specialists and the departmental heads and the technicians in the departments. Secondly, smaller States with limited resources cannot afford a fullfledged expert Planning Board. And thirdly, there is the lack of suitable persons who could be appointed as Members of the Board. In his view, administrative officers with a background of development work and experience should be in a position to attend to the planning work in States.

Shri Manchanda said that responsibility for Finance and Planning being held by a common officer is a good arrangement. This way a war of attrition between Finance and the Planning department is avoided. It was not as if the question of resource mobilisation is left entirely to the Finance department. This is a very complex matter and decisions have to be taken at the Cabinet level. Haryana has a Working Group on Resources; such a Group is sometimes headed by a non-finance man, though usually the Financial Commissioner is its Chairman. The views of all the departments thus get reflected before a final view is taken, regarding mobilisation of resources.

Shri Venkatappiah intervened to say that in so far as he could make out from Shri Manchanda's remarks, in Haryana they

had organisational devices for attending to: i) decision making; ii) coordination; iii) implementation and iv) review of performance.

There were two other basic functions envisaged by the Study Team. These were: a) plan formulation and b) plan evaluation.

Shri Manthanda said <sup>that the broad</sup> approach to the Plan is provided by the Planning Commission. The approach of the States has to be broadly the same except for a little change in emphasis according to the physical resources of the State concerned. The present arrangement whereby the State Plan is finalised after an exchange of views amongst the experts in the Planning Commission, the experts in the Central Ministries and the experts and experienced administrators in States is sufficient to bring out a well-knit State Plan.

Dr. S.K. Goyal (Planning Unit, I.I.P.A.)

Dr. Goyal said that no State has yet worked out a perspective plan of its own. Sectoral Plans are often worked out in a mechanical manner. Fixation of priorities for different sectors within the State Plan leaves a lot to be desired. The pattern of spending has been more or less the same for all States. Even within agriculture, the expenditure pattern is often uniform. There is no appreciation of the private sector activity while drawing up a State Plan. Planning for Power is often attempted on the criterion of per capita consumption which has resulted in locking up of scarce capital. As regards the argument that it was difficult for the States to secure expertise of the kind required for Planning, Dr. Goyal said, that each State has a number of Universities and other

research institutions. There are persons in these institutions who, given the opportunity and the facilities, could be expected to make a useful contribution.

Shri G. Mukherjee (I.I.P.A.)

Shri Mukherjee said that it is necessary to realise that Planning is a continuous process. An administrator, however competent, cannot by himself produce a Plan. Plans have to be made by a team which will include persons from different disciplines. He said that coordination was a much sought after objective but, in practice, a thing extremely difficult to accomplish. It is better to prepare plans in such a manner that the need for coordination is substantially reduced, if not altogether eliminated.

Shri Mukherjee said that there were many items of Planning which went beyond a district and often beyond a State. Administrative history should not be allowed to project itself into Planning.

Shri S.K. Bose (Additional Chief Secretary and Additional Development Commissioner, Orissa)

Shri Bose said that the important question was whether the disciplines should be made a part and parcel of the administrative departments. He said that Shri Mukherjee was underestimating the capabilities of the departments. The question of organisation for Planning in States has to be viewed from the utilitarian point of view rather than from one of attaining structural excellence. Planning machinery at the State level has

two basic functions: i) advise the Government on a realistic basis regarding the scope and direction of the developmental efforts within a given period; and ii) properly integrate the demands of the different administrative departments. This integration must be in consonance with the resource capability of the State.

Planning cannot be independent of departmental thinking. If Planning Machinery is different and totally outside the State secretariat, its thinking may be at a tangent with the thinking in the Secretariat. He reiterated that Planning at the State level did not need technical competence of a very high level.

Shri Bose said that theoretically speaking Planning should not coincide with administrative boundaries but with geo-physical units. Such a proposition is not, however, administratively feasible because the geo-physical considerations often cut across the administrative boundaries of States themselves.

Shri Bose said that association of non-officials with the thinking on planning was a desirable objective. Unfortunately, at least in his State, non-official opinion is divided between pro-government and anti-government groups. A non-official expert generally belongs to one of these groups and as such there is little to be gained by associating non-officials with planning. He was of the view that the non-official representation might be more useful at the district level.

He said that Planning and Finance are not good partners and a permanent marriage between the two is not a desirable thing. An independent and detached view is necessary for good planning. The question of resource mobilisation should be in the hands of a group consisting of Secretaries of major administrative departments. If planning is to be combined with any other department it would be better to combine it with agriculture, as agriculture is a major development subject at the State level.

Shri Bose urged for an intimate link between Central thinking and thinking at the State level on Planning. A greater degree of mutual education would be a desirable thing. This might be better achieved through the constitution of joint teams like Teams on Agriculture rather than an exchange of technical notes.

Shri V. Ramachandran (Planning Secretary, Kerala)

Shri Ramachandran said that one of the serious lacuna in State Planning has been the lack of an overall economic approach. Proper project planning and analysis was another serious gap. This aspect of planning has not received as much attention as it should have even at the Centre. In the absence of proper project planning, intuition plays a major part in selection of projects and programmes. He stressed, the importance of developing suitable personnel for doing planning work. Our economists, he said, are mere economists, our engineers mere engineers. The inter-disciplinary approach, vital for planning is lacking. Even our economists are not trained

for the purpose of economic analysis of proposed investment. He particularly emphasised the need for identifying the major potential of each State so that efforts would be concentrated on the maximum development of that particular potential. Marginal increases in investment in all sectors are not going to be really useful.

Referring to the Planning Board recently established in Kerala, Shri Ramachandran said that the Board consisted of the Chief Minister as Chairman, the Finance Minister, four experts, the Chief Secretary and the Planning Secretary, as Members. The four experts were full-time Members. He said that it was too early to assess the success or otherwise of the Kerala experiment. In his personal opinion, while economists can take an overall view of the plan, they were hardly in a position to advise on what should be done about individual projects and programmes. The selection of proper personnel to act as Members of the Board was also an extremely ticklish issue. An eminent educationist would not necessarily make the best educational planner; the same was true in the field of agriculture

One of the difficulties that they are experiencing is that the experts on the Board want to see almost every file relating to planning. To be effective the Planning organisation must function outside the secretariat and should not try to enter into the details of what are basically administrative matters. But such an approach gives rise to a feeling among the experts that

they are being isolated.

Shri R.N. Malhotra (Planning & Finance Secretary, M.P.)

Shri Malhotra said that a purely advisory type of Board would not be of any use. In that case, project planning would have to be left to the administrative departments. An arrangement under which decisions are taken by one set of persons and only implementation is left to another set of persons is not psychologically a sound proposition. On many occasions there are bound to be conflicts between the Board and the administrative departments. There is also the possibility of dilution of the responsibility of the administrative departments. It is vital that they have a major say in the selection of projects and programmes. The type of Board contemplated by the Administrative Reforms Commission may be all right for drawing up a perspective plan but not for detailed plan formulation at the present stage of development in the States. It is quite likely that the Board would be devoting its time and energy to matters which have no immediate relevance. He was also apprehensive that the Board may start with a membership of four or five but would ultimately end up with a huge organisation as <sup>happened</sup> at the Centre.

He said that the basic weakness is mainly in the development departments. Here a good deal of strengthening is required. A comprehensive survey of natural resources including water resources was necessary. But this was not a problem which could be solved merely by setting up planning cells in departments. For this purpose,

we needed field organisations to investigate natural resources. He would strongly support the idea of setting up planning cells; but these should not be in the Secretariat departments of the State Governments. The planning cells should be set up in the executing agencies. Personnel for them may be drawn from the departments but they have to be properly re-oriented and trained for the purpose. He said that in engineering departments the planning cells may also serve the purpose of cushion against political influence.

Shri Malhotra said that in Madhya Pradesh they do not have elaborate Planning Machinery. In his view, Planning should be attended to by a full-time Secretary. He should be a senior officer who is able to carry the departmental heads and secretaries of other departments with him. He said that evaluation was one of the weakest links in State Planning. A few States have Evaluations Wings but these do not function effectively. Mostly, what goes under the name of evaluation is mere progress reporting. There is no qualitative assessment of performance. He was however of the view that evaluation to be effective must be done by the departments themselves.

Shri G. Ramachandran (Planning & Finance Secretary, Madras)

Shri Ramachandran said that it was not true that State Planning has been ineffective in all sectors. In his view, State Planning for agriculture has been satisfactory on the whole. It is

in the industrial and tertiary sectors that the States have not been able to do well. The main difficulties in this regard have been that the States do not know in advance what the Centre proposes to do in the industrial sector. An adequate appreciation of the activities of the private sector is also another factor; but to some extent this is inherent in the situation itself.

Shri Ramachandran reiterated his view that the Planning Boards of the type suggested by the A.R.C. were not suited for the States. He said that both the previous Government and the present Government in Madras had given some thought to this matter and both came to the conclusion that Planning Boards need not be set up, though for reasons altogether different. The previous Government was of the view that if the Boards were to consist purely of experts they would stifle the initiative of the administrative departments. On the other hand, if they were to consist of men of public affairs, the latter could as well be included in the State Cabinet. The present Government had set its view against the Planning Board mainly on the ground that the next Plan is going to be largely a spillover plan. Therefore, in the short run, the constitution of a Board was not going to be of any significant help. In fact, it would only raise hopes which would be difficult to fulfill.

Shri Ramachandran was in favour of establishing planning cells in major administrative departments specially for examining the cost aspect of projects and suggesting reduction in construction costs. He stressed the importance of constituting investigation

and planning circles in engineering departments.

He said that on the subject of planning and finance being attended to in one department, more than one view was possible. What is important is that both must work in close association with each other.

Shri M.K. Mukherjee (Planning Secretary, Bihar)

Shri Mukharjee explained briefly the existing arrangements for attending to planning work in Bihar. He said that Bihar has recently set up a State Planning Committee with the Minister-in-charge of Planning as Chairman and 10 officials and 8 non-officials as Members. He was of the view that the advice of eminent experts may be useful in planning. In backward States, priorities were very clear. One difficult problem was that in view of the limitation of resources the social services sector was starved.

He said that Bihar has set up Planning cells in all major departments. At the district level, there are District Committees which occasionally come up with good suggestions.

Shri H.N. Thakur (Development-Cum-Agricultural Production Commissioner, Bihar)

Shri Thakur said that in his view Planning Boards of the type suggested by the A.R.C. were not necessary. He said that in his State they have associated non-official experts with Working Groups set up in connection with the formulation of the

Fourth Plan. He emphasised that lack of adequate data and information was a serious gap. Some assistance from the Centre in this regard would be helpful.

He said that in Bihar the Development Commissioner is the principal Secretary of all development departments and this has helped considerably in ironing out differences among the different departments.

Shri B.P.R. Vithal (Planning Secretary, Andhra Pradesh)

Shri Vithal said that he broadly agreed with the views expressed by Shri G. Ramachandran. He said that it was necessary for the States to have a perspective plan of their own. This can only be done on the basis of a comprehensive study of natural resources. He mentioned that arrangements for cost calculation and economic analysis of projects need to be considerably strengthened. He cautioned against the creation of an institution like the Board under conditions of scarcity of trained staff. He said that in Andhra, they have a Resource and Expenditure Committee with the Chief Secretary as Chairman and Finance and Planning Secretaries as Members. He was of the view that other States could also try a similar arrangement for more effective examination of the question of mobilisation of resources and rationalisation of expenditure.

He said that planning cells as they exist today are merely statistical units. He was of the view that planning cells of the

Boards would carry greater weight with the political leadership. With the time and leisure at their disposal they would also be able to undertake depth studies without which perspective planning was not possible. However, there were a number of practical difficulties in setting up such Boards.

He said that it was necessary to strengthen administrative departments specially in regard to economic analysis of programmes.

Shri H.C. Dutt (Joint Development Commissioner, West Bengal)

Shri Dutt said that he was not in favour of Planning Boards. He was doubtful whether persons of the right type would be appointed on the Board. Quite likely they would be persons selected by the political executive on extraneous considerations and they might reflect the bias of their selectors. He said that a major difficulty in West Bengal was that they did not have economists and statisticians in their Planning department. The Bureau of Statistics and Economics is also not <sup>attached</sup> to the Planning Department. This is not a satisfactory arrangement.

Shri L.G. Goswami (OSD, Nagaland)

Shri Goswami explained the existing set up for planning in Nagaland. He said that Nagaland does not have experts of the kind required to set up <sup>a</sup> full fledged Planning Board. He said that planning cells exist in the Secretariat departments and in directorates of the State Government.

Dr. H.K. Paranjape (I.I.P.A.)

Dr. Paranjape said that coordination was no doubt important but it was not the essence of planning. No worthwhile planning can be attempted without a basic framework of policy. This was a matter for which no department at the State level is at present fully equipped. Planning involves a long-term integrated view of development; it also involves examining alternative ways of achieving the defined objectives. The idea of Planning Board is not so important as the need for an organisation which is capable of undertaking these essential tasks. He said that the argument that the Board might become a rival of administrative departments is somewhat misconceived. If proper persons are selected as members of the planning organisation, there is really no reason to believe that they would try to encroach upon the authority of the departments. The departmental heads, busy as they are with important day-to-day functions, are not the persons who can be expected to devote sufficient time to planning which is a full-time job. About the argument regarding scarcity of suitable persons, he said that the non-official elements, especially in Universities and the research institutions had to be given an opportunity to gain realistic knowledge; they can then be expected to make worthwhile contribution to the planning process. There is a wealth of talent in our Universities and other walks of public life which has to be tapped if planning is not to remain a purely official and administrative exercise.

SESSION - III

(20th May, 1968)

Topic For Discussion : Planning at Levels Below the  
State - the Existing Practice -  
Scope for Further and More Effective  
Decentralisation.

Session Chairman : Shri R. Venkataraman  
Member, Planning Commission.

SESSION : III

BACKGROUND NOTE:

PLANNING AT LEVELS BELOW THE STATE

The targets set in the National or State Plans acquire real meaning and sanction only when they emerge as a set of Plans with the coordinated and purposive participation of the people and their local institutions, cooperatives as well as Panchayati Raj. The necessity of Planning at levels lower than the State has become increasingly relevant for the following reasons:

i) Grass roots planning is more effective for the best use of land and manpower in sectors like agriculture, small irrigation works and rural industries;

ii) A district or a block is a compact area in which conditions are likely to be more homogeneous than in larger regions or in a whole State: it is also a readily available administrative unit for plan implementation;

iii) The State is too large an area to evoke effective popular participation in the planning process. Popular participation is required to ensure the contribution of materials, finance and labour by the population in the given area and also, to some extent, to the contribution of new ideas based on local knowledge and experience.

iv) Such planning may also be useful for strengthening the democratic system.

As a result of these considerations, even as early as under the First Five Year Plan, stress was laid on this approach to planning as may be seen from the extract reproduced below:

"Except in the smaller States, it is often desirable to prepare development programmes in terms of regions determined by physical, economic and administrative considerations. The needs and priorities of different regions as well as their potential for short-term and long-term development should be taken into account while drawing up and continually reviewing their development programmes. There is always a possibility that at the State headquarters, regional aspects may receive less consideration than they deserve. District plans are always essential, but they may gain in value, if they are also part of well considered regional plans."

It was therefore broadly indicated that District and Block plans were essential if rural development was to proceed rapidly. This was specially attempted to be done from the Second Plan onwards through a well organised democratic structure of administration within the district in which the village panchayats would be organically linked with popular organisations at higher levels.

The establishment of Panchayati Raj institutions gave a further fillip to planning at these levels. In the approach to the formulation of the Fourth Plan, the Planning Commission has thought of laying an even greater emphasis on District and Local Plans.

Why Ineffective Up to now?

The Study Team on Machinery for Planning has, in its final Report, indicated the reasons underlying the ineffectiveness of district planning as hitherto attempted. These are:

- i) lack of adequate efforts to work out an appropriate methodology for planning from below;
- ii) ambiguity as regards the scope of district planning;
- iii) selection of schemes not important from the point of view of the district; and
- iv) the absence of proper personnel to undertake these responsibilities. (para 9.21).

The ARC, in its final Report, has also pointed out that the ineffectiveness of District and Local Planning has been due to the fact that the authorities responsible for preparing the District or Block plans were not given any clear idea about the financial resources which would be made available to them. Secondly, no clear appreciation of what the District Plan should actually comprise and what should be left to the State level planning agency was available; and finally there is lack of proper co-ordination among the different implementation agencies in the district and an absence of planning expertise. (para 119).

SESSION : III

BACKGROUND NOTE:

PLANNING AT LEVELS BELOW THE STATE

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### Suggested Remedies

The Study Team on Machinery for Planning has therefore suggested that the Districts should be given in advance a firm indication of the magnitude of resources available from the State. Incentives may also be given to the Districts for attempts at additional resource mobilisation. Apart from insisting on a minimum effort for the development of social services the District planning agencies should be given greater degree of freedom to decide their own programmes of development and emphasis should be placed only on those programmes which are relevant in view of their needs and potentialities (Para 9.31). These suggestions of the Study Team have been broadly endorsed by the ARC (para 119). The Study Team further maintains that a District plan should be an integrated one for the rural as well as urban areas. No comments have been offered in the ARC's final report on this aspect.

### District Planning Machinery

The Study Team is of the opinion that it would not be practical to think of establishing planning machinery at levels lower than a District. At the same time, it suggests that Planning and Development Officers should be kept in their posts for sufficiently long periods (nearly five years) to enable them to understand the problems of an area and to establish rapport with the local population. Each District should have a whole time

Planning and Development Officer and his responsibility should be to co-ordinate all planning efforts. Special efforts should be made to involve non-official institutions and individuals in the process of planning.

#### District Planning Committee

For the formulation of a realistic and meaningful plan at the District level, it would be essential to provide adequate machinery. The Study Team suggests the setting up of a District Planning Committee consisting of the representatives of the Panchayats and Municipal Committee and a few professional experts available in the District. The size of the District Planning Committee should be kept small so as to ensure effective participation by its members and it should meet at least once in two months. The District Planning Officer should be the Secretary of this Committee (para 9.51 to 9.52).

Alternatively one could suggest the constitution of a District Planning and Development Committee comprising of the District Collector as the Chairman, and the Chief Executive Officer of the Zilla Parishad and the President of Zilla Parishad as members. The District Planning Officer may function as the Secretary of this Committee. This Committee would be the Chief co-ordinating body for the formulation and implementation of the District Plan. It will also secure the co-ordination of the plans for rural development with those for the urban areas.

The ARC in its final Report recommends that Planning at the District level should be the responsibility of the developmental set-up in the District (para 120).

#### Planning Personnel

Regarding availability of competent personnel at the District level, the Study Team on Machinery for Planning has suggested that frequent transfers should be avoided and, if necessary, proforma promotions may be given to officers. Adequate training should also be given to these officers and other planning staff. (para 9.61 to 9.62).

#### Planning at Levels between District and State

A further question that is sometimes raised is whether it would be worthwhile to have a level of planning in between the District and the State. In the case of large States, where there are significant differences in the level of development reached in different parts of the States, an attempt has occasionally been made to have some kind of special co-ordination of the plans of certain Districts belonging to a particular region. The Study Team on Machinery for Planning has suggested that co-ordinating agencies may be set up for a number of districts where there are either major projects or programmes covering them or there exist a number of special problems unique to a group of districts. (para 9.71).

For regular consultations between the Districts and the State Planning agencies, the Study Team recommends the setting

up of a State Development Council. The Council should meet at least once a year to review progress and discuss the problems of planning in the State (para 9.81).

Some of the issues which the Workshop may therefore like to consider are:

- i) Is there need for decentralisation in plan formulation? What would be the appropriate area unit for this purpose- Region, District or Block?
- ii) In what sectors, up to what extent, and in what manner can plan formulation significantly vary from district to district or block to block?
- iii) What role should these local plans play in the co-ordinated formulation of the State plan?
- iv) Is it necessary to have some kind of planning machinery at this level? If so, in what form? What kind of personnel would be required for effective planning at the District/Block level?
- v) Would the setting up of a State Development Council be useful for maintaining rapport between the State and the District planners?

SESSION - III

SUMMARY OF PROCEEDINGS

Shri R. Venkataraman (Member, Planning Commission)

Shri Venkataraman said that the idea of District planning was not new. It was put forward in the First Plan itself. In a country like ours with 80 per cent of the population living in villages, Planning cannot be meaningful unless a feeling is created among the people that something is being done for their welfare. The need for planning from below can therefore be hardly questioned. There are however a number of practical problems. Past experience shows that any attempt of planning at the block and the district levels results only in a long list of the local needs and demands with the result that it ends up with a petition of demands. If this is related to concrete possibilities, things can however be much improved. He referred to the experience of Industrial Seminars in Madras in this regard.

Shri Venkataraman said that total planning implies total control. In the absence of a total control over social life, it was not possible to plan every aspect of human life. Our control over the private sector was next to nothing. This only goes to show how difficult it is to successfully operate the idea of district planning. Nevertheless local people have to be associated with local planning and ways and means have to be devised for making this possible. The issues to be considered are: (i) what

is the nature of a local plan; (ii) what are the functions of a local area in so far as planning is concerned and (iii) what exactly should be the authority for decision making at the local level.

He said that in the past no co-ordinated or well thought out plan for the District has been possible. At best only ad hoc schemes have been pieced together. Local disputes have made the matters worse.

Shri Venkataraman said that in his view the proper unit for local planning should be a District rather than a block or a Taluk. Anything smaller than a District would not have an impact on local population and anything larger would be too unwieldy.

He said that some States have District Development Councils; others have Zilla Parishads. These are non-official bodies. It is doubtful whether they would be prepared to sit down and draw up a Plan, whether they have the competence or the time to do so. At the same time, it was not possible to think in terms of having an elaborate official machinery. The best arrangement would therefore be that each District has a Planning and Development Officer who prepares the Plan and puts it up to the Zilla Parishad. Plans so framed and properly coordinated at the State level might give fruitful results. The next question to be considered is the scope of District Planning. A fairly comprehensive assessment of the physical resources of particular District is the first

pre-requisite. The importance of voluntary contributions can hardly be overemphasised. Experience however indicates that in the past much of what was put forward as voluntary contribution was so on paper alone and more often than not the estimates were inflated. We can ill afford to repeat these mistakes. Local participation therefore has to be real and substantial.

Shri Venkataraman said that the larger States which have regions having the same or similar conditions could also be identified and regional authorities may be set up to formulate Plans for these regions. He referred to Maharashtra's experience of a regional financing institution and a regional board for industries.

He said that a State Development Council for the purpose of checking upon implementation in physical terms may be useful. The Madras Cabinet used to function as State Development Council and review plan performance every quarter. All major departments used to send information regarding implementation on a regular basis and this facilitated a closer watch on implementation. If larger responsibilities are to be entrusted to the District authorities in the field of Planning, it would be necessary for the State to have arrangements whereby a watch can be kept on the activities in the District. It is necessary that a review of plan implementation in Districts is made at least once a quarter.

Shri G. Mukherjee (I.L.P.A.)

Shri Mukherjee said that the problems of urban development have been totally neglected in our Planning so far. He stressed

the need for evolving composite plans for the District as a whole with proper dovetailing of the plans of municipal authorities.

He said that while to begin with the aim could be to secure greater popular participation at the District level, the ultimate end should be to reach the villages and build up public opinion there. Without a widespread awareness in the whole breadth and length of the country, planning cannot succeed. He said that District Planning Organisation should have two parts, one comprising of the elected representatives, and the other of technical persons. The latter should provide material to the elected representatives on the basis of which they should select plan programmes for implementation in the District. Guidance to the District Planning authorities must come from the State level Planning agency so that the priorities in the State Plan are not distorted by a haphazard approach at the District level. While at the initial stages, the District authorities should be given complete freedom to formulate their programmes in a manner they think best, without a proper coordination of such district Plans at the State level the whole planning effort will be lopsided.

Shri Mukherjee said that too much emphasis has been laid on ensuring a flow of information from below. It was necessary to place equal emphasis on similar flow of intelligence from below. At least for better implementation of the plans, popular participation is very vital.

Shri C.S. Ramachandran (Programme Adviser, Planning Commission)

Shri Ramachandran said that at the last meeting of the Planning Secretaries held in December 1967, Planning Secretaries of State Governments had generally expressed the view that at the present juncture District Planning would only raise false hopes which we may not be able to fulfil.

Shri I.D.N. Sahi (Additional Secretary, Department of Community Development)

Shri Sahi said that the failure of District Planning has been due to the fact that we have so far paid only lip homage to the concept of District Planning. He was doubtful whether we have been really in earnest. We do not have even a Panchayati Raj or District Plan sector in our Plans. He said that District Planning can never be successful unless we give up the idea of dispensing patronage. We have to nourish and foster the institutions of democratic decentralisation; we have to trust their bonafides and ability.

He said that despite all our exhortations and lip service to the idea of democratic decentralisation, we are not yet clear in our own mind as to what a local plan should comprise of. A certain amount of improvisation and experimentation is necessary because we do not have sufficient experience in this regard. To begin with we must strive earnestly at least on a pilot basis.

Shri H.N. Thakur: (Development-cum-Agricultural Production Commissioner, Bihar)

Shri Thakur said that the experience of Bihar was that blocks

attached to agricultural colleges had done well. The area development approach has revolutionised at least the agricultural sector in areas where the programme has been introduced. He emphasised the need for appropriate surveys of industrial resources of the Districts so that a meaningful District Plan could be drawn up. A land use map for each District needed to be drawn up. He was however doubtful whether District Planning on any significant scale could be attempted in the Fourth Plan as the time for doing so was now extremely limited.

Shri V. Ramachandran (Planning Secretary, Kerala)

Shri Ramachandran said that in Kerala for the last 10 years successive State cabinets have considered the question of democratic decentralisation but none has yet been able to decide upon the degree of such decentralisation. He was of the view that unless we create statutory bodies, define the fields in which they will plan and define the resources that they will have, the idea of District Planning would remain a mirage. He said that our entire structure of finance is based on non-correspondence of functions and resources. Most of the problems of Planning arise out of this non-correspondence between resources and functions. It would be useful, he said, if a part of the State revenues are set apart for the purpose of District Planning. He said that Kerala is contemplating comprehensive legislation on this subject. For the time being, they have however decided not to attempt any district or local planning

but effective planning at the State level after taking into account the local conditions and needs.

Shri B. Venkatappiah (Member, Planning Commission)

Shri Venkatappiah said that Planning at the District level should be selective. Rural electrification, rural roads, intensive agricultural programmes, agricultural production, fisheries etc. are some of the programmes which can be purposefully planned and implemented at the District level. Concrete steps will become apparent only after a careful study of the local resources and needs. It should be possible to classify the Districts according to the incidence of rainfall, existing irrigation facilities, etc. A similar classification can also be made in respect of dry lands. The nature of programmes which different districts can take up usefully would thus differ from District to District. There cannot therefore be a uniform concept of District Planning.

Shri G. Ramachandran: (Planning and Finance Secretary, Madras)

Shri Ramachandran said that there were severe limitations on Planning even at the State level. It would therefore be wrong to expect too much by way of District Planning. He also said that before a District Plan is drawn up, it would be necessary to identify specific programmes in each sector which the Districts can take up with advantage. But this should be done only after the State Plan is more or less finalised and resources which can be set apart for the Districts are fairly known. Experience also indicates that control over spending at the District level is

absolutely necessary. He said that he had no doubt that District Planning, within the limitations that he mentioned, was not only desirable but also possible. But he was not sure whether the administrative departments at the State level would be prepared to loosen their grip on the Districts which means that they would also have to be prepared to shed a lot of power and patronage. It was also necessary to be clear as to what sources of revenue can be made over to the District authorities. Barring entertainment tax and the property tax (which is by and large static), even the urban municipalities do not have flexible source of revenue. It was therefore first necessary to remedy the situation of non-correspondence between resources and responsibilities before we think of attempting District Planning on any substantial scale.

Shri S.K. Bose (Additional Chief Secretary and Additional Development Commissioner, Orissa)

Shri Bose said that programming, which comes after plan formulation, should be with popular participation, but not plan formulation itself. The next question was whether local participation only meant elected representatives or it should be extended to include the non-official elements also. In the latter case difficulties were bound to arise as the elected leadership might be at logger-heads with the non-official opinion. Thirdly the spheres of activities to be left to district planning authorities would have to be very carefully selected. He referred in this connection to the unhappy experience in his State when some

district authorities upgraded the schools with undesirable consequences. Within these limitations, he said once the plan is formulated, resources known and priorities fixed, detailed programme formulation and implementation could be done with local participation. At the same time, this imposes a greater responsibility on all concerned as any programme formulated with people's participation, if not properly implemented, would result in frustration.

Shri R.N. Malhotra (Planning and Finance Secretary, Madhya Pradesh)

Shri Malhotra said that there is a severe limitation on the resources of local bodies. He specially emphasised that planning for social services and roads should not be left to districts; these are costly items. Under the present circumstances greater scope for meaningful district planning lay in the field of agriculture. The constraint of resources is not so great in this sector as the co-operatives are by and large in a position to cater to the needs in this regard. He stressed the importance of proper co-ordination of agricultural planning with the co-operative agencies at the district level. Planning for the rest of the sectors should be done at the state level.

Shri H.C. Dutt (Joint Development Commissioner, West Bengal)

Shri Dutt said that the district development councils (now abolished) met infrequently and made recommendations most of which were not accepted. The Zilla Parishads now formed are yet to be

fully involved in planning. As there is little time left for the finalisation of the Fourth Plan, there is little scope for thinking in terms of district planning in the immediate future.

Shri B.P.R. Vithal (Planning Secretary, Andhra Pradesh)

Shri Vithal said that his Government decided to have a local sector in the plan at the time of the formulation of the State's memorandum on the Fourth Plan. About one-sixth of the plan outlay was earmarked for this purpose. Blocks were classified as advanced, middle and backward and tentative allocations were made to them on this basis. The plans prepared by the blocks exceeded the figure earmarked only by ten per cent. Generally speaking, less was provided for Agriculture. Subsequently, however, this was not acted upon when Annual Plans were formulated.

Shri Vithal said that district planning officers were appointed. The schemes that came up were just replicas of the old schemes. Officials in charge of planning at the district level need to be properly trained. He was of the view that the district is an appropriate unit for planning and the block for implementation. He felt that in view of the short time left for the finalisation of the Fourth Plan, not much of district planning was possible at this stage.

Shri V.S. Bhat (Deputy Secretary Planning and Social Welfare, Mysore)

Shri Bhat said that scope for district planning is very limited as nearly eighty per cent of the State plan outlay is

outside the districts. He felt that so long as uncertainty continued regarding the size of the State Plan, it was difficult to indicate to the districts how much they are going to get.

Shri M.S. Mogra (Progress Officer, Rajasthan)

Shri Mogra said that district plans were prepared in Rajasthan at the time of the formulation of the memorandum on the State's Fourth Plan. These were later on shelved. Now that there was little time left for the formulation of the Fourth Plan, district planning was not possible in the near future.

Dr. H.K. Paranjape (I.I.P.A.)

Dr. Paranjape enquired whether the work done on district plans for the old Fourth Plan was so out of date that no use could be made of it. He thought that there may be some scope to draw upon them, albeit with some modifications. (A participant pointed out that it was possible to do so; but in the meantime governments in States had changed).

He emphasised a co-ordinated approach in urban-rural development. In certain activity areas, local knowledge is important for formulation of appropriate local programmes. A land use plan as also a properly integrated agricultural plan for each district can and should be drawn up taking note of the special features of the district. In the case of schemes in education and health, the scope for variation was limited. While powers to upgrade schools cannot and should not be delegated to district and lower

authorities, it should be possible to carefully select a number of schemes in the social services sector which can be left to district planning authorities.

He was of the view that popularly elected bodies should be able to raise more local resources. If an understanding is given that contributions raised in the area would be spent in that area, it was possible that more local resources would be forthcoming.

He disagreed with the view that a district plan should be formulated only after the State Plan has been decided upon. A district plan need not and should not essentially be a financial plan. It was to be formulated with reference to the possibilities of physical development of each district. He felt that frequent transfers of district level officials was one of the main factors coming in the way of forging a well-knit development and planning team possessing a good understanding of the local needs, resources and aspirations.

Shri R. Venkataraman (Member, Planning Commission)

Summing up the discussion, Shri Venkataraman said that a district plan to be purposeful has to be a selective plan, the contents of which would differ from district to district. A district plan cannot be an overall plan in the same way as a National Plan or to a lesser extent, the State Plan, is. Certain types of activities that can profitably be planned at the district level

are: rural roads, rural credit and marketing, rural electrification, agricultural production, rural industries and so on. Potentialities of each district have to be studied and district plans proposed in the light of such studies have to be properly correlated to those of neighbouring districts.

He was of the view that despite practical difficulties, involvement of local people in planning for their areas was psychologically a desirable thing. He said that we should not allow political difficulties to overwhelm us; after-all we have to find solutions within the existing political framework.

He also emphasised the necessity of co-ordinated rural-urban development. Subject to their competence and resources, he was in favour of permitting greater freedom and opportunity to district authorities for planning in defined spheres.

SESSION IV  
(21st May, 1963)

Topic for Discussion:

Arrangements for Evaluation of Plan  
Implementation; Use of Evaluation  
Studies for Better Planning.

Session Chairman:

Shri B.D. Nag Chaudhuri,  
Member, Planning Commission

## SESSION IV

### BACKGROUND NOTE

#### ARRANGEMENTS FOR EVALUATION OF PLAN IMPLEMENTATION

Lack of comprehensive, timely and continuous evaluation of plan performance has been one of the weakest links in our planning process. Preparation of the Five Year Plans, and especially the annual plans, has suffered greatly because of inadequate appraisal of the actual working of the plan. In the absence of efficient progress reporting and purposeful and timely evaluation of plan programmes and policies, the tendency has been to rely almost entirely on achievement of financial outlay targets which, as experience has shown, is a poor measure of real plan-performance. Appropriate remedial measures aimed at revisions in the current plan, in the light of the developing situation, have not been usually possible because of inadequate arrangements for evaluation. Implementation of the Plan has also suffered because of the inadequate coverage of evaluation, the delay in taking up evaluation of programmes well in time (with the result that sometimes it became almost entirely a post-mortem) and the time lag between the completion of field work and finalisation of the evaluation report, which meant that lessons could not be learnt in time. Lack of purposeful and timely follow-up of the evaluation results detracted from the usefulness of even those studies which had thrown up valuable pointers and suggestions. Plan Evaluation has received very inadequate attention in most States. The Evaluation Unit has been usually starved of funds

and personnel, its status has been low and authorities have usually been reluctant to permit scientific evaluation of the more significant parts of the Plan.

The Study Team on Machinery for Planning as well as the A.R.C. have recommended the constitution of a full-fledged evaluation wing in the Planning Commission and strong evaluation units in State Planning Boards. (Study Team Report paras 2.131 & 8.63 and recommendations No.22(1) and 24(1) of the ARC). They have charged the Planning Commission at the Centre and Planning Boards in States with responsibility of submitting an annual appraisal report to the respective legislatures within six months of the completion of the plan year. (Para 2.172 Report of the Study Team and Recommendation No: 21(2) of the ARC). They have also recommended that Evaluation Report should also be placed before the concerned legislatures.

Strengthening of institutional arrangements for evaluation is, however, only one aspect of the problem. The reporting and information systems have to be greatly improved so as to ensure regular and uninterrupted flow of information from the executing agencies to the Planning Boards. It is necessary to think in terms of concrete steps and organisational arrangements designed to improve the information system. In so far as States are concerned, it is also necessary to devise measures to obtain data regarding the progress in the private unorganised sector, especially in the field of small scale and village industries.

Other issues to be considered are the scope and content of evaluation in States, and the relationship between the Evaluation Wing of the Planning Commission and evaluation units in the State Planning Boards. The Working Group on Evaluation in States, set up by the Planning Commission a few years back, has made detailed recommendations on this subject. A copy of the summary of the Working Group's Report is enclosed. Both the Study Team and the ARC have suggested that the Evaluation Wing of the Commission should undertake certain studies, on a sample basis, in fields ordinarily falling within the jurisdiction of States. (Study Team Report para 2.152 and Recommendation No. 21(2) of ARC). The Study Team has spelt out the functions the Commission's Evaluation Wing should perform to help and guide State Units. (para 2.153).

One important point that needs to be specially emphasised in this connection is that no worthwhile appraisal is possible without proper programming and scheduling of projects, before their inclusion in plans. This has been a major lacunae in our planning. Only if one starts with a precise definition of what is to be attempted, would it be possible to make a real appraisal!

The next important problem is that of utilisation of the evaluation results. The responsibility in this regard has primarily to be that of the units concerned with plan formulation and implementation. However, if experience is any guide, this does not always materialise in practice. Organisational arrangements have to be thought of which would provide for deliberation and action on the findings of evaluation.

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\* not enclosed.

**The main points for discussion are:**

- i) What purposes should Plan Evaluation be expected to serve? How far has the P.E.U. of the Planning Commission served these functions? Have the States found P.E.O. reports useful?
- ii) In the light of the above, what should be the specific functions that an Evaluation Organisation should perform?
- iii) For the effective conduct of these functions, how should an Evaluation Organisation in a State be organised?
- iv) What organisational and other steps should be taken to ensure that Evaluation findings are utilised in the best possible way?
- v) What should be the relationship between the Central and State Evaluation agencies?

SESSION -IV

SUMMARY OF PROCEEDINGS

Shri B.D. Nag Chaudhuri (Member, Planning Commission)

Shri Nag Chaudhuri said that the term evaluation was popularly used to denote a number of activities. Of these three were relevant to the discussion: progress reporting, concurrent evaluation and terminal evaluation. He suggested that the Workshop should concentrate on these.

Shri S.K. Bose (Additional Chief Secretary and Additional Development Commission, Orissa)

Shri Bose said that evaluation is a logical corollary to the concept of planning. It has therefore to be related to the planning machinery itself. For this purpose his Government had made the evaluation unit a part and parcel of the Planning and Co-ordination department. It has thus been freed from the bias of administrative departments. It is fed with data by the Bureau of Economics and Statistics which also is under the control of the Planning and Co-ordination department. The Bureau is a well-developed organisation capable not only of collection of data but also of their interpretation and analysis.

Shri Bose said that while evaluation has to be independent, no evaluation study completely divorced from the administrative realities can lead to purposeful results. They have therefore a Research Guidance Group consisting of the Director of Evaluation, the Director of the Bureau of Economics and Statistics, a representative of the concerned department and officer in charge of implementation of the

project to guide specific evaluation studies. The results of the studies are presented in the shape of technical papers. He was of the view that evaluation reports should be published without any commitment on the part of the Government about the findings having been necessarily accepted by Government.

Shri Bose said that absence of uniform techniques, concepts and indicators for evaluation purposes was a serious defect. Unless this is removed, inter-state experience cannot be properly evaluated and useful lessons drawn. A technical committee should be appointed to go into this problem. He emphasised the need for avoiding transfer of evaluation personnel at least within a given period. He was also of the view that there should be a free exchange of evaluation experience and information between the Centre and States and among States themselves.

He said that the studies of the P.E.O. have been helpful. But their usefulness has become limited because P.E.O. has started living in an ivory tower and has lost contact with realities at the field level. P.E.O. has not attempted to involve States in evaluation work in any significant way.

Shri Bose stressed the importance of associating non-official elements in evaluation work. In this manner, public opinion and thinking can also be built up and people educated and informed.

Shri H.C. Dutt: (Joint Development Commissioner, West Bengal)

Shri Dutt said that P.E.O's reports have certainly been useful but they do not go far enough in so far as States are concerned.

Number of cases studied in each State have been too few to make any significant contribution.

He was of the view that concurrent evaluation is more important. Continuous scanning helped results being fed back into the system for timely correction. Persistent deviations could be selected for a deeper probe. He was not in favour of publishing the evaluation reports, except in special cases.

He said that the Director of Evaluation should first make a report to the Head of the Department concerned. They could then sit together and decide in what manner the defects noticed can be set right. The Director of Evaluation should be responsible to ensure that the recommendations made are pursued and implemented; if necessary, decisions of the Cabinet may be obtained to facilitate speedy implementation of the recommendations.

Shri Dutt said that terminal evaluation was necessary for better future planning. Only the more important among these studies should be published.

He was of the view that a centralised evaluation agency cannot be very effective. He was in favour of setting up evaluation cells in departments.

He said that West Bengal has a Director of Evaluation but he did not have sufficient staff support. The coverage of studies has therefore been very inadequate.

Shri H.N. Thakur (Development-cum-Agricultural Production Commissioner, Bihar).

Shri Thakur said that there can be no two opinions on the need

for sustained evaluation. Evaluation organisation in Bihar, he said, has been extremely weak. It was initially a part of the Planning department but was later on transferred to the Finance department.

He felt that evaluation could not be improved unless the present information and reporting systems were themselves significantly improved. Most of our evaluation so far has been in the nature of ex-post-facto probe; there has been little of concurrent evaluation. In addition to an Evaluation Wing, he favoured constitution of evaluation cells in departments. He put forward the suggestion of having a control room to keep constant watch on performance.

He said that the main hurdle in the way of the States organising evaluation work on a comprehensive basis was the lack of resources. He urged that Evaluation in States should be a Centrally sponsored scheme with 100% Central assistance outside the State plan ceiling.

He felt that the existing rapport between the P.E.O. and the States was inadequate. There has to be much greater and continuous dialogue between the two.

Shri M.S. Mogra (Progress Officer, Rajasthan)

Shri Mogra said that the department of evaluation in Rajasthan was originally a part of the Cabinet secretariat. Most of the reports pertained to democratic decentralisation. Now the evaluation unit is a part of the Planning department. The unit has adequate staff. He said that generally the administrative departments look upon the evaluation reports as unwarranted criticism of their performance. To avoid this, they are now associating an officer of the concerned

department with the evaluation study relating to that department. Monthly, quarterly and annual progress reports are prepared. Annual reports are placed before the State legislature.

Shri A.R. Siddiqi (Planning Secretary, Uttar Pradesh)

Shri Siddiqi said that the Directorate of Evaluation in Uttar Pradesh is a part of the Planning department. It is headed by a Director who is also ex-officio Joint Secretary to the Planning Department. There is a high level Evaluation Board comprising of Ministers, Officials and a few non-official experts to decide the programme of evaluation and to scrutinise the evaluation reports. The evaluation report is first sent to the concerned administrative department and then finalised in the light of the latter's comments. It then goes before the Evaluation Implementation Committee of departmental secretaries. The head of the concerned department has to explain to the committee why a particular recommendation cannot be implemented. The decisions taken by the committee are final. Action taken is reported to the Evaluation Board. Shri Siddiqi said that the State's Directorate of Evaluation has made a large number of studies which have been found very useful for correcting mistakes and also for better future planning.

He said that evaluation officers are recruited through the State Public Service Commission and not drawn from departments. This has ensured continuity. It is proposed to further strengthen the Directorate.

Speaking on arrangements for progress reporting, Shri Siddiqi said that each departmental Secretary holds a monthly meeting with heads of departments at which a careful review is made both of financial and physical performance. A similar review is made every quarter by the Planning Secretary along with all development Secretaries. As a result of such reviews, some studies are referred either to the Directorate of Evaluation or the State Planning Research and Action Institute. The Bureau of Economics and Statistics is also a well-organised institution.

He said that though the reports are not published, orders of government and the decisions taken are usually published. If A.R.C.'s recommendation regarding submission of appraisal and evaluation reports to legislatures is accepted this objective would be fully met.

Shri M.K. Mukharjee (Planning Secretary, Bihar)

Shri Mukharjee stressed the importance of continuous performance audit in engineering departments. He also wanted a periodical review of what was happening in the private sector which, among other things, would also help comparison of achievements of the public and private sectors.

Shri Anand Sarup (Deputy Secretary, Planning Commission)

Shri Anand Sarup said that the main problem is lack of adequate understanding of what evaluation means and the methodology of evaluation. As yet no method of selection of projects for evaluation has been evolved. Evaluation has to be process-oriented; mere ex-post-facto probes would not suffice.

He was in favour of publishing the evaluation reports. Widespread circulation of evaluation reports can sensitivise the departments so that at least a few will get exercised about the findings of the reports. He was against the evaluation unit being tied to the Bureau of Economics and Statistics, because the latter of necessity is preoccupied with routine day-to-day work and maintenance of statistics.

Shri Anand Sarup was of the view that adequate formal mechanism exists for a proper interaction between the P.E.O. and the States.

Dr. H.K. Paranjape (I.I.P.A.)

Dr. Paranjape said that it would be worthwhile to make a clear distinction between different types of functions which often got mixed up. First is progress reporting, which is in the nature of feeding information, at fixed intervals, to the concerned administrative departments and the planning agency as to how a particular programme or project is actually shaping. Second is the appraisal of the over-all progress of development that is planned for the State or the country as a whole, with a view to drawing broad conclusions for revisions, if necessary, in plan programmes and policies. Third is the evaluation of performance of particular projects and programmes, with reference to original cost and time schedules, efficiency norms etc. so as to improve performance and help better formulation of projects in future. Obviously progress reporting is the task of those in charge of implementation of projects and programmes, with the planning agency keeping a track of actual developments. Evaluation,

however, is an independent function and has to be carried out by an agency which is not involved in implementation.

Dr. Paranjape said that plan appraisal has been weaker than evaluation. It has been a most neglected function even at the Centre. The so-called 'Mid-term Appraisal of the Third Five-Year Plan' was not critical enough. Reluctance to acknowledge failures and unjustified fear of embarrassing the Government seem to have made objective examination of the causes of failure difficult. But without this hardly can any useful remedial measures be suggested. There was no full appraisal of the Second and the Third Plans. The A.R.C.'s recommendations in this respect, therefore, need to be followed up.

As regards evaluation of projects and programmes he favoured the C.O.P.P. approach of constituting Study Teams. This system has the advantage of getting together an assortment of experts and administrators who by virtue of their experience and background are best suited to evaluate a particular project. Guidance committees have to be different for different projects. Only a core of permanent staff need be there.

The findings of evaluation studies, Dr. Paranjape said, should be immediately published. After all it is not a P.A.C. kind of document but an expert study.

Shri V.M. Bhide (Joint Secretary, Planning Commission)

Shri Bhide said that sometimes legislative committees are appointed for the purpose of evaluation. This was not appropriate as such committees are not suited to undertake evaluation studies. Plan appraisals have suffered because of lack of timely and adequate

flow of information. Even completion reports on projects are sometimes not available after five or even ten years after the projects are commissioned.

He said that proposal for 100% Central assistance for evaluation work would be considered by the Planning Commission; but not many States have availed the existing facility of 50% subsidy. He was of the view that evaluation reports should be published.

(Shri H.N. Thakur intervened to say that quite a few schemes like investigation cells in irrigation departments were accepted by States when they were made Centrally sponsored schemes with 100% assistance)

Shri S.K. Bose (Additional Chief Secretary and Additional Development Commissioner Orissa)

Shri Bose said that the proposal of annual appraisals is impracticable. It will impose too great a burden on States. There should be two appraisals, one mid-term and the other for the Plan as a whole.

Shri C.S. Ramachandran (Programme Adviser, Planning Commission)

Shri Ramachandran said that mid-implementation appraisal of projects, especially the major projects, is absolutely imperative. A few such studies have been made in the case of Rajasthan Canal.

Shri Anand Sarup (Deputy Secretary, Planning Commission)

Shri Sarup said that the manner in which schemes got selected and approved is itself a built in handicap for proper evaluation. Aversion to criticism, however constructive, is another stumbling block. He said that a study should be made of how the programmes are selected for inclusion in the Plans.

Shri G. Mukherjee (IIP)

Shri Mukherjee said that arrangements for keeping a day-to-day watch on progress should be built into the administrative structure devised for implementation of projects. Plan making, plan approval and plan implementation is a continuum. Plan evaluation has to be contemporaneous with implementation. He was of the view that for terminal evaluation it may be useful to associate outside experts.

He said that he was associated with the Uttar Pradesh Evaluation Board and was very much impressed with U.P.'s experience in this regard. Often the Board took spot decisions of a very valuable kind. He thought that other States should study the U.P. pattern.

Shri P.K. Mukherjee (Chief, PEO, Planning Commission)

Shri Mukherjee said that it was heartening to learn that importance of evaluation as an integral part of the planning was widely recognised. In a big country with considerable diversity of conditions the scope of activities of a central evaluation agency was necessarily limited. PEO's studies can provide broad indications, but detailed evaluation studies have to be undertaken by the State themselves. Need for decentralisation comes out of PEO's own experience. In this connection it would be useful if the States take steps to implement the recommendations of the Working Group on Evaluation in States. From what he had heard, the U.P. experiment also seemed to be worthy of study and emulation by other States.

He said that the present system of progress reporting is

extremely weak. A system has to be evolved to provide for an uninterrupted flow of information. While terminal evaluation was important, it is necessary to arrange for evaluation simultaneous with implementation with a feed-back of results so as to make timely corrections. This is important as it was widely recognised that implementation of our plans has been tardy, more so at the district and block levels.

Shri Mukherjee said that a full-fledged evaluation wing is being organised in the Planning Commission. Perhaps a similar pattern could be adopted by the States. He emphasised the importance of developing proper evaluation personnel. The FRAI in U.P. had been able to devise a certain pattern of training. The PEO also has been organising training courses for State evaluation personnel. He urged the States seriously to consider the staffing pattern. It is necessary that the evaluation organisation is headed by a technical officer well-versed in evaluation methodology and techniques.

He said that he was fully aware of the limitations of the PEO. But every effort is made to ascertain the views of the States and accommodate their suggestions before undertaking evaluation studies in those states. Before studies are launched the State Directors of Evaluation are consulted. PEO's resources are however limited and not all that states want it to do is possible. Also isolated studies on an ad hoc basis cannot be undertaken by the PEO even if from the point of view of a particular State they may be important. The Planning Commission can undertake only the evaluation of programmes of an all-India character.

He said that he could not understand what was meant by saying the evaluation reports should be technical reports. They are not in the nature of research studies. They have to be purposive, fruit-bearing and forward-looking. They have to be correctional and not inquisitorial.

Shri B.S. Manchanda (Planning and Finance Commissioner, Haryana)

Shri Manchanda said that evaluation is an area in which States have to put in a lot of effort. He urged a better rapport between P.E.O. and the States. He emphasised the importance of follow up action which has been extremely unsatisfactory so far.

Dr. H.K. Paranjape (IIPA)

Dr. Paranjape said that it is a widely shared view that adequate liaison does not exist between the Centre and States in the field of planning. The Study Team on Machinery for Planning had, therefore, recommended the institution of Deputy Programme Advisers at the headquarters of each State. This recommendation, if accepted, may go a long way in improving communication between the Centre and States in the entire field of planning including evaluation.

SESSION V

(21st May, 1968)

Topic For Discussion:

Steps to carry this Discussion  
Further

Session Chairman:

Shri B.D. Pande, Secretary,  
Planning Commission

SESSION -V

SUMMARY OF PROCEEDINGS

Shri B.D. Pande: (Secretary, Planning Commission)

Initiating the discussion Shri Pande said that this was an open session in which the participants were at liberty to raise any questions that were of special interest to them and the difficulties, if any, the States were experiencing in planning.

Shri S.K. Bose (Additional Chief Secretary and Additional Development Commissioner, Orissa)

Shri Bose said that non-availability of data for planning purposes was a matter of serious concern. A dialogue for determining an anticipatory schedule of data for the Fourth Plan may be useful. Concurrent collection of data by National Sample Survey could also be thought of. Secondly, easy accessibility of Central agencies, like the P. E.O., to the States is of paramount importance. A two way flow of ideas and knowledge between the Centre and States has to be ensured. He said that abstract, academic selection of subjects by the P.E.O. and C.O.P.P. for evaluation are not of any great use to States. Evaluation studies must be utilitarian. A regional selection of subjects may be more useful.

Shri B. Q. Pande

Shri Pande said that he would explore how far the NSS could help in concurrent collection of data for the Fourth Plan. As

regards evaluation studies, he said that very few States make concrete suggestions; these would be welcome. P.E.O. was fairly well organised to undertake studies of rural programmes and other socio-economic studies. It was not equipped to take up detailed project evaluation of a technical nature. He assured that any knowledge in the Planning Commission or the Central Ministries which the States consider useful would be freely available to them.

Shri V.M. Bhide (Joint Secretary, Planning Commission)

In response to the point raised by some participants regarding the non-availability of reports of the P.E.O. to States on a regular basis, Shri Bhide said that all such reports are sent to Directors of Evaluation in States. In future these would be sent to Planning Secretaries also.

Shri B.S. Manchanda (Planning and Finance Commissioner, Haryana)

Shri Manchanda said that the Planning Commission wants information from States in such details and in so many proforma and schedules that the volume of paper work has become alarming. There are scores of statements prepared and sent to the Commission and Central Ministries which are hardly looked into by them. There is considerable scope to reduce the voluminous paper work.

Shri B.O. Pande

Considerable form-filling was a result of innumerable patterns central assistance. With the reduction in the number of such schemes paper work would be reduced to some extent. He said that the Commission would try to simplify procedures so as to reduce the burden of

paper work in the States. Agriculture is a sector where a lot of form-filling is at present required to be done. He said that he would request the Union Agriculture Secretary to look into this problem.

Shri M.S. Mogra (Progress Officer, Rajasthan)

Shri Mogra said that Central Ministries have started asking for too much information separately. Many times they ask for the same information which is already supplied to the Planning Commission.

Shri A.R. Siddiqi (Planning Secretary, Uttar Pradesh)

Shri Siddiqi said that the Planning Commission had suggested an 11% return on electricity undertakings. Electricity rates differ from State to State and there is a reluctance to raise the rates where they are low. He wanted it to be looked into whether the Centre could not ensure some uniformity by imposing a suitable surcharge.

Shri B.D. Pande

Shri Pande said that the Commission has been trying to persuade the States to follow a uniform policy, not only in regard to electricity tariff but also about irrigation rates and sales tax.

Shri V.S. Bhat (Deputy Secretary, Planning and Social Welfare, Mysore)

Shri Bhat said that often the Central Ministries, especially those concerned with social services, tried to pressurise the Planning Departments in States by writing directly to their counterparts in States urging them to follow the national pattern of spending envisaged in the National Plan. This created friction

between the Planning Department and other departments which quoted chapter and verse from the Central Ministries' communications whenever the Planning Department tried to allocate resources in a manner thought best in the over-all interest of the State.

CONCLUDING SESSION

(21st May, 1968)

Address by Shri Asoka Mehta, Union Minister  
of Petroleum and Chemicals and Social Welfare.

CONCLUDING SESSION

Address by Shri Asoka Mehta, Union Minister of Petroleum and Chemicals and Social Welfare - A Resume

Shri Mehta said that planning has meaning and relevance only if one keeps the country as a whole before oneself. He deplored the growing intolerance towards the Central Sector in the last three years. Diversion of resources from the Central sector to the States Sector would be disastrous, he said. The whole problem of external resources requires a well-thought-out plan which is not directly the responsibility of States. The States cannot grow at the expense of the Central Plan.

He said that dynamism of development resides mainly in three areas:

- i) A revolution in agriculture; ii) diffusion of skills and
- iii) deepening and diversification of the structure of the economy.

In this stupendous task the officials have an added responsibility of providing an insight and understanding to the political executive about the rationality of Central programmes in the larger national interests. Many small countries in the world which have their plans have started realising that planning merely at the national level is not enough. The economic imperatives have forced them to look for regional viability beyond their national frontiers. Fortunately, we as a country are a viable unit; but we have to think in terms of the country as a whole. Economies of scale dictate expansion rather than too many small units. Modern technology demands ever-increasing size

of the unit. Each of our States, however, wants to have a heavy industrial plant of its own. The N.D.C. tends to become a forum for pressing the States' individual demands. At this mid point in our development, a conscious awareness of the essential rationality in planning is of pervasive importance.

Shri Mehta said that every State in India has a profile of its own. Planning must bring out and develop the distinctive profiles of the State economies. Unfortunately, this has not been done. Perhaps the IIPA could establish a Unit to study this problem on a continuous basis. The profile is not static; it would keep changing from time to time. Planning is sponsored development; development cannot be purposeful without research and rationality.

He said that successful planning presupposes: i) a dedicated direction in administration and ii) an awareness in the key sections of the population. Planning involves intelligent and rational choices. Decisions taken arbitrarily or on the strength of personalities would cut at the very root of planning.

Shri Mehta said that revolution in agriculture demands effective water management. In our country water is a scarce commodity and yet we waste it. Co-operation is not merely a moral or social instrument. It is an efficient instrument. We have not been able to put this precious idea across to our people. We have reached a stage in our development where contours of thought and behaviour have to be changed. Limited resources compel us to have better understanding of the problems and show greater efficiency in tackling them.

He said that whether the States have a Planning Board or not is of no consequence whatsoever. Personally, he was not in favour of the idea of Boards. It was, however, necessary to involve non-official elements in the plan formulation process. Universities could be usefully involved in this as well as in evaluation. It is necessary to identify people who are prepared to do work for its own sake. He said that we think everything important except time. We show our knowledge and authority by putting an extra hurdle in the way of development. Our attitudes are negative; the more 'noes' we give the prouder we feel.

Shri Mehta said that there is little coordination at the State level. Not many States have been able to produce even a good minor irrigation plan. There is utter confusion, short of chaos, at the district level. The district officials are mere puppets in the hands of State authorities. However if one could somehow get the popular leaders and the officials at the Zila Parishad level to work together a lot could be achieved. There can be no uniform answer regarding a development and planning set-up for all districts. Something on the lines of the District Development Council might be worth trying. There is no need for a planning unit at the panchayat level. It may be useful however to introduce an element of competition among the panchayats and the districts.

Shri Mehta said that as Agriculture moves forward resources would become available for increasing investment in other sectors. The agricultural revolution will also lead to a change in the spectrum of skills required in rural areas. The whole problem of skill formation is going to be one of paramount importance. Our educational system will

have to be reoriented to impart i) a minimum mechanical awareness and ii) a minimum business knowledge to the people. A determined thrust forward demands that we break away from the past. We must think dangerously; orthodoxy will lead us nowhere.

A P P E N D I X

NOTES ON PLANNING MACHINERY IN STATES

1. Andhra Pradesh
2. Assam
3. Bihar
4. Gujarat
5. Haryana
6. Jammu & Kashmir
7. Kerala
8. Madhya Pradesh
9. Madras
10. Maharashtra
11. Mysore
12. Orissa
13. Punjab
14. Rajasthan
15. Uttar Pradesh
16. West Bengal
17. Nagaland

## ANDHRA PRADESH

In order to strengthen the planning machinery at the State level the Government of Andhra Pradesh created a separate Planning Department in the Secretariat with effect from 1st September, 1963. The Department functions under the general guidance of the Chief Secretary who is also the Development Commissioner of the State. The Planning Department consists of the following officers:-

1. Secretary to Government 1
2. Deputy Secretaries to Government 2
3. Deputy Directors 3
4. Assistant Secretaries to Government 1
5. Assistant Director 1
6. Research Officers 2

The Department has been functioning with 14 sections to assist the above Officers. The Planning Department comprises the following broad divisions with the functions mentioned under each:-

### I. Economics Wing:

This wing is under the charge of a Deputy Secretary and Deputy Director and deals with Research and Statistics. It undertakes studies on various aspects of the economy of the State as a whole. The functions of this Wing include, among others, collection of basic statistics for Plans, key indicators of economic growth and for conducting research, on the relevant aspects of the State economy. Besides the preparation of technical papers, it deals with the branch 'Statistics' and also in conducting of fresh surveys where necessary.

### II. Resources Wing:

This Wing is also under the charge of a Deputy Secretary. It undertakes continuous studies regarding optimum mobilisation and utilisation of current resources, special studies of financial operation of the statutory Boards and Corporations, trading and quasi-trading schemes operated by Departments and studies on balanced regional development. This Wing deals with various studies connected with physical resources like land, water, forest, fisheries, minerals and power. Under studies in the subject financial resources a detailed

study of the budgets of the State Government for the last ten years has been under-taken with a view to assess the financial resources of the State for the implementation of the Fourth Plan. Studies have also been undertaken with regard to the scope for additional taxation during the Fourth Plan. It also prepares and issues working papers which serve as guide lines for exploitation of the resources of the State. This Wing collects basic data for the use of the Finance Department in connection with the preparation of Memorandum to be submitted to the Finance Commission.

### III: Planning Wing

This Wing is in charge of the work relating to the formulation of Five Year Plans for Economic and Social development of the State, as well as preparation of the Annual Plans.

#### Annual Plans:

The Planning Wing is also responsible for formulation, scrutiny and revision of Annual Plans and the periodic review of Plan schemes. Plan schemes for inclusion in Annual Plans will be approved in the Planning Wing.

The Planning Wing is the Chief Governmental Co-ordinating Agency for all developmental activities in the State. A number of Co-ordination meetings are arranged to discuss problems of Plan administration. Schemes relating to Public Co-operation including Planning Forums are administered in this Wing.

#### Review and Progress Wing:

This Wing is under the charge of a Deputy Secretary and Deputy Director and it reviews the progress of Annual Plans and Five Year Plans. It issues monthly, Quarterly and Annual Progress Reports, reviewing physical and financial achievements against the targets fixed. At the end of each Five Year Plan, a consolidated review is also brought out.

#### Special Plans for drought affected areas:

The State Government have proposed to draw a special plan for development of drought affected areas for implementation during the Fourth Plan period. In this State large areas especially in the Rayala Seema are chronically drought affected and therefore special steps are being taken to improve conditions here. Generally the Block will be the unit of Administration for carrying out the programmes. The drought affected areas are being determined based on the basic data like rainfall, irrigation facilities, per capita income etc., collected by the Department for a fairly long period.

Suitable programmes will be drawn up with the ultimate object of relieving the drought conditions and the economic distress of the people in these areas and enable them to progressively improve their lot. Determination of the chronically drought affected areas as well as preparation of a special programme is attended to in the Planning Department and a Deputy Secretary is in charge of this special plan.

#### IV. Evaluation Wing:

It undertakes evaluation of plan schemes and achievements with reference to original objectives and suggests measures for improvement in programming. Evaluation of Schemes is mainly to highlight the failure or success of a scheme and to study the reasons for such failure or success along with the facts that affect the working of the scheme. The impact of the programme on the public and their response to the programme and the benefits that have accrued from it are taken note of, to ensure the most efficient use of men, materials and funds of the Government in Planning future programmes.

One Deputy Secretary and two Deputy Directors are incharge of this Wing. The Deputy Secretary is also the Secretary of a State Evaluation Committee presided over by the Chief Secretary to Government. The reports of the evaluation wing are considered by the State Evaluation Committee, and final reports published.

#### V. Man-power Wing:

This Wing is under the Deputy Secretary Evaluation and concerns itself with Manpower requirements of the State. The Man-power Wing has taken up a number of studies on the requirements and availability of technical personnel such as Engineering Personnel, Agricultural Personnel, Medical and Health Personnel, and Teaching Personnel. A working paper on Man-power entitled "Technical Man-power in Andhra Pradesh" was issued some time ago wherein a review of Man-power Planning during the Third Plan and certain problems relating to the manpower required in the Fourth Plan were discussed. Several other studies are in progress.

#### Reorganisation of District Administration:

Recently the Government have recognised the District Administration as per the decision of M.T. Raju Committee. As recommended by this Committee, State Development Board and Zilla Development Boards have been constituted. The Chief Secretary is the Chairman of the State Development Board and the Collector is the Chairman of Zilla Development Board. The Zilla Development

Boards are charged with the responsibility for promotion of the Economic growth of the District. These Boards will prepare and implement District Plans covering Agricultural and Industrial Production..

As the Secretary Planning is the Governor of the State Development Board, the Planning Department coordinates the activities of the Zilla Development Boards. One of the two Deputy Secretaries of the Department is in charge of the follow-up action and secretariat work connected with this developmental work.

The Bureau of Economics and Statics is a Subordinate Department functioning under the administrative control of Planning Department.

The present planning organisation in the State broadly consist of the following:-

- 1) A State Planning & Development Department.
- ii) A State Development Committee.
- iii) A State Planning Advisory Council and
- iv) Planning Cells in the different development departments.

2. The State Planning & Development Department is directly under the Chief Minister. There is a post of Secretary for the Planning and Development Department and at present the Additional Chief Secretary to the Government of Assam is holding this post in addition to his other duties. He is assisted by an Additional Secretary, one Under Secretary and five Research Officers. This Department is responsible for liaison with the Planning Commission and the various development departments of the State, coordinating their programmes for development and formulating the development plans for the State. There are four wings in the department as indicated below:

a) Research wing:- Under this wing, there are four Research Officers, three Assistant Research Officers and Two Research Assistants dealing with the following groups of subjects.

1. Agricultural Group - Agriculture, Minor Irrigation, Soil Conservation, Animal Husbandry and Dairying, Forests, Fisheries, Cooperation and Ware housing, Community Development and Panchayat.

Engineering Group - Medium Irrigation, Flood Control, Roads, Road Transport, Other Transport, Tourism, Water Supply.

Industries and Miscellaneous Group - Large & Medium Industries, Mineral Development, Village & Small Industries, Power, Statistics, Publicity, Evaluation and other miscellaneous subjects.

Social Services Group - General Education, Technical Education, Cultural Programme, Health & Family Planning, Housing, Urban Development, Welfare of Backward Classes, Social Welfare and Public Cooperation, Labour and Employment.

The functions of the Research wing are mainly to carry out studies relating to preparation and coordination of Five Year Plans, Annual Plans, Plan and Budget Links, adjustment

and diversion of plan provisions as between different scheme, study of plan performance, preparation of long term plan etc.

(b) Statistical Wing - There is one Research officer, and one Investigator under this wing. The main functions of this wing are preparation and publication of quarterly and annual progress reports in respect of State Plan schemes.

(c) Manpower Wing - Under this wing, there is at present one Research Officer dealing with studies relating to supply and demand of technical and scientific manpower of different categories in the State in relation to Annual Plans and Five Year Plans.

(d) Evaluation Wing - There is one Director of Evaluation of I.A.S. cadre who is also the ex-officio Joint Secretary in the Planning Department. He is assisted by two Deputy Directors and Research Officers. There is a State Level Evaluation Committee consisting of the Chief Secretary (Chairman), Secretary, Planning Commissioner - for Agricultural Production, Secretary Finance, and Director of Evaluation (Secretary). The Committee selects schemes for evaluation and the Evaluation Wing carries out the necessary investigation and studies and prepares Evaluation Reports.

3. The State Cabinet is responsible for taking decisions on major issues and policy aspects of the State Plan. A State Planning Committee consisting of the Chief Minister as Chairman, and Minister, Finance as Member is also functioning as a Sub-Committee of the Cabinet. The Secretary, Planning and Additional Secretary Planning are the Secretary and Addl. Secretary of this Committee.

4. A State Development Committee with the Chief Minister as Chairman and the other Ministers as Members is also functioning in the State for review of plan performance, and removing bottle-necks etc. in the implementation of the plan schemes. The Planning and Development Department acts as its Secretariat.

5. A State Planning Advisory Council of which the Chief Minister is the Chairman and Assam M.P.s. selected M.L.As. representing the various parties, selected representatives of agriculture, cooperatives, cottage industry, major industry, commerce, transport, power, mines and minerals, municipalities, trade and selected persons from recognised parties/associations/organisation, representing engineering, medical, science, teachers and labour are the members, has been functioning to advise Government in the matter of preparation of Five Year Plans. This Council generally meets once in five years to consider Draft Five Year Plans of the Development Departments.

6. Planning Cells in the different Development Departments have been set-up in order that Plan matters receive proper attention in the offices of the Heads of Departments.

7. A proposal to constitute a State Planning Board with the Chief Minister as its chairman, Finance Minister and three non-official experts as Members (non-official experts to be selected by the State Cabinet) has been accepted by Government in principle. This State Planning Board is yet to be constituted.

8. A draft showing the organisational set-up of the Planning and Development Department is enclosed.

## BIHAR

Organisation: - The official machinery incharge of planning is the Planning Department of the State Government. Till 1959 the work used to be done in the office of the Development Commissioner but with the increase in the size and complexity of work connected with the Five Year Plans it was felt necessary to have full-fledged department to scrutinise proposals of different departments, formulate plans in the light of available resources and also assess the progress in the implementation of plan schemes from time to time. Accordingly the Planning Department in-charge of a full-time Secretary to Government was set up in 1959. The Development Commissioner continues to be the Principal Secretary of all development departments and is in overall charge of the work of planning and coordination.

Secretary, Planning Department is assisted by a Deputy Secretary, an Under Secretary, three Planning Officers and a small statistical cell headed by a Statistical Officer. The enclosed list (\*enclosure-I) gives the strength of the gazetted and non-gazetted staff of the Planning Department.

The bigger development departments of the State Government have a planning cell at the State Headquarters. The cell looks after the work connected with the formulation of schemes and processing them at various stages till they are included in the plan of the department.

Functions of the Planning Department: Department is incharge of planning and is responsible for the formulation of Annual and Five Year Plans; scrutiny of the proposals received from different development departments; distribution of the Plan outlay among different sectors after close examination of the relevant scheme; periodical adjustments in sectorwise allocations as and when necessary particularly in the light of the results of periodical reviews of the progress of plan programmes.

The Planning Department is also in charge of matters connected with the National Development Council, the Planning Commission and other bodies connected with Planning and development. Manpower, including deputation for training abroad under the Foreign Aid Programmes; Plan publicity; collection of statistics relating to the plan; Foreign Volunteer programmes are also in charge of the department.

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\* Not enclosed.

Implementation of Plans: The implementation of the Plans is achieved through the various administrative Departments of Government which have full discretion and authority to take necessary steps for the execution of their Plan programmes. Almost all development departments having a sizeable plan programme have set up "Planning Cells" under them for keeping a watch over the implementation of their plans.

Relationship between Planning and Finance Departments:

The Finance Department of the State Government is closely associated with the Planning Department in the work of assessment of plan resources, and formulation of plan, detailed scrutiny of the plan projects and programmes. The association of the Finance Department at the initial stages helps to a large extent in eliminating delay at the time of issue of sanction orders for individual schemes. The Working Groups set up by the concerned departments for formulating plan proposals include representatives of Planning and Finance Departments as members. This ensures a broad scrutiny of the proposals from the point of view of the Planning and Finance Departments and helps in resolving differences between departments. Where necessary joint discussions are arranged under the Chairmanship of the Development Commissioner to thrash out divergent views and come to an agreement. After discussion at the Civil servants' level the orders of departmental Minister, the Chief Minister, and the Council of Ministers as the case may be, are obtained, according to necessary.

State Planning Committee: A State Planning Committee was constituted in December, 1967 with Minister I/C Planning as Chairman and Secretary, Planning as Member-Secretary to advise the State Government on formulation of Plans for proper utilisation of the resources of the State and also for the appraisal of the implementation of the development projects. A copy of the relevant Government Resolution is enclosed.

(Enclosure II)

The functions of the Committee are the following:-

1) Continuous appraisal and evaluation of progress of the State economy and formulation of proposals for effective utilisation and development of the State's natural, financial and human resources;

ii) Formulation of broad objectives of the development plan and elaboration of the plan objectives into longterm, medium term and **short** term plan and specific projects and programmes.

an

iii) Advising the State Government on the formulation of the periodical plans, evaluation of the progress of the plans and the effective implementation of the schemes;

iv) To arrange for survey and studies through Government departments, research institutions, universities and other suitable agencies for collection and appraisal of economic, social, scientific and technical data required for Planning;

v) Such other functions as the State Government may, from time to time entrust to the Committee.

Preparation of District and Block Plans: A copy of the instructions issued by the Development Commissioner in May 1965 regarding the preparation of District, Block and City Plans with reference to the Fourth Five Year Plan exercises is enclosed\* (Enclosure III). As the New Fourth Plan will now begin from April, 1969 much of the information collected on the basis of the letter of May, 1965 has become out dated. The concerned departments have been advised to obtain necessary physio-geographical data and other necessary information regarding infra-structure from the districts as and where necessary, for the formulation of the New Fourth Plan.

The District Development Committees and the Block Development Committees (or Prakhand Samitis in Panchayat Raj Districts) function as Planning Committees also in the execution of local development schemes.

Manpower:- The Planning Department is concerned mainly with the General Manpower Planning and at present the studies undertaken are:

1. Estimating requirements of different categories of personnel during the 4th Plan;
2. Collecting information on engineering and technical personnel;
3. Compilation of "Fact Book on Manpower" for the States;
4. Liaison with the Institute of Applied Manpower Research, New Delhi for various manpower group surveys conducted by the institute.

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\*Not enclosed.

A Manpower Working Group has also been constituted with Development Commissioner as Chairman and concerned Secretaries and Heads of the Departments as Members.

At present there is no whole time staff for the Manpower Planning Unit. An Officer of the Department has been designated as State Manpower Planning Officer who manages the manpower planning work in addition to his own duties, with the assistance of the Secretariat Staff of the Planning Department.

Evaluation: - The State Directorate of Evaluation was attached to the Planning Department for evaluation of work done under various plan programmes. In 1964 the evaluation unit was transferred to the Directorate of Statistics for administrative convenience. The State Evaluation Unit is at present under the administrative control of the Finance Department. The Planning Adviser for U.P. and Bihar has however recommended that the evaluation unit should be attached to the Planning Department rather than the Finance Department. This suggestion is under examination.

GOVERNMENT OF BIHAR  
DEPARTMENT OF PLANNING

RESOLUTION

There is need for a high level Expert Body on Planning to advise the State Government on formulation of Plans for proper utilisation of the resources of the State and also for the appraisal of the implementation of the development projects. The Administrative Reforms Commission, in their interim Report on Machinery for Planning, have also recommended that "Planning Boards should be constituted in each State for formulating plans and for evaluating performance".

2. The Governor of Bihar is accordingly pleased to set up a State Committee on Planning (here-in-after referred to as the 'State Planning Committee') with the following members:

<u>Members:</u>		
	1. Minister I/C Planning	Chairman
	2. Shri Sisir Kumar, M.P.	Member
	3. Dr. A.K. Das Gupta, Director, A.N. Sinha Institute of Social Studies, Patna	"
	4. Shri Narbadeshwar Jha, Professor of Economics, Bhagalpur University	"
	5. Shri B.P. Sinha, Head of the Deptt. of Economics, Commerce College, Patna.	"
	6. Shri K.S.V. Raman, I.C.S. (Retd.)	"
	7. Shri R.S. Pandey, Resident Director, Tata Iron & Steel Co. Ltd., Jamshedpur	"
	8. Shri Ranchor Prasad, Chairman, N.C.D.C., Ranchi	"
	9. Shri S.N. Pandey, Dy. General Manager, Bokaro Steel Ltd., Bokaro Steel City.	"
	10. Shri V. Poddar, Rohtas Industries, Dalemanagar	"

11. Shri P.K.J. Menon, Planning Adviser (For Bihar and Uttar Pradesh)	Member
12. Development Commissioner, Bihar	"
13. Chairman, Bihar State Electricity Board.	"
14. Agricultural Production Commissioner, Bihar	"
15. Shri S.K. Chakravarty, Kosi Area Develop- ment Commissioner, Bihar.	"
16. Secretary to Government of Bihar, Finance Department	"
17. Secretary to Government of Bihar, Industries Department	"
18. Secretary to Government of Bihar, Planning Department.	Member Secretary

The State Planning Committee will have powers to co-opt members as and when necessary.

#### Jurisdiction

3. The Planning Committee will have jurisdiction over the whole State of Bihar. Where, however, a Regional Board of Planning and Development has been constituted for any specified region, the recommendations of the Regional Board may be taken into considerations with such modifications as may be necessary in framing the recommendations of the State Planning Committee.

#### Quarters

4. The Head-quarters of the State Planning Committee will be at Patna and the Planning Department will function as its Secretariat.

### Functions

5. The functions of the State Planning Committee will be as follows: -

- 1) Continuous appraisal and evaluation of the progress of the State economy and formulation of proposals for effective utilisation and development of the State's natural, financial and human resources;
- ii) Formulation of broad objectives of the development plan and elaboration of the plan objectives into long term, medium term and short term plan and specific projects and programmes;
- iii) Advising the State Government on the formulation of the periodical plans, evaluation of the progress of the plans and the effective implementation of the schemes;
- iv) To arrange for survey and studies through Government departments, research institutions, universities & other suitable agencies for collection and appraisal of economic, social, scientific and technical data required for Planning;
- v) Such other functions as the State Government may, from time to time, entrust to the Committee.

### Meeting and Procedure

6. The State Planning Committee will meet as often as necessary and at least once in four months. There will be an Executive Committee of not more than five persons which will deal with different problems in detail. The Executive Committee will meet as often as necessary.

### Term of Office

7. The State Planning Committee is constituted initially for a period of one year with effect from the date of the publication of this Resolution. The Committee may be re-constituted by the

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State Government before the expiry of the term.

O R D E R : Ordered that the Resolution be published in Bihar Gazette and brought into force with effect from the date of its publication therein.

By order of the Governor of Bihar

Sd/- M.K. Mukharji  
Secretary to Government of Bihar.

## GUJARAT

The Chief Minister is in charge of the planning portfolio and a Parliamentary Secretary to the Chief Minister assists him in matters pertaining to planning.

2. There is no separate planning department in the State. Planning as a subject is dealt with in the General Administration Department which is headed by the Chief Secretary to Government. The planning section is in overall charge of the Planning Adviser, who is assisted by an officer on Special Duty (Plan Implementation) of the rank of Deputy Secretary. The main duty of the Officer on Special Duty (Plan Implementation) is to tour various districts of the State and see that Plan schemes, specially at district level, are implemented expeditiously and bottlenecks removed. The implementation of some large projects is looked after by the Planning Adviser himself. For the work regarding the formulation of the Plan as well as other Plan work, the Planning Adviser is assisted by two Under Secretaries (one of whom is doing some non-plan work also), one Deputy Director (Statistics) and two Research Officers are drawn from the State Bureau of Economics and Statistics. Thus there are 7 gazetted officers in the planning section of the General Administration Department. The total non-gazetted strength in the planning section is 24.

3. The main functions of the planning section which coordinates all planning activities of Government are as under:-

- i) Formulation of the long term perspective planning, the Five Year Plan and the Annual Plan.
- ii) Looking after effective implementation of the Plan.
- iii) Evaluation of Plan performance.
- iv) Manpower planning for successful implementation of the Plan.
- v) Assessment of Natural Resources of the State.

The planning sections issues guidelines to various departments for the proper formulation and effective implementation of the plan, fixes priorities amongst different sectors of development and coordinates the plans of different departments. The section is also concerned with watching the progress of the plan and evaluation of plan schemes. The work of implementation of individual programmes and schemes is done by the Secretariat Departments concerned and Heads of Departments.

4. The planning section in General Administration Department is divided into four units as under:-

1) Programme Branches

There are two programme branches. These branches deal with

the work of preparation and publication of Five Year Plan and Annual Plans, consider adjustments in the approved Five Year Plans and annual plans from time to time and advise the departments in matters referred to by them. The branches also issue general instructions to departments as may be necessary from time to time.

ii) District Plan Unit

This is a cell which deals with the work relating to districts Fourth Five Year Plan proposals.

iii) Progress and Evaluation Unit.

This unit deals with the review of the progress and evaluation and implementation of plan schemes and renders secretarial assistance to State Evaluation Co-ordination Committee.

iv) Manpower Cell

This cell coordinates the manpower planning work and also deals with the work of coordinating foreign technical assistance programme and foreign volunteers programme.

5. A chart showing the set up of the planning section of the General Administration Department in the State Secretariat is appended (Appendix A).

6. Though the work regarding planning is dealt with in the General Administration Department, Finance Department is closely associated with the planning work as it deals with matters pertaining to the financial resources for the Five Year Plan and the Annual Plans. The work relating to the Central assistance is also dealt with by the Finance Department. A close liaison is maintained between the planning section of General Administration Department and Finance Department. Important matters concerning several departments are considered in meetings of all Secretaries which are held at short intervals.

7. Two offices under the General Administration Department which work in close liaison with the planning section are the Bureau of Economics and statistics/which provides important statistical data to the planning section while the Directorate of Evaluation carries out evaluation surveys of various plan programmes and also reviews the progress of Plan schemes on the basis of periodical reports.

Directorate of Evaluation

8. The Directorate of Evaluation was set up in the last year of the Third Plan as a separate office but as an integral part of the Planning machinery following the recommendations of the Working Group on Evaluation appointed by the Planning Commission in 1963. The Directorate has been modelled on the lines recommended by the Working Group on Evaluation in the State. The Directorate has a sanctioned strength of 52 comprising 4 Gazetted Officers and 48 non-gazetted staff. A list of posts in the Directorate of Evaluation is given in Appendix B.

Evaluation arrangements for the Fourth Five Year Plan

For the selection of Plan programmes/schemes for evaluation and discussing and finalising the Evaluation Reports prepared by the Directorate of Evaluation, Departmental Evaluation Committees in the various Secretariat Departments and an Evaluation Co-ordination Committee in the General Administration Department (Planning) have been constituted.

9. The composition of the Departmental Evaluation Committees is as under:-

- |   |    |           |
|---|----|-----------|
| 1. Secretary of the Department  | -- | Chairman. |
| 2. The Officer on Special Duty (Plan implementation)                            | -  | Member    |
| 3. Internal Financial Adviser   | -  | Member    |
| 4. The Director of Evaluation   | -  | Member    |
| 5. The Head of the Department concerned with the implementation of Plan schemes | -  | Member    |
| 6. Deputy Secretary of the concerned Secretariat Department                     | -  | Member    |

10. The Departmental Committees are required to review the progress of the ad-hoc evaluation studies entrusted by them to the Directorate, periodically and ensure assistance to the Directorate in its work. The reports of the Directorate are discussed by the Departmental Evaluation Committees. Evaluation studies taken by the Departmental Evaluation Committees are mainly concerned with the objective to help administrative and executive personnel to decide on

the course of strategy and action in problem situation by providing them with an understanding of the nature and implication of the problems and alternative methods of solving them.

11. In addition to the schemes selected by the Departmental Evaluation Committees, the arrangements provide for the Evaluation Coordination Committee entrusting to the Directorate of Evaluation one or two programmes and/or institutions, for concurrent evaluation of a regular nature. These relate mainly to pilot projects, Panchayati Raj Institutions, Family Planning and Agricultural extension. Also, for ad hoc evaluation important programmes/projects which involve impact studies covering total benefits and realisation of immediate as well as ultimate objectives, are selected by the Evaluation Co-ordination Committee which is comprised of the following:-

1. Chief Secretary	...	Chairman
2. Addl. Chief Secretary, F.D.	...	Member
3. Secretary, Industries, Mines and Power Department	...	Member
4. Secretary, Education and Labour Department	...	Member
5. Secretary, Public Works Department	...	Member
6. Secretary, Agriculture and Cooperation Department	...	Member
7. Secretary, Panchayat & Health Department	...	Member
8. The Planning Adviser, General Administration Department, (Planning).	...	Member
9. The Director of Bureau of Economics and Statistics	...	Member
10. The Director of Evaluation	...	Member
11. Officer on Special Duty (Plan Implementation)	...	Member Secretary.

12. Schemes for evaluation are selected by the Evaluation Committee keeping in view the guidelines and criteria indicated by the Working Group Report on Evaluation in the States. They are (1) all projects and schemes of a pilot nature; (2) programmes showing

persistent shortfalls, lags and problems and difficulties in implementation; and (3) impact programmes of a crash nature like the intensive agricultural cultivation scheme; (4) programmes and schemes involving large outlays and relying for their success on the co-operation of the people and institutions; (5) special programmes for the benefit of Backward Classes or weaker sections.

13. The existing arrangements for reviewing the progress of plan schemes in the Gujarat State are briefly given in the following paragraphs;

13.1 The plan schemes implemented in the State have been divided into (4) district level plan schemes - those that largely go to benefit an individual district; and (ii) State level schemes. The former schemes have been split-up after the advent of Panchayati Raj, further into district level schemes transferred to District Panchayats and schemes retained by the Government. Basic information relating to progress and implementation to these schemes is obtained on quarterly basis through a set of forms prescribed for the purpose by the General Administration Department (Planning), from the Heads of Departments, Regional Heads, the Collectors and the District Panchayats.

While the Heads of Departments report progress data for all the State Plan schemes and Centrally sponsored schemes executed in the States, the Collectors, the District Panchayats, the Regional Heads, and in a few cases some Heads of Departments, separately report progress data for the district level schemes. These arrangements provide for reporting progress data for all the schemes at State level and in addition separately for district level schemes.

13.2 In addition, critical reviews are to be supplied alongwith the progress data by the implementing authorities. In respect of district level schemes the District Development Officers are to review and report the progress of the schemes entrusted to the Panchayats and the Heads of Departments, Regional Heads concerned and Collectors are to review and report the progress in respect of district level schemes retained by Government. Also, the Collectors have been instructed to watch - implementation of State level schemes located in their districts and try to remove, to the extent possible, any bottlenecks which may be reported to them from time to time or which come to their notice.

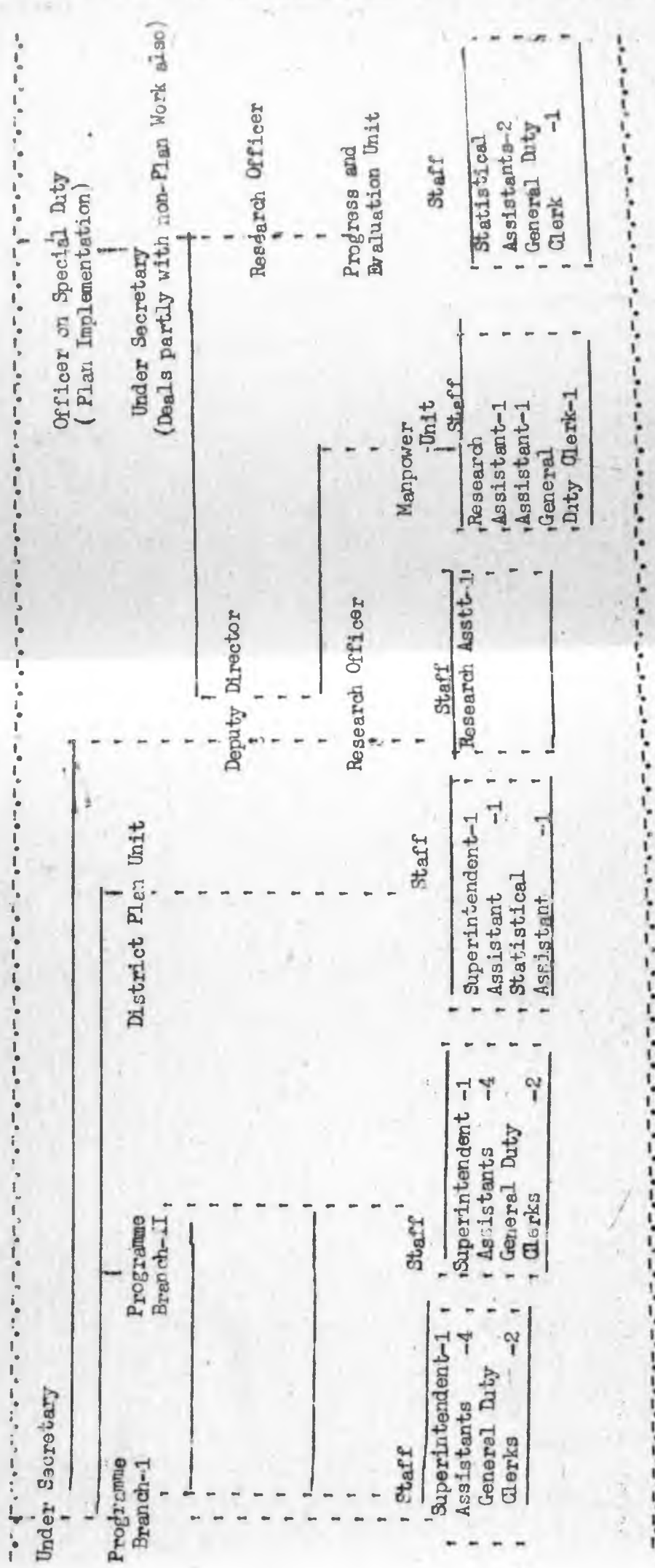
13.3 On the basis of these periodic reports and reviews received by it, the Directorate of Evaluation prepares overall progress reports and review for every quarter. The overall review which contains an assessment of progress and observations of the Directorate of Evaluation along with the overall progress report, is submitted to

the Government in General Administration Department (Planning). In a similar manner the Directorate of Evaluation reviews separately the district level schemes. In the review for the final quarter of the year an assessment of the performance is made for the whole year. Both the reviews prepared by the Directorate of Evaluation are considered at the meeting of the Secretaries to Government and steps, if any, are suggested to ensure a proper implementation of the Plan schemes. The responsibility for following up the suggestions made at the Secretaries' meeting are largely placed on the Secretariat Departments concerned with implementation of schemes. The reviews of the district level schemes transferred to the District Panchayats are also examined by the Development Commissioner and any follow-up action arising thereon is taken up by him, in respect of these schemes.

Appendix A

Chart showing the set-up of the Planning Section of the General Administration Department in the Omani State Secretariat.

Chief Secretary  
↓  
Planning Adviser.



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Appendix - B

Strength of the Directorate of Evaluation  
as on 31st October, 1967.

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Sr. No.	Name of the Post	Sanctioned Strength
1	2	3
1.	Director	1
2.	Deputy Director	2
3.	Evaluation Officer	1
4.	Assistant Director	1
5.	Research Officer	9
6.	Statistical Assistant	14
7.	Stenographer	1
8.	Accountant	1
9.	Senior Investigator	4
10.	Steno Typist	1
11.	Clerk/Typist	6
12.	Punch Operators	3
13.	Peons	8
Total		52

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## HARYANA

Planning Department in Haryana State functions under the guidance of the Commissioner for Planning who is also the Commissioner for Finance for the State and is assisted by the following Officers:

- i) Additional Secretary for Planning and Finance
- ii) Deputy Secretary Planning
- iii) Under Secretary Planning
- iv) One Section Officer, 4 ASOs provided with Stenographers, one Assistant and other supporting staff
- v) Planning Cell with one Research Officer and one Technical Assistant with supporting staff in Economic and Statistical Organisation

The Additional Secretary for Planning and Finance and Deputy Secretary are drawn from I.A.S., Cadre, whereas Additional Secretary looks after both Planning and the Finance, the Deputy Secretary is exclusively for the plan work.

2. The main functions of the Planning Department are: -

- i) Formulation of Five Year Plans/Annual Plans for the Economic and social development of the State;
- ii) Indication of guide-lines for preparation of Five Year Plans/Annual Plans and calling for proposals from the Head of Departments concerned with developmental activities.

3. The Planning Machinery existing in the State consists of the following bodies:-

### 1. State Planning Board

This is the highest Planning body of the State consisting of the members of the Cabinet with the Chief Minister as its Chairman, the Planning Minister as Deputy Chairman and the Commissioner for Planning and Finance as its Secretary. Only Ministers of cabinet rank and Ministers in independent charge of portfolios are members of the Board. The Board considers and approves the broad outlines and sectoral outlays of the Five Year and Annual Plans and lays down the guide-lines.

### 2. State Development Board

This Board consists of all the Administrative Secretaries concerned with the developmental activities responsible for the formulation of the Plan and periodic review of the implementation of Plan schemes at Governmental level.

### 3. State Advisory Committee on Planning

This Committee consists of non-officials including M.L.As., not exceeding seven in number. The Committee serves as a counter-part of the official committee for reviewing the progress of Plan schemes. This advisory Committee, and such like other Advisory Committees attached to the departments, are formed when the representative Government is in power and consist mostly of members of the Legislative Assembly.

4. In the District, the Deputy Commissioners are required to make quarterly reviews of the Plan Schemes with all the departmental officers and to send detailed statements to the Planning Department. A representative of the Planning Department is associated with the plan reviews at the district level. The review reports are examined in the Planning Department and after compilation, brought before the State Development Board.

Planning Department also undertakes appraisal of the schemes and evaluation of achievements with reference to the original objectives and suggests measures for improvement in programming and implementation. Evaluation programme is carried out by holding periodical review meetings both at headquarters and at district levels. State Evaluation Committee has also been constituted with Commissioner for Planning and Finance as its Chairman and Economic and Statistical Adviser as its Member-Secretary. Besides this, the State Manpower Committee is also there with Chief Secretary as its Chairman. The Committee coordinates manpower work of the various departments with a view to assess the requirements and also availability of the technical personnel required during the Five Year Plan period.

JAMMU & KASHMIR

The overall responsibility for supervision and effective implementation of developmental programmes has been assigned to the Commissioner for Planning and Development, who also functions as Planning Secretary. The Planning Department itself, however, is manned by the following number of officers:

- |   |   |
|---|---|
| 1. Secretary to Government<br>Planning Department<br>(Commissioner for Planning<br>and Development) | ) Super time scale<br>) I.A.S./<br>) Senior Scale K.A.S.<br>) |
| Adtl. Secretary to Government,<br>Planning Department.  | ) Senior scale I.A.S./<br>) Senior scale K.A.S.               |
| Deputy Secretary to Government<br>Planning Department   | ) Junior scale of I.A.S./<br>) Senior scale of K.A.S.         |
| Under Secretaries to Govt.<br>Planning Department.  | ) Junior scale of K.A.S.                                      |

2. There is also separate Directorate of Evaluation and Statistics which is headed by Director, Evaluation and Statistics (Senior scale K.A.S.) with his own complement of staff. The organisation and functioning of the Directorate is indicated in a separate note.

3. There is, further a Manpower Planning Cell in the Planning Department whose organisation and function will be dealt with below.

4. The distribution of work in the Planning Department as between the Deputy Secretary and the two Under Secretaries is as contained in annexure I. It will be seen that the entire work load of the Planning Department has been distributed basically among these three officers. Both Deputy Secretary and the two Under Secretaries submit files for orders to the Secretary to Government Planning Department through the Adtl. Planning Secretary. The work of general coordination with respect to Plan matters is done by Deputy Secretary. In matters relating to coordination, therefore, files are submitted to Additional Secretary Planning/Planning Secretary through the Deputy Secretary.

5. With respect to the compliment of ministerial staff, the list of officials of the Planning Department is contained at annexure II. The distribution of work at the office level is basically amongst the four Superintendents and two Head Assistants. The Senior Assistants of Planning Department are attached with four Superintendents and two Head Assistants and function as their Record Keepers. These Senior Assistants/Record Keepers also note

on files which move through the concerned Superintendent to the Deputy Secretary/Under Secretary. Two of the Senior Assistants and one Junior Assistant function as typists. The other two Junior Assistants are assigned the work of record and despatch. The distribution of work as between four Superintendents and two Head Assistants is contained in Annexure III. One of the Head Assistants is exclusively assigned to deal with work relating to Nazarat.

6. The most important function of the Planning Department is with respect to the Plan formulation and processing of Plan schemes before sanction are issued for their execution.

7. With respect to plan formulation, the Planning Department moves the various Heads of Departments for draft Plan proposals. This is done roughly in September or October when the Planning Commission have addressed the Planning Department regarding preliminary work on Annual Plan formulation for the forth-coming year. These draft proposals received from various Heads of Departments are processed and compiled after discussion on various issues with concerned Heads of Departments. The draft annual plan of the State for the forth coming year thus compiled is forwarded to Planning Commission. After these draft proposals have been discussed in the Working Groups and with the Planning Commission, and after the total plan ceiling has been finalised by the Planning Commission, Planning Department conveys the break-up of the total plan figures to various Heads of Departments for furnishing revised proposals. These are processed and discussed in the Planning Department before finally being approved for adoption in the State budget for the forth-coming year.

8. With respect of processing of Plan schemes before sanctions are issued, the work of Planning Department is confined to schemes of over Rs. 3 lakhs in the engineering sectors excepting the case of the Irrigation programme wherein all schemes of over Rs. 1 lakh have to be cleared by the Planning Department in respect of expansion portion of all the schemes in the non-engineering sectors. With a view to availing of as large a portion of the working season as possible the work relating to sanction to schemes is done mostly during the months of March and April.

9. Planning Department is also assigned the task of quarterly progress reports in respect of the various departments. This involves the reporting of financial as well as physical progress by various departments which are to be compiled in Planning Department. From the compiled reports a picture is expected to emerge indicating whether the functioning of various departments is satisfactory or not. Where difficulties or shortcomings are encountered, Planning Department is expected to assist in sorting these out. Work relating to progress report was earlier being done in the Planning Department itself with staff as mentioned in Annexure II. No separate cell existed for work relating to

progress report and the various Superintendents were expected to do the work relating to progress reports side by side with their other normal duties. For some time, now, the work of progress reporting has not been satisfactory amongst other things on account of failure of various departments to submit the reports correctly and in time. With a view to exercising a closer check on this work the work of progress reporting has been transferred to the Director of Evaluation and Statistics.

10. As mentioned earlier, there is a Man Power Planning Cell in the Planning Department which was created in the year 1966. The staffing pattern of the Man Power Planning Cell as contained in Government Order constituting it as follows:

1. One Assistant Manpower Planning Officer Ex-Officio Under Secretary in the grade of 300-25-450-EB-30-600.
2. One Investigator in the grade of 140-10-200-EB-10-250.
3. One Typist in the grade of 100-8-140-EB-10-200.
4. One Senior Assistant in the grade of 100-8-140-EB-10-200.

So far, the Assistant Man Power Planning Officer has not been appointed and the work of Man Power Planning is at present being done by Deputy Secretary in addition to his other normal duties. The ministerial staff of Man Power Planning Cell is as contained in Annexure II. One of the two Senior Assistants is functioning as typist to the Planning Department. The Man Power Planning Cell was created to undertake the following tasks:-

- (a) Associate closely with the Planning Agency at the stage of formulating Development Programme.
- (b) Estimate requirements of different categories of personnel.
- (c) Assist in ensuring the supply of different kinds of personnel.
- (d) Review periodically the progress of Man Power Planning measures.
- (e) Assist in the improvement of data collection relevant to manpower.
- (f) Analyse recruitment experience and pattern of utilisation on a continuing basis.
- (g) Utilize manpower studies in consultation with concerned Departments and assist in conducting these studies.

- (h) Coordinate manpower activities of Departments.
- (i) Maintain liaison with agencies at the Centre.

11. However, most of the work at present being done by the Manpower Planning Cell relates to determining the manpower or in various categories in the State during 4th Plan period.

ANNEXURE - I

Shri S.S. Rizvi  
Deputy Secretary

1. Nazarat
2. Receipt and Despatch
3. Gestetner
4. Type
5. Large & Medium Industry
6. Mining
7. Man power Cell
8. Village and Small Scale Industries
9. Power
10. Irrigation
11. Flood Control
12. Presses
13. Weights and Measures
14. Local Bodies
15. Statistics
16. Plan Publicity
17. Distress Taccavi
18. Assembly Work
19. Plan Coordination
20. Plan Progress
21. S.D. Work

Shri S.R. Shangloo  
Under Secretary

1. Agriculture Pro-duction
2. Minor Irrigation
3. Animal Husbandry  
Sheep Breeding,  
Dairying and Milk  
Supply
4. Forestry and Soil  
Conservation
5. Fisheries
6. CD and NES and  
Panchayats
7. Cooperation
8. Social Services
  - i. General Edu-  
cation
  - ii. Tech. Educa-  
tion
  - iii. Cultural Acti-  
vities
  - iv. Labour and Labour  
Welfare  
(Employment  
Exchanges, Welfare  
of Labour and  
Craftsmen Training  
Scheme).
  - v. Social Welfare,  
Welfare of  
Backward Classes  
and Welfare of  
Scheduled Castes.

Shri S.S. Koul  
Under Secretary

- I. Transport & Commu-  
nication
  1. Roads
  2. Tourism
  3. Transport
  4. Mech. & Stores
- II. Social Services
  1. Health
  2. Rural Water Supply
  3. Urban W.S. and  
Drainage
  4. Housing
- III. Areas Development
  1. Dev. of Ladakh
  2. Dev. of Sonwari
  3. Dev. of Hill and  
Backward Area
  4. I.B.B.D. Block

LIST OF OFFICIALS OF PLANNING DEPARTMENT

1. Four Superintendents (215-15-245-20-325-EB-25-450)
2. One Draftsman (145-12-250-EB-15-310-20-350)
3. Two Head Assistants (140-7-175-EB-10-275)
4. Seven Senior Assistants (100-6-130-EB-8-170-10-220)
5. Three Junior Assistants (75-5-115-EB-7-150)
6. One Gestetner Assistant (70-5-100-EB-5-135)

MANPOWER PLANNING CELL

7. One Statistical Assistant (140-7-175-EB-10-275)
8. Two Senior Assistants (100-6-130-EB-8-170-10-220)

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ANNEXURE III

DISTRIBUTION OF WORK AMONG OFFICIALS

Superintendent I

1. Agriculture Production
2. Distress Taccavi
3. Power
4. Industry and Mining
5. Plan coordination
6. Assembly work
7. S.D.C. Work
8. Office Administration

Head Assistant I

1. Labour and Labour Welfare
2. Social Welfare
3. Welfare of Backward Classes
4. Presses
5. Weights and Measures
6. Local Bodies
7. Statistics

Superintendent II

1. Roads
2. Water supply
3. Housing
4. Road Transport
5. Central Workshop
6. Tourism
7. Ladakh
8. Hill Areas
9. I.B.D. Block

Head Assistant II

1. Nazarat.

.....

Superintendent III

1. Fisheries
2. Animal Husbandry
3. Forestry
4. Soil Conservation
5. C.D. and N.E.S.
6. Cooperation

Superintendent IV

1. Irrigation
2. Flood Control
3. Health
4. Education
5. Plan publicity

Organisational set up of the Directorate of Economics and Statistics and the Directorate of Evaluation

(J & K)

The Planning Department is assisted by its two technical wings in respect of formulation, progress reporting and evaluation of development programmes. The two technical wings are Directorate of Economics and Statistics and Directorate of Evaluation.

The Directorate of Economics and Statistics in addition to meeting other requirements of the Govt. of India State deptts. and private agencies, helps the Planning Department in supplying basic data required for formulation of Plans. It also collects information regarding implementation of the Plan programmes. The information is collected in the form of quarterly progress reports, prescribed for the purpose.

For the collection of this information the Directorate of Economics and Statistics has set up a net work of statistical cells in the offices of all the Heads of Departments, Deputy Commissioners and at other levels. Recently a survey wing has also been established by the Directorate for collection of data which is not otherwise available in the form of official statistics.

The statistical staff in the cells as well as in the Direction office is borne on the Statistical Cadre, which is administered by the Directorate of Economics and Statistics.

Recently for evaluation of development projects a Directorate of Evaluation has also been set up. The statistical information required for evaluation studies is collected through the Directorate of Economics and Statistics.

The work in the Directorate of Evaluation is taken up in accordance with the recommendations made by the State Level Officers Committee headed by the Planning Commissioner with some other important Major Heads of the Departments and Secretaries assists members. The Evaluation reports of the Directorate are also to be submitted to the State Level Officers Committee who after proper examination would submit them to the Cabinet Sub-Committee, for necessary orders. Recently the Directorate of Evaluation and Statistics have taken up some projects for studies in accordance with the recommendations of the State Level Officers Committee.

Keeping in view the work load at the initial stages and for ensuring proper coordination between the two Directorates, both the Direction officers have been put under one Director designated as Director Evaluation and Statistics. The Director is assisted by three Deputy Directors and seven Assistant Directors (including four posts being filled up) in the Directorate of Economics and Statistics. Similarly on the Evaluation side there is one Deputy Director Evaluation

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and two Evaluation Officers (including one post being filled up). Below this Gazetted strength there is technical staff - Statistician, Statistical Asstt. Evaluation Asstt. etc. Details of staff strength and distribution of work is indicated in the annexure.

Distribution of work in the Directorate  
of Economics and Statistics & Evaluation

S.No.	Section	Details of work	Section incharge	Supporting staff.
1	2	3	4	5
1.	Agriculture	Agriculture production ) including Horticulture; ) Land Utilisation; ) Vital Statistics; ) Animal Husbandry; ) Fisheries ) Food and Supplies )	Shr. Abdual ) Qadir.	1. Sh. J.L. ) Khada ) (St.A.) ) 2. Sh. P.L. ) Gupta ) (R.A.) )
2.	Irrigation & Power	Irrigation (Major, Medium ) and Minor); ) Forest & Soil Conservation ) Weights & measures ) Joint Stock Companies ) Water Supply ) Power ) Floods ) Cooperation ) Local Bodies & Municipali- ) ties; ) Meteorology )	Sh. Mohiud- ) Din Kirmani )	Sh. Abiul ) Salam (St.A.) )
3.	Industry and Trade	Intensive Border Development ) & Development of Hilly Areas; ) Industries (All kinds) ) Mining; ) Labour & Labour Welfare ) Employment Exchanges; ) Population and Census; ) Wages; ) Ladakh Development ) Sonawari; ) Social Welfare & Backward ) Classes; ) Trade & Commerce including ) imports & Exports )	Sh. Surinder ) Mahajan )	1. Sh. G.M. ) Bhat ) (St.A.) )
4.	Transport and Communications	Roads; ) Road Transport; ) Water Transport ) Civil Aviation; ) Mechanical Deptt; ) Tourism ) Housing ) Post & Telegraphs )	Sh. H.K. ) Bakshi )	1. Sh. K.L. ) Sharma ) (E.A.) ) 2. Sh. G.M. ) Taley ) (St. A)

1	2	3	4	5
5.	Social Services	Education (General and Technical) Cultural Activities; Health Community Development and Panchayats; Public Cooperation; Information and Publicity Government Presses; Judicial Statistics	Sh. Gandharab Rai	Sh. J.L. Koul (St.A)
6.	Coordination & Library	Coordination & Education Library; Assembly, Council and Parliament Q. Ds; Drawing Section; Statistics relating to Planning; Economic Indicators; Perspective Planning	Sh. J.L. Koul	1. Miss Aruna Sori (St. A) 2. Sh. Bal Krishan 3. Sh. M.L. Raina (S.A.) Draftsman
7.	Sample Surveys and Prices	1. Sample Survey including crop cutting; 2. Statistical schemes of depts. other than D.E.S.		1. Sh. A.M. Sofi 2. Sh. Ram Saran (St. A) 3. Investigators nine 4. Junior Statistical Asst. two
8.	State Income		Sh. Maharaj Krishen	Sh. J.L. Khar (St.A) Sh. Bashir Ahmed (St.A)
9.	Evaluation		Sh. Hari Krishen Bori Sh. Sat Pal Nagar Sh. Moti Lal Dass	(St. A) (St.A) (J.S.A.)
10.	<u>Administration</u> Administration Accounts P.A.C. Personal Cases Statistical schemes of DES and Eva. other non-personal cases of Adm. section Stationery & Stock Typing General Receipt General Despatch Cyclostyling		Sh. A.V. Shawal (Supdt) Sh. Sham Lak Kashkari (S.A.) Sh. Bal Krishan (Accountant) Sh. Krishan Head Asstt. Sh. Kakroo (A/C) Sh. Abdul Majid (S.A.) S/Sh. H.K. Bajaj, Gudu, On Prakash and Harbachan Singh. Sh. O.N. Koul Sh. G.A. Wani Guestt. Asstt.	

## K E R A L A

### I. PLANNING DEPARTMENT

The Planning Department in the secretariat has been responsible for the formulation of an overall strategy of development so devised. While the respective departments are responsible for the formulation of policies and programmes in regard to the sectors of development under them, the Planning Department devetails them into the framework of the Plan so as to ensure an integrated and coordinated approach to the developmental tasks. Thus, it helps other departments in preparing draft Plan proposals, processes them and consolidates them in the light of the social and economic objectives of the Plan and the resources-in-sight. The preparation of the draft Five Year Plan, the Annual Plans and their district-wise break-up have been in the charge of the Planning department. Further, it has attended to all correspondence of a general nature with the Government of India relating to the Plans, Reviewing the progress of Plan schemes and preparing annual progress reports have also been its functions. Attention is invited to Para II below regarding the lines on which change is being brought about in this. The Planning Department also administers the Bureau of Economics and Statistics (which is the only Executive Department under it).

### II. PLANNING BOARD

A Planning Board has been constituted recently in the State. A copy of the relevant Government order giving out its objectives is enclosed as Appendix II.\* With the constitution of the Planning Board, the question of residual functions of the Planning Department in the Secretariat and relationships between the Board and the Government and the departments are under discussion. The main function of the Planning Unit in the Secretariat in the changed set up would be to act as liaison between the Board and the implementing departments, starting with finance. As the first step, the posts of Finance and Planning Secretaries have been combined with effect from 1-5-68, in one individual. Detailed orders are expected to be issued shortly on all other points.

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\* Not enclosed.

### III. BUREAU OF ECONOMICS & STATISTICS

The Bureau of Economics and Statistics was constituted in 1963 amalgamating the Bureau of Economic Studies and Department of Statistics as a Central agency for systematic collection, compilation, analysis and objective interpretation of all statistics relating to the State and also to function as an advisory body on economic issues. The manpower unit and Evaluation unit are now attached to the Bureau.

#### (a) Manpower Planning Unit

The functions of the unit are as follows:

1. Associate closely with Planning agency at the stage of formulating the programme of development with a view to:

- (a) appraising the feasibility of plan programme from the manpower angle; and
- (b) coordinating, in particular, programmes relating to employment, education and training programmes.

2. Estimate requirements of different categories of personnel by:

- (a) preparing overall manpower estimates.
- (b) associating closely with and assisting other departments at the stage of preparing detailed estimates
- (c) integrating the estimates into a consistent frame for the economy as well as for the plan as a whole and
- (d) forecasting future requirements

3. Assist in ensuring the supply of different kinds of personnel by:

- (a) influencing decisions regarding programme of education and training
- (b) suggesting advance action regarding recruitment and training of personnel

4. Review periodically the progress of manpower planning measures with special reference to shortages and surpluses of different categories of manpower.

5. Assist in the improvement of data collection relevant to manpower e.g. E.M.I., preparation of Fact Book, rationalisation of statistics regarding employment, unemployment etc. Education and Training Statistics.

6. Analyse recruitment experience e.g. State Public Service Commission reports, EMI reports, other employment exchange data etc. and the pattern of utilisation of trained manpower on a continuing basis.

7. Propose or initiate various manpower studies especially in the field of employment and utilisation in consultation with the Departments concerned and associate with and assist in the designing and conduct of studies.

8. Maintain Liaison with and coordinate the activities in the manpower field of different Departments in State.

9. Maintain liaison with Directorate of Manpower/Manpower Division and other concerned agencies at the Centre.

The following staff have been sanctioned for the unit:

Research Officer	on Rs. 300-600	2
Research Assistant	on Rs. 190-300	3
L.D. Compiler	on Rs. 80-160	2
L.D. Typist	on Rs. 80-160	1

(b) Evaluation Unit

The evaluation unit is attached to the Bureau of Economics and Statistics and is to undertake purposive assessment of the progress and impact of a programme, finding out areas of success and failures at different stages of administration and execution, analysing the reasons for the failure and drawing lessons for improvement in the formulation and implementation of the programme.

Plan evaluation will be done through the Planning Department of the Secretariat utilising the services of the Bureau of Economics and Statistics and the concerned departments and under the guidance of the concerned Member of the State Planning Board.

The unit consists of one Deputy Director, two Research Assistants, two Lower Division Compilers and One Lower Division Typist.

(c) Resources Unit

Resources unit consisting of one Research Officer, Two Research Assistants and four Compilers started functioning recently in the State Bureau of Economics and Statistics as a Plan scheme. The unit is to undertake studies on the following:

1. Incidences of various taxes on the different income groups.
2. Location and areas for additional taxation and assessment of small savings potential.
3. Rationalisation of expenditures pattern of State Government and Local bodies.
4. Preparation of Economic classification of State budget.
5. Financing pattern in the various sectors of development etc.

IV. DISTRICT PLANS/BLOCK PLANS AND ZILLA PARISHADS

As soon as the Annual Plan is finalised the District-wise break-up of the Annual Plan will be prepared by the Planning Department in consultation with the Heads of Departments and the concerned Administrative Departments of the Secretariat. The district-wise plan will then be communicated to the District Collectors and the Heads of Departments concerned with plan and on receipt of this the District Collectors will take necessary steps for the preparation of District Plans. While preparing the District Plans the District Collectors have been instructed to take special care to identify such of those schemes as are capable of a block-wise break-up and to split them up among the various blocks in the District. The District Plans are finally approved after detailed discussion in the District Development Councils. The amounts required for the implementation of the schemes will be distributed to the above. The District Collectors are responsible for the overall supervision of implementation of District Plans in the District. The Zilla Parishad has not been introduced in the State so far in the place of the District Development Councils. The District Development Councils consist of non-officials from various walks of life and District Officials of Departments concerned with plan. They meet periodically (every month) to review the progress of implementation of plan schemes in the Districts. The District Collector is the Chairman of the District Development Council.

## MADHYA PRADESH

The Planning and Development is headed by the Minister for Planning and Development. The functions of the Department relating to planning are distinct from those concerning development. The Development Wing deals with the administration of the Community Development and National Extension Service Blocks. Agriculture Secretary is in charge of this Wing. Under him, there are one Deputy Secretary and one Under Secretary. Besides, there are two secretarial sections in the Development Wing.

2. The Planning Wing of the Planning and Development Department is under the direct charge of the Finance Secretary who is assisted by a Deputy Secretary and an Under Secretary. There are two Secretarial sections in the Planning Wing.

3. The functions of the Planning Organisation are -

- (a) Preparation and finalisation of the Five Year and Annual Plans of the State

The Planning Department indicates the overall size of a particular Plan and the sectoral allocations proposed therein. Before determining the size of a Plan, whether Five Year or Annual, the Planning Department, in consultation with the Finance Department takes stock of the resources likely to become available from the Central Government, the State budget and such institutions as the Madhya Pradesh Electricity Board or the State Road Transport Corporation. In determining sectoral allocations, the priorities laid down in the national plan are usually followed, though they are somewhat modified in view of the special requirements of the State. After the total size of a Plan, its frame and sectoral allocations have been approved by the Minister for Planning and Development, the Finance Minister and the Chief Minister, the same are communicated to the development departments for working out detailed schemes within the allocations made to them. After the proposals of the development departments are received, the same are scrutinised in order to see whether the guidelines laid down by the Planning Department have been followed and whether they need modifications. This is done at meetings at which the secretaries, heads of departments and technical personnel connected with the various schemes are present. The sectoral plans, as modified in the light of these discussions, are then discussed with the working groups of the various Central Ministries and the Planning Commission. The Plan as further modified in the light of these discussions is placed before the State Development Committee for final approval. The State Development Committee is also to be consulted at the initial stage when the framework of the Plan is prepared by the Planning Department. Secretary Planning is Secretary of the State Development Committee.

(b) Supervising the progress of the Plans:

The Planning Department has prescribed submission of periodical returns by development departments. These returns show physical achievements and progress of expenditure in each sector. The reports are expected to bring out any special difficulties encountered by the departments in the implementation of the Plan. The Planning Department, as the co-ordinating department, tries to remove these bottlenecks in consultation with the concerned authorities. Apart from periodical returns, the Planning Department also convenes meetings at which the progress of the Plan is carefully reviewed in consultation with the Secretaries, Heads of departments and other technical authorities. These meetings are designed to expedite implementation of schemes. Also, if it is found that a sector will not be in a position to fulfil the targets, diversion of funds to priority sectors is considered. By this method, it has been possible for the Planning Department to divert considerable funds from low priority sectors to high priority programmes.

(c) Approval of district allocations:

After an Annual Plan has been sanctioned, the departments are requested to make allocations districtwise in respect of those programmes which admit of such break-up. These allocations are approved by the Planning Department with suitable modifications wherever necessary. The idea behind this procedure is to ensure that the backward areas are not neglected and that they are given the preferences that should normally be attached to them.

(d) Approving modifications, new schemes within the course of a year:

After a plan has been approved and provision made therefor in the budget, all important modifications to the approved Plan or new schemes to be added to the Plan within the year are to be referred to the Planning Department for its approval. These are cleared by the Planning Department keeping in view their feasibility, availability of resources, etc.

(e) Evaluation of Plan schemes:

The department selects Plan schemes which require evaluation through special studies. The studies are conducted mainly by the evaluation wing of the Directorate of Economics and Statistics (which is also under the charge of the Planning Secretary) and are later vested by the Planning Department. The State Government has under consideration the question of improving the present organisation and procedure for making evaluation of plan schemes more effective.

(f) Claiming Central assistance for Annual Plans:

The department is also responsible for indicating the expenditure likely to be incurred in each financial year in order to claim Central assistance. It is on the basis of this information that the departments of Central Government issue sanctions.

(g) Publication of Plans:

The department publishes the State and district Plans.

## MADRAS

The Planning work is undertaken in Madras State by the Finance Department itself. The Secretary to Government, Finance Department is thus in overall charge of Planning and Development work as well. In 1965 the institution of Planning Adviser was created to advise the Government on important Planning issues.

The Finance Secretary is assisted in his work by the five Deputy Secretaries, one Under Secretary and four Assistant Secretaries. Of the five Deputy Secretaries, one deals with pension papers and establishment matters relating to Finance Department as well as the Directorate of Treasury and Accounts and the Office of the Examiner of Local Funds and Directorate of Small Savings, three departments which function under the direct control of the Finance Department; another Deputy Secretary deals with all service matters, Fundamental Rules, all allowances papers etc., the third Deputy Secretary deals with papers relating to Public Accounts Committee and also all files, both Plan and Non Plan, of Home and Revenue Departments; the fourth Deputy Secretary is in charge of Budget; in addition he also attends to all files, Plan as well as non-Plan, arising from the Education and Public Health and Family Planning matters. The fifth Deputy Secretary is in overall charge of Planning matters and in addition deals with all files, Plan as well as non-Plan, emanating from Public Works, Industries, Labour and Housing, Agriculture and the Rural Development & Local Administration Departments. It will thus be seen that the expenditure proposals of any one department of the Secretariat are dealt with in the same seat in the Finance Department irrespective of whether they relate to Plan or non Plan programmes.

The work relating to the formulation of the Annual Plan, watching the implementation of Plan programmes, compilation of quarterly statements of expenditure claiming of Central assistance, formulation of Fourth Plan, evaluation schemes, man power assessment, Foreign exchange requirement, drought, backward and hill areas problems etc. are all dealt with directly by the Deputy Secretary in charge of Planning.

The actual field work relating to the evaluation of Plan programmes has been entrusted to the Director of Statistics and for each programme of evaluation, one of the members of the Board of Revenue is appointed as the evaluation Officer. The evaluation Officer undertakes the work with the help of the evaluation unit functioning directly under the Directorate of Statistics. The evaluation reports are examined by the concerned administrative departments of the Secretariat in consultation with the Finance Department.

The task of Co-ordinating and reviewing the programmes in the implementation of Plan programmes is assigned to the State Development Committee which consists of all Ministers with Chief Minister as the Chairman. The Finance Secretary functions as the Secretary of this Committee and the Secretariat work is undertaken by the staff of the Finance department itself. This Committee meets periodically to review the progress of implementation of the various Plan schemes of Heads of departments and Secretaries to Government also take part in these discussions. The administrative deficiencies as well as the difficulties noticed in the implementation of the Plan programmes are discussed at these meetings, remedial measures proposed and decision taken on the spot. The solutions suggested by the Committee after full discussion are taken up for implementation straightaway subject only formal ratification after the usual Secretariat noting and circulation.

Planning being a continuous process the sanctioning of new schemes takes place right through the year. Even though the normal procedure prescribed for the sanctioning of new schemes involves scrutiny of the proposals by a standing Finance Committee (a sub-committee of the Cabinet) in the first instance and then by the Cabinet, new schemes are generally sanctioned following the short circuit procedure, whereby orders are taken from the concerned Minister and the Finance and Chief Minister and orders issued. This way the sanctioning of the new schemes is expedited.

1.0 Planning Sub-Committee of the Cabinet

1.1 The portfolio of "Planning" is held by the Chief Minister, who is assisted by a Deputy Minister for Planning. With a view to providing effective and authoritative guidance in the process of formulation of policies and programmes for planned economic and social development of the State and its constituent regions, and for exercising a close watch on the implementation of plan policies and programmes, a Planning Sub-Committee of the Cabinet has been constituted under the chairmanship of the Chief Minister. The other members of the Planning Sub-Committee are the Minister for Home, the Minister for Agriculture Food and Civil Supplies, the Minister for Finance, the Minister for Irrigation Power, Building and Communications, and the Dy. Minister for Planning, Industry and Electricity.

1.2 The functions entrusted to the Planning Sub-Committee are as follows:

- (a) To determine the objectives and priorities for development within the broad frame work of the National Plan.
- (b) To formulate the designs for long-term development of the State with due regard to balanced development of its component regions, and within the frame-work of such a long-term plan to draw up the Fourth Five Year Plan of the State.
- (c) To determine inter-sectoral priorities and allocations in the State's Annual Plan within the financial resources that may be indicated by the Finance Minister.
- (d) To identify the areas of coordination between the departments, the Zilla Parishads and other institutional framework and to ensure such coordination for proper implementation.
- (e) To watch the progress, evaluate achievements and make periodical appraisal of the plan and important projects in the Plans.

1.3 In accordance with the above functions, the Planning Sub-Committee has considered in the past matters relating to Annual Plans ceilings, the mid-term appraisal of the Third Plan, economy measures as a result of National Emergency, implementation

of the Plan in different regions and progress of the plan as a whole. The broad approach to the Fourth Plan, priorities and policies, and sectoral targets and outlays, on the basis of the proposals formulated by various Study Groups appointed by the Government were also considered by the Planning Sub-Committee and the Memorandum on the State's Fourth Plan was finalised after its approval.

## 2.0 Planning Division at Secretariat Level

2.1 At the Secretariat level, the Chief Secretary to the Government is the Development Commissioner. He is assisted by an Additional Development Commissioner in undertaking field studies relating to implementation of development plans.

2.2 The subject of "Planning", including Evaluation, is dealt with in the Finance Department and the Secretary, Finance Department also functions as the Planning Secretary. He is assisted by two Deputy Secretaries - one dealing with matters relating to the preparation of the State's Fourth Plan, Evaluation and Manpower studies and the other dealing with matter pertaining to the Third Plan and Resources.

2.3 The Planning Division in the Finance Department was reorganised in 1962-63 to make it a more effective instrument for formulation of plan programmes and for watching their implementation. The Planning Division consists of five wings, viz., Programmes Wing, Resources Wing, Evaluation Wing, Manpower Wing and Wing dealing with the District and Regional Plans. The functions of the various Wings in the Planning Division are detailed in the following paragraphs.

2.4 Programme Wing: This Wing is manned by two Under Secretaries dealing respectively with matters pertaining to the Third Plan and Fourth Plan. It deals with the formulation of detailed Five Year Plans and the Annual Plans within the frame work of the five year plans in consultation with the Heads of Departments and Secretariat Departments, setting out main targets and coordinating the development programmes with the annual Budget Estimates for Plan schemes. The programme thus finalised is placed before the Planning Sub-Committee and on its approval forwarded to the Planning Commission and the various Ministries of the Central Government. A publication on the Annual Plan, indicating the outlays and targets under different sectors, is also brought out as a companion publication to the annual Budget papers.

2.5 The Programme Wing also watches plan implementation. For this purpose, periodical progress reports quarterly and annual in prescribed proforma are called for from the implementing Heads of Departments. In respect of some important projects/schemes, monthly progress reports are also called. These progress

reports indicate, the progress in both financial and physical terms as compared to the provisions and targets set out in the Annual Plan, and difficulties experienced in the implementation of the schemes/programmes. At the close of each quarter, the progress reports are discussed with the representatives of the Secretariat Departments and the Heads of Departments and action is taken to remove the causes of slow progress, if any. These discussions are conducted under the chairmanship of Additional Development Commissioner. Similarly, adjustments in the allocations and targets are also suggested, in the light of progress of implementation, for the consideration of the Planning Sub-Committee with a view to fully utilising the Annual Plan allocations in the best possible manner.

2.6 The work relating to the formulation of the State's Fourth Five Year Plan is also being done in the programme wing. For the purposes of formulation of the proposals for the Fourth Plan, the State Government had appointed Study Groups for different sectors of plan as also a Steering Group, under the chairmanship of the Chief Secretary, with a view to coordinating the work of the Study Groups and offering necessary direction and guidance to the Study Groups. Preliminary studies were undertaken in the Programmes Wing, relating to investments in the Fourth Plan, size and broad objectives of the Fourth Plan targets of additional production of foodgrains and other important cash crops in the light of food requirements of the State at the end of the Fourth Plan period, programmes relating to irrigation and power development and development of transport and communications facilities under the Fourth Plan etc. The notes prepared by the Programmes Wing were considered by the Steering Group and the Study Groups concerned while formulating their proposals. The various proposals received from the Study Groups were examined in the Programmes Wing and a Memorandum on the State's Fourth Five Year Plan was brought out.

2.7 Resources Wing: A Special Officer in the grade of Under Secretary is in charge of this Wing. Studies regarding optimum mobilisation and utilisation of current resources, effecting economies in current, expenditure, and special studies of the financial operations of statutory boards and corporations and trading and semi-trading schemes run by Government are undertaken in this Wing. This Wing also deals with the work relating to resources for five year plans and annual plans as also claiming Central financial assistance in respect of both State Plan and Centrally sponsored programmes. In addition to the above normal functions, the Resources Wing was entrusted with the work of collecting material required by the Fourth Finance Commission and presentation of the State Government's Memorandum submitted to the Fourth Finance Commission. The work of forecast of estimates for the Fourth Plan has also been taken up by this Wing.

2.8 Evaluation Wing: An Officer on Special Duty in the grade of an Under Secretary is in charge of this Wing. Work relating to evaluation of achievements of schemes with reference to original intensions, is undertaken in this Wing. Special evaluation of achievements of schemes with reference to original intensions, is undertaken in this Wing. Special evaluation studies on the following subjects have already been completed:

- (1) Utilisation of loan sanctioned by the Land Development Banks for construction of new wells and repairs to old wells;
- (2) Problem of incomplete wells in Sholapur District;
- (3) Study of under utilisation of irrigation potential under projects in Marathwada (with special reference to cultivation of long staple cotton);
- (4) Distribution of fertilisers;
- (5) Multiplication and distribution of improved seeds, its impact on production; and
- (6) Industrial Estates.

Special studies on the following problems have also been taken on hand, viz.,

- (1) Progress and impact of Animal Husbandry Schemes;
- (2) Utilisation of rural electrification;
- (3) Progress and impact of backward class welfare schemes; and
- (4) Village Volunteer Force.

▲ detailed programme of evaluation studies to be undertaken during 1966 and 1967 has also been drawn up. The Evaluation Wing has recently been strengthened in order to enable it to complete the comprehensive programme during next three years.

2.9 For the purposes of formulating the programmes of and guiding the evaluation studies two Committees, viz. a project Evaluation Committee and a State Plan Evaluation Committee, have been constituted. The project Evaluation Committee has been constituted under the Chairmanship of Additional Development Commissioner and its other members are the Deputy Secretary, (Planning) Finance Department, the Director Bureau of Economics and Statistics, and

and

Dr. P.R. Bramhananda, Professor of Monetary Economics, Department of Economics, University of Bombay (as an honorary member). The main functions of the Project Evaluation Committee are (a) framing a programme of evaluation studies, and (b) examining and recommending to Government the content of evaluation reports and the follow-up action thereon. The State Plan Evaluation Committee has been constituted under the Chairmanship of the Chief Secretary and Secretary to Government, Finance Department (Planning) and the Additional Development Commissioner are its other members. The Deputy Secretary (Planning), Finance Department is the Secretary of the Committee. The functions of the Committee are -

- 1) to approve the programme of evaluation studies;
- 2) to examine the contents of evaluation reports and make its own recommendations to Government; and
- 3) to review periodically the progress of implementation of accepted recommendations..

2.10 Manpower Wing: Manpower Planning, both at the National and State level, has acquired a special significance in the context of the Fourth Plan. A separate Manpower Wing was, therefore, established in the Planning Division of the Finance Department, with the object of conducting studies in manpower requirements, manpower availability, and problems relating to development, distribution and utilisation of manpower. The Deputy Secretary (Planning) is the Chief Manpower Officer and is assisted by an Additional Manpower Officer and a Research Officer. Constant liaison is maintained with Manpower Directorate and Institute of Applied Manpower Research through the Manpower Wing.

2.11 Regional Plans: One of the objectives of the State's Third Plan relates to removing imbalances in development in different regions of the State. In this respect, the State's Third Plan seeks to give special consideration to the under developed regions like the Vidarbha, Marathwada, Konkan and the scarcity areas. The State's Third Plan has further been broken up into Divisional and District Plans and a division-wise and district-wise break up of targets and outlays under each plan scheme amenable to such a break up has been prepared. The responsibility of ensuring proper utilisation of funds provided for the under developed regions in particular and of watching the progress of the plan at Divisional and District levels in general with reference to the original objective, targets and outlay devolves on the Commissioner of the Division who is assisted by the Dy. Development Commissioner. Quarterly progress reports are called for from the Divisional Commissioners in respect of divisional schemes and from the Collectors and the Zilla Parishads in respect of district level schemes in the State and local sectors respectively. The progress at Divisional and District levels is examined by the Commissioner in quarterly meetings of the

concerned officers, representatives of Zilla Parishads, etc., which are presided over by the Minister for the area concerned. Similar meetings are also held at District level for reviewing progress of District level schemes. At the Secretariat level, the progress reports are examined by the Wing which is under the control of an Under Secretary.

2.12 An experiment in planning from below, on the basis of physical and socio-economic conditions obtaining in the district, has been undertaken in the Wardha District. A detailed survey of the District was undertaken by the Gokhale Institute of Economics and Politics with the object of determining the socio-economic conditions of the district, its resources position and development potentialities. On the basis of this survey, the Zilla Parishad had formulated a Development Plan for the District. The Plan prepared by the Zilla Parishad had formulated a Development Plan for the District. The Plan prepared by the Zilla Parishad was considered in the Planning Division in consultation with the Heads of Departments concerned and on the basis of these discussions a plan for 7 years has been prepared for Wardha District.

### 3.0 Bureau of Economics & Statistics

3.1 Along with the reorganisation of the Planning Division in the Finance Department, the Bureau of Economics and Statistics was also strengthened with a view to undertaking basic studies relating to perspective planning and formulation of the Fourth Plan.

### 4.0 Planning Units in other Departments

4.1 In major development departments such as agriculture, Education, Rural Development, etc. Planning Cells of varying sizes have been created for planning Development Programmes and for watching implementation. For the formulation of the Fourth Plan schemes, these cells have been temporarily strengthened.

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Note: As the Government of Maharashtra did not send up-to-date material, this note is based on the information furnished by them to the Study Team on the Machinery for Planning, in July, 1966.

ANSWER

1. The Chief Minister is the Minister in charge of Planning. In the State, there is no exclusive Planning Department; nor is it combined with the Finance Department. The Secretary to Government for Planning is the Secretary in the Department of Planning, Health and Social Welfare. There is a Deputy Secretary in charge of Planning and Social Welfare and an Under Secretary, Planning. The Government, having taken into account the need to co-ordinate the planned activities of all Departments which are increasing both in number and complexity, have also designated the Development Commissioner as the Special Secretary for Planning and Agricultural Production.

2. There is a High Power Committee of officials called the Steering Group which is headed by the Chief Secretary and has, as Member, the Secretaries to Government in charge of Development Departments.

3. Although Planning is a continuous process, there are particular periods in which a heightened tempo of activity has to be maintained. The period of formulation of a Plan for a Five Year period as a whole is one such phase. For this purpose, during every plan period an officer on Special duty is appointed in order to serve as a point of contact between the instructions of the Planning Commission and the Ministries of the Government of India on the one side and the consequential planning process in the various departments of Government on the other. In order to ensure that in every department there is one officer who could serve as a focal point of the plan activities, the institution of the Plan Liason Officer has been created. Each department has nominated one officer - in most cases of the rank of the Deputy Secretary - as Plan Liason Officer.

4. While review of Plan programmes is carried on from time to time by the Planning Department it was felt necessary to have an independent machinery for evaluation of plan programmes. For this purpose, a Directorate of Evaluation has been established equipped with the necessary staff consisting of a Statistician, Economist, Research Officers and Evaluation Officers. The Director of Evaluation has also been designated as the State Man Power Officer. He conducts studies relating to the requirement of Manpower-particularly, Technical Man Power - on whom so much of the successful implementation of the Plan Programmes depends.

5. At the district level, we do not have an officer meant for Planning, as for instance the District Planning Officer in Andhra Pradesh. For all practical purposes, the process of plan formulation in the State is at the moment confined to the State level. Once the plan is formulated, however, the Panchayati Raj

institutions come into the picture in evolving a programme of action taking into account the provisions available in the plan and their own resources available for planned development.

6. In formulating plans, for obvious reasons, the Planning Department functions in very close liaison with the Finance Department.

7. In addition to the advice and guidance of the Steering Group mentioned above, the planning process is aided by the deliberations of the State Development Council which is constituted with the Chief Minister as its Chairman and has, as Members, all Ministers, Deputy Ministers and Parliamentary Secretaries, all Secretaries to Government, a few Legislators, the Leader of the Opposition, the Presidents of Chambers of Commerce, Vice-Chancellor of Universities etc. Government have also set up panels to advise the State Development Council on specific fields of activity. The panels are on (i) Economics, Resources and Welfare, (ii) Industry, Power and Transport, and (iii) Agriculture and allied subjects.

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**Note:**

As the Government of Mysore did not furnish up-to-date material, this note is based on the information supplied by them to the Study Team on the Machinery for Planning in July, 1966.

1. Chief Minister is in charge of the Planning Port-folio. He is assisted by the Deputy Minister, Planning & Co-ordination and Agriculture.

2. A Planning Board has been set up with the Chief Minister as its Chairman for advising the State Government on important matters relating to Planning. For details of the composition of this Board and its functions, copy of the Government Resolution enclosed herewith may be referred to. The question of re-organization of the State Planning Board on the basis of recommendations of the Administrative Reforms Commission may be taken into consideration after final decision of the Government of India on such recommendations of the ARC is communicated.

3. There is a separate department for planning known as Planning & Co-ordination Department. In this State detailed formulation of Plan Scheme is done in the concerned administrative departments who are also in charge of the implementation of the programmes. In formulating detailed plans, the administrative departments are assisted by the subject-matter-specialists who are placed under their control in different subordinate offices. Unlike the Planning Commission at the Centre, the Planning and Co-ordination Department of the State Government is a small department with no subject experts on its staff. Broadly its functions are to devotail, co-ordinate and fit in the Plans in the frame-work of the resources, priorities and targets. This department also keeps watch over the progress by means of reports obtained from implementing departments. The Chief Secretary of the State is the Development Commissioner. The Additional Chief Secretary functions as the Additional Development Commissioner and Secretary of the Planning & Co-ordination Department. Thus proper co-ordination in the developmental activities of the different departments both at the State and field level is ensured. The Secretary of the department is assisted by two Deputy Secretaries, one Under Secretary, One Assistant Secretary, One Director of Evaluation, six Research Officers and required number of staff. Planning and Co-ordination Department keeps close touch with the State Finance Department to bring about co-ordination between the State Plans and resources. A chart showing the organizational set up of the Planning and Co-ordination Department in this State is enclosed.

4. The Planning & Co-ordination Department has the following units.

(a) PLANNING UNIT: This unit deals with the work relating to preparation of Five Year Plans, Perspective Long Term Plans, Annual Plans, Plan implementation, resources in general and undertakes periodical reviews with the departments of Government and heads of departments and Chairman of different Corporations regarding Plan progress and expenditures.

(b) STATISTICAL UNIT: This Unit collects data on Plan Schemes from different departments, process them properly and brings out plan publications.

The Bureau of Statistics & Economics of this State which is in charge of various statistical surveys such as agricultural, industrial, labour and other statistical activities in various fields has been kept under the administrative control of the Planning & Co-ordination Department.

(c) COORDINATION UNIT: The Unit deals with all matters of co-ordination with the different departments regarding Plan implementation, field inspection and supervision of the work of the Heads of Departments, District level Officers and Panchayat Raj Institutions.

There is also a Co-ordinating Committee known as the Inter-Departmental Committee of Secretaries with the Chief Secretary as Chairman for coordinating the work of the various departments.

(d) EVALUATION UNIT: This Unit is under the charge of the Director of Evaluation. It deals with the review of progress and evaluation of implementation of selected Plan Schemes. Three Research Officers and a number of Statistical Investigators and staff work in this Unit.

(e) MINOR IRRIGATION UNIT: Minor Irrigation Programme plays a vital role in the context of additional production. There is a separate organization known as Rural Engineering Organization which is a full-fledged department under one Chief Engineer, has remained in charge of all minor irrigation works in this State. This organization has been kept under the administrative control of the Planning & Co-ordination Department with a view to ensure speedy and successful implementation of the programmes under the guidance of the Development Commissioner and Additional Development Commissioner. This Rural Engineering Organization is also in charge of the rural roads and also it supervises the construction works at the block level as well as the small construction works of different departments which cannot be taken up by the P.W.D.

(f) MANPOWER PLANNING: The Manpower Planning work has been entrusted to Planning & Co-ordination Department. There is a technical Manpower Committee with the Development Commissioner as the Chairman and Secretaries of the concerned Departments as members. This Committee reviews the Plan Programmes for the training of technical and other specialised personnel, make suitable recommendation for augmentation of the existing programmes etc.

A High Power Committee has also been set up in this State to suggest measures for creating opportunity of employment to the unemployed Engineers and Overseers. A Cell is attached to the Planning & Co-ordination Department to pursue action on the recommendations and suggestions of this High Power Committee.

5. This department is also in charge of some schemes viz; grants to Voluntary Organization, Grants to Bharat Sevak Samaj and grants to Planning Forums.

6. At the district level the blocks form the primary units of development. The representatives of the various administrative departments concerned with the development programmes look into the implementation of the Plan Schemes in the field. The Collector of the District is the Head of the development team at the district level.

7. With a view to ensuring that appropriate attention is given to this work, Government have been pleased to recently place this department under the charge of Additional Chief Secretary, who has been made Additional Development Commissioner and Secretary, Planning & Co-ordination Department.

## THE ORISSA GAZETTE

EXTRA ORDINARY

Published by Authority

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 No. 325 CUTTACK, WEDNESDAY, MARCH 29, 1967
 

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No. 1515-P

Government of Orissa  
 Planning & Co-ordination Department  
 (Planning Branch)

RESOLUTION

The 23rd March 1967.

**Subject:** Reconstitution of the Orissa Planning Board

In supersession of Resolution No. 1175-P., dated the 22nd February 1965, read with Resolution No. 3241-P.B., - 756F-P, dated the 8th May 1965, and Resolution No. 6437-P.B. 4/66-P., dated the 17th November 1966, issued by the Planning & Co-ordination Department, Government have decided to reconstitute the Orissa Planning Board, with immediate effect with the following members:-

- |   |               |
|---|---------------|
| 1. Shri R.N. Singh Deo, Chief Minister  | Chairman      |
| 2. Shri Pabitra Mohan Pradhan, Deputy Chief Minister  | Vice Chairman |
| 3. Shri Raj Ballabh Mishra, Minister, C.D. & P.R.<br>Labour and Tourist Traffic (Home), Agriculture and<br>Animal Husbandry | Member        |
| 4. Shri Surendra Nath Patnaik, Minister, Revenue,<br>Irrigation & Power   | -do-          |
| 5. Shri Harihar Patel, Minister, Industries, Commerce,<br>Forestry, Co-operation & Fisheries                                | -do-          |
| 6. Shri Dayanidhi Naik, Minister, Works and Transport   | -do-          |
| 7. Chief Secretary  | -do-          |
| 8. Development Commissioner & Additional Chief Secretary  | -do-          |
| 9. Secretary to Government, Finance Department  | -do-          |
| 10. Additional Secretary to Government, F & C. Department-<br>cum-Additional Development Commissioner                       | Member Secy.  |

2. The State Planning Board shall constitute the ultimate machinery for planning at the State level. Its functions shall include the following:-

- (a) Imparting a sense of direction and purpose to the Planning process,
- (b) Laying down policies for plan formulation and plan implementation,
- (c) Conduct studies and surveys for collection of economic, social and technical data.
- (d) Implementation of the Fourth Five-Year Plan in an integrated manner,
- (e) Formulation of annual plans within the framework of the Fourth Five-Year Plan,
- (f) Review of progress and revision of the Fourth Five Year Plan and annual plans, as and when necessary,
- (g) Preparation of perspective plans, whenever necessary.

3. The Chairman may, after consultation with the Board, appoint, pannels of non-officials for studying the development problems of the State and for stimulating public thinking on socio-economic planning.

4. The Board may frame its own Rules of Business and form such Committees as may be required.

.....

Order - Ordered that the Resolution be published in the Orissa Gazette for general information.

By order of the Governor

R. P. Padhi  
Additional Chief Secretary Development  
and Commissioner, Orissa

No. 6581-P. B-3/67-P  
GOVERNMENT OF ORISSA  
PLANNING & CO-ORDINATION  
DEPARTMENT

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R E S O L U T I O N

The 20th November, 1967.

In partial modification of Resolution No. 1515-P., dated the 23rd March 1967, issued by Planning & Co-ordination Department, Government have decided that Shri Brundaban Tripathy, Deputy Minister, Agriculture, Planning & Co-ordination will be a member of the Orissa Planning Board.

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ORDER - Ordered that the Resolution be published in the Orissa Gazette for general information.

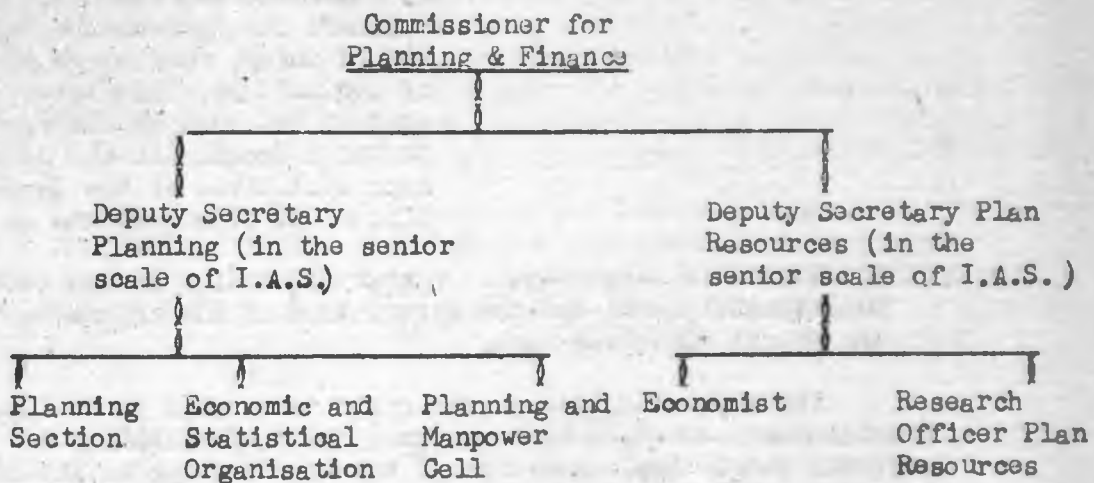
By order of the Governor

R. SRINIVASAN  
Deputy Secretary to Government.

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PUNJAB

Since the re-organisation of the State in 1966 the Planning Department is headed by the Commissioner for Planning and Finance. He is the incharge of the Planning Department as well as of the Finance Department. He is assisted by a full time Dy. Secy. Planning. The organisational set up of the Planning Department in the Punjab State is as under:-



Prior to re-organisation the Planning Department was under the charge of a full-fledged officer of the rank of Financial Commissioner but the State Administrative Reforms Commission recommended that the work of Finance and Planning should be put under the charge of a single officer. It was in view of this recommendation that the Planning Department was put under the charge of Finance Secretary.

The following are the Boards/Committees which form part of the Planning Organisation in the State:

1. State Planning Board (C.M. is Chairman and all Cabinet Ministers as Members)
2. State Development Board (Planning Commissioner as Chairman and all Administrative Secretaries and important Heads of Departments as Members)  
(The Board will also function as Steering Body for the formulation of the Fourth Five Year Plan and for this purpose may

in addition associate experts and other persons interested in Planning at the State level).

3. State Evaluation Committee (Planning Commissioner Chairman and Secretaries incharge of important Departments, Regional Evaluation Officer, Government of India, etc. as Members)
4. Board of Economic Inquiry (Minister incharge of Statistics as Chairman, Ministers incharge of important Departments, Commissioners for Agriculture, Finance and Planning. Directors incharge of Agriculture, Industries, Cooperation and persons interested in Rural Economy of the State, representatives of the Commerce, Labour and other experts as members).
5. The State has constituted a number of Working Groups at the Departmental level for the formulation of the proposals for the Fourth Five Year Plan.

The implementation in the field is watched by the Deputy Commissioners who have been assigned the responsibility of ensuring timely implementation of the Plan schemes in the field by regularly reviewing their progress. They have available to them the assistance of an officer designated as Block Development and Panchayat Officer for this purpose. The services of the District Statistical Officer are also available for the collection and compilation of the data.

The present strength at the various levels of the Planning Department is given in detail in the Statement enclosed.

The entire question in regard to the re-organisation of the State Planning machinery has been considered in detail keeping in view the recommendations of the Punjab Administrative Reforms Commission as well as the recommendations contained in the report of the Study Team on Planning of the Central Administrative Reforms Commission. The proposed re-organisation is briefly explained in paragraphs that follow:

It has been observed that the Planning Secretary has to perform a very onerous role which will become more time-consuming on account of the preparation of the Fourth Five Year Plan in a tight time schedule. Then there will be increased burden on the Commissioner for Finance and Planning of the work relating to the Finance Commission. The question of bifurcation

of the work of Finance and Planning and to have a whole time Planning Secretary is under the consideration of the Government.

As at present the Planning Department would continue to have the assistance of the State Statistical Bureau in the matter of collection of statistics. The work in regard to the Evaluation, Employment and Man Power etc. which is at present being dealt within the State Economic and Statistical Bureau will be transferred to the State Planning Department. The State Planning Department will be organised into units for (i) Resources for Planning (ii) Plan formulation and implementation (iii) Manpower (iv) Perspective Planning (v) Evaluation and (vi) State Income and Public Finance. It is also proposed to have an Economic Adviser in the Planning Department who besides preparing socio-economic progress reports would guide the Units for Manpower and Employment, Perspective Planning and Evaluation. The ministerial staff in the Planning Branch will be replaced by Research Officers.

The State Planning Board which hitherto consists of C.M. as Chairman and all Cabinet Ministers as Members is proposed to be reconstituted with the C.M. as Chairman and Ministers Incharge of only important Development Departments as Members. It is also proposed to include some officials connected with the priority programmes as members.

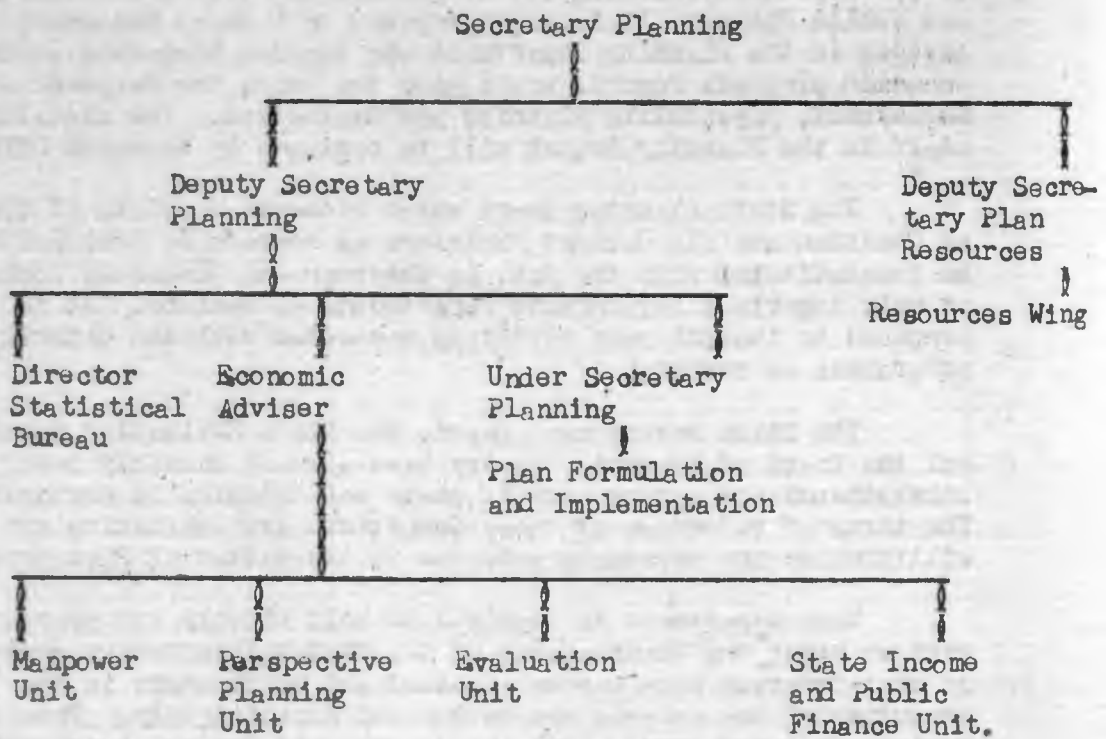
The State Development Board, the State Evaluation Committee and the Board of Economic Inquiry have already recently been strengthened and a copy each of their constitution is enclosed. The terms of reference of these Committees are exhaustive and will provide the necessary guidance in the matter of Plan process.

Each Department is required to hold monthly and quarterly reviews under the Chairmanship of the Minister/Secretary concerned so that progress made can be assessed and bottlenecks in the execution of the schemes can be removed expeditiously. These reviews deal not merely with the progress of financial expenditure but also cover the performance in terms of physical targets. It is now proposed that it would be the responsibility of the Research Officer in the Planning Department to arrange meetings for the review of the progress of the sector of economy with which he is concerned and submit note thereon for the information of the Planning Commissioner. The Research Officer responsible for reporting the overall progress of the entire Plan would prepare progress reports for the information of the State Development Board and State Planning Board, one of the important functions of these Boards being to review regularly the implementation by the Departments of the development schemes included in the Plan.

To improve the implementation in the field it is proposed that the District Statistical Officers may be made directly responsible for arranging the meetings to be held by the D.Cs.

... to review the progress of the Plan Schemes of the districts and compiling statistical information and resume thereof for submission to the Planning Department. The Joint Director Evaluation will supervise the work of D.S.Os and guide them in the preparation of the Annual socio-economic progress report of the District. It is also proposed to try on experimental basis the appointment of a Senior Officer other than the D.O. who will be responsible for development programmes in the District.

The proposed set up of the Planning Machinery at the official level would be as under:-



Statement indicating the present strength at the various levels of the Planning Department including the Economic and Statistical Organisation - Punjab.

Planning Commissioner	1
Deputy Secretary Planning (in the Senior Scale of IAS)	1
<u>Planning Department</u>	
Section Officer	1
Assistant Section Officers	5
<u>Plan Resources Unit</u>	
Deputy Secretary Plan Resources (in the Senior Scale of IAS)	1
Economist (Class - II)	
Technical Assistants	
<u>Planning Cell and Man Power Unit</u>	
Deputy Economic and Statistical Adviser (Class - I)	1
Research Officers	2
Technical Assistants	4
<u>Economic and Statistical Organisation</u>	
Economic and Statistical Adviser	1
Jt. Economic and Statistical Adviser	1
Dy. Economic and Statistical Adviser (Class - I)	2
Dy. Economic and Statistical Adviser (Class - II)	2
Census Officer	1
Research Officers	10
District Statistical Officers	11

## RAJASTHAN

The Planning Department in the Secretariat is under the charge of a Cabinet Minister who also holds the portfolio of Finance. The Secretary of the Department is the Chief Secretary. The Chief Secretary is assisted by two Deputy Secretaries and their respective functions are as follows:

1. Deputy Secretary, Planning
  - (a) Formulation of Five Years Plan and Annual Plans and their implementation.
  - (b) Plan Progress and inter-departmental coordination.
  - (c) Central Assistance and resources for the Plan.
  - (d) Administration of the Department of Statistics.
2. Director of Manpower-cum-Deputy Secretary Manpower and Evaluation:
  - (a) Manpower Planning
  - (b) Perspective Planning
  - (c) Natural Resources
  - (d) Evaluation

The Deputy Secretary Planning has under him two principal officers namely (a) Progress Officer and the (2) Assistant Secretary and their respective jurisdiction is as under:-

1. Progress Officer
  - (a) Formulation of Five Year Plans, Annual Plans and their implementation.
  - (b) Plan progress and inter-departmental coordination.
  - (c) Central Assistance and resources for the Plan.
2. Assistant Secretary
  - (a) Rajasthan Planning Advisory Council and Co-ordination Committees.
  - (b) Administration of the Department of Statistics.

The Progress Officer is assisted by a Statistician who is primarily responsible for the work relating to the claiming of Central Assistance for the Plan and the Centrally Sponsored Schemes. There is also a Section Officer who deals with routine matters and with the administration of the Planning Department.

The Deputy Secretary Planning is an Officer from the Indian Administrative Service and the Deputy Secretary Manpower and Evaluation is borne on the cadre of the Rajasthan Statistical Service with the rank of Director of Economics & Statistics. The Progress Officer Planning is also from the Rajasthan Statistical Service with the rank of Deputy Director. The Assistant Secretary and the Second Officer are members of the Rajasthan Secretariat Service and the Statistician of the Rajasthan Statistical Service.

There is a High Powered body called the Rajasthan Planning Advisory Council for reviewing the progress of Plans periodically and for advising the Government on the priorities and objectives of the Plans. This Body is presided over by the Chief Minister and all the Cabinet Ministers, Minister of State for Planning, The Chief Secretary, the Financial Commissioner and the Development Commissioner are permanent official members. The Deputy Secretary Planning acts as the Member Secretary. Besides the official members prominent Members of Parliament, M.L.As., Educationists, Industrialists, Pramukhs Zila Parishads and Social Workers are also members of the Council.

The principal functions of the Planning Department can be divided into the following broad heads:-

1. Formulation of Five Year Plan and Annual Plans.
2. Plan implementation and Co-ordination.
3. Perspective Planning
4. Manpower Planning
5. Evaluation

The main activities performed by the Planning Department under these heads are described in the subsequent paragraphs

1. FORMULATION OF FIVE YEAR PLANS AND ANNUAL PLANS

The procedure for the formulation of Plans is well known and does not require any elaboration. The Planning Department is charged with the responsibility of assessing the requirements of each sector, fixing up priorities and determining the physical

targets of each Plan. The Department also makes an assessment of the Financial resources in consultation with the Finance Department and is responsible for furnishing all the relevant information to the Planning Commission. The discussions in the Working Groups and the Planning Commission in general are co-ordinated by this Department. After the Annual Plan is finalised their details are worked out in what are called the Budget Finalisation Committees which are convened by the Finance Department and in which representatives of the Planning Department are also associated.

## 2. PLAN IMPLEMENTATION AND COORDINATION

The Planning Department keeps a close watch on the progress of implementation of Plan Schemes. The executing authorities are required to send monthly, quarterly and annual progress reports to the Planning Department at regular intervals. The Progress Reports are closely scrutinised and if the performance of any particular scheme is below standard, the reasons for the same are ascertained from the concerned Head of Department. If the reasons given by the Department are not convincing or if there is no immediate prospect of improvement in the performance the matter is brought to the notice of the Chief Secretary and the Planning Minister who take appropriate action. If the progress is being retarded because of certain inter-departmental difficulties a meeting of the concerned Officers is often called by the Chief Secretary to resolve the same. Some of the issues noticed while scrutinising the progress reports are also referred to the Co-ordination Committee to which we shall refer subsequently in greater detail. In addition to this the Secretaries of all Departments are required to hold quarterly meeting of concerned Heads of Departments in which the Planning Department is also represented. In these meetings the quarterly progress report is discussed and the causes of shortfall in any particular sector are sought to be removed by mutual discussions. The important issues which cannot be resolved without consultation with other departments are referred for decision to the concerned Co-ordination Committees.

The Government have constituted separate Development and Co-ordination Committees for all important sectors of development. These Committees are presided over by the Chief Secretary and they include the Development Commissioner, the Financial Commissioner, the Secretary and the Head of Department Concerned. The Deputy Secretary Planning acts as Member-Secretary of all these Committees. The Membership of these Committees is broad-based and all the connected departments are represented. For instance

in the Committee for Agriculture, the Irrigation Department, the Development Department and the Co-operative Department, are also represented which enables this Committee to take a final decision on all inter related matters. The decisions of this Committee are taken to be the decisions of the Government unless the Committee itself recognising the importance of certain issues recommends that the orders of the Minister-in-Charge or the Cabinet should be taken. The Committee thus exercises wide powers and discretion and acts as an effective instrument of co-ordination of developmental programmes.

As the Planning Department is finally responsible for the preparation of Annual Plans any changes in the schemewise allocations or the outlay of any sector have necessarily to be made with its approval. All cases therefore proposing diversion from one scheme to another or from one sector to another are referred to the Planning Department for a final decision. The Planning Department because of the special status it enjoys is in a position to take an overall view which is not coloured by any bias for any department and, therefore, all important matters of policy concerning developmental activities are referred to the Planning Department for advice. In this respect the Chief Secretary's role as Planning Secretary also deserves special mention.

### 3. PERSPECTIVE PLANNING

The work on this subject is still not fully developed and it is being attended to mainly by the Special Committees constituted for this purpose. The State Government had constituted a Committee on Resources and outlay under the Chairmanship of the Chief Secretary for estimating the investments necessary in the Fourth and Fifth Plan periods to achieve different economic objectives. Similarly the Committee on Water Resources - Estimation and Utilisation under the Chairmanship of the Chief Secretary has examined in detail the potential of development in the various river basins and has given positive recommendations regarding its future utilisation. A Master Plan for providing drinking water supply in all the villages of Rajasthan has also been prepared which puts the problem in the proper perspective and gives an idea of the investments required for providing potable drinking water supply to all the villages.

### 4. MANPOWER PLANNING

There is a small Manpower Cell in the Planning Department under Deputy Secretary Manpower and Evaluation which is primarily responsible for estimation of requirements of various types of technical personnel in relation to their availability. This

Cell had prepared forecasts on the requirements and availability of technical personnel like Engineers, Diploma holders, Doctors, Agricultural Graduates etc. The Planning Department while preparing the Five Year Plans and the Annual Plans gives due regard to the recommendations of the Manpower Cell and the proposals for the opening and expansion of technical institutions and regulation of their intake capacity are examined in the light of the recommendations from this Cell. The requirements of Training of Government personnel abroad are also examined in this Cell and all cases of deputation of Officers to foreign countries for training are processed in the Planning Department.

5. EVALUATION

The Evaluation Organisation was originally constituted for making a regular appraisal of the Community Development and Panchayati Raj Sectors. Subsequently its activities were expanded to include Plan schemes in other sectors as well. The Evaluation Organisation is bringing out regularly reports on the functioning of different schemes in the field and they are generally discussed in the Co-ordination Committees and appropriate remedial measures are suggested in the light of the recommendations made in the report.

This is in nutshell the principal functions of the Planning Department of the Secretariat.

## UTTAR PRADESH

Planning Department in Uttar Pradesh is a full-fledged department consisting of a Secretary with two Joint Secretaries, two Deputy Secretaries, two Research Officers and one Deputy Manpower Officer to assist him. A third Deputy Secretary is shortly going to be appointed.

2. The department functions under the guidance and supervision of the Secretary.
3. One of the Joint Secretaries deals with matters relating to preparation of the Fourth Plan and of the Annual Plans. He also deals with matters relating to coordination, Central assistance and regional development.
4. The other Joint Secretary is also the Director of Evaluation and Director of Planning Research & Action Institute. With the assistance of the supporting staff he is responsible for Evaluation of schemes, according to a programme approved by the State Evaluation Board. The Evaluation Organisation and the PRAI also undertake short studies particularly in respect of programmes which may not be working very satisfactorily. The Planning Research & Action Institute also undertakes pilot projects and research.
5. The Deputy Secretaries mainly look after the working of sectors assigned to them.
6. The Secretary of the Department is also the State Manpower Officer, and the Deputy Manpower Officer carries out manpower studies in cooperation with the Directorate of Economics & Statistics.
7. The two Research Officers assist the Planning Department in the study of particular problems.
8. The Directorate of Economics & Statistics is also under the Planning Department. This Directorate assists by making available statistics and other data useful for Planning purposes.
9. The office work of the Planning Branch is done in three departments known as Planning (A), Planning (B) and Planning (C). The sectoral work is divided amongst senior assistants with a view to ensuring proper scrutiny, follow-up and continuity of sectoral plan.
10. The formulation of the Five Year and Annual Plans being the responsibility of the Planning Department, this department, subject to the approval of the Cabinet, lays down sectoral

priorities, allocates resources and indicates important physical targets. The department has not only to examine the departmental plans but also to co-ordinate various schemes and programmes so that they work harmoniously. The Secretary reviews the progress of different schemes and programmes once a quarter when advice is offered to the departments on matters of policy. The Planning Department is also responsible for all important correspondence with the Planning Commission and the Government of India on matters relating to plans.

11. In the engineering departments Planning Cells are in existence in the shape of separate divisions for survey and project preparation. In some other departments also such cells have been created and one of the senior officers assisted by statistical and other requisite staff has been made responsible for the Planning work. In some other cases senior officers have been made so responsible in addition to their normal duties.

12. For the preparation of the Fourth Five Year Plan 21 Working Groups have been constituted. Some eminent Economists of the State and other non-officials have been associated with the working of these groups. Some of the Groups have appointed sub-groups to go into different aspects of Planning work relating to them.

13. The responsibility of getting the block and district plans finalised rests with the Agricultural Production Commissioner. At the district level the statutory responsibility of preparing block and district plans is of the Kshetra Samitis (Block Committees) and the Zila Parishads respectively. There is also a Co-ordination Committee with the District Magistrate as the Chairman, President Zila Parishad as the Vice-Chairman, and Vice-President Zila Parishad, Managing Director District Co-operative Bank, Vice-President District Cooperative Development Federation, and district level officers of development departments as members.

The Planning process involves three broad categories of activities - making an estimate of the resources for the Plan, drawing up the Plan Schemes and their integration into the State Plan in accordance with the approved objectives and priorities and within the limits of available resources. The first is the responsibility of the State Finance Department, the second is undertaken by the Departments which are in charge of executing the Schemes and the third by the Development and Planning Department. A Schematic representation of the inter-relationship will be found in Annexure - I.

2. Estimating the Plan Resources.- In estimating the Plan resources, the Finance Department first works out the probable total receipts from the existing trends of revenue earnings, a reasonable expectation of Central assistance on different counts and the likely proceeds from further taxation and market borrowing that are considered feasible. It next goes on to make an estimate of what the expenditure is likely to be in the relevant period on items other than the execution of the Plan resources. Once this is tentatively determined the Development and Planning Department requests the other Departments charged with development work to draw up their Plan Schemes in accordance with National and State priorities in such a manner that the total expenditure on these is slightly in excess of the State Plan resources.

3. Drawing up the Schemes - In drawing up the Plan Schemes the departments do not act according to any fixed pattern. The procedure followed depends principally upon two factors - the types of the Schemes handled and their number. In the first place these Schemes differ among themselves in respect of territorial coverage. Some are concerned with the entire State, some relate to regions covering more than one District, some are confined to particular Districts and the others are for smaller Units like Anchals and Villages. The Schemes also differ in respect of technical assistance required for their formulation. Those relating to the entire State or regions and those which involve a great deal of technicalities have of necessity to be formulated by the different Directorates or autonomous organisations like the State Electricity Board and the State Transport Corporations. Simpler Schemes concerned with smaller territorial units could very well originate at lower levels. But though planning from below is an accepted policy, an effective machinery to implement it is yet to be perfected. So while a beginning has already been made in the preparation of Village and Anchalic Agricultural Plans in the Intensive Agricultural District

Programme and the Intensive Rice Cultivation Programme areas, and while due consideration is given to the recommendation of the District and sub-divisional Development Committees (whose place has now been taken by the Zilla and Anchalic Parishads), the ~~burden~~ <sup>brunt</sup> of the burden of drawing up the Schemes has to be borne by the Directorates. This State of affairs has to continue for some time yet.

4. The specific machinery which the Departments and Directorates utilise for formulating the Plans depends upon the volume of work. Those having a large number of schemes to draw up have set up Planning Cells for the purpose. The others have entrusted the work to some particular officers.

5. When the Development Planning Department gives the other Departments a rough idea about the ceiling of their Plan Expenditure and requests them to go ahead with the preparation of the Plan Schemes, it also communicates to them the general directives on the planning either received from the Planning Commission or approved by the State Government. These Departments are also in direct communication with the concerned Ministries of the Central Government in regard to broad principles of the Sectoral Planning. They take all these into consideration and proceed to formulate the Plan Schemes on the basis of factual data giving a realistic estimate of the development potential in their respective Sectors, as well as the details of past performance. These Plan Schemes are later considered by the Working Groups - which include the representatives of the Department concerned as well as some other Departments like the Finance and Planning Departments. The Working Groups make their recommendations to the Departments concerned, which on their turn, transmit the Schemes to the Development and Planning Department after such modifications, if any, that are considered necessary. There is a Steering Group to co-ordinate the Planning activities of the different Departments.

6. There is one exception to the rule that only the Departments charged with execution are entrusted with the formulation of the Plan Schemes. This is the Town and Country Planning Wing of the Development and Planning Department, which is under the Commissioner for the Town & Country Planning, which is also an ex-officio Secretary to Government. This wing has no executing machinery and its task is to draw up Development Plans for the improvement of the important urban areas such as the Calcutta Metropolitan District, the Siliguri area, the Asansol-Raniganj Industrial area, the Haldia township.

7. Drawn up the Plan - When the Schemes are received in the Development and Planning Department, it proceeds to integrate these into a State Plan. It has to see that the

total expenditure does not exceed the resources in view that the Plan as a whole conforms to the approved objectives and priorities and that the Sectoral Plans are in balance with one another. Fitting the Plan to the resources generally requires some pruning of the Schemes. But when it is found that the projected Plan expenditure is in excess of the estimated resources, even after pruning, the Development and Planning Department does have to suggest to the Finance Department the raising of additional resources. To bring the plan in line with the approved objectives and priorities, it has first to determine what particular shape these priorities should take in the circumstances prevailing in the State. It has often to suggest some pruning in some Sectors and inclusion of new Schemes in others, so that the Plan as a whole reflects the priorities fixed by the Central and the State Governments. The third task, viz., keeping the Sectoral Plans in balance is found to be the most difficult and this for two reasons. The first is lack of an adequate volume of processed data. An attempt has been made to work out the balance with the help of an input-output table for the State. Some progress has been made but the table that has been compiled is not yet precise enough for practical application to planning. This has to be improved further - not only with the data already available, but also with fresh one collected for the purpose. An Economic Wing for the Development and Planning Department has been created to undertake this and allied tasks. The second reason why balancing is found difficult is more fundamental. A meaningful plan for a region like a State must take into consideration all the different-economic activities in the area. Yet the State Government's Plan deals only with a part of such activities. Unless the Development and Planning Department is in possession of full details of what are proposed to be done in the State by the Central Government and the Private Sector, it cannot put up proposals for a properly balanced Plan for the State. At present there is no adequate machinery for exchange of information and suggestions relating to the Central Government's and Private Sector's Plan proposals for the State, between the Development and Planning Department of the State Government on the one hand and its opposite numbers in the Central Government and the Public Sector Plans. In the absence of information the Department has to proceed on the basis of assumptions in its attempt to balance the Plan. This introduces an arbitrary element in Planning.

8. After the Schemes have been processed in accordance with the above principles, the Development and Planning Department places the entire list of the Schemes before the Development and Planning Board with its own suggestions for modifications. The Departments are later requested to recast their plans in accordance with the recommendations of the Board. The Plan thus recast constitutes the draft

State Plan and is submitted to the Government, as well as to the Legislature. This Plan is next forwarded to the Planning Commission which arranges for detailed tri-partite discussions between the representatives of the State Government, the Ministries concerned and the Planning Commission. The Plan that emerges out of these discussions is placed before the Government the Legislature and becomes the State Plan after their approval.

9. Both the Five-Year Plans and the Annual Plans generally involve the sequence narrated above. Two qualifications are however, necessary. While in the drawing up of the Annual Plans the process is undergone only once, the exercise has to be repeated several times over when it is the question of drawing up a Five Year Plan, the successive attempts making closer and closer approximation to what is feasible, and being called preliminary memoranda, Draft Plan or Final Plan as the case may be. The Second point is that the entire sequence cannot always be adhered to and some of the links in the chain have on occasion to be skipped in the exigencies of the situation.

10. Drawing up the Fourth Plan.- The work done so far in the formulation of the Fourth Plan has resulted in a preliminary memorandum. This will be followed up with a Draft Plan, which after additions and alternations that are found necessary, will be accepted as the Final Plan. A short account of the steps taken so far is given below.

11. The National Development Council at its 20th meeting held in November, 1963, decided that the State Governments should constitute Working Groups on different subjects for preparation of the State Plans. The Council also suggested that the State Government should consider constituting a Steering Group with the Chief Secretary, Planning Secretary, Finance Secretary, Director, State Statistical Bureau and three or four other principal officials. The Steering Group was to report and seek directions about Plan Proposals of the State Cabinet.

12. In West Bengal Working Groups on the following subjects were formed on different dates from October, 1963 to March, 1965.

#### List of Working Groups

##### 1. Agriculture

- i) Agricultural Production, Warehousing and Marketing
- ii) Minor Irrigation and Soil Conservation.

##### 2. Land Reforms and Agricultural Labour.

3. Animal Husbandry and Veterinary Services

- i) Animal Husbandry and Dairy Development
- ii) Zoological Garden, Alipore

4. Fisheries
5. Co-operation
6. Community Development and Panchayats.
7. Irrigation and Waterways.
8. Commerce and Industries (including Power).
9. Cottage and Small-Scale Industries.
10. Roads.
11. Transport.
12. Tourism.
13. Education.
14. Health.

- i) Medical
- ii) Public Health
- iii) Water Supply and Sanitation

15. Housing and Urban and Rural Planning.
16. Tribal Welfare.
17. Social Welfare.
18. Labour and Labour Welfare.
19. Public Co-operation and Rural Works.
20. Durgapur Projects
21. Municipal and Urban Development
22. Resources.

13. The Steering Group was also formed in May, 1964, with the Chief Secretary as Chairman and some principal Secretaries and Director, State Statistical Bureau, as members. The first instruction for formulation of the draft proposal for the Fourth Five Year Plan was received by the State Government in November, 1964. The State Development and Planning Board immediately held a meeting in order to consider the question of objective, strategy and priority for the Fourth Plan as well as the sectorwise allocation of resources. The Planning Department on the 20th November, 1964, issued instructions to the administrative departments to draw up preliminary draft memorandum in respect of planned schemes in accordance with the decision of Board. The Departmental, proposal about the memorandum was discussed at the meeting of the Development and Planning Board on 7.12.64 when the total outlay for the Fourth Five Year Plan was fixed at Rs. 617.83 crores. The State Planning Department drew up the preliminary memorandum for the State Fourth Plan in accordance with this decision and submitted the same to the Planning Commission in February, 1965.

preliminary

14. The draft preliminary memorandum was discussed by the State Chief Minister and other Ministers with the Deputy Chairman, and Members of the Planning Commission, Government of India in June, 1965. The points raised by the Planning Commission at the discussion were examined by the State Development and Planning Board being endorsed by the State Government were communicated to the Dy. Chairman, Planning Commission, in July, 1965.

15. Detailed discussion and outlays for the Fourth Plan scheduled to be held at the 22nd meeting of the National Development Council on the 5th and 6th September, 1965, was postponed due to the emergency arising out of Pakistani aggression.

16. The Plan for the first year of the Fourth Plan was drawn up on an adhoc basis as the continuation of the Third Plan after discussion with the Planning Commission in December, 1965.

ANNEXURE - I

Steering Group

- |    |   |          |
|----|---|----------|
| 1. | Chief Secretary   | Chairman |
| 2. | Development & Planning Commissioner                     | Member.  |
| 3. | Financial Commissioner                                  | Member   |
| 4. | Commissioner for Agriculture & Community Development    | Member   |
| 5. | Town & Country Planning Commissioner                    | Member   |
| 6. | Secretary, Commerce & Industries Department             | Member   |
| 7. | Secretary, Irrigation & Waterways Department            | Member   |
| 8. | Secretary, Cottage & Small Scale Industries Department. | Member   |
| 9. | Director, State Statistical Bureau                      | Member   |

### ANNEXURE - III

#### A Note on Administrative Organization for Urban and Regional Planning in West Bengal

1. The Town and Country Planning branch of the Development and Planning Department functions under the Chief Minister as the Minister-in-charge. The branch is headed by a Commissioner for Town and Country Planning, who is also the ex-officio Secretary to the Government. The principal functions of the Town and Country Planning branch are -

- i) urban and regional planning policies for the State;
- ii) State-level direction of urban and regional planning projects and their co-ordination;
- iii) development of legislative proposals for planning and development, and their processing in collaboration with CMPO, other planning organizations and state agencies;
- iv) development of a regional planning framework and regional planning policies for the State, with technical assistance of the CMPO and other planning bodies;
- v) recommendations of fiscal and capital budgeting; policies and programmes for urban development in the State to the State Government.

Note: The Town and Country Planning branch has formulated three major legislative proposals so far viz: Calcutta Metropolitan Area (Use and Development of Land) Control Act 1965; Calcutta Metropolitan Water and Sanitation Authority Act 1966 (both acts already enacted); and West Bengal Slum Areas Improvement and Clearance Bill 1965 (now before the State Legislature). Some other important legislation now being formulated are; Calcutta Metropolitan-Traffic and Transportation Authority Bill. Urban and Regional Planning Bill for the State, and a Bill for establishing Development Authorities in various urban areas in the State.

The Town and Country Planning branch also makes recommendations to the Development and Planning Department relating to Greater Calcutta Development Schemes and other urban development schemes under the Five Year Plans.

#### 2. Calcutta Metropolitan Planning Organizations:

The Calcutta Metropolitan Planning Organization is responsible for -

- i) Comprehensive Metropolitan Development Planning for the Calcutta Metropolitan District;
- ii) Functional planning for major utilities and services like water supply, sewerage and drainage, traffic and transportation, slum improvement and housing etc.
- iii) Through the Regional Planning Wing, the CMPO helps the State Government in the evolution of Regional planning policies, and undertakes studies relating to the formulation of an urbanization plan for the State, regional transportation plans, etc.

Note: In view of the urgency and complexity of the problems of the Calcutta Metropolitan District, besides comprehensive planning the CMPO has also been engaged in project planning and programming, relating to important utilities and services like water supply, sewerage and drainage, traffic and transportation and slum improvement. A Master Plan for water supply, sewerage and drainage for Calcutta Metropolitan District is nearing completion by the Calcutta Metropolitan Planning Organization with the assistance of consultancy services provided by the World Health Organization. Similarly, a Master plan for traffic and transportation within the Calcutta Metropolitan District is also under preparation by the Calcutta Metropolitan Planning Organization with expert consultancy assistance provided by the Ford Foundation.

### 3. Asansol Planning Organization and Siliguri Planning Organization

These two planning organizations have more or less the same functions as the Calcutta Metropolitan Planning Organization with respect to their own planning areas. But unlike the CMPO these two planning organizations are not directly involved in project planning. At the moment, however, they try to promote the preparation of projects by concerned state and local agencies in accordance with their comprehensive planning policies and objectives. With the collaboration and assistance of other such agencies, these two planning organizations also develop urban development programmes covering various aspects like water supply, traffic and transportation, housing, etc.

### 4. Status and Powers of Planning Organisations

At present, the various planning organization like CMPO, APO and SPO function as Directorates of the State Government, assisted by a Council of Co-ordination in the case of CMPO and Advisory Councils in the case of APO and SPO. The planning organizations are not statutory bodies and their powers are mainly

recommendatory. These planning organizations work in close collaboration with other State Government Departments and Agencies, most of which are represented on the Advisory Councils, and also consulted from time to time. With enactment of the Urban and Regional Planning Law for the State ( a Bill for which is being drafted now), these planning organizations are expected to be accorded statutory status, powers and responsibilities.

Note: The Durgapur Development Authority, an agency entrusted with the planned development of the Durgapur industrial area also functions under the administrative control of the Town and Country Planning Branch.

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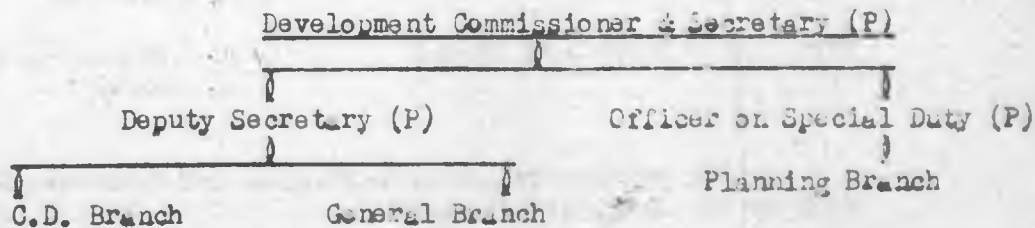
The Planning Development in Nagaland is known as the Planning and Coordination Department and it has the following Branches in its fold, headed by a Superintendent (Gazetted) each:

- (i) Planning Branch - Dealing with matters relating to Plan and Coordination of matters relating to all Departments and also Planning, Forums and Evaluation.
- (ii) Community Dev. Branch - Dealing with matters relating to C.D. and P.D. Blocks.
- (iii) General Branch - Dealing with Rural works Programme, Water Supply, and matters relating to Statistics and Town Planning as the Administrative Branch (Department) at the Government level.

2. The following Officers are looking after the affairs of the Department:

- i) Development Commissioner and Secretary (Planning)
- ii) Deputy Secretary (Planning) - 1.
- iii) Officer on Special Duty (Planning) - 1. (in U/Secy's Grade)

The Organisational Chart and distribution of work is as under:



3. Matters relating to the details of Planning/Schemes for each individual Department are dealt with in the Administrative Departments headed by Secretaries/Joint Secretaries, as the case may be. Thus the Planning has literally been decentralised, the Planning Department providing the guide-line and coordination, as and when necessary. The Organisational pattern of the same

are indicated below:-

- |      |   |   |  |
|------|---|---|--|
| I.   | Secretary (PWD/Electricity etc. Department) | } | 1. Roads   |
|      | Under Secretary (11)                        |   | 2. Buildings   |
|      |   |   | 3. Electricity                                       |
|      |   |   | 4. Housing Loans.                                    |
| II.  | Secretary (Medical etc. Department)         | } | 1. Medical & Public Health except Water-Supply       |
|      | Officer on Special Duty                     |   | 2. Major/Medium/Village and Small Industries.        |
|      |   |   | 3. Weights and Measures.                             |
| III. | Secretary (Transport etc. Department)       | } | 1. State Transport Organisation                      |
|      | Under Secretary -do-                        |   | 2. All matters relating to Transport & Communication |
| IV.  | Joint Secretary (Education etc. Department) | } | 1. General Education                                 |
|      |   |   | 2. Technical Education                               |
|      |   |   | 3. Research & Cultural Prog.                         |
|      |   |   | 4. Sports & Allied matters                           |
|      | Under Secretary -do-                        |   | 5. Cooperation                                       |
|      |   |   | 6. Social Welfare.                                   |
| V.   | Joint Secretary (Agri.etc. Department)      | } | 1. Agriculture                                       |
|      |   |   | 2. Animal Husbandry                                  |
|      |   |   | 3. Forests   |
|      |   |   | 4. Mineral Development                               |
|      |   |   | 5. Fisheries   |
| VI.  | Joint Secretary (Home)                      | } | 1. Information & Publicity                           |
|      |   |   | 2. Tourism   |

The matters relating to Finance and Resources are dealt with by the Secretary (Finance).

