

CHAPTER 3

THE PLAN

Annual Plan 2000-01

The Annual Plan 2000-2001 was prepared against a backdrop of significant shortfalls in Plan Expenditure during each of the preceding three years (1997-98, 1998-99 and 1999-2000) vis-à-vis the approved Budgetary support and its expected phasing for the Ninth Plan. Thus, the necessity of maintaining reasonable level and desired sectoral pattern of allocation in Annual Plan 2000-01 had to be reconciled with the priority of the government as reflected in the Prime Minister's Special Action Plan (SAP) and other initiatives, particularly, in the case of infrastructure sector as also the need to pursue fiscal consolidation at both Centre and State.

2. While inviting the proposals from the Central Ministries and Departments in respect of their Annual Plans, it was pointed out that given the resource position of the Government, it was difficult to visualise a scenario in which the envisaged budgetary support for the remaining years of the Ninth Plan would be fully met. It was suggested, therefore, that there was an urgent need to prioritise the planned projects of each Ministry/Department so as to have "Core Plans" for each Sector based on a budgetary support not higher than the allocation for Annual Plan 1999-2000. It was also suggested that there was a need to withhold expenditure on new schemes to ensure full funding of the ongoing schemes.

3. The Planning Commission formulated the Annual Plan for 2000-01 with a Gross Budgetary Support (GBS) of Rs.88,100 crore of which the GBS to the Central Sector Plan is Rs.51,275.60 crore and the Central assistance to State and Union Territory Plans is Rs. 36,824.40 crore. The budgeted Central plan outlay is Rs.1,17,333.78 crore which includes Internal and Extra Budgetary Resources (IEBR) of Rs.66,058.18 crore.

4. The total Central Plan outlay of Rs.117333.78 crore in the Annual Plan 2000-01, amounts to an increase of 13 per cent over the Budget Estimates (BE) of Rs.103520.93 crore for Annual Plan 1999-2000 and an increase of 22 per cent over the Revised Estimates (RE) of Rs. 96309.94 crore for Annual Plan 1999-2000. The Central Plan Outlay for Annual Plan 2000-01 is supposed to be financed by Budget Support of Rs.51275.60 crore (43.7 per cent) and IEBR of the Central Public Sector Enterprises of Rs.66058.18 crore (56.3 per cent). The amount to be raised through IEBR for financing the Central Plan for 2000-01 has gone up by 11 per cent over the corresponding figure of Rs.59520.93 crore in the Annual Plan 1999-2000.

5. The Gross Budgetary Support (GBS) of Rs.51275.60 crore for the Central sector Annual Plan 2000-01 is higher by 16.5 per cent over the Budget Estimates of Rs.44000 crore provided in the Annual Plan 1999-2000 and 17.4 per cent higher over the Annual Plan 1999-2000 Revised Estimates of Rs. 43660.58 crore. The broad heads of development wise details of the Central Plan Outlays for the Annual Plan 2000-01 are given in Annexure 3.1

State Plans (2000-01)

6. The Annual Plan (2000-01) discussions to finalize the plan size of different states and UTs were held during May-November, 2000 and an outlay of Rs. 87265.30 crore has been approved for all the States/UTs (excluding for J&K) as against an outlay of Rs. 88741.96 crore (including J&K) approved for the year 1999-2000. The outlay for Annual Plan 2000-01 includes Rs. 5000 crore corpus for the Prime Minister's Gramodaya Yojana (PMGY) (Rs. 2500 crore for rural roads connectivity and Rs. 2500 crore for five essential services viz. drinking water, primary health services, primary education, rural shelter & nutrition) and Rs. 365.81 crore for Slum Development. The States/UTs have been given the option to allocate the amount provided for five services in accordance with their priorities subject to a minimum of 15% for each component of PMGY (except for the amount allocated under rural roads). A separate provision of Rs. 450.00 crore has been made for the plan of North Eastern Council during the year 2000-01.

7. With a view to ensure investment in priority sectors as per plan objectives, the practice of earmarking of outlays under selected schemes/projects was continued. Outlays under various schemes in selected sectors of importance to the States' economy, Special Area Programmes, Externally Aided Projects, National Rural Roads Programme under PMGY and some irrigation and power projects were earmarked.

Review of Annual Plan 1999-2000

8. In the Revised Estimates (RE) the outlay for the Annual Plan 1999-2000 came down to Rs. 170856.80 crore, a decrease of 11 per cent over the Budget Estimates (BE) of Rs. 192262.89 crore. The Central sector outlay of Rs. 103520.93 crore in the BE has come down to Rs. 96309.94 crore in the RE, a shortfall of 7 per cent. The details of the Plan Outlays for the Annual Plan by broad heads of development for Central and State sector are given in Annexure 3.2

ANNEXURE-3.1

**PLAN OUTLAYS BY BROAD HEADS OF DEVELOPMENT :
CENTRE
FOR ANNUAL PLAN 2000-01(Budget Estimates)*.
(Amount Rs.crore)**

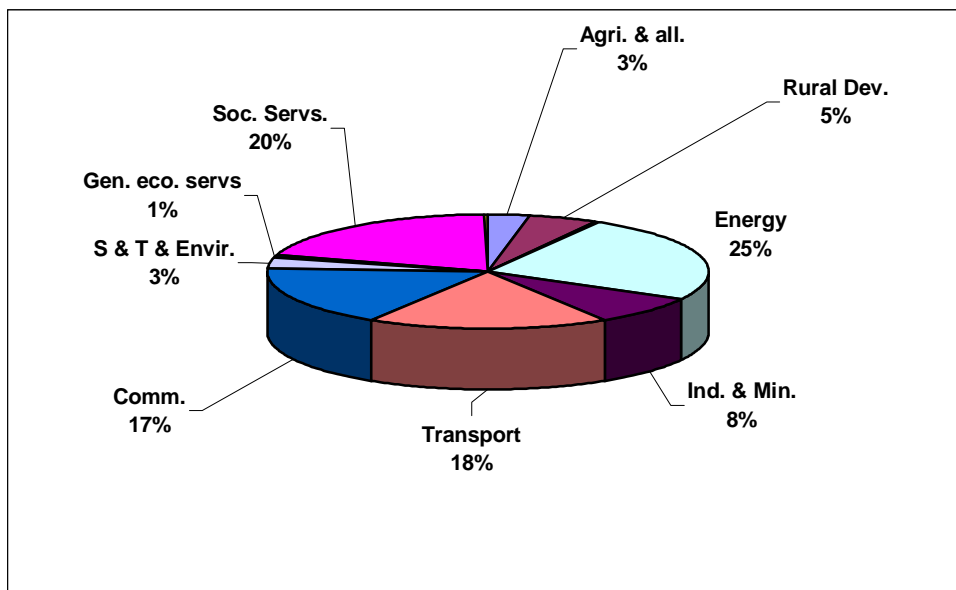
Sl.No.	Head of Development	Outlays	% to Total
I.	Agriculture & allied activities#	4074.2	3
II.	Rural Development	5388.5	5
III.	Energy	29793.0	25
IV.	Industry and Minerals	9279.6	8
V.	Transport	20992.2	18
VI.	Communications	19455.3	17
VII.	Science, technology & environment	3597.8	3
VIII.	General economic services!	1745.2	1
IX.	Social Services	23007.9	20
Total (I to IX)		117333.8	100

* Central Plan only since figures for States/Uts sector are not yet available.

Includes Irrigation and Flood Control

! Includes General Services

Note : Figures may not add upto total because of rounding.



PLAN OUTLAYS BY BROAD HEADS OF DEVELOPMENT : CENTRE, STATES AND UNION TERRITORIES FOR ANNUAL PLAN (1999-2000) – Revised Estimates

Amount (Rs. crore)

Sl.No.	Head of Development	CENTRE		STATES & Uts		TOTAL	
		Outlay	% to Total	Outlay	% to Total	Outlay	% to Total
I.	Agriculture & allied activities#	3364.1	3	17858.6	24	21222.7	12
II.	Rural Development	5175.7	5	5938.9	8	11114.6	7
III.	Special Area Programmes	0.0	0	1521.0	2	1521.0	1
IV.	Energy	26182.5	27	12569.5	17	38752.0	23
V.	Industry and Minerals	6436.4	7	2016.2	3	8452.6	5
VI.	Transport	17155.5	18	8269.6	11	25425.1	15
VII.	Communications	14900.4	15	10.4	0	14910.8	9
VIII.	Science, Technology & Environment	2859.2	3	197.0	0	3056.2	2
IX.	General economic services!	1298.0	1	3443.1	5	4741.1	3
X.	Social Services	18938.3	20	22722.5	30	41660.7	23
	Total (I to X)	96309.9	100	74546.9	100.0	170856.8	100

Includes Irrigation and Flood Control

! Includes General Services

Note : Figures may not add upto total because of rounding

