



**Government  
of the  
United Progressive Alliance**

**REPORT TO THE PEOPLE  
2010-11**







**Dr. Manmohan Singh**  
Prime Minister



**Smt. Sonia Gandhi**  
Chairperson, UPA

**Government  
of the  
United Progressive Alliance**

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2010-11**





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प्रधान मंत्री

Prime Minister

**FOREWORD**

Ever since the UPA government came to power in 2004, we have been presenting an annual report to the people of our country. We believe these reports help the people to judge for themselves how true we have been to our promises: what we have achieved and indeed also where we have fallen short of expectations. It gives me great pleasure to present this report on the work of the government in 2010-11.

The UPA government believes that rapid and broad based economic growth is an essential condition for inclusive development. I am happy to say that from 2004-05 to 2010-11, our economy has enjoyed an unprecedented 8.5% growth, despite the fact that this was a period that saw a severe global financial crisis. The crisis slowed down the growth rate to 6.8 percent in 2008-09, but the economy rebounded with a robust growth of 8.6% in 2010-11. This was composed of 5.4% growth in agriculture, 8.1% in industry and 9.6% in services. The performance in agriculture has been particularly satisfying, with our farmers producing more than 235 million tonnes of food grains, the highest since independence.

India is today widely seen as poised to embark on a sustained high growth path of the type achieved by a handful of countries in the past. We are determined to deliver on this promise so that India moves rapidly into the ranks of middle income countries, free of the burden of poverty, ignorance and disease that has held us down for so long. In charting this transition, our development strategy will be firmly focussed on making our growth process socially inclusive and regionally balanced. We will endeavour to reduce inequities and inequalities that exist in our country.

We have moved ahead on several fronts to achieve these goals. We have increased support prices for farmers and invested in rural infrastructure, including rural roads, housing, electricity and sanitation. We have invested in the livelihood security of our people. We have also sought to build a rights based framework in several critical areas. We had earlier implemented the right to information, and the right to rural

employment. In the year 2010-11, we moved further in this direction by operationalizing the right to education. We now propose to introduce a legislation giving our citizens the right to food.

Before touching on some of the highlights of this report, I would like to comment on an aspect of the functioning of our system which has been the focus of a great deal of attention in 2010-11, and that is the issue of governance standards and corruption. The year 2010 saw the conjunction of several developments related to the 2G spectrum, procurement and contracting issues related to the Commonwealth Games, and similar issues in state governments. Many of these issues have surfaced because of our system of institutional oversight and a free press and to that extent reflect the strength of the system. The developments have caused many concerned citizens to worry about the state of governance and the pervasiveness of corruption. These are legitimate concerns and the UPA government is determined to take corrective action. We will punish those that are guilty through the due process of the law. We will also take steps to prevent such developments in future. We have initiated a number of measures to bring about systemic changes that would help in improving governance and curbing corruption, and we hope to see quick results of these efforts.

The report covers many specific sectors that are directly relevant to improving the condition of living of our people and creating a just society. In agriculture, the initiatives taken by the UPA government have started producing results. The National Food Security Mission has led to substantial increases in the production of wheat, rice and pulses. Under the Rashtriya Krishi Vikas Yojana, substantial investments have been made in agricultural infrastructure and several high growth and locally suitable projects have been taken up in many states. The National Horticulture Mission has resulted in increases in the production of fruits, vegetables and spices. During 2010-11 we moved forward on extension reforms by revising the scheme for establishment of agri-clinics and agri-business centres. We also introduced a nutrient based subsidy policy for P&K fertilizers, which is expected to result in a more balanced use of fertilizers.

One of our thrust areas has been the expansion and strengthening of our education system at all levels – elementary, secondary and higher. There has been a significant reduction in the number of out of school children at the elementary level. More than 11 crore children are now provided hot cooked meals under the Mid Day Meal Programme. We have made substantial progress to close the numbers gap between boys and girls and SC and ST children. In secondary education, significant progress was made in 2010-11 in the schemes for establishment and management of girls' hostels and ICT in schools. In higher education, we moved forward in strengthening the legislative framework by finalizing or introducing in Parliament a number of bills. All the sixteen new Central universities, except that in Jammu have now commenced academic activities. In 2010-11, three new Indian Institutes of Management (IIMs), at Rohtak, Ranchi and Raipur commenced their academic sessions, while the IIM at Tiruchirapalli was operationalized with executive programmes. All the 10 new National Institutes of Technology also started functioning from July 2010.

The National Rural Health Mission has helped strengthen healthcare delivery systems in the country. There has been a substantial increase in in-patient and out-patient cases in the public health system, and there is encouraging evidence of increased institutional deliveries. All disease control programmes have also shown sustained improvement. Progress in AIDS control and care is also encouraging, with the annual new HIV infections in India having declined by more than 50% in the last decade. Construction of six new AIIMS-like institutions is in full swing.

We continued our efforts at strengthening the energy and infrastructure sectors during 2010-11. In the power sector we saw the highest ever capacity addition in a single year in the last six decades. Domestic crude oil production also increased by 11%. At the same time, availability of natural gas touched 169 mmscmd, recording a major growth from 105 mmscmd in 2008-09. With the commissioning of the 4<sup>th</sup> unit at the Kaiga station in January 2011, we now have 20 operating nuclear reactors with a total capacity of 4780 MWe. We have also made significant progress in nuclear fuel security, with the identification of additional uranium resources in Andhra Pradesh and Meghalaya.

We are committed to the highest levels of safety in the nuclear programme, and have initiated the process of strengthening the Atomic Energy Regulatory Board and making it an autonomous and independent regulatory authority. The year 2010-11 also saw the highest ever capacity addition from renewable energy sources in any one year, at 3157 MW.

The National Highways Development Project (NHDP) is proceeding well, and we hope to accelerate its pace further in the years ahead. A special project for road infrastructure in areas affected by left wing extremism has been sanctioned, involving construction of 4942 km of roads. To extend the benefits of NHDP deeper into the less developed areas, all single lane National Highways will be converted to two lane standards.

A new integrated terminal in public private partnership mode became operational at the Indira Gandhi International Airport at New Delhi, creating new benchmarks for airport infrastructure being developed in the country. A similar airport is under construction in Mumbai. The modernization and development of Chennai and Kolkata airports is also in progress.

The railways have seen good growth in freight and passenger traffic. They have exceeded past levels of achievement in new lines, doubling of existing lines and gauge conversion. In the telecom sector, countrywide mobile number portability was launched in January 2011.

The unique identification project AADHAAR was launched in September 2010. By April 2011, more than 50 lakh AADHAAR numbers have already been generated. The AADHAAR project is expected to go a long way in helping targeted delivery of benefits to our people. It will also enable improvements in delivery of services across sectors and greater financial inclusion. It will help our objective of removing inequities in the society.

The UPA government stands firmly committed to the welfare of the underprivileged and disadvantaged sections of our society. We have taken many initiatives to give focussed attention to the issues concerning our SC and ST brothers and sisters, the minorities, women

and children. In general we improved upon the quality and reach of the special programmes we are implementing for these groups. I would like to especially mention here the decision we have taken to strengthen and restructure the ICDS scheme and to adopt a multi-sectoral approach in addressing maternal and child malnutrition in selected 200 high-burdened districts.

Food inflation was a major concern in 2010-11. Our government took several measures to address the problem, including a selective ban on exports and future trading in food grains, zero import duty on select food items, import of pulses and sugar by public sector undertakings, distribution of imported pulses and edible oils through the public distribution system and release of higher quota of non-levy sugar. The fiscal stimulus is being rolled back. The Reserve Bank of India also took steps to restrict excess liquidity. As a result, inflation in cereals and pulses declined from 11.05 per cent in April 2010 to 2.32 per cent in March 2011. However, the long term solution to the problem lies in increasing productivity and production in a diverse range of agriculture commodities. We continued our efforts in this direction in 2010-11 and intend to do more in the future.

Two major initiatives taken for the reform of our tax system were the introduction of the Direct Tax Code bill and the Constitution 115<sup>th</sup> Amendment bill for implementation of the Goods and Services Tax in Parliament. We stayed on the path to fiscal consolidation during 2010-11.

Environmental issues have acquired a new urgency in recent years. We need to work with renewed energy to address environmental concerns if we wish to make our growth processes sustainable and give our people a better quality of life. During 2010-11 the National Green Tribunal was established, projects worth Rs.2,500 crore were sanctioned under Mission Clean Ganga and the Jawaharlal Nehru National Solar Mission started its work. We will accelerate our efforts in sustaining our environment in the coming years. More specifically we will work sincerely to implement the National Action Plan on Climate Change, including the eight national missions which are a part of the Plan. While we stay sensitive to environmental concerns, we will also

strive to ensure that the pace of our development does not suffer in the process.

Our sportspersons did us proud in the Commonwealth Games 2010 and the Asian Games 2010, winning a record number of medals for the country. We did have some problems with the organising of the Commonwealth Games, but this should in no way diminish acclaim for the achievements of our athletes. They need to be applauded for their dedication and commitment.

The internal security situation has shown improvement in the last couple of years. During 2010-11, we set up the National Intelligence Grid (NATGRID) and fully operationalized the National Investigation Agency. The situation in the North-East witnessed a marked improvement. Jammu and Kashmir is slowly and steadily moving towards peace and harmony.

Left-wing extremism, however, remains a major problem. The UPA government has always adopted a nuanced approach in dealing with the issue. We will deal firmly with extremism but we also recognise that there is a development deficit in the areas affected by left wing extremism and we are determined to address this deficit. We launched an Integrated Action Plan for accelerated development of 60 selected Tribal and Backward Districts in 2010-11, which will be continued in 2011-12.

As far as external security is concerned, we continued our focus on modernization of the armed forces and indigenous production of advanced weapon systems. During 2010-11, the indigenously developed light combat aircraft, Tejas, was cleared for operations by the Air Force and the first indigenously designed and built stealth frigate – INS Shivalik was commissioned. Two regiments of the indigenous main battle tank, Arjun, were operationalised by the Army.

The UPA government will work tirelessly to build a modern and prosperous India, one in which all our citizens are guaranteed a life of peace, dignity and opportunity. We will work to give our youth the training and the opportunity they need to succeed in a world where

knowledge will be the great driver of economic prosperity. We will continue working to remove inequities in our society, and for the uplift of those who are under-privileged. We will leave no stone unturned in our efforts at providing clean and effective governance to the people. I believe our nation has achieved much in the past year. I also believe that there is much scope for improvement. We will focus all our energies in the years ahead on making sure that the potential of our country and our people is fully achieved.

*Manmohan Singh*  
(Manmohan Singh)

New Delhi  
14 May 2011







# Enabling Human Development



*“We are committed to ensuring that all children, irrespective of gender and social category, have access to education. An education that enables them to acquire the skills, knowledge, values and attitudes necessary to become responsible and active citizens of India.”*

**Dr. Manmohan Singh**



*Kasturba Gandhi Balika Vidyalaya*



## 2 Enabling Human Development

### 2.1 Education

#### 2.1.1 Right of children to free and compulsory education (RTE) and Sarva Shiksha Abhiyan (SSA)

The Right of Children to Free and Compulsory Education Act, 2009 and Article 21- A in the Constitution of India came into effect on 1<sup>st</sup> April 2010. Elementary education has now become a fundamental right for all children in the 6-14 age group. The framework of implementation of SSA has been revised. It provides a broad outline of approaches and implementation strategies, within which States can frame more detailed guidelines, keeping in view their specific social, economic and institutional priorities. The revised framework incorporates the salient features of the RTE Act as also the time frame in which the RTE norms and standards are required to be achieved. Its focus is on universal access as per the neighbourhood norms stipulated by State governments in their RTE rules. The framework also highlights the implicit and explicit provisions in the RTE Act for a discrimination-free learning environment. Significant progress has been made under SSA to close the numbers gap between boys and girls and SC and ST children. A rights framework is a major shift which implies that the compulsion is on the State to ensure learning of equal quality for all children. The revised framework has a vision of an active, child centred classroom. It identifies systemic impediments to achieving this vision and highlights the need for an approach where the

core components of the curriculum, namely the learning system, the teacher training system, the learner assessment system and the classroom transaction and management system are derived from well articulated aims of education.

Community participation is central to planning, implementing and monitoring interventions for universal elementary education. SSA would work towards enhancing participation of the community, parents, teachers and children by awareness generation and community mobilization.

SSA aims at universalizing access to elementary education in accordance with the vision of the RTE Act. The school building must ensure easy access to all children and teachers and should be built with a sensitive understanding of their requirements. The built environment of the school, along with the indoor and outdoor spaces, provides opportunities for learning. Creative use of spaces inside the classroom, verandas, outdoor natural environment and play areas can serve to support learning.



*Bridging the Digital Divide - ICT in Education*



From 1.4.2010, the funding pattern in respect of RTE-SSA programme up to 2014-15 will be as under:

(a) For States/Union Territories, other than the North-Eastern States: The funding pattern between the Central government and States/ Union Territories shall be in the ratio of 65:35.

(b) For the North-Eastern States : For the North-Eastern States, the existing fund sharing pattern of 90:10 between the Centre and the States would continue.

Central RTE rules are applicable to all Union Territories without a legislature. Ten States viz. Andhra Pradesh, Arunachal Pradesh, Himachal Pradesh, Manipur, Orissa, Sikkim, Chhattisgarh, Madhya Pradesh, Rajasthan and Mizoram have notified their State RTE rules.

In 2010-11, till 31<sup>st</sup> December, 2010, 5658 new primary schools and 3870 new upper primary schools were opened, 83,038 teachers appointed, 1,41,102 additional classrooms constructed, 26.26 lakhs teachers provided in-service training and 9.38 crore children provided textbooks.

There has been a significant reduction in the number of out of school children. The number of out-of-school children has come down from 134.6 lakhs in 2005 to 81.5 lakhs in 2009 as per an independent study conducted by the Social Rural Research Institute – International Marketing Research Bureau (SRI-IMRB). Attention is being given for universal access, including special training, to mainstream out-of-school children in age appropriate classes in regular schools.



*Mid-Day Meal in Schools*



### **Mid-day meal in schools**

Under the Mid-day Meal Programme, 11.36 crore children were provided hot cooked meals in 12.66 lakhs schools in the country. By now, 11.25 lakhs schools have been provided with kitchen devices and 26 lakh cook-cum-helpers have been appointed to provide mid-day meals to the school children. Similarly, 4.66 lakh kitchen--cum-stores have been constructed to ensure safety of food-grains and serving of hygienic meals to the children. Thirty seven academic and research institutes in different parts of the country are engaged in regular monitoring of the programme. An intensive programme for providing health care to school children has been undertaken.

### **Promoting literacy- Saakshar Bharat**

The National Literacy Mission has been recast and Saakshar Bharat has been launched. The programme strives to impart functional literacy to non-literates, enable neo-literates to continue their learning beyond basic literacy and acquire equivalence to the formal educational system, equip neo-literates with skills to improve their living and earning conditions and provide opportunities to them for continuing education.

Since its launch, Saakshar Bharat has been rolled out in 285 low female literacy districts across the country. The mission is expected to benefit over five crore neo-literates in over 100,000 gram panchayats in these districts.

### **2.1.2 Strengthening secondary education**

A scheme for the establishment and management of girls' hostels for students of secondary and higher secondary schools (Classes IX- XII) in the 3500 identified educationally backward blocks of the country is being implemented. During 2010-11, approval to set up 160 such hostels was given.

The scheme of ICT in schools is being implemented to bridge the digital divide in school children. Setting up the requisite infrastructure to impart computer literacy and computer aided learning was approved for 20,076 government and government aided secondary and higher secondary schools in 22 states.

Inclusive education of differently abled children is imperative for their holistic development. Financial assistance was provided to enable 1.46 lakh differently abled children, in over 23,000 government and government aided secondary and higher secondary schools to continue their studies in an enabling environment.

The National Award to Teachers for the year 2009 were conferred on 312 elementary and secondary teachers on 5th September, 2010 in due recognition of the meritorious public service rendered by them.

### **2.1.3 Reform of the higher education system to promote quality**

The main policy objectives in higher education continue to be improvement of access, along with equity and excellence,



enhancing the relevance of higher education through curriculum reforms, vocationalisation, networking and information technology and distance education, along with reforms in the governance structure.

### **National Commission for Higher Education & Research (NCHER)**

A draft bill, the National Commission for Higher Education and Research bill, which had been placed in the public domain for wider consultation and obtaining feedback is being finalised with the inputs received from stake holders.

### **Accreditation authority**

The National Authority for Regulation and Accreditation of Higher Educational Institutions bill for mandatory accreditation of all higher educational institutions, is being examined by the Department related Parliamentary Standing Committee on Human Resource Development.

### **Prohibition of unfair practices in educational institutions**

A bill to prohibit and punish malpractices and adoption of unfair practices in technical and medical educational institutions and in the university system and to protect the interest of students and applicants seeking admission, is also being examined by the Department related Parliamentary Standing Committee on Human Resource Development.

### **Educational tribunals**

A bill to establish a two-tier structure of

educational tribunals at the State and National levels to adjudicate on disputes arising in higher education has been passed by the Lok Sabha.

### **Foreign educational service providers**

A bill for regulating the entry and operation of foreign educational institutions in India is being examined by the Department related Parliamentary Standing Committee on Human Resource Development.

### **National Knowledge Network**

The National Knowledge Network is being set up to interconnect all institutions of higher learning and research with a high-speed data communication network to facilitate knowledge-sharing and collaborative research. Under this network, it is proposed that core and associated links to around 1,500 institutions shall be established in two to three years time. The application areas envisaged under this cover agriculture, education, health, e-governance, grid computing. As on 31<sup>st</sup> March 2011, a core backbone, consisting of 18 points of presence has been established, with 2.5 Gbps capacity. Around 130 institutions of higher learning and advanced research have been connected to the network and 26 virtual classrooms set up.

### **New Central universities**

To increase access, improve quality and to remove regional imbalances in higher education, sixteen Central universities were established, including conversion of three state universities in the states of Chattisgarh, Madhya Pradesh and Uttarakhand into Central



*Jharkhand Central University*

universities. All universities, except that in Jammu, have commenced academic activities by 2010-11.

### **Colleges**

A new scheme has been approved to provide central assistance for setting up of a model degree college in each of the identified 374 educationally backward districts where the gross enrolment ratio (GER) for higher education is less than the national GER. As on 31.3.2011, 37 colleges have been approved by the University Grants Commission (UGC) for Central assistance.

### **Indian Institutes of Management (IIMs)**

The IIMs at Rohtak, Ranchi and Raipur have commenced their academic session from 2010-11. The IIM at Tiruchirapalli has also been operationalised in 2010-11 with executive programmes.

### **Indian Institutes of Technology (IITs)**

All the eight new IITs in Andhra Pradesh,

Bihar, Rajasthan, Orissa, Punjab, Gujarat, Madhya Pradesh and Himachal Pradesh have started functioning.

### **Indian Institutes of Information Technology (IIITs)**

It has been decided to set up twenty new Indian Institutes of Information Technology (IIITs) in public-private partnership (PPP) mode. These will be high quality autonomous institutions specializing in information technology applications in one or more domain areas.

### **National Institutes of Technology (NITs)**

All the ten new NITs in Arunachal Pradesh, Sikkim, Meghalaya, Nagaland, Manipur, Mizoram, Goa, Delhi, Uttarakhand and Pudduchery have started functioning from July, 2010.

### **National Mission for Information & Communication Technology (ICT) in Education**

Under the National Mission on Education



through ICT, virtual private network and internet connections have been provided to 315 universities and 11,124 colleges/polytechnics up to 31.3.2011.

### **Polytechnics**

#### **a) Setting up of new polytechnics**

A grant of ₹ 2.00 crore each was provided, as the first instalment, for setting up of 25 new polytechnics. Besides, a grant of ₹ 5.00 crore was given as the second instalment to 92 polytechnics.

#### **b) Strengthening of existing polytechnics**

In order to strengthen existing polytechnics, 143 new polytechnics have been provided the first instalment of ₹ 20 lakhs each during 2010-11.

#### **c) Construction of women's hostels in polytechnics**

123 polytechnics have been provided the first instalment of ₹ 50 lakhs each during 2010-11 for the construction of women's hostels. Further, 41 polytechnics were provided the second instalment of ₹ 50 lakhs each and one polytechnic was provided ₹ 60 lakhs during 2010-11.

#### **d) Community development through polytechnics**

During 2010-11, a grant of ₹ 30.70 crore was released to 520 polytechnics for running community development programmes.

### **Interest subsidy on educational loans**

A new scheme has been launched for



*NIT Arunachal Pradesh*

interest subsidy, during the moratorium period on educational loans, availed from member banks of the Indian Banks Association, by students from economically weaker sections. An amount of ₹ 203.28 crore was released to banks till 31.3.2011.

### **Other initiatives**

#### **Mahatma Gandhi Institute of Education for Peace & Sustainable Development**

It has been decided to set up the Mahatma Gandhi Institute of Education for Peace & Sustainable Development, as a Category-I Institute of the United Nations Educational, Scientific and Cultural Organisation (UNESCO), at New Delhi at a cost of ₹ 223.68 crore. This will be the first ever institute in Asia and will put India into a select category of countries with a Category-I Institute of UNESCO.

#### **Establishment of Tagore Centre at Indian Institute of Advanced Studies, Shimla**

To commemorate the 150th anniversary of Rabindranath Tagore, a 'Tagore Centre' is





being established at the Indian Institute of Advanced Studies (IIAS), Shimla which will have four fellows, including one exclusively working on Tagore's works in the creative fields like visual arts, theatre and music.

## 2.2 Health

### 2.2.1 National Rural Health Mission (NRHM)

The National Rural Health Mission (NRHM) has made remarkable progress in strengthening healthcare delivery systems in the country. Ownership of the community has been strengthened further and noticeable progress has been made in improving infrastructure, augmenting manpower, providing emergency and referral transport services and improving logistics in health facilities. Infant mortality rate has dropped to 50 per thousand live births. 264 high- focus districts have been identified. During 2010-11,

53,745 additional Village Health and Sanitation Committees were set up taking their number to 4,73,777. Over 7,957 facility-based Rogi Kalyan Samitis were formed. Over 47,886 Accredited Social Health Activists (ASHAs) were selected and trained. The total number of ASHAs working has crossed eight lakhs. Further, the total strength of health personnel, including doctors and paramedics, went up to nearly 1.39 lakhs by December, 2010.

There has been substantial increase in both in-patient and out-patient cases in the public health system. There is encouraging evidence of increased institutional deliveries. Under the Janani Suraksha Yojana, nearly 103 lakhs deliveries were covered during 2010-11.

Name-based tracking of mother and children has been launched, whereby pregnant women and children can be tracked for



*Janani Suraksha under NRHM*



*Emergency Medical Aid - NRHM*

ante-natal care and immunization, along with a feedback system to ensure that all pregnant women receive both ante-natal check-ups and post-natal care and, further, the children receive full immunization. All new pregnancies detected are being registered from 1<sup>st</sup> April, 2010.

There has been a reduction in the mortality due to malaria, kala-azar and dengue, as well as reduction in the incidence of filarial infection. The prevalence rate and death rate due to tuberculosis declined significantly in 2010, and the country is on track towards reaching the tuberculosis related Millennium Development Goal by the year 2015.

### 2.2.2 Human resources in health

The proposal for setting up a National Commission for Human Resources for Health, as an overarching regulatory body for the health sector, to reform the current framework and to enhance the supply of skilled personnel, has been finalized in consultation with all the stakeholders.

### 2.2.3 Pradhan Mantri Swasthya Suraksha Yojana

Construction at all six sites for new AIIMS-like institutions is in full swing. Societies for all the six institutions have been registered. The process for appointment of directors has been initiated.

### 2.2.4 AIDS control and care

Recent estimations of HIV show that the annual new HIV infections in India have declined by more than 50% during the last decade. Prevention of HIV among high risk groups, through targeted intervention, which is the main strategy under the National AIDS Control Programme Phase-III, has been scaled up over the years to 1,447



*'ASHA' worker - NRHM*



*Mother and Child Care - NRHM*

projects, as on 31<sup>st</sup> March 2011. Prevention messages are widely disseminated through campaigns such as the Red Ribbon Express, to ensure that they reach the general population. Counselling and testing services were provided to 106 lakhs persons, including 45.9 lakhs pregnant women, up to December, 2010. Out of 12,429 pregnant women detected positive during this period, 8,492 mother-baby pairs were provided prophylaxis to prevent mother-to-child transmission. Around 3.84 lakhs persons living with HIV/AIDS are receiving free anti-retroviral therapy (ART). Wider access to ART has resulted in a decline in the estimated number of people dying due to AIDS related causes.

### **2.2.5 Ayurveda, Yoga, Unani, Siddha and Homoeopathy services**

The Indian Medicine Central Council Act, 1970 was amended in 2010 to include Sowa Rigpa system under the ambit of the Act. A separate research council for Siddha has been established by bifurcating the Central Council for Research in Ayurveda and Siddha.

An independent Pharmacopoeia Commission for Indian Medicine has been registered.

The Quality Council of India has been engaged to address the quality concerns in the AYUSH sector.

A modified Centrally sponsored scheme for the development of AYUSH hospitals and



dispensaries is being implemented. In 2010-11, financial assistance has been provided to States for setting up AYUSH facilities in 1,540 additional primary health centres, 70 community health centres and 5 district hospitals. Further, upgradation of 345 AYUSH hospitals of State governments has been supported.

During the visit of the Prime Minister of India to Kuala Lumpur in October, 2010, a MoU has been signed with the Malaysian government on cooperation in the field of traditional systems of medicine.

### 2.2.6 Combating the H1N1 influenza

The capacity of States was further strengthened by means of training of all district-level rapid response teams, clinicians and health administrators. 1.5 million doses of vaccine were procured and distributed among States for vaccination of health workers.



*Creating Awareness on H1N1*

### 2.2.7 National programme for prevention and control of diabetes, cardiovascular diseases and stroke

A National Programme for prevention and control of cancer, diabetes, cardiovascular diseases and stroke has been launched. The programme focuses on health promotion and prevention, strengthening of infrastructure (including human resources), early diagnosis and management, and integration with the primary health care system. The programme will be implemented in 100 districts of 21 States/Union territories.

### 2.2.8 Transplantation of human organs

Plans to amend the Transplantation of Human Organs Act include inclusion of grandparents and grandchildren in the definition of near relatives, recognition of retrieval centres, approval of paired donor exchanges, making it mandatory for the treating staff to request relatives of brain-dead patients for organ donation, and mandatory creation of transplant coordinator positions in all hospitals performing transplantation. Other reforms include accreditation of laboratories, simplification of brain-death certification committees, the establishment of a National Transplant Registry and greater regulation regarding women, minors and foreign nationals.

### 2.2.9 Clinical Establishments (Registration and Regulation) Act, 2010

The Clinical Establishments (Registration & Regulation) Act, 2010 has been enacted to create a regulatory framework for the largely unregulated health sector and to prescribe mandatory minimum standards for clinical establishments.



## **2.3 Child Rights**

### **2.3.1 Universalisation of ICDS**

As part of the ongoing universalisation of ICDS, 210 projects and about 1 lakh Anganwadi Centres (AWC) have been operationalised during 2010-2011, up to December, 2010. Of the 13.67 lakh sanctioned AWCs, 12.42 lakh centres have become operational up to December, 2010. There is an increase of 34.31 lakh beneficiaries over 2009-10 taking the total to 918.65 lakh beneficiaries during 2010-11.

### **2.3.2 National Commission for Protection of Child Rights**

The National Commission for Protection of Child Rights (NCPCR) is a statutory body to protect, promote and defend child rights and has been doing extensive work on child rights. One of the initiatives of NCPCR has been the implementation of the “Bal Bandhu” scheme for protection of child rights in areas of civil unrest in ten districts of five States on a pilot basis. The objective is to mobilize the community and through them the local/district administration for restoration of educational and other infrastructure for children affected by civil unrest.

### **2.3.3 Integrated Child Protection Scheme (ICPS)**

The scheme has been received very well by all States/UTs. Considerable progress has been made in establishing statutory bodies which include 494 Child Welfare Committees and 521 Juvenile Justice Boards, against 240 and 211 respectively before the introduction

of ICPS. Assistance has been provided for the setting up and maintenance of 19 State Child Protection Societies, 19 State Project Support Units, 17 State Adoption Resource Agencies and 346 District Child Protection Units.

### **2.3.4 Meeting of the Prime Minister’s National Council on India’s Nutrition Challenges**

The Prime Minister’s National Council on India’s Nutrition Challenges, in its meeting held on 24.11.2010, took the following decisions:-

- a) Strengthen and restructure the ICDS scheme;
- b) Adopt a focused multi-sectoral approach and action to address maternal and child malnutrition in selected 200 high-burdened districts;
- c) Undertake a nation-wide Information, Education and Communication (IEC) programme; and
- d) Bring a strong convergence and nutrition focus in various programmes of the ministries dealing with health, drinking water supply & sanitation, school education, agriculture, food and public distribution.

Following these decisions, a strategy for restructuring and strengthening of ICDS has been formulated.

### **2.3.5 Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (RGSEAG) – Sabla**

The Rajiv Gandhi Scheme for Empowerment of Adolescent Girls – *Sabla* – has been launched on November 19, 2010 in

200 districts across India, on a pilot basis, using the ICDS platform. *Sabla* aims at the self-development and empowerment of adolescent girls in the age group of 11-18 years by providing nutrition for all out-of-school girls (11-18 years) and in-school girls (14-18 years), besides iron folic acid supplementation, health check up and referral services, nutrition and health education, counselling/guidance on family welfare, etc.

### 2.3.6 Protection of Children from Sexual Offences Bill

The reported incidents of sexual offences against children have been on the rise. At the same time, the conviction rate for such offences has been going down. To address this issue, a bill on Protection of Children from Sexual Offences has been introduced in Parliament on 23.3.2011.



*Anganwadi under ICDS*



# Social Inclusion



*“Investing in women is the highest-return venture. It is not just about improving things for them, it is as vitally about letting women improve things for themselves, their families, their communities and the world at large. Even a small investment in women has great economic, political and social reverberations.”*

**Smt. Sonia Gandhi**



*Launch of 'Swabhimaan'*



### 3 Social Inclusion

#### 3.1 Food security

The proposed National Food Security Act would mark a paradigm shift to a rights-based approach to distribution of food-grains to eligible beneficiaries. Wide ranging consultations have been held with stakeholders.

A robust public distribution system is an imperative for the success of this programme. Several initiatives have been taken for revamping and reforming the public distribution system, which include proper identification of beneficiaries, elimination of bogus ration cards, timely allocation and distribution of essential commodities, improving transparency through technology-aided initiatives, and increasing the viability of fair price shops. A multipronged strategy has been initiated for end-to-end computerization of the public distribution system. Common application software is being developed for customization/ integration with the existing State specific initiatives, based on Aadhaar, the unique citizen identity project.

#### 3.2 Empowering Women

##### **Indira Gandhi Matritva Sahyog Yojana (IGMSY)**

Indira Gandhi Matritva Sahyog Yojana (IGMSY) is a centrally sponsored scheme which has been introduced in 52 selected districts. It is a conditional cash transfer scheme being implemented with a view to creating a better enabling environment for pregnant and



*Indira Gandhi Matritva Sahayog Yojana*

lactating women. All the pregnant women of 19 years of age and above are entitled, for the first two live births, to benefits under the scheme. Employees of government and public sector undertakings are excluded. ₹ 4,000 is paid to each beneficiary in three instalments between the second trimester and till the child attains the age of six months on fulfilling specific conditions related to maternal and child health.

##### **Gender equality in matters of guardianship and adoption**

By the enactment of the Personal Laws (Amendment) Act, 2010, gender equality is ensured under the Guardians and Wards Act, 1890 by including the mother, along with the father, as a fit person to be appointed as a guardian so that courts shall not appoint any other person as a guardian of a minor if either of the parents is fit to be the guardian of such a minor. Further, section 8 of the Hindu Adoptions and Maintenance Act, 1956 has been amended to remove the incapacity of an unmarried woman to take in adoption a son or daughter merely on the basis of her marital



status. Section 9 of the said Act has been amended so as to provide that the mother, with the consent of the father, and the father with the consent of the mother, shall have equal rights to give their children in adoption.

### **Financial assistance and support services to victims of rape**

A new scheme of financial assistance and support services to victims of rape has been formulated to provide financial assistance to enable the victims of rape to cope with the trauma suffered and tide over their immediate and long-term needs. The scheme seeks to restore the affected women to a position of dignity and self-confidence. The ceiling of financial assistance, together with support services, is ₹ 2.00 lakhs, which can be enhanced to ₹ 3.00 lakhs in case of aggravated rape.

### **Protection of women against sexual harassment**

Sexual harassment at the workplace is a violation of women's right to equality, life and liberty. Protection of Women against Sexual Harassment at Workplace bill has been introduced in the Lok Sabha on 7.12.2010.

## **3.3 Empowerment and development of the weaker sections**

### **3.3.1 Improving access to education**

#### **a. Increase in outlays for scholarships**

The scheme of post-matric scholarships for students belonging to the Scheduled Castes has been revised to raise the eligible income ceiling from ₹ 1 lakh to ₹ 2 lakhs, rationalise

the grouping of courses and increase maintenance and other allowances by about 60%. During 2010-11, Central assistance of ₹ 2098 crore was distributed under the scheme which benefited about 46 lakh students.

Under the post-matric scholarship scheme for Scheduled Tribe students, ₹ 556.03 crore was released to assist 15.46 lakh students. During the same period, Central assistance of ₹ 353 crore was released to states under the post-matric scholarship scheme to approximately 17 lakh students belonging to the Other Backward Classes.

#### **b. Top Class Education Scheme**

During 2010-11, scholarships were given to 1036 Scheduled Caste students studying in various premier institutions. Two new IITs (Indore and Mandi) and three new IIMs (Ranchi, Raipur and Rohtak) have been added to the list of notified premier institutions under the scheme thus increasing the number of institutions covered under the scheme to 182.

Likewise, scholarships amounting to ₹ 5 crore were given to 300 Scheduled Tribe students under the scheme.

#### **c. Rajiv Gandhi National Fellowship Scheme**

During 2010-11, ₹ 144 crore was released to the University Grants Commission for grant of new fellowships and renewal of on-going fellowships for Scheduled Caste students to pursue courses leading to M.Phil, Ph.D and equivalent degrees. The number of new fellowships awarded to SC students under the



scheme each year was increased from 1333 to 2000 with effect from 2010-11. Likewise, fellowships amounting to ₹ 60.69 crore were given to 3065 Scheduled Tribe students under the scheme.

#### **(d) Credit**

During 2010-11, concessional loan, amounting to about ₹ 437 crore, were disbursed through the National Scheduled Castes Finance & Development Corporation (NSFDC), the National Safai Karamcharis Finance & Development Corporation (NSKFDC) and the National Backward Classes Finance & Development Corporation (NBCFDC) to 1.92 lakh members of the Scheduled Castes, Safai Karamcharis and Other Backward Classes.

During 2010-11, assistance of ₹ 98.15 crore was disbursed by the National Scheduled Tribes Finance and Development Corporation to 53,996 Scheduled Tribe beneficiaries.

#### **3.3.2 Enhanced outlays for schemes benefiting Scheduled Castes and Scheduled Tribes**

Under the Pradhan Mantri Adarsh Gram Yojana (PMAGY), launched on a pilot basis, about ₹ 98 crore was released for the integrated development of 1000 SC-majority villages, in five States, viz. Himachal Pradesh, Bihar, Rajasthan, Tamil Nadu and Assam.

#### **3.3.3 Vesting land rights in Scheduled Tribes and other traditional forest-dwellers**

Following up closely on the historic enactment conferring forest rights on the Scheduled Tribes and other traditional forest

dwellers, more than 11.59 lakh titles have been distributed up to February, 2011. Nearly 85% of the 30.97 lakh claims filed have been disposed.

#### **3.3.4 Welfare and development of Particularly Vulnerable Tribal Groups**

During 2010-11, under the 'Development of PTG' Scheme as per Conservation cum Development Plan, an amount of ₹ 232.44 crore was released to various states/Union Territories and NGOs.

### **3.4 An Inclusive Agenda for the Minorities**

#### **3.4.1 Targeting benefits of development to the minorities**

##### **Prime Minister's New 15-Point Programme for the welfare of minorities**

It has been ensured that 15% of targets and outlays for schemes included in the Prime Minister's New 15-Point Programme for the Welfare of Minorities, and considered amenable to targeting, have been so earmarked.

During 2010-11, up to December 2010, under the scheme of Sarva Siksha Abhiyan, more than 4,100 primary and upper primary schools were constructed, over 13,300 such schools were opened, about 25,600 additional class rooms were constructed, and over 30,759 teachers sanctioned in blocks and districts having a substantial minority population.

During this period, over 6706 habitations were covered under the National Rural Drinking Water Programme and more than ₹ 18,600 crore was sanctioned under the Basic Services



to Urban Poor, Integrated Housing and Slum Development Programme, Urban Infrastructure and Governance and Urban Infrastructure Development Scheme for Small and Medium Towns. In addition, construction of over 3.63 lakhs Indira Awas Yojana houses for minorities was also taken up during this period.

Upgradation of 60 Industrial Training Institutes, located in minority concentration districts, into centres of excellence has been sanctioned as a part of the Prime Minister's New 15-Point Programme. The corpus of the Maulana Azad Education Foundation was raised by ₹ 125 crore and now stands at ₹ 550 crore.

### 3.4.2 Improving access to -

#### Education

During 2010-11, 44.21 lakhs scholarships were given to children belonging to the minority communities for their pre-matric education. An amount of ₹ 446.25 crore was spent on this. About 48% of the pre-matric scholarships were awarded to girls. Under the post-matric scholarship scheme, 5.26 lakhs scholarships were awarded at a cost of ₹ 228.97 crore. About 51% of the scholarships were awarded to girls. 41,056 merit-cum-means scholarships were awarded at a cost of ₹ 108.75 crore, with more than one third being girl students. Under the Meritorious Scholarship Scheme for girl students in class XI and XII of the Maulana Azad Education Foundation sanctioned 17,326 scholarships at a cost of ₹ 20.79 crore. Under the Maulana Azad

National Fellowship, 757 fellowships were awarded at a cost of ₹ 14.90 crore. 30% of the fellowships were awarded to women scholars.

During 2010-11, ₹ 14.37 crore was released for enhancing the skills and knowledge of students and candidates belonging to the minority communities for improving their prospect of employment in government service and private sector employment and also for admission in technical and professional courses.

#### Credit

308 public sector bank branches were opened in 2010-11 (upto December, 2010) in districts with a substantial minority population. Over ₹ 1,28,300 crore of bank credit was provided to the minorities in 2010-11 (upto December, 2010). The National Minority Finance Development Corporation (NMFDC) has disbursed ₹ 233.27 crore for assisting 1,58,084 minority beneficiaries during 2010-11. The authorized share capital of NMFDC has been raised to ₹ 1500 crore in 2010-11.

### 3.4.3 Waqf development

A bill to amend the Waqf Act, seeking to provide for timely completion of surveys of waqf properties, reduction of the scope of alienation of waqf properties, providing penal provisions to prevent encroachment of waqf properties, representation of women in the waqf boards, greater accountability and efficiency in the administration of the waqf properties by the State Waqf Boards, etc. was passed by the Lok Sabha on 7.5.2010. It is currently being



considered by a Select Committee of the Rajya Sabha. Under the centrally sponsored scheme for computerization of records of State Waqf Boards, funds amounting to ₹ 11.62 crore were disbursed to 25 State Waqf Boards, the Central Waqf Council and the National Informatics Centre Services Inc. (NICSI) as on 31<sup>st</sup> March, 2011.

#### **3.4.4 Multi-sectoral district plans for minority concentration districts**

Out of 90 identified Minority Concentration Districts (MCDs), the district plans of 89 MCDs have been approved either fully or partially. This includes approvals for construction of 2.84 lakhs IAY houses, 27,046 anganwadi centres, 2,450 units of health infrastructure, 12,702 additional classrooms,

674 school buildings, 210 hostels for boys and girls, 27,212 water supply facilities, 28 industrial training institutes, 23 polytechnics etc. Upto 2010-11, an amount of ₹ 2162 crore was released to the States for the implementation of the multi-sectoral district plans in these districts.

### **3.5 Disability to Empowerment**

#### **3.5.1 New focus and increased outlays**

21 new District Disability Rehabilitation Centres have been sanctioned in various states during 2010-11. A new Composite Regional Centre for Persons with Disabilities was sanctioned in Ahmedabad. During 2010-11, projects worth ₹ 50 crore were sanctioned for enhancing access to government/public buildings and websites.



*Higher Education Facilities for Minorities*



### **3.5.2 Credit disbursal through the National Handicapped Finance & Development Corporation**

During 2010-11, the National Handicapped Finance & Development Corporation disbursed ₹ 31.84 crore covering 6356 beneficiaries.

## **3.6 Caring for the Senior Citizen**

### **3.6.1 Indira Gandhi National Old Age Pension Scheme (IGNOAPS)**

Under the IGNOAPS, central assistance of ₹ 200 per month is provided to a beneficiary belonging to a BPL household in the age group of 65 years or above. In addition, State governments also make a contribution. Coverage under the scheme stands at 169 lakh beneficiaries.

## **3.7 Welfare initiatives for Defence Personnel**

### **3.7.1 Welfare of ex-servicemen**

More than 50,000 ex-servicemen obtained employment during 2010-11. The ratio of expenditure sharing between the Centre and States, for running Rajya Sainik Boards and Zila Sainik Boards, has been revised from 50:50 to 60:40 for general category states and 75:25 for special category states.

Health coverage for ex-servicemen has been improved through inclusion of an additional 199 polyclinics and 15 new regional centers in the Ex-Servicemen Contributory Health Scheme (ECHS). The new system of empanelment of hospitals, through the

National Accreditation Board of Hospitals (NABH), is on the pattern of the Central Government Health Scheme. The ECHS has also been extended to Nepal domicile ex-servicemen.

The monetary allowance to all pre-Independence gallantry awardees has been doubled with effect from March 30, 2011. In case of post-Independence gallantry awardees, the enhancement has ranged from ₹ 500/- to ₹ 7,000/- per month. For Param Vir Chakra awardees, the allowance is now ₹ 10,000/- per month in place of ₹ 3,000/- per month earlier.

A special software has been developed to ensure correct pension entitlement. The software has been installed at all Rajya Sainik Boards and concerned officials have been trained in its use.

### **3.7.2 Welfare of defence service personnel**

A number of steps have been taken to improve the morale of the soldiers working in far flung and difficult areas. These include better rations, improved facilities for air travel, and better quality of clothing.

## **3.8 Welfare of workers**

### **3.8.1 Rashtriya Swasthya Bima Yojana**

During 2010-11, 93 lakhs cards were issued for providing health insurance cover under the Rashtriya Swasthya Bima Yojana. The scheme has been extended to cover construction workers and street vendors. Steps have also been initiated to cover *beddi* workers and those beneficiaries of the Mahatma Gandhi



*A Senior Citizen holding Smart Card*

National Rural Employment Guarantee Act who have worked for more than 15 days during the preceding financial year. It is proposed to further extend this scheme to cover unorganized sector workers in hazardous mining and associated industries like slate & slate pencil, dolomite, mica, asbestos etc.

### **3.8.2 Welfare of workers in the organized sector**

For the welfare of workers in the organized sector, the wage ceiling for working out compensation under the Employees' Compensation Act, 1923 has been enhanced from ₹ 4,000 to ₹ 8,000 per month. The Payment of Gratuity Act, 1972 has been amended to enhance the gratuity limit from ₹ 3.5 lakhs to ₹ 10 lakhs. The Plantations Labour Act, 1951 has been amended to provide for safety and occupational healthcare to plantations workers. The Industrial Disputes Act, 1947 has been amended to enhance the wage ceiling from ₹ 1,600 to ₹ 10,000 per month to cover workmen working in supervisory capacity, and to provide direct access for workmen to labour courts or

tribunals in case of disputes under the Act. The Employees' State Insurance (ESI) Act, 1948 has been amended to improve the quality of delivery of benefits under the scheme and also to enable the ESI infrastructure to be used to provide healthcare to workers of the unorganized sector. Bills to amend the Mines Act, 1952 and the Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Act, 1988 have been introduced in the Rajya Sabha.

### **3.8.3 Other initiatives**

The National Floor Level Minimum Wage has been revised from ₹ 100 per day to ₹ 115 per day. The applicability of the Sales Promotion Employees (Conditions of Service) Act, 1976 has been extended to 10 more industries. Labour Bureau's quarterly surveys to assess the employment situation in select sectors in the country indicate that the overall employment in the selected sectors has picked up significantly.

### **3.9 Financial inclusion**

A financial inclusion campaign was started in April 2010. By March 31, 2012, banks were to cover approximately 73,000 villages, of 2000 plus population, with banking services using the business correspondent model and appropriate technology backup. Smt. Sonia Gandhi, Chairperson UPA, formally launched "Swabhimaan" – the Financial Inclusion Campaign at a function in Vigyan Bhavan, New Delhi, on February 10, 2011.

"Swabhimaan" aims at providing basic



services like deposits, withdrawals and remittances using the services of business correspondents (Bank Saathi). The initiative enables subsidies and social security benefits to be credited directly to the accounts of the beneficiaries, who would be able to draw the money from the business correspondents in their village itself. More than 29,000 villages have been covered by March 31, 2011 against the assigned target of 20,000 villages. The remaining villages shall be covered by March, 2012.

### **Swavalamban scheme**

To encourage people from the un-organised sector to voluntarily save for their retirement and to lower the cost of operations of the New Pension Scheme (NPS) for such subscribers, the Swavalamban scheme was announced in February, 2010. The Central government would contribute a sum of ₹ 1,000 in each NPS account opened under the scheme during 2010-11. In view of the encouraging response to the scheme, relaxations have now been provided in the exit norms of the scheme, whereby a subscriber under Swavalamban will be allowed exit at 50 years (instead of the existing prescribed age of 60 years) or a minimum tenure of 20 years, whichever is later.

Further, to encourage and incentivize the early subscribers, benefits of government contribution have been extended to all the subscribers of Swavalamban, who enrol during the years 2010-11 and 2011-12, for another five years.

### **3.10 Linguistic inclusion**

Taking into consideration public convenience and welfare, it has been decided that all Central Government offices, and public sector banks and undertakings shall write, print, paint, inscribe or emboss information on boards, sign-boards, name-plates and directional signs in languages recognized for use for official purposes in a given State, in addition to Hindi and English.

### **3.11 Census**

The 15<sup>th</sup> Census of India was successfully conducted all over the country in 2010-2011. The provisional population totals were released on 31<sup>st</sup> March, 2011. The provisional figure for the total population of India is 121 crore, with 62.37 crore males and 58.64 crore females. The number of females per thousand males (sex ratio) is 940. The growth rate of population during the decade 2001-2011 was 17.64 % and the literacy rate was 74.04 %.





# RURAL RENEWAL



*“We have sought to bridge several divides in our country simultaneously: the infrastructural divide through Bharat Nirman, the educational divide through the Sarva Shiksha Abhiyan and the Right to Education, the health divide through the National Rural Health Mission and exclusion through targeted affirmative action programmes for minorities, Scheduled Castes and by restoration of the rights of indigenous people or Scheduled Tribes over forests and forest produce.”*

**Dr. Manmohan Singh**



*Saffron cultivation under Rashtriya Krishi Vikas Yojana in J&K*



## 4. Rural Renewal

### 4.1 Bharat Nirman

The UPA government remains committed to ensuring inclusive growth by improving rural infrastructure in a comprehensive manner through the second phase of Bharat Nirman. Efforts are continuing to provide electricity, safe drinking water, all weather roads, telephones and broadband connectivity to all eligible villages/habitations and substantially augment rural housing stock and irrigation potential.

#### 4.1.1 Rural housing

71.8 lakh houses were constructed during the first phase against a target of 60 lakhs. An ambitious target of constructing 120 lakh houses has been set for the second phase; against this, more than 53.07 lakh houses have already been constructed/upgraded at a cost of around ₹ 20,976 crore.

#### 4.1.2 Rural roads

Nearly 40,000 habitations have been connected with all weather roads and over 2.21 lakh kms existing rural roads have been upgraded/renewed since Bharat Nirman was launched. In 2010-11, more than 3300 habitations were connected and around 24,000 kms of road length upgraded/renewed.

#### 4.1.3 Rural water supply

During the first phase, the emphasis was on providing safe drinking water to over 3.5 lakh habitations. With this work more or less complete, the priority has now shifted to cover



*Drinking Water Supply under Bharat Nirman*

water quality affected habitation. Out of the identified 1.79 lakh quality affected habitations, safe drinking water has been provided to more than 59,500 habitations in the second phase.

#### 4.1.4 Irrigation

During the first phase, 73.1 lakh hectares of additional irrigation potential was created. Additional irrigation potential of 23.7 lakh hectares was created thereafter, of which 5.2 lakh hectares was created during 2010-11 up to September, 2010.

#### 4.1.5 Power

In 2010-11, under the Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY), against the annual target of electrification of 17,500 villages and 47 lakh BPL connections, electrical works in more than 18,300 villages have been completed and 58.83 lakh BPL connections provided. So far, works in 96,562 un-electrified villages have been completed, 1.89 lakh electrified villages have been intensively electrified and free electricity connections have been provided to 159.86 lakh rural BPL households.



*Rajiv Gandhi Grameen Vidyutikaran Yojana*

#### 4.1.6 Rural telecommunication & IT

Under Bharat Nirman, villages not having access to public telephones were to be provided with Village Public Telephones (VPTs). 5,77,671 villages, out of a total of 5,93,601 villages in the country, have been provided with VPTs. There has been a 37% increase in rural telephone connections during 2010-11. Of the 2.5 lakh targeted village panchayats, more than 97,500 have been connected through broadband.

### 4.2 Rural employment

#### 4.2.1 Mahatma Gandhi National Rural Employment Guarantee Scheme

During financial year 2010-11, the scheme has provided employment to more than 5.3 crore households through about 50 lakh works. More than 250 crore person-days of employment has been generated at a total expenditure of more than ₹ 39,000 crore. The average wage rate per day has increased from ₹ 65 in 2006-07 to ₹ 100 in 2010-11.

For protecting MGNREGA workers against inflation, the wage rates notified under MGNREGA have been indexed to the Consumer Price index for Agricultural Labour with effect from 1<sup>st</sup> January, 2011. An Empowered Committee has been set up, at the national level, to evolve clear criteria for fund release on the basis of state labour budgets. States have been permitted to use 6% of the budget available as administrative expenses for personnel, information technology, monitoring, training, publicity, social audit and grievance redressal.



*MGNREGS Payment at Village Post Office*

Wages are being paid to the beneficiaries under MGNREGA through post office and savings bank accounts. As of February 2011, more than 9.68 crore savings bank and post office accounts have been opened across the country for distribution of wages under the scheme.

### 4.3 Towards food security and welfare of farmers

During 2010-11, inclement agro-climatic conditions affected several parts of the country



interfering with agricultural production process. However, due to pro-active intervention, the detrimental impact could be nullified leading to a record agricultural production during 2010-11. From small positive growth of 0.4% recorded in 2009-10, a very impressive growth of 5.4%, was registered in 2010-11 as per the third advance estimates. As per these estimates, the production of food-grains during 2010-11 is 235.88 million tonne, that of oilseeds 30.25 million tonne, cotton, 33.93 million bales and sugarcane 340.55 million tonne. Production of wheat is estimated at 84.27 million tonne, which is an all time record. Similarly, production of pulses, estimated at 17.29 million tonne is also an all time record. Significant improvement in the production of wheat, pulses and coarse cereals has resulted in the highest ever foodgrain production of 235.88 million tonne during 2010-11.

#### 4.3.1 Managing natural calamities

Bihar, Jharkhand, Orissa and West Bengal declared drought due to deficient rainfall in 2010. Assistance of ₹ 3416.38 crore from the National Disaster Response Fund (NDRF) was approved to mitigate the adverse effects of drought in these States. In addition, ₹ 1245.78 crore was also approved, by the Central Government, from NDRF to Orissa, Maharashtra and Gujarat for mitigating hardships caused by heavy and unseasonal rains.

Other measures taken to deal with the situation included continuation of 'Diesel Subsidy Scheme' during 2010-2011, for

supplementary irrigation to save standing crops, issuing of appropriate agricultural advisories, agricultural credit support, ensuring availability of inputs, contingency cropping plan for areas affected and support from centrally sponsored schemes.

#### 4.3.2 Investing in land

Desert Development Programme (DDP), Drought Prone Areas Programme (DPAP) and Integrated Wastelands Development Programme (IWDP) have been integrated into a comprehensive Integrated Watershed



*Watershed Development*

Management Programme (IWMP). Under IWMP, projects covering a total area of 8.70 million ha were approved in 2010-11. ₹ 1490.98 crore has been released during 2010-11, as central assistance for these projects. With a view to conservation, development and sustainable management of natural resources and enhancement of agricultural production and productivity in rainfed and degraded areas, three major programmes namely, the National Watershed Development Programme for Rainfed Areas (NWDPR), Soil conservation in the catchments of River Valley Projects & Flood



*Modern Methods of Irrigation - Sprinkler Irrigation*

Prone Rivers (RVP & FPR), and Watershed Development Project in Shifting Cultivation Areas (WDPSCA) have been implemented. Till December, 2010, 18.49 million ha area have been covered under these programmes.

#### 4.3.3 Focus on inputs

##### (a) Seeds

Farmer's participatory system of seed production got an impetus under the Seed Village Scheme. The number of seed villages is expected to be more than 65,000 during 2010- 11.

##### (b) Fertilizers

Fertilizer is a key input for increasing agricultural production and productivity. The demand for major fertilizers is on the rise over the years and has been the highest during 2010- 11.

The availability of fertilizers has been satisfactory throughout the country. During the year 2010-11, approximately ₹ 65,000 crore has been paid as subsidy to fertilizer companies to make subsidized fertilizers available to farmers at affordable prices.

#### **Nutrient based subsidy policy for P&K fertilizers**

The Nutrient Based Subsidy (NBS) has been introduced w.e.f. 1.4.2010, replacing the erstwhile concession scheme, for P&K fertilizers. Accordingly, in addition to urea, which is under statutory price and partial movement and distribution control, 22 grades of phosphatic and potassic fertilizers, 15 grades of NPK complex fertilizers, Mono Ammonium Phosphate (MAP), Triple Super Phosphate (TSP), Ammonium Sulphate (AS) and Single



Super Phosphate (SSP) are provided to the farmers at subsidized prices, which are much below the actual cost of the fertilizers. As per the NBS policy, Government of India fixes the rates of subsidy in respect of each nutrient of Nitrogen, Phosphate, Potash and Sulphur (N, P, K & S), based on which per metric tonne subsidy is announced for the above said fertilizers. In addition to the above, subsidy is being provided for freight on the transportation of fertilizers upto the retail level. Subsidy is also given on fertilizers fortified with secondary and micro nutrients.

**(c) Credit**

The target for credit flow to agriculture for 2010-11 was ₹ 3,75,000 crore and the achievement upto February, 2011 was ₹ 3,72,259.11 crore. An additional 2% interest

subvention is being provided as an incentive to those farmers who repay short term crop loans as per schedule. Thus the effective rate of interest for prompt repaying farmers was 5% p.a. during 2010-11 for loans upto ₹ 3 lakhs.

**4.3.4 National Food Security Mission**

The National Food Security Mission (NFSM) was launched during 2007-08. Substantial increase in production has been recorded for wheat, rice and pulses. System of Rice Intensification (SRI), aiming at conservation of inputs such as seed, water, fertilizers and promotion of hybrid rice cultivation on a large scale has also been introduced under NFSM. Accelerated Pulses Production Programme was introduced in 2010-11 in 16 States covering about 1 million ha area to boost the production of pulses. An



*Bumper Pulse Production under the National Food Security Mission*



amount of ₹ 3581.21 crore has been released to States so far under NFSM till the end of 2010- 11.

#### 4.3.5 Rashtriya Krishi Vikas Yojana

States/Union Territories have been provided ₹ 14615.20 crore from 2007-08 to 2010-11. States have stepped up allocation to agriculture and allied sectors from their state plans. States have also taken several high growth and locally suitable projects, besides investing substantially in infrastructure in this sector.

#### 4.3.6 Extension reforms

The scheme “Establishment of Agri-Clinics and And-Business Centres (ACABC) by Agriculture Graduates” has been revised w.e.f. August, 2010. Eligibility criteria have been widened. Incentive for early establishment of ventures has been introduced. The subsidy component has been simplified by changing it to composite subsidy. For subsidy purposes, the ceiling on project cost has been enhanced to ₹ 20 lakhs for individual projects and ₹ 100 lakhs for group projects.

#### 4.3.7 National Horticulture Mission (NHM)

This mission aims at increasing fruit production, processing, research and marketing of fruit. An amount of ₹ 970.86 crore was released during 2010-11 and an amount of ₹ 400 crore was released under the Horticulture Mission for the North-East and Himalayan States (HMNEH). Production of fruits, vegetables and spices has increased by 30.57%,

19.87% and 8.39% respectively during 2009-10 over 2005- 06. Per capita availability of fruits and vegetables has increased to 164gm/ person/ day and 322 gm/person/day respectively, during 2009-10 as compared to 138 gm/ person/day and 279 gm/person/day, respectively, during 2005-06. The area under drip and sprinkler irrigation has increased from 0.50 M ha & 0.70 M ha (2005- 06) to 1.20 M ha and 1.33 M ha respectively by 2010-11.

#### 4.3.8 Food processing industries

So far, 15 Mega food Parks have been approved, which will enable setting up of about 500 food processing industries. Over 500 food processing industries have been assisted under



*National Horticulture Mission- Pineapple cultivation*





*Oil Seeds Production*

the scheme of setting up / technology upgradation / establishment / modernization of food processing industries. Infrastructure status has been granted to cold chain projects, thereby facilitating viability gap funding.

#### **Plant protection**

A web based Plant Quarantine Information System (PQIS) has been launched on 24.01.2011.

#### **4.3.9 National e-Governance Plan in Agriculture (NeGP-A)**

A centrally sponsored scheme National e-Governance Plan in Agriculture (NeGP-A) has been launched in seven states. This aims at creating an environment conducive to raising farm productivity and income to global levels through provision of relevant information and services to stakeholders.

#### **Animal nutrition**

Adequate availability and efficient utilization of feed and fodder is vital for increasing livestock productivity and for sustaining the on-going genetic improvement initiatives. The centrally sponsored fodder and feed development scheme was modified on 1.4.2010 to include new components. These include the strengthening of feed testing laboratories and introduction of power driven chaff cutter, and establishment of area-specific feed manufacturing units.

#### **Livestock health**

The scheme of livestock health and disease control has been expanded in August, 2010 by including new components. Amongst other initiatives, the scheme will target establishment and strengthening of veterinary



hospitals. Under the National Animal Disease Reporting System (NADRS) it will be possible to take timely action for control and containment of any disease outbreak.

#### **Dairy sector**

The Dairy Venture Capital Fund was modified and renamed as Dairy Entrepreneurship Development Scheme (DEDS) with effect from September, 2010. The major changes include back-ended capital subsidy of 25% (33.33% for SC/ST) instead of interest free loan.

### **4.4 Panchayati Raj**

#### **4.4.1 Backward Regions Grant Fund**

The Backward Regions Grant Fund programme is being implemented through panchayats and urban local bodies in 250 identified districts. ₹ 5050 crore was released to the identified districts in 2010-11. In addition, ₹ 1500 crore was sanctioned under the Integrated Action Plan for 60 selected districts.

#### **4.4.2 e-Governance for Panchayati Raj Institutions**

Under the e-Governance project for panchayati raj institutions (e-Panchayat), delivery of a wide range of IT enabled services is proposed to be provided. While common service centres will be one of the front-ends for citizen-centric services, e-Panchayat will facilitate back end processing in panchayat offices. PRIASoft, a web

based accounting software is currently being utilized by about 50,000 gram panchayats.

#### **4.4.3 Reservation for women in panchayats**

For ensuring 50% reservation for women at all levels in the three tiers of panchayats, a bill has been introduced in the Lok Sabha to amend Article 243D of the Constitution.

#### **4.4.4 Year of the Gram Sabha**

The period 2<sup>nd</sup> October, 2009 to 2<sup>nd</sup> October 2010 was observed as 'Year of the Gram Sabha'.



*Empowerment of Women - Gram Panchayat*

#### **4.4.5 Panchayats (Extension to Scheduled Areas) Act**

Comprehensive guidelines on the effective implementation of Panchayats (Extension to Scheduled Areas) Act (PESA) were issued during the year. Model PESA rules have also been circulated to the States for adoption.



# Transforming Cities



*“Quality is not something to be reserved only for prestigious projects. It should become part and parcel of our planning and design processes for all our public projects, including housing, schools, hospitals and other services. Providing basic rural and urban infrastructure efficiently, while at the same time meeting high standards must remain our goal.”*

**Smt. Sonia Gandhi**



*Metro Airport Express on the Move*



## **5 Transforming Cities**

### **5.1 Jawaharlal Nehru National Urban Renewal Mission**

14 projects have been approved during the year 2010-11 at an approved cost of ₹ 2,930.21 crore, and Additional Central Assistance (ACA) commitment of ₹ 1,073.61 crore, under the Urban Infrastructure & Governance component of Jawaharlal Nehru National Urban Renewal Mission. Since inception, a total of 530 projects have been approved.

13 projects have been approved during the year 2010-11, at an estimated cost of ₹ 101.89 crore, and ACA commitment of ₹ 90.45 crore under the Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT).

Under the Basic Services to Urban Poor (BSUP) and the Integrated Housing & Slum Development Programme (IHSDP) components of the Mission, the focus is on housing and basic amenities to the urban poor, especially slum-dwellers. Cumulative physical and financial progress of BSUP and IHSDP, as on 31.3.2011, is as follows:

More than 22 lakh houses, covering 1,517 projects, with an outlay of ₹ 40,301 crore have been sanctioned.

Grants by way of ACA to the tune of ₹ 21,770 crore have been committed and cumulative release of ACA by the end of the financial year 2010-11 was ₹ 10,625.27 crore.

64 mission cities have been covered under BSUP and 863 cities/towns have been covered under IHSDP.

8.6 lakh houses for the urban poor had either been completed or were in progress under BSUP and IHSDP, as on 31.3.2011.

### **5.2 Mass transport**

During the last one year, a total of 73.3 kilometre of Metro lines was added in Delhi and other parts of the National Capital Region. With this, the total length of the Metro network in Delhi and NCR has become 186.72 kilometre. A new Metro project was taken up in Hyderabad for 71.16 kilometre, at an estimated cost of ₹ 12132 crore, besides the ongoing Metro projects of Bangalore, Chennai, Kolkata (East-West Metro Corridor) and Mumbai. In addition to the above, 'in principle' approval has been given for Stage-1 of the Jaipur Metro Rail Project, to be implemented by the State government from its own resources. A total of 15,260 modern buses, enabled with Intelligent Transport System (ITS), were sanctioned for 61 cities under JNNURM. About 11,100 modern ITS-enabled buses have already been delivered. This has transformed the city transport scene across India.

### **5.3 Housing for the urban poor**

#### **Rajiv Awas Yojana**

Rajiv Awas Yojana aims at ushering in a slum-free India by encouraging States / Union territories to tackle the problem of slums in a definitive manner. The scheme, which is at the



*Improving Urban Infrastructure*

final stages of formulation, envisages a new deal for slum-dwellers and the urban poor to give them access to basic amenities and affordable housing. It will extend support to States that are willing to assign property rights to slum-dwellers/urban poor.

The preparatory phase of Rajiv Awas Yojana has commenced. About ₹ 90 crore have been released to States/Union territories for slum-free city planning to enable them to

undertake slum survey and Geographic Information System (GIS) mapping of slums and to prepare slum-free city/state plans.

#### **5.4 Public-Private Partnership initiatives**

67 projects, having Public-Private Partnership (PPP) components, have been approved under the Urban Infrastructure & Governance component of the Jawaharlal Nehru National Urban Renewal Mission.



# ECONOMIC RESURGENCE



*“Despite the global economic crisis we have maintained a healthy rate of growth. ...  
Because of this increased rate of growth, we will be able to invest more resources  
in the social sector, in education and in health.”*

**Dr. Manmohan Singh**



*Ushering in Green Fuels - Indian Oil's Haldia Refinery*





## **6 Economic Resurgence**

### **6.1 Economic Growth**

The average annual growth rate of the economy during 2004 - 05 to 2010-11(advance estimates) is a healthy 8.5 per cent, despite the global economic and financial crisis of 2007-09. The Indian economy is estimated to register robust growth during 2010-11, with growth in Gross Domestic Product (GDP), at factor cost, at constant 2004-05 prices, touching 8.6 per cent. This follows a revised growth of 8.0 per cent in 2009-10 indicating a rapid recovery from the financial crisis. In 2010-11, growth is estimated to be higher and relatively broad-based.

#### **Investment climate**

The policy for foreign direct investment (FDI) has been made more investor friendly through a process of continuous rationalization and simplification. The FDI policy is now available as a consolidated document, which is updated every six months. The third edition of this document was released on 31.3.2011.

“Invest India”, a joint venture between the Department of Industrial Policy & Promotion, FICCI and State governments, set up as a not-for-profit company in December, 2009 has already facilitated 13 investment proposals from different companies/countries adding up to a total investment of US\$ 310 million.

#### **6.1.1 Fiscal consolidation**

The recovery of the Indian economy owes largely to the stimulus measures initiated

by the Government of India and the Reserve Bank of India (RBI) to protect the economy from the adverse effects of the global recessionary trend. The effectiveness of the counter-cyclical fiscal policy became evident with the fast-paced recovery of the economy in 2009-10. The budget for 2010-11 started rolling back the fiscal stimulus implemented over 2008-09 and 2009-10. The fiscal outcome in 2010-11 is broadly on the track of fiscal consolidation, as envisaged. The budget for 2011-12 continues to traverse the path of fiscal consolidation.

#### **Price situation**

The overall year-on-year WPI inflation stood at 8.98 per cent in March, 2011, which was a significant decline from the peak of 11.00 per cent recorded in April, 2010. Several measures announced in the 2011-12 budget to improve supply in the medium-term are expected to address the imbalances in the agriculture sector. Fuel prices, however, remain high, reflecting global trends.

#### **Food inflation**

A major concern in the domestic economy has been food price inflation during the year 2010-11. At the beginning of the year, food inflation was high for some cereals, sugar and pulses. This has declined substantially since then. However, the prices of protein sources such as milk, eggs, meat and fish continue to remain high reflecting structural demand-supply imbalances.

The overall WPI food inflation has moderated to 6.81 per cent in March, 2011



after reaching a peak of 20.22 per cent in February, 2010. Of its two components, primary food price inflation touched a historic high of 21.85 per cent in February, 2010, and thereafter declined to 9.47 per cent in March, 2011. Manufactured food products also exhibited a similar trend and after reaching a peak of 19.30 per cent in December 2009 declined to 2.40 per cent in March, 2011.

#### **Measures to contain food inflation**

Price stability remains a high priority. Measures taken to contain the prices of essential commodities include a selective ban on exports and futures trading in food grains, zero import duty on select food items, import of pulses and sugar by public sector undertakings, distribution of imported pulses and edible oils through the public distribution system and release of higher quota of non-levy sugar. In addition, State governments are empowered to act against hoarders of food items by holding in abeyance the removal of restrictions on licensing, stock limits and movement of food articles under the Essential Commodities Act, 1955. The fiscal stimulus is being rolled back and the Reserve Bank of India has taken measures to restrict excess liquidity.

As a result of all these measures, inflation in food grains (cereals & pulses), declined substantially from 11.05 per cent in April, 2010 to 2.32 per cent in March, 2011.

#### **Fuel inflation**

During the current financial year, WPI inflation in the fuel group has remained high

in the range of 10.32 to 14.42 per cent. WPI inflation in mineral oils remained in the range of 13.64 % to 18.37 % during 2010-11.

#### **Measures to contain fuel inflation**

The government is committed to ensuring availability of cooking fuels to the common man at affordable prices. In view of the importance of household fuels, namely kerosene and domestic liquefied petroleum gas (LPG), the PDS Kerosene and Domestic LPG Subsidy Scheme, 2002 as well as the Freight Subsidy (for far-flung areas) Scheme, 2002 have been extended till 31 March, 2014. However, in order to reduce the burden of under-recoveries, it has been decided to increase the retail price of public distribution system (PDS) kerosene by ₹ 3 per litre and of domestic LPG by ₹ 35 per cylinder, at Delhi, with corresponding increases in other parts of the country. Prices of petrol and diesel, both at the refinery gate and retail level, will be market determined. The overall impact on the poor and the vulnerable is being minimized.

#### **Inter-ministerial group to review inflation**

An inter-ministerial group has been set up under Chief Economic Adviser to review the inflation situation and suggest corrective measures. The group has been entrusted with the task of studying and proposing policies pertaining to food inflation and macro-economic demand management.

#### **Core Group on Prices**

A Standing Core Group of Chief Ministers



and some Central Ministers was constituted on 15th March, 2010 to consider issues related to prices of essential commodities. The first meeting of the Core Group took place, under the chairmanship of the Prime Minister, on 8th April 2010, wherein it was decided that, a Working Group on Consumer Affairs may be constituted, with the Chief Minister, Gujarat as Chairman and Chief Ministers of Andhra Pradesh, Maharashtra and Tamil Nadu as members. The Working Group submitted its report on 2<sup>nd</sup> March, 2011.

### **Direct Tax Code**

The Direct Tax Code (DTC) Bill, 2010 was introduced in Parliament in August, 2010. The DTC bill seeks to improve the efficiency and equity of the tax system and to promote voluntary compliance. It proposes moderate tax rates, on a broad tax base, which is not diluted by sector specific exemptions. It rationalizes and simplifies various provisions, incorporates best practices and is written in simple and clear language.

### **Goods & Services Tax (GST)**

As a step towards the roll-out of GST, the Constitution (115<sup>th</sup> Amendment) bill has been introduced in the Lok Sabha to enable the Parliament and State legislatures to make laws for levying Goods and Services Tax on every transaction of supply of goods or services or both. Some goods, namely crude petroleum, diesel, petrol, aviation turbine fuel, natural gas and alcohol will not come under the purview of GST. The proposed constitutional

amendment also seeks to empower the President to set up, within 60 days of the passage of the bill, a GST Council, with Union Finance Minister as the chairperson and the Union Minister of State for Revenue and State Finance Ministers as members. The GST council will make recommendations, through consensus, on issues like the GST rates, exemption lists and threshold limits. The bill also provides for setting up of a GST dispute settlement authority.

Among other steps that are being taken for the introduction of GST is the establishment of a strong IT infrastructure. Significant progress has been made on the GST Network (GSTN).

### **6.1.2 People's ownership of public sector enterprises**

The disinvestment policy envisages development of 'People's Ownership' of public sector enterprises to share in their wealth and prosperity while retaining majority ownership and control with government. Disinvestment in CPSEs, through public offers, has helped to unlock the value of these companies.

In 2010-11, six public issues were completed and the funds raised amounted to ₹ 22,144.21 crore. These six issues attracted over 50 lakh retail applications, indicating that the aim of broad-basing the shareholding of profitable CPSEs was meeting with success. The disinvestment proceeds are being used for funding the capital expenditure under social sector schemes.



## **6.2 Industrial performance**

### **6.2.1 Public sector enterprises**

Four central public sector enterprises, viz. Indian Oil Corporation Limited, National Thermal Power Corporation Limited, Oil & Natural Gas Corporation Limited, and Steel Authority of India Limited were conferred Maharatna status in May, 2010.

Oil India Limited and Rashtriya Ispat Nigam Limited were conferred Navratna status during the year.

Miniratna status has been granted to two PSEs during the year, namely Bridge & Roof Ltd. and Bharat Pumps & Compressors Limited for good performance over last three years.

### **Setting up of a National Corporate Social Responsibility Hub**

A National Corporate Social Responsibility Hub has been set up at Mumbai based on the “Guidelines on Corporate Social Responsibility for Central Public Sector Enterprises” issued in April, 2010. The hub will undertake/facilitate activities, such as nationwide compilation, corporate social responsibility, advocacy and research, preparation of panels of implementing organizations, promotional activities, setting up a National Data Centre and organizing conferences, seminars, workshops.

### **Board for Reconstruction of Public Sector Enterprises (BRPSE)**

Revival of 40 sick CPSEs, envisaging a total assistance of ₹ 23,591 crore, has been

approved on the recommendations of the Board of Reconstruction of Public Sector Enterprises (BRPSE).

### **6.2.2 Manufacturing sector**

#### **National Manufacturing Policy**

A draft National Manufacturing Policy is under preparation and has as its objectives: (i) increasing the sectoral share of manufacturing in GDP to 25% by the year 2022; (ii) doubling the current employment level in the sector; (iii) increase in the level of domestic value addition; (iv) enhancing global competitiveness of the sector; and (v) making India an international manufacturing hub.

### **6.2.3 Corporate Governance Reforms**

MCA21 e-Governance project was implemented as a mission mode project under the National e-Governance Plan (NeGP) for operation from 20-registry locations for facilitating business, and reducing documentation to the minimum. E-stamping has also been introduced enabling stamp duty payments through the MCA21 portal itself.

The India Investor Week was organized from July 12-17, 2010. As a part of its ongoing initiative for promoting investor awareness, education and protection, over 4000 investor awareness camps were also organized. There was simultaneous nation-wide launch of the educational website [www.iepf.gov.in](http://www.iepf.gov.in) in English, Hindi and 11 regional languages.

The second India Corporate Week 2010 was organized in December, 2010 with a theme of ‘Sustainable Business’.



#### 6.2.4 Heavy industries

32 operating public sector enterprises have achieved an aggregate turnover of over ₹ 45,219 crore showing a growth of 13.02%. They are likely to earn an aggregate annual profit of ₹ 5551 crore during 2010-11.

Out of 16 sick/loss making PSEs, whose revival/restructuring was approved, with a total financial assistance of ₹ 8293.48 crore, 8 have started earning profits.

On 1.9.2010, the Prime Minister laid the foundation stone for setting up a manufacturing plant of NTPC-BHEL Power Projects Private Limited (NBPPPL), at Tirupati in Andhra Pradesh.

The automobile sector has registered a growth of 25% during the current year. A number of initiatives have been taken for green mobility in the automobile sector.

#### 6.2.5 Micro, small and medium enterprises

The Prime Minister's Task Force on Micro, Small and Medium Enterprises (MSME) had made 85 recommendations. Of these, action has been completed in respect of a majority of the recommendations.

Margin money subsidy of ₹ 903 crore was disbursed by banks in 2010-11 under the Prime Minister's Employment Generation Programme (PMEGP). This will facilitate setting up of 48,000 micro enterprises and generating additional employment opportunities for more than four lakh people.

A major reform in the khadi sector viz. Market Development Assistance (MDA), was launched from 1.4.2010, to replace the earlier rebate on sale of khadi. This is the first time that a 25% share of the assistance is being provided directly to spinners and weavers. A special package of financial assistance to the khadi sector, amounting to ₹ 181 crore, has also been sanctioned.

#### 6.2.6 Sectoral performance

##### Telecommunications

During the year 2010-11, till 28.2.2011, the number of telephone connections went up from 621.28 million to 826.26 million, which includes an increase of about 74.26 million in rural telephone connections. Overall tele-density increased from 52.74% to 69.29%. Upto December 2010, the number of wireless connections has gone up from 584.32 million to 791.39 million. Broadband connections increased during the year from 87.68 lakh to 109.78 lakh.

##### Information technology

The growth of the electronics hardware manufacturing sector has been identified as a thrust area and a number of steps have been taken for the promotion of this industry. The production of electronics hardware has grown from ₹ 1,10,720 crore in 2009-10 to ₹ 1,21,760 crore in 2010-11, registering a growth of about 10 per cent. An industry-led task force was set up to suggest measures to stimulate the growth of this sector. The task force has submitted its report.



### **New telecom services**

Auction of 3G and broadband wireless access (BWA) spectrum was done successfully at a total amount of ₹ 67,718.95 crore for 3G spectrum and ₹ 38,543.31 crore for BWA spectrum. Following this, the Universal Service Obligation Fund proposes to launch a “Wireless Broadband Scheme”, wherein broadband coverage will be provided to about five lakh villages across the country. A Satellite Broadband Scheme is also envisaged for providing broadband connectivity to those rural and remote villages where terrestrial connectivity is not feasible. Country-wide Mobile Number Portability was launched by the Prime Minister on 20.1.2011.

### **Petroleum, Chemical and Petrochemical Investment Regions (PCPIR)**

The PCPIR policy seeks to ensure the adoption of a holistic approach to the development of global scale industrial clusters in the petroleum, chemical and petrochemical sectors with world-class infrastructure. Investment amounting to ₹ 92,470 crore have been made in the three approved PCPIRs in Andhra Pradesh, Gujarat and West Bengal.

A fourth PCPIR is approved at Paradeep, in Orissa. Indian Oil Corporation Ltd. (IOCL) has been identified as the anchor tenant for the Orissa PCPIR and will set up a 15 mtpa grassroot refinery at Paradeep in the first phase at a cost of ₹ 29,777 crore. Investment of about ₹ 2,77,734 crores is expected in this PCPIR, with total employment generation expected to be about 6,48,000 persons.

### **Pharmaceuticals**

The annual turnover of the Indian pharmaceuticals industry is estimated to be about ₹ 1,04,209 crore during the year 2009-10. The share of export of Drugs, Pharmaceuticals and Fine Chemicals is more than ₹ 42,154 crore. This segment of Industry has shown tremendous progress in terms of infrastructure development, technology base and wide range of products. The industry now produces bulk drugs belonging to all major therapeutic groups requiring complicated manufacturing processes and has also developed excellent good manufacturing practices. The strength of the industry is in developing cost effective technologies in the shortest possible time for drug intermediates and bulk activities without compromising on quality.

### **Steel**

The output of crude steel was 68.32 million tonnes during 2010. Capacity for crude steel production expanded from 72.76 million tones per annum mtpa in 2009-10 to 78 mtpa in 2010-11.

Public sector steel companies performed well during the year. Their combined profit after tax was ₹ 8605 crore during the period April-December 2010.

The process of drafting a new National Steel Policy has been initiated. A five year strategy paper has been prepared for promotion of the steel sector. A policy paper on research & development has also been



prepared with special focus on beneficiation, coal ash reduction and promotion of high grade value added steel in the country.

To enhance the productivity, efficiency and competitiveness of the steel sector, a number of innovative R&D proposals and research projects were approved at a cost of ₹ 442 crore.

### **Mines**

A Mines and Minerals (Development and Regulation) Bill, 2011 has been drafted to replace the existing Mines and Minerals (Development and Regulation) Act, 1957. The bill seeks a complete and holistic reform in the mining sector.

As part of the process of bringing in international standards in the mining sector, including best practices in environment management, a Sustainable Development Framework (SDF) for the mining sector has been prepared. A wider dissemination of the SDF will be undertaken before finalization.

In order to ensure better administration, more transparent accounting of mineral production, trade, consumption and exports, Rule 45 of the Mineral Conservation and Development Rules were amended on 9th February, 2011 to provide for registration of producers/traders for reporting of all transactions to the Indian Bureau of Mines and State Governments. This would help the regulators at field level to ensure accounting of ore from pit head to plant or port, preventing large scale illegal mining.

### **Textiles**

Revival in the textile sector gathered momentum during 2010-11. Total spun yarn production increased by about 10.7% and fabric production increased by about 3.5% during 2010-11, as compared to 2009-10. Production of raw silk increased to approximately 21,140 MT in 2010-11. Employment in the silk sector also increased to 72.5 lakhs in 2010- 11. Sericulture has been included as an agriculture-allied activity under the Rashtriya Krishi Vikas Yojana.

An ambitious Integrated Skill Development Scheme has been introduced, at a cost of ₹ 272 crore, to provide training to 2.56 lakh persons for jobs in the textiles and apparel sectors during 2010-12.

The Technology Upgradation Fund Scheme has been restructured and its allocation for the 11<sup>th</sup> Plan period has been enhanced to ₹ 15,404 crore. During 2010-11, the total interest subsidy disbursed under the scheme amounted to ₹ 2784.18 crore. Under the Scheme for Integrated Textile Parks, commercial production has commenced in 24 out of 40 sanctioned parks.

The National Textiles Corporation is on a revival trajectory. Its production has shown an increase of 45 per cent over the previous year. The sales turnover has gone up by 39 per cent while the net profit stands at ₹ 1366 crore in 2010-11 as against ₹ 103 crore in 2009-10. 18 out of the 24 mills identified for revival have been modernized by the NTC, of which 11 have obtained ISO certification. These mills are now making cash profits.



*Textile Technology Upgradation - Spinning Workshop*

### **Handlooms and Handicrafts**

A total of 43.32 lakh handloom workers, in 27.83 lakh handloom household units, have been enumerated under the National Handloom Census, which was conducted after a gap of 14 years. So far, 16.68 lakh photo identity cards have been issued to the identified handloom weavers to ensure that they get the benefits of various schemes.

Under the Integrated Handloom Development Scheme, 58.41 lakh weavers have benefitted in 4 mega clusters, more than 550 clusters and 788 group approach projects wherein they have been provided new/upgraded looms, infrastructure support, and skill upgradation training. A new Indian Institute of Handloom Technology at Kannur in

Kerala has been approved during 2010-11. To enable inclusive growth, credit linkage with interest subvention and access to credit through the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) has been initiated in Murshidabad (West Bengal) and Varanasi (Uttar Pradesh).

A sum of ₹ 160 crore was released during 2010-11, for providing health insurance cover and life insurance cover to weavers and ancillary workers under the Handloom Weavers' Comprehensive Welfare Scheme. Life insurance cover has been provided to 4.26 lakh weavers, along with scholarships of ₹ 1200/- per year, to 1,38,102 children of weavers. Under the Marketing & Export Promotion Scheme, 680 marketing events for exhibition and sale of handloom products have been organized.





A financial package of ₹ 3000 crore for waiver of loans and interest for handloom weavers of the country, which will benefit about three lakh handloom weavers, has been announced. The package includes cleansing of overdue loan & interest of Weavers Cooperative Societies and providing loan to handloom weavers through Credit Guarantee Mechanism. A reduction in import duty on raw silk from 30% to 5% has also been announced which is expected to stabilize the prices of both domestic and imported raw silk.

The total exports of handicrafts during 2010-11 was valued at US \$ 2267 million.

A mega cluster for powerloom in Bhilwara in Rajasthan and a carpet cluster at Srinagar was sanctioned during 2010-11. Barmer (Rajasthan) and Bhiwandi (Maharashtra) have been added to the list of Towns of Export Excellence for Handicrafts and Textiles respectively. A Knitwear Technology Mission, at a cost of ₹ 5 crore has been established at Tirupur for enhancing capacity and expertise in the knitwear sector.

#### **Jute**

The minimum support price for raw jute has been increased from ₹ 1575 per quintal in jute year 2010-11 to ₹ 1675 in jute year 2011-12.

#### **Technical textiles**

Considering the immense potential for consumption of technical textiles in the country, a technology mission spread over 5 years has been launched.

#### **6.2.7 Commerce**

The Annual Supplement to Foreign Trade Policy (FTP) 2009-14 was released on 23<sup>rd</sup> August, 2010. The highlights include measures undertaken for market and product diversification and expansion of markets, support for technological up-gradation, procedural simplification and trade facilitation measures, enhancement of export obligation period under advance authorization from 24 months to 36 months without payment of composition fee and reduction of transaction cost etc.

Additional measures were taken on 11th February, 2011 to help the export sector in general and the employment intensive sectors affected by recession, in particular. Export incentives were announced for more than 600 products in labour intensive and/or technology intensive sectors like agriculture, chemicals, carpets, engineering, electronics and plastics to enhance their competitiveness.

Conscious efforts have been made to create dispersed, post-harvest infrastructure in various potential clusters of fresh fruits and vegetables, to bridge the supply chain logistics gaps. During the year 2010-11, Agricultural and Processed Food Products Export Development Authority has released an amount of ₹ 150.00 crore under its various schemes.

#### **Free Trade Agreements**

The landmark India-Malaysia Comprehensive Economic Cooperation Agreement was signed on 18<sup>th</sup> February, 2011,



to deepen economic engagement with East Asia and to provide new market opportunities for our exporters.

A Comprehensive Economic Partnership Agreement (CEPA) with Japan was signed at Ministerial level on 16<sup>th</sup> February, 2011 in Tokyo. The agreement is the most comprehensive of all such agreements concluded by India so far. It covers more than 90% of trade, a vast gamut of services, investment, intellectual property rights, customs and other trade related issues.

“The India Show” was held in South Africa from 29<sup>th</sup> - 31<sup>st</sup> August, 2010. The 6<sup>th</sup> meeting of the India-Kenya Joint Trade Committee (JTC) was held in Nairobi on 12-13 October, 2010. Another major event,

‘Namaskar Africa’, was organized during 14<sup>th</sup> to 15<sup>th</sup> October, 2010 at Nairobi, Kenya.

### 6.2.8 Delhi Mumbai Industrial Corridor (DMIC)

The Delhi Mumbai Industrial Corridor (DMIC) is being developed on either side of the Western Dedicated Freight Corridor as a global manufacturing and investment destination utilizing the high capacity dedicated railway freight corridor as the backbone. Master planning is complete for the first 7 industrial cities and the process of obtaining clearances and designing the financing models is underway.

## 6.3 Energy

### 6.3.1 Coal

Coal production aggregated 532.07



*Open Cast Mining - Jharkhand*



million tonnes (MT) and lignite production 37.73 million tonnes during 2010-11.

Coal distribution, through e-auction, was introduced with a view to provide access to coal for such consumers who were not able to source coal through the available institutional mechanism. Similarly, a scheme of Forward E-auction was launched for meeting long term requirements of actual consumers of coal. During the year 2010-11, a total allocation of 465.57 lakh tonnes was made through e-auction and 56.07 lakh tonnes under Forward E-auction.

Coal India Limited (CIL) is now a listed company. Disinvestment of 10% paid up equity in CIL was undertaken through an initial public offer. The offer was oversubscribed 15.3 times and the proceeds of the disinvestment was around ₹ 15,200 crore.

With a view to bringing in transparency, competitive bidding system, for allocation of coal blocks for captive use, has been notified on 9th September, 2010.

### 6.3.2 Power

During the year 2010-2011, a capacity of 12,160 MW has been commissioned, which is the highest ever capacity addition in a single year during the last six decades.

An amount of ₹ 4023 crore under the Restructured Accelerated Power Development & Reforms Programme (R-APDRP) has been released, out which ₹ 3903 crore is the loan for disbursement to state utilities and ₹ 120 crore as grant against enabling component for implementation of R-APDRP.

As a step towards indigenisation of the supercritical technology, the award process for boilers and turbine generators for five supercritical projects (comprising 11 units of 660 MW) of NTPC and DVC is in progress. Another bulk order for 800 MW units of NTPC has already been approved and notice inviting tender for the same has been issued in February, 2011. Central and State sector power generating companies have been advised to incorporate the condition of setting up of phased indigenous manufacturing facilities, in the bids to be invited in the next three years, for boilers and turbine-generators of supercritical projects.

The first supercritical unit of 660 MW in the private sector was commissioned in December, 2010. The first supercritical unit of 660 MW in the public sector was synchronized in February, 2011

The avoided capacity generation during the year 2010-11 as a result of various energy efficiency programmes implemented by Bureau of Energy Efficiency (BEE) was 2670 MW.

### 6.3.3 Petroleum and natural gas

Great emphasis has been placed on enhancing energy security through rapid exploration of domestic oil and gas reserves, combined with acquisitions abroad and enhancement of refining capacity.

Domestic crude oil production during 2010-11 at 37.70 million metric tonne increased by 11% over the previous year. Gas availability has gone up from 105 mmscmd in the year



*Naphtha Cracker Unit at Panipat*

2008-09 to 169 mmscmd in the current year. Allocation of gas to priority sectors like power and fertilizers will enable generation of an additional 6200 MW of power and saving of fertilizer subsidy of ₹ 3000 crore on an annual basis.

The ONGC Videsh Limited (OVL) produced 9.4 million tonnes of oil and oil equivalent gas in 2010-11 (equal to 22% of domestic oil production) from its assets in Sudan, Vietnam, Venezuela, Russia, Syria, Brazil and Columbia. In May 2010, OVL, along with Indian Oil Corporation Limited, Oil India Limited, Respol of Spain and Petronas of Malaysia, has acquired participating interest in Carabobo project-I in Venezuela. The projected peak production is 4,00,000 barrels per day and the first oil is expected in 2013. The twenty refineries operating in the country have a total refining capacity of 187.386 million metric tonnes per annum (mmtpa). The refining

capacity is not only sufficient for domestic consumption but also for exporting petroleum products. A new hydrocracker unit of Haldia Refinery of Indian Oil Corporation Limited was dedicated to the nation on 25.12.2010. This refinery is crucial for meeting the demand of Euro III/IV compliant auto fuels as well as other petroleum products. The largest and most modern Naphtha Cracker Project at Indian Oil Corporation's Panipat Complex, was dedicated to the nation on 15.02.2011.

As per the road map laid down in the Auto Fuel Policy, BS-IV petrol and diesel were introduced on a single day in all the 13 specified cities and BS-III petrol and diesel have been introduced in the rest of the country between April 1 and September 22, 2010.

International oil prices have witnessed sustained increase during the last year, with the average price of the Indian basket of crude oil in 2010-11 rising from \$85.09/bbl to \$113.09/



bb1 in March, 2011. Despite spiralling international oil prices, the retail selling prices of diesel, PDS kerosene and domestic LPG have not been increased after June 26, 2010 in order to protect the common man.

In order to handle increased LNG import, additional infrastructure is being created. Petronet LNG Ltd's (PLL) Dahej LNG terminal has been expanded from 5 mmtpa to 10 mmtpa. Further, Dabhol LNG terminal is expected to be commissioned in 2012. PLL is setting up a 5 mmtpa LNG terminal at Kochi, Kerala which is scheduled to be commissioned by 2013.

#### 6.3.4 Nuclear energy

The government is committed to

harnessing nuclear energy for sustainable economic growth while ensuring the highest levels of safety of the nuclear power programme. In the light of the nuclear accident in Fukushima in Japan, technical review teams for assessing safety systems of nuclear plants in India have been setup. The Atomic Energy Regulatory Board will be strengthened and made an autonomous and independent regulatory authority.

With the commissioning of the fourth unit of the Kaiga generating station in Karnataka in January, 2011, there are now 20 operating reactors in the country with a total installed nuclear power generating capacity of 4780 MWe.



*Bhatinda Oil Refinery - Enhancing Energy Security*



About 22,500 tonnes of additional uranium resources have been established in Andhra Pradesh, Rajasthan and Meghalaya. The country's uranium resources have been upgraded to about 1,62,000 tonnes.

A new nuclear Power Reactor Fuel Reprocessing Plant (PREFRE-2) was dedicated to the nation in January, 2011 at Bhabha Atomic Research Centre, Tarapur. The plant has been designed to process spent fuel from 220 MW PHWRs.

At the Compact Reprocessing facility for advanced fuels in lead cells at Kalpakkam, the spent fuel subassembly from Fast Breeder Test Reactor was reprocessed and the fissile material was re-fabricated as fuel and loaded back into the reactor. This marked the successful closing of the fast reactor fuel cycle.

The Civil Liability for Nuclear Damage Act 2010 was passed in September, 2010. This Act provides for prompt compensation to the victims of a nuclear accident.

#### 6.3.5 New & Renewable Energy Sources

Grid-interactive power generation capacity of 19,974 MW from renewable sources has been set up in the country till the end of March, 2011, which corresponds to a contribution of around 11% of the total installed capacity. The capacity addition during the year 2010-11 is 3157 MW. This is the highest ever capacity addition from renewable energy sources in any one year.

## 6.4 Transport infrastructure

### 6.4.1 Roads

During 2010-11, 50 road projects for 5060 km were awarded. In terms of completion of highway projects, around 15,450 km of national highways have been completed under the National Highway Development Project (NHDP) upto 31<sup>st</sup> March, 2011.

Under the special project for developing roads in Left Wing Extremism (LWE) affected areas, sanctions for 4942 km of roads, at a cost of ₹ 6590 crore have been issued, out of which, works in 3179 km length costing ₹ 4452 crore have been awarded. So far, works in 251 km length have been completed.

A programme has been drawn up for converting all single/intermediate lane national highways to two lane standard. A length of 2200 km (51 projects), having an estimated cost of ₹ 6000 crore has been taken up. Till March, 2011, works for a length of 1564 km, amounting to ₹ 4258 crore, have been sanctioned, and 22 such works, for 1125 km, amounting to ₹ 3039 crore has been awarded till March, 2011.



*National Highway Development Project*



All concession agreements will now be fully available on NHA website, and a cash reward scheme has been introduced for encouraging the public to provide information to highlight any case of corruption.

#### 6.4.2 Civil aviation

India participated in the Assembly Session of the International Civil Aviation Organisation held in 2010, and was successfully re-elected to the Council of ICAO.

With the completion of Phase-I work of IGI Airport at Delhi, a new integrated Terminal-3 became operational in July, 2010, with a capacity of handling 34 million passengers per annum, covering both international and domestic passengers. This achievement has created a new benchmark for airport infrastructure being developed in the country. The IGI airport was adjudged the fourth best in the world in the 15-25 million passengers per annum category.

Two mega projects are being undertaken at Chennai and Kolkata airports. The work involves complete modernization and development of these airports.

Pawan Hans has introduced sea plane operations in Andaman and Nicobar Islands, as a pilot project to connect Port Blair and Havelock and other islands in North Andaman.

Air India is passing through a difficult phase as a result of global recession and high cost of operation. Equity support of ₹ 2000 crore has been injected in 2010 & 2011. Turn-around plan of Air India is being closely monitored.

#### 6.4.3 Shipping

During 2010-11, the capacity of Indian ports crossed 1 billion tonnes per annum, and this is a major land mark for the Indian port sector. India's first dedicated International Container Transshipment Terminal at Vallarpadam, developed through a public-private partnership on a build-operate-transfer (BOT) basis, was



*Delhi International Airport - T-3 Terminal*



dedicated to the nation by the Prime Minister on 11<sup>th</sup> February, 2011. A “Maritime Agenda 2010-2020” has been released. The agenda is a perspective plan to create, build and sustain the maritime infrastructure needs of the country for the next decade.

#### 6.4.4 Railways

The trend of record output in freight and passenger traffic has been maintained in 2010- 11. Infrastructure creation has been the best ever with 709 kms of new lines added compared to 258 kms in the previous year. Another 769 kms of track has been doubled and 837 kms of track converted to broad gauge. The production of rolling stock has surpassed all previous records with 527 new locomotives, 3649 new coaches and 16638 new wagons

added to the existing fleet during the year. Significant progress has also been made in the construction of the Dedicated Freight Corridors. Work is in progress on the construction of four new lines of Metro in Kolkata. More than 100 new trains have been introduced during the year. 400 stations have been developed as Adarsh Stations. There has been no increase in passenger fares. The timings for booking reserved tickets through the internet has been increased and now the facility is available 23 hours in a day. A pilot project on introduction of modern luggage trolleys, handled by uniformed attendants, to assist senior citizens and women passengers, has been launched at Howrah railway station. Specially designed coaches for handicapped persons have been introduced in a large number of mail and express trains.



*Arrival of First Locomotive Engine to ICTT, Vallarpadam*





# SUSTAINING THE ENVIRONMENT



*“We must not forget that our lush forests and mountains, majestic rivers and all other water sources, and clean air, have sustained and nurtured us for millennia. We have a responsibility to preserve them for the coming generations.”*

**Smt. Sonia Gandhi**



*Increasing Forest Cover*



## **7. Sustaining the Environment**

### **7.1 National Action Plan on Climate Change**

The Prime Minister's Council on Climate Change has considered all eight climate change related national missions. The eight missions are the Jawaharlal Nehru National Solar Mission, the National Water Mission, the National Missions on Enhanced Energy Efficiency, Sustainable Habitat, and Strategic Knowledge for Climate Change, and the National Missions for Sustaining the Himalayan Ecosystem, a Green India and Sustainable Agriculture.

### **7.2 Forest conservation**

An amount of ₹ 998.71 crore was released in 2010-11 to State Level Compensatory Afforestation Fund Management & Planning Authorities to carry out protection, conservation and regeneration of natural forests in addition to compensatory afforestation.

### **7.3 National Green Tribunal**

A National Green Tribunal has been established under the National Green Tribunal Act, 2010, for effective and expeditious disposal of cases relating to environmental protection and conservation of forests and other natural resources, including enforcement of any legal right relating to environment and giving relief

and compensation for damages to persons and property.

### **7.4 Mission Clean Ganga**

Projects worth nearly ₹ 2,500 crore have been sanctioned under the National Ganga River Basin Authority so far, for development of sewer networks, sewage treatment plants and sewage pumping stations, electric crematoria, community toilets, development of river-fronts, etc.

### **7.5 Jawaharlal Nehru National Solar Mission**

Solar grid power projects of 800 MW aggregate capacity have been selected for implementation and 40 MW capacity off-grid solar projects have been approved against a target of 32 MW. 15 new R&D projects and 4 Centers of Excellence in Research and Education, including that at IIT, Mumbai, have been sanctioned during the year.

### **7.6 Promotion of green buildings**

It has been decided that all new buildings of the Central government/ public sector undertakings would at least meet the requirements of GRIHA – 3 star. So far, 117 projects, with about 5 million square metres built-up area, have been registered for GRIHA rating certification, which include projects of Central government/public sector undertakings.



*New Green Building - Central Bureau of Investigation Office, New Delhi*



# NEW HORIZONS



*“The scientific and technological prowess of a nation is a major determinant of its state of development. ... Innovation and knowledge will be the key factors in our nation’s progress in the 21st century. We must, therefore, foster an environment that promotes and nurtures scientific achievement and makes us a world leader in creating intellectual property.”*

**Dr. Manmohan Singh**



*Launch of PSLV C15*



## **8. New Horizons**

### **8.1 Science & Technology**

#### **8.1.1 Strengthening S&T and Innovation Infrastructure**

A State-Centre Technology Partnership Initiative has been taken up to promote the deployment of successful technologies in states.

In order to promote grassroots innovation and expand R&D base, the National Innovation Foundation, Ahmedabad has been converted into an autonomous institution. The Institute for Advanced Studies in Science and Technology, Guwahati has now been converted into an autonomous institution.

India joined as a major partner in establishing the Facility for Anti-proton & Ion Research. This facility is expected to enhance both technical capability for building devices like accelerator components and enable access to advanced global R&D infrastructure.

The establishment of a National Institute of Animal Biotechnology in the campus of the University of Hyderabad was approved. A scheme named “Builder” (Boost to University Interdisciplinary Life Science Departments for Education & Research) was launched. The Biotechnology Regulatory Authority of India Bill, 2011 was approved for introduction in Parliament.

A National Biodesign Programme was launched as a leadership program in biomedical technology innovation in India.

An Academy of Scientific and Innovative Research has been set up by the Council of Scientific & Industrial Research as an institution for imparting instruction and awarding degrees in frontier areas of science and technology. The academy has registered new students for M.Tech. as well as Ph.D.

An Advanced Training School was established for training and research at Pune for creating skilled human resources in the field of earth science.

#### **8.1.2 Benefits of science for the people**

##### **Ayurgenomics**

Ayurgenomics is an integrative approach of ayurveda and genomics for discovery of predictive markers for preventive and personalized medicine. In a CSIR study, scientists have reported identification of a gene and a genetic marker linked to high altitude adaptation and hypoxia responsiveness, through genetic analysis of extreme constitution types as defined in Ayurveda.

##### **Carbon fibre technology**

Carbon fibre is an important and strategic raw material for fabrication of advanced composite materials. The technology for carbon fibres and preregs developed by CSIR-National Aerospace Laboratories was successfully transferred for commercialization.

##### **Sulphate of potash**

Technology for recovery of sulphate of



potash from bittern, developed by Central Salt and Marine Chemicals Research Institute has been transferred for setting up a commercial plant of one lakh tonne per annum capacity.

#### **Post harvest technology centres**

CSIR has set up post harvest centres in Mizoram (Aizawl) and Arunachal Pradesh (Pashighat). More than 10,000 farmers of the North-East region would be able to sell their produce at 20-25% higher prices to these processing centres.

#### **Medical techniques**

A team of scientists at the National Institute of Immunology developed a technique by which it may be possible for

patients to take a shot of insulin just once in every four to five months.

A mobile echocardiogram, with mobile phone as a display for ECG signals, has been developed for regular monitoring and use in emergency. A dengue diagnostic screening kit, with microplate ELISA test system, has been developed for detection of the disease from day one of the fever and it has been made available at far cheaper rates as compared to the existing dengue detection kits.

#### **South Pole expedition**

The first scientific expedition to the South Pole was accomplished successfully in November, 2010. The team covered a total distance of almost 2240 km while traversing a path to the South Pole.



*First Scientific Expedition to the South Pole*





*Desalination plant, Minicoy, Lakshadweep*

### **Desalination Technology-Seawater into Potable Water**

A totally indigenous technology for conversion of seawater into potable drinking water has been developed, demonstrated and commissioned at select island territories and coastal power plants. One more plant of 1 lakh litre capacity was established in Minicoy in March, 2011.

### **Island Development Programme**

A full-fledged hatchery unit for breeding and rearing ornamental fishes was established at Agatti in Lakshadweep.

#### **8.1.3 Research Funding**

The target of launching a hundred public-private partnership projects under the

scheme of Small Business Innovative Research Initiative and Biotechnology Industry Partnership Programme was achieved.

A start-up programme, “Power of Ideas”, attracted over 6,000 applications, out of which 850 were provided mentoring support by over 400 experienced mentors, 150 were given extensive training, 45 of them awarded grants, and over 70 have been connected to institutional investors and venture capital funds.

### **8.2 Space programme**

A number of major missions were accomplished during the year. These included the successful launches of satellites CARTOSAT-2B, STUDSTAT and ALSAT-2A and two nano satellites for international customers onboard PSLV-C15 in July, 2010.



The Highly Adaptable Satellite (HYLAS), developed by ISRO/Antrix under a commercial agreement with EADS/Astrium, was launched onboard Ariane launch vehicle in November, 2010.

### **8.3 Information & Broadcasting**

Digitalisation of broadcasting sector is a major thrust area and funding is being provided to enable DD and AIR to digitalise their network and services by 2017. This would enable high quality transmission to the remotest locations, along with increased choice of channels.

In order to bring high quality digital TV content within the reach of all citizens, even in remote areas, support is being given to Doordarshan to expand its free-to-air DTH platform. Upgradation of the Indian Institute of Mass Communication (IIMC) to international standards has been approved at a total cost of ₹ 62.00 crores

### **8.4 Tourism**

The Visa on Arrival Scheme, launched initially for five countries, was extended to Cambodia, Indonesia, Laos, Myanmar, Philippines and Vietnam from January, 2011.

Efforts under the 'Hunar-se-Rozgar' scheme continued for creation of employable skills among youth who have at least passed the 8<sup>th</sup> class. A total number of 6,981 young persons were trained under this scheme till 31<sup>st</sup> March 2011.

A code of conduct for Safe &

Honourable Tourism was adopted, along with the key stakeholders associations and industry leaders of tourism and the hospitality sector. This code has been incorporated in the guidelines for approval of service providers and classification of hotels.

### **8.5 Culture**

The 150<sup>th</sup> birth anniversaries of Gurudev Rabindranath Tagore and Swami Vivekananda are being celebrated. National Committees under the chairmanship of the Prime Minister have been set up. A significant feature of the 150<sup>th</sup> anniversary of Tagore is the joint celebration with Bangladesh. A National Committee has also been set up to commemorate the 150<sup>th</sup> birth anniversary of Pandit Madan Mohan Malviya.

A new Tagore Research Fellowship Scheme has been launched to persuade academics, researchers and scholars to devote up to two years of time working with major cultural institutions of the Ministry. 13 national Tagore Fellows have been selected so far.

The Indira Gandhi National Centre for Arts organized 12 major cultural events attracting around five lakh visitors, which is an all time record. The Sangeet Natak Akademi has increased the number of Fellowship Awards from 30 to 40 and the amount has been raised from ₹ 1 lakh to ₹ 3 lakh. UNESCO has declared three more living traditions of India as shining examples of



world's intangible cultural heritage. These are 'Mudiyettu' sacred ritual theatre of Kerala, the 'Kalbelia' folk song and dance of Rajasthan and the 'Chhau' folk dance of eastern India. A new Central Institute for Himalayan Cultural Studies has been approved at Dahung in West Kameng district of Arunachal Pradesh.

### **8.6 Commonwealth Games**

The Commonwealth Games (CWG), a mega multi-disciplinary sporting event, was organized at Delhi from 3<sup>rd</sup> to 14<sup>th</sup> October, 2010. Competitions were held in 17 sports and 7572 athletes/officials from 71 countries & territories of the Commonwealth participated in these Games. The opening and closing ceremonies were held at the Jawaharlal Nehru Stadium and were commended for their spectacular quality.

The performance of the Indian sportspersons at the Commonwealth Games-Delhi 2010 was exceptional, resulting in an unprecedented haul of 101 medals. In particular, women sportspersons achieved outstanding success.

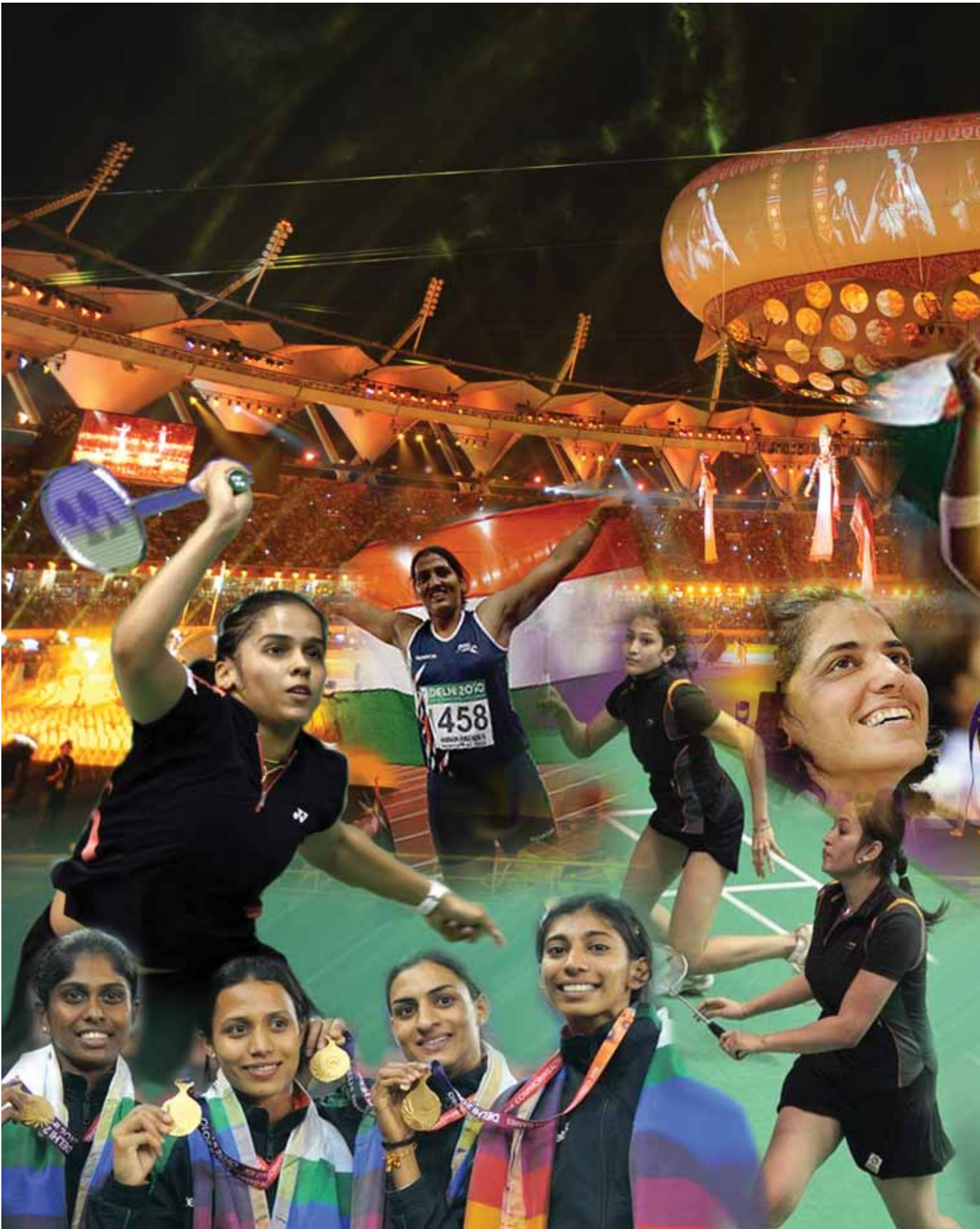
Indian sportspersons brought further glory by their performance in the Asian Games at Guangzhou, China in November, 2010. India participated in 36 disciplines and recorded their best-ever performance in the Games by winning a total of 64 medals, including a record 14 gold medals.

### **8.7 Involving the youth in nation building**

The National Youth Corps (NYC) scheme has been launched to tap the potential of the youth for channelizing their energy towards nation building. Under the scheme, 17600



*Opening Ceremony of XIX Commonwealth Games*



# Indian Women Gold Medallists of the Commonwealth Games





*India Post Connecting and Empowering Rural India, Cherrapunji*

volunteers, including 7098 volunteers in Jammu & Kashmir have been selected, trained and deployed in different districts across the country so far.

### **8.8 India Post on the Move**

An ambitious IT modernization project has been launched for computerization and networking of all 1.55 lakh post offices, and development of software applications for mail, banking, postal life insurance, financial services and human resource activities. This

will create a robust platform for effective delivery of benefits of economic security e.g., Mahatma Gandhi National Rural Employment Guarantee Act, National Old Age Pension Scheme and scholarship schemes. Micro-insurance policy is targeted towards un-banked and un-insured population in rural and tribal areas. The scheme has shown remarkable growth in the past year. More than 4.5 million residents in rural and tribal areas have been covered under Rural Postal Life Insurance in the year 2010-2011.



# MANAGING DISASTERS



*"I congratulate the brave personnel of the Army, the Air Force, BRO, ITBP and the NDRF on their courage, tireless efforts and deep concern for their fellow citizens in distress."*

**Dr. Manmohan Singh**



*Prime Minister visiting the flood affected people in Leh*





## **9 Managing Disasters**

### **9.1 Disaster-specific guidelines and mainstreaming of disaster concerns**

During 2010-11, National Disaster Management Authority has issued guidelines on incident response system; strengthening of safety and security for transportation of POL tankers; plan to counter threats to municipal water supply and water reservoirs, management of tsunamis; role of NGOs in disaster management; management of drought; management of urban flooding; management of the dead in the aftermath of disasters and minimum standards of relief.

### **9.2 National Disaster Response Force**

During 2010-11, the National Disaster Response Force (NDRF) rescued over 22,000 persons. On the request of the Government of Japan, one specialized team of NDRF was deployed for carrying out search and rescue operations in the areas of Rifu-Cho, Japan, affected recently by a massive earthquake, followed by a tsunami, and thereafter by the nuclear radiation crisis.

### **9.3 Relief for floods**

In 2010-11, financial assistance amounting to ₹ 4,337.63 crore was provided to States, as the central share of the assistance from the State Disaster Response Fund (SDRF) for dealing with various natural calamities. Besides, financial assistance to the tune of ₹ 4,179.25 crore was provided to different

States from the NDRF for the management of immediate relief operations in areas affected by calamities of a severe nature during 2010-11.

### **9.4 Mitigation projects**

Phase-I of the centrally sponsored scheme of the National Cyclone Risk Mitigation Project for Andhra Pradesh and Orissa, at a cost of ₹ 1,496.71 crore, has been launched to address the vulnerability of the coastal community to cyclone. The project is expected to benefit 5.6 lakh people in Orissa and over 5.5 lakh people in Andhra Pradesh.

In December, 2010, India and the Russian Federation signed an agreement on cooperation in the field of emergency management.

### **9.5 Relief for Leh and Kargil floods**

After the cloud burst and flash floods at Leh and Kargil, Prime Minister visited the affected areas on 17<sup>th</sup> August 2010. In addition to sanctioning ex-gratia amounts for immediate relief, a special package amounting to ₹ 125 crore, to be funded from Prime Minister's National Relief Fund, was also announced. Projects included the restoration of drinking water supply, renovation of the power supply systems, repairs to the hospital, and assistance for rebuilding of houses. Prime Minister had directed for ensuring that all families were to be housed before the onset of winter, and this target was achieved.



*Rescue & Relief work, Leh*



# ADDRESSING SPECIAL DEVELOPMENT NEEDS



*"I urge the people of Jammu & Kashmir to give peace a chance. There is a lot of hard work that needs to be done to rebuild the State and its institutions. We must promote economic activity and create opportunities for employment. We must build physical and human resource infrastructure."*

**Dr. Manmohan Singh**



*Infrastructure development under MGNREGS in Kishtwar, J&K*



## **10. Addressing Special Development Needs:**

### **The North-East and Jammu & Kashmir**

#### **10.1 The North-East**

##### **10.1.1 Securing Peace**

The security situation in some of the North-Eastern states has shown improvement in 2010 as compared to the previous year in terms of number of incidents of violence and casualties of civilians and security forces.

Government of India representatives have been appointed to hold talks with some of the militant groups from Assam and Meghalaya. Meanwhile, Naga peace talks continue.

##### **10.1.2 Infrastructure development in the North-East**

In 2010-11, 1615 km of roads have been sanctioned, for an amount of ₹ 9160 crore, under the Special Accelerated Road Development Programme in the North-East (SARDP-NE). The total expenditure incurred under the programme is about ₹ 1067 crore and a length of about 146 km has been completed till March, 2011.

##### **Connectivity in North-East Region**

Air connectivity in this region has improved. While 286 flights were scheduled for summer 2010, the number now stands at 370 for summer 2011.



*Addressing Special Needs of Tribals, Mizoram*



A sum of ₹ 11.61 crore was released by the North Eastern Council, as the first instalment, for the upgradation of Tezu airport during 2010-11.

An extension of viability gap funding to M/s Alliance Air for providing air services in the North-Eastern region has been approved for the year 2011 at a cost of ₹ 47.07 crore.

In 2010-11, as on 15.3.2011, 6971 villages have been electrified, 11183 villages have been intensively electrified and electricity connections have been released to 7.03 lakh BPL households under RGGVY.

Under the PM's Package Project on electrification/illumination of all villages along the border of Arunachal Pradesh, 726 villages have been electrified through solar lighting and micro hydel power plants.

#### **10.1.3 Addressing special needs**

During the year, 151 infrastructure projects, at an estimated cost of ₹ 1526.29 crore, were sanctioned under the Non-Lapsable Central Pool of Resources (NLCPR) scheme. Some of the major projects include construction of RCC Bridge over River Aie, Assam; the Upper Shillong Water Supply Scheme, Meghalaya, Upgradation of Lengpui airport, Mizoram and Transmission Projects (Phase-I) of Tripura. 25 projects at a cost of ₹ 237.60 crore were completed during the year and ₹ 805.77 crore was released for various projects under NLCPR.

The North Eastern Development Finance Corporation (NEDFC) has sanctioned new loans amounting to ₹ 421.24 crore during the year. The total amount disbursed against these was ₹ 281.33 crore.

#### **10.1.4 Assam Gas Cracker Project**

The Assam Gas Cracker Project is being implemented through a Joint Venture Corporation M/s. Brahmaputra Cracker & Polymer Limited (BCPL) at Lepetkata, Dibrugarh, Assam. The total cumulative expenditure as on 31.03.2011 is ₹ 2167.46 crore.

#### **10.1.5 Youth mobilization**

As a result of training received under the various capacity building schemes, 1497 unemployed youth got employment.

### **10.2 Jammu & Kashmir**

#### **10.2.1 Securing peace**

The situation in Kashmir, in terms of terrorist violence, has shown a slight decline. The summer of 2010 witnessed unprecedented violence in the Valley, in the form of protests and agitations. The level of violent stone-pelting incidents declined sharply, following the visit of an all party delegation to the State on in September, 2010. An Eight-Point Plan has been approved to bring back normalcy to the State.

The Prime Minister, during his visit to the State on 17<sup>th</sup> and 18<sup>th</sup> November 2004, had announced a Reconstruction Plan for Jammu



*All Party Delegation meeting in Srinagar, Jammu and Kashmir*

& Kashmir, involving an outlay of approximately ₹ 27,902 crore, which included 67 projects/schemes in various sectors, such as power, roads, health etc. Out of these, 31 projects/schemes have been completed and work is in progress in respect of others.

**Relief and rehabilitation of migrants and persons affected by militancy**

The Prime Minister announced a package of ₹ 1,618.4 crore for return and rehabilitation of Kashmiri migrants. The construction of transit accommodation, consisting of 495 units has started. Out of these, 220 units have been completed. 3,000 supernumerary posts for Kashmiri migrant youths have been created and selection has been completed for 1,916 posts. Appointment

orders have been issued in respect of approximately 1,800 candidates, out of which approximately 1,179 candidates have joined in the Valley.

Government has sanctioned construction of 5,242 two-room tenements in Jammu for Kashmiri migrants, at a cost of ₹ 385 crore. 1,024 flats have been completed and allotted at Nagrota, Purkhoo and Muthi. 2,112 flats, along with allied facilities, have also been completed and inaugurated by the Prime Minister on 4.3.2011.

Government of India has announced a new scheme for assistance towards damage to immovable/movable property during action by Central paramilitary force/army in Jammu & Kashmir with effect from 3.6.2010.



### **Appointment of interlocutors**

A group of three interlocutors was appointed in 2010 to hold a sustained dialogue with all sections of the people in Jammu and Kashmir. The interlocutors have made six visits to the state till March 2011. During their visits, they have met a cross-section of stakeholders.

### **Appointment of Special Task Forces to examine developmental needs of Jammu and Ladakh**

Two Special Task Forces for Jammu and Ladakh regions were constituted to examine the development needs of the Jammu and Ladakh regions. The Task Forces have submitted their reports.

#### **10.2.2 Power**

For implementation of the Pakal Dul (1000 MW), Kwar (520 MW) and Kiru (600 MW) projects in the Chenab basin, totaling to 2,120 MW, an MoU has been signed between the National Hydro Power Corporation, Jammu & Kashmir State Power Development Corporation and Power Trading Corporation. Three projects, viz., Nimoo Bazgo (45 MW), Chutak (44 MW) and Uri-II (240 MW) projects, are likely to be commissioned soon.

The state has been designated as a Focus State under Rajiv Gandhi Grameen Vidyutikaran Yojana scheme for rural electrification. In 2010-11, till March 15, 2011, 114 villages have been electrified, 1,692 electrified villages have been intensively electrified, and free connections have been provided to 28,868 households living below the poverty line.

#### **10.2.3 Initiatives to strengthen DD/AIR Services in J&K**

A revamped DD Kashir Channel has been launched since 12.09.2010 with high quality content representing all the regions of J&K. A special Plan Scheme of ₹ 100 crores is under implementation for strengthening the FM & TV coverage in the J&K border areas.

#### **10.2.4 Task Force on Employment**

The report of Task Force headed by Dr. C. Rangarajan is being rapidly operationalised. A set of special initiatives for J&K, including the Skill Empowerment and Employment Scheme for J&K, the Special Industry Initiative, and the Special Scholarship Scheme, are close to being grounded. These will reach out to more than 1.5 lakh youth from J&K over the next 3-5 years at a total cost of nearly ₹ 2000 crore.





# SECURITY



*“An enlightened national security policy should therefore be based on a holistic appreciation of the many inter-related aspects and concerns that impinge on a nation’s overall well being.”*

**Dr. Manmohan Singh**



*Launch of Prithvi Missile*



## **11. Security**

### **11.1 Internal Security Initiatives**

The internal security situation in the country remained largely under control. Except for an attack on foreign tourists in Delhi and a low intensity bomb blast in Varanasi, there was no major terrorist incident in 2010-11

#### **Operationalising the National Investigation Agency**

The National Investigation Agency, which was created by the National Investigation Agency Act, 2008, has now been fully operationalised, with headquarters in Delhi and branch offices in Cyberabad and Guwahati. 23 cases have been entrusted to it, out of which charge-sheets have been filed in 15 cases.

#### **Countering terrorism**

The National Intelligence Grid (NATGRID) has been set up, as an attached office of the Ministry of Home Affairs, in April 2010. NATGRID will link data bases for constructing actionable intelligence to combat terrorism and internal security threats.

#### **Crime and Criminal Tracking Network & Systems**

A project called the Crime and Criminal Tracking Network & Systems is being implemented for creating a comprehensive and integrated system for enhancing the

efficiency and effectiveness of policing at all levels, especially at the police station level, through adoption of principles of e-Governance, and creation of a nationwide networked infrastructure for evolution of an IT-enabled, state-of-the-art tracking system around investigation of crime and detection of criminals.

#### **Response to left wing extremism**

Government has adopted an integrated approach in dealing with left wing extremism activities in the arenas of security, development and public perception. State governments deal with various issues related to the activities of left wing extremists in States. The Central government supplements their efforts through a wide range of schemes.

A number of steps were taken during the year 2010- 11 to curb the growing menace of left wing extremism. These, *inter alia*, include setting up of a unified command in each of the States of Chhattisgarh, West Bengal, Jharkhand and Orissa, and launching of a new scheme to assist State governments in construction/ strengthening of 400 fortified police stations @ ₹ 2 crore each in left wing extremism affected district, on an 80:20 sharing basis.

An Integrated Action Plan for Selected Tribal and Backward Districts, covering 60 districts, and including, *inter alia*, 48 left wing extremism affected districts, has been approved on 25.11.2010, with an outlay of ₹ 3,300 crore for two years.



### **Modernisation of State police forces**

During the year 2010-11, an amount of ₹ 1,225 crore was released to various states under the Scheme of Modernisation of State Police Forces, which is an important initiative for capacity building of State police forces.

### **Modernisation of Central paramilitary forces**

Apart from the above, an amount of ₹ 362 crore was released during 2010-11 to seven Central paramilitary forces under the Modernisation Plan.

### **Establishing National Security Guard (NSG) hubs**

NSG hubs at Chennai, Hyderabad, Kolkata and Mumbai are already functioning. Construction of permanent structures at the Hyderabad and Kolkata hubs has also been completed.

### **Strengthening coastal security**

Under the Coastal Security Scheme, Phase-I, 71 out of 73 coastal police stations and 92 out of 97 check-posts have been made operational. 196 out of 204 boats have been delivered by shipyards to coastal States/ Union territories.

## **11.2 Managing Borders**

### **11.2.1 Border infrastructure**

During 2010-11, construction of 156 km of fencing, 169 km of border roads and 400 km of floodlighting was completed along the Indo-Bangladesh border, and construction of 76 border out posts commenced on the Indo-

Bangladesh and the Indo-Pakistan borders. In the Gujarat sector, along the Indo-Pakistan border, construction of 20 km of fencing and 25 km of border roads was completed. Formation works in 198.96 km and surfacing works in 21.26 km of 21 strategic roads were also completed along the Indo-China border.

### **11.2.2 Border area development**

During 2010-11, an amount of ₹ 691 crore has been released to border States under the Border Area Development Programme (BADP).

### **11.2.3 Cross-border services**

To facilitate trans-border movement of goods and people, 13 integrated check-posts are being set up at designated entry points on the international land borders of the country, at an estimated cost of ₹ 635 crore. In the first phase, construction of seven integrated check-posts has been taken up, viz., Attari (India-Pakistan), Raxaul (India-Nepal), Jogbani (India-Nepal), Dawki (India-Bangladesh), Akhaura (India-Bangladesh), Moreh (India-Myanmar) and Petrapole (India-Bangladesh). Construction work for the integrated check-posts at Attari, Raxaul and Jogbani has already commenced. The Land Ports Authority of India Act, 2010 has been enacted and action is under way to operationalise the Authority, which will undertake the construction, management and maintenance of the integrated check-posts.

## **11.3 Defence**

To ensure the defence preparedness of



the country, the UPA government continued its focus on modernization of the armed forces and indigenous production of advanced weapons systems.

A new Defence Production Policy was drawn up, with the objective of achieving self reliance in defence production.

Important items of defence equipment and systems produced during the year by the ordnance factories and the public sector undertakings included battle tanks, aerial platforms, missile systems, coastal security boats, fast attack crafts, battle field surveillance radars, naval radars ship borne electronic warfare system, mine protected vehicles and infantry combat vehicles. Overall

production was much higher than recorded in past years.

The indigenously designed and developed Light Combat Aircraft (LCA) – Tejas, which is the smallest light weight, multi-role combat aircraft in the world, was cleared for operations by the Air Force. The Air Force has also successfully inducted the Airborne Warning and Control System (AWACS).

Two regiments of the indigenous Main Battle Tank (MBT) – Arjun were operationalised by the Army. The first indigenously designed and built stealth frigate, INS Shivalik was commissioned. India's first pollution control vessel 'Samudra Prahari' was also commissioned.



Strengthening Coastal Security



*Light Combat Aircraft TEJAS 1*



# GOVERNANCE AND CIVIL SOCIETY



*“We will take the issue of corruption head on and demonstrate, through actions, and not words, that we mean what we say.”*

**Smt. Sonia Gandhi**



*National Launch of Aadhaar*





## **12. Governance and Civil Society**

### **12.1 Reforms**

#### **12.1.1 Administrative reforms**

Final decision has been taken on 13 reports of the 15 reports submitted by the Second Administrative Reforms Commission. Out of the accepted 1005 recommendations, action has so far been taken on 430 recommendations. Civil Services Day was organised on 21<sup>st</sup> April, 2010. 9 awards were given under the Prime Minister's Awards for Excellence in Public Administration.

#### **12.1.2 e-Governance**

The 14<sup>th</sup> National Conference on e-Governance was organised on 10<sup>th</sup> & 11<sup>th</sup> February, 2011 at Aurangabad, Maharashtra. The theme of the Conference was "Rural e-Service Delivery". The key achievements under the National e-Governance Plan (NeGP), as on 31<sup>st</sup> March 2011, include the roll-out of a network of 93,163 Common Service Centres for electronic delivery of public services to citizens in rural areas, the establishment of fully operational State Wide Area Networks in 24 States/Union territories, and the establishment of operational State Data Centres in nine states to host the services/applications of State governments on a common, secure infrastructure. Computer software tools and fonts have been made available in 22 Indian languages. Pilots for delivering high-volume, citizen-centric e-Governance services have been implemented in 20 districts across seven

states under the e-District Project. Significant progress has been achieved in the Mission Mode Projects for MCA 21, Pensions, Income Tax, Central Excise and India Portal.

A scheme for computerization of state treasuries, at an overall cost of ₹626 crore, including Central assistance of ₹ 482 crore, was approved in April, 2010. The scheme covers installation of suitable hardware and application software systems in a networked environment on a wide area basis, and building interfaces for data sharing among various stake holders. The project is expected to make budgeting processes more efficient, improve cash flow management, promote real time reconciliation of accounts, strengthen Management Information Systems, and improve accuracy and timeliness in accounts preparation and in public delivery systems in States and Union territories.

#### **12.1.3 Reform of the Justice System Commercial Division of High Courts**

Pursuant to the recommendations of the Law Commission, contained in its 188<sup>th</sup> Report, a bill namely "The Commercial Division of High Courts Bill, 2009" was introduced in Parliament. It has been decided to accept the bill, as reported by the Select Committee, with a few modifications. Enactment of the proposed law would be a step forward in ensuring that commercial disputes are resolved speedily and effectively.



### **National Legal Services Authority**

The National Legal Services Authority (NALSA) conceptualized the National Plan of Action for 2010-11 – A Vision & Calendar for Activities, to implement the legal aid schemes and legal services programmes enumerated under Legal Services Authorities Act, 1987. NALSA has formulated a scheme for para-legal volunteers. Educated youth and people belonging to different categories like teachers, anganwadi workers, co-operative society members are given basic training in legal matters and are empanelled as para-legal volunteers (PLVs) for acting as a bridge between the seekers of legal aid and the providers of legal services.

### **Income Tax Appellate Tribunal**

Pendency in the Income Tax Appellate Tribunal (ITAT) has been brought down from 300,597 appeals pending for adjudication on 31.03.1999, to 54792 as on 1.3.2011. The time gap between filing of an appeal and hearing of an appeal has come down to approximately 6 months, as against over 5 years a decade back. The ITAT has done pioneering work in the field of International Taxation and Transfer Pricing.

### **Second Generation Reforms in Legal Education:**

A two day National Consultation for Second Generation Reforms in Legal Education was organized on 1<sup>st</sup> and 2<sup>nd</sup> May 2010 in New Delhi. It recommended restructuring the system of legal education

to impart substantive knowledge, enhance legal research and create legal practitioners with social responsibility and strong professional ethics, and to respond to the unmet legal needs of the deprived sections of the society.

### **National Litigation Policy, 2010**

A “National Litigation Policy” was launched on 23<sup>rd</sup> June, 2010. The text of the policy is available on the website at [www.lawmin.nic.in/legal.htm](http://www.lawmin.nic.in/legal.htm). The purpose underlying the said policy is to reduce average pendency from 15 years to 3 years in courts.

### **Finance Commission Grants**

The Thirteenth Finance Commission (TFC) has recommended a grant of ₹ 5000 crore for improving delivery of justice. An amount of ₹ 1000 crore was released to State governments in the year 2010-11. This grant is aimed at providing support to improve judicial outcomes.

A central sector scheme for computerization of district and subordinate courts (e-Courts project) and for upgradation of the ICT infrastructure of the Supreme Court and the High Courts, is under implementation. It will connect 14,249 courts in the country, including video conferencing facilities.

### **Infrastructure development**

Inadequacies of infrastructure in subordinate courts has been one of the bottlenecks in the speedy delivery of justice.



The allocation for the centrally sponsored scheme for infrastructure development has been increased five fold in the coming year.

### **Gram Nyayalayas**

To assist the States in setting up gram nyayalayas, the Central government provides assistance @ 21.20 lakhs per gram nyayalaya. 144 gram nyayalayas have been notified so far.

### **The Judicial Standards and Accountability Bill**

The bill has been introduced in Parliament.

### **Comprehensive Electoral Reforms**

With a view to carrying out comprehensive electoral reforms, regional consultations have been held at Bhopal, Kolkata, Mumbai, Lucknow, Chandigarh and Bengaluru.

### **Voting Rights to Non-Resident Indians**

The Representation of the People (Amendment) Act, has been enacted and made effective with effect from 10<sup>th</sup> February, 2011. Registration of the Electors (Amendment) Rules, 2011 and Registration of the Electors (Second Amendment) Rules, 2011 have also been framed, according to which Non-Resident Indians can register themselves in electoral rolls and become eligible for voting.

### **National Voters' Day**

25<sup>th</sup> January is being observed as "National Voters' Day", from this year, to encourage voters, especially the young, to

vote in elections. It has been decided to take up a vigorous exercise to identify all eligible voters attaining the age of 18 years as on 1st of January every year. To attain the goal, appropriate events are being organized to felicitate newly registered voters by providing a badge with a logo of the Election Commission depicting "Proud to be a Voter – Ready to Vote".

### **12.1.4 Strengthening The Right to Information Act**

A number of steps have been taken to strengthen the implementation of the Right to Information Act. Media campaigns were organised to enhance awareness about the Act. RTI logo has been designed and launched in October, 2010. A new portal ([www.rti.gateway.org.in](http://www.rti.gateway.org.in)) has been launched where information about RTI is available. Free on-line certificate courses are offered to enable people to gain working knowledge of the Act and its procedures (<http://rtiocc.cgg.gov.in>).

Three regional workshops were organized in Shimla, Trivandrum and Bhopal to share the best practices and success stories. A scheme has been launched to award fellowships to professionals from civil society and media to research issues relating to RTI. Five fellowships of ₹ 2 lakh each have been awarded in 2010-11.

### **12.1.5 Crediting scholarships through bank accounts**

An ambitious IT modernization project



for computerization and networking of all 1.55 lakh post offices and development of software applications for mail, banking, postal life insurance, financial services and human resource activities has been conducted. This will create a robust platform for effective delivery of economic security benefits *e.g.*, Mahatma Gandhi National Rural Employment Guarantee Act, Indira Gandhi National Old Age Pension Scheme and scholarship schemes.

## **12.2 Anti-corruption measures**

In January 2011, a Group of Ministers was set up to consider measures that can be taken by the government to tackle corruption. The terms of reference of the group include considering all legislative and administrative measures necessary to tackle corruption and improve transparency; fast tracking of all cases of public servants accused of corruption; ensuring full transparency in public

procurement and contracts, including enunciation of public procurement standards and a public procurement policy; relinquishing discretionary powers enjoyed by Ministers at the Centre; introduction of an open and competitive system of exploiting natural resources, etc.

As one of the impediments felt in tackling corruption is lack of adequate protection to complainants, “The Public Interest Disclosure and Protection to Persons Making the Disclosure Bill, 2010” has been introduced in the Lok Sabha on 26<sup>th</sup> August 2010.

India has ratified the United Nations Convention Against Corruption.

With a view to ensuring full compliance with this Convention, “The Prevention of Bribery of Foreign Public Officials and Officials of Public International Organizations Bill 2011” has been introduced in the Lok Sabha on 25<sup>th</sup> March 2011.

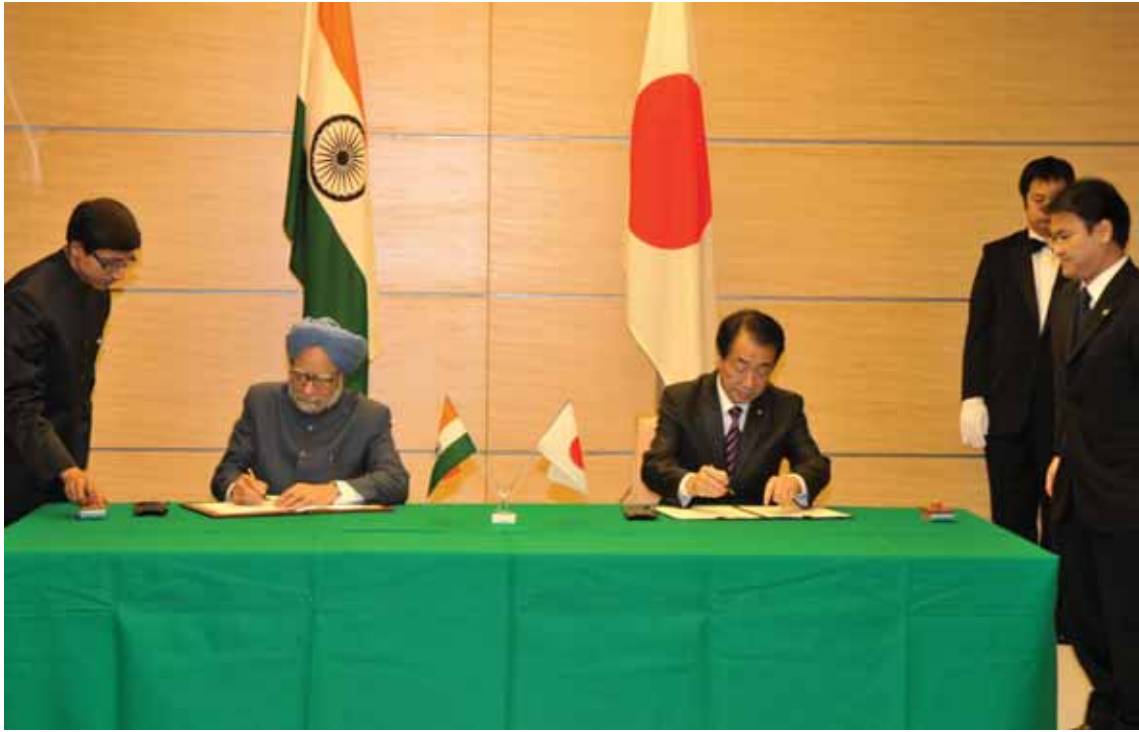


# BUILDING BRIDGES



*“Globalization and a more inter-connected and inter-dependent world in which we live in bring both new opportunities and new challenges.”*

**Dr. Manmohan Singh**



*Consolidating Partnership*



### **13. Building Bridges**

#### **13.1 External Affairs**

The UPA government continued with its policy of enhancing India's role on the global stage and in improving ties with our neighbours, of establishing new friendships and strengthening traditional ones, and of ensuring an international environment that permits India to focus on its priority of inclusive economic growth and development.

India was elected to a non-permanent seat in the United Nations Security Council for a two year period starting January 1, 2011 by a resounding 187 out of 190 votes, the largest number received by any country in a similar vote. India last served on the Council during 1991-1992.

India's interaction with the world has steadily increased and during 2010-11, we hosted 45 dignitaries at the level of the Head of State, Vice President, Head of Government, and Foreign Minister, including the Heads of State/Government of the five permanent members of the UN Security Council.

The government successfully evacuated close to 16,000 Indian nationals, who were stranded in Libya, under Operation Safe Homecoming, apart from facilitating the return of those Indians who wished to return from Egypt. Securing the release of Indians who are still held captive by pirates remains a matter of utmost urgency.

#### **13.1.1 Neighbourhood and beyond: consolidating partnerships**

India firmly believes in developing a mutually beneficial relationship with its neighbours. We have demonstrated that wherever required, we will go beyond traditional norms of reciprocity and extend asymmetrical benefits in the interest of providing a strong impetus to bilateral and regional linkages.

Significant progress has been made in implementing the decisions taken during the visit of Prime Minister Sheikh Hasina of Bangladesh in January 2010. These include a line of credit of US\$ 1 billion to Bangladesh for development of infrastructure in Bangladesh and for a number of projects that will improve connectivity for our North-Eastern states and create strong economic linkages with Bangladesh.

India is assisting Nepal to develop its infrastructure in the border areas adjoining India through the development of integrated check posts, cross-border rail links and feeder and lateral roads in the Terai area of Nepal. Our special relations with Bhutan continue to be strong and vibrant. Prime Minister Dr. Manmohan Singh visited Bhutan from 28-30 April, 2010 for the 16th SAARC Summit.

India and Afghanistan enjoy a rich civilizational and historical relationship that spans many millenia. The strategic partnership between the two countries was further strengthened by the continuation of



high level visits, including that of President Karzai, and other high dignitaries. India's positive contribution to the reconstruction and development of Afghanistan has been appreciated by the government and the people of Afghanistan, as well as by the international community.

India remains committed to a bilateral dialogue with Pakistan in an environment free of terrorism and violence and on the basis of Pakistan's solemn commitment that it will not allow territory under its control to be used for fomenting terrorism against India. The process of re-engagement with Pakistan through a comprehensive dialogue covering all outstanding issues has commenced.

In Sri Lanka we have contributed substantially to the resettlement of the internally displaced persons and the reconstruction of Northern and Eastern Sri Lanka. India announced an initiative to build 50,000 houses in Northern and Eastern Sri Lanka. We have also continued our assistance programme to the Indian Origin Tamils in the up-country areas. The opening of two new Indian consulates in Jaffna and Hambantota in 2010 has imparted further momentum to our ties.

Our traditionally friendly ties with Maldives received a further boost. India and Myanmar agreed to further broaden their multi-dimensional relationship, including in the areas of security, trade and economic engagement, connectivity, infrastructure

development, oil and natural gas, railways. The ground-breaking ceremony of the Kaladan Multi-modal project in Myanmar was held in December, 2010.

Relations with China continue to remain a priority in India's foreign policy. The visit to China by President Smt. Pratibha Devisingh Patil in May, 2010, followed by the visit of Premier Wen Jiabao to India in December, 2010 were in addition to several other substantive interactions on the sidelines of major regional and multilateral events. The two sides held discussions under the extensive dialogue architecture that provides a platform to exchange views on the entire range of bilateral issues. During 2010, a number of cultural and business events were held through the year, including a Festival of China in India and a Festival of India in China to mark the 60<sup>th</sup> anniversary of establishment of diplomatic relations between the two countries.

We have continued with our 'Look East' policy to further improve and consolidate our relations with countries in Southeast Asia. The State visit of Indonesian President Susilo Bambang Yodhoyono as the Chief Guest on Republic Day 2011 has further strengthened the strategic partnership between our two countries. We continued to engage Australia on all issues of concern and interest to us and continued to extend development assistance to developing countries in the region including Cambodia, Laos and Vietnam and some of the Pacific Island states.





We have enjoyed close relations with Japan and the Republic of Korea. We consolidated our strategic and global partnership with Japan through conclusion of negotiations on the Comprehensive Economic Partnership Agreement during Prime Minister's visit to Japan in October, 2010. Our decision to dispatch a rescue and rehabilitation team to some of the worst-affected areas after the havoc wrought by the recent earthquake and tsunami in Japan has been warmly appreciated by the government and people of Japan. Our Comprehensive Economic Partnership Agreement with the Republic of Korea became operational in 2010 and is expected to provide a major boost to bilateral trade and economic flows.

The intensity of India's high-level political engagement with Russia was marked by the visits of both the President and Prime Minister of Russia to India during 2010. During the December, 2010 Annual Summit, it was decided to characterize the strategic partnership as a 'special and privileged' one.



*Launching 'Little India' in Malaysia*

Various agreements were concluded, including civil nuclear energy; oil and gas; emergency management; science; technology & innovation; defence; and IT.

Relations continued to strengthen with countries of the Central Asian region, which is part of our extended neighbourhood. The Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline project received a fillip with the signing of framework agreement among the four countries in December, 2010. India also continued to participate in the Shanghai Cooperation Organization (SCO) activities and in the India-Russia-China (IRC) dialogue platform.

Relations with the UK, France and Germany continued to be strong with visits by Prime Minister David Cameron of UK in July, 2010, President Nicholas Sarkozy of France in December, 2010, and Prime Minister's visit to Germany in December, 2010.

The India-US global strategic partnership was revitalized in several areas of mutual interest with the visit of President Obama in November, 2010. Bilateral relations were widened and deepened during the year through a number of initiatives, including on counter-terrorism cooperation, homeland security dialogue, agriculture and food security, clean energy, and an international partnership for democracy and development.

Africa remains a continent of special focus. President Smt. Pratibha Devisingh Patil paid a state visit to Mauritius in April 2011.



We continue to support developmental projects in Africa. The second phase of the ambitious Pan-Africa e-Network was inaugurated in August, 2010. India's endeavour has been to engage with Africa intensively at multilateral, regional and bilateral levels. There were exchanges of high-level with Mozambique, Uganda, Seychelles, Rwanda, Kenya, Malawi, Burundi, Gambia, Chad, Nigeria, Ghana, Ethiopia and the Democratic Republic of Congo. Preparations are underway for the second India Africa Forum Summit in May, 2011 and we expect it to establish a strong platform for our development partnerships with most countries in Africa.

Gulf and West Asia remains an area of strategic importance for India, with the presence of more than 5 million Indian nationals. Our relations with the region further strengthened with continued exchanges in diverse areas at various levels.

India's interaction with Latin America and the Caribbean region continued to grow, with regular exchanges at the summit, ministerial, official and business levels. Bilateral trade and Indian investment in the region saw a sharp rise.

#### **13.1.2 Strengthening Regional Cooperation**

2010 saw considerable progress in implementation of flagship projects in SAARC like the South Asian University (SAU) and the SAARC Development Fund. The SAU's first academic session commenced from August 2010 with two Master's Courses being offered

to 50 students from all across the region. India has continued to engage actively with key regional groupings such as ASEAN, the East Asia Summit, IBSA, ACD, ASEM and others. Vice-President led the Indian delegation to the 8th Asia Europe Meeting (ASEM) in Belgium in October 2010. The India-ASEAN Trade-in-goods agreement came into force on 1st January, 2010. This is an important landmark in India's economic integration with the ASEAN region. The passage of the bill for establishment of Nalanda University in August, 2010 as an 'Institution of International Learning and Excellence' was another major milestone.

The European Union (EU) is one of our largest trading partners, and an important source of technology. The 11th India-EU Summit in December, 2010 in Brussels, the first after the entry into force of the EU's Lisbon Treaty underscored the mutual interest in widening the ambit of India-EU cooperation and developing common approaches to addressing new and emerging challenges. Bilateral cooperation in diverse areas, which, inter-alia include defence, security, civil nuclear energy, renewable energy, space, trade & investment, science & technology, culture & education grew during the year.

#### **13.1.3 Constructive engagement on global issues**

As a non-permanent member of the UN Security Council, India has been positively contributing to issues on the agenda of the



Council. India also continued to work for reform of the United Nations, particularly expansion of the UN Security Council in both the permanent and non-permanent categories. We also played an active role in the creation of the UN entity of gender equality and empowerment of women. The fight against terrorism remains a key priority and we pressed for progress in negotiations on the draft Comprehensive Convention against International Terrorism. India also ratified the UN Convention against Transnational Organised Crime and the three Protocols thereto.

India continued with its contributions to UN Peacekeeping efforts, and we remain one of the top three contributors, with about 9,000 troops deployed in nine UN peace keeping missions around the world.

India maintained its support for the objective of global, non-discriminatory and verifiable nuclear disarmament.

India plays an active role in various multilateral economic groupings, including the G-20, to address global challenges such as the economic and financial crisis, food security, climate change and energy security.

#### **13.1.4 Public Diplomacy and Cultural Diplomacy**

India continued its efforts to promote India's image abroad and particularly reach out to the younger generation through new social media tools. The Indian Council for Cultural Relations, and its 28 Indian Cultural

Centres abroad, actively promoted Indian culture abroad. 2,350 new scholarships were awarded to foreign students during 2010-11. Public diplomacy efforts in India were also stepped up to engage more diverse groups and foster a more informed discourse on foreign policy issues.

#### **13.1.5 Development Partnerships**

India has a long-standing commitment to South-South cooperation and we continue to provide substantial development assistance through our ITEC and SCAAP programmes, which have acquired a brand name in the developing world, and through our Lines of Credit. The Indian Technical and Economic Cooperation (ITEC) Programme, the Special Commonwealth Assistance for Africa Programme (SCAAP) and Technical Cooperation Scheme (TCS) under Colombo Plan were recognized as important components of India's development partnership and cooperation with the developing world under the South-South Cooperation framework. During 2010-11, around 5500 civilian training slots under ITEC/SCAAP were allotted to 159 developing countries. Under TCS of Colombo Plan around 500 civilian training slots were allotted to 18 member countries of Colombo Plan. In addition, bilateral projects and feasibility studies, experts in civilian and defence services, as well as aid for disaster relief were provided to friendly countries.

The skills development and other support outlined above is supplemented



through a programme of highly concessional lines of credit. Till date, 137 lines of credit worth US\$ 7763.07 million have been extended by the Government of India to 57 developing countries. During 2010-11, 20 lines of credit amounting to US\$ 2788.43 million have been approved till date. These are at various stages of planning and implementation. Meanwhile, the ministerial level conference of LDCs organized in New Delhi in February 2011 and our decision to provide USD 500 million in lines of credit along with substantial additional assistance has been warmly welcomed as yet another manifestation of our long-standing commitment to South-South cooperation.

#### **13.1.6 Passport Services**

Reforms were introduced to make the passport issuance system simpler and speedier, including decentralisation through District Passport Cells and Speed Post Centres, online receipt of applications, the centralised printing of passports for non-computerized missions abroad, the strengthening of the public grievance redressal system, facilitation counters and help desks and Passport Adalats to address grievances. Passport Seva Kendras, with customer friendly, high-tech facilities, were launched in two States during 2010. A total of

70 such Kendras, in different parts of the country are scheduled for completion by 2011.

### **13.2 Overseas Indians**

#### **13.2.1 Extending institutional support for harnessing knowledge, skills and resources of overseas Indians**

Prime Minister chaired the second meeting of the Prime Minister's Global Advisory Council of Overseas Indians on 7 January, 2011, which was attended by fourteen eminent overseas Indians from across the world. Members of the Council appreciated the efforts made to carry forward suggestions emerging from the meetings of the Council, which would enable the overseas Indian community to contribute effectively to India's socio-economic development.

#### **13.2.2 Transforming management of emigration**

The first Indian Workers Resource Centre was inaugurated by the President at Dubai in November, 2010 for the benefit of Indian workers on 24x7 basis. It has a helpline where workers can seek information, legal assistance and setting up of a shelter for workers who are in distress.

The Indian Community Welfare Fund, originally for all ECR countries, has been extended to all the Indian missions around the world.



