

CHAPTER 1

ECONOMY

Introduction

1.1 Rajasthan evokes colourful images of a land of chivalrous rulers, brave and beautiful women, bedecked camels dotting the desert landscape, rich folklore and friendly people. In the last fifty years, it has emerged as the major tourist destination in India, both for the domestic and foreign tourists. Jaipur, the Pink City; Udaipur, the City of Lakes; Jaisalmer, the Dream City of 'Sonar Kila', (the Golden Fort), Bharatpur with its Keoladev Bird National Park are all a part of the legend of the State.

1.2 The State, in its present form, is a conglomeration of 19 princely States and 3 chiefships, which varied in size, population, administrative efficiency, and the level of socio-economic development. Administratively, Rajasthan is divided into 32 districts, which are further sub-divided into 241 tehsils and 237 development blocks. The State has an area of 3.42 lakh sq. kms. and after bifurcation of Madhya Pradesh and formation of the new State of 'Chhattisgarh', has acquired the position of being the largest state in the country.

1.3 Geophysical disadvantages faced by the State act as major bottlenecks in achieving accelerated development. Though the State accounts for 10.4% of country's area, 5.2% of its population and 10.6% of the area under cultivation, yet it has barely 1% of its water resources. The limited water resources available are also characterised by excessive dependence on ground water. The ground water potential of the State is limited and is under stress in many blocks on account of overdrawal. It is nevertheless the mainstay of irrigation in the State, contributing to 55% of the area under irrigation. For surface irrigation the State is dependent on a network of rain dependent on tanks the Banas, Mahi and Chambal systems and its share in inter-State waters.

1.4 Over 60% of State's area covering 11 districts and containing 40% of its population lies west of Aravallis in the Thar Desert. This area is characterised by extremely deficient and erratic rainfall. Although the State's normal rainfall is 58 cm, the rainfall is erratic and often fails. In the last three years recurring drought has adversely affected the State's economy.

1.5 The salient features of Rajasthan vis-a-vis India are as follows:

S. No.	Item	Year	Unit	Rajasthan	India
	1	2	3	4	5
1.	Geographical area	2001	000 sq.km.	342	3287
2.	Population	2001	lakh No.	565	10270
3.	Annual Rate of Growth of Population	2001	%	2.83	2.13
4.	Density of Population	2001	Per Sq.Km	165	324
5.	Proportion of SC Population	1991	%	17.29	16.33
6.	Proportion of ST Population	1991	%	12.44	8.01
7.	Literacy	2001	%	61.03	65.33
8.	State Income at Current Prices	1998-99	Crore Rs.	65144	1601065

S. No.	Item	Year	Unit	Rajasthan	India
	1	2	3	4	5
9.	Per Capita Income				
	a. at Current Price	1999-00	Rs.	12533	16047
	b. at Constant Price	1999-00	Rs.	8272	10204
10.	Area under Foodcrops	1995-96	Lakh Ha.	119	1235
11.	Production of Foodgrains	1999-00	Lakh Tonnes	107.00	2088.78
12.	Consumption of Fertilisers- per Hectare of Gross Cropped Area	1997-98	Kg.	40.03	86.77
13.	Total Livestock	1982	Lakh No.	547	4709
14.	% of Forest Area to Total Area	1995-96	%	7.18	20.93
15.	Registered Working Factories-Manufacturing sector	June 1990	No.	10038	196068
16.	Net Value Added by Factory sector	1988-89	Rs.	208	429
17.	Value of Mineral Output	1988	Crore Rs.	1445	37652
18.	Per Capita Consumption of Power	1997-98	Kwh	294.9	349.1
19.	Villages Electrified	March 97	%	88.6	84.9
20.	Railway Route Length per 1000 sq.km. of Area	March 99	Kms.	17	19
21.	Number of Banking Offices per lakh of population	Sept. 2000	No.	6.11	6.53

Rainfall

1.6 The rainfall in the State is not only meagre but it also varies rather significantly from year to year and this creates drought conditions quite frequently. Although the average annual rainfall of the State is 575 mm there are wide variations in its distribution.

1.7 Out of thirty-two district twelve namely Bikaner, Churu, Ganganagar, Hanumangarh, Jaisalmer, Jalore, Jhunjhunu, Jodhpur, Nagaur,, Pali, Barmer and Sikar fall in the arid zone (with average annual rainfall of less than 500 mm.). Six districts namely Jaipur, Ajmer, Dausa, Rajsamand, Sirohi and Udaipur constitute the semi arid zone (with average annual rainfall between 500 to 650 mm.). The remaining districts Alwar, Bharatpur,, Bhilwara, Bundi, Kota, Dholpur, Dungarpur, Tonk and Karauli constitute the sub-humid zone while Banswara, Jhalawar, S.Madhopur, Chittorgarh and Baran comprise the humid zone.

Drought

1.8 Periodic drought and scarcity conditions are a characteristic feature of the State. Rajasthan, with its meagre water resources and perilous dependence on scanty and uncertain rainfall is most vulnerable to drought and famine conditions. The frequency of drought appears to have increased. During the last three years 1998-2000 the spectre of crop failure and drought haunted the people of the State.

1.9 Periodic crop failures and droughts have affected the State's economy directly as well as indirectly. The Government is compelled to spend substantial funds on relief in years of drought. During the period 1956-57 to 1999-2000 the

Government has spent Rs. 2133.82 crores on various relief measures. Of this, Rs. 1235.61 crores were spent during the VIII Five Year Plan (1992-97) itself. Periodic crop failures have kept the farmers and non-farm workers impoverished and debt ridden. This phenomenon has depressed the State Domestic Product and per capita income to about 78% of the National level.

1.10 Dealing with drought requires both short as well as long term strategies. While the State has performed well in managing droughts from one year to the next, the longer-term issues are yet to be tackled. Drought proofing the economy requires concerted effort on several fronts. These include

- coverage of optimal irrigation for a larger area;
- better water management in the irrigated areas;
- taking effective steps to dovetail drought relief with development activities in all the sectors of the economy; and
- development of non-agricultural activities in the rural areas of the economy.

Demography

1.11 The State's population has been growing at a rate much faster than the national average, as would be evident from the following table:

Decadal Growth of Population

Year	Population (in lakhs)		Variation over previous decade (%)	
	Rajasthan	India	Rajasthan	India
1911	110	2521	+ 6.70	+ 5.75
1921	103	2513	- 6.29	- 0.31
1931	117	2790	+14.14	+11.00
1941	139	3187	+18.01	+14.22
1951	160	3611	+15.20	+13.31
1961	202	4392	+26.20	+21.51
1971	258	5482	+27.83	+24.80
1981	343	6852	+32.97	+25.00
1991	440	8463	+28.44	+23.56
2001	565	10270	+28.33	+21.34

1.12 The above table reveals that while the increasing trend in population is continuing, the decadal growth rate has declined during 1981-91 from 32.97 percent to 28.44 percent and 1991-2001 by 28.44 percent to 28.33 percent. Despite this deceleration, there are social, economic and traditional reasons for such a high growth rate, which need to be dealt with. The rapid pace of population growth is already exerting tremendous pressure on the environment; in the labour market; on social institutions like schools, hospitals. To meet the growing demand effectively new strategies need to be formulated.

1.13 Some of the important characteristics of Rajasthan's population are:

- The growth rate in Rajasthan in 2001 was highest amongst all the States except J&K and the north eastern States
- Sex ratio of 922 females per 1000 males in Rajasthan in 2001 was lower than

the All India ratio, and

- The literacy level is 61.03 percent (2001). Female literacy in Rajasthan is 44.34 percent, which is still low as compared to all India female literacy rate of 54.16 percent.

1.14 The density of population (2001 census) is 165 per sq. km. There are large variations in density of population from district to district. The districts of Dausa, Dholpur, Jhunjhunu, Jaipur, Bharatpur and Alwar have higher population density, whereas the districts in the western part of the State have comparatively lower densities. The district of Jaipur has the highest density (471 persons per sq. km.), whereas the lowest density of 13 persons per sq. km. is in the district of Jaisalmer.

1.15 A comparison of birth and death rates in the State with all - India levels is given below :

Birth and Death Rates: India and Rajasthan

(Per thousand)

Year	India		Rajasthan	
	Birth Rate	Death Rate	Birth Rate	Death Rate
1991	29.5	9.8	34.3	9.8
1992	29.2	10.1	34.9	10.5
1993	28.7	9.3	34.0	9.1
1994	28.7	9.3	33.7	9.0
1995	28.3	9.0	33.3	9.1
1996	27.5	9.0	32.4	9.1
1997	27.2	8.9	32.1	8.9
1998	26.4	9.0	31.5	8.8

Labour Force

1.16 The increase in labour force bears a direct co-relation to the increase in the population. As per 1981 census, 51.35 percent of the total population was in the working age group 15-59 years. The age group wise comparison for 1991 is yet to be published.

1.17 A comparison of the occupation wise data of the 1981 census with that of the 1991 census indicates that the proportion of workers in the total population has increased from 36.61 percent in 1981 to 38.54 percent in 1991. There has been an appreciable increase in the number of female workers in the 1991 as compared to the 1981 census; the percentage of female workers (rural) has increased from 24.99 in 1981 to 32.77 in 1991. Proportion of total workers, main workers and marginal workers to total population by residence and sex as per 1981 and 1991 census is indicated below:

Proportion of total workers, main workers and marginal workers 1981-1991 in Rajasthan

(Percent)

	Total Workers		Main Workers		Marginal Workers	
	1981	1991	1981	1991	1981	1991

Total						
Persons	36.61	38.54	30.48	31.59	6.13	6.95
Males	50.90	49.07	49.92	48.26	0.98	0.81
Females	21.06	27.01	9.32	13.34	11.74	13.67
Rural						
Persons	39.07	41.67	31.53	32.92	7.54	8.75
Males	52.18	49.88	51.01	48.91	1.17	0.97
Females	24.99	32.77	10.59	15.59	14.40	17.18
Urban						
Persons	27.37	27.99	36.54	27.12	0.83	0.87
Males	46.22	46.38	45.93	46.11	0.29	0.27
Females	5.88	7.13	4.45	5.57	1.43	1.56

1.18 State Domestic Product (SDP) and per capita income are conventionally taken as indicators of development. The estimate of Net State Domestic Product (NSDP) has been revised on the basis of new base year (1993-94). Data since 1993-94 is given below :-

Net State Domestic Product

Year	Current Prices		Constant Price (1993-94)	
	Net State domestic Product (crores)	Per Capita Income (Rs.)	Net State domestic Product (crores)	Per Capita Income (Rs.)
1993-94	29040	6196	29040	6196
1994-95	36859	7674	34411	7164
1995-96	41885	8510	35593	7231
1996-97	51271	10192	39891	7930
1997-98	57621	11235	44658	8708
1998-99	65144	12470	45086	8630
1999-2000	66645	12533	43988	8272
2000-2001	69877	12914	43764	8088

1.19 Net State Domestic Product (NSDP) at constant prices (1993-94) has increased from Rs. 29040 crores in 1993-94 to Rs. 43764 crores (as per advance estimates) in 2000-01, registering a long term (1961-90) compound growth rate of 4.22 per cent per annum. It may be observed that the long-term growth has been highest (5.52 per cent) in tertiary sector and lowest (3.70 per cent) in the primary sector.

1.20 A characteristic feature of the State Domestic Product in Rajasthan has been its year to year fluctuation, which is determined entirely by the behaviour of the monsoon. This makes analysis of the pattern difficult, as it is possible to generate any growth pattern merely by changing the base and the terminal years. Therefore, the plan period wise growth rates shown below need to be interpreted with great caution as they often indicate merely whether the first year of the plan was good or bad. If it was good the trend growth tends to be lower and if it was bad it tends to be higher (e.g. 1969-74 growth compared to 1974-79 growth).

Plan periodwise growth rates in NSDP and PCI

Period	Compound Growth Rate Percent Per Annum				Per capita income at constant prices (1980-81)
	Primary	Secondary	Tertiary	Total	
III Plan 1961-66	0.34	3.66	1.98	1.36	-0.98
Annual Plan 1966-69	-3.51	-0.26	4.14	-0.77	-3.02
IV Plan 1969-74	9.90	4.07	3.83	7.08	3.81
V Plan 1974-79	4.63	5.64	6.03	5.18	2.22
Annual Plan 1979-80	-23.25	-3.84	-3.30	-14.49	-16.88
VI Plan 1980-85	7.76	2.73	4.76	5.94	3.01
VII Plan 1985-90	3.70	9.10	11.37	7.06	4.47
Annual Plans 1990-92	1.83	6.52	4.17	3.87	1.65
Eighth Plan 1992-97	7.40	8.10	5.70	7.00	4.80
Long term 1961-90	3.70	5.33	5.52	4.22	1.57

1.21 Per Capita Income in Rajasthan continues to be below the national average as would be observed from the following table :

Per Capita Income in Rajasthan and India

At constant prices (1993-94) (Rs.)

Year	Rajasthan	India
1994-95	7164	8069
1995-96	7231	8498.5
1996-97	7930	9035.9
1997-98	8708	9287.9
1998-99	8630 P	9733.1
1999-2000	8272 Q	10204.1 Q
2000-2001	8088 A	NA

Source :- Economics & Statistics

1.22 The per capita income in 1987-88 was Rs. 1295 which is nearly equal to the per capita income 25 years ago in 1964-65 when it was Rs. 1291. Similarly the 1993-94 estimate of Rs. 1790 is just equal to the 1988-89 estimate of Rs. 1791. PCI has increased from Rs. 1224 in 1960-61 to Rs. 2232 in 1996-97, registering a very modest growth rate of only 1.57 per cent per annum (1960-61 to 1989-90). The growth has inter alia been depressed because of the high rate of population growth.

1.23 The composition of NSDP by broad sectors of economy at constant prices (1993-94) is reflected below :

Sectoral shares in State Domestic Product

(Percent)

Year	Primary	Secondary	Tertiary	Total
1993-94	10764.77	6760.22	11515.45	29040.44
1994-95	13497.82	8136.52	12776.20	34410.54

1995-96	13103.37	8597.67	13891.70	35592.74
1996-97	15873.67	8478.63	15538.78	39891.08
1997-98	16689.70	10522.17	17445.96	44657.83
1998-99 (P)	16379.65	10564.23	18142.06	45085.94
1999-2000	14193.87	11206.80	18587.38	43988.05
(Q)				
2000-2001	13008.36	11448.08	19307.50	43763.94
(A)				

(P) Provisional estimates (Q) Quick estimates (A) Advance estimates

Source : Directorate of Economics and Statistics

Agriculture

Land Reforms

1.24 In the erstwhile princely States of Rajasthan, varying types of land tenures were in practice. Besides promulgation of the Rajasthan (Protection of Tenants) Ordinance, 1949, the Rajasthan Tenancy Act, 1955 was enacted to cover entire Rajasthan and all tenants were conferred Khatedari rights. The Rajasthan Tenancy Act, 1955 amalgamated all the earlier enactment and is a comprehensive and consolidating piece of legislation. As and when lacunae were noticed, numerous amendments have been made to find a suitable solution for the problems faced by the tillers of the soil. The Act provides special protection to tenants belonging to the Scheduled Castes (SC) and Scheduled Tribes (ST). For instance, to prevent distress sales, SC and ST tenants can not transfer, sell, mortgage or other wise transfer their land to a person who does not belong to SC or ST respectively. There is a provision for summary ejection of trespassers of the land held by a member of SC or ST. New section 183 C has been added to the Tenancy Act providing for imprisonment of such persons and fine upto Rs. 20,000 who occupy lands belonging to this category of persons. The burden of proof is on the trespasser that he did not commit the offence.

1.25 To give effect to the Directive Principles of State policy as envisaged in the Constitution and to effect land reforms, agriculture ceiling laws were introduced in the State for the first time in 1963 and were made effective from 1-4-1966. However, as a result of the consensus evolved in the conference of the Revenue Ministers' and later in the Chief Ministers' conference held in 1972, new agriculture ceiling laws became operative with effect from 1-1-1973. The provisions were meant for equitable distribution of land, which is the primary economic resource of the population living in the rural areas. Under these provisions, upto 30-06-1997 following progress has been achieved:

	(In acres)
Area declared surplus	608163
Area taken possession of	565432
Area distributed	454961
Number of beneficiaries	79009

Land Holdings

1.26 The report of Agriculture Census 1995-96 shows that the State has 5.36 million operational holdings, covering an area of 21.25 million hectares. The number of holdings and operational area has increased by 5.0 percent and 1.3 percent respectively since 1990-91.

1.27 Category wise number of operational holdings, area and percentage variations in 1995-96 over 1990-91 census is indicated below:

Size of Land Holdings

Category	1990-91			1995-96			% variation in 1995-96 over 1990-91		
	No. of holding ('00 No.)	Area operated ('00-Ha.)	Average size (Ha.)	No. of holding ('00 No.)	Area operated ('00-Ha.)	Average size (Ha.)	No. of holding	Area operated	Average size
Marginal (below 1.00 Ha.)	1517	725	0.48	1611	780	0.48	6.2	7.6	0.00
Small (1.00-2.00)	1019	1469	1.44	1085	1566	1.44	6.5	6.6	0.00
Semi-Medium (2.00-4.00)	1061	3021	2.85	1117	3185	2.85	5.3	5.4	0.00
Medium (4.00-10.00)	1017	6334	6.23	1064	6617	6.22	4.6	4.5	-0.16
Large (10.00 & above)	493	9422	19.11	487	9102	18.69	-1.2	-3.4	-2.20
Total	5107	20971	4.11	5364	21250	3.96	5.0	1.3	-3.65

1.28 Although marginal/small categories of holdings (below 2 hectares) account for 25.26 percent, they cover only 11.04 percent of the total operated area. Large holdings are 9.08 percent of the total holdings, but operate an area of 42.83 percent. The average size of holdings has come down from 4.11 hectares in 1990-91 to 3.96 hectares in 1995-96. The average size of holdings has fallen in medium and large size categories during 1995-96 from 1990-91, indicating growing fragmentation of operational holdings.

Land Use

1.29 The land utilisation pattern in the State over the years is summarised below:

('000 Hectares)						
S.No.	Item	1995-96	1996-97	1997-98	1998-99	1999-2000
1.	Reporting area	34243	34238	34264	34265	34258
2.	Forest	2458	2476	2529	2557	2580
3.	Not available for cultivation					
	a. Land put to non agricultural use	1680	1686	1699	1705	1725
	b. Barren & un-cultivated land	2657	2647	2622	2603	2580
4.	Other uncultivated land					

S.No.	Item	1995-96	1996-97	1997-98	1998-99	1999-2000
	a. Permanent pastures & other grazing land	1745	1735	1723	1718	1714
	b. Land under misc. tree crops & groves	16	14	15	14	14
5.	Excluding fallow land culturable waste	5103	5044	5017	5069	4987
6.	Fallow land					
	a. Fallow other than current fallow	1972	2020	1988	2287	2511
	b. Current fallow	2036	1827	1597	2238	2637
7.	Net area sown	16575	16790	17075	16074	15509
8.	Area sown more than once	3098	3904	5250	5328	3777
9.	Total cropped area	19673	20693	22325	21401	19286

1.30 The data in the table above reveals that whereas the net area sown has stabilised at around 160 lakh hectares and that there has been an increase in the cropped area from 167.29 lakh hectares in 1970-71 to 192.86 lakh hectares in 1999-2000.

1.31 The area under permanent grazing land has declined during the period 1991-92 to 1999-2000. With a large livestock population, the available village pasture and grazing lands have thus come under severe pressure.

1.32 The land not available for cultivation which includes land put to non-agricultural use and barren and waste land, has declined from 58.78 lakh hectares in 1970-71 to 43.05 lakh hectares in 1999-2000. There has been an increase in the area under forests, as per land record statistics. It may be noted that while as per land records statistics the area under forests stood at 8.4 percent in 1994-95, the area with Forest Department is about 9 percent of the total area of the State. The difference in these figures perhaps indicates that a portion of forest areas is devoid of any tree cover. Satellite imagery has shown a progressive increase in forest cover in the State particularly in the IGNP area.

Agriculture Development

1.33 Rajasthan is a pre-dominantly agrarian State with about 70 percent of the total population depending on it. With the ushering in of the green revolution, emphasis was laid on providing inputs like fertilisers, high yielding variety seeds, pesticides, etc. thereby resulting in a noticeable improvement in the use of agriculture inputs.

1.34 With limited availability of water, agriculture is largely rain fed. In addition to the year to year fluctuations in the monsoon, the over all performance of the agriculture sector has recorded wide fluctuations. During the Seventh Five-Year Plan, food grain production varied between 48 lakh in 1987-88 to over 106 lakh tonnes in 1989-90. Agriculture Production reached a new height in 1996-97 registering a record production of 130.19 lakh tonnes of food grains.

1.35 Details of area and production of major crops for sample years are depicted in the table below:

Table 1.10: Area and Production of Major Crops

Area in lakh hectares
Production in lakh tonnes/bales

Crop	Area		Production	
	1998-99	2000-01	1998-99	2000-01
Food grains	134.76	105.05	129.34	89.35
Oilseeds	43.05	28.50	38.15	24.63
Sugarcane	0.23	0.17	10.79	7.64
Cotton	6.45	4.82	8.77	9.86

(Figures in brackets indicate percentage to total cropped area.)

1.36 The State has emerged as a major oilseeds producer in the country; oilseeds production reached a level of 40.49 lakh tonnes in 1996-97.

1.37 In terms of productivity, the State falls behind the national average in case of most of the crops. A comparative position of the State vis-à-vis the country is given in the following table:

Table 1.11: Productivity of Major Crops

Crop	Productivity 1994-95 (Kg/Ha.)	
	State	India
Rice	1088	1921
Jowar	402	783
Bajra	516	707
Maize	728	1493
Wheat	2417	2553
Barley	1850	1882
Gram	864	855
Groundnut	790	1042
Sesamum	227	304
Linseed	364	337
Rape & Mustard	887	944
Cotton	919	260
Sugarcane	45036	71095

Source: Some facts of Agriculture, Agriculture Department

Animal Husbandry

1.38 Rajasthan is rich in livestock resources. More than 10% of milk, 35 per cent of meat and over 40 per cent of wool in the country is produced in Rajasthan. The cattle population has been increasing as documented by each livestock census.

1.39 The livestock population of the state in 1992 was 484.46 lakhs which increased to 546.74 lakhs in 1997. However, compared to 1951, the cattle population has not increased proportionately. Recurrent droughts and famines appears to have affected the growth of cattle population adversely.

1.40 The livestock sector has significant role in the State's economy. It has high income and employment potential. During the Ninth Five Year Plan the emphasis was on increasing productivity through cross breeding in the under script cattle and selective breeding in the indigenous breeds of cows and buffaloes. The State Government has worked out a strategy for improving about 75 per cent of non

descript cattle and buffaloes to either cross breed or selective breeding of the local breeds like Gir, Tharparkar, Kanakraj, Rathi etc. To achieve this goal the infrastructure facilities have been strengthened further during the Ninth Five Year Plan subsequently.

1.41 The sheep and goat population constitute more than 58% [Basic statistics - 2001] of the total livestock population in the State, posing a serious threat to the fragile ecology of this region. It is, therefore, necessary to design programmes for breed improvement of sheep and goats to contain their numbers and increase productivity.

1.42 Non-availability/inadequate availability of nutritive fodder is one of the main reasons for low productivity of livestock in the State. The availability of concentrate feed is also not adequate. Efforts are also to be made to identify non-conventional sources of cattle feed. There is need to improve production of bio-mass in private fields, grazing lands and wastelands to deal with the fodder shortage.

Dairy

1.43 Rajasthan accounts for about 10 percent of the total milk produced in the country. A concerted approach for the development of dairy in the State was initiated in 1971 under Operation Flood. The Rajasthan Co-operation Dairy Federation came into being in 1978 and it has continued to undertake the task of dairy development through the 'Anand Pattern' three tier co-operative structure. The infrastructure in the co-operative dairy sector includes :

- Milk unions covering 32 districts.
- Registered dairy co-operative societies.
- Dairy plants with a ample processing capacity of milks producing.
- Chilling centres with enough processing capacity of milk per day.
- 4 cattle feeding plants to manufacture nutritious feed to the animals.

Water Resources and Irrigation

1.44 Water is the one of the most critical inputs for development. There are no perennial rivers in Rajasthan except for the Chambal and Mahi rivers traversing parts of the southeastern portion of the State. The short spell of the monsoons and erratic and scanty rainfall has left Rajasthan as the most water deficient State in the country. The degree of water deficiency would be revealed by the following data for Rajasthan as a percent of the all India average:

- Geographical Land 10.40%
- Area under cultivation 10.60%
- Population 5.65%
- Availability of water 1.28%

1.45 Planning, development, operation and maintenance of all water resources to support the growth of the State's economy and well being of the population is of prime importance. This is due to the growing need for water, for drinking agricultural and industrial production and electricity, a general improvement of living conditions and employment. The requirement of utilising all available water resources, surface and ground, in a judicious, equitable as well as sound economic

manner needs a well defined State Water Policy. The Draft State Water Policy has been formulated and is likely to be finalised soon.

1.46 Of the utilisable surface water resources adding up to 30.36 MAF in Rajasthan, sources outside the State contribute 14.50 MAF. Out of the total surface water potential of 15.86 MAF within the State, it is estimated that 6.65 MAF has been harnessed and another 1.70 MAF of water would be harnessed by on-going irrigation projects.

1.47 The gross irrigated area in the State manifests an overall increasing trend. The gross area irrigated, which was 11.7 lakh hectares by 1951-52 has increased up to 68.09 lakh hectares in 1998-99. However, wells still continue to play an important role in the agriculture, accounting for more than half of the gross irrigated area.

1.48 Water has been a scarce input for agriculture. Therefore, efficient use of surface water to reduce conveyance losses and for optimal use of available water through scientific irrigation management practices needs to be propagated. Encouraging Water User's Associations for proper management and upkeep of the minors and distributaries of the irrigation system is thus a priority.

1.49 As stated above, ground water continues to dominate the irrigation scenario as a major source in terms of the acreage served, besides better quality of service. It has proved to be a more efficient, cheaper and manageable source of irrigation than the major and medium projects. However, this has led to heavy drawals resulting in reversal of the ratio of drawal and recharge.

1.50 The poor ground water potential compounds the scarcity of water due to limited availability of surface water in the State. Frequent failure of rains, further reducing the percolation and increasing overdrawal is aggravating the situation.

1.51 Although the overall development of ground water in the State is about 50%, and most of the blocks are already in dark/grey categories signifying over exploitation of ground water. Exploitation of ground water in Alwar, Ajmer, Pali, Dholpur, Jaipur and Jalore districts has already exceeded 80% of dynamic resource levels needs to be checked.

1.52 At the same time, it is essential that water-harvesting technology is increasingly utilised and ground water recharge is maximised by ensuring that no avoidable run off takes place in the watersheds.

Power

1.53 Energy is an essential input for all productive economic activities. The annual per capita consumption of power in April 2000 was 301 Kwh is lower than national average of 334 kwh.

1.54 The State is deficient in its own resources for development of power sources and has, therefore, to depend for its power supplies from systems located outside the State. Besides, the State's own generating systems are mostly situated in the south-eastern corner of the State. Evacuation power from far off sources to distant parts of the State involves very high transmission costs.

1.55 **Power Sector Reform:-** Government of Rajasthan, has decided to embark on a Power Sector Reforms programme with the objective of creating an environment for sustainable development of the power sector. The power sector policy statement issued by Government of Rajasthan in May,99, envisages the restructuring of the Power Sector on functional lines. Rajasthan State Electricity Board has been restructured into five Government owned companies incorporated under the Companies Act, 1956. These companies came into operation on 19.7.2000. Rajasthan Rajya Viduyt Prasaran Nigam Ltd. (RVPN) is the main successor entity of the erstwhile RSEB and is responsible for purchasing power from generating stations under the State and Central Sectors, IPPs, jointly owned projects and importing power from other SEBs. The pooled power is supplied to the transmission system in the State. The Rajasthan Rajya Viduyt Utpadan Nigam Limited (RVUN) is primarily responsible for generation of power in the State. Three DISCOMS (distribution companies) have distinct geographical areas of distribution & supply of electricity and are headquartered at Ajmer, Jodhpur and Jaipur. The Power Sector Reform Act became effective on 1.6.2000. The Rajasthan Electricity Regulatory Commission has also been set up and it came into existence on 2.1.2000.

1.56 **Generation:-** The gap between demand and supply of power continues in the State. The projected peak demand for Rajasthan by 2006-07 is 6772 MW. To meet this demand 9675 MW capacity (shared/allocated/owned) would be required. With a present capacity of 4108 MW, the addition of about 5567 MW is required. The only projects which are in hand in the State Sector are KTPS Stage-IV (195 MW), Suratgarh Stage-II & III (500 & 250 MW), Ramgarh Gas extension (75.32 MW) and Grial (250 MW) which are likely to add about 1272.32 MW. It would thus be necessary that major steps are initiated to enhance the power availability in the State, so that the increasing power requirement of the State can be met.

1.57 **Transmission Works:-** To strength the transmission system and to evacuate the power from generating stations, it is necessary to provide a comprehensive network of 400KV, 220KV & 132KV Transmissionlines and Sub-Stations. Work on 400 kV Jodhpur & Metro Sub-Station and 400 kV Jaipur-Merta-Jodhpur line will start soon with completion scheduled in March 2003. Further, 3 New 400kV SubStations viz. Kota, Sirohi/Bhinmal, Udaipur/ Chittorgarh etc. are likely to be commissioned during 2003-2005. Commission of (i) 5 Nos. of 400 kV Sub-Stations, 20 Nos. of 220 kV Sub-Station and 80 Nos. of 132 kV Sub-Stations (ii) 800kMs 400 kV lines, 1550 kMs. 220kV lines and 1550 kMs. 132 kV lines in the Tenth Five Year Plan period is necessary.

1.58 **Sub-Transmission & Distribution Works:-** With a view to remove past deficiencies and reducing T&D losses, a new thrust in the improvement of sub transmission and distribution systems is required. There is need to identify the system elements responsible for excessive losses and formulate system improvement schemes by undertaking studies utilizing the available computer software programmes and to implement such schemes in a phased manner.

1.59 **RE Works:-** The sectoral pattern of consumption of power during the past few years in the State has witnessed a change in favour of agriculture sector. As per the MOU signed between the Ministry of Power, Govt. of India, and Govt. of

Rajasthan, it is proposed to electrify 100% of potential villages in Rajasthan by 2005. till March, 2002, about 37554 nos. of villages are likely to be electrified and 94.33% village electrification will have been achieved in the State. The electrification programme is to be carried out in such a way that cent percent electrification of 1991 Census villages are completed within three years of the Tenth Plan where-as the electrification of deemed/deelectrified/Dhanies/Theft prone/No LT villages are achieved within the remained Tenth Five Year Plan. Further it is proposed to electrify 75000 wells during Xth Five Year Plan @ 15000 wells per year.

Private Sector Participation

1.60 The State Government has taken a decision to encourage private participation in the development of infrastructure like power, roads, transport, etc. The total capacity of the projects for which Power Purchase Agreements have been executed is about 1800 MW with an approximate investment of Rs. 6800 crores. In view of unsatisfactory progress of private sector power project in the State with no private sector power project of the state having achieved financial closure. It has been decided by the State Govt. to lay stress also on State sector projects during the Ninth Plan. During the Tenth Five Year plan period continued stress on State sector power Projects is proposed with emphasis on utilisation of resources of lignite available within the state as well as interstate partnership projects. A decision has also been taken to allow industrial units to set up captive power plants where felt necessary.

Non-Conventional Energy

1.61 Rajasthan is gifted with a variety of Non-Conventional Energy resources. Therefore, 10th Plan proposal have been prepared for this sector with the following features:

1.62 **Power Generation:-** During the Tenth Plan special effort will be made for developing projects for power generation through different technologies of Non-Conventional Energy such as Wind Energy, Biomass/Agro Waste, Biogas, Mini-Micro Hydel etc. The State intends to install 200 MW capacity in Wind Power Projects. These will be mainly with investment from private sector. Some in centres are also proposed to be included for this in the existing State Policy.

1.63 **Rural Electrification Programme:-** Rajasthan is the largest State of Union of the India with difficult topographical conditions. This has resulted in inaccessibility to the State Electricity Grid to many of the rural areas. To promote rural electrification in the State, a programme for covering 60,000 houses has been developed based on Solar Photovoltaic (SPV) Technology along with SPV Water Pumping, Wind Pumping Programmes. All these programme are need and potential based with the majority of cost to be borne by the beneficiaries. It may be highlighted here that the effort of State in transferring major costs to users and beneficiaries in financial years 1999-2000 and 2000-2001 has given extremely satisfactory results. The State has installed 9,900 Solar Photovoltaic Domestic Lighting Systems last year i.e. 2000-2001 as compared to 30,000 systems installed in the whole of the last decade.

1.64 **Consumer Product Promotion Programme:-** The Ministry of Non-Conventional Energy Sources has developed a number of technologies including solar water heating systems, solar cookers, family size biogas Plants etc. To promote these types of devices in larger numbers. REDA has introduced a conceptually new programme of "Authorised Aditya Solar Shops" in the private sector. The results of this programme have been extremely encouraging. Therefore, during 10th Plan it has been envisaged to have atleast one authorised Aditya Solar Shop in each block so as to display and demonstrate Non-Conventional Energy consumer products, and provide Sales and post-sales repair and maintenance facilities to consumers.

1.65 **Mass Awareness Programme:-** To popularise the developed technologies amongst the target is most user group, there is a strong need for ensuing transfer of technology. The tool which helpful in this is providing greater than mass awareness. Thus the Non-Conventional Energy programmes of Rajasthan are to be supported with a Mass Awareness Generation Programme during the 10th Plan period.

Industrial and Mineral Development

Industrial Development

1.66 Industrial development was a neglected sector prior to the formation of the State. The focus of the State's developmental efforts in the initial stages was therefore primarily on creation of infrastructure for in irrigation and power sectors which is necessary for the development of agriculture and industries. Sustained efforts have been made towards expanding and diversifying the industrial base of the economy. Over the Plan periods, the share of industrial sector in the plan has been steadily increasing.

1.67 The contribution of the manufacturing sector to the Gross State Domestic Products has gradually increased during the Ninth Plan period despite the severe strain on the State budget as is evident from the following Table:-

Annual growth and share of manufacturing sector in GSDP in Rajasthan

Year	Total GSDP (Rs in crores)	Annual Growth (%)	Share of manufacturing sector in GSDP (Rs in crores)	Annual Growth (%)	Share of manufacturing sector (%) in total GSDP
1997-98	49833.34	11.08	7283.45	24.85	14.62
1998-99 (P)	50493.24	1.32	7509.92	3.11	14.87
1999-2000(P)	49633.33	-1.70	7933.22	5.64	15.98
2000-01(A)	49675.51	0.08	8182.72	3.15	16.47

P- Provisional Estimates, Q-Quick Estimates, A-Advance Estimates

1.68 The economy of the State has thus shown a structural shift, and there has been 16.47 percent contribution of manufacturing sector to the GSDP in the

year2000-01.

1.69 The State Government launched a new Industrial Policy in 1998 with the prime objective of making Rajasthan one of the most preferred States for investment and thus enhance its global competitiveness. While governed by this basic goal, the policy lays special emphasis on accelerating the overall pace of industrial growth, increasing employment opportunities, improving productivity, ensuring sustainable development and strengthening the SSI, Tiny and Cottage Industry sectors. In addition, simplification of procedures, minimising regulations, export promotion, quality upgradation, combating industrial sickness and development of thrust industries are the salient feature of this Policy.

Handicrafts

1.70 Rajasthani crafts of different kinds have acquired a name for themselves. Various handicrafts produced in Rajasthan are very popular in India and abroad. Human skills in different crafts which are presently being pursued possess tremendous potential. To exploit this potential further, concerted efforts for skill improvement through training, provision of requisite raw materials and a marketing network for quick disposal of products needs to be developed. There is wide scope of development in sectors such as jewellery, semi-precious and precious stones, blue pottery, floor coverings, ceramics, lac articles, camel hide, embroidery, etc.

1.71 In order to have continuous interaction with the artisans of far-flung areas of the State, two Handicrafts Procurement and Promotion Centres are functioning in the State. These Centres provide feedback to the artisans about the available facilities for development of handicrafts, design development and marketing.

1.72 Handicrafts contribute substantially to the State's economy in terms of employment and export yet technology and the resource inputs have not been commensurate with the importance of the sector. This, therefore, continues to be a thrust area.

Rural Non Farm Development Agency (RUDA)

1.73 RUDA is working since November, 1995. Considering the potential for large scale form employment in the rural areas, the following 10 sub-sectors have been identified for developmental efforts.

- Khadi and Village Industries
- Handlooms
- Handicrafts
- Agro and Food Processing
- Wool based Industries
- Mineral based Industries
- Leather based Industries
- Small Engineering and Repair Workshops
- Construction
- Rural Tourism

1.74 Out of these (1) Leather based Industries (2) Wool based Industries and (3)

Minor Mineral based Industries have been selected as thrust areas.

Public Enterprises

1.75 Public Sector Undertakings(PSUs) have been assigned a key role in accelerating the pace of economic development in the State. Investments in these undertakings have accordingly, increased appreciably over the years.

1.76 The performance of the public sector, in general, offers considerable scope for improvement. In the changed economic scenario, public sector undertakings will be required to function and perform in a more competitive and dynamic environment. Consequently, these undertakings will have to evolve suitable strategies for sustenance and growth on the one hand, and improve their productivity, on the other, in the coming years.

1.77 Presently, there are 24 public sector undertakings functioning in the State. These include 7 statutory Corporations/Boards set up under Special Act(s) of the legislature, 15 companies registered under the Companies Act 1956 and two departmental undertakings.

1.78 These undertakings operate in different sector of the economy. Over 12 undertakings are engaged in manufacturing activities like sugar, mining, chemicals and minerals etc. Some provide services like tourism, warehousing , provision of agricultural inputs, housing, road transport, electricity etc. Others function as financial institutions for industrial development. The investment in these public sector undertakings in the State has helped in strengthening infrastructure, as well as in provision of critical inputs and expansion of vital business activities.

1.79 The main objectives of the state public sector undertaking can be summed up as follows:-

- To facilitate rapid economic growth and speedy industrialisation of the State by consolidating necessary infrastructure for industrial and economic development,
- To earn a reasonable rate of return on the investment made and to generate resources for further development,
- To create employment opportunities in the State; and
- To promote the development of small scale and ancillary industries.

1.80 The state public sector undertakings are expected to run on commercial basis and contribute to the State resources. Appraisal in financial terms thus continues to be an important yardstick to measure and analyse the performance of public sector undertakings.

Highlights

1.81 The performance of public sector undertakings in the State has shown some improvement in aggregate, as their accumulated losses have come down from Rs. 289.28 crores in 1997-98 to Rs. 271.34 Crore in 1998-99 (Consolidated figures for the year 1999-2000 are not yet ready). The Rajasthan State Electricity Board alone accounts for 39.46% of the total accumulated loss of the state public sector undertakings amounting to Rs., 271.34 crores. In the year 1998-99, the state public sector undertakings in aggregate have recorded a net profit of Rs. 32.46 crores.

The long terms investment (i.e. capital invested) after adjustment of accumulated losses from profits and reserves & surplus has gone up from Rs. 9480.41 crore at the end of 1997-98 to Rs. 10835.13 crore in 1998-99, registering 14.29% increase over the period.

1.82 The highlights of the performance of the State Public Sector Undertakings is as per below:-

- The investment in State Public Undertaking increased by Rs. 1193.13 crores from Rs. 8985.67 crores in 1997-98 to Rs. 10178.80 crore in 1998-99, which reflects a growth of 13.28%.
- Capital investment has increased from Rs. 9480.41 crores in 1997-98 to Rs. 10835.13 crore in 1998-99, constituting an increase of 14.29%. But return on capital invested has gone down by 0.50% i.e. from 6.09% in 1997-98 to 5.59% in 1998-99.
- Gross Internal Resources generated by State public sector undertaking in 1998-99 viz. Rs. 927.67 crore are higher by Rs. 143.64 crores as compared to the previous year figures of Rs. 784.03, thus registering a growth of 18.32%.
- Contribution to the exchequer in the form of Royalty, Excise Duty, Cess, Income Tax and Dividend, etc. decreased from Rs. 502.27 crores during 1997-98 to Rs. 363.82 crores in 1998-99, constituting a decrease of 38.05% as compared to the preceding year's level.
- Manpower employment decreased marginally from 96199 in 1997-98 to 96017 in 1998-99, a decrease of 0.19% from previous year.
- The percentage of public profit to Capital employed has decreased to 9.85% during 1998-99 as against 13.63% during 1995-96.
- The percentage of fixed Assets to total sources of funds has gone down from 45.29% during 1997-98 to 41.16% during the year 1998-99.
- The total accumulated loss was Rs., 271.34 crores during the year 1998-99 as against the total accumulated loss of Rs, 289.28 crores during the year 1997-98.
- The percentage of operating cost to value of production /services has gone up from 96.02% in 1997-98 to 105.36% in 1998-99 over the previous year.
- The percentage of Intangible Assets to total Sources of funds has come down from 3.37% in 1997-98 to 2.80% in the year 1998-99.
- The percentage of Net Current Assets to total Capital has increased from 51.35% in 1997-98 to 56.04% during the year 1998-99 which means that large part of long term funds are blocked in current assets in some of the undertakings.
- Profit before tax as percentage to capital invested has decreased marginally from 0.80% in 1997-98 to 0.30% in 1998-99.

Mineral Development

1.83 Mineral wealth is one of the important resources contributing significantly to the economic and industrial development of the State. A number of important industrial, fertiliser, ceramic and metallic minerals are found in the State which are produced in large quantity and contribute a major share of the total production of

the country. Rajasthan enjoys a near monopoly in some of the non-ferrous minerals in the country. These include Lead, Zinc and Copper. After the formation of Rajasthan, the following new mineral deposits have been found :

- Rock Phosphate at Jhamarkotra
- Steel grade limestone of Jaisalmer
- Lignite deposits in Bikaner, Barmer and Nagaur districts
- Lead-zinc deposits of Agucha in Bhilwara district, and Deri, Basantgarh in Sirohi district
- Cement grade limestone deposits in Udaipur, Chittorgarh, Kota, Ajmer, Sirohi, Pali, Nagaur and Jaisalmer
- Fluorite deposits at Mando-ki-pal and Karada in Dungarpur and Jalore districts
- Gypsum deposits in western Rajasthan
- Wollastonite deposits in Sirohi and Ajmer

1.84 Building stones, dimensional and decorative stones like sandstone, marble, Kota stone, granite in different colours, are ubiquitous and are produced in large quantities in the State.

1.85 The total revenue value of minerals received was only Rs. 48.02 crores in the year 1950-51. This has increased continuously over the years and reached the level of Rs. 349.43 crores during 1999-2000.

1.86 Based on the production and availability of large deposits of these minerals, a number of large, medium and small scale industries and processing plants have been set up in the State. Important among these are large scale cement factories, lead-zinc and copper smelters, white and mini cement plants, marble, granite and marble cutting and polishing factories, etc.

1.87 Based on the large mineral deposits in the State, the following new large scale plants has been set up in the State :-

- Super Zinc Smelter Plant at Chanderia (Chittorgarh) with an annual production capacity of 70,000 tonnes of zinc and 35000 tonnes of lead based on Agucha lead-zinc deposits with an investment of Rs. 585 crores on plant and mines
- Rock phosphate beneficiation plant based on Jhamarkotra with investment of Rs. 156 crores has been commissioned in 1992.

1.88 The Vision 2020 document which has been launched is the guiding tool for exploring mineral wealth expeditiously by adopting modern exploration techniques, exploit mineral deposits by promoting mechanised and scientific mining and promoting new processing units and mineral based industries so as to encourage export of minerals. This also seeks to promote development of human resources, simplify procedures and increase employment opportunities in the mining sector. Some important features of vision 2020 are as follows :-

- Exploration of Lignite

1.89 Lignite mining has been started in Giral area district Barmer by RSMDC in May, 1995. This is being marketed for commercial, industrial and domestic use. International bids have been invited for setting up power stations of about 2000 MW capacity based on lignite deposits of Barsingsar, Kapurdi and Jalipa.

- Use of Natural Gas

1.90 For the first time, the natural gas of Rajasthan has been put to productive use when a 3 MW gas based power station was commissioned at Ramgarh in Jaisalmer district. In addition to this, another power plant of 35.5 MW capacity has also been established at Ramgarh in 1995-96.

- Exploration of Mineral Oil

1.91 Four blocks in Rajasthan have been offered for joint venture exploration of oil and natural gas. Shell International has signed as MOU with ONGC for exploration in Rajasthan and they have recently started exploration work in the Barmer area.

- Setting up of New Cement Plants

1.92 Many new cement plants have been set up in the Ninth Plan period bringing in substantive investments in to Rajasthan. Sixteen cases for grant of PL for cement plants are being processed. Three areas in Jaisalmer and three blocks in Ras area district Pali have been advertised for setting up major cement plants.

- Announcement of Marble and Granite Policy

1.93 The Marble Policy was announced in October, 1994 and a Granite Policy in 1995. These policies are likely to result in the mechanisation of mines and better conservation of minerals, with scientific and systematic mining. 311 marble and granite plots have been delineated and notified for grant of mining leases.

Transport

1.94 The infrastructure available in the transport sector is some what deficient in Rajasthan. The density of roads is still far bellow the national average. The connectivity of villages at the start of Ninth Plan and as envisaged at the end of Ninth Plan is as below:-

Connectivity of Villages

Population Group	Total No. of Villages (1991 Census)	Connectivity Status (by BT Roads)	
		1996-97	2001-02
1000 & Above	10766	7278	9524
Below 1000	27123	5795	7694
Total	37889	13073	17218

1.95 Rajasthan needs a comprehensive and integrated network of roads due to its peculiar geography, coupled with a limited railway network. As against the national average of 74.9 kms of roads per hundred sq. km. of area however, Rajasthan has only 43.65 km. of road length per hundred sq. km. of area. The State has been engaged in the development of road network with special emphasis on rural roads for linking villages. Under BMS and PMGSY construction of link roads to attain village connectivity has been intensified.

1.96 There are some roads, which do not fall under the policy of State as declared in 1994, or the policy framed by Government of India under PMGSY. Rough estimate indicates that there are some 12500 Km of such stretches, which, if black topped, require huge amount. It is being targeted that all such missing links are taken up during Tenth Plan

1.97 Despite constraints the State Government was able to increase the constructed road length from 65000 km in 1996 to 86473 km in the year 2000 i.e. 16244 km. road was built up during the last 4 years.

1.98 In order to keep up the momentum generated by initiatives made by the State in the Ninth Plan, particularly in the economic and infrastructure sectors, it would be necessary to continue and increase investments in these areas. Of these, communication infrastructure is also an important sector, since a better communication network provides a fillip to growth.

1.99 Increased involvement of private entrepreneurs in the construction of bridges and bye-passes on B. O. T. basis is being attempted. Investment under these schemes would be made by entrepreneurs and then recovered through levy of toll.

1.100 Rajasthan acts as a corridor between States situated on the coast to the States lying beyond. Such a corridor can be developed in conjunction with the beneficiary States, if need be as a jointly financed project investment on which can be returned through levy of fees and the project can be envisaged as a privately financed BOT project.

1.101 Thus the main aims of Tenth Five Year Plan are:-

- Attaining rural connectivity by all weather roads for habitats with population greater than 500 in case of general areas and 250 in case of desert and tribal areas.
- Strengthening of the secondary road system comprising of State Highways and Major District Roads and hence increasing total length of secondary road system as well as widening and strengthening of the roads.
- Improving the riding quality, geometric and grades of roads.
- Deployment of mechanised maintenance systems in accordance with the norms set by Ministry of Surface Transport.
- Imparting comprehensive training to officials so as to active optional use of available manpower.

Education

1.102 The importance of education in bringing about quick social transformation is undisputed. In view of the social backwardness inherited by the State from its constituent princely States, expansion of educational facilities has been receiving focussed attention under State's developmental plans, although, the allocation found feasible for this important sector from the scarce resources at the command of the State does not meet the total requirement of the sector. However, the State

has achieved a literacy percentage of 61.03% and female literacy rate (44.34%) in 2001 as compared to 38.6 and 20.4 in 1991.

1.103 There has also been made a tremendous growth in educational institutions in Rajasthan.

1.104 The growth of literacy at the national level and in Rajasthan reveals the following pattern :

Literacy in Rajasthan Compared with India

(Literates per thousand)

	Total		Male		Female	
	Rajasthan	India	Rajasthan	India	Rajasthan	India
1951	89	166	144	249	30	79
1961	152	283	237	404	58	153
1971	191	295	287	395	85	187
1981	244	362	363	469	114	248
1991	385	522	550	641	204	393
2001	610	654	765	758	443	542

1.105 Providing primary education for all children upto the age group of 14 is being viewed as a core objective. This translate into ensuring a teacher for every 40 children. Rajiv Gandhi Pathshala network launched in the State of Rajasthan towards this end is being strengthened further for this.

1.106 Sparsely spread out population and socio-economic backwardness specially amongst weaker sections make the task of providing education infrastructure costly on the one hand and impedes the reach of the infrastructure provided to the people on the other. The drop out rate which is high still needs to be checked further.

1.107 The State Government has given very high priority to the eradication of illiteracy. All the 32 districts have been covered under 'Shiksha Karmi project', 'Lok Jumbish programme' and newly launched DPEP combined.

1.108 It has been envisaged in the 73rd and 74th Amendments of the Constitution that control of Primary and Upper Primary education should be transferred to Local Bodies or Panchayati Raj Institutions. This is expected to have a direct positive impact in teacher performance. Rajasthan is amongst the States which have transferred this sector to PRIs.

1.109 The major policy thrusts envisaged in this sector as follows:-

- More community participation in establishment of schools and its management.
- Control of PS, UPS and RGSJP etc. by PRIs rather than the Education department.
- Fresh teachers will not be recruited directly. Only para teachers will be recruited and after satisfactory service of five years will eventually be absorbed against existing vacancies of regular teachers.
- Unequal development in higher education leading to frustration among the youth will be contained
- Adequate quality, quantity of infrastructure facilities is being ensured

through making the courses more relevant.

- Courses and programmes of study are being redesigned with an information technology input.
- Private sector participation is encouraged in the fields of research, libraries, information technology etc.
- Reduction in regional disparities in educational facilities and ensuring the outreach of these to all sections of society, especially the weaker and backward sections.
- Grants community participation is being encouraged in secondary and higher education. Courses are being made more rational and job oriented.

Medical & Health

1.110 To achieve the objective of 'Health for All by 2000 AD', considerable progress has been made in strengthening and expanding the existing health care system. As a result, the general health status of the population has shown improvement. A considerable gap, however still exists towards between the critical health indicators at the State and national levels.

1.111 During the last four decades, medical and health infrastructure in the State has considerably expanded, particularly in the rural areas as would be seen from the table below :

Growth in Medical Institutions

	Hospitals and Dispensaries	PHC	Sub Centre	MCW	Beds (Number)
1950-51	390	-	-	28	5720
1960-61	501	142	-	63	9459
1979-80	898	232 (18)	2140	98	17397
1984-85	989 (25)	348 (51)	3790	111	21916
1989-90	685 * (55)	1059 (133)	8000	117	28867
1996-97	497 * (72)	1616 (189)	9400	118	36942
2000-01	500 * (72)	1703	9926	118	37918

(Note : * the decrease is on account of conversion of dispensaries into PHCs)

Figures within brackets indicate no. of CHCs.

Water Supply & Sanitation

1.112 Non-availability of perennial sources of water in several parts of the State and the availability of ground water at considerable depth poses a serious problem for supply of safe drinking water in the State. Ground water at many places is unfit for human consumption. Frequent failure of rains further complicates the situation. Making available drinking water at reasonable distance has been a major challenge before the State. Only a few towns enjoyed the facility of safe drinking water at the time of the formation of the State. The Fifth Five-Year Plan extended such coverage to 4859 villages and all the urban areas. With the Centrally Sponsored Scheme of the Accelerated Rural Water Supply Programme (ARWSP) in the Fifth Five-Year Plan, provision of safe drinking water in rural areas got the desired thrust. 24,037 villages out of 33,305 inhabited villages (as per 1971 census) in the State were identified as problem villages during the survey carried out in the early seventies. In the eighties, the State has witnessed frequent failure of rains; in fact

the rainfall had been more than normal only once in 1983-84. The worsening position of water supply, therefore, necessitated carrying out fresh surveys in 1985, 1986 and 1988. During these surveys 3398, 4941 and 154 additional problems villages were identified respectively and out of a total of 34,968 villages (as per 1981 census) in the State, 32,525 villages were covered by March, 1990.

1.113 As per the 1991 census, there are 37,889 villages (main habitations) in the State. To ensure adequate and safe drinking water facilities at habitation level, a fresh survey for status of drinking water facilities in rural habitations was undertaken during 1991-94 as per the direction and guidance of the Rajiv Gandhi National Drinking Water Mission. This survey was carried in order out to assess the status of drinking water supply in all the habitations, including the quality and quantity parameters of existing sources for planning future strategy for the coverage of all the main and other habitations during coming years. During this survey and as per the subsequent revalidation survey, 1218 main habitations (villages) and 15,769 other habitations were identified as N-Cat Habitations, (not covered problematic habitations). In addition to the problem of not covered habitations and poor service levels, 16,560 villages were found to have excess fluoride levels and 14,415 villages to have excess a TDS (Total Dissolved Solids) problem.

1.114 As per the 2001 census, up to March 2001, 37,549 villages (main habitations) had been covered. Efforts are being made to cover the remaining hard core villages (habitations) as per availability of resources.

1.115 In this case of urban areas, existing water supply schemes have come under increased pressure due to high rate of urbanisation, rapid expansion of urban areas, depletion of sources and limitations of the old distribution networks. A study of the status of urban water supply schemes at the end of 1995 indicated that out of 222 towns of the State as many as 75 towns still had a per capita rate of supply much below (75%) the prescribed rate of water supply. Augmenting the availability of water in the urban areas with increase in demand will, thus, be a priority area in the Tenth Five-Year Plan. At the same time it would also be necessary to encourage community participation for inculcating habits of economy in the use of water in both the rural and the urban areas.

1.116 In developing countries 80% of the diseases are related to inadequate sanitation which is also cause of high child mortality. Therefore sanitation has to be treated as a package of facilities. The Government of India has recently amended the implementation guidelines for 'Restructured Central Sponsored Rural Sanitation Programme' (RCRSP). Total sanitation campaign (TSC) approach is being launched to bring revolutionary changes in the present scenario.

Welfare of Scheduled Castes and Scheduled Tribes

1.117 According to the 1991 census, the population of Scheduled Castes in the State is 76.08 lakhs forming 17.29 percent of the total population. Scheduled Caste population is mainly concentrated, (20 per cent and above) in the districts of Ganganagar, Sawai Madhopur, Bharatpur, Dholpur, Churu and Dausa.

1.118 Scheduled Tribe population in the State, as per the 1991 census, is 54.75 lakhs, which constitutes 12.44 percent of the State's population as against the ratio

of 8.08 percent for the country. Bhils and Minas are the two prominent tribes in the State. Garasia and Saharia are among the other important tribes.

1.119 Scheduled Castes and Scheduled Tribes, especially Bhils, Garasias and Saharias, have been backward socially, economically and educationally. The vast majority of them live in extreme poverty and have a very poor standard of living. Efforts for ameliorating the lot of these sections of the population continue to be made. Besides taking up programmes for the educational upliftment of these classes, efforts have been made for improving their economic well being in order to give thrust to the economic upliftment of persons belonging to these communities, Tribal Sub-plan and Special Component Plan for Tribal and Scheduled Castes population respectively were introduced in Fifth and Sixth Plans, respectively. The State is implementing these programmes vigorously. Special Central Assistance allotted to the State since the inception of the scheme to date by GOI as shown below :

Year	Total Amount of SCA utilised (in lac Rs.)	Total No. of beneficiaries (in Nos.)	Average of subsidy (in Rs.)
1980-81	125.93	33660	374
1990-91	770.65	41369	1863
2000-01	2265.09	62444	3627
2001-02 (Proposed)	4280.11	85000	5035

1.120 Besides direct beneficiary oriented economic development programmes, persons belonging to SC and ST are given preferential treatment in grant of subsidy for various agricultural operations, poverty alleviation programmes, rural electrification, drinking water, education, housing etc.

1.121 The Scheduled Castes and Scheduled Tribes Finance and Development Co-operative Corporation (RSCSTFDC) is implementing various individual beneficiary programmes. It has also been appointed as the nodal agency for channelling funds for OBC and minority communities.

Urban Development

1.122 The decadal growth rate of population in Rajasthan during the decade has been 28.33% as per the census 2001. The growth rate in rural population was 27.49% while that of urban population was 31.17%. The growth of population in Rajasthan was higher than the national average.

1.123 The urban population in Rajasthan in 1981 was 72.10 lacs which was 21.05% of population of the State. In 1991 urban population increased to 100.67 lacs which is 22.88% of the total and in 2001 it became 132 lacs which is 23.38% of the State total. By the year 2007 the population of the State is estimated at 640 lacs and out of this 170 lacs or 26.7% will be urban. Thus there has been a steady rise in the proportion of urban population to the total.

1.124 It is estimated that large scale of in-migration of population in to bigger towns and cities from rural areas as also from small towns will continue increasing burden on urban infrastructure.

1.125 The towns of Rajasthan often lack adequate community facilities, utility services and housing. There is a predominance of unplanned development. Efforts made to improve community facilities in class I towns have fallen short of the requirements on account of heavy migration of population to these towns.

1.126 There is a multiplicity of agencies engaged in various development works in urban towns. This multiplicity of agencies creates problems of coordination in development. Therefore, the need for some kind of unified authority which could coordinate and regulate these efforts is very real. There is also greater need of involvement of the private sector in a substantive way in urban development projects so as to reduce the financial and administrative burden presently faced by urban development authorities.