

**MIZORAM STATE PLANNING BOARD:
ORGANIZATION AND FUNCTIONAL DIMENSIONS**

**A Dissertation submitted to Mizoram University
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Submitted by:

RAMTHANPUIA PACHUAU

Supervisor

Prof. SRINIBAS PATHI

Professor of Public Administration

DEPARTMENT OF PUBLIC ADMINISTRATION

MIZORAM UNIVERSITY

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PREFACE

Planning is one of the significant aspects of administration. It provides a basis for programmes, schemes and activities of the government in relations to socio-economic development. It is necessary to streamline the process of planning to implement public policies in the best interest of the citizens. The dissertation is divided into five chapters. The first chapter is the introduction. The second chapter is titled 'Planning in India: a conceptual study', the third chapter is 'Planning Machinery at the states in India'. The fourth chapter is titled 'State Planning Board in Mizoram: Structure and Functions'. The fifth and the final chapter is the 'Conclusion'.

The first chapter starts with the basic principles, meaning and the importance of economic planning followed by the initial stage of planning in India. It describes that the main aim of planning is to bring about the most rational utilization of productive resources of the nation. It gives a brief introduction of the establishment of Planning Commission in India by highlighting President's address to Parliament at the end of January 1950. It mentions that Planning Commission has to be established so that the best use can be made of the resources that we possess for the development of the nation. The first chapter has discussed the first restructuring State Planning Board of the present Government of Mizoram and also introduces the scope of study, the problems and methodology used for the study by adding aims and objective of the study.

The second chapter traces the concept of planning in India and the evolution of economic planning in India. It has highlighted the National Planning Committee 1937 which was established by the Indian National Congress and other plans like Bombay Plan, Peoples Plan,

Gandhian Plan, Post War Reconstruction Plan, and Colombo Plan for India, Planning Commissions and the Plans. This chapter has also discussed the constitutional status and position of socio-economic planning in India and also covers a brief study on the organization, functions and the role played by Planning Commission and National Development Council on socio-economic planning of India. This chapter has also focused on the strategy in India Five Year Plans from the First Five Year Plan to the Twelfth Five Year Plan. It also covers a brief study of the objectives of planning in India and steps involves in planning such as plan formulation, implementation and plan evaluation.

The third chapter gives special focus on the recommendation taken up by the Study Team of Administrative Reform Commission 1966 and the Planning Commission in the organisation of regional planning machinery in India. Based on their recommendations, this chapter has divided the State Planning Machinery into three bodies such as Planning Department, State Planning Board, and district planning organization. It provides a brief study of these planning machineries and discusses their involvement in the plan formulation, plan implementation, monitoring and evaluation in the states. It has also provided an in-depth study of the organizational set up and functions of the State Planning Boards in India, Planning Department in the states and district planning organisation by highlighting the accounts of their present conditions and structure in different states of India, particularly concentrated towards the North Eastern states of India.

In the fourth chapter, the formation of State Planning Board is discussed by highlighting the recommendation given by the Planning Commission in 1962 to constitute State Planning Board in India. It provides a brief study of planning in Assam from 1952 to 1972 and has also provides an important achievement during this period. It gives a brief profile of Mizoram and the

plan evolution of Mizoram from 1972-2013. It provides a brief study of planning organisation in Mizoram such as Planning and Implementation Department, Mizoram State Planning Board, District Planning Committees and the High Power Committee particularly giving an in-depth study of Mizoram State Planning Board. It also covers the problems and challenges faced by the Planning Board. The final chapter is conclusion and it is divided into two parts- Part I and Part II. The first part contains a brief summary of all the previous chapters. The principles, meanings and concept of planning have been discussed in this portion. It covers a brief summary of planning in India, the states planning organization and Mizoram state planning with particularly highlighting the organizations and functions and role of Mizoram State Planning Board in the socio-economic planning of Mizoram. Some of the problems and challenges faced by the Planning Board were also highlighted. The second part of the chapter covers the concluding observations regarding the organization and functions of Mizoram State Planning Board while highlighting the problems and challenges faced by the Boar. It also contains suggestions for improvement in the working of the Board in the interest of state and the citizens.

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(RAMTHANPUIA PACHUAU)

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LIST OF ABBREVIATIONS

ADC	Additional Deputy Commissioner
ADCs	Autonomous District Councils
BADP	Border Area Development Programme
BRGF	Backward Region Grant Fund
BTC	Bodo Territorial Council
CAWD	Civil Administrative Work Division
CEM	Chief Executive Member
CSS	Centrally Sponsored Schemes
DPDB	District Planning and Development Board
DPDC	District Planning and Development Council
DPC	District Planning Committee
DPO	District Planning Officer
DRDA's	District Rural Development Agencies
EAP	Externally Aided Projects
GAD	General Administration Department
HoD	Head of Department
IAS	Indian Administrative Service
IHSDP	Integrated Housing & Slum Development Programme
LADP	Local Area Development Programme
MCS	Manipur Civil Service
MCS	Meghalaya Civil Service
MCS	Mizoram Civil Service
MLA	Member of Legislative Assembly

MDoNER	Ministry of Development of North Eastern Region
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MLALADS	Member of Legislative Assembly Local Area Development Schemes
MMS	Mizoram Ministerial Service
MP	Member of Parliament
MPE&SS	Mizoram Planning, Economics and Statistical Service
MPLADS	Member of Parliament Local Area Development Schemes
NABARD	National Bank for Agriculture and Rural Development
NCDC	National Cooperative Development Cooperation
NDC	National Development Council
NEC	North Eastern Council
NGO	Non-Governmental Organisations
NLCPR	Non-Lapsable Central Pool of Resources
NLUP	New Land Used Policy
P&D Library	Planning and Development Library
P&PI	Planning and Programme Implementation
PPP	Public Private Partnership
QPR	Quarterly Performance Review
SAD	Secretariat Administration Department
SCCP	Scheduled Caste Component Plan
SDPDB	Sub-Divisional Planning and Development Board
TA	Travelling Allowances
TSP	Tribal Sub-Plan
T & CP	Town and Country Planning
TPP	Twenty Points Programmes

UIDSSMT	Urban Infrastructure Development Scheme for Small & Medium Towns
USA	United States of America
ZPM	Zilla Parishad Members

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CHAPTER I

INTRODUCTION

Planning is a decision making process involving critical analysis of the existing situations and problems. It is the evaluation of the various alternatives to solve these problems. There is the selection of the relevant ones giving necessary priorities, based upon needs and resources by the co-operative efforts of the people, both officials and non-official, with a view to facilitating individual and community growth and development.¹ Economic planning has become the foundation stone of policy makers all over the world especially after the Second World War. When the economic plan is meant for a nation as a whole, it is called national planning. The main aim of planning is to bring about the most rational utilization of productive resources of the nation. The Government of India's intention to establish Planning Commission is announced in the President's address to Parliament at the end of January, 1950. The President mentioned that the Planning Commission was to be established so that the best use can be made of such resources as we possess for the development of the nation. The main task of Planning Commission is to formulate the Five Year Plans and Annual Plans for the most effective and balanced utilization of the country's material, capital and human resources. It also appraises from time to time the progress in the implementation and recommends adjustments of policy and measures that are considered necessary in the light of such appraisal.

¹ C. Karthikeyan, N. Balasubramani, D. Vijayalakshmi, *Planning for Development*, Delhi: Authorpress, 2005, p. 123

India is a large country with an area of over three million square kilometers. Socially, the country is highly differentiated in terms of languages, religion, castes, regions as well as institutions due to historical reasons. The levels of social and economic development vary enormously among different areas. In such situations, uni-level centralized planning would be relatively ineffective. So, it is very important to have state level and district level planning.² From the beginning, by the nature of the process, the planning function has to be exercised at the union and state levels. The planning functions at the state levels may be performed through the board system or department system, or with a combination of both. Usually, planning boards are headed by the Chief Minister with a few ministers as members and some full-time or part time members with professional expertise. The main task of State Planning Board is to liaise with the Planning Commission, National Development Council (NDC), and ministries of the Government of India on all matters relating to the state plan, centrally sponsored schemes and to undertake a broad review of the economy of the state; review achievement of the plan in general as well as sectoral plans in particular; and indicate the overall objective of the state plan to conform to the national objectives while coordinating with the development agencies of the state government.

India has completed more than sixty years of planned development starting from the First Five Year Plan. In this period, with a federal structure, both the Union Government and the constituent states have played a complementary role to play. Major areas are entrusted under the Constitution, for implementation to the states. For example, the states have a major planning role to play in the areas of agriculture, education, health, nutrition and social welfare services, rural development and anti-poverty programmes, together with infrastructural development in the fields of roads,

² *ibid.* p. 134.

irrigation and power generation and distribution. The Union Government, on the other hand, concentrates on some of the major industries and services such as steel, coal, oil, industry, railways, national highway, major ports, petro-chemical, science and technology, ocean development and defense related industries.

Under the present Government in Mizoram, the First Restructured Mizoram State Planning Board meeting was held on 20th April 2009. It discussed land reforms and settlement, foreign and international trade, Border Trade Centre, rural road connectivity, health care, drinking water supply, New Education Policy and Employment Policy. But the main focus the road map of the development of Mizoram was on New Land Use Policy (NLUP) Scheme that includes power supply, rural roads, store house, ware house, farm roads, tissue culture laboratory, soil conservation and management policy, land reform and settlement, new commercial cultivation, New Industrial Policy, Productive Market Policy etc.

REVIEW OF LITERATURE

In a country like India where each and every natural factor changes from area to area, the State Level Planning Board indeed assumes a prime importance in the simultaneous development of the nation. There have been many standard books and articles containing the organization, structure and function of State Planning Boards in different parts of India. Of those, a few are reviewed pertaining to the role and functions of State Planning Boards in relations to the development of the state as well as the nation.

V P Luthra (2000) in his book *Economic Development Planning and Liberalisation* attempts to explain the fundamental importance of planning. He assumes that planning is a method of rational and considered choice for securing the

optimum combination of inputs and the method which helps to identify the deficiencies in the economy and social structure which requires special attention from the view point of socio-economic growth. The book provides valuable information on the planning process and procedure of the formulation of Five Year Plans under the Planning Commission and its mechanism which revolutionized economic reforms in India.

Harish Tyagi's (2007) *Development Planning in India an Analysis* gives a specific analysis of the concept and approaches in the development planning. It analyses the programmes and strategies in the Indian context of development planning such as community development programme and the Five Year Plan. It highlights the significance of industrialization as the surplus production will generate growth and development of the poor section of the society. It also makes a significant contribution to the study of the role played by Planning Commission in uplifting industrial development. It points out that sustainability of growth and development is one of the central features of development planning in India.

C.Karthikeyan, N.Balasubramani, D.Vijayalakshmi (2005) in *Planning for Development* discussed the planning and its principles, process and the different levels of planning formulation. They point out that planning is a blue print for action and due to the largeness of India in terms of population as well as areas the levels of social and economic development vary enormously. They are of the view that the establishment of National Planning Commission and State Planning board is inevitable.

Avasthi & Avasthi (2008) in *Public Administration in India* discussed the various stages in which plans are formulated and implemented. According to the

authors, planning process has to be decentralized and more freedom has to be given to lower levels. They specifically highlight the importance of State and district administration in the formulation and implementation rural development policies and programmes of the government.

Rural Transformation in India-The Impact of Globalization edited by A.Vinayak Reddy and G.Bhaskar (2005) analyses how the introduction of New Economic Policy (NEP) during the 1990's has changed the economy of the country. It points out that in order to develop the country, the first and most important task will be upliftment of rural areas through proper planning and implementation of development programmes.

N. Somasekhara (1984) in *State Planning in India* discusses the evolution of state planning in India. He assumes that the methods and techniques used in the state plans are confined to macro areas. It provides a study of organization and management of the state level planning machinery and the division of work in the planning department.

Planning and its Implementation edited by T.N. Chaturvedi and Kamta Prasad (1984) analyses the importance of planning in the centre and the state. It draws attention to the problems associated with each stage of planning and implementation; the importance of objective formulation of plans and the priority ratings in the implementation. It advocates decentralized planning and multi-level planning in India and it makes an assessment of the need of the people's participation in planning to bridge the gap between what the people want and what they actually get.

Documents on North East India an Exhaustive Survey Vol. 8: Mizoram edited by S.K. Sharma and Usha Sharma (2006) gives first-hand information of an important

administrative and political document of Mizoram from 1853 to 1994 which has been taken from different sources and library. It contains the accounts and contribution given by the British Government officials and the Missionaries who were posted in the Lushai Hills District and later came to be known as Mizoram. The book contains important documents on Legislative proceedings, documents on governmental affairs particularly white papers, Government publications, departmental reports, important letters and speech right from the time of British in Mizoram to Mizoram became the 23rd State of the Republic of India.

Four Decades of Planning in Mizoram by Lianzela (1995) analyses the economic and demographic profile of Mizoram as per the 1991 Census. It highlights the planning experience in Mizoram from the First Five Year Plans to the Seventh Five Year Plans. The book states that the whole planning process in Mizoram has not registered any significant growth in the economy and it does not generate significant growth in the economy and a growth in continuous and cumulative process. The book also highlights the achievements during the Seventh Five Year Plan in Mizoram and the author suggesting a significant measures or prosperity in agriculture for the growth in other sector in Mizoram. The author also recommends on the effective mobilization of resources and facilitative structure in the development while highlighting a brief study on different departments in Mizoram State.

A.K. Agarwal (1987) in *Economic Problems and Planning in North East India* makes a study of the structures of regional economy in the North Eastern region. It envisages that the renewable resources is a fundamental and most important resources in the North Eastern regions. In human resource, the emphasizes that the growth rate of member of persons is always higher than the all India average and non-availability of birth control system is one of the most important contributory factors in keeping

the birth rate up. The book analyses the immigration and demographic transformation in the North Eastern region is surpasses all known records of inter-regional migration of modern times. It has also highlights the planning and economic development in the North East by concentrating the role played by the North Eastern Council. It gives a brief study on the Industrial developments and problems in the North Eastern regions and Banking system and condition in the region.

A study of the above-mentioned books provides us information about the importance of planning in different areas of economic development and the role played by the Planning Commission and the State Planning Boards in India. However, there are no specific literature and records pertaining to the historical growth, organization and functions of Mizoram State Planning Board except very little materials available with the State Planning Board office and statistical handbooks published by Government of Mizoram. Hence, the present research work has been taken up to study the organization and functional dimensions of Mizoram State Planning Board in the context of the overall development of the state.

STATEMENT OF THE PROBLEM

The state plan in India reflects less policy planning than programme budgeting in view of the desire to maximize the share of the states in Central assistance. In 1963, the States considered setting up of Planning Boards following a recommendation by the Planning Commission. As a result of the initiatives by the Planning Commission to strengthen the State planning machinery, all states, by the Fifth Five Year Plan, have set up specialized planning machinery in addition to the already existing planning department in the state government. This machinery is generally known as the State Planning Board. It was in May, 1972 that the Planning Commission

addressed a letter to the State Governments indicating broad outlines of organization of an apex planning agency with separate units for perspective planning, regional and district planning, project formulation, plan coordination and monitoring, plan information and evaluation. The additional expenditure involved in strengthening the planning apparatus in the state was proposed to be shared between the Centre and the States.

The State Planning Board is expected to have three broad divisions, namely, agriculture and allied subject, industry, power and transport, and social services with one member in charge of each division. However, the Planning Boards of all the States did not follow a uniform pattern of organization. Even though the State Planning Board assumes immense importance in the Indian context, it has always been facing many constraints. Firstly, the important strategic aspects like the credit policy and monetary policy virtually lie with the Centre which has a definite say on the states plan. Then, the state government has always to request for funds to the Centre, which leads to irreversible delay in the projects. Next, proper survey is never undertaken which is a prerequisite for the plans. This leads to faulty implementation and hence affects the achievement of targets of the plan.

The Planning Boards in many states of India including Mizoram depend on the Planning Department of the Government for staff. Initially, in the 1980's, Mizoram State Planning Board was under Secretariat Administration Department (SAD), but it was upgraded to function as secretariat as well as partly under the head of SAD in the present scenario. Presently, it has two former Civil Servant like the member secretary P.L.Thanga (I.A.S. Retd.) and Haukhum Hauzel (I.A.S. Retd.). The former looks after the flagship New Land Use Policy (NLUP) of the ruling Congress and the later looks after the Centrally Sponsored Schemes, National Bank for Agriculture and Rural

Development (NABARD), National Cooperative Development Cooperation (NCDC), Skills Development etc. Since Mizoram State Planning Board is to function as separate Secretariat as well as partly under Secretariat Administration Department (SAD), there were a number of confusions and constrains regarding the distribution of central fund between the Planning Secretariat and the SAD. Apart from these, while Mizoram State Planning Board has contributed to the planning formulation of the state, it is unable to carry out the function of monitoring and evaluation which is one of the most important tasks of the State Planning Board. There is insufficiency of staff in the Mizoram State Planning Board which has impacted its functions like monitoring and evaluation. There is also lack of training programmes for the staff.

AREA OF STUDY

The present study has covered the genesis of Planning in India and the planning mechanism in the centre and the states with a special reference to the role of the Planning Commission, National Development Council and the States Planning machinery recommended by the First Administrative Reforms Commission. It also studies the role and functions in the Mizoram State Planning Board in the context of planning for development of the state. The study has also focus on the organizational structure and functions of the Mizoram State Planning Board while identifying the problems and challenges faced by the Board and their possible solutions. It has attempted to provide suggestions for improvement in its working.

IMPORTANCE OF THE STUDY

The functions of State Planning Boards lay in the areas of assessment of the level of the development and available resources; formulation of broad objectives of annual and Five Year Plans; identification of the factors regarding the economic

development and indicating measures to remove them; identification of regional imbalances; identification of plan priorities, perspective planning, project formulation, district and area planning, monitoring and evaluation; and making suggestions of the improvement of the planning procedures and the state's economic development. The state government is to be involved in the planning process in accordance with the Indian Constitution as social and economic planning is a concurrent subject. Besides, the states have been assigned several development functions specially in the sectors like agriculture, irrigation, flood control, rural development and education. So, a strong State Planning Board is essential to strengthen and mobilize the efforts of development; to promote common economic policies and to ensure balanced and rapid development of all parts of the country.

OBJECTIVES OF THE STUDY

The objectives of the present study are:

- to trace the evolution of Planning in India and the role played by the Planning Commission and National Development Council
- to study the role of plan machinery at the states
- to study the organization and functions of Mizoram State Planning Board and
- to study the problems and challenges confronting the Mizoram State Planning Board and to suggest remedial measures

RESEARCH QUESTIONS

The proposed study has attempted to answer the following questions:-

- What are the main reasons and implications of Planning?

- How is the structure of Mizoram State Planning Board helpful to achieve its objectives?
- What are the major functions, problems and challenges faced by Mizoram State Planning Board?
- What are the measures required to make Mizoram State Planning Board more effective?

METHODOLOGY

The proposed work has been undertaken with the help of both primary and secondary data. Primary data have been collected through the use of interview schedule of structures as well as unstructured questions to obtain information from the key functionaries of Mizoram State Planning Board and other officials of the government. Secondary data have been collected from different sources such as books, articles, journals, booklets and government documents on the subject and related areas. The annual plan documents, other reports and publications of the Mizoram State Planning Board have also been studied.

CHAPTERISATION

The whole work is divided into five chapters. The first chapter is Introduction. The second chapter is titled “Planning in India: a Conceptual Studies”. The third chapter is “Plan Machinery at the States”. The fourth chapter is titled “Mizoram State Planning Board: Structures and Functions”. The last chapter is Conclusion.

The first chapter starts with the basic principles and meaning of Planning and the importance of economic planning followed by the initial stage of planning in India. It gives a brief introduction of the establishment of Planning Commission in

India and the need of decentralised planning in India. It has also focused on the way which First Restructure State Planning Board of the present Government in the State was held in 20th April, 2009. It has also introduced the scope of study, the problems and methodology used for the study by adding aims and objective of the study.

The second chapter traces the concept of planning in India and the evolution of economic planning in India even before the Independence India. It has highlighted the objectives of Indian planning and different steps involves in the planning. It also studies the constitutional status and position of socio-economic planning in India and it covers the organization and functions of Planning Commission and National Development Council in India. This chapter had made a focused on the studies of the strategy in India Five Year Plans right from the First Five Year Plan to the Twelfth Five Year Plan.

The third chapter deals with the State Planning Machinery in India as per the recommendation taken up by the First Administrative Reform Commission. It has divided the State Planning Machinery into three parts such as Planning Department, State Planning Board, and district planning organization. It also provides a brief study on this planning machinery on their involvement in the plan formulation, implementation, monitoring and evaluation in the States particularly focused on the North Eastern States of India.

The fourth chapter deals with a brief profile of Mizoram and its plan evolution from the First Five Year Plan (1952-1956) to the Twelfth Five Year Plan (2012-2017). It also gives a brief study of plan evolution in Assam from 1952 to 1972. It gives an in-depth study of Mizoram State Plan Organisation particularly deals with the Mizoram State Planning Board and its role and functions in the plan formulation,

implementation, evaluation and monitoring in the state socio-economic development plan. It also provides an in-depth study of organizational structure and Management of Mizoram State Planning Board and the issues and challenges faced by the Board.

The fifth chapter is divided into two parts- Part I and Part II. The first part contains a brief summary of all the previous chapters and the second part contains a brief summary of Mizoram State Planning Boards and the problems, issues and challenges faced by the Board. This chapter also answers the research questions by highlighting the major findings of the study. It also provides suggestions and remedial measures for the improvement of Mizoram State Planning Board.

To sum up the present chapter introduces the basic principles and meaning of planning and the importance of economic decentralised planning in India. It gives a brief summary of the origin of planning in India and the role of State Planning Boards in formulation of States Planning. It has also introduced the scope of the area of study and the importance of the study. It has also highlights the methodology used for the study along with the objectives and the research questions and chapterisation.

CHAPTER II

PLANNING IN INDIA: A CONCEPTUAL STUDY

The previous chapter has introduced the basic principles and meaning of planning and the importance of economic decentralised planning in India. It gives a brief summary of the origin of planning in India and the role of State Planning Boards in formulation of States Planning. It introduces the scope of the area of study and the importance of the study. It has also highlighted the methodology used for the study along with the objectives and the research questions. In the present chapter we will study the concept of planning in India and its related activities.

The concept of planning involves, a systematic analysis of a problems, predicting solutions to that problem, and then outlining steps to be taken for the achievement of the objectives as define in the solution. Ever since Dada Bhai Naoroji published his papers on *Poverty of India* in 1867, Indian leaders have urged the necessity of coordinated action in the national economic planning as a means to the economic development of the country. The National Economic Planning implies direction of regulation of national economy by the state. As the struggle for national independence progressed, its social and economics aims become more definite. In 1936, Dr. M. Visvesvarayya, the veteran engineer-economist published a paper underlining the desirability and feasibility of planning for industrial growth of the country. He suggested that a sixty member advisory body and Planning Commission of five to six members for the formulation and implementation of the plans. However, it was an intellectual exercise only and the Government did nothing in this regard. In 1938, a National Planning Committee under the chairmanship of Sh. Pandit

Jawaharlal Nehru was set up by the Indian National Congress. The committee has considered all aspects of planning and produced a series of studies on different subjects allied with economic development of the country. However the work of this Committee was interrupted due to the outbreak of the Second World War during which many of its members went to the jails. An interim Government was appointed in the 1946 as a part of the process of transfer of political power from Britain to India. An Advisory Planning Board was appointed by the interim government in October, 1946 with K.C. Neogy as chairman which recommended the appointment of Planning Commission to devote continuous attention to the whole field of economic development and to suggest methods and means to rebuild the shattered economy of the country.

India is a poor country with rich resources after its attained independence in 1947. Thus, the first task of the national government is to eliminate the poverty and to improve the economic conditions of the teeming millions of the country, who has been living in deplorable conditions of poverty and starvation. The method of economic planning is adopted to meet the economic challenges of poverty, unemployment and starvation. It has been undertaken the reconstruction of its economy on the basis of planning with democracy and freedom. It is a challenge and experiment whose success or failure has determined the future of democracy, not only in India but also in the whole of Asia and Africa. The following are the main objectives of planning in India:¹

¹ Urmila Sharma and S.K Sharma, *Public Administration*, New Delhi: Atlantic Publishers & Distributors, 2006, p. 456

- A sizeable increase in national income so as to raise the standard of living in the country,
- Rapid industrialization with particular emphasis on the development of basic and heavy industries.
- A large expansion of employment opportunities and
- Reduction of inequalities in income and wealth and a more even distribution of economic power.

The need for planned development is felt all the more because of its rapidly increasing population and the widespread, appalling poverty left behind as a legacy of the foreign rule. It is felt that in a huge democratic country like India, where the Constitution has promised an egalitarian society and a welfare state, the accelerated economic growth could be achieved only through proper planning and execution. The leaders of the country, therefore, decided to strive for planned development and progress in agricultural and industrial sectors on democratic lines.

PLANNING IN INDIA:

Planning in India derives its objective and social promises from Directive Principles of State Policy enshrined in the Constitution. Economic Planning is essentially a way of organizing and utilizing economic resources to maximum advantage in terms of well-defined socio-economic goals.² The concept of economic planning in India is not altogether new. Even under British Rule, there has been good deal of thinking on the subject of economic planning in India. The first idea of planning for India is advocated by Sir Vishvesvarayya who published the book on

² *Ibid.* p.461.

economic planning entitled as “Planned Economy for India” in 1934.

In 1937, the Indian National Congress has set up the National Planning Committee under the chairmanship of Late Pandit Jawaharlal Neharu. But owing to the great political changes, the works of the committee was remained suspended from 1944 to 1946. The committee has submitted its report in 1949.

In addition to this several other plans were drawn up. They are as below:

1) Bombay Plan :

It was published in January, 1944 and it came to be known as Bombay Plan. It was prepared by eight leading industrialist of Bombay. The cost of the plan is Rs. 10,000 crores. The period of the plan is for 15 years. It aimed at doubling per capita income and trebling the national income in that period. It has also proposed to increase agriculture output by 130 per cent, industrial output 500per cent and services 200 per cent of the 1944 figures during 15 years.

2) People’s Plan :

It was drafted by M. N. Roy. It was The Tata Birla Plan which provoked the Indian Federation of Labour to put forth an alternative plan which was christened as the People’s Plan. It is Rs. 15000 crores plan which has covered a period of ten years. It has laid special emphasis on agriculture development through nationalisation of land.

3) Gandhian Plan :

A plan on Gandhian principles was put forward by S.N. Agrawal, Principals of Wardha Commercial College. It is a modest plan with an estimate cost of Rs. 3,500 crores. It has aimed at developing a decentralised self-sufficient agricultural society with emphasis on the development of cottage industries. However, it is essentially an idealist plan which neglected the development of basic and heavy industries.

4) Post -War Reconstruction Plan :

The British Government of India set up a Planning Development Council under the chairmanship of Sir. Ardeshir Dalal in 1944. This development was able to formulate several short-term as well as long term schemes which have to be enforced after the Second World War.

In 1946 the Interim Government has set up an Advisory Planning Board to review the whole problem of planning and to make recommendations to the government as regards the action to be taken thereon in India.

5) Colombo Plan for India :

On March, 1950, the Government of India appointed a Planning Commission with the Prime Minister as its Chairman. The Colombo Plan was a six-year plan. It has aimed to improve the living standards of the people of South and South-East Asia by stepping up the production of food grains, industrial raw materials and finished goods. It proposed to spend Rs. 1,839 crores on plan Development projects during the 1951-56.

6) Planning Commission & the Plans:

The Government of India has set up planning commission under the chairmanship of Late Pandit Jawahrlal Nehru, the then Prime Minister of India in 1950. It prepared a plan for the most effective and balanced utilization of the country resources. The Planning Commission presented a draft outline of the First Five Year plan on July, 1951. Since 1951, India has completed Eleventh Five Year Plan and the current Twelfth Five Year Plan (2012-2017) is in progress which will be completed on 2017. In the Eleventh Five Year Plan, important aspect of inclusive growth was considered as the target of government.

STEPS IN PLANNING:

The planning in India can be broadly discussed in relation to three stages:-

1) Plan Formulation: The first stage 'plan formulation' begins on three years in advance of the commencement of the plan. The Planning Commission attempts a thorough appraisals of the existing state of economy of the country and also makes detailed suggestions to remove the social, economic and institutional weakness which may be retarding the country's progress. The plan formulation in India lies with the Planning Commission. It performs the following functions in the plan formulation:

- a. *Preparation of Draft Plan:* The preparation of the draft plan has made in consultation with Central Ministers and states government by the Planning Commission. The available resources are assessed and priorities are determined. Thereafter, the draft is submitted to the National Development Council. After a long deliberation of the draft plan in NDC, it is forwarded to the Central as well as state Ministries with a proposed modification.
- b. *Self Preparation of Plans:* All Central as well as state Ministries has their own plan machinery. At state level, there are planning departments and planning boards. At state headquarters, there are Interdepartmental Committees to coordinate departmental plans. The committee consists of secretaries of different development departments. Its chairman is either the Chief Secretary or the secretary for planning. Besides, there is a separate committee which formulates policies. In all districts, there are planning committees which brings about co-ordination among the proposals of village panchayat plan. The final decision is taken by the state planning committee.

- c. *Comprehensive Draft of National Plan:* When all proposals of plans have been sent to the Planning Commission by different Central and state Ministries, it prepares a comprehensive plan from the separate proposals. While finalizing the plan, the different political parties are invited for consultation. At last, the proposed draft for the plan is published. The public opinion on the plan is assessed. Non-official economist, university professors, political parties, press, chambers of commerce etc. has freely expressed their views on the plan.
- d. *Approval of the Parliament:* After the public opinion of the plan is finally form and known to the country, negotiations go on between the Centre and the state is carried out. When they come to an agreement, the plan outlay is presented before the Cabinet for consideration and approval. After the Cabinet approval, the plan goes to the National Development Council. With its recommendations, it again comes to the Planning Commission for giving it a final shape and submission to the Parliament. After the Parliament has approved, it is published as a government plan.

2) Plan Implementation: Plan implementation is the responsibility of Central ministries and state government to implement the plan. The administrative departments have undertaken this responsibility. The Planning Commission has remarked “The success of the Third Plan will rest very largely on the efficiency with which is implemented.” There are following shortcomings in the process of implementation:

- a. Slow speed of implementation
- b. Undue waste of money
- c. Lack of trained personnel

- d. Lack of coordination between Central and State Governments
- e. Lack of popular support
- f. Lack of coordination between different economic fields

3) Plan Evaluation: The plan evaluation is made through the following agencies:

- a. By annual reports of the Central and State Governments: the annual reports regarding the implementation of the plans and the overall working of the plan agencies are prepared by the Central and state governments which are presented in the legislature for discussions and evaluation.
- b. By Programme Advisers: Three posts of Programme Advisers are created, and fourth are added thereafter. A senior administrative official are appointed on these posts who tour different States and holds consultation and also provides guidance to the state planning officers.
- c. Committee on Plan Projects (COPP): It is formed in December, 1956. Home Minister is its Chairman and Finance Minister as its Vice-Chairman. Its main functions are investigation of specific plan projects of the Central and state governments by specially appointed specialist and to advice the proper methods for the successful implementation of the projects.
- d. Programme Evaluation Committee: It is established in 1952 as an autonomous body to look after the community. It keeps a close touch with Ministries of Agriculture and Community Development. It consists of Director, two Deputy-Directors, eight Research Officers and other personnel. It performs certain important duties like evaluation of the achievement of the Community Development Programmes. It also provides information of the progress regarding the achievements aims by the programmes, indicating the effective and ineffective methods of extension

and to explain the impact of the Community Development Programme on the Indian economy and culture.

- e. Programme Evaluation Organisation: the Programme Evaluation Organisation is given the responsibility of evaluating different types of developmental programmes and their proper implementation in a formal manner and in relations to the existing rules, norms and standard.

Constitutional Status and Position of Socio-Economic Planning:

The subject of socio economic planning, which has encompassed the whole national economy does not get a central place in the Indian Constitution. Dr. B.R. Ambedkar, in one of his letters written to Dr. Rajendra Prasad, during the discussion in the Constituent Assembly, has pleaded for productive planning with a Constitutional status.³ The idea does not find favour with most Constitutional makers. The only mentioned of the phenomenon of planning in the constitution is by way of making 'Economic and Social Planning' as a concurrent legislative power (entry 20, list III). The two most eminent bodies engaged in providing direction to planning are; Planning Commission and the National Development Council. These two bodies are extra-constitutional bodies. The subjects of planning for economic and social development has been included in the Twelfth Scheduled of the Indian Constitution vide the Constitution 74th Amendment Act, 1992. This amendment has inserted Article 243W which relates to the powers, authority and responsibilities of municipalities.⁴ Another notable addition to the Constitution is the insertion of Article 243ZD which pertains to the creation of District Planning Committees. Interestingly,

³ Ramesh K Arora and Rajni Goyal, *Indian Public Administration Institutions and Issues*, New Delhi: New Age International (P) limited Publishers, 2007, p. 413.

⁴ *Ibid.*, p. 413.

the Central and state planning organs does not enjoy a constitutional status, but the district organ does. It has been felt that Planning Commission should be given a constitutional status for to protect its autonomy, re-established the credibility of planning and make the whole planning system effective. This view point is a result of the apprehension that the proliferation of the liberal economic policy measures might adversely affect the mainstream process of state-promoted socio-economic development and a balanced development in the country have been require the strengthening of the Planning Commission.

Planning Commission in India:

As already mentioned, the Planning Commission was set up in India on March 15, 1950 by a resolution of the Central Cabinet. Late Pandit Jawaharlal Nehru who was the first Prime Minister of India became the first ex-officio Chairman of the Planning Commission. The Commission is assigned a set of significant responsibilities for the economic reconstruction of the country. It is charged with the responsibility of making assessment of all resources of the country, augmenting deficient resources, formulating plans for the most effective and balanced utilization of resources and determining priorities.

Functions of Planning Commission:

The 1950 resolution setting up the Planning Commission outlined its functions as to:⁵

- a. Make an assessment of the material, capital and human resources of the country, including technical personnel, and investigate the possibilities of

⁵ <http://planningcommission.nic.in/aboutus/history/index> , accessed on 14/09/2013

augmenting such of these resources as are found to be deficient in relation to the nation's requirement;

- b. Formulate a plan for the most effective and balanced utilisation of country's resources;
- c. On a determination of priorities, define the stages in which the plan should be carried out and propose the allocation of resources for the due completion of each stage;
- d. Indicate the factors which are tending to retard economic development, and determine the conditions which, in view of the current social and political situation, should be established for the successful execution of the plan;
- e. Determine the nature of the machinery which will be necessary for securing the successful implementation of each stage of the plan in all its aspects;
- f. Appraise from time to time the progress achieved in the execution of each stage of the plan and recommend the adjustments of policy and measures that such appraisal may show to be necessary; and
- g. Make such interim or ancillary recommendations as appear to it to be appropriate either for facilitating the discharge of the duties assigned to it, or on a consideration of prevailing economic conditions, current policies, measures and development programmes or on an examination of such specific problems as may be referred to it for advice by Central or state governments.

Evolving Functions:

From a highly centralized planning system, the Indian economy is gradually moving towards indicative planning where Planning Commission concerns itself with the building of a long term strategic vision of the future and decide on priorities of

nation. It works out sectoral targets and provides promotional stimulus to the economy to grow in the desired direction. Planning Commission plays an integrative role in the development of a holistic approach to the policy formulation in critical areas of human and economic development.⁶ In the social sectors, schemes which required coordination and synthesis like rural health, drinking water, rural energy needs, literacy and environment protection have yet to be subjected to coordinated policy formulation. It has led to multiplicity of agencies. An integrated approach can leads to better results at much lower costs. The emphasis of the Commission is maximized the output by using our limited resources optimally. Instead of looking for mere increase in the plan outlays, the effort is to look for increases in the efficiency of utilization of the allocations being made. With the emergence of severe constraints on available budgetary resources, the resource allocation system between the states and Ministries of the Central Government is under strain. This requires the Planning Commission to play a mediatory and facilitating role, keeping in view the best interest of all concerned. It has to ensure smooth management of the change and help in creating a culture of high productivity and efficiency in the Government. The key to efficient utilization of resources lies in the creation of appropriate self-managed organizations at all levels. In this area, Planning Commission attempts to play a systems change role and provide consultancy within the Government for developing better systems. In order to spread the gains of experience more widely, Planning Commission also plays an information dissemination role.

⁶ *Ibid.*, accessed on 14/09/2013.

Organization:

The Planning Commission consists of Prime Minister as the Chairman, a Deputy Chairman, Finance Minister, Defence Minister, Agriculture Minister, Minister of state for planning and other members. One senior civil servant may be appointed as the member secretary. The Chairman of the Planning Commission presides over the meetings of the whole Commission, keeps a watch on the implementation of the Commission's decisions, maintains liaison with the members of the National Development Council, the Union Council of Ministers, monitors the plans and undertakes their constant evaluation and broadly coordinates the working of the Commission.⁷ He looks after the functions relating the coordination besides the administrative function.⁸ Formerly, Finance, Planning, Industries, and Defence Ministers used to be its ex officio members but they are no longer its permanent members. A few political leaders, experts in legislation, an educationist and experienced administrative officials are on its board. The Commission has statistics advisor as well. The members of Planning Commission have carried a status of Cabinet Minister. All members, other than Ministers, are paid salary of a Union Minister. The Planning Commission has the following three organs:

1. Technical Divisions: The Technical Divisions are the major functional units of Planning Commission. They are mainly concern with plan formulation, plan monitoring and plan evaluation. These fall under two broad categories, that is, general divisions which concern an aspect of entire economy and subject divisions which concern specific fields of development.

⁷ M.Sharma, *Indian Administration*, New Delhi: Anmol Publication Pvt. Ltd., , 2003, p. 317.

⁸ Urmila Sharma and S.K. Sharma, *Public Administration*, New Delhi: Atlantic Publishers and Distributors, 2006, p. 457.

- a) The General Divisions are:
- (i) Development Policy Division
 - (ii) Perspective Planning Division
 - (iii) International Economic Division
 - (iv) Financial Resources Division
 - (v) Labour, Employment and Manpower Division
 - (vi) Projects Appraisal and Management Division
 - (vii) Plan Co-ordination Division
 - (viii) Monitoring and Information Division
 - (ix) Statistic and Surveys Division
 - (x) Socio-Economic Research Unit
 - (xi) Computer Service Division
 - (xii) State Plans Division which includes Multi-level Planning, Border Area Development Programme, Hill Area Development Programme and North-Eastern Region.
- b) The Subjects Divisions in the Commission are:
- (i) Education Division
 - (ii) Environment and Forest Division
 - (iii) Industry and Minerals Division
 - (iv) Agriculture and Co-operation Division
 - (v) Irrigation and Command Area Development Division
 - (vi) Rural Development Division
 - (vii) Village and Small Enterprise Division
 - (viii) Power and Energy Division including Energy Policy Cell
 - (ix) Rural Energy Division

- (x) Social Development and Women's Programme Division
- (xi) Backward Classes Division
- (xii) Social Welfare and Nutrition Division
- (xiii) Western Ghats Development Division
- (xiv) Communication and Information Division Housing,
- (xv) Urban Development and Water Supply Division
- (xvi) Health and Family Welfare Division
- (xvii) Science and Technology Division

2. Housekeeping Branches: The Planning Commission has the following housekeeping branches:-

- a) General Administration Branch
- b) Vigilance Branch
- c) Accounts Branch
- d) Personnel Training Branch

3. Programme Advisors: The posts of Programme Advisors are created in the Planning Commission in 1952 to act as a link between the Planning Commission and the states in the field of planning. There are four such Advisors enjoying the rank of Additional Secretaries, each in charge of a number of states. They advise the Commission regarding the observation of different plans and their implementation. They make an assessment of the implementation of development programmes in states and they keep the Planning Commission and Union Ministries informed about the progress of centre aided schemes as well as centre-sponsored schemes.

The internal organization of Planning Commission has dual hierarchy namely, administrative and technical. The administrative hierarchy is headed by the Secretary of Planning Commission who is assisted by Joint Secretaries, Deputy Secretaries, Under Secretaries and other administrative and clerical staff. These functionaries are drawn from the Indian Administrative Service, Indian Revenue Service, Central Secretariat Service, Indian Audit and Accounts Service and other non-technical central services. The technical hierarchy, on the other hand, is headed by Advisors who is assisted by Chiefs, Directors, Joint Directors, and other technical staff. The functionaries are drawn from the Indian Economic Service, Indian Statistical Service, Central Engineering Service and other Central technical services.

The present members of Planning Commission are:⁹

- 1) Dr. Manmohan Singh, Prime Minister of India as its Chairman
- 2) Dr. Montek Singh Ahluwalia, Deputy Chairman
- 3) Shri. Rjeev Shukla, Minister of States
- 4) Members:
 - Mr. B.K. Chaturvedi
 - Mr. Saumitra Chaudhury
 - Dr. (Ms.). Sayeda Hameed
 - Dr. Narendra Jadhav
 - Prof. Abhijit Sen
 - Dr. Mihir Shah
 - Dr. K. Kasturirangan
 - Sh. Arun Maira

⁹ <http://planningcommission.nic.in/aboutus/history/index>. Accessed on 15/09/2013.

5) Ms. Shindushree Khullar, Secretary

National Development Council in India:

As India has a federal structure, it is very important that there should be close cooperation between the Planning Commission of India and the states. For this purpose, National Development Council has been constituted. It is set up on August 6, 1952 to strengthen and mobilize the effort and resources of the nation in support of the plan, to promote common economic policies in all vital spheres, and to ensure the balanced and rapid development of all parts of the country. The Council comprises the Prime Minister, the Union Cabinet Ministers and Chief Minister of all states or their substitutes, representatives of the Union Territories and the members of the Commissions. The Secretary of Planning Commission acts as the Secretary to the National Development Council. The Planning Commission has recognized the potential utility of a coordinating body. The Constitution of India gives the states to enjoy autonomy in the performance of their functions. In the draft First Five Year Plan, the Planning Commission has stressed the needs for a planning body like the National Development Council which would facilitates periodical evaluation of planning and its various facets by the Prime Minister and the state Chief Ministers.¹⁰ Accordingly, the National Development Council is set up by a proposal of the Cabinet Secretariat of the Government of India on August, 1952. It has played an important role in the centre-state relations in the field of economic planning and development.

¹⁰Ramesh K Arora and Rajni Goyal, *Indian Public Administration Institutions and Issues*, New Delhi: New Age International (P) Limited Publishers, 1996, p. 429.

Functions:

To realize the above mentioned objectives, the National Development Council is assigned a set of functions by the 1952 Resolution of the Cabinet Council. These functions are redefined and revised in 1967 on the recommendations of the First Administrative Reforms Commission of India. These are as follows:

- 1) To prescribe guidelines for preparation of the National Plan
- 2) To consider National Plan as prepared by the Planning Commission
- 3) To make an assessment of the resources which are required for implementing the Plan and to suggest measures for augmenting them
- 4) To consider important questions of social and economic policy effecting national development
- 5) To review the working of the National Plan from time to time
- 6) To recommend measures for achievement of the aims and target set out in the National Plan

The Draft Five Year Plan prepared by the Planning Commission is first submitted to the Union Cabinet. After its approval, it is placed before the National Development Council for its acceptance. Then, the plan is presented to the Parliament. With its approval, it emerges as the official plan and published in the official gazette. Therefore, the National Development Council is the highest body, below the Parliament and it is responsible for policy matters with regards to planning for social and economic development.

Committees of National Development Council:

With a view to create an on-going mechanism for assessing the situation in the critical priority areas, six committees of National Development Council are set up, by the 43rd National Development Council meeting held on 1992-1993. These

committees are as follows:¹¹

- 1) **Committee on Population:** This Committee is designed to review the social and demographic dimensions, infrastructure and the needs of technology development relevant to the formulation of National Population Policy and to identify intervention strategies for population control on a holistic and inter-sectoral basis. The committee has also recommended strategies for promoting people's participation in population programmes. It outlines comprehensive policies and programmes for women's welfare and to review and recommended appropriate changes in the system of financing family welfare programmes.
- 2) **Committee on Micro-Level Planning:** The terms of reference of these committee included (i) to define the scope and content of micro level or sub-state level planning in the context of state planning; (ii) to delineate the procedures and to envisage steps for making micro-level planning operational effective and viable; and (iii) to suggest national and pragmatic ways for involvement of people at the grassroots level.
- 3) **Committee on Austerity:** The Committee on Austerity is entrusted with the task of identifying the causes of growth of total state government expenditure and suggested areas where economy could be effected in establishment expenditure, subsidies and interest component of state expenditure etc.
- 4) **Committee on Employment:** This committee is asked to examine the employment situation in rural and urban areas among the educated, the uneducated and women. It analyzes the efficacy of social employment programmes in employment generation. It has also suggested strategies, policies and programmes for expanding productive and sustained employment

¹¹ *Planning Commission, Annual Report, 1992-1993*, pp. 32-39.

opportunities in different sectors.

- 5) **Committee on Literacy:** The Committee on Literacy is set up (i) to review the progress of National Literacy Mission, as well as the schemes designed to prevent future incidence of illiteracy, through universalization of elementary education; (ii) to suggest strategies for enlisting the cooperation of panchayats raj institutions, NGO's, folk-media, print media and electronic media in the promotion of literacy; (iii) to suggest structures and modalities for harnessing resources available at the panchayats, block and district level in order to integrate the literacy movement with child-care, child development, women's economic empowerment, population control programme etc., and (iv) to suggest measures for providing post-literacy and continuing education for literates, neo-literates and women.
- 6) **Committee on Medical Education:** The committee is setup to recommend measures for ensuring that the availability of medical, dental and para-professional manpower. It aims to keep the present and future needs of medical education and to suggest modalities of expanding medical education in the areas of public and private sectors.

The first and foremost function of National Development Council is to act as a bridge and link between the Central Government, the state governments and the Planning Commission, especially to bring about coordination of policies and programmes of plans.¹² It has been to a large extent successful in these regards. Besides, it has also served as a forum for Centre-state deliberation on matters of national importance and also as a device for sharing responsibility between them in

¹²M Laxmikanth, *Public Administration for the UPSC and State Civil Service Examination*, New Delhi: Tata McGraw Hill Education Limited, 2010, p. 435.

the federal political system. However, two diametrically opposite views has been express on its working. On one hand, it has been described as a Super Cabinet due to its wide and powerful composition. Though its recommendation is only advisory and not binding, they can hardly be ignore as they are backed by a national mandate. On the other hand, it has been described as mere Rubber Stamp of the policy decisions already taken by the Union Government. This is mainly due to the Congress Party rule both at the Centre and states for a long period. However, due to emergence of regional parties in various states, the National Development Council is steadily acquiring its federal character. Thus, it provides a greater say to the states in the preparation of national plans.

Strategies in India Five Year Plans:

The Five Year Plans form an important portion of the planning process in India. These are formulated, executed and monitored by the Planning Commission of India. The First Five Year Plan, formulated by the Planning Commission, was presented and launched in the Parliament of India by India's first Prime Minister, Pandit Jawaharlal Nehru, on 1st April, 1951. The tenure of this plan is from the year 1951 to 1956. After the completion of this tenure, the Second and the Third Five Year Plan are successfully formulated and launched by the Planning Commission. Although, in 1965, when the war between India and Pakistan broke out, the smooth process of planning in India has been interrupted. Two years of successive drought, devaluation of currency, inflation and erosion of resources etc., further disrupted the planning process. As a result, instead of formulating a Five Year Plan in 1966, the Planning Commission has to formulate three annual plans between the years 1966 and

1969. After these three annual plans, the Fourth Five Year Plan is formulated and launched in 1969.

The Planning Commission has conducted the planning process smoothly after 1969 and it has formulated, executed and monitored four Five Year Plans successfully after 1969 on scheduled time. However, in 1990, the Eighth Five Year Plan could not be formulated as a result of the fast changing political scenario in the country. Hence, the Planning Commission again has to formulate two annual plans for year 1990 and 1991. Finally, the Eighth Five Year Plan was launched by the Planning Commission in 1992. So far, India has completed its eleven Five Year Plans and recently the Government has approved its Twelfth Five Year Plan (2012-2017) on 4th October, 2012. The following table 2.1 shows the summary of the India Five Year Plans:

Table No. 2.1
Objectives of Five Year Plans in India

Five Year Plans	Target Growth	Actual Growth	Objectives
1 st 1951-1956	2.1%	3.5%	Increase food production, fully utilized available raw material and to check inflationary pressure
2 nd 1956-1961	4.5%	4.2%	A sizable increase in National income so as to raise the level of living, rapid industrialization of the country with particular emphasis on the development of basic and key industries
3 rd 1961-1966	5.6%	2.4%	An increase in National income of more than 5 per cent annually. The

			investment pattern laid down must be capable of sustaining these growth rate in the subsequent years, an increase in the agriculture produce and to achieve self sufficiency by increasing food grain production, greater equality of opportunities
1966-1969 three Annual Plans		3.9%	
4 th 1969-1974	5.7%	3.2%	To achieve stability and progress towards self reliance, to achieve overall growth rate of 5.7 per cent annually, to achieve exports at the rate of 7 per cent annually.
5 th 1974-1979	4.4%	4.7%	Poverty alleviation, employment generation and increase in productivity.
Annual Plan 1979-1980		5.2%	
6 th 1980-1985	5.2%	5.5%	To eliminate unemployment and underemployment, to raise the standard of living of the poorest of masses, to reduce disparity in income and wealth.
7 th 1985-1990	5.0%	5.6%	Decentralization planning and full participation in development, maximum possible generation of productive employment, removal of poverty.

1991 Annual Plan			
8 th 1992-1997	5.6%	6.5%	Generation of adequate employment of achieve near full employment level by the turn of century, containment of population growth, universalization of elementary education and complete eradication of illiteracy among the age group of 15-35 years.
9 th 1997-2002	6.5%	5.5%	Priority to agriculture and rural development, accelerating growth rate of economy, food and nutritional security for all, containing growth rate of population, empowerment of women and socially disadvantages group, promoting and developing panchayati raj and self help groups.
10 th 2002-2007	7.9%	7.7%	Promote rapid and sustainable development and growth with equity, adopted a differential development strategy to equate national target into balanced regional development and poverty reduction.
11 th 2007-2012	8.6%	7.9%	Faster and inclusive growth, reduce educated unemployment, clean drinking water, reduce infant mortality rates and maternal death rates, ensure electricity

			connection to all villages, increase forest and trees covers.
12 th 2012-2017	8%		Faster more inclusive and sustainable growth, betterment of infrastructural projects, increasing green cover by 1 million hectare every year, renewable energy generation of 30.000 MW, raising agricultural output to 4 per cent for the full Plan, 10 per cent growth to manufacturer sector.

Source: Five Year Plan Documents, Planning Commission of India, 2013

The basic strategy of Indian Planning has been rapid industrialization of the country with particular emphasis on development of basic and heavy industries.¹³ Right from the second Five Year Plan, it laid emphasis on the expansion of iron and steel, non-ferrous metals, coal, cement, heavy chemicals and other industries of basic importance.¹⁴ The entire planning techniques in India have been based in the model prepared by P.C. Mahalanobis. He based his strategies on the models of Fieldman and Domar. The model which is followed in the Second Five-Year Plan has emphasized the physical aspects of investment and is based on the proposition that raising the rate of investment requires increase domestic manufacture of capital goods. However, Mahalanobis ignore the fact that the operation of planning is limited to the public

¹³ V.G. Mankar, *Economic Policy and Planning*, New Delhi: New Age International (P) Limited Publishers, 1995, p. 222.

¹⁴ *Ibid.* p. 222.

sector and the decision of the private sector could only be control partially by the Government. Following the strategy of unbalanced growth, Planning Commission stressed the development of capital goods. The production of consumer goods and agriculture is left to the private sector. This strategy has created the shortage of essential goods.

Since the heavy capital investment in the public sector has created a shortage in the supply of food grains and essential goods, an inflationary situation has developed. So, there is some change in the Third and Fourth Plans, when more attention is provided towards agriculture. The Fourth Plan shifted the strategy of planning in favour of quick-yielding projects and light industry. In agriculture, priority is given to improved seeds and fertilizers. The draft of the Fifth Five Year Plan has made a radical departure in favour of restructuring the pattern of production and in favour of goods of mass consumption as an instrument of eradication of poverty. A new development strategy is developed in the Fifth Plan in 1977. It aims to achieve higher growth rate at the cost of social justice to the poorest section of the population. The Plan gives top priority to the removal of unemployment and large funds are allocated to the minimum needs programme. The strategy of Mahalanobis towards heavy industries development is condemned in no certain words.¹⁵ The planning strategy emphasizes the Gandhian socialism of developing cottage and small scale industries using labour-intensive technology. The Sixth Plan has deviated from the Mahalanobis strategy and it gives special emphasis on raising the exports and reduced the balance of payment deficits. So, licensing system is relaxed and there is a definite move towards privatization.

¹⁵*Ibid*, p. 224

The Seventh Plan has stressed a new long term strategy such as achieving self sustained growth and development of technology. The new strategy favours the growth of wage goods sector. The Eight Five Year Plan has a special emphasis on human capital development as prime mover of the economy. It gives a special emphasis on social sector like education, health, sanitation etc. This implies that commercial activities are increasingly left to the private sector and the government paid more attention towards social sector. The Eight Plan period is the major economic transformation period in India due to the 1991 economic crisis. This has marked the beginning of Privatisation and Liberalisation in India. The gradual opening of the Indian economy has undertaken to correct the burgeoning deficit and foreign debt. The Ninth Five Year Plan tried primarily to use the latent and unexplored economic potential of the country and to promote economic and social growth. The Plan has laid a focused on the relationship between the rapid economic growth and the quality of life for the people of the country. It has offered a strong support to the social spheres of the country in an effort to achieve complete elimination of poverty. The Tenth Plan stressed on providing the environment which is conducive to the growth of private sector due to the decline of public sector dominant in many critical sector. In order to emphasize the importance of ensuring a balance development of all states, the Tenth Plan includes a state-wise breakup of the broad developmental targets, including targets for growth rates and social development which are consistent with the national target.¹⁶ It has also formulated a manner which explicitly addresses the need to ensure equity and social justice. So, agriculture development is viewed as the core element of the plan since growth in this sector is likely to lead the widest spread of benefit especially to the rural people. The

¹⁶ The Tenth Plan Document, Vol. 1, *Dimensions and Strategies*, p. 8.

growth strategy ensures rapid growth of sectors which are more likely to create gainful employment opportunities particularly which has a large employment potential sector. There have been continuous needs to supplement the impact of growth with special programmes aimed at special target groups which may not benefit sufficiently from the normal growth process.

The Eleventh Plan has set the goal in the form of moving ‘towards faster and more inclusive growth’ but it intends to chart out a course which is basically anti-labour and pro-corporate sector. The strategy of Eleventh Plan aims at achieving a particular type of growth process which will meet the objective of inclusiveness and sustainability. It is based on sound macroeconomic policies which established macroeconomic preconditions for rapid growth and has supported the key drivers of growth. This also includes sector-specific policies which ensure that the structure of growth that is generated, and the institutional environment in which it occurs, achieve the objectives of inclusiveness in all its many dimensions. The Eleventh Plan also envisages mobilizing resources in the public sector to finance the plan and it call for a major efforts at generating tax revenues and controlling Non-Plan expenditure. It also aims to improve the resources generation capacity for the Public Sector Enterprises.

In the year 2007, the U.S. economy came under recession as a result of sub-prime lending crises. The financial stress soon extended to other countries as well. On 14th September, 2008, with collapse of the US investment Bank Lehman Brothers, the U.S. economy entered in to recession. This has led the collapse of major financial institutions in Europe as well. As a result, there is a full blown global financial crisis. The effect on Indian economy is not significant in the beginning. But from October, 2008, adverse effects of American recession on areas like Indian stock market, export

and number of sectors are experienced to some extents. Most of the sectors of the economy witnessed a market slow down in the year 2008-2009. India could be able to achieve 7.9 per cent annual growth rate as against the target of 8.9 per cent growth annually.

In this chapter, the meaning, principles, importance and concept of Planning in India have been discussed. It studies the evolution and development of economic planning in India by highlighting the initial stages of planning in India and the role and functions of Central planning machinery like Planning Commission and the National Development Council. The study has also laid a focus on the Five Year Plans strategies right from the First Five Year Plan to the Twelfth Five Year Plan. It has also highlighted the Constitutional status of Socio-Economic Planning in India.

CHAPTER III

PLAN MACHINERY AT THE STATE IN INDIA

The previous chapter has given the meaning, principles, importance and the concept of planning in India. It has studied the evolution and development of economic planning in India by highlighting the initial stages of planning in India and the role and functions of Central planning machinery like Planning Commission and the National Development Council. The study has also laid a focus on the Five Year Plans strategies right from the First Five Year Plans to the Twelfth Five Year Plan. It has also highlighted the Constitutional status of Socio-Economic Planning in India. In this chapter we discuss the planning machinery in the states including the broad aspects as per the recommendations of the Study Team constituted by the First Administrative Reforms Commission.

In a federation, close coordination between the central and state governments in the sphere of development policy and administration is essential for balanced and rapid socio-economic development. In 1972, the Planning Commission has recommended to the states that their Planning Departments should be made more competent by setting up of six units namely; Perspective Planning Unit, Monitoring, Plan Formulation and Evaluation Unit, Project Appraisal Unit, Regional District Planning Unit, Plan Coordination Unit, Manpower and Employment Unit. The Indian Constitution itself has specified the distribution of subjects between the centre and the states. It makes the states responsible for agriculture and allied sectors, irrigation, flood control, village, district and state roads, road transport and tourism, village and

small industries, education and public health, social welfare, etc. In respect of power, large and medium industries, etc., the states have predominant responsibilities; though the Central Government has also plays an important part in respect of these. The Centre's responsibility lies in the following areas: industries, railways, national highways, major ports, shipping, civil aviation and communication as well as overall fiscal and monetary policies and the principal financial institutions. In the sectors in which it does not plan directly, the Central Government has still the responsibility for incorporating the separate plans of states to national plans. Therefore, it provides the premises and broad framework of plan policies for individual states.¹

In 1965, the First Administrative Reforms Commission was appointed by the Government of India to reorganize the entire administrative structure of the country. In this process, it has appointed a Study Team in 1966 for to examine the machinery and process of planning. The team has submitted its reports in 1967. The conclusion drawn by the Study Team of the First Administrative Reforms Commission is that, the state level planning is limited chiefly by the absence of adequate planning machinery at the state and lower levels.² A major setback of state level planning is that 'States' own budgets or surpluses for the plan are determined by the recommendations of the Finance Commission which is appointed immediately before the start of the new plan to suggest the manner in which Central resources should devolve between states to take care of their committed liabilities on account of the non-plan and plan activities going on at the time.'³

¹ N. Somasekhara, *State Planning In India: Techniques, Procedure and Management an Across the States Account Vol.I*, Mumbai: Himalayan Publishing House, 1984, p. 33.

² *Ibid*, p. 37.

³ *Ibid* page 37.

Prof. Gadgil, former Deputy Chairman of the Planning Commission believed that the solution of these problems can be a decentralised planning or planning from below. He points out that, the lowest level of governmental authority in India is mostly the district, and planning from the bottom had to be associated chiefly with the district development planning effort. He envisages district planning as an integral part of national development planning. The main recommendation of the Study Team was setting up of three-tier planning machinery such as state planning agency, sectoral (departmental) planning agencies, and regional and district planning agencies.

The Planning Department at the states level receive inputs from various state plan committees such as; Civil society institutions, Directorates and departments of the respective state which are mostly technical in nature, and from all district level agencies. These inputs are then processed at the planning department which is then sent to the Planning Commission for its review and incorporation into the Central five year plans. Then the whole process mentioned on the above is takes place as stated in the "Plan formulation process at Union level". After that, once the Central five year plans guidelines as well as the N.D.C. mandate are passed on to them along with the resources allocated to them. Then the plan approach paper at the state level is finalized again at the state planning department in definite terms and objectives of how to achieve them at the state or regional level keeping in mind that the needs of the state as reported by the inputs provided to them originally. This Plan Approach paper is then passed by the state planning department, in order to move to the next step such as; to send it for the review, recommendations and approval of the Chief Minister and the State Planning Board which consists of respective state's cabinet ministers. Once that is achieved, it is then presented to the respective state legislature

for the final approval after which it is legally implementable as a five year plans at the states level.

Ministry of Statistics and Programme Implementation

The Ministry of Statistics and Programme Implementation came into existence as an Independent Ministry on 15th October, 1999, after the merger of the Department of Statistics and the Department of Programme Implementation. It plays very important role in the data based for socio-economic planning and monitoring of the Central and states plans implementations. The Ministry has two wings, one relating to Statistics and the other Programme Implementation. The Statistics Wing is called the National Statistical Office (NSO) which consists of the Central Statistical Office (CSO), the Computer Centre and the National Sample Survey Office (NSSO). The Programme Implementation Wing has three divisions, namely, (i) Twenty Point Programme (ii) Infrastructure Monitoring and Project Monitoring and (iii) Member of Parliament Local Area Development Scheme. Besides of these two wings, there is National Statistical Commission created through a Resolution of Government of India (MOSPI) and one autonomous institute, namely, Indian Statistical Institute which is declared as an institute of National importance by an Act of Parliament.⁴

The Ministry of Statistics and Programme Implementation attaches considerable importance to coverage and quality aspects of statistics released in the country. The statistics released are based on administrative sources, surveys and censuses conducted by the Centre and state Governments and non-official sources and studies. The surveys conducted by the Ministry are based on scientific sampling methods. Field data are collected through dedicated field staff. In line with the

⁴ <http://pib.nic.in>, accessed on 14/09/2013.

emphasis on the quality of statistics released by the Ministry, the methodological issues concerning the compilation of national accounts are overseen Committees like Advisory Committee on National Accounts, Standing Committee on Industrial Statistics, Technical Advisory Committee on Price Indices. The Ministry compiles datasets based on current data, after applying standard statistical techniques and extensive scrutiny and supervision.⁵

The National Sample Survey Office (NSSO) under the Ministry of Statistics and Programme Implementation is responsible for carrying out surveys on socio-economic aspects of Indian economy by collecting data from households and enterprises located in villages and in the towns with a view to update data base for sound planning for development and administrative decisions. The main objectives of the National Sample Survey Office (NSSO) is that, to make available data or statistics on some key parameters to planners and policy makers in Government and outside; to improve the quality and reliability of existing data sets; to make new data sets on emerging fields to meet the demand of policy makers and planner.

The Member of Parliament Local Area Development Scheme (MPLADS) was launched in December, 1993, to provide a mechanism for the Members of Parliament to recommend works of developmental nature for creation of durable community assets and for provision of basic facilities based on local needs. Under the scheme, funds are released in the form of Grant-in-aid as Special Central Assistance directly to the districts. The Ministry of Statistics and Programme Implementation has prescribed a set of guidelines for implementation and monitoring of the scheme. The

⁵ *Ibid*, accessed on 15/09/2013

guidelines are revised from time to time to make it more responsive to the local needs without compromising the basic principles of the scheme.⁶

The Twenty Point Programme (TPP) was launched by the Government of India in the year 1975 and has been restructured thrice in 1982, 1986 and again in 2006. This programme has been monitored by the Ministry of Statistics and Programme Implementation from 1999. The restructured programme, known as Twenty Point Programme (TPP) – 2006, became operational with effect from, 1st April, 2007. The TPP 2006 is meant to give a thrust to schemes relating to poverty alleviation, employment generation in rural areas, housing, education, family welfare & health, protection of environment and many other schemes having a bearing on the quality of life, especially in the rural areas. The Twenty Point Programme (TPP) – 2006 consists of 20 points with 65 items which are monitored on annual basis. Out of the 65 items, 20 items are monitored on monthly basis also on the basis of progress report submitted by state Government. In order to strengthen the monitoring of the implementation frameworks of schemes or programmes covered under TPP 2006, TPP Division in the Ministry has been mandated to undertake Monitoring and Impact Assessment Studies on selected programmes or schemes covered under TPP-2006. So far, the Ministry has undertaken two Impact Assessment Studies. First relates to impact of MGNREGA in three selected districts of North Eastern States namely Mon (Nagaland), Saiha (Mizoram), Dhalai (Tripura). The second study related to rehabilitation of Disabled persons under Deendayal Disability Rehabilitation Scheme (DDRS) in the States of Delhi, Karnataka, Madhya Pradesh and West Bengal.⁷

⁶ *Ibid*, accessed on 12/09/2013

⁷ *Ibid*, accessed on 07/10/2013.

State Level Organisation for Planning

The Governor who is appointed by the President of India is the executive head of the Government at the state level. Under the Governor, the executive powers are exercised by the council of ministers through the civil servants. The interrelationship between the council of ministers, the ministers, the head of the departments and the legislative wing are analogous to those at the national level. There is however a constitutional provision for the takeover of the government of the states by the President under certain exigencies, during which period the assembly and the council of ministers are suspended or dissolved. The secretariat is also referred to as the government or ministries. It is the staff agency which is headed by a secretary generally belongs to the Indian Administrative Service (I.A.S.), except in the case of certain technical department like that of judiciary. There is a Chief Secretary who exercises general control over all the department of the secretariat. The Chief Secretary is the chief of the civil services as well as the chief administrative head of the state. It is also functions as the cabinet secretary. The main functions of the state secretariat are related to assists the Minister in policy making and on discharging their legislative responsibility, coordination of policies and programmes, supervision and control over their execution, review of result, budgeting and control of expenditure, correspondence and contact with the Government of India and other states Governments and efficient running of the administration. There is a separate directorate for every important department of the state. Each directorate has a Head of Department (H.o.D) mostly technical person and it has a number of assistants. Each of

these hierarchical chains of organisation has played very important role in the state level planning in their own sphere of authority.⁸

In India, the state level planning machinery can be broadly divided into three groups such as the State level planning department, the State Level Planning Board or Commission, and organisation for regional and district planning. Thus, the present study concentrated on the three tier planning machinery at the state level which is recommended by the Administrative Reforms Commission such as the Planning Departments, Planning Boards, and the organisation of regional and district planning agencies.

Sectoral Planning Agencies or Planning Department

Planning and Development Department is created by the Government of India in June, 1944 under a separate member of the Viceroy's Executive Council for the organization and coordination of the plan in the country. This has led to the creation of Planning and Development Department in the state.

With the growing multiplicity of Governmental functions and increasing size of the developmental plans, it is essential that resources are utilized in the most productive manner, whether in economic or social terms. A review of the economic development in the last two decades has revealed grave growth distortions and sectoral as well as area imbalance. Planning has been the part-time activity of a Government Department. The absence of an adequately equipped Apex Planning Body in the state has led to the deterioration of developmental strategy. This leads to a mere aggregation of developmental thinking in which projects and programmes are

⁸ C. Karthi keyan, N. Balasubramani, D. Vijayalaxmi, *Planning for Development*, Delhi: Authorspress, 2005, p. 188-189.

prepared by concerned Departments. The Planning Department has occupied itself with the pruning of their proposals to fit into the overall size of the state plan. Most of the states in India have full-fledged planning department in the secretariat of their respective states Government. The planning department in the states is normally functions as the coordinating department for all the plan related works.⁹ In many states, before the establishment of regular planning department, the Finance Department normally discharges the responsibility of socio-economic planning.

Planning Department in the States of India

In Assam, the Planning Department is called as Planning and Development Department. It is created in the last part of 1944. After a major re-organization in 1958, the Department is now made different division such as; the Administrative Department for Directorates of Economics & Statistics, the Evaluation and Monitoring Division, Manpower Division, Decentralised Planning Division, 20-Point Programme Cell, North Eastern Council Cell, Computer Application Division and the P&D Library.¹⁰ The Planning Department under the Government of Manipur came into existence in the early part of the Fifth Five Year Plan. It is the nodal Department of all development activities in the State. It acts fully as State's Liaisons Department with the Planning Commission, the Ministry of DoNER and the North Eastern Council. It also acts partially as the Liaisons Department with Central Government Ministries like the Ministry of Water Resources, the Ministry of Tribal Affairs, the Ministry of Panchayats Raj Institution and the Ministry of Finance (Department of Plan Expenditure). At the state level, the Planning Department co-ordinate all development activities of different development departments comprises of the state

⁹ N. Somasekhara, *State's Planning in India: Techniques, Procedure and Management an Across the States Account Vol.I*, Mumbai: Himalayan Publishing House, 1984, p. 182.

¹⁰ <http://planassam.info>, Accessed on 8/10/2013.

plan, the Centrally sponsored and Central Sector Schemes, the North Easter Council Schemes, the Non Lapsable Central Pool of Resources, Externally Aided Project (EAP), NGO's, Central Government flagship programmes.¹¹ At present, the Department is headed by one Director and assisted by one Joint Director, three Senior Research Officers, two Research Officers, one Deputy Director, one Assistant Director, and a few supporting staff in the state Head Quarter. In the district Head Quarter, it is headed by one District Planning Officer which is normally drawn from amongst the senior MCS officers or IAS officers and backed by one Senior Research Officer or Research Officer and a few departmental staff.

The planning organization in the state of Meghalaya is the major component of Secretariat Economic Service. The Planning Department in Meghalaya is also functions as a liaison body between the Planning Commission and the state Government on all matters relating to planning and development for the state of Meghalaya. It has five functional Branches, the Planning Administration Branch, Planning Research Wing, the District Planning Offices, Directorate of Economic and Statistics and Science and Technology Cell. The Planning Department in Meghalaya is headed by the Minister of Planning or senior Minister or Deputy Chief Minister. The Minister is assisted by senior Secretaries such as Additional Chief Secretary, Principal Secretary, Commissioner and Secretary, followed by Deputy Secretary, Under Secretary, Superintendent, and Ministerial staffs in the Secretariat. The officers and staffs of Planning Department are drawn from various state services and Central services. In Tripura, the state planning department is called Planning and Co-ordination Department. It was created in 1973 and it is elevated to the Directorate of Planning and Co-ordination on May, 1987. At present, it consists of one Directorate

¹¹ www.planningmanipur.gov.in, Accessed on 8/10/2013.

of Planning and Coordination headed by four District Planning Officers at Gurkhabasti, Agartala, Udaipur, Ambassa and Kailashahar. There are two branches in the Planning and Co-ordination Department of Nagaland. The two branches are; the Planning Branch which deals with the plan formulation and the General Branch which deals with the administration. In Arunachal Pradesh, the state Government has taken the initiatives of strengthening already existing Planning Department in the State during 2007-2008. As a first step the Department was bifurcated into two technical wings such as Director of Planning and Director of State Plans. The Director of Planning is looking after the Micro-Planning Divisions and the Director of State Plans is looking after all matters relating to state plans like Five Year Plans and Annual Plans.

In Gujarat, there is no separate Planning Department, but Planning Division is exists in the General Administration Department (GAD). In Odisha, the Department is called Planning and Co-ordination Department. The Planning Department in the state of Bihar is called as Planning and Development Department. In Himachal Pradesh, the Planning Department is divided into three offices namely, the Headquarter of Planning Department Office, the District Offices and the State Planning Board. It has eight divisions such as Plan Formulation Division, Project Formulation Division, Man Power and Employment Division, Railway Division, Plan Implementation Division, Evaluation Division, Administrative Division and Computer Division. In Rajasthan, Planning Department is an apex body for plan formulation and monitoring at the state level. The department of planning in Uttar Pradesh has nine state planning institutes namely, Economic and Statistic Division, Evaluation Division, Planning and Research and Action Division, Training Division, Project Formulation and Appraisal Division, Perspective Planning Division, Man Power Planning Division, Monitoring and Cost

Management Division and Area Planning Division. The planning department is named as Planning Programme Monitoring and Statistics Department in the state of Karnataka. The Department is headed by the state Planning Minister and it has also nine Division such as; Plan Finance and Resources Division, Human Development Division, Plan, Monitoring and Information Division, District Planning Division, Project Formulation Division, Area Development Board Division, Man Power and Employment Division, Perspective Planning Division and Evaluation Division. In Tamil Nadu, planning department is called Planning, Development and Special Initiatives Department and in Andhra Pradesh the department is called Finance and Planning Department. In West Bengal, the planning and development functions are combined and the planning department is known as Planning and Development Department.

The Planning and Development Department in the state of Punjab has been organized in the form of board system which is headed by Chairman. It has five members and one Chief Economist. The Planning and Development Department is the institutional home of the Punjab State Planning Board. It has three attaches departments such as; Bureau of Statistic Punjab, Agency of Barani Areas Development and Directorate General Monitoring and Evaluation. The Planning and Development Department in Jammu & Kashmir is interdisciplinary in nature. It acts as a nodal agency to look after the implementation of planning process in the state. The Planning Secretariat in Madhya Pradesh is called the Planning, Economics and Statistics Department. The department is headed by a secretary drawn from the Indian Administrative Service (I.A.S.), who is an overall in-charge of planning, economic and statistics. He is assisted by the Secretaries and a Department Staff. In Maharashtra, a full-fledged Planning Department was established on 1st September,

1972. In Haryana, the Planning Department in Secretariat was headed by the Chief Secretary, who is also the Planning Secretary. Under the Secretary is an Economic and Statistical Adviser.

Functions of Planning Department:

Throughout the country where Planning Department has been established, their functions are executive in character. Its numerous duties have included annual plan formulations and five-year plan formulations, reviews of the economy. It takes a responsibility for the day to day affairs of the state government related to planning, guidance of the Technical Departments in plan formulation, allocations of outlay investment expenditure, collection, consolidation and scrutiny of plan proposals, plan co-ordination. It also holds a discussions and meetings with the Cabinet and Legislature, maintenance of liaison with the Planning Commission, sanctioning of schemes, preparation of progress reports and evaluation, and monitoring of plan programmes.¹² In Andhra Pradesh, in additions to the responsibilities detailed above, the Planning Department is in-charge of determining the plan objectives, conducting regional studies and formulating plans, setting up working groups and evolving tests for project selection. After the 73rd and 74th amendment of the Constitution of India came into being on 1991 and 1992, the district and town planning are important division in the planning department.

In Arunachal Pradesh, the main functions of the Planning Department are formulation and preparation of Five Year Plans, Annual Plans and other specific developmental plans like North Eastern Council (NEC), Non-Lapsable Central Pool of Resources (NLCPR), Border Area Development Programme, servicing of State

¹² N.Somasekhara, *State's Planning in India: Techniques, Procedure and Management an Across the State Account Vol.I*, Mumbai: Himalayan Publishing House, 1984, p. 183.

Planning Board, matters related to MPLADS and MLALADS, monitoring and review the implementation of various schemes. The works of Planning Department is staff oriented and the District Planning Units has attached to the office of the Deputy Commissioner in the Planning Department. The Planning and Development Department in Assam is the core Department so far as the formulation and implementation of the state plan schemes are concerned. The department maintains vertical relations with the Planning Commission. It is an apex body of planning at the Centre and horizontal relation with the Line Departments of the state in respect of formulation, implementation and review as well as maintenance or reporting of records on physical progress and financial achievement.¹³ The department prepares draft Annual Plans and Five Year Plans as per the guidelines of the Planning Commission and the needs and aspirations of the citizens. After plans have been finalized, the Planning and Development Department quantifies the flow of funds to various sub-plans namely, Hill Plan, Tribal Sub Plan (TSP), Scheduled Caste Component Plan (SCCP) and Bodo Territorial Council (BTC) Plan. The main functions of Planning Department in Manipur includes preparation of Five Year Plans and Annual Plans with inputs from Planning Commission, monitoring and review of Plan Schemes, Centrally Sponsor Schemes, Externally Aided Projects, North Eastern Council (NEC) and Non-Lapsable Central Pool Of Resources (NLCPR) funded projects. It also includes monitoring of Twenty Points Programme, implementation of Border Area Development Programme (BADP), nodal department for NGO's and voluntary organizations. In Meghalaya, the Planning Department is responsible for overall planning in the state. It works out a strategy for development which maximized the national products and state products. It has laid down the guidelines

¹³ www.planassam.info, accessed on 12/10/2013.

for the department regarding the drawing up of the departmental programme, schemes and working of economics, administrative and organizational appraisal of the plans and programme of various departments in the state.¹⁴ The Planning Department in Meghalaya has to be consulted by other departments in matters relating to plan formulation and implementation at the state.

The two branches of Planning and Co-ordination Department, Nagaland, has played very important role in the economic development of the state. The Planning Branch deals with matters relating to planning and formulations of development programmes and the execution, evaluation and monitoring of the implementation of plan programmes, plan co-ordination, field studies and manpower planning, co-ordination of implementation of schemes under Special Development Programme, Centrally Sponsored Schemes, North Eastern Council Programmes, NLCPR Programmes, twenty points programmes and geographical information system. The General Branch deals with administrative matters relating Urban Development Department which includes Development Authority of Nagaland, Economics and Statistics Department and Evaluation Department. The Directorate of Planning and Co-ordination Tripura has performed the functions like formulations of Five Year Plans and Annual Plans, NEC Plans and Perspective Plans, monitoring and implementation of State Plan Schemes, Centrally Sponsored Schemes, NEC Schemes, Border Area Development Programme and any other schemes and programme run by the State Government. It also deals with matters related to State Planning Board, allocation, diversion and utilization of plan funds to various departments and periodic evaluation and assessment of plan schemes.

¹⁴ <http://www.megplanning.gov.in/about.htm>, accessed on 8/10/2013.

Throughout the country, the functions of Planning Department in each state is executive in character. It is rarely involves in the specific formulation of plans. Project planning is done by the various development departments. The Planning Department has functioned only as a guide and co-coordinator.

The State Planning Boards or Commissions

Majority of the States in India has established a state level planning agencies namely, Planning Board or State Planning Commission in some form or another. In Assam, the State Planning Board is divided into two parts; State Planning Board (Plains) for plain areas and of the state and State Planning Board for Hill areas. In Gujarat, the State Planning Advisory Board was set up in 1962-1963. But, with the imposition of President's Rule in 1971-1972 the Board was dissolved and in 1973 the Board is reconstituted and the term "advisory" in its name was dispensed with. It was reconstituted once again with structural changes in February, 1974. Maharashtra planning machinery is quite elaborate. In 1972, Maharashtra State Planning Board was established on the basis of the First Administrative Reforms Commission recommendations.¹⁵ However, the Board was later dissolved, and State Planning and Development Council are constituted in October, 1975. Maharashtra laid considerable emphasis on the district planning not merely as a disaggregation of plans at the state level, but as a positive part of the total state framework for planning. As a result, District Planning and Development Councils are constituted in every district in October, 1974. Thus, in Maharashtra, the specialized planning organs are the State Planning and the Development Council and the District Planning and Development Councils.

¹⁵ *Op.cit.*, page 59.

In Orissa, the State Planning Board was first constituted in 1975-1976 and it is reconstituted several times. The Karnataka State Planning Board which was set up in May, 1968, has undergone several changes. It was reconstituted with the term of two years on May, 1977. Kerala State Planning Board was first constituted in 1967. It has also undergone several changes on its functions and organization. During the preparation of the Fourth Five Year Plan, it is not functions as a separate department. But, after few years it became an independent full-fledged department. The planning machinery of Uttar Pradesh is unique. It has three-tier machinery comprising of State Planning Commission, the Economic Advisory Council and the State Planning Institute. It has established State Planning Commission in the year 1972 on the advice of National Planning Commission. The State Planning Commission in Tamil Nadu was constituted in May, 1971 under the chairmanship of the Chief Minister of Tamil Nadu. It is constituted chiefly for the purpose of drawing up a Perspective Plan. The West Bengal State Planning Board was set up in May, 1972. Punjab State Planning Board is constituted in September, 1972 on the recommendations of Planning Commission with a view to have Apex Planning Body consists of subject matters specialists and technical experts in the form of a Board or a Commission for to strengthen the departmental machinery which are responsible for the formulation of development plans in the state. The Rajasthan State Planning Board was set up in 1973. In 1974, Andhra Pradesh and the Delhi Union Territory have created their special planning agencies. In the North Eastern part of India, Meghalaya State Planning Board is constituted in September, 1972, and in Manipur, the State Planning Board is constituted during the Fifth Five Year Plan. In Tripura, the first State Planning Board is constituted in 1978. Arunachal Pradesh and Nagaland have also constituted State Planning Board under the Chairmanship of their respective

Chief Minister. In the state of Jammu and Kashmir, the State Planning Board is not constituted and the states planning has confined towards the Planning Department.

Structure and Composition of Planning Board

The Chief Minister serves as the Chairman of the State Planning Board or Commission in all the states. In states where President's Rule is imposed, the Governor serves as the Chairman. The Chairman usually presides over the meeting. While a few states have the post of Deputy Chairman of Planning Board or Commission, a majority of them have the post of Vice Chairman. In most of the states the post of Vice or Deputy Chairman is filled by the Finance Minister and in some by the Planning Minister. In some states like Kerala, Tamil Nadu, Bihar, and Mizoram, an expert non-official member or an eminent retired bureaucrat or a prominent person with good knowledge in economics and statistics is appointed to the post. Of the Hill Planning Advisory Board of the Assam Hill Areas, the minister in charge of the Tribal Affairs is the Vice Chairman. Thus, it appears that a majority of Vice or Deputy Chairman are not professional economic planners.

The number of the members of the Planning Boards varies from state to state. In most cases it consists of few experts in economic, planning and statistics, important Minister in the state and sometimes the Planning Department itself provides the secretariat support. At the time of study the members of State Planning Board or Commission in some of the states are; in Kerala, there are a total of nine members (five officials and four non-officials), one secretary, one Chief Economic Adviser and two permanent invitees and in Meghalaya it has a total number of six fulltime members. In Puducherry, the members are quite elaborate. The Lieutenant Governor is the Chairman and the Chief Minister holds the post of Vice Chairman. All the

Members of Parliament (Rajya Sabha and Lok Sabha) from the territory, Leader of the Opposition, Chief Secretary to the Government, and all Secretaries to Government are the official members and it has four non-official members and one Member Secretary. In West Bengal, including the Chairman and Vice Chairman it has sixteen members and one Member Secretary. In Tamil Nadu State Planning Commission, there are three part time members, one member secretary and two ex-officio members. In Bihar, the State Planning Board has five fulltime members, six part time members and three members from special invitees. In Haryana, it has ten members and one Member Secretary. In Rajasthan, there are six nominated members from the cabinet, two special invitee's members and seven nominated members as Non-governmental subject experts. The Punjab State Planning Board has nine official members which include all Ministers, Members of Parliament, Chief Secretary and four Non-official members. In Karnataka, including Chairman and Vice Chairman it has fifteen members in the Planning Board.

Functions of State Planning Boards

The function of State Planning Board varies from state to state. The state Government may specify the functions of their respective State Planning Board.

In a majority of the states, one of the main functions of the Planning Boards is assessment of resources. In Bihar, the determination of policy for plan formulation-based on the status of economy, available resources, capacity for development is one of the most important functions of the Planning Board.¹⁶ In Himachal Pradesh, Uttarakhand and Uttar Pradesh, the Planning Board or Commission has assessed man power and financial resources and their organizational and institutional capabilities. It

¹⁶ www.bpsb.bih.nic.in accessed on 5/10/1013

also assesses the level of development in important sectors for the state. Assessment of available and potential resources of the state, capital, human and investigate the possibility of augmenting and improving such resources is an important functions of the State Planning Board in Meghalaya. In Jharkhand, the State Planning Board is required to assess the priorities, challenges, suitability, possibility, viability, feasibility, direction, quantum and pace of developmental planning in the state. Likewise in Assam, Gujarat, Haryana, Karnataka, Kerala and Delhi, the Planning Board or Commission has given assessment of resources as important functions of the Board.

In the areas of planning for development at the states, the Planning Board has played very important role in the preparation and formulation of Five Year Plans and Annual Plans. The Rajasthan Planning Board has its main functions as to help the state Government on perspective and strategic planning with the assistance of scientific and economic inputs keeping in view the sector-wise priorities. In West Bengal, the Board is entrusted with formulation of comprehensive plans for the state based upon and incorporating plans of individual departments and district. In Uttar Pradesh, the State Planning Commission is given a task of providing necessary direction in the formulation of Draft Annual Plan and a task of framing necessary guidelines for the preparation of the Five Year Plans. The main functions of Tamil Nadu State Planning Commission are preparation of Five Year Plans and Annual Plans based on the policies and priorities of the Government. The states of Assam, Meghalaya, Punjab and Karnataka has entrusted their Planning Board to prepare a long term Perspective Plan for the most optimum and balanced utilization of the state resources. The main activity of Punjab State Planning Board is formulation of Annual Plans as well as Five Year Plans on the basis of guidelines issued every year by the

Planning Commission. Bihar State Planning has important functions of formulation of the Ten Years Perspective Plans for the state.

In nearly every states, the Planning Board or Commission are connected directly or indirectly with the evaluation and monitoring of planning implementation. In West Bengal Planning Board, the members of the Board has a responsibility to evaluate the outcome of any scheme taken up under Annual Plan and monitoring implementation of any scheme of any plan implementing department. The Karnataka and Himachal Pradesh State Planning Board have one of its major functions of reviewing the implementation of plan programmes and to recommends suitable measures for effective implementation of the plans. In the states of Manipur, Meghalaya, Assam, Arunachal Pradesh, Nagaland and Tripura, the State Planning Board are entrusted with the task of formulating an effective mechanism for monitoring and review of the plans and has also recommended any adjustment in policies and strategies to the states Government. The Rajasthan Planning Board is given a task of finding a ways and means of resource mobilization and monitoring aspects relating to Centre-state relations. The Sate Planning Board of Kerala has created an evaluation division in the Board itself which has evaluated all the plan implementation and its strategies. Nearly 80 per cent of the State Planning Boards in India are entrusted with the responsibility for to watch the plan progress, review and evaluate the plan progress, and also implements and monitoring plan projects, schemes or programmes.

One of the main features of the functions of State Planning Boards is that they are advisory in nature. In Himachal Pradesh and Manipur, the State Planning Board has to advice and suggests ways and means of tackling unemployment problems and a

matters relating to economic development to the state Government. In Meghalaya, the State Planning Board has played an advisory role in formulation of Five Year Plans and Annual Plan. In Bihar, the State Planning Board has given an advisory role in formulation of plans, monitoring of plans and policy matter relating to basic infrastructure. The Karnataka State Planning Board is given a task to advise the state Government in the matters of policies and programmes towards reduction of regional imbalances in the state and to advise investment levels required under plan and resources mobilization for the same. Likewise, in all other State Planning Board in the different states of India, advice, indicate, assist, guide, suggest, identify, consider or help in the state planning and related activities are an important functions of the State Planning Board.

In some states, Planning Board has functions which are related to district planning. In these states, they assist and guided the district or area planning authorities in formulating their development plans and coordinating them with the state plan. For instance, in the state of Karnataka, the State Planning Board are entrusted to recommend measures, to improve decentralised planning and implementation particularly at District and Taluk levels and to integrate these plans with state sector plans. In Himachal Pradesh and Manipur, the State Planning Board is given a task to assist the state Government in the formulation of district and area plans. In Uttar Pradesh, the State Planning Commission is given a power to lay down the policies for the removal of regional imbalances within the state. The Bihar State Planning Board has issued a direction of preparation for the district or the decentralised plan. In Kerala, a separate Decentralised Planning Division is created in the State Planning Board. In 1986, Assam Government has introduced a system of

decentralised planning. So, the State Planning Board in Assam has made a great connection with district level planning.

The logic behind establishment of State Planning Boards is that they might serve as expert bodies capable of dealing with the technical aspects of planning. However, the functions assigned to them are extremely general and vague and basically of an advisory nature. Assessing the level of resources, conducting studies, evolving plan policies, strategy and programmes, evaluation of plan progress and many other functions assigned to the Planning Boards are important aspects of planning for development in the states.

Organisation of District Level Planning in the States

District planning is the process of preparing an integrated plan for the local government sector. It takes an account of the resources (natural, human and financial) available and also covers the sectoral activities and schemes assigned to the district level and below which are implemented through local governments in a state.¹⁷

The concept of the district level planning is based on the principle of local level planning. It also assumes the success of planning needs greater mobilization and utilization of local resources. Below the states planning department, district planning occupies a pivotal position in planning because of its location and administrative advantages. Article 243 ZD of the Constitution of India states that, there shall be constituted in every state at the district level a District Planning Committee to consolidate the plans prepared by the panchayats and the municipalities in the district and to prepared a draft development plan for the district as a whole. The First Five

¹⁷ http://en.wikipedia.org/wiki/District_planning_in_India, accessed on 12/10/2013.

Year Plan (1951–1956) has expressed the desire for decentralised planning when it suggested breaking up the planning process into national, state, district and local community levels. The First Administrative Reforms Commission in its report of 1967 has stressed the needs for meaningful planning at the district level especially focused on local variations in development patterns. Consequently, the Planning Commission has issued guidelines for district planning in 1969. The 73rd and 74th amendments to the Constitution of India 1992 are the milestones in the field of decentralised planning as they provide the much needed constitutional legitimacy to local governance institutions define their functional domains and provides for financial devolution to these institutions. District plan has emerged out of the resource envelope which contains the following sources of funds; district own resources available for development, the funds transfers by State Finance Commission for development purposes, Twelfth Finance Commission grants passed on by the state Government, untied grants for local planning, grants in respect of Centrally Sponsored Schemes, grants for State Plan Schemes assigned for implementation through local Governments, grants for externally supported schemes assigned for implementation through local governments and estimated contribution by the communities themselves.

As per 2011 census, India is divided in about 640 districts units. Politically the district is divided into two sectors namely, Urban Area and Rural Area which was further divided into Big City, Small City and Town in the urban area and Village and Associate Village in the rural areas. The Seventh Five Year Plan envisaged decentralization of planning process to the districts and ultimately to the block level.

The year 1955 can be stated as beginning of Town & Country Planning (T & CP) in Assam, when Assam Government has initiated planning of Palasbari town in Kamrup District by creating Town & Country Planning Cell under Public Works Department of Assam. Subsequently, Government entrusted T & CP to prepare Master Plan for Guwahati and Tinsukia which are taken up particularly with emphasis on planning in Urban Centre during Five Year Plans period with Central assistance. Later, the Assam Government has created a full-fledged Directorate under Town & Country Planning Department. The Department is entrusted with preparation of Master Plan for Temporary Capital of Assam at Dispur in 1972 and the project has been successfully completed the project. In collaboration with the Calcutta Metropolitan Planning Organization, the T & CP organization has taken up the preparation of master Plan for water supply, drainage and sewerage for greater Guwahati in 1969, which is approved by Town & Country Planning Advisory Council in 1972. In the present scenario, Town & Country Planning in Assam facilitates the urban development of 88 notified towns of Assam (excluding Guwahati city). The prime functions of this Directorate are to prepare Master Plan for Urban areas under Town & Country Planning Act, 1959 (as amended). Master Plan is a legal document for the development of urban areas prepared to a specific time period. The validity of Master Plan is for a specific period and after expiry of the period it needs revision and modification. In accordance with provisions of Assam Town & Country Planning Act, 1959 (as amended), Development Authorities are constituted by the Assam Government. The main functions of the Development Authorities are enforcement of the proposed Master Plan and implementation of Zoning Regulations and to take up development works. The main functions of the Directorate of Town & Country Planning are preparation of Master Plan for urban centers to ensure their orderly

growth and to provide assistance to Urban Local Bodies and Development Authorities in the matter of urban planning & development. It has also assisted the preparation of project reports and implementation of infrastructure projects for Urban Development Sector schemes; Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT), Integrated Housing & Slum Development Programme (IHSDP), Infrastructure Projects under 10 percent allocation of Central Pool Fund provided for North East Region including Sikkim, Non-Lapsable Central Pool of Resources, National Urban Information Systems. The districts level planning offices are administered by district level offices in 22 districts out of 27 district of the state. District offices of Town & Country Planning at Hailakandi, Morigaon, Golaghat and Tinsukia are yet to be created under this Directorate. Besides, there are two Drainage & Sewerage Divisions at Guwahati and Tinsukia headed by the Executive Engineer. The District level offices are headed by Deputy Director in 17 district offices and Assistant Director in 5 district offices. Presently, new offices at Chirang, Udalguri and Baksa under Bodo Territorial Council (BTC) are looked after by the concerned District Offices of Kokrajhar, Darrang and Nalbari. There are 24 Development Authorities in the 24 master plan areas created for implementation of Master Plan and other schemes.

In Nagaland, the state Government with a view to have de-centralization of planning process at the grass-root level, a programme under the nomenclature, District Plan is introduced in 1993-2004. The name of the programme is now changed to Local Area Development Programme from the Annual Plan 2004-2005. The District Planning and Development Board have formulated a District or Sub-divisional Plan by integrating the schemes received from the various units of Planning Departments. District or Sub-Divisional Planning and Development Boards is

constituted in all Districts or Independent Sub-Divisions headed by Additional Deputy Commissioner (ADC) and consisting of MLAs, all District Heads of Departments with a Chairman have to be appointed by the Government and Deputy Commissioner as Vice Chairman and Chief District Planning and Development Officer DPDB and Additional Deputy Commissioner as Vice Chairman in SDPDB. The District Planning Officer and Assistant Planning Officer is a Member Secretary. The Government has also appointed advisors as deemed necessary from time to time. The District and Sub-Divisional Planning and Development Boards are the Nodal Agencies to scrutinize the schemes submitted to the DPDB or SDPDB. It also ensures strict conformity to the Local Area Development Programme (LADP) Guidelines, co-ordinate, supervise and oversee the proper implementation of LADP projects and schemes. Technically qualified personals drawn from Civil Administrative Work Division (CAWD), Blocks, DRDA's and from the concerned Departments in the District or Sub-Division are entrusted with the preparation of Technical Estimates. These technically qualified personals have also rendered technical and expert guidance during the various stages of implementation of projects. The plan prepared by the DPDB and SDPDBs is submitted to the State Planning Board for examination and clearance. The DPDB and SDPDBs is constituted committee or committees consisting members selected from amongst the members of DPDB and SDPDB to verify and certify completion of projects and schemes executed under LADP. In each Committee, technically qualified members have also been included.

In Meghalaya, the District Planning Office has been created in all districts under the Deputy Commissioner's office and is headed by the District Planning Officer (DPO) which is appointed by Personnel Department from amongst IAS or senior MCS and has endorsed by the Planning Department. There are also Research

Officer, Assistant Research Officer and Research Assistant and Ministerial staffs appointed by the Planning Department or Deputy Commissioner. This office also provides services to the District Planning and Development Council (DPDC). The main duties and function of District Planning Office are as follows:-¹⁸

1. To convene meetings of the District Planning Boards at least once in two months and to pursue the recommendations of such meetings with the concerned Departments of the State Government and other agencies;
2. To prepare District Annual Plans for the districts and to place the same before the District Planning Boards for consideration before submission to Government;
3. To monitor the implementation of various plan schemes in the districts in general, to identify the limiting factors in the implementation of plan schemes and to place the matter before the District Planning Boards and State Government with specific suggestions for ensuring speedy and efficient implementation of plan schemes;
4. To compile and consolidate quarterly progress reports of district-level plan schemes hitherto done by the District Statistical Officers, to place such consolidated reports before the District Planning Boards for review and then to finalize the consolidated quarterly progress reports of such district-level plan schemes for submission to Government in the month following each quarter. Quarterly progress reports may be obtained from the District Heads of Development Departments, who may also furnish such other information and materials as may be necessary for compilation of the reports;

¹⁸ <http://megplanning.gov.in/dpdc.htm>, accessed on 12/10/2013

5. To take up such other activities as may be assigned to them from time to time by the District Planning Boards or by the Government;
6. To perform all other functions as assigned to them by Government; and
7. To ensure co-ordination among all the District heads of Development Departments in the formulation and implementation of plan schemes.

The Meghalaya Government has also constituted the District Planning and Development Council one each in all the seven Districts with the District Headquarter offices as its main office. It is constituted on 5th March, 1986 by an executive order in four Districts. After the creation of new Districts, the number is increased to seven. Originally, it consisted of 1 (one) Chairman, 2 (two) Vice-Chairmen and 6 (six) Members. The Chairman is the head of the Council, the Deputy Commissioners of the concerned district is the Vice Chairman, all the MLAs of the concerned district and the CEM's are members of the Council and the Additional Deputy Commissioner or District Planning Officer is the Member Secretary. The functions of the council are to co-ordinate, monitor and review the implementation of District Plans and Programmes (DP&P). It makes recommendations, projection of local needs and fixing priority within the objectives of state and national plan. The main functions are; to take stock of the natural and human resources of the district as well as the level and pattern of development and exploitation of these resources, projection of local needs and aspirations and translating them into schemes and programmes and fixing priorities within the objectives of the state and national plan, formulation of district development plans, co-ordination in the implementation of district plans and programmes, monitoring and review of the implementation of district plans and programmes, to take up such other studies and functions as may be assigned to it from time to time and such to make suitable recommendation to the state Government and

make recommendation with a view to ensuring co-ordination in the matter of planning in the state.¹⁹

In Manipur, Border Area Development Programmes are implemented since 1997-1998 in eight border blocks of three hill districts sharing international border of 398 Kms with Myanmar. The border blocks are; Singhat and Thanlon blocks of Churachandpur district, Tengnoupal and Chakpikarong blocks of Chandel district and Chingai, Kamjong, Ukhrul and Kasom Khullen blocks of Ukhrul district. The works on specific needs of the people living in border blocks particularly in the field of infrastructure and social sector have been taken up under BADP. Schemes for villages within 10 Kms from the international border has been taken up under BADP. The schemes are implemented mostly through village authority under supervision of DRDAs. A sum of Rs.2200 lakhs is approved for Annual Plan 2013-14 under BADP for implementation of works for specific needs of the people living in a border blocks. Work programmes for 2013-2014 is being finalized.

In Tripura, two third of the total geographical areas are within the Autonomous District Council (ADC), where one third of the total population resides. Due to its unique features of Tripura, the state Governments thought that it is unwise to constitute District Planning Committees only for the Panchayats areas (Non-ADC areas). To exercise the powers conferred by Article 243ZD of the Indian Constitution, on 25th January, 2007, the Governor of Arunachal Pradesh has constituted the District Planning Committee for the implementation of decentralized planning in all the districts of the state.²⁰ The members of the committee are; Chairman Zilla Parishad - Chairperson , MP of the area –Member, MLAs of the districts –Member, all ZPMs –

¹⁹ *Ibid.* accessed on 12/10/2013.

²⁰ <http://arunachalpradesh.gov.in/panchayat/html/prnews.htm>, access on 20/10/2013.

Member, all Heads of the Departments –Member, Project Directors DRDA – Member. The first meeting of the District Planning Committee (DPC) has been held at Lower Dibang Valley District in December, 2006. The Constitution of the District Planning Committee has further been amended on 17th April, 2007 as suggested by the Government of India. The Anchal Samiti Chairpersons are now regular members of the Committee and the Deputy Commissioner is also a regular member.

Planning in a vast country like India, with a considerable degree of diversity between regions, planning by a sole central planning agency can even be counterproductive. Therefore democratic decentralization of the planning process played very important role in the development of India. District level planning organisation provides the involvement of the local people on various stages of plan formulation and implementation at the district.

This Chapter has introduced the evolution of the planning in the state level based on the recommendation of the Planning Commission and the First Administrative Reforms Commission. It also gives a brief account of the Ministry of Statistics and Programme Implementation and the State Planning Machinery as recommended by the Study Team of the First Administrative Reforms Commission 1968 such as; Planning Department in the state, the State Planning Board, and District Planning Organizations in India. The study has also highlighted their role and functions particularly giving a special focus on the North Eastern states of India.

CHAPTER IV

STATE PLANNING BOARD IN MIZORAM: STRUCTURE AND FUNCTIONS

The previous Chapter introduces the evolution of the Planning in the State level based on the recommendation of the Planning Commission and the First Administrative Reforms Commission. It gives a brief study on the State Planning Machinery as recommends by the Study Team of First Administrative Reforms Commission 1968 such as the Planning Department in the state, State Planning Board, and District Planning Organizations in India. The study has also highlighted the Ministry of Statistics and Programme Implementation and planning machinery in the state and their role and functions. It gives a special focus on the North Eastern states of India. The present Chapter analyzes the Planning Machinery in Mizoram including the role and functions of the Mizoram State Planning Board. It also gives a brief view on the evolution of state plan in Mizoram by highlighting the allocation of funds and the actual spending right from the time of First Five Year Plan.

The plan of each state in India is drawn up within the framework of the goals, investment magnitudes and physical achievement targets of the national plan. It has reflected the development potential of the state and also the needs and aspirations of its people. Until the latter half of the 1960s, the concept of national planning reigned supreme in India. Although the Constitution envisages equal and joint responsibilities of the Centre and states for economic and social planning, the part played by the Centre in the planning process has been more prominent during the first four Five-Year Plans. In view of the federal structure of the country, state Governments has an

important role to play both in planning and implementation. In 1962, the Planning Commission has suggested that the states to appoint Planning Boards. Following this recommendation of the Planning Commission, most of the states constituted some kind of Planning Board or a Cabinet Sub-Committee on planning or a State Advisory Board or a State Development Board. Broadly speaking, the composition of the Planning Board is more or less similar in every state in the sense that it is made up of a Chairman, a Vice or Deputy Chairman, a Member Secretary and members. Without exception, in all the states the Chief Minister is the Chairman of the Planning Board. If a State being under President's Rule, the Governor is acted as Chairman of the Planning Board. Thus, political leadership is a common feature of the Planning Board. The Vice or Deputy Chairman is mostly Planning or Finance Minister or a retired Indian Administrative Service (I.A.S.). In a few states, there are non-officials and the number of members is varies widely from state to state. The part time members generally out-number the full time members.

In all the states, the respective Governments specified the functions of the Planning Boards. Mostly, the duties of State Planning Boards lies in the areas of assessment of the level of development and available resources, formulation of broad objectives of annual and five year plans, identification of factors retarding economic development and indicating measures to remove them. The duties of the Planning Boards also includes identification of regional imbalances, identification of plan priorities, perspective planning, project formulation, district and area planning, monitoring and evaluation, making suggestions for the improvement of planning procedures and the state's economic development. In nearly every state, the Planning Boards are connected directly or indirectly with the formulation of plans and in some states the Board's are responsible for considering alternative strategies of growth.

Planning in Assam (1952-1972)

Planning in Assam is important to highlight for to understand the study of Mizoram state planning evolution. Mizoram is one of the districts in the state of Assam till 1972. The First Five-Year Plan of Assam, though aimed at an integrated development of all sectors, it is conceived as a modest efforts designed to attain the following two objectives; remove the shortage and disequilibria in the economy. Following the world war and partition of India, it aims to fulfill the needs of the most essential items of development in which the state is hitherto lacking. With these objectives in view, high priority is attached to items like agricultural production, setting up and development of communication in the rural area and inaccessible hills, etc. Just like other states, Assam has financed its plans out of its own (state's) resources and Central assistance in the form of loans and grants. Initially, the planning commission has accepted the size of First Five Year Plan in Assam at Rs. 17.5 crores. Later, due to further efforts given by the state Government and subsequent adjustment in the overall National plan, the ultimate size of the state's First Five-Year Plan stands at Rs. 21.5 crores. Against this provision, the size of actual expenditure of the plan is Rs. 20.50 crores (94.5 per cent). The Second Five Year Plan of Assam is more or less, a continuation of development efforts commenced in the First Five Year Plans. But it is a bit more ambitious and effective than the First Plan as it put much emphasis on industrialization. It has also tried to re-build rural economy with the objective of attaining socialistic pattern of society. The plan provision for the Second Five Year Plan in Assam is Rs. 57.73 crores. Against this provision, the size of actual plan expenditure is Rs. 54.48 crores which is 94.3 percent of the plan provisions during the Second Five Year Plan period in Assam. The total final outlay of the Second Five-Year Plan in Assam is Rs. 5,448.2 lakh. In case of growth rate of state income, the

income at constant prices rose by 10.7 percent during the Second Five Year Plan period and its annual compound growth rate is 1.9 per cent as against the corresponding rates of growth of 19.8 percent and 3.5 per cent respectively during the First Five Year Plan. Thus, the performance of the Second Five Year Plan of Assam in respect of growth rates of state income at constant prices is very poor compared to the First Five Year Plan. Further, in comparison to total growth rate of national income 21.2 percent, its annual compound growth rate of 3.0 per cent, the corresponding growth rates of state income are also very poor. In the area of community development under the Second Five Year Plan, 57 new blocks are opened and it covers 9,112 villages and has served a population of 25.4 lakhs by covering an area of 18.482 square miles.

Along with all the states of India, the Third Five Year Plan in Assam has its scheduled start from 1st April, 1961. The Third Plan of India has accorded greater importance to the achievement of a balanced regional development. It is emphasized that a state plan has to be treated as an essential regional plan which has to consider the needs and requirements of the region concerned. But, while formulating its objectives, the Third Five-Year Plan of Assam could not focus its specific regional needs, problems, past progress and lags in development. Although primarily there is a plan provisions of Rs. 120 crores for the state Third Plan but the actual expenditure actually reached up to Rs. 132.4 crores which is 110.3 percent of the plan provisions. In the case of community development, it starts from the remaining 68 blocks which is completed by the middle of the Third Five Year Plan. The entire 162 blocks of rural area of the state is covered by the Community Development Programme during the Third Five Year Plan period. During this plan period, Rs. 810.36 lakhs has spent on various socio-economic projects as against the plan provisions of Rs. 835 lakhs. In the

year 1966-1967, economy of country including the economy of Assam has suffered from a series of set-back in agriculture, industry and foreign trade resulting in postponement of the Fourth Five Year Plan and adoption of Ad-hoc Annual Plans for a period of three years (1966-1967 to 1968-1969). Ad-hoc Plans does not contained the normal ambitious objectives of economic development. But, it has incorporated only some stop-gap measures since these plans are not normal and regular plans. For the year 1966-1967, the outlay initially approved by the Planning Commission is Rs. 26.45 crores as against the state Government proposal of Rs. 34 crores. These schemes has meant for the development of Hill areas under a number of heads which are identified. The total provisions for 1966-1967 annual plans thus come finally to Rs. 29.85 crores. But, the total plan expenditure during the year amounted to Rs. 26.47 crores where Rs. 21.58 crores comes under the General Plan and Rs. 4.89 crores comes under the Hill Plan. For 1967-1968, the Planning Commission approved outlays of Rs. 30 crores, out of this, Rs. 23 crores has comes under the General Plan and Rs. 7 crores comes under the Hill Plan as against the state's draft proposal for Rs. 39 crores. The expenditure under the state plan during this year has amounted to Rs. 32.12 crores. Out of this, Rs.25.04 crores comes under the General Plan and Rs. 7.08 crores comes under the Hill Plan. For the year 1968-1969, the total outlay approved by the Planning Commission is Rs. 29.40 crores, which accounts for Rs. 22.40 crores in the General Plan and Rs. 7 crores in the Hill plan. But, the total plan expenditure during the year was Rs. 27.79 crores which accounts for Rs. 21.07 crores in the General Plan and Rs. 6.72 crores in the Hill Plan. Thus taking these three years together, the plan programmes proposed by the state Government is Rs. 115.27 crores. The outlay approved by the Planning Commission is Rs. 90.25 crores and the amount spent is Rs. 86.39 crores.

With regards to the relative priorities to the sector, it is found that the Ad-hoc plans of Assam have followed the same pattern of priorities adopted in its Third Five Year Plan except the inclusion of a new head "Hill Areas Programmes" which has accounted as high as 21.9 per cent of the total plan expenditure. The state Government of Assam has submitted to the Planning Commission the Draft Fourth Five Year Plan of Assam with total outlay of Rs. 394.82 crores which is made up of Rs. 314.89 crores for General Areas and Rs. 79.93 crores for Hill Areas. Against the draft proposal, the Planning Commission has agreed to the outlays of Rs. 225.50 crores consisted of Rs. 160.50 crores for the General Areas and Rs.65.00 crores for the Hill Areas. The state of Assam has suffered grievous physical amputation over the last few decades. On 21st January, 1972, the state of Meghalaya and the Union Territory of Mizoram came into existence. With the formation of Meghalaya, the outlay of the Fourth Five Year Plan in Assam was pruned to Rs. 223.75 crores, Rs. 191.75 crores for the General Areas and Rs. 32.00 crores for the two Hill districts of Assam including the Union Territory of Mizoram. In 1984, the North East Frontier Agency was carved out of Assam. Prior to these, in 1963, Nagaland has also moved out of the state. The Hill Areas of Assam which consists of the Makir Hills district and North Cachar Hills district has acquired the status of sub-state within the state. Further pruning became necessary when it is founds that the state Government could not be in a position to raise fully their share of resources. The Fourth Five Year Plan period has witnessed serious national concerned when Bangladesh was liberated in 1971. Again in 1972 and 1973, serious floods caused extensive damages to crops, cattle, houses etc. and the losses were Rs. 24.62 crores in 1972 and Rs. 16.75 crores in 1973. During the Fourth Plan, the state has also experienced upward spiral in prices and inflation

continued. All these factors brought about strains and stresses in implementation of the plan and has affected the growth of the state's economy.

Profile of Mizoram

Mizoram, literally translated means "Land of the Highlanders" due to its mountainous regions and hilly landscape in the North Eastern corner of India. It covers an area of 21,087 Sq Km with a population of 10,91,014 (2011 Census) with an average density of 113 per Sq Km. It has international borders with Myanmar which runs 404 Km and Bangladesh which runs 318 Km. It also has Inter-State borders with Assam (123 Km), Tripura (66 Km) and Manipur (95 Km). The state is very much land locked. The hills are steep and are separated by rivers which flows either to the North or the South creating a deep narrow valley between the hill ranges. Most of the hills are about an average height of 900 meters. It has a pleasant and moderate climate, generally cool in summer and not very cold in winter. The temperature varies from 10`C to 20` C in winter and 20`C to 32` C in summer. The state previously had three districts but now it has 8 districts with 23 Sub-Divisions, 3 Autonomous District Councils, 26 Rural Development Blocks and 830 Villages. It is divided into 40 Assembly Constituencies and one seat each in Rajya Sabha and Lok Sabha. As per 2011 census of India, the literacy rate of Mizoram was 91.58 and occupied a third position among the States in India.¹

In the political sphere, the British did not want to give Local Self Government to the Mizo's and declared Lushai Hills as an Excluded Area as per the Government of India Act of 1935. The Governor of Assam as an agent of the Governor-General in

¹ *Statistical Handbook Mizoram 2013*, Aizawl: Directorate of Economics & Statistics Government of Mizoram, 2013, p. xv.

Council was vested with authority over the district. With the attainment of India's Independence, Advisory Council for Lushai Hills was established in April, 1948, Then it was elevated to Autonomous District Council on April, 1952, and becoming a part of Assam being the southernmost district of Assam state with the functioning of a District Council. The Lushai Hills District Council was inaugurated on 25th April, 1952. The institutions of Village Councils are also established for the administration of the people at the Village level. The elevation of Mizo District to the Union Territory status in 21st January, 1972, brought about significant changes in the administrative set up of Mizoram.² The three District Councils of Chakma, Lakher and Pawi also came into existence simultaneously with the advent of the Union Territory. Later, Mizoram attained full-fledged statehood on 20th February, 1987 by becoming the 23rd State of the Indian Republic as a result of the Mizoram Peace Accord signed on 30th June, 1986.

Evolution of State Plan in Mizoram

Prior to 1972, when Mizoram was one of the districts of Assam, a very small amount was spent for the development of Mizoram. In the First Five Year Plans (1952-1956), there was only Rs. 63.02 lakh sanction allocation has made for the planning expenditure and development of Mizoram. In the Second Five Year Plan (1956-1961), there was a slight increase in the allocation of money that is Rs. 210.83 lakh for the planning expenditure. In the Third Five Year Plan (1961-66), the sanction allocation of the plan expenditure has been increased to Rs. 411.42 lakh. During the first three years of the Fourth Five Year Plan (1962-1972), the total plan expenditure was Rs. 483.03 lakh. In 1969-1970, Rs 101.61 lakh was made in the plan expenditure,

² P. Lalnithanga, *Emergence of Mizoram*, Aizawl: Lengchhawn Press, 2010, p. 28.

between 1970-1971, Rs. 176.42 lakh was the plan expenditure and in 1971-1972, the plan expenditure was Rs. 205.18. Since Mizoram attained the status of Union Territory in January, 1972, Planning Commission has approved an outlay of Rs. 275.00 lakh for the Annual Plan 1972-1973. This outlay was enhancing to Rs. 437.00 lakh in the later part of the year. Out of this provision, only Rs. 355.23 lakh was actually spent. During 1973-1974, Rs. 600.00 lakh was allocated for Mizoram out of which only Rs. 573.73 lakh was actually spent.³

During the Fifth Five Year Plan (1974-1970), Rs. 46.59 crores was allotted for Mizoram against the total Plan size of Rs. 39,300.24 crores for the country as a whole. In the Sixth Five Year Plan, Rs. 128.47 crores was the outlay for Mizoram whereas the total plan size was Rs. 71,000.00 crores, but the Sixth Plan was not completed as there was a change of government at the centre. Before the commencement of another Five Year Plan (1980-1985), there are two Rolling Annual Plans for 1978-1979 and 1979-1980. During these two years, the outlays for Mizoram annual plans were Rs. 16.64 crores and Rs. 17.72 crores and the actual expenditure were Rs.14.62 and Rs. 16.11 crores respectively. During the Sixth Five Year Plan (1980-1985), Rs. 130.00 crores was originally allotted for Mizoram. The actual expenditure during the plan period amounted to Rs. 150.09 crores. The original outlay for the Seventh Five Year Plan (1985-90) in respect of Mizoram was Rs. 260.00 crores. However, the actual release of plan fund during the period by way of Annual Plan was Rs. 364.50 crores, out of which the actual expenditure was Rs. 363.56 crores. Prior to the launching of Eight Five Year Plan in 1992-1993, there were two Annual Plans for 1990-1991 and

³ www.planning.mizoram.gov.in, accessed on 16/10/2013.

1991-1992, for which the actual expenditure were Rs. 125.35 crores and Rs. 152.28 crores respectively against the outlays of Rs. 125.00 crores and Rs. 152.00 crores.⁴

The original approved outlay for the Eight Five Year Plan (1992-1997) was Rs. 763.00 crores. However, the total approved outlays for the five annual plans during the period was Rs.1064.60 crores against which the total expenditure was Rs. 1064.45 crores. The original approved outlay for the Ninth Five Year Plan (1997-2002) was Rs.1618.51 crores. However, the total approved outlay for the five successive Annual Plans during the period was Rs. 1794.26 crores and the total actual expenditure was Rs. 1719.96 crores. While the original agreed outlay for the Tenth Five Year Plan (2002-2007) was Rs. 2300.01 crores, total of successive Annual Plan approved outlays was Rs. 2969.52 crores and total of the successive Revised Annual Plan outlays was Rs. 3154.99 crores. The total actual expenditure during the Tenth Five Year Plan was Rs. 2941.48 crores which was 127.88 per cent of the original agreed total outlay of Rs. 2300.01 crores for the Tenth Five Year Plan. The original approved outlay for the Eleventh Five Year Plan (2007-2012) was Rs.5534.00 crores. However, the actual allocated outlay was Rs. 6300.00 crores. During the Twelfth Five Year Plan, the total plan outlay is Rs. 12,160.00 crores. The approved outlay for the 1st Annual Plan (2012-13) is Rs. 2300.00 crores and the proposed revised outlay is Rs 2361.62 crores which is 19.42 per cent of the outlay for 12th Five Year Plan.⁵

Mizoram State Planning Organisation

The Planning Organisation in Mizoram encompasses the following entities: Planning & Programme Implementation Department, State Planning Board, and District Planning Machinery.

⁴ *ibid.* accessed on 16/10/2013.

⁵ *ibid.* accessed on 16/10/2013.

Planning and Programme Implementation Department

The Planning & Programme Implementation Department is the nodal Department for all development activities in the state. It functions as a liaison body between Planning Commission and the state Government. The Planning & Programme Implementation (P&PI) Department consists of two branches under the overall administrative control of Secretary or Commissioner Planning and assisted by Additional Secretary cum Principal Adviser. The two branches are Establishment & Accounts Branch and Research & Developmental Planning Branch. The main functions of the Planning Department can be divided based on the two branches such as:⁶

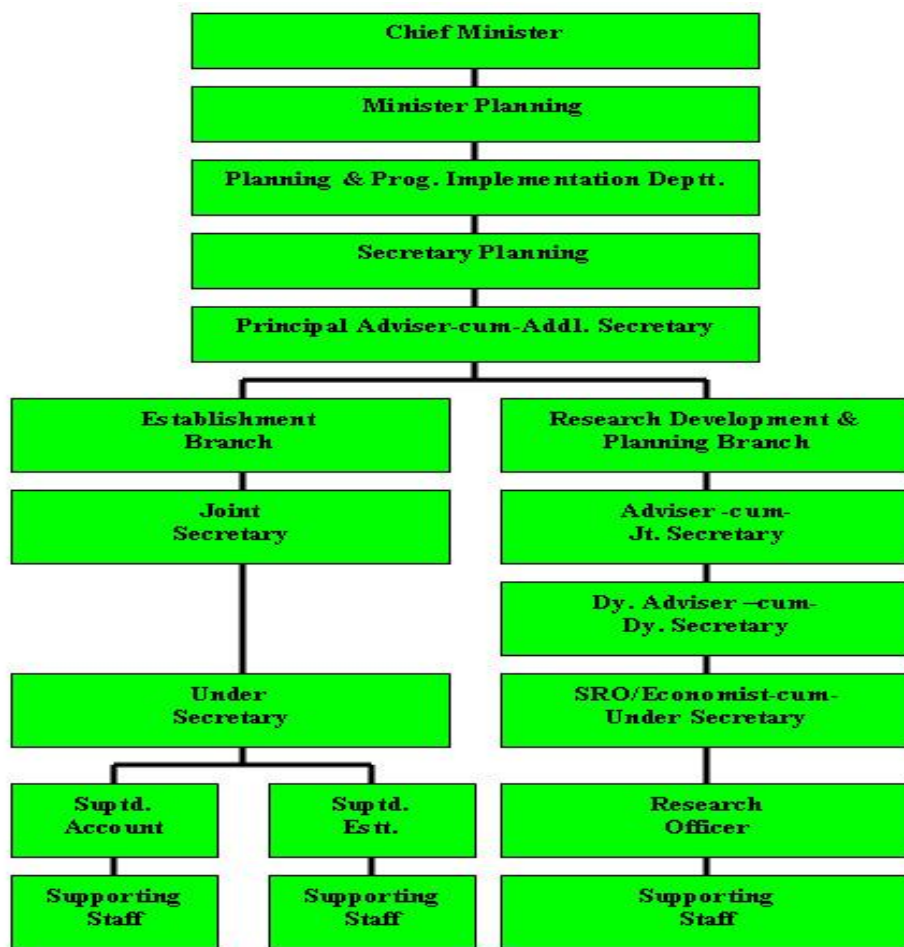
a) Establishment & Accounts Branch: This branch deals with all Administrative, establishment, accounts and service matters relating to Research & Developmental Planning Branch, Directorate of Economics & Statistics, Directorate of Science & Technology, State Planning Board and District Planning Machinery. It also acts as nodal department for MP/MLA Local Area Development Fund and 20 Points Programme etc.

b) Research & Developmental Planning Branch: It deals with all matters relating to formulation and approval of Annual Plan and Five Year Plan and its implementations. It also acts as Nodal Department for Ministry of DoNER and North Eastern Council and performs collection, analysis and submission of monthly expenditure, QPR on Plan Schemes, Monitoring, Evaluation and site visit of projects under state plan, Non-Lapsable Central Pool of Resources and North Eastern Council funds, the allocation and reallocation of plan funds under Annual Plan to different sectors.

⁶ *ibid.* accessed on 12/10/2013.

Figure 4.1.

Organisational structure of Planning and Implementation Department



Source: www.mizoram.gov.in accessed on 16/09/2013

The Administrative Branch in the planning department is manned by Officers drawn from Mizoram Civil Service (MCS) or Mizoram Ministerial Service (MMS) cadre and other Secretarial staff, whereas the Research & Developmental Planning Branch is manned by Officers from the MPE&SS (Mizoram Planning, Economics & Statistical Service) and other ministerial supporting staff of the Mizoram state Government.⁷

⁷ *Ibid.* accessed on 13/10/2013.

Mizoram State Planning Board

Features of Mizoram State Planning Board (1978-1986)

The Mizoram State Planning Board was constituted after Mizoram attained Union Territory status by the Lieutenant Governor of Mizoram during the Fifth Five Year Plan period (1974-1979). On May, 1978, the second Mizoram U.T election has been held and the Government is formed under the leadership of Brig. Thenphunga Sailo. Immediately, the State Planning Board was also reconstituted by Lieutenant Governor of Mizoram and the Chief Minister is appointed as the Planning Board Chairman. The State Planning Board functions are purely advisory in nature and they held a number of meetings for the formulation and monitoring of economic planning and implementation in Mizoram. The Lieutenant Governor of Mizoram has reconstituted the Mizoram State Planning Board on 30th July, 1984. The then Chief Minister, Shri. Lal Thanhawla is appointed as the Chairman. The members of the Board are:

Table No. 4.1

Oranisation of the reconstitution of Mizoaram State Planning Board 1984

Sl.	Member	Designation
1.	Chief Minister	Chairman
2.	Shri. Lalduhawma, President MPCC (I)	Vice Chairman
3.	Minister, Planning	Member
4.	Shri. C.L. Ruala M.L.A	Member

5.	Shri. Lalhuthanga	Member
6.	C.E.M. Chakma District Council	Member
7.	C.E.M. Pawi District Council	Member
8.	C.E.M. Lakher District Council	Member
9.	Chief Secretary	Member
10.	Development Commissioner	Member
11.	Shri. Lalthanzama I.F.S (Retd.)	Member
12.	Secretary Planning Department	Member

Source: Notification No. G. 28014/52/83-PLG Government of Mizoram Planning Department

The functions of the Board are as under:

- 1) To advise the Government in the formulation of the Five Year Plan and the Annual Plan for Mizoram.
- 2) To review the progress of the implementation of Plan Schemes.
- 3) To take up such studies and functions as may be assigned to it from time to time by the Government as may appear to be appropriate for the economic development of Mizoram.

The planning Board has been reconstituted again on 21st August, 1985 by the Lieutenant Governor of Mizoram. The members and the functions of the Planning Board are similar to the 1984 State Planning Board. The only change has made on the Vice Chairman post, the portfolio has been given to the Planning Minister.

The State Planning Board is the apex planning organisation of Government. The Planning does not have many functions and it is expected to meet from time to time to discuss the plan proposals of Mizoram and make suggestions with a view to maintains co-operation among various sectors of the plan. The member of the Board does not have fixed tenure. Their responsibility in carrying out the task is collective in nature.

State Planning Board after 1987

On 14th May, 1987, the State Planning Board has been reconstituted by the Governor of Mizoram. This is the first Planning Board which was constituted after Mizoram became the 23rd State of the Republic of India. The functions of the Board are similar to the functions of State Planning Board which was reconstituted on 1984 and 1985. The members of the Board are:

Table No.4.2

Organisation of 1st Mizoram State Planning Board after Mizoram attained State Status

Sl.	Member	Designation
1.	Chief Minister (Shri. Laldenga)	Chairman
2.	Shri. Chawngzuala M.L.A	Vice Chairman
3.	Shri. Zoramthanga Minister	Member
4.	Shri Zosiama Pachuau	Member
6.	Shri. Lalthanhawla M.L.A	Member
7.	C.E.M Chakma District Council	Member
8.	C.E.M Pawih District Council	Member
9.	C.E.M Lakher District Council	Member
10.	Shri. Lalthanzama I.F.S Retd.	Member
11.	Shri Lalbiakthanga Chief Secretary Retd.	Member

12.	Development Commissioner	Member
13.	D.E Telegraph, Mizoram Division	Member
14.	Secretary Planning Department	Member

Source: Notification No.G.28014/52/86- PLG Government of Mizoram Planning Department

On 3rd October, 1988, the Planning Board was reconstituted by the Governor of Mizoram with a few changes on the post of Chairman, Vice Chairman and the members. The organizational structures of 1988 Planning Board are; Governor of Mizoram (Shri Hiteswar Saikia) as its Chairman, Chief Secretary (Shri Lalkhama I.A.S.) as the Vice Chairman and Development Commissioner and Secretary of Planning Department holds the post of Member Secretary. The members of the Board are almost similar to the previous Board members such as; Financial Commissioner, Commissioner-cum-Secretary PWD etc., Shri Lalbiakthanga IAS (Retd.), Shri Lalthanzama IFS (Retd.), CEM Pawi District Council, CEM Lakher District Council, CEM Chakma District Council, D.E. Telegraphs, Mizoram Division, a representative from North Eastern Council (NEC), President of Indian National Congress Party Mizoram, President of People Conference Party, President of Mizo National Front (MNF), President of Mizo National Union (MNU). The functions of the Board are also similar to the 1984 State Planning Board.

The State Planning Board has authority to co-opt any person having any special knowledge in a particular field as a member to aid and advice in its deliberations. The Governor has a power to reconstitute the Board, modify its composition when he considered it necessary. If the Vice Chairman of the Board is a non-official Member, he is allowed to enjoy TA/DA at the rate as applicable to Grade I Officers of the Government for his tours in connection with the works of State Planning Board. Further he is provided personal staff and other facilities as provided

to Grade I officers of the Government. In addition he is also entitled to free accommodation. The Non-Official Members of the Board are given sitting allowance on the day of the Board meets. They are also entitled to T.A. as admissible to Grade I officers of the Government for the journey to attend the Board meetings.

The Mizoram State Planning Board has increased its functions after 1987. There was a coalition Government which was formed by Congress I and MNF under the leadership of Shri. Laldenga. The Planning Board has taken active part in the plan formulations based on the planning guidelines given by the Planning Commission as well as the local needs during the time of coalition Government. A number of meetings have been held and monitoring and evaluation of the plan implementation has been performed effectively by the Board during 1987-1989. However, the coalition Government did not last long, on January, 1989, the second Mizoram State Election was held and the new Government was formed. Immediately, the State Planning Board was also reconstituted by the Governor of Mizoram on 3rd March, 1989. The then Chief Minister, Shri. Lal Thanhawla became the Chairman of the Board and the Vice Chairman post was held by the then Health & Family Welfare Minister, Shri. Vaivenga.

The Board has been reconstituted in 21st November, 1991 and the Vice Chairman post was held by Shri. Sainghaka. He held the office till 8th June, 1999 and he became the longest serving Vice Chairman of Mizoram State Planning Board till today. After 1987, the Mizoram State Planning Board has performed a full function as an advisory role of the draft annual plan prepared by the Planning and Implementation Department. The Monitoring Team has been formed by the Planning Board during 1994-1996 and they performed monitoring and review of the Plan implementation in different sectors of the Government and the District level planning implementation.

The monitoring team has been headed by Shri. Hniarmanga, the first Advisors of the Mizoram State Planning Board.

In November, 1998, the fourth Mizoram Legislative Assembly Election was held and the coalition of Mizoram National Front (MNF) and Mizoram People Conference (MPC) has form a Government. The MNF President, Shri. Zoramthanga became the Chief Minister of the State and ultimately became the Chairman of Mizoram State Planning Board which was reconstituted in 17th February, 1999 by Governor of Mizoram. Shri. K. Thangzuala (MLA) was appointed as the Vice Chairman of the Planning Board and Commissioner of Planning became the Member Secretary. The structure of Mizoram State Planning Board 1999 was;

Table No. 4.3

Mizoram State Planning Board 1999 organisational Structure

Sl.	Member	Designation
1.	Chief Minister	Chairman
2.	Shri. K. Thangzuala, MLA	Vice Chairman
3.	Commissioner Planning	Member Secretary
4.	Prof. Dr. Tlanglawma	Member
5.	Dr. Lianzela	Member
6.	Dr. L.N. Tluanga	Member
7.	Shri. Lalhmingliana Colney IAS (Rtd.)	Member
8.	Shri. R. Rozika, IA&AS (Rtd)	Member
9.	Dr. R. Kapthuama, Director (AH&Vety) Rtd.	Member
10.	Er. Dunglema	Member
11.	Shri. Zairemthanga, Ex-Minister	Member
12.	Shri. R. Vanlawma	Member

13.	Wing Commander Lalnghinglova	Member
14.	Shri. R. Sangkawia	Member
15.	Shri. Biakthanzuala	Member

Source: Notification No. G. 28014/52/89- PLG (Pt-I), Government of Mizoram, Planning and Programme Implementation.

Functions of the Mizoram State Planning Board 1999

The functions of the State Planning Board 1999 are as follows:

1. To advise the Government in the formulation of Five Year Plan and Annual Plan for Mizoram
2. To review the progress of the implementation of Plan Schemes.
3. To take up such studies and functions as may be assigned to do from time to time by the Government as may be approved for Economic Development of Mizoram.
4. The Board may co-opt any person having any special knowledge in a particular field as member to aid and advise it in its deliberation and studies as and when required.

The Non-official members of the Board are given sitting allowances at the rate of Rs. 150/- per day on the date of the Board meets. They are also entitled to T.A. as admissible to Grade I officers of the Government for the journey to attend the Board meetings, study tour or field visits as decided or as entrusted by the Board.

On 5th September, 2000, the State Planning Board was reconstituted by the Governor of Mizoram and the Vice Chairman post was held by Shri. Sanghmingthanga H. Pautu (MLA). The Chief Secretary of Mizoram was appointed as the member secretary; the Finance Commissioner was included in the member and Prof. Tlanglawma was appointed as an expert's member in place of Dr. L.N. Tluanga

(expert member of 1999 State Planning Board). The Ex-officio member was also created in the Board which was held by the Chief Executive Member of Lai, Mara, Chakma Autonomous District Councils and the Chairman of eight District Development Boards. The term of the State Planning Board is fixed for 2 (two) years from the date of Government Notification issued thereof. The Government may extend the term as it deems fit and proper. The non-official members sitting allowance and the T.A. admissible are similar to the rules and regulations given in the 1999 State Planning Board. In 2004, the Board was again reconstituted by the Governor of Mizoram and Shri. F. Lalthangzual (MLA) has replaced Shri. Sanghmingthang H. Pautu on the post of Vice Chairman. The functions of the Board are similar to the functions highlighted in 1999 State Planning Board reconstitution.

The Mizoram State Planning Board 2009-2013

The sixth Mizoram MLA Election is held on 2nd December, 2008. In this election, the Congress party has formed the Government by taking 32 seats out of 40 seats available and President of Congress party; Shri Lal Thanhawla became the Chief Minister for the third time from Mizoram attained statehood in 1987. The Governor of Mizoram has reconstituted and restructured the Mizoram State Planning Board on 18th June, 2009. The members of the Board are:

Table 4.4
State Planning Board 2009

Sl.	Members	Designation
1.	Chief Minister	Chairman
2.	Shri. Lalkhama (I.A.S Retd)	Vice Chairman
3.	Shri. P. Lianhming Thanga (I.A.S Retd)	Member Secretary
4.	Chief Secretary	Ex-officio Member
5.	Principal Secretary Planning and Implementation Department	Ex-officio Member
6.	Principal Secretary, Finance Department	Ex-officio Member

Source: Notification No. G.28014/52/89-PLG (Pt-I) date 18th June, 2009

Terms and Condition of the Board

The Board may invite persons who have special knowledge or practical experience in the subject matters under the plan programmes from time to time and such invitees are entitled to honorarium or T.A. for attending the meeting and meetings at the rate prescribe or to be prescribing by the Government. The Vice Chairman and the Member Secretary who are non-officials members are appointed initially for the term of four years which may be extended for a further specified period. The Government reserves the power of reconstituting the Board and terminates the services of the non-official Vice Chairman and Members any time it thinks fit.

The Officials of the Board has to be accountable to the Chairman, Vice Chairman and Member Secretary in the discharge of their duties relating to the powers and functions assigned to the Board. They are also accountable to the Government through the Principal Secretary, Planning and Programme Implementation Department in matters relating to terms and conditions of service and Government policies. Any other matters relating to the commands and control in day to day functions, disciplinary control and administrative matters of the Board are decided by the Government from time to time.

Main Functions and Powers of the Mizoram State Planning Board

The State Planning Board is essentially an advisory body. All the functions of the Board are carried out collectively by its members. There is no division of responsibility among them. Broadly speaking, the functions of the State Planning Boars are to assess the resources of the state and to formulate broad objectives; formulate long-term, medium term and annual plans; evolve strategies for backward areas; formulates projects and evaluate them; review plan progress and suggest such changes in policies and programmes as might be necessary. But in actual practice, it functions mainly as an advisory body. The Mizoram State Planning Board is governed by the terms and conditions discharge the functions and exercise the powers as given below, namely:

1. Assist and guide the Government or its agencies in the formulation of plan projects, including family- oriented projects, annual and Five Year Plans, District Plans and also perspective plan for longer period
2. Examine, modify if necessary, and approve sectoral allocation and reallocation of plan funds in the state. The Chairman of the State Planning

Board approval is essential for the allocation and reallocation of plan funds in the state

3. Inspect, monitoring and evaluate execution of plan projects and utilization of plan funds, including state and Centrally Sponsored Schemes, subjects to guidelines issued by the Central Government from time to time
4. Ensure proper co-ordination among state government departments and agencies with respect to plan preparation and implementation
5. Examine and approved the Annual Plan incorporation item wise sectoral allocations within each Departments, and give administrative approval for the execution of plan schemes
6. Engage with predetermined amount of fees, other terms and conditions and with prior approval of the Chief Minister (Chairman of the Planning Board), the services of experts or agencies for the study of economic development problems in Mizoram, and for the preparation of documents and plan projects for specified period of time and with definite programme of work
7. To call for any documents from the Government Departments relating to plan formulation and implementation except secret documents and matters relating to security of the state
8. Make an assessment of the materials, capital and human resources of Mizoram state including technical personnel, and investigate the possibilities of augmenting such of these resources as are found to be deficient in relation to the state's requirement
9. Formulate a plan for the most effective and balanced utilization of state's resources

10. On a determination of priorities, define the stages in which the plan should be carried out and propose the allocation of resources for the due completion of each stage
11. Indicate the factors which are tending to retard economic development, and determined the conditions which, in view of the current social and political situation, should be established for the successful execution of plan
12. Determined the nature of the machinery which will be necessary for securing the successful implementation of each stage of the plan in all its aspects.
13. Apprise from time to time the progress achieved in the execution of each stage of the plan and recommend the adjustment of policy and measures that such appraisal may show to be necessary.
14. To take up any other functions as may be assigned to it by the government from time to time.
15. To explore the feasibility of Public Private Partnership (PPP) Projects and avenues for private investments in the state.
16. Frame a suitable policy for manpower planning and further advice the Government for addressing the problems of educated youth.

In short, the main functions of the Mizoram State Planning Board can be describes as to watch the progress of the plan, review and evaluation, implementation and monitoring of plan projects; and making suggestions for bringing about improvement in the planning machinery in order to facilitate efficient formulation and implementation of plans.

The Organisational Management of Mizoram State Planning Board

The following are the present organizational management of Mizoram State Planning Board.

The Chairman and the Vice Chairman:

The Chief Minister served as the Chairman of the State Planning Board and it presided over the meetings. The approval of the Chairman of State Planning Board is essential for the allocations and reallocations of funds in the state. With the advised of the Chairman of the Planning Board, High Power Committee and District Development Committee is reconstituted by the Governor. The Vice Chairman who is non-official member is appointed initially for four years which may be extended for a further specified period. The post of Vice Chairman is normally filled by Member of Legislative Assembly (M.L.A), but in the present scenario, a retired bureaucrat Shri. Lalkhama has holds the Vice Chairman post from 19th December, 2008 to till today. The main functions of the Vice Chairman are to co-ordinate the working of the Board with the Planning and Programme Implementation Department. It inspects, monitor and evaluate the works of the Planning Board. He is the main channel of communication between the Government and the State Planning Board. The Vice Chairman of the Planning Board when acting or purporting to act in pursuance of the powers and functions mentioned in the order of State Planning Board shall deem to be public servants within the meaning of section 21 of the Indian Penal Code (45 of 1860) and within the meaning of the provisions in the prevention of Corruption Act of 1988. The Vice Chairman as being one of the Non-official members of the Board, he is given sitting allowances at the rate of Rs. 150/- per day on the date of the Board meets and he will be entitled to T.A. as admissible to Grade I officers of the

Government for the journey to attend the Board meetings, study tour or field visits as decided or as entrusted by the Board.

The Member Secretary:

The Member Secretary of Mizoram State Planning Board is normally a Planning Secretary or Development Commissioner. The present Secretary of Planning and Programme Implementation Department is the Member Secretary of the Planning Board. He enjoys the rank of Chief Secretary but he is not to be counted as precedent in future. He is paid a lump sum honorarium of Rs 22,500/- p.m plus Rs 7,000/- p.m of House Rent Allowance which is debited to the head of account of (3451) Secretariat Economics Service, (80) General, (101) Planning Board, (01) Plan Formulation (P), (01) Salary. He has been entitled to personal staff and other facilities commensurate with his rank and the requirements corresponding to the responsibility entrusted to him and the functions being performed by him or as the Government may decide from time to time. The engagement of casual employees for Member Secretary is that one stenographer, two LDC-cum-Computer operators, two Drivers and four Peons.

Presently, Mizoram State Planning Board has two Member Secretary such as; P.L.Thanga (I.A.S. Retd.) and Haukhum Hauzel (I.A.S. Retd.). The former looks after the flagship New Land Use Policy (NLUP) of the Government and the later looks after the Centrally Sponsored Schemes, National Bank for Agriculture and Rural Development (NABARD), National Cooperative Development Cooperation (NCDC), Skills Development etc. The Member Secretary of the Planning Board when acting or purporting to act in pursuance of the powers and functions mentioned in the order of State Planning Board shall deem to be public servants within the meaning of section

21 of the Indian Penal Code (45 of 1860) and within the meaning of the provisions in the prevention of Corruption Act of 1988.

Members and Officials:

The number of members of Mizoram State Planning Board is not fixed. The members and officials of the Planning Board are accountable to the Chairman, Vice Chairman and Member Secretary in the discharge of their duties relating to the powers and functions assigned to the Board. In the year 2000, the reconstitution of Mizoram State Planning Board has fixed the term of the Board for two years. But, the present State Planning Board has not fixed the tenure of the member. They have to be accountable to the Government through the principal Secretary, Planning and Programme Implementation Department in matters relating to terms and conditions of service and Government policies. The Non-official members of the Board are given sitting allowances at the rate of Rs. 150/- per day on the date of the Board meets. They are entitled to T.A. as admissible to Grade I officers of the Government for the journey to attend the Board meetings, study tour or field visits as decided or as entrusted by the Board. The following are the present members and organizational structure of the State Planning Board:

Table No. 4.5

Name and Designation of 2013 Mizoram State Planning Board

Sl.	Name	Designation
1.	Shri. Lal Thanhawla	Chief Minister/Chairman
2.	Shri. Lalkhama (I.A.S. Retd)	Vice Chairman
3.	Shri. Ngunlala Chinzah	Principal Adviser
4.	Shri. Liansailova	Finance Minister, Member

5.	Shri. P.L. Thanga	Member Secretary
6.	Shri. Haukhuma Hauzel	Member Secretary
7.	Shri. Anil Kumar Agastya	Consultant (M&E)
8.	Shri. Lalrokima Lianhna	Consultant (M&E)

Source: www.mizoram.nic.in, accessed on 16/09/2013

Figure. 4.2

Organisational Structure of Mizoram State Planning Board 2013



Source: www.planning.mizoram.gov.in, accessed on 16/09/2013

Relations between Planning Board and Planning Department

Mizoram State Planning Board is mainly an advisory body and the Planning and Programme Implementation Department functions as an executive body for actual plan formulation, implementation, monitoring, evaluation and appraisals. The relationship between the two organizations arose mainly out of the fact that the planning department is usually represented by a member of Planning Board. The

Member Secretary of Mizoram State Planning Board is mainly the Secretary for Planning and Programme Implementation Department. So, the Member Secretary is the main link between the two planning bodies. Presently, the Principal Advisor of the State Planning Board is also holds the post of Principal Secretary for Planning and Programme Implementation Department. The main functions of Principal Advisor are to guide and advice the Planning Department and the State Planning Board. He was also in charge of district and block level planning. Apart from these, the Mizoram State Planning Board does not have independent secretariat at their disposal. Instead, the Planning and Programme Implementation Department in the secretariat of the state Government provides necessary assistance. The Establishment and Accounts Branch in the Planning and Programme Implementation Department deals with all the administrative, establishment, accounts and service matters relating to the Mizoram State Planning Board. Broadly speaking, the duties of Mizoram State Planning Board is to advised and help the planning department in formulation and implementation of plans; and in this respect the two are theoretically well-knit organization.

Performance of Mizoram State Planning Board

When Mizoram has attained Union Territory status in 1972, immediately, Mizoram State Planning Board has been created under the assistance of Secretariat Administration Department (SAD). But in 1986, the Planning and Implementation Department was moved out from Secretariat Administration Department and the State Planning Board was under the assistance of Planning Secretariat. From the Fifth Five Year plan itself, the Mizoram State Planning Board has been involves in the socio-economic planning of the state. When Brig. T. Sailo became the Chief Minister of Mizoram U.T on May, 1978, a number of efforts have been made to improve the organizations of the Board. Immediately, the Board has been actively involved in the

plan formulation through by giving advice to the planning department. The State Planning Board has organized meeting frequently for to advise the Government in the formulation of Five Year Plans and Annual plans. Through a quarterly meeting organized by the State Planning Board, it monitors the Head of the Department on their progress in plan implementation. In 1987, a new government was formed and Shri. Laldenga became the Chief Minister and the Chairman of Planning Board. Ultimately, the functions of State Planning Board are also increased and have made more contributions in the formulations of planning. They accompany the state representatives at the time of the finalization of the plans with the Planning Commission. But, from 1990's the Mizoram State Planning Board has become more advisory body in nature. Apart from the active involvement of evaluation of planning by the monitoring team from the members of Planning Board during 1995 to 1997, it has little to do with the actual formulation of Annual plans and Five Year Plans and the evaluation of plan implementation. In the present scenario, the State Planning Board still played an important role in the co-ordination among the various planning organizations in the state and it performs advisory role for the draft Annual plans and Five Year Plans which is prepared by the Planning and Programme Implementation Department.

Issues and Problems of State Planning Board

The situation as far as effective planning machinery is concern, the Mizoram State Planning Board does not improve to any great extends as per the recommendation given by the Study Team of First Administrative Reforms Commission. In general, as per the recommendation given by the First Administrative Reforms Commission, the State Planning Board is expected to have three broad division, namely, agriculture and allied subject; industry, power and transport; and

social services with one member in charge of each division. But, the Mizoram State Planning Board does not have a division and it is a small organ for planning whose main role is advisory in nature. They are not directly empowered to formulate plan, this has narrowed the role played by the Board in the actual formulation of plans. In the mean time, the level of expert manning the secretariat assistance of Planning Board is low in the planning department; as a result it cannot carry out the duties and responsibilities assigned to it. There is also a negligent attitude of organized meetings from the key functionaries of the Board. This has created a less intervention and contributions in the formulations of Annual and Five Year Plans. One of the major problems of Mizoram State Planning Board is that, an inadequacy of staffing system. Most of the staff in the Board is working in a contract basis and only a few persons are drawn from Mizoram Secretariat Service (MSS). This has created lack of trained and skilled manpower to assists the key functionaries and Officials of the Board. The policy towards research and analytical studies relating to the duties and responsibilities assigned to the Planning Board is neglected. This has also created an inability to provide necessary advice in the formulations of planning, implementations and appraisals. At present, the number of planning experts available in the Planning Board is also inadequate and there is no well defining relationship among all the planning agencies this has created duplication of worked. Since, meetings is rarely organized, the Mizoram State Planning Board is unable to avoid this duplication of works. Apart from all these, the Planning Board does not have a proper maintenance of records of their activities. It is essential to have greater interactions between the Planning and Programme Implementation Department and the Planning Board since the Establishment and Accounts Branch in the planning department has maintained the accounts of Mizoram State Planning Board.

Mizoram District Planning Organisation

The first district planning organisation of Mizoram was constituted on 10th January, 1981. The District Development Board for Aizawl, Lunglei and Chhimtuipui Districts was constituted by the then Lieutenant Governor, S.N. Kohli. The main functions of the District Development Boards are to prepare District Annual and Five Year Plans in relation to the needs of the people, to review, monitor and evaluate the progress of various development schemes implemented by different departments within the district from time to time on the basis of quarterly reports submitted by the Heads of the Development Department and the consolidated quarterly reports of the district. It also functions as to advise the integrated implementation of plans, efficient utilizations of funds allotted to the plans and to suggest priorities for expenditure within the sum allotted by the Government. In particular, it functions as to recommends measures for effective and speedy fulfillment of schemes on socio-economic developments, Community Development Blocks programmes, agriculture production programmes, social service and small industries. It also aims to promote public participation and expand local community efforts both in urban and rural areas, and to help allocation of funds and preparation of schemes for utilization of grants for various development works under Plan, Non-Plan and Centrally Sponsored Programmes. The District Development Board has been reconstituted two times in 29th November, 1985 and 4th October, 1988.

There is a long gap in the restructuring of a District Development Boards after it was restructured in 1988. During the gap period, the Planning and Implementation Department has taken the responsibility for economic planning and monitoring and evaluation of different development departments in the districts and towns. However, as per the provisions of article 243-ZD of the Indian Constitution, the then Governor

of Mizoram, M.M. Lakhera has constituted a District Planning Committee for all the districts in the state on 17th May, 2007. The District Development Committee has been constituted in six districts namely, Aizawl District, Champhai District, Kolasib District, Mamit District and Serchhip District and District Planning Board is still functions in Lunglei District. These Development Committees or Board's are constituted to draft developmental plan with regards to the matters of common interest including spatial planning sharing of water and other physical and natural resources, the integrated development of infrastructure and environment conservation, the extent and type of available resources whether financial or otherwise, and lastly, to consults institutions and organization by a specified order of the Governor. The District Planning Committee has been reconstituted on 9th May, 2011 in five districts of Mizoram namely, Aizawl, Champhai, Kolasib, Serchhip and Mamit District. In 2011, the reconstitution of District Planning Committee has brought some changes in its functions. The changes includes, crystallization of local needs and objectives, taking stock of natural and human endowments, listing and mapping of amenities, formulation of district plan and submission of the plan to the Secretary of Planning and Programme Implementation Department for approval, formulation of policies and priorities, coordinate implementation and monitoring and review of the implementation of district plans and programmes.

On 31st January, 2013, the District Development Committee has been reconstituted by the Governor of Mizoram in four districts, Champhai, Kolasib, Serchhip and Mamit District. Along with the reconstitution of District Development Committee, a new committee called Aizawl District Rural Development Committee has been constituted with its headquarters at Saitual. However, the functions of this Committee has been similar to other District Development Committees such as, to

formulate and implement District level plan out of the outlay earmarked as discretionary and incentive fund or separately earmarked to meet the local aspirations, examine all district level plan proposals under normal State Plan, Centrally Sponsored Schemes (CSS) and other funding agencies and forward to the State Planning Board along with its recommendation. It has undertaken the review and monitoring of all the district level plan and projects under State Plan, CSS and under other Central Assistance, it also have the power and liberty to draw up developmental projects and schemes considered necessary for the district and it endeavors to promote public participation and cooperation in development programmes and expand local community efforts in the area.

To initiate a faster developmental process with inclusive growth, Lunglei High Power Committee have been reconstituted on May, 2009. The Committee is combined with the Lunglei District Planning Board. On 9th May, 2011, the Governor of Mizoram has notified Lunglei High Power Committee as a District Planning body for Lunglei District as per the provisions of the Article 234-ZD of the Indian Constitution. The committee is empowered to formulate district plan, schemes and implement district level plan out of the outlay earmarked as discretionary funds. It also reviews and monitor all district level plan and projects. The two districts of Mizoram, Lawngtlai and Saiha District (previously it was called as Chhimtuipui District) are under Backward Regional Grant Fund (BRGF) areas. In 2008, the District Planning and Implementing Committee have been constituted under BRGF to these two districts. On 19th May, 2011, the Governor of Mizoram has notified the District Planning and Implementation Committee constituted under BRGF for Saiha and Lawngtlai District as District Planning Body for these two Districts as per the provisions of Article 234-ZD of the Indian Constitution.

This chapter deals with a brief profile of Mizoram and its plan evolution from the 1st Five Year Plan (1952-1956) to the 12th Five Year Plan (2012-2017). It also gives a brief study of plan evolution in Assam from 1952 to 1972. It gives an in-depth study of Mizoram State Plan Organisation particularly deals with the Mizoram State Planning Board and its role and functions in the plan formulation, implementation, evaluation and monitoring in the State economic development plan. It has also provided the study of organizational structure and management of Planning and Programme Implementation Department, Mizoram State Planning Board and the issues and challenges faced by the Board and District Planning Organisation in Mizoram.

CHAPTER V

CONCLUSION

The previous chapter deals with a brief profile of Mizoram and its plan evolution from the 1st Five Year Plan (1952-1956) to the 12th Five Year Plan (2012-2017). It gives a brief study of plan evolution in Assam from 1952 to 1972. It also gives an in-depth study of Mizoram State Plan Organizations such as; Planning and Programmes Implementation Department, Mizoram State Planning Board and District Planning Organisation. It has particularly deals with the Mizoram State Planning Board and its role and functions in the plan formulation, implementation, evaluation, and monitoring in the state economic development plan. It has also provided an in-depth study of organizational structure and management of Mizoram State Planning Board and the issues and challenges faced by the Board.

The present chapter is divided into two parts- Part I and Part II. The first part contains a brief summary of all the previous chapters. The second part contains the problems and challenges faced by the Mizoram State Planning Board and their possible solution. It also provides suggestions for improvement in its working for the development of planning in the state.

PART-I

The first chapter starts with the basic principles and meaning of Planning and the importance of economic planning followed by the conditions of the initial stage of planning in India. It stated that the level of economic and social development varies enormously among different areas in India so, it is very important to have state level and district level planning. It gives a brief introduction of the establishment of

Planning Commission in India and the need of decentralised planning in India. It has focused on the First Restructured State Planning Board of the present Government in the state which was held on 20th April 2009. It has also introduced the area of study, the problems and methodology used for the study by adding aims and objective of the study.

The second chapter traced the concept of planning in India. It trace the evolution of economic planning in India by highlighting the National Planning Committee 1937, which was established by the Indian National Congress and other plans like Bombay Plan, People's Plan, Gandhian Plan, Post War Reconstruction Plan, Colombo Plan for India, Planning Commissions and the plans. It has highlighted the main objectives of Indian planning and different steps involves in the planning system in India such as the plan formulation, plan implementation and plan evaluation. It studies the Constitutional status and position of socio-economic planning in India. It also covers a brief study on the organization, functions and the role played by Planning Commission and National Development Council on the socio-economic planning in India. The second chapter has also made a focused on the strategy in India Five Year Plans from the First Five Year Plan to the Twelfth Five Year Plan. It also provides a brief summary of the India economic planning and the Five Year Plans.

The third chapter deals with the State Planning Machinery which involves directly and indirectly in the regional economic planning of India. This chapter gave special focus on the recommendation taken up by the First Administrative Reforms Commission and the Planning Commission in the organization of regional planning machinery in India. Based on the recommendation, this chapter divided the State Planning Machinery into three bodies such as Planning Department, State Planning

Board, and district planning organization. It provides a brief study of these planning machineries on their involvement in the plan formulation, plan implementation, monitoring and evaluation in the states particularly focused on the North Eastern states of India. It has provided the organizational set up and functions of the Planning Department in the states, the State Planning Boards in India, and the district planning organization by highlighting the accounts of their present conditions and structure in different states of India, particularly the North Eastern states of India.

The fourth chapter starts with a brief profile of Mizoram and its plan evolution from the 1st Five Year Plan (1952-1956) to the 12th Five Year Plan (2012-2017). It also gives a brief study on the structure and functions State Plan Organisation such as the Planning Department, Mizoram State Planning Board and the District Planning Committees. The study in this chapter deals with the structures, functions, process and main activities of the Mizoram State Planning Board and its role in the plan formulation, implementation, evaluation and monitoring in the context of economic development of Mizoram.

PART-II

Since no systematic study has been made on this topic till date, the present work attempts to study the structural and functional dimensions of Mizoram State Planning Board. Before 1972, Mizoram was one of the districts in Assam and there was no specific planning for the area and a very little amount were spends for the development of Mizoram. But the situation has changed slowly. At the present, due to the special constitutional arrangement and the historical background as well as the geographical location; the central government has been trying to integrate Mizoram

with the national economy. As a result of the intervention of the Planning Commission and the First Administrative Reforms Commission to strengthen the state planning machinery, most of the states in India have set up specialized planning machinery during the Fifth Five Year Plan period. Following the instruction and recommendations, the Mizoram State Planning Board was also created during the Fifth Five Year Plans period (1974-1979) after Mizoram attained Union Territory status in India. . There are some instances where the researcher has identified certain problems confronting Mizoram State Planning Board and as such, remedial measures have been suggested to rectify the problems.

The study reveals that the Mizoram State Planning Board was established as purely an advisory body for the formulation of Five Year Plans, annual plans and districts plans as the case may be. Broadly speaking, the functions of the State Planning Board are to assess the resources of the state; to formulate broad objectives of the plan; and to review the plan implementation. But in actual practice, the Planning and Programme Implementation Department is mainly responsible for the plan formulation, coordination and implementation agency. The State Planning Board is not directly empowered to formulate plans and this has narrowed down the role played by the Board in actual formulation of the plans.

The composition of Mizoram State Planning Board is as follows: the Chairman, the Vice Chairman and Members. Without exception, the state Chief Minister is the Chairman of the Planning Board. The Vice Chairman is either a Minister (Finance or Planning) or a retired bureaucrat. The Planning Secretary and Development Commissioner usually hold the post of Member Secretary in the Planning Board and in some cases the Chief Secretary also holds the post. The number of members is changed from time to time. The ex-officio members are usually

the Chief Secretary, the Planning or Finance Secretary, the Development Commissioner, Heads of the Departments, Chief Executive Members of the District Councils and the Chairmen of the District Development Boards. Other members are Ministers, Members of Legislative Assembly and experts who are economists, educationists etc. At present, the Mizoram State Planning Board consists of Chairman, Vice Chairman, two Member Secretaries and two Consultants. The term of the members of State Planning Board is for two years according to the Board reconstitution rule of 5th September, 2000, while the Vice Chairman is for four years.

The system of assigning portfolios to members does not exist in Mizoram State Planning Board. The non-existence of the portfolio system is one of the weak points of the organization of Mizoram State Planning Board. It is dependent on the Planning and Programme Implementation Department for secretarial assistance. The Member Secretary is the chief link between the Planning Board and the Planning Department. The Establishment and Accounts Branch in the planning department deals with all the administrative, establishment, accounts and service matters relating to the Mizoram State Planning Board. So far as the employees are concerned, there are one Stenographer, two unskilled workers such as LDC-cum-Computer operator, two Drivers and four Peons.

So far as effective planning machinery is concerned, the Planning Board is expected to be permanent, non-political, independent, flexible and continuing planning agency. It should be responsible for preparing long, medium and short-term plans for the State. The First Administrative Reforms Commission has clearly recommended the minimal involvement of politicians and the maximum involvement of personnel with technical background. The present study, reveals that the Mizoram State Planning Board is merely an advisory body with extremely general functions

and little expertise, and has met occasionally. The Planning Board and the Planning Department are related mainly because the Secretary for Planning is usually a Member Secretary of the Board. In actual practice; the Mizoram State Planning Board functions as subordinate to Planning and Programme Implementation Department.

While trying to answers the question of “What are the main reasons and implications of Planning”, the researcher finds that the need for planned development is felt all the more because of rapid increase in population and the widespread, appalling poverty in India after the Independence. It is felt that in a huge democratic country like India, where the Constitution promises an egalitarian society and a welfare state, the accelerated economic growth could be achieved only through proper planning and its implementation. So, it has been decided by successive Governments to strive for planned development and progress in agriculture, industry and other sectors of our country.

So far as the second question is concerned, that is “How is the structure of Mizoram State Planning Board helpful to achieve its objectives” the study reveals that the present structure of Mizoram State Planning Board is unable to achieve its objectives due to the fact that there is no division of power in the organizational structure and no division of portfolio among the members of the Board. Above all, the Planning and Programme Implementation Department provides secretariat assistance and the main link between the planning department and Planning Board is the Member Secretary. Recently, the post of Principal Adviser has been created in the State Planning Board and the Additional Secretary of planning department holds the post at the present. So, close co-ordination between the Department and the Board would help the State Planning Board to achieve its objectives.

So far as the third question is concerned, i.e. “What are the major functions, problems and challenges faced by Mizoram State Planning Board” the study finds that the main functions assigned to the Mizoram State Planning Board are to watch the progress of the plan; review and evaluation; implementation and monitoring of plan projects; and to make suggestions for bringing about improvement in the planning machinery in order to facilitate efficient formulation and implementation of plans. But, in actual practice, it functions as an advisory body. The study also finds that another major problem faced by the Planning Board is lack of planning experts among the members. There is no proper system of staffing. There is very little scope for training of officials and other functionaries working in the Board. So, due to lack of trained personnel and skilled manpower, the State Planning Board is unable to provide necessary advice in the plan formulations, implementation and evaluation.

So far as the last question is concerned, i.e. “What are the measures required to make Mizoram State Planning Board more effective” the State Planning Board has been set up as an expert advisory body capable of dealing with the technical aspects of planning. Therefore, it is necessary that as far as practicable it should be kept as a non-political body consisting mainly of expert members. The Board should also have full-fledged and well-equipped secretariat to carry out its responsibilities. The State Planning Board should also create various divisions in the organization as per the recommendations given by the First Administrative Reforms Commission in the areas like agriculture and allied subject, industry, power and transport, and social services with one member in charge of each division. This will provide scope for wider and better advisory role in plan formulation, implementation and evaluation.

The State Planning Boards is set up as expert advisory body capable of dealing with technical aspects of planning. But, broadly speaking, the composition of the

State Planning Boards is similar in every State in the sense that it is made up of a Chairman, a Vice or Deputy Chairman, a Member Secretary and members. Political membership is a common feature of the State Planning Board because the Chief Minister is the Chairman of the Board and the Vice Chairman is Planning Minister or the Finance Minister besides some other members with political affiliation. Mizoram State Planning Board has also sometimes an excessive content of politicians among the members. This has led to political influence on the planning process rather than serving the real needs of the people. However, in order to add to the quality of members, experts should be included in the Board. Planning is also a continuous activity. It implies continuous responsibility. Therefore, it is necessary that there should be regular meetings and interactions among the members and other stakeholders in the context of state planning. Instead of appointing only political persons or persons close to the Government as members, the State Planning Board should have expert from different works of life who could provide valuable input for proper and effective plans.

The system of assigning portfolios to the members should be introduced in the Mizoram State Planning Board. It will enable the Board to act as an expert body. It should encourage participation of the civil society organizations and citizens in the process of consultation for formulation of plans. A regular monitoring and evaluation divisions/team should be established by the State Planning Board for an effective and optimum utilization of the resources in the planning for development.

The problem of lack of organized staffing pattern is keenly felt in the Mizoram State Planning Board. This has serious consequences for the efficiency of the Planning Board in the areas of keeping the records and assisting the members in discharging their duties and responsibilities. Mizoram State Planning Board does not

have proper records of its organizational structure and activities. The old files have been lost while shifting the office. This clearly highlights the lack of awareness and need for keeping the records of the Mizoram State Planning Board. A more organized staffing pattern should be followed to improve the maintenance of records and data base for planning.

It is found out from the present study that in spite of the limited powers and resources given by the state Government, the Mizoram State Planning Board has been striving to fulfill the task given to it. Its working and the effectiveness would depend upon the quality of the expert members; availability of regular and trained staff; proper maintenance and preservation of official records; and last but not least, better legal provision for participation of the Board in the process of formulation, monitoring and evaluation of plans for overall development of the state.

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