

**MINUTES OF THE STATE PLANNING BOARD MEETING  
HELD ON 13.10.2005**

The meeting of the State Planning Board was held on 13.10.2005 under the Chairmanship of His excellency the Lieutenant Governor Lieutenant General (Retd.) M.M. Lakera, in the Conference Hall of the Chief Secretariat to give broad guidelines on formulation of the Annual Plan 2006-07. Thiru N. Rangasamy, Hon'ble Chief Minister, Thiru A. Elumalai, Minister (Local Administration), Thiru V. Narayanasamy, Member of Parliament (Rajya Sabha), Thiru R.V. Janakiraman, Leader of Opposition and Thiru R.S. Chari, Chief Secretary (Retd.), non-official member of the board, participated in the meeting. Thiru C.S. Khairwal, Chief Secretary, Thiru B.V.Selvaraj, Development Commissioner, Deputy Inspector General of Police and senior officials were also present in the meeting.

At the outset, Chief Secretary welcomed the Chairman, Vice Chairman and the members of the State Planning Board. He informed that the total allocation allocated for the current financial year is Rs.810 crore which includes Rs.100 crore for infrastructure development in Tsunami affected areas. He further informed that out of the total allocation, 40% has been booked and the balance will be booked during the current financial year. He also informed that separate meetings were held to review the implementation of plan schemes of Karaikal region and the implementation of Special Component Plan at Pondicherry under the Chairmanship of Hon'ble Chief Minister. He expressed that special attention has been taken for a balanced growth in all the four regions. He also indicated that the draft plan document

for Annual Plan 2006-07 will be placed before the Board sometime in second week of November 2005 before it is sent to Planning Commission for approval. He further suggested that development of Airport, port, construction of flyovers, industrial development, power projects, tourism, IT, e-governance, should be given focussed attention in the next annual plan for creation of more employment opportunities.

Director (Planning) made a power point presentation on utilisation of funds during the first four years of the Tenth Plan and also programmes envisaged in the Annual Plan 2005-06. Subsequently detailed discussions were held on the implementation of major projects in the Union Territory of Pondicherry.

His Excellency, the Lieutenant Governor in his inaugural address observed that the Draft Annual Plan 2006-07, which is an important exercise, should aim at improving the infrastructure facilities, which will lead to speedy economic growth and improving the standard of living of the people of this territory. Focussed attention should be given on removal of poverty, creation of more employment opportunities, revival of rural economy etc. Regional imbalances if any should be immediately addressed and additional funds may be allocated in the Annual Plan accordingly. He observed that development of ports, road communication and other infrastructure facilities would definitely change the economy of Pondicherry. While taking up these projects for implementation, other related issues like development of alternative roads, availability of trained manpower, regional development, uninterrupted power supply, availability of water, tourism, IT, e-governance and health should also

be addressed as a part of plan exercise and adequate funds may be made available in the respective sectors accordingly.

Chief Minister welcomed suggestions from the members and non-members of the Planning Board.

The following suggestions were given by the members of the State Planning Board during the meeting:

Thiru V. Narayanasamy, Member of Parliament (Rajya Sabha)

- Planning process to be decentralised so as to avoid bureaucratic bottlenecks and to get valuable suggestions from grass root level, Chamber of Commerce, various associations etc.
- Project-wise approach to be adopted to obtain enhanced plan allocation from the Planning Commission.
- Welfare schemes may be implemented in <sup>2</sup> better and spirit.
- Plan document should address Regional imbalances if any.
- Focussed attention may be given for development of Industries and Tourism to create more employment opportunities.
- Marketing facilities to be improved and new industrial policy to be framed.
- Temple town development to be concentrated to improve the tourism sector
- Proposals for transparency in administration, Right to Information Act, Accountability, education policy, etc. may be indicated in the Plan document.
- Agro-based industries to be developed in the rural areas.

- Frequent Regional level meetings to be conducted and monitored.
- The implementation of Plan schemes may be evaluated at periodical intervals.

Thiru R.V. Janakiraman, Leader of Opposition, Legislative Assembly

- Transparency in incurring expenditure under "Tsunami" programme is required so that people are aware of various activities taken up for implementation of utilizing funds released by Government of India and other funds received from the other agencies including NGOs and External agencies.
- Of the Central Assistance released by the Planning Commission to fund our Plan schemes, 35% is treated as loan and 65% as grant. We may insist Planning Commission / Ministry of Finance, Government of India to release the entire Central Assistance as grant. Similarly, Government of India may be impressed upon to write off the loan amounting to Rs.1,600 crore released so far to Union Territory or request them to treat the entire amount as loan without interest so that payment towards interest for loan received from Government of India in our budget is totally eliminated and it may be utilized for development of our Union Territory.
- Planning Commission may be impressed upon to increase the Plan size for the Annual Plan 2006-07 by 25% over and above the agreed Plan outlay of Rs.810 crore for the Annual Plan 2005-06 which includes Rs.100 crore for Tsunami related works.
- Efforts may be made to obtain higher Plan outlay for the Annual Plan 2006-07 and Planning and Commission may be requested to enhance the Central Assistance to fund our Plan schemes to fulfill the aspirations of the people of Pondicherry.
- Planning Commission may be requested to allocate additional funds separately for implementing major projects like Government Medical

College, M/s. Swadeshi Cotton Mills and Shri Bharathi Mills, construction of Women and Child Hospital, Expansion of Power Plant at Karaikal, Establishment of Special Economic Zone etc.

- Introduction of VAT may seriously affect our effort on industrialization. We may approach Government of India for tax concession for promoting industrialization in our Territory. Power subsidy, Transport subsidy, concessional rate of interest for investment in Pondicherry may be examined to speed up industrialization in our Union Territory. Introduction of VAT may be further delayed to facilitate traders and industrialists in Pondicherry to continue their business in Pondicherry.
- Focussed attention may be given for development of Agriculture and related activities. More allocations may be made in the budget for rural development programmes in our Union Territory.
- Efforts may be made to generate electricity from bio-waste as implemented in other cities. Time bound action plan may be prepared and funds may be allocated to replace very old transformers and also enhance the capacity of transformers to avoid frequent power cuts.
- Deep sea fishing may be promoted to increase fish production by offering incentives to fishermen to achieve the target of 57,000 MTs by the end of the Tenth Plan.
- Installation of desalination plant to convert seawater into good drinking water may be expedited to solve the drinking water problem in our Union Territory.
- Our efforts should continue to declare Pondicherry Port as free Port for speedy economic development. Efforts should also be made to develop Pondicherry Port and Karaikal Port in a big way to substantially increase the handling capacity. We may invite private investment or foreign investment to develop our Ports.

- Focussed attention may be given for Tourism development, promotion of IT and IT related industries for creation of more employment opportunities in our Union Territory.
- Development of Roads also play major role for attracting huge investment in sectors like Port, Industries, Tourism etc. Adequate attention may be given for development of major roads in our Union Territory.
- While formulating Plan schemes, regional imbalances may be corrected. Allocation of more funds for development of Karaikal region is essentially needed.
- Implementation of Special Component Plan should be in letter and spirit. Allocation for SCP should match with the SC population of our Union Territory.
- Efforts may be made to activate Airport in Pondicherry.
- Creation of more employment opportunities through industrialisation, development of infrastructure facilities should be our "Thrust" in our Plan proposals.
- Government of India may be addressed to include our Union Territory in the "Employment Guarantee Programme" recently announced by the Hon'ble Prime Minister of India. The above scheme will be implemented through DRDA.

Thiru R.S. Chari, IAS, (Retd.)

- The schemes where capital expenditure is incurred by getting loans, must be revenue earning and must be giving necessary support to UT administration for repayment. This aspect will have to be carefully looked into in the years to come.

- There must be a definite promise from the beneficiaries for recovery of suitable taxes to cover the interest charges and capital recovery in respect of loans taken by Government and should not mind contributing to the local bodies towards the additional facility.
- The expenditure on sewerage connection must be borne by local bodies and they must be able to collect suitable taxes from the end users for recovery in respect of loans taken by Government.
- District Planning Committees may be constituted by posting some officers and experienced people to answer the points regarding involvement of people at large in plan formulation, since the elections to the local bodies have not yet been conducted.

The Board was optimistic that Planning Commission would support the proposal of the Union Territory administration to undertake development projects for speedy economic growth and plan allocation would be substantially increased for the Annual Plan 2006-07.

Chief Secretary thanked Chairman, Vice Chairman and other members of the Board for their valuable suggestions and the meeting came to an end.

