Foreword

The current issue of Budget Track comes in the wake of many intruding policy initiatives at the national level. The Union Budget 2008-09 – the last full budget of the present government, will be presented at the end of February. The Eleventh Plan will be implemented from the forthcoming fiscal year. However, the final plan document is yet to be made public. The time is also significant since it is the last year for the UPA in office. Both the Union Budget and the Plan document are eagerly awaited by many quarters and more importantly by the civil society to study their implications on the poor and marginalised sections of the society.

This particular issue, besides the regular budget and policy tracking, attempts to track the changing priorities in the Eleventh Plan with special reference to health and education. After the release of Sacher Committee Report in 2006, it has become more important to capture the follow-up actions with reference to the recommendations given by the Committee towards the upliftment of Muslims. This is followed by brief sharing of a study ‘Monitoring the Right to Education’ conducted by CBGA to monitor the implementation of ‘education to all’ with special focus on education budget in Andhra Pradesh, Bihar and Orissa. The study strongly makes a case for increased allocation to education, in particular to primary education, along with improving the governance of education in the country. Also, taking cognizance of the current mess of Public Distribution System, an interview with Ms. Brinda Karat tries to capture her views on revamping of the present system and emphasise on the need for universalisation of PDS. Lastly, a brief note on the National Convention on the Union Budget 2008-09 held by the People’s Budget Initiative gives an overview on the proceedings and follow up actions that are planned.

We hope you find the information presented in this issue of Budget Track useful.
This article intends to trace some of the recent policy initiatives taken by the coalition United Progressive Alliance (UPA) Government, whose scrutiny is essentially needed to arrive at its possible impact over targeted groups. Currently, the Parliament was in Winter Session and the Government announced numerous policies and pushes through very important legislations in the floor of the Parliament.

WINTER SESSION OF PARLIAMENT

The Winter Session, 2007 of Parliament which commenced on November 15, 2007 concluded on 07 December 2007. The Session had a total of 17 sittings of both the Houses of Parliament spread over a period of 23 days. During this brief session, 12 legislations and 3 Appropriation Bills were passed. 13 news bills were introduced in Lok Sabha and 1 in Rajya Sabha. Besides legislative business, 4 short duration discussions were held in Lok Sabha under Rule 193 and 3 short duration discussions were held in Rajya Sabha under Rule 176. Besides, 7 Calling Attention Motions and 1 half hour discussions were discussed in the Lok Sabha.

Within the brief session, the Parliament was as usual very stormy due to political issues such as violence in Nandigram and the Indo-US Nuclear Deal. The Lok Sabha lost 19 hours (18.6 per cent) of its time due to disruptions; similar was the case of Rajya Sabha where the estimated time loss was 18 hours (22.5 per cent). Important issues like price rise, (Rajinder) Sachar committee report (on the socio economic status of Muslims in the country) and the deepening agrarian crisis were not taken up.

The bills which got passed by the Parliament include, among others, the All India Institute of Medical Sciences and the Post Graduate Institute of Medical Education and Research (Amendment) Bill, 2007; the Payment of Bonus (Amendment) Bill, 2007; the Payment and Settlement Systems Bill, 2007; the Indira Gandhi National Tribal University, Bill, 2007; and the Maintenance and Welfare of Parents and Senior Citizens Bill, 2007, etc.

The financial items which have been taken up in this session include discussion and voting on Supplementary Demands for Grants (General) for 2007-08 and related Appropriation Bill; Demands for Excess Grants (General) for 2005-06 and related Appropriation Bill; and Supplementary Demands for Grants (Railway) for 2007-08 and related Appropriation Bill.

Supplementary Grants for Year 2007-2008

The supplementary grants are generally laid before the Parliament every financial year if the authorized amount is found to be insufficient for the purposes of that year. There are two batches of Supplementary Demands for Grants that have been introduced in the Parliament for the financial year 2007-2008.

The first batch of Supplementary Demands for Grants for 2007-08 includes 39 grants comprising of gross additional expenditure of Rs. 20,412.14 crore. Of these, the plan and non-plan supplementary grants are 2,571.11 crores and 17,841.03 crores respectively. The second batch of Supplementary Demands for Grants for 2007-2008 includes 42 Grants and 1 Appropriation of gross additional expenditure of Rs. 33,290.87 crore. Of these, the plan and non-plan supplementary grants are 7051.53 crores and 26239.34 crores respectively.

India's External Debt: A Status Report, 2007

Department of Economic Affairs, Ministry of Finance has been publishing ‘India’s External Debt: A Status Report’ on a regular basis since 1993. In its recent publication, it presents various developments in India’s external debt during 2006-07 and provides a vivid picture of the country’s external debt position since 1990. Besides containing an analysis and presentation of India’s external debt, the Report also carries an international comparison of India’s external debt position vis-à-vis other indebted developing countries. India’s external debt stock stood at US$155.0 billion as on March 31, 2007 accounting for 16.4 per cent of Gross Domestic Product (GDP). The debt accumulation of US$ 28.5 billion during the year represents an increase of 22.6 per cent. India’s external debt at end-March 2007 stood at Rs. 675,857 crore. Component-wise, as much as 56 per cent of the increase was accounted for by commercial borrowings, followed by Non-Resident Indian (NRI) deposits (16 per cent), short-term debt (12 per cent) and multilateral debt (11 per cent).
The Unorganized Sector Workers Social Security Bill, 2007

To provide social security to workers in the unorganized sector, the Unorganized Sector Workers Social Security Bill, 2007 was introduced in the Parliament in September last year. The Bill seeks to provide for health insurance, life and accident insurance, maternity benefits and old age pension and any other benefits that may be decided by the Central Government. The two most important schemes that would be part of the proposed legislations are Rashtriya Swasthya Bima Yojana and Aam Admi Bima Yojana.

The ‘Rashtriya Swasthya Bima Yojana’ (RSBY) was launched in October, 2007 and its guidelines were released. Under the scheme, all the Below Poverty Line (BPL) families are to be covered in the next five years. The Central Government will contribute 75 per cent of the premium amount. The scheme envisages issuance of a smart card to the beneficiary. This card will facilitate cashless transaction up to Rs.30,000/- so that the worker does not have to pay anything for seeking medical treatment. The scheme will be implemented in phased manner and cover 1.2 crore BPL workers in the first year and all the 6 crore BPL workers by 2012-13. The unorganized sector worker and his family (unit of five) will be covered under the scheme. Total sum insured would be Rs.30,000/- per family per annum. The salient features of the scheme include cashless attendance to all covered ailments, hospitalization expenses, taking care of most common illnesses with as few exclusions as possible, all pre-existing diseases to be covered and reimbursement of the transportation costs (actual with maximum limit of Rs.100 per visit) within an overall limit of Rs.1000/-. The Scheme will become operational from April 2008.

Under the ‘Aam Admi Bima Yojana’, all the rural landless households in the country will be provided life and disability insurance cover. This cover will be for Rs. 75,000/- on death due to accident and permanent disability due to accident. In case of partial disability due to accident, the insurance cover would be Rs. 37,500/-. Upon death of a member, prior to terminal date, Rs. 30,000/- is the insurance amount. The premium to be charged under the scheme will be Rs. 200 per annum per member of which, 50 per cent will be contributed by the Central Government and remaining by the State Governments. The Finance Minister has already committed Rs. 1000 crore for this scheme in the budget.

NATIONAL POLICY FOR FARMERS 2007

This Policy is intended to help in rejuvenating the farm sector and bringing lasting improvement in the economic condition of the farmers. National Policy for Farmers, 2007 was laid on the table of the Rajya Sabha on 23rd November, 2007 and the Lok Sabha on 26th November, 2007 by Agriculture Minister, Shri Sharad Pawar. In order to operationalise the Policy, the Department of Agriculture & Cooperation will constitute an Inter-Ministerial Committee for preparing a suitable plan of action. Agriculture Coordination Committee under the Chairmanship of the Prime Minister would oversee and coordinate the integrated implementation of the National Policy for Farmers (NPF).

The Government had earlier constituted the National Commission on Farmers in 2004 under the chairmanship of Dr. M.S. Swaminathan. The terms of reference of the Commission included, inter-alia, methods of enhancing productivity, profitability and sustainability of the major farming systems in different agro-climatic regions of the country and suggesting measures to attract and retain educated youth in farming and working out a comprehensive medium term strategy for food and nutrition security. The Commission submitted its final report in October 2006.

Based on the recommendations made by the Commission in its Revised Draft National Policy for Farmers and the comments/suggestions received from various Central Ministries and Departments and State Governments, the “National Policy for Farmers, 2007” has been formulated and approved by the Government of India. The policy, among other things, aims to improve the economic viability of farming by substantially improving the net income of farmers in addition to improving productivity, profitability, land, water and support services and provide appropriate price policy, and risk management measures.

Definition of Farmer by the National Policy for Farmers 2007

The term “FARMER” will refer to a person actively engaged in the economic and/or livelihood activity of growing crops and producing other primary agricultural commodities and will include all agricultural operational holders, cultivators, agricultural labourers, sharecroppers, tenants, poultry and livestock rearers, fishers, beekeepers, gardeners, pastoralists, non-corporate planters and planting labourers, as well as persons engaged in various farming related occupations such as sericulture, vermi-culture, and agro-forestry. The term will also include tribal families / persons engaged in shifting cultivation and in the collection, use and sale of minor and non-timber forest produce.

Though the NPF 2007 looks promising to the farming community, however, the reality is that the livelihood of majority of the population of the country still depends on agriculture and therefore an overhauling is essentially needed to boost the economic growth.”
The challenges facing Indian agriculture are generally related to its over all growth; its sustainability before all conditions or predicament; the agricultural efficiency to meet the livelihood of farming community and also social equity. There are also other important concerns like food security, livelihood, employment, and improvement in standard of living of agricultural population.

In the Union Budget 2007-08, the Finance Minister (FM) had unveiled a number of proposals to improve the economic viability of farming and ensure that farmers earn a minimum net income, when he quoted Jawaharlal Nehru’s speech as “Everything else can wait, but not Agriculture.” However, even after so many years since independence, all other sectors seem to be shining while agricultural growth is stagnant and can be called as the dwindling sector. A plethora of promises and provisions can also be seen in this year’s Budget similar to all the past years. With regard to farm credit, the target of Rs. 175,000 crore, which was set for the FY 2006-07, has been hiked to Rs. 225,000 crore in FY 2007-08. In the current Budget, provision has been made to bring an addition of 50 lakh new farmers to the institutional credit system. Besides, a special plan is being implemented over a period of three years in 31 especially distressed districts in four States of the country involving a total amount of Rs.16,979 crore. A large size of this amount, Rs.12,400 crore, is for water related schemes. The special plan also includes a scheme for induction of high yielding milch animals and related activities in order to provide subsidiary income to the farmer.

However the fact remains, by going through the above statistics about farmers’ suicides, that all is not well in this predominant sector. Therefore, it is essential to deal with the issues which impact the livelihood of farmers. The income levels are determined by the overall production, supported by reasonable levels of yield and prices realized by the farmers. Several constraints such as preponderance of small and marginal holdings accounting for about 82 per cent of total holdings, imperfect market conditions and lack of backward and forward linkages affect the income levels of farmers adversely.

The challenges facing Indian agriculture are generally related to its over all growth; its sustainability before all conditions or predicament; the agricultural efficiency to meet the livelihood of farming community and also social equity. There are also other important concerns like food security, livelihood, employment, and improvement in standard of living of agricultural population.

### Table 1: Farmers Suicide 2005

<table>
<thead>
<tr>
<th>Major States</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maharashtra</td>
<td>3698</td>
<td>288</td>
<td>3926</td>
</tr>
<tr>
<td>AP</td>
<td>2017</td>
<td>473</td>
<td>2490</td>
</tr>
<tr>
<td>Karnataka</td>
<td>1663</td>
<td>220</td>
<td>1883</td>
</tr>
<tr>
<td>Chhattisgarh</td>
<td>1200</td>
<td>212</td>
<td>1412</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>1002</td>
<td>253</td>
<td>1255</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>1055</td>
<td>193</td>
<td>1248</td>
</tr>
<tr>
<td>Kerala</td>
<td>1073</td>
<td>45</td>
<td>1118</td>
</tr>
<tr>
<td>All India farmers</td>
<td>14802</td>
<td>2154</td>
<td>16956</td>
</tr>
</tbody>
</table>

Source: National Crime Record Bureau

In the era of globalization where the importance has been unduly attached to the service sectors, there has been a large scale disparity between the per capita income in the farm sector and the non-farm sector. This has not only put stress on the traditional farming but also has impacted the socio-economic and human development of the farming community as a whole. There are frequent reports of farmers’ suicides in Viharshka region of Maharashtra; Telengana region of Andhra Pradesh; western part of Orissa and in many more states such as Karnataka, Kerala and Punjab. The causes are well known; however to list a few: the absence of adequate social support infrastructure at the level of the village and district; uncertainty of agricultural enterprise in India; indebtedness of farmers; rising costs of cultivation; plummeting prices of farm commodities; lack of credit availability for small farmers; relative absence of irrigation facilities; repeated crop failures, etc.

The UPA Government has recently taken a number of statutory policy initiatives for the welfare of the older citizens in India. Recently it launched an old age pension scheme, Indira Gandhi National Old Age Pension Scheme (IGNOAPS) that is expected to benefit 16 million citizens above the age of 65 and living below the poverty line (BPL). It will cost annual expenditure of Rs 3,772 crore to the state exchequer. The scheme seeks to provide Rs 200 per month as the Union Government’s contribution and a matching amount by the states to each beneficiary. Furthermore, the state Government would ensure that every beneficiary opens an account, either with a bank or post office, so that the money could be directly credited into their account. Such scheme was originally introduced in 1995 as National Old Age Pension Scheme (NOAPS) with a beneficiary getting a mere Rs 75 as the Centre’s contribution.
KEY ISSUES
The World Bank too, in a 1994 Policy Research Report titled ‘Averting the Old Age Crisis’, had initiated a global debate on pension sector reforms. In this report, the Bank chalked out a multi-pillar scheme to provide for old-age financial security. They are: a mandatory, privately managed, tax-financed pillar for social insurance; a mandatory privately managed, fully funded pillar for old age savings; and a voluntary pillar for those who want more protection in their old age. If such neo-liberal attitudes continue to progress under the dictated doctrine of “Washington Consensus”, pursuing schemes like IGNOAPS should not be considered as a major fiscal drag in India. The pressure of pensions on Central and State finances should not be deemed as increasingly burdensome, rather, such kind of social security measures give hope to the aging millions and helps in the process of social stability.

However, the IGNOAPS is not going to cater to the required need of the ageing citizens keeping the cost of living and fiscal situation of the state in mind. The scheme seeks to provide Rs 400 monthly pension to identified beneficiaries which is too meager. The amount is supposed to be shared equally by the Centre and the states concerned. But, with poor fiscal record of the states, it does not seem to be a sound proposition.

The data suggests that only 11 states have so far provided a matching contribution of Rs 200 per person. Instead of asking states to come forward and take ownership of the scheme by providing the matching contribution for the elderly poor to ensure that “no one is left out”, Center should itself assume responsibility of dispensing such benefits to the elder citizens.

The scheme has fixed the bottom line of 65 years of age as minimum age to qualify for the benefits. Such a qualifying criterion will lose the very purpose of the policy unless it covers all those above 60 years of age. Furthermore, it is presently covering the old age citizens of the BPL families, however, the incidence of widows, handicapped, and other vulnerable groups need to be covered in order to reinforce the countries’ resolve for providing social security and making India a more inclusive and equitable society.

Moreover, the scheme is just another name of the National Old Age Pension scheme (NOAPS). The objective of the both the schemes are more or less the same. The Government should rather revitalize many such old schemes rather than creating new ones as populist initiative.

SOME STATISTICS OVER AGING POPULATION IN INDIA
The increase in the ageing population has become a global phenomenon. So is the case in India where the population of older persons is increasing at a fast pace. Because of the general improvement in the health care facilities over the years, life expectancy has gone up. Therefore, India has become the second largest country in the world in respect of the population of older persons in the age group 60+. The total population of older persons in India, as per Census 2001, is 7.66 crores. It is projected that by 2021, due to increasing fertility, the 14.24 million older populations would be among total population.

The projected population aged 60+ and their percentage share in the total projected population as on 1st March 2001-2026, as per the Report of the Technical Group on Population Projections constituted by the National Commission on Population, published by the Office of the Registrar General, India, is as under:

<table>
<thead>
<tr>
<th>Year</th>
<th>Older Person in million</th>
<th>% of Older Persons to Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>70.69</td>
<td>6.9</td>
</tr>
<tr>
<td>2006</td>
<td>83.58</td>
<td>7</td>
</tr>
<tr>
<td>2011</td>
<td>98.47</td>
<td>8.3</td>
</tr>
<tr>
<td>2016</td>
<td>118.1</td>
<td>9.3</td>
</tr>
<tr>
<td>2021</td>
<td>143.24</td>
<td>10.7</td>
</tr>
</tbody>
</table>

Source: Annual Report, Ministry of Social Justice and Empowerment, pg41

THE MAINTENANCE OF PARENTS AND SENIOR CITIZENS BILL, 2007
The Constitution of India states in the “Article 41” (Directive Principles), that: “The state shall, within the limits of its economic capacity and development, make effective provision for securing the right to work, to education and to public assistance in cases of unemployment, old age, sickness and disablement, and in other cases of undeserved want.” Such a constitutional mandate came to the heel of enforcement in the recent enactment of the Maintenance of Parents and Senior Citizens Bill, 2007

The recent initiative seeks to make it a legal obligation for children and heirs to provide maintenance to senior citizens. It also permits state Governments to establish old age homes in every district. Senior citizens who are unable to maintain themselves shall have the right to apply to a maintenance tribunal seeking a monthly allowance from their children or heirs.

State Governments may set up maintenance tribunals in every sub-division to decide the level of maintenance. Appellate tribunals may be established at the district level. State Governments shall set the maximum monthly maintenance
allowance. The Bill caps the maximum monthly allowance at Rs 10,000 per month. Punishment for not paying the required monthly allowance shall be Rs 5,000 or up to three months imprisonment or both.

KEY ISSUES

- It is still unclear whether the creation of maintenance tribunals will take the responsibility to ensure financial independence for senior citizens, or whether parents will take their children to court to obtain a maintenance allowance from them.
- The definition of ‘senior citizen’ includes both Indian citizens aged over 60 years, and all parents irrespective of age. Also, the Bill does not address the needs of senior citizens who do not have children or property.
- Relatives are obliged to provide maintenance to childless senior citizens. The Bill defines “relative” as someone who is in possession of or would inherit a senior citizen’s property. As wills are changeable, it is unclear how one would determine who would inherit the property after death.

To conclude, the idea of providing legal option to aged parents against their own children, for not fulfilling their social and ethical duties, may not be a desirable option in a welfare state like India. In its current pace of disinvestment and privatization, the need of the hour is to provide a safety net for all including senior citizens. A better approach may be to design a social security system, including financial products such as pension schemes and reverse mortgages that enable the elderly to live a dignified life.

NATIONAL POLICY FOR OLDER PERSONS

The Ministry of Social Justice and Empowerment is the nodal Ministry responsible for the welfare of older persons. It came out with the National Policy for Older Persons (NPOP) in 1999 with the following objectives:

- to encourage families to take care of their older family members;
- to enable and support voluntary and non-Governmental organizations to supplement the care provided by the family;
- to provide care and protection to the vulnerable elderly people,
- to provide health care facility to the elderly;
- to promote research and training facilities to train geriatric care givers and organizers of services for the elderly;
- to encourage individuals to make provision for their own as well as their spouse’s old age; and
- to create awareness regarding elderly persons to enable them to become independent citizens.

NATIONAL COUNCIL FOR OLDER PERSONS (NCOP)

The Government had re-constituted a National Council for Older Persons (NCOP) in 2005 under the Chairpersonship of the Minister for Social Justice and Empowerment to advise and aid the Government on policies and programmes for older persons and also to provide a feedback to the Government on the implementation of the National Policy on Older Persons as well as on specific programme initiatives for older persons. The NCOP is the highest body to advise and coordinate with the Government in the formulation and implementation of policies and programmes for the welfare of the aged. The present number of NCOP member is 41. The NCOP includes individuals representing NGOs, citizen’s groups, retired person’s associations and from the field of law, social welfare and security, research, and medicine.

SCHEMES FOR OLDER PERSONS

The Ministry is also implementing two Grant-in-Aid Schemes for the welfare of older persons.

INTEGRATED PROGRAMME FOR OLDER PERSONS

The Scheme of Integrated Programme for Older Persons is aimed to empower and improve the quality of life of older persons. Under the scheme, financial assistance up-to 90 per cent of the project cost is provided to Non-Governmental Organizations for establishing and maintaining old age homes, day care centers, mobile medicare units and to provide non institutional services to older persons. The scheme has been made flexible so as to meet the diverse needs of older persons including reinforcement and strengthening of the family, awareness generation on issues pertaining to older, including reinforcement and strengthening of the family, awareness generation on issues pertaining to older persons, popularization of the concept of life long preparation for old age, facilitating productive ageing, etc.

ASSISTANCE TO PANCHAYATI RAJ INSTITUTIONS/VOLUNTARY ORGANIZATIONS/ SELF HELP GROUPS FOR CONSTRUCTION OF OLD AGE HOMES/ MULTI SERVICE CENTRES FOR OLDER PERSONS.
WOMEN’S RESERVATION BILL: STILL A DISTANT DREAM?

The idea of making a legal provision for reserving seats for women in the Parliament and State Assemblies came into being during Rajiv Gandhi’s tenure as the Prime Minister of India, when the Panchayati Raj Act, 1992 (73rd and 74th Constitutional Amendment) came into effect granting not less than 33 per cent reservation to women in the Panchayati Raj Institutions or local bodies. Prime Minister H.D. Deve Gowda made the promise of reservation of seats for women in the Parliament and State Assemblies in 1996. I.K. Gujral proposed the present form and shape of the Bill during his term as the Prime Minister of India. Though it has been introduced in the Parliament several times since then, the Bill could not be passed because of lack of political consensus.

The proposed bill intends to make reservation for women at each level of legislative decision-making, starting with the Lok Sabha, down to state and local legislatures. If the Bill is passed, one-third of the total available seats would be reserved for women in national, state, or local Governments. In the present existing constitutional provisions, there are already mandating reservations for scheduled castes and scheduled tribes, one-third of such SC and ST candidates must be women in the Panchayat administration which so far has been a very encouraging initiative. As a result, a million women are being elected to the panchayats in the country every five years. This is the largest mobilization of women in public life in the world.

The Bill in its current form envisages reserving 181 seats in the Parliament for women. In practical terms, it means that 181 male members of Parliament would not be able to contest elections if the Bill is passed. Also, there is to be a rotation of seats, i.e. a male member of Parliament can not represent the same constituency for more than two consecutive terms. Here lies the rub.

COUNTERPOINTS

- These two very provisions are the cause owing
to which various political parties wanted to dump the Bill. 181 seats in Parliament is too great a number to be sacrificed for the mere ideal of women’s empowerment or adequate political representation. The clause of ‘rotation of seats’ is seen by the opponents of Bill to ‘strike at the very heart of democracy and democratic values’ as, according to them, the representative will not get a chance to nurture his/her constituency nor the electorate will get a chance to reward or punish their representative.

Furthermore, if 33.3 per cent reservation for women is added to the already existing 22.5 percent for scheduled castes and tribes, more than 55 percent of seats in Parliament would be reserved. This would not be fair to other sections of the population, i.e., women from minorities, Dalits, Adivasis, etc. The argument is that reservation would only help women of the elitist groups to gain seats, therefore causing further discrimination and under-representation of the poor and backward classes also gain ground.

It is also argued that the Bill in its present form would end up ensuring seats in Parliament for the female relatives of those who are already in power.

Many solutions have surfaced in the meantime as a result of political opportunism to break the legislative logjam about the Women’s Reservation Bill. The prominent proposal, such as extending Parliamentary seats from existing 545 to 900 to accommodate the 33 per cent women Parliamentarians, seems unpalatable and unfortunate. Furthermore, the newly floated proposal among political parties to consider 15 per cent or 10 per cent reservation for women in the Parliament shows the patriarchal mentality in the Indian Polity.

However the fact remains that the Women’s Reservation Act would lead to gender equality in Parliament, resulting in the empowerment of women as a whole. Increased political participation of women will help them to fight the abuse, discrimination, and inequality they suffer from. Women are not asking for grace and charity. Their contribution to the cause of nation-building exceeds that of men. An International Labour Organisation study shows that “while women represent 50 percent of the world adult population and a third of the official labour force, they perform nearly two-thirds of all working hours, receive a tenth of world income and own less than one percent of world property.” Therefore, reservation for women is not a bounty but only an honest recognition of their contribution to social development.

To conclude, this article has intended to make an overview of many important policies that have been initiated by the UPA Government in recent months. The Parliamentarians in this winter session have failed to utilize the precious brief period to debate the nitty-gritty of many policies and legislations and rather remained busy in political bickering on the floor of the House. It has been a tradition, as a result of which many important issues/policies get overlooked in the Parliament debate and deliberations, harming the process of policy formulation and implementation.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Lower or single House</th>
<th></th>
<th></th>
<th>Upper House or Senate</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Last</td>
<td>Total</td>
<td>No. of</td>
<td>% of</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Elections</td>
<td>Seats</td>
<td>Women</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Rwanda</td>
<td>09 2003</td>
<td>80</td>
<td>39</td>
<td>48.00%</td>
<td>09 2003</td>
</tr>
<tr>
<td>15</td>
<td>Germany</td>
<td>09 2005</td>
<td>614</td>
<td>194</td>
<td>31.60%</td>
<td>N.A.</td>
</tr>
<tr>
<td>25</td>
<td>Afghanistan</td>
<td>09 2005</td>
<td>249</td>
<td>68</td>
<td>27.30%</td>
<td>09 2005</td>
</tr>
<tr>
<td>48</td>
<td>Pakistan</td>
<td>10 2002</td>
<td>342</td>
<td>73</td>
<td>21.30%</td>
<td>03 2006</td>
</tr>
<tr>
<td>53</td>
<td>UK</td>
<td>05 2005</td>
<td>646</td>
<td>127</td>
<td>19.70%</td>
<td>N.A.</td>
</tr>
<tr>
<td>68</td>
<td>USA</td>
<td>11 2006</td>
<td>435</td>
<td>71</td>
<td>16.30%</td>
<td>11 2006</td>
</tr>
<tr>
<td>107</td>
<td>India</td>
<td>04 2004</td>
<td>545</td>
<td>45</td>
<td>8.30%</td>
<td>07 2007</td>
</tr>
</tbody>
</table>

Source: Women in National Parliament, Inter-Parliamentary Union, Geneva, Switzerland
XI Plan: Some Concerns on Education and Health - Indranil

The XI Plan period of 2007-2012 is very critical in many ways. By now, the limitations and disastrous impact of the liberalization process are clearly visible. Progressive sections of the Indian society have started raising their voice against the exclusive growth process which has left the majority behind. Certain sections of the polity, with an influence on the UPA government, have also expressed their concerns against the unilateral withdrawal of the state. This pressure is reflected in the kind of issues and concerns raised. Yet, the dominant section of the policy makers is still insistent on giving market one more chance. The policy recommendations, as a result, talk about greater community and private participation with limited state involvement. The theme of the XI Plan clearly reflects this contradiction—Towards faster and more inclusive growth”. The growth process creating these inequalities will not be altered, but this time, it aims to be more humane. The vision of XI Plan says:

“The XI Plan...will create productive employment at a faster pace than before, and target robust agriculture growth at 4 per cent per year. It must seek to reduce disparities across regions and communities by ensuring access to basic physical infrastructure as well as health and education services to all. It must recognize gender as a cross-cutting theme across all sectors and commit to respect and promote the rights of the common person.”

The following attempts to identify government’s attitude towards achieving these objectives.

‘ENSURING ACCESS TO BASIC SERVICES’: THROUGH AGGRESSIVE PRIVATISATION?

Education: The UPA has promised to universalise primary education and ensure health for all, proposing to increase public expenditure significantly. But this proposal does not get reflected in the XI Plan. The Planning Commission has identified persistent high drop out rates as a major constraint in achieving universalisation of primary education. Although several reasons have been identified, it fails to recognize the importance of infrastructure to retain students. While talking about quality of education, the Commission fails to address the deterioration in quality due to the appointment of para-teachers replacing regular teachers. As is well-known, issues of infrastructure and quality are essentially issues of finance, but the Planning Commission does not seem to appreciate this. Ideally, the overall inadequacy of investment in education, more specifically in primary education should have been stressed. Due to constant pressure from the states, in order to meet the infrastructure gap in the states, the funding pattern was revised between Union Government and the states from the proposed 50:50 to 65:35. The Planning Commission has ignored the recommendation of Sub-committee, which proposed to maintain a 75:25 share for the XI Plan and instead calls for a gradual dilution of center’s share to 50 per cent by the end of the Plan. Given the poor state of

<table>
<thead>
<tr>
<th>Some facts on Education</th>
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<tbody>
<tr>
<td>Total youth literacy rate (% people aged 15-24) (2005): 76</td>
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<tr>
<td>Adult literacy rate (% ages 15+), female (2004): 47.8</td>
</tr>
<tr>
<td>Adult literacy rate (% ages 15+), male (2004): 73.4</td>
</tr>
<tr>
<td>Total persistence to grade 5 (% of cohort) (2005): 79</td>
</tr>
<tr>
<td>Total primary completion rate (% of relevant age group) (2005): 89</td>
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<tr>
<td>Primary school enrolment (% net) (2005): 90</td>
</tr>
<tr>
<td>Around 7 million children were out of schools in March 2006</td>
</tr>
<tr>
<td>Ratio of female to male net school attendance rates, primary (2005-06): 0.96; secondary (2005-06): 0.80;</td>
</tr>
<tr>
<td>Secondary net school attendance rate, female (%) (2005-06): 45.6</td>
</tr>
<tr>
<td>Tertiary gross enrolment rate, female (%) (2004): 9</td>
</tr>
<tr>
<td>For ST students, share in total enrolment at the primary stage (%) (2005-06): 11.75 per cent; at the upper primary stage (%) (2005-06): 9.28</td>
</tr>
</tbody>
</table>
XI Plan: Some Concerns on Education and Health

“The need of the hour is to establish good quality public schools through the country, a voucher scheme can be seen as a gradual transition from public provision to a complete pay-as-you-go system.”

“The Planning Commission visualizes higher education as a commodity and lays out a plan to facilitate greater private participation.”

infrastructure in backward states, the time line seems to be inadequate.

While it could not promote the role of private sector in primary education, very explicitly, knowing well that such an argument will not hold steam, the Planning Commission is vociferous in promoting PPP model in secondary sector and in higher education, it urges the market to take the lead. To address the problem of quality education in secondary schools, the Planning Commission proposes a voucher scheme wherein parents can choose between public and private schools while being compensated by suitable entitlements. In a situation where private-aided and unaided schools constitute 58 per cent of total secondary schools, such a scheme will effectively mean that all private schools will be compensated and the amount of aid will be proportional to enrolment. How far the benefits of such a scheme will reach the poor, the disadvantaged sections and people in rural areas is doubtful. While the need of the hour is to establish good quality public schools through the country, a voucher scheme can be seen as a gradual transition from public provision to a complete pay-as-you-go system.

The Planning Commission visualizes higher education as a commodity and lays out a plan to facilitate greater private participation. Its recognition for spreading higher education with the objectives of ‘achieving expansion, inclusion and excellence’ are well-taken, but it also needs to be taken into account that the inspiration comes from greater market demand for some courses. The problem with a market driven approach is that opportunity is created only in some courses where industry requires human resources, whereas other spheres, which are of national importance, may be neglected. Further, internal resource mobilization cannot be an excuse to expand higher education, given the dubious record of such a system in ensuring equity. The Commission’s fascination for promoting private education is difficult to comprehend, even as it is well recognized that private education system has promoted elitist education, with consideration for equity and social justice. Overall, it can be clearly seen that UPA’s commitment to increase expenditure in education to 6 per cent of GDP is not clearly reflected in the XI Plan.

HEALTH

Health outcomes are also subject to several factors other than access to health services—access to food, safe drinking water and sanitation being the

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<th>Eleventh Plan Priorities on Education</th>
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**Elementary Education:**
- Universal Enrolment of 6-14 age group children including the hard to reach segment.
- Substantial improvement in quality and standards.
- All gender, social and regional gaps in enrolment in to be eliminated by 2011-12.
- Drop out in primary schools to be eliminated and drop out in elementary level to be reduced to 20 per cent by 2011-12
- Universalised MDMS at elementary level by 2008-09.
- Integrating Zilla Saksharata Samitis with Panchayati Raj Institutions.

**Secondary Education:**
- Raise the minimum level of education to class X level and accordingly universalise access to secondary education.
- Ensure good quality secondary education with focus on Science, Mathematics and English.
- Major reduction in gender, social and regional gaps in enrolments, drop outs and school retention.
- Rs. 5000 for ICT infrastructure in schools.
- Strengthening Teacher Education.
- Introduction of National Skill Development Mission as a comprehensive scheme for creating a diverse and wide range of skills.

**Higher Education:**
- The issue of autonomy and accreditation to be given prime importance for higher educational institutions.
- Quality improvement in higher education will be brought about through restructuring academic programmes to ensure their relevance to modern market demand.
- Thirty Central Universities will be set up including 16 on the basis of one Central University in each of the 16 uncovered states.
- 6000 colleges and 150 Universities will be funded subject to corresponding fund from states and willingness of these institutions to raise internal resources.
most important of them. Per capita food consumption today is the lowest since independence in India, the third round of National Family Health Survey clearly shows increasing trends in malnourishment among women and children in many states. Apart from a cursory mention of integrating food security issues with health improvement, no strategic direction has been provided in this regard. In fact, the entire issue of improving the Public Distribution System has been clearly neglected. The Planning Commission depends solely on the Bharat Nirman to deal with issues of water supply and sanitation. This clearly exposes the Commission’s lack of sincerity towards looking at issues of health separately.

Stark Reality of Health Sector

- Three completely avoidable child deaths occur every minute
- Every third malnourished child in the world lives in India (MWCD Report, 2007)
- Every second Indian child is underweight (MWCD Report, 2007)
- Nearly 8.5 million people are suffering from TB in India, every year 1.8 million new cases are found and almost 0.37 million die out of TB (MoHFW Annual Report 2006-07)
- The latest estimate of HIV prevalence is as high as 0.28 per cent (NFHS III)
- There is a shortage of 21983 Sub-Centre, 4436 PHCs, 3332 CHCs as per 2001 population norm
- Ratio of hospital beds to population in rural areas is fifteen times lower than that for urban areas
- India spends only 0.9 per cent of GDP on public health, merely one-third of the less developed countries’ average (WHO Report, 2003)
- 84 per cent of the expense on healthcare is out-of-pocket

A careful reading of the section on health shows that the major challenge identified by the Commission is the accountability of health professionals, which becomes clear when we find issues of staff absenteeism, unfulfilled vacancies mentioned several times. There is no denying that lack of accountability of staff is impinging heavily on the performance of the health system, but it is not the only problem. Much serious are the concerns of inadequacy of medicines, almost non-functional infrastructure or the absence of any public health facility at all. The Planning Commission proposes to make greater use of trained para-medical personnel. But this proposal needs to be looked at carefully. Definitely, paramedics and Registered Medical Practitioners (RMPs) need to be trained in a better way and also accredited. We should not forget that these people can, in no way, replace well-trained medical professionals; at best, they can supplement them where there are no such trained individuals.

Time Bound Goals for the XI Five Year Plan

- Reducing Maternal Mortality Ratio to 1 per 1000 live births
- Reducing Infant Mortality Rate to 28 live births.
- Reducing Total Fertility Rate to 2.1.
- Providing clean drinking water for all by 2009 and ensuring no slip backs.
- Reducing malnutrition among children of age group 0-3 to half its present level.
- Reducing anaemia among women and girls by 50 per cent.
- Raising sex ratio for age group 0-6 to 935 by 2011-12 and 950 by 2016-17.

The section on financing health services is really disturbing as it clearly shows that the government is clueless on resource mobilization: linking performance with pay and experimenting with ‘different systems of public private partnership’ seems to be their only option. Linking payment to performance essentially means imposition of user fees. The limitations of user fees in mobilizing resources and its consequences on ensuring equity are well recognized. Instead of proposing a National Health Insurance, where state takes the major responsibility, the Commission seems to depend on Community Based Health Insurance. Global experience on such models show that community based insurance only work with economically better off communities, whereas, the poor find it difficult to benefit from these schemes- clearly, we need to look at different aspects of such a scheme before implementing it. By now it is clear that NRHM is nothing more than putting existing schemes under an umbrella, where the central attention is on population. The XI Plan should have been the platform for devising a comprehensive strategy to step up public expenditure, with the aim to create properly functioning health infrastructure, with adequate human resources and supply of medicine; where the concerns of food security, access to water supply and sanitation are also adequately addressed. Unfortunately, the XI Plan fails miserably in this regard.
INTRODUCTION

In 2004, the UPA government had promised in its National Common Minimum Programme (NCMP) to focus on improving the educational and economic condition of the marginalized sections of society, especially Muslims and Dalits. It also stated that inclusive growth could not be achieved without properly addressing the poor economic and educational condition of Muslims. Therefore, in order to translate these promises into action, a High Level Committee was constituted on 9th March, 2005 under the chairmanship of Justice Rajinder Sachar. The objective was to prepare a comprehensive report on the social, economic and educational status of the Muslim community due to non-availability of authentic information. Such information was needed for concrete policy action. The report was prepared after detailed and wide ranging consultations with the State and Central Governments, Non-Governmental Organizations and Universities. The Sachar Committee submitted its report on 17th November, 2006 which was tabled in both the Houses of Parliament on 30th November, 2006. While the Committee recognized at the very outset that Muslims, like other minorities, face multifaceted challenges related to problems of security, identity and equity, but their mandate limited them to focus on equity related issues, wherein Muslims are lagging behind other Socio-Religious Communities (SRCs). The report analyses the differentials between Muslims and SRCs in demographic characteristics, level of education, conditions of employment, credit flows, participation in public programmes and access to infrastructure. More than a year after submission of the report, it has remained largely unimplemented, though the Action Taken Report (ATR) was placed in the Parliament in August, 2007.

KEY FINDINGS OF THE SACHAR COMMITTEE REPORT

Overall, the report suggests, Muslims are among the most marginalised communities in India in terms of economic and educational indices as well as political empowerment. Being one of the largest communities and spread across the country, they cannot be overlooked by the state and the policy-makers. In terms of its recommendations, the report is too large and it is beyond the scope of this article to cover all the issues. The following table and box highlight the findings related to

### Highlights of the Sachar Committee Report

<table>
<thead>
<tr>
<th>Variables</th>
<th>Muslims (%)</th>
<th>All India</th>
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<tbody>
<tr>
<td>Share in Population (2001)</td>
<td>13.4</td>
<td>1028.6 million</td>
</tr>
<tr>
<td>Share in total OBC population</td>
<td>15.7</td>
<td>40%</td>
</tr>
<tr>
<td>Urban Population</td>
<td>36</td>
<td>28%</td>
</tr>
<tr>
<td>Literacy (2001)</td>
<td>59.1</td>
<td>64.4%</td>
</tr>
<tr>
<td>Children who have either never attended schools or have dropped out (6-14 yrs)</td>
<td>25</td>
<td>17% (approx)</td>
</tr>
<tr>
<td>Graduate or diploma</td>
<td>4</td>
<td>7%</td>
</tr>
<tr>
<td>Street vending</td>
<td>12</td>
<td>4%</td>
</tr>
<tr>
<td>Worker -Population Ratio</td>
<td>54.9</td>
<td>64.4%</td>
</tr>
<tr>
<td>IAS</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>IPS</td>
<td>1.8</td>
<td>-</td>
</tr>
<tr>
<td>IFS</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Rural Poverty (2004-05)</td>
<td>26.9</td>
<td>22.6%</td>
</tr>
<tr>
<td>Urban Poverty (2004-05)</td>
<td>38.4</td>
<td>20.4%</td>
</tr>
<tr>
<td>National Poverty (2004-05)</td>
<td>22.7</td>
<td>31%</td>
</tr>
<tr>
<td>Infant Mortality Rate (per Thousand)</td>
<td>59</td>
<td>73</td>
</tr>
</tbody>
</table>

Sachar Committee Report- Promises and Actions - Jawed A. Khan
Box-1: Key Findings of Sachar Committee Report

Demographic

- Muslims constitute about 13.4 per cent of total Indian population and 15.7 per cent of the total OBC category.
- A large proportion of Muslims live in urban areas (36 per cent) as compared to national average (28 per cent).
- The community is mainly concentrated in Uttar Pradesh, Bihar, West Bengal, Maharashtra, Jammu & Kashmir, Assam and Kerala.

Educational

- The literacy rate among Muslims in 2001 was 59.1 percent, which was below the national average of 64.8 percent.
- Around 25 percent of Muslim children in the age group of 6 – 14 years have either never attended school or have dropped out.
- Less than 4 percent of Muslims are graduates or diploma holders as compared to other groups which has its share of about 7 percent.

Employment and Economic Conditions

- Self-employment (home based work) is the main source of income of majority of the Muslims (2004-05).
- More than 12 per cent of Muslim male workers are engaged in street vending as compared to the national average of less than 8 per cent (2004-05).
- The percentage of Muslim women workers undertaking work within their own homes is much larger at 70 per cent compared to all workers at 51 per cent (2004-05).
- More than 16 per cent of Muslims were engaged as sales workers, while the national average was only about 10 per cent with their participation being relatively lower in professional, technical, clerical and to some extent, managerial work.
- Percentage of households availing banking facilities is much lower in villages where the share of Muslim population is high.
- Their representation in the IAS, IFS and IPS in 2006 was 3, 1.8 and 4 per cent respectively.
- There are 36 Muslim MPs of 543 seats in the current Lok Sabha.

Poverty and Development

- About 38 percent of Muslims in urban and 27 percent in rural areas live below the poverty line.
- About 40 per cent of large villages with a substantial Muslim concentration lack basic medical facilities.
- One third of small villages with higher concentration of Muslims do not have any educational institutions.
- Muslim-dominated villages are not well served with pucca roads.

Social Condition

- The Muslim population shows an increasingly better sex ratio compared with other socio-religious communities.
- Infant and childhood mortality among Muslims is slightly lower than the national average.

demographic, educational, employment, poverty and social conditions of Muslims.

RECOMMENDATIONS OF THE COMMITTEE

The committee has formulated broad policy measures and made specific recommendations. The overall policy perspective covers four key dimensions. First, mainstreaming and inclusiveness should be the cornerstone of the policy framework. Second, there is an urgent need to increase the diversity in residential, work and educational spaces. Third, more equity would reduce the sense of discrimination that the community perceives. Fourth, availability of detailed information can facilitate action and monitoring.

ACTION TAKEN REPORT (ATR)

In response to the Sachar Committee recommendations, the Central Government has taken the initiative regarding follow up action. It prepared an ATR to be implemented to improve the condition of Muslims, especially in the area of education and economic empowerment. The salient features of ATR are as enumerated in Box 2.
“The major focus has been on the education related issues like scholarship schemes for students and opening additional primary and upper primary schools in the minority dominated areas.

“A new centrally sponsored scheme for students belonging to minority community would be launched in 2008-09. It will involve an expenditure of Rs. 1,530 crore during the 11th plan. A total of 15 lakh scholarships will be given during the plan period from 2007-12.”

**Box-2: Action Taken Report (ATR)**

- Targeted development intervention in 90 identified minority concentrated districts
- Suitable measures to improve poor civic amenities and low economic opportunities in 338 identified towns
- An inter-ministerial group for planning and monitoring the implementation of comprehensive Programme for development
- Opening up more branches of public sector banks in Muslim concentrated areas; promoting micro-finance among the minorities, especially women
- Effective monitoring of loan disposal applications and maintaining of district-wise and bank-wise data by Reserve Bank of India on its website
- In an attempt to step up priority sector lending to minorities from the present level to 15 per cent over a period of three years
- Opening up new school for boys and girls under SSA schemes
- Block Institutes of Teacher Education (BITES) would be established to impart pre-service and in-service training to teachers
- Additional allocation for opening women’s hostels in schools and universities
- The Madarasa Modernization Programme to enhance the components eligible for assistance
- The question of equivalence of qualifications from Madarsas for subsequent access to higher education will be addressed
- Three scholarship schemes are proposed exclusively for the minorities: (a) Merit-cum-means scholarship scheme for 20,000 students pursuing technical and professional courses (approved); (b) Two scholarship schemes to be introduced; (c) A revised coaching and remedial tuition scheme (approved)
- Guidelines issued to improve the representation of minorities in Government public sector enterprises and banks
- The Corpus of the Maulana Azad Education Foundation (MAEF) to be augmented and its operations expanded and streamlined
- Dissemination of information regarding health and family welfare schemes to be done in Urdu and regional languages in districts, blocks and towns with a substantial minority population
- Amendment to the Wakf Act proposed to address existing deficiencies. A suitable agency to assist in the development of Wakf properties so that the augmented income could be utilized for the purposes intended
- Setting up an Equal Opportunity Commission (EOC) to look into grievances regarding discrimination.
- An expert group has been Constituted to propose an appropriate “diversity index” in order to promote diversity
- Civil Rights Centre will be opened in universities, beginning with Central universities. All personnel, like government employees, teachers, and health personnel would be sensitized to the importance of diversity and social inclusion
- Establishing a National Data Bank (NDB) and an autonomous Assessment and Monitoring Authority (AMA).

**IMPLEMENTATION OF ATR**

It has been a year since the Sachar Committee Report was tabled in the Parliament and based on that an ATR was presented by the Ministry of Minority Affairs before the Parliament. It is therefore important to focus on the extent to which the ATR has been implemented. The major focus has been on the education related issues like scholarship schemes for students and opening additional primary and upper primary schools in the minority dominated areas. The next section attempts to present a brief report card of the status of implementation of the ATR.

**EDUCATION**

Even before the submission of the report, the Ministry of Human Resource Development had announced some measures to improve the educational condition of the community through Sarva Siksha Abhiyan (SSA). It had proposed a Pre-Matric Scholarship Scheme for Muslims, OBCs, SCs/STs and the girl child. The ministry also sanctioned 6,918 primary and upper primary schools along with 32,250 Education Guarantee Schemes (EGS) Centers for minority dominated districts. From 2006 onwards, the category minority (Muslims) is being included in the reporting of enrollment from each school in the country under the District Information System (DISE) data base of SSA.

In this process, a new centrally sponsored scheme for students belonging to minority community would be launched in 2008-09. It will involve an expenditure of Rs. 1,530 crore during the 11th plan. A total of 15 lakh scholarships will be given during the plan period from 2007-12. In this, 30 percent of the total has been reserved for women. The scholarships will be awarded to those fulfilling the merit-cum-means criteria and those studying in any registered educational institution like schools, colleges, vocational institutes and universities. All the students coming from families with an
annual income below Rs. 2 lakh will be eligible for the scholarship. The scheme will be implemented by the Ministry of Minority Affairs. The two schemes announced earlier were coaching & allied scheme and Merit–cum–Means scholarship scheme for minority community students.

**ECONOMIC EMPOWERMENT**

Focusing on the field of economic empowerment of Muslims, credit facility provided by commercial banks for the minority community will be increased by 15 percent in the coming years. The Ministry of Finance has also proposed to earmark 15 percent of the country’s budget for religious minorities, including Muslims. A sub-plan was proposed by the Eleventh Plan “Working Group on Empowering the Minorities” for allocation of funds under different heads broadly on the basis of the Muslims’ share in the population (for programmes that are divisible). The two apex bodies namely Planning Commission and National Development Council (NDC) have rejected the proposal to formulate a separate sub-plan for religious minorities to be integrated into the Eleventh Five-Year Plan. However, the NDC towards its commitment for the welfare of the minorities has assured implementation of Prime Minister’s 15-point Programme. The programme stipulates that wherever possible, 15 percent of outlays under various schemes will be earmarked for the minorities. However, it is not clear how such an onerous task would be undertaken in the absence of a suitable mechanism within the institutional set-up. Further, no separate statistical profile for Muslims in the proforma, application forms and monitoring tools have been provided.

**POLICY GAPS AT IMPLEMENTATION LEVEL**

The Sachar Committee recommendations were aimed at bringing about systemic changes in the institutional functioning and improvement in governance, essential to improve inclusiveness of the Muslim community. But the poor performance of the government is, to say the least, shocking; notwithstanding some token increases, it has failed to deliver in areas such as institutional reforms, appropriate policy initiatives and concrete action plans. It is also unfortunate that the proposal for a separate sub-plan for the religious minorities has been rejected, which needs to be integrated into the Eleventh Five-Year Plan. In the field of education, there is no specific strategy for promoting education amongst Muslims, including measures to reduce school dropout rates, an easier admission process in higher and vocational education, better hostel facilities and teacher training.

A separate Ministry (Minority Affairs) was created to ensure the implementation of more than 300 programmes by different ministries and departments to alleviate poverty and improve overall human development. Practically speaking, it is impossible for a single ministry to deal with so much, efficiently and holistically. The larger malaise of exclusion has to be addressed by all ‘regular line departments’ and Ministries at the National and State levels, taken together. The ATR appears to be largely unclear and vague.

First, ATR recommends 90 minority districts with “substantial Minority population concentrations” to provide “basic amenities and employment opportunities identified on the basis of poor developmental parameters which cover only 30 percent of total Muslims. The ATR report has left the remaining 70 percent population, spread all over India. Second, the Sachar Committee has highlighted the status of Muslims in a comparative perspective, but the ATR refers to “Minorities,” thus diluting the Muslim focus. Third, the ATR is also silent on the need for universalisation of education. Besides, no mention is made about promoting higher education among Muslims. Fourth, no clear strategy and appropriate mechanism has been devised to improve the representation of Muslims in the Central and State administrations and Public Sector Undertakings.

**CONCLUSION**

In the light of the recommendations of the Sachar Committee, the policies to deal with the relative deprivation of Muslims in India should focus on creating an appropriate institutional mechanism and initiating policy reforms. It also requires a definite timeline, a programme-specific strategy at the implementation level and clarity with respect to monitoring mechanisms and tools. Enhancing the access to credit and economic support programmes; better access to education, improved employment opportunities and conditions; and support for community initiatives are required on an urgent basis. The implementation of a separate sub-plan for minorities in the budget could have been a substantive idea in this direction that unfortunately has been rejected. The reason behind the rejection being the confusion it would create at the implementation level because two sub-plans for SCs and STs are already functional, revealing the Government’s escapist attitude. The inclusion of a separate sub-plan is the precondition for inclusive development and mainstreaming of the Muslim community while respecting its diversity.
Education, as is well known, is a key driver of a nation’s growth. In that too, elementary education comprises a vital component in determining the quality of citizenship. In this regard, examining budgets focusing on education becomes crucial. Keeping this in mind, the Centre for Budget and Governance Accountability, supported by Commonwealth Education Fund, implemented a study on Monitoring the Right to Education (MRE) in 2006-07. The focus of the study was to monitor the education budget of the governments at all levels of governance and make a case for increased allocation to education, particularly to primary education, along with improving the governance of education in the country. The scope of the study, in geographic terms, covered Andhra Pradesh, Bihar and Orissa. Broadly, the objectives can be summarized as follows:

- Promote Education For All
- Examine the factors leading to the country’s low educational status
- Build capacities of CSOs/NGOs in project states on education budget analysis
- Support & equip grassroots CSOs to participate in local planning & budget-making process
- Strengthen civil society network for budget advocacy in education sector
- Highlight advocacy issues to improve quality & governance aspects of education

As is well-known, a combination of research, capacity building and advocacy of the objectives sought depicts the entire monitoring process in ensuring ‘right to education’, the scope in the study is limited to the first two interventions, they being (a) research and (b) capacity building.

A. RESEARCH

An attempt was made to study and analyse the education budget at all the levels of governance, policy documents and audit reports to present a comprehensive view of the issues pertaining to the sector. Such an understanding of the sector and issues were complemented with a detailed analysis of primary information collected from the schools situated in the three study states.

B. CAPACITY BUILDING:

Capacity building was carried out as a process through which the partners at different levels were identified and structured workshops on budget analysis and advocacy for monitoring right to education were conducted in all the three study states. Partners included civil society organizations in the states and districts, panchayat members, Village Education Committee members, and citizens’ group members. Three state level workshops were conducted in Bhubaneswar, Patna and Hyderabad.

This apart, ten district level workshops, specifically focusing on education situation at the local level and sub-district level were held.

SAMPLING STRATEGY AND DISTRIBUTION

While initially, it was thought to select on the criteria that of the four districts selected from each project state, two would belong to the best achiever districts and two from the worst achiever districts, in terms of educational attainments. This, however, was modified later to avoid wrong inclusion of extreme results (by including highly urbanised and educationally advanced districts) as also to avoid wrong exclusion of the aspect of diversity in the nature and quality of educational services. Instead, average performing districts were selected, two of them being relatively better off than the state average and the other two below the state average. A similar strategy was adopted while selecting blocks in each district. On the
basis of the above, the sample districts and blocks selected are listed below:

**Andhra Pradesh**
- Rangareddi (Urban, Educationally advanced)
  - Blocks: Rajendra Nagar, Saroor Nagar
- Mehubnagar (Rural, Educationally backward)
  - Blocks: Balanagar, Amangal
- West Godavari (Rural, Educationally average)
  - Blocks: Elamanchili, Buttayagudem
- Krishna (Rural, Educationally average)
  - Blocks: Nuzvid, Mudinepalle

**Bihar**
- Araria (Rural, Educationally backward)
  - Blocks: Araria, Jokihat
- Purnea (Rural, Educationally backward)
  - Blocks: Purnea East, Banmankhi

**Orissa**
- Puri (Semi urban, Educationally average)
  - Blocks: Puri Sadar, Gop
- Ganjam (Semi Urban, Educationally Advanced)
  - Block: Ganjam, Jagannathprasad
- Bolangir (Rural, Educationally backward)
  - Blocks: Bolangir, Patnagarh
- Kalahandi (Rural, Educationally backward)
  - Blocks: Junagarh, Bhowanipatna

Selection of sample respondents was done as per the stratified random method. In total 4182 respondents were surveyed and interviewed from 20 blocks in 10 districts across the three study states.

The findings of the study are based on secondary literature review and analysis of primary data compiled from the three study states. The present article focuses exclusively on the findings emerging from the field and primary database.

A majority of the respondents belong to the labour class, both agricultural and non-agricultural sector. With regard to the occupational structure, in terms of social category, the respondents from the general category are fairly distributed among all occupations, while for all other social groups; they belong largely to the labour class. Female members of the household (mothers) are largely housewives.

A critical aspect while examining access to schooling is the distance students’ travel. This reveals chronic gaps vis-à-vis the usual government promises. Approximately 17% students travel more than 1 km to go to school and about 4% students cover more than 3 kms on a daily basis. The situation is particularly worse in case of upper primary schools. In Orissa, while 5 per cent students travel more than 1 km from their residence at primary level, in case of upper primary level, around 27 per cent students travel more than 1 km. In Bihar, around 42 per cent students cover more than 1 km to reach the school. It is also interesting to note that the worse-off districts in this aspect are those that are either considered urban or located close to the city centers/State capital. The remote/tribal districts actually seem to be faring better in comparison. Also, boys travel more than 1 km as compared to the girl students connoting that parents prefer to send their girl children to schools that are close by. Closely associated to this is the infrastructure (school struture), which again is not sufficient with semi-pucca and thatched roofs for school buildings being a considerable figure. Evidence also shows schools being run in open spaces in Araria (Bihar) and Mehubnagar (AP).

As is revealed from the compiled database, having separate toilets for girls is one of the most neglected areas. Around 56 per cent of all girl students are enrolled in schools that do not have separate toilets. The situation is particularly distressing in Orissa where the proportion of such girls is much higher (74 per cent of total girls enrolled). A social group wise classification also reveals that the worst affected girls are from SC, ST and Muslim communities.

Availability of drinking water is another critical area that has seen total neglect in terms of public provisioning. Only 21 per cent of total students surveyed had access to drinking water facility in the school itself. In spatial comparison, Bihar is the worst off compared to the other two study states – AP and Orissa, wherein AP ranks most favorably.

Abysmal disinterest in terms of public provisioning is also evident when availability of furniture is the indicator with almost 60 per cent of the total sample surveyed having no furniture in the schools. During visits undertaken in the field, it was also observed that in several schools, especially in tribal areas, students sit on the floors. Shockingly, even in cases where furniture exists, students are not allowed to use it and sit on the floor along with students from different grades/levels. Recalling the condition prevalent 20 years ago, while much advancement might not have been made with regard to literacy rates, almost all schools were equipped with basic facilities like mini-desks (while students still sit on the floor; they write on a desk about a foot high from the floor), drinking water and so on. Now, even though the enrolment ratios have improved, but qualitatively, we are on the decline with school furniture often being used for panchayat meetings!
"A major aspect that needs to be examined is the average out of pocket expenditure of parents in educating their children at the elementary level. Based on the database, it is highest in Bihar followed by Orissa. However, it is also relevant to note that this figure must be seen in consonance with the poor economic condition of most of the sample households in the study states. A major chunk of these expenses are incurred on school uniform, books and stationery."

Another vital aspect relates to lack of provision of entitlements such as Mid Day Meal scheme (MDM), free textbooks, and free uniforms for girl students. Evidence of exclusion from MDM is another area of concern emerging from the study with approximately 24 per cent of students being excluded. Among the study states, students in Orissa face highest level of exclusion in getting MDM (32 per cent students). Bihar schools (84 per cent students) are best performers among the three study states in providing MDM. Interestingly, it also comes to light that the largest exclusion of students from MDM is evidenced in case of students belonging to general category whereas the ST students are among the least excluded.

Around 21 per cent students are not provided with free textbooks. The situation is almost the same in all the states. The proportion of SC students who do not get free text books is largest in Bihar. In case of free uniforms for girls, the best performing state is Orissa among the study states. Around 78 per cent girls get free uniforms from the school. The figures for Bihar and Andhra Pradesh are 1.4 per cent and 4.7 per cent respectively. In this context, the worst hit in Bihar are Muslims, SCs and STs. In the total sample, more than 66 per cent girls do not get free uniform.

In Orissa, only around 20 per cent SC students and 24 per cent ST students get any kind of scholarship. The best performing district in Orissa is Kalahandi where around 96 per cent children from Dalit and Adivasi communities get scholarship. Andhra Pradesh, probably, is the worst performing state in terms of providing scholarship.

Another key indicator of quality education is student classroom ratio. In Orissa, around 78 per cent students share their classroom with less than 40 students. The figures for Bihar and Andhra Pradesh are 68 per cent and 89 per cent respectively. The pupil classroom ratio is quite critical in Bihar where 20 per cent students share their classroom with more than 60 fellow students. In Purulia East Block, Purulia district, Bihar, around 10 per cent students share their classroom with more than 100 other students!

Many students in Bihar and Orissa rely on private tuition to complement the teaching provided in the schools. More than half of the students interviewed in Orissa and a little less than half (46 per cent) in Bihar see tuitions as a necessary corollary to school teaching. In comparison, the figure for Andhra Pradesh is 14 per cent.

Around 20 per cent students in Orissa, 18 per cent each in Bihar and Andhra Pradesh reported that they have siblings in the school going age who are out of school. 80 per cent respondents in Orissa, 91 per cent in Bihar and 62 per cent in Andhra Pradesh cited poverty and economic backwardness as the major contributory factors. In the case of Muslims and SC students, only 15 per cent of the total out-of-school siblings of students associate their absence from schooling to child labour. Around 81 per cent boys and 89 per cent girls assist in household work. The gender disparity in terms of workload in the household is clearly larger in Bihar where around 92 per cent girls and 74 per cent boys assist in daily household chores. Prevalence of child labour among students is negligible. Of the total 1941 students interviewed, only 4 acknowledged to be working for a wage.

On the other hand, it is heartening to note that, based on the findings, an overwhelming proportion of students like to go to school with reasons ranging from interest in studies and peer group in schools. However, a miniscule section of students who stated their dislike for going to school cited economic backwardness and poor school infrastructure as the major reasons.

Finally, a major aspect that needs to be examined is the average out of pocket expenditure of parents in educating their children at the elementary level. Based on the database, it is highest in Bihar followed by Orissa. However, it is also relevant to note that this figure must be seen in consonance with the poor economic condition of most of the sample households in the study states. A major chunk of these expenses are incurred on school uniform, books and stationery. When seen in the context of the present cacophony created by the Central government in deliberately delaying the operationalisation of the Fundamental Right to Education, this is key to universalizing elementary education and ensuring that all children are in school. Till such time that the Central government does not initiate the framework for enforcing the Right to Education, critical evidence from the field such as these will continue to rankle.

All these call for strong advocacy action by the civil society practitioners for making elementary education a right in the true sense. This involves interventions both at the policy and at the community/implementing level to bridge the demand and supply-side gaps in the education sector. The study undertaken by CBGA proved to be yet another clear indicator that much needs to be done in the field of elementary education. Rhetorical gestures alone will not mean anything so long the governments at the helm continue to shy away from strengthening the concerns relating to infrastructure along with addressing quality of education imparted. Reinvigorating the existing monitoring mechanisms at the local and school level will make significant dent towards enforcing the ‘right’ to education.
Interview: Brinda Karat

We need to recognize that the neoliberal agenda the government is pursuing through its policies are trying to sabotage the systemic configuration of our own development strategies. The effort is to create situations where the welfare mechanisms fail to operate and then pursue a clear case for privatization.

Q. Why do you think Universal PDS is the answer?
Ans. There are three main reasons to press on the need for a Universal PDS system in India. Firstly, it has a tremendous potential to provide food and nutrition support to millions of poor people in the country. Second, an effective UPDS has the strength to check price fluctuations of essential commodities. Thirdly, with an effective procurement policy linked with UPDS has the potential to provide necessary income support to farmers. It is economically and morally more sound to have a Universal PDS. Today, we have an expanding population which needs food security. This need can only be met by a Universal PDS.

Q. What prompts you to conclude that food stamps will be ineffective?
Ans. There is no concrete evidence to support the fact that food stamps have really delivered anywhere in the world. In India, since decades, we have a ready network of fair price shops. I strongly feel that this ready system should be effectively utilized for delivery of services, and these services should not just include food but other essential commodities and services as well. Also, it is much easier for corrupt elements to use food stamps. Further, in poor conditions which currently prevail in India, it is very difficult to store even a laminated ration card, let aside keeping food stamps safely. Food stamps also need appropriate calculations. More importantly, a shift from fair price shops to food stamps is a clear shift to privatization and would be an effort to dismantle a huge network of shops and procurement agencies controlled by the government. Nobody can give the guarantee that leakage would be stopped with introducing food stamps. Until and unless we remove the circumstances which cause pilferage, the problem will continue.

Q. Do you think administrative reforms will help correct the current mess of PDS?
Ans. In order to understand the phenomenon, we need to recognize that the policies in place are making the end provider unviable. Due to this, whatever administrative reforms are done, policies will make sure that such reforms are sabotaged. Administrative reforms are not possible in a targeted system, as it exists today. It would be meaningful only in a universal system. However, even in the present form, there is ample scope for administrative reforms. The answer lies in more accountability, participation, mobilization through SHGs etc.

Q. What about the whole issue of procurement?
Ans. Here Food Corporation on India (FCI) plays a major role. As we see today, procurement has been done in only 2-3 major states and others have been left out. A large number of FCI responsibilities have been outsourced including the crucial responsibility of quality checks. Major FCI godowns are in few select states such as Punjab, Haryana and UP. Thus, what is happening is, private godowns are being used for the purpose of procurement. FCI is outsourcing procurement to the company which is using the futures trade market. Both BJP and Congress have proposed amendments in the Agricultural Market Produce Act. FCI is not being provided a level playing field. It has to bear huge tax burdens and its competitor private agencies are provided huge tax relief. In the domestic market, FCI offers lower prices to farmers and after being unable to meet the targets, we import from foreign traders at a much higher rate without any proper mechanism for quality check. Procurement today in the name of ‘procurement for farmers’ is only helping foreign traders and corporates.

Q. What is the link between commodity trading and food security?
Ans. There is a crucial link between the two. Some big companies speculate the prices of essential commodities and push up their prices. It is vital to keep the essential commodities such as wheat, rice and pulses outside the scope of future trade. The government claims that the individual farmers would benefit from future trading in agricultural produce. However, the fact is, not even 3 per cent farmers have ever heard of any such virtual market.

Q. How do you see the current government policies?
Ans. Government is encouraging farmers to shift from food grains to commercial crops. On the other hand, we have ended up paying 80 percent higher price to private players to procure basic staples like wheat. It is a self-destructive policy. Extending foodgrain production should be the objective of the policy. It is essential to assess the consent of farmers before implementing such policies. The farmers as a community are in acute distress. It’s not just about the condition of Kerala farmers or the whole cotton belt. Farmers are committing suicide in every part of our country under utter distress. They need to be given remunerative prices for their produce. Government needs to take into account the factor cost of production. Some spurious relief measures like
Vidarbh package is not the answer; rather we need such package for all the areas to avoid the replication of what happened in Vidarbha. This needs critical investment in agricultural infrastructure and comprehensive income support policies for farmers.

Q. How do you see the current methodology of calculating the people below poverty line?
Ans. According to the Arjun Sen Gupta’s report, the number of persons with per capita daily consumption of upto Rs. 20 was 836 million in 2004-05. At present, only 6 crore people get covered under Antodaya Yojana, which leaves a massive population out of the benefits. There is no point continuing the current Targeted PDS since the methodology of identifying beneficiaries under PDS based on the consumption basket is out dated. The Government has done nothing except saying that it will consult economists to explore the dubious methodology of calculation of people living below poverty line.

Q. What is the plan of CPI(M) in this regard?
Ans. PDS is one of the core issues for the party. We have seen the impact of the current mess on the statistics of malnutrition. It is one of the worst impacts of the neo-liberal policy framework. The retreat of the state from providing food and livelihood security in the country needs urgent policy attention. CPIM has been leading numerous struggles at the grassroots level to protest the anti-people policies of the government. At the national level, there is a consistent effort by the party to evolve and bring pro people agenda at the centre stage of our policy making.

Brinda Karat is a member of the Polit Bureau of the Communist Party of India (Marxist). She has been actively involved in numerous issues of public policy. She also belongs to the All India Democratic Women’s Association (AIDWA), the largest women’s organization in India, with 8 million members.

(The interview was conducted by Bhumika Jhamb)
Today numerous organizations are struggling for people’s rights. Although CBGA in its attempt to influence public policies using budget as a tool has been holding National Convention on the Union Budget since three years, a need was felt to join hands with other organizations and form a broader alliance to have a larger voice in influencing the processes. Thus, in the year 2006-07, the foundation of the People’s Budget Initiative was laid. This broad banner of People’s Budget Initiative comprises of grassroots organizations, people’s movements, academia and the media as well as national and international organizations. The aim being to gather on a common platform and deliberate on issues of public policy and advocate for them.

This year, yet again, for the fourth time, CBGA led the process being the Secretariat to the People’s Budget Initiative with the assistance and enthusiasm of the Organizing Committee1. The National Convention on the Union Budget 2007-08 was a two - day event held on 14th and 15th November.

Regular meetings were held with the Organizing Committee to arrive at a comprehensive and detailed structure for the National Convention. Background papers were prepared on the issues and experts were invited in the two-day event to suggest concrete demands on the specific concerns for the forthcoming Union Budget.

People’s Budget Initiative is now a collective of more than 150 civil society organizations. This year, over 200 participants from 53 cities and towns in India gathered for the fourth time to advocate for pro-people policies. International delegates, including parliamentarians, from Afghanistan, Bangladesh and Sri Lanka were also among the participants. The participants from 20 states held focused groups discussions on crucial issues of agriculture, education, health and the often subsumed sections of dalits, adivasis, women and children. At the end of the two-day long deliberations, a presentation was made reflecting people’s demands for the forthcoming Union Budget.

However, the preparation of the People’s Charter is not visualized to be an end in itself but a starting point to take the process forward. The advocacy exercises will include a series of activities to be undertaken from now till early February. The final People’s Charter will be circulated to the civil society organizations to have a collective voice in the process. Meetings will be held with the concerned government officials, and with the officials of the Ministry of Finance, Commerce Ministry, members of the Planning Commission and Finance Commission, secretaries in the department of Revenue and Finance, members of the National Advisory Council and National Development Council, separate meeting with political parties, Members of Parliament and the Standing Committees of the Parliament, etc. who are all critical to the budget making process. It will also entail meeting with the trade unions and collectives such as these which also have a voice in the process.

Since the Charter constitutes different themes such as Agriculture, Education, Health and demands for marginalized sections of women, children, dalits and adivasis, the Charter will thus be split into separate sections to be further taken to the relevant Ministries/Departments. These advocacy activities will feed into CBGA’s public event ‘As If People Matter?’ which is a comprehensive response to the Union Budget held immediately the day after the budget is released.

Recognizing the fact that it is an uphill task to democratize the budget making process, where exclusion of common people is the norm, and things will not change in a day, we do hope that with this broader alliance of the People’s Budget Initiative, we will be able to make a dent in the process.

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1 Organising Committee
Amnesty International - India  •  BARC  •  CBGA  •  CDSA  •  Charkha  •  CYSD  •  ISSST  •  NACDOR  •  NCAS  •  NCDHR  •  North East Network  •  OLS  •  Oxfam (India) Trust  •  PWESCR  •  National Social Watch Coalition  •  Social Watch – Tamilnadu  •  Samarthan  •  Sanket  •  Water Aid  •  Wada Na Todo Abhiyan
### SOCIO-ECONOMIC INDICATORS

#### Education

<table>
<thead>
<tr>
<th>Indicator</th>
<th>(In percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total enrolment rate (elementary)</td>
<td>93.5</td>
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<tr>
<td>Total enrolment rate (rural)</td>
<td>6.7</td>
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<tr>
<td>Total enrolment rate (urban)</td>
<td>19.9</td>
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<tr>
<td>Total enrolment rate (female)</td>
<td>9.1</td>
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<tr>
<td>Gross Enrolment Ratio (IX-XII)</td>
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<tr>
<td>Drop-out rate (elementary)</td>
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<tr>
<td>Drop Out (%) rates (IX-XII)</td>
<td>62</td>
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#### Health

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<tr>
<td>Infant Mortality Rate (SRS 2005)</td>
<td>58 per 1000</td>
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<tr>
<td>Maternal Mortality Ratio (2001-03 Special Survey of deaths using RHIME, RGI(2006) GOI)</td>
<td>3.01 per 1000</td>
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<td>Total immunization coverage (NFHS-3, 2005-06)</td>
<td>44</td>
</tr>
<tr>
<td>Prevalence of Anemia among children (6-35 months)</td>
<td>79.2</td>
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<tr>
<td>Prevalence of Anemia among pregnant women</td>
<td>57.9</td>
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<td>Public spending on health (% of GDP)</td>
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<tr>
<td>Average medical expenditure per hospitalization case in a private hospital (rural) (NSS-60th Round, 2004)</td>
<td>7,408 (Rs.)</td>
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<tr>
<td>Average medical expenditure per hospitalization case in a private hospital (urban) (NSS-60th Round, 2004)</td>
<td>11,553 (Rs.)</td>
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<tr>
<td>Average medical expenditure per hospitalization case in a government hospital (rural) (NSS-60th Round, 2004)</td>
<td>3,238 (Rs.)</td>
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<tr>
<td>Average medical expenditure per hospitalization case in a government hospital (urban) (NSS-60th Round, 2004)</td>
<td>3,877 (Rs.)</td>
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#### Women & Children

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<tr>
<td>Sex Ratio (0-6 yrs) (NSS 2004-05)</td>
<td>927 per 1000</td>
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<td>Work participation rate (rural) (NSS 2004-05)</td>
<td>32.7</td>
</tr>
<tr>
<td>Work participation rate (urban) (NSS 2004-05)</td>
<td>16.6</td>
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<tr>
<td>Child malnutrition (NFHS-3, 2005-06)</td>
<td>46</td>
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<tr>
<td>Seats held by women in Parliament (HDR 2006, UNDP)</td>
<td>9.2</td>
</tr>
<tr>
<td>Under five mortality rate (The State of the World’s Children, 2003)</td>
<td>93 per 1000</td>
</tr>
<tr>
<td>Crime against women (NCRB, 2005)</td>
<td>80,979 (in nos.)</td>
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#### Poverty

<table>
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<tr>
<th>Indicator</th>
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<tbody>
<tr>
<td>Poverty ratio (uniform recall period), Planning Commission</td>
<td>27.8</td>
</tr>
<tr>
<td>Average Monthly Per capita Consumer Expenditure (rural)</td>
<td>625 (Rs.)</td>
</tr>
<tr>
<td>Average Monthly Per capita Consumer Expenditure (urban)</td>
<td>1,171 (Rs.)</td>
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*Source: (NSS-62nd Round 2005-06)*
Key Fiscal Indicators (Per cent to GDP)

<table>
<thead>
<tr>
<th>Year</th>
<th>Primary Deficit</th>
<th>Revenue Deficit</th>
<th>Gross Fiscal Deficit</th>
<th>Outstanding Liabilities</th>
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<td>Centre</td>
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<td></td>
</tr>
<tr>
<td>2002-03</td>
<td>1.1</td>
<td>4.4</td>
<td>5.9</td>
<td>63.6</td>
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<tr>
<td>2003-04</td>
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<td>3.6</td>
<td>4.5</td>
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<tr>
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<td>4</td>
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<tr>
<td>2005-06</td>
<td>0.4</td>
<td>2.6</td>
<td>4.1</td>
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<tr>
<td>2006-07 RE</td>
<td>0.2</td>
<td>2</td>
<td>3.7</td>
<td>61.5</td>
</tr>
<tr>
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<td>-0.2</td>
<td>1.5</td>
<td>3.3</td>
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<td>States</td>
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<tr>
<td>2005-06</td>
<td>0.2</td>
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<td>2006-07 RE</td>
<td>0.4</td>
<td>0.1</td>
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<td>30.8</td>
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<tr>
<td>2007-08 BE</td>
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<td>2.3</td>
<td>29.8</td>
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<tr>
<td>Centre + States</td>
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<td>3.1</td>
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<td>2007-08 BE</td>
<td>0.2</td>
<td>1.3</td>
<td>5.5</td>
<td>74.8</td>
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Source: RBI, Annual Policy, 2007-08
www.rbi.org.in/scripts/PublicationsView.aspx?id=10189

Notes: Major deficit indicators presented in the tables are defined as follows:

**Revenue deficit** denotes the difference between revenue (Current) receipts and revenue expenditure.

**Gross fiscal deficit (GFD)** is the excess of total expenditure (including loans net of recovery) over revenue receipts (including external grants) and non-debt capital receipts.

**Gross primary deficit** is defined as GFD minus interest payments.

*The combined deficit indicators have been worked out after netting out the inter-Governmental transactions between Centre and States.*

**Combined GFD** is the GFD of Central Government plus GFD of State Governments minus net lending from Central Government to State Governments.

**Combined Revenue deficit** is the difference between revenue receipts and revenue expenditure of the Central and State Governments adjusted for inter-Governmental transactions in the revenue account

**Combined (gross) primary deficit** is defined as combined GFD minus combined interest payments.
### Price Rise Indicators for Various Categories of Workers

<table>
<thead>
<tr>
<th></th>
<th>CPI-IW (Base: 2001=100)</th>
<th>CPI-UNME (Base: 2001=100)</th>
<th>CPI-AL (Base: 1986-87=100)</th>
<th>CPI-RL (Base: 1986-87=100)</th>
<th>WPI Inflation</th>
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<tr>
<td>General</td>
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<td></td>
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<tr>
<td>Food Group</td>
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<td>Weight</td>
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<tr>
<td></td>
<td>46.2</td>
<td>47.1</td>
<td>69.2</td>
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<td>4.9</td>
<td>5</td>
<td>5.3</td>
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<td>2007(March)</td>
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<td>7.6</td>
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<td>6.1</td>
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<td>2007(Sep.)</td>
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<td>5.7</td>
<td>7.7</td>
<td>7.9</td>
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<td>2007(Oct.)</td>
<td>5.5</td>
<td>7.8</td>
<td>5.5</td>
<td>6.8</td>
<td>7</td>
</tr>
</tbody>
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**Notes:**
- Inflation: Rate of Price Increase ((P1-P0)/P0*100)
- CPI: Consumer Price Index
- WPI: Wholesale Price Index
- IW: Industrial Workers
- UNME: Urban Non-Manual Employees
- AL: Agricultural Labourers
- RL: Rural Labourers
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