

November 20th, 2006.

Dear

I have already separately written to you about the decision to convene the National Development Council meeting on 9th December, 2006, to consider the Draft Approach Paper to the 11th Five Year Plan.

At the meeting of the full Planning Commission held to consider the Draft Approach Paper, it was decided that the overall growth targets for the country as well as the targets for the monitorable indicators should be broken down State-wise. It was also decided that these State-wise targets should be communicated to the States and that the Members in charge of the respective states should thereafter visit the States and ascertain the views of the States on these targets so as to develop a broad agreement thereon in time for the NDC meeting.

Enclosed are the targets that have been worked out State-wise in respect of the following monitorable indicators :

1. Infant Mortality Ratio;
2. Maternal Mortality Ratio;
3. Total Fertility Rate;
4. Malnutrition of children (0-3 years);
5. Anemia among women (15-49 years);
6. Sex ratio (0-6 years);
7. Drop out rate in elementary education;
8. Literacy rate
9. Gender gap in literacy rate.

I have also enclosed a note on the State-wise targets of employment creation and jobs that will be needed during the 11th Five Year Plan. A separate note giving the State-wise break up of the overall growth targets, with Sectoral targets for agriculture, industry and services for each State, as well as reduction in the poverty (head count) ratio that is required to be achieved in the 11th Plan is also enclosed.

I request you to kindly go through this State-wise break up of the overall targets for the country and discuss them with our Member in-charge of your State.

As desired by the full Planning Commission, we would like to finalise a broad agreement with all the States on these targets before the forthcoming NDC meeting.

We hope that this exercise will facilitate all States in preparing their own Five Year Plans and also ensure consistency between the State Plans and the national Plan. We further expect that each State will further break down these targets to the Sub-State level, which will help in better targeting of our interventions.

We are conscious of the fact that our statistical systems need to be substantially strengthened in order to be able to monitor these targets closely so as to provide timely inputs for decision making and policy changes. During the 10th Five Year Plan, we did not have the benefit of any separate special institutional arrangements for this purpose and the matter was almost entirely left to the efforts of the State Governments. We realize that this approach has not delivered the intended results.

The monitorable indicators mentioned above are all essentially Human Development indicators. During the 10th Plan period, most States have published their State Human Development reports, with the assistance of a joint UNDP-Planning Commission project to provide technical support therefor. In the States that have published such SHDRs, a follow up project of "Strengthening of State Plans for Human Development" (SSPHD) has also been launched, again jointly by the Planning Commission and the UNDP. This project has an important component relating to strengthening of State statistical systems, with specific reference to Human Development indicators. Under this project, several national level institutions that have built up expertise in this area, such as the International Institute for Population Sciences, Indian Statistical Institute, IGIDR, etc. have been brought in by the Planning Commission in order to provide technical assistance and capacity building for the States. A major component of this SSPHD project is also the preparation of district level HDRs. This exercise would lead to generation of reliable data on HD indicators at the district and lower levels. I would strongly urge you to make full use of the capacity building and technical assistance support under the SSPHD project in order to improve your State's statistical systems to obtain reliable and timely data on the monitorable indicators. In case your State has not yet been covered under this project, I would strongly urge you to finalise the State level HDR and release the same so that your State can also be considered for inclusion in the follow up SSPHD project.

While the action required for generating data on the monitorable indicators lies primarily with the state governments, Planning Commission also would like to support the endeavour of the state governments in this area. During the 11th Five Year Plan period, therefore, we propose to set up a Working Group that will continuously supervise the working of the statistical systems and provide guidance on strengthening them so as to generate the required data in a reliable and timely manner. You may like to take up this

issue with your Planning Secretary so that the preparatory work can begin as soon as possible.

Yours sincerely,

Sd/-
(Rajeeva Ratna Shah)

Encl : as above

Chief Secretaries of all States / UTs

IMR BY STATES

Sl.No	State / Union Territory	Current Level	11th Plan Goal
	India	58	28
1	Andhra Pradesh	59	28
2	Assam	66	32
3	Bihar	61	29
4	Chhatisgarh	60	29
5	Delhi	32	15
6	Gujarat	53	26
7	Haryana	61	29
8	Jammu & Kashmir	49	24
9	Jharkhand	49	24
10	Karnataka	49	24
11	Kerala	12	6
12	Madhya Pradesh	79	38
13	Maharashtra	36	17
14	Orissa	77	37
15	Punjab	45	22
16	Rajasthan	67	32
17	Tamil Nadu	41	20
18	Uttar Pradesh	72	35
19	West Bengal	40	19
20	Arunachal Pradesh	38	18
21	Goa	17	8
22	Himachal Pradesh	51	25
23	Manipur	14	7
24	Meghalaya	54	26
25	Mizoram	19	9
26	Nagaland	17	8
27	Sikkim	32	15
28	Tripura	32	15
29	Uttaranchal	42	20
30	Andaman & Nicobar	19	9
31	Chandigarh	21	10
32	Dadra & Nagar Haveli	48	23
33	Daman & Diu	37	18
34	Lakshadweep	30	14
35	Pondicherry	24	12

Source: Current level - SRS 2004

Note: For State level figures, pro-rata reduction has been applied on the basis of targeted reduction at All India level.

MATERNAL MORTALITY RATIO BY STATES

(per 1,00,000 live births - India and major states)

SI.No	India & Major States	MMR (1998)	MMR (2001-03)	11th Plan Goal-reduction from current level of 301 to 100
	INDIA	407	301	100
1	Assam	409	490	163
2	Bihar/Jharkhand	452	371	123
3	Madhya Pradesh/ Chhattisgarh	498	379	126
4	Orissa	367	358	119
5	Rajasthan	670	445	148
6	Uttar Pradesh/ Uttaranchal	707	517	172
7	Andhra Pradesh	159	195	65
8	Karnataka	195	228	76
9	Kerala	198	110	37
10	Tamil Nadu	79	134	45
11	Gujarat	28	172	57
12	Haryana	103	162	54
13	Maharashtra	135	149	50
14	Punjab	199	178	59
15	West Bengal	266	194	64

Source: 2001-2003 Special Survey of Deaths using RHIME (routine, representative, re-sampled household interview of mortality with medical evaluation), RGI, Gol.

Note: For State level figures, pro-rata reduction has been applied on the basis of targeted reduction at All India level. Figures for other States are not available

Total Fertility Rates (TFR) for India and States							
Sl.No	State	Current Level	Option 1	Option 2	Option 3	Option 4	Option 5
			11th Plan Goal	11th Plan Goal	11th Plan Goal	11th Plan Goal	11th Plan Goal
1	Andhra Pradesh	2.2	1.5	2.1	2.1	N.A.	1.8
2	Assam	3.0	2.1	2.1	2.1	N.A.	2.1
3	Bihar	4.3	3.0	2.1	2.2	N.A.	2.2
4	Gujarat	2.8	2.0	2.1	2.1	N.A.	1.9
5	Haryana	3.1	2.2	2.1	2.1	N.A.	1.9
6	Himachal Pradesh	2.1	1.5	2.1	2.1	N.A.	1.8
7	Karnataka	2.4	1.7	2.1	2.1	N.A.	1.8
8	Kerala	1.8	1.3	2.1	1.8	N.A.	1.8
9	Madhya Pradesh	3.8	2.7	2.1	2.1	N.A.	2.4
10	Maharashtra	2.3	1.6	2.1	2.1	N.A.	1.9
11	Orissa	2.6	1.8	2.1	2.1	N.A.	1.9
12	Punjab	2.3	1.6	2.1	2.1	N.A.	1.8
13	Rajasthan	3.9	2.7	2.1	2.1	N.A.	2.2
14	Tamil Nadu	2.0	1.4	2.1	2.0	N.A.	1.8
15	Uttar Pradesh	4.4	3.1	2.1	2.2	N.A.	2.8
16	West Bengal	2.3	1.6	2.1	2.1	N.A.	1.8
	All India	3.0	2.1	2.1	2.1	2.1	2.1

Source: Current level - SRS 2002	
Note:	Figures for other States are not available
Option1:	For State level figures, pro-rata reduction has been applied on the basis of targeted reduction at All India level.
Option2 :	All States to uniformly achieve 2.1(It will mean increase in TFR in Kerala and Tamil Nadu).
Option3 :	Except Kerala and Tamil Nadu (which have TFR<2.1)all other States to strive for achieving TFR of 2.1.However, UP and Bihar having very high TFR to strive for achieving TFR of 2.2, which will eventually lead to All India TFR of 2.1.
Option 4:	No State wise targets
Option 5:	Shifting the projected levels of TFR by RGI for 2021 (average of 2016-20 and 2021-25) to 2012

MALNUTRITION OF CHILDREN(0-3 YEARS) BY STATE

Sl.No	State	Current level of Wt-for-age below -2 SD	11th Plan Goal-redn.by 50%
1	Andhra Pradesh	37.7	18.9
2	Arunachal Pradesh	24.3	12.2
3	Assam	36.0	18.0
4	Bihar	54.4	27.2
5	Goa	28.6	14.3
6	Gujarat	45.1	22.6
7	Haryana	34.6	17.3
8	Himachal Pradesh	43.6	21.8
9	Jammu & Kashmir	34.5	17.3
10	Karnataka	43.9	22.0
11	Kerala	26.9	13.5
12	Madhya Pradesh	55.1	27.6
13	Maharashtra	49.6	24.8
14	Manipur	27.5	13.8
15	Meghalaya	37.9	19.0
16	Mizoram	27.7	13.9
17	Nagaland	24.1	12.1
18	Orissa	54.4	27.2
19	Punjab	28.7	14.4
20	Rajasthan	50.6	25.3
21	Sikkim	20.6	10.3
22	Tamil Nadu	36.7	18.4
23	Uttar Pradesh	51.7	25.9
24	West Bengal	48.7	24.4
25	Delhi	34.7	17.4
	INDIA	47.0	23.5

Note1: Figures for current level are that of NFHS 1998-99

Note 2: For State level figures, pro-rata reduction has been applied on the basis of targeted reduction at All India level. Figures for other States are not available

ANAEMIA AMONG WOMEN (15-49 YEARS) BY STATES

Sl.No	State	Current Level	11th Plan Goal: reduction by 50%
	India	51.8	25.9
1	Delhi	40.5	20.3
2	Haryana	47.0	23.5
3	Himachal Pradesh	40.5	20.3
4	Jammu & Kashmir	58.7	29.4
5	Punjab	41.4	20.7
6	Rajasthan	48.5	24.3
7	Madhya Pradesh	54.3	27.2
8	Uttar Pradesh	48.7	24.4
9	Bihar	63.4	31.7
10	Orissa	63.0	31.5
11	West Bengal	62.7	31.4
12	Arunachal Pradesh	62.5	31.3
13	Assam	69.7	34.9
14	Manipur	28.9	14.5
15	Meghalaya	63.3	31.7
16	Mizoram	48.0	24.0
17	Nagaland	38.4	19.2
18	Sikkim	61.1	30.6
19	Goa	36.4	18.2
20	Gujarat	46.3	23.2
21	Maharashtra	48.5	24.3
22	Andhra Pradesh	49.8	24.9
23	Karnataka	42.4	21.2
24	Kerala	22.7	11.4
25	Tamil Nadu	56.5	28.3

Note1: Figures for current level are that of NFHS 1998-99

Note 2: For State level figures, pro-rata reduction has been applied on the basis of targeted reduction at All India level. Figures for other States are not available

SEX RATIO (0-6 years) BY STATES

Sl.No	State /UT	Current Level of Sex ratio (0-6 years)	Goal by 2011-12	Goal by 2016-17
	All India	927	935	950
1	Andaman & Nicobar Islands	957	965	981
2	Andhra Pradesh	961	969	985
3	Arunachal Pradesh	964	972	988
4	Assam	965	973	989
5	Bihar	942	950	965
6	Chandigarh	845	852	866
7	Chhattisgarh	975	983	999
8	Dadra & Nagar Haveli	979	987	1003
9	Daman & Diu	926	934	949
10	Delhi	868	875	890
11	Goa	938	946	961
12	Gujarat	883	891	905
13	Haryana	819	826	839
14	Himachal Pradesh	896	904	918
15	Jammu & Kashmir	941	949	964
16	Jharkhand	965	973	989
17	Karnataka	946	954	969
18	Kerala	960	968	984
19	Lakshadweep	959	967	983
20	Madhya Pradesh	932	940	955
21	Maharashtra	913	921	936
22	Manipur	957	965	981
23	Meghalaya	973	981	997
24	Mizoram	964	972	988
25	Nagaland	964	972	988
26	Orissa	953	961	977
27	Pondicherry	967	975	991
28	Punjab	798	805	818
29	Rajasthan	909	917	932
30	Sikkim	963	971	987
31	Tamil Nadu	942	950	965
32	Tripura	966	974	990
33	Uttar Pradesh	916	924	939
34	Uttaranchal	908	916	931
35	West Bengal	960	968	984

Source: Current Level - Census 2001

Note: For State level figures, pro-rata increase has been applied on the basis of targeted increase at All India level.

Calculation of the Projected and Target State-wise Drop Out rate in 2011-12

The enclosed table gives the calculation on the projected and target drop out rate for the states in the terminal year of the Plan (2011-12).

1. The latest available data on state-wise drop out rate are available for the year 2003-04. The decline in the drop out rate in primary sector in 2004-05 and 2005-06 are calculated by relating increase in expenditure in SSA with the decline in drop out rate. The parametric value of the coefficient relating the dropout rate with the SSA expenditure has been worked out at the national level. (For some states the expenditure figures have been calculated by de-trending. This was necessary due to the unusually high rate of increase in expenditure in 2004-05 due to the low base, which in turn, was because of late start of SSA.) This has been applied to the states' increase in SSA expenditure to obtain the decline in the drop out rate in the primary sector.

2. The decline in primary drop out rate for the year 2006-07 has been assumed to be the same as in 2005-06.

3. The relationship between the drop out rate in primary and elementary sectors has been assessed at the national level from the time series data. The elasticity between the two (which is a measure of the ratio of the two rates of change) is estimated as 0.75. This elasticity at the national level has been applied uniformly for all the states to derive the decline in the drop out rate in elementary from that estimated for the primary sector.

4. The state-wise target drop out rate in 2011-12 consistent with 20% drop out rate at the national level is obtained by applying iterative procedure adjusting the projected state-specific drop out rates in 2011-12, to the national average drop out rate of 20.00 as control total.

Projection of State-wise Dropout Rate in Elementary Education

No	State	Actual 2003-04	Projected 2006-07	Projected 2011-12	Target 2011-12
0	1	3	4	5	6
1	Andhra Pradesh	59.79	51.09	36.58	24.37
2	Arunachal Pradesh	63.52	47.03	19.54	13.02
3	Assam	70.81	66.54	59.43	39.59
4	Bihar	78.03	64.45	41.80	27.85
5	Chhattisgarh	46.81	34.86	14.93	9.95
6	Goa	9.43	0	0	0
7	Gujarat	46.94	44.09	39.35	26.21
8	Haryana	21.26	11.41	0	0
9	Himachal Pradesh	14.28	6.87	0	0
10	Jammu & Kashmir	36.36	21.57	0	0
11	Jharkhand	78.03	65.49	44.59	29.70
12	Karnataka	50.59	45.53	37.11	24.72
13	Kerala	0	0	0	0
14	Madhya Pradesh	46.81	38.31	24.14	16.08
15	Maharashtra	33.25	28.94	21.77	14.50
16	Manipur	30.61	25.58	17.20	11.46
17	Meghalaya	71.13	62.26	47.48	31.63
18	Mizoram	64.19	50.26	27.05	18.02
19	Nagaland	44.83	38.72	28.55	19.02
20	Orissa	61.72	56.59	48.03	31.99
21	Punjab	35.19	24.92	7.80	5.20
22	Rajasthan	68.50	59.40	44.24	29.47
23	Sikkim	73.29	62.95	45.70	30.44
24	Tamil Nadu	25.15	21.20	14.62	9.74
25	Tripura	64.29	56.89	44.55	29.67
26	Uttar Pradesh	42.84	36.89	26.97	17.96
27	Uttaranchal	42.84	37.79	29.37	19.56
28	West Bengal	63.77	51.89	32.08	21.37
29	A & N Islands	18.86	13.70	5.10	3.39
30	Chandigarh	0	0	0	0
31	Dadra & N. Haveli	45.24	37.83	25.49	16.98
32	Daman & Diu	17.36	16.13	14.08	9.38
33	Delhi	27.71	12.06	0.00	0.00
34	Lakshadweep	4.90	4.22	3.09	2.06
35	Pondicherry	0	0	0	0
	Total	52.22	42.69	30.02	20.00

State-wise Literacy Rate Target in the Eleventh Plan

The target of state-wise literacy rate for the terminal year of the Eleventh Plan (2011-12) has been set in the following way:

1. The state-wise literacy rate for male and female population in 2001 as obtained from the census data have been used as the base.
2. For 2011-12: (a) the aggregate literacy rate in the country (average for male and female literacy rates) has been set as 85% in 2011-12, (b) the gender gap in literacy rate is set as 10%.
3. Fulfillment of the two conditions given in Para 2 above is contingent upon achieving the target of male and female literacy rate in 2011-12 as 89.8% and 79.8% respectively.
4. The target for state-wise literacy rate for male and female population in 2011-12 has been set by calibrating the base level estimates, setting the national average of the male and female literacy rate (89.8% for males and 79.8% for females, as given in Para 3) as controls. Also, two constraints have been imposed on these state-wise estimates. These are: (a) male literacy rate should not exceed 96%, (b) female literacy rate should not exceed 95%. The average of male and female literacy rate has been worked out from the male and female literacy rates, using the population proportion (male and female) as weights. These are given in Table-1. Table-2 gives the state-wise gender gap in literacy rate for 2001 and 2011-12.

Projection of State-wise Literacy Rate in the Eleventh Plan

No	State	Male: 2001	Female: 2001	Total : 2001	Male: 2011-12	Female: 2011-12	Total: 2011-12
0	1	2	3	4	5	6	
1	Andhra Pradesh	70.32	50.53	60.53	85.36	76.36	80.88
2	Arunachal Pradesh	63.83	43.53	54.24	77.48	65.78	71.96
3	Assam	71.28	54.61	63.23	86.53	82.53	84.59
4	Bihar	59.68	33.12	46.96	72.45	55.06	64.04
5	Chhattisgarh	77.38	51.85	64.69	93.93	78.36	86.16
6	Goa	88.42	75.37	82.03	97.52	95.93	96.76
7	Gujarat	79.66	57.80	69.18	96.70	87.35	92.24
8	Haryana	78.49	55.73	67.96	95.28	84.22	90.16
9	Himachal Pradesh	85.35	67.42	76.53	97.52	95.93	96.74
10	Jammu & Kashmir	66.60	43.00	55.47	80.85	64.98	73.30
11	Jharkhand	67.30	38.87	53.52	81.70	58.74	70.56
12	Karnataka	76.10	56.87	66.66	92.38	85.95	89.20
13	Kerala	94.24	87.72	90.89	97.52	95.93	96.70
14	Madhya Pradesh	76.06	50.29	63.72	92.33	76.00	84.50
15	Maharashtra	85.97	67.03	76.88	97.52	95.93	96.76
16	Manipur	80.33	60.53	70.54	97.51	91.48	94.53
17	Meghalaya	65.43	59.61	62.56	87.87	87.35	87.61
18	Mizoram	90.72	86.75	88.80	97.52	95.93	96.75
19	Nagaland	71.16	61.46	66.57	91.73	91.18	91.47
20	Orissa	75.35	50.51	63.10	91.47	76.33	83.96
21	Punjab	75.23	63.36	69.69	94.88	94.31	94.62
22	Rajasthan	75.70	43.85	60.43	91.89	66.27	79.57
23	Sikkim	76.04	60.40	68.74	91.43	90.88	91.17
24	Tamil Nadu	82.42	64.43	73.48	97.52	95.93	96.72
25	Tripura	81.02	64.91	73.18	97.52	95.93	96.74
26	Uttar Pradesh	68.82	42.22	56.23	83.54	70.19	77.20
27	Uttaranchal	83.28	59.63	71.68	97.52	90.12	93.88
28	West Bengal	77.02	59.61	68.61	93.50	90.09	91.84
29	A & N Islands	86.33	75.24	81.24	97.52	95.93	96.78
30	Chandigarh	86.14	76.47	81.91	97.52	95.93	96.86
31	Dadra & N. Haveli	71.18	40.23	57.33	86.41	60.80	75.10
32	Daman & Diu	86.76	65.61	78.00	97.52	95.93	96.97
33	Delhi	87.33	74.71	81.64	97.52	95.93	96.81
34	Lakshadweep	92.53	80.47	86.70	97.52	95.93	96.72
35	Pondicherry	88.62	73.90	81.25	97.52	95.93	96.78
	Total	75.26	53.67	64.59	89.80	79.80	85.00

Gender Gap in Literacy Rate in the Eleventh Plan

No	State	2001	2011-12
0	1	2	
1	Andhra Pradesh	19.8	9.0
2	Arunachal Pradesh	20.3	11.7
3	Assam	16.7	4.0
4	Bihar	26.6	17.4
5	Chhattisgarh	25.5	15.6
6	Goa	13.1	1.6
7	Gujarat	21.9	9.4
8	Haryana	22.8	11.1
9	Himachal Pradesh	17.9	1.6
10	Jammu & Kashmir	23.6	15.9
11	Jharkhand	28.4	23.0
12	Karnataka	19.2	6.4
13	Kerala	6.5	1.6
14	Madhya Pradesh	25.8	16.3
15	Maharashtra	18.9	1.6
16	Manipur	19.8	6.0
17	Meghalaya	5.8	0.5
18	Mizoram	4.0	1.6
19	Nagaland	9.7	0.5
20	Orissa	24.8	15.1
21	Punjab	11.9	0.6
22	Rajasthan	31.9	25.6
23	Sikkim	15.6	0.5
24	Tamil Nadu	18.0	1.6
25	Tripura	16.1	1.6
26	Uttar Pradesh	26.6	13.4
27	Uttaranchal	23.7	7.4
28	West Bengal	17.4	3.4
29	A & N Islands	11.1	1.6
30	Chandigarh	9.7	1.6
31	Dadra & N. Haveli	31.0	25.6
32	Daman & Diu	21.2	1.6
33	Delhi	12.6	1.6
34	Lakshadweep	12.1	1.6
35	Pondicherry	14.7	1.6
	Total	21.6	10.0

A Brief Note on State-wise Break up of Employment Creation and Jobs Needed

1. The state-wise requirement of employment have been calculated keeping in view the additions to the labour force during the Eleventh Period and the backlog of unemployed persons at the beginning of the Eleventh Plan. At the national level, this totals to 73.14 million under the assumption that the labour force participation rate (LFPR) will remain constant at the 2004-05 levels. The assumption of constant LFPRs is questionable since there are at least two forces which can change them over time : (a) an increase in women's participation in the labour force; and (b) an increase in the proportion of persons studying beyond the age of 15. However, since these are contradictory influences, and there is no robust method for projecting them, constant LFPRs may not be too far off the mark.
2. Elasticity of employment with respect to GSDP for each of major States and for the country as a whole for the period 1993-94 to 2004-05 were estimated. This could only be done for the major States due to data limitations.
3. Applying the elasticity to the expected growth rates for the Eleventh Plan Period, additional employment opportunities likely to be generated have been calculated State-wise. A national GDP growth rate of 9% is estimated to generate about 66 million employment opportunities during the 11th Plan period. However, the State-wise decomposition of the growth target and the state-wise elasticities of employment yields a higher figure of 76.38 million. The number should be somewhat higher if the smaller states are also included. However, this figure contains a substantial element of additional employment in agriculture, which may actually not materialise due to the constraints already being experienced in agricultural employment. Thus, the 11th Plan target of 70 million additional work opportunities appears reasonable.
4. Correction is made in 3, if the additional jobs to be created were pegged at 70 million.
5. Difference between 1 and 4 is reported state-wise. This will give some states with negative sign and others with a positive sign. Positive sign would imply that requirement of a State would be higher than jobs that can be created. Negative sign would mean the vice-versa. It would be seen that considerable cross-migration will be involved if the state-wise employment needs and opportunities are to be met.

	Elasticity Based Additional Jobs	Adjusted Additional Jobs	Additional Jobs Needed	Difference
Andhra Pradesh	3122251	2861379	4656379	1795000
Assam	2937402	2691974	2012572	-679402
Bihar	5386850	4936764	5777606	840842
Chhatisgarh	2280291	2089766	1490527	-599240
Gujarat	5314811	4870744	3446655	-1424089
Haryana	2406739	2205650	1819303	-386347
Himachal Pradesh	365029	334530	409584	75054
Jammu & Kashmir	1935693	1773961	670361	-1103600
Jharkhand	2319959	2126120	2228551	102431
Karnataka	3709799	3399835	3174750	-225085
Kerala	2978142	2729311	3894088	1164777
Madhya Pradesh	5639107	5167944	4405955	-761989
Maharashtra	9562561	8763583	6979913	-1783671
Orissa	2243526	2056073	3457021	1400948
Punjab	2418744	2216651	1904671	-311981
Rajasthan	4347538	3984290	4695431	711142
Tamil Nadu	0	0	3000376	3000376
Uttar Pradesh	13435461	12312892	11155438	-1157454
Uttaranchal	778288	713260	641356	-71905
West Bengal	4364088	3999457	5638348	1638891
Delhi	835636	765816	1684576	918760
Major States	76381917	70000000	73143459	3143459

State Level Projections for Agricultural Growth during 11th Five Year Plan

In order to make State level projections for growth in agriculture during 11th Five Year Plan, the State-wise performance of agricultural growth has been analysed. Different determining variables have been examined for 23 States for the period 1993-94 to 2002-03, and a generalised least square (GLS) random effect panel data regression has been used. The Hausman specification test suggests that the random variable model rather than the fixed effect one is appropriate and differences in coefficients are significantly systematic. The determining variables taken are agricultural deflator, rainfall, population, fertiliser usage and total government expenditure on agriculture (including expenditure on agriculture and allied activities, rural development, special area programme and irrigation and flood control) as factors affecting the agricultural performance of the different states. All the variables are taken in log.

The generalised panel data model for 23 States over the 10 year period suggests that the agricultural output at current prices is significantly positively dependent on total government expenditure on agriculture, fertilizer usage, rainfall and population and agricultural deflator. Based on the above panel results, projections for growth in agricultural output at current prices (Y) have been made for 28 states for the 11th Plan period. A number of assumptions have been made on the future trend of each of the determining variables for the projections. The generalised equation, as obtained from above that is used as follows:

$$Y = e^{-7.52} \cdot P^{0.75} \cdot \text{Pop}^{0.86} \cdot \text{GE}^{0.12} \cdot R^{2.26} \cdot F^{0.05}$$

The assumptions for the projections are as follows:

- (i) Level of rainfall (R) has been kept constant at the simple average of 1993-94 to 2002-03 in each state.
- (ii) Usage of fertilizer (F) and Population (Pop) and total government expenditure in each state has been projected on the basis of trend of the log series for the period 1993-94 to 2002-03.
- (iii) Projections for agricultural deflator are based on time trends in each state.

The baseline projections have been made for the 11th Five Year Plan period using a linear trend for each of the determining variables for the period 1993-94 to 2002-03. The results indicate that the All India CAGR for agricultural growth during the 11th five year plan is 2.17 percent. The state-wise break up of growth rate is in Table 1.

Table 1**Baseline Scenario - Projected agricultural growth at constant 1993-94 prices**

States	growth rate
Andhra Pradesh	1.38
Arunachal Pradesh	0.75
Assam	1.14
Bihar	3.09
Chhattisgarh	1.72
Goa	3.69
Gujarat	2.10
Haryana	1.97
Himachal Pradesh	1.77
Jharkhand	3.38
Jammu & Kashmir	2.11
Karnataka	2.49
Kerala	-0.06
Madhya Pradesh	2.14
Maharashtra	1.78
Manipur	0.22
Meghalaya	1.33
Mizoram	0.98
Nagaland	2.51
Orissa	1.09
Punjab	2.42
Rajasthan	1.37
Sikkim	2.27
Tamil Nadu	3.31
Tripura	1.38
Uttar Pradesh	2.64
Uttaranchal	2.62
West Bengal	1.89
All States	2.17

- Taken projections for government expenditure of Bihar for Jharkhand, MP for Chattisgarh and UP for Uttaranchal since data for agricultural expenditure available for 2004-05 and 2005-06.
- Taken price deflator of Assam for Mizoram since data is not available.

In order to raise the agricultural growth from 2.17 percent to the targeted 4 percent, it is necessary to adopt a combination of policy measures across different states. From the present model, there are three policy driven variables which can be altered viz. fertiliser consumptions, price deflator and government expenditure on agriculture.

It is observed that a number of States have much lower ratio of fertilisers consumptions to value of agricultural output (at constant prices) compared to the national average which is 0.05, particularly in the States of Arunachal, Assam, Goa, Himachal Pradesh, Jammu and Kashmir, Kerala, Manipur, Meghalaya, Nagaland, Orissa, Sikkim, Tamil Nadu and West Bengal. At the same time States like Bihar, Goa, Gujarat, Haryana, Jammu and Kashmir, Karnataka, Madhya Pradesh, Maharashtra, Meghalaya, Rajasthan and Tamil Nadu have been price deficient. Agricultural expenditure as ratio of value of agricultural output has been increasing in most of the States, more so during the last 3 years from 2004 to 2006. It is important to continue this overall upward trend on a consistent path. However, there have been laggard states like Manipur and Mizoram which have ratio of government expenditure to total expenditure falling far below the national average of 34.03 percent.

The higher agricultural growth can be achieved with greater fertiliser consumption to match All-India average levels in above mentioned states. Improved agricultural price has to be raised in line with levels in Punjab where MSP have been well operationalised. Nevertheless, some additional adjustments have had to be made for Andhra Pradesh, Orissa and West Bengal to achieve the targeted 4.1% growth at the national level. The State-wise break-up in the alternative scenario is in Table 2.

Table 2

Alternative Scenario – Projected agricultural growth at constant 1993-94 prices

States	Percentage growth rate
Andhra Pradesh	4.0
Arunachal Pradesh	2.8
Assam	2.0
Bihar	7.0
Chhattisgarh	1.7
Goa	7.7
Gujarat	5.5
Haryana	5.3
Himachal Pradesh	1.9
Jharkhand	6.3
Jammu & Kashmir	4.3
Karnataka	5.4
Kerala	0.3
Madhya Pradesh	4.4
Maharashtra	4.4
Manipur	1.2
Meghalaya	4.6
Mizoram	1.6
Nagaland	8.4
Orissa	3.0
Punjab	2.4
Rajasthan	3.5
Sikkim	3.3
Tamil Nadu	4.7
Tripura	1.4
Uttar Pradesh	2.6
Uttaranchal	2.6
West Bengal	4.0
All States	4.1

- Taken projections for government expenditure of Bihar for Jharkhand, MP for Chhattisgarh and UP for Uttaranchal since data for agricultural expenditure available for 2004-05 and 2005-06.
- Taken price deflator of Assam for Mizoram since data is not available.

State wise growth targets for the Eleventh Five Year Plan

As envisaged in the Approach Paper to the Eleventh Five Year Plan the economy is targeted to grow at an annual average rate of 9 percent during 2007- 08 to 2011-12. Based on the national growth target state-wise break up has been made. The potentialities and constraints present in each State and scope for improvement, as per judgment in the Perspective Planning Division, have been taken into account. Since potentialities and constraints are best identified at the sectoral level, the aggregate growth rates have been broken down into their sectoral components.

The distribution of growth target among three major sectors of the economy (Agriculture, Industry and Services) for the nation has been indicated in the Approach Paper. State-wise disaggregation of national targets for each of these sectors has been done keeping in view the requirement for sectoral consistency. The outcome of this exercise is summarised in the enclosed statement. The methodology followed for arriving at these growth rates is as follows:

- For the agriculture sector, the state-wise projection has been made on basis of a rigorous panel data regression model. A separate note on this has been prepared. The growth target for Industry and Services sector has been made by pro-rating the trend growth rate (1999-2000 to 2004-2005) of each State given in Table 1. This is simply a linear projection of the contribution of each State to the overall growth performance of these two sectors at the national level. The growth targets achieved in each sector by individual States during 9th and 10th five year plan are given in Annexure I and Annexure II respectively.

Table 1

State-wise and sector-wise Growth Target - Eleventh Five Year Plan					
(in percentage)					
		Agriculture	Industry	Services	Total
1	A&Nicobar	6.4	5.0	5.0	5.4
2	A.P.	4.0	12.0	10.4	9.5
3	Arunachal Pradesh	2.8	8.0	7.2	6.4
4	Assam	2.0	8.0	8.0	6.5
5	Bihar	7.0	8.0	8.0	7.6
6	Chandigarh	0.0	17.0	12.3	13.5
7	Chhattisgarh	1.7	12.0	8.0	8.6
8	Delhi	4.1	12.0	11.1	11.2
9	Goa	7.7	15.7	9.0	12.1
10	Gujarat	5.5	14.0	10.5	11.2
11	Haryana	5.3	14.0	12.0	11.0
12	H.P.	3.0	14.5	7.5	9.5
13	J.&K.	4.3	9.8	6.4	6.4
14	Jharkhand	6.3	12.0	8.0	9.8
15	Karnataka	5.4	12.5	12.0	11.2
16	Kerala	0.3	9.0	11.0	9.5
17	M.P.	4.4	8.0	7.0	6.7
18	Maharashtra	4.4	8.0	10.2	9.1
19	Manipur	1.2	8.0	7.0	5.9
20	Meghalaya	4.7	8.0	7.9	7.3
21	Mizoram	1.6	8.0	8.0	7.1
22	Nagaland	8.4	8.0	10.0	9.3
23	Orissa	3.0	12.0	9.6	8.8
24	Pondicherry	0.0	15.0	10.4	13.0
25	Punjab	2.4	8.0	7.4	5.9
26	Rajasthan	3.5	8.0	8.9	7.4
27	Sikkim	3.3	8.0	7.2	6.7
28	Tamil Nadu	4.7	8.0	9.4	8.5
29	Tripura	1.4	8.0	8.0	6.9
30	U.P.(divided)	3.0	8.0	7.1	6.1
31	Uttaranchal	3.0	12.0	11.0	9.9
32	West Bengal	4.0	11.0	11.0	9.7
	GAP	4.1	10.5	9.9	9.1
	All India	4.1	10.5	9.9	9.0

- The sectoral growth target of each State has been adjusted keeping in view the potentialities and constraints present in each State. Overall growth target has been estimated for each State from the adjusted sectoral targets within a (sectoral) consistency framework. Adjustments have been made for *Industry* sector with downward revision for major States of Andhra Pradesh, Bihar, Karnataka, Kerala, Orissa, U.P and all of the North Eastern States and except Mizoram. Similarly, an upward revision has been made for major States of Gujarat, Haryana, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu and West Bengal. In the *Services* sector downward revision was made for the States of Assam, Haryana, Kerala, Karnataka, Mizoram, Nagaland, Tripura, and West Bengal. Similarly, upward revision has been made for the States of Bihar, Goa, Gujarat, Madhya Pradesh and Manipur. For the *Agriculture* sector,

as mentioned in the note, upward adjustment was required for the States of Andhra Pradesh, Orissa and West Bengal.

- The sectoral growth targets so arrived at have been combined to estimate the State – level growth targets. The difference between the All India GDP and the aggregate of all States GSDP for each of the three broad sectors has been reflected as the gap and it is assumed that this would remain constant at the base year level during the 11th Five Year Plan.

Annexure - I

Statewise Sectoral Growth Performance in the 9th Five Year Plan
(1996-97 to 2001-02)

(in percent)

at constant prices at 1993-94 series

S.No.	State/UT	Agriculture	Industry	Services	GSDP	All-Sector
1	A&Nicobar	-2.70	0.44	4.00	0.89	0.89
2	A.P.	3.07	5.37	7.57	5.68	5.68
3	Ar. Pradesh	-2.20	3.78	9.93	3.96	3.95
4	Assam	1.27	1.35	4.81	2.78	2.78
5	Bihar	-1.14	7.53	6.37	3.00	3.00
6	Chandigarh	-2.92	6.30	7.58	7.08	7.08
7	Chhattisgarh	-0.26	2.94	7.04	3.47	3.47
8	Delhi	9.76	9.66	8.17	8.50	8.50
9	Goa	1.67	13.25	3.28	6.86	6.86
10	Gujarat	-4.19	3.00	8.02	3.29	3.29
11	Haryana	0.48	6.14	9.50	5.36	5.36
12	H.P.	2.02	7.05	8.48	6.36	6.36
13	J.&K.	2.77	2.64	6.31	4.46	4.46
14	Jharkhand	4.95	4.77	10.12	6.46	6.46
15	Karnataka	2.46	8.15	9.60	7.17	7.17
16	Kerala	-4.13	4.48	8.88	4.79	4.79
17	M.P.	0.06	7.01	5.15	3.95	3.95
18	Maharashtra	-0.30	0.22	7.66	3.84	3.84
19	Manipur	4.23	7.04	7.21	6.25	6.26
20	Meghalaya	5.16	11.06	7.09	7.47	7.47
21	Mizoram	NA	NA	NA	NA	NA
22	Nagaland	17.76	-2.25	7.37	8.66	8.65
23	Orissa	3.79	3.64	7.04	5.10	5.10
24	Pondicherry	1.38	16.06	11.47	12.82	12.83
25	Punjab	1.90	4.97	5.80	3.97	3.97
26	Rajasthan	0.32	6.71	7.35	4.82	4.82
27	Sikkim	-2.65	10.58	9.10	6.20	6.21
28	Tamilnadu	3.29	2.14	7.36	4.82	4.82
29	Tripura	3.85	21.93	8.80	9.56	9.56
30	U.P.(divided)	1.72	1.08	3.88	2.40	2.40
31	Uttaranchal	0.76	4.68	6.71	4.12	4.12
32	W.Bengal	4.11	5.73	9.38	6.97	6.97
	All States	1.19	3.92	7.44		4.74
	All India	1.99	4.59	8.08	5.50	5.50

Annexure - II
Statewise Sectoral Growth Performance in the 10th Five
Year Plan (2001-02 - 2006-07)

(in percent)

at constant prices at 1993-94 series

S.No.	State/UT	CAGR 3 years (2001-02 to 2004-05)			
		Agriculture	Industry	Services	All sector
1	A&Nicobar	7.51	-9.09	7.90	3.34
2	A.P.	2.08	7.59	8.07	6.37
3	Ar. Pradesh	1.24	9.47	3.96	4.63
4	Assam	-0.21	7.59	8.30	5.37
5	Bihar	5.01	10.58	5.12	5.67
6	Chandigarh	0.05	12.05	10.41	10.74
7	Chhattisgarh	4.27	13.06	7.65	8.94
8	Delhi	-0.87	6.03	9.55	8.69
9	Goa	4.51	6.57	10.80	8.39
10	Gujarat	6.77	11.01	8.45	9.17
11	Haryana	4.07	6.42	10.25	7.33
12	H.P.	5.75	6.63	7.53	6.81
13	J.&K.	4.45	6.50	5.34	5.25
14	Jharkhand	4.21	10.97	-1.00	5.64
15	Karnataka	-3.33	7.09	10.54	6.42
16	Kerala	0.76	9.96	11.40	9.29
17	M.P.	2.99	2.76	5.72	4.01
18	Maharashtra	-3.59	9.64	10.40	8.20
19	Manipur	1.05	9.30	3.42	4.09
20	Meghalaya	3.09	7.90	6.15	5.86
21	Mizoram	-8.06	26.81	4.58	5.28
22	Nagaland	12.80	14.86	7.74	10.32
23	Orissa	1.45	14.74	8.63	8.11
24	Pondicherry	-7.25	16.45	8.28	11.95
25	Punjab	2.39	4.96	6.86	4.69
26	Rajasthan	1.76	7.43	7.08	5.68
27	Sikkim	8.14	7.94	7.58	7.79
28	Tamilnadu	-4.38	4.01	8.60	5.07
29	Tripura	-1.11	14.68	10.41	8.70
30	U.P.(divided)	1.90	6.21	6.98	5.05
31	Uttaranchal	3.11	17.65	12.48	11.20
32	W.Bengal	0.26	4.70	11.66	7.22
	All States	0.38	6.49	8.00	5.80
	All India	1.03	6.96	8.64	6.45

Note :

(i) For States like A& Nicobar, Mizoram and Nagaland, growth performance is available only for the initial year of the 10th Plan period.

(ii) For States like Chattisgarh, Goa and Tripura growth performance is available only for the

Projection of State-wise Poverty Ratio in the Eleventh Plan

No	State	2004-05	2011-12 (Growth)	2011-12 (Target)
0				
1	Andhra Pradesh	15.8	8.1	6.7
2	Arunachal Pradesh	17.6	13.0	10.1
3	Assam	19.7	15.3	11.8
4	Bihar	41.5	37.2	28.4
5	Chhattisgarh	40.8	33.9	26.2
6	Goa	13.8	7.7	6.4
7	Gujarat	16.7	7.2	5.6
8	Haryana	14.0	5.2	4.1
9	Himachal Pradesh	10.0	3.0	3.0
10	Jammu & Kashmir	5.2	3.0	3.0
11	Jharkhand	40.4	32.6	25.0
12	Karnataka	24.9	15.8	12.4
13	Kerala	14.9	7.1	5.5
14	Madhya Pradesh	38.2	33.4	25.8
15	Maharashtra	30.6	23.6	18.5
16	Manipur	17.3	14.3	11.1
17	Meghalaya	18.5	14.3	11.0
18	Mizoram	12.6	9.5	7.6
19	Nagaland	19.0	13.8	10.6
20	Orissa	46.5	39.6	30.4
21	Punjab	8.1	3.9	3.2
22	Rajasthan	21.0	15.6	12.1
23	Sikkim	20.0	15.4	11.8
24	Tamil Nadu	22.7	16.1	12.7
25	Tripura	18.9	14.3	11.0
26	Uttar Pradesh	32.2	27.4	21.1
27	Uttaranchal	38.8	30.5	23.6
28	West Bengal	24.6	16.7	12.8
29	A & N Islands	22.8	19.5	15.2
30	Chandigarh	6.2	3.0	3.0
31	Dadra & N. Haveli	33.2	22.3	17.2
32	Daman & Diu	8.6	3.5	3.3
33	Delhi	14.7	5.8	4.7
34	Lakshadweep	15.9	11.1	8.6
35	Pondicherry	22.7	11.1	8.8
	All India	27.8	21.0	16.3