

Directives by the Governor of Maharashtra under Rule 7 of the Development Boards for Vidarbha, Marathwada and rest of Maharashtra Order, 1994 regarding the region-wise and sector-wise allocation in other Backlog Sectors (other than Irrigation) in the Annual Plan FY 2008-09.

1. Introduction

1.1 The State of Maharashtra (Special Responsibility of Governor for Vidarbha, Marathwada and the rest of Maharashtra) Order, 1994 made by the President of India under Article 371(2) of the Constitution of India has assigned the Governor of Maharashtra special responsibility for matters specified in sub Clauses (b) and (c) of Clause (2) of Article 371 of the Constitution in respect of the areas of Development Boards for Vidarbha, Marathwada and the rest of Maharashtra. On 30 April 1994, the Governor of Maharashtra issued the “Development Boards for Vidarbha, Marathwada and the rest of Maharashtra Order, 1994” (hereinafter referred to as the Order) constituting separate Development Boards for the said three regions.

1.2 According to Rule 7 of the said Order, the Governor of Maharashtra has the special responsibility of ensuring equitable allocation of funds for development expenditure over the areas of Development Boards, subject to the requirements of the State as a whole.

1.3 According to Rule 8 of the said Order, the allocation of funds or outlays made by the Governor shall be reflected in the Annual Financial Statement to be placed before the State Legislature and the development activities with regard to the outlays as aforesaid, shall be carried out or caused to be carried out by the State Government and the funds so allocated shall be non-divertible from the area of one Board to that of another Board.

2 Background

2.1 Indicators and Backlog Committee appointed in the year 1994, calculated the overall backlog as on 1st April, 1994 as Rs.14006.77 crore out of which Rs. 6588.77 was the backlog for sectors other than irrigation. The details are given at **Annexure I**.

2.2 After deducting the expenditure incurred on backlog removal during FY 1995-96 to FY 2001-02, backlog as on 1st April, 2002 for other sectors was fixed as Rs.4208.98 crore, the details of which are given at **Annexure II**. By adopting the similar methodology backlog as on 1 April 2005, 2006 and 2007 has been fixed the details of which are given in Annexure III.

2.3 These Directives are in continuation of the Directives dated 6 March 2006 and 1 March 2007. The objective of the Directives dated 6 March 2006 was to liquidate the backlog of Rs. 3909 crore as on 1 April 2005 in the 3 years starting from FY 2006-07 to FY 2008-09. The Directives dated 1 March 2007 envisaged to liquidate the backlog of Rs.3034.50 crore as on 1 April 2006 within two years i.e. FY 2007-08 and FY 2008-09.

2.4 It is observed from Annexure-III that the remaining backlog as on 1 April 2007 is Rs.2257.12 crore. This shows that the backlog as on 1 April 2006 is reduced by Rs.778.38 crore i.e. by 25.61%. Though it was envisaged to liquidate the backlog in other sectors by March 2009 after reviewing the current scenario and the expenditure actually incurred it is observed that it may not be possible to remove the remaining backlog of Rs.2257.12 crore in one financial year i.e. FY 2008-09. The Governor, therefore is of the opinion that the time limit for backlog removal in sectors other than Irrigation be extended to March 2010.

3. Allocation for removal of backlog in sectors other than Irrigation

3.1 For backlog sectors other than the Irrigation Sector, the distinction between the backlog and non-backlog allocations will continue. The region-wise and sector-wise remaining backlog as on 1 April 2007 after taking into account the expenditure incurred on backlog removal in FY 2000-01, FY 2001-02, FY 2002-03, FY 2003-04, FY 2004-05, FY 2005-06 and FY 2006-07 is shown in **Annexure-IV**.

3.2 From the statement at **Annexure-IV**, the backlog under the other sectors excluding Irrigation Sector as on 1 April 2007 would be **Rs.2257.12 crore** which is to be removed within next two years. So the minimum outlay to be provided in each year would be Rs.1128.56 crore. However, the Planning Department has communicated that Rs.1400 crore can be allocated for backlog removal in the Annual Plan of FY 2008-09.

3.3 His Excellency the Governor therefore directs that an allocation of Rs. 1400 crore should be earmarked for backlog removal in sectors other than Irrigation in the Annual Plan for FY 2008-09. The distribution of this allocation among the three regions should be done in proportion to the remaining backlog of the respective regions as on 1 April 2007 as given in the statement at **Annexure-IV**. The region-wise allocation of Rs. 1400 crore outlay for backlog removal in 2008-09 should be as follows :

Sr. No.	Region	Outlay for backlog removal (Rs. in crore)	Percentage to total
1.	Vidarbha	375.34	26.81
2.	Marathwada	336.98	24.07
3.	Rest of Maharashtra	687.68	49.12
4.	Total	1400.00	100.00

Further, the sectoral allocation for backlog removal within the region should be done in proportion to the remaining backlog in the respective sectors as on 1 April 2007 as well as by taking into account the status of expenditure incurred in FY 2007-08 in other backlog sectors as given in the statement at **Annexure V**.

4. Areas of concern in other backlog sectors :-

4.1 In the Directives dated 1 March 2007, it was noted that the expenditure incurred in other backlog sectors have not been more than 15% to 20% of the outlay. The situation has been more alarming in certain sectors like General Education, Public Health, Energisation of Agricultural Pump-sets and Technical Education. The Governor therefore had directed that the Planning Department should review physical as well as financial backlog in each sub-sector of all the backlog sectors and reconcile the figures of backlog as on 1 April 2006.

4.2 The Planning Department has completed the said exercise in respect of General Education sector and by their letter dated 29th January 2008 has communicated that since the physical backlog in General Education sector has been removed by utilizing the general outlays and not the outlays for backlog removal as a result of which the financial backlog has remained unaltered even though physical backlog is removed. The Planning Department therefore has proposed that the remaining financial backlog of Rs.77.19 crore in General Education sector be cancelled and sought the Governor's approval for the same. The Governor however, has sought the consent of the three Development Boards for the same which is still awaited. The issue of cancellation of the remaining backlog in General Education cannot be finally decided unless it is consented by the Development Boards. Therefore, it may not be

possible at this juncture to deduct the said backlog from the overall backlog. Hence, for the time being no changes have been made in the present status of General Education backlog. However, a token provision of Rs. 1 crore has been shown for backlog removal for the time being. The final decision in this regard will be taken after receipt of the remarks from the three Development Boards and if required outlays will be modified subsequently.

4.3 The other areas of concern are the sectors of Public Health, Technical Education and Energisation of Agricultural Pump-sets wherein the pace of backlog removal is considerably low. Therefore a detailed review of the problems involved in the process of backlog removal in these sectors was taken in a meeting at Raj Bhavan dated 16th February 2008 along with the officials of Planning and the concerned departments and an indicative action plan was decided. The departments of Public Health, Technical Education and Energy were asked to reconcile the difference between the physical and financial backlog and to remove all the obstacles in removing the backlog as well as to make wholehearted efforts to remove it. Even after resorting to such measures, if it is not possible to remove certain quantum of backlog for some technical reasons, then the department may send a proposal to cancel the same after consulting with all the stakeholders for the Governor's consideration. Similar procedure should be followed if it is in case necessary to cancel certain amount of financial backlog in order to tackle the issue of the mismatch between the physical and the financial backlog.

4.4 After receipt of such proposals sent after following appropriate consultative process, the status of backlog and outlays required for removal of the same in the sectors of Public Health,

Technical Education and Energisation of Pump-sets will be reviewed and necessary modifications will be made in the backlog data as well as sector-wise outlays.

5. Scheme-wise Outlays for Removal of Backlog within Sectors:

Within the overall allocation for the removal of backlog in the areas under the respective Development Boards, as mentioned above, the Scheme-wise outlays should be made by the Planning Department based on the recommendations made in consultation with the respective Development Boards and the concerned District Planning Committees in respect of district level schemes and the concerned Departments in respect of State Pool and State Level Schemes.

6. After deducting allocation for the Irrigation Sector and funds for removal of backlog in other backlog sectors, the divisible portion of the remaining Plan outlays should be distributed amongst the three regions in proportion to the overall population of the respective regions.

7. The funds from backlog to Non-backlog and from the area of one Development Board to that of another Development Board **shall not be diverted.**

By order and in the name of the Governor of Maharashtra.

Raj Bhavan, Mumbai.
Date: 6 March, 2008.

Sd/-
(Sitaram Kunte)
Secretary to the Governor.