It nature of economic condition, current policies,



It determines the conditions which in view of the current social and political situation, should be established for the successful execution of the plan. It determines the nature of economic condition, current policies, measures and development programmes.

It makes recommendation on an examination of such specific problems as may be referred to it for advice by Central or State Governments. Planning: Five Year Plans National Development Council is the final approval body of the planning process in the country. It was set up in 1952. It is one of the many bodies of Planning Commission. The planning commission fixed the period of plans at five year.

The first five year plan was launched on April 1, 1951 and completed by 31st March 1956. It was based on the Harrod Domar Model. Agriculture was the main priority in this plan. National income was 3. 6% in first plan against a target of 2. 1%.

The per capita income growth rate was 1. 8%. The second five year plan (April 1, 1956 to 31st March, 1961) was based on Mahalonobis model. The second plan was based on socialistic pattern of society and its aim was to initiate and accelerate the process of industrialisation. National income increased by 4.

27% against the target of 4. 5%. Third five year plan (April 1, 1961 to March 31, 1966) aimed at pushing up economy up to the take off stage of development. Its main objective was to secure a marked advancement towards self-sustaining growth. National income increased by 2. 84% and it was targeted at 5.

6% per annum. Per capita income grew only at the rate of 0. 2% per annum. Hence third plan was a failure. Fourth Plan (April 1969 to March 31, 1974) aimed at achieving growth with stability and progress towards self-reliance. During this plan National income increased by 3.

30% per annum as against the target of 5. 7% per annum. Fourth plan achieved 70% per annum growth in exports. Fifth five year plan (April 1, 1974 to March 31, 1978) aimed at poverty alleviation and self reliance. The plan closed one year prior to its scheduled date. This plan followed the path of export promotion and import substitution. National income during fifth five year plan by 4. 80% per annum against the target of 4.

4% per annum sixth five year plan (April 1, 1980 to March 31, 1985) aimed at poverty and unemployment reduction. The objective of this plan to improve the living standards of people by means of minimum need programme. The targeted growth rate was 5. 2% and empowerment of women and socially disadvantaged.

Tenth five year plan was launched on April 1, 2002. The main objectives of tenth five year plan are indicative target growth rate of 8. 0% per annum; enhancement of well being of the people; availability of food and other consumption items; access to basic social service of education, health, drinking water and sanitation. Expansion of social and economic opportunities for all individuals and groups; acceleration in growth rates of slowly growing states; poverty to be reduced to 15% by 2007 and to 5% by 2012; cleaning of major polluted rivers by 2007; population growth rate to be decelerated to 16. 2% during 2001-2011; Infant mortality rate to be reduced

45 by 2007 and to 28 by 2012. Forest cover to be raised to 25% by 2007 and 33% by 2012; all villages to be given sustained access to drinking water by 2007; gender gap in literacy and wage rate to be reduced to 50% by 2007; all children to be in school by 2003 and all children to complete class V by 2007.

Planning is of various types. India has adopted the planning of the fixed type.

But Janta government introduced rolling plans on April 1, 1978. Under this technique of rolling plans, there are three plans.

First there is a plan for current year which includes the budget. Second there is a plan for a fixed number of years say three or four years, it is changed every year in keeping with the requirements of the economy. Third there is a perspective plan for 10, 15 or 20 years. For instance, if planning is started in 1980 in a country, there would be annual plan for 1980, a five-year plan for 1980-85 and a 20 year perspective plan for 1980-2000. The five year plan for 1980-85 will also roll on for the subsequent periods by shedding each previous year so as to become a plan for 1981-86, 1982-27 and so on. The period between 1966 and 1969 is sometimes called 'Plan Holiday'. This is because the Indo-Pak conflict (1965), two successive years of severe drought, devaluation of currency and high level of inflation delayed the fourth plan.

Measurement of Poverty by Planning Commission The Planning Commission has defined poverty line as mid point of the monthly per capita expenditure class having a daily calorie intake of 2400 per person per day in rurai areas and 2100 calorie per person per day in urban areas. On the basis of cut off

points, at 1973-74 prices, it turn out to be rupees 49 for rural areas and Rs. 57 for urban areas per capita per month.

At 1993 price, it comes to Rs. 229. 8 per capita per month in rural areas and rupees 264 per capita per month in urban areas.

If any household is getting less than this much, it is known as living below poverty line (BPL). According to NSSO (National Sample Survey Organisation) the poverty ratio on 30 day Recall Basis is estimated at 26. 10% for the country as a whole, 27. 09% in rural areas and 23. 62% in urban areas. According to estimate 10% people of the country receive 25% share of the country's total income while the bottom 10% get only; 4% of the total income. Growth Performance in the Five Year Plans (Per cent Per Annum) 1.

First Plan2, 13, 612, Second Plan4, 54, 273,

Third Plan5. 62. 844. Fourth Plan5. 73.

305. Fifth Plan4. 44. 806. Sixth Plan5. 25.

667. Seventh Plan5. 06. 018. Eight Plan5.

66. 789. Ninth Plan10. Tenth PlanThe Millennium Development Goals to be achieved by 2015 were set at the UN General Assembly at the UN. They are five: (1) Eradicate Extreme poverty and hunger.

- (2) Achieve Universal Primary Education. (3) Promote Gender Equality and Empower Women. (4) Reduce Child Mortality.
- (5) Improve Maternal Health.