

No.74/PRD-2011/PF

Puducherry, the 21.11.2011.

NOTE

Sub: Formulation of 12th Five Year Plan – Zero Base Budgeting – - Reg.

Secretaries / Special Secretaries may be aware that National Development Council has approved the Approach Document of the Twelfth Five Year Plan for the period 2012-2017. Hence, Planning and Research department is in the process of formulating the Twelfth Five Year Plan with all earnestness.


Accordingly, the Zero Base Budgeting exercise is to be carried out while formulating Twelfth Five Year Plan. Planning and Research department has made an exercise by way of scrutinizing the existing Plan Schemes under each sector in detail and suggested that Schemes having similar / same objects are to be merged as a single scheme under the relevant sector and obsolete / redundant schemes are to be dropped based on the criteria as indicated below:

- i) Schemes shown for mere name-sake and to meet the establishment charges of staff/officials have been deleted and included as a component within existing /relevant scheme.
- ii) Different schemes having same goal / object have been merged.
- iii) Status quo has been maintained in respect of the schemes receiving Additional Central Assistance under RKVY, AIBP, JNNURM etc.
- iv) Schemes having state share under CSS have been shown separately.
- v) Schemes meant for share capital / working capital assistance to PSUs / Organisations under relevant sector have been merged under single scheme.
- vi) Panchayat Raj Window / Negotiated Loan have been shown as a component in the existing schemes under relevant sector.

P.T.O.

2. As resources have become constraint, the UT administration has been resorting to market borrowing/negotiated loan as part of plan finance. It is a fact that one-third of the plan fund goes towards establishment charges of Government employees. As per Planning Commission guidelines, posts created in a five year plan became a committed expenditure and should be transferred to non-plan after completion of five years. But, many departments implementing plan programmes have not followed the procedure and many number of posts created under plan even during 6th Five Year Plan and thereafter continued to be operated under plan head causing drain of resources. Hence, it is requested that this aspect may kindly be looked into, transferring all these posts under non-plan correspondingly indicating the savings under the head 'Salary' and the related establishment expenditure.

3. Secretaries/ Special Secretaries concerned are requested to give their feedback and the list of redundant plan schemes in consultation with the Heads of department concerned on or before 30.11.2011 to enable the Planning and Research department to place the issue before the State Planning Board at the earliest.


(Raajiv Yaduvanshi)
Secretary(Planning)
21/11/2011

Encl. As stated.

To

All Secretaries/Special Secretaries concerned.

Copy to:

1. Director(Planning)
2. Private Secretary to Chief Secretary
3. PA to Secretary(Planning)