

CHAPTER – I

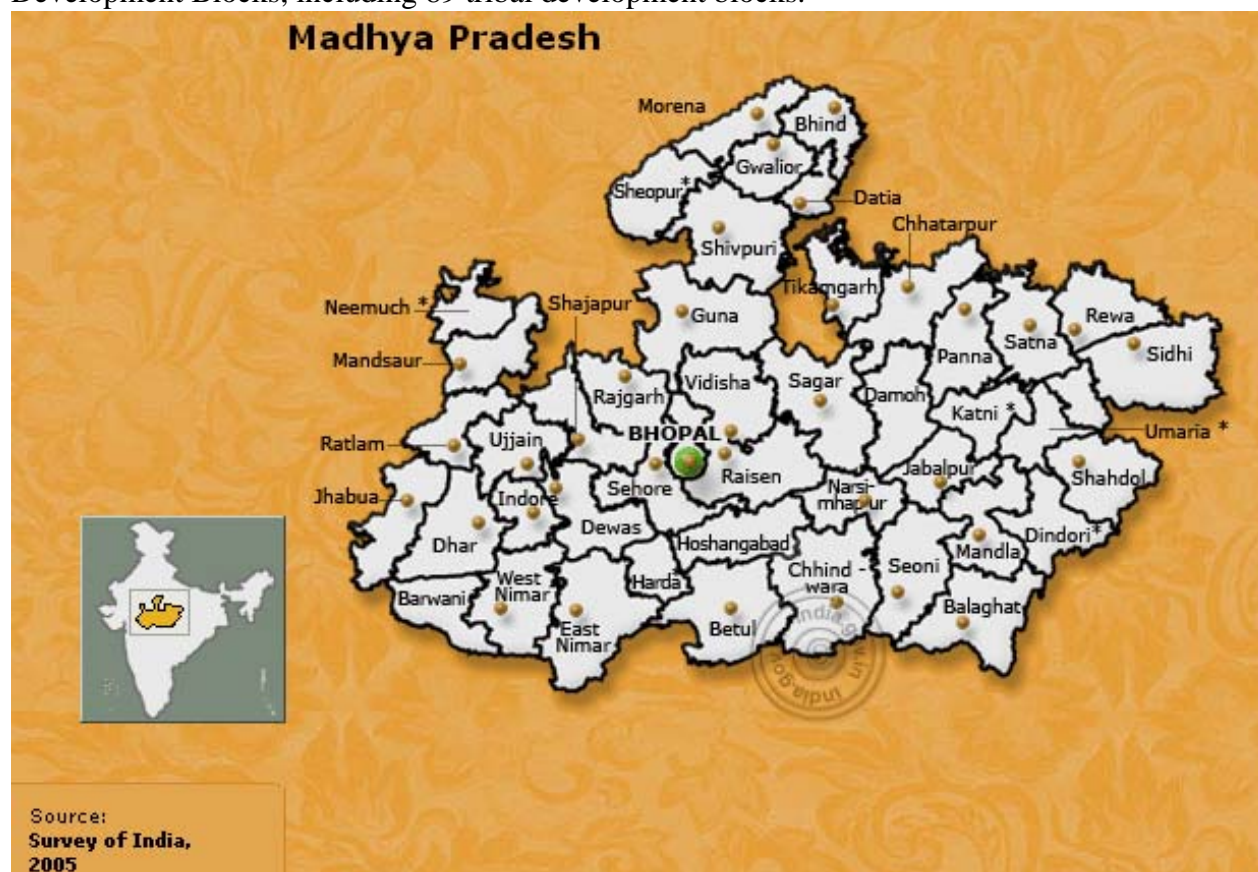
Introduction and Overview

1. Historical Background:

Madhya Pradesh, in its present form, came into existence on 1st November 2000 when a new state of Chhatisgarh was carved out of erstwhile state of M.P under the provisions of “Madhya Pradesh Reorganisation Act 2000”. The erstwhile state of Madhya Pradesh, with Bhopal as capital, was created on 1st November 1956 as a result of reorganization of Indian states consisting Madhya Bharat, Bhopal and Vindhya Pradesh and part of Central Provinces and Berar. At the time of its formation, the state had largest geographical area in the country. The new State of Madhya Pradesh came into existence with 45 districts. Three new districts were created in the year 2002 and two more districts were created in the Year 2008 raising the total number of districts to 50.

2. Administrative Set-up:

The state now has 10 Commissioner Divisions, 50 Districts, 318 Tehsils and 313 Community Development Blocks, including 89 tribal development blocks.



Madhya Pradesh was the first state to establish three-tier Panchayati Raj and Urban Local Bodies as the institutions of local self-governance. The state, at present, has 48 Zila Panchayats (District level), 313 Janpad Panchayats (Block Level), 23,040 Gram Panchayats (Village level) and 52118 inhabited villages. In urban habitations there are 14 Municipal Corporations, 88 Municipalities and 236 Nagar Panchayats.

3. Demographic Scenario:

As per Census 2001, the state had a population of 603.48 lakhs constituting approximately 6 percent of the country's population. Madhya Pradesh with an area of 308 thousand sq. kms is now the second largest State, constituting 9.4 per cent of the total geographical area of the country. The population density is low at 196 persons per sq. km. compared to the national average of 313 persons per sq. km. The ratio of rural to urban population is 74:26. Out of total population, 314.44 lakhs are males and 289.04 lakhs are females. The sex ratio for the state comes to 919, which is low as compared to the national sex ratio of 933. However, the sex ratio in age group of 0-6 years for the state is higher at 932 against the national average of 927.

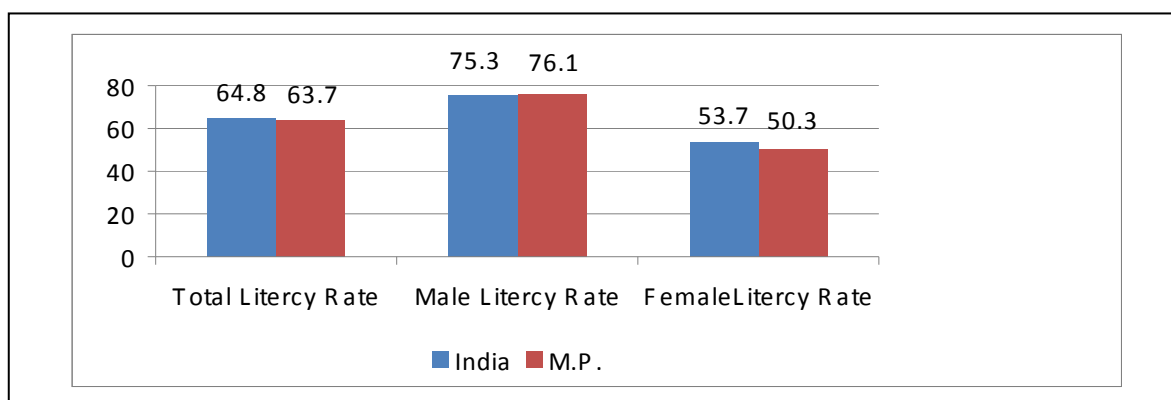
State has high concentration of tribal population as compare to other major states of the country as per 2001 Census. The population of Scheduled Tribes and Scheduled Caste in the state was 122.33 lakhs and 91.55 lakhs respectively during 2001. The percentage of Scheduled Tribes population to total population of the state is 20.27 as against 8.20 percent at all India level. The percentage of Scheduled Caste population to the total population of the state is 15.17, which is slightly lower than the all India average of 16.20. The combined population of Scheduled Castes and Scheduled Tribes is more than one third (35.44 Percent) of the total population of State.

The decadal growth rate of population in the State during the period 1991-2001 has been 24.3 percent, which is significantly higher than the all-India average of 21.5 per cent in the same period. The socio-economic situation, cultural milieu, ignorance and lack of access to quality family planning services are primary reasons responsible for high population growth especially in rural areas. It is evident from data on live birth per woman. In rural area live birth per woman is 3.9 against urban average of 2.4 as per SRS reports of 2006, office of Registrar General and Census Commissioner, GoI. The demographic scenario in the state is still characterized by very high birth and death rates. In the year 2008, the crude birth rate was 28.0 as against the all India average of 22.8, whereas the crude death rate was 8.6 as against the all India average of 7.4. The Infant Mortality Rate at 70 is significantly higher than the all India average of 53. Life expectancy at birth in the state as per SRS during 2006-07 is 62.5 years for males and 63.3 years for females, against 65.8 years and 68.1 years respectively at national level.

4. Education:

According to the 2001 census, the literacy rate in the State for population aged 7 years and above is 63.7 percent as against 64.8 percent at the National level. The female literacy rate at 50.3 percent is lower than all India literacy rate of 53.7 percent and much lower than the male literacy rate of 76.1. However, the male literacy rate of 76.1 is marginally higher than the all India male literacy rate of 75.3. The rural and urban literacy rate in the State is 57.8 and 79.4 percent against 58.7 percent and 79.9 percent respectively at the national level.

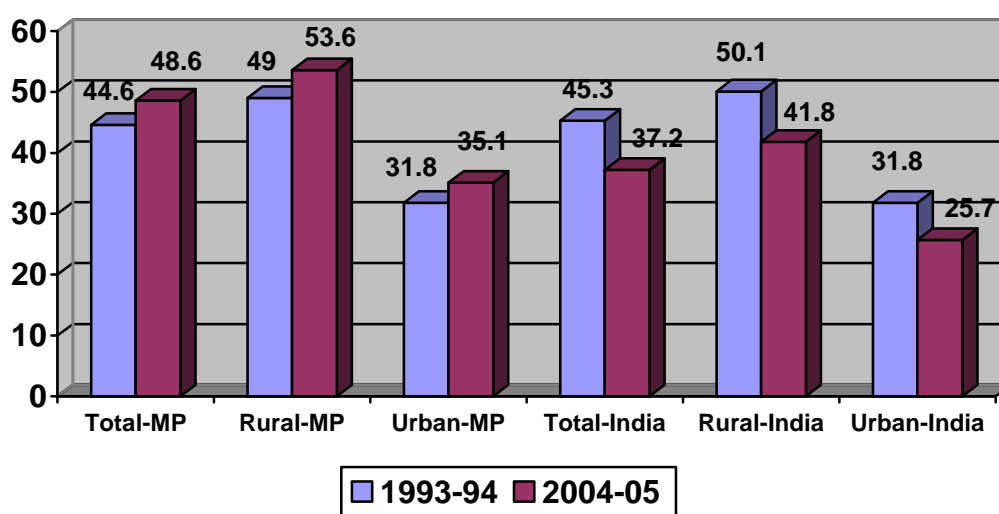
Comparative Litrecy Rate of M.P. and India



The state has made very impressive progress in providing educational facilities to the children in the State. Through District Primary Education Programme (DPEP) and the Sarva Shiksha Abhiyaan, there has been tremendous expansion of elementary education. The access to primary school within a kilometer and to upper primary school within three kilometers has been ensured. There are 97800 primary schools in Madhya Pradesh, which include 82085 governments, 13915 private and 881 aided schools. Similarly, there are 39882 middle schools comprising 27523 Government 11,999 private and 300 aided by Government and 60 other schools. Besides these, there are 878 Ashram Shalas (residential schools at elementary level) in the state to serve the children of those families who reside in remote areas especially tribals. There are 10872 high and higher secondary schools being run by various agencies. The enrolment of students was 117.80 lakhs at the primary level, 47.84 lakhs at the post-primary level and 28.82 lakhs at the secondary level in 2008. The percentage of girls in these categories was 47.98, 46.49 and 37.68 respectively. The transition rate among girls to the secondary schooling stage has been a matter of concern and the state government has tried to address it by opening more number of high and higher secondary schools in the state during 2009-10. To encourage the education among girls schemes such as cash rewards, free bicycle and school dresses to girls taking admission in secondary school has been continued further.

5. Poverty:

Madhya Pradesh as the incidence of poverty is one of the highest among the states of the country. Thus the poverty is an area of great concern for the state. As per Planning Commission estimates based on “Report of the Expert Group to Review the Methodology for Estimation of Poverty, November 2009” using 61st round of NSSO data. The State had fourth highest percentage of poor households among 15 non-special Category States in the year 2004-05, next only to Orissa, Bihar and Chhatisgarh. The incidence of poverty in rural areas was more than that of urban areas. In 2004-05 the percentage of population living below poverty line in rural areas was 53.6 as against 35.1 for urban areas. The overall poverty in the state has increased from 44.6 % in 1993-94 to 48.6 % in 2004-05 and same is true for rural and urban area. While during the same period poverty has declined at national level as evident from chart presented below.



Further analysis of 61st round of NSSO data, in light of Report of the Expert Group to Review the Methodology for Estimation of Poverty, November 2009, reveals that in rural

area of the state 80% of schedule tribe, 63% of schedule caste and 45% of other backward classes population was living below poverty line in 2004-05. In urban area 60% of schedule caste, 47% of other backward classes and 43% of schedule tribe population was living below poverty line. In all 43.97 lakh rural and 10.40 lakh urban households were living below poverty line in the state.

Table 1.1: Incidence of Poverty in Madhya Pradesh (HCR)

Social Classes	(%)		
	Rural	Urban	All
Scheduled Tribe	80.02	42.60	77.02
Scheduled Caste	62.55	59.65	61.88
Other Backward Classes	44.68	46.95	45.26
General	22.89	14.56	18.79
All	53.59	35.06	48.59

6. Work Force, Employment and Unemployment:

According to the 2001 census, the total number of workers was 257.94 lakh out of the State's total population of 603.48 lakh comprising 161.95 lakh males and 95.99 lakh females, 209.00 lakhs being in rural areas and 48.94 lakhs in urban areas. Of these, 191.03 lakh were classified as main workers and 66.91 lakhs as marginal. Thus, of the total work force of the State, 74.05 percent are main workers and 25.95 percent are marginal. The work participation rate in the State is 42.74. Of the total workers in the State, 42.79 percent were cultivators, 28.69 percent agricultural labourers, 4.01 percent engaged in household industry and rest 24.51 percent in other services.

The number of state government employees (regular), as on March 2009, increased by 0.06 percent over to the previous year.

The number of persons on the live registers of Employment Exchanges as on June 2008 was 19.46 lakh, of which, the number of educated job-seekers were 15.47 lakh. After a year, the number of persons on the live registers reduced to 19.42 lakh and the number of educated job-seekers rose to 15.51 lakh.

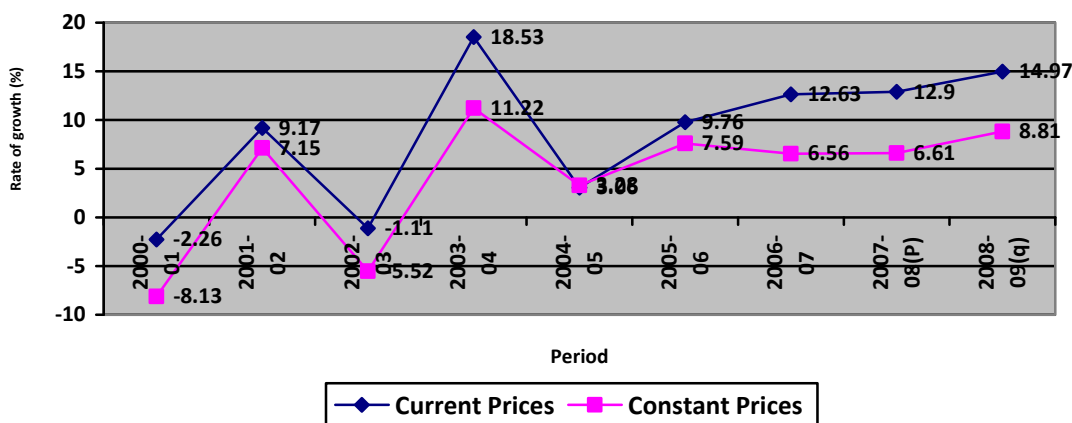
7. Growth in State Economy and State Income

The overall economy of the state has registered a moderate improvement during last four years but still it is lower than expected. Latest estimates of Net State Domestic Product shows that annual growth rate of 7.59 %, 6.56 %, 6.61 % and 8.81 % has been achieved in State's economy during 2005-06, 2006-07, 2007-08 and 2008-09 at constant (1999-00 prices) respectively.

The Net State Domestic Product (GSDP) of the state, at current prices, has increased from Rs. 102795.68 crore of 2005-06 to Rs. 150296.12 crore in the year 2008-09 thus registering an increase of 46.21 percent while at constant prices this increase is 23.62 percent.

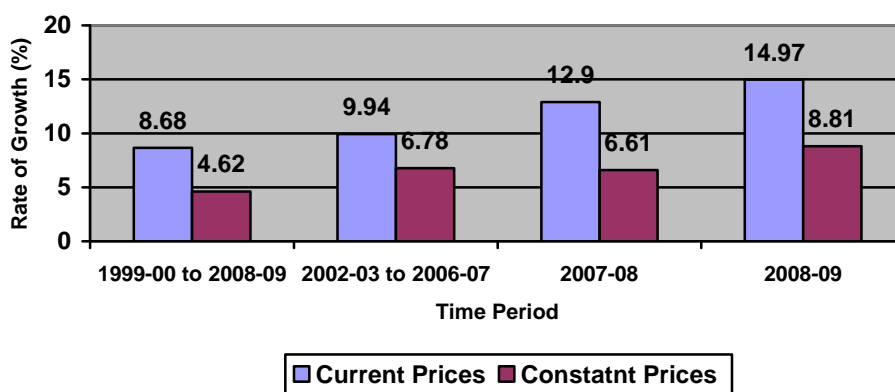
The rate of growth in NSDP from 1999-00 to 2008-09 is depicted in Figure 1. This figure reveals that during years 2000-01, 2002-03 and 2004-05 state economy had considerable fall, which is mainly due to drought condition prevailing in the state.

Figure 1: Growth Rate of NSDP



The state economy has grown at the rate of 4.62% per annum during 1999-2000 to 2008-09 at constant prices while at current price the growth rate is 8.68 % per annum. During Tenth plan period growth rate of economy was 6.78 % and 9.94 % at constant and current prices respectively. However during first year of eleventh plan period growth rate at constant prices have declined while in second year of current plan, growth rate has witnessed increase over previous year and significant increase is registered in 2008-09. At current prices, NSDP has registered significant growth of 12.9 and 14.97 % during 2007-08 and 2008-09, which may be mainly due to increase in inflation/ price rise (Figure 2). The pace of growth rate observed indicates that if the pace of growth is maintained in remaining years of eleventh plan period than the target growth of 7.9 % during eleventh plan period can be achieved.

Figure 2: Growth rate in NSDP during different Periods: Madhya Pradesh

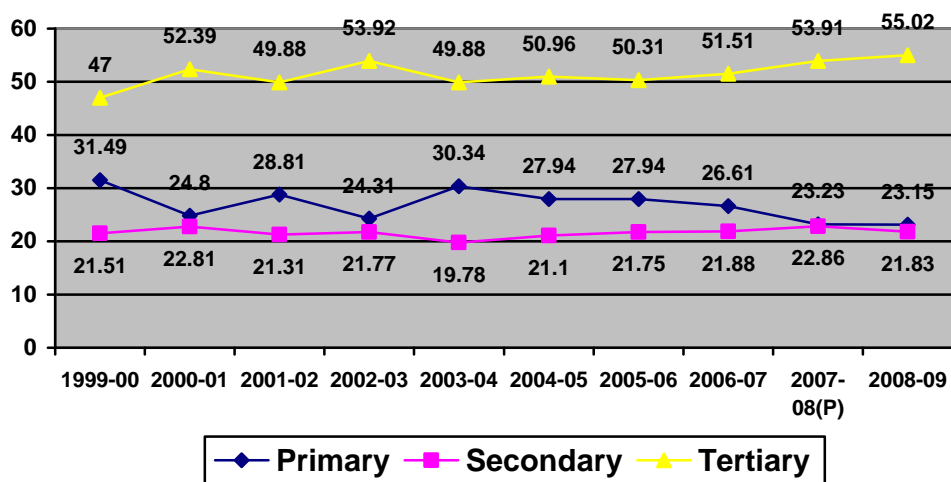


Thus to achieve the stipulated growth rate of 7.9 % during XI plan period, state has promised accelerate its efforts in implementation of various projects in time bound manner and adoption of progressive reforms.

The trend of Sectoral composition of Net State Domestic Product of Madhya Pradesh as shown in Figure3 shows that significant change has taken place between 1999-2000 and 2008-09 in tertiary sector and primary sector comparing beginning and terminal years. The

share of secondary sector in NSDP remained almost constant. This sectoral composition should be changed in favour of Secondary and Tertiary sectors. It is necessary because, Primary sector which is mainly agriculture, depend upon monsoon and Madhya Pradesh have each alternate year as bad year with respect to monsoon. Agriculture sector cannot be ignored as large size of population is dependent on this sector. An inclusive growth has to be planned and boosting of all sectors with special attention to Secondary and Tertiary sectors which require more investment.

Figure-3: Percentage share in NSDP by Sectors at Constant (1999-00) Prices



Primary sector which is dominated by agriculture sector, on which rural population depends, has registered growth of 2.55 % in real terms though at current prices the sector grew at the rate of 8.85 % per annum during 1999-00 to 2008-09 and grew at 7.86 % during 2002-03 to 2006-07 at constant prices and 12.19% at current price, this growth is higher because of 2002-03 was a bad year for agriculture as evident from data shown in table 1.5. Primary sector registered negative growth in 2007-08 and revived there after.

Both Secondary and Tertiary sector have grown at the rate of 4.84 % and 5.63 % at constant prices during 1999-00 to 2008-09 respectively. During 2002-03 to 2006-07, both the sectors have registered the higher growth as compared to 1999-00 to 2008-09 at constant prices. In years 2007-08 and 2008-09 tertiary sectors has performed better in real terms. Sector wise growth of net state domestic product is shown in table 1.4 and year wise details in Table 1.5.

Table 1.2: Sector Wise Growth of Net State Domestic Product: Madhya Pradesh

Sector	1999-00 to 2008-09	2002-03 to 2006-07	2007-08	2008-09
At Current Prices				
Primary	8.85	12.19	6.30	19.04
Secondary	9.91	12.58	22.23	10.24
Tertiary	8.05	7.64	12.60	15.01
At constant (1999-2000) Prices				
Primary	2.55	7.83	-6.91	8.46
Secondary	4.84	7.91	11.41	3.89
Tertiary	5.63	5.90	11.56	11.04

TABLE 1.3: Sector Wise Annual Growth of Net State Domestic Product – M.P.

Sector	Growth Rate of Net State Domestic Product Sector wise								
	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08 (P)	08-09 (Q)
At Current Prices									
Primary	-18.96	22.78	-12.28	47.70	-7.71	13.79	11.81	6.30	19.04
Secondary	3.81	2.94	-1.50	10.47	15.74	10.86	12.65	22.23	10.24
Tertiary	6.14	4.99	5.74	7.36	5.08	6.84	13.15	12.60	15.01
At Constant Prices									
Primary	-27.63	24.46	-20.02	38.80	-4.90	7.59	1.49	-6.92	8.46
Secondary	-2.60	0.15	-3.19	1.02	10.21	10.88	7.21	11.41	3.89
Tertiary	2.41	2.01	2.47	2.90	5.51	6.22	9.11	11.56	11.04

The per capita income of the state at constant prices has increased from Rs. 12384 in 1999-2000 to Rs. 14918 in the year 2008-09, while at the national level, it increased from Rs. 15839 to Rs. 25661 during the same period. Per capita income of the state has increased at the rate of 2.68 % per annum as compared to the national average of 5.83 % per annum during 1999-2000 to 2008-09. Per capita income at current prices has grown at the rate of 6.66% and 10.40 % per annum for Madhya Pradesh and All India level respectively during 1999-2000 to 2008-09. In 1999-00, per capita income in MP was 78 % National per capita income which has come down to 58.13 % in 2008-09. Thus gap is widening every year. All India per capita income has increased by Rs 9821 while MP's per capita income increased by Rs. 2534 during 1999-00 to 2008-09 at constant prices, which is around one fourth of all India increase. Per capita income at Constant and current prices are shown in Table 1.7.

Comparative Trends in Per Capita Income on Constant Price

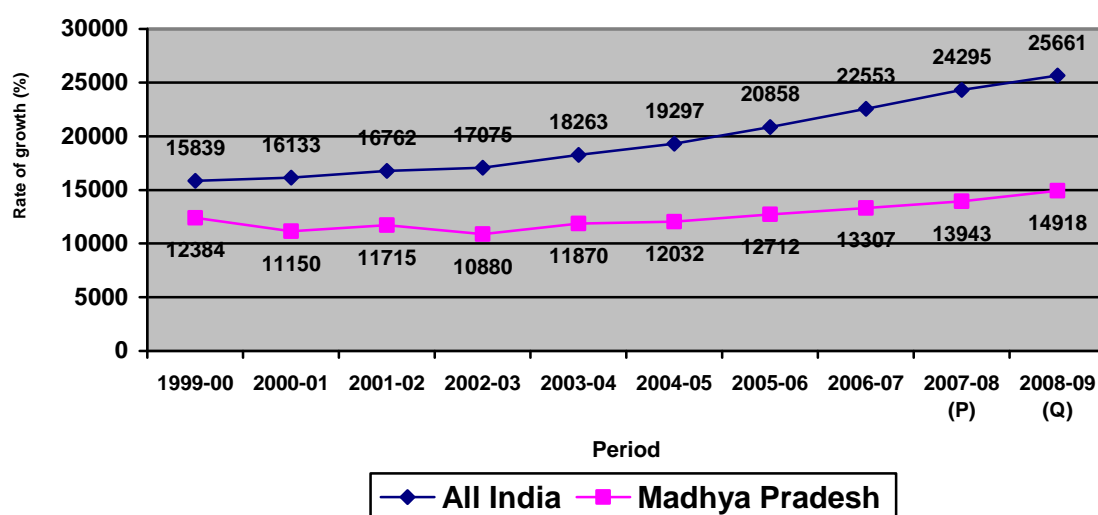


TABLE 1.4: Per Capita Income at Constant (1999-00 Prices)

Region	Per Capita Income (Rs.)									
	At current prices									
Year	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008 (P)	2008-2009 (Q)
All India	15839	16648	17800	18899	20936	22946	25956	29524	33283	38084
MP	12384	11862	12697	12303	14306	14471	15596	17257	19149	21648
At constant prices										
All India	15839	16133	16762	17075	18263	19297	20858	22553	24295	25661
MP	12384	11150	11715	10880	11870	12032	12712	13307	13943	14918

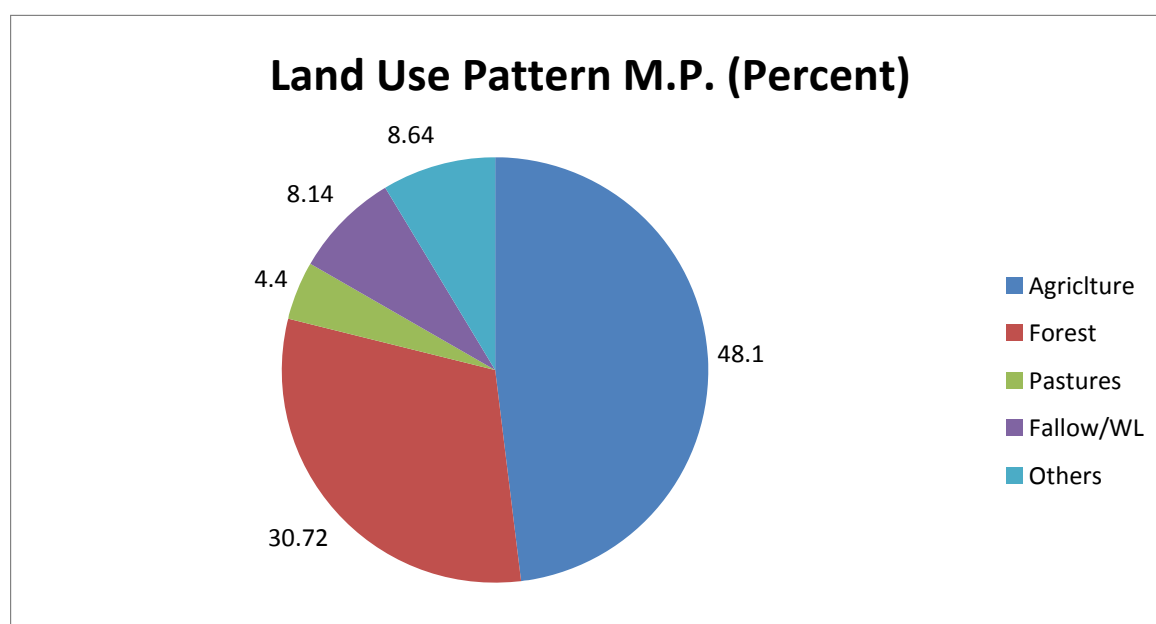
Growth Targets for 11th Plan:

The State Government has targeted an overall growth rate of 7.9 percent in the 11th plan with agriculture, industry and service sector expected to grow at 5, 10 and 8 percent respectively.

8. Natural Resources

Land Use Pattern:

The state has a geographical area of 307.56 lakh hectares. Out of this 150.43 lakh hectares was the net area sown in 2008-09, 13.37 lakh hectares was under permanent pastures, grazing lands and miscellaneous tree crops. Another 12.02 lakh hectares was current and old fallow land. The cultivable waste land was 11.60 lakh hectares. The area under reserved and protected forests is about 94.69 lakh hectares. Area not available for cultivation is 34.01 lakh hectares, which is either barren or uncultivable or put to non-agricultural uses.



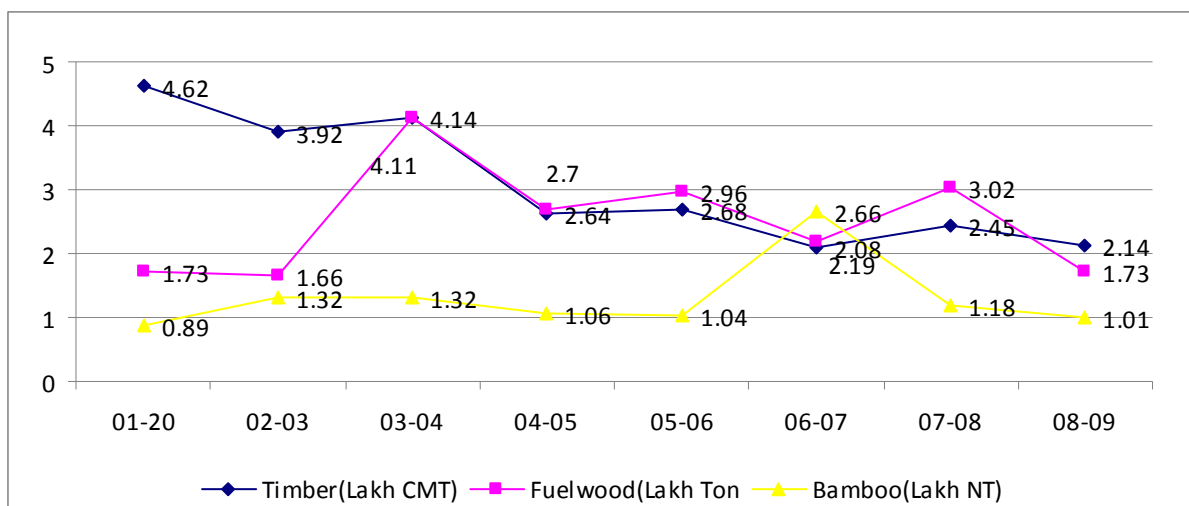
Forest:

Madhya Pradesh has the largest forest cover in the whole country. The forest resource covers an area of 94.69 thousand square kilometers, which is approximately 30.72 percent of its total geographical area. According to the Forest Department estimates, the state has 61.89 thousand sq. kms. of reserved forest, 31.10 thousand Sq. Kms of protected forest and 1.70 thousand Sq. Kms of unclassified forest.

Forests are like ecological factories providing the country with numerous tangible and intangible benefits. They are the main source of livelihoods of rural and tribal population residing in and around the forest areas. Forests provide fuel, fodder, fibre and timber to the local communities. A large number of “Non Timber Forest Products” are collected by people, especially tribals for income generation. However, population explosion and developmental needs have exerted a steadily increasing pressure on this important resource resulting in degradation of forests. The degradation of forest has also resulted in reduction of livelihood opportunities for the poor.

Looking to the alarming situation, to curb exploitation, State Government has banned felling of trees in selected areas to facilitate natural re-generation resulting in tapering effect on the revenue receipts from forests. Efforts have also been made to increase the forest cover. The Government is actively trying to conserve the forests involving community participation under “Joint Forest Management” programme. In addition long term Work Plan for each forest division are being implemented.

Figure 1.4: The trends of production of major forest products in M.P.



Efforts to conserve and regenerate forests for maintaining the ecological integrity is a huge burden on the State Government. On the one hand, it would have to forego a substantial amount of revenue as felling is banned; on the other hand it is likely to increase expenditure on forest protection.

A comparative statement of forest produce for the year 2001-02 to 2008-2009 is given below:

Table 1.5: Forest Produce in Madhya Pradesh

Year	Timber (Lakh Cmt)	Fuel Wood (Lakh ton)	Bamboo (Lakh Notional ton)
2001-2002	4.62	1.73	0.89
2002-2003	3.92	1.66	1.32
2003-2004	4.14	4.11	1.32
2004-2005	2.64	2.70	1.06
2005-2006	2.68	2.96	1.04
2006-2007	2.08	2.19	2.66
2007-2008	2.45	3.02	1.18
2008-2009	2.14	1.73	1.01

Water Resources:

The nine major rivers namely Mahi, Narmada, Tapti, Chambal, Ken, Betwa, Sone, Tons, and Wainganga, which originate within the state and flow down to five bordering states. The estimated annual run-off, from the above watersheds, in the state, is about 81523 MCM as assessed in Master plan. It is estimated that about 49743 MCM can be harnessed for irrigation purpose in M.P. It is possible to irrigate about 60.90 lakh hectares from surface water, while 52 lakh hectares can be irrigated through ground water. Thus the state has an ultimate irrigation potential of about 112.9 lakh hectare.

The State has developed an irrigation potential of about 25.74 lakh hectares through Water Resources Department. Besides this, NVDA has developed a potential of 2.3 lakh hectares. The Rural Development and Agriculture Departments are also contributing to water harvesting and creation of irrigation potential.

State has developed surface irrigation potential of 31.39 lakh hectare up to 2009, which is only about 19% of net sown area and accounts for 51 % of total available ultimate potential from surface water. The Water Resources Department has developed an irrigation potential of 26.82 lakh hectare up to 2009 and NVDA contributed for 4.57 lakh hectares.

Out of water available from rivers, about 69.74 percent of water resources available in the rivers for irrigation purposes. The underground water potential is yet to be realized fully as merely 50 percent could be utilised for irrigation purposes. The net irrigated area in the State including all sources of irrigation in the year 2008-2009 was 65.06 lakh hectares, which was 43.25 percent of the net sown area.

Minerals:

Minerals play an important role in the national economy by providing raw material to the industry. The State is richly endowed with vast reserves of various minerals. Important among these are coal, bauxite, manganese, lime stone, dolomite, laterite, rock phosphate, iron ore etc. The only active mine of diamond in the country is located in the Panna district of the State.

Table 1.6 Production and Value of Important Minerals

S. No.	Minerals	Production (’000 MT)		Value (Rs. in lakh)	
		2007-08(R)	2008-09(P)	2007-08 (R)	2008-09(P)
1	2	3	4	5	6
1.	Coal	67954	71373	988373	728005
2.	Bauxite	475	875	1200	1638
3.	Copper Ore	2192	1604	5984	4491
4.	Iron Ore	2216	954	3368	1479
5.	Manganese Ore	568	590	36205	41600
6.	Dolomite	164	202	183	228
7.	Fire Clay	56	53	54	52
8.	Lime Stone	25640	27594	31537	34493
9.	Diamond (In Carats)	586	592	57	62

(R) – Revised, (P) - Provisional

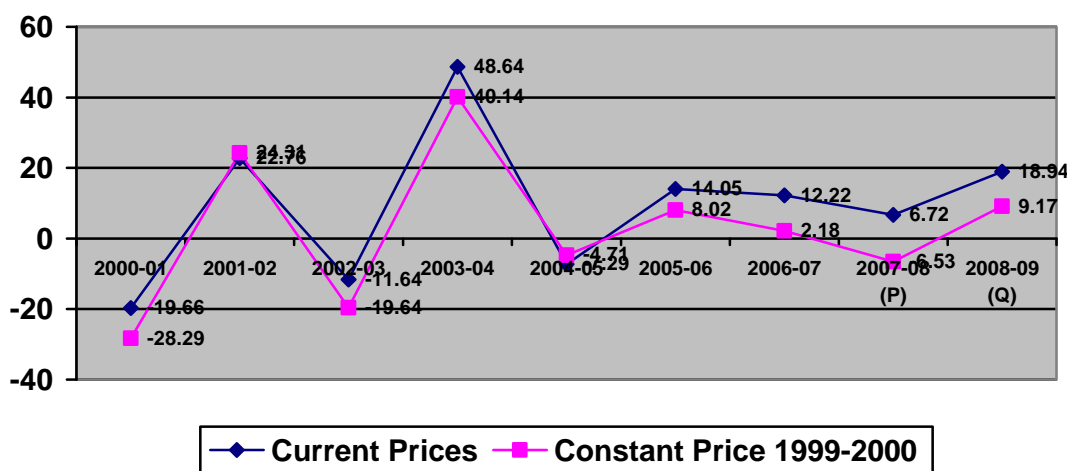
Net State Domestic Product from mining and quarrying sector at current prices rose from Rs. 228431 lakhs in 1999-2000 to Rs. 650756 lakh in 2008-09 registering the growth of 12.81 per annum. At 1999-2000 price NSDP from the sector has grown at the rate of 6.77 per cent per annum.. The share of this sector in Net State Domestic Product has increased from 3.14 percent in 1999-2000 to 4.33 percent in 2008-09 at current prices. The share of the sector in NSDP rose from 3.14 percent in 1999-2000 to 3.66 percent in 2008-09. The rate/royalty of coal and bauxite declined in 2008-09 as compare to 2007-08

9. Agriculture:

Growth Rate of GSDP from Agriculture sector (including animal husbandry) shows that every alternate year there is declined in growth over previous year. It shows the dependence of agriculture on moonson. During 1999-2000 to 2008-09, GSDP from Agriculture sector (including animal husbandry) has grown at the rate of 2.95 percent per annum at current price while at constant price growth rate is 2.68 percent per annum.

The contribution of the primary sector, which includes agriculture, to the total Gross/Net State Domestic Product shows decline in most the years during 1999-2000 to 2008-09 as compare to 1999-2000 share. Agriculture is still the mainstay of the State's economy, as about 71 percent of the population is still dependent on agriculture. Agriculture in the state is still traditional and mostly rain fed. There is high proportion of low value crops with low productivity. There are large areas of cultivable wastes and fallow lands. Agricultural holdings are fragmented. According to the 2000-2001 Agriculture Census, there were 73.60 lakh operational holdings in the state of which 38.6% and 26.5% are marginal and small holdings respectively and accounts for 8.5% and 17.3% of area. The average landholding size of marginal and small farmers works out to be 0.88 hectare against average holding size of 2.22 hectare in the state.

Figure: Growth Rate of GSDP from Agriculture sector (including animal husbandry)



Area under Crops:

Net area sown in the state in 2008-09 was 150.44 lakh hectares of which 57.16 lakh Hectare was double crop area. At present, about 59.13 percent of the gross cropped area is under food crops and remaining 40.87% area under non-food crops. During the 2008-09, area under wheat was 32.66 percent and 13.98 percent under paddy of the gross cropped area..

Wheat and rice contribute about 59.00 percent of the total food grain production. In 2008-09, the production of rice and wheat was 15.60 and 68.34 lakh metric tons respectively. Pulses collectively contribute about 25.89 percent of the total food grain production. Pulses output in 2008-09 were estimated as 36.82 lakh metric tons. Among non-food crops, oilseeds production is dominated by Soyabean. The production of Soyabean was 58.49 lakh metric tons during 2008-09.

Productivity:

Yield of majority of crops is lower in the state as compare to national average yield. In addition the yield of various crops is stagnant over the period. Average yield of principal crops of the state is presented in Table 1.7.

With increased thrust on irrigation through AIBP and taking up of works relating to creation of water conservation, irrigation facilities and command area development under NREGS and launch of RKVY may help in improving overall productivity by increasing gross crop area during the plan period.

Table 1.7: Average Yield of Principal Crops

(Kg. Per Hectare)

Year	Rice	Wheat	Jowar	Maize	Gram	Tuar	Soya-bean	Cotton	Sugar-cane (Gur)
1	2	3	4	5	6	7	8	9	10
2001-02	1,005	1,691	903	1,310	944	818	840	369	3,893
2002-03	652	1,453	947	1,779	721	638	652	350	3,962
2003-04	1,058	1,867	1,342	2,072	932	825	1,132	557	4,215

Year	Rice	Wheat	Jowar	Maize	Gram	Tuar	Soya-bean	Cotton	Sugar-cane (Gur)
1	2	3	4	5	6	7	8	9	10
2004-05	818	1,821	961	1,400	920	775	819	566	4,280
2005-06	1,045	1,710	900	1,415	937	744	1,050	594	4,327
2006-07	874	1916	1033	979	988	679	1019	669	4407
2007-08	853	1714	1104	1320	724	643	1033	719	4249
2008-09 (Adv, Est.)	978	1885	1202	1369	982	802	1143	699	4223

(11) Industry

The performance of the industrial sector in the state can be termed as only moderately encouraging. The state has not been able to keep pace with the rate of growth at the national level in spite of its rich natural resources. This is largely because post conceptualized, the investments have gone primarily to states already developed. The absence of adequate infrastructure in the state is also one of the major constraints.

Registered Factories:

The number of registered factories in the year 2008 was 9204 (As on December 2008). The average daily employment in factories during 2008 was 4.14 lakhs.

Enterprises:

According to the 2005 Economic Census, the number of total enterprises in the State was more than 17.78 lakh, of which 53.56 per cent were in rural areas and 46.44 per cent in urban areas.

Central Government Undertakings:

The major industries of Central Government Undertakings in the state are Bharat Heavy Electricals Limited at Bhopal, Ordinance Factories at Jabalpur, NEPA Mills at Neapanagar and Security press at Hoshangabad and Dewas,.

Share of the Manufacturing Sector in Net State Domestic Product:

The growth rate observed for NSDP from manufacturing sector, during 1999-2000 to 2008-09, is -0.50 percent at constant prices. Growth rate in Registered manufacturing sector is negative (-2.67 %) while un-registered manufacturing registered growth of 2.98 percent during the same period at constant prices. The share of manufacturing sector (registered and unregistered) in NSDP has declined from 10.46 percent in 1999-2000 to 6.60 percent in 2008-09 at constant prices. In case of growth rate, at current price, of NSDP from manufacturing sector, during 1999-2000 to 2008-09, is 2.37%. Growth rate in registered manufacturing sector is 1.5 % while un-registered manufacturing registered growth of 4.2% percent during the same period at current prices.

The growth rates of product generated from the manufacturing sector both for the registered and unregistered sub sectors `at current prices and constant price are presented in table 1.8.

Table1.8: Growth rate of NSDP from Manufacturing Sector**(%)**

Year	Current Prices		Constant Prices	
	Registered	Un-Registered	Registered	Un-Registered
1	2	3	4	5
1999-00				
2000-01	-2.56	-5.12	-6.31	-7.35
2001-02	-3.28	0.78	-7.48	0.17
2002-03	-11.87	-1.33	-20.68	-3.08
2003-04	-0.61	7.88	-5.88	7.41
2004-05	8.55	12.70	8.17	13.10
2005-06	7.21	1.02	3.82	-0.86
2006-07	6.42	6.05	0.89	3.62
2007-08 (P)	5.23	6.53	5.05	5.73
2008-09 (Q)	1.92	1.36	-1.73	-0.71

(P) – Provisional (Q) – Quick

The trend reveals that income from the manufacturing sector both registered and un-registered have declined consistently from 1999-2000 to 2002-03, in 2003-04 registered sector continue to decline while un-registered sector started improving. After 2003-04, both the sector continue to improve though not at desirable pace.

To turn the state as one of the industrialized state of the country, state government in its industrial policy has declared a number of incentives and facilities, single window clearing system, creating infrastructure, creation of land bank for industries etc. It has a tremendous potential for faster industrial growth in view of its rich natural resources. Fast improving infrastructure, central location, peaceful industrial climate and progressive industrial policy and availability of improved human resource are additional benefits for the industrial units who wish to join hand in industrializing the state.

Major thrust will be on developing industrial infrastructure, which includes industrial areas, industrial growth centers, various industrial parks and efficient management of the same. The Hazira-Vijaypur-Jagdishpur (HBJ) pipe-line passes through the state and efforts are afoot to get gas from it and abundant raw material is also available in the State for mineral and agro-based industries. Some of the selected industries that could be set up are petrochemicals, automobiles, electronics, telecommunications and food processing units. New industrial areas are planned specially along the – North South corridor to promote food processing industries. Similarly, expansion of existing growth centres and IT parks, stone parks, apparel parks and SEZ and the prestigious project Automobile Testing Track near Indore will attract additional investments.

A dedicated freight corridor between Delhi and Mumbai, known as the Delhi-Mumbai Industrial Corridor (DMIC) has been conceptualized. Two investment regions namely Ratlam-Nagda and Peethampur-Dhar-Mhow and two industrial areas of Neemuch and Shajapur have been included in the DMIC with a vision to create a strong economic base.

Scheduled implementation of mega projects such as Bharat-Oman Refinery at Bina is on priority during the next plan period, as, with the potential of downstream projects, it will help in accelerating industrial growth in industrially backward Bundelkhand region of the state. Industry Policy 2004 is being improved upon to make it more investment friendly.

According to the Annual Survey of Industries (2004-05), the per capita net value added in the factory sector in Madhya Pradesh was Rs. 838 as against Rs. 2348 for all India. The provisional results of Annual Survey of Industries (2005-06) revealed that the per capita net value added in the factory sector in Madhya Pradesh was Rs. 1058 as against Rs. 2775 for all India. These results show the significant improvement though per capita net value added in the state is merely 38 percent of that of national average.

11. Infrastructure

Power:

Development of agricultural and industrial sector depend on adequate development of economic and social infrastructure like irrigation, power generation, transport, communication, technology and human resources. Power sector plays a crucial role in enhancing the growth of all social and economic sectors of economy.

The installed capacity of MPSEB as on 31.3.2009 is 3575.45 MW comprising of 2,597.5 MW Thermal and 977.95 MW Hydel capacity. Further, State has share of 2097 MW in the Central Sector Projects and additional allocation of 248 MW is available from EREB. Apart from the above, 1000 MW from Indira Sagar HEP and 826.5 MW (57% share) from Inter-state Sardar Sarovar HEP (6*200 + 5*50), 520 MW (8*65) from Omkareshwar HEP and 10 MW from Bargi LBC is also available. Thus a total installed generation capacity of 8276.94 MW is available with the state.

The percentage of villages electrified to total inhabited villages was 64.21 percent as on 31st March 2009 as per new definition of electrified village. The number of pump-sets and tubewells was 11.67 lakh in 2008-09.

Roads:

Roads are another very important constituent of developmental infrastructure, particularly when rail facilities are insufficient. The total road length maintained by PWD in the State was 73.31 thousand kms. as on March 2009. Of the total road length, bitumen surfaced road is 66.10 thousand kms while 7.21 thousand is unsurfaced. The national average for all types of road network is 83 km/100 sq. km., whereas in M.P. it is only 53.68 km/100 sq. kms. This is not only an indicator of the backwardness of the state but also the cause of its backwardness. 32769 kilometer of road has been constructed under PMGSY during 2009-10 (till January 2010).

Postal and Telephone Services:

There were 8323 post offices in the State in 2008-09 serving a population of 8409 on an average. The total numbers of telephone connection (including WLL and Cellular) in the state were 3318 thousand in 2008-09. The penetration of telephone connections in the state is 23 per thousand populations in 2008-09.

Registered Vehicles:

The number of vehicles registered rose to 55.23 lakh in 2007-08. The highest increase has been in the number of motorcycles, scooters and mopeds in the Eleventh Plan period. The number of commercial vehicles like taxi cabs and three wheelers, buses and trucks increased substantially during this period. The combined number of these three types of vehicles was 5.98 lakhs in 2007-08, constituting about 10.83 per cent of the total registered vehicles.

Health:

In line with National Health Policy with a goal of “Health for All”, the State has formulated strategies for development of the three-tier health infrastructure facilities. At present, the State has 50 District Hospitals, 333 Community Health Centres, 1155 Primary Health Centres, 56 Urban Civil Hospitals, 96 Civil Dispensaries, 313 Rural and 96 Urban Family Welfare Centres, 7 T-B Hospitals and 8860 Sub-health Centres, along with facilities of Indian System of Medicine. The state has five Government Medical Colleges and has sanctioned one more Medical College at Sagar. Besides these, there are 4 private sector Medical and 12 Dental colleges. The State has been effectively implementing programmes of Reproductive and Child Health along with other national programmes under National Rural Health Mission.

Facilities under Indian System of Medicine:

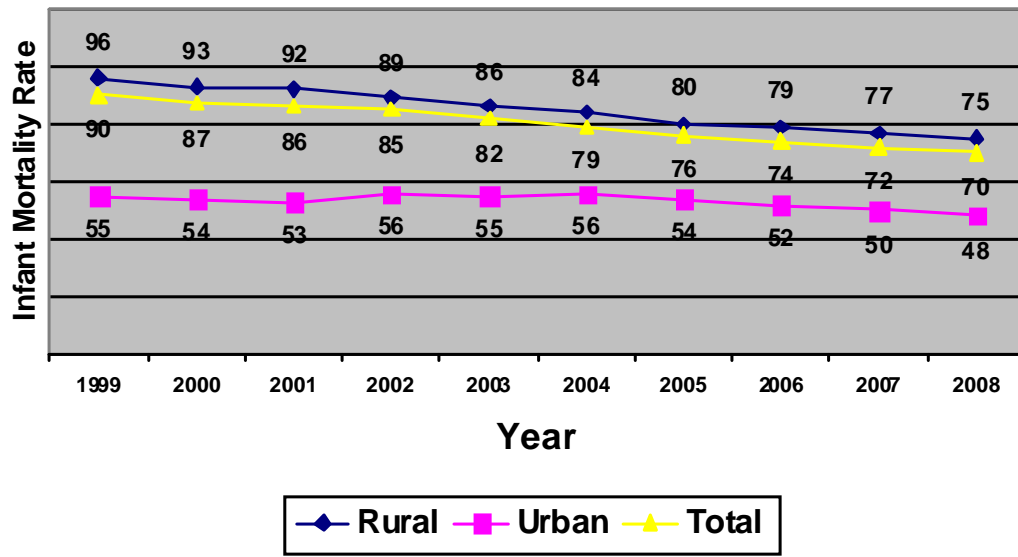
At present, State has nine Ayurved colleges, 28 Ayurved hospitals and 1427 Ayurved dispensaries under Indian System of Medicine. In addition Homoeopathic and Unani dispensaries are also functioning in the state. Details of facilities available is presented below in Table 1.9

Table 1.9

1.	Ayurved colleges	(7 Govt. Ayurved, 1 Homoeopathic, and 1 Unani)
2.	Ayurved hospitals	28
3.	Ayurved dispensaries	1427
4.	Homoeopathic hospitals	4
5.	Homoeopathic dispensaries	146
6.	Unani dispensaries	50
7.	Unani Hospital	01

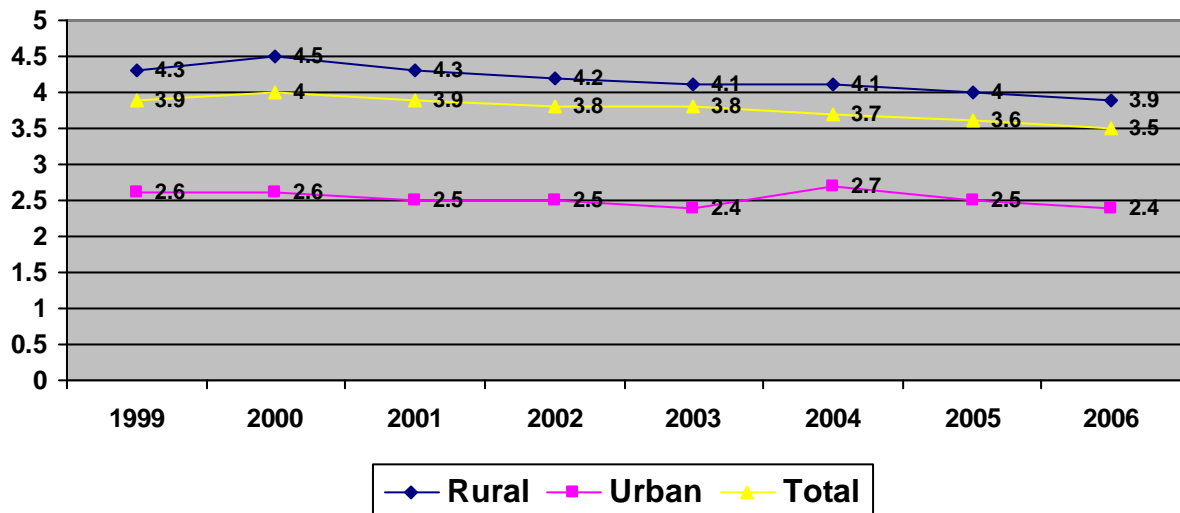
The health related various indicators are not performing at desirable rates. State has to put much more efforts in term of quality of service and manpower resources (both doctors and para medical staff) to achieve MDG goals set by the state with special attention to rural areas. Some of the indicators are presented below:

Infant Mortality Rate (Deaths per 1000 live births)



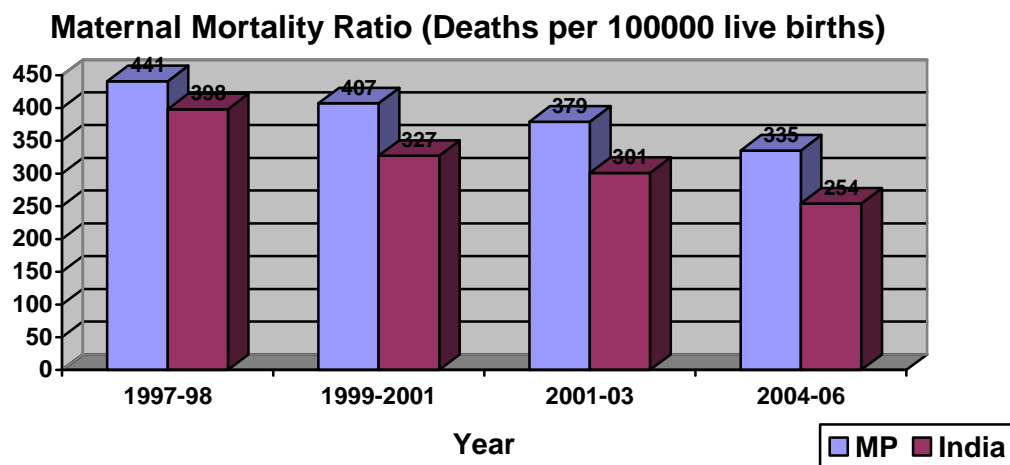
Source: Various SRS reports, office of Registrar General and Census Commissioner, Gol.

Total Fertility (Live births per woman)

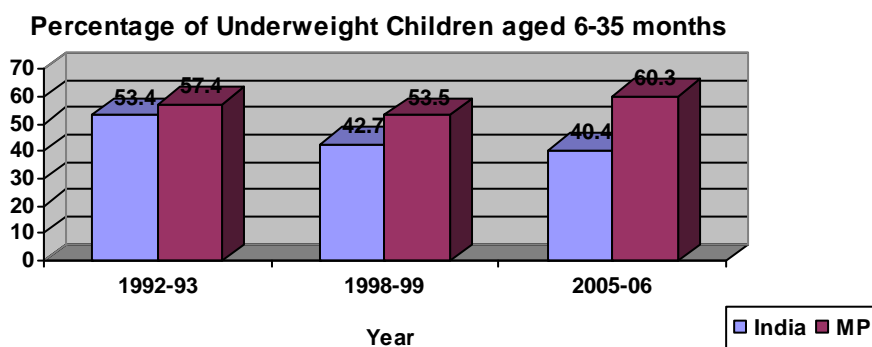


Source: Various SRS reports, office of Registrar General and Census Commissioner, Gol.

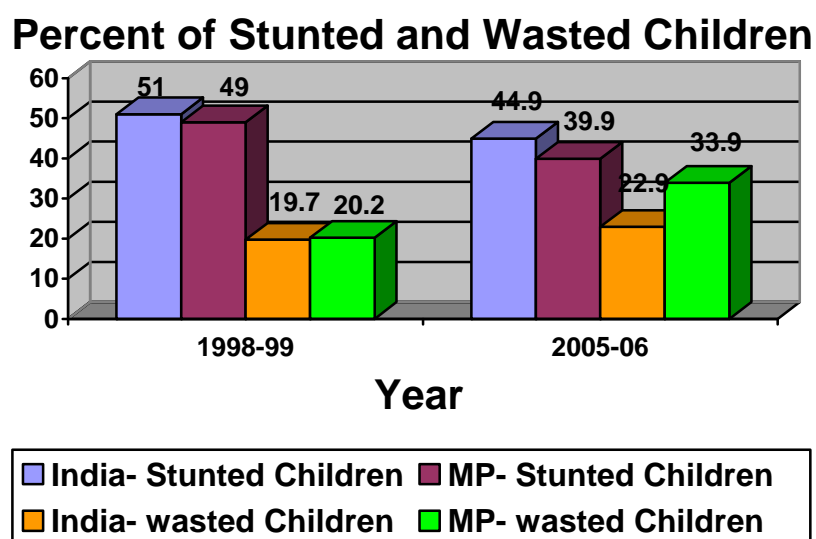
Maternal Mortality Ratio (Deaths per 100000 live births)



Source: Various SRS reports, office of Registrar General and Census Commissioner, Gol.



Source: National Family Health Survey Reports of various rounds.Ministry of Health and Family Welfare, Gol.



Source: National Family Health Survey Reports of various rounds.Ministry of Health and Family Welfare, Gol.