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Indian

States at a Glance 2006–07

THE NORTH-EAST AND SIKKIM



Performance,
and Figures

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Edited by
Aash Bhandari and Sumita Kale

Indian States at a Glance 2006–07



The North-East and Sikkim

Performance, Facts and Figures

Edited by

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A PHDCCI initiative



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Introduction

A lot has been written and discussed about how India is at the point of take off. Economic growth is accelerating, and most believe that a high growth is going to continue for many years into the future. A generation that is less affected by colonial hang-ups, more confident, highly educated and aware, is leading all sectors of the Indian economy. However, differences within the country remain, and may even widen, if concerted efforts are not put in. Identifying the constraints and strengths at the state and sub-state level will enable a much more fine tuned action. This volume is designed to facilitate this objective by informing industry, students, government, NGOs, and any person interested in the progress of the states of India.

India has six union territories and 29 states (including Delhi which is now considered to be a state). Of the 29 states, 19 have a population greater than 10 million—roughly the population of Poland. Of the 235 countries of the world, 150 odd countries have a population *below* 10 million. At 131 million, Uttar Pradesh has a population that is lower than only eight countries including India. A state such as Rajasthan has a land area greater than 3,42,000 sq km and is larger than United Kingdom and Ireland combined. That there are significant differences in lifestyles, facilities, law and order, governance between different states is well known; but again, this common knowledge has come about more due to perceptions formed out of individual experiences.

Though most documents and reports bring out the salient features of the key states of India, few are able to do the same for the smaller states, union territories, and the northeast. Moreover, precious few do so using data and information in an objective manner, such that anyone can decipher the strengths and weaknesses on various fronts. Over and above this, very little is known about how states compare with each other. Last, but not the least, little is known about how different parts of a state compare with each other.

Indicus Analytics received support from PHDCCI to put together information on scores of different issues for all the states of India, including yours. This information draws from the most

credible and highly respected publications and databases brought out in recent years. After ensuring that the information met the minimum quality specifications, it was analysed in different ways. Data for a state was compared over time and also with other states.

Care has been taken that the researchers' biases do not creep in, as is the case in many such comparisons. The reader should for himself understand the various constraints that his state is facing, how well it is performing, how it compares to other states in the vicinity and with India overall. This is all put together in such a way that the reader can draw his own conclusions.

We hope that this profile benefits you in better understanding your state. However, despite many crosschecks and dependence on credible information some errors might have crept in. We accept those and would appreciate your comments for future improvements.

Laveesh Bhandari and Sumita Kale
Indicus Analytics



Map not to scale

MAP OF INDIA

THE STATES AT A GLANCE

State	Arunachal Pradesh	Manipur	Meghalaya	Mizoram	Nagaland	Sikkim	Tripura
Capital	Itanagar	Imphal	Shillong	Aizawl	Kohima	Gangtok	Agartala
Area (sq km)	83,743	22,327	22,429	21,087	16,579	7,096	10,486
Population 2001 (in lakh)	10,97,968	21,66,788	23,18,822	8,88,573	19,90,036	5,40,851	31,99,203
Density of population per sq km	13	107	103	42	120	76	304
Average annual growth rate of population; 1991-2001 (%)	2.40	2.20	2.70	2.50	5	2.90	1.50
Per capita income; 2005-06 (Rs)	19,760	17,816	21,500	30,667	27,215	26,476	28,949
Urban population (%)	20.41	23.88	19.63	49.50	17.74	11.10	17.02
Literacy rate (%)	54.34	70.53	62.56	88.80	66.59	68.81	73.19
Number of districts	13	9	7	8	8	4	4
Number of towns	17	33	16	22	9	9	23
Number of villages	4,066	2,392	6,024	818	1,318	453	871
Prominent cities	Itanagar, Tawang	Imphal	Shillong	Aizawl	Kohima, Dimapur	Gangtok	Agartala
Principal crops	Maize, millet, potato	Maize, oilseeds, pea, tea, rubber, coffee	Rice, maize, horticulture, potato, ginger, turmeric	Rice, maize, pulses, pea, potato	Bajra, bean, pulses, horticulture	Cardomam, rice, tea, apples	Mesta, jute, sugarcane, wheat
Major industries	Power, forest-based, tea, cement, petrochemical, handicrafts, tourism	Tourism, sericulture, spinning, sugar, cement, pharmaceuticals, tourism	Cement, horticulture and agro-based, mineral, power generation	Fruit and food-based, handicrafts, sericulture, bamboo	Arts and handicrafts, food processing	Tourism, tea, agro-based and forest-based products	Natural gas, food processing, rubber, tea, bamboo, handicrafts, handlooms, IT

The National Picture: India, The Emerging Economy

1

The performance of the Indian economy over the last few years has placed the country in a privileged position, poised to become the next economic powerhouse of the world. India is projected to be the fastest growing economy till 2050¹ and India's share of global gross domestic product (GDP) is seen to rise from 6.2 per cent in 2005 to 8.8 per cent in 2020.² As a stable democracy with a growing free market, India's accelerating growth path over the last three years has already caught the attention of the world. At an average of 7 per cent since 2002, this is the highest growth rate the country has seen in any five-year period in the past, and the Approach Paper to the Eleventh Five-Year Plan targets a growth rate of 8.5 per cent over the next five years. The per capita income at 1999–2000 prices is currently estimated to be Rs 21,005 and with the population growing at 1.5 per cent a year, the Plan envisages the real income of the average Indian to double in 10 years—an admirable objective but one that would necessitate a greater coordination at all levels of the government.

Most of the recent impetus in growth has come from the buoyant service sector with ample backup from the manufacturing side. But for a higher growth in the future, much will depend on the agricultural sector breaking out of its 2 per cent growth rate. In fact, 60 per cent of our population still depends on the agricultural sector for its livelihood, and the low returns in this sector have caused financial distress to farmers in many regions across the country. Significant progress needs to be made on this front to ensure that higher growth encompasses all sectors and all groups of people across the country.

Clearly, a high growth target of 8–9 per cent looks more feasible now than it did five years ago, although issues relating to financing a higher growth trajectory need to be addressed. A GDP growth target of 9 per cent requires a boost in the investment–GDP ratio to 35 per cent from the current level of 30 per cent.³ While a positive investment climate encourages private funds, higher investment calls for increased domestic and foreign savings. It is desirable that long-term external borrowings and foreign direct investment (FDI) be attracted to the country and India has been a favoured destination for foreign funds in the last few years with the flow of FDI crossing \$ 6 billion in 2005–06. But infrastructure needs alone require \$150 billion in the next five years and it is doubtful that this requirement can be met through this route only.

The flows of foreign institutional investors in and out of the stock market in May 2006, a consequence of global market trends, served to highlight the inherent risky nature of these short-term funds. Given the constraints on raising foreign funds, the domestic sector has to bear the onus of meeting the demand for investible resources. While the domestic savings rate has increased over the years to touch 29.1 per cent of GDP in 2004–05, it needs to rise to 32.3 per cent, if the growth target is to be met. Here again, savings in the public sector are crucial and necessitate immense budgetary discipline from both central and state governments.

The tight rein on budgets so far has succeeded in reducing the combined fiscal deficit of central and state governments from 8.8 per cent of GDP at market price in the Ninth Plan (1997–98 to 2001–02) to 8.4 per cent in the Tenth Plan (2002–03 to 2006–07).⁴ According to the Fiscal Responsibility and Budget Management Act (FRBM), the combined deficit should be limited to 6 per cent of GDP from 2008–09 onwards. Though the central government and some states are on target with their goals, the compulsions to meet social sector and infrastructure development expenditures

are forces that cannot be ignored. While it is vital to increase tax as well as non-tax revenue and control non-plan expenditures, political factors can come in the way of progress in these areas.

Even though on the growth front, the picture of the economy is optimistic, there are many critical issues to tackle before the country can rest on its laurels. While poverty has reduced, large parts of the population still lack access to basic services in health, education, clean drinking water, sanitation and improvement in nutritional status. In fact, India's record on the Human Development Index (HDI) is dismal. The United Nations (UN) index combines measures of life expectancy, school enrolment, literacy and income to allow a broader view of a country's development than just per capita income levels and here India ranks 127 in a list of 177 countries.

Table 1 gives in a nutshell India's current position with regard to what it should be achieving.

Table 1 Development parameters at a glance

	2002	Reference for 2020
Percentage of population below poverty line	26.00	13.00
Income distribution (Gini index 100=equality)	37.80	48.50
Unemployment rate (% of labour force)	7.30	6.80
Male adult literacy rate (%)	68.00	96.00
Female adult literacy rate (%)	44.00	94.00
Net primary school enrolment ratio	77.20	99.90
Public expenditure on education as percentage of GNP	3.20	4.90
Life expectancy at birth in years	64.00	69.00
Infant mortality rate per 1,000 live births	71.00	22.50
Child malnutrition as percentage of children under five years based on weight for age	45.00	8.00
Public expenditure on health as percentage of GNP	0.80	3.40
Commercial energy consumption per capita (kg of oil equivalent)	486.00	2,002.00
Electrical power consumption per capita (kWh)	384.00	2,460.00
Telephones per 1,000 population	34.00	203.00
Personal computers per 1,000 population	3.30	52.30

■ Source: India Vision 2020, Planning Commission, GoI, 2002.

The capacity of growth would be severely constrained unless progress is made on the health and education front. In fact, the lack of skilled manpower that coexists in a country with a billion people is a paradox that needs to be resolved—only 5 per cent of the labour force in the age group 20–24 have undergone formal vocational training, compared to 26 per cent in Mexico and 96 per cent in Korea,⁵ which is a reflection on the commitment given to education and training in the past.

The HDI does not look into aspects such as group rights, governance, and here it should be noted that in the Failed States Index, India ranks fairly well at 93 out of 146 countries.⁶ We tend to take the provision of a secure stable political environment since independence for granted and this should rightly be treated as an achievement. Yet, India's record in providing equal development opportunities to all groups leaves much to be desired. Unbalanced regional development is a cause of concern, especially now as intra-state imbalances have widened. There are pockets of backwardness even in states such as Andhra Pradesh and Maharashtra that have registered impressive economic and social progress. The spread of naxalism in more than 100 districts of the country should be addressed without delay, as it can have a severe impact on the future progress and development of the country.

The year ahead, unfortunately, will not make the growth path smooth for the country. Heavy demands have already been placed on infrastructure and it is imperative that reforms are carried out to improve the performance of sectors such as power, ports and airports. The increased investment demand will meet up this year with higher inflation and interest rates. Inflation has been on the rise worldwide, assisted by high crude oil prices, resulting in a hike in the interest rates across the board. There are significant uncertainties in the global macroeconomic environment, which have to be factored in while charting India's progress in the future.

However, as our President A. P. J. Abdul Kalam says, 'It is the forces which oppose our progress that generate the necessary pressure compelling us to strive harder.'⁷ With the 3.5 per cent 'Hindu rate of growth' well behind us, only

time will tell if India rises to meet the challenge ahead of achieving double digit growth, which is broad-based and inclusive.

References

1. PricewaterhouseCoopers, 2006.
2. Economist Intelligence Unit, 2006.
3. 'Towards Faster and More Inclusive Growth,' an Approach to the Eleventh Five-Year Plan, Planning Commission, 2006.
4. Currently, it is estimated to be around 7 per cent for the year 2006–07.
5. India Vision 2020, Planning Commission, Gol, 2002.
6. Failed States Index, 2006. These rankings rate the worst performing state at the top.
7. Vision 2020, Planning Commission, Gol, 2002.

CHAPTER TWO

State Profile: A Review

2

The development profile of seven states—Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim is presented in this volume. The first six states form what is popularly known as the North-eastern region of India along with Assam. In this volume, Assam has been excluded as being a relatively larger state. Sikkim, though not geographically contiguous with the north-eastern states shares some of their unique characteristics. More importantly, Sikkim is a constituent state of North Eastern Council (NEC) for channelising development funds.

The region has had a rather disquiet past that is mainly due to disagreements among and/or between the numerous distinct groups making up the population of the various states. Within the region, six states share their boundary with Assam and have international borders too. Four states—Assam, Manipur, Nagaland and Tripura—and a centrally administered territory NEFA (North-East Frontier Agency) existed before Meghalaya was carved out of Assam in 1972, while Mizoram became a separate state in 1986

again from districts of Assam. NEFA was renamed Arunachal Pradesh and granted statehood in 1987. This re-organisation has often been the result of prolonged agitation by different population groups. Even to this day, there are groups that still follow a path of agitation, demanding creation or expansion of their own homelands.

(As per the Census of 2001 the North-eastern region (excluding Assam) accounted for just about 1.2 per cent of Indian population. Therefore, these states are small states with an average population of less than two million—Mizoram has the lowest population at about 0.9 million and Tripura the highest at under 3.2 million.

It is important to have this background of the states in mind while assessing their development profile because almost all these states have a population base that is less than a single district in some of the populous Indian states. The important characteristic of the population of these states is its composition. All states have a population that is predominantly indigenous; all are multi-tribal and there is some disagreement about the precise number of tribes that live in each of the six states. The tribal population forms the majority in almost all states—Mizoram (94.5 per cent), Nagaland (89.1 per cent), Meghalaya (85.9 per cent), Arunachal Pradesh (64.2 per cent), Manipur (34.2 per cent), and Tripura (31.1 per cent). In Tripura and Manipur the tribal population inhabits mostly the hilly areas.)

Another important difference lies in the administrative structure of the states. Four states—Arunachal Pradesh, Meghalaya, Mizoram and Nagaland—come under the Sixth Schedule in the Indian Constitution while predominantly tribal districts of Tripura have special provisions under the Fifth Schedule. The special provisions contained in Fifth and Sixth Schedules prohibit settlement of non-tribal population in these areas both from within the region as well as outside. In case of Arunachal Pradesh, Mizoram and Nagaland there is further restriction in the movement of population from other states. Entry of outside population other than those belonging to respective states is regulated through *inner-line permits*.

The socio-economic structure and the nature of economic activities are quite dissimilar. The population density is very low—it ranges from two households per sq km in Arunachal Pradesh to about 50 households in Tripura. Other states have very low population density—Manipur, Meghalaya, Mizoram and Nagaland have 13, 15, 6, and 13 households per sq km, respectively. Almost

all the states have a very high proportion of forest cover. Consequently, these states have rather low net sown area at under 14 per cent of reporting area except for Tripura where net sown area is over 26 per cent. Except for Mizoram, the remaining five states have urbanisation levels that are significantly lower than all-India state averages.

The case of Sikkim is different from the other states in the region. Sikkim became a part of the Indian union in 1974 and while it does not share a boundary with any of the North-eastern states, it has several characteristics which are more like the smaller states in the North-eastern region, than its neighbouring state of West Bengal. Like most of the states in the region, Sikkim has a small population base (just over half a million in 2001), low population density and hilly terrain. In demographic characteristics, Sikkim is closer to Tripura with just over 20 per cent of tribal population.

These population characteristics produce an economic structure that is very different from other states in India. Though in six out of seven states, a large proportion of the population is dependent on agriculture, the share of the service sector in gross state domestic product (GSDP) is very high. In the case of Mizoram, the service sector contributes over 60 per cent to the state's GSDP. In other states, it varies from 45 per cent in Arunachal Pradesh to 55 per cent in Nagaland. In Sikkim, the share of this sector is over 48 per cent in total GSDP. Unlike other major states in the country, the service sector in these states is dominated by the government sector. The GSDP in these states has been growing at varying rates since 2000–01, as slow as 4 per cent per annum in Arunachal Pradesh to over 8 per cent in Nagaland.

The share of the secondary sector in GSDP in these states is quite small compared to its contribution at the national level, except in case of Sikkim. This has some important implications on the employment structure and related characteristics. The occupation distribution of population in these states is notably different from other states. Firstly, unlike most of the major states or states that have significant non-tribal population, all the states except Tripura had very high rates of female labour force participation rate in 1999–2000, almost twice the all-India level. This has smoothed somewhat in 2005, but still the female work participation rate continues to be very high (See Table 2.1).

Barring Tripura, which has a higher proportion of non-tribal population, the proportion of women engaged in cultivation in all

Table 2.1 Labour force participation rates: 2005 (%)

	Male	Female
Arunachal Pradesh	49.40	36.20
Manipur	49.30	39.00
Meghalaya	47.70	35.20
Mizoram	58.70	49.20
Nagaland	46.60	38.10
Sikkim	60.10	42.40
Tripura	51.90	25.00
All India state average	51.60	27.30

the states is higher than their male counter parts. In almost all the states, a large proportion of the labour force is engaged in a few activities. Further, this concentration of labour force in few occupations is higher in the rural sector for both males and females.

The interesting feature of employment characteristics is the rate of unemployment in the urban sector. While in the rural sector all three measures of unemployment, usual, weekly and daily are comparable with the national figures, the urban unemployment rates are higher than all-India state average on all the three measures in three to four states (See Table 2.2).

Table 2.2 Urban unemployment rates: 1999–2000

	Usual principal status			Current weekly status			Current daily status		
	Male	Female	Persons	Male	Female	Persons	Male	Female	Persons
Arunachal Pradesh	1.83	12.99	3.73	2.42	11.46	3.71	2.49	10.05	3.58
Manipur	7.00	10.81	7.96	6.06	6.86	6.30	5.90	7.60	6.37
Meghalaya	3.60	5.87	4.35	3.60	5.83	4.34	3.66	5.96	4.43
Mizoram	4.04	3.47	3.84	2.75	2.88	2.80	3.56	3.55	3.56
Nagaland	9.69	9.71	9.69	10.01	9.01	9.72	10.10	9.65	9.99
Sikkim	6.75	10.86	7.77	6.94	12.90	8.42	7.04	12.14	8.27
Tripura	5.28	8.16	5.60	5.37	9.17	5.83	5.40	10.05	5.95
All India state average	4.88	6.97	5.24	5.76	8.05	6.20	7.45	9.42	7.79

■ Source: NSSO 55th round.

Though the majority of the labour force, both males and females, are engaged in cultivation, low productivity levels and limited availability of land for cultivation are major hurdles in expansion of agriculture in these states. However, there is also limited diversification possible in secondary sector activities. This leaves the service sector as the only viable source of growth. Given that there is general acceptance of the fact that the government sector expansion will be limited, these states will have to consider promotion of secondary sector activities by raising investment in manufacturing to tide over growing urban unemployment and the resultant discontent especially amongst the youth.

The structure of economic activities and employment provides a different picture of the states at per capita level. While in four out of seven states, in absolute terms, per capita income is higher than the national average, annualised growth rates present a different picture. It is to be borne in mind that the per capita income for the latest year is an estimated figure for these states. The prevailing high unemployment rates and restrictions built in the system in these states could be a hindrance to the expansion of economic activities and earnings. While in-migration in some of these states is restricted by the current governance structure, the out-migration from these states too is quite low, indicating that the earnings and earning opportunities are likely to be diverse.

On other development indicators, the important characteristic of the state in the region is the high level of achievement in education and literacy. Despite having significantly higher scheduled tribe population, literacy rates are very high. In fact, it is above the all-India average in five out of seven states in 2001. Mizoram has the second highest literacy rate in the entire country. Except for Arunachal Pradesh and Meghalaya, most of the states spent about the same proportion of expenditure on education as the national average.

The vulnerability of the households to poverty is uneven in these states. Firstly, there is disagreement about the level of incidence of poverty among these states. The official figures reported are based on extrapolation of poverty ratios of Assam. Secondly, given that Assam has the second highest incidence of poverty in the country, these states too reflect higher poverty which does not seem to be in line with the socio-economic structure of these states.

The indicators of infrastructure in all the states are poor. It was pointed out at the outset that all seven states share international boundaries and all of them are land locked. Out of seven states, only Manipur, Meghalaya, Mizoram, Nagaland and Tripura have

a serviceable airport. Manipur, Meghalaya, Mizoram, and Tripura have airports near state capitals but Arunachal Pradesh and Nagaland have serviceable airports away from state capitals whereas Sikkim does not have an airport at all. The capitals of Manipur and Tripura are connected to Kolkata and Delhi on regular basis because of better facilities at these airports, while in other states modern airplanes cannot land. Therefore, main transportation network is through surface transport. Even in the surface transport, only two states, Nagaland and Tripura, are connected by rail network, which is just for the namesake. In the road network, these states have made significant improvement over the last decades. In 1991–92, only Nagaland and Tripura had higher density of roads than all India, by 2002 there is no change in the situation despite significant strides that these states made in improving the road network. On an average, the road network during the period has increased by over 50 per cent, still these states lag behind in connectivity. Besides the historical reasons of poor road and rail network, the slower population density, land use pattern and high unit cost of providing these services also contributes to poor surface transport network.

Comparable information on other infrastructure facilities is either not available for all the states individually, e.g. consumption of cement, or if available these are quite dramatic. For example, consumption of electricity per capita in these states taken together was less than 20 per cent of Indian average in 1980–81. No information is available on electricity consumption on Nagaland. By 1999–2000, while electricity consumption doubled in India, the increase in these states have been in the range of 148 per cent to over 2,000 per cent. This growth rate in most cases reflects the very small statistical base, but even after such increase these states continue to be far below the Indian average. Yet by 2006, the proportion of households with electricity connections is higher than the national average in all the states except Meghalaya.

With regard to other infrastructure facilities like bank branches and post offices, all seven states have far higher penetration than other states including most of the major states. Clearly, there have been attempts to provide connectivity and access to some of the basic infrastructure facilities to households living in the remote areas of these states.

On the fiscal front, all the states have been treated under special provisions. The own tax revenue of these states is fairly low.

These states depend on the central government for meeting most of their plan and non-plan expenditures. These states are nowhere near meeting the target of 3 per cent gross fiscal deficit (GFD)/GSDP ratio set out by the Twelfth Finance Commission.

In sum, the North-eastern states, including Sikkim, are diverse in terms of most development indicators. Given their unique socio-cultural structure, strategic location and unique flora and fauna that make this region a biodiversity hot spot of the world, these states have to be viewed differently from other states in the Indian Union. At the moment, it is crucial to first assimilate these states in the mainstream by facilitating development in such a manner that does not produce dissent in the diverse socio-cultural setting within which the states are placed.

CHAPTER THREE

Economic Profile in Numbers

3

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3.1 ECONOMIC PROFILE

3.1.1 GSDP at current prices

GSDP at current prices is the aggregate of the economic value of all goods and services produced within the geographical boundaries of the state during the financial year without double counting. It covers all goods and services produced, regardless of whether these are marketed or not and includes the imputed value of products and services that are produced and consumed by the owner, e.g. owner-occupied buildings. The valuation is done at factor cost, which excludes taxes and subsidies. It is a good indicator of the level of economic activity as it measures the total income generated within the state. (See Table 3.1.1)

3.1.2 GSDP at constant prices

GSDP at constant prices adjusts for inflation in the state to give a real picture over time of the change in the income in the state. Current price GSDP can show a sharp rise if prices are rising rapidly, and it is very important to take into account the price effect

Table 3.1.1 GSDP at current prices (Rs lakh)

	2000-01	2005-06
Arunachal Pradesh	1,78,344	2,70,949
Manipur	2,92,010	5,12,676
Meghalaya	3,72,836	5,91,362
Mizoram	1,76,872	3,20,905
Nagaland	3,67,936	7,09,393
Sikkim	97,148	1,73,098
Tripura	5,27,007	10,53,957
All India state median	29,83,261	47,35,506

■ Source: Central Statistical Organisation (CSO), 2006.

■ Note: Except for Himachal Pradesh, Assam and Andhra Pradesh, all other states have estimated GSDP for 2005-06.

before comparing the level of income over time or across different states. At present, the GSDP series being followed at the state level takes 1993-94 as the base year, thus GSDP at constant prices measures the output in the two years as shown below at 1993-94 prices.

The base year changes periodically to account for structural changes in the economy and the latest series of the national accounts has moved the base year to 1999-2000, but the states have yet to make the change in their accounts. (See Table 3.1.2)

Table 3.1.2 GSDP at constant prices (Rs lakh)

	2000-01	2005-06
Arunachal Pradesh	1,11,523	1,35,146
Manipur	1,79,230	2,69,094
Meghalaya	2,41,211	3,26,064
Mizoram	-	1,35,194
Nagaland	2,39,481	3,55,520
Sikkim	60,102	85,910
Tripura	3,26,115	4,62,831
All India state median	21,79,536	25,76,814

■ Source: CSO, 2006.

■ Note: Constant prices at 1993-94 prices. India has 1999-2000 series data. Except for Himachal Pradesh, Assam and Andhra Pradesh, all other states have estimated GSDP for 2005-06.

3.1.3 Annualised growth in GSDP at constant prices

Annualised growth in GSDP at constant prices measures the annualised average rate of growth of the income in the state for a

given period after adjusting for price changes. This is the key indicator of the performance of the state, a good gauge of whether a state is doing better or worse than other states. Comparison of growth rates over time, after neutralising the price effect also gives a good idea of the progress in the state or lack thereof. Planning for growth and development aims at achieving a target growth rate and this, therefore, also becomes a benchmark to evaluate the plans. (See Table 3.1.3)

Table 3.1.3 Annualised growth rate for real GSDP at constant prices (%)

	1993-94 to 1999-2000	2000-01 to 2005-06
Arunachal Pradesh	2.86	4.08
Manipur	5.85	8.62
Meghalaya	6.94	6.15
Mizoram	-	7.05
Nagaland	4.66	8.37
Sikkim	6.36	7.50
Tripura	8.42	7.55
India	6.60	6.77

■ Source: CSO, 2006.

■ Note: Constant prices at 1993-94 prices. India has 1999-2000 series data. Except for Himachal Pradesh, Assam and Andhra Pradesh, all other states have estimated GSDP for 2005-06.

3.1.4 Per capita state income

Per capita state income adjusts the total income for the population in a state. As large states usually show higher levels of GSDP,

Table 3.1.4 Per capita state income at current prices (Rs)

	2000-01	2005-06
Arunachal Pradesh	14,699	19,760
Manipur	11,047	17,816
Meghalaya	14,632	21,500
Mizoram	18,491	30,667
Nagaland	17,629	27,215
Sikkim	16,503	26,476
Tripura	15,253	28,949
India	16,555	25,825

■ Source: CSO, 2006.

■ Note: India has 1999-2000 series data. Except for Himachal Pradesh, Assam and Andhra Pradesh, all other states have estimated GSDP for 2005-06.

reflecting the size of the population, by dividing GSDP by the population, we get a more accurate measure that allows for comparison across different states. More prosperous states enjoy a higher per capita state income compared to others who are not doing so well with lower per capita state incomes. Though it is usually used to measure the standard of living in the state, it must be combined with other social indicators to get a better understanding of the status of people in the state. (See Table 3.1.4)

3.1.5 Growth in per capita income

Change in per capita income over time is measured by the annualised average growth rate of per capita income in a given period. It can be measured at current prices, which expresses the change in per capita income in nominal terms, or at constant prices, which adjusts for inflation to give a more realistic picture of the improvement in the standard of living over time. The base year, presently, is 1993–94 for constant prices. If the growth in population slows down over the years, this will result in a higher growth in per capita income, and thus states that have been doing well at controlling population will perform better in raising personal income levels, other things remaining equal. (See Table 3.1.5)

Table 3.1.5 Annualised growth rate of per capita income for 2000–01 to 2005–06 (%)

	Constant prices	Current prices
Arunachal Pradesh	1.64	6.16
Manipur	7.23	9.61
Meghalaya	4.53	7.84
Mizoram	–	10.98
Nagaland	3.51	9.15
Sikkim	5.69	10.20
Tripura	6.27	13.58
India	5.31	9.14

■ Source: CSO, 2006.

■ Note: Constant prices at 1993–94 prices. India has 1999–2000 series data. Except for Himachal Pradesh, Assam and Andhra Pradesh, all other states have estimated GSDP for 2005–06.

3.1.6 Sectoral shares in GSDP

Income in the state originates from various sectors—the primary sector: agriculture (including livestock products), forestry, fishing,

mining activities; the secondary sector: manufacturing activities, construction, electricity, gas and water supply; the service sector: transportation, storage and communication, trade, hotels and restaurants, finance, banking and insurance, real estate, public administration, etc.

Traditionally, the process of development has seen the contribution of the primary sector declining, as secondary sector activities grow in importance. Recently, the surge in the service sector has added considerable value to economic activity in the country. Less-developed states continue to have relatively larger shares of income still coming from the primary sector. (See Table 3.1.6)

Table 3.1.6 Sectoral shares in GSDP (%)

	Primary sector		Secondary sector		Service sector	
	1993-94 to 1999-2000	2000-01 to 2005-06	1993-94 to 1999-2000	2000-01 to 2005-06	1993-94 to 1999-2000	2000-01 to 2005-06
Arunachal Pradesh	39.33	34.71	24.73	20.48	35.94	44.81
Manipur	33.66	29.24	19.73	20.17	46.61	50.59
Meghalaya	31.90	30.72	14.13	15.65	53.97	53.63
Mizoram	28.01	25.33	15.02	12.55	56.97	62.12
Nagaland	25.62	30.87	16.98	13.74	57.40	55.40
Sikkim	30.04	21.44	21.86	28.09	48.10	50.48
Tripura	33.98	29.09	13.05	19.39	52.97	51.52
India	31.02	25.21	24.55	25.70	44.43	49.07

■ Source: CSO, 2006.

3.1.7 Gross capital formation

Gross capital formation measures the total of gross additions to fixed assets and changes in stocks. Estimates of capital formation cover: (a) durable goods—the lifetime of which is one year or more—acquired by producers; (b) major improvements and alteration of the durable goods; (c) new construction; (d) reclamation and improvement of land and the development and extension of timber tracts, mineral exploration, orchards, plantations, etc. and (e) breeding stocks, draught animals, dairy cattle and the like.

It is, therefore, an indicator of the extent to which productive assets are being built up in the state by the public sector, the private corporate sector and the household sector. Supra-regional sectors

Table 3.1.7 Gross capital formation

	Gross capital formation (Rs crore)		Per capita gross capital formation (Rs)
	1991	2001	2001
Arunachal Pradesh	770	954	8,689
Manipur	318	1,439	6,641
Meghalaya	324	5,001	2,156
Mizoram	219	463	5,211
Nagaland	429	791	3,975
Sikkim	181	1,154	21,337
Tripura	273	762	2,382
All India state median	2,555	5,782	4,476

■ Source: CSO, 2004.

such as railways, banking, communications and central government also contribute to the building of capacity in the state. As larger states show higher levels of capital formation, adjusting for population normalises the data for comparison across states. (See Table 3.1.7)

3.1.8 Total outstanding bank credit

The amount of bank credit utilised in a state measures the extent to which funds are being used for economic activity as all sectors

Table 3.1.8 Total outstanding bank credit utilised

	Total outstanding bank credit utilised (Rs lakh)		CAGR of total bank credit utilised (%)
	2001	2005	2001-05
Arunachal Pradesh	13,551	36,005	27.67
Manipur	17,576	42,420	24.64
Meghalaya	28,535	2,62,668	74.18
Mizoram	11,474	46,623	41.98
Nagaland	12,245	30,495	25.62
Sikkim	8,810	36,990	43.15
Tripura	33,908	76,999	22.76
All India state median	3,75,979	8,40,347	22.89

■ Source: Reserve Bank of India (RBI), 2006.

■ Note: CAGR is the compound annual growth rate.

of the economy—agriculture, industry, trade, etc.—take recourse to bank credit to meet their investment needs. In a poor country where resources are scarce, the banking system is a tool, which is used to promote development, particularly, as credit is made cheaper for priority sectors.

Over time, the growth of total bank credit is a pointer to the expanding economic growth in the region as a higher rate denotes higher demand for financing economic activity. (See Table 3.1.8)

3.1.9 Credit–deposit ratio

The credit–deposit ratio adjusts the total bank credit utilised in a state for the amount of deposits raised within the state. It is the proportion of loan–assets created by banks from the deposits received. A higher credit–deposit ratio indicates that the demand for investment is greater than the amount of resources mobilised within a state. This usually accompanies a high growth path of the economy. A stagnant or declining ratio is a matter of concern for the banking system, as it reflects the fact that the banks do not find good projects to invest in within the state. (See Table 3.1.9)

Table 3.1.9 Credit–deposit ratio as per utilisation (%)

	2001	2005
Arunachal Pradesh	22.10	30.00
Manipur	40.70	42.60
Meghalaya	17.30	85.70
Mizoram	29.00	59.10
Nagaland	13.60	23.20
Sikkim	14.50	29.30
Tripura	21.70	29.00
All India state average	44.70	55.20

■ Source: RBI, 2006.

3.1.10 Consumer price index for agricultural labourers (CPI-AL)

CPI-AL is an index which measures the changes in the prices of goods in the consumption basket of agricultural labourers. The index is created monthly by the Labour Bureau for 20 states as well as for India and is basically used for revising minimum wages for agricultural labour as it shows how this section of society has been affected by the change in prices over time. The present base of CPI-AL is 1986-87, and as in the case of other

Table 3.1.10 Inflation measured by consumer price index for agricultural labourers (%)

	2002-03	2003-04	2004-05	2005-06
Arunachal Pradesh	-	-	-	-
Manipur	-2.71	2.57	1.31	3.65
Meghalaya	-1.78	1.36	2.61	4.66
Mizoram	-	-	-	-
Nagaland	-	-	-	-
Sikkim	-	-	-	-
Tripura	2.59	-1.99	5.28	2.10
India	3.16	3.90	2.59	3.85

■ Source: Labour Bureau.

■ Note: Financial year averages.

consumer price indices, the consumption pattern of agricultural labourers has changed over the years, the index is due for a revision. (See Table 3.1.10)

3.1.11 Consumer price index for urban non-manual employees (CPI-UNME)

The Consumer Price Index for Urban Non Manual Employees measures the change in prices of a basket of goods consumed by the Urban Non-Manual Employees. This index is calculated monthly by the Central Statistical Organisation for 59 urban centres across India. CPI-UNME uses the base year 1984-85. It is basically used for determining dearness allowances of employees of

Table 3.1.11 Inflation measured by consumer price index for non-manual employees (%)

	2002-03	2003-04	2004-05	2005-06
Arunachal Pradesh	-	-	-	-
Manipur	1.20	5.27	1.63	7.99
Meghalaya	4.03	3.12	2.30	4.61
Mizoram	-	-	-	-
Nagaland	5.44	2.49	6.25	9.50
Sikkim	5.84	2.42	2.00	2.19
Tripura	5.99	4.92	3.42	4.80
India	3.78	3.74	3.63	4.74

■ Source: Labour Bureau.

■ Note: Financial year averages.

some foreign companies working in India in service sectors such as airlines, communications, banking, insurance and other financial services. It is also used under the Income Tax Act to determine capital gains and by the CSO for deflating selected service sectors' GDP at current prices to get the corresponding GDP at constant factor cost. (See Table 3.1.11)

3.2 AGRICULTURE AND IRRIGATION

3.2.1 Agricultural GSDP at constant and current prices

Agriculture is the source of livelihood for the majority of the population in our country. The agricultural sector comprises crop cultivation as well as produce from livestock such as milk, eggs, meat. This sector can be the leading sector for raising growth and incomes as seen with the Green Revolution in a few states, and though many states have the agro-climatic potential to raise pro-

Table 3.2.1 Agricultural GSDP at constant and current prices (2004-05)

	Constant prices (Rs lakh)	Current prices (Rs lakh)
Arunachal Pradesh	31,207	64,238
Manipur	51,658	98,686
Meghalaya	62,024	1,08,628
Mizoram	18,049	57,431
Nagaland	1,28,868	2,08,260
Sikkim	15,702	29,029
Tripura	79,619	2,07,895
All India state median	4,90,020	8,41,428

■ Source: CSO, 2006.

■ Note: India 1993-94 series includes forestry and fishing; 2004-05 data estimated for Andaman & Nicobar Islands, Arunachal Pradesh, Chhattisgarh, Delhi, Goa, Gujarat, Karnataka, Maharashtra, Manipur, Mizoram, Nagaland, Tripura, Uttaranchal and West Bengal.

duction, there have been many factors retarding the growth in this sector, such as lack of land reforms. (See Table 3.2.1)

3.2.2 Annual growth rate in agricultural GSDP

The average annual rate of growth in agriculture at constant prices over a given period is a measure of the real growth in the sector, which is the most crucial for the incomes of a majority of our population. A high growth in agriculture stimulates the economy by raising demand for goods and services produced by the other

Table 3.2.2 Average annual growth rate in agricultural GSDP at constant 1993-94 prices (%)

	1995-96 to 1999-2000	2000-01 to 2004-05
Arunachal Pradesh	3.04	0.60
Manipur	3.98	3.74
Meghalaya	9.24	3.02
Mizoram	-	0.59
Nagaland	9.19	23.54
Sikkim	-1.80	7.04
Tripura	6.38	4.11
India	2.58	2.00

■ Source: CSO, 2006.

■ Note: India 1993-94 series includes forestry and fishing; 2004-05 data estimated for Andaman & Nicobar Islands, Arunachal Pradesh, Chhattisgarh, Delhi, Goa, Gujarat, Karnataka, Maharashtra, Manipur, Mizoram, Nagaland, Tripura, Uttaranchal and West Bengal.

sectors. Lack of investment in this sector has seen a deterioration in growth rates in many parts of the country. Though these rates point to the trends over time, averages mask the fact that agricultural growth is subject to many fluctuations as the majority of our land is dependent on the vagaries of the monsoon. (See Table 3.2.2)

3.2.3 Land utilisation

The land use pattern in a region dictates the type of economic activity that can normally flourish there, and the nature of the soil, topography and forest cover limit the extent to which land

Table 3.2.3 Land utilisation (2002-03)

	Cultivable area as % of total area	Net irrigated area as % of net area sown
Arunachal Pradesh	3.75	25.61
Manipur	7.25	25.81
Meghalaya	46.95	25.65
Mizoram	17.13	17.78
Nagaland	40.35	20.06
Sikkim	21.13	7.76
Tripura	29.55	14.29
All India state average	46.90	35.41

■ Source: Ministry of Agriculture, 2003.

can be cultivated. In general, a higher proportion of cultivable land to total area in the state shows a higher potential of agricultural output.

Yet, another limiting factor is the provision of irrigation facilities—higher percentage of net irrigated area to net area sown increases the productivity of the land and mitigates the negative impact of rainfall variation. For sustained agricultural growth, the availability of water is crucial and this is one aspect on which many states have failed to deliver. (See Table 3.2.3)

3.2.4 Rainfall

Rainfall dictates the fortunes of agricultural growth in a particular year in our country and the effect is magnified at the regional level, where production and income generation are largely dependent on the monsoon. Though aggregate rainfall data in a state does not reveal the heterogeneity across various districts, lower rainfall in a year helps to explain a lower economic growth. (See Table 3.2.4)

Table 3.2.4 Rainfall (mm)

	2004	Average (2000–04)
Arunachal Pradesh	2,892	2,635
Manipur	1,999	1,990
Meghalaya	2,891	2,642
Mizoram	1,999	1,990
Nagaland	1,999	1,990
Sikkim	2,768	2,811
Tripura	1,999	1,990
All India state average	1,911	1,900

■ Source: Ministry of Agriculture, 2004.

■ Note: Data adjusted for Met zones combined Assam with Meghalaya, Haryana with Chandigarh and Delhi, Goa with Konkarn, Daman & Diu with Dadra & Nagar Haveli and Gujarat, Nagaland with Mizoram, Manipur and Tripura, Pondicherry with Tamil Nadu, Sikkim with sub-Himalayan West Bengal, Goa with Maharashtra.

3.2.5 Food grain production

The production of food grains that include cereals and pulses showed a rapid increase in the sixties in certain states due to the Green Revolution. The phenomenal growth enabled India to become self-sufficient in food, ensuring food security, which was a national priority at the time. Since then, however, output has grown

slowly with a lot of fluctuations as rain fed production of pulses, in particular, has been the victim of variable monsoon. (See Table 3.2.5)

Table 3.2.5 Food grain production ('000 tonnes)

	2004-05	Average (2000-04)
Arunachal Pradesh	–	226.73
Manipur	–	376.18
Meghalaya	–	222.15
Mizoram	–	129.33
Nagaland	–	333.05
Sikkim	–	99.60
Tripura	–	565.23
All India state average	10,118.00	6,070.85

■ Source: Ministry of Agriculture, 2005.

3.2.6 Food grain yield

Agricultural productivity is measured through the yield of basic food grains, which shows a marked variation across regions. Some states which have benefited from increased irrigation, use of high yielding varieties of seeds, fertilisers, etc., have much higher levels of food grain yields. Yet even in these

Table 3.2.6 Food grain yield (kg/ha)

	2003-04	Average (2000-03)
Arunachal Pradesh	1,320	940
Manipur	–	2,276
Meghalaya	2,336	1,658
Mizoram	1,557	1,917
Nagaland	1,361	1,401
Sikkim	1,312	1,344
Tripura	2,149	2,196
All India state average	1,771	1,768

■ Source: Ministry of Agriculture, 2004.

states, problems of decline in soil fertility have affected the productivity of the land, raising issues of non-sustainable use of resources. (See Table 3.2.6)

3.2.7 Fertiliser consumption

As part of modern technology, the use of fertilisers has been encouraged as it increases the yield from the soil. Fertiliser subsidy has been an important component of the agricultural policy to make this input easily affordable to farmers. Thus, higher per hectare consumption of fertilisers is an indicator of improved productivity from agriculture. Recently, however, states which have traditionally shown high yields through widespread use of fertilisers have been afflicted with the problem of declining soil quality, suggesting that a plateau has been reached in productivity and a new approach is called for. (See Table 3.2.7)

Table 3.2.7 Fertiliser consumption (kg/ha)

	2001-02	2002-03	2003-04
Arunachal Pradesh	3	3	3
Manipur	114	129	131
Meghalaya	17	16	17
Mizoram	17	20	16
Nagaland	2	2	2
Sikkim	10	10	3
Tripura	32	22	29
All India state average	82	82	85

Source: Ministry of Agriculture, 2004.

3.2.8 Bank credit to agriculture

In a country where farmers lack access to resources to increase productivity, an important input has been assuring them of the availability of credit to procure their supplies. Credit to the agricultural sector has always been a priority sector for banks as loans for agricultural needs are provided at cheaper rates of interest. A high growth rate of credit to the farmers can denote better prospects for agricultural output and this year the government has planned for trebling farm credit in a bid to revive growth in the agricultural sector. (See Table 3.2.8)

Table 3.2.8 Bank credit to agriculture

	Bank credit to agriculture (Rs lakh) 2005	CAGR of bank credit to agriculture (%) 2001-05
Arunachal Pradesh	1,908	14.04
Manipur	2,634	9.04
Meghalaya	3,085	5.73
Mizoram	2,377	27.45
Nagaland	2,453	16.32
Sikkim	1,112	24.56
Tripura	8,982	10.12
All India state average	1,84,235	13.19

■ Source: RBI, 2006.

■ Note: Amounts outstanding in small borrowal accounts.

3.3 INDUSTRIAL SECTOR

3.3.1 Manufacturing sector GSDP at constant and current prices

Manufacturing is an important economic activity that is characterised by increasing returns. Growth paths of economies all over the world have shown that manufacturing is a more consistent engine of growth, and a state which has set up a well-diversified industrial sector is more likely to show better growth prospects over time.

Table 3.3.1 Manufacturing sector GSDP at constant and current prices (2004-05)

	Constant prices (Rs lakh)	Current prices (Rs lakh)
Arunachal Pradesh	4,278	6,852
Manipur	24,546	41,753
Meghalaya	8,412	13,668
Mizoram	-	2,890
Nagaland	2,104	4,173
Sikkim	2,411	3,997
Tripura	13,593	24,954
All India state median	2,89,511	4,71,685

■ Source: CSO, 2006.

■ Note: 2004-05 data estimated for Andaman & Nicobar Islands, Arunachal Pradesh, Chhattisgarh, Delhi, Goa, Gujarat, Karnataka, Maharashtra, Manipur, Mizoram, Nagaland, Tripura, Uttaranchal and West Bengal.

Since 1991–92 when reforms changed the economic environment, the industrial sector has seen a surge in output and productivity but all states have not benefited to an equal extent and regional disparities continue to persist. State governments are making all-out efforts at attracting investments from within and outside the country in industries that will stimulate their state economy. (See Table 3.3.1)

3.3.2 Average annual growth rate in manufacturing GSDP

The average annual rate of growth in the manufacturing sector at constant prices shows the trends in the industrial activity over time. The two-year recession starting in 2000 affected production adversely and to a much larger extent than the previous downturn experienced in 1998–99. This is reflected in the data and yet states with robust industrial setups have bounced back in the following years. Better growth performance in a state spurs fresh investment, thereby strengthening the industrial sector further. (See Table 3.3.2)

Table 3.3.2 Average annual growth rate in manufacturing GSDP at constant 1993–94 prices (%)

	1995–96 to 1999–2000	2000–01 to 2004–05
Arunachal Pradesh	4.12	0.64
Manipur	9.52	10.87
Meghalaya	1.77	12.45
Mizoram	–	–
Nagaland	–4.22	0.30
Sikkim	2.25	0.23
Tripura	2.59	22.84
India	6.55	6.88

■ Source: CSO, 2006.

■ Note: 2004–05 data estimated for Andaman & Nicobar Islands, Arunachal Pradesh, Chhattisgarh, Delhi, Goa, Gujarat, Karnataka, Maharashtra, Manipur, Mizoram, Nagaland, Tripura, Uttaranchal and West Bengal.

3.3.3 Share of registered and unregistered manufacturing

Manufacturing activity in India is classified into two categories—registered and unregistered. Registered manufacturing refers to those units that correspond to the registration criteria set by sections 2m(i) and 2m(ii) of the Factories Act of 1948. This essentially covers units that employ 10 or more workers and use power and units that do not use power but employ 20 or more workers.

Unregistered manufacturing activity refers to any unit that does not fulfil these criteria. In general, a larger share of registered manufacturing implies a predominance of organised industrial activity. (See Table 3.3.3)

Table 3.3.3 Share of registered and unregistered manufacturing in GSDP: 2004–05 (%)

	Registered share	Unregistered share
Arunachal Pradesh	–	100.00
Manipur	1.25	98.75
Meghalaya	54.64	45.36
Mizoram	25.78	74.22
Nagaland	48.61	51.39
Sikkim	41.56	58.44
Tripura	46.84	53.16
India	65.86	34.14

■ Source: CSO, 2006.

3.3.4 Industrial investment

An industrial entrepreneur's memorandum (IEM) must be filed with the government to show the intent of production or expansion of manufacturing activities. This is to bring on record the interest shown in industrial expansion by a firm. All states aim

Table 3.3.4 Industrial investment (1991–2005)

	Number of IEMs filed	Value of proposed IEMs (Rs crore)	Ratio of number of cases implemented to total number of IEMs filed (%)
Arunachal Pradesh	25	287	8.00
Manipur	3	10	33.33
Meghalaya	208	2,238	6.25
Mizoram	–	–	–
Nagaland	13	16,244	–
Sikkim	19	294	10.53
Tripura	31	2,134	12.90
All India state average	1,823	55,736	9.18

■ Source: Secretariat for Industrial Assistance Department of Industrial Policy and Promotion (SIADIPP), GoI, 2006.

at increasing industrial activity, not only in quantum terms but also in value. However, there are often delays in the execution of these projects and the proportion of cases implemented to the total number of IEMs filed is a true indicator of the realisation of proposed industrial activity in the state. (See Table 3.3.4)

3.3.5 Small-scale sector

A small-scale industrial unit is defined as an industrial undertaking, in which the investment in fixed assets in plant and machinery, whether held on ownership terms on lease or on hire purchase, does not exceed Rs 1 crore. In certain segments, this limit has been raised to Rs 5 crore. According to the Ministry of Small-Scale Industries, the small-scale industry sector output in India contributes almost 40 per cent of the gross industrial value-added, 45 per cent of the total exports from India (direct as well as indirect exports) and is the second largest employer of human resources after agriculture. The development of the small-scale sector has, therefore, always been assigned an important role in India's national plans.

However, with many small-scale units unable to meet the demands of the market and competition, the proportion of sick units to the total can be a good indicator of the health of this sector in a state. Often units have to close down for financial reasons and require revival plans from the government. (See Table 3.3.5)

Table 3.3.5 Small-scale industries (2005)

	Number of SSIs	Ratio of sick SSIs to total SSIs (%)
Arunachal Pradesh	376	3.99
Manipur	4,872	20.77
Meghalaya	2,813	4.23
Mizoram	3,483	0.32
Nagaland	1,874	8.22
Sikkim	218	14.22
Tripura	1,038	-
All India state average	47,346	10.25

Source: Indiatat.

3.3.6 Bank credit to industry

The amount of bank credit to finance the demand for industrial activity in the small borrowal accounts indicates the extent of access of entrepreneurs to resources from the banking system. With liberalisation, the priority sector lending to small borrowers

has taken a backseat. Yet, manufacturing activity needs to be expanded to ensure a sustainable high growth path. Growth of bank credit to industry is one way to measure how far this need is being fulfilled. (See Table 3.3.6)

Table 3.3.6 Bank credit to industry

	Bank credit to industry (Rs lakh) 2005	CAGR of bank credit to industry (%) 2001-05
Arunachal Pradesh	639	12.35
Manipur	3,588	4.38
Meghalaya	2,103	7.77
Mizoram	1,277	14.42
Nagaland	2,242	23.30
Sikkim	195	20.99
Tripura	2,853	-4.47
All India state average	23,777	0.00

■ Source: RBI, 2006.

■ Note: Amounts outstanding in small borrowal accounts.

3.3.7 Share of industry in total bank credit

Bank credit has various claimants and the proportion of bank credit to industry denotes the extent of importance of this sector relative to other sectors such as agriculture, trade, personal loans etc. Given the rise of consumerism in the last decade in the country, it is increasingly difficult for banks to show preference

Table 3.3.7 Share of industry in total bank credit (%)

	2001	2005
Arunachal Pradesh	7.44	4.93
Manipur	24.20	20.03
Meghalaya	11.76	7.33
Mizoram	12.53	9.39
Nagaland	17.23	13.91
Sikkim	3.22	1.66
Tripura	12.79	6.32
All India state average	9.76	5.68

■ Source: RBI, 2006.

■ Note: Amounts outstanding in small borrowal accounts.

to industrial needs—this shows in a falling proportion of credit to industry in total credit over time. (See Table 3.3.7)

3.4 SERVICE SECTOR

3.4.1 Service sector GSDP at constant and current prices

The service sector has been growing in importance in all regions recently. This includes activities such as transportation, storage and communication, trade, hotels and restaurants, finance, banking and insurance, real estate, public administration. The greatest share comes from trade, hotels and restaurants at around 30 per cent of the service sector.

Currently the service sector contributes more than half of the country's GDP, up from 43% in 1993–94, and has been flaunted as the engine of growth, replacing manufacturing in importance. (See Table 3.4.1)

Table 3.4.1 Service sector GSDP (2004–05)

	Constant price (Rs lakh)	Current price (Rs lakh)
Arunachal Pradesh	61,796	1,15,128
Manipur	1,26,308	2,40,079
Meghalaya	1,58,786	2,90,313
Mizoram	—	1,79,930
Nagaland	1,71,580	3,45,286
Sikkim	41,638	75,363
Tripura	2,24,000	4,60,742
All India state median	10,71,734	17,65,217

■ Source: CSO, 2006.

■ Note: 2004–05 data estimated for Andaman & Nicobar Islands, Arunachal Pradesh, Chhattisgarh, Delhi, Goa, Gujarat, Karnataka, Maharashtra, Manipur, Mizoram, Nagaland, Tripura, Uttaranchal and West Bengal.

3.4.2 Average annual growth rate of service sector

The average annual growth rate of the income originating in the service sector can be used to compare the progress of a state over time or to weigh a state's performance vis-à-vis others. The service sector is less susceptible to fluctuations from year to year and presents a more consistent picture, when compared to agriculture and manufacturing. Yet, growth in this sector is affected when the other sectors are hit by drought or recession, as the case may be—a

consequence of the decline in demand for services as the spending capacity of majority of the population is reduced. (See Table 3.4.2)

Table 3.4.2 Average annual growth rate of service sector at constant prices (%)

	1995-96 to 1999-2000	2000-01 to 2004-05
Arunachal Pradesh	10.23	6.70
Manipur	7.73	7.84
Meghalaya	6.84	6.07
Mizoram	-	-
Nagaland	2.49	11.66
Sikkim	11.63	5.65
Tripura	9.35	8.31
India	9.18	7.63

■ Source: CSO, 2006.

■ Note: 2004-05 data estimated for Andaman & Nicobar Islands, Arunachal Pradesh, Chhattisgarh, Delhi, Goa, Gujarat, Karnataka, Maharashtra, Manipur, Mizoram, Nagaland, Tripura, Uttaranchal and West Bengal.

3.4.3 Markets—Number of shops and establishments

The number of shops and commercial establishments is an indicator of the size of the trade sector in the state, which is a dominant

Table 3.4.3 Markets—Number of shops and establishments (2003)

	Shops	Commercial establishments	Cinemas, theatres, hotels, restaurants	Total persons employed in shops, commercial establishments, cinemas, hotels, etc.
Arunachal Pradesh	-	-	-	-
Manipur	2,032	107	315	2,584
Meghalaya	-	-	-	-
Mizoram	-	-	-	-
Nagaland	-	-	-	-
Sikkim	-	-	-	-
Tripura	32,435	564	779	15,894
India	45,08,334	8,58,623	2,45,922	69,94,775

■ Source: Indiastat.

■ Note: - Denotes that state did not furnish annual returns for 2003.

component of the service sector. Both wholesale and retail trade flourish when the economy is booming and the size of India's population guarantees a large consumer market for all goods and services. (See Table 3.4.3)

3.4.4 Bank credit for personal loans

The personal loan sector is one sector of credit, which has accelerated sharply in the past few years as rising incomes and relatively lower interest rates have fuelled the desire of many to acquire various goods and services. Loans for housing and purchase of consumer durables have surged—the spin-offs from high growth in these sectors lie in booming real estate development and increased industrial activity. A state which is experiencing good economic growth and, therefore, higher income generation will see a sharper growth in the personal loan business. (See Table 3.4.4)

Table 3.4.4 Bank credit for personal loans

	Bank credit for personal loans (Rs lakh) 2005	CAGR of bank credit for personal loans (%) 2001–05
Arunachal Pradesh	7,362	42.49
Manipur	8,852	36.83
Meghalaya	17,284	36.55
Mizoram	7,645	32.11
Nagaland	8,413	49.30
Sikkim	8,320	44.93
Tripura	20,191	31.84
India	86,61,069	22.08

■ Source: RBI, 2006.

■ Note: Amounts outstanding in small borrowal accounts.

3.4.5 Share of personal loans in total bank credit

The growth in credit for personal loans has been so strong over the past few years that its share in total credit has spiralled upwards in many states. This reorientation of focus in bank credit from priority sector lending to loans for housing, consumer durable purchase, etc., is a reflection of the growing demands from a population which has more disposable income in hand. (See Table 3.4.5)

Social Profile in Numbers

4

Demography 4.1

Education 4.2

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4.1 DEMOGRAPHY

4.1.1 Birth rate

The birth rate measures the number of live births during a particular year per 1,000 population at mid-year. India is the second country in the world to cross the one billion population mark and the birth rate is viewed as a basic indicator of population growth. The magnitude of this rate, which depends on the fertility rate and also on the age structure of the population, varies considerably between the states and also shows urban and rural distinctions. Urban areas with their higher income profiles and better access to education and health facilities have lower birth rates. (See Table 4.1.1)

4.1.2 Death rate

The death rate gives the average annual number of deaths during a particular year per 1,000 population at mid-year and is also known as the crude death rate. While the death rate gives only a rough indication of the mortality situation, it accurately measures

Table 4.1.1 Birth rate per 1,000 (2000)

	Total	Rural	Urban
Arunachal Pradesh	22.30	23.10	13.90
Manipur	18.30	19.10	16.20
Meghalaya	28.50	31.00	15.30
Mizoram	16.00	19.20	12.20
Nagaland	-	-	12.20
Sikkim	21.80	22.10	14.80
Tripura	16.50	17.00	14.00
India	25.80	27.60	20.70

■ Source: SRS Bulletin, 2002, Indiatat.

the impact of current mortality on population growth. While the death rate depends on a complex set of factor, it can be said that with better health facilities, this rate declines over time and states that have not been able to provide such amenities to their population do show higher death rates. Moreover, urban areas where medical care is more widely available have lower death rates. (See Table 4.1.2)

Table 4.1.2 Death rate per 1,000 (2000)

	Total	Rural	Urban
Arunachal Pradesh	6.00	6.30	2.50
Manipur	5.60	5.40	6.00
Meghalaya	9.20	10.10	4.60
Mizoram	5.20	6.20	3.90
Nagaland	-	-	3.00
Sikkim	5.70	5.70	4.00
Tripura	5.40	5.30	5.60
India	8.50	9.30	6.30

■ Source: SRS Bulletin, 2002, Indiatat.

4.1.3 Sex ratio (females per 1,000 males)

The sex ratio measured by the number of females per 1,000 males is an indicator of gender equality in a region. Biologically, a girl child is more resistant to disease and is more likely to survive

infancy than a male child, but the sex ratio shows an adverse trend in India. A low sex ratio shows the preference given to males in the society as females are quite commonly denied the same access as males to food, nutrition, healthcare and medical support facilities. The Census in 2001 noted a decline in the sex ratio in certain states, which pointed to the growing trend of couples resorting to the illegal female foeticide—an alarming indicator of a social bias that needs urgent attention. (See Table 4.1.3)

Table 4.1.3 Sex ratio

	1991	2001
Arunachal Pradesh	859	893
Manipur	958	978
Meghalaya	955	972
Mizoram	921	935
Nagaland	886	900
Sikkim	878	875
Tripura	945	948
India	927	933

■ Source: Census of India 1991, 2001.

4.1.4 Total fertility rate

The total fertility rate is the average number of children that would be born per woman, if all women lived to the end of their childbearing years and bore children according to a given

Table 4.1.4 Total fertility rate

	1992-93	1998-99
Arunachal Pradesh	2.40	2.50
Manipur	2.80	3.00
Meghalaya	3.70	4.60
Mizoram	2.30	2.90
Nagaland	3.30	3.80
Sikkim	-	2.80
Tripura	2.70	1.90
India	3.40	2.90

■ Source: National Family Health Survey (NFHS).

fertility rate at each age. The total fertility rate is a more direct measure of the level of fertility than the crude birth rate, since it refers to births per woman, and it is expected that with economic growth and development there is a decline in this rate. However, despite the decline, we find that poor states with lower incomes and development still have high rates of fertility, which compound to the problem of inadequate wherewithal for every citizen. A fertility rate of 2.1 at an all-India level is expected to stabilise the population and very few states are close to this target. (See Table 4.1.4)

4.1.5 Head-count ratio

Head-count ratio measures the extent of poverty in a state. The poverty line in India is measured by taking the income (separately for rural and urban areas) necessary to buy a basic food-basket, the consumption of which yields a minimum level of calories. It takes into account only the expenditure required for food for subsistence, leaving out other components of all other goods and services—housing, clothing, education and health services—needed for a decent living. The head-count ratio is computed on the basis of National Sample Survey (NSS) data on consumption expenditure; people with an income below the poverty line are 'poor' and the proportion of the poor to the aggregate population is the head-count ratio. (See Table 4.1.5)

Table 4.1.5 Head-count ratio (%)

	1999–2000
Arunachal Pradesh	33.50
Manipur	28.50
Meghalaya	33.90
Mizoram	19.50
Nagaland	32.70
Sikkim	36.60
Tripura	34.40
India	26.10

■ Source: NSSO 55th round.

4.1.6 Income distribution of households

The distribution of households by income profile reflects on the income inequalities in a state. While there are many income

categories possible, Table 4.1.6 considers three economic classes—rich, middle class and poor. Rich households have been characterised as those earning more than Rs 3 lakh a year; middle class households are defined as those whose annual income is between Rs 75,000 and 3 lakh a year; while poor households are those earning less than Rs 75,000 a year. States with low income levels show larger proportion of poor households while there are other states where the middle class dominates.

Table 4.1.6 Income distribution of households: 2006 (%)

	Rich	Middle class	Poor
Arunachal Pradesh	5.70	40.17	54.13
Manipur	6.16	49.87	43.97
Meghalaya	4.64	46.88	48.48
Mizoram	10.45	70.45	19.10
Nagaland	12.24	45.01	42.74
Sikkim	8.27	69.45	22.29
Tripura	5.93	38.24	55.83
India	10.06	54.03	35.91

■ Source: Market Skyline, 2006.

4.1.7 Scheduled castes (SCs) and Scheduled tribes (STs)

The demographic profile of a state includes the percentage of SCs and STs to the total population. Traditionally, these groups have

Table 4.1.7 Ratio of SCs and STs to the total population: 2001 (%)

	SCs	STs
Arunachal Pradesh	0.60	64.20
Manipur	2.80	34.20
Meghalaya	0.50	85.90
Mizoram	—	94.50
Nagaland	—	89.10
Sikkim	5.00	20.60
Tripura	17.40	31.10
India	16.20	8.20

■ Source: Census of India 2001.

been marginalised and have remained backward, in many cases untouched by growth and development. A higher proportion of such underprivileged population in a state would indicate that the state has to contend with issues of equality at large in the course of its developmental efforts. (See Table 4.1.7)

4.1.8 Religion

India is a multi-religious country and every state has a fair proportion of different religions making up the fabric of its society. While the Hindus form a majority in most states, there are some with large shares of Christian and Muslim populations, Punjab and Chandigarh being the only states with Sikh majority. (See Table 4.1.8)

Table 4.1.8 Religion: 2001 (%)

	Buddhist	Hindus	Christians	Jains	Muslims	Sikhs	Others (not stated)
Arunachal Pradesh	13.03	34.60	18.72	0.02	1.88	0.17	31.58
Manipur	0.09	46.01	34.04	0.07	8.81	0.08	10.91
Meghalaya	0.20	13.27	70.25	0.03	4.28	0.13	11.83
Mizoram	7.93	3.55	86.97	0.02	1.14	0.04	0.35
Nagaland	0.07	7.70	89.97	0.11	1.76	0.06	0.35
Sikkim	28.11	60.93	6.68	0.03	1.42	0.22	2.61
Tripura	3.09	85.62	3.20	0.01	7.95	0.04	0.07
India	0.80	80.50	2.30	0.40	13.40	1.90	0.70

■ Source: Census of India 2001.

4.2 EDUCATION

4.2.1 Literacy rate

The literacy rate is measured as a percentage of population aged seven years and above and as per the Census, literacy is defined as the ability to read and write the person's name and to form simple sentences. Higher literacy levels in a state denote rising socio-economic development and universal literacy is a crucial step towards achieving overall progress. However, a majority of the states have not been able to get close to this goal, even though we find a rise in the literacy rate by 12.6 per cent in India during the period 1991–2001. (See Table 4.2.1)

Table 4.2.1 Literacy rate (%)

	1991	2001
Arunachal Pradesh	41.60	54.34
Manipur	59.90	70.53
Meghalaya	49.10	62.56
Mizoram	82.30	88.80
Nagaland	61.60	66.59
Sikkim	56.90	68.81
Tripura	60.40	73.19
India	52.20	64.80

■ Source: Census of India 1991, 2001.

4.2.2 Literacy rates for females

Literacy rates for females are, traditionally, lower than the literacy rates for males and this indicator of development stands as the cornerstone in progress. A woman who is at least literate is in a better position than totally illiterate women to access health facilities and to ensure that the children move ahead on educational attainment levels. In general, a more literate female populace shows a more progressive society with higher potential for future growth. (See Table 4.2.2)

Table 4.2.2 Literacy rate for females (%)

	1991	2001
Arunachal Pradesh	29.70	43.50
Manipur	47.60	60.50
Meghalaya	44.90	59.60
Mizoram	78.60	86.80
Nagaland	54.80	61.50
Sikkim	46.80	60.40
Tripura	49.70	64.90
India	39.30	53.70

■ Source: Selected Education Statistics, 2003-04; Census of India 1991, 2001.

4.2.3 Literacy rates for males

Literacy rates for males have increased over the past decade in all states though there are variations in the rate of progress. Since literacy provides the aptitude to better income earning

Table 4.2.3 Literacy rate for males (%)

	1991	2001
Arunachal Pradesh	51.50	63.80
Manipur	71.60	80.30
Meghalaya	53.10	65.40
Mizoram	85.60	90.70
Nagaland	67.60	71.20
Sikkim	65.70	76.00
Tripura	70.60	81.00
India	64.10	75.30

■ Source: Selected Education Statistics, 2003-04; Census of India 1991, 2001.

capacity, lack of this skill prevents the effective exploitation of human resource potential. In all states, the greater preference given to males even in basic education is reflected in the fact that the literacy rates for males are higher than that of females. (See Table 4.2.3)

4.2.4 Share of expenditure on education to total disbursements

A major priority of governments in developing economies is to build on human capital by improving access to and the quality of educational facilities to all sections of the society. The share of

Table 4.2.4 Share of expenditure on education to total disbursements (%)

	2003-04	2005-06
Arunachal Pradesh	2.70	5.00
Manipur	7.50	8.60
Meghalaya	2.10	2.70
Mizoram	5.70	13.20
Nagaland	3.80	8.10
Sikkim	5.60	6.00
Tripura	7.30	8.40
India	5.00	7.20

■ Source: RBI; Budget documents of state governments.

■ Note: Revenue expenditure and capital outlay, also includes expenditure on sports, art and culture; all India figure is for all states, not for GoI.

expenditure on education in total expenditure of the state budgets is just one indicator of the commitment of the state to fulfilling this objective. However, it must be noted that the actual outcomes on the ground are more crucial than the outlays budgeted annually. (See Table 4.2.4)

4.2.5 Expenditure in primary education

It is important that every child be catered to by the state while providing elementary education, as this forms the backbone of creation of human resource potential in an economy. The expenditure of the education department in the states is adjusted for the number of children in the relevant age group of 6–14 years to indicate the extent to which the government is serving the needs of the children. (See Table 4.2.5)

Table 4.2.5 Total expenditure (Rs per person) of the education department on elementary education for children of age group (6–14 years)

	2002–03	2003–04
Arunachal Pradesh	3,290	5,220
Manipur	4,253	7,489
Meghalaya	2,651	4,499
Mizoram	6,198	11,041
Nagaland	2,641	5,100
Sikkim	7,391	11,838
Tripura	4,068	7,606
All India state average	3,531	6,175

Source: RBI; Estimated from Census, 2001.

4.2.6 Gross dropout ratio from primary school

The gross dropout ratio of children from primary schools is an indicator of whether the children who enrol in the schools remain there long enough to get the benefits of education. There are various factors that affect the ability of the educational system to retain the children—easy access to the school, proper infrastructure in the school, adequate number of teachers, appropriate course content, etc. In many cases, children drop out of school to take up small jobs or work in the fields. The issue of gender disparity is evident here as education is not valued for girls, they are made to stay at home to help with household activities or look after younger children. Many states

Table 4.2.6 Gross dropout ratio in primary classes (I–VIII): 2002 (%)

	Boys	Girls	Total
Arunachal Pradesh	64.87	62.36	63.76
Manipur	31.54	29.73	30.70
Meghalaya	77.07	76.90	76.99
Mizoram	61.17	58.50	59.89
Nagaland	55.66	50.80	53.36
Sikkim	67.72	58.51	63.41
Tripura	67.34	68.42	67.84
All India state average	39.70	42.09	40.77

■ Source: Annual report 2003–04, Ministry of Human Resource Development, GoI.

initiated mid-day meal schemes to lure children to remain in school. (See Table 4.2.6)

4.2.7 Primary school completion and number of teachers

Primary schools are up to either standard IV or V in different states and as per the formal education system a child between the ages 9 and 11 years would have ordinarily completed the primary level of education. Thus, the primary school completion rate is the percentage of children in the age group 10 to 12 years, who have completed this level of education. This ratio measures educational attainment based on enrolment at the

Table 4.2.7 Primary school completion and number of teachers

	Proportion of 10 plus children having completed primary schooling (%) 1998–99	Number of school teachers per 100 pupils 2003–04
Arunachal Pradesh	49.70	3.00
Manipur	53.80	4.30
Meghalaya	25.60	3.50
Mizoram	42.60	7.10
Nagaland	36.80	5.40
Sikkim	21.60	5.00
Tripura	43.30	3.90
All India state average	41.80	3.30

■ Source: NSSO 55th round; Selected Education Statistics, 2003–04.

right age and timely completion of primary school. Thus, a higher percentage of timely completion of primary schooling gives an indication that the programmes and plans of the government are effective.

A related indicator of the effectiveness of the school system would be in the number of teachers per hundred pupils—a higher number indicates a better provision of education to the students. (See Table 4.2.7)

4.2.8 Higher education enrolment

Higher Education is the next step in raising the skills of the population as it provides trained manpower for employment in industries and services. The number of enrolled students in the institutions of higher education in a state is an indicator of the extent of qualified potential employees, available to industries and companies in the region. (See Table 4.2.8)

Table 4.2.8 Total enrolment in higher education

	2000–01	2003–04
Arunachal Pradesh	4,631	6,987
Manipur	34,761	36,732
Meghalaya	26,783	30,149
Mizoram	7,109	11,573
Nagaland	10,903	13,179
Sikkim	3,369	6,791
Tripura	18,112	21,556
India	83,99,443	1,00,09,137

■ Source: Selected Educational Statistics, 2003–04.

■ Note: 2003–04: Provisional.

4.2.9 Teachers per 100 students in higher education

A prerequisite for providing quality education in higher institutions of learning is the presence of adequate number of teachers, who can train the students effectively. A higher proportion of teachers to enrolled students shows that the latter get more personalised attention. It could also indicate that the system is producing better quality of students than in those states with relative shortages of lecturers and professors. Research in various fields also benefits in an environment where teachers are not overburdened with the tasks of teaching and administration. (See Table 4.2.9)

Table 4.2.9 Number of teachers per 100 students in higher education

	2000-01	2003-04
Arunachal Pradesh	5.60	4.10
Manipur	10.80	11.30
Meghalaya	8.40	10.40
Mizoram	8.30	4.20
Nagaland	8.70	7.90
Sikkim	3.70	0.70
Tripura	4.50	4.20
India	4.90	4.60

■ Source: Selected Educational Statistics, 2003-04.

■ Note: 2003-04: Provisional.

4.2.10 Universities

University level education in India is governed by three main players—the University Grants Commission (UGC), which is responsible for coordination, determination and maintenance of standards and release of grants; the central government, responsible for major policy relating to higher education in the country and for providing grants to the UGC, it also establishes central universities in the country; and the state governments, who are responsible for establishment of state universities and colleges and provide plan grants for their development and non-plan

Table 4.2.10 Number of universities/deemed universities/institutions of national importance

	2000-01	2003-04
Arunachal Pradesh	1	1
Manipur	2	2
Meghalaya	1	1
Mizoram	—	1
Nagaland	1	1
Sikkim	1	1
Tripura	1	1
India	254	304

■ Source: Selected Educational Statistics, 2003-04.

■ Note: 2003-04: Provisional.

grants for their maintenance. Generally, larger states have higher number of universities and colleges to cater to their large populations but many attract students from smaller states, where facilities are not adequate. (See Table 4.2.10)

4.2.11 Arts, science and commerce colleges

The majority of the colleges in the country provide degrees in the Arts, Sciences and Commerce as they cater to the students seeking basic degrees in subjects of humanities, natural sciences and commerce. While all these colleges offer under-graduate courses, there are some who also undertake postgraduate education. Since admission into these colleges is relatively easier than in professional colleges, they form the bulk of the higher education system in India and there has been a steady rise in the number of colleges in all states over the years. (See Table 4.2.11)

Table 4.2.11 Number of arts, science and commerce colleges

	2000-01	2003-04
Arunachal Pradesh	7	10
Manipur	50	58
Meghalaya	33	48
Mizoram	30	26
Nagaland	33	36
Sikkim	2	2
Tripura	14	14
India	7,926	9,427

■ Source: Selected Educational Statistics, 2003-04.

■ Note: 2003-04: Provisional.

4.2.12 Technical colleges

The number of colleges offering engineering, technical and architecture courses show a wide disparity across the states. This is not just a consequence of the size of the state but also reflects the recent trend of the growth of private engineering colleges. Some states have witnessed more prominently the setting up of numerous technical colleges and this has led to the migration of students from their home state to these states which offer better opportunities. The growth of private colleges also has a spin-off on the local economy as they attract industrial units by offering a ready source of manpower. (See Table 4.2.12)

Table 4.2.12 Number of engineering, technical and architecture colleges

	2000-01	2003-04
Arunachal Pradesh	1	1
Manipur	-	1
Meghalaya	-	-
Mizoram	-	-
Nagaland	-	-
Sikkim	1	1
Tripura	1	1
India	680	1,068

■ Source: Selected Educational Statistics, 2003-04.

■ Note: 2003-04: Provisional.

4.2.13 Medical colleges

Medical colleges cover education in the various systems of medicine practised in India—allopathy, ayurved, homeopathy, unani—as well as colleges offering training in nursing and pharmacy. They are indispensable for providing an adequate number of professionals to the healthcare system of the country. Like technical education since the nineties, medical education has also been privatised and commercialised in many states, leading to a rapid growth in a number of such colleges. (See Table 4.2.13)

Table 4.2.13 Number of medical colleges

	2000-01	2003-04
Arunachal Pradesh	-	1
Manipur	1	1
Meghalaya	-	-
Mizoram	-	-
Nagaland	-	-
Sikkim	-	1
Tripura	1	1
India	709	783

■ Source: Selected Educational Statistics, 2003-04.

■ Note: 2003-04: Provisional.

4.2.14 Number of seats in engineering

The number of seats offering education in engineering has seen a dramatic increase in the last ten years. This was the result of the private sector's involvement in the provision of higher education and the situation, currently, is such that there is a surplus of engineering seats compared to the demand. There is a wide variation in the number of seats across states as some states have expanded their colleges more rapidly than others. (See Table 4.2.14)

Table 4.2.14 Number of seats available in engineering

	1995	2005-06
Arunachal Pradesh	226	198
Manipur	198	120
Meghalaya	-	240
Mizoram	120	120
Nagaland	-	-
Sikkim	98	420
Tripura	129	190
India	1,94,700	4,18,221

■ Source: AICTE Handbook for Approval Process, 2006.

4.2.15 Number of seats in MBA

The Masters in Business Administration (MBA) is a postgraduate degree which has become a prerequisite qualification for those

Table 4.2.15 Number of seats available in MBA

	1995	2005-06
Arunachal Pradesh	-	45
Manipur	30	30
Meghalaya	-	-
Mizoram	-	-
Nagaland	-	-
Sikkim	-	-
Tripura	-	120
India	25,579	83,437

■ Source: AICTE Handbook for Approval Process, 2006.

seeking employment in the managerial cadre of a growing number of companies. Apart from the famous Indian Institutes of Management, there are numerous colleges across the country offering this course with various specialisations to cater to the demand from the industry. (See Table 4.2.15)

4.2.16 Number of seats in pharmacy

Pharmacy education is vital not only for the establishment of a network of retail-trained pharmacies across the country but also to stimulate the research and development side of the pharmaceutical industry. The growth in the number of seats in pharmacy has not been adequate to meet this demand, and pharmacy should be treated as a socially relevant profession, which needs expansion. (See Table 4.2.16)

Table 4.2.16 Number of seats available in pharmacy

	1995	2005-06
Arunachal Pradesh	-	-
Manipur	-	-
Meghalaya	-	-
Mizoram	-	30
Nagaland	-	-
Sikkim	60	60
Tripura	30	30
India	6,159	33,406

■ Source: AICTE Handbook for Approval Process, 2006.

4.3 HEALTH, WATER AND SANITATION

4.3.1 Share of expenditure on health and family welfare in total disbursements

Health and family welfare are crucial inputs into the well-being of the population and the expenditure by the government in this sector indicates how seriously this commitment is taken. Most states in India spend around 2 per cent of their total disbursements on this category of expenditure though poor states that have backlogs to clear in the provision of facilities to their population should give higher preference to spending in this sector. (See Table 4.3.1)

Table 4.3.1 Expenditure on medical and public health and family welfare as ratio to aggregate disbursement (%)

	2003-04	2005-06
Arunachal Pradesh	1.00	1.60
Manipur	1.80	1.80
Meghalaya	0.80	0.80
Mizoram	2.40	3.80
Nagaland	1.40	3.30
Sikkim	1.40	1.50
Tripura	1.30	2.80
India	1.40	2.10

■ Source: RBI; Budget documents of state governments.

■ Note: Revenue expenditure and capital outlay; all India figure is for all states, not for Gol.

4.3.2 Infant mortality rate

Infant mortality rate is the number of deaths of infants, before their first birthday, adjusted for the number of live births in a year. Though there has been a decline in this rate over the past decades, in India it is still very high and in some states, the levels of infant mortality are even higher. This is widely seen as a consequence of poverty and lack of access to medical and health facilities for mothers as well as for infants. According to the Millennium Development Goals adopted by all countries in 2000, India requires to reduce the infant mortality rate to 27 deaths per 1,000 live births by 2015. (See Table 4.3.2)

Table 4.3.2 Infant mortality rate per 1,000 of population

	1998-99	2004
Arunachal Pradesh	63.10	38
Manipur	37.00	14
Meghalaya	89.00	54
Mizoram	37.00	19
Nagaland	42.10	17
Sikkim	44.00	32
Tripura	44.20	32
India	67.60	58

■ Source: NEHS II, SRS Bulletin, vol. 38 no.1, April 2006.

4.3.3 Child immunisation and assistance at births

Under the Universal Immunisation Programme in India, it is expected that all infants are protected against six fatal causes of infant and child mortality—tuberculosis, diphtheria, whooping cough, tetanus, poliomyelitis and measles. Children who have received one dose each of the BCG and measles vaccines and three doses each of the DPT and polio vaccines are considered to have full immunisation. The coverage of children with full immunisation lags behind the goal of Universal Immunisation with a wide variation in the performance of various states.

The percentage of births that take place with the assistance of technical personnel is also an indicator of the spread of the healthcare system in the state. With high rates of maternal mortality, child birth is one area that still does not get the concern it deserves. (See Table 4.3.3)

Table 4.3.3 Child immunisation and assistance at birth (%)

	Children fully immunised in the age group of 12–35 months 2003–04	Births assisted by trained personnel 2002–03
Arunachal Pradesh	22.50	31.90
Manipur	37.00	53.90
Meghalaya	14.10	20.60
Mizoram	35.30	67.50
Nagaland	14.40	32.80
Sikkim	50.20	35.10
Tripura	28.00	47.50
All India state median	54.40	42.80

■ Source: Reproductive and Child Health (RCH) Programme, 2003–04.

■ Note: Provisional estimates based on data from 565 districts.

4.3.4 Incidence of malaria

Malaria, which accounted for about 7.5 crore cases and 8 lakh deaths annually before the launch of the National Malaria Control Programme in 1953, saw a dramatic reduction to one lakh cases and no deaths in 1965. A resurgence in 1976 due to resistance of the *Plasmodium* species to drugs and of mosquitoes to insecticides led to renewed action that brought the incidence of

Table 4.3.4 Number of positive malaria cases

	Average (1999–2001)	Average (2002–04)
Arunachal Pradesh	53,479	37,030
Manipur	1,556	2,198
Meghalaya	16,376	18,121
Mizoram	11,475	7,661
Nagaland	4,052	3,267
Sikkim	20	164
Tripura	15,052	14,860
India	21,34,082	18,51,945

■ Source: Ministry of Health and Family Welfare, GoI.

■ Note: 2004: Figures are provisional.

malaria down to around 20 lakh cases in the 1980s, and a new control strategy Malaria Action Programme (MAP) was started in 1995. The incidence of this disease has since stabilised though there are reasons to believe that there is a large underreporting by lax authorities. (See Table 4.3.4)

4.3.5 Incidence of tuberculosis

Nearly 40 per cent of the Indian population of all ages has *Mycobacterium tuberculosis* infection, and there are about 85 lakh people with TB at any given time. According to the Tuberculosis

Table 4.3.5 Total tuberculosis cases detected under revised National Tuberculosis Control Programme

	2001–02	2003–04
Arunachal Pradesh	2,730	3,123
Manipur	2,766	5,556
Meghalaya	2,760	2,730
Mizoram	1,263	1,456
Nagaland	1,035	933
Sikkim	1,640	1,250
Tripura	1,947	1,032
India	11,18,664	11,29,076

■ Source: Ministry of Health and Family Welfare, GoI.