

CHAPTER-4

Annual Plan 2009-10

4.1 Annual Plan 2009-10 will be the 3rd year of the 11th Plan (2007-2012). It has been formulated within the central theme of 'faster' and 'more inclusive growth', a process which yields broad based benefits and ensure equality of opportunities for all, set for 11th Plan. The strategy will aim at maintaining the economic growth rate above 7% despite world wide economic slow down. The emphasis will be on building infrastructure, achieving the goals of 'Bharat Nirman Yojana', expanding excess to health and education, bring efficacy in delivery system especially in rural areas and improving the living conditions of the weaker sections. The thrust will also be on diversification of agriculture and creation of gainful employment opportunities.

4.2 The Planning Commission has approved a plan size of Rs. 13778.00 crore for the 11th Plan to Himachal Pradesh. Against this size, Rs. 2100.00 crore and 2400.00 crore respectively have been approved for the two Annual Plans of 2007-08 and 2008-09. Keeping in view the overall resource scenario, a plan size of Rs. 2700.00 crore has been proposed for the year 2009-10 by giving a hike of 12.50% over the current Annual Plan 2008-09. Break-up of the proposed aggregate size is given below:-

Table-1

Break-up of Annual Plan Outlay 2009-10

(Rs.in Crore)		
Sr.No.	Item	Proposed Outlay 2009-10
1.	General Plan	1732.00
2.	Scheduled Castes Sub-Plan	668.00
3.	Tribal Sub-Plan	243.00
4.	Backward Area Sub-Plan	57.00
	Total	2700.00

4.3 Of the Annual Plan size of Rs. 2700.00 crore, Rs. 668.00 crore, which commensurate the proportionate population of the Scheduled Castes i.e. 24.72% in the State, have been provided for Scheduled Castes Sub-Plan for the implementation of schemes benefiting SCs population. These funds will be budgeted under a single demand to be administered, managed and implemented by the Director of Social Justice & Empowerment. Likewise, 9% funds have been provided for the execution of various works and infrastructure development programmes in tribal pockets and for the tribal population living outside tribal areas.

4.4 For providing basic infrastructure facilities in declared backward areas / panchayats, funds of Rs. 57.00 crore will be allocated under sectors of Agriculture, Forestry, Irrigation, Industries, Roads, Education, Health and Water Supply.

4.5 The sectoral spread of the outlay for the year 2009-10 is given in the following table:-

Table -2

Sector-wise Outlay of Annual Plan 2009-10

(Rs. in Crore)			
Sr. No.	Sector	Proposed Outlay 2009-10	%age
1.	2.	3.	4.
1.	Agriculture & Allied Activities	299.20	11.08
2.	Rural Development	143.02	5.30
3.	Special Area Programme	12.97	0.48
4.	Irrigation and Flood Control	270.74	10.03
5.	Energy	354.86	13.14
6.	Industry & Minerals	21.36	0.79
7.	Transport & Communication	547.81	20.29
8.	Science, Technology & Environment	16.00	0.59
9.	General Economic Services	95.50	3.54
10.	Social Services	871.97	32.30
11.	General Services	66.57	2.46
	Total	2700.00	100.00

4.6 First priority in the allocation of funds (32.30 %) has been given to ‘Social Services Sector’. The funds have specifically been provided for creation of infrastructure in Education & Health sectors which will bring quality improvement in delivery system.

4.7 In the order of priority, 2nd priority has been given to ‘Transport and Communication Sector’ by proposing an outlay of Rs. 547.81 crore (20.29%) to link feasible villages with motorable roads and maintenance of the existing infrastructure. The allocation under this sector also highlights the resolution of State Government to expand the rail infrastructure by meeting the State share provision of Bhanupalli-Bilaspur Rail line.

4.8 The 3rd priority goes to the ‘Energy Sector’ by making a provision of Rs. 354.86 crore (13.14 %) by providing State equity in projects under execution by H.P. Power Corporation, as also for equity support to newly formed H.P. Transmission Corporation Ltd.

4.9 The next priority goes to ‘Agriculture and Allied Activities’ where thrust has been given for diversification of agriculture and providing irrigation facilities as supporting infrastructure. These efforts will also create additional employment opportunities to educated un-employed youth in the State. An outlay of Rs. 299.20 crore (11.08 %) has been proposed for this sector.

4.10 Physical targets of selected items for the year 2009-10 are given in the following table:-

Table –3

Targets of Selected Items-2009-10

Sr.No.	Item	Unit	Target 2009-10
1.	2.	3.	4.
1.	Food grain Production	000 M.T.	1650
2.	Vegetable Production	000 M.T.	1155
3.	Fertilizer Consumption	000 Tonnes	49
4.	Fruit Production	000 M.T.	815
5.	Mushroom Production	M.T.	6200
6.	Hops Production (Dry)	M.T.	45
7.	Production of Honey	M.T.	1600
8.	Milk Production	000 Tonnes	890
9.	Wool Production	Lakh Kgs.	16.65
10.	Fish Production	Tonnes	7550
11.	Afforestation	Hect.	400
12.	IRD Families to be assisted :		
	i) SGSY (Swaran Jayanti Gram Sawarozgar Yojana)	Disbursement of Credit (Rs. in lakh)	2117.00
13.	Additional CCA to be Created	Hect.	5000
14.	Installed capacity to be added	MW	4.50
15.	Opening of Ayurvedic Hospitals	Nos.	1
16.	Opening of Homeopathic Health Centers	Nos.	2
17.	Opening of Ayurvedic Health Centers	Nos.	10
18.	Rural Water Supply left-out Habitations to be Covered	Nos.	2000
19.	Coverage under EIUS	Nos.	3300
20.	Construction of Housing Units	Nos.	9624
21.	Hand Pumps to be Installed	Nos.	2000

I. Core Sector Strategy :

1. Agriculture :

4.1.1 Agriculture is the predominant sector in terms of employment and livelihood with more than 57% of the main work force engaged in it as the principal occupation. In 58 years of planning era, foodgrains production increased from a level of 2 Lakh M.T. to about 16 Lakh M.T. However, during the last decade (9th Plan and 10th Plan) foodgrains production remained almost static due to variety of reasons. Traditional farming of wheat, paddy and maize has become un-viable due to low productivity. Climatic change, biotic pressure on land and monkey menace are the other few reasons for slow growth in agricultural productivity. In view of these constraints, agriculture strategy has been re-oriented with emphasis on production of high value crops like off-season vegetable, vegetable seeds, potato, ginger and tea apart from raising the productivity of traditional crops through dissemination of technology.

4.1.2 Besides, implementation of ongoing programmes, the State Govt. has taken a dynamic step by sanctioning two projects on production of cash crops under NABARD assisted RIDF:

- (i) Adoption of precision farming practices through Poly-House cultivation.
- (ii) Diversification of Agriculture through Micro-irrigation and other related infrastructure.

4.1.3 These projects aim at higher productivity and income per unit area, judicious use of natural resources, year round availability of vegetables, assured production of quality produce. The NABARD has sanctioned a loan of Rs. 231.38 crore for a period of four years for its implementation. Project-wise details are as under :-

(i) Adoption of precision farming practices through Poly-House cultivation :

4.1.4 The project components include construction of poly-houses and providing of micro irrigation through sprinkler and drip for production of cash crops. For this programme the farmers shall be provided 80% subsidy and 20% would be beneficiaries contribution. Besides, the farmers shall also be provided 50% assistance for creation of water sources for these poly houses like farm tanks, shallow wells, pumping sets, small lifts etc. In all, 28820 poly houses/ micro irrigation systems shall be constructed during the project period covering an area of 147 hectares depending upon the area and site, different models of poly houses ranging from low cost tunnel, low cost poly houses made up of local material, medium cost poly houses with local material and medium cost poly houses with standard material shall be constructed. In addition, 2650 number of water sources like tanks, shallow wells, pumping sets shall also be constructed on the basis of actual need.

(ii) Diversification of Agriculture through Micro-Irrigation and other related infrastructure:

4.1.5 Apart from above, another project on Diversification of Agriculture, through Micro-Irrigation and other related infrastructure aims at increasing the area under efficient methods of irrigation viz. drip and sprinkler irrigation, has been sanctioned under RIDF-XIV which will cost about Rs. 198.09 crores and shall be implemented in 4 years starting from 2008-09.

4.1.6 Under this project, 17312 sprinkler/drip irrigation systems shall be installed during the project period. Besides, 16020 number of water sources like tanks, shallow wells, shallow tube wells, deep tube wells, small and medium lifts and pumping sets shall also be constructed on the basis of actual need.

4.1.7 For Sprinkler and Drip systems, the farmers shall be provided 80% subsidy and 20% would be beneficiaries contribution. In addition, the farmers shall also be provided 50% assistance for creation of water sources like farm tanks, shallow wells, pumping sets, small and medium lifts etc. A farmer can install sprinkler system upto 4 hectares of land and for drip irrigation the limit is one hectare. Break-up of the components of Loan, State share and Beneficiary's share is given as under :-

Table-4

Components of NABARD Loan, State Share and Beneficiary's Share

(Rs. in Lakh)					
Sr. No.	Name of the Project	NABARD Loan	State Contribution	Beneficiary's Share	Total
1.	Production of cash crops (Poly house cultivation & Micro-Irrigation)	11145.40	586.59	3759.63	15491.62
2.	Diversification of agriculture through Micro-irrigation	11992.86	631.06	7184.93	19808.85
	Total :	23138.26	1217.65	10944.56	35300.47

4.1.8 For the implementation of these projects an amount of Rs. 32.00 crore has been earmarked under Agriculture (Soil Conservation) head of development. These projects will create full time employment opportunities to the un-employed youth in rural areas.

2. Irrigation :

4.2.1 Dry land farming and lack of irrigation facilities are the two major reasons for low agricultural productivity. To over come this deficiency, Himachal Pradesh has contemplated a massive plan to create 1700 hectare CCA by construction of following

four major and medium irrigation projects. These projects are being completed as per the time lines set by Water Resources Division of the Planning Commission. Salient features are given below :-

(a) Shah Nehar Major Irrigation Project :

4.2.2 This project was initially approved with an estimated cost of Rs. 143.32 crore as per agreement reached between Himachal Pradesh and Punjab Government on 4-8-1983. As per agreement, Punjab Government is to bear 61.74% share and Himachal Pradesh Government will provide the balance 38.26% of the estimated cost. The physical work on this project was started in the year 1997-98 but due to delay in the release of Punjab share much headway could not be made. In the year 2007, the techno-economic viability committee in its 90th meeting held on 15th October, 2007, revised its cost on the basis of Detailed Project Report, 2007 and now it is estimated to be completed with a cost of Rs. 310.89 crore. Of this estimated cost, 90% funds will be released by the Centre Government as grant-in-aid and the balance 10% funds will be shared by Punjab and Himachal Pradesh Governments in the ratio of 61.74% and 38.26% respectively. This project envisages to irrigate 15287 hectare of land in 93 villages falling in Indora and Fatehpur tehsils of Kangra district in Himachal Pradesh. This project is slated for completion by March, 2010. Hence, funds to the tune of Rs. 43.00 crore have been provided in the Annual Plan 2009-2010.

(b) Changer Area Medium Lift Irrigation Project :

4.2.3 The project envisages to provide irrigation facility to 2350 hectare of CCA at the foot hills of Naina Devi Ji Temple in Bilaspur District. Water for the project will be drawn from Anandpur Sahib Hydrel Channel. The project cost has been revised to Rs. 88.09 crore and it is also targeted for completion by 31st March, 2010. Keeping this in view, funds of the order of Rs. 15.00 crore have been provided for gearing up the activities so as to ensure completion in the Annual Plan 2009-10.

(c) Sidhata Medium Irrigation Project :

4.2.4 This project having a revised cost of Rs. 66.35 crore is situated in Jawali tehsil of Kangra district. The project envisages to create a CCA of 3150 hectare and is targeted for completion by March, 2009. However, some work may spill over to 2009-10 and therefore a provision of Rs. 7.00 crore has been made in the Annual Plan 2009-10.

(d) Balh Valley Medium Irrigation Project :

4.2.5 The project is being constructed with a revised cost of Rs. 62.75 crore. It envisages to provide irrigation facilities to 60 villages in the Balh Valley, Left Bank of Suketi Khad creating a CCA of 2780 hectare. The project is targeted for completion by 2010-11. For the Annual Plan 2009-10, a provision of Rs. 20.00 crore has been made.

3. Power :

4.3.1 There is a considerable untapped power potential in the State and only about 31.43% of the identified potential has already been harnessed. It is also estimated that by the end of 11th Plan (2007-12) about 40.90% of the potential could be in operation. Hydro-Power exploitation in the State is important, not only as infrastructure, but also as key fiscal resource. It could also be a major source of non-tax revenue for the Government. This revenue has also started flowing.

4.3.2 The State Government has framed a four pronged strategy under which projects are to be executed in various management modules i.e. in the State Sector, Joint sector, Private Sector and the Central Power Sector Agencies.

4.3.3 For the year 2009-10, State Government has decided to provide equity contribution of Rs. 290.50 crore to Himachal Pradesh Power Corporation for projects under its management.

4. Road Connectivity :

4.4.1 In the absence of Railways and Water Transport, roads are the only means of communication in this predominantly hill State of Himachal Pradesh. To assess the feasibility of all weather motorable roads, a detailed survey was conducted in the year 1999-2000. As per its findings, about 39045 K.M. length of roads are possible to be constructed within the boundaries of the State. On completion, it will give a density of about 70 K.M. per 100 Sq. K.M. of area. Against this, 29157 K.M. length of roads have been constructed upto 31st March, 2008 giving a density of 52.37 Sq. K.M. For the implementation of this flagship programme a provision of Rs. 480.50 crore, which is 58.29% higher than the outlay for the year 2008-09, has been made for the Annual Plan 2009-10.

4.4.2 Due to heavy rainfall during the monsoon season of the year 2008, massive damage has occurred to the roads in all parts of the State. The losses may further aggravate in case timely remedial measures are not taken. For carrying out repairs, metalling and blacktopping, a provision of Rs. 155.00 crore has been made for maintenance purposes. Besides, Rs. 100.00 crore have been provided for the activities under World Bank Road Project.

5. Road Transport :

4.5.1 For the replacement of old buses, a provision of Rs. 40.00 crore has been made for about 300 new buses in the fleet strength of HRTC.

6. Rail Transport :

4.6.1 Before, independence, rail network in Himachal Pradesh was limited to two narrow gauge links, Kalka-Shimla (96 Km.) and Pathankot-Jogindernagar (113 Km.). The Kalka-Shimla narrow gauge railway line has enhanced the scenic beauty of hill state manifolds. After independence, only one broad gauge line from Nangal Dam to Talwara has been sanctioned to Himachal Pradesh, which is under construction. The length of this line is approximately 66 Km. of which only 56 Km. railway line falls in the territory of Himachal Pradesh. The railway track of about 34 Km. (from Nangal Dam to Chururu Takarla) is operational. The completion of this railway line is expected in near future. There is another broad gauge railway line Chandigarh-Baddi which has been approved in the year 2007-08 and a provision of Rs. 5.00 crore has also been made in the Railway Budget for the year 2008-09. Railways have completed the final locational survey and the process for the acquisition of land in the territory of 3 States and 1 Union Territory viz. Punjab, Haryana, Himachal Pradesh and Chandigarh is going on.

4.6.2 The Central Government has also sanctioned another 63 Km. long Bhanupalli-Bilaspur-Beri broad gauge Railway line with an estimated cost of Rs. 1046.00 crore. The cost of this railway line will be borne by the Ministry of Railways and the State Government in the ratio of 75:25. The State Government share of 25% will also include the cost of land at Rs. 70.00 crore. The Central Government has also accepted the demand of the State Government for the extension of this railway line upto Leh for which R.E.T. survey is currently going on. The proposed rail link is vital to the development of Himachal Pradesh as it would not only link the State with the principal broad gauge network of the Indian Railways but would also provide the necessary impetus for development of the region. Additionally, the construction of the broad gauge rail line would provide an environment friendly mode of transportation.

4.6.3 To meet the State share of expenditure in the year 2009-10, a provision of Rs. 25.00 crore has been made in the Annual Plan 2009-10.

7. Education :

4.7.1 In the 11th Plan focus will be on imparting quality education through a network of government and private sector institutions. During the course of 10th Plan, State Government opened a large number of new institutions, Colleges, ITIs, Senior Secondary Schools, High Schools and Primary Schools. To equip these institutions by providing adequate infrastructure facilities of buildings and Science Laboratories etc. emphasis will be on the construction of buildings. For this purpose, funds have been provided under Capital Component. For the Annual Plan 2009-10, an amount of Rs. 311.94 crore has been provided for Education, Sports, Art and Culture.

8. Health & Family Welfare :

4.8.1 State Government is committed to provide efficient health services all over the State but infrastructure shortages impede the efforts of the State Govt. in this direction. In the beginning of the 11th Plan, more than 1000 PHCs and Sub-Centres were functioning in rented buildings or space provided by panchayats/ trusts. The status of infrastructural facilities was reviewed in the year 2007 and it was decided that in the next two years, atleast, major plan funds will be provided for the construction of buildings of new opened institutions and for the completion of all ongoing buildings. In the year 2008-09, 460 works with an estimated cost of Rs. 97.91 crore under General Plan and SCSP alone, were under execution. In the year 2009-10, emphasis will be on completion of ongoing works besides construction of residential accommodation for doctors, nurses and other supporting staff.

4.8.2 For providing AIMS level facilities at newly constructed building of Rajendra Prasad Medical College and hospital at Tanda, adequate funds have been provided in the Annual Plan 2009-10.

4.8.3 For the Health and Family Welfare Sector as a whole, funds of Rs. 133.56 crore have been provided in the Annual Plan 2009-10.

9. Rural Water Supply :

4.9.1 All 16997 villages in the State as per census 1991 were provided with safe drinking water facilities by March, 1994. Thereafter the focus shifted from village to habitation. As per the survey of 2003, which was finalized during March, 2005, total 51848 habitation have been identified of which 20112 were categories as Fully Covered (FC) and 31736 habitations as non-covered and partially covered (9389 NC and 22347 PC).

4.9.2 These 31736 habitations have been categorized as slipped back habitations as per revised guidelines of the Central Government. The year-wise status of covered and balance habitations to be covered is given in the table on the next page.

Table-5**Status of Habitations covered**

Period	NC (0-10 lpcd)	PC (11-39 lpcd)	FC	Total
Status as on 1-04-2005	9389	22347	20112	51848
Habitations covered during 2005-06 under State & Central Sector	1123	827	-	1950
Status as on 1-04-2006	8266	21520	22062	51848
Habitations covered during 2006-07 under State & Central Sector	1678	2016	-	3694
Status as on 1-04-2007	6588	19504	25756	51848
Habitations covered during 2007-08 under State & Central Sector	1533	2977	-	4510
Status as on 1-04-2008	5055	16527	30266	51848
Habitations covered during 2008-09 under State & Central Sector upto 12/08	825	2593	-	3418

4.9.3 It is targeted to cover 2000 slipped back habitations during 2009-10.

4.9.4 Drinking water facilities are also being supplemented through the important programme of Hand Pumps installation at location of priority needs in drought prone/acute water scarcity area. This programme has proved boon supplementing the existing piped water supply schemes in drought prone/water scarcity areas but it has limitation that the hand pumps can only be installed along road side locations as rigs can not be transported to outside locations.

4.9.5 A total 15463 hand pumps have been installed up to March, 2008 in the State. For the year 2009-10, a target of 2000 hand pumps has been proposed.

10. Housing :

4.10.1 Apart from Indira Awas Yojana, the State Government has also launched another ambitious scheme named as 'Atal Awas Yojana' for providing housing facilities to the families of persons living below poverty line. The subsidy under the scheme will be provided on the pattern of Indira Awas Yojana. For the Annual Plan 2009-10, a provision of Rs. 19.93 crore has been made for building of about 5177 units under the scheme.

4.10.2 Apart from above, funding of the Externally Aided Projects (EAPs) as per phasing programme decided with the donors and utilization capacity of the Executing Agencies has been done. In aggregate, a provision of Rs. 178.15 crore has been made for EAP funding in the Annual Plan proposals for the year 2009-10.

4.10.3 For funding the infrastructural facilities through RIDF under Irrigation, Roads and Rural Water Supply Scheme, a provision of Rs. 250.00 crore has been made for 2009-10. Description of these programmes/schemes has been given in the sectoral programmes separately.