

CHAPTER-4

Annual Plan 2010-11

4.1 Annual Plan 2010-11 will be the 4th 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%. 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, 2400.00 crore and 2700.00 crore respectively have been approved for the three Annual Plans beginning from 2007-08 to 2009-10. Keeping in view the overall resource scenario, a plan size of Rs. 3000.00 crore has been proposed for the year 2010-11 by giving a hike of 11.11% over the current Annual Plan 2009-10. Break-up of the proposed aggregate size is given below:-

Table-1

Break-up of Annual Plan Outlay 2010-11

(Rs. in Crore)		
Sr.No.	Item	Proposed Outlay 2010-11
1.	General Plan	1925.00
2.	Scheduled Castes Sub-Plan	742.00
3.	Tribal Sub-Plan	270.00
4.	Backward Area Sub-Plan	63.00
	Total	3000.00

4.3 Of the Annual Plan size of Rs. 3000.00 crore, Rs. 742.00 crore, which are in proportion to Scheduled Castes population of the State, have been provided for Scheduled Castes Sub-Plan for the implementation of schemes largely benefiting SCs population. These funds will be budgeted under single Demand No. 32 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 activities in tribal pockets and in areas where dispersed population of STs are living .

4.4 For providing basic infrastructure facilities in declared backward areas / panchayats, funds of Rs. 63.00 crore will be allocated under development head of Agriculture, Horticulture, Animal Husbandry, Forestry, Irrigation, Industries, Roads, Education, Health and Water Supply.

4.5 The sectoral spread of the outlay for the year 2010-11 is given in the following table:-

Table -2
Sector-wise Outlay of Annual Plan 2010-11
(Rs. in Crore)

Sr. No.	Sector	Proposed Outlay 2010-11	%age
1.	2.	3.	4.
1.	Agriculture & Allied Activities	342.84	11.43
2.	Rural Development	168.66	5.62
3.	Special Area Programme	12.97	0.43
4.	Irrigation and Flood Control	310.48	10.35
5.	Energy	354.37	11.81
6.	Industry & Minerals	27.27	0.91
7.	Transport & Communication	588.93	19.63
8.	Science, Technology & Environment	20.00	0.67
9.	General Economic Services	93.45	3.12
10.	Social Services	1010.79	33.69
11.	General Services	70.24	2.34
	Total	3000.00	100

4.6 First priority in the allocation of funds (33.69 %) 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. 588.93 crore (19.63%) 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. 354.37 crore (11.81 %). This includes loan of Rs. 190.00 crore and equity of Rs.

100.00 crore to 4 ADB assisted projects allotted to H.P. Power Corporation and also for equity support to newly formed H.P. Transmission Corporation Ltd.

4.9 The next priority goes to 'Agriculture and Allied Activities'. The area of thrust will be diversification of agriculture to raise productivity and provide irrigation facilities to dry farming and drought prone areas. These efforts will also create additional employment opportunities to educated un-employed youth in the State. An outlay of Rs. 342.84 crore (11.43 %) has been proposed for this sector.

4.10 Physical targets of selected items for the year 2010-11 are given in the following table:-

Table –3
Targets of Selected Items-2010-11

Sr.No.	Item	Unit	Target 2010-11
1.	2.	3.	4.
1.	Food grain Production	000 M.T.	1670.60
2.	Vegetable Production	000 M.T.	1250.00
3.	Fertilizer Consumption	000 Tonnes	50.00
4.	Fruit Production	000 M.T.	815.00
5.	Mushroom Production	M.T.	6200
6.	Hops Production (Dry)	M.T.	45.00
7.	Production of Honey	M.T.	1600.00
8.	Milk Production	000 Tonnes	910.000
9.	Wool Production	Lakh Kgs.	16.70
10.	Fish Production	Tonnes	7550
11.	Afforestation	Hect.	155
12.	IRD Families to be assisted :		
	i) SGSY (Swaran Jayanti Gram Sawarozgar Yojana)	Disbursement of Credit (Rs. in lakh)	2461.00
13.	Additional CCA to be Created	Hect.	6500
14.	Installed capacity to be added	MW	110.00
15.	Opening of Ayurvedic Hospitals	No.	1
16.	Opening of Homeopathic Health Centers	No.	2
17.	Opening of Ayurvedic Health Centers	No.	10
18.	Rural Water Supply left-out Habitations to be Covered	No.	2500
19.	Coverage under EIUS	No.	3600
20.	Construction of Housing Units	No.	10293
21.	Hand Pumps to be Installed	No.	2500

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 this pursuit as the principal occupation. In 59 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 vegetables, 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 sanctioned following 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 actual needs.

(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 numbers 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. 45.65 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.

4.1.9 The pressing need to accelerate agriculture growth should not be at the cost of sustainability of our natural resources base. Deforestation has affected both soil and water and this is compounded by soil degradation and over exploitation of ground water. To boost agriculture production, soil and water conservation measures will be the thrust area of our agriculture strategy in the year 2010-11. The programmes of

Integrated Watershed Development and Integrated Water Management will supplement our efforts in providing irrigation facilities in dry land farming and drought prone areas. Brief description of these programmes is given as under:-

4.1.10 Under watershed development programme, the micro watershed development projects (each micro-watershed consisting an area about 500 hectare) are taken up for treatment. The programme is basically aimed at treating of identified area particularly degraded land with low cost and locally assets technologies through participatory approach that seeks to secure close involvement of user communities. The main activities taken up are soil moisture conservation, construction of water harvesting structures, afforestation, horticulture, pasture and agriculture development etc.

The Watershed Development Projects are sanctioned by the Govt. of India on cost sharing basis as under:

Project sanctioned prior to 1-4-2000

Sr.No.	Programme	Per Hectare Rate	Sharing Pattern
1.	2.	3.	4.
1.	IWDP	Rs. 4000/- per hectare (Rs. 20.00 lakh per watershed)	100% GOI
2.	DPAP	Rs. 4000/- per hectare (Rs. 20.00 lakh per watershed)	(i) 50:50% GOI and State Govt. upto 31-3-1999 (ii) W.e.f. 1-4-1999 in the ratio of 75:25 between GOI and State Govt.
3.	DDP	Rs. 5000/- per hectare (Rs. 25.00 lakh per watershed)	(i) 100% GOI upto 31-3-1999 (ii) W.e.f. 1-4-1999 in the ratio of 75:25 between GOI and State Govt.

Project sanctioned after 1-4-2000

Sr.No.	Programme	Per Hectare Rate	Sharing Pattern
1.	2.	3.	4.
1.	IWDP	Rs. 6000/- per hectare (Rs. 30.00 lakh per watershed)	Rs. 5500:500 per hectare between GOI and State Govt.
2.	DPAP	Rs. 6000/- per hectare (Rs. 30.00 lakh per watershed)	75:25% per watershed between GOI and State Govt.
3.	DDP	Rs. 6000/- per hectare (Rs. 30.00 lakh per watershed)	75:25 watershed between GOI and State Govt.

4.2.2 Now, the new “Common Guidelines” have been notified by the GOI on 12-3-2008 and National Rainfed Area Authority has been created to oversee the implementation of Watershed Management Programmes in different sectors with a complete change in the approach. The new common guidelines emphasizes on the following aspects:-

- Set up of institutional frame work at National Level (National Rainfed Area Authority), State Level (State Level Nodal Agency) and (District Watershed Development Unit) have been devised to coordinate and oversee the Watershed Management Programme.
- Given priority to participation and sustainable livelihood.
- Emphasis on engaging professionals for smooth implementation of Watershed Management Programme.
- The traditional ridge to valley approach of Watershed Management has been re-oriented in favour of a more flexible framework.

4.2.3 The State Level nodal agency under the Chairpersonship of the Chief Secretary, Himachal Pradesh has been constituted and the Secretaries, HODs of Agriculture, Horticulture, Animal Husbandry, Fisheries, Forests and Rural Development Department etc. have been nominated as members.

4.2.4 The perspective and strategic plan under Watershed Management Programme for the State is pre-requisite document for approval of new projects and the same has been prepared and posed to Govt. of India after concurrence and approval of the SLNA.

4.2.5 As per decision conveyed by the GOI, the per hectare cost norms for hilly States would be 15000/- per hectare and the cost sharing between Centre and State Govt. would be in the ratio of 90:10. During the current annual plan 2009-10, 90000 hectare of area of the State will be considered for sanctioning of new projects.

4.2.6 In view of allotted targets of 90000 hectares of area, the expected funds (20% as first installment) are Rs. 24.30 crore from Govt. of India during the current year 2009-10. Against this Rs. 2.70 crore would be the matching State Share.

4.2.7 It is also expected that the GOI would also consider sanctioning of atleast 0.90 lakh hectare area under IWMP during next financial year (2010-11). To meet out the State Share provision of IWDP and IWMP following provisions have been proposed for 2010-11:-

(i) IWDP	= Rs. 2.50 crore
(ii) IWMP	= Rs. 4.00 crore

3. Irrigation:

4.3.1 Dry land farming and lack of irrigation facilities are the two major reasons for low agricultural productivity. To overcome this deficiency, Himachal Pradesh has contemplated a massive plan to create 1700 hectare CCA by construction of following five 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 The only major irrigation project in the state is Shah Nehar which falls in district Kangra. With the construction of Shah Nehar barrage, the water of river Beas was diverted by Punjab, thereby adversely affecting irrigation rights of the inhabitants of Himachal Pradesh. The matter was taken-up with the Government of Punjab and an agreement was signed in July, 1983 whereby the Punjab Government agreed to release 228 cusec of water to Himachal Pradesh and to bear the entire cost of providing lined carrier channel system for irrigating the area, which would have received irrigation had the barrage not been constructed and water allowed to flow. The cost of the project has been revised to Rs. 310.85 crore and it slated for commissioning on 31.3.2012. A provision of Rs. 20.00 crore has been made for meeting the cost of construction in the year 2010-11.

(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 Hydel Channel. The project cost has been revised to Rs. 88.09 crore and it is also targeted for completion by 31st March, 2011. Keeping this in view, funds of the order of Rs. 7.00 crore are being provided in the annual plan 2010-11.

(c) Sidhata Medium Irrigation Project :

4.2.4 This project having 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, 2011. An outlay of Rs. 7.00 crore has been provided in the annual plan 2010-11.

(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. For the Annual Plan 2009-10, a provision of Rs. 20.00 crore has been made. An amount of Rs. 18.00 crore has been proposed for the annual plan 2010-11.

(e) Phina Singh Medium Irrigation Project:

4.2.6 This project has been named after Late Shri Phina Singh, a local resident of village Niari, who presented the idea of constructing an earthen rock fell Dam across Chakki khad near Lahroo for irrigation purpose. The gross command area of various villages proposed to be covered under this project is 8436 hectares and 4650 hectares of land is likely to be culturable command area. A Detailed Project Report(DPR) amounting to Rs. 147.15 crore has been prepared and submitted to Govt. of India for approval. An amount of Rs. 10.00 crore has been proposed for annual plan 2010-11.

4. Power:

4.4.1 There is a considerable untapped power potential in the State and only about 31.58% of the identified potential has already been harnessed. It is also estimated that by the end of 11th Plan (2007-12) about 48.76% 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.

4.4.2 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.

4.4.3 For the year 2010-11, State Government has decided to provide a loan of Rs. 190.00 crore and equity contribution of Rs. 100.00 crore to Himachal Pradesh Power Corporation for the execution of four ADB assisted projects viz. Sawra Kuddu, Renuka Dam, Integrated Kashang & Sainj.

5. Road Connectivity:

4.5.1 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, 30302 K.M. length of roads have been constructed upto 31st March, 2009 giving a density of 54.43 Sq. K.M. For the implementation of this flagship programme a provision of Rs. 530.00 crore, which is 11.34 % higher than the outlay for the year 2009-10, has been made for the annual plan 2010-11.

4.5.2 For carrying out repairs, metalling and blacktopping, a provision of Rs. 145.00 crore has also been made. Besides, Rs. 115.00 crore have been provided for the activities under World Bank Road Project.

6. Road Transport:

4.6.1 For the replacement of old buses, a provision of Rs. 33.20 crore has been made to about 300 new buses in the fleet strength of HRTC.

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 2010-11, an amount of Rs. 328.44 crore has been provided for Education Sector. A token provision of Rs. 1.00 lakh as State Share has also been made for Sakshar Bharat scheme. Besides, an amount of Rs. 12.00 crore has also been provided for Rashtriya Madhiamik Shiksha Abhiyan (RMSA) and for the Opening up of Model Schools in backward blocks and Girls Hostels in EBB Rs. 4.50 & Rs. 1.13 crore has been earmarked as State Share respectively.

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 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 during the course of 11th Plan atleast, major share of plan funds will be provided for the construction of buildings of new opened institutions and for the completion of ongoing buildings. In the year 2010-11, emphasis will be on completion of ongoing works besides construction of residential accommodation for doctors, nurses and other supporting staff.

4.8.2 To meet the state share provision of Prime Minister Swasthya Suraksha Yojna a provision of Rs. 0.50 crore has been made in the annual plan for 2010-11. To provide AIMS level facilities at Rajendra Prasad Medical College and hospital at Tanda a provision of Rs. 11.50 crore has been made for various capital works.

4.8.3 To equip the Indira Gandhi Medical College with advanced technology machines and equipments in the department of Cardiology, OBG and surgery funds of Rs. 5.00 crore have been provided.

4.8.3 For the Health and Family Welfare Sector as a whole, funds of Rs. 144.19 crore have been provided.

9. Rural Water Supply:

4.9.1 All 16997 villages in the State as per census 1991 were provided with safe drinking water facility by March, 1994. Thereafter, the focus shifted from village to habitation. As per the survey of 2003, which was finalized in March, 2005, 51,848 habitations were identified. Of these, 20,112 were categorized as fully covered (FC) and 31,736 habitations as non-covered and partially covered (9389 NC and 22347 PC). These 31,736 habitations have been categorized as slipped back habitations as per revised guidelines of the Central Government.

4.9.2 With the coming in force of National Rural Drinking Water Supply guidelines w.e.f. 1-04-2009, after realignment/mapping of habitations, there are 53205 habitations in the State. Out of these, 19473 habitations (7632 habitations with population coverage >0 and <100+11841 habitations with 0 population coverage) are having inadequate drinking water. The criteria of coverage of habitations has been changed to population coverage to ensure water security at household level. All these 19473 habitations will be covered in a phased manner by March, 2012 in line with Govt. of India guidelines.

As per data realignment, the status of habitations as on 1-04-2009 is given below:-

Total No. of habitations	Habitations with 100% population coverage	Habitations with population coverage >0 & <100	Habitations with 0 population coverage	Total (Col.3+Col.4)
1.	2.	3.	4.	5.
53205	33732	7632	11841	19473
	63.40%	14.34%	22.25%	36.60%

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 For the year 2010-11, a target of 2500 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 2010-11, a provision of Rs. 26.31 crore has been made for building of about 10293 under both the schemes.