

## CHAPTER-4

### Annual Plan 2008-09

**4.1** Annual Plan 2008-09 is the 2<sup>nd</sup> year of the 11<sup>th</sup> Plan (2007-2012). It has been formulated within the over all objective of 'faster' and 'more inclusive growth' outlined for 11th Plan. While implementing the plan focus will be on initiatives announced by the new Government, which has taken over the reigns after the recently held elections to the State legislature, in its election manifesto, which has been made the policy document of the State Govt.

**4.2** A plan size of Rs. 2400.00 crore has been approved for the year 2008-09 which is 14.29 % higher than the annual plan size for the year 2007-08. Break up of the proposed aggregate size is given below:-

**Table-1**  
**Break up of Annual Plan Outlay 2008-09**

(Rs. in Crore)		
Sr. No.	Item	Approved Outlay
1.	2.	3.
1.	General Plan	1538.71
2.	SCSP	594.00
3.	TSP	216.00
4.	BASP	51.29
	<b>Total</b>	<b>2400.00</b>

**4.3** The sectoral spread of the approved outlay for the year 2008-09 is given as under:-

**Table -2**  
**Sector wise Approved Outlay of Annual Plan 2008-09**

(Rs. in Crore)			
Sr. No.	Sector	Approved Outlay	%age
1.	2.	3.	4.
1.	Agriculture & Allied Activities	251.97	10.50
2.	Rural Development	117.51	4.90
3.	Special Area Programme	11.19	0.47
4.	Irrigation and Flood Control	296.15	12.34
5.	Energy	327.74	13.65
6.	Industry & Minerals	19.43	0.81
7.	Transport & Communication	374.15	15.59
8.	Science, Technology & Environment	25.00	1.04
9.	General Economic Services	88.26	3.68
10.	Social Services	817.69	34.07
11.	General Services	70.91	2.95
	<b>Total</b>	<b>2400.00</b>	<b>100.00</b>

**4.4** 1<sup>st</sup> priority in the allocation of funds (34.07%) has been given to ‘Social Services Sector’. This has been done to further improve the Human Development indices. In Education & Health Sectors, allocation of funds has specifically been made for capital works as a measure of special drive to create infrastructural facilities so as to make the new institutions functional.

**4.5** In the order of priority, 2<sup>nd</sup> priority has been given to ‘Transport and Communication Sector’ by proposing an outlay of Rs. 374.15 crore (15.59 %) to link every feasible village with a motorable road and also to ensure maintenance of the existing infrastructure. The allocation under this sector also highlights the resolution of State Govt. to fund the ‘Rail Transport’, particularly the Bhanupalli- Bilaspur Rail line through the Annual Plan mode.

**4.6** 3<sup>rd</sup> priority goes to the ‘Energy Sector’ by making a provision of Rs. 327.74 crore (13.65 %) wherein State Govt. will share equity in projects under execution by HPSEB , State Power Corporation and Satluj Jal Vidyut Nigam.

**4.7** The next priority goes to ‘Irrigation & Flood Control Sector’ in order to complete the on-going four Major/ Medium Irrigation projects in a time bound manner. For this sector, 12.34 % funds of the proposed plan size have been envisaged.

**4.8** In the order of priorities, next priority goes to ‘ Agriculture & Allied Activities’ followed by ‘Rural Development’, ‘General Economic Services’, ‘General Services’, ‘Science, Technology & Environment’ and ‘ Industry and Mineral’ sectors.

**4.9** Physical targets of selected items proposed for the year 2008-09 are given in the following table:-

**Table –3**  
**Targets of Selected Items - Annual Plan 2008- 2009**

<b>Sr.No.</b>	<b>Item</b>	<b>Unit</b>	<b>Target</b>
<b>1.</b>	<b>2.</b>	<b>3.</b>	<b>4.</b>
1.	Food grain Production	000 M.T.	1638
2.	Vegetable Production	000 M.T.	1144
3.	Fertilizer Consumption	000 Tonnes	48.50
4.	Fruit Production	000 M.T.	777
5.	Mushroom Production	M.T.	6000
6.	Hops Production (Dry)	M.T.	45
7.	Production of Honey	M.T.	1700
8.	Milk Production	000 Tonnes	875
9.	Wool Production	Lakh Kgs.	16.60
10.	Fish Production	Tonnes	7600
11.	Afforestation (SVY)	Hect.	200

1.	2.	3.	4.
12.	<b>IRD Families to be assisted :</b>		
	i) SGSY (Swaran Jayanti Gram Sawarozgar Yojana)	Disbursement of Credit (Rs. in lakh)	2026.78
13.	Additional CCA to be Created	Hect.	4500
14.	Installed capacity to be added	MW	4.5
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.	3200
20.	Construction of Housing Units	Nos.	10076
21.	Hand Pumps to be installed	Nos.	150

Priority areas which have been taken care of while making allocation of resources for the year 2008-09 are discussed below:-

- Growth of Agriculture and Food security has been accorded high priority during the 11<sup>th</sup> plan period (2007-12). To enhance productivity, inputs of fertilizers and quality seeds are essential ingredients besides providing of irrigation facilities. For this purpose, adequate provision of funds has been made in the Annual Plan (2008-09). To avail maximum central assistance under National Agriculture Development scheme, a steep hike of about 13.54 % has been given in the outlay of 'Agriculture and Allied Activities' sector over the provisions made for the year 2007-08.
- Four Major/ Medium Irrigation projects viz; (i) Shahnehar, (ii) Sidhatha, (iii) Changer and (iv) Balh Valley have been under execution over the last two decades. To minimize the cost over runs and provide assured irrigation facilities to the farmers, it has been decided to accomplish the execution of all these four projects in a time bound manner within the 11<sup>th</sup> Plan (2007-2012). An earmarked provision of Rs. 130.00 crore has been made for this purpose in the Annual Plan 2008-09.
- There is a considerable untapped power potential in the State and only about 31.20 % of the potential has already been harnessed. It is also estimated that by the end of 11<sup>th</sup> 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. The state has followed a mixed approach for the development of hydro- power resources through (i) State Sector by HPSEB (ii) Central Companies like the National Hydro -Electric Power Corporation (NHPC) and National Thermal Power Corporation (NTPC) (iii) Joint Venture (iv) Private sector. In the year 2007-08, State Govt. has also decided to participate in the projects under taken for execution by the HPSEB and newly constituted State Power Corporation by sharing equity contribution of 40 % and 60 % respectively. For the Annual Plan 2008-09, a provision of Rs. 299.25 crore has been made for this purpose.

- Roads are the only means of communication in the pre-dominantly hilly state of Himachal Pradesh. This sector suffers from high unit cost for road development and maintenance which is very high and more than 50 % higher than the equivalent work in neighbouring state's of Punjab and Harayana due to difficult terrain and remote locations. Under Bharat Nirman programme, all habitations with a population of 250 and above have been targeted to be connected with all weather roads by the end of 2009. Keeping in view, all these constraints and priorities, a provision of Rs. 303.56 crore has been made for the Annual Plan 2008-09.
- For replacement of old fleet of HRTC buses, in a phased manner, a provision of Rs. 30.00 crore has been made for the year 2008-09.
- Before, independence, rail network in Himachal Pradesh was limited to two narrow gauge links, Kalka- Shimla (96 km.) and Pathankot- Jogindernagar (113km). The Kalka- Shimla NG 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 namely Chandigarh- Baddi which has been approved 'in principle' in the Railway Budget 2007-08. To boost the State's economy, the State Government approached the Central Government and Ministry of Railways in the early 1980's with a proposal for a broad gauge rail link between Bhanupalli- Bilaspur- Beri. The matter was relentlessly pursued with the Ministry of Railways and with Prime Minister's Office. Initially, Railways were of the opinion that they did not have funds for this project to finance this project because it was not economically viable. Finally, with the intervention of Hon'ble Prime Minister, the Railway Ministry has agreed to share 75% of the total estimated cost of this project. The project cost of this 63 km railway line has been pegged at Rs. 1047.00 crore. The State Government's required contribution was thus brought down to 25% of the project cost and it was

agreed that the State Government's share would include all cost of the land required for this project. To fund this project through the mode of Annual Plans, it has been decided to include this project in the Annual Plan 2008-09. A provision of Rs. 37.00 crore has been made for this purpose.

- State Government is committed to make Himachal Pradesh an 'Education Hub'. It faces challenges of infrastructure and quality education. In so far as quality education is concerned, the State Govt. will take all steps to improve teacher's absenteeism and teachers trainings. To make the access of higher education to the students all over the Pradesh easy, State Govt. has opened a large number of institutions during the course of last five years. On higher education front, today we have 73 colleges, 1236 Senior Secondary Schools, 860 High Schools, 828 Middle Schools and 11525 Primary Schools as on 31<sup>st</sup> October, 2007. For these institutions appropriate infrastructure, buildings, laboratories, equipments and furnitures etc. is needed to be provided on priority to ensure their continuity.
- Himachal Pradesh has better health indicators than many other States of India. However, there are some areas where the State needs improvement in performance. The health department perceives infrastructure shortages in the State. There are more than 1000 PHCs and Sub-Centres which are currently functioning on rented buildings or on space provided by Panchayats/Trusts. Besides, there are many hospital buildings under construction for the last many years which are required to be completed in a time bound manner.
- All the 16807 villages in the State as per 1981 census were provided with safe drinking water facilities by March, 1994. Thereafter, the focus shifted from village to habitations. There are 45367 habitations identified during the period 1991-94. In the process of covering balance habitations, 26092 habitations (6588 NC + 19504 PC) were left to be covered. During the Annual Plan 2007-08, 4510 (NC+PC) habitations were to be covered. For the Annual Plan 2008-09, a target of 5390 habitations (1315 NC + 4075 PC) has been fixed.