

## THRUST AREAS OF THE ANNUAL PLAN 2005-06

The size of the Annual Plan 2005-06 was approved at Rs.3550.00 Crore by the Planning Commission of India against the outlay of Rs.3479.80 Crore for the Annual Plan 2004-05. The actual expenditure during 2005-06 is Rs.3824.41 crore indicating plan performance of 107%, which is quite satisfactory. The sector-wise outlay and expenditure is given as under:-

SN	Sector	(Rs. Crore)				
		Annual Plan 2005-06			%age performance	
		Approved Outlay	Revised Outlay	Actual Expenditure.	with Approved outlay	with Revised outlay.
1	2	3	4	5	6	7
1.	Agriculture and Allied Activities	142.68	122.33	68.97	48.33	56.38
2.	Rural Development	254.82	310.80	344.27	135.10	110.76
3.	Special Area Programme	26.60	9.81	7.98	30.00	81.34
4.	Irrigation and Flood Control	221.77	196.16	216.12	97.45	110.17
5.	Energy	964.65	1036.46	1448.17	150.12	139.72
6.	Industry and Minerals	59.06	5.83	55.66	94.24	954.71
7.	Transport	715.49	563.31	442.39	61.83	78.54
8.	Science, Technology & Environment	6.60	10.03	1.78	26.97	17.75
9.	General Economic Services	227.95	153.22	182.79	80.18	119.29
10.	Social Services	894.60	1095.60	1019.41	113.95	93.05
11.	General Services	35.78	54.30	36.86	103.02	67.88
	Total	3550.00	3557.86	3824.41	107.72	107.50

### Envisaged Plan priorities for the Annual Plan 2005-06

#### 1. Energy

The major thrust of the Annual Plan 2005-06 was on the Energy Sector which had about 27.17% share in the allocation of funds. Under this sector, the main thrust was to expand and strengthen the power generation system in the State so that adequate power supply is made available on demand to the consumers in various sectors. Work on, 500 MW GHTP Stage II Lehra Mohabat project at estimated cost of Rs. 1790 Cr and Mukerian Hydrel Project Phase II, Hoshiarpur at estimated cost Rs. 126 Cr was started. To improve the quality/reliability of power supply thrust was also laid on the augmentation of transmission & distribution system. For this purpose, an amount of Rs 640.08 Cr has been spent during 2005-06.

## **2. Social Services Sector**

The next priority area was Social Services Sector having 25.20 % of the total allocation. The major emphasis under this sector was laid on improving the quality of life by providing better health care services and delivery system, safe drinking water, education with special emphasis on primary education, health and greater access to food. As per 73<sup>rd</sup> Constitutional amendment, decentralize process has been initiated in the department of health, education and animal husbandry and water supply and sanitation. 4500 primary & elementary schools handed over to PRIs (4291 schools) and MCs (209 schools), 1310 rural dispensaries transferred to PRIs and 450 rural veterinary dispensaries were also transferred to PRIs. The women and child development and economic and social upliftment of the under privileged section of the society was also given priority. State Govt. had created a 'Dedicated Fund' with an annual corpus of Rs. 500 crore by imposing 5% cess on electricity and enhancing 3% stamp duty for registration in urban areas. It had ensured the timely payment of pensions to the aged, widows, destitute, disabled and dependent/orphans children, attendance scholarship to SC primary girl students, Aashirwad scheme and houses to houseless SCs.

## **3. Transport**

The other thrust area was the Transport Sector (20.15%share) which had major share for the Roads Sector. In this sector, stress was laid on the strengthening of the existing road network, bypasses, bus terminals etc. with the financial support of the Punjab Infrastructure Development Board (PIDB), NABARD and World Bank Assistance. The State Govt. has been encouraging the private sector participation in the development funding and operation and maintenance of infrastructure projects, such as bus terminals, upgradation of roads, roads corridors etc.

## **4. Infrastructure**

The State Government had decided to create "**Punjab Infrastructure Fund**" during 2005-06 for creation of infrastructural facilities both in the Rural and Urban areas of the State. An outlay of Rs. 150.00 crores was provided in the Annual Plan 2005-06 as contribution to the fund. Equal amount was to be contributed by the PIDB. Under this fund, two funds namely: Municipal Development Fund(for providing water supply and sewerage in 124 towns and Village Development Fund (saptic tanks and sewerage facilities in 282 villages) had been created with an estimated cost of Rs 1500 Cr. and Rs 1000 Cr respectively by accessing funds from the capital market.

## **5. Rural Development**

The next priority was the Rural Development and Panchayats Sector (7.18% share) under which grass root level Panchayati Raj Institutions have been involved not only in capital formation and asset management but the entire process of planning, implementation and monitoring with the assistance from Govt. of India/12<sup>th</sup> Finance

Commission. Primary healthcare, primary education, rural water supply, social security and elementary nutrition programme have already been transferred to these institutions.

## **6. Irrigation**

The emphasis was also laid on the Irrigation Sector (6.25%) for strengthening/improving the existing irrigation facilities in the State. The main thrust was laid on AIBP assisted projects which include the Shahpur Kandi Dam Project (Rs. 1800 cr.), Kandi Canal Stage-II Project ( Rs.180 cr.) and completion of re-modeling and rehabilitation of channels ( Rs. 300 cr. ). There is a need for optimal utilization of existing water resources, and also to conserve them for meeting future requirements as the water available in Punjab is much less as compared to the requirement and groundwater resources are over exploited. In order to rectify the situation, user charges have been introduced at Rs. 80/- per acre per annum with the provision of gradual increase every year.

## **7. Agriculture**

Agriculture Sector (4.02%) was also given due priority to provide new orientation and to bring diversification in the agriculture sector in the light of tough challenges of the fast changing world order through updating the quality of inputs focusing on Agriculture Research and providing necessary pre and post harvesting marketing and export infrastructure. State Govt. had created 'Agricultural Diversification Fund' with a corpus of Rs. 20.00 cr. to boost the implementation of the programmes relating to diversification of Agriculture in the State.