

# HIMACHAL PRADESH BUDGET 2020-21

## SUMMARY OF THE BUDGET

As per **Article 202** of the Constitution of India the Governor of a State shall, cause to be laid before the House or Houses of the Legislature of the State a Statement of the estimated receipts and expenditure of the State for a financial year. **This estimated statement of receipt and expenditure for a financial year named in the Constitution as the “Annual Financial Statement” is commonly known as “Budget”.**

- The Budget is presented on **March 6, 2020** by the Chief Minister, **Jayaram Thakur**, who also holds the Finance portfolio.
- This also marks the 50<sup>th</sup> anniversary of full statehood to Himachal Pradesh.
- Propose to celebrate 2020-21 as the ‘**Golden Jubilee of Himachal Pradesh**’
- The Budget has to be passed by the Vidhan Sabha before it can come into effect.
- The State Budget is divided into Revenue Budget and Capital Budget.
- In the Budget, the disbursements and receipts of the government comprise the various types of government funds in India namely, the Consolidated Fund of India, the Contingency Fund and the Public Account.

## HIGHLIGHTS OF HIMACHAL BUDGET 2020

### UNPRECEDENTED ACHIEVEMENTS AND MILESTONES OF HIMACHAL ECONOMY

- Focus on **Inclusive Growth**.
- **Jan Manch** to create a direct interface between the people and the government.
- **E-Samadhan** and **Mukhyamantri Seva Sankalp (CM Helpline)** have gained popularity.
- **Him Pragati** portal- to reduce **red-tapism**.
- BJP’s **Election Manifesto** was- **Drishti Patra** for inclusive development.

### NATIONAL ECONOMY

- World Economic Outlook has estimated the world economy to grow at a rate of 2.9 percent in 2019 while India's GDP has been estimated to grow at rate of 5 percent during 2019-20.
- The growth rate of Indian economy is estimated to be between 6%-6.5% during 2020-21.
- The size of Indian economy is expected to reach at around 3 Trillion US Dollar.
- Leaving behind the United Kingdom and France, India sets to become the **5<sup>th</sup> largest economy** in the world.
- **Ease of doing Business** ranking dropped from 77 to **63 in 2019**.
- The growth rate of State's economy is estimated to be **5.6 percent** during 2019-20 which is more than the estimated growth rate for national economy for the same period.

World economies ranking	
RANK	COUNTRY
1	US
2	CHINA
3	JAPAN
4	GERMANY
5	INDIA

## HIMACHAL FACTS

- The per capita income of Himachal Pradesh is estimated at Rs.1,95,255 during 2019-20 which is Rs. 60205 more than the national PCI.
- **Drishti Himachal Pradesh-2030**- a roadmap to achieve Sustainable Development Goals by the year 2030.
- Himachal Pradesh has been **ranked 2nd after Kerala** in the achievement of SDGs.

### GLOBAL INVESTOR'S MEET 2019

It was held at **Dharamshala** on November 07-08, 2019. Theme - **Rising Himachal 2019**.

Ambassador- Yami Gautam. An MoU of 97,700 Crore was signed at this meet. Out of which, 13,656 Crore have already been grounded by the end of Dec 2019 in a ground Breaking Ceremony, where the Chief Guest was Union Home Minister Amit Shah, who released Coffee Table Book '**Sarvodaya Himanical**'

There were **8 focus sectors**- Agri-business and Post-harvest technology, Manufacturing and Pharmaceuticals, Tourism and Hospitality, Civil aviation, Hydro and Renewable energy, Wellness, Healthcare and AYUSH, Housing and Urban development, IT-ITeS and Electronics, Education and Skill development.

The promoting Agency is Invest India, the National Investment Promotion and Facilitation Agency, under the Ministry of Commerce and Industry through the **India Investment Grid**.\*

**\*INDIA INVESTMENT GRID**

India Investment Grid (IIG) is an initiative of the Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India and Invest India.

The India Investment Grid (IIG) showcases a plethora of investment opportunities across India on a single interactive platform. An initiative to enhance the ease of doing business in India, IIG connects potential investors to projects and promoters.

<b>BRIEF OF OLD SCHEMES MENTIONS IN BUDGET</b>	
<b>Himachal Grihini Suvidha Yojana</b>	<p>Himachal Pradesh declared that it's the first state in the country to have 100% LPG gas coverage.</p> <p>The Himachal Grihini Suvidha Yojana is a scheme to provide LPG gas connection to houses.</p> <p>It was launched to cover those households that were left out by the Pradhan Mantri Ujjwala Yojana</p> <p>2,76,000 gas connections have been provided under this scheme.</p>
<b>HIMCARE</b>	Free cashless treatment to the residents of Himachal Pradesh
<b>SAHARA</b>	financial assistance of Rs. <b>3,000 per month</b> to the patients belonging to the economically weaker sections of the society, who are suffering from specified diseases such as Parkinson, Malignant Cancer, Paralysis, Muscular Dystrophy, Hemophilia and Thalassemia etc.
<b>Mukhya Mantri Chikitsa Sahayata Kosh</b>	To facilitate treatment for the poor in the reputed medical institutions and the hospitals
<b><u>Mukhya Mantri Nutan Poly House</u></b>	The state government has announced the launch of "Chief Minister Nutan Poly House Scheme" with a

<p><b><u>Yojana</u></b></p>	<p>view to double the income of farmers.</p> <p>Under this, 5,000 poly houses will be set up in the state. With this, 20 thousand beneficiaries will also get employment opportunities.</p> <p>To enable growth of vegetables, fruits and other plants in the artificial temperature conditions.</p>
<p><b><u>Roshni</u></b></p>	<p>To provide free electricity connections to 17.5 thousand poor families of the state.</p>
<p><b><u>Saur Sinchai Yojana</u></b></p>	<p>Subsidy of 80% is provided to large farmers to buy solar pump sets.</p> <p>90% financial assistance to small and marginal farmers.</p>
<p><b><u>Himachal Pushp Kranti Yojana</u></b></p>	<p>To increase the production of the flowers among the state farmers by offering the various benefits.</p> <p>The scheme has enhanced the <b>opportunity for youths to become employed.</b></p> <p>Under this floricultural project, the state offers financial assistance to such farmers who are interested to take part in floriculture.</p>
<p><b><u>Nayee Rahen Nayee Manzilen</u></b></p>	<p>To bring attention to new tourist destinations in the state.</p> <p><b>Bir-Billing</b> in Kangra, <b>Janjehli</b> in Mandi, <b>Chanshal</b> in Shimla and <b>Pong</b> or Maharana Pratap Sagar Lake in Kangra and <b>Larji reservoir</b> in Kullu have been chosen under this scheme.</p>

	<p><b>Solang valley</b>, North Portal and South Portal (Sissu) of the <b>Atal Tunnel</b> will be developed as tourist destinations to promote Atal (Rohtang) Tunnel Tourism under the new budget.</p>
<p><b><u>Mukhya Mantri Swablamban Yojana</u></b></p>	<p>to promote self-employment,</p> <p>If a self-employed person wants to take government land on rent, the state government will charge only 1% of the actual rate of that land.</p> <p>Under this project, if anybody wants to buy land, instead of 6%, stamp duty up to 3% will be given.</p> <p>Any native of Himachal Pradesh, whose age is between 18 to 35, can apply under this employment scheme.</p>

## **KEY FACTS**

### **ANNUAL PLAN**

- Proposed outlay-7900 crore (11% more (Rs 800 Crore) than the approved outlay of 2019-20 )
- Approved outlay- 7100 crore (2019-20)
- The 15th Finance Commission recommended an annual grant of Rs.19,309 crore.
- **Chamba** is the only district from HP to be included under the Aspirational Districts Programme (ADP) of Government of India.

### **ADMINISTRATIVE REFORMS**

- Proposal to start **Aspirational Development Block Programme** on the basis of revised criteria for backwardness.

- Proposal to start an award of Rs.50 lakh, Rs.35 lakh and Rs.25 lakh to the top three ranked districts on **Good Governance Index**
- Proposal to enhance **per constituency limit** for posing DPRs to the NABARD and other funding agencies from Rs.105 crore to **Rs.120 crore.**
- Increase in allocation under **Vidhayak Kshetra Vikas Nidhi Yojana** to **Rs.1.75 crore** from Rs.1.50 crore.
- **Discretionary Grant** of MLAs increased from Rs. 8 lakh to **Rs.10 lakh.**
- Proposal to spend 230 crore on the subsidy given on food.

## **INFORMATION TECHNOLOGY**

- **e-Cabinet Software-** to computerize proceedings of cabinet meetings.

## **AGRICULTURE AND IRRIGATION**

- **Krishi Kosh-**Rs. 20 crore fund to support seed money, interest subvention and credit guarantee cover to farmers.
- **Krishi se Sampannta Yojana-** to promote saffron production in areas where climatic conditions support its cultivation.
- A new variety of ‘**Heeng**’ (**asafoetida**)- identified by **Institute of Himalayan Bio Technology (IHBT) Palampur** which can be grown in high altitude areas of **Lahaul & Spiti, Kinnaur and Chamba** etc.
- **Prakritik Kheti Khushal Kissan-**The number will be increased to **1 lakh** farmers under the scheme.
- **Nadaun Medium Irrigation Scheme-** This scheme will provide irrigation facilities to about **3,000 hectares** of land.
- **Phinna Singh Medium Irrigation scheme-** will benefit **4,000 crore** hectares of the land.

### **ALLOCATION OF FUNDS SECTOR WISE**

**Rs. 1,024 crore for Irrigation Sector**

**Rs. 536 crore for Horticulture Sector**

**Rs. 477 crore for Animal Husbandry**

**Rs.8016 crore for Education**

**307 crore for Ayurveda**

**2213 crore for Drinking Water Supply schemes**

## **HORTICULTURE**

- **“Krishi Utpaad Sarankshan (Anti Hail net) Yojana (KUSHY)- 50 percent subsidy** will be for erecting structure to support anti hail nets.
- **Mehak-** Scheme to provide necessary training and assistance in cultivation, processing and marketing of **aromatic plants**.
- **Hydro cooling facility for Cherry** will be developed in **JarolTikkar**, the **first** in the State.

## **ANIMAL HUSBANDRY/COW PROTECTION**

- **Him Gauri-** milk fortified with Vitamins A and D.
- **National Gokul Mission- Free insemination** to help increasing milk yield and also farmers’ income.
- A programme to track the health of improved breeds of **Jersey Cows** will be started in **Kangra** district.
- One Cow Sanctuary and one large Cow Sadan in each non-tribal district.
- **Him Kukkut Palan Yojana (HIMKUPY)-** To enhance employment and income in poultry. **100 farmers** will be provided up to 5,000 broilers **every year** under the scheme.
- **Mobile Veterinary Sewa (MOVES)-** To provide veterinary service at doorsteps.
- Procurement price of milk increased by Rs. 2/litre.

## **FISHERIES**

**Recirculating Aqua Culture System (RAS)-** at Carp Fish Farm in **Nalagarh** to increase carp production.

## **PANCHAYATI RAJ & RURAL DEVELOPMENT**

- **Parvat Dhara-** Will aim to rejuvenate extinct and depleted water sources under MGNREGA. Forest Department will implement this scheme in forest areas
- **2,000 Lok Mitra Kendras-** under **Rashtriya Gram Swaraj Abhiyan**, these kendras will be located in the Panchayat Ghars.
- **SARAS melas-** To enable **Self Help Groups** in the State to exhibit and sell their products like bamboo craft, pattals, earthen pots etc.
- **UNNATI-** To provide training to **upscale the** skills of those who have completed 100 days under MGNREGA.
- **Panchawati-** Scheme to take care of requirement of parks and gardens in the **rural areas**.
- An award of **Rs.5 lakh** to every **tobacco-free** Panchayat.

## **FOREST CONSERVATION AND FOREST BASED LIVLIHOODS**

- Target to enhance the forest cover from **27.72 percent** to **30 percent** by 2030.
- **Vidyarthi Van Mittar Yojana- 100 new schools** will be selected and plantation in adjoining land by the students.

## **ENVIRONMENT SCIENCE AND TECHNOLOGY**

- An Early Warning System in **Kullu valley** for **glacial outburst** events.
- **Kaushal Vigyan Programme-** quality hands-on training for 100 Graduate Students in Biotechnology.
- **5 Geographical Indications (GI)** proposed- Karsog Kulth and Pangi ki Thangi, **Chamba metal crafts**, Chamba Chukh and Bharmouri Rajmaah of **Chamba district**.

## **QUALITY EDUCATION**

- **Swaran Jayanti Gyanodaya Cluster Sreshtha Vidyalaya Yojana (Gyanodaya)-** modern facilities would be provided in 100 cluster schools.
- **Swaran Jayanti Super 100-** 100 top students of **class 10** would be provided assistance of **Rs.1 lakh** each to compete in various entrance exams.
- **Sardar Vallabh Bhai Patel Cluster University at Mandi.**

## **HEALTH AND MEDICAL EDUCATION**

- **Kshay Rog Nivaran Yojana-** The State was awarded the **first** prize in the country for excellence in the tuberculosis work last year. Line Probe Assays Lab available only at IRL, **Dharampur** will be started at **Tanda**. A financial help of **Rs.1,500 per month** to all MTR-TB Patients during their treatment period.
- **Swasth aur Sashakat Kishoritav evam Matritva (SKM)-** For breast cancer and cervical cancer.
- **ART(anti- retroviral) facilities** in three Medical Colleges at **Nahan, Chamba** and **Mandi** at Nerchowk.
- Modern **Child Health Care** Centre in **Tanda**
- **Integrated Nirog Clinic-** To cure Non-Communicable Diseases
- **HIMAROGYA-** An IT based system to provide **unique health ID** to all the citizens.
- **Samman-** to provide free treatment including diagnostic services **destitute persons**.



## **URBAN DEVELOPMENT**

- **Shimla and Dharamshala** have been selected for development under **Smart City Mission**.
- **Atal Shreshtha Shehar Puraskar**- to promote sanitation and good waste management practices in Municipal Council and Nagar Panchayats.

## **REVENUE & DISASTER MANAGEMENT**

- The income criteria for landless/houseless persons to get land enhanced from Rs.50,000 to **Rs.1,00,000**.

## **WATER SUPPLY**

- **Jal Jeewan Mission** to provide each household with piped water connection before **2024**.

## **INDUSTRIES/ PRIVATE INVESTMENT**

- **Himachal Pradesh Investment Promotion Agency**-To arrange clearances from different departments through single window system.
- **Him Startup Yojana (HIMSUP)**- A **Venture Capital Fund of Rs.10 crore** will be created to fund the start-up enterprises to help youth open their own start-ups.
- **PARAMPARA**- Paramparik Hathkargha Evam Hastshilp Cluster Protsahan Pariyojana
- **Mukhya Mantri Swavlamban Yojana**- To promote local entrepreneurship and to provide self employment opportunities for the youth in the age group of **18-45 years**.

## **MEGA POWER PROJECT & POWER**

- Renukaji Dam Project (40 MW) has been declared as National Project.
- Proposal to install Off-grid Solar Power Plants of 250 Watts each in **1,000** households in **Pangi Valley** of **Chamba** district.

## **TOURISM**

- Proposal to bring **Chintpurni temple** under Prasad Yojana.
- **Spiritual Circuit** under the Swadesh Darshan Scheme- This proposal includes **Shiv Dhaam in Mandi**, beautification of **Rewalsar**, **Baba Nahar Singh temple in Bilaspur**, **Kaleshwar temple in Dada Siba**, **Awaha Devi Temple in Hamirpur**, **Manikaran in Kullu** and **Trilokpur temple in Sirmour**.

## **TECHNICAL EDUCATION & SKILL DEVELOPMENT**

- New **Institute of Hotel Management** in **Dharamshala** and **Food Craft Institute** in **Sundernagar**
- **Transport Nagar** in **Hamirpur**
- **Centre of Excellence** will be established in **Waknaghat (Solan)**

## **NUTRITION**

- **Swaran Jayanti Poshahaar Yojana**- has 3 components:
- **1)Bal Poshahaar Top-up Yojana**- fortified food to completely eliminate malnutrition in Anganwadi children. **2) Swasth Bachpan**- Mid-day meal to the students of pre-primary classes. **3)All children from class I-VIII** will be provided **nutritious food** like milk and local fruit as top-up once in a week along with mid day meal.

## **WOMEN AND CHILD DEVELOPMENT, WELFARE OF THE WEAKER SECTIONS/SOCIAL SECURITY PENSION**

- The pensions of Divyangjans and Widow increased from **Rs. 850 to 1,000**.
- War Jagir assistance increased from Rs.5,000 to **7,000 per annum**.

## **LAW AND ORDER**

- A **Vigilance Police Station** would be established in **Baddi**.

## **EMPLOYEES WELFARE**

- Increase in minimum daily wages from Rs.250 to Rs.275 per day

## **TRANSPORT**

- The **First water transport route** is being developed **between Tatta Pani and Salapar**.
- New ropeways at **Bagla Mukhi (Mandi)** and **Narkanda to Hatu Mata temple**.
- **Chamba** town will be included in **Udaan-2**.
- A green field **airport** to be built at **Mandi**.
- **Increase of Rs.20,000** in the financial assistance under the **Prime Minister Awas Yojana** (Urban) scheme.

## **BUDGET ESTIMATES**

- **Revised Estimates-** 1)Revenue receipts-32,330 crore  
2)Revenue expenditure-36,337 crore
- **In Budget (2020-21) total revenue receipts - 38,439 crore**
- **Total revenue expenditure- 39123 crore**
- **Fiscal deficit-4% of GSDP**

## **INDICATORS OF BUDGET**

### **Receipts come from:**

**(In a Descending order)**

	(Out of 100)
Grant-in-Aid	₹ 44
State Taxes	₹19
Public Debt	₹16
Central Taxes	₹ 13
Non Taxes Revenue	₹ 05
Advances & Deposits	₹03
Loans Recovery	₹00

### **Expenditure goes to:**

**(In a Descending order)**

	(Out of 100)
General Services*	₹ 31
Social Services*	₹ 31
Economic services *	₹ 15
Capital Expenditure	₹ 13
Subsidies	₹ 02
Grant-in-Aid	₹ 01
Loan Payments	₹ 07

\* Excluding Subsidies

## EXPENDITURE SHARE OF DIFFERENT SECTORS (In ₹ 100)

(In a Descending Order)

Others	₹21
Education	₹17
Pension	₹15
Interest Payment	₹10
Public Works (Roads and Bridges)	₹09
Loan Payments	₹07
Health	₹06
Water Supply & Sanitation	₹05
Rural Development	₹04
Agriculture	₹03
Social Welfare Programme	₹03