Andhra Pradesh Annual Plan 2010-11

A presentation before the Deputy Chairman Planning Commission and the Chief Minister of Andhra Pradesh

16th April, 2010, Yojana Bhavan, New Delhi.
Issues to be addressed

- Overall decadal improvement in macro-economic aggregates and HDI indicators but attention required on education, health and women empowerment sectors.

- Crop-sector is weather dependent and needs assured irrigation (surface and groundwater), watershed development, credit and input support to improve productivity.

- Growing services sector needs larger push in infrastructure, agriculture, non-farm and industry to sustain.
Strategy

- Prioritise Economic services
- Strengthen irrigation, stabilize IP, develop agro infrastructure, research, ensure good quality input supply, expand crop insurance and develop non-farm sector support.

Outcomes

- Per capita income, health and education indicators in sync in most regions, reduction in regional disparities.
- Parity of rural and urban per worker output, food security and diversifying agri-dependent population (presently 62%).
Strategy

- Housing, employment generation, welfare and gender balancing schemes
- Budgeting SCP and TSP separately
- PPP in infrastructure, health and urban development

Outcomes

- Growth with HDI attainments aligned and parity of women welfare indices with Southern States.
- Focused area and family oriented schemes for SCs and STs.
- Reducing budgetary dependence.
The Economy: GSDP growth

Recession, Natural calamities: agriculture growth -4.75%. 204 lakh tonnes of Food grains production in 08-09, 153 lakh tonnes in 09-10, expected 2010-11: 210 lakh tonnes.

Sectoral composition of GSDP 2009-10

- Agriculture: 53%
- Industry: 22%
- Services: 25%
## The Economy: MEA with All-India

<table>
<thead>
<tr>
<th>Year</th>
<th>GSDP growth at Constant (1999-2000) prices (%)</th>
<th>Per Capita Income of AP at Current prices (Rs.)</th>
<th>GDP (All India) growth at Constant (1999-2000) prices (%)</th>
<th>Per Capita Income of All India at Current prices (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>8.15</td>
<td>23925</td>
<td>7.47</td>
<td>23198</td>
</tr>
<tr>
<td>2005-06</td>
<td>10.24</td>
<td>26662</td>
<td>9.52</td>
<td>26003</td>
</tr>
<tr>
<td>2006-07</td>
<td>11.16</td>
<td>30439</td>
<td>9.75</td>
<td>29524</td>
</tr>
<tr>
<td>2007-08</td>
<td>10.75</td>
<td>35600</td>
<td>9.01</td>
<td>33283</td>
</tr>
<tr>
<td>2008-09(Q)</td>
<td>5.04</td>
<td>40902</td>
<td>6.70</td>
<td>37490</td>
</tr>
<tr>
<td>2009-10(A)</td>
<td>4.91</td>
<td>43556</td>
<td>7.17*</td>
<td>43749</td>
</tr>
</tbody>
</table>

* At 2004-05 prices. Base year valuation to 04-05 to be completed in May 2010 for the State.
## Plan Expenditure (Rs. Crores)

<table>
<thead>
<tr>
<th>YEAR</th>
<th>APPROVED OUTLAY</th>
<th>EXPENDITURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>12790</td>
<td>11457</td>
</tr>
<tr>
<td>2005-06</td>
<td>15651</td>
<td>13439</td>
</tr>
<tr>
<td>2006-07</td>
<td>20000</td>
<td>18207</td>
</tr>
<tr>
<td>2007-08</td>
<td>30500</td>
<td>27171</td>
</tr>
<tr>
<td>2008-09</td>
<td>44000</td>
<td>30618</td>
</tr>
<tr>
<td>2009-10</td>
<td>33497</td>
<td>33538*</td>
</tr>
</tbody>
</table>

* RE

Budget-balance rationalised from 2009-10
Annual Plan 2010-11

1. Approved Outlay 2009-10: Rs. 33497 c.
2. Proposed Outlay social sector increased by 18% in 2010-11 over 2009-10 against 7.7% increase in economic services.
3. SCP 2010-11: Rs. 6212c. (16.69%). TSP 2010-11: Rs. 2562c. (6.88%)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Proposed Outlay (Rs. crores)</th>
<th>% total outlay</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Services</td>
<td>24425.98</td>
<td>65.61</td>
</tr>
<tr>
<td>Social Services</td>
<td>12654.43</td>
<td>33.99</td>
</tr>
<tr>
<td>General Services</td>
<td>147.56</td>
<td>0.40</td>
</tr>
<tr>
<td>TOTAL</td>
<td>37227.97</td>
<td></td>
</tr>
</tbody>
</table>
## SCHEME OF FINANCING ANNUAL PLAN-2010-11

(Rs. Crores)

<table>
<thead>
<tr>
<th></th>
<th>BE</th>
<th>LE*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. State’s Own Resources</td>
<td>15971.47</td>
<td>16155.18</td>
</tr>
<tr>
<td>2. Raise the receipts by</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1. plugging loopholes in tax</td>
<td></td>
<td>316.29</td>
</tr>
<tr>
<td>2.2. collection/economy in</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.3. non-plan exp.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. State’s Borrowings</td>
<td>13035.72</td>
<td>13035.72</td>
</tr>
<tr>
<td>4. Central Assistance</td>
<td>7720.78</td>
<td>7720.78</td>
</tr>
</tbody>
</table>

**TOTAL RESOURCES**  
36727.97  
37227.97

*Revision after 13th FC recommendations*
Strategic investments: Agriculture

- ‘Jalayagnam’: Largest State investment in the country
  - Overall IP creation proposed: 98 lakh acres
  - Overall IP stabilisation: 22.26 lakh acres
  - 2004-2009 IP created: 23 lakh acres (incl. stabilization)
  - utilised: 15 lakh acres: 65%
  - 2010-11 target: 8.8 lakh acres creation
    13.54 lakh acres stabilisation
  - 40% of total outlay: Rs. 14970 c with Rs. 4000 c for AIBP
  - Not a single project from State declared as National project

- Free power to needy farmers – subsidising input costs
- Crop Insurance – subsidising crop loss
Strategic investments: Agriculture

- Crop Loan on 3% interest to farmers – input cost support
- Crop loan disbursements highest in the country: Rs. 23,500 c
- Quality seed supply, NFSM and Rastriya Krishi Vikas Yojana (RKVY) – input, extension and productivity increase
- Rythu Sadassulu, Polam badi, Adarsha rythu etc. direct-contact programmes – aggressive extension
- Foodgrain production target 2010-11: 210 lakh tonnes
Strategic investments: Agriculture and allied

- Pasukranthi and JeevaKranthi – supplementary non-farm income support for about 90 lakh families to insulate against drought.
- Under the Prime Minister’s Special package for Livestock & Fisheries 44,000 Milch animals have so far been distributed to farmers in the 16 distressed (drought prone) districts in the State during 2006-07 till date.
- Milk, meat and egg production are respectively targeted to be 108.00 Lakh MTs, 7.25 Lakh MTs and 1940 crores during 2010-11 marking an increase of 5.5%, 10.2% and 1.7% over 2009-10.
- An amount of Rs. 1846.16 crores has been proposed under Agriculture & Allied sectors in the Annual Plan 2010-11.
Strategic investments: Power

- T & D losses reduced: 21.42 % in 2004-05 to less than 18.5% in 2009-10.
- AP GENCO targets 17558 MW additional capacity to installed capacity of 14541 MW by 2016.
- Rs.489.96 crores is proposed in 2010-11 for the energy sector.
Strategic investments: RD & Women empowerment

- MGNREGS: Rs. 9355 c spent since 2006 employment created: 86.98 c person days for 1.6 c individuals and 85 lakh households. Rs. 300 crores proposed in 2010-11.

- Watershed development: Rs.1200 c outlay

- Indira Kranti Patham (IKP): 1.06c women mobilised into 9 lakh SHGs.

- Interest subsidy to SHGs: Rs. 564 crores for 25.60 Lakh SHGs so far. Rs.200 crores proposed for 2010-11.
Strategic investments: RD & Women empowerment

- Dr. YSR Abhaya Hastam: 41 lakh women enrolled into contributory pension cum insurance scheme for SHGs: Rs. 220 crores.

- Social Security pensions: old aged, widow, disabled, AIDs affected, toddy tappers: Rs. 1616 crores.

- RD sector: Rs. 3662 crores.
Strategic investment: Education

- With drop-out rates falling: 15.65% at primary levels, various value-added schemes:
  - IT
  - Andariki vidya
  - Mid-day meals
  - Sarva-shiksha Abhiyan
  - Elementary Girls’ education


- Post-Matric scholarships to SC/ST and BC students

- Rs. 2246 crores for Education sector.
Strategic investment: Health

- **Health Insurance: Arogyasree**
  - 30 lakh patients screened and 5.75 lakh surgeries done
  - Rs. 1680 cr spent in 3 years

- **108 - Emergency Ambulance Services**
  - 40 lakh emergencies attended; 62,200 lives saved

- **104 – Fixed Day Health Services**
  - 450 Mobile Health units in operation. 96 lakh people enrolled

- Improvement in health indicators comparable to all-India:
  - Birth Rate-18.4 (All India – 22.8)
  - IMR-52 (All India – 53)
  - MMR-154 (All India – 254)

- Rs. 1550 crores proposed in Plan 2010-11
Strategic investment: Health

- **Child Development**
- **Adverse Sex Ratio**
  - Effective steps being taken to implement PC&PNDT Act
  - 3681 Govt/ Pvt centers registered
  - Dissemination workshops being held
  - % of Girls marrying below 18 yrs reduced from 73.9 (DLHS1) to 28.7(DLHS3)

- **Efforts are on to reduce IMR to 30 by 2011-12**
  - 160 NICUs are being established
  - Focus on Immunization 40 lakh emergencies attended; 62,200 lives saved
Strategic investment: Health

- **Maternal Health**
- **Nutrition**
  - 1200 Special Nutrition Centres established under NRHM
  - Outlay increased from Rs 10 cr to Rs 20 cr
  - IFA Tablets distributed to 16.86 lakh women in 2009-10

- **Aim to reduce MMR to 100 by 2012 (from 154)**
  - Special package designed for 484 PHCs & 50 CHCs
  - Focus on ANC, nutrition & Institutional Deliveries

- **Significant capacity enhancement through overall health sector reform agenda.**
Strategic investment: Drinking Water

- NRDWP: out of 72,147 habitations 51,222 fully covered, 16,316 partially covered
- Rs. 864 crores AP Rural Water Supply project with WB assistance
- Prajapatham: Direct contact DW thrust programme in Summer for Habitations and towns
- Constituency Development Programme: Rs. 385 crores: 25% for DW.
Strategic investment:
Infrastructure and Urban Development

- JNNURM: 15990 houses constructed: 31906 targeted for 2010-11
  - Rs. 1750c allocated under JNNURM
  - Rs. 1670c WB assisted Municipal Development project
  - Rs. 2774c overall sector allocation
- PPP in road improvement 520 kms
- Airports, ports, bridges taken up under PPP: YSR bridge on the Godavari, Hyderabad Int airport, PVNR expressway, Gangavaram and Krishnapatnam ports etc.
Flags

☐ Stabilisation of IP created: AIBP assistance for Rs. 4000 c

☐ State is eligible for Rs. 610 c under RKVY. Additional funding requested against irrigation and power subsidy.

☐ Health – Request for Grant-in-Aid of Rs. 700 crores for Arogyasri Health Insurance Scheme

☐ R&B - Declaration of 5 State Highways as National Highways of total length of 2539 Kms.
Flags

- Labour cost for construction of housing for poor to be included as permissible item under MGNREGA.
- Due to inadequate funds for settling all the claims under NFBS, the State is providing only Rs. 5,000/- for family. As advised by the Planning Commission, this amount may be raised to Rs. 10,000/-. ACA may be enhanced to clear the backlog claims.
- Interest subsidy to DWCRA groups (Pavala Vaddi) may be taken up as a National Programme under NRLM or as Additional Central Assistance (ACA).