CHAPTER-IV
UTTARANCHAL STATE
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Introduction

Uttaranchal, which was carved out of Uttar Pradesh, as a result of the U.P. reorganizations Act of 2000 passed by the Indian Parliament, came into existence on November 9, 2000. Earlier, it formed, more or less, the hill region of U.P. comprising 12 districts occupying the north-western part of the state. At the time of its creation, Haridwar, which was earlier a part of the western region of U.P., was also merged into the new state, taking the number of its districts to 13.

The name of the state has been changed to ‘Uttarakhand’ since December 2006 by an act of Parliament. However this research project was initiated since Oct’ 04; and the researcher has used the name ‘Uttaranchal’ throughout the body of the research paper instead of ‘Uttarakhand’.

The state of Uttaranchal makes international boundaries with China (Tibet) on the north-east and Nepal on the east. To the northwest and west lies the state of Himachal Pradesh. To its west lies Haryana and southwest lies Uttar Pradesh.

Uttaranchal comprises hills, valleys and foot-hill plains. It is endowed with beautiful and enchanting high Himalayan peaks. The region is known for its scenic beauty which attracts tourists from all over the country and abroad. The state is blessed with majestic swift flowing rivers originating from the glaciers and snow peaked mountains located in higher reaches. It is the land of four most sacred Hindu pilgrim destinations, namely, Badrinath, Kedarnath, Gangotri and Yamunotri, Uttaranchal is rich in natural resources which have yet to be prudently
and sustainably tapped. This however, is one side of the picture. There is a flip side, too. In a nutshell we see Uttarakhand as a state where the present land use is skewed. Barring the terai, the resource base has potential but is fragile at the same time in many ways. Soils are thin and highly variable in structure, texture and fertility. Water is fast moving and difficult to manage. Land is easily damaged or even lost, through erosion, deforestation and unscientific uses.

Population pressures have accentuated pressure on land and other resources. Technologies suited to hill region are not yet adequately developed or adopted. Even where solutions are known; their application is constrained by the limitation of resources or by hesitancy and lack of will. Infrastructural facilities are limited. Institutions are weak and not empowered in the required measure. This is the scenario one generally comes across in hilly parts of Uttarakhand.

According to 1991 census, the population of the State was 71.14 lakhs. The provisional figure obtained from 2001 census place the population of the State at 84.80 lakhs. The total land area of the state is 53331 sq.km which amounts to 18.1 percent of the total area of the erstwhile composite U.P. state existing before the creation of Uttarakhand.

The density of population is relatively low. Provisionally, in 2001, it is placed at 159 persons per sq.km against 133 in 1991. It is much lower than the national average of 324. The population density is, however, higher when compared to other hill states and is indeed the highest among all of them except Tripura. The districts located wholly or partly in the plains have a very high density of
population, e.g., Haridwar, (612), Udham Singh Nagar, (424), Dehradun, (414). At the other extreme are the districts of Pithoragarh (65), Chamoli (48) and Uttarkashi (48); all of which share border with Tibet.

The sex ratio is, relatively speaking, better at 964 in 2001. It looks favourable in as much as the figure incorporates the phenomenon of migration of men-folk from Uttaranchal, much of whom traditionally join the armed forces or migrate to the plains in search of employment. Migration is obviously the outcome of lack of employment opportunities. In 2001 females exceed males in eight out of 13 districts. All the eight districts having higher female population are located in the mountainous part of the State.

Uttaranchal is being home to a large number of Hindu shrines. Its population has a large segment of Hindu population. In hilly regions, about 98 percent of the population consists of Hindu. However, in districts lying in the plains, other religious groups (Muslims and Sikhs) have a significant presence. Muslims constitute 30 percent population in Haridwar and 15 percent in Nainital (largely in the plain areas). The Sikh population largely resides in Udham Singh Nagar district. According to 1991 census, there is a substantial segment of scheduled castes which accounts for 17.4 percent of the total population. Only about 3 percent of the population consist of scheduled tribes namely Bhotias, Buxas, Jaunsaries, Tharus and Rajis.
Literacy

According to provisional figures of 2001 census Uttaranchal has a high literacy rate of 72.28 percent against 57.75 percent in 1991, recoding a sharp marked among females which went upto 60.26 percent from 41.63 percent in 1991. The districts of Nainital and Dehradun were ahead of other districts, registering literacy rates of 79.60 percent and 78.96 percent respectively. The districts of Haridwar and Udham Singh Nagar, both lying in the plains, were down in the literacy ladder with percentages of 64.60 and 65.76 respectively.

Size of agricultural holdings

There are, in all, 8.55 lakhs agricultural holding in 1991 of which 5.99 lakhs (70.1 percent) were marginal holdings, each less than one hectre. On the other hand, 1.47 lakhs (17.2 percent) agricultural holdings are less than 2 hectre and belong to the category of small holdings. Thus as many as 87.3 percent of the lands holdings were either marginal or small.

About 50 percent of the holdings falling in the bracket of less than half a hectare covered only about 12 percent of the area. The entire bracket of marginal holdings (less than one hectare) which represented 71.2 percent of the holdings accounted for only about 28.1 percent of the land area. The distribution of land is thus unfavourable to the marginal and small farmers, particularly marginal farmers.
Workers

According to 1991 Census, of the total population of 70.5 lakhs; 28.15 lakhs i.e. 39.9 percent were workers which included marginal workers as well. If only men workers are considered, the proportion of workers was only 35.2 percent; the marginal workers constituting 4.7 percent of the population or 11.9 percent of total workers are mainly female workers (84.2 percent). About 54.2 percent of the men workers were engaged as cultivators while another 9 percent work as agricultural labour. This indicates the major role of agriculture in the economy of Uttaranchal.

Crops

Rice, maize sawan, mandua and wheat are the principal cereals grown in Uttaranchal of which wheat and rice are more important ones. According to figures of 1997-1998 cereals accounted for 74.6 percent of the gross cultivated area of which wheat contributed 30.8 percent followed by rice, 22.2 percent.

Roads

Roads are important infrastructural facilities, which promote both economic and social development and provide convenient transport means for all types of vehicles carrying passengers or goods. Above all, roads provide connectivity between rural and urban settlements and connectivity with other states from where tourists come and supplies are received or to which goods flow and people from the hills go. They facilitate access to schools, hospitals, commercial centers,
tourism locations, pilgrim destinations etc. A quantitative measure of the connectivity available in any region is the length of roads in that area. In absolute terms the maximum road length is in the district of Pauri – Garhwal followed by Dehradun, the least length being in the district of Uttarkashi.

There is a fairly good coverage in Dehradun, Pauri-Garhwal, Nainital and Udham Singh Nagar districts by road networks, while the border districts of Utarkashi, Chamoli and Pithoragarh have poorer coverage. This is evidently due to the fact that these districts have more difficult terrains as also lower population densities. The districts of Udham Singh Nagar and Haridwar located in the plains have higher concentration of population and, therefore, they have lower figures of roads per lakh of population and higher figures of roads in terms of area. The much larger coverage in the district of Nainital with relatively lower density of population assumes special significance. This district is an important tourist destination and is also the main entry point to Kumaon. That could be the reason for its higher road coverage.

**Railways**

The facilities of railways are confined to the plains or to low hill areas while vast high hill areas have no rail network. According to figures of 1995-96 there are 45 stations located in five districts – Haridwar (14), Udham Singh Nagar (17), Dehradun (8), Nainital (5) and Pauri-Garhwal (1). The remaining districts are not served by railways. Through these stations, Uttaranchal has rail connections with Delhi, Lucknow, Kolkata, Mumbai, Haryana and Punjab.
Airways

Uttaranchal is very limitedly connected by air-ways. There are only a few air-strips, namely at Pantnagar and at Dehradun but these are not yet developed to provide regular air services. An additional air-strip is under construction at Naini-Sain in Pithoragarh during the Eighth Five Year Plan.

Communications

Networks of post and telegraph offices and telephone exchanges serve the far-flung areas of Uttaranchal State in varying degree.

Education

Education is the key to social development. From this point of view Uttaranchal, a new state is favorably placed than the residual U.P. The literacy rates are higher and the state has a reasonably good net-work of schools and colleges at all levels.

Industry

Uttaranchal is deficient in industries but the services sectors (trade, tourism, hotels, etc.) are picking up and will have increasing role in the State’s economy in future. The Central Government has declared a concessional Industrial package for Uttaranchal on 7th January 2003. As per new Industrial package, various concessions on excise duties and income tax have been declared for establishing new industrial units as well as to existing units. Presently the state is marching ahead with industrialization with attractive terms to new entrepreneurs such as reduced rate of sales tax, VAT, excise, customs etc.
As a result, almost all big industrial houses: companies, automobiles, heavy industries, paper, food processing etc are investing in the state in a massive way. This not only provide employment opportunities for the unemployed youths as well as overall development of the state.

**Economy and Banking**

State’s GDP is Rs.17370 crores and net GDP is Rs.15051 crores (Year 2003-04). Per capita GSDP is Rs.19598 and per capita NSDP is Rs.16982. The state has 13 districts; 7 in Kumaon mandal and 6 in Garhwal mandal. All the 13 districts are covered by banks. The state has total 39 banks (23 public sector banks, 3 Regional rural banks, 2 cooperative banks and 11 private sector banks) with 1135 branches (647 rural, 285 semi urban and 203 urban branches). There is no ‘metro’ category branch in Uttarakhand. The state does not have any foreign banks. All banks put together have deposits Rs. 24399 crores and advance of Rs.10967 crores; total business Rs.35366 crores. (Annexure-14 and Annexure-15)

CD ratio as on 30.09.2006 is 66.72 % which is much lower than that of March 2006-123.45% and March 2005 -83.48%. State Bank of India is the leading bank in the state and also the convenor of SLBC for the state. The state being agricultural dominating state the major portion of credit i.e. 46.59% was provided to agriculture sector. The share of industries and services sector works out to 18.19% and 35.21% respectively.