

INTRODUCTION

1. The economy of Punjab is largely dependent on agriculture. Punjab has played a significant role in making the country self sufficient in food grain production though it has been at the cost of its own natural resources. The state's maximum contribution of 70% of wheat to central pool during 2006-07 has come down to 40-45% in the recent past. Sustenance of cereal production & productivity is not only important for the state but also for the food security of the country. Government has taken various steps to improve the viability and sustainability of agriculture and also to promote diversification of crops. However, a package of dynamic, proactive and responsive policies and action programmes are required to revive Punjab's agriculture.

2. The state plan focused on removing intra-regional imbalances, generation of productive employment, improving quality of life by providing better health care facilities, sanitation, safe drinking water, education and greater access to food. It seeks to lay greater stress on improving the state's performance on social indicators to match its economic progress. Similarly, economic and social advancement of the underprivileged and disadvantaged sections given great attention.

3. The state aims to achieve 100% Gross Enrolment Ratio (GER), Net Enrolment Ratio (NET), Zero Dropout and 100% Retention during the 12th Plan. The literacy rate of the state has improved to 76.70% against all India level 74.04% as per 2011 census. The state government has accorded top priority for upgradation of infrastructure in terms of manpower, civil works and equipments in the hospitals. The other major initiative of the state government is in regard to mother and child health. The state has also taken number of measures to provide affordable health care services to the people of the state. Emergency Medical Response System comprising of 240 fully equipped ambulances was launched at a cost of `68.00 crore in April, 2011 and total 3.00 lac patients have been benefited. The government has also started few ambitious schemes exclusively for the welfare of women and girl child. The state government initiatives lead to improve its child sex ratio which stands at 846 as per census of 2011 as compared to 798 in 2001.

4. The state government has taken a special initiative by creating a new department of Governance Reforming integrating the mandate of Administrative Reforms and e-Governance in all the departments to form the basis for inclusive growth and development in the state. Punjab Right to Service (PRTS) Act was enacted in 2011 to provide 69 services in a time bound manner. 139 Police Saanjh Kendras were set up in separate buildings across the state to deliver police services. People are no longer required to visit the police stations for various works like

copies of FIR, verification of documents etc. The land records of 12538 villages out of 13206 villages have been computerized and 167 Fard Kendras have been set up for providing computerized copies of revenue documents. Discretion of sub-registrar was curtailed with a view to reduce the scope of corruption. The birth and death certificates are being computerized and procedure for their registration has been simplified. In the transport department, dealers have been empowered to issue vehicle registration certificates. Similarly, Principals of Colleges have been authorized to issue driving learner licenses. In addition, e-tendering and e-procurement has been introduced in all the departments.

PLAN PERFORMANCE

5. The Plan Performance during the 10th Plan Period, with an expenditure of ` 14823 crore, was 89%. The total outlay earmarked at the beginning of the 11th Plan was ` 28923 crore against which the total outlay of five year annual plans is ` 40616 crore. The total expenditure incurred during the 11th Plan Period was ` 32705 crore which works out to 81% of the annual outlays. The plan performance from 9th Plan to 11th plan is given as under :-

(` crore)

Year	Approved Outlay	Expenditure	%age
1	2	3	4
9th Plan (1997-2002)	13337	10022	75
10th Plan (2002-2007)	16645	14823	89
11th Plan (2007-12)	40616	32705	81

6. The Punjab State Electricity Board was unbundled into Punjab State Power Corporation Limited and Punjab State Transmission Corporation Limited. In order to address 30% of power shortage, 3 thermal power plants of 3920 MW capacity were allotted to private parties and these plants are likely to be commissioned between May, 2013 to May, 2014. During the Plan Period, 405 km of National Highways were 4 laned, 9 State Highways of 520 km length were upgraded in Public Private Partnership mode on BOT basis. The Government has constructed 8000 km of new link roads and 3200 km of other village roads from its own funds and under PMGSY. The state made tremendous progress in providing rural water supply & sanitation. As

of now, out of 15170 habitations, there are only 920 not covered villages and 2241 partially covered villages which will be taken up during the 12th Plan. A total of 10.89 lac toilets were constructed upto the 11th Plan Period leaving a balance of 10 lac families without toilets.

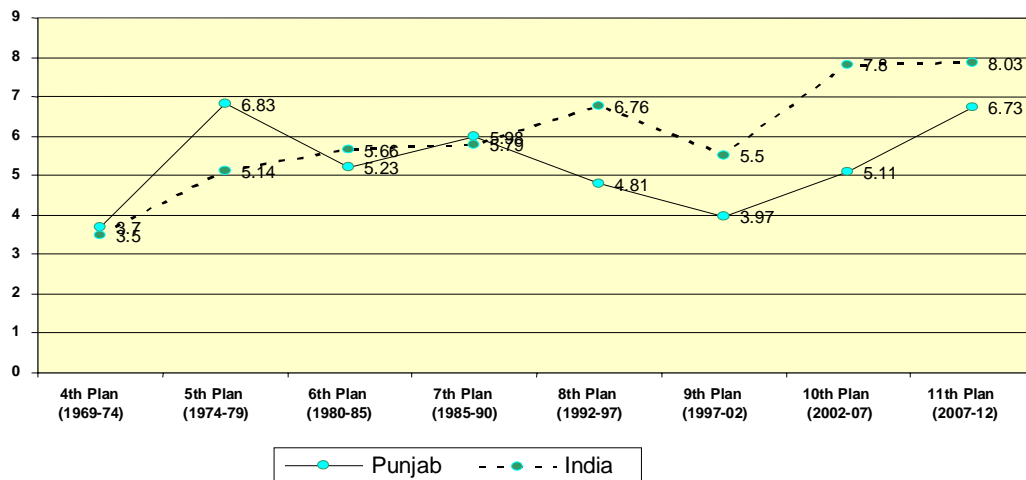
7. Health and Education were the other key sectors which received top priority during the 11th Five Year Plan. The ban on recruitment was lifted and all the vacant posts of teachers, doctors and para-medics were filled up. A ` 350 crore project for construction of new health institutions for creation of infrastructure in the health department as per norms was completed. Two of three medical colleges were up-graded at a cost of ` 258 crore. The 3rd government medical college would be covered in the current year 2013-14. A major project for creation of urban infrastructure by way of providing cent percent water supply, sewerage and sewage treatment plants was launched. Atta Dal scheme for about 33% of the population in the state was implemented throughout the plan period. Major welfare schemes for scheduled castes and women were also started. The scope of social welfare schemes was extended from SCs/BCs to all families having annual income of ` 30,000/- or less.

STATE'S ECONOMY

8. The insurmountable debt burden and persistent gap between revenue and expenditure are unfortunately the characteristics of the state's Public Finance. The growth rate in the state over the previous years is shown as under:-

Economic Growth Over the Five Year Plans

Growth Rate



(Year wise detail is at Annexure-A)

9. The state has recorded 6.73%, and 5.94% growth rate against the target of 5.90% fixed by the Planning Commission for 11th Plan which is slightly lower than the growth of 8.03% & 6.21% achieved at all India level during 11th Plan and 2011-12 respectively . According to Advance Estimate for the year 2012-13 the state is likely to achieve growth rate of 5.19% against all India growth rate of 4.96 % .The state has projected a growth rate of 6.5% to the Planning Commission for the state during 12th Five Year Plan. The sector-wise growth targets being fixed by the Planning Commission for the state for the 12th Plan are as under:-

SN	Sector	Growth target (%age)
1	2	3
1	Primary	1.6
2	Secondary	7.30
3	Teritary	7.75
4	Overall	6.5

COMPOSITION OF STATE'S ECONOMY

10. A significant development is noticeable in the sectoral composition of state economy since 1980. The contribution of primary sector has declined from 49.13% in 1980 to 36.63% in 2000 and this declining trend is continued since 2011 i.e. 23.04%. The contribution of secondary and tertiary sector has increased at the expense of primary sector continuously since 1980 to 2011-12. It clearly shows that primary sector especially agriculture has reached its plateau in Punjab and there is a large scope for industrial growth which is picking up. This demonstrates the progressive and positive trend of growth. On the other hand, the similar trend has also shown at all India level.

PER CAPITA INCOME

11. Per capita income of Punjab viz-a-viz India at current and constant prices is given as under:-
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State	Per Capita Income								
	1980	1985	1990	1995	2000	2005	2010	2011	2012
Punjab									

i) Current Prices	2674	4578	8318	15471	27881	36199	69837	78594	8934 5
ii) Constant Prices	2674	3249	3730	13008	25986	34096	44783	46422	4849 6
INDIA									
i) Current Prices	1630	2730	4983	10149	16688	27131	54151	61564	6874 7
ii) Constant Prices	1630	1841	2222	8489	16172	26015	36342	38037	3914 3
Note: - Per capita income for the year 1980, 1985 and 1990 are on 1980-81 prices. 1995 at 1993-94 prices. 2000 at 1999-2000 prices. 2005, 2010 and 2011 at 2004-05 prices.									

STATE FINANCES

FISCAL CONSOLIDATION PATH

12. The state government enacted Fiscal Responsibility and Budget Management Act in 2003. It was amended in March 2011 to make it consistent with Fiscal Consolidation Path recommended by the Thirteenth Finance Commission for the State for the period 2010-11 to 2014-15. The major objectives of the Fiscal Consolidation Path are to eliminate Revenue Deficit, contain Fiscal Deficit to 3% of GSDP and cap outstanding debt of the State at 38.7% of GSDP by financial year 2014-15.

13. The state has been successful in meeting the targets of fiscal deficit and debt to GSDP ratio. However, it is finding it difficult to adhere to revenue deficit targets laid down in the fiscal consolidation path.

REVENUE DEFICIT

14. As per Fiscal Consolidation Path recommended by Thirteenth Finance Commission, the State is required to achieve revenue balance in the financial year 2014-15 and maintain it thereafter. The target given by Thirteenth Finance Commission for the year 2011-12 was 1.8%

of GSDP. But actual Revenue Deficit in 2011-12 at `6,811 crore was 2.63% of GSDP. For the financial year 2012-13, the State Government budgeted for Revenue Deficit of `3,123 crore which was 1.06% of GSDP against the target of 1.20% set by the Thirteenth Finance Commission. But as per 2012-13 (R.E.) the Revenue Deficit of State is expected at `4,758 crore which is 1.61% of GSDP of State. The Revenue Deficit of the state for 2013-14(B.E.) at `1,747 crore is 0.57% of GSDP against the target of 0.6% set by Thirteenth Finance Commission. This is the lowest ever target given to the state.

15. The present Government is aware of importance of elimination of Revenue Deficit for economic revival of the State. We have achieved some success in containing Revenue Deficit of the State. The average revenue deficit as percentage of GSDP was brought down from 2.91% during 10th plan 2002-07 to 2.47% during 11th Plan 2007-12. It was as low as 2.22% in 2008-09. However, the Government is also committed to development of State in general and under-privileged sections of the society in particular. For this purpose, the Government undertakes huge development expenditure on revenue side on social and economic sectors. Besides this, inadequate support by Government of India and the implementation of Pay Commission recommendations have also resulted in increase of revenue deficit to 2.63% of GSDP in 2011-12. This is the only para-meter of Fiscal Consolidation Path recommended by 13th Finance Commission which the State is finding difficult to meet.

FISCAL DEFICIT

16. The State has been successful in containing its Fiscal Deficit within targets laid down by Thirteenth Finance Commission. The Fiscal Deficit of the State for the year 2011-12 was `8,491 crore which was 3.28% of GSDP against the target of 3.50% laid down by Thirteenth Finance Commission. The 2012-13 budget estimates projected Fiscal Deficit of `8,924 crore which was 3.01% of GSDP against target of 3.50% laid down by Thirteenth Finance Commission. But the Fiscal Deficit of the State for 2012-13 (R.E.) at `9,395 crore is 3.17% of GSDP. The Fiscal Deficit of the State as per 2013-14 (B.E.) at `9,258 crore is 3% of GSDP of the State as against the target of 3.0% given by Thirteenth Finance Commission.

17. The state has, therefore, managed to keep its fiscal deficit to GSDP ratio within the limit of 3.5% upto 2012-13 and there would be no problem in limiting it to 3% during 2013-14. The average Fiscal Deficit as percentage of GSDP which was 4.18% during the 10th plan (2002-07) has come down to 3.28% during the 11th plan.

OUTSTANDING DEBT

18. The problem of outstanding debt is not unique to the state of Punjab. Punjab was revenue surplus till mid 1980s. Problems of militancy, tax concessions to neighbouring states, inadequate support from Government of India and the rising and unwavering commitment of the State to welfare of poor have contributed to increase in the debt of the state. However the outstanding debt as percentage of GSDP has been declining over the years. The average debt to GSDP ratio which was 44.04% during the 10th plan (2002-07) period declined to 32.11% during the 11th plan period (2007-12). The Outstanding Debt of the State including Reserve Fund was ₹83,099 crore (32.06% of GSDP) and without Reserve Funds at ₹77,158 crore (29.76% of GSDP) against the target of 41.8% for the year 2011-12 given by Thirteenth Finance Commission. During 2012-13 (RE) the outstanding debt is likely to increase to ₹92,804 crore (31.35% of GSDP) with reserve funds and ₹86,453 crore without reserve funds and it will be well within the target of 41%. For the year 2013-14 (BE) the state plans to borrow ₹9,261 crore and the outstanding debt by the end of the year 2013-14 would be about ₹1,02,282 crore 33.13% of GSDP with reserve funds and ₹95,670 crore which is 30.99% of GSDP without reserve funds. The target for debt to GSDP ratio for the year 2013-14 is 39.8%.

STATE'S OWN TAX REVENUE

19. VAT, Stamp and Registration, State Excise and Taxes on Vehicles are the principal sources of State's Own Tax Revenue. The average growth rate of State's own tax revenue which was 13.77% during the period 2002-07 has improved to 16.43% during the period 2007-08 to 2011-12. The total collection of State's own tax revenue improved from ₹16,828 crore in 2010-11 to ₹18,841 crore in 2011-12 showing a growth rate of 11.96%. The actual collections of State's Own Tax during the period April 2012 to January 2013 are at ₹17,781 crore which represent an increase of 17% over corresponding period of the previous year. The 2012-13 (RE) of State's taxes are at ₹24,318 crore which show growth rate of 29.07% over 2011-12 (Actual) of ₹18,841 crore. The target for the year 2013-14 (BE) is at ₹28,524 crore which assume growth rate of 17.30% over 2012-13 (RE) of ₹24,318 crore. The ratio of State's own tax revenue to GSDP which was 7.27% in 2011-12 has improved to 8.22% in 2012-13 (RE) and 9.24% in 2013-14 (BE).

Fiscal Indicators of Punjab 2011-12 to 2013-14

(₹ crore)

Sr. No.	Item	2011-12	2012-13 (BE)	2012-13 (RE)	2013-14 (Budgeted)
1	2	3	4	5	6
1.	State's Own Tax	18841	23842	24318	28524

Sr. No.	Item	2011-12	2012-13 (BE)	2012-13 (RE)	2013-14 (Budgeted)
1	2	3	4	5	6
	Revenue				
2.	State's Own Non-Tax Revenue	1398	5275	4916	2736
3.	Central Transfer	5995	8927	10035	11406
	(i) Share in central taxes	3554	4202	4034	4832
	(ii) Grants from centre	2441	4725	6001	6574
4.	Additional Resource Mobilization	0	0	0	0
A.	Total revenue Receipts (1+2+3+4)	26232	38043	39269	42666
1.	Recovery of Loan & Advances	95	75	139	140
2.	Gross Borrowings	10500	13986	12957	13206
B.	Total expenditure out of which	33045	41167	44028	44412
1	Interest Payments	6280	6662	6986	7602
2	Salaries	12064	13921	14596	15011
3	Pension & Retirement Benefits	5657	4753	5854	5168
4	Power Subsidy	3200	5815	4527	7283
C.	Capital Expenditure	1598	5538	4271	6200
D.	Loans & Advances	177	61	247	368
E.	Repayment of Principal	2675	3606	3662	3988
F.	Revenue Deficit	6811	3123	4758	1747
G.	Fiscal deficit	8491	8924	9395	9258
H.	Outstanding Debt (including Reserve Funds and Deposits)	83099	93807	92804	102282

ANNUAL PLAN 2013-14

20. The size of the Annual Plan 2013-14 has been fixed at ` 16123 crore i.e.15% increase over the previous year. The budgeted plan for 2013-14 is of ` 8339 crore while the remaining ` 7784 crore would form the extra-budgetary component. The source wise detail is as under:

(` crore)

SN	Components	Annual Plan 2013-14	
		Approved Outlay	%age of total outlay
1	2	4	5

A	Extra Budgetary Outlays		
1	RDF	900.00	6
2	PIDB	1600.00	10
3	POWER	3209.00	20
4	PUDA	309.00	2
5	GMADA	340.00	2
6	Agriculture Marketing Board	243.00	1.5
7	Urban Local Bodies	683.00	4
8	Rural Local Bodies	500.00	3
	Total:A	7784.00	48
B	Budgetary Outlays		
1	State Contribution (St.Schemes, St.Share Of CSS)	5273.00	33
2	Plan Assistance By Gol [ACA, Grants etc.]	1661.00	10
3	Externally Aided Projects	642.00	4
4	Nabard Projects/ Schemes	763.00	5
	Total: B	8339.00	52
	Grand Total [A+B]	16123.00	100

21. The Annual Plan 2013-14 focuses on development of infrastructure in Health, Medical Education and Research, Education and Higher Education. Cleaning of river waters, by way of providing 100% water supply, sewerage and sewage treatment plants in the cities situated on the banks of major rivers is also a priority work.

22. The state government has accorded high priority to the power sector. The Punjab State Electricity Board was dissolved and as per Central Electricity Act, 2003, two new state owned companies- Punjab State Transmission Corporation Limited and Punjab State Power Corporation Limited have been created. Three thermal power projects of 3920 MW capacity have been allocated to private parties and these are likely to be commissioned by 2014. As regards externally aided projects, the state government has sought assistance from the World Bank for ` 1500 crore road project and

₹ 1280.30 crore water supply projects. Besides JICA is funding ₹ 430 crore for sewerage project in Amritsar city. The quantum of assistance from NABARD is to the extent of ₹ 495 crore in 2013-14.

23. Another area which has received importance in the plan is the social sector, where, so far most of the schemes were being implemented for the welfare of BPL and SC families. The scope of most of the schemes has been widened so as to include families of Backward Classes and economically weaker sections, having annual income of ₹ 30000 or less. Some specific schemes for girls like Bebe Nanaki Ladli Beti Kalyan scheme with deposit of ₹ 20,000 on the birth of a girl child, Mai Bhago Vidya scheme for providing bicycle to girl students studying in class 9th to 12th in government schools and Mata Kaushalaya Kalyan scheme for providing cash assistance for deliveries in government hospitals are being implemented. A new scheme to provide scholarship @ ₹ 30,000 to girl students of poor families for professional courses have been launched.

24. The Sector-wise allocations for the Annual Plan 2013-14 is indicated below: -

(₹ crore)

SN	Sector	Annual Plan 2013-14		
		Outlay	% of outlay	SCSP component
I	Agriculture and Allied Activities	708	4	49
II	Rural Development	272	2	140
III	Irrigation and Flood Control	1104	7	70
IV	Energy	3224	24	930
V	Industry and Minerals	285	2	2
VI	Transport	2165	12	425
VII	Science, Technology & Environment and Forest	144	1	2
VIII	General Economic Services	318	2	84
IX	Social Services	5963	39	2430
X	General Services	291	1	11

SN	Sector	Annual Plan 2013-14		
		Outlay	% of outlay	SCSP component
XI	Other Rural Development Services	1648	9	511
	Total	16123	100	4653

13TH FINANCE COMMISSION

25. 13th Finance Commission has recommended a grant-in-aid of `5510 crore for the various schemes to be implemented during 2010-11 to 2014-15. It mainly includes `1754 crore for local bodies, `949 crore as disaster relief, `224 crore for elementary education, `320 crore for water sector management, `612 crore for roads and bridges and `1480 crore for state specific schemes. In the Annual Plan 2013-14, an outlay of `437 crore has been approved for the various schemes to be implemented under 13th FC. The departmentwise detail of grants recommended by the 13th Finance Commission is at **Annexure-1-D**.

EXTERNALLY AIDED PROJECTS

26. An outlay of `1990.98 crore has been provided for 12th Five Year Plan against the expenditure of `1396.75 crore during 11th plan. An outlay of `641.82 crore has been provided for Annual Plan 2013-14 against the outlay of `462.92 crore for 2012-13. The detail of projects is given as under:-

Outlay- `641.82 Cr

SN	Name of the Project	Total Cost	11 th Plan Exp.	12 th Plan Outlay	2012-13 Outlay	2013-14 Outlay
1	2	3	4	5	6	7
1	Externally Aided Hydrology Project Phase-II World Bank (80:20)	60.67	16.23	46.43	30.00	20.00
2	Punjab Rural Water Supply & Sanitation Project with World Bank Assistance.	1280.30	317.81	900	209.00	335.00

3	Development of Tourism infrastructure in the state to be funded by ADB	600.60	0.66	120.17	37.58	26.82
4	Amritsar Sewerage Project funded by JICA	360.04	56.73	500.00	50.00	60.00
5	World Bank Scheme for Road Infrastructure.(75:25)	1500.00	927.30	424.38	136.34	200.00
6	Externally Aided Afforestation Project assisted by JBIC	262.61	78.02	-	-	-
Total		4102.42	1396.75	1990.98	462.92	641.82

FLAGSHIP PROGRAMME

27. The Punjab State is successfully implementing the sixteen schemes covered under the flagship programme sponsored by Government of India. The performance during 2012-13 is 49% as per budgeted estimates and 97% against actual receipt. These programmes are the thrust areas of the state plan 2013-14. The state government is taking various steps to remove bottlenecks in the implementation of these programmes such as timely release of central and state share. Funds amounting to `6555 crore are earmarked in the Annual Plan 2013-14 for the successful implementation of these programmes. The programme-wise financial achievements are at Annexure 1-E.

AGRICULTURE

28. Punjab's agriculture growth strategy has led us to a stage where 83% of its total geographical area (50.33 lakh ha) is under cultivation and 98% of it is under irrigation resulting in high cropping intensity of 189%. Fertilizer consumption at 246 kg/ha is almost 1.71 times higher than the national average of 144 kg/ha. The State's farm economy is highly mechanized. 18% of the country's tractors are in Punjab. The paddy and wheat productivity in the State is 3741 kg/ha and 5097 kg/ha against the national average of 2372 kg/ha and 3140 kg/ha respectively. The State produces 21% of the country's wheat, 11% rice, 5% cotton and contributes significantly to the central pool with about 40-50% of wheat and 30-40% of the rice. During the Rabi season 2012-13, the state produced 180 lakh MT of wheat out of which 129

lakh MT has been procured. During 2012-13, the State produced 157 lakh MT of paddy of which 128 lakh MT was procured. Cotton is a major cash crop of the state grown over 4.81 lakh ha area of the state. Approximately 16.27 lakh bales of cotton have been produced in the year 2012-13.

29. The state has been at the forefront in solving the country's food problem, even at the cost of its natural resources, soil and groundwater. Sustenance of cereal production and productivity is not only important for the state but also for the food security of the nation. The state envisages to have a vibrant, dynamic agricultural sector during the 12th Five Year Plan, which is well integrated with the rural economy on the one side and domestic and international markets for supply of food and fiber on the other.

30. To give fillip to research in new areas and help the state in achieving the new productivity levels, Borlaug Institute for South Asia (BISA) for wheat and maize in Ludhiana is being set up. The research work on wheat and maize has been started and infrastructure development works is going on. As part of State Government's crop diversification programme, transfer of 100 hectares of land free of cost in Ladhawal near Ludhiana to ICAR for setting up of Directorate of Maize Research has been approved.

31. To address the emerging challenges, Punjab Agricultural University (PAU) has reoriented its research and technology transfer programmes towards natural resource conservation and input use efficiency and enhanced productivity in accordance with available resources. The support to Punjab Agricultural University in Annual Plan has been enhanced from `60 crore to `180 crore for the year 2013-14. While the state would continue supporting the University, there is a need for ICAR and Government of India to support research programmes of PAU on 100% basis in priority areas.

32. Under Rashtriya Krishi Vikas Yojana (RKVY), the state government spent `417 crore in the 11th Five Year Plan. The outlay for the 12th Five Year Plan is `600 crore. For the year 2013-14, `200 crore has been earmarked. Despite of Punjab being the largest grain producing state and main contributor to central pool, the state has received only 2.34% of total funds allocated under RKVY since its inception. The state government has been consistently demanding the review of criteria for allocation of funds. 20% of the funds are allocated on the basis of net un-irrigated area in the state. Punjab hardly has any un-irrigated area and the suggestion of the state is to include the area where sub-soil water is declining within the ambit of un-irrigated area. 30% of the funds are allocated on the basis of projected growth rates for agriculture and allied sectors to be achieved by the end of 11th plan by the state. The sustainability of agriculture in agriculturally developed states like Punjab and Haryana has to be assured under RKVY. Due weightage should also be given to maintenance and upgradation of

irrigation infrastructure, depletion of underground water table and ensuring availability of power for agricultural sector (input subsidy) while allocating funds under RKVY. Under National Food Security Mission only ten districts of the state have been covered under NFSM, wheat. The farmers of the remaining districts feel discriminated as they are contributing equally to nation's food security. Though the state is contributing 30-40% of rice to central pool, the government of India has not included any district of the state under NFSM, rice.

33. Punjab has reached the saturation levels as far as food production is concerned. Moreover, the increase in Minimum Support Price is too less and is not even commensurate with the inflationary trends. Therefore the growth rate in agriculture sector has almost stagnated. The falling real farm incomes and heavy indebtedness of farmers require immediate attention of the Government of India. The Minimum Support Price should account for the cost of production and should be linked to the consumer price index. It should be equal to atleast the cost of production plus 50% as profit as recommended by the noted farm economist, Dr. MS Swaminathan.

34. Punjab is in need of second Green Revolution, but this one has to be focused on crop diversification. To increase area under maize, cotton, sugarcane and farm forestry a new scheme for agriculture diversification has been included in the Annual Plan 2013-14. The state has made some progress in the areas of diversification of crops. The introduction of BT cotton has helped in increasing its productivity and consequently area under cotton is increasing. The introduction of high yielding maize hybrids have contributed to improvement of maize productivity. In certain pockets, banana cultivation has become very popular. The state government spent ` 181 crore in the 11th Plan under National Horticulture Mission (NHM). We have prepared an action plan for ` 533.33 crore and ` 100 crore for 12th Five Year Plan and Annual Plan 2013-14 respectively. The Citrus Council and the support from NHM has resulted in increase in the area under horticulture crops from 47000 ha in 2005 to 71000 ha in 2012. Though the Minimum Support Price has been announced by GoI for about 25 agriculture commodities including pulses, oilseeds but there is no effective procurement mechanism for the purchase of crops other than wheat and paddy. Without assured marketing mechanism, farmers will not go for large scale diversification. The Hon'ble Chief Minister had demanded a Mission for Diversification of agriculture in green revolution areas during the 12th plan period for a sum of ` 5,000 crore. Government of India has earmarked a small allocation of ` 500 crore for this purpose in the Union Budget 2013-14. This amount is grossly inadequate and need to be increased in the following years for increasing the productivity of pulses, oilseeds and other alternate crops and encouraging allied activities like dairy, poultry and piggery and to boost horticulture crops.

35. Agriculture Machinery Service Centres have been set-up by Punjab State Farmers Commission to provide the latest agricultural machinery on custom hiring basis. So far, ₹ 42.30 crore have been provided for this purpose out of RKVY, 12th Finance Commission & Rural Development Fund. These Centres will not only reduce the cost of production by reducing the capital investment but also help in generating employment in rural areas.

36. Under the newly launched centrally sponsored "Modified National Agriculture Insurance scheme" for protecting the farmers against vagaries of weather, only 3 districts Gurdaspur, Ropar and Hoshiarpur were selected by Government of India in the first year. It is suggested that all the districts of Punjab be covered under this scheme. The compensation on crop loss under State Disaster Response Fund(SDRF) is too meagre. For example, for 100% crop loss, a farmer is compensated only @ ₹ 1600/- per acre which is negligible as compared to the cost of inputs. This relief amount should be increased to at least ₹ 15,000/- per acre. Similarly, relief for household goods should also be increased from ₹ 2,000/- per family to ₹ 50,000/- per family.

37. The increased food production and slow movement of foodgrains have compounded the problem of food storage in the state. The total storage capacity in the state is about 200 lac MT against the annual procurement of about 225 lac MT. Government of India should re-allot the 20 lac MT capacity to the state in the form of silos. No doubt, FCI would be required to pay higher rental for silos as compared to conventional godowns. However, silo would be more economical due to long storage period and little wastage. The FCI should also move food stocks out of the state on regular basis.

38. The state procurement agencies have to recover more than ₹ 7461 crore from the Food Corporation of India(FCI). The Corporation is paying increased cess (3%) on infrastructure development for foodgrains procured by itself. However, it is paying cess of 2% for the foodgrains purchased by the state agencies. The Corporation approached the courts but no relief was granted to them. Government of India has been requested to ask FCI to settle the cess dues amounting to ₹ 786 crore with the procurement agencies.

39. Rural debts in Punjab, estimated to be ₹ 35000 crore, have assumed the proportions of a grave human tragedy. As per NSSO survey, nearly half the farm households in the country are facing debt burden. The number of indebted farm households in Punjab was 66%, third highest in the country after Andhra Pradesh and Tamil Nadu. Government of India had announced debt-waiver scheme for farmers in 2008-09 but the farmers of the state did not benefit much as there are less number of small and marginal farmers and few defaulters in the state. The state government has commissioned a study on suicide by farmers and farm labour from the three universities in the state. As per this report, 4688 cases of farm suicides have

been reported during the year 2000-10. A sum of ` 30 crore has already been released to the Revenue Department and 2886 families affected upto 2006 have been given a grant of ` 1 lac each. A sum of ` 66 crore has been earmarked for the year 2013-14 for settling the remaining cases and all the families would be given ` 2 lac each.

40. Punjab is a major consumer of fertilizers in the country. The new fertilizer subsidy policy has been introduced in the country to achieve balanced use of fertilizers. However, the state government feels that there was no need to change the present system of fertilizer subsidy. Under the new policy of Nutrient Based Subsidy (NBS), prices of DAP fertilizers have already been decontrolled and there is a proposal to decontrol the prices of urea and other inputs. As a result, the prices of DAP fertilizers have increased by more than 50%. The new subsidy regime would expose poor and unorganized farmers to fluctuations in the international prices of fertilizers. The prices of fertilizers have also increased on account of fertilizer suppliers adding the cost of transportation for the fertilizer sold in the state. The new policy is, therefore, required to be reconsidered by Government of India.

41. About 73% of irrigated area is under tubewell irrigation. At present, the alarming depleting ground water in Central Punjab, the soil degradation due to erosion in Shivalik foothills and the water-logged & salted soils in South-western Punjab are important focused areas in the state. Early plantation of paddy has been banned and efforts are being made to shift from paddy to alternate crops. Specific projects for judicious use of available water & rainwater harvesting for enhancing irrigation potential(` .48 Cr), construction of check dams(` 12 Cr), laying of underground pipelines systems(` 28 Cr), have been included in the Annual Plan 2013-14.

ANIMAL HUSBANDRY

42. Livestock farming has led to opening up of new income opportunities for the rural households and is an important instrument which provides the opportunity not only to fight poverty but also improve nutritional outcomes in rural families. The contribution of this allied sector to state GDP has reached 8.15%. Guru Angad Dev Veterinary & Animal Sciences University (GADVASU), Ludhiana has set up three colleges viz. College of Dairy Science and Technology and College of Fisheries in its campus at Ludhiana and a Veterinary Polytechnic College at village Kaljharani in Bathinda. The infrastructure of the university is being upgraded under ` 40 crore NABARD assisted project. The state government has requested Government of India that a one time grant of ` 100 crore be provided to GADVASU so that it can support the state in producing quality manpower, generation and dissemination of technologies and address the issues of emerging diseases etc.

43. The department of animal husbandry has a vast infrastructure of 19 polyclinics, 1367 veterinary hospitals and 1485 veterinary dispensaries. New buildings for veterinary hospitals and a regional multi disciplinary training and extension centre at Jalandhar are being constructed and existing

veterinary dispensaries are being upgraded under NABARD infrastructure projects. The department has imparted training to farmers for poultry, piggery, artificial insemination and dairy. Government of India has been asked to treat animal husbandry sector at par with agriculture sector for accessing credit at a lower rate of interest and exemption from income tax.

44. The state is targeting to make Punjab a Dairy state during 12th Five Year Plan by establishing a large number of commercial hi-tech dairy farms. Education, technical guidance, extension and incentives would be provided to equip the dairy sector to start "WHITE REVOLUTION" in the state.

45. The annual milk production of 96 lac tonnes and per capita milk availability at 944 gm/day are the highest in the country. To boost the milk production of cows, the state has imported 5000 sexed semen straws of very high genetic merit and 3.82 lac semen straws of cows. These straws are supplied at subsidized rate to the farmers to increase the female population of the cattle. The state is a part of the National Dairy Plan Phase 1 for enhancing milk production through semen production, progeny testing & fodder production. National Livestock Mission with an outlay of ` 307 crore has been included in the union budget 2013-14. There is a need to assist states like Punjab in diversifying into livestock activities in a big way.

46. A trend has already been set in favour of diversification of agricultural land to fish farming. The main thrust during the 12th plan would be to provide quality fish seed of culturable varieties of fish; adopt more suitable village ponds under fish farming; provide opportunities for gainful self-employment in rural areas, better extension services at pond site; and to develop saline/brackish water into fish farming. During 2012-13, 99000 tonnes of fish was produced and 1050 ha new area was brought under fish culture.

47. The contribution of NABARD and State Cooperative Banks in modernizing the agriculture in the state has been immense. However, during the last few years the steps taken by NABARD have not been very helpful. They have increased the rate of interest on RIDF loans from 6.5% to 7.5% which needs to be rolled back. Besides, the rate of interest of refinance should be decreased from 4.5% to 2.5%, the quantum of refinance should be increased from 45% to 75%, interest subvention by Government of India be increased from 2% to 4%, long Term Loans are refinanced by NABARD at the rate of interest of 9.9% which should be reduced so that Agriculture Development Banks can give credit to the farmers at reasonable rates.

RURAL DEVELOPMENT

48. In an earnest endeavor towards rural rejuvenation of all 12673 villages, the

Panchayati Raj Institutions are being involved by the government not only in asset formation and management, but also in the entire process of planning. The state government is committed to the provision of modern amenities and sanitation facilities in rural areas and also to the creation of employment opportunities for rural poor in the villages. Activities of 7 departments v.i.z. Social Security, Women and Child Development, Scheduled Caste and Backward Classes, Water Supply and Sanitation, Rural Development & Panchayats, Health & Family Welfare, School Education and Animal Husbandry have been transferred to the PRIs. 1186 rural health dispensaries, 5752 primary schools and 582 rural veterinary dispensaries have been transferred to the Zila Parishads. 1160 medical service providers, 12551 primary school teachers and 369 veterinary service providers have been recruited by the Zila Parishads. ICDS centres are being run under the supervision of Gram Panchayats. Also, 876 rural water supply schemes have been transferred to the Gram Panchayats. Presently 1058 medical service providers, 5993 primary school teachers and 426 veterinary service providers are working through the PRIs. The training of panches/ sarpanches is being carried out on a large scale.

49. Mahatma Gandhi National Rural Employment Guarantee scheme was launched in district Hoshiarpur of the state on 2nd February 2006. The scheme was extended to the three districts of Amritsar, SBS Nagar and Jalandhar during 2007-08. All the districts of the state have been covered with effect from 1/4/2008. The basic objective of the scheme is to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment to every household whose adult members volunteer to do unskilled manual work. This scheme is being successfully implemented in the State. Under this programme an expenditure of ` 572.06 crore has been incurred, 270.99 lakh person days of employment have been generated and about 9.79 lakh households have been provided employment in the 11th Five Year Plan. A sum of ` 156 crore has been spent and 64.10 lakh man days of employment has been created and about 8.62 lakh households have been issued job cards during 2011-12. An outlay of ` 330 crore has been earmarked for Mahatma Gandhi National Rural Employment Guarantee Scheme for the year 2012-13. The central government has added 20 new activities relating to agricultural and Animal Husbandry, Flood Management and sanitation related works in the villages to the list of permitted works MGNREGS. The revised list of permitted activities would give boost to creation of permanent infrastructure in the rural areas and improving the livelihood of poor people. The real bottleneck in implementation of this scheme is extremely low wage rate of ` 191/- per day in Punjab against ` 214/- per day in the Haryana.

50. An outlay of ` 5.00 crore has been earmarked under "National Rural Livelihood Mission" (NRLM). The centre would contribute ` 15 crore during 2013-14. In the first phase, this

mission would be implemented in 5 districts of the State. The state government notified a policy for providing 5 marlas plots (125 sq.yard) to rural houseless from the village common land. A total of 1,02,785 houses were constructed during 11th five year plan for houseless families in the rural areas at the cost of ₹ 307 crore. As per latest household survey conducted as part of census operations, out of total 33.15 lac rural families, 7.9 % or 2.61 lac are without pucca houses. These rural families will be covered during the next five years. Outlay for Indira Awaas Yojana scheme has been ₹ 40 crore Central share and State share ₹ 15 crore year marked in the year 2012-13. The financial norm for new houses under Indira Awaas Yojana is inadequate and more funds @ ₹ 100,000/- per house are required for houses to houseless from Gol.

51. The state government has focused on improving drinking water and sanitation conditions in the rural areas. Out of 15,170 habitations, 12,009 are fully covered, 2241 are partially covered and 920 do not have any rural water supply. The Gol norm for the 12th Plan is 55 lpcd (liter per capita per day) per household for full coverage. The fully covered habitations get a minimum of 40 lpcd per household. Moreover, 5000 habitations get water supply at 70 lpcd service level. The state proposes to cover all the habitations with 70 lpcd by the end of 12th plan. Heavy metals contamination in ground water is an emerging challenge for the state. To provide safe drinking water, 1811 ROs have already been set up. A recent survey indicated that the samples of 1012 villages have been found contaminated with various toxic metals like Uranium, Nickel and Aluminium. The state government proposes to install ROs in all these problem villages. The project costing ₹ 88.76 crore has been submitted to NABARD for installation of 572 RO plants in 566 quality affected villages. The remaining 446 villages are proposed to be covered under National Rural Drinking Water Programme. As per base line survey conducted in 2012, 8,38,950 IHHLs are yet to be constructed in the state. The total requirement of funds is ₹ 1216 crore @ ₹ 14,500/- per unit.

BPL Families

52. The list of current BPL families is based on the survey conducted in the year 2002-03 and the number is only 5.23 lac (3.44 lac rural and 1.79 lac urban) in both urban and rural areas. which is about 8.1% of total population. The 11th Plan target for Punjab for reduction in poverty ratio was from 8.1% in 2004-05 to 3.9% in 2011-12. A Committee headed by late Sh. Tendulkar was appointed to devise a proper methodology for determining the number of BPL families. As per this report, the poverty ratio for Punjab during 2004-05 was reworked at 20.9% (8.72 lac rural + 4.02 lac urban = total 12.75 lac). These figures were based on NSSO consumption survey of 2004-2005. The poverty ratio has been revised to 15.9% based on the latest NSSO consumption survey of 2009-10. As per these estimates, there are about 9.75 lac BPL families in the state. The poverty line for Punjab in terms of

monthly per capita expenditure works out to ` 960 in urban areas and ` 830 in rural areas. The state government has already completed socio-economic survey of all families and the data has been submitted to the Planning Commission of India. The Planning Commission of India and the Government of India are yet to take a final view for poverty figures.

53. The number of registered BPL families is too less in the state. In fact the entire list has been exhausted for the purpose of construction of houses under Indira Awaas Yojana and the state has not been able to utilise the funds earmarked for this scheme. There are other schemes like Rastriya Swasthya Bima Yojana, Janani Suraksha Yojana and Rajiv Gandhi Gramin Viduytikaran Yojana whose implementation has suffered for want of adequate number of eligible families. Government of India appointed Tendulkar Committee to devise a new methodology for determining the number of BPL families. As per their report, the expected number of BPL families in Punjab would be 9.75 lac. The Socio Economic Survey for identifying the number of families will be complete by June 2013. Once the new BPL list is finalized, the implementation of various schemes meant for poor families would pick up.

IRRIGATION

54. Punjab is predominantly an agricultural state where irrigation plays an important role in sustaining its growth and economy. The strategy in the irrigation sector is to rehabilitate the existing canal system and undertake measures such as lining of canals and water courses for minimizing the seepage losses and for conservation of water. The canal surface water distribution system consists of 14500 km of canals/distributaries comprising six major systems in the state namely: Sirhind Canal system, Bhakhra Main Line, Bist Doab Canal, Upper Bari Doab Canal, Sirhind feeder and Eastern canal. The canal system which is one of the oldest in the country has outlived its life and its carrying capacity has been sub-optimized. Contrary to common perception, only 27% of the area is irrigated by canals and the remaining 73% is irrigated by tubewells in Punjab. The state government has submitted a project costing `4128 crore for modernization, remodeling, renovation and extension of canals, deep tubewells, lining of water courses, cleaning of head works, repairing of gates etc. to the Ministry of Water Resources, Government of India for financial assistance under AIBP.

55. The work of lining of Kandi Canal Phase II from Hoshiarpur to Balachaur at a revised cost of ` 540 crore under AIBP is in progress. The total length of Kandi Canal is 130 km. Phase-1 comprising 60 km of Kandi Canal is already complete. The work of remaining 70 km was taken up under Phase-II and 56 km length has already been completed. The remaining 14 km of length would be completed in the year 2013-14. ` 50 crore has been spent on this project during 2011-12 and ` 38

crore has been spent during 2012-13. ₹ 155.85 crore is provided in Annual Plan 2012-13 to complete it by March, 2014. The work of rehabilitation of 1st Patiala Feeder and Kotla Branch at a cost of ₹ 199 crore has been initiated since 2007-08 to provide better irrigation facilities to the cotton belt areas of Patiala, Sangrur and Mansa districts. An expenditure of ₹ 121 crore was incurred during 2007-12 and work on 1st Phase of Patiala Feeder has been completed and work on Kotla Branch is in progress.

56. With the strenuous efforts of the state government, the 206 MW Shahpur Kandi Dam has been declared as a National Project. The total cost of the project is ₹ 2286 crore out of which the irrigation component is ₹ 597 crore (29%) and the power component is ₹ 1689 crore (71%). The irrigation component is being shared between Government of India and Government of Punjab in the Ratio of 90:10. The total irrigation potential would be 5000 ha in Punjab & 32713 ha in J & K and 206 MW power capacity would be created. The bids for the works of Main Dam along with two Head Regulators were invited through International Competitive bidding on EPC mode. Agreement has been signed with the lowest bidder and work will be started shortly. The state government has accorded highest priority to the implementation of this prestigious hydro project for which ₹ 342 crore (including power component) has been earmarked during 2013-14.

57. The 2 new interstate AIBP Projects sanctioned in 2011-12 are ₹ 952 crore relining of Rajasthan Feeder and ₹ 489 crore relining of Sirhind Feeder. As regards Rajasthan Feeder, the entire amount would be contributed by government of India and government of Rajasthan in the ratio of 90:10. For portion of Sirhind Feeder situated in the Punjab, the government of India will contribute 25% of the cost whereas for the portion situated in Rajasthan, the contribution from government of India is to the extent of 90% on the ground that Rajasthan is a drought prone state. These 2 canals have contributed to heavy water logging in the southern districts of Punjab and therefore, government of India is requested to contribute 90% of the cost of Sirhind Feeder situated in the water logged districts of the state. The canals closures have already been obtained for March 2013 and work will be completed in 4 years.

58. The State is fully conscious of the depleting ground water table and the fact that Central Ground Water Authority has banned new tubewell connections in 18 of its 138 blocks and around 110 blocks have been declared as dark. The State is taking a number of measures to check the depleting water table like construction of low cost dams, micro irrigation schemes, re-charge of rain water, the diversification of crops. A project costing ₹ 3498 crore for management of declining ground water through resource conservation by way of laser leveling, underground pipe system, implementing on-farm practices, artificial recharge of ground water, conservation of low dams, adoption of micro irrigation techniques and rain water harvesting has been submitted under

National Food Security Mission to the Ministry of Water Resources for financial assistance.

59. Under Command Area Development and Water Management Programme to provide assured irrigation to the farmers, two projects namely Sirhind feeder Phase-II and Bathinda canal Phase-II costing ₹ 995 crore are under progress. Work of lining of Abohar canal and water courses on Bhakhra Main Branch canal are being carried out with NABARD assistance. A length of 2400 km of watercourses is proposed to be lined at a cost of ₹ 300 crore during 2013-14. The central grant for lining of water courses under CADWM is subject to a maximum of ₹ 15,000/- per hectare of area covered which was fixed on the price index as on 1/4/2008. This limit needs to be enhanced to at least ₹ 40,000/- per hectare in view of present price index and enhanced cost of material and labour.

60. Flood protection works along the river Sutlej, Beas, Ravi and its tributary Ujh at a cost of ₹ 330 crore have been initiated under the Flood Management Programme. Likewise, work on the canalization of Sakki/Kiran Nallah in border districts of Amritsar and Gurdaspur is in progress at a cost of ₹ 118 crore. Another project of ₹ 136 crore for canalization of river Ghaggar including re-modeling of cross drainage works falling in Punjab has been initiated. To combat water logging effectively in the State, project worth ₹ 288 crore is already under execution in Muktsar, Ferozepur and Faridkot districts. The grant recommended by 13th Finance Commission would be utilized to redress the problem of anti water logging in south western districts of state.

POWER

61. The government is fully aware that power is the most crucial factor to ensure all round growth and development of the State. Therefore, relentless efforts are being made to make Punjab a power surplus state in the near future and to ensure reliable, affordable and round the clock availability of electric power supply to the people. An outlay of ₹ 3209 crore is provided for the power sector which constitutes 21% of the total state plan. ₹ 1209 crore would be spent on strengthening of transmission systems, ₹ 750 crore on generation and ₹ 750 crore for distribution systems. Augmenting and strengthening of the transmission and distribution systems to ensure proper supply of power in both urban as well as in rural areas, reduction of losses, conservation of energy, load management and adoption of information technology in the power sector are some of the other initiatives planned for the Annual Plan 2013-14.

62. The present generation capacity of Punjab is 7276 MW including central share of 2024 MW, The State is likely to become power surplus by the year 2013-14 during 12th Plan. Punjab Government has put on anvil an ambitious plan of capacity generation in the state to make it a

power surplus state by 2013-14. The work is in full swing at 1980 MW Talwandi Sabo and 540 MW Goindwal Sahib Thermal Power Plants and 1400 MW at Rajpura. These plants are being developed by private companies namely Sterlite, GVK and L&T respectively. All the units of these 3 power plants would become functional from May 2013 to May 2014. The work of 206 MW Shahpur Kandi Dam is to begin in this year. 2640 MW coal based Giddherbaha Thermal Plant has been allotted to NTPC but work is stuck due to lack of coal linkage. It is requested that coal linkage for this project should be granted at the earliest.

63. Gas Authority of India (GAIL) Ltd. had laid a 583 km gas pipeline from Dadri in Haryana to Nangal in Punjab. It passes through Sangrur, Bhatinda and Ludhiana. It was inaugurated by Hon'ble Prime Minister on 23/3/2012. The Gas has been charged in the pipeline upto Bhatinda and NFL Bathinda would start receiving the supply from 15/7/2012. The capacity of the pipeline is 31 MMSCMD (Million meter standard cubic meter per day). Punjab State Power Corporation Ltd. has already signed an MOU with GAIL for supply of gas for the proposed 1000 MW gas based Power Plant at Ropar. The Power Plant would be viable if gas price is around \$10 per MMBTU (million metric british thermal unit) whereas the GAIL has indicated the price around \$17 per MMBTU. It is requested that gas for the proposed Power plant should be provided at control rates by government of India.

64. The Punjab State Power Corporation was adjudged the winner in recognition for reduction of Transmission and Distribution (T&D) losses at India Power Awards by the Council of Power Utilities in November, 2012 at New Delhi. The State has brought down its T&D losses to 17.72% during 2012-13 from 20.12% during 2009-2010 and aims to bring it down to 15% by the year 2015-16. Re-structured Accelerated Power Development & Reforms Programme (R-APDRP) aims to use Information Technology for improving the service quality and reducing the Transmission and Distribution losses. The programme is being implemented in 47 towns having a population of more than 30,000 each. Under Rajiv Gandhi Gramin Viduytikaran Yojana (RGGVY), the work of providing electric infrastructure to rural households including single points connection to 80,000 BPL families will be complete by 31/03/2013.

65. The state provides free power to its farmers and the Power Corporation is compensated every year by the Government. The annual liability has gone upto from ` 2543 crore in 2007-08 to ` 5511 crore in 2012-13. A sum of ` 5785 crore has been budgeted for 2013-14. The Corporation has taken a number of initiatives. All the villages of the state have been provided urban pattern supply and agriculture power is supplied through separate agricultural feeders. Some of the other initiatives planned for achieving full and effective electrification of rural and urban areas include clearing of pending agriculture power connections, conversion of low voltage distribution systems into

high voltage distribution systems in agriculture sector and shifting of meters outside consumer premises in pillar boxes.

INDUSTRY DEVELOPMENT

66. Industrial Policy, 2009 of Punjab has been implemented, under which special package of concessions has been provided for information technology & knowledge based industries, agro based and food processing industries. In order to further boost the business environment in the state, a new Investment Policy is being announced shortly. It would provide a blue print for industrial revolution in the next 25 years. The new policy has been designed based on the suggestions from the industry and the Punjab Governance Reforms Commission.

67. The industrial scene in the state is dominated by small and medium enterprises which account for more than 95% of the total industrial units. During 11th plan, 10487 new units have come up with an investment of ` 17925 crore providing employment to over 2 lac persons. 202 Mega projects with ` 20568 crore investment are being set up. Guru Gobind Singh Refinery at Bathinda has been commissioned with an investment of ` 21500 crore. It would provide direct and indirect employment to about 25000 persons. To promote ancillary units Gol has been requested to sanction a Plastic Park and an Institute of Petroleum Research & Development in its vicinity. Special Economic Zone Act, 2009 has been enacted under which purchase of land for SEZ and first sale of plot have been exempted from stamp duty and registration fee. 17 Special Economic Zones were sanctioned out of which two are being set up by Quark City and Ranbaxy.

68. In spite of availability of power and good infrastructure, Punjab is no longer considered an attractive destination for investment due to its landlocked location with a hostile border. Prolonged militancy and abolition of freight equalization policy for iron and coal and tax concessions to neighbouring states during the last decade have further contributed to decline in industrial investment. Some specific measures need to be taken during the next five year plan to rejuvenate and revive the industry in the state. The following suggestions are made :-

- Development facilities for storage, cold chain, processing and marketing of agriculture produce being primarily an agricultural and landlocked state.
- Development of IT and IT related industry in the state in view of non--availability of much un-productive and very high cost of land
- Criteria of Government of India of minimum land requirement of 1000 hectares, 100 hectares, 40 hectare and 10 hectares for development of multi-product, product specific, ware house and IT SEZ respectively should be done away.

- Extension of Delhi – Mumbai Industrial Corridor and Eastern Dedicated Freight Corridor upto Amritsar.
- Development of industrial parks for pharmaceuticals, auto parts, hand tools, sports & leather goods industry – assistance from Government of India for development of such parks as is being done in the case of textile parks.
- Facilitation of location of a major project such as Automobile Manufacturing Unit which will have large scale potential for ancillary development by Gol.
- Consideration of Punjab for allocation of one National Manufacturing Investment Zone and the criteria of minimum land requirement for eligibility under this scheme should also be based on the land availability in different states and should be left to the developer as per viability of the Zone.

69 A new integrated check post at Attari has been completed at a cost of ` 150 crore by Government of India. The Government of Pakistan has liberalized its policy of trade with India. The positive list of goods that could be traded has now been replaced with a small negative list of 1209 items which cannot be traded. Punjab has, however not benefited much from the new liberalized policy. Trade through land route is still restricted to a small positive list of 137 items. India needs to persuade Pakistan to permit import/export of all tradable items through the land route. This would help the state in revival of its industry especially in the border belt.

70 The state government has taken some major initiatives for promotion of industry in the state. It is planned to set up land banks for development of an IT Park on 298 acres of land at Roop Nagar and mixed use and integrated information technology and knowledge industry park on 226 acres at village Jhall Thikriwala in district Kapurthala. In order to improve industrial infrastructure and to ensure its proper maintenance, the state government has enacted the Punjab Common Infrastructure (Regulation and Maintenance) Act, 2012. Under this Act, an association of industries located in each industrial area or focal point could undertake the maintenance of common facilities and infrastructure at its own level. Handloom tools cluster at Jalandhar is being set up at the cost of ` 79 crore. There is a proposal to set up another cluster for machine tools at Batala at a cost of ` 83 crore.

71 There has been acute shortage of mining and minerals like sand, gravel, bajri and bricks on account of pending issues of environmental clearance with Ministry of Environment and Forests, Gol this has badly affected construction activity in the state. Recognising the gravity, state government have taken up this issue with the Govt. of India. To further ease the problem of shortage of bricks, sand and other construction materials, our government has framed the Punjab Minor Mineral Rules 2013. Under the new Rules a district level committee has been constituted under the Deputy Commissioner which shall approve the Environment Management Plan (EMP) of quarries upto 5 hectares with a provision to monitor their implementation.

72 There is a plan to develop world class infrastructure in Mohali and Amritsar for IT and Knowledge based hubs as these cities have International Airports & Excellent Human Resources in their catchment area. Greater Mohali Area Development Authority has already acquired 1688 acres of land in Mohali for developing IT city. The development of these IT hubs would open new vistas for employment to state's youth.

INFRASTRUCTURE

73. Punjab Infrastructure Development Board (PIDB) a nodal agency for infrastructure development in the state is funded by infrastructure fee of 2% on agricultural produce except fruits and vegetables and ` 1 on every liter of petrol. During 11th plan period, a sum of ` 4400 crore was spent by PIDB on creation of infrastructure in roads, irrigation, urban, water supply and sewerage and health sectors. It facilitated 14 infrastructure projects in Public Private Partnership (PPP) with a private sector investment of ` 2003 crore during the 11th plan. The important works are bus terminals, Punjab Institute of Medical Science & Research Jalandhar, 2 superspeciality hospitals, polytechnics, tourist and road projects. During 12th five year plan, PIDB is likely to spend around ` 5000 crore from its own budget. Public Private Partnership works of ` 14908 crore are proposed to be set up in tourism, transport, health and road sectors. Important upcoming projects are –

- ` 8705 crore - Metro Rail Project Ludhiana,
- ` 2500 crore - Water Front City in Ludhiana,
- ` 900 crore - Ropar-Phagwara Expressway,
- ` 400 crore – Bus Terminals,
- ` 130 crore – Hospitals/Diagnostic Centres.
- ` 200 crore – Public Rapid Transport(PRT) System for Amritsar City,

74 In 2013-14, PIDB will spend ` 1600 crore on various infrastructure works. Some of the important projects are:-

- ` 655 crore - for roads including Sidhwan canal bye-pass Ludhiana, Ropar bye-pass.
- ` 78 crore – for 9 high level bridges including bridge on river Chakki near Mirthal, on river Beas at Dhonya-Pattan on Sultanpur Lodhi and Chola Sahib road.
- ` 59 crore – for 18 railway over bridges/railway under pass (ROBs/RUPs).
- ` 72 crore – for water supply, sewerage works and STPs in various towns.
- ` 72 crore – for other infrastructure works in rural/urban areas.

TRANSPORT

75 Roads and communication network hold the key to the overall growth of the economy. It is a basic infrastructure for promotion of agriculture, industry, trade and business. Punjab has a large road network of 64,037 km of roads consisting of 1739 km of national highways, 1503 km of state highways, 2107 km of major district roads, and 58688 km of rural roads which includes other district roads and village link roads. During 11th Five Year Plan, 405 km road length of national highways are upgraded to four lanes with an investment of ₹1916 crore. The work of 4 laning of 400 km of 4 national highways with an estimated cost of ₹3284 crore - of Shambhu – Jalandhar, Pathankot – Amritsar, Ludhiana – Talwandi Bhai and Bhogpur – Mukerian is under progress.

76 During the 12th Five Year Plan, 5 national highways of 893 km road length of Zirakpur – Bathinda, Jalandhar – Dhilwan, Amritsar – Sri Ganga Nagar, Jalandhar – Jind and Kharar – Ludhiana will be upgraded to 4/6 laning under Public Private Partnership with an estimated cost of ₹5000 crore. Once these works are complete nearly the entire network of national highways will be been upgraded to 4/6 lanes.

77 During the 11th Five Year Plan, 1500 new buses were inducted in the fleet of Punjab Roadways/PRTC. Ultra modern bus stands were constructed at Amritsar, Ludhiana & Jalandhar & Hoshiarpur at a cost of ₹46.07 crore. The construction work of ultra modern bus stand at an estimated cost of ₹250 crore at Ajitgarh (Mohali) is in progress. Under the new transport policy, comfortable, affordable and adequate transport facility has been provided by introduction of Heating Ventilation and Air Conditioning (HVAC), super integral and integral buses. The other important works which have been planned are computerization of the Transport Department, setting up of a driver training school, strengthening the fleet of Punjab Roadways and upgradation of existing infrastructure. There is a proposal to add 265 ordinary, 25 HVAC & 10 Super Integral Coach new buses in fleet of PUNBUS, transfer of 265 loan free buses of PUNBUS to Punjab Roadways fleet and construction of Bus Stand at Roopnagar in BOT system.

78 Punjab contributes about ₹600 crore per year in terms of levy of cess of ₹1.5 per litre on diesel and petrol to Central Road Fund. However, the formula of allocation of funds under CRF was altered to the disadvantage of the state in the year 2010. As per the earlier formula, the weightage was given to the states for area and fuel consumption in the ratio of 40:60. Now this ratio has been changed to 70:30. Due to this change, the state has to bear a loss upto 35% of the annual accrual. The earlier formula for allocating funds should be restored.

CIVIL AVIATION

79 The state government is focusing on enhancing the air connectivity with other states and countries. Construction work of International Air Terminal at Mohali has begun. ₹ 450 crore Phase-I project is scheduled to be completed by Jan., 2015. Sri Guru Ram Dass Ji International Airport, Amritsar has already been upgraded. In order to cater to the requirement of industry in Ludhiana, the Sahnewal Airport shall be upgraded for bigger commercial and cargo planes. Land measuring 1827 acres is under acquisition for setting up an Integrated Aerocity Complex consisting of Cargo and Warehouse facilities. Domestic Air Terminal at Bathinda is ready for inauguration and commercial flights.

80 Besides the upgradation of the two existing flying academies, the state proposes to start two new flying academies at Talwandi Sabo and Faridkot in Public Private Partnership mode. In the 12th Five Year Plan, there is a proposal to construct a civil enclave at Indian Air Force Station at Adampur near Jalandhar and start domestic flights. A request has already been made to Ministry of Defence for obtaining their NOC for this project.

TOURISM & CULTURE

81

Khalsa Heritage Complex at Anandpur Sahib started in 1999 has been successfully completed at a cost of ₹ 350 crore. It is now open to the public. Besides, construction of memorials for Chotta Ghallughara, Wadda Ghallughara and Baba Banda Singh Bahadur Memorial at Chappar Chiri at a cost of ₹ 87 crore, 8 more memorials as tribute to Jang-e-Azadi at Kartarpur (Jalandhar), Guru Ravi Dass Ji at Khuralgarh (Hoshiarpur), Bhagwan Balmiki Ji at Amritsar, Shaheed Udam Singh Ji at Sunam (Sangrur), Baba Moti Ram Mehra Ji (Fatehgarh Sahib), Swami Viveka Nand Ji, Swami Girja Nand Ji at Kartarpur and Baba Jeevan Ji would also be constructed at a cost of ₹ 20 crore.

82 Asian Development Bank (ADB) has sanctioned a loan of ₹ 300 crore for implementing the recommendations of the United Nations World Tourism Organization (UNWTO) for strategically developing Amritsar and other heritage towns like Sultanpur Lodhi, Kapurthala and Patiala as part of the Punjab's master plan for tourism. The first phase has started in which Amritsar, Sultanpur Lodhi and Keshopur wetlands will be undertaken. An amount of ₹ 16.72 crore including state share of ₹ 2.37 crore has been released under this project. There is also a proposal to develop the Darbar Circuit i.e. Summer-Palace Amritsar, Nabha, Sangrur, Kapurthala and Faridkot with a cost of ₹ 8 crore.

SCIENCE, TECHNOLOGY AND ENVIRONMENT

83. A series of programmes in the 11th Plan were initiated for generation of power from renewable sources of energy. The important projects which have been planned are Bio-mass power projects (150 MW), Mini Hydel Projects (50 MW), Bio-mass co-generation projects (200 MW), Solar Power Projects (77 MW) and Waste to Energy Projects (5 MW). Punjab State Council for Science and

Technology is a nodal agency for promoting environment improvement, natural resource conservation and popularization. This year the council has drafted the State Action Plan on Climate Change. In 2013-14, a Climate Change gallery will also be set up at the Pushpa Gujral Science City.

84. Punjab Pollution Control Board is the Regulatory Authority for giving environment related project clearances in the state. To bring transparency and streamline the procedure they introduced an Online Consent Management and Monitoring System (OCMMS). Now entrepreneurs can file application online, check the status and even download the approvals. Lifting of hazardous Bio-Medical wastes is also monitored online. This year, PPCB will start an online payment portal to receive electronically the water cess, consent fees, sampling fees etc.

85. The Mission for Green Punjab was launched in the year 2012-13 under guidance of Hon'ble Chief Minister. The aim is to improve the stocking and productivity of existing forest areas by planting trees on institutional lands and along the drains, canals and roads. A sum of ₹ 67 crore has been spent and 132 lac trees planted in the current year. The mission would be strengthened in the coming years with the contribution from the public, industry, boards and corporations of the state government. Besides, a loan of ₹ 90 crore has been negotiated with NABARD for 3 years for this mission.

EMPLOYMENT AND SKILL DEVELOPMENT

86. Growth in employment, especially in the organized sector, has not been commensurate with the growth in the economy. To enhance the employability of the youth in the state, the state government created a separate Department of Employment Generation and Training in March, 2007.

87. Manpower survey of unemployment has been completed for 22 districts. Mass counselling programmes providing educational and vocational guidance to youth are being organized since 2008 in all the districts. The department is also the nodal office for providing training to the youth in the field of construction, automotives and retail and services sector. Construction Skill Development Centre set up in collaboration with Larsen & Toubro (L&T) and Driving & Automotive Skill Centre set up in collaboration with Tata Motors in Lambi block, district Muktsar, provided training to 746 and 1748 candidates during 2012-13 respectively.

88. 16 C-PYTE centres have been set up in the state for training of youth for jobs in army and para-military forces. During 2012-13, these centres imparted training to 9323 youth. 1221

candidates have received training in the trade of security guards at police training centre in Jehan Khelan, district Hoshiarpur under SDI scheme and almost all of them have been placed.

89. Maharaja Ranjit Singh Armed Forces Preparatory Institute, Mohali has been established at a cost of ` 10.00 crore to facilitate placement of youth in defence services. Every year the institute imparts training and prepares 46 students of + 1 and + 2 for various jobs at officer level in the armed forces. During 2012-13, 45 students took NDA exam, 21 students qualified it and 8 students successfully made their way to National Defence Academy. Moreover, ` 1.00 lac is awarded to a cadet from Punjab upon getting admission to the National Defence Academy. A Foreign Employment Information and Training Bureau set up for providing guidance and facilitating placement of the candidates in foreign countries, provided training to 830 candidates during 2012-13.

90. Employability allowance of ` 1,000/- per month is given to the students of higher education for pursuing vocational/technical courses. To tackle the problem of unemployment, a Marine Academy at Roop Nagar will be setup to train about 600 students from science background and prepare them for various trades of navy.

FOOD, CIVIL SUPPLIES AND CONSUMER AFFAIRS

91. There has been a procurement of 128.34 lakh MT of wheat during Rabi 2012-13. 121.90 lakh MT of paddy was procured in Kharif 2012-13. The State government realized that the scope and coverage of PDS was limited and launched an Atta-Dal scheme of its own in 2007 to provide subsidized wheat and pulses to 15.41 lakh poor families. Wheat and pulses are provided at ` 4/- per kg and ` 20/- per kg respectively subject to a limit of 25 kg of wheat and 2.5 kg of pulses per family per month. The total subsidy amounts to ` 1343.05 crore from August 2007 up to March, 2012 was provided and subsidy of ` 480.00 crore is being provided in current year. We are glad that Government of India is proposing to bring reforms in the Public Distribution System and provide a statutory basis for food security to all through the proposed National Food Security Act and launch a similar scheme for the poor. The state government is going to computerize the PDS system by providing Smart Card to all the households in the State. Besides this, a data bank for all 120 major godowns and 17815 depot holders has been computerized. The scheme would for the first time also allow online tracking of ration card from the godown to the depot holder and finally to the individual card holder. It will also provide micro detail about depot holder with whom card holders are attached allowing for easy monitoring.

EDUCATION

92. Education is the single most important input in promoting human resource development. Adequate investment in human resource will result in economic development of the state. 54000 new teachers were recruited during the 11th Plan. The Educational Development Index (EDI) of the state has jumped from 13th position among all the states in the year 2005-06 to 1st position in the year 2010-11 among all the states. There has been tremendous improvement in drop-out rate and enrolment ratio during the last five years. The latest indicators are:-

<i>Indicators</i>	<i>Primary (2006-2012)</i>	<i>Elementary (2006-2012)</i>	<i>Secondary (2010-2012)</i>
Drop out rate	8.50 to 1.65	10.04 to 0.82	10.60 to 4.20
Net enrolment ratio (NER)	66.53 to 90.45	63.26 to 86.17	39.14 to 51.98
Gross enrolment ratio (GER)	87.62 to 104.78	80.40 to 100.77	63.17 to 85.85

There has been sharp decline in drop out rate and improvement in net and gross enrolment ratios. The state aims to achieve 100% GER, 100% NER, Zero drop out and 100% retention during the 12th Plan. The literacy rate in the state is 76.70% against all India level of 74.04%.

93. The Right of Children for Free and Compulsory Education (RTE) Act, 2009 aims to provide free and compulsory education to all children of India in the age group of 6 to 14. Right to Education Act has been notified. Household survey identified 18459 out of school children in the age group of 6-14. 7800 schools out of 9301 private schools have been recongnized so far. The guidelines for admission of 25% students belonging to weaker sections have been issued.

94. The state government seeks amendment in the guidelines for Rashtriya Madhyamik Shiksha Abhiyan (RMSA) for upgradation of middle schools to secondary schools. As per norms under RMSA, no high school or senior secondary school can be established within a radius of 5 km from the existing high school or senior secondary school. Such condition causes hardship to a densely populated state like Punjab. The condition of 5 km may be relaxed at places where significant number of students are available. Under RMSA, upgradation of middle school to senior secondary school and upgradation of high school to senior secondary school should be permitted. 222 middle schools were upgraded to high schools during 2009-12.

95. The state government had launched an ambitious project to impart computer education from class 6th to 12th in the year 2004-05. This was done much before the launch of Gol scheme in the year 2008-09. The project has been implemented in 6000 schools in a phased manner

and work is in progress in 142 schools. 6472 computer teachers were recruited and their services have been regularized during 11th plan. 503 more computer teachers were recruited during 2012-13.

96. The state government had launched NABARD approved EDUSAT programme on 02/02/2010 with a total cost of ` 95 crore to provide infrastructure for establishment of virtual/ extended class-rooms in government schools. Under EDUSAT programme, 3823 virtual class rooms, 1640 multi-media content episodes and 2077 Edusat computer labs have been set up benefiting 2.71 lac students and 1107 more such labs are being established during 2013-14. Coaching for engineering and medical entrance test is also imparted under EDUSAT. Under Edusat, expenditure so far is ` 89 crore.

97. The other major initiative taken by the state government in the 11th Plan was to set up adarsh schools across the state in PPP mode. Against the target of 128 adarsh schools, the state government has constructed and made functional 42 adarsh schools under different schemes. 24 adarsh schools have been set up in PPP mode, under which the cost of infrastructure is shared in the ratio of 50:50 between government of Punjab and private partner and the recurring expenditure is shared in the ratio of 70:30. The students in these schools are to get free education. 11 schools have been set up by Punjab School Education Board. 6 schools are running by RMSA and one by sports society Ghudha (Bathinda). A new adarsh school will be set up at Talwara at a cost of ` 5 crore in 2013-14. Punjab has also taken lead in establishing model schools in 21 backward blocks of the state. Good schools especially in rural areas are extremely important. Government of India should help establish at least one model school in all the 142 blocks.

98. Mid Day Meal scheme covering 19 lac students in 22305 government elementary schools is being successfully implemented in the state. The outlay for MDM has increased from ` 253 crore in 2012-13 to ` 269 crore in 2013-14. Government primary schools in the state would be fully furnished with furniture, black board etc. and a sum of ` 20 crore has been allocated for this purpose.

99. Our government announced free tablets for 1.5 lac students studying in 11th class at a cost of ` 110 crore in the budget of 2012-13. Our government is committed to supply the tablets/Aakash free of cost to the students of class 11th, for which an outlay of ` 30.00 crore is provided for 2013-14.

100. The state government will establish 1000 model schools in Public Private Partnership. The contribution of government will be in the form of 5 acres of land, which will be given by the panchayats on 30 year lease to the private developer. The developer will construct, operate and manage the school. The schools would be allotted through transparent process on the basis of percentage of poor students admitted to the school free of cost. It will be

binding on the party to admit all the students of the village contributing land for the school or 20% of the students from the poor families or whichever number is higher, free of cost. He would be free to charge market driven fee from other students.

101. The state government would launch a new scheme for financial assistance to brilliant poor students. Students studying in government schools securing 80% or more marks in matriculation examination will be given an annual assistance of ` 30,000/- for their two year senior secondary education. A sum of ` 8 crore is provided for the year 2013-14.

102. To encourage private participation in higher education, the state has notified "Punjab Private Universities Policy – 2010" for setting up of self-financed private universities. 8 private self-financed universities are functional. 13 university colleges in districts having low gross enrolment ratio are functional w.e.f. 2011-12.

103. The state government has made available 544 acre of land for Central University in Bathinda at a cost of ` 166 crore. However, the construction work is yet to begin. The academic work is going on at an alternative site. This university has commenced its first academic session from academic year 2010-11 with M.Phil- PhD courses from temporary campus. As regards the World Class University near Amritsar, some sites were identified which have been visited by the site selection committee. Government of India is requested to convey approval for one of these sites.

TECHNICAL EDUCATION & INDUSTRIAL TRAINING INSTITUTIONS

104. Technical education plays a vital role in human resource development by creating skilled manpower, enhancing industrial productivity and improving the quality of life. There are 107 engineering colleges, 164 polytechnics and 403 ITIs. The government sector comprises of 6 engineering colleges, 25 polytechnics and 111 ITIs. To make the technical education system responsive to the needs and requirements of industry, action has been initiated on many fronts.

105. For enhancement of skill development and employability of rural youth, state government is upgrading 6 technical institutions into multidisciplinary academies with ` 82 crore project assistance from NABARD. NABARD has already released ` 53.10 crore against its share of ` 61.87 crore. Under this scheme, a polytechnic would have engineering courses as well as 10+2 classes and similarly, engineering colleges would have 10+2 classes and polytechnic courses. 7 new government polytechnics @ ` 12.30 crore per polytechnic were established in the districts where no government polytechnic exists at present.

106. Upgradation of 35 ITIs into Centres of Excellence at a cost of ` 128 crore is under progress and would be completed within 2 years. 76 government ITIs are being upgraded under PPP scheme @ ` 2.50 crore per ITI. The seating capacity would be enhanced by 8400 seats. The other important achievements during the last plan include establishment of Indian Institute of Technology at Ropar, Indian Institute of Science Education and Research, Indian School of Business and National Agri-Food Technology Institute at Mohali.

107. Under the National Skill Development Mission, so far, 264 government and private ITIs have been registered as vocational training providers. All these ITIs are working in two shifts. It is proposed to set up 2500 skill development centres in the state under PPP mode, each center covering about 4-5 villages. 250 skill development centres are proposed to be set up in the first phase for which sites have been selected. On first priority, 43 unrepresented blocks will be covered. 27 sites have been transferred to the department. Institute for Training of Trainers is being set up at Lalru, Mohali with Government of India assistance. 4 Multi Skill Development Centres at Amritsar, Ludhiana, Bathinda and Hoshiarpur at a cost of ` 240 crore are proposed to be set up. Under Skill Development Initiative Scheme, 50,000 candidates per annum are planned to be provided skill development training in one of the 1400 courses by vocational training provider (VTP) registered by the department.

SPORTS AND YOUTH SERVICES

108. The Annual Plan 2013-14 focuses on creation of sports infrastructure facilities of international standards. 6 hockey stadiums and 8 multipurpose stadiums are near completion at a cost of ` 127 crore. New sports stadiums at village Badal and Jalalabad are under construction.

109. Punjab government notified the new Sports Policy, 2010 to provide facilities to the sportspersons. Department of Sports carries out annual grading of sportspersons in 13 disciplines, 1100 sportspersons below 16 years of age would get a monthly scholarship of ` 500/-. 1100 sportspersons above 16 years of age would get ` 1,000/- every month in 11 priority disciplines.

110. The 3rd edition of World Cup Kabaddi match was successfully organized in December, 2012 for which 15 teams in men and 7 teams in women section competed. State government also plans to organize 'Shaheed-e-Azam Bhagat Singh Punjab Games' in priority sports disciplines for men and women during the year 2013-14.

111. The state government will establish Shaheed Baba Deep Singh Centre of Excellence in Sports at Mohali with 4 regional campus at Bathinda, Jalandhar, Ludhiana and Amritsar for promotion of 10 important sports. In these centres, 2000 boys and girls would be trained as future medal

prospects. International and National coaches will be engaged for providing quality training on professional and scientific lines. State for the Art Stadiums alongwith latest sports equipment will be made available. These selected players will be lodged in hostels and provided all facilities in terms of boarding, lodging, training, equipment, education and transport at the government expense. The capital cost of the centres would be ` 100 crore and the recurring expenditure would be about ` 50 crore per year. A sum of ` 100 crore has been earmarked for 2013-14. Besides, Multi Gyms and Sports Kits would also be provided to the youth of the state

HEALTH AND MEDICAL EDUCATION

112. The state government has focused on strengthening of infrastructure in terms of buildings equipments and human resources in the hospitals institutions. An outlay of ` 2643.46 crore has been provided for the 12th Five Year Plan. An outlay of ` 517.94 crore has been provided for the Annual Plan 2013-14 against the outlay of ` 397.89 crore in 2012-13.

113. The State Government has initiated a major programme for up-gradation of infrastructure and providing of manpower in health institutions in the state. A comprehensive plan of ` 350 crore for up-gradation and construction of health institutions as per norms was started in 2010 and the work on construction and up-gradation of 2 new districts hospitals, 7 new sub-divisional hospitals and 31 new community health centres is almost complete. Government of India in its 4th Common Review Mission Report has rated health infrastructure as excellent and placed the State at number one position. A Placement Policy to rationalize the deployment of Medical Officers has been put into effect. Recruitment of Medical Specialist is being done through walk-in interviews conducted every month. Last Year, 180 Medical Officers (Specialist), 108 Medical Officers (Dental) and 388 Medical Officers were appointed in the state.

114. The other major initiative of the state government is in regard to mother and child health, 233 PHCs out of 445 PHCs were upgraded for 24x7 delivery services and all the existing 114 CHCs were upgraded as First Referral Units (RRUs) by providing additional doctors and nurses. The deliveries were made free in all government hospitals in all respect i.e. free transport, free medicines and free treatment. The state government launched 108- free ambulance service by deploying 240 ambulances throughout the state in the year 2011. An incentive of ` 1000/- was provided for deliveries in government hospitals under the state funded- Mata Kaushalya scheme. The state government has established 5 Sick Newborn Care Units, one each in three Govt. Medical Colleges, one at Women and Children Hospital Bathinda and one at Mata Kaushalya Hospital Patiala. 10 more such units will be operational shortly. 50 Newborn Stabilization units will soon be operational in District, Sub divisional and CHC level Hospitals to treat newborn infants in far flung areas of Punjab.

115. The State recorded an impressive performance in regard to important health indicators. The Infant Mortality Rate (IMR) has declined by 14 points from 44 in 2006 to 30 in 2011. It declined by 4 points during the last two years consecutively and Punjab is one of the only four states in the country to achieve this high rate of reduction in Infant Mortality. For this impressive performance, the state has been awarded an incentive of ` 107 crore by Government of India. The Maternal Mortality Rate (MMR) has declined from 192 in 2004-06 to 172 in 2007-09. The child sex ratio has also improved from 798 in 2001 to 846 as per census 2011.

116. The NRHM programme is being successfully implemented in the state. An outlay of ` 600.00 crore is provided for Annual Plan 2013-14 against an outlay of ` 424.00 crore in 2012-13. This scheme has been extremely useful to the state in terms of recruitment of ANMs, staff nurses, upgradation of Primary Health Centres, Community Health Centres and supply of medicines & equipment in the hospitals. Under the School Health Programme 27 lac students in schools are screened twice in a year for refractive error, dental hygiene, anemia, skin and other diseases. The students suffering from congenital heart disease, cancer and thalassemia are provided free treatment at PGI and other reputed hospitals.

117. Cancer is a very serious problem in Punjab leading to nearly 34430 deaths in the last five years, as per the survey recently conducted by the Health Department. Drug addiction is another acute problem which is eroding the vitality of our people, especially the youth. The government will take the following initiatives during the year for treatment of cancer and the drug addicts.

- State of the Art Cancer treatment facilities would be established at a cost of ` 300 crore in the 3 Government Medical Colleges at Amritsar, Patiala and Faridkot and at the 2 district head quarter of Sangrur and Bathinda. The centres will have the modern equipment and treatment facilities.
- The state government would establish 5 state level drug de-addiction centres at tertiary level, at Amritsar, Patiala, Faridkot, Bathinda and Jalandhar, under the medical colleges. The state level drug de-addiction centre at government medical college, Amritsar is functional. Another 31 de-addiction centres would be set up at district and sub divisional level, of which 10 are functional. The government has sanctioned the required post of doctors and para medic staff, which would soon be recruited and the centres made fully functional.
- The state government is bringing the Punjab State Cancer and Drug Addiction Treatment Infrastructure Act before the Hon'ble members. A sum of ` 300 crore will be mobilized every year by way of levy on sale/allotment of properties, construction works

undertaken by the Government and its agencies and increase in VAT on tobacco products.

118. Studies have revealed that unforeseen health expenditures are a major reason for poverty, indebtedness and deprivation in the economically marginalized sections of our society. The government is conscious and empathetic towards this cause and therefore undertakes to offer Universal Health coverage to all its populations. The Bhai Ghaniya Insurance Scheme providing medical cover of ₹ 1.50 lac is now restricted to members of cooperative societies only. It will now be open to every resident of the state. This expanded coverage will also bring down the premiums payable by the members. Only 5.23 lac BPL families out of the ₹ 15.40 lac Atta Dal families get ₹ 30,000 medical cover under the RSBY. A new Medical Insurance Scheme has been incorporated in the Annual Plan 2013-14 to provide a medical cover of ₹ 30,000 to the remaining 10 lac families on the lines of the Rashtriya Swasthya Bima Yojna. The entire cost of premium amounting to ₹ 400 per family would be borne by the state government for these 10 lac families. Thereby all 15.40 lac poor families identified under the Atta Dal Scheme would have a secure, reliable medical cover. An outlay of ₹ 20 crore is provided in the Annual Plan 2013-14.

119. The state government in its budget for the year 2012-13 had announced free supply of essential generic medicines in all the government hospitals. The Health Department has prepared a list of 270 essential medicines, including consumables and most of these are now supplied free of cost to all patients in all government hospitals. This facility will be extended to the 3 government colleges at Amritsar, Patiala and Faridkot from the year 2013-14.

120. A sum of ₹ 160 crore is annually spent on medical reimbursement for indoor treatment of 6 lac government employees and pensioners. In spite of this huge expenditure the level of satisfaction among the employees is not very high as the scheme has some inherent weaknesses. The employees first incur expenditure out of pocket and then claim reimbursement. Verification of bills by health authorities also results in procedural delays. The final admissible amount is less than the actual amount spent. The state government would launch a cashless health insurance scheme in the year 2013-14. It would be voluntary for the existing employees and pensioners and compulsory for the new employees and pensioners. This scheme would ensure cashless treatment of the employees and their dependants.

121. The state has been continuously upgrading the infrastructure of its medical colleges over the last 3-4 years. The upgradation of government medical college, Amritsar and Faridkot has more or less been completed. An outlay of ₹ 136 crore has been earmarked for the year 2013-14 for upgradation of these medical colleges.

RURAL WATER SUPPLY AND SANITATION

122. The coverage status of rural habitations as on 1/3/2013 is given below: -

	Habitations		
	Main	Other	Total
Fully Covered Habitations(FC)	10192	1817	12009
Not Covered Habitations (NC)	265	655	920
Partially Covered Habitations (PC)	1801	440	2241
	12258	2912	15170

123. The state government proposes to cover 2241 partially covered and 920 not covered habitations during the 12th Plan period under World Bank Project and assistance from NABARD and National Rural Drinking Water Programmes of Government of India. The GoI norm for the 12th Plan is 55 lpcd (liter per capita per day) per household for full coverage. The fully covered habitations get a minimum of 40 lpcd per household. In Punjab, 5000 habitations get water supply at 70 lpcd service level. The state proposes to cover all the habitations with 70 lpcd by the end of 12th plan. The plan allocation for the Water Supply and Sanitation has been increased by 35% to ` 393 crore in the Annual Plan 2013-14.

124. Heavy metal contamination in ground water is an emerging challenge for the state. A recent survey indicated that the samples of 1012 villages have been found contaminated with various toxic metals like Uranium, Nickel and Aluminium. To provide safe drinking water, 1811 ROs have already been set up. Besides, the state government proposes to install ROs in all the problem villages during 2013-14. A project amounting to ` 88.76 crore has been submitted to NABARD for installation of 572 RO plants in 566 quality affected villages.

125. An agreement was signed with the World Bank in Feb, 2007 for the ` 1280.30 crore for implementing Punjab Rural Water Supply and Sanitation Project. The project is likely to be complete by 31/12/2014. The project is financed by the World Bank to the extent of ` 751 crore (59%), by Government of Punjab for ` 242 crore (19%), by Government of India for ` 207 crore (16%) and through community contribution of ` .80 crore (6%).

The coverage status of the project is as under:-

Particulars	Targets	Cummulative	Remarks
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	(Units)	Achievements	
Water Supply			
Coverage/upgradation of villages	1413 (304 NC+1109 PC)	866 (225 NC+641 PC)	Remaining 549 villages (NC-81 + PC-468) are proposed to be covered by 31.03.2014
Services improvement in fully covered villages.	200	23	Remaining target to be covered by 31.03.2014
Sewerage			
Coverage of villages with piped sewerage.	100	5	Remaining target to be achieved by 31.12.2014

126. An expenditure of ₹ 541.45 crore (WB share – ₹ 426.20 crore + GoI share ₹ 9.75 crore + GoP share – ₹ 86.28 crore + Gap funds – ₹ 19.22 crore) has been incurred so far.

127. The ceiling for beneficiary contribution under World Bank scheme was to the extent of ₹ 1500/- for normal area villages and ₹ 750/- for household in difficult area. The World Bank on 29-10-2008 reduced this contribution to ₹ 800/- for normal area villages and ₹ 400/- for household in difficult area villages i.e. notified along International Border, Kandi area, Bet area and waterlogged areas. The community contribution is 50% for scheduled caste population on account of reduction in beneficiary share. The beneficiary contribution for all the remaining water supply and sanitation schemes, stand deposited by the concerned Gram Panchayat and Water Sanitation Committees.

128. As per Census, 2011, state has 70.4% coverage of Individual Household Latrines(IHHL) in the Rural Punjab (ranked at # 7). A total 33,15,632 households exist in Rural Punjab & out of which 23,34,205 households are having individual latrines. Year 2012 survey reveals that 8,38,950 IHHLs are yet to be constructed in the Rural Areas of the state; out of which 2,22,555 and 6,16,395 are for BPL and APL respectively. Based on the present cost of construction of ₹ 14500/- per unit, an amount of ₹ 1216.48 crore would be required to make the state Open Defecation Free.

129. Under Total Sanitation Campaign, 20 projects for ₹ 241.35 crore were sanctioned by Government of India out of which ₹ 38.50 crore have been received from GoI and ₹ 22.79 crore utilized. The progress of the scheme was not satisfactory mainly because of low incentive of ₹ 2200/- for individual toilet provided under this scheme because the state government under its own scheme gives ₹ 14,500/- per toilet. Now the Government of India has renamed this programme as Nirmal Bharat Abhiyan from 1-4-2012 and revised the cost to ₹ 10,000/- i.e. (GoI : ₹ 3200/-, State : ₹ 1400/-, Beneficiaries: ₹ 900/- and MGNERGA : ₹ 4500/-).

URBAN DEVELOPMENT

130. As per the new housing policy " Housing and Urban Development Punjab, 2013", there is a housing shortage of 12 lakh units of which about 10 lakh units are required in the urban areas. As per National Building Organization (NBO), in 2007, the urban housing shortage in the State was 6.90 lakh units which have grown to 12 lakh units by the year 2011. Nearly 90% of these houses will be required for the poor / EWS / LIG / Financially Weaker Section.

131. The new policy would focus on uniform building rules, incentives for construction of affordable houses/green buildings and time lines for approval of projects. The policy has also emphasised on the need to evolve a mechanism by including two new policies of 'Land Pooling' and 'Land Owners become Partner in Development' to avoid any delay due to cumbersome process of land acquisition.

132. From the year 2013-14, the state government has announced Mukh Mantri Awas Yojana to be implemented by the Department of Housing and Urban Development. Under the Scheme, the state government will consolidate the various housing schemes providing houses to BPL, slum dwellers and economically weaker sections of the society and construct 1 lac houses in the next two years. The Atta Dal beneficiaries i.e. families having annual income less than ₹ 30,000/- and not owning houses will be covered under this scheme. The contribution of the state government would be in the shape of land and monetary support. Government has adequate land pool in urban areas from the 10% earmarked for EWS in the housing project. In rural areas panchayats shall provide free land. Where land is not available, government shall

purchase it. Part of the cost of the house will also be borne by the beneficiary for which a loan on concessional terms will be available from HUDCO/ NHB.

133. To develop urban areas in a holistic manner and to provide better living facilities to the people of the state, 50 new urban estates would be established at various identified sites under the jurisdiction of 6 developmental authorities of Mohali, Ludhiana, Jalandhar, Amritsar, Patiala and Bathinda.

134. Out of 143 towns in the State of Punjab, 32 Master plans covering 60 towns of the State of Punjab have already been notified. The draft Master plans for 9 towns are ready for publication and Master Plans for 18 towns are under preparation. The Local Planning Areas for 13 towns have also been notified for preparation of Master Plans. The Master Plans for the remaining towns shall be prepared within a period of 3 years.

135. The component wise financial and physical progress under JNNURM is given below

(Cr)

Project cost	GoI share	State share	ULB share	Total	Exp.	Physical Achievements
UIG 661.76	175.13	59.76	166.88	402.07	423.07	I. Elevated road project Amritsar completed. II. 20 city buses purchased. III. STP work in Ludhiana to be completed by Dec., 2013.
BSUP 168.85	38.44	10.57	56.59	105.60	81.99	544 Dwelling Units (DUs) completed(3608 DUs by Dec,2013
UIDSSMT 385.62	272.71	35.64	36.21	263.23	240.31	I. The work of Jalandhar sewerage and STP completed. II. Work of remaining 12 towns to be completed by Sep.,2013.

IHSDP 340.06	76.88	12.59	0.45	89.92	30.28	I. Structural work on 704 DUs completed. II. Rs.3.91 Cr disbursed to 693 beneficiaries. III. `9.27 Cr. spent for development in slum areas.
Total 1556	563	119	260	861	776	

136. For combating discharge of urban waste water into River Sutlej, Beas & Ghaggar, a comprehensive Programme has been started with a cost of `2352 crore in 45 towns. GoI has approved 12 schemes of `549.61 crore in 11 towns namely : Mukerian, Dasuya, Hoshiarpur, Tanda, Bhulath, Moga, Jalandhar, Phagwara, Banga, SBS Nagar and Phillaur under Centrally Sponsored Scheme "National River Conservation Programme (70:20:10)". This scheme shall cover laying of lateral sewers, main sewers and sewage treatment plants. Besides this, the remaining towns are being covered under state sponsored scheme namely "Providing water supply, sewerage & setting up of STP's in various towns". An amount of `876 crore has been incurred so far. An outlay of `495 crore is provided for Urban Development including Urban Water Supply in the Annual Plan 2013-14.

WELFARE OF SCHEDULED CASTES/BACKWARD CLASSES & MINORITIES

137. The state government is committed to uplift the under privileged sections of the society by improving their socio-economic conditions and promoting educational development with the objective of bringing them at par with the other sections of the society. The State of Punjab has the highest percentage of Scheduled Caste (SC) population in the country. As per 2001 census, out of total population of 243.59 lac in the State, SC population is 70.28 lac which constitutes 28.85%. The main thrust during 12th Plan Period would be to protect the rights of vulnerable/depressed classes and launch programmes for their overall development. An outlay of `1394 crore is provided for 12th Five Year Plan for the sub-head 'Welfare of SCs, BCs and Minorities'. The outlay under this head has been enhanced from `288 crore for Annual Plan 2012-13 to `345 crore in the Annual Plan 2013-14.

138. State government is providing Shagun of `15000/- to BC and other economically weaker families in addition to SC and Christian families(annual family income up to `30,000/-) at the time of marriage of their daughters, remarriage of widows/divorcees and marriage of daughters of widows. As compared to 2.12 lac beneficiaries during 11th Plan period, about 2.67 lac beneficiaries will be covered during 12th Five Year Plan. `90 crore are provided to fulfill the Shagun requirement of 60,000 new applicants and `62 crore are allocated to meet the pending liability of previous years.

139. State Government is providing attendance scholarship to primary girl students for which ₹ 35 crore are provided. The state government has extended the attendance scholarship at primary school level to all girl students of backward classes and economically weaker sections in addition to SC girl students. Requisite allocation has been made for pre and post matric scholarships and other scholarships to SC/OBC students and students of minority communities. The scholarships are being disbursed directly into the accounts of students from the state capital and efforts are being made to disburse these at the start of academic session.

140 All the SC families whose annual family income is less than ₹ 1.00 lac shall be provided grant @ ₹ 50,000/- per beneficiary for the construction of new house consisting of one room and one kitchen and ₹ 20,000/- per beneficiary for conversion of kacha house into pacca house. An outlay of ₹ 50.00 crore is provided for this purpose. Funds for construction of toilets are provided under "Rural Sanitation Programme." All SC and BPL families get free electricity upto 200 units per month. State government fully reimburses the cost of free power to the Punjab State Power Corporation Limited. ₹ 28 crore are provided for construction of Dr. B.R Ambedkar Bhavans and their operations.

141 Wide publicity is given for creating awareness about the Protection of Civil Rights Act, 1955 and Prevention of Atrocities Act, 1989. Financial assistance of ₹ 50,000/- is given to inter-caste married couples (wherein one spouse belongs to the scheduled castes). Panchayats and voluntary organizations (NGOs) which do outstanding work for overall development of scheduled castes are given a grant of ₹ 25,000/-.

142 Ministry of Social Justice and Empowerment, Government of India launched 'Pradhan Mantri Adarsh Gram Yojana' in 2009-10 for development works in villages having more than 50% Scheduled Caste population. It is surprising that no village of Punjab which has the highest SC population in country has been included under this scheme. There are as many as 2068 villages which have more than 50% SC population. It is, therefore, our request that Government of India should also include these villages from the State under this scheme.

SCSP COMPONENT

143 As per guidelines of the Planning Commission, Government of India, size of SCSP is being determined equivalent to the percentage of SC Population of the State i.e 28.85% out of total size of State Annual Plan. The SCSP component has been depicted separately for individual schemes. The size of 12th Five Year Plan is ₹ 92100 crore out of which a sum of ₹ 26570 crore will be SCSP component. The size of Annual Plan 2012-13 is ₹ 14000 crore out of which a sum of ₹ 4039 crore is SCSP component. The size of Annual Plan 2013-14 is ₹ 16123 crore out of which a sum of ₹ 4653 crore is

SCSP component. Out of the budgetary outlay of `8339 crore for Annual Plan 2013-14, schemes amounting to `2516 crore would wholly or partially benefit the SC population. Under extra-budgetary component, the allocation for SCSP is notional.

SOCIAL SECURITY WOMEN & CHILD DEVELOPMENT

144. The state government is conscious of its responsibility towards the weaker sections of the society. As compared to an outlay of `2784 Cr during 11th Plan period, higher outlay of `4901 crore is provided during 12th Five Year Plan for programmes related to women, children, old age and handicapped persons. An outlay of `835 crore is provided for this sector during Annual Plan 2012-13 which has been enhanced to `866 Cr during Annual Plan 2013-14. Besides, outlay of `1375 crore and `252 crore is provided for Nutrition sector during 12th Five Year Plan & Annual Plan 2013-14 respectively.

145. At state level a sum of `647 crore has been earmarked towards a dedicated Social Security Fund for disbursing old age and other pensions to 21.55 lac beneficiaries @ `250 per month. The state government has lowered the age for female old age pensioners from 60 to 58 years. Besides 2 lac beneficiaries belonging to BPL families would receive an additional pension ranging from `200/- to `300/- per month under National Social Assistance Programme. The age limit of 40 years under Government of India Widow Pension Scheme needs to be relaxed and all widows above the age of 18 years should be made eligible as under the state scheme. The limit of 80% disability under Government of India scheme should also be relaxed to 50% as under the state scheme. The state government has decided to disburse these pensions at the homes of beneficiaries through Electronic Benefit transfers (EBT) in collaboration with banks.

146. The state government has launched some ambitious schemes exclusively for the welfare of women. Under 'Mai Bhago Vidya Scheme' 1.11 lac girls students of 11th & 12th classes in government schools were provided free bicycles during 2011-12. This scheme shall be continued with an outlay of `47 crore to provide bicycles to girls. Under 'Bebe Nanaki Ladli Beti Kalyan Scheme' a sum of `20000/- is invested with LIC on the birth of every girl child in families having annual income upto `30000/-. State Government has launched a new scheme for providing scholarship to poor girls for admission in professional courses. Under this scheme girls belonging to poor families would be given scholarship @ `30,000/- per annum during the course duration on getting admission in professional colleges. The Centrally

Sponsored 'Integrated Child Protection Scheme' for the protection of rights of children shall be implemented with an outlay of ₹ 24 crore during 2013-14.

147. A sum of ₹ 221 crore has been earmarked to implement re-structured Integrated Child Development Services (SNP) in Annual Plan 2013-14 to provide supplementary nutrition to over 15 lac children and pregnant mothers in 26656 anganwadi centres functioning in the state. Besides, ₹ 35 crore including Gol share are provided under 'SABLA' and 'Kishori Shakti Yojana' schemes to provide nutrition to the adolescent girls and promote awareness about health, hygiene, family and child care etc. There are 26656 anganwadi centres in the State out of which 3278 are functioning from rented buildings and 22819 from community buildings. ₹ 10 crores are earmarked for providing basic amenities and other infrastructure works of anganwadi centres in the State. Government of India should provide assistance to the State under re-structured ICDS on priority basis for construction of proper anganwadi centres.

BORDER AREA DEVELOPMENT PROGRAMME

148. Punjab has a 553 km long international border with Pakistan. The six border districts of Punjab were one of the most prosperous areas in the state. The Indo-Pak war and the prolonged militancy in the state rendered them un-attractive for investment and other economic activities. Due to high security sensitivity and absence of any developmental incentives for basic infrastructure, the condition of the border villages and even towns is appalling. The grant provided under BADP is also too meagre to meet the critical gaps. Government of India has been requested to announce an Industrial Package in these border areas on the lines of the package provided for some of the hilly states.

149. Special Central Assistance (100%) is received under Normal BADP from Ministry of Home Affairs, Government of India, (Department of Border Management). Against an allocation of ₹ 32.92 crore released by Government of India during 2011-12. An amount of ₹ 40.70 crore (₹ 3526.00 lac for Normal allocation + ₹ 543.88 lac for Special Projects) has been released by Gol during 2012-13. Besides this, 13th Finance Commission has also recommended grant of ₹ 250.00 crore (Rs.62.50 crore every year-2011-15) for up gradation and maintenance of road connectivity, power, health infrastructure and water supply and sanitation facilities in the border area along the international border of the state.

150. The state has been pleading the case of farmers whose lands are situated across the border fence and demanding compensation @ `10000 per acre annually from Gol on account of various restrictions placed on them in cultivation of their land. An amount of `6.00 croe has been provided in 2013-14 for compensation @ `3000 per acre to farmers for their 20103 acres land or non plan side.

DEFENCE SERVICES AND WELFARE

151. State Government has provided employment to 6500 and 7500 ex-servicemen during the last two years respectively and targets to provide employment to 8000 ex-servicemen in the coming year. 3054 students were given training in various courses by PESCO (Punjab Ex-servicemen Corporation) at Mohali, Bathinda and Gurdaspur during 2012-13. A grant of `5.00 lac is given to widows of martyrs/soldiers for purchase of house/plot.

152. Financial assistance to the ex-servicemen of World War II or their widows who are over the age of 65 years and are not drawing any pension or financial assistance from any other source has been doubled from `1,000/- to `2,000/- per month. The war jagir of `5,000/- given annually to the parents of soldiers who had served during 1962, 1965 and 1971 has also been doubled to `10,000/- per year. A sum of `50.00 lac has been given as corpus fund for the welfare of Gallantry Awardees and their families. A new international standard war memorial is proposed to be setup at a cost of `10.00 crore in Amritsar wherein six galleries would be established in honour of warriors/martyrs of Punjab. Punjb defence relief fund is running some excellent educational institutions and academics and also implementing number of welfare schemes ex-servicemen and their families. This fund is not getting assistance from the state government. Considering their large number of activities `2 crore is ear marked for this purpose first time in 2013-14. The annuity being paid to gallantry awardees namely Parmveer chakar, Mahavir chakar, Veer chakar, Ashok chakar, Kirti chakar, Shaurya chakar, will be increased by 20%

HOME

153. Under this sub-head funds are provided for creation of building infrastructural facilities for the judiciary, setting up of fast track courts, upgradation of sudharghars (jails), purchase of land/plots for construction of police posts/police lines/police stations and houses for police officers/officials. It also includes Saanjh Kendra Project which was conceived for the

purpose of community participation in resolving disputes and conflicts in the society. They also function as service delivery centres.

154. Four more new projects have been incorporated during 2013-14 at an estimated total cost of ₹ 180.00 crore. Government will launch first of its kind in the country, a Rapid Rural Police Response System under which police assistance will be made available to the remotest rural areas in less than 20 minutes of call on a separate dedicated number at a cost of ₹ 135.00 crore. Amritsar and Ludhiana will be covered under the project 'Safe City' during year 2013-14. Safe City concept is an overall security solution, involves mapping areas prone to criminal and terrorist activities, and the integration of Information Technology and know-how together with existing security deployment. The project will cost about ₹ 35.00 crore. Government plans to roll out 'Night Policing' all over the state in the year 2013-14 for improving the safety and security of its citizens. It will cost about ₹ 10.00 crore. In order to deal with law and order situation, the Punjab police would equip its two units of Anti Riots Police (ARP) and the district police with non-lethal weapons to minimize the use of force and injury in crowd control and law and order situation at an estimated cost of ₹ 13.00 crore.

EXCISE & TAXATION

155. Value Added Taxation was successfully implemented in the state of Punjab with effect from 1/4/2005. Keeping in view the difficulties being faced by trade and industry, rate of VAT has been decreased on certain commodities; procedure of tax collection has been made business friendly. To expedite payment of refund to exporters and dealers resorting to inter-state sales, the facilities of E-filing of quarterly returns has been introduced by the department. E-payment facility is also being provided to the dealers in the state.

156. The collections under Punjab VAT and CST Acts have increased from ₹ 7046.65 crore in 2008-09 to ₹ 12223.09 Cr. in 2011-12. During 2012-13, the expected collections are ₹ 14900.00 Cr i.e. an increase of 22% over the year 2011-12. The estimates for 2013-14 are ₹ 18413 Cr (VAT - ₹ 17760 + CST - ₹ 653 Cr.)

157. Against the excise revenue of ₹ 1810.72 crore earned during 2008-09, the collection has increased to ₹ 2726.62 Cr in 2011-12. During 2012-13 expected excise collection is ₹ 3800.00 Cr i.e. an increase of 39% over the year 2011-12. The estimate for excise collection for the year 2013-14 is ₹ 4180 crore.

GOVERNANCE REFORMS

158. The State Government has created a new department of Governance Reforms in 2012-13 integrating the mandate of Administrative Reforms and e-Governance in all the departments to form the basis for inclusive growth and development in the State. The 1st Punjab Governance Reforms Commission was appointed in 2009 with a view to reduce the trust deficit and a sense of alienation that generally prevails among the common citizens vis a vis the government functioning. Based on the recommendations of the Commission, Punjab Right to Service (PRTS) Act was enacted in 2011 to provide 69 services in a time bound manner. 139 Police Saanjh Kendras were set up in separate buildings across the state to deliver various police services. People are no longer required to visit the police stations for various jobs like seeking copies of FIR, verification of documents etc. The land records of 12538 villages out of 13206 villages have been computerized under National Land Modernization Programme. 167 Fard Kendras have been set up for providing computerized copies of revenue documents and other revenue services. Discretion of sub registrar was curtailed with a view to reduce scope for delays and corruption. The practice of multiple appeals and revisions is discouraged. Suvidha Centres have been set up in all the district headquarters and in every sub division of the state.

159. The data base for the birth and death records is being automated and procedure for registration has been simplified. In the Transport Department, dealers have been empowered to issue vehicle registration certificates. Similarly, Principals of colleges have been authorized to issue driving learner licenses. In addition, e-tendering and e-procurement has been introduced in all the departments. As per the provision of PRTS Act, 2011, Punjab Right to Service Commission has been constituted and Chief Commissioner along with 4 Commissioners have been appointed to look after the task of effective implementation of the Act. Commission on completion of the work assigned to it, was wound up in July, 2011.

160. However, considering the invaluable work accomplished by the Governance Reforms Commission, the State Government re-established the 2nd Punjab Governance Reforms Commission in March, 2012. In its new tenure, Commission will analyze the civil and criminal justice system, procedures for industrial development, regulatory framework for NRI Affairs, Health and Medical Education, Education, Technical Education, Employment and Fiscal Management. The PGRC has suggested some additional amendments to the 69 services being provided. In addition, 87 new services have been recommended to be covered under the Right to Service Act. Besides, the state government is introducing the Rapid Rural Response System for quicker and effective intervention by the police in the rural areas.

161. Under National e-Governance Programme (NeGAP), the State Wide Area Network (PAWAN) is functional with 193 Point of Presence (PoPs), connecting 374 offices. For the convenience of general public, 1800 Common Service Centres (CSCs) have been set up

for extending the government services. Two districts, Kapurthala and Shaheed Bhagat Singh Nagar were taken up for pilot e-district project. At present, 23 services are running online with a target to operationalize all 47 services this year. The project would be rolled out in the remaining 20 districts in a phased manner.

162. Through Integrated Finance Management System, treasuries and budget making has been computerized. Integrated Work Flow and Document Management System (IWDMS) is trying to computerize the Secretariat working. Smart card based driving license, e-filing of tax returns and computerization of VAT information system are other important IT projects of the state. An outlay of ` 39 crore has been earmarked for the Governance Reforms for 2013-14.

DECENTRALIZED PLANNING

163. The state government has constituted District Planning Committees for all the districts of the State. From the year 2010-11, the Administrative Departments are implementing the District Level Plan Schemes through District Planning Committees (DPCs). The guidelines for the preparation of the District Plan of the District Level Schemes by District Planning Committees have been issued. An amount of ` 1737.10 crore had been made for the 11th Five Year Plan, against which an expenditure of ` 1391.05 crore was incurred. An outlay of ` 4496.24 crore and ` 563.09 crore is provided for the 12th Five Year Plan 2012-17 and Annual Plan 2013-14 respectively under the various district level plan schemes.