

1. INTRODUCTION

1. The economy of Punjab has traditionally revolved around its success in the agriculture sector. Since the Green Revolution in the 1960s, Punjab has taken major strides in increasing agricultural productivity and has the unique distinction of contributing the maximum quantities (75% wheat and 30% rice during marketing season 2006-07) to the central pool of foodgrains. Almost two decades of militancy in the State, however, retarded the expansion of the manufacturing sector in the State while some of its neighbouring States expanded their industrial production given their locational advantages or a more conducive policy regime. The strategy of increased foodgrains production also brought along its concomitant problems, viz. depletion of ground water resources and soil nutrient imbalance. Thus the present agricultural system is increasingly becoming ecologically and even economically untenable. Punjab's hopes for sustaining its position as a front-runner State in economic growth thus hinges on achieving a "second breakthrough in agriculture" as well as successfully expanding its manufacturing and services sector. Diversification of agricultural production patterns, agri-processing and marketing has, therefore, rightly come to acquire prominence in the Government's planning process in the recent years.

2. The State Plan seeks to focus on removing intra-regional imbalances, generation of productive employment, improving quality of life by providing better healthcare facilities, sanitation, safe drinking water, education and greater access to food. It seeks to lay greater focus on improving the State's performance on social indicators to match its economic progress. The concerns of the development of women and children are being addressed with greater emphasis. Similarly, economic and social advancement of the under-privileged and disadvantaged sections needs to be given greater attention. Strengthening of grass-root level Panchayati Raj Institutions is required to be done along with their increasing involvement not only in capital formation and asset management but the entire process of planning, implementation and monitoring. The State Government has encouraged private sector participation in the development, funding and operation of infrastructure-oriented projects through the Punjab Infrastructure Development Board (PIDB). Emphasis is also being laid on augmentation of urban infrastructure with PIDB support.

3. To effectively create employment opportunities in the State, especially for the rural youth, promotion of agri-processing industry and ancillary industrialization is very important. The State Government has taken a special initiative in this regard by creating a new Department of Employment Generation. The Department would seek to enhance the employment opportunities for Punjab youth by introducing vocationalization in the education system, skilled development, encouraging growth of service and knowledge sector; promoting entrepreneurship and self employment, preparing Punjab youth through rigorous training for employment in Armed Forces, para-military Forces and security services and preparing the Punjab youth for overseas employment.

STATE'S ECONOMY

4. Prolonged period of militancy and a continuous mismatch between revenue and expenditure played havoc with the State's economy. The growth rate in the State over the years is summarized in the table given below -

(Percent per Annum)

Period/Sector	Punjab				India			
	Primary	Secon Dary	Tertiary	Overall	Primary	Secon dary	Tertiary	Overall
<u>(1980-81 Prices)</u>								
6th Plan (1980-85)	5.37	5.04	5.14	5.23	5.63	6.05	5.42	5.66
7th Plan (1985-90)	5.24	8.65	5.22	5.98	3.58	6.49	7.41	5.79
<u>(1993-94 Prices)</u>								
8th Plan (1992-97)	3.08	7.10	5.78	4.81	3.85	8.28	7.87	6.76
9th Plan (1997-02)	1.90	4.97	5.80	3.97	2.16	4.63	8.08	5.50
10th Plan (2002-07)								
2002-03	(-)1.12	4.35	6.15	3.12	(-)5.88	6.89	7.38	3.79
2003-04	5.77	5.10	4.73	5.17	9.33	7.80	8.51	8.54
2004-05	2.17	7.88	5.67	4.95	0.64	9.97	9.55	7.52
2005-06 (E)	1.86	5.65	6.32	4.65	5.78	10.13	9.83	8.99
2006-07 (E)	2.37	5.49	6.57	4.93	2.92	11.42	11.02	9.35
Overall 10th Plan	2.21	5.69	5.89	4.56	2.56	9.24	9.26	7.64

The rate of growth at 1999-2000 prices during the 10th Five Year Plan is likely to be 4.56 % per annum against the target of 6.4 % fixed by the Planning Commission. The country as a whole is going to witness 7.64 % average growth during the 10th Plan against the target of 8%.

Composition Of State's Economy

5. The sector-wise GSDP at constant prices 1980-81 and 1993-94 and 1999-2000 prices over the years is as follows:

(In Rs. Crores)

Year	Total Economy	Primary		Secondary		Tertiary	
			%		%		%
1980-81	5024.70	2468.61	49.13	1005.48	20.01	1550.61	30.86
1985-86	6686.79	3358.20	50.22	1459.24	21.82	1869.35	27.96
1990-91	8377.85	3945.44	47.09	2022.44	24.14	2409.97	28.77
1995-96	32433.33	14246.03	43.92	7508.47	23.15	10678.83	32.93
2000-01	69826.05	25570.39	36.62	16144.95	23.12	28110.71	40.26
2001-02	71238.90	25776.90	36.19	15870.23	22.28	29591.77	41.53
2002-03	73461.58	25489.46	34.70	16560.68	22.54	31411.44	42.76
2003-04	77260.46	26958.96	34.89	17405.14	22.53	32896.36	42.58
2004-05(P)	81081.36	27543.45	33.97	18776.41	23.16	34761.50	42.87
2005-06(Q)	84851.44	28057.03	33.06	19836.75	23.38	36957.66	43.56
2006-07(A)	89035.69	28722.16	32.26	20925.99	23.50	39387.54	44.24

The contribution of tertiary sector is more than that of primary sector since 1999-2000.

PER CAPITA INCOME

6. The per capita income of the State was Rs. 25988 in the year 2000-01 at constant prices (1999-2000 prices). The State was at Number 1 amongst the major states and at Number 3 if the two small states of Goa and Delhi are included in the list. The per capita income in the year 2006-07 is expected to be Rs. 29443 at constant prices (1999-2000 prices) and the State would be at Number 4 amongst the major States after Gujarat, Maharashtra and Haryana and would be at Number 6, if Goa and Delhi are also included.

STATE FINANCES

7. The State's finances were in bad shape during the first three years of the 10th Five Year Plan. Owing to a series of measures undertaken by the State, its finances showed some improvement in the last years of the 10th Five Year Plan. As per recommendations of the 12th Finance Commission, the outstanding loans of the State as on 31/3/2005 were consolidated and re-scheduled for a fresh term of

20 years at an interest rate of 7.5%. State Government had enacted Fiscal Responsibility and Budget Management Act in the year 2003. The 12th Finance Commission had laid down targets in regard to revenue deficit and fiscal deficit which were incorporated through an amendment in the FRBM Act. As recommended by 12th Finance Commission, the State government has also adopted a fiscal correction plan. Revenue Deficit is to be reduced to zero by 2008-09 and Fiscal Deficit is to be brought down to 3% or below of (GSDP) by the year 2008-09. The Government of India as per recommendation of TFC had formulated State's Debt Consolidation and Relief Facility (DCRF) for the period 2005-06 to 2009-10. The State government achieved the stipulated target for the year 2005-06 and was able to secure a relief of Rs. 152 Cr for 2005-06. The State Government would get relief of Rs. 760 Cr from 2005-06 to 2009-10 provided the stipulated targets are met. The relief is by way of reimbursement of payment of Principle amount to Government of India.

8. The State Government acknowledges with gratitude Government of India's decision regarding waiving the unpaid amount of Special Term Loans. These loans amounting to Rs. 5799.92 crore, were advanced by Government of India from 1984-85 to 1993-94 to combat insurgency in the State. The State Government had repaid a total sum of Rs. 6108 Cr by the year 1996-97, Rs. 2028 Cr as principal and Rs. 4080 Cr as interest to the Union government, leaving a balance of Rs. 3772 Cr as principal and interest thereon. The State government in September, 1997 took up the matter with the then Prime Minister for waiving the unpaid amount on the ground that the State had to incur this expenditure in the defence of the integrity of the nation who had assured the waiver of these loans. The balance amount of Special Term Loans has been waived by Government of India vide their letter dated December 2006.

9. Some of the important financial indicators and targets are given in the following 3 Tables -

I - Revenue & Fiscal Deficit

Revenue Deficit				Fiscal Deficit			
	Target (Rs Cr)	Achievements (Rs. Cr)	Achievements as % of GSDP	Target (Rs. Cr)	Target as % of GSDP	Achievements (Rs. Cr)	Achievements as % of GSDP
2000-01			-3.22				-5.39
2001-02			-4.91				-6.44
2002-03			-4.74				-5.56
2003-04			-4.10				-5.62
2004-05			-3.67				-4.46
2005-06	-2135.18	-1240.25	-1.24	-3684.37	-3.75	-2653.92	-2.65
2006-07	-1896.47	-1800.78	-1.66	-4049.28	-3.71	-4446.52	-4.11
2007-08	-724.75			-3662.84	-3.15		
2008-09	+1.97			-3919.93	-2.92		

II – Debt Stock

Year	Debt (in Rs. Cr)	Debt as % of GSDP	Debt as % of Rev Receipt
2000-01	27830	38.40	359.53
2001-02	32496	42.19	460.39
2002-03	36854	46.49	433.34
2003-04	41412	47.68	425.14
2004-05	44982	48.71	402.55
2005-06	48838	48.69	352.49
2006-07	53391	49.33	331.37

III - Committed Expenditure

Year	Committed expenditure as % of Revenue Receipt
2000-01	100.09
2001-02	118.24
2002-03	108.02
2003-04	101.36
2004-05	93.55
2005-06	77.99
2006-07	73.91

ECONOMIC GROWTH DURING 11TH PLAN PERIOD

10. The Planning Commission has indicated a target of 5.90% economic growth for the State during the 11th Plan. It will not be difficult for the State to achieve this target. The sector wise break up is given in the following tables -

I - Sector-Wise Growth Rate in the State during Five Year Plans

SN	Sector	9 th Plan	10 th Plan	11 th Plan Target	
				Proposed by State	Fixed by Planning Commission
1	Agriculture/Primary	1.90	3.14	4.35	2.40
2	Industry/Secondary	4.97	4.78	5.11	8.00
3	Services/Tertiary	5.80	7.11	7.90	7.40
	Overall	3.97	5.03	5.90	5.90

II - Average Annual Growth rate proposed by the State for 11th Plan (Target by State) (2007-08 to 2010-11)

Sector	2007-08	2008-09	2009-10	2010-11	2011-12	Overall
Agriculture	3.45	4.91	4.51	4.37	4.50	4.35
Industry	5.25	5.06	5.07	5.07	5.09	5.11
Service	7.81	7.91	7.86	8.01	7.90	7.90
Overall	5.53	6.11	5.94	5.94	5.95	5.90

PLAN PERFORMANCE

11. The Plan Performance during the 9th Plan (1997-2002) and the 10th Plan (2002-07) is as under –

I. 9th Plan (1997-2002)

(Rs. Cr)

Year	Approved Outlay	Revised Outlay	Expenditure	%age utilization wrt Approved Outlay	%age utilization wrt Revised Outlay
1997-98	2100.00	1940.00	2011.86	95.80	103.70
1998-99	2500.00	2500.00	2005.41	80.22	80.22
1999-2000	2680.00	2680.00	1753.17	65.42	65.42
2000-01	2700.00	2147.14	2045.25	75.75	95.25
2001-02	3357.00	3357.00	2206.14	65.72	65.72
Total	13337.00	12624.14	10021.83	75.14	79.39

II. 10th Plan (2002-2007)

(Rs. Cr)

Year	Approved Outlay	Revised Outlay	Expenditure	%age utilization to Approved Outlay	%age utilization to Revised Outlay
2002-03	2793.00	2428.03	1768.45	63.31	72.83
2003-04	2822.00	2333.88	1587.33	56.24	68.01
2004-05	3479.80	2750.00	1960.93	56.35	71.31
2005-06	3550.00	3557.86	3754.67	105.76	105.53
2006-07	4000.00	4687.65	5751.83	143.79	122.70
Total	16644.80	15757.42	14823.21	89.05	94.07

III. Approved Outlay For 11th Plan And Annual Plan 2007-08

(Rs. Cr)

Year	Approved Outlay	% increase over Annual Plan 2006-07/10 th Plan (2002-07)
2007-08	5111.00	27.77 %
11 th Plan (2007-12)	37314.00	124.18 %

11TH FIVE YEAR PLAN AND ANNUAL PLAN 2007-08 AT A GLANCE

12. The Sector-wise performance of 10th Plan (2002-07), approved outlay for 11th Plan (2007-12) and Annual Plan 2007-08 alongwith Scheduled Caste Sub Plan Outlay (SCSP) is given as under:

(Rs. Cr)

SN	Sector	10 th Plan 2002-07			11 th Plan 2007-12 (Approved Outlays)			
		Approved Outlay	Exp.	% Performance	2007-12	2007-08	% wrt outlay 2007-08	SCSP component 2007-08
I	Agriculture and Allied Activities	635.41	406.49	63.97	1309.13	200.08	3.91	18.08
II	Rural Development	1260.50	1652.21	131.07	2544.03	350.88	6.87	174.20
III	Special Area Programme	134.37	110.04	81.89	0.00	0.00	0.00	0.00
IV	Irrigation and Flood Control	2611.51	967.27	37.03	3746.20	650.00	12.72	54.61
V	Energy	5998.73	5099.97	85.01	12948.65	1062.02	20.78	181.01
VI	Industry and Minerals	55.88	161.25	288.56	484.80	28.30	0.55	0.00
VII	Transport	2711.50	1828.27	67.43	4344.80	866.48	16.95	82.50
VIII	Science, Technology and Environment	93.75	42.11	44.92	297.17	40.32	0.79	0.00
IX	General Economic Services	150.15	1131.62	753.66	623.23	262.06	5.13	76.55
X	Social Services	4858.37	3312.14	68.17	10648.42	1587.48	31.06	743.05
XI	General Services	146.83	111.84	76.17	367.57	63.38	1.24	0.00
	Total	18657.00	14823.21	79.45	37314.00	5111.00	100.00	1330.00

The Annual Plan for 2007-08 accords high priority to the Social Services Sector with 31.06 % of the approved outlay allocated to this Sector alone. Pensions to old and other sections of the society, skill development, employment generation and rural water supply schemes have been accorded high priority in the plan. Energy at 20.78 % forms the second highest component of the Plan with major thrust towards power generation and upgradation of transmission system. Road Transport sector also forms over 16.95 % of the Plan outlay with major funding envisaged on account of World Bank and NABARD projects.

ENVISAGED SECTORAL PRIORITIES IN 11TH FIVE YEAR PLAN

AGRICULTURE

13. Against a total geographical area of 50.36 lac hectares, the State has 42.01 lac hectares under cultivation. The cropping intensity is around 188% with over 96% of the cultivable area being under assured irrigation. The State produces 22% of the country's wheat, 12% of rice and 13% cotton and contributes significantly to the Central Pool with 75% wheat and 30% rice. Against a world average productivity of 3912 kg/ha and national average of 2964 kg/ha, Punjab's rice productivity is 3694 kg/ha. In wheat, against a world average of 2725 kg/ha and national average of 2742 kg/ha, Punjab's productivity is 4207 kg/ha. Fertilizer consumption at 216 kg/ha is almost three times higher than the national average of 102kg/ha. The State's farm economy is highly mechanized with 18% of the country's tractors being in Punjab.

14. It needs no reiteration that the agricultural economy is centred on the wheat-paddy rotation under an intensive farming regime. This has over the years brought in its share of concomitant problems, viz. over-exploitation of ground water resources, destabilization of soil nutrient balance and rising indebtedness of farmers. Farm yields have also failed to register significant increases in the last decade or so whereas the Minimum Support Price (MSP) has fallen short of fast-escalating farm input costs. The consequences of these symptoms of crisis in Punjab's agriculture have been increasing indebtedness among farmers, loss of morale and tragic narratives of farmers' suicides. As a result, a new orientation to the State's agriculture is urgently required to provide a fresh impetus to the farm sector in particular and the rural economy in general.

15. The excessive reliance on wheat-paddy rotation requires to be urgently addressed in order to bring about effective diversification of agriculture. While cereal production must remain in the vanguard, the State needs to diversify towards crops which are agro-climatically more sustainable as well as economically more remunerative. This would help in arresting the rapid depletion of ground water, especially in the districts of central and southern Punjab. Some success has been registered under BT cotton with cotton production rising to 27 lac bales in 2006-07 with productivity at 750 kg lint/ha. The State's efforts to promote

contract farming through hybrid maize, hyola, sunflower, etc have met with moderate success with around 3.00 lac ha being brought under these crops in 2006-07. Pulses and Oilseeds cultivation could be increased substantially as an attractive alternative to the wheat-paddy cycle by improving procurement operations and ensuring remunerative returns. Along with diversification from the wheat-paddy cycle, it is important that new varieties of paddy and wheat are developed by PAU for imparting a fresh push to stagnant farm yields. To tackle the problem of soil degradation and water depletion, a dedicated programme for promoting resource conservation technologies, such as zero tillage, deep ploughing, raised bed planting, laser land leveling, etc need to be aggressively popularized.

16. The State would focus on the need to modernize marketing of agricultural produce that is possible only with the involvement of mega corporate entities. The State proposes to enact an enabling legislation to promote agri-processing and marketing and carry further the MOUs signed with Reliance and Bharati in 2006-07 to promote contract farming and organized retail in vegetables, foodgrains and dairying. To boost farm exports, a temporary Perishable Cargo Complex at Amritsar Airport has already been constructed though GOI have not allowed construction of a permanent Complex in view of the present sub-optimal business. The construction of over 4500 kms of new link roads in the last two years of 10th Plan period is likely to further integrate the rural hinterland with the agricultural market place and improve rural connectivity. To make agriculture more remunerative, allied activities such as dairy farming, poultry and fish-farming need to be strengthened through more capital assistance and extension services. Both domestic and international markets could be harnessed to expand the scope of dairying in the State given the interest evinced by the private sector. In this regard, the State has already established the Guru Angad Dev University of Animal Sciences at Ludhiana and proposes to strengthen it further in the Eleventh Plan.

17. In the meeting of National Development Council (NDC) held on 29/5/2007, it was resolved that agricultural development strategies must be reoriented to meet the needs of the farmers and called upon the Central and the State Governments to evolve a strategy to rejuvenate agriculture. The NDC reaffirmed its commitments to achieve 4 percent annual growth in the agricultural sector. Taking note of the decision NDC, outlay of Crop Husbandry has been enhanced by 46% i.e. from Rs 50.56 Cr during 2006-07 to Rs 93.00 Cr for

2007-08. To sustain and diversify agriculture in the State, major programmes would be undertaken in the 11th Five Year Plan which include State Plan for Rejuvenation of State Agriculture for Higher Agricultural Growth, Pilot Project for Diversification through Agriculture Production Pattern Adjustment Program in Punjab for Productivity and Growth; Macro Management in Work Plan; Diversification of Agriculture through Horticulture which includes assistance under the National Horticulture Mission, strengthening of 5 Centres for Citrus Cultivation and a new project on Mulberry Sericulture. There is a proposal to set up 20 farmers training centre for disseminating the latest technologies to the farmers. The Rs. 100.00 crore grant sanctioned by GOI to PAU, Ludhiana in 2006-07 would go a long way in revitalizing research and development activities to bring about the “Second Push” to Punjab’s agriculture. The State reiterates its concern for making Minimum Support Price (MSP) for crops more consistent with rising input costs. An outlay of Rs. 76705.55 lac and Rs. 9300.00 lac has been approved under the sub-head “Crop Husbandry” for the 11th Plan and Annual Plan 2007-08 respectively.

18. Larger allocations have been made in this year for Animal Husbandry and Dairy Development sector. There is a proposal to revive the loss making milk unions at an estimated cost of Rs. 90 crore out of which Rs. 45 crore would be contributed by the state government. The Punjab Dairy Development Board is being given an assistance of Rs.10 crore for the first time for its various schemes. Major schemes in the Animal Husbandry sector include assistance to the newly set up veterinary university & strengthening of veterinary polyclinics.

RURAL INDEBTEDNESS

19. Low farm prices, rising input costs and inadequate increase in productivity are responsible for the problem of acute agrarian distress. This is depicted by the mounting rural debt which stands at Rs. 26,000 crore – Rs. 11000 crore of Commercial Banks, Rs. 3100 crore of Cooperative Banks, Rs. 510 crore of RRBs and Rs. 11300 crore of moneylenders. The immediate problem is not that of access to credit, but the unbearable burden of payment of interest and repayment of loans. The Government has reduced interest on cooperative loans from 14.5% to 7% and has also offered a One Time Settlement (OTS) for settling sticky loans. The enactment of a law for providing relief from rural indebtedness is under the consideration of Government. The State Government has submitted a package of

Rs. 545 crore to GOI for seeking relief under the Vaidyanathan Committee Report. Expedient grant of the desired package relief to Cooperative Banks and financial support to CCBs for providing agricultural credit at low rates would alleviate farmers' distress substantially as well as help rejuvenate the CCBs in keeping with the spirit of the recommendations of Vaidyanathan Committee. GOI should also advise the Commercial Banks to allow OTS of sticky agricultural loans on the pattern of the State Cooperative Financing Institutions. The conditions of agrarian distress in the State reflected in the increasing reports of farmers suicides need to be immediately mitigated, as has been done in the case of Maharashtra and Andhra Pradesh.

RURAL DEVELOPMENT

20. In its earnest endeavor towards rural rejuvenation, the Punjab Government has adopted a two-pronged strategy, empowerment of the Panchayati Raj Institutions through greater functional and financial autonomy and all-round improvement of the rural habitats with provision of basic amenities.

21. The State Government has identified a list of 29 items pertaining to different departments that are to be transferred to the PRIs. The State Government transferred some of the important activities of 7 departments to the PRIs in the last year of the 10th Plan. 1187 Rural Health Dispensaries and 582 Rural Veterinary Dispensaries have been transferred to Zila Parishads. These are being run by Zila Parishads through Service Providers engaged on contract basis for 3 years. They are qualified MBBS doctors and Veterinary Officers respectively. 5752 Primary Schools have been transferred to the Zila Parishads and about 13035 Primary Schools Teachers have been recruited by them. This move of the State Government has ensured almost cent percent attendance in schools and greater accountability to the Gram Panchayats. The entire cost of these services is reimbursed to the Zila Parishads by the State Government. The old age and other pensions are disbursed through Gram Panchayats and ICDS Centres are run under the supervision of Gram Panchayats. Besides, 754 Rural Water Supply Schemes have also been handed over to the Gram Panchayats.

22. A sum of Rs. 180 crore was released to the Gram Panchayats for construction of about 2,90,000 rural pucca toilets in the villages. The toilets costing Rs. 6300/- per unit are being constructed in the houses of the beneficiaries

by the Gram Panchayats. While BPL families are not required to contribute anything to the cost of construction of the toilets, non-BPL families have to contribute a sum of Rs. 1000 either in terms of cash or labour. As per the latest survey an additional 7 lakh toilets are required to be constructed at an estimated cost of Rs. 420 crore. The State Government has paucity of resources and the Government of India should assist in bridging the resource gap by providing funds for this important scheme.

23. The VDF has been provided with an independent Corpus outside the State Budget and, if need be, can access the capital market. The objective of this Fund is to finance the total management of water cycle projects in the State. The rough cost of laying sewer lines and construction of septic tank and STP estimates works out to Rs. 2500 per family. The average cost per village is about Rs. 52-60 lakh. At present, the work is in progress in 282 villages at an estimated cost of Rs. 170 crore. In the second phase the work would be taken up in 1410 villages at an estimated cost of Rs. 846 crore.

24. The condition of village ponds, which act as natural ground water rechargers, is extremely bad. They have not been cleaned for many years and have now become a source of great nuisance and many diseases. The State Government proposes to clean and deepen these village ponds and provide for the treatment of sullage water through tested technologies such as contracted wetland, duckweed, etc. The project is estimated to cost about Rs. 500 crore. A sum of Rs. 10 crore has been earmarked in the current year's allocation for this scheme. Under the World Bank Assisted Rural Water Supply and Sanitation Project, there is a provision of cleaning of 1000 village ponds in the next five years. Some of the ponds would be cleaned under NREGP. The Planning Commission is requested to formulate a proper scheme for cleaning of these village ponds and grant liberal assistance to the State Government.

BPL Families

25. The issue of definition and assistance to BPL families requires a re-look. At present, BPL families are defined in minimalist terms. The State received about Rs. 170 crore every year for various welfare schemes for BPL families. The Planning Commission has fixed an upper limit of 3.26 lakh BPL families in rural areas in the State. If 1.25 lakh BPL families in urban areas are included, then the

total number of BPL families in the State cannot exceed 4.51 lakh, which works out to 10.54% of the families in the State. There is need to broaden the definition of BPL families, so as to cover more families and increase assistance to the States.

IRRIGATION

26. At present 96% of the arable land in the State is irrigated. During the 10th Plan, about 120.37 thousand hectares of additional irrigation potential was created. During the 11th Plan, about 286 thousand hectares of additional irrigation

potential is proposed to be created. The major projects envisaged during the 11th Plan are:

- Shahpur Kandi dam project (168 MW),
- Completion of on-going kandi canal project,
- Construction of Thana Dam,
- Rehabilitation and lining of canals,
- Repair of water courses

27. The outlay for the current year Rs. 650 crore is more than double the outlay of previous years. The state government is grateful to the Planning Commission for relaxing the conditions of AIBP under which new projects could be sanctioned only after the completion of on-going projects. As a result the state has been able to secure assistance under AIBP for four new projects having a total outlay of Rs. 65.50 crore. Besides new ongoing projects of Rs. 100 crore have been included for construction and repair of water courses under CADA. Flood protection works, embankments of Ghaggar river are also planned for preventing damage to crops due to floods.

POWER

28. The State Government is committed towards making Punjab a power surplus state by the end of 11th Five Year Plan. The peak demand of power is at present 8917 MW which is likely to go up to 11000 MW by the end of 11th Plan. The present availability of power in the state is 6201 MW – 4437 MW from the installed capacity in the State and 1764 MW from the Central share. The power

deficit at present is, therefore, 2716 MW. To meet its full requirement, the State would need another 5000 MW power for the 11th Five Year Plan.

29. The work on 500 MW Lehra Mohabat Thermal Power Plant will be completed by 31-12-07. Work is also in progress on 18 MW Mukerian Hydel Project and 75 MW UBDC Stage-III Project. An agreement has been signed for 500 MW Thermal Power Plant at Goindwal with M/s GVK Power Ltd.

30. The Government of India has allocated 2225 MW Power from 5 New Ultra-Mega Power Projects. NTPC has also agreed to allocate 1500 MW Power from its proposed Lara Thermal Power Project in Chhatisgarh. The State Government is setting up two Thermal Power Plants - 1200 MW at Nabha and 1800 MW at Talwandi Sabo. Besides, 1000 MW gas based power plant is also planned at Doraha in Ludhiana district. The State Government is also making efforts to have some private parties set up the Thermal Power Plants at coal-pit heads and ports.

31. The State is conscious of the problems in the transmission and distribution segments of the Power Sector. The T&D losses, which stood at 30.82% during 1999-2000 have been brought down to 23.91% during the year 2006-07. The State Electricity Board plans to reduce it to 18 % by the end of the 11th Plan. The State Government was entitled to an incentive of Rs. 251.00 Cr for the year 2003-04 under the Accelerated Power Development Reforms Programme (APDRP). This amount has been withheld on the ground that the State announced free power to the farmers. Free power was provided with effect from 1/9/2005 and, therefore, it should have no bearing on the incentives due in the year 2003-04.

INDUSTRIAL DEVELOPMENT

32. The State Government has taken number of steps to augment/creation of the State sector investment and private investment in the State. These include Improvement in the Existing Infrastructure of Industrial Focal Points /Areas/Estates and creation of new Infrastructure of Industrial Focal Points /Areas/Estates, development of District Industries Centre as Export and Information Hub, abolition of octroi enactment of Industrial Facilitation Act, 2005, constitution of Empowered Committee for clearance of Mega Projects and release of capital subsidy to the industrialists. A 1206 acre Special Economic Zone (SEZ)

is being developed in partnership with DLF Limited at Amritsar. Besides two other SEZs of M/s Quark and Ranbaxy at SAS Nagar (Mohali) have been approved by Government of India. The State Government is trying to revitalize the Industrial Focal Point at Goindwal Sahib near Amritsar by developing it as a product-specific SEZ. Some of the other important projects proposed during the 11th Five Year Plan are Development of Industrial Cluster at Batala, establishment of two Textile Park at Ludhiana and Barnala, setting up of Convention Centre at Amritsar and Mohali.

33. The State Government is alive to the sensitive issue of land acquisition and displacement of farmers and notified a new Land Acquisition Policy in 2006. Henceforth, private land would be acquired only if the land is needed for a defined public purpose. The private companies will buy land on their own and the State Government will not acquire more than 20 % of the land for them at their cost to provide contiguity and connectivity. The acquisition would be at the actual market rate and the farmers would be fully compensated. There is a proposal to make the farmers stakeholders in the development of commercial, housing and industrial projects.

34. The Union Ministry of Petroleum has decided to implement the Refinery Project at Bathinda of Hindustan Petroleum Corporation Limited in collaboration with Sh. Lakshmi Narayan Mittal. His company will have 49 % stake in the Refinery. Currently, FDI in a public sector is limited to 26 % and as such, this decision requires the approval of Union Cabinet. Government of India has been requested to expedite this. Similarly, an agreement was signed between State Government and Gas Authority of India Limited (GAIL) for laying a gas pipe line from Dadri to Nangal covering a distance of 590 km at an estimated cost of Rs. 2700 crore and development of a Gas Centre in the State. The gas is proposed to be utilized for generating 1000 MW power at Doraha Power Station and for domestic supply and industrial use at Gobindgarh and elsewhere. Given its proposed completion by 2010, the industrial activity in the State would get a tremendous fillip and GOI have been urged to expedite this project.

35. Some of the important new schemes included in the current plan are – creation of new industrial focal points and upgradation of infrastructure in the existing focal points. There is a proposal to strengthen the Northern India Institute of Fashion Technology (NIIFT) Mohali. Punjab is a land-locked border State which is located far away from ports and sources of supply of raw material like

steal and coal/ coke and is at a disadvantageous position vis-a-vis States like Maharashtra, Gujarat, Andhra Pradesh, etc. Further Punjab's economy is dominated primarily by agriculture and almost entire land is cultivable, which makes the availability of land for industry scarce and costly. These difficulties coupled with tax concessions offered by the Government of India to the neighbouring States of Uttranchal, Himachal and J&K has rendered the manufacturing sector in the State totally uncompetitive. GOI have been requested to intervene and help the State Government in the following specific areas -

(1) Concessions to Neighbouring States - The magnitude of incentives offered in these three States has serious consequences for Punjab because not only new industrial units prefer to be located in the adjoining areas of the neighbouring States but even the expansion of existing units is moving to locations where better incentives are available. Therefore, State Government has requested for grant of similar concessions to the entire Punjab State or at least in the belt of Punjab adjoining the border with HP and J&K areas. The concessions have particularly hit the State in Textiles, Pharmaceuticals, Engineering and Auto Component Manufacturing. Government of India may define investment zones in which concessions comparable to hilly State may be given for specific industries. Districts of Mohali, Fatehgarh Sahib, Ropar and Patiala may be taken up for pharmaceutical industry, while the districts of Hoshiarpur, Nawanshahar, Jalandhar and Kapurthala may be given these concessions for auto/engineering industry.

(2) Levy of Central Excise Duty on Maximum Retail Price (MRP) in respect of Medicines & Drugs - As per notification of January 7, 2005 of Government of India, shifting of Excise Duty (16%) on Drugs & Medicines from manufacturer's first sale price to the one based on Maximum Retail Price (MRP) less 35%, has adversely impacted the drug manufacturing units in the State. The State has requested the GOI to either grant parity with its neighbouring States or else the Excise exemption limit of SSI alongwith may be raised from existing Rs.1 crore to Rs.5 crore and the rate of excise duty on drugs may be decreased from existing 16% to 8% as recommended by a task force constituted by Government of India to study this matter.

(3) Competitiveness of Wheat Processing Industry - The wheat processing industry in Punjab is suffering because of the pricing policy of FCI which makes

wheat available to the other States in India at rates which are only marginally higher than Punjab. A Flour mill in Maharashtra, for example, gets wheat from FCI at only about Rs.50 per quintal more than a mill in Punjab. Freight component and other handling charges on wheat / flour are much higher than this price difference. As such Mills in Punjab are not able to compete with the Mills situated in the consumption areas. Punjab industry is, thus, denied the locational advantage of being situated in the State where most of the wheat is grown. In absence of a price advantage, Punjab has also not been able to attract investment in world-class green field wheat processing plants. Government of India has been requested to revise the pricing policy for wheat to provide a level playing field to the industry as it exists in case of mines and minerals.

(4) Opening of Indo Pak Trade - GOI has sanctioned a project for upgradation of facilities at Railway Station Attari at an estimated cost of Rs. 19 crore and development of On-Port and Off-Port facilities at Wagha at an estimated cost of Rs. 87 crore. A new Cargo Complex is also planned at Amritsar Airport. The 4-laning of National Highway from Wagha to Amritsar is also underway. These projects will give a tremendous boost to trade with Pakistan and help in bringing investments in the backward border areas of the State provided some policy changes are made. A large number of items (1,059) are tradable with Pakistan. However, out of these only 5 items can move through land route. This negates the locational advantages, the State has with Pakistan. There is a need to allow trade of more items through the land route.

INFRASTRUCTURE

36. To fill the infrastructure gaps in roads, airports, drinking water, sewerage and power is a gigantic task, involving huge investments. It is not possible to fully provide for infrastructure development out of the meagre resources of the state. It is, therefore, important to attract private investment into infrastructure development. Punjab Infrastructure and Development Board was set up in 1998 under the 'Punjab Infrastructure Development Act, 1998. This was replaced by a comprehensive Punjab Infrastructure Development and Regulation Act, 2002 enacted to take care of new issues like standardized process of private partnership, establishment of Punjab Infrastructure Regulatory Authority (PIRA) and a regulatory frame work. PIDB is funded by a cess of Rs. 1 on every litre of

petrol and 1% infrastructure on agricultural produce except fruits, vegetables and pulses in the Mandis.

Important PPP Initiatives

37. Important Infrastructure Projects undertaken in PPPs during the 10th Plan include –

- 14 important State Highways of 760 km length at an estimated cost of Rs. 881 crore
- 4 new Bus Terminals at Amritsar, Jalandhar, Ludhiana and Hoshiarpur
- 12 Polytechnics and Industrial Training Institutes

38. Some of the new projects planned during the 11th Plan are -

- 62 km ring road in Ludhiana in BOT Mode at an estimated cost of Rs. 1516 crore. The alignment of this road is being finalized by Consultants and Expression of Interest have already been invited.
- Ring Road and Urban Corridor in SAS Nagar (Mohali)
- Bye Passes of 3 important roads in Bathinda, Nawanshehar and Garhshankar
- Punjab Institute of Medical Sciences
- City Transport Services in the 4 Municipal Corporations Towns Amritsar, Ludhiana, Jalandhar and Patiala.
- Special Economic Zone in Amritsar and Goindwal Sahib
- Good Quality Adarsh Schools in every block.

TRANSPORT

39. The Punjab has an extensive network of roads comprising of 1717 km of National Highways, 7374 km of State Highways and other roads and 42070 km of village link roads. The State Government has rehabilitated 11 important roads of 426 km length at a cost of Rs 178 crore. A total of 4500 km new village link roads were constructed in the last 2 years of the 10th Plan. All village link roads that were due for repair have been repaired.

40. 14 important State Highways and 700 kms link roads are being widened and upgraded at an estimated cost of Rs 881 crore under BOT basis. 3 road corridors have already been completed and remaining 11 roads would be completed by 2008 and put under toll tax. Besides, work was started on 24 ROBs/RUBs and the work is likely to be completed in a year's time. 8 new ROBs are planned in the current year. There are 16 Railway Crossings on different National Highways in the State that are major bottlenecks for the smooth running of the traffic. The estimated cost of construction of 16 ROBs is Rs 320 crore. These ROBs cannot be constructed with the allotment made by Ministry against the Annual Plan approved every year. The MORTH has been recently requested to grant additional funds to the tune of at least Rs 80 crore every year for the next 4 years so that all these 16 ROBs can be constructed by the end of 11th Five Year Plan.

41. An agreement was signed on 26/2/2007 between the State Government and World Bank for Rs 1500 crore as World Bank assistance for the project. The Bank would contribute 75% while the remaining 25% will be contributed by the State Government. The project envisages the upgradation and rehabilitation of 1100 km road length during the next five years.

42. The 4-laning of some of the National Highways: Chandigarh – Kiratpur, Amritsar – Pathankot and Jalandhar – Amritsar has been sanctioned but the progress of work is very slow. NHAI needs to expedite the completion of 4-laning of these roads. There are some projects which have been recently announced -

- 70 km Ludhiana – Chandigarh road, 6 laning of which was announced by Hon'ble Prime Minister in Ludhiana on 23rd September 2005 (NHDP –V)
- 83 km Ludhiana – Moga - Talwandi Bhai road, 4 laning of which was announced by Hon'ble Prime Minister in Amritsar on 20th December 2004 (NHDP-3B) and
- 4 laning of 209 kms of Chandigarh – Patiala – Bhatinda National Highway under BOT.

43. There are some other issues which require the attention of Planning Commission. There is a backlog of Rs 130.66 crore in respect of Central Road

Fund and the request of the State Government is that the Government of India should clear this backlog in the year 2007-2008. The other issue is in regard to Domoria Bridge, Jalandhar, the foundation stone of which was laid by the then Prime Minister, Sh. Inder Kumar Gujral. It was announced that the Government of India would bear the entire cost of construction. The Punjab Government has nearly completed the construction of the bridge, the estimated cost of which is Rs. 26.11 crore. MORTH was to contribute Rs.20.78 crore and Railways Rs 5.33 crore. They must honour the commitment made by the then Prime Minister and immediately release Rs 20.78 crore so that the Punjab Government could reimburse PIDB from which a loan has been taken for the construction of this bridge.

44. The State Government is thankful to the Ministry of Railways for the High Speed Delhi - Kolkata Freight Corridor which has been extended up to Ludhiana. The alignment of this corridor in Ludhiana needs to be finalized at the earliest so that the Logistics Park could be constructed. The State Government also appreciates the decision of the Ministry of Railways for modernizing the Amritsar, Jalandhar and Ludhiana Railway Stations.

CIVIL AVIATION

45. The construction of an International Airport at Halwara was approved in principle by Government of India but the requisite approval of Union Cabinet is not forthcoming in view of objection from the Ministry of Defence. Government of India has been requested to expedite its approval. The State Government is also keen to develop Sahnewal Air strip near Ludhiana into a domestic airport. A study report has been commissioned by Airport Authority of India (AAI). State Government can arrange adequate land for this purpose.

46. The Amritsar International Airport needs to be expanded and up-graded to handle the increased air traffic. The State Government has already conveyed its decision to provide 45 acres of land free of cost to the Airports Authority of India. The expansion of Airport needs to be expedited at the earliest. Similarly, the Chandigarh Airport, which caters to the 3 Northern States of Haryana, Punjab, Himachal Pradesh and Union Territory of Chandigarh, needs to be upgraded to an International Airport. The Airports Authority of India has asked the Punjab Government to provide 300 acres of land free of cost for this purpose.

The Airport caters to 3 states and UT of Chandigarh and, therefore, the cost of land acquisition amounting to Rs. 300 crore or so should be borne by the beneficiary States/ UT.

47. The State Government has planned establishment of 4 new flying training centre in collaboration with the private sector in the State. Besides, Flying Club at Patiala is being upgraded and training in night landing would be provided to the students. The State Government is committed to provide better pilot training facilities in the State. The State Govt. also intends to set up a separate air field in Bathinda area which can cater to the needs of Mega Projects in this area, like upcoming Bathinda Refinery, the Fertilizers Plant of NFL, new Power Stations and Petro Chemical hub being negotiated for this region and for setting up of a Flying Training Institute, in this region. Besides development of a Civil Enclave at Indian Air Force Station Bathinda on the pattern of Chandigarh and Pathankot.

RURAL WATER SUPPLY

48. During the 10th Five Year Plan period against a target of covering 3614 Not Covered (NC) villages and 2814 Partially Covered (PC) habitations, the achievements was 1493 NC and 2654 PC habitations. As on 1/4/2007, the status of Water Supply in rural areas is as follows:

Category	PC	NC	Fully covered	Total
Main habitation	2260	2848	7159	12267
Other habitation	731	727	880	2338
Total	2991	3575	8039	14605

An agreement was signed by the State Government with World Bank for Rs. 1280 Cr for Punjab Rural Water Supply and Sanitation Project for five years in February, 2007. The project is duly financed by the World Bank to the extent of Rs. 751 Cr, Government of Punjab Rs. 245 Cr, Government of India Rs. 207 Cr and Community contribution of Rs. 77 Cr. The project has the following components:

- To cover 2124 Not Covered (NC) villages and 920 Partially Covered (PC) villages
- Improvement of existing water supply schemes in 1600 villages

- To provide small bore sewer in 100 villages
- Renovation of ponds in 1000 villages

The State Government proposes to cover all remaining 2991 PC and 3575 NC villages during the 11th Plan period. While majority of the villages will be covered under WB project, the remaining villages would be covered under NABARD Aided Project and Accelerated Rural Water Supply Programmes.

URBAN RENEWAL

49. Municipal towns namely Ludhiana and Amritsar were selected under the Government of India assisted Jawahar Lal Nehru National Urban Renewal Mission (JNNURM). Ministry of Urban Development, Government of India has approved City Development Plans for Amritsar to the extent of Rs. 3150 Cr and for Ludhiana to the tune of Rs. 2054 Cr. Detailed Project Report (DPR) for some components of Amritsar Project have been prepared and funds have been received from Government of India. DPRs for Ludhiana are under preparation. Similarly DPRs for other component of the JNNURM i.e. Urban Infrastructure scheme for Small and Medium Towns are also being prepared for 40 towns.

50. The State Government on its own launched a Municipal Development Fund to finance the complete water cycle management in all Municipal Towns in the State. Under the first stage, work was commissioned for providing water supply in all the 126 towns at an estimated cost of Rs. 208.83 Cr. The work is nearing completion. Work was also started in 76 towns for providing complete sewerage network at a cost of Rs. 466 Cr. In the second phase, it is proposed to provide sewerage in the remaining 50 towns and sewerage treatment plants in all the 126 towns. The total cost of the project is Rs. 1498 Cr. Municipal Development Fund has been endowed with an independent Corpus, outside the State Budget, and if need be, can access capital markets. The unique feature of the projects under MDF is that the Municipal Committees are required to contribute 10-20% towards the cost of the project and for remaining 80-90%, contribution is made by the Punjab Infrastructure Development Board and the State Government. The Amritsar Sewerage Project for laying sewer lines, setting up of sewage treatment plants and providing house connections has been sanctioned under JBIC ODA Loan-2006 and final loan agreement between Government of India and Japan Bank for International Co-operation (JBIC) has been signed in March 2007.

The total cost of the sewerage project is Rs.36064.00 lac, out of which eligible portion for JBIC funding for the project is Rs.27623.00 lac and non-eligible portion (State/MC) is Rs. 8381.00 lac. This project is likely to be completed by March, 2012.

51. The State Government has also decided to provide high quality urban bus service with public private partnership in the four big Municipal Towns, viz. Amritsar, Jalandhar, Ludhiana and Patiala with high quality urban bus service with public private participation. ILFS has been engaged for implementing this project in Private Public Partnership (PPP) mode and Special Purpose Vehicles (SPV) have been incorporated in all these Municipal Towns. Bids have been invited and work will be allotted in another six months time.

EDUCATION

52. The literacy rate of Punjab at 69.95% (as per 2001 census) is marginally higher than the national average of 65.38%. The State has not succeeded in universalization of primary education. The enrolment in schools is about 80% and the drop out rate at primary level is 25% and at secondary level is 70%. The drop out rate of SCs and other weaker sections is even higher.

53. The target of 94.62% literacy rate at the end of the 11th Plan appears to be over-ambitious and the State is expected to achieve a target of 81.20 %. For males, it is expected to be 85% against the target of 95% and for females it is expected to be 76.31% against the target of 94.31%. The drop out rate in Elementary Education in the State has declined from 35.19% in 2003-04 to 32.45 % in 2005-2006. Taking into account the level of physical, financial and social inputs in the field of education it is expected that the drop out rate would decline atleast by 0.02 pp every year. On this basis, the drop out rate is expected to decline to 30.04% in 2006-07, 26.91% in 2007-08, 23.04% in 2008-09, 18.41% in 2009-10, 13% in 2010-11 and 6.79% by 2011-12. The 6.70% target fixed by the Commission for the State is, therefore, achievable.

54. The State Government has taken appropriate measures for increasing the enrolment and checking the drop out rates. 5831 schools in rural areas and 206 schools in urban areas have been transferred to Zila Parishads and Urban Local Bodies. About 13,000 teachers have been recruited by the Zila Parishads and

Local Bodies. The teachers are non-transferrable and accountable to the local PRIs. It has ensured accountability of the teachers to the parents and the PRIs.

55. The State Government on its own has launched a number of scholarships to encourage and sustain enrolment of students belonging to weaker sections. The important scholarships offered by the State government are:

Free text books to SC boys and girls studying in Class I to X (Rs.16 Cr)

Free text books to SC girls studying in Class 10+1 and 10+2 (Rs.0.80 Cr)

Attendance in scholarship to SC primary girl students (Rs. 20 Cr)

Pre Matric Scholarship to SC students (Rs. 20 Cr)

Post- Matric Scholarship to SC students (Rs. 8 Cr)

Pre Matric Scholarship to OBC students (Rs. 2 Cr)

Post- Matric Scholarship to OBC students (Rs. 7.50 Cr)

Promotion of Education Amongst Educational Backward Class (SC/BC) for Students not covered under above schemes (Rs.10.70 Cr)

56. The State is successfully implementing the Mid-day Meal scheme in 15943 Primary and Elementary (Primary Section) schools covering about 14.65 lac students. The Sarv Siksha Abhyian has proved very successful in upgrading the infrastructure in Primary and Elementary Schools. The State Government feels that this programme needs to be strengthened and extended to Secondary schools. The funding pattern which was 75:25 till 2006-07, has now been reduced to 50:50 in the 11th Five Year Plan. The State Government has strongly urged the Planning Commission to restore the funding pattern to 75:25. There is an urgent need to strengthen the teaching in science and mathematics at secondary level by providing qualified faculty and fully-equipped laboratories. The state government has requested the Planning Commission to bear 50 % of the expenditure on account of salary of ETT teachers in the 6037 schools transferred to the PRIs and ULBs in 2006 under Sarv Siksha Abhyian.

57. The State Government launched an ambitious Information and Communication Technology Project in the year 2004-05 for computer education among all the Upper Primary Schools. So far 5272 Upper Primary Schools have been covered under this project benefitting 13.50 lac students. A total of 6816 teachers have been recruited at a fixed salary of Rs, 7,000/- per month. The students are required to pay Rs. 20/- per month towards the salary of teachers and

the remaining liability including the hardware and software is borne by the State Government. So far a sum of Rs. 86 crore has been spent on this project. The annual liability on account of pay of teachers and maintenance of computer systems is about Rs. 56 crore. The Planning Commission has been requested to grant incentives to the State Government for launching this project and finance 50% of the annual recurring liability.

58. For School education, work was started on EDUSAT Programme covering 300 Senior Secondary Schools and other institutes of Higher Education at a cost of Rs. 12 crore. This Project is likely to be commissioned by the end of this year. There is a target of covering 2900 schools by the end of 11th Plan under this programme.

59. The State Government intends to construct Adarsh Schools in each of the 144 blocks in the State for poor and meritorious students. These will be located in an area of 10-12 acres at a capital cost of Rs. 5-6 crore. The estimated cost of construction of these schools would be about Rs. 400 crore. Private players would be roped in to help set up these schools. Some funds would come from the education cess of Rs. 10 per proof of Alcohol/beer in the state. Admissions to these schools equipped with all modern facilities would be restricted to meritorious children. Planning Commission has been requested to help the State government by financing at least 50% of the cost for providing these facilities. This year a sum of Rs. 50 crore has been earmarked.

60. The State Government is grateful to the Government of India for sanctioning three important National Level Institutes of higher knowledge in the proposed Knowledge City in SAS Nagar (Mohali). The institutions are:

- Indian Institute of Science Education and Research (IISER)
- National Agro Food Bio-Technology Institute
- National Institute of Nano-Technology

The State Government on its part acquired 390 acres of land exclusively in Sector 81 in SAS Nagar (Mohali) on the outskirts of Chandigarh for housing these three prestigious institutes at the cost of Rs. 272 Cr. The possession of the land has been taken and work is to begin shortly. In the meantime, admission of IISER would be made from the current year 2007-08 itself from a temporary campus in the Mahatma Gandhi Punjab State Institute of Public

Administration in Chandigarh. Besides, admissions to the newly created Rajiv Gandhi National Law University at Patiala were made in the year 2006-07. The institutes of other higher learning will motivate the youth of the State to pursue scientific and professional courses. For setting up of Rajiv Gandhi National University of Law an outlay of Rs. 60.00 Cr and Rs. 15.00 Cr has been provided during 11th five year plan and annual plan 2007-08 respectively.

61. The State Government has launched two new schemes. Under Financial Assistance to SC Youth for flying training of Commercial Pilot Licence (CPL), SC students enrolled in Pilot training would be given free concession to the extent of Rs. 5.00 lac (50% cost of training) per beneficiary. Under Encouragement Awards to SC girls students pursuing 10+2 education, an annual lump sum of Rs. 3,000 and bicycle per SC girl student would be given.

HEALTH

62. The infant mortality rate (IMR) declined from 51 at the beginning of 10th Plan to 44 at the end of the 10th Plan against an all-India figure of 58. The State has good immunization coverage and, therefore, the IMR is proposed to be brought down to 22 as intimated by the Planning Commission by the end of the 11th Five Year Plan.

63. MMR in Punjab declined from 198 (per 1 lakh women) to 178 at the end of 10th Plan. The MMR would be brought down to 59 by the end of the 11th Five Year Plan. The State Government has taken various measures including strengthening of PHCs/CHCs, implementation of safe motherhood, habitation and incentives to link workers for ante-natal check-up and increasing institutional deliveries. The Total Fertility Rate at the end of the 10th Plan was 2.3. The State has already achieved the 11th plan national target of total fertility rate of 2.1.

64. The State will achieve the target of 20.7% as indicated by the Planning Commission in respect of anemia amongst women. The sex ratio in the 0-6 age group was 798 as per 2001 census. The State will have no difficulty in achieving the target of 805 by the end of 11th Five Year Plan. In fact, the survey of 3000 villages conducted in 2005 has revealed that the sex ratio in the age group of 0-6 has already gone up to 817. The State would consolidate these gains and would endeavor to achieve the child sex ratio of 850 by 2011-12.

65. The State proposes to upgrade the hospitals in Municipal Corporate Towns in the current year at an estimated cost of Rs.11.37 crore. It is also proposed to establish drug de-addiction centres in the existing hospitals and State Level Drug Dependence Treatment Centre. The facilities at Baba Farid University of Health Sciences and in the 5 Government Medical/Dental Institutions are proposed to be upgraded at an estimated cost of Rs. 33 crore. The State Government plans to have a state-of-the-art hospital at Amritsar which should have all modern super speciality medical facilities.

66. During the 9th Plan, the State commenced work of construction of Punjab Institute of Medical Sciences at Jalandhar over an area of 56 acre. The Institute is to start with 100 MBBS seats and 500 bedded hospital and would ultimately have 150 MBBS seats and 750 bedded hospitals. The work of this institute has nearly been completed at an estimated cost of Rs. 240 crore. The State Government is finding it difficult to run such a prestigious institute from its own resources. The Union Government intends to establish 6 AIIMS-like institutes in the country. The State has requested the GOI that PIMS be converted into an AIIMS-like institute and run by it. It is relevant to mention that Post Graduate Institute of Medical Sciences (PGI), Chandigarh was established by the Punjab Government from its own resources, but it was transferred to the Union Government after re-organisation of the State in 1966.

67. Department of Information Technology GoI has recently sanctioned a sum of Rs.4 Crore for Tele-medicine Project under which all the district hospitals and the 3 Medical Colleges are to be linked with PGI at Chandigarh and other National Level Institutions. Bhai Ghanhaya Sehat Seva Scheme for Medical Insurance upto Rs. 2 lakh per year for the members of all Cooperative Societies is to be introduced for two years from 1/9/2007. Earlier this scheme was for one year and was restricted to members of Primary Agricultural Cooperative Societies. There is also a proposal to introduce a similar insurance scheme for the BPL families numbering about 4.50 lakh. The premium of AAY families is proposed to be paid entirely by the state government while BPL families would pay Rs 100/- (lump-sum) per annum of the premium and the rest by the state government.

SEX RATIO

68. The Government is alive to the problem of adverse sex ratio in the State and several measures to reverse the same have been taken. Under the 'Balri Rakshak Yojana' of the State Government, incentive of Rs. 500/- and 700/- per month is given to the couples who go for terminal method of family planning after birth of first and second female child (no male child) till the age of 18 years. A sum of Rs. 5,000 is deposited for a girl born in BPL family with the Life Insurance Corporation under the Kanya Jagriti Scheme. She becomes eligible for an annual scholarship of Rs. 1200/- from 6 to 12 years of age and Rs. 2400/- from 13 to 18/21 years of age. Panchayats, which achieve the child sex ratio above 950 and 1000 are honoured with a grant of Rs. 2.50 lakh and Rs. 3 lakh respectively. The PNDT Act is also being rigorously enforced. The State Government also gives an award of Rs. 5,000 to informers and decoys for violation of PNDT Act and cases of female foeticide. These measures have resulted in improvement in the sex ratio, which has in the age group of 0-6, gone up from 798 in 2001 to 817 in 2005.

69. The State Government has formulated a new scheme "Assistance to NGOs/District Administration for Enforcement of PNDT Act, monitoring of pregnancies, helpline, etc." and annual allocation of Rs. 1 crore has been provided. This money would be utilized for enforcement of PNDT Act and monitoring of programme. Good work was done in the district of Nawanshehar in this regard and it needs to be replicated in other districts also.

SOCIAL SECURITY

70. The State Government is conscious of its responsibility towards the weaker and disadvantaged groups of the society. A dedicated Social Security Fund funded by 5% cess on Electricity Duty and 3% additional Stamp Duty on urban land transactions has been created to meet the State's commitment in regard to old age and other pensions, various scholarships to SC girls and boys and other beneficiaries schemes for the disadvantaged groups.

71. The State Government is paying monthly pension of Rs. 250 to 10.74 lakh old persons (60 and above for women and 65 and above for men), 72000 destitute children, 91000 disabled persons and 1.83 lakh widows. The total annual liability for these 14.50 lakh persons is about Rs. 427 crore.

72. The State Government was running 17421 Anganwadi Centres at the end of 10th Five Year Plan for the benefit of 11.19 lakh children and pregnant mothers. The annual liability is Rs. 55 crore. The level of mal nutritious amongst children, which is about 28% at present, is likely to decline to 14% by the end of 11th Five Year Plan.

WELFARE OF SCHEDULED CASTES / BACKWARD CLASSES

73. All SC and BPL families get free electricity up to 200 units per month. The State Electricity Board is fully re-imbursed the cost of free power by the State Government. Under the Aashirwad scheme, a grant of Rs. 15,000 is given to SC/ Christian/ Muslim family at the time of marriage of the girls within annual outlay of Rs. 40 crore. The State Government spent about Rs. 16 crore for free text books to about 14 lakh SC boys and girls studying in 1-10th class; Rs. 80 lakh for free text books to about 9,000 SC girls students studying in 10+1 and 10+2 classes and Rs. 20 crore for attendance scholarship to SC primary girl students (Rs. 50 per student per month for 10 months). Pre-matric and Post-matric SC students are given scholarships varying from Rs. 40-75 per month and Rs. 140-740 per month and an annual expenditure of Rs. 27 crore is incurred. OBC students are given pre-matric and post-matric scholarships varying from Rs. 25 per month to Rs. 425 per month. The total amount spent every year on these scholarships is Rs. 85 crore benefiting about 20 lakh students. There is a proposal for one time settlement of loans of PSCFC amounting to Rs. 8.58 crore and BACKFINCO to the extent of Rs 5.21 crore in the current year 2007-08 as one time settlement. In a nutshell, the State Government spent about Rs. 85 crore every year for various scholarships and free text books for the students of weaker sections.

SCSP Component

74 As per Planning Commission guidelines, the SCSP component has been depicted separately for individual schemes. For some of the schemes, the allocation is notional where as in other schemes benefits would directly flow to the SC beneficiaries. The size of the Annual Plan 2007-08 is Rs. 5111 crore and a sum of Rs. 1330 crore has been earmarked for SCSP component which works out to 26%.

75. The SC population in the State constitutes 28.85% of the total population which is highest in the country. No weightage is given by the Planning Commission in the allocation of funds through various windows to the population of SC in a State. It is, therefore, suggested that percentage of SC population may be included as one of the factor in the criteria governing transfer of funds from the Centre to the States.

FOOD , CIVIL SUPPLIES AND CONSUMER AFFAIRS

76. The State produced 145 lac MT of wheat and 102 lac MT of paddy in the year 2005-06. The procurement of wheat by Government Agencies was 82 lac MT and that of paddy 103.35 lac MT in the year 2006-07. The total procurement of food grains was 185.35 lac MT in the year 2006-07. During 2007-08 (upto 12/6/07), the arrival of wheat in the markets of the State was 78.68 lac MT. The State has total storage capacity of 13.84 lac MT of food grains. The Public Distribution System is being successfully implemented for the benefit of 4.68 lac poor families comprising of 1.79 lac AAY and 2.89 lac for BPL (Non AAY) families. The total allocation of food grains for these families was 1.77 lac MT in the year 2006-07 against which 0.94 lac MT were lifted.

77. The State Government would implement an Atta Dal scheme during 2007-08 under which poor families would be provided 35 kg of wheat and 4 kg of Dal per month at the subsidized rate of Rs. 4 per kg and 20 per kg respectively. The survey for identifying families whose annual income is Rs. 30,000 or less has been completed and total of 13.57 lakh families have been identified. The scheme is likely to be implemented from 15th August 2007. The subsidy per month per 1 lac family is Rs. 3.43 crore. The subsidy for the current year would work out to about Rs. 349 crore for the seven and half month and Rs. 559 crore for the entire year. The State Government is also upgrading the facilities in the three weight and measures laboratories in the state in the current year 2007-08.

SCIENCE, TECHNOLOGY AND ENVIRONMENT

78. The State Government has acquired 390 acres of land at a cost of Rs. 272 crores for locating three prestigious institutes sanctioned by Government of India namely – Indian Institute of Science Education and Research (IISER), National Agro Food Bio-technology Institute (NABI) & National Institute of

Nano-technology (NINT). Besides Bio-processing unit and Bio-technology park are also planned. All these institutes would come up in the 11th Plan. The State Government also plans to complete the 2nd phase of Pushpa Gujral Science City at Jalandhar at an estimated cost of Rs. 15 crore in the current year.

79. The State Government has allotted 41 sites for construction of the Mini Hydel Plants on various canals in the State with an installed capacity of 27 MW. The State Government is posing two important works for generation of power from Agro-waste and Mini-Hydel Plants with a total installed capacity of 177 MW to JBIC in the 11th Plan.

80. The Punjab Pollution Control Board has been entrusted with the responsibility of checking pollution in the State. The State Government on its own part launched Municipal Development Fund (MDF) and Village Development Fund (VDF) for providing complete water cycle management in the municipal and rural areas. Under MDF, all the Municipal Towns would be provided 100 % Water Supply and Sewerage coverage and STPs would also be put up. Under VDF, work has been started in 282 villages for providing sewer and for providing sewerage treatment facilities. Besides 100 more villages would be taken up for establishment STPs under the World Bank Assisted Water Supply and Sanitation Programme. The State Government has launched a major programme for cleaning up Holy Bein (a sacred but polluted rivulet) which empties into river Beas and Budha Nallah which carries the waste of Ludhiana city and empties into the Sutlej river. There are 3 STPs at Ludhiana, one of which has already been commissioned and the remaining 2 would be commissioned by December, 2007. Other towns and villages situated on the Bein and Nallah are being provided with STPs.

SPORTS & YOUTH SERVICES

81. The State Government has constructed 13 stadiums in the year 2006-07 in various block headquarters. Two more stadiums are proposed to be constructed during the current year. Rs. 25 crore was distributed at the rate of Rs. 50,000 to 5,000 Sports Clubs in the villages in the year 2006-07. The State Government is upgrading the infrastructure in the State-Level Hockey Academy at Sansarpur (Jalandhar) at an estimated cost of Rs. 2 crore and also proposes to lay an astro-turf in this nursery of Indian hockey.

82. The State Government has established Centres for Training and Employment to Punjab Youth (CPYTE) with a view to increase the employability in the Para-Military and Armed Forces in the State. So far 8 such centres have been established and the State government proposed to cover all the districts under this scheme in the 11th Plan by establishing 14 more Centres (4 in 2007-08, 4 in 2008-09, 3 in 2009-10 and 3 in 2010-11).

TOURISM

83. The importance of Tourism Sector in generating employment opportunities is well recognized. The State Government will be spending about Rs. 35 crore during the next two years of the 11th Five Year Plan for developing Amritsar, Wagha and Patiala as Tourist Destinations and on development of religious pilgrim circuits and freedom struggle circuits. The existing religious monuments, homes of freedom fighters and other monuments would be renovated by the State Government. Another important initiative planned by the State Government and the Indian Railway is the 'Incredible India – Punjab Luxury Train' costing about Rs. 30 crore. Ministry of Tourism, Government of India and Indian Railways and the Punjab Government are jointly funding the project. It would cover important tourist destinations in the State as well as New Delhi, Jaipur and Agra.

84. The other projects planned for promotion of tourism in the State are upgradation of facilities in tourism complex Neem Chameli at Wagha Border and construction of Convention Centres in Amritsar and Mohali. The historic Fort in Gobindgarh at Amritsar, built by Maharaja Ranjit Singh and under the control of Army, has been handed over to the State Government with the kind intervention of the Hon'ble Prime Minister of India. This fort has been now transferred to the Tourism Department and its renovation at an estimated cost of Rs. 50 crore is planned during the 11th Five Year Plan. A sum of Rs. 3 crore has been earmarked for the current year.

EMPLOYMENT GENERATION

85. Growth in employment, especially in the organized sector, has not been commensurate with the growth in the Economy during the 10th Five Year Plan. Jobless growth is clearly unsustainable and there is urgent need to enhance

the employability of the youth in the State. It is in this context that the State Government has recently created a separate Department of Employment Generation.

86. The state government is committed to skill development of the youth. A sum of Rs. 75 crore has been earmarked for upgradation of skills in various areas – running new courses in polytechnics/ITI during off hours, new courses for SC students, fee concession to SC youth in professional private colleges and flying clubs etc.

87. Construction, retail and realty and services sector are the biggest generators of employment. A special package of incentives needs to be worked out to promote a model of development in the States on the pattern of Dubai, Singapore and Malaysia. The Urban Land Ceiling Act has also been abolished. Housing and other Real Estate Projects involving investment over Rs. 100 crore are eligible for single widow approval by the Empowered Committee headed by the Chief Minister to facilitate investment and promote employment generation.

88. A sum of Rs. 15.00 crore has been decided to be given as ACA by Government of India for this Department in the current year with a view to exploring avenues for employment for Punjab youth in various places. Schemes would be worked out to enhance the skill and competency of the students through vocational education, introduction of more courses in ITIs/Polytechnics, Institute for Pilot Training, Training in retail and overseas placements.

89. The Backward Region Grant Fund is being implemented in Hoshiarpur district in the State. Besides NREGA Scheme, which was being implemented in Hoshiarpur district, has now been extended to three more districts, viz. Amritsar, Jalandhar and Nawanshehar in the year 2007-08. The schemes have been really successful in providing employment to the unskilled labourers in the State. The State Government has already requested MoRD to extend these schemes in the current year to 5 other districts with high BPL and SC population as well as reported incidents of rural suicides..

BORDER AREA DEVELOPMENT

90. Punjab has a 553 km long international border with Pakistan. The four districts of Gurdaspur, Amritsar, Tarn Taran and Ferozepur are not as developed as the other districts of the State. Hon'ble Prime Minister during his visit to Amritsar on 20th December 2006 had announced additional central assistance of Rs. 137 crore for improving health and educational facilities in the border belt. The ACA has been received and the work should be completed during the first two years of the 11th Plan. It is proposed to renovate all the 343 village dispensaries, provide 10 mobile dispensaries, construct 26 primary health centres, open new 5 Polytechnic Colleges and 10 ITIs, upgrade 100 primary schools into elementary schools and construct class rooms in the existing schools and 55000 rural toilets in the border districts.

91. Land measuring 18500 acres is situated across the border fence. Access to these areas is restricted and farmers are discouraged from growing tall crops. The farmers were compensated at the rate of Rs. 3000 per acre per annum for these lands during the year 1998-99 by the Planning Commission by way of Additional Central Assistance. There is an urgent need to restore payment of compensation to farmers on regular basis at the rate of Rs. 5,000 per acre per annum. The annual liabilities is hardly Rs. 9 crore. As desired by the Planning Commission a special case is being made out for the state since in no other state the land is cultivated right up to the zero line.

92. The rural link roads, which are used by defence forces, need to be upgraded and strengthened. The responsibility for maintenance of these roads falls on the State Government, as the Border Roads Organisation (BRO) has not been assigned any meaningful role in the border areas of the State despite the repeated attrition caused to these roads on account of use by defence vehicles. A meager sum of Rs. 11 crore is received annually by the State under the Border Area Development Programme. The State Government accordingly submitted a package for grant of Rs. 183 crore for upgrading the 753 village link roads in the border areas. Minister of Rural Development and Planning Commission are requested to sanction it immediately.

93. There is no significant industrial investment in these border districts. The State Government feels that in order to attract industry to these areas, fiscal

and other incentives granted to the new industries in the neighbouring States of Himachal Pradesh and Jammu & Kashmir must be extended to the four border districts of Punjab also.

DECENTRALIZATION

94. The Punjab District Planning Committees Act was enacted in 2005. Punjab District Planning Committees Procedure of Transaction of Business Rules 2006 have also been notified. The detailed guidelines for holding elections for electing 4/5th Members of the District Planning Committees from amongst the Members of Zila Parishads and Urban Local Bodies have been circulated to all districts. The State Government is shortly going to have elections for the Panchayat Samities and Zila Parishads. It is proposed to constitute District Planning Committees immediately after these elections.

GENDER BUDGETING

95. As per guidelines of Ministry of Social Justice and Empowerment, Government of India, an attempt has been made in the Annual Plan 2007-08 to introduce Gender specific programmes for Women. Though majority of programmes included in the Plan are gender neutral, an allocation of Rs. 634 crores has been provided for special programmes exclusively for the welfare and development of women.

CONCLUSION

96. The State's economy is thus at crossroads. The Eleventh Plan bears great importance for the future growth and development of the State. The State would be required to take special steps in the critical areas in order to arrest the economic downslide as well as to achieve markedly improved performance on social indicators, especially in human resource development. The State also has to revive its manufacturing sector and simultaneously create congenial environment for the development of its Services sector.

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1A PLAN AT A GLANCE

A. 11th Five Year Plan 2007-12 (Rs Cr)

- | | | | |
|----|---|---|----------|
| 1. | Size of 11 th Plan (2007-12) | = | 37314.00 |
| 2. | Percentage increase over the approved size of 10 th Plan (2002-07) of Rs 18657 Cr. | = | 100% |
| 3. | Percentage increase over the sum of yearwise approved outlays of 10 th Plan (2002-07) of Rs 16644.80 Cr. | = | 124.18% |

B. Annual Plan 2007-08

- | | | | |
|----|---|---|---------|
| 1. | Size of Annual Plan 2007-08 | = | 5111.00 |
| 2. | Capital content | = | 3779.84 |
| 3. | Scheduled Castes Sub Plan Component (SCSP) | = | 1330.00 |
| 4. | Percentage increase over the approved size of Annual Plan 2006-07 of Rs 4000.00 Cr. | = | 27.77% |
| 5. | Percentage of Capital Content with the size of Annual Plan 2007-08. | = | 73.95% |
| 6. | Percentage of SCSP with the size of Annual Plan 2007-08. | = | 26.02% |

C. Sectorwise Percentage allocation for 11th Plan (2007-12) and Annual Plan 2007-08

SN	Sectors	Percentage	
		11 th Plan- 2007-12	Annual Plan 2007-08
1	Energy	34.70	20.78
2	Social Services	28.54	31.06
3	Transport	11.63	16.95
4	Irrigation and Flood Control	10.04	12.72
5	Rural Development	6.82	6.87
6	Agriculture and Allied Activities	3.51	3.91
7	General Economic Services	1.67	5.13
8	Industry and Minerals	1.30	0.55
9	General Services	0.99	1.24
10	Science Technology and Environment	0.80	0.79
	Total	100	100

D. Scheme of Financing for 11th Plan (2007-12) (projections) and Annual Plan 2007-08 (Estimates)

(Rs Cr)

SN	Item	11th Plan 2007-12 (Projections)	Annual Plan 2007-08 (Estimates)
1	State's Own Resources	(-) 11234.91	(-) 1907.80
2	State's Borrowings	28742.84	4647.73
3	Central Assistance	5869.07	962.07
4	Public Sector Enterprises	13937.00	1409.00
	Total:	37314.00	5111.00

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I-B ONE TIME ADDITIONAL CENTRAL ASSISTANCE

The Planning Commission, Government of India provides one-time Additional Central Assistance (ACA) to the States every year out of the discretionary funds of Hon'ble Deputy Chairman, Planning Commission of India. This amount is utilized to fill up the critical gaps for projects/schemes that can be completed with one-time ACA. The utilization certificate is supplied to the Planning Commission by the concerned ADs after the completion of project. Out of total one time ACA released by the Planning Commission of India, 30% is grant component and 70% is loan component. As per decision taken by Government of India during 2005-06, the loan component of 70% has to be raised by the State Governments at their own level from the Financial Institutions. Earlier, this component was also provided by GOI by raising loan from the Financial Institutions at their own level. The details regarding status of ACA released during 2004-05, 2005-06, 2006-07 and 2007-08 are enclosed at Annexures – A, B, C and D respectively.

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Annexure- I B (A): ACA-2004-05

SN	Project/Scheme	ACA allocated by the Planning Commission	Amount released by FD out of Col. 3	Amount utilised out of Col. 4	Balance Amount yet to be released by FD
1	2	3	4	5	6
1	Medical & Public Health				
	PS 7.29 Strengthening of diagnostic facilities in Border Area Health Intitutions.	5.00	-	-	5.00
2	Education				
	ED 1.6 (a) Repair, maintenance and additional class rooms for the elementary schools in the rural areas	20.00	-	-	20.00
3	Higher Education				
	ED 5.20 for Establishment of World Punjabi Centre at Patiala	2.00	2.00	2.00	-
4	Social Security & Welfare				
	SW 3.14 for Gender Bias (Awareness Programme)	1.00	1.00	1.00	-
	SW 3.15 Attendance scholarship to handicapped children in rural areas	1.00	1.00	0.71	0.29
5	Welfare of SCs/BCs				
	SC 2.17 Attendance scholarship to SC girl students in rural areas	5.45	5.45	5.45	-
6	Art & Culture				
	AC 1.13 Centenary Heritage Infrastructure development and maintenance.*	3.00	-	-	3.00
7	Agriculture				
	A (P) 16.10 Technology improvement for high production and market development for high value crops (PAU).**	3.00	3.00	-	3.00
	Total:	40.45	12.45	9.16	31.29

* Department has intimated that this ACA of Rs. 2.00 Cr has been diverted during 2005-06 to Quila Mubarak at Patiala.

** Amount was released by FD on 31/3/2005 which could not be utilised by PAU during 2005-06. The amount was re-deposited with FD as directed by them. As such ACA of Rs. 3.00 Cr is yet to be released by FD.

Annexure-I B (B):ACA-2005-06

SN	Project/Scheme	ACA allocated by the Planning Commission	Amount released by FD out of Col. 3	Amount utilised out of Col. 4	Balance Amount yet to be released by FD
1	2	3	4	5	6
I	Medical & Public Health				
1	Building of Baba Farid Medical University at Faridkot	4.00	-	-	4.00
2	Super-Specially Mother-Child Hospital at Fatehgarh Sahib	2.00	0.45	0.45	1.55
II	Cultural Affairs				
3	Grant-in-aid to Swaran Singh Intitute of International Diplomacy, Delhi	5.00*	-	-	5.00
4	Preservation of Quila Mubarak at Patiala	2.00	-	-	2.00
III	Sports & Youth Services				
5	Sports Infrastructure Facilities at Jalandhar	2.00	2.00	-	2.00
IV	Higher Education				
6	Establishment of Urdu Academy at Maler Kotla	1.00	1.00	1.00	-
7	Establishment of World Punjabi Centre at Patiala	3.00	-	-	3.00
8	Computer Labs in 25 Rural Colleges	1.50	1.50	1.50	-
V	Industries & Minerals				
9	Setting up of Northern India Institute of Fashion Technology at Mohali. (NIFT)	5.00	-	-	5.00
VI	Fisheries				
10	Scheme for creating of Additional Water Area at Fish Seed Farms in the State	1.00	-	-	1.00
VII	Soil & Water Conservation				
11	Construction/Raising the level of Small Check Dams.	2.50	2.50	2.50	-
VIII	Animal Husbandry				
12	Establishment of New Veterinary and Animal Sciences University at Ludhiana	4.00	1.00	1.00	3.00
IX	PAU, Ludhiana				
13	Establishment of Diagnostic Laboratory and Strengthening of Pesticides Residue Analysis Laboratory at P.A.U., Ludhiana	5.00	5.00	5.00	-
X	Excise & Taxation				
14	Computerisation of Excise & Taxation Department	10.00	9.60	9.60	0.40
XI	Transport				
15	Computerisation of Transport Department	2.00	-	-	2.00
	Total:	45.00	23.05	21.05	28.95

* Diverted to Higher Education for colleges.

Annexure-I B (C):ACA-2006-07

SN	Project/Scheme	ACA allocated by the Planning Commission	Amount released by FD out of Col. 3	Balance Amount yet to be released by FD
1	2	3	4	5
	Animal Husbandry			
1	Setting up of new and strengthening of Vty. Polyclinics in the State	5.00	1.00	1.00
	Tourism			
2	Tourist Reception Centre at Amritsar through improvement Trust, Amritsar	3.00	-	3.00
	Defence Services Welfare			
3	Setting up of National Defence University	0.50	-	0.50
	Rural Water Supply			
4	Rejuvenation of drinking water supply scheme	20.00	-	20.00
	Higher Education			
5	Grant to un-aided rural colleges for educational infrastructural development	4.00	-	4.00
6	Rajiv Gandhi National University of Law, Punjab	5.00	5.00	-
7	Upgradation of infrastructure in the Government Colleges	4.00	-	4.00
8	Rural Campuses of Punjabi University, Patiala	10.00	10.00	-
	School Education			
9	Information and Communication-Technology project	20.00	-	20.00
10	Strengthening of Science labs in High and Senior Secondary Schools	2.00	-	2.00
	Road Transport			
11	Grant-in-aid to State Road Safety Council for Road safety measures	1.50	-	1.50
	Social Security & Welfare			
12	Awareness programme for improving adverse sex ratio	0.50	-	0.50
	Medical and Public Health			
13	Renovation/repair of PHCs	5.50	-	5.50
	Home Affairs and Justice			
14	Construction of Judicial Courts Complexes	4.00	-	4.00
15	Setting-up of State Judicial Academy at Chandigarh	10.00	6.16	3.84
16	Creation of infrastructure facilities at Wagha Border	5.00	-	5.00
	Total:	100.00	22.16	77.84

Annexure-I B (C):ACA-2007-08

SN	Schemes	Provision in 2007-08
I	Establishment of Adarsh Schools	50.00
II	Upgradation of infrastructure in 5 Medical/Dental Colleges	25.00
III	Skill Development Initiatives	
1	Revival of 5 Citrus Centres in the State	10.00
2	Setting up of 20 Farmers Training Centres	5.00
3	C-PYTC	8.00
4	Employment Generation	15.00
5	To promote 18 Government Polytechnics Colleges in a uniform pattern like (B.Pharmacy and D.Pharmacy and Opening of ITI's Polytechnics, Engineering Colleges and 10+2 Science Schools) within the same premises	22.00
6	New Courses/Vocational Training in it is for SC students (staff expenditure, scholarship to SC students etc.)	7.00
7	Financial Assistance to SC Youth for flying training of commercial pilot licence	1.00
8	Free concession to SC Nursing students in Private Nursing Institutions (50%)	2.00
9	Implementation of Swawlamban scheme- Vocational training programme for women	1.00
10	Upgradation of flying training facilities at Patiala Aviation	4.00
	Total (III)	75.00
	Total (I+II+III)	150.00