

Hon'ble Deputy Chairman and Members of the Planning Commission, Senior Officers of the Commission, Ladies and Gentlemen. I would like to thank the Deputy Chairman, Planning Commission for providing me this opportunity to put forward the plan proposals for the Annual Plan 2012-13 and vision for the 12th Five Year Plan.

PLAN PERFORMANCE

2. The Plan Performance during the 10th Plan Period, with an expenditure of Rs 14823 crore, was 89%. The total outlay earmarked at the beginning of the 11th Plan was Rs 28923 crore against which the total outlay of five year annual plans is Rs. 40616 crore. The total expenditure incurred during the 11th Plan Period was Rs. 32626 crore which works out to 80% of the annual outlays. The year-wise plan performance during the five years of 11th Five Year Plan has been to the extent of 98%, 112 %, 58 %, 91 % and 64 % respectively. The low plan performance of 58 % during 2009-10 can be attributed to abandonment of Mohali-Phagwara Expressway for Rs 1200 crore and low utilization of funds by Punjab State Electricity Board on account of its un-bundling. The low plan performance of 64% during 2011-12 is on account of the Model Code of Conduct, firstly due to SGPC elections and then due to assembly elections. Shortage of funds also affected the implementation of some of the schemes.

3. 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. The work was completed in 3280 not covered villages and 3435 partially covered villages. As of now, out of 15170 habitations, there are only 1058 not covered villages and 2423 partially covered villages which will be taken up during the next two years. A total of 10.89 lac toilets were constructed upto the 11th Plan Period leaving a balance of 10 lac families without toilets.

4. 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 Rs 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 upgraded at a cost of Rs 258 crore. The 3rd government medical college would be covered in the current year 2012-13. 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 Rs 30,000/- or less.

5. The economic growth of the state during 10th Five Year Plan was only 5.11% as compared to the national average of 7.80%. The state was given an annual target of 5.90% during the 11th Five Year Plan as compared to the annual target of 9% at all India level. I feel proud to inform that the state achieved the growth rate of 9.05%, 5.85%, 6.29%, 6.81 % and 5.68% during the 5 years of the 11th plan. The corresponding national growth figures during the five years are - 9.32%, 6.72%,

8.39%, 8.39% and 6.88%. The average economic growth during the entire 11th Five Year Plan is likely to be 6.74 % against the national average of 7.94%. The growth in the primary, secondary and tertiary sectors during the five year period was 1.67%, 9.0% and 8.31% respectively. The growth in primary sector has been tardy, due to near saturation in production of wheat and paddy in the absence of technological break-throughs. Prolonged militancy, tax concessions to neighbouring states and the land locked location of the state with a hostile border are some of the factors which have contributed to industrial decline in the state.

6. The GSDP of the state has increased from Rs 1,12,997 crore in 2006-07 to Rs 1,56,483 crore in 2011-12 at constant (2004-05) prices. The GSDP has increased at current prices from Rs 1,27,123 crore in 2006-07 to Rs 2,48,301 crore in 2011-12. The per capita income during 2006-07 at current prices was Rs 41883 against the national per capita income of Rs 31206. The state was at number 5 after Maharashtra, Haryana, Gujarat and Tamil Nadu. The per capita income of the state has increased to Rs 68998 in 2010-11 at current prices against the national average of Rs 53331. The state is now at number 6 after Haryana, Maharashtra, Gujarat, Tamil Nadu and Kerala. The per capita income of the state is likely to be Rs 74606 against the national average of Rs 60972 at current prices, during 2011-12.

STATE FINANCES

7. Punjab was a revenue surplus state till 1986-87. The rising expenditure on security and long spell of President Rule during which no attempt was made to mobilize additional resources contributed to growing revenue deficit. The state was burdened with Special Term Loans by Government of India. Huge interest payments, implementation of recommendations of Pay Commission and inadequate support from Government of India have further contributed to the fiscal stress of the state.

8. The Centre supports the states in the form of sharing of Central Taxes, Normal Central Assistance, Additional Central Assistance and Centrally Sponsored Schemes. The criteria for devolution of central taxes as finalized by the Finance Commission is based on population, area, fiscal capacity distance and fiscal discipline. It is not favorable to developed states like Punjab and our share in the central taxes has gone down from 2.450% in 1970-75 to 1.389 in 2010-15.

9. Gadgil Mukerjee formula determines the inter-state distribution of Normal Central Assistance. It is also based on population, per capita income, performance and special problems. It is also not favorable to states like Punjab. The state government has sought amendment in Gadgil Mukherjee Formula and the criteria for devolution of central taxes. The revised guidelines should take into account 30% SC population of the state and its contribution to central pool for food grains. The state has the highest SC population in the country and it has ruined its soil and water resources for food security at the national level and therefore deserves to be adequately compensated.

10. The criteria for allocation of funds under Additional Central Assistance schemes like AIBP, JNNURM, RKVY and NSAP and other Centrally Sponsored Schemes like SSA, NRHM, PMGSY, RGGY do not favour the developed states. As per the guidelines of most of these schemes, major allocation is made for providing infrastructure in the uncovered villages/areas. The allocations for state like Punjab which has created the requisite infrastructure in terms of village roads, electrification of villages, construction of health institutions and schools, irrigation infrastructure, is meager. However, the state is required to incur heavy expenditure on maintenance of its huge infrastructure. The guidelines of these flagships schemes should have provisions for maintenance and upgradation of existing infrastructure. In this context, the state government welcomes the

recommendations of Chautervedi Committee Report on the re-structuring of the centrally sponsored schemes. Some of its suggestions like weeding out/merging schemes having outlay of Rs 100 crore or less, provision of flexi funds to be utilized as per recommendations of the committee headed by Chief Secretary, provision for revision of physical/financial norms on the request of the state government's etc. would help the states in effective implementation of centrally sponsored schemes. Government of India is requested to implement the recommendations of the committee.

DEBT RELIEF

11. The net debt of the state 10 increased to Rs 77585 crore at the end of 2011-12. The total committed expenditure on salaries, pensions and interest payments was Rs 24015 crore in 2011-12 against the total revenue receipts of Rs 32027 i.e. nearly 75% of its revenue income is consumed by committed expenditure. The annual interest payment for debt servicing amounted to Rs 6530 crore in 2011-12 which was about 20.39% of the total revenue receipts. The state has amended the Fiscal Responsibility Management Act as per the recommendations of 13th Finance Commission. The debt GSDP ratio has, however, come down from 38.03% in 2006-07 to 29.91% in 2011-12 against the target of 41.80% as per the road map of 13th Finance Commission. Similarly, the fiscal deficit during the year 2011-12 was 3.44% against the target of 3.5%. However, there has been slippage in the ratio of revenue deficit which is likely to be 2.39% against the target of 1.80%.

12. The state is now practically borrowing the entire permitted amount of 3.5% of GSDP. The state would make gross borrowing of Rs 12983 crore during 2012-13 out of which Rs 3397 crore would go towards payment of principle and Rs 7120 crore towards payments of interest leaving a balance of only Rs 2466 crore for utilization. The annual interest liability is more than about 20% of the revenue

receipts. This level of debt is clearly un-sustainable. The 13th Finance Commission has identified Punjab and the two other states of Kerala and West Bengal as debt stress states. A Committee was constituted under the chairmanship of Secretary Expenditure, Ministry of Finance, Government of India to explore ways to assist these states in getting out of current fiscal stress. The Committee has held four sittings. The state government has requested that the small saving component of Rs 23264 crore in the net debt of Rs 77585 crore in the first instance be written-off or alternatively there be moratorium on payment of the principle as well as interest for the next five years. This would give an annual relief of about Rs 3000 crore to the state. Without this relief, the state will find it difficult to implement the annual plan.

ANNUAL PLAN 2012-13

13. Annual Plan 2012-13 has been pegged at Rs 14,000 crore, out of which budgeted component is Rs 6772 crore (Gol Support - Rs 1473 crore, NABARD/EAP- Rs 843 crore and State Contribution-Rs 4456 crore) and Non Budgeted Component is Rs 7228 crore.

14. The size of Annual Plan 2011-12 was Rs 11520 crore against which an expenditure of Rs 7374 crore giving annual performance of 64% was incurred. The outlay for 2012-13 has been increased by 22% over the outlays of 2011-12. The Annual Plan 2012-13 focuses on development of infrastructure in power, roads, rural water supply and sanitation, water supply, sewerage and sewage treatment plants in municipal areas. Health and medical education also continue to be the thrust areas of the annual plan. The outlays of major welfare schemes for disadvantage groups have been increased and the scope of the most of the schemes has been widened to include more number of families.

AGRICULTURE

15. The agriculture sector grew by about 1.60 % during the 11th plan period against the national average of 3.41 %. The state has been producing about 160 lac MT paddy and 150 lac MT of wheat over the years. The productivity has stagnated in the absence of scientific breakthroughs in new high yielding varieties. Intensive farming regime has been at a huge cost in terms of depleted water table and degradation of soils in the state.

16. There is an urgent need to revitalize research in agriculture and related activities. The state government welcomes the Government of India's decision to set up Borlaug Institute for South Asia (BISA) for wheat and maize in Ludhiana. It would give fillip to research in new areas and help the state in achieving the new productivity levels. ICAR is considering shifting its Directorate of Maize Research(DMR) to some place outside New Delhi. It is requested that DMR may be shifted to Ladhowal, Ludhiana adjoining the proposed site for BISA, as it would greatly strengthen research on Maize and encourage the farmers in shifting from paddy to maize.

17. To address the emerging challenges of soil degradation, water depletion, climatic aberrations and shortage of labour, Punjab Agricultural University (PAU) has reoriented its research and technology transfer programmes towards natural resources conservation and input use efficiency (e.g. developed/adapted laser levelers, leaf colour chart, tensiometer, drip irrigation, protected cultivation etc.) and enhanced productivity in accordance with available resources. There is an urgent need to expand the programmes to cover processing and value addition, integration of biotechnology with crop improvement, mechanization using energy efficient machinery/focus on small farmers, crop production/protection for export, bio energy, development of climate resilient technologies of which multiple cropping system (e.g. early maturing wheat, rice and pulses) are going to be a

critical component. Further, productivity of quality seed and planting material is to be upgraded which is critical for resource generation. The support to Punjab Agricultural University in Annual Plan has been enhanced from Rs 30 crore to Rs 50 crore for the year 2012-13. While the state would continue supporting the University in terms of non plan assistance of Rs 100 crore every year, there is a need for ICAR and Government of India to support research programmes of PAU on 100% basis in priority areas.

18. The state contributes about 40-45 % of wheat and 20-25% of rice towards the central pool. The procurement of foodgrains on behalf of Government of India has created its own problems. The state procurement agencies have to recover more than Rs 7461 crore from the Food Corporation of India(FCI). FCI should finalize the procurement incidentals and settle the claims pending since 2003-04. 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. It is, therefore, requested that the FCI be asked to settle the cess dues amounting to Rs 786 crore with the procurement agencies.

19. 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. The state is, therefore, required to store about 20-25 lac MT of food grains in open resulting in damage to foodgrains. Government of India had identified 71 lac MT of shortage of covered space under the Private Entrepreneur Godown scheme in 2008. The state was, however, allotted only 51 lac MT capacity and the remaining 20 lac MT was diverted to other states. 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.

20. The rice - wheat cropping pattern is not sustainable. Special efforts have been made to increase the area of cotton, maize, oil seeds and pulses. Use of BT cotton has led to an increase in the total production of cotton in the state. Cultivation of maize and potato has also been encouraged. In certain pockets, banana cultivation has become very popular. The Citrus Council has also been successful in bringing 2200 acre of land under citrus plantation. The National Horticulture Mission has also been of great help in increasing the production of fruits and vegetables. Government of India may further assist state in diversification of cropping pattern. No doubt Minimum Support Price has been announced for as many as 25 agricultural commodities including pulses and oilseeds but there is no effective mechanism for purchase of crops other than wheat and paddy. Without assured procurement for alternate crops, farmers will not abandon the rice wheat cropping pattern. Secondly, to boost farm exports, Government of India should establish a Permanent Perishable Cargo Centre at Amritsar International Airport. Besides, there is a need to harness the high potential of small scale food processing activities. It can raise the income level of farmers and improve the livelihood of poor people.

21. 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.

22. The rural debts in Punjab, estimated to be Rs. 35000 crore, have assumed the proportions of a grave human tragedy. The state did not benefit much from the debt waiver scheme offered by Government of India as there are less number of

small and marginal farmers and few defaulters in the state. We urge Government of India to waive off all agricultural loans as a one time measure regardless of the size of land holding. The landless farmers and agricultural labour should be brought within the gamut of the relief scheme. The farmers should not be penalized for making regular repayments of the loan.

23. Under the newly launched centrally sponsored scheme "Modified National Agriculture Insurance" 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 @ Rs 1600/- per acre which is negligible as compared to the cost of inputs. This amount should be increased to at least Rs 15,000/- per acre. Similarly, compensation for household goods should also be increased from Rs 2,000/- per family to Rs 50,000/- per family.

24. The Rashtriya Krishi Vikas Yojana (RKVY) is a good initiative. However, the criteria for allocation of funds needs to be reviewed as it is biased against the agriculturally developed states on account of more emphasis on un-irrigated areas and projected growth rate in GSDP from agriculture. Punjab has already reached saturation levels as far as food production is concerned, and therefore, the growth rate in agriculture sector is likely to be low. As such, the sustainability of agriculture in states like Punjab and Haryana has to be assured under RKVY. The state government suggests that due weightage should be given to maintenance and upgradation of irrigation infrastructure, depletion of underground water table and ensuring availability of power for agricultural sector while allocating funds under RKVY. Only 10 districts of the state are covered under National Food Security Mission for wheat and no district of the state has been included under National

Food Security Mission for rice even though state is its leading producer. All districts be covered under these two programmes.

25. Punjab is a major consumer of fertilizers in the country. Its average consumption is 235 Kg/ha. 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 state is of the view that a higher price of fertilizer would lead to reduction in fertilizer consumption affecting the production of food grains. The new policy is, therefore, required to be reconsidered by Government of India.

26. About 73% of irrigated area is under tubewell irrigation and the depleting ground water level is a cause of concern for the state. The state has planned many schemes during the 12th Plan to check the declining water table. Paddy transplantation before 10th June has been successfully banned under the Punjab Preservation of Sub-Soil Act, 2009. As mentioned above, serious efforts have been made to shift from paddy to alternate crops. Specific schemes have been launched for conservation of ground water. This includes micro irrigation scheme, drip and sprinkler irrigation system and recharge of ground water through construction of check dams on small rivulets in kandi area and underground pipeline system for canal based irrigation. Besides, the canal and water courses are being lined so as to utilize the full potential of the irrigation system. 12 low dams have already been constructed on major rivulets and 17 more would be constructed in the 12th Five Year Plan.

27. 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, Rs 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. The centres are given back end capital assistance @ 33% of the cost subject to maximum of Rs. 3.3 lac and are equipped with machinery for residue management, paddy transplanting and precision land leveling etc. To-date, 1311 such centres have been established out of which 1049 are with primary agricultural cooperative societies.

ANIMAL HUSBANDRY

28. Animal husbandry is fast emerging as an independent economic activity. It has lot of potential for boosting the agricultural income in the state. We urge Government of India to treat animal husbandry sector at par with agriculture sector for accessing credit at a lower rate of interest and exemption from income tax. Guru Angad Dev Veterinary & Animal Sciences University (GADVASU), Ludhiana has set up three new 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 department has imparted training to farmers for poultry, piggery, artificial insemination and dairy. The infrastructure of the university is being upgraded under Rs 40 crore NABARD assisted project. The state government requests that a one time grant of Rs100 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.

29. The department of animal husbandry has a vast infrastructure of 19

polyclinics, 1367 veterinary hospitals and 1485 veterinary dispensaries. New buildings for 48 veterinary hospitals and a regional multi disciplinary training and extension centre at Jalandhar are being constructed and 800 veterinary dispensaries are being upgraded under NABARD infrastructure project.

30. Punjab is a leading producer of milk with daily production of 256.18 lac kg and 931 gm per capita daily consumption of milk. Various steps are being taken by the state for increasing the milk production from the present level of 1300 litres per lactation to 3000 litres per lactation. The coverage of buffaloes under artificial insemination (AI) is being increased and about 1500 AI trained workers are working for door to door AI services. To boost the milk production of cows, the state has imported 5000 sexed semen straws on experimental basis. These straws are supplied at subsidized rate to the farmers to increase the female population of the cattle. The state government is thankful to Government of India for including Punjab under the newly launched "National Dairy Plan Phase 1" for enhancing milk production through semen production, progeny testing & fodder production. Milk cooperative societies would also be assisted suitably for better milk collection at the grass root level. State government has constituted a Livestock Registration Authority with the mandate of registering productive livestock in the state. We request the Government of India to provide financial assistance for the same.

COOPERATIVES

31. The Central Cooperative Banks and Primary Agricultural Societies play an extremely vital role in the agricultural economy of the state. NABARD was earlier providing short term re-finance to Cooperative Banks at 4% rate of interest. The Cooperative Societies were providing loan at 7% rate of interest. The 3% margin was shared between the Cooperative Banks to the extent of 0.5% and Cooperative Societies at 2.5%. NABARD has now in January 2012 increased the rate of interest

on re-finance from 4% to 4.5%. This would compel the Central Cooperative Banks to increase the rate of interest chargeable from Cooperative Societies by 0.5%. As a result, there is likelihood of large number of Cooperative Societies going into losses. It is, therefore, requested that NABARD should restore the rate of interest on refinance to 4%. While on the subject of NABARD, it is requested that it should reduce the interest rate on RIDF loans from 7.5% to the old rate of 6.5%.

RURAL DEVELOPMENT

32. The Annual Plan for the year 2012-13 for Rural Development focuses on all round improvement of the rural habitats through the provision of basic amenities and creation of rural employment opportunities. The state government is successfully implementing the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). The state outlay for the scheme has been increased to Rs 33 crore, excluding the central share of Rs 297 crore. The wage rate which was quite low earlier has recently been revised from Rs 153 to Rs 166 per day. We welcome the decision of the central government to add 16 new activities relating to agricultural and animal husbandry, flood management and sanitation related works in the villages to the list of permitted works under MGNREGS. The revised list of permitted activities would give boost to creation of permanent infrastructure in rural areas improving the livelihood of poor people.

33. A sum of Rs 30 crore has been earmarked for the proposed new Scheme "National Rural Livelihood Mission". The centre would contribute Rs 90 crore. The state government has notified a policy for providing 5 Marlas Plots (125 sq. yard) to rural houseless from the village common land. The Welfare Department of the state government provides a sum of Rs 50,000/- for construction of new house and Rs 20,000 for repair of houses to houseless families belonging to Scheduled Castes. Besides houses for BPL families are constructed under Indira Awaas Yojana. A total

of 1,02,785 houses were constructed during the 11th Five Year Plan for houseless families under rural areas at a cost of Rs 307 crore. As per latest household survey conducted as part of census operations, out of total 54 lac families 7.7% or 4.16 lac are without pucca houses. The total amount required for providing pucca houses to the houseless families is Rs 2100 crore at the current cost of Rs 50,000/-. The financial norm for new houses under IAY is inadequate and may be increased from Rs 45,000/- to Rs 1,00,000/- per unit on account of rising cost of building material.

34. The state has made significant achievements in regard to provision of water supply and sanitation in rural areas during 11th Five Year Plan period. There are 15170 rural habitations in the state (12258 villages). At the beginning of the 11th plan in 2006-07, there were 4338 not covered (NC) and 5878 partially covered (PC) habitations. During the five year period, work was completed in 3280 NC and 3455 PC habitations leaving a balance of 1058 NC and 2423 PC (3481 habitations). These 3481 habitations would be taken up during the year 2012-13 and 2013-14 and the state would ensure that by December, 2013 all the 15170 rural habitations will get an assured water supply of 40-70 lpcd. These works are being funded from World Bank, NABARD, Government of India and the state government. RO systems have been provided in 1811 villages where the quality of underground water is poor due to presence of heavy metals and other dissolved solids.

35. Construction of rural toilets is yet another area where tremendous progress has been made by the state during the 11th Five Year Plan. A state funded scheme was launched for construction of toilets in the year 2005-06 and 2.85 lac toilets were constructed during the 10th Five Year Plan. During the last five years, the government has constructed another 8.04 lac toilets. At present, the cost of toilets works out to Rs 14,500. As per the latest household survey, 70% rural households have toilet facilities within their premises and 30% households are without toilets. This works out to about 10 lac families for which toilets are to be constructed. The

total requirement of funds is about Rs. 1500 crore. The state government would involve NGO like Sulabh International and through plan allocations would ensure toilets for all these families in the next five year's plan. 166 villages in the state have been awarded Nirmal Gram Puskara in the state.

36. The total sanitation campaign of Government of India was not successful in terms of construction of individual household toilets due to low unit cost of Rs 3500. The funds under this scheme were utilized for construction of individual toilets under the state scheme through convergence and construction of toilets at Anganwadi Centres and Schools. While we welcome the proposed Nirmal Bharat Abhiyan for construction of individual toilets at a revised cost of Rs 9500, it is still felt that the unit cost is inadequate as compared to market rate. Even NGOs like Sulabh International has estimated the unit cost is Rs. 18500. The sanitation is a basic necessity and government of India and the states should aim at making the country free of open defecation during the next plan period.

37. Other important schemes in the rural Sector in the Annual Plan are construction/brick paving of passages, cleaning of ponds and matching grant for NRI support for infrastructural works in the villages. The state on pilot basis is covering 134 villages under the solid free sewerage system. The work has already been completed in 85 villages and would be completed soon in the remaining villages. Government of India should also assist the states in providing underground sewerage in atleast some of the bigger villages.

38. The total number of BPL families in 2004-05 was 5.23 lac (3.44 lac rural and 1.79 lac urban) which works out to be 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% (8.73 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 Rs 960 in urban areas and Rs 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. It is requested that poverty figures should be finalized at the earliest by the Planning Commission.

IRRIGATION

39. 12th Five Year Plan would focus on increasing the canal capacity and reducing dependence on underground water. The canals which are now operating at 30% below their designated capacity are proposed to be rehabilitated. The unlined water courses would be lined and low cost dams would be constructed in hilly areas to utilize surface water for irrigation purposes.

40. There is one ongoing AIBP Project namely Kandi Canal Phase-II Project. 4 new AIBP Projects have been sanctioned which would be taken up for implementation in the current year. The state has requested for sanction of two more AIBP Projects. 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 52 km length has already been completed. The remaining 18 km of length would be completed in the year 2012-13.

41. The 2 new interstate AIBP Projects sanctioned in 2011-12 are Rs 952 crore relining of Rajasthan Feeder and Rs 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.

42. Shahpur Kandi Dam Project has been approved for Rs 2286 crore under AIBP as "National Project". The cost of irrigation component of Rs 597 crore (29%) is to be shared between Government of India and Government of Punjab in the ratio of 90:10. The remaining 1689 Cr (71%) is the power component and this amount would be arranged by Punjab State Power Corporation Ltd. by arranging loans. The total irrigation potential would be 5000 hac in Punjab & 32713 hac in J & K and 206 MW power capacity would be created. The tenders are being floated and the work would be allotted in the next 3 months or so. The 4th important project under AIBP which has been sanctioned recently for Rs 734 crore is the rehabilitation of the 4 canals fed from river Satluj. Government of India is requested to release funds for this important project. The grant under Accelerated Irrigation Benefit Programme (AIBP) is 90% in case of special category states and 25% in case of non-special category states. Punjab has been categorized as non-special category state. Since Punjab is the major contributor of food grains to the central pool it should be categorized as a special category state. Besides, the condition of 1: 1 for funding projects under AIBP should be waived off as it is a bottleneck in taking up new projects and also leads to delays.

43. 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 Rs 995 crore are under progress. Work of lining of water courses on Abohar canal and Bhakhra Main Branch canal is being carried out with NABARD assistance. The central grant for lining of water courses under CADWM is 50% of the project cost subject to maximum of Rs 15,000/- per hectare of area covered which was fixed on the price index as on 01/04/2008. This limit needs to be enhanced to at least Rs 30,000/- per hectare in view of the present price index and enhanced cost of material and labour.

44. The state feels that it is not possible to regulate usage of ground water through the proposed model bill by the Water Regulatory Authority. 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 110 blocks have been declared as dark. 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, diversification of crops. It is accordingly felt that coercive measures like the bill and Regulatory Authority will not bear fruit in a state like Punjab where 73% of irrigation is from tubewells and nearly 65% of the farmers have land upto 4 hectares. It is accordingly requested that Government of India should not link the release of 13th Finance Commission grant of Rs 320 crore for Water Management with the proposed bill and Water Regulatory Authority.

45. The State has submitted two projects to Government of India for reducing dependence on ground water. A project costing Rs 3498 crore for management of ground water through resource conservation by way of laser leveling, underground pipe system, implementing on-farm practices, artificial recharge of ground water, construction of low cost 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. The state government has submitted a project costing Rs 3800 crore for modernization/remodeling/renovation and extension of canals, deep tubewells, lining of water courses, cleaning of head works and repair of gates etc. to the Ministry of Water Resources, government of India for financial assistance under AIBP. We seek early clearance of these two projects.

46. I would like to highlight one more issue on the subject of Irrigation concerning the state of Punjab. Punjab, the only riparian state to rivers Sutlej, Beas and Ravi often suffers damages caused by floods whereas the non riparian states like Rajasthan and Haryana which are beneficiaries in water supplies of these rivers, remain immune to the adverse action of floods. The cost of flood protection works and losses due to floods in these rivers should be completely borne by the Government of India.

POWER

47. The present availability of power in Punjab is 7035 MW including central share of 1973 MW against the peak demand of 10,435 MW. The State Government during the 11th Plan launched an ambitious plan to make Punjab a power surplus state by March 2014. Thermal Power Projects of 3920 MW generation capacity were allotted to private developers in the year 2007-08 and 2008-09. Work is in full swing at 1980 MW Plant at Talwandi Sabo, 540 MW plant at Goindwal Sahib and 1400 MW Plant at Rajpura. These plants are being developed by private companies namely Sterlite Energy, GVK and L&T respectively. All the units of these 3 power plants would become functional from May 2013 to May 2014. The construction of 206 MW Shahpur Kandi Dam is also to begin this year. 2640 MW coal based Giddherbaha Thermal Plant has been allotted to NTPC and there is proposal to set up 1320 MW Thermal Power Project in the state sector. Besides, a 1320 MW

Thermal Power Plant at Gobindpura in District Mansa, is being set up by India Bulls.

48. The Punjab State Power Corporation Limited has prepared and got approved DPRs for 47 major towns having population more than 30,000 as per census 2001 under Gol Re-structured Accelerated Power Development Reforms Programme (R-APDRP) at a cost of Rs 1900 crore. The programme aims to utilize information technology for providing efficient and transparent service to consumers, quality and continuous supply of power to all the consumers and to reduce the transmission and distribution losses by strengthening, augmentation of transmission, sub-transmission and distribution system. Transmission and Distribution (T&D) losses have been brought down to 17.65% during 2011-12 from 20.12% during 2009-10 and will be further brought down to less than 15% by the end of 12th Plan. Under Rajiv Gandhi Gramin Vidyutikaran Yojana, out of 148000 identified beneficiaries, 53941 have been provided single batti connection. Government of India has so far released Rs 57.36 crore in 2008-09 for this project. The work of balance 38704 BPL households is likely to be completed by 31/03/2013.

49. 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 whereas the GAIL has indicated the price around \$17 per MMBTU. It is requested that gas for the propose Power plant should be provided at Government of India administered rates.

50. The state provides free power to its farmers and the Power Corporation is

compensated to the extent of about Rs 4200 crore every year. 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

51. The main achievements under the 11th Plan period are establishment of Rs 21500 crore Refinery Project in Bathinda. This project will attract investment in petroleum based down stream industry and provide direct and indirect employment to about 25000 persons. The government enacted Special Economic Zone Act, 2009 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. During the 11th Plan 91 Mega projects of investment of Rs 51049 crore were sanctioned and investment of Rs 9674 crore has already been made.

52. 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.

53. Punjab, which is primarily an agricultural and landlocked state, should be provided assistance for agro-processing industries. There is need to develop facilities for storage, cold chain, processing and marketing of agriculture produce. Government of India should assist the state keeping in view the non-availability of natural resources of the state. The state does not have much un-productive land and the cost of land is very high. There is potential for development of IT and IT related industry in the state. Government of India has laid down norms 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. Since there is a scarcity of land in Punjab, it is suggested that the land requirement criteria should be done away with, in the case of Punjab.

54. Government of India is requested to extend Delhi - Mumbai Industrial Corridor upto Amritsar. Similarly, Eastern Dedicated Freight Corridor which is at present upto Ludhiana should also be extended upto Amritsar. These initiatives would be of great help in accelerating the pace of industrialization in the landlocked state. Private sector participation in the development of infrastructure is very essential. There is potential for development of industrial parks for pharmaceuticals, auto parts, hand tools, sports & leather goods industry which have large concentration in the state. Government of India should provide assistance for development of such parks as is being done in the case of textile parks.

55. Central Sector Investment in Punjab is only to the extent of about 1.5% of the total investment in the country. There has been no major investment in the state for past many years. Government of India may facilitate location of a major project such as Automobile Manufacturing Unit which will have large scale potential for ancillary development. Punjab state should also be considered 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.

56. There has been some positive development in regard to trade with Pakistan. A new integrated check post at Attari has been completed at a cost of Rs 150 crore by Government of India. The Amritsar - Attari National Highway has also been recently four lanned. There is, therefore adequate infrastructure for trade with Pakistan. The Government of Pakistan has liberalized its policy of trade with India. Earlier the trade was based on a positive list of goods that could be traded. Now that list has been replaced with a small negative list of 1209 items which cannot be traded with Pakistan. 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. The trade with Pakistan is limited to import of cement, gypsum, cotton yarn, sugar, nuts etc by India and export of vegetables, fruits, livestock, newsprints etc. to Pakistan. Pakistan should be persuaded 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.

TRANSPORT

57. The state has a big network of 64037 km of roads comprising of 1739 km of national highways, 1503 km of state highways, 2107 km of major district roads, and 58688 km of rural roads including village link roads. All villages in the state were connected with village roads in early 1970's. During the 11th Five Year Plan, 405 km road length of national highways was upgraded to four lanes. The work of 4 laning of 400 km of 4 national highways of Shambhu - Jalandhar Highway, Pathankot - Amritsar, Ludhiana - Talwandi Bhai and Bhogpur - Mukerian is under progress and is likely to be completed by July, 2013.

58. During the 12th Five Year Plan, 5 national highway of 893 km road length of Zirakpur - Bathinda, Jalandhar - Dhillwan, Amritsar - Shri Ganga Nagar, Jalandhar - Jind Road and Kharar - Ludhiana Road will be upgraded to 4/6 lanning under Public Private Partnership. Once these works are completed nearly the entire network of national highways will have been upgraded 4/6 lanes.

59. The progress as regards the state highways and major district roads has also been equally impressive. 9 roads of 520 km length were upgraded on BOT basis at a cost of Rs. 620 crore. During the 12th Five Year Plan, there is proposal to construct and upgrade 575 km of road length under BOT basis at an estimated cost of Rs. 2400 crore. Besides, 27 ROBs/RUBs and 10 High Level Bridges and construction of by-passes in major towns will also be taken up during the next few years.

60. The state government also upgraded 705 km of state roads under the Work Bank Funded Road Sector Project of Rs 1500 crore. 204 km of more state roads length will be upgraded through long term 10 years tenure under Output and Performance Based Road contracts (OPRC). Under PMGSY, during 11th Five Year Plan, 3193 km of rural roads has been upgraded at a cost of Rs 1175 crore. During 12th Five Year Plan, 3200 km of rural road length at a cost of Rs 1600 crore will be taken up, besides upgradation of rural roads of 2000 km in border belt.

61. Punjab contributes about Rs. 600 crore per year in terms of levy of cess of Rs. 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 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 loss upto 35% of the annual accrual. The earlier formula for allocating funds may be restored.

CIVIL AVIATION

62. The state government was successful in increasing the air connectivity with other states in the country. Shaheed Bhagat Singh International Airport is being set up at Chandigarh by the government of India in collaboration with the state governments of Punjab and Haryana. We request the Ministry of Civil Aviation and Ministry of Defence to permit international airlines to start flights from this airport immediately since the entire infrastructure is ready and the airport has already been notified as a customs airport. Shri Guru Ram Dass Ji International Airport, Amritsar has already been upgraded by Airport Authority of India for which the state has contributed 43 acres of land in addition to the 168 acres contributed earlier to set up the airport. A Civil Airport was also set up at Sahnewal in Ludhiana District. The government of Punjab has now provided additional 7.5 acre of land to Airport Authority of India for installing modern landing aids. AAI has also been requested to extend the runway for allowing bigger aircraft to land here to serve the demand of this Industrial hub. The state government also acquired 39 acres of land for Civil Enclave at Air Force Station Bathinda. The work is under progress and the airport would become functional very soon. The state government proposes to upgrade the 2 flying academies at Patiala and Amritsar at a cost of Rs 5 crore in the Annual Plan 2012-13. We also propose to start two more 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.

SCIENCE AND TECHNOLOGY

63. The government initiated a series of programmes in the 11th Plan for generation of power from renewable sources of energy. During the 11th Five Year Plan, a total

cumulative 504 MW power capacity was created. It comprised of 46 mini hydel projects of 132 MW capacity, 34 bio-mass co-generation power projects of 316 MW, 5 projects of bio-mass power of 46 MW capacity and 7 solar power projects of 9 MW capacity. The projects which are under implementation are 4 mini hydel projects of 2.5 MW capacity, 7 co-generation power projects of 73 MW capacity and solar power projects of 20 MW capacity. The State Government plans to further boost power generation from the renewable sources in the 12th Five Year Plan.

64. 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). The state government has notified a policy for grant of fiscal incentives to renewable energy projects. Much higher preferential tariff by the regulator has been notified for such renewable energy projects. The cost of power sold under the long term power purchase agreement varies from Rs 5.80 per unit for bio-mass power to Rs 10.39 per unit for solar power projects.

65. Punjab State Council for Science and Technology is a nodal agency for promoting/implementing projects for environment improvement, natural resource conservation and popularization of science. Their achievements include development of pollution control technologies for brick kilns, induction furnaces and rice shellers. They have also taken up various national projects for documentation of standards for brick kilns, induction furnaces, etc.

66. Bio-technology Park is being set up in Public Private Partnership in Mohali. Developer has already been selected for this park. Punjab bio-technology incubator has also been set up for quality testing and certification facilities from a private building. Pushpa Gujral Science City was set up in Kapurthala with an investment of Rs. 70 crore for promoting science education among the students and public. As mentioned in the following paragraph, the state government is committed to construct sewage

treatment plants in all the municipal areas with funds from National River Conservation Project, JNNURM and State/Municipal Bodies. Punjab Dyers Association has proposed to set up common effluent treatment plant in Ludhiana with an estimated cost of Rs 437 crore. Govt is requested to finance this project to the extent of 50% and the remaining amount would be contributed by the state government and the industries.

URBAN DEVELOPMENT

67. The state failed to take full benefit of JNNURM. The allocation for Punjab under JNNURM during 11th plan period was Rs 1562 crore, against which a sum of Rs. 839 crore was sanctioned. A sum of Rs 419 crore only was released and the remaining amount of Rs. 420 crore is yet to be released to the state. A sum of Rs 603 crore also remains un-sanctioned. The elevated road has been completed in Amritsar at a cost of Rs 150 crore. Substantial progress was made in regard to construction of houses for urban poor in Ludhiana and Rajpura. The release of next installment and sanction of new projects have been stopped on account of slow pace of reforms. The Government is now committed to carry out requisite reforms and will try its best to avail the remaining funds from Government of India in the next two years of extended period of JNNURM.

68. The Local Bodies Department has drawn up a three year plan for providing 100% water supply, sewerage, sewage treatment plants and other civic services in all the Municipal areas. A State Urban Development Mission is being set up to achieve these objectives. The total requirement of funds has been worked out to Rs. 8635 crore. Funds to the tune of Rs 3579 crore have already been tied-up with the support of central government, state funds, ULBs, PIDB and PUDA. A sum of Rs 1469 crore has already been received and remaining Rs 2110 crore would be received in phases. The work has already been started in 45 towns, 11 under National River Conservation Project and 34 towns from the state funds. There is

need to tie-up the remaining amount of Rs 5056 crore. We are exploring the possibility of loan from financial institutions against escrowing the annual income of Punjab Infrastructure Municipal Development Company.

69. The state has also taken the lead in solid waste management through public private partnership. The entire state has been divided into 8 clusters and the private parties are already in place in 3 clusters with the remaining clusters to be completed shortly. The project includes door to door collection, transportation and disposal of garbage. Similarly, the state taken a lead in working out public private partnership model for energy efficient street lighting.

70. The state government is committed to implement the proposals contained in the city development plan for tri-city of Chandigarh, SAS Nagar and Panchkula. A plan has been worked out at a cost of Rs 4120 crore for SAS Nagar by WAPCOS under JNNURM. Government of India is requested to include the town of Ajit Garh (Mohali) under JNNURM and sanction funds.

HEALTH

71. The state government has accorded top priority to upgradation of infrastructure in terms of manpower, civil works & equipments in the hospitals. A decade long ban on recruitment was lifted. More than 700 doctors and 3800 para-medics were recruited and appointed. Recruitment of 1300 doctors and 2900 para-medics is almost final and they are likely to be appointed within a month's time. It has been decided to have regular recruitment of doctors and para-medics in the department. A comprehensive plan of Rs 350 crore for construction of new health institutions as per norms was started in 2010 and the work on construction and upgradation of 3 new districts hospitals, 8 new sub-divisional hospitals and 35 new community health centres is almost complete. Health infrastructure of the state

was rated as excellent by the 4th Common Review Mission Report of NRHM.

72. 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 (FRUs) 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 Rs 1000/- was provided for deliveries in government hospitals under the state funded - Mata Kaushalaya scheme. 18 new 30 bedded maternity centres were added to district hospitals. We propose to further strengthen the mother and child health programme in the current plan. All district hospitals will be provided round the clock services of gynecologist and pediatrician. Sick Neo-natal Care Units (SNCUs) will be constructed in all district hospitals having a load of 3000 deliveries. All delivery centres will have New Born Stabilization Units (NBSUs) and New Born Child Care Units (NBCUs).

73. Other measures taken to improve IMR and MMR are early registration of pregnancy in the sub-centres, monitoring their progress through mother-child tracking system (MCTS) and safe delivery in hospitals. Compulsory Maternal death audit was launched in July 2010. All these measures contributed to increase in institutional deliveries and sharp decline in IMR and MMR. The number of institutional deliveries increased by nearly four times from 44485 in 2007-08 to 146027 in 2011-12. The MMR declined from 192 in 2004-06 to 172 in 2007-09. The IMR declined from 44 in 2006 to 34 in 2010. The decline in IMR was by as much as 4 points from 38 in 2009 to 34 in 2010. The decline in rural IMR by 5 points from 42 to 37 is even more impressive. The child sex ratio has also improved from 798 in 2001 to 846 in 2011. The institutional deliveries which are about 80% will be increased to

nearly 100% by the end of 12th five year plan. The state will try to achieve an IMR of less than 18 and MMR of less than 70 by the end of the 12th Five Year Plan.

74. The NRHM has been a huge success in the state. A sum of Rs. 1209 core was spent against the allocation of Rs 1257 crore during the 11th Plan. The utilization in the year 2011-12 has been to the extent of 117%. 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 & equipments in the hospitals. Under the School Health Programme 26 lac students in schools are annually screened 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.

75. Under Rashtriya Swasthya Bima Yojana, 2.20 lac families out of 5.23 lac BPL families have been covered for insurance of Rs. 30,000/-. The scheme was proved to be quite effective and the insurance covers should be increased to Rs. 1 lac. Two Super Specialty Hospitals were constructed at Mohali and Bathinda on government land in collaboration with MAX Healthcare Limited. The upfront fee of Rs 5 crore and 5% of the annual income from the 2 hospitals would be utilized for treatment of poor patients.

76. We welcome the finalization and publication of Indian Public Health Standards. Up-gradation of health institutions to IPHS level is beyond the capacity of the state government. Government of India will have to support the state government in upgrading the health infrastructure to IPHS level. We also welcome the decision of the government of India for launching National Urban Health Mission and up-gradation of district hospitals as referral hospitals in the 12th Plan. There is freeze on sanction of new sub-centres. The population of the villages has increased over the years and therefore the work load on the existing sub-centres has gone much beyond the stipulated population of 5000. Government of India

should sanction new sub centres as per the latest population figures. We welcome the suggestion of Planning Commission to have a health sub-centres in every village panchayat and an anganwadi centre in every village habitation.

77. The scope of Rashtriya Arogya Nidhi is extremely limited since only BPL families are covered and that too only if they get treatment in government hospitals. The cost of treatment of life threatening diseases is prohibitive even for middle class families and therefore the scope of this scheme should be enlarged and all the families whose annual income is less than Rs. 1,00,000 should be covered under this programme. There is a need to cover private hospitals under this scheme at PGI/AIIMS rates. The state government has launched its own scheme for providing financial assistance of Rs. 1.5 lac for every cancer patient irrespective of income and caste status.

MEDICAL EDUCATION

78. The state government has three medical colleges. Government Medical College, Amritsar has been upgraded under PMSSY and from state funds at a cost of Rs. 182 crore. Government Medical College, Faridkot was upgraded at a cost of Rs 76 crore. It is now planned to upgrade the 3rd Medical College, Patiala at a cost of Rs 130 crore during the next two years. The decision of the government of India to support State Medical Colleges in increasing number of PG seats is laudable.

79. Punjab has seen rising number of cases of cancer patients especially in southern Malwa districts. The three Government Medical Colleges are being upgraded for treatment of cancer patients. A cancer treatment centre is being set up by Baba Farid University of Health Sciences at Bathinda. Government of India has included three districts namely Bathinda, Mansa and Hoshiarpur under the National Cancer Control Programme. We request Government of India to construct

a Modern Cancer Hospital in one of the southern regions of Punjab and include all southern districts under National Cancer Control Programme.

EDUCATION

80. The state government has made concerted efforts to upgrade the infrastructure in government schools in terms of civil works and recruitment of teachers. As many as 50395 new teachers have been recruited. The Educational Development Index of the state has jumped from 14th position among all the states in the year 2006-07 to 3rd position after Kerala and Tamil Nadu in the year 2010-11. Similarly, Gross Enrolment Ratio at primary level has improved to 94.23% and for upper primary level it is 76.79%. The drop out rate has come down to 2.01% for primary level and 1.51% for upper primary level in 2011-12. The state aims to achieve 100% GER, 100% NER, Zero drop out and 100% retention during the 12th plan. The literacy rate of the state has improved to 76.68% against all India level at 74.04% as per 2011 census. The gender gap in literacy of the state is 10.14% against all India level of 16.68%.

81. 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, 22 schools have already been made functional, 47 sites have been allotted to various corporate houses and construction works has begun on 22 sites. The Government will establish one Adarsh school in every block in the next five years. 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.

82. The state government has by and large fulfilled its obligations under Right to

Education Act. The Rules have been notified. The guidelines for admission of 25% students belonging to weaker sections have been issued. Household survey has been done for identification of out of school children in the age group of 6-14 and 18459 children have been identified. As regards recognition of private schools, applications have been received from 1935 schools within stipulated time and 1805 received after due date. It is proposed to grant some more time for submission of forms. The state government requests for Rs 250 crore for implementation of RTE Act in the state. This amount should either be fully reimbursed by government of India or at least it should be made a sub scheme under SSA.

83. The state government seeks amendment in the guidelines for Rashtriya Madhyamik Shiksha Abhiyan (RMSA) for upgradation of middle schools to secondary schools. As per the existing norms, no new high school or senior secondary school can be established within a radius of 5 km of existing high schools or senior secondary schools. The distance criteria should be reduced to 3 km in view of the fact that Punjab is densely populated state and there are adequate number of students within a radius of 3 km. It is also requested that under RMSA, upgradation of middle school to senior secondary school and upgradation of high school to senior secondary level should be permitted.

84. The state government launched ICT Project for imparting computer education to students of 6th to 12th and made it compulsory in all the 1477 senior secondary, 1785 secondary and 2726 upper primary schools in the year 2004-05. This was done much before the launch of government of India scheme in the year 2008-09. 6447 computer teachers were recruited and their services have been regularized subsequently. Under EDUSAT programme, 2156 virtual class-rooms and 2077 Edusat computer labs were set up. 1503 multi-media content episodes had been developed and coaching for engineering and medical entrance test is also imparted under EDUSAT.

85. The state government has created two new districts of Pathankot and Fazilka, as a result of which 2 new Navodaya schools are required to be set up in Fazilka and Gurdaspur. The Education Department has successfully implemented Mid-Day-Meal scheme in 22003 schools under which 21.26 lac students are provided MDM. The state government has already provided bicycles to 1,11,000 girl students studying in class 11th and 12th in government schools at a cost of Rs 25 crore. This programme is proposed to be further extended to cover all girls studying in class IX and X.

HIGHER EDUCATION

86. The Gross Enrolment Ratio for higher education in the state is around 11.12% as per the survey conducted by the UGC in the year 2011 which is lower than the national ratio of 12.4%. To encourage private participation in higher education, the state has notified Punjab Private Universities Policy, 2010 for setting up of self financed private universities. 4 private universities have been approved and Letters of Intent (LOI) have been issued to 10 private universities. 15 new University Colleges have been set up, 4 from the state funds and remaining 11 with Government of India assistance in educationally backward districts having low GER. The case for approval of 2 University Colleges out of 13 in-principle approved colleges is pending with the UGC. Besides, 2 new government degree colleges are under construction. The target of raising GER in higher education to 15 percent by 2015 as per the estimate of the National Knowledge Commission and 30 percent by 2020 as per the estimate of the Ministry of Human Resource Development (MHRD) is possible only with the help of central assistance in terms of establishment of more colleges and infrastructure.

87. The state government has made available 544 acres of land for Central

University in Bathinda at a cost of Rs 166 crore. However, the construction work is yet to begin. The academic work is going on at an alternative site. 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

88. There are 102 engineering colleges, 120 polytechnics and 409 ITIs. The government sector comprises of 6 engineering colleges, 26 polytechnics and 111 ITIs. 7 new government polytechnics @ Rs 12.30 crore per polytechnic were established in the districts where there was no polytechnic. The work for upgradation of 35 ITIs into Centres of Excellence was initiated at a cost of Rs 128 crore and it would be completed in the next two years. Similarly, remaining 76 government ITIs are being upgraded under PPP scheme @ Rs 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.

89. Under the National Skill Development Mission, 73 new ITIs and 2500 skill development centres will be opened in the next five years. There is a proposal to open 43 new ITIs and 250 skill development centres in 2012-13. 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. So far, 24000 students have been trained at a cost of Rs 2.89 crore.

90. The Department of Technical Education with the assistance of NABARD is

upgrading 11 Technical Institutions into Multi Discipline Academies. 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. PTU is actively associated to contribute for improvement and optimally utilize the infrastructure of various technical institutions. The University is setting up engineering colleges in the 7 existing polytechnics and 6 new engineering colleges at Mansa, Sikhwala, Anandgarh, Kapurthala, Sultanpur Lodhi and Rajpura.

91. Indian Institute of Information Technology (IIIT) is proposed to be established at a cost of Rs 128 crore in the state under PPP mode. State Government also intends to establish Punjab Institute of Textile Technology and Research (PITTR) at Ludhiana and Punjab Institute of Food Technology and Research (PIFTR) at Barnala. PTU will set up these 2 institutions. The state proposes to establish an Instructor Training Wing at a cost of Rs 5.50 crore not only for Punjab but also for adjoining states. Under Community Development through Polytechnics Scheme (CDPS), SCs & weaker sections would continue to be provided professional training to enhance their employability.

EMPLOYMENT GENERATION

92. The state government is making all out efforts to enhance the employability of the youth by imparting job specific vocational skills. Manpower survey of unemployment has been completed for 22 districts. Mass counselling programmes for providing educational and vocational guidance to youth were organized in 1048 institutes and 1.84 lac candidates benefited from this programme. In collaboration with leading corporate houses, Construction Skill Development Centre (L&T) and Driving & Auto-motive Skill Centre (Tata Motors) in Muktsar and Training Centre in Retail Marketing (Bharti-Wall Mart Ltd.) at Amritsar have been set up. Self-Employment and Vocational Guidance Centres will be set up in 7 districts of the

State during this plan alongwith upgradation of existing Vocational Guidance Centres to strengthen the Vocational Education.

93. One Training Centre for Security Guards was set up at Hoshiarpur for training 2500 candidates per year and 100% pass outs got the job to private security guards. For training of youths for job in military and para military forces 16 training and employment of Punjab youth (C-PYTE) centres are functioning with an annual intake of 10000 youth.

94. The state government has also introduced an incentive scheme for awarding Rs.1 lac to a cadet from Punjab for getting admission in the Indian Military Academy and National Defence Academy. Besides, Maharaja Ranjit Singh Armed Forces Preparatory Institute has been established at Mohali to facilitate training/placement of 240 youth in the Defence Services. A Foreign Employment Information and Training Bureau was set up for guidance and placement of candidates in foreign countries which would be imparting training to 10,000 aspiring candidates during 12th plan. Apart from this Migrant Resource Centre has been set up which became operational from 1st January, 2012 to act as a Help line/Counseling Centre to control illegal migration.

SOCIAL SECURITY

95. The outlay for Social Security has been increased to Rs. 1006 crore. At state level a sum of Rs. 639 crore has been earmarked towards a Dedicated Social Security Fund for disbursing old age and other pensions to 19.70 lac beneficiaries @ Rs. 250 per month. The state government has lowered the age for female old age pensioners from 60 to 58 years. Besides 2.13 lac beneficiaries belonging to BPL families would receive an additional pension of Rs. 200 per month under National Social Assistance Programme. The age limit of 48 years under Widow Pension

Scheme of Government of India should be relaxed and all widows be made eligible as under the state scheme. The limit of 80% disability under Government of India scheme should be relaxed to 50% at par with the state scheme. The state government has decided to disburse these pensions at the homes of the beneficiaries, through the Electronic Benefit Transfers (EBT) in collaboration with banks.

96. 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. We propose to extend this scheme to cover all girls students studying in class 9th & 10th. Under 'Bebe Nanaki Ladli Beti Kalyan Scheme' a sum of Rs 20000/- is invested with LIC on the birth of every girl child in families having annual income upto Rs 30000/-. The girl child would receive cash assistance at various stages of her schooling. Under Mata Kaushalaya Scheme, an incentive of Rs 1000/- is given to mothers for deliveries in government hospitals. The Centrally Sponsored scheme, 'Integrated Child Protection Scheme' for the protection of rights of children shall be implemented with an outlay of Rs 21 crore during 2012-13. The outlay for above schemes and other women oriented schemes like Shagun Scheme, Widow Pension Scheme, Attendance Scholarship to Primary Girl Students, Free Education to Girls (9th to 12th class) etc. coupled with women component under various schemes amounts to Rs. 1818 crore in the Annual Plan 2012-13.

97. A sum of Rs.140 crore has been earmarked under Integrated Child Development Services in the Annual Plan 2012-13 to provide supplementary nutrition to over 15 lac children and pregnant mothers. Besides, Rs 19 crore have been kept under Rajiv Gandhi 'Sabla' and 'Kishori Shakti Yojana' schemes to provide nutrition to the adolescent girls and promote awareness about health hygiene, family and child care etc. In addition, Rs. 12 crore is provided for the construction of

buildings of anganwadi centres in the State. There are 26656 anganwadi centres in the State out of which 3278 are functioning from rented buildings and 22819 from community buildings. Government of India should assist the State in construction of proper anganwadi centres.

98. The State Government has taken a number of measures to check rising cases of consumption of narcotics and other habit forming drugs. Detailed guidelines have been issued for grant of new licenses for wholesale and retail chemists. These licenses, now cannot be acquired as a matter of right and will be granted only when there is inadequate coverage of population. Number of drug inspectors have been increased from 21 to 53. A special cell headed by Inspector General has been created to check the sale of narcotics drugs. The rules have been notified for regulating private drug de-addiction centres. The government at its level has already set up 2 state level drug de-addiction centres at Amritsar and Talwandi Sabo and 10 drug de-addiction centres in the district hospitals. It has been decided to construct 5 new 50 bedded state level drug de-addiction centres and 12 more drug de-addiction centres in the remaining district hospitals during the 12th Five Year Plan. OST and MMT centres have also been set up in 12 district hospitals to wean away the youth from injectable drugs.

WELFARE OF SCs & BCs

99. 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 main thrust during 12th Plan period would be to protect the rights of vulnerable/depressed classes and launch programmes for their overall development. State Government is providing Shagun of Rs. 15000/- to BC and other economically weaker families in addition to SC and Christian families (annual family

income up to Rs. 30,000/-) at the time of marriage of their girls, remarriage of widows/divorcees and marriage of daughters of widows. A sum of Rs. 99 crore has been provided for Shagun scheme in the Annual Plan 2012-13 and about 0.55 lac beneficiaries per year will be covered under this programme. .

100. Rs. 80 crore have been kept for purchase of schools bags, uniforms, shoes etc., construction of Dr. B.R Ambedkar Bhawans and houses for houseless SC's including conversion of kacha houses into pacca houses. An amount of Rs. 280 crore shall be spent for attendance scholarships to primary girls students, pre and post matric scholarships and other scholarships to SC/OBC students and students of minority communities. The state government has extended the attendance scholarship at primary school level to all girls students of backward classes and economically weaker sections in addition to SC girl students. There is an urgent need to adopt a uniform pattern in regard to the family income limit under all the schemes being funded by Government of India. The government is negotiating with the nationalized banks to disburse the scholarships and other benefits amounting to more than Rs. 500 crore per year through Electronic Benefit Transfer Scheme and we propose to make it functional in next three month's time.

101. Ministry of Social Justice and Empowerment, Government of India launched 'Pardhan 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.

Scheduled Castes Sub-Plan (SCSP)

102. As per the guidelines of the Planning Commission, Government of India, the SCSP component has been depicted separately for individual schemes. Rs. 3693 crore have been earmarked for SCSP component in 2012-13 which is equal to the SC population of the state i.e 28.85%. Scheduled Castes Sub-Plan (SCSP) comprises of both budgetary and extra budgetary outlays like State Plan. Out of budgetary outlay of Rs. 6755 crore, the schemes amounting to Rs. 2189 crore (32%) would wholly or substantially benefit the SC population. Under the extra-budgetary component, the allocation for SCSP is notional.

GOVERNANCE REFORMS

103. The state government appointed Punjab Governance Reforms Commission in 2009 with a view to reducing the mis-trust and distance between the citizens and the government and amend the procedure to meet productivity deficit. Based on the recommendations of the Commission, Right to Service Act was enacted in 2011 to provide 67 services in a time bound manner. 123 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. Saanjh Kendras are also the forum for resolution of conflicts, domestic disputes and economic discords. The land records of all the villages were computerized and Fard Kendras were set up for providing computerized copies of revenue documents. Discretion of sub registrar was curtailed with a view to reducing scope of corruption. A check was put on multiple appeals and revisions. Suwidha Centres have already been set up in all the district headquarters and will be set up in all sub divisions in the coming years. 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 learner license. In addition, e-tendering and e-procurement has been introduced in all the departments.

104. The state government has recently again set up a Punjab Governance Reforms Commission. The new Commission will have look at civil and criminal justice system, procedure for industrial development, regulation frame work for NRIs Affairs, Health and Medical Education, Education, Technical Education and Employment and Fiscal Management.

105. Punjab has made a slow start under the National e-Governance scheme. However substantial progress has been made during the last 2-3 years and the state is committed to the effective implementation of the scheme. The State Wide Area Network (PAWAN) has already been made functional with 193 Point of Presence (POPs), connecting 374 offices. For the convenience of general public 1350 Common Service Centres (CSC) 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. After its stabilization in October, 2012, the project would be rolled out in the remaining 20 districts. The important computerization works which have made big impact are - Integrated Finance Management System (IFMS) for computerization of treasuries and budget, Integrated Work Flow and Document Management System (IWDMS) for computerization of secretariat working, Smart card based driving license, Online registration of vehicles at dealer premises, Computerization of land records and Computerization of VAT Information system.

BORDER AREA DEVELOPMENT

106. 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. 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. We urge Government of India to announce an Industrial Package in these border areas on the lines of the package provided for some of the hilly states.

107. The demand of farmers for compensation @ Rs 10000 per acre for the 18500 acres cultivable land situated across the border remains unmet. The compensation amount of Rs 19 crore per year is not a big amount, GOI should sanction it. In certain areas, no compensation has been paid for the land used by the BSF for the 11 ft track along the border fence. A sum of Rs 20 crore is required for this 323 acres of land.

108. Rivers Ravi and Sutlej passing through the border districts of Gurdaspur, Ferozepur and Fazilka often wash away the crops of these areas during rainy seasons. In addition, there are number of choes/distributries of these rivers which also cause damage to the crops of this area. Besides, Pakistan Government and Army are also spending huge funds on shifting of river Ravi towards Indian side. We urge Gol needs to provide funds for flood protection works on river Ravi.

DECENTRALIZED PLANNING

109. 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 Plans by District Planning Committees have been issued. An amount of Rs 4496 crore and Rs 504 crore is provided for the 12th Five Year Plan and Annual Plan 2012-13 respectively for implementation of various schemes at the district level including Border Area Development and untied funds.

AADHAR

110. The State Government is successfully implementing the Government of India programme of Aadhar for providing Unique Identification Number to the entire population. Under the first phase, one crore out of total 2.77 crore population have been enrolled. The enrolment in some of the districts has been as high as 84%. The Government of India has included 3 districts namely Shaheed Bhagat Singh Nagar, Fazilka and Gurdaspur as pilot districts for linking distribution of funds to beneficiaries through Aadhar numbers. The tenders for second phase have been invited and work will be taken up in June, 2012. It has been further decided to disburse pensions, scholarships and other benefits under various welfare schemes through Electronic Benefit Transfer (EBT) scheme in collaboration with the nationalized and other banks and further link them to Aadhar numbers.

CONCLUSION

111. From time immemorial, Punjab has rendered yeoman services to the country for its defence and food security by devoting its precious resources. Given the geographical location and its allied burdens, Punjab is facing a lot of problems beyond its control. All this, I have indicated not only in this speech but also through letters written to the Government of India on various occasions. I call upon the Planning Commission to use its good office for allocating increased resources to the state to overcome its special problems.

112. I present the Annual Plan 2012-13 for Rs 14000 crore for approval of the Planning Commission. While concluding, I would like to thank you for affording me this opportunity to meet you all and to discuss the 12th Five Year Plan and the Annual Plan 2012-13.

JAI HIND

ANNUAL PLAN (2012-13) AT A GLANCE

A. PLAN SIZE : Rs. 14000 Crore

(FIGURES IN RS CR)

SN	COMPONENT	OUTLAYS	% OF PLAN SIZE
1.	EXTRA BUDGETARY		
	RDF	500	3
	PIDB	1208	9
	POWERCOM	3300	24
	PUDA	309	2
	GMADA	340	2
	GLADA	145	1
	AGRICULTURE MARKETING BOARD	243	2
	URBAN LOCAL BODIES	683	5
	RURAL LOCAL BODIES	500	3
	SUB TOTAL	7228	52
2.	BUDGETARY	6772	48
	TOTAL (1+2)	14000	100

B. FINANCING OF BUDGETARY OUTLAYS:

SN	SOURCE	Rs. Cr.
1	STATE SUPPORT	4456
2	GoI SUPPORT	1473
3	NABARD	495
4	EAP	348
	TOTAL	6772

C. CENTRAL SUPPORT Rs 4784 Cr. (not part of plan)

GOVERNMENT OF PUNJAB



ADDRESS BY
SARDAR PARKASH SINGH BADAL
CHIEF MINISTER, PUNJAB

DELIVERED BEFORE THE PLANNING COMMISSION,
GOVERNMENT OF INDIA ON 14th MAY, 2012