

I congratulate Dr. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission and Mrs. Sheila Dikshit, Chief Minister, New Delhi for organizing regional consultations on the process of formulating the 12<sup>th</sup> Five Year Plan. I thank them for giving me this opportunity to project the views of Punjab before the policy planners.

## **11<sup>th</sup> PLAN PERFORMANCE**

2. The economy of state was in cycle of low growth during the 10<sup>th</sup> Plan. The average growth rate of the state during this period was only 5.11% as compared to national average of 7.80%. The Planning Commission had fixed a target of 5.9% growth for the state during the 11<sup>th</sup> plan as compared to national average of 9%. I feel proud to inform that the state achieved growth rate of 9.25%, 6.55% and 7.84% in 2007-08, 2008-09 and 2009-10 as per the new series of National Accounts. The corresponding figures for the country's growth stand at 9.34%, 6.76% and 7.96%. The growth rate of the state is now practically equal to the national average. The state is expected to grow at 7.78% against national average of 8.58% during 2010-11. The performance of the state is expected to be even better in 2011-12.

3. The total outlay earmarked for the 11<sup>th</sup> Plan was Rs. 28923 crore against which an expenditure of Rs. 24338 crore was incurred during the first 4 years, which works out to 84%. However, the Annual Plan size for the first 4 years was Rs. 29096 crore against which performance has been to the extent of Rs. 24338 crore which works out to 83%. The year-wise plan performance during the first four years of the 11<sup>th</sup> Plan has been to the extent of 98%, 112%, 58% and 81%. The state government accorded top priority for accessing funds under the flagship and centrally sponsored schemes. Except for a few central schemes like AIBP, MGNREGS, R-APDRP and RGGVY, all other flagship schemes are being successfully implemented in the state.

4. The criteria for allocation of funds under flagship schemes is not favourable for the developed states like Punjab. The state has hardly any un-irrigated area and therefore receives a meagre allocation under RKVY. In spite of having the highest SC population of 29%, due to skewed BPL criterion, the state does not receive substantial funds

under various poverty alleviation schemes. States having villages without electricity and roads get substantial funds under PMGSY and RGGVY and the states like Punjab which have 100% coverage under rural roads and electrification, the allocation is not much. Similarly, under Sarva Shiksha Abhiyan, the state having already provided primary schools as per norms does not get any assistance for opening of new primary schools. We urge Government of India to review the criteria for allocation of funds under these flagship schemes and adequate funds should be provided for upgradation and maintenance of these assets like roads, irrigation network, schools & electrification etc.

5. Under most of the schemes, the state as a whole is taken as a unit. However, there are certain districts situated in border, kandi and the Malwa belt of the state, which are not as developed as rest of the state and therefore should be given preferential treatment and special focus in implementing some of the central schemes.

6. The state government during the first 4 years of the 11<sup>th</sup> Plan put on anvil an ambitious plan for making the Punjab power surplus by the year 2014. Four power plants of 6560 MW capacity were allotted to private parties and all these power plants will become operational by 2014. The work for rehabilitation and remodeling of more than century old canal network in the state was also started during the 11<sup>th</sup> Five Year Plan.

7. The state government made special efforts to invite private party participation in the road and other infrastructure projects. 9 state highways of total 516 km length were allotted to private parties for upgradation and maintenance. With the assistance of World Bank, 1500 crore state road sector project was started and is now under completion. Major national highways are under upgradation from 2 lane to 4 lane. The government accorded top priority to recruitment of man power and development of infrastructure in the Education and Health sector. The state government with the help of World Bank and Government of India and from its own resources would be successful in providing piped water supply to its all 14111 habitations by 2011-12. The state government enlarged the scope of major welfare schemes. Atta Dal scheme was launched in the year 2007-08 to provide subsidized wheat and pulses to 15 lac families whose annual income is less than Rs. 30,000. Other welfare schemes which were earlier aimed at BPL and SC families were extended to all

families having annual income less than Rs. 30,000. The state made considerable progress in achieving the targets given at the beginning of the 11<sup>th</sup> Five Year Plan. However, some of the targets were too ambitious and therefore, difficult to achieve. These are discussed sector-wise in the following paragraphs.

## STATE FINANCES

8. The state is passing through a phase of fiscal stress on account of huge accumulated debt, the implementation of recommendations of Pay Commission and inadequate support from the Government of India. The 13<sup>th</sup> Finance Commission increased the share of the states in central taxes from 30.5% to 32% against their demand of 50%. The criteria for devolution of central taxes does not favour Punjab at all. The share of the state in central taxes has been consistently declining from 2.45% in 1970-75 to 1.38% during 2010-15. The recommendations of the Pay Commission in terms of pay increase and payment of arrears involve an expenditure of Rs. 10,000 crore. The states have not received any support from Government of India in implementing the recommendations of Pay Commission.

9. The states are compelled to borrow in the form of small saving loans whose interest rate is about 1.5% higher than that on the market borrowings. The states should be given freedom to choose between small saving loans and the market borrowings. Besides, the Central Government should reduce the interest rate on small saving loans. The prolonged militancy and tax concessions to neighboring states have rendered the manufacturing sector in the state uncompetitive. Due to these tax concessions, about 300 industrial units have either shifted or have set up their expansion units with an investment of Rs. 3700 crore in the neighboring states from the years 2002-08.

10. Lack of resources and inadequate support from Government of India have compelled the state government to resort to heavy borrowings which have accumulated to Rs. 69549 crore by the end of March, 2011 and this figure is likely to go up to Rs. 78000 crore by the end of 2011-12. The net borrowings during the year 2011-12 would be about Rs. 8923 crore. The gross borrowing would be Rs. 10283 crore, out of which Rs. 9217 crore

would go into debt servicing. However, the debt stock as a percentage of GSDP has been consistently declining and now stands at 30.04% of GSDP and is likely to remain at the same level during the year 2011-12. The request of the state government for writing off the entire National Small Savings Loan of Rs. 21428 crore outstanding as on 31/3/2009 was not accepted by the 13<sup>th</sup> Finance Commission. In the alternative, the Commission was requested to consolidate and restructure these loans for a fresh term of 30 years at the interest rate of 7%. The 13<sup>th</sup> Finance Commission has granted a minor relief by resetting the interest rate from 10.5% to 9% per annum on the loans from National Small Saving Fund (NSSF) contracted till 2006-07 and outstanding as on 2009-10. It will result into a relief of Rs. 703 crore, which is insignificant as compared to gigantic debt problem faced by the state. As per recommendations of Finance Commission, a committee appointed by Government of India under the Chairmanship of Secretary Expenditure, Ministry of Finance for exploring the ways to assist the three states of Kerala, Punjab and West Bengal in getting out of their fiscal distress has met only on two occasions. The Committee which was required to submit its report by August 2010, is yet to submit its report. The state government requests the Government of India to expedite the recommendations of this Committee and help the state in reducing the debt burden.

11. The state government has made consistent efforts to improve the tax revenue which increased by 10%, 13% and 8% during the first three years of the plan. The revenues of the state were Rs. 12040 crore in 2009-10 increased to Rs. 16828 crore in 2010-11, i.e by about 39%. The projected growth rate during the year 2011-12 will be about 18%. The revenues deficit of the state at the end of 2010-11 is likely to be Rs. 3705 crore which will be 1.62% of GSDP. The revenue deficit during 2011-12 would be Rs. 3379 crore i.e. 1.33% of GSDP. The fiscal deficit at the end of 2010-11 would be Rs. 7188 crore (3.14 % of GSDP) and for the year 2011-12 is likely to be Rs. 8801 crore (3.45% of GSDP).

## **AGRICULTURE**

12. Three major issues that require immediate attention are productivity and profitability of agriculture, food & nutrition security , poor economy of small and marginal farmers and debt burden. Punjab has been producing about 160 lac MT of paddy and 150

lac MT of wheat over the years and has been consistently contributing 45 % of wheat and 25 % of rice towards the central pool, thereby ensuring national food security. However, 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.

13. There is an urgent need to revitalize research in agriculture and related activities. The problem of soil degradation and water depletion need to be tackled through a dedicated programme for promoting resource conservation technologies such as zero tillage, deep ploughing, raised bed planting, laser land leveling etc. The following are the thrust areas of the agriculture research.

- (a) Identification and development of new varieties with higher yield potential and better quality of the agriculture produce;
- (b) Ecologically viable cropping systems and practices for maximization of production and profitability;
- (c) Processing and increasing of shelf life of the horticultural produce;
- (d) Use of biotechnology to evolve pest tolerant varieties, bio-pesticides etc. with a focus on environmental sustainability;
- (e) Sustaining natural resources (soil, water, environment, biodiversity etc.) and increasing inputs use efficiency.

14. The rice- wheat cropping pattern is not sustainable. The State has made some progress in the areas of diversification of crops. The introduction of BT cotton has helped in increasing its productivity and consequently area under cotton is increasing. The introduction of high yielding maize hybrids have contributed in improvement of maize productivity. There is a need to increase the productivity of crops which are alternate to rice e.g. maize and cotton as well as fruits and vegetables. Govt has announced Minimum Support Price for as many as 25 agriculture commodities including pulses and oilseeds etc. However, there is no effective procurement mechanism for the purchase of crops other than wheat and paddy. Without an effective purchase mechanism farmers are not inclined to go for large scale diversification.

15. In the area of setting up of agro processing units, the experience so far is not that encouraging. However, small-scale food processing activities represent a huge potential source for improving livelihood of many poor people. The overall potential of agro-processing is huge as it can increase the value of crops of farmers and thus yield higher returns; expand marketing opportunities; extend shelf-life of commodities; improve palatability of commodities; and enhance food security.

16. The Commission for Agriculture Cost and Prices (CACP) needs to re-examine the existing methodology of fixation of MSP. The MSP should account for the cost of production and should be linked to the consumer price index. The other alternative is to accept and implement the recommendations of the National Commission on Farmers headed by the noted farm economist, Dr. MS Swaminathan, that MSP should be equal to the cost of production plus 50% as profit. The farm labour should be treated as semi skilled and the value of land should be taken into account while working out the cost of production.

17. 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 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.

18. The increased food production and slow movement of food-grains have compounded the problem of food storage in the state. The state needs at least 78 lac MT of long term storage capacity out of which 25 lac MT should be in the form of silos which can store food grains up to three years. Government of India is requested to assist the state in the creation of long term, modern and scientific storage capacity. It is also proposed to take up a programme for creation of additional storage in PPP mode.

19. To attract private investment in modern agricultural marketing, the state government is considering to amend the Punjab Agricultural Produce Markets Act, 1961

thereby enabling the private and cooperative sector to set up markets in the state particularly in the area of horticulture produce. It is hoped that with the creation of modern markets for perishables stimulus to production of fruits and vegetables in the state will be provided.

20. The Rashtriya Krishi Vikas Yojana (RKVY) is a good initiative but the allocation for the state is not much. The state government has been consistently demanding the review of criteria for allocation of funds. 20% of the funds are allocated on the basis of net un-irrigated area in the state. Punjab has hardly un-irrigated area and the suggestion of the state is to include areas where sub-soil water is declining within the ambit of un-irrigated area. 30% of the funds are allocated on the basis of projected growth rates for agriculture and allied sectors to be achieved by the end of 11th plan by the state. Punjab has already reached saturation levels as far as food production is concerned, and therefore, the growth rate in agriculture sector is not going to be too much. The sustainability of agriculture in agriculturally developed states like Punjab and Haryana has to be assured under RKVY. The state government suggest that due weightage should be given to maintenance and upgradation of irrigation infrastructure 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.

## **ANIMAL HUSBANDRY**

21. 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. Sri Guru Angad Dev Veterinary & Animal Sciences University (GADVASU), Ludhiana has set up two new colleges viz. College of Dairy Science and Technology and College of Fisheries to meet the technical manpower needs of the animal husbandry sector. Another Veterinary Polytechnic College is soon coming up at Kaljharani in Bathinda. The state government requires one time grant of Rs. 100 crore to GADVASU so that it can support the state in producing quality manpower, generation and dissemination of technologies and address the issue of emerging diseases etc.

22. The central cooperative banks play an extremely vital role in the agricultural economy of the state. Quantum of re-finance from NABARD for short term agriculture loans is only 45%. It needs to be increased to 85%. The NABARD charges 4% rate of interest on this refinance and since cooperative banks have to make available loans at 7% rate of interest, the margin left with cooperative banks is only 0.25%, thereby, jeopardizing the viability of the banks. We request that the rate of interest charged by NABARD should be reduced to 2.5%. The state government also suggest to withdraw the levy of income tax on cooperative banks. These banks can not be treated at par with commercial banks.

## **RURAL DEVELOPMENT**

23. Livelihood Security, Housing and Sanitation are the important areas under Rural Development which need to be addressed on top priority. The National Rural Employment Guarantee Scheme and National Rural Livelihoods Mission are laudable initiatives of Government of India. However, the State of Punjab is not able to avail full benefit of MGNREGS. The real bottleneck in implementation of this scheme is extremely low wage rate of Rs. 123 in Punjab against Rs. 179 per day in the neighbouring state. Government of India is urged to end this disparity immediately. The state can access more funds if the construction of toilets for SC and BPL families, lining of distributaries, minors, water courses, construction of boundary walls for schools and hospitals and white washing of government buildings are included in the list of approved works under MGNREGS. The National Rural Livelihoods Mission will be implemented in the five districts of the state.

24. The scope of Indira Awaas Yojana is limited to BPL families. There are large number of non BPL families without pucca houses. Besides there should be provision for purchase of 100-125 sq yard plot for the houseless families. Due to rising cost of building material/construction, the financial assistance for construction of house should be enhanced from Rs. 45,000 to Rs. 1 lac per unit.

25. The State Government has given top priority to supply of piped water to all its villages. Already 13380 habitations have been covered and the remaining 731 habitations would be covered by the end of 2011-12. The state government has took a loan of Rs.755 crore from the World Bank and the remaining requirements were made from Government of

India schemes and state resources. The quality of water in some of the villages in southern districts was not good and accordingly RO system was provided at a cost of Rs. 68 crore in 516 villages.

26. However, the State has not been so successful in its attempt to provide toilets to its village population. So far 2.85 lac toilets have been constructed at a cost of Rs. 180 crore in 2006-09 and Rs. 498 crore are being spent for construction of about 5 lac more toilets in the current financial year. However, there would still be a gap of 7 lac toilets, for which Rs. 700 crore is required. The country still has the highest number of people without access to proper sanitation facilities. The Government of India and all state governments endeavor to provide water supply for proper sanitation facilities to all its households during the 12<sup>th</sup> Five Year Plan.

27. The total number of BPL families in the state is limited to 5.23 lac (3.44 lac rural and 1.79 lac urban) which is about 10% of the families in the state. Having a SC population of 29% and 15.10 lac families availing food subsidy under the Atta Dal Scheme (criterion annual income less than Rs. 30,000), the state with a limited number of BPL families does not receive adequate funds under the poverty alleviation programmes of Gol. A pilot survey in 8 villages has been conducted and the survey report has also been sent to Government of India. The Gol is now requested to work out definition of poverty and formulate guidelines for a new comprehensive survey of BPL families.

## **IRRIGATION**

28. Contrary to common perception, only 27% of the area is irrigated by canals and the remaining 73% is irrigated by tubewells in Punjab. This has resulted in depletion of ground water and as many as 112 of 141 blocks have been categorized as over exploited or dark blocks. The canal net work in the State is more than century old. The State was unable to make provision for adequate funds for upgradation and maintenance of this system with the result that the canals are now working at 30% below their designed capacity. Therefore, there is dire need to increase the canal capacity, reduce dependence on tubewells, conserve irrigation water through lining of water courses and utilize surface water through construction of low cost dams in the semi hilly areas.

29. We are thankful to Government of India for sanctioning the project for extension, renovation and modernization of canals being fed from river Sutlej amounting to Rs. 734 crore. The work of relining of Rajasthan feeder at an estimated cost of Rs. 952 crore and Sirhind feeder at a cost of Rs. 489 crore is proposed to be started shortly. Relineing of Sirhind feeder will benefit both the drought prone areas of Rajasthan and the waterlogged areas of Punjab. However, for this project only 25% grant assistance under AIBP would be made available to Punjab for the area benefiting Punjab while area benefiting Rajasthan is eligible for 90% grant. Similar grant of 90% should be provided for the water logged area of Punjab as is being provided for the drought prone area of Rajasthan.

30. 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 Accelerated Irrigation Benefit Programme (AIBP). It would help the state in restoring its canals to their designed capacity.

31. 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 a 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 and adverse impact on the state economy.

32. There is an emergent need for optimum utilization of water resource in kandi area. The state has identified 29 sites for low dams in kandi area to preserve ground water table out of which 12 low dams have already been constructed and remaining dams need to be constructed. Under Command Area Development and Water Management Programme to provide assured irrigation to the farmers, two new 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 1/4/2008. This limit needs to be enhanced to at least Rs.

25,000/- per hectare in view of present price index and enhanced cost of material and labour.

33. The state government enacted 'The Punjab Preservation of Sub Soil Water Act, 2009' under which sowing of paddy before 10<sup>th</sup> June has been banned. The state government has taken a number of measures to check the depletion of ground water table. 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, conservation of low dams, adoption of micro irrigation techniques and rain water harvesting has been submitted under National Food Security Mission to the Ministry of Water Resources for financial assistance.

## **POWER**

34. The present generation capacity of Punjab is 6900 MW including central share of 1940 MW, whereas peak unrestricted demand is about 10435 MW. Thus, there is a shortfall of 34% of peak demand. The state government has embarked upon an ambitious plan for addition of 6560 MW by 2014. The work is in full swing at 1980 MW Talwandi Sabo and 540 MW Goindwal Sahib Thermal Power Plants. 1400 MW Rajpura Thermal Power Plant is being developed by Larsen and Tourbo Limited. The 2640 MW coal based Gidderbaha thermal power plant has been allocated to NTPC.

35. All the villages of Punjab are proposed to be provided urban pattern supply which will increase the reliability of power supply to rural areas of the state. 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.

36. The Rajiv Gandhi Gramin Vidyutikaran Yojana has been of little help to the state. Punjab has already electrified its villages in early 1970 and therefore it did not receive any funds under RGGVY for electrification of villages. However, a small amount of Rs. 57 crore was received for providing electrification to BPL households which are hardly 8%

population of the state. The state invested funds for electrification of villages and huge funds are required for maintenance of this infrastructure and providing urban pattern supply to rural areas. The guidelines for RGGVY may accordingly be modified and funds should be provided for maintenance and upgradation of infrastructure for rural areas of the state.

37. Punjab Government has planned to set up 1000 MW gas based power plant at Ropar. Gas for this plant is to be transmitted through proposed Dadri-Bawana-Nangal pipeline for which the agreement has already been signed with M/s GAIL India Ltd. However, GAIL is yet to start the work.

38. State government is supplying about 380 MW of power from its own sources for lighting the border fence, power connections to BSF & army establishments, besides feeding load of agriculture tubewells falling within restricted area of international border between India & Pakistan. Therefore, Punjab needs to be compensated by allocating equivalent additional power from the centre sector projects or central pool of unallocated power on continuous basis.

39. In view of the coal shortage in the country and location of state being far away from the coal mines, there is a strong need for installation of a Nuclear Power Plant of 2800 MW capacity in Punjab. Location of the plant may be finalised out of 3 sites i.e Chamkaur Sahib in district Roopnagar, Dhanula in district Barnala and Patran in district Patiala in consultation with Nuclear Power Corporation of India Limited(NPCIL).

## **ENVIRONMENT**

40. The state government welcomes the initiative of the Central Government of cleaning of river water under National River Conservation Programme. A comprehensive programme for cleaning of 3 rivers of Sutlej, Beas & Ghaggar has been approved at a cost of Rs. 1842 crore under National River Conservation Programme. All the 35 towns whose water flows into these rivers will be provided with water supply, sewerage & sewage treatment plants. Funds for this ambitious project shall be provided by the state government, Municipal Committees, Punjab Infrastructure Board and other Local Area Development Authorities apart from GOI funds. The projects for 10 towns already stand

approved by Government of India and a sum of Rs. 38 crores has been received. However, the state government on its own has started work in all the 35 towns and about Rs 300 crore have been spent in the year 2010-11. Government of India is requested to expedite the approval of projects for the remaining 25 towns and for the release of central share as early as possible.

41. There are large number of industries located at different locations as a result of which it is very difficult to tackle the problem of pollution. There should be a scheme for location of highly polluting industries like pharma, paper, dyeing, electro plating, leather industries etc. in different clusters and construction of common effluent treatment plants for them. There is one leather complex at Jalandhar where Common Effluent Treatment Plant (CETP) has been set up but for other polluting industries not much efforts have been made. Government of India should incentivise states for developing clusters for these industries and for provision of CETPs. The existing scheme for CETP also requires modification. Government of India does not permit the inclusion of cost of land and conveyance system in the cost of CETP/STP. We urge Government of India to include this cost and also give priority to the states which have drinking water supply based on river water.

## **INDUSTRY**

42. Abolition of Freight Equalisation Policy for iron and coal, problem of militancy and tax concessions to neighbouring states have rendered the manufacturing sector in the state uncompetitive. Some specific measures need to be taken during the next five year plan to rejuvenate and revive the industry in the state.

43. Punjab, which is primarily an agricultural and landlocked state, should be provided assistance for agro processing industries. There is need to develop storage facilities, cold chain facilities, processing and marketing of agriculture produce. Government of India and Planning Commission should assist the state keeping in view the 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. Govt has laid down norms of minimum land requirement of 1000 hectares, 100

hectares and 10 hectares for development of multi-product, product specific, ware house and IT SEZ respectively. It is suggested that the land requirement criteria should be done away with, in the case of Punjab.

44. Government of India should link Delhi – Mumbai Industrial Corridor (DMIC) with Western Freight Corridor instead of Eastern Freight Corridor and extend it up to Amritsar in Punjab. Eastern Freight Corridor should also be extended up to Amritsar. These initiatives would be of great help in accelerating the pace of industrialization in the land locked 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.

45. 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 except for the Refinery Project which is being set up at Bathinda. 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.

46. Government of India should also sanction a plastic park in the state under the new scheme for the development of plastic parks in the country which will give boost to the development of downstream ancillary industries of refinery and such units will be viable due to availability of raw-material (by-products) from refinery at Bathinda. Since industrial base in Punjab is mainly of micro, small & medium enterprises, cluster development approach is the best strategy for the growth of such units. Government of India should sanction more cluster proposals for the state.

47. The wheat processing industry in Punjab is suffering because of the pricing policy of FCI which makes wheat available to other states in India at rates which are marginally higher than Punjab. Freight component and other handling charges on wheat / flour are much higher than this price difference. Punjab industry is, thus, denied the

locational advantage of being situated in the state where the wheat is grown. Government of India is 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.

48. After independence, Amritsar, Ferozpur and other border towns witnessed decline in industrial and trade activities. The state government is thankful to Government of India for construction of integrated check post at Attari at cost of Rs. 87 crore and for four laning of Amritsar-Attari National Highway. These projects can give tremendous boost to trade with Pakistan and help in bringing investment to the border areas of the state provided some policy changes are made. More than 1000 items are tradable with Pakistan, but only few of these items can move through the land route. This negates the locational advantages the state have with Pakistan. Pakistan should be persuaded to accord Most Favoured Nation status to India.

49. Training of manpower so as to upgrade their skills upto the requirement of Industry is essential for the growth of Industry and overall economy of the state. Therefore, attractive schemes need to be formulated at the level of Government of India to encourage linkages between Industry and educational institutions. In Punjab, the Punjab Infotech Corporation and the Department of Higher Education have joined hands to train the students under Punjab Skill Training for Employment Potential (P-STEP) programme to meet the growing needs of trained and skilled manpower in the Knowledge Industry. Government of India should support such programmes through suitable financial assistance.

## **TRANSPORT**

50. The state has big net work of 60881 km of roads comprising of 1749 km of national highways, 2112 km major district roads, 4482 km of other district roads and 51059 km of village link roads. All villages in the state were connected with village roads in early 1970's. The state government requires at-least Rs.1500 crore per year for maintenance and up-gradation of these roads. The 13<sup>th</sup> Finance Commission has given an assistance of Rs. 122 crore per year for the next four years but that is miniscule as compared to the total requirement.

51. Government of India levies cess of Rs 1.50 per liter of diesel and petrol and approximately an amount of Rs. 600 is collected per year from Punjab which goes to the Central Road Fund and other central schemes of roads. However, the formula of allocation of funds under CRF has been revised 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. Government of India is requested to approve Rs. 100 crore for pending works under CRF and clear the backlog of Rs. 93.61 crore as on 31-12-2010.

52. Feasibility study of four laning of Patiala-Bathinda section is in progress and final report is being expedited. Similarly the work on 4/6 laning of Chandigarh-Ludhiana road announced by the Hon'ble Prime Minister in December 2006 is yet to start. The work of construction of Amritsar – Pathankot and Kurali – Kiratpur National Highways is in progress. The work of 4 laning of Zirakpur – Bathinda – Patiala National Highway at a cost of Rs. 1800 crore requires approval of Cabinet Committee on infrastructure of Gol. It needs to be expedited.

53. Under Pradhan Mantri Gram Sadak Yojana (PMGSY), 1242 and 3121 km of roads were taken up during 10<sup>th</sup> Five Year Plan and during first four years of the 11<sup>th</sup> Five Year Plan at a cost of Rs.221 crore and Rs.1114 crore respectively. The state had already provided roads to its all villages. It, therefore, receives no funds for providing link roads to the villages. Whatever assistance is received is for upgradation of already constructed link roads. This programme is also not picking up due to land acquisition problem. Land cost is very high in the state and Government of India should either relax the width norm from 10 meter to 8.5 meter or bear the cost of land under PMGSY. Government of India had earlier approved Rs. 235 crore border area road project under PMGSY. Now this project has been transferred to be covered under World Bank. We urge Government of India to re-transfer this project under regular PMGSY. To save time and precious fuel and to attain easy access to market centres, the Punjab State requires 17 ROB, the work on which has been held up on account of non completion of Railway portion. It is suggested that there should be only a single agency for executing entire RoB works.

## URBANIZATION

54. Punjab being the fifth major urbanized state (33.95%) of India, the critical challenges are basic urban services for the poor i.e. water supply, sewerage, sanitation, solid waste management, affordable housing, health facilities, street lighting and public transport. There is an acute pressure on these services in the wake of growing urbanization in Punjab. Water supply is a big casualty, Sewerage is inadequate and even where sewerage exists, there is no proper arrangement for sewage disposal and its treatment. Solid waste collection, transportation and disposal need much to be desired. The condition of roads and streets is highly unsatisfactory with about 40 per cent of the roads and streets needs extensive repairs.

55. The Punjab Government is implementing an action plan of Rs. 5051 crore to provide 100% water supply, sewerage and sewage treatment plants in all the urban local bodies in the state. The priority of the state government is to provide water supply, sewerage and sewage treatment plants in 45 towns situated in the vicinity of river Sutej, Beas & Ghaggar at a total of Rs. 2111 crore. The work in 35 towns has been taken in hand and Rs. 348 crore have been spent. 13 STPs of 500 mld capacity have been commissioned and 17 STPs with 241 mld capacity are under construction. Likewise, 39 STPs with 599 mld capacity are in various stages of implementation. Rapid growth of unhygienic filthy slums in the towns and cities which have aggravated the environmental situation and has put pressure on urban civic amenities need to be tackled.

56. The utilization of funds under Jawaharlal Nehru National Urban Renewal Mission (JNNURM) has been stepped up in the current year. As of now 30 projects worth of Rs. 1195 crore have been approved under the 4 components of the Mission. A sum of Rs.371 crore have been received from Government of India and a sum of Rs. 558 crore have been spent including the share of state government and municipal bodies. The Jawaharlal Nehru National Urban Renewal Mission (JNNURM) was a very good initiative of Government of India for upgradation of urban infrastructure in the state. The state after sluggish performance during the first two years of the 11<sup>th</sup> Five Year Plan stepped up the utilization of funds during the last two years. This programme needs to be continued during the 12<sup>th</sup> Five Year Plan. The outlays for development of slums and for provision of water

supply and sanitation facilities should be increased. Access to sanitation facilities and houses for houseless are the important areas which should be given more funds during the 12<sup>th</sup> Five Year Plan. It is unfortunate that even after 60 years of independence people in the urban areas do not have drinking water and toilet facilities.

57. The financial resources of local bodies are limited as compared to their requirements. The major source of income of octroi has been abolished in the state. The income from property tax and other taxes is also very limited. All the Municipal Committees are practically dependent on state government and Finance Commission funds for their requirements. The state government is compensating the Municipal Committees for loss of income on account of octroi. However, the transfer of 4% of vat collections as recommended by State Finance Commission are not being transferred to local bodies. The assistance under 13<sup>th</sup> Finance Commission amounts to Rs. 125 crore per year for 135 local bodies. The Government of India should, therefore, realise the problem of shortage of funds with municipal bodies and devolve more funds commensurate with the responsibilities of local bodies. It is proposed to develop and propagate innovative ways of municipal financing, through Public-Private Partnerships (PPPs)

## **SKILL DEVELOPMENT**

58. The state of Punjab is facing a piquant situation. On one hand there is a large scale unemployment whereas there is a lack of adequate skilled manpower in other areas. There is huge mismatch between skill upgradation and training being provided and the requirements of the private sector. Government of Punjab has realised the importance of eliminating this mismatch and embarked on series of corrective measures.

59. The state government in collaboration with leading corporate houses has set up construction skill development centre of L&T at Muktsar and Training Centre in Retail Marketing of Bharti-Wall Mart Ltd at Amritsar for the unemployed youth in the state. METRO Cash & Carry is also going to set up a training centre at Ludhiana to impart training to youth in wholesale business. The state government has set up some training centres for training to youth for security guards. As many as 16 centres have been set up for training of youth for jobs in military and para-military forces.

60. The scope of skill development initiative of Government of India needs to be enlarged. There is huge requirement for construction related jobs in India and abroad and large number of people from the state go abroad for these small works. There is scope of setting up of number of skill development centres for construction industry. Government of India through an act should make it compulsory for the construction industry to employ only certified and skilled man power for the construction work.

## **TECHNICAL EDUCATION**

61. The state government is thankful to Government of India for starting IIT Ropar and Indian Institute of Science Education and Research (IISER) at Mohali. The state government has provided 390 acre of land for the Knowledge City where IISER, NABI, INST & ISB are being set up. The state government was also successful in roping in big corporate houses of Max India Limited, Bharti Enterprises, Hero Corporate Service Limited and Punjab Llyod Limited for setting up of Indian School of Business in the Knowledge City at Mohali.

62. The Department of Technical Education with the assistance of NABARD has upgraded 6 Technical Institutions into multidisciplined academies. Under this scheme a polytechnic would have engineering courses as well as 10+2 classes and similarly, engineering colleges would have polytechnic courses and 10+2 classes. There are many areas where there are no polytechnic and ITI. As per Government of India norms there should be one polytechnic in every district and one ITI in every block. The state had a gap of 7 polytechnics and the buildings are under completion. As regards ITIs, Government of India is willing to assist the state governments for setting up of ITIs in PPP mode. There is need to open more ITIs and polytechnics in order to equip the youth of the state for employment and skill development.

63. The state proposes to put in special efforts to improve Technical Education and promote skill development courses for improving the prospects of gainful employment. The state proposes to achieve this through - (a) opening of new institutions of technical education, industrial training and skill development centres in untouched areas, (b)

upgrading and revamping of existing institutions (c) promoting higher education (post graduation and research), (d) establishing State Institutes of Technical Teachers' Training and Research; (e) regular upgradation of equipments (f) establishing new dedicated labs for thematic research and (g) Incentivise Higher Education and Research in Technology. The State seeks adequate central funding for achieving the above.

## EDUCATION

64. The state views its population as a huge human resource which, if honed properly, can significantly contribute to the development of the state. The youth of the state forms a substantial percentage of the human resource and, therefore, education is one of the sectors which requires special attention during the 12<sup>th</sup> Plan. With the concerted efforts of the State, the Educational Development Index of Punjab has jumped from 14<sup>th</sup> position among all the States in the year 2006-07 to 3<sup>rd</sup> position after Kerala and Tamil Nadu in the year 2009-10. Similarly, Gross Enrolment Ratio at primary level has improved to 95.29% and for upper primary level it is 78.74%, the drop out rate has come down to 2.25% for primary level and 0.57 % for upper primary level. The State aims to achieve 100% GER and 100% retention during the 12<sup>th</sup> Plan.

65. The state of Punjab is the first to take the initiative to set up 126 Adarsh schools across the state on the PPP Mode. These schools are being constructed in the rural areas and shall provide state-of-the-art educational infrastructure for the poor and meritorious students. The management of these schools shall be highly professional and the day-to-day control has been vested with the private partner. No fee shall be charged from the students and the government shall significantly contribute financially towards the efficient running of these schools. The major deviation is that the staff shall be professionally managed and recruited by the private partner. The scheme has received a good response and 15 Adarsh schools have already been made functional, 52 sites have been allotted to various corporate houses, another 41 MoUs signed and construction works has begun on 15 sites.

66. The 13<sup>th</sup> Finance Commission has recommended a total grant of Rs. 224 crore for implementation of the RTE Act in Punjab. While we welcome the restoration of

sharing pattern under SSA to 65:35 (Gol: State) for implementing the RTE, the decision to subtract the Finance Commission grant from the annual budget and then work out the annual cost sharing between the centre and the state needs to be reviewed. We urge the Gol to work out the cost sharing as per the actual budget of SSA and then allow the state government to adjust the Finance Commission grant as state share.

67. The Government has issued the required notifications under RTE Act 2009. Under the Act, private schools are required to admit students belonging to weaker sections (to the extent of 25% of the student strength) into class-I and provide free education till elementary level. These schools are required to be reimbursed by the state government for the expenditure incurred by the schools on these students. Right to Education Act has been enacted by the Central Government and therefore, it should share this burden. The state government feels that an amount of Rs. 250 crore required by Punjab should either be fully reimbursed by Government of India or at least it should be made a sub scheme under SSA.

68. As per Rashtriya Madhyamik Shiksha Abhiyan (RMSA) norms, no high school or senior secondary school can be established within a radius of 5 km of an existing high school or senior secondary school. This condition fails to take into account the number of students being catered to by a single high school or senior secondary school. While this condition is appropriate for sparsely populated areas, it fails to achieve the desired objective in a densely populated state like Punjab. It is, therefore, requested that the condition of 5 km may not be the sole criteria for establishing a new high school/ senior secondary school, rather the population of students within the above area may be an enabling clause for relaxation of the 5 km condition. 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.

69. Targets of raising GER in higher education to 20 percent by 2017 and 25 percent by 2022 envisaged by Planning Commission is only possible with the help of central assistance. We urge that Gol may consider revising the sharing pattern for opening up of colleges in educationally backward districts where GER is low from 33:66 to 66:33.

70. The State Government has made available 544 acres of land for Central University in Bathinda. However, the construction work is yet to begin. As regards the World

Class University near Amritsar, some sites have been identified which have been visited by the site selection committee and Government of India is yet to convey its approval for one of these sites.

## HEALTH

71. The state government has accorded top priority to revamping of healthcare infrastructure in the state. There were large number of vacancies in 2007 when the present government took over. The ban on recruitment was lifted and so far 124 medical specialists, 572 medical officers, 1445 staff nurses, 1708 ANMs, 205 ayurvedic medical officers, 112 homoeopathic doctors and 400 other paramedics have been recruited. More recruitments are in offering in the current year. Besides, work on a comprehensive plan of Rs. 350 crore for upgradation and construction of health institutions as per norms has been started and 3 new district hospitals, 8 sub-divisional hospitals and 32 community health centres would be constructed by the end of current year.

72. Other important initiative taken in the 11<sup>th</sup> Plan was to construct Super Specialty Hospitals at Mohali and Bathinda in collaboration with the MAX Healthcare Limited. These two hospitals having capacity of 200 bedded and 100 bedded respectively have been constructed at a cost of Rs. 300 crore. The private player has been given surplus land in the existing government hospitals against which the party would be paying 5% of the annual income to the state government every year, besides a sum of Rs. 5 crore as upfront fee. The state government took a number of initiatives for Maternal and Child Health and for better access to health care to poor people. The Emergency Medical Response Service (108) was introduced in April, 2011 throughout the state. The deliveries in hospitals have been made absolutely free. From the current year, all hospital delivery cases would be given Rs. 1000/- each besides Rs. 200/- for transport allowance. School children enjoy free school health check up and free treatment for congenital heart disease, cancer and thalassemia in PGI Chandigarh and other reputed hospitals under the school health programme. All Community Health Centres and Primary Health Centres have been upgraded respectively as First Referral Unit (FRU) and 24x7 delivery services. Rashtriya Swasthya Bima Yojna (RSBY) has been extended to all BPL families. The state has recorded an impressive

performance on reduction of infant mortality rate from 41 to 38 in the year 2009 alone. The child sex ratio has also increased from 796 in 2001 to 846 in 2011 as per the latest census figures. The performance in respect of total fertility rate has also been satisfactory. The targets fixed for the state for the 11<sup>th</sup> plan were too ambitious and inspite of the best efforts of the state, it has not been possible to meet these targets except in the case of total fertility rate and child sex ratio as depicted in the table below :

Health Indicators	Year	Punjab	National	Target by Planning Commission
Infant Mortality Rate (SRS)	2009	38	50	21
Maternal Mortality Rate (SRS)	2004-06	192	254	59
Total Fertility Rate (SRS)	2008	1.9	2.6	1.8
Institutional Deliveries (DLHS-III)	2007-08	63.3%	47%	80%
Immunization (DLHS-III)% of children fully immunized	2007-08	79.9%	54%	100%
Anaemia(NFHS-III)	2005-06	41.6%	57.9%	20.7%
Sex Ratio (0-6)(Census 2011 Provisional)	2011	846	914	850

73. The National Rural Health Mission has been a huge success in the state and a sum of Rs. 317 crore has been spent in the current year. The state of Punjab has been categorized as non focus state and therefore, the level of incentives under NRHM for various programmes are much less as compared to focus states. However, there are certain pockets in the state where because of high SC population and low literacy rates, health parameters are poor as compared to the remaining districts in the state. These districts should be given incentives at par with the districts of focus states. Government of India had announced that National Urban Health Mission would be launched during 11<sup>th</sup> Five Year Plan. The state government had mapped the health services in the big towns of the state, but this scheme has not been launched as a result of which there is not much improvement in the health facilities for the slums and other poor areas in the towns. There is, therefore, urgent need to upgrade the health infrastructure in urban areas and to launch the National Urban Health Mission.

74. The state has 400 bedded hospital at Jalandhar and 250 bedded hospital at Patiala. Government of India should launch an effective programme for upgradation of these district hospitals where about more than 2500 patients visits every day. 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 no reason why private hospitals cannot be allowed under this scheme at PGI/AIIMS rates. Rashtriya Swasthya Bima Yojna is a good initiative of Government of India but the insurance cover is limited to Rs. 30,000 which is too meagre. The scope of this important scheme should also be increased and insurance coverage be increased to atleast Rs. 1 lakh.

75. Punjab has seen rising number of cases of cancer especially in the southern Malwa districts. The state government got a study conducted by PGI, Chandigarh and its findings indicated that high use of pesticides for cotton crop in these areas could perhaps be the cause of large number of cancer patients. The state government has formed a corpus fund of Rs. 20 crore for treatment of cancer patients but this is too inadequate as compared to the magnitude of the problem. The state government requires atleast Rs. 125 crore every year for these districts. Government of India is also requested to construct a cancer hospital in one of the districts.

## **MEDICAL EDUCATION**

76. All the three government medical colleges in the state are being upgraded at a cost of Rs. 284 crore. Government medical college Amritsar has been taken up under Pradhan Mantri Swasthya Suraksha Yojna, while the remaining two colleges at Patiala and Faridkot are being upgraded from the state resources. There is acute shortage of manpower in the medical sector in the state. The state government has not been successful in filling up the posts of medical specialists in its hospitals inspite of three rounds of recruitments. Some of the specialists like Gynecologists, Pediatricians, Radiologists and Anesthetists are not available even for sub divisional and district hospitals. The state

government thanks the Ministry of Health and Family Welfare, Gol for increasing the number of medical seats in the medical colleges but a lot more is required to be done. There is need to continue PMSSY in the next 12<sup>th</sup> Five Year Plan and all medical colleges need to be upgraded. Government of India should also make it compulsory for medical graduates and post graduates to serve in government hospitals atleast for five years.

77. The state government has made Punjab Institute of Medical Sciences functional in collaboration with a private party. This institute was constructed at a cost of Rs. 130 crore on 56 acres of land. Now, it has been given to private party for running it. The private party has already contributed Rs. 121 crore to the state and would be contributing 5% of its annual income after seven years of its operation. Government of India should launch schemes for attracting private investments in Health and Medical Education.

## **SOCIAL SECURITY & WOMEN AND CHILD DEVELOPMENT**

78. The state government has special concern for the well being of the socially disadvantaged sections of the society. Regular old age and other pensions @ Rs. 250 per month are being disbursed to about 19.03 lac beneficiaries out of the Dedicated Social Security Fund. To widen the net and provide further relief, the state government has lowered the age for female old age pensioners from 60 to 58 years. The state government is actively pursuing a programme to disburse these pensions at the homes of the beneficiaries, through the Electronic Benefit Transfer (EBT) scheme, in collaboration with banks.

79. At present, 1.84 lac beneficiaries are receiving additional pension of Rs. 200 per month under National Social Assistance Programme (NSAP). The amount of Rs. 200 was fixed a long time back, therefore, it needs to be enhanced to Rs. 500 per month. Besides, under NSAP, widows of above 40 years of age are eligible for pension. There is no reason why the other widows should be discriminated. In fact, women who are widowed at a younger age are more susceptible to exploitation and harassment by the society and are, therefore, in need of even more financial assistance. Similarly, under Government of India scheme, pension is allowed for atleast 80% disability, whereas under the state scheme, disability level is only 50%. Therefore, Government of India should relax its norms as per state schemes.

80. In order to improve enrolment of girls in schools and providing them with better transportation, the state has launched an ambitious scheme- "Mai Bhago Vidya Scheme" under which all girls studying in government schools in standards 9<sup>th</sup> to 12<sup>th</sup> shall be provided with free bicycles. In the first phase, this scheme shall cover all girl students studying in class 11<sup>th</sup> and 12<sup>th</sup> during the year 2011-12.

81. The child sex ratio of the country which was 927 in 2001 has declined to 914 as per Census of 2011. As many as 28 states have reported declining child sex ratio but Punjab is fortunate to be among those states where child sex ratio has shown improvement. The child sex ratio has increased from 798 in 2001 to 846 during the last 10 years. The state government has launched an ambitious scheme- "Bebe Nanaki Ladli Beti Kalyan Scheme" wherein the state shall invest Rs. 20000/- on the birth of every girl child born to parents having a combined income upto Rs. 30000/-. The girl child would receive cash assistance during her schooling. Government of India launched a pilot project for the girl child namely "Dhan Lakshmi" scheme in one block of Fatehgarh Sahib district. There is not much progress. The Central Government should launch an effective scheme for the girl child in view of declining child sex ratio across the country.

82. The state pays special attention to its senior citizens and in this regard the State Assembly has passed the "Maintenance of Senior Citizens Welfare Act" under which, it is now the legal duty of children to take care of their elderly parents failing which they may face imprisonment. There is an urgent requirement for construction of old age homes in the state. At present, the Government of India only provides assistance to NGOs for establishing such homes. It is proposed that this funding be made available to the state government since the response from NGOs has been very poor.

83. Under the ICDS programme, at present 26656 anganwari centres are running in the state. A vast majority of these are being run in rented buildings and the Government of India has fixed unrealistically low norms for building rent which stands at Rs. 750/- for urban areas and Rs. 200/- for rural areas. This rent needs to be enhanced to Rs. 3000/- for urban areas and Rs. 1000/- for rural areas. In addition, the state seeks central assistance for construction of anganwari centres wherever these do not exist. The rates for Supplementary Nutrition Programme (SNP) that are also being followed under other nutrition

schemes have not been revised for the last two years although food prices have increased tremendously.

84. The consumption of narcotics and other habit forming drugs is increasing over the years and studies have estimated that nearly 50% of youth is addicted to some kind of drugs. There is no effective scheme for establishment of drug de-addiction centres in the state. The Health Department has recently issued guidelines for regulating private drug de-addiction centres and has decided to open one drug de-addiction centre in every district hospital. However, there is a need to open more de-addiction centres. The scope of present scheme of Gol to assist NGOs for drug de-addiction centres is extremely limited. Government of India should establish or help establish atleast one 30 bedded de-addiction centre in every district.

#### **WELFARE OF SCs & BCs**

85. The state government is committed to uplift the under privileged sections of the society by improving their socio-economic condition and promoting educational development with the objective of bringing them at par with the affluent section of the society. State government has widened the scope of most of the welfare schemes from earlier SC and BPL families to include BC and families having annual income of Rs, 30,000 or less. These mainly include Shagun of Rs. 15000 at the time of marriage of the girls and remarriage of widows/divorcees, attendance scholarship for primary girl students and free uniforms. The state government is spending substantial funds for providing scholarships to students belonging to SC, BC and minorities. 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.

86. Sir, as you are already aware that Government of India introduced a scheme for the development of villages having more than 50% SC population. The State has the highest SC population and there are 2068 villages having more than 50% SC population. Government of India is, therefore, requested to allocate substantial funds for this purpose, so that better environment and basic minimum services may be provided to these villages on priority basis.

## **WOMEN EMPOWERMENT**

87. State government is giving top priority to the Women Empowerment. Various schemes are being implemented for the welfare of women aiming at enhancing women's access to resources and to the benefits of the development of the nation. The major programmes include Shagun scheme, Widow Pension scheme, Free bicycle to girl students, improving sex ratio, attendance scholarship to primary girl students, 'SABLA' scheme, 'Bebe Nanaki Ladli Beti Kalyan' scheme, Free education to all girls upto class-XII. The state government has lowered the qualifying age for women in Old Age Pension scheme from 60 years to 58 years.

88. At present, most of the women oriented schemes are concerned with weaker sections of the society. The state government shall focus on empowering women in the middle class as well, which today forms the largest section of the society. Empowerment of women in this class shall give rise to one class of women who shall not only improve their own well being but help to contribute and champion the cause of women who are economically poor.

## **BORDER AREA DEVELOPMENT**

89. Punjab has a 553 km long international border with Pakistan. The four border districts of Punjab were one of the most prosperous areas in the state. The Indo-Pak war and the prolonged militancy in the state rendered them un-attractive for investment and other economic activities. 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.

90. The state receives about Rs. 32 crore under the Border Area Development Programme for the 19 blocks. This amount is mostly utilized for small works in the villages and hardly any money is left for the towns. The state government has submitted a project of Rs. 134 crore for providing water supply, sewer and other amenities in 11 border towns situated within 15 km of the border which has yet not been approved by Government of

India. The demand of farmers for compensation @ Rs. 10,000/- per acre for the 18500 acres cultivable land situated across the border, for which Rs. 19 crore are required annually, remains unfulfilled. In certain areas, no compensation has been paid for the land used by the BSF for the 11ft track along the border fence. A sum of Rs. 20 crore is required for these 323 acres of land.

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

## **CONCLUSION**

92. The challenges faced by the state are well known to the policy planners. The state continues to endure the effects of the long period of militancy. Our land locked geographical location coupled with an active border are certain disincentives for which we deserve to be adequately compensated. I call upon the Planning Commission to use its good office for allocating increased resources to the State to overcome the special problems.

93. While concluding, I would like to thank you for affording me this opportunity to meet you all and discuss the vision of the state for the 12<sup>th</sup> Plan.

**JAI HIND**