

MILITANCY SCENARIO IN PUNJAB

Threats

1. The graph of terrorist violence has shown a gradual decline over the years and the number of incidents and killings by militants has come down substantially. Nevertheless the undercurrents of militancy in the state need to be kept under watch in view of the continued patronage of Pak ISI to residual terrorist groups of Punjab and their allies, challenges from loose networks besides the threats emanating from terrorist groups of J&K and Pan-Islamic elements, who have been trying to expand their networking in different parts of the country. After the taking over of new Government in the state, Sikh radical groups represented by SAD-Amritsar and Dal Khalsa have started propagating that RSS and Hindu organizations are going to assert in the new formation and planning to rope in other radical Sikh organizations. Radical elements represented by Daljit Singh Bittoo, Senior Vice President of SAD-Amritsar are trying to take over control of SAD-Amritsar in the wake of resignation by S.S. Mann in the backdrop of humiliating defeat in Assembly elections.

2. The security forces succeeded in neutralizing two KZF modules responsible for blasts in buses in Jalandhar in April/May 2006. In the wake of serial blasts in Samjhauta Express in Haryana on the intervening night of 18/19 February, 2007 in which 67 persons were killed, the field formations were alerted and security of vital installations, means of transport, communication beefed up.

3. Pro-Taksal elements in particular require attention. A section of these elements had developed understanding with Babbars and assisted them in retrieving some consignments of weapons and explosives and expanding their networking. A large number of Babbar Khalsa elements arrested in the follow up

of arrest of Jagtar Singh Hawara in June 2005 had their linkages with Taksal controlled establishments.

4. Khalistan Zinadabad Force (KZF) which has remained one of the most active terrorist outfit since restoration of peace in Punjab in mid 90's and was responsible for over a dozen incidents made its presence felt in April 2006 in the shape of a low intensity explosion at bus stand Jalandhar in which 4 persons lost their lives. Although terrorists involved in these incidents have been arrested, still this organization is active and needs close watch.

5. The state, on account of its proximity to J&K has witnessed linkages between Punjab militants and J&K militant groups from time to time. Periodic efforts to promote coordinated militancy have come to notice from time to time. Creation of Khalistan, Kashmir and Muslim fundamentalist code named K2M, Khalistan Kashmir International (KKI), Jammu Kashmir Khalistan front (JKKF) were a few major misadventures in this regard. Periodic presence of militant groups of J&K in Punjab for expanding their networking, creating hideouts and facilitating their operations have been reported. One such module associated with Hizbul Mujahudin (HM) has been unearthed in district Gurdaspur last year. This exposure was the result of an operation mounted against an inter-state gang of vehicle lifters supplying vehicles to some shady persons in Srinagar. Subsequent interrogations revealed a comprehensive planning of HM to strike against some army installations through suicidal strikes in Pathankot area.

6. The state also faces a serious challenge from the agents involved in promoting narco-terrorism. These elements have made several efforts in the recent months to puncture Punjab border besides bringing consignments of narcotics, fake currency, which are laced with weapons and explosives via adjoining Kathua & RS Pura sector. Thinning of BSF from Punjab border coupled with sophistication in

modus operandi being employed by the smugglers and couriers have added to the vulnerability of the border. More active coordination with central agencies would be required in this direction to defeat the designs of the disruptive elements and agents engaged in promoting narco-terrorism having implications for several states. Recent seizures indicate that Ferozepur border is very active. Earlier the porosity of border in Khemkaran & Ajnala sectors was exploited by the agents involved in these sinister trades.

Targets

7. Radical groups dominated by ex-militants are highly critical of Sh. P.S. Badal, Hon'ble Chief Minister Punjab and have stepped-up propaganda against him after the announcement of election results, which led to the victory of the party. Hon'ble CM, Punjab and close members of his family would require comprehensive security cover.

8. The interrogations of arrested terrorists combined with inputs originating from various central agencies suggest that various militant formations backed by radical groups and subversive groups are very keen to hit ideological targets, which at the moment are focussed on those allegedly denigrating Sikhism, blamed for November 1984 riots, Operation Blue Star and major anti-terrorist operations. Name of Piara Singh Bhanianwala, Baba Ashutosh, Ajit Singh Poohla, Sh. K.P.S. Gill, former DGP, Punjab, Sh. Bhajan Lal, former CM, Haryana, Genl. (Retd.) RS Dayal have figured from time to time. Sabotage of vital installations, explosions in buses to create panic and terror also figure high on the agenda of militant groups.

Present potential

9. Presently there are about 290 listed terrorists including 22 of hardcore category on the wanted list of Punjab Police, out of which about 125, including heads of all major terrorist outfits are operating from foreign countries. Group-wise strength of listed terrorists is KCF- 50, KLF- 32, BKI- 67, ISYF- 53 and others - 98. Beside the listed terrorists the state faces challenge from terrorists raised in foreign countries and trained and indoctrinated in Pakistan who have the advantage of anonymity as the identities of most of them are not known to law enforcement agencies. Two top terrorists namely Harpal Singh Cheema and Kulbir Singh Barapind belonging to KCF-Panjwar were deported from USA last year. They are presently lodged in Nabha jail and have been accommodated at senior positions in SAD-Amritsar. These militants have good networking among radical elements in USA & Canada and are keen to join radical politics after their release. They have contradictions and differences with Daljit Bittoo over various issues and are not likely to toe his line of action.

Role of PAK ISI

10. While level of patronage by ISI to Punjab militants has come down, nevertheless they continue to receive encouragement for promoting militancy and narco-terrorism in the state through their agents. Interrogations of recently arrested Babbars have revealed very vividly about the current pattern of training in improvised camps, routes for entry of new recruits to Pakistan via Dubai, Nepal and Bangkok etc., nature of weaponry being made available to Punjab militants with emphasis on the use of a variety of explosives and indoctrination sessions organized for them. Top militants like Paramjit Singh Panjwar, Wadhawa Singh, Neeta and Lakhbir Rode are learnt to be enjoying the same level of patronage, which they were having during days of terrorism, their roles having been further refined and modified. New routes have been activated by ISI for pushing consignments of weapons, narcotics and Fake Indian Currency Notes (FICN). ISI

is very keen to keep Punjab border alive for pushing consignments of narcotics, fake currency and even arms and explosives for promoting narco-terrorism. Recent seizures by Special Narcotic Cell, DRI, NCB and some other agencies of large quantities of narcotics corroborate these designs.

About Foreign Connections

11. Punjab militants are using their foreign connections in a variety of ways. Apart from providing communication facilities, foreign-based coordinators are arranging funds, recruits and even contacts with smugglers for pushing consignments.

12. From the brief developments on militant front which have come to notice, following salient features of the present status of Punjab militancy are summarized:

- (a) Pak ISI factor still remains very relevant in the context of revival efforts.
- (b) Role of foreign-based militant coordinators in terms of reviving militancy is very prominent. These elements require watch.
- (c) A variety of youth including some Hindu boys and plain criminals devoid of any ideological commitments have been roped in. Heavy monetary incentives are being given for actions by terrorist coordinators.
- (d) Current stress remains on the use of explosives. Heavy quantities have been recovered in the recent past.
- (e) Indoctrination of religiously motivated boys to serve as human bombs to hit ideological targets has come to light.
- (f) New routes for smuggling have been activated via Punjab, J&K and Rajasthan. Punjab border lately has become highly porous requiring immediate plugging of the porous sectors.

- (g) Flow of money for militant cause through couriers and other channels is a cause of concern. Funds are still being raised for reviving militancy and extending financial assistance to families of killed militants and militants lodged in jails.
- (h) Militant coordinators are trying to carry out a sort of loyalty audit of Pak returned youth, trusted harbourers and criminals having remained in jails with top terrorists to replenish their cadre. Special watch is being maintained over jails.
- (i) Some women recruits have been raised for militant cause to serve as human bombs against ideological targets like Piara Singh Bhanianwala & Baba Ashutosh. Security of threatened persons has been beefed up and security component attached with them properly sensitized.

Steps taken by Police

13. To deal with these challenges emanating from the activities of revival agents, a comprehensive counter terrorism strategy based on identification, penetration and neutralization is being pursued. Following steps have been initiated to deal with these challenges: -

- (a) Up-gradation of actionable Intelligence at every level and prompt follow up action of intelligence inputs.
- (b) Activities of terrorists lodged in jails or released from jails or on parole are covered effectively.
- (c) Security of vulnerable points and targets has been beefed up.
- (d) Coordinated operations against absconding terrorists and top smugglers have been mounted.
- (e) Activities of radical groups and frontal platforms of militants are being covered discreetly.

ACTIVITIES OF LEFTIST AND NAXALITE GROUPS

1. **Previous History** - After the split of CPI in 1964 and then in 1967, a new leftists group of CPI (ML) had emerged with an ideology of armed revolution in the country which effected many States like Bengal, Andhra Pradesh, Orisa, Bihar, Punjab etc. and became a major challenge to the peace and law & order in the country. Punjab also witnessed a number of incidents of killings and looting in the late sixties and early seventies under the naxalite movement. The naxalite movement had got a good response from a large number of educated youth who were ideologically committed for their cause. During this violent movement a large number of naxalites got killed in various police encounters and many were arrested for their activities. In a way this movement was almost crushed. The remnants remained dormant for a long period or started living a normal and peaceful life, but the ideology and their commitment still survived in their minds. Over a period many of them again started working for some over ground and front organizations which had leaning towards CPI-ML or its splinter groups. In the process they have reorganized themselves by taking up popular causes of various sections of the society like farmers, students, employees and labourers etc. Now they have a reasonably large number of followers in some districts like Bathinda, Mansa, Sangrur, Moga, Muktsar etc. and have become a cause of embarrassment for the Government on many occasions.

2. **Persons Involved**- Some ideologues from Punjab are also active at national level. One of them being Dr. Darshan Paul, who has resigned from government and is a full time ideologue of All India People Revolution Front (AIPRF). As per the latest inputs, this forum is dissolved to give a way for new organisation under the nomenclature of People Democratic Front (PDF). Besides Darshan Paul, other active members associated with PDF are Ajit Pal, Hari Singh Tarak, Sukhdarshan Singh (Mansa), Balwant Makhu, Rana, Jagmohan Singh, Balkar Singh, Sohan

Singh (Barnala), Harjinder Singh, Sucha Singh, Swaranjit Singh, Jugraj Singh, Sukhmander Singh, Pishora Singh Sidhupur, Ruldu Singh and Gurmeet Singh. Darshan Paul has good equations with the central leaders but does not have very effective contacts in Punjab. Lately he has to garner the support of some agrarian groups with leftist sprinklings such as BKU-Ugrahan. At the national level, associates of Dr. Darshan Paul are Deepti of Mumbai, Surinder @ Mota Sarup Bhai (Orisa), Danda Pani Mohanti, Vidayak, Stifan, KD Rao, Rahul, Shiv Sunder (Banglore), Tinku, Vhhotan, Bhattacharya, Raj Kishore (Bihar), Vikar (Ranchi), Gopal, Gurmit, Sunil, Amitabh, Arjun and Santosh Gawa.

3. **Front organisations** - Various front organizations have occasionally preached violent path against the Government machinery and other sections of society as a part of their fight against exploitation of the weaker section of the society. However they have not so far indulged in violence any where. Some farmer organisations like BKU (Ugrahan), Kisan Sangharsh Committee and other BKU factions have agitated aggressively on many occasions by showing their strength for various issues like acquisition of land for SEZ or other projects. They are also in touch with various Central Committee members of naxalite factions. Various front organisations are propagating their ideology especially in villages by showing them revolutionary plays and by printed matter.

4. **Nepali influence** - It is also learnt that there are a large number of persons of Nepali origin who are working in Punjab and have suddenly become active and have organized themselves in support of Maoist movement in Nepal. The local elements of leftists with Maoist leanings are also helping them to organize with an aim to support the leftist struggle. They have formed organizations like Nepali Jan Adhikar Surkhiya Samiti (Maowadi) and Akhil Bhartiya Nepali Ekta Samaj. They organize their regular meetings in the garb of small level tournaments or cultural programmes.

5. **Groups** - At present there are six CPML Naxalite groups active in different pockets in Punjab and most of them are working over ground for the front organizations of their respective groups. The broad division of these groups and their active front organizations is as below:-

(1) CPML (CHANDER PULLA REDDY GROUP - NEW DEMOCRACY)

The main area of influence of this group is in Moga, Faridkot, Kapurthala, Amritsar, Gurdaspur, Jalandhar, Nawanshehar districts and its State level leader is Com. Darshan Singh Khatkar r/o Manowal PS. Banga distt. Jalandhar. This group publishes a magazine by the name of "Hirawal Dasta".

It has got following front organizations -

- (a) Kirti Kisan Union
- (b) Pendu Mazdoor Union
- (c) Democratic Teacher Front
- (d) Democratic Employees Front
- (e) Lok Sangram Morcha
- (f) Inqulabi Kender Punjab
- (g) BKU (Revolutionaries)

(2) CPML (AMOLAK GROUP)- (CHANDER PULLA REDDY GROUP)

The main area of influence of this group is in Jalandhar, Ludhiana, Barnala and Sangrur. districts and its state level leader is Amolak Singh, Secy. This group publishes a magazine by the name of "SURAKH REKHA". This group has its followers in Technical Services Union of Punjab State Electricity Board and Lok Morcha Punjab.

(3) CRC- ML NAGAREDDY GROUP (Affiliated to UCCRI)

The main area of influence of this group is in Bathinda, Faridkot and Ludhian districts and its state level leader is Harbhajan Singh Sohi. This group publishes a magazine by the name of “INQUILABI JANTAK LEEH”.

It has got following front organizations-

- (a) B.K.U. Ekta (Ugrahan group)
- (b) P.S.U. (Randhawa group)
- (c) Lok Morcha Punjab

(4) CPML –LIBERATION (CHARU GROUP)

The main area of influence of this group is in Mansa, Bathinda, Barnala, Sangrur and Ludhiana districts and its state level leader is Rajwinder Singh Rana c/o Baba Bujha Singh Bhawan, Mansa. This group has got its association with People War group which is active in Andhra Pradesh, Bihar, Zharkhand, Orrisa and Bengal etc.

It has got following front organizations –

- (a) B.K.U. Ekta (Dakonda group)
- (b) Pargatisheel Istri Sabha
- (c) AISA (All India Student Association)
- (d) Inqulabi Naujwan Sabha
- (e) Mazdoor Mukti Morcha

(5) IDP (International Democratic Party- RP Saraf group)

The main area of influence of this group is in Mansa, Bathinda, Jalandhar, Barnala and Sangrur districts and its state level leaders are Master Kheta Singh r/o Bathinda and Com. Maghar Singh Kulrian r/o Barnala. This group had been contesting elections also because of their belief in democracy and were able to elect Surjan Singh Joga as MLA from Joga constituency in 1992. The front organization of this group are Jamhuri Morcha Punjab, Democratic Teacher Front (IDP) and Punjab Khetibari Ate Kisan Vikas Front.

(6) CPI (ML) SN Sinha group

The main area of influence of this group is in Gurdaspur, Ropar and Faridkot districts and its state level leader is Tara Singh Chalaki r/o Ropar and Gurmit Singh. This group publishes a magazine “Inquilabi Gunjan”. Its front organization is TSU an employee organization of PSEB.

A chart showing the list of naxalite groups, their main coordinators, front organizations and area of influence is attached at Annexure “A”.

Leftist groups in Punjab – A brief analysis

<i>S. No.</i>	<i>Name of the party</i>	<i>Main coordinator</i>	<i>Front organizations</i>	<i>Estimate following</i>	<i>Area of influence</i>	<i>Remarks</i>
1.	CPML (Chander Pulla Reddy Group – New Democracy)	Darshan Singh Khatkar r/o Manowal PS Banga district Jalandhar	1. Kirti Kisan Union 2. Pendu Mazdoor Union 3. Democratic Teacher Front 4. Democratic Employee Front 5. Lok Sangram Morcha 6. Inqulabi Kender Punjab 7. BKU (Revolutionaries)	28/30 10/15 20/25 10/15 8/10 8/10 7/8	Moga, Faridkot, Kapurthala, Amritsar, Gurdaspur, Jalandhar and Nawan Shehar	The leaders of this group has certain ideological differences with the newly formed government at the centre. There is nothing very significant about this group.
2.	CPML (Chander Pulla Reddy Group – Amolak group)	Amolak Singh	1. Technical Services Union of PSEB 2. Lok Morcha Punjab	30/35 9/10	Jalandhar, Ludhiana & Sangrur	It is a very active group which is trying to create cells in government organizations and revive revolutionary ideology need attention.

<i>S. No.</i>	<i>Name of the party</i>	<i>Main coordinator</i>	<i>Front organizations</i>	<i>Estimate following</i>	<i>Area of influence</i>	<i>Remarks</i>
3.	CRC – ML Nagareddy group (affiliated to UCCRI)	Harbhajan Singh Sodhi	1. BKU – Ekta (Ugrahan group) 2. PSU (Randhawa group) 3. Lok Morcha Punjab	30/32 20/25 5/7	Bathinda, Faridkot & Ludhiana	This group has hood influence in Malwa area and has cells in agrarian groups more prominently in BKU (Ugrahan). Activities of this group are being watched.
4.	CPML – Liberation (Charu group)	Rajwinder Singh Rana c/o Baba Bujha Singh Bhawan, Mansa	1. BKU – Ekta (Sidhupur group) 2. Pargatisheel Istri Sabha 3. AISA (All India Student Association) 4. Inqulabi Naujwan Sabha 5. Mazdoor Mukti Morcha	25/30 7/8 13/14 18/20 12/15	Mansa, Bathinda, Sangrur & Ludhiana	This group has some pockets of influence in Malwa districts has trying to make pressure felt in agrarian and student organizations. Some activists of this group has tried to become active in Punjabi University, Patiala under the banner of All India Student Association (AISA) & PSU

<i>S. No.</i>	<i>Name of the party</i>	<i>Main coordinator</i>	<i>Front organizations</i>	<i>Estimate following</i>	<i>Area of influence</i>	<i>Remarks</i>
5.	IDP (International Democratic Party (RP Saraf group))	Master Kheta Singh r/o Bathinda & Com. Maghar Singh Kulrian r/o Barnala	1. Jamhuri Morcha Punjab 2. Democratic Teacher Front (IDP) 3. Punjab Khetibari Ate Kisan Vikas Front	4/5 15/16 8/10	Mansa, Bathinda, Jalandhar & Sangrur	This group has insignificant presence in Malwa & Doaba pockets. It has also shows its presence in Sangrur district.
6.	CP (ML) S.N. Sinha group	Tara Singh Chalaki r/o Ropar & Gurmit Singh	TSU, and employee organisation of PSEB	20/22	Gurdaspur, Ropar & Faridkot	This group has tried to make in roads in employee organizations of PSEB.

NATIONAL RURAL HEALTH MISSION

(Launched on 12/4/2005 by the Prime Minister)

1. Present Status - Govt of India made an allocation of Rs.128.44 crore for the year 2006-07 for Punjab State for different activities under NRHM. Accordingly, Government of Punjab has prepared National Rural Health Mission (NRHM) Programme Implementation Plan (PIP) on the basis of guidelines of GOI.

2. Objectives -

- Reduction in Infant Mortality Rate and Maternal Mortality Rate
- Universalize access to public health services for Women's Health, Child Health, water, hygiene, sanitation and nutrition
- Prevention and control of communicable and non communicable diseases, including locally endemic diseases
- Access to integrated Comprehensive Primary Health Care
- Ensuring population stabilisation, gender and demographic balance
- Revitalize local health traditions and mainstreaming of AYUSH
- Promotion of healthy life styles

3. Physical & Financial Achievements -

<i>Year</i>	<i>2005-06</i>	<i>2006-07</i>
Allocation	Rs. 99.72 Cr	Rs. 128.44 Cr
Released by GoI	Rs. 91.09 Cr	Rs. 135.06 Cr
Expenditure	Rs. 64.49 Cr (71%)	Rs. 54.43 Cr (32.13%)

4. Implementation in Punjab - For effective implementation of the NRHM programme, State Government has taken up the following steps -

- State Health Mission - State Health Mission under the Chairmanship of Hon'ble CM Punjab has been constituted.

- District Health Mission - The District Health Missions have also been constituted under the Chairmanship of the Chairmen Zila Parishads with DC's as Co-Chairmen.
- State Health Society – The State Health Society has also been got registered. Registration No. is 3871 of 2007, dated 26/2/2007. Various diseases control societies like Punjab State TB Control Society, State Leprosy Society, State Blindness Control Society, Reproductive & Child Health (RCH) Society at the State level under NRHM are likely to be integrated and merged into one State Health Society (SHS). The Governing Body for this State Health Society has been constituted under the chairmanship of Chief Secretary, Punjab.
- District Health Society - Similarly, at the district level District Health Societies for all the districts have been constituted and got registered (except in the newly created districts of Taran Tarn and Barnala). The Disease Control Societies at the district level are likely to be merged into Integrated District Health Societies.
- Essential Obstetric Care, Emergency Obstetric Care – 75 PHC and 50 CHC are being strengthened under this programme. The work is in active process.
- Computerization upto block level - Computer System along with furniture have been supplied up to block level to computerize the Health Department. Contractual recruitment of Computer Operators is near completion.
- PNMT – Child Sex Ratio – Because of sustained campaign and strict enforcement of PNMT Act, the child sex ratio in the age group 0-6 has improved from 798 in 2001 to 817 in 2005.
- Rogi Kalyan Samitis – Rogi Kalyan Samitis in district and sub-divisional offices have been constituted vide notification No.1G/392/DG-1HB-4/28422, dated 11/12/2006. .
- Achieving the MDGs – Infant Mortality Rate is to be reduced from 52 in 2000 to 34 in 2015. For Punjab it was 44 in 2005. Maternal Mortality Rate is to be reduced from 199 in 2000 to 150 in 2015. It was 178 in 2001-2003 in Punjab.

- Project Implementation Plan (PIP) for Reproductive Child Health Care Programme Phase-II amounting to Rs. 29.00 crore and Rs. 36.12 crore respectively for the year 2005-06 and 2006-07 was got sanctioned from the Government of India and is under implementation. Similarly, PIP for the year 2007-08 amounting to Rs.32.53 crore is being prepared and is to be sent to GOI shortly for approval.
- Special Immunization Programme with an outlay of Rs. 6.12 crore was got approved by Govt. of India and is also under implementation.
- For maintenance of 2858 Health Sub Centres, an amount of Rs. 2.85 crore as untied funds has been released to all the Sub Centres @ Rs.10,000/- per Sub Centre. These funds are being spent by ANM and Sarpanch/Member Panchayat jointly for the better upkeep of these Sub Centres. An amount of Rs. 3.17 crore received from GOI has been released to all the Sub Centres during 2006-07.
- An amount of Rs.23.20 crore has been received from GOI and is being spent for upgradation of 116 CHCs @ Rs.20.00 lac per CHC up to level of Indian Public Health Standards. The work in 34 CHCs has already been completed. Out of remaining 82 CHCs, estimates have been approved for upgradation of 43 CHCs.
- For social engineering of desirable health seeking behaviour of the community, Behaviour Change Communication(BCC)interventions are being carried out on the issues related to maternal and infant health, population stabilization and cause of the girl child at a total cost of Rs.2.34 crore under the RCH Programme.

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SARVA SHIKSHA ABHIYAN

(Rs 500 crore planned for 2007-08 in Punjab)

1. Scope - Sarva Shiksha Abhiyan is a comprehensive and integrated programme to attain universalizing of elementary education by the year 2010. This is a Centrally Sponsored Project which practically started in Punjab in 2002-03. The funds pattern was 85:15 in 9th plan (1997-2002) and was 75:25 during 10th plan (2002-2007). There are reports that during the current 11th Plan (2007-08 to 2011-12), the funding pattern would be 50:50. It is proposed to spend Rs. 500 crore in the year 2007-08 in the State. The objectives of the programme are -

- All children in schools, EGS centers or alternative schools by 2003.
- All children complete 5 years of primary schooling by 2007. All children complete 8 years of elementary schooling by 2010.
- Focus on elementary education of satisfactory quality with emphasis on life.
- Bridge all gender and social category gaps at primary stage by 2007.
- Universal retention by 2010.

The scheme has a special focus on access & quality of elementary education and lays specific emphasis on the education of girls, SC/ST children with special needs & children in difficult circumstances. 33% of the total budget is allocated for carrying out civil works for primary & upper primary schools. Teacher Training has special importance in improvement of quality of education. About 20.73 lakhs students were enrolled in primary schools during 2000-01 which reduced to 19.11 lakhs in 2005-06.

2. Basic Statistics -

Literacy rate –

	<i>Male</i>	<i>Female</i>	<i>Overall</i>	<i>Punjab</i>
	63.4 %	69.95 %		75.2 %
India	75.85 %	54.16 %	65.38 %	

Drop Out rate -

	30/9/2001		30/9/2005	
	Primary	Secondary	Primary	Secondary
Enrolment in Schools	20.73 lac	15.45 lac	19.11 lac	16.18 lac
Drop-out Rate	20.03 %	69.00 %	25.1 %	70.4 %

3. Physical Achievements (As on 31/3/2007)

o Civil Works – Details of physical progress for 2002-07

Sr.No.	Name of the works	Unit(No)	Target	Achievement	
				Completed	Progress
1.	Construction of BRC Buildings	No.	141	110	31
2	Construction of CRC Buildings	No.	695	614	81
3	Construction of additional classroom(Primary)	No	6281	4317	1960
4	Construction of additional classroom(Upper Primary schools)	No.	7117	5108	2009
5	Building less schools	No	238	120	117
6.	Toilets & Drinking water facility	No.	17531	17175	276
7.	Const. of Head Master room for UPS	No.	534	491	43
8	Varandha	No.	125	108	17
9	New school building/branch school	No.	267	96	171
10	Building as learning Aid(BALA)	No.	1200	859	341
11	Kitchen shed for Mid Day Meal	No	88	-	61

- **EGS** – Against the plan of 2006-07 where target was to cover 55534 Out Of School Children (OOSC) in 1239 new EGS Centres, 803 new EGS centre were opened and 29532 OOSC were covered during 2006-07. In total there were 91870 OOSC in 2887 EGS Centres.
- 24460 Deprived Urban Children (DUC) were planned to be covered in 671 AIE Centres during the year 2006-07. However, 11377 DUC were covered in 380 AIE Centres, 13233 children of classes III, IV & V were mainstreamed during 2006-07.
- **Text Books** – Free textbooks were provided to all Non SC girls of classes I-VII under SSA. Free workbooks were provided to all children except Non SC boys of classes I-V and Innovative Vocabulary Buildings Workbooks were provided to all children, except Non SC boys of classes VI-VIII. Fund allocation for free textbooks for Non SC girls under AWP&B 2006-07 of SSA was 495.42 lacs and that for workbooks was 550.16 lacs.
- **Inclusive Education for Disabled** – 32 trial & fitment camps and 36 distribution camps were organized. A total of 4,500 learning aids & assistive like tricycles, wheelchairs, crutches, Braille slates, canes, hearing aids, artificial limbs and calipers, spectacles, etc., distributed to children with special needs, Fitment & distribution camps are continuing and all children would be provided aids and appliances as per the recommendation of assessment teams/
- **Girls Education** – For providing incentives like uniform, stationery, shoes, geometry boxes and school bags to the girls of Classes I-VIII. The was in accordance with the approval of MHRD, GOI,
- **Remedial Coaching-** Remedial Coaching was provided to 278229 students of classes III, IV & V in 7769 government primary schools under SSA for three months during November 2006 to January 2007. 7846 Education Volunteers with academic qualification as 10+2/graduation/post graduation were appointed @ Rs. 600 per month to provide Remedial Coaching to weak students of class III-V for 2 hours after school timings.

- **Early Childhood Care and Education** – 1600 Nursery Schools which were opened during 2005-06 in the existing Primary schools premises were continued during 2006-07. While 40,954 children were enrolled in ECCE centres during 2005-06, the figure rose to 44,435 children during 2006-07. There was an appreciable increase of 8.5% in enrolment over the last year.

4. Financial Progress - A total expenditure of Rs. 594.98 crores has been incurred up to 31/3/2007 under this programme including 33% funds spent on civil works. The year wise detail of AWP & funds received from GOI & State Government under Sarva Shiksha Abhiyan is given below:

Year wise AWP

Amount in lacs

Year	Name of the Scheme	AWP&B *	Releases		Total Releases
			GOI	State share	
2001-02	SSA		149.55	49.85	199.40
2002-03	SSA	14213.99	10385.00	973.17	11358.17
2003-04	SSA & NPEGEL	20145.76	6476.00	3083.00	9559.00
2004-05	SSA & NPEGEL	20034.91	3056.49	2677.83	5734.32
2005-06	SSA,NPEGEL& KGBV	22582.00	14683.89	4905.58	19589.47
2006-07	SSA,NPEGEL& KGBV	23273.03	12879.00	2626.64	15505.64
2007-08					50000.00

* Annual Work Plan and Budget – The releases are less than the Work Plan submitted.

(An outlay of Rs. 500.00 Cr, including State Share of Rs. 250.00 Cr has been proposed for the Annual Plan 2007-08)

5. **Issues-** The SSA has been highly successful in upgrading infrastructure at the Primary and Upper Primary level. There are two issues that we and other states have been raising -

- The Programme needs to be extended to Secondary and Senior Secondary level.
- The funding pattern should continue as 75 : 25 (Centre : State). There is some talk of changing it to 50 : 50.

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IMPROVING BUSINESS CLIMATE

A. STEPS TAKEN BY THE STATE GOVERNMENT

Industries

- Industry friendly Policy announced in 2003.
- Enacted Industrial Facilitation Act, 2005 to ensure time bound approvals.
- Empowered Committee to clear mega projects with Rs. 100 crore and above set up.
- Projects worth Rs. 1,05,729 crore with employment generation potential of 14.00 lakh persons approved. Investment of about Rs.8000 Cr has already been made in these projects.
- 43 project in IT, Textile, Agro Processing etc. with investment potential of Rs.11000 Cr cleared.
- Textile Policy approved.
- Bound Scheme for payment of capital subsidy (Rs.500 Cr) to industrialists approved.
- Two SEZs namely Quark and Ranbaxy approved by the Government of India to be set up at Mohali. SEZ at Amritsar is being set up by DLF.
- Industrial exports increased from Rs.4000 crore in 2001 to Rs. 12000 crore in 2005-06.
- Abolition of Octroi wef 1/9/2006.

Service Industry

- Construction, Housing and Real Estate- Establishment of Greater Mohali Development Authority, Mohali Development Plant and Legislation for development plans for fast urbanizing zones around a corporation town.
- Finalisation of Master/Zonal Plan of Cities.
- Rent Control Act amended but amendments could not be notified. Case for comprehensive amendment under consideration.
- Urban Land Ceiling Act repealed.

- Lowest rate of stamp duties in Punjab.
- Tourism – Rs.15 Cr project for tourist destination at Amritsar, Wagha and Patiala sanctioned. Another project for Rs.17 Cr for Freedom and Pilgrimage Circuit being sanctioned.

Infrastructure Development

Requisite Regulatory Framework for attracting Private Investments in Infrastructure Projects : To attract private participation in infrastructure development, the State Government recognized the need to have an overarching legislation to secure a level playing field for private participants, establish a transparent regulatory framework governed by an autonomous regulator, and grant various concessions and incentives to make the infrastructure projects and the investment opportunities viable and attractive. The 1998 Act (Under which was PIDB was originally set up) was repealed with a comprehensive and elaborate enactment, the Punjab Infrastructure Development and Regulation Act 2002. This enactment takes care of issues like standardized process for private participation, and the establishment of the Punjab Infrastructure Regulatory Authority (PIRA). This Act provides a regulatory framework which provides clear guidelines for all aspects for infrastructure development – from the conception to the implementation through structures of Private Participation based on commercially accepted principles such as Build-Operate-and Transfer (BOY), Build-Operate-Own (BOD) Build Own Operate Transfer (BOOT).

Successful PPP Initiatives in Infrastructure projects - PIDB has taken a number of initiatives for taking up projects with Public Private Partnership. So far 35 projects involving private investment to the tune of Rs. 542 crores have been finalized. Various variants of PPP have been adopted for different projects depending upon the technical and commercial aspects.

Sector	Projects	Number of projects	Private Investment in Cr. (estimated)
Technical Education	ITI's on BOT	9	24
	Polytechnics on BOT	3	45
Transport sector	Bus terminals on BOT	3	45
	O&M of Bus terminals	8	-
Tourism & Cultural Affairs	Restoration & rehabilitation of Quilla at Nabha	1	15
Road Sector	BOT road projects	9	412
	O&M of road corridors	2	-
Total		35	542

- PIDB promoted or financed investment of Rs. 542 crore for 35 projects in 2002-06.
- Rehabilitation of 11 road corridors measuring 421 km from the State Budget.
- Awarded 14 roads for up-gradation, operation and maintenance on BOT basis for 15 years. Road length of 760 Kms involving an investment of about Rs. 900 crore. Viability gap funding from Government of India requested.
- 25 ROBs under construction with PIDB assistance.
- Ring Road and Economic Urban Corridor (62 km) to be constructed in BOT mode in Ludhiana .
- Ring Road and Urban Economic Corridor Mohali to be constructed.
- The Bye-passes- for Bathinda, Nawan Shehar and Garhshankar to be constructed in EPC mode by PIDB.
- Bus Terminal at Amritsar completed and being run on BOT basis. Two other major bus terminals at Jalandhar and Ludhiana awarded on BOT basis. Total investment involved Rs.36 Cr.

Road Sector

- Work on World Bank Project for road infrastructure to be initiated through retro-funding.

- Amritsar to Wagha Border NH is being four-laned.
- Upgradation of Infrastructure at Wagha and Attari Land Ports.

Railways

- Dehli Kolkata high-speed Rail Freight Corridor to be extended upto Ludhiana.
- Logistics Park Planned at Ludhiana.

Augmentation of Power

2006-07 : Peak requirement – 8917 MW,

Installed capacity in State – 3129 MW (PSEB)

1257 MW (BBMB share)

45 MW (PEDA)

Total State - 4431 MW

Central Sector – 1488 MW

Total Power available - 5919 MW

Peak Demand - 8917 MW

Deficit - 2998 MW

- 500 MW Lehra-Mohabbat Stage-II to be commissioned by March, 2007 at an estimated cost of Rs 1790 Cr.
- 18 MW Mukerian Hydrel Project Stage-II to be commissioned by 31/12/07 at an estimated cost of Rs 126.00 Cr.
- 75 MW UBDC Stage-II at an estimated cost of Rs. 765.00 Cr. allotted to private party on BOOT basis.
- MOU for 500 MW GVK Power Plant at an estimated cost of Rs 2000.00 Cr signed with M/S GVK for construction on BOO basis.
- Micro Hydrel Projects on various Canals allotted to private parties.
- 1500 MW power to be provided by NTPC from its proposed Chhatisgarh Plan.
- Power from Ultra Mega Power Projects (UMP) – In the mean time the State government has got 2250 MW of power allocated from the Ministry of Power, GoI from the following 5 UMPs - Sasan (MP), Mundra (Guj), Orissa, Talia (JH) & Cheur (TN).

B. PROBLEMS - INTERVENTION OF GOI SOUGHT

In the era of liberalized economy, when the investment decisions rather than being influenced by Licensing system as in pre 1991 period, are governed by hassle free environment, it is imperative that regional imbalances are also reduced to minimal. State of Punjab which is located far away from ports and sources of supply of raw material like steel and coal/ coke is at disadvantageous position vis a vis states like Maharashtra, Gujrat, Andhra Pradesh etc. Further Punjab's economy is dominated primarily by Agriculture and almost entire land is cultivable, which makes the availability of land for industry scarce and costly. Therefore Government of India should take measures to off set the burden of such disparities. Following measures are proposed in this direction : -

1. Concessions to Neighbouring States - State Government had brought to the notice of Government of India the adverse impact of special incentives granted to Himachal Pradesh and Jammu & Kashmir on industrial units in Punjab. The magnitude of incentives offered in these two States has serious consequences for Punjab because not only new industrial units prefer to be located in the adjoining areas of the neighbouring States but even the expansion of existing units is moving to locations where better incentives are available. Therefore, State Government has requested for grant of similar concessions to the entire Punjab State or at least in the belt of Punjab adjoining the border with HP and J&K areas. But Government of India did not agree to this on the plea that they have introduced a Sunset clause in the existing exemption for the States of HP and Uttaranchal under which only those units, which commence production by 31.3.2007, shall be eligible for incentives. However, on the contrary now these concessions have been further extended for three years upto March 2010.

The above decision means that industrial units will continue to find the areas of Himachal adjoining Punjab attractive for investment for another two years. Government of India, therefore, needs to be impressed upon to either withdraw the concessions for the States of Himachal and J&K or offer same concessions to Punjab.

The concessions have hurt industrial investment in the following specific cases:-

- (i) Companies like M/s Cremica Foods Limited, M/s International Tractors Limited of Hoshiarpur, M/s Vardhman, Winsome have set up their new units and expanded their investment in Himachal Pradesh rather than in Punjab.
- (ii) Punjab Government was in discussion with Tata Motors for setting up their plant in the State. However, the promoters want Government of Punjab to fully neutralize the effect of tax concessions in HP and Uttaranchal by giving them financial subsidy. The impact of neutralization of benefit comes to over Rs.1000 crores.
- (iii) Punjab and Chandigarh have been the traditional base for pharmaceuticals industry. Although local pharmaceutical units like Ranbaxy, Ind Swift Lab., and Nectarlife have made additional investment in Punjab but they are also taking up investment in HP, which would have otherwise come to Punjab. At the same time leading national and international pharmaceutical manufacturers have set up units in HP and Uttaranchal. They would have otherwise come to Punjab.
- (iv) Small-scale pharmaceutical units are under tremendous financial pressure because of differential pricing on account of tax benefits for units based in HP. It is feared that about one Lac persons may be rendered unemployed if this situation continues.

The best course to remove this discrimination against Punjab would be to reverse Central Government's Notification extending the cut off date beyond 31st March 2007. However, if this may not be possible then the following alternatives may be considered:-

- (a) As the intention of giving tax concession to hilly State takes care of development of hilly areas the plain areas of the State namely areas below 4000 feet may be excluded for the purpose of concessions beyond 31/3/2007.
- (b) The total financial benefit that a unit can derive should be limited not only in terms of time but also in terms of quantum of benefit. It should not exceed a certain percentage of investment made by the unit.
- (c) As the major sufferer on account of benefit is engineering and pharmaceutical

industry in Punjab, a comparable benefit may be given to a limited number of mega projects in these sectors for investment in Punjab.

- (d) Government of India may define investment zones in which concessions comparable to hilly State may be given for specific industries. Districts of Mohali, Fatehgarh Sahib, Ropar and Patiala may be taken up for pharmaceutical industry, while the districts of Hoshiarpur, Nawanshahar, Jalandhar and Kapurthala may be given these concessions for auto/engineering industry.

2. Levy of Central Excise Duty on Maximum Retail Price (MRP) in respect of

Medicines & Drugs - As per notification of January 7, 2005 of Government of India, shifting of Excise Duty (16%) on Drugs & Medicines from manufacturer's first sale price to the one based on Maximum Retail Price (MRP) less 35%, will adversely affect the drug manufacturing units. These units in States like Punjab will be more adversely affected by this decision as compared to their counterparts in the States of Himachal Pradesh, Jammu & Kashmir and Uttaranchal where there is total exemption from Excise Duty which has now been extended upto March, 2010. Government of India may, therefore, amend this decision to bring parity in the industrial units located in Punjab and neighbouring States of Himachal Pradesh and Jammu & Kashmir. In case it not possible then Excise exemption limit of SSI alongwith may be raised from existing Rs.1 crores to Rs.5 crores and the rate of excise duty on drugs may be decreased from existing 16% to 8% as recommend by a task force constituted by Government of India to study this matter.

3. Competitiveness of Wheat Processing Industry - Punjab is the second largest

wheat producer in India. With a production of over 15 million tonnes, Punjab contributes to around 50% of the central pool making the country self reliant in food. However, the wheat processing industry in Punjab is suffering because of the pricing policy of FCI which makes wheat available to the other States in India at rates which are only marginally higher than Punjab. A Flour mill in Maharashtra, for example, gets wheat from FCI at only about Rs.50 per quintal more than a mill in Punjab. Freight component

and other handling charges on wheat / flour are much higher than this price difference. As such mills in Punjab are not able to compete with the mills situated in the consuming areas. Punjab industry is thus denied the locational advantage of being situated in the State where most of the wheat is grown. Further, in absence of a price advantage, Punjab has also not been able to attract investment in world class green field wheat processing plants. It, therefore, proposed that Government of India may be requested to revise the pricing policy for wheat to provide a level playing field to the Industry as it exists in case of other mines and minerals.

4. **Labour Laws** - It is increasingly felt that in the present economic environment characteristics by international competition, flexibility in the implementation of labour laws is essential. However, this is a very sensitive matter and evolving of a national consensus in to it to take into account different opinions from all parts of the country may prove to be extremely difficult. It may be better to confer greater powers on the State Government to adopt such notifications to the existing labour laws which would promote investment and growth while protecting the basic rights of the workers.

5. **Permission for use of forest land for non-forest purposes** - As per Rule 6 of the Forest (Conservation) Rules, 2003, every industrial unit or other user agency wanting to use any forest land for non-forest purposes is required to seek permission from Government of India. For this purpose, the application is to be submitted by the user agency to the concerned Divisional Forest Officer from where it is sent to the competent authority in the State Government for further sending the proposal to Government of India in the Ministry of Forest.

It has been seen that almost all new industrial units require this permission for using the forest land to make entry and exist gates to their premises for the approach road. Irrespective of the area of the land or the number of trees affected, such user has to seek approval from Government of India under the aforesaid Act. It takes about 3 months to get this permission, which results into avoidable delay in implementation of the

project.

It is, therefore, proposed that powers for grant of approval under the Forest (Conversation) Act, 1980 for cases involving small pieces of forest land not exceeding 1 acre of area required for making access to the new / expanding industrial units from the approach roads, may be delegated to the State Governments.

6. Opening of Indo Pak Trade - A large number of items (1,059) are tradable with Pakistan. However, out of these only 5 items can move through land route. This negates the locational advantages of proximity to Punjab, which trades from Punjab should have. It is therefore proposed that number of items eligible for export by road should increased. The method of export under which goods are first unloaded from trucks a Kilometer inside the border and then loaded by lifting goods manually to other side of border, is most primitive method of conducting trade and needs to be changed.

It has also been pointed out by the exporters that number of railway wagons available to them at Amritsar is inadequate and are not easily available. As a result the export of perishable goods is adversely affected. Therefore, more wagons need to be made available. It has also been suggested by the exporters that a visa office should be opened at Amritsar itself instead of Delhi to facilitate the visa. Further, the system for clearance of goods needs to be simplified so that there is no decay of perishable goods. Although the trade between two countries has been increasing during last three years, it is felt that above measures will give further boost to the trade and industry in this region.

It is however, mentioned here that Punjab State has much better investment climate as compared to other states as there is abundant skilled manpower in the state, the industrial relations are very cordial and number of man-days lost due to strikes/ lock outs is minimal. The State has very good road and rail infrastructure. There is no scarcity of ground water in any area of the state and quality power is available at reasonable rates. Power rates in the state are lower as compared to most of the industrially progressive states in the country.

FOOD SECURITY AND STRATEGY FOR AUGMENTATION OF AGRICULTURAL PRODUCTION

A. STRATEGY FOR AUGMENTATION OF AGRICULTURAL PRODUCTION

1. The total geographical area of the State is 50.36 lac hectares out of which 42.01 lakh hectares is under cultivation. The cropping intensity of the State is about 188%. Around 96% area is under assured irrigation. There is no scope for horizontal expansion of area.

2. **Judicious use of fertilizers** - The state of Punjab has played an important role in the food security of the country and would continue to contribute maximum to meet food requirement of the nation. It may be pointed out that currently the average productivity of wheat and paddy is about 75-80% of the potential of the existing varieties available. It will need much more precision farming to increase the current productivity. Over the past three decades because of the dominant wheat - rice rotation, imbalance in soil fertility and the emergence of new weeds have been reported. There is an imbalance use of fertilizer in terms of nitrogen, phosphorus and potash. Heavier doses of nitrogen are applied and the crop growth and yield is affected by less availability of P & K. In large parts of the state, deficiencies of zinc and sulphur have appeared. Therefore, it is necessary to take steps to bring about this balance and also apply the micro nutrients. It is observed that many times availability of phosphotic fertilizers are delayed.

3. **Varieties which can with stand high temperature** - Weather conditions, particularly the sudden rise in temperature in the months of February and March causes reduction in yield of wheat. The Punjab Agricultural University has to pay more attention to the development of high yielding varieties of wheat which can tolerate high

temperature. Similarly, the Punjab Agricultural University is working on development of hybrids of rice to increase the productivity.

4. **Shift from Paddy cultivation** - It may be pointed out that because of the current area under rice (65 lakh acres) the ground water is being over-exploited. The water table is depleting at an alarming rate. If this trend is not checked, many areas will go out of rice cultivation. Therefore, it is necessary rather essential that the rice area in Punjab is brought down to about 45 lakh acres which can be successfully cultivated with the natural ground water re-charge. The situation in the central zone, which is the major rice growing area of the state, is very alarming. Ground water table within 5 meters was 11189 sq. km. during 1973, it has decreased to 460 sq. km. only during 2004. On the other hand, the area where water table was deeper than 10 meters has increased from 927 to 20834 sq. km. respectively during corresponding period. If the present rate of depletion of ground water continues for next 10 years, large areas in the central Punjab will find it difficult to find water for irrigation.

5. **New varieties of Paddy** - As pointed out above, with intensive research on paddy, it may be possible to produce new varieties/hybrids and technology which would help improve the current paddy productivity by about 15-20%. This may almost compensate the loss in production due to diversification. It is, therefore, essential that paddy research at Punjab Agricultural University, Ludhiana may be intensified.

6. **Alternate Crops** - Maize, pulses, soyabean can be developed as alternate crops for sowing during the kharif season in place of rice. Their water requirements are almost $1/6^{\text{th}}$ that of paddy. Obviously the requirement of power to lift water is much less. Because of the need to ensure food security of the country the government provided remunerative price for paddy. The farmers responded to it and have invested heavily in the production of paddy in the state. The rice technology provided risk free adoption; the

assured output price and marketing removed the market uncertainty. Now the Government of India should help the State and provide similar facilities to attract farmers to the cultivation of alternate crops.

MSP for maize is fixed at Rs.540/- per quintal but this price is not supported in Punjab by any of the public agencies. The Government of India should **enhance the MSP for Maize equal to that of Paddy**. The FCI or any other agency should buy the produce to **provide market support** in case maize prices rule lower than MSP.

We propose to introduce hybrid maize in the kharif season on a large scale in place of paddy. The productivity of the new hybrids is about 5 tonnes per hectare. With this diversion there will be no loss in the **total foodgrain production**. This will require effective price and marketing support.

7. **Efficient use of inputs** - Efficient utilization of the inputs (soil, water, fertilizer, pesticides) is essential for increase in the productivity of the crops. It may be of interest to record that besides Punjab and Haryana, major areas producing wheat in the country are Uttar Pradesh, Bihar and Madhya Pradesh which grow wheat over an area of 15.25 million hectares against 3.4 million hectares grown in Punjab. The average yield of wheat in Punjab is about 42 quintals per hectare whereas the average yield (1903-04) in the states of Uttar Pradesh, Bihar and Madhya Pradesh is 28, 18 and 18 quintals per hectare respectively. It may be pointed out that irrigated area under wheat in Punjab is about 98%. Compared to this the irrigated area under wheat in Uttar Pradesh is 95%, Bihar 90% and Madhya Pradesh is 72%. **(See Table attached)**. Even if the yield is increased by ½ tonne per hectare which will still be much lower than Punjab, an additional production of 7.5 million tones can be obtained. Obviously there is a great scope for exploiting the un-tapped potential of wheat production in these three states.

8. **Other States** - Similarly, the productivity of rice which is 100% irrigated in Punjab, is about 37 quintals per hectare. Compared to this the productivity in Uttar Pradesh is 22 Qtl./ha, Bihar 15 Qtl./ha, Orissa 15 Qtl./ha and Madhya Pradesh 10 Qtl./ha.

It may be mentioned that the total irrigated area under paddy in these states is 8.4 million hectare. If the productivity of the irrigated area is raised to Punjab level and productivity of the rain-fed area is estimated at 1 tonne/ha., these states should be able to produce about 10 million tones more of rice.

Thus put together (wheat & rice), these states can easily increase their **production by 17-18 million tonnes** through proper extension services and better water-use efficiency.

Whereas there is considerable untapped production potential in the rain-fed area of the country and should be developed, not only to meet the food and fiber needs of the country, but also to **improve the overall farmers' economy**. It is crucial that the agriculture productivity of the irrigated areas is raised within reasonable levels of their potential.

9. **Irrigation Potential** - National government is very keen to develop the untapped irrigation potential. Currently about 86 million hectare irrigation potential has been created. Of which U.P., Bihar, Madhya Pradesh and Orissa have about 37 million hectares. Of the remaining potential area to be developed (54 million hectares) almost half (27 million hectares) lies in these very states. **Improving the water use efficiency** is, therefore, crucial to further growth in foodgrain production particularly in these very states.

10. **Small Farmers** - Along with food security, it is necessary to take up vigorous programmes for improving the income of the small farmers. About 70 to 80% of the farmers in India are small and marginal ones and they cultivate only 30% of total land. They should be assisted to improve their capacity to produce high value crops namely vegetables, take up commercial dairy farming, poultry, fisheries etc. These enterprises need very heavy input costs, finances and technical advice. These farmers should be provided capital investment assistance and also effective training in adoption of these enterprises.

Table:1 Area, Productivity and % Irrigated area under Rice & Wheat crops. (Para 7)

CROP: RICE

State	Area (Million Ha.)	Productivity (Kg/Ha)	% Irrigated area
Punjab	2.6	3694	99
Orissa	4.5	1511	30
Bihar (including Chhatisgarh)	7.3	1490	40
Haryana	1.0	2749	100
Madhya Pradesh	1.7	1003	13
U.P.	6.0	2187	66
Andhra Pradesh	3.0	3009	95
Tamil Nadu	1.4	2308	91
West Bengal	5.9	2504	42

CROP: WHEAT

State	Area (Million Ha.)	Productivity (Kg/Ha)	% irrigated area
Punjab	3.4	4207	98
U.P.	9.2	2794	95
Haryana	2.3	3988	99
Madhya Pradesh	4.0	1789	72
Bihar	2.1	1783	90

11. **Identification of areas with low productivity** - The block wise analysis of productivity has been made. The constraints are being identified and thrust shall be laid to improve the productivity in these areas.

Block wise wheat productivity in District Ludhiana, Jalandhar and Hoshiarpur during 2005-06.

District Ludhiana		District Jalandhar		District Hoshiarpur	
Name of the Block	Productivity in kg./hect.	Name of the Block	Productivity in kg./hect.	Name of the Block	Productivity in kg./hect.
Pakhowal	4780	Jal.East	4621	Bhunga-1	3067
Dehlon	4893	Adampur	2938	Dasuya	3712
Jagraon	4750	Jal.West	4387	Tanda	4348
Sidhwanbet	4893	Bhogpur	4383	Mukerian	3884
Samrala	4924	Nakodar	4601	Talwara	1426
Machhiwara	4704	Shahkot	4387	Hazipur	3031
Khanna	4637	Lohian	4170	Garshankar	3472
Doraha	4746	Phillaur	4873	Mahalpur	2984
Sudhar	4718	Nurmahal	4754	Hosh-1	3833
Ludhiana-1	4693	Rurka Kalan	4496	Hosh-II	4543
Mangat	4798	-	-	-	-
Average	4780	Average	4494	Average	3546

B. FOOD SECURITY

1. Production & Procurement -

(Lakh Tonnes)

Year	Wheat		Rice		Total Foodgrains	
	Production	Procurement	Production	Procurement	Production	Procurement
2007-08		95.00				
2006-07		81.19		125.78		206.97
2005-06	144.93	92.56	101.93	137.94	251.83	230.50
2004-05	146.98	95.00	104.37	140.04	256.70	235.04
2003-04	144.89	90.63	96.56	146.03	247.29	236.66
2002-03	141.75	99.03	88.80	127.15	234.89	226.18
2001-02	154.99	105.79	88.16	119.64	248.85	225.43

2. Storage Capacity -

(Figures in Lac MT)

Name of Agency	Owned Capacity		Hired Capacity		Total		
	Covered	Open	Covered	Open	Covered	Open	Total
PUNGRAIN	1.14	1.03	0.82	3.67	1.96	4.70	6.66
MARKFED	8.61	3.28	4.15	4.06	12.76	7.34	20.10
PUNSUP	1.31	0.26	1.57	16.73	2.45	16.99	19.44
PSWC	24.18	4.26	27.49	1.06	51.67	5.32	56.99
PAFC	0.00	0.00	.43	10.22	.43	10.22	10.65
TOTAL	35.24	8.83	34.46	35.74	69.27	44.57	113.84

3. LIFTING UNDER PDS – Each family is entitled to 35 Kg of foodgrains per month.

SN	Category	No. of Families	Commodity	Rate Rs. Per Kg.	Scale (Kg per family)	Entitlement (Lakh Ton)	2004-05 (Lakh Ton)		2005-06(Lakh Ton)		2006-07 (Lakh Ton)	
							Allocation	Lifting	Allocation	Lifting	Allocation	Lifting
1	APL	53.29 Lakh	Wheat	6.69	35 Kg	22.38	14.74	0.2263	11.79	0.094	3.16	0.451
			Rice	8.90			0	0	0	0	3.31	0.077
2	BPL	2.89 Lakh	Wheat	4.54	35 Kg	1.21	1.66	1.132	1.33	0.789	0.70	0.453
			Rice	6.12			0	0	0.33	0	0.58	0.148
3	AAY	1.79 Lakh	Wheat	2.00	35 Kg	0.75	0.30	0.0167	0.30	0.1984	0.42	0.309
			Rice	3.00			0	0	0	0	0.07	0.030
	BPL + AAY	4.68 Lakh				1.96	1.96	1.14	1.96	0.98	1.77	0.94

Note –

- Allocation for APL is hardly 6 Lakh Tonne is against our entitlement of 22.38 Lakh Tonne. For the year 2007-08 the allocation is only 1306 Tonne which is almost negligible. The allocation is linked to lifting during the previous 3 years. The prices were not so high during last 3 years as a result of which lifting under APL category was less. GoI be requested to increase the allocation as [per our entitlement.
- Even for BPL + AAY the lifting is less. The department has cited two reasons. GoI has started allocating rice from 2006-07 in place of wheat. There is less demand of rice in this State. Secondly, when the fare price shops don't get full allocation of wheat in the village they are hesitant to lift the stocks. They can't satisfy the demand of all eligible families. The solution is that wheat should be allotted as per requirement.

STRATEGY FOR IMPROVING GOVERNANCE AND PUBLIC DELIVERY SYSTEM

TRANSFER OF SUBJECTS TO TO PRIS-

1. The State Government has transferred some of the important activities of THE Departments of Health, Animal Husbandry, School Education, Social Welfare and Rural Water Supply Schemes to Panchayati Raj Institutions for efficient delivery of services.

(1) **Health Department** – All the rural health dispensaries numbering 1187 have been transferred to the Panchayati Raj Institutions. The Zila Prishads have engaged Doctors as service providers on contract basis for three years @Rs.30,000/- per month. It includes salary for the Pharmacist, Helper and Water and Electricity charges. So far 1112 service providers have been appointed. The system has become functional w.e.f. 1/6/2006. The amount of remuneration package for the subsidiary health centres will be provided as grant-in-aid to Zila Parishads by the state government. Besides, medicines worth Rs. 7500 per month will be provided in kind by the Zila Parishads through government funding. It has improved number of OPDs and accountability. The remuneration is paid by the BDPO on the basis of certificate recorded by the Sarpanch.

Sanjivani Health Care Scheme was launched on 31/3/2006. The scheme is open to members of the Cooperative Societies. The premium for the head of the family is Rs 300 per year and for the other members Rs 30/- per member per year. So far 5.73 lakh members of the cooperative societies have been enrolled as members. The family is entitled to medical claim of Rs 2 lakh per year. So far 5.73 lakh members of the cooperative societies have been enrolled as members. The beneficiaries are getting treatment under this scheme. As on 31/3/2007, 22686 members of this scheme have got cashless treatment of Rs 42.39 Cr.

(2) **School Education** – 5754 & 232 primary schools in rural and urban areas respectively have been transferred to PRIs and Municipal Committees. For these schools 11,109 and 562 teachers have been recruited by the Zila Parishads and Municipal Bodies. Teachers are paid regular government pay scales but they are not transferable. It has improved attendance and ensured accountability to the Local Panchayats.

(3) **Rural Veterinary Dispensaries** - As approved by CMM, 582 Veterinary Dispensaries were transferred to PRIs. These would be run by Veterinary Service Providers. A package of Rs 26,000/- PM per Service Provider has been fixed and this includes salary for pharmacist, helper and water and electricity charges. The contract between Zila Parishad and Service Provider will be for 3 years. Funds for salary & other expenditures are being given to Zila Parishads by FD. 372 Veterinary Service Providers have been recruited. 210 Service Providers are yet to be appointed. All the ADCs (Dev.) have been directed to fill up the remaining posts by issuing advertisements in the local news- papers. Selection is a continuous process

(4) **Social Welfare, Welfare of SCs etc.** - The State Government has set up dedicated fund for disbursement of social security pensions and scholarships to scheduled caste students. The work of disbursement of these pensions and scholarships has been transferred to PRIs.

(5) **Rural Water Supply Schemes** - 754 Rural water supply schemes have been handed over to the Panchayats for operation and maintenance. A sum of Rs. 50.00 crore has been provided for reviving all defunct water supply schemes. Besides, the government is negotiating a World Bank Project for providing water supply in all the villages.

(5) **Elementary Nutrition Scheme (ICDS)** - This scheme is now being operated by PRIs.

2. OTHER INITIATIVES – URBAN /RURAL AMENITIES

- Under **MDF** (Rs. 1500 crore) Water Supply & Sewerage facilities are proposed to be provided in 124 Municipal Towns.
- **Municipal Roads** are being upgraded at an estimated cost of Rs. 110 crore in Municipal Towns.
- **VDF** – Sewerage facilities are proposed to be provided in 282 villages to begin with at an estimated cost of Rs. 169 crore. Thereafter another 1410 villages will be taken up at an estimated cost of Rs. 846 crore.
- **Rural Toilets** – Construction of 1,80,000 individual toilets in rural areas under progress at an estimated cost of Rs. 120 crore. Panchayats construct the toilets costing about Rs 6300. Non BPL families are required to contribute Rs 1000 in cash/labour.
- **24 hrs Power Supply in Villages** – All most all except 421 villages of the total 13,123 villages have been covered under this project.

3. PPP INITIATIVES IN INFRASTRUCTURE PROJECTS

PIDB has taken a number of initiatives for taking up projects with Public Private Partnership. So far 35 projects involving private investment to the tune of Rs. 542 crores have been finalized. Various variants of PPP have been adopted for different projects depending upon the technical and commercial aspects.

Sector	Projects	Number of projects	Private Investment in Cr. (estimated)
Technical Education	ITI's on BOT	9	24
	Polytechnics on BOT	3	45
Transport sector	Bus terminals on BOT	3	45
	O&M of Bus terminals	8	-
Tourism & Cultural Affairs	Restoration & rehabilitation of Quilla at Nabha	1	15
Road Sector	BOT road projects	9	412
	O&M of road corridors	2	-
Total		35	542

(1) Technical Education

Industrial Trg Institutes - - 9 incomplete and unutilized ITI's handed over to Private parties on 29/12/2004. They have since completed the work.

Polytechnics: The Department of Technical Education had decided to offer 4 polytechnics to be taken up through PPP route. These Polytechnics would require an investment of Rs. 10-15 crores each. Three out of the four Polytechnics have been finalised. Notices of Award have been issued for Polytechnics at Anandpur Sahib, Muktsar and Sultanpur Lodhi.

(2) Transport Sector

Bus Terminals at Amritsar on BOT basis: The concession agreement for Bus Terminal at Amritsar was signed in February 2004. The Concessionaire has constructed a new bus terminal with an estimated capital expenditure of Rs. 15-18 cr and will operate and maintain the bus terminal for a period of 11years and 5 months (which includes the construction period of 18 months). The facility is completed and has been dedicated to the people of Punjab about a year back. (*completed*)

Bus Terminal at Jalandhar on BOT basis: Bus stand at Jalandhar has been taken up on BOT basis and involves capital investment of about Rs. 15 cr by the Private Sector, and subsequent Operation & Management of the terminal for the concession period. The concession agreement for the project has been signed and construction work, started in January 2006 and is likely to be completed by June 2007.

Bus Terminal at Ludhiana on BOT basis: The Bus terminal at Ludhiana involves capital investment of about Rs. 10 cr by the Private Sector and subsequent Operation & Management of the terminal for the concession period. Concession agreement has been signed and the construction has started in March 2006 and is going on at a fast pace and is likely to be completed by July/August 2007.

Hoshiarpur Bus terminal is being taken up on BOT basis. The estimated cost of the project is about Rs. 4 crores. The project is being structured and will be bid out shortly.

Operation & Management of Small Bus Terminals: PPP in O&M of 8 small bus terminals is being taken up which involves collection of adda fee, Operation and Management of the Bus terminal by the Private sector. Notices of award have been issued to the preferred bidders and concession agreements have since been signed for these 8 bus terminals.

(3) Tourism and Cultural Affairs:

This project involves the Restoration and Conservation of Quila Nabha on PPP mode and has been taken up on “Swiss Challenge” route. Administrative Department and Concessioning Authority for the project is Department of Public.

(4) Road Upgradation Program on BOT basis (14 Roads – 760 km)

Government of Punjab decided to upgrade 14 road corridors on BoT Basis with Viability Gap Funding. A maximum grant of 40% of the project cost can be given to the Concessionaire. The time period of completion is between one and half years to two years. The concession period is 15 years. The toll are to be charged as per the Toll Policy

prepared by PWD(B&R). Following projects have been finalized and are at different stages. Construction on three roads (sr no1-3) have completed and toll collection started-

SN	Road Corridor	Length (km)	
1.	<i>Balachour – Garhshankar – Hoshiarpur – Dasuya</i>	<i>105.0</i>	} <i>Completed</i>
2.	<i>Patiala-Samana-Patran</i>	<i>48.6</i>	
3.	<i>Hoshiarpur-Tanda</i>	<i>27.9</i>	
4.	Moga-Baghapurana- Kotkapura	47.7	} Construction
5.	Kiratpur Sahib-Anandpur Sahib- Nangal- Una	35.7	
6.	Patiala – Malerkotla	60.2	
7.	Fazilka-Ferozepur	84.5	
8.	Dakha- Raikot- Barnala	57.9	
9.	Bhawaningarh- Nabha- Gobindgarh	55.5	going on }

Following road projects at approximate cost of Rs 315 Crores are also being taken up shortly on BOT basis with Viability Gap Funding -

SN	Road Corridor	Length (Km)
1.	Batala-Beas	37.20
2.	Amritsar- Tanda	77.89
3.	Nakodar- Kartarpur	48.92
4.	Hoshiarpur-Phagwara	35.5
5.	Sirhind-Morinda-Ropar	43.2
	Total	242.71

In addition the following two roads have been bid out for Toll based operation & maintenance (7 year contract). Notices of award for these projects have been issued.

SN	Road Corridors	Length (Km)
1.	Ropar-Phagwara	78
2.	Jagraon-Nakodar	37

(5) PPP Initiatives in Pipeline:

Ludhiana Ring Road: It is proposed to construct a 4/6 lane access control ring road around Ludhiana with PPP. DPR for a Techno- Economic feasibility study for the project has been prepared. The project having an estimated cost of Rs 1100 crores, will be offered for public private participation with Viability Gap Funding, for which GoI be approached. The Project involves land acquisition of about 1000 acres and will take 3 years to complete. This road will not only ease the traffic congestion within the City, but will also facilitate planned Urban Growth around it.

Mohali Bypass - This is a new project, which can be made a link between NH-22 on the Ropar- Chandigarh Road to connect NH-21 near Dera Bassi. Urban Infrastructure Development to be a major driver for this project.

Bathinda Bypass - This project, having a cost of about Rs 20 crore was to be executed by PUDA and will be taken upon BOT mode. .

Bridges - High Level Bridge on River Sutlej at Ropar & Ropar Bypass with bridge over Sirhind Canal is proposed to be taken up on BOT basis.

High Level Bridge on River Sutlej at Makhu is proposed to be taken up on BOT basis

Tourism & Cultural affairs

Following projects in Tourism sector have been taken up:

Convention Centre at Amritsar -EOIs have been invited for setting up of a International level Convention Centre at Amritsar on PPP mode. The estimated cost of the project is Rs. 15 cr.

Convention Centre at Mohali - EOIs are being invited shortly for setting up of a International level Convention Centre at Mohali on PPP mode. The estimated cost of the project is Rs. 15 cr.

Institute of Hotel Management at Mohali - EOIs have been invited for setting up of Institute of Hotel Management at Mohali on PPP mode. The estimated cost of the project is Rs. 20 cr.

Establishment of an Integrated Multi-Dimensional Tourist Project at Kurali - EOIs have been invited for setting up of Integrated Multi-Dimensional Tourist Project at Kurali. The project entails setting up of a theme based complex depicting Punjab's

unique heritage culture and way of life, a five star ethnic village resort with an exquisite Punjabi touch, designed to render services in a traditional style, recreation & leisure facilities such as Golf Course, Health club, Swimming pool, Tennis/ Squash Court, bowling alleys etc. , open air theatre that could be used for Folk music and dance performances, Handicraft bazaar/ Souvenir shops and mini Amusement Park etc. .The estimated cost of the project is Rs. 150 cr.

Floating Restaurant at Sirhind - EOI's have been invited for inviting privet sector for Upgradation, Operation & management of floating restaurant at Sirhind.

ROB'S/RUBS

It has been decided to take up construction of about 31 Rail Over Bridges in the State where railways have agreed to share the cost. Construction of 25 under progress.

Medical Education –

Punjab Institute of Medical Science under construction over 64 acre land in Jalandhar at a cost of about Rs. 250 crore is being handed over to reputed private parties through PIDB. Government has already spent about Rs. 130 crore.

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