

# TALKING POINTS ANNUAL PLAN 2010-11

## PLAN PERFORMANCE

- In 11<sup>th</sup> Plan target for growth of state's economy - fixed at 5.90%.
- Economic growth during the first three years of the plan has been 6.88%, 6.40% and 6.69%.
  - 16 flagship schemes – expenditure up from 70% to 84%
  - FINANCES
    - Punjab is in Debt trap
- (a) Total accumulated debt- Debt of Rs. 64924 crore.
- (b) Heavy Borrowings- Rs 9000 crore this year .  
Debt servicing - Rs 6570 cr.
- (c) Additional burden of Pay Commission : Rs 5292 crore.

## REQUEST

- (d) one-time complete debt waiver **OR** atleast debt re-scheduling
- (e) Disappointing devolution from 13<sup>th</sup> Finance Commission:  
-from 1.299% to 1.389%
- (f) Additional Resource Mobilization:  
Committed to raise additional resources to the extent of Rs. 1200 crore in the current financial year.
- 10% surcharge on VAT (Rs 600 crore);
  - increase in the VAT rate from 4% to 5% for some major items (Rs. 100 crore);
  - Imposition of tariff on agricultural power consumption (Rs. 500 crore);
  - rationalization of power subsidy for SC and BPL families (Rs. 120 crore); enhancement in Electricity Duty from 10% to 13% (Rs. 270 crore) and
  - Imposition of irrigation cess (Rs.120 crore).
- (g) Higher Tax Revenue: Through better compliance
- VAT (state share)- up from Rs.7577 cr to Rs 9600 cr  
Stamp Duty - up from Rs 1550 cr to Rs 2395 cr  
Liquor Excise - up from Rs 2000 cr to Rs. 2520 cr

## Capital Assistance by the Planning Commission

However, State's efforts have to be reinforced by a major capital assistance by the Planning Commission and the Central Government.

### ANNUAL PLAN 2010-11

- Annual Plan 2010-11 is Rs. 9050 crore ( 5% higher )

#### Agriculture

- Punjab has contributed the maximum for food security.

#### Canal Irrigation

- Area under canal irrigation has reduced - from **16.6 lac Ha to 11 lac ha (about 30%)**
- Immediate need to rehabilitate, rejuvenate and strengthen the canals, minors and field channels.

#### Ground Water

- Water table has depleted due to overdrawl .
- Expert committee should be constituted

#### New Technology and Research

- Agriculture research must be strengthened to evolve new varieties which are *high yielding, Pest resistant, Less water consuming.*
- Borlaugh Institute for South Asia (**BISA**) for Maize and Wheat improvement

#### Soil Health

- Due to intensive cultivation, the soil health has depleted.
- Farmer has to use more fertilizers and micro nutrients.
- Therefore supply of micro nutrients should be **subsidized**

#### Remunerative Prices

- Prices should be fixed by providing a margin of 50% over the cost of production as suggested by Dr. Swaminathan.

## Marketing

Need to create and strengthen the **marketing infrastructure**

## Storage – Silos

### Debt

- Rural debt in Punjab today - Rs.36,000 Cr
- Waive all agricultural loans as one time measure

### Credit

- **Credit @ 4% rate of interest, (short as well as long term)**
- **Compensation for crop damage**
- Central government's current practice - very meager. **Compensation should be provided to cover total loss of the crop which should be equivalent to the average yield of the crop of the state.**
- Areas having assured irrigation facilities - **The compensation should be linked to deficiency in rainfall .**

## RURAL DEVELOPMENT

- Expenditure under NREGA – 110% compared to last year
- Current year's allocation of Rs 212.00 Cr is still very meager
- Scope to include -
  - i) Toilets for SC and BPL families
  - ii) Lining of distributaries, minors and water courses
  - iii) Boundary walls for Schools and hospitals
  - iv) White Washing of government buildings

## BPL FAMILIES

- Currently – 11% (But SC population – 29%)
- Tendulkar committee report - 20.4% be accepted

## IRRIGATION

- 1:1 Waiver
- **Accelerated Irrigation Benefit Program** – Share of Govt grant should be increased from 25% to 50%

- **Rs. 734 crore project** for strengthening extension, renovation and modernization of the canals
- Central Water Commission has given its technical clearance.
- Case is pending with the Planning Commission for the investment clearance
- Relining of Rajasthan Feeder and Sirhind Feeder- 90% grant like Rajasthan

## POWER – Total Power added – 3840 MW

- 1980 MW Talwandi Sabo,
- 540 MW Goindwal Sahib and
- 1320 MW Rajpura Thermal Power Plants.
- Central Sector Thermal Power Plant - NTPC should be advised to set up

## INDUSTRIAL DEVELOPMENT

Delhi-Mumbai Industrial Corridor (DMIC)

Eastern Rail Freight Corridor

Western Rail Freight Corridor

} to be extended to Amritsar

## ROADS

- Central Road Fund (CRF) - Area : Fuel  
 Earlier - 40 : 60  
 Now - 70 : 30  
 (Loss of Rs. 28 Cr)

## EDUCATION

- Education Development Index (EDI) Rank up from 12<sup>th</sup> position to 6<sup>th</sup>
- More than 26000 teachers recruited
- All schools have drinking water, toilets and kitchen sheds
- PPP Mode – Adarsh schools Model
- 21 model Schools are being set up in educationally Backward Blocks.
- **Need For Counsellors**
- **World Class University** – Site selected
- Demand – 1 MODEL SCHOOL IN EACH BLOCK

## Border Area Development

- Compensation for farmers cultivating land on the other side of the fence @ Rs.10000 acre for 18500 Acres  
- **Rs.19 crore**
- Compensation for 11' **BSF** track along the border fence -  
**Rs.20 crore**

## Health and Medical Education

- Over 400 doctors and 600 para medics have already been recruited.
- Recruitment of additional 400 doctors is under process.
- Plan for Upgradation of health infrastructure - Rs.340 cr
- Upgradation of 3 Govt. Medical Colleges - Rs. 284 cr

Request - (i) Government Medical College at Patiala be covered under the next phase of **Pradhan Mantri Swasthya Sikhya Yojna**.

(ii) One time central Assistance for Guru – Rs. 10 Cr  
Ravidas Ayurveda University

## Animal Husbandry

- (1) Declaration of Animal Husbandry activities at par with Agriculture - income tax, interest rate on Long and short term loan
- (2) Venture Capital Fund Scheme of NABARD- Punjab to be included
- (3) Guru Angad Dev Veterinary and Animal Sciences University – **Rs.100 cr**
  - (1) College of Dairy Science and Technology
  - (2) College of Fisheries and
  - (3) Veterinary Polytechnic,

- **THANKS**