

Respected Prime Minister Dr. Manmohan Singh Ji, Deputy Chairman of the Planning Commission, Sh. Montek Singh Ahluwalia Ji, Esteemed Union Ministers, Governors/Lt. Governors, Chief Ministers and other distinguished participants!

I feel indeed very privileged to participate in this meeting of the National Development Council (NDC) which has been convened to discuss the Twelfth Five Year Plan. NDC is an important body in our democratic system. It is through such institutions that the Union government as well as the State governments are able to discuss and decide the important development issues.

2. Under the dynamic leadership of the UPA Chairperson, Smt. Sonia Gandhi Ji and the able guidance of the Prime Minister Dr. Manmohan Singh Ji, our economy has exhibited tremendous resilience even in the face of grave economic adversities elsewhere in the world. I would like to place on record my appreciation of the Government of India for steering the national economy in these difficult times.

3. At the very outset, I would like to state that the Government of Haryana fully supports the draft Twelfth Five Year Plan. We look forward to even faster, more inclusive and sustainable growth in the country during the period of the Twelfth Five Year Plan.

Performance during the Eleventh Five Year Plan

4. The approved size of the 11th Plan of Haryana was ₹ 35000 crore. At the end of the Plan period we were able to spend ₹ 43161 crore, which is about 123% of the initially approved outlay. During

the plan period we had kept adequate provision under the Scheduled Caste Sub Plan (SCSP) component in proportion to the SC population of the State.

Growth Rate

5. I am glad to inform this august gathering that Haryana has achieved 9.1% growth rate in GSDP in real terms and emerged as one of the top performers among the major states in terms of economic growth during the 11th Five Year Plan. Looking at the year-on-year growth rate, we have achieved 8.5%(2007-08), 8.2%(2008-09), 12%(2009-10), 8.8%(2010-11) and 7.9%(2011-12) during the plan period. The per capita income of ₹ 1,08,859 at current prices during 2011-12, brings Haryana to the first position amongst major states in the country. These two parameters sufficiently demonstrate the economic health of Haryana state and the standard of living of its people.

Resource Management

6. Resource management is an important indicator of trade, development, financial management and financial health of any state. Haryana has outperformed major states in the country in mobilizing financial resources during the 11th Five Year Plan. It is reflected in the report of the Working Group on States Financial Resources for the 12th Plan set up by the Planning Commission, which states that as against the national average mobilization of 92.5% of the projections of the Eleventh Five Year Plan by the states, Haryana was able to mop up resources to the extent of 192% of the projected mobilization.

Proposed Size of 12th Plan

7. For the 12th Plan, we have proposed an outlay of ₹ 90,000 crore as against the initial outlay of ₹ 35,000 crore for the 11th Plan. Agriculture, rural development and social services would continue to be our priority areas during the Plan period with allocations of 6.5% for agriculture, 6.9% for rural development and 55% for social services as part of the total outlay. Our 12th Plan proposals seek to address the concerns in these areas and move closer to the goal of more inclusive and sustainable growth, steadily but surely.

8. We are gradually moving towards self sufficiency in power. Efforts are also on to revamp the other physical infrastructure. Water, however, remains a major challenge. Our other areas of concern are education, skill development, health related challenges, and development of the vulnerable groups of our population.

Agriculture

9. Agriculture still remains the main source of livelihood for the majority of our rural population. As such, accelerated growth of agriculture is critical for achieving the goal of inclusiveness. The state is the second highest contributor to the national food basket. Haryana has again been selected for the Krishi Karman Award for being the best performing state under wheat for the year 2011-12. The state achieved wheat yield of 5182 kg/ hectare during 2011-12, which is the highest ever in the history of the country. Wheat procurement during 2011-12 was 87.16 lakh MT, which is 25.88% higher than that of the last year. Further, we have achieved a record paddy procurement of 39.42 lakh MT, which is 29.13% more than the last

year. I salute the invincible spirit of Haryana farmers who have made this possible in spite of the extremely adverse weather in summer when a drought like situation prevailed in northern India. Of course, the State government on its part did gear up its machinery to provide much needed help to the farmers by way of additional supply of power, efficient management of resources of irrigation and agricultural inputs.

10. After achieving 3.3% annual growth rate during the 11th Plan period, a target of 4% annual growth in agriculture has been set for the 12th Five Year Plan. We are of the view that agricultural production must be diversified during 12th Plan to address the nutrition related concerns.

11. Farm profitability is central to achieving rapid and inclusive agricultural growth. For sustaining agricultural production, it is imperative that the farmers are paid a remunerative price for their produce. The Government of India had constituted a Working Group on Agriculture Production under my chairmanship, which had recommended that the Minimum Support Price of agriculture produce should be 50% more than the cost of cultivation. I would like to reiterate the same recommendation. Further, the rate of interest on crop loans should not exceed 4% per annum and the rate of interest on loan for non-agricultural purposes should not exceed 7%.

12. There is a lot of scope for diversification of agriculture and improving yields through protected cultivation. We have set up a Centre of Excellence for vegetables in Karnal district to demonstrate the advantages of protected cultivation. But, the exorbitant rate of

interest on loans for protected cultivation acts as a real dampener. Therefore, rate of interest on protected cultivation should be reduced to 4% in order to encourage farmers to adopt such farm practices.

13. A comprehensive policy for insurance coverage of all important food crops needs to be put in place on priority. Out of the existing agriculture insurance schemes, weather based crop insurance scheme is the best as it is easier to implement. However, the scheme needs to be made more farmer-friendly and the high premium rates need to be considerably reduced to make it truly affordable for the farmers.

14. Post harvest losses of crop production are quite significant. A massive investment in modern silos is needed at the national level. We need to rope in the private players to build the required infrastructure for storage. Government of India should provide special support to the state governments for creation of additional storage capacity.

15. We welcome the decision of the Government of India to allow Foreign Direct Investment (FDI) in multi-brand retail. It would facilitate the creation of the requisite modern and scientific infrastructure especially in storage, preservation and processing of fruits and vegetables. I firmly believe that FDI would not only ensure better prices to the growers but would also benefit the consumers.

16. Climate change and its impact on agriculture is a serious challenge. We need to develop crop varieties which can withstand the extreme weather conditions. In order to address this challenge we would require huge investments in research and development.

Chaudhary Charan Singh Haryana Agriculture University, Hisar has been provided a special grant of ₹ 50 crore in the Union Budget 2012. But, compared to the magnitude of the problem such a small grant is woefully inadequate. I would request that the amount of grant be raised to at least ₹ 150 crore.

17. Since the productivity of most of the crops in the states has reached a plateau, we need to concentrate on the animal husbandry and dairy sector for supplementing the incomes of farmers as also for improving the nutritional levels of the nation. We have established the Lala Lajpat Rai University of Veterinary & Animal Sciences at Hisar during 2011-12. In order to help us create the necessary infrastructure for the university, we request for a special grant of at least ₹ 100 crore.

Cooperative Sector

18. The long term credit structure is facing the problem of raising resources to sustain lending. The share of Co-operative Banks in rural credit has steadily declined from around 60% in early 90s to about 30% at present. Recovery of loans is very poor. NPAs have accumulated and credit flow appears stifled due to non availability of relief after the Vaidyanathan Committee recommendations and the absence of coercive measures for effecting recovery. There is an urgent need of a revival package for the long term credit structure to redeem the situation and achieve 4% growth in agriculture during the 12th Plan period.

19. NABARD has adopted a policy of charging market related rate of refinance, thereby making loans unaffordable by the farmers

for long term credit. The earlier rate of refinance of 7% has been raised to 11%. It should be brought down to 7% or lower than that. Moreover, NABARD has been changing its refinance criteria which is not conducive to State Co-operative Agriculture Rural Development Banks (SCARDBs). Our request is that the eligibility norms should be stable for a longer period so that the SCARDBs can work out their action plans accordingly. NABARD should also provide uninterrupted refinance to SCARDBs. NABARD has not provided refinance to long term cooperative credit structure (LTCCS) in Haryana since 31st January 2012. This should be released expeditiously.

20. Government of Haryana has been providing interest subvention @ 5% for the loanees of LTCCS who are regular in paying their current instalments. This has raised the recovery from 22.33% in 2008-09 to 38.31% in 2011-12. The Central government may consider extending the benefit of 3% interest subvention scheme to the long term credit structure on the pattern of short term credit structure in order to provide relief to the farmers who are regular in payment of their dues.

Irrigation

21. As we all know, water is the most critical input for agriculture and the existing condition of water resources in Haryana is extremely precarious. Water availability in the State is only 14 MAF as compared to the requirement of 36 MAF.

22. The people of Haryana have a number of grievances connected with this sector. The Supreme Court of India has passed two successive orders for completion of the Satluj Yamuna Link (SYL)

canal. Recently, the Apex Court has also directed the Government of India to implement the ambitious project of interlinking of rivers. Although a huge amount has been spent on the construction of SYL canal, the canal has not been operationalised till date in spite of the specific directions of the Supreme Court. Further, our neighbouring state has unilaterally enacted a law terminating water related agreements with retrospective effect and the Union government, instead of effectively intervening in the matter, has allowed the Presidential Reference to linger on for more than eight years. Furthermore, the final award of the Ravi Beas Tribunal has not been published even after 25 years. The people of Haryana are, therefore, feeling betrayed in this regard.

23. Haryana has its legitimate share in the Ravi and Beas rivers as part of the erstwhile united Punjab, but it has been denied its share in the power generated from the Thein Dam constructed unilaterally on the interstate river Ravi, without involving the co-basin states of the Indus basin. We have taken up this issue at various fora including the Planning Commission in the context of the Shahpur Kandi Project on river Ravi but there is no resolution in sight. The Government of India has not even referred the matter to the Apex Court as per the decision of the 1984 Agreement. On the other hand, the Planning Commission has given its clearance for Shahpur Kandi Project. I would strongly urge the Government of India to intervene in the matter and ensure realization of Haryana's legitimate rights without any further delay.

24. Haryana is not opposed to the setting up of a water regulatory authority, but at this stage food security concerns are of overriding

importance. Therefore, it would be necessary to keep the irrigation water meant for food production outside the preview of such an authority. It is in this context that states are reluctant to set up such authorities and are losing on the funds provided by the 13th Finance Commission. I would request the Hon'ble Prime Minister to intervene in the matter so that the major food producing states including Punjab and Haryana do not suffer on this account and they are given more time to set up water regulatory authorities. As a matter of fact, the 12th Plan document should provide a few special grants for rehabilitation of the existing canal networks in those states which are contributing towards the national food basket in a significant way.

25. I am happy to learn that the Central Assistance under the Accelerated Irrigation Benefit Programme (AIBP) has been increased from 25% to 50%. But, I am constrained to point out that Haryana has not so far received any funds under this flagship programme. The Ministry and the Central Water Commission have raised several objections, as a result of which progressive states like Haryana, having an extensive canal network, cannot access funds for rehabilitating or upgradation of such networks. I would request the Hon'ble Prime Minister to instruct the Ministry to expeditiously release the grant in favour of Haryana under AIBP.

26. The Government of India had earlier come up with the Ghaggar recharging project to use the flood water for recharging the ground water. The project has, however, made no headway primarily because Punjab has some reservations on the same. But, since Haryana and Himachal Pradesh have agreed to the project, it should be taken up as a national project on priority. It is further requested that the

threshold limit of assistance under Flood Management Programme, for small states like Haryana should not be more than ₹ 25 crore.

27. The storage projects on the tributaries of Yamuna river, namely, at Renuka, Kishau and Lakhwar Vyasi have been pending for a long time. This delay is proving expensive not only in terms of cost escalation but also in terms of the precious water going waste by default. I take this opportunity to request the Hon'ble Prime Minister to intervene in the matter and issue directions for expeditious action on all these projects.

Rehabilitation and Resettlement Policy

28. In order to minimize the pain of the project affected persons consequent upon the acquisition of land, we have revised our Rehabilitation and Resettlement Policy through a set of policy initiatives that include: (a) payment of realistic compensation of land to the landowners, based on the concept of minimum floor rates across the state; (b) introduction of a special incentive for reducing litigation qua the compensation amount; (c) provision for and revision of rates of annuity payable for a period of 33 years to the landowners; (d) several additional benefits over and above the onetime compensation to the landowners as well as landless persons/artisans who are dependent on agricultural; and (e) introduction of 'land pooling scheme' with a view to making the landowners partners in the process of development.

Power

29. During the 11th Plan period we have added 3463 MW power generation capacity in the state, an increase of about 218% over our

generation capacity at the time of commencement of the Plan period. However, power situation in the State has been suffering due to the lack of proper policy guidelines for supply of coal or gas. I would like to highlight some of the key issues that require prompt attention of the Government of India.

30. The non-fulfillment of commitments of coal linkage to the operational projects in Haryana and the short supply of coal have resulted in the existing power plants remaining idle and, there seems to be no clarity for the future either. Our proposals for coal linkage for new projects are languishing in the absence of growth in coal production by the Coal India Limited. Similarly, establishment as well as operation of gas-based power plants, including the proposed 2 X 750 MW project of Haryana Power Generation Corporation Limited in Faridabad and the augmented Phase II of NTPC's project also in Faridabad, are suffering due to a limited allocation of gas, as also due to the looming uncertainty till about 2016-17.

31. Mara-II-Mahan coal block having coal reserves of about 950 MMT was allocated jointly to Haryana and Delhi by the Ministry of Coal in August 2006. However, the coal block could not be utilised for supply of coal for power generation units due to the pending environmental clearance. I would request that for large scale projects, a liberal environmental clearance mechanism should be put in place on priority.

32. I would also like to highlight another important issue with regard to the rural electrification under the RGGVY. In Haryana, there are a number of dhanis/hamlets each having less than 100 inhabitants.

I would suggest that the limit of minimum 100 inhabitants per such unit be relaxed to 25 inhabitants under the RGGVY.

33. The Government of India has recently initiated a scheme for the financial restructuring of distribution power utilities in order to generate confidence in the financial institutions to restructure the short term liabilities of these utilities. This restructuring has put a tremendous financial stress on state governments. The consumers face the prospects of rising power tariff on account of higher input costs of coal, railway freight charges and payment of fixed costs on idle capacity owing to short supply of coal. I would strongly recommend that the Government of India should announce a package of assistance in order to compensate the state governments, especially for Haryana as the State government has to bear a huge RE subsidy expenses of more than ₹ 4300 crore a year to protect the farm sector from the rising power tariffs.

34. The Government of India proposes to allocate new coal blocks to the power utilities. Our State is bereft of both hydro and thermal sources for power generation. Therefore, Haryana should be considered on priority in the new proposal. I would also suggest that the coal blocks allotted should be encumbrance free and environmental as well as forest clearance should be arranged for them in advance by the Government of India.

Industry

35. Haryana is a fast developing state mainly due to several progressive steps taken for the development and growth of industry. A number of important points contained in the Approach Paper to the

Twelfth Five Year Plan have already been incorporated in our new Industrial and Investment Policy of 2011. The Policy emphasizes the adoption of cluster development approach with provision for centres of excellence as common facilities to boost the growth of MSME Sector.

36. Haryana continues to be a preferred investment destination with the catalysation of an investment of ₹ 61000 crore during the last seven years and an investment of ₹ 97000 crore in the pipeline. Exports from Haryana have crossed ₹ 48530 crore during 2010-11 and the State has so far received FDI of ₹13129 crore, of which ₹ 9628 crore (73.33%) has come in only after 2005.

37. The State has taken up the implementation of several infrastructure projects, including development of the Manesar-Bawal Investment Region (MBIR) as part of the Delhi Mumbai Industrial Corridor, development of three early bird projects under the same Project, viz., (a) an Exhibition-cum-Convention Centre as a world class facility; (b) a Multi-Modal Cargo and Logistics Hub; and (c) Mass Rapid Transport System from Gurgaon to Bawal, extension of Delhi Metro connectivity to Gurgaon, Faridabad and Bahadurgarh and development of Kundli-Manesar-Palwal Expressway for smooth and seamless connectivity of traffic linking NH-1, NH-10, NH-8 and NH-2 without having to enter Delhi.

38. I wish to raise an important issue in connection with the National Investment Manufacturing Zones (NIMZs) under the Industrial Manufacturing Policy. For a small state like Haryana, it is extremely difficult to provide 5000 hectares of land under the Policy.

I would, therefore, request that the minimum size of a NIMZ should be scaled down to 1000 hectares.

Roads

39. Haryana had achieved the road connectivity for most of its villages long back. But this progressive step of the State is proving counter productive today as we are not getting our share of diesel cess under the PMGSY. Moreover, the rural roads constructed 30-40 years back need a substantial investment for their reconstruction and repair. Therefore, Haryana should be provided its legitimate share of PMGSY for strengthening and maintenance of such roads. Furthermore, Haryana has to spend large amounts for development and maintenance of the road network in the National Capital Region (NCR). I would, therefore, request that a special package be announced under PMGSY for rural roads in the NCR.

40. The Government of India is going to launch PMGSY-II under which the proposed cost sharing is 50:50 between the State government and the Central government. This change from a 100% centrally funded Scheme to a Scheme with equal sharing is not acceptable to us. If at all the Central government proposes to impose cost sharing on State government, the State share should not exceed 25%.

41. The criteria for allotment of funds under the Central Road Fund was based on 60% fuel consumption and 40% geographical area till the year 2009-10, when it was revised to 30% fuel consumption and 70% geographical area. As a result, the allocation

for Haryana reduced from ₹ 87 crore to ₹ 57 crore. Our request is that the old criteria should be restored.

42. All mining operations in Haryana are lying closed ever since 1st March 2010 leading to an acute scarcity and unprecedented price escalation of construction material for infrastructure works. Now, there is a problem even in case of excavation of ordinary earth required for roads, National Highways and Railway projects, on the one hand, and the brick kiln industry on the other, on account of the requirement of prior environmental clearance. I would request the Hon'ble Prime Minister to intervene and impress upon the Ministry of Environment & Forests and the Ministry of Mines to resolve the problem on priority.

Education

43. Education is a high priority for us. The State has been successful in addressing the gender and regional disparities in education through a number of initiatives during the Eleventh Plan. The most remarkable of these has been the monthly cash incentive for children of SC/BC/BPL categories studying in government schools.

44. In the 12th Plan, our strategies would be to: a) implement the RTE Act; b) prepare the State for universalization of secondary education as a natural corollary of successful implementation of RTE; c) enhance the quality and relevance of education by integrating vocational training with mainstream schooling; and d) regulate teacher education to enhance quality of teaching.

45. For Mewat and other educationally backward areas of the State, I would like to request the Central government for need based resource packages with flexible local interventions. This assistance

will help us bring all areas of the State at par in terms of the level of education by the end of the 12th Plan.

46. The State turned a new leaf in emerging as an education hub. The State government has created a world class infrastructure for higher learning and research in the Rajiv Gandhi Education City near Sonapat. A number of prestigious institutions have been set up throughout the state. These include the National Institute of Food Technology on Entrepreneurship and Management (NIFTEM), Indian Institute of Management, second campus of the All India Institute of Medical Sciences, Central University etc. The National Institute of Design, National Institute of Fashion Technology and the National Law University are also going to be set up during the 12th Five Year Plan. We also plan to open 14 new government arts and science colleges during the same period.

47. In this context, I would like to flag an important point which may concern other states as well. A number of educational institutes have mushroomed with the permission of the Central government regulatory bodies but without consulting the state governments concerned. This needs to be discouraged as there is no monitoring of their output. To ensure that only quality technical education institutes are allowed to come up, state government's recommendation should be made mandatory before grant of recognition or permission by the Central regulatory bodies.

48. So far, the focus of the Central government has been largely confined to school education. Having made very credible progress in school education, the Centre may also formulate scheme on the

pattern of SSA and RMSA to supplement states' efforts in promoting higher education as well.

Skill Development

49. Our skill development initiatives are going to be based on a revalidated skill gap analysis. Necessary steps are being taken in close coordination with the industry and employers. We are operating 131 government ITIs and 94 private ITIs. Under the 13th Finance Commission's recommendations we are establishing eight new ITIs and strengthening three ITIs in district Mewat which is inhabited by minority population. I would like to urge the Planning Commission as well as the Ministry of Labour & Employment to expedite the much delayed guidelines for the establishment of ITIs and Skill Development Centres (SDCs) in PPP mode under the Kaushal Vikas Yojana to enable us to establish 25 ITIs in un-serviced blocks and 85 SDCs allocated by DGE&T.

Sports

50. The sportspersons of Haryana have brought laurels in different sports at the national level as well as in the international events. In the London Olympics 2012, out of the six medals won by the Indian contingent, four medals were contributed by the sportspersons originating from Haryana. During the Commonwealth Games 2010 also, our boys and girls bagged 35 out of the 101 medals won by Indian sportspersons. Similarly, in the Asian Games 2010, our boys and girls bagged 21 of the 64 medals won by the Indian contingent. This outstanding performance has not come all of a sudden. It is the result of our well defined sports-friendly policies, investment in sports

infrastructures and focused attention on sportspersons' careers. Promotion of sports through a multi-pronged approach that includes identification of sports talent, incentivizing their interest in sports and offering incentives to outstanding sportspersons and their trainers.

51. I would request the Government of India to help us further augment our sports institutes, especially our institutes of excellence in sports during the 12th Five Year Plan. Our aim is to set up professional sports academies in such sports as attract the maximum youths of the State.

Rural Development

52. Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is being implemented successfully in Haryana. As of now, more than 30,000 works have been completed and 424 lakh mandays have been generated. For improved results, however, I would suggest that more flexibility should be allowed to states and the norms be revised and rationalized, especially those connected with material component, administrative expenditure, maximum days of employment for BPL families, use of certain basic specified machinery such as road-rollers, etc.

53. The convergence of Nirmal Bharat Abhiyan and MNERGA should provide for more flexibility and the labour component of MNERGA should be split into labour and material so that more money is available to the beneficiaries for material

54. The districts of Mewat, Jhajjar and Rewari are socially, economically and educationally (literacy status) backward. I would request that these districts should also be covered under Backward

Region Grant Fund (BRGF). At present only Sirsa and Mahendergarh districts are covered.

55. The State government has decided to implement the National Rural Livelihood Mission in five phases, over the next five to seven years. The Haryana State Rural Livelihood Mission has already been set up. The initial action plan amounting to ₹ 120.95 crore has already been submitted to the Government of India. I would suggest here that the norms in respect of the number of members of the Self Help Groups may be made more flexible. The number of members in the Self Help Groups should be reduced to 5 in some special cases where more beneficiaries are not available. The administrative expenditure under NRLM may be increased from 5% to 10% to provide for adequate manpower for better implementation and monitoring of the scheme.

56. I also have a suggestion in respect of the Indira Awas Yojana. The grant of ₹ 45,000/- in plain areas and ₹ 48,500/- in hilly areas for construction of a dwelling unit should be increased to at least ₹ one lakh per unit.

57. The Mahatma Gandhi Gramin Basti Yojana is a flagship programme of the State government under which free residential plots of 100 sq. yards each are being allotted to 5.65 lakh eligible SC/BC(A)/BPL families. The land on which such plots are located is also developed with the provisions of necessary infrastructure such as power supply, drinking water and paved streets.

Urban Development

58. The decadal growth rate of urban population in Haryana is 44%, which is one of the highest in the country. In the last decade, the urban population of Haryana increased from 28.92% to 34.79%. The NCR, 40% of which falls in Haryana, offers maximum opportunities to people from all walks of life. The urban population has grown from 34.13% to 53.90% in this region. This unprecedented increase in population is also accompanied by several challenges which the State government is trying to address. Here too, I would stress the need to maximize the Central assistance to help us provide the necessary urban infrastructure.

59. Gurgaon has emerged as a major commercial and industrial hub. Population of Gurgaon city had reached about 9.5 lakh as per the Census 2011, besides the floating population of about 5 lakh. There is a huge pressure on its infrastructure. Therefore, Gurgaon town must be included under the JNNURM.

60. I would also like to mention that the Ministry of Urban Development has included the cities of Panchkula of Haryana and Mohali of Punjab in the JNNURM Mission of Chandigarh. With a view to implementing the City Development Plan (CDP) of Greater Panchkula, a proposal costing ₹ 6019.38 crore was submitted to GOI on 22.1.2009. Now, the Ministry of Urban Development has directed the State to prepare an Integrated City Development Plan for the Chandigarh Urban Agglomeration as a whole incorporating therein the CDPs of Panchkula and Mohali. We have already taken into account the inter-connectivity issues with Chandigarh in the CDP.

Our request is that the GDP of Panchkula may be approved as a stand-alone project and separate allocation under JNNURM be made. Incidentally, the funds earmarked for Chandigarh have already been exhausted. This proposal may be included in the 12th Plan.

61. At present, sanction of projects under the JNNURM is highly centralized. This results not only in delays but also in denying the State governments the requisite flexibility to take up works as per local needs. Therefore, the reforms agenda of JNNURM and UIDSSMT must focus on granting necessary flexibility to the states, along with adequate funding, to achieve the desired objectives.

62. Solid Waste management in urban areas is a huge challenge. To effectively deal with the challenge, special provision of adequate financial assistance needs to be made under the 12th Five Year Plan.

Women and Child Development

63. The State government is duly sensitive to the numerous challenges connected with the development of women and children. We have initiated a number of innovative measures aimed at improving the nutritional levels, sex ratio, and protection from violence, etc. I have a couple of suggestions to make in this regard. Firstly, the construction of Anganwari Centers should be funded on sharing basis with 75% contribution from the Centre and 25% by the State as was being done before 2005-2006. Secondly, an assistance of ₹ 57 lakh per Home being provided at present under the Integrated Child Protection Scheme is too inadequate and needs to be enhanced to ₹ 3 crore per Home. Thirdly, the present norm of one time grant of

₹ 5000/- per Anganwari Centre needs to be increased to ₹ 15,000/- with repeat grants every five years.

Health

64. The State has been able to significantly improve some of the important health indicators, viz., IMR, MMR and institutional deliveries during the 11th Plan period. A High Level Task Force has been constituted to review the trends in the health indicators and make recommendations on strategic interventions in the 12th Five Year Plan.

65. As a long term measure to overcome the shortage of doctors in the State run health institutes, we have established two government medical colleges during the last three years with an investment of more than ₹ 1200 crore. Another government medical college dedicated to the memory of Kalpana Chawla, the famous astronaut, is under construction at Karnal. The Government of India is requested to supplement the state government's efforts.

66. There is no doubt that NRHM has made a remarkable impact in expanding health care facilities in rural areas. However, about 35% of population living in urban area especially slum dwellers, also need a focused attention. Our government has launched the State Urban Health Mission during the 12th Plan period from its own resources. We do hope that the Government of India would also support us in this regard.

67. Upgradation of district hospitals as per Indian Public Health Standards (IPHS) involves substantial investments. Therefore, the Government of India should formulate a new scheme for upgrading

the existing infrastructure in all district hospitals with the provision of advanced secondary level facilities which would entail installation of new equipment and addition of human resource alongwith upgradation of skills.

Other Issues

Central Sales Tax (CST) - Compensation

68. The issue of CST compensation is of critical importance for Haryana since the proportion of CST revenue in the total tax revenue of the state is very high. Last year, the state had suffered a loss of ₹ 3100 crore on account of reduction from 4% to 2% in the rate of CST and for the current year too, the loss would be to the tune of ₹ 3500-3600 crore. Such a huge loss will have a crippling effect on the state finances unless the state government is duly and promptly compensated for the loss not only of the previous financial year but also for the current financial year.

69. As regards the compensation claims of the period 2007-08 to 2010-11 provisionally settled by the Government of India, double reduction of the Maruti Suzuki Corporation revenue figures from the compensation claim of the state is an issue peculiar to Haryana. The compensation claim of the state had to be decided after taking into account the deviation of CST rate in that case. However, due to some inexplicable error, Government of India reduced these figures from the compensation claim. In fact, the Government of India should have decided the compensation claim for non-deviation items separately and only then the compensation for loss of the company's revenue should have been decided as per the compensation

guidelines. I have already taken up this issue with the Hon'ble Union Finance Minister. I would request that the calculation error should be rectified immediately.

70. Before concluding, I would like to make two more suggestions but of general nature. Firstly, I would urge the Government of India as well as the Planning Commission to drop the arbitrary distinction of dividing the expenditure into Plan and Non-Plan. Instead it would be desirable to follow the classification of Revenue and Capital expenditure. Secondly, the Centrally Sponsored schemes or Centrally Assisted Schemes should be so framed that states have enough flexibility for their effective implementation. RKVY is a good example or a model in this regard.

71. With these words, I fully endorse the proposals of the 12th Plan with its overarching objective of achieving a faster, more inclusive and sustainable growth. I also take this opportunity to place on record my appreciation for the excellent work done by the Planning Commission in formulating the 12th Plan document.

Thank you

Jai Hind !

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**57th MEETING OF THE
NATIONAL DEVELOPMENT COUNCIL**

**SPEECH
OF**

**SH. BHUPINDER SINGH HOODA
CHIEF MINISTER, HARYANA**

**DECEMBER 27, 2012
VIGYAN BHAWAN, NEW DELHI**