

**Hon'ble Prime Minister, Union Ministers, Deputy Chairman,
Planning Commission, Governors, Fellow Chief Ministers,
Ladies and Gentlemen**

We are assembled here for the 55th meeting of the National Development Council to consider the Mid-Term Appraisal of the 11th Five Year Plan. Apart from deliberating on the National Plan and important questions of social and economic policy, this august body reviews the working of the Plan and recommends necessary measures for achieving our goals. Thus this Council has a vital role in integrating the nation especially in view of the diverse nature of our federal polity and the differences in the progress of different regions.

In this context, I will right at the outset share some of my major concerns. In the financing pattern of the Plan, there is unfortunately a decline in the support to the State Plan, a sad continuation of a trend which commenced in the Tenth Plan. There is a growing tendency on the part of the Central Government to start many ambitious populist schemes for which they wish to take credit at the expense of the States by lowering the allocations to the sector. Thus, in the proposed Gross Budgetary Support allocation for the Eleventh Plan the percentage of the GBS support for the State has come down from 34 per cent to 23 per cent, while that of the Central Sector has gone up from 66 per cent to 77 percent.

Further, earlier discussions in the NDC have favoured a reduction both in the number and the allocation of resources for centrally sponsored schemes. Far from this, we now see a reverse tendency for the central sector to expand these schemes in multiple ways including through legislation. This represents an increased encroachment on the autonomy of States contrary to the spirit and intent enshrined in the Constitution and in the setting up of the National Development Council. We oppose this tendency to foreclose a much larger portion of the GBS for the central sector at the expense of the States.

The 13th Finance Commission had also recommended that initiative should be taken to reduce the number of 'one size fits all' Centrally Sponsored Schemes

and to restore formula based transfers. The rationale for devolution to become increasingly formula driven than by discretion is manifest. However, mechanisms for Centre-State relations remain inadequate to address contemporary challenges. The present institutions were devised when homogenous Governments existed in all States. However, with the emergence and a continuation of a coalition structure of governance as well as strong regional parties, we need to devise a different approach. Schemes which have far reaching impact for the State Government are very often announced without any prior meaningful consultation. This is done both in and outside the budget. Moreover, these schemes often have no provision for the implementation machinery and the State's existing staff have to execute these programmes in addition to their already heavy workload. The NDC which meets ceremonially must become more purposeful and ought to learn from best international practices.

Bihar's recent GSDP growth has been very encouraging but we are still far behind in per capita income. We have progressed tremendously in the social sector but will need massive investment to reach even the national per capita income level. Therefore, to attract investment, especially in agro-industries, it is essential that Bihar be given the status of a special category state. Once this is done, Bihar will take care of its needs. I urge the NDC to support this demand. The other area holding back our progress is the energy sector which I will cover later.

When the 11th Plan was launched, the economy of the country was in a stage of buoyancy and we had aimed at an average growth rate of 9 per cent in a more inclusive context. It is heartening to note that despite global recession and drought, we have been able to achieve 9 per cent in 2007-08, 6.7 per cent in 2008-09 and 7.4 per cent in 2009-10. As India embarks on an ambitious strategy to achieve 9 to 10 per cent growth in the remaining two years of the Eleventh Plan period, so does Bihar. In Bihar we have been able to achieve growth (at constant prices) of 8.77 per cent in 2007-08 and 16.59 per cent in 2008-09, though we had envisaged 8.5 per cent growth per year for the 11th Plan period. Our per capita GSDP which was ₹.8,307 in 2004-05 has more than doubled to ₹.16,177 in 2009-

10. Our plan size which was ₹.3,476 crore in 2004-05 has more than quadrupled to ₹.13,987 crore in 2009-10. In 2010-11 our plan size is ₹.20,000 crore. Our tax revenue of ₹.3,561 crore in 2005-06 increased to ₹.8,090 crore in 2009-10. Despite a setback due to drought in 2009-10, we propose to achieve a growth rate of more than 13 per cent in the remaining two years of the 11th Five Year Plan period.

In the last three years, we faced an unprecedented natural calamity and massive floods requiring gigantic rehabilitation and restoration of infrastructure. This was followed last year by a severe drought. The delayed monsoons in the current year are worrisome. Despite this, we have continued our forward looking development centric thrust.

The state government has taken several measures to ensure better service delivery and good governance. Bihar was the first state to provide 50 per cent reservation for women in elections to Panchayati Raj Institutions and Urban Local bodies. To ensure effective and transparent implementation of the Right to Information Act, a telephone based 'Jaankari' Call Centre scheme is running successfully. An independent Election Authority has been constituted to conduct elections to Co-operative and other institutions. Administrative and Financial rules have been simplified for better governance. A Comprehensive Treasury Management Information System has been introduced for better financial management. E-tendering has been introduced for transparency and efficiency. Since our government came to power in 2005, the common man's faith in the police has increased. A striking decline in serious offences, especially kidnapping for ransom, has created an environment free from fear. Government policies have ensured religious and caste harmony. Establishment of the rule of law and effective interventions such as speedy trial have deterred hardened criminals and affirmed the writ of the state.

While we broadly endorse the targets and strategy of the Mid Term Appraisal of 11th Plan, there are several areas I wish to highlight. First, for sustained agricultural growth, we have prepared a State-specific Agriculture Road

Map. This Road Map inter alia provides for improvement in supply of good quality seeds, replenishment of soil nutrients and improvement in agricultural marketing. The agriculture sector has registered good growth in the first two of years of the 11th five year plan. Contribution of Agriculture & Allied sector to state GSDP at constant prices increased to ₹.26,846.51 crore in 2008-09 from a modest level of ₹.19,291.95 crore during 2005-06, though the alternate year fluctuation in contribution of Agriculture and Allied sector continues mainly because of the alternate bearing of Mango crop, an important fruit crop which occupies almost half of total area under fruit crops in the state. More heartening is the fact that Food grain production has consistently increased and reached a level of 122.20 lakh MT during 2008-09 from a modest level of 85.49 lakh MT during 2005-06. During the last Kharif 2009 as many as 26 out of 38 districts were drought affected yet food grain production showed only a marginal decline at 120.86 lakh MT showing good resilience of agriculture in the state.

Plan expenditure on Agriculture has substantially increased during the first three years of 11th plan. Plan outlay for Agriculture development has increased from ₹.20.43 crore in 2005-06 to ₹.734.42 crore during 2010-11. As part of the 11th plan strategy, application of better technology and better delivery systems have been emphasized with the following thrust areas:

- To strengthen the extension delivery system in the state, Subject Matter Specialists have been appointed for every 2 Panchayats and appointment of Kisan Salahkars at panchayat level is under process.
- Agriculture Research and Education has been strengthened with creation of a new Agricultural University at Sabour, Bhagalpur, and 3 new Agricultural Colleges and one Horticulture College in the last four years. Expenditure on Agriculture Research and Education has increased from ₹.52.2 crore during 2005-06 to ₹.121.31 crore during 2009-10.
- Considering the vast scope of agriculture development in the state, the Planning Commission has agreed for conversion of Rajendra Agriculture University into a Central University. The draft Bill and Detailed Project Report for establishment of the Central Agricultural University have been

sent to the Department of Agricultural Research & Education, Ministry of Agriculture, Government of India. The process of establishment of the Central Agricultural University needs to be expedited.

- An International Institute, namely the Borlaug Institute for South Asia, is to be established in India. Recently, a central team visited Bihar to identify a suitable site for the Institute. The theme of the Institute, i.e., Climate Change, makes Pusa a suitable location for its establishment. It is relevant to note that Borlaug had visited Pusa and locating the institute here would be a fitting tribute.

Production and use of Foundation/Certified Seed has considerably improved with strengthening of the State Seed Corporation, State Seed Multiplication Farms and University and KVK farms. The seed replacement rate for Paddy and Wheat has increased from around 10% in 2005-06 to 25% in 2009-10. Several new programmes like the Chief Minister's Crash Seed Programme and Seed Village Programme have been launched successfully. The CM Crash Seed Programme has been lauded by ICAR.

Fertilizer consumption both in terms of the total quantity and its balanced use has improved in recent years. Per hectare fertilizer consumption has increased from 119.8 Kg in 2005-06 to 175 Kg in 2009-10. N:P:K ratio has improved to 8:2:1 during 2009-10 from 7:1.3:1 during 2005-06.

The experience of the first three years of implementation of the 11th Plan suggest that the following measures should be initiated for increasing growth in the crop sector:

- In order to meet energy requirements in the Agriculture sector, Diesel subsidy for irrigation should be made a regular programme, particularly for irrigation of Rabi crops and Sugarcane.
- Hybrid seed availability for Paddy and Maize should increase. This may necessitate involvement of the Private seed industry with public support.

However promotion of Genetically Modified crops should be subjected to rigorous evaluation and consultation with states before its approval.

- Appropriate farm mechanization is important for improving agricultural production. To address this issue, adequate subsidy must be given to farmers.
- Investment in Agriculture Research & Education must be substantially increased. Issues like Climate Change and application of frontline technology would necessitate much larger investment. Apart from the ICAR system, State Agricultural Universities should be adequately funded.

Bihar has gone a step forward in reforming agriculture marketing in the state. While many states are yet to adopt Model Act/Rules, Bihar, with the repeal of the APMC Act, has removed every hurdle in promotion of modern marketing of agricultural commodities. Now there is a need to have an exclusive scheme/fund for development of market infrastructure for agriculture particularly for the states like Bihar, where it has been poor.

The Government of India launched the National Food Security Mission and Rashtriya Krishi Vikas Yojana in 2007-08 and widened the scope of Centrally Sponsored Schemes for agriculture development in the country. The experience of implementing these programmes reveals that states should be given more freedom in the selection of any intervention, its cost norms and the subsidy levels. As of now for each of the Centrally Sponsored Programmes, a separate work plan is prepared by states and approved by Government of India. This takes up much valuable time in completing the administrative formalities.

The criteria of fund allocation under RKVY need to be revisited. Yield gap for Food grain crops and the projected growth rates by Planning Commission would be helpful in supporting the endeavour for food security in the country.

Storage of Food grain is an important issue which requires immediate attention. At present there is no viable scheme for promotion of storage capacity in the country. The Gramin Bhandaran Yojna has not attracted much investment.

Food Corporation of India has not created adequate storage capacity in the state nor is the rent it offers under guarantee scheme attractive enough to attract substantial investment in this critical area.

Second, it is well recognized that the ultimate objective of any planned development strategy is the elimination of poverty, not merely in terms of per capita consumption levels, but in the broader sense of lending dignity to human life in terms of access to health, education, clean drinking water and sanitation. The poverty figures previously approved by the Planning Commission were widely at variance with the household estimates undertaken by State Governments like Bihar. Using the former for determining entitlements was deeply flawed. I am happy to note that the revised poverty estimates recommended by the Tendulkar Committee have been accepted by the Planning Commission. At present, the BPL numbers are determined by the Planning Commission and state governments are expected to identify families below the poverty line. This identification process is quite cumbersome and leads to litigation. The State Government feels that there should be an independent Commission to identify BPL families, based on criteria decided by the Government of India.

Third, it is true that the MGNREG scheme has provided much needed minimum employment security. The current procedure for release of funds under MGNREGS is not conducive to fulfilling the commitment we have made to the people of rural India to provide 100 days of employment to those who demand it. As states are required to discharge the statutory obligation of providing 100 days of employment, it is desirable that the amount approved in the labour budget of the state should be released in one instalment at the beginning of the year. It may be appreciated that the working season varies from state to state and the banking infrastructure (of commercial and grameen banks and post offices) is weakest in states that need MGNREGS the most. If funds are made available to the Panchayati Raj Institutions, in the beginning of the year, first as an experiment in focus states with high levels of poverty and migration, there will be no disruption in employment provision and creation of assets will improve dramatically. The arbitrary cap of ₹.100 on the Centre's liability to pay the minimum daily wage

when inflation is causing the wage rates to rise steeply is another example of even the financial burden of implementing a flagship scheme being transferred to the states.

Fourth, the state has taken various initiatives for improving education. The state government is giving free uniform to all boys and girls in classes 3 to 5 and to all girls in classes 6 to 8. More than 2 crore children in this category have been benefited. More than 25 lakh boys and girls have been given ₹.2,000 each for purchase of Bicycles. More than 38000 muslim girls and 25000 girls belonging to scheduled castes, scheduled tribe and extremely backward castes have benefited from the Skill Up gradation scheme called 'Hunarö & Auzarö'. 70,000 girls have learned Judo/ Karate. All girls passing Matriculation in first division are given ₹.10,000 each as financial support for furthering their education. 40 lakh illiterate women are being made literate under Mukhymantri Akshar Anchal Yojana.

In order to achieve universal enrolment in Primary schools 18,457 new primary schools have been opened and 14,675 primary schools have been upgraded to Upper Primary schools. 2,15,145 elementary teachers have been appointed, about 55 per cent of whom are female teachers. As a result of this, the teacher:student ratio has come down to 58:1. Further, appointment of teachers is under way which will bring this ratio to 40:1. In addition, to improve infrastructure in schools, about 1 lakh class rooms have been constructed and another 25,000 class rooms are under construction. The state government has taken special initiative for Muslim children by opening Talimi Markaz, and for Mahadalit children by opening Utthan Kendras that are preparatory centres with appropriate bridge courses. Our State is already spending more than ₹.7,500 crore on Education. The requirement for implementing the Right to Education Act in Bihar will be more than ₹.25,000 crore per year. The Centre should fund 90 % of this expenditure and the State can contribute 10%.

Though the State has 57,000 elementary schools, there are only 3,000 secondary schools. We have added about 600 private schools by giving them grants. One model school in each block will not satisfy the demand. We request

liberal sanction of new secondary schools besides sanctioning upgradation of upper primary schools to secondary schools. We have upgraded all our secondary schools to plus two (+2) level using our state funds. We require support for their strengthening. In this context, we also welcome the new Rashtriya Madhyamik Shiksha Abhiyan. We have already established a separate society for the speedy implementation of the scheme.

We have been conscious of the importance of higher education in achieving a high growth rate. The state government has already established Aryabhata Knowledge University for expanding Technical education. In addition it has already established the Chanakya National Law University and Chandragupt Institute of Management, Patna. The State Government has also acquired 500 acres of land for setting up International University of Nalanda. I am happy to note that the Union Cabinet has taken a decision to set up this University and a Bill is to be moved in the next session of Parliament.

Fifth, as regards Skill Development, during the 11th plan period, we have established 23 new Industrial Training Institutes (including four for women) under the State Plan. We have also taken a decision to establish such institutes in all uncovered districts and women's institutes in all uncovered revenue divisions of the State. We have also taken initiatives to enhance computer literacy and English knowledge of students in all institutes. Further, 21 existing ITIs have been taken up for upgradation under domestic funding, World Bank funding and PPP scheme of Government of India. We are encouraging private sector participation in the opening of new institutes and more than 250 private ITIs have been opened in the private sector. We have also set up the Bihar Skill Development Mission to plan, organize and monitor skill development initiatives with a view to creating a vast pool of skilled manpower to meet the demand in a fast growing market. I may bring it to the notice of Honorable Prime Minister that in response to your announcement of opening 1,500 new Industrial Training Institutes and 50,000 Skill Development Centres in the uncovered blocks and panchayats under PPP, we have identified land for opening 205 such institutes and over 2,100 centres as desired by Ministry of Labour and Employment and submitted the proposal to the

Government of India for approval. I request an expeditious decision so that we may set up these institutes and skill development centres at the earliest.

Sixth, a refreshing and positive wave of change is visible in the health sector in Bihar. Several initiatives have been taken to provide quality health facilities to the people of the State. We had started from a stage where nobody visited our Primary Health Centres in the blocks. Due to our efforts, the average monthly attendance at the PHC has increased from a meagre 39 to 5000 now, indicating the confidence of the people in the ability of the State to deliver health facilities. The National Rural Health Mission is being implemented throughout the State with successful results. With our focus on doctors, drugs and incentives, services at 480 Primary Health Centres are provided on 24x7 basis.

We are determined to bring down MMR (Maternal Mortality Ratio) and IMR (Infant Mortality Rate) to the national level soon. Mother and Child care is our focus and with this mind we have declared 2010 as the 'Year of the New Born'. Special facilities are being created for New Born Care and mothers. Institutional deliveries in the State have increased from 45,000 in 2005-06 to 12.46 lakh in 2009-10. To improve the coverage under Routine Immunisation a new programme called 'Muskan Ek Abhiyan' was launched. This has shown encouraging results and the coverage under Routine Immunisation has increased from 11% to 54% as per the last survey report and it is steadily rising. To bring health services closer to the people the State has already appointed 76,642 ASHA workers. In addition, to provide better facilities to pregnant women and mothers, the State has launched its own scheme of appointment of 'Mamata' workers who are being trained as birth attendants, essentially to do hand holding of those who come to the hospital as well as those who require home based care.

The State has been consistently increasing its expenditure on drugs and other facilities. Free radiological and pathological facilities are being made available to our patients in hospitals. We are operating Mobile Medical Units to reach the under-served areas and this facility is already available in 24 districts and soon will be available in all the 38 districts of the State.

Medical Education has been our concern. While the State has made efforts in improving infrastructure and facilities in medical colleges, we have a lot of work to do in this field and this certainly requires concerted efforts of both the State and the Union Government. We have an acute shortage of doctors and paramedics in the State and need to find ways and means, together with the Union Government, for augmenting our human resources so that quality health services can be provided right up to the last mile. We have used the PPP model to expand diagnostic facilities as well as emergency services like ambulances, etc, to reach not only the rural people but also the urban. I must say with some satisfaction that health services in Bihar have shown a remarkable change and have inspired confidence amongst the people of the State. 'Rashtriya Swasthya Bima Yojana' is being operationalised in all 38 districts of the State.

Seventh, the state government has taken various measures to make development more inclusive: 80,797 Anganwadi Centers under ICDS are in place and are providing supplementary feeding and pre-school education to about 65 lakh children. As large number of poor children suffer due to non availability of proper clothings, the state government have started a scheme to provide dress to 37 Lakh children of the age group of 3 to 6 years at Anganwadi centres in 2010-11. Considering the importance of ICDS Centres, it will be desirable that central funding be provided for construction of buildings for Anganwadi Centres. Further it will be desirable to increase the allocation for women related programmes. Under the Indira Gandhi National Disability Pension Scheme, the extent of disability required is 80% to qualify as a beneficiary. This should be brought down to 40%. Integrated Programme for older persons deserves a re-look and the focus should be on old age homes and more funding should be arranged for geriatrics training and research. Instead of phase wise coverage, it would be better to sanction District Disability Rehabilitation Centres in each district. Funding for schemes run by NGOs are not revised and therefore are not aligned to market rates. There should be a provision for periodic revision of rates and we might think of designing something like a schedule of rates, as in the case of construction activities, at least twice a year.

Eighth, under the Accelerated Rural Drinking Water Supply Programme 56,465 unserved tolas have been covered with safe sources of drinking water. In order to expeditiously cover the areas affected by Fluoride & Arsenic, it is suggested that 100% allocation of funds be made by the Central Government. The scope of Total Sanitation Campaign has been enlarged in the state. Besides providing individual household latrines to BPL families in rural areas, the state government has also extended this facility to APL families from the state's own resources.

Since 2007-08 although we have provided assistance to about 23 lakh families under the Indira Awas Yojana we wish to do more. However our ability to do more is restricted because the Ministry of Rural Development has so far been unable to accept the recommendation of its own task force that 3 percent of the allocation could be spent on social mobilization, technology support and record keeping. Here it needs to be emphasized that the state government has taken special initiative for construction of houses damaged due to the Kosi disaster in 2008.

Ninth, the state government has fully implemented schemes specifically targeted to Scheduled Castes, Scheduled Tribes, OBCs and Minorities. 23,81,905 SC & ST students have been given scholarship for pre-matric studies. In order to encourage these groups to take competitive examinations, state government has provided training to 400 students belonging to this group. Some of these students have been provided facilities for coaching at the Chandragupt Institute of Management. Besides giving pre, post and merit-cum-means scholarship to minority students, the State Government has given financial incentive to students who pass Bihar Secondary School Examination in the first division.

We have found that despite having special provisions for Scheduled Castes, certain sections of Scheduled Castes have lagged behind. The state government has therefore launched special schemes for providing house sites, drinking water, sanitation and connectivity to deprived groups within Scheduled Castes. For this we have launched the Bihar Mahadalit Vikas Mission.

In Bihar the Tharus have been notified as a Scheduled Tribe. As they are a newly notified group they are not getting assistance under the current schemes. The state government has launched special programmes for development of Tharu Tribes through a registered society named Integrated Tharu Area Development Authority.

For balanced regional development, it is necessary to strengthen Gram Panchayats. Every Gram Panchayat should be provided with a suitable office building which can be used by all Panchayat level functionaries and also the elected representatives. It is suggested that the BRGF allocation should be increased so that construction of such Panchayat Sarkar Bhavans can be taken up.

Tenth, I do agree that the neglect of balanced regional development including the development of backward areas can have serious consequences and is one of the main reasons for the growth of Left Wing Extremism in certain areas of the country. We have already started a scheme for convergence of developmental effort in 65 most extremist affected panchayats in 8 districts. This scheme named 'Aapki Sarkar Aapke Dwar' not only saturates the affected areas with development programmes; it also aims for improvement in governance and reduction in public grievances and disputes, specially related to property rights and human dignity. As requested by the Planning Commission, Integrated Action Plans for the six identified left wing extremist districts in the State have been prepared by the district administration. In this context we would like to suggest that Government of India consider establishing convergence support cells in the office of the District Magistrates of each extremist affected districts manned by high quality professionals. As 33 districts are extremist affected in the state, the scheme needs to be extended to all such districts.

Eleventh, balanced regional development requires balanced development of infrastructure. Development of urban infrastructure and services has not kept pace with the rising urban population leading to an explosive urban growth by an increasing number of slums, an ever expanding informal sector and overall inability to cope with the situation.

Bihar has received funds from the JNNURM but this mission is limited to only two cities of Patna and Bodhgaya. In view of the high concentration of urban population in all Class 1 towns, the coverage of the UIDSSMT needs to be expanded just to ensure basic services in towns that have so far received limited funding for this purpose. Bihar is mindful of the need to link reforms with urban development and is implementing the agenda as outlined under JNNURM. The Government has made progress across several components of the reforms agenda including preparation of a Draft Urban Sanitation Strategy, initiation of preparation of a DPR for E-Governance in line with the National Mission Mode Project on E-Governance in municipalities and service level benchmarking. However, the State Government seeks additional assistance in pushing the urban development agenda and recommends the inclusion of Gaya as a JNNURM city in view of its size and importance as tourist and religious destination.

The State Government has ambitious plans to tackle urban poverty and reduce vulnerability. As a first step, slum identification and mapping have been completed for all municipal corporations and Class 1 town. The state has chalked out a plan aligned to the Rajiv Awas Yojana for holistic slum development and rapid progress towards 'slum free cities'. The state has also initiated a survey of the shelterless and allocated funds for 8 towns as a start. The Government has adopted a holistic vision for urban poverty reduction that includes an equal focus on livelihoods so that sustainable solutions are designed and implemented. In view of the high levels of urban poverty, the State Government recommends the inclusion of all towns with more than 1 lakh population under the first phase of the Rajiv Awas Yojana and additional funding to implement the plans related to livelihoods and sustainability.

Bihar has only 90.10 km of roads per one lakh of population as compared to 256.70 as national average. Although the state government has stepped up investment in road sector substantially in the last three years, we have to step up our investment on roads further to come to the national average. I am happy to inform that a 4-lane major bridge of 5.55 km in the state on river Ganga,

connecting Bakhtiarpur in Patna district with Tajpur in Samastipur district costing about ₹.1,500 crore has been taken up under PPP mode.

About 2,935 km of National Highways are maintained by the state government, but the scheme related to the maintenance is sanctioned by Government of India. There has been insufficient release of fund for maintenance of these roads. As such the State government has spent about ₹.9,69.76 crore for the maintenance of these roads. I have personally met the Honøble Prime Minister & Honøble Minister of Surface Transport & National Highways, for reimbursement of the spent amount, but the state government has not yet received the amount.

Under Prime Minister's Gramin Sadak Yojana (PMGSY), Government of India, has sanctioned ₹.8,645 crore for construction of 19,000 km of roads. But, so far, only ₹.1,768.56 crore have been released. This has hampered the progress of construction work. It is requested that immediate release of ₹.1,000 crore be made under PMGSY for salvaging the progress of work and release of ₹.500 Crore per month till June 2011, to ensure timely completion of the sanctioned projects.

Shortage of power and its unreliable quality have been our major weaknesses. Our per capita annual consumption of energy is only 101 kWh against the all India average of 717 kWh. The percentage of villages electrified is also extremely low. In Bihar, our capacity to produce power is almost negligible and we are wholly dependent on Central allocation. My government has taken several steps for enhancement of our installed capacity, but it will take three to four years for the start of actual production. NTPC is setting up a super thermal power project at Barh in Patna district. It is requested that at least 40 per cent of the generated power in the Phase I & II projects is allotted to Bihar.

No new thermal power station has been established in Bihar for the last 25 years. Presently, there is very little utilization of Ganga water in the State. In spite of this the few proposals for installation of thermal power stations in the state are being objected to by the Ministry of Water Resources, Government of India

totalling to about 30-35 cumec. I would like to mention that while the lean season contribution of the upstream co-basin states constituting about 75% of the Ganga catchment area is merely 400 cumec, a total flow of 1200 cumec is being released through the various tributaries of Ganga in Bihar in this season. It is ironic that the people of Bihar suffer from floods almost year while they are denied use of the very water for use by power projects. I would like to earnestly request our Hon'ble Prime Minister to intervene so as to accord clearance for Ganga Water utilization for Bihar's Thermal Power Projects.

The state government has taken up initiatives for setting up of an Atomic Power Plant at Rajouli in Nawada district. The Nuclear Power Corporation of India has to initiate necessary action in this regard. Under the Rajiv Gandhi Gramin Vidyutikaran Yojana, supporting infrastructure for electrification of 13,756 villages has been constructed till 2009-10. However, there are inherent deficiencies in the design of the scheme which make it only of symbolic value for an energy and infrastructure starved state like Bihar. For instance, 54% of the transformers in the 6 LWE affected districts burnt out during their warranty period, i.e., within a year of their commissioning. The issue regarding provision of three phase line under this scheme to suit the local needs has been taken up repeatedly by our Govt. However, no decision has been taken in this regard till date.

The Bihar State Electricity Board is expanding the capacity of Barauni Thermal Power Plant by adding 2x250 MW. We have also set up a Company namely the Bihar Power Infrastructure Company to develop three sites, namely, (1) 2x660 MW Thermal Power Project at Chausa, district Buxar , (2) 2x660 MW Thermal Power Project at Kajra, district Lakhisarai, (3) 2x660 MW Thermal Power Project at Pirpanti, district Bhagalpur. However, the non-availability of coal & water linkage has been a major impediment in the development of these projects.

The water allocation for the above projects has been obtained from the Water Resource Department, GOB. Respective District Magistrates have

confirmed availability of requisite land for the purpose. The documents about availability of land and water allocation from GOB have already been communicated to Ministry of Power.

Out of the total irrigation potential of 53.53 lakh hectares through the Major & Medium Irrigation Schemes in Bihar, an irrigation potential of 28.80 lakh hectares has been created till the end of 2009-10. That leaves a gap of 24.73 lakh hectares of irrigation potential which remains to be created. On a rough assessment, this is likely to require an investment of ₹.60,000 to ₹. 70,000 crore.

The present norms under AIBP require a scheme to be completed before a new scheme could be included depriving Bihar from availing of the full benefits of the scheme. The State Government has requested for making necessary modifications in the guidelines to this effect. We also look forward to relaxation in the present norms of inclusion of any new scheme only against completion of an earlier scheme in the AIBP at least for flood prone areas.

Transfer of the surplus monsoon waters of North Bihar to South Bihar is imperative to meet the irrigation water requirements in the state. Presently, Intra-State river linking schemes are under investigation for preparation of their DPR. The Central Government may kindly declare these schemes as a National Projects so as to facilitate their early execution.

Many of the schemes are facing uncertainly on account of environmental and forest aspects. It may be mentioned that post reorganisation of Bihar, very few reservoir sites now remain in the state. We expect that considering Bihar as a special case, the central government may consider relaxation of the environmental and forest norms for the irrigation projects in the state to make them on par with those applicable for the National Projects.

About 73% of the area of the state is flood prone against the national figures of 17% of the same. All the identification reservoir sites as a long term measure for solution of the flood problem in Bihar are located in Nepal and due to their international dimensions it seems to be quite a time consuming process before

these could be realized. As a short term measure for flood management, construction of flood protection embankments on the banks along the major rivers seems to be the only solution as of now. There is a total of about 3,600 km of flood protection embankments existing in the state and the State Government intends to take up construction of embankments on unembanked rivers. Presently only raising and strengthening of embankments and anti-erosion works are taken up under Centrally assisted Flood Management Programme. Inclusion of adequate number of schemes for construction of new embankments under FMP is expected from the Central Government.

I would like to mention some general issues of importance. States need to be given the opportunity to actually convey information about the ground realities and the portfolio which would serve local needs. Monitoring particularly for projects under implementation by Central entities through an independent agency would lend greater credibility and transparency to the intended beneficiaries.

I also wish to place on record my views on another important matter concerning centre-state relations. It does not behove well in the established federal structure like us, for union ministers to use central resources and its forums for carrying out criticism and campaign against a duly elected state government. If anything, the constitution provides for a supportive role and not obstructive.

While we support many of the policy prescriptions of the Mid Term Appraisal the observations made by me need to be adequately reflected to make this Plan truly equitable and inclusive. The gains of economic growth need to percolate to the weaker sections of the society. Unless some of the important issues pertaining to resource allocation and determining the overall financing pattern are reconsidered, realizing the quest for inclusive growth would remain a distant dream.

Jai Hind