

**Mr. Speaker Sir,**

I rise to present the Budget for 2008-09. This is the fourth consecutive Budget that I have the honour and privilege to present after the Congress Government came to power in the State in 2005 with a 2/3rd majority.

2. Ever since the electorate of Haryana handed over the reins of governance to the Congress Party in 2005 it has been our endeavour to create conditions that are conducive to sustained economic growth. I would like to draw the attention of the House to what was stated in the first budget speech that I presented in June, 2005- " it was our foremost duty to instill a sense of confidence in the people by providing clean and benevolent governance which would provide them relief from fear, intimidation and insecurity".

Today, on the floor of this august House, I can proudly claim that our Government has lived up to its stated objective and the Rule of Law has been firmly and fully established. Peace, tranquility and social harmony prevails. No wonder economic well-being is following suit and financially we are among the most well-managed States in the entire country.

3. I would once again revert to the 2005-06 budget speech wherein it was highlighted that the Congress Government has had to struggle with the previous Government's absence of any comprehensive long term approach for all-round development of the State and that we have to look for ways and means to augment resources and re-allocate the public funds to enable us to build a road map for balanced development in the future. Only then could our priorities and commitments be fully catered to. Congress Government's priorities as stated in our Party's Manifesto have been duly emphasized and provided for during the three previous budgets. Special attention to the agrarian sector, providing quality education, better health care, strengthening of the social sector, especially empowerment of the weaker sections of the society and building a robust physical infrastructure- all these have been our concern over the last three years for which we had built a road map. And now the time has come when we shall realize our targets and consolidate our gains, may be not in full measure but quite substantially. This and the next year shall witness the efforts which we make that will ensure that the economic growth story is not just a passing, temporary phenomenon, but a reality that shall be sustainable and continuous. These are not just empty slogans or bogus posturing, it is because of the solid economic foundations that we have laid, as we have based our

fiscal management on the principles laid out in the Arthashashtra by Kautilya- "All State activities depend first on the Treasury. Therefore, a King shall devote his best attention to it. A King with a depleted Treasury eats into the vitality of the citizens and the country. Artha (Sound economics) is the most important : for dharma and karma are both dependent on it... if receipts and expenditure are properly looked after, the King will not find himself in financial difficulties".

4. Sir, we are on the right track and have laid the foundation of a sound fiscal management for the State which will augur well for the all round development of the people in our State.

### **Economic Overview**

5. The Gross State Domestic Product (GSDP) at constant prices (1999-2000) as per Advance Estimates during 2007-08 is likely to be Rs.101319 crore, which is an increase of 10.1 per cent over previous year's quick estimates. The growth in GSDP at constant prices (1999-2000) was 9.2 per cent in the year 2005-06 and 11.4 per cent in 2006-07 which is the highest growth rate during the last ten years. At constant (1999-2000) prices, the Agriculture Sector is expected to grow at 4.5 per cent as against 2.6 per cent at national level during 2007-08. The Industry and Service Sectors in the State are likely to register a growth of 10 per cent and 12 per cent respectively against national figures of 9.4 per cent and 10.7 per cent for these sectors for the current year.

6. The Per Capita Income at current prices for the year 2007-08 (Advance Estimates) is estimated at Rs.56280 as against quick estimates of Rs.49038 in 2006-07 showing an increase of 14.8 per cent. The Per Capita Income at constant prices (1999-2000) for the year 2007-08 (Advance Estimates) is estimated at Rs.38720 as compared to Rs.35779 in 2006-07 (Quick Estimates) registering a growth of 8.2 per cent, as against the national growth of 7.6 per cent. Today, among major States, Haryana ranks at the top in the country in Per Capita Income, next only to Goa.

### **FISCAL MANAGEMENT**

7. Haryana is in the forefront in the implementation of the Fiscal Responsibility and Budget Management (FRBM) Act, intended to achieve fiscal discipline. FRBM Act stipulates that by 2008-09, the State should bring the Revenue Deficit to Zero level whereas, I am happy to inform this August house that we have achieved the target well in

advance by attaining Revenue Surplus in 2005-06 itself. Despite huge allocations for Revenue expenditure like pensions, scholarships, power subsidy etc., still attaining Revenue Surplus status speaks volumes about this Government's prudence and discipline in the management of its resources.

8. The FRBM Act stipulates that the Fiscal Deficit will be brought down to 3 per cent of GSDP by 2008-09 and that the total borrowings including guarantees should not exceed 28 per cent of the GSDP. But our Government has again achieved the stipulated targets two years in advance. Fiscal Deficit, which stood at 3.6 per cent of the GSDP in 2003-04, was brought down to -0.93 per cent by 2006-07. The total debt as percentage of GSDP during 2006-07 is 25.81 per cent well below the ceiling of 28 per cent as per FRBM Act.

9. By achieving the targets set out in FRBM Act with regard to Revenue Deficit and Fiscal Deficit, the State Government is getting twin benefits of debt relief and interest relief from Government of India. State Government is likely to receive a debt relief of Rs.581.43 crore during 2005-10. We have started receiving the benefit and are on track to receive this total benefit. In 2003-04, the interest burden on the State which was as high as 21.46 per cent of the Revenue Receipts has been brought down to 12.62 per cent of Revenue Receipts in 2006-07.

10. We have also improved the quality of our expenditure. The Capital Expenditure which is asset creating and which results in catalyzing growth was only Rs.1105 crore in 2004-05 was increased substantially to Rs.2612 crore in 2006-07 and is likely to go upto Rs.3386 crore in RE 2007-08. In BE 2008-09, we propose to further increase this to Rs.3751 crore. The net borrowings of the State Government which were Rs.2495.24 crore in 2003-04 have been substantially brought down to Rs.898 crore in 2006-07 and is expected to be only Rs.46.62 crore in 2007-08.

11. During 2006-07, the total State's own tax revenue was Rs.10928 crore with a growth rate of 20.37 per cent over the previous year. Since 2004-05 tax revenue has grown by 46.88 per cent in 2006-07. Despite a slight set back to the national economy due to various factors including global slowdown, I am confident of achieving the targets set out in the budget for this year. We have set a target of Rs.14292 crore as state tax revenue to be collected during 2008-09 and this represents an expected growth in state tax collection by 16.68 per cent over the budgeted estimates for 2007-08 of

Rs.12251 crore.

## **Annual Plan**

12. The State Plan for 2006-07 was pegged at Rs.3300 crore, against which the actual expenditure was Rs.4233 crore. During 2007-08, we came out with a Plan size of Rs.5300 crore, and I am confident that the actual plan expenditure is likely to be more than Rs.5900 crore. Thus, we are raising the size of our Plan year after year. The Planning Commission has approved a Plan size of Rs.6650 crore for 2008-09. The Plan Expenditure which languished at about Rs.2000 crore mark during the tenure of the previous Government has now gone up by more than three times in just three years. We have had a high growth rate in GSDP during the last three years and despite this high growth rate in GSDP we have ensured that the plan size to GSDP ratio which was declining and had gone to the level of just 2.25 per cent in 2004-05 has been brought to 3.59 per cent in 2007-08 and will further increase to 3.85 per cent in 2008-09. Thus, not only are our plans bigger in absolute terms but they are also higher in terms of their ratio to the GSDP.

13. We are also deeply concerned about our scheduled caste brothers and sisters and people below the poverty line as well as women and children. Though the population of scheduled caste persons constitutes 19.35 per cent of the total population of the State, we have earmarked 21.55 per cent of Plan funds during 2008-09 to be spent directly for the welfare and development of this weaker section of society under the Special Component Sub Plan (SCSP). We plan to allot 100 square yards residential plots to eligible BPL and SC families. In addition to schemes for adding value for the girl child, we are also coming up with a statement on Gender Budgeting to be annexed to the Budget documents of 2008-09. Our Government is committed to working for the furtherance of a socially inclusive growth in the State where the benefits of growth and development reach every level of society.

## **NEW INITIATIVES**

14. Speaker Sir, now I would like to place before this august House, the new initiatives taken and to be taken by our Government for the benefit of various sections of Society.

- Agricultural Sector has been witnessing an over-all slow down and cases of

extreme rural indebtedness leading to distressed and harassed farmers going to the extent of committing suicide were being reported from many parts of the country.

I take this opportunity to convey our sincere gratitude to the U.P.A. Chairperson Smt. Sonia Gandhi for ensuring that the small and marginal farmers' indebtedness became the real highlight of the 2008-09 Union Budget. The announcement of Sh. P. Chidambaram, Finance Minister of India, in the budget speech of 2008-09 regarding waiver of all bank loans extended to small and marginal farmers throughout the country is an unprecedented and bold move and will go a long way in mitigating the condition of the farming community. It will certainly benefit a large number of farmers in our State also and we would like to thank the U.P.A. Government headed by Dr. Manmohan Singh, our Prime Minister, for this path breaking step.

However, we also recognize that a large number of farmers are indebted on account of money borrowed at usurious rates of interest from the local money lenders and the Arahtiyas (Commission Agents). This problem also needs to be addressed urgently and this category of money lender should also be brought under the ambit of administrative and financial control of the Government. Only then could there be checks and reasonable regulation over their activities. We will be requesting the Government of India to take remedial measures in this direction at the earliest.

- In the last budget, I had announced a tax relief on Compact Fluorescent Lamps (CFL) which are gaining acceptance amongst consumers in conservation of much needed power consumption. I intend to extend such a tax relief on chokes of energy efficient tube lights as well from the financial year 2008-09.
- As a welfare measure for women and children, I propose to abolish VAT on sanitary napkins, diapers and toys excluding battery operated, electric and electronic toys. We are also considering promoting self help groups (SHGs) of women producing sanitary napkins.
- Stamp duty rates levied on the registration of sale of land and property had

been reduced in 2004 to eight per cent in urban areas and six per cent in rural areas. We had on these rates, given a two per cent concession if property is registered in the name of a woman. I intend to reduce the rate of stamp duty by one per cent across the board while continuing the concession to women.

- The work on the extension of Metro Rail Link from Delhi to Gurgaon via Mehrauli is in full swing and is likely to be completed by January, 2010. Board of Delhi Metro Rail Corporation (DMRC) has given approval to Delhi Metro for its extension to Faridabad and proposal for its extension to Bahadurgarh is under active consideration. It will facilitate integration of National Capital Region (NCR) area of our State with Delhi and will spur economic development in these districts.
- Our Government is considering designating the Haryana Roads and Bridges Development Corporation as Nodal Agency for improving connectivity within the State particularly in the NCR by upgrading road and transport infrastructure and to provide Mass Rapid Transport Facility.
- We are also proposing to establish a Health University at PGI Rohtak, for the constitution of which a legislation is being brought before the Vidhan Sabha shortly. We have also taken up with Government of India for opening a Medical College with post graduate facilities in Faridabad with the help of funding by Employees State Insurance Corporation (ESIC). We have offered 25 acres of land for this purpose and there is sufficient bed capacity available with ESI Hospital at Faridabad.
- For growing economy to be meaningful, the benefits must also spread across a wide spectrum and not be confined to a few. As a step in this direction we have already increased the minimum wages to Rs.3510 which is the highest in the country.
- Furthermore, we, in this budget, seek to extend benefits to the Government employees as well, as we had assured in our election manifesto. The entitlement for Car loan which was recently raised to Rs. five lakh, is proposed to be enhanced further to Rs. six lakh. Similarly, for House Building Advance, the limit has been raised from Rs. 7.50 lakh to Rs.12.50 lakh and

for Repair and Extension of House from the existing amount of Rs. one lakh and Rs.1.80 lakh to Rs. two lakh and Rs.2.50 lakh respectively. We have extended the coverage of interest free loan for purchase of wheat to such class 'C' employees also who are drawing a Basic Pay plus Dearness Pay of Rs.7000 p.m. Furthermore, we have also made a provision of Rs.1550 crore in the budget of 2008-09 to cater to payment of increase in salary and pension likely to be effected on the recommendation of the 6th Pay Commission.

- This is the age of knowledge which has become one of the drivers of the economy. Therefore, universities and technical institutions will have to gear up to enhance the standard of their research. For this purpose, teachers and scientists need to be exposed/ encouraged to participate and present papers in international Seminars, symposia and fora. It is proposed to meet 50 per cent expenditure of such participants for travel etc. for which a Fund would be created in the Education Department.
- Education is the most important vehicle of social transformation and empowerment of weaker sections of our society. To ensure a life of dignity to our down trodden sections, particularly the scheduled castes and to raise their social status, a revolutionary initiative has been launched as "Mukhyamantri Scheduled Castes Shiksha Protsahan Scheme." This will check the drop out rate which is highest among the children belonging to these sections of society. Under this scheme all scheduled caste boys and girls studying in Government schools will be given a monthly stipend ranging from Rs.100 to Rs.300 per month for boys and Rs.150 to Rs.400 per month for girls. One time allowance ranging from Rs. 740 to Rs.1450 will also be given to all scheduled caste students for meeting the expenditure towards uniform, stationery and school bag etc. I propose to extend the same facility to all girl students belonging to BPL families in the State.
- Our Government has decided to open the second Sainik School in the State in Rewari District for which the land is being provided by Gram Panchayat Gothra. The State Government would provide needed capital expenditure for creating infrastructure and also provide grant for running of the school.

- In order to supplement the resources of Urban Local Bodies, they will be authorised to auction advertisement rights in their local jurisdiction and to levy user charges on cable operators using electric poles. The Urban Local Bodies will also be authorized to levy surcharge on cable operators for displaying commercial advertisements on the cable network.
- We have also decided to pay 50 per cent higher unemployment allowance to registered unemployed science graduates and postgraduates. Similarly, all unemployed women registered with Employment Exchanges in the state will be given 50 per cent higher unemployment allowance than men.
- Government is providing subsidy to Power Utilities for supply of subsidised electricity to Agriculture Pumpsets. The amount of RE subsidy which was Rs.1102 crore during 2004-05, swelled upto Rs.1544 crore during 2006-07 and which is likely to be around Rs.2366 crore during 2007-08. The burgeoning subsidy is a matter of concern for the Government and we are contemplating better targeting of rural electrification subsidy for the benefit of farmers.
- Government is providing a subsidy of Rs 50,000/- to scheduled caste beneficiaries for construction of their houses. In view of the rising cost of construction, they are facing difficulty in completing their houses out of this subsidy amount and are not able to raise additional funds for this purpose from their own resources. Our Government has decided to launch a new scheme for grant of loan to the members of scheduled castes for construction of their houses at subsidized rate of interest. We would also try to involve commercial banks in this venture.

15. Now, I would take up the budget allocation made for the year 2008-09 in some of the key sectors.

## **POWER**

16. Our Government is committed to ensuring that the power sector becomes vibrant and sustainable. At present, the State has generation capacity of 4368 MW and on an average 739 lakh units of electricity are being supplied to consumers daily. The demand of electricity is expected to be almost double in the next five years. Our strategy



of development requires adequate and quality power supply to all consumers. To achieve this, Government has taken initiatives to enhance generation capacity both in State Sector as well as in the Private Sector.

17. There is a proposal for investment of Rs.24,317 crore in Power Sector for new power generation plants and strengthening of transmission distribution systems during Eleventh Plan period. The State Government will provide 20 per cent equity from plan funds and rest of 80 per cent funds will be raised as loans by the power companies from financial institutions. By the year 2011, we plan to increase the installed electricity generation capacity by 5000 MW, more than doubling the existing capacity. This, we hope, would bridge the gap between demand and supply. Besides, additional availability of 1148 MW power has also been arranged during the 11<sup>th</sup> Plan through Power Purchase Agreements with Independent Power Producers and from Central Sector Projects.

18. Out of the two units of 300 MW each being installed at Yamunanagar, the first unit was synchronized in November, 2007 and the second unit is also likely to be synchronized in March this year. Work has also started on the 1200 MW coal based Rajiv Gandhi Thermal Plant at Khedar, Hisar. This plant is targeted for commissioning in 2009-10. Another coal based thermal power plant of 1500 MW capacity is being set up in Jhajjar District by a joint venture of Government of Haryana, Delhi Government and NTPC. This plant is scheduled for commissioning in 2010 and will give 750 MW to Haryana. Another 1150 MW project is proposed to be set up in district Jhajjar through a tariff based bidding process.

19. Under the renewable energy policy, MOUs for 697.7 MW have been signed by HAREDA with Independent Power Producers for setting up 23 bio-mass, three small hydro and four wind-based power projects. In case of bio-mass plants, seven DPRs of 75 MW have been approved while 13 DPRs of 108 MW have been received and will be evaluated. One site of 10 MW has been allocated and MOU is yet to be signed in this case. DPRs of three projects of 4.7 MW of small hydro projects have been approved and construction work at one site has started. Three DPRs of Wind Power Projects of 340 MW will be submitted in April, 2008 and in one case the process is yet to start due to stay by the Apex Court.

20. We are also planning to set up power co-generation plants with high pressure boilers and turbines in all Sugar Mills of the State to generate 130 MW electricity

out of which 85 MW shall be provided to State Power Grid.

21. Our Government believes in energy conservation for a sustainable model of development. Keeping this in view, the distribution companies have been promoting the use of energy efficient devices. So far, 650 number of villages in Haryana have been converted to Compact Fluorescent Lamps (CFL) lighting. The use of CFL is also being promoted in urban areas. The benefits of the same have been accepted by the people of Haryana and the overall result is economy for the people and saving of energy for the State.

22. Several initiatives like separation of agricultural feeders, high voltage distribution system, augmentation of conductor capacity, relocation of consumer meters are in progress to improve performance at the distribution end. In the 11<sup>th</sup> Plan, Rs.7698 crore will be spent on transmission system up-gradation and Rs.6577 crore on distribution network strengthening. In the last three years, 68 new substations have been set up, capacity of 182 substations augmented, 37386 additional distribution transformers added and 1138 Kms long new transmission lines have been laid.

23. The Plan and Non Plan allocation for Power sector including Renewable Energy for the year 2008-09 is Rs.3528.88 crore as against Rs.3149.88 crore of 2007-08.

## **IRRIGATION**

24. Equitable distribution of water throughout the State was our poll promise. That we have kept our word is for all to see. The construction of 109 km. long BML Hansi Butana Branch Multipurpose Link Channel was taken up by our Government to fulfil this promise, is likely to be completed during the current financial year. For providing irrigation and drinking water facilities to the backward areas of Mewat, a canal is proposed to be taken up after the completion of BML Hansi Butana Branch Multipurpose Link Channel. The capacity of Jawahar Lal Nehru Feeder has been increased from 1500-1600 cusecs to 2200 cusecs and capacity is being further increased to 2500 cusecs.

25. In order to utilize the surplus water available in river Yamuna, the capacity of Western Jamuna Canal Main Line Lower is being increased from 13500 cusecs to 20000 cusecs under Accelerated Irrigation Benefit Programme, the work on which is likely to be completed by June 2008. To utilize the surplus water in river Yamuna during monsoon for recharge of the ground water, construction of Dadupur Shahbad Nalvi

Irrigation canal has already been taken up. The first phase of the scheme is likely to be completed during 2008-09. For providing recharge and irrigation facility to the areas of Ambala and Naraingarh with the surplus Yamuna water, another scheme has been envisaged which is likely to be taken up during the next financial year.

26. To meet the future demands of industrial towns of Gurgaon, Manesar, Bahadurgarh, Kharkhoda etc. construction work of NCR water supply channel has been taken up and is likely to be completed during 2008-09. For protecting the agriculture land and village abadi from the fury of floods about Rs.100 crore would be spent during 2008-09 as per the schemes approved in Flood Control Board.

27. During 2008-09 the Plan and Non Plan allocation for Irrigation sector including Flood Control and CADA is Rs.1477.21 crore as against Rs.1373.66 crore of 2007-08.

## **DRINKING WATER SUPPLY and SANITATION**

28. Even though, Drinking water supply facility was extended to all the villages in the State by 31st March, 1992, the per capita availability of water was a constraint in many villages. We have augmented water availability to 1103 deficient villages in 2006-07 and 500 more villages are expected to be covered in 2007-08. Augmentation in the remaining villages will be taken up in 2008-09.

29. Under the Indira Gandhi Drinking Water Scheme, household connections are being given to scheduled caste houses free of cost. During 2007-08, 3.30 lakh families are expected to be covered under this scheme and balance families will be covered during 2008-09 and 2009-10. A concession of 50 per cent has been extended to the scheduled caste households on monthly water tariff. Further to encourage private water connections to general category households, connection fee of Rs.500 in the villages and Rs.1000 in the urban areas has also been waived off.

30. Work on the ambitious "Rajiv Gandhi Augmentation Drinking Water Project" for providing sustainable drinking water supply in Mewat area with financial support from NCR Planning Board, at a cost of Rs.205.91 crore is under execution. The project envisages construction of 3 Nos. Ranney Wells in the plains of river Yamuna and transporting water through a network of distribution system with boosting stations at appropriate places. Besides work on 290 Nos. tubewells will also be completed by June,

2008, which will benefit 503 villages.

31. All the towns of the State have been provided piped water supply system. To strengthen the existing water supply and sewerage infrastructure in National Capital Region, the NCR Planning Board is providing loan for the towns falling in NCR and also for counter magnet town Hisar.

32. Drinking Water and Sanitation sector has been provided with a sum of Rs.1237.44 crore for 2008-09 both under Plan and Non Plan while the allocation of this sector during 2007-08 was Rs.1120.44 crore.

## **ROADS AND BRIDGES**

33. Our Government is giving highest priority for improvement of road net work in the State. Government has launched Rajiv Gandhi Bridges and Roads Infrastructure Development Programme involving an expenditure of Rs.3000 crore to be completed in three phases. The projects under phase-I at a cost of Rs.1000 crore have been taken up. Funds for this project have been channelised from Government of India and various other financing agencies apart from State resources. During the year 2007-08, a length of 3200 kms. of roads has already been improved. It is proposed to improve a road length of 4500 kms. during the year 2008-09.

34. Under a master plan for construction of Road Over Bridges (ROBs), Government has already sanctioned 37 ROBs out of which 3 ROBs have already been completed and 18 are under construction. 10 ROBs are proposed to be completed during the year 2008-09. We have completed work on construction of 150 kms of new roads during 2007-08 and there is a plan to construct 175 kms of new roads during the year 2008-09.

35. We have got approval for widening and strengthening of 108 rural roads involving length of 1085 kms. at a cost of Rs.450 crore from Government of India under the Pradhan Mantri Gramin Sadak Yojana (PMGSY)/Bharat Nirman. An amount of Rs.151.51 crore has been spent during the year 2007-08 under PMGSY. It is proposed to spend an amount of Rs.400 crore during the year 2008-09 under PMGSY for improvement of 880 kms. of roads.

36. Rs.1921.69 crore have been provided under Plan and Non Plan for Roads,

Transport and Civil Aviation sector for 2008-09 as against allocation of Rs.1583.23 crore during 2007-08.

## **AGRICULTURE and ALLIED ACTIVITIES**

37. In spite of adverse climatic conditions and deficient monsoon rains, with due support of the Government in terms of supply of inputs, credit support, irrigation facilities and supply of power for agricultural pumps our farmers toiled hard and the State touched an all time high kharif foodgrains production of 49.26 lakh tonnes in 2007 registering a 9.6 per cent increase over the previous year's production of 44.96 lakh tonnes. Similarly, the sowing of wheat has been carried out in 24.72 lakh hectares surpassing the target of 24 lakh hectares fixed for the rabi 2007-08.

38. In 2008-09, our focus will be to promote sustainable agriculture in the State that replenishes soil health, is environmentally sound and is also water conserving as well as economically attractive to farmers. Promotion of green manuring, organic farming, extension through mass media and modernization, integration and computerization of soil, water and seed testing laboratories will form a part of strategic initiative in this direction.

39. Two new major schemes of National Food Security Mission (NFSM) and Rashtriya Krishi Vikas Yojana (RKVY) have been launched by the Government of India to accelerate the growth rate in agriculture and allied sector. The farmers will be encouraged to adopt new techniques of cultivation by providing subsidy on farm machinery like zero till machines, sprinkler sets, post hole digger, straw reaper, reaper binder, potato planter, potato digger etc. which save time and cost of production. Subsidy ranging from 25 per cent to 50 per cent is provided direct to the farmers for purchase of these equipments from the manufactures of their choice.

40. After Agriculture, Animal Husbandry is an important sector for livelihood in the rural areas. To take care of 94.45 lakh livestock population, there is a network of 2605 veterinary institutions in the State. Murrah development programme through identification, preservation and improvement of the germplasm is being strengthened on a large scale. For quality veterinary services including diagnostic facilities, Polyclinics with modern facilities are being set up at Sonipat, Bhiwani and Panchkula. Livestock insurance scheme has been started as a pilot project in five districts of Bhiwani, Hisar, Jhajjar, Jind and Rohtak benefitting 1.20 lakh farmers. A unique step of opening veterinary institution

in every Gaushala having a population of 2000 or more cattle has been taken up.

41. The Government is laying due emphasis on developing fisheries in the State. Technical and financial assistance is being provided to encourage fish cultivation especially amongst unemployed rural youth and scheduled caste farmers. Emphasis will be laid on diversification of suitable technologies for utilization of underground saline water and water logged areas into economically viable fish/prawn culture units. During 2008-09, it is targeted to stock 3630 lakh fish seed and produce 68000 tonnes of fish.

42. Providing rural credit at affordable rate of interest is one of our core concerns. Our Government reduced rate of interest on Short Term Agriculture Loans from 11 per cent to 7 per cent which has benefited the farmers of the State and a further 2 per cent rebate is given to those who repay the loan in time. An MOU has been signed between State Government and Government of India /NABARD as per recommendations of Vaidyanathan Committee under which the Short Term Cooperative Credit Structure is expected to receive a sum of Rs.704 crore for strengthening its financial position. A sum of Rs.240.34 crore has so far been received from Government of India under this scheme.

43. Plan and Non Plan allocation of Rs.821.28 crore has been made during 2008-09 for Agriculture and Allied activities including Agricultural University, Animal Husbandry, Forests, Fisheries and Cooperation.

## **RURAL DEVELOPMENT**

44. For all round development and providing civic facilities at par with urban areas, 91 villages have been identified to be developed as 'Model Villages' for which an amount of Rs.175 crore has been provided during the last two years. Recently, the model village scheme has been revitalized and detailed guidelines have been issued to all the line departments to allocate appropriate funds for development of 'Model Villages' to augment related facilities to make them as rural hubs of growth.

45. A new scheme namely "Mukhya Mantri Anusuchit Jati Gaon Utthan and Malin Basti Vikas Yojna" has been launched by the State Government. Under this scheme all 391 such villages, where more than 50 per cent population is of the scheduled castes, will be provided basic amenities by spending an amount of Rs.50 lakh in each village from

2008-09 onwards.

46. In order to improve the sanitation in the rural areas, the State Government on Gandhi Jayanti this year launched an ambitious scheme "Financial Assistance to Gram Panchayats for improved Sanitation". Under this scheme, Gram Panchayats will be provided an annual budgetary support of Rs.45.50 crore for deployment of Safai Karmis. About 11000 Safai Karmis are being deployed in all the villages on the basis of village population. The scheme will go a long way in improving the sanitary conditions in rural areas.

47. National Rural Employment Guarantee Scheme (NREGS) was launched in two districts of Haryana in 2006-07 and two more districts were added in 2007-08. However, from 2008-09, this scheme will be implemented in all the districts of Haryana State. NREGS aims at providing at least 100 days of guaranteed wage employment in or near the village to any person who volunteers to do unskilled work. Durable community assets are being created out of NREGS funds.

48. Development and Panchayats, Rural Development and Community Development have been allocated a sum of Rs.634.87 crore during 2008-09 both under Plan and Non Plan as against the allocation of Rs.409.45 crore of 2007-08.

## **URBAN DEVELOPMENT**

49. Haryana is one of the fastest urbanizing States in the country. Our Government is, therefore, giving due attention to planned urban development in the State. The budgetary allocation for urban development is being enhanced since 2005-06. The plan allocation for the year 2007-08 was Rs.150.00 crore which is being enhanced to Rs.240 crore in 2008-09. The Government would also continue to strengthen the financial status of municipal bodies and provide adequate funds for improving the civic facilities in urban areas.

50. Under Jawaharlal Nehru National Urban Renewal Mission (JNNURM), seven Detailed Project Reports (DPRs) amounting to Rs.1203.59 crore have been submitted to Government of India for various development works at Faridabad against which Rs.275.33 crore have been sanctioned and Rs.21.39 crore have already been received. Now Panchkula town has also been included in the JNNURM as tri-city with Chandigarh and Mohali. City Development Plans for 73 towns of Haryana have been

prepared to work out the gap in infrastructure like roads, drains, water supply, sewerage etc. The work of preparation of development plan for Panchkula town has been taken in hand.

51. Under the Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) four DPRs for integrated solid waste management projects of Rohtak, Karnal, Indri, Yamunanagar and Jagadhari and sewerage system and sewage treatment plant at Bahadurgarh, costing Rs.100.96 crore have been submitted to GOI for approval and release of funds.

52. The total Plan and Non Plan allocation of Urban Development sector including Town and Country Planning has been made at Rs.399.98 crore during 2008-09 as against the allocation of Rs.269.56 crore in 2007-08.

## **EDUCATION AND SPORTS**

53. Education is a top priority of the Government. The overall budget allocation for education was increased from Rs.1450 crore in the year 2004-05 to Rs.2732.92 crore in the year 2007-08. An outlay of Rs.3139.08 crore has been earmarked for education for the year 2008-09.

54. Reducing drop out rate in schools is our topmost priority. It has been decided to provide books as well as work books free of cost to children of class I to VIII. For improving quality of education, work books, project based learning, subject of general knowledge are being introduced. Policy decisions are also being taken for improving quality of teachers.

55. Computer education is being made compulsory for students of senior secondary schools in a phased manner. Fully equipped computer labs, market oriented course design and qualified teachers are being arranged for 200 biggest senior secondary schools in the first phase. With the help of plan resources as well as under the schemes of the Government of India, school net work will be drastically upgraded in the State.

56. The Higher education in the State is also proposed to be completely revamped. Much larger number of seats in the job oriented courses like BBA, BCA, B.Com. etc. shall be provided in the next academic year in Government as well as private colleges. Computer education is also being made compulsory for the college students to



begin with in 25 large colleges of the State in the next financial year. Universities are also being strengthened by increasing seats in the Science, Economics and Commerce related courses. It is also being proposed to introduce semester system in the colleges.

57. Edusat net work was expanded in the current financial year and will be strengthened further. Improvements have also been brought in the semester system already introduced in the schools.

58. 23 players of the State won medals in the 15<sup>th</sup> Asian games held at Doha (Qatar) in December, 2006. These players were honoured by giving cash prizes of Rs.148 lakh. Indian Team won the gold medal in 12<sup>th</sup> Asian Women Roller Skating Hockey Tournament held at Kolkata from 28.11.2007 to 2.12.2007 in which eight players of the State participated and they were awarded with cash prizes of Rs. one lakh each.

59. An international standard synthetic Hockey Grass Surface (Astroturf) costing Rs.3.45 crore is being laid at Moti Lal Nehru School of Sports, Rai. We intend to substantially enhance the diet money for players. We are also constructing rural stadia in a number of villages to encourage participation of rural students in sports.

## **HEALTH SERVICES**

60. Health Services are being provided in the State through a network of 50 Hospitals, 85 Community Health Centers, 420 Primary Health Centers, 2433 Sub-Centers, 20 District T.B. Centres, 41 Dispensaries, Post Graduate Institute of Medical Education and Research at Rohtak and Medical College, Agroha, Hisar and Mullana (Ambala).

61. The provision of institutional deliveries in rural areas through delivery huts has started giving encouraging results in terms of IMR and MMR. There has been a significant reduction in both IMR and MMR as a result. We have already established 475 delivery huts to provide safe delivery. During the year 2008-09, 500 more such huts are proposed to be established.

62. In Mewat district, mobile health services have been started from 2nd October by providing nine Ambulances for transferring pregnant women to the nearest health institution. The drivers have been given mobile phones to ensure timely and easy availability. The Health Department is proposing to launch a similar scheme in other

difficult areas of the State like Morni (Panchkula).

63. The State Government is tapping the vast resources of the private sector in delivering quality health care services. Neurology and psychiatry services along with clinical research facilities are being offered in Gurgaon Civil Hospital by National Brain Research Centre. There are nine HUDA Dispensaries out of which one Dispensary has been taken over by a company Seagram India which is running it successfully. It is proposed to handover the remaining eight dispensaries also to NGOs or private agencies for which applications have been received even from multi national companies.

64. The State Government has entrusted the work of registration of births and deaths in rural areas to PHCs of Health Department in place of police stations. As a result the birth registration has increased from 78.9 per cent during 2005 to 92.4 per cent in 2006. Similarly, Death Registration has increased to 81.5 per cent during 2006. Data generated is also being utilized in monitoring of sex ratio. Sex ratio, which was recorded at 823 in the year 2005, has been assessed to be 860 in November, 2007 in the State on the basis of such data.

65. Allocation of Health and Family Welfare sector including AYUSH and Medical Education both under Plan and Non Plan for the year 2008-09 is Rs.684.04 crore as against Rs.581.60 crore of 2007-08.

## **WELFARE OF WEAKER SECTIONS**

66. Haryana Government is committed to the welfare of all vulnerable sections of the society and has taken a series of effective steps through various welfare schemes to provide social security to the aged, widows, destitute women, handicapped persons, eunuchs, dwarfs, persons belonging to minority communities and families having only girl children.

67. Haryana Government has decided to provide insurance coverage to all the eligible persons of Haryana in the age group of 18-60 years under Rajiv Gandhi Parivar Bima Yojana in case of death or permanent disability due to unnatural reasons.

68. The State Government proposes a new scheme viz. Financial Assistance to Non-School going Disabled Children Scheme from 2008-09 whereby children in the age group of 6 to 18 years with 40 per cent and above disability will be provided financial

assistance.

69. Haryana Government has also decided to set up Day Care Centers for old persons in all the urban estates of Haryana. These centres will provide facilities of indoor games, refreshment, library, reading rooms, medical facilities etc. to the senior citizens.

70. With a view to uplift the socio-economic conditions of the minority communities and to provide them various facilities for raising their educational standard, the Government has decided to implement 100 per cent centrally sponsored scheme from the current financial year, the schemes of scholarships, free coaching etc. Government has also decided to implement a central sharing scheme of Pre-Matric Scholarship for students with a view to decrease the rate of school drop out among children of minority community.

71. With a view to support meritorious students belonging to scheduled castes,. "Dr. Ambedkar Medhavi Chhatara Yojana" was launched from the year 2005-06. The students studying in Polytechnic and ITI courses have also been made eligible for scholarship under the scheme from the year 2007-08. We propose to widen the coverage of scheduled caste students during year 2008-09 The rate of incentive being given to Panchayats for their outstanding work for the welfare of scheduled castes has been increased ten times from Rs.5,000 to Rs.50,000.

## **WOMEN AND CHILD DEVELOPMENT**

72. We are implementing various schemes for the development and enhancement of the status of women and children. The declining sex-ratio is a matter of grave concern. One of the measures taken by our government is the Ladli scheme launched in the year 2005-06 which has received an overwhelming response. A special scheme is being launched from 2008-09 to address the problem of anemia and malnutrition particularly among children below six years of age by supplementing their diet with micronutrients and folic acid, vitamin A and de-worming drug. For better access of services to the weaker sections, under the various schemes launched by the Government, it has been decided to construct Anganwadi Centers in or near the scheduled caste bastis.

73. Other major initiatives taken by the State in the year 2007-08 includes constitution of Village Level Committees (VLCs) to act as a sub-committee of the Gram Panchayat to properly advocate the issues relevant to the women and children. Nearly

6500 such Village Level Committees have started functioning and are doing the important job of procuring supplementary nutrition through Self Help Groups for the beneficiaries of Anganwadi Centres. Nearly one lakh women have been catapulted into decision making role through this mechanism. More than 6000 Sakshar Mahila Samooh (SMS) consisting of educated women, each Samooh registered as a society, have been formed to act as NGOs working as instruments of social change and development in the villages.

74. The allocation for welfare of weaker sections of society including Welfare of Scheduled Castes and Backward Classes, Social Justice and Empowerment, Women and Child Development and Nutrition under Plan and Non Plan is Rs.1264.24 crore during 2008-09 as against the allocation of Rs.1125.56 crore of 2007-08.

## **INDUSTRIAL TRAINING AND TECHNICAL EDUCATION**

75. Due to rapid industrialization in the State, the demand for technical manpower is growing rapidly. In order to harness the employment potential being unfolded, our Government is concerned about expanding technical education and industrial training. Presently 195 I.T.Is which includes 31 institutes for women are imparting industrial training in the State. There is a proposal to open 31 new Industrial Training Institutes in the State in next three years while expansion of six Industrial Training Institutes and seven SC wings are likely to be started during 2008-09.

76. At present there are two Technical Universities, 61 Engineering Colleges, 90 MCA/MBA Colleges/University Departments, 27 Pharmacy Colleges/University Departments, three Hotel Management Colleges and 76 Polytechnics in Haryana State. Chhotu Ram State College of Engineering Murthal has been upgraded to Deen Bandhu Chottu Ram University of Science and Technology.

77. There is a proposal of starting two new Government Polytechnics each at Sampla and Morni during 2008-09. In addition, new institutes under Public Private Partnership are under consideration to be started at Pabnawa (Kaithal), Umri (Kurukshetra) and Damlawas (Rewari). New State Institutes of Fashion and Design, Fine Arts, Film and TV Professional studies are also being started at Rohtak. New courses such as Fashion Design, Interior Design, Accounts and Audit and Tours and Travels Management have been introduced in Government Polytechnics.

78. The Technical Education Department received " Golden Icon Award for E-

Governance, 2007-08" from Government of India for paperless admissions.

79. The allocation for Industrial Training and Technical Education both under Plan and Non Plan is Rs.351.32 crore for the year 2008-09 as against Rs.291.22 crore provided during 2007-08.

## **INDUSTRIES**

80. The State has witnessed an unprecedented flow of investment to the tune of about Rs.33000 crore after our Government came to power in 2005. Projects with an investment of more than Rs.66000 crore are also in the pipe line. So far, the State has received foreign direct investment of Rs.10500 crore out of which FDI of Rs.7000 crore has come up after the implementation of the new Industrial Policy of 2005.

81. The State has received 92 proposals for setting up of Special Economic Zones (SEZs) with an investment of more than Rs.2,00,000 crore and employment potential for more than 20 lakh persons. 51 proposals have been granted in principle/formal approval by Government of India. During this year upto December, 2007, 27 SEZ proposals were received with an investment of Rs.33762 crore and employment potential for four lakh persons.

82. The State Government shall continue to support public-private partnership in infrastructure projects and provision of incentives for dispersal of industries in the backward areas of the State. Mega projects having spin-off effect of developing many enterprises for the over all industrial development of the State and creation of additional employment opportunities shall remain under focus in our policies. Our priority would be to promote agro based food processing industry besides encouraging the thrust areas like IT, bio-technology, textiles, scientific instruments, automobiles and auto components etc.

83. Total Plan and Non Plan allocation for Industries Department for the year 2008-09 is Rs.231.52 crore as against Rs.89.99 crore of 2007-08.

## **LABOUR AND EMPLOYMENT**

84. For the convenience of industries, powers have been delegated to the field officers for the purpose of registration and licensing under the factories Act, 1948 and Contract Labour (R&A) Act, 1970. All the Deputy Labour Commissioners in the field have

been notified as registering and licensing officers under the Contract Labour Act within their jurisdiction.

85. To provide quick justice to the workers nine Industrial Tribunals-cum-Labour Courts are functioning in the State. Besides this, Lok Adalats are also being organized to dispose off long term pending cases. Minimum wages of the unskilled workers in the State have been revised to Rs.3510 per month with effect from 1.7.2007 and will be updated half yearly to fully neutralize the increase in Consumer Price Index relating to the working class.

86. Under the Rashtriya Swasthya Bima Yojana, presently sanctioned for operation in four districts with effect from April 1, 2008, BPL families will be insured to the extent of Rs.30,000. Four more districts are also likely to be covered under the scheme during 2008-09. The expenditure on premium amount shall be shared in the ratio of 75:25 between Government of India and State Government. Smart card would be issued to the insured families and the transactions will be cashless and paperless.

87. A provision of Rs. 33.41 crore has been made during 2008-09 both under Plan and Non Plan for Labour and Employment.

### **BUDGET ESTIMATES 2008-09**

88. Hon'ble Speaker, I now present before this august House the budget estimates for the year 2008-09.

89. As I had mentioned in the beginning of my speech, allocation for the State Plan 2008-09 is proposed at Rs 6650 crore. Power Sector would get Rs.867 crore, Irrigation sector would get Rs.790 crore, Water Supply and Sanitation would get Rs.653 crore and Roads and Transport sector would get Rs.766 crore. For other social sector programmes, the allocation would be Rs.2476 crore which would include Rs.970 crore for Education including Industrial Training and Technical Education, Rs.640 crore for Social Justice and Empowerment, Rs.172 crore for Women and Child Development including Nutrition, Rs.164 crore for Health Services and Rs.130 crore for Welfare of SCs/BCs.

90. The year 2007-08 opened with a surplus of Rs.12.58 crore as per RBI books and is likely to close with a surplus of Rs.3.80 crore, with deficit transactions of

Rs.8.78 crore on year's account.

91. The financial year 2008-09 is likely to open with a surplus of Rs.3.80 crore and to close with a surplus of Rs.7.01 crore. The transactions on year's account, thus, show a surplus of Rs.3.21 crore.

92. The Budget Estimates provide for State Plan Outlay of Rs.6650.00 crore in addition to an outlay of Rs.932.84 crore for Centrally Sponsored Schemes and other developmental plan schemes.

93. On Revenue Account, the receipts in Budget Estimates 2007-08 were at Rs.17917.35 crore which are likely to increase to Rs.19,629.69 crore in Revised Estimates of 2007-08. Revenue Receipts in Budget Estimates 2008-09 are expected to be Rs.21695.32 which are Rs.3777.97 crore more than the Budget Estimates of 2007-08.

94. The Revenue Expenditure budgeted at Rs.16768.55 crore in 2007-08 is likely to increase to Rs.18135.00 crore in Revised Estimates of 2007-08. Budget Estimates of 2008-09 show a revenue expenditure of Rs.20280.84 crore which is Rs.3512.29 crore more than the Budget Estimates 2007-08. The Budget Estimates 2008-09 show a revenue surplus of Rs.1414.48 crore.

95. On Capital Account, the budgeted expenditure of 2007-08 was Rs.2983.31 crore which is likely to go up to Rs.3385.64 crore in Revised Estimates 2007-08. The Budget Estimates for 2008-09 the capital expenditure is Rs.3750.99 crore.

96. The Consolidated Fund of the State shows total receipts of Rs.25,987.40 crore in Budget Estimates 2008-09 as against Rs.21,930.89 crore in Budget Estimates and Rs.20,610.11 crore in Revised Estimates of 2007-08. The Budget proposals indicate an expenditure of Rs.26,420.98 crore in Budget Estimate 2008-09 as against Rs.21,967.95 crore of Budget Estimates and Rs.22,262.45 crore of Revised Estimates of 2007-08.

97. It is hoped that the share in central taxes and other devolutions would also go up as a result of better tax compliance and growth in the economy. Similarly, the State tax revenue is also expected to increase substantially. I am confident that we will be able to implement all our programmes successfully by full utilization of plan outlay with the

cooperation and assistance of Hon'ble Members of this House and the people of Haryana.

98. Sir, I now commend the Budget Estimates 2008-09 for the consideration and approval of this august House.

**JAI HIND!**



