

Hon'ble Speaker,

I feel greatly privileged to rise before this august House to present the first annual budget estimates of this millennium.

As the Hon'ble members are aware, our country faced a serious challenge from across the borders in the outgoing year. To begin with there was an atmosphere of economic depression. The country also faced vagaries of weather. The monsoon was weak. There was a severe cyclone in Orissa. Despite all this, our country has resolutely and successfully come out of these difficult situations. The brave soldiers of our country laid down their lives to protect our borders in the Kargil Sector. Despite unfavourable climatic conditions, the agricultural production was not much affected. The economy has started showing signs of recovery as exhibited by renewed investor's confidence in the stock markets. The inflationary trends have reversed at the national level after a long time and the people can breathe a sigh a relief on that count. As regards our State, today all of us can hold our heads high due to the **sacrifices made by our soldiers** for the mother land.

The document 'Economic Survey of Haryana 1999-2000', already circulated among the Hon'ble Members gives an over-view of the economic situation during the last year. I would like to recapitulate here some of the salient points. As per the quick estimates, the Gross State Domestic Product of Haryana at constant prices (Base year 1993-94) registered a growth of six percent from Rs.27357 crore in 1997-98 to Rs.29001 crore in 1998-99. At current prices, the GSDP is estimated at Rs.43671 crore in 1998-99, registering an increase of 15.1 percent over the previous year. At constant prices, the GSDP in primary, secondary and tertiary sectors has grown at 4.7 percent, 6 percent and 7.3 percent respectively during the same period. Similarly, at constant prices (Base year 1993-94) the per capita income is estimated to grow from Rs.12539 in 1997-98 to Rs.13084 in 1998-99.

2. FISCAL MANAGEMENT

The increased expenditure liability on account of Pay Revision, the residual adverse impact of Prohibition Policy on resources and a long period of industrial recession have led to the rise in fiscal deficit. As a result, the aggregate public debt and outstanding liabilities of the State Government have gone up. Restoration of fiscal balance constitutes a major agenda today. Policy initiatives involving fiscal restructuring measures intended to address several long-term issues in revenue mobilization, expenditure management and infrastructure development are the need of the hour.

In order to move towards the goal of harmonization of inter-state taxes and ending competitive tax rate cuts among the State Governments, the State has already adopted uniform sales tax rates and has decided to phase out the sales tax based incentives for

industries. A new industrial policy has been framed to provide a facilitating environment to enhance the inflow of private investment into infrastructure sectors and to ensure sustainable development. Downsizing the Government by abolition of vacant posts, ban on fresh recruitment, mobilizing additional revenues through better tax collection and rationalization of taxes are some of the other steps being taken. **Self Assessment Tax Scheme** has been introduced under which the details given by the registered dealers having a turn-over of less than Rs.50 lakh will not normally be subject to scrutiny. Form No.ST-14 & ST-15 have been discontinued to simplify the procedure for sales tax assessment. Tax collections in the current year upto December 1999 have increased by 13.49 percent as compared to the corresponding period of the last year. As against this the collections from sales tax, passenger & goods tax and other taxes including entertainment tax taken together increased by 1.75 percent only during 1998-99 in comparison to the figure of 1997-98.

We are of the firm view that the devolution of Central taxes should be aimed at rectifying the vertical imbalance of resources between the Centre and the States by providing a major share of divisible taxes to the States, which are implementing most of the national socio-economic programmes. We have therefore urged the Eleventh Finance Commission to devise such a mechanism of financial devolution as to ensure a balanced and healthy regional growth and to equip the State Government to discharge its fiscal obligation of balancing its resources and expenditure by enlarging the divisible pool of Central taxes and by increasing the percentage of State's share.

3. ANNUAL PLAN 1999-2000

Financially, the current year has proved to be a very difficult year as unforeseen developments have depleted the resources and have increased expenditure. There was a prolonged spell of economic recession. Despite buoyancy later in the year, the collection from State taxes is not expected to meet the target. Additional Non-Plan expenditure to the tune of Rs.55 crore for Cooperative Sugar Mills to clear the arrears of cane growers, Rs.325.63 crore for increased out go on account of pensionary benefits, Rs.23.84 crore to Urban Local Bodies as compensation in lieu of abolished octroi, Rs.50.58 crore for meeting pay-revision liability of the employees of aided educational institutions, had to be sanctioned. Thus, the original plan outlay of Rs.2300 crore has been revised to Rs.1811.16 crore which is 18.9 percent higher than the actual plan expenditure of Rs.1522.91 crore during 1998-99. Despite the resource constraints, the outlay of Power sector remains untouched and the provision of Basic Minimum Services is being kept at the required levels as per the guidelines of the Planning Commission. Allocation for social security measures has been increased to provide for the enhanced rates of pension for the elderly citizens, widows, destitute and handicapped.

To utilise the revised plan outlay, concerted efforts are being made to boost the public deposits under various small savings schemes. Against an achievement of Rs.994 crore during 1998-99, a target of Rs.1040 crore has been kept for the current year. As the Hon'ble Members are aware, now 80 percent of the net small savings collections are advanced as loan to the State Government by the Central Government. These loans are likely to increase from Rs.700 crore to about Rs.742 crore during the current year.

4. ANNUAL PLAN 2000-2001

While formulating Annual Plan 2000-2001 the basic strategy of accelerating the pace of development and creating opportunities for the upliftment of all sections of the society, has been adopted. The size of the Annual Plan 2000-2001 has been fixed at the level of Rs.2530 crore, showing a growth of 39.7 percent over the revised outlay of Rs.1811.16 crore for the current year. This outlay of Rs.2530 crore is likely to be funded through State's own resources of Rs.1506.48 crore and Central Assistance of Rs.1023.52 crore.

The Plan focuses on creation of economic infrastructure and accordingly an amount of Rs.1632.35 crore, which is 64.5 percent of the total plan outlay, has been earmarked for the sectors of Power, Irrigation, Road & Transport. This includes a provision of Rs.626.73 crore for Power, Rs.506.42 crore for Irrigation and Rs.499.20 crore for Transport sector. Flood protection measures get a high priority with an allocation of Rs.20 crore. Provision of social services has an outlay of Rs.657.45 crore including Rs.320.23 crore for pensions to senior citizens, destitute, widows and the handicapped. Agriculture and Allied activities get a provision of Rs.111.80 crore and Rural Development gets the Plan allocation of Rs.35.10 crore. A provision of Rs.120 crore has been made for the Basic Minimum Services in the identified areas of Primary Education, safe drinking water, primary health, supplementary nutrition and connectivity of habitations.

5. POWER

The Government of Haryana is committed to supply quality power to all its consumers. Though there was a severe drought, the average availability of power during the **past seven months was 425 lakh units per day as compared to 367 lakh units per day in the corresponding period last year.** This was achieved through special efforts which resulted in an enhanced allocation of 27 percent out of the unallocated Central pool from the existing 19 percent. Two units of 143 MW each were commissioned at Faridabad gas based station of National Thermal Power Corporation. The third unit is also likely to be commissioned by June, 2000. Simultaneously, emphasis has been laid on the strengthening of the transmission and distribution

system by erecting new sub-stations, lines and augmenting the capacity of the existing sub-stations. 50 numbers over-loaded 11 KV feeders are being renovated. 5950 distribution transformers are being added and worn out cables are being replaced. Till January in this financial year 13 new grid sub-stations have been commissioned and capacity of 97 grid sub-stations has been augmented. 264 kilometers extra high voltage transmission lines have been erected during this period.

For 2000-01, a target of constructing 43 new grid substations and augmenting the capacity of 52 existing grid sub-stations has been fixed. Simultaneously, 835 kilometers length of transmission line is proposed to be added. 591 MVAR capacitor banks are also proposed to be installed during the next annual plan period.

State Government continues to extend adequate budgetary support to the Power sector. Allocation for Power sector has been increased from revised outlay of Rs.928.58 crore in 1999-2000 to Rs.1070.13 crore in 2000-2001.

6. IRRIGATION

The scope for exploiting of under ground water resources being limited, the State Government is laying more emphasis on water conservation and its management to optimize the use of available sources. Accordingly priority is being given to the timely operations of deweeding and desilting of the Irrigation channels to improve the supply at the tail ends. The lining and the repair work of the field channels is being accorded a high priority by the Command Area Development Authority. The entire expenditure is being borne by the State Government.

Water Resources Consolidation Project is being implemented by the State Government with the support of World Bank. This Project covers the schemes of rehabilitation of existing canals and drains, modernization of canal system and construction of new drains. The Project will help in flood control and will enhance the irrigation potential. This year being the last year of the Project, efforts are being made to obtain an extension of two years for which the Project is being re-structured to include certain left out works. Every year the menace of floods seems to be increasing with the rising pressure of population. The loss of life, cattle and crops brings misery to all affected. We are committed to redeem the situation. An ambitious Project namely Hisar-Ghagggar drain with a likely cost of Rs.770 crore has been formulated to provide permanent solution to the drainage problems of District Kaithal, Jind, Hisar, Fatehabad and Sirsa falling under the Ghagggar basin. World Bank authorities are being persuaded to include this scheme in WRCP.

The NABARD authorities have been sanctioning funds to the State Government of Haryana under Rural Infrastructure Development Fund. Eight projects for Haryana

Irrigation Department have been sanctioned so far costing Rs.402.13 crore for constructing 482 Irrigation & Drainage schemes. For the purpose of flood control a new project of constructing Darba Ghaggar Drain costing Rs.10.82 crore has been got sanctioned from NABARD. Four other flood protection works in the Rewari and Narnaul Districts alongwith 36 irrigation schemes would be taken up under RIDF V-II (Project cost Rs.52.23 crore) which was sanctioned by NABARD recently.

The existing Ottu Weir was constructed across the river Ghaggar near village Ottu in the year 1894. It was constructed to store water which flows into the irrigation channels taking off from here. The Ottu Lake which could initially store water to the extent of 9118 acre feet, its capacity has now been reduced to 1000 acre feet due to silting. Its replacement was long over due. The work has been commenced and is likely to be completed by October, 2001 at an estimated cost of Rs.28.50 crore.

A total provision of Rs.775.17 crore has been made under various Plan and Non-Plan schemes for Irrigation for the year 2000-2001. Similarly a provision of Rs.67.60 crore has been made for both Plan and Non-Plan expenditure for MITC.

7. ROADS AND BUILDINGS

The Government is laying special emphasis on repair and maintenance of roads. Premix carpeting on a length of 1660 kilometers, strengthening of 301 kilometers and re-construction of 113 kilometers of roads has been completed upto January, 2000. A provision of Rs.582.11 crore has been made for strengthening/re-construction and repair/maintenance of roads during 2000-2001. Bye-passes at Jhajjar and Dhand are under construction at a total cost of Rs.4.31 crore. Administrative approval for bye-pass at Sonipat connecting Sonipat-Rathdhana road to Meerut-Sonipat road has been given.

As the Members are aware Haryana State Roads & Bridges Development Corporation was set up to ensure the speedy implementation of infrastructure development projects through the participation of the private and corporate sectors. The Corporation has negotiated a loan of Rs.296.01 crore spread over a period of 2 years from HUDCO to improve selected MDRs and ODRs at a cost of Rs.321 crore. During the year 2000-2001, it is proposed to repair 4500 kilometers of roads with premix carpet, strengthening, reconstruction, raising and cement concrete pavement in village portion at a cost of Rs.160.05 crore.

For providing Government accommodation to the Government employees, during 2000-2001, it is proposed to construct 504 houses in Sector-39, Chandigarh at a cost of Rs.13.45 crore. There is a proposal to construct State Guest House at Chanakayapuri, New Delhi at a cost of Rs.2.20 crore.

A total budgetary provision amounting to Rs.41.73 crore under various Plan and Non-Plan schemes has been proposed for the year 2000-2001 for buildings.

8. PUBLIC HEALTH

Provision of adequate safe drinking water in both rural and urban areas is a prerequisite for prevention of diseases. As per the latest survey carried out by the Department, 331 more villages were found with a supply below the approved norm of 40 LPCD. During the next financial year it is proposed to augment the water supply facilities to the level of 40/55 LPCD in 350 villages and from 40 LPCD to 55 LPCD in another 150 villages. For this purpose there is a Plan outlay of Rs.29.50 crore under the State Minimum Needs Programme and about Rs.20 crore would likely be available from Government of India under Accelerated Rural Water Supply Programme.

The eight districts of Haryana namely; Hisar, Bhiwani, Sirsa, Rohtak, Jhajjar, Fatehabad, Mohindergarh and Rewari face acute shortage of drinking water. During the current financial year augmented water supply at 70 LPCD has been commissioned in 55 villages with the financial support from Government of India. During the next financial year it is proposed to augment the water supply in another 150 villages with the assistance of Rs.15 crore from Government of India.

Under the Accelerated Urban Water Supply Programme, being financed by the Government of India and Government of Haryana on 50:50 sharing basis, schemes for 11 towns costing Rs.1467 lakh have been framed and the supply of drinking water has been upgraded to the level of 70 LPCD in the towns of Sohna, Patuadi, Narnaund and Kanina. The work in remaining 7 towns, namely ; Bawani Khera, Taoru, Ratia, Kharkhoda, Uchana, Assandh and Kalanaur is in progress. During the next financial year 2000-2001, a sum of Rs.150 lakh has been earmarked as the State share for this programme and it is expected that a sum of Rs.150 lakh would be released by the Government of India. The work for augmenting the drinking water supply in the towns of Ambala Sadar, Kaithal and Bhiwani is under progress and it is proposed to obtain the balance amount of Rs.29.70 crore from Government of India in the next financial year so that the work can be completed.

Under the Yamuna Action Plan, Sewage Treatment Plants are being installed in 12 towns of Haryana. With a total expenditure of Rs.187 crore till December, 1999, eight STPs in six towns have already been commissioned and work is in progress on three other STPs. During the next financial year a provision of Rs.35 crore is proposed to be made under the Yamuna Action Plan.

A total budgetary provision of Rs.415.64 crore has been made under various Plan and Non-Plan schemes of the Public Health Department for the year 2000-2001.

9. AGRICULTURE AND ALLIED ACTIVITIES

Sustained and broad-based growth of agriculture is essential for alleviating poverty, generating incomes and employment, assuring food security and sustaining a buoyant domestic market for industry and services. Haryana, being a pre-dominantly agrarian society, about three quarters of its population is dependent on agriculture directly or indirectly. Despite drought-like situation during Kharif 1999, timely supply of inputs by the State Government has ensured a production of 116.15 lakh tonnes of food grains, 7.19 lakh tonnes oil seeds and 11.50 lakh bales of cotton.

The fertilizer consumption is likely to touch a level of 8.71 lakh MT (nutrients) during the current year as against last year's consumption of 8.38 lakh MT (nutrients). The disbursement of crop loan is also likely to go up to about Rs.2097.60 crore during 1999-2000 as against Rs.1578.70 crore disbursed during last year.

In order to maintain the growth rate in agricultural production, the targets for the year 2000-2001 have been fixed at 126.50 lakh tonnes of foodgrains, 12 lakh bales of cotton and 10.20 lakh tonnes of oil seeds.

World Bank Aided Integrated Watershed Development Project has been under implementation in the foot hills of Shivalik to check the soil erosion and to improve the productivity of the land. An area of 1.04 lakh hectares at a total cost of Rs.61.60 crore has been developed under Phase-I (1990-99). Additional area of 70472 hectares at a cost of Rs.102.12 crore is proposed to be developed under Phase -II (1999-2004). An amount of Rs.20 crore has been proposed for this project during 2000-2001. The State Government has also requested the Eleventh Finance Commission to grant a special assistance of Rs.50 crore for the development of the Shivalik area. A Dutch Government Aided Operation Pilot Project has already reclaimed an area of 1253 hectares with an expenditure of Rs.6.11 crore. This project has been extended upto March, 2002 for treating an area of 1000 hectares in the Kalayat Block. It is proposed to incur an expenditure of Rs.3 crore during the next financial year. The State Government has also requested the Eleventh Finance Commission to sanction a special project for solving the problems of salinity and water logging in the State.

Haryana State Agriculture Marketing Board has been entrusted with the task of construction and repair of rural roads besides developing new Mandies and providing better facilities to the farmers in the existing ones. The Board has approved 1203 new and special repair works for execution at a cost of Rs.263.31 crore. In order to give

boost to the Mandi trade, the market fee on 21 commodities has been reduced from two percent to one percent w.e.f. January, 2000.

Animal Husbandry in our State occupies a pivotal place in the rural economy because of its contribution towards income generation, rural upliftment and potential to bring about growth in terms of livestock products like milk, eggs, meat & wool and also opening of new avenues for employment. In fact, Animal Husbandry has transformed itself into an industry in Haryana. The State with only 1.3 percent geographical area ranks second in the country in terms of 621 mg per capita per day milk availability.

To promote breeding and to ensure development of Livestock specially cows and buffaloes in the State, the Haryana Government has constituted "**Haryana Livestock Development Board**" which will undertake activities relating to and necessary for improving livestock production and productivity. It will take steps to improve the genetic stock of animals in the State, to help in preserving and multiplying the Murrah germplasm and exporting it. It will assist the farmers in providing the technical know-how for improving the stock and also by providing Artificial Insemination, Embryo Transfer Technology and other allied breeding facilities.

Agricultural Human Resources Development Project with a total outlay of Rs.8.92 crore starting from the year 1995-96 to 2000-2001 has been under implementation. The project aims at re-invigorating the latest capabilities of the staff through the creation of Master trainers and Trainee-trainers in the Department who will give further training to in-service people, thereby upgrading their knowledge and skill. A sum of Rs.476.18 lakh has been approved for the year 2000-2001 against the provision of Rs.150 lakh during 1999-2000.

Total Plan and Non-Plan outlay of Agriculture sector (including HAU, Animal Husbandry, Fisheries, Dairy Development and Horticulture) for the year 2000-2001 is Rs.308.83 crore.

10. FOREST

Haryana being a predominantly agricultural State, the ratio of cultivable area to the total area of the State is very high. The forests cover only a small fraction of the total geographical area. Integration of fast growing tree species alongwith agricultural crops under agro forestry, adoption of farm forestry, massive afforestation on degraded Panchayat lands and afforestation of mobile sand dunes has enabled the Forest Department in increasing the tree cover area in the State by 360 square kilometers with active participation of the people. Joint Forest Management is being propagated by the Forest Department in the Shivaliks. Till date about 50 Hill Resource Management Societies have been established in the Shivalik region for the

management of forests and 294 Village Forest Committees have been constituted in Southern Haryana. For the year 2000-2001 a plan outlay of Rs.3320 lakh has been fixed under Forestry and Soil Conservation Programme.

11. COOPERATIVES

The Cooperative movement in Haryana comprises 18409 Cooperative Societies with a total membership of 44.13 lakh which constitutes nearly 26 percent of the State population. This movement helps its members to imbibe leadership qualities for running their organisations. 2310 Mini Banks functioning at Patwar Circle Headquarters, are providing short term credit facilities to our villagers. To provide long term loans for raising agricultural productivity, 87 Primary Agriculture and Rural Development Banks are functioning at Block levels. Cooperative credit movement in Haryana has taken significant strides towards broadening the financial base of the borrowers by introducing Kisan Credit Card Scheme and also by introducing revolving cash credit scheme by providing loan upto Rs.2.00 lakh to each individual borrower provided he possesses more than 5 acres of land. In order to diversify the loan portfolio of CCB in the short term credit structure, new schemes namely the consumer durable loan, loans for higher education to the parents of the students attending professional courses, CCL to the traders and overdraft facility to the businessmen are being implemented which is an extra feather in the cap of the cooperative credit movement in Haryana.

Ten Cooperative Sugar Mills functioning in the State with a total crushing capacity of 19550 tonnes per day are expected to crush 283 lakh quintals as against last year's 249 lakh quintals. The State Government, committed to give remunerative prices to its farmers, has **fixed the prices of various sugarcane varieties as Rs.104, Rs.106 and Rs.110 per quintal**. Instructions have been issued to ensure the cane payments within 14 days of supply. To meet this commitment an additional amount of Rs.55 crore has been sanctioned to the sugar mills for payment of arrears. Two new sugar mills at Panniwala Mota in Sirsa District and Gohana in Sonapat District are being established with an estimated expenditure of Rs.100 crore. The crushing capacity of Palwal and Jind Sugar Mills will be enhanced from existing 1250 TPD to 2500 TPD each. During the next financial year, two new rice mills at Kalanwali and Ding in the district Sirsa are going to be commissioned by HAFED at the cost of Rs.5 crore. HAFED is also setting up an Animal Feed Plant at Sakta Khera in district Sirsa at a cost of Rs.330 lakh.

The total allocation of Rs.28.82 crore has been made for cooperative sector during 2000-2001.

12. INDUSTRIES

From a relatively backward State at the time of its formation in 1966, Haryana has emerged as a very progressive and dynamic State. Impressive economic infrastructural facilities make it an attractive destination for the setting up of modern and hi-tech industrial units. Consequently the number of large and medium scale industries has increased from 162 in 1966 to 1023 by the end of December 1999. Similarly, 73500 small scale industrial units are functioning in the State at present. On exports front, the State has made impressive achievements. Annual exports from Haryana have touched all times high of Rs.4163 crore in the year 1998-99 as against Rs.2961 crore during 1997-98.

Despite its small size, Haryana State is at Sixth position in the country so far as filing of Industrial Entrepreneur Memoranda is concerned. The percentage of implementation of IEMs in Haryana is about 48 percent against all India average of about 35 percent. During the current financial year, upto February, 2000, 78 IEMs have been filed which would attract an investment of Rs.1000 crore.

To achieve rapid and substantial economic growth, the State Government has formulated a **New Industrial Policy**, which was notified on 11th November, 1999. The basic objectives of this policy are to increase the share of industry in the Gross State Domestic Product by attracting new investments and growth of existing industry, to increase the employment in Industrial sector by 20 percent in the next five years, to attain sustainable economic development through catalysis of investments in all sectors of the economy and to achieve larger value addition within the State.

To achieve these objectives an **Economic Development Board under the Chairmanship of the Chief Minister**, Haryana has been set up. An empowered committee under the Chairmanship of the Chief Secretary has been constituted to suggest policy initiatives, to monitor implementation of the policy and for coordinating the activities of various departments.

Development of Information Technology and its extensive use for modern management practices is a part of the New Industrial Policy. Transaction, automation and information data bank will be created to bring transparency, accountability and greater efficiency in administration.

In the New Industrial Policy, the system of granting clearances at the district level through Single Window Service will be strengthened. Time schedule has been fixed for various departments for giving necessary sanctions to cut down delays. The visit of Inspectors to Industrial units has been reduced to bare minimum statutory requirements. The State has abolished all physical barriers to trade and commerce. State Government has also formulated a new Industrial Infrastructure Development

Policy. This Policy has come into force w.e.f. 11th November, 1999. Procedure for allotment of industrial land, transfer of industrial plots has been simplified.

In the New Industrial Policy of 1999, the State Government has identified few thrust areas to promote industrial investment in the State. They include Agro Based & Food Processing Industry, Electronics, Information Technology & Telecommunication, Automobiles, Automotive components and Light & Medium Engineering Industry, Handloom, Hosiery, Textiles & Garment Manufacturing and Export Oriented Units.

Haryana State Industrial Development Corporation meets the requirements of long term credit of the industry alongwith creation of industrial infrastructure. During 1999-2000 HSIDC has disbursed loans of Rs.36.03 crore upto February, 2000. Similarly Haryana Financial Corporation meets the credit requirements of the small scale industry and has disbursed loans of Rs.52.62 crore upto February, 2000.

13. HEALTH SERVICES

Health is wealth. To preserve this wealth of our citizens, health services in the State are being provided through a network of 2299 Sub-Centres, 401 Primary Health Centres, 64 Community Health Centres and 44 Hospitals.

The Members would recall that when the grant to the **Maharja Agrasain Medical College, Agroha** was discontinued, it was felt by everybody that the growth of this college will get stunted if the Government funds are not made available. We had made a commitment in this regard and we have honoured our commitment by restoring the grant to this Medical College.

Our Government is committed to eradicate polio disease by the year 2000. To achieve Zero Polio Status, the Pulse Polio Programme was implemented all over the State in four phases during the current year and about 29 lakh children from 0 to 5 years of age were given polio drops.

The Reproductive Child Health Programme has been launched in the State with World Bank assistance to provide quality-Family Welfare and Child Health Care Services. Assistance of Rs.131.17 crore both in cash and kind has been received for this Project. In addition to this, Sub Projects in District Bhiwani and Faridabad Urban have been launched with a financial aid of Rs.6.18 crore and Rs.7.83 crore respectively. Rs.2.06 crore have already been spent in these Sub Projects on their implementation and IEC activities upto December, 1999.

To provide the people quality health services, a project is being formulated for getting grant from European Commission. In the country only 21 districts have been selected

out of which three will be from Haryana. The European Commission would be spending a sum of about Rs.1,000 crore in the country out of which Haryana is likely to get a proportional amount.

A total allocation of Rs.363.21 crore has been made for Health Services under various Plan and Non-Plan schemes during the year 2000-2001.

14. EDUCATION

Universalisation of Primary Education with expansion of schooling facilities and qualitative improvement in education have been the major thrust areas. To achieve this target special enrolment drives were launched this year with the active cooperation of the local community and village Panchayats. To increase enrolment and to ensure retention of children particularly those belonging to Scheduled Castes, wide publicity is given through electronic media to create awareness amongst people about the need and importance of education. Besides this, cash prizes are given to Gram Panchayats and Teachers for showing best performance in enrolling and retaining out-of-school children in classes I to V.

As regards Higher Education, during the current year two new Government colleges at Israna and Ratia have been sanctioned for opening. A private management has been allowed to start the National Institute of Law at Ballabgarh. In order to give wider access to Higher Education especially to the students belonging to weaker sections, various scholarships are being provided at a cost of Rs.2.29 crore in the current year. Hon'ble Members will be pleased to note that the Government has revised the pay scales of College/University teachers w.e.f. 01.01.1996 on UGC pattern incurring an annual liability of Rs.40 crore. The Government has also approved revised pay scales for non-teaching employees of the State's Universities.

The Department of Technical Education is responsible for providing requisite technically trained man power in various fields of technology, so as to cater to the manpower requirements of user Industry, Departments and other agencies. Plan allocation of Rs.18 crore has been made for the Department of Technical Education for the year 2000-2001.

The Department of Industrial Training and Vocational Education is imparting training to about 30,000 students all over the State through a network of 192 Industrial Training and Vocational Education Institutes. Special emphasis is being laid on self-employment for women and presently 34 Institutes are exclusively meant for them.

A total outlay of Rs.1352.99 crore, both Plan and Non-Plan, has been provided for Education sector during 2000-2001, including Rs.498.07 crore for Primary Education,

Rs.513.82 crore for Secondary Education, Rs.231.16 crore for Higher Education, Rs.27.69 crore on Arts, Culture, Sports and Youth Services, Rs.38.36 crore for Technical Education and Rs.43.89 crore on Vocational and Industrial Training Programmes.

15. SOCIAL WELFARE

The Hon'ble members are well aware of the contribution of Haryana in defending the borders of the country. In recognition of the exemplary services rendered by the soldiers of Haryana during Operation Vijay in Kargil and other sectors, **the State Government has increased the ex-gratia grant** with effect from 01.04.1999 for officers/soldiers killed in action to Rs.10 lakh, with 70 percent and above disability to Rs.6 lakh, disabled above 50 percent and below 70 percent to Rs.4.50 lakh and those with less than 50 percent disability to Rs.3 lakh. 63 dependents of martyrs of Kargil Operation have been provided ex-gratia employment by the Haryana Government.

Fulfilling our commitment towards the weaker sections of our society, the Government has **launched a new scheme "Kanyadan"**. Under this scheme, a grant of Rs.5100 will be given to the parents of Scheduled Caste girls belonging to Haryana at the time of marriage of their daughter. This grant will be subject to the conditions that the family is living below the poverty line and the girls should be above 18 years of age alongwith a further stipulation that this facility will be available for the marriage of at most two daughters in a family.

Being fully alive about its duties towards the elderly citizens, handicapped, widows and the destitute, **the amount of pension has been enhanced from Rs.100 to Rs.200**. The eligibility conditions for old age pension have been simplified and a survey has been conducted to cover all eligible beneficiaries. An amount of Rs.320.23 crore has been proposed to be disbursed during 2000-2001 as pension to the old citizens, handicapped, widows and the destitute.

Any society which does not take care of its children, women, old and infirm will perish soon. Needless to say, we remember them all, as our decisions would vindicate. Moving in that direction, we have also fulfilled the long felt need by setting up **State Commission for Women** to act as a consultative body to advise the Government on legislative aspects and on departmental policies concerning women with a view to improve their status.

Haryana Harijan Kalyan Nigam set up to provide financial assistance to the Scheduled Caste families with a view to assist them to start viable economic activities, proposes to provide financial assistance amounting to Rs.37.23 crore to 12000 families during 2000-2001. In addition Haryana Backward Classes and Weaker Sections Kalyan

Nigam will also provide an assistance of Rs.6.50 crore to persons belonging to Backward Classes and Minorities during 2000-2001.

A total budget outlay of Rs.465.50 crore has been proposed for the social welfare sector in the budget estimates 2000-2001.

16. RURAL DEVELOPMENT

Amelioration of poverty and creation of employment opportunities in the rural areas is the primary concern of our Government. Swaranjayanti Gram Swarozgar Yojna (SGSY) launched by the Government of India in the current financial year is a holistic programme covering all aspects of self employment such as organisation of the poor into Self Help Groups, provision of facilities of training, credit, technology, infrastructure and marketing for families below the poverty line. Under this scheme an assistance of Rs.335.99 lakh has been provided upto December, 1999 to 4026 beneficiaries including 1719 SCs and 1795 women.

11.83 lakh mandays have been created in rural areas at an expenditure of Rs.1633.81 lakh upto December during the current year under the restructured Jawahar Gram Samridhi Yojana (JGSY). This is an asset creation scheme at the local level and the Gram Panchayats can take up any development work as per their needs. The entire funds are now being released to the Gram Panchayats. An amount of Rs.11.82 crore has been spent upto December, 1999 under Employment Assurance Scheme (EAS) for generating 6.73 lakh mandays in rural areas.

In order to meet the housing needs of the rural poor, 4581 houses have been constructed and work on 1535 houses was in progress till the end of December, 1999 under the Indira Awaas Yojana (IAY). Hon'ble Members would appreciate that a new scheme called Credit-cum-Subsidy Scheme for Rural Housing has been launched during the current year to cover rural households having an annual income of less than Rs.32000. The Central Government has allocated a sum of Rs.98.98 lakh for 1999-2000 under this scheme.

I would like to inform this august House that an amount of Rs.128.04 crore has been released from the HRDF during the current year for various rural infrastructure schemes like pavement of streets, construction of school rooms, Veterinary Hospitals, civil dispensaries, rural roads, rural water supply, low cost sanitation etc.

A total sum of Rs.73.61 crore has been provided for various programmes of Rural Development, Poverty Alleviation and Community Development during 2000-2001.

17. MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT

Hon'ble Speaker Sir, we are equally concerned about the people living in urban areas and are committed to ensure the provision of best municipal services and civic amenities for them. A financial assistance of Rs.18 crore has been proposed for the 53 municipalities of the State for the next year under various schemes like Environmental Improvement of Urban Slums, National Slum Development Programme, Integrated Development of Small and Medium Towns, Urban Solid Waste Management etc.

The recommendations of the First State Finance Commission in regard to transfer of funds, and measures to improve own resources of urban local bodies, are under active consideration of the State Government. We have given grants to some of them for meeting their salary commitments and have abolished the unviable ones. But at the same time we do not want that the staff being rendered surplus should face any hardships. Therefore, we have decided that all of them will be absorbed in other departments.

The State Government has abolished octroi w.e.f. 1st November, 1999. Octroi posts were causing obstruction in the free flow of trade and Industry and the collection cost was too high. The State Government is committed to compensate the Municipal Bodies of the revenue loss and an amount of Rs.23.84 crore has been provided for this purpose during 1999-2000. All the 3108 employees rendered surplus have been absorbed in other departments.

The Haryana Urban Development Authority since its inception in 1977 has dedicated itself to fulfil the commitment of the State Government to provide congenial living environment to the people and to meet the land requirement for various other social and commercial activities. During the year 1999-2000, HUDA acquired 193.12 acres of land and Rs.9.90 crore was paid to the land owners as land compensation. Fresh acquisition is being proposed in potential areas like Gurgaon and Panchkula.

A total amount of Rs.32.81 crore is proposed to be spent for urban development during the year 2000-2001.

18. TRANSPORT

Haryana Roadways has earned the reputation of being one of the best managed transport undertakings in the country on the basis of economy in expenditure, operational efficiency and staff productivity. Haryana Roadways with a fleet of 3638 buses operating from its 20 depots and 17 sub-depots, covering a distance of about 10.94 lakh kilometers, serves 10.42 lakh passengers daily by providing them with fast, efficient, comfortable and cost effective journey. The old fleet of Haryana Roadways is regularly being replaced by new buses. For revamping of transport services, a plan

provision of Rs.40 crore has been kept for 2000-2001 against a revised plan outlay of Rs.33.51 crore for the year 1999-2000.

19. TOURISM

Haryana has acquired a prominent place in the tourist map of the country for its outstanding contribution towards promotion of tourism. It has a network of 46 tourist complexes spread over the State for catering to the requirements of about 65 lakh tourists every year. Tourist complexes at Pehowa and Hansi have become operational during the year. Two new tourist complex at Bhiwani and Rai and two new fast food centres at Hisar and Rohtak are proposed to be completed during 2000-2001.

A budgetary support amounting to Rs.5.10 crore has been proposed for promotion of tourism activities during 2000-2001.

20. WELFARE OF GOVERNMENT EMPLOYEES

Government employees are the back bone of the State. To boost the morale of Police officials, the State Government has decided to grant an ex-gratia amount of Rs.5 lakh to the families of those police officials who expire during the course of duty. The Government has also decided to grant pension to pre-1986 and pre-1996 retirees on the pattern of the Fifth Pay Commission. Notwithstanding the difficult financial situation, two dearness instalments of 10 percent and 5 percent were given to the State Government employees on the pattern of Central Government.

21. BUDGET ESTIMATES 2000-2001

Hon'ble Speaker Sir, I now present before this august House the Budget Estimates for the year 2000-2001.

The year 1999-2000, as per the books of RBI, opened with a deficit of Rs.150.24 crore and is likely to close with a deficit of Rs.196.77 crore. Thus, the current year is likely to have on year's account a deficit of Rs.46.53 crore as against the deficit of Rs.22.67 crore as per the budget estimates.

The financial year 2000-2001, is likely to open with a deficit of Rs.196.77 crore as per the books of RBI and to close with a deficit of Rs.294.56 crore. Thus, the budgetary transactions during the year indicate a deficit of Rs.97.79 crore. The Budget Estimates provide for a State plan expenditure of Rs.2530 crore in addition to Rs.343.80 crore for Centrally Sponsored and other development plan schemes.

The Consolidated Fund of the State shows total receipts of Rs.10236.20 crore in BE 2000-2001 as against Rs.8691.72 crore in RE 1999-2000, and an expenditure of Rs.11604.48 crore compared to Rs.9626.69 crore in RE 1999-2000. On Revenue Account, the receipts show a growth of Rs.776.63 crore from Rs.5979.30 crore in RE 1999-2000 to Rs.6755.93 crore in BE 2000-2001. Likewise, the revenue expenditure would be higher by Rs.826.77 crore from Rs.7270.43 crore in RE 1999-2000 to Rs.8097.20 crore in BE 2000-2001. The growth in expenditure is mainly due to larger plan size of Rs.2530 crore in the year 2000-2001 as against Rs.1811.16 crore in 1999-2000.

The tax revenue of the State has been projected to grow at 14.4 percent in the budget estimates 2000-2001 over the revised estimates. The devolution of Central taxes has been taken as per the indications received from the Government of India till now. The non-tax revenues have been projected on trend basis.

Every possible effort has been made to contain the growth of the Non-Plan expenditure but the repayment on account of debt servicing and interest liability remains an area of major concern. In the recent years the successive Governments have been borrowing both internally and from Government of India to meet their commitments of Plan and Non-Plan expenditure. The total outgo on account of debt repayment and interest payments is likely to increase by Rs.1022.25 crore i.e. from Rs.2452.09 crore in 1999-2000 to Rs.3474.34 crore in 2000-2001, which accounts for 30 percent of the total expenditure from the Consolidated Fund.

As per Budget Estimates 2000-2001, the State Government is likely to incur public debt of Rs.3429.77 crore. The net public debt would increase by Rs.1497.30 crore after making repayments of Rs.1932.47 crore. Similarly, as per the Revised Estimates 1999-2000 the net public debt is likely to increase by Rs.1528.76 crore during the year. The total outstanding debt of the State, as per the books of AG, Haryana, is Rs.9913.07 crore as on 31st March, 1999. This is likely to increase by 22.2 percent to Rs.12110.80 crore as on 31st March, 2000, and further by 19 percent to Rs.14418.37 crore as on 31st March, 2001. The total debt liability of the State, as a proportion of the GSDP of the State is likely to be around 25 percent.

Though, the rising deficit may be an area of concern but in a developing economy it is not feasible to have zero deficit. For meeting the requirements of developing the economic and social infrastructure, a developing State has to borrow. It is expected that once the economy grows, the investments made will start bearing fruits, thereby reducing the dependence of the State on the borrowed funds. The State Government continues with its focus to contain growth in fiscal deficit. The fiscal deficit of the State is about 5 percent of its GSDP. The Salary Bill of the State is about 50 percent of its revenue expenditure.

However, there is still a scope for improvement. The Central Government has decided to increase the share of the States in the Central taxes. The sales tax receipts are likely to go up in the next financial year on account of **introduction of uniform sale tax** and buoyancy on account of available indicators of reversal of recessionary trends in the economy. With the introduction of uniform sales tax, it is expected to net an additional revenue of Rs.75 crore. An effort will be made to improve our revenue collections by strict, impartial and effective implementation of the existing tax laws. I am confident that all the development programmes in the Annual Plan 2000-2001 will be fully implemented. For this I seek the cooperation of all the Legislators, Government employees and above all the people of Haryana.

I must express my appreciation and thanks to the team of officials of Finance Department and [National Informatics Centre Haryana](#) who have laboured hard to prepare these Budget Estimates. The Accountant General, Haryana has been particularly helpful. The contribution of the Haryana Press and Union Territory Press is also note worthy.

Hon'ble Speaker Sir, I now, commend these budget estimates for the consideration and approval of the House.

JAI HIND !