

Hon'ble Mr. Speaker,

I rise to present before this august House the Annual Budget Estimates for the year 2001-02.

2. The catastrophic earthquake in Gujarat on 26th January last claimed thousands of lives. It left millions of people without shelter. The tremors that lasted a few agonizing moments changed the face of the areas in and around Kutch. I take the opportunity to offer my sympathies to the affected people and to the bereaved families. The Haryana Government responded to the situation by adopting a cluster of 19 affected villages in Rapar taluka of Bhuj District. The entire relief needs of these villages were catered to by the self-sufficient relief teams which helped normalize life. The humane and proactive approach of these relief workers has earned the praise of the people

of the areas they worked in Gujarat. I wish to place on record my appreciation of the largeheartedness of the people of Haryana and the officials and volunteers who rose to this call of duty. I am quite hopeful that the affected people of Gujarat will, true to their indomitable courage, rebuild their lives, society and economy and put the pains of this catastrophe behind them.

STATE OF ECONOMY

3. During 1999-2000, the State economy grew at the rate of 6.9 percent at constant (1993-94) prices with the Gross State Domestic Product (GSDP) rising from Rs.28,339 crore in 1998-99 to Rs.30,306 crore. At current prices, the growth was 9.9 percent with the GSDP rising from Rs.42,941 crore to Rs.47,184 crore. The sectoral analysis reveals that in 1999-2000, the primary sector grew at a rate of 5.6 percent, the secondary sector at 6 percent and the tertiary sector at 9 percent. The contribution of primary sector to the GSDP was 35.4 percent in 1999-2000 compared to 43.3 percent in 1993-94. The secondary and tertiary sectors contributed 27.2 percent and 37.4 percent respectively compared to 24.7 percent and 32 percent respectively in 1993-94. The per capita income at constant prices increased to Rs.13,463 in 1999-2000 from Rs.12,766 in 1998-99.

4. Last year, I had presented before you the maiden Budget of this Government after the people of Haryana with a convincing mandate returned it. In my speech on the occasion, I had indicated the prospects and challenges before the Government and its strategies for ensuring socio-economic growth in the State.

5. Before I embark on the specifics of the next year's budget proposals, let me sum up the actual achievements and constraints vis-à-vis the proposals in the Budget of 2000-01.

In the last one year, the Government has succeeded in creating an environment of growth and vitality in the State. The Government has become increasingly transparent, approachable and accountable. The pace of execution of Government programmes has picked up, impact of development works is visible all around. The road network of the State is largely rehabilitated and projects have been tied up to improve it further. Power availability has been at an all time high and system improvement is being taken up in a big way. The agricultural production in 2000-01 is set to reach targeted levels.

6. Our efforts in rationalization and simplification of State tax system have yielded appreciable results. While we have adopted the commonly agreed uniform rates of sales tax, expanded the scope of self-assessment and introduced various other trader-friendly measures, the sales tax receipts have increased by 33.4 percent upto December, 2000 in the current year, compared to the corresponding period of the previous year. The tax-GSDP ratio of the State has improved from 7.46 percent in 1999-2000 to 8.38 percent in the current year. The revenue deficit has been controlled and the revenue deficit-GSDP ratio has improved from 1.93 percent in 1999-2000 to 1.82 percent in the current year and is likely to improve further to 1.64 percent in the next year.

7. However, our efforts were to a certain extent constrained by a few factors. There has been some shortfall in the central tax devolutions due to the effect of the overall economic scenario in the country. In its efforts to reduce the cost of capital, the Central Government lowered the interest rates on various small savings instruments. While the larger objective of reduced cost of capital has been achieved considerably, it has adversely affected the mobilisation of higher amounts

under these schemes, resulting in less than anticipated assistance from the Central Government on this account.

8. The Eleventh Finance Commission's recommendations for devolution of finances to States have not been encouraging for States like Haryana. The methodology adopted by the Commission was weighed against States having better fiscal management. As a result, our share in the central taxes has reduced from 1.238 percent earlier to 0.944 percent. As the Commission assessed the State finances as relatively better managed, it did not recommend any deficit grant for us.

9. These fiscal realities led the Government to make some mid-course corrections. In the last Budget, I had proposed a Rs.2,530 crore allocation for the Annual Plan, 2000-01. Keeping in view the resource availability, the Plan size has been revised to Rs.1,815 crore. However, we have ensured that the core sectors did not suffer in the revision. Provision for social sectors like education, health, and the umbrella of social securities like old age and other pensions has been increased keeping in view the commitment of our Government for improving the social security and welfare index in the State.

ANNUAL PLAN, 2001-02

10. We will continue with our plan strategy of boosting agricultural production and industrial growth and, thereby, to usher in socio-economic development and equity. Economic infrastructure development will be the key-stone in our efforts to catalyze long term growth and revenue generation. The size of the Annual Plan, 2001-02 has been fixed at Rs.2,150 crore, showing a growth of 18.46 percent over the revised outlay of Rs.1,815 crore of the current year. This outlay is estimated to be funded by the State's own resources to the extent of Rs.1,581.70 crore and through central assistance of Rs.568.30 crore.

11. The sectors of power, irrigation, roads and transport account for 54.6 percent of this plan allocation. Specifically speaking, there is a provision of Rs.485 crore for power, including Rs.110 crore for the power restructuring project, Rs.367.10 crore for Irrigation, including Rs.210 crore for Water Resources Consolidation Project (WRCP) and Rs.322.35 crore for the Roads and Transport sectors. Social services have an outlay of Rs.700.76 crore. Out of this, Rs.299.97 crore are meant for pensions for the aged, widows and the destitute women. While

rural development gets Rs.84.23 crore, Rs.112.72 crore have been allocated for agriculture and allied activities. An allocation of Rs.21.50 crore has been made for the special area development programmes in the Mewat and the Shivalik regions. There is an allocation of Rs.36.78 crore under PradhanMantri Gramodaya Yojana (PMGY) for expansion of primary education, primary health care, safe drinking water, nutrition, rural housing and rural connectivity.

POWER

12. Electrical energy is a key input for development, and we have accordingly given the sector due priority. In the last nineteen months, the electricity utilities of Haryana have supplied, on average, forty-nine lakh additional units of power every day. This is an improvement of thirteen percent over the previous corresponding period. This was largely due to the induction of the 432 MW gas-based thermal plant at Faridabad that supplied in the range of 80 lakh to 100 lakh units per day. The State-owned thermal stations have also improved their performance by nine percent. To meet the additional demand, power was also purchased from the unallocated central pool and from the neighbouring States.

13. The State Government believes that power sector reforms must be done in a time-bound manner. To that end, we have signed a memorandum of understanding (MOU) with the Central Government. This will help us to avail project based assistance from the Accelerated Power Development Programme Fund of the Government of India in the form of grant to the extent of 25 percent and the rest as soft loans. In the MOU, the Central Government has also promised us help for strengthening the transmission and distribution network and for renovation and modernization of the existing thermal plants. It has also agreed to provide gas, from 2004 onwards, for 436 MW Phase-II of Faridabad thermal project, 500 MW Yamunanagar thermal project and 500 MW Hisar thermal project.

14. As part of the ongoing programme for system improvement, the power utilities have commissioned nine new grid substations, augmented the capacity of 71 existing sub-stations and energized 135 new 11 KV feeders. Renovation of 50 overloaded 11 KV feeders will be completed shortly. 303 Kms of new transmission lines have also been commissioned in the last 18 months at a cost of Rs.123 crore. Replacement of old cables has also been done in a big way.

15. Due to these measures, the transformer burnout rate has reduced by 3 percent in the current year. In 2001-02, new transmission system upgradation schemes worth Rs.475 crore will be undertaken for which finance to the tune of Rs.256 crore loan has been tied up from the Power Finance Corporation and the Rural Electrification Corporation. Sixty overloaded 11 KV feeders will also be renovated in the next year.

16. In order to reduce the defaulting receivables, the State Government has introduced schemes for surcharge waiver on outstanding bills. This has elicited very encouraging response from the power consumers in the State. In the first nine months of the current year, the utilities have achieved 12.1 percent higher revenue realization and a collection efficiency of 93.58 percent.

The total outlay, both plan and non-plan, for Power sector is Rs.1287.11 crore in the BE 2001-02.

WATER RESOURCES

17. The limited availability of water as a resource in the State calls for a strategy of conservation for its optimal use. This is the prime objective of the Water Resources Consolidation Project, which is being implemented in Haryana since 1994. Rehabilitation of existing canals and drains, modernization of canal systems, replacement of old irrigation structures etc. were the main activities under this project. This project, originally scheduled to end in December 2000 has been extended by a year.

18. During the extended period, the State Government plans to complete construction of the Ottu weir, the Pathrala dam and the Irrigation office complex at Panchkula, besides rehabilitating 500 water channels which will pave the way for farmers' participation in irrigation management, agricultural intensification and crop diversification programmes. This project will also finance a feasibility study of the proposed Hisar-Ghaggar drainage project. Rs.210 crore have been allocated in the Annual Plan of 2001-02 for this project.

19. The State Government has been availing loans from the NABARD for various irrigation works under the Rural Infrastructure Development Fund (RIDF). Of the 473 schemes projected to NABARD so far, 324 have been

completed, 71 are in progress and 78 others are to be taken up soon. An allocation of Rs.69.40 crore has been made in 2001-02 for these NABARD-aided projects.

The total outlay, both plan and non-plan, for Irrigation Department is Rs.773.47 crore in the BE 2001-02.

ROADS AND BRIDGES

20. The State Government has accorded top priority to the maintenance and upgradation of the road network in the State. Accordingly, the Government has sanctioned projects and tied up funds for the purpose. Construction of 62 roads and bridges were taken up with financing from the NABARD under RIDF-III and RIDF-IV. 36 of these have been completed and the others are nearing completion.

21. We have also arranged substantial funding from HUDCO for improvement of roads. Projects worth Rs.368.28 crore have been sanctioned for improvement of 9,355 Kms of major district roads and other district roads. The Government has undertaken upgradation of 1,155 Kms of State highways in two phases. The project is estimated to cost Rs.219.92 crore and covers 20 sections of State highways. For these works, HUDCO will give loans of Rs.468.27 crore. HUDCO has also agreed in principle to provide additional loans of Rs.158.49 crore for the implementation of the third and the fourth phases of the State Highway Upgradation Programme.

22. During the current year, the State Government will receive from the Central Government Rs.31.40 crore under Central Road Fund and Rs.20 crore under PMGY for upgradation of State highways and rural roads respectively. We have requested the Central Government for an increase in this allocation.

23. The construction of the World Bank-aided National Highway-1 (Phase-II) works from Karnal to Ambala is almost completed. In this stretch of eighty Kms, eighty-six new bridges were taken up alongwith the elevated highway at Ambala Cantonment and the grade separator near Kingfisher tourist complex at Ambala. Most of these works are now complete and the upgraded Highway is open to traffic.

24. The Government plans to take up immediately the four-laning work on the National Highway no.10 in the stretch between Bahadurgarh and Rohtak. The Central Government has sanctioned Rs.16.40 crore for land acquisition for this project.

25. The State Government has adopted the build-operate-transfer (BOT) route to take up construction of crucial bridge links in the State. Accordingly, a fly-over has been constructed near Bata Chowk in Faridabad with an investment of Rs.24 crore. We are now considering construction of two additional lanes of the road-over-bridge at Kurukshetra and a new road-over-bridge at Rewari.

26. The Haryana State Agricultural Marketing Board has also spent considerable resources to ensure better inter-village and rural road connectivity. In April-December, 2000, Rs.60.63 crore have been spent on special repair of rural link roads and Rs.83.43 crore on the construction of new link roads.

The total outlay, both plan and non-plan, for Roads and Bridges is Rs.511.83 crore in the BE 2001-02.

PUBLIC TRANSPORT

27. Hon'ble Speaker, a robust economy needs an efficient road transport network. The Haryana Roadways, which is a Government Department, provides the bulk of public transport services in the State. With a fleet strength of about 3,500 buses, it transports over eleven-lakh passengers everyday. In order to improve its services and profitability, the State Government has initiated several measures such as renovation and upgradation of the fleet, rationalization of timings and routes and intensification of services. We have plans to replace 1100 buses during the current year, of which 450 have already been replaced. An allocation of Rs.36.85 crore is provided for the purpose in the current year and Rs.41.85 crore for the next year.

28. Revision of diesel prices put additional burden of about Rs.60 crore on Haryana Roadways in the current year. Yet, during April-December, 2000, its losses were reduced by 29 percent compared to the corresponding period last year. The net resource contribution of Haryana roadways has also posted an impressive growth of 80 percent for the same period.

29. The State Government wants to open the public transport services for private sector participation. This will help generate self-employment and plug the gaps in the public transport service. We have accordingly prepared a new scheme for privatization of certain routes. On the regulatory side, the State Government has set up the district transport offices in each district to facilitate better services to the citizens.

30. We have given top priority to traffic management and services along the National Highways and in urban areas in the State. The traffic aid posts being set up along the National Highways in the State are being equipped with sophisticated equipments for traffic regulation and rescue. We plan to develop our Highway traffic management into a model system.

The total outlay, both plan and non-plan, for Public Transport is Rs.510.83 crore in the BE 2001-02.

PUBLIC HEALTH

31. The State Government views drinking water availability as a basic need of the people. A recent survey indicates that 3,335 villages in Haryana fall below the approved water availability norm of 40 LPCD. The Government has viewed this as an alarming situation and has taken emergent steps to improve the volume and quality of drinking water supply in the State.

32. During the current year, we have a plan to bring 500 deficient villages to the supply level of 55-70 LPCD. We have achieved this in nearly 300 villages by December 2000 and rest will be covered by the end of the current financial year. A total of Rs.47.80 crore will be spent during the year under the State Minimum Needs Programme and the Central Government assisted Accelerated Rural Water Supply Programme.

33. The State Government had taken up, with help from Government of India, two projects to provide safe drinking water in the fluoride-infected areas in Rewari and Mahendergarh districts. The project covers 129 villages in Rewari and 62 in Mahendergarh. So far, 113 villages of Rewari and 23 of Mahendergarh district have been provided safe drinking water with an expenditure of Rs.10.62 crore.

34. The State Government has given 75,000 domestic water supply connections in the villages where the water availability has been raised from 40 LPCD to 70 LPCD. Apart from an initial connection fee of Rs.300, each connected household will pay a monthly user charge of Rs.20 per tap.

35. During 2001-02, the State Government proposes to augment the water supply level to 55-70 LPCD in 550 deficient villages. For this, there is a proposed outlay of Rs.31 crore under the State Minimum Needs Programme and Rs.20 crore under the Accelerated Rural Water Supply Scheme. Besides, there is an allocation of Rs.4.71 crore under the PMGY to supply 70 LPCD in 22 villages in desert areas.

36. Though all the 52 towns of Haryana have piped water supply systems, yet the average service level is only about 68 percent as on March 2000. This level is being increased to 70 percent in the current year. The next year has an allocation of Rs.13.48 crore to raise the level further to 73-74 percent. Under Yamuna Action Plan, eighteen towns of Haryana were covered earlier for construction of sewage treatment plants and laying of interception and diversion sewers. Government of India has recently sanctioned sewage treatment plants for Chhachhrauli, Radaur, Indri, Gharaunda, Gohana and Palwal. For implementation of the Yamuna Action Plan, thirty-five crore rupees have been allocated next year.

The total outlay, both plan and non-plan, for Public Health Department is Rs.481.24 crore in the BE 2001-02.

AGRICULTURE & ALLIED ACTIVITIES

37. Agriculture continues to be the mainstay of our economy and the catalyst for other sectors. Seventy five percent of our population derives its livelihood directly or indirectly from the agricultural sector.

38. In spite of below average and erratic monsoon in Kharif, 2000, the farmers of Haryana still managed a record foodgrain production of 35.14 lakh tonnes, including 28.26 lakh tonnes of rice. Cotton production was at 13.52 lakh bales. Sugarcane production was also impressive with an estimated production of eight lakh tonnes of gur.

39. The continued dry spell affected the sowing programme of Rabi, 2000, especially for gram and mustard. However, wheat, the mainstay of Rabi has been sown in twenty-three lakh hectares of land. The rains towards the end of December 2000 have brightened the prospects of Rabi production. We expect a harvest of ninety-six lakh tonnes of wheat, one lakh tonnes of gram, 1.20 lakh tonnes of barley and ten thousand tonnes of Rabi pulses. Rapeseed and mustard production will also be about six lakh tonnes. Thus, in the year 2000-01, the total foodgrains production is estimated to be 133.44 lakh tonnes and oilseed production to be 6.74 lakh tonnes. The farmers of Haryana deserve congratulations for this remarkable and sustained achievement.

40. I need to draw the attention of this august House to the changing scenario. Marketability of our agricultural produce has been the driving force of our economy. Since the onset of green revolution, Haryana has substantially shared the responsibility of ensuring food security of the nation and our contribution to the central pool of foodgrains in the last two decades is proof of that. However, in doing so, we have also been trapped in the foodgrains cycle syndrome. Now, foodgrains surplus is a reality in many other States. We are also on the verge of a trade regime, which will pave for removal of quantitative restrictions in imports. As a result, industrial as well agricultural produce of Haryana, as elsewhere in the country, will face competition from international producers for marketability in India.

41. This calls for a review in our agricultural strategy, productivity and the product mix, so as to ensure that our farming sector becomes sustainable and viable in the new context. Policy adjustment and infrastructural support from the Government and concerted efforts of the people of the State will be necessary to meet this challenge. The State Government has joined hands with the Punjab Government and set up an expert committee under the chairmanship of Prof. Y.K. Alagh to identify the areas of intervention and policy adjustment.

42. As water continues to be a scarce input, there is a need to induct water optimizing crop varieties and agronomic practices. In this context, sprinkler irrigation is an option. As of now, 74,660 sprinkler sets are operational in the State and 5,000 more will be inducted during the current year.

43. Maintaining land productivity and reclaiming wastelands are a priority for the State Government. The Kandi project for increasing land productivity and the pilot projects for reclamation of saline and waterlogged areas are noteworthy programmes which have shown encouraging results. The Government will look to consolidate these gains and expand such efforts to other needy areas.

44. Our Agri-marketing network of 105 principal yards, 179 sub-yards and more than 150 purchase centres in the State provides quality marketing support to the farmers. During the current year, the Haryana Agricultural Marketing Board has a target to collect Rs.125 crore as market fees, and has realized Rs.119.53 crore in April-December, 2000. This is an improvement of 22 percent over the corresponding period last year. The Board will add godown storage capacity of 40,000 tonnes to increase its total storage capacity to 4.27 lakh tonnes. Other Government agencies will also aid 10.44 lakh tonnes of godown capacity during the year.

45. The State Government is fully committed to assure remunerative prices to the farmers of Haryana. During 2000-01, the Government agencies purchased 44.97 lakh tonnes of wheat and 13.60 lakh tonnes of paddy, which is all time record. The Government also obtained a package of relief from the Central Government for the paddy farmers of the State.

46. Animal Husbandry is a key component of Agri-related activities in the State. We have a livestock population of 113.98 lakh and our per capita per day milk availability of 626 grams ranks second in the country. The State Government's main priority in this sector is to provide quality medical support services to the farmers. The newly constituted Haryana Livestock Development Board has been given the mandate to undertake breeding programmes to maintain and propagate the genetic wealth of the indigenous Murrah buffaloes. The Board has already created key infrastructure facilities for this.

47. The State Government plans to take the livestock production levels to 49.29 lakh tonnes of milk, 7450 lakh eggs, 20.40 lakh Kg of wool by the end of the Ninth Five Year Plan. There is a provision of sixteen crore rupees in the current annual plan and Rs.16.95 crore in the plan of 2001-02 for animal husbandry sector.

The total plan and non-plan outlay for 2001-02 on agriculture and allied sector (including Haryana agriculture university, animal husbandry, fisheries, dairy development, horticulture and forestry) is Rs.539.91 crore.

COOPERATIVES

48. The expanse of cooperative movement in the State is gauged from the existence of 22,085 cooperative societies having 44.25 lakh members. In 1999-2000, the cooperative societies had a working capital of Rs.10,312.59 crore and posted a profit of Rs.88.35 crore.

49. The short term credit requirements of farmers in Haryana are being satisfactorily served through the network of 17 central cooperative Banks with 336 branches and 2,347 primary agricultural credit societies (which are known as Mini Banks in common parlance). The network disbursed loans of Rs.1,731.15 crore and mobilized deposits of Rs.1,367.85 crore in the current year. The Kisan Credit Card and Revolving Cash Credit schemes, introduced in Haryana, facilitate farmers' credit needs upto a limit of sixty thousand rupees. Eighty-six Primary Agriculture and Rural Development Banks working in Haryana provide long term loans for raising agricultural productivity. Their total long term advancing at the moment stands at Rs.183.56 crore.

50. At present, there are 10 sugar mills operating in the cooperative sector in Haryana. In 1999-2000, these mills crushed 274.54 lakh quintals of sugarcane and produced 24.42 lakh quintals of sugar. Our Government has given cane support prices of Rs.104, Rs.106 and Rs.110 to the farmers of Haryana, which are the highest in the country. The mills also ensure timely payment of cane prices to the farmers. During the current crushing season, as of now, the average sugar recovery in these mills is 9.52 percent compared to 8.72 percent during the corresponding period in the last year.

51. The State Government has decided to set up two new cooperative sugar mills at Aahulana in Sonapat district and at Panniwala Mota in Sirsa district, which will help the farmers in these districts to get better returns. These two mills are likely to be commissioned during the next crushing season.

The total outlay, both plan and non-plan, for Cooperation Department is Rs.29.72 crore in the BE 2001-02.

ENVIRONMENT OF INDUSTRIAL PROMOTION

52. In today's context, employment generation is far broader than employment opportunity within the Government. Now, employment strategy targets creating a conducive environment for private enterprise in industry and services to flourish. This, I believe, will create greater employment opportunities than the Government sector normally does.

53. Favorable policy framework, supportive infrastructure and enabling human resources are the basic ingredients for industrial development. Keeping this in view, the State Government has developed a holistic strategy for industrial development. The Government's new Industrial Policy of 1999, the Information Technology policy of 2000 and the New Education Policy of 2000 are the key components of this strategy.

54. Since the new industrial policy was announced, the State Government has received industrial proposals entailing investments of about Rs.20,000 crore which will create employment opportunities for 1.5 lakh persons. During 2000-01, twenty-five new large and medium industries were set up in the State with investment of Rs.237.58 crore and employing 2,244 persons. The year has also seen the setting up of 611 small industries, employing 4,981 persons. The industrial base of the State now boasts of 1,066 large and medium industries and 72,733 small industries, with a total direct employment of 7.5 lakh persons. The Government's focus on export promotion has yielded positive results and the value of exports from Haryana in 1999-2000 stood at Rs.5,000 crore.

55. The Indian Oil Corporation (IOC) refinery was set up at Panipat with an investment of Rs.3,868 crore. The capacity of this refinery is being expanded from 6 million tonnes to 12 million tonnes per annum, with investment of another Rs.4,228 crore. This is going to act as a focal point for industries for downstream products. The IOC is also going to set up a 360 MW power generation plant based on the feedstock of the refinery.

56. The Haryana State Industrial Development Corporation (HSIDC) has the mandate to develop quality industrial infrastructure in the State. It has an enviable Bank of 71 industrial estates having 16,784 industrial plots and 1,036 sheds. Some of its industrial sectors have attracted industrial houses of national and international repute.

57. Recently, when a large number of industries were ordered out of Delhi, the State Government offered these industrialists to shift their production base to Haryana. So far, more than one thousand industries from Delhi have been allotted land in Haryana and we expect them to contribute to our industrial growth.

58. The Information Technology Policy of the State Government focuses specifically on information technology-related investments in the State. The policy provides incentives in the shape of preferential allotment of land, uninterrupted power supply, relaxation in floor area ratio (FAR), priority in term lending and exemption from pollution control, to name a few. The Government has also formulated a 'right-of-way' policy for regulating the laying of optical fiber backbone network in the State by internet service providers and basic telephony service providers. The Government aims at creating a statewide communication network called HARNET for data communication amongst Government Departments and for facilitating e-governance and web-based citizen interface. High-speed data communication centres have also been set up in the State to facilitate the IT industry. The Cyber-city at Gurgaon and the Knowledge Park at Panchkula are being developed to create hubs for IT enterprises.

The total outlay, both plan and non-plan, for industries is Rs.33 crore in the BE 2001-02.

ENABLING EMPLOYABILITY

59. The industrial and service ventures in Haryana will need qualified and technically competent workforce. Development of qualified manpower is being aimed at through an integrated strategy covering technical education, information technology training, industrial training and a reoriented policy of general education at secondary and higher level. The State Government proposes to set up an Indian Institute of Information Technology to produce highly skilled manpower to cater to the needs of the IT industry. The State-run and private institutions for Technical

Education have also been geared up to meet the new challenge. Of the 17,207 seats on offer in various institutions this year, about 54.5 percent are now being offered for various IT-related courses, and this ratio is expected to go up to 55.5 percent next year. The Government has decided to set up a polytechnic in each district and, as a follow up, decided to set up new polytechnics in Panipat, Jind, Kurukshetra, Panchkula, Sirsa, Kaithal, Rewari, Yamunanagar, Fatehabad and Gurgaon districts.

60. Conscious efforts have been made to improve the quality of technical education by updating curriculum in all disciplines. I am happy to inform the House that the Government polytechnic at Nilokheri has been awarded ISO certification for the consistent quality of education it imparts. For the first time, Industry-Institute Interaction cells for polytechnics have targeted a 75 percent placement for passed out students. The State has 192 industrial training institutes and vocational education institutes also which produce nearly 31,000 skilled craftsmen every year. Their curriculum is being periodically oriented to match the industry's needs.

61. Higher education system in the State is also being increasingly made job-oriented. During the current year, private aided colleges have been permitted to start about eighty new courses that have high job potential. The State Government has thus initiated steps to enhance the employability of the youth of Haryana while assuring supply of skilled manpower of various levels needed by the industries in the State.

UNIVERSAL ELEMENTARY EDUCATION

62. The State Government recognizes primary education as a basic need of the child and has given thrust to universalization of primary education, alongwith expansion of primary school network and improvement in the quality of education. There are 8,623 Government-run and 1,937 privately run primary schools in the State. In the current year, 23.91 lakh children have been enrolled in the age group of six to eleven years. The Government has recruited 3,076 fresh JBT teachers to ensure availability of teachers in primary schools. The District Primary Education Programme, being run in seven districts of the State under assistance from the Central Government and the World Bank, has contributed to make a success story of our efforts for universal primary education.

A total outlay, both plan and non-plan, of Rs.1,532.43 crore has been provided for education in 2001-02. Of this, primary education accounts for Rs.652.11 crore, secondary education Rs.537.69 crore, higher education Rs.225.06 crore, technical education Rs.42.90 crore and industrial training and vocational education Rs.46.10 crore. Rs.28.57 crore have been provided for art & culture and youth welfare activities.

SOCIAL WELFARE

63. Hon'ble speaker, Haryana has played a pioneering role in providing social security to the vulnerable social groups like the aged, the infirm, the widows and the destitute women. Allocation for pension for these categories stands at Rs.310.03 crore in the current year and Rs.312.50 crore in the next.

64. As part of the Government's resolve to provide a better deal to the disabled persons, 2,20,891 persons suffering from various disabilities have been identified in the State and their rehabilitation needs, including corrective surgery etc., are being assessed.

65. Welfare of the scheduled castes, especially by providing them access to education is a key ingredient of the Government's efforts to bring them to the mainstream of society. Therefore, we have taken a decision to double the present rate of scholarships for students of scheduled castes from the next year. Students of class sixth to eighth will get scholarship at thirty rupees per month and the students of class ninth to twelfth class at forty rupees per month. Their annual stationery grants will similarly be raised to eighty rupees and one hundred and twenty rupees respectively. Students of class ninth to twelfth belonging to backward classes, block 'A' will also get scholarship at the enhanced rate of forty rupees per month. The State Government has also decided to revise the house construction subsidy for the scheduled castes from five thousand rupees to ten thousand rupees from the next year.

66. The Haryana Scheduled Caste Finance and Development Corporation and the Haryana Backward Classes and Economically Weaker Sections Kalyan Nigam provide financial assistance to persons from scheduled castes and Backward Classes and minorities respectively for taking up self-employment and income generating activities. In the next year, the Haryana Scheduled Caste

Finance and Development Corporation plans to have an outlay of Rs.43.47 crore to assist 12,500 persons. The Backward Classes Nigam will have an allocation of Rs.6.50 crore in 2001-02 and will assist 2,100 persons.

67. The State has run extensive network of public distribution system. There are 44.20 lakh ration cards in the State with 2.14 crore units. 5,251 fair price shops in the rural areas and 2,505 in urban areas service these people. Under the Targeted Public Distribution System (TPDS), 20 kg of flour is being supplied every month to each family living below the poverty line at the rate of Rs.5.65 per kg. The Government is taking steps to identify the poorest of the poor families for implementing the 'Antyoday Anna Yojana' recently announced by the Government of India. Under this programme, beneficiary families will get 25 kg of foodgrains every month at highly subsidized rates.

The total outlay, both plan and non-plan for social welfare sector in 2001-02 is Rs.473.44 crore which includes provisions for women and child development, SC & BC welfare and social securities.

HEALTH SERVICES

68. Haryana has an excellent healthcare system. We now have 49 general hospitals, 64 community health centres, 402 primary health centres, 2,299 sub-centres operating in the State, manned by 2,257 doctors, 1,722 nurses, 978 pharmacists, 5,187 multi-purpose health workers, 799 laboratory technicians, 93 ophthalmic assistants and 141 radiographers among others. We are equipping the Pandit Bhagwat Dayal Sharma Post Graduate Institute of Medical Studies to maintain its position as an institution of repute in the region. The State Government is also continuing its support to the newly established Maharaja Agrasen medical college, Agroha.

69. Since this Government assumed duties, construction of new buildings have been completed for eleven primary health centres, two community health centres, two urban dispensaries and for a new fifty-bed wing at Jind and a sixty-bed hospital at Dabwali. Construction work is going on for nine other health facilities, including a fifty-bed hospital at Gohana, two blood banks at Fatehabad and Jhajjar, two first referral units at Faridabad and two community health centres and two primary health centres. The Government of India has also accepted our

request to set up a trauma Centre at Karnal at an investment of Rs.1.5 crore in the first phase.

70. During the current year, an outlay of Rs.5.50 crore has been made for medicines and Rs.1.50 crore for equipments. Besides, the Eleventh Finance Commission of India has given grants of Rs.3.5 crore for upgrading diagnostic facilities. Now, our health facilities have sophisticated equipments like ultrasound, TMT and Endoscopy etc. Under the PMGY also, an amount of Rs.3.51 crore has been provided by the Central Government.

71. The Reproduction and Child Health (RCH) programme is being implemented in the State with assistance from the Central Government and the World Bank to ensure better care for the children and the mothers and to stabilize population growth. The programme, alongwith other Central and State sector programmes, has made deep impact on major health indicators. From the level of 35.2 births per thousand populations in 1989, we have now reduced the crude birth rate to 23.1 per thousand, which is better than the national average of 26.4 per thousand populations. Our infant mortality rate is 56.8 per thousand live birth compared to the national average of 72.

72. The Government has achieved complete eradication of guinea worms and the target of elimination of leprosy in the State. Incidence of TB in the State is a major area of concern. To tackle this problem, we are now implementing the Revised National TB Control Programme in 3 districts of Faridabad, Gurgaon and Sonapat. The programme shows a ninety-percent cure rate and will soon be extended to seven other districts.

The total outlay, plan and non-plan for health services in 2001-02 is Rs.371.88 crore which includes allocations for alternative systems of medicine and for medical education.

RURAL DEVELOPMENT AND PANCHAYATI RAJ INSTITUTIONS

73. The State Government recognizes the importance of focussed programmes for the rural poverty eradication through self-employment as well as wage employment. The Government stands committed to implement the entire shelf of centrally sponsored schemes for rural development. These include the

Swarnajayanti Gram Swarojgar Yojana (SGSY), the Jawahar Gram Samridhi Yojana (JGSY), the Indira Awas Yojana (IAY), the Employment Assurance Scheme (EAS) and the Desert Development Programme (DDP) etc. In 2001-02, total outlay for these programmes, in terms of state share, has been pegged at Rs.25.28 crore, whereas total funds availability including central grant to DRDAs will be approximately Rs.100 crore. In the current year upto December 2000, the Haryana Rural Development Fund (HRDF) has released Rs.83.51 crore for executing various rural infrastructure and development works.

74. During the current year, the State Government accepted the recommendation of the First State Finance Commission (SFC) regarding financial devolution to Panchayati Raj institutions and urban local bodies. An amount of Rs.34.13 crore is to be released from various sources in 2000-01 as part of the SFC-suggested devolution package. The Government has also appointed the Second State Finance Commission to suggest a financial devolution model. Besides, Rs.29.42 crore will be given to Panchayati Raj Institutions each year during 2000-05 on the basis of Eleventh Finance Commission recommendations.

EMPLOYEES' WELFARE

75. In the current year, the Government has released two instalments of dearness allowance due in January and July 2000 for the Government employees and pensioners. The pay anomalies of several categories of employees have been removed to give them benefit. The conveyance allowance for disabled employees has been increased from Rs.150 to Rs.250.

PROMOTION OF SPORTS

76. Haryana has produced many outstanding sports-persons that have brought laurels to the State. The Government is developing excellent infrastructure for the promotion of sports. The Faridabad Sports Complex has been completed at a cost of Rs.8.43 crore and Astroturf surfaces for hockey are being laid at Ambala and

Gurgaon. More than four hundred coaching centres, twenty-four sports nurseries and a sports hostel are now functioning in the State. In order to encourage budding talents, nine sports nurseries have been adopted by various Boards and Corporations of the Government.

77. The State Government gives Bhim Awards (comprising a citation and Rs.50,000) every year to outstanding sports-persons of the State. Six sports-persons were given the Award in the current year. The Government has also started a scheme to give cash prizes of one crore rupees, fifty lakh rupees and twenty-five lakh rupees to sports-persons who win Olympic Gold, Silver or Bronze medals respectively. It was a moment of pride for us that Smt. Karnam Malleswari won a Bronze medal in the Sydney Olympics. She has been given the award of twenty-five lakh rupees by the State Government.

CONTINUING FISCAL CORRECTIONS

78. Now, a broad consensus seems to emerge that the governmental functioning should primarily focus on infrastructure development, policy support and regulation. The increasing establishment expenditure calls for a change in the way Government Departments and Agencies function, so that public money is spent primarily for public good and not on the Government itself. The call of the time is to review our personnel and establishment costs and to rationalize and reengineer Government processes to improve functioning and economize on non-productive expenditure.

79. Fortunately, our efforts for redefining Government processes is bolstered by the technical advantage presented by the information technology revolution and the potential of convergence in the field of communication. This technological development now makes e-governance an affordable option and facilitates a more citizen-oriented and qualitatively improved delivery system.

80. The State Government has adopted a composite strategy to tackle the situation. Alongwith traditional economy measures like freeze on non-essential recruitments and cut in establishment expenses, exercises are under way to review the organizational structures of major departments to achieve rationalization, efficiency and economy.

81. The Government has set up a Department of Information Technology to promote IT related investments in the State and to facilitate developing a model for e-governance. Towards that end, it has come up with a focused policy on information technology. I have already spoken about the aspect of the IT policy addressing investment and industrialization in the State. The department of IT is also coordinating with various other Departments to make their citizen interface and work processes IT-enabled. The key Departments presently covered in this initiative are the Prohibition, Excise & Taxation Department, the Treasury & Accounts Department, the Transport Department and the Finance Department. Efforts are also being made to develop software applications that can be of common usage in all Government Departments.

82. The State Government has been borrowing over the years to finance various development schemes and projects. The total borrowing of the State Government will be about Rs.14,039 crore at the end of the current financial year. The total debt of our public sector enterprises (PSE), which stood at Rs.2,841.31 crore as on 31st March, 2000, have been guaranteed by the State Government. These are in effect liabilities the State Government may be called upon to discharge. Unless provided for, a sudden debt-servicing contingency in a given year can disrupt our development investment plans significantly. Therefore, I propose to create, during 2001-02, a Sinking Fund in the State to meet such an eventuality. Contributions to this fund would come in the form of budget allocations and guarantee fees from the PSEs. Similarly, our efforts for rationalization of Government Departments and agencies would need initiatives and expenditure, which are different from normal Governmental functioning. In order to cater to such requirements, I propose creation of a State Economic Renewal Fund, which will receive annual budgetary allocation and seek assistance from the Central Government and contributions from the PSEs.

BUDGET ESTIMATES, 2001-02

Hon'ble Speaker Sir, I now present before this august House the Budget Estimates for the year 2001-02.

83. The year 2000-01, as per the books of RBI, opened with a deficit of Rs.165.51 crore and is likely to close with a deficit of Rs.233.86 crore. Thus, the

budgetary transactions during the year indicate a deficit of Rs.68.35 crore and show an improvement of Rs.29.44 crore compared to the deficit of Rs.97.79 crore in the budget estimates.

84. The financial year 2001-02 is likely to open with a deficit of Rs.233.86 crore and to close with a deficit of Rs.288.79 crore. Thus, the year's net transactions indicate a deficit of Rs.54.93 crore. The Budget Estimates provide for a State plan outlay of Rs.2,150 crore in addition to the expected outlay of Rs.415 crore in centrally sponsored schemes and other development plan schemes. The State plan outlay of Rs.2,150 crore is proposed to be funded by the State's own resources to the tune of Rs.1581.70 crore (73.6 percent) and by central assistance of Rs.568.30 crore (26.4 percent).

85. The Consolidated Fund of the State shows total receipts of Rs.12,171.63 crore in BE 2001-02 as against Rs.10,435.73 crore in RE 2000-01, and an expenditure of Rs.13,333.01 crore in BE 2001-02 as against Rs.11,426.53 crore in RE 2000-01.

86. The revenue receipts in BE 2001-02 are likely to increase by Rs.923.35 crore from Rs.7,035.91 crore in RE 2000-01 to Rs.7,959.26 crore. The revenue expenditure in BE 2001-02 is also estimated to be higher by Rs.928.37 crore from Rs.8,069.09 crore in RE 2000-01 to Rs.8,997.46 crore. The growth in expenditure in BE 2001-02 will be mainly due to increases of Rs.466.78 crore in salaries, Rs.259.56 crore in interest payments and Rs.156.22 crore in power subsidy.

87. As I had spoken at the outset, the Revenue Account shows a significant improvement. The revenue deficit in RE 2000-01 at Rs.1,033.18 crore is likely to be Rs.308.09 crore less than Rs.1,341.27 crore in the BE 2000-01 and by Rs.152.11 crore than the actual deficit of Rs.1,185.29 crore in 1999-2000. The measures for fiscal consolidation and policy initiatives discussed earlier are expected to generate additional revenues and savings, which will further improve the deficit.

88. While projecting receipts and expenditure for the year 2001-02, we have followed the guidelines of the Planning Commission and assumed our share in central taxes as per the indication of the Planning Commission. State Taxes have

been projected to grow at the rate of 15.3 percent. The non-tax revenue has been projected on the basis of actual trends in different revenue sources. Efforts have been made to contain non-plan expenditure. The Budget Estimates, 2001-02 provides for Rs.197.88 crore primarily on account of two DA instalments, due from January and July 2001.

89. Hon'ble Members would appreciate that the deficit in the Budget Estimates of 2001-02 is within a manageable limit and we have proposed measures to contain them further. We also hope that our share in central taxes will increase in the next year as a result of the new economic policy initiatives of the central Government.

90. I would like to inform this august House that our Government is committed to protect the interests of the citizens. We, therefore, do not propose any new tax measures in this Budget. I am confident that we will be able to implement all our programmes with the cooperation and assistance of the Hon'ble members of this House and the people of Haryana.

91. Before I close my presentation, I take the opportunity to acknowledge the untiring efforts of the officers and employees of the Finance Department who have worked for more than a month to help me prepare the Budget proposals.

92. Sir, now I commend the Budget Estimates, 2001-02 for the consideration and approval of this august House.

JAI HIND!