



**GOVERNMENT OF HARYANA**

**SPEECH**

**OF**

**MANGE RAM GUPTA**

**FINANCE MINISTER**

**ON**

**BUDGET ESTIMATES 1996-97**

**HARYANA VIDHAN SABHA, CHANDIGARH**  
**6th March, 1996**

**Hon'ble Mr. Speaker,**

I humbly rise to present before this august House the Budget Estimates for the year 1996-97.

2. Indian Economy has undergone major structural and radical economic reforms during the last five years. Immediately after coming into power, the Congress Government had initiated the reform process amidst a lot of resistance and apprehensions. All the doubts regarding the sustainability and effectiveness of these reforms have now been set at rest, and the vision of our Prime Minister has manifested itself in the unprecedented maturity, resilience and stability of our economy. The country has made steady progress during the last year, and has acquired a new economic strength, and confidence. Haryana Government has not lagged behind in the process of economic reforms, and has taken a number of effective steps for broadening and liberalizing the economic base of the State, with special focus on development of infrastructure to improve the investment climate, development of human resources and greater participation of private sector in the development process.

### **Economic Survey of Haryana 1995-96**

3. The State's economy has emerged stronger during the year, and Haryana continues to make steady progress in all fields of economic activity. A copy of the "**Economic Survey of Haryana 1995-96**" has already been circulated among the Hon'ble Members. It highlights the overall economic situation of the State during the last year. According to quick estimates, the Gross State Domestic Product of Haryana, at constant (1980-81) prices, registered a growth of 6.1 percent from Rs.6,834 crore in 1993-94 to Rs.7,252 crore in 1994-95. At current prices, it grew by 17.4 percent, from Rs.20,616 crore in 1993-94 to Rs.24,196 crore in 1994-95. During the last four years, the Gross State Domestic Product, at current prices, recorded a growth of 77.4 percent, from Rs.13,636 crore in 1990-91 to Rs.24,196 crore in 1994-95. The sectoral analysis reveals that the contribution of primary sector towards Gross State Domestic Product, at constant (1980-81) prices, registered an increase of 7.4 percent in 1994-95, whereas the contribution of secondary and tertiary sectors increased by 5.7 percent and 4.7 percent, respectively.

4. The per capita income, at constant (1980-81) prices, is estimated at Rs.3,683 in 1994-95, as against Rs.3,538 in 1993-94. Per capita income at current prices is estimated at Rs.12,158 in 1994-95, as against Rs.10,575 in 1993-94. During the last four years, per capita income, at current prices, grew by 61.9 percent from Rs.7,508 in 1990-91 to Rs.12,158 in 1994-95.
5. The rate of inflation, both at the National and the State level, has been kept under tight control. The All India Working Class Consumer Price Index (base 1982=100) increased at 9.7 percent, from 267 in March, 1994 to 293 in March, 1995, and further rose by 9.6 percent to 321 in November, 1995. Similarly, the Haryana State Working Class Consumer Price Index (Base 1982=100) increased by 8 percent, from 250 to 270 between March, 1994 and March, 1995 and further rose, at 8.1 percent, to 292 in November, 1995.
6. As per the economic and functional classification of the Budget Estimates, 1995-96, the aggregate capital formation is estimated at Rs.1,001 crore with direct gross capital formation amounting to Rs.522 crore, and the contribution of the State Government towards the capital formation in the private and public sector estimated at Rs.479 crore.

### **Calamity Relief**

7. Hon'ble Members are aware that Nature has not been kind to Haryana this year. There was continuous downpour in the State from 26.8.95 to 30.8.95, and from 2.9.95 to 4.9.95, and the State received a total rainfall of 662.37 centimeters in August, 1995 and 309.73 centimeters in September, 1995, as against the normal expected rainfall of 269.81 centimeters and 165.84 centimeters, respectively. Consequently, the State had to suffer a calamity of unprecedented severity, the like of which has perhaps not been witnessed by the people of this region for over a century.
8. The floods affected nearly 29 lac people in an area of almost 22 lac acres in 2840 villages and 18 towns of the State, covering almost all the districts. The floods took a toll of 167 precious human lives and over 3000 heads of cattle. Over 2.22 lac houses were damaged, and crop was destroyed in an area of nearly 18 lac acres. Extensive damage was caused to infrastructure such as roads, irrigation works, water works, power stations and distribution network, schools, hospitals and community buildings. A memorandum was

presented to the Central Government on 12.9.95, seeking central assistance. On the intervention of the Prime Minister of India, the Government of India sanctioned Rs.39.41 crore as grant from National Calamity Relief Fund, Rs.300 crore as short term loan, and Rs.80.50 lac from Prime Minister's relief fund. Additional funds were also made available to the State in various centrally sponsored schemes, making a total of Rs.570 crore.

9. The State Government took immediate steps to provide relief to the people by making arrangements for evacuation and transportation of people to safe areas, establishment of relief camps, providing food, shelter, drinking water and medical coverage in marooned and other affected areas. Over 150 boats and 44 outboard motors were pressed into service for transporting people and relief material. Help of the army and airforce was also obtained in view of the gravity of the situation. Relief camps were established wherever required for providing basic amenities to the people. Food packets, medicines, candles, water bottles were dropped by using helicopters of the Air Force in areas of Rohtak, Bhiwani and Hisar districts, which became inaccessible by land. To provide medical coverage and epidemic prevention in the flood affected areas, 396 medical teams and over 1303 para-medical teams, as well as 696 veterinary teams were pressed into service, and 2,821 animal health care camps were organized. We are also grateful to a large number of voluntary organizations who provided assistance in the form of evacuation of people, shelter food and clothing in a number of cities and villages in the State.

10. A Crisis Management Group was constituted under the chairmanship of the Chief Secretary to effectively resolve the problems created by floods. This group constantly monitored the flood situation and the progress in relief distribution and restoration of damaged public works.

11. Within the constraints of financial resources, liberal compensation was promptly paid to the affected people. The State Government substantially revised the norms for compensation for loss of human lives and cattle heads, damage to houses, and subsidy for agricultural inputs and subsidy for repair of tubewells. For the first time in the history of Haryana, compensation is also being paid to the farmers at the rate of Rs.3,000 per acre for land which could not be dewatered in time for sowing the Rabi crops. Compensation of Rs.5,000 to Rs.20,000 has also been distributed for the first time to traders and shop-

keepers whose goods were damaged by floods. Compensation has also been given, at the rate of Rs.500 per head, to the self-employed professionals such as cobblers, barbers, dhobis, cycle mechanics etc. working on footpaths in the worst affected areas of the State.

12. After the floods, restoration work was taken up on a war footing by the Government. Additional pumps were purchased and temporary drains were dug to dewater abadi areas and fields. Hon'ble Members would appreciate that almost the entire area of 22 lac acres which was under flood water has been dewatered.

13. The road infrastructure in the State suffered heavily during the floods. A stretch of 7,435 kilometers, on 2,144 roads, was damaged by the floods. Traffic on 228 roads was disrupted. Most of the roads have been repaired and traffic has been restored on all roads, except 3 village roads in Rohtak district and 1 village road in Bhiwani district.

14. Drinking water supply was affected in 1,274 villages and 162 dhanies during the floods. Water supply had been restored by 15.2.96 in all the 162 dhanies and 1,263 of the villages. Electricity supply has been restored in the entire State and repair and restoration of other infrastructure, such as irrigation works, hospitals, schools and community buildings, has also been undertaken on a war footing.

15. A sum of Rs.157.76 crore has been sanctioned, so far, to different departments for repair and restoration of infrastructure.

16. The Hon'ble Members would agree that the ravage caused by the floods was unparalleled, but it goes to the credit of the State Government that compensation has been disbursed fairly and speedily and almost the entire infrastructure has been repaired/restored.

17. Our Government has also decided to prepare a **Long Term Master Plan for Flood Control**, and has constituted a high level committee under the chairmanship of Minister for Irrigation. The Government has also decided to spend an amount of Rs.50 crore on short term flood control measures to be executed before the onset of the next monsoons.

### **Dabwali Fire Tragedy**

18. While the people of the State were still reeling under the aftermath of the unprecedented floods, a devastating fire broke out in a pandal at Mandi Dabwali where a private school was celebrating its annual day function. The fire engulfed all those present, and claimed the lives of 418 persons, while 76 persons were injured. It is not possible to compensate for such tragic loss of life in any manner. However, the State Government immediately announced ex gratia relief of Rs.1 lac to the next of kin of the deceased, and Rs.50,000 for those seriously injured who were rendered handicapped by this incident. The Government also provided free treatment to all the injured persons. Administrative measure have also been taken to avoid recurrence of such incidents in future.

### **Tenth Finance Commission**

19. The Hon'ble Members are aware that the Central Government has accepted the recommendations made by the Tenth Finance Commission with regard to devolution of funds from Centre to the States, covering the period 1995-2000. The award of the Tenth Finance Commission is strongly biased in favour of deficit and backward States. Out of the total devolution of Rs.2,26,643 crore to all the States during 1995-2000, the share of Haryana is only Rs.2,793 crore, which constitutes merely 1.23 percent of the total devolution, much less than the percentage of State's population to the national population (1.97), and percentage of geographical area of the State to that of India (1.35).

20. A special problem grant of Rs.40 crore has been recommended for Haryana for the period 1995-2000, including Rs.8 crore for 1996-97. This would be utilized for development of satellite towns around Delhi. The Commission has also recommended a grant of Rs.99.22 crore for the period 1995-2000, including Rs.24.81 crore for 1996-97, for transfer to Municipal Committees and Panchayats in the State, on the basis of recommendations of the State Finance Commission.

21. The State's share in Income Tax has been reduced from 1.244 percent to 1.238 percent, while that in Union Excise Duties has increased from 1.099 percent to 1.238 percent, and that in Additional Excise Duties from 2.317 percent to 2.366 percent. The total share of Central taxes devolving on the State has thus marginally increased.

**Annual Plan 1995-96**

22. The State Plan outlay for the current year was approved at Rs.1,250 crore, to be financed to an extent of Rs.577.28 crore by the State's own resources, and the balance Rs.672.72 crore with Central support consisting of normal central assistance of Rs.208.35 crore, aid of Rs.190 crore for externally aided projects, provision of Rs.16.66 crore for SYL canal, negotiated loans of Rs.123.82 crore and market borrowings of Rs.133.89 crore.

23. The finances of the State were subjected to severe pressures during the year. The State was ravaged by floods which necessitated substantial unforeseen expenditure on relief and rehabilitation measures and adversely affected the revenue receipts of the State. This is reflected in a decline of Rs.14.74 crore in collections under the Passenger and Goods Tax, and that of Rs.5.75 crore in recovery of irrigation water charges. Welfare measures for Government employees imposed an additional burden of Rs.65.79 crore. Our Government has decided not to auction liquor vends in rural areas of the State from next year. This is likely to cause an excise loss of Rs.47.71 crore during the current year.

24. Strenuous efforts were made to arrest the deterioration in plan resources by exercising utmost economy in expenditure. A campaign was launched to boost collections under small savings to obtain more loan from the Center. Consequently, small savings loans during the current year increased from Rs.250 crore to Rs.285 crore. A part of the bonus and ADA instalments granted to Government employees was impounded to reduce the financial burden of these measures.

25. As a result of these developments, in spite of the ravage caused by floods and expenditure on relief and restoration, by prudent financial management, the State has been able to keep its annual plan almost intact. The Annual Plan outlay for 1995-96 has been revised to Rs.1,222.67 crore, to be financed through Central support of Rs.642.55 crore, and State's own resources of Rs.573.75 crore. The outlay for Revised Plan for the current year is 26.5 percent higher than the actual plan expenditure of Rs.966.88 crore during 1994-95.

### **Annual Plan 1996-97**

26. The normal plan discussions with the Planning Commission were not held this year, as the Central Government, in view of the imminent elections, decided to defer these discussions till the formation of the new Government. The Planning Commission advised the State Governments to formulate their annual plans for 1996-97 by assuming central support at the levels obtaining during the current year. The State Government has accordingly formulated its Annual Plan 1996-97 with an outlay of Rs.1,375 crore, to be financed through State's own resources of Rs.562.75 crore, and Central support of Rs.795.67 crore. This outlay is 12.5 percent higher than the revised plan outlay of the current year.

27. The State Government continues to accord the highest priority in its plan outlay to Social and Community Services, for which an amount of Rs.468.49 crore has been approved, which forms 34.1 percent of the total outlay. In view of the large scale damage by floods, second priority has been given to Irrigation and Flood control, and Rs.354.23 crore have been earmarked for this sector, which is 25.8 percent of the total outlay. The outlay for Power Sector is Rs.275.94 crore which is 20 percent of the outlay, followed by an outlay of Rs.109.65 crore (8 percent) for Agriculture and Allied Activities, Rs.69.71 crore (5.1 percent) for Transport, Rs.34.40 crore (2.5 percent) for Rural Development and IREP, Rs.26.97 crore (2 percent) for Industries and Minerals, and Rs.35.61 crore (2.5 percent) for others.

28. After the elections, and discussions with the Planning Commission, the plan outlay for 1996-97 is likely to be revised upward on the availability of additional central support.

### **Eighth Five Year Plan (1992-97)**

29. The outlay for the State's Eighth Five Year Plan, (1992-97) was approved at Rs.5,700 crore by the Planning Commission. The funding of this outlay comprised Rs.3,780.72 crore as State's own resources, and Rs.1,919.28 crore as Central support.

30. A number of unforeseen developments have depleted sizable resources of the Eighth Plan. These include rise in administered prices of controlled goods, grant of a



number of benefits such as bonus, interim relief and ADA, to the Government employees on the pattern of the Government of India, effects of vagaries of nature such as floods and droughts, and other unexpected emergent expenditure.

**31.** During the first four years of the Eighth Plan, from 1992-93 to 1995-96, expenditure of Rs.3,736.09 crore is likely to be incurred, showing a performance level of 65.5 percent. For 1996-97, the terminal year of the Eighth Plan, an outlay of Rs.1,375 crore has been provided for the State's Annual Plan. An expenditure of Rs.5,111.09 crore is thus anticipated during the Eighth plan, which is 89.7 percent of the approved outlay of Rs.5,700 crore. The shortfall of Rs.588.91 crore is likely to be reduced by the increase in the size of Annual Plan 1996-97 expected after discussions with the Planning Commission in the coming year. Hon'ble Members will appreciate the fact that expenditure under the Eighth Five Year Plan will be more than double the expenditure of Rs.2,539 crore incurred under the Seventh Five Year Plan.

### **Power**

**32.** Our Government recognizes that systematic rapid economic growth in the State is not possible without the availability of adequate power. The power supply during the current year was maintained at a reasonable level inspite of the problems created by the floods. The average daily power supply upto December, 1995 in the current year was 340 lac units as compared to 299 lac units supplied per day during the last year.

**33.** The Government has decided to revamp the power sector by mobilizing resources from private sector for expansion and modernization of power system. The reform programme envisages segregation of the power generation, transmission and distribution functions, creation of an independent power regulatory mechanism and participation of private sector in all the activities. The Haryana State Electricity Board has taken a number of steps to increase generation capacity in the State. The State Government has signed a draft power purchase agreement with M/s.U.D.I., a member of the Eisenberg Group of Companies, Israel, for setting up a 700 megawatt Thermal Power Plant at Yamunanagar. A power purchase agreement has also been signed with the National Thermal Power Corporation for setting up of 400 megawatt gas based thermal power plant at Faridabad. The Government has also executed an agreement for sharing 500 megawatt power in a

Mega Project being set up at Orissa by CEPA, Hongkong. In order to make additional power available within next 18 months, the HSEB has signed MOU's with private firms to set up liquid fuel based Power Stations with an aggregate capacity of about 1200 megawatt at different identified places in the State. The HSEB is also encouraging independent power producers to participate in the execution of the 210 megawatt unit VI at Panipat as well as for the rehabilitation and refurbishment of units I to IV of the Panipat Thermal Power Station. The process of inviting bids for the 1000 MW Hisar Thermal Project has been initiated. The State Government is confident that, with the completion of these projects, Haryana would become self sufficient in supply of Power.

34. The State Government has appreciably increased the budgetary support to the HSEB to improve its financial viability. Rural electrification subsidy of Rs.210 crores is being given to the Board in 1995-96 and an amount of Rs.225 crore has been provided for 1996-97. The energy charges of all the major power consuming departments are being cleared on a regular basis. The plan outlay for the power sector has been enhanced from Rs.261 crore to Rs.286 crore in the Revised Estimates, 1995-96. For the year 1996-97, an outlay of Rs.275 crore has been provided.

### **Road Infrastructure**

35. The Government is aware of the key role played by an adequate and efficient surface transport system in the overall development, both in the industrial and the agricultural sectors. The road network in the State has been growing at a rapid pace. The total length of roads in Haryana, which was only 5,100 kilometers in 1966, has now increased to 22,452 kilometers. After the formation of our Government in June, 1991, special emphasis was laid on the repair and maintenance of roads, four-laning of National Highways in the State, construction of new roads and bridges and preparation of new projects for implementation in future. Hon'ble Members would be happy to know that satisfactory progress has been made on all these fronts. New roads have been constructed over a length of 643 kilometers, renewal coats have been laid on 10,073 kilometers of existing roads, and a stretch of 1,098 kilometers of roads has been improved.

36. The work on four-laning of the National Highways in the State has made substantial progress. The four-laning of the National Highway I from Murthal to Karnal

has been completed upto Madhuban, and a length of 65.5 kilometers has been opened to traffic. For the portion of the National Highway-I from Karnal to Ambala, work has been started and is likely to be completed by June, 1998 at a total cost of Rs.287 crore. Four-laning of 56.5 kilometers of the National Highway-2 between Ballabgarh and Hodal, at a cost of Rs.69 crore, funded by the Asian Development Bank, is under progress, and a length of 14 kilometers on this route has been opened to traffic. Hon'ble Members would be happy to know that the Ministry of Surface Transport has approved the project, costing Rs.177.86 crore, for four-laning of a stretch of 71 kilometers on the National Highway-8 from Gurgaon to Rajasthan border. The detailed project report has been prepared and the execution has been entrusted to the National Highway Authority of India. A project for four-laning of the National Highway-10 from Bahadurgarh to Rohtak has also been posed to the Union Government.

37. 36 bridges, including 4 road over-bridges, have been completed since the formation of our Government. 14 bridges, including high level bridges over river Ghaggar on Jallah road, over river Markanda on Naraingarh-Sadhaura crossing, and over Zehar Naalah near village Mohna in District Faridabad, are under progress. Projects for construction of 11 more bridges, including 2 road over-bridges at Faridabad and Rewari, have been sanctioned for implementation in 1996-97, while the proposal for constructing a road over-bridge at Dabwali is under consideration of the Ministry of Surface Transport. Road bypasses at Kherawar, Kaithal and Dobh have been completed, while those at Sampla, Dhand and Ellanabad are under progress. We propose to construct bypasses at Jhajjar, Rewari, Narnaul, Sonapat, Sohna and Palwal on a build, operate and transfer basis. Bypasses for the National Highway-10 at Rohtak and for the National Highway-22 at Pinjore-Kalka have been approved by the Ministry of Surface Transport, and a feasibility study is being conducted. A proposal for elevated Highways at Panipat and Faridabad is under consideration of the Union Government. An outlay of Rs.25.90 crore has been provided for Roads and Bridges in Annual Plan 1996-97.

### **Irrigation**

38. The steady growth in agriculture can only be sustained if adequate irrigation water is available. The sub-soil water potential in Haryana has been almost completely exploited. Further extension of irrigation now mainly depends on the completion of the

Satluj-Yamuna Link canal, which is the lifeline of the State. Our Government has been making strenuous efforts for expeditious completion of the Punjab portion of SYL canal. To procure justice for the people of Haryana, our Government has filed a petition in the Supreme Court seeking early completion of the canal. An outlay of Rs.119 crore has been provided for completion of SYL in the Eighth Five Year plan. The provision for 1996-97 is Rs.16.66 crore. We hope that the work on the Punjab portion of SYL canal will start soon.

39. Hon'ble Members would recall that last year a new irrigation project called the **Water Resources Consolidation Project** was launched with financial assistance from the World Bank. The project, costing Rs.1858 crore, to be executed from 1994 to 2000 AD, covers a wide range of activities such as construction of the Hathni-Kund barrage, rehabilitation of old structures, modernization of canal systems, pilot schemes for sub-surface drainage and improved operation and maintenance of canals and drains. The project will bring nearly 1.4 lakh hectares of additional area under irrigation. Provision of Rs.208.49 crore has been made for this project in the Annual Plan 1996-97.

40. Hon'ble Members are aware that the issue of distribution of Yamuna waters among the basin states was resolved last year with the signing of a Memorandum of Understanding by the Chief Ministers of 5 States. The project for construction of the Hathni-Kund barrage to replace the century old Tajewala headworks has been included in the Water Resources Consolidation Project. The execution of this project, which is likely to cost Rs.163 crore, has been initiated and is likely to be completed by 1999. Construction of this barrage would help in utilization of the extra water in Yamuna during floods, and will also protect the WJC irrigation system against the risk of damage by floods.

41. Under Minor Irrigation, a stretch of nearly 21,521 kilometers, on 5,037 water courses, has been lined upto July, 1995, providing additional irrigation to 1.80 lakh hectare area. It is proposed to brick line kutchra water courses in a length of 41.25 lac rft at a cost of Rs.33 crore during 1996-97. The MITC has also undertaken repair of 500 lined water courses during the current year.

42. Outlays of Rs.272.10 crore for Major and Medium Irrigation, Rs.11 crore for Flood Control, Rs.56.23 crore for the Minor Irrigation and Tubewells Corporations, and Rs.13.90 crore for the Command Area Development Authority have been provided in the Annual Plan 1996-97.

### Agriculture

43. Agriculture is the mainstay of the State economy and occupies a key position in the development of the State because of its contribution to over-all economic growth. Our performance in this field has been spectacular. The **Green Revolution** has ushered in an era of plenty and prosperity, and the State, from being a foodgrain-deficit State in 1966, has become the "**grain bowl**" of the country.

44. The foodgrain production has touched a new high of 110.28 lac tonnes during 1994-95, as compared to a production of merely 25.92 lac tonnes during 1966-67. Similarly, production of oilseeds, cotton and sugarcane have, respectively, increased from 0.92 lac tonnes, 3.05 lac bales and 5.10 lac tonnes to 8.97 lac tonnes, 13.73 lac bales and 7.01 lac tonnes. As I mentioned before, the floods have extensively damaged kharif crops in large areas of the State this year. Consequently, the production of kharif crops has suffered. Strenuous efforts have been made to achieve a good rabi harvest. Over 3.45 lac quintals of certified seeds, over 1500 metric tonnes of plant protection materials, and about 5.15 lac tonnes of fertilizer have been distributed for various rabi crops. The State expects production of 107 lac tonnes of foodgrains, 8 lac tonnes of sugarcane, 11 lac bales of cotton and 9.25 lac tonnes of oilseeds during 1995-96. During 1996-97, the State aims at producing 112.90 lac tonnes of foodgrains, 16 lac bales of cotton, and 9 lac tonnes each of oilseeds and sugarcane.

45. Our Government realizes that further growth in agricultural production is possible only by introduction of new varieties of seeds, scientific use of more fertilizer, crop protection measures, optimum utilization of the water resources, appropriate changes in the cropping pattern, providing better incentives to the farmers by way of remunerative prices, provision of larger and more timely credit facilities and application of better scientific farming techniques in general. Efforts are being made for advancement in each such area. The support price for sugarcane has been increased to Rs.75 per quintal this

year. Emphasis is being laid on diversification of crops for providing better returns and ameliorating the economic status of the farmers. Cultivation of Sunflower has spread to an area of nearly 70,000 hectares. Cultivation of Soybeans and Rajmash is also being promoted.

46. Conservation of soil, and optimization of water resource utilization are key areas for agricultural growth. The State Government is implementing several projects in these areas. The **Integrated Watershed Development (Hills) Project, Kandi Area** is being executed for integrated development of areas falling in the foothills of the Shivaliks in Panchkula, Ambala and Yamunanagar Districts. The project envisages development of an area of 63,938 hectares at a cost of Rs.41.13 crore over a period of seven years. An area of 14,811 hectares has been covered at a cost of Rs.16.39 crore upto 1994-95, and during 1995-96 and 1996-97, areas of 6,500 hectare and 7,000 hectares would be developed, respectively, at costs of Rs.10.23 crore and Rs.13.50 crore. The **National Watershed Development Project for Rainfed Agriculture**, and the **Integrated Watershed Management Project**, in the catchment of flood-prone river Ghaggar, are being executed to check soil degradation through low-cost, mainly vegetative, soil conservation measures. An outlay of Rs.1.6 crore for treatment of 5,600 hectares during 1995-96, and Rs.1.6 crore for treatment of 5,000 hectares during 1996-97, have been provided for **NWDPRA**, while under the Ghaggar project, 2,800 hectares and 4,700 hectares area will be treated, respectively, during 1995-96 and 1996-97, at costs of Rs.90 lac and Rs.1.5 crore. An **Indo-Dutch Project** for reclamation of 2000 hectares of saline lands is also being implemented to restore the production capacity of saline lands.

47. For effective growth in the agriculture sector, the upgradation of technology of farming and agricultural inputs has to be supplemented with adequate human resources development. Hon'ble Members would be pleased to know that the **Agricultural Human Resources Development Project** was launched in the State in August, 1995 with assistance from the World Bank, with an outlay of Rs.53.74 crore, to be executed in five years. The outlay for the current year is Rs.7.25 crore, while that for 1996-97 is Rs.10 crore.

48. It is my pleasure to inform the House that various State public enterprises in the agriculture sector are consistently performing well. The **Haryana Seed Development Corporation** is engaged in production and distribution of certified seeds in the State, and is also implementing the **National Seeds Project, Phase-III**. The **Haryana Land Reclamation and Development Corporation** undertakes reclamation of alkaline soils, land-levelling as well as distribution of various agricultural inputs such as gypsum, fertilizers, seeds, weedicides and pesticides. The **Haryana Agro Industries Corporation** is the nodal agency for promotion of agro-based and food-processing industries. The Corporation has signed 21 MOU's for setting up projects involving a total capital outlay of Rs.276.45 crore, providing employment to nearly 6,000 persons.

49. With the spectacular growth in the agricultural production, provision of adequate storage and an easily accessible marketing network has assumed importance. The **Haryana Warehousing Corporation** is operating 105 warehouses with a total capacity of 12.20 lac tonnes. A capacity of 10,000 metric tonnes is being added during the current year. The Corporation is also setting up an **Inland Container Depot-cum-Container Freight Station** in an area of 21.5 acres at Rewari to provide single window clearance to the importers and exporters of Haryana and adjoining areas. The farm produce marketing network in the State is being strengthened by establishment of market yards, purchase centres and construction of link roads through the **Haryana State Agricultural Marketing Board**. With 100 principal yards, 178 sub-yards and 133 purchase centres, a farmer has access to a marketing outlet within a radius of 5 to 7 kilometers. The Board plans to establish 14 new grain markets and is setting up an **Agricultural Trade Centre** at Karnal. The Board provides relief to persons who meet with an accident during agricultural operations. The amount of ex-gratia compensation paid in case of death has been increased from Rs.30,000 to Rs.50,000.

50. A State Plan outlay of Rs.36.24 crore has been earmarked for the Agriculture sector for 1996-97, as against the revised outlay of Rs.33.10 crore for 1995-96.

### Horticulture

51. Special emphasis and thrust is being laid on the development of Horticulture, especially fruits, vegetables, mushrooms, flowers and introduction of new techniques such

as drip irrigation and polygreen houses. A separate Directorate of Horticulture has been set up for providing better technical inputs to the farmers. The area under fruits and vegetables has consequently grown to 18,310 hectares and 85,000 hectares, respectively, by the end of 1994-95, while the respective production has grown to 1.34 lac tonnes and 12.75 lac tonnes. Mushroom production is expected to touch 1,800 tonnes during 1995-96. 10 export oriented projects are being put up in the State with a total investment of Rs.116 crore for production of 15,000 tonnes of canned mushrooms per year. A **Quality Spawn Lab** is being set up by the Haryana Agro Industries Corporation at Murthal, at a cost of Rs.2.70 crore. An **Ultra Modern Fruit and Vegetable Market and Processing Complex** is being developed by the Haryana State Agricultural Marketing Board at Rai over an area of 550 acres, at an estimated cost of Rs.100 crore. The outlay for development of Horticulture is being enhanced from Rs.2.45 crore in 1995-96, to Rs.6.23 crore in 1996-97.

### **Livestock Development**

52. We believe that livestock development is the key for integrating, supplementing and strengthening agrarian economy. Haryana has a livestock population of 98.97 lac as per 1992 census, and ranks second in the country in terms of per capita milk availability. Hence we continue to promote animal husbandry programmes such as breed improvement, balanced feed and effective health cover through an extensive veterinary network. The existing animal health care network of 546 veterinary hospitals, 859 veterinary dispensaries, 60 regional artificial insemination centres and 751 stockman centres, is being strengthened by opening 20 veterinary hospitals and upgrading 80 dispensaries and stockman centres into hospitals, and establishment of 1 Poly-Clinic at Karnal during the current year. We propose to upgrade 30 more veterinary dispensaries and to open 20 new hospitals during the coming year. All the 110 block headquarters have been provided with Clinical Diagnostic Laboratories.

53. An outlay of Rs.10.65 crore has been earmarked for animal husbandry activities during 1996-97.

54. We are also making serious efforts at improving pisci-culture in the State. 2 fish markets are being established at Panipat and Faridabad. During the current year, an outlay



of Rs.3.25 crore is being spent on the development of fisheries, including stocking of 9.2 crore fish seed and production of 28,000 tonnes of fish. During 1996-97, an outlay of Rs.4.62 crore has been earmarked for this sector.

### **Cooperation and Credit**

55. Hon'ble Members would agree with me that the growth of cooperative movement has played a crucial role in promoting agriculture and allied activities. Credit requirements of farmers and rural artisans are being fully met by the Cooperative Financing Institutions in the State. To further tone up the cooperative credit system, the State Government has executed a Memorandum of Understanding with NABARD, HARCO Bank and Central Cooperative Banks, to improve the viability of the Cooperative Banks. The maximum credit limit for crop loans has been raised from Rs.30,500 to Rs.40,000. The Cooperative Banks have also decided to advance non-farm loans upto Rs.25,000 without insisting on collateral security. These measures will help the needy to obtain loans for self employment ventures with much greater ease.

56. In view of the severe floods, the cooperative banks have converted short term loans of Rs.132 crore into medium term loans, and have also postponed recoveries in flood affected areas, while allowing farmers to fully avail the maximum credit limits for rabi crop loans. During the current year, loans of Rs.1,640 crore are expected to be advanced to farmers, rural artisans and petty shop keepers. Long term loans of Rs.125 crore have been advanced for agricultural development schemes upto 31.12.95.

57. It is my pleasure to inform the House that the climate for loan recovery has improved and, during 1994-95, Haryana had the best recovery rate of 85.94 percent for crop loans in the country. The recovery rate for long term loans is at 94.2 percent. The plan outlay for development of cooperatives has been enhanced from Rs.7 crore to Rs.16.83 crore during the current year, and further to Rs.23.25 crore during 1996-97.

### **Industry**

58. Industrialization is a sine qua non for economic development. After making rapid strides in the field of agriculture, Haryana has also made phenomenal progress in the field

of Industry. Economic reforms initiated by the Government of India, and the new Industrial policy of the State have made a major impact on industrialization of the State. A record number of 290 industrial units in the large and medium sector have been established during the last 4 years alone. Today, Haryana has 767 large and medium industries, and 1,37,760 small scale industrial units, altogether involving an investment of Rs.7,500 crore, and providing employment to 9.45 lac persons. Since the formation of our Government, 1,424 **Industrial Entrepreneur Memoranda**, involving investment of Rs.16,490 crore, and generating direct employment for 2.56 lac persons, have been filed.

59. For the development of industrial infrastructure, a number of projects are being implemented. A **Growth Centre** has become functional at Bawal and another Growth Centre is being set up at Saha. The State Government is also developing an **Industrial Model Township** at Manesar, an **Indo-German Park** at Faridabad, a **Singapore Technology Park** at Gurgaon and an **Export Promotion Industrial Park** at Kundli, besides setting up **Udyog Kunj** clusters in rural areas for the development of tiny industries in villages. An **Integrated Infrastructure Centre** is also being set up at Sirsa with the aid of the Government of India.

60. Our Government is committed to promotion of high technology, pollution free, and export oriented industry such as electronics in the State. The **Haryana State Electronics Development Corporation** is developing an **Electronics City** at Gurgaon. Apart from fully developed plots and flatted factory modules, the complex will have a **Software Technology Park** and an **Information Technology and Telecommunication Complex**. The Electronic City and the two parks are expected to crystallize investments of Rs.450 crore, Rs.50 crore and Rs.100 crore, respectively. An **Electronics Hardware Technology Park** has also been established at Gurgaon and is expected to generate an investment of Rs.250 crore.

61. A plan outlay of Rs.26.97 crore has been provided for the industrial sector in the Annual Plan 1996-97.

### Industrial Financial Institution

62. We believe that a climate of strong industrial infrastructure and easy availability of financial support is conducive to rapid industrial growth. Four Government owned Corporations, namely, **Haryana State Industrial Development Corporation, Haryana Financial Corporation, Haryana State Electronics Development Corporation** and **Haryana Agro Industries Corporation** are providing financial assistance to industries in the shape of equity participation and medium and long term loans. The HSIDC has, so far, set up 46 projects in public, joint and assisted sector, catalyzing an investment of Rs.496 crore. Financial collaboration agreements have been signed for 26 projects involving an investment of Rs.346 crore. HSIDC is also a category I Merchant Banker, and is engaged in the activities of equipment leasing and development of new industrial estates and industrial infrastructure as well.

63. The **Haryana Financial Corporation** has, so far, financed a total of 12,874 units involving an investment of Rs.1,169 crore. Rs.655.30 crore have been disbursed to 10,090 units in the State. The Corporation was the first State Finance Corporation to be registered as a Category-I Merchant Banker, and is also the first such Corporation to raise equity to the tune of Rs.20.25 crore from the capital market. During 1996-97, the HFC proposes to sanction loans of Rs.266 crore and aims at disbursements of Rs.203 crore.

### Institutional Finance and State Credit Plan

64. Institutional Finance plays a pivotal role in the growth of the State economy. The Annual Credit Plan of the State for 1995-96 is Rs.1,982.82 crore, which is 30 percent higher than the targeted credit plan for 1994-95. As on 31.3.95, the credit deposit ratio stood at 49.4 percent, with outstanding advances of Rs.3,596 crore against deposits of Rs.7,278 crore. I would like to mention that the performance of Haryana in the priority sector advances, direct agricultural advances and advances to weaker section, as a percentage of the total credit, is much higher than the national average.

## Tourism

65. Haryana has the unique distinction of promoting tourism as a high profile industry even though the State is not endowed with any natural tourist attraction. With a network of 44 tourist complexes, the State caters to nearly 70 lac tourists per year. During the current year, 2 new tourist complexes have been completed at Fatehabad and Yamunanagar, and a new tourist complex at Hisar is near completion. The first phase of the **Ethnic India Tourism Complex** at Rai is nearing completion. Work on setting up **Yatri Niwas** at Mata Mansa Devi Complex and Pehowa has also been taken up. The outlay for tourism infrastructure has been increased from Rs.3.52 crore to Rs.4.12 crore in the current year. A sum of Rs.3.85 crore is being provided for completing the on-going projects and for developing new tourist complexes at Hansi, Dabwali, Tohana, Ballah, Hathnikund, Morni and Tikar Tal during 1996-97.

## Forest and Environment

66. To bring more areas under forest cover, a number of schemes are being implemented in the State and Central sectors. The **Aravalli Afforestation Project** is being implemented with aid from the EEC. The project proposes to afforest 35,000 hectares in the Aravalli hills by 1998-99, at a cost of Rs.85 crore. A **Community Forestry Project** has also been approved for funding by the EEC, for reclamation of alkaline lands, at a cost of Rs.126 crore, over a period of 7 years.

67. Environment protection and ecological management have come into sharp focus in recent years. The State created a Department of Environment for undertaking various activities for protection of the ecological balance in the State. One special **Environment Court** has already been set up at Faridabad and another such Court is being set up at Hisar. The Haryana State Pollution Control Board has persuaded 50 industrial units to install effluent treatment plants, and 83 units to adopt air pollution control measures during the current year. An amount of Rs.1.33 crore is proposed to be spent on environmental promotion during 1996-97.

68. A new Department of Non-conventional Energy Sources has been set up for policy planning and promotion of various alternative sources of energy. The **Integrated Rural**

**Energy Planning** programme is being implemented in 30 blocks of the State. This programme is proposed to be extended to 4 more blocks during 1996-97. A **Haryana Energy Development Agency** and 2 **Energy Parks** are being set up in the State. An amount of Rs.3.76 crore is proposed to be spent for non-conventional energy sources under the various State and Central schemes during 1996-97.

### Road Transport

69. Haryana Roadways is rated among the best transport undertakings in the country, and has consistently been winning various awards for profitability, operational efficiency and economy in expenditure. It has a fleet of about 3,854 buses, 19 depots and 17 sub-depots. The buses of Haryana Roadways, on an average, carry 16.4 lac passengers per day, covering about 11.7 lac kilometers on nearly 2000 routes. An amount of Rs.40 crore has been provided for replacement of 501 buses during 1996-97. Several important programmes, including modernization of workshops and plants, computerization of depot operations, setting up of central engine overhauling workshops at Karnal and Hisar, installation of automatic bus washing machines and provision of pollution control devices, have been started for efficient management of the fleet .

70. For the welfare of the travelling public, 75 modern bus stands have been constructed at important traffic points. The construction work for erecting bus stands at Dadri, Asandh, Samalkha, Rajound and Jullana is under way, and that for new bus stands at Rohtak Bye-pass, Ambala Cantt, Ateli, Ratia, Bhadra, Hathin, Taoru and Dhand is being taken up shortly. For public safety, an independent **Drivers Training Institute** has been started at Murthal.

### Rural Development

71. The Government recognizes that while efforts have to be made to increase agricultural production and productivity, this alone would not mitigate rural poverty. Our main objective is creation of employment opportunities through various programmes which include **Integrated Rural Development Programme, Jawahar Rozgar Yojna** and **Employment Assurance Scheme**. We are also implementing the **Drought Prone**

**Area Programme and Desert Development Programme** in the geographically disadvantaged areas.

72. During the current year, upto December, 1995, altogether 13,704 families have been assisted under IRDP, 1,960 rural youth imparted training for self employment under TRYSEM, 40,357 women were organized into 3,264 groups under the Development of Women and Children in Rural Areas, 31.16 lac mandays of employment have been generated under the Employment Assurance scheme, and 15.94 lac mandays under JRY. 3330 houses have been constructed and 1597 houses are under construction under the Indira Awaas Yojna during the current year. To substantially accelerate the pace of rural development in the State, we propose to spend Rs.16.06 crore under IRDP, Rs.1.90 crore under TRYSEM, Rs.1.20 crore under DWCRA, Rs.2.0 crore under DPAP, Rs.35 crore under JRY and Rs.48.50 crore under the Employment Assurance Scheme during 1996-97. The Community Development Programme is also being implemented in the State, and an amount of Rs.1.90 crore is provided for this programme in Annual Plan 1996-97.

73. After formation of our Government in 1991, we embarked upon an ambitious programme of providing low cost sanitation both in the rural and urban areas. Hon'ble Members will be glad to know that the programme has been very successful and over 2.44 lac sanitation units have been constructed in rural areas at a cost of Rs.83.07 crore, upto 30th November, 1995. Special schemes to the tune of Rs.124 crore have been funded for development of rural areas by the Haryana Rural Development Fund Administration Board since the formation of our Government.

### Urban Development

74. Our Government is equally concerned about the maintenance and development of urban areas. **Haryana Urban Development Authority** has been undertaking planned and integrated development of urban areas. During the year, HUDA floated 6 residential and 3 industrial sectors. The first phase of canal-based drinking water supply scheme at Gurgaon has been commissioned. A water supply channel is also being constructed for Bahadurgarh at a cost of Rs.3.20 crore.

75. We propose to provide Rs.9.60 crore, during 1996-97, to municipal committees as assistance for implementing various schemes like the **Environmental Improvement of Urban Slums, Revenue Earning Schemes** and the **Integrated Development of Small and Medium Towns**. To tackle the problems of urban unemployment and poverty, special programmes of **Nehru Rozgar Yojna** and **Urban Basic Services for the Poor** are being implemented by the State Urban Development society. A new scheme called the **Prime Minister's Integrated Urban Poverty Eradication Programme** has been launched during the current year in all class-II towns of the State. A sum of Rs.3.55 crore is being spent on the scheme during the current year. During 1996-97, a sum of Rs.3 crore will be spent under NRY, and Rs.1 crore under UBSP.

### Backward Area Development

76. The Mewat Development Board was constituted in 1980 to accelerate the pace of development in the backward area of Mewat. High priority has been assigned to promotion of education, health, water supply, agriculture and housing in the area. A new project, namely the "**Mewat Area Development Project**" is being implemented in the Mewat area, with aid from the International Fund for Agriculture Development, Rome. For 1996-1997, a provision of Rs.6.5 crore for the Mewat Area Development Project, and that of Rs.1 crore for other development activities has been provided.

77. For speedy and multi-faceted development of the hilly and semi-hilly areas in the Shivalik Hills, the Shivalik Development Board was constituted in 1993 under the chairmanship of the Chief Minister, Haryana. The board is implementing a large number of programmes in various sectors, which have made an impact on the life of the people. A sum of Rs.6 crore is being spent by the Shivalik Development Board during 1995-96 and a provision of Rs.5 crore has been made for 1996-97.

### Decentralised planning

78. Hon'ble Members are aware that the State Government is implementing the Decentralised Planning scheme for a number of years. Development projects of local importance are financed on the recommendations of the District Planning and Development Boards. The **MP's Local Area Development Scheme** and **MLA's Local**

**Area Development Scheme** were launched by our Government last year. For the current year, the corpus of funds for each MLA under this scheme has been increased from Rs.40 lakh to Rs.50 lakh. I am sure all Hon'ble Members have been making active use of these schemes for meeting the most urgent development requirements of their constituencies. An outlay of Rs.9 crore has been provided for Decentralised Planning during 1996-97.

### Employment

79. One of the important objectives of development is to generate more employment opportunities, especially for the socially and economically backward sections of the society. An ambitious scheme of **One Family One Job** is being implemented in the State since 1992, with the objective of creating 5 lac employment opportunities for persons living below the poverty line during the Eighth Plan period. It is my pleasure to inform this august Assembly that, upto 30.9.95, employment has been given to 4.12 lac persons in public and private sectors. A new scheme called **Employment for Skilled and Semi-skilled Unemployed Youth** is also being implemented to provide on-hands training, in leading industrial and commercial establishments, to students who have completed 10+2 class under Vocational Education, or a diploma course from a Polytechnic.

80. The Government is alive to the welfare needs of the working class. Minimum wages in the State have been enhanced by revising the rate of neutralisation from Rs.1.70 to Rs.2.26 for every point on the Consumer Price Index for the Working Class.

### Industrial Training

81. Full benefits of employment opportunities being created by rapid industrialization cannot be reaped unless the State can provide a trained industrial work force. The Industrial Training and Vocational Education Department is imparting training to over 15,000 youth through 71 Industrial Training Institutes, and to over 13,000 youth in 98 Vocational Education Institutes. 20 new Vocational Education Institutes have been established during 1995-96. Three new Industrial Training Institutes at Kalka, Barwala and Sadhaura are being set up under the aegis of the Shivalik development Board. A World Bank Project is being implemented for modernizing and improving the quality of



training in the existing I.T.I.'s at a total cost of Rs.27.66 crore. A State Plan outlay of Rs.5.38 crore has been provided for Industrial Training in the Annual Plan 1996-97.

### **Technical Education**

82. Technical education is a significant component of Human Resources Development. The Government, therefore, is committed to developing, expanding and improving the quality and standard of technical education in the State. A total of 33 technical institutions are providing degree and diploma level technical education to over 5,000 students every year. The **Second Technical Education Project** is being implemented with World Bank assistance in the State for improvement in capacity, quality and efficiency of technical education in 8 Government and 4 private polytechnics. Three new co-educational polytechnics at Uttawar, Narnaul and Hisar have been established under this project, and a residential polytechnic for women is being established at Faridabad.

83. Hon'ble Members would recall that last year we had decided to establish at least one polytechnic in each district. During 1996-97, new polytechnics will be started at Dhamlawas in Rewari district, Umri in Kurukshetra district, Rajpura in Jind district, Nanakpur in Panchkula district and Dabwali in Sirsa district. The proposals for opening polytechnics in the remaining districts of Bhiwani, Kaithal, Yamunanagar and Panipat are pending with the Central Government.

84. During the current year, 3 private engineering colleges have been started at Mullana, Rohtak and Radaur. Another private engineering college is likely to be set up at Faridabad during 1996-97. A plan outlay of Rs.33.69 crore has been earmarked for Technical Education during 1996-97.

### **Education**

85. Education is very essential for effective development of human resources. Realizing that education and literacy are the pre-requisites for ensuring the dignity and improving the quality of life, we have set for ourselves an ambitious target of universalization of primary education and total literacy by the end of the Eighth Five Year Plan. To increase enrolment, retention and attendance in primary schools, the State

Government has launched **Mid-Day Meal** scheme, under the National Programme of Nutritional Support to Primary Education, in all the Government schools in 44 blocks of Rohtak, Bhiwani, Hisar, Sirsa, Mahendargarh and Rewari districts. This programme will benefit nearly 6 lakh students in 3,180 schools.

86. A number of steps have been taken to encourage education of girls. 125 Government Girls Primary Schools were opened in March, 1995, in connection with the 125th birth anniversary of Mahatma Gandhi, in villages/bastis/dhanis where educational facilities were not available. 201 more such schools have been opened during 1995-96, taking the total number of primary schools in Haryana to 8,533. Hon'ble Members would be happy to note that primary school facilities are now available in the State within a radius of 1.2 kilometers. To cover additional enrolment of students, 1223 posts of JBT teachers have been sanctioned, taking the total number of sanctioned posts of primary teachers to 41,022. During the year, 5,400 vacancies of JBT teachers have been filled. A World Bank aided **District Primary Education Programme** is being implemented in Kaithal, Jind, Hisar and Sirsa districts, which have low female literacy.

87. During 1995-96, 146 Government Primary Schools, 160 Government Middle Schools and 150 Government High Schools have been upgraded. Punjabi has been introduced as a second language in the State on public demand. 500 posts each of Punjabi and Sanskrit teachers have been sanctioned. Total literacy projects are being implemented in all districts except Karnal, where literacy project will be implemented during 1996-97.

88. While giving primacy to primary and secondary school education, the Government is also making efforts to bring about qualitative improvement in the field of higher education through 146 colleges in the State, including 103 private colleges. The **Guru Jambheshwar University** has been established at Hisar, with emphasis on professional and technical studies in higher education. This University will promote studies in the emerging areas of Science and Technology, Environment, Non-conventional energy sources and Management. Two **Post-graduate Regional Centres** at Sirsa and Mirpur have been started, respectively, under the Kurukshetra University and the Maharishi Dayanand University. To provide further impetus, the outlay on education has been increased from Rs.86.02 crore in Annual Plan, 1995-96 to Rs.119.44 crore in Revised Plan, 1995-96. The outlay for Annual Plan, 1996-97 has been kept at Rs.124.83 crore.

## Health Services

89. The State Government is committed to attaining the goal of "**Health for All by 2000 AD**". The health network is being continuously expanded, with emphasis on child and maternal health and prevention of diseases. The health services are being provided through existing 47 Hospitals, 63 Community Health Centres, 399 Primary Health Centres, 26 Dispensaries, and 2,299 Sub-Centres. During the current year, 3 Community Health Centres and one Primary Health Centre have been established, and another Community Health Centre is at the planning stage. Medical and health care is thus available to everyone in the State within a radius of 5 to 6 kilometers. To make these services available to the rural population at their door-steps, 16 Mobile Health Units and 2 Mobile Dental units are being operated in the State. The Medical College at Rohtak is being up-graded to a Post Graduate Institute, and the School of Nursing is also being upgraded as a College of Nursing. During 1996-97, a trauma block, a 50 bedded State Psychiatric Rehabilitation Centre and a Training Centre for Rehabilitation of Psychiatric patients are being added to the Institute.
90. Special emphasis is being placed on family welfare and population control programmes, which have succeeded in reducing the birth rate and infant mortality rate in the State, respectively, from 42.1 and 114 per thousand in 1971, to 30.6 and 65 per thousand in 1993. Pre-Natal, natal and post-natal services to women, and immunization of children are being improved to further strengthen the family welfare programme. Polio eradication has been taken up as a thrust area programme, and campaigns for Pulse-Polio Immunization on 9th December, 1995, and 20th January, 1996, were highly successful. Special programmes are also being implemented for control of blindness and cataract, malaria, tuberculosis, leprosy and other chronic diseases.
91. For those who prefer Ayurvedic, Unani or Homeopathic systems of medicine, the State has a wide network of 4 hospitals, 3 Prathmic Swasthya Kendras and 447 dispensaries. During 1995-96, 6 Ayurvedic dispensaries are proposed to be opened and 3 Ayurvedic Dispensaries are being upgraded into Prathmic Swasthya Kendra. During 1996-97, Rs.1.55 crore will be spent on further strengthening of the Ayurvedic Health Network in the State.

92. A plan provision of Rs.32.14 crore has been made for Medical and Health services during 1996-97.

### Water Supply and Sanitation

93. Safe drinking water is a pre-requisite for sound health. Hon'ble Members are aware that our State has already provided safe drinking water supply to all its villages. I am happy to inform the House that, upto 31.3.95, per capita water allowance has been increased in 1,754 villages. 800 more villages will be covered during the current year as well as the next financial year. The work of augmentation of existing water supply for giving individual house connections has already been commenced in 11 big villages and this programme will be extended to 3 more big villages during the next year. The Government is committed to providing water supply facilities to all village dhanis by the end of the 8th Five Year Plan. A sum of Rs.2.40 crore has been earmarked for extending water supply to the remaining 450 dhanies during 1996-97. In the drought prone districts of Hisar, Sirsa, Bhiwani, Rohtak, Mahendergarh and Rewari, we propose to increase the per capita water allowance to 70 litres per day under the Desert Development Programme. This scheme will cover 2,406 villages in these districts, at a cost of about Rs.300 crore. Work has been commenced in 633 villages and has been completed in 310 villages at a cost of Rs.41.90 crore.

94. The Government is alive to the need of urban water supply and sanitation facilities. Our Government plans to spend Rs.13.20 crore during the current year and Rs.13.95 crore during the next year for these facilities. Hon'ble Members would recall that an ambitious programme envisaging full sanitation coverage and sewage treatment facilities in Yamunanagar, Jagadhari, Karnal, Panipat, Sonipat, Gurgaon and Faridabad towns was launched during 1994-95. This programme, costing Rs.133.47 crore, will go a long way in improving the environment in these towns and in preventing pollution of Yamuna waters. A provision for expenditure of Rs.31.50 crore, including Central grant of Rs.10.50 crore and bilateral assistance of equal amount from OECF, Japan, has been made for this project during 1996-97. A total provision of Rs.52.50 crore has been made for improvement of the public health facilities in the State during 1996-97.

### Welfare of Weaker Sections

95. Our Government accords a very high priority to the uplift of Scheduled Castes, Backward Classes and Vimukt Jatis, and is implementing a number of schemes for their economic and social development. Under the Special Component Plan for Scheduled Castes, 14.9 percent of the total plan outlay for 1995-96 has been earmarked for schemes directly benefiting the Scheduled Caste families, as against 13.9 percent during 1994-95. Altogether, over 45,000 Scheduled Castes families have been assisted under various Scheduled Castes welfare schemes upto December, 1995.

96. Under the 20 Point Programme, house sites are allotted to landless persons belonging to Scheduled Castes and Backward Classes. All the eligible persons identified in the surveys of 1974 and 1982 have already been allotted house sites. 41,168 persons out of the 1,11,113 eligible persons identified in the 3rd survey, conducted during 1988, have been allotted house sites upto December, 1995.

97. For fulfilment of its commitments to the welfare of backward classes, the Government have included 5 more castes, namely, Ahir(Yadav), Gujjar, Lodh(Lodha), Saini and Meo in the list of backward classes. For a more balanced flow of benefits to the different backward classes, it has been decided to create two blocks among backward classes. Reservation of 16 percent has been earmarked for the 67 castes figuring in Block A, and benefit of 11 percent reservation has been given to the 5 newly added castes, which are placed in Block B.

98. An amount of Rs.26.46 crore is proposed to be spent on schemes for the welfare of Scheduled Castes, Backward Classes and Vimukt Jates in the State during 1996-97.

### Welfare of Ex-servicemen

99. Hon'ble Members are well aware of the contribution of Haryana in defending the borders of the country. One out of 9 persons in Haryana belongs to the family of Ex-servicemen. Our Government has extended a number of concessions to the ex-servicemen and serving members of the Armed Forces in recognition of their services to the nation. The monthly pension for freedom-fighters is being increased from Rs.500 to Rs.750 from

April, 1996. This measure is likely to impose a liability of Rs.1.20 crore per year. A sum of Rs.10.58 crore is being spent on the welfare of Ex-servicemen and their families during 1996-97.

### Women, Children and Social Welfare

**100.** To ensure a bright future for our society, an integrated approach has been adopted for the development of women and children with emphasis on providing a healthy environment for children to grow, and empowerment of women by raising their social status.

**101.** To launch a frontal attack on the problems of female foeticide, malnutrition, discrimination against girls, low female literacy rate and child marriage, a unique scheme of **Apni Beti Apna Dhan** was launched by our Government last year. The scheme has now been extended to cover backward classes. The **Integrated Child Development Services Scheme**, is being implemented in all the blocks of the State. The externally aided **Integrated Women's Empowerment and Development Project** is being implemented in Mahendergarh and Rewari districts. **Navjeevan Grihs** are being constructed in villages which do not have a Primary Health Centre or a Sub-centre, for proper care of pregnant women and safe and hygienic delivery conducted by trained Dais.

**102.** The schemes for providing social security to the needy sections of society will be continued. An outlay of Rs.116.72 crore has been earmarked for social security schemes for the aged, handicapped, women and children during 1996-97. The retainership allowance for blind caners has been increased from Rs.750 to Rs.1000 per month from 1st January, 1996. The Government has also decided to substantially enhance the allowance for the unemployed handicapped persons from 1st April, 1996.

**103.** An outlay of Rs.125.93 crore has been provided for various schemes of social welfare and social security during 1996-97.

### Housing

**104.** The Government is acutely sensitive to the housing needs of the community, particularly of the weaker sections. The Housing Board has constructed 46,357 houses

upto 31st March, 1995, including 30,664 houses for the economically weaker sections and the low income groups. Under the Mahatma Gandhi Awaas Yojana, 3,812 Low Income Group houses are being constructed in various parts of the State. 3,000 more houses of various categories are proposed to be constructed at a cost of Rs.30 crore during 1996-97. During the current year, Rs.10.49 crore are being spent on the Rural Housing Scheme, Rs.10.56 crore on the Low Income Group Housing Scheme, and Rs.2.64 crore on the Middle income Group Housing Scheme. A plan outlay of Rs.50.65 crore has been provided for Housing during 1996-97.

### **Revenue Administration**

**105.** Our Government has given serious attention to toning up of the land revenue administration, and has implemented a number of land reform measures. A pilot project of computerization of land records is being executed in Rewari district. Similar projects are also being set up in Sirsa, Ambala, Rohtak and Gurgaon. There are 472 Patwarkhanas in the State, and 272 more Patwarkhanas are under construction. 30 Patwarkhanas are proposed to be constructed during 1996-97 at a cost of Rs.40 lac. 6 Patwar Training Centres have been opened in the districts of Ambala, Rohtak and Gurgaon, Karnal, Jind and Hisar. A building for Patwar Training Institute is under construction at Hisar at a cost of Rs.1.34 crore.

**106.** To provide relief to farmers, our Government has taken a decision that those farmers whose land is acquired by Haryana Government for public purposes, and who purchase agricultural land in the State within one year of receipt of compensation, will not have to pay stamp duty and registration fee, to the extent of the compensation, on such purchases. Persons belonging to the scheduled castes, who purchase land under the Purchase of Agriculture Land Scheme of National Scheduled Castes and Scheduled Tribes Finance and Development Corporation, have also been exempted from payment of stamp duty and registration fee in respect of such purchases, as well as mortgage deeds executed in favour of Haryana Harijan Kalyan Nigam.

**107.** The 5th Agriculture Census has been started in the State with 1990-91 as the reference year. Consolidation work has been completed in 1.04 crore acres out of 1.07 crore acres land in need of consolidation in the State. Consolidation will be completed in

15,000 acres during the current year, and 20,000 acres during 1996-97, for which an outlay of Rs.1.38 crore has been provided for 1996-97.

### Concessions to Government Servants

**108.** The Government employees make a significant contribution to the development of the State. In order to improve their motivation and to keep their morale high, several concessions were given to the Government employees during the current year. Two instalments of ADA due from January, 1995 and July, 1995, at an estimated cost of Rs.99.66 crore, Bonus for 1993-94, at an estimated cost of Rs.18 crore, and second interim relief, on the pattern of Central Government, at a cost of about Rs.60.30 crore, have been sanctioned to the Government employees and pensioners during the current year.

**109.** The State Government has constituted a State Pay Commission which is expected soon to submit its report. The State Government has recently announced the following further concessions to the employees:

- The services of all Class-III and IV adhoc employees completing two years of service on 31.1.1996 will be regularized. Similarly, services of all daily wage and work-charged employees completing 5 years of service on 31.1.1996 will also be regularized.
- Another instalment of Rs.120 per month will be given as interim relief from February, 1996, to all the State Government employees.
- A fixed medical allowance of Rs.100 per month will be given to the Government employees from February, 1996. This allowance will be admissible to both husband and wife if both are in the service of Haryana Government.
- The uniform and washing allowance for Class-IV employees will be enhanced to Rs.75 per month from February, 1996.
- The emoluments of Anganwadi workers and helpers in the ICDS programme throughout the State will be raised by Rs.200 and Rs.100 per month, respectively, from February, 1996.
- There will be an increase of Rs.25 per month in all the slabs of House Rent Allowance, with effect from February, 1996.



- With effect from 1.4.95, the revised Government of India norms will be applied for calculation of gratuity to retiring State Government employees.

**110.** Employees of Haryana Government are well paid and enjoy very good benefits and facilities. We hope that the Government employees would honestly and diligently serve the people of the State and their welfare.

### **REVISED ESTIMATES 1995-96**

**111.** I have already mentioned that, during the current year, the State Government had to function under severe financial constraints. The damage due to floods, critical power situation and a number of unforeseen contingencies adversely affected our revenue receipts and resulted in additional expenditure. The revenue from State taxes decreased from Rs.2097.76 crore in the Budget Estimates 1995-96, to Rs.2087.50 crore in the Revised Estimates. The excise revenue shows a decline of Rs.47.71 crore, partly due to floods and partly due to ban on auction of liquor vendis in the rural areas from the next year. The collections from the passenger tax, and recovery of irrigation water charges indicate a shortfall of Rs.14.74 crore and Rs.5.75 crore, respectively, due to floods. The net profits from lotteries record a decline of Rs.9.81 crore.

**112.** We made strenuous efforts to increase our revenue receipts to set off the deterioration caused by floods. The collections from Stamps & Registration and vehicle tax show improvements of Rs.44.52 crore and Rs.12.16 crore, respectively. The effective campaign for mobilizing small savings deposits led to an increase in small savings loans from Rs.250 crore in the Budget Estimates 1995-96, to Rs.285 crore in the Revised Estimates. Additional loans of Rs.26 crore, in the cooperative sector, were sanctioned by NABARD during the year.

**113.** A number of unforeseen contingencies resulted in additional expenditure during the year. The devastating flood situation in the State necessitated an expenditure of Rs.325 crore from the Calamity Relief Fund, as against a budget provision of Rs.10 crore. An additional expenditure of Rs.65.79 crore had to be sanctioned on grant of various benefits to Government employees and pensioners. An additional amount of Rs.13 crore had to be provided to Education Department for salary component, and Rs.9.50 crore to Printing &

Stationery Department for printing of text books and other material. The provision for Irrigation Department had to be enhanced by Rs.25.77 crore for meeting requirements of salaries and energy charges. Rs.6.90 crore have been sanctioned for energy charges under the water supply schemes. An additional amount of Rs.5 crore has been sanctioned for maintenance of roads. A grant of Rs.8.74 crore has been provided to Municipal Committees for payment of salaries.

**114.** In spite of these unforeseen contingencies, the outlay on the State Annual Plan, 1995-96 was only slightly reduced from Rs.1,250 crore in Budget Estimates 1995-96, to Rs.1,222.67 crore in the Revised Estimates. Hon'ble Members would be glad to note that, despite these financial strains, we have not resorted to any additional taxation during the current year. Instead, we kept a tight control over the revenue expenditure and, as the Hon'ble Members would observe, only such expenditure was sanctioned as was essential or unavoidable. Economy measures have been enforced to further compress the non-developmental expenditure. Special attention was paid to judicious management of ways and means of the State finances, which allowed all necessary expenditure to be met at all times, while the cash surpluses, whenever available, were parked in interest earning investments such as treasury bills of 91 days' duration. It is noteworthy that the State generated additional resources of Rs.25.51 crore during the year only by judicious investments of cash balances.

**115.** The financial management of Haryana has been rated as one of the best in the country. Haryana is one of the four states having a positive Balance From Current Revenues. The State ranks at fourth place in per capita income. The proportion of fiscal deficit of Haryana, to its Gross State Domestic Product (GSDP) during the current year, is likely to be 2.9 percent, which is substantially less than the national average. Our debt liability, as on 31 March, 1996, is likely to be 21.3 percent of the GSDP, compared to all States' average of over 30 percent.

**116.** The Revenue Account in the Revised Estimates, 1995-96, indicates a deficit of Rs.426.33 crore, as compared to a deficit of Rs.44.39 crore in the Budget Estimates. The Medium Term loan of Rs.300 crore, received from the Central Government on the loan account, has been utilized for flood relief measures on the revenue account. This is, therefore, a contra-entry on Revenue and Capital accounts. After excluding this contra-

entry, the Revenue Account in the Revised Estimates 1995-96 indicates a deficit of Rs.126.33 crore on net basis, as compared to a deficit of Rs.426.33 crore on gross basis.

117. The financial year 1995-96 opened with a deficit of Rs.38.96 crore, as per the books of RBI. Despite the severe financial strains, as a result of our concerted efforts at exercising economy and making judicious use of resources, the current year is likely to close with a surplus of Rs.20.80 crore, against the budget estimates of a deficit of Rs.69.71 crore. Thus, on the year's account, the current year's transactions indicate an overall surplus balance of Rs.59.76 crore in the Revised Estimates, 1995-96, as compared to the overall deficit of Rs.14.51 crore reflected in the Budget Estimates, 1995-96.

### **BUDGET ESTIMATES 1996-97**

118. Hon'ble Speaker Sir, I now proceed to present before this august House the Budget Estimates for the year 1996-97. The following table gives an account of the financial position of the State Government, emerging as a result of the Revised Estimates, 1995-96 and Budget Estimates, 1996-97:-

# BUDGET ESTIMATES 1996-97

Components	(Rs.in Crore)				
	Revised Estimates 1994-95	Accounts 1994-95	Budget Estimates 1995-96	Revised Estimates 1995-96	Budget Estimates 1996-97
1	2	3	4	5	6
<b>I. Opening Balance</b>					
(a) According to Books of AG	(-) 91.88	(-) 91.88	(-) 56.10	(-) 36.94	(+) 22.82
(b) According to Books of RBI	(-) 90.98	(-) 90.98	(-) 55.20	(-) 38.96	(+) 20.80
(c) Investments in Treasury Bills	106.18	106.18	66.18	144.96	144.96
<b>II. Revenue Account</b>					
Receipts	6836.56	5822.41	5004.11	5022.55	4823.23
Expenditure	7289.38	6272.92	5048.50	5448.88	4976.40
Surplus/Deficit	(-) 452.82	(-) 390.51	(-) 44.39	(-) 426.33	(-) 153.17
<b>III. Capital Account</b>					
Expenditure	256.82	206.58	474.73	324.91	466.54
<b>IV. Public Debt</b>					
Debt incurred	923.56	636.95	1332.33	1216.80	1334.68
Repayment	485.02	235.67	794.88	315.17	633.59
Net	(+) 438.54	(+) 401.28	(+) 537.45	(+) 901.63	(+) 701.09
<b>V. Loans &amp; Advances</b>					
Advances	360.16	336.77	362.94	389.17	398.89
Recoveries	395.45	399.32	33.44	23.43	24.35
Net	(+) 35.29	(+) 62.55	(-) 329.50	(-) 365.74	(-) 374.54
<b>VI. Small Savings</b>					
Provident Fund etc.	(+) 233.20	(+) 199.33	(+) 242.58	(+) 281.32	(+) 247.63
<b>VII. Deposits &amp; Advances, Reserve Funds &amp; Suspense &amp; Misc.(Net)</b>					
	(+) 38.39	(-) 22.08	(+) 54.08	(-) 6.21	(-) 8.94
<b>VIII. Remittances (Net)</b>		(+) 10.95			
<b>IX. Year's Closing Balance</b>					
(a) According to Books of AG	(-) 56.10	(-) 36.94	(-) 70.61	(+) 22.82	(-) 31.65
(b) According to Books of RBI	(-) 55.20	(-) 38.96	(-) 69.71	(+) 20.80	(-) 33.67
(c) Investment in Treasury Bills	66.18	44.96	10.18	144.96	144.96

**119.** As per the books of the RBI, the financial year 1996-97 is likely to open with a surplus of Rs.20.80 crore, and is likely to close with a deficit of Rs.33.67 crore. Thus, the year 1996-97 is likely to have an year's account deficit of Rs.54.47 crore, as against a surplus of Rs.59.76 crore in the Revised Estimates, 1995-96. The Budget Estimates provide for a State plan expenditure of Rs.1375 crore, in addition to Rs.222.66 crore for centrally sponsored and other development schemes.

**120.** The receipt and expenditure on account of lotteries, rural electrification subsidy and departmental interest charges are in the nature of contra entries. The lottery transactions show a net revenue of Rs.20.34 crore during 1995-96, and Rs.18.02 crore during 1996-97. A provision of Rs.100 crore has been made in the Budget Estimates, 1996-97, on adjustment basis, to clear arrears on account of subsidy for supply of power to the agriculture sector by the HSEB. Such contra-entries disturb the appearance of the Revenue Account. Thus, on gross basis, the Revenue Receipts of the State show a decrease of Rs.199.32 crore, from Rs.5022.55 crore in Revised Estimates, 1995-96 to Rs.4823.23 crore in Budget Estimates, 1996-97, while the gross Revenue Expenditure depicts a decrease from Rs.5448.88 crore in Revised Estimates, to Rs.4976.40 crore in the Budget Estimates, 1996-97. After excluding the contra-entries, the Revenue Receipts, on net basis, show a growth of Rs.366.09 crore in Budget Estimates, 1996-97, over the Revised Estimates, 1995-96. The Revenue Expenditure similarly registers a growth of Rs.392.93 crore on net basis. Thus, the Revenue Account, on net basis, indicates a deficit of Rs.153.17 crore in Budget Estimates, 1996-97 as against the deficit of Rs.126.33 crore in Revised Estimates, 1995-96.

**121.** The Tax Revenue of the State has been projected to grow at 8.63 percent in Budget Estimates, 1996-97 over the Revised Estimates, 1995-96. The devolution of central taxes has been taken as per the indication received from the Ministry of Finance, Government of India. The Tax and Non-tax Revenues have been projected on trend basis, using different yardsticks for different items. As per the State excise policy for the year 1996-97, there will be no auction of liquor vends in rural areas. As a result, the excise revenue is likely to decline from Rs.530 crore in 1995-96 to Rs.480 crore in 1996-97. The annual loss in excise revenue during next year on account of this policy change is estimated at Rs.180 crore. The inherent resilience and expected buoyancy in the economy are, however, likely

to yield higher revenue. We can expect still higher receipt from state taxes as a result of enforcement of anti-evasion and rationalization measures.

**122.** While projecting non-plan expenditure, by and large, the recommendations of the Tenth Finance Commission and the guidelines of the Planning Commission have been followed. Every possible effort has been made to contain growth in non-plan expenditure and care has been taken to ensure that non-recurring items of expenditure are not projected for the next year. The interest payment liability has increased by 25.6 percent from Rs.581.86 crore in Revised Estimates, 1995-96 to Rs.730.86 crore in Budget Estimates, 1996-97. This is on account of larger loans obtained for capital formation. The Budget Estimates provide for Rs.60.18 crore as normal maintenance liability on the plan schemes completed by the end of Seventh Plan period. Rural Electrification Subsidy of Rs.125 crore in cash, and of Rs.100 crore on adjustment basis, has been provided for HSEB. A provision of Rs.80.82 crore has been made for current energy charges payable to HSEB by engineering departments. A lumpsum provision of Rs.135.72 crore has been made in the Budget Estimates, 1996-97 for ADA instalments due from January, 1996 and July, 1996, and one bonus payment relating to the year 1994-95.

**123.** The State is likely to incur public debt of Rs.1334.68 crore, including market loans of Rs.161.39 crore, as per Budget Estimates, 1996-97. The net public debt would increase by Rs.701.09 crore after making repayments of Rs.633.59 crore. Similarly, as per Revised Estimates, 1995-96, the net public debt is likely to increase by Rs.1138.58 crore during the current year. As per the books of A.G. Haryana, as on 31st March, 1995, the total outstanding debt of the State is Rs.4918.67 crore. This is likely to increase by 23.15 percent to Rs.6,057.25 crore on 31.3.96, and further by 16.74 percent to Rs.7,071.51 crore by 31.3.97. The total debt liability of the State, as a proportion of the GSDP of the State, is likely to be around 21.3 percent during 1995-96, and around 21.2 percent during 1996-97, as against 21.3 percent during 1994-95.

**124.** The Government is conscious of the problems faced by trade and industry, and has been having a constant dialogue with their representatives. A number of measures have been implemented during the current year for providing substantial relief to traders, such as dispensing with requirement of submission of ST15 form for dealer to dealer sales, allowing the facility of lumpsum payment of sale tax to small traders, and abolition of

sales tax on tent dealers. For benefit of the common man, especially the weaker sections, many commodities such as maize, jowar, bajra, guar choori and korma, improved chullahs, agricultural pumping sets including drip irrigation and sprinkler systems, solid fuel converted from agricultural waste, writing ink, pens and ballpens costing upto Rs.25 each, Braille typewriters and stationary, sindoor, mangalsutra and yagyopavit have been exempted from the payment of sales tax. Besides, the rates of sales tax have been substantially reduced on such items as cycles, cycle-rickshaws and motorized two-wheelers and their spares, sarson, taramira, toria, til and sunflower oils, desi and vegetable ghee, dormants and weigh-bridges, spectacles and spectacle frames.

**125.** The objective of our Government is to improve our revenue collections by strict, impartial and effective implementation of the existing tax laws, rather than levying new taxes or raising the rates of taxes. I am happy to announce a few measures for rationalization of sales tax and welfare of traders in the State. We propose to merge the surcharge on sales tax with the basic sale tax to make assessment easier and more straightforward. Hon'ble Members would recall that, to provide relief to small traders, we had earlier exempted general dealers with annual turnover upto Rs.3 lac from liability of paying sales tax. Now we propose to extend this benefit to dealers with turnover of upto Rs.5 lac. We also propose to increase the exemption limit for sales without cash memo or bill from Rs.150 to Rs.250. At present, dealers paying annual sales tax of Rs.1 lac or more are required to submit monthly payments. We now propose to increase this limit to Rs.5 lac. We also propose to decrease the limitation period for reopening of sales tax assessment cases from eight to five years. To provide relief to our sisters, I propose to exempt Rakhi and Mehandi from payment of sales tax. For the benefit of the common man, I also propose to exempt shoes and chappals with maximum retail price upto Rs.100 from payment of sales tax, and reduce the rate of sales tax on medicines and pharmaceutical preparations from 8.8 percent to 7 percent, on iron and steel from 4 percent to 2.5 percent, and on cement from 13.2 percent to 11 percent. The tax on oil-seeds purchased for manufacture of oil for sale in the State or for inter-State sales is also proposed to be reduced from 4 percent to 2 percent. I do not propose to levy any new tax in this budget.

126. Hon'ble Members would appreciate that deficit in the budget has been kept at the bare minimum, and is well within reasonable limits. This deficit will be covered through better realization of revenue from existing resources, general buoyancy in the State and Central taxes, as well as more effective checking of evasion and leakage, and by exercising strict control on non-plan expenditure. Our Government has always served the people of Haryana with sincerity, diligence and dedication. I am confident that all the development programmes in the Annual Plan, 1996-97 will be fully implemented. I seek cooperation and help from all the Hon'ble Members of the House, and the people of Haryana to that end.

Sir, I now commend the Budget Estimates, 1996-97 for consideration and approval of this august House.

**Jai Hind!**