

**GOVERNMENT OF HARYANA**



**SPEECH**

**OF**

**Shri Mange Ram Gupta**

**FINANCE MINISTER, HARYANA**

**Presenting the  
Budget Estimates for the year 1992-93 in the  
Haryana Vidhan Sabha**

**Chandigarh,  
16th March, 1992**

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Speech of Shri Mange Ram Gupta, Finance Minister,  
Haryana presenting the Budget Estimates for the  
year 1992-93 in the Haryana Vidhan Sabha  
on 16th March, 1992

Sir,

I rise to present the Budget Estimates for the  
Year 1992-93.

The current financial year has been an exceptionally difficult and critical one for the Indian economy. It has been a year of crisis. The Congress Government at the Centre inherited the economy on the verge of collapse. An adverse balance of payments position, accelerating inflation, depletion of foreign exchange reserves and erosion of credibility of the Indian economic system were the factors staring in our faces at the national level. We had to reduce our imports which resulted in a set-back to the rapid industrial growth. The Congress Government at the Centre took a series of corrective measures to bring the situation under control. These included short-term measures aimed at crisis management as well as long term measures of structural reforms. The fiscal deficit has been reduced. Increasing rate of inflation has been arrested. We have all praise for our Prime Minister and the Union Finance Minister for taking innovative and bold steps and saving the national economy from a state of collapse.

The economic situation and policies at the national level have a direct bearing on the economy of the states specially when it comes to inflationary trends and control thereon. Inflation reached a peak level of 16.7% during the year though it has now been reduced to about 12%. There

was disruption in production processes resulting in a sharp deceleration in the growth of GDP. We owe it to the nation to draw lessons from what we have seen during this period and take adequate steps right at this stage so as to save our economy from such a critical situation in future. And for this purpose, I need the support of all of you, the administrative machinery and the people of Haryana.

Economic  
Survey

In spite of all this, the State's economy continued to show a steady growth. A copy of the "Economic Survey of Haryana 1991-92" has already been circulated to the Hon'ble members. It highlights the overall economic situation of the state during the last year. The state's economy, despite ill-effects of anti-reservation agitation, recorded good recovery during the year 1990-91. According to quick estimates, state income grew by 8.5% in 1990-91 at constant prices and by 17.3% at current prices. The sectoral analysis reveals that the contribution of primary sector towards the net State Domestic Product registered an increase of 13.1% in 1990-91 whereas the contribution of secondary and tertiary sectors increased by 3.5% and 5.1% respectively. The contribution of primary sector was 49.2%, of secondary sector, 20.1% and 30.7% of the tertiary sector.

The per capita income (at 1980-81 prices) is estimated at Rs. 3,327 for 1990-91 as against Rs. 3,124 for 1989-90 and recorded an increase of 6.5%. At current prices, it was Rs. 6,936 as against Rs. 6,026 in 1989-90.

The prices continued to rise during the year 1991. The All India Working Class Consumer Price Index (Base 1982=100) increased from 177 in March, 1990 to 201 in March, 1991 showing rise of 13.6%. It further rose to 225



in December, 1991 registering an increase of 11.9%. Similarly, the State Working Class Consumer Price Index (Base 1982=100) increased from 166 to 192 between March, 1990 and March, 1991 recording a rise of 15.7%. It further rose to 210 in December, 1991 registering an increase of 9.4% in general price index.

The economic and functional classification of the State Budget Estimates for 1991-92 reveals estimated direct capital formation amounting to Rs. 205 crore apart from additional capital formation of Rs. 341 crore as the State Government's contribution towards the private and public sectors.

I would also like to briefly touch upon the role of financial institutions in the growth of the state's economy. The Banks and Financial Institutions advanced loans for an amount of Rs. 798.65 crore during the year 1990-91 in Haryana. Total outstanding advances as on 31st March, 1991 were of an order of Rs. 2,376 crore. The total deposits in the banks in Haryana as on 31st March, 1991 were of an order of Rs. 3,986 crore. The credit deposit ratio in Haryana works out to 60%. This ratio for rural and semi-urban areas is 58%. Out of the loans of Rs. 798.65 crore advanced during 1990-91, 72% have gone to the primary sector, 15.40% to the secondary sector and 12.60% to the tertiary sector. It is clear from the above details that financing by these institutions has helped in the growth of the economy in a big way in addition to the State's efforts. We hope that the banking sector continues to render its valuable services to the state's economy in future as well.

Role of  
Financial  
Institutions

**Central  
Assistance**

Devolution of taxes from the Centre to States are governed by the recommendations of the Finance Commission. The State presently receives its share in central taxes as per the recommendations of the Ninth Finance Commission. The balance of recommendations of the Ninth Finance Commission showed a tilt in favour of the deficit and backward states. The treatment meted out to revenue surplus states like Haryana was not encouraging as my predecessor had already explained in his speech last year.

However, assistance for the State Plan Schemes is governed by the well known Gadgil Formula. There have been changes in the formula from time to time. Some changes were made in the modified Gadgil Formula last year which governed the subventions to Haryana state for the current financial year. However, the formula was again discussed by the National Development Council in its 43rd meeting held in December, 1991 and some changes have been made. This formula has important determinant factors such as population, per capita income and tax effort. Earlier, weightage was given to the factor of "Tax Efforts". It has now been replaced by a more comprehensive factor of "Fiscal Management". Subventions under this factor would now be governed on the basis of assessment of state's performance in the area of fiscal management, timely execution of externally aided projects and achievements of national objectives. Poor performance by the state under any of these criteria would result in reduction of assistance to the states. It makes it incumbent on us to adhere to a more rigorous financial discipline if we want to get full assistance under this criterion. The net plan assistance for the year 1992-93 would be Rs. 113.45 crore



as against Rs. 102.50 crore during this year.

The State Government had to incur substantial additional expenditure on the non-plan side during the year. I would give the details of this additional expenditure later, but we have not allowed the core sectors to suffer on account of paucity of funds. Our Annual Plan for the current financial year was approved for Rs. 765 crore which was reduced to Rs. 760 crore because two schemes were dropped by the Government of India. The Old Age Pension Scheme launched by the previous Government was radically revised and the economic criterion was introduced. This scheme was started from 1st July, 1991. No cut was made in the outlay approved for any department; in fact, the Government increased the outlay for the Transport and the Public Works sectors. Simultaneously, the departments' ability to utilise the amount provided was also kept in view. As a result of this review, the revised outlay for the current year is Rs. 727.97 crore which is about 18% higher over the actual plan expenditure of 1990-91.

Revised Plan  
1991-92

Eighth Five-Year Plan (1992--97) will commence from 1st April, 1992. Approach and strategy to be adopted have been finalised by the Planning Commission with the approval of the National Development Council. National objectives have been identified in terms of special emphasis on population control, literacy, employment generation and safe drinking water supply to the villages. While we have to work towards the achievement of these national objectives, we have additionally prepared a 25-point programme for implementation in the state of Haryana in view of Silver Jubilee Year. The 25-point

Annual Plan  
1992-93



programme is a statement of our commitments for development. Our Annual plan for 1992-93 is a combination of the national objectives as well as our own commitments to the people of the state. Plan outlay for state's Annual Plan 1992-93 has been fixed at Rs. 830 crore which is about 14% higher as compared to the revised outlay of the current year's plan. The State Government is committed to accord high priority to rural upliftment and accordingly about 71% of the plan outlay has been earmarked for the rural sector. Social Security and Social Service Schemes would continue to be our priority with an outlay constituting 36.77% of the total plan outlay. The plan outlay for Agriculture and Allied Services including Cooperation is 8.76% ; for Rural Development 2.55% ; for Irrigation and Flood control 13.90% ; for Power 25.30% ; for Transport and Communications 6.70% ; for Industries 2.98% ; for Decentralised Planning 1.81% and for other sectors 1.23%.

#### Agriculture

Haryana State has already been through the first "green revolution" and it is high time that we start working towards a second revolution by diversification of agriculture and promotion of horticulture with a view to making this sector more profitable for our farmers. We plan to give a major boost to cultivation of pulses and oil seeds especially in the area of sun-flower and soyabean. Raising of fruit plant nurseries and other necessary in-puts for promotion of horticulture are proposed to be taken-up in a planned manner so as to enable the farmers to shift to these areas. Provision of backward and forward linkages is a pre-requisite for building up a favourable climate to achieve the desired goal. It is keeping this in view that special incentives have been provided in the Industrial Policy for promotion of agro-based industries. It is also

proposed to set up a modern terminal fruit and vegetable market at Kundli with facilities of cold-storage, processing and transport to provide necessary support to the growers.

Our achievements in the agriculture sector bring credit to our illustrious farmers. However, the State has not been found wanting in providing the necessary support. Direct subsidies for an amount of about Rs. 21.53 crore have been provided during the current financial year to the farmers under various crop development programmes. These subsidies have been provided on fertilizers, seeds, pesticides, improvement of lands and augmenting irrigation system through sprinkler sets. Besides, the Government is subsidising power and irrigation water for the agriculture sector in a big way.

Our unabated efforts would continue to further supplement the agrarian economy through the development of Animal Husbandry. By the end of 1991-92, Haryana will have a network of 575 veterinary hospitals and 719 veterinary dispensaries. It is proposed to add 100 new veterinary dispensaries, upgrade 40 existing veterinary dispensaries and set up two polyclinics during 1992-93.

Animal  
Husbandry

The plan outlay for the development of Fisheries has been kept at Rs. 2 crore for 1992-93. It is proposed to produce/stock 700 lakh fish seed and produce 26,000 tonnes of fish. One additional sewage-fed fish farm will also be set up in the State.

Fisheries

Our Government took an important decision to waive off interest on cooperative loans for a period of seven years. I am glad to inform this august House that the

Co-operation  
and Credit



Government has waived off interest worth Rs. 50.43 crore benefiting 3,20,066 farmers and other loanees under the Production Incentive Scheme. The decision to waive off interest on cooperative loans has in fact resulted in improving the financial position of the beneficiaries as well as our banks in the cooperative sector. The recovery of short term loans during the year has been 71% compared to 42.53% of the last year. The overall recovery has been 63.47% till 28th February, 1992. It is a record recovery during a period of last ten years. As a result, the financial position of cooperative financial institutions improved substantially. The cooperative banks have advanced crop loans for an amount of Rs. 263.51 crore till 28th February, 1992, during the current financial year as against an advancement of Rs. 108.85 crore during 1990-91. We have already exceeded targets of financing through these institutions. The State Government, on its part, has made full payment to these financial institutions on account of waiver of interest and this is not a small achievement.

Three new sugar mills at Meham, Kaithal and Bhuna have already started crushing during this year. The rates of sugarcane have been increased by Rs. 3 per quintal in all the categories. This would give an additional benefit of Rs. 15 crore to the cane-growers. The rates of sugarcane offered in Haryana are among the highest in the country.

In the Dairy Sector, measures for restructuring have been taken during the year as a result of which the Dairy Development Federation is on path to viability. Procurement price of milk was increased from Rs. 75 per kg. fat to Rs. 90 per kg. fat. It has been further increased to Rs. 95 per kg. fat with effect from 1st March and to

Rs. 100 per kg. fat with effect from 11th March, 1992. Milk Cooperatives have procured about 350 lakh litres of milk upto 29th February, 1992. A milk plant of one lakh litres per day capacity is being constructed at Sirsa and is likely to be completed by December, 1992.

Availability of irrigation facility to the farmers in adequate quantities has been the foremost concern of our government. We have carried out large scale desilting operations during the year to ensure availability of irrigation water at the tail ends. We are committed to provide adequate irrigation facilities to our farmers. Water is a basic pre-requisite to agricultural production and we have to optimally utilise this scarce resource. Large scale lining of canals and water courses has been undertaken during the year under World Bank Project which is coming to a close on 31st March this year. The State Government is negotiating for a similar project for the next year so that external assistance is available for further lining of channels and water courses. Novel methods of irrigation, such as sprinklers and drip irrigation, are being introduced in the semi-arid areas of the state for efficient utilisation of the water resources. As regards mobilising additional water, we have taken up the issue of completion of SYL Canal with the Central Government and we are confident of its completion in the near future. A provision of Rs. 20 crore has been kept for SYL for the next financial year.

Irrigation

There has been remarkable increase in the generation and supply of power in the State after our Government assumed office. Average daily power supply increased to a level of 282 lakh units this year as against the average

Power



daily supply of 232 lakh units during 1990-91. A record 351 lakh units of power was supplied on 2nd August, 1991, during the last paddy season. All this has been achieved through better utilisation of our existing capacity. Generation of power improved and it exceeded 100 million units during the month of January, 1992, even in the old station of Faridabad. A major part of this power was supplied to the agriculture sector. The average daily supply of power to rural areas for agriculture during this period has been of the order of 168 lakh units as compared to 129 lakh units supplied during the corresponding period of the previous year. This record level of supply in the state, and especially to agriculture, has been largely responsible for ensuring high levels of agricultural production notwithstanding the delayed onset of the monsoons in 1991.

A large number of applications were pending for energization of tubewells. The target of energization of 10,000 tubewells was enhanced to 20,000 with a view to clearing this pendency. The House would be happy to know that the Electricity Board would not only accomplish the enhanced target of 20,000 tubewells but it may even exceed this target.

The Power Board is not concentrating on the generation and supply of power alone. We are anxious to make the Board more responsive to the needs of the consumer and for speedy redressal of consumers' grievances. The Power Board is introducing a competition scheme during the Jubilee year to select the best Sub-Division in the State on the basis of not just technical and commercial performance of the Sub-Division but also giving

considerable weightage to the Sub-Divisional Officers' responsiveness to public grievances. The evaluation would be based on a public opinion poll and the feed-back will be sought from Panchayats, Municipal Committees and other representative institutions for this purpose.

While the removal of legitimate public grievances would be given due importance, the Power Board also intends to take effective steps to curb mal-practices and theft of power. A voluntary disclosure scheme was introduced this year whereby the consumers were given an opportunity to disclose the actual capacity of their motors as compared to what had been declared earlier. It had encouraging results. About 59,000 K.W. of capacity were disclosed in response to this scheme resulting in an additional revenue of Rs. 3 crore.

A number of major programmes and activities have been planned for the next year to meet the growing demand for energy and to ensure an efficient distribution system. A provision of Rs. 45.85 crore has been made for works on VI Unit of 210 M.W. of Panipat Thermal Power Project. Haryana would have a share in the Yamunanagar Thermal Power Project. We have already invested an amount of Rs. 13 crore on acquisition of land for this project. NTPC too has spent over Rs. 4 crore on preliminary civil works. The project is nearly ready for final approval of the Central Cabinet and we have been assured that the proposal would be put up to it very soon. An amount of Rs. 5 crore has been provided to meet our share for this project during 1992-93.

With increasing demand for power, it is also



important that the transmission and distribution system is strengthened and suitably augmented. An amount of Rs. 101.25 crore is being provided in 1992-93 for these activities which would include both works relating to high voltage transmission as well as improvement of the distribution system. In addition to this, for rural electrification, especially for energisation of tubewells, an amount of Rs. 30 crore is being provided for the coming year.

#### Industries

Development of Industry has a special importance in the diversification of the state's economy. The scope for additional employment also lies in the growth of industry in the State. The State Government has framed a New Industrial Policy. In order to attract more investment on the industrial front, rates of capital investment subsidy have been increased and special incentives have been provided for agro-based, food processing and electronic industries. Additional subsidies have been provided to attract industries in backward areas to ensure balanced regional development. The Government has decided to extend the coverage of backward areas from 27 to 68 development blocks. Special provisions have been made in the policy to attract investment from Non-Resident Indians by exclusive reservation of plots, built-up houses, residential plots and other necessary services. It is expected that about 40 large and medium units would be set up during the year 1992-93 creating employment opportunities for about 3,000 persons. The administrative procedures are being simplified and the facilities would be made available through single window agencies so as to overcome the administrative



bottlenecks. For the development of electronics and other industries, 19 industrial estates are proposed to be exempted from power regulatory measures. Plan outlay for the year 1992-93 is higher by about 24% over the revised plan outlay of the current year. This itself shows our keenness to develop more and more industry in the State.

The problem of increasing unemployment is a cause of concern for all of us. The solution of this problem lies in increasing technical capabilities of the youth so as to enable them to engage in self-employment and technical trades. We propose to lay emphasis on technical education to meet the requirement of providing better facilities to people in this area. Haryana State has been sanctioned a World Bank Project in the field of technical education during the Eighth Plan period. The total project cost is Rs. 81 crore. Plan outlay for 1992-93 has been kept at Rs. 36.65 crore as compared to the revised plan outlay of Rs. 13.50 crore for the current financial year. We propose to expand the intake capacity of technical institutions to enlarge the scope of technical education substantially besides reorientation of trades to suit the requirement of modern industry.

**Technical  
Education**

Development of latest scientific techniques is essential for the implementation of all developmental programmes. The application of latest remote sensing techniques would be useful for proper appreciation of the situation and in suitably devising the programme implementation. We propose to further develop the use of this technique. Two more development blocks are being covered under the Integrated Rural Energy Programme and

**Science and  
Technology**



two additional Urja Grams are being set up during the current financial year. Our efforts at popularising the use of energy efficient devices would be continued the next year as well.

Labour and  
Employment

The Government is fully conscious that healthy industrial relations is a pre-requisite to the sound industrial growth in the state. We are also committed to ensure the payment of minimum wage rates to workers in the state. Generation of employment potential would be a priority with the government. The scope of employment in the Government Sector is limited. It is, therefore, essential to explore other avenues. We are working on the scope of employment in industrial sector and generate avenues for self employment by providing facilities of technical training. We also propose to continue with the scheme of giving unemployment allowance to eligible unemployed youth in the state. I also call upon the banks and financial institutions to come forward in a big way to assist self-employment schemes.

Transport

On the basis of operational parameters, Haryana Roadways is a very well run transport service in the country. Introduction of well designed Express Bus Service is a new feature in the operation of Haryana Roadways in the current year. Construction of new bus stands/workshops is in progress at eleven places in the state. Haryana Engineering Corporation has switched over to the fabrication of all-metal bus bodies with a view to improving the fuel consumption and conserve the precious oil. The plan outlay was enhanced by Rs. 4.25 crore during the current year to purchase some more chasis to

add to the fleet. It is proposed to add 636 new buses during the next year besides replacement of all the over-age buses. Plan outlay for 1992-93 has been kept at Rs. 35.50 crore which is higher by about 21% over the current year's revised outlay.

We are determined to provide a better and more efficient road net-work throughout the State for improving the means of transport. Our Government has paid due attention to the repair and maintenance of roads during the current year. Additional budget provision has been made in the Revised Estimates this year besides support from the Haryana State Agricultural Marketing Board for this purpose. I propose to continue this endeavour in future as well. While we have provided an amount of Rs. 20 crore for repair and maintenance of roads for the year 1992-93, additional funds would be provided through the Haryana State Agricultural Marketing Board and Rural Development Fund for repair and maintenance of rural link roads during the year 1992-93. These provisions are higher than the provisions made in the past for this purpose. Besides, the provision for roads and bridges on the plan side has been kept for an amount of Rs. 19.90 crore. It is proposed to take up the improvement and widening of State Highways and major district roads. The work on four-laning of National Highway No. 1 is in progress. Similarly, work has already been started on the four-laning of National Highway No. 2 from Ballabgarh to Haryana-U.P. border. It is likely to be completed by April, 1995.

Roads and  
Bridges

Tourism in Haryana has now reached almost every important nook and corner of the State with its 42 tourist

Tourism



complexes set up along the National and State highways and other important towns. A provision of Rs. 150 lakh is proposed for 1992-93 for further expansion of the infrastructure and completion of complexes at Narnaul, Hisar, Fatehabad and Rai.

Public  
Health

Haryana has provided safe drinking water supply to 6677 villages out of 6745 villages upto 31st January, 1992. It is a dream come true. The remaining 68 villages would also be covered by the close of the current financial year. It is another achievement of the State of Haryana to have covered all the villages with safe drinking water supply facility. We are now committed to augment the level of water supply and increase the per capita water allowance in the state. It is proposed to launch a new programme to increase the water supply in bigger villages upto 110 litres per capita per day which will make it possible to give individual house connections.

Programme for providing pour flush latrines in individual households in the bigger villages has been undertaken this year. We propose to continue with this programme during the next financial year also for which a provision of Rs. 2.70 crore has been made under the plan.

It is also proposed to undertake schemes relating to storm water drainage, solid waste disposal and the sewage treatment during the next financial year. Plan outlay for all these activities has been kept at Rs 39 crore for 1992-93. It is about 17% higher over the current year's revised outlay.

Development of forests is essential for the conservation of environment and development of waste lands. It is proposed to give a special thrust to the programme of afforestation of Aravali Hills. An outlay of Rs. 29.54 crore has been provided for the year 1992-93 to expand the forest cover in the State.

Forest

As per the latest Census Survey, Haryana has achieved 55.33% literacy rate as against the national average rate of 52.11%. It is a matter of pride for us that there has been a remarkable improvement in female literacy in Haryana during this decade. It was 26.89% in 1981 which has now gone up to 40.94% in 1991 as against the national average female literacy rate of 39.42%. We are committed to the development of adequate educational facilities and provide a boost to literacy programmes. Our target is to achieve 100 percent enrollment of boys and girls in the age group of 6-11 years. Education has been made free for girls up to graduation level in degree colleges, I.T.Is and polytechnics. It has also been decided to provide free uniforms and stationery to girls belonging to economically weaker sections of society in classes VI to XII with a view to giving special boost to women's education. We propose to open 100 new primary schools exclusively for girls, upgrade 25 primary schools to middle level schools, 25 middle schools to high school level and 10 high schools to 10+2 level during the year 1992-93.

Education

School buildings have been in a state of neglect. A new scheme has been prepared for undertaking repairs of school buildings and construction of additional class rooms. Funds available under different schemes would be



dovetailed and utilised to achieve this objective. The scheme envisages repairs of school buildings through local level committees for quick and effective implementation. It is also proposed to institute special awards to honour outstanding teachers and scholarships for meritorious students with a view to bringing qualitative improvement in educational standards. Plan outlay for education has been kept at Rs. 50 crore during the year 1992-93 which is higher by about 36% over the current year's revised outlay.

**Health  
Services**

Our aim is to achieve "Health for All" by 2000 A.D. While the normal developmental programmes of adding to the number of primary health centres and subsidiary health centres would continue, it is proposed to lay special emphasis on implementation of the Universal Immunization Programme and to achieve the desired national objective of population control. Polio eradication has been included as a thrust area programme and Haryana is likely to attain a zero polio status by the end of the next financial year. Though we have been taking measures in the direction of population control, it is a matter of concern that the growth rate in Haryana's population during the last decade has been higher than the national growth rate. This has to be arrested and we must make our people more and more conscious about the need for check on the population growth. We are already implementing a World Bank assisted project wherein subsidiary health centres and sub centres are being set up in the rural areas. A state level Health and Family Welfare Training Institute is proposed to be set up at Panchkula for the training of doctors and para-medical staff. It is proposed to spend an amount of

Rs. 12.54 crore under this project alone during 1992-93.

The State Government has introduced a new Old Age Pension Scheme based on economic criteria during the current financial year. It is being disbursed at the rate of Rs. 100 per month per beneficiary. The age limit has been lowered from 65 to 60 years under this scheme. A total of about 7.40 lakh beneficiaries are being provided the old age pension and the Government can claim to have disbursed the pension in time. Now when I am making this humble submission, the old age pension upto the month of February is being disbursed to the beneficiaries. Likewise, we have been providing pensionary benefits to handicapped persons, destitute women and widows. The rates have been revised from Rs. 75 to Rs. 100 per month. We propose to continue with these schemes during the next financial year. We are committed to develop a system for timely disbursement of pensions to the old, physically handicapped and destitute women and widows during the next financial year.

Social  
Welfare

While talking of Social Welfare, our special commitment is to the development of women and children of the State. There has been a noticeable change in the status of women of Haryana in the past 25 years. However, initiatives in different fields of development are necessary to allow the women to attain their full growth potential and make them equal partners in the process of social change and development.

In the Silver Jubilee year and as a part of the International Womens' Day on 8th March, 1992 the Government has announced a package of incentives in the



field of Education, Health, Industries, Credit facilities, Training, Employment, Sports etc. As I have already stated, the scope of educational facilities has been widened by making technical training for women free in the ITIs, VTIs and polytechnics besides setting up educational institutions for the education and training of girls. Besides, there is an additional attendance allowance and free provision of stationery and uniforms for the girls belonging to scheduled castes.

United Nations Population Fund has put together a consortium of multilateral and bilateral donors for providing \$ 9 million (Rs. 26 crores approximately) in a unique project of educational and health care for women and children in the districts of Mohindergarh, Gurgaon, Hisar, Jind, Rohtak and Kurukshetra. The State Government has set up a separate Directorate of Women and Child Development for implementing the programmes relating to women and child welfare.

Following wide expansion in the training facilities, a special scheme for setting up enterprises by women has been devised by the Haryana Financial Corporation, the Haryana State Handloom and Handicrafts Corporation, Haryana Electronics Development Corporation and the Haryana State Khadi and Village Industries Board. Besides providing cheaper credit, the scheme will assist the self-employed women in the promotion and marketing of their products. Four exclusive women's cooperative banks will be established at Gurgaon, Hisar, Rohtak and Karnal to encourage thrift and provide easy credit to women.

In the areas of Education, Health and Social Welfare, more than 50% plan expenditure is geared towards providing services to women. Exclusive women institutes are being run under the Industrial Training Scheme. The entire outlay of the programme of nutrition is for women and children. About 40% beneficiaries in the Old Age Pension, Integrated Rural Development Programme/TRYSSEM are women.

It has also been decided to introduce exclusive bus services for ladies and girl students in Hisar, Kurukshetra and Rohtak besides reservation of seats for women in buses in the State. It is proposed to set up I.C.D.S. Blocks in the entire State during the coming year and Haryana will be the first State to do so. Awards for women in the field of education, crafts, sports, delivery of I.C.D.S. services etc. have been announced for promoting their enthusiastic participation.

Community Development Programmes are being implemented primarily to meet the development needs of masses in rural areas and for the upliftment of the rural poor. Developmental programmes under Jawahar Rozgar Yojna and Integrated Rural Development Programme would be continued with greater thrust. The State Government has launched a Low Cost Rural Sanitation Programme from the 2nd October, 1991, as a crash programme in Haryana for providing proper sanitary facilities for women. As many as 36,000 individual latrines are being constructed during the current year. This programme would be implemented with still greater thrust during the next year. The Development Department as well as the Public Health Department would coordinate in the implementation of this

**Community  
Development**



programme. A programme for installation of improved and smokeless chulhas would be taken up with greater thrust during the next year. We propose to continue with our programme for construction of new, and completion of incomplete, harijan and backward classes chaupals.

**Special  
Component  
Plan**

The State Government is conscious of the welfare of the members of Scheduled Castes and Backward Classes by implementing various beneficiary oriented schemes under the Special Component Plan. The State Government has earmarked about 10.9% of the total revised outlay during the current year and about 12.4% of the total plan outlay during next year under the Special Component Plan.

**Food and  
Supplies**

The Food and Supplies Department continues to play vital role in procurement of foodgrains, operation of Public Distribution System and implementation of Consumer Protection Act. Our aim is to tone-up the Public Distribution System and make it more effective by bringing in additional commodities like tea, pulses, salt etc. for consumers in some areas of the State. Laminated ration cards are being issued for the benefit of the consumers. Efforts are required to be made to create consciousness among the consumers about the protection available to them under the Consumer Protection Act. It is proposed to organize publicity for creating awareness among the consumers about their rights. Consumer Grievances Redressal Forums have been established throughout the State.

**Public  
Enterprises**

As the Hon'ble members are aware, there are 44 Public Sector Enterprises excluding H.S.E.B. which are

engaged in manufacturing, trading, service and financial activities. The total investment as on 31st March, 1991 in these Enterprises has been computed at Rs. 1,190.41 crore. Out of this, the Government have invested Rs. 141.9 crore as share capital and Rs. 230 crores as loans. Besides, grant-in-aid of Rs. 210.85 crore has been received. Since inception, these Enterprises have recorded net accumulated losses of Rs. 49.13 crore upto 1988-89 which has been reduced to Rs. 8.41 crore upto 1990-91. This shows that the working of these Enterprises has improved in the last two years. During 1990-91, 23 Enterprises made a total profit of Rs. 31.3 crore while 13 Public Enterprises suffered losses of Rs. 14.27 crore. The other eight Enterprises are working on no-profit no-loss basis or have recently been set up. Thus, the overall net profit in 1990-91 was Rs. 17.03 crore which constitute only 1.43% return on the total investment. The accumulated losses of 11 Enterprises have exceeded their paid up share capital.

The Government is acutely conscious of the need to improve the performance of these Enterprises. Although some of these Corporations and Boards have made profits in 1990-91, the Government recognise that their performance must be continuously watched and improved. Government have initiated a programme to review the working of all Public Enterprises periodically, analyse cases of poor performance and take necessary measures to improve their performance. We are hopeful that during 1992-93, some of these Enterprises would be able to turn the corner and begin to show profits.

Our employees are participants in the implementation of development and welfare programmes. The State

Facilities to  
Government  
Employees



Government has fulfilled all the promises made by my predecessor last year. In addition, two instalments of additional Dearness Allowance have been sanctioned for the employees costing Rs. 72 crore to the state exchequer. Ad hoc bonus equal to 29 days' salary for the year 1990-91 has also been sanctioned. It has cost us an expenditure of Rs. 23 crore approximately. The Government has taken necessary steps to provide better pay scales and grievances of employees on this account have been taken care of. Most of the anomalies in the pay scales have been removed.

The Government provides loans to employees for housing, conveyance and other purposes at low rates of interest. A large number of pending applications have been cleared during the current financial year. I propose to provide for an amount of Rs. 10.55 crore for this purpose for the year 1992-93 so as to ensure that the waiting period for these loans is reduced to the minimum.

Our Government, in recognition of the requirement for child and women care, has extended the period of maternity leave from 3 months to 6 months. We appreciate that women are required to discharge greater responsibilities at home. Recognising this factor, the Government has also increased the quota of casual leave for women employees. Now every woman employee shall be entitled to 20 days' casual leave during a year irrespective of the length of service rendered by her.

Hon'ble members would agree that the Government is providing the best possible facilities for its employees

within our limited resources. We are spending 35% to 40% of our Budget on the wage-bill. In turn, we expect that our employees would give their best contribution to the development of the State.

After taking into account all the developments after the presentation of the Budget Estimates for the current year, the Revised Estimates indicate that this financial year is likely to close with a deficit of Rs. 135.96 crore as per the books of RBI as against a deficit of Rs. 95.20 crore projected in the Budget Speech last year. This deficit of Rs. 135.96 crore gets reduced to Rs. 87.34 crore after taking into account treasury bills of Rs. 48.62 crore outstanding as on 31st March, 1991 to the State's credit.

**Revised  
Estimates  
1991-92**

Additional net liability of about Rs. 25 crore had to be incurred due to two additional Dearness Allowance instalments during the current year. Bonus has been sanctioned for 1990-91. Though credited to the GPF accounts of employees, it accounts for an expenditure of Rs. 23 crore approximately. The Production Incentive Scheme (Interest Waiver), which was launched by our government to provide relief to farmers and other loanees, created a financial liability of Rs. 50.43 crore on the state exchequer. Additional amount of Rs. 8.00 crore has been provided for better maintenance of roads and buildings. Huge arrears of energy charges are due to the Electricity Board on account of Lift Irrigation System. It is proposed to clear the backlog in a phased manner. Additional provision of Rs. 5 crore has been made in the current year's Revised Estimates for this purpose. The rates of



pensions for widows and handicapped were enhanced from Rs. 75 to Rs. 100 per month. We had to incur an additional expenditure of Rs. 3.30 crore on this account. Additional provision of Rs. 2.50 crore had also to be made for payment of enhanced compensation of the land acquired by the Forest Department. An amount of Rs. 1.67 crore has been provided to liquidate the liabilities of Haryana Tanneries Ltd., Jind.

Despite these pressures on our finances, the government has succeeded in striking a balance by improving revenue collections and controlling non-productive expenditure. We took concerted steps to augment tax receipts by toning up our tax administration. Our tax collections are likely to be higher by an amount of Rs. 46 crore over the Budget Estimates for the current year. Besides, we have also exercised various austerity measures to contain the non-developmental expenditure to the bare minimum. While pruning the expenditure proposals, we have taken care that the core sectors do not suffer from want of funds. Our determined efforts in this direction have resulted in reducing the Revenue Deficit to Rs. 30.25 crore as against Rs. 48.13 crore in Budget Estimates and Rs. 78.13 crore as reflected in the Budget Speech last year.

**Budget  
Estimates  
1992-93**

Hon'ble Speaker Sir, I now proceed to present before this august House the Budget Estimates for the year 1992-93. The following table gives an account of the financial position of the State emerging as a result of the Revised Estimates 1991-92 and Budget Estimates 1992-93 :--

| Componentents   | Revised<br>Estimates<br>1990-91 | Accounts<br>1990-91 | Budget<br>Estimates<br>1991-92 | Revised<br>Estimates<br>1991-92 | Budget<br>Estimates<br>1992-93 |
|---|---------------------------------|---------------------|--------------------------------|---------------------------------|--------------------------------|
| 1   | 2                               | 3                   | 4                              | 5                               | 6                              |
| <u>Rs. in crore</u>   |                                 |                     |                                |                                 |                                |
| I. Opening Balance--  |                                 |                     |                                |                                 |                                |
| (a) According to A.G.   | (-)87.99                        | (-)87.99            | (-)85.99                       | (-)62.13                        | (-)127.88                      |
| (b) According to R.B.I.                                       | (-)65.44*                       | (-)65.44*           | (-)63.44*                      | (-)70.21**                      | (-)135.96**                    |
| (c) Investment in Securities                                  | 7.98                            | 7.98                | 7.98                           | 7.98                            | 7.98                           |
| II. Revenue Account--   |                                 |                     |                                |                                 |                                |
| Receipts  | 1946.10                         | 1913.42             | 2257.19                        | 2281.55                         | 2506.57                        |
| Expenditure   | 2043.28                         | 1933.08             | 2305.32                        | 2311.80                         | 2557.87                        |
| Surplus/Deficit   | (-)97.18                        | (-)19.66            | (-)48.13                       | (-)30.25                        | (-)51.30                       |
| III. Capital Expenditure                                      | 142.62                          | 186.16              | 179.34                         | 166.81                          | 213.89                         |
| IV. Public Debt--   |                                 |                     |                                |                                 |                                |
| Debt incurred   | 580.93                          | 591.97              | 731.48                         | 488.83                          | 693.88                         |
| Repayment   | 302.01                          | 296.33              | 414.14                         | 230.27                          | 363.15                         |
| Net   | +278.92                         | +295.64             | +317.34                        | +258.56                         | +330.72                        |
| V. Loans & Advances--   |                                 |                     |                                |                                 |                                |
| Advances  | 210.97                          | 203.38              | 247.03                         | 240.58                          | 257.81                         |
| Recoveries  | 30.34                           | 23.53               | 30.70                          | 27.99                           | 33.47                          |
| Net   | (-)180.63                       | (-)179.85           | (-)216.33                      | (-)212.59                       | (-)224.34                      |
| VI. Contingency Fund  | -                               | -                   | -                              | -                               | -                              |
| VII. Public Account-  |                                 |                     |                                |                                 |                                |
| Deposits  | 1204.90                         | 2986.42             | 1216.83                        | 1339.47                         | 1382.12                        |
| Disbursements   | 1061.39                         | 2870.53             | 1092.13                        | 1254.13                         | 1255.78                        |
| Net   | + 143.51                        | + 115.89            | + 124.70                       | + 85.34                         | + 126.34                       |
| VIII. Position on year's Account-                             |                                 |                     |                                |                                 |                                |
| Gross Receipts  | 3762.27                         | 5515.34             | 4236.21                        | 4137.84                         | 4616.04                        |
| Gross Expenditure   | 3760.27                         | 5489.48             | 4237.97                        | 4203.59                         | 4648.51                        |
| Surplus/Deficit   | + 2.00                          | + 25.86             | (-)1.76                        | (-)65.75                        | (-)32.47                       |
| IX. Closing Balance :--                                       |                                 |                     |                                |                                 |                                |
| (a) According to A.G.   | (-)85.99                        | (-)62.13            | (-)87.75                       | (-)127.88                       | (-)160.35                      |
| (b) According to R.B.I.                                       | (-)63.44                        | (-)70.21            | (-)65.20                       | (-)135.96***                    | (-)168.43****                  |
| (c) Investment in Securities                                  | 7.98                            | 7.98                | 7.98                           | 7.98                            | 7.98                           |
| X. Net Closing Balance after adjustment of Treasury Bills :-- |                                 |                     |                                |                                 |                                |
| (a) According to A.G.   | -                               | -                   | -                              | (-)79.26                        | (-)111.73                      |
| (b) According to R.B.I.                                       | -                               | -                   | -                              | (-)87.34                        | (-)119.81                      |
| (c) Investment in Securities                                  | -                               | -                   | -                              | 7.98                            | 7.98                           |

**Notes :--**

\*Does not take into account the Treasury Bills amounting to Rs. 76.75 crore outstanding as on 31st March, 1990, as reported by R.B.I.

\*\*Does not take into account the Treasury Bill of Rs. 48.62 crore outstanding as on 31st March, 1991, as reported by the R.B.I.

\*\*\*The closing Deficit would be Rs. 87.34 crore after adjusting Treasury Bill of Rs. 48.62 crore available as resources for the year 1991-92.

\*\*\*\*The closing deficit for the year 1992-93 would be at Rs. 119.81 crore after making adjustment of Treasury Bill of Rs. 48.62 crore outstanding as on 31st March, 1991.



The year 1992-93 is likely to close with a deficit of Rs. 168.43 crore as per the books of Reserve Bank of India whereas the opening deficit for the year has been estimated at Rs. 135.96 crore. The estimated closing deficit for the year 1992-93 would be Rs. 119.81 crore after making adjustment of treasury bills of Rs. 48.62 crore outstanding as on 31st March, 1991 as reported by the RBI. Thus, the year 1992-93 is likely to have a deficit of Rs. 32.47 crore on year's account as against a deficit of Rs. 65.75 crore on year's account as per the Revised Estimates for the current year. Budget Estimates 1992-93 provide for a State Plan Outlay of Rs. 830.00 crore in addition to Rs. 156 crore for centrally sponsored schemes. The Revenue Deficit for 1992-93 is at Rs. 51.30 crore which is expected to be reduced partly by inherent resilience in the economy. Revenue receipts show an improvement of Rs. 225.02 crore in the Budget Estimates 1992-93 over Revised Estimates of current year. The devolution of central taxes has been taken as approved by the Planning Commission. Tax revenue is projected to grow at 14.2% in 1992-93 over the Revised Estimates for the current year. However, different growth rates have been applied for different taxes. Non-tax revenue shows a decline of Rs. 19.86 crore in Budget Estimates 1992-93 as compared to the current year's Revised Estimates. The net Public Debt will amount to Rs. 330.72 crore. The revenue receipts, both tax and non-tax, have been assessed on trend basis. Recommendations of the Ninth Finance Commission have been kept in view but departures have been made where it was necessary to do so. While projecting estimates of non-plan expenditure, the recommendations of the Ninth Finance Commission and guidelines of the Planning Commission have been largely followed. The Revenue Account indicates just



the normal increase. Non-plan expenditure has been contained to the bare minimum. The interest payment liability has increased by 21% in the Budget Estimates 1992-93 over current year's Revised Estimates. It is on account of larger loan receipts obtained for plan financing. Other non-plan revenue expenditure records a growth of about 7% for the next year. However, the Budget Estimates 1992-93 provide for Rs. 54.50 crore as normal maintenance liability of plan schemes completed by the end of the Seventh Plan period. Subsidy amounting to Rs. 16.60 crore has been provided for HSMITC for repayment to NABARD on account of waiving off the beneficiary share on lining of water-courses. The cash liabilities of HSEB have mounted due to non-payment of energy charges by the Irrigation Department. Budget Estimates 1992-93 provide for Rs. 20 crore for payment of arrears of energy charges by Irrigation Department and Rs. 10 crore by the Public Health Department. The drinking water supply network has spread throughout Haryana. Hence, additional amount of Rs. 8.00 crore has been provided for maintenance of rural water supply system. The DA instalments due from January, 1992 and July, 1992 would be payable next year. A lumpsum provision of Rs. 70 crore has been made in Budget Estimates 1992-93 on this account.

As I have already stated, we anticipate a closing deficit of an amount of Rs. 119.81 crore for the year 1992-93. The Hon'ble members would appreciate that it is not advisable for a state like Haryana to carry a deficit of this size. I would take this opportunity to invite the attention of Hon'ble members to the fact that a major part of our plan financing is through loans. The total debt burden of the State outstanding as on 31st March, 1991 is



Rs. 3068.44 crore as per accounts rendered by the A.G. Haryana. It is higher by 18% over that outstanding as on 31st March, 1990. The Revised Estimates for the current year indicate that the debt liability is likely to reach a level of about Rs. 3,465 crore by the end of the current year and it would further reach a level of about Rs. 3,932 crore by the end of the next financial year. These figures indicate that the debt liability would be increasing by 13% and 13.5% during 1991-92 and 1992-93 respectively. The debt burden of the State comprises of loans from Central Government, other financial institutions, loans on account of externally aided projects and market borrowings etc. We also use the loans against small savings and accretions to GPF for financing our plan expenditure. These funds are obtained for capital investment/asset creation and carry a huge cost in terms of interest payments. The estimates of interest payments have been worked out at Rs. 310.94 crore in the current year and Rs. 377.26 crore in the next year. It is, thus, obvious that these funds need to be judiciously utilised to create capital assets to yield optimal returns. It is a disturbing trend that these funds, which are meant for creation of assets, are being utilised for meeting consumption needs of the state. We have to appreciate that this position has to be controlled lest we fall in a debt-trap after a few years. Our non-plan expenditure is on the increase in spite of our best efforts to contain the same. Expenditure under the Revised Estimates of the Central Government is less than the Budget Estimates for the current financial year whereas the position in our case is otherwise. We have to draw lessons from the examples set in the latest Union Budget and take adequate measures to control the gap between resources and expenditure.



One effective and desirable way of reducing this gap is by controlling the non-productive expenditure and it is in this area that I need the active cooperation of all the government departments in containing the non-plan expenditure at the budgeted level during 1992-93, if not reducing the same. This alone would not be sufficient and it will not be possible to reduce this deficit only through control on non-productive expenditure. I have already drawn the attention of this House to the inflationary pressures on our economy. It has become very difficult for the government to continue to provide services at the existing rates. The costs of consumables in the transport sector have increased substantially. Further, we are keen to provide improved transport services to the people of the State. Hence, I propose to raise additional resources worth Rs. 45 crore during next year by increasing the passenger fares.

Some measures were taken last year towards rationalisation of taxes and our total receipts have shown an increase inspite of reduction in rates of taxes on certain items. We feel that there is further scope for rationalisation of the tax structure. The need of the hour is that the items consumed in bulk by the poorer sections of society should bear low rates of taxes. Similarly, the rates of taxes should be so structured that the traders are not driven to adopt methods of tax evasion. We consider it our duty to devise a tax structure in which the poor do not feel the pinch and the trader is encouraged to go in for better tax compliance. It is my belief that the basis of good tax collection is not the high rates of taxes but an honest taxpayer.



Accordingly, we have decided to reduce the rates of taxes on certain items. The existing rate of sales tax on tyres and tubes in the State is 8%. It has been decided to exempt the tyres and tubes for animal driven carts such as "Jhota Buggi", camel carts, bullock carts, and mule carts from sales tax altogether. It has also been decided to reduce it to 4.5% on tyres and tubes for tractors. The existing rate of sales tax of 10% on three-wheelers would be reduced to 4%. It has also been decided to reduce sales tax on tea from 8% to 4% and on match-boxes from 8% to 4%. Hawaii chappals made of rubber and valued up to Rs. 25 were exempted from sales tax last year. Now, we have decided to exempt all kinds of chappals and shoes valued up to Rs. 25 from sales tax with a view to providing relief to the poor. We have also decided to reduce the rate of sales tax on Dyes and Chemicals from 8% to 4% when sold to a registered dealer for use in processing of textiles. It has been decided to reduce the rate of Central Sales Tax on vegetable ghee from 4% to 2%. The rate of Central Sales Tax on all kinds of Dals, except Gram Dal, will be reduced from 4% to 2% against 'C' Form.

Hon'ble members would agree that these measures would provide relief to the common man as well as the traders. I am confident that the traders would reciprocate and there would be improvement in tax revenue receipts. Notwithstanding these concessions, I hope to raise an additional resource of about Rs. 15 crore through these measures.

With the above, additional resources of Rs. 60 crore will be available to the State and resultantly, our closing deficit for the year 1992-93 is expected to be of an order of Rs. 59.81 crore. I propose to leave this gap uncovered.

I hope to reduce some part of this deficit through increased share in central taxes. Besides, the Government is considering various other economy measures. It would be our aim to keep the non-plan expenditure at the budgeted level. These measures would be helpful in further reducing this deficit.

I assure the Hon'ble members that the closing deficit of the next year may ultimately be not more than the projected deficit. I am also confident of carrying out in full the development programmes envisaged in the Plan of the next year. For this, I seek the cooperation of all legislators, government employees, our scientists and technicians and, above all, the people of Haryana.

Mr. Speaker, Sir, I must now express my appreciation and thanks to the team of officials who have laboured hard to meticulously prepare these Budget Estimates. The Accountant General, Haryana has been particularly helpful. The officers and staff of the Finance Department have worked hard in preparing, compiling and producing the Budget Estimates well in time. A special word of appreciation is due to the National Informatics Centre, Haryana also. With their help, we have been able to successfully computerize the Non-Plan Budget and the Receipt Budget of the State which is before all of you. The contribution of the Union Territory Press and the Haryana Press has also been very vital in executing this task. I express my sincere thanks to all of them.

Sir, I now, place these Budget Estimates for the consideration and approval of this House.