

Honible Speaker Sir, Honible Deputy Speaker and Honible Legislative Members of this august House. I rise to present the Budget Proposals for the year 2011-12.

At the outset, I request all Honible Members of this Assembly to join me in prayers to express our heartfelt condolence to the bereaved families of a large number of victims affected by the most catastrophic natural disaster in Japan recently.

May the Almighty bless them with fortitude and resilience to spring back to normal life.

Honible Speaker Sir

The economy of Sikkim has grown significantly alongside the economic growth in the country. The country continues to be in the forefront of growth at over 8.5 percent in GDP terms in the world second only to China. This augurs well for our State. However, prices of fuel and other commodities forces us to look inward and see if we can make our State more secure in our food production. We do hope that the international situation will not add more externalities to our fragile economic dependence on import of crude oil. In future we in Sikkim have the opportunity to use most of our power generation

toward replacing fossil fuels. This can be a hedge against constant crude oil price rise.

The New Year has already brought good tidings for the State in the form of many national awards. Sikkim bagged National Awards in all the three categories identified by the Central Government under the MG-NREGA program, the only State to do so. We were honoured to receive the award from the Hon'ble Prime Minister and the UPA Chairperson, Madam Sonia Gandhi ji on February 2, 2011 in New Delhi.

I am proud to share in this august House that the Planning Commission has congratulated the State Government for initiating many innovative programs. We lead other States in a number of social sectors. We were able to communicate our success stories and also our concerns as a landlocked State. The Planning Commission has recognised and is forthcoming to integrate our development models, our suggestions and experience into the 12th Plan Document preparation. This is for a more holistic development of the region and the country as a whole. I take this occasion to thank and congratulate the people of Sikkim for being the catalyst, the pathfinders and the leaders in many fields at the national level.

This budget year represents the closing phase of the 11th Five Year Plan and therefore we need to make an in-depth review and assessment of our performances vis-à-vis the targets and objectives set. Dispassionate overview of the fiscal scenario and the resulted socio-economic progress during this closing plan period is essential to define our own development benchmark.

Growing economy

The economic indicators obtained in the State have been satisfactory. In terms of the GSDP index at current prices, the average annual growth rate recorded was 14.66 percent and corresponding to which the annual average growth rate recorded with regard to per capita GSDP at current prices was 13.22 percent. This trend in the growth rate reflects the scenario over the period covering 2004-2005 to 2009-10.

These basic statistical indicators reflect the satisfactory economic performance of the State. Sustaining and improving upon with measures being introduced envisaged under the FRBM, Act, 2010 is a central plank.

Measures being put in place are for maintaining a comfortable balance in the revenue account, phasing out

the fiscal deficit over a pre-determined time-frame and addressing critical areas pertaining to management of debt consistent with sustainability and fiscal stability. Creating a new framework of budgeting has been endorsed by the Government with the passage of the Sikkim Fiscal Responsibility and Budget Management Act, 2010. The Act will bring about greater transparency in the management of the financial affairs of the State.

Against the back-drop, I would like to apprise this House on the initiatives being taken by the Government towards making this legislation operational within the scheduled time-frame. In pursuance of the provisions made under clause P1) of section 8 of the FRBM Act, 2010, steps have been taken to process the draft Sikkim Fiscal Responsibility and Budget Management Rules, 2010 (PAct No. 25 of 2010) for obtaining approval of the Government where upon the same will be notified and tabled in the Assembly as provided for under section 9 of the FRBM Act, 2010.

Self-sufficiency in Agriculture

About 64% of the State's population comprises predominantly of small and marginal farmers. Our strategy has been to encourage organic farming with application of modern technologies. We have created a

niche position for Sikkim as an Organic State as we have the first mover advantage. Countries like Germany has placed order for supply of organic ginger from Sikkim. Once the process of organic certification is completed, our dream initiative will provide hefty economic return from all our organic farm products.

Intensive capacity building programmes to improve the productivity levels in the limited land resources of the farmers is being undertaken. This will raise the economic gains for them. With the involvement of refined technologies in farming practices, use of chemical inputs in our farmland is being gradually phased out. This initiative launched by my Government to establish Sikkim as the total Organic State was the hallmark of my vision and the party's program aimed at socio-economic upliftment of the farming community. My Government will pursue policies to ensure that the means of survival and sustainable betterment of this sensitive section of our population. We made a historic beginning in this area, our youth are also energised and we will strive to consolidate our efforts.

The Agriculture and allied sectors will focus on supplementing family incomes of the small and marginal farmers by leveraging village home stay tourism for

generating gainful employment in the rural sector at the rate of 2 per constituency in poultry, dairy, piggery, goatery, vegetable, floriculture, fruits and fishery farming under the project for sustainable livelihood.

The sphere of horticulture and floriculture has been established as the potential area for diversifying the livelihood options of our farming community. Preliminary steps have been taken to set up an Integrated Packaging House at Rangpo in order to streamline the supply of fresh flowers including other horticulture produces which will be made operational shortly. This initiative will be complemented with a similar facility being established at Melli with provision of an auction yard. My Government is setting up eKisaan Bazarsí in every constituency and in every Zilla Centre. This is to ensure that the farmers have a ready place to offload their produce and fetch good price.

The issue of marketing with assured support price for the producers of horticultural crops has been taken up in the interest of the farmers. The Sikkim Agriculture Produce Marketing Act of 2005 followed by the formulation of the Rules for implementation of the Act has been taken up. The Act provides for establishment of a marketing Board to interact with various market

committees at the village and ward levels. It has provision for extending incentives in the form of transport subsidy including guarantee for minimum price support for commercial produce such as flowers, vegetables and ginger.

Under Animal Husbandry, the State Government will continue to focus on attaining self sufficiency. Under this sector, imported high breed goats will be distributed widely to our farming community. Locally bred heifer will also be distributed to the farmers for increasing the milk sufficiency further for sale outside the State. More than 1.7 lakhs cattle are imported to reach our slaughter house annually. Here our bulls will be reared for catering to the beef supply to avoid bringing animals from outside the State. Under fisheries, our focus will be for increasing trout farming, as trout is very popular delicacy. As a prelude, we have raised annual allocation in the fishery sector by 100 percent this year.

The objective of my Government under the State Mission Statement has been clearly underscored in the budget. There is a vision to provide comprehensive socio-economic safety net. This will secure the well-being, economic power and the confidence to every single citizen the right to live with dignity within the ambit of the law.

We have realized the untapped potential burgeoning in the educated youths whose aspirations to be productively engaged in the socio-economic development of the State will be addressed.

Human capital development and youth centric development

Human resources development is a priority and hence our programmes dedicated towards intensive capacity building of our youth. I would like to share with the Hon'ble members of this House the feed-back on the results of this initiative.

I am overwhelmed by the successful outcome of our efforts. I have reports that in respect of the skill development programmes in the hospitality sector alone, the placement figures, which reflects the employment generated from this investment is well over 70%. These are positive indicators of success of our policy initiatives. The Chief Minister's Self-employment Scheme will be made more vibrant for the genuine and sincere youth who take up such schemes when restriction of ₹ 3 lakhs loan limit will not be imposed so that such a youth finds the profession more paying and rewarding as per his or her sincerity and dedication. The State Government will be

fully behind such youths. We will secure and ensure for our youths created in the private sector within the State are offered to our youths. The skill development of our youths is very important which our youths should come forward whole heartedly.

Our vision is to transform Sikkim into a fully literate State comprising highly qualified and technically skilled manpower from amongst our youth. They will gainfully harness the abundant opportunities available which will stimulate economic growth of the State. This growth process will have a multiplier effect in eradicating poverty and unemployment.

Literacy Mission

The State Literacy Mission's target is to achieve 100% enrolment at the elementary level by the year 2012, and increase the literacy rate from 85% to 95% by the end of the 11th Five Year Plan. Through various physical infrastructure development works and capacity building programmes for improvement of skills of teaching faculty, we are poised to transform Sikkim into a fully literate State. Our commitment for grooming our youth to be gainfully employed and to partner in all spheres of governance and business remains undiminished. Toward this end, suitable provision is reflected in all sectors.

The Right to Education Act, (RTE-2010), has supplemented our policy under the New Education Policy mission statement of 1986 as well as the new approaches enshrined in the policy aimed towards providing Education For All (PEFA-2003). These policies make it mandatory to provide access to quality education for every child. The RTE (2010) envisages massive overhauling of the educational management system.

In fact, for 100 percent coverage, we have redeployed our existing pre-primary teachers to the Gram Panchayat Wards as Panchayat Education Assistants to give education to our elderly and senior citizens who are illiterate. Many of our elders are being educated in the Mukhya Mantri Saksharta Kendras established across the State under this program.

We have begun in earnest the Chief Minister's Meritorious Scholarship Programme. Sponsoring education to the best students of rural government schools at the Class V State level and taking them to the best public schools within and outside the State. Presently, there are a total of 150 such selected children being educated in best public schools within and outside the State. The number of children sponsored annually will be increased on a yearly basis to 1,000 in the future. This experimental

initiative has seen remarkable success. It will be continued in future to accomplish the mission's core objective to produce a distinguished set of luminaries from Sikkim in various fields of knowledge from amongst the rural poor of the State.

Development of infrastructure to cater to the growing demand at the under graduate and post-graduate level of education has been found wanting. The six Colleges are severely over-burdened with an ever increasing number of students far surpassing the capacity of these institutions. Serious steps to overcome this deficiency will be done. We will be open to welcome co-partners from the private sector to jointly venture in bridging this critical gap. This is in keeping with our vision of making Sikkim into an education and knowledge hub.

Healthy Sikkim

Innovative steps to establish basic diagnostic facilities to facilitate for timely detection of ailments helping administer appropriate preventive and curative measures. We have launched the Chief Minister's Comprehensive Annual and Total Check up for Healthy Sikkim (PCATCH) campaign. The State Government has also started construction of a new 575 bedded multi-specialty hospital in the State.

Under the Health Mission, Health Insurance Scheme has been introduced to help ease the financial burden on account of medical care and treatment particularly involving those falling within the BPL bracket. I would like to reiterate the Government's agenda in making Sikkim a healthy State devoid of malnutrition, TB, HIV/AIDS, Goitre and iodine deficiency and other related ailments. In order to address these critical areas, the budget being presented today has provided adequate provisions for this purpose.

Green Sikkim

Towards reinforcing concern for conservation of the ecology and environment, the Sikkim Green Mission had been charted to further the initiatives taken by the Government with the declaration of the Green Revolution Year PëHari Kranti Varshaí) in 1995-96. Intensive research studies on glacier and climate change have been initiated with the constitution of a Commission specifically dedicated for this purpose. Complementary measures, under the Bio-technology Mission are also being taken up with the establishment of a Bio-technology Research and Application Centre.

The other thrust areas highlighted under the State Mission Statement include consolidation of the eco-

tourism development, harnessing of hydel-power resources in a judicious manner, beautification and improvement of all urban townships, up-gradation of village settlements in keeping with the eco-city format, developing infrastructure facilities for a sports Academy as well as a Music and Arts Institute to promote local talent and skills among our youths. Sikkim School of Music, Drama and Dance has been established. The Principal who is a dedicated social worker has taken responsibility so that the first trained young children are able to present their musical program on the next Independence Day.

A large number of youths have earned distinction at the national and international arenas in diverse spheres including sports, arts, music and dance. This is indicative of the huge potential that can be harnessed. Creating required infrastructural facilities for the promotion of talent in all these professional fields is being done.

Infrastructure development

The long pending demand of the State for an airport is under construction by the Airports Authority of India. The completion for the Airport has been fixed for 2012. Concurrent with this the project for construction of a rail link connecting Sevoke to Rangpo for which the foundation stone had been laid. While the double laning work along

the National Highway is in an advanced stage of completion, the proposal for construction of an alternative highway to Siliguri en-route Chalsa is also being pursued.

Here I want to place on record my deep appreciation to the employees and officers of the Sikkim Nationalised Transport (PSNT) who did an exemplary job of transporting people and food during the days when the National Highway 31A was constricted due to bandhs in the recent past. When private carriers went off the road, the SNT plied despite threat to their lives. I am sure my colleagues in this house will join me in congratulating them. Public good and service is what our Government is about and there is no greater public good than this.

Hydro-power generation

Speaker Sir, today we are proudly exporting power. We are one of the few States to be power surplus. This is one of the ways in which we are helping achieve the national goal of adding generating capacity of more than 60,000 MW during the 11th plan.

Much is said about the power situation in the State. Today Gangtok and other parts of Sikkim enjoy 24x7 power availability. This cannot even be said of New Delhi. We are proud to have achieved this status for our citizens. The quality of power has also improved.

Development in other sectors can take place due to this positive situation of ours which is also known as a multiplier. This has been realised due to the strategy to harness our rich natural resource endowment with utmost care for the safety of the fragile ecology and environment.

A major activity is to harness our hydro electric potential. The commissioning of the 510 MW Teesta Hydroelectric PStage V) Project, the Rangeet hydel Project of 60 MW capacity and several other mini and micro hydel projects, have contributed to a combined power generation capacity of 610.70 MWs. This is a positive indicator of success in this sphere of development. We have been gaining much revenue already from these projects. Our goal of generating internal revenue of about ₹ 1,500 Crores by 2015 will be realised making us fiscally very strong.

Eco-tourism development

Tourism development approach has a thrust toward eco-ethnic hospitality. The priority accorded is tangible in results due to up-gradation of communication infrastructure and development of tourist amenities. The creation of tourist infrastructure by hotel operators and travel agencies is triggered by the phenomenal growth in tourist traffic. During the last fiscal year, over 7.5 lakh

visitors comprising domestic as well as international tourist visited our State. In the coming years, the number will increase recording double digits growth in tourist inflow.

Our performance in the Tourism sector has received accolades and awards nationally as well as internationally. These indicators of progress will need to be matched by suitable measures for the Tourism Department to partner with private investors. Developing world class infrastructure for the tourists in order to sustain and take forward the economic prosperity is a major initiative.

Industrial Activities

The industrial sector's policy put in place to provide for an investment friendly environment has been successful. Prospective business houses have come forward to partner in this sector. The commissioning of numerous industrial units over the years particularly in the food processing and pharmaceutical sectors is testimony to this.

Our communication infrastructure in terms of roads and bridges is being upgraded, maintained and expanded. This is the closing year of the 11th Five Year Plan, our

resources will be, by and large, devoted to consolidating and completion of on-going projects. Removal of deficiencies in the communication infrastructure especially in respect of strengthening of bridges, improvement of drainage and provision of protective works are set as priorities.

Urban management

Urban Development saw a landmark achievement in the constitution of seven democratically elected urban local bodies. This was mandated under the 74th Constitutional Amendment and effective from May, 2010. This step has ushered in a phase of complete transition in the system of governance in the State through empowerment of the people to exercise their constitutional rights. They can participate in the conduct of the municipal affairs of the State.

Works involving up-gradation and improvement of the urban amenities covering Gangtok and other major townships are being taken up in a phased manner. A prestigious project is the construction of a gateway entry into Sikkim at Rangpo. This is modelled in typical traditional Sikkimese architectural form. This border town-ship will be spruced up with beautification and up-gradation works.

In all these schemes, the theme of the State Green Mission will be conspicuous. Creation of parks and gardens to display the floral wealth and different species as well as avenue plantation works along the driveway will be undertaken.

Rural management & village centric development

Streamlining delivery of services to the rural populace is an ongoing priority. The well-being of the rural populace will be achieved via decentralized, transparent, participatory and beneficiary oriented approach. The aim is to achieve rural prosperity which is sustainable and inclusive.

The activities under the MGNREGA which is being implemented in all the 163 Gram Panchayats Units including the 891 wards, throughout the State have contributed extensively to building up basic village infrastructure. This scheme is primarily designed to provide assured employment to the available work force in the villages has been a boon to enhancing the income and improving the livelihood of the rural populace. Since inception of this programme, as many as 19,787 were employed in various community activities and the employment figure thereon increased to 52,006 in the year 2008-09.

The performance under the Prime Ministerís Gram Sadak Yojana PPMGSY) designed to provide fair-weather road connectivity to link all rural habitations has been satisfactory.

The activities taken up under the National Rural Health Mission Programme tailored to provide vertically integrated medical and health care delivery system at the District level within the framework of a District Action Plan is being successfully implemented. Introduction of Mobile Medical Units cover people living in remote and inaccessible areas under the CATCH program.

Democratic decentralization is an underpinning factor in my Governmentís agenda. Administrative mechanism to help this paradigm shift has been put in place. The spirit of peoplesí empowerment has come to fruition with the elected representatives of the people assuming responsibility and participating in governance from the grass-root level. The bottom-up planning process by involving the Panchayati Raj Institutions from the Gram Panchayat Unit level has been put in place.

Devolution of administrative and financial powers to the people has been undertaken by my Government over

the last several years. The right to self-governance has armed the grass-root local administrative bodies with the mandate and means to partake in development of their respective areas. We are amongst the foremost States to do this in a systematic and transparent manner.

We engaged the technical assistance of the Swiss Agency for Development and Cooperation to prepare a model action plan for formulating an ideal village development format. The guidance of Professor Bernard Dafflon, an eminent and renowned scholar in the field of fiscal federalism, decentralization and public finance was sought. A pilot program at Aritar village was chosen for comprehensive and intensive socio-economic household census. The Panchayat members and district officials conducted this exercise. This resulted in evolving a systematically conceived planning model for Gram Panchayat administration. This will be used as a blue print for development of all villages in the State.

The total sanitation campaign under CSS for Rural Sanitation has been successful. This programme was revamped as the Sikkim Nirmal Rajya schemes which the targets set were fully achieved. In recognition of which our State has been awarded commendation from the

Government of India as the only Nirmal Rajya in the country.

In rural areas, we will be constructing community centres and playgrounds.

Honible Speaker Sir

Socially deprived sections of our society and those with special needs and women folk receive our constant attention. Ensuring social justice has been our hallmark ever since we came into office in 1994. During every budget formulation, we have taken special care to attend to their needs. These measures are a reflection of my Government's utmost concern to present a budget which is gender and special needs sensitive and which reflects addressing the needs of the poor.

We embark on our journey for the next fiscal year with consolidation of our achievements and to complete all the ongoing projects and schemes. Quality improvement in implementation is highest on our mind. As people's representatives running the people's government, we are always on a journey of transformation.

As I prepare to present the people's budget for the next financial year, I am very pleased to announce in this

august House some of the new schemes and projects that we would undertake in 2011-2012, for the collective welfare of the people of our State.

1. Her Excellency, the President of India while addressing the Joint Houses of Parliament on 4th June 2009 has announced the next decade to be dedicated to Innovation. It is important that Sikkim which has all along been highly innovative will follow this guideline. Therefore, in order to focus on Innovation as a means to catapult Sikkim into achieving all our Missions set forth, I announce the year 2011-12 as the **Year of Innovation**. I set aside ₹ 1 crore towards funding innovative projects, exhibitions and documentation. Through this we will position Sikkim as the number one State in India.
2. Ever since we prepared the first Human Development Report in 2001, there has been significant improvement in our socio-economic contour and crucial shift evident through new intervention in the State. And since 2011-12 is the last year of the 11th Plan period, I am pleased to announce that a new Human Development Report

will be prepared during the next fiscal. I set aside a sum of ₹ 50 lakhs for this report which will be highly actionable and will also inform us how the 12th plan period will be designed for us to undertake and achieve all the Missions that we have embarked on. The report will be completed in one year.

3. Our society is built upon human values of compassion, mutual respect, respect for the elders and communal harmony. The living experience and the socio-cultural characteristic in the society are being enriched by the wisdom of our forefathers and elders. We will safeguard this culture of ours to learn from our elders. In order, that the wisdom and potential of our elders are not wasted and correctly tapped for greater wellbeing, I announce establishment of Mukhya Mantri Jyestha Nagrik Sewa Samman Kendra to be established in the State. The centre will be the meeting point of our elders to share their knowledge through formal documentation thereby preserving the intellectual wealth of our people for posterity. For this, I am pleased to set aside a sum of ₹ 1 crore in this budget.

4. Housing for all will always remain in our program enshrined since 1994. Efforts have been made to provide housing to all both under central and state programs. However many households are still living in Kutcha Houses in different parts of the State. I announce a sum of ₹ 264.62 Crores under the Mukhya Mantir Awas Yojna Kutcha House Free Sikkim campaign which is being launched in the State. Each house will cost approximately ₹ 4.40 Lakhs and in the first phase we plan to build 6,000 units all over the State for those genuine households. This fiscal year, a sum of ₹ 100 crores shall be spent on this program.

5. Sikkim is a land of Dharma and the people are god fearing. We have created a large number of pilgrimage centres across the State based on people's faith and religious beliefs. In addition to all the projects, I also allocate a sum of ₹ 1 crore for construction of Statue of sleeping Buddha at Singhik and add one more unique attraction in the State. For creating another attraction from the pilgrimage point of view, I also allocate a sum of ₹ 3 Crores for Construction of Kali Mandir at Gadi in Pendam.

6. Urban expansion and infrastructure building for providing public utility in urban areas in mountain areas is a major problem. Modern methods needs to be adopted under which a number of pedestrian flyovers in and around Gangtok are being installed. To provide similar facility, I am pleased to announce a sum of ₹ 1 crore for construction of Pedestrian Flyovers in the capital.

7. I also allocate a sum of ₹ 2 Crores for development of Fashion Street along the identified street stretch from Deorali to Gangtok. This would ensure relocation of all outlets selling branded products in a single street adding value to urban management and building a tourism friendly cluster.

8. A number of reputed companies have set up agro-based industries, small scale clean industrial units including the many pharmaceutical industries in the State. While we extend warm welcome to all of them for peaceful operation of their businesses in Sikkim, we also recognize that their presence should benefit our people by contributing towards stateís exchequer. However, we understand that in the absence of any Warehouses in Sikkim all the

pharmaceutical products produced in factories within Sikkim are stored in Warehouses located outside the State. This way we are incurring revenue losses on account of the compulsory 4 % VAT payable. Therefore, to ensure that the benefits accrue to our local economy, we will ensure that these companies construct Warehouses in Sikkim for all products produced in our factories for onward distribution to dealers across the Country.

9. The steady increase in the number of vehicles on our roads is a good indication that reflects improvement in the living standard of our people along with tourism. However congestion and traffic snarls are the order of the day. We are looking at ways and means for decongestion in the short run and over haul of the public transportation system in the long run. We have very limited identified parking space in the city and towns. We tried to make private parking space compulsory for registration of all vehicles owned by our people. However, many did not find this in good taste. Therefore, I propose to levy parking tax on an annual basis for all vehicles parked along the national highway and state highways. The fee is

proposed to be levied annually during renewal of documents.

10. On the question of raising internal revenue, we need to devise fresh taxes. During the next fiscal, I propose to raise revenue by properly regulating and decentralizing power trading for timely benefits and revenue realization. I also propose to impose environment cess on incoming tourists. I also propose to revise power tariff for domestic and commercial consumption.
11. As additional measure, I propose to revise excise duty and professional tax on on-line casino and such other measures necessary for raising our revenue collection.
12. I propose to increase the grant under Old Age Pension from ₹ 400 to ₹ 600.
13. I propose to increase monthly grant under Samajik Sewa Bhatta from ₹ 500 to ₹ 600.
14. I propose to increase the Agandwadi workers' allowance in ICDS centres from ₹ 3000 to ₹ 5250

per month, and similarly raise the allowance of their Assistants to ₹ 3000.

15. Furthermore, I am also very pleased to announce free uniform for the ICDS children in the State and allocate ₹ 2.5 crores for the same. Additional resources are being earmarked to provide for good furnishing in all the ICDS centres.
16. I propose to start giving monthly honorarium of ₹ 3000 each to the ASHA workers under Health Department for their service to society as a vital link between community and the health system.
17. I propose to increase monthly allowance for differently abled citizens, from ₹ 500 to be increased to ₹ 600.
18. A sum of ₹ 315 crores is being obtained for targeted intervention in the identified backward areas for the economic upliftment of the poor and the eradication of poverty in Sikkim. This will be implemented in the State in all earnest.
19. Over the decades, we have undertaken a number of welfare measures to provide immediate relief to

the weaker section of people. Duly upgrading our humanitarian gesture, I propose to increase the monthly allotment of subsidized rice for the BPL family from 35 kgs to 50 kgs per household with more than five members living under the same roof. The existing allotment of 35 kgs of rice for other BPL family with less than five members shall continue.

20. We have been giving irrigation facilities through construction of channels in the paddy fields. Now onwards, the irrigation channel would also be made available and constructed in cash crop cultivation like cardamom, fruits and vegetables.
21. Recently, there has been a phenomenal growth in number of cooperative societies with the formation of Cooperative Societies for women, labourers, small time contractors etc. which is a very healthy trend. As such, the cooperative movement will be further strengthened so that this movement and mission achieve total success.
22. Policy aimed at building capacity among cross section of the Sikkimese has greatly helped our people acquire that cutting edge knowledge to take

up self-employment ventures or enhance professional efficiency among our employees. We already have 40 civil service employees undergoing training in Himachal Institute of Public Administration. This, apart from many similar training programs undertaken by individual department. On continuity, I am pleased to announce Special Exposure Training program for batch of officers comprising 5 officers each from every Service in the State, to be organized in reputed Institute in the Country and abroad on regular interval. I allocate a sum of ₹ 3 crores for this purpose.

You have seen that we are giving away a lot to those who justifiably need increases. This will put the pressure on us to generate more by way of increased revenues and cost savings. In fact, I propose that all the CSS schemes deposits be kept with the Finance Department of the State Government. I, therefore, request my political colleagues and the bureaucrats to be equally answerable and accountable to the task of state and nation building and work harder and smarter to achieve this end. To my fellow citizens, I say that you must be responsible as conscious citizens and cooperate with us in ensuring a positive budget outcome which is a common cause.

I request my colleagues in the Legislature, the entire bureaucratic fraternity, my friends from other political parties, members of the civil society including every citizen of the State to appreciate our policy directions as enunciated in this budget. All need to participate with genuine passion and intent to take Sikkim forward to make it the best performing State in the country in terms of all indicators of development. Our development policies are resolved to fulfil the aspirations of the citizens of the State in all respect. I am confident that this development goal can be achieved if all of us work resolutely.

I would also like to state in this House that we are planning to bring in Result Oriented Monitoring systems. This has been adopted very successfully by the Government of India under the Cabinet Secretary. It is called the Results Framework Document. We will be approaching them to install their systems here which will ensure a transformation in the accountability regime in the bureaucracy.

Let me now turn to the finer details pertaining to the budget being placed before this august Assembly for consideration. The size of the Annual Plan has been agreed with an outlay of ₹ 1400 crores against the revised

Plan outlay of ₹ 863.72 crores for the year 2010-11. This allocation awarded for this annual Plan represents an increase of 62.09 % over the previous year.

The budget being presented projects an aggregate expenditure of ₹ 4436.81 Crores comprised of ₹ 1948.29 Crores under Plan account which is inclusive of allocation under the dispensation of the NEC, NLCPR as well as Centrally Sponsored Schemes and an amount of ₹ 2488.52 Crores under the Non-Plan account. The gross earmarked allocation under the State Plan side for specific projects and schemes is of the order of ₹ 717.13 Crores which form part of the total budgeted expenditure for the year and which also includes provision made as recoveries which are adjustable as reduction from the overall expenditure later.

As prescribed under the FRBM Act P2010) our revenue collection drive has been intensified vigorously and through these efforts, we anticipate a total revenue receipt of ₹ 269.11 Crores from Tax revenue sources which would mean an increase of 27.38 % over the receipts in the previous year. This positive trend will be sustained with a determined effort to meet our fiscal targets. Measures aimed at containment of non-plan

expenditure are being followed in the spirit of the fiscal legislation in force. A high level Committee has been constituted for the specific purpose of scanning all categories of prohibited expenditure under the prescribed arrangements for expenditure control for ratification. This mechanism has contributed significantly towards exercising austerity in avoidable spending.

The budget envisages a gross receipt of ₹ 4349.22 Crores for the fiscal year 2011-2012 and corresponding to which a gross expenditure of ₹ 4436.81 Crores including provision made, which will be recovered subsequently, has been proposed. The figures of the gross revenue receipts comprise ₹ 269.11 Crores from tax- revenue sources including an amount of ₹ 1281.54 Crores from non-tax revenue sources. The financing of the budget will also be substantially contributed through funding arrangements consisting of ₹ 80.88 Crores under the dispensation of the North-East Council, P₹ 165.19 Crores) under the Non-Lapsable Pool of Resources, ₹ 293.37 Crores under Centrally Sponsored Schemes. The difference between gross receipt and gross expenditure is funded through public account. The funding support under the Special Plan Assistance is of the order of ₹ 300.00 Crores which is intended specifically for earmarked schemes and projects.

I will now summarize the brief highlights of the budget being presented today with an outline of the projections in respect of the revenue receipts and disbursements.

| PA) RECEIPTS | AMOUNT |
|---|---------------------|
| | ₹ in Crores) |
| I. Statesí Revenue | |
| a) Tax | - 269.11 |
| b) Non-Tax | - 1281.54 |
| 2. Grant-in-aid from Govt. of India. | - 2004.66 |
| 3. Shareable Taxes from Govt. of India | - 630.69 |
| 4. Loans from Financial Institutions | - 151.82 |
| 5. Loans from Central Government | - 10.60 |
| 6. Recoveries of Loans & Advances | - 0.80 |
| 7. Recovery of advance from contingency fund | - 0.10 |
| 8. Public Account | - 3740.72 |
| Total Receipts | ₹ 8090.04 |

PB) DISBURSEMENTS

| | | |
|--------------------------------------|---|------------------|
| 1. State Annual Plan | - | 1400.00 |
| 2. Centrally Sponsored Schemes | - | 293.37 |
| 3. Non-Lapsable of Central Resources | - | 165.19 |
| 4. North East Council | - | 80.88 |
| 5. Non-Plan Expenditure | - | 2464.63 |
| 6. Public Account | - | 3686.17 |
| Total Disbursement | | ₹ 8090.24 |

C) Estimated deficit - **0.20**

D) Opening Balance P2011-2012) - **85.82**

E) Closing Balance P2011-2012) - **85.62**

Honible Speaker Sir,

Sikkim is undoubtedly one of the best performing States in the Country. Indeed we are one of the few States in the Country to have achieved the core of United Nations Millennium Development goals. This distinction we have earned through years of hard work whilst consistently applying the best instruments of development. Series of welfare measures anywhere in the world should inevitably translate into human happiness. If we were to measure per capita happiness of people in India, Sikkim will once again secure distinction.

As per the 2001 census, 46.66 percent of the Sikkimese population was between the age group of 0-19 years. These young people are certainly less informed about the fluid and negative socio-political atmosphere of the pre-1994 Sikkim. Comparison with those times will enable them to fully appreciate the positive opportunities scenario of today.

Honible Speaker Sir

When the Sikkim Democratic Front party secured the mandate of the people in 1994, Sikkim was reeling under uncertain political atmosphere. This was based on political retribution, mudslinging and acute political vendetta. The collective voice of Sikkimese people consigned our opposition to the pages of history. Yet we hold them in high esteem as our political compatriot. Relying on an adage, I have applied the principle to hate the sin but love the sinner. Irrespective of political affiliation, we tried to provide that little bit of heaven to one and all. Yet I feel we are not being paid in the same coin!

They say, 'Virtuous man needs only the power of truth'. True to the saying, I have enjoyed full faith and confidence of the people for the last 17 years, and I prosper on the merit of this truth to serve my fellow citizens with complete faith and honesty.

There is virtue found in all our endeavours and in the honesty of our purpose, we are perfect. Yet the society we live in is ever evolving under global influence. Our society and the younger generation are exposed to global trends. We should not be guilty of any lapses in our responsibility owing to inadequate parenting, proper guidance, and character building of our children guiding them towards constructive path. I would like to call upon my fellow Legislators and responsible members of Sikkimese society to educate our masses on the day-to-day development. This will help our society develop enough immunity to keep it safe and secure from negative influences acting upon us.

Honible Speaker Sir

Amidst a serious dialectic between two intensely involved characters, a great dramatist coined this immortal line - **“What is in a name?”** In a different context and happily for us, name means so much more. In development terminology, “Sikkim” means very special in the Country which inspires intellectuals, policy makers and development strategists in the region and the Country.

Welcome, my fellow citizens to continue to live and prosper in this heavenly place made holier and more

developed through your blessings, participation and cooperation.

Honible Speaker Sir, with these words I wish to dedicate this budget to the people of Sikkim.

Thank you

Jai Hind



GOVERNMENT OF SIKKIM

BUDGET SPEECH

BY

CHIEF MINISTER

AND

THE MINISTER IN CHARGE

FINANCE REVENUE & EXPENDITURE DEPARTMENT

ON

2nd MARCH 2022

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