



Government of West Bengal

Budget Statement

by

Dr. Amit Mitra

Minister-in-Charge, Finance Department

2021-2022

7th July, 2021

Hon'ble Speaker Sir,

With your permission, I rise to present the Annual Financial Statement for the financial year 2021-2022 to this August House.

Due to the poor health of the Finance Minister Dr. Amit Mitra, the responsibility of presenting the Budget for the year 2021-22 has fallen upon me as Parliamentary Affairs Minister. I convey my good wishes and gratitude to the Ma-Mati-Manush of Bengal.

Inspite of great adversities, the people of this state have blessed us with their massive mandate and blessings for the third time. We bow in gratitude once again to the Ma-Mati-Manush of the state.

এমন রাজ্য কোথাও খুঁজে পাবে নাকো তুমি...

This state is a symbol of art, culture and tradition, reflecting diversity and harmony.

Through the implementation of multi-dimensional programmes which improved the quality of lives of the common people, under the stellar leadership of Mamata Bandyopadhyay, our Ma-Mati-Manush Government has earned the trust and faith of the people.

The people of the state are overwhelmed by the effective implementation of multi-dimensional public welfare programmes and the overall socio-economic development of the state.

We reaffirm our commitment to push forward with all vigour, the rising tide of well-being and prosperity for all.

Hon'ble Speaker Sir,

We had presented the budget on 5th February 2021 just prior to State Assembly elections and had given a detailed description of our vision for the coming years. This August House had passed the vote-on-account authorizing expenditure for the four months of the FY 2021-22.

In the Vote on Account Budget placed during February 2021, the State Government announced 26 new schemes and projects covering all major social sectors including health, education and social protection of the vulnerable population of the State. We also announced commitment of our government regarding various physical infrastructure projects with requisite funding.

But unfortunately, during this period, particularly our State was hit by the second wave of the COVID-19 pandemic in the month of March which got aggravated by elections which were conducted in eight phases — which is unprecedented in the State. Our plea to shorten this to save lives went unheeded. Had our plea been considered, a number of lives could have been saved.

While the positivity rate of COVID infection was 3% during the 1st phase of the Election, the rate jumped to 33% by the 8th phase. Due to all-out efforts of our newly elected government, the infection rate is declining continuously and has reached 2.19%.

The State handled the COVID-19 situation efficiently from the very beginning, backed by a strong team of healthcare professionals, administrators and pragmatic planning and preparedness.

The State has set up 235 dedicated COVID-19 hospitals under government control which includes 194 government hospitals and 41 government requisitioned private hospitals for treatment of COVID-19 patients. Each district/subdivision in the state has dedicated COVID Hospitals. In this context, some restrictions were announced to reduce mobility and human contact to cut the transmission chain of infection while ensuring supply of essential commodities and services.

We have already vaccinated 2.3 crore people — Bengal is a top performer in vaccination. We have repeatedly protested the indifferent attitude of the Central Government with regard to supply of vaccine to our State. We want every person in West Bengal to be vaccinated. Based on the quantum of vaccines received by the State, we are 100% successful till now.

After the devastating fallout of the super cyclone Amphan in May, 2020, even before the aftermath could be overcome, the State has faced another devastating cyclone YAAS which made landfall on 26 May 2021.

For the people affected and livestock affected by Yaas our government has launched "Duare Tran" camps in the affected areas of the districts where all the cyclone-affected people can apply to get their disaster relief

compensation directly in their bank accounts digitally through a fair and transparent process.

To combat challenges due to any loss of livelihoods, the Government has made various innovative interventions for providing timely support and services to the people affected by the twin shocks of COVID and YAAS.

I would like to bring to the attention of this August House the pain and suffering that the common people of the nation and those in Bengal are facing today due to the constant increase in prices of petrol and diesel by the Central Government. The Hon'ble Chief Minister Mamata Banerjee has already written to the Hon'ble Prime Minister to lower the prices of petrol and diesel through substantial reduction in central excise, cesses and surcharges.

The House will be shocked to learn that petrol and diesel prices were hiked by the Central Government **8 times** since the 4th of May, 2021 and out of these, prices were hiked **6 times** in the month of June alone — shockingly **4 times** in a week ! These hikes also fuelled inflation in the country. Cost of items of daily use of households have risen massively. Cooking oil prices have shot up by 30.8%, eggs by 15.2%, fruits by 12% and health related products, in the middle of COVID by 8.44%.

This August House will be shocked to learn that the Central Government has collected revenue of a staggering Rs.3.71 lakh crore from oil and petroleum products in

2020-21 in the midst of COVID. In fact, in the last 6 years of the BJP Government at the Centre, the GoI's tax collection from oil and petroleum products has jumped by a phenomenal 370% since 2014-15, due to constant hikes in the central excise, cesses and surcharges — all at the cost of the common people of our country.

The GoI is also surreptitiously increasing the cess component to deny States its share in taxes — a direct violation of the spirit of co-operative federalism.

Here I may mention that Government of West Bengal has voluntarily given a rebate to both petrol and diesel as a token of our empathy for the common people.

This August House will also be shocked to learn the massive rise in LPG cylinder price of cooking gas, directly hitting the lives of the homemakers and house-wives of our country. LPG cylinder price has gone up from Rs. 584.50 in May 1st 2020 to a whopping to Rs. 861.00 per cylinder as of July 1st 2021, a difference of Rs. 276.50, just in 14 months. This is a rise by 47%. On top of this GOI has cutoff subsidy for LPG cylinder since May 2020— thus, even to the 8 crore people who live below the poverty line and were registered under Ujjwala Scheme are facing grave crisis. Even the middle class is finding it difficult to pay such an exorbitant price for cooking gas in their homes in the midst of huge job losses and a shrinking economy. The Hon'ble Chief Minister Mamata Banerjee has written to the Hon'ble Prime Minister to immediately restore the subsidy that was there earlier and augment current allocation to accomodate the middle class as well.

Hon'ble Speaker Sir,

Our State's economy has grown steadily in the last ten years. Gross State Domestic Product (GSDP) which was Rs. 4,60,959 crore in 2010-2011 has increased to Rs. 13,54,518 crore in 2019-20, an increase by 2.94 times. Capital Expenditure has gone up 7.2 times from Rs. 2225 crore in 2010-11 to Rs. 18,170 crore (RE) in 2020-21. Expenditure in the Social Sector increased 10.11 times between 2010-11 and 2020-21. Similarly in the Agriculture & Allied Service Sector the increase was 10.50 times and in the Physical Infrastructure sector it was 5.58 times.

The State has also controlled successfully all fiscal parameters like fiscal deficit, in spite of severe financial hardships in the last one year caused by COVID-19 pandemic, AMPHAN and YAAS cyclones.

We are proud to say that while growth of GDP of India dipped to negative 7.7% (-7.7%) in 2020-21, Bengal's GDP clocked positive (+1.2%). This is another example of stellar leadership of our Chief Minister Mamata Banerjee.

Hon'ble Speaker Sir,

Peoples' welfare has been the main priority of our government. In last ten years many welfare schemes and programmes have been launched which have helped improve the quality of lives of our people. These welfare

programmes have received national and international recognition.

Our government launched **"Duare Sarkar" on 1st December 2020, which aims at reaching public services at the doorsteps of the people to** enhance the quality of life of citizens by improving delivery of benefits of various government schemes and entitlements to them. During the five rounds of the campaign period (1st December 2020 to 8th February 2021), more than 32,830 outreach camps were held at the Gram Panchayats and Municipal Ward levels. With the attendance of more than 2.75 crore citizens, the response to the campaign was unparalleled and unprecedented. More than 1.62 crores applicants were provided with different services.

One of the flagship activities of Duare Sarkar has been Universal Health Insurance Scheme through "Swasthya Sathi" which received a massive response from the people. We have enrolled more than 2 crore families under Swasthya Sathi scheme. This will provide basic health cover in more than 2260 hospitals upto Rs. 5 lakh per annum to all residents of West Bengal. This has not only reduced the out of pocket health expenses of the people but has also reduced their debt burden in this regard. It is paperless, cashless and smartcard based.

Hon'ble Speaker Sir,

Our government further took up systematic programme to fulfill the felt needs and aspirations of the people emerging out of Duare Sarkar in respect of critical infrastructure, manpower and common services in neighborhoods and introduced the "Paray Samadhan" campaign from 2nd January 2021 to address and resolve these issues.

Our government is committed to continue reaching out to our people with "Duare Sarkar" and "Paray Samadhan" twice in a year.

2

Hon'ble Speaker Sir,

As per the commitment of our beloved Hon'ble Chief Minister to the people, our government has undertaken some more welfare programmes:

(i) New 'KRISHAK BANDHU' scheme

The New Krishak Bandhu scheme has already been launched on 17th June, 2021 and benefits have started going to the farmers. The annual financial assistance to each farmer under the New 'Krishak Bandhu' scheme has been doubled from Rs. 5,000 to Rs. 10,000 per acre with maximum of Rs. 10,000 for land more than 1 acre. Farmers with less than one acre of land including bargadars will get the grant on a pro-rata basis with a minimum assistance of Rs. 4,000 instead of Rs. 2,000.

With an annual expenditure of Rs. 3,600 crore the scheme would be benefitting upto 62 lakh farmers. The amount will be directly transferred to the bank account in two equal installments at the beginning of the Kharif and Rabi season. The scheme also provides that in the event of untimely death of a farmer within the age group of 18 to 60 years, the family members of the deceased will get one time grant of Rs. 2 lakh under the 'Krishak Bandhu' (Death Benefit) Scheme.

(ii) STUDENT CREDIT CARD Scheme

Our government has launched a Student Credit Card Scheme on 30th June, 2021 to help students further their education with the help of low-interest loans up to Rs. 10 lakhs. The student will be required to pay only 4% interest and the rest will be borne by the Government through subvention, that too after a full moratorium during study course period and thereafter, one more year of moratorium. Furthermore, no collateral will be required for availing loan and the loan amount will be fully insured and state guaranteed. This will support and help students with limited resources to pursue higher education and professional courses in India or abroad.

(iii) DUARE RATION

The delivery of ration at the doorstep of each family is "Duare Ration" scheme. Few pilot initiatives have already been tried in some districts and would soon be scaled

up for the entire state. This scheme is aimed at resolving difficulty faced by common people in accessing ration shops.

(iv) LAKSHMIR BHANDAR

Our Government shall soon launch the West Bengal Basic Income Scheme for women member of each household called "Lakshmir Bhandar". This scheme envisages a monthly support of Rs.1000 for women member of each SC/ST household and Rs. 500 for General category women. The main objective of the scheme is to provide minimum financial support to the women in each household in our state and empower them. Under this the monthly income will be transferred directly into the bank account digitally through Direct Bank Transfer (DBT).

We believe that peoples' welfare programmes of our government along with multitudes of infrastructure development initiatives both in social and physical infrastructure sectors will help in further improving the lives of our people and bringing greater all round development of our state.

We are also optimistic that we will be able to create 1.5 crore new employment opportunities in the next 5 years as committed in the Interim Budget presented on 5th February, 2021.

Budget Allocation of Major Departments in the Financial year 2021-22.

Hon'ble Speaker Sir, I would now like to place in brief the proposed allocation of the major departments, which may kindly be considered as read. With your permission, I will now directly go to my proposals on Finance and Tax Reforms at Page No. 17.

1. Agriculture

I propose to allocate Rs. 9,125 crore to this department in the year 2021-22.

2. Agriculture Marketing

I propose to allocate Rs. 391.93 crore to this department in the year 2021-22.

3. Food and Supplies

I propose to allocate Rs. 12,293.17 crore to this department in the year 2021-22.

4. Food Processing Industries and Horticulture

I propose to allocate Rs. 220.89 crore to this department in the year 2021-22.

5. Animal Resources Development

I propose to allocate Rs. 1,221.43 crore to this department in the year 2021-22.

6. Fisheries

I propose to allocate Rs. 426.58 crore to this department in the year 2021-22.

7. Panchayat & Rural Development

I propose to allocate Rs. 23,983.27 crore to this department in the year 2021-22.

8. Irrigation and Waterways

I propose to allocate Rs. 3,647.03 crore to this department in the year 2021-22.

9. Water Resources Investigation & Development

I propose to allocate Rs. 1,467.29 crore to this department in the year 2021-22.

10. Co-operation

I propose to allocate Rs. 518.40 crore to this department in the year 2021-22.

11. Forests

I propose to allocate Rs. 901.59 crore to this department in the year 2021-22.

12. Health & Family Welfare

I propose to allocate Rs. 16,368.38 crore to this department in the year 2021-22.

13. School Education

I propose to allocate Rs. 35,170.67 crore to this department in the year 2021-22.

14. Higher Education

I propose to allocate Rs. 5,143.05 crore to this department in the year 2021-22.

15. Technical Education & Training and Skill Development

I propose to allocate Rs. 1,284.80 crore to this department in the year 2021-22.

16. Youth Services and Sports

I propose to allocate Rs. 727.97 crore to this department in the year 2021-22.

17. Information & Cultural Affairs

I propose to allocate Rs. 804.83 crore to this department in the year 2021-22.

18. Mass Education Extension and Library Services

I propose to allocate Rs. 381.36 crore to this department in the year 2021-22.

19. Public Health Engineering (PHE)

I propose to allocate Rs. 3,579.57 crore to this department in the year 2021-22.

20. Transport

I propose to allocate Rs. 1,737.05 crore to this department in the year 2021-22.

21. Public Works

I propose to allocate Rs. 6,383.23 crore to this department in the year 2021-22.

22. Land & Land Reforms & Refugee Relief and Rehabilitation

I propose to allocate Rs. 1,417.28 crore to this department in the year 2021-22.

23. Power

I propose to allocate Rs. 2,598.53 crore to this department in the year 2021-22.

24. Urban Development and Municipal Affairs

I propose to allocate Rs. 12,446.22 crore to this department in the year 2021-22.

25. Housing

I propose to allocate Rs. 270.31 crore to this department in the year 2021-22.

26. Women and Child Development & Social Welfare

I propose to allocate Rs. 16,045.98 crore to this department in the year 2021-22.

27. Minority Affairs and Madrasah Education

I propose to allocate Rs. 4,777.82 crore to this department in the year 2021-22.

28. Backward Classes Welfare

I propose to allocate Rs. 2,171.78 crore to this department in the year 2021-22.

29. Tribal Development

I propose to allocate Rs. 1,068.38 crore to this department in the year 2021-22.

30. Labour

I propose to allocate Rs. 1,093.16 crore to this department in the year 2021-22.

31. Self Help Group & Self Employment

I propose to allocate Rs. 712.86 crore to this department in the year 2021-22.

32. North Bengal Development

I propose to allocate Rs. 776.51 crore to this department in the year 2021-22.

33. Sunderban Affairs

I propose to allocate Rs. 573.53 crore to this department in the year 2021-22.

34. Paschimanchal Unnayan Affairs

I propose to allocate Rs. 672.21 crore to this department in the year 2021-22.

35. Home & Hill Affairs

I propose to allocate Rs. 11,938.90 crore to this department in the year 2021-22.

36. Personnel & Administrative Reforms

I propose to allocate Rs. 273.15 crore to this department in the year 2021-22.

37. Disaster Management & Civil Defence

I propose to allocate Rs. 2,105.50 crore to this department in the year 2021-22.

38. Fire and Emergency Services

I propose to allocate Rs. 435.33 crore to this department in the year 2021-22.

39. Correctional Administration

I propose to allocate Rs. 337.34 crore to this department in the year 2021-22.

40. Micro, Small & Medium Enterprises and Textiles

I propose to allocate Rs. 1,144.77 crore to this department in the year 2021-22.

41. Industry, Commerce & Enterprises

I propose to allocate Rs. 1,291.91 crore to this department in the year 2021-22.

42. Public Enterprises & Industrial Reconstruction

I propose to allocate Rs. 71.07 crore to this department in the year 2021-22.

43. Tourism

I propose to allocate Rs. 457.38 crore to this department in the year 2021-22.

44. Information Technology & Electronics

I propose to allocate Rs. 183.51 crore to this department in the year 2021-22.

45. Consumer Affairs

I propose to allocate Rs. 114.15 crore to this department in the year 2021-22.

46. Environment

I propose to allocate Rs. 97.46 crore to this department in the year 2021-22.

47. Non-conventional & Renewable Energy Sources

I propose to allocate Rs. 74.31 crore to this department in the year 2021-22.

48. Science and Technology and Biotechnology

I propose to allocate Rs. 70.11 crore to this department in the year 2021-22.

4

REFORMS IN FINANCE & TAXATION DEPARTMENT

1. Goods and Services Tax:

Hon'ble Members, you are aware that the amendments recommended by the GST Council have to be enacted by both the Centre and State. I propose to bring 14 such amendments recommended by the Council through the Finance Bill.

2. Waiver of Road Tax in Transport:

Considering the economic hardships due to pandemic situation, the Government was pleased to allow one time exemption for the period from 1st January, 2021 to 30th June, 2021.

Considering the prevailing post-lockdown economic hardships in the transport sector, our State Government has proposed to extend the one-time exemption of motor vehicle tax and additional tax for the period from 1st July, 2021 to 31st December, 2021.

3. Special rebate on Stamp Duty:

We all are aware that due to COVID-19 pandemic our State along with the country as a whole is reeling under

economic recession. This has resulted in curtailing the purchasing power of the people. The Real Estate Sector also has been greatly affected due to this crisis. In this critical situation, the State Government is proposing to allow relief to the registrant public by reducing the rate of Stamp duty for registration of deeds affecting sale/ lease of land/house/flat etc.

I propose to reduce the rate of Stamp duty by 2% from the present rate for such deeds.

The circle rate/market value for registration of deeds for land/house and flat etc. has been proposed to be reduced by 10%.

Both the facilities can only be availed if the registration process is completed within 30th October, 2021.

5

CONCLUSION

Hon'ble Speaker Sir and Hon'ble Members of this August House for 2021-22, I propose to provide Rs. 3,08,727 crore (net) for the State.

I would like to end this Speech with a few lines from Hon'ble Chief Minister's book '**Kabita Bitan**'—

জাগো বাংলা জাগো
নব কল্বেবরে জাগো
সার্থক হও মাগো
পরিপূর্ণতায় তুমি জাগো।।

FINANCIAL STATEMENT, 2021-2022

WEST BENGAL ANNUAL FINANCIAL STATEMENT, 2021–2022

(Rupees in Crores)

	Actuals, 2019–2020	Budget, 2020–2021	Revised, 2020–2021	Budget, 2021–2022
Receipts				
1. Opening Balance	(–)5.45	(–)2.00	(–)20.08	(–)3.00
2. Revenue Receipts	142914.21	179398.00	145970.99	186681.26
3. Capital Receipts	0.00	0.00	0.00	0.00
4. Receipts from Debt Heads—				
(i) Public Debt	75698.69	79465.00	93678.52	115672.92
(ii) Loans	66.67	507.00	165.61	139.32
5. Receipts from Contingency Fund and Public Account	661560.23	755567.73	676336.05	740862.75
Total	880234.35	1014935.73	916131.09	1043353.25
Expenditure				
6. Revenue Expenditure	162575.12	179398.00	180316.01	213436.52
7. Capital Expenditure	15970.52	31047.00	14518.11	32774.20
8. Expenditure on Debt Heads—				
(i) Public Debt	40413.02	44289.00	48327.45	61042.65
(ii) Loans	1266.30	943.00	3652.49	1473.83
9. Expenditure on Contingency Fund and Public Account	660029.47	759266.73	669320.03	734633.05
10. Closing Balance	(–)20.08	(–)8.00	(–)3.00	(–)7.00
Total	880234.35	1014935.73	916131.09	1043353.25

(Rupees in Crores)

	Actuals, 2019–2020	Budget, 2020–2021	Revised, 2020–2021	Budget, 2021–2022
Net Results—				
Surplus (+) /				
Deficit (–)				
(a) On Revenue Account	(–)19660.91	0.00	(–)34345.02	(–)26755.26
(b) Outside Revenue Account	19646.28	(–)6.00	34362.10	26751.26
(c) Net, excluding Opening Balance	(–)14.63	(–)6.00	17.08	(–)4.00
(d) Net, including Opening Balance	(–)20.08	(–)8.00	(–)3.00	(–)7.00
(e) Expenditure for New Programmes/Additional Outlays				
(i) On Revenue Account	..	..	..	..
(ii) Outside Revenue Account	..	..	..	..
(f) Additional Resource Mobilisation under Tax Revenue	..	..	..	..
(g) Net Revenue Deficit	(–)19660.91	0.00	(–)34345.02	(–)26755.26
(h) Net Surplus/Deficit	(–)20.08	(–)8.00	(–)3.00	(–)7.00