

MR. SPEAKER SIR,

With your kind permission, I rise to present the Annual Financial Statement for the financial year 2012-13.

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Today, before presenting the full budget of this new Government, I would like to express my appreciation, gratitude and salaam to all the Ma-Mati-Manush of West Bengal. With the blessings, best wishes and dua of the people of Bengal, I am about to present this full budget.

We have many dreams. But the nightmare in the finances of the State is the result of the failure of our friends of the earlier Government.

But we will certainly overcome this as we march ahead, since the strength emanating from Mother Bengal will be our inspiration.

In the words of Kabi Guru Rabindranath Tagore and in remembrance of Ma-Mati-Manush, I recall –

বাংলার মাটি, বাংলার জল,  
বাংলার বায়ু, বাংলার ফল,  
পুণ্য হউক, পুণ্য হউক,  
পুণ্য হউক, হে ভগবান ॥

On May 20th, 2011 Bengal stood at the cross roads of history. A woman of indomitable courage, Mamata Banerjee, backed by a party of women and men was taking the oath of office to fulfill the expectations of the 9 crore people of the great State of West Bengal.

The government of Ma-Mati-Manush was beginning its journey to re-craft the renaissance of Bengal and to regain its lost glory. This day of the Budget 2012-13 will mark a small but significant milestone in this great journey to rise like a phoenix from the ashes.

**THE STATE OF POLITICAL ECONOMY OF BENGAL AS INHERITED BY THE MA-MATI-MANUSH GOVERNMENT ON MAY 20TH, 2011**

The economy of the State was in a dire state as the new government took office. The debt burden of nearly 2 lakh crores left the finances of the State gasping. Three districts of the State were burning with Left Wing Extremism. In reality there had been no development, no job opportunities and no hope

in the three districts of West Medinipur, Bankura and Purulia. The hills of Darjeeling and Tarai area were on fire and remained in a state of alienation from the rest of West Bengal due to erroneous policies of the earlier Government. The seven districts of the State that share borders with three nations remained underdeveloped. The unique delta region of Sundarbans remained in a critical state of underdevelopment despite some tokenisms.

The reason for the police administration being in shambles is well known to this august House. The educational institutions also became the play ground of political forces.

The neglect of the minority community of the State has best been described in the Sachar Committee Report. Therefore there is nothing new to add to it.

Unfortunately, the condition of Scheduled Castes/Scheduled Tribes had stagnated over decades. The best example of this comes from the underdeveloped and dire condition of the tribal and scheduled caste population of Jangal Mahal. It is sad that the slightest protests by these disadvantaged population was the victim of political violence. Therefore this Government of Ma-Mati-Manush has taken up each and every such challenge with indomitable courage.

### **THE VERITABLE DEBT TRAP**

When the Ma-Mati-Manush Government took office it gained access to the real data that was more shocking than all expectations. It became clear that the previous Government was not interested to pass the Fiscal Regulation and Budget Management (FRBM) Act when all other States, except Sikkim passed this Act. The reason was that the previous Government intended to take indefinite amounts of loan to fund their ulterior interest.

For example, in a dozen years the debt grew by a phenomenal 486 percent – almost 500 percent. In per capita terms, the debt was the largest in the country by far. Tragically each child born in West Bengal is carrying on his or her head a debt weight of Rs. 21,000.

Surprisingly, shortly before the electoral demise of the previous government, it hurriedly passed the FRBM Act which would allow a net borrowing of only Rs. 17,828 crores during the financial year 2011-12. To further exacerbate the problem for the next Government, the previous

Government strategically borrowed Rs. 5,173 crores out of the available kitty of Rs. 17,828 crores, in a short period of 36 days. The detailed data of the debt clearly depicts the intention of the previous government.

On behalf of this Government and the Chief Minister Mamata Banerjee, I am proud to say that we have weathered this storm successfully. Not only salaries of employees are being paid on time but in a special venture, the salaries are being paid through Electronic Clearing System (ECS) into banks for the first time on the first day of the month. Furthermore, no developmental fund has been held back. The State is on the march towards a new horizon.

However, the debt trap is still hanging like a sword of Damocles. Due to the debt left behind by the previous Government, the interest and repayment obligations this year was to the tune of Rs. 22,000 crores. This amount is being deducted automatically from the Government account by the RBI and we have no way to avoid this.

Imagine, Hon'ble Speaker Sir and the August Members of this House what this Rs. 22,000 crores could have done for the creation of hospitals, roads, schools, colleges, minority support systems, Scheduled Caste/Scheduled Tribe livelihoods of the State of West Bengal. This 22,000 crores if available for government expenditure for developmental purpose could have created as much as Rs. 88,000 crores of Gross State Domestic Product (GSDP) as per the Keynesian multiplier. What a massive loss for the great State of West Bengal due to the profligacy and reckless borrowing by the previous Government.

We have repeatedly asked the Central Government to give Bengal a three year moratorium on this Rs. 22,000 crores annual interest and repayment obligation for which this Ma-Mati-Manush Government is not responsible. We have no response so far.

We have also asked the Central Government to restructure the massive debt burden—but, so far, to no avail.

2. Honourable Members, the priority of the new Government is to put West Bengal on a fast track growth trajectory, always keeping in view how to remove economic distress of the poor people.

While agriculture would remain a major priority, special emphasis would be given on industrialization with special emphasis on small and medium enterprises. Generation of employment is the main intention.

The State Government is also placing high priority on skill development and skill up-gradation.

One of the biggest factor that has impeded the growth and development in the State has been poor infrastructure, both in economic and social sectors. We will give special attention on this.

A distinct thrust has also been given to the development of backward regions of the State. Our aim is to ensure economic and social development in these backward areas.

The social and economic development of the weaker sections of society, the Scheduled Castes, Scheduled Tribes, Other Backward Classes, Minorities and Women occupy the centre-stage in the proposed plan outlay of 2012-13. The Budget gives an over-riding importance to their educational, health and skill development needs so that their inclusion and mainstreaming becomes a reality— not through platitudes and patronization, but through real resource flows in their direction.

### **Agriculture and Agriculture-allied sector :**

#### ***Agriculture & Agriculture Marketing :***

2.1 Honourable Members, agriculture is undoubtedly the mainstay of the State's economy and nearly 70 per cent of our brothers and sisters live there. The State Government has also focused on setting up Kisan Mandis, Multi-Purpose Cold Storages and additional foodgrain storage capacity.

The total foodgrain production for 2011-12 is estimated to be 166.334 Lakh M.T. as against a production of 148.10 Lakh M.T. in 2010-11, indicating an increase of 18.23 Lakh M.T.

The Agriculture Marketing Department intends to set up 341 Kisan Mandi (Krishi Bazaar) one for each block, to enable farmers to market the produce directly. As first phase 62 Kisan Mandis are being set up at a cost of Rs. 199 crores.

Our focus is to facilitate cold-chain including cold storage.

In this year Government has decided to set up a Krishi Utpadan Kendra in every block. This shall involve setting up one Demonstration Centre of at least 500 hectares in each block involving the staple crop of the area. One Demonstration Centre of at least 500 hectares will be set up involving alternate crop. It is expected that this scheme shall result in coverage of around 1.9 lakh hectares and involve 2.8 lakh farmers at a total cost of around Rs. 200 crores.

Inspired by Hon'ble Chief Minister, a major drive has been initiated to enroll farmers for the Kisan Credit Card. The pleasant figures would be furnished by me later.

The total minimum storage capacity required for storing rice procured from within the State is 10 Lakh M.T. The storage capacity created by the previous Government in the State is only 50,000 M.T. which is abysmally low—only 5% of our requirement. This is really sad.

This government has already initiated the construction of large number of warehouses in the State to create sufficient storage capacity.

To commemorate the slogan of the Chief Minister "Krishak Amader Gourav, Krishi Amader Sampad", the Government intends to initiate Krishi Ratna Awards for best farmer in a block from this year. This award shall comprise of Rs. 5,000 cash award and a citation to be awarded on the Krishi Divas i.e., 14th March every year.

I propose to allocate Rs. 150.46 crore to the Agriculture Marketing Department which was starved with a paltry sum of Rs. 35.95 crore last year—an increase by 318.53 per cent.

Similarly, I propose to allocate Rs. 315 crore to the Agriculture Department, which is 17.75 per cent increase over the current financial year.

The Hon'ble Chief Minister has said "Krishi Amader Sampad—Krishak Amader Gourab". These huge allocations demonstrate our commitment to her perspective.

### **Animal Resources Development :**

2.2 In the field of animal resources, our focus is on improvement of quality of indigenous livestock by way of Artificial Insemination and Scientific Rearing through 'Bishesh Go Sampad Bikash Abhijan' in 57 blocks of the State. Improvement of infrastructure so as to promote better livestock production is another imperative.

I propose to provide the plan outlay of Rs. 189.20 crore to the Animal Resources Development Department in the next financial year, which is 54.92 per cent increase over this year's outlay.

### **Food Processing and Horticulture :**

2.3 The State Government has given special thrust to propagation of food processing in all the districts of West Bengal. Cold-chain infrastructure has been set up in three districts, viz. North 24-Parganas, Howrah and Paschim Midnapore.

The Government of India has recently proposed to set up the National Mission on Food Processing.

I propose a plan outlay of Rs.75.00 crore to the Department of Food Processing Industries & Horticulture in the next financial year.

### **Fisheries :**

2.4 The Fisheries sector in the State is consistently pursuing measures for enhancing fish production. This year we have undertaken development of inland fisheries resources on 2438 hectares under MGNREGS with the creation of 6.45 lakh mandays.

We plan to continue our efforts to increase fish production by developing infrastructure of the inland and marine fisheries.

Construction of Haripur Fishing Harbour at Sagar, South 24-Parganas will be taken up during the next financial year.

I propose to increase the plan outlay of Rs. 155.50 crore to the Department of Fisheries during the next financial year.

## **Social Sector Development :**

### ***Health:***

2.5 Honourable Members, Hon'ble Chief Minister has taken upon herself the challenging task of reforming the health sector which had reached its nadir during the previous Government.

During the current financial year, sanction for the creation of 7 new Health-Districts has been accorded at Jhargram, Bishnupur, Diamond Harbour, Basirhat, Rampurhat, Nandigram and Asansol. The new Health-District at Jhargram has already been made functional.

Mobile Medical Units (MMUs) have become operational in 23 Blocks. Routine immunization during this year has reached the targeted level at the end of September, 2011. A large number of Sick New Born Care Units (SNCUs) have been commissioned during the year. There has been a sharp increase in the number of institutional deliveries.

On behalf of the Chief Minister and Minister-in-Charge of the Department, it is my privilege to announce the launch of a new State Government initiative, "Health Bank for All". The scheme would

- (a) more than double the existing level of expenditure on the supply of drugs through the public sector health system,
- (b) double the expenditure on OPD medicines, and
- (c) provide IPD drugs to selected beneficiaries like mothers, children and those in need of life saving medication.

I propose to make available additional fund in the next financial year for this new scheme.

I also propose to allocate Rs. 1049 crore to the Department of Health and Family Welfare against an allocation of Rs. 871.87 crore this year.

## ***Drinking Water:***

2.6 Honourable Members, the State Government is committed to provide safe and adequate drinking water to all its inhabitants especially, those living in arsenic affected regions of the State. Drinking water schemes have been launched for Jangal-Mahal districts of Bankura, Purulia and Paschim Medinipur and in Sunderbans and Darjeeling.

Two big water supply schemes in the district of Nadia benefiting a population of 7.56 lakh has been started.

Similarly, four schemes in Murshidabad, Chakdah, Raghunathganj and Haringhata are in advanced stage of implementation, the benefit of which will flow to 25.97 lakh people.

We have also planned to cover additional areas of the Siliguri Municipal Corporation, 10 blocks of South 24-Parganas, Habra of North 24-Parganas under the piped water supply scheme.

Honourable Members are aware that these regions suffer from severe salinity and arsenic problems. In this Budget, for maintenance of fixed assets created is also proposed to be raised by 300 per cent of the present provision.

I propose to increase the plan outlay of the Department of Public Health Engineering to Rs. 800.09 crore in the next financial year.

## ***Housing :***

2.7 Providing affordable housing to the economically weaker sections of the society is one of the major initiatives of the State Government. The flagship programmes, 'Gitanjali' and 'Amaar Thikana', for providing subsidized housing to the economically weaker sections have been given priority by the new Government.

Along with this, another flagship programme 'Nijo Griha Nijo Bhumi Prkalpa' has been launched to provide vested land to the homeless families for construction of dwelling unit, as well as for setting up of a shop or kitchen garden.

I propose to raise the plan outlay of the Housing Department to Rs.647 crore in the next financial year.

## **Development of Minorities, Backward Classes, Women & Child and Workers :**

### ***Minorities Welfare :***

2.8 Honourable Members, the minorities in West Bengal constitute 26.27 per cent of the total population according to the 2001 Census Report. Muslims in this State (201.4 lakhs, 25.3 per cent) are second highest in the country in absolute terms, next only to Uttar Pradesh.

Out of 341 blocks, 183 blocks have minority concentration above 20 per cent of its population. Special emphasis is being given to the education and vocational training needs of the minority community for their overall social and economic upliftment.

During 2011-12, pre-matric and post-matric scholarships have been given to a large number of minority students. Job oriented training to the unemployed minority youth has been given. Construction of houses for poor persons belonging to minority community under the Indira Awas Yojana (IAY) and Geetanjali Scheme have been undertaken.

Construction of boundary walls in public graveyards in different districts have also been undertaken.

We have also completed construction of large number of girls' and boys' hostels, polytechnics, it is and additional class-rooms for minorities. We have also created a large number of teaching and nonteaching posts for Madrasahs and Aliah University.

During 2012-13, this Government proposes to provide sufficient funds for early construction of Aliah University campus and Haj Tower-Complex at Rajarhat.

We also propose to start an Employment Bank with skill development programme under the Aliah University to impart vocational skills to the minority youth for facilitating their placement in public and private sectors.

We also propose to enhance pre-matric and postmatric scholarships so that around 10 lakh students studying in different schools and madrasahs are brought under the scheme.

I propose to increase the plan outlay of the Department of Minority Affairs and Madrasah Education from Rs.330 crore in the current financial year to Rs.570 crore in the next financial year, an increase of more than 70 percent.

### ***Backward Classes Welfare :***

2.9 The State Government is committed to the holistic development of SC, ST and OBC people.

Post-Matric Scholarship now is being paid to about 9 lakh SC/ST students with an involvement of around Rs. 312 crore.

Scholarship to OBC students paid to the tune of about Rs. 8.65 crore to more than one lakh students. Reservation in jobs in the state sector for the OBCs has been increased from 7% to 17%. A special drive has been initiated to reduce the delay in the issuance of SC/ST/OBC certificates.

The State Government is implementing a scheme of distribution of bicycles to the tribal girls from classes IX to XII in the leftwing extremist (LWE) affected blocks in the districts of Paschim Medinipur, Bankura and Purulia. In 2011-12, 39,800 bicycles have been distributed to girl students.

I propose to set up 5 Ambedkar residential schools for SC/ST/OBC students in backward areas in the next financial year.

I propose to increase the plan outlay of the Department of Backward Classes Welfare to Rs. 442.60 crore during the next financial year.

### ***Women and Child Welfare :***

2.10 Women and Children constitute the most vulnerable section of the society due to their physical, socio-economic handicaps and hence deserve a special attention. 1087 fully equipped Anganwadi centres are being set up with funds from the 13<sup>th</sup> Finance Commission. These programmes would be further strengthened during the next financial year.

I propose to increase the plan outlay of the Department of Women & Child Development and Social Welfare to Rs. 1015.32 crore during the next financial year.

### ***Self-Help Group & Self Employment :***

2.11 There has been a significant progress of Self-Help Group (SHG) movement throughout the State in the current financial year.

The State Government has undertaken execution of 11 projects under RIDF at the cost of Rs. 2429.51 lakh and out of which, 6 projects are nearing completion. 'Sabala Mela' has been organized at State and district levels. There has been a notable improvement in the release of subsidy under the Bangla Swanirbhar Karmasansthan Prokalpa (BSKP).

I propose to provide the plan outlay of Rs. 255 crore to the Department of Self-Help Group and Self Employment in the next financial year.

### ***Labour Welfare :***

2.12 There has been a notable progress in the schemes being implemented meant for the welfare of the workers of the organized and unorganized sectors. I am happy to announce launch of two flagship programmes of the State Government for the welfare of providing facilities to the job-seekers and workers of the unorganized sector.

The first flagship programme relates to creation and institution of an 'Employment-Bank'. This Bank will be an effective platform among three parties, namely the job-seekers, the employers and placement agencies, and the education and training providers through web portal. The portal will enable online registration of job-seekers and job-givers, and will have provision for searching the job seekers' database by the employers.

The employers, once registered with the Bank, will be able to post their demands in the portal.

I propose to allocate additional fund for the development of the Employment Bank Portal.

The second programme is to issue a 'Samajik Mukti' Card to the unorganized workers in different sectors. The Card will facilitate easy access to the different Social security benefits available to the workers of the unorganized sector.

I propose to allocate additional fund for this scheme in the next financial year.

I propose to fix the plan outlay at Rs. 175.00 crore in the next financial year for the Department, which marks an increase of 32.58 percent.

### **Sports & Youth Development:**

2.13 Honourable Members, with a view to encourage sports, games and cultural events among the youth of the State, particularly those living in rural, hilly and other inaccessible areas of the State, special emphasis has been accorded to Sports and Youth activities.

Grants were also given for the construction and upgradation of stadiums, swimming pools and playing fields across the State.

Funds have been released for upgradation of stadiums at Jhargram, Uluberia and Limong in Darjeeling, construction of new stadiums at Nayagram and Salbani in Jangal Mahal and installation of flood-lighting system at Kanchanjhangha Stadium at Siliguri.

We are also upgrading the infrastructure facilities at Yuba Bharti Krirangan and Netaji Indoor Stadium.

In the area of Youth Affairs, Vivek Mela was organized in commemoration of 150th Birth Anniversary of Swami Vivekananda. Two awards were given, namely, (1) Vivek Sahasikata Puraskar; and (2) Vivek Medha Puruskar. The awards have been given for every block and all Municipalities.

Special efforts have also been taken to set up Youth Hostels.

Financial support has also been provided for construction of Gymnasium Hall, Mini-Indoor Complex and Training Centres in the three districts of Paschim Medinipur, Purulia and Bankura.

I propose to increase the outlay of the Department of Sports from Rs. 55 crore in the current financial year to Rs. 90.01 crore in the next financial year (63.65 per cent increase).

Similarly, I propose to increase the plan outlay of the Department of Youth Services from a meager Rs. 30.80 crore in the current financial year to Rs. 100 crore by 224.68 per cent, in the next financial year.

### ***Food Security:***

2.14 Honourable Members, ensuring food security is one of the prime objectives of the Government and hence revamping of the Public Distribution System (PDS) is being undertaken on a war-footing.

For special ration card-holders, rice has been made available at Rs. 2.00 per Kg and wheat at Rs. 6.75 per Kg per head per week due to an additional subsidy provided by the Government to the tune of Rs. 937 crores. At present around 69,000 people living below the poverty line are benefiting from this scheme.

The State Government has also initiated a special drive to stamp out bogus ration cards from the State.

Some of the significant activities proposed for 2012-13 are issuance of digitised ration cards, creation of additional storage capacity for food-grains, more PDS programme in the tribal areas of North Bengal and the Jangal Mahal.

I propose to increase the plan outlay of the Department of Food and Supplies a mere Rs. 33 crore in the current financial year to Rs. 68 crore in the next financial year, an increase of more than 106 percent.

### **Development of North Bengal, Hills, Jangal Mahal and Sundarbans:**

2.15 Honourable Members, the under-developed regions of the State comprising the districts of North Bengal, Paschimanchal and Sundarbans have different development needs due to difficult topography. Incidentally, these regions are inhabited by Scheduled Caste and Scheduled Tribe people.

These regions suffer from problems of drinking water, inadequate health and educational facilities, poor road connectivity and poor electricity coverage.

Unfortunately, special development interests of these regions were never appreciated in the past leading to the present sorry state of affairs. To realize the dreams and aspirations of the people of these regions, Hon'ble Chief Minister has created a new Department known as North Bengal Development Department.

During 2011-12, 83 new schemes for the construction of roads and bridges, minor irrigation, etc. have been undertaken.

I propose to allocate Rs. 200 crore to the new North Bengal Development Department in the next financial year.

I also propose to allocate Rs. 118.07 crore to the Department of Hill Affairs against this year's plan allocation of a meager Rs. 68.63 crore.

I propose to provide an outlay of Rs. 205.63 crore for Paschimanchal Unnayan Affairs and Rs. 250 crore to the Department of Sundarban Affairs.

## **Human Resource Development :**

### ***School Education :***

2.16 Honourable Members, the school education is the bedrock on which our future is built.

Therefore special effort is being given for providing infrastructural requirement including construction of school buildings, construction of hostels, upgradation of Madhyamik schools to Higher Secondary levels, massive recruitment of teachers both against existing vacancies and also against new vacancies is underway. Providing drinking water and sanitation facilities in schools is a priority.

During 2011-12, 44,955 posts of teachers at primary and upper-primary levels were created. Schemes have also been initiated for capacity building of the teachers through training and orientation programmes.

Girl students coming from poor families are being encouraged to pursue secondary and higher secondary education through grant of scholarship and distribution of bicycles.

I propose to initiate a special drive for the construction of 40 new school buildings and 105 girls' hostels in 11 backward districts of the State.

The Government has also taken the decision to upgrade 500 Madhyamik Schools to Higher Secondary Schools this year and 499 schools in the next financial year.

For the benefit of sons and daughters of police personnel and officials of administration who are transferred frequently, the Government proposes to set up 6 model schools in 2012-13.

I propose to increase outlay of the Department to Rs. 2713.05 crore in the next year.

### **Technical Education :**

2.17 Honourable Members, more than 90 percent of the employment in the State is in the informal sector.

West Bengal's share in the sitting capacity in ITI and ITC is only 1.5 percent, as against 12 percent in Andhra Pradesh, 8.3 percent in Orissa and 11 percent in Maharashtra. This is a shame.

During 2011-12, Short-Term Vocational Training (STVT) for Madhyamik passed students in around 75 centres in the State, setting up and construction of new polytechnics have been started in different districts of the State.

We also propose to set up, during 2012-13, 11 new Skill Development Centres and 3 new Industrial Training Institutes (ITIs) in the 11 backward districts of the State.

We would also set up a Skill Development Corporation to act as nodal agency and single window for all the initiatives in the Vocational Education Sector.

A Rajya Karigori Prashikhan Kendra for industry driven skill development is also being established in Rajarhat.

I am happy to announce the introduction of a new scheme called 'Karmasiksha Prakolpa' for the skill development and upgradation of the students in the secondary and higher secondary level schools. Presently, the students have a choice of Arts, Science and Commerce streams, to which we will be adding an option of a separate vocational/technical stream, with certification of a national level acceptability.

We will gradually cover all the secondary and higher secondary schools in the State in a phased manner and to begin with 200 schools will be covered in the next academic year.

I propose to allocate an additional fund for the scheme in the next financial year.

I also propose to increase the plan outlay of the Department of Technical Education & Training to Rs. 444.24 crore in the next financial year.

## **Higher Education :**

2.18 Honourable Members, the Government has accorded highest priority to cleanse the institution of research and higher education from the menace of politicization as it has destroyed these institutions for which Bengal was famous not only in the country but across the globe.

Honourable Members are aware that the functioning of the Presidency University is being revamped under the guidance of the Mentor Group. Since the constitution of the Mentor Group, a large number of reforms have already been put in place to transform the Presidency University into a world class centre of research and excellence.

We have during the current year allotted funds for the upgradation of infrastructure of the Sidho-Kanho-Birsa University, Gour Banga University, North Bengal University for setting up of 2nd campus at Jalpaiguri, a new campus of Rabindra Bharati University in the district of Darjeeling, construction of campus for the West Bengal State University at Barasat and Kalyani University.

We have also introduced new course in Santhali and Hindi languages at Vidyasagar University and given special funds for the University. We have also created a large number of teaching and non-teaching posts in different universities and colleges.

During 2011-12, 3 new general degree colleges have also been opened. We have also sanctioned setting up of 4 general degree colleges including Girls' college at Salboni, Jhargram, Nayagram and Lalgah in Jangal Mahal areas.

We propose to establish new universities in Coochbehar district and under-developed backward regions , 5 model degree colleges, 5 new Government colleges at Pedong and Gorubathan in the district of Darjeeling, Rajarhat and Gaighata in the district of North 24 Parganas and Bhabta in the district of Murshidabad in the next financial year.

To supplement the Central Grants and share of State with the Central Government, I propose to increase the plan outlay of the Department of Higher Education to Rs. 240 crore.

## **Physical Infrastructure Development:**

### ***Road Development:***

2.19 Honourable Members, improving road connectivity is essential for taking fruits of development to every nook and corner of the State.

A State Highway Road Corporation has been formed as a statutory undertaking under Public Works Department. The objective of the Corporation is to draw up a holistic development plan for road and bridge network in the State.

During the next financial year, we propose to take up strengthening and widening of 1046 km of district roads in 11 backward districts and construction of 8 bridges of the State. I propose to allocate additional funds for the schemes during the next financial year.

I propose to enhance the total outlay of the Public Works Department to Rs. 1175.42 crore in the next year, an increase of 31.30 percent.

## **Power:**

2.20 Honourable Members, we are committed to provide steady power for households, farmers, agriculture and industries. Rural electrification remains one of the important focus of the State Government. This is possible only if adequate generation and distribution capacities are created along with specially designed schemes to light every home in the State.

During 2011-12, I am happy to state that more than 14 lakh electricity connections were provided to families living below poverty line.

On the generation side, construction of Sagardighi 3 & 4 (1,000 MW) and renovation of Bandel 5th Unit (210 MW) has been taken up. Construction of 8<sup>th</sup> Unit of 250 MW capacity has also been started by Durgapur Projects Limited. The commissioning of Santaldih 6th Unit of 250 MW was done in September, 2011.

In a unique effort, the Sagar Islands were linked to the transmission grid.

During the next financial year we propose to take forward the project "Sabar Ghare Alo" in the 11 backward districts of the State.

I propose to increase the plan outlay of the Department of Power and Non-Conventional Sources of Energy from Rs. 520.60 crore in current year to Rs. 1,010.50 crore in the next financial year, an increase of more than 94 percent.

## **Transport:**

2.21 Honourable Members, the State Government has initiated deep and far reaching reforms in the transport sector plagued in the past by total lack of policy initiatives. The condition of State Transport Corporations continues to be dismal and all of them are running in huge losses and surviving on State subsidy. The Government is determined to revamp these State Corporations so that they can stand on their own feet and be proud of themselves.

HRBC has been strengthened and it has undertaken prestigious projects like Nagerbazar Flyover, the Beckbagan Flyover, the Garment Park and development of modern bus terminus at Karunamoyee at Salt Lake.

Creation of new PVD office and eighteen new ARTO offices has been decided.

I propose to provide for a plan outlay of Rs. 375 crore to the Transport Department in the next financial year.

### **Irrigation & Minor-Irrigation:**

2.22 We have taken up two major flood protection projects, viz. 'Reconstruction of Aila affected Sundarban Embankments' and 'Kaliaghai Kapaleswari-Baghai Basin Drainage Scheme'. The Teesta Barrage Project which was in a state of neglect for years has engaged the attention of the State Government. We have been able to provide irrigation to additional 9,000 hectares through this project.

The State Government has launched a new flagship programme 'Jal Dharo-Jal Bharo' for harvesting rainwater through re-excavation of ponds for sustainable development and management of surface and ground water resources.

I propose to provide for a plan outlay of Rs. 1568.17 crore to the Irrigation and Waterways Department and Rs. 369.91 crore to the Department of Water Resources Investigation and Development in the next financial year.

### **Cultural Development :**

2.23 Honourable Members, we all take pride in the fact that Bengal is the cultural capital of the country but over the years we have ourselves forgotten the great sons and daughters who have through their dedication earned us this epithet. Our honourable Chief Minister has taken upon herself the responsibility of reviving the work of the great sons and daughters of West Bengal.

The befitting celebration of the 150th Birth Anniversary of Rabindranath Tagore and the Hool Dibas, to mark the Santhal uprising have been observed by the State Government. Bangabibhushan award, instituted for the first time, has been given to persons for life time contribution.

We have also undertaken the revamping of the Mongpu Villa with which Rabindranath Tagore had a very creative association. Kolkata Film Festival, Childrens Film Festival and 11th Natyamela have also been organized.

In 2012-13, we propose to set up cultural academies in Jangal Mahal (Sidho-Kanho Academy) and Darjeeling (Nepali Academy), and upgrade Rabindra Sadan complex, for which a Vision Committee has already been set up.

Five cultural centres are to be set up at Bishnupur, Santiniketan, Jangipur, Aatpur and the Currency Building, Kolkata. A new Film City will be set up at Uttarpara.

Revival of Basumati Corporation Limited and major promotion of cultural tourism in the state are also on the cards.

I propose to increase the plan outlay of the Department of Information and Cultural Affairs from Rs. 61 crore in the current financial year to Rs. 110 crore in the next financial year, an increase of more than 80 percent.

### **Industrial Development:**

#### ***Development of Micro & Small Scale Enterprises :***

2.24 The importance of the labour intensive micro and small scale enterprises in employment generation cannot be over-emphasized. We have undertaken to develop industrial clusters in different parts of the State, keeping in mind the regionspecific availability of trade skills and core competencies.

To give further impetus to the small scale sector, I propose to provide for a plan outlay of Rs. 286.20 crore to the Department of Micro & Small Scale Enterprises and Textiles in the next financial year.

### **Development of Large and Medium Industries:**

2.25 A number of pro-industry initiatives have been taken by the new State Government since May, 2011.

Since the taking over of the new Government, investment proposals for an estimated amount of Rs. 80,000 crore have been received.

The success of the industrial summit, the Bengal Leads, points to the confidence of the industrialists in this Government. A single-window clearance system called 'Shilpa Sathi' has been made operational. A large number of mega projects, namely, Matrix Fertilizer & Chemical Limited at Panagarh Industrial Park, M/s TVS at Uluberia jointly with Neo Strategic Motors Private Limited are coming up.

New units of Tractors India Limited (TIL) at Kharagpur have been commissioned. A Jari Park in Howrah has been setup.

I propose to provide for a plan outlay of Rs. 500 crore to the Commerce & Industries Department in the next financial year.

### **Information Technology :**

2.26 Honourable members, the State Government has identified the Information & Communication Technology sector as a priority sector. As honourable members are aware, the IT and ITeS industry in the State today employs more than 100,000 professionals generating over Rs. 7500 crores of exports.

The Government has also identified satellite locations, away from Kolkata, for development of Information Technology hubs. Siliguri and Durgapur have been equipped with two Incubation Centre/IT Parks which received good response from industry. More such Incubation Centres and IT hubs are planned in Falta, Burdwan, Barjora, Purulia, Kharagpur and Haldia.

In order to promote hardware industries, the Government has collaborated with the Bengal Engineering Science University (BESU). A Hardware Park has also been planned in Sonarpur.

I propose to allocate Rs. 102.75 crore to the Department of Information Technology in the next financial year.

## **Urban Development :**

2.27 Honourable Members, West Bengal is experiencing a higher rate of urbanization than the national average. This has created both opportunities and challenges. The challenge from drinking water to waste management, from housing and transportation to the preservation of urban green has necessitated a holistic development of physical and social infrastructure in urban areas.

During 2012-13, we propose to start piped water supply scheme in Bishnupur, Sonamukhi, Raghunathpur, Purulia, Kharagpur Municipality and in Jungle-Mahal area at a project cost of Rs. 210.86 crore in the next financial year.

An allocation of Rs. 1,933.98 crore has been proposed for the Municipal Affairs Department for the next financial year and Rs. 1,233.02 crore for the Urban Development Department to undertake development activities in the urban areas.

## **Tourism:**

2.28 Honourable Members, recognising its huge revenue and employment potential, Chief Minister has declared tourism as a major thrust sector. To translate her dreams into reality, master plans have been drawn up on Public-Private partnership for development of major tourism destinations like Darjeeling, Digha and Sunderbans.

A comprehensive beautification programme of Kolkata is already underway. The new and the aesthetically designed, power saving street lights in many parts of Kolkata has already become a motif of the great city.

During 2012-13 we plan to boost tourism sector in order to make Bengal's tourist places known to the outside world and our own people. We propose to focus on backward districts like Purulia, Paschim Midnapore and Bankura in this respect.

Heritage tourism is our State's core competency that has remained dormant and neglected in previous decades. We hope to catch up at war footing.

Keeping this vision in view, I propose to increase the plan outlay of the Department of Tourism from Rs. 44 crore in the current financial year to Rs. 90 crore in the next financial year, an increase of more than 104 percent.

### **Rural Development:**

2.29 Honourable Members, The State Government is determined to create adequate employment for rural masses. It has been making all out efforts to improve the performance of rural development programmes in creating assets and generating employment.

I am happy to announce that for the total mandays created under MGNREGS exceeding 100 days in a year per family, the State Government will provide additional funds under the scheme upto a maximum of 200 days per family per year.

During the current financial year we have plan to connect with road network 200 villages having population of more than 1,000 and 40 villages having population of more than 500. The total length of the roads that will be created would be 731 KM.

Rest of the uncovered villages will be connected through road network during the next two years, i.e., 2012-13 and 2013-14.

### **Other Initiatives:**

#### **Law:**

2.30 Honourable Members will be pleased to know that the Government proposes to form a welfare corporation in the name 'The West Bengal Advocates Welfare Corporation' for the purpose of providing residential housing, insurance facilities, provident fund and stipend facilities. For introducing the scheme in a speedy manner Rs. 14 crore has already been sanctioned.

### **New Health Insurance Scheme:**

2.31 The Chief Minister is keen to facilitate the coverage of health insurance for teachers and other such personnel. We will open a dialogue with leading

Insurance companies to work out an appropriate scheme within the next six months.

The Government is very keen that all the police personnel are covered by a robust health insurance scheme. Unfortunately, the number of police personnel registered with the West Bengal Health Scheme is rather low. So the Home Department will launch a special drive to register all police personnel in the State with the West Bengal Health Scheme, which has significant medical coverage.

2.32 Aside from those Departments which I have been able to touch, a lot has been achieved by all the Departments of this Government during this short period. Departments of Consumer Affairs, Disaster Management and Fire and Emergency Services have been quite visible. Forests, Environment, Cooperation, Science and Technology, Bio Technology and Mass Education have also achieved a lot along with Refugee and Rehabilitation. Development and Planning Department has done major work of coordination with other Departments. A new Department has been formed for Statistics and Programme Implementation which, I am sure, has formulated its future activities.

Plan budget allocation has been significantly increased for many of these Departments. All other Departments of the Government are moving forward rapidly as well.

## **FINANCIAL INCLUSION**

2.33 I am happy to state that the new Government was able to bring about a constructive, transparent and people centric synergy with the banking sector of the State through the State Level Bankers Committee (SLBC). This synergy has led to many achievements.

- (i) The State Government focused strongly on expanding the reach of Kishan Credit Cards (KCCs). The Hon'ble Chief Minister launched a drive on Kishan Credit Card (KCC) on 18<sup>th</sup> August, 2011 to cover all eligible farmers throughout the State within 31st March, 2012. In the meantime six lakhs KCCs have been issued to farmers in this year only. All the eligible farmers will have KCC within short time.

- (ii) The requirement for agriculture credit in West Bengal is to the tune of Rs. 45,338 crores per annum (at current prices). Sadly, only Rs. 11,555 crores was provided during 2010-11. This means that the farmers of West Bengal did not receive 74 percent of the agricultural credit. This Government has brought down within a short period this 74 percent to 66 percent.
- (iii) The annual credit need for the medium and small enterprises sector is to the tune of Rs. 15,000 crores per annum. We were saddened to find that in 2010-11, 51 percent of the credit need of medium and small enterprises (MSE) was neglected. With this Government's synergic effort, the under-serviced level will come down from 51 percent to 31 percent within this year.
- (iv) On 31st March, 2011, before this Government took office, 1.47 lakhs Self Help Groups (SHGs) were regularly putting their savings in bank's deposit, but were not being given loans against those savings. During our Government's short tenure, 71,000 additional SHGs are now receiving bank loans against their savings deposits.
- (v) Another important dimension of bank credit in rural areas is un-banked villages. On 31.03.2011 un-banked villages with a population over two thousand was 4,498. The Government is making efforts to cover these villages by either brick and mortar branches or through business correspondent model.

## FUNDAMENTAL REFORMS OF THE TAX ADMINISTRATION

3. Honourable Members, the Government of India has recently taken two decisions which will result in an annual revenue loss of around Rs. 1,500 crore in the next financial year.

It has unilaterally decided to stop Central Sales Tax (CST) compensation to the State. This has resulted in a loss of revenue for the years 2010-11 and 2011-12 to the tune of Rs. 1,800 crore.

Similarly, Government of India has recently allowed private airline companies to import Aviation Turbine Fuel (ATF). We collect Sales Tax to the tune of Rs. 225 crore every year on sale of ATF, which we fear would substantially reduce on account of the import permission granted by the Government of India.

3.1 Honourable Members, in order to fund the increased development expenditure, we have adopted a strategy. The strategy includes on one hand transforming the tax administration of the State into a simplified system and on the other hand mobilization of some fresh resources.

3.2 Honourable Members, several reforms have been initiated in the Finance Department and the Revenue Directorates since the new Government took over in May, 2011. Several new initiatives have also been taken in the realm of e-Governance in tax administration. The predominant among them are:

- (a) The introduction of e-filing of return under the West Bengal Sales Tax Act, 1994,
- (b) Pre-assessment refund facility through Electronic Clearing System (ECS),
- (c) Payment of Industrial Promotion Assistance through ECS,
- (d) Facility to exercise option under different composition schemes under the West Bengal Value Added Tax Act, 2003,
- (e) Facility to generate and print the certificate of registration under the VAT and CST Acts in dematerialized form,
- (f) Online receiving of application relating to grievance and monitoring,
- (g) Electronic system in respect of deduction of tax at source in VAT administration.

We have also introduced the system of payment of salary to the State Government employees through ECS.

I intend to take forward the reform process further with renewed vigour in the coming year to take the State up the ladder of 'ease to do business'.

3.3 Honourable Members, the Government has decided to computerize salary accounts mandatorily in all State Government Offices and other Autonomous Bodies like Municipalities / Panchayats / Educational Institutions etc., which draw pay bills and grant-in-aid salary bills from Government Treasuries / Pay & Accounts Offices.

I am happy to announce that necessary software Computerisation of Salary Accounts (COSA) will be made available in all Drawing & Disbursing Officers (DDO) offices in the State to complete the process in all offices by 30th September, 2012.

3.4 Honourable Members, the DDOs functioning of all Administrative departments, barring few was centralized in the Accounts Office of the Finance Department which often resulted in delay. The State Government has decided to decentralize the DDO functioning from Finance Department to all Administrative Departments. This scheme has already been introduced in 43 Departments. The remaining departments would be brought under the scheme by September, 2012.

3.5 Honourable Members, a large number of files are received in and sent from the Finance Department every day. In the absence of any credible file tracking system it becomes difficult to locate the file and speed up disposal. The existing system is therefore manual and person-dependent. Honourable Members, I am happy to announce that we have decided to put in place a web based online file tracking and management system in the Finance Department. In this new system the individual departments would be able to know the status of the file at any point of time. The system will be operational by September, 2012.

3.6 At present, the Administrative Departments have to get the approval of Departmental Approval Committee (DAC) for all schemes taken up under the State Plan. The power of the Department Secretaries has been enhanced from Rs. 3 crore to Rs. 5 crore.

Honourable Members, it has now been further decided by the Government to enhance the financial power of the Administrative Departments.

With this in view, I propose to introduce Financial Advisors in all the major departments of the State Government. To start with, this system would be introduced in 10 major departments in the next financial year.

3.7 Honourable Members, for the purpose of an efficient management of Government funds and monitoring of the Government Accounts need is felt for an Integrated Financial Management System (IFMS).

Honourable Members, I am happy to announce the introduction of IFMS during the Financial year 2012-13 for better management of all financial aspects of the Government.

3.8 Presently under the West Bengal Value Added Tax Act, 2003, the West Bengal Sales Tax Act, 1994 and the Central Sales Tax Act, 1956, a dealer is required to furnish a hard copy of the return even after filing his return electronically. Honourable Members will kindly appreciate that this requirement of submitting the printed copy of the return is an avoidable duplication of work.

I propose to completely dispense with the requirement of submission of hard copy of return and instead introduce digitally signed e-return. Considering the fact that the cost of obtaining Digital Signature Certificate [DSC] may be a burden on the small dealers, I propose that the first time cost of obtaining DSC will be borne by the Government for dealers with annual turnover below Rupees two crore.

3.9 Honourable Members, at present a dealer has to furnish three separate returns for three different Sales Tax Acts. At the same time each return is very voluminous making it difficult for the dealers especially small dealers to file such returns. I propose to introduce one simple consolidated return for all three Acts to be known as e-Sahaj. This will save time and cost of the dealers in submitting return.

3.10 Honourable Members, since inception, the new Government has placed emphasis on making tax processes simpler. We have already streamlined the system of generation of waybills for import of goods from outside the State

and have introduced a single-document electronic waybill in place of two-part waybill. I now propose to make further changes to simplify the process by allowing e-waybill facility also to unregistered dealers.

3.11 Under the VAT Act, it was mandatory on part of the Departmental officers to assess the dealer where any discrepancy was found in their audit report. Honourable Members, through Finance Act 2011, a major reform was initiated in the audit process by stipulating that where the dealer accepts the audit report and deposits the tax, assessment was not to be initiated.

I now propose to take the reform further to the effect that where the audit report is not accepted by the dealer, no further assessment will be initiated. The audit report, on expiry of the prescribed time, shall automatically become a notice of demand. The proposed amendment will reduce the time for the dealers by at least 12 months.

3.12 In accordance with the provisions of the VAT Act, registered dealer whose annual turnover of sales exceed Rs. 1.5 crore is required to submit a copy of Profit and Loss Account and Balance Sheet for such year, along with an Audit Report prepared by a Chartered Accountant or Cost Accountant.

To provide relief to the small dealers, I propose to further raise the threshold for submitting such audit report from the existing Rs. 1.5 crore to Rs. 3 crore. Such dealers will have to submit only a "Self-Audited Statement" instead of audit report from a Chartered Accountant or Cost Accountant. The total number of dealers who will get the benefit from these measures will be around 1.48 lakh. I am sure this measure will be widely welcomed by the small dealers.

3.13 Honourable Members, a simplified process of e-registration with dematerialized certificate of registration was introduced from 1st August, 2011 under which there is no necessity of personal appearance or hearing.

To take the reforms further, I propose to introduce an Amnesty Scheme to be available upto 31<sup>st</sup> December, 2012 to those dealers who have remained unregistered despite having already acquired liability to pay tax. Such dealers will be given a last opportunity to declare their liability and seek registration on payment of only a certain percentage of their declared taxable turnover. No interest and penalty shall be charged for the undisclosed

liability and failure of the dealer to get registered. I am hopeful that the unregistered dealers will come forward to take this opportunity and do their business openly in a lawful manner.

3.14 Honourable Members, we have been steadfastly striving to reduce the litigations in different appellate forums. In the Finance Act, 2011, we had provided for transfer of old Sales Tax and VAT cases from the Appellate and Revisional Board to the Fast Track Appellate Authority for speedy disposal. I want to assure the house through this we will be able to dispose of around 3,600 cases by 31st December, 2012. I, now, propose to introduce a provision in the VAT Act for disposal of assessment related first appeal petitions, by an Appeal Forum consisting of more than one officer, of all those appeals where the disputed amount exceeds Rs. 20 lakh.

I am also happy to inform that we would be introducing the system of e-filing of appeal petitions in the first quarter of the financial year 2012-2013.

3.15 Honourable Members, till 2010-11, electronic payment of Commercial Taxes and Profession Tax could be made only through three Public Sector Banks, namely, the State Bank of India, the United Bank of India and the Central Bank of India. I am happy to announce that presently as many as eleven public sector banks have been authorized to accept deposit of taxes electronically. We hope to authorize all public sector banks to accept tax deposits in e-mode during 2012-13.

3.16 Honourable Members, many small dealers are unable to bear the cost of professional services for preparation of tax returns and other tax-related documents. Honourable Members, I feel privileged to announce the introduction of a new scheme of VAT Return Preparers (VRPs) under the Public Private Partnership model. VRPs will be young graduates willing to be trained in the preparation of Sales Tax returns and other tax-related services.

We propose to train around 1,000 such graduates in the first instance during 2012-13. After the completion of the training each such graduate will be given a Certificate of Proficiency by the Commercial Taxes Directorate after which these graduates can assist dealers in the preparation of returns and also get other related services. I also propose that the Government would subsidize a portion of their cost of training of unemployed youth from minority and backward community. We would be the first in the country to

introduce this scheme of imparting skills in the preparation of VAT return to young unemployed graduates for self-employment.

3.17 Honourable Members, VAT is payable on the tax imposed under the Motor Vehicles Tax Acts for the sale of motor vehicles—tax on tax.

To address the issue, I propose that the tax paid under the Motor Vehicles Tax Acts shall not form a part of sale price under the VAT Act. The definition of 'sale price' in the VAT Act is accordingly being amended.

Presently, dealers engaged in repair of motor vehicles are not allowed to enjoy input tax credit on purchases of spare parts as such items are specified in the negative list. Considering their long-standing demand, I propose to amend the negative list under the VAT Act to allow input tax credit on purchases of spare parts of motor vehicles for use in execution of works contract.

3.18 Honourable Members, we have already introduced the provision of deemed assessment in respect of dealers having turnover of sales below Rs. 3 crore for the years 2009-2010 and 2010-2011. The last date for submission of the declarations by dealers was 31st December, 2011. I am happy to announce raising of the limit from Rs. 3 crore to Rs. 5 crore and also extension of date till 30<sup>th</sup> June, 2012 for the year 2010-2011.

3.19 Honourable Members, presently owners of the small restaurants, eateries, dhabas with turnover up to Rs.15 lakh are eligible to pay tax at the compounded rate of 4 percent under the VAT Act. I am happy to announce to raise the limit from Rs.15 lakh to Rs. 25 lakh.

3.20 Honourable Members, the process of generation of waybills required for import of goods into West Bengal has been drastically simplified.

I now propose to rationalize the penal provisions relating to unauthorized import of taxable goods. It is proposed that the rates of penalty on seizure of goods shall be reduced from 30 percent to 15 percent for goods taxable at 4 percent and from 50 percent to 25 percent for goods taxable at 13.5 percent.

3.21 Honourable Members, there has been a persistent demand from dealers registered in the six districts of North Bengal for organizing camps in North Bengal for disposal of their appeals and revisional cases pending at the West

Bengal Commercial Taxes and Appellate and Revisional Board located in Kolkata.

I am happy to announce that to minimize the costs of the appellant dealers of North Bengal, 4 camps, one in each quarter, of the West Bengal Commercial Taxes Appellate and Revisional Board will be organized every year in Siliguri for the benefit of the dealers of North Bengal.

3.22 Honourable Members, profession tax has become an important source of revenue for the State over the years.

I am happy to announce to raise the exemption limit for payment of profession tax for salaried persons from the existing threshold of Rs. 3,000 per month to Rs. 5,000 per month. I also propose to make the provision of deemed assessment applicable in respect of profession tax returns submitted for the periods up to 31.03.2011.

3.23 Honourable Members, under the Industrial Promotion Assistance Scheme, we have been providing financial assistance to micro and small enterprises for expansion of production capacity, modernization and improvement of marketing capabilities. This financial support comes to an end on 31.3.2012.

I am happy to announce the extension of the benefit of industrial promotion assistance to the micro and small enterprises for a further period of one year up to 31.03.2013.

3.24 Honourable Members, in the present system of property registration in West Bengal there is constant threat of leakage of revenue for attempted use of fake Non-Judicial Stamp papers in different registration offices. The Government therefore has decided to introduce e-stamping system through net banking and also counter payment in authorized Banks. The Government will be able to receive the payments on account of Stamp Duties and Registration Fees in a secured way through an Electronic Centralised Revenue Receiving System. The system is expected to be operational within June, 2012.

3.25 Honourable Members, in order to offer an additional and useful citizen centric services to the registrant public, the Government has also decided to introduce an Advance Queue Management System.

In the system, the registrant public will be able to follow the process of registration on the display boards installed for the purpose in the property registration offices. One SMS would also be forwarded from the system to the particular person to the effect that the deed was ready for delivery. This system will be introduced first in the office of the Alipore District Sub-Registrar from June 2012 onwards.

3.26 Honourable Members, till now there was no provision of registration of agreement between the owner of a piece of land and the developer/ promoter. This vacuum in law has at times led to problems.

In order to protect the interest of particularly small owners of land, it is proposed, through necessary changes in the Indian Stamp Act, to provide a voluntary and optional scheme of registration by paying a nominal stamp duty. Such statutory provision already exists in respect of agreements relating to purchase of residential houses and flats.

Those who choose not to take this option may continue with the current dispensation. The provision in respect of Power of Attorney has been similarly aligned.

3.27 Honourable Members, the Rural Employment Cess is payable under the West Bengal Rural Employment and Production Act, 1976 and the Education Cess payable under the West Bengal Primary Education Act, 1973 by Tea Estates in West Bengal.

In order to facilitate the growth of tea industry in the State and to benefit thousands of workers engaged in the tea gardens, I propose to exempt the payment of both the types of Cess for the period from 1.4.2012 to 31.3.2013. I also propose to allow the benefit of waiver of penalty and payment of interest at lower rate on cess remaining unpaid on 31.3.2012 provided the entire arrear interest at the reduced rate is paid within 31.3.2013.

I am hopeful that this relief will go a long way in rejuvenating the tea industry of our State.

3.28 Honourable Members, most of the States in the country have introduced the system of life time tax on registration of vehicles. I now propose to introduce the life time tax on registration of vehicles. The Road Tax shall be based on the ex-show room price of the vehicles. Currently, the applicants

have to pay different taxes such as road tax, additional road tax, video tax, audio tax, registration charges, special tax and other related taxes at the time of registration of vehicles. All these taxes are planned to be merged into a single tax.

However, the option for payment of five year tax will also be available to the registrant public along with the life-time tax. We are happy that the Transport Department has also planned to introduce on-line registration of vehicles through the dealers.

3.29 In order to bring about transparency and simplification in excise duty structure and to prevent tax evasion, I propose to introduce ad valorem duty based on MRP in the country liquor segment. Necessary amendment to the West Bengal Excise (Country Spirit) Rule, 2010 would be made for the purpose.

3.30 Honourable Members, in order to protect the interest of the existing trade and industry and to attract new initiatives in this sphere, we are committed to provide better infrastructural facilities and a very congenial business atmosphere. Therefore, special emphasis has been laid by this Government on development of roads, construction of new roads linking the production centres with market hubs, better transport facilities and facilities for storage of goods. All these initiatives will no doubt involve substantial cost to the Government exchequer.

Honourable Members, in order to meet up such cost for facilitating trade and industry in the State, I propose to introduce a new bill for levy of tax on entry of goods into local areas of the State and thereby creating a Compensatory Entry Tax Fund.

3.31 Honourable Members, considering the plight of the common citizen by the substantial hike in price of domestic LPG, we have already exempted domestic LPG from VAT in the year 2011, thus foregoing significant revenue on this count. Now I propose to exempt empty domestic liquefied petroleum gas (LPG) cylinders as also balloons from payment of VAT. I also propose to reduce the rate of tax from 13.5 percent to 4 percent on paneer. Now wooden boxes are not covered in packing materials and so I propose to reduce their tax rate from 13.5 percent to 4 percent. For the benefit of the cottage and small units manufacturing kites, I propose to reduce the rate of tax from 13.5 percent to 4 percent on sales of kite sticks.

Honourable Members, I propose to levy a higher rate of tax in respect of a few high-value luxury goods. The rate of tax on motor car priced above Rs. 10 lakh, television with the maximum retail price exceeding Rs. 25,000, mobile phones with the maximum retail price exceeding Rs. 20,000, watches with maximum retail price exceeding Rs. 15,000, and air conditioners with capacity above 1 ton is proposed to be increased from 13.5 percent to 14.5 percent.

3.32 Honourable Members, for meeting the plan commitments for 2012-13, I propose to provide for the total State Plan Outlay of Rs. 23,371.44 crore, which is 11.56 percent more than that of last year. Moreover, for the introduction of new schemes as detailed in the foregoing paragraphs, I propose to allocate an additional amount of Rs. 200 crore. The additional resource would be generated through the tax proposals which have been outlined above. The total deficit for the next year is estimated at Rs. 9 crore. I now seek your kind indulgence to conclude the proposals of this Budget.

Honourable Speaker Sir, I salute the Ma-Mati-Manush of Bengal and thank our Honourable Chief Minister, Mamata Banerjee, for giving me this unique opportunity to present this budget before this august House. We hope that this represents a vision of the people, by the people and for the people of this great State.

I began with the emotional words of Kavi Guru Rabindranath Tagore and would like to conclude with the inspiring words of Swami Vivekananda—

প্রবল বিশ্বাসই বড় বড় কার্যের জনক।  
এগিয়ে যাও, এগিয়ে যাও। দরিদ্র ও  
পদদলিতদের আমরণ সহানুভূতি ও  
সহায়তা করিতে হইবে—ইহাই আমাদের  
মূলমন্ত্র। এগিয়ে যাও, বীরহৃদয় যুবকবৃন্দ !

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## **FINANCIAL STATEMENT, 2012-2013**

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# WEST BENGAL ANNUAL FINANCIAL STATEMENT, 2012-2013

(In crores of Rupees)

	Actuals, 2010-2011	Budget, 2011-2012	Revised, 2011-2012	Budget, 2012-2013
<b>Receipts</b>				
1. Opening Balance	101.59	(-)2838.01	169.24	(-)3.00
2. Revenue Receipts	47264.20	65847.91	59143.89	76743.38
3. Receipts from Debt Heads—				
(i) Public Debt	43118.62	33445.42	46706.66	41542.73
(ii) Loans	372.48	163.34	49.58	53.60
4. Receipts from Contingency Fund and Public Account	201373.54	205029.84	212034.86	210131.53
<b>Total</b>	<b>292230.43</b>	<b>301648.50</b>	<b>318104.23</b>	<b>328468.24</b>

<b>Expenditure</b>				
5. Revenue Expenditure	64538.16	74138.74	76417.41	83719.39
6. Capital Expenditure	2225.75	6856.68	3885.86	8280.87
7. Expenditure on Debt Heads—				
(i) Public Debt	25164.26	16073.88	27102.64	22452.25
(ii) Loans	407.73	577.21	574.40	716.01
8. Expenditure on Contingency Fund and Public Account	199725.29	206843.68	210126.92	213304.72
9. Closing Balance	169.24	(-)2841.69	(-)3.00	(-)5.00
<b>Total</b>	<b>292230.43</b>	<b>301648.50</b>	<b>318104.23</b>	<b>328468.24</b>

(In crores of Rupees)

	Actuals, 2010-2011	Budget, 2011-2012	Revised, 2011-2012	Budget, 2012-2013
<b>Net Results—</b>				
Surplus (+)				
Deficit (–)				
(a) On Revenue Account	(–)17273.96	(–)8290.83	(–)17273.52	(–)6976.01
(b) Outside Revenue Account	17341.61	8287.15	17101.28	6974.01
(c) Net, excluding Opening Balance	67.65	(–)3.68	(–)172.24	(–)2.00
(d) Net, including Opening Balance	169.24	(–)2841.69	(–)3.00	(–)5.00
(e) Expenditure for New Programmes/Additional Outlays/Additional Dearness Allowance				
(i) On Revenue Account	..	..	..	..
(ii) Outside Revenue Account	..	..	..	..
(f) Expenditure for Additional Outlays				
(i) On Revenue Account	..	..	..	(–)82.00
(ii) Outside Revenue Account	..	..	..	(–)122.00
(g) Additional Resource Mobilisation under Tax Revenue	..	..	..	200.00
(h) Net Revenue Deficit	(–)17273.96	(–)8290.83	(–)17273.52	(–)6858.01
(i) Net Surplus/Deficit	169.24	(–)2841.69	(–)3.00	(–)9.00