

ASSAM BUDGET 2018-19



Highlights & Analysis

BUDGET 2018-19

Assam Finance Minister Himanta Biswa Sarma on March 12, 2018 presented Assam Budget 2018-19, the state's first e-Budget at the legislative Assembly. The state Budget presented in the electronic format and each legislator will be provided with a tablet (computer) with details of the Budget during discussions and cut motion on the Budget inside the House. This unique digital budget will also be the first one in the country to be drafted with citizens' participation and streamed on social media and is made available on Google app. The proceedings of the Assam budget presentation will also go live on Twitter and Facebook.

Receipts -

Rs 90,673.42 crore under the Consolidated Fund, of which Rs 74,118.50 crore is on Revenue Account and the remaining Rs 16,554.92 crore is under Capital Account. Contingency Fund of 100.00 crore and Public Account of 290914.84 crore. Total receipt of **381688.26 crore**.

Expenditure -

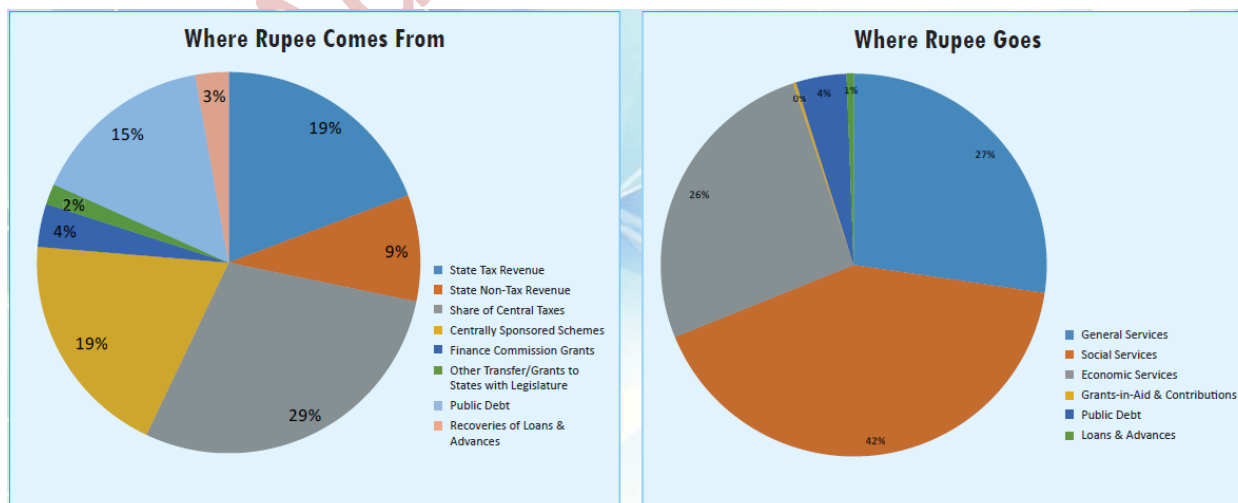
Consolidated Fund 90269.92 crore, Contingency Fund of 100.00 crore and Public Account of 290318.35 crore. Total Expenditure estimated at **380688.27 crore**.

Surplus - (for this year)

Receipts – Expenditure = 381688.26 crore - 380688.27 crore = **Rs 999.99 crore**.

Main Spending

- ❖ Education Department Budget – 11573 Crore
- ❖ Guwahati Development Department – 1515 Crore
- ❖ Health and Family Welfare Department– 5082 Crore
- ❖ Agriculture Department– 1801.14 Crore
- ❖ Fisheries Department – 160 Crore
- ❖ Handloom, Textile and Sericulture Department – 5082 Crore
- ❖ Industries and Commerce Department– 839 Crore
- ❖ Irrigation Department– 1700 Crore
- ❖ Panchayat and Rural Development – 5808 Crore
- ❖ Border Areas Department – Rs 161 Crore
- ❖ Co Operation Department – Rs 156.99 Crore
- ❖ Cultural Affairs Department – Rs 155.83 Crore
- ❖ Environment and Forest Department – Rs 505 Crore
- ❖ Food and Civil Supplies Department – Rs 877 Crore
- ❖ General Administration Department – Rs 727 Crore
- ❖ Hill Areas Department – Rs 161.39 crore
- ❖ Home and Political Department – Rs 5584 crore
- ❖ Judicial Department – Rs 582 Crore
- ❖ Legislative Department – Rs 45 Crore
- ❖ Public Health Engineering Department – Rs 2661 Crore
- ❖ Revenue and Disaster Management Department – Rs 1565 Crore
- ❖ Social Welfare Department – Rs 2098 Crore
- ❖ Sports and Youth Welfare Department – Rs 163 Crore
- ❖ Tourism Department – Rs 81 Crore



Sector-wise Analysis

Tea Industry

- ❖ Cess on green tea leaves completely exempted.
- ❖ Rs 7 crore earmarked for digitizing mode of payment in Tea Gardens. Each Sardar, around 20,000 in total, to be provided with a smartphone of around Rs 3000-5000.
- ❖ Rs 99 Crore for payment of outstanding PF dues, gratuity, arrear wages, salary, bonus, etc. of a retired worker & staff of Assam Tea Corporation
- ❖ Token provision of Rs 20 crore to construct paver block roads along labour lines in all Tea Gardens in Assam
- ❖ Rs 120 crore earmarked for **Phase 2 of ChahBagichaDhanPuraskararuJeevanSurakshaYojana**. Rs 2500 has already been transferred to tea garden employees across 752 Tea Gardens during ChahBagichaDhanPurashkarMela, launched in January 2018
- ❖ Proposal to exempt specified land cess on green tea leaves. In the previous two budgets, the cess had been reduced from 25 paise to 10 paise per kg green tea leaf in two phases.

Agriculture Sector & Food

- ❖ Exemption limits under the Agriculture Income Tax Act raised up to 2.5 lakh from the exemption limit of Rs 1 lakh and the other tax slabs have already been rationalized.
- ❖ Rs 50 crore earmarked for Price Stabilization Fund which will provide cushion for consumers from price fluctuations in essential commodities
- ❖ To activate inactive Kisan Credit Card accounts, a one-time cash incentive of Rs 3000 per inactive KCC holding farmer, if he renews the card.
- ❖ For the agriculture sector, zero interest on crop loans, debt relief for farmers and financial assistance for farm implements.

Education

- ❖ Govt to set **Media Fellowship** for pursuing higher studies in journalism so that 20 journalists can be selected for this fellowship at rate of Rs 50,000 each. One-time grant of Rs 10 lakh.
- ❖ 100 meritorious girl students studying in Polytechnics and Engineering colleges will be given a scholarship of Rs. 30,000 per year.
- ❖ New Colleges at Baksa, Udalguri and Chirang Women Colleges at Mangaldoi, Hailakandi and Karimganj.
- ❖ Polytechnic Colleges at Majuli, Tingkhong and Hajo
- ❖ 10 New B.Ed Colleges to be established (KarbiAnglong, Bongaigaon, Baksa, Nalbari, Kamrup, Morigaon, Dima-Hasao, Sivasagar, Biswanath, Lakhimpur)
- ❖ 9 New Women's Law Colleges in Assam (Sonari, Senga, Batadrawa, Jaleswar, Golokganj, Bilasipara, Mangaldoi, Hailakandi and Karimganj).
- ❖ Rs 980 crore for Schools
- ❖ Rs 256 crore under the '**TejasviNav-adhitam-astuEdu-Infra Funds (TNEIF)**' for infrastructure development of leading colleges.
- ❖ Rs 250 crore allotted to scholarship scheme for girl students Rs 2000, Rs 4000, Rs 6000 and Rs 10,000 for girl students between class 10 to Post Graduation.
- ❖ Rs 250 crore allotted for the **KanaklataMahilaSabalikaranYojana**.
- ❖ Scooties for 5000 girls securing the top 5000 position in HS Exam Results, 2018. Earlier the scheme had covered 1000 girls.
- ❖ Reservation of two seats in our medical colleges for students from other North-Eastern states that do not have a State medical college.
- ❖ Higher Education Department has also identified two clusters of leading colleges to be upgraded and developed into two New cluster universities one each in Jorhat and Guwahati. Jorhat cluster University will consist of JB college, Bahona College, DCB Girls college & CKB Commerce College and Guwahati cluster University will consist of AryaVidyapeeth College, B Barooah College, Handique Girls College, Gauhati Commerce College & Pragjyotish College.
- ❖ Legislation to be proposed for Regulation of Private Educational Institutions and Appropriate payment structure to be worked out for Teachers and allied functionaries in such institutions.
- ❖ Rs 25 crore earmarked for **Pratyahban scheme** to be launched for selected Private Schools on the lines on Gunotsav.

Skill Development & Employment Generation

- ❖ 13,000 urban youths to be trained under **DeendayalAntyodayaYojana – National Urban Livelihoods Mission (DAY-NULM)**
- ❖ Rs 5 crore for providing Self Employment grants to Educated Youths under **AtalAtmaSansthaponYojana**
- ❖ Rs 10 crore allocated for **Atal Tinkering Lab (ATL)** set up by the NITI Aayog, at the Secondary School Level. The Laboratories are dedicated work spaces where young minds are exposed to the latest technological advancements. ATLs to be set up in 50 government schools on a pilot basis.
- ❖ Govt will invest Rs 14,800 per individual under skills training program
- ❖ Rs 300 crore allotted for **Swami Vivekananda Assam Youth Empowerment Yojana (SVAYEM)** which envisages to provide financial assistance to young entrepreneurs.
- ❖ Surrendered Cadres of insurgent outfits to be provided loans up to Rs 2 Lakhs and skill training under **the SVAYEM Scheme**.
- ❖ Rs 77 crore has been allotted for **State Level Mega Skill Development Scheme** wherein Rs 14, 800 will be invested per individual. The state has set a target of empowering 1.5 lakh youth over a period of 3 years through this scheme.
- ❖ **KanaklataMahilaSabalikaranYojana**- A scheme to promote at least one lakh self-sustainable, self-help groups (SHGs) in the State through loan and capital subsidy will be launched in the upcoming financial year.
- ❖ Treasury Challan system for third and fourth grade jobs has been terminated. Upper Age Limit extended from 38 to 44 for third and fourth grade employees, this however won't be applicable in Police, Home Guards, Defence and Fire Dept.
- ❖ Rs 10 crore allocated for readying Engineering and Commerce graduates for employment. **ERP** majors like SAP to establish 10 **Centres of Excellence** with intake capacity of about 5000 Engineering and Commerce graduates over a period of 3 years.

Health Sector

- ❖ Rs 16 crore allocated under **Sanjeevani- Village Health Outreach Program** in 7680 villages of Assam
- ❖ Salary allowances of Anganwadi workers and ASHA workers to be increase by Rs 1000 and of Anganwadi Helpers by Rs 500

- ❖ Rs 250 Crore earmarked for **DeenDayalDivyangXahajyaAchoni** which provides assistance for medical treatment of persons with disabilities. Around 1.4 Lakh differently abled persons received assistance of Rs 5000 per person in 2017-18.
- ❖ Rs 400 crore allocated for **AtalAmritAbhiyan**, which will cover about 92% of Assam's total population one of the largest universal health assurance schemes in the world. With 1.6 crore beneficiaries already enrolled under this scheme, almost all major hospitals across India from MedantaMedicity to Apollo Bengaluru have been empaneled.
- ❖ Rs 4 crore earmarked for **SwasthaSewaUtsav** and **Gram Utsav** to carry out an assessment of the Public Health Institutions of the State.
- ❖ **Inclusive Cancer Control Programme: A Partnership with Tata Trusts** - An entire sum of Rs 980 crore has been allocated in one go, during the Financial Year 2018-19
- ❖ Six Government Medical Colleges and 11 District Hospitals will be strengthened by 2019 to provide varying degrees of cancer care.

Sports Development

- ❖ Each panchayat will be given Re 25,000 to organize GaonPanchayat level Football tournament
- ❖ Rs 5 crore each for installing flood lights in stadium in Dibrugarh, Jorhat, Karimganj, Diphu, Mangaldai, Tezpur&Tinsukia thereby strengthening rural sports infra

Wages, Salaried Class & Pension Schemes

- ❖ Daily Wage of Home Guards to increase from Rs 250 per day to Rs 300 per day. The enhanced wages will start from FY 2018-19.
- ❖ Rs 400 crore allocated for **Universalization of Old Age Pension Scheme** under **PRANAM Act**. A pension scheme that covers each and every senior citizen of the State, irrespective of whether they are above poverty line or below poverty line. Each elderly citizen will be entitled to a monthly pension of Rs.250 per month.
- ❖ Financial assistance in form of a onetime grant of Rs 5 Lakh to families of the staff members who die in harness. Rs 45 crore against various societies.

- ❖ Pension Scheme for Journalists- '**Journalist Family Benefit Fund (JFBF)**' for providing financial assistance to the bereaved family members of journalists who may have lost their lives while on duty. Rs.100 lakh sanctioned for this purpose and also adequate Budget Provision for this are being made in the budget 2018-19
- ❖ UGC pay scales to Teachers across Degree Colleges, Universities and Technical & Medical Institutions
- ❖ Salary Hike for Contractual Teachers, to hike from 15500 to 20000.

Law and Order

- ❖ 6 tourist PS, 1 each at KazirangaNationalPark, ManasNationalPark (Barpeta), DibrusaikhowaNational Park (Tinsukia), NameriNationalPark (Sonitpur), OrangNationalPark (Rowta), and one at Guwahati
- ❖ Rs 100 crore in the financial year 2018-19 for Mission for Overall Improvement of Thana for Responsive Image (MOITRI)

Business & Industry

- ❖ Rs 100 crore allotted to **MSME Credit Guarantee Scheme** wherein the amount will be parked in a credit guarantee fund and will cover upto 50% of the loan amount taken from scheduled banks and RRBs for loans uptoRs 50 lakh.
- ❖ The guarantee will cover up to 50 percent of loan amount taken from scheduled commercial banks & RRBs for loans up to Re 50 Lakh.
- ❖ Rs 17.5 crore to be allocated for revival of Sarthebari Bell Metal and other such industrial clusters.
- ❖ Rs 50 lakh subsidy for reopening a closed Cinema Hall and Rs 25 lakh as subsidy for renovating existing halls to be provided. A subsidy of 25% of the capital cost for the establishment of New Cinema Halls will also be given
- ❖ The budget proposed a levy of electricity duty at 5 per cent on ad valorem basis and 1 per cent increase on stamp duty registration fee for transactions in immoveable properties.
- ❖ The budget also proposed to increase the tender fee from Rs 8.25 to Rs 100 for tenders up to Rs 20 lakh and Rs 500 for tenders beyond Rs 20 Lakh.

Infrastructure & Development Work

- ❖ Rs 150 crore allocated for conversion of 1000 Timber Bridges across rural Assam into RCC Bridges
- ❖ City Infrastructure Development Fund (CIDF): Rs 200 crore to be earmarked for improvement of roads and drainage in 8 cities (other than Guwahati), with the population above 40000 (Census 2011).
- ❖ **Uttoron State Government Signature Projects for Legislative Constituencies:** Over next 3 years, Gov will select 2 villages in each of the 126 assembly constituencies which would then be supported as model villages with holistic, inclusive social & economic development as fundamental objectives. Under the **AxomAdarxo Gram Yojana**, Rs 50 lakh, therefore, to be allocated to each of the two model villages.
- ❖ Construction of a 6 lane bridge with an estimated cost of Rs 1950 cr, which will connect Panbazar with North Guwahati.
- ❖ Rs 15 crore earmarked for **State Innovation Fund** which will enable Deputy Commissioners to finance innovative grassroots solutions to local governance issues.
- ❖ Rs 200 crore allocated for reconstruction and maintenance of Roads and RCC Bridges under the **Axom Mala Program** for State Highway and Major District Road Improvement and Reconstruction in line with 'Bharat Mala'. The fund will also include continuous field data collection and sustenance of Road Asset Management System.
- ❖ 18 Crore announced for **Mega Skill City**.
- ❖ Rs 10 crore earmarked for infrastructure development of 100 Foreigner's Tribunal offices spread across the state. Each FT Office will be receiving Rs 10 lakh each.
- ❖ Rs 20 crore allocated as token provision to development of road infrastructure along labour lines in tea gardens.
- ❖ 42 New Fire Dept Offices to be set up in Assam.
- ❖ Token Amount of Rs 20 crore earmarked for Road Improvement Projects in villages under **SansadAdarsha Gram Yojana (SAGY)**.
- ❖ Rs 68.54 crore allocated for equity infusion for expansion of Capital Projects **Assam Petro-Chemicals Limited**.

Environment & Sustainable Development

- ❖ An amount of Rs 5 crore has been earmarked as seed money to create an **Assam Climate Change Management Society** to monitor Climate Change related matters and to co ordinate mitigating efforts.

- ❖ Rs 8 crore allocated for a botanical garden at Kaziranga to put the state on the Orchid Map of the Country.
- ❖ **CM AdarshDweepYojna** - Special Scheme for Power Conservation, 52 lakh families will get 4 bulbs each of 9W LED Bulbs.

Gender Budgeting(Female Sepcific)

- ❖ Girls in Assam (age 12-20) with family income below Rs 5 lakh can avail of an annual stipend of Re 600 which will be directly transferred to her bank a/c linked to their DOB. Payments will automatically stop once they reach 20 years
- ❖ Govt proposes to cover 5 lakh girls during the financial year 2018-19 under the monthly stipend for purchase of sanitary napkins. A sum of Rs 30 crore has been earmarked for this scheme.
- ❖ New scholarship scheme for girl children belonging to the Minority Communities. Annual scholarship of Rs. 2,000, Rs. 4,000, Rs. 6,000, Rs. 10,000 for girl students belonging to minority community studying in class 10th, 11th-12th, graduation & post-graduation, respectively.
- ❖ Scooties for 5000 girls securing the top 5000 position in HS Exam Results, 2018. Earlier the scheme had covered 1000 girls.

Miscellaneous

- ❖ Rs 91 Crore allocated for carrying out of NRC works for 2018-19
- ❖ Assam Government has constituted a committee to examine the anomalies in 7th APPPC report. The report is under examination and the grievances of the employees will be resolved shortly.
- ❖ **North East Foundation**, which will act as a think tank for the region to be set up. Assam Government will take lead in establishment of this foundation and will provide seed funding as a goodwill gesture.
- ❖ Rs 3 crore allocated for Social Media Presence for the Government Departments. **Social Media Cell** to be established in every department.
- ❖ The famous flag lowering ceremony at the Wagah border in Punjab will be replicated at the international border points in Assam. Government has decided to develop border infrastructure on similar lines with an allocation of Rs 5 crore in four districts – Cachar, Karimganj, Dhubri and South Salmara.
- ❖ Paying homage to the 140 martyrs of Patharughat peasants' uprising on the rebellion's 125th anniversary this year, the Assam government proposed a slew of incentives and schemes to help the farming community in the state. The last year's budget also had focused on the agriculture sector, including the Chief Minister's Samagra Gramya Unnayan Yojana (CMSGUY) which aims to double the farm income, and other measures such as Zero-Interest crop loans to farmers, financial incentives for farmers using Kisan

Credit Cards. To activate inactive Kisan Credit Card accounts, a one-time **cash incentive of Rs 3000 per inactive KCC holding farmer**, if he renews the card.

- ❖ Rs 5 crore allocated for development of **Assam Bamboo Experience Centres (ABECs)** at Assam Bhawans/Houses in various cities along with Guwahati and district headquarters of the state.

-- End of Budget --

Important Glossary

Consolidated Fund -

All revenues received by the Government including tax and non-tax revenues, loans raised and repayment of loans given (including the interest thereon) form the Consolidated Fund. All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and the interest thereon), are met from this fund.

Contingency Fund -

A reserve fund set aside for possible unforeseen expenditure and established under Article 267(2) of the Constitution. It is an imprest placed at the disposal of the Governor.

Public Account -

All public moneys received, other than those credited to the Consolidated Fund, are accounted for under the Public Account. In respect of such receipts, Government acts as a banker or trustee. The Public Account comprises of repayable like Small Savings and Provident Funds, Reserve Fund, Deposits and Advances, Suspense and Miscellaneous transaction (adjusting entries pending booking to final heads of account), Remittances between accounting entities, and Cash Balance.

Deficit -

Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in Financial Management.

Revenue Deficit/ Surplus -

Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.

Types of Receipts

Tax Revenue -

Comprises taxes collected and retained by the State and State's share of Union taxes under Article 280(3) of the Constitution.

Non-Tax Revenue -

Includes interest receipts, dividends, profits etc.

Grants-in-Aid -

Essentially, a form of Central Assistance to the State Government from the Union Government. Includes 'External Grant Assistance' and 'Aid Material and Equipment' received from foreign governments and channelized through the Union Government. In turn, the State Governments also give Grants-in-aid to institutions like 6th Schedule Councils, Panchayat Raj Institutions, Autonomous Bodies etc.

Capital Receipts -

These are loans raised by the Government from the public (these are termed as market loans), borrowings by the Government from the Reserve Bank of India and other parties through the sale of Treasury Bills, the loans received from foreign Governments and bodies, disinvestment receipts and recoveries of loans from State and Union Territory Governments and other parties. Expenditure is classified as Revenue Expenditure and Capital Expenditure.

Expenditure

Revenue Expenditure -

Revenue Expenditure is an amount to meet the day-to-day running of the Government departments and for rendering of various services, making interest payments on debt, meeting subsidies, etc.

Capital Expenditure

Capital Expenditure is an amount to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities. Example of capital expenditure are acquisition of assets like land, buildings, machinery, equipment, investments in shares, etc.

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