



GOVERNMENT OF NAGALAND

BUDGET SPEECH

of

Shri Neiphiu Rio

Chief Minister

and

Minister-in-Charge, Finance

For 2022-23

Kohima, the 22nd March 2022

Speaker Sir,

I rise to present the budget for the year 2022-23. This is the final budget of the 13th Assembly, and I take this opportunity to extend my gratitude and appreciation to all the Hon'ble Members of this august House for the cooperation extended and the constructive suggestions given to the Government on important issues concerning the State.

Political:

2. Speaker Sir, for the past several decades, the Indo-Naga political imbroglio has been one of the central issues that has deeply impacted all aspects of Naga society. Generations have grown up under the shadow of violence, political instability, and insurgency. Every family has felt the pain of the blood and tears shed. The political movement has created social turmoil, developmental deficits and enormous hurdles for us, particularly the youth, by restricting them in their quest to realize their aspirations. The younger generation have been greatly challenged as they have been denied equal opportunities with their counterparts in the rest of the country and other parts of the world. Over the decades, entire Naga society has suffered and felt the deep impact of a political movement that has stunted our growth and held back our youth. How long can we permit such a scenario to continue? We must make every possible effort to resolve the political imbroglio and create an environment that is conducive to economic growth with all round human development. This can only be achieved if we have genuine peace. We must not allow the political issue to remain unresolved for the sake of the present and the future generations. The Naga people must be given the opportunity to flourish and grow, and in doing so, increase our contribution to the nation building process.

3. At the top of the State Government's agenda is the early resolution of the Indo-Naga political issue. We have undertaken several steps and measures in our role as Facilitator of the peace process. The House has passed a number of resolutions over the years. Resolutions have also been passed during consultative meetings with civil society organisations and others. Consultative meetings were held with all stakeholders on 15th October, 2021 and again on 9th March, 2022. Recently, all the political parties represented in the Nagaland Legislative Assembly have all come together to form the UDA on 18th September, 2021. Now all the 60 Members of this august House are united with the single objective of working for a solution to the Naga issue. I reiterate the cry of the Naga people and the voice of the masses through the floor of this august House to the Government of India and the various Naga political groups to actively work for a settlement that is honourable, just, and acceptable to the people. Without genuine peace, there cannot be human progress, and neither can we attract the much-needed investment that is necessary to promote economic growth. While appreciating the constant contributions of the mass based Civil Societies, Tribal Hohos, Church organisations

and NGOs in our search for peace, I, once again appeal to all sections to rededicate ourselves to the cause of unity, oneness, understanding and true peace.

4. Speaker Sir, my Government has recently created the new districts of Chumoukedima, Niuland, Tseminyu and Shamator. Earlier Noklak was created. The creation of Shamator district has also helped to resolve the long-standing conflict between the Yimkhiung and the Tikhir tribes. I am sure the creation of these districts will go a long way in fulfilling the hopes and aspirations of the people from these areas, and bring the functioning and activities of the Government closer to their doorsteps for better delivery of services. I have provided for creation of infrastructure in these districts, which I will highlight in the succeeding paras.

5. My Government is also actively pursuing for setting up a separate High Court for the State at the earliest. The Parliament is expected to enact the Act to set up a separate High Court for the State this year. In the meantime, it is of utmost importance for us to strengthen our Customary Courts and institutions which are protected by the provisions of Article 371(A) of the Constitution. We have compiled the customary practices and usages of the different tribes in the State. This will be first printed and then provided to all the Tribal Bodies for translation into their respective dialects. This will provide the basic framework for the customary courts such as the Village Councils and Dobashi Courts in disposing of cases. In this connection, I am also examining the restoration of the powers given to each Village Council to administer justice within the village limits in accordance with customary law and usages. This provision was earlier removed by an amendment made to the Nagaland Village and Tribal Councils Act, 1978 during the year 1985. The Act was amended in 1985, 1990, 2002 and 2009, and this will be the fifth amendment.

6. Speaker Sir, my Government has made various efforts to create a conducive environment for private initiative to flourish. We had, during the last Assembly session, passed a resolution that the SARFAESI Act would be made applicable to the State with the safeguard that land will not be alienated from indigenous inhabitants. The decision was taken after exhaustive consultations and obtaining legal views from the Learned Advocate General. I am happy to announce that since then, the banks have started sanctioning loans and credit flow to businesses and entrepreneurs have picked up, addressing the earlier hardships faced by them. I also would like to announce that RBI has given the permission for opening of bank branches in the unbanked blocks of Sakshi in Longleng and Chessore in Shamator.

7. Speaker Sir, with a view to further facilitate credit flow to our hard-working farmers and young entrepreneurs, I intend to introduce the "Chief Minister's Micro Finance Initiative" during the year. The scheme will make credit more affordable and available to individuals, Self Help Groups and Farmer Producer Organisations. In order to do so, Government will provide for either subsidy or interest subvention against identified activities in the agriculture & allied sector including for processing units, handicrafts and small-scale manufacturing units. Additional

interest subvention over and above what is being provided in the existing Central Government schemes will be provided. Through this scheme I hope to increase farmers' incomes, promote credit discipline, encourage private enterprise and improve the agri marketing network and infrastructure in our State. As a part of this initiative to promote the agri and allied sector, I propose to remove the stamp duty on crop loans to be notified shortly. The selection of the beneficiaries will be through the District Level Selection Committees and wherever required, the Village Councils shall act as the guarantor. The detailed framework of the scheme shall be notified separately. An amount of Rs. 65 crore is earmarked for this scheme.

Sectoral allocations:

8. Speaker Sir, for the past two years we have grappled with COVID-19 and it has impacted us in manifold manners. The last wave was not as damaging as the earlier ones. I am happy to say that despite the difficult times we are passing through, the last few months have shown a substantial turnaround in our economy. The country's GST collections have reached Rs. 1,40,986 crore during January 2022, and our own revenues are also showing a healthy increase. As a result, we are able to allocate an amount of Rs. 775 crore for the State Development Outlay of 2022-23. This represents an increase of 10.71% over last year's outlay.

9. In the State Development Outlay for 2022-23, efforts have been made to ensure that priority is given to completion of ongoing projects, and to projects that have a multiplier effect in creating livelihoods and local economies. Rs. 225.85 crore of the Development fund is earmarked for various departmental activities, including core activities. Rs. 151.08 crore is earmarked for construction of office buildings or residential quarters. Rs. 122.06 crore is earmarked for road and other infrastructure related activities. A higher amount of Rs. 276 crore have been earmarked for State Share to CSS to facilitate access to more Central funds, out of which 30% of the allocation is being provided upfront to the CSS implementing departments to be reflected in their Demands for Grants of 2022-23. This should enable the departments to get their first instalments early and thereby improve implementation of the schemes.

I shall now elaborate on the sectoral allocations as below:-

10. The **Agri and Allied** sector continues to be the mainstay for a large part of our population, especially our villages. Our organic produce is being marketed successfully under the "Naturally Nagaland" brand. We are unable to meet the demand for our horticulture crops and coffee. In order to increase productivity and area under cultivation, we will continue to provide credit linkages and crop loans individually and through Self Help Groups. I have earmarked Rs. 33.23 crore for the Agri & Allied Sector. I have also earmarked Rs. 11.75 crore as the first tranche of State Share for CSS from the 30% allocated department-wise. I have provided Rs. 1.50 crore for Farmers Training and Exposure visits to introduce them to best practices. An amount of Rs. 1.04 crore has been provided for construction of offices and staff quarters at various places. As part of the continuing program, an

amount of Rs. 6 crore has been provided for development of agri and horti link roads under **Agriculture and Horticulture** departments respectively.

11. An amount of Rs. 3.14 crore has been allocated for the **Soil and Water Conservation Department** for core activities and integrated land development. An amount of Rs. 3.50 crore has been allocated for the **Animal Husbandry and Veterinary Department** for setting up model piggery units and strengthening institutes. An amount of Rs. 3.84 crore is allocated for the **Fisheries Department** for core activities, integrated fishery development, sports fishing and upgradation of Government fish farms.

12. The allocation of Rs. 2 crore for the **Forest Department** is for plantation of fruits and trees of economic importance. The allocation of Rs. 1 crore for the **Cooperation Department** is for its core activities. The allocation of Rs. 4 crore for the **Land Resources Department** is for purchase of rubber sheet roller machines, maintenance of coffee plantations, arecanut plantations and value addition of natural teas. The niche products being developed and marketed by our entrepreneurs are in high demand and have the potential to provide employment opportunities to many across the value chain. The Nagaland Bamboo Development Agency, the Bio Resources Mission and the Bee and Honey Mission have been provided Rs. 1 crore each and NEPED Rs. 75 lakh.

13. A substantial percentage of the Centrally Sponsored Schemes are focussed on **Rural Development**, and these aim at employment generation, empowering the poor and creating infrastructure. With a view to tap these schemes more effectively, I have also earmarked first tranche of Rs. 21 crore from the 30% State Share for CSS allocated department-wise for the Rural Development schemes. Depending on the utilisation, more funds shall be provided during the year. In addition, I have earmarked Rs. 9 crore for the sector, out of which Rs. 5 crore is for upgradation of rural roads, Rs. 1 crore each for core activities and for construction of Training and Research Centre in Rural Technology for Tribal Regions and construction of academic cum administration block at SIRD.

14. The **Special Area Programme** has been provided with an outlay of Rs. 121 crore. This includes funds for Local Area Development, and for iconic projects in all 60 Constituencies. My Government has a special concern for the Under-developed areas. I have, therefore, increased the allocation from Rs. 21 crore to Rs. 23 crore for the **Department of Development of Under Developed Areas (DUDA)**. This year, within the allocations, iconic projects will be implemented not only under LADP but also under DUDA. I am happy to inform that under the Pradhan Mantri Van Dhan Yojana (PMVDY) programme implemented by TRIFED of the Ministry of Tribal Affairs, the Department of DUDA had signed MoU with TRIFED for joint retail network and during the year, we should be able to provide effective marketing and increase the reach of our local products throughout the country. I am also happy to inform that Nagaland has bagged seven prestigious National awards and topped in three different categories including Best Survey,

Best Training and the most number of Van Dhan Vikas Clusters (VDVKCs) established under the Van Dhan Vikas Yojana and Minimum Support Price (MSP) scheme. The **Water Resources** sector has been provided with an outlay of Rs. 4 crore for creation of water harvesting structures and other Departmental activities.

15. Speaker Sir, we are a power deficient state and have to purchase power from outside. In today's world, power is essential for all human activities - be it at home, office, and industrial and business activities. Keeping this in mind, we have provided an outlay of Rs. 18.03 crore to the **Power** sector with special emphasis on projects aimed at exploiting the potential for generation of power in the state. Funds have been provided for completion of Ponglefo and Tehok hydro electric projects. We have also obtained clearance for hydro-power projects for 24 MW at Zungki and 42 MW at Lower Tizu for funding by ADB and expect these to fructify during the year. We are also taking up for external aid funding of the 24 MW Hydro power project at Tizu Valley during the year. Land owner issues have been resolved for the proposed 186 MW hydro power project at Dikhu and activities will start very soon. We shall not only become self-sufficient in power but will also be in a position to export surplus power and earn revenue once these projects materialize. As per the Power Policy of 2018, we are also encouraging private sector participation in power generation, and the State Government has given clearance for a 21 MW hydro power project at Hakchang village in Tuensang district and 27 MW thermal project at Tuli, which are expected to be operational during 2022-23.

16. In our continuous efforts at promoting renewable energy, I have also provided funds to set up a 5 MW solar plant under the Department of **New and Renewable Energy**. In the private sector, we are expecting the 20 MW solar power project in Ganeshnagar to be fully operational during the year. The New and Renewable Energy sector has also been provided Rs. 2 crore for solar street lights and core activities. Rs. 50 lakh has been provided to the **Electrical Inspectorate** for Green Village Initiative.

17. Speaker Sir, the total provision for power purchase during the current year stands at Rs. 461.62 crore. Our costs of power purchase have increased from Rs. 296.97 crore during 2017-18 to an estimated figure of Rs. 459.47 crore during 2021-22. The revenue gap, i.e., the cost of power purchase minus the revenue collected has also increased from Rs. 169.08 crore during 2017-18 to Rs. 279.60 crore during 2020-21. However, the department has through sustained efforts managed to reduce it to Rs. 266.47 crore in RE 2021-22, and efforts will continue to further reduce this gap in the coming years. These huge shortfalls in revenue collection are mainly on account of power theft and non-payment of bills. We have been meeting the gap through our budgetary provisions, which is not affordable for a resource constrained State in the long run. To put a check on theft, the Power Department has recently started a drive against illegal power tapping and disconnection of lines for non-payment. The Department is also implementing pre-paid metering in a phased manner. I am also happy to inform that there is an

improvement in the revenue collection of the Power Department, and during the current financial year the revenue is expected to cross Rs. 200 crore. I am hopeful that with cooperation of all stakeholders, and sustained efforts of the department, the gap between power purchase and power revenues will narrow down.

18. The **Industries & Minerals Sector** has been provided an outlay of Rs. 14.40 crore. The amount has been earmarked to facilitate entrepreneurship and start-ups, ease of doing business, construction of common facility cum training centre for NKVIB and construction of offices. The **Industries Department** has been actively spearheading revival from the impact of COVID pandemic by assisting unemployed youth and entrepreneurs, with many success stories. The **Sericulture Department** has been provided Rs. 4 crore for construction of staff quarters and augmentation of silk production. The **Geology and Mining Department** has been provided Rs. 4.50 crore of which Rs. 2.50 crore is earmarked for shifting of the Decorative Stone Cutting Centre from Chümoukedima to Ganeshnagar.

19. The **PWD (Roads & Bridges) Department** has been provided with an outlay of Rs. 45.00 crore. Of this, Rs. 25.00 crore has been earmarked for Special Road Development Programme and Rs. 10.00 crore for improvement of other roads. In order to support the various infrastructural works, Rs. 4 crore has been provided to the **Mechanical Engineering** wing under the NPWD for augmenting their machineries and spares.

20. The **Department of Transport** has been provided Rs. 4 crore for purchase of a new fleet of modern buses during the year to provide more efficiency and comfort to the passengers. Construction of heliports have been taken up in various parts of the State during the previous years, and during the financial year we will further extend the network. With a view to strengthen and modernise the Regional Transport Offices and the regulatory activities assigned to it, I have provided Rs. 2.50 crore for construction of RTO offices and core activities.

21. The **Department of Science and Technology** has been provided Rs. 3.00 crore. While Rs. 2.50 crore is allotted for core activities and towards construction of staff quarters, I have allocated Rs. 50 lakh for introduction of new brick making technology. The **Department of Information Technology & Communication** has been provided with Rs. 4.17 crore for carrying out core activities, procurement of IT equipment and further strengthening of the State Data Centre, which will help in rolling out more public oriented online services.

22. I take this opportunity to congratulate the Honourable Speaker and the Nagaland Legislative Assembly for achieving the distinction of being the first Legislature in the country to implement National e-Vidhan Application and going paperless. This is indeed a commendable achievement, and it is encouraging that the highest institution of democracy and law-making of the State is moving forward with positive use of modern technology which will surely make our functioning and output much more effective. I urge honourable Members of this House,

Government servants and public institutions to use the tools of technology to improve productivity and provide better public services.

23. In the past couple of years we have taken significant steps in our endeavour to promote and develop sports and games. In the same spirit, the **Department of Sports and Youth Services** have been provided Rs. 8.75 crore for capacity building of youth, for activities of the Task Force on Music and Arts, for Hornbill Festival related activities and for various sports activities. As committed in our manifesto, we have launched the country's first ever Police Sports Battalion on 12th November 2021, which has been well appreciated in the rest of the country. The President of the Indian Olympic Association (IOA) joined me in laying the foundation stone, and we are grateful that the IOA has assured Nagaland all support in our sports development plans. I will explore avenues of funding for completing the Multi-Disciplinary Sports Complex at Dimapur so that we are ready to host national and regional games.

24. I am happy to state that on March 26, 2022, Nagaland will be hosting our biggest ever sporting event in the form of the South Asian Cross Country Championships being hosted by India with Kohima as the Host City. Athletes and officials from all over South Asia and every State and Union Territory of the Indian Union will be participating. This will be a landmark event for our State. In April 2022, we will also be conducting the next edition of the Nagaland Olympics where sportspersons and youth from every corner of Nagaland will exhibit their talents and strive towards reaching the highest standards. We shall also be organizing the Dr. T. Ao Tournament at Mokokchung during April 2022.

25. A state-of-the-art office complex of the Nagaland Olympic Association, the first in the North East and amongst the best in the country, has been inaugurated. Our sportspersons are beginning to win medals at national and international events and in order to further enhance their performances, I am happy to announce that we will be introducing a new scheme called Target Champion Scheme (TACS) where talents will be spotted and scholarships for training and development will be given for specific periods of time to ensure that we produce champions at the highest levels of sport. Sports Academies and Centres of Excellence will be developed in selected prioritized sports disciplines with the collaboration of the State Sports Associations and the Olympic body. Nagaland will also participate in the North East Olympics in Shillong, Meghalaya and the forthcoming National Games.

26. The Task Force for Music & Arts (TAFMA) has been doing commendable work and will launch Hornbill on Tour during the year. This will take Nagaland's most well-known intellectual property - the Hornbill Festival, to different parts of the country and beyond. In the later part of this year, a new Centre of Excellence for Music & Arts will be inaugurated in the State capital where art, innovation and creativity will thrive, enabling us to propel our youth towards international standards.

27. We are making tireless efforts to empower the youth in multiple sectors with the vision to ensure that our children reach the highest standards. The Chief Minister's grant for journalists, academic researchers and young leaderships program could not be implemented due to the pandemic restrictions but we are now prepared to launch them during the coming months. We have implemented the Chief Minister's Music & Arts Scholarships and the Master Art Residencies are underway. We are soon going to launch a collaborative program with the Indian Navy for empowerment of our students, creation of career opportunities and to ensure that the activities of our youth come closer to the mainstream and play a positive role in the process of national integration and unity. The youth are our future and I want to assure youngsters in every part of the State that we will continue to invest in them because we believe in them, and care for their future.

28. The Tourism sector has the scope to improve our economy, generate employment and promote Brand Nagaland to international audiences. The engagement of entrepreneurs, event companies and service providers in our tribal festivals, which culminates in the Hornbill Festival, exemplifies the energy and vibrancy of our youth. **Department of Tourism** has been provided with an enhanced allocation of Rs. 9.00 crore for the Hornbill festival, conduct of tribal festivals, re-construction of Hotel Fira and for core activities. Our tourism policy and approach are to strike the right balance between cultural preservation and promotion of popular culture in a way that creates opportunities for all sections while ensuring the real stakeholders are benefitted. In addition to new tourism events with special focus on experiential tourism, the Government will be supporting development of Nagaland as an Off-roading destination in collaboration with Wander Beyond Boundaries. This has the potential to bring in high spending adventure sports enthusiasts to the State. The **Department of Art and Culture** has been provided Rs. 3.95 crore for promotion of cultural activities, for hornbill related activities, and for compilation of Naga customary laws.

29. The other departments under the **General and Economic Services** have been provided with an outlay of Rs. 13.34 crore. Out of this Rs. 5.00 crore has been provided to the Planning Machinery. The Economics and Statistics sector has been provided with Rs. 3.35 crore for construction of quarters and various construction activities. The Civil Supplies sector has been provided Rs. 1.50 crore for construction of office cum godown and core activities. The Legal Metrology sector has been provided Rs. 1.00 crore. The Evaluation sector has been provided Rs. 3.49 crore for various construction activities and evaluation studies.

30. The **Social Services Sector** has been provided with an outlay of Rs. 131 crore. Of this, the **Department of School Education** has been provided Rs. 6.56 crore for construction of GHS, DEO/SDEO offices and for extension of classrooms. I have also provided an amount of Rs. 7.00 crore as the first tranche of State Share of CSS from the 30% allocated department wise. With the State Development allocation, the construction of Schools should be substantially completed. Rs. 2.50 crore has been earmarked for construction of a 60 bedded Girls

Hostel at Sainik School Punglwa. The facility will ensure that the Sainik School is fully ready within the year for girl cadets to be admitted under the new policy opening the Sainik Schools for enrolment of girls.

31. The **Department of Higher Education** has been provided Rs. 8.22 crore to facilitate NAAC accreditation and for construction of academic buildings in Government colleges. The **State Council of Educational Research and Training** has been provided Rs. 3.15 crore for various construction works, development of text books, trainings and workshops and conduct of examinations. The **Department of Technical Education** has been provided Rs. 3 crore, of which Rs. 1 crore is for upgradation of facilities at Khelhoshe Polytechnic as a follow up to the accreditation of the programs of Civil Engineering, Electrical and Electronics Engineering and Mechanical Engineering for a period of 3 (three) academic years from 2021 to 2024 by National Board of Accreditation. Rs. 1 crore each has also been provided for core activities and infrastructure development at Seithekiema Polytechnic.

32. The **Department of Health and Family** has been provided Rs. 7.77 crore for construction of offices, a new 50 bedded extension at Kohima District Hospital and for Impur Hospital Mokokchung. Substantial funding is made available through various Centrally Sponsored Schemes, for availing which an upfront allocation of Rs. 10.50 crore has been made for the State share. More will be available from the pool depending on utilisation. Our focus will be to improve our health facilities, which we have substantially augmented during the last two years, and be ready for any further wave of COVID pandemic. We have also constituted an autonomous society for the new Medical College at Kohima. We shall strive to ensure that admissions for the college commence from the academic session 2023-24. In preparation, the remaining works and recruitments shall be completed during the current year itself. The work for the Mon Medical College shall also be started in full swing during the year.

33. Speaker Sir, the Nagaland Sustainable Development Goal Vision 2030 envisages that by 2030, our State would provide equitable, affordable and quality healthcare services to the people of the State. I am happy to announce that my Government is taking a major step towards universal health coverage for all the citizens of Nagaland. During the financial year 2022-23, the Government will launch "The Chief Minister's Health Insurance Scheme". This scheme will provide every citizen with hospitalization insurance cover of upto Rs. 5 lakh per annum, irrespective of the family income. The scheme will provide cashless services for predefined packages covering secondary and tertiary care procedures at empanelled Government or private hospitals, both within and outside the State.

34. The **Public Health Engineering Department** has been provided Rs. 3.63 crore to complete ongoing water supply projects and for core activities. A substantial amount of Rs. 11.00 crore has been provided as an upfront allocation for State Share for CSS. This should allow the department to avail of expeditious

funding under the Jal Jeevan Mission (JJM). We would like to ensure that all the 513 habitations, in addition to the 222 habitations already covered, targeted for providing 100% functional household tap connections are covered during 2022-23. So far, a total of **1,48,835** such connections have been provided in the State out of a total of **3,77,286** rural households in the State. The Department has also provided piped water supply to 1973 Schools and 1726 Anganwadis. I am sure these achievements will go a long way in improving the quality of life in the rural areas as well as provide comfort and convenience to our students.

35. The **P.W.D. (Housing) Department** has been provided Rs. 25.69 crore for completion of the Commission Complex, construction of Rental Housing, construction of Patient Guest House at Dibrugarh and guest house at Dimapur. Others include construction of offices, quarters, and godowns in various districts, including Deputy Speaker's official quarter in the Assembly Complex. We have also decided to construct a Naga Patient Home at Vellore. For this purpose, we had deputed the Hon'ble Minister Housing to meet the Hon'ble Chief Minister of Tamil Nadu, who has graciously agreed to provide space for this. An amount of Rs. 1.00 crore has been provided for this purpose.

36. The **General Administration Housing** has been provided Rs. 19.51 crore for construction of offices and quarters for Administration in various parts of the State. **Police Housing** has been provided Rs. 10.60 crore for construction of offices for SPs, barracks for jawans and Police Stations. The **Justice and Law Department** has been provided Rs. 4.14 crore for the ongoing High Court Complex, construction of Judges Rest House and for the Advocates Chambers in the High Court Complex. Funds have also been provided for construction of DC office complexes in the newly created districts of Tuensang and Noklak. In the new districts, wherever required, we will provide Mini Secretariats which would house the office of the Deputy Commissioner and other district level offices.

37. The **Home Guards** have been provided Rs. 2.00 crore for construction works at the Central Training Institute at Dimapur. The **Jails Housing** has been provided Rs. 3.49 crore for construction works in various jails. The **Excise Housing** has been provided Rs. 1.6 crore for construction of staff quarters at the Excise Housing Complex at Dimapur. The **Urban Development Department** has been provided Rs. 4.4 crore for P. Shilu Memorial Park at Mokokchung, for upgrading the marketing centre of Development Authority Nagaland and for other construction activities.

38. Last year, we had announced for establishment of Public Parks in all districts. These are important common spaces for towns and act as recreational areas for the public. Parks have been established in Dimapur at Forest Colony, Green Park at 5th Mile, Zoological Park and Joggers Park at Kohima. We will continue to encourage and fund development of these important common spaces for public use.

39. The **Municipal Affairs Department** has been provided Rs. 1.70 crore for urban sewerage. The **Labour Department** has been provided Rs. 1.50 crore, and the **Employment and Skill Development** has been provided Rs. 2.00 crore for strengthening ITIs and for skill programmes. The **Social Welfare Department** has been provided Rs. 1.50 crore for construction of district office at Mon. The department also been provided an amount of Rs. 6.00 crore as the first tranche of State Share for CSS from the 30% allocated department wise.

40. Departments covered under the **General and Other Services** have been provided with an outlay of Rs. 29.60 crore. The **Printing and Stationery** department has been provided Rs. 1.50 crore for procurement of machineries. The **Administrative Training Institute** has been provided Rs. 75 lakh for training activities. The **Assembly Complex Project** has been provided Rs. 5.00 crore for various construction and upgradation works and also for the MLA Hostel and approach road to the staff quarters. The **Nagaland Fire Services** has been provided Rs. 5.00 crore for purchase of new machineries and construction of fire stations in the new districts. The **Treasuries and Accounts Department** has been provided Rs. 2.12 crore for construction of Sub-Treasury at Chozouba and Aboi. The **Border Affairs Department** has been provided Rs. 2.88 crore for construction of staff quarters and constructions along the inter-state border areas.

41. The **Parliamentary Affairs Department** has been provided Rs. 1.50 crore for Parliamentary Study tour, Youth Parliament and other activities. The **Taxes Department** has been provided Rs. 2.00 crore for construction of staff quarters. The **Village Guards** has been provided Rs. 1.50 crore for construction of office and residential building. The **Chief Electoral Office** has been provided Rs. 3.64 crore for construction of storage facilities for EVMs and VVPATs in 12 districts. The **Home Department** has been provided Rs. 3.00 crore for Nagaland Houses and disaster mitigation works. The **Tribal Affairs Department** has been provided Rs. 50 lakhs for construction of the directorate and staff quarters. The **Minority Affairs Department** has been provided Rs. 1.70 crore for construction of playgrounds and community halls in addition to Rs. 3.00 crore upfront allocation for State Share to avail CSS.

Other Infrastructure Projects:

42. Keeping in mind the importance of the Foothill Road, I have also made a provision for Rs. 30 crore during the current financial year. Once the tender formalities are completed and works commence, funds shall be released. I am happy to note the wide public support that this project is evoking. I will continue to vigorously pursue with the Government of India to take up further development of the road. Preparation of DPR for the East-West Highway, running from Showuba-Zunheboto-Shamator-Noklak-Pangsha, and for the Trans Eastern Highway from Mon-Longwa-Pangsha-Kiphire-Avangkhu has already been initiated by the State Government along with NHIDCL.

43. We have completed the construction of two towers for staff quarters at Dwarka. With the availability of these quarters, I would now like to start the re-development of the Nagaland House at A.P.J. Abdul Kalam Road on EPC (Engineering Procurement and Construction) mode. I plan to provide for an iconic building reflective of our genius and traditions, which will also be a landmark for Delhi. We would like to start the construction works during the year.

44. Speaker Sir, I take this opportunity to place on record our sincere appreciation to the Hon'ble Prime Minister of India and the Hon'ble Union Finance Minister for the substantial help extended to all States through the scheme of "Special Assistance to States for Capital Expenditure" in the form of interest free loan for a period of 50 years. Government of India have in their budget announced a larger allocation of Rs. 1.00 lakh crore for the scheme for 2022-23. Keeping this in view, I propose to supplement activities under the sectoral allocations or take up specific projects during the year, some of which I highlight below:-

- i) Road infrastructure is the most important public asset, and plays important role in economic development. Keeping this in mind, and with a view to provide access to our remote and rural areas, improve facilities in the District and Administrative Headquarters and empower our farmers, funds will be provided for construction of agri-link and horti-link roads, for construction and improvement of rural roads, construction of bailey bridges, and improvement of roads in District and Sub-divisional Headquarters.
- ii) Supplement, wherever required, the expeditious completion of ongoing power generation projects. Smart metering is helping the department in better realization of revenue, which will also be provided for.
- iii) Completion of a football stadium at Chumukedima Police Complex, which will be infrastructure available for the new Sports Battalion as well as for training sportspersons from across the State.
- iv) Development of a Heritage Complex at Mon, which will provide the experience of different traditions and practices across the district, hold tribal festivals, host important events, as well as allow for marketing of handloom and handicrafts to tourists under one roof.
- v) Re-development of the Dimapur Town Hall.
- vi) Construction of an indoor multipurpose-cum-wrestling stadium with a capacity of 15,000 to 20,000 at Kohima to cater to the popular traditional wrestling. It will also serve as a recreational centre with various amenities like health park, greenways and trails. Construction of modern pre-engineered multi-purpose indoor stadiums is also being taken up in all the newly created districts.

45. In view of our endeavour to establish a separate High Court in the State, I will explore avenues for financing to speed up the construction works at the new High Court Complex, including through the Special Assistance to States for Capital Expenditure.

Economic/financial issues:

46. Speaker Sir, despite all efforts we have been deeply affected, like the rest of the world, by the negative impact of the COVID-19 pandemic which has caused a huge shortfall in our receipts. Even before the pandemic during 2019-20, we already suffered a shortfall in our receipts of Rs. 925.42 crore, resulting in a huge deficit. The year 2020-21 again saw a huge shortfall in our receipts due to the COVID pandemic to the tune of Rs. 1341.99 crore over what was reflected in the Union Budget for our State in the Share of Central Taxes and Duties. These shortfalls have seriously affected the State's financial health.

47. Facing such difficult circumstances, we were compelled to resort to drastic measures to avert a financial collapse. We took steps such as pro-rata cuts of both developmental and non-developmental expenditure, put a halt on filling up of retirement vacancies and banned purchase of vehicles. These measures have enabled us to continue functioning and fulfil most of the budgetary commitments. With these austerity measures coupled with the increased receipts in the Share of Central Taxes as well as improvements in our own revenue receipts, we are witnessing an improvement in our finances. However, in view of the huge losses we have incurred during the last two years, it has become necessary for us to continue with the austerity measures to help us stabilize our finances. I have accordingly incorporated the austerity measures in the budget of 2022-23 also.

48. My Government has also taken various measures to enhance our own revenues and increase our resources. Following a comprehensive review of various departments that collect both tax and non-tax revenue by a Committee, measures have been proposed for enhancement of rates, fees and duties, including measures to enhance efficiency. These include departments such as Power, Water Supply, Stamps, Transport, Geology & Mining, Forests & Environment, Land Revenue, State Transport, P.W.D. (Housing) and State Excise. The State Cabinet has already accepted the recommendations, and instructions have been issued to all concerned to put the new measures in place. The State Government is also actively exploring the guarantee route to help access funds outside of the budget to fund critical developmental and infrastructure activities to supplement our limited resources. A Special Purpose Vehicle is being formed for this purpose.

49. Along with these efforts, the Government has created a comprehensive database for all Government employees called the Personnel Information Management System (PIMS). This initiative will help to ensure that we have real time data of all categories of Government employees, including personal data such as date of entry into service and date of retirement. This database will also form the basis for budgetary allocation to various departments for salaries and wages. It will help to put a check on illegal and excess appointments beyond the sanctioned strength which is becoming a widespread problem. In addition, the State Finance Department has recently introduced the e-Pay Bill at the DDO level to ensure that salaries are prepared as per actual staff strength as reflected in the PIMS database. Eventually, the e-Pay Bill will help the State Finance Department to get real time

data on cash outgo and check fraudulent payments and other financial malpractices that are frequently being reported by the Comptroller and Auditor General of India. These measures will go a long way in bringing about transparency and accountability, and prevent malpractices and leakage of public funds.

Budget Proposals:

50. During the current year due to growth in the country's economy the State's share of Central Taxes has been increased in the Revised Estimates of the Union Budget by Rs. 547.10 crore. The State's own revenues are also estimated to improve by Rs. 42.45 crore. In view of these improvements the year 2021-22 is estimated to close with a deficit of Rs.2363.04 crore as against the earlier estimate of Rs. 2679.46 crore in the Budget Estimates.

51. As regards the Budget proposals, Speaker Sir, I am estimating the gross receipts at Rs. 24389.80 crores and gross expenditure at Rs. 24239.50 crore for the financial year 2022-23. The broad item-wise statement of the estimated gross receipts and gross expenditure is as under:-

A: RECEIPTS	(Rs. crore)
State's Own Tax and Non-Tax Revenue	: 1708.11
State's Share in Central Taxes	: 4646.80
Central Assistance (Grants & Loans)	: 9720.20
Internal Debt (including WMA from RBI)	: 8313.18
Recovery of Loans and Advances by State Govt	: 1.51
Total	: 24389.80

B: EXPENDITURES	(Rs. crore)
Non Development Expenditure (excluding Servicing of Debt)	: 10410.19
Servicing of Debt (including repayment of WMA)	: 8014.18
Development Expenditure (including CSS etc)	: 5815.13
Total	: 24239.50

C. BALANCE (A-B)	: 150.30
D. PUBLIC ACCOUNT (NET)	: 0.00
E. CURRENT TRANSACTIONS (C+D)	: 150.30

52. The current year's transactions for the year 2022-23 are estimated to result in a positive balance of Rs. 150.30 crore. However, because of the negative opening balance of Rs.2363.04 crore, the year 2022-23 is estimated to close with a negative balance of Rs. 2212.74 crore.

With these words, Mr. Speaker sir, I commend the Budget for 2022-23 to this august House for consideration and passing.