



GOVERNMENT OF NAGALAND

BUDGET SPEECH

of

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Chief Minister
Minister in-charge, Finance
For 2018-19

Kohima, the 23rd March 2018

Speaker Sir,

1. I rise to present the budget for the year 2018-19, and also to participate, as Leader of the House, in the proceedings of the first session of the 13th House of the Nagaland Legislative Assembly.
2. At the very outset, I would like to express my sincere thanks and gratitude to God Almighty for giving all of us this precious opportunity to lead and serve our people as Members of this august House. I also take this opportunity to extend my congratulations to the all the Honorable Members of the august House on being elected to the 13th Nagaland Legislative Assembly. I especially commend our colleagues who have been elected for the first time.
3. Speaker Sir, the floor of the Nagaland Legislative Assembly is the most sacred space of democracy in the State. This floor has seen history being made, and the destiny of our people has been determined from within the walls of this House time and again. Some of the most towering personalities and respected leaders have stood on this floor and voiced the aspirations of our people. The reputation and image of this House has always been steadfast and has not wavered for more than five decades. I am confident that this present House will continue to uphold the highest traditions of parliamentary conduct and responsible decorum. Even as we try to live up to the standards set by our predecessors, we must always keep in mind that we have to set new benchmarks for the coming and future generations. As Leader of the House, I assure each Member that I will try my best to serve the interest of the masses and I call upon all the Honourable Members to always keep in mind that we are here to serve the people and we are responsible to the people for our conduct.
4. We have entered the Nagaland Legislative Assembly, which is the temple of democracy, by putting ourselves before the highest court of democracy-which is elections. The pre-poll Alliance of NDPP-BJP won the largest share of seats by reaching the half way mark and we have been supported by our partners, the NPP and the JD(U), both of who are members of the National Democratic Alliance (NDA) and the North East Democratic Alliance (NEDA) and the lone independent Member. Together we have formed the **People's Democratic Alliance (PDA)** to honour the mandate given to us by the people. We are humbled by the mandate of the people in entrusting us with this responsibility and we extend our deepest appreciation to the electorate for reposing faith in our alliance and our vision. We assure the people that we will leave no stone unturned in our endeavour to serve the people with our best possible efforts and collectively strive to achieve our commitments. I appeal to my colleagues in the Treasury Bench to carry out our responsibilities in a responsible manner and deliver justice to the people. I also urge my friends in the Opposition Bench to play the role of a constructive opposition. We all know that in a parliamentary

democracy, a Government is only as good as the Opposition. Even as we play our respective roles as Treasury and Opposition Members, our aim is the same – welfare of the people. I believe that as long as our commitments and intent are clear, there is no reason that we cannot deliver the goods to the people. I look forward to fruitful deliberations, healthy debates, positive contributions and collective teamwork in the right spirit of democracy in the coming months and years of this thirteenth House.

5. The top agenda of the PDA Government is the resolution of the Indo-Naga political issue. The PDA is committed to play the role of active facilitator in the ongoing peace process. The Naga people have been crying for lasting peace and the signing of the Framework Agreement has given hope that an early solution is possible. Generations of our people have been adversely impacted due to the unresolved political imbroglio and our youth have missed opportunities having been denied avenues which their counterparts in different parts of the country have availed. We cannot allow another generation to miss out. Our Government will make all possible efforts to create a congenial atmosphere that contributes towards realisation of a solution that is honourable and acceptable to the people. Our slogan has been ***Peace for Development and Development for Peace***. We truly believe that resolution of the Naga Political Issue in an honourable, acceptable and inclusive manner will usher in an era of development and growth that will enable our Youth to achieve their Dreams & Aspirations.
6. Speaker Sir, I take this opportunity to appeal to the negotiating parties of the peace process to expedite the political talks and bring lasting peace which will pave the way for development and progress. I also appeal to all sections of the Naga people, particularly the tribal hohos, the mass based organisations, civil societies, NGOs, Churches and the people at large to come forward and support the peace process under a spirit of understanding, brotherhood and unity. We further appeal to the political groups to continue the spirit of oneness so that the cry and voice of the people is heard and lasting peace is realised.
7. The need of the hour for Naga society is to vigorously pursue genuine peace and unity within ourselves and also create an environment of trust with our neighbours. Destiny has brought us here and the people of the neighbouring States will remain as our neighbours till the end of time. We need to create confidence and trust within us and combat the challenges of tribalism which is polarising our society and at the same time build strong bonds of friendship with our neighbours so that we can mutually coexist and live together as trusting neighbours. Towards this objective, My Government will establish a ***Centre for Peace & Non-Violence***. This institution will bring together experienced minds which will make efforts to bring our society closer together and also strengthen ties with our neighbours. It will combat the evils of violence, add a soothing touch to past misunderstandings like a healing balm on an injury. It will build

trust, increase people-to-people contact, improve bilateral ties and increase mutual cooperation amongst us and with the neighbouring states. I hope that this House will welcome this move, extend cooperation and constructive ideas to make this idea work in a positive manner so that its impact will be felt in a manner that changes the destiny of our people for the better. Our present and future generations must grow up under an environment that allows them to strive towards their dreams and aspirations without the hurdles of violence and conflict so that together we can become equal and achieving citizens of the global village.

8. Instead of looking at the past and ruing over what could have been done and was not done, I would like to assure this august House that my Government will do our best to bring things back into order, I also take this opportunity to request all Officers and Staff to gear up for hard work and busy days ahead. Let us prepare to efficiently and professionally execute programs and projects, conscientiously perform our duties and responsibilities and make a visible impact in the lives of the public.
9. Speaker Sir, we had gone to the people with the commitment that we will provide good governance, transparency and accountability in the administration and to remove *VIP culture*. Within hours of the PDA being sworn in, the Government passed an order that has removed the use of designation plates. Also we have taken a decision that except for Governor, Chief Minister, Dy CM, Speaker and Dy Speaker, no other persons would use pilots and escorts within Kohima and Dimapur. With the fulfilment of the campaign promise of '**Change is Coming – Change is Here**' this was akin to, as Bob Dylan would have said , '*Times they are a changin'*.
10. My Government will also use modern information technology tools to improve governance and increase the adoption of e-governance at all levels. All departments will mandatorily have websites and portals where all information about the employees, the activities of the departments, ongoing projects, etc will be displayed. This system will also make it convenient for the citizens to access information, avail welfare programmes and give feedback. The intention is to make the administration more transparent, improve the delivery mechanism and ensure good governance. The government will also ensure linking of all government employees with bio-metrics based identification so that we remove so called bogus and ghost employees. We have to utilise the full scope of information technology in improving overall governance, monitor government activities, redress citizens' grievances and turn the dream of *Digital India* into a reality.
11. My Government has promised meritocracy to the people and as a first step, we will take up measures and steps to ensure that government jobs will be filled up through proper transparent procedures. Awarding of welfare schemes and

selection of beneficiaries for various programmes will be merit based and as a start the practice of recommendation notes for vacancies, contracts and supplies will be curtailed. Vacancies and formats for applications will be displayed on government websites so that all citizens have equal opportunity and a culture of meritocracy can be inculcated.

12. Speaker Sir, an important aspect of good governance is redressal of public concerns and grievances. We will set up a ***Public Grievances Cell*** that can be reached by all citizens of the State in a smooth and easy manner. This Cell will act as a bridge between the citizens and different Government agencies. Citizens will be able to connect with this Cell through phone, social media, e-mails, etc. Government departments and higher authorities will be alerted by this Cell and it will also pursue follow up action and make action taken reports public.
13. In order to boost the use of Information Technology for Good Governance, the Information Technology Department and the National Informatics Centre Nagaland will pool their resources together to bring our State fully into the age of information technology so that efficiency and productivity of the Government is enhanced. We are now living in an age where people are increasingly functioning in an online environment. As a result, it has become more imperative for the Government departments, officials as well as the general public to have round-the-clock internet access. All districts will be connected on the ***Bharat Broadband Network*** through Optical Fibres. Information Technology will be an invaluable tool for better governance as well as policy-making.
14. Roads are the face of any State and we aspire to improve the overall quality of roads for a ***Connected Nagaland***. One of the first priorities of our Government is to start the repair and maintenance of roads in the State Capital and District Headquarters within sixty days. An amount of Rs. 50 crores is being provided for this purpose. We will ensure that the quality of repairs and maintenance is strictly monitored without any compromise, and to the extent possible, all such works will be taken up departmentally. The State Quality Control Board which has been created to ensure quality in civil constructions will be revamped and directed to ensure that there is no compromise in quality and standards. Towards this, I propose to reconstitute the Board with Members representing both serving technocrats, Government employees and qualified persons.
15. Speaker Sir, in the world of trade and commerce of today, good roads are the most critical factor in promoting economic growth and development. My Government will strive to ensure that all districts are connected by good quality two-lane highways. We will ensure timely completion of the ongoing National Highway Road projects taken up by NHIDCL with quality. Towards this objective we will put in place a web based mapping software which will put the progress of road construction in the public domain that citizens can also monitor.

We will also take steps to improve infrastructure and facilities for the general public who travel on State Transport buses, and enhance the fleet of buses so that more services can be provided to the people in the interior areas.

16. We are committed to take definite steps to improve rail and air connectivity for the people of our State, as these two sectors will definitely have significant impact on our economic growth and developmental process. Improved rail and air connectivity will also have a huge impact in terms of improved trade, development, increased economic activity as also increased entry of tourists during the Hornbill Festival. The festival has already gained recognition and popularity even outside the country. Our aim is to make this festival one of the premier cultural tourism festivals in South East Asia. Not only that, we will also build up the diverse facets of tourism such as eco-tourism, cultural tourism, adventure tourism, agro-tourism etc., develop more diverse and engaging activities and new tourist circuits to make a visit to our State a memorable experience.
17. The Hornbill Festival is the premier festival of the entire region. It has internationalised Nagaland and propagated our rich culture and heritage to the outside world in the most positive manner. The scope of this flagship event will be expanded and its impact on the local economy and its role as an employment generator will be studied and enhanced. Accordingly the dimensions of the festival will be increased in order to elevate it as one of the major festivals of the country and the region. The festival will also act as a bridge between us and our neighbours within and outside the country so that it promotes international goodwill, creates better understanding and brings people closer. While Hornbill is our flagship event, and the "**Hornbill Brand**" has become renowned, we want to undertake a strategy where tourists visit the State throughout the year. Towards this objective, I propose to promote our tribal festivals into 2 to 3 days **Mini Hornbill Festivals** to be organised in various districts. In December this series of Mini Hornbill Festivals will culminate with the main Hornbill Festival – the "**Festival of Festivals**".
18. An amount of Rs. 2 crores will be kept aside for capacity building exercises for the tourism and tourism related industry and conduct of tourism centric seminars, training of tour operators, promotions, writers meet etc. Entry of tourists into Nagaland will be made smoother with online ILP system for tourists. Tourist circuits and facilities will be promoted and marketed using internet enabled tools. A new tourism policy will be formulated and it will promote innovation and creativity that reflects the energy of our youth, the colour and vibrancy of our culture and the richness of our heritage. Other events which we will introduce are literary meets, folk and fusion events, food and music festivals.

19. Speaker Sir, the Power sector is witnessing positive improvements in transmission infrastructure because of which power supply in Kohima, Dimapur and Peren districts will become more stable. Reforms have also been introduced in the billing and collection activities in Kohima, Dimapur, Chumukedima, Phek, Zunheboto, Wokha, Mon and Tuensang towns through online payment systems, including facility for payment using POS swipe machines at Kohima and Dimapur. During 2018-19, I propose to provide an amount of Rs. 19 crores for maintenance which is an increase of 35.71% over 2017-18. However, it has to be acknowledged that due to resource constraints, this will not be adequate to meet the actual requirements. At the same time, power remains an area of concern due to the huge losses being incurred annually due to poor revenue collection. During the Thirteenth Finance Commission period, the total loss of revenue on account of power was Rs. 963.34 crores. During the Fourteenth Finance Commission period, the projected total loss of revenue on account of power is Rs. 1100 crores. During the year 2017-18 alone, the loss of revenue on account of power was Rs. 309.97 crores and in 2018-19, it is projected at Rs. 318 crores. Unless serious efforts are made to check such negative trends, huge amounts of scarce resources will go down the drain without any productivity. This is an area I intend to look into seriously to bring about more efficiency. We will also promote the use of alternate and renewable sources of energy. I take this opportunity to appeal to the public to develop the culture of paying for what we use. A substantial reason for the huge revenue losses in the Power sector is non-payment of bills and power theft. I request all departments to ensure that first priority is accorded to payment of power dues. Along with this we must equally endeavour to conserve energy. Frugality in the use of energy is the need of the hour. As a show of solidarity with the rest of the global village, I take this opportunity to remind and request all the citizens of the State to observe '**Earth Hour**' scheduled on the 24th of March 2018 from 8:30 p.m. to 9:30 p.m. by shutting down non essential lights and electrical appliances in our homes for one hour. This is perhaps the biggest grassroots movement that seeks to solve the problem of global warming, and preserve our only planet for the future generations.
20. In the Rural Development sector, the foremost priority of my Government will be to transform and elevate the lives of all rural people with gainful employment. Implementation of MNREGA will ensure not only job creation but also creation of durable community assets. Rural employment will further be supplemented through skill development and Rural Livelihoods programmes by having convergence with schemes that promote arts and crafts as also animal husbandry, poultry and piggery. Online marketing of handloom and handicraft products will help augment the income of rural households.
21. In order to prevent leakages and ensuring proper targeting of benefits, instructions will be issued to all departments to link all beneficiaries of Government Schemes including pensions to Aadhaar and biometric systems.

While this will put an end to malpractices, we all need to remember that the ***Direct Benefits Transfer*** scheme is now applicable to all Centrally Sponsored Schemes, and envisages direct transfer of benefits to the accounts of the beneficiaries. Unless the concerned departments make concerted efforts, deserving beneficiaries will be denied their dues. This would also ensure financial inclusion and towards this objective, I request the banking fraternity in the State to set up Bank branches in the unbanked blocks allotted to them. They should understand the great responsibility placed on them to facilitate access of thousands of rural people to benefits and institutional finance.

22. In the Agri and Allied sector, the Government is guided by the Vision 2025 goal of achieving Food for All. We will continue to focus on achieving food security through adoption of modern technology and adoption of an integrated approach to farming and putting in place critical infrastructure for transportation, storage and processing of products. An important task that lies ahead of us is to bring about commercial scales of production in the agri and allied sector without which we will not be able to cater to the market demand. There is a constantly growing market for organic produce everywhere, and we have to learn to exploit the advantages bestowed upon us by nature so that we can transform this area into a viable and profitable profession. I am hopeful that more youngsters will, in the coming years, opt for farming related professions. The Government will do the best possible to create an enabling climate. A recent venture for creating job opportunities is the coffee plantations undertaken by the Land Resource Department. Coffee was initially a failed crop in the State, mainly due to failure in marketing strategies. However, after tying up with the Nobel Cause Company of South Africa for partnership in marketing for the next 30 years, coffee plantation in the State has received a big boost and is being taken up in all favourable districts of the State. The first export of seven metric tonnes has already reached Cape Town.
23. Speaker Sir, a few significant developments are taking place in the Agri and Allied sector under Externally Aided Projects that will have significant impact in our State in the years to come. The International Fund for Agriculture Development (IFAD) has approved a project named "***Fostering Climate Resilient Upland Farming Systems in Nagaland***" amounting to Rs. 612.43 crores for a duration of six years. The project will commence from 1st April 2018 till March 2024, with a window for further extension. The project aims to improve the present agriculture system, promote permanent settled agriculture, create an organic marketing value chain and undertake forest conservation activities.
24. In the Forest sector, the ***Nagaland Forest Management Project (NFMP)*** has been approved for funding from the Japan International Cooperation Agency (JICA). The project cost is estimated at Rs. 533 crores, to be implemented in 185

villages of 22 selected Forest Ranges in 11 Forest Divisions covering all the districts of the State. The Project will seek to improve forest ecosystems and support income generation by rehabilitation of jhum areas and provision of livelihood support, thereby contributing to sustainable forest and environmental conservation and livelihood improvement in the target villages in the State. The department is also in the process of finalizing negotiations for a “Biodiversity and Community Conserved Area Management” Project. The project will be funded under the Indo-German Financial Cooperation Project, and will cover seventy villages in six districts over a period of seven years starting from 2018-19.

25. The Department of Youth Resources has at present five ongoing projects valued at a total of Rs. 31.05 crores for creation of sports infrastructure in various parts of the State. My Government will ensure that sufficient attention is given to this area to create a conducive atmosphere for our youngsters to make their mark in the near future. I also intend to resume the initiative started during my earlier tenure to transform music into an industry. Speaker Sir, the youth, with their vibrant energy, have a big role to play in shaping the destiny of our State. They constitute the most valuable human resource we have, and need to be given the right knowledge and skills so that they can play an active role in the development of our State. We also need to arm them with the right skills to enable them to face life in this competitive world. With these in mind, we will focus on capacity building and youth empowerment, and take definite steps to provide employment avenues for the youth, based on merit.
26. Promotion of sports and games will be one of the thrust areas for the PDA Government. Naga youth have tremendous talent in this area and we have to take up all possible measures to provide opportunities, avenues and open up vistas for them to achieve success at the highest levels of competition. The Government will release a new *Nagaland Sports Policy* which will be formulated by engaging all sections and stakeholders including inputs from professionals, international sportspersons and experienced sports administrators. We have to plan a strategy where sports becomes an industry that provides gainful employment inside and outside the competitive arenas. Some of the salient features of this strategy will include infrastructure development, game development projects from grassroots upwards, capacity building of coaches and trainers, improvement of diet and nutrition, exposure and scientific training of athletes, motivation and reward and career stability for sportspersons. The State must conduct more events and competitions in a specialized manner and the Olympic movement will be streamlined into a full time professional centric approach. We will empower the Sports Associations and Federations and at the same time make them responsible by bringing them under a monitoring mechanism under the Olympic Association. Our aim is to make Nagaland a hub of sporting activities where national and international level sporting events are held regularly and we produce

sportspersons of international calibre. We want our youth and our sportspersons to be positive ambassadors of the Naga people and we want to hold our heads high with pride from their achievements.

27. This year is the centenary year of the legendary Dr. Talimeren Ao, India's first and only Olympic football captain. His exploits on the football grounds around the world remain unmatched and he is an icon who inspires everybody, young and old. A state-of-the-art *T. Ao Regional Football Academy* will be established in Nagaland. We will also restore the *T. Ao Sports Awards* from this year onwards, in order to reward and recognise the achievements of our sportspersons, coaches and administrators who have given yeoman service to the State. We will commemorate T. Ao's centenary with a year-round calendar of sporting activities which will include coaching camps for youngsters involving foreign coaches, exposure events for budding footballers and conduct of tournaments. We will also organise an international seminar on development of sports as part of the T. Ao centenary year. The *Hornbill International Motor Rally* will be restored and Nagaland will host a national level *Nagaland Cross Country* under the aegis of the Athletic Federation of India. We will also take steps for introduction of Nagaland leagues in selected prioritised disciplines. An amount of Rs. 2 crores will be earmarked for the T. Ao Centenary year commemorative events and another Rs. 2 crores will be earmarked for the sports events.
28. Speaker Sir, the press and media fraternity of the State has made significant contributions towards the strengthening of democratic foundations in Nagaland. The press persons and media institutions have maintained a positive reputation for the fourth estate in this far corner of the country. A strong, vibrant and independent press and media are crucial keys towards the success of any democracy. Freedom of press and opinion, reflection of the people's voice, along with fair and truthful reportage represent the very essence of journalism. Though there is always room for improvement in every sector, I am sure this House will agree with me that the press and media in Nagaland have carried out their responsibilities in exemplary manner. I look forward to a positive engagement with my friends in the media and I call upon the members of the fourth estate to join hands with this House in serving the citizens in a responsible manner. I am happy to announce that the Operational Subsidy under Nagaland accredited private journalists operational assistance scheme will be doubled and the ex-gratia payable to accredited journalists in the sad event of their untimely death will also be doubled.
29. In the Education sector, steps will be taken to combat persistent problems such as proxy and bogus teachers and ghost employees. Attention will also be given to improve infrastructure and facilities for both schools and colleges. We will strive to make quality education accessible to all students. I am pleased to announce a new insurance scheme for students studying outside the State. All students who

are registered will be covered for a sum of Rupees five lakhs in the unfortunate event of death. This scheme will also enable us to collect data and information on the number of students who are undergoing academic courses all over the country. The Government will release the modalities of the scheme at the earliest.

30. My Government accords top priority to providing better avenues for our students in the area of higher and technical studies. For this purpose, steps will be taken to enhance technical and vocational skills as well as specialized studies. Several Naga youth have made a mark for themselves in the field of music, fashion, sports, filmmaking and business. Such initiatives will be given a fillip by providing support to skill development and promotion of entrepreneurship which is a priority area of the Government. We will strive to provide avenues for job placements to our students. We will set up training centres as well as coaching centres to assist our youth to perform better in the common entrance exams and in the civil service exams. We will also finalise a scheme to provide financial incentives to Naga students who qualify for the interview of Civil Services Examinations conducted by UPSC to enable them to avail of professional coaching.
31. The Industries sector is languishing in neglect for several years without any attempt to attract investment or create an enabling climate. Unless we act to create the right conditions, we will not be able to attract investors. We had in the past made efforts to showcase our potential at various forums without much success. I believe conditions are now ideal for us to bring investments into the State. My Government shall begin with key policy interventions to make setting up business and enterprise simpler. ***Ease of Doing Business*** will be a priority area and we will take steps to be amongst the best among the North Eastern States on Ease of Doing Business. I also intend to provide a substantial role to all the stakeholders so that the Government and the industry can work in harmony to make things happen. At the same time, let me add that real industrialization should be one that is locally driven and not injected from outside. I urge our progressive farmers and young and dynamic entrepreneurs to appreciate the importance of starting big ventures with locally sourced raw materials and produce so that the benefits will flow down to the grassroots levels. Let us strive to achieve commercial scales of production, adopt modern practices of sorting, grading, packaging, standardisation etc. without which our products will not be readily accepted in the global market. We will do our best to provide the required facilities and resources to help our entrepreneurs succeed. We will also strive to provide the best possible platforms to showcase our products as well as potential. As a society that is still primarily agrarian in nature, and given the favourable climate nature has bestowed upon us, we cannot afford to miss the benefits and opportunities that commercialisation and industrialisation of the agri and allied

sector can bring. Let us move to build up our strengths and present to the outside world an attractive offer that will bring investors to our doorsteps.

32. I am also to mention that just two days ago, on 21st March 2018, the Union Cabinet under the leadership of Prime Minister Narendra Modiji has approved the ***North East Industrial Development Scheme (NEIDS) 2017*** which will provide a financial outlay of Rs 3000 crores for Industrial development in the North Eastern States. Our industrialists and entrepreneurs have the potential of benefitting with the incentives being provided for Capital Investments, Taxes and Employment promotion.
33. Speaker Sir, in the Health sector, the World Bank is funding a first of its kind State level '***Nagaland Health Project***' implemented by the Directorate of Health & Family Welfare. The project will be for a period of 5-7 years. The approved cost of the project is 48 million US dollars as loan from the IDA (International Development Association) and 12 million US dollars as State Share. A tripartite agreement for implementation of this project was signed on 16th January 2017. This project will be implemented in 177 sites which have been selected through a consultative process. The project seeks to improve health services and increase in their utilization by communities in targeted locations in Nagaland, and is composed of community action on health and nutrition and health system development. The project will extend support to community and health facility level activities and investments. At the same time, the project will avoid duplication of the existing activities of the State health system as well as the National Health Mission.
34. My Government has committed to make special interventions to address continuing issues of imbalance in development of the Eastern Naga areas with special focus on creating key infrastructural facilities as well as capacity building to bring them at par with the rest of the State. We would specially focus on ensuring connectivity of all block headquarters, provision of Broadband connectivity, ensuring availability of doctors in hospitals to ensure that the ***ENPO*** areas have better social and physical infrastructure. Every department will be asked to ensure focused attention on implementation of schemes in the Eastern Nagaland areas.
35. The PDA Government believes in gender equality and women empowerment. While it is unfortunate that no woman could be elected to this House till date, we will make all possible efforts to bring women into leadership roles at different levels. While understanding that the challenges faced by women in all levels of society are much greater, we must make conscious efforts for upliftment and ***empowerment of women*** as a collective responsibility to realise gender equality.

36. To begin with, my Government will introduce “*Pink Bus*” in the State capital and the commercial hub Dimapur on a pilot basis. These Pink Buses will be pressed into service in selective routes for that will have reserved seating for women passengers and at subsidised rates. Successful implementation of the pilot programme will enable the project to expand to other areas of the State.
37. The Government will also introduce a *24 hours Women’s Helpline* to assist and help women in distress and facing problems in emergency situations. Victims of domestic violence, women facing abuse and attacks, cheating etc can call this helpline for quick and immediate reaction from the law enforcing agencies.
38. The Government will create a *Centre for Women Entrepreneurs* which will create mentoring opportunities and also enable financial linkages to build successful women led enterprises. This centre will engage with professional resource persons and reputed agencies and become a centre of excellence in the long run.
39. Speaker Sir, my Government is committed towards the welfare of the differently abled as also care for those facing mental health challenges. We will make efforts to make Government infrastructures barrier free as also providing special education teachers in all districts. We are committed towards protecting and expanding the rights of citizens who are differently abled and we will work towards full equal opportunities at work, access to education and to health services.
40. In order to attract investments from Private Sector and multilateral agencies in Nagaland, I propose to set up the institution of *Nagaland Investment & Development Authority*. This body will include reputed and experienced personalities from both the Government and Non-Government sector belonging to different backgrounds. It will aggressively pursue investment projects, infrastructure development and take up measures that contribute towards economic growth in a sustainable manner that is acquainted and adaptable to our situation. The details of the institution and its structure will be announced soon.
41. A new initiative to promote a cleaner and more hygienic Nagaland will be introduced as part of the *Swachh Bharat Initiative*. Clean & Green Nagaland will be launched so that we spread the message of keeping our environment and habitations clean. Awareness initiatives, cleanliness drives, education and capacity building will be some of the key features of this programme. The State will formulate an anti-plastic policy in a practical and realistic manner. We will also target open defecation free villages and award those villages and colonies that achieve the targets and set new standards.

42. I am happy to announce that we are introducing a new programme for ***Holy Land tours and pilgrimages***. Detailed guidelines to enable our citizens to visit the holy land will be introduced so that the government part sponsors such visits for citizens who want to undertake the pilgrimage.
43. My Government will also introduce a new package of ***study tours and excursions*** that will take our students on exposure trips to different parts of the country especially the National Capital Region. Every year 100 students will be sponsored to visit New Delhi and other cities to get real life experience of visiting places like the Rashtrapati Bhavan, Parliament House, Taj Mahal in different batches. A separate Cell will be set up to facilitate the successful implementation of the scheme.
44. In order to ensure successful implementation of the Government's policies, programmes and projects, a central monitoring mechanism in the form of a ***Project Management Board*** will be set up. This Project Management Board will ensure periodical monitoring of all schemes and projects for successful implementation and timely delivery. A central dashboard will be created where information on progress, reach, delivery and feedback of Government schemes will be put in place.
45. Speaker Sir, the biggest challenge for a State like ours to implement our programs and schemes is availability of resources. Due to the adverse award of the Thirteenth Finance Commission, our State had a huge budgetary deficit of Rs. 1419.35 crores as on 31st March 2015. Further, during this period the Central Government did not fully release the State specific grants amounting to Rs. 92.50 crores, although the works were completed, thus creating liabilities. Also, 40 projects which were approved by the erstwhile Planning Commission under SPA could not be fully released due to discontinuation of the Planning Commission. While the projects are ongoing, due to resource constraints, the State is not in a position to pay the contractors resulting in litigation. My Government will endeavour to seek from the Government of India for release of Rs. 863.95 crores, which is the amount pending under SPA.
46. Thus, at the close of the Thirteenth Finance Commission, the total budgetary deficit stood at Rs. 1419.35 crores and a total liability of Rs. 956.45 crores totalling to Rs. 2375.80 crores. With this size of accumulated deficit, our Government has been facing an uphill task of fulfilling the development requirements of the State.
47. While acknowledging that the award of the Fourteenth Finance Commission are better than that of the Thirteenth Finance Commission, it was just sufficient to meet our revenue expenditure requirements leaving insufficient resources for

development requirements, not to speak of clearing the liabilities created during the Thirteenth Finance Commission period.

48. Speaker Sir, with the Fourteenth Finance Commission period ending in two years' time, the Government of India has already constituted the Fifteenth Finance Commission. The Commission is expected to visit our State within the next few months. The State Finance Department has been geared up in preparation of various requisite documents as well as the Memorandum to be submitted to the Commission. We will showcase the various issues and specific needs of the State.
49. For the coming year 2018-19, the total estimated receipts is Rs. 18,232.52 crores, including Ways and Means Advances (WMA) of Rs. 4200 crores; out of which the receipts from the Share of central taxes is estimated at Rs. 3777.86 crores as against Rs. 3353.09 crores of 2017-18, a growth of 12.67%. The State's Own Tax receipts are estimated at Rs. 640.56 crores as against Rs. 570.70 crores of 2017-18, reflecting a growth of 12.24%; and Non-Tax Revenue receipts are estimated at Rs. 347.45 crores as against Rs. 294.25 crores of 2017-18, reflecting a growth of 18.08%.
50. The percentage of Non-Development and salary has increased from RE 2017-18 and most importantly from BE 2018-19 as the State Government has agreed to the implementation of the new Revision of Pay 2017 in line with the 7th Pay Commission of the Central Government by giving notional fixation from June 2017 and actual cash payment from the pay of January 2018 which will be impounded to the GPF accounts of the employees. As a result of the implementation of RoP-2017, an amount of Rs 178.24 crores has been provided in RE 2017-18 and for BE 2018-19, it will have an additional burden of about Rs. 854.94 crores for the serving employees and Rs. 245.81 crores for the pensioners; totalling to about Rs. 1100.75 crores. State Government employees will have to be prepared to perform their responsibilities with sincerity and commitment, and not look only for benefits.
51. Speaker Sir, we have many State Corporations and Undertakings that are almost non-functional. These were initially created to enable them to be profit generating ventures for the State Government in the form of equity and dividends as well as to provide employment. Despite huge investments by the State Government, many Corporations have failed to be viable and have instead become huge burdens to the State. Even during 2017-18, an amount of Rs. 44.34 crores was spent by way of providing grant-in-aid to meet their establishment costs, mainly for salaries. I propose to have a serious look into the functioning of these Corporations by setting up a special committee, and to close down the non-performing ones by offering a one-time golden handshake to its employees.

52. The total expenditure for the year 2018-19 is estimated at Rs. 18,305.40 crores including WMA from RBI amounting to Rs. 4200 crores; and estimated at Rs. 14,105.40 crores without WMA. Out of this Non-Development component comprises Rs. 7841.42 crores (55.59%), servicing of debt comprises of Rs 1711.62 crores (12.13%) and Development component Rs. 4552.36 crores (32.27%).
53. For the year 2018-19, Speaker Sir, I propose a development expenditure of Rs 4552.36 crores out of which the CSS is projected at Rs 3567.36 crores. It is expected that the receipt of CSS would be more during 2018-19. State Share to CSS projects continues to be a problem because of resource constraints faced by the State. It is a matter of relief that the Government of India is likely to consider 100% CSS funding in respect of hilly States, particularly for the North East Region.
54. Out of the total projection of CSS amount of Rs 3567.36 crores, MGNREGA alone is estimated at Rs 1159.09 crores. Since MGNREGA is one of the demand-driven schemes reaching out to all the people in the rural areas irrespective of district, tribe, clan, political affiliation, etc., my Government will ensure that total transparency as well as accountability is brought into the implementation of the scheme. There is also a need to examine more seriously the matter of convergence of the MGNREGA scheme with all other schemes being implemented in the rural areas. If implemented properly, convergence can act as a catalyst in multiplying the effectiveness of grassroots level schemes, particularly in the agro and allied sector, dealing directly with the farmers and villagers so as to improve their living standards and uplift the rural economy. The other major schemes under CSS are SSA, RMSA with a projected receipt of Rs 406.95 crores and NRHM of Rs 173.34 crores.
55. Speaker Sir, we are projecting Rs 180 crores for NEC, Rs 110 crores for NLCPR and Rs 115 crores for EAP during 2018-19. It may be mentioned that for many years, the State could not avail funding under Externally Aided Projects (EAP). However, with the active initiative and the co-ordinated efforts of the concerned departments, in 2017-18, the State could avail a total of Rs 84.14 crores under EAP.
56. Speaker Sir, besides CSS, NEC, NLCPR and EAP, there are many other development activities to be undertaken. Although the need is huge, due to resource constraints, we are able to set aside an amount of Rs 580 crores only including Negotiated Loan of Rs 100 crores to be allocated to various departments, for taking up development works, and other welfare schemes such as LADP, CMCF, etc. This amount of Rs. 580 crores along with Rs. 180 crores NEC, Rs. 110 crores NLCPR, and Rs. 115 crore EAP, totalling Rs. 985 crores,

has been kept under Demand No 27 – Planning Machinery, to be allocated to the departments with the approval of the State Planning Board.

57. Speaker Sir, a total of Rs. 168.64 crores have been earmarked under Non-Development for maintenance of existing Government assets including roads. It will be ensured that this amount is judiciously distributed on the basis of actual requirements.
58. To summarise the Budget proposals, Speaker Sir, I am estimating the total receipts at Rs. 18,232.51 crores and total expenditure at Rs. 18305.40 crores for the financial year 2018-19. The broad item-wise statement of the estimated receipts and expenditure is as under:-

| A : RECEIPTS | (Rs. crores) |
|---|---------------------|
| State's Own Tax and Non-Tax Revenue | : 988.01 |
| State's Share in Central Taxes | : 3777.86 |
| Central Assistance (Grants & Loans) | : 7820.86 |
| Internal Debt (including WMA from RBI) | : 5642.87 |
| <u>Recovery of Loans and Advances by State Govt</u> | : 2.91 |
| Total | : 18232.51 |

| B : EXPENDITURES | |
|---|-------------------|
| Non-Development Expenditure (excluding Servicing of Debt) | : 7841.42 |
| Servicing of Debt (including repayment of WMA) | : 5911.62 |
| <u>Plan Expenditure (including CSS)</u> | : 4552.36 |
| Total | : 18305.40 |

| | |
|--|-------------|
| C. BALANCE (A-B) | : (-) 72.89 |
| D. PUBLIC ACCOUNT (NET) | : 49.95 |
| E. CURRENT TRANSACTIONS (A-B+D) | : (-) 22.94 |

59. The transaction for the financial year 2018-19 is estimated to result in a negative balance of Rs. 22.94 crores. As stated earlier, the main reason for the negative balance is on account of the implementation of RoP 2017 which will have a huge additional burden. In addition, with the negative opening balance of Rs. 1607.73 crores, the year 2018-19 is estimated to close with a negative balance of Rs.1630.67 crores.
60. With these words, Speaker Sir, I commend the Budget for 2018-19 to this august House for consideration and passing.

Thank you.