

**Government of Chhattisgarh  
Budget - 2012-13**

**17<sup>th</sup> March, 2012**

**Press Communiqué**

Presenting the budget estimate of Rs. 37,573.61 cr. for the fiscal 2012-13, Dr. Raman Singh, Chief Minister of Chhattisgarh, who is also in-charge of the Finance portfolio, stressed on the strategy of "inclusive and faster growth" as the overriding theme and emphasised the commitment of his government to pursue the "Millennium Development Goals".

2. For the first time, a separate budget has been introduced for the agriculture and allied sector. With 21% quantum jump, the outlay of Rs. 6,244 cr. for this sector amounts to 17% of the total expenditure. This includes 1,848 cr. for the irrigation sector and 1,452 cr. for food grains procurement. The main highlights of the agriculture budget are as follows :

- Reduction in interest rate on crop loans from 3% to 1%,
- Bonus of Rs. 50 per quintal on paddy procured during 2011-12,
- Increase in subsidy for energisation of irrigation pumps from 50,000 to 75,000 per connection,
- Hike in consumption ceiling for free electricity on 5 HP pumps from 6,000 to 7,500 units,
- Free seed and fertilizer distribution to 1 lakh forest dwellers under the Forest Rights Act,
- State funded micro irrigation programme with provision of subsidy up to 75%
- Increase in subsidy on production and distribution of quality seeds
- Increase in state government's contribution towards premium under the National Agricultural Insurance Scheme from 5% to 20%.

3. Besides, Dr. Singh announced many sops including complete waiver of VAT on paddy transplanter, lantern, medicine used in treatment of Thalassemia, motor vehicles made for use by the physically challenged, battery operated motor vehicles, solar energy devices and items manufactured from fly ash. Besides relief in Entry Tax has been announced for the ailing local iron steel industries.

4. As a major initiative, Dr. Singh proposed universalization of the National Health Insurance Scheme with funding from the state budget to cover all the families in the state. In order to provide basic health care facilities for the urban poor, "Chief Minister's Urban Health Programme" will be implemented in all the municipal corporation towns of the state.

5. A new scheme "Nava Jatan" will be implemented for improving malnutrition and anemia among children and pregnant woman.

6. In the education sector, free cycle distribution scheme for the high school girls will be extended to the government aided schools also. Dr. Singh believes that this will help in reducing the gender gap in enrollment. Similarly free distribution of text books scheme for the high school girls will be expanded to cover the boys as well. As part of the strategy of inclusive growth, 85 residential schools and hostels will be started for the scheduled caste/scheduled tribe and backward class students.

7. A new scheme has been introduced to subsidize higher education loans at 4% interest for students belonging to economically weaker sections.

8. Upgradation of rural and urban infrastructure has been given adequate importance. The newly introduced Chief Minister's Rural Roads Development Programme will cover 4000 km of rural roads in the next two years. Rs. 600 cr. assistance will be provided to the urban local bodies for upgradation of roads, drinking water supply and solid waste management. The state government proposes to undertake large scale housing programme for the economically weaker sections under the Atal Vihar Scheme.

#### 9. **Budget 2012-13 at a glance**

(Rs. in crore)

Sl. No.	Items	2011-12 (Revised Estimate)	2012-13 (Budget Estimate)	% Deviation
1.	Total receipts	32,196.46	37,172.54	15
	a) State's own revenue	15,031.94	17,521.15	17
	b) Central receipts	12,676.36	13,857.49	9
	c) Recovery of loans	1,253.08	1,571.70	25
	d) loan	3,135.08	4,222.20	30
2.	Total Expenditure	32,747.46	37,573.61	15
3.	Budget deficit (a+b)	2,031.73	2,431.80	20
	a) current year deficit	551	401.07	-27
	b) carry over deficit	1480.73	2031.73	37
4.	Fiscal deficit = 2-(1a+1b+1c)	3,786.08	4,623.27	22

10. With an estimated growth of 16% in tax & 18% in non- tax revenue, the revenue surplus is estimated at Rs.2,959 cr. which will be used for capital expenditure. The estimated expenditure is 15% higher than the current year's revised estimate.

11. The net budget deficit stands at Rs.401 cr. and taking into account the cumulative deficit, the budget deficit for 2012-13 is estimated at Rs.2,433 cr. Gross Fiscal deficit is estimated at Rs.4,623 cr. which is 2.82% of the GSDP and well within the 3% limit set under the Fiscal Responsibility and Budget Management Act.

12. With 16% increase in plan expenditure, the total plan outlay estimated at Rs.21,931.19cr. is 58% of total budget outlay. Similarly, the outlay on capital expenditure of Rs. 7,189.89 cr. is 23% higher than the current year's provision. The budget allocates 34% of the total plan expenditure for tribal sub-plan and 11% for the scheduled caste sub-plan area.

13. The state plan outlay of 20,260 cr. is 18% higher than current year's allocation. 85% of state plan is funded from state's own resources.

14. The outlay for the social sector constitutes 41%, economic sector 39% and general services 20% of total expenditure. Social sector outlay includes 14.5% for education, 3% for health, 10% for SC/ST welfare and 2% for drinking water.

15. As a sop to the government employees Dr. Singh informed the house that the disparity in the DA rates between central and state government employees will be removed during the next fiscal.

16. Dr. Singh reiterated the commitment of his government to fight naxalite violence. He informed the house that during the last eight years, the State government has increased the strength of the police force by 200% and made huge investments on their modernisation and training. Besides, the plan outlay in all the developmental schemes in the tribal dominated naxalite affected districts has been increased substantially. The police budget for 2012-13 is 21% higher as compared to that of 2011-12.

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