

***Hon'ble Speaker Sir and Hon'ble Members of
this August House.***

I take this privilege and honor to present the regular Budget for the financial year 2017-18 for discussion and subsequent approval. I also extend my warm greetings to the people of Sikkim, the officials, distinguished members of the civil society and representatives from the media present here today.

Before I proceed with the presentation of the budget for the year 2017-18, I express my deepest condolences on behalf of this August House and the people of Sikkim for the untimely demise of Late P. Shiv Shankar, the former Governor of Sikkim. May the almighty God give strength and fortitude to his bereaved family members in this hour of irreparable loss. My heartfelt condolence also goes to the family of Late D.R. Basnet, former MLA of the Melli Constituency from 1985 - 1994 of this August House. In his death, Sikkim has lost a dedicated person of great wisdom who kept the interest of the Sikkimese people close at heart. Similarly, I also condole the untimely demise of Late J. Jayalalitha, the former Chief Minister of Tamil Nadu, who was a great leader respected and loved by the people and she will be deeply missed by this great nation of ours. May her soul rest in peace.

Hon'ble Speaker Sir,

We witnessed the conclusion of Assembly Elections in five States recently wherein our fellow Indians exercised their democratic right of universal franchise to elect their government. The Bharatiya Janata Party under the leadership of Hon'ble Prime Minister recorded a historical win which was special in many ways. I on behalf of the people, the State Government and myself, congratulate the Hon'ble Prime Minister for this landslide victory.

Hon'ble Speaker Sir

Today, I stand here proud as the representative of the people and the Leader of the House in the full knowledge that we in Sikkim have already fulfilled the United Nation's Sustainable Development Goals in the State. It also gives me immense happiness to share with the people that our development policies and programs from day one have been tailored to attain these many sustainable goals. Be it in the area of poverty reduction, zero hunger, health and well being, quality education, gender equality, clean water and sanitation, clean energy, innovation, sustainable cities, peace and justice, Sikkim has addressed all these goals and achieved them through a sustained policy intervention at every level. Duly recognizing our contribution, the prestigious The Energy and Resources Institute has bestowed upon me the 'Sustainable Development Leadership Award' on

October 6, 2016 for our impressive record in environmental conservation and sustainable development.

While I thank the people of Sikkim for their continued faith and confidence in our ability to deliver, I am pleased to propose 'sustainable development' as the central theme of this budget presentation.

Hon'ble Speaker Sir,

The State Government in Sikkim has achieved remarkable progress in the core areas of agriculture, health, education and development in infrastructure. Today, Sikkim is the most talked-about state in the Country. We have been lauded and appreciated at various forums for our efforts. Our unique policies and initiatives are being emulated across the country as well as overseas and I am certain that every Sikkimese citizen is happy and proud about the achievements we have made.

Sikkim has evolved as a progressive State with marked improvements in socio-economic indicators, despite facing the disadvantages of inadequate connectivity, high cost of infrastructure building and maintenance, difficulty in delivering services to dispersed populations in hilly areas. This budget marks a major milestone in delivering our commitments which are firmly based on prudent public finance management for achieving overall socio-economic development in Sikkim.

Hon'ble Speaker Sir,

I have made several submissions in this August House and have demonstrated through action that whatever we commit to, we achieve. For the last 23 years, I have dedicated myself to working for the holistic economic development of the State, with the central objective of ensuring better lives for our people. The Law and Order track record in the State continues to hold up an excellent benchmark. The State Government takes pride that we have continuously been able to provide a high degree of security to the people, making Sikkim a secure place to lead a dignified life.

Hon'ble Speaker Sir,

Maintaining Law and Order is key in sustaining a peaceful and stable governance and for fostering growth and stability of the State. With a sanctioned strength of 2,870 police personnel in 1994, the number has increased to 6,500 personnel today who ensure safety and security for the people. There are 28 Police Stations, over 50 outposts and a number of Inter State check posts.

The State Government has created a new milestone in the State policing history by designating two police outposts to be exclusively managed by police women. The first all-women police station was formally established at Ranipool on 30th March 2016 and the second one at Temi-Tarku on 30th September 2016.

The Government is addressing the needs of the Sikkim Police with respect to their operational requirements, mobility, communication requirements, housing and other needs. Various projects were approved and sanctioned for the Modernization of Police Force and some of these projects are in the final stage of completion.

Hon'ble Speaker Sir,

In the area of clean and renewable energy, Sikkim has attained self-sufficiency in power generation. You are aware that the Teesta Stage-III with 1200 MW capacity was successfully commissioned on 17th February 2017. When we took over governance in 1994, the total installed capacity was only 32 MW. We improved the installed capacity to 813.07 MW subsequently, by initiating other hydro electric projects.

Now, with the commissioning of all generating units of Teesta Stage-III, the installed hydro power capacity of the State stands enhanced from the previous 32 MW in 1994 to 2013. 70 MW today. The on-going 97 MW Tashiding and 96 MW Dikchu hydro power projects are scheduled to be commissioned by April/May of 2017. The installed capacity will be enhanced correspondingly.

This is a historic milestone and it has made our State self-reliant in clean energy production and has

boosted the State's revenue generation capacity. With the commissioning of such power projects at this scale, we are no more a consumer state when it comes to energy. We are a producer State that provides energy for the nation.

The Teesta Stage-III is the second largest Hydel Power Project to be commissioned in the country. The State will receive 12% free power from 1st to 15th year and 15% free power from the 16th to 35th year from the date of commissioning. This way we are able to fulfill people's requirement in the State in terms of affordable and clean energy as part of the United Nation's defined sustainable development goals.

Hon'ble Speaker Sir,

The State Government has also accorded due importance to the quality of life of citizens in rural Sikkim. We have successfully provided for the basic minimum needs of the people. For achieving larger development goals, we have focused on the creation of quality rural infrastructure, the provision of basic minimum services like safe drinking water supply and sanitation, rural connectivity through roads and foot bridges, among others. During the next financial year, we are also going to establish a new Block Development Office at Mangalbaria in West Sikkim.

Sikkim became the first Nirmal Rajya in the country in 2008 by achieving 100% sanitation coverage and the

first State to achieve Open Defecation Free status in the beginning of 2016.

In Sikkim we have already constructed more than 20,000 houses for our people. The constructions of an additional 3,000 houses under CMRHM are being taken up immediately to achieve the status of “Kutcha House Free” State and “House For All” by 2018-19.

Ours is the State with zero hunger and the first poverty free State in India. This goal has been achieved through consistent policy prescription and a rigorous implementation regime.

A new concept of “Eco-Smart Villages” is being proposed in this budget with an initial budgetary provision of 1 crore. This is being proposed on the premise that each village has its own characteristic strengths which can be developed independently in providing welfare services and local employment to the people. Each village could develop their unique development models, whether in the promotion of village tourism, pilgrimage centres or dairy farming, etc. This also includes the development of “One Home One Garden” concept through which each household will develop a personal garden with the Government providing necessary technical support.

Hon'ble Speaker Sir,

The State Government has given topmost priority to the road network as the state is solely dependent on the roads as the only mode of transportation for all goods and commodities. The total number of length of road in Sikkim in 1994 was 1800 kms which is increased to more than 5500 kms at present. The State Government has emphasized on a good quality road network to ensure improved connectivity and reduction in travel time.

Most of the roads built earlier were meant to cater to light vehicles and low traffic density. The specification for the improvement of pavement proposed and adopted now has been done to suit the increased traffic volume and the axle load. The total length of the road involved is 942.98 kms.

The work under Phase I has already been awarded to eligible contractors. The time period for completion may vary depending upon the funding pattern and Phase I can be completed within a period of three years from date of sanction of the project.

The State Government is ready to overcome the challenges in upgrading the roads to maintain the Construction Management System at par with the National Level.

A defect liability period of 5 years under the Quality Control Mechanism has been introduced for all carpeting works so that contractors are liable for any defects that may occur within the span of five years. This has been done duly retaining the security deposit at 5% and Earnest Money Deposit at 2.5 % of work value during the defect liability period. This deposit will be released only after five years of satisfactory maintenance of work executed by the contractors.

All roads in state will be eco-friendly roads which will be transformed into garden roads. The idea is to transform Sikkim as a Garden State.

Hon'ble Speaker Sir,

The rural road connectivity has received an enhanced focus from the State Government with a funding pattern under the Pradhan Mantri Gram Sadak Yojana. From the Stage II sanctioned carpeting work of 1176.79 km, 482.931 km has been completed. Besides, a new proposal for the construction of 25 roads with the combined length of 154.94 km under the New Connectivity (Stage I & II) program for the final left out habitations in the core network, along with 26 Stage II works with a combined length of 125.37 km, is already under process for sanction under PMGSY. The construction of 38 bridges sanctioned under PMGSY is under progress.

Under MGNREGA, it has been targeted to achieve the employment of 66,000 households and provide an average wage employment of 70 days per annum. A sizable part of this investment will be used to converge with the housing scheme of Pradhan Mantri Awas Yojana Gramin, along with joint initiatives with the Horticulture and Agriculture Department to implement Horticulture plantations, Bamboo and Medicinal Plantations, Vermi compost pit construction and the development of Community Water Harvesting Tanks. In addition, the construction of Cowsheds and Pig Stys, jointly with the Animal Husbandry and Veterinary Services Department, will also be converged with the scheme. All the payments are being made to the beneficiaries through Direct Benefit Transfer Scheme.

The funds under the 14th Finance Commission and State Finance Commission are directly transferred to the Panchayats for provision of basic services that directly affect the people in the villages.

Hon'ble Speaker Sir,

Urbanization is a part of the development process and rural-urban migration is largely common in developing economies. During these processes, existing urban facilities like housing, sanitation, transportation, safe drinking water supply, and health are generally under stress. Therefore, in the case of towns like Gangtok,

Namchi, Gyalshing, Mangan and other notified bazaars, we are working to develop sufficient support facilities and are already transforming each urban center as models of excellence.

The Strategic Urban Plan for the State documents the guidelines for the planning of towns and bazaars across the State with due room to keep their unique strengths, weaknesses, opportunities and threats as part of the planning process. A well planned three phased strategy has been adopted to envision the “Urban” Sikkim of the future. The State Government has also adopted a Concept Note on Micro Cities, a granular intervention in the development of Rural Marketing Centres and Class III Bazars. All bazars will be eco friendly and smart bazars.

It is a matter of pride for us that Namchi has been selected among the 100 shortlisted cities to be developed under the Smart Cities Mission of the Government of India. With support from all, we can make Namchi a world class city. Gangtok which is the capital of the State with a population of a little over one lakh, is already implementing schemes under the Atal Mission for Rejuvenation and Urban Transformation to improve basic services. Gangtok has also been shortlisted to participate in the Smart City programme and is a probable addition to the Smart City list.

I am pleased to share with the Hon'ble Members that the State Government has decided to introduce the Smart City concept to construct underground malls and markets in these towns to create larger spaces for urban business hubs. Under the Smart City concept, we want to develop our cities into a vibrant and connected city of opportunities.

Hon'ble Speaker Sir,

In Sikkim, people receive free quality health care services. There have been manifold improvements in infrastructure, capacity building of human resource, manpower placement and the delivery of comprehensive health services.

A multispecialty hospital with full facilities at Sokeythang, Sichey, is currently being constructed. With the completion of 85% of the construction, the hospital is scheduled to be completed by the end of 2017 so that the present hospital at Gangtok can be shifted to the new Hospital Complex. Correspondingly, the planning and management of human resource in terms of the creation of posts for super specialists, specialists, nurses and technicians is also being worked out.

Two Tuberculosis units with a 50-bed capacity is being set up at Gyalshing and Mangan District hospitals. Besides this, an Integrated AYUS Hospital is also being constructed at Gyalshing, West Sikkim.

With improved health facilities and infrastructure, we have noticed significant improvements in health indicators. However, in the last few years, it has been noticed that the Total Fertility Rate (TFR) for the State has been declining steadily. In 1994, the TFR for Sikkim was 2.75 and in 2016, the TFR for Sikkim was 1.75. It is not a healthy trend if the TFR is below 2 since it means we are below replacement level and the population will show a negative population growth rate. This is a cause of concern and it brings new challenges for the future of Sikkim. In order to address this negative trend, the Government has already discouraged permanent methods of sterilization. Today I am very happy to announce a new scheme with initial allocation of Rs. 5 crores, known as “Proud Mother Scheme” which provides a cash incentive of Rs. 7000 at the time of birth of the first child and another Rs. 10,000 at the time of birth of the second child.

Hon’ble Speaker Sir,

The State Government has given a special focus throughout the years on the education sector. We have improved our approach in providing facilities and infrastructure, ensuring adequate number of capable teachers with good professional skills, and improving curriculum and teaching practices. Education in Sikkim is free up to the college level and we are making sincere

efforts to improve educational standards further both in terms of coverage and quality.

The State Government has re-constituted the Sikkim State Education Training Service cadre by creating more academic and administrative posts. The cadre has also been revamped and renamed as the Sikkim State Education, Research and Training Service to emphasize both training and research.

The Government is also shortly going to construct an independent State Council of Educational Research & Training building to provide for necessary facilities to the academic staff. Further, a programme for Educational Quality Improvement launched in eight pilot Senior Secondary Schools of the State has received a funding of around one crore from North Eastern Council. Further it is set to be expanded to cover all Senior Secondary Schools of the State.

It is heartening to note that the National University of Educational Planning & Administration has agreed to set up a School Leadership Academy for the State of Sikkim to provide leadership skills to school heads within the State. I am pleased to inform this House that the SCERT has successfully participated in the latest National Achievement Survey and conducted its own State Achievement Survey at the elementary level. The survey

has shown an improvement of around 10% among our children since the last survey was conducted during 2013 in both Mathematics and English.

After having joined Rashtriya Uchchatar Shiksha Abhiyan, the State Government has now decided to set up our own Sikkim State University to ensure larger access and provide for the necessary freedom and flexibility in choice of course and curriculum to the Government colleges. We have proposed to set up the Sikkim University initially at Sikkim Government College, Tadong.

We will continue to promote integration of education for sustainable development duly introducing strategies and action plan, in service education of teachers, more relevant curriculum contents in the system within the State.

The education system in Sikkim will now be transformed and revolutionized starting from the primary level with an aim to rank it amongst the best in the world. Buddhist University in Sikkim is being set up and the State Government has also decided to establish the first Degree College in North Sikkim. This financial year, the State Government has introduced an Annual Fest Grant of Rs. 5 lakh to each of the Colleges in the State.

Hon'ble Speaker Sir,

With the transformation of Sikkim as the first Organic State of the country and the world by our design, we have opened unlimited opportunities in sectors like Agriculture, Horticulture and Animal Husbandry. Currently, we are exporting large cardamom, ginger, buckwheat, turmeric and cymbidium orchids. Our aim has been to fulfil the domestic market and export our surplus production outside the state.

Under the National Mission on Agricultural Extension & Training, new emerging organic technologies are being disseminated to the farmers through training, demonstration, farm schools, exposure visits, formation of commodity interests groups and food security groups, etc.

Soil Health Cards have been distributed to 45,027 farmers after soil testing based on the Centre Government's guidelines on 10 Hectare grid basis. The national target of three years has been completed within one year, thus making Sikkim the first state in the country to complete its target ahead of time.

The Sikkim Organic Mission is introducing an e-voucher card system as an effective mechanism to distribute assistances under the Direct Benefit Transfer for ensuring that the Scheme's funds are channeled directly to the beneficiaries. This would be a first of its kind initiative in Sikkim and probably in the Country as well.

Hon'ble Speaker Sir,

For the effective micro management of rural economics, the State Government has established 3651 cooperative societies with over one lakh household members. The State Government has also taken a policy decision to have MPDCs at every GPU to cater to the local consumers and credit needs of the villages. Price incentives for cooperatives in the form of transport, marketing and managerial subsidies are available to the 174 MPCs.

Hon'ble Speaker Sir,

The State Government has covered all citizens to ensure food and nutrition security in Sikkim. There are a total of 16500 families under the Antyodaya Anna Yojana who are entitled to 35 kgs of rice at Rs. 3/- per month and 3,24,081 individuals are under Priority Households which are entitled to 5 kgs of rice per head at Rs. 3/- per kg per month.

The left-out beneficiaries including Welfare Institutions run by NGO's, Monastic Schools and Destitute Homes are covered under Other Priority House Hold General (OPH) and OPHH Special. At present, they are providing 9.5 kgs of rice per individual at Rs.11/- per kg per month.

In addition, we are constructing three new godowns - one at Kaluk, Namchi-Singithang and one at Namthang. The third godown will be constructed under the Central Sector at Uttarey under BADP in 2017-2018.

Hon'ble Speaker Sir,

It is my privilege to place on record that Sikkim was the first to promote the concept of eco-tourism, village tourism and home stay tourism in the country. This essential concept promoting man-nature affinity has been recognized as a new model of tourism. Today, Sikkim is already on the national and international tourism map. As you know, Sikkim has been featured and ranked 17th in the New York Times "52 best places to go in 2017". Similarly, Sikkim has also been featured as the best destination to visit in the world in 2014.

The Year 2017 has been declared as the Year of Sustainable Tourism for Development, an area of development in which Sikkim has already made considerable strides with eco-friendly tourism and the development of innovative initiatives such as Chaar Dham and Tathagatha Tsal. Additionally, Gangtok City has been recognized as the safest tourist destination in the country.

Keeping nature at the backdrop, the State Government proposes to promote tourism mainly through

nature based tourism. Few activities which are proposed include, Rock Art Sculpture, Folk Healing Center and Yoga Sthan. In the niche Tourism Sector, facilities such as golf courses, water sports etc, are being proposed. A priority has been given to create mega projects, one example of which is the Sky Walk at Bhaleydung. The Ropeway to Bhaleydung, currently under progress is expected to be completed in 2 years time. Today, Sikkim having been featured in leading International Journals and magazines, has become one of the most sought after destinations and caters to all types of tourists. Film tourism is also catching up fast with the support of the government. We are all aware of recent film shoots by popular Bollywood artistes in the state. A new film 'Pahuna' is also being shot in the state.

Hon'ble Speaker Sir,

Through sustainable forest management practices and massive afforestation drives, about 72.60 lakh saplings have been planted till date under the State Government's flagship programmes such as Smritivan, State Green Mission, Ten Minutes to Earth and Paryavaran Mahotsav. The forest and tree cover of the State has increased by about 4% over the last two decades from 43.95% to 47.80%. The State Government has also banned the use and sale of disposable Styrofoam products, prohibited the burning of tyres,

agricultural waste, use of packaged drinking water bottles, bursting of crackers in Sikkim which are first such prohibitions imposed in the entire world.

The declaration of the Khangchendzonga National Park as UNESCO's World Heritage Site on 17th July, 2016 at Istanbul, Turkey, is a testimony to the tireless efforts of the government. The Khangchendzonga National Park has also been declared as one of the 100 top Green Destinations of the world for the second consecutive time.

In addition to this, the State Government is also proposing to develop a world class Biodiversity Park and Ecotourism Centre at Tendong, South Sikkim.

Hon'ble Speaker Sir,

Sikkim is a land of Dharma. Keeping the spiritual life of the State at the center, we have created a large number of pilgrimage centers based on people's faiths and beliefs. I am happy to inform this August House that very recently, Sri Viswa Vinayaka Mandir at Rundung Village in Rhenock and Sri Krishna Parnami Mangal Dham Mandir at Namphing, Bermoik, have been inaugurated for the citizens.

In addition to these projects, new projects like Statue of Srijunga at Hee-Bermoik, the Statue of Chenrezig in Pelling, West Sikkim, the Stairway to Heaven at Daramdin, the Mangkhim at Ranka and Thakurbari at

Gangtok are in the advanced stages of completion. The State Government also proposes to establish Folk Healers Centre, Sahid Gram and Shakti Sthal at Mungrong. A state of the art, Sikkim State Archives Building has also been completed which will house the State Museum. I am happy to inform that the works for the completion of the new Judicial Academy, Chief Justice Bungalow, and a Sub-Division Court at Soreng have also been taken up in a war footing and they are to be completed during the financial 2017-18.

The State Government has now prioritized the construction of a Ropeway from Pelling to Sangacholing Monastery in West Sikkim connecting the landmark statue of Lord Chenrezig, that is near completion, to Pelling. This project along with the Statue of Lord Chenrezig would be a great value addition to tourism in boosting tourism footfall in the State. The boost in the tourist footfall is very encouraging as Sikkim hosted over 8 lakhs tourists in 2016 alone.

Hon'ble Speaker Sir,

The State Government is very concerned with the youth populace and therefore, has laid special emphasis to skill the youth and to make them employable and self-dependent so that they can lead a life of self-respect and confidence. A separate Department of Skill Development & Entrepreneurship and Capacity Building

therefore has been setup with its network of the State Institute of Capacity Building, Livelihood schools, Industrial Training Institutes, Kaushal Kendras and Incubation Centres for skilling the youth. These initiatives aim at creating opportunities for self-employment, for industrial wage employment, and community based employment as Social Entrepreneurs.

Till December 2016, a total number of 10,151 trainees have been trained in sectors such as Beauty & Wellness, Tourism & Hospitality, Apparel, Homestay, Driver cum Tour Guide, Primary Teacher Training etc. An Atal incubation centre has been approved by the Ministry of Skill Development in Assam Lingzey. Two more incubation projects for the distillation of lemon grass oil has been set up in Kerabari, South Sikkim, and Timberbong, West Sikkim, under the Rastriya Krishi Vikas Yojana.

More than 1200 trainees have been placed in jobs as part of the placement services integrated with skill training or through the Skill Festival and Job Melas in the state. All Industrial Training Institutes, Workshops and Laboratory facilities have been upgraded to provide better quality of training. Besides the training programmes organised by the State Institute of Capacity Building in Sikkim, Skill Training is currently being imparted under many Programmes such as the Pradhan Mantri Kaushal

Vikas Yojana, Deen Dayal Upadhyaya-Grameen Kaushal Yojana, and the North Eastern Rural Livelihood programme.

In this technology driven world, we have been confronted by a new reality and new ways of doing business. Many people are coming forward with inventions and innovations that aim to meet market needs in a new way. Many online business giants like Amazon, Flipkart and Uber have changed the way businesses serve people. For example, as an online transportation company headquartered in San Francisco, California, Uber presently operates in 528 cities worldwide, employing over 7000 people. This company is also planning driver-less car services by employing highly developed technology.

In Sikkim, we also seek to provide an impetus to our young people to develop new entrepreneurships by launching the “Chief Minister’s Startup Scheme” to provide for 25% subsidy with an investment of upto Rs. 20.00 lakhs. This Scheme is being launched with the objective to boost entrepreneurship and encourage start-up ventures by providing them with financial support. Initially a sum of Rs. 10.00 crores is being earmarked during this fiscal.

Hon'ble Speaker Sir,

The State Government is working to provide safe, reliable and comfortable travelling facilities to the public all over the State. The facilities will also benefit important towns in the neighboring state. The Transport Department is undertaking various new initiatives both in SNT and Motor Vehicles to provide better services to the people. The vehicle fleet has been increased by adding two new Air Conditioned buses as well as four petroleum tankers to meet the requirement of petroleum products in the state. Four new weigh-in-motion- bridges have been setup – two at Rangpo check post and two at Melli Check post. These are under trial stage. All Depots and Workshops are being upgraded using modern technology through Integrated Depot Management System. The work in developing an Inspection and Certification Centre has started for automated fitness testing of vehicles. A state level Driving Institute at Pakyong and a Regional Driving Institute at Kichudumra in South Sikkim have been planned for improving the quality of driving.

In Motor Vehicle, a total 53,636 vehicles have been registered and a about 1,13,018 driving license have been issued till Jan 2017. Road safety has been given special priority through awareness programmes, trainings, amendments in rules, better enforcement and a number of other initiatives. Ex-gratia payment to the next kin of

drivers has been enhanced to Rs. 3 lakhs. In addition, 31 new Ambulances have been acquired by the Government which shall be operated by the Department of Health and Family Welfare for road safety. New technology for the registration of vehicles and for issue of driving licenses is being applied in all four districts.

Hon'ble Speaker Sir,

The State Government is putting a priority to make Information Technology a platform for growth and to improve governance and administration in the State. A well-defined Information Technology policy is already in place. The State Government has successfully launched e-governance service. The Department has also commissioned a disaster recovery plan for the State Data Centre. The project of National Optical Fiber Network is under progress to ensure connectivity to rural areas, especially upto the BAC level. Mobile technology like M-Tourism, online payment, e-waste, inner line permit tracking system, e-tendering etc. are already in place. Efforts will be made to ensure WiFi services in all major towns besides providing for video conferencing facilities as well.

Hon'ble Speaker Sir,

The State Government has ensured social justice to all sections of society which, in turn, has contributed to the peace and harmony among various communities of

the State. It is a matter of record that we have gone much ahead of the mandatory constitutional provisions in protecting the rights of the Scheduled Caste and the Scheduled Tribes.

Special care is also taken for children by providing Nutrition, Health care and Quality education. The Government has been providing large numbers of social assistance measures for the socially weaker sections of the population, including persons with disability. The Government is running a Special School for the Hearing Impaired and a Special School for the Visually Impaired. The Government also supports the Spastic Society of Sikkim for the rehabilitation and education of children suffering from Mental Retardation, Autism, Cerebral Palsy and Multiple Disabilities.

A special focus has also been given by the Government for providing quality life to the elderly citizens of the State. 20,000 Old aged persons belonging to BPL families are provided a pension of Rs. 600/- per month. Persons who are more than 70 years of age are being provided with the pension of Rs. 1000/- per month.

Unfortunately, we have noted increasing cases of children deserting their parents at their elderly age. Therefore, in order to provide a reasonable and decent life to the elderly in such cases, the State Government has

decided to construct one Old Age Home each in the four districts during 2017-18. The State Government has also decided to introduce a Subsistence grant of Rs. 2,000 for the senior citizens who are in need of regular nutrition and medicines.

The Government has ensured Social justice and protection to all the communities in the State by categorizing them into SCs, STs, Central OBCs and State OBCs. Scholarships to poor students belonging to these categories are provided under the scheme of Pre-Metric Scholarship and Post Metric Scholarship, including the Ambedkar Scholarship. At present, 8877 students are availing various scholarships from Social Justice, Empowerment and Welfare Department.

Hon'ble Speaker Sir,

Women Empowerment is at the heart of our policies to ensure social justice and equity to all. Women have historically been a discriminated group and unfortunately, they are still discriminated all over the world today. In Sikkim, we have made it a priority to ensure that through policy, we accord equal rights to women. At the political level, 50% reservation has been provided for women in Rural and Urban Local Bodies. Similarly, a 33% reservation has been provided to women in the Government Service. A necessary legal frame work has been created for ensuring legal rights of women and

their protection by establishing the Sikkim State Commission for Women. The Government has enacted the Protection of Women from Domestic Violence Act, 2005, and Provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, which provides legal backing to prevent exploitation of women at home as well as in the work place.

The State Government is sensitive to the special care and attention that the womenfolk deserve in our society. To ensure a healthy Sikkim, the State Government has always stressed upon preventive and curative measures. To move one step ahead, the State Government has decided to introduce vaccination for preventing cervical cancer for our girl children. Cervical cancer is the second most common cancer affecting women worldwide and the principal cancer affecting women in most developing countries where 80 percent of cases occur. As per one report, 74,000 deaths caused by cervical cancer are reported annually in India, accounting to nearly 1/3rd of the global cervical cancer deaths.

Hon'ble Speaker Sir,

It has been the Government's constant endeavor to provide the best working and living conditions to all categories of the Government employees. To cater to the increasing requirement of public services, a number of service cadres have been reviewed and service rules have

been amended. This has resulted in the creation of a large number of additional posts in almost all services. These posts have been filled up by promotions and direct recruitments. The State Government has also introduced the scheme of compassionate appointment as a welfare measure to give employment to the next of kin in replacement of government servants belonging to group C and D who die in harness. From 1994 till date, 1417 persons have been appointed under this scheme. In addition to the existing facilities, the State Government is also pleased to raise the upper age limit for job seekers to 40 years for government employment.

The State Government has constituted a committee under the Chairmanship of Chief Administrator, Government of Sikkim, to recommend the revision of pay & allowances of State Government employees in rational comparison with the revised Central Pay Structure on the recommendation of the 7th Pay Commission. The Government has also released DA to its employees due from 1st July, 2016.

Hon'ble Speaker Sir,

I now present tax proposals for the year 2017-2018. The Constitution (One Hundred and First Amendment) Act, 2016, on goods and service tax has come into effect. Accordingly, the main taxes of the State Government like the Value Added Tax, Central Sales Tax, Entry Tax, Cess

and Luxury Tax etc. and also the taxes of the Government of India like the Central Excise and Services Tax, have now been subsumed in the Goods and Services Tax. Now, only the Goods and Services Tax will be levied in place of all these taxes in the indirect tax regime. Petroleum products and liquor have been kept out of the GST, as of now. The rates of the tax will be uniform on goods and services in the entire nation. As per the decision taken by the GST Council, the Goods and Services Tax will be implemented from 1st July, 2017 onwards. The State Government has made all necessary preparations for the implementation of the new tax regime so that the trade and industry of the State do not face any difficulties. E-payment will be made compulsory for the payment of taxes.

Hon'ble Speaker Sir,

I shall now dwell on the budgetary profile for the current financial year.

In this budget for the fiscal year 2017-18, a gross expenditure of Rs. 6364.02 crores has been projected. After taking into account recoveries amounting to Rs. 142.20 crores, the net expenditure comes to Rs. 6221.82 crores. The fiscal deficit remains in adherence to the fiscal management targets set in the Sikkim Fiscal Responsibility and Budget Management Act, 2010, i.e. not more than 3% of GSDP. The contribution from total tax

revenue is of the order of Rs. 669.51 crores and in the case of Non-Tax revenue, Rs. 426.46 crores.

The total gross expenditure includes allocations amounting to Rs. 81.76 crores under the dispensation of the North Eastern Council, Rs. 153.66 crores under Non-Lapsable Pool of Central Resources, and Rs. 1326.76 crores under Centrally Sponsored Schemes.

I shall now present the highlights of the Budget for the year 2017-18 with a summarized account of the receipts and disbursements incorporated in the budget.

A	RECEIPTS	AMOUNT (in crore)
1	Tax Revenue	669.51
2	Non Tax Revenue	426.46
3	State's Share of Central Taxes	2477.78
4	Grant in Aid	1752.56
5	Gross Borrowings	881.60
6	Recoveries of Loans and Advances	0.80
7	Net Public Accounts	13.10
A	Total Receipts	6221.81
B	EXPENDITURE (net)	
1	Revenue Expenditure	4613.47
2	Capital Expenditure	1608.35
B	Total Expenditure	6221.82

Hon'ble Speaker Sir,

I would like to inform this August House that in the Union budget, the distinction between Plan and Non-Plan has been done away with from the year 2017-18 onwards. This has been done as a measure towards bringing about major fiscal and budgetary reforms while retaining the distinction on the basis of Revenue and Capital expenditures. Since the Union and the States have to work together on the methodology, we have also adopted the same system from the financial year 2017-18 budget.

Furthermore, reforms have also been carried out in the Centrally Sponsored Schemes as per the decision of the Government of India from the provision of 2017-18. The existing 66 Centrally Sponsored Schemes have been rationalized into 28 umbrella schemes.

Hon'ble Speaker Sir,

The proposal to rollout the Goods and Services Tax by 1st July, 2017 has been further supported by the GST Council approving the tax on 18th February, 2017. The Central Government has assured to compensate any revenue loss in the event that revenues of the States are negatively impacted.

The Gross State Domestic Product (GSDP) at constant prices recorded a growth rate of 7.62 percent

and a growth rate in the Per Capita Income of 6.58 percent in the year 2012-13. The major socio economic indicators for the State show commendable improvement. The poverty ratio has declined to 8.19 per cent as compared to the all India average of 21.92 per cent in 2011-12. Sikkim will be literate State by 30th June, 2018.

Hon'ble Speaker Sir,

The Government of India has nominated me as one of the members in a 13-member Committee of Chief Ministers convened by the Andhra Pradesh Chief Minister to promote digital payment systems targeted towards bringing transparency and financial inclusion and to prepare a roadmap in this regard. The Finance Revenue & Expenditure Department is working to ensure that all Government receipts and payments are paid and received directly through the digital mode.

Hon'ble Speaker Sir,

Sikkim, the 22nd State of the Indian Union, tucked high in the Himalayas, has a distinct geography, and historical and socio-cultural characteristics. We have our own strengths, limited though, as a State also with shortcomings which we have aimed to overcome through our policies. Therefore, when we led the people's movement and formed the government in 1994, it was, in some respects, a fresh beginning that we, the Sikkimese people were reborn into new knowledge and new action.

Today, when I look back, we have effectively joined our fellow Indians in our march towards development and progress.

I am equally happy to share that Sikkim has become the best state in the country in almost all sectors of development. The Sikkimese people are the producers of peace, happiness, clean air, clean water and clean food that the world is seeking everywhere. I am happy to know that the Sikkimese people are the happiest people in India

Due to the evolving concepts of development and the emerging tools to achieve these evolving goals, we have to create an eco-system where our young people can move ahead on the basis of Imagination, Creativity and Innovation. In Sikkim, we have applied a perspective of innovation to design our development programmes so that they ensure that our youth are ready for the new world.

As a nation, we still have a long way to go as India only ranks 66th in the Global Innovation Index and 97th on Global Index of Talent Competitiveness.

Looking at the global developmental trends and our comparative national global standing, we understand that Sikkim has great responsibility to make its contribution towards nation building, be it as a promoter of peace, an

innovator of clean and green development models, addressing global warming or as a strong custodian of the country's interest as a state surrounded by three international borders.

Hon'ble Speaker Sir,

During the last 23 years, we have transformed Sikkim into the best State in the country. It is a matter of pride for me to mention that Sikkim which entered the planning process of the country much later has emerged as a leader in many sectors.

We are the first open defecation free state, total sanitation state, poverty free state in the Country. Ours is the State that provides free education, free electric and water connection in villages, provides total coverage under Old Age Pension, the first gender discrimination free state so on and so forth. Ours is the first State which is free from any religious discord, free from discrimination on the basis of caste, creed and faith. Sikkim is the first state to ensure full security cover to the LGBT communities in all socio-economic and educational spheres.

Sikkim as income tax Free State is a rare example found anywhere in the world. Sikkim is the only state in the world with 13% employees against the total population under government sector which is the highest

percentage ratio in the world. Equal provision is available for reservation in government employments and other rural and urban local bodies for all sections of population. Now with the full conviction, we are moving ahead to make Sikkim the best State in the world. I re-dedicate our commitment to achieve this grand mission so that Sikkim and the Sikkimese people are able to provide positive message to the world community. People within and outside the Country look up towards us with great respect and reverence. From today onwards, we yet again march ahead to fulfil our goals based on our sustainable development policies to benefit the people of Sikkim. Sikkim has already become the best State in India. Now let us work together to make Sikkim the best State in the World.

Hon'ble Speaker Sir,

With these words, I commend the Budget for the year 2017-18 to the House for its consideration and approval.

Thank you,

Jai Hind.



GOVERNMENT OF SIKKIM

BUDGET SPEECH

OF

THE HON'BLE CHIEF MINISTER OF SIKKIM

AND

THE MINISTER IN-CHARGE,

FINANCE, REVENUE & EXPENDITURE DEPARTMENT

ON

16th MARCH, 2017