

HIMACHAL BUDGET (2019-2020)

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- Total Estimated Expenditure: Rs 44,388 crore.
- No New Taxes has been proposed.

Total Expenditure has been increased by 7% from previous allocation (2018-19) i.e. By 2948 cr.

- Fiscal Deficit 4.3% (7, 352 crore) for 2019-2020.
- 7100 crore for rural and agricultural activities which is 800 crore more than 2018-19
- 15 new schemes has been introduced:
 1. Navdharna: Skill development centers for differently abled.
 2. Pong Area Development: Development of tourism and Local culture.
 3. Mukhya Mantri Gram Kaushal yojana: To promote rural crafts and artisanship
 4. Yuva Navjeevan Board: To tackle drug menace
 5. Breeding farm for Sahiwal and Red Sindhi cows, farm for Murrah Buffaloes and Gokul Gram to be set up.
 6. 5000 Poly houses will be set up under New Scheme: Mukhyamantri Nutan Polyhouse Yojana-150 crore.
 - A. It is a way of protected cultivation in agriculture.
 - B. 100 Trout Farms and 2 trout hatcheris to be set up (related to Fish Farming)
 - C. This Scheme will replace replace Deen Dayal Upadhayay Kissan Bagwan yojana.
 7. 11,000 p.a. to those who were arrested during 'Loktantra Prahari' Samman', it will be given as Loktantra Prahari Samman.
 - A. It is related to MISA Act 1971 (Maintenance of Internal Security Act.)
 - B. During Emergency of (1975-1977) under Indra Gandhi Govt.
 8. Mukhya Mantri Khumb Vikas Yojana.
 9. Ek Buta Beti ke Naam:
New scheme launched to sensitize people about the importance of daughter and forest conservation.
 10. Mukhya Mantri Green Technology Transfer Scheme (New)
To provide support for green technologies to farmers.
 11. Globe investor summit will take place in Dharamshala-2019
 12. M.M. Dustkar Sahayata Yojana
To help artisans/craftsmen
Rural artisans will be given 75% subsidy on purchase of tools of upto Rs 30,000
 13. M.M. Roshni Yojana: New – 475 crore
No charges for new electricity connection
 14. **SAHARA YOJANA:** EWS patients suffering from : Parkinson-(Breakdown of neurons of Brain), Cancer, Paralysis, Muscular Dystrophy i.e. (Breakdown of skeletal Muscles), Hemophilia (Blood Clots), thalassemia (abnormal haemoglobin Production) and Renal failure
 - All of them Will get Rs 2,000/month
 15. Shiva scheme to promote cultivation of sub-tropical fruits in lower hills and plain areas.
 - **SHIVA** - HP sub-tropical horticulture irrigation and value addition – 1688 crore (Funded by ADB)

AGRICULTURE

- Share in GSDP=9% (2018-19)
Target for food Grain Production: 16.69 lakh Metric Tonnes

OTHER:

- One Helipad in each assembly constituency of H.P.
- CPI for H.P. – 2.31% (Nov, 2018)

DATA FACTS (2019-2020):

Revenue Receipts: 33,747 cr.

Revenue Expenditure: 36,089 cr.

Capital expenditure: 8299 cr.

Total tax revenue of Himachal Pradesh is estimated to be Rs 7,921 crore in 2019-20

Total Fiscal deficit: 7,352 crore, out of this 5069 crore is scheduled to come from Borrowings

GSDP: 7.3% (2019-2020)-projected

2018-19- 6.5% i.e 1,51,835 cr.(11% higher than last financial Year 2017-18)

Per Capita GDP: Rs 158,462

Share of Expenditure for 2019-2020 in terms GDP for various sectors:

- **Education:** 18.2% of total expenditure
- **Health:** 6.4% of its total expenditure
- Agriculture and allied activities: The state has allocated 6.1% of its total budget towards agriculture and allied activities
- Rural development: Himachal Pradesh has allocated 4% of its expenditure on rural development.
- Police: Himachal Pradesh has allocated 3.3% of its total expenditure
- Roads and bridges: Himachal Pradesh has allocated 11.3% of its total expenditure on roads and bridges.

Share of different sectors in GDP for closed financial year (2017-18) – Actual Estimates

Agriculture: 13%:

Services 42%

Industry – 43%

More than 80% Population is living in Rural Areas.

- 4751 crore has been announced for doubling farmers income, this will be funded by ADB
- 50% subsidy for fencing the farms.

Extra: ADB-1966

Headquarter: Philippines

Members: 67 (48 from Asia and Pacific)

President: Takehiko Nako

India is second largest Borrowers from this Bank.

Health (2482 crores)

- Under Sampurna Swasthya Yojana in 12 medical institutions in 12 districts, will be upgrade and establishment of Cath Lab in Mandi and YS Parmar Medical College.
- Diet allowance for AIDS patients now increased to Rs 1500 p.m. from Rs 800 p.m.
- Trauma Centre in Baddi and Shimla-Kalka Highway.
- Under 'Janani Suraksha Yojana', financial assistance is now 1100 p.m. (earlier it was Rs 600 under ASHA Package)

- This scheme was introduced in 2005

Agenda: To promote Institutional Delivery and reduce maternal mortality

- 500 sub centres and 125 primary centers will be converted into health and wellness centres

Education-7958 crore

- Will Set up Sanskrit University
- Para teachers who have completed 3 years of service will get pay equivalent to Regular teacher
- 15 new Adarsh Schools to be opened
- Virtual Classroom, in 20 remote schools “CV Raman Classrooms”

Tourism:

- New tourism policy for holistic development and promotion of Eco-tourism
- ‘Shiv-Dham’ in Mandi, where replicas of 12 Jyotirlingas will be established
- 164.50 Lakh tourists visited H.P. which is 2.4 times of its population.

Employee Welfare:

- New Pay Scales will be notified soon.
- Contribution of state govt. under New Pension Scheme is now 14% (Increased from 10%)
- Dearness allowance to employees
- Dearness relief to Pensioners at the rate of 4% w.e.from 1st July, 2018
- The policy to provide job on compassionate ground has been changed : Now age limit increased from 50 years to age of retirement.
- Social security Pension now 850 p.m. (increased 750 P.m.)
- Pension to people having 70% and above disabilities and who are 70 years or above will get 1500 p.m. instead of 1300 p.m.
- Daily wages increased to Rs 250 from 225 of ASHA workers/Anganwadi workers, Revenue Chowkidars, etc.

Power: 1208 Crore

- Currently, H.P. is using 38.44% of the total Potential of electricity
1. Hydel Project of 500 M.W. will be commissioned.
 2. State will get 200 million unit of Power after Renuka Project which has been given the status of National Importance
 3. 850 new distribution sub centers will be set up for new connections and to improve voltage fluctuation
 4. Rs 475 crore as power subsidy to domestic consumer.
 5. Power Tariff to farmers for irrigation reduced from 0.75 to 0.50 per unit

Other Announcements:

1. 10% Preservation for General EWS
2. Ex gratia Grant for journalists Now Rs 4 Lakh (increased from Rs 2 Lakh)
+Laptop for accredited journalists.
3. LPG refill will be provided Free of Cost under (Himachal Grihani Suvidha Yojna (2018-19) and Ujjwala Yojana). 20 crore has been Sanctioned to provide (1 additional LPG cylinder for poors) 2 Lakh Families will be Benefited.

In total 86,000 have received the benefit of Ujjwala Yojana

4. Mukhya Mantri Awas Yojana: Rs 20,000 over and above will be Provided for house construction (Already giving Rs 1.3 Lakh). Also subsidy for repairing houses now stands at Rs 35,000.

5. Widows below 45 year of age will get reservation in Nursing Institution and Industrial training institutes.
6. Govt has also announced the Increase of Rs 2 per Litre of milk procurement prices
7. After care Homes will be established for girls & boys
8. 50% subsidy under Mukhya Mantri Swajal Yojana for installing 50 meter long pipes to provide connection to poor families
9. A war memorial will be constructed in Nurpur.
10. New Milk processing plant – Mandi, which will have Capacity of 50,000 litres a day

Banking:

Total of 2139 Branches (Sept, 2018) were functional in state.

Credit Deposit Ratio - 47.76

[CDR - It compares Banks total loans to Banks total deposits]

Also known as LDR ratio (Loan to Deposit Ratio)

- It generally measures the Liquidity of Bank.
- If Ratio is High: Banks does not have enough liquidity to cover unforeseen expenditure.
- If Ratio is Low: Banks are not earning as much as it could be.

Total Loans

LDR = $\frac{\text{Total Loans}}{\text{Total Deposits}}$.

Receipts: Share of H.P.

Receipts (Major):

- 38%- Grants in Aids.
- 19%- State Taxes.
- 17% - Central Taxes.

Expenditure (Major):

- 31% Social Services
- 31% General Services
- 17% Economic Services

Centrally Aided projects approved:

- Rs 10,330 crore has been approved under centrally aided projects whereas externally aided projects of 7729 crore are already going on.

Some Initiatives taken by govt. (in cost 13 months)

1. Jan-Manch Grievances of remote areas (Now will also have dictrict HQ)
2. Mukhya Mantri Portal
3. Monitoring and quality check cell.
4. 113 Services will be brought under the tinely delivery of public services to citizens. Under HP services guarantee act, 2011.
5. Ceiling limit under MLA priority schemes is enhanced to 105 cr from 90 cr.
6. Vidhayak Ka Shetra Vikas Nidhi Yojna
 - a. Under this- Spending limit in to 1.50 cr (From 1.25 cr.)
 - b. 20,000 assistance to Mahila Mandal

- c. 25,000 to Yuvak Mandals (for Sports related equipments)
7. “Lok Suraksha Kendra” will be established
 - a. Help in surveillance of traffic movement
 - b. Crowd management
 - c. Criminal activities
 - d. Disaster Management etc.
8. IT Park in Kangra with the help of software technology park of India
Also to make additional investment in wakanaghat IT park (Solan)

Irrigation:

1. 111 minor irrigation schemes will be implemented with investment of 338 crore
 2. Expenditure on old irrigation projects is of 4070 crore
 3. Saur Sinchai Youjna: 30 crore allocated (2018-19), Where solar energy is used for pumping and lifting water.
- Himachal Pradesh flood and river management project funded by Asian Infrastructure Investment bank to address the problem of farmers and flood affected population.
 - There are 59 Agriculture markets in state
 1. 19 are linked with e-NAM
 2. Target is to link 10 more in 2019-2020
 - Funds to PRI's: 210 crore allocated (2019-2020) as per the recommendation of 5th State finance commission.
 - For 2018-19 it was 194 cr

Under PRI's

Gram Panchayat:

Uppradhan will get: Rs 3000 (earlier Rs 2500)
Pradhan will get: Rs 4500 (earlier Rs 4000)
Members of Panchyat Samiti: Rs 4500 (earlier Rs 4000)
Vice Chairman: Rs 5000
Chairman: Rs 7000

Zila Parishad:

Members: Rs 5000
Vice Chairman: Rs 8000
Chairman: Rs 12000 (earlier 11K)

MGNREGA:

Working days: 120 (2018-2019)

BUDGET 2019

Insolvency and Bankruptcy code (IBC), 2016

- This is the single law for Bankruptcy & insolvency
- Helps to Protect the interest of small investor
- Economically viable to solve the cases.
First insolvency was passed by NCLT in 2017 (National Company Law Tribunal). NCLT: estd-2016
- Insolvency resolution: Separate resolution processes For:
 1. Individuals
 2. Companies – 180 days

3. Partnership firms – 90 days

- NCLT is for companies/LLP firms
- Debt Recovery Tribunal is for individuals

Insolvency and Bankruptcy board of India is established to review the proceedings of insolvency.

Insolvency: A state of being unable to pay money.

Bankruptcy: It is a legal status of person/entity who cannot repay the debts to creditors.

RERA (Real Estate Regulation and Development Act. 2016)

- New commercial/residential project owners will have to register their projects.
- 70% of money has to be deposited in bank account through cheques to protect the buyers.
- RERA tribunal is created to dispose off the complaints in 60 days.

Fugitive Economic off under act 2018

- Economic offenses of more than 100 crore will be covered.
- Properties and assets of offender will be confiscated by govt. If they donot appear before Indian courts.

Benami Transaction Act, 1988 (2016-Amended)

- Prohibits illegal benami transactions
- Imprisonment of 7 years
- Monetary fine

Ex: Property purchased on the name of others.
