

**Speaker Sir,**

With your permission, I rise to present the Budget for the Financial Year 2019-20.

I am deeply thankful to the people of this State for giving me the opportunity to present the budget for the second time after the Meghalaya Democratic Alliance government came to power in last February.

2. Sir, over the last year, this Government has been working methodically to recognize and resolve the various development challenges faced by the State. We all know that Meghalaya has unique strengths and opportunities for promoting sustainable development. A salubrious climate conducive to agri-horticulture sectors and eco-tourism, untapped hydroelectric potential, human resources and mineral resources are the some of the key ones. However, we also have challenges like inadequate infrastructure, insufficient access to markets and underdeveloped private sector. Given this, the Government is crafting a development strategy that builds on our strengths and takes the challenges head on. Our ultimate goal is to improve the quality of life for the three million citizens of the State.
3. Our development strategy is to foster human development, by prioritizing education and health sectors, to improve physical, social and digital infrastructure, and to build robust rural livelihoods and enterprises in the agri-horticulture, food-processing and tourism sectors. Achievement of our development goals will demand both greater investments and effective utilization of available funds. We are making all out efforts to mobilize more resources from the various Government of India schemes, in addition to focusing on improving the State's own revenue. For instance, the sanctions received under PMGSY this year are about five-times those in the last year; we have, for the very first time, received funds under the Special Central Assistance to Tribal Sub Scheme from the Ministry of Tribal Affairs; our normative allotment under the Rural Infrastructure Fund (RIDE) of NABARD was doubled to ₹ 200 crore and our spending on Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has reached almost

₹ 1000 crore. Systematic efforts are also being made to improve delivery of services. Focused reviews of various development programmes are being held regularly and ICT-based systems are being deployed to improve the effectiveness of governance.

4. Sir, I am pleased to inform that the law and order situation in the State is by and large peaceful. This is hence an opportune time to renew our efforts and take development to every nook and corner of the State.
5. Mr Speaker Sir, I also want to apprise the House that we are committed to acting promptly and decisively in order to safeguard the sentiments of the indigenous people. After the Lok Sabha passed the Citizenship (Amendment) Bill, we took up the matter with the Central Government strongly, and ensured that it was not passed in the Rajya Sabha.

## STATE OF THE ECONOMY

6. For the year 2017-18, the Gross State Domestic Product (GSDP) at current market price was ₹ 29,864 crore, as per the quick estimates, which shows an increase of 10.33 % over the previous year. The advance estimates indicate that the GSDP for 2018-19 is ₹ 32,972 crore, an increase of 10.41 % over 2017-18. The growth of the tertiary sector is registered at 11.41 %, the secondary sector at 11.16 % and the primary sector at 3.88 % over the year 2017-18. The per capita income of the State at current prices for the year 2018-19 stands at ₹ 94,556 as per the advance estimates, as against ₹ 87,500 in the year 2017-18 showing an increase of about 8.06 %.

## STATE FINANCES

7. The Government is making all efforts to improve the revenue collection of the State, despite several limitations and challenges. The revenue collected by the

taxation department is expected to touch ₹ 1478 crore by the end of this year, thus registering a growth rate of 15 %. The overall tax revenue including Goods and Services Tax (GST), Excise and Motor Vehicle Taxes is estimated at ₹ 1716 crore for 2018-19.

8. During the current financial year, we have been making systematic efforts towards improving the tax and non-tax revenues. The Goods and Services Tax (GST) is in its second year of implementation and the various processes under the GST regime have started to stabilize. The new taxation system, due to the electronic processes, has reduced the human interface between the taxpayer and the tax officials, and has contributed to the ease of doing business. The improved performance of the State in the second year of GST implementation can be gauged from the fact that only ₹ 73 crore was provided as compensation in 2018-19 by the Centre, against ₹ 124 crore in 2017-18.
9. In the transport sector, we have adopted a number of revenue enhancing measures like increasing permit fee for commercial vehicles entering Meghalaya, revision of rates for registration of vehicles, auction of preferred number plates, revision of pollution testing fees and recovery of dues from lessees of weigh bridges. These measures have already started showing results and the expected revenue in the current financial year is higher than the budget estimates. The process for setting up of the fully automated weigh-in-motion systems at check gates and QR coding of challans has been initiated. I expect the revenue in this sector to improve significantly once these IT enabled systems are in place in the next financial year.
10. The Government has amended the Meghalaya Minor Minerals Concession Rules, 2016 (MMMCR, 2016) to include 19 more minor minerals. The amended MMMCR, 2016 has simplified the process of granting mining leases and quarry permits and delegated the power for approval of mining plans to Mining Officers and Engineers. So far, 225 letters of intent have been issued and about 69 mining leases have been granted. We have also enhanced royalty rates for minor minerals.

11. We have accorded highest priority to the task of improving revenue collection and I have been conducting regular reviews of all the major revenue generating departments. To ensure concerted action on this, I have also constituted a committee in the Finance department. This committee has been methodically looking into all issues related to bettering the revenue collection and resolving inter-departmental coordination issues.
12. Given all this, I am confident that the revenue collection of the State would improve significantly in the next financial year. For 2019-20, I have estimated ₹ 2,090 crore and ₹ 601 crore for tax and non-tax revenue collection respectively.
13. Sir, you are aware that 2019-20 is the last year for the Fourteenth Finance Commission award. The Fifteenth Finance Commission has been constituted and will consider devolution related issues for the period 2020-25. We have already submitted our memorandum to the Commission and are optimistic that the Commission award will be favorable to the State.

#### **PRIORITIZING HUMAN DEVELOPMENT- EDUCATION AND HEALTH**

14. Sir, a well-educated and healthy population is the bedrock on which all developmental efforts of the Government and the future of our society depends. Accordingly, we are making concerted efforts to strengthen education related services. We notified the State Education Policy in September, 2018. Providing quality education at all levels and enabling learners to develop their full potential and acquire the knowledge and skills for gainful employment are being prioritized.
15. This year, the Ministry of Tribal Affairs has sanctioned eleven Ekalavya Model Residential Schools (EMRS) . Each of these residential schools will be constructed at an approximate cost of ₹ 24 crore and will cater to 480 students when fully operational. The setting up of these schools brings in ₹ 264 crore of investment towards development of infrastructure for human capital in the State. Further, Government of India will also bear all the recurring costs of managing and running

these schools at the rate of ₹ 1.08 lakh per annum per pupil. An annual recurring investment of about ₹ 57 crore will be made when all the schools are operational. This initiative has the potential to bring about a transformation in the quality of education provided to rural boys and girls. The Ministry of Tribal affairs has further announced that 25 more EMRS will be sanctioned for the State in the next two years. Sir, I want to underscore the fact that we could mobilize such massive investments into the sector in just one year.

16. In secondary education, we are making major investments through the Asian Development Bank (ABD) funded project, “Supporting Human Capital Development in Meghalaya”. Improving teaching and learning at the secondary and higher secondary level is one of key components of the project. Under this, the sub-components are building basic infrastructure, teacher training and promoting IT-enabled training. Significant progress has been made on each of these components during the year 2018-19. Around 3,228 teachers have been trained, 33 secondary schools and 2 ITIs have been constructed and ICT enabled classrooms have been set up in 36 schools. Work is in progress on the construction of 4 DIETs and 2 Teacher Training Centres. The next financial year is the last year for the project and we are committed to finishing all targeted works.
17. In higher education, two new model degree colleges have been sanctioned at Patharkhmah, Ribhoi and Rongjeng East Garo Hills. Two existing colleges have been sanctioned for upgradation to model degree colleges at Mawkyrwat, South West Khasi Hills and Nongtalang, West Jaintia Hills. The work for setting-up of college of Science and Commerce at Mahendraganj, South West Garo Hills, and at Mawphlang, East Khasi Hills under Non Lapsable Central Pool of Resources is on. All these initiatives will ensure that higher and technical education gets the right impetus so as to address the aspirations of the youth of the State. I am proposing an allocation of ₹ 1,077 crore for the education sector for 2019-20, a 17 % increase from 2018-19.

18. Sir, the Health sector will continue to be of prime importance. All endeavors are being made to strengthen the curative care services. We are striving to achieve the objective of health for all by upgrading existing health facilities and setting up new ones. During the year 2018-19, major infrastructure including a C.T. Scan Machine, Upgraded Laboratory, Upgraded Orthopedic OT, New Eye OT and Eye Ward Complex was inaugurated at Tura Civil Hospital. The foundation stone for the construction of the Ayush 50-bedded hospital at Wahshari, Sohra in East Khasi Hill was laid. Weilyngkut-Nongur PHC in East Khasi Hills was commissioned and Sub-Centres were inaugurated at Laitkor in East Khasi Hills and Killing in Ri-Bhoi. A state-of-the-art Diagnostic Center at the Pasteur institute, Shillong has been sanctioned with an investment of ₹ 20 crore under the North East Special Infrastructure Development Schemes (NESIDS) of the Ministry for the Development of the North Eastern Region (DoNER). An amount of ₹ 3.7 crore has been sanctioned for Cancer Wing of Civil Hospital, Shillong and ₹ 3 crore has been sanctioned for upgradation of Civil Hospital, Baghmara under the schemes of the Ministry of Tribal Affairs.
19. The Megha Health Insurance Scheme Phase IV, along with Pradhan Mantri Jan Arogya Yojana, was launched in December 2018. Under these programmes, health insurance coverage of 5 lakh per family is provided to all eligible households. Originally only 3.47 lakh households were eligible for coverage as per norms fixed by the Government of India. We have decided to extend the eligibility to all families in Meghalaya, except Government employees, thus expanding the coverage to over 7 lakh households.
20. Sir, we have prioritized the payment of incentives to the grassroots functionaries. Incentives for maternity benefit and ASHAs have not been paid for four years. We have now provided about ₹ 25 crore for clearing two years of payments.
21. The Government has recently approved the Free Drugs Policy, under which 76 essential drugs shall be provided free of cost to patients in Government health facilities. The Essential Drugs List has also been approved by the State and all

efforts are being made to ensure regular supply of drugs to all PHCs, CHCs and District hospitals. We are increasing the allocation for procurement of medicines from the current ₹ 44 crore to ₹ 66 crore for 2019-20.

22. Sir, for the Health and Family Welfare sector, I am proposing a development outlay of ₹ 740 crore for 2019-20, an increase of 21 % over the previous year.

## **PRIMARY SECTOR- THE MAIN STAY OF THE STATE'S ECONOMY**

23. Agriculture and the allied sectors of Horticulture, Animal Husbandry and Fisheries are the main stay of the rural economy of the State. In the agri-horticulture sectors, we are focusing on providing varied services to the farmers with the goal of improving production and productivity of different crops. Farmers' information and advisory services are being strengthened through a web-based information system called the "Farmers' Portal." We introduced the Comprehensive Agriculture Management Programme (CAMP), a scientific initiative to address the sustainability aspects of Agriculture. Through this programme, reliable satellite based spatial data is being generated for land suitability analysis of various crops. To support extension services, we inducted field extension functionaries in 39 Community and Rural Development Blocks by posting Block Technology Managers and Assistant Technology Managers. Two new Krishi Vigyan Kendras have been established in East and South Garo Hills districts to strengthen agriculture technology induction under various thematic areas.
24. We also strengthened the 1917 iTEAMS, an IT enabled service to support farmers. They can now dial the toll free number of 1917 and not only access information, but also transport their produce using the 21 Agri Response Vehicles stationed at strategic places. About 4.2 lakh metric tonnes of farmers produce valued at about ₹ 1.5 crore was transported over a distance of 51,814 kms under the project, benefitting 17,000 farmers. The 1917 system will cover more farmers during the year 2019-20. Sir, we are also creating physical infrastructure for marketing of

farmers produce. Recently ₹ 10 crore has been sanctioned for building a farmers market at Jenjal, West Garo Hills.

25. In the horticulture sector, we launched various crop specific missions in 2018.  
(a) The Lakadong Turmeric Mission with a proposed investment of ₹ 75 Crore for five years and a production target of 50,000 metric tonne; (b) The Jackfruit Mission with a targeted investment of ₹ 80 crore to generate 80,000 employment opportunities; and (c) The Mushroom Mission with a proposed investment of ₹ 50 crore for five years in 136 villages of the State with a production target of 5,000 metric tonne of Oyster, Button and Shitake mushrooms. A technical tie-up is being negotiated with the Republic of Taiwan for introducing Shitake mushroom in the State. An amount of ₹ 5 crore each has already been sanctioned for the implementation of the Lakadong and the Jack Fruit Missions by the Ministry of Tribal Affairs.
26. Sir, we realize that the food-processing sector offers immense potential to take the State to the next level of economic expansion. Hence, we created a new Directorate of Food Processing under the Department of Agriculture. To further the food processing agenda, we are organizing a SIAL Shillong event in July 2019. Our focus on food processing is in line with the broader vision of the State to foster entrepreneurship among the educated unemployed youth. We also recently received a sanction for ₹ 10 crore for setting up an Integrated Beekeeping Development Center in East Garo Hills under the Directorate of Food Processing. This center will support enterprise building in the honey value chain.
27. In a unique effort to bringing the Government closer to the farmers and to understand the grassroots perspectives, we organized a Farmers' Parliament in December, 2018 at Shillong. About 700 farmers from the Khasi and Jaintia Hills participated in the event and articulated their concerns and viewpoints. During that event, I announced the Governments plan for setting up a permanent Farmers' Commission to institutionalize the engagement with the farmers directly.



28. Sir, I am happy to inform that all our efforts and initiatives are being recognized and appreciated at the national level. Meghalaya was selected as the most improved small State in Agriculture and presented the “State of the States Award” by India Today group in November, 2018.
29. Animal Husbandry and Dairy sector is a critical area for the State. The Meghalaya Milk Mission has been launched with funding support from National Cooperation Development Corporation (NCDC) to the tune of ₹ 215 crore over an 8 year period. The Mission targets to increase the per capita availability of milk for our people. It will also lead to expansion of the rural economy and generate employment opportunities for the youth. The mission is being implemented through the cooperative sector and the strategy is to build an AMUL like model. To support the Mission, the Central Dairy at Mawiong is being strengthened to the capacity of handling 40 thousand litres of milk per day from the existing 10 thousand litres.
30. A second thrust area is the development of Piggery. The draft Piggery Mission document has been released. NCDC has already committed an investment of ₹ 220 crore for implementing the mission through the cooperative sector.
31. In addition to the Missions, we initiated various programmes to increase the capacity of the Government to deliver extension services in the sector. A nucleus pig-breeding center has been established at Kyrdemkulai, Ri-Bhoi. The poultry farm at Nongpiur and Pig Farm at Pynursla in East Khasi Hills have been strengthened. New Veterinary Training Centers at Khliehtyrshi in West Jaintia Hills, Manai in West Khasi Hills, and Upper Shillong in East Khasi Hills were made functional. The Multi-Species Abattoir constructed with RIDF assistance of ₹ 23 crore is now made fully functional.
32. Sir, Fisheries sector has been a priority for the State in the past few years. We have redoubled the efforts to promote fisheries through the launch of the Meghalaya State Aquaculture Mission 2.0. This 2<sup>nd</sup> Version of the Aquaculture Mission will

target the creation of an additional water area of 1,500 Hectares in a demand driven mode. The Mission will also concentrate on improving market linkages through providing better transportation facilities like refrigerated vans and through construction of hygienic and modern markets. The first such market was inaugurated in August 2018 at Saiden, Ri Bhoi. Further, emerging opportunities in the fisheries sector would be explored to promote non-conventional modes of employment and livelihood. These include establishing a niche market through ornamental fisheries and promotion of tourism based on aquaculture and aqua parks. The First Aqua Park was launched at Photjaud, South West Khasi Hills in October 2018. The State is also implementing the Blue Revolution Scheme of the Government of India and ₹ 94 crore has been sanctioned for this in the current financial year. I am now proposing an outlay of ₹ 47 crore for 2019-20.

33. Sir, Cooperatives are a key institutional mechanism to usher progress and prosperity in rural areas of the State. We are making every effort to strengthen the existing 1,649 registered Cooperative Societies by providing financial, technical and institutional support. A unique success story of the Meghalaya cooperatives is their involvement in promotion of rural tourism. About 23 such societies are managing tourism projects across the State.
34. The process of setting up of Integrated Villages Cooperative Societies (IVCS) that we began last year has been intensified in the current financial year. This year, 39 such cooperatives have been registered. We plan to convert these IVCS into robust credit delivery institutions at the grassroots, so that farmers and nano-entrepreneurs can access small loans right at the village level.
35. Sir, Sericulture and Weaving are important traditional livelihood activities for a number of clusters in the State. We have renamed the Department of Sericulture and Weaving as the Department of Textiles, to give the right focus and to widen the scope of the activities so as to cover natural fibers like Cotton, Jute and Ramie.

36. We have strengthened the implementation of the North Eastern Region Textile Promotion Scheme. Under this scheme, ₹ 20 crore has been sanctioned for Integrated Sericulture Development Project that will benefit 2,250 Sericulturists, and an amount of ₹ 24 crore has been sanctioned for Intensive Bivoltine Sericulture Development Programme for empowerment of 1,000 women Sericulturists. We got a sanction for about ₹ 8 crore during the current financial year for the construction of an Integrated Tourism Textile park at Nongpoh. The first Muga Silk Seed Production Centre was inaugurated at Tura last month.

## INFRASTRUCTURE DEVELOPMENT

37. Physical infrastructure in general and road connectivity in particular is a key ingredient for development of the State. Our road density at 48 km per 100 Sq. km. is much lower than the national average of 170. We are, therefore, very focused on improving road connectivity through increasing investments and improving the efficiency of delivery systems.
38. A major achievement of this Government has been the five-fold increase in sanctions received under the Pradhan Mantri Gram Sadak Yojana, in 2018-19, over the previous financial year. Four batches of projects with a total of 338 number of works costing ₹ 1,450 crore are sanctioned. A total road length of 1804 kms will be covered under these works.
39. Under North East Special Infrastructure Development Scheme (NESIDS), two big projects were sanctioned with an investment of ₹ 45 crore. These are the construction of Pynursla- Latangriwan Road towards Mawlynnong and upgradation of Mawsmi- Shella road upto Kynrem falls. Under Rural Infrastructure Development Fund (RIDF) of NABARD, 38 rural roads projects covering a length of more than 75 kms at a cost of ₹ 83 crore were sanctioned. Under Central Road Fund, 44 schemes comprising of 40 road works covering a length of 269 kms and 4 bridge works were sanctioned at a cost of ₹ 322 crore. Under State scheme, 72 kms of new roads were constructed, 41 Kms of Kutcha

roads have been blacktopped and 305 running meters of RCC bridges have been constructed. I am proposing an allocation of ₹ 590 crore for the roads and bridges sector for 2019-20.

40. We have also begun the planning process for the newly sanctioned Meghalaya Integrated Transport Sector Project, an externally aided project funded by the World Bank. The project will take a holistic view of the entire transport sector in the State and integrate all the different modes of transport like roads, railways, waterways, urban transport, and air transport. An investment of ₹ 1,050 crore will be made over a six-year period.
41. Sir, this Government is committed to provide adequate safe drinking water and sanitation facilities to all the inhabitants of the State. In the current financial year, about 45 Rural Water Supply projects were sanctioned under the State scheme and 26 Rural Water Supply Schemes were sanctioned through the RIDF loan component with a cost of about ₹ 72 crore. Implementation of these Schemes has already started.
42. For Urban Areas, the implementation of Greater Shillong Water supply Project (Phase-III), Greater Ampati Water Supply Scheme and Nongstoin Urban Water Supply Scheme are in progress. Sanctions have already been obtained for Implementation of Greater Sohra (Cherrapunjee) Water Supply Scheme and Laying of New Feeder Mains for Tura Phase-I and II Water Supply Scheme under the NESIDS for an amount of ₹ 60 crore.
43. The Swachh Bharat Mission is the world's largest behavioral change movement initiated to commemorate Mahatma Gandhi's 150<sup>th</sup> birth anniversary in 2019. Our State has achieved Open Defecation Free (ODF) status from the year 2018 onwards. We are now shifting the cleanliness movement to the next level by taking up Solid and Liquid Waste Management initiatives across many villages of the State.

44. Sir, Meghalaya has a huge untapped hydro electricity generation potential of 3,000 Mega Watts. One of the goals of the power sector is the 100 percent electrification of all villages and rural households. We are augmenting and strengthening the power generation, transmission and distribution systems in the State. The Ministry of DoNER has sanctioned an investment of ₹ 50 crore for the augmentation of the Mawlai substation. The Power Transmission network in the State is also being augmented and strengthened with the construction of new 220 KV and 132 KV lines and substations under the North Eastern Region Power System Improvement Project. The work for the 1.5 Mega Watt Lakroh Small Hydro Power project has been completed and the work for Ganol Hydro Electric Power project is in progress. The project is expected to be commissioned by March, 2020.
45. Sir, the urban areas of the State are the engines of growth for the services sector. Accordingly, we are prioritizing the improvement of civic amenities, development of urban infrastructure and ensuring better living conditions of urban poor. In the year 2018-19, about 735 urban dwellers benefitted under the Pradhan Mantri Awas Yojana. Under Atal Mission for Rejuvenation and Urban Transformation (AMRUT), fund has been approved and sanctioned for development of Sewage Management Systems, Green Spaces and Parks. Under the National Urban Livelihood Mission, works are being taken up in different components with emphasis on Self Employment ventures for the educated unemployed youth of the State.
46. The project of Solid Waste Management at Tura is already commissioned and work is in progress at Nongpoh. The work for the re-development of Polo Market is almost completed. Under ADB Funding, initiatives like source segregation, collection, treatment and disposal of solid waste in the city of Shillong have been taken up. The Interstate Bus Terminus (ISBT) at Tura has already been inaugurated to benefit the citizens of Garo Hills.

47. Under Smart Cities Mission, recently Shillong has been selected as one of the cities to be developed. The Government has set up a Special Purpose Vehicle, the Shillong Smart City Ltd, to implement the Scheme. Project Management Consultant is being engaged to prepare DPR for various projects under the mission. I am proposing an outlay of ₹ 52 crore for this project, and a total outlay of ₹ 188 crore for the urban sector.
48. Sir, in this age and time, digital infrastructure is as important as physical infrastructure. Accordingly Information and Communication Technology (ICT) is a key priority for the Government. We have notified the “Meghalaya Telecom Infrastructure Policy, 2018.” The policy aims to radically enhance the telecom infrastructure and operations in Meghalaya. Post the announcement of this policy, different telecom companies have committed to doubling their installed tower capacity. We have also taken up the matter of regulatory hurdles with regard to setting up of towers along the international border with the Home Ministry.
49. In an effort to improve service delivery, we have signed an MOU with the National e-Governance Division, Government of India for implementation of Meghalaya Enterprise Architecture under the India Enterprise Architecture framework. At the grassroots level, about 750 Common Service Centres are operational that deliver a large bouquet of e-services to rural citizens. The Government is aiming to increase the number of CSCs to 1000 in an effort to encourage the industrial spirit of our Village Level Entrepreneurs who run these Centres. We are also providing IT training to the unemployed youth in the State with a goal to increase the IT talent pool for employment.
50. Sir, the construction of the first phase of the Information Technology Park at Umsawli, New Shillong has started. The Tech Park will be a hub of several facilities including an in-house Data Centre, IT and BPO service centres, Skill Development centre and Incubation centres. It aims to provide direct and indirect employment to about 1200 people after the completion of first phase. I am

allocating ₹ 65 crore for the IT sector, including an allocation of ₹ 20 crore for the IT park in 2019-20. This is a 3-fold increase in allocation compared to 2018-19.

51. We have also made significant progress to promote air connectivity in the State. The process of expansion of the Umroi airport has been completed. It is expected that 42 or 72 seater flights will operate soon connecting Shillong with Delhi and Kolkata. I am proposing an allocation of ₹ 172 crore for the transport sector.
52. Sir, in addition to physical, digital and social infrastructure, we are also focusing on infrastructure for exports. The construction work on the Integrated Check Post at Tamabil – Dawki, West Jaintia Hills is on. Work on the four new Border Haats along the Indo – Bangla International border at Bholaganj, East Khasi Hills; Nalikata, South West Khasi Hills; Shibbari, South Garo Hills and Rynku, East Khasi Hills is in full swing.

## **PROMOTING ENTREPRENEURSHIP**

53. Promoting nano and micro enterprises is a key strategy for employment generation and fostering growth. We are setting up an ecosystem that provides the whole range of services needed by aspiring entrepreneurs. We understand that access to credit is a fundamental challenge in the State and are setting up a fund with a corpus of ₹ 10 crore for promotion of Livelihoods and Nano Enterprises. The fund will provide both small grants and soft loans, thus, enabling entrepreneurs to access larger loans from the formal banking system.
54. Another initiative towards encouraging entrepreneurship is the Entrepreneur of the Month programme under which we recognize and award successful entrepreneurs of the State. The award comprises of a cash prize of ₹ 1 lakh and one full year of handholding and mentoring support, through incubators that are being set up. Till now 3 entrepreneurs have been awarded under this programme. To further this, and other new entrepreneurship related initiatives, I am allocating ₹ 7 crore to the Meghalaya Institute of Entrepreneurship (MIE).

55. We are also keenly implementing the Prime Minister's Employment generation Programme (PMEGP) under which 586 newly registered units were promoted and 261 new units were financially assisted during the year 2018-19.
56. Sir, we all know that industrial promotion is a key ingredient for driving economic growth and employment generation. Recognizing this, a single window agency has been created to approve investment proposals in the State. About 59 proposals with proposed total investment of ₹ 2,830 crore have been cleared by the agency in the current financial year. These projects have an employment potential of 2,525.

## **POVERTY ALLEVIATION PROGRAMMES**

57. Effective implementation of the poverty alleviation programmes is a fundamental component of the development strategy of the State. Meghalaya is today one of the top implementers of MGNREGS in the country. We already spent about ₹ 813 crore as on February 2019, providing an average of 64 person-days of employment for each registered wage-earning household in the State. The expenditure is expected to touch ₹ 1000 crore by the end of the current financial year. We have also been implementing an innovative programme called the 'Bottom-20,' under which individual income-generating assets are created for the poorest 20 percent of the households in each village. About 22,000 rural households are expected to benefit from this programme. I am proposing an outlay ₹ 1,045 crore for MGNREGS for the year 2019-20.
58. Another flagship programme that we are focusing on is the National Rural Livelihoods Mission (NRLM), whose coverage has been expanded from 21 to 27 Blocks. We are making intensive efforts to improve bank linkages for Self Help Groups (SHGs). This year 1600 SHGs are expected to be linked to the banks. This is a six-fold increase compared to last year. The quantum of credit accessed till date is ₹ 8.6 crore. For 2019-20, I am proposing an allocation of ₹ 52 crore for NRLM.



59. Provision of pucca houses to eligible rural households through the implementation of Pradhan Mantri Awaas Yojana - Gramin will also be the prime focus of the Government. In the year 2018-19, we have constructed about 4000 houses. We hope to achieve a much higher target for the next financial year. I am proposing an outlay of ₹ 300 crore for this programme. We are also implementing the “Chief Minister’s Housing Assistance Programme,” where three bundles of roofing materials are being provided to families from Economically Weaker Section (EWS).
60. Another new initiative that we have recently approved is the SMART villages project. The Government is entering into an MoU with University of Berkley, California to provide technology support for developing Smart Villages in the State. I am proposing an allocation ₹ 11 crore for this project.
61. Sir, in addition to the poverty alleviation programmes implemented across the State, we are laying special emphasis on the border areas. The Border Areas Development Programme and the Inter State Border Areas Development Programme will continue to be implemented with increased attention. I am proposing an allocation of ₹ 47 crore for the border area development activities.

## **BUILDING SUSTAINABLE RURAL LIVELIHOODS**

62. Sir, 80% of the State’s population lives in rural areas and building sustainable rural livelihoods is fundamental to ensuring their well being. Many programmes of the Government directly and indirectly support livelihood opportunities. In addition to these programmes, we are implementing externally aided projects that specifically focus on Livelihoods, Natural Resource Management and Sustainability. This Government has prioritized the implementation of these projects to ensure that scarce resources are effectively utilized.

63. The Meghalaya Livelihoods and Access to markets Project (M-LAMP) targets to make focused development interventions in 1,350 villages of the State spread across 18 blocks. The project cost is ₹ 1,190 crore over an 8-year period, and it is jointly funded by International Fund for Agriculture Development (IFAD) and the Government of Meghalaya. Though the project was launched in 2014-15, substantial progress has been made only in the last one year. Construction works relating to Natural Resource Management have now been taken up in 250 villages and 138 kilometers of rural roads have been constructed. I am proposing an outlay of ₹ 165 crore for this project for 2019-20.
64. Sir, we launched another project called the Community Led Landscape management Project (CLLMP) in 2018. This project is funded by the World Bank with an investment of ₹ 500 crore over a five-year period. We are targeting to implement Natural resource Management interventions in 400 of the most critical landscapes across the State. We aim to restore the land to its productive state, build climate resilience and generate sustainable livelihood opportunities in all these 400 villages. I am proposing an outlay of ₹ 138 crore for this project in 2019-20.
65. Several other initiatives were taken up in the last year for furthering the sustainability and natural resource management in the State. The Meghalaya Institute of Natural Resources has successfully installed 3 hydrogers, which are small - 10 kilowatt hydro electrical power generation devices at Nongriat, Wahsohra and Mawlongbna villages in East Khasi Hills. Building on the success of these pilots, ₹ 11 crore has been sanctioned by NABARD for setting up of 200 Hydrogers in villages across the State.
66. Another significant initiative is the implementation of the project on 'Rejuvenation and Climate Proofing of Springsheds for Livelihood, Water and Food Security in Meghalaya'. This project is funded under the National Adaptation Fund for Climate Change and is implemented by the Soil and Water Conservation department. The inventorization and mapping works in all the targeted

306 springsheds is completed, and the structural interventions have been initiated in the current financial year with a cost ₹ 11 crore.

## **SOCIAL SECURITY AND WELFARE**

67. Sir, the implementation of the National Social Assistance Programme is a top priority for this Government. I am almost doubling the allocation for this programme and proposing an outlay of ₹ 65 crore.
68. The Chief Minister's Social Assistance programme has been streamlined this year. This Government has sanctioned and released the pending pensions from the year 2017-18 and those for the current financial year. We have sanctioned ₹ 101 crore as pensions for 53,573 eligible senior citizens and 30,284 single mothers. We have also sanctioned ₹ 14 crore as pension for 12,000 persons with disabilities. I am proposing an allocation of ₹ 43 crore under the Chief Ministers Social Assistance programme for 2019-20 and a sectoral allocation of ₹ 558 crore for social welfare.
69. Sir, providing food grains at an affordable price is another important welfare programme for this Government. Accordingly, for accurate targeting of the benefits under the Public Distribution System, we have initiated the process of fair-price-shop automation under the End-to-End Computerization of TPDS scheme. We are in an advance stage of installing point of sale devices in all 4700 fair price shops in the State.

## **TOURISM, ARTS AND CULTURE**

70. The Tourism sector has immense potential in the State given our unique natural and cultural endowments. We are committed to promoting sustainable and responsible tourism with the active involvement of communities. Accordingly, we are focusing on creating new tourism circuits. Under the Government of India's Swadesh Darshan Scheme, we recently got a sanction of ₹ 85 crore for the development of circuits in West Khasi Hills, Jaintia Hills and Garo Hills. These

circuits are aimed at promoting adventure tourism including caving, trekking and water sports. We have also recently inaugurated log huts and other tourism infrastructure at Lake View and Orchid Lake Resort as part of the circuit development in East Khasi Hills and Ri-Bhoi. Additionally, the Ministry of Tribal Affairs, Government of India has recently sanctioned about ₹ 19 crore for setting up eco-friendly tourist infrastructure in the form of log houses at Nokrek, West Garo Hills and Shnongpdeng, West Jaintia Hills.

71. Sir, we are setting up a Light and Sound Show at Wards Lake with a cost of ₹ 2.73 crore. The show will aesthetically bring together light, music and water projection to provide a memorable experience both for the tourists and the locals. This will also be a platform for encouraging local musicians.
72. Sir, the State has witnessed a huge increase in the inflow of tourists, both domestic and foreign, recording an 80 percent increase in tourist footfalls in the last ten years. We recently launched an online Tourism Information System to improve collection of data on tourist arrivals in the State. I am proposing a development outlay of ₹ 110 crore for the sector.
73. Along with tourism, promoting and celebrating the arts and culture of the State is of great importance to the Government. To systematically further this agenda, we are setting up a Tribal research Institute at Babadam, West Garo Hills with an investment of ₹ 42 crore. We are commissioning a detailed documentation of the history of the State through colonial times, and pre and post statehood periods. The completion of this project will coincide with the celebration of the 50 years of statehood.
74. The construction work on the Shillong International center for Performing Arts and Culture (SICPAC) is progressing well and the physical progress is about 82 %. Ministry of Tribal Affairs recently sanctioned an amount of about ₹ 13 crore for setting up the sound and lighting at the Center.

## EMPOWERING THE YOUTH- SPORTS AND SKILL DEVELOPMENT

75. Sports is an area where the youth of the State have a natural advantage. Various initiatives are being taken up to facilitate the development of Sports and Youth activities. Sir, as all of us are aware, the State will host the 39th National Games in 2022, coinciding with 50 years of achievement of statehood. The planning process to ensure the Games are conducted successfully has begun. Various committees have been notified and the draft master plan is being prepared. We have earmarked funds to the different sports associations in the State, to enable them to prepare for the Games. A proposal for the sanction of about ₹ 200 crore for building the main stadium at Mawdiangdiang is in an advanced stage. I am proposing an outlay of ₹ 201 crore for sports and youth affairs sector, almost a three-fold increase from 2018-19.
76. Sir, along with sports, skill development is a key strategy for empowering the youth. We are prioritizing the modernization and up-gradation of all existing Industrial Training Institutes (ITIs) under the various Centrally Sponsored Schemes and externally aided projects. New ITIs have been opened at Ampati, South West Garo Hills and Mawkyrwat, South West Khasi Hills, and one more ITI has been sanctioned for Khliehriat, East Jaintia Hills. We have set up a Skill Challenge Fund under the ADB funded Project 'Supporting Human Capital Development in Meghalaya'. Through this programme, skill training providers from across the country are engaged to train local youth in various employment related skills. About 1,600 youth have been trained in 2018-19 and 532 have been provided jobs. Under State scheme components, 2774 youth were trained in Market Linked Skill Development, out of which 1100 have been placed.
77. We are targeting to train about 50,000 youth under the "Supporting Human Capital Development in Meghalaya" and the Pradhan Mantri Kaushal Vikas Yojana projects by 2020.

## LABOUR AND DIGNITY OF WORKERS

78. Sir, this Government is sensitive to the challenges of the labourers and workers from the unorganized sector. We revised the minimum wages under the Minimum Wages Act, 1948 to ₹ 300, ₹ 340, ₹ 380 and ₹ 420 per day for Unskilled, Semi-skilled, Skilled and Highly- skilled categories of workers respectively from 1<sup>st</sup> October, 2018. The Meghalaya Building and Other Construction Worker Welfare Board (MBOCWWB) has been constituted under which about 30,000 beneficiaries have already registered. Schemes like Scholarships, pension, medical treatment can now be availed by the members, subject to criteria laid down. Cess collected under the Board will be utilized for channelizing various benefits to the enrolled members. We will soon implement the Pradhan Mantri Shram Yogi Maandhan Pension Scheme for unorganized workers.

## FOCUSSING ON SUSTAINABILITY AT ALL LEVELS

79. Sir, we are keenly aware that our ecosystems are fragile and are, therefore, incorporating green and sustainability focused initiatives in different sectors. The process of installing energy efficient lighting systems and smart metering in the Secretariat buildings has begun. Similar lighting systems will be installed in Shillong and other urban centers of the State in a phased manner. We are also initiating a pilot project to promote the use of electric cars in Shillong city. Two proposals for setting up of Waste to Energy conversion plants are being finalized at Shillong and Ampati. Sir, we are also building a bottom up movement towards environmental consciousness through the involvement of the green volunteers. I have launched the one-citizen, one-tree movement under which we will plant 2 million trees by 2022.

80. The focus on sustainability also extends to the use of mineral resources. This Government realizes the need to strike a balance between using resources for economic development and protecting the environment. We are committed to promote scientific, secure and environmentally friendly coal mining in compliance

with all statutory norms and safety standards. To do this, we have engaged the Central Mine Planning and Design Institute (CMPDI), Ranchi.

## **DISTRICT COUNCILS**

81. Sir, the District Councils are important institutions for protecting the rights of the indigenous people of the State. The elections to the Khasi Hills Autonomous District Council and the Jaintia Hills Autonomous District Councils were recently conducted. We have received ₹ 111 crore from the Government of India as grant for these institutions.

## **IMPROVING OVERALL GOVERNANCE**

82. Sir, we realize that improving governance is a crosscutting reform that will contribute to gains across the Government system. My ministers and I have started Systematic monthly reviews of the different Government Departments and the Deputy Commissioners to infuse the necessary seriousness into the whole Government machinery. We are also institutionalizing the practice of having quarterly Deputy Commissioners Conferences, which will act as platforms for exchange of ideas and promote learning between the districts. Directions have also been issued to the Deputy Commissioners to do systematic reviews of all departments at least once every two months and to do extensive field visits and inspections. We are also planning to have cabinet meetings at different district headquarters on a rotation basis. All these steps are aimed at making the administration more responsive and effective.
83. We are also investing in training and capacity building of the Government functionaries. The Meghalaya Administrative Training Institute has conducted about 127 training programmes during the current year. Sir, in fulfilling our promise made last year, we have operationalized five cells under the Personnel Department – Good Governance Cell, Professional Development Cell,

Management Development Cell, E-Governance Cell and Case Development and Documentation Cell.

84. On financial management, all the 16 Treasuries in the State have been on boarded to the online computerization system. Recently, the State was conferred with the GeMS of Digital North East Award 2018 for Treasury Computerization and improved financial management.
85. Sir, to improve the overall efficiency in the secretariat, I have started e-office in the Chief Minister's Secretariat. The process for implementing this in the other departments is on. We are also designing a Chief Minister's Dash Board so that monitoring of various infrastructure and development projects can be more effective.

#### **BUDGET ESTIMATES 2019-20**

86. Sir, for 2019-20, I have estimated the total receipts at ₹ 16,199 crore, of which the revenue receipts are estimated at ₹ 14,438 crore and capital receipts at ₹ 1,761 crore. Excluding borrowings of ₹ 1,736 crore, the total receipts are estimated to be ₹ 14,463 crore.
87. On the expenditure side, I have estimated the total expenditure at ₹ 16,202 crore, of which the revenue expenditure is estimated at ₹ 13,700 crore and capital expenditure at ₹ 2,502 crore. Excluding repayment of loans of ₹ 416 crore, the estimated total expenditure is ₹ 15,786 crore.
88. Interest payments for 2019-20 are estimated to be at ₹ 746 crore and pension payments at ₹ 855 crore.
89. I am, therefore, presenting the budget of 2019-20 with a fiscal deficit of ₹ 1323 crore, which is around 3.65 % of the GSDP.



## CONCLUSION

90. Sir, in conclusion, I would like to reiterate the commitment of this Government to strive for improving the well being of each and every citizen of this State. I would like to end with a few inspiring lines from Robert Frost.

*“The woods are lovely, dark and deep,  
But I have promises to keep,  
And miles to go before I sleep,  
And miles to go before I sleep.”*

91. Mr Speaker Sir, with these few words I commend the budget to this august House.

**Khublei**

**Mitela**

**Thank You**