

## **Press Note**

Bhopal dated 1 July 2014

Hon'ble Finance Minister Shri Jayant Malaiya has presented the budget for the financial year 2014-15 today.

The salient features of the budget estimates of 2014-15 are as follows:-

- Total expenditure of ₹ 1,17,040.99 crores for the year 2014-15.
- Revenue surplus of ₹. 4,479.35 crores for the year 2014-15.
- Fiscal Deficit for the year 2014-15 is estimated to be ₹ 13425.48 crores.
- Targets set under the Madhya Pradesh Fiscal Responsibility and Budget Management Act, 2005 are expected to be met.
- Total Revenue Receipts for the year 2014-15 are estimated to be ₹ 1,03,493.16 crores. Components of the Revenue Receipts are ₹ 38,989.88 crores as State's Own Tax Revenue; ₹ 27,681.23 crores as share in Central Taxes; ₹ 6758.86 crores as State's Own Non-Tax Revenue and ₹ 30,063.19 crores of Central Grants.
- State's Own Tax Revenue estimates are 16.80 percent higher as compared to 2013-14 (B.E).
- Revenue Expenditure of ₹ 99,013.81 crores is estimated for the year 2014-15 which is ₹ 24,625.17 crores more than ₹ 74,388.64 crores for the year 2013-14 (B.E)
- Opening balance of ₹ 381.61 crores is estimated for the year 2014-15. Net transactions during the year are estimated to be ₹ (-)458.50 crores. Hence, closing balance at the end of the year is estimated to be ₹(-)76.89 crores.
- Plan expenditure for the year 2014-15 is estimated to be ₹ 54,290.15 crores as against ₹ 37,608.16 crores for the year 2013-14, which is a 44.36 percent increase.
- Budget estimates of Tribal sub-plan have increased from ₹ 7,832.73 crores for the year 2013-14 to ₹ 11,749.67 crores for the year 2014-15, which is a 50 percent increase.
- Budget estimates of Scheduled caste sub-plan have increased from ₹ 5,582.99 crores for the year 2013-14 to ₹ 7,903.80 crores for the year 2014-15, which is a 41.57 percent increase.

### **Fiscal Indicators.**

- Fiscal Deficit estimated at 2.98 percent of GSDP.
- Revenue Surplus estimated at 1.00 percent of GSDP.
- Interest payments estimated at 6.70 percent of Revenue Receipts.

### **Agriculture and Allied Sectors**

- Agriculture Budget for Agriculture and Allied Sectors with provision of ₹ 22,413 crores which is 19.15 percent of total budget for 2014-15.
- ₹ 150 per quintal procurement bonus for maize also.
- Provision of ₹ 1,050 crores for bonus to farmers.
- New sub scheme Sudoor Gram Sampark and Khet Sadak Yojna launched under MNREGA.
- Provision of ₹30 crores for advance storage of fertilizers.
- Provision of ₹ 10 crores for Mukhya Mantri Khet Teerth Yojna.
- Establishment of 320 new custom hiring centres.
- Provision of ₹ 421 crores for interest subsidy to farmers for short term loan from cooperative banks.
- Provision of ₹ 227 crores for Krishak Anudaan Yojna for new electricity connections of agriculture pumps.
- Provision of ₹ 900 crores for crop insurance scheme in 2014-15 which was ₹ 48 crores in 2013-14.
- Provision of ₹ 950 crores for establishment of separate feeder.
- Provision of ₹ 2,500 crores for tariff subsidy during 2014-15.
- Provision of ₹ 240 crores for Krishak Samridhi Yojna.
- Provision of ₹ 88 crores for Fishery activities.
- Provision of ₹ 861 crores for Veterinary activities.
- Provision of ₹ 597 crores for Horticulture.
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### **Infrastructure Development**

- Provision of ₹ 5,646 crores for roads which is ₹ 676 crores more than 2013-14.

- Upgradation of 19,000 kms of major district roads and linking of divisional headquarters with four lane and district headquarters with two lane roads.
- Provision of ₹ 7,985 crores in the energy sector for the year 2014-15.
- Provision of ₹ 72 crores to promote renewable energy.
- Conceptualization of Narmada Gambhir Link Project, to irrigate 50 thousand hectares in Malwa region.
- Provision of ₹ 5,714 crores for irrigation works.
- Decision to start Light Metro Rail for Indore and Bhopal under Mass Rapid Transport System. Feasibility survey sanctioned for metro rail project in Jabalpur.

#### **Panchayat and Rural Development**

- Provision of ₹ 11,102 crores for rural development.
- Provision of ₹ 800 crores for Indira Awas Yojna and ₹ 60 crores for Mukhya Mantri Grameen Awas Mission .
- ₹ 2,536 crore to be transferred as grant in aid to Rural local bodies.
- Provision of ₹ 631 for Backward Region Grant Fund.
- Provision of ₹ 830 crores for Maryada Abhiyan in rural areas.

#### **Drinking Water and Urban Development**

- Provision of ₹ 589 crores for urban development and infrastructure.
- Provision of ₹ 585 crores for tubewells and water supply projects in rural habitats.
- Under Mukhya Mantri Shahari Peyjal Yojna in 2014-15 investment of ₹ 651 crores is estimated.
- Provision of ₹ 165 crores for Simhastha-2016.
- Provision of ₹ 87 crores for Mukhya Mantri Shahri Swacchata Mission in 2014-15.

#### **Education**

- Provision of ₹ 11,922 crores for primary education for the year 2014-15 which is ₹ 3,124 crores more than 2013-14.
- Provision of ₹ 5,296 crores for Middle and Higher education.
- To ensure teachers presence in schools, Toll Free Call Centre and Mobile based system to be introduced.
- Provision of ₹ 690 crores for Technical education and skill development which in comparison to 2013-14 is 40 percent more.
- To institutionalise the skill certification, evaluation of ITIs by Quality Council of India and skill development centres by World Bank. Institutional arrangement for certification of informally trained persons by National Skill Development Corporation
- Provision of ₹ 582 crores for Medical Education which is 30.61 percent more than 2013-14.
- Smart Phones to students who are enrolled in Government Colleges.
- Polytechnic colleges at Lateri and Harsood proposed under Ambedkar Polytechnic Yojna and Eklavya Polytechnic Yojna respectively.
- Establishment of 20 new Pre-matric hostel, 03 Post-matric hostel and 10 ashrams schools in tribal development blocks.
- 179 pre-matric hostels to be opened in Scheduled Caste areas.

#### **Health**

- Provision of ₹ 4,828 crores for health sector which is 55 percent higher as compared to last year.
- Establishment of Public Health Services Corporation, to bring competitiveness and transparency in procurement of medicine, instruments and other materials.
- Provision of ₹ 25 crores for Atal Bihari Bajpai Baal Arogya Evam Poshan Mission.
- For additional remuneration of ₹ 2000 per month to anganwadi workers, ₹ 1000 per month to anganwadi sahayika and mini anganwadi workers, provision of ₹ 227 crores in 2014-15
- Provision of ₹190 crores for construction and maintenance of Anganwadi Buildings.

#### **Women and Child Development**

- Provision of ₹ 778 crores for Laadli Lakshmi Yojana.
- Introduction of One stop Crisis Centre- Gaurvi for protecting the dignity of women.

- Provision of ₹ 111 crores for Mukhya Mantri Kanyadaan and Nikah Yojana.

#### **Food Security**

- To enhance ware housing capacity, business guarantee of four and half months being given to private owners.
- approximately 60 percent of the population of the state is entitled to get wheat and rice at ₹ 1 per kg.

#### **Inclusive Development**

- Target to open Ultra Small Bank in every 5 kilometer radius in rural areas.
- 1 lac 80 thousand senior citizens given an opportunity to visit various religious places under Mukhya Mantri Teerth Darshan Yojna. Provision of ₹ 80 crores for this scheme.

#### **Sports, Tourism and Culture**

- Provision of ₹ 174 crores for improvement in sports and infrastructure in 2014-15 which is 54 percent more from last year.
- Provision of ₹ 146 crores for art, culture and archaeological activities.
- Provision of ₹ 172 crores for tourism activities in 2014-15.

#### **Industry and Mining**

- Provision of ₹ 60 crore for capital grant to industrial units ₹ 35 crore for interest subsidy to small scale industries and ₹ 75 crore for interest subsidy to textile industries.
- Establishment of Madhya Pradesh Rajya Silai kala Mandal, Madhya Pradesh Rajya Swacchata Mandal, and Madhya Pradesh Rajya kesh Shilpi Kalyan Mandal.
- Provision of ₹ 66 crore for Mukhya Mantri Yuva Swarojgar Yojana .
- Mukhya Mantri Yuva Contractor Yojana started to train young engineers.

#### **Law and Order**

- Provision of ₹ 4,817 crores for Home Department.
- Introduction of CCTV based surveillance system (₹429 crore). Provision of ₹ 50 crores this year.
- Establishment of a centralized call centre and control centre under Dial 100 scheme (₹257 crore). Provision of ₹ 44 crores this year.
- Adoption of modern traffic management system (₹190 crores). Provision of ₹ 20 crore this year.
- Establishment of 80 help centres under Highway security and Protection scheme. Provision of ₹5 crores for the year 2014-15.
- Provision of ₹ 120 crore for creation of physical infrastructure for judiciary and ₹ 6 crore for maintenance.

#### **Good Governance**

- Under various beneficiary oriented schemes, registration of beneficiaries and distribution of assistance through Samagra portal.
- To develop WALMI as national level institute for training on rural livelihood and command area development issues.
- Expansion of cyber treasury services to deposit money in government accounts by e- receipts.
- Establishment of Project Management Units at state and district level for timely implementation of schemes.

#### **Environmental Improvement**

- Provision of ₹ 2712 crores for forest conservation and improvement, which is 27.65 percent more than 2013-14.

**Provisions in different development heads under Plan in Budget Estimates for 2014-15**

(Amount in crores)

S.No.	Development Head	2013-14	2014-15
1.	Agriculture & Allied Activities	3611.90	5920.18
2.	Rural Development	5229.70	12456.33
3.	Irrigation and Flood Control	3933.42	4578.41
4.	Energy	3399.52	3868.82
5.	Industry and Mining	980.57	1224.68
6.	Transport	2538.51	2511.51
7.	Science, Technology and Environment	150.68	259.56
8.	General Economic Services	718.53	816.61
9.	Social Services	16875.89	22983.12
10.	General Services	169.45	283.22
	<b>Total</b>	<b>37608.17</b>	<b>54902.44</b>

**Department wise Budget Estimates for the year 2014-15**

(Amount in crores)

S.No.	Department	Budget Estimates 2013-14	Budget Estimates 2014-15
1.	General Administration	356.10	596.09
2.	Home	4153.19	4816.96
3.	Jail	211.72	229.78
4.	Commercial Taxes	2252.16	2553.41
5.	Religious Trusts and Endowments	87.10	98.04
6.	Revenue	2253.44	4949.60
7.	Transport	87.83	142.33
8.	Sports and Youth Welfare	112.73	174.37
9.	Forest	2125.07	2712.57
10.	Commerce, Industries & Employment	907.03	1090.46
11.	Energy	8802.14	7985.41
12.	Farmer Welfare & Agriculture Development	1636.58	3276.58
13.	Cooperation	910.96	902.53
14.	Labour	132.62	146.12
15.	Public Health and Family Welfare	3114.33	4828.98
16.	Urban Administration and Development	5167.94	5895.26
17.	Public Works	4238.31	4267.47
18.	School Education	10225.83	14853.37
19.	Law and Legislative Affairs	963.47	1367.54
20.	Panchayat	3751.09	4190.03
21.	Planning, Economic and Statistics	644.54	735.11
22.	Public Relation	183.29	236.20
23.	Tribal Welfare	3895.22	4868.21
24.	Social Justice	1397.33	1424.69
25.	Narmada Valley Development	1484.75	1652.56
26.	Food and Civil Supplies	1688.37	2145.08
27.	Culture	140.91	146.92
28.	Water Resources	3521.42	4062.17
29.	Housing and Environment	209.21	239.85
30.	Tourism	158.15	172.30
31.	Public Health Engineering	1727.44	2110.42
32.	Veterinary	745.33	861.58
33.	Fisheries	79.27	88.62
34.	Higher Education	1135.34	1318.80
35.	Science and Technology	31.83	34.42
36.	Manpower Planning	494.38	690.09
37.	Public Service Management	56.28	74.76
38.	Aviation	19.20	21.51
39.	Bhopal Gas Tragedy, Relief and Rehabilitation	83.68	90.64
40.	Legislative Affairs	61.32	68.07
41.	Women and Child Welfare	3688.40	4056.11
42.	Rural Industries	209.18	293.08
43.	Medical Education	445.95	582.45
44.	Backward Classes and Minorities Welfare	749.49	829.49
45.	Schedule Caste Welfare	1296.38	1337.12
46.	Information Technology	75.03	180.18
47.	Rural Development	3714.22	11102.96
48.	Horticulture and Food Processing	392.19	597.62
49.	Aayush	410.76	497.26
50.	New & Renewable Energy	49.81	72.31
51.	Vimukt, Ghumakkad & Ardha Ghumakkad Welfare	24.71	27.94

**Comparative statement of financial indicators for 2003-04 to 2014-15**

Sl. No.	Fiscal Indicator	Year 2003-04	2014-15	Remarks
1.	Total expenditure	Rs. 21,647 crs.	Rs. 1,17,041 crs	More than five fold increase.
2.	States own tax revenue	Rs. 6,805 crs	Rs. 38,990crs	More than five fold increase.
3.	State Plan Expenditure.	Rs. 5,684 crs.	Rs. 54,290crs.	More than nine fold increase.
4.	Capital Outlay	Rs. 2,883 crs.	Rs. 18,027crs.	More than six fold increase.
5.	Interest Payment	Rs. 3,206 crs.	Rs. 6,929crs.	Only two times increase against five times increase in budget.
6.	Revenue deficit/surplus	Rs. 4,475 crs (revenue deficit)	Rs. 4,479crs (revenue surplus)	Revenue surplus maintained since FY 2004-05.
7.	Interest payment to total revenue receipts.	22.44 %	6.70%	Reduced to one third.
8.	Total Plan expenditure to Total expenditure	26.26%	46.39%	Appx. one and half times increase.
9.	Capital Outlay in comparison to GSDP	2.80 %	4.01 %	Appx. one and half times increase.
10.	Fiscal deficit in comparison to GSDP	7.12%	2.98%	Within 3%as stipulated under the FRBM Act.
11.	Gross debt in comparison to GSDP	33.71 %	22.37 %	One third reduction.
12.	Net debt in comparison to GSDP	31.18%	14.16 %	Reduce to half.
13.	GSDP at current prices	Rs. 1,02,839 crs	Rs. 4,49 ,891 crs	Four times increase.

## **Tax proposal for 2014-15**

### **Commercial Tax Department**

#### **VAT**

- Power driven agricultural equipments thresher, leveler, cultivator, power tiller, harvester, sprayers etc. exempted
- Ghanta, ghadial, jhanjh, manjira, trishul, kamandal and idols of Goddess and God (other than made of gold, silver and other precious metals) exempted
- Tax on Tendupatta carried by road exempted
- Provision for refund of input tax rebate remaining unadjusted at the end of financial year
- Provision for enabling re-assessment by submitting declaration forms received before Assessing officer
- Provision for making more effective provisions of stay of recovery in appeal cases and automatic stay of recovery in cases pending before the Appellate Board
- Rate reduced from 13% to 5% - industrial thermal insulators, computer scanner, x-ray film, butter, all kinds of sewing needles, flush door, ceramic and vitrified tiles

#### **Central Sales Tax**

- Vehicles with four-wheel or more - CST rate reduced from 2 % to 1%
- CST concessions given on brass, copper, kansa, aluminum sheet, circle, leaf spring, copper wire rod, wire bar, cathode and coin blanks extended for the year 2014-15.

#### **Entry Tax**

- Heavy goods carrier vehicles exempted upto 31.3.2015
- Steel bars brought from outside the State, entry tax rate reduced from 5 to 2 %
- Purchases of old and used vehicle exempted
- Purak poshan ahar supplied by M P State Agro Industries Development Corporation exempted from 1.4 2010
- Minimum entry tax burden on Coal made 3 %
- Entry tax concessions given for purchase, of raw material by handloom cloth manufacturer, Khadi Gramodyog Units, Pathya Pustak Nigam, of newsprint for publication of newspaper, iron and steel and leather for manufacture, crude edible oil for refining, oilseed by small scale industries having annual purchases not more than 1 crore, bidi, plastic water storage tank, timber, clinker, unprocessed cloth manufactured on powerlooms, tea extended for the year 2014-15.

## Points related to Stamps and Registration in the Budget Speech 2014-15

1. In the course of rationalisation of Stamp Duty chargeable on various types of documents executed within the State, Stamp duty chargeable on documents related to Gift, Partition, Release and Settlement, in cases where property is transferred to a member of a family, is proposed to be reduced to half of that chargeable on sale deeds.
2. With the objective of simplifying and computerising the process of registration of documents in the Department of Stamps and Registration, the Government is implementing the ambitious "e-panjiyan" project. The Pilot of this project shall be carried out in five districts of the State- Ujjain, Sehore, Tikamgarh, Balaghat and Anoopur. The "e-panjiyan" system shall be implemented in all the districts of the State by this Year-end.