

**Mr. Speaker Sir, I quote**

*"The happiness of the commoners is the happiness of the King".*

*"In happiness of his subjects lies the King's happiness, in their welfare his welfare. He shall not consider good only that which pleases him, but treat as beneficial to him whatever pleases his subjects" unquote*

**Chanakya in his famous work called 'Arthashastra'.**

1. I rise to present the budget of my Government for the year 2008-2009. At the outset, I take this opportunity to thank the people of Goa for reposing their faith in congress led government in the recently held Assembly elections. People of Goa expect us to behave responsibly and sensibly to meet their expectations and aspirations for all round development of the State. The political dispensation in Goa cannot afford to take things for granted as every policy initiative of the Government is being subjected to public scrutiny. The Governance has become complex as the people of Goa have become vigilant. It is inevitable for the Government to ensure people's participation in decision making process to carry forward its development agenda. The message is very loud and clear. People want development that maximizes the benefit to the Goan population. People want to preserve the pristine beauty and environment of the State. While the State has reached the level of replacement in population control long time ago,

people don't want large scale population in-migration as it creates tremendous pressure on the land and infrastructure of the State.

2. As Hon'ble Members of this House may be aware, when I was Dy. Chief Minister and Planning Minister, I had appraised the Central Government about injustice being meted out to Goa in devolution of central grants though the State has been making significant contribution in the form of central taxes and foreign exchange earnings from different sectors. The Finance Department worked on this issue during the last six months and prepared a time series of State's contribution to Central Government through different sources. I wish to inform the Hon'ble Members that, during the year 2006-07, Goa has contributed Rs.522.37 crore as Customs duty, Rs.725.22 crore as Central Excise, Rs.1478.00 crore as Income Tax, Iron Export valued at Rs.4591.81 crore and Foreign Exchange Earning from Tourism amounting to more than Rs.2200.00 crore to the Government of India. Against the total contribution of Rs.9500.00 crore, Goa received only Rs.400.60 crore from Government of India during 2006-07. This exercise enabled my Government to make a strong case before Government of India impressing why the State deserves higher level of central assistance. I met Hon'ble Prime Minister and Dy. Chairman Planning Commission along with Chief Minister on two occasions; I met separately Hon'ble Prime Minister and Union Finance Minister and made power point presentation highlighting our contribution to the nation seeking special treatment by way of grant in core sectors. It is pertinent to note that,

after liberation, it is for the first time we are able to get central assistance of Rs.2200.00 crore.

3. This year, I have invited views and suggestions from the people of Goa in formulation of budget 2008-09 and I understand this has happened for the first time in the history of Goa. The response has been overwhelming. I have received written suggestions from various institutions and individuals from cross sections of the society. Lots of people have met me and expressed their views for the development of the State. I have held discussions with various institutions and experts. I have made sincere efforts to dovetail the suggestions received from the people of Goa to the extent possible in the budget 2008-09.

#### **ACTUALS 2006-07 AND REVISED ESTIMATES 2007-08**

4. During the year 2006-07, my Government has achieved a revenue surplus of Rs.141.45 crore as against the revenue deficit of Rs.34.16 crore projected at the Budget Estimate level. This is for the first time after 1996-97 the State has achieved revenue surplus. The year 2006-07 has ended with a fiscal deficit of Rs.528.74 crore as against the Budget Estimate of Rs.753.46 crore, which is much lower than the 2005-06 fiscal deficit of Rs. 580.57 crore.
5. During this year, over and above the budget estimate 2007-08, I have made additional allocation of Rs.119.00 crore towards cost of bulk supply of power in the Supplementary Demand for Grants. I have also

cleared the outstanding liability of about Rs.40.00 crore carrying 13% rate of interest per annum payable to LIC under Dayanand Social Security Scheme. However, considering the trend in revenue receipts up to February 2008, I have made upward revision in revenue receipts from Value Added Tax by Rs.80.00 crore and from sale of power by Rs. 75.00 crore. As this august house is aware that the revenue collection from Excise had remained stagnant at around Rs.56.00 crore during the last three years falling short of the target set in the Budget. However, during the year 2007-08, I am pleased to inform that, my Government has managed to plug the leakage and will exceed the target of Rs.67.00 crore envisaged in the Budget Estimate 2007-08. With these major changes under revenue account and considering savings located under different heads of expenditure, I have projected a revenue surplus of Rs.3.29 crore in the revised estimate 2007-08 as against the revenue deficit of Rs.7.14 crore projected in budget estimate 2007-08. I have made downward revision in fiscal deficit to the level of Rs.676.65 crore in the revised estimate 2007-08 as against the budget estimate of Rs.753.00 crore mainly due to non-receipt of loan for the Externally Aided Project under water supply and sanitation sector.

## **FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT ACT 2006**

6. The two important targets set under the FRBM Act 2006 are achieving 'zero' revenue deficit and fiscal deficit as 3% of Gross State Domestic Product (GSDP) by the year 2008-09. Goa has achieved the 'zero' revenue deficit target two years ahead of schedule. During the

year 2006-07, the State has not only achieved revenue surplus but also reduced the fiscal deficit to the level at 3.7% of GSDP. As these achievements are in consonance with the recommendations of Twelfth Finance Commission, the Government of India has given debt waiver of Rs.40.42 crore so far. Further, Government of India loans outstanding as on 31<sup>st</sup> March 2004 amounting to Rs.404.04 crore have been consolidated and reset at 7.5% rate of interest per annum. This is a big relief to the State of Goa as this has reduced the debt stock and interest payment liability of the State. Besides, the Government of India has indicated waiver off ex-UT loan of Rs.239.32 crore a long pending demand of the State.

## **FISCAL REFORMS AND SUSTAINABILITY**

7. The real challenge before the State is to maintain consistency in fiscal parameters over a longer period of time. The State has to continuously aim for revenue surplus every year. This has to be done by keeping the revenue expenditure under check and increasing the revenue receipts by streamlining the revenue collection mechanism including plugging leakages. If the State manages to achieve revenue surplus every year then the fiscal deficit gets fully utilized for infrastructure development. Therefore, even if there is an increase in fiscal deficit in absolute terms, the higher economic growth ensures its sustainability with respect to GSDP in the long run. For long term sustainability of fiscal balance, continuity in policy prescriptions is also very much essential. In this

direction Government of Goa has put in place many fiscal consolidation measures like sinking fund to cover debt stock vulnerability and guarantee redemption fund to cover guarantee risks. Every year Rs.10.00 crore each is being contributed to both these funds. In the Budget Estimate 2008-09, I have increased the contribution to the sinking fund to Rs.20.00 crore.

8. As per a study commissioned by the Finance Department, the number of pensioners will exceed the number of Government employees by the year 2015-16 resulting into a phenomenal eight to ten fold increase in pension liability, presently estimated at Rs. 1500.00 crore per annum. In case corrective measures are not taken now, the State is expected to face severe financial crisis in the long run. Therefore, my Government has decided to set up a pension liability fund to the employees covered under the CCS (Pension) Rules 1972, for which a provision of Rs.75.00 crore is made in the Budget Estimate 2008-09. My Government has also adopted New Defined Contributory Pension Scheme of Government of India from August 2005 and all the employees recruited from that date are covered under the new pension scheme. The contribution towards the new pension scheme is set aside under Public Account of the State and the Government is in the process of identifying a suitable agency for professional management of this fund on the lines of the procedure adopted by the Government of India so as to maximize the benefits to the pensioners covered under the new pension scheme.

9. In order to bring in efficiency and professionalism in the management of public finances of the State, my Government has initiated systemic changes in the management of public finances of the State. The treasury operations and various financial systems in the Directorate of Accounts have been computerized. Towards real time management of expenditure and revenue flows, the Finance Department has already put in place a Management Information System with the help of National Informatics Centre. Connectivity to this system will be given to all the ministers, secretaries and departments which would enable them to monitor the budget utilization on real time basis. This will also enable the Departments to upload their budget proposals directly from their offices from next year.
10. It has been brought to the notice of the Government that tax payers especially the industries and commercial establishments have to stand in long queue before the banks for payment of taxes as there are only few bank branches accredited for transaction of Government business. In this regard I am happy to inform that the Reserve Bank of India has already agreed to authorize 32 branches of the Corporation Bank for payment of VAT and other taxes and the notification in this regard will be issued shortly. My Government has also decided to introduce Cyber Treasury for payment of Government receipts in association with the State Bank of India and a proposal in this regard has been sent to the Reserve Bank of India for approval. This will enable the tax payers to make payment online. The Value Added Tax system in the Commercial

Tax Department is also being fully computerized with the help of National Informatics Centre and the first phase of which will be made operational shortly. I am hopeful that these changes will also improve the revenue collection of the State. My Government has also decided to introduce consolidation of stamp fee payable by the Life Insurance Corporation of India on the insurance policies. The Panaji branch of Rajasthan Bank has already been authorized to use franking machine for payment of stamp duty for various Government transactions. Considering technological advancement in this arena, my Government will go for further transition from franking to e-stamping in the near future.

11. Speaker sir, temporary permit fees receivable through other State RTOs by the Directorate of Transport are physically received by post in the form of demand drafts. Many a time, bank drafts had to be returned to the RTOs of concerned State as they are received after expiry of their validity period. As everything is done manually, there is no monitoring mechanism in place and also depositing of drafts to the Government treasury gets delayed. In order to streamline the system, my Government has approved a proposal received from HDFC Bank for collection of drafts from different RTOs all over the country and depositing the same in the Government Treasury on T+0 basis. There will be a management information system to monitor the transactions and timely depositing of revenue to the Government treasury.



- 12.** A separate Audit Division has been created in the Finance Department to examine and monitor the inspection paras and audit reports of the CAG on regular basis. For the purpose of monitoring the revenue collection targets of various departments, in the budget estimate 2008-09, the Finance Department has classified the revenue receipt heads department-wise instead of classifying different departments under common major heads as is being done now.
- 13.** Speaker sir, there has been no enhancement in the financial powers delegated to Heads of Departments since 1997. Therefore, even for small matters the Departments have been approaching finance department for approval. In order to minimize the delay and curtail paper work my Government has increased the financial powers of the Heads of Departments substantially. Accordingly, the Goa Delegation of Financial Powers Rules 2008 is being notified by repealing the Goa Delegation of Financial Powers Rules 1997.
- 14.** Speaker sir, Government of Goa has received best state award for Budget Management from 'India Today' recently. We will continue our efforts to manage the public finances of the State professionally so as to keep the fiscal position of the State on sound footing. I personally believe that there is tremendous scope to increase the revenue collection by strengthening the tax administration and enforcement measures so as to bring the tax evaders under the tax net. In this regard, I propose to overhaul and reorganize both the Commercial Tax Department and Excise Department during 2008-09.

## **CREAMY LAYER AND SOCIAL JUSTICE**

**15.** Government of Goa spends huge amount on subsidy, both direct and indirect under different sectors and schemes. The subsidy is basically meant for economically weaker sections of the society. The subsidy is to bridge the gap in income inequalities in terms availing basic entitlements in the sectors of education, health, social security, agriculture etc. However, in case of Goa mostly everybody gets the benefit of subsidy irrespective of their income. In the process, many a time, economically better off people manage to corner the benefit depriving the benefit to the needy. Often poor people question me that why the Government extends benefits to the people who are economically better off and afford the cost of services. For instance, my Government has taken a decision to review all the cases under the Dayanand Social Security Scheme to weed out undeserving beneficiaries. If economically better-off people are excluded from Government subsidy net then the Government can consider enhancing the level of assistance to the needy. In this direction, I propose to introduce the concept of creamy layer, say family income of Rs.6.00 lakh per annum, in all the sectors and schemes to maximize benefit to the poor. That means, people who can afford to pay have to bear the cost leaving the actual benefit to the needy. I am sure proper targeting of subsidy to the needy people will ensure social welfare and justice.

## **WELFARE OF ECONOMICALLY WEAKER SECTIONS**

- 16.** Speaker sir, it is a fact that there are economically backward class people in all sections of the society. There is an urgent need to ensure welfare of economically weaker sections irrespective of their caste, creed and religion. I have noticed that most of the schemes are beneficial to SC, ST, OBC etc. My Government want to help other category of population specially minorities. Therefore, I propose to remodel all the schemes of the Government and open them for all sections of the society with a family income ceiling of Rs.1,00,000/- per annum. I propose to introduce a new scheme of giving financial assistance of Rs.15,000/- towards marriage expenses of daughter to all the economically weaker sections of the society.

## **LANGUAGE DEVELOPMENT**

- 17.** Speaker sir, I believe that the type of script should not become a barrier for language development. Though, Konkani is the State Language of Goa, it is spoken and also written in many parts of the country. The Konkani language has significant presence mainly in the coastal belt along the Arabian coast from Mumbai to Tiruvananthapuram. For instance, in Karnataka, it is written in both Kannada and English script. My Government is committed to develop Konkani language by supporting the institutions working for the promotion of this language. Presently, Government is giving grant to the

Konkani Academy for various promotional activities. The Dalgado Konkani Academy working for the cause of promotion of Konkani language in Roman script has requested the Government to extend financial assistance to undertake various language development activities. Accordingly, I have made a provision of Rs.15.00 lakh to the Dalgado Konkani Academy in the budget estimate 2008-09. My Government is also giving grants, every year, to the Gomantak Marathi Academy for the promotion of Marathi language. I understand, Government of Goa had earlier extended special grant to the Marathi Academy for construction of Marathi Bhavan at Porvorim. The Marathi Academy has now requested the Government for further financial help to complete the construction of Marathi Bhavan. Therefore, I propose to provide onetime special grant of Rs.50.00 lakh to the academy for completion of Marathi Bhavan Project during 2008-09.

## **TRAINING AND SKILL DEVELOPMENT**

- 18.** Speaker sir, human resource is our asset. If the people engage themselves into productive activities then the value addition will increase and the economy will grow at a much faster rate. Goa being a major tourist destination there is tremendous scope for entrepreneurship development and self employment in various sectors. There is ready demand for milk, eggs, vegetables, flowers etc and most of these items are imported from other States. Youth need to be encouraged to exploit these opportunities to their advantage. Our

educational institutions are to be remodeled to prepare children to the needs of employment market. In this direction, my Government has already upgraded two Government ITI s as Centres of Excellence. The ITI Panaji has been upgraded in Hospitality Management Sector and the ITI Mapusa has been upgraded in Production & Manufacturing sector. These centres have been evolved in Public Private Partnership with industries having back to back arrangement for 100% placement to the trainees. In addition, the ITI Margao is being upgraded as centre of excellence in Information Technology sector and ITI Pernem in Fabrication, Fitting & Welding sector from financial assistance from World Bank. Besides, my Government has requested to sanction additional 6 Centres of Excellence in ITIs at Canacona, Vasco, Honda Sattari, Farmagudi, Bicholim and Cacora. Even if central grants are not received for the purpose, I assure that these ITIs will be upgraded as Centres of Excellence from State fund. I have made a provision Rs.4.65 crore for infrastructure development in ITIs including Centres of Excellence in the Budget Estimate 2008-09.

- 19.** It is also proposed to start a State of the Art Centre of Excellence at Valpoi. For this purpose, possibility of having partnership with industry under public private partnership format will be explored so as to ensure placement opportunities to the trainees. For the benefit of unemployed rural youth, my Government proposes to start Training cum Production centres in tailoring & embroidery, woodcraft, bamboo craft, pottery, batik printing etc.

**20.** Government of India has also launched a scheme for adoption of Government ITIs under public private partnership format. The objective is to upgrade the ITIs with the help of industry as private partner for which a loan of Rs.2.50 crore per ITI is given directly by the Government of India to the Institute Managing Committee which is required to be registered as a society. This loan is repayable within 30 years. A proposal has been received for adoption of Government ITI at Vasco from Society for Industrial and Technical Education of Goa under this scheme. The proposal is under consideration of the Government.

**21.** Under community development programme implemented by the Government Polytechnics, training is being imparted in villages on fashion designing, computer application, garment making, fabric painting, pot designing, fruit and vegetable preservation, soft toys etc. for the benefit of rural masses. The programme has evoked excellent response as these programmes have benefited the rural people to earn additional income. But, Government of India has stopped the scheme from this year. However, considering the benefit accrued under the scheme, I propose to continue the scheme from State funds for implementation in three Government polytechnics at Panaji, Bicholim and Curchorem and also in two aided institutions, Agnel Polytechnic, Verna and Institute of Ship Building Vasco. For this purpose, I have made a provision of Rs.75.00 lakh in the Budget Estimate 2008-09.

**22.** The school drop outs, unemployed rural youth, having marginal land or family land will be promoted in agriculture by giving training for 2 months at Government farms or Government identified farms by giving them suitable stipend during training period. The Horticulture Corporation has already started a three month certificate training course for school dropouts with farming background. Thereafter, they will be encouraged to take benefit of different schemes of the Government and also loan from banks with interest subsidy from Government.

### **ANTI SEA EROSION**

**23.** Speaker sir, our beautiful beaches are the main attraction for tourists. But, beaches are getting destroyed by sea erosion. It is reported that about 15 kms of the coastline in the State is severely affected by sea erosion at few sites in Pernem, Bardez, Tiswadi, Canacona and Salcete talukas. On the recommendations of the Coastal Planning Development Advisory Committee, the CWPRS officials have inspected the sites and have suggested protective measures to mitigate beach erosion in Pernem and Salcete talukas. Accordingly, estimates have been prepared for a stretch of 1.6 kms of coastline at Tiracol in Pernem taluka costing Rs.7.56 crore. Similar protective works are envisaged at the Sunset beach at Betalbatim in Salcete taluka at an estimated cost of Rs.4.81 crore.

**24.** The Asian Development Bank (ADB) Management has approved a Project Preparatory Technical Assistance (PPTA) for preparing the "Sustainable Coastal Protection and Management Project" in the States

of Goa, Karnataka and Maharashtra. The Ministry of Water Resources, Government of India has recommended the same for implementation and the proposal is being examined. The NABARD has already sanctioned financial assistance of Rs. 11.75 crore for anti-sea erosion protection works. In view of this, I have made a provision of Rs. 8.25 crore in the budget estimate 2008-09 for anti-sea erosion projects.

## **FLOOD MITIGATION AND MANAGEMENT**

**25.** Goa receives annual rainfall of about 3000 mm and most of the runoff is drained through number of nallahs and rivers. Due to high intensity of precipitation to the extent of 15-20 cm in a span of 2-3 hours the effect of flooding is severe in the catchment area. Also the rain water carries heavy silt load through nallahs/rivers which get silted up thereby reducing the carrying capacity. Also due to tidal variations and heavy precipitation in conjunction with high tides results in afflux and rise in water level which leads to flooding. This effect is seen especially in Sanquelim, Bicholim, Ponda and Cuncolim areas. In order to mitigate the problem of flooding in these areas the Water Resources Department has evolved certain measures like desilting and improvement of geometrics of the nallahs, removal of bottlenecks and widening of nallahs, construction of fold embankments, heightening and improvement of existing bunds and construction of pump houses to let off water from drains beyond embankments. I have made a provision of Rs. 7.80 crore in the Budget Estimate 2008-09 for flood control projects. I have also made a provision of Rs.4.69 crore for drainage works.



## **DEVELOPMENT OF WATER RESOURCES**

**26.** The water resources development programme of interlinking of rivers and post monsoon harvesting has been successfully implemented for augmentation of water sources and ground water re-charge. The eco-friendly structure of bandharas is designed to ensure that there is no environmental degradation, destruction and no siltation of rivers due to storages. Two works of inter-linking of rivers viz. Chapora to Madei and Zuari to Madei have been completed creating storage of 3.125 million cubic meters and 12.50 million cubic meters respectively. The work of inter-linking of Madei river at Ganjem to Khandepar river at Opa has commenced. The scheme will augment 30 MLD of water at Opa Water Works especially during the lean season of the year. The Water Resources Department has undertaken construction of a series of bandharas for augmentation of water sources to water treatment plants at Opa in Ponda taluka, Assonora in Bardez taluka and Dabos in Sattari taluka, to help in ground water re-charge, for diversion of water and create storage in the riverine system as well as in the river banks by retarding the interflow of ground water into the riverine system. So far, 104 bandharas have been completed on various rivers/nallahs. Presently, construction of 14 bandharas holding a total storage of 1.30 million cubic meters is in progress. An additional 15 bandharas holding a total storage of 0.91 million cubic meters are planned for implementation. Accordingly, I have made a provision of Rs.30.51 crore

for water resources development programme in the Budget Estimate 2008-09.

## **MADEI RIVER DISPUTE**

**27.** In the Budget Speech 2007-08, my Government has categorically mentioned that all the Plans of Karnataka Government for diversion of Madei river water will be opposed tooth and nail. The Government of Goa, in a suit filed before the Supreme Court has requested to direct the Government of Karnataka and others not to proceed with any work and also the Central Government and its agencies not to give any clearances or financial assistance to the disputed projects of Karnataka. My Government has also requested the Hon'ble Supreme Court to set aside or direct the Central Water Commission and the Ministry of Water Resources, Government of India to totally withdraw their earlier "in principle clearance" given to Karnataka's projects in April 2002 and leave the matter to be decided by the Water Disputes Tribunal. Although, several hearings have been held and affidavits and counter affidavits have been filed by the Governments of Goa, Maharashtra and Karnataka, the Hon'ble Supreme Court has not issued any directions so far. Meanwhile, based on the reports received regarding resumption of work by the Governments of Karnataka and Maharashtra in the Madei basin, the team of officials from the Goa Government has visited the project sites in both the States to assess the extent of work undertaken. I re-iterate that my Government's stand on opposing the plans of neighbouring States for diversion of major chunk of Madei river water is

firm and is closely monitoring the progress of the legal suit filed in the Supreme Court. I assure the people of Goa that my Government will put in all efforts to ensure that State's interest is safeguarded as the Madei basin is an important source of water for the State of Goa for all purposes including inland water transport.

## **TILLARI IRRIGATION PROJECT**

**28.** Speaker sir, it is the Congress Government that has put the Tillari Irrigation Project on fast track during the last three years. The work is progressing on war footing and the project will be completed by May 2009 as scheduled including the canal works. Up to December 2007, 6,000 hectare (Ultimate) potential has been created under the project. Command Area Development works have been taken up by motivating the farmers and so far 13 Water User Associations have been registered under the Cooperative Societies Act. I have made a provision of Rs.104.00 crore for Tillari Irrigation Project in the Budget Estimate 2008-09.

## **HYDROLOGY PROJECT**

**29.** The World Bank assisted Hydrology Project Phase II at an estimated cost of Rs.22.64 crore is being implemented in the State. Under this programme, the work of construction of Laboratory level II plus and Data Centre has commenced. Training is being imparted to the officials of the Department in water quality management, WISDOM software for data storage centre and hydro-meteorology etc for implementation of

the project. The Experts' Committee for Surface Water has so far approved 6 river gauge stations and another 4 are under consideration for approval. A few ground water level observation stations have been identified and the same are being processed for approval of the Experts' Committee. I have made a provision of Rs.4.50 crore for Hydrology Project Phase II in the Budget Estimate 2008-09.

## **RAIN WATER HARVESTING**

- 30.** Speaker sir, many areas in the State face acute shortage of water supply during the lean season inspite of all efforts to provide universal piped water supply. It is a fact that the demand for water for different purposes is growing at much faster rate than the supply. I feel, flow of water from Tillari Irrigation project and storage of water through construction of bandharas will surely improve the situation in near future. But, it is a paradox that people of Goa inspite of being in a high rain fall zone are facing shortage of water. It appears, we have not been able to fully exploit the free gift of the nature to our advantage. There is an opportunity to fashion, adopt and popularize a water management technique that is simple, practical and cost effective. In this direction, my Government will promote roof top rain water harvesting by extending subsidy for construction of rain water harvesting structures. Individual households and residential houses will be given a subsidy of Rs.50,000 or 50% of the cost whichever is less. Residential complexes and apartments will be given a subsidy of Rs.2.50 lakh or 50% of the cost whichever is less. Industrial units will be given a subsidy of R.5.00

lakh or 50% of the cost whichever is less. Further, I propose to give incentive of 10% rebate in the license fees chargeable by the Government licensing agencies in all new constructions having provision for rainwater harvesting structures. Besides, my Government will also institute an annual award carrying a citation and cash prize for the best rain water harvesting practice. While extending subsidy and incentives to different category of consumers, I propose to make rainwater harvesting compulsory for residential complexes including apartments having a plot area of 2,000 sq. mts and above, commercial complexes having a plot area of 1,500 sq.mts. and above and industrial units having a plot area of 10,000 sq. mts and above being largest consumers of water. This will be mandatory for both the existing and new constructions. I hope this unique initiative of the Government will be able to reduce the water shortage problem to considerable extent.

## **DEVELOPMENT OF FORESTS AND CONSERVATION**

**31.** Speaker sir, my Government will launch a massive afforestation programme in the State to launch 1.5 million saplings with the participation of people, government departments, municipalities, panchayats and various other organizations. With the launching of the National Bamboo Mission, the bamboo cultivation in vacant and degraded land and bamboo utilization will be promoted in the State. It will be achieved through orientation and training programme, skill formation and value addition. Master Plan for expansion and upgradation of Bondla Zoo will be prepared and implemented. To

protect the forest, the patrolling machinery will be strengthened. I also propose to set up Elegator Farm in Goa.

**32.** To encourage Jatropa Plantation, Forest Department has raised 20 hectare Jatropa Plantation and planted 40,850 Jatropa seedlings. Besides, technical guidance is given to farmers and local people. During this year, 20.50 hectare medicinal plantation has been raised. For scientific extraction of Kokum juice and seeds farmers were offered demonstration and service free of cost. Similarly, machinery is provided free of cost to the growers of Ambla. Farmers were also allowed to use distillation plant free of cost for extraction of alkaloids for supply to manufacturers. Gloriosa superba is a plant found in Goa and its seeds and tubes are in demand for export. It is proposed to promote cultivation of Gloriosa superba amongst the cashew growers as it is a seasonal plant grown during monsoon only and dying thereafter. Trials of this plant will be carried out to evaluate the feasibility and to demonstrate the techniques to farmers.

**33.** My Government has approved a proposal for establishment of Van Vigyan Kendra at Satpal. The Kendra will act as a point of dissemination of information and techniques developed by various research institutions of Forest Department under Ministry of Environment and Forests. The Kendra will have hi-tech nursery, auditorium cum lecture hall, tissue culture laboratory and machinery for treatment of timber. Farmers and saw mill owners will be given training in using wood preservation

machinery, wood bending machinery and other advanced technique, which will result in better use of timber resources.

## **SCIENCE, TECHNOLOGY AND ENVIRONMENT**

- 34.** Speaker sir, my Government is geared up to expand the activities of the Department of Science, Technology and Environment for creation of scientific temperament and application of modern tools and technological advancements in different sectors. In this direction a remote sensing based project entitled "Land Degradation Mapping – 50K" has been initiated under National Resource Census Programme. The CRZ mapping, survey and inquiry along the CRZ III areas of the coastal villages in the State has been successfully taken up. The geographical indication registration process of "Goan Cashew Fenny" has been completed and updated statement of case, as per the rules, is being finalized by the GI Registry, Government of India, Chennai. The Department through the Goa State Council for Science & Technology has established a full fledged EDUSAT video-conferencing terminal to impart lectures in Science and Environment for the benefit of students. The Council in collaboration with Vigyan Prasar of NCST network has commenced direct satellite broadcasting and video conferencing through EDUSAT and programmes are being relayed for NGO's, school teachers, students etc. My Government is working out a scheme in association with Goa University and National Institute of Oceanography to nurture scientific ideas and develop them into research applications for which grants will be provided by the Government. It is proposed to evolve

biodiversity strategy and action plan including ecosystem documentation and bio-diversity management through the Goa State Biodiversity Board.

## **SOLID WASTE MANAGEMENT**

**35.** Speaker sir, today solid waste management is a major issue in the State. In the absence of scientific solid waste management plants, garbage is getting piled up and soon it is expected to become a major health and environment hazard. It is unfortunate that the NIMBY syndrome of the Goan society is holding back the Government plans of setting up modern garbage disposal plants. In this direction, Government has arduous task of convincing the people regarding various misconceptions floating around and evolve model garbage disposal systems within the habitat as is seen in other parts of the country. In Goa, this problem is severe in urban areas. I understand, for urban local bodies financial grants are released by the Directorate of Municipal Administration for solid waste management both through state funds and also from Twelfth Finance Commission grants. The City of Corporation of Panaji has already set up a small solid waste management plant in Panaji. My Government has also approved setting up modern garbage disposal plant at Sonsoddo Margao through Goa State Urban Development Agency. In all the municipalities land has been identified and land acquisition is in progress for which financial support has been extended by the Government. I hope that, all the urban local bodies in the State will realize the urgency and set up modern garbage treatment plants as early as possible.



- 36.** While the population census 2001 indicates urban population in Goa as 49.8 per cent, the urban local bodies cover only about 25% of the population. As per 2001 population census there are 30 census towns, which are covered under village panchayats as rural areas. There is a need to extend financial support to 30 census towns for setting up garbage disposal plants. Therefore, I propose to give financial grants to the extent of 75% up to a maximum of Rs.7.50 lakh for setting up compost based garbage disposal plant in each village panchayat defined as census town as per 2001 population census. It is also proposed to adopt Nagoa village in Mormugao Taluka by the Goa State Biodiversity Board to set up a pilot garbage disposal project so that a model garbage disposal system can be achieved for replication in other village panchayats.
- 37.** In order to promote solid waste management in industrial estates, every industrial estate existing or coming up in Goa, will be provided with two plots of appropriate size for segregation of dry waste.
- 38.** Speaker sir, I assure the people of Goa that, availability of finances will not become a constraint for setting up garbage disposal plants in the State. Therefore, the rural and urban local bodies have to gear up for setting up of modern garbage disposal plants in their areas without further delay in the larger interest of the State. My Government will set up a High Powered Committee comprising renowned experts, environmentalist and other stake holders under the Chairmanship of

Chief Minister to monitor implementation of solid waste management projects in a time bound manner.

## **ART AND CULTURE**

**39.** Speaker sir, perhaps Goa is the first State to formulate cultural policy for the development of Art and Culture in the State. Implementation of the same is already set in motion. Emphasis is being laid for providing quality infrastructure and encouraging the artists to excel in their area of excellence. As a part of providing infrastructure facilities construction of Ravindra Bhavans at different parts of the State is in progress. The construction of Ravindra Bhavan at Fatorda, Margao is nearing completion and the first phase will be commissioned shortly. The construction of Ravindra Bhavan at Sanquelim by the GSIDC is in progress. The land acquisition process for Ravindra Bhavans at Pernem and Mapusa has been initiated. I have made a provision of Rs.10.00 crore in the budget estimate 2008-09 for infrastructure development.

**40.** At present 1654 artists are availing financial assistance under Kala Sanman scheme and the state awardees have also been brought under the ambit of the scheme. My Government has notified a scheme for providing special incentives to national and international award winners in the field of Art & Culture and 20 nationally acclaimed Goan artists have been honoured under the scheme this year. Under "Kala Gaurav" scheme, 120 outstanding artists have been felicitated. In the memory of late Dr. D.D. Kosambi, my Government will institute two fellowships for

promoting research work. My Government will also set up a Tiatr Academy during 2008-09.

- 41.** Goa being permanent venue for hosting International Film Festival of India has tremendous potential to propagate film culture in the State. To excel in this area local talent require state of the art infrastructure facilities. In this direction my Government proposes to construct an Annexe building at Kala Academy, Panaji with state of art infrastructure facilities like auditorium, permanent art gallery, exhibition art gallery, audio and video recording studio with teaching aids and training facilities, classrooms, rehearsal hall for symphony orchestra etc.

## **HERITAGE CONSERVATION**

- 42.** My Government has approved a master plan for restoration, conservation, maintenance and preservation of all the fifty-one archaeological sites and monuments and also the heritage structures. Towards implementation of the plan, a Memorandum of Understanding has been signed with Indian National Trust for Art and Cultural Heritage (INTACH). Restoration and conservation of the Fortress of Santa Estevam in Tiswadi taluka and Fort of Reis Magos in Bardez taluka by the INTACH is in progress. Other restoration and development projects being taken up are Chapel of St. Jerome at Chodan in Tiswadi taluka, Surla Tar Masjid in Bicholim taluka, Fort of Cabo de Rama in Canacona taluka, Porne Tirth at Diwar in Tiswadi taluka, and the Site of Mahalasa Devi at Verna. It is also proposed to take up restoration and development of Fort of Chapora in Bardez taluka, Fort of Mormugao in

Mormugao taluka, Narayandev temple at Vichundre in Sanguem taluka, Caves at Khandepar and Iswarbhat in Ponda taluka, Jain Basti at Bandiwade and Cave temple at Khandepar in Ponda taluka and Rock carvings at Pansaimol in Quepem taluka during 2008-09. I have made a provision of Rs.10.00 crore for heritage conservation in the budget estimate 2008-09. I am sure these development works will add to the tourism potential of Goa in the near future.

### **WELFARE OF DIFFERENTLY ABLED POPULATION**

**43.** As per 2001 population census, there are 15,749 differently abled persons in the State of Goa. My Government is committed for their welfare and has been making all possible efforts to nurture their aspirations. My Government will assure that the need for finance will not be hindrance for their welfare. In this direction, I propose to enhance the level of assistance to the disabled children covered under the Dayanand Social Security Scheme from the existing Rs.1,000/- per month to Rs.1,500/- per month. I propose to cover HIV AIDS patients under Dayanand Social Security Scheme by extending financial assistance of Rs.1,000/- per month. The HIV AIDS patients will also get 50% concession for traveling by KTC.

**44.** I propose to put in place appropriate institutional mechanism to take care of orphan special children in consultation with NGOs. My Government will also extend grants to differently abled persons and also to the institutions working for the welfare of differently abled population for purchase of motor conveyances. Suitable Voluntary Retirement

Scheme will be worked out for the benefit the parents of special children working in Government of Goa to enable them to devote more time for their welfare. The expansion of Sanjay School at Porvorim is in progress and will be completed during 2008-09. My Government will also extend financial grants to the Nirmala Institute for starting B.Ed. course for special children during 2008-09. All the special schools will be further strengthened with adequate specialized staff like Speech Therapist, Occupational Therapist etc to attend to the specific problems of the children with disabilities. Emphasis will also be given for evolving a curriculum exclusively for special and inclusive education. I have also made budget provision for formal diploma programme and non formal short term training programme in computer graphics, screen printing, fashion designing, tailoring, computer hardware etc for the persons with severe disabilities in Polytechnic, Panaji. My Government has also decided to cover the package for treatment of cerebral palsy and skeletal birth defects including speech defects and hearing defects under the existing mediclaim scheme.

## **UPGRADATION OF INSTITUTIONS UNDER PROVEDORIA**

- 45.** Speaker sir, hitherto the Provedoria has been getting support from the revenue earned by the Directorate of Small Savings and Lotteries through lottery business. However, lottery business by the Directorate has been stopped now. I understand, the lottery run by the Provedoria is also not giving them sufficient income. In spite of this, Government has been supporting the Provedoria in the form of Grant-in-aid for all its

activities. I have made a provision of Rs.6.10 crore as grant-in-aid to Provedoria in the Budget Estimate 2008-09. Various institutions like Old Age Homes, institutions for differently abled people etc are looked after by the Provedoria from Government Grants. My Government will upgrade all the institutions under Provedoria with adequate infrastructure and other facilities so as to ensure joyful and comfortable life to the people in such institutions. A detailed report along with plan of action will be sought from the Provedoria so as to extend additional grant during 2008-09.

## **SCHOOL EDUCATION**

- 46.** Speaker sir, while the State has achieved universalization in education now the emphasis is on improving the quality of education and infrastructure development. During the year 2007-08, 139 Government schools have been provided with water supply, electricity and toilets along with other repairs. Besides, construction of new building for Government High School at Bhuipal, Sattari, Government Primary School at Shantinagar, Pisurlem and extension to Government High School Thane, Sattari has been completed. Construction of Government high school, Juna Bazar, Ponda is in progress. Presently, even for small repairs, the Government schools have to approach the PWD, which often gets delayed. In order to ensure urgent attention for such repairs, I propose to authorize the village education committees to undertake such repairs for which suitable grants will be provided by the Government. For infrastructure development in schools including

additional class rooms, toilets etc, through the Serva Shiksha Abhiyan, the NABARD has sanctioned financial assistance of Rs.15.52 crore.

46 A- My Government will take up cluster of schools in villages for reconstruction and immediately 100 schools are planned through GSIDC.

**47.** The infrastructure loan scheme extended to the non-Government aided educational institutions has improved the infrastructure facilities in schools. Therefore, I propose to extend the scheme to cover more schools during 2008-09. Many educational institutions in the State have contributed significantly for the development of education system in the State. In recognition of their service and to further upgrade such institutions, I propose to provide one time grant of Rs.25.00 lakh to the institutions that have completed 75 years of their existence and Rs.50.00 lakh that have completed 100 years of their existence.

**48.** In order to improve the quality of education, I propose to promote computer aided education in schools. For this purpose, I propose to provide necessary hardware, software and related infrastructure that would aid the teacher in imparting education more effectively. The Cyberage scheme has been re-christened as "Edunet-I" and personal computers are being provided to the students studying in XIth standard at their residences. A major concern in our school education system is very high drop out rate of students. In order to contain this trend my Government will further strengthen the pre-vocational education in the State. In order to increase enrolment and to check dropout, presently the children studying in Government and Government aided primary

schools are provided with hot cooked nutritious food. During the year 2008-09, I propose to extend the mid day meal scheme for all the students of Standard V to X. In order to inculcate positive approach to life needs among children, I propose to lay emphasis on educational and psychological counseling in schools.

## **HIGHER AND TECHNICAL EDUCATION**

**49.** My Government is committed to upgrade the quality of higher and technical education in terms of superior faculty induction and state of the art infrastructure facilities. Efforts will be made to make the State an educational hub for providing high quality education and creation of knowledge workers in different fields. In this direction, my Government intends to upgrade the Goa University to the level of Central University. In order to develop education in pure sciences; my Government has already sent a proposal to the Government of India for setting up of Indian Institute of Science, Education and Research (IISER) in the State of Goa. My Government will explore the possibility of bringing legislation for setting up of private universities in specialized fields in the State of Goa. Keeping in view the thrust on higher education proposed by the Government of India in the Eleventh Five Year Plan, all the funding avenues of UGC will be tapped for total upgradation of institutions of higher learning in the State.

**50.** During the year 2008-09, construction of additional building to Government College Quepem will be taken up. Under Goa Scholar Scheme, this year 5 scholars have been selected for financial assistance



and the scheme will be continued during 2008-09. I have made a provision of Rs.4.50 crore for implementation of the scheme "Interest free loan for higher education" in the Budget Estimate 2008-09.

**51.** In order to upgrade the standard of technical education it is necessary that our educational institutions must be headed by highly competent and experienced people to give necessary direction for excellence. In this direction, my Government has appointed Dr. Ravi Hazra, retired Professor of Design of IIT Bombay as full time Principal for the Goa College of Architecture. The Engineering College is facing severe shortage of trained and experienced faculty due to non-availability of eligible candidates to fill vacant posts. Therefore, during 2008-09, it is proposed to get highly qualified and experienced faculty on contract basis against the vacant posts by paying suitable emoluments as per market trends. I am sure this will enable the college to produce high quality engineering graduates in the years to come. Infrastructure development at the Goa Engineering College, Farmagudi is progressing well. I have proposed a new scheme to modernize the laboratories and remove obsolescence in the Engineering College with a provision of Rs.5.00 crore in Budget Estimate 2008-09. Accordingly, I have increased the plan allocation to the Engineering College from Rs.8.16 crore in 2007-08 to Rs. 14.35 crore in Budget Estimate 2008-09.

**52.** The College of Pharmacy is undergoing major improvement including laboratory upgradation. During the year 2007-08, state of the art equipment like U.V. visible spectrophotometer, high performance liquid

chromatography, flash chromatography and pharmacology equipment have been purchased. The laboratories have been upgraded. The college will be further strengthened with infrastructure facilities during 2008-09. An Institute Management of Committee has been set up with pharma industry to guide college development and ensure institute-industry linkage. My Government will also take up the work of construction of new building to the Architecture College at Donapaula for which land is available.

## **INDUSTRIES**

**53.** Speaker sir, the Goa State Industries Association has represented to me to extend the validity of schemes formulated under the Goa State Industrial Policy 2003 which is expiring on 31-3-2008. Therefore, while I propose to extend the validity up to 31-3-2011, I expect that the industries department will analyze the reasons for their non-implementation and if necessary, suitably redefine the schemes in consultation with stake holders for their vigorous implementation.

**54.** However, there is a need to promote environment friendly industries having high employment potential to the local unemployed youth. Goa has already emerged as a pharmaceutical hub and there is scope for further expansion as the people of Goa have inclination to work in this industry. There is also a passion for cashew processing and jewellery sector in the State. Therefore, I propose to undertake cluster development plan for industries in Goa in the sectors of pharma, cashew processing and jewellery in the initial phase. It is proposed to carry out

diagnostic studies for identifying strengths and weaknesses of these clusters and undertake strengthening of facilities for these clusters.

**55.** Speaker sir, my Government will also give a major boost for implementation of bio-tech policy and will evolve suitable package for promotion of bio-technology during the year 2008-09. My Government will work on a time line so that it will not remain on paper. I also propose to set up bio-incubator during the year 2008-09 in Goa University, for which I have made an initial provision of Rs.1.00 crore in the budget estimate 2008-09, which will be suitably enhanced during the course of the year. For revival of sick industrial units, my Government will implement a revival and rehabilitation scheme during the year 2008-09.

**56.** As per an assessment of Directorate of Trade, Industries and Commerce, many industries set up in the State long time ago, have optimized their capacity utilization and also increased their capacity beyond the capacity registered at the time of incorporation to achieve economies of scale in production. Considering the contribution of such industries to the State's economy, my Government would consider extending one time opportunity to regularize the increased capacity on case to case basis.

**57.** Speaker Sir, my Government is making efforts to create employment opportunities in IT field particularly for Goan youth. I am happy to make a mention here that the IT park set up at Verna Electronic City by the Government has a built-up space of about 12,000 sq. meters, which

have been allotted for only IT Software and BPO operations. It is pertinent to note that there are more than 550 employees working in this IT Park at Verna and more than 90% are Goans. The employment that is generated in this park is for Graduates and under graduates in all disciplines.

**58.** Presently, Goa contributes around Rs.16.00 crore annually by way of export of IT software and BPO services. This amount is relatively low as compared to some other States in the country. Goa has the potential for generation of additional employment in IT software and IT enabled services. This will also significantly help the economic growth of Goa.

**59.** Speaker sir, the youth of Goa aspire for good quality jobs. IT software and BPO industries can significantly contribute for creation of such quality jobs and fulfill the aspirations of Goan youth. At present, the IT industry in India is growing at the rate of 30% per annum. As of now large numbers of youth are compelled to work out of Goa, particularly in IT field. This is evident from many companies who come to Goa for campus interviews at various colleges and Goa University.

**60.** Government made sincere efforts to establish an IT park at Scorro-Salvador do Mundo plateau on an area of about 2,75,000 sq.mts. My Government would be happy to see that these projects are implemented and fully operational as early as possible. The Government has to be committed for addressing the unemployment issues prevailing in Goa. Setting up of IT software and BPO industries would certainly create

quality jobs to Goan youth. Government has also received requests for IT Parks at other places.

## **ONE TIME SETTLEMENT SCHEMES**

**61.** Speaker sir, the Economic Development Corporation has a very high level of non-performing assets that has badly hit the financial position of the Corporation. Considering the request received from the Corporation to give one more opportunity to the defaulters, I agree for introduction of One Time Settlement scheme for all small entrepreneurs who had availed a loan of Rs.10.00 lakh and below and also to other parties wherein the principle security has been totally eroded.

**62.** I understand, there are large accumulated arrears in public works department and electricity department pertaining to water supply charges and electricity charges respectively. In order to help small consumers having an accumulated arrears up to Rs.10,000/-, I propose to extend one time settlement scheme for the defaulters of both electricity and water supply charges. At the same time, I intend to expedite recovery proceedings against other defaulters as per law. I also propose to evolve suitable one time settlement scheme for the defaulters of sales tax dues to recover huge pending arrears. My Government will extend suitable support to the industries covered under BIFR award taking into account employment generated by such industries to the local population and their contribution to the State's economy.

## **SPORTS AND YOUTH AFFAIRS**

**63.** Speaker sir, it is heartening to note that Goan sportspersons have started excelling in national and international arena. The younger generation has started bringing accolades to Goa at different levels and in various categories with their scintillating performances. This is an area which requires higher level of investment so as to provide better infrastructure and facilities to the budding sportspersons for vigorous training and practice and enhance their level of competence. We are fortunate that Government of India has allotted the National Games 2011 to Goa which will enable the State to put in place quality infrastructure. As the Members of this August House are aware, the Hon'ble Prime Minister during his recent visit to Goa had promised financial support required for hosting the National Games 2011 in Goa. The State has proposed an outlay of Rs.570.00 crore in the Eleventh Five Year Plan for hosting the event and sought Rs.100.00 crore from the Planning Commission during 2008-09. In this regard, I am pleased to mention here that in a meeting attended by me and Hon'ble Chief Minister in the Planning Commission, New Delhi on 18<sup>th</sup> March 2008, the Dy. Chairman, Planning Commission has agreed to make funding arrangement for Rs.100.00 crore during the year 2008-09 for developing infrastructure for National Games 2011.

**64.** The land admeasuring 1,30,328 sq.mts has been acquired for construction of a state of art cricket stadium at Tivim in Bardez taluka. Installation of a 400 mts synthetic track and astro turf hockey playfield

at the State Centre of Excellence, Peddem, Mapusa is under process. About 70% of the work of construction of girl's hostel at Peddem Sports Complex has been completed and the project will be commissioned during 2008-09. The developmental works of the swimming pools at Ponda, Sanquelim and Quepem are in progress. The development of playgrounds in 20 villages is in full swing and land is being acquired at 39 different places in villages for development of play grounds. The Sports Authority of Goa will be suitably supported by the Government for infrastructure development and implementation of various schemes. My Government will extend suitable financial assistance to the sports clubs that have excelled and brought glory to the State of Goa.

## **ROAD TRANSPORT**

**65.** In the Road Transport sector emphasis is being laid on systemic reforms, technology adoption and development of infrastructure. The year 2008-09 will be observed as 'Year of Roads' with a thrust on Road Safety Education, Training and Infrastructure development. To minimize death and injury due to road accidents, the Government plans to introduce traffic engineering, strengthen the traffic machinery through additional manpower and equipment and undertake modernization of transport department. Traffic engineering cell will be set up in the Public Works Department. Installation of traffic signals at strategic locations will be given priority. For the purpose of Road Safety Education and Training, I have increased the provision under Police Department from Rs.15.00 lakh in 2007-08 to Rs.94.00 lakh in the Budget Estimate 2008-

09. During the year 2008-09, I propose to implement a new scheme for providing suitable compensation to the family of road accident victims, for which a provision of Rs.300.00 lakh is made in the Budget Estimate 2008-09.

**66.** In order to provide easy and efficient service to the people in the remote areas of Quepem, Sanguem and Canacona, a full-fledged office of Regional Transport Authority has been established with the effect from 23-8-2007. My Government has decided to switch over to high security registration plate for motor vehicles and execution of concession agreement for a period of 15 years with the selected concessionaire is in the final stage. My Government has also decided to introduce vehicle registration certificate in the form of smart card with electronic chip and optical strip for the reasons of safety and convenience. For the purpose, the process of executing an agreement with the selected bidder is in the final stage.

**67.** My Government intends to construct modern bus stands at different places with adequate infrastructure facilities. It is also proposed to construct an integrated modern, spacious Transport Bhavan in Panaji bringing all the Transport related services under one roof. The consultant appointed by the Government is in the process of conducting preliminary survey and preparation of designs in respect of bus stands and Transport Bhavan. The design in respect of construction of modern bus stand at Margao is almost ready and construction will be taken up during 2008-09. A new bus stand will be constructed at Aldona in



Bardez taluka. Besides, acquisition of additional land for expansion and upgradation of bus stands is also under process.

## **WOMEN EMPOWERMENT**

**68.** In order to encourage women to take up entrepreneurship, I propose to reserve and give priority for allotment of plots for women in industrial estates through the Industrial Development Corporation. Special scheme will be evolved with suitable subsidy component for setting up of industries by the women entrepreneurs. Creation of hostel and Crèche facilities for working women will be given thrust. My Government intends to create exclusive infrastructure for women entrepreneurs at strategic locations to preserve and sell their produce.

**69.** In order to encourage women to undertake income generating activities and become self reliant, my Government will launch a new scheme of providing training under various trades through mahila mandals during the year 2008-09. The scheme will be implemented all over the State through trained resource persons by providing grants to mahila mandals which will cover the cost of remuneration of trainers and raw material. Women will be encouraged to form self help groups to achieve economies of scale in production by providing financial assistance under different schemes of the Government. In this direction, I propose to exempt the self help groups from payment of stamp duty on various transactions and documentations for availing financial assistance from banks and financial institutions for a period of 5 years. Women self help groups will be provided with outlets in market places

and bus stops to sell their products. In order to create awareness in the society about the ill effects of alcoholism, I propose to launch a new scheme for providing grants to NGOs during the year 2008-09. My Government has also finalized a retirement benefit scheme for Anganwadi workers through Life Insurance Corporation of India so as to provide minimum retirement benefit of Rs.1.00 lakh per person. This scheme will be implemented during the year 2008-09.

## **CHILD DEVELOPMENT**

**70.** Speaker sir, my Government will evolve a suitable scheme for setting up of day care centers and also for regulating and promoting pre-primary education in the State including uniform curriculum and trained teachers to nurture tiny-tots. New buildings with necessary infrastructure will be provided to all the anganwadis for which possibility of availing financial assistance from the NABARD is being explored. During the year 2007-08, 50 new anganwadi centres have been made operational. My Government will improve the quantity and quality of nutritious food provided to the children attending anganwadis and also severely malnourished children by suitably enhancing the existing cost ceilings during the year 2008-09. The Government has already decided to implement a scheme for Universal Screening of new born babies for inborn errors, which will have a package of screening, counseling and direct and indirect referral services. As per 2001 population census, there is a significant gender gap of 13% in literacy rate with female

literacy being only 69%. Special emphasis will be laid on girl child education and reduction of girl child dropout rate in schools.

## **HEALTH**

**71.** Speaker sir, the Health sector in the State is undergoing major transformation. Goa State Health Advisory Council has been set up with eminent doctors specialized in different specialties from India and abroad as members under the chairmanship of Health Minister to advise the Government on various health related issues.

**72.** Emphasis is being laid on improving the quality of infrastructure and services in all the health institutions in the State. Neuro surgery is the first super speciality Post Doctorate Course, which has been recognized by the Medical Council of India in the Goa Medical College and Hospital. Government of Goa has decided to strengthen the department of Neuro-surgery in GMC so that quality education can be provided to the students registered for M.Ch courses. In view of this, it is proposed to purchase integrated intra-operative C.T. system for the Department of Neuro-surgery. The Government has also set up a separate Urology Department in GMC and presently a Consultant Urologist and 2 surgery consultants have been appointed on honorary basis. The Urology department will be strengthened with necessary infrastructure including Lithotripter and other equipment. The Paediatrics Surgery Department in GMC has been further strengthened by appointing two additional Paediatric surgeons as consultants. This department will be further strengthened with necessary equipment including Paediatric Endoscope

and other instruments. My Government is in the process of selecting a private partner for setting up of super-speciality hospital under Public Private Partnership model.

- 73.** A modern Centralized Laboratory having facilities for all types of investigations that may be required at GMC under the Reagents Lease Agreement is proposed at Goa Medical College. Under this scheme, the vendors will provide highly sophisticated laboratory equipment free of cost and the Government will enter into a lease agreement with the same vendor. This will improve the quality of tests and reports.
- 74.** Various other upgradation proposals planned for GMC are setting up of Cath Lab and Cardiovascular Units; upgradation of Casualty, Trauma, and two Operation Theatres and reception area; construction of Nurses and Girls Hostels, Guest House, Auditorium and purchase of high tech ambulances with medical equipment. The GMC library will be strengthened with latest books and journals, which will also cater to the Dental College students.
- 75.** Speaker sir, the Goa Dental College will also be upgraded with necessary infrastructure and state of the art equipment. Construction of phase-II of the dental college and hospital with state of art dental and medical equipment will be taken up. In order to provide dental services to the door step of the people, mobile dental clinics will be started in rural areas with necessary infrastructure. All the departments will be strengthened with state-of-the-art equipment. For this purpose, I have

doubled the Annual Plan outlay for Dental College from Rs.2.25 crore during 2007-08 to Rs.4.58 crore in the Budget Estimate 2008-09.

**76.** The new District Hospital at Mapusa will be made operational by May 2008. Upgradation of Primary Health Centre at Bicholim, Candolim and Mayem has been entrusted to GSIDC. The process of construction of Community Health Centre at Ponda, Rural Medical Dispensary at Rivona is in progress and Primary Health Centre, Chinchinim is nearing completion. Foundation stone for construction of Community Health Centre at Valpoi and Sanquelim has been laid, which will consist of 70-bedded Gynaecology and Paediatrics Department and the work will commence during 2008-09. It is proposed to start a Urology unit at Community Health Centre, Canacona. It is also proposed to introduce DNB course during 2008-09 with an intake capacity of 20 students. Considering good response from rural citizens, it is proposed to start four more mobile clinics with Mamography facilities.

**77.** It is also proposed to construct a new 450 bedded district hospital at Margao. It is also proposed to take up construction of new hospital at Tiska Usagao, which will be specialized in Preventive and Social Medicine. Emphasis will be given for capacity building for the personnel working in GMC, Dental College and Directorate of Health Services which would include short term courses and exposure visits.

**78.** Food and drug laboratory of the Directorate of Food and Drugs has started functioning from a new building at Bambolim. It is proposed to construct a new administrative building at the same site. In order to

ensure food and drug safety in the State, the laboratory will be strengthened with necessary modern equipment to augment facilities to test all types of food and drugs sample.

## **INFORMATION TECHNOLOGY AND E-GOVERNANCE**

**79.** Speaker sir, the information technology sector has achieved significant progress since last 2-3 years. The Goa Broadband network, under Public Private Partnership model, has been designed to build a converged Wide Area Network that connects the State Headquarters; district headquarters with all 11 talukas, village panchayats, households and institutions across the State for providing speedy and transparent governance system capable of providing better services to the citizens. Goa will be the first state to have IP based architecture, which carries voice, video and data encapsulated in IP packets across the State. The network will be used for communicating between the G2G, G2B, G2C and other Government departments. The network's potential will also be harnessed by putting it into use for broader range of applications including social usage such as e-learning.

**80.** As far as the progress of this project is concerned, Optical fiber cable backbone laying for the first phase has already been completed providing connectivity between the State Head Quarter, District Headquarters and all 11 taluka headquarters. The first phase was inaugurated by Honorable Prime Minister Dr. Manmohan Singh on 27<sup>th</sup> December 2007. Video phone has been provided to the Head of the Departments, while IP phones will be provided at all desks in more than

300 offices in this phase and the same would be extended to other offices and departments till the village Panchayat level in the next phase.

**81.** Another important initiative is Integrated Information Infrastructure (I-3) project, which is a giant leap of e-governance, is nearing completion. The critical element of e-Governance is Information & Communication Technologies (ICTs), which enables the Government to modernize its service delivery, which comprises State Data Centre, Single Official Portal and Lok Seva Kendra (LSC). The implementation of State Data Centre is almost ready and will be operational soon. Single Official Portal is expected to be ready in the beginning of 2008-09 for providing various services to citizens like collection of electricity and water bills, land records, birth & death certificates, collection of various government receipts etc through Lok Seva Kendra setup all over the State. In order to provide real time based services to the citizens, computerization of 32 Government Department has been taken up. The implementation of software applications of some departments has already commenced.

**82.** In order to leverage the potential of Goa Broad Band Network and Integrated Information Infrastructure project, my Government has decided to implement another project entitled "Setting up of IT Knowledge Centres" at 40 locations across the State. This project envisages creation of a large pool of computer literate manpower which will be very helpful for the State to make the exercise of introducing e-

governance solutions much more meaningful and enabling the citizens for quality job opportunities in IT Software and IT enabled services including BPOs. This project initiative will reap the benefits of IT revolution and will provide ICT access to all sections of the society, bridging the gap between 'Information poor' and 'Information rich'. The vision is to give computer training to at least one member of every family till the village level and make Goa the first State in the country to have highest e-literacy rate.

- 83.** Speaker sir, the Planning Commission in the meeting held on 18<sup>th</sup> March 2008 has applauded the initiatives taken by the State in the Information Technology sector. The Planning Commission has suggested leveraging the IT infrastructure to maximize economic benefits. The Planning Commission has also approved Rs.35.00 crore for e-governance project in the Annual Plan 2008-09. Accordingly, I have made a provision of Rs.60.00 crore in the Budget Estimate 2008-09 for Information Technology sector.

### **CHIEF MINISTER'S ROJGAR YOJANA**

- 84.** Speaker sir, under Chief Minister's Rojgar Yojana, so far more than 2350 beneficiaries have been sanctioned financial assistance of Rs.25.38 crore, of which Rs.20.12 crore has been disbursed. This scheme has been received very well by the unemployed youth and there is tremendous demand to continue the scheme and also to enhance the level of assistance. Under the scheme, 50% of the project cost is provided as interest free share capital to the beneficiaries through the



Share Capital Assistance to Self Employed Scheme of the Directorate of Industries, Trade and Commerce. I understand, this scheme of providing share capital is expiring on 5<sup>th</sup> August 2008. In order to cover more unemployed youth under CMRY scheme, I propose to extend the the scheme of providing share capital for a period of 5 years up to August 2013. I also propose to enhance the present loan limit under the CMRY scheme from the existing Rs.2.00 lakh to Rs.4.00 lakh in case of non-technical beneficiaries and Rs.4.00 lakh to Rs.6.00 lakh in case of professionals and technically qualified persons. I am sure this will encourage a large number of unemployed youth to take up self employment in the years ahead.

## **WAIVING OF LOANS**

- 85.** Speaker sir, my Government has waived all the outstanding loans of SC farmers taken from Agriculture Department as announced in the budget speech 2007-08. The Government has also waived the loan sanctioned to Scheduled Caste, Scheduled Tribe and OBCs by the Social Welfare Department for construction of Houses. Considering the hardships faced by the farmers and poor people who had availed loan from the Government under different schemes, I propose to waive all the loans taken by the farmers through agriculture department, housing loans taken under rural housing scheme of Directorate of Panchayats, housing scheme of Directorate of Social Welfare including Rajiv Awaas Yojana and loans given to panchayats under remunerative schemes by the Directorate of Panchayats up to 31<sup>st</sup> March 2007. This is basically

justified due to the fact that economically poor people need financial support in the form of subsidy rather than loan. After liberation of Goa tenants associations were formed to protect bunds and a scheme was implemented to give 50% subsidy and 50% loan to be repaid by the tenants association being their contribution. At present the scheme is modified at 10% contribution by the tenants associations. However, a number of tenants associations have not paid the Government their contribution and thus they are not entitled to get the benefit of 10% contribution in the modified scheme. Therefore, I propose to waive the loans of tenants associations taken from Agriculture Department till the modified scheme of 10% contribution came into being.

## **INTEREST SUBSIDY FOR AGRICULTURE AND ALLIED ACTIVITIES**

- 86.** Speaker sir, credit-deposit ratio of Banks in Goa is very low and there are very few takers of loan for agriculture and allied activities. Therefore, in order to accelerate investment in agriculture and allied activities and encourage farmers to increase their production, I propose to allow them to take loans from Banks at 4% rate of interest up to Rs.5.00 lakh and the difference in interest rate chargeable by the banks will be paid as subsidy directly to the banks by the Government. Interest subsidy will be extended only if the repayment is prompt and regular. This scheme will be extended to Agriculture, Animal Husbandry and Fisheries sectors.

## **AGRICULTURE**

**87.** Speaker sir, my Government will make all efforts to increase commercial viability of agriculture by technology induction to reduce labour cost, creating better farm infrastructure and protecting the farmers from collapse in the market prices for their produce. For developing authentic data base of agriculture in Goa and to facilitate better planning, I propose to procure satellite images of the State along with interpretation and derivation of the data which would include imposition on cadastral plan, land use, crop coverage etc. from National Remote Sensing Agency.

**88.** Agriculture machinery is of utmost importance to reduce the cost of cultivation and dependence on manual labour. The youth are also more inclined to use agricultural machinery rather than going in for manual work. Village Agro Service Societies, are, therefore, proposed to be promoted to provide skilled agricultural services through machinery and specialized workers. For such registered societies, during the year 2008-09, I propose to provide subsidy to the extent of 50% on machinery acquired and allow them to take bank loan for the remaining 50% of the cost at 4% rate of interest and differential interest will be paid by the Government as subsidy directly to the banks. For individual farmers also, during the year 2008-09, in addition to the existing subsidy of 50%, I propose to allow them to take loan from banks for the balance 50% of the cost at subsidized interest rate of 4%. Machinery and equipment like power tillers, tractors, paddy transplanters, brush

cutters, paddy harvesters, dryers, pesticide sprayers, arecanut shelling machines etc. will be covered under this programme.

- 89.** At present, support price is provided to Supari category of arecanut and 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> grade is not considered. The support price is given to the extent of difference in price received by the farmers in open market and Rs.100/- upto a maximum of Rs.20/- per kg. Presently, about 2400 cultivators are given support price of Rs.1.30 crore per annum for 1000 tones of supari. Considering the demand from cultivators, I propose to extend the support price to 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> grade arecanut to the extent of Rs.10/- per kg. in the year 2008-09. This is expected to cover additional 1600 tones of arecanut.
- 90.** Presently, cashew is not covered under support price. As per an assessment of agriculture department it is economical to the farmers to cultivate and sell cashewnuts for Rs.40/- and above. However, in order to protect the interest of farmers, I propose to extend support price to cashew up to a maximum of Rs.5/- per kg. if the price goes below Rs.40/- per kg. in the year 2008-09.
- 91.** Presently, support price extended to paddy is Rs.1/- per kg covering about 1300 tones of paddy benefitting over 1800 farmers annually. In order to boost paddy production and also make paddy reasonably remunerative and help small farmers in rural areas, I propose to increase the support price for paddy to Rs.5/- per kg. in the year 2008-09.

- 92.** For promotion of organic farming, at present farmers are getting 50% subsidy of the inputs and standard costs of construction under Government of India scheme. I understand, the cost of infrastructure for production of vermin-composting has increased drastically in recent years. Therefore, I propose to extend additional subsidy of 25% to the vermin-composting units thereby raising the subsidy component to 75% in the year 2008-09.
- 93.** In order to promote banana plantation, presently farmers are getting Rs.15,000/- per hectare payable in three 'yearly installments' under National Horticulture Mission Programme. Considering the increased cost of production, I propose to increase the subsidy to Rs. 30,000/- per hectare and the State subsidy of Rs.15,000/- will be provided in the first year itself.
- 94.** Seed has always been a critical input that determines performance of a crop. The Government subsidizes paddy, groundnut and pulse seed to the extent of 50% of the cost. This helps in replacement of seeds and increase in the yield. During the year 2007-08, 333 tonnes of paddy and 5.1 metric tones of groundnut seed was made available to the farmers at subsidized rate. This scheme will be continued during 2008-09 and improved varieties will be made available to the farmers.
- 95.** To safeguard the crop from stray and wild animals, farmers are already getting 50% subsidy for fencing. During the year 2008-09, in addition to subsidy, I allow them take loan from banks at 4% rate of interest for the balance 50% of the cost and differential component of

interest rate will be given as subsidy by the Government directly payable to banks.

- 96.** At present, subsidy for water pumps is 90% upto 3 HP which includes 65% assistance from the State and 25% from Government of India. During the year 2008-09, I propose to extend this scheme up to 5 HP pumps. However, old pumps replaced for inefficient working will be provided only the State sector subsidy of 65% up to 5 HP pumps. I propose to provide State subsidy of 50% for the pumps above 5 HP during the year 2008-09. For irrigation conveying pipeline, I propose to enhance the subsidy from the existing 25% to 50% and also the maximum limit from Rs.10,000/- per hectare to Rs.20,000/- per hectare during 2008-09. In order to promote micro and sprinkler irrigation, during the year 2008-09, I propose to establish standard cost per hectare incurred to extend subsidy to the extent of 70% of the cost, inclusive of Government of India's assistance. For removal of noxious weed that causing extensive damage to horticulture crops, I propose to extend financial assistance to Self Help Groups during the year 2008-09. I propose to institute awards for outstanding performers in agriculture at taluka, district and state levels.

## **ANIMAL HUSBANDRY**

- 97.** Efforts are being made to strengthen this sector with necessary infrastructure development and support to farmers. A scheme for extending subsidy for purchase of cattle is being worked for implementation during 2008-09. Setting up of a full-fledged Liquid

Nitrogen Plant will be achieved during 2008-09. The possibility of expanding the existing piggery farm at Curti- Ponda is being explored. Suitable land is being identified for establishment of pig breeding farm in South Goa. The Veterinary Hospital at Tonca has been fully upgraded and commission with modern sophisticated equipment. It is proposed to upgrade the Government Veterinary Hospital at Sonsoddo, Raia during the year 2008-09. All the farmers will be encouraged to take loan from the banks at subsidized interest rate of 4% with interest subsidy payable by the Government directly to the banks.

## **FISHERIES**

**98.** Speaker sir, the National Institute of Oceanography has already completed a study regarding demarsal fisheries in Goa and the final reported is awaited. Various schemes already in the pipeline and proposed for implementation during 2008-09 are supply of cycles and autorickshaws having insulated boxes, establishment of kiosks, fish meal plant and establishment of aquarium. The construction of compound wall at Malim jetty has been completed during this year and the construction work of administration building at Malim is in progress. A project consisting of construction of 300 mts jetty and widening of jetty road at cutbona costing Rs.4.10 crore has been approved by the Government of India and Rs.75.00 lakh has been received during 2007-08. The work has already commenced.

**99.** A master plan for development of fishing harbours and fish landing centres in Goa has been prepared by CICEF. The recommendations of

the report are being examined for implementation. During the year 2008-09, the boat owners will be encouraged for conversion of trawlers for resource specific fishing like tuna fishing etc. It is proposed to develop ornamental fisheries in the State and training programmes will be given training for the purpose. My Government reimburses VAT on HSD to the fishermen, for which a provision of Rs.11.00 crore is made in the budget estimate 2008-09.

## **COOPERATIVE SECTOR**

**100.** The new Goa Cooperative Societies Act, 2001 and the Goa Cooperative Societies Rules 2003 have been implemented from 26-1-2008. The State has already enacted Goa Agricultural Produce Marketing (Development & Regulation) Act, 2007 and relevant Rules are being approved by the Government. The recommendations made in the Task Force Report submitted by the Vaidhyathan Committee for revival of Rural Cooperative Credit Institutions are being examined and will be appropriately implemented after signing a MOU with the Government of India.

**101.** The Sanjivani Sahakari Sakhar Karkhana Ltd. has an accumulated loss of Rs.38.00 crore and the loss incurred during 2006-07 was Rs.3.58 crore. Efforts are being made to reduce loss, by selling sugar in the export market and the amount realized is being used for repayment of loans. This will result in saving of interest payment, insurance premium, storage, transportation, loading and unloading cost. There is a scheme of National Federation of Cooperative Sugar Factories Ltd. for sick sugar



factories extending interest free loan to sugar factories to make payment of cane price arrears of the farmers. The possibility of availing assistance under this scheme is being explored. It is also proposed to conduct a diagnostic study of the sugar factory to evolve a plan of action for its revival during 2008-09. I have made a provision of Rs.5.00 crore in the Budget Estimate 2008-09 as share capital contribution to the sugar factory.

### **JAWAHARLAL NEHRU NATIONAL URBAN RENEWAL MISSION**

**102.** The Panaji city is covered under Jawarhalal Nehru National Urban Renewal Mission for total upgradation of the city. The City Development Plan prepared by the State has already been approved by the Government of India. The triapatriate Memorandum of Agreement has been signed among Corporation of City of Panaji, Government of Goa and Government of India for implementation of reforms under JNNURM. The detailed project reports are under preparation by the Corporation of City of Panaji and central grant for one project report is expected shortly. For this project, I have made a provision of Rs. 66.63 crore in the Budget Estimate 2008-09.

### **TOURISM**

**103.** Speaker sir, during the year 2008-09, emphasis will be laid on infrastructure development and projects are being vigorously pursued with Government of India for additional grant of nearly Rs.100.00 crore from Ministry of Tourism, Government of India. Construction of Paryatan

Bhavan bringing all tourism related offices under one roof is proposed. Various projects proposed for implementation are widening of road, car parking and toilet facilities at Bogmalo beach in Mormugao taluka, development of Tourism jetty & parking lot at Panaji, development of Phase II work at Mardol near Mahalasa temple in Ponda taluka, upgrading of existing car parking facilities at Calangute beach and upgradation of infrastructure facilities, development and maintenance of places of tourist interest. Setting up of Golf Course under Public Private Partnership format is being considered. A scheme to assist maintenance of heritage houses is being prepared for implementation during 2008-09. A scheme to provide bed and breakfast to tourists by the households in villages by extending subsidy and loan through Chief Minister's Rojgar Yojana will be evolved to promote village tourism.

## **REGIONAL PLAN 2021**

**104.** Speaker Sir, as committed by the Government, the Regional Plan 2011 has been scrapped. A task force has been set up for new Regional Plan 2021 and its report is expected in April 2008. The report of the task force will be the road map for preparation of Regional Plan 2021 for Goa.

## **INFRASTRUCTURE DEVELOPMENT IN VILLAGES**

**105.** Speaker sir, my Government is committed to extend full support for infrastructure development in villages through the Panchayat Raj Institutions. Accordingly, I have made substantial increase in the budget

estimate 2008-09 under various schemes of Directorate of Panchayats. My Government has launched a new scheme for infrastructure development in villages through Public Works Department during 2007-08 with an outlay of Rs.40.00 lakh. I have increased the provision for this scheme to Rs.4.00 crore in the Budget Estimate 2008-09. I have increased the grant to village panchayats for infrastructure development from Rs.5.16 crore in 2007-08 to Rs.8.00 crore in the budget estimate 2008-09. I have made a provision of Rs.4.50 crore to Zilla Panchayats for infrastructure development in villages. I have made a provision of Rs 7.20 crore in the Budget Estimate 2008-09 being Twelfth Finance Commission grants to be released to village panchayats for maintenance of assets and other purposes I have increased the grants to village panchayats in lieu of Octroi from Rs.4.00 crore this year to Rs.7.10 crore in the budget estimate 2008-09. In order to tackle plastic menace in the villages, my Government has provided plastic shredders to 11 village panchayats, one in each block on experimental basis. Collecting plastic garbage from all the villages and shredding it through private agency is being explored.

## **DEVELOPMENT OF PORTS**

**106.** Goa has tremendous potential to become a premier maritime centre in the country. For this purpose, I propose to evolve suitable maritime policy for Goa. I propose to set up Goa State Maritime Board to develop minor ports during 2008-09. As far as infrastructure development is concerned, construction of jetty at Brittona is in progress by the GSIDC.

The demolition and construction of new jetty at Panaji by the GSIDC will be undertaken only after studying the environmental impact assessment report from NIO by the Goa Coastal Zone Management Authority. It is proposed to make the Maritime School, Brittona, a Centre of Excellence with total upgradation of infrastructure and other facilities. The annual intake of various courses at the Maritime school at present is 500, which will be doubled by upgrading the necessary infrastructure including building and other facilities. It is proposed to take up construction of new grab dredger and four new ferry boats during 2008-09. Dredging of mouth of river and inland waterways will also be taken up during 2008-09.

## **SECTORAL POLICIES**

**107.** In order to lay thrust on development there is a need to evolve sectoral policy in different sectors in consultation with experts and stake holders. In this direction, during the year 2008-09, I propose to evolve State Infrastructure Development Policy and Act, State Policy on Privatization and Public Private Partnership, State Housing Policy doing justice to the shelterless Goans, State Rehabilitation Policy for Goans displaced by development projects and Mining Policy.

## **ROADS AND BRIDGES**

**108.** Speaker sir, as the Members of this August House are aware, Hon'ble Prime Minister during his visit to the State on 27<sup>th</sup> December 2007 was kind enough to respond to the serious infrastructure bottlenecks in road

sector in Goa. As informed by the Hon'ble Prime Minister, the Government of India has approved four-laning of the entire 139 kms length of NH-17 including a second bridge on the Zuari river and also upgradation of 69 kms of NH 4A at an estimated cost of Rs.1500 crore. Under Bharat Nirman, Government of India has agreed to take up improvement of 760 kms of rural roads at a cost of Rs.150.00 crores.

**109.** Hon'ble Prime Minister had also asked the State to send proposal for improving State and District roads for financial assistance. Accordingly, a proposal seeking central grant of more than Rs.600.00 crore has been sent to Government of India for State and District Roads. In response to this, the Planning Commission has already given indication for setting up of a task force headed by Principle Advisor (Transport) in the Planning Commission with Senior Officers from Central Ministry and Government of Goa as members to workout modalities for providing additional grant of Rs.100.00 crore during 2008-09 for development of road network in Goa.

**110.** For the Roads and Bridges sector, I have increased the total budget provision from Rs.188.00 crore in the Budget Estimate 2007-08 to Rs.238.00 crore in the Budget Estimate 2008-09.

## **WATER SUPPLY AND SANITATION**

**111.** Under Water Supply and Sanitation sector, strengthening of infrastructure is given priority. The scheme of augmentation of Opa Water Supply Scheme by additional 40 MLD is about 80% completed

and will be fully completed during 2008-09. It is proposed to take up Madei Water Supply Scheme for 35 MLD during 2008-09. Augmentation of Salauli Water Supply Scheme by 20 MLD is nearing completion. Providing and laying of 1422 mm diameter pipes in main distribution gravity line of Salauli Water Supply line for a vulnerable stretch of 11.30 kms is being completed. I have made a provision of Rs.20.00 crore in the Budget Estimate 2008-09 for Margao Sewerage Project.

- 112.** A Tripartite agreement between Ministry of Urban Development, Government of Goa and JICA has been executed for total upgradation of water supply, sewerage and sanitation in the State. This project costing Rs.1031.00 crore will cover Mormugao, Margao, Ponda and costal belt of North Goa and South Goa. The financial assistance in the form of soft loan is expected to flow from Japan Bank of International Cooperation during next year for which a provision of Rs.75.00 crore is made in the budget estimate 2008-09.

## **SOCIAL SECURITY AND WELFARE**

- 113.** Speaker Sir, during the year 2008-09, my Government is laying special emphasis on welfare of all sections of the society. In the budget estimate 2008-09, I have earmarked Rs.5.00 crore for providing financial assistance of Rs.25,000/- to Self Help Groups and Mahila Mandals for undertaking various income generating activities. I have made a provision of Rs.2.00 crore for providing financial assistance to small kiosks owners for upgradation of their existing business activities. I have also made a provision of Rs. 2.50 crore for giving financial

## **DEVELOPMENT OF SC, ST AND OBCs**

**114.** Speaker sir, as mentioned by me already my Government will take care all sections of society with emphasis on economically weaker sections irrespective of caste, creed and religion. While doing so, it will be ensured that specific schemes meant for SCs, STs and OBCs are implemented with more vigour and focus. The Tribal Development Plan and Special Component Plan prepared by the Social Welfare Department will be implemented for providing substantial benefit to these communities. My Government will identify specific needs of these communities in consultation with community leaders while evolving development plans.

## **REVENUE ADMINISTRATION**

**115.** Speaker sir, construction of new building for District Headquarter, South Goa has been taken up through GSIDC for which I have made a provision of Rs.10.00 crore in the Budget Estimate 2008-09. My Government will evolve a suitable scheme for providing financial assistance for crematorium and burial ground in every major city and villages to be implemented through district authorities. Under National Land Resource Management Programme, it is proposed to take up construction, upgradation, renovation of storage facilities and land records. Towards technology induction in its functioning, 200 handheld terminals for recording field data in digital form and 6 electronic total stations will be acquired by the Directorate of Settlement and Land Records during 2008-09.

## **ELECTRICITY**

**116.** Speaker Sir, my Government is introducing a bill in the current session of the Assembly for charging electricity duty of 18 paise to domestic consumers and 58 paise to non-domestic consumers. This measure is taken to accelerate infrastructure development in Power sector. The revenue collected from this measure will be totally set aside for infrastructure development in power sector by evolving appropriate financial mechanism. Accordingly, I have made a provision of Rs.80.00 crore both under receipt side and expenditure side exclusively for infrastructure development.



**117.** As committed in the budget speech 2007-08, my Government has notified the scheme to provide incentives to bulk consumers like HT and EHT consumers for achieving better power factor and higher load factor subject to provision of TOD metering and keeping of harmonics within permissible limits. During this year around 43 MW of captive/co-generation has been brought on stream to overcome peak hour shortfalls and earn additional revenue through sales. Further, additional allocation of 51 MW from central generating stations has also been arranged. Power infrastructure in terms of sub-stations, transformers, erection of lines etc has been implemented at various places. During the year 2008-09, the work of providing 2<sup>nd</sup> 100 MVA power transformer at Xeldem 220/110 KV sub-station will be taken up to augment the capacity in South Goa by additional 100 MVA. A new 220/110/33/11 KV sub-station at Verna and 220 KV line from Ponda-Verna-Xeldem is also proposed to cater the increasing industrial demand. It is proposed for the first time to have a power banking arrangement for exchange of upto 50 MW off peak power i.e. 00.00 to 06.00 hours for evening peak hour power i.e. 18.00 to 22.00 hours.

**118.** Accordingly, I have increased the plan allocation for power sector from Rs.119.00 crore in BE 2007-08 to Rs.222.29 crore in the Budget Estimate 2008-09.

## **STRENGTHENING SECURITY INFRASTRUCTURE**

**119.** Speaker sir, Goa is well known for peaceful atmosphere, hospitable people and high level of social order. Everyone wants to come to Goa to

spend some time happily and joyfully. Therefore, what ever untoward incidence that takes place in Goa gets immediate attention as no one wants that this beautiful land fall prey to any destructive and anti social forces. I assure that my Government will take all necessary steps required to ensure safety of every one who live in Goa or visit Goa as tourists. Goa has been safe place for women and will continue to remain safest place, which my Government will ensure. There will not be any compromise on maintaining law and order and social order.

**120.** In this direction, my Government has requested the Government of India to sanction additional India Reserve Battalion, which will be pursued vigorously. My Government has already taken a decision to set up Coastal Security Police Force in the State, for which I have made a provision of Rs.6.25 crore in the budget estimate 2008-09. Setting up of Coastal Police Stations is already underway. The construction of building for Coastal Police Station at Siolim has been initiated and one at Betul has been tendered. In case of Coastal Police Station at Harbour, estimates are being prepared. The Goa Police Force will be modernized with required infrastructure, modern equipment, arms & ammunition, vehicle etc, for which I have made a provision of Rs.6.00 crore in the budget estimate 2008-09.

**121.** Speaker sir, I propose to take advantage of IT infrastructure to implement another important surveillance project with security cameras in order to provide safety and security to the citizens and assets, particularly considering looming clouds of terrorism threats in the

country, increasing vehicular traffic, thefts, crimes etc. through Information Technology Department.

## **WELFARE OF JOURNALISTS**

**122.** Speaker sir, the forth estate has been requesting the Government to extend welfare schemes to their fraternity. Accordingly, I have increased the Government contribution to the pension scheme for Journalists from Rs.2.00 lakh to Rs.4.00 lakh in the Budget Estimate 2008-09. A scheme is also being evolved for providing computers to Journalists. The Goa Union of Journalists has also requested me to extend financial support for their medical insurance scheme, which I propose to consider during 2008-09.

## **WELFARE OF GOVERNMENT EMPLOYEES**

**123.** Speaker sir, my Government has already enhanced washing allowance to Group 'D' employees and Drivers at the rate of Rs.70/- per month. I propose to extend the enhanced rate of Rs.70/- per month to all the Group 'C' employees who are presently drawing washing allowance at lower rate. I also propose to extend bonus facility of Rs.1000/- to the daily wage employees who have completed 240 working days during the year 2008-09.

## **TAX AND NON-TAX PROPOSALS**

### **VALUE ADDED TAX**

**124.** Speaker sir, I took over as Finance Minister of the State in July, 2007.

My first task was to bring an improvement in tax and non tax revenue.

Tax revenue being the major source of resources to meet the cost of the developmental projects in the State, my first focus was on collection of tax revenue such as VAT, CST, Luxury Tax, Entertainment tax and Entry tax. Speaker Sir, I am proud to make a statement in this house that not only I succeeded in achieving the revenue target fixed for the current year, but I am likely to exceed my collection by over Rs. 200 crores, over the given target, for which, I congratulate my Commercial Tax Department for doing a remarkable job.

**125.** As against the total collection of Rs.842.00 crores during last financial year, I have achieved actual collection of Rs.875.00 crores under VAT – Sales Tax & CST by end of February 2008, and expect to touch the magic figure of Rs.1000 crores during the current year by end of March 2008, which will register a growth of almost 18% over the last year.

**126.** The Commercial Tax Department is presently under computerization. Initial work of software development was entrusted to CMC Pune, which could not deliver us the desired results and therefore the work of development of VAT Soft is now entrusted to NICS-Goa on the lines with Karnataka State VAT Soft which is expected to be in full operation by October 2008. The trial run of the software is likely to commence in

April, 2008. I assure this August House that by end of December 2008, the department will be 100% computerized, so that we can think of filing E-returns by commencement of the next financial year 2009-10.

**127.** Speaker Sir, VAT is a trust based system and mainly depends on voluntary compliances and self declarations. Goa being geographically a small State, the revenue is generated within a limited field of business activities, where for better compliance, we need to have better enforcement and audit. Speaker Sir, the Commercial Tax Department presently does not have their own check posts but they operate on working arrangements with the check posts of State Excise Department. The Excise Department has their own functions and resultantly it has become impracticable for them to pay attention to Tax on Goods. Speaker Sir, the Department of Commercial Taxes today is in need of independent check posts in the nature of entry plaza on all the interstate borders to tighten the enforcement of the law so that the evasions are curtailed and controlled. I therefore propose to establish independent check posts for the Commercial Tax Department on all the notified places, which will be manned by the Commercial Tax Department. These check posts will be IT integrated check posts with the help of Goa Broadband facility to make it fully transparent with connectivity to the head quarters. Speaker Sir, the Department may have to spend for this annually around Rupees Two Crores extra on establishment but the department will ensure an additional revenue of

Rupees Thirty crores every year due to successful operation of check posts.

**128.** Speaker Sir, similar to check post enforcement, there is a need of Audit and Statistical cell to check the voluntary compliances and take up audit assessments and also build commodity statistics to plan for the additional resource mobilization. Sir, my Ministry is working to support this department for creating their infrastructure such as providing required strength of executive staff, providing good office premises to all wards and Head quarters, computerization and all other basic requirements for smooth and effective functioning of the Department, which is expected to result in good growth of tax revenue.

**129.** Speaker Sir, inspite of the fact that the department is doing well, I have come across a fact that there was heavy accumulation of appeal matters for shortage of appellate authorities between year 2001 to 2004. Similarly, upon implementation of Value added system w.e.f. 01-4-2005, the assessments under the sales tax regime upto 31-3-2005 were to be completed on priority, failing which the department would not be able to concentrate on stability of VAT System. The completion of these assessments on priority have rendered either in ex-parte assessments or assessments in dues for want of "C" forms or "F" Form declarations and have given rise to number of pendency of appeals and recovery matters.

**130.** Speaker Sir, while performing a dual and effective role in having a solution over this issue, I propose to give some relief to the dealers and

accelerate the recovery of dues simultaneously by proposing a Settlement of Appeals and Arrears Scheme 2008 which will help the department to settle the disputed recoveries and collect the outstanding revenue. The proposed scheme of settlement of appeals and arrears will benefit for settlement of arrears in cases involving upto Rs.20.00 lacs, per assessment.

**131.** Speaker Sir, the Scheme shall be put into operation any time after 15<sup>th</sup> April 2008 and will remain open for two months. All payments made under the Scheme during two months period, shall qualify for waivers allowed in the scheme. No condonation will be permitted for late payments. The department anticipates a special recovery of around Rs.30.00 crores revenue under this scheme by way of settlement.

**132.** Speaker Sir, there are continuous demands and representations from the local industries manufacturing "**capital goods**" to allow their interstate sales to unregistered dealers to tax at par with local sales. These capital goods are manufactured by the local industries which do not have market within the State and having put a condition of Form VAT XXX, their products do not qualify for a concessional rate of tax available to the capital goods in the interstate market as the purchaser cannot issue them C form. Sir, to support local industries, I would like to vacate the condition of Form VAT XXX for goods being covered by the term "capital goods", when they are sold to unregistered dealer in the inter-state market and allow them to be taxed at 4% CST only. This

will promote the sale of products of local industries outside the State of Goa.

**133.** Speaker Sir, the banking section in India has developed a very good IT network all over the country. Banks today are giving 24 hours service to the account holders through ATM machines. Sir, Goa is having one reputed industry manufacturing ATM machines and meeting the requirements of various leading banks in India. ATM is however not included in the list of IT product and therefore, the said commodity is taxable at 12.5%. Speaker Sir, ATM machines are purchased by Banks to widen their cash networks, but banks are not registered dealers and therefore they cannot support their purchases with "C" form declaration. Major takers of ATM being inter-state customers and the tax rate being 12.5%, my industry is loosing the business and therefore, to attract the sales, the goods produced in Goa are generally stock transferred to other states and billed accordingly, where the Government of Goa is loosing heavy tax revenue. To safeguard State's tax revenue on such transaction, I propose to specify the ATM in Schedule "B" taxable at 4%. Government had issued a notification for inter-state sale of ATM at 1% CST, but with the "C-Form being made compulsory, the said notification has practically become in operative. Now, with its entry in Schedule "B", the interstate sales will be taxed at 4% and my government shall be ensured of revenue realization.

**134.** Speaker Sir, the plastic and paper bags are being generally used by the retailer in packing of consumer goods. These bags when used by



industries are considered as "industrial packing" taxable at 4%. Since use of plastic/paper bags by retailers do not amount to industrial inputs, they are taxable at 12.5% and the retailers are tempted to buy them from inter-state suppliers where Government of Goa is loosing tax revenue. This is because the retailers use them as service to customers. Resultantly, the local industries suffer. To support my industry and encourage local retailers to purchase these plastic/paper bags as packing material, I propose to specify the said goods in Schedule "B" taxable at 4%. The amendment will be effective from the next financial year.

- 135.** Speaker Sir, the time allowed for completion of assessment as provided in section 29, is two years from the end of the financial year. The VAT is introduced in Goa w.e.f. 1.4.2005 and therefore, as per the above provision the assessments for the year 2005-06 are due by 31.3.2008. Sir, it took almost one year for stabilization of VAT and thereafter the time is consumed on the computerization of records, training of staff and various other issues of system stability of VAT and the department and dealers are in difficulty in completing the time barring assessments of 2005-06 by March 2008. Sir, I therefore, feel it incumbent on me to give special powers to the Commissioner by way of proviso or otherwise to grant extension of time not exceeding one year for completing such time barring assessments, which will facilitate the department to ensure completion of all pending assessments within the extended time.

**136.** Speaker Sir, photographic paper and chemicals are manufactured in Goa, for sale within and outside the State. The photographic paper manufactured locally has got more market in other States. The UT of Pondicherry is also manufacturing these goods and effecting inter-state sales at very low CST. Since the purchasers of these goods are service oriented units, they purchase such goods from grey market and avoid payment of tax. This Government had recently specified the said items as industrial inputs, so that our units are supported and tax loss is captured. Industrial inputs being a conditional entry, the sale of products to unregistered interstate purchasers (photographic labs) is taxable at 12.5% and therefore the notification for concessional rate for photographic paper does not become effective. The chemicals are separately specified in the schedule B and therefore it is available to tax at 4% CST. To support the industry and to ensure proper collection of tax on these sales, I propose to specify the said commodity in Schedule "B" taxable at 4%.

**137.** Speaker Sir, the "Sale price" has been defined in sub-section (ad) of section 2 of GVAT 2005. Similar definition has been provided in sub-section (h) of section (2) of CST Act 1956. However, in case of works contractor the definition of sale price in the CST Act contains a proviso, which authorizes, the Government to prescribe the percentage abatement for services to be deducted from the total consideration of works contract so that the amount arrived after such deduction shall be deemed to be the sale price for the purpose of the said clause. The

definition of sale price in Goa VAT Act 2005 does not make such provision, which is found necessary to bring the two acts at par, by inserting the necessary proviso, so that, any ambiguity within the local and inter-state sales be avoided.

**138.** Speaker Sir, there is a persistent request from the trade, CA Institute and the Chamber for extension of the date of filing of VAT audit reports. The present provision stipulates that such report is required to be furnished within 9 months from the close of the financial year. Sir, during the 1<sup>st</sup> year of VAT, this date was provisionally extended till end of 10<sup>th</sup> month. Now, since there are persistent requests, my Ministry having considered the said requests has recommended for such extension, and I therefore propose to extend the said period upto 10 months i.e. by the end of January every year.

**139.** Speaker Sir, there are certain commodities like plasma TV, LCD TVs, Air Conditioners, Home Theatres, etc. which are costly consumer goods, rather luxury, are proposed to be taxed at higher rate. TV otherwise are taxable at 12.5%. The higher rate proposed is 15%. The proposed entry will be listed in schedule "C" with a rider for minimum cost ceiling.

**140.** There is a consistent demand from the Trade, for reduction of rate of VAT on the sale of plastic tarpaulin and HDPE fabrics as these goods are widely used by poor section of people and farmers at large either to provide shelter from rains or even for drying paddy, spices, coconuts and cereals. Further, it is also been widely used by road and building contractors to provide huts to the labourers at the site work. Presently,

the item plastic tarpaulin is not covered by any schedule, naturally, the said item is taxable at residuary rate of 12.5%. The States like Bihar, TamilNadu, WestBengal, Andhra Pradesh etc. have issued special notifications for reducing the rate of tax on plastic tarpaulin and plastic sheets at 4% based on its usage. Having considered similar representations, I propose plastic tarpaulin and HDPE fabrics as taxable at 4% under Schedule 'B' of Goa Value Added Tax 2005.

## **ENTRY TAX**

**141.** Speaker Sir, Entry tax is not a source of revenue, but it is in the compensatory nature to reimburse the expenditure being incurred by the State Government for creating infrastructure in the State. Sir, under the Entry Tax the target fixed for the year is Rs.80.00 crores, but the actual collection by end of February 2008 is already Rs.121.00 crores and the department may touch Rs.130 crores by end of the year. Sir, during the last financial year, the rate of tax on the Naptha used by chemical fertilizer industry was reduced from 18% to 12.5%. Even after this difference in tax rate, the department has equaled the last year tax collection

**142.** Speaker Sir, there is a proposal before me to impose Entry Tax either in the nature of tax or fee on the entry of other vehicles with outside Goa registration entering Goa with tourists. I intend to impose entry tax of Rs.100/- per vehicle (excluding goods vehicle) other than Goa registration. For this purpose an integrated high tech transport plaza will be constructed at the border entry points bringing all the

departments under one roof and also installing weigh bridges on Public Private Partnership basis. An independent check post suggested earlier will be a part of this integrated transport plaza. All the vehicles entering the borders will be examined by relevant agencies including authentication of document. After examination, each vehicle will be provided with an authenticated adhesive certificate and thereafter no authority will stop such vehicles during their movement within the State except in extreme cases due to security and other compelling reasons. The entry pass may be valid for a period of ten to fifteen days.

## **LUXURY TAX**

**143.** Sir, Goa is a tourist destination and every year more than 25 lakh tourists either domestic or overseas are visiting Goa. Sir, commercial tax department is collecting tax on accommodation. Until 2005-06, the luxury tax collection in Goa, was within the range of Rs.30.00 crore. The luxury Tax rate schedule was rationalized and simplified in 2006-07, whereby the tax collection on luxuries provided in the hotel could rise to Rs.42.00 crores by March 2007. For the current year, the target was fixed at Rs.50.00 crores, but the actual collection by February 2008, has crossed Rs.60.00 crores and I expect to achieve to Rs. 70.00 crores by March 2008.

**144.** Sir, during the last year's budget, this Government decided to exempt the luxuries provided in the hotel upto Rs.500/- from payment of tax. In fact this was justified but, still the department observed that in case of package tours the payment for luxuries and other services are

segregated in such a way that the payment of tax in genuine case is also avoided. To overcome this deficiency, Sir, I propose to amend the schedule of luxury tax again so that the exemption is reduced to Rs.250/- per room per day and the luxuries provided between Rs.250 to 750 are taxed at lower rate of 3%. Sir, while reducing the exemption, I also propose to reduce the rate of tax on luxuries for Rs.500/- to 750/- which is today at 5%. This will capture the evasion and increase the luxury tax collection by Rs.3.00 crore.

## **ENTERTAINMENT TAX**

**145.** Sir, Goa Entertainment Tax Act, 1964 was re-structured last year which included services like casino, DTH, Horse races, motor car rides, water sports, boat /river cruises etc. in the Entertainment Tax net. Some of these services are also covered by service tax, and therefore there are representations from such sections for concession in rate of Entertainment Tax. Sir, I am proud to State that the actual collection of Entertainment Tax during 2007-08 is double the collection of the previous year and I expect it still to grow. But, having considered the fact that small water sports etc. who are in the un-organized sector provide such services for self employment and therefore they need to be given more attention.

**146.** Speaker Sir, as regards cinema theatres the Government had introduced payment of subsidy for a period of 5 years, equal to the tax collected and paid by them, to upgrade the old theaters and create an infrastructure which should suite the requirement of IFFI. Sir, many of

the theatres in Goa have taken benefit of the scheme. Sir, the exemption of the cinema tickets until now is only Rs.10/- which I would like to raise to Rs.50/-. No one can expect to have a ticket less than Rs.50/- for a good infrastructure. This will encourage the small theatre owners to upgrade the standard of their cinema halls. Sir, similarly I would also like to reduce the minimum rate of tax from existing 30% to 20% and also the corresponding upper ceilings. The maximum rate which is today at 40% is being reduced to 30%. For small water sports, I agree to reduce from existing 15% to 10%. In case of events like dance and musical and cultural performances the minimum rate of tax of 10% is extended to a ticket from Rs.300/- to Rs.500/-, which should encourage voluntary disclosure.

**147.** In turn, I propose to raise the rate of Entertainment Tax of DTH from existing Rs.20/- per connection to Rs.25/- per connection per month and casino games from the existing 5% to 10% of the casino receipts.

**148.** Sir, sports is an entertainment and the said service is today taxable, when the ticket is exceeding Rs.100/-. Sir, to encourage our youth for national and international sports, I propose to exempt the sports games from levy of entertainment tax.

**149.** Sir, inspite of all the above concessions offered in my budget proposal, I expect the collection of entertainment tax to grow at least by three crores over the current year.

## **EXCISE**

- 150.** Speaker sir, I have already mentioned about spectacular achievement of Excise Department in revenue collection during this year 2007-08. I congratulate the Department of Excise for the same. In order to further tap the revenue generation potential, I propose following proposals for implementation during 2008-09.
- 151.** The excise duty on Indian Made Foreign Liquor other than Milk Punch Wines and Beer whose strength is about 80 UP manufactured and sold in the State of Goa is increased to Rs.15/- per bulk litre from the existing Rs.9/- per bulk liter. Similarly, the Indian Made Foreign Liquor is increased to Rs.15/- per bulk litre from the existing Rs.9/- per bulk litre.
- 152.** The licence fee to obtain licence to sale foreign liquor for consumption on premises is also proposed to be increased. For Hotel with 3 star and above or 'A' Category as classified by Tourism Department the licence fee will be increased from Rs.2.00 lakh to Rs.2.50 lakh. For Hotels with 2, 3 & 4 star category or 'B' Category as classified by Tourism Department will be increased from Rs.60,000/- to Rs.1.00 lakh. I also propose to levy additional fee of Rs.1.00 lakh to the hotels having Casino licence issued by the Government irrespective of any category mentioned above.
- 153.** I also propose to increase the licence fee for retail sale of IMFL and Country liquor on the premises. For hotel with 3 star and above having 'A' category by tourism department, the licence fee will be increased



from Rs.50,000/- to Rs.1.00 lakh. For Hotel with 2,3, & 4 star and above having 'B' category issued by the Tourism department, licence fee is increased from Rs.30,000/- to Rs.40,000/-. I also propose to levy additional fee of Rs.1.00 lakh to hotels having Casino licence issued by the Government irrespective of any category mentioned above.

**154.** In the present system, wholesalers having licence for IMFL or Country liquor intending to obtain additional licence for sale of foreign liquor in the same premises have to pay only Rs.10,000/- as processing fee. I propose to increase the same to Rs.20,000/-. In the present fee structure, there is no processing fee for retail sale of foreign liquor. I propose to levy processing fee of Rs.20,000/- for issuing licence for retail sale of foreign liquor either in packed bottled or consumption on premises. It is also processed to levy processing fee of Rs.20,000/- for processing the application for issuing licence for retail sale of beer and wine for consumption in beer parlour.

**155.** Speaker sir, I propose to charge processing fee of Rs.10.00 lakh for establishment of Distillery, Brewery or Winery except Wineries manufacturing wine with natural fermentation. Such wineries manufacturing wines with natural fermentation shall have to pay the existing processing fee of Rs.25,000/-.

**156.** For those units who apply for change of licence for manufacture of wines from rectified spirit/extra neutral alcohol to natural fermentation i.e. the process of manufacturing is changed from spirit based to natural

fermentation and vice versa, I propose to levy processing fee of Rs.2.0 lakh.

**157.** At present bar or bar-cum-restaurants to which air conditioning facilities are available or provided have to pay licence fee of Rs.15,000/- per annum. While applying this fee there is no differentiation whether the bar premises is in rural area or urban. The bars in smaller towns having air conditioning facility have to pay same fee at par with bigger cities whose business quantum are much larger. Therefore, to give relief to the bar owners in smaller towns, I propose to prescribe area-wise licence fees to the bar premises having air-conditioning facilities. In 'A' class municipalities including Corporation of City of Panaji and Coastal villages, I propose to levy licence fee Rs.15,000/-. In 'B' Class Municipalities other than coastal villages, I propose levy licence fee Rs.10,000/-. In all other cases, I propose to levy licence fee of Rs.5,000/-.

**158.** The licence fee of bar and bar-cum-restaurant and the licence fee for retail vendor of IMFL & CL in packed bottles has remained unchanged since April 2001. Therefore, I propose to make moderate increase in licence fee in all such cases. In 'A' class municipalities including Corporation of City of Panaji and Coastal villages, I propose to increase the licence fee from Rs.6000/- to Rs.7000/-. In Towns/Cities other than 'A' Class municipalities, I propose to increase the licence fee from Rs.3300/- to Rs.4000/-. In villages other than coastal villages, I propose to increase the licence fee from Rs.1600/- to Rs.2000/-.

- 159.** For retail vendor of IMFL and country liquor in packed bottles, I propose to increase the licence fee from Rs.6000/- to Rs.7000/- in 'A' class municipalities including coastal villages, Rs.3300/- to Rs.4000/- in towns other than 'A' class municipalities and Rs.1600/- to Rs.2000/- in villages other than coastal villages.
- 160.** Speaker Sir, at present IMFL, other than Beer & Wine imported and sold in Goa whose strength is below 80 UP and the maximum retail price thereof is below Rs.500/-, the excise duty is Rs.42/- per proof litre. Whereas, for brands having maximum retail price of Rs.500/- and above for 750 ml bottle, the excise duty is Rs.175/- per proof litre. I propose to rationalize the duty structure and reclassified them appropriately. I propose to retain the excise duty of Rs.42/- per proof litre upto maximum retail price of Rs.500/-. I propose to retain the excise duty of Rs.175/- per proof litre for maximum retail price of Rs.500 and above and up to Rs.1000/- . For maximum retail price of Rs.1000/- and above, I propose to levy excise duty of Rs.200/- per proof litre per 750 ml bottle whose strength is below 80 UP.
- 161.** I propose to modify the import fee towards import of all Foreign Liquor into the State of Goa or transported from Custom Stations into the State of Goa. For maximum retail price upto Rs.1500/- for 750 ml bottle, I propose to levy Rs.200/- per bulk litre and for maximum retail price above Rs.1500/- for 750 ml bottle, I propose to levy Rs.300/- per bulk litre.

**162.** Speaker sir, my Government intends to protect the interest of local industry. Increasing import of wine into the State in the recent past has become threat to the local industry of wines. Therefore, in order to protect local industry, I propose to increase the import fee on imported wine from Rs.50/- per bulk litre to Rs.100/- per bulk litre. Simultaneously, to promote local wine industry, I propose to exempt milk punch and wines without using rectified spirit for fortification and manufactured by process of fermentation of fruits only from payment of excise duty from the existing rate of 4% per bulk litre.

**163.** At present excise duty on country liquor manufactured with rectified spirit/extra neutral alcohol as a basic material and or blended thereof is Rs.15/- per bulk litre whose MRP is less than Rs.65/- and Rs. 45/- per bulk litre whose MRP is Rs.65 and above. I propose to do away with MRP and levy Rs.15/- per bulk litre uniformly.

**164.** At present there is no transfer fee on transfer or purchase of alcohol/spirit within the State of Goa for the purpose of manufacture of IMFL/Wine/HBS/Malt Sprints/Grape Spirit/and all other spirits. In order to have proper check and accountability on the spirits/alcohol manufactured and sold within the State of Goa, I propose to levy a fee of 50 paise per bulk litre for transfer or purchase of alcohol. It is pertinent to note that this type transfer fee is levied in other States on intra state transfer of alcohol.

**165.** I also propose to increase export fee from the existing 50 paise per bulk litre to Rs.5/- per bulk litre on export of IMFL other than Beer,

Wine, Milk Punch whose strength is above 80 UP. I also propose to increase the excise duty on milk punch and wines imported and sold in the State of Goa from Rs.6/- per bulk litre to Rs.8/- per bulk litre.

**166.** I also propose to levy a fee of Rs.10/- per case of liquor/beer/wine up to 9 bulk litre on all franchises. The franchise fee shall be paid by the unit that has been permitted by the parent unit to the bottling activity of its liquor brands.

### **CONVERSION FEE UNDER THE GOA LAND REVENUE CODE**

**167.** The conversion rates of land under the Goa Land Revenue Code, 1968 were last amended about 7-8 years ago. Therefore, I propose to rationalize the fee structure for land conversion by amending the section 32 of the Goa Land Revenue Code, 1968. I propose to enhance fee on the area proposed for conversion. Accordingly, for personal housing in rural areas, I propose to retain levy Rs.10/- per sq.mt for 500 sq.mts and below and propose to levy additional Rs.10/- per sq.mt for every 500 sq.mts and part thereof. For any constructions, in Coastal villages falling within 500 meters from HTL, I propose to increase the fee from the existing Rs.50/- per sq.mt. to Rs.75/- per sq.mt. and for beyond 500 meters from HTL, I propose to increase the fee from the existing Rs.25/- per sq. mts. to Rs. 40/- per sq. mt. This will also be made applicable to municipal area.

## **INFRASTRUCTURE**

**168.** Speaker Sir, presently infrastructure tax is levied uniformly at Rs.40/- per sq.mt to multi dwelling buildings including industrial buildings under the Goa Tax on Infrastructure Act, 1997. I propose to prescribe different infrastructure tax for residential and commercial and other non-residential constructions. While I propose to levy infrastructure tax of Rs.50/- per sq.mt. for residential constructions, Rs.100/- per sq.mt. will be levied for commercial and other non-residential constructions.

**169.** Speaker Sir, there are lot of rules and regulations covering FARs in the State. It is now noticed that irrational and discretionary FARs are given in different locations in Goa. I feel that villages and cities should not be allowed more than a particular FAR. Accordingly, I propose ceiling of granting FAR as follows. In 'A' Class municipalities maximum FAR be restricted up to 200. In 'B' Class municipalities and urban towns it may be restricted upto 150. In 'C' class municipalities and villages it may be restricted to 100. However, department will be free to reduce the same depending on locations and sites.

## **CESS ON TRANSPORTATION OF ORE, COAL ETC.**

**170.** The mining activity especially Iron ore and its transportation within the State and from outside the State and also transportation of Coal from outside the State is causing severe damage to the infrastructure in the State. This is not only damaging the environment and infrastructure, but also affecting the health of the people. The State is spending huge

amount of money on maintaining and improving the infrastructure every year. While this industry is making handsome gains, its contribution to the infrastructure of the State is minimal. In view of this, I propose to revise the rates mentioned in schedule I of the Goa Rural Improvement and Welfare Cess Act, 2000 on all carriers transporting material. I propose to increase the rate per ton on transportation of Iron ore, Manganese ore, Bauxite ore where royalty is not paid to the Government of Goa from the existing Rs. 5/- per metric ton to Rs.50/- per metric ton. For transportation of Iron ore, Manganese ore and Bauxite ore where royalty is paid to the Government of Goa, I propose to increase the rate from Rs.2/- per metric ton to Rs.20/- per metric ton. For transportation of Coal and Coke, I propose to increase the rate from Rs.5/- per metric ton to Rs.50/- per metric ton. I also propose to increase the rate for transportation of sand from outside Goa from the existing Rs.2.00 per cubic meter to Rs.20.00 per cubic meter. This measure is expected to yield additional revenue of about Rs.90.00 crore during the year 2008-09.

## **STAMP DUTY CHARGEABLE ON CONVEYANCE DEEDS**

**171.** Sir, at present stamp duty chargeable on conveyance deeds/gift deeds in the State of Goa is 2%. The registration fee is also 2%. Lots of people are coming to Goa from outside for purchase of land and housing units. As their intention is mainly to make investment in Goa buying larger properties by investing huge amount, I propose to charge

higher rate of stamp duty on big transactions. At the same time, I propose to safeguard the interest of common men by retaining the existing rate of two percent for properties valued up to Rs.30.00 lakh. Further I propose to increase the stamp duty to 3% for properties valued above Rs.30.00 lakh to Rs.50.00 lakh, 4% for properties valued above Rs.50.00 lakh to Rs.1.00 crore and 5% for properties valued above Rs.1.00 crore.

## **TRANSPORT**

**172.** Speaker sir, a bill is scheduled for introduction in this Assembly session to amend the Goa, Daman and Diu Motor Vehicles Tax Act, 1974 to introduce tax slabs with differential rates on the category of motor vehicle owned by 'other than individuals'. This will not have any impact on individual buyers. This measure expected to yield additional Rs.4.00 crore per annum.

**173.** It is observed that passenger tax on contract carriage vehicles, registered in a State other than the State of Goa and entering or plying in the State of Goa and also registered in the State of Goa is very low in comparison with other States. Therefore, during the year 2008-09, I propose to further amend the Goa, Daman & Diu Motor Vehicles (Taxation on Passengers & Goods) Act, 1974 and increase the passenger tax on contract carriage vehicles, registered in a State other than the State of Goa and entering or plying in the State of Goa from



the existing Rs.200/- per seat per month to Rs.500/- per seat per month. Similarly, for the vehicles registered in the State of Goa, I propose to increase the passenger tax from the existing Rs.100/- per seat per month to Rs.150/- per seat per month for big bus and mini bus and Rs.70/- per seat per month to Rs.100/- per seat per month for maxi-cabs. This is expected yield additional revenue of Rs.4.00 crore.

**174.** While registering vehicle, some people demand for specific registration numbers, for which they are ready to pay premium. Therefore, for registration of vehicles with single digit number I propose to charge Rs.1.00 lakh. In case anybody seeks specific two digit number, I propose to charge Rs.50,000/-. For registration of any specific three or four digit number, I propose to charge Rs.25,000/-. This is applicable to only for those people who apply for specific registration number from registration authorities.

## **REVIEW OF VARIOUS FEES UNDER DIFFERENT DEPARTMENTS**

**175.** Speaker sir, Finance Department has undertaken a review of fee structure for various services in different departments. The Finance Department is examining the existing fees and will take suitable decision for modification in due course of time.

## **BUDGET ESTIMATE 2008-09**

**176.** Speaker Sir, I have spoken at length at the beginning of my speech about financial position of the State. I only reiterate that all effort will be made to sustain good fiscal health of the State. In the budget estimate 2008-09 I have projected a revenue surplus of Rs.225.64 crore, which will be used for infrastructure development as capital expenditure. The fiscal deficit in the Budget Estimate 2008-09 is placed at Rs.799.42 crore, which is within the net borrowing ceiling approved for the State in the Annual Plan 2008-09 by the Planning Commission. The gross plan expenditure projected in the Budget Estimate 2008-09 is Rs.1750.75 crore as against the Budget Estimate 2007-08 of Rs.1303.08 crore, which is a significant growth of 34.35%. This includes Rs.1686.95 crore for State Plan, Rs.58.99 crore for Centrally Sponsored Schemes and Rs. 5.81 crore as 7/8<sup>th</sup> reimbursable share for ESI scheme. In the Budget Estimate 2008-09, the capital expenditure under Plan is projected at Rs.1015.47 crore as against the Budget Estimate 2007-08 of Rs.726.16 crore registering a significant growth of 39.8%.

## **CONCLUSION**

**177.** Speaker Sir, focus of my budget 2008-09 is welfare of all sections of the society and all round development of the State. I have tried to set policy prescription to give a definite direction for the

progress of the State. The message is very clear. While it is difficult to ensure equitable distribution of income and health there is a need to bridge the gap between the rich and the poor. Rich people, who can afford have to bear the cost so as to maximize the benefit to the poor. I have tried to extend comforts to 'aam admi' by seeking little contribution from 'amir admi'. I am sure this budget will be a landmark in the history of Goa setting tone for future of the State.

**178.** I wish to end by citing a quote from Bhagwat Gita to my friends, because I believe in the same.

One must deliver himself with the help of his mind, and not degrade himself. The mind is the friend of the conditioned soul, and his enemy as well.

For him who has conquered the mind, the mind is the best of friends; but for one who has failed to do so; his mind will remain the greatest enemy.

**JAI HIND**