

has become necessary to accommodate certain items which had to be provided for subsequent to the presentation of the Budget in March, 1971.

The provision for capital expenditure is marginally higher at Rs. 38.90 crores, compared to Rs. 38.79 crores in the earlier Budget. The overall deficit is now placed at Rs. 15.72 crores. While some concrete steps have been taken to improve the State's financial position, there is no gainsaying the fact that some basic problems remain and it is our hope that we will be able to take further steps towards their solutions. I may assure the House that the State's budgetary position will be kept under continuous review to see what further measures are necessary to cover the gap in resources.

The Budget now provides for a Plan outlay of Rs. 72.25 crores. The State has been able to mobilise additional resources to the extent of Rs. 2.5 crores by rationalisation and revision of electricity tariffs from 10th April, 1971, in accordance with the recommendations of a Tariff Committee which had gone into the question. In the context of the large development programmes which the State Electricity Board is undertaking, particularly under rural electrification and providing power to irrigation pump sets, the restructuring of tariff was imperative.

The Budget includes a provision of Rs. 7.12 crores as non-Plan expenditure on certain irrigation schemes in the Cauvery Basin which have been continuing from previous years. The Mysore Government have been pressing for some time past for inclusion of these schemes in the State Plan. As the House is aware, these are the schemes which are under dispute and discussions are currently being held with the Governments of Tamil Nadu and Mysore in this regard.

The Budget provides for an outlay of Rs. 12.54 crores for Centrally sponsored schemes. About Rs. 8 crores will also be provided by the Centre under special programmes for small farmers, marginal farmers and agricultural labour as well as for special schemes to relieve rural unemployment. In addition the State Government have also initiated schemes for alleviating the problems of educated and rural unemployed.

GUJARAT BUDGET, 1971-72

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH) : I beg to present a statement of the estimated receipts and expenditure of the State of Gujarat for the year 1971-72.

Statement on the Budget of the Government of Gujarat for 1971-72.

Sir,

I beg to present the Budget of the State of Gujarat for 1971-72. The House is aware that a Proclamation under Article 356 of the Constitution was issued by the President on the 13th May, 1971 in respect of the State of Gujarat. By virtue of this Proclamation, the powers of the Legislature of the State are now exercisable by or under the authority of the Parliament. The Budget of the State of Gujarat for the year 1971-72 was presented to the State Vidhan Sabha in March, 1971 but only a 'Vote on Account' was obtained for four months i.e. upto the end of July, 1971. Accordingly the State's Budget for this year is now being presented to Parliament.

The Budget Estimates for this year show a surplus on revenue account of Rs. 14.35 crores ; the receipts are placed at Rs. 233.17 crores and the expenditure met from revenue at Rs. 218.82 crores. The provision for capital expenditure is Rs. 46.43 crores. The current year is expected to close with an overall deficit of Rs. 1.29 crores. The deficit is however, likely to be fully covered through normal improvement in income and possible savings.

The Budget for 1971-72 provides for an outlay of Rs. 98.67 crores for the annual Plan of 1971-72 which includes Central assistance of Rs. 31.60 crores. The provisions for agricultural programme including cooperation, community development and irrigation account for nearly 39 percent of the Plan outlay ; the power Sector accounts for about 28 percent ; industries, mining, transport and communications account for 11 percent and the balance is spread over the other sectors. In the formulation and implementation of the annual Plans, emphasis is being laid on ameliorating the conditions of scheduled castes, the scheduled tribes, small and marginal farmers, landless,

[Shri K. R. Ganesh]

agricultural labourers, village artisans, industrial and low salaried workers and other weaker sections of the society. A specific provision of Rs. 25 lakhs has been made for new schemes for the welfare of scheduled castes and tribes.

The State's economy on the whole is making good progress on the agricultural as well as the industrial front. During 1970-71, foodgrain production in the State is expected to reach the figure of 35 lakh tonnes against 30.89 lakh tonnes in 1969-70. The production of groundnuts was also satisfactory. Measures aimed at intensive cultivation, modernisation and mechanisation of agriculture, use of high yielding varieties of seeds and fertilizers and increase in irrigation facilities are under way. The construction of head works comprising earthen and masonry dams and head regulator of the Ukai Project is nearing completion. Preliminary work for the construction of the dam for Sabarmati (Dharoi) Reservoir Project and Vasana Barrage Works has been undertaken. The Tapi embankment scheme estimated to cost Rs. 4.45 crores will be taken up as a part of flood control works.

The State has completed the programme of legislation for abolition of intermediate land holders and the tillers of the soil have been made owners of the land, subject to payment of the prescribed price to the landlords. For this purpose the Gujarat State Co-operative Land Development Bank has drawn up a scheme which envisages providing funds to the tenants for payment of purchase price to the landlords to secure full title of land, the amount advanced by the Bank would be recovered from the tenants in suitable instalments. The scheme will cost Rs. 8 crores and the State Government has undertaken to bear the losses, if any, incurred by the Bank.

The industrial production in the State during 1970-71 registered significant improvement in the organised sector. The Indian Petro-Chemical Corporation Limited has started its work. The Aromatic Project is expected to be commissioned towards the end of 1972. The Naphtha Cracker estimated to cost Rs. 30 crores, is expected to be on stream in early 1974. A Fertilizer Project in the Co-operative Sector is also being established at Kandla-Kalol. The Corporate network comprising Gujarat Industrial Development Corporation, Gujarat

Industrial Investment Corporation, Gujarat State Financial Corporation and Gujarat Small Industries Corporation is playing its role in providing infra-structure facilities and financial assistance to large and small scale units in the State. The Gujarat Textile Corporation is doing useful working in restarting sick textile mills and providing employment to workers rendered jobless by closure of several mills.

The Gujarat State Electricity Board has undertaken several schemes to meet the increased demand for power by industries. The schemes for expansion of Dhuvaran Thermal Power Station with an additional capacity of 280 M. W. and Ukai Hydro Project with 300 M. W. capacity are in advanced stages of implementation. Considerable progress has been achieved in the field of rural electrification; 3,951 villages and 66,159 wells have been electrified till the end of March, 1971.

A provision of Rs. 48 crores have been made in the Budget for education; it represents about 20 percent of the total revenue expenditure. Primary education and Secondary education for girl students is free in the State; the scheme for grant of fee concession to the boys in the secondary schools has also been liberalised. A sum of Rs. 25 lakhs has been provided in the Budget for additional assistance to educational institutions including Science Colleges and for providing scholarships to poor and deserving students.

With a view to providing some employment opportunities in the rural areas a scheme called "right to work" has been formulated and a provision of Rs. 30 lakhs has been made in the Budget. Under this scheme, 12 Ambar Charkha Centres in six districts of the State have been sanctioned which will provide employment to over 1500 persons. Under the Central Sector Scheme for chronically drought affected areas, programmes of minor irrigation, roads, soil conservation etc. are being taken up to relieve the problem of unemployment in these areas. A scheme of "Educated Employment Relief" has been evolved for which a provision of Rs. 30 lakhs has been made in the Budget.