

SECRET

GOVERNMENT OF THE PUNJAB
FINANCE DEPARTMENT

SUMMARY
FOR THE
M.L.A. / GOVERNOR
ON THE
SUPPLEMENTARY BUDGET STATEMENT
FOR
1979-80

[MAY, 1980]

SUMMARY FOR THE MLA/GOVERNOR

Subject—Supplementary Budget Statement for 1979-80.

Supplementary Grants required to finance additional expenditure during the current financial year are being submitted in the form of a Supplementary Budget Statement for 1979-80.

2. The total Supplementary Grants and Appropriations required for the current financial year amount to Rs. 37.75 crore. This figure, however, includes an amount of 11.43 crore required additionally for the operation of SCARP tube-wells due to the unforeseen increase in WAPDA's tariff. But for this the total Supplementary Grants and Appropriations of the current year would have been Rs. 26.32 crore against Rs. 36.72 crore last year. This substantial containment was brought about by maintaining a strict control over public spending and restricting extra-budgetary expenditure to the barest minimum for in-escapable items. The major items are briefly discussed in the subsequent paragraphs.

Working Expenses on Irrigation :

3. WAPDA raised the electricity tariff in respect of SCARP tubewells from 24 paise to 36 paise per unit with effect from 1st July, 1979. Similarly, tariff in the case of tubewells connected with Grow More Food and Lift Irrigation Schemes was increased from 22.75 paise to 30 paise per unit with effect from the same date. This necessitated an extra-budgetary allocation of Rs. 11.47 crore for operation and maintenance of tubewells of the Irrigation Department for which a supplementary demand is being made.

Irrigation works :

4. An additional amount of Rs. 1.80 crore is required for various emergent flood reconstruction and protection works of the Irrigation Department. These requirements are being met entirely from savings within the Grant. A token supplementary demand of Rs. 10 only is, therefore, being made.

Interest Charges :

5. Additional funds to the extent of Rs. 7.03 crore are required for payment of interest on Provincial debt. This liability is due mainly to interest on debt relating to SCARP tubewells transferred after completion from WAPDA to the Provincial Government (Rs. 4.25 crore), increase in interest liability on account of enhancement of the interest rate by the Federal Government with retrospective effect from 1977-78 (Rs. 1.99 crore) and

arrears of interest on Cash Development Loan obtained in 1978-79 because of a larger amount of loan actually received than the amount on which interest was calculated at the time of preparation of current year's budget (Rs. 0.67 crore).

An amount of Rs. 2.83 crore will be met from savings within the Grant and a supplementary demand of Rs. 4.20 crore is being made to cover the balance.

Civil Works :

6. An additional amount of Rs. 4.25 crore is required for expenditure on the following items :—

(Rupees in crore).

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|---|------|
| (i) Construction of hostel accommodation for the medical students, provision of electric water coolers repairs and renovations to various hospitals in the Province | 1.57 |
| (ii) Construction of 48 new double storey staff quarters for the employees of the Governor's House, Lahore | 0.10 |
| (iii) Purchase of building at Kot Radha Kishan, District Kasur for a house type godown for food storage | 0.10 |
| (iv) Completion of unfunded works in progress, clearance of liabilities of contractors, payment of land compensation, etc. | 2.48 |

Total	4.25
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The abovementioned items include charged expenditure of Rs. 0.14 crore for which a supplementary demand is being made. The remaining amount of Rs. 4.11 crore can be met from saving within the Grant. Therefore, a token supplementary demand of Rs. 10 only is being made to cover all these items.

Police :

7. The total requirement of funds for the Police Department is Rs. 4.11 crore. This includes Rs. 3.94 crore on account of grant of Dearness Allowance of Rs. 40 p.m. to the employees drawing pay upto Rs. 1,500 p.m. and increase in the rates of Conveyance, House Rent and Ration Allowance with effect from 1st July, 1979. Accordingly, a supplementary demand of Rs. 4.11 crore is being made.

Housing & Physical Planning :

8. Receipts of the Housing & Physical Planning Department from sale of plots and buildings in the housing schemes, are after deducting the admin-

Administrative expenses of the department, transferred to a Deposit Account for financing new Town Development Schemes. It was estimated at the time of preparation of current year's budget that the net receipts from this source would be Rs. 1.50 crore. The actual receipts have, however, been substantially more than the original estimates with the result that the net receipts are now expected to be of the order of Rs. 4.36 crore. Therefore, an additional amount of Rs. 2.86 crore is required to be transferred to the Deposit Account for which a supplementary demand is being presented.

Commutation of Pensions :

9. Due to compulsory retirement of Government servants additional amount to the extent of Rs. 2 crore is required for payment of gratuity and commuted value of pension during the current financial year. Therefore, a supplementary demand of Rs. 2 crore is being presented.

Agricultural Mechanization :

10. An additional amount of Rs. 1.81 crore is required for the purchase of machinery and equipment in order to accelerate the execution of various agricultural projects. A supplementary demand of Rs. 1.50 crore is being made because an amount of Rs. 0.31 crore will be met from savings within the Grant.

Loans to Municipalities, etc :

11. An additional amount of Rs. 1.17 crore is required for the following items :—

	(Rupees in crore)
(i) Loans to Punjab Road Transport Board for payment of salaries and bonus to the employees of the Board	0.59
(ii) Loans to the Punjab Mineral Development Corporation against an equivalent amount surrendered by the Corporation under the major head "72—Capital Outlay on Industrial Development" due to change in classification	0.38
(iii) Loans to municipal committee, Gujranwala for development of kachi abadis	0.20
Total	1.17

The entire liability in respect of the items will be met from savings within the grant. A token supplementary demand of Rs. 10 is, therefore, being made.

Miscellaneous :

12. An amount of Rs. 7.10 crore is required for expenditure on the following items :—

	(Rupees in crore)
(i) Grant-in-aid to the newly elected Local Councils in the Province for financing their development requirements. (against a special Federal grant)	5.50
(ii) Additional staff for the election to local bodies	0.84
(iii) Setting up of the Punjab Administrative Vigilance Commission	0.22
(iv) Grant-in-aid for the establishment of Bait-ul-Mal at Bahawalpur, Khanewal, Tehsil Luddan Multan, Gujjar Khan, Rawalpindi and Kasur	0.22
(v) Other small items	0.32
Total	7.10

A supplementary demand of Rs. 6.27 crore is being made because an amount of Rs. 0.83 crore will be met from saving within the grant.

SADIQ SAYEED KHAN
FINANCE SECRETARY.

Dated :

22nd May, 1980.