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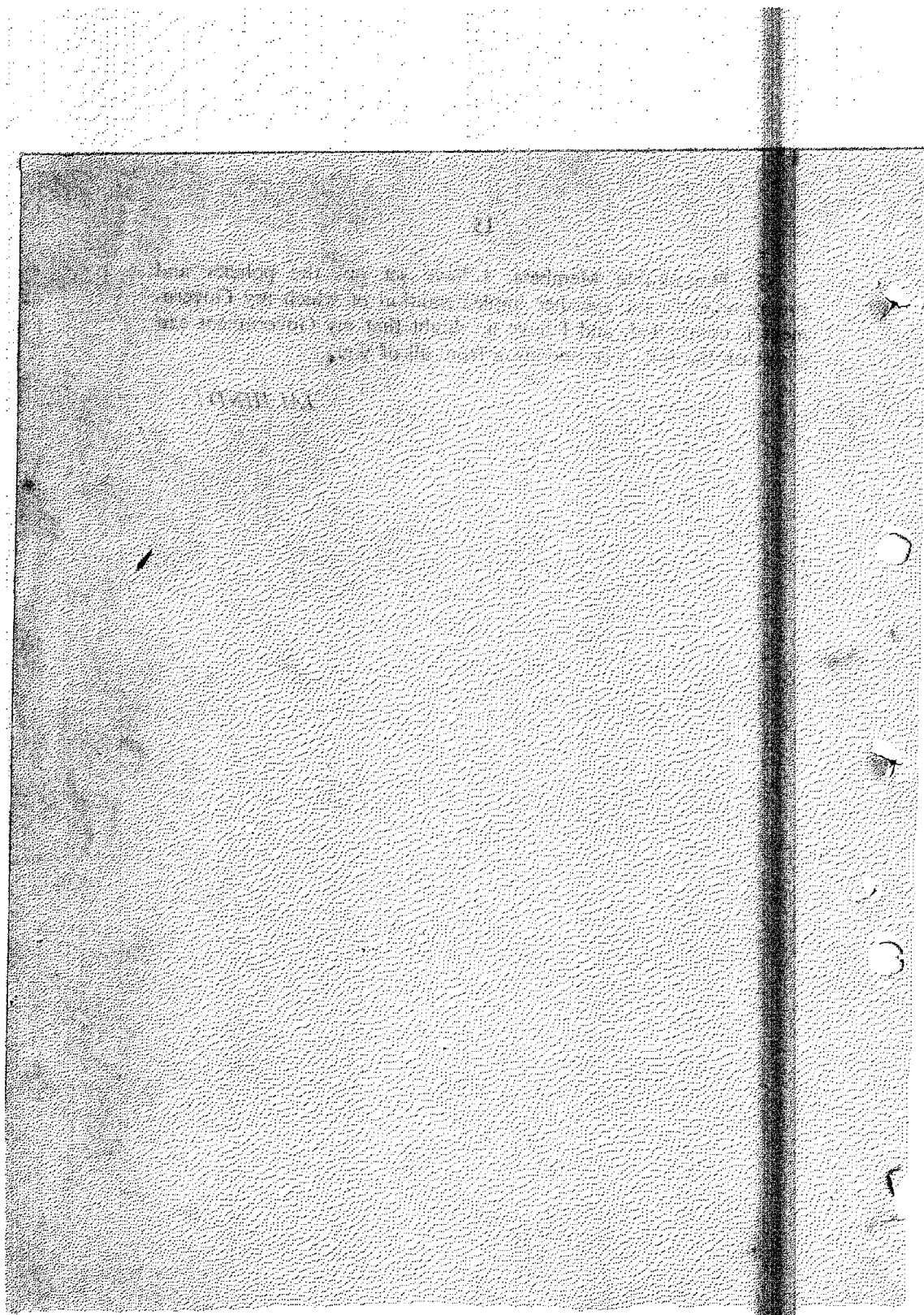
DELIVERED BY

Shri SADIQ ALI

GOVERNOR OF MAHARASHTRA

JOINT SESSION OF THE MAHARASHTRA LEGISLATURE AT BOMBAY

17th March 1978



Mr. Chairman, Mr. Speaker and Hon. Members,

I am happy to welcome you to this Session of the State Legislature. This is the first session after the general elections to the Legislative Assembly and the first session in the Calendar year 1978. I am also addressing the first session since I assumed office as the Governor of Maharashtra.

2. This year a coalition Government has been formed in the State and this Government will give effect to the programmes which will fulfil the hopes and aspirations of the common man.

3. I will try to bring to your notice the important activities which my Government proposes to continue or to undertake during the ensuing year.

4. After discussion with the Planning Commission the outlay for the Annual Plan for Maharashtra State has been finalised for Rs. 735 crores for the year 1978-79. As compared to the anticipated expenditure during the financial year 1977-78, the next year's Annual Plan is higher by about 10 per cent.

5. The next year's plan seeks to lay emphasis on programmes relating to agricultural production, rural development and rural employment. A substantial percentage of the total outlay is proposed for these activities. These activities would cover programmes under agriculture and allied services, co-operation, irrigation, rural electrification, village and small-scale industries and Employment Guarantee Scheme.

6. The outlay for the Minimum Needs Programmes is also proposed to be substantially stepped up from about Rs. 24.57 crores during 1977-78. This programme includes provision of *Bal Wadis* in primary schools, establishing cottage hospitals in rural areas, as far as possible at the rate of one hospital for every 2-2½ lakhs

population and within a radius of ten miles from any Gram-panchayat, a programme of mid-day meals to school-going children up to IV standard in urban slums, rural areas, and tribal areas, construction of rural roads to provide linkage to villages with State Highways and/or major district roads, improving slums, providing basic amenities in Zopadpattis and provision of huts for the landless agricultural labourers.

7. With a view to encouraging the setting up of small and medium scale industries in the co-operative sector, a new scheme for grant of incentives by way of loans against purchase tax paid by sugar factories is proposed to be implemented from next year, on the lines of the present scheme of Package of Incentives operated by the SICOM for starting of industries in the industrially backward districts. This scheme will enable the co-operative sugar factories to start other processing industries in the rural areas for providing employment opportunities to the rural population and also to utilise the local raw materials available in the districts.

8. Government has set up a State Oilseeds Corporation for co-ordinating the production and processing of oilseeds in Maharashtra State. The share capital of this Corporation is proposed to be substantially enhanced with a view to enabling it to undertake processing industries based on oilseeds as raw materials so that edible oil may be made available to the consumers at a reasonable price.

9. The co-operative movement in Maharashtra has shown significant progress in the recent past. Over 18,500 primary agricultural credit societies have been organised with a membership of about 47-50 lakhs. The membership is expected to increase to 48 lakhs during 1978-79. The targets for short-term, medium-term and long-term loans for 1978-79 are placed at Rs. 225 crores, Rs. 5 crores and Rs. 30 crores, respectively. With a view to assisting the farmers in marketing their produce, co-operative marketing arrangements have been provided for all the districts. The value of the agricultural produce handled by the co-operative marketing agencies is expected to increase from Rs. 440 crores in 1977-78 to Rs. 450 crores in 1978-79. During the year 1978-79, three new sugar factories, one rice mill and five cotton ginning and pressing units are expected to go into production.

10. In the field of education and youth services, it is proposed to encourage development of playgrounds and construction of stadia at taluka places on a wider scale than earlier contemplated and the provision for this purpose is being enhanced in 1978-79. Similarly, the programme of vocationalisation at the higher secondary level, with a view to diversifying courses at that level, is proposed to be introduced.

11. The Employment Guarantee Scheme being implemented by the State Government for the benefit of the rural poor in Maharashtra, has become very popular. For making the guarantee of employment statutory, both Houses of the State Legislature have passed the Maharashtra Employment Guarantee Bill, 1977, which is awaiting the assent of the President of India.

12. My Government has recently issued orders sanctioning establishment of the Backward Class Development Corporation. The authorised capital of this Corporation will be Rs. 2.5 crores.

13. Government has also issued orders sanctioning the establishment of the Maharashtra Film, Stage and Cultural Development Corporation, with an authorised capital of Rs. 2.5 crores. The Corporation has started functioning and its activities are expected to gather momentum during the next financial year.

14. As the Kharif crop has been good, the food situation in the State is satisfactory and it is expected to remain so during the year. Therefore, Government has at present suspended the procurement of foodgrains through compulsory levy. But the scheme of making voluntary purchase at support prices has been continued. Considering the increase in prices of essential commodities since the beginning of the financial year, Government has, with a view to alleviating the difficulties of consumers, distributed at subsidised rates, 5,500 metric tonnes of groundnut oil, and 5,000 metric tonnes of refined rapeseed oil.

15. It is the policy of Government not to permit prices of essential commodities to rise. If remunerative prices are ensured to cultivators for their produce, production will increase which will keep the prices of essential commodities from rising. In order to achieve this objective, it is quite essential to ensure that cultivators get inputs such as fertilizers and credit at concessional rate. The

State Government will keep pressing the Government of India to take suitable measures to ensure this.

16. In 1977-78, agricultural season was generally satisfactory. However, due to delay in setting in of south-western monsoon, the area under cotton cultivation decreased. In 1977-78, the foodgrain production in the State was at an all-time high level. For the year 1978-79, my Government will endeavour to achieve an even higher foodgrain production. The production of cash crops is also likely to go up considerably. For achieving this target several development programmes like increased coverage under the irrigation and ayacut development, sowing of high-yielding varieties, increased use of fertilizers and schemes of crop protection will be vigorously implemented by Government.

17. My Government has decided to establish the Sheep Development Corporation and a special livestock development programme has been sanctioned for providing greater opportunities for productive employment to the weaker sections of rural population.

18. The area irrigated from all sources at present in the State forms about 10 per cent of the total cropped area. 90 per cent of the cropped area in the State is subject to the vagaries of monsoon and 87 talukas in 12 districts have been identified as chronically drought-prone. Government has, therefore, accorded priority for speedy development of irrigation facilities in the State.

19. For accelerating the programme of irrigation development, Government has commenced negotiations with the World Bank for securing loan assistance for six major irrigation projects in the State, viz., Bhima, Kukadi, Krishna, Warna, Upper Penganga and Upper Wardha. Loan assistance of 70 million dollars from International Development Association has been approved during 1977-78 for Purna-Jayakwadi Irrigation Projects to be drawn during the next four years.

20. During the Annual Plan 1977-78, the expenditure on Major and Medium Projects will be about Rs. 141 crores, thereby creating an additional irrigation potential of 1.30 lakh hectares by June 1978. Further, an additional irrigation potential of 25,000 hectares by State sector minor irrigation schemes and lift irrigation schemes of the

Irrigation Development Corporation is expected to be created by June 1978. Thus, an additional irrigation potential of 1.55 lakh hectares is expected to be created by June 1978.

21. The State Government has been stepping up the outlay on the power sector in the recent years. From Rs. 89.26 crores in 1974-75, the plan outlay for power has been increased to Rs. 254 crores in 1977-78. At present the installed generation capacity in the State is 2847.7 MW. In spite of the fact that the demand for power in Maharashtra is higher than in other States, it has been possible to reduce the power cut from 15 per cent to 10 per cent. The Maharashtra State Electricity Board is one of the efficient Electricity Boards in the country. The transmission losses have been brought down to 17.4 per cent, and this is lower than the All-India average of 20 per cent.

22. Till September 1977, the Board had electrified 21,480 villages/towns and had energised 4,62,680 pumps. Upto September 1977, a total of 12,150 Harijan Bastis and 1,845 tribal villages were electrified. During 1976-77 a record number of 2,031 Harijan Bastis were electrified.

23. Despite its best efforts, the State Government was not able to secure adequate credit from the Reserve Bank of India, for operating the Cotton Monopoly Purchase Scheme during 1977-78 cotton season. Therefore, my Government had to suspend certain sections of the Maharashtra Raw Cotton (Procurement, Processing and Marketing) Act, 1971, which impart the monopoly character to the scheme. Following the suspension, free trading in cotton by private traders is now permitted. However, with a view to protecting the interests of cotton growers, Government has continued a revised scheme to buy cotton at support prices from such of the growers as are willing to tender cotton at these prices.

24. In 1977, the picture of industrial relations, when compared to that in 1976, was somewhat disheartening. In 1977, 43.82 lakh man-days were lost on account of 600 work stoppages involving about 2.07 lakh workers, as against 4.93 lakh man-days from 337 work stoppages involving 1.51 lakh workers in 1976. However, it gives me great satisfaction to point out that in a large number of cases my

Government's efforts to get the disputes settled through persuasive methods and mutual settlement have met with success. As compared to the previous year, the year 1977 showed remarkable improvement in the matters of closure, retrenchment and lay-offs. This improvement was possible because of strenuous efforts of the Labour Department's industrial relations machinery at all levels and also the immediate intervention of the Government at the highest level. In keeping with its progressive labour policy, Maharashtra Government has enacted many laws, in addition to the laws passed by Parliament to give wider coverage to both protected as well as unprotected labour classes.

25. In July 1977 Government modified its policy of industrial location for the Bombay Metropolitan Region, in order to remove the difficulties experienced in the course of the implementation of its earlier policy. The State Government has introduced the "Special Capital Incentive Scheme" on the lines of the Central Government Subsidy Scheme. Under this scheme interest-free, unsecured, long-term loans will be given to industrialists for setting up new industries in areas which are declared as "Growth Centres" by the Government. The 4 Regional Development Corporations set up by the State Government have now begun to play a more meaningful role in the setting up of industries. Their capital participation has been to the extent of Rs. 343 lakhs in 94 units. Upto the end of December 1977 these Corporations assisted 21,700 educated unemployed persons for starting new ventures. Government has set up a State-owned public limited company called the "Maharashtra Electronic Corporation Limited" for the development of electronic industry in the State. The authorised share-capital of this Corporation is Rs. 3 crores with an initial paid-up capital of Rs. 1.50 crores.

26. The State Government has constituted the Housing and Area Development Authority. As a result of the setting up of this Authority, it is expected that the construction of houses, particularly for the low-income groups, and the efforts to improve slums will receive greater impetus. CIDCO is the special development authority for 95 villages in the New Bombay area and also for the new townships of Nanded, Nashik, Aurangabad and Nagpur. CIDCO intends to undertake housing programme on a large scale with financial assistance from HUDCO.

27. The Motor Vehicles Taxation Enquiry Committee recommended giving of grant-in-aid to Municipal Councils for compensating them towards the loss caused by abolition of wheel tax. My Government has decided to release grant equal to 10 per cent of net receipts of motor vehicle tax and has released a sum of Rs. 2.31 crores to the Municipal Councils and Corporations concerned.

28. Government has decided to stop the collection of pilgrim tax by the Municipal Councils, whose collection is not below Rs. 25,000 and to give them grant equivalent to 75 per cent of their net collection of last 3 years, after deducting collection expenses.

29. Only 198 of the municipal areas in Maharashtra receive piped water-supply. During 1977-78 the town of Gondia will start receiving such water-supply and the work of underground sewerage scheme for Bhiwandi town would be completed. The implementation of the Bombay Water Supply and Sewerage Scheme is in progress with financial assistance from International Development Association. It is expected that by June 1978, the Bombay Municipal Corporation would get additional water-supply of 100 M.G.D. from this scheme.

30. With effect from 2nd October 1977, the Community Health Workers' Scheme has been implemented in all the Primary Health Centre Blocks in the districts of Akola, Amravati, Wardha, Kolhapur and Ratnagiri, and in one Primary Health Centre Block in each of the remaining 20 districts.

31. Government has sanctioned 700 additional seats in the various medical colleges in the State for the current academic year after meeting the requirements of the Medical Council of India. Government has decided to increase the rate of payment of grant-in-aid to permanently recognised Ayurvedic and Unani teaching institutions and hospitals from 75 per cent to 90 per cent of the approved expenditure or the actual deficit. This decision is proposed to be implemented from 1978-79. Students of Ayurvedic Colleges, both Government as well as private, are required to undergo internship for obtaining the degree. These students are paid a stipend of Rs. 175 per month and Government has now recognised this expenditure as an approved item of expenditure for the purpose of payment of grant-in-aid to these institutions. These

institutions will be eligible to get from Government a grant-in-aid equal to 75 per cent of the expenditure incurred on payment of such stipends.

32. The scheme to establish book banks for children of weaker sections of society was extended during the current year to cover the students in 5th to 7th standards of primary schools run by local bodies and non-Government aided secondary schools. It is proposed to further extend this scheme from the ensuing year to cover similarly placed students in 8th to 10th standards. Government has increased the rate of grant from 90 per cent to 100 per cent of admissible expenditure on primary education incurred by 'C' class Municipal Councils with a population of less than 15,000. From October, 1977, Government has implemented a scheme for ensuring regular and full payment of salary and allowances to the teaching and non-teaching staff of non-Government aided Colleges of Arts, Science, Commerce and Education and has given, under this scheme, *ad hoc* assistance to the tune of Rs. 4.50 crores to these Colleges. By passing two Bills in August, 1977, Government has provided for setting up of one-man Tribunals to settle expeditiously disputes regarding service matters between the employees and managements of private colleges, secondary schools, etc. These Bills are now awaiting the assent of the President.

33. The intake capacity of Engineering and Technical Colleges was increased for the current year by 525 seats to cope with the heavy rush of students from the two simultaneous streams, namely, the University and Higher Secondary streams, seeking admission to these institutions. Government has decided to extend the benefit of the revised scales recommended by the A.I.C.T.E./U.G.C. to the teachers of Engineering Colleges retrospectively from 1st January, 1973. To mitigate the financial difficulties of non-Government Engineering Colleges and Polytechnics in the State, the rate of Government grant on their admissible expenditure has been increased from 75 per cent to 90 per cent from the current year.

34. This year a total length of about 2,325 kilometres of National Highways has been widened to two lane surface. The Pune-Solapur, Bombay-Agra and Bombay-Thane-Pune National Highways have been improved and the work of their diversion has been undertaken wherever they pass through congested towns. An

allocation of Rs. 18 crores was made available this year for the construction of rural roads and a total length of about 5,000 kilometres will be constructed or improved under this programme. To supplement this, a similar programme of Rs. 7 crores is expected to be completed by the Zilla Parishads and it is proposed to raise this amount through savings from funds at the disposal of Zilla Parishads, Panchayat Samitis and Village Panchayats.

35. With the loan assistance from Government of India, the work of the bridge across Savitri River near Mhapral-Ambet, joining Ratnagiri and Kulaba districts, has been completed and that of the bridge at Revdanda is in progress.

36. Under the amended Maharashtra Agricultural Lands (Ceilings on Holdings) Act, 1961, 1,40,690 hectares of land was declared as surplus. Out of this, 1,09,015 hectares of land has been distributed to 72,893 allottees. Over 60 per cent of this land has been allotted to persons belonging to Scheduled Castes, Scheduled Tribes, Nomadic Tribes, Vimukta Jatis and Neo-Buddhists.

37. So far, house sites have been allotted to 3.62 lakh landless and houseless persons in the rural areas. Nearly 70 per cent out of them are persons belonging to Scheduled Castes, Scheduled Tribes, Nomadic Tribes, Vimukta Jatis and other backward classes.

38. Self-contained Khate-Pustikas are being issued to all landholders, to do away with the necessity to obtain extracts from the Record of Rights. So far, nearly 35 lakh Khatedars have been supplied with Khate-Pustikas. The price of a Khate-Pustika is fixed at Rs. 3 per Pustika. However, the Khatedars, whose liability to pay land revenue does not exceed Rs. 7.50 in a year, are supplied Khate-Pustikas free of charge.

39. The Urban Land (Ceiling and Regulation) Act, 1976 has come into force in nine urban agglomerations in Maharashtra with effect from 17th February 1976. 57.66 hectares of land has been acquired under this Act from Pune, Solapur, Nashik and Nagpur. Uptil now 4,88,433 square metres of land in 131 cases have been exempted from the operation of this Act in order to enable Co-operative Housing Societies to start construction.

40. My Government intends to introduce a Bill in the course of the year to replace the Bombay Sales Tax Act, 1959 by a new

Maharashtra Sales Tax Act, 1978, in consequence of decisions on the recommendations of the Sales Tax Enquiry Committee, 1975-76. The changes envisaged will simplify the procedures, leave less scope for evasion, and promote trade and industry in the State.

41. In order to modernise the State Police Force, the work of installing a computer in the Office of the Inspector General of Police in Bombay at a cost of Rs. 37 lakhs, has been completed. The State Government is making all efforts to accelerate the construction of houses for policemen and during the year 1977-78, 1,654 Constabulary quarters have been constructed or acquired by purchase.

42. In order to deal with the complaints of harassment/atrocities against Harijans and other weaker sections of society, a separate cell has been established in the Home Department and a special Unit has also been established in the office of the Inspector General of Police.

43. By formulating the Tribal Sub-plan, Government has taken a major step towards speeding up the pace of development of tribals in thirteen districts of Maharashtra. In order to eradicate the prevailing exploitative practices in money-lending and marketing, Government enacted a comprehensive law, viz., the Maharashtra Tribals Economic Condition (Improvement) Act, 1976, under which past debts of tribals have been liquidated throughout the Tribal Sub-plan Areas. The vacuum created by the removal of money-lenders and traders from the Tribal Sub-plan areas is proposed to be filled by establishing multipurpose Adiwasi Co-operative Societies. So far, 222 Adiwasi Co-operative Societies have been established. In order to prevent the exploitation of tribals at the hands of traders, Government introduced monopoly purchase of specified agricultural and minor forest produce in seven talukas of tribal districts. This scheme was continued from 11th December 1977 on a voluntary basis. The Tribal Development Corporation has been appointed the main agent of Government under the above-mentioned Act for the purchase of agricultural and minor forest produce in Tribal Sub-plan areas. The Corporation has invested Rs. 72.42 lakhs in specified commodities.

44. Government has appointed 16 Project officers for 16 I.T.D. projects for the effective implementation of schemes in the Tribal Sub-plan areas. These officers will ensure that the schemes within their respective project areas are implemented speedily.

45. A provision of Rs. 40 crores has been made in the current year for schemes in the Tribal Sub-plan areas. Government would endeavour to increase the provision during the next year and, while doing so, would accord priority to agriculture, education, co-operation, communications, irrigation and power.

46. Honourable Members, during this short session, you have to consider the supplementary demands and the Vote on Account Budget which will be presented to you. You will also have to consider Bills to convert certain Ordinances, new Bills of urgent nature which may be introduced by Government and a motion for ratification of the Constitution Amendment Bill. Other Government as well as non-official urgent business may also be brought before you for your consideration.

47. The Bills which are likely to be taken in this year are :—

- (1) A Bill further to amend the Bombay Legislature Members' (Removal of Disqualifications) Act, 1956.
- (2) A Bill to provide stricter enforcement of discipline among certain Public Utility Services and to provide for matters connected therewith.
- (3) The Bombay Contingency Fund (Amendment) Bill, 1978.
- (4) The Maharashtra (Supplementary) Appropriation Bill, 1978.
- (5) The Maharashtra Appropriation (Vote on Account) Bill, 1978.
- (6) A Bill to amend the Bombay Home Guards Act, 1947.
- (7) The Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) (Amendment) Bill, 1978.
- (8) The Maharashtra Zilla Parishads and Panchayat Samitis (Amendment) Bill, 1978.
- (9) The Bombay Village Panchayats (Amendment) Bill, 1978.
- (10) The Bombay Public Trusts (Amendment) Bill, 1978.
- (11) The Kazis (Maharashtra Amendment) Bill, 1978.
- (12) The Maharashtra Municipalities (Amendment) Bill, 1978.
- (13) A Bill further to amend the Maharashtra Municipal Councils and Municipal Corporations (Postponement of Election due to ensuing General Elections to the State Legislative Assembly) Act, 1977.
- (14) The Maharashtra Tenancy Laws (Amendment) Bill, 1978.

- (15) The Maharashtra Land Revenue Code—Maharashtra Restoration of Lands to Scheduled Tribes (Amendment) Bill, 1978.
- (16) The Maharashtra Private Forests (Acquisition) (Amendment) Bill, 1978.
- (17) The Prince of Wales Museum of Western India (Amendment) Bill, 1978.
- (18) The Maharashtra Sales Tax Bill, 1978.
- (19) The Bombay Ministers' Pay and Allowances (Amendment) Bill, 1978.
- (20) The Maharashtra Opposition Party Leader's Pay and Allowances Bill, 1978.

48. Thus, you are likely to have a heavy agenda. Therefore, I would not like to detain you any longer. I am sure that you would take up your duties as Legislators in earnest and I wish you all success.

JAI HIND!