

**Government of Gujarat**  
**Budget 2018-19: Important Features**  
**Press Note: 1**

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Shri Nitinbhai Patel, Deputy Chief Minister, presented state budget for 2018-19 in the state legislative assembly on 20<sup>th</sup> February, 2018, towards attainment of the objective *to make Gujarat the best place to invest and live in India*. This is the second continuous budget presented under the leadership of Chief Minister Shri Vijaybhai Rupani. Resources have been allocated to various sectors in order to further increase the pace of development of the state. Judicious allocation has been made towards farmer welfare, agriculture, youth employment, irrigation, water supply, affordable housing, education, health, nutrition and infrastructure.

Budget size for financial year 2018-19 is Rs. 1,83,666 crore which is an increase of Rs 14,828 crore over revised estimates of 2017-18. Total provision includes new schemes and services, standing charges and expenditure on continuous schemes.

This budget indicates overall surplus of Rs 783 crore and revenue surplus of Rs. 5,998 crore. It is the seventh continuous budget presented with revenue surplus.

### **Focus on Sustainable Development**

Developmental expenditure of the state is Rs 1,11,565 crore which is higher by Rs 41,553 crore than the non-developmental expenditure of Rs 70,012 crore. More than 57% of developmental expenditure has been allocated towards social services.

### **Robust Revenue Trends**

Revenue receipts of Rs. 1,40,631 crore have been estimated for BE 2018-19 compared to Rs1,31,550 cr for RE 2017-18. State tax revenue has been estimated at Rs. 1,13,035 crore whereas non-tax revenue has been estimated at Rs. 11,705 crore. All these figures indicate strong revenue trends despite no modification in existing tax structure or introduction of any new taxes.

### **Focus Areas of Budget**

State government has focused on employment, agriculture, education, health, development of backward classes and industries with significantly increased

allocation to these sectors. State government has announced many innovative and people-oriented schemes in the budget of 2018-19. Some of the important announcements are as follows:

### **Youth employment and empowerment**

- Provision of Rs. 785 crore has been made to make available extensive opportunities of employment and vocations to 3.50 lakh youths.
- Another 4 lakh youths to get employment through Bharti Mela.
- **Mukhyamantri Apprenticeship Scheme** : Apprentices employed by various entities shall be paid an incentive amount from Government of Gujarat. Graduates, diploma holders and others will receive Rs. 3,000, Rs. 2,000 and Rs. 1,500 per month respectively. Provision of Rs. 271.66 crore has been made for the scheme.
- **Establishment of Animal Farm**: Provision of Rs.140.45 crore has been made to provide assistance of up to Rs. 3 lakh for setting up 5000 animal farms to provide employment to approximately 25,000 people.
- **Mukhyamantri Gramoday Yojana** : Government will provide interest subvention to 50,000 skilled and semi-skilled labourers and micro and small entrepreneurs in rural areas. Provision of Rs. 60 crore has been made for this scheme.
- About **30,000 new recruitments** will be made in various **departments of the Government**.

### **Schemes for Farmer Welfare**

- Provision of Rs. 1101 Crore to overcome risks of agricultural sector through **Pradhan Mantri Fasal Bima Yojana**, price stability, farmer accident insurance etc.
- Provision of **Rs 750 crore** for providing assistance to the farmers to increase their income by enhancing crop productivity through **drip irrigation**
- Provision of Rs. 500 Crore for **zero interest crop loans** to farmers.
- Provision of Rs. 235 Crore for agricultural mechanization, under which 29000 farmers will be given assistance for purchasing tractors and 32000 farmers, for purchasing different farm tools.
- Provision of Rs 50 crore for **cold storages** with multi commodity controlled atmosphere technology
- Provision of **Rs 127 crore** to provide **solar agricultural pump sets**

## Education, Research and Innovation

- **Gyankunj Project** : A provision of Rs.30 Crore to expand "Gyankunj" project to 8000 classrooms of standard VII and VIII in 4000 schools and also to provide e-content for courses in line with NCERT for standard V to VIII.
- Provision of Rs.150 Crore to provide **tablets to about 3 lakh students**.
- Provision of Rs. 10 Crore to establish a new hub under **Student Start up and Innovation Policy**.
- Provision of Rs. 20 Crore for establishment of “Centre of Excellence - **Incubation and Innovation Centre**” to promote new Start-Ups in the industrial units.

## Improving Health Outcomes

- **Increase in ambit of MA and MA Vatsalya Scheme**: Provision for the highly popular schemes has been increased to Rs 700 crores and –
  - Income limit to avail benefits raised from Rs.2.50 lakh to Rs.3 lakh.
  - Free of cost treatment in recognized hospitals to be provided to all children in the age group of 0-6 for families with annual income up to Rs.6 lakh.
  - Senior citizens of the age of 60 years or more of the families having annual income up to Rs.6 lakh will be covered.
  - Assistance for transplantation of kidney, liver and pancreas in recognized hospitals.
  - Assistance of up to Rs.40,000 for knee replacement or hip-replacement in recognized hospitals

## Other Important Announcements

- Provision of Rs. 35 Crore for providing two pair of **uniform to all anganwadi children** in the age group of 3-6 years.
- Provision of Rs. 146.40 Crore for assistance of **Rs. 600 per student for uniforms** to all students studying in Std. 1 to 8 increased from Rs. 300 earlier.
- **Gujarat Binanamati Educational and Economic Development** Corporation has been established for comprehensive welfare of about 58 unreserved castes in the state, for which a special provision of **Rs. 505.75 crore** has been made.
- Special provision of **Rs. 200 crore** to ensure **proper traffic management** in urban areas of the State-

- Direct recruitment in police force against 5,635 vacancies planned for 2018-19, out of which, 1500 vacancies will be allocated for traffic purpose.
- Number of traffic brigade volunteers will be increased by 4000 which will include 33% women.
- Honorarium of traffic brigade volunteer raised from Rs. 200 to Rs. 300 per day.
- Various equipment will be purchased for traffic management and to control illegal parking in eight big cities.

## **Prudent Fiscal Management**

- Revenue Surplus of Rs 5,998 crore has been estimated for financial year 2018-19.
- Fiscal deficit of 1.71% of GSDP has been estimated for financial year 2018-19 which is well within the 3% ceiling prescribed under FRBM Act.
- State's public debt has been estimated at 15.96% of GSDP for financial year 2018-19 as compared to 16.46% of GSDP for revised estimates of financial year 2017-18.
- State Government has consistently achieved the targets prescribed under FRBM Act.

*Table: Achievement of GFR Act Targets*

Item	Target	2017-18		2018-19 (Budget Estimates)
		Budget Estimate	Revised estimate	
Revenue Deficit/Surplus (Rs crore)	0	+6,066	+5,977	+5,998
Fiscal Deficit as % of GSDP	3%	1.82%	1.66%	1.71%
Public Debt as % of GSDP	27.1%	16.83%	16.46%	15.96%

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