

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:1682
ANSWERED ON:02.08.2000
FUND FOR GUJARAT
PRAVEEN RASHTRAPAL

Will the Minister of PLANNING be pleased to state:

- (a) Whether Gujarat Government has claimed compensation for Implementation of Prohibition in the State;
- (b) if so, whether Planning Commission is likely to consider this at the time of allotment of assistance to different States and to provide such amount to Gujarat;
- (c) if so, the details thereof; and
- (d) if no, the reason therefore?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY STATISTICS AND PROGRAMM IMPLEMENTATION AND MINISTER OF STATE OF THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBL GRIEVANCES IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRI ARUN SHOURIE)

(a) to (d) : Gujarat Government has been occasionally raising the issue of compensation on account of prohibition existing in the State during the Financial Resources Assessment meetings. However, State has been intimated that the Planning Commission allocates block grants and loans to the States on the basis of Gadgil-Mukherjee Formula and compensation for prohibition does not form a part of that Formula. Therefore, Planning Commission is not in a position to consider such requests from States for resources allocation. The appropriate forum for taking up such issues is the Finance Commission.