



GOVERNMENT OF GUJARAT



**GUJARAT**

THE GROWTH ENGINE OF INDIA

Speech of

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At the Annual Plan Discussion in the Planning Commission, New Delhi

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As we enter the first year of the Twelfth Five Year Plan, it becomes an opportune moment to take stock of our achievements in the last five years. The Eleventh Five Year Plan for the country as a whole has not yielded results as per expectations. The global financial crisis saw the growth rate plummeting during 2008-09 and before sustained recovery could take place the Indian economy is once again feeling the heat of global events.

Inflation continues to pose a great threat to the country's development. In the last two years interest rates have been raised repeatedly to combat inflation with very little success. Food articles, cereals, pulses, vegetables and milk have registered double digit rise in prices. Repeated increases in the prices of petroleum products have increased the burden on the common man and broken the back of the middle classes. Declining domestic savings and investment rates as well as declining net FDI inflows is a reflection of the lack of confidence in both domestic and international investors. Weak macroeconomic fundamentals and drastic decreases in the value of the Rupee against the Dollar are doing little to restore confidence.

**NEVER BEFORE HAS THE COMMON MAN REELED UNDER SUCH HEAVY BURDEN. IT IS PROBABLY FOR THE FIRST TIME THAT THE INDIA GROWTH STORY IS BEING QUESTIONED.**



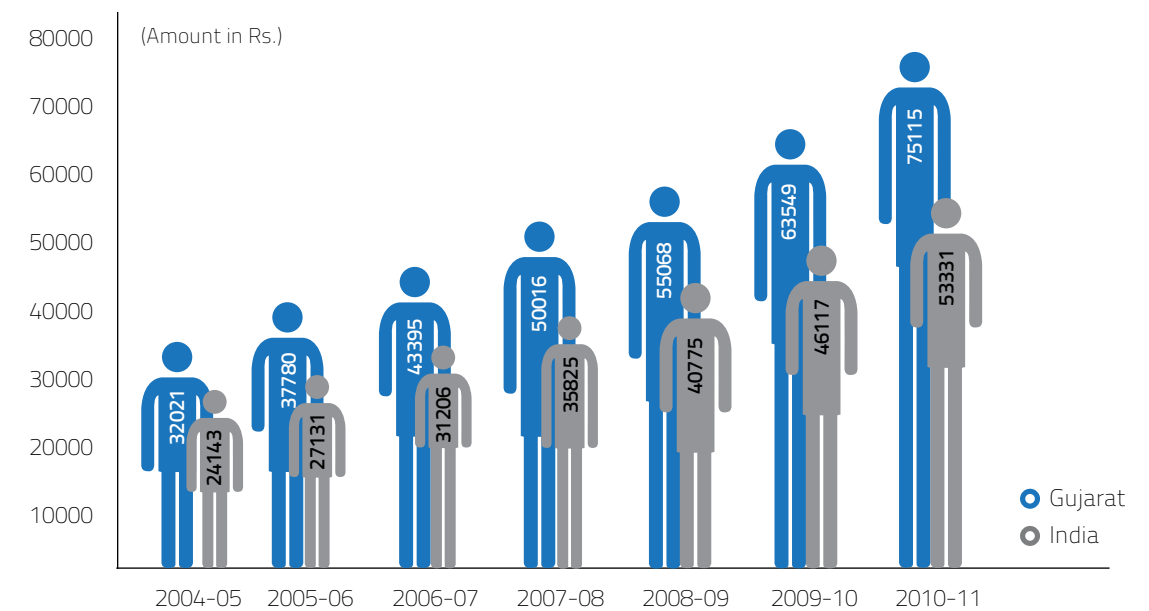
## STATE OF THE ECONOMY

Gross State Domestic Product (GSDP) at factor cost at current prices in 2010-11 has been estimated at Rs. 5,13,173 crore as against Rs. 4,27,555 crore (revised estimates) in 2009-10, registering a growth of 20.0 percent during the year. At constant (2004-05) prices, GSDP at factor cost in 2010-11 has been estimated at Rs. 3,65,295 crore as against Rs. 3,30,671 crore in 2009-10, showing an increase of 10.5 percent during the year. While Gujarat accounts for 4.95 percent of India's population, its share in the country's GDP for the year 2010-11 at current prices works out to 7.17 per cent while at constant (2004-05) prices it is 7.48 percent. The share of primary, secondary and tertiary sectors is 14.6 percent, 39.4 percent and 46.0 percent respectively to the total GSDP in 2010-11.

## PER CAPITA INCOME

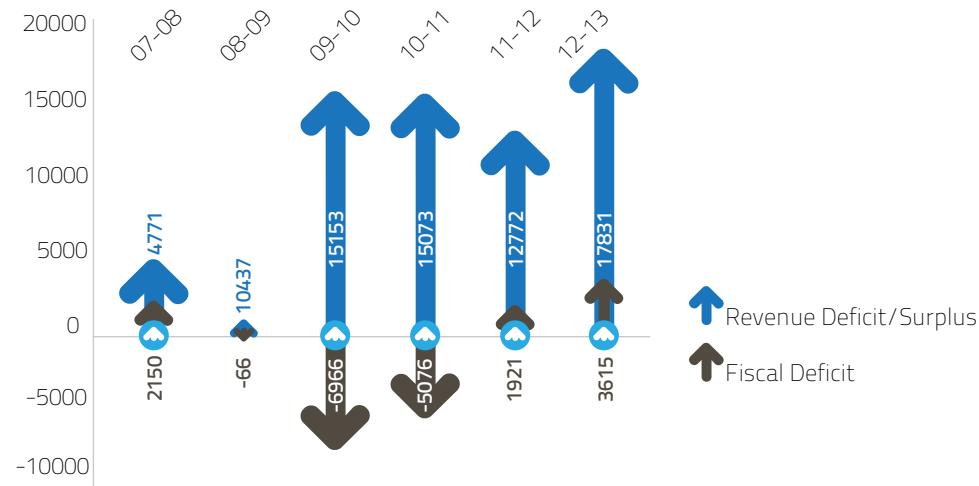
The Per Capita Income at current prices has been estimated at Rs.75,115 in 2010-11 as against Rs.63,549 in 2009-10, registering an increase of 18.2 percent over the previous year.

PER CAPITA INCOME AT CURRENT PRICES: GUJARAT & ALL INDIA



# FISCAL DISCIPLINE

Trends in Revenue & Fiscal Deficit

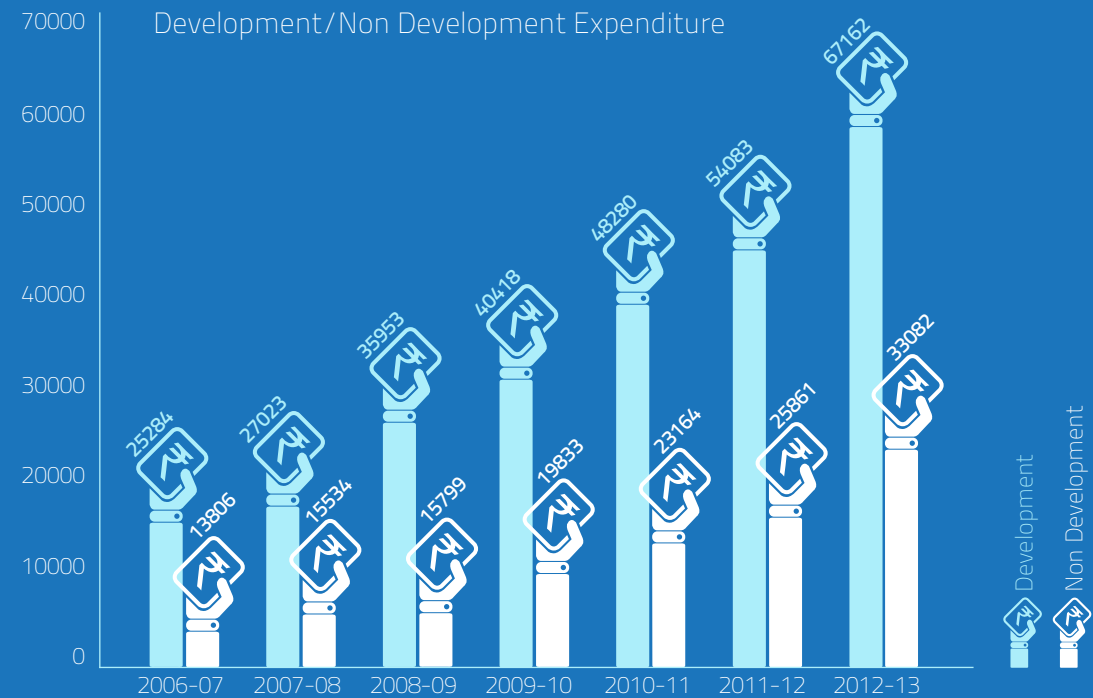


The State is committed to observing fiscal discipline and meeting the targets for prudent debt management and credibility in budgetary operations fixed under the Gujarat Fiscal Responsibility Act, 2005. During the last three years gross fiscal deficit has been reduced from 3.5percent of GSDP to 2.16percent GSDP.

On the revenue side, surplus has been achieved in the revised estimates for 2011-12. The debt stock is estimated to decline to 21.07percent of GSDP below the target ceiling of 27.1percent.

DETAILS	2010-11	2011-12	2012-13
Revenue Deficit/Surplus	-5076	1921	3615
Fiscal Deficit	-15073	-12772	-17831
Public Debt	110873	124580	140238
GSDP (current prices)	513173	591175	676895
% Fiscal Deficit to GSDP	2.94	2.16	2.63
% Public Debt to GSDP	21.61	21.07	20.72

There has been a steady rise in developmental expenditure over the last few years on account of greater public spending in education, health, nutrition, water supply, welfare of weaker sections, agriculture and irrigation; and by controlling non-developmental expenditure through restructuring of debt, reduction in cost of borrowing and right sizing of staff etc.



# PERFORMANCE IN ELEVENTH FIVE YEAR PLAN

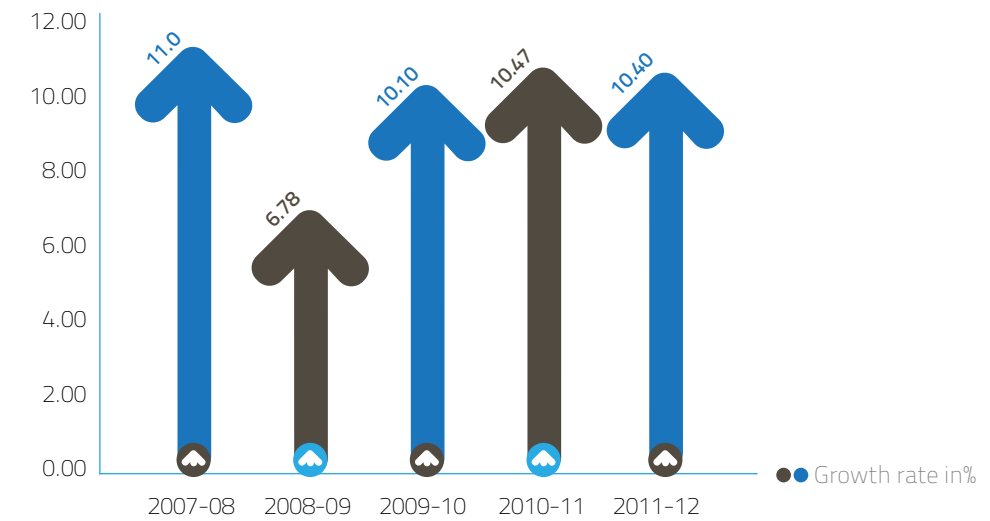
The size of the Eleventh Plan was envisaged to be Rs.1,11,111 crore. However, the final size of the Eleventh Plan is likely to be around Rs.1,28,500 crore, which is close to triple the size of the Tenth Plan. During the entire five year period an allocation of Rs. 53,830 crore was made for the social sectors, amounting to 42% of the total Plan Size. This reflects the commitment of the state government to inclusive growth and human development.

YEAR	OUTLAY	EXPENDITURE	% OF EXPENDITURE
2007-08	16000	15680	98%
2008-09	21000	21764	103.64%
2009-10	23500	23161	98.56%
2010-11	30000	30097	100.32%
2011-12	38000	38000*	100%
<b>Total</b>	<b>128500</b>	<b>128702</b>	<b>100.16%</b>

\*Estimated

The State has had an excellent track record of double digit growth over the past several years. However, the State economy could not remain immune from the effects of the global meltdown and as a result growth of 6.78 per cent was registered in 2008-09. The State's recovery was rapid and remarkable over the next two years i.e. 2009-11. However, once again global factors are casting their long shadows.

Growth Rate achieved during 11th 5 Year Plan (Constant Prices)



# 12<sup>th</sup> FIVE YEAR PLAN

## APPROACH

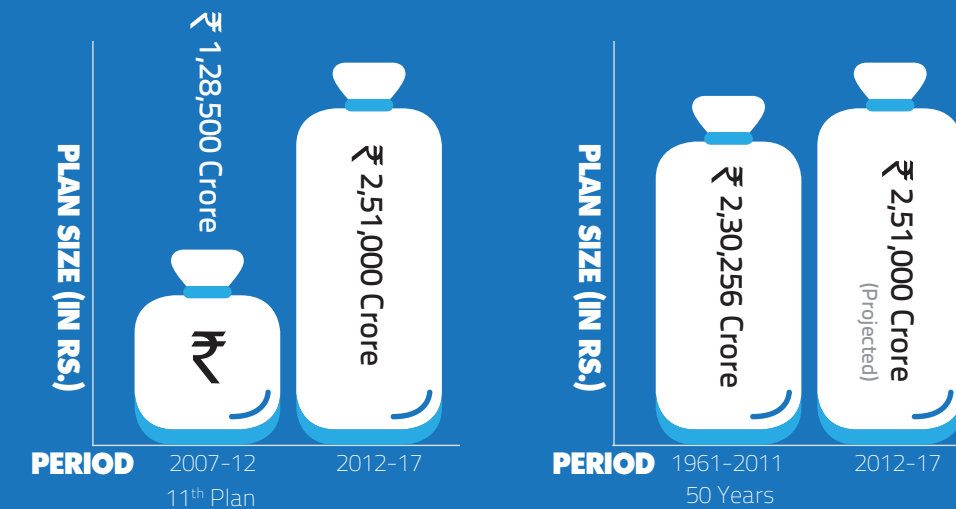
Gujarat's development strategy will be continued emphasis on human development and inclusive growth while aiming at sustainable double digit growth with uniform development of agriculture, manufacturing and services.

## OBJECTIVES OF THE TWELFTH PLAN

- Double digit growth
- Uniform development of agriculture, manufacturing and services
- Improved HDI and Inclusive Growth
- Increased livelihood opportunities
- Empowerment of the youth and women
- Improve quality of life, especially the poor both rural and urban
- Improve the effectiveness, efficiency and transparency of programmes directly aimed at the poor
- Meeting the challenges of Urbanization especially in infrastructure, services and governance
- Balanced regional growth through grassroot planning and taluka centric governance
- Good governance and improved citizen centric services
- Increasing the reach of the State's three flagship schemes
  - Vanbandhu Kalyan Yojana
  - Sagarkhedu Sarvangi Vikas Yojana
  - Garib Samrudhhi Yojana

## SIZE OF THE TWELFTH PLAN

It is planned to have an outlay of Rs. 2,51,000 crore for the Twelfth Plan. The proposed outlay is almost double the eleventh plan outlay of Rs. 1,28,500 crore and more than the total plan outlay of Rs. 2,30,256 crore over the last fifty years.



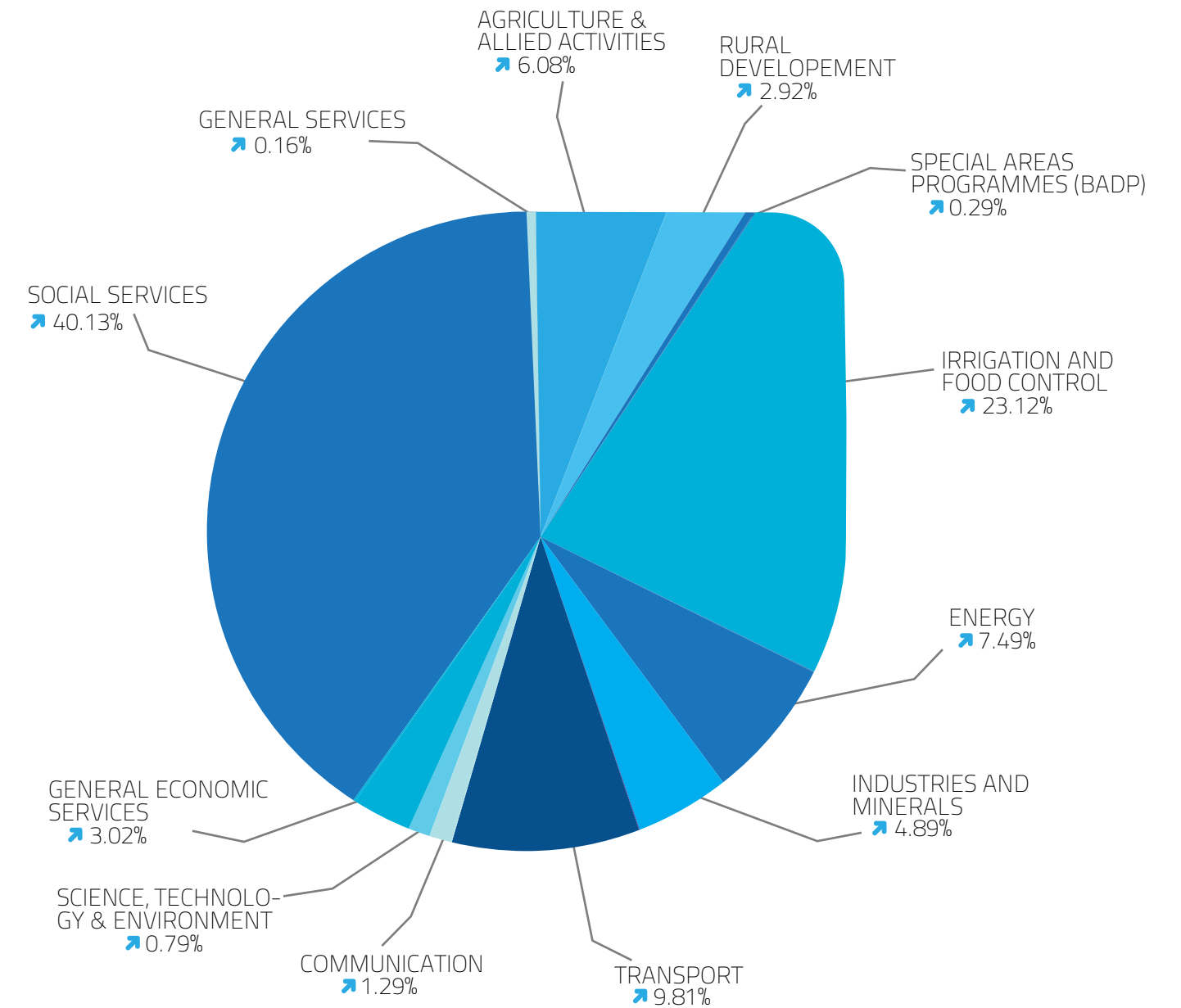
# ANNUAL PLAN 2012-13

For the year 2012-13, the State has already presented its budget. This includes an estimated expenditure of Rs. 50,599 crore for the State Plan.

## NAME OF SECTORS

## ALLOCATION ( IN Crore)

NAME OF SECTORS	ALLOCATION ( IN Crore)
AGRICULTURE & ALLIED ACTIVITIES	3075.5771
RURAL DEVELOPMENT	1479.7970
SPECIAL AREAS PROGRAMMES (BADP)	147.1070
IRRIGATION AND FLOOD CONTROL	11700.1999
ENERGY	3790.3600
INDUSTRIES AND MINERALS	2473.5700
TRANSPORT	4961.4600
COMMUNICATION	650.3541
SCIENCE, TECHNOLOGY & ENVIRONMENT	401.7776
GENERAL ECONOMIC SERVICES	1527.8776
SOCIAL SERVICES	20307.7486
GENERAL SERVICES	83.2111
<b>GRAND TOTAL</b>	<b>50599.00</b>



# CONTINUED EMPHASIS ON HUMAN DEVELOPMENT

## HEALTH

The State is committed to provide better health care to the poor and vulnerable sections of the society. Several successful initiatives have been taken during the Eleventh Plan to reduce IMR, MMR and strengthening healthcare services. We were able to achieve reduction of four points in IMR in a single year (SRS 2010) and the current rate is 44 per thousand live births. Reducing IMR to thirty by 2015 is an important goal for Gujarat. As per SRS 2010, achieved Safe delivery rate is 91.2 and Institutional delivery rate is 79.8%.



## MUKHYAMANTRI AMRUTAM YOJANA (MA)

It is proposed to take a major initiative Mukhyamantri Amrutam Yojana to provide financial assistance to BPL families to combat deadly disease which often debilitate the entire family. Other major initiatives are holistic approach on Nutrition front, strengthening Drug Delivery System as well as Rural and Urban health systems and cancer screening for women in remote locations.

## THE SCHOOL HEALTH PROGRAMME

Under the School Health Programme School Health Week is being observed since the last two years. This comprehensive health programme covers the entire State whereby children get benefit of health examination, on the spot treatment, treatment by specialist doctors for heart diseases, kidney diseases and cancer free of cost. An independent, third party survey has shown satisfaction of treatment facilities to be as high as 97.6%

## QUALITY HEALTH SERVICES

The State has initiated measures to ensure that quality health services are provided through government managed hospitals, PHCs, CHCs, and hospitals linked with Medical Colleges. This has been done by creating appropriate infrastructure, providing equipment and human resources as per IPHS/NABH/NABL standards.

## HUMAN RESOURCES FOR HEALTH SECTOR

Human resources for the health sector is a core need to provide better health services for both the urban and rural areas of the state. During the Eleventh Plan the intake capacity in various sections of Medical Education was increased by 2590 seats. This will be further increased by 550 seats during the year 2012-13. During the last five years, opening of 32 B.Sc Nursing Colleges, 43 GNM school and 43 ANM schools have added more than 5000 seats for meeting the nursing requirements of the State.

**IT IS PLANNED TO OPEN ONE MEDICAL COLLEGE IN HIMMATNAGAR, TWO AYURVEDIC COLLEGES AND ONE HOMEOPATHY COLLEGE IN A TRIBAL AREA DURING THE CURRENT YEAR.**

# WOMEN AND CHILD DEVELOPMENT



Health and development of mothers and children is critical for the well being of the State. The priority for the sector is reflected in the tremendous increase in the budgetary allocation which has increased from Rs. 299.57 crore in 2006-07 to Rs. 2075.30 crore in 2012-13.

Anganwadi centers are the primary infrastructure of service delivery. Anganwadi centers in the state are providing ready to cook Energy Dense, Fortified Blended Food as take home rations to meet supplementary nutritional needs of children under six years of age, adolescent girls, pregnant and lactating mothers. These energy dense premixes are fortified with 8 essential micronutrients. 12,60,610 children in the age group 3-6 years in 18,543 anganwadis are being provided hot cooked food prepared by 48,281 Self Helped Groups (Matru Mandals).

Additionally 11.21 lakh children are provided with locally available seasonal fruits twice a week. Fortified and flavored double toned pasteurized milk is being given twice a week to the children in anganwadis in ten blocks of six tribal districts under the Doodh Sanjivani Yojana in partnership with local dairies.

## GUJARAT STATE NUTRITION MISSION

Gujarat State Nutrition Mission has been set up under the Chairmanship of the Chief Minister for the improvement of the nutritional status of the people through a multi sectoral approach to nutrition and large scale convergence across departments. Various steps have been taken to involve community participation with new initiatives like Tithi Bhojan, Nutrition Rallies, Rasoi Shows, competitions for healthy babies, healthy adolescent girls and healthy pregnant women.

## NAND GHAR

The State has taken a special initiative to strengthen ICDS infrastructure through construction of anganwadis with proper ventilation, kitchen area and toilet facilities to provide a conducive environment to children. In the last four years Rs. 350 crore was provided for construction of 10,960 Nand Ghars. An additional 22,504 Nand Ghars were built through Public Private Partnership. A provision of Rs. 551.91 crore is made for 12,045 new anganwadi Nand Ghars during 2012-13, out of which 4213 will be in urban areas.

## MOBILE AANGANWADI VANS

To address the needs of socially excluded population in interior areas mobile anganwadis vans have been started. These vans are equipped with all facilities like weighing scale, growth chart, pre-schools and medicine kits. 36 such vans are functioning.



# EDUCATION

Achievements in Primary Education during the Eleventh Plan have been quite impressive. The State could achieve the universalization of Primary Education by increasing enrolment to almost 99% and reducing drop out to only 2%. Simultaneously attention was focused on the quality of education through Gunotsav Programme, a first of its kind programme in school rating in the country. Changes were introduced in the curriculum of Primary Education by introducing curriculum based on local content and milieu. A fast, transparent, online teacher recruitment process was introduced for teachers' recruitment which included recruitment of subject-wise graduate teachers. Computers were provided in all upper Primary Schools in the State and Standard-VIII was included in Primary Education.



## QUALITY OF EDUCATION

In the Twelfth Plan there will be increased focus to improve the quality of Primary Education. It is proposed to institutionalize the School Assessment and Evaluation Programme (Gunotsav) by introducing Gujarat School Evaluation and Accreditation Council. The Council will develop norms and standards of School Evaluation and Assessment and will also develop the educational qualification, training and certification process for the evaluators. In the initial years the school evaluators will take up evaluation of 20% of the schools every year to ensure effective implementation of Continuous and Comprehensive Evaluation.

## CREATION OF EDUCATIONAL INFRASTRUCTURE

Under Sarva Shiksha Abhiyan construction work of 17480 class rooms, 7688 compound walls, 6434 toilet blocks will be taken up and 1200 school buildings will be repaired during the year 2012-13. 1000 toilet blocks for disabled students will also be constructed in primary schools.



**IT IS PLANNED TO CONSTRUCT 350 NEW SECONDARY SCHOOL BUILDINGS AND 73 NEW MODEL SCHOOLS AND GIRLS HOSTELS DURING THE CURRENT YEAR.**



## HUMAN RESOURCE DEVELOPMENT

With more young people in education there is a need to prepare a generation of highly educated and skilled youth. Gujarat has a vibrant manufacturing sector. Investors Summits being held every two years have led to setting up of many industrial units. To meet with the ever increasing demand for world-class skilled man power, vocational training is being given through a pool of 649 vocational institutes spread across all 225 talukas of the State.

### NEW ITIs

All talukas in the State have at least one ITI with the total capacity of 12,786 seats. In the current year it is planned to start 10 new ITIs with 5 ITIs exclusively for women. It is also planned to construct 50 new buildings of ITIs for which a provision of Rs.75 crore has been made.

### KAUSHALYA VARDHAN KENDRAS

This scheme's objective is to take vocational training to rural areas by following a cluster approach and concentrating on RURBAN locations. 300 Kaushalya Vardhak Kendras are functioning across the state and imparting training based on WISH concept (Women oriented, Industry related, Soft skills, Hardcore traditional courses). Courses are selected according to local requirements and are of short term duration.

**SO FAR 3,31,347 CANDIDATES HAVE BEEN TRAINED, OF WHICH 1,87,174 ARE WOMEN. IN THE CURRENT YEAR IT IS PROPOSED TO START 30 MORE KVKs IN TRIBAL AREAS AND 5 KVKs FOR PHYSICALLY DISABLED PERSONS.**

# INCLUSIVE GROWTH

## AGRICULTURE

Improved performance in agriculture holds the key to Inclusive Growth. The last decade saw the State achieving milestones which have never been visualized in the past. The gross area sown in the year 2000-01 was 108 lakh hectares which increased upto 145 lakh hectares in the year 2010-11. The expansion in irrigation and water management with the spread of drip irrigation and sprinkler irrigation, provision of Soil Health Cards for all land holders, preparation of village wise soil fertility maps (including micronutrients) as well as several others innovations and initiatives like Krishi Mahotsav has resulted in Gujarat achieving 10.8% agricultural growth during the last decade. Food grain production in the State rose to 100 lakh MT.



## HORTICULTURE

Gujarat's horticulture and vegetables production has increased 300% in the last decade. After West Bengal, Gujarat produces the maximum vegetables in the country. The State Government has taken up a massive programme for net houses, green houses, poly houses, trellis systems etc. It is planned to set up more than 500 trellis, poly houses and green houses during the current year. The State Government has extended National Horticulture Mission to all districts of Gujarat. It has also extended small perry urban vegetable cluster scheme to 45 towns of the State. The State intends to make Gujarat the horticulture hub of India.

## ANTI-FARMER POLICY IN COTTON

Policies in agriculture should be consistent and pro farmer. Uncertainty and agitation in the mind of the farmer is not in the national interest. Prosperity in the rural economy is essential for a healthy growth rate of the economy as a whole. I am constrained to draw the attention of the Deputy Chairman to anti farmer policies and decisions of the Central Government which has led to widespread distress, agitation and anger amongst farmers in Gujarat.

Gujarat contributes 1/3rd cotton production in the country. More than 40% cotton seeds and 50% cotton export from India is from Gujarat. Frequent changes in policies by the Textile Ministry have lowered the confidence of cotton growers. The cotton farmers of Gujarat have incurred more than Rs. 14,000 crore loss in 2010-11 and also huge losses in 2011-12 due to arbitrary banning of export of cotton. Government of India and its agency Cotton Corporation of India have failed to mop up even 3% of cotton from Gujarat. The prices of cotton crashed from Rs. 62,000 per candy to Rs. 34,000 per candy in this season.

The Central Government went to the extent of taking away the cotton seed price control power from the states and reserved it for the Union Government under Essential Commodities Act. This action has resulted in the private seed companies arbitrarily charging high prices and also selling cotton seeds at a premium, putting farmers under further pressure.

This year the Textile Ministry has taken upon itself to control the entire cotton trade and introduce license raj. Cotton farmers, traders and ginners have to account for bales under the threat of punishment. Cotton farmers of Gujarat have got no help from either the Textile Ministry or the Agriculture Ministry.

# ANIMAL HUSBANDRY AND DAIRY DEVELOPMENT

The animal husbandry and dairy sector in Gujarat contributes significantly to socio-economic development and provides sustainable livelihood to approximately 42 lakh families. Gujarat has the highest number of milk producer members (29.70 lac) in dairy co-operative societies with the highest milk procurement (94.58 lakh liters per day) in the country.

The State has made a long term strategic plan for enhancing production and productivity of indigenous livestock through scientific breeding with modern technologies. It is envisaged to establish three new Bull Mother Farms for Gir cow, Jafarabadi and Banni buffaloes to improve local cattle breeds gradually and to cover more than 18 lakh animals under scientific breeding.



## ANIMAL HOSTEL

The concept of Animal Hostel is the first-of-its-kind in the country which has been successfully commissioned in Gujarat. This is a revolutionary step in co-operative management of cattle along with conservation of natural resources. The Govt. plans to establish five more animal hostels during the current year.

Animal Hostel is a large-scale community facility for milch animals of a village where the animals are reared scientifically and managed on a co-operative basis. The facilities in the hostel includes in-house fodder production & storage, electricity generation through bio-gas plants, vermi-compost production, milk collection room, in-house veterinary & breeding services and water harvesting system. There is an increase in milk yield by 15% of animals of Animal Hostel within a few months of commissioning.

## LIVE STOCK BREED IMPROVEMENT IN THE TRIBAL AREAS

As a pragmatic and scientific approach to create attractive livelihood opportunities for the economically challenged tribal communities, a special project of livestock breed improvement programme in tribal areas of Gujarat under one time Additional Central Assistance has been sanctioned for Rs.106.31 Crores in the year 2011-12.

The project envisages to render benefits to 11.21 Lakh tribal families. It will encompass infrastructural development for better and scientific livestock breeding services, health coverage and information education campaign along with the participation of non-governmental, voluntary and private sector organizations.



## **WATER MANAGEMENT**

While sectoral approaches are important, they may result in missing out on some of the most promising opportunities to improve water efficiency such as improving water productivity in rain fed areas, managing surface and ground water conjunctively and managing water supplies for multiple uses. The State has adopted an integrated approach for efficient and sustainable development as well as management of water resources, which is inclusive in scope and includes water conservation, micro irrigation systems, strengthening of existing canal system, Participatory Irrigation Management, inter-basin transfer of water and salinity ingress prevention works.

## **WATER CONSERVATION**

Improving productivity includes adding more water at critical junctures in the form of supplemental irrigation to mitigate the effects of short-term drought.

The Government has therefore launched a massive drive for augmenting the ground water recharge by construction of thousands of water harvesting structures like check dams, boribundhs, farm ponds, simtalavadis, terrace talavdis, van talavdis and deepening of ponds. In all, more than 1,53,249 check dams, 2,61,785 farm ponds, 1,22,000 boribundhs, deepening of existing 21,418 village ponds / tanks and lacs of terrace talavadis, sim talavadis and van talavadis have been constructed. This has positively impacted the ground water and has resulted in improved quality as observed by IIM, Ahmedabad in its recently concluded study.

Gujarat State Watershed Management Agency (GSWMA) has been conferred **Prime Minister's Award for Excellence in Public Administration for the year 2010-11** for the initiative entitled Participatory Watershed Management Programme.

**IIM Ahmedabad has made a detailed study on Socio-Economic Impact on Water Conservation Works in Gujarat. Its main finding is that Water Conservation Units (WCUs) have achieved their primary objective of making available additional water for irrigation and drinking**

- **Effective protective irrigation services by averting crop loss incidents on an average 3 times during the last 5 years, and bridging over 3/4th of the irrigation shortfall from traditional irrigation structures**
- **Increase in number of months for which water is available by 3.5 months, allowing extra crop per year**
- **55% increase in overall land cultivation**
- **Over 70% increase in cropping intensity**
- **Improvement seen in productivity of cotton, coarse cereals, all cereals, all food grains and sugarcane**

## **STRENGTHENING OF EXISTING CANAL SYSTEMS**

There is a need for renovation & modernization of old canal systems, to improve the water use efficiency by enhancing the area under coverage and bridging the gap between irrigation potential created and potential actually utilized. Performance Benchmarking of all major and medium irrigation projects has been completed and Water Auditing is taken up as a diagnostic tool, so that the impact of efforts put in can be measured and corrective action can be taken. Uptill now, strengthening of canal systems in 2,30,000 hectare area has been completed. The ERM works in one lac hectare command area of existing irrigation projects are targeted to be completed during the year 2012-13.

## **PARTICIPATORY IRRIGATION MANAGEMENT (PIM)**

Maximum gains in water use efficiency can only be made with the use of better management practices. Keeping this concept in view, the State Government has decided to bring the maximum possible command area under Participatory Irrigation Management to ensure that irrigation water is distributed efficiently and equitably in the command area and that it is used efficiently through Participatory Management. As of today, about 4.35 lac hectare area is covered under PIM. It is planned to cover 50,000 hectares under PIM during 2012-13.

## **LIFT IRRIGATION IN TRIBAL AREAS**

Tribals residing along the periphery of large reservoirs like Ukai, Kadana etc. do not have any source of water. In order to provide them irrigation facilities, it is planned to construct 101 lift irrigation schemes covering 9147 hectare area under irrigation from these reservoirs.

## **MICRO IRRIGATION**

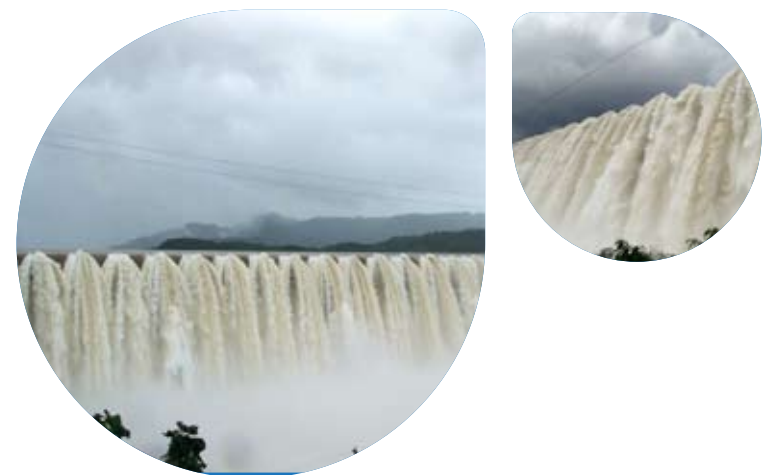
As a step towards **demand side management**, the State has taken up initiative for regulating water use for agriculture by spreading micro irrigation technology. Gujarat Green Revolution Company (GGRC) was established in 2005 to expedite promotion of micro irrigation. Instead of providing financial assistance only, GGRC also motivates and guides the farmers for adoption of micro irrigation, helps farmers in selection of crop and deciding layout of micro irrigation system, ensures third party supervision during installation of the system and maintains and ensures trouble free operation for 5 years.

**UPTILL NOW ABOUT 4.4 LAC HECTARE AREA IS COVERED UNDER MICRO IRRIGATION SINCE THE SCHEME WAS LAUNCHED AND IT IS PROPOSED TO COVER 2.5 LAC HECTARES IN THE CURRENT YEAR.**

## SARDAR SAROVAR PROJECT

Sardar Sarovar (Narmada) Project is an Inter-state multipurpose Project on completion of which benefits will be derived by Madhya Pradesh, Maharashtra, Rajasthan and Gujarat. The State has taken up command area works in a big way. Land is being acquired by obtaining the consent of farmers and almost all the works are taken up. It is planned to complete the project by the year 2014. The Central Government has recently declared 14 river projects as national assets and has assured that it would bear 90% of the cost of such projects. Earlier Gujarat had made a request to declare the Sardar Sarovar Project as a national project which has yet to be accepted. Gujarat is, however, determined to complete the Sardar Sarovar Project. A provision of Rs. 9,000 crore has been made in the current year.

The issue of extending financial assistance under AIBP scheme to DDP areas at par with DPAP areas is pending with the Cabinet Committee on Infrastructure.



**I WOULD URGE DEPUTY CHAIRMAN, PLANNING COMMISSION OF INDIA TO ASSIST US IN EXPEDITING THE REQUISITE APPROVAL AS EARLY COMPLETION OF THE PROJECT WOULD BE IN THE OVERALL INTEREST OF THE NATION.**



## DRINKING WATER

Gujarat has taken a lead in devolution of power as per the mandate of 73rd Constitutional Amendment. Empowerment of Panchayati Raj Institutions was taken up in a mission mode by envisaging a paradigm shift in the role of governance from provider to facilitator, which has been widely accepted by the community enthusiastically and upto now more than 95 percent villages have embraced community managed water delivery approach at village level through **Pani Samitis**.

The Gujarat model of achieving drinking water security upto household level is resulting in significant improvement in Human Development Index of the State.

Keeping in focus the long term sustainability of drinking water **State Wide Drinking Water Grid** has been created. The Grid now covers 3.80 crore population of 11,003 villages and 127 towns. 2,240 Kms of bulk pipelines and more than 1,19,380 Kms of distribution lines are used for transporting up to 2,800 million liters of water on a daily basis for ensuring water security in water scarce regions of the State. Saurashtra-Kachchh Water Supply Grid for inter-basin water transmission from water surplus to water deficit areas is under implementation.

# MAJOR THRUST ON INFRASTRUCTURE



## CONVENTIONAL POWER GENERATION

The total installed capacity of the State from all conventional sources is 15,306 MW as on 31.03.2012. In spite of being power surplus after meeting the State's power requirements, Gujarat is unable to supply the surplus power to other states/regions on account of constraints in Inter-Regional Transmission Corridor. As against the requirement of 14.36 Million Metric Standard Cubic Meter per Day (MMSCMD) of Gas, at present, the present gas based installed capacity in the State i.e. 4,172 MW receives only 7.46 MMSCMD of gas. Resultantly capacity remains idle up to 2000 MW and the State has to compulsorily back down the existing Power Generating Capacity.

The total idle capacity in the country would be in the range of 5000 MW. If imported gas is allowed to be used for generation of power and cost is pooled, the burden can be shared amongst all

**IT WOULD BE IN THE NATIONAL INTEREST FOR THE CENTRAL GOVT.  
TO PERMIT GUJARAT AND OTHER STATES TO BUY IMPORTED GAS AND  
PRODUCE ELECTRICITY AND SUPPLY THE SAME TO NTPC.**

# INDUSTRY

## INDUSTRIAL POLICY

The State Industrial policy is being modified to give priority to specified manufacturing sectors to enhance the share of manufacturing in GSDP and provide jobs. Some of the identified sectors are Cotton Spinning, Technical Textiles, Food and Agro Business, Auto and Auto Components, Speciality and Fine Chemicals, Solar and Wind Equipment manufacturing, Electronics System Design etc.

## SPECIAL INVESTMENT REGIONS

For comprehensive economic growth in a large area of more than 100 sq. kms in a systematic manner, the State has already notified 5 SIRs under the Gujarat SIR Act, 2009.

Dholera	(879-3377 Sq.km)
Dahej PCPIR	(452.59 Sq.km).
Aliyabet	(168 Sq. km)
Santalpur	(186.74 sq.km)
Halol-Savli	(122.29 sq.km)

The proposals for seven more SIRs are underway. In Dholera SIR, five core projects i.e. Express-way from Dholera-Ahmedabad, International Airport, Industrial Parks, Logistic parks and Metro-rail Project are initiated.

## SKILL DEVELOPMENT IN INDUSTRIAL AREAS

The State has embarked upon an innovative scheme to set up 300 skill upgradation centres in industrial areas to train around 2 lac industry responsive manpower per year by the year 2013-14. As many as 90 centres have already been set up. This will enhance competitive advantage in the manufacturing sector. The industrial clusters will also be strengthened with skill development centres as well as R&D Centres. These are over and above the training programmes run under the various schemes of Apparel Training, Centre of Entrepreneurship Development, Commissioner of Cottage and Rural Industries as well as training centres in GIDC estates.

# ROAD CONNECTIVITY

Due to its high industrialization, long coastline, high GDP growth and extremely high agricultural growth, it is but natural that Gujarat's roads carry many times more traffic as compared to many regions in the rest the country. The State has undertaken holistic planning and execution to ensure that its road network is able the meet these needs.

Towards this object, the flagship schemes of Pragati Path, Vikas Path, Kisan Path, Pravasi Path as well as the holistic schemes of Sagarkhedu Sarvangi Vikas Yojana and Vanbandhu Kalyan Yojana have progressed very well. Pragati Path involving 9 corridors has been completed, while Vikas Path involving highways passing through 186 urban areas are on the verge of completion. Under Pravasi Path road improvement has helped boost tourist flow. 8626 km have been completed under the Kisan Path Yojana, ensuring quick movement of farm produce to APMCs and market centres.

The State has given due importance to long distance corridor development and integration of the Eastern Tribal Belt with the heartland and has also taken large strides in road development related to DMIC & DFC. Work of first state Expressway, Ahmedabad - Dholera - Bhavnagar connecting Ahmedabad with Dholera SIR and the coastline of Bhavnagar has been taken up at a cost of Rs.3000 crores. In the last one year 275 km of four laning and 1082 km of widening to 10 mt has been completed.

The State has decided that roads which have not been renewed / resurfaced in the last seven years will be taken-up for renewal. In the current year 7000 km of such roads have been taken up. The Vision-2025 document of PMGSY indicates that connectivity to habitations of less than 500 population in normal areas and less than 250 population in tribal areas would probably be taken up in 2020. However, we have taken up 644 habitations of less than 500 in normal area and 500 habitations of less than 250 in tribal areas at a cost of Rs. 559 crore.





## MEETING CHALLENGES OF THE FUTURE

Gujarat has always remained in the forefront of development of non conventional energy sources. The state capital Gandhinagar is being developed as a modern Solar City, the first of its kind in country. The campaign of installing 5 MW solar roof top system is being extended to five other cities- Surat, Vadodara, Rajkot, Bhavnagar and Mehsana. Under the Sagarkhedu Sarvangi Vikas Yojana several innovative programmes have been taken up to prevent land erosion by sea water, installing rooftop rain water harvesting systems and setting up reverse osmosis plants for meeting the needs of drinking water. As is well known, Gujarat is in the forefront of plantation and conservation of Mangroves and has registered the maximum increase in its mangrove cover among all maritime States and Union Territories of India (FSI-2011).

## GUJARAT SWARNIM SOLAR PARK

Government of Gujarat is currently developing Asia's largest Multi-developer, Multi-facility and Multi-beneficiary" Solar Park at Village Charanka, Taluka Santalpur, District Patan. This project illustrates the State's vision for setting up clear & green energy.

The majority of infrastructure development work like construction of roads, power evacuation facility, water distribution network, telecommunication network, etc. has already been completed within the Gujarat Solar Park. The inauguration of the Solar Park within a short period of one year is a record achievement of the Govt. of Gujarat.

## SOLAR PANELS ON NARMADA CANAL: A UNIQUE INITIATIVE

Gujarat is the first state in the country to install a 1 MW capacity solar power project on the Narmada Branch Canal near Chandrasan village in Kadi Taluka, 75 km from Ahmedabad. The project is envisaged to reduce the cost of land that otherwise would be required for land based solar power plants and lower water evaporation as the canal will be covered by PV panels. The energy generated will be supplied to villages bordering the canal, lowering transmission losses.



# URBAN DEVELOPMENT

Gujarat is the most rapidly urbanizing state in the country with the highest decadal rate of increase of 5.2%. Urbanization has thrown up serious issues of creating urban infrastructure, migration and dealing with issues of housing, health and education of the urban poor. In the Eleventh Plan the State allotted Rs. 13,068 crore for Urban Development and in the first year of the Twelfth Plan an outlay of Rs. 5670 is provided. It is expected that we would be providing almost Rs. 50,000 crore over the next five years. With almost half of its population living in urban areas, states like Gujarat, Maharashtra, Tamilnadu and Karnataka would naturally avail of proportionately lower benefits from centrally sponsored schemes aimed at rural areas.



**THERE IS AN URGENT NEED FOR THE PLANNING COMMISSION TO PROVIDE SPECIAL ALLOCATIONS FOR URBAN AREAS IN THE TWELFTH PLAN. THERE HAS BEEN CONSIDERABLE DELAY IN ANNOUNCEMENT OF A REVAMPED JNNURM TO EFFECTIVELY ADDRESS THE CONCERNS OF SMALLER TOWNS AND ENSURE PROPORTIONATELY HIGHER ALLOCATIONS FOR THE MORE URBANIZED STATES.**

## MUKHYAMANTRI SHAHERI VIKAS YOJANA

It is proposed to cover all 159 municipalities in the State to upgrade water supply from 100 to 135 liters per capita per day. Projects in nearly 100 towns have already been completed. Similarly all municipalities are planned to be provided with underground drainage by the end of year 2015-16. Under this scheme the State has adopted a holistic approach for providing basic social infrastructure and urban amenities.

## GARIB SAMRUDHHI YOJANA

This State Flagship Scheme aims at the overall development of urban poor through comprehensive convergence of planning and implementation by providing opportunities for employment, ensuring better health and nutrition, providing housing and adequate basic facilities, empowering women and mainstreaming of urban poor. Provision of Rs. 13,000 crore was made during the Eleventh Plan. This has been enhanced to Rs. 25,000 crore for a Second Generation Garib Samrudhhi Yojana in the Twelfth Plan.

## METRO RAIL PROJECT

A Metro Rail System connecting Gandhinagar and Ahmedabad is under finalization at an estimated cost of Rs. 6000 crore in Phase-I. A special purpose vehicle has been formed to implement this project for which a provision of Rs. 500 crore has been made for the current year.



## PROACTIVE GOVERNANCE AND GRASSROOT PLANNING

Decentralization of the decision making process is the corner stone of proactive governance and grassroots planning. The State Flagship Schemes have been holistically designed to decentralize decision making. While the Vanbandhu Kalyan Yojana and Sagarkhedu Sarvangi Vikas Yojana have a taluka centric outcome based approach, the Garib Samrudhhi Yojana is municipality centric with the important objectives of strengthening municipal governance and civic services.

### AAPNO TALUKO VIBRANT TALUKO - ATVT

ATVT is designed as a sub district citizen centric approach where governance and development is facilitated at the grassroots level. Every taluka in Gujarat has been empowered to provide a local platform for driving both economic growth and social development. It provides a new model of development based on grassroots planning where people themselves are empowered to drive the developmental process. Prant Officers have been entrusted one to two talukas to ensure decentralization of the governance process and to ascertain the wishes of the people while determining developmental priorities.

## VANBANDHU KALYAN YOJANA AND TRIBAL WELFARE

The Chief Minister's Ten Point Programme is aimed to improve the quality of social infrastructure and civil infrastructure in ITDP areas and thereby create a positive environment for doubling of income by creating 5 lac quality employment for the ST families. The strategy includes the

harnessing of private initiative, technology, infrastructure, training and modern facilities to lead tribal communities into the new age of global linkages, information technology and value addition. These programmes are outcome oriented, with time bound interventions and seeking people's participation. These programmes were implemented in a mission mode through strengthening ITDP machinery and periodic monitoring every quarter.

Under Vanbandhu Kalyan Yojana, against the total outlay of Rs. 15,000 crore in the Eleventh Plan, more than Rs. 17,000 crore was allocated. A provision of Rs. 40,000 crore is proposed under the Twelfth Plan keeping in view the very impressive achievements in the last five years in the areas of education, health, housing, skill development, livelihood, provision of basic amenities including electrification, road connectivity and agriculture, especially horticulture and animal husbandry.



## SAGARKHEDU SARVANGI VIKAS YOJANA

This Flagship Scheme underlines the significance of 1600 km long coastline of Gujarat with the vision of making the coastal regions of the state the drivers of growth of both the State and the Country. The objectives of SSVY are development of coastal areas and port-led development for which an integrated and comprehensive approach has been adopted, focusing on enhancing quality of life and infrastructure development. It aims at holistic development, with due focus on an effective blend of rapid economic development with Human Development with a taluka-centric outcome-based approach.

It was envisaged to make a provision of Rs. 11,000 crore in the Eleventh Plan. The actual allocation of Rs. 11,606 crore has played the role of a catalytic agent and has attracted private sector investment in excess of Rs. 80,000 crore in the area of maritime ports, fishing harbours, ship building/ breaking, power sector and industries.

Looking to the success achieved in the last five years, a provision of Rs. 21,000 crore is made for the Twelfth Plan.

## GARIB KALYAN MELAS

This is a unique innovation in the direction of Gram Swaraj and Swadeshi as envisaged by Mahatma Gandhi with the strategy to focus on the poorest of the poor. Garib Kalyan Melas have been designed as a convergence model with a strong focus on both welfare schemes as well as financial inclusion.

Characterized by features like elimination of middle men, improved awareness and transparency in delivery of benefits directly in the hands of the poor have been responsible for mainstreaming of the marginalized and creating hope for betterment in life with dignity.

It is noteworthy that financial assistance of Rs. 7947 crore has been provided to 57.59 lac BPL beneficiaries through 642 Garib Kalyan Melas organized in three phases during 2009-10, 2010-11 and 2011-12.

## GOLDEN JUBILEE OF PANCHAYATI RAJ

Soon after the bifurcation of the bilingual Bombay state into two new States of Gujarat and Maharashtra in 1960, Gujarat Panchayat Act was passed by the Legislative Assembly of Gujarat on 24th February 1962. The Act came into force on 1st April, 1963. Three tier Panchayati Raj Institution have completed 50 years. To mark this historic landmark we are celebrating the Golden Jubilee of Panchayati Raj this year by reiterating our faith and confidence in grassroot democracy and effective democratization of the process of governance for which a provision of Rs. 50 crore has been made.



# ISSUES PENDING WITH GOVERNMENT OF INDIA

There are several issues which are pending with various Ministries in the Central Government which effect the development as well as the pace of development of the State and its financial resources. I have referred to some of these issues in my speech specially issues pertaining to the Sardar Sarovar Project and the crucial issue of Cotton Export agitating the mind of farmers in Gujarat. It is unfortunate that some issues remain pending for years together. There are other issues of adhocism in decision making which increases the financial burden on the common man. What is even more disturbing is a growing list of instances of the Central government breaching the federal dharma. There are many issues which create a sense of injustice in the minds of the people of the State.

## NON-PAYMENT OF ROYALTY AS PER STATUTORY PROVISIONS

As per policy of MoPNG royalty on crude is to be paid as per market driven price of crude oil. However, MoPNG directed ONGCL to pay royalty on post discounted prices from April, 2008. This issue has remained unresolved in spite of the State Govt. repeatedly taking up the matter with the Central Government. This has resulted in a financial loss of over Rs. 5500 crore to the State.

## SIX LANING OF NATIONAL HIGHWAYS CONNECTING SOMNATH AND DWARKA

Somanth and Dwarka are amongst the most revered places for Hindus and are being visited by millions of devotees from all over the country. The devotees are using Jetpur-Somnath and Somnath-Dwarka sections of the National Highways. NHAI has taken up the work of four laning of Jetpur-Somnath road but this is not sufficient and six laning should be taken up. Dwarka and Somnath is connected by a two lane road. GOI has started the feasibility of widening of Bhavnagar-Somanth-Dwarka road. This should be completed at the earliest and six laning of Dwarka-Somnath road should be taken up on priority.

## COMPENSATION IN VIEW OF ABOLITION OF D-FORM

The additional revenue that has accrued on account abolition of D form has already been accounted for in the treasury figures of CST revenue, but GOI has deducted the same amount from the CST compensation claims. The issue of resultant double deduction on account of abolition of D form has not been resolved even after repeated representations. This has resulted in a financial implication of about Rs.1200 crore till April, 2012.

## CST COMPENSATION

The decision of the Govt. of India to reduce CST compensation on account of additional revenue due to increase in the lower rate of VAT from 4% to 5% and also to discontinue CST compensation from the year 2011-12 is a unilateral decision which goes against the financial interests of the states. Claims of Rs. 1428.25 crore for the year 2010-11, duly certified by Accountant General, Gujarat have been submitted but no amount has been released although eleven states have received part of their CST compensation claims out of Rs. 6393 crore released by GOI. These types of unilateral decisions, especially when dialogue with the states is taking place, shows the disregard of the Central Government for the federal structure and basic principles of democratic functioning.

## COAL ALLOCATION TO GUJARAT FROM NEARER COLLIERIES FOR POWER GENERATION

Gujarat is located in the western coast of India at a distance of more than 1600 kms from the eastern coal belt. As the State is highly dependent on thermal generation based on coal from collieries far away, GSECL has to incur substantially higher transportation cost of about Rs. 2100 crore per year. The issue of allocating coal from the western coal fields has been taken up with the Hon'ble Prime Minister on more than one occasion without success. It is difficult to understand why Maharashtra can have a linkage of 227.01 lac MT per year from mines of WCL but Gujarat can have a linkage of only 9.30 lac MT!

## ALLOTMENT OF SOLAR POWER MADE BY GOVT. OF INDIA

Although Gujarat has the highest installed capacity of 654.81 MW, out of total 979.41 MW for the country as a whole, Gujarat has been allotted only 20 MW out of 1152.05 MW under the Jawaharlal Nehru National Solar Mission. The logic of such a meagre allotment to the leading state of the country defies logic and comprehension.

## DEVELOPMENT OF DANDI HERITAGE ROUTE

Even after the announcement by Hon'ble Prime Minister seven years ago that Ahmedabad -Dandi Route will be developed as a heritage route, the proposal for works of Phase II is pending with the Central Government since August, 2009. This is in spite of repeated requests made to the Hon'ble Union Minister and even Hon'ble Prime Minister. Even the design of the Memorial announced has not yet been finalized.

## INCLUSION OF GANDHINAGAR AND KARAMSAD TOWN UNDER JNNURM

In spite of repeated representations made over the last six years, the capital city of Gandhinagar and Sardar Patel's place of birth Karamsad Town have not been included under JnNURM.

## IN CONCLUSION...

This year the Nation is celebrating the 150th Birth Anniversary of Swami Vivekananda.

We in Gujarat are celebrating this event as Yuva Shakti Year during which special priority is being given to programmes for the empowerment of youth by providing them with professional training and skills and enabling them to work with heads held high. Special programmes and activities are being taken up to encourage the youth of the State to make Swami Vivekananda as their role model and absorb his ideas of character building and nation building to transform their lives.

The commemoration of the 150th birth anniversary should be a reason for all of us to rise in the right direction.

**IN SWAMIJI'S WORDS, IT IS TIME FOR US TO**

**"ARISE, AWAKE AND NOT STOP  
TILL THE GOAL IS REACHED."**

**AS WE START THE TWELFTH FIVE YEAR PLAN WE WILL BE  
GUIDED BY THE VISION OF SWAMI VIVEKANANDA OF  
BUILDING A STRONG AND JUST NATION.**





सत्यमेव जयते

GOVERNMENT OF GUJARAT