



Government of Gujarat

GUJARAT
WHERE
GROWTH
IS FOR
ALL

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

18th JUNE, 2013

Speech of
**NARENDRA
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Chief Minister, Gujarat





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As we enter into the second year of the Twelfth Five Year Plan, Gujarat has lived up to expectations as regard growth and demonstrated further significant improvements in human development. Gujarat has contributed with its economic might to the national efforts to achieve the targeted growth rate. We have taken several new initiatives to maximize the reach of the benefits of development to our citizens. In the last ten years, we have particularly encouraged the harnessing of new technologies and systems in Government to ensure that the benefits of this growth are translated into improved quality of life of the people. Our Government is committed to the development of every section of society and every corner of the State. Inclusive and comprehensive development is our guiding principle.

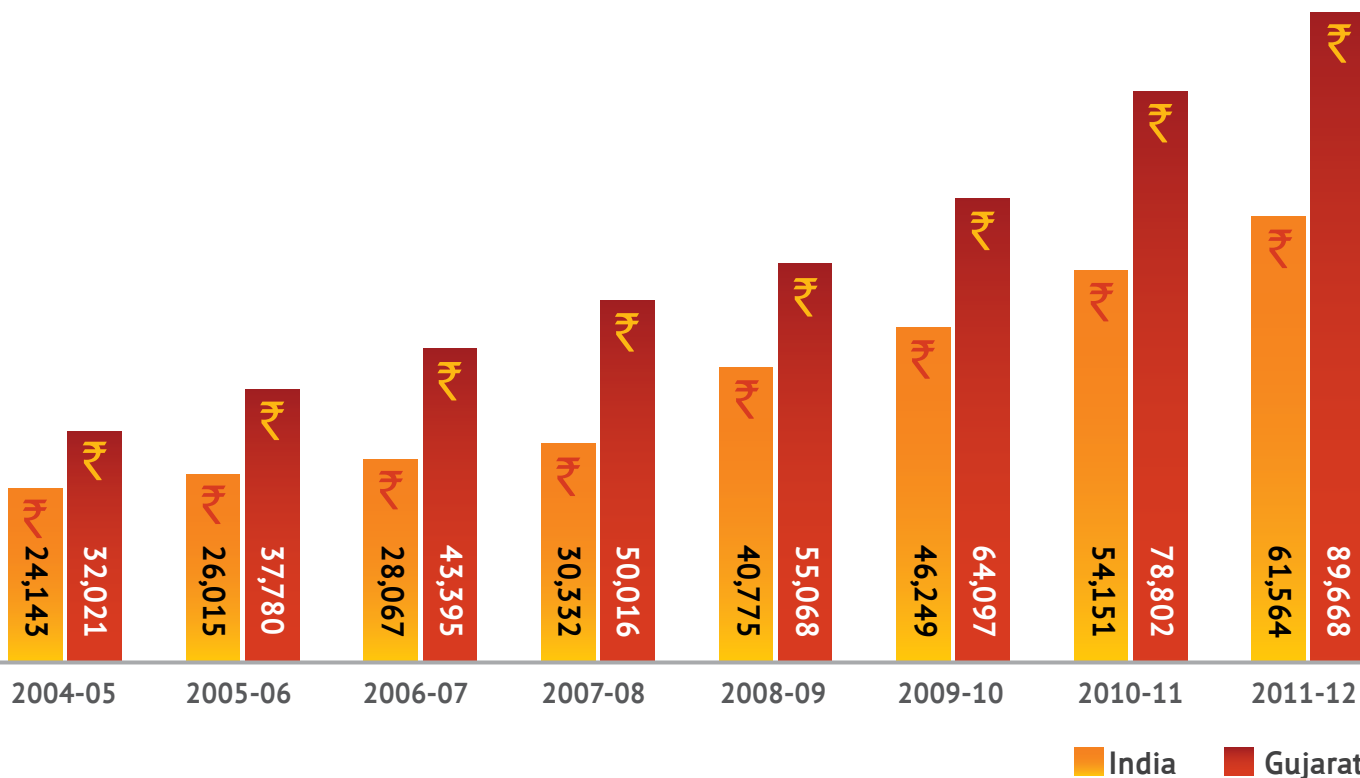
THE DEVELOPMENT MODEL EVOLVED IN GUJARAT IN THE LAST DECADE HAS BEEN A CYNOSURE OF MANY EYES. IT IS NOW BEING SEEN AS A MODEL TO BE STUDIED AND EMULATED.

STATE OF THE ECONOMY



While Gujarat accounts for 4.99% of India's population, its share in the country's GDP for the year 2011-12 [at constant (2004-05) prices] is 7.61%. Gross State Domestic Product (GSDP) at factor cost at current prices in 2011-12 has been estimated at ₹ 6,11,767 crore registering a growth of 15.3% over the previous year. GSDP at factor cost at constant (2004-05) prices, in 2011-12 has been estimated at ₹ 3,98,884 crore showing an increase of 8.5% during the year. The share of primary, secondary and tertiary sectors is 21.8%, 36.1% and 42.1% respectively to the total GSDP in 2011-12.

Gujarat has also registered an increase of 13.8% in the Per Capita Income for 2011-12, which has been estimated at ₹ 89,668 as against ₹ 78,802 in 2010-11, at current prices.



PER CAPITA INCOME GUJARAT & ALL INDIA



GROWTH PERFORMANCE

The overall performance of the State Economy, as measured through Gross State Domestic Product (GSDP) indicates a high growth trajectory in the last decade (i.e. 2002-2012) with an average annual growth rate of 10.24%. During the Tenth Five Year Plan, the state economy grew at an average annual rate of 10.97%.



PERFORMANCE OF ELEVENTH FIVE YEAR PLAN

During the 11th Plan, despite the effects of the global economic meltdown, Gujarat achieved an average annual rate of 9.51%. The size of the 11th Plan was envisaged at ₹ 1,11,111 crore. However, the final size of the 11th Plan reached ₹ 1,28,500 crore. While making allocations, we gave priority to the Social Sectors, keeping in mind the overall objective of improving the Human Development Index of the State, for which an allocation of ₹ 53830 crore (i.e. 42% of the Plan) was made in the Eleventh Plan. The state achieved nearly 98% of the 11th Plan outlay.





12th FIVE YEAR PLAN

OUR APPROACH

For the Twelfth Plan period, Gujarat's development vision will be guided by continued emphasis **on human development and inclusive growth**, while aiming at sustainable double digit growth which is environmentally sustainable with **harmonious and balanced development** in agriculture, manufacturing and services.

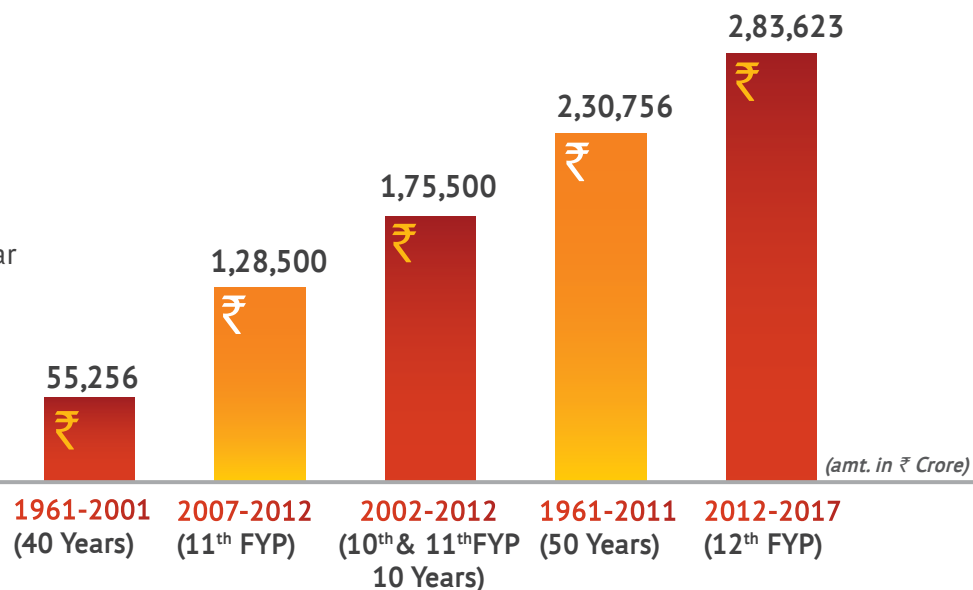
Other objectives would be:

- Increased livelihood opportunities
- Empowerment of the youth and women
- Improved quality of life, especially of the poor - both in rural and urban areas
- Good governance and improved citizen centric services
- Improved effectiveness, efficiency and transparency in programmes directly aimed at the poor
- Meeting the challenges of Urbanization especially in terms of infrastructure, services and governance
- Decentralised Planning through ATVT (grass-root level planning and taluka-centric developmental governance), and
- Focused attention on balanced regional development through the State's three flagship programmes.



SIZE OF THE TWELFTH PLAN

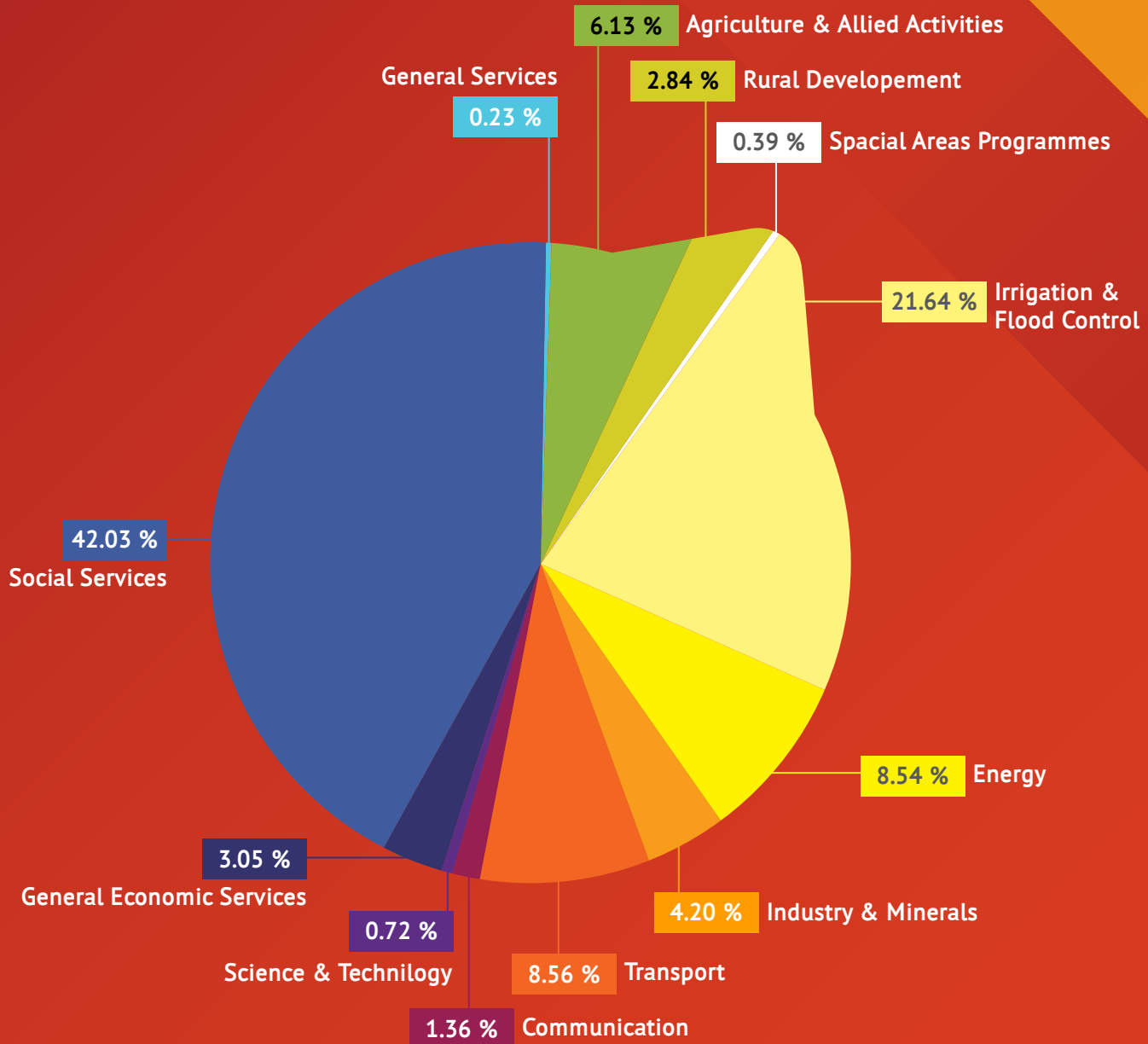
Planning Commission has recommended the plan size of ₹ 2,83,623 crore for the 12th Five Year Plan, against the 11th Five Year Plan size of ₹ 1,28,500 crore.



ANNUAL PLAN 2013-14

For the year 2013-14, the State has already presented its budget. The Annual Plan size has been proposed at a level of ₹ 58,500 crore.

Name of Sectors	Allocation (₹ in crore)
Agriculture & Allied activities	37,63.57
Rural Development	1,664.13
Special Areas Arogrammes (BADP)	229.45
Irrigation and Flood control	12,660.12
Energy	4,996.10
Industries and Minerals	2,455.10
Transport	5,006.70
Communication	795.81
Science, Technology & Environment	423.06
General Economic Services	1,786.03
Social Services	24,586.34
General Services	133.69
GRAND TOTAL	58,500.00



FINANCING THE PLAN



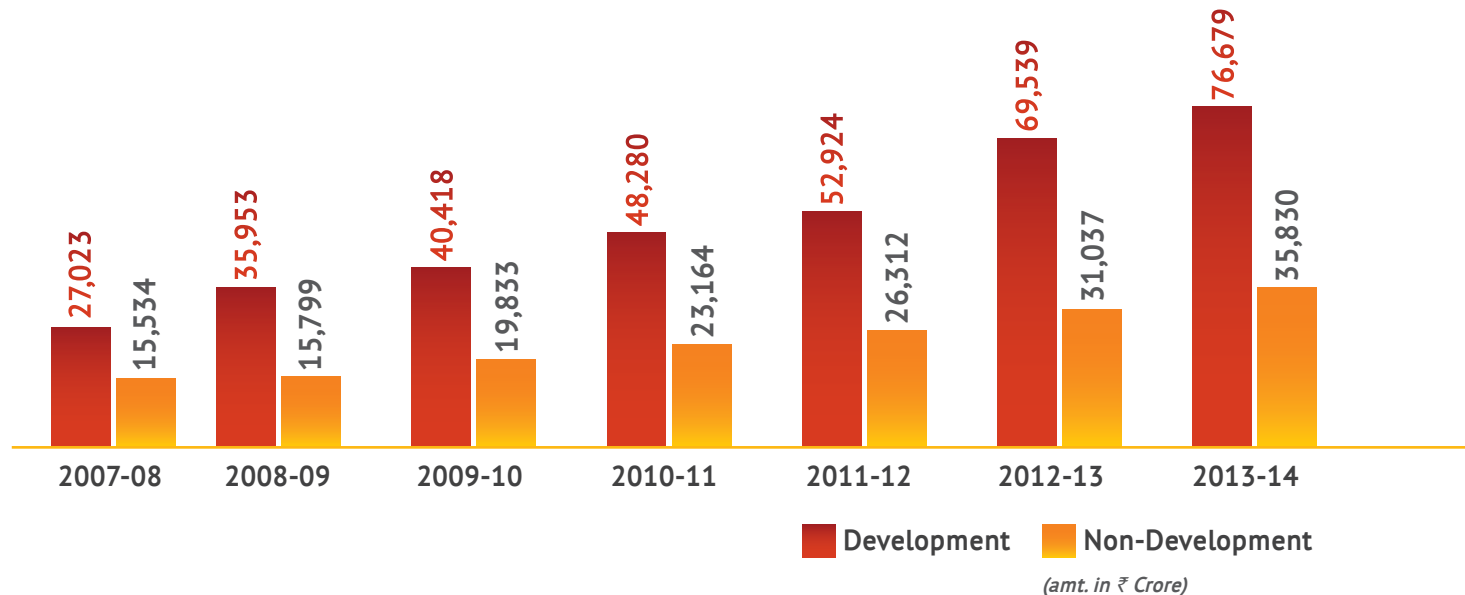
We in Gujarat, have been able to make substantial Plan investments to catalyse a high rate of growth and development. This **strong financial foundation rests on good management, and fiscal discipline.** During the last 4 years, the state government has brought down the Fiscal Deficit from 3.54% of GSDP to 2.57% of GSDP in 2013-14 (BE). Public Debt as a percentage of GSDP has been brought down, and is being utilized for developmental and infrastructure investments, as may be seen from the strong economic growth and tax revenues. This astute fiscal management has enabled us to set an ambitious growth target in Annual Plan 2013-14 as well.



DEVELOPMENT AND NON-DEVELOPMENT EXPENDITURE



We have also maintained 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.



I would now like to present the highlights of the plan proposals in the major sectors for 2013-14.

AGRICULTURE



Agriculture continues to contribute 15% of Gujarat's GSDP and provides employment to almost 51.58% of our workforce, and naturally, we have been focusing particular attention to this sector. About 35% of the land area in Gujarat falls in arid and semi arid zone or along salinity affected areas. 3 out of 10 years have also traditionally seen inadequate rainfall. Despite these challenges, the farmers of Gujarat have shown great determination to contribute vigorously to state's overall growth.

The agricultural growth rate in Gujarat rose from 3.3% in the 1990s to 11.1% during the decade 2001-02 to 2011-12. In fact, the **production of cotton, wheat, fruit crops and milk have played a vital role in sustaining the agricultural growth in the state economy.** The variability in growth rates appears to be reduced to a significant extent thus stabilizing the farmer's income. Although, the farmers of Gujarat have shown a move towards cash crops, fruits & vegetables and oil seeds, it is a matter of pride that the total production of food grains crossed 100 lakh MT for the first time in the history of the state in 2010-11.





We have focused **on increased production, improved yields, sustainable practices and stable income growth** for farmers. The state lays emphasis on improving water resource management both by bringing in more and more area under conventional irrigation and at the same time giving a big thrust to rain water harvesting and micro irrigation.

The gross irrigated area has increased from 33 lakh hectare in 2000-01 to 53 lakh hectare by the end of 2012-13. At the same time we have also brought an area of 2,05,000 hectares under micro irrigation in 2012-13.

The ambitious programme for farm mechanization and agri-machinery service providers in the state have contributed to increased production. **Gujarat intends to cover every village with an agro-service provider over the next five years.** To bring about transparency and ease of access, the entire process of sanction of assistance for agriculture machinery has been made demand driven, web based and decentralized.

Gujarat is also promoting high-tech agriculture in a big way, by assisting farmers for setting up green house, net houses and poly houses, resulting in **increase in production of fruits and vegetables** to 190.51 lakh MT in 2012-13.

The Krishi Mahotsav has demonstrated the importance of effective transmission of knowledge from lab to land and **empowerment of farmers** in creating a sustainable and viable agricultural economy. The state will set up the **Gujarat Agriculture Commission** in 2013-14 and also plans to host the **Global Agri Summit cum Exhibition** to provide modern products and technology to the farmers at a single venue.



ANIMAL HUSBANDRY



Our state is known for its strong dairy sector, with the highest milk procurement (101.38 lakh liters per day) in the country. Gujarat has institutionalized the innovations towards animal health care and breed improvement. The Gauseva-Gauchar Vikas Board (Animal Husbandry and pasture Development Board) has been tasked with an aim **to integrate fodder production with animal husbandry** activities at village level and optimize the fodder production from underutilized village pastures. With the introduction of **Pashu Arogya Mela campaign**, the vaccination coverage has gone up from 157 lakh in 2008-09 to 283.27 lakh in 2012-13. This and other disease control services have brought the incidences of disease outbreak down from 161 in 2002-03 to 36 in 2012-13.

During 2013-14, we propose to establish 30 veterinary dispensaries and 10 mobile dispensaries and also upgrade 57 dispensaries. Electronic identification and registration of approximately 15 lakh milch cattle of Gir and Kankrej breeds will be taken up. We will support **Genome sequencing of Gir cow and Jafrabadi buffalos** for propagating the valuable native breeds of Gujarat. Government will continue to provide assistance to dairy cooperatives for acquiring automatic milk collection systems, bulk milk coolers etc.

FISHERIES



Gujarat with its long coastline contributes 23% of the Nation's Marine Fish Production, and exports fish products valued at above ₹ 2,534 crore. **About 11 lakh persons are directly and indirectly employed in the sector.** The state has been providing assistance to fisherman for procurement of boats and nets, fishing inputs and rearing charges (for inland Fishery), safety equipment, accident and life insurance cover, housing and water supply etc. Plan outlay of ₹ 80 crore in 2013-14 will also cover financial assistance for brackish water aquaculture, purchase of 4-stroke OBM, solar lights on fishing boats. We are also strongly pursuing a special drive for creating employment opportunities for women in coastal area in sea-weed culture.

CO-OPERATIVES

As is well known, Gujarat has a vibrant structure of cooperatives at the village, district and state level. Our Government will continue to support the cooperative structure for creating storage facilities and market access, and provide additional interest subsidy on agricultural credit in 2013-14. We also proposed to support APMCs for creating a **state-wide integrated online information system to increase access to market data** to the farmers' community.

WATER RESOURCES

Limited availability of water and regional imbalances are the major challenges before Gujarat in the water resources sector. Per capita availability in certain areas is as low as 343 cubic meters per year against the national average of 1,800 cubic meter per year.



The Sardar Sarovar Project is in fact, the life line of Gujarat's agricultural growth and supplements water supply to the water stressed regions of the state. We intend to develop additional 9.42 lakh hectares of irrigation potential. A total length of 21,794 kms of canal network has already been completed towards this end. **We have taken a bold and progressive decision to acquire private land through consent awards by paying compensation at the prevailing circle rate.** This would not only speed up the remaining canal works, but also ensure a fair deal to the affected land holders. In 2013-14, an outlay of ₹ 9,000 crore has been made for this key project.





Further, Gujarat has embarked upon an ambitious SAUNI program, at a total cost of ₹ 10,000 crore, to drought proof the arid and semi-arid areas of the state. We have also initiated an **integrated water resource management approach to be undertaken in the entire eastern tribal belt from Ambaji to Umergam**, using remote sensing data, to optimize water availability in these difficult terrains.

The mantra of "PER DROP - MORE CROP" has been adopted enthusiastically and 9.06 lakh hectares have been brought under micro irrigation till March 2013. To give a major thrust to the programme, Government of Gujarat, in May, 2005, appointed the Green Gujarat Revolution Company as the single nodal agency for implementing the micro irrigation scheme in the state. **In the last eight years alone, 6.80 lakh hectares have been brought under micro irrigation with 4.22 lakh farmers, adopting this scheme, of whom about 97,000 are tribal farmers.** With an outlay of ₹ 465 crore, we intend to cover another 2.5 lakh hectare in 2013-14.



CREATING SOCIAL CAPITAL

We in Gujarat have been of the firm belief that growth must advance hand in hand with human development. Over the past decade, the investment in infrastructure and initiatives relating to health, education, women and child nutrition have been the focus of our attention. Our efforts are bringing perceptible changes in the human development scenario and more importantly have created a wave of public awareness as to the importance of these aspects.



HEALTHCARE FOR ALL

Gujarat has intensified its focus on public health services for providing better and more extensive healthcare to citizens and upgrading medical services, particularly affordable treatment for the poor. **The indicators in maternal and child health, namely MMR and IMR have shown an accelerated rate of improvement in the last few years.** MMR has fallen from 202 in 1999-2001 to 148 per 1 lakh as per SRS 2007-09 and has been found to be in closer proximity to MDG targets. The improvement in IMR in the last decade has been in the order of 18 units while it was 10 units in the previous decade. Institutional deliveries, too, have risen from 58% to 95% in that period. We attribute these improvements to the expansion of health programmes, our innovative schemes such as the Chiranjeevi Yojana, the Bal Sakha Yojana, eMamta etc. To ensure further and faster improvements, support to health and medical care schemes have been increased by 25% in 2013-14, with a plan outlay of ₹ 3,800 crore.



To ensure better outreach, Gujarat plans to set up 10 new Community Health Centres, 50 Primary Health Centres and 400 SubCentres in 2013-14, **augmenting health workers particularly in the tribal districts**. About 1.5 crore children, both school going and others, will be covered under the School Health Programme. With the addition of 91 Khilkhilat vans, the services of transport for mother and child after delivery will be augmented.

While, shortage of specialised medical personnel in rural areas continues to be a challenge in many parts of the country, Gujarat has embarked upon a strategy to engage the services of Consultants willing to provide specialized medical care in Community Health Centres under **CM SETU, a flexible and innovative new scheme**. We also plan to spend an amount of ₹ 861 crore for strengthening the existing and newly established Medical Colleges to increase availability of trained medical persons.

With a view to providing affordable medical treatment, the Government proposes to upgrade Ahmedabad Civil Hospital into a Modern Medicity; strengthen and expand Kidney Research Institute, Institute of Ophthalmology, establish Stem Cell Institute, and upgrade District Hospitals and Community Centres at a cost of ₹ 986 crore. The newly established Gujarat Medical Services Corporation Ltd. would enter into Public Private Partnership (PPP) Partnership providing **diagnostic services at economical rate at the district level**, and also distribute generic medicines at affordable rates.

These initiatives reflect our Commitment to increase the access to healthcare and specialized medical treatment at affordable cost to every citizen needing it. We are confident that these measures would further accelerate our march towards improved health.

NUTRITION

While we do believe that there is a need to develop, at the national level, a comprehensive and multi-pronged Strategy to deal with the issue of malnutrition, in Gujarat, we have identified Under-nourishment and low level of awareness about nutrition as thrust areas in our ongoing campaign to improve nutrition levels among children and women.

Gujarat has adopted a holistic approach for nutrition of women and children through Nand Ghar / Anganwadi Centres functioning under ICDS. An amount of ₹ 645 crore is being spent in 2012-13 and 2013-14 for construction of Anganwadi Centres and upgrading of existing centres with sanitation facilities and child friendly atmosphere. Government of Gujarat



has also taken up initiatives for tackling malnutrition through **supplementary nutrition programme** for children in the age group of 6 months to 3 years, **take home rations** for children in 3 to 6 age group, while **Bhalbhog, morning breakfast, afternoon hot meal** are provided at Anganwadi. Additional nutrition in the form of nutri-candy, fruits and milk are being provided in areas requiring more intensive interventions.

In 2013-14, we also propose an outlay of ₹ 72.50 crore to increase the awareness of better nutrition and food practices among the general community. **To involve the community at large, a campaign to organize Cookery Shows, Annaprashan Day, Vatsalya Day etc is being taken up.** We will also provide assistance to 6,000 workers and supervisors under ICDS to improve the capabilities to enable them to undergo Food and Nutrition Certificate Course. Gujarat has also initiated a dedicated program to integrate the efforts of Health department and ICDS under the Mission Balam Sukham.

WOMEN EMPOWERMENT



Gujarat adopted "Nari Gaurav Niti" in 2006 to promote gender equity. Participation of women in governance has increased with 38% members of 18,147 Pani Samitis being women. 2,415 Milk Cooperatives are run with membership of 6.37 lakh women. 362 Mahila Samras Panchayats have been formed in Gujarat. In 2013-14, we also plan to set up 50 additional "Nari Adalats" for resolution of issues relating to women, in view of the positive response to the existing 42 Nari Adalats.

EDUCATION FOR ALL

The 12th Five Year Plan period will prove to be a watershed in Gujarat in the field of educational service. The plan outlay of ₹ 3,850 crore in 2013-14 for the education sector is an unprecedented increase of 42.59% over last year. Our sustained efforts of the innovative Kanya Kelavani - Shala Praveshotsav in the last decade have created a huge improvement in the enrolment and dropout ratios relating to female literacy. The enrolment in Upper Primary sections has reached 93% and the gender gap has reduced from 6.89% to 5.36% in the last 5 years.



In 2013-14, we will make further efforts for improving Primary Education by developing SMART SCHOOL, BALA SCHOOL, Green SCHOOL etc. We also propose to construct 31,800 class rooms, 12,800 toilets, 264 residential hostels. To expand access to secondary education, Gujarat plans to augment 1,100 additional classes, and construct 46 new school buildings. **We are setting up the Chief Minister's Scholarship Fund with a corpus fund of ₹ 100 crore to meet the scholarship requirements of students from primary to higher education levels through an integrated system. The establishment of the Gujarat Research and Innovation Fund will enable collaborative efforts with global institutions of renown.**





FULFILLING THE POTENTIAL IN OUR YOUTH



KAUSHALYA VARDHAN KENDRAS

In order to cater to the up-gradation of skills with low barrier to entry, Gujarat pioneered an innovative approach that is the Kaushalya Vardhan Kendra. In the last two and half years, almost 8 lakh trainees have benefited, of which 59% are women. We have also trained 3.32 lakh persons in a short time under eMPower scheme in computer and information technology at the taluka level. We now plan to train a further 2 lakh persons under this programme.

In order to give greater impetus to skill development, which is a thrust area for Gujarat in the 12th Plan period, we are creating a separate corpus fund for skill up-gradation and certification of trained youth under Modular Employable Skill Programme. **A dedicated Skill Development University is being set up to cater to the emerging needs in this sector.** Industrial Training Institutes, our traditional centres for skilling the youth, will also be strengthened with additions of 20 new ITI buildings, 100 workshops, 100 class rooms and 5,000 seats under various courses.

Gujarat has long back recognized that the youth must be equipped with skills which would enable them to fulfill their potential and meet the need for skill workforce. It is estimated that by 2020, there would be a shortfall of 45 million skilled manpower in the developing countries and 95 million skilled workers in the advanced economies. For the year 2013-14, our state's annual plan outlay of ₹ 841 crore for employment, skill development and labour welfare represents a **massive increase of over 75%** against the previous year.

INFRASTRUCTURE FOR GROWTH

CONNECTING ACROSS THE STATE



Gujarat is well known for its high quality road network. We have undertaken a systematic approach to planning and execution to ensure that the road network is able to meet the heavy traffic density due to high industrialization, vibrant economy and high mobility. Rural roads have also improved access to the health, education, and markets for the rural population. Apart from widening and strengthening of about 6,500 KMs of roads, **the focus in 2013-14 will be on providing connectivity to hamlets with population of less than 250 in tribal areas and less than 500 in other areas, which are not covered under PMGSY.** Gujarat has adopted PPP approach for four-laning and six-laning of above 112 KMs long road length.

ENERGY FOR BETTER QUALITY OF LIFE

Gujarat has built itself into an energy surplus state by adding a staggering capacity of 9,146 MW during the 11th FYP. In 2012-13 we further augmented the capacity by 3,314 MWs. However fuel availability continues to hinder the full utilization of Gujarat's installed capacity. The Government of Gujarat has been requesting the central government to allocate adequate domestic natural gas on a long term basis to the state or provide arrangements for compensating the additional cost involved in use of imported Gas.

About 25.95% power consumption in Gujarat is by the agriculture sector. Since the sector requires support in the cost of power, the state has also been focusing on reducing losses and improving remunerative supply for agriculture sector. Under KHUSHY, 43,220 small capacity transformers were installed in last five years and it is planned to install further 9,500 such transformers. **It is also proposed to electrify 1 lakh agricultural wells during 2013-14.** An amount of ₹ 1,700 crore will be invested for this purpose.

Gujarat has also taken the initiative in exploiting renewable sources of energy. The state already has 3,985 MW (17.90% of total installed capacity 22,255 MW) non conventional energy in 2013-14. Now, we propose to upscale the canal top solar power project, explore the potential for offshore windmill project around Gujarat coast and develop distribution of renewable energy generation with a smart grid concept.

Gujarat has also emerged as the Petro capital of India, having its own state-wide Gas grid of which 2,239 kms have been commissioned by GSPL, a state PSU. Another state PSU, GSPC is providing CNG for transport, industry and domestic use at 451 locations covering 155 CNG stations, 1,800 SME units and 4.3 lakh domestic customers. **Another 1.3 lakh domestic connections are planned to be added in 2013-14.** Every such connection is a savings to the Central Government in terms of LPG subsidy. We estimate that Gujarat has provided an annual saving of ₹ 492 crore in subsidy to the nation in this manner.



ENCOURAGING INDUSTRY

Gujarat having 5% of the nation's population contributes 17.22% of the value of output in the industry sector. Whereas the share of manufacturing sector is 16% at the national level, **Gujarat plans to increase the share of this sector in the state's economy from current level of 26% to 32% by 2017.** Some of the sectors identified for the priorities are cotton spinning, technical textiles food and agro businesses, auto and auto components special chemicals, solar and wind equipment manufacturing, electronics system design etc. The Vibrant Gujarat event which was first held in 2003, has grown into an effective platform for channelizing investment of capital, know-how and knowledge into the state. It is a matter of pride that 121 countries and 58,000 delegates participated in the Vibrant Gujarat Summit 2013.

Gujarat has once again taken the lead in pioneering a new paradigm shift in promotion of industrial development with the establishment of Special Investment Regions (SIR), along the Delhi-Mumbai Industrial corridor of which 37% (553 kms) falls within Gujarat. Gujarat is planning to set up 13 SIRs spread over more than 3 lakh hectares along DMIC, of which 3 SIRs at Dholera, Dahej and Mandal-Becharaji are on the fast track. **Dholera SIR with a total spread of 50,000 hectares** will be, when completed, one and half times larger than the Shenzhen SIR.



Since Gujarat is the largest producer of the cotton in the country, having about 35% share in national production, **a new textile policy is also being put in place** to capture the value addition from cotton to fiber to fabric, fashion (Garment) and foreign (exports). We also plan to provide an outlay of ₹ 171 crore to the cottage and rural industries sector with a view to create 2.15 lakh supplementary employment opportunities.

With the success of the promotional campaigns undertaken by the state, Gujarat tourism has shown immense growth in the last 5 years with tourist arrival increasing by 30%. Gujarat plans to strengthen infrastructure of popular tourist spots, develop new areas with tourism potential along the coast and at destinations for religious tourism.

INCLUSIVE GROWTH

Improved access and opportunity for education will be the focus of assistance extended to the members of the Scheduled Castes and Socially and Economically Backward Communities, minorities and nomadic and de-notified tribes. In addition to Scholarship, uniform and text books for students in primary education, and scholarship for secondary and college education, our scheme for support for studies abroad and pilot training are also highly popular. **Further, Gujarat has pioneered the concept of Samaras Hostels.** These modern Samaras hostels which would cater to 11,000 students are coming up at Amdavad, Surat, Rajkot, Vadodara, Anand and Bhavnagar at a total cost of ₹ 664 crore to enable students to avail of facilities at these educational centres. A total of 32,000 students belonging to SC/ST and OBCs will eventually be covered under the scheme. A provision of ₹ 150 crore has been made in 2013-14.



Under the convergence approach, the State has launched the Vanbandhu Kalyan Yojana as a flagship programme for the overall development and empowerment of the tribal communities.

Vanbandhu Kalyan Yojana was allocated ₹ 17,000 crore in the 11th Plan, and it is proposed to allocate ₹ 40,000 crore in 12th Five Year Plan. In 2013-14, with a total outlay of ₹ 7,103 crore, the Yojana will provide better access to quality education, technical education, individual housing, health facilities, household drinking water supply and livelihood opportunities to members of tribal communities.

A special provision is also made to augment basic facilities for the tribal communities living in 401 villages along the State borders.

IMPROVED QUALITY OF LIFE



Gujarat is one of the most urbanized among larger States in the country with 42% of its population living in cities and towns.

The Swarnim Jayanti Mukhyamantri Shaheri Vikas Yojana has been continued in the 12th Five Year Plan with a total outlay of ₹ 15,000 crore. In 2013-14, an outlay of ₹ 6,650 crore has been made for the urban sector. **The focus will be on augmenting urban infrastructure relating to road network, drinking water supply, sewage systems, solid waste management, civic facilities in urban areas, special projects to enhance city life.** An amount of ₹ 2,092 crore is earmarked for ensuring better standard of living for the urban poor by integrating various programmes run by different departments and also creating more infrastructure facilities in areas inhabited by the urban poor.

RURBAN APPROACH

India has been showing rapid urban growth, along-with rural-urban migration. Intermittent or seasonal migration also deprives the family of continued education and health care. We believe that any individual or family, who chooses to reside in rural areas, should be assured of not only livelihood opportunities but also a decent quality of life in the villages. Only then can we tackle, in a sustainable fashion, the kind of migration that happens in search of livelihood and better facilities.

Gujarat is also a rapidly urbanizing state. The census of 2011 showed that decadal growth rate in urban population was 36%, while, it was only 9% for the rural population. Therefore, a few years ago, we pioneered **the concept of RURBAN: to provide urban-like amenities in larger villages, while still retaining the rural soul in these places.**



We have identified RURBAN approach as a thrust area for the 12th Plan period. 255 villages have been identified as Rurban areas. All villages in Gujarat are already electrified under Jyotigram and have road connectivity. Every Panchayat has network connectivity. In the coming four years, in a concentrated effort, we intend to strengthen drinking water supply, drainage facilities, health and education amenities in these Rurban villages. Moreover, we would be focusing on skill development, cultural aspects, sports facilities and livelihood opportunities in these villages. **We believe that the outcome would be a better quality of life and a transformational regeneration in these villages.**

AFFORDABLE HOUSING



The State Government has undertaken a massive campaign to provide housing to the urban and rural poor. Moving ahead of the Indira Awas Yojana, Gujarat has provided housing assistance to BPL families with a score 17 to 20 in rural areas. **Now, we are launching the Mukhyamantri Awas Samrudhhi Yojana with an outlay of ₹ 4,400 crore in 2013-14**, for augmenting affordable housing for the poor and the lower middle class in rural and urban areas. Apart from rehabilitation of slums and construction of affordable housing by the State Agencies, the housing policy would also focus on improving the institutional and regulatory framework for incentivizing the development of affordable housing in the private sector.

DRINKING WATER SUPPLY



Gujarat being a water-stressed state, we have focused on long term sustainability of drinking water supply. The Gujarat state-wide grid covers 3.85 crore population in 11,235 villages and 131 towns. In 2013-14, we plan to strengthen the Grid for inter-basin transfer of water to drought proof the Saurashtra and Kutch areas. Just as important will be our further support to Pani samitis for community led management of drinking water supply in our villages. The outlay of ₹ 2,700 crore for the sector is the largest till now. Of this, an amount of ₹ 460 crore will be spent in tribal areas including the Dangs.

GREENING GUJARAT



With the longest coastline among the States, Gujarat hosts the second largest coast covering (1058 Sq.KM) of the country. About 10,000 hectares of mangrove plantation will be added in 2013-14 which will further contribute to the carbon sequestration which is now estimated at 29.76 million ton of carbon dioxide



SAFE AND SECURE SOCIETY

Gujarat is well known for peace and prosperity, and has witnessed rapid urbanization. The state has already rolled out the HDIITS project and has decided to adopt high technology support to secure cities with installation of CCTV surveillance, modernization of control room with critical call tracking facilities, and emergency incident response. The State, which already has 28 women police stations and 4 women cells, will now add women constables and head constables in every police station in the State.



HARNESSING TECHNOLOGY FOR GOOD GOVERNANCE

We encourage the use of technology to bring governance closer to the people and increase transparency and accountability.



Over the last decade, Gujarat has developed a strong framework in IT infrastructure and manpower support. Gujarat State Wide Area Network covers 26 districts, 225 blocks, 4400 offices and about 60,000 users. The State data centre supports 42 State Wide Applications and 219 Websites.

Taking technology to the villages, the successful eGram program which provides connectivity to 13,685 gram Panchayats through VSAT technology is proposed to be up-graded with higher network capability and extended to non-Panchayat revenue villages in order to create strong electronic highway network covering the entire rural area of Gujarat. **Strong technology framework has also been utilized for more transparent and citizen-centric delivery of services through ATVT, with 162 services being earmarked for electronic delivery. It is matter of pride that the Gujarat State has received 12 Awards in the field of eGovernance in the year 2012-13.**

The Public Distribution System is a significant factor in addressing the issue of nutrition. To ensure increased transparency and efficiency in this system, the PDS supply has been automated. Gujarat has put in place a Call Centre with Toll Free Number to register consumer complaints and ensure online monitoring of redressal of grievances relating to PDS. In a major initiative, Gujarat has introduced the scheme of bar-coded ration cards. The state has issued 41.27 lakh Bar-Coded Ration Cards to enable issue of Food coupons through eGram centres after biometric authentication of the card holder.

The Land Administration system is still seen as the backbone of rural India. As part of the modernization of the land records, an integrated online land revenue information system is being developed covering all the districts.

Decentralization for more effective delivery of services and need-based planning has been strengthened with the launch of the Aapno Taluko Vibrant Taluko or ATVT program. Janaseva Kendras set up under ATVT will be further strengthened to enable more effective delivery of public services.

ISSUES THAT NEED EARLY RESOLUTION

I would now like to mention some of the policies being followed by the Centre that have an immediate impact on the development of the state. We believe that the Planning Commission has a critical role in addressing these issues in order to bring an early resolution. Gujarat has been raising many of these issues at various platforms including the National Development Council. However, in the absence of a structural mechanism for dealing with such outstanding issues, they have remained unresolved for long.

ASSISTANCE TO MEET LIABILITIES CREATED BY CENTRAL LEGISLATIONS

We find that the propensity of the Centre to create huge administrative and financial responsibilities for the states through the instrument of central legislation is on the rise. The Right to Education Act 2009 is one such case in point. Other such laws are on the anvil. While we understand the concerns reflected by these legislations, one must also appreciate the liabilities that the states are being burdened with. As a result, the states are required to alter their own development priorities and set aside funds to meet the liabilities created by the central legislation. For example, in Gujarat alone, an estimated amount of over ₹ 6,300 crore is required to meet the norms set in the RTE Act, apart from an annual recurring expenditure of ₹ 1,300 crore. The Sarva Shikha Abhiyan (SSA) funds meet only a fraction of the lifetime cost of teachers.

In this context, Gujarat has been drawing attention to the Justice Shri M. M. Punchhi Commission Report on Centre - State Relation submitted in March, 2010. The **Commission had recommended that the additional expenditure liabilities on States on account of the implementation of central legislation should be fully borne by the Central Government.** As more such legislation is being contemplated, states face uncertainty as to the impact on their finances. An early decision on this recommendation is sorely needed.

ISSUES RELATING TO CENTRALLY SPONSORED SCHEMES

The Union Budget provides for financial flows to the State Governments and agencies operating in the State, mainly through centrally sponsored schemes. Some of the long standing CSS need to be revised. Many need much more flexibility and decentralised decision making. Now increasingly, schematic funds are being routed directly to para-statal, by-passing the state government. This contributes to weak oversight of these schemes. States have been requesting the Centre to review the entire philosophy, format and funding pattern of the centrally sponsored schemes.

Changes being made in the funding pattern, not envisaged earlier, add unplanned burden on State budgets. The increase in state share from 15% to 25% in National Rural Health Mission (NRHM) is one such example. Many of the schemes are in the social sector add to revenue expenditure in the states.



We suggest that funding pattern of such schemes should not be changed to the disadvantage of the States for the duration of a Five Year Plan period. We would also expect the Planning Commission to facilitate an early decision on the recommendations of the Shri BK Chaturvedi Committee Report.

CENTRAL POLICIES

RELATING TO ENERGY SUFFICIENCY

Energy production is closely related to availability and cost of fuel, be it coal or natural gas. However, the decisions relating to the allocation and pricing of gas and coal have become the source of huge losses being faced by the energy sector.

The policies relating to pricing and allocation of coal and natural gas have caused immense loss to national income. 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 Gujarat i.e. 4,172 MW receives only 3.76 MMSCMD of Gas. Installed capacity is forced to remain idle.

Allocation policies relating to coal result in energy being cheaper in some states and costlier in others. As most of the coal for the power plants in Gujarat is being allocated from the South Eastern Coal fields, and with the recent increase in Railway freight charges, the cost of power for consumers in Gujarat has gone up. The high cost of fuel for power plants has resulted in high energy cost that offsets the competitiveness of the economy.

The absence of a national transmission grid capable of transferring surplus power from source to energy deficient states has caused immense loss to both these categories of states. One must remember that energy is required not only by industry but also by farmers, households, schools and hospitals.



ISSUES RELATED TO MAJOR PROJECTS

Gujarat has taken a big leap in inter - basin transfer of water by undertaking the construction of the Sardar Sarovar Dam and its associated canal system. Planning Commission has recently approved the revised cost of the project at the level of ₹ 39,240.45 crore. With the completion of the project, additional irrigation potential to the extent of 9.42 lakh hectare would be created particularly in Saurashtra, Kutch and North Gujarat, one of the most arid regions of the country.

The height of the Sardar Sarovar Dam has been raised up to 121.92 metre in December, 2006. The Full Reservoir Level (FRL) of the Dam is 138.68 metre. The Environmental Sub-Group of NCA has recommended further raising of the height of the dam in April, 2010. However a similar recommendation from the R&R Sub-Group of NCA is still awaited. Gujarat has not received go-ahead to put in the gates. The benefits of additional irrigation potential of 6.8 lakh hectare and 40% additional power generation are being delayed causing loss of ₹ 3,788 crore per year to Gujarat and much larger loss to the nation.

Further, under the present AIBP Guidelines, Central Government provides financial assistance to the tune of 90% for DPAP areas and only 25% for the DDP areas. States have sought revision in norms for funding under AIBP. The Planning Commission has very kindly recommended the revision proposed by the Ministry of Water Resources. The central Government is yet to decide on the matter. Similarly there are a number of outstanding issues, in which we would request that the Central Government be urged to take an early decision. The Gol share under Vaidyanathan Package is yet to be released to the cooperative sector. The environment Clearance for the border road between Gadhuli and Santalpur, which is vital for border vigilance, is still awaited.

IN CONCLUSION

We would like to reiterate Gujarat's commitment to National progress through faster and more inclusive growth. Gujarat has been consistently among the best performing states and would continue to act as the engine of India's economic growth. Gujarat has focused on responding to the aspirations of India's youth and women and assuring a better life for its children. Gujarat will continue to make all out efforts to apply planned development as a meaningful, relevant and effective process to improving the lives of its citizens. As India stands poised to take on the mantle of an economic superpower, on behalf of Gujarat, we assure our full commitment to contribute to national growth and development.



JAI HIND





Government of Gujarat