

CHAPTER- IV

**ANALYSIS OF ECONOMIC DEVELOPMENT AND
PUBLIC EXPENDITURE IN GUJARAT STATE**

4.1 INTRODUCTION

Gujarat Government was formed in 1960 when bilingual Bombay State split into two separate states, namely, Gujarat speaking State and Marathi speaking Maharashtra. With the enterprising population, Gujarat has done well since then in terms of overall economic growth. It has progressed to acquire the fourth rank in per capita income among the major 16 states in India and has maintained this rank for the two decades or so. Today it is one of the prosperous states of India with about 47 million population (1997) spread over 1,96,000 sq.km. Though the state has less than 5 percent of national population, it has 6.50 percent of national production and about 11 percent of national industrial output (Government of Gujarat 1997). The state economy, enjoys a high per capita income, 35 percent higher than the all-India average (Rs.3,717 in 1996-97 against Rs.2761 in India, both at 1980-81 prices); a relatively diversified sources of income (78 percent of the state domestic product comes from non-primary sectors against 60 percent in India) and a diversified workforce (40.3 percent of the workforce in the state is in the non-primary sectors as against 32.6 percent in India) as well as stable-if not rising-employment levels and developed financial and capital markets. On the other hand, however, the state has relatively poor and unevenly distributed natural resources has been mismanaged over time, almost stagnant long-term growth in agriculture and wide regional disparities of growth. Though the incidence of poverty in the state is much lower (23.92 percent in 1993-94) than the all-India (35.97 in 1993-94) incidence. The state lags behind in terms of quality of employment, as also in several dimensions of human development.

According to the final results of Population Census 2001, the population of Gujarat was recorded at 5.07 crore. The decadal growth rate of the decade 1991-2001 has increased in comparison to 1981-

1991 from 21.19 to 22.66. Gujarat accounts 6.19 % of the area of India and 4.93 % of population of the India.

The literacy rate in the State (excluding children in the age group 0-6 years) has increased from 61.29 % in 1991 to 69.14 % in 2001. Among males, it has increased from 73.13 % in 1991 to 79.66 % in 2001, whereas among females, it has increased from 48.64 % in 1991 to 57.80 % in 2001. The literacy rate for the rural areas is 61.29 % and for the urban areas, it is 81.84 % in 2001. Out of the 25 districts Ahmedabad has the highest literacy rate of 79.50 %, while Dohad district accounts the lowest literacy rate of 45.15 %. The density of Gujarat is 258 persons per sq.km. in 2001 up from 211 persons per sq.km. in 1991. The highest density of 719 persons per sq.km. was observed in the district of Ahmedabad, while the least density of 35 persons per sq.km. has been reported for the Kachchh district.

As per the final results of Population Census 2001, 37.36 % population of Gujarat resides in urban areas. This proportion of urbanisation was of 34.49 % in 1991, The district of Ahmedabad is the most urbanized district in the state where 80.18 % of population resides in urban areas, while the district of The Dangs is a fully rural area having no urban population at all. In the decade of 1991-2001, the sex ratio of Gujarat has reduced significantly from 934 to 920. The Dangs and Amreli districts have the highest sex-ratio of 987, while Surat district has the lowest sex-ratio of 835.

Classification of population by economic activity according to final results of 2001 Census reveals that out of the total population of 506.71 lakh in the state, 170.25 lakh were main workers, 42.31 lakh were marginal workers and 294.15 lakh were non-workers. Thus main workers constitute about 33.60 % of the total population and marginal workers constitute about 8.35 % of the total population of the state. Among males 51.09 % were main workers and 3.78 % were marginal

workers, while among females 14.59 % were main workers and 13.31 % were marginal workers. Out of total workers, 27.30 % were cultivators, 24.28 % were agricultural labourers, 2.02 % were engaged in household industries and 46.40 % were engaged in other economic activities. Thus about 51.58 % working population was engaged in agriculture (i.e. cultivators and agricultural labourers). This proportion was of 67.84 % in rural areas.

According to 2001 Census, the population of Scheduled Castes and Scheduled Tribes in the State has been reported 35.93 lakh (7.09 %) and 74.81 lakh (14.76 %) respectively. About 60.69 % of the Scheduled Castes population was enumerated in rural areas and the remaining 39.31 % was enumerated in the urban areas. The corresponding proportions for Scheduled Tribes were 91.79 % and 8.21 % respectively. Among Scheduled Castes 70.50 % were literate, whereas among Scheduled Tribes 47.74 % were literate

In the previous chapter-III, we have already understood the growth of trends of public expenditure in Gujarat State. In this chapter, therefore, we will explore into analysis of economic development and public expenditure of Gujarat State in term of gross state domestic product development, net state domestic product, per capita income, infrastructural development, human resource development and financing development schemes such as agriculture, industries and service sectors in the subsequent sections.

4.2.0 GROSS STATE DOMESTIC PRODUCT

Table-4.2.1 shows growth gross state domestic product in Gujarat State during 1993-94 to 2004-05. According to estimates of Gross State Domestic Product (GSDP) at factor cost at current (1993-94) prices in 2004-05 has been estimated at Rs. 179544 crore as against Rs. 165708 crore in 2003-04 (P) registering a growth of 15.4 %

during the year. At constant prices, GSDP at factor cost in 2004-05 has been estimated Rs. 107033 crore as against Rs. 101794 crore in 2003-04(P), showing an increase of 11.6 % during the year.

The share of Primary, Secondary and Tertiary sectors has been reported to be as 19.05, 38.02 and 42.02 % respectively of the total GSDP (Rs.179544 crore) in 2004-05 at current (1993-94) prices. The share of these sectors in the base year 1993-94 has been reported to be as 23.46, 35.8 and 38.8 % respectively.

The share of Primary, Secondary and Tertiary sectors has been reported to be as 21.93, 37.18 and 40.89 % respectively of the total GSDP (Rs. 165708 crore) in 2003-04 at current prices.

4.3 NET STATE DOMESTIC PRODUCT

Table-4.3.1 shows growth of net state domestic product in Gujarat State during 1993-94 to 2004-05. The state income i.e. Net State Domestic Product (NSDP) at factor cost at current (1993-94) prices in 2004-05(Q) has been estimated at Rs. 152516 crore as against Rs. 140937 crore in 2003-04.

4.4 PER CAPITA INCOME

The per capita income (i.e. per capita NSDP at factor cost) at current (1993-94) prices has been estimated at Rs.28355 in 2004-05(Q) as against Rs. 26672 in 2003-04(P) registering a growth of 15.4 % during the year as shown in Table-4.3.1. The per capita income at constant prices has been estimated at Rs. 16878 in 2004-05(Q) as against Rs. 16302 in 2003-04(P), showing an increase of 18.1 % during the year. At constant prices, the NSDP in 2004-05(Q) is estimated at Rs. 90783 crore as against Rs. 86138 crore in 2003-04(P), showing a growth of 20.3 % during the year.

Table-4.2.1 Growth of Gross State Domestic Product at factor cost by Economic Activity at current Prices in Gujarat State (Rs. in Crores)													
Sr.No.	Industry Group	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
1.	Sub-Total primary	12525	18288	16513	22820	22757	26141	20443	19098	23196	24937	36338	34200
	%	25.46	28.71	25.75	26.59	24.96	33.37	18.77	17.60	24.03	17.85	21.93	19.05
2.	Sub-total Secondary	17595	22445	28388	32880	33893	39275	42890	41123	44886	54306	61605	68894
	%	35.77	35.34	39.49	37.96	26.20	37.29	39.39	37.91	36.94	38.88	37.18	38.02
3.	Sub-total Tertiary	19074	22783	26985	30137	34538	39888	45559	48263	53444	60447	67765	76450
	%	38.77	35.86	36.15	35.11	37.88	37.88	41.93	44.49	43.98	43.27	40.89	42.02
4.	Total GSDP	49194	63516	71886	85837	91188	105305	108892	108484	121525	139690	165708	179544
5.	Population (in '00)	434475	443046	451785	459265	465884	472670	490030	501040	512670	518920	528400	537880
6.	Per capita Income (Rs.)	11323	14336	15911	18690	19573	22279	22221	21652	23704	26919	31360	33380

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar
% Growth rates: is calculated as a ratio of industry group divide by totals multiply hundred.

Table-4.3.1 Growth of Net State Domestic Product at factor cost by Economic Activity at current Prices in Gujarat State (Rs.in Crores)

Sr. No.	Industry Group	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
1.	Sub-total primary	11440	17036	15108	21258	21056	24281	18426	17090	20962	22365	32886	30693
	%	26.88	30.42	24.47	28.66	27.25	27.03	19.96	19.01	20.74	19.05	23.33	20.12
2.	Sub-total Secondary	14169	18671	22597	26152	25389	29739	32673	29333	31810	40117	47129	52918
	%	33.29	33.33	36.60	33.91	32.86	33.11	35.29	32.64	31.48	34.17	33.443	34.69
3.	Sub-total Tertiary	16952	20296	24031	26774	30821	35790	41181	43454	48292	54918	60922	68905
		39.88	36.24	38.93	36.09	39.89	39.85	44.63	48.35	47.78	46.78	43.22	45.17
4.	Total GSDP	42560	56003	61736	74183	77266	89810	92280	89877	101064	117400	140937	152516
5.	Population (in '00)	434476	443046	451785	459265	465884	472670	490030	501040	512670	518920	528400	537880
6.	Per capita Income (Rs.)	9796	12640	13665	16153	16585	19001	18831	17938	19713	22524	26672	28355

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar
% Growth rates: is calculated as a ratio of industry group divide by totals multiply hundred.

4.5 PRICE TRENDS

The average annual Consumer Price Index (CPI-IW) for Ahmedabad, Surat, Rajkot, Bhavnagar and Baroda Centre in Gujarat State for the year 2003-04 was recorded to 492.0, 487.0, 459.0, 507.0 and 472.0 respectively. The average Consumer Price Index (CPI- IW) for Ahmedabad, Surat, Rajkot, Bhavnagar and Baroda Centre in State for period April, 2004 to October, 2004 was recorded to 510.3, 494.3, 468.0, 529.1 and 488.0 respectively.

The average annual Consumer Price Index (CPI-IW) for Ahmedabad, Surat, Rajkot, Bhavnagar and Baroda Centre in Gujarat State for the year 2003-04 was recorded to 492.0, 487.0, 459.0, 507.0 and 472.0 respectively. The average Consumer Price Index (CPI- IW) for Ahmedabad, Surat, Rajkot, Bhavnagar and Baroda Centre in Gujarat State for period April, 2004 to October, 2004 was recorded to 510.3, 494.3, 468.0, 529.1 and 488.0 respectively.

4.6 TARGETED PUBLIC DISTRIBUTION SYSTEM

The Government of India has introduced a new scheme namely "Targeted Public Distribution System" (TPDS) effective from 1st June, 1997. The Government of Gujarat has also implemented this new scheme , which was divided in two parts but due to implementation of "Antyodaya Anna Yojana" from July, 2001 it is divided in three parts. Firstly, -Above Poverty Line (APL) families, each having annual income above Rs. 11000/-. Secondly, Below Poverty Line (BPL) families, each having annual income of Rs. 11000/- or less. Thirdly, the poorest of poor families among the BPL families (Antyodaya Anna Yojana). These can be further understood in as what follows below:

Above Poverty Line Scheme: This scheme covers 77.32 lakh families of the State. Under this scheme during the year 2003-04, the State Government had distributed 1 54127 tonnes of wheat and 14964

tonnes of rice. While during the year 2004-05 (April* \ October, 2004), the State Government has distributed 20204 tonnes of wheat and 1222? 1 tonnes of rice.

Below Poverty Line Scheme: This scheme covers 31^63 lakh families of the State. Under this scheme during the year 2003-04, the State Government had distributed 283439 tonnes of wheat and 123444 tonnes of rice at subsidised rates and in the year 2004-05 (April-October, 2004), the State Government has distributed 200766 tonnes of wheat and 86530 tonnes of rice at subsidised rates.

Antyodaya Anna Yojana: This scheme has been implemented since July, 2001. Total 3.25 lakh families have been covered under this scheme and 69400 tonnes of wheat and 17104 tonnes of rice have been distributed during the year 2003-04. During the year 2004-05 (April-October, 2004), the State Government has distributed 50721 tonnes of wheat and 12649 tonnes of rice.

4.7 ECONOMIC DEVELOPMENT PLAN FRAME OF GUJARAT STATE

The National Development Council approved the Tenth Five Year Plan 2002-07 in its 50 Meeting. The Tenth Five Year Plan outlay for the State has been fixed at Rs. 47000 crore, which is 67.86 % higher than the original outlay (Rs. 28000 crore) sanctioned for the Ninth Five Year Plan. The percentage of population in poverty has continued to decline population growth which has decelerated below 20% for the first time in four decades. Literacy has increased from 52% in 1991 to 65% in 2001. The Tenth Five Year Plan aims at building upon gains of the past. There are challenges of abject poverty and gaps in social attainments. The Tenth Plan aims at an indicative target of 8 % average GDP growth for the period 2002-07. It identifies specific and monitor able targets for a few key indicators of human development as shown in Annexure-I and II below.

Objectives of the Tenth Plan was first to attain 8.00 % rate of growth of GDP over the Tenth Plan period. Secondly, access to basic social services especially education, health availability and drinking water and basic sanitation. Thirdly, expansion of economic and social opportunities for all individuals and groups; reduction in disparities and greater participation in decision making, thus ensuring significant progress towards improvement in the quality of life for all.

Annual Plan 2005-06 is the fourth year of the Tenth Five Year Plan, 2002-07. Keeping in view the board strategies, aims and objectives of the 10th Plan prepared by Planning Commission, the State Government has prepared Annual Plan for the year 2005-06.

The Border Area Development Programme (BADP) is Implemented as a fully centrally assisted scheme, In Gujarat Rapar, Bhachau, mandavi, Lakhpat, Bhuj and Abdasa Taluka of Kutch, Vava Taluka of Banaskantha, Special central assistance of Rs. 93.07 crore has been received during 1993-94 to 2004-05 out of which Rs.87.45 crore has been spent by the September, 2004

4.7.1 AN OVERVIEW OF THE ANNUAL PLAN 2004-05

The Annual plan 2004-05 aimed to carry forward the momentum gained during the Ninth Five year plan. The pace of growth has to be kept up to generate adequate employment, alleviate poverty and to meet the most essential social needs. Attainment of universal elementary education, minimum health care, providing drinking water to every village and reducing population growth rate area the main objectives of the raising Human Development Index. So far as the economic development is concerned, priority was given to the women & Child Development by creating a separate Department in the State.

Against the need base requirement and keeping in view of the resources in sight, the size of the Annual Plan 2004-05 has been fixed at Rs. 8518 crore, which is 18.12 % of the outlay fixed for Tenth Five Year Plan (Rs. 47000 crore).

Twenty Point Programme: Gujarat stood first with 100 % achievement in the Country in implementation of 20 Point Programme for the year 2003-2004.

Decentralised District Planning: The Gujarat is a pioneer State to implement the programme of Decentralised District Planning in true sense. Under this programme, about 20 % of the grant of the district level provision is put at the discretion of District Planning Boards to formulate and implement development schemes of local importance. Under this scheme, a provision of Rs. 50 lakh has been provided to each member of Assembly constituency so that each MLA can suggest works of Rs. 50 lakhs per year for his constituency. Physical achievements of decentralized District Planning up to 31.3.2004 are discussed in the subsequent section below:

4.7.2 ANNUAL PLAN 2005-06

Against the need based requirements and keeping in view the resources in sight, the size of Annual Plan 2005-06 has been fixed at Rs. 10071.00 crore. The per capita plan outlay is Rs.1986 . The outlays provided for the Tenth Five Year Plan 2002-07 and outlay for Annual Plans 2004-05 and 2005-06 are given in Annexure – I. Selected physical Target are given in Annexure- II.

4.8.0 INFRASTRUCTURAL DEVELOPMENT

Infrastructural Developments on different means of transport like the construction of rail and roads, communications, power installations, generation of electricity, flood controls and soil improvements, are the “necessary ways for the expansion of both domestic and international trade, and, through such market enlargement, it brings numerous small isolated economic units into a wide exchange economy, thus stimulating further specialization and increase in output and efficiency”UN(1960).

With the attainment of cheap, fast and far reaching means of transport, farms and industries, formerly distributing to relatively scattered and nearby markets, find that they can now serve a larger market area just as well, by forming larger and more efficient production

units. Hence public investment incurred on the means of transport not only adds to the national income of its own services, but far more important than this it makes an indirect contribution to the national income and economic development through the expansion of almost all sectors of the economy, UN(1959,1960). In this context, public expenditure on the development of different means of transport accelerates the tempo of economic development in the following three main ways. firstly, by enlarging the scope of market and thereby further stimulating economic specializations Secondly, by helping the exploitation of additional resources by making them accessible, and thirdly, by establishing and by enlarging the area of related industries.

In the succeeding sections of this chapter, we have highlighted on the growth patterns of gross state domestic product, net state domestic product and per capita income of Gujarat State. In this section, therefore, we will discuss the development trends of existing Infrastructural developments in Gujarat State one by one as what follows;

4.8.1 ROADS AND BRIDGES INFRASTRUCTURAL DEVELOPMENT

Table-4.6.1.1 indicates transport development pattern during Tenth Plan in Gujarat State. The total length of roads (except municipal roads) in the State has increased to 74018 kms. by the end of 2001-02 from 73619 kms. at the end of 2000-01. Out of the total road length of 74018 kms., the length of surfaced roads was 70702 kms. (95.52 %). The unsurfaced roads with 3316 kms. of road length constituted about 4.48 % of the total road length. Out of the total road length of 74018 kms. at the end of the year 2001-02, the length of National Highways, State Highways, Major District Roads, Other District Roads and Village Roads was 2382 kms., 19163 kms., 20953 kms., 10422 kms. and 21098 kms. Respectively. Motor Vehicles, the number of registered

motor vehicles has increased from 65.08 lakh at the end of 2002-03 to 70.87 lakh at the end of 2003-04, showing a growth of 8.90 % over the year 2002-03. It has further increased to 74.98 lakh by the end of October, 2004. About 73.21 % of the total registered vehicles were motor-cycle class vehicles (two wheelers). At the end of the year 2003-04, the number of registered motor cycles/ scooters/ mopeds increased to 51.62 lakh showing a rise of 9.76 % over 2002-03 and it has further increased to 54.89 lakh by the end of October, 2004, showing an increase of 6.33 % over 2003-04. The number of autorickshaws, motor cars (three and four wheelers including jeeps), goods vehicles (including tempos), trailers and tractors registered an increase* of 18533, 56928, 24068, 5102 and 8430 respectively during the year 2003-04 and during the year 2004-05 (April-October, 2004), corresponding figures were 11892, 38479, 17466, 3470 and 7955 respectively.

Table-4.8.1.1 Transport Development during Annual plan 2005-06 in Gujarat State

NO	MAJOR HEAD OF DEVELOPMENT	TENTH PLAN 2002-07 OUTLAY	ANNUAL PLAN 2004-05 OUTLAY	ANNUAL PLAN 2005-06 OUTLAY
1	2	3	4	5
VII	TRANSPORT			
1	Ports & Light Houses & Shipping	0.00	0.00	0.00
2	Roads & Bridges	200500.00	77250.00	97000.00
3	Road Transport	13000.00	1774.00	1774.00
4	Civil Aviation	4000.00	532.00	550.00
	Total – VII	217500.00	79556.00	99324.00

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

4.8.2 PORTS INFRASTRUCTURAL DEVELOPMENT

The State of Gujarat, located on the West Coast of India, has 1600 Km. long coastline, representing a third of the nation's water front. Gujarat is strategically positioned to service the vast north and central Indian hinterland.

The State has 40 minor and intermediate ports geographically dispersed across South Gujarat (13 ports), Saurashtra (23 ports) and Kachchh region (4 ports). Also in the State of Gujarat, the major port of Kandla is under the administrative control of the Central Government.

The total cargo handled by the Kandla Port in quantitative terms has increased from 406.33 lakh tonnes in the year 2002-03 to 415.23 lakh tonnes in the year 2003-04, showing an increased of 2.19 percent in 2003-04 over the previous year. During the year 2004-05 (April-October, 2004) the total cargo handled by major port Kandla was 237.51 lakh tonnes.

During the year 2003-04, Kandla port handled 3.56 lakhs tonnes of cargo on 6th June, 2003 to create a National record in single day cargo handling at major ports. Gujarat has 40 out of 142 Intermediate and Minor ports in the country, handling about 80 percent of the tonnages handled by the intermediate and minor ports in the country. The intermediate and minor ports of Gujarat handled a total cargo of 893.48 lakh tones during the year 2003-04 as against 841.24 lakh tonnes handled during the preceding year, showing an increase of about 6.21 percent. This cargo of 893.48 lakh tonnes includes the ship breaking of 19.84 lakh tonnes of Alang near Bhavnagar and 0.65 lakh tonnes of Sachana near Jamnagar. During the year 2004-05 (April-October, 2004) intermediate and minor ports of Gujarat handled a total cargo of 551.42 lakh tonnes.

4.8.3 ELECTRICITY/ENERGY/POWER DEVELOPMENT

The installed capacity of the state including central sector project was 8713 MW (Derated 8683 MW) at the end of the year 2003-04. The State has planned to add 3442 MW capacity during the Tenth Five Year Plan. The Generation of Electricity in the State including the generation of Ahmedabad Electricity Company, private sector and central sector share was 54727 MKWH in 2003-04..

The consumption of electricity by uses of GEB during the year 2003-04 was 31001 MUs. The consumption of electricity during the year 2003-04 of A.E.Co. was 3144 MUs (except bulk sale to GEB). Thus, during the year 2003-04, total consumption of electricity of GEB system and A.E.Co. were 34145 MUs. During the year 2003-04 out of total consumption of 34145 MUs consumption for Agriculture, Industry and domestic purposes was 11625 MUs, 11270 MUs and 4613 MUs, respectively. Thus more than 67.05 % consumption of electricity was by Agriculture (34.05 %) and Industries (33.00 %). The per capita consumption of electricity during the year 2003-04 was 932 unit.

All the 17946 feasible villages out of total 18539 (as per 2001 census) villages in the State have been electrified during the year 2004-05 (April-October, 2004). Table-4.8.3.1 shows energy/power development during Tenth Plan in Gujarat State. An outlay of Rs. 73049.00 lakh for Power and Rs. 903.00 lakh for Non-Conventional Sources of Energy has been provided for the year 2005-06 under Energy Sector. An outlay of Rs. 30 crore is provided for drip irrigation for farmers who are willing to meter their power consumption.

Present Status- the installed generating capacity of the State is 8682.6 MW at the end of 2003- 04, GEB 4333 MW, Central Sector Share of Gujarat 1532 MW; the rest by IPPs like GIPCL, GSEC, AEC,

GPEL and M/s E.P.L.. Per capita power consumption in Gujarat is 932 units at the end of 2003-04.

At present power demand in Gujarat is of about 8500 MW against which State is able to cater 7000 MW leaving a deficit of about 1500 MW. It is planned to add 700 MW. of Installed Generations Capacities in the State during the 10th Plan.

To rationalise the tariffs, Gujarat Electricity Regulatory Commission (GERC) has been constituted to determine the tariff for electricity. As per the directives of GERC, all agriculture connections are to be provided with necessary meters within 3 years. GOI has directed to provide 100% metering for all consumers including agriculture consumers. It is decided to replace 1 lakh nos. of single phase meters during 2005-06.

Power Sector Reform, Gujarat has taken a number of measures on Power Sector Reforms and under the aegis of A.D.B. The State has moved towards Corporatization/ unbundling of Generation, Transmission & Distribution Activities of GEB.

An amount of Rs. 903.00 lakh has been provided for GEDA towards implementation of various projects on renewable sources of Energy during 2005-06. 7000 nos. Community and Institutional Biogas Plants to meet the cooking gas need will be constructed and commissioned during 2005-06.

Jyoti Gram Yojana-with a view to provide continuous power supply to Residential/Commercial/Industrial Consumers in rural areas, a new scheme called Jyoti Gram Yojana was introduced. An outlay of Rs. 20004.30 lakh is provided for this programme.

Energy For The Village, Pumpsets Energised (E.&P.Deptt); The electrification of pumpsets will be carried out under REC schemes

financed by REC Ltd, New Delhi and under Plan schemes in Tribal Areas. Out of 4300 wells, 3000 wells will be energised in Tribal Areas and 1300 well in non-tribal areas under REC Ltd. An outlay of Rs. 3292.50 lakh is provided in 2005-06.

Bio-gas Development (A. & Co.-op.Deptt.); The Bio-gas plant programme involves construction and commissioning of the community and institutional biogas plants to meet the cooking gas needs of the communities and institutions. For 2005-06, the target of 7000 Biogas Plants has been kept against an outlay of Rs. 84.00 lakh.

Table-4.8.3.1 Energy/ Power Development during Tenth Plan in Gujarat State

SR. NO	MAJOR HEAD OF DEVELOPMENT	TENTH PLAN 2002-07 OUTLAY	ANNUAL PLAN 2004-05 OUTLAY	ANNUAL PLAN 2005-06 OUTLAY
1	2	3	4	5
V	ENERGY			
1	Power	700000.00	63544.70	73049.00
2	Non - Conventional Sources			
	(A) E. & P C. Deptt.	6000.00	1319.00	819.00
	(B) Agri. & Co-op . Deptt.	850.00	84.00	84.00
	(C) P. & R.H.Deptt.	250.00	0.00	0.00
	Total - (2)	7100.00	1403.00	903.00
	TOTAL – V	707100.00	64947.70	73952.00

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

4.8.4 RAILWAYS INFRASTRUCTURE DEVELOPMENT

The total length of railway lines in the State as on 31st March, 2003 was 5186 route kms. comprising of 2459 kms. of Broad Gauge (BG), 1940 kms. of Metre Gauge (MG) and 787 kms. of Narrow Gauge (NG) lines.

4.8.5 POST AND TELECOMMUNICATIONS

As on 30th November-2004, there were 8992 post offices/branches and 1258 telegraph offices comprising of 5 Central Telegraph Offices, 35 Departmental Telegraph Offices, 11 Telecom Centres and 1207 combined offices in the State. As on 30th November-2004, there were nearly, 27.36 lakh telephone connections working in the State. During the year 2003-04, 1.99 lakh and in the year 2004-05 (April-November, 2004) 1.98 lakh new telephone connections were given in the State. Internet is accessible from all the exchanges of Gujarat on local dialing basis.

There were 3290 telephone exchanges in the State as on 30th November, 2004. By the end of November-2004, 12370 gram panchayats have been provided telephone facility in the State. Hutch (Fascel), Idea Cellular, Bharti Cellular & BSNL has been given licence to provide Cellular Telephone Services in Telecom Circle of Gujarat. As on 30th November, 2004 there were 2775243 Cellphone subscribers in the Telecom Circle of Gujarat.

4.8.6 WATER RESOURCE DEVELOPMENT

Water is a scarce resource of the State. Hence, the Government has accorded a high priority to the development and expansion of irrigation potential due to low, uneven and highly variable rainfall and high irrigation needs of State's large area. The total ultimate irrigation potential through surface water as well as ground water has been assessed at 64.88 lakh hectares. Out of this, the ultimate irrigation potential through surface water is assessed at 39.40 lakh hectares, which includes 17.92 lakh hectares to be irrigated through Sardar Sarovar (Narmada) Project. The total irrigation potential created upto June, 2004 is worked out to 37.90 lakh hectares, which is around 58.42 % of the total ultimate irrigation potential. The maximum utilisation has

been estimated at 35.45 lakh hectares which is 93.53 % of the irrigation potential created upto June, 2004. In addition to that indirect benefit through water conservation programme upto June 2004 potential created was 3.50 lakh hectares.

A scheme called "Sardar Patel Sahabhagi Jal Sanchaya Yojana" is implemented by the State Government. Under this scheme, it is decided that if the beneficiaries or Non Government Organisation are ready to bear 40 % of the cost (20 % in Tribal areas) of Check-Dam, State Government will bear remaining 60 % of the cost (80 % in Tribal areas). The basic idea of implementing such scheme is to create awareness of quality of work among farmers and sense of ownership as they spend 40 % of the cost, make economic use of water and also to bear themselves responsibility of operating and maintaining the check dam. Till date more than 43000 check dams have been completed or at different stage of completion and nearly 1550 tanks are also deepened in phase III.

Sardar Sarovar Narmada Project: The Sardar Sarovar Project is a multipurpose project, which envisages construction of concrete gravity dam across the river Narmada in Narmada district, two power houses with a combined installed capacity of 1450 MW and 460 Km. long main canal with a discharge capacity of 40000 cusecs at starting point and 2500 cusecs at Gujarat - Rajasthan border with a network of 75000 km. for water distribution system for irrigation. The project will provide annual irrigation benefits in an area of about 17.92 lakh hectares spread over 75 talukas of 15 districts in the State. It is also envisaged to provide water for domestic and industrial uses in about 8215 villages and 135 townships. About three-fourth of the command area is drought prone as defined by the Irrigation Commission.

The revised estimated cost of this project at 1991-92 prices is Rs. 13180 crore. Against which cumulative expenditure of Rs. 16659.28

crore was incurred upto March, 2004. During the year 2004-05 (April-September, 2004), an expenditure of Rs. 1220.60 crore have been incurred. Thus, cumulative expenditure incurred upto September, 2004 on this project is Rs. 17879.88 crore. The Supreme Court, on 18/10/2000, by a majority judgement delivered verdict in favour of construction of the Sardar Sarovar Dam on the river Narmada, upto a height of 138 metres, as per tribunal award, subject to clearance from environmental and rehabilitation authorities. Dismissing the writ petition by Narmada Bachao Andolan, the court observed that the same should be executed and completed as early as possible.

About 99.19 % excavation and 90.26 % concrete work of main dam have been completed. The work of raising height of dam from 100 metres to 110.64 metres has been completed as per the decision given by the Narmada Control Authority (NCA). For rehabilitation of project affected families, the Government has further liberalised the norms laid down by Narmada Water Disputes Tribunal. Accordingly, two hectares of irrigable land is allotted to all land holders. It has also been decided to grant two hectares of land to the major son of landless and encroacher oustee family. Each project affected family also gets a homestead plot of 500 sq. metre with a constructed core house of 45 sq. metre free of charge in addition to the transitional allowances, cash assistance and access to a number of civic amenities such as electricity, tube well and stand post for drinking water, schools, dispensaries, communication facilities, etc., if any of which, are available in submergence areas. The important measures taken by the Agency/Nigam till September, 2004 in this regard are (1) In all 10750 oustees have been resettled in Gujarat and over 21244 hectares of agricultural land has been allotted to the project affected families (2) 4500 project affected families have been provided Rs. 67 lakh as rehabilitation grant (3) A subsidy of Rs. 438 lakh to 8164 project affected families for the purchase of productive assets and free

transportation to the new location sites have been provided (4) All the project affected persons have been covered under the Group Insurance Scheme of the Oriental Insurance Company under which Rs.6000/- is given in case of death and Rs.3000/- in case of accident (5) 417 dependants of project affected persons and 44 other persons from 6 villages have been provided with the jobs of clerks, peons and chowkidars (6) Subsistence allowance of Rs. 400 lakh has been provided to 9403 project affected families and (7) 8976 core houses are constructed for the project affected persons.

4.8.7 WATER SUPPLY AND SANITATION

Drinking water and sanitation are the basic human needs for determining and maintaining quality of life. Safe drinking water and sanitation are very vital for human health and well being. The Gujarat State is one of the water scarce states in India with high variation in rainfall 74 % of the state area is unsuitable for ground water withdrawal due to rocky terrain and coastal region. Ground water in the districts of Amreli, Bhavnagar, Mahesana, Patan, Banaskantha and Junagadh contains excessive fluorides. Most of the Saurashtra region comprises of hard rock where ground water is available from cracks and crevices. Ground water on the coast is saline with salinity ingress into the land areas.

Out of 34845 habitations, 25217 habitations have been fully covered with water supply facilities till March, 2004. During the year 2004-05, till November, 2004, the total of 506 habitations are covered with water supply facility. Fluoride affected villages : As per the instructions of Government of India, fresh survey was conducted, 4187 habitations are found with excessive fluoride, 2508 habitations affected with salinity, 1335 habitations with excessive nitrate and 29 habitations are affected with other water quality parameter. Out of that 384 habitations are affected with multiple water quality parameter, hence net

7675 habitations are affected with water quality problem in drinking water sources. The Government of India provides 75 percent financial assistance for such schemes of quality affected (fluoride and salinity) habitations. Remaining 25 percent is borne by the State Government. Fluoride affected villages covered by different schemes like; installation of defluoridation plant, individual water supply scheme, regional water supply scheme etc.

Water Supply Project based on Sardar Sarovar (Narmada) Canal ;Government of Gujarat has formulated, sanctioned and implemented a master plan amounting to Rs. 7000 crore (Revised) for Sardar Sarovar Canal based drinking water supply project, covering 8215 villages and 135 urban centres of Saurashtra, Kachchh, North Gujarat and Panchmahals districts. Narmada tribunal has reserved 1.06 million acre feet (3528 MLD) water in Sardar Sarovar for drinking and industrial purposes. Under distribution schemes, 247 villages of Amreli district, 361 villages of Bhavnagar district, 251 villages of Junagadh, 262 villages of Rajkot district, 190 villages of Kachchh district, 32 villages of Jamnagar district and 143 villages of Ahmedabad district is to be covered at the cost of Rs. 648.33 crore.

Sujalam-Sufalam Yojana: The State Government has identified 10 worst water scarce district of North Gujarat, Central Gujarat, Saurashtra and Kutch which are being covered under the Sujalam Suphalam Yojana (SSY). These districts are Ahmedabad, Patan, Banaskantha, Gandhinagar, Mehsana, Sabarkantha, Dahod, Panchmahals, Surendranagar and Kutch. In all, 32 schemes covering 4904 villages at a cost of about Rs. 1946 crore have been taken up under this scheme. This does not include in village drinking water supply infrastructure development. Out of 4904 villages, there will be about 929 tribal villages. Further, by implementation of these drinking water supply schemes, safe water would be available to 2408 quality

affected villages. 5 groups covering 1061 villages at project cost of Rs. 449.50 crore are under progress and 27 groups covering 3843 villages at cost of Rs. 1496.50 crore are being taken up for implementation.

Schemes of Water Supply under Sujalam Sufalam Yojana - Water Supply Sector, 32 schemes covering 4904 villages at a cost of about Rs. 1946 crore are planned. Out of which 929 habitations will be of Tribal and 2408 quality affected habitations. Further, by implementation of these drinking water supply schemes, safe water would be available to 2408 quality affected villages. Present Status shows that out of 32 group schemes proposed under Sujalam Sufalam programme - drinking water, 5 group covering 1061 villages at project cost of Rs.449.50 crore are under progress and 27 groups covering 3843 villages at a cost of Rs. 1496.50 crore are being taken up for implementation.

4.8.8 IRRIGATION AND FLOOD CONTROL PROGRAMMES.

The topography of Gujarat broadly vary from flat to hilly areas. There are six interstate rivers viz. Sabarmati, Mahi, Banas, Tapi, Damanganga and Narmada while there are many small rivers and rivulets. Floods in river are responsible for damages to life and properties on the banks. Gujarat is among the maritime State of India having about 1600 kms. long coastal lines. The problem of coastal erosion due to sea is noticed in southern part of the State. Anti sea erosion works have to be provided for the protection of the coast. Gujarat has tried to solve the problems caused due floods with the help of structural measures like construction of embankments with / without pitching spurs, seawalls etc. Even with the intensive structural measures already taken and that can be taken in future subject to the availability of fund the absolute control and protection is not possible to be provided for all the magnitude of floods. Gujarat has taken steps for the flood protections by non-structural methods like flood forecasting

and flood warning arrangements. An outlay of Rs. 110.00 lakh has been provided for the Flood Control Programme for the year 2005-06.

Irrigation and Flood Control, water resources available in the State for irrigation are relatively limited. Nearly two third of the population in the State depend on agriculture which is essentially rain-fed. Hardly 25.48 percent of the cultivable land is irrigated. The total ultimate irrigation potential from surface as well as ground water is assessed at 64.88 lakh hectre. Priority has been given to completion of the ongoing major and medium irrigation projects. Programmes Like drainage, dam safety, flood control and control of salinity ingress have also been given due weight age. Minor irrigation and command area development works are also taken up simultaneously to make optimum use of available water through tanks, bandharas, field channels and warabandhi.

Table-4.7.8.1 shows Irrigation and Flood control Programme during Tenth Plan in Gujarat State. A Sardar Sarovar Project is an inter-State, multi-purpose project. The project will provide irrigation facilities to 17.92 lakh hectares of land spread over 75 talukas and 3393 villages in 14 districts. The project will solve drinking water problem of 135 urban centres and 8215 villages on a permanent basis. The State will get 16% of the electricity produced by hydro power stations, with a total installed capacity of 1450 MW. The project benefits are to be shared among Gujarat, M.P., Maharashtra and Rajasthan. The estimated cost of the project is Rs. 13180.00 crore at the price level of 1991-92. Under the Accelerated Irrigation Benefit Programme (AIBP) in the form of Additional Central Assistance is being received. An outlay of Rs. 145000.00 lakh has been provided for this project for year 2005-06.

Major Medium Irrigation, an outlay of Rs. 15105.00 lakh has been provided for on going major medium irrigation projects. An outlay of Rs. 350.00 lakh will be available under Accelerated Irrigation Benefit Project

(A.I.B.P.) by way of Additional Central Assistance (A.C.A.) Rs.285.00 lakh will be available from NABARD.\

Minor Irrigation, an outlay of Rs. 5872.00 lakh has been provided for Minor Irrigation schemes of Water Resources and Agriculture & Co-operation Department.

Command Area Development Programme; One major initiative towards increasing the rate of utilization was setting up of Command Area Development Authorities (CADA). These authorities are expected to ensure more efficient operation of irrigation systems, accelerate construction of field channels and drains and land shaping and land leveling, promote conjunctive use of surface and ground water adopted for suitable cropping pattern etc. Introduction of rotational water delivery system, setting up water co-operatives and setting up of water management institutions have been among the measures taken to improve the rate of utilization. On farm-development works cover construction of field channels in warabandhi, which are important programmes for increasing utilization of irrigation potential. From April-2004 the Central Government has restructured the CAD programme in which 31 schemes of State are declared as completed ones and only Karjan Irrigation scheme is kept as on-going scheme. An outlay of Rs. 319.00 lakh has been provided for the year 2005-06 which is only for establishment of continued establishment. Hence physical target for the year 2005-06 is nil.

Sujalam Sufalam Yojana, an outlay of Rs. 116971.00 lakh is provided for this scheme Out of which Rs.73304.00 lakh for water resources and 43667.00 lakh for water supply sub sector.

An outlay of Rs. 5000.00 lakh has been provided for Sardar Patel Participatory Water Conservation Programme. The objective of this programme is to conserve as much rainwater as possible in the rain

scarce areas to recharge the ground water. It provides scope for conserving the run off component by constructing series of check dams. Salient Features are that the estimated cost of a check dam is 3.00 lakh. 40% of the cost of the structure is contributed by the beneficiaries and 60% is borne by Government. 10 to 12 surrounding wells can be recharged. Under this programme 51000 check dams have been constructed and additional 100000 check dams are proposed.

Table-4.8.8.1 Irrigation and Flood Control Programme During Tenth Plan in Gujarat State

SR. NO	MAJOR HEAD OF DEVELOPMENT	~TENTH PLAN 2002-07 OUTLAY	ANNUAL PLAN 2004-05 OUTLAY	ANNUAL PLAN 2005-06 OUTLAY
1	2	3	4	5
IV	IRRIGATION AND FLOOD CONTROL			
1	Sardar Sarovar Project	720000.00	90000.00	145000.00
2	Major & Medium Irrigation	180000.00	22745.00	15105.00
3	Minor Irrigation			
	(A) N. & W.R.Deptt.	127500.00	29146.76	5663.00
	(B) Agri. & Co-op . Deptt.	1550.00	209.00	209.00
	Total (3)	129050.00	29355.76	5872.00
4	Command Area Development	4000.00	539.00	319.00
5	Flood control (Anti sea Erosion)	1950.00	266.00	110.00
6	Sujalam Sufalam Yojana	0.00	91500.00	116971.00
	Total – IV	1035000.00	233405.76	283377.00

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

4.8.9 INDUSTRIAL DEVELOPMENT

The industrial structure in the State has been gradually diversifying with the development of Industries like chemicals, petrochemicals, fertilisers, engineering, electronics, etc.

Industrial Investment - Under the liberalized procedure introduced by Government of India, Gujarat has continued to witness impressive industrial development. Since August 1991, the State has

received acknowledgments of 6850 Industrial Entrepreneurs Memoranda (IEM) filed by entrepreneurs till October, 2004 with estimated investment of Rs. 278439 crore. The State has also received 801 Letters Of Intent (LOI) having proposed investment of Rs. 65125 crore in the state. The State also received 1353 Letters of Permission (LOP) for setting up 100 % Export Oriented Units (EOU) having total investment of Rs. 11860 crore till October, 2004. Gujarat has set up a mechanism to monitor implementation of all investment proposals. As on 31st October, 2004, there are 4144 projects implemented aggregating total investment of Rs. 102229 crore. In addition, 1347 projects are under implementation aggregating total investment of Rs. 63511 crore. These include 836 projects each having less than Rs. 5 crore of investment, 443 projects having investment between Rs. 5 to Rs. 100 crore and 68 projects each having investment of over Rs. 100 crore.

Small Scale Industries: In the small scale sector, in all, 11028 SSI units have been granted registration during the year 2003-04. At the end of March, 2004, the cumulative number of registered SSI units have crossed the figure of 2.90 lakh. In addition to this during the year 2004-05, 3796 new SSI units have been registered till September, 2004. Thus at the end of September, 2004, cumulative number of registered SSI units have crossed the figure of 2.93 lakh.

During the year 2000-01, a census of SSI was carried out. Out of 242877 registered SSI Units (Upto 31-03-2000), 223022 units could be covered of which 169020 were working units. From the information collected from working units for the reference year 1998-99, it is estimated that Fixed Capital Investment in SSI sector was Rs. 7446 crore and employment therein was 724332. The average investment and employment per unit works out to Rs. 4.41 lakh and 4 respectively. The annual production of SSI sector is estimated at Rs. 10223 crore.

Medium and Large Industries; During the year 2000-01 a Census of medium and large scale industries was carried out. It was possible to enlist about 2100 industrial units for census work. Under the survey of medium and large industries programme, it was possible to carry out survey of 2059 industrial units in medium and large scale sector in the State. Of these, 1570 units are found working which works out to 76.25 % of the total units surveyed. The overall investment of 1570 functioning units works out to Rs. 96999 crore. The investment per unit works out at Rs. 61.78 crore which indicates that there is a substantial investment among large projects in the State. The overall production from functioning units is reported at Rs. 108821 crore. The overall employment in medium and large scale sector is reported at 378194. The employment per unit works out to 241.

District Industries Centre- During the year 2003-04, 24 District Industries Centres were functioning in the State. The main objective of establishing the District Industries Centre is to provide all assistance under one roof to the entrepreneurs engaged in dispersed and diversified industries and to those proposing to establish small and cottage industries. The prospective entrepreneurs get all assistance like selection of an item for production, procurement of manufacturing inputs like credit, raw materials, power, land and building from the District Industries Centre. Even for follow up of larger projects having investment upto Rs.100 crore, where the corporate office is in Gujarat, DIC assistance is available for speedy implementation of the project.

Results of Annual Survey of Industries- The provisional summary results of the Annual Survey of Industries 2002-03 indicates that the fixed capital employed by the factory sector in Gujarat State was about Rs. 82286 crore as against Rs. 87078 crore in 2001-02, showing a decrease of 5.50 %. The value of output at current prices of all registered factories covered under the survey has increased from Rs.

147550 crore in 2001-02 to Rs. 183645 crore in 2002-03 showing an increase of 24.46 %. The Net Value Added by manufacture under factory sector has increased from Rs. 16886 crore in 2001-02 to Rs. 22836 crore in 2002-03. The employment in all factories covered under the survey, inclusive of managerial, supervisory and clerical personnel, has marginally decreased from 7.13 lakh in 2001-02 to 7.19 lakh 2002-2003 .

Factories-The number of working registered factories in the State has increased from 19696 at the end of the year 2002(P) to 20389 at the end of the year 2003(F). The average daily employment in these working factories was 8.40 lakh at the end of the year 2002(P) which increased to 8.76 lakh at the end of the year 2003 (P).

Industrial Disputes-During the calendar year 2003, incidents of 42 strikes and lockouts were reported, which have affected 7978 workers and total 1.22 lakh mandays were lost. Against incidents of 50 strikes and lockouts were reported during the year 2002 which had affected 9794 workers and total 0.87 lakh mandays were lost. As per the provisional figures incidents of 28 strikes and lockouts have been affected 4884 workers and total 1.30 lakh mandays have been lost during the period of (January to October, 2004).

The programmes under industries and minerals cover large and medium industries, small scale industries, Khadi-village and Cottage Industries and Mineral Development. The approach is to reduce disparities, ensure more balanced growth and use of industry as a tool for rural area development and employment generation.

Table-4.7.9.1 indicates Industrial and Minerals development during Tenth plan in Gujarat State. An outlay of Rs. 39238.00 lakh is provided for the year 2005-06 for this sector. The compound annual growth rate of manufacturing sector at 9.75% will be maintained.

Promoting IT, High-tech and knowledge based industry and providing infrastructure facilities, revival of sick units are the main objectives covered in Gujarat Industrial Policy 2003. It has enumerated following aspects as part of strategy for industrial development in the State. Promote technology and production quality up-gradation, and make the industries competitive in the global context. It is also designed to *help* industries to adapt to the new economic situation. It focuses on infrastructure development and water requirement. Small Scale Industries development, service industries, promotion of agro and food processing industry mineral based industries, electronics and IT sector, engineering ancillaries, textiles and garments, gems and jewellery, pharmaceutical, petro-chemical downstream and plastic processing etc., Medium and large industries, technology, rehabilitation of sick industrial units, Entrepreneurship development, Infrastructure development covering land, industrial parks and townships, water requirement and other infrastructure facilities, Environment protection, Development of backward talukas, Foreign Direct Investment, Export promotion, Trade and market development, Industrial Finance, Industrial relations, responsive administration and implementation of policies.

Mining Industry, as per provisional estimates, the production of Ochre, Agate, Steatite and Gypsum during the year 2003-04 was 1170, 110, 103 and 190 tonnes respectively. The production of Limestone, Lignite, Bauxite/Laterite and Dolomite was 19159, 6704, 1973 and 314 thousand tonnes respectively. The production of clay (others), Fire Clay, Bentonite, Quartz and Silica sand and Chalk was 4956, 106, 528, 936 and 109 thousand tons respectively. The production of petroleum oil (crude) and natural gas was 6133 thousand tonnes and 3419 million cubic metres, respectively, during the year 2003-04. The Minerals, for the Mining sub-sector, an outlay of Rs. 800.00 lakh has been provided for the year 2005-06.

Table-4.8.9.1 Patterns Industrial and Minerals Development During Tenth plan in Gujarat State

SR. NO	MAJOR HEAD OF DEVELOPMENT	TENTH PLAN 2002-07 OUTLAY	ANNUAL PLAN 2004-05 OUTLAY	ANNUAL PLAN 2005-06 OUTLAY
1	2	3	4	5
VI	INDUSTRIES AND MINERALS			
1	Village and small Industries	47500.00	6463.00	7000.00
2	Industries (Others than V. & S. ind)			
	(A) I.M.T.D	183800.00	19360.00	30950.00
	(B) E.& P.C.D-For G.S.P.C.L	6500.00	488.00	488.00
	Total (2)	190300.00	19484.00	31438.00
3	Mining	5200.00	714.00	800.00
	TOTAL – VI	243000.00	27025.00	39238.00

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

4.8.10 IRRIGATION & WATERSHED MANAGEMENT

Irrigation and watershed management component under the SSY has four parts, details of which are as under:

Part-I (North Gujarat Region), out of 10 worst water scarce identified districts, 6 districts namely, Ahmedabad, Banaskantha, Gandhinagar, Mehsana, Patan, Sabarkantha are in North Gujarat region. The following works are proposed to be taken up in these districts.

Construction of Sujalam Sufalam Spreading Canal from Mahi to Banas river which includes diversion of surplus flood water to these water deficit areas.

Construction of distribution network for effective distribution of water between the areas of Sujalam Sufalam Spreading Canal and Sardar Sarovar Narmada Main Canal. Lift irrigation schemes from

Narmada Main canal to the existing water reservoirs of these areas to divert allocated surplus water of Gujarat.

Extension of existing command areas is also to be taken up in view of the availability of surplus water from other river basins by transportation through the proposed Sujalam Sufalam Spreading Canal and Narmada Main Canal.

Part-II (Surendranagar District), construction of check dams on river crossing branch canals to store water and construction of khet talavadis etc.

Part-III (Kachchh District), construction of tidal regulators, bandharas, check dams, recharge tanks, recharge wells, khet talavadis etc for utilization of 1 M.A.F. excess water of Narmada.

Part-IV (Panckamahafe and Dahod Districts), Includes construction of Kadana high level canal, Panama High Canal, weir, check dams, deepening of village ponds, khet talavadis etc.

Thus, the entire area will be covered to meet the water requirement of the region. In these districts, farmers will be encouraged to construct khet talawadis (field ponds) to impound rainwater and use it for agriculture. Construction of check dams, khet talavadis, bandharas, ponds etc. will increase the overall recharge of sub-surface water and thus soil-moisture regime of their fields will be improved. The total cost of the irrigation and watershed management component of the project is about Rs.4,291 crores. (Estimated cost of drinking water schemes is Rs. 1946.33 crores.) Total Rs. 1169.71 crore has been allocated for I the year 2005-06 for Sujalam Sufalam Yojana. out of which Rs. 733.04 crore for Water | Resources Sector and Rs. 436.67 crore for Water Supply Sector.

The implementation of the project started in the year 2003-2004. It is envisaged to be complete by December, 2005. Times effectively only two financial years are available for implementation of the project. Impact & Benefits, these districts face acute water scarcity and water availability is the limiting factor in all-round development of the regions. Due to depleting water table, desertification and degradation of land is very visible. The productivity in the region is going down and; people are migrating to other areas in search of their livelihood and better opportunities. Implementation of such a water conservation programme will be highly beneficial, in all aspects i.e. economically, socially and environmentally. Out of these 10 districts, six are either border districts or tribal districts and thus require immediate attention. Any neglect and deterioration in economic life/activities will not be in the overall interest of the State and thus. for the Country.

It is envisaged that after implementation of the project, 4.5 lakhs hectare of land will be irrigated with assured water. Further, by rainwater harvesting and recharge, water table will increase and thus degradation of land and process of desertification will be reversed. This project will not only provide short-term employment opportunities during the implementation of the project, but would also lead to a number of agricultural, dairy and other economic activities in the region, bring thereby improvement in the agricultural productivity and over all economy. This will help in overall poverty alleviation and increase in agriculture production.

The assured surface water for irrigation also reduces dependence on groundwater reduces consumption of electricity, which is very high and the government is providing huge subsidy. Thus not over-pumping from the existing tube wells, and thereby improvement in water tables of the region and help in the overall revival of ecology of the region. There will also be savings in woman-days presently being spent on fetching

drinking water from long distances. In fact, by this project, women will be benefited immensely. It will also save precious time and resources of the State Government and districts administration, as there will be no need to make emergency arrangements every year to tackle water scarcity and fodder to cattle in the region.

4.8.11 RURAL DEVELOPMENT

An outlay of Rs.2500.00 lakh has been provided for rural development sector. Reduction of poverty and unemployment are the major objectives of Rural Development Programmes. Gujarat has a rural population of 3.02 crore as per census 2001 which is 62.33% of the total population. 23.69 lakh families are living below the poverty line in rural areas. Under this sector several schemes are implemented as Centrally Sponsored Schemes besides the State's own programmes. The major programmes included in the Annual Plan are SGSY, SGRY, INDIRA AWAS YOJANA, Area Development Programmes such as DPAP, DDP, Watershed Development etc.

Among the programme implemented under the State's own resources, Gokul Gram Yojana is the main programme. 16 Basic amenities have been identified for all the villages. There are 16 basic amenities viz. All-weather approach roads, Drinking water, Construction/ Renovation of village ponds with bathing Ghats, Community latrines, Soakpits; Community halls, School Rooms, Anganwadis, Balwadis, Afforestation and Electrification. 11690 villages have been declared as Gokul Gram upto March 2003. An outlay of Rs. 28505.00 lakh has been provided under Rural Development Sector.

Rural Development, Under "Swarna Jayanti Gram Swarojgar Yojana" 21462 swarojgari were covered during 2003-04. Under Jawahar Gram Samridhi Yojana, 156.39 lakh mandays of employment were generated. Employment Assurance Scheme generated 168.01

lakh mandays during 2003-04. 21210 new houses were constructed and 10476 houses were upgraded under Indira Awas Yojana during the year. Under the programme of Gokul Gram Yojana, all the villages have been covered and 12293 villages have been declared as Gokul Gram as on October, 2004. Total 156373 schematic works were complete^ by October, 2004. Under watershed programmes 4943 projects were completed covering 24.69 la hectares of area

Under Sardar Patel Awas Yojana, 10530 new houses were constructed for rural housing during 2003-04. while during the year 2004-05 (April-November, 2004) 10168 houses were constructed. During the year 2003-04, Gujarat Rural Housing Board completed 292 houses for economically weaker section and 9 houses for low income group. In the year 2004-05 (April-October, 2004), the Board has constructed 78 houses for economically weaker sections, 298 houses for low-income group households.

4.8.12 DECENTRALISED DISTRICT PLANNING

The First step in Decentralised Planning of development activities was taken in 1963 when Panchayat Raj was ushered in the state. Manu district level schemes were transferred to the district panchayats together with financial allocation and necessary staff. The implementation and monitoring of these schemes was also entrusted to the district panchayats.

From 14th November, 1980 with the setting up of the District Planning Boards for all the districts with funds placed at their disposal, further progress was made in the sphere of Decentralised District Planning Programme. Each District Planning Board has a District Planning Officer assisted by certain staff who works directly under the supervision of the Collector and discharges the functions of the Member-Secretary of the Board. The outlay which is placed at the

disposal of District Planning Boards consists of the Discretionary Outlay and the Incentive Outlay. The Discretionary outlay forms 15% of the total outlay for the programme in any particular year. The Incentive Outlay is about 5%. The discretionary outlay is the outlay from which District Planning Boards can finance schemes on 100% basis. The incentive outlay involves a matching contribution of 50%, 25% or 10% depending upon the backwardness of the taluka.

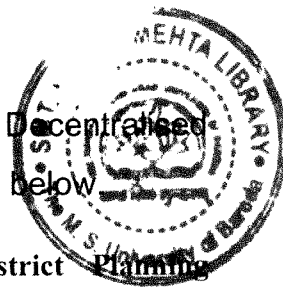
The District outlay is distributed among all districts on the basis of a formula, which takes into account the size of rural population (excluding towns with the population of 50,000 and above), population of SC, ST, Small and marginal farmers and population of agricultural labourers other than SC/ST, backwardness in Agriculture, Irrigation, Industry, Roads, Drinking Water etc., The taluka-wise allocation of funds is also done on the basis of similar criteria.

District Plan Outlay: Details of the outlay provided during Ninth Five Year Plan 1997-2002 and the outlay provided for the first three years of Tenth Plan 2002-07 are given in the following table. Table-4.8.12.1 District plan Outlay provided during Ninth Five Year Plan 1997-2002

Table-4.8.12.1: District Plan Outlay (Rs. in crore)

Sr. No.	Year	Outlay
1	1997-98	109.10
2	1998-99	150.00
3	1999-2000	164.00
4	2000-2001	175.00
5	2001-2002	133.62
	Total (9th Plan.)	731.72
6	2002-2003	150.75
7	2003-2004	188.85
8	2004-2005	166.19

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar



District Plan Outlay: Physical achievements of Decentralised District Planning Programme upto 31.3.2004 are as given below

Table-4.8.12.2 Physical Achievements of Decentralised District Planning Programme upto 31.3.2004

Item	Since inception upto 31/3/2004
Classrooms constructed (No)	29293
New Water supply works(No)	50844
Link roads and approach roads(No)	45461
Rehabilitations of defunct village water supply schuemes(No)	144
Village electrified for all purpose (No)	6297
Repairs of primary Schools class rooms(No)	3296
Repairing of P.H.Cs & Sub-Centers	789

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

Annual Plan 2005-06; For the Annual Plan 2005-06, an outlay of Rs. 18.85 crores has been provided for the decentraised district planning programme. The item wise breakup is as under.

Table- 4.8.12.3 Decentraised District Planning Programme During Tenth Five Year Plan

(Rs. In Crores)

Sr. No	ITEM	Quality for 2005-06
1	Discretionary Outlay	81.36
2	Incentive Outlay	9.40
3	Provisioon for dealing with the problems of special backward Areas	2.39
4	Provision for allocation to 56 backwards Talukas	4.70
5	Provision For community works of local Importance (MLA Fund)	91.00
	TOTAL	188.85

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

Development of Geographically Backward Areas: Apart from the Discretionary and Incentive Components, there are components for seven special Backward Areas, in the State which are spread over the boundries of more than one Talukas and even more than one District. The Geographically Backward Areas are Panchal, Nalkantha, Bhal , Khakharia Tappa, Kharapat, Ghed, Ukai Asargrasth which are spread over in different 12 District viz. Surendranagar, Ahmedabad , Amreli, Bhavnagar, Mahesana, Rajkot, Junagadh, Probandar, Surat, Anand, Kheda and Gandhinagar. Roads, Drainage, Plantation of trees, skills Formation Schemes etc, as per the needs of the area are implemented. Details regarding outlays provided during the Ninth Plan 1997-2002 and for the first five years of Tenth Plan 2002-2007 for this component are given below:

Table-4.8.12.4 Plan outlays provided during the Ninth Plan 1997-2002 and for the first five years of Tenth Plan 2002-2007

Sr.No	Year	Outlay
1	1997-98	1.70
2	1998-99	2.55
3	1999-2000	2.93
4	2000-2001	2.95
5	2001-2002	1.89
	TOTAL (9th Plan)	12.02
6	2002-2003	1.46
7	2003-2004	2.39
8	2004-2005	1.84

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar.

For the Annual plan 2005-06 an outlay of Rs. 2.39 crores has been provided for the development of Geographically Backward Areas.

Development of Backward Taluka : The government has identified 56 Talukas as Economically Backward Talukas.

Table 4.8.12.5-the Details of Yearwise Allocation of outlays of 09th Plan also for the first three years of the tenth plan.

(Rs. In crores)

Sr.No	Year	Outlay
1	1997-98	3.39
2	1998-99	5.10
3	1999-2000	5.85
4	2000-2001	5.90
5	2001-2002	3.76
	TOTAL (9th Plan)	24.00
6	2002-2003	2.86
7	2003-2004	4.70
8	2004-2005	3.61

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

For Annual Plan 2005-06, an amount of Rs.4.70 crores has been provided for the development of 56 Backward Talukas. As compared to other talukas, these talukas are given some additional allocation.

Community Works of Local Important:(MLA FUND) : A component for community Development Works of local Important to meet local needs as perceived by elected representatives from various Assembly Constituencies has been introduced since 1989-90. Under this community works for local important such as rural roads, rooms for primary schools, provision of basic health care facilities etc. can be taken up On the recommendation of the elected representatives of each Assembly Constituency. Each Member of Legislative Assembly can suggest works amounting to Rs. 50 Lakhs each year under this component . After formal sanction by the Collector, the works are taken up as suggested by the MLA. The yearwise allocation of 9th Plan 1997-

2002 and also for the first three years of 10th Plan 2002-2007 are given below:-

Table 4.8.12.6 The yearwise allocation of 9th Plan 1997-2002 and also for the first three years of 10th Plan 2002-2007

(Rs. In crore)

Sr. No	Year	Outlay
1	1997-98	36.40
2	1998-99	45.50
3	1999-2000	45.50
4	2000-2001	54.60
5	2001-2002	54.60
	TOTAL (9th Plan)	236.60
6	2002-2003	91.00
7	2003-2004	91.00
8	2004-2005	91.00

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

For Annual Plan 2005-06 an amount of Rs. 91.00 crore (Rs. 50.00 Lakhs per Assembly Constituency) has been provided for the programme of community development works of local importance.

Special Component Plan: The District Planning Boards earmark funds for taking up works to benefit the scheduled Castes population. The outlay earmarked for SCP for the 9th plan 1997-2002 and for the first three years of 10th Plan 2002-2007 is given below.

Table 4.8.12.7 The outlay earmarked for SCP for the 9th plan 1997-2002 and for the first three years of 10th Plan 2002-2007

(Rs. in crores)

Sr.No	Year	Amount earmarked for SC population
1	1997-98	7.64
2	1998-99	10.50
3	1999-2000	12.17
4	2000-2001	12.91
5	2001-2002	11.09
	TOTAL (9th Plan)	54.31
6	2002-2003	11.19
7	2003-2004	14.00
8	2004-2005	12.46

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

For Annual plan 2005-2006 an amount of Rs. 14.16 crores has been provided for Special Component Plan.

Tribal Area sub-Plan: Under Decentralised District Planning Programme , the yearwise National flow for the 9th plan 1997-02 and for the first three years of 10th plan period 2002-07 is below :

Table 4.8.12.8 Tribal Area Sub-Plan Under Decentralised District Planning Programme , the yearwise National flow for the 9th plan 1997-02 and for the first three years of 10th plan period 2002-07

Sr.No	Year	National Flow to T.A.S.P.
1	1997-98	21.52
2	1998-99	33.01
3	1999-2000	36.10
4	2000-2001	38.40
5	2001-2002	32.77
	TOTAL (9 th Plan)	161.80
6	2002-2003	33.07
7	2003-2004	41.43
8	2004-2005	36.47

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

For the Annual plan 2005-06 the National flow provided is Rs.33.18 crores form the outlay of Rs. 188.85 for Decentralised District Programme.

4.8.13 THE TWENTY POINT PROGRAMME

Gujarat has been among the front ranking States in the country in implementation of the Twenty Point Programme. The State Government has set up a sound infrastructure for systematic and effective implementation and monitoring of the programme. In addition to the reviews by the State cabinet and departmental reviews, constant monitoring is done at all levels. As a result of this, the Gujarat State has been ranking the first all over the Country with 100% achievement in implementation of 20 Point Programme during 1996-97, 1997-98, 1998-99, 1999-2000, 2001-2002, 2002-03 and 2003-2004, while 2000-2001

Gujarat has ranked third with 97% achievement in implementation of 20 Point Programme even in severe earthquake circumstances.

The details of the Programme, in the Annual Plan 2005-06 have been described as in the Annexure – III

4.8.14 DEVELOPMENT OF WOMEN & CHILDREN

According to provisional figures of 2001 census, Gujarat has a population of 506 lakhs. This includes 263 lakh males and 243 lakh females. Women constitute around 48 % of the total population. It is necessary, therefore, that an increasing proportion of plan funds flow towards them,, so that they can benefit by greater measure and participate in the economic advancement of the State. The State Government has adopted the concept of the Women's Component Plan under which a minimum of 30 % of all beneficiary oriented schemes across all departments are earmarked for women.

Child welfare is a sector which is closely associated with women's development. The importance of child welfare view of the fact that human resources are no less important as material resources in the task of planned development. Thus the importance of child welfare programmes need to be appreciated with strong emphasis on health, nutrition, education and basic rights of children.

Nutrition: The Nutrition programme is a part of National Health Policy. The Integrated Child Development Services (ICDS) Programme provides a package of services to the child comprising- Supplementary Nutrition, Immunization, Health Check-up, Referral Services, Non-formal pre-school education, & Nutrition and Health Education for mothers and children below 6 years of age through anganwadi.

An anganwadi center usually covers population of 1000 in the rural/urban slum areas and 700 in the tribal area.

Nutrition programme is a beneficiary oriented programme aimed to serve the socially and economically weaker section of the society. Various Nutrition Surveys have estimated that the calories and protein deficiency among children below 6 years of age is 300 calories and 10-12 gram protein respectively. Similarly, among pregnant women and nursing mothers, calories and protein deficiency has been observed to be 600 calories and 18-20 gram of protein. Supplementary Nutrition is provided for overcoming this deficiency to the beneficiaries under this programme.

227 ICDS blocks are sanctioned with 37% 1 anganwadi centers by the end of 31st September 2004. Out of which 169 blocks are established in the non-tribal rural areas, 46 blocks in the tribal areas and 12 blocks are in urban slum areas. At the end of 31 October-2004, 223 projects are fully operationalized and 24.80 lakh beneficiaries are covered by 36714 functioning anganwadi centers.

For the year 2004-2005, the outlay provided is Rs. 6216.00 lakh and the physical target is fixed at 24.80 lakh beneficiaries (children and mothers) under the nutrition programme. Out of the total outlay of Rs. 6216 lakh, in amount of Rs. 900 lakh is earmarked under tribal development department as a special fund for Gujarat Pattern.

Establishment of Legal Aid Centres: The Commissionerate provides financial assistance to registered non-government organizations for running Legal Aid Centres for women. Rs. 81.00 lakh has been provided for 2005-06 for maintenance of about 75 existing Legal Aid Centres.

Yuvati Vikas Kendras : (Counseling Centres for Adolescent Girls) This scheme is being implemented to provide guidance and counseling facilities to adolescent girls in the age group of 13 to 20 years, both individually and in groups. Financial assistance is given to

registered non-government organisation to run these centers. Rs. 15.00 lakh has been provided for the year 2005-06 for maintenance of the existing 46 Yuvati Vikas Kendras.

Financial Assistance to Destitute Widows for Rehabilitation: This is an ongoing scheme, under which women of age between 18 to 60 years whose annual family income is below Rs. 3600 and individual income is below Rs. 1200 and who does not have a son above 21 years, is paid an amount of Rs. 500 p.m. as financial assistance.. At present there are 79000 beneficiaries benefited by the scheme. For the year 2005-06, an outlay of Rs. 5692 lakh has been provided. For the verification of the beneficiaries of widow assistance scheme, an outlay of Rs. 8.00 lakh is also provided for the year 2005-06.

Financial Assistance to Widows for Better Employment Placement: An outlay of Rs 721.00 lakh has been provided for the year 2005-06 for 10000 beneficiaries.

Assistance for Girl Students: Under the sub-sector of General Education, an outlay has been provided for the scheme of construction of girls' toilets in upper primary schools with the objective of reducing the dropout rate among girl students. For the Annual Plan 2005-06, an outlay of Rs. 400.00 lakh has been provided for providing toilet facilities at 22000 upper primary schools in the State. The unit cost of sanitation block is estimated at Rs. 19000 per unit.

A scheme is implemented for providing financial assistance to only talented girl students from the Scheduled Caste, Scheduled Tribe and Other Backward Class groups.- for increase girls' retention, rate. Under the scheme, an amount of Rs. 300 per annum is given to each girl student. It has been decided to increase the coverage of 99 talukas

to cover all the talukas in the State. For the Annual Plan 2005-06 an outlay of Rs. 870 lakh has been provided under this scheme.

Financial Assistance for "Dikri Rudi Sachi Mudi": Under this scheme, socially and economically backward class women are given Rs. 3000 financial assistance on the occasion of birth of girl child.. Out of this, Rs. 500 is given in cash within 15 days of the birth of girl child and remaining amount of Rs. 2500 is given in the form of small saving certificate. The income limit is Rs. 11,000 p.a. In the year 2005-06 25,000 girl children will be benefited.

Programme for Correctional and Rehabilitation for Delinquent and Vagrant Children: Under this Programme Prevention of Juvenile Beggary and Vagrancy Centers at Bhavnagar,, Surat and under special component plan at Baroda and Rajkot are run. An amount of Rs. 28.50 lakh is provided for this purpose for the year 2005-06.

4.8.15 EMPLOYMENT AND MANPOWER POSITION

As per 2001 census the population of Gujarat is 5.06 crores. Out of this male population is 2.64 crores and female population is 2.42 crores. The decadal growth is 22.63 % as against 21.19% in the 1991 census. The rural population is 3.17 crores where as urban population is 1.89 crores.

As against the total work force of 1.59 crore in 1991, it has risen to 2.12 crores in the 2001 census. It is expected that during the tenth plan period (2002-2007) another 22 lakh persons would be added to the work force in the 15 to 59 years age group.

Working Population in Gujarat: Main workers and Marginal workers are together called the total workers. In Gujarat there were 16 million workers in 1991 Census. In 2001 Census, this number has risen to 21.2 million. In terms of percentage, 40.39 % of the total population in

Gujarat were workers in 1991 Census which has risen to 41.94 % in 2001. There is a net gain of +1.55 percentage points in working population during the decade.

In 1991 Census, male working population was 11 million which has risen to 14.5 million in 2001. In terms of percentage, it is 54.98 % in 2001 against 53.64 % in 1991. There is + 1.34 points net gain in percentage of working male population. Female working population in 2001 is 6.74 million against 4.99 million in 1991. In terms of percentage female workers are 27.78 % against 26.20 % in 1991 Census. The net increase in percentage points of female work participation during the decade is +1.58 which is higher than the net increase in male work participation. The following statement shows absolute number of workers by sex and percentage to total population in 2001 and 1991.

Table-4.8.15.1: Total workers and their percentage to total population and net increase or decrease in percentage by sex in Gujarat.

Total Rural Urban	Total Workers Main + Marginal					
	2001			1991		
	Person	Males	Females	Persons	Males	Females
Total	21247078	14503455	6743323	15961847	10961847	4997441
Rural	14997008	9059480	5937528	11824515	7295468	4529047
Urban	6250070	5444275	805795	4137332	3668938	468394

Total Rural Urban	% of working population to toatal population (Work participation Rate)					
	2001			1991		
	Person	Males	Females	Persons	Males	Females
Total	41.94	54.98	27.78	40.39	53.64	26.20
Rural	47.26	55.53	38.50	45.79	55.03	36.04
Urban	33.03	54.10	09.10	30.22	51.09	7.20

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

Work Participation in Rural Areas: In rural areas, 14.9 million persons have been found as workers in 2001 census where as it was

11.8 million in 1991 census. There is an increase of 3.1 million workers against 4.7 millions increase in rural population during the decade. In terms of percentage, 47.26 % of population in rural areas are workers against 45.79 % in 1991 census. Net increase in percentage points comes to + 1.47. Male (Work Participation Rate) rate in rural areas is 55.53 % against 55.03 % in 1991 census. Male (WPR) rate in rural areas is higher than the urban areas by +1.43 points. Female (WPR) rate in rural areas has significantly increased from 36.04 % in 1991 to 38.50 % in 2001 census. The net gain in female WPR comes to +2.46 points during 1991-2001.

Work Participation in Urban Areas: Gujarat has 6.25 million working population in urban areas against 4.13 million in 1991 census. In terms of percentage, 33.03 % of urban population is working population, while it was 30.2 % in 1991. The urban area has gained +2.81 points in work participation rate during the decade. Male (WPR) in urban areas is 54.08 % in 2001 census against 51.09 % in 1991 census. The gain in urban male (WPR) comes to +2.97 points during the decade. The Female (WPR) in urban areas is accounted 9.10 % in 2001 census which is about 29.4 points lower than the rural areas. Female (WPR) in urban areas in 1991 census was also very low of 7.2 %. It is evident that female work participation is very low in urban areas, even less than 10 % of total female population. However, State as a whole has gained in female WPR by +1.58 points from 1991.

As described in above table, it is seen that total employment in the year 1985 was 15.13 lakh, while in the year 1995 it was 17.17 lakh. In this decade total 2.04 lakh employment i.e. 13.48% is increased.

Total employment in the year 1990 was 16.22 lakh, while in the year 2000 it is 16.90 lakh. In this decade 0.68 lakh employment is increased. Hence it is increased only by 4.19%

Total employment in the year 2000 was 16.90 lakh, while in the year 2004 it is 16.22 lakh. In comparison with the year 2001 it is same in the year 2004 (Up to March-04 ending). Thus, it is clear that the

expansion in employment in the last decade had shown a declining trend on account of the capital intensive investment taking place in industrial sectors like Chemical, Petrochemical, refining etc. Above trend needs to be reversed by an appropriate intervention policy by the Govt. as a facilitator in terms of promoting knowledge based industries, like IT. Industries, service sector which have very high employment potential.

During 2004, 16.22 lakhs were employed in the organised sector, out of this the public sector, contribution was to the extent of 8.19 lakh (i.e. 51%) while private sector employed 8.03 lakh (49%)

The share of the Public Sector in the organised sector employment reached the peak in the early 1991 but has since come down to 51 % as on 31/3/2004. Simultaneously, the Private Sectors' contribution increased substantially and reached around 49% in 2004. Thus, it is clear that Public Sector no longer provides any incremental employment in the organized Sector. The Public Sector Employment figure was 9.60 lakh in 1996, 9.54 lakh in 1997 and 9.55 lakhs in 1998, 9.49 lakh in 1999, 9.20 lakh in 2000, 8.80 lakh in 2001, 8.49 lakh in 2002, 8.51 lakh in 2003 and 8.19 lakh in 2004. There is hardly any recruitment now either in the Govt. or the Public Sector.

New Employment Policy-1995: The New Employment Policy has come into force from 1/4/95. As per this policy all industries in the State should employ minimum 85 % of employees of worker category and a Minimum of 60 % of vacancies managerial and supervisor category from amongst the local persons. This scheme has been implemented since its inception across all types of industrial units of the public sector as well as the private sector.

4.8,15.2: Total employment in public and private organised sector in Gujarat based on EMI Reports are as under:-

Description of industries with code	1985	1990	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total
0 Agriculture Hunting forestry and Fishing	0.21	0.25	0.24	0.20	0.20	0.23	0.19	0.18	0.19	0.19	0.26	0.27
1 Maining & Quarrying	0.19	0.22	0.23	0.22	0.21	0.21	0.20	0.19	0.17	0.13	0.15	0.15
2 Manufacturing	5.90	6.04	6.43	6.50	7.04	6.99	6.87	6.55	6.21	6.08	6.14	6.17
3 Electricity, Gas & Water	0.38	0.44	0.44	0.45	0.45	0.46	0.45	0.44	0.45	0.45	0.54	0.53
4 Construction	0.69	0.70	0.70	0.71	0.71	0.91	0.85	0.68	0.63	0.61	0.48	0.49
5 Whole sale & Retail trade, Hotels And Restaurant	0.19	0.24	0.23	0.24	0.25	0.26	0.26	0.26	0.26	0.24	0.31	0.33
6 Transport storage & communication	1.77	1.77	1.89	1.85	1.86	1.88	1.94	1.86	1.87	1.84	1.71	1.60
7 Financing Insurance & Real Estate.	0.81	0.94	1.05	0.06	1.05	1.07	1.07	1.06	1.04	1.02	1.10	1.10
8 Community social & Personal Services	4.99	5.62	5.96	5.96	5.94	5.88	5.86	5.67	5.41	5.30	5.62	5.58
TOTAL	15.13	16.22	17.17	17.19	17.71	17.89	17.69	16.90	16.22	15.86	16.31	16.22

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

Table-4.8.15.3 :New Employment Policy-1995:

No	Detail of industrial Units	Deail of Total Employment			Position of Local Employment Percentage			
		Manager/ Supervisor Cadre	Worke/ Non-supervisor Cader	Total	Manager/ Supervisor Cadre	Persen- Tage	Worke/ Non-supervisor Cader	Persen- tage
1	State Govt. Undertaking	13680	126099	139779	13214	97	124740	99
2	Central Govt. Undertaking	10340	22162	32502	4970	48	19939	90
3	Private Undertaking	75996	317829	393825	64007	88	291624	92

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

Minimum Unemployment Programme: Initially this programme had been launched by the Govt, as 'Zero unemployment programme in Dangs and Gandhinagar Districts. The name of the programme was later tanged to "Minimum Unemployment Programme" and it was extended to all the districts, le idea behind this programme was that at least one person of every family living below the poverty line should get a suitable wage-employment or gainful self employment. Funds for is programme were supposed to come from different on going projects in the budget including Special Employment Programme. Obviously skill development in tune with market demands is an important aspect of such a programme. Those who can not be covered under self employment due to limitation of funds or market condition, can be

provided with equate skill up-gradation for which there is enough demand in the market so that they can find wage employment.

EMPLOYMENT GENERATION IN THE YEAR 2005-06

ANNUAL PLAN

The Annual Development Plan accords high priority for employment generation through various states and Centrally sponsored schemes. The Gujarat Govt. has accorded high priority towards industrial development and thereby generating additional employment for the youth, both in urban and rural areas. The emphasis would be placed on self employment scheme in Agriculture, Animal Husbandary, Dairy Development, Village and small industries and allied activities. High priority is accorded to maximize employment with special emphasis on agro-based rural industries. In fact, Gujarat has achieved a considerable progress in this sector.

Table-4.8.15.4: Minimum Employment Programme 1992 to 2004 (8, 9th and 10th Plan) Identified 34 Taluka and 486455 Families

Sr. No.	Year	Covered under Self Employment	Wage Employment mandays generated (In thousand)	Trainees
1	2	3	4	5
1	1992-	23205	4458	4385
2	1993-	32128	3727	10229
3	1994-	31506	4661	7612
4	1995-	23963	6152	6119
5	1996-	24477	5550	2830
6	1997-	30815	5960	3898
7	1998-	24667	5541	4993
8	1999-	14362	2576	2962
9	2000-	11646	6893	1740
10	2001-	6433	4964	2000
11	2002-	4996	2194	1976
12	2003-	3724	4014	1244

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

Table-4.8.15.5: Scheme having potential Employment Generation during Year 2005-2006

Sr. No	Sector of Development	Outlay (in crore)	*Wage Employment man days(in s)		*Self Employment No.of beneficiaties
1	2	3	4	5	6
1	Fish Dev.	10.68	---	27.59	--
2	(i) Agriculture soil Conversation	79.20	---	187.37	--
	(ii) Animal Husbandary	35.20	---	20.27	--
	(iii) Dairy Development	2.64	---	0.05	--
	(iv) Crop Husbandry (Horticulture)	48.40	---	40.34	--
3	Sardar Sarovar Irrigation Project Power Generation	270.00	---	372.00	--
4	Forest and wild life	160.00	--	123.00	--
5	SEBC Welfare	2.03	---		7834
	Sc Welfare		---		12348
	3 . ST Welfare	1.65	---		4000
6	Rural Development	332.55	---	137.50	--
7	Cottage Industries	73.00	---		110403
8	Muni. Fin. Board	2.50	---		64000
		1017.85	---	717.65	185237

* Projected figures

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

Sardar Sarovar Project ; Sardar Sarovar Project is the life-line of Gujarat. This project is executed by Sardar Sarovar Nigam Ltd. specify and full implementation of the project will generate large scale employment due to transformation of the agrarian economy of Gujarat. It is estimated that the project would generate 300 lakh man days during the year 2005-06.

Moreover, 7000 person years may be on register of regular employment of the project organisation including various other related agencies.

Employment Exchanges Scenario and Manpower Planning: The State exchanges could place 30798 candidate during January to September 2004 and it is expected that in financial year 2005-06, the placement will be about 70000.

4.8.16 WELFARE OF BACKWARD CLASSES

The development needs of Scheduled Tribes and Scheduled Castes are being met through the mechanism of Tribal Area Sub-Plan and Special Component Plan. A State level Planning Board has been setup for the planning of Tribal Area Sub-Plan at the State level under the Chairmanship of Hon'ble Chief Minister of the State. A district level "Jilla Adijati Vikas Mandal" has been constituted for the formulation of the scheme, implementation and co-ordination of outlay to be allocated at the district level. The State Government has increased percentage of job reservation for Tribals from 14 % to 15 %. The State Government has decided to earmark 17.57 % of the outlay of the State Annual Development Plan every year for the Tribal Area Sub-Plan. For Tribal Area Sub-Plan in 2003-04, revised outlay of Rs. 906.32 crore including provision for special central assistance of Rs. 31.29 crore was provided. Against this, an expenditure of Rs. 810.96 (89.48 %) crore including expenditure of

Rs. 31.06 crore from special central assistance was incurred. In the year 2003-04, an outlay of Rs. 427.78 crore was provided for the Special Component Plan, against which, an expenditure of Rs. 309.80 crore (72.42 %) was incurred.

4.8.17 THE TRIBAL DEVELOPMENT PROGRAMME

The State Government has been implementing the Tribal Area Sub Plan as a part of its obligation to implement the Directive Principle of State Policy enshrined in the Constitution of India. The present strategy for development of Tribal are was initiated early in the year 1975-76 with the commencement of the Fifth Five Year Plan.

The Tribal Sub-Plan is an area development plan. Scheduled areas of heavy tribal concentration had special development projects i.e. Integrated Tribal Development Projects Tribal Sub Plans were formulated for each of these projects areas every year With a view to have full control and separate monitoring of the provisions made by all departments outlays were provided under one demand for all the sectors and they were mainly for infrastructure development programmes. Later on, from the year 1986 the plan objectives were altered to cover family oriented programmes as well as beneficiary oriented programmes. These programmes were implemented also for the tribals outside the scheduled tribal areas and were development schemes included the tribals in the Scheduled areas as well as the tribals outside the Scheduled areas.

In order to boost the economic upliftment of the tribal people and to satisfy their felt-needs of local levels, the state government

has decided to earmark fund at the disposal of the Tribal Development Department since the year 1999-2000 under the special Tribal Sub plan.

New Approach for Bottom up Planning: The administration in Gujarat has been geared up to undertake activities to bring about overall tribal development in the state. Arrangements for bottom-up planning and monitoring of the activities required to be undertaken to fulfill felt needs of the area have been made by bringing about structural changes in the existing administrative organization in the State.

A state level committee headed by Hon'able Minister, Tribal Development for planning of 20% outlay of Gujarat Patterns is constituted vide Government's Resolution No.TAP/2002/295/P, dated 18-09-2003. In this committee, Principal Secretary Tribal Development, Commissioner Tribal Development, Additional Secretary Budget (Finance Department) is the member and Deputy Secretary Budget (Tribal Development) is Members Secretary. The proposal received from the different department will be discussed and finalised by this committee.

Tribal Development Department has covered individual beneficiaries of the Gujarat Pattern under the 20-Point Programme. Under this programme 38,188 beneficiaries are covered during the year 2003-04.

Financial progress for the year 1999-2000, 2000-01,2001-02, and 2002-03 are as under :

Table-4.8.17.1 Financial Progress in Tribal Development Programmes

Sr. No	Year	Provision	Grant release	Expenditure	% against provision	% Against Grant release
1	1999-2000	20000.00	20000.00	19409.40	97.05	97.05
2	2000-2001	20000.00	20000.00	19869.24	99.35	99.35
3	2001-2002	14688.00	14042.98	6901.85	46.99	49.15
4	2003-2003	20890.16	12306.81	12162.28	58.22	98.83
5	2003-2004	20890.16	19130.43	19058.03	91.23	99.62

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

Table 4.8.17.2. Achievements in major scheme of last four years in Gujarat pattern for the year 1999-2000, to 2002-2003

Sr. No.	Name of Scheme	TOTAL		
		Expenditure (Rs. In Lakh)	Number	No. of beneficiaries
1	2	3	4	5
1	Check Dam / Causeway/Tank	15121.73	2841	80281
2	Awas	3118.82	8416	42080
3	Water Supply			
(a)	Hand pump	2562.57	1334	217956
(b)	Group Water Scheme	1886.17	1334	217956
4	Roads	10678.88	1619	2041 Villages coveerd by roads of 2786.02 Km
5	Education			
(a)	School Rooms	1748.88	1323	23200
(b)	Fencing & Compound Wall in primary school	303.47	564	4600
6	Milch Cattle	459.08	7013	7013
7	Rural Electrification	3010.93	1680	44484

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

Introduction of Aromatic Crops in Tribal Area: The Government interested in introducing some new crops in the tribal areas, so that reasonable remuneration / returns can be provided to the tribal community. It is a felt need to diversify the agriculture activities the agriculture activities and crops of the area into some cash crops for better remuneration. Fragrance Flavour Development Center, Kannauj set up by Government of India as an autonomous body with United Nations Development Programme / United Nations Industrial Development Organizations Assistance for working as an interface between research & Development institute and industry in the field of Agrotechnology and chemical technology has been engaged in the extension work of aromatic and medicinal plants. The fragrance & Flavour Development Centers, has introduced new crops like French Basil, Menthe Spp. Citronella Java, Lemon Grass, Palma Rosa etc. in selected 5 projects in tribal areas.

Annual Plan 2004-05: An outlay of Rs. 20890.16 Lakhs is provided for special Tribal sub plan as earmarked fund for Gujarat Pattern for the year 2004-05.

Annual Plan 2005-06: An outlay of Rs.36400.00 Lakhs is provided for Gujarat Patterns as earmarked fund for the year 2005-06. Sectorwise outlay for the year 2005-06 in respect of Gujarat Pattern is given In the Annexure-I.

4.8.18 DISASTER MANAGEMENT

On January 26th 2001, an earthquake measuring 6.9 on the Richter scale occurred in north of Bhachau in Kutch District of Gujarat state. The earthquake which left 13805 dead and 167000 injured, caused large-scale destruction in housing, education infrastructure, health facilities, public buildings, state and rural

roads, water supply systems, sewerage system, power, heritage buildings, etc. The Government of Gujarat quickly reacted after the earthquake and mobilised the necessary resources and government machinery for immediate relief and recovery. The Government of Gujarat also received help from various other states, international agencies and NGOs during relief activities. In addition to the relief activities, the Government of Gujarat started a massive rehabilitation and reconstruction programme with the financial assistance from various national multinational agencies such as World Bank, the ADB, European Union, the Netherlands Government, etc.

The Gujarat State Disaster Management Authority was Constituted vide GR Dated 8/2/01. Thereafter, Gujarat Government has enacted the Gujarat State Disaster management Act-2003 and in accordance with the provisions of this Act, the Government vide its GR dated 11.8.2003 has constituted the Gujarat State Disaster management Authority under the Act with effect from 1.9.2003.

The Government of Gujarat have adopted a holistic approach to disaster management with a focus on reducing risk and vulnerability through policy, legislation, capacity building, education and communication to avoid/reduce the impact of disasters and achieve better preparedness. Prevention, mitigation and preparedness are given attention to reduce the impact of future disasters. Disaster Management Plans for all the districts have been prepared and reviewed. The Plans also include the exhaustive database of the inventories and resources available in the district. A model district disaster management plan for the Jamnagar district has been prepared and all the district collectors have been instructed to prepare their respective district disaster management plans based on the model plan. Taluka Disaster Management Plans (TDMPs) are also under preparation for all the talukas of the state. The process has been started for the

preparation of Contingency Plans in all the villages of the State. Over 1300 village disaster management plans have also been prepared under the UNDP-GSDMA 'Community Based Disaster Risk Management Program.

Emergency equipments worth Rs. 3.5 crore have been provided to Ahmedabad Municipal Corporation, Rajkot Municipal Corporation and Surat Municipal Corporation. The GSDMA has initiated a community based disaster management program with UNDP in 11 districts of the State covering nearly 3000 villages from 44 talukas, which have been identified on the basis of the vulnerability to different types of disasters.. The program is based on large-scale involvement of village youth

To implement Gujarat Emergency Earth Quake Rehabilitation & Reconstruction Programme, a outlay of Rs.1245. crore has been provided for the year 2005-06 as per following sub-sectors:

Table-4.8.18.1 Disaster Managemen Provision for the year 2005-2006

(Rs. in lakh)

Sr. No.	Sector	Outlays
1.	Major & medium irrigation	8788
2.	Power development	1879
3.	Roads & Bridges	16697
4.	General education	0
5.	Technical education	4000
6.	Water supply	34223
7.	R & B (Housing)	15848
8.	GSDMA (Housing)	23258
9.	Urban development	19841
	Total	

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

4.8.19 BANKING

The number of scheduled commercial bank offices in the State are 3667 at the end of June, 2004. The aggregate deposits of these commercial bank offices amounted to Rs. 86691 crore as on the last Friday of June, 2004. The total bank credit advanced was of the order of Rs. 35683 crore. The Credit - Deposit Ratio (CDR) of the State was 41.16 % at the end of June, 2004.

4.8.20 ECOLOGY & ENVIRONMENT

An outlay of Rs. 444.00 lakh is provided for this sub-sector.

Gujarat tops in new investment with Rs. 1.74 lakh crore of which 60% is in chemicals, Petro-chemicals, Fertilizers, Dyes & Dye-intermediates, Drug & Pharmaceuticals. M.O.U. has been signed between Indo-Canada Environment Facility (I.C.E.F.) and Gujarat Ecology Commission (GEC) for restoring Mangroves along the Gujarat Coast in 5000 ha. within 5 years.

Various Common Effluent Treatment Plants are already commissioned and some more are under construction in the State.

4.9.0 HUMAN RESOURCE DEVELOPMENT

Human resource development is broadly defined as a process of enlarging people's choice; as well as raising the level of well being. Theoretically, these choices can be infinite and vary over time and space. From among these, the choice to lead a long and healthy life, the choice to acquire knowledge and be educated, and to have access to resources needed for a decent level of living are identified as three most critical and socially valuable; Adelman and Morris (1967)

A range of social outcome can reflect these choices in the well being of people, most important being the life expectancy, literacy and the per capita income. Life expectancy and educational attainments are valued ends in themselves; and per capita income

is to incorporate other aspects of well being not captured by indicators on the social attainments on education, health and longevity of people. What promotes human development? Growth of per capita income has been considered as a measure of improving human development. However, empirical literature revealed that per capita income cannot be a sole determinant on social sectors also has a significant role to play (Streeten, 1979, Isenman, 1980, Sen, 1981, Bhalla, S.S. and Glewwe, 1986, Kambur, R. 1991, Anand and Ravallian, 1993)

In the previous sections, we have already understood the pattern of existing Infrastructural development in Gujarat State. In this section, therefore, we will explore the trend of human resource development in terms of social services education in Gujarat State

4.9.1 SOCIAL SERVICES EDUCATION

According to the directive principles of the Constitution, it is obligatory for the State Government to provide universal and free education to the people of the State. It lays down that "the State shall endeavour to provide, within a period of ten years from the commencement of this Constitution, for free and compulsory education for all children until they complete the age of fourteen years" Constitution of India, (1959), Article 45.

Education is considered to be the strongest pillar of democracy. No democracy can exist with illiteracy. So it is the duty of the State to protect its people against ignorance and illiteracy.

As suggested in programme of action under National Policy on Education-1986, it is targeted to cover all children upto the age of 13 by 2007 with the provision of Rs.24400.00lakh.

Table-4.9.1.1.1 Expansion of education elementary education
(Education Department)

('000 Nos.)

Age Group	Targets for 2005-06 (cum)		
	Boys	Girls	Total
6-10	3492	3097	6589
11-13	2053	1954	4007
TOTAL	5545	5051	10596

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

4.9.1.2 PRIMARY EDUCATION

The number of educational institutions imparting primary education in the State was 40425 in 2003-04 as against 37551 in 2002-03. The number of pupils enrolled in these schools were around 82.65 lakh in 2003-04 as against 82.64 lakh in the previous year. The process of improving retention and decreasing drop out from elementary level (Std. I - V) is encouraging. The drop out rate for Std. I to V decreased substantially from 35.40 % in 1996-97 to 19.12 % in 2002-03. Similarly, the drop out rate for Std. I to VII, decreased from 49.49 percent in 1996-97 to 35.46 percent in 2002-03.

Mid-Day Meal Programme: During the academic year 2003-04, on an average 35.00 lakh children of primary school have been provided hot cooked meal at the Mid-Day Meal centres per day. On an average 36.58 lakh children are provided Mid-Day Meal during 2004-05 (July-2004 to October-2004) per day. Health The health infrastructure has been able to achieve a significant improvement in the health status of the people of the State. The birth rate has

declined from 34.5 (1981) to 24.7 (2002). The death rate has decreased from 12.0 (1981) to 7.7 (2002) and the infant mortality rate has also come down from 116 (1981) to 60 (2002). The number of Community Health Centres, Primary Health Centres and Sub-centres functioning in the State has increased to 271, 1067 and 7274 respectively at the end of March, 2004 from 17, 251 and 2951 respectively in 1981-82. The number of Primary Health Centres has further increased to 1070 at the end of November, 2004. The State has 25 General (District) Hospitals and 22 Taluka hospital with 5811 beds.

4.9.1.3 SECONDARY AND HIGHER SECONDARY EDUCATION

The institutions imparting secondary and higher secondary education and the students enrolled in these institutions in the State were 7641 and 24.76 lakh respectively in 2003-04 as against 7308 and 24.75 lakh during the year 2002-03.

4.9.1.4 HIGHER EDUCATION

There were 614 institutions in the State imparting higher education during the year 2003-04 as against 564 in 2002-03. The number of students in these institutions has increased from 4.88 lakh in 2002-03 to 4.93 lakh in 2003-04.

4.9.1.5 GENERAL EDUCATION

Table-4.9.1.5.1 shows social services education development during Tenth Plan in Gujarat State. An outlay of Rs. 47892.00 lakh is provided in Gujarat, primary school facility is available within 1 km radius of the habitations. Implementation of various schemes under this sub-sector has resulted in reduction of Drop-out rate in Std.I to

5 from 36.93% in 1995-96 to 19.90% in the year 2003-04. The current enrolment of about 60 lakh is expected to raise upto about 73 lakh.

As per Vision-2010 it is aimed to achieve 100% enrollment and 100% retention for primary education (upto Std.5) by the end of 2005 AD and by 2010 AD for elementary education (upto Std.7). "PRAVESHOTSAVA" plan has been prepared considering various factors affecting the children's enrolment, retention and drop-out. Motivational schemes such as Insurance of the Students, by " Vidya Deep", Girls enrollment by "Vidhya Laxmi", Free School Kit to students of Std.I to IV and Exercise books for the students of the Std.V to VII are introduced. First, 1200 additional teachers will be recruited and 5393 classrooms will be constructed during year 2005-06. Secondly, the students of schools run by District Education Committees and Municipal School Boards from Std.I to VII are provided text book free of cost. 70 lakh students will be given text books for which an outlay of Rs. 3500.00 lakh is provided. Thirdly, schemes like Primary School Facilitation, Special Incentive for Enrolment and Retention, Special subject Teacher at C.R.C., Dictionary and Educational Materials of local Dialect, First Aid Facility etc. have been introduced. An outlay of Rs. 250.00 lakh has been provide for the year 2005-06 for 500 CRC. Fourthly, the 89 lakh students of primary schools and 31 lakh students of secondary 18 higher secondary schools will be covered with insurance under vidhya deep scheme. Fifthly, 150000 girl students covered under Vidhya Laxmi Scheme for Shri Nidhi Bond of Rs.1000 per girl.

4.9.1.6 TECHNICAL EDUCATION

During the education year 2004-05, 2596 seats and 660 seats have been added in degree engineering and degree pharmacy course bringing the total intake capacity to 12715 seats and 1485 seats in degree engineering and degree pharmacy course respectively. Whereas, 270 seats remain unchanged in Architecture. 210 seats decreased number of seats for Diploma Engineering courses based on Std. XII bringing the total intake capacity to 3750 in 2004-05. In respect of Diploma Engineering courses based on Std. X, 960 seats were added during 2004-05 which has brought total intake capacity to 10245 seats. During the academic year 2004-05, total 650 seats were added in MBA course and 150 seats were added in MCA course taking the total intake capacity to 2702 seats and 1777 seats for MBA and MCA course respectively.

Annual plan 2005-06: an outlay of Rs. 8500.00 lakh has been provided for the year 2005-06. The main objective is capacity expansion, quality improvement and efficiency improvement, training to teachers and supporting staff, upgradation of Govt. polytechnics. Opening of Sanskrit University and Ahinsa University

1649 seats in Govt, and GIA engineering colleges and proposed including 100 new seats. 500 seats have been proposed in self financing Engineering Colleges in 2005-06. Art & Culture, an outlay of Rs. 894.00 lakh has been provided for Art & Culture. Excavations, explorations and conservation of protected monuments are three primary activities of Department of

Archaeology. At present 329 protected ancient monument are under Directorate of Archaeology.

Medical and public Health, an outlay of Rs. 35494.00 Lakh has been provide for Medical and public health.

4.9.1.7 WATER SUPPLY AND SANITATION

An outlay of Rs.69924.00 lakh has been provided for Water Supply & Sanitation. Per capita availability of fresh water in the State for 2001 is estimated as 1137 M³ per year. Therefore, according to the criteria of United Nation Commission on Water, the State can be identified as a "Water Scarce State". Regional variations are reflected as South Gujarat has 1932 M³ per capita per annum fresh water, while it is only 427 M³ per capita p.a. in North Gujarat.

Out of 30269 Rural Habitations, 30210 have been covered as on 31-3-04. Master plan for providing Narmada Water through pipelines to 8215 villages and 135 urban centers envisages laying of bulk water transmission pipelines (Rs. 7230 crore) and distribution pipelines (Rs. 1450 crore). Out of 2694 kms., almost 1343 kms of bulk water transmission pipelines have been laid and commissioned. Implementation of mega project for supply of 1.06 MAFT (3582 MLD) of water to Saurashtra, Kachchh and North Gujarat including Panchmahals. Sanitation in urban areas of Gujarat is meeting the national average of 66% whereas it is lower than national average of 11% in rural areas. Overall sanitation level in Gujarat is 29.9% against national average of 26.7%, 42.79 lakh sanitary toilets are proposed to be constructed by 2010.

Table-4.9.1.5.1 Social Services Education Development During Tenth Plan in Gujarat State

NO	MAJOR HEAD OF DEVELOPMENT	TENTH PLAN 2002-07 OUTLAY	ANNUAL PLAN 2004-05 OUTLAY	ANNUAL PLAN 2005-06 OUTLAY
1	2	3	4	5
XI	SOCIAL SERVICES			
1	Education			
2	General Education	292500.00	49992.25	47892.00
3	Sports & Youth Services	2000.00	587.00	606.00
	Art & Culture			
	(A) Education Department	300.00	42.00	88.00
	(B) Youth & Cultural Deptt.	5075.00	686.00	806.00
	Total (3)	5375.00	728.00	894.00
	TOTAL (1 to 3)	299875.00	51007.25	49392.00
4	Technical Education	24700.00	5104.00	8500.00
	Total (1 to 4)	324575.00	56111.25	57892.00
5	Medical & Public Health	137000.00	25294.00	35494.00
6	Water Supply & Sanitation			
	(A) N.W.R. & W.S.D	452500.00	66832.64	66833.00
	(B) P.R.H & R.D.D	6525.00	891.00	3091.00
	Total (6)	459025.00	67723.64	69924.00

Source: Budgets in brief Gujarat State , An Analytical Summary, Directorate of Economics and Statistics, Government of Gujarat, Gandhinagar.

4.10.1 FINANCING DEVELOPMENT SCHEMES: AGRICULTURAL SECTOR, INDUSTRIAL AND SERVICES SECTOR.

Agriculture and industrial expansion can be achieved by multi-purpose development of river systems for irrigation, flood control, power generation etc. In Gujarat, agriculture is the backbone of State's economy, as two third of the population depend on agriculture. The State Government recognizes that External Aid have the potential to become an important source of finance for accelerating development of the State. This source has many advantages, which are not available in other means of finances. The funds are available to State Government in the form of Additional Central Assistance (ACA). The ACA is one of the most economical source of fund, having a long-term tenure of 20 years repayment period at a competitive market rate of interest. At present the State Government has 8 ongoing EAPs (Externally Aid Projects) costing around Rs, 6774.00 crores in various sectors sanctioned by various multilateral and bi-lateral agencies. Summary of these projects is as below:

Table-4.10.1 Externally Aid projects for Development Schemes in Gujarat State.
(Rs. in crore)

Sr. No	Name of Funding Agency	Total Number of Projects	Total cost of Projects	Earthquake related Projects
1	World Bank (WB)	3	376,451	1
2	Asian Development Bank (ADB)	2	2436.08	1
3	Netherlands (NL) (Bi-lateral)	2	65.09	0
5	Internation Fund for Agri. Development	1	108.00	1
	Total	8	6373,68	3
Source: Budgets in brief Gujarat State , An Analytical Summary, Directorate of Economics and Statistics, Government of Gujarat, Gandhinagar.				

Out of the 8 EAPs, there are 3 projects exclusively relating to Earthquake rehabilitation and reconstruction program. Of the rest 5

EAPs, 3 are in Road and Power sector while 2 are in Water Supply sector. Out of the total amount of Rs. 6373.68 crores, the State has been able to incur a total cumulative expenditure of Rs. 2845 crores so far. Out of this expenditure, it has obtained a cumulative reimbursement in from of ACA amounting to Rs. 2198 crores. For the year 2004-05, the State Govt, has estimated RE amounting to Rs.1146 crores. While BE. for the year 2005-06 has been estimated amounting to Rs. 1402.59 crores.

The State Government has taken a number of measures to take maximum advantage of External Aid. Some of these measure are as follows:

A Project Monitoring Unit (PMU) has been created in the Finance Deptt. for the EAPs. Consultants for preparing projects have been empanelled, by A High Level Committee for monitoring of EAPs has been set up.

During the financial year'2004-05, following new projects have been sanctioned. Firstly, multi-state project finance by World bank named ' Technical Education Quality Improvement Project' amounting to Rs.211 crores in the education sector.Secondly,a mult-state project financed by World bank named 'National Hydrology Project Phase - II' amounting to Rs.24 crores in the water resources sector.

4.10.2 FINANCING AGRICULTURAL AND ALLIED ACTIVITIES' SECTOR

Table-4.10.2.1 shows financing of agricultural & allied activities' sector in Gujarat State. Agriculture is one of the major contributions to the State Domestic Product. Care has been taken to make available water, fertilizer, improved seeds and implements in time at reasonable prices: With a view to boosting up production agro-climatic zonal approach in development and propagating the technology for increasing

production has been adopted and financed by central government of India and State government Gujarat.

The rain rainfall divides Gujarat into four broad regions:

Firstly, South Gujarat with an annual rainfall of about 2500 mm

Secondly, Central North Gujarat with relatively medium rainfall

Thirdly, Saurashtra region with an annual rainfall of about 500 M.M.

Fourthly, Kutch region with an annual rainfall of about 350 M.M.

Crop Husbandry, An outlay of Rs. 21091.00 lakh has been provided for Crop Husbandry including Horticulture by central and State Government. Two-third of population in Gujarat is engaged in agriculture and earns livelihood directly or indirectly from this sector.

Strategy, to increase production and productivity and to ensure remunerative prices for the farm and to create maximum employment in Agriculture and Allied Activities produces strategies proposed to be adopted for success of these objective are given below.

Soil and Water Conservation; an outlay of Rs.7920.00 lakh has been provided for soil and water conservation.

Table-4.10.2.1: The Land Use Patterns in Gujarat State is as under:

Sr. No.	Item	Area (in lakh hect.)	Percentage of reported area
(A)	Geographical Area	196.00	-
(B)	Reported Area	188.25	-
	Break-up		
	1. Cultivated land of Private Owner	103.40	54.93
	2. Panchayat land	8.46	4.49
	3. Government land	1950	
	a. Cultivable land	27.22	-
	b. Non- cultivable land	46.72	24.82
	4. Forest land	17.78	9.98
	5. Area under non-agriculture use industries etc.	10.89	5.78

Source: Budgets in brief Gujarat State , An Analytical Summary, Directorate of Economics and Statistics, Government of Gujarat, Gandhinagar.

Thrust area are; firstly, to have a broad based perspective land use planning on watershed basis with cheaper and replicable methods of soil and water management including engineering as well as vegetable measures. Secondly, a long term crop management programme according to different Agro-climatic zones of State. Adopt specific dry farming technologies for crop husbandry and its extension to the to the areas where soil and water conservation measures are completed.Thirdly, to maintain the fertility level of soil for its optimum and sustained use and to protect dry land farming against vagaries of nature.Fourthly,a pilot project for prevention of calamity ingress in coastal areas of Saurashtra-Gujarat State necessary.

Dry land Farming, Gujarat State Land Development Corporation had set up to undertake Soil and Water conservation programme. A major part of agriculture in the State falls under dry land agriculture. An outlay of Rs. 15924.29 lakh, including the Central Assistance of Rs. 3004.29 lakh and the Special Central Assistance of Rs. 420.00 lakh,

has been provided for the target of 116139 hectares to be treated under Soil and Moisture Conservation and 605 farm ponds, 273 village pond and 5826. water harvesting structures for 2005-06.

Animal Husbandry, an out lay of Rs.4609.00 lakh has been provided for the development of Animal Husbandry by State Government. As per results of Livestock Census of 1997, there were 209.70 lakh livestock in the state.

The live stock population in Gujarat has shown rising trends. The rate of increase per year in cow class (cattle, buffalo, sheep, goat and poultry is 0.66,2.6,0.7,20.98 percent respectively. The rate of increase in production per year in cow milk, buffalo milk, sheep and goat milk and egg is 5.8,5.7,0.9,12.7 percent respectively.

Dairy Development, an outlay of Rs.266.00 Lakh has been provided for this sector. Out of this, Rs.2.00 lakh has been provided for cow breeding and yatra Dham.

Fisheries, an outlay of Rs. 1068.00 Lakh has been provided for this sector.Out of 25 District, twelve District of the state i.e. Kutch, Rajkot, Jamnagar, Porbandar, Junagadh, Amreli, Bhavnagar, Anand, Bharuch, Surat, Navsari and Valsad are coastal districts.

Forest and Wild Life, an outlay of Rs. 16000.00 Lakh has been provided for Forest & Wild Life.Forest of Gujarat cover an area of 19188sq. Kms. Which is 9.8% of Total geographical area of the state. As per the Forest Survey of India. 2001. Forest cover in Gujarat has increased by 3265sq.kms. in last eight years.

Agricultural Research and Education, an outlay of Rs. 3960.00 Lakh has been provided mainly for agriculture university, research, education, and axtension activities for agriculture, animal husbandry, home science. Agriculture engineering, forestry, dairy technology.

Investment in Agriculture Financial Institute, an outlay of Rs. 448.00 lakh has been provided mainly for state Government share for floating debentures by the Gujarat State Agriculture & Rural Development Bank for providing long term agricultural credit to the farmers. Out of which Rs.90 Lakh for TASP and Rs. 60.00 Lakh for SCP.

Storage Warehousing & marketing, efficient agriculture marketing system plays a crucial role in accelerating the pace of economic growth by promoting agriculture development. Financial assistance in the form of loan and subsidy is being provided to develop regulated markets in the State. There are 179 Agricultural Market Produce Committees with 161 market yards and 232 sub-market yards covering 395 regulated commodities. For this purpose, an outlay of Rs. 1076.00 Lakh has been provided under this sub-sector for the years. Out of which Rs.1000.00 lakh has been provided for co-operative market yards.

Co-operation, Co-operatives in Gujarat have played a very significant role in supporting and sustaining the growth of agricultural development in the State. It is envisaged that the role of co-operatives in Agri-business will be strengthen and enhanced to enable them to play a strong supportive role through creation of agri. infrastructure, supply of agri. inputs, making available adequate and timely credit, marketing and processing agricultural produces. It is targeted to set up 2 New LAMPS (Large Agricultural Multi-Purpose Societies) in 2005-06. It is also targeted to market agricultural produce worth Rs. 60.00 crores during 2005-06. For Co-operation an outlay of Rs.2500.00 lakh is provided for 2005-06.

Table-4.10.2.2 Financing of Agricultural & Allied Activities' Sector in Gujarat State

SR. NO	MAJOR HEAD OF DEVELOPMENT	TENTH PLAN 2002-07 OUTLAY	ANNUAL PLAN 2004-05 OUTLAY	ANNUAL PLAN 2005-06 OUTLAY
1	2	3	4	5
I	AGRICULTURE & ALLIED ACTIVITIES			
1	Crop Husbandry	232000.00	17090.70	21091.00
2	Soil & Water Consevation	22800.00	9420.00	7920.00
3	Animal Husbanry			
	(A) Agri. & Co-op. Deptt.	12000.00	3520.00	4520.00
	(B) Cow Breeding & Yatra Dham	700.00	89.00	89.00
	Total(3)	12700.00	3609.00	4609.00
4	Dairy Development			
	(A) Agri. & Co-op. Deptt.	650.00	264.00	264.00
	(B) Cow Breeding & Yatra Dham	20.00	2.00	2.00
	Total(4)	670.00	266.00	266.00
5	Fisheries	7800.00	1068.00	1068.00
6	Forestry & Wild life	110000.00	14960.00	16000.00
7	Storage, Ware Housing & Marketing	530.00	76.00	1076.00
8	Agriculture ,Research & Edun.	15400.00	3960.00	3960.00
9	Agricultural Financial Insitutions	3300.00	448.00	448.00
10	Co-Operation	11700.00	1584.00	2500.00
	Total – I	416900.00	52481.00	58938.00

Source: Budgets in brief Gujarat State , An Analytical Summary, Directorate of Economics and Statistics, Government of Gujarat, Gandhinagar.

Irrigation: Agriculture and industrial expansion can be achieved by multi-purpose development of river systems for irrigation, flood control, power generation etc. In Gujarat, agriculture is the backbone of State's economy, as two third of the population depend on agriculture. However, nearly 32% of cultivable land is provided with irrigation facilities through major, medium & minor irrigation schemes (excluding Sardar Sarovar Project) and through indirect benefits of check dams. Hence the Government has given top most priority to irrigation sector. Outlay for irrigation has been provided as under as it is shown in Table 4.10.2.3.

Table-4.10.2.3: During 2005-06, The Outlay for Irrigation.

Sr. No.	Projects	Outlay 2005-06 (Rs.in lakh)	Physical Target
(A)	Major & Medium Irrigation	15105.00	
	Irrigation Potential	-	15000 hectares
	Irrigation Utilisation	-	20000 hectares
(B)	Minor Irrigation(with Agri)	5663.00	
	Irrigation Potential	-	4000 hectares
	Irrigation Utilisation	-	2500 hectares

Source: Budgets in brief Gujarat State , An Analytical Summary, Directorate of Economics and Statistics, Government of Gujarat, Gandhinagar.

4.10.3 FINANCING INDUSTRIAL SECTOR DEVELOPMENT

The financial assistance sanctioned by All Financial Institutions in Gujarat State amounted to Rs.4609.3 crore during the year 2003-04 as against Rs. 2261.4 crore sanctioned during the previous year. At the end of March, 2004, cumulative sanctioned of financial assistance by All Financial Institutions in Gujarat State amounted to Rs. 113218 crore.

The financial assistance disbursed by All Financial Institutions in Gujarat State amounted to Rs. 2408.3 crore during the year 2003-04 as against Rs. 2098.0 crore disbursed during the previous year. At the end of March, 2004, cumulative disbursement by All Financial Institutions in Gujarat State amounted to Rs. 73243.6 crore.

Table-4.10.3.1 indicates financing Industrial and Minerals sector development during Tenth plan in Gujarat State. An outlay of Rs. 39238.00 lakh is provided for the year 2005-06 for this sector. The compound annual growth rate of manufacturing sector at 9.75% will be maintained.

The Minerals, for the Mining sub-sector, an outlay of Rs. 800.00 lakh has been provided for the year 2005-06.

Table-4.10.3.1 Industrial and Minerals development during Tenth plan in Gujarat State

SR. NO	MAJOR HEAD OF DEVELOPMENT	TENTH PLAN 2002-07 OUTLAY	ANNUAL PLAN 2004-05 OUTLAY	ANNUAL PLAN 2005-06 OUTLAY
1	2	3	4	5
VI	INDUSTRIES AND MINERALS			
1	Village and small Industries	47500.00	6463.00	7000.00
2	Industries (Others than V. & S. ind)			
	(A) I.M.T.D	183800.00	19360.00	30950.00
	(B) E.& P.C.D For G.S.P.C.L	6500.00	488.00	488.00
	Total (2)	190300.00	19484.00	31438.00
3	Mining	5200.00	714.00	800.00
	TOTAL – VI	243000.00	27025.00	39238.00

Source: Budgets in brief Gujarat State , An Analytical Summary, Directorate of Economics and Statistics, Government of Gujarat, Gandhinagar.

4.10.4 FINANCING GENERAL ECONOMIC SERVICES SECTOR

Secretariat Economic Service (Planning Machinery), Tourism , Ind. & Mines Deptt., and Decentralised District Planning are the responsibility of Central Government of India and State Government of Gujarat An outlay of Rs. 23586.00 Crores is provided for the year 2005-06 for this sector by the Governments as shown below:

Table-4.10.3.2 Financing General Economic Services Sector

NO	MAJOR HEAD OF DEVELOPMENT	TENTH PLAN 2002-07 OUTLAY	ANNUAL PLAN 2004-05 OUTLAY	ANNUAL PLAN 2005-06 OUTLAY
1	2	3	4	5
X	GENERAL ECONOMIC SERVICES			
1	Secretariat Economic Services (Planning Machinery)	250.00	250.10	182.00
2	Tourism (A) Ind. & Mines Deptt.	10000.00	1068.00	3500.00
	(B) Cow Breeding & Yatra Dham	2550.00	448.00	448.00
	Total – 2	12550.00	1516.00	3948.00
3	Survey & Statistics	1150.00	91.60	60.00
4	Civil Supplies & Consumer Protection	1950.00	666.00	400.00
5	Other General Economic Services			
	(i) Weight & Measures	650.00	89.00	111.00
	(ii) Decentralised District Planning	82000.00	16619.00	18885.00
	TOTAL - X	98550.00	19232.00	23586.00

Source: Directorate of economics and statistics survey report, planning division, Gandhinagar

4.11.0 CONCLUDING OBSERVATIONS

Gujarat economy has been growing faster than the Indian economy right from eighties, nineties and twenthies. The enterprising population of Gujarat, supported by its progressive leadership has brought the state in the forefront of development in the country. The state has not only acquired and maintained its fourth rank in per capita NSDP but it has also taken quantum jump in the post liberalization period by attracting the highest industrial investment , particularly in large and medium industry, and experienced the highest growth in per

capita NSDP during this period. In the process the economy of Gujarat achieved a highly diversified economic structure.

The process of this economic diversification however does not seem to be sustainable as the primary sector, and particularly agriculture has lagged far behind distorting the agriculture-industry linkages. Along with agricultural near stagnation, environment has also experienced severe degradation, both of which have created constraints to the sustainability of economic growth in the state. The limited achievements of the state in the field of employment and poverty, as well as in human development are closely related to the macro development path. That is, these developments are not independent of each other, but are the consequences of the dynamics of development of the state.

Infrastructural and human resource developments in Gujarat State are existing and have increased substantially over space and time. These increments have accelerated the tempo of economic development in the state. Financing development schemes such as agriculture, industries and services sectors have had increasing trend since nineties and twenties.

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