ADDRESS

BY

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GOVERNOR OF ANDHRA PRADESH

22nd Phalgun, 1934
13th March, 2013
Hon'ble Chairman, Hon'ble Speaker and Hon'ble Members of the State Legislature,

I deem it a privilege to address the joint session of both the houses of Andhra Pradesh Legislature on the occasion of the budget session of 2013-14. It gives me great pleasure in extending my best wishes to all of you.

It has been rightly said that “There is a time to let things happen and a time to MAKE THINGS HAPPEN”. The touchstone of the efficacy of Government policies and programmes is its outreach to the poorest and marginalized sections of Society. It gives me a great sense of satisfaction that my Government in the state is “Making things Happen”. As a first of its kind in the country, my Government has brought out a historic enactment namely “The Andhra Pradesh Scheduled Castes Sub-Plan and Tribal Sub-Plan (Planning, Allocation and Utilization of Financial Resources) Act No.1 of 2013” which will be a torchbearer for the
economic and social transformation of the Scheduled Castes and Scheduled Tribes, who have suffered for want of equality of opportunity and who have been subjected to oppression and neglect in the past. This landmark legislation ensures allocation of financial resources on the basis of the SC&ST population and also targeted implementation of SC&ST sub-plans so that the allocations are fully utilized in the identified sectors/areas. The initiative to protect the entitlement of the Scheduled Castes and Scheduled Tribes through a statute will certainly bridge the existing gaps in development of the Scheduled Castes and Scheduled Tribes.

I am glad to inform that the growth matrices of the important sectors of the State’s economy have been quite satisfactory during the recent past. Despite unfavourable seasonal conditions that prevailed for major part of the 11th Plan period and the uncertainty in the global economy, Andhra Pradesh could register an average growth rate of 8.18% during the 11th plan with per capita income getting more than tripled in
9 years. As per the advanced estimates, Andhra Pradesh is expected to register a growth rate of 5.29% as against the Nation’s average of 4.96% for the year 2012-13 and the per capita income crossing Rs. 77,250 compared to Rs. 68,970 in 2011-12.

Several steps taken by my Government for improving the fiscal management over the last few years have started paying dividends in terms of higher annual plan outlays year after year. Andhra Pradesh stands tall among all the states with the highest projected outlay of Rs. 3,42,842 crores for the 12th Five Year Plan. This is more than twice the outlay achieved during the 11th plan period. Andhra Pradesh accounts for over 9.2% of the outlay of all the states and union territories. With such an increase in plan outlay, the government is optimistic of realizing the growth target of 10% during the 12th plan as compared with the overall target of 8.2% for the country.

Government have decided to introduce a Comprehensive Financial Management System (CFMS)
which will network financial receipts and payments across all Government departments. This system will provide all stakeholders with a single source of truth and thus ensure that they have up to date knowledge of funds availability and expenditure for all Government schemes and projects on a real time basis. This will lead to better management control and improved implementation of all projects and schemes.

Recently, the Neelam cyclone devastated coastal districts of the State causing damage to several standing crops. Relief camps were immediately opened and timely intervention made to extend immediate assistance to the affected persons. Crop damages resulted in a huge loss of about Rs. 3560 crore. On account of the magnitude of the losses suffered by the farming community who lost their entire crop in the floods, my Government has increased the input subsidy from Rs. 6,000/- to Rs. 10,000/- per hectare for paddy, cotton, sugarcane and groundnut etc. We have also sought central assistance for the colossal loss suffered by the State. With the adverse impact of unforeseen
natural calamities and unfavourable rainfall conditions during the year 2012-13, the tempo of agriculture sector has slowed down and registered a growth rate of 1.96 percent.

My Government intends to continue all the welfare programmes that were taken up for implementation during the last five years and also taken up several new welfare initiatives such as Re.1 Kg rice scheme, Manabiyyam, interest free crop loans to the farmers where only principal amount is repaid by farmer and interest is borne by State Government on prompt repayment, licensed cultivators Act, Indira Jalaprabha for the benefit of weaker sections, interest free loans to the women self help Groups under Indira Kranthi Patham where on prompt repayment the women only repay the capital amount and the interest is paid by the State Government, State Milk Mission, Rajiv Yuva Kiranalu, Rachabanda and Mee Seva in addition to the prestigious programmes like Arogyasree, Fee reimbursement etc. which are being implemented successfully since the 11th Five Year Plan.
On 14th July, 2012 Indiramma Bata Programme has been initiated to assess the status and outreach of the developmental and welfare programmes being implemented in the State with a view to instill confidence among the public by taking the administration to the door steps of the people.

Agricultural growth dents rural poverty directly. Therefore reflecting the genuine concern of the Government for the farmers, a separate plan for the farming sector is being presented in the present session along with the budget documents of 2013-14 for the very first time. This is a progressive measure aimed at convergence of agriculture with the allied sectors for bringing about accelerated development, promoting value addition and ensuring better returns for the farmers.

The broad objective of having a separate farm sector budget stems from the fact that it essentially focuses on devising strategies for achieving the Food and Nutritional security, provide industrial raw
materials and enhance bio-fuel usage optimally utilizing the basic strengths of the farming sector.

Credit flow to farmers has increased during the last few years. Nearly 100 lakh farmers derive the benefit of crop and term loans amounting to Rs. 52,972 crores in 2012-13.

Interest-free crop loans upto one lakh rupees each, enhancement of input subsidy up to Rs.10,000 per hectare, introduction of 'Saagu Rytu Rakshana Hastham' to help licensed cultivators, organized distribution of fertilizers, and other farmer-friendly initiatives have provided tremendous impetus to the farming sector in the State. To mitigate the adverse impact of the natural calamities vis-a-vis farmers, we are implementing National Agricultural Insurance; Weather based Crop Insurance and modified National Agricultural Crop Insurance Schemes with village as a unit.

Livestock is a key area of intervention. Andhra Pradesh currently ranks 2\textsuperscript{nd} in milk production in the
country with 112 lakh metric tonnes. The State Milk Mission with an outlay of Rs. 5,332 crores to be spent in 4 years starting from 2012-13 intends to double milk production and thereby increase incomes of farmers. The State ranks 1st in the country in meat and egg production which is aimed to grow at a rate of 9% annually.

Irrigation as an essential input to agriculture will continue to be the focus during this year also. In addition, our priority is to enhance water use efficiency for increasing irrigated area. Under Jalayagnyam we have taken up 86 projects with an ambitious aim of creating new irrigation potential of 97 lakh acres and the stabilization of 22.54 lakh acres of ayacut. Water has been released upto Jeedipalli reservoir under the Handri-Neeva Phase-I, creating immense hope among the farmers in the drought affected districts of Kurnool, Ananthapur & Chittoor. My Government has targeted to complete 50 prioritized projects by 2013-14 creating a new Irrigation Potential of 34 lakh acres. My Government is also committed to getting National
Project status to the Polavaram and the Pranahitha-Chevella Projects.

My Government is committed to supply free power to the farmers. Even though the power situation has been very difficult in the recent past, supply of adequate power has been ensured to over 32 lakh pumpsets in the State. My Government is continuing to provide more than the budgeted allocation towards subsidy for supply of power to the agriculture sector. In the last Kharif season in spite of facing unprecedented shortage of power due to very low Hydel and Gas based Generation, all care was taken to ensure that farmers get the required power for raising the Kharif crop. Due to reduction in the Gas supply from the KG 6 Basin, quantum of energy produced by gas based power plants has come down drastically. Despite serious financial constraints, we are taking all steps to meet this deficit by purchase of Re-gassified Liquid Natural Gas (RLNG). APGENCO expects to add additional capacity of power and it plans to add 2200 MWs additional capacity through its new units in the coming
12 months. Another 1000 MW addition is expected in private sector.

The State Government is also going in a big way for harnessing solar and wind power in the State and accordingly announced “Andhra Pradesh Solar Power Policy, 2012” to encourage generation of solar power in the State. In addition, the State has given intent for purchase of 1000 MW of solar power through DISCOMs. With enhanced tariff for wind power, AP Transco is hopeful of adding 1000 MW of wind power to the grid in the coming year. I appeal to all the citizens of the State to practice Energy Conservation measures as every unit saved is equal to about 1.2 units of power generated.

We have taken up a number of programmes to improve the quality of life in rural areas with an attempt to strengthen the rural system to provide basic civic amenities and livelihood opportunities. My Government is implementing Mahatma Gandhi National Rural Employment Guarantee Scheme - which gives a legal guarantee of 100 days of wage employment in a
year to every rural household whose adult members volunteer to do unskilled manual work at the minimum wage rate. Since inception, about 94 lakh rural households have been provided employment with about 1.9 crore rural wage seekers accessing the scheme. In all, 183 crore mandays have been generated at an expenditure of Rs. 23,677 crores. Under MGNREGS, we are developing under-utilized and fallow lands by improving irrigation facilities, developing watershed and by land use planning, etc. Lands of SCs and STs/Small/Marginal farmers are being developed on a block mode and saturation basis with the long term aim of converting fallow lands in to cultivable lands. I am also happy to inform that the wage rate under MGNREGS has been enhanced from the present Rs.137 per person day to Rs.149 per person day with effect from 1st April, 2013 and this will benefit 1.9 crore rural wage seekers.

My Government is giving adequate attention to Drinking water and sanitation. Of the total 72,387 habitations, 44,722 habitations are fully covered with safe drinking water and another 27,276 habitations are
partially covered. My Government is committed to achieve 100% rural sanitation in the State by constructing Individual Household Latrines, Schools and Anganwadi Toilets as Units under “Nirmal Bharath Abhiyan”.

We have mobilized 1.46 crore women into 13.61 lakh SHGs in the state under “Indira Kranthi Patham”. A corpus of Rs.5871 crores is available with the SHGs while banks extended loans to a tune of Rs.56,000 crores. Our SHGs are availing approximately half of the bank linkages in the country. To further encourage the SHGs and to improve the viability of their enterprises my Government is implementing the front ended Vaddi Leni Runalu scheme with effect from 1st July ,2013 wherein the SHGs pay only the principal amount of the amount & the entire interest burden is borne by the Government. During the current year, an amount of Rs.479 crores is disbursed to more than 5.68 lakh SHG groups. To provide sustainable livelihoods to the poorest of the poor, my Government made livelihood based interventions through land

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access to the poor, sustainable agriculture, Milk Mission (dairy), non-farm livelihoods and jobs for rural youth. Under “Stree Nidhi” an amount of Rs 547 crores has been disbursed to 3.4 lakh SHG members.

Under “Abhaya Hastham” pension scheme, about 9 lakh senior citizens of the SHGs have been covered. My Government is spending Rs. 330 crores by way of premium to take care of 49 lakh women enrolled under “Abhaya Hastham” and 9 lakh additional SHG women will be enrolled during 2013-14.

Collective impact of all the anti poverty measures is visible in our “20 Point Programme” ranking. While the State was ranked 23rd about a decade ago in the implementation of 20 Point Programme, for the last two consecutive years we have secured the First Rank. Eradicating poverty in its multiple manifestations is our focused goal during 12th Plan period.

More than 33% of our state’s population lives in urban area and their holistic management is a matter of great importance to us. In this direction, my
Government has taken many policy decisions and initiatives to facilitate overall growth. My Government has accessed Rs.12,526 crores of funding for 253 projects under GOI Flagship Programme of JnNURM to improve the infrastructure in the urban areas of the State.

I am happy to inform that the Hyderabad Metro Rail Project spanning over 71 KMs on three high density traffic corridors taken up with an outlay of Rs.14,132 Crores, is progressing briskly. Nagole-Mettuguda corridor is expected to be completed by December 2014, i.e. well ahead of the schedule. My Government is expediting the completion of 158 km long ORR with an estimated cost of Rs. 6,786 crores. My Government is committed to complete third phase of Krishna Drinking Water Supply Scheme being taken up at a cost of Rs.1,670 crores. Similarly, Godavari Drinking Water Supply (Phase-I) aimed at bringing 172 mgd of water to city is progressing well and expected to be completed by this year end.
My Government hosted partnership summit 2012 entitled “New Age Innovation Partnerships” in Hyderabad. State Investment Promotion Board during last three meetings cleared 69 proposals, with an investment of Rs.1.32 Lakh Crores which would provide an Employment to 1.48 Lakh people.

I have great pleasure to inform you that the Government of India has given approval for setting up of two National Investment and Manufacturing Zones (NIMZ) in Chittoor and Medak districts under National Manufacturing Policy. Each of these will come up with world class infrastructure with an investment of around Rs.30,000 crores and with an employment potential of 6 lakh new jobs both direct and indirect.

Andhra Pradesh is the second biggest State in the country in respect of Handloom Industry with 3.6 lakh Handloom Weavers and 80,000 power loom workers. Under the “Revival, Reform and Restructuring (RRR) Package for Handloom Sector”, about Rs.104 crores have been released to the concerned banks for the
benefit of the weavers. To provide better health care to weavers, about 1.40 lakh handloom weavers were covered under Health Insurance Scheme to avail Health package of Rs.15,000 per annum by a weaver family. Over 1.4 lakh old age pensions have been sanctioned to handloom weavers by reducing the age limit from 65 to 50 years.

Infrastructure remains the most important tool for achieving the desired balanced development. Apart from existing Non-major ports my Government proposes to develop new ports both in public sector and in PPP mode. The State Government request to Government of India for setting up of second major port and shipyard in the State is agreed and the same is announced in the recent Union budget. My Government is extending State support to Airport Authority of India for expansion/modernization of existing Airports in the State.

Our State has emerged as the most preferred destination in the country that provides the right
climate for the growth of IT business and at present is a home for a host of Indian IT majors. Several new companies also have come forward to set up their operations in the state. My Government have also taken up new initiatives to promote and augment the growth of IT sector in the state through Development of Information Technology Investment Region (ITIR) in an area of 202 sq. kms in and around Hyderabad and Rangareddy districts and also construction of IT Incubation Towers in Tire-II cities. During the year 2011-12, the IT and ITES services notched up an impressive growth with value of services surpassing Rs. 53,000 crores threshold which is a significant landmark. This is going to increase by about 15% in the current Fiscal Year 2012-13. The IT and ITES sectors have directly created 3.19 lakh jobs in the emerging new economy. IT sector contributes 39% of total exports from our State.

My Government introduced a unique and first of its kind initiative - Mee Seva, an online web based citizen-centric service facility to provide quick and easy
access to the citizens for getting services from multiple Government offices at their door step. Presently 75 services are being offered through more than 6000 centres spread over the State. Since inception, the total number of transactions through Mee Seva have crossed more than 1.25 Crores. We propose to increase the services to 100 by March 2013 end. We shall continue to strive to maintain our pre-eminence in Information Technology and e-Governance. Our other major achievement under the IT industry is the unveiling of the AP Electronic Hardware Policy, 2012-17.

Under Aadhar programme, Andhra Pradesh stands first in the country with 6.4 Cr. enrolment and 5.3 Cr. Aadhar numbers being generated.

My Government is committed to “Education for All” and thus making efforts towards achieving goals. The vision of the State especially in primary education is that every person should be able to realize his or her potential regardless of the region or class or community or gender to which he or she belongs to. In order to
ensure this and keeping in view, the major goal “Education for all in the age group of 5-18 years”, my Government provides opportunities to all the children to receive quality and free education and also help them become responsible citizens.

To provide quality education in the educationally backward blocks, 355 model schools have been sanctioned in phase-I. Further, 355 girls hostels, attached to these model schools have been sanctioned by the Government of India. We are spending over Rs.3,000 crores in the current financial year for improving basic amenities. My Government is providing text books free of cost to all children studying in Government Schools including Madarsas. Around 4.5 lakh SC students and 75,000 ST students will benefit under “Rajiv Vidya Deewena” scheme.

My Government is taking several steps for the development and improving the access to higher education while promoting equity and inclusiveness. It is laying utmost emphasis to the quality and relevance
of subjects taught in the institutions of higher education for sustaining the growth impetus in the state.

Population growth rate in our State has considerably come down during the last 20 years. Annual growth rate stands at 1.11% today. It has been one of the most dramatic success stories of population control in the country. As part of our efforts to reduce Maternal Mortality Rate (MMR) and Infant Mortality Rate (IMR) and ensure health growth of infants, my government have recently launched the scheme of 'Indiramma Amrutha Hastham', under which, one nutritious meal a day to pregnant woman and lactating mothers is being provided at Anganwadis in 103 high risk Integrated Child Development Scheme (ICDS) Projects.

We also took up distribution of spectacles and undertook correctional surgeries to all school children suffering from vision problems under the scheme 'Chinnari Choopu'.
I am happy to inform you that three (3) flagship programmes of my Government which earned worldwide recognition and replicated in many states across the country - Rajiv Arogyasri Health Insurance Scheme to all BPL families, 108-Emergency response services and 104-Universal Health Information Helpline and Fixed Day Health Services, are being run successfully in the state by expanding the coverage and have gained high acceptability and appreciation.

It is heartening to know that around 17 lakh poor people have availed free surgeries under "Rajiv Arogyasri". We are bringing in a similar scheme 'Medical Reimbursement' facility for State Government employees with Arogyasri Health care Trust as the service provider.

My Government has successfully contributed for the elimination of Polio in the State, controlled Measles, reduced the incidence of other vaccine preventable diseases and brought down HIV infection to less than 1%(0.77%) which is lower than the National Average.
My Government initiated MAARPU – a convergence initiative among departments relating to delivery of health services for improving the health and nutritional levels of women and children which would in turn lead to significant reduction in Maternal Mortality Rate and Infant Mortality Rate with the participation of all the Government Departments under the District Administration with the support of Self Help Groups at the community level.

Supportive to this endeavor are a set of 20 goals drawn through Mother and Child Tracking System (MCTS) to monitor the holistic improvements in the health of the people. Schemes like Janani Suraksha Yojana (JSY), a scheme that offers incentive to the pregnant women for hospital delivery and Janani Sishu Suraksha Karyakramam (JSSK), a scheme that provides cashless and reimbursement of out of pocket expenditure for providing the maternal and child health care in public health institutions are being implemented with full vigour.
More than 50% of GSDP is accounted for by the Services Sector. Time has come to leverage this booming sector for an emerging aspirational India which demands more employment opportunities, greater choices, better infrastructure and enhanced safety and security for our youthful, energetic and ambitious workforce. Our prestigious programme “Rajiv Yuva Kiranalu” aimed at providing job oriented skills and facilitating employment in various enterprises and industries for 15 lakh youth, is paying rich dividends. Over 2.77 lakh placements were provided in various private sector establishments with more than 30% and 34% placements for SCs and STs.

My Government’s sincere efforts and commitment for the BC, SC, ST and Minorities is reflected through our endeavours in the enhancement of budget for BCs and Minorities, distribution of lands to the landless poor, filling up of backlog vacancies of SCs, STs, implementation of “Swaavalambana” for laborers working in un-organized sector and development of differently-abled persons etc.
My Government has been successful in placing the State on the world map. Conduct of Major events like Conference of the Parties (CoP 11), which was attended by representatives from 175 countries across the world and 4th World Telugu Conference (WTC) at Tirupathi with participation of over 5 lakh Telugu loving people after a gap of 37 years in their Home State are an indication of our ability to host these prestigious national and international events.

Transparency in administration and accountability are receiving a lot of thrust. Incidents of Left Wing Extremist violence is showing a declining trend and we are dealing with the issue in a comprehensive manner by pursuing a two pronged approach of controlling the extremist activities and through development and effective governance. With the support of the Centre, we have brought 8 State border districts of Andhra Pradesh bordering with Odisha, Chattisgarh and Maharashtra under the well structured Integrated Action Plan so that fruits of development could reach even the interior and remote areas affected with Left
Wing Extremist activity. The Law and Order machinery and development agencies are working in close coordination shoulder to shoulder.

My Government exhibits no complacency against those who commit terrorist crimes. All out efforts are underway to bring the culprits to book. We have taken a holistic approach towards victims of terrorist violence for their complete relief and rehabilitation including bearing all medical expenditure, providing exgratia, providing jobs to the kin of those killed and permanently incapacitated. We are planning to go in for safe city concept in Hyderabad by providing Integrated Surveillance Camera Systems all over the city in addition to bringing necessary amendments in relevant laws and rules. The recent ghastly incident of terror violence has enhanced our resolve and commitment for ensuring safety and security of the people of the State.

My Government is committed to enhancing the safety and security of women. We support the series of administrative measures of the Centre in this regard.
We have planned to establish Modern Reception Centres for women at all Police Stations in the State for creating a congenial environment for them to approach Police Stations with ease for help.

By and large the last five years mark an eventful period for the State. This has been evidenced by high levels of economic growth and implementation of a large number of developmental and welfare programmes. The strategies and programmes being planned for the 12th Five Year Plan for welfare and development of the people, especially the under-privileged sections, will go a long way in ensuring greater inclusiveness and progress.

JAI HIND