Preface

Kutch is an erstwhile princely state of India. It is the largest district of the state of Gujarat and the second largest district in India after Ladakh covering an area of 45,612 sq kms.

The horrible earthquake dated 26th January 2001 killed perhaps 15,000 people, injured 1,67,000 people and losses of assets worth in several billions.

The post earthquake development is a quite pleasant surprise as the disaster turned around into a boon for the infrastructure facilities across the Kutch.

Tax incentives given by the state and central government in the form of VAT and Excise is turned into foundation of establishment of some of big corporate in Kutch.

Anjar has emerged as a global pipeline hub, with five big companies – Welspun Gujarat, Jindal, Saw, PSL, Man Industries and Ratnamani. Cement plants are coming up using Kutch’s plentiful Limestone and Lignite. Welspun India has built one of the biggest export factories in India. Adani Port is building a huge Special Economic Zone at Mundra.
Cargo handling capacity of Mundra and Kandla Port is increased significantly with updated modern infrastructure.

Development story hold lessons for future natural disasters. Tax breaks will not always work: not all areas are primed for an industrial push, as Kutch was before the quake. Economists will tell you that area-specific tax breaks are a bad idea: they are temporary and unsustainable sops; they divert rather than create industry, and lose revenue for state governments that are already in financial straits. Yet Kutch suggests that tax breaks for a disaster-hit district can catalyze a virtuous cycle of investment and growth that is sustainable, that gains rather than loses revenue in the long run, and not only rehabilitates victims but raises them to new heights.

It is important to know whether industrialization transformed the whole of Kutch or just a few parts of it. We urgently need research on the full impact on incomes and assets. If this confirms that tax breaks have been a major form of R&R in Kutch, that lesson needs incorporation in to future disaster planning.

In earlier years many migrants from Kutch went to Mumbai, Ahmedabad, other Metro Cities and East African Countries for employment and business purposes, are coming back to home district by attracting Socio-Economic growth of the district. The systematic
research will provide the proper guidelines for employment and business purpose.

Over populations in metro cities and towns is a major constraint of economic growth of the country. It is essential for the country to develop the more number of areas rather than major development in one single area. The present development of Kutch is not restricted to the one or two town. The detailed research will give some contributions to the nation by giving right directions towards Economic growth.

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